

Filed Pursuant to Rule 433
 Registration No. 333-180289
 October 17, 2012
 FREE WRITING PROSPECTUS
 (To Prospectus dated March 22, 2012,
 Prospectus Supplement dated March 22, 2012 and
 Equity Index Underlying Supplement dated March 22, 2012)

HSBC USA Inc. Averaging Notes

- ▶ Averaging Notes Linked to the Dow Jones Industrial AverageSM
- ▶ 5-year maturity
- ▶ Exposure to any positive return based on the average closing level of the reference asset on the quarterly observation dates over the term of the Notes
- ▶ If the average of the closing levels of the reference asset on the quarterly observation dates is equal to or lower than the initial level, then the Notes will pay principal at maturity
- ▶ All payments on the Notes are subject to the credit risk of HSBC USA Inc.

The Averaging Notes (each a "Note" and collectively the "Notes") will not be listed on any U.S. securities exchange or automated quotation system. The Notes will not bear interest.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Notes or passed upon the accuracy or the adequacy of this document, the accompanying Equity Index Underlying Supplement, prospectus or prospectus supplement. Any representation to the contrary is a criminal offense.

We have appointed HSBC Securities (USA) Inc., an affiliate of ours, as the agent for the sale of the Notes. HSBC Securities (USA) Inc. will purchase the Notes from us for distribution to other registered broker-dealers or will offer the Notes directly to investors. In addition, HSBC Securities (USA) Inc. or another of its affiliates or agents may use the pricing supplement to which this free writing prospectus relates in market-making transactions in any Notes after their initial sale. **Unless we or our agent informs you otherwise in the confirmation of sale, the pricing supplement to which this free writing prospectus relates is being used in a market-making transaction.** See "Supplemental Plan of Distribution (Conflicts of Interest)" on page FWP-15 of this free writing prospectus.

Investment in the Notes involves certain risks. You should refer to "Risk Factors" beginning on page FWP-8 of this document, page S-3 of the accompanying prospectus supplement, and page S-1 of the accompanying Equity Index Underlying Supplement.

	Price to Public	Underlying Discounts ¹	Proceeds to Issuer
Per Note	\$1,000		
Total			

¹ HSBC USA Inc. or one of our affiliates may pay varying underwriting discounts of up to 1.25% per \$1,000 Principal Amount of Notes in connection with the distribution of the Notes to other registered broker-dealers. See "Supplemental Plan of Distribution (Conflicts of Interest)" on page FWP-15 of this free writing prospectus.

The Notes:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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HSBC USA Inc.

Averaging Notes

Linked to the Dow Jones Industrial AverageSM

Indicative Terms

Principal Amount	\$1,000 per Note
Reference Asset	The Dow Jones Industrial Average SM (Ticker: INDU)
Term	5 years
Payment at Maturity per Note	If the Reference Return is greater than zero , you will receive: \$1,000 + (\$1,000 × Reference Return) If the Reference Return is less than or equal to zero , you will receive the \$1,000 Principal Amount.
Reference Return	$\frac{\text{Average Closing Level} - \text{Initial Level}}{\text{Initial Level}}$
Initial Level	The Official Closing Level of the INDU on the Pricing Date.
Average Closing Level	The arithmetic average of the Official Closing Level of the INDU on each of the 20 Observation Dates.
Trade Date	November ●, 2012
Pricing Date	November ●, 2012
Settlement Date	November ●, 2012
Final Valuation Date	November ●, 2017
Maturity Date	November ●, 2017
Observation Dates	See page FWP-5
CUSIP/ISIN	4042K17E7/US4042K17E70

