

BREVAN HOWARD

BH MACRO LIMITED

**MONTHLY SHAREHOLDER REPORT:
JULY 2017**

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BH Macro Limited Overview

Manager: BH Macro Limited ("BHM") is a closed-ended investment company, registered and incorporated in Guernsey on 17 January 2007 (Registration Number: 46235).
Brevan Howard
Capital Management
LP ("BHCM")

Administrator: BHM invests all of its assets (net of short-term working capital) in the ordinary shares of Brevan Howard Master Fund Limited (the "Fund").

Northern Trust
International Fund
Administration
Services (Guernsey)
Limited ("Northern
Trust")
BHM was admitted to the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange on 14 March 2007.

Corporate Broker: **Total Assets:** \$465 mm¹

J.P. Morgan
Cazenove

1. As at 31 July 2017. Source: BHM's administrator, Northern Trust.

Listings:

London Stock
Exchange (Premium
Listing)

NASDAQ Dubai -
USD Class
(Secondary listing)

Bermuda Stock
Exchange
(Secondary listing)

Summary Information

BH Macro Limited NAV per Share (Calculated as at 31 July 2017)

Share Class	NAV (USD mm)	NAV per Share
USD Shares	62.3	\$21.86
GBP Shares	402.5	£21.82

BH Macro Limited NAV per Share % Monthly Change

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007			0.10	0.90	0.15	2.29	2.56	3.11	5.92	0.03	2.96	0.75	20.27
2008	9.89	6.70	-2.79	-2.48	0.77	2.75	1.13	0.75	-3.13	2.76	3.75	-0.68	20.32
2009	5.06	2.78	1.17	0.13	3.14	-0.86	1.36	0.71	1.55	1.07	0.37	0.37	18.04
2010	-0.27	-1.50	0.04	1.45	0.32	1.38	-2.01	1.21	1.50	-0.33	-0.33	-0.49	0.91
2011	0.65	0.53	0.75	0.49	0.55	-0.58	2.19	6.18	0.40	-0.76	1.68	-0.47	12.04
2012	0.90	0.25	-0.40	-0.43	-1.77	-2.23	2.36	1.02	1.99	-0.36	0.92	1.66	3.86
2013	1.01	2.32	0.34	3.45	-0.10	-3.05	-0.83	-1.55	0.03	-0.55	1.35	0.40	2.70
2014	-1.36	-1.10	-0.40	-0.81	-0.08	-0.06	0.85	0.01	3.96	-1.73	1.00	-0.05	0.11
2015	3.14	-0.60	0.36	-1.28	0.93	-1.01	0.32	-0.78	-0.64	-0.59	2.36	-3.48	-1.42
2016	0.71	0.73	-1.77	-0.82	-0.28	3.61	-0.99	-0.17	-0.37	0.77	5.02	0.19	6.63
2017	-1.47	1.91	-2.84	3.84	-0.60	-1.39	1.54						0.83

EUR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007			0.05	0.70	0.02	2.26	2.43	3.07	5.65	-0.08	2.85	0.69	18.95
2008	9.92	6.68	-2.62	-2.34	0.86	2.84	1.28	0.98	-3.30	2.79	3.91	-0.45	21.65
2009	5.38	2.67	1.32	0.14	3.12	-0.82	1.33	0.71	1.48	1.05	0.35	0.40	18.36
2010	-0.30	-1.52	0.03	1.48	0.37	1.39	-1.93	1.25	1.38	-0.35	-0.34	-0.46	0.93
2011	0.71	0.57	0.78	0.52	0.65	-0.49	2.31	6.29	0.42	-0.69	1.80	-0.54	12.84
2012	0.91	0.25	-0.39	-0.46	-1.89	-2.20	2.40	0.97	1.94	-0.38	0.90	1.63	3.63
2013	0.97	2.38	0.31	3.34	-0.10	-2.98	-0.82	-1.55	0.01	-0.53	1.34	0.37	2.62
2014	-1.40	-1.06	-0.44	-0.75	-0.16	-0.09	0.74	0.18	3.88	-1.80	0.94	-0.04	-0.11
2015	3.34	-0.61	0.40	-1.25	0.94	-0.94	0.28	-0.84	-0.67	-0.60	2.56	-3.22	-0.77
2016	0.38	0.78	-1.56	-0.88	-0.38	3.25	-0.77	0.16	-0.56	0.59	5.37	0.03	6.37
2017	-1.62	1.85	-3.04	0.54	-0.76*								-3.07

