

# The FT shares my pessimism about markets

Published: January 13, 2026, 6:24 am

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In [an FT video, published today](#), the following is said:

*[I]f QE got asset prices up, shouldn't the end of QE mean that asset prices will fall? All else being equal, yes, it should.*

*If the end of QE does bring about a correction, which assets will be hit the hardest? Hard to say. But if interest rates rise, companies with low earnings now but high hopes for profits down the road could be hit the hardest.*

*The unfortunate thing about markets, of course, is that all things are never equal. Indeed, this is what central bankers and most everyone else are piously hoping: that strong growth and earnings could outweigh the fact that cash is being pulled out of the economy.*

*Yet, if that growth brings about increased wages, inflation, and interest rates at the same time as QE is winding down, asset prices could fall very sharply indeed.*

I [suggested the issue is somewhat bigger than that](#), yesterday.

But we're on the same trajectory.