
The Calm Before the Storm

Author : Meiliken

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We not going to make a habit of listing the current events that fit



the prophecies, but so much has transpired since the preemptive assassination of Rav Abuchatzera that opened up a crack for the darkness to flood in that we'll list them this once and move on. There was movement of Logar Wardak Provinces, gateways to the capital of Afghanistan, Kabul, into the hands of the Taliban, punctuated with the shoot down a Chinook helicopter in the early hours of the Sabbath, killing 30 Americans, including 22 members of the [Navy Seal 6](#) team, the same elite commandos that had captured (killed?) Bin Laden. [Bashar al-Assad](#) and his Syrian military found a new boldness and flexed its muscles against its democracy seeking citizens by deploying dozens of tanks and armored vehicles and wiping out entire cities, Syria's fourth and fifth largest, Hama and Deir al-Zour respectively. [London is burning](#), literally, as a small anti-police demonstration



spiraled into days of looting, violence, and anarchistic mayhem. Tens of thousands of police troops had to be called in. Many of the hoodlums were children with a you-can't-touch-me attitude. In the generation in the desert, the parents all perished and the children were saved. Spiritually, we're far less enlightened than that generation, and the cumulative negativity of our environment is much thicker and denser.

S. & P. [issued a historic downgrade](#) of United States Treasury securities to AA+ from AAA on Friday night, Erev Shabbat. That was already after the markets had tumbled double digits due to ever-weakening economic data from the US and around the world and the debt problems of Italy and Spain. The initial shock waves from the downgrade of the government's credit rating were felt in stock markets over the weekend. Shares plunged in the Middle East on Sunday and had slipped by midday in Asia. Shares in Israel fell 7 percent that Sunday. Monday, brought the largest declines to the US Exchanges since 2008, 6 percent (600 points). Then with wide roller coaster lurches they went up and down and up 430 points, then again

down 530. Then up again. It is eerily similar to the summer days before Lehman was forced to collapse on 9/17 and the bottom fell out of the market, along with the rest of the economy. Technically, the market indicators signal a strong bear market



ahead, what with the recent [triple death cross](#), the massive head and shoulders completed a couple weeks ago, and then there is the over valued modified P/E made famous by Yale professor Robert Shiller, and predicted months ago.

There have been only four other occasions over the last century when equity valuations were as high as they are were in the last few months, according to a variant of the price-earnings ratio* that has a wide following in academic circles.

Shiller's modified P/E, or CAPE* recently was 23.5, or some 43% higher than the CAPE's long-term historical average. The four previous occasions over the last 100 years that saw the CAPE as high as they are now:

- The late 1920s, right before the 1929 stock market crash
- The mid-1960s, prior to the 16-year period in which the Dow went nowhere in nominal terms and was decimated in inflation-adjusted terms
- The late 1990s, just prior to the popping of the internet bubble
- The period leading up to the October 2007 stock market high, just prior to the Great Recession and associated credit crunch

Clearly, the markets are in a precarious state. Nevertheless, since we know that nothing happens below with parallels above, clearly unsettled winds are brewing above.

On 9/20 the UN will vote on Palestinian statehood. In this tinder box of a world, growing hotter every day from the baking Sun and the radiation spewing out of Fuki-Shima, we need just one more spark. If 2008 was only a foreshadowing, what do we think will happen after 9/20?

The markets this week have been buoyant and the news has turned to the Presidential elections and **Michelle Bachmann's (MB)** win in the Iowa straw pole so things a pretty quiet all of a sudden. Is this the calm before the Storm?

Is it like the receding tide just before the real tsunami hits?

In our next post we'll examine the deeper hidden mystical meanings behind the numbers 6, 666, and the 600,000 Israelite souls at Sinai, and how they all connect to the year 5778 (2018), 6 years from now, and most importantly how we can connect to mercy for ourselves and the world.

*("In this modified P/E, the denominator is not current earnings per share but average inflation-adjusted earnings over the trailing 10 years. This modified ratio — sometimes called P/E10, or CAPE (for Cyclically Adjusted Price Earnings ratio) — has a markedly better forecasting record than the simple P/E.")