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Summary Information

NAV Performance (%)

USD		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003	Class A	-	-	-	0.31	3.95	2.75	-1.77	-2.92	2.62	-1.75	-0.51	2.09	4.62
2004	Class A	2.76	0.56	2.70	2.41	0.68	1.66	1.01	-0.25	-0.53	1.29	1.11	0.38	14.62
2005	Class A	0.56	-0.01	2.31	-0.10	1.37	1.42	-0.31	0.85	2.33	-2.52	0.20	1.77	8.03
	Class B	-	-	-	-	-	-	-	0.79	2.15	-2.34	0.18	1.64	2.38
2006	Class A	3.68	1.79	2.98	2.86	-2.75	0.93	1.50	-1.96	0.30	1.00	0.59	-0.15	11.10
	Class B	3.45	1.68	2.80	2.69	-2.59	0.88	1.37	-1.94	0.37	0.98	0.54	-0.14	10.37
2007	Class A	1.99	0.74	1.13	0.89	0.15	2.32	2.60	3.16	5.97	0.15	2.97	0.77	25.21
	Class B	1.87	0.69	1.06	0.84	0.15	2.18	2.39	2.91	5.52	0.14	2.76	0.72	23.28
2008	Class A	9.89	6.70	-2.79	-2.46	0.78	2.78	1.16	0.78	-3.16	2.78			16.87
	Class B	9.27	6.32	-2.64	-2.32	0.73	2.63	1.05	0.71	-3.25	2.92			15.76

EUR		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003	Class A	-	-	-	0.36	3.89	2.81	-1.78	-2.81	2.54	-1.67	-0.45	2.07	4.81
2004	Class A	2.76	0.62	2.82	2.58	0.77	1.75	1.06	-0.24	-0.51	1.30	1.05	0.35	15.20
2005	Class A	0.58	-0.05	2.28	-0.13	1.38	1.38	-0.38	0.75	2.24	-2.62	0.08	1.62	7.26
	Class B	-	-	-	-	-	-	-	0.69	2.07	-2.43	0.07	1.50	1.85
2006	Class A	3.42	1.71	2.76	2.70	-2.85	0.75	1.33	-2.13	0.16	0.87	0.43	-0.28	9.04
	Class B	3.21	1.61	2.60	2.54	-2.69	0.70	1.22	-2.21	0.19	1.01	0.39	-0.25	8.46
2007	Class A	1.90	0.62	1.02	0.78	0.04	2.23	2.47	3.09	5.68	0.07	2.86	0.67	23.50
	Class B	1.78	0.58	0.96	0.74	0.03	2.10	2.28	2.86	5.27	0.07	2.66	0.63	21.73
2008	Class A	9.90	6.67	-2.54	-2.39	0.86	2.88	1.28	0.91	-3.21	2.79			17.68
	Class B	9.28	6.29	-2.40	-2.26	0.82	2.72	1.16	0.83	-3.24	2.87			16.50

GBP		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003	Class A	-	-	-	0.43	4.13	2.88	-1.72	-2.75	2.60	-1.59	-0.36	2.17	5.70
2004	Class A	2.80	0.69	2.95	2.71	0.86	1.92	1.21	0.00	-0.33	1.48	1.21	0.54	17.22
2005	Class A	0.73	0.11	2.49	0.03	1.58	1.55	-0.23	0.90	2.40	-2.49	0.23	1.80	9.38
	Class B	-	-	-	-	-	-	-	0.83	2.22	-2.30	0.21	1.67	2.59
2006	Class A	3.59	1.81	2.97	2.81	-2.69	0.90	1.44	-1.98	0.26	0.97	0.55	-0.16	10.79
	Class B	3.37	1.71	2.80	2.65	-2.54	0.84	1.33	-1.99	0.32	0.98	0.51	-0.15	10.09
2007	Class A	1.97	0.73	1.14	0.88	0.17	2.32	2.58	3.24	5.94	0.17	3.08	0.85	25.51
	Class B	1.85	0.69	1.08	0.83	0.16	2.18	2.38	2.99	5.50	0.16	2.87	0.79	23.56
2008	Class A	10.13	6.87	-2.63	-2.30	0.93	2.96	1.34	0.96	-3.04	2.88			18.75
	Class B	9.50	6.48	-2.49	-2.18	0.88	2.79	1.21	0.87	-2.99	2.85			17.48

Source: NAV performance data provided by the Administrator, International Fund Services (Ireland) Limited ("IFS")

The performance set forth above is net of all investment management fees (2% annual management fee and 20% performance fee for Class A Shares, 2% annual management fee and 25% performance fee for Class B Shares) and all other fees and expenses payable by Brevan Howard Fund Limited/Brevan Howard Master Fund Limited. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

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NAV

NAV per Share

	USD	EUR	GBP
Class A	210.62	205.22	223.79
Class B	161.25	156.66	163.94

Source: IFS

Assets Under Management

	US\$ MM
Brevan Howard Fund Limited	15,534
Brevan Howard L.P.	1,108
BH Macro Limited	1,595
Total*	19,762
Brevan Howard Asset Management LLP and its affiliates**	26,136

Source: BHAM

*Figure includes investments directly in Brevan Howard Master Fund Limited by other funds managed by Brevan Howard Offshore Management Limited.

**Figure is exclusive of any investments by Brevan Howard Master Fund Limited, Brevan Howard Equity Strategies Master Fund Limited and Brevan Howard Global Opportunities Master Fund Limited in other funds managed by Brevan Howard Offshore Management Limited or its affiliates.

