



# News Release

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## **BACHE COMMODITIES GROUP LAUNCHES GREEN COMMODITY INDEX**

**NEW YORK/LONDON** – [Bache Commodities Group](#) launched today the [Bache Commodity Green Index<sup>SM</sup>](#) (BCGI<sup>SM</sup>) to offer investors a tool to invest in commodities with an environmental focus. Bache Commodities Group is the commodities and financial derivatives business of Prudential Financial, Inc. (NYSE:PRU). The group has been an active participant in the commodities market for 120 years.

“Bache’s Green Index will allow investors to participate in the markets for these commodities, which are of growing importance in the global economy,” said Stephen Ilnitzki, senior vice president, Bache Commodities Group. “Building on Bache’s strength in commodity markets, the Bache Commodity Green Index focuses on commodities needed in the production of sustainable energy and the reduction of carbon emissions. Compared with other green indices, only the Bache Commodity Green Index holds a cross section of commodities from multiple market sectors and employs the unique dynamic asset allocation trading strategy used on the Bache Commodities Index.”

The BCGI comprises two components - the [Bache Biofuel Composite](#) and [Bache Clear Air Composite](#). The Bache Biofuel Composite includes agricultural commodities such as corn and sugar used for ethanol production, along with oilseeds used for biodiesel production. The Bache Biofuels Composite is allocated 65 percent to products used in ethanol production and 35 percent to oilseeds. The constituents and weights in the Bache Biofuels Composite will evolve to reflect changes in the mix of commodities used in renewable fuels.

The Bache Clean Air Composite comprises commodities directly related to reducing the effects of climate change. These include carbon emission credits and certain metals that are critical components in products such as catalytic converters that reduce emissions of pollutants and greenhouse gases. The Bache Clean Air Composite is currently weighted 70 percent in carbon credits and 30 percent in greenhouse metals. These weights are based on estimates of the relative liquidity of these components. Over time, the Bache Clean Air Composite is likely to add more commodities that play a role in reducing and controlling emissions.

The BCGI has an initial allocation of 60 percent to the Bache Biofuels Composite and 40 percent in the Bache Clean Air Composite. Biofuels are given a larger initial weight in the BCGI - because biofuel markets are currently larger and more developed. As more countries adopt carbon emissions caps, the BCGI may change its weighting to reflect the increased focus on carbon and pollution control markets.

“In light of the significant investments being made in green technology and a stronger regulatory environment that will require companies to participate in cap and trade schemes around the world, we expect this market will grow rapidly,” added Ilitzki. “Following our initial focus on European markets, we expect to see growing interest in the Index in the U.S. and Asia as well as other international markets. As the demand and use of green commodities change, the index components will continue to evolve to reflect these changes.”

Bache Commodities Group is the global commodities and financial derivatives business of Prudential Financial, Inc. With 120 years of experience in the commodities markets, Bache Commodities Group is a leading player in global commodities and financial markets. Bache Commodities Group offers a broad range of commodity, financial futures and options capabilities, market making on a spot and forward basis in both precious and base metals, as well as foreign exchange, trading and clearing services on virtually any commodities or derivatives exchange around the world. The U.S.-based company, Prudential Bache Commodities, LLC is a full-service Futures Commissions Merchant, regulated by the U.S. Commodities Futures Trading Commission and National Futures Association. Another U.S.-based company, Prudential Bache Asset Management, Inc., is registered with the U.S. Securities and Exchange Commission as an investment adviser and as a commodity trading adviser with the CFTC. The U.K.-based Bache Commodities Limited is authorized and regulated by the Financial Services Authority. For more information, please visit <http://www.prudentialbache.com>.

Prudential Financial, Inc., a financial services leader with approximately \$542 billion of assets under management as of March 31, 2009, has operations in the United States, Asia, Europe, and Latin America. Leveraging its heritage of life insurance and asset management expertise, Prudential Financial, Inc. is focused on helping individual and institutional customers grow and protect their wealth. The company's well-known Rock symbol is an icon of strength, stability, expertise and innovation that has stood the test of time. Prudential Financial, Inc.'s businesses offer a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds, investment management, and real estate services. For more information, please visit <http://www.news.prudential.com>.

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