Sand Spring Advisors LLC

A Bear's Period of Purgatory: Addendum

by,

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Marty Armstrong, writing from prison, has apparently pointed out that this Thursday, **April 15th, 2010** is 3.141 (pi) years from the February 24, 2007 historic tights in credit spreads.

Normally, we would not put much emphasis on this date by itself, but guess what?

April 18, 2010 also represents a perfect 3141 days (8.6-years) from the events of 9-11-01.

We also see too many armed police with bomb-sniffing dogs in the NYC subways at present not to think some security threat is potentially afoot.

In addition:

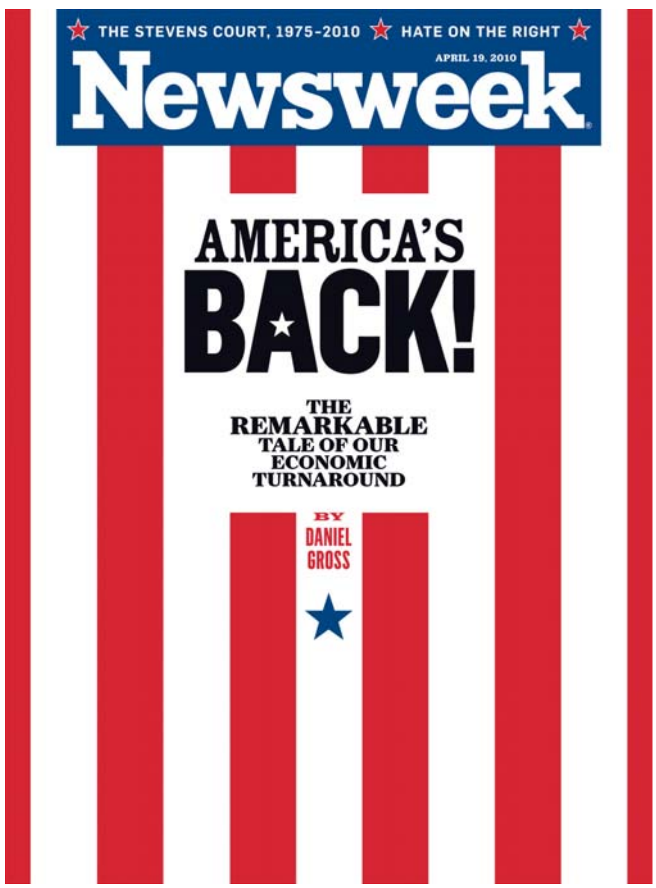
April 19, 2010 falls on a 4.3-month pi calendar rhythm that harkens back to the July 20, 1999 low in gold.

April 19, 2010 also falls on a 4.3-month pi calendar rhythm that harkens back to the October 9, 2002 low in the Nasdaq Composite and Nasdaq 100.

April 20, 2010 also falls on a 4.3-month pi calendar rhythm that harkens back to the October 16, 2007 high in the Shanghai A-share Index.

On top of the above, we spy an *Economist* magazine cover dated April 3-9th entitled "Hope at Last: 14-Page Special Report on Rebalancing the American Economy" with a rainbow ending with an American flag.

If this isn't enough bullish sentiment to mark the finale of frothy markets, then this week's *Newsweek* cover, dated **April 19, 2010** (pointed out to us by one astute reader) likely represents the final nail in the coffin. By the time the bullish sentiment makes it to the cover of *Newsweek*, something really bad in the markets is about to transpire:



Please feel free to call us the "Boy Who Cried Wolf" too many times, but with this pi convergence of dates, and these types of popular magazine covers, we would at least buy some option volatility to be ready for more active markets. We have personally recently been nibbling at the VXZ Intermediate-Term Volatility ETF. We also remain net short, and stand ready to increase this short on the first real sign of a market turn.

Send us your comments at information@Sandspring.com.

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