

BREVAN HOWARD

**BH MACRO LIMITED**  
**INTERIM MANAGEMENT STATEMENT**  
**For the period from 1 January 2014 to 12 May 2014**

**CONFIDENTIAL DO NOT COPY OR DISTRIBUTE**

Your attention is drawn to the disclaimer at the beginning of this document  
© Brevan Howard (2014). All Rights Reserved.

**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 acting through its general partner Brevan Howard Capital Management Limited ("BHCM") and Brevan Howard Asset Management LLP ("BHAM" and BHAM together with BHCM "Brevan Howard") have supplied the information herein regarding BHM's and the Fund's performance and outlook. BHCM is regulated by the Jersey Financial Services Commission as a fund services business and is the commodity pool operator of BHM. BHAM is authorised and regulated by the Financial Conduct Authority (the "FCA") in the United Kingdom.

The material relating to BHM and the Fund included in this report has been prepared by Brevan Howard and is provided for information purposes only and does not constitute an invitation or offer to subscribe for or purchase shares in BHM or the Fund. This material is not intended to provide a sufficient basis on which to make an investment decision. All investments are subject to risk. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decisions.

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. Potential investors in BHM should seek their own independent financial advice. Brevan Howard neither provides investment advice to, nor receives and transmits orders from, investors in the funds to which this material relates nor does it carry on any other activities with or for such investors that constitute "MiFID or equivalent third country business" for the purposes of the FCA Handbook.

**PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS**

ADV05657

**Overview and Objective** BH Macro Limited (“BHM” or the “Company”) is a closed-ended investment company, registered and incorporated in Guernsey on 17 January 2007 (Registration Number: 46235).

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

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.

This Interim Management Statement covers the period from 1 January 2014 to the date of its publication.

## Company Size

**The total net assets of BHM are summarised as follows:**

Share Class	31 March 2014 Currency: USD (mm)	31 December 2013 Currency: USD (mm)	Change in Net Assets 31 December 2013 to 31 March 2014 Currency: USD (mm)	31 March 2014 In Currency of Class (mm)	31 December 2013 In Currency of Class (mm)
USD Shares	482.6	514.3	-31.7	482.6	514.3
EUR Shares	173.5	194.6	-21.1	125.9	140.9
GBP Shares	1,514.7	1,537.9	-23.2	908.4	930.6
Total	2,170.8	2,246.9	-76.0	-	-

Source: Northern Trust International Fund Administration Services (Guernsey) Limited (“Northern Trust”)  
 Figures are rounded to one decimal place.

## Share Capital

**The number of shares in issue in each share class of BHM is summarised as follows:**

Share Class	31 March 2014	31 December 2013
USD Shares	24,109,324	24,967,761
EUR Shares	6,247,704	6,792,641
GBP Shares	43,779,735	43,602,671

Source: Northern Trust

## Performance Review

The closing share price\* of each share class of BHM is summarised as follows:

Share Class	8 May 2014**	31 March 2014	31 December 2013
USD Shares (US\$)	18.81	18.59	19.74
EUR Shares (€)	18.94	18.80	19.73
GBP Shares (£)	19.46	19.24	20.79

Source: Bloomberg

The NAV per share\* of each share class of BHM is summarised as follows:

Share Class	2 May 2014***	31 March 2014	31 December 2013
USD Shares (US\$)	19.81	20.02	20.60
EUR Shares (€)	19.95	20.15	20.74
GBP Shares (£)	20.51	20.75	21.34

\* 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.

\*\* 8 May 2014 being the latest practicable date prior to the date of this Interim Management Statement.

\*\*\* Estimated as at 2 May 2014, such date being the most recent date for which an estimated NAV for the Company has been published. The relevant final month-end NAVs may be materially different from these estimated weekly values, which should only be taken as indicative values provided for information only and no reliance should be placed on them. Estimated results, performance or achievements may differ materially from any actual results, performance or achievements.

Source: BHM's Net Asset Value per Share data is provided by BHM's Administrator, Northern Trust, and is based on the Fund's Net Asset Value data provided by the Administrator of the Fund, International Fund Services (Ireland) Limited. BHM's Net Asset Value data in this report is unaudited and net of all investment management fees (2% annual management fee and 20% performance fee) and all other fees and expenses payable by BHM. In addition, the Fund is subject to an operational services fee of 50bps per annum.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

Further details of monthly performance information and the outlook of the Fund and BHM can be obtained from BHM's Shareholder Reports, copies of which can be found on BHM's website: [www.bhmacro.com](http://www.bhmacro.com)

## Investment Profile

The change in the investment profile (by asset class) of the Fund is summarised as follows:

Asset Class	31 March 2014 % of total VaR	31 December 2013 % of total VaR
Fixed Income	28%	25%
Vega	16%	8%
Equity	12%	32%
Credit	5%	4%
FX	37%	29%
Commodities	3%	2%

Source: Brevan Howard

Calculated using historical simulation based on a 1 day, 95% confidence interval. Figures are rounded to the nearest whole number. Therefore in some instances the total may not equal 100%.

## Material Events and Transactions

### Discount Management

In the period between 1 January 2014 and 8 May 2014 being the latest practicable date prior to the date of this Interim Management Statement, BHM purchased the following numbers of shares on the market in accordance with its ongoing discount management policy:

Share Class	Shares purchased on market between 1 January 2014 and 8 May 2014
USD Shares	1,296,181
EUR Shares	428,380
GBP Shares	1,499,627

Source: Northern Trust

In accordance with the terms of BHM's discount management policy these purchases have only been made on the market at prices below the estimated prevailing NAV per Share in circumstances that have resulted in an increase in the NAV per Share of the remaining Shares and after purchase the purchased Shares have either been held in treasury by BHM or cancelled.

### Director Retirement and Appointment

The Company announced the retirement of Stephen Stonberg as a director of the Company effective from 31 March 2014. Stephen had been a director of the Company since 2007.

The Company has also announced the appointment of David Barton as a director of the Company, effective from 17 April 2014.

### Board Statement

The board of directors of the Company is not aware of any other significant events or transactions that have occurred between 1 January 2014 and the publication date of this Interim Management Statement which would have a material impact on the financial position of the Company.

## Enquiries

**Northern Trust International Fund Administration Services (Guernsey) Limited**  
**Andrew Maiden +44 (0) 1481 745 368**