The Notes

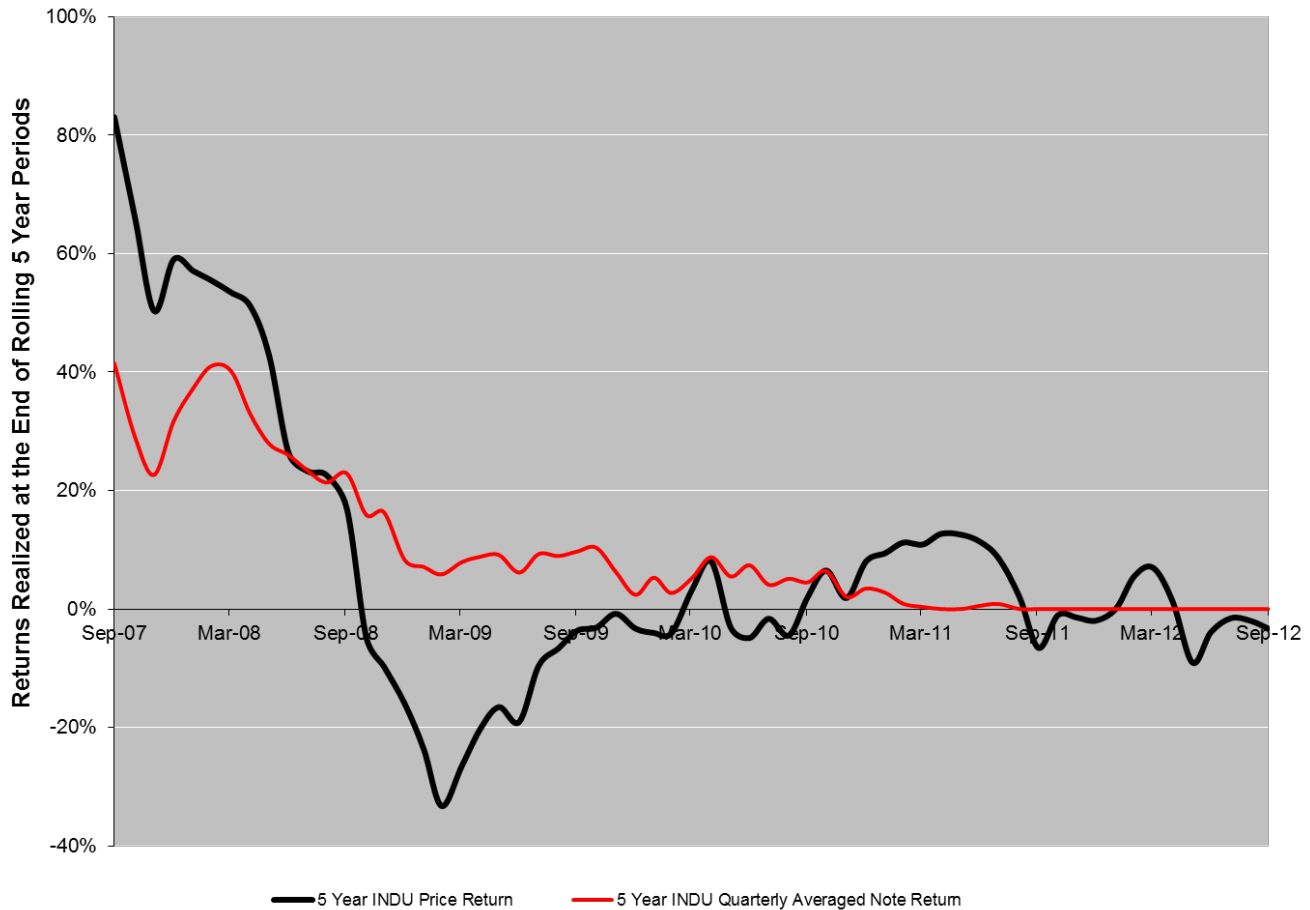
The Notes provide an opportunity for potentially positive returns if the average of the closing levels of the Reference Asset on the quarterly observation dates over the term of the Notes is higher than the Initial Level. If the average closing level of the Reference Asset is less than the Initial Level, the Notes provide full repayment of principal at maturity, subject to the credit risk of HSBC.

The offering period for the Notes is through November ●, 2012



Hypothetical 5 Year Averaging Notes Linked to the Dow Jones Industrial AverageSM Returns as Compared with the Dow Jones Industrial AverageSM Returns

The solid red line shows what a hypothetical 5 year Averaging Note linked to the Dow Jones Industrial AverageSM at maturity would have returned for maturities at the end of each month from September 2007 through September 2012. The black line shows the 5 year point to point returns (excluding dividends) of the Index over the same period of time.



Pricing Source: Bloomberg L.P. Past performance is not a prediction or guarantee of future results.

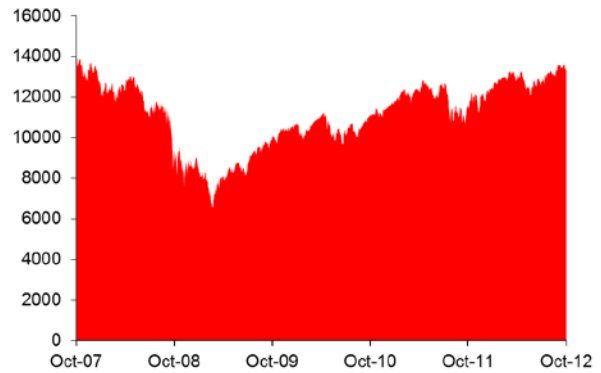
Features of Quarterly Averaging

- ▶ The return on securities with quarterly averaging, such as the Notes, may be less volatile compared to securities where the return is fixed from point to point. However, the effect of the quarterly averaging may reduce the return on the Notes under certain market conditions.
- ▶ As compared with the point to point payoff method, a quarterly averaging payoff method may yield a higher final return in the event the Dow Jones Industrial AverageSM rises over the term of the Notes but declines near the end. However, it may yield a lower final return in the event that the Dow Jones Industrial AverageSM declines over most of the term of the Notes but rises near the end.
- ▶ Averaging will not reflect the full performance of the Dow Jones Industrial AverageSM if it steadily rises over the term of the Notes.

