"Like all good traders, Alan knows the value of risk, how much risk he can take and the availability of capital. That's the main differentiation between a good trader and a bad trader, and he was exceptional." – Oswald Gruebel said describing Alan Howard. They worked together in Credit Suisse Group AG.

Age: 48

Source of Wealth: Investing, Brevan Howard, Self made

Residence: Geneva, Switzerland

Country of Citizenship: United Kingdom

Education: Master of Science (Chemical Engineering), Imperial College London

Marital Status: Married

Children: 4

Alan Howard's Bio:

Alan Howard is the son of a mechanical engineer and was born in September, 1963. In stark contrast to many investors today, Alan Howard demonstrated a fierce aversion to risk from the beginning of his career and is one of the major reasons his success is attributed to.

Alan Howard’s visit to India was a widely circulated incident that was discussed in reference to his aversion to risk. Howard was visiting India on a business trip in his early days in the 1980s as a trader in Saloman Brothers. A friend warned him about the fact that tap water was not safe for drinking and that he should be cautious.

When he returned home, his trip expenses included a large tab for imported water and when asked Howard confirmed that he had not only used the mineral water for drinking, but for all purposes including washing, shaving and showering, etc!
It is his cautious nature that has served him well. During the Financial Collapse in 2008, Alan Howard’s Master Fund earned over 10 percent during the first 10 months of 2011, landing him the 20th position in the coveted Bloomberg Markets of the 100 best performing hedge funds.

This was not the only crisis that Alan Howard was able to ride well using his expertise. In fact successful manipulations include managing the bond market depression in 1994 and 4 years later the collapse of Long-Term Capital Management.

The Master Fund, one of many funds at Brevan Howard, was initiated in 2003 and since then has never recorded losses on an annual basis. This is a remarkable feat and performance given the intensity with which the Financial Collapse impacted markets all over the globe, so much so that some have not even fully recovered yet. In fact, during the entire tenure of its existence, the Master Fund has earned over 4 times the return recorded by the S&P 500 Index.

Alan Howard entered the Forbes Billionaire list in 2010 with an estimated worth of $1.8 billion and was recorded to be the world’s 556th richest person. He is currently the third wealthiest hedge fund manager in Europe. Last year, his personal worth grew by an astounding 133 percent and his personal wealth is now estimated to be at $2 billion.

**Alan Howard’s Early Years**

Before the Brevan Howard Asset Management was founded in 2002, Howard was a Managing Director at Greenbriar Equity Group LLC. Prior to that, he was the Global Head of Proprietary Trading at Credit Suisse First Boston.

Howard spent 20 years of his life working for this firm and its precursor companies. While he held the position of the Managing Director at Global Industrial and Services Investment Banking Group, Howard served as an adviser to several of the company’s significant clientele including B/E Aerospace, Chrysler, L-3 Communications, Hexcel Corporation, United Technologies, and Dollar Thrifty Automotive. Currently, he serves as the Director of Movado Group and is a member of the Investment Advisory Committee of The Federal Reserve Bank, New York.

**About Brevan Howard and Investment Strategy**

Brevan Howard was established in 2002 by Alan Howard and Jean-Philippe Blodget and two other co-founders. The fund has almost $61.5 billion in assets under management making it the biggest hedge fund in the world.

The company is based in London, United Kingdom and also has offices in Dublin, New York, Jersey, Tel Aviv, Tokyo, Hong Kong, Bermuda, Washington and Mumbai. It currently employs about 60 traders in various positions around the world.

The dominant investment style of Brevan Howard funds is Global Macro. Global Macro is a strategy that takes the global macroeconomic scenario into account and uses current variables to predict future trends. This style is fast gaining momentum in the financial world, since it bases its forecasts on evident economic indicators and uses rational economic theory to predict
trends.

**Brevan Howard Funds**

BH Global

BH Macro

Brevan Howard Asia Fund

Brevan Howard Emerging Market Strategies Fund

Brevan Howard Master Fund Ltd

Brevan Howard Credit Catalysts

Brevan Howard Macro FX

Swiss Reinsurance

**Recent Awards**

Fund of the Year, 2011 – Eurohedge Awards 2011

Best Hedge Fund Manager in Global Macro, 2011 – Awards for Excellence in Institutional Hedge Fund Management, Europe


Hedge Fund Manager of the Year, 2009-2010 – The Financial News Awards for Excellence in Institutional Asset Management


Fund of the Year, 2008 – Eurohedge Awards 2008

**Role at Brevan Howard**

Alan Howard, by nature is a pessimist. Synonymous with Alan, Brevan Howard is also famous for its careful dealings, as it is a well-known fact that the company does not deposit cash for savings at investment banks. In fact, Brevan Howard chooses to deposit liquid securities such as T-Bill with various custodian banks. This is to eliminate any chances of being caught in bank
run and put cash deposits on the line.

Howard is also a contrarian. He chooses to question popular opinion rather than rely on them. His strength lies in questioning and analyzing the reasons behind expert opinions. At the end of 2010, the grapevine had it that the recession was almost at its end and the global economy would be on its path to recovery in a short frame of time.

Howard on the other hand, predicted that the economy would worsen before it improved and took a position on the market based on his expectations. 2011 rewarded him with immense returns; while portfolio values all around were crashing, Brevan Howard’s funds recorded positive rates of return.

However, like other investors, Alan Howard’s expectations often do not turn out to be true. In those cases, his behavior is aptly described by his colleague, Chris Goekijan in the following words: “He gets it right more than he gets it wrong, but the important thing is that when he does get it wrong, he cuts very quickly.” As a result, Howard’s main strength is cutting losses as efficiently as possible in inefficient markets to reduce downside risk.

