

Inflation is likely already peaking, but central banks ...

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The FT [reported over the weekend](#) that the price of copper had fallen below \$7,000 a tonne and was expected to go lower. In March it was over \$10,000.

This matters for three reasons. First, copper is a strong economic indicator: its price falling is a sign of slowing economic activity, and this is not just a fall but a positive collapse.

Second, this fall suggests that the panic buying that has created so much of our inflation (exactly equivalent to the April 2020 loo palate crisis, but with bigger consequences) is fading.

Third, copper is not alone. Prices are falling over a wide range of commodities, including energy in some cases.

The point is that this inflation was always going to be of short duration. That is not to say that it is not significant for those suffering it. But it was always going to be short.

But meanwhile we have the world's central banks trying to turn it into a full blown recession by hiking interest rates wholly unnecessarily. That is where the real danger is now.