Information about the Reference Asset

The Dow Jones Industrial AverageSM (“INDU”)

The INDU is a price-weighted index comprised of 30 blue chip stocks considered to be the leaders in their industry. It is intended to be a measure of the entire U.S. market, except the transportation and utilities industries, covering a diverse set of industries such as financial services, technology, retail, entertainment and consumer goods.



The graph above illustrates the daily five-year performance of the Reference Asset from October 17, 2007 through October 17, 2012. The closing levels in the graph above were obtained from the Bloomberg Professional[®] Service. Past performance is not necessarily an indication of future results. For further information on the Reference Asset please see “The Dow Jones Industrial AverageSM” on page FWP-13 and in the accompanying Equity Index Underlying Supplement. We have derived all disclosure regarding the Reference Asset from publicly available information. Neither HSBC USA Inc. nor any of its affiliates have undertaken any independent review of, or made any due diligence inquiry with respect to, the publicly available information about the Reference Asset.

Linked to the Dow Jones Industrial AverageSM

The offering of Notes will have the terms described in this free writing prospectus and the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus. If the terms of the Notes offered hereby are inconsistent with those described in the accompanying Equity Index Underlying Supplement, prospectus supplement or prospectus, the terms described in this free writing prospectus shall control.

This free writing prospectus relates to an offering of Notes linked to the performance of the Dow Jones Industrial AverageSM (the "Reference Asset"). The purchaser of a Note will acquire a senior unsecured debt security of HSBC USA Inc. linked to the Reference Asset as described below. The following key terms relate to the offering of Notes:

Issuer:	HSBC USA Inc.
Principal Amount:	\$1,000 per Note
Reference Asset:	The Dow Jones Industrial Average SM (Ticker: INDU) (the "Index")
Trade Date:	November ●, 2012
Pricing Date:	November ●, 2012
Settlement Date:	November ●, 2012
Final Valuation Date:	November ●, 2017. The Final Valuation Date is subject to adjustment as described under "Additional Terms of the Notes—Valuation Dates" in the accompanying Equity Index Underlying Supplement.
Maturity Date:	3 business days after the Final Valuation Date, which is expected to be November ●, 2017. The Maturity Date is subject to adjustment as described under "Additional Terms of the Notes—Coupon Payment Dates, Call Payment Dates and Maturity Date" in the accompanying Equity Index Underlying Supplement.
Observation Dates:	The ● th calendar day of each February, May, August and November, commencing February ●, 2013 to and including the Final Valuation Date. There will be a total of 20 Observation Dates over the term of the Notes. If a scheduled Observation Date is not a scheduled trading day, the next scheduled trading day shall be such Observation Date. The Observation Dates are subject to adjustment as described under "Additional Terms of the Notes—Valuation Dates" in the accompanying Equity Index Underlying Supplement.
Payment at Maturity per Note:	<p>If the Reference Return is greater than zero, you will receive a cash payment on the Maturity Date, per \$1,000 Principal Amount of Notes, equal to:</p> $\$1,000 + (\$1,000 \times \text{Reference Return})$ <p>If the Reference Return is less than or equal to zero, you will receive a cash payment on the Maturity Date, per \$1,000 Principal Amount of Notes, equal to the \$1,000 Principal Amount.</p>
Reference Return:	The quotient, expressed as a percentage, calculated as follows: $\frac{\text{Average Closing Level} - \text{Initial Level}}{\text{Initial Level}}$
Initial Level:	The Official Closing Level of the INDU on the Pricing Date.
Average Closing Level:	The arithmetic average of the Official Closing Level of the INDU on each of the 20 Observation Dates.
Official Closing Level:	The closing level of the Reference Asset on any scheduled trading day as determined by the calculation agent based upon the level displayed on Bloomberg Professional [®] service page "INDU <INDEX>", or on any successor page on the Bloomberg Professional [®] service or any successor service, as applicable.
Form of Notes:	Book-Entry
Listing:	The notes will not be listed on any U.S. securities exchange or quotation system.
CUSIP/ISIN:	4042K17E7/US4042K17E70

GENERAL

This free writing prospectus relates to an offering of Notes linked to the Reference Asset. The purchaser of a Note will acquire a senior unsecured debt security of HSBC USA Inc. We reserve the right to withdraw, cancel or modify this offering and to reject orders in whole or in part. Although the offering of Notes relates to the Reference Asset identified on the cover page, you should not construe that fact as a recommendation as to the merits of acquiring an investment linked to the Reference Asset or any component security included in the Reference Asset or as to the suitability of an investment in the Notes.

