BREVAN **HOWARD**

BH MACRO LIMITED

MONTHLY SHAREHOLDER REPORT

JUNE 2010

ADV02193 CONFIDENTIAL DO NOT COPY OR DISTRIBUTE

Your attention is drawn to the disclaimer at the beginning of this document

Important Legal Information and Disclaimer

BH Macro Limited (the "Fund"), is a feeder fund investing in the Brevan Howard Master Fund Limited ("BHMF"). Brevan Howard Asset Management LLP ("BHAM") has supplied the information herein regarding BHMF's performance and outlook. BHAM is authorised and regulated by the Financial Services Authority.

This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FSA (the "FSA Rules"). The material relating to the Fund and BHMF included in this report has been prepared by BHAM and is provided for information purposes only and does not constitute an invitation or offer to subscribe for or purchase shares in the Fund. 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 the Fund and BHMF have been obtained or derived from sources believed by BHAM to be reliable, but BHAM makes no representation as to their accuracy or completeness. Estimated results, performance or achievements may materially differ from any actual results, performance or achievements. Except as required by applicable law, the Fund and BHAM expressly disclaim any obligations to update or revise such estimates to reflect any change in expectations, new information, subsequent events or otherwise. 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 the Fund and may be subject to change in future. Returns may increase or decrease as a result of currency fluctuations. You should note that, if you invest in the Fund, 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 the Fund should seek their own independent financial advice. BHAM neither provides investment advice to, nor receives and transmits orders from, investors in the Fund 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 FSA Rules.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS

T +44 (0)20 7022 6250 www.bhmacro.com

Summary information

BH Macro Limited NAVs per share (estimated as at 30 June 2010)

Shares Class	NAV (USD mm)	NAV per Share
USD Shares	637.4	$17.31
EUR Shares	352.2	€17.36
GBP Shares	790.1	1780p

BH Macro Limited NAV per Share % Monthly Change

USD Shares	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	1.34*							1.36*

EUR Shares	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	1.32*							1.36*

GBP Shares	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	6.85	-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	1.30*							1.42*

Source: Underlying BHMF NAV data is provided by the Administrator of BHMF, International Fund Services (Ireland) Limited. BH Macro Limited NAV and NAV per Share data is provided by the Fund's Administrator, Northern Trust International Fund Administration Services (Guernsey) Limited. BH Macro Limited NAV per Share % Monthly Change are calculated by BHAM. BH Macro Limited NAV data 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 BH Macro Limited. In addition, BHMF is subject to an operational services fee of 50bps per annum.

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

* Estimated as at 30 June 2010

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

FAS 157 Asset Valuation Categorisation*

Brevan Howard Master Fund Limited ("BHMF")

Unaudited Estimates as at 30 June 2010

	% of NAV (Gross Market Value)
Level 1	61
Level 2	39
Level 3	0

Source: BHAM

* These estimates are unaudited and have been calculated by BHAM using the same methodology as that used for the 2009 audited financial statements of BHMF. These estimates are subject to change.

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.

T +44 (0)20 7022 6250 www.bhmacro.com

Performance Review

During the month, BHMF made profits in FX directional strategies and interest rate directional, yield curve and volatility strategies. Losses were incurred in LIBOR basis strategies. Smaller gains were made in credit and equities strategies.

Monthly contribution (%) to performance of BH Macro Limited USD Shares by asset class

	Total	Macro	Rates	FX	EMG	Equity	Commodity	Credit	Systematic
June 2010	1.34	-0.08	1.04	0.34	0.01	0.00	-0.04	0.06	0.00

Source: BHAM

Methodology and definition of Monthly Contribution to Performance:

Attribution is approximate and has been derived by allocating each trader book in BHMF 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 asset classes are categorised as follows:
"**Macro**": multi-asset global markets, mainly directional (for BHMF, the majority of risk in this category is in rates)
"**Rates**": developed interest rates markets
"**FX**": global FX forwards and options
"**EMG**": global emerging markets
"**Equity**": global equity markets including indices and other derivatives
"**Commodity**": liquid commodity futures and options
"**Credit**": corporate and asset-backed indices, bonds and CDS
"**Systematic**": rules-based futures trading

Market Review and Outlook

Market Commentary

US

In June, risk appetite faded further in response to domestic as well as foreign threats to expansion. Most notably, investors began to question the sustainability of the recovery due to stalled consumption spending, housing roll over, and the downshifts in the labour market.

After having surprised on the upside earlier in the year, retail sales have slowed to a crawl in the last two months and prior consumption data has been revised down. The more muted trajectory of spending better aligns with our macro view, which emphasises the headwinds from lacklustre income growth, stagnant wealth and credit constraints. Housing has suffered from a hangover after the expiration of government subsidies. Furthermore, although mortgage rates are approaching record lows, we believe that housing demand will continue to wane due to excess supply, the fear of price declines and tight credit conditions. In the labour market, job creation stepped down as businesses evidentially remained cautious about expanding payrolls. Meanwhile, layoffs have moved sideways at an elevated level. The labour market continues to be our central focus, so recent developments are definitely causes for concern. Nevertheless, we believe the risks of a double-dip recession are overblown.