In line with his own ideology, Howard has high expectations from the traders at Brevan Howard as well. The traders are provided with written agendas directing them to steer clear of certain markets as well as providing guidance on the use of instruments along with a maximum capital allocation in favorable markets. Traders who are able to successfully implement strategies are rewarded with performance related bonuses and an increased proportion of the portfolio.

The reverse is true for those who incur losses and sometimes those managers can also be dismissed from their duties. This may seem harsh, but investing in hedge funds is all about making absolute returns irrespective of the turns of the market, due to the flexible regulation and nature of industry.

Alan Howard Resists Increase in Wealth Taxes

Alan Howard also moved to his offices in Geneva, Switzerland in June 2010 due to unfavorable financial conditions in his hometown.

Switzerland has always been a popular hub for financial activity given its easy tax regime and privacy laws. In light of the highly controversial move by the U.K. government to increase tax rates by 10 percent from 40 percent on the high income bracket, Alan Howard decided to move to Switzerland since he has an enormous amount of wealth to protect from the government.

However, a close aide to the investor attempted to dispel the claims and attributed convenience for his family as the main reason behind the relocation. Howard’s wife and his children are well versed in French and it is thus explained that the move was an easy decision to take. Howard is also reported to have owned abundant real estate in the area.

While the co-founder has made himself cozy in Geneva, rumors regarding shifting of headquarters have been fiercely squashed and it has been stated that Brevan Howard has no
intention of moving away from London.

**Performance of Brevan Howard Over the Years**

Brevan Howard Asset Management is one of the top hedge fund managers in Europe and currently manages around $62 billion for clients located around the world. It humbly began with just 50 employees; the company now operates in seven offices across three continents.

The Brevan Howard success story is incredible, as the assets under the company’s management are at a constant rise and the investment performance has been outstandingly stable. The company’s operating profits have risen from €11 million in 2004 to an incredible €113 million in 2008.

As a result of its increasing expansion and profitability, Brevan Howard is now paying attention to the risk management of the active business. Nagi Kawkabani, co-CEO of Brevan Howard reportedly stated: “Our intended scope of activities is much narrower than it was 12 months ago”.

Thus the company has narrowed its focus and is concentrating on reducing its human resources hierarchy, which is eventually expected to be followed by ceasing its operations in Mumbai and Tokyo.

**Brevan Howard’s Future Outlook**

While the managers at Brevan Howard have performed spectacularly in the face of severe adversity of financial market downturns, the future outlook is expected to prove difficult to manage. The management of the company expects the following circumstances in the coming months:

- Since the drop in unemployment rates is not sustained by an economic revival, the management expects this turnaround to be short-lived and as a result likely to reverse again. If this prediction turns out to be true, the US economy might have to face a bearish market again, dampening any hopes for a quick recovery.
- The US government is also expected to tighten its fiscal policy in an attempt to land itself on its feet in the midst of rising national debt. This is expected to result in a loss of 3 percent of the real GDP.
- The European Crisis seems to have cooled off, but again the relief is likely to be temporary. Coupled with the tension in U.S. markets, the global economy could suffer yet another downturn that it simply cannot be sustained at this point. Despite of these conditions, the emerging market index and hedge funds are expected to record superior performance when compared to the returns expected from developed markets.
- The brewing controversy in the Middle East could spark off an oil crisis, further worsening the conditions of the global economy. The tensions will result in rising oil prices that are ill-afforded at a time of rising inflation and shrinking incomes.

**Brevan Howard in News**
Managing Risk and Money the Brevan Howard Way

"Brevan Howard Shows Paranoid Survive in Hedge Fund of Time Outs

Brevan Howard bonanza as hedge fund’s profits soar

Brevan seeks to build on success

Rate Probe Keys On Traders

D.E. Shaw, Brevan Howard to Get $350 Million Each From New York Pensions

Dalio Earned Clients $13.8 Billion to Lead Hedge Funds as Paulson Slumped

Exclusive: Brevan Howard Returns 12.12% in 2011 | ValueWalk

Brevan Howard Proves Master of Hedge Funds With Four in Top

Brevan Howard Asked RBS to Change Libor, Lawsuit Says

Check Out The Hedge Funds Profiting Off Big Europe Shorts

Hedge Fund Moore Capital Poaches The "B" From Rival Brevan Howard

Greek Spy Agency Identifies More Hedge Funds Making A Killing On Nation's Collapse

Brevan Howard Opens Its $200 Million Energy, Commodities Fund to Investors

Brevan Howard Says 2011 Choppy Markets Will Be Repeated in 2012

Wall Street's Top Traders Punt on Share of Big Fees – The Times

Hedge fund Boss in £1.5bn Subprime Coup | Business

London Hedge Fund Launch

CFSB Star Howard to Do It Alone

Brevan Howard Says It Will Return Capital to ‘Certain’ Clients

Brevan Howard to Return $2 Billion to Clients of Biggest Fund

Brevan Howard Macro Fund Said to Rise 6% Amid August Market Rout

Hedge Funds Failing to Flee London as Swiss Reveal Wonder-Bust
Europe Tops Hedge Funds' Worry List With Portugal at Risk in Debt Crisis

Hedge Fund Tax Exodus May Cost U.K. Government $791 Million, FT Reports

Brevan Howard 45 Partners Get $133 Million Eight-Month Payout, Times Says

Moore's Blochet Moves to Switzerland as Hedge-Fund Managers Flee U.K. Tax

Alan Howard, Co-Founder of Europe's Biggest Hedge Fund, Moves to Geneva

Hedge-Fund Investors Almost Double Macro Bets as Global Trades Proliferate

Pfaeffikon Woos London Masters of Universe as Taxes Bite in U.K. Election

Moore Capital's Bacon Tops U.K.'s Hedge Fund Rich List, Sunday Times Says

Heard on the Strip