

CITY OF TAMPA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

D. Foreign Exchange Contracts

The General Employees' Pension Trust Fund enters into forward foreign currency exchange contracts. Forward foreign currency exchange contracts are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and a settlement date. The contracts are subject to foreign currency risk, which is the risk that investment values may be affected by changes in exchange rate. The contracts are recorded as receivables and payables on the Fiduciary Fund Statement of Net Position. Earnings are shown on the Fiduciary Fund Statement of Changes in Net Position. Schedules of all forward foreign currency exchange contracts outstanding at September 30, 2015 are presented below.

Local Currency	Contract Amount Bought/ (Sold)	Valuation Exchange Rate	Amount to Buy in (Local Currency)	Amount to Sell in (Local Currency)	Receivable Fair Value (In U.S.\$)	Payable Fair Value (In U.S.\$)	Net Realized Gain/ (Loss)
SGD	\$ (86,393)	0.7019	\$ -	\$ (60,628)	\$ -	\$ (60,500)	\$ (128)
JPY	3,029,448	119.8909	25,290	-	25,295	-	5
AUD	(75,534)	0.7033	-	(52,967)	-	(52,903)	(64)
Total			<u>\$ 25,290</u>	<u>\$ (113,595)</u>	<u>\$ 25,295</u>	<u>\$ (113,403)</u>	<u>\$ (187)</u>

E. Currency Risk

Currency risk is the risk that investment values may be affected by changes in exchange rates. The Investment Manager may hedge all, some, or none of the portfolio's currency exposure. The Investment Manager may also cross hedge currency positions, but may not be net short any currency, or long more than 100% of the portfolio.

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