

BH Macro (BHMG)

14/05/2025

Results analysis from Kepler Trust Intelligence

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 GBP NAV per share rose by 5.86%, and by 4.92% for the US Dollar Class shares. 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 the year, spending some £116m. 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.

Those shareholders of each of the Company's two share classes who voted in the Class Closure Resolutions vote did so decisively against class closure, with 98.22% of those who voted voting against for GBP shares and 99.86% for USD shares (percentage calculations are based on voter turnout not total share class size).

Kepler View

It is encouraging to see BH Macro's discount to NAV narrowing during the period, 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 catalyst for the discount to narrow. Since the period end, a resounding majority of voting shareholders in each of the Company's two share classes voted against class closure resolutions. This demonstrates ongoing investor conviction in BH Macro's continued unique proposition of offering access to a diversifying macro hedge fund strategy.

[CLICK HERE TO READ THE FULL REPORT](#)

Visit [Kepler Trust Intelligence](#) for more high quality independent investment trust research.

Important information

This report has been issued by Kepler Partners LLP. **The analyst who has prepared this report is aware that Kepler Partners LLP has a relationship with the company covered in this report and/or a conflict of interest which may impair the objectivity of the research.**

Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise and you may get back less than you invested when you decide to sell your investments. It is strongly recommended that if you are a private investor independent financial advice should be taken before making any investment or financial decision.

Kepler Partners is not authorised to make recommendations to retail clients. This report has been issued by Kepler Partners LLP, is based on factual information only, is solely for information purposes only and any views contained in it must not be construed as investment or tax advice or a recommendation to buy, sell or take any action in relation to any investment.

The information provided on this website is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject Kepler Partners LLP to any registration requirement within such jurisdiction or country. In particular, this website is exclusively for non-US Persons. Persons who access this information are required to inform themselves and to comply with any such restrictions.

The information contained in this website is not intended to constitute, and should not be construed as, investment advice. No representation or warranty, express or implied, is given by any person as to the accuracy or completeness of the information and no responsibility or liability is accepted for the accuracy or sufficiency of any of the information, for any errors, omissions or misstatements, negligent or otherwise. Any views and opinions, whilst given in good faith, are subject to change without notice.

This is not an official confirmation of terms and is not a recommendation, offer or solicitation to buy or sell or take any action in relation to any investment mentioned herein. Any prices or quotations contained herein are indicative only.

Kepler Partners LLP (including its partners, employees and representatives) or a connected person may have positions in or options on the securities detailed in this report, and may buy, sell or offer to purchase or sell such

securities from time to time, but will at all times be subject to restrictions imposed by the firm's internal rules. A copy of the firm's Conflict of Interest policy is available on request.

[PLEASE SEE ALSO OUR TERMS AND CONDITIONS](#)

Kepler Partners LLP is authorised and regulated by the Financial Conduct Authority (FRN 480590), registered in England and Wales at 70 Conduit Street, London W1S 2GF with registered number OC334771.

This information is provided by Reach, the non-regulatory press release distribution service of RNS, part of the London Stock Exchange. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lseg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

NRASFEFDLEISEFI