BREVAN HOWARD

BH MACRO LIMITED

MONTHLY SHAREHOLDER REPORT
SEPTEMBER 2019

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OVERVIEW

Manager:
Brevan Howard Capital Management LP ("BHCM")

Administrator:
Northern Trust International Fund Administration Services (Guernsey) Limited ("Northern Trust")

Corporate Broker:
J.P. Morgan Cazenove

Listing:
London Stock Exchange (Premium Listing)

BH Macro Limited ("BHM") 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 ("BHMF" or 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.

MANAGER UPDATE

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

Brevan Howard plans to implement some changes within its senior management team before the end of 2019. Aron Landy, currently the Chief Risk Officer (CRO), will assume the role of Chief Executive Officer (CEO) and take over day-to-day management responsibilities for the investment management business from Alan Howard, the current CEO. Going forward, Alan will focus on his own trading activities and will of course remain closely involved with the firm's investment strategies. At the same time, Alexandre Assouline (currently the Deputy CRO) will assume the role of CRO, ensuring continuity in the firm's risk governance and risk management functions. These changes will be confirmed later in the year once the necessary regulatory approvals have been obtained.

PERFORMANCE ATTRIBUTION

Data as at 30 September 2019

Performance contribution (%) by asset class for BHM USD Shares (net of fees and expenses)

The information in this section has been provided to BHM by BHCM. Based on performance data for each period provided by BHM's administrator, Northern Trust. Figures rounded to two decimal places

	Rates	FX	Commodity	Credit	Equity	Total
September 2019	-0.93	-0.46	-0.37	-0.03	-0.09	**-1.89**
Q1	3.16	-0.68	0.05	-0.03	-0.09	**2.41**
Q2	9.14	-1.79	0.25	-0.04	-0.29	**7.14**
Q3	-1.61	0.35	0.23	-0.10	-0.30	**-1.45**
YTD	10.77	-2.12	0.53	-0.17	-0.68	**8.14**

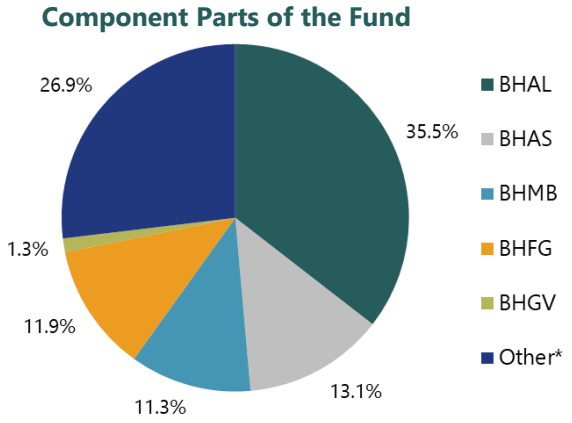
Methodology and Definition of Contribution to Performance:
Attribution by asset class is produced at the instrument level, with adjustments made based on risk estimates.

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

Performance attribution (%) by underlying component for BHMF

The information in this section has been provided to BHM by BHCM. Derived from data calculated by BHCM, based on total performance data for each period provided by BHMF's administrator, International Fund Services (Ireland) Limited ("IFS") and risk data provided by BHCM

See notes for definitions of underlying components



	Return		Attribution	
	MTD	YTD	MTD	YTD
Brevan Howard Alpha Strategies Master Fund Limited (BHAL)	-1.66%	14.60%	-0.59%	4.70%
Brevan Howard AS Macro Master Fund Limited (BHAS)	1.11%	10.10%	0.14%	1.23%
Brevan Howard MB Macro Master Fund Limited (BHMB)	0.22%	11.59%	0.02%	1.22%
Brevan Howard FG Macro Master Fund Limited (BHFG)	-3.38%	1.39%	-0.40%	0.18%
Brevan Howard Global Volatility Master Fund Limited (BHGV)	-0.57%	-9.09%	-0.01%	-0.13%
Other*	-4.95%	12.59%	-1.41%	3.80%

*Please see notes on next page.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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The performance figures listed above, other than the performance figures for "Other", represent the actual returns of Class X Shares in each underlying fund in which the Fund invests. The Class X Shares in each underlying fund do not charge any performance or management fees. Management, performance and other fees and expenses are payable by BHM. BHM's investment in the Fund is subject to an operational services fee.

* The performance figures listed for "Other" represent returns from (i) direct capital allocations to individual traders, (ii) treasury trades placed for BHMF, (i) and (ii) each represented gross of all performance fees, management fees and the operational services fee (however net of all other fees and expenses payable by the Fund), and (iii) actual returns of Class X Shares in Brevan Howard AH Master Fund Limited (see above paragraph for fee characteristics of Class X Shares in underlying funds).