Not all the news is bad as productivity growth has been well maintained. Remarkably, businesses are still able to find ways to rein in labour inputs in order to enhance profits. One area where firms have relaxed the purse strings is capital expenditures, which have been impressive this year. Manufacturing production has been especially robust although more moderate gains are in store as the inventory cycle matures.

Wage and price pressures continue to be absent and the biggest risk to the outlook remains the threat of deflation. Investors have come to appreciate these risks as breakeven inflation has collapsed. Survey measures on inflation are steadier, but without a reliable understanding of the expectations formation processes, we are wary of the reassurance they provide.

Finally, the negatives in the macro data have spawned a debate about fiscal and monetary policy options. Fiscal expansion is constrained by investor and voter concerns about yawning budget deficits. Much attention has been focused on the Fed restarting large scale asset purchases, but those lack punch when markets are functioning and Treasury and mortgage rates are already at or near record lows. Other options are politically risky for the Fed, for example buying municipal bonds, or simply not legal, for example buying equities. Without positive alternatives, the Fed will have to rely on pinning down the short rate near zero for an even longer "extended period."

EMU

In the first half of the year, EMU activity largely benefitted from past fiscal and monetary stimulus, as well as from the weaker euro and the repletion of inventories. While actual data released in June, referring to Q2 confirmed the strength of this cyclical rebound, leading indicators suggest that the recovery is poised to fade due to the headwinds produced by the upcoming fiscal consolidation, the impaired banking sector, the general loss of confidence generated by the EMU crisis and the softening pace of global activity. Although inflation has gradually risen due to higher energy costs, a weaker euro and indirect tax increases, domestically-generated price pressures have remained subdued.

On the policy side, the market is awaiting the finalisation for the set-up of the European Financial Stability Facility (EFSF) as well as the outcomes of the announced bank stress tests. While those developments might provide some relief, it is hard to be convinced that these are the solutions for the deep problems in the EMU. A number of EMU countries and banking institutions are still facing severe funding problems, which is likely to constrain action by the European Central Bank.

UK

The tentative evidence in May of an easing in UK growth momentum was consolidated in June, when more leading and confidence-based activity indicators showed substantial falls. However, it remains to be seen how deep and persistent the growth slowdown will prove to be. This will depend on how widespread the slowdown is across the EMU, US and Asia, as well as the extent of adverse feedback between financial markets and the real economy. Meanwhile, inflation expectations and wage growth have continued to creep up. Various Bank of England officials have shown increased concern about the rise in inflation expectations, but highlighted that these risks were at least partially offset by renewed downside risks to growth.

Aside from the activity and price data, a major development in June was the first budget of the new government. The budget included further substantial government

T +44 (0)20 7022 6250 www.bhmacro.com

spending cuts over the next 5 years, aimed at bringing the structural fiscal position back into balance. The rating agencies took a positive view of the budget's impact on the UK's sovereign risk.

Japan

While coincident indications of economic activity in Japan signal that GDP expansion remained robust in Q2, leading indicators point in the direction of some cooling; which is consistent with developments observed globally and especially in China. Indeed, Japanese exports and IP dynamics remained buoyant until May: on a 3 month / 3 month metric, the former was running at a pace close to 35% annualised, while the latter was running at 12%. On the other hand however, the June PMI showed a deterioration in manufacturing, down from 54.7 to 53.9, and even more so in services, down from 47.5 to 47.1, which is 3 points below the April cyclical peak. Thus far, activity in Japan seems to have been coping well with the appreciation of the yen, which has been a safe haven for global investors at a time of grave uncertainty. However, the strong yen and a level of activity still significantly below the pre-recession levels of 2008 continue to exert downside pressure on consumer prices.

China

In June, both the manufacturing and the services PMI for China confirmed that the pace of activity is moderating. In particular, manufacturing PMI orders fell below the 50 threshold. The drivers of the slowdown originate from weakening domestic demand, such as investments, housing and de-stocking. China is beginning to turn into a drag for the rest of the world, as import volumes are stagnating while the trade surplus is surging again. On the inflation front, evidence suggests that PPI dynamics might have peaked while CPI inflation should still be supported by rising food prices and higher expectations. Policy-wise, the Peoples Bank of China ("PBOC") announced on 19 June 2010 that China would resume renminbi flexibility with reference to a basket of currencies. This means the renminbi has ended its 22-month peg to the US dollar. However, there appears to be limited scope for large-scale renminbi appreciation, given that wages and utilities prices are rising. Inter-bank money market liquidity improved after the PBOC injected a net ¥638bn in June to stabilise the money market. The Chinese Premier, Wen Jiabao said that China will maintain its current economic policy stance after visiting six provinces. Thus far, there are no clear signals of policy easing.

