

## Release of EU Allowances in Germany

– Monthly report October 2009 –

KfW Bankengruppe sold a total of 5,183,000 EU allowances for a total of EUR 72,649,320.00 in the reporting month.

Of these, 3,782,000 allowances for the equivalent of EUR 53,100,370.00 (average price EUR 14.04) were sold as December 2009 futures contracts and 1,401,000 allowances for the equivalent of EUR 19,548,950.00 (average price EUR 13.95) were sold on the spot market.

The average difference between the futures contracts and the volume weighted average prices on the London exchange (ECX) (published daily as "ECX CFI Emissions Index") amounted to only -0.05 %, or EUR -0.01 per allowance. Differences per trading day ranged from -0.64 % to +0.47 %. This shows that the sale of allowances on the exchanges had little impact on the market and that the allowances were sold at market prices.

The volumes sold per trading day varied between 175,000 and 390,000 allowances in the reporting month.

Sales have been affected by the most liquid futures contract as well as on the spot market on the two carbon exchanges in Leipzig (EEX) and London (ECX).

Month	Contract	Volume sold	Average price per EUA	Difference from ECX CFI Emissions Index in %	Revenues
January	Future	3,647,000	13.14 €	0.11%	47,936,650.00 €
	Spot	0			
February	Future	3,692,000	9.72 €	0.22%	35,895,360.00 €
	Spot	0			
March	Future	3,781,000	11.50 €	0.12%	43,468,220.00 €
	Spot	241,000	10.93 €		
April	Future	2,284,000	13.29 €	0.13%	30,363,030.00 €
	Spot	1,278,000	12.69 €		
May	Future	2,489,000	14.98 €	0.08%	37,289,790.00 €
	Spot	709,500	14.52 €		
June	Future	2,459,000	13.45 €	0.15%	33,072,700.00 €
	Spot	995,000	13.06 €		
July	Future	3,022,000	13.87 €	0.07%	41,907,060.00 €
	Spot	1,195,000	13.82 €		
August	Future	469,000	14.39 €	0.06%	6,748,680.00 €
	Spot	1,080,154	14.78 €		
September	Future	2,495,000	13.73 €	0.16%	34,246,070.00 €
	Spot	1,911,846	14.25 €		
October	Future	3,782,000	14.04 €	-0.05%	53,100,370.00 €
	Spot	1,401,000	13.95 €		
<b>Total</b>		<b>36,931,500</b>	<b>13.14 €</b>	<b>0.11%</b>	<b>485,448,414.40 €</b>
<b>still to be sold in 2009</b>		<b>3,068,500</b>			

<b>Summary of sold EU Allowances</b>	
Reporting period	01.01. – 31.10.2009
EUAs sold so far	36,931,500
EUAs sold so far as share of total amount to be released in 2009	92.33 %
Value of sold EUAs so far (without VAT)	485,448,414.40 €
Average price per EUA sold so far	13.14 €
Average difference from ECX CFI Emissions Index (Futures only)	0.11 %

Contract FUTURE	2009	Volume sold FUTURES	Revenues	ECX CFI Emissions Index	VWAP KfW	Difference from ECX CFI Emissions Index
	January	3,647,000	47,936,650.00 €			0.11%
	February	3,692,000	35,895,360.00 €			0.22%
	March	3,781,000	43,468,220.00 €			0.12%
	April	2,284,000	30,363,030.00 €			0.13%
	May	2,489,000	25,739,870.00 €			0.08%
	June	2,459,000	33,072,700.00 €			0.15%
	July	3,022,000	41,907,060.00 €			0.07%
	August	469,000	6,748,680.00 €			0.06%
	September	2,495,000	34,246,070.00 €			0.16%
	October	3,782,000	53,100,370.00 €			-0.05%
<b>Future</b>		<b>28,120,000</b>	<b>364,027,930.00 €</b>			<b>0.11%</b>

Contract FUTURE	October 2009	Volume sold FUTURES	Revenues	ECX CFI Emissions Index	VWAP KfW	Difference from ECX CFI Emissions Index
	01.10.2009	115,000	1,532,150.00 €	13.30 €	13.32 €	0.15%
	02.10.2009	165,000	2,153,750.00 €	13.05 €	13.05 €	0.00%
	05.10.2009	190,000	2,489,600.00 €	13.08 €	13.10 €	0.15%
	06.10.2009	280,000	3,787,400.00 €	13.54 €	13.53 €	-0.07%
	07.10.2009	170,000	2,340,000.00 €	13.75 €	13.76 €	0.07%
	08.10.2009	210,000	2,807,100.00 €	13.41 €	13.37 €	-0.30%
	09.10.2009	245,000	3,320,800.00 €	13.59 €	13.55 €	-0.29%
	12.10.2009	299,000	4,197,090.00 €	14.13 €	14.04 €	-0.64%
	14.10.2009	200,000	2,905,750.00 €	14.53 €	14.53 €	0.00%
	15.10.2009	240,000	3,415,150.00 €	14.24 €	14.23 €	-0.07%
	16.10.2009	193,000	2,730,110.00 €	14.15 €	14.15 €	0.00%
	19.10.2009	184,000	2,625,400.00 €	14.28 €	14.27 €	-0.07%
	20.10.2009	170,000	2,490,450.00 €	14.63 €	14.65 €	0.14%
	21.10.2009	230,000	3,415,300.00 €	14.86 €	14.85 €	-0.07%
	22.10.2009	155,000	2,300,900.00 €	14.77 €	14.84 €	0.47%
	23.10.2009	126,000	1,827,020.00 €	14.51 €	14.50 €	-0.07%
	26.10.2009	265,000	3,810,740.00 €	14.37 €	14.38 €	0.07%
	27.10.2009	345,000	4,951,660.00 €	14.34 €	14.35 €	0.07%
<b>Future</b>		<b>3,782,000</b>	<b>53,100,370.00 €</b>			<b>-0.05%</b>

Contract SPOT	2009	Volume sold SPOT	Revenues
	January	0	
	February	0	
	March	241,000	2,633,874.40 €
	April	1,278,000	16,221,320.00 €
	May	709,500	10,304,480.00 €
	June	995,000	12,995,300.00 €
	July	1,195,000	16,519,950.00 €
	August	1,080,154	15,962,090.80 €
	September	1,911,846	27,234,519.20 €
	October	1,401,000	19,548,950.00 €
<b>Spot</b>		<b>8,811,500</b>	<b>121,420,484.40 €</b>

Contract SPOT	October 2009	Volume sold SPOT	Revenues
	01.10.2009	60,000	796,800.00 €
	02.10.2009	80,000	1,043,000.00 €
	05.10.2009	105,000	1,374,200.00 €
	06.10.2009	80,000	1,077,200.00 €
	07.10.2009	128,000	1,759,550.00 €
	08.10.2009	85,000	1,133,900.00 €
	09.10.2009	60,000	812,700.00 €
	12.10.2009	55,000	764,650.00 €
	14.10.2009	50,000	725,500.00 €
	15.10.2009	115,000	1,631,450.00 €
	16.10.2009	95,000	1,342,750.00 €
	19.10.2009	116,000	1,646,760.00 €
	20.10.2009	10,000	146,700.00 €
	21.10.2009	160,000	2,373,600.00 €
	22.10.2009	42,000	614,590.00 €
	23.10.2009	80,000	1,156,000.00 €
	26.10.2009	80,000	1,149,600.00 €
<b>Spot</b>		<b>1,401,000</b>	<b>19,548,950.00 €</b>