Is the $11 Trillion Market Loss Tied to the Shemitah Cycle?

There's been a lot of talk about the Shemitah. Some say nothing happened, yet $11 trillion in global stock market wealth was wiped out during the third quarter of 2015.

Eleven trillion dollars. We checked in with Jonathan Cahn, author of *The Mystery of the Shemitah*, to get his response to the headlines that suggest nothing happened in September. Cahn told us every one of the last seven Shemitahs has seen a collapse in the financial or economic realm.

- The Shemitah of 1966 saw what has been called the "forgotten crash."
- The Shemitah of 1973 saw the collapse of the financial realm followed by a global recession.
- The Shemitah of 1980 saw an economic recession followed by a stock market collapse.
- The Shemitah of 1987 saw another stock market collapse, including the greatest single-day percentage crash in Wall Street history, known as "Black Monday."
- The Shemitah of 1994 saw "the Great Bond Market Massacre," the greatest collapse up to that time of the bond market, a market twice as big as the stock market.
- The Shemitah of 2001 saw 9/11 a stock market collapse and economic recession.
- The Shemitah of 2009 saw a stock market collapse and the Great Recession.

Cahn says the predominant pattern and the central of the Shemitah's templates, one that appears several times in *The Mystery of the Shemitah*, is that of the Shemitah ending a rising stock market, reversing its momentum, and beginning a stock market collapse that takes place over the course of at least several months. And he says the Shemitah of 2015 was no different—the stock market peaked on May 19, then reversed its momentum, beginning a long-term descent.

“The general pattern is that the Shemitah’s opening phase tends to be subtle; it is its phase part, and particularly its end that tends to be most dramatic. And this is exactly what happened in 2015,” Cahn says. “As the Shemitah began approaching its last phase in the summer of 2015, the markets of the world began collapsing. In a short space of time, the Shemitah wiped away a stunning 40 percent of the Chinese stock market. Toward the end of August came “Black Monday” and stock market collapses all over the world. In two days, Wall Street had collapsed 888 points. August also the greatest intraday stock market collapse in Wall Street history.”

Cahn says that the story that just came out over the newswire concerning the final numbers of the total damage that had been done in the third quarter of 2015—an almost mindboggling $11 trillion—was extremely significant since the third quarter of 2015 is basically equivalent to the Shemitah’s final quarter, the same time when we might expect to see a greater manifestation of the dynamic.

“The results were that the amount of the world’s wealth that had been wiped away was a colossal $11 trillion dollars,” Cahn says. “This makes it the eighth collapse of the last eight Shemitahs in the last 50 years.”

With all that in mind, what is Cahn’s response to *Fortune* and *Bloomberg News* articles suggesting that current market conditions are similar to those prior to the Great Depression?

“In a good amount of the last seven Shemitahs, the market collapse continues past the Shemitah’s end date, the Hebrew Elul 29, and into the subsequent autumn,” Cahn says. “In some others, it doesn’t. But when the collapse does continue into the autumn, the subsequent crashes can be of historic proportions.”