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007			0.11	0.83	0.17	2.28	2.55	3.26	5.92	0.04	3.08	0.89	20.67
2008	10.18	6.86	-2.61	-2.33	0.95	2.91	1.33	1.21	-2.99	2.84	4.23	-0.67	23.25
2009	5.19	2.86	1.18	0.05	3.03	-0.90	1.36	0.66	1.55	1.02	0.40	0.40	18.00
2010	-0.23	-1.54	0.06	1.45	0.36	1.39	-1.96	1.23	1.42	-0.35	-0.30	-0.45	1.03
2011	0.66	0.52	0.78	0.51	0.59	-0.56	2.22	6.24	0.39	-0.73	1.71	-0.46	12.34
2012	0.90	0.27	-0.37	-0.41	-1.80	-2.19	2.38	1.01	1.95	-0.35	0.94	1.66	3.94
2013	1.03	2.43	0.40	3.42	-0.08	-2.95	-0.80	-1.51	0.06	-0.55	1.36	0.41	3.09
2014	-1.35	-1.10	-0.34	-0.91	-0.18	-0.09	0.82	0.04	4.29	-1.70	0.96	-0.04	0.26
2015	3.26	-0.58	0.38	-1.20	0.97	-0.93	0.37	-0.74	-0.63	-0.49	2.27	-3.39	-0.86
2016	0.60	0.70	-1.78	-0.82	-0.30	3.31	-0.99	-0.10	-0.68	0.80	5.05	0.05	5.79
2017	-1.54	1.86	-2.95	0.59	-0.68	-1.48	1.47						-2.78

*As previously announced by the Company, the Company determined that all remaining shares in the Euro share class be converted into Sterling shares effective as of 29 June 2017 and all Euro shares held by the Company in treasury were cancelled on that date. The Euro share class has been closed and its listing has been cancelled.

Source: Fund NAV data is provided by the administrator of the Fund, International Fund Services (Ireland) Limited ("IFS"). BHM NAV and NAV per Share data is provided by BHM's administrator, Northern Trust. BHM NAV per Share % Monthly Change is calculated by BHCM. BHM NAV data is unaudited and net of all investment management and all other fees and expenses payable by BHM. In addition, the Fund is subject to an operational services fee.

With effect from 1 April 2017, the management fee is 0.5% per annum. BHM's investment in the Fund is subject to an operational services fee of 0.5% per annum.

No management fee or operational services fee is charged in respect of performance related growth of NAV for each class of share in excess of its level on 1 April 2017 as if the tender offer commenced by BHM on 27 January 2017 had completed on 1 April 2017.

NAV performance is provided for information purposes only. Shares in BHM do not necessarily trade at a price equal to the prevailing NAV per Share.

Data as at 31 July 2017

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

ASC 820 Asset Valuation Categorisation on a non look-through basis*

Brevan Howard Master Fund Limited

Unaudited as at 31 July 2017

	% of Gross Market Value*
Level 1	73.1
Level 2	17.0
Level 3	0.0
At NAV	9.8

Source: BHCM

* This data is unaudited and has been calculated by BHCM using the same methodology as that used in the most recent audited financial statements of the Fund. The relative size of each category is subject to change. Sum may not total 100% due to rounding.

Level 1: This represents the level of assets in the portfolio which are priced using unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: This represents the level of assets in the portfolio which are priced using either (i) quoted prices that are identical or similar in markets that are not active or (ii) model-derived valuations for which all significant inputs are observable, either directly or indirectly in active markets.

Level 3: This represents the level of assets in the portfolio which are priced or valued using inputs that are both significant to the fair value measurement and are not observable directly or indirectly in an active market.

At NAV: This represents the level of assets in the portfolio that are invested in other Brevan Howard funds and priced or valued at NAV.

ASC 820 Asset Valuation Categorisation on a look-through basis*

	% of Gross Market Value*
Level 1	82.3
Level 2	17.6
Level 3	0.0

Source: BHCM

* This data reflects the combined ASC 820 levels of the Fund and the underlying allocations in which the Fund is invested, proportional to each of the underlying allocation's weighting in the Fund's portfolio. The data is unaudited and has been calculated by BHCM using the same methodology as that used in the most recent audited financial statements of the Fund and any underlying funds (as the case may be). The relative size of each category is subject to change. Sum may not total 100% due to rounding.

