



# Results analysis: BH Macro

**BHMG delivers a solid performance for 2024...**

Update  
15 May 2025

- BH Macro invests in the Brevan Howard Master Fund Limited (the “Master Fund”) whose investment objective is to generate consistent long-term appreciation through active leveraged trading and investment on a global basis. During 2024, BH Macro’s NAV per share for the Sterling Class shares rose by 5.86%, and that of the US Dollar Class shares by 4.92%, with the difference between the two being largely the contribution from GBP share class buybacks. The share price performance was higher for both share classes at 10.63% for the Sterling Class shares and 10.61% for the US Dollar Class shares, with the discount to NAV narrowing.
- The board continued with a substantial buyback programme throughout 2024, spending some £116m. In December 2023, the average discount for buybacks was 11.1% and, in December 2024, the discount had narrowed, such that the average discount on buybacks was 7.8%. These repurchases were accretive, contributing 0.98% to the Sterling class NAV return. The Board is very conscious that a modest discount above 5% remains unsatisfactory over a long-term horizon, and that the additional volatility created by moving from premia to discounts for the share price undermines one of the key virtues of being invested in the Master Fund.
- Ongoing charges increased over the year from 2.16% in 2023 to 2.95% in 2024, a result of 0.74% of performance fees being paid in 2024 for the GBP share class.
- The average share price discount to NAV per share for both share classes for 2024 was above 8% and consequently class closure votes were called. In the event, those shareholders who voted did so decisively against class closure, with 98.22% of those who voted voting against for GBP shares and 99.86% for USD shares.
- The Board is wholly independent of the Brevan Howard group and is very closely focused on safeguarding the interests of shareholders. The Board states that it retains full confidence in Brevan Howard Capital Management LP (the Manager). During the course of 2024, the board note that the Manager’s business continued to flourish with assets under management of approximately USD 35 billion, and the Manager’s team being strengthened both at the portfolio manager level and in terms of support staff.

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- The manager states that “Looking forward, all the ingredients for an interesting and dynamic macro environment are in the mix: rapid technological change, geopolitical unrest, US political realignment, and widely divergent growth and inflation outlooks across countries”. Looking forward, the manager observes that “perhaps the biggest question mark for the global economy is how the political realignment in the US will affect the global international order. President Trump has promised to change almost every part of the post-Cold War international order, starting with trade, defence, multilateral alliances and human rights. With this macro landscape of high uncertainty in geopolitics, fiscal and monetary policy across all regions, markets are likely to be extremely interesting”.
- Richard Horlick, chairman said of BH Macro’s [NAV] investment in the Master Fund: “This has led to diversification from, and low correlation to, bond and equity markets, giving returns with lower volatility than equity markets”.



## Kepler View

It is encouraging to see **BH Macro's (BHMG)** discount to NAV narrowing during 2024, from 10.7% at 01/01/2024 to 6.7% at 31/12/2024 for the GBP share class, as a result of the Board's continued buyback programme and steady performance. The latter half of the year saw a notable uptick in performance, with GBP monthly NAV returns of 5.1% and 7.0% in September and November 2024 respectively, largely driven by rates and FX trading. Overall, FX trading has been a strong contributor to BH Macro's returns over the year. Digital Assets and share buybacks have also contributed, showing the benefits of diversification but also of the board's activities.

So far this year, BH Macro has had a slightly harder time of it, with the GBP NAV -2.45% as at 09/05/2025. The GBP shares' discount is 7.1% (as at 13/05/2025). This compares to the average for the five years (to 13/05/2025) of a premium to NAV of 0.4%. Strong performance in absolute or relative terms from the Master Fund would provide a catalyst for the discount to narrow. Since the period end, a decisive majority of voting shareholders in each of the Company's two share classes voted against class closure resolutions. In our view, this demonstrates ongoing investor conviction in BH Macro's continued unique proposition of offering access to a diversifying macro hedge fund strategy.

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