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SINGAPORE: Global markets are hit by jitters from the growing uncertainty ahead of the Greek elections.

Investors are holding back on concerns that a Greek exit from the eurozone may spark a global recession.

Europe's debt crisis has been looming for a year and talk of Greece's likely withdrawal from the eurozone after its elections this Sunday is getting louder.

Whatever the outcome, experts said a meltdown in financial markets, like the collapse of Lehman Brothers in 2008, is unlikely.

This is because investors would have already factored in that possibility. Back in 2008, investors who were caught off-guard by the bank's collapse made a quick exit from financial markets and caused a global liquidity crisis almost immediately.

Associate Professor Annie Koh, dean of Office of Executive and Professional Education at Singapore Management University, said: "I think the euro is not a reserve currency like the dollar. People are not really holding a lot of Euros so therefore, its global impact is not as drastic. When Lehman crisis took place, there was a squeeze for liquidity, and its dollar liquidity."

Analysts noted Asian companies are nervous with what's happening in Europe and are holding back on their expansion plans which are hampering overall economic growth in the region.

David Marshall, a senior analyst for Asia-Pacific Banks at CreditSights, said: "The bank loan growth is Singapore last year reached tremendous levels, up to 30 per cent annual growth in loans. That was fairly typical of what we've seen around the region but that is slowing down dramatically under the influence of the eurozone crisis and of course slowdown in countries like China and in India too. The loan growth has really come down to very, very low levels.>"

Stuart Allsopp, head of Asia Country Risk & Financial Markets at Business Monitor International, said: "The banking system is in relatively good shape compared to the rest of the world. It's well-capitalised and very liquid."

Some experts said Singapore and Hong Kong have the highest exposure to eurozone financial assets relative to their economies, while Australia, Indonesia and Malaysia are also at risk.

But trade with Greece shouldn't suffer too big of an impact in the event of an exit from the euro, analysts say this is because the invoices could be billed in another currency such as in US dollars.

Experts said Asia's exports to Europe, averaging 17.7 per cent, remains a major drag to the Asian economies.

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