Level 1: This represents the level of assets in the portfolio which are priced using unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: This represents the level of assets in the portfolio which are priced using either (i) quoted prices that are identical or similar in markets that are not active or (ii) model-derived valuations for which all significant inputs are observable, either directly or indirectly in active markets.

Level 3: This represents the level of assets in the portfolio which are priced or valued using inputs that are both significant to the fair value measurement and are not observable directly or indirectly in an active market.

Performance Review

The information in this section has been provided to BHM by BHCM.

Gains came primarily from FX trading, in particular option and tactical directional trading of the euro currency against the US dollar. Further FX gains came from short US dollar positioning against the Canadian dollar and Japanese yen. Performance across other asset classes was relatively muted. Small losses in interest rate trading from volatility strategies as well as from directional and curve positions in European rates were partially offset by gains from US yield curve positioning. Further small losses from tactical short positioning in the SPX were partially offset by gains from commodity trading.

The performance review and attributions are derived from data calculated by BHCM, based on total performance data for each period provided by the Fund's administrator (IFS) and risk data provided by BHCM, as at 31 July 2017.

Performance by Asset Class

Monthly, quarterly and annual contribution (%) to the performance of BHM USD Shares (net of fees and expenses) by asset class as at 31 July 2017

2017	Rates	FX	Commodity	Credit	Equity	Tender Offer	Total
July 2017	-0.05	1.67	0.06	0.01	-0.15	0.00	1.54
Q1 2017	0.25	-3.06	-0.01	0.28	0.12	0.00	-2.44
Q2 2017	-1.81	-0.48	-0.14	-0.02	-0.14	4.46	1.79
QTD 2017	-0.05	1.67	0.06	0.01	-0.15	0.00	1.54
YTD 2017	-1.61	-1.92	-0.08	0.27	-0.18	4.46	0.83

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

Methodology and Definition of Contribution to Performance:

Attribution by asset class is produced at the instrument level, with adjustments made based on risk estimates.

The above asset classes are categorised as follows:

"Rates": interest rates markets

"FX": FX forwards and options

"Commodity": commodity futures and options

"Credit": corporate and asset-backed indices, bonds and CDS

"Equity": equity markets including indices and other derivatives

"Tender Offer": repurchases under the tender offer launched on 27 January 2017.

Performance by Strategy Group

Monthly, quarterly and annual contribution (%) to the performance of BHM USD Shares (net of fees and expenses) by strategy group as at 31 July 2017

2017	Macro	Systematic	Rates	FX	Equity	Credit	EMG	Commodity	Tender Offer	Total
July 2017	1.38	0.06	-0.03	0.02	-0.00	0.00	0.11	-0.00	0.00	1.54
Q1 2017	-2.29	-0.03	-0.18	-0.51	-0.00	0.35	0.23	-0.00	0.00	-2.44
Q2 2017	-2.64	-0.08	0.17	0.01	-0.00	0.01	-0.05	-0.00	4.46	1.79
QTD 2017	1.38	0.06	-0.03	0.02	-0.00	0.00	0.11	-0.00	0.00	1.54
YTD 2017	-3.55	-0.05	-0.04	-0.48	-0.00	0.36	0.28	-0.00	4.46	0.83

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Methodology and Definition of Contribution to Performance:

Strategy Group attribution is approximate and has been derived by allocating each trader book in the Fund to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

"Macro": multi-asset global markets, mainly directional (for the Fund, the majority of risk in this category is in rates)

"Systematic": rules-based futures trading

"Rates": developed interest rates markets

"FX": global FX forwards and options

"Equity": global equity markets including indices and other derivatives

"Credit": corporate and asset-backed indices, bonds and CDS

"EMG": global emerging markets

"Commodity": liquid commodity futures and options

"Tender Offer": repurchases under the tender offer launched on 27 January 2017.

