5. Derivative Instruments

We manage our economic and transaction exposure to certain risks by using foreign exchange forward contracts to hedge against the effect of Canadian dollar exchange rate fluctuations on a portion of our net investment in our Canadian operations and by using interest rate swaps to mitigate the effect of interest rate fluctuations on our $500 million of principal amount of notes due October 1, 2028. In addition, we use foreign currency forward contracts not designated as hedging instruments to manage the impact of fluctuations in foreign currency exchange rates relative to recognized receivable and payable balances denominated in non-functional currencies.

Our derivative instruments designated as net investment hedges and interest rate swaps are recorded on our Condensed Consolidated Balance Sheets at fair value. When material, the gross fair values of our outstanding derivative instruments and corresponding fair value classifications are included in Note 4, *Fair Value Measurements*.

Notional amounts of our derivative instruments were as follows ($ in millions):

Contract Type	July 29, 2023	January 28, 2023	July 30, 2022
Derivatives designated as net investment hedges	$ 102	$ 114	$ 118
Derivatives designated as interest rate swap contracts	500	500	500
No hedge designation (foreign exchange contracts)	50	56	65
Total	$ 652	$ 670	$ 683

Effects of our derivative instruments on our Condensed Consolidated Statements of Earnings were as follows ($ in millions):

		Gain (Loss) Recognized			
		Three Months Ended		Six Months Ended	
	Statement of Earnings Location	July 29, 2023	July 30, 2022	July 29, 2023	July 30, 2022
Interest rate swap contracts	Interest expense	$ (10)	$ 14	$ (14)	$ (31)
Adjustments to carrying value of long-term debt	Interest expense	10	(14)	14	31
Total		$ -	$ -	$ -	$ -

6. Debt

Short-Term Debt

U.S. Revolving Credit Facility

On April 12, 2023, we entered into a $1.25 billion five-year senior unsecured revolving credit facility agreement (the “Five-Year Facility Agreement”) with a syndicate of banks. The Five-Year Facility Agreement replaced the previous $1.25 billion senior unsecured revolving credit facility (the “Previous Facility”) with a syndicate of banks, which was entered into in May 2021 and scheduled to expire in May 2026, but was terminated on April 12, 2023. The Five-Year Facility Agreement permits borrowings of up to $1.25 billion and expires in April 2028. There were no borrowings outstanding under the Five-Year Facility Agreement as of July 29, 2023, or the Previous Facility as of January 28, 2023, or July 30, 2022.

Long-Term Debt

Long-term debt consisted of the following ($ in millions):

	July 29, 2023	January 28, 2023	July 30, 2022
Notes, 4.45%, due October 1, 2028	$ 500	$ 500	$ 500
Notes, 1.95%, due October 1, 2030	650	650	650
Interest rate swap valuation adjustments	(20)	(7)	19
Subtotal	1,130	1,143	1,169
Debt discounts and issuance costs	(9)	(9)	(10)
Finance lease obligations	39	42	40
Total long-term debt	1,160	1,176	1,199
Less current portion	15	16	15
Total long-term debt, less current portion	$ 1,145	$ 1,160	$ 1,184

Fair Value and Future Maturities

See Note 4, *Fair Value Measurements*, for the fair value of long-term debt. Other than the $500 million of principal amount of notes due October 1, 2028, we do not have any future maturities of long-term debt within the next five fiscal years.