

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

FORM
X-17A-5

FOCUS REPORT
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)
PART II 11

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a) 16 2) Rule 17a-5(b) 17 3) Rule 17a-11 18
4) Special request by designated examining authority 19 5) Other 26

NAME OF BROKER-DEALER

HSBC SECURITIES (USA) INC. 13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No.)

452 FIFTH AVENUE 20

(No. and Street)

NEW YORK CITY 21 NY 22 10018 23

(City)

(State)

(Zip Code)

SEC. FILE NO.

8-41562 14

FIRM ID NO.

19585 15

FOR PERIOD BEGINNING (MM/DD/YY)

11/01/18 24

AND ENDING (MM/DD/YY)

11/30/18 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

Steven N Lombardo 30

(212) 525-3425 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

32

33

34

35

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 20 _____

Manual Signatures of:

1) _____
Principal Executive Officer or Managing Partner

2) _____
Principal Financial Officer or Partner

3) _____
Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f (a))

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

HSBC SECURITIES (USA) INC.

as of

11/30/18

STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAct)

1. Net ledger balance			
A. Cash		\$	131,822,458 7010
B. Securities (at market)			1,809,633,328 7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market			192,415,064 7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market			308,844,377 7032
B. Deduct market value of open option contracts granted (sold) on a contract market		(83,539,773 7033
4. Net equity (deficit) (add lines 1, 2, and 3)			2,359,175,454 7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount	168,429,734		7045
Less: amount offset by customer owned securities	(168,429,734)		0 7050
6. Amount required to be segregated (add lines 4 and 5)		\$	2,359,175,454 7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash			186,390,005 7070
B. Securities representing investments of customers' funds (at market)			49,999,941 7080
C. Securities held for particular customers or option customers in lieu of cash (at market)			525,782,222 7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash		\$	20,533,798 7100
B. Securities representing investments of customers' funds (at market)			308,204,123 7110
C. Securities held for particular customers or option customers in lieu of cash (at market)			1,282,230,296 7120
9. Net settlement from (to) derivatives clearing organizations of contract markets			(133,536,126) 7130
10. Exchange traded options			
A. Value of open long option contracts			308,844,377 7132
B. Value of open short option contracts		(83,539,773 7133
11. Net equities with other FCMs			
A. Net liquidating equity			20,073,697 7140
B. Securities representing investments of customers' funds (at market)			7160
C. Securities held for particular customers or option customers in lieu of cash (at market)			7170
12. Segregated funds on hand (describe: _____)			1,620,810 7150
13. Total amount in segregation (add lines 7 through 12)			2,486,603,370 7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)		\$	127,427,916 7190
15. Management Target Amount for Excess funds in segregation		\$	109,000,000 7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess		\$	18,427,916 7198

SUPPLEMENT TO
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PART II

BROKER OR DEALER HSBC SECURITIES (USA) INC.	as of <u>11/30/18</u>
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STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS

1. Amount required to be segregated in accordance with Commission regulation 32.6	\$ _____	7200
2. Funds in segregated accounts		
A. Cash	\$ _____	7210
B. Securities (at market)	_____	7220
C. Total	_____	7230
3. Excess (deficiency) funds in segregation (subtract line 2.C from line 1)	\$ _____	7240

SUPPLEMENT TO
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BROKER OR DEALER HSBC SECURITIES (USA) INC.	as of <u>11/30/18</u>
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STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	\$	<u>0</u>	7305
1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers			
A. Cash	\$	<u>12,521,782</u>	7315
B. Securities (at market)		<u>55,828,009</u>	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade		<u>42,304,302</u>	7325
3. Exchange traded options			
A. Market value of open option contracts purchased on a foreign board of trade		<u>0</u>	7335
B. Market value of open contracts granted (sold) on a foreign board of trade		<u>0</u>	7337
4. Net equity (deficit) (add lines 1. 2. and 3.)	\$	<u>110,654,093</u>	7345
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	<u>443,203</u>	7351
Less: amount offset by customer owned securities		<u>(443,203)</u>	7352
		<u>0</u>	7354
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$	<u>110,654,093</u>	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$	<u>110,654,093</u>	7360

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PART II

BROKER OR DEALER

HSBC SECURITIES (USA) INC.

