

THE BIG FLUSH: Freight, Stocks, Jobs, Small Businesses, Housing, ALL Spiral Down the Drain

By David Haggith – 321Gold, Nov 19, 2025

In the sewer business, they say a good flush beats a full house. This one isn't a good flush. It's the other kind that fills your house with a stinking mess you have to live with.



Adam Taggart, in his interview below with *Freightwaves*' Craig Fuller, says Fuller's take on the economy sounds *stagflationary*, the word I've been promising we would see. This is the guy who more than just about anyone has his finger on the pulse of shipping, so he sees in granular detail how the economy is "moving," quite literally. Fuller says **freight data is a ...**

...real-time barometer of what is happening in the goods economy. And so we have been seeing an epic collapse of freight demand since Valentines Day of this year.... What we are seeing in the labor market should not surprise anyone that has been watching the freight data. It's interesting, when you watch CNBC, Bloomberg ... people are so tied in to what the stock market is telling them, or they're tied into what the government employment data says....

Recently, I've been feeling like I'm sort of the odd man out [I know the feeling.] because I'm on these panels; there's conversations, and you have three people on the panel and ... they're always talking about how strong the labor market is, and then here I am talking about how bad the economy is.

It's interesting because I think the labor story is starting to catch up to what freight has been telling us.

According to Fuller, the freight barometer provides about a six month lead for seeing what is coming in the economy. Since the downturn in freight began seriously on Valentine's Day, we are now in the part where what has been happening finally becomes really evident in the economy we all see and sense, such as all those lost jobs that have started showing up, which I've been reporting here, regardless of what the government says.

Freight, he says, is a more reliable barometer for what is happening in the goods economy than retail sales data because it looks only at what goods are actually moving through the economy; whereas, retail sales data may be clouded by things like inflation, since sales are measured in money, especially if inflation is poorly tracked by the government, and by retailers creating large sale discounts to push products. Freight just measures how many containers or tons of goods are moving. It's not affected by their value.

In short, freight fully agrees (and has for months now) with what I've been saying about the economy slowing, about jobs getting worse, even back when the government was still trying to report the strongest labor data Team Trump could claim. Freight is telling us things are slowing way down. That is not surprising, given how damaging tariffs naturally are to trade because tariffs are INTENDED to damage trade—the other guys' trade, but then the other guy applies his own tariffs back at you, then everyone loses. (And it is predictable that the other guys will do exactly that, and they did.)

Consumers getting flushed not feeling flush

Consumers become crimped by all of that, and a couple of other stories today tell us about how much real inflation is hurting people, *even though the government has been insisting for months that inflation is down*—or how much the *combination* of declining employment and rising inflation are hurting.

To which, the first story tells us that **Home Depot, also a broad barometer of recent major consumer activity, just posted an “alarming sales update that points to recession.”**

The Home Depot is a bellwether for the US economy and housing market. It's latest quarter isn't sparking much confidence. On Tuesday morning, the home improvement chain said it served fewer customers in the past three months than expected.... Overall, Home Depot was hurt by fewer violent storms reaching American shores, more anxiety among US consumers, and a housing market in a deep funk.

The first part of that “perfect storm” for Home Depot is a good thing—fewer storms, requiring fewer home repairs—but the last two items are where the trouble is. Consumers are particularly feeling anxious because of the labor situation AND rising inflation.

The company also said it has had to raise some of its prices because of tariffs, served 1.4 percent fewer customers, and seen a 0.4 percent drop in foot traffic. Its customers, it says, are also seeing home prices now decline in more markets than rising, and we know they have job concerns.

Moreover, this is the third consecutive quarter in which Home Depot has reported continuously falling data, taking us back to about the time of that change on Valentines Day when freight took a dive. This snapshot from Home Depot, which aligns with what *Freightwaves* is saying for timing of the decline, is also corroborated today by another story that claims **“everyone is**

hunkering down” to such a level that **“the affordability crisis is rattling mom-and-pop shops.”**

The business spiral

Another article claims **it has “Never been this bad: Small businesses ‘infuriated’ at Trump’s damage to the economy.”** Significantly, both stories list the same factors for the dismal situation of consumers—*rising inflation and declining jobs*. As an example, one business owner says,

The Trump administration’s haphazard tariff rollout dented demand for the machine parts and sheet metal” his company sells.

