

## **Sand Spring Advisors LLC**

### **Ten Ideas for an Autumn C-Wave**

by,

**Barclay T. Leib**

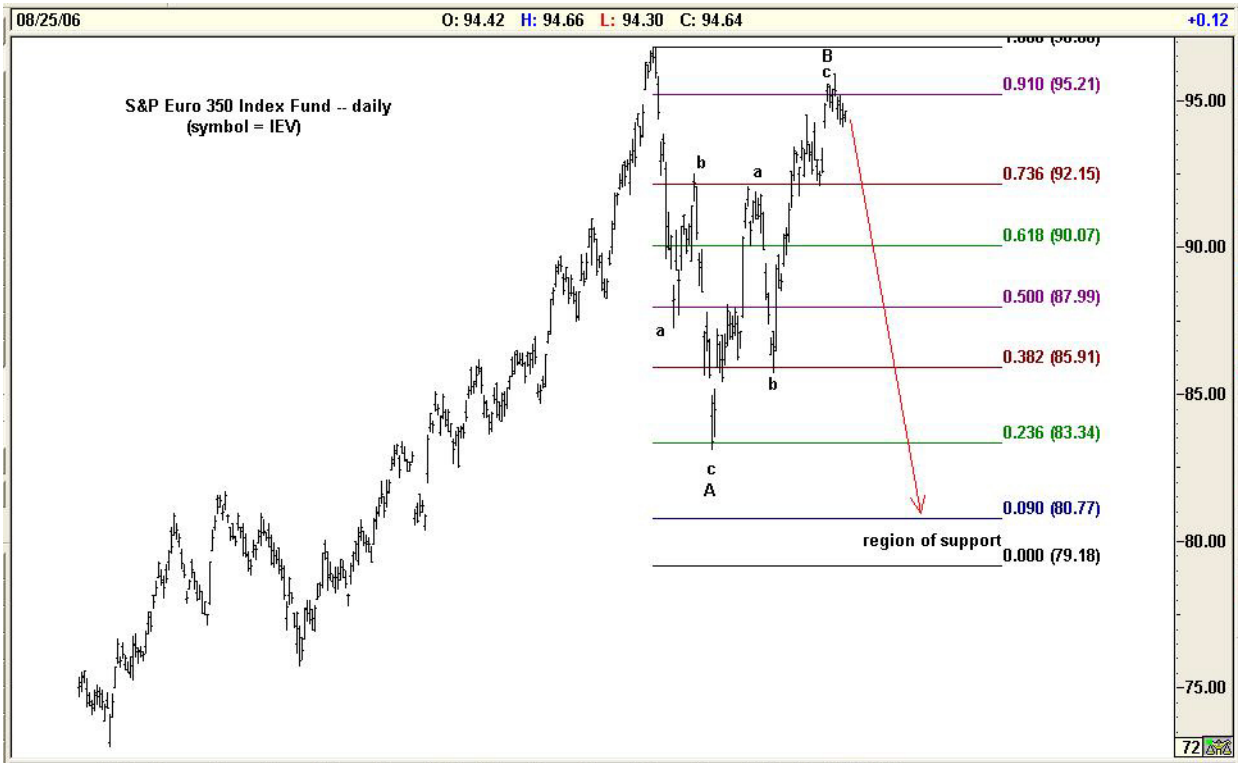
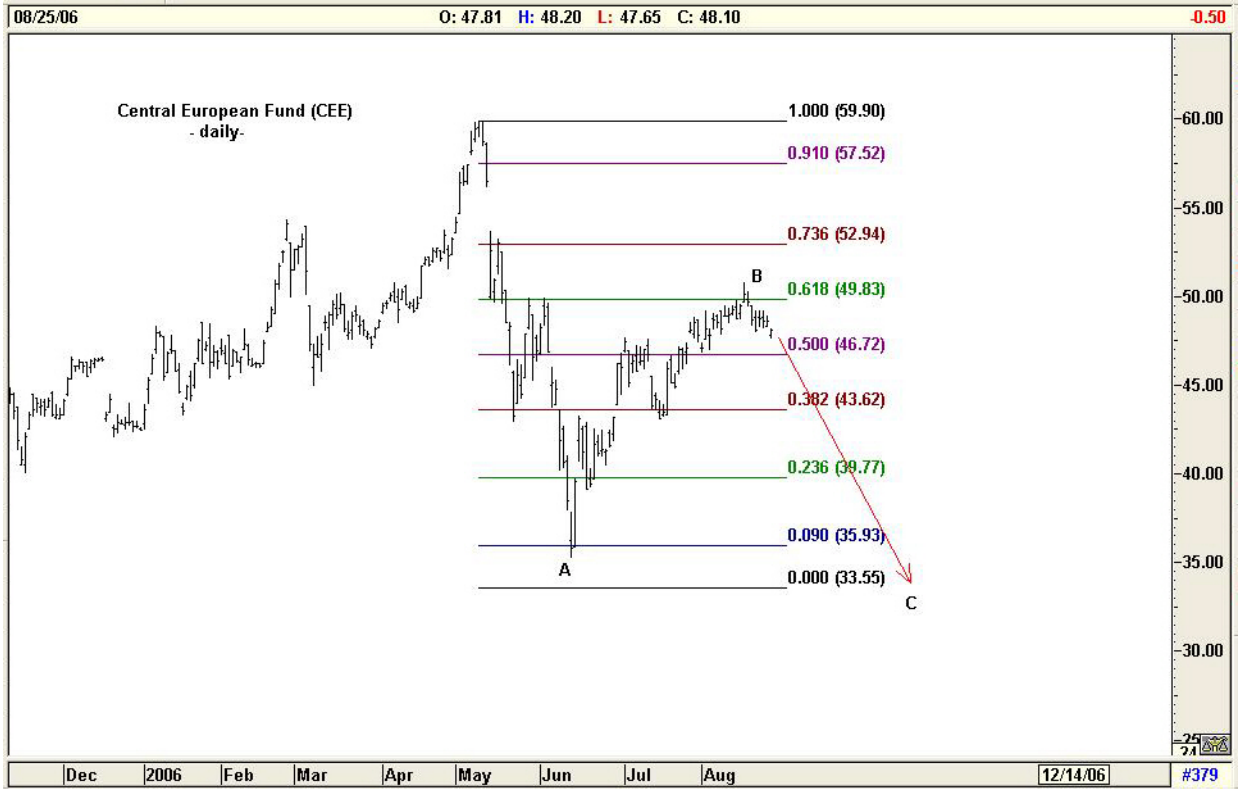
**August 27, 2006**