as of 11/30/18

STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks			
A. Banks located in the United States	\$	<u>28,775,656</u>	<u>7500</u>
B. Other banks qualified under Regulation 30.7			
Name(s): <u>HARRIS TRUST</u>		<u>0</u>	<u>7520</u>
	\$	<u>28,775,656</u>	<u>7530</u>
2. Securities			
A. In safekeeping with banks located in the United States	\$	<u>15,240,693</u>	<u>7540</u>
B. In safekeeping with other banks qualified under Regulation 30.7			
Name(s): <u>HARRIS TRUST</u>		<u>29,733,792</u>	<u>7560</u>
		<u>44,974,485</u>	<u>7570</u>
3. Equities with registered futures commission merchants			
A. Cash	\$	<u>0</u>	<u>7580</u>
B. Securities		<u>0</u>	<u>7590</u>
C. Unrealized gain (loss) on open futures contracts		<u>0</u>	<u>7600</u>
D. Value of long option contracts		<u>0</u>	<u>7610</u>
E. Value of short option contracts	(<u>0</u>	<u>7615</u>
		<u>0</u>	<u>7620</u>
4. Amounts held by clearing organizations of foreign boards of trade			
Name(s): _____			<u>7630</u>
A. Cash	\$		<u>7640</u>
B. Securities			<u>7650</u>
C. Amount due to (from) clearing organizations - daily variation			<u>7660</u>
D. Value of long option contracts			<u>7670</u>
E. Value of short option contracts	(<u>7675</u>
			<u>7680</u>
5. Amounts held by members of foreign boards of trade			
Name(s): _____			<u>7690</u>
A. Cash	\$	<u>(11,249,457)</u>	<u>7700</u>
B. Securities		<u>40,587,317</u>	<u>7710</u>
C. Unrealized gain (loss) on open futures contracts		<u>42,315,454</u>	<u>7720</u>
D. Value of long option contracts		<u>0</u>	<u>7730</u>
E. Value of short option contracts	(<u>0</u>	<u>7735</u>
		<u>71,653,314</u>	<u>7740</u>
6. Amounts with other depositories designated by a foreign board of trade			
Name(s): _____			<u>7750</u>
		<u>0</u>	<u>7760</u>
7. Segregated funds on hand (describe: _____)			
		<u>0</u>	<u>7765</u>
8. Total funds in separate section 30.7 accounts			
	\$	<u>145,403,455</u>	<u>7770</u>
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page T10-3 from Line 8)			
	\$	<u>34,749,362</u>	<u>7380</u>
10. Management Target Amount for Excess funds in separate section 30.7 accounts			
	\$	<u>25,000,000</u>	<u>7780</u>
11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target			
	\$	<u>9,749,362</u>	<u>7785</u>

SUPPLEMENT TO
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BROKER OR DEALER
HSBC SECURITIES (USA) INC.

as of 11/30/18

STATEMENT OF CLEARED SWAPS CUSTOMER SEGREGATION REQUIREMENTS AND
FUNDS IN CLEARED SWAPS CUSTOMER ACCOUNTS UNDER 4D(F) OF THE CEA

Cleared Swaps Customer Requirements

1. Net ledger balance			
A. Cash	\$	(432,460,106)	8500
B. Securities (at market)		508,222,928	8510
2. Net unrealized profit (loss) in open cleared swaps		807,216,803	8520
3. Cleared swaps options			
A. Market value of open cleared swaps option contracts purchased		0	8530
B. Market value of open cleared swaps option contracts granted (sold)		(0)	8540
4. Net equity (deficit) (add lines 1, 2, and 3)	\$	882,979,625	8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	9,813,759	8560
Less: amount offset by customer owned securities		(9,813,759)	8570
		0	8580
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)	\$	882,979,625	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks			
A. Cash	\$	87,641,682	8600
B. Securities representing investments of cleared swaps customers' funds (at market)		0	8610
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		16,274,854	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts			
A. Cash		217,968,952	8630
B. Securities representing investments of cleared swaps customers' funds (at market)		198,822,987	8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		491,948,074	8650
9. Net settlement from (to) derivatives clearing organizations		(13,361,411)	8660
10. Cleared swaps options			
A. Value of open cleared swaps long option contracts		0	8670
B. Value of open cleared swaps short option contracts		(0)	8680
11. Net equities with other FCMs			
A. Net liquidating equity		0	8690
B. Securities representing investments of cleared swaps customers' funds (at market)		0	8700
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		0	8710
12. Cleared swaps customer funds on hand (describe: _____)		0	8715
13. Total amount in cleared swaps customer segregation (add lines 7 through 12)	\$	999,295,138	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)	\$	116,315,513	8730
15. Management Target Amount for Excess funds in cleared swaps segregated accounts	\$	100,000,000	8760
16. Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess	\$	16,315,513	8770

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COMPUTATION OF CFTC MINIMUM NET CAPITAL REQUIREMENT

Net Capital required

A. Risk-Based Requirement

i. Amount of Customer Risk

Maintenance Margin requirement 2,426,238,293 7415

ii. Enter 8% of line A.i

194,099,063 7425

iii. Amount of Non-Customer Risk

Maintenance Margin requirement 1,076,866,473 7435

iv. Enter 8% of line A.iii

86,149,318 7445

v. Add lines A.ii and A.iv.

280,248,381 7455

B. Minimum Dollar Amount Requirement

1,000,000 7465

C. Other NFA Requirement

7475

D. Minimum CFTC Net Capital Requirement.

Enter the greatest of lines A, B or C

280,248,381 7490

Note: If amount on Line D (7490) is greater than minimum net capital requirement computed on Line 3760 (Page 6) then enter this greater amount on Line 3760. The greater of the amount required by SEC or CFTC is the minimum net capital requirement.

CFTC Early Warning Level

308,273,219 7495

Note: If the Minimum Net Capital Requirement computed on Line D (7490) is:

- (1) Risk Based Requirement, enter 110% of Line A (7455), or
- (2) Minimum Dollar Requirement of \$1,000,000 enter 150% of Line B (7465), or
- (3) Minimum Dollar Requirement of \$20,000,000 for FCMs offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED"), enter 110% of Line B (7465), or
- (4) Other NFA Requirement of \$20,000,000 plus five percent of the FCM's offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED") total retail forex obligations in excess of \$10,000,000 enter 110% of Line C (7475), or
- (5) Other NFA Requirement, enter 150% of Line C (7475).