You should read this document together with the prospectus dated March 22, 2012, the prospectus supplement dated March 22, 2012 and the Equity Index Underlying Supplement dated March 22, 2012. If the terms of the Notes offered hereby are inconsistent with those described in the accompanying prospectus supplement, prospectus or Equity Index Underlying Supplement, the terms described in this free writing prospectus shall control. You should carefully consider, among other things, the matters set forth in "Risk Factors" beginning on page FWP-8 of this free writing prospectus, page S-3 of the prospectus supplement and page S-1 of the Equity Index Underlying Supplement, as the Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the Notes. As used herein, references to the "Issuer", "HSBC", "we", "us" and "our" are to HSBC USA Inc.

HSBC has filed a registration statement (including a prospectus, prospectus supplement and Equity Index Underlying Supplement) with the SEC for the offering to which this free writing prospectus relates. Before you invest, you should read the prospectus, prospectus supplement and Equity Index Underlying Supplement in that registration statement and other documents HSBC has filed with the SEC for more complete information about HSBC and this offering. You may get these documents for free by visiting EDGAR on the SEC's web site at www.sec.gov. Alternatively, HSBC Securities (USA) Inc. or any dealer participating in this offering will arrange to send you the prospectus, prospectus supplement and Equity Index Underlying Supplement if you request them by calling toll-free 1-866-811-8049.

You may also obtain:

- ▶ The Equity Index Underlying Supplement at: www.sec.gov/Archives/edgar/data/83246/000114420412016693/v306691_424b2.htm
- ▶ The prospectus supplement at: <http://www.sec.gov/Archives/edgar/data/83246/000104746912003151/a2208335z424b2.htm>
- ▶ The prospectus at: <http://www.sec.gov/Archives/edgar/data/83246/000104746912003148/a2208395z424b2.htm>

We are using this free writing prospectus to solicit from you an offer to purchase the Notes. You may revoke your offer to purchase the Notes at any time prior to the time at which we accept your offer by notifying HSBC Securities (USA) Inc. We reserve the right to change the terms of, or reject any offer to purchase, the Notes prior to their issuance. In the event of any material changes to the terms of the Notes, we will notify you.

PAYMENT AT MATURITY

On the Maturity Date, for each Note you hold, we will pay you the Payment at Maturity, which is an amount in cash, as described below:

If the Reference Return is greater than zero, you will receive a cash payment on the Maturity Date, per \$1,000 Principal Amount of Notes, equal to:

$$\$1,000 + (\$1,000 \times \text{Reference Return})$$

If the Reference Return is less than or equal to zero, you will receive a cash payment on the Maturity Date, per \$1,000 Principal Amount of Notes, equal to the \$1,000 Principal Amount.

Interest

The Notes will not pay interest.

Calculation Agent

We or one of our affiliates will act as calculation agent with respect to the Notes.

Reference Sponsor

S&P Dow Jones Indices LLC, a subsidiary of The McGraw-Hill Companies, is the reference sponsor.

INVESTOR SUITABILITY

The Notes may be suitable for you if:

- ▶ You seek an investment with returns linked to the potential positive average performance of the Reference Asset and you believe that the average performance of the Reference Asset will exceed the performance of the Reference Asset as measured solely by the change from the Pricing Date to the Final Valuation Date.
- ▶ You are comfortable receiving only the Principal Amount of your Notes at maturity if the Reference Return is below zero.
- ▶ You are willing to forgo dividends or other distributions paid to holders of the stocks comprising the Reference Asset.
- ▶ You are willing to accept the risk and return profile of the Notes versus a conventional debt security with a comparable maturity issued by HSBC or another issuer with a similar credit rating.
- ▶ You do not seek current income from your investment.
- ▶ You do not seek an investment for which there is an active secondary market.
- ▶ You are willing to hold the Notes to maturity.
- ▶ You are comfortable with the creditworthiness of HSBC, as Issuer of the Notes.