Monthly Performance Review and Update

The NAV per share of the Fund was up 2.78% in October, bringing the year-to-date performance to 16.87%.

In October, the Brevan Howard Master Fund Limited (the "Master Fund") profited from fixed income directional and curve trades. The Master Fund was long the short end of the US & EUR curves, where rates fell substantially. Further, the Master Fund was positioned for a steepening of the curves and a widening of developed market sovereign credits, both of which were profitable. In FX, the Master Fund benefitted from the USD rally.

Losses were incurred in certain fixed income relative value trades. Emerging market credit, equity and commodities also detracted slightly from performance during the month.

Going into November, the Master Fund continues to be positioned with a low level of securities leverage (ratio of absolute value of securities, excluding derivatives, to NAV) of approximately 0.8 (as at 31 October); a simplified derivatives book with lower gross exposure; a high "unencumbered cash" balance of greater than 80% of the Master Fund's capital (a majority of which is invested in T-Bills); a focus on liquid asset classes and markets; and a low level of VaR utilisation.

Commentary

US

Our view this year has been that the real economy would eventually suffer as the price of credit rose and its availability vanished. Although Fed policy appeared on the surface to be relatively easy (negative real interest rates prevailed for most of the year), we noted an unusual phenomenon during an easing cycle: private credit spreads were extraordinarily high and rising. Where yields were more normal (e.g., AAA credits), there was a dearth of supply. In such an environment, it was only a matter of time before the economic data began to crater, and October was the month the data finally caught up with the markets.

Unemployment appears headed toward 7% by early next year, a rate that would surpass the peaks seen in the previous two recessions. Consumer spending is contracting at its fastest pace in decades. Auto sales have been particularly poor evidencing the nexus between bad fundamentals (worsening labour market, falling wealth) and credit constraints - last month's 10.5 million unit annual sales figure is around the lows seen in the recessions in the 1970s and 1980s even though the population is almost 100 million larger. Meanwhile, housing continues to languish and the relatively robust sectors of business investment and net exports are poised to decline in the wake of recession in the major economies. The economy looks sure to suffer the worst recession in 25 years.

In this environment, fiscal and monetary policies are the only cushions and so far both have been lagging. Although the Fed (acting in concert with the other major central banks) has been successful in getting LIBOR rates down, there is still little interbank lending.

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That should come as no surprise as risk-free or nearly-risk-free assets are trading at historically wide spreads. Why lend unsecured to a bank when risk-free arbitrage is widely available? Fiscal policy has been stalled by the Presidential election/transition and is still in flux. Large stimuli - combining tax cuts, infrastructure spending and aid to state/local governments - will wait until early next year, when the economy will likely have deteriorated further still.

Europe

At the start of the month, the extreme levels of turbulence in the financial markets and further problems in the banking sector were the final triggers for a massive public intervention. All the EMU governments set up rescue packages in favour of their respective banking sectors. The ECB, in coordination with other major central banks, reduced policy rates by 50bps. In addition, the ECB stepped up its support to EMU banks by massively increasing its liquidity provision.

Despite these extreme measures, recession fears have started to spread across the EMU and the risks of a self-reinforcing spiral between the weakness of the economy and the turbulence in the financial sector have been rising.

During the month, surveys of the corporate sector confirmed that firms are facing falling demand and are scaling down their employment and investment plans in order to cope with the economic downturn. At the same time, consumers are being squeezed by tight credit conditions and rising unemployment fears and are reacting by cutting back on consumption. EMU GDP is poised to contract meaningfully in the second half of the year.

Inflation risks have been receding. Commodity prices have been contracting sharply over the last few months. Inflation expectations have been moderating and unions are unable to push for strong wage settlements in a situation of rising unemployment.

The ECB has been surprised by the speed of deterioration of the economy and it is now in the process of marking its economic outlook down further. This increases the probability of further interest rate cuts.

UK

Despite the UK government's extensive bank rescue package at the start of the month, and the BoE's 50bps rate cut as part of a coordinated global effort, prices of risky assets continued to fall during the month as both economic and financial news around the globe continued to worsen. UK surveys of the corporate sector confirmed that firms are cutting back employment and investment to cope with the economic downturn. Households, faced with tighter credit conditions, stagnant or falling real wages and rising unemployment cut back on consumption. Q3 GDP contracted by 0.5%. Given the scale of financial and non-financial sector leverage that needs to be unwound, the economic weakness is likely to last.

Inflationary pressures continued to ease on all fronts as lower commodity prices further lowered inflationary pressure in the production pipeline. Lower retail fuel prices and a worsening economic outlook also led to a sharp downward revision of households' inflation expectations, some of which point to inflation expectations having now moved below the average of the past decade. Also, firms reported no resistance to below-inflation wage settlements, as job insecurity moves higher among workers' concerns.

The BoE acknowledged the sharp deterioration in the economic outlook and the fall in inflationary pressure, and looks set to revise down their economic outlook once again, by even more than in previous quarters. This paves the way for further interest rate cuts.

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Japan

In October, the yen appreciated sharply against all major global currencies. The Nikkei fell sharply to levels not seen in more than 25 years. At the same time, the Japanese cyclical downturn intensified. The most important business surveys, from the Small Business survey to the Manufacturing PMI, fell sharply approaching the all-time lows recorded during the years of the Japanese depression.

The extreme deterioration of real and financial developments, together with abating inflationary pressures, convinced the BoJ to curb its policy rate by 20bps, from the already very low 0.50% to 0.30%. The manoeuvre has contributed to ease pressures on both the yen and the Nikkei. Subsequently, the BoJ has shown unwillingness to communicate an intention to cut rates further in the near term.