

3-11-1988

# Bank Creditors Opt To Avoid Pressing Panama On Debt Repayment

Deborah Tyroler

Follow this and additional works at: <https://digitalrepository.unm.edu/noticen>

---

## Recommended Citation

Tyroler, Deborah. "Bank Creditors Opt To Avoid Pressing Panama On Debt Repayment." (1988). <https://digitalrepository.unm.edu/noticen/1911>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiCen by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## **Bank Creditors Opt To Avoid Pressing Panama On Debt Repayment**

*by Deborah Tyroler*

*Category/Department: General*

*Published: Friday, March 11, 1988*

Panama's foreign bank creditors are reportedly trying to avoid taking sides in the political battle surrounding who represents the government. A committee representing the country's 200 bank creditors met in New York on March 8, and decided to opt for non-action when Panama City fails to meet debt obligations. On March 10, Panama was expected to default on interest and principal payments on Japanese bonds worth 5.2 billion yen, or \$40 million. Panama City has reportedly informed the Bank of Tokyo and the Yamaichi Securities Co., which sold the bonds to Japanese investors, that it does not expect to meet the \$85 million payments. The fact that Panama is unable to meet its payments is not new. To the present, the banks have more or less automatically rolled over the debts until a longer-term refinancing arrangement was worked out. The meeting in New York was not attended by Panamanian officials. Minister of Planning Ricaurte Vasquez sent the committee a telegram requesting another extension of the maturing debts, co-signed by the Banco Nacional de Panama. (Basic data from New York Times, 03/10/88)

-- End --