We have tried to be very patient and agnostic about the U.S. equity markets over most of the summer. We have continued to try to remember that conceptually the “big” turn lower should not transpire until after the 8.6-year PEI cycle date of February 24, 2007.

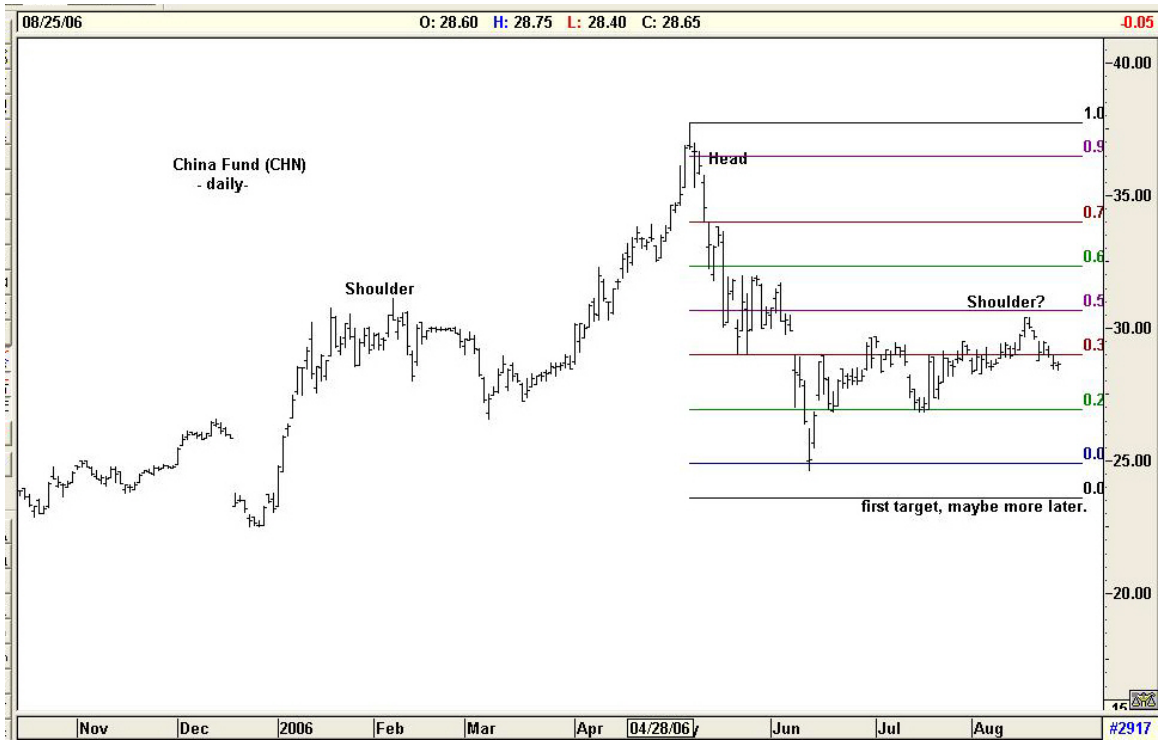
But in recent days we have also become more convinced that even if -- on a broad brush basis -- a final rally may eventually transpire into early 2007, a C-wave lower is first due into the early autumn. This move appears to us worth playing. The chart patterns that appear the most vulnerable can be found emanating out of Europe, Emerging Markets, and the financial sector. The broad Russell 2000 & Composite NYA indices also look vulnerable to a continuation move lower.

Rather than spend too much time with words in this issue, please just spend some time examining some of the chart pictures below. Within these ten charts, opportunities on the short side may abound.