Manager's Market Review and Outlook The information in this section has been provided to BHM by BHCM

US

The labour market impressed in July as inflation disappointed, continuing a trend since last winter. Job gains were solid and the unemployment rate edged back down to 4.3%, the lowest rate seen in the expansion. Wage gains were moderate, bringing the y/y change to 2.5%. That pace may be consistent with the tepid trend in productivity growth or it may indicate that the labour market still has some remaining slack. Given the momentum in the labour market, whatever slack may remain should be utilised in the coming quarters, which would put further upward pressure on wages. Price inflation was similarly muted in July. Core inflation was held down by an outsized fall in hotel and motel prices. However the absence of strong inflation in other categories ensures that core inflation will languish noticeably below the Federal Reserve's 2% target.

Growth picked up in the second quarter after a sluggish first quarter. Real GDP rose 2.6% (annual rate) last quarter, led by healthy gains in personal consumption expenditures and business fixed investment. Smoothing through the quarterly variability, real GDP has expanded 2.1% over the last four quarters; that pace represents a continuation of the relatively slow but steady growth that has characterised this expansion.

At its meeting in July, the Federal Open Market Committee ("FOMC") suggested it would begin shrinking its super-sized balance sheet "relatively soon", which most market participants interpreted as at the next FOMC meeting in September. Given the very deliberate approach the Federal Reserve has taken to withdrawing accommodation, it seems likely it will pause on raising interest rates when it starts balance sheet normalisation. In light of the surprising shortfall in inflation from the Federal Reserve's 2% mandate, such a pause also enables the Committee to evaluate inflation trends before raising rates again; most officials appear comfortable with returning to rate hikes in December. Meanwhile, the Republican's legislative agenda stalled, with the failure of the effort to repeal and replace Obamacare in the Senate. Attention will turn to tax cuts in autumn, but there is no assurance the Republicans in Congress will be able to assemble the necessary votes in their fractured caucus.

UK

Although economic activity in the UK has remained relatively soft, the labour market has continued to improve; GDP grew 0.3% q/q in Q2, a relatively slow pace of growth after only having grown 0.2% q/q in Q1. Retail sales bounced back in Q2 (+1.5% q/q), but wholesale trade and car sales were still on the soft-side. Moreover, construction and industrial production together detracted from growth by 0.1ppts, reversing the positive contribution in the previous quarter. House prices continued to slow in y/y terms on the Halifax and Rightmove metrics while the composite Purchasing Managers' Index ("PMI") rose by 0.25ppts to 54.1 in July, suggesting that the current pace of growth should be consistent with recent trends at, or slightly below, potential growth. In general, the depreciation in sterling compared to its level 18 months ago should support growth. However, the uncertainty around Brexit may limit sterling's influence on growth, especially if companies boost margins rather than production. Hence, the weakness of the currency may not prove as stimulative as previous instances of sterling depreciation.

Meanwhile, employment has continued to grow at a moderate pace of 1% y/y as of May. This has been enough for the unemployment rate to continue its downtrend and reach 4.5% in May, the lowest rate since 1975. Inflation ticked down 0.3ppts to 2.6% y/y in June, but more generally consumer inflation has been trending upwards since the referendum vote on the

membership of the European Union on account of the lower exchange rate. However, indicators of domestically generated inflation remain muted; wage inflation fell 0.3ppts to 1.8% 3m/12m in May, remaining well below levels that would be consistent with keeping inflation at the target of 2% in the medium term. The weakness in wages has occurred despite record low levels of the unemployment rate. The mix of high consumer inflation and modest wage inflation has led to a deterioration in real wages, which has weighed down consumption in the first half of 2017.

The dichotomy between a tighter labour market and only modest economic activity has led to diverging views within the Bank of England's Monetary Policy Committee ("MPC"). At the August MPC meeting, six members thought that the current policy stance remained appropriate, whilst two members thought that the trade-off between high inflation in the medium term and downside risks to economic activity had diminished, and thus voted for a 25 basis point ("bp") increase in the policy rate. Compared to the previous meeting there was one fewer dissenter but this was because Kristin Forbes had ended her term and was replaced by Silvana Tenreyro, who voted with the majority. At the most recent meeting the committee also voted unanimously to allow the Term Funding Scheme (a tool within the asset purchase facility used to support bank lending) to expire as planned. Furthermore, the meeting statement concluded that "if the economy follows a path broadly consistent with the August central projection, then monetary policy could need to be tightened by a somewhat greater extent over the forecast period than the path implied by the yield curve underlying the August projections". At the time, the market was pricing a 50bp increase in the policy rate over three years. At the next MPC meeting the committee will return to nine voting members, as was the norm prior to May. Sir David Ramsden was recently appointed as Deputy Governor for Markets and Banking and will become an active member of the committee effective from 4 September.

