

World markets brace for

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USA TODAY

Investors hoping for a clean end to the Greek debt crisis over the weekend were sorely disappointed, as talks dragged on and key deadlines pushed off a few more days.

Proving once again the Greek debt crisis is more of a political issue than a financial one, European leaders of the 19 nations using the euro still couldn't decide if they should prop up

Greece with a \$59 billion bailout or boot the nation out of the currency bloc. The leaders debated late into the night Sunday.

The leaders hashed out a tough proposal put forward by European finance ministers, following marathon talks by the finance ministers on whether to approve a third bailout for Greece.

A draft statement of the finance ministers Sunday stresses the "crucial need" to rebuild trust with the Greek authorities as a prerequisite for a new loan. It suggests that in the case of no

agreement, negotiations should begin on Greece's temporary exit from the common currency zone.

French President Francois Hollande, who wants to keep Greece in the eurozone, said as the leaders convened that France would do all it can to reach an agreement Sunday and keep the continent united. "It is Europe that is at stake," he said.

But in a sign of the division among the leaders deciding Greece's fate, German Chancellor Angela Merkel said the talks will be "tough," and she ruled out

Greece outcome

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"agreement at any price."

The dragging on of the drama could be bad news for investors. The euro dropped 0.5% late Sunday, said Bloomberg, setting up what could be a day of investor hand-wringing.

The Dow Jones industrial average jumped 212 points to 17,761 Friday and the Global X FTSE

Greece 20 exchange-traded fund rose 9% as investors hoped policymakers might come up with a pact. "Markets are pricing in a deal, and doing it emphatically," according to a note from Bespoke Investment Group to clients.

The non-news over the weekend is probably the outcome investors dreaded most.

"Uncertainty is usually the worst force. Good news or bad news can be resolved and price discovery then occurs," said David Kotok, chief investment officer of Cumberland Advisors.