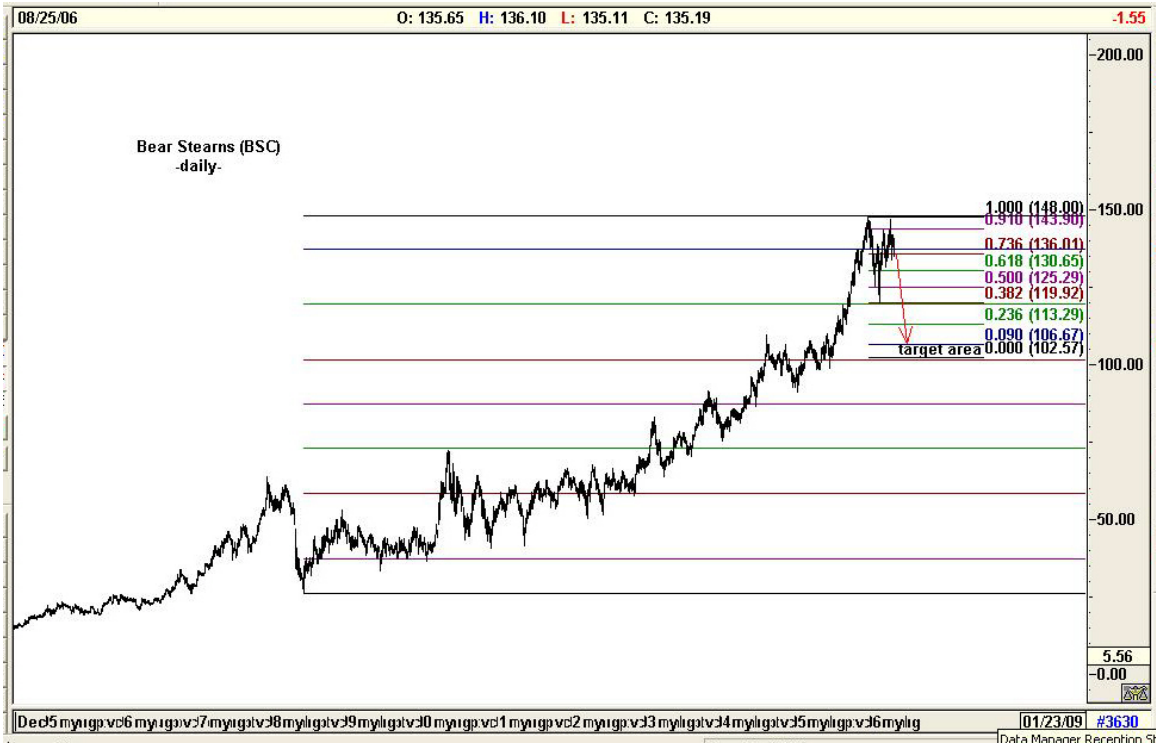
# Europe

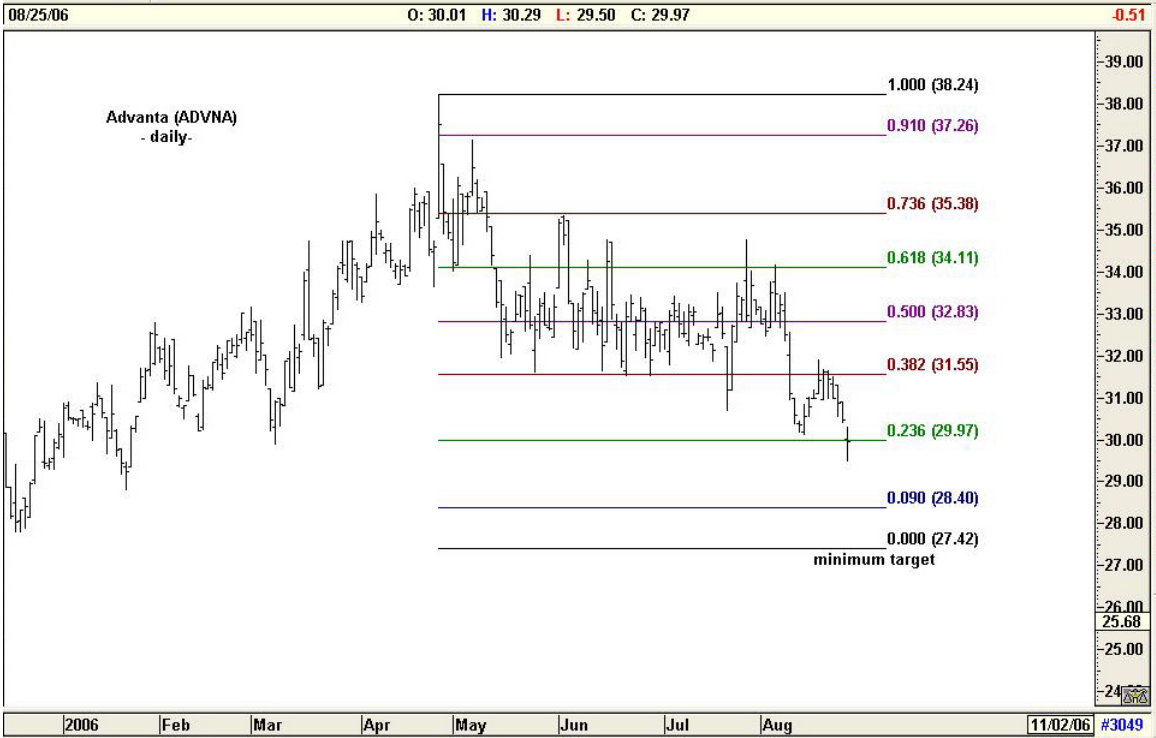