EMU

In Q2 the EMU GDP grew for the third quarter in a row at a pace of 2% or greater, expanding by 0.56% q/q (2.24% annualised). However, at the end of the quarter and at the beginning of Q3 some indicators, including industrial production and car registrations, were showing signs of a loss of momentum. For instance, in June, German industrial production fell by 1.2% m/m, upsetting consensus expectations of modest expansion, with the 3m/3m growth rate slowing for the first time in six months. Car registrations and the Composite PMI fell back to back in June-July after a substantial acceleration which lasted for three quarters, although still remaining at relatively high levels (55.7 for the July EMU Composite PMI). The unemployment rate continued to fall in June, to 9.1%, but with no visible signs of acceleration in the still languishing wage dynamics. In view of the substantial rise of the euro (by approximately 7% from the lows of April in effective terms), the modest rise in core inflation to 1.2% in June-July is likely to have no follow through in the coming months, thus frustrating the European Central Bank's ("ECB") expectations and hopes of a sustainable, albeit gradual, rise of price dynamics towards target any time soon. The rise of the euro, sparked by President Draghi's speech in Sintra and the July ECB press conference (dovish, but unable to finger point the higher euro as a constraint for policy), could prove to be problematic for the ECB's intent to signal and then start an 'exit' from its unconventional policies as soon as at the beginning of 2018.

China

Activity data was mixed in July. The official PMI was weaker at 51.4 versus 51.7 for June, and the Caixin PMI also improved from 50.4 for June to 51.1 in July. Fixed Asset Investment growth was recorded at 8.3% for July, slightly lower than the 8.6% expected. Industrial production growth was softer at 6.4% for July. Retail sales softened and printed 10.4% y/y for July. Inflation also slipped to 1.4%, from 1.5% in June. Producer prices were steady from the

prior month, again printing 5.5%. On the external side, export data worsened to 7.2% y/y for July and imports softened in July to 11.0% y/y, down from 17.2%. The seven day repo rate on average was 3.25% for July compared to 3.37% for June.

Japan

The Bank of Japan ("BoJ") kept its yield curve control and asset purchase policies in place, even as Board members reduced their expectations for inflation again. Nonetheless, the median of core Consumer Price Index ("CPI") inflation for fiscal year 2017 at 1.1% implies an immediate acceleration in prices that, so far, has not been seen. The 0.4% increase in core prices over the past twelve months has been due to the pick up in energy prices that now appears to have petered out. Non-fresh food price increases have been offset by modest declines in other core prices.

Forward-looking indicators of inflation do not suggest a near-term increase in the rate of inflation is imminent. Despite the dollar-yen exchange rate's up and down movements, it is essentially unchanged, on net, over the past four months. Consumer inflation expectations had risen in April, but after two months of little change, declined 0.2ppts in July. Brent oil futures do not point to any material acceleration in energy prices that otherwise could help push up consumer inflation expectations or at least mechanically push up the directly relevant components of the index.

The BoJ has at times emphasised its expectation that a tightening output gap will push up inflation and the Cabinet Office estimates that activity now slightly exceeds potential. Even so, it has been a feature of most developed economies that the relationship between such measures and inflation has been moderate. Moreover, the output gap has been closing, but only slowly over the last four quarters. Altogether, such Phillips-Curve effects on inflation will likely take a good deal of time to clearly show through to inflation and only under the proviso of no significant reversals.

High-frequency indicators support the view of ongoing decent growth in economic activity, though at roughly an unchanged pace. The Shoko-Chukin survey of small and medium sized enterprises fell after July's moderate increase; whilst moving up and down it nonetheless appears to still be on a rising trend that developed a year and a half ago. Likewise, the industrial production index has been oscillating around an upward-sloping trend line. The Economy Watchers diffusion index moved up to its par line, the first time that has occurred this year.

Meanwhile, the stability of the Government and Abenomics has come under question. The Prime Minister's approval ratings have fallen of late and he has reshuffled his cabinet in an attempt to shore up his standing; financial markets appear to have just shrugged.

