

GasLog Ltd. and its Subsidiaries**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2017, 2018 and 2019****(All amounts expressed in thousands of U.S. Dollars, except share and per share data)****26. Derivative Financial Instruments (Continued)**

The fair value of the derivative liabilities is as follows:

	As of December 31,	
	2018	2019
Derivative liabilities carried at fair value through profit or loss (FVTPL)		
Interest rate swaps	9,196	49,891
Forward foreign exchange contracts	1,467	41
Derivative liabilities designated and effective as hedging instruments carried at fair value		
Cross currency swaps	1,429	—
Total	12,092	49,932
Derivative financial instruments, current liability	2,091	8,095
Derivative financial instruments, non-current liability	10,001	41,837
Total	12,092	49,932

Interest rate swap agreements

The Group enters into interest rate swap agreements which convert the floating interest rate exposure into a fixed interest rate in order to hedge a portion of the Group's exposure to fluctuations in prevailing market interest rates. Under the interest rate swaps, the bank counterparty effects quarterly floating-rate payments to the Group for the notional amount based on the U.S. dollar LIBOR, and the Group effects quarterly payments to the bank on the notional amount at the respective fixed rates.

Interest rate swaps designated as cash flow hedging instruments

As of December 31, 2018 and 2019, there are no interest rate swaps designated as cash flow hedging instruments for accounting purposes.