## Emerging Markets



# Financial

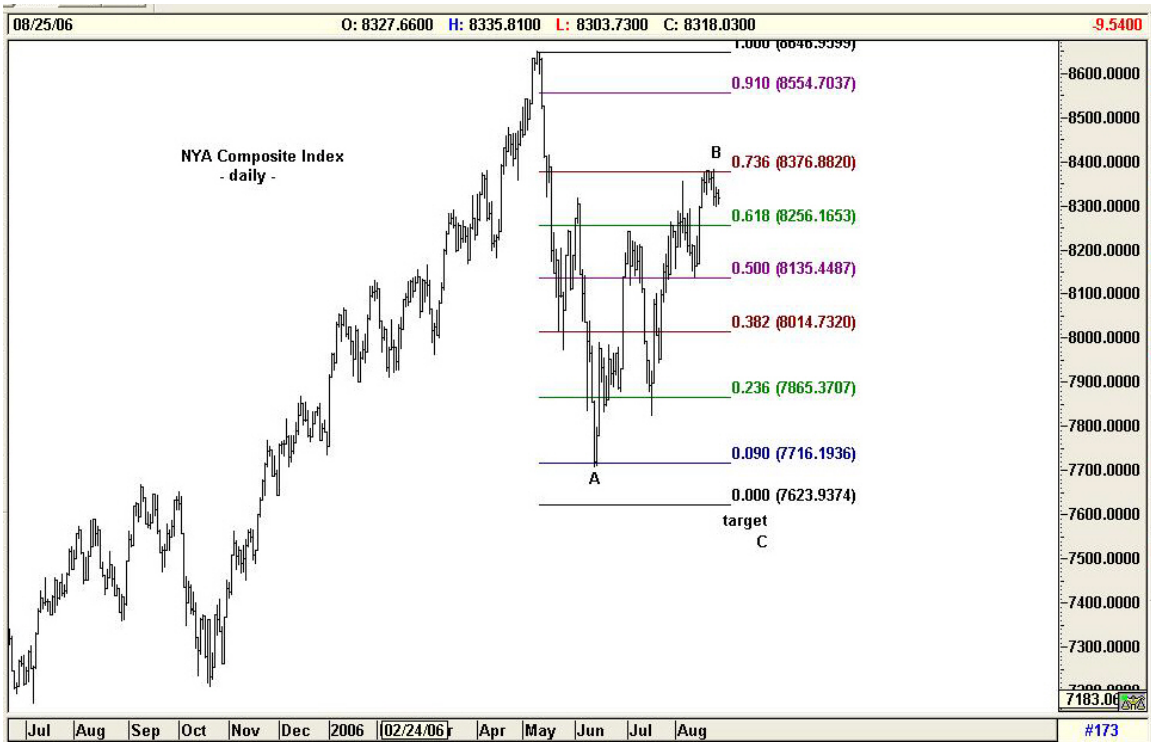
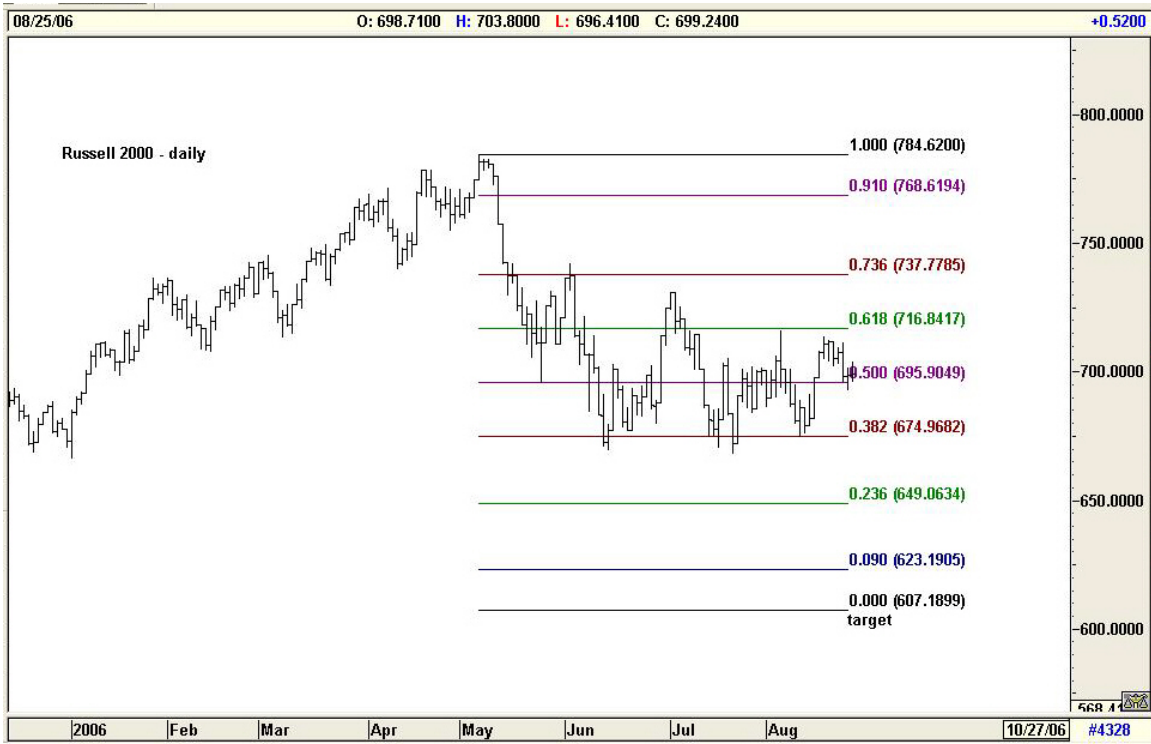




