

**25. The Public Debt of New Zealand—Inflation-adjusted Savings Bonds**

This figure does not include the sum of **\$355,698,160** being the assessment by the Reserve Bank of New Zealand of the obligation at **31 December 1985** in respect of the premium on redemption.

**26. Movements in Currency Values**

In accordance with the Particular Accounting Policy adopted in respect of foreign currencies exchange rates were officially realigned on 1 December 1985. The New Zealand dollar values of overseas public debt, investments, and cash holdings were adjusted accordingly. There were also several individual alterations during the quarter which necessitated adjustment to the New Zealand dollar values of the overseas investments and cash holdings concerned.

The total net increase in the public debt of **\$343,482,000** arising from 1 December 1985 realignment consisted of:

	<b>Realignment 1 December 1985</b>	
	Increase \$(000)	Decrease \$(000)
Loans denominated in—		
Australian dollar .. .. .	..	434
Canadian dollar .. .. .	..	1,379
Deutschemark .. .. .	45,341	..
European currency unit .. .. .	5,498	..
French franc .. .. .	182	..
Indian rupee .. .. .	..	355
Japanese yen .. .. .	433,521	..
Dutch guilder .. .. .	5,104	..
Pound sterling .. .. .	..	13,089
Swiss franc .. .. .	45,962	..
United States dollar .. .. .	..	176,788
	<u>535,608</u>	<u>192,045</u>
IBRD loans (various currencies) .. .. .	..	81
Net increase .. .. .	..	343,482
	<u>\$535,608</u>	<u>\$535,608</u>

The total net increase of **\$29,783,000** in the overseas investments consisted of:

	<b>Realignment 1 December 1985</b>	
	Increase \$(000)	Decrease \$(000)
Investments denominated in—		
Canadian dollar .. .. .	143	..
Deutschemark .. .. .	1,641	..
Dutch guilder .. .. .	412	..
French franc .. .. .	3	..
Japanese yen .. .. .	17,525	..
Pound sterling .. .. .	4,158	..
Swiss franc .. .. .	342	..
United States dollar .. .. .	5,559	..
	<u>29,783</u>	<u>..</u>
Net Increase .. .. .	..	29,783
	<u>\$29,783</u>	<u>\$29,783</u>

**B. V. GALVIN,**  
Secretary to the Treasury.  
30 January 1986

**C. F. SPROULE,**  
Director, Financial Management, Treasury.  
30 January 1986