

# Did April Fool's Day Come Early?

By Adrian Douglas

There were some interesting news items this week....

AFD News Wire: March 23, 2005

## Newfoundland Man dumps 150 Million Dollar Lottery Ticket

Ted Mcpherson, a man in Newfoundland today discovered he was the sole winner of 150 million dollar National Lottery draw. The only problem is that he can not claim his prize because he dumped his lottery ticket in the trash! Ted said, "I never win so I usually dump my ticket without even checking the numbers. This has taught me that next time I will check very carefully".

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## Gold Trader Leaps from Office Window after Federal Reserve Warning on Inflation

A gold trader who has been long many thousands of gold contracts since early 2001 leaped from his office window today. Fred Naughbrane saw the price of gold plummet in Access Trading after the Federal Reserve mentioned that inflation pressures were rising and knew instinctively that he was financially doomed being long gold in an inflationary environment. Much smarter traders were able to dump 8000 contracts in the thinly traded Access market while Fred Naughbrane was destined to wait for the open of the Comex the following morning. Fred leaped from his office window around 6 PM. Fortunately passers-by saw him jump from the window and called an ambulance as he hit the deck. Fred, who is being treated for shock in hospital, said later "I don't know why I did that. I am never on the right side of the market so I didn't bother to think about it, I just saw the gold price drop in Access and thought I must be on the wrong side again. Thank God I have an office on the ground floor and thank God I didn't sell my position".

Dr Goldschott, the attending physician, said that Fred Naughbrane was suffering from an acute case of Pavlovian Caninitis.

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So you are all laughing at these two idiots. So hands up who sold gold or gold mining shares this week. Huh. Nobody did! Come on own up. Who didn't sell but judging by the

gold price thought that may be things have changed now and gold is no longer a hedge against inflation and so felt liking selling?

When I heard the Federal Reserve pronouncement this week and witnessed the market reaction I had to wonder if April Fool's Day had come early in 2005. The Fed confirmed that inflation pressure was picking up. They assured us that they would be vigilant and take the appropriate steps to fight it. WHAT? This is the same crowd that told us they had printing presses and were going to drop money from helicopters to fight deflation! Now that they have pumped up the Money Supply at the most promiscuous rate ever in the history of the United States they tell us they are here to fight inflation and save the world once again. This is like hearing Ted Bundy declare that there is a serial killer on the loose but don't worry he will be on the look out for him!

This week the Fed and the gold Cabal acted in concert to make gold investors throw away their lottery tickets without checking the numbers. Gold investors have been waiting for the day that the Fed would admit to inflation being a problem. It finally came on March 23, 2005. But someone made an early April Fool's joke. Somebody dumped 8000 gold contracts on the overnight Access market. Clearly when the word 'inflation' is mentioned it is imperative to get out of any gold position as fast as possible! Judging by the carnage on March 24 many investors were fooled.

Jesse Livermore said that the toughest thing to do when you are right is to sit tight. He also said that if you can discipline yourself to do it then that was how to make money. The Federal Reserve just confirmed that all gold investors are right. All you have to do is sit tight.

Adrian Douglas  
March 25, 2005