Enquiries

The Company Secretary

Northern Trust International Fund Administration Services (Guernsey) Limited

bhfa@ntrs.com

+44 (0) 1481 745736

Important Legal Information and Disclaimer

BH Macro Limited ("BHM") is a feeder fund investing in Brevan Howard Master Fund Limited (the "Fund"). Brevan Howard Capital Management LP ("BHCM") has supplied certain information herein regarding BHM's and the Fund's performance and outlook.

The material relating to BHM and the Fund included in this report is provided for information purposes only, does not constitute an invitation or offer to subscribe for or purchase shares in BHM or the Fund and is not intended to constitute "marketing" of either BHM or the Fund as such term is understood for the purposes of the Alternative Investment Fund Managers Directive as it has been implemented in states of the European Economic Area. This material is not intended to provide a sufficient basis on which to make an investment decision. Information and opinions presented in this material relating to BHM and the Fund have been obtained or derived from sources believed to be reliable, but none of BHM, the Fund or BHCM make any representation as to their accuracy or completeness. Any estimates may be subject to error and significant fluctuation, especially during periods of high market volatility or disruption. Any estimates should be taken as indicative values only and no reliance should be placed on them. Estimated results, performance or achievements may materially differ from any actual results, performance or achievements. Except as required by applicable law, BHM, the Fund and BHCM expressly disclaim any obligations to update or revise such estimates to reflect any change in expectations, new information, subsequent events or otherwise.

Tax treatment depends on the individual circumstances of each investor in BHM and may be subject to change in the future. Returns may increase or decrease as a result of currency fluctuations.

You should note that, if you invest in BHM, your capital will be at risk and you may therefore lose some or all of any amount that you choose to invest. This material is not intended to constitute, and should not be construed as, investment advice. All investments are subject to risk. You are advised to seek expert legal, financial, tax and other professional advice before making any investment decisions.

THE VALUE OF INVESTMENTS CAN GO DOWN AS WELL AS UP. YOU MAY NOT GET BACK THE AMOUNT ORIGINALLY INVESTED AND YOU MAY LOSE ALL OF YOUR INVESTMENT. PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS.

Risk Factors

Acquiring shares in BHM may expose an investor to a significant risk of losing all of the amount invested. Any person who is in any doubt about investing in BHM (and therefore gaining exposure to the Fund) should consult an authorised person specialising in advising on such investments. Any person acquiring shares in BHM must be able to bear the risks involved. These include the following:

- The Fund is speculative and involves substantial risk.
- The Fund will be leveraged and will engage in speculative investment practices that may increase the risk of investment loss. The Fund may invest in illiquid securities.
- Past results of the Fund's investment managers are not necessarily indicative of future performance of the Fund, and the Fund's performance may be volatile.
- An investor could lose all or a substantial amount of his or her investment.
- The Fund's investment managers have total investment and trading authority over the Fund, and the Fund is dependent upon the services of the investment managers.
- Investments in the Fund are subject to restrictions on withdrawal or redemption and should be considered illiquid. There is no secondary market for investors' interests in the Fund and none is expected to develop.
- The investment managers' incentive compensation, fees and expenses may offset the Fund's trading and investment profits.
- The Fund is not required to provide periodic pricing or valuation information to investors with respect to individual investments.
- The Fund is not subject to the same regulatory requirements as mutual funds.
- A portion of the trades executed for the Fund may take place on foreign markets.
- The Fund and its investment managers are subject to conflicts of interest.
- The Fund is dependent on the services of certain key personnel, and, were certain or all of them to become unavailable, the Fund may prematurely terminate.
- The Fund's managers will receive performance-based compensation. Such compensation may give such managers an incentive to make riskier investments than they otherwise would.
- The Fund may make investments in securities of issuers in emerging markets. Investment in emerging markets involve particular risks, such as less strict market regulation, increased likelihood of severe inflation, unstable currencies, war, expropriation of property, limitations on foreign investments, increased market volatility, less favourable or unstable tax provisions, illiquid markets and social and political upheaval.

The above summary risk factors do not purport to be a complete description of the relevant risks of an investment in shares of BHM or the Fund and therefore reference should be made to publicly available documents and information.