

The world's central banks are desperate for a recession...

Published: January 13, 2026, 5:14 am

As the [FT reported](#) in yesterday's Federal Reserve decision on interest rates in the USA:

The Fed held interest rates at a 22-year high, but the decision came alongside new forecasts from central bank officials pointing to 75 basis points worth of cuts next year — a more dovish outlook for rates than in previous projections.

75 basis points is 0.75% in lay terms. That would mean that US rates would fall to a range between 4.5% and 4.75% next year.

That is better news than there being no planned rate cuts.

But as we also know, US inflation is now heading for target rates, and is only just over 3% now. Despite that, the oppressive interest rates are going to be maintained.

It still looks as if the world's central banks are desperate for a recession and are going to hold out until they get one.

Expect much the same from the Bank of England when they make their decision on rates. Limping us lamely to economic catastrophe is their style, after all.