The Notes may not be suitable for you if:

- ▶ You are unwilling to receive only the Principal Amount of your Notes at maturity if the Reference Return is below zero.
- ▶ You prefer the lower risk, and therefore accept the potentially lower returns, of conventional debt securities with comparable maturities issued by HSBC or another issuer with a similar credit rating.
- ▶ You prefer to receive the dividends or other distributions paid on the stocks comprising the Reference Asset.
- ▶ You seek current income from your investment.
- ▶ You seek an investment for which there will be an active secondary market.
- ▶ You are unable or unwilling to hold the Notes to maturity.
- ▶ You are not willing or are unable to assume the credit risk associated with HSBC, as Issuer of the Notes.

RISK FACTORS

We urge you to read the section “Risk Factors” beginning on page S-3 in the accompanying prospectus supplement and on page S-1 of the accompanying Equity Index Underlying Supplement. Investing in the Notes is not equivalent to investing directly in any of the stocks comprising the Reference Asset. You should understand the risks of investing in the Notes and should reach an investment decision only after careful consideration, with your advisors, of the suitability of the Notes in light of your particular financial circumstances and the information set forth in this free writing prospectus and the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus.

In addition to the risks discussed below, you should review “Risk Factors” in the accompanying prospectus supplement and Equity Index Underlying Supplement including the explanation of risks relating to the Notes described in the following sections:

- ▶ “— Risks Relating to All Note Issuances” in the prospectus supplement; and
- ▶ “— General risks related to Indices” in the Equity Index Underlying Supplement.

You will be subject to significant risks not associated with conventional fixed-rate or floating-rate debt securities.

Credit risk of HSBC USA Inc.

The Notes are senior unsecured debt obligations of the Issuer, HSBC, and are not, either directly or indirectly, an obligation of any third party. As further described in the accompanying prospectus supplement and prospectus, the Notes will rank on par with all of the other unsecured and unsubordinated debt obligations of HSBC, except such obligations as may be preferred by operation of law. Any payment to be made on the Notes, including any return of principal at maturity, depends on the ability of HSBC to satisfy its obligations as they come due. As a result, the actual and perceived creditworthiness of HSBC may affect the market value of the Notes and, in the event HSBC were to default on its obligations, you may not receive the amounts owed to you under the terms of the Notes.

Because the Average Closing Level is based on an average of the Official Closing Levels of the Reference Asset on each Observation Date throughout the term of the Notes, the Average Closing Level may be less than the Official Closing Level of the Reference Asset on the Final Valuation Date.

Because the Average Closing Level is calculated by reference to an average of the Official Closing Levels of the Reference Asset on various Observation Dates throughout the term of the Notes, the Average Closing Level, as so calculated, may be less than the Official Closing Level of the Reference Asset on the Final Valuation Date. As a result, the Payment at Maturity you receive may be less than the return you would receive if the Payment at Maturity was based solely on the Official Closing Level of the Reference Asset on the Final Valuation Date. This difference could be particularly large if there is a significant increase in the Official Closing Level of the Reference Asset during the latter portion of the term of the Notes. Additionally, the secondary market value of the Notes, if such a market exists, will be impacted by the Official Closing Level of the Reference Asset on any previous Observation Dates, in that those levels will impact the amount payable at maturity.

The Notes will not bear interest.

As a holder of the Notes, you will not receive interest payments.

Changes that affect the Reference Asset will affect the market value of the Notes and the amount you will receive at maturity.

The policies of the reference sponsor concerning additions, deletions and substitutions of the constituents comprising the Reference Asset and the manner in which the reference sponsor takes account of certain changes affecting those constituents may affect the level of the Reference Asset. The policies of the reference sponsor with respect to the calculation of the Reference Asset could also affect the level of the Reference Asset. The reference sponsor may discontinue or suspend calculation or dissemination of the Reference Asset. Any such actions could affect the value of the Notes and the return on the Notes.

The Notes are not insured by any governmental agency of the United States or any other jurisdiction.

The Notes are not deposit liabilities or other obligations of a bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or program of the United States or any other jurisdiction. An investment in the Notes is subject to the credit risk of HSBC, and in the event that HSBC is unable to pay its obligations as they become due, you may not receive the amounts owed to you under the terms of the Notes.

Certain built-in costs are likely to adversely affect the value of the Notes prior to maturity.

While the Payment at Maturity described in this free writing prospectus is based on the full Principal Amount of your Notes, the original issue price of the Notes includes the agent’s commission and the estimated cost of HSBC hedging its obligations under the Notes. As a result, the price, if any, at which HSBC Securities (USA) Inc. will be willing to purchase Notes from you in secondary market transactions, if at all, will likely be lower than the original issue price, and any sale prior to the Maturity Date could result in a

substantial loss to you. The Notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your Notes to maturity.

Lack of liquidity.

