In November 2014, the Company entered into a $250 million in notional amount of two-year forward interest swap agreement with a starting date in September 2015. This agreement fixes the LIBOR-related portion of the interest rate of a corresponding amount of the Company's variable-rate debt at an average rate of 1.26%. This derivative instrument has been designated as interest rate cash flow hedge.

Nielsen expects to recognize approximately $4 million of net pre-tax losses from accumulated other comprehensive loss to interest expense in the next 12 months associated with its interest-related derivative financial instruments.

As of December 31, 2016 the Company had the following outstanding interest rate swaps utilized in the management of its interest rate risk:

	Notional Amount	Maturity Date	Currency
Interest rate swaps designated as hedging instruments			
US Dollar term loan floating-to-fixed rate swaps	$ 250,000,000	September 2017	US Dollar
US Dollar term loan floating-to-fixed rate swaps	$ 250,000,000	May 2018	US Dollar
US Dollar term loan floating-to-fixed rate swaps	$ 150,000,000	April 2019	US Dollar
US Dollar term loan floating-to-fixed rate swaps	$ 250,000,000	June 2019	US Dollar
US Dollar term loan floating-to-fixed rate swaps	$ 150,000,000	July 2019	US Dollar

Foreign Currency Exchange Risk

During the years ended December 31, 2016 and 2015, Nielsen recorded a net gain of $1 million and $2 million respectively, associated with foreign currency derivative financial instruments within foreign currency exchange transactions losses, net in Nielsen's consolidated statements of operations. As of December 31, 2016 and 2015, the notional amounts of the outstanding foreign currency derivative financial instruments were $77 million and $37 million, respectively.

See Note 11 – "Long-term Debt and Other Financing Arrangements" for more information on the long-term debt transactions referenced in this note.

Fair Values of Derivative Instruments in the Consolidated Balance Sheets

The fair values of the Company's derivative instruments as of December 31, 2016 and 2015 were as follows:

	December 31, 2016			December 31, 2015	
Derivatives Designated as Hedging Instruments (IN MILLIONS)	**Other Non-Current Assets**	**Accounts Payable and Other Current Liabilities**	**Other Non-Current Liabilities**	**Accounts Payable and Other Current Liabilities**	**Other Non-Current Liabilities**
Interest rate swaps	$ 3	$ 1	$ 4	$ 1	$ 5

Derivatives in Cash Flow Hedging Relationships

The pre-tax effect of derivative instruments in cash flow hedging relationships for the years ended December 31, 2016, 2015 and 2014 was as follows (amounts in millions):

Derivatives in Cash Flow Hedging Relationships (IN MILLIONS)	**Amount of Loss Recognized in OCI on Derivatives (Effective Portion) December 31, 2016**	**2015**	**2014**	**Location of Loss Reclassified from OCI into Income (Effective Portion)**	**Amount of Loss Reclassified from OCI into Income (Effective Portion) December 31, 2016**	**2015**	**2014**
Interest rate swaps	$ 3	$ 14	$ 10	Interest expense	$ 7	$ 12	$ 15