

HSBC HOLDINGS PLC
Form 6-K
November 10, 2009

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

For the month of November

HSBC Holdings plc
42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-7436

HSBC USA Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State of Incorporation)

13-2764867
(I.R.S. Employer Identification No.)

452 Fifth Avenue, New York, New York

10018

(Address of principal executive offices)

(Zip Code)

(212) 525-5000

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No o

As of October 31, 2009, there were 712 shares of the registrant's common stock outstanding, all of which are owned by HSBC North America Inc.

HSBC USA Inc.

Form 10-Q

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HSBC USA Inc.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED STATEMENT OF INCOME (LOSS) (UNAUDITED)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	(in millions)			
Interest income:				
	\$	\$	\$	\$
Loans	1,370	1,423	4,378	4,270
Securities	233	313	731	943
Trading assets	52	139	162	435
Short-term investments	21	100	68	323
Other	12	54	35	198
Total interest income	1,688	2,029	5,374	6,169
Interest expense:				
Deposits	224	575	804	1,956
Short-term borrowings	16	60	51	227
Long-term debt	188	225	634	766
Total interest expense	428	860	1,489	2,949
Net interest income	1,260	1,169	3,885	3,220
Provision for credit losses	1,006	658	3,247	1,762
Net interest income after provision for credit losses	254	511	638	1,458
Other revenues:				
Credit card fees	333	215	1,032	653
Other fees and commissions	201	192	652	539
Trust income	30	44	92	114
Trading revenue (loss)	353	(122)	351	(947)
Net other-than-temporary impairment losses(1)	(26)	(180)	(84)	(204)
Other securities gains (losses), net	5	2	299	76
Servicing and other fees from HSBC affiliates	24	30	95	109
Residential mortgage banking revenue	15	13	139	64
Gain (loss) on instruments designated at fair value and related derivatives	44	111	(201)	121
Other income (loss)	(84)	(35)	(154)	(191)
Total other revenues	895	270	2,221	334
Operating expenses:				
Salaries and employee benefits	280	329	873	971
Support services from HSBC affiliates	387	300	1,228	891
Occupancy expense, net	59	72	211	201
Other expenses	193	268	668	651

<i>Total operating expenses</i>	<u>919</u>	<u>969</u>	<u>2,980</u>	<u>2,714</u>
Income (loss) before income tax expense (benefit)	230	(188)	(121)	(922)
Income tax expense (benefit)	<u>69</u>	<u>(52)</u>	<u>56</u>	<u>(334)</u>
		\$	\$	\$
<i>Net Income (loss)</i>	\$ 161	(136)	(177)	(588)

- (1) During the three and nine months ended September 30, 2009, \$28 million and \$188 million, respectively, of gross other-than-temporary impairment (“OTTI”) losses on securities available-for-sale were recognized, of which \$2 million and \$104 million, respectively, were recognized in accumulated other comprehensive income (loss) (“AOCI”).

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

	September 30	December 31,
	<u>2009</u>	<u>2008</u>
	(in millions)	
<i>Assets</i>		
Cash and due from banks	\$ 2,571	\$ 2,972
Interest bearing deposits with banks	18,504	15,940
Federal funds sold and securities purchased under agreements to resell	4,463	10,813
Trading assets	24,848	31,292
Securities available-for-sale	29,563	24,908
Securities held to maturity (fair value of \$2.9 billion at September 30, 2009 and at December 31, 2008)	2,792	2,875
Loans	82,566	