

36. FINANCIAL LIABILITIES HELD FOR TRADING

The balance is analysed as follows:

| | (Thousands of euros) | |
|--------------------------------|----------------------|----------------|
| | 2017 | 2016 |
| Short selling securities | - | 24,228 |
| Trading derivatives (note 23): | | |
| Swaps | 377,553 | 498,702 |
| Options | 2,385 | 4,457 |
| Embedded derivatives | 10,274 | 6,111 |
| Forwards | 6,334 | 6,225 |
| Others | 2,555 | 7,864 |
| | 399,101 | 523,359 |
| | 399,101 | 547,587 |
| Level 1 | 1,019 | 234 |
| Level 2 | 387,157 | 459,309 |
| Level 3 | 10,925 | 88,044 |

As referred in IFRS 13, financial instruments are measured according to the levels of valuation described in note 48.

The balance Financial liabilities held for trading includes, as at 31 December 2017, the embedded derivatives valuation separated from the host contracts in accordance with the accounting policy presented in note 1 d), in the amount of Euros 10,274,000 (31 December 2016: Euros 6,111,000). This note should be analysed together with note 23.

37. PROVISIONS

This balance is analysed as follows:

| | (Thousands of euros) | |
|--|----------------------|----------------|
| | 2017 | 2016 |
| Provision for guarantees and other commitments (note 22) | 130,875 | 128,056 |
| Technical provision for the insurance activity: | | |
| For direct insurance and reinsurance accepted: | | |
| Unearned premium | 8,627 | 10,490 |
| Life insurance | 27,531 | 34,751 |
| For participation in profit and loss | 3,863 | 431 |
| Other technical provisions | 18,013 | 15,816 |
| Other provisions for liabilities and charges | 135,249 | 131,506 |
| | 324,158 | 321,050 |