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Why Even a Debt Ceiling Deal Could Be Bad News for the Stock Market

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A U.S. default on its debt would be disastrous, full stop.

Stock markets would crash and bond yields would soar. That potential self-imposed calamity has kept investors on edge in recent weeks, as Democratic and Republican politicians in Washington work to hash out a compromise before the June 1 estimated date when the U.S. Treasury runs out of cash to pay its bills.