

JAN 2021

BH Macro Limited

MONTHLY SHAREHOLDER REPORT

BH Macro Limited Shareholder Report

Overview

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:

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)

Performance Attribution

Performance Contribution (%) by Asset Class for BHM USD Shares (net of fees and expenses)

	RATES	FX	COMMODITY	CREDIT	EQUITY	DISCOUNT MANAGEMENT	TOTAL
Jan-21	0.83	-0.10	-0.11	-0.05	0.56	0.00	1.13
QTD	0.83	-0.10	-0.11	-0.05	0.56	0.00	1.13
YTD	0.83	-0.10	-0.11	-0.05	0.56	0.00	1.13

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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.

Data as at 29 January 2021. Data for January 2021, QTD and YTD is calculated by BHCM, on the basis of estimated performance data from Northern Trust.

Methodology

Attribution by asset class is produced at the instrument level, with adjustments made based on risk estimates. The 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

Discount Management: buyback activity or sales of shares from treasury

Performance Attribution (%) by Underlying Component of BHMF

	RETURN		ATTRIBUTION	
	MTD	YTD	MTD	YTD
Brevan Howard Alpha Strategies Master Fund Ltd (BHAL)	2.06	2.06	0.58	0.58
Brevan Howard AS Macro Master Fund Ltd (BHAS)	2.22	2.22	0.20	0.20
Brevan Howard FG Macro Master Fund Ltd (BHFG)	0.33	0.33	0.04	0.04
Brevan Howard MB Macro Master Fund Ltd (BHMB)	1.92	1.92	0.17	0.17
Brevan Howard Global Volatility Master Fund Ltd (BHAV)	2.08	2.08	0.05	0.05
BHMF – Core Portfolio Manager Team* (MF Core)	1.10	1.10	0.45	0.45

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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" section below for definitions of underlying components.

Data estimated as at 29 January 2021.

