

BH Macro Limited

Monthly Shareholder Report

29 May 2009

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**Disclaimer /
Important information**

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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

Summary information

BH Macro Limited NAVs per share (as at 29 May 2009)

Shares Class	NAV (USD mm)	NAV per Share
USD Shares	796.10	\$16.32
EUR Shares	433.82	€16.38
GBP Shares	549.90	1679p

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								12.81

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								13.20

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	6.85	-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								12.86

* 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.

Source: Underlying BHMFL NAV data is provided by the Administrator of BHMFL, 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 calculations made 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, BHMFL is subject to an operational services fee of 50bps per annum.

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Brevan Howard Master Fund Limited
Unaudited Estimates as at 29 May 2009

	% of NAV (Gross Market Value)
Level 1	49%
Level 2	51%
Level 3	0%

Source: BHAM

The estimates set out above are unaudited and have been calculated by BHAM using the same methodology as that used for the 2008 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.

Brevan Howard Master Fund Limited ("BHMF") made most of its profits for the month in fixed income directional, curve and volatility trades. BHMF also generated small profits in equity, credit and commodities. Small losses were incurred in fixed income relative value trades.

Monthly contribution (%) to basic performance by asset class, i.e. excluding the impact of shareholder activity (e.g. tender offer or market buybacks) for BH Macro Limited (USD):

	Total	Interest Rates	FX	Equity	Commodity	Credit
May 2009	3.14	2.74	0.18	0.09	0.06	0.08

Source: BHAM

Please note: trading in BHMF is managed on a strategy basis rather than on an asset class basis. The data in the table above does not make this distinction and instead reflects approximate gains and losses of the asset classes that comprise BHMF's strategies. Investors should therefore be circumspect as to any inferences that they draw from this data regarding the manner in which trading in BHMF is managed. For example, the December 2008 Shareholder Report shows a loss in FX for 2008 when, in fact, dedicated FX strategies were profitable. The overall loss attributed to FX was due to losses from FX exposures used to hedge certain rates positions in other macro strategies.

The following is a report from Brevan Howard Asset Management LLP, the investment manager of Brevan Howard Master Fund Limited:

US

The financial and economic picture brightened in May. The much-anticipated bank stress tests were a success, equities rose, the dollar declined, and private credit spreads narrowed - a combination that suggested more benign financial conditions. In the real economy, there was a slowdown in the deterioration in both the labour market and industrial production. Housing data hinted at a bottom in sales and starts, and outright increases occurred in some of the hard-hit sectors such as auto sales.

Among policy makers and market participants, there is widespread relief and a sense that we have "turned the corner": the financial system is on the mend, deflation risks have receded and economic activity should bottom out in the coming months. We agree that the recession will probably end this

summer as the economy enjoys the lift from fiscal stimulus and easy monetary policy. However, we anticipate a lacklustre expansion in the face of headwinds from deleveraging, financial constraints, wealth losses, and weak trading partners (i.e. non-US countries). Overall, we believe nominal growth levels will be anaemic going forward and this, combined with disinflation, make the likelihood of an expansion (as opposed to the end of recession) slim. We expect the Fed will remain on hold for an extended period.

Europe

EMU output contracted at a record pace (-2.5% q/q or almost 10% q/q annualized) in the first quarter of 2009, making the level of output loss since the start of this recession unprecedented. In the second quarter of 2009, signs of stabilization have started to emerge, indicating that the phase of rapid disruption of activity is coming to an end. In May, business confidence improved for the second consecutive month, although from extremely low levels. Orders and production data for the manufacturing sector are showing signs of stabilization after many months of double-digit contraction.

These improvements are occurring as a result of the huge monetary and fiscal stimulus provided internationally and, to a lesser extent, within the EMU. Consumer spending dynamics are being supported not only by fiscal measures (e.g. car scrapping measures), but also by the decline in inflation. Moreover, the labour market has not (yet) followed the collapse in broader activity which has occurred in the last few months due to temporary measures undertaken by the corporate sector.

Nevertheless, the output gap remains unprecedentedly large and the EMU labour market is poised to deteriorate rapidly. After the record contraction in the first quarter of 2009, it is likely that EMU GDP will continue to decline for the rest of the year, albeit at a much slower pace. Meaningful negative feedbacks between higher unemployment and lower consumption are possible, as is further deleveraging in the financial sectors. The ECB reduced its policy rate to 1.00% in May and plans to start a "credit enhancing" programme which aims to support EMU banks in their funding needs. Such a programme consists of two elements:

1. New ECB refinancing operations to EMU banks with duration of one year in unlimited amounts;
2. ECB purchases of a limited amount (60bn EUR) of covered bonds.

While these measures may be helpful, they are unlikely to be sufficient to offset continuing deleveraging headwinds.

UK

During May there was a continuation of April month's rapid improvement of economic data, however there was also further weakness in consumer and wage inflation. Surveys of activity across all sectors improved, showing that the economy is moving from a phase of rapid declines to one of stabilisation. The housing market in particular is improving solidly, with housing activity rising from a very low level, excess housing inventory starting to be worked off, and prices declining less rapidly. The low exchange rate is also benefitting the export sector.

However, it is still questionable whether these improvements can continue and move from stabilisation to a phase of self-sustaining growth. Policy rates

have now reached a floor, fiscal policy is unlikely to be expanded further, energy prices are rising and quantitative easing is not having much of an effect so far on credit availability and cost. In other words, a significant amount of stimulus is already in place, no further stimulus will be forthcoming, and major headwinds from consumer and bank deleveraging are likely to continue to weigh down on growth. On the inflation side, we believe a large amount of spare capacity will put severe downward pressure on inflation, even as the economy stabilises or returns to moderate growth rates. Low rates of actual price and wage inflation will also put downward pressure on inflation expectations.

Japan

Japan is experiencing the steep growth turnaround which is being seen in the G10 economies. Still, this improvement should be put into the context of the incredibly sharp GDP contraction which Japan has experienced since Q2 2008: 9% in real terms, out of which 4% q/q (-15.2% q/q annualised) occurred in Q1 2009 alone. As mentioned in the April 2009 Shareholder Report, these improvements have international (mainly China) and domestic (i.e. fiscal stimulus) sources. The rebound in Japan's manufacturing PMI between March and May this year was the steepest worldwide. Surveys more directly connected with domestic determinants of production and spending have improved too.

In April, both exports and industrial production increased briskly, boosting the prospect of GDP expansion in Q2. Asset prices have responded to improved prospects: since the March trough, the Nikkei Index has rebounded by about 40%. Still, the outlook for the Japanese economy remains clouded: on the one hand, by the sustainability of the international recovery; and on the other, the ongoing deterioration in the labour market. Indeed, job losses have thus far been less than proportional to the extreme output losses.

Enquiries

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Your attention is drawn to the Disclaimer set out at the beginning of this document.

BH Macro Limited is a closed-ended investment company registered and incorporated in Guernsey on 17 January 2007 (Registration Number: 46235) with its registered office at Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL, Channel Islands.

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