Enquiries

Northern Trust International Fund Administration Services (Guernsey) Limited
Harry Rouillard +44 (0) 1481 74 5315

Important Legal Information and Disclaimer

This material has been prepared by Brevan Howard Asset Management LLP (“BHAM”). BHAM is authorised and regulated by the Financial Services Authority of the United Kingdom (the “FSA”). BHAM may provide you with further data or material but makes no representation that such further data or material will be calculated or produced on the same basis, or in the same format, as this material. BHAM has used reasonable skill and care in the preparation of this material from sources BHAM believes to be reliable but BHAM and its affiliates give no warranties, representations or undertakings, express or implied, as to the accuracy or completeness of this information, and BHAM and its affiliates accept no liability for the accuracy or completeness of any such information. This material has been provided specifically for the use of the intended recipient only and must be treated as proprietary and confidential. It may not be passed on, nor reproduced in any form, in whole or in part, under any circumstances without express written consent from BHAM.

This material is provided for information purposes only and does not constitute an invitation or offer to subscribe for or purchase any of the products or services mentioned nor is it intended to constitute, or be construed as, investment advice. Any such offer may only be made by means of delivery of the relevant approved prospectus or offering memorandum (the “Prospectus”). The Prospectus must be received and reviewed prior to any investment decision. The material provided is not intended to provide a sufficient basis on which to make an investment decision. Potential investors in any products referred to in this material or to which this material relates (each a “Fund” and, collectively, the “Funds”) should seek their own independent financial, legal and taxation advice. Interests in the Funds have not been and will not be registered under any securities laws of the United States of America or any of its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the “Securities Act”), and any applicable state laws.

The Funds are only available to persons to whom such products may lawfully be promoted in any jurisdiction. In the United Kingdom, this material is directed only at, and made available only to, professional clients and eligible counterparties (as defined in the FSA's Handbook of Rules and Guidance (the "FSA Rules")). This material is only provided to United States persons that are “accredited investors” as defined in Regulation D under the Securities Act and “qualified purchasers” as defined in the U.S. Investment Company Act of 1940, as amended (the “Company Act”), and the rules promulgated thereunder. Any Funds and services described in this material are only available to such persons and the information herein should not be relied or acted on by any other person. This material is not intended for use by, or directed at, retail customers (as defined in the FSA Rules). BHAM neither provides investment advice to, nor receives and transmits orders from, investors in any Funds 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 FSA Rules.

An investment in the Funds is speculative and involves a high degree of risk, which each investor must carefully consider. BHAM and its affiliates give no representations, warranties or undertakings that any indicative performance or return will be achieved in the future or that the investment objectives and policies from time to time of the Funds will be met. Past results are not indicative of future results. The value of investments and the income therefrom can go down as well as up, and an investor could lose all or a substantial amount of his or her investment. While the Funds are subject to market risks common to other types of investments, including market volatility, the Funds employ certain trading techniques, such as the use of leverage and other speculative investment practices that may increase the risk of investment loss. The Funds’ managers will receive performance-based compensation. Such compensation may give such managers an incentive to make riskier investments than they otherwise would. The Funds’ managers are subject to other conflicts of interest described in the applicable Prospectus. Investments in the Funds are subject to periodic liquidity, which may be suspended under certain conditions, as well as restrictions on transfer. There is no secondary market for interests in the Funds, and none is expected to develop. Therefore, any person subscribing for an investment must be able to bear the risks involved and must meet the suitability requirements set forth in the relevant Fund’s Prospectus. Some or all alternative investment programs may not be suitable for certain investors. Returns generated from an investment in a Fund may not adequately compensate investors for the business and financial risks assumed.

Other risks associated with the Fund’s investments include, but are not limited to, the fact that the Funds: can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as investment funds registered under the Company Act; often charge higher fees and the high fees may offset the fund's trading profits; may have a no operating history or a limited operating history; can have performance that is volatile; invest in instruments that have been subject to periods of excessive volatility in the past, and such periods can be expected to recur; may have a fund manager who has total trading authority over the fund and the use of a single adviser applying generally similar trading programs could mean a lack of diversification, and consequentially, higher risk; and may effect a substantial portion of its trades on non-US exchanges.

The text and statistical data or any portion thereof contained in this presentation may not be permanently stored in a computer, published, rewritten for broadcast or publication or redistributed in any medium, except with the express written permission of BHAM. BHAM will not be liable for any inaccuracies, errors or omissions in the material or in the transmission or delivery of all or any part thereof or for any damage arising from any of the foregoing. References to indices are included to show the general trends in the relevant markets, and are not intended to imply that the Funds were comparable to these indices in either composition or risk.

Brevan Howard US LLC, a Delaware limited liability company (the “Placement Agent”) acts as non-exclusive placement agent with respect to the sale of the Interests to certain investors in the Funds, and may provide such investors with marketing and other materials on behalf of Brevan Howard and the Funds. The Placement Agent is registered as a broker-dealer under the U.S. Securities Exchange Act of 1934, as amended, and under various States’ securities laws, and is a member of the Financial Industry Regulatory Authority, Inc. The Placement Agent is not an affiliate of BHAM.