SpareBank 1 SMN

Note 30 - Financial derivatives

All derivatives are booked at fair value through profit and loss. Gains are carried as assets and losses as liabilities in the case of all interest rate derivatives. This applies both to derivatives used, and to derivatives not used, for hedge purposes. The Group does not employ cash flow hedging.

The contract amount shows absolute values for all contracts.

For a description of counterparty risk and market risk, see note 6 on risk factors. For further details concerning market risk linked to interest rate risk, see note 16 on market risk related to interest rate risk, and for market risk related to currency exposure, see note 17 on market risk related to currency exposure.

Parent Bank

Fair value through profit and loss (NOK million)	**31 Dec 15**			**31 Dec 14**		
	Contract	**Fair values**		**Contract**	**Fair values**	
Currency instruments	**amount**	**Assets**	**Liabilities**	**amount**	**Assets**	**Liabilities**
Foreign exchange derivatives (forwards)	3,347	220	-90	2,939	213	-89
Currency swaps	11,999	628	-185	20,653	946	-422
FX-options	-	-	-	87	0	-0
Total currency instruments	15,346	848	-276	23,679	1,159	-512
Fixed income instruments						
Interest rate swaps (including cross currency)	145,309	4,419	-4,046	122,624	4,279	-4,264
Short-term interest rate swaps (FRA)	216,951	754	-766	517,704	1,271	-1,281
Other interest rate contracts	222	1	-1	281	0	-0
Total non-standardised contracts	362,481	5,174	-4,813	640,609	5,550	-5,545
Hedging						
Interest rate instruments						
Interest rate swaps (including cross currency)	21,626	1,213	-2	20,495	985	-
Total non-standardised contracts	21,626	1,213	-2	20,495	985	-
Total currency and fixed income instruments						
Total interest rate derivatives	384,107	6,387	-4,815	661,104	6,535	-5,545
Total currency derivatives	15,346	848	-276	23,679	1,159	-512
Total financial derivatives	**399,453**	**7,234**	**-5,091**	**684,783**	**7,694**	**-6,057**

The market value of currency swaps and forward foreign exchange contracts is carried net under 'other assets' in the statement of financial position.

Group

Fair value through profit and loss (NOK million)	**31 Dec 15**			**31 Dec 14**		
	Contract	**Fair values**		**Contract**	**Fair values**	
Currency instruments	**amount**	**Assets**	**Liabilities**	**amount**	**Assets**	**Liabilities**
Foreign exchange derivatives (forwards)	3,347	220	-90	2,939	213	-89
Currency swaps	11,999	628	-185	20,653	946	-422
FX-options	-	-	-	87	0	-0
Total currency instruments	15,346	848	-276	23,679	1,159	-512
Fixed income instruments						
Interest rate swaps (including cross currency)	144,906	4,334	-4,046	122,204	4,187	-4,264
Short-term interest rate swaps (FRA)	216,951	754	-766	517,704	1,271	-1,281
Other interest rate contracts	222	1	-1	281	0	-0
Total non-standardised contracts	362,079	5,089	-4,813	640,189	5,458	-5,545
Equity instruments						
Equity options	30	7	-22	-	-	-
Equity forwards/futures	1,004	2	-27	-	-	-
Total equity instruments	1,034	9	-49	-	-	-
Hedging						
Interest rate instruments						
Interest rate swaps (including cross currency)	21,626	1,213	-2	20,495	985	-
Total non-standardised contracts	21,626	1,213	-2	20,495	985	-
Total currency, fixed income and equity instruments						
Total interest rate derivatives	383,705	6,302	-4,815	660,684	6,443	-5,545
Total currency derivatives	15,346	848	-276	23,679	1,159	-512
Total equity derivatives	1,034	9	-49	-	-	-
Total financial derivatives	**400,085**	**7,159**	**-5,139**	**684,363**	**7,602**	**-6,057**

The market value of currency swaps and forward foreign exchange contracts is carried net under 'other assets' in the statement of financial position.