The Notes will not be listed on any securities exchange. HSBC Securities (USA) Inc. is not required to offer to purchase the Notes in the secondary market, if any exists. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily. Because other dealers are not likely to make a secondary market for the Notes, the price at which you may be able to trade your Notes is likely to depend on the price, if any, at which HSBC Securities (USA) Inc. is willing to buy the Notes.

Potential conflicts.

HSBC and its affiliates play a variety of roles in connection with the issuance of the Notes, including acting as calculation agent and hedging our obligations under the Notes. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the Notes. We will not have any obligation to consider your interests as a holder of the Notes in taking any action that might affect the value of your Notes.

Tax treatment.

For a discussion of the U.S. federal income tax consequences of your investment in a Note, please see the discussion under “U.S. Federal Income Tax Considerations” below and the discussion under “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement.

ILLUSTRATIVE EXAMPLES

The following table and examples are provided for illustrative purposes only and are hypothetical. They do not purport to be representative of every possible scenario concerning increases or decreases in the level of the Reference Asset relative to its Initial Level. We cannot predict the Average Closing Level of the Reference Asset. The assumptions we have made in connection with the illustrations set forth below may not reflect actual events, and the hypothetical Initial Level used in the illustrations below is not expected to be the actual Initial Level of the Reference Asset to which your Notes are linked. You should not take these examples as an indication or assurance of the expected performance of the Reference Asset. With respect to the Notes, the Payment at Maturity may be less than the amount that you would have received from a conventional debt security with the same stated maturity, including those issued by HSBC. The numbers appearing in the table and examples below have been rounded for ease of analysis.

The table below illustrates the Payment at Maturity on a \$1,000 investment in Notes for a hypothetical range of Reference Returns from -100% to +100%. The following results are based solely on the assumptions outlined below. The "Hypothetical Total Return" as used below is the number, expressed as a percentage, that results from comparing the Payment at Maturity per \$1,000 principal amount of Notes to \$1,000. The potential returns described here assume that your Notes are held to maturity. You should consider carefully whether the Notes are suitable to your investment goals. You should not take the below illustration as an indication or assurance of the expected performance of the Reference Asset or return of the Notes.

The following table and examples assume the following:

- ▶ Principal Amount: \$1,000
- ▶ Hypothetical Initial Level: 13,500

The actual Initial Level will be determined on the Pricing Date.

Hypothetical Average Closing Level	Hypothetical Reference Return	Hypothetical Total Return
27,000.00	100.00%	100.00%
25,650.00	90.00%	90.00%
24,300.00	80.00%	80.00%
22,950.00	70.00%	70.00%
21,600.00	60.00%	60.00%
20,250.00	50.00%	50.00%
18,900.00	40.00%	40.00%
17,550.00	30.00%	30.00%
16,200.00	20.00%	20.00%
15,525.00	15.00%	15.00%
14,850.00	10.00%	10.00%
14,175.00	5.00%	5.00%
13,770.00	2.00%	2.00%
13,635.00	1.00%	1.00%
13,500.00	0.00%	0.00%
13,365.00	-1.00%	0.00%
13,230.00	-2.00%	0.00%
12,825.00	-5.00%	0.00%
12,150.00	-10.00%	0.00%
11,475.00	-15.00%	0.00%
10,800.00	-20.00%	0.00%
9,450.00	-30.00%	0.00%
8,100.00	-40.00%	0.00%
6,750.00	-50.00%	0.00%
5,400.00	-60.00%	0.00%
4,050.00	-70.00%	0.00%
2,700.00	-80.00%	0.00%
1,350.00	-90.00%	0.00%
0.00	-100.00%	0.00%

The following examples indicate how the Payment at Maturity would be calculated with respect to a hypothetical \$1,000 investment in the Notes.

Example 1: The Reference Asset increases over the term of the Notes.

OBSERVATION DATES	OFFICIAL CLOSING LEVELS
INITIAL LEVEL:	13,500
Quarter 1	13,600
Quarter 2	13,700
Quarter 3	13,800
Quarter 4	13,900
Quarter 5	14,000
Quarter 6	14,100
Quarter 7	14,200
Quarter 8	14,300
Quarter 9	14,400
Quarter 10	14,500
Quarter 11	14,600
Quarter 12	14,700
Quarter 13	14,800
Quarter 14	14,900
Quarter 15	15,000
Quarter 16	15,100
Quarter 17	15,200
Quarter 18	15,300
Quarter 19	15,400
Quarter 20 (Final Valuation Date)	15,500
Average Closing Level:	14,550
Reference Return:	7.78%
Total Return	7.78%

If the Reference Return is greater than zero, the Payment at Maturity per \$1,000 Principal Amount of Notes will equal \$1,000 + (\$1,000 x Reference Return). Accordingly, the Payment at Maturity in this example would equal \$1,000 plus \$1,000 times 7.78%, or \$1,077.80.

