

Tim W. Wood's

Cycles News & Views

Specializing in Dow Theory and Cycles Analysis



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Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on February 2, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Positive	Low	Positive	Low
Transports	Neutral	Low	Negative	High
NDX	Positive	Low	Negative	Low
S&P Inverse Fund	Negative	N/A	Negative	High
CRB Index	Negative	High	Positive	Low
Gold	Positive	High	Positive	Low
XAU	Negative	High	Negative	Low
Dollar	Positive	Low	Positive	Low
Bonds	Positive	High	Positive	Low
Crude Oil	Negative	High	Positive	Low
Unleaded	Negative	High	Positive	Low
Natural Gas	Negative	High	Negative	High

*Since this fund is quoted at the end of the day it is impossible for the concept of swing highs and lows to apply on a daily level. The primary interests here are the weekly developments.

The daily is representative of the short-term and the weekly is representative of the intermediate-term

Short-term Updates

Note on the Cycle Turn Indicator

The most important indicator we have is the Cycle Turn Indicator and the most important timeframe, at least in my mind, is the intermediate-term. This indicator has proven itself time and time again. In reality, this is all we really need to know. Everything else is secondary. That being said, please be sure to monitor the "Cycle Turn Indicator Direction and Swing Summary" above. Red indicates that a swing high and down turn of the Cycle Turn Indicator has occurred and lower prices should follow. The only exception here is that on the daily stock market signals we also want to see both the slow cycle Turn Indicator and the New High/New Low Differential in agreement with the original Cycle Turn Indicator, which is what is covered in this summary above. Yellow, is cautionary meaning that the Cycle Turn Indicator and the swing are not in agreement, which is typically indicative of a trend change. Green, means that a swing low has occurred and that the Cycle Turn Indicator is positive, which should be followed by higher prices. Again, the only exception here is the daily stock market signals in that we want to see both the slow Cycle Turn Indicator and the New High/New Low Differential in agreement with the original Cycle Turn Indicator, which is what is covered in this summary above. For everything else, all that matters is the formation of a swing and the direction of the Cycle Turn Indicator.

See Notes for New Subscribers at the bottom of the Short-Term Update Page or the Research Letter page for information on understanding Cycles and Swings.

February 4, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Buy	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
CTI on Rydex Tempest Fund *	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Advance/Decline Issues Diff	Bearish
New High New Low Diff	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bearish
<i>*When this indicator is Bullish it is negative for the market and visa versa.</i>	

Daily Indicator Summary Short-Term Neutral	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bearish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bearish
McClellan Summation Index	Bearish
McClellan Volume Summation Index	Bearish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bullish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bullish
Ratio Adjusted McClellan Oscillator Crossover	Bearish
Accumulation/Distribution Index	Bearish

With the completion of a daily swing low on Friday, Thursday’s questionable short-term sell signal was not confirmed. The timing band for the current trading cycle low runs between January 16th and February 8th. There are only 4 trading days left within the remainder of this timing band and every indication continues to be that this low was seen on January 18th. Friday concluded the 11th trading day of the trading cycle. With the less dominant half-trading cycle averaging some 19 trading days, Equities are due for at least a short-term pause and decline into the half-trading cycle low. At a higher level, the timing band for the intermediate-term cycle low runs between February 16th and April 19th. With this timing band approaching, the expectation is for this higher degree intermediate-term cycle top to occur in conjunction with the current/pending trading cycle top. If the decline in association with the next short-term sell signal completes the formation of a weekly swing high, then we should also have the intermediate-term cycle top in place. With this intermediate-term cycle being right-translated, the expectation is for the decline out of this intermediate-term cycle top to be counter-trend. It will then be the next intermediate-term cycle advance

that the higher degree setup with the CheckMate Chart will have an opportunity to take form. For now, our focus remains on the trading and intermediate-term cycle top.

Tuesday's short-term sell signal on Crude Oil was confirmed on Wednesday and continued weakness followed on Thursday and again on Friday. If the decline in association with this short-term sell signal completes the formation of a weekly swing high in the coming week, then the intermediate-term advance will also be at risk of having run its course.

Gasoline also triggered a short-term sell signal on Tuesday and the additional confirmation of Tuesday's short-term sell signal was finally seen on Friday. Any additional weakness that completes the formation of a weekly swing high in the coming week will also be suggestive of the intermediate-term advance having run its course.

The short-term sell signal on Natural Gas remains intact and at a higher level, the price action this week continues to confirmed the previously triggered intermediate-term sell signal.

The short-term sell signal on the CRB Index also remains intact. As with Crude Oil and Gasoline, the advance out of the December intermediate-term cycle low remains intact as well, but is expected to be counter-trend. This trading cycle top is now an opportunity to also cap that higher degree cycle top and any further weakness that completes the formation of a weekly swing high will be suggestive of this advance having run its course.

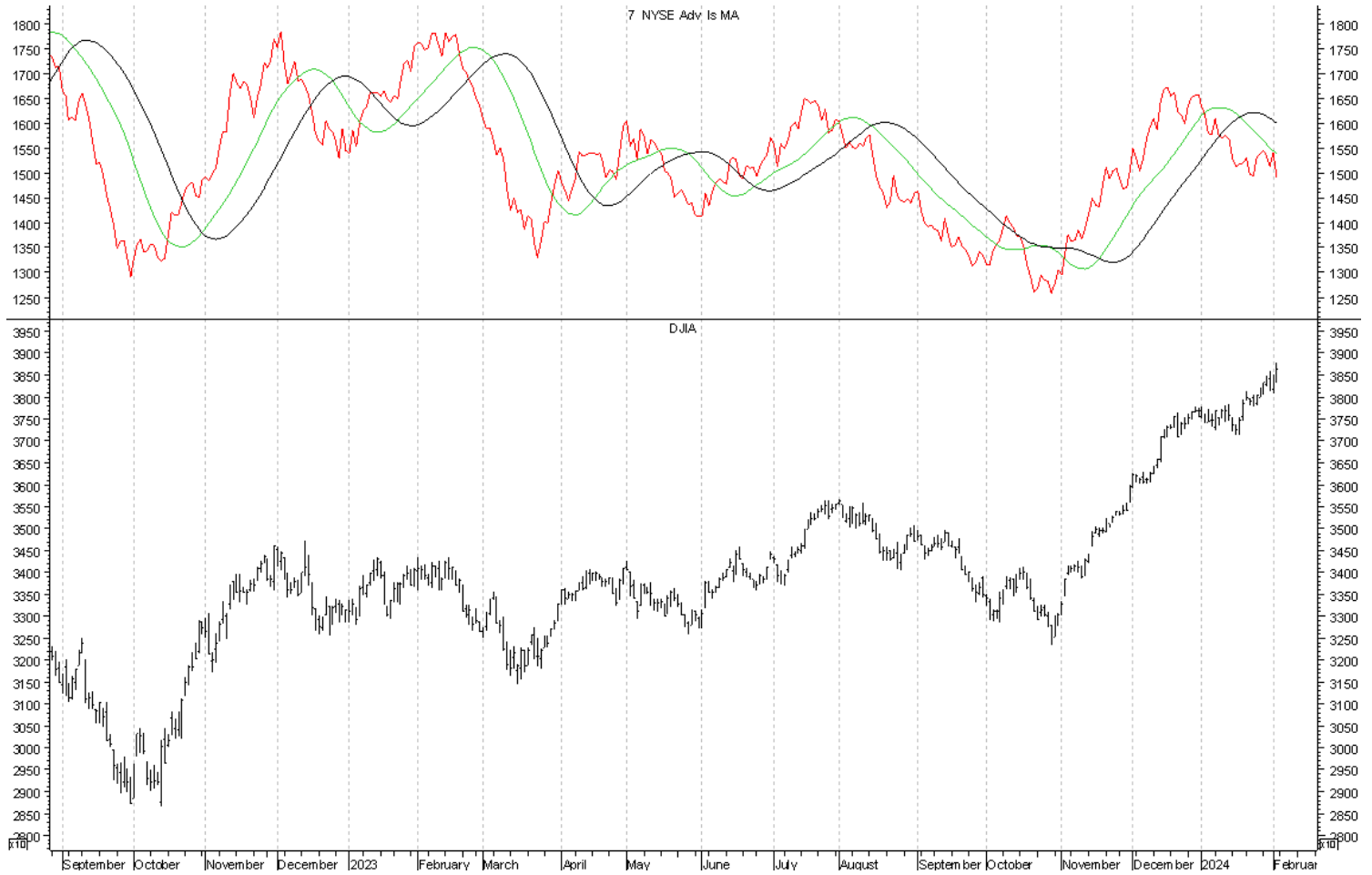
Gold completed the formation of a daily swing high, but with the daily CTI remaining positive, a short-term sell signal was not triggered. Any further weakness that turns the daily CTI down will trigger a short-term sell signal, leaving Gold at risk of a left-translated trading cycle top.

The XAU completed the formation of a daily swing high on Friday and in this case the daily CTI turned down, triggering a short-term sell signal, which here too, leaves the XAU at risk of a left-translated trading cycle top.

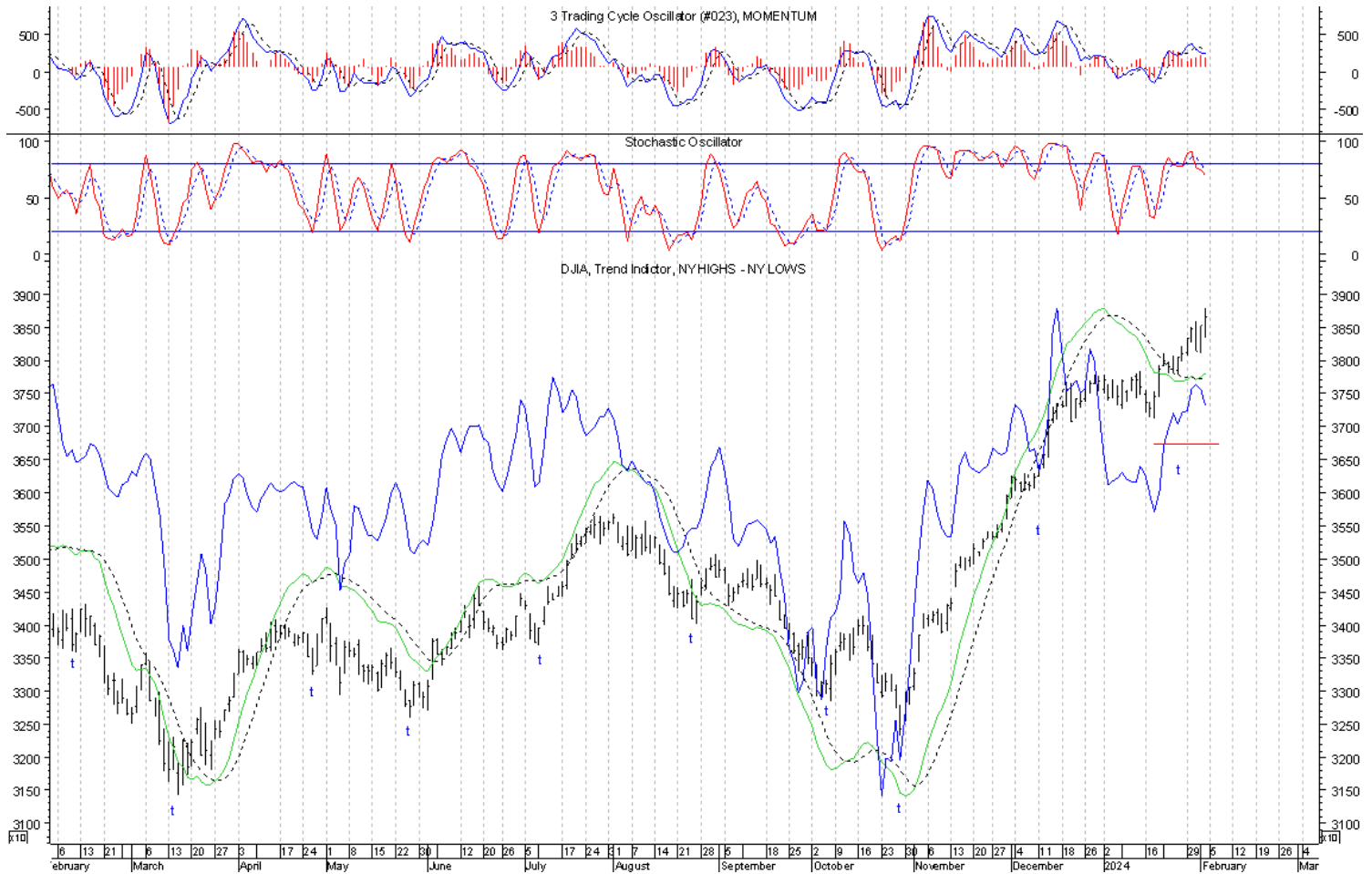
The Dollar triggered a questionable short-term sell signal on January 24th, but that signal was never confirmed with a close below the January 24th low and on Friday a secondary buy signal was triggered. In doing so, the evidence is increasingly suggestive of the alternative phasing mentioned in the Thursday night update with the January 24th low having marked the trading cycle low.

Bonds completed the formation of a daily swing high on Friday, which in doing so puts Bonds at risk of a left-translated trading cycle top. Any further weakness that turns the daily CTI down will trigger a short-term sell signal leaving Bonds at increased risk of such setup.

The Intermediate-Term Advancing Issues Line, plotted in red, turned back down on Friday and the non-confirmation of the advance this week is suggestive of an ending move into a top. The Green MA continues its downturn below the Black MA and there are no changes here. Generally there are two crossings below the Black in association with intermediate-term cycle tops. While this crossing continues to put Equities at risk of an intermediate-term cycle top, because of the absence of a weekly swing high, the expectation is for another upturn back above the Black MA that is then followed by a second downturn in association with the intermediate-term cycle top. That said, we will further evaluate the overall evidence once an intermediate-term sell signal is triggered.

