



# ***Harry's Take***

September 21, 2021

## **This Mini-Crash Is Likely To Be the Beginning of a Powerful Convergence of 80- and 90-Year Cycles**

In yesterday's unusual crash, stocks just kept going down, with hardly a bounce all day until the last 30 minutes into the close. Stocks are rising mildly again this morning, but a clear rising wedge pattern first was breached marginally on Friday and then was broken strongly yesterday. To make a new high, stocks would have to break back into the wedge around 445 on the S&P 500... and I think that is not likely. I'll comment more on the crash and the rebound in Friday's Harry's Rant on video. But I think you need to act now to protect your finances!

Bitcoin's bear market rally from its crash low near 29,000 peaked near 53,000 but then fell back to near 40,000 where there is support. It has one last chance to bubble up to a new high only by year-end. This correction and weakness make that less likely. A break of 40,000 would be more ominous; until then it's worth holding, but only until year-end.

In my long-developed hierarchy of four cycles that primarily drive our economy, this crash falls into 2020-2022 on the Decennial cycle, wherein crashes occur in the first 3 years of every decade. The 35-year Geopolitical cycle bottomed around 2020; it is the only one of the four cycles pointing up now, but that rise is still in the very early stages. My two most important long-term cycles are the 45-year Innovation cycle, driven by new technologies, and the approximately 40-year Generation cycle, and they

are both pointing strongly down into late 2022. As with most cycles, these cycles become more powerful every other cycle, creating 90-year and 80-year cycles, the results of which have become very clear in modern history—and that’s especially true for the 90-year Great Reset cycle that follows the greatest bubbles, like the one we are in now.

This table summarizes the cycle bottoms of these 45-/90-year and 40-/80-year cycles. Note that I start the 45/90 with the Industrial Revolution, which dramatically exalted technologies, and the 40/80 with the emergence and rise of the first middle-class generation in the U.S, starting in 1942 with the Bob Hope generation.

**2020-2022 Is a Rare Convergence of Both 40-/80-Year and 45-/90-Year Cycle Crashes**

<b>Years</b>	<b>Cycles</b>
<b>1836-42</b>	<b>45/90</b>
<b>1883-85</b>	<b>45</b>
<b>1929-32</b>	<b>45/90</b>
<b>1929-42</b>	<b>40/80</b>
<b>1973-75</b>	<b>45</b>
<b>1968-82</b>	<b>40</b>
<b>2021-23</b>	<b>40/80/45/90</b>

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The biggest crashes and depressions on the 45/90 cycle have been the 1835–1842 and 1929–1932 major crashes. The imminent crash now looks like it will hit late from 2021 into late 2022–2023. I am allowing an extra year from the late 2022 natural target, given that central banks have delayed this crash beyond its natural start date, late 2019 to early 2020.

The other two normal 45-year cycles hit near the major 1883–1885 and 1973–1974 crashes. The first 40-year cycle began in 1942 and then hit

bottom again in late 1982, marking the low of the spending cycle for the Bob Hope generation. It should be much stronger this time around, as the more powerful 80-year cycle should hit into late 2022.

What's important here is that late 2022 is the only time all four of these cycles, the 45-year, 90-year, 40-year, and 80-year, converge. This happens only every 720 years; the last time all four converged would have been during a very rough period, the early to mid-1300s, when we saw the two greatest back-to-back plagues in history, between 1313 and 1348 (The Great Plague).

**The trillion-dollar question here is this: Will never-ending, central bank money printing and stimulus cushion the impact of even this massive cycle yet again, or will it only make the crash sharper and deeper after putting it off and creating a much longer and greater debt and financial asset bubble?**

What's your experience in life when you sweep a problem under the rug rather than dealing with it?

Late 2021 through at least late 2023 is still likely to be when we see the greatest crash and depression (not recession) of your lifetime! Stocks are already showing signs of volatility and a top. It's time to act and to protect your financial assets on any rebounds, and today may be about it!

Harry

*Got a question or comment? You can reach us at [info@hsdent.com](mailto:info@hsdent.com).*