Example 1 shows that where the Reference Return is greater than zero, the investor will be paid a return based on the Reference Return.

In addition, Example 1 shows that the Average Closing Level may be less than the Official Closing Level on the Final Valuation Date. In that case the Payment at Maturity does not reflect the full performance of the Reference Asset during the term of the Notes (*i.e.*, does not reflect the full performance measured as the difference between the Initial Level and the Official Closing Level on the Final Valuation Date).

In this example, the total return you would receive is 7.78%.

Example 2: The Reference Asset declines over the term of the Notes.

OBSERVATION DATES	OFFICIAL CLOSING LEVELS
INITIAL LEVEL:	13,500
Quarter 1	13,300
Quarter 2	13,200
Quarter 3	13,100
Quarter 4	13,000
Quarter 5	12,900
Quarter 6	12,800
Quarter 7	12,700
Quarter 8	12,600
Quarter 9	12,500
Quarter 10	12,400
Quarter 11	12,300
Quarter 12	12,200
Quarter 13	12,100
Quarter 14	12,000
Quarter 15	11,900
Quarter 16	11,800
Quarter 17	11,700
Quarter 18	11,600
Quarter 19	11,500
Quarter 20 (Final Valuation Date)	11,400
Average Closing Level:	12,350
Reference Return:	-8.52%
Total Return	0.00%

If the Reference Return is less than or equal to zero, the Payment at Maturity per \$1,000 Principal Amount of Notes will be equal to the \$1,000 Principal Amount.

In this example, the total return you would receive is 0.00%.

THE DOW JONES INDUSTRIAL AVERAGESM (“INDU”)

Description of the INDU

The INDU is a price-weighted index comprised of 30 blue chip stocks considered to be the leaders in their industry. It is intended to be a measure of the entire U.S. market, except the transportation and utilities industries, covering a diverse set of industries such as financial services, technology, retail, entertainment and consumer goods.

For more information about the INDU, see “The Dow Jones Industrial AverageSM” on page S-25 of the accompanying Equity Index Underlying Supplement.

Historical Performance of the INDU

The following graph sets forth the historical performance of the INDU based on the daily historical closing levels from October 17, 2007 through October 17, 2012. The closing level for the INDU on October 17, 2012 was 13,557.00. We obtained the closing levels below from the Bloomberg Professional[®] service. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from the Bloomberg Professional[®] service.



The historical levels of the INDU should not be taken as an indication of future performance, and no assurance can be given as to the Official Closing Level of the INDU on any of the quarterly Observation Dates.

License Agreement

S&P[®] is registered trademark of Standard & Poor's Financial Services LLC (“S&P”) and Dow Jones[®], DJIA[®], The Dow[®] and Dow Jones Industrial AverageSM are trademarks of Dow Jones Trademark Holdings LLC (“Dow Jones”) and have been licensed for use by S&P Dow Jones Indices LLC and its affiliates and sublicensed for certain purposes by HSBC. The Dow Jones Industrial AverageSM (the “Index”) is a product of S&P Dow Jones Indices LLC and/or its affiliates, and has been licensed for use by HSBC.

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S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT

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EVENTS OF DEFAULT AND ACCELERATION

If the Notes have become immediately due and payable following an event of default (as defined in the accompanying prospectus) with respect to the Notes, you will not be entitled to any additional payments, other than your Principal Amount, with respect to the Notes. The accelerated Maturity Date will be the third business day following the date of acceleration, and on such accelerated Maturity Date, you will be entitled to receive \$1,000 per \$1,000 Principal Amount of Notes you hold.

For more information, see “Description of Debt Securities — Senior Debt Securities — Events of Default” in the prospectus.

SUPPLEMENTAL PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We have appointed HSBC Securities (USA) Inc., an affiliate of HSBC, as the agent for the sale of the Notes. Pursuant to the terms of a distribution agreement, HSBC Securities (USA) Inc. will purchase the Notes from HSBC at the price to public less the underwriting discount set forth on the cover page of the pricing supplement to which this free writing prospectus relates, for distribution to other registered broker-dealers, or will offer the Notes directly to investors. HSBC Securities (USA) Inc. proposes to offer the Notes at the price to public set forth on the cover page of this free writing prospectus. HSBC USA Inc. or one of our affiliates may pay varying underwriting discounts of up to 1.25% per \$1,000 Principal Amount of Notes in connection with the distribution of the Notes to other registered broker-dealers.

An affiliate of HSBC has paid or may pay in the future an amount to broker-dealers in connection with the costs of the continuing implementation of systems to support the Notes.