I’ve warned all along that the haphazard (“on again/off again”) way the tariffs have been applied has actually made the damage worse by creating *chaos*—the big word of the year—throughout the business community (not just the US community but of the whole world since Trump is going after every nation at once).

“Everyone is hunkering down and building up cash. It’s never been this bad,” Scheffel told CNN. “It’s very uncertain and impossible to plan in this environment.”

Scheffel is the owner of family-run ETM Manufacturing in Massachusetts. Small businesses like his comprise the vast majority of businesses in the US. So, they, in particular, are the “Main Street” economy.

“They’re worried about putting food on the table and buying shoes for their kid,” Scheffel said. Another business owner complained as follows about Trump’s haphazard approach: “We just don’t know what the guy is gonna do. It creates so much anxiety and time-wasting.”

That guy reports that he is actually moving his business out of the United States to Mexico because of the situation created by Trump and his tariffs, which is the exact opposite of what Trump Tariffs were intended to result in. However, when the rest of the world applies retaliatory tariffs against the US—because they identify the US as the source of their economic troubles—and not against each other, it may be better to move to one of those nations from which you can ship to all the others without those retaliatory tariffs denting your orders and just deal with the burden of tariffs from the US.

Explains another,

“China, Mexico and Canada don’t pay [the tariffs]. I’m the one that’s paying for it,” said Troy Rackley, CEO at Florida-based The Next Level of Performance. “I pay taxes on my income, and now I have to pay additional taxes on what I bring in.”

(I’ve been trying consistently to call out the lie that claims otherwise because these lies are damaging us considerably.)

It's no wonder, then, that high-priced stocks are realizing things are not going so well, and so reality is crashing their market, which is exactly what I've said will happen eventually. Irrational investors can keep driving prices up out of greed that gives them false hopes because they are ready to believe *anything* that supports what they want to think can continue; but **reality eventually breaks through the denial and crashes the party**. The longer it takes for reality to bust through the illusions, the worse the correction will be when it finally comes. And this one has taken a long time.

Stock certificates become the new toilet paper

Wall Street bond veteran Jeffrey Gundlach sees one of the 'least healthy' stock markets of his career.

The DoubleLine Capital CEO warned that the stock market looks dangerously speculative, saying it's among the least healthy he's seen in his entire career. The Dartmouth grad, who started his Wall Street career in the mid-1980s at TCW Group, today sees speculative excess in AI-related stocks and data-center investments, cautioning that momentum investing during a boom can end badly.

And it looks like that may be happening now, with the Dow down, yet again, another 500 points today. However, Nvidia reports after the close tomorrow, and a positive report could blow in just the amount of oxygen that smoldering investors are dying for like fading embers. That could be the final bellows for the speculative mania's irrationality we've been talking about here at *The Daily Doom*. These investors have shown for a long time, they will deny *all* signs of recession in order to grasp a single straw wherever they can find one.

It is expected that Nvidia's news will be good. On the off chance it comes in bad, look out below. For the S&P this downturn, driven by the fall of the formerly-thought-to-be-indestructible high tech companies, has already been the longest since August.

Housing tanks, too

As for that housing market that came up in all the reports above about consumer sentiment turning outright bearish on the economy, another article today points out that we have now reached the level where more than half of the homes for sale in the US are seeing falling prices. That is billed as the largest decline since the tail end of the Great Recession when the last massive housing crisis was being sorted out.

While I had said five years ago housing would *not* be the *major* driver in the present crash, tough it would fall, I said I was basing that on the fact that there were substantially fewer adjustable-rate mortgages, which were the big time bombs that drove the Great Recession down at an accelerated pace. This year, I wrote that all of that changed over those five years in which housing was NOT the driver of any downturn to where we now have as many or more ARMs than we did going into the Great Recession. So, I wrote that housing could easily be

as traumatic of a collapse as we went through in the Great Recession because, once again, as I laid out in my little humorous book, [*DOWNTIME: Why We Fail to Recover from Rinse and Repeat Recession Cycles*](#), “We learned nothing.” We did ALL OF IT all over again! So, here we are ... because we never learn.