PERFORMANCE REVIEW

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

BH Macro Limited – performance overview

The NAV per share of BHM's USD shares depreciated by 1.89% and the NAV per share of BHM's GBP shares depreciated by 1.94% in September 2019. Losses were generated from both directional and curve trades on US interest rates. Profits from tactical trade in the belly of the European curve, and smaller contributions from basis swaps and a wider range of more emerging markets currencies muted the total losses from rates trading. Losses from trading FX instruments, primarily positions linked to the EUR/USD and USD/JPY, also contributed negatively.

BHAL

Interest rate trading losses were predominately driven by tactical directional and curve trading in US rates. These were partially offset by gains from trading in EUR and CEEMEA rates. FX trading losses were focussed almost entirely on G10, most notably USDJPY, whilst EM FX trading had little net impact.

BHAS

The positive performance in September stemmed from two main drivers, being; directional trades in European interest rates, through a tactical short in the first half of the month, as well as USD interest rates basis positions where BHAS was well positioned and notably benefited from the repo spike that occurred around mid-month. Against these gains, BHAS incurred some minor losses in EURGBP positioning for a potential resolution regarding Brexit.

BHMB

Gains from interest rate and to a lesser extent equity index trading strategies were offset by losses from FX trading. Dollar-block interest rates (USD/HKD/SGD) were positive overall as gains from curve and spread positioning more than compensated for losses in directional strategies. Further gains were generated in Japanese, Korean and Indian interest rate markets, while directional positioning in NZD rates generated modest losses. In FX, losses were incurred in directional and volatility trading across a range of China-linked currency pairs.

BHFG

BHFG experienced losses on long gold options positions due to the sell-off in gold. There were also losses on long short end rates positions in USD and long curve cap positions (mostly from volatility drifting lower). Short rates hedges in EUR and USD rates helped mitigate losses in these positions.

BHGV

Overall volatility levels declined somewhat from August highs. FX volatility in particular was under pressure. Realised volatility in interest rates remained very high and there was demand for interest rate options in order to hedge the negative convexity that was caused by ultra-low interest rates. Equity volatility was stable.

Other*

Losses were incurred from directional and volatility trading strategies in US interest rates and FX.

* Please see section "Performance Attribution".

NAV PERFORMANCE

BH Macro Limited NAV per Share

Monthly performance in % terms; net of fees and expenses

Data as at 30 September 2019

Source: Fund NAV data is provided by the administrator of the Fund, 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.

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	0.19	-0.78	-0.84	0.20	0.11	-0.30
2018	2.54	-0.38	-1.54	1.07	8.41	-0.57	0.91	0.90	0.14	1.32	0.38	0.47	14.16
2019	0.67	-0.70	2.45	-0.49	3.55	3.97	-0.66	1.12	-1.89				8.14

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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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	0.09	-0.79	-0.96	0.09	-0.06	**-4.35**
2018	2.36	-0.51	-1.68	1.01	8.19	-0.66	0.82	0.79	0.04	1.17	0.26	0.31	**12.43**
2019	0.52	-0.88	2.43	-0.60	3.53	3.82	-0.78	1.00	-1.94				**7.16**

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.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

ASSETS AND NAV PER SHARE

Data as at 30 September 2019

Source: Share data is provided by BHM's administrator, Northern Trust.

	NAV per Share	USD MM
USD Shares	$26.68	66.5
GBP Shares	£25.86	454.6
BH Macro Limited		521.1

ASC 820 ASSET VALUATION CATEGORISATION

% of Gross Market Value

Brevan Howard Master Fund Limited

Unaudited as at 30 September 2019

Source: BHCM, sum may not total 100% due to rounding.

	On a non-look through basis*	On a look through basis**
Level 1	17.9	72.9
Level 2	8.3	27.1
Level 3	0.0	0.1
At NAV	73.8	-

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 funds and priced or valued at NAV as calculated by IFS.

*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.

**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.

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MANAGER'S MARKET REVIEW AND OUTLOOK

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

US

Forward-looking surveys of business sentiment moved unexpectedly to the downside in September, while hard data on economic activity pointed to 2% real GDP growth in the third quarter. The unemployment rate reached a new low of 3.5%, but inflation is still registering lower than the Federal Reserve's 2% target. Trade talks between the US and China appeared to buoy market sentiment as it delivered a 'truce' in the trade war, however this does not seem to have had much tangible effect as yet.

UK

The focus of the past month has predominantly been political, with Boris Johnson successfully negotiating a revised deal for the UK's withdrawal from the European Union ("EU"). The new deal rewrote the original all-UK backstop, replacing it with an arrangement whereby Northern Ireland would remain aligned with the EU, predicated on ongoing consent. Prime Minister Johnson brought the deal to Parliament for approval and while a majority was found at the bill's second reading, Parliament subsequently rejected a shortened timeline which would have enabled the bill to be brought into legislation before 31 October. PM Johnson has requested a further extension as mandated by the Benn Act, with 31 January 2019 the suggested new exit date.

EMU

Recent data continue to point towards weak EMU Q3 GDP. EMU Final Harmonised Index of Consumer Prices inflation eased to 0.8% y/y in September, with core inflation still low at 1.0% y/y. Draghi's term as European Central Bank ("ECB") President concludes at the end of October with still some dissatisfaction within the Council about the decision to resume quantitative easing. Indeed, the ECB Account of the September meeting noted that although "all members agreed" further easing was warranted, "a number of reservations were expressed" about elements of the package. However, Chief Economist Lane has confirmed there is still room for further easing, including rate cuts, and described the September measures as not such a big package.

Japan

Markets are putting appreciable odds on further monetary easing when the Bank of Japan meets at the end of October. National price measures excluding fresh food, or all food and energy, have been flat on balance since February on a seasonally adjusted basis. In recent remarks, Chair Kuroda noted some relaxation in US-China trade tensions but noted overall risks "remain high."

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NOTES

Acronym	Fund name	Type	Primary area of focus
BHAL	Brevan Howard Alpha Strategies Master Fund Limited	Multi PM Fund	Relative value ("RV") and directional strategies in developed and emerging fixed income and FX markets
BHAS	Brevan Howard AS Macro Master Fund Limited	Single PM Fund	Macro / RV strategies in developed market interest rate markets
BHMB	Brevan Howard MB Macro Master Fund Limited	Single PM Fund	Macro / RV strategies in Asia-focused interest rate and FX markets
BHFG	Brevan Howard FG Macro Master Fund Limited	Single PM Fund	Multi-asset class macro trading
BHGV	Brevan Howard Global Volatility Master Fund Limited	Opportunistic Fund	Long volatility in multiple asset classes
Other*	N/A	Multi PM: Capital allocations to various trading strategies or individual traders that are not part of the funds listed above.	Multi-asset class macro, systematic and RV trading

* Please see section "Performance Attribution".

ENQUIRIES

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IMPORTANT LEGAL INFORMATION AND DISCLAIMER

Brevan Howard Capital Management LP ("BHCM") has supplied certain information herein regarding BHM, BHMF and the funds which BHMF invests, or has invested, in (together the "Funds").

The material relating to the Funds included in this report is provided for information purposes only, does not constitute an invitation or offer to subscribe for or purchase shares in the Funds and is not intended to constitute "marketing" of the Funds 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 the Funds have been obtained or derived from sources believed to be reliable, but none of the Funds 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, the Funds 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 BHMF and the investment funds in which BHMF invests (together with BHMF "the Underlying Funds")) 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 Underlying Funds are speculative and involve substantial risk.

• The Underlying Funds will be leveraged and will engage in speculative investment practices that may increase the risk of investment loss. The Underlying Funds may invest in illiquid securities.

• Past results of each Underlying Fund's investment manager(s) are not necessarily indicative of future performance of that Underlying Fund, and that Underlying Fund's performance may be volatile.

• An investor could lose all or a substantial amount of his or her investment.

• An investment manager may have total investment and trading authority over an Underlying Fund and each Underlying Fund is dependent upon the services of its investment manager(s).

• Investments in the Underlying Funds are subject to restrictions on withdrawal or redemption and should be considered illiquid.

• The investment managers' incentive compensation, fees and expenses may offset an Underlying Fund's trading and investment profits.

• No Underlying Fund is required to provide periodic pricing or valuation information to investors with respect to individual investments.

• The Underlying Funds are not subject to the same regulatory requirements as mutual funds.

• A portion of the trades executed for the Underlying Funds may take place on foreign markets.

• The Underlying Funds are subject to conflicts of interest.

• Each Underlying Fund is dependent on the services of certain key personnel, and, were certain or all of them to become unavailable, an Underlying Fund may prematurely terminate.

• Each Underlying Fund's managers will receive performance-based compensation. Such compensation may give such managers an incentive to make riskier investments than they otherwise would.

• An Underlying 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 in BHM or the Underlying Funds and therefore reference should be made to publicly available documents and information.

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