In addition, HSBC Securities (USA) Inc. or another of its affiliates or agents may use the pricing supplement to which this free writing prospectus relates in market-making transactions after the initial sale of the Notes, but is under no obligation to do so and may discontinue any market-making activities at any time without notice.

See “Supplemental Plan of Distribution (Conflicts of Interest)” on page S-49 in the prospectus supplement.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

You should carefully consider the matters set forth in “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement. The following discussion summarizes the U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Notes. This summary supplements the section “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement and supersedes it to the extent inconsistent therewith.

There are no statutory provisions, regulations, published rulings or judicial decisions addressing the characterization for U.S. federal income tax purposes of securities with terms that are substantially the same as those of the Notes. We intend to treat the Notes as contingent payment debt instruments for U.S. federal income tax purposes. Pursuant to the terms of the Notes, you agree to treat the Notes as contingent payment debt instruments for all U.S. federal income tax purposes and, in the opinion of Morrison & Foerster LLP, special U.S. tax counsel to us, it is reasonable to treat the Notes as contingent payment debt instruments. Assuming the Notes are treated as contingent payment debt instruments, a U.S. holder will be required to include original issue discount (“OID”) in gross income each year, even though no payments will be made on the Notes until maturity.

Based on the factors described in the section, “U.S. Federal Income Tax Considerations — U.S. Federal Income Tax Treatment of the Notes as Indebtedness for U.S. Federal Income Tax Purposes — Contingent Payment Debt Instruments,” in order to illustrate the application of the noncontingent bond method to the Notes, we have estimated that the comparable yield of the Notes, solely for U.S. federal income tax purposes, will be 1.84% per annum (compounded annually). Further, based upon the method described in the section, “U.S. Federal Income Tax Considerations — U.S. Federal Income Tax Treatment of the Notes as Indebtedness for U.S. Federal Income Tax Purposes — Contingent Payment Debt Instruments” and based upon the estimate of the comparable yield, we have estimated that the projected payment schedule for Notes that have a Principal Amount of \$1,000 and an issue price of \$1,000 consists of a single payment of \$1,095.44 at maturity.

Based upon the estimate of the comparable yield, a U.S. holder that pays taxes on a calendar year basis, buys a Note for \$1,000, and holds the Note until maturity will be required to pay taxes on the following amounts of ordinary income in respect of the Notes in each year:

Year	OID
2012	\$2.82
2013	\$18.44
2014	\$18.78
2015	\$19.13
2016	\$19.48
2017	\$16.79

However, the ordinary income reported in the taxable year the Notes mature will be adjusted to reflect the actual payment received at maturity. U.S. holders should also note that the actual comparable yield and projected payment schedule may be different than as provided in this summary depending upon market conditions on the date the Notes are issued. U.S. holders may obtain the actual comparable yield and projected payment schedule as determined by us by submitting a written request to: Structured Equity Derivatives – Structuring HSBC Bank USA, National Association, 452 Fifth Avenue, 3rd Floor, New York, NY 10018. A U.S. holder is generally bound by the comparable yield and the projected payment schedule established by us for the Notes. However, if a U.S. holder believes that the projected payment schedule is unreasonable, a U.S. holder must determine its own projected payment schedule and explicitly disclose the use of such schedule and the reason the holder believes the projected payment schedule is unreasonable on its timely filed U.S. federal income tax return for the taxable year in which it acquires the Notes.

The comparable yield and projected payment schedule are not provided for any purpose other than the determination of a U.S. holder’s interest accruals for U.S. federal income tax purposes and do not constitute a projection or representation by us regarding the actual yield on a Note. We do not make any representation as to what such actual yield will be.

Because there are no statutory provisions, regulations, published rulings or judicial decisions addressing the characterization for U.S. federal income tax purposes of securities with terms that are substantially the same as those of the Notes, other characterizations and treatments are possible. As a result, the timing and character of income in respect of the Notes might differ from the treatment described above. You should carefully consider the discussion of all potential tax consequences as set forth in “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement.

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES.

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You should only rely on the information contained in this free writing prospectus, the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus. We have not authorized anyone to provide you with information or to make any representation to you that is not contained in this free writing prospectus, the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This free writing prospectus, the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus are not an offer to sell these Notes, and these documents are not soliciting an offer to buy these Notes, in any jurisdiction where the offer or sale is not permitted. You should not, under any circumstances, assume that the information in this free writing prospectus, the accompanying Equity Index Underlying Supplement, prospectus supplement and prospectus is correct on any date after their respective dates.

HSBC USA Inc.

\$ Averaging Notes

October 17, 2012

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