In July 2014, Titan America LLC (TALLC) borrowed €177 million with five year maturity and fixed interest rate from Titan Global Finance PLC (TGF) (use of proceeds of the €300 million bond due July 2019) and entered into cross currency interest rate swap agreements (CCS) with two financial institutions, essentially converting the fixed rate Euro-loan to a US dollar-floating rate based on 6-month LIBOR loan. The transactions were undertaken in order to hedge the foreign currency risk (€/$) on both the notional amount and the interest payments associated with the Euro denominated borrowing.

In July 2016, TALLC entered into interest rate swap agreements (IRS) with two financial institutions, essentially converting the US dollar-6 month LIBOR floating rate loan to a US dollar fixed rate loan. The transactions were undertaken in order to hedge the fluctuation of the US dollar-6 month LIBOR interest rate payments. In conclusion, the terms of the CCS and the IRS agreements result to the conversion of the fixed rate Euro-loan to a US dollar fixed rate loan with effective date 10 January 2017.

Moreover, in March 2017, TALLC entered into €-dollar FX forward agreements until June 2017 and from June to October 2017, as well as from October to January 2018, in order to hedge relative FX risk.

Finally, in March 2017, TALLC entered into an oil swap agreement essentially converting the floating prices of the US oil to fixed oil prices on a monthly basis and up to December 2017.

As at 31 December 2017, the total exposure (mark to market valuations and CSA agreements) of all derivatives (CCS/IRS/FX Forward/Oil swap) was recorded as an asset of €3,446 thousand (31.12.2016: asset amounted to €1,387 thousand) in the statement of financial position.

Sensitivity analysis in foreign exchange rate changes

The following table demonstrates the sensitivity of the Group's profit before tax and the Group's equity to reasonable changes in the USA Dollar, Serbian Dinar, Egyptian Pound, British Pound, Turkish Lira, Albanian Lek and Brazilian Real floating exchange rates, with all other variables held constant:

(all amounts in Euro thousands)	Foreign Currency	Increase/ Decrease of Foreign Currency vs, €	Effect on Profit Before Tax	Effect on equity
Year ended 31 December 2017	USD	5%	4,304	28,198
		-5%	-3,894	-25,513
	RSD	5%	714	1,800
		-5%	-646	-1,629
	EGP	5%	-940	11,793
		-5%	851	-10,670
	GBP	5%	153	318
		-5%	-139	-288
	TRY	5%	-72	1,431
		-5%	65	-1,294
	ALL	5%	199	2,564
		-5%	-180	-2,319
	BRL	5%	-473	8,354
		-5%	428	-7,559

(all amounts in Euro thousands)	Foreign Currency	Increase/ Decrease of Foreign Currency vs, €	Effect on Profit Before Tax	Effect on equity
Year ended 31 December 2016	USD	5%	3,517	33,082
		-5%	-3,182	-29,932
	RSD	5%	610	1,647
		-5%	-552	-1,491
	EGP	5%	-1,130	14,674
		-5%	1,023	-13,276
	GBP	5%	86	204
		-5%	-78	-184
	TRY	5%	204	1,973
		-5%	-185	-1,785
	ALL	5%	3	2,333
		-5%	-3	-2,111
	BRL	5%	-152	6,006
		-5%	138	-5,434

Note: Calculation of "Effect on Profit before tax" is based on year average FX rates; calculation of "Effect on Equity" is based on year end FX rate changes.