



Harry's Take

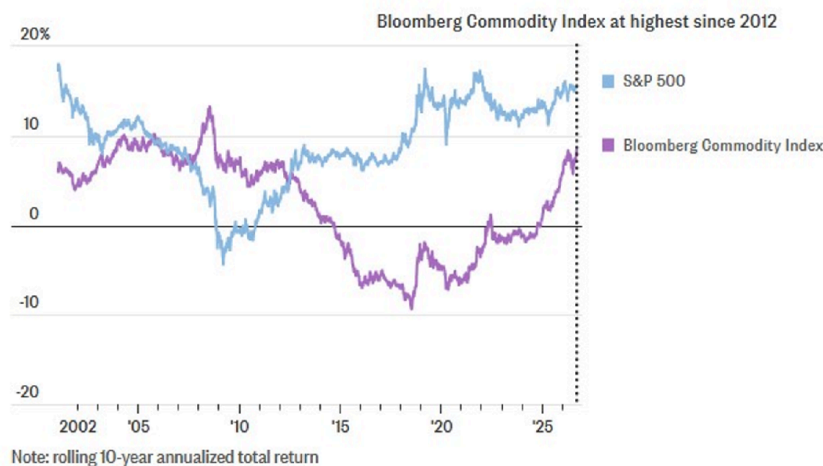
October 13, 2026

Commodity Prices Continue to Rise and Add to Inflation Pressures

Just to add another brick in the wall for the inevitability of the bursting of this now 17.6-year greatest, longest and most artificial bubble ever: Commodity prices continue to rise and that of course is another factor in the 3% inflation rate that refuses to kneel towards the Fed's long-time 2% target... And why more rate hikes are likely ahead.

Rising Commodities Hurt Stocks into '07 Crash: Steeper Rise into '26

PERIODS OF UNUSUALLY HIGH COMMODITY PRICES HAVE BEEN ASSOCIATED WITH WEAKER S&P 500 RETURNS



Source: Dow Jones Market Data; LSEG

Source: https://www.marketwatch.com/story/the-price-of-almost-everything-on-your-dinner-table-is-climbing-at-once-and-wall-street-is-taking-notice-9623d1fc?mod=disL_amp_social&link=sfmw_tw

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This rise starting back in late 2018 has been steeper and has lasted longer. And commodities go into all hard goods, especially housing. Now we also have the highest home prices ever and the highest mortgage rates at 7.5% since 1997 at 7.6%, and likely about to pass that.

The biggest recent surprise to me is that stubborn inflation, rising home prices and mortgage rates have not yet stopped this final orgasmic bubble run since the late 2022 COVID finale crash...

But the hard and clear truth is that stocks cannot continue to ignore these nosebleed valuations in the face of this clear final “blow-off” phase of this now 17.6-year bubble. This crash should be coming soon... and there won’t even need to be a trigger at these levels.

There was no imminent recession when the first tech stock bubble peaked in early 2000. The recession did not start until March 2001, a full year later. It just peaked from its own ridiculous irrational exuberance! This bubble could peak at any time and if you wait for that to be clear, stocks are likely to be down 50%+ in just a few months. That’s how bubbles end every time... the first whack is the fastest and hardest for all the dumb money that finally got in. And that will be too late to react!

Harry

Got a question or comment? You can reach us at info@hsdent.com.

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