## Retail



## Indices



The seasonality of potential September-October weakness is of course almost becoming so obvious as to be questioned, but this year, the autumnal heavens also seems to be particularly foreboding. Astro-technician Arch Crawford warns that the Saturn-Neptune conjunction of

August 31<sup>st</sup> will be “deadly” and be heightened by growing feelings of paranoia into the solar eclipse and new moon of September 22<sup>nd</sup>.

Astrologer Susan Heinz writes similarly:

The last time this [Saturn-Neptune alignment] took place was in 1971-1972 [Watergate, Yom Kippur war]. Saturn/Neptune periods are known for moving us through a time of needing to face head on illusions and deceptions. ***A wonderful example of the Saturn Neptune opposition and the challenge of our times is clearly found in Al Gore’s movie, “An Inconvenient Truth”. This is the hard reality (Saturn) confronting denial (Neptune), or from another angle, the spiritual vision of interrelatedness, unity and the sacredness of life (Neptune) confronting the old structures of the status quo in government, politics and the economy (Saturn).*** Gore says, “People move from denial to despair (Neptune) as they begin to awaken to the truth of what is happening. What is important is that people come to the middle of those two extremes and ask what is my responsibility (Saturn) to affect change. It is essential now to build sustaining faith in humanity’s creativity and compassion to concretize our dreams of a world aligned with higher consciousness.”

This Saturn Neptune alignment follows on the heels of Mars and Saturn in Leo, destruction exploding in the Mid East. We will continue to see American recognition of the failure of Bush’s policies and all policies of polarization. As Saturn aligns with Bush’s Venus we will see his popularity steadily diminish. He will be confronted with the kind of relationships he has cultivated and as a leader he becomes more isolated.

Thus the astro situation certainly fits the A-B-“pending C” alignment of so many of the chart patterns shown above.

We have also long wondered if Mr. Bush would survive his second term without having an assassin’s bullet or other misfortune befall him. This fall may be a particularly difficult time in his life.

Hold on to your wallet and don’t have excessive exposure to leverage at this point in the cycle.

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