

Wall Street's Goldman Sachs gives Ecuador \$500 million



Quito, September 4 (RHC)--Ecuador's government has received \$500 million from a repurchase agreement with Wall Street bank Goldman Sachs, while protesters marched through the capital in protest of new economic measures.

"The \$500 million is due to a repo operation with Goldman Sachs in which bonds were used as collateral," Finance Minister Richard Martinez told reporters. The deal had a rate of the three-month London interbank offered rate (Libor) plus 4.25 percent, the Economy and Finance Ministry said in a statement.

In addition, the Inter-American Development Bank (IDB) will lend Ecuador \$237.6 million for social services and \$250 million to help complete construction of a subway system in Quito, the ministry said.

Latin American development bank CAF, meanwhile, will lend \$150 million to improve the OPEC member's power sector, Martinez said. Ecuador is seeking to improve ties with U.S. banks and multilateral lenders.

At the same time, protesters from across Ecuador amassed in Quito, the capital, to demonstrate against the Public Procurement Organic Law bill presented by Assemblyman Henry Cucalon. Members of various social organizations said their incomes had been reduced, while they lacked the necessary tools to compete against major companies.

"We are here to defend the rights of the popular and solidarity economy so that what we have achieved with great effort cannot be violated again," said Ana Ochoa, one of the protesting workers.

President Lenin Moreno claimed that \$1.3 billion in productive credits would be financed to reactivate economic growth, benefiting micro and small businesses, but opponents say the government has yet to take action.

Lucia Calderon, president of the Chamber of the Popular and Solidarity Economy, said: "This is just one of the announcements of millionaire injections for the promotion of the popular and solidarity economy, but those monies have not reached us. "The only money that reaches us comes with rates of 25 to 28 percent interest, which is usurious and cruel for this type of outgoing economy."

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