

The purpose of contracting financial derivative instruments is: (i) to partially cover the financial risks of exposure to exchange rates, interest rates, and prices of certain metals; or (ii) to realize financial returns due to the behavior of the underlying. The decision to contract an economic financial hedge is based on market conditions, the expectation of such instrument at a given date, and the domestic and international economic context of the economic indicators that influence the Entity's operations.

The transactions performed with foreign exchange and/or interest rate forwards and swaps; as well as embedded derivatives, are summarized below:

Instrument	Designated as	Notional		Maturity	Valuation as of December 31, 2015			
		Amount ('000)	Unit		Asset (liability)	Net income of year	Income of prior year	Gain (loss) on settlement
Dollar forwards	Purchase	1,984,000	US	During 2015	\$ -	\$ -	\$ -	\$ (334,540)
Dollar forwards	Sale	535,000	US	March 2016	(54,147)	54,147	-	-
Dollar forwards	Sale	1,984,000	US	During 2015	-	-	-	1,262,158
LIBOR swaps to fixed rate	Purchase	50,000	US	February 2030 and February 2035	41,818	(41,818)	-	6,311
TIE swaps to fixed rate	Purchase	8,600,000	MX	May 2017 to April 2027	(317,898)	(314,749)	632,647	352,061
TIE swaps to fixed rate	Purchase	1,000,000	MX	During 2015	-	-	-	101,850
Fixed rate swaps to TIE	Sale	1,700,000	MX	June 2017 and May 2018	152,290	61,147	(213,437)	(99,646)
Total at December 31, 2015					\$ (177,937)	\$ (241,273)	\$ 419,210	\$ 1,288,194
Total at December 31, 2014					\$ (424,490)	\$ (154,954)	\$ 579,444	\$ 828,819
Total at December 31, 2013					\$ (593,380)	\$ (95,489)	\$ 688,869	\$ 76,392

Open and closed transactions with hedge forwards to purchase foreign currency are summarized below:

Instrument	Notional		Maturity	Valuation as of December 31, 2015		
	Amount ('000)	Unit		Asset (liability)	Comprehensive income	Gain (loss) on settlement
Euro forwards purchase	16,835	Euro	January 2016 to December 2017	\$ (20,938)	\$ 14,657	\$ -
Euro forwards purchase	10,235	Euro	During 2015	-	-	37,560
Total at December 31, 2015				\$ (20,938)	\$ 14,657	\$ 37,560
Total at December 31, 2014				\$ (27,112)	\$ 18,978	\$ (2,364)
Total at December 31, 2013				\$ 4,889	\$ (3,442)	\$ 2,573

The transactions opened and settled with hedge swaps to purchase metals:

Instrument	Notional		Maturity	Valuation as of December 31, 2015		Gain (loss) on settlement Cost of sale
	Amount ('000)	Unit		Asset (liability)	Comprehensive income	
Copper swaps purchase	1,441	Tons	January to December 2016	\$ (12,888)	\$ 10,602	\$ -
Copper swaps purchase	3,139	Tons	During 2015	-	-	10,834
Aluminum swaps purchase	345	Tons	January to March 2016	(134)	94	-
Aluminum swaps purchase	3,270	Tons	During 2015	-	-	12,266
Total at December 31, 2015				\$ (13,022)	\$ 10,696	\$ 23,100
Total at December 31, 2014				\$ (5,562)	\$ 3,812	\$ 162
Total at December 31, 2013				\$ 2,978	\$ (2,085)	\$ 12,537