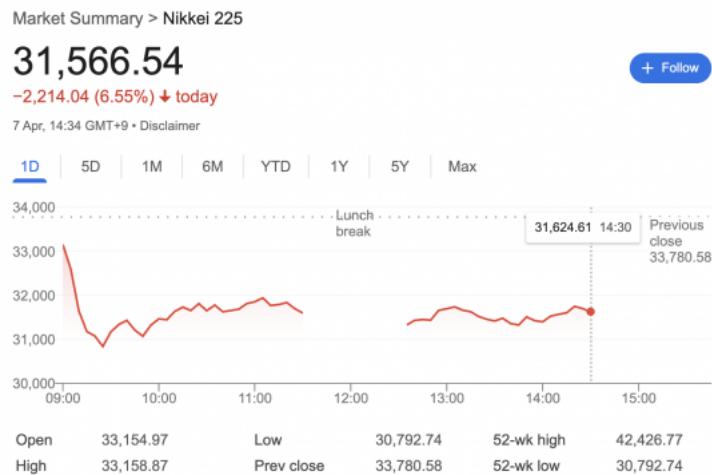


Tin hat time

Published: January 12, 2026, 8:42 pm

As I am writing this before 7 a.m., the Nikkei 225 stock market index in Japan is having a torrid time:



A loss of 6.55% is heavy. It was around 10% at one point.

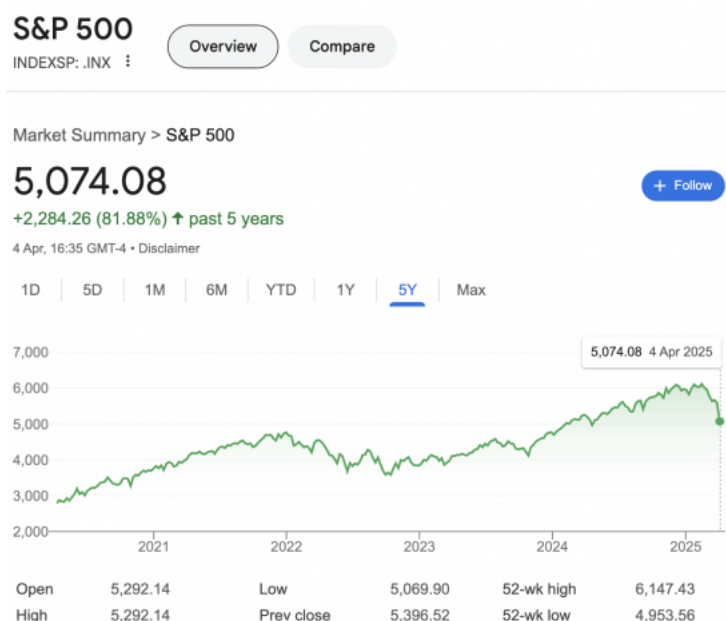
However, this may represent the fallout from Friday's trading in New York more than it does new losses or uncertainty. The fact that the market stabilised after initial trading might suggest that.

This would fit with the pattern of 1987, for example, which [Investing.com shows to have been like this](#):



An overheated market crashed, stabilising at around the level it had been at before the crash, before lowly rising again (the pension fund Ponzi scheme guarantees that will happen).

Compare that with the S&P 500 now:



The market got overheated in 2024, and most definitely so after Trump was elected.

Now it is in major correction territory, which was always going to happen, but for which Trump will now forever take the blame. But note, it could still fall and be well above levels at the start of 2024.

What will happen today? Will prices stabilise at around the Friday level? Will they be intensely volatile whilst approaching that new norm? Or will they fall further? I do not know. But I can spot patterns, and there is nothing odd about this one, except that Trump chose to precipitate it.

My suspicion is we will have a bumpy ride, but once the immediate panic is over - which will be within days - the hard work will begin. That will be the massive task of building a new world economic order that works around the USA. With Trump in charge, that must be the requirement.

The one fallout of all this that seems most likely is that no one will trust the States again. That might be no bad thing. Their influence has been malign for a very long time.