

**28. Movements in Currency Values**

In accordance with the Particular Accounting Policy adopted in respect of foreign currencies exchange rates were officially realigned on 1 March 1986. The New Zealand dollar values of overseas public debt, investments, and cash holdings were adjusted accordingly. There were also several individual alterations during the year 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 **\$1,776,577,000** arising from 1 March 1986 realignment consisted of:

|   | <b>Realignment<br/>1 March 1986</b> |                     |
|---|-------------------------------------|---------------------|
|   | Increase<br>\$(000)                 | Decrease<br>\$(000) |
| Loans denominated in—                   |                                     |                     |
| Australian dollar .. .. .               | 491                                 | ..                  |
| Canadian dollar .. .. .                 | 1,214                               | ..                  |
| Deutschemark .. .. .                    | 255,125                             | ..                  |
| European currency unit .. .. .          | 90,550                              | ..                  |
| French franc .. .. .                    | 1,175                               | ..                  |
| Indian rupee .. .. .                    | 465                                 | ..                  |
| Japanese yen .. .. .                    | 751,260                             | ..                  |
| Dutch guilder .. .. .                   | 34,816                              | ..                  |
| Pound sterling .. .. .                  | 143,917                             | ..                  |
| Swiss franc .. .. .                     | 298,668                             | ..                  |
| United States dollar .. .. .            | 198,680                             | ..                  |
|   | <u>1,776,361</u>                    | <u>..</u>           |
| IBRD loans (various currencies) .. .. . | 216                                 | ..                  |
| Net increase .. .. .                    | ..                                  | <u>1,776,577</u>    |
|   | <u>\$1,776,577</u>                  | <u>\$1,776,577</u>  |

The total net increase of **\$29,329,000** in the overseas investments consisted of:

|                              | <b>Realignment<br/>1 March 1986</b> |                     |
|------------------------------|-------------------------------------|---------------------|
|                              | Increase<br>\$(000)                 | Decrease<br>\$(000) |
| Investments denominated in—  |                                     |                     |
| Canadian dollar .. .. .      | 465                                 | ..                  |
| Deutschemark .. .. .         | 2,826                               | ..                  |
| Dutch guilder .. .. .        | 2,594                               | ..                  |
| French franc .. .. .         | 14                                  | ..                  |
| Japanese yen .. .. .         | 9,483                               | ..                  |
| Pound sterling .. .. .       | 6,181                               | ..                  |
| Swiss franc .. .. .          | 478                                 | ..                  |
| United States dollar .. .. . | 7,288                               | ..                  |
|                              | <u>29,329</u>                       | <u>..</u>           |
| Net Increase .. .. .         | ..                                  | <u>29,329</u>       |
|                              | <u>\$29,329</u>                     | <u>\$29,329</u>     |

B. V. Galvin,  
Secretary to the Treasury.  
30 April 1986

R. C. W. Hamilton,  
Director, Financial Management, Treasury.  
30 April 1986