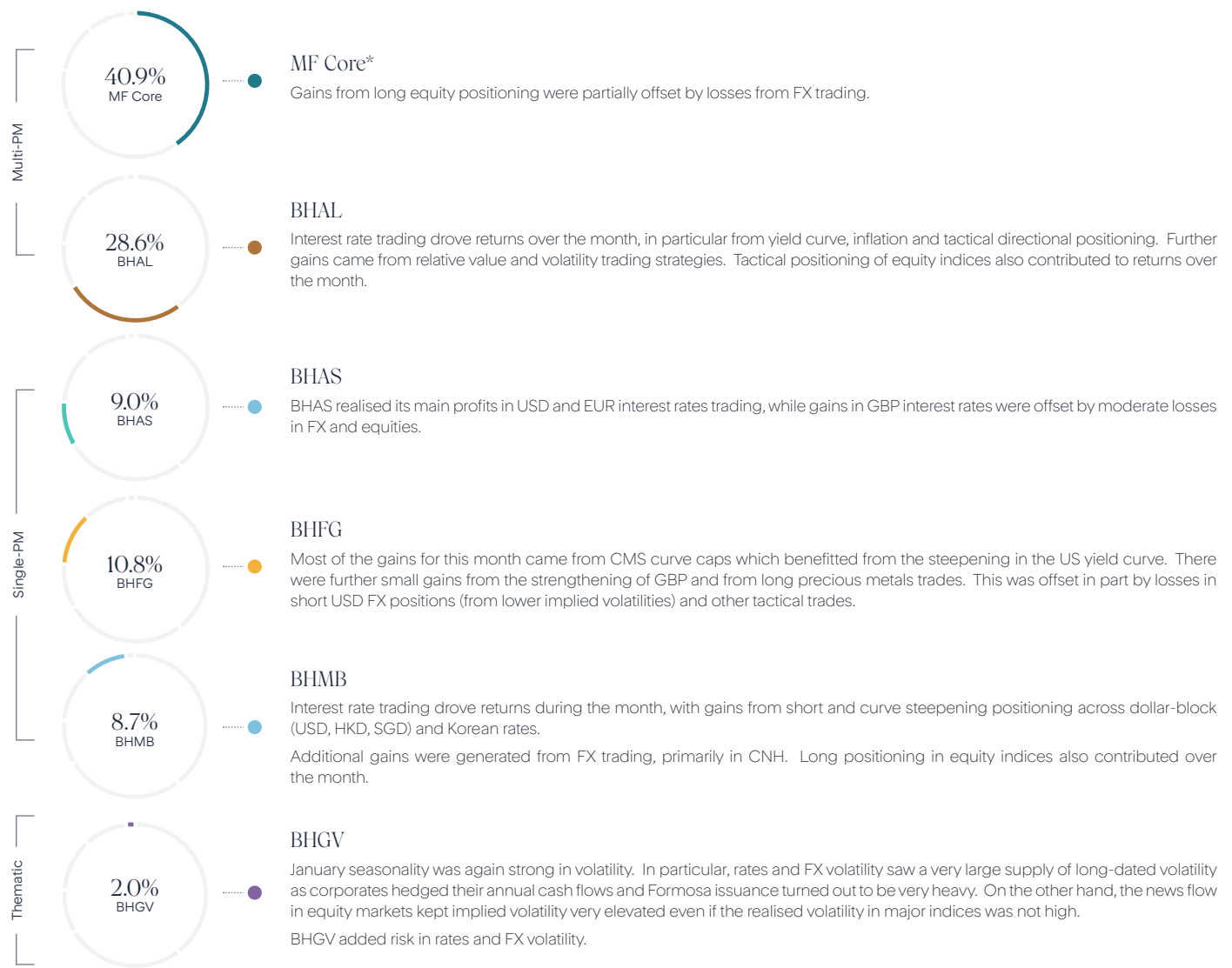
The performance figures listed above, other than the performance figures for "MF Core", represent the actual returns of Class X Shares in each underlying fund in which the Fund invests. The Class X Shares in each underlying fund do not charge any performance or management fees. Management, performance 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 "MF Core" 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 Overview

The NAV per share of BHM's USD shares appreciated by 1.13% and the NAV per share of BHM's GBP shares appreciated by 1.12% in January 2021. Interest rate and equity trading were the main contributors to performance over the month. Tactical positioning of interest rate markets and equity indices generated positive returns as did yield curve and inflation trading. FX trading detracted slightly, with modest gains from GBP and CNH positioning more than offset by small losses from a range of currency pairs. Commodity trading of precious metals also detracted slightly.

Component Parts of the Fund



Data may not add to 100% due to rounding

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 BHM's administrator, IFS and risk data provided by BHCM. Data estimated as at 29 January 2021.

* Please see section "Performance Attribution (%) by Underlying Component of BHM" for further information on the "MF Core" component.

BH Macro Limited Shareholder Report

NAV Performance

BH Macro Limited NAV per Share (monthly performance in % terms; net of fees and expenses)

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	0.65	-1.17	1.68	9.38
2020	-1.25	5.39	18.40	0.34	-0.82	-0.54	1.84	0.97	-1.11	0.02	0.76	3.15	28.89
2021	1.13												1.13

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	0.47	-1.22	1.52	7.98
2020	-1.42	5.49	18.31	0.19	-0.85	-0.53	1.74	0.94	-1.16	-0.02	0.75	3.04	28.09
2021	1.12												1.12

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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.

Sources and notes: 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.

Data as at 29 January 2021. Data for January 2021 and YTD is estimated.

Assets and NAV Per Share

	NAV PER SHARE	USD MM
USD Shares	\$35.18	73.6
GBP Shares	£33.75	699.0
BH Macro Limited		772.6

Sources and notes: Share data is provided by BHM's administrator, Northern Trust.

Data estimated as at 29 January 2021.

Manager's Market Review and Outlook

Market Commentary

US

The intensity of the third wave of the coronavirus pandemic took a toll on hiring in January. Nevertheless, the unemployment rate moved down to 6.3%. In terms of economic activity, business investment and home building have been solid while consumption spending has languished. As the recovery has slowed, political pressure for more fiscal relief has been building. President Biden has proposed a \$1.9 trillion package and Senate Republicans countered with a \$600 billion deal. Given the Democrats' razor-thin majorities in Congress, it seems likely they will use a legislative procedure known as "reconciliation", which requires only 50 votes in the Senate, in order to favour their proposals. The Fed reiterated its highly accommodative stance of monetary policy and reemphasised the message that it is premature to discuss reducing accommodation any time soon.

UK

The UK remains in the strict lockdown imposed at the beginning of January, which has led to a reduction in the spread of the virus in recent weeks. The vaccine rollout continues at a leading pace with the UK administering first doses to over 12 million people and on track to meet their targets for immunising the most vulnerable demographics. After leaving the single market on 31st December, customs checks, paperwork and duties have all weighed on EU cross border flows in recent weeks. The Bank of England held rates unchanged at the February meeting and the asset purchase programme was maintained. Expectations that policy makers might soon cut into negative territory were dashed after the Bank announced that such a move would not be on the table for at least six months. The Bank's latest economic forecasts suggest that the economy has adapted to better handle lockdowns, and they expect a rapid recovery on the back of a widespread and effective vaccine rollout.

EMU

EMU GDP contracted -0.7% q/q in Q4 2020, albeit a smaller contraction than the ECB December f/c of -2.2%. However, the EMU Composite PMI dropped again from 49.1 to 47.8 in January, with Services dropping 1pt to an even lower 45.4, which alongside an extended and a slow vaccine rollout point to firm downside risks to the ECB f/c of +0.6% q/q for Q1 2021. ECB President Lagarde has noted that the economic recovery has been delayed, but not derailed, though there will be no return to pre-pandemic levels of economic activity before mid-2022. EMU Core inflation jumped from +0.2% to +1.4% y/y in January, reflecting a confluence of one-off factors (German VAT, HICP re-weighting and Clothing sales/price collection issues). However, the "true" underlying rate remains low, as also implied ECB Board Member Schnabel, who has noted the ECB must be careful not to mistake these short-term developments for a sustained increase in inflation and that the ECB continues to be more worried about inflation being too low rather than too high.

Japan

Comments coming out of the Bank of Japan's ("BoJ") January meeting point to an interest in allowing 10-year rates to fluctuate in a greater range to support financial stability. It is doubtful that the BoJ intends to create the impression of a desire to tighten policy. At the same time any central bank focused on financial stability concerns is unlikely to simultaneously push up inflationary expectations. The BoJ should have some announcement on its policy assessment in March. In the interim, mobility appears to have flattened out, but like elsewhere a fuller recovery depends on vaccination and coronavirus cases.

Notes

ACRONYM	FUND NAME	TYPE	PRIMARY AREA OF FOCUS
BHAL	Brevan Howard Alpha Strategies Master Fund Ltd	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 Ltd	Single-PM Fund	Macro / RV strategies in developed market interest rate markets
BHFG	Brevan Howard FG Macro Master Fund Ltd	Single-PM Fund	Multi-asset class macro trading
BHMB	Brevan Howard MB Macro Master Fund Ltd	Single-PM Fund	Macro / RV strategies in Asia-focused interest rate and FX markets
BHGV	Brevan Howard Global Volatility Master Fund Ltd	Thematic Fund	Long volatility in multiple asset classes
MF Core*	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 (%) by Underlying Component of BHMF" for further information on the "MF Core" component.

Enquiries

The Company Secretary

Northern Trust International Fund Administration Services (Guernsey) Limited

bhfa@ntrs.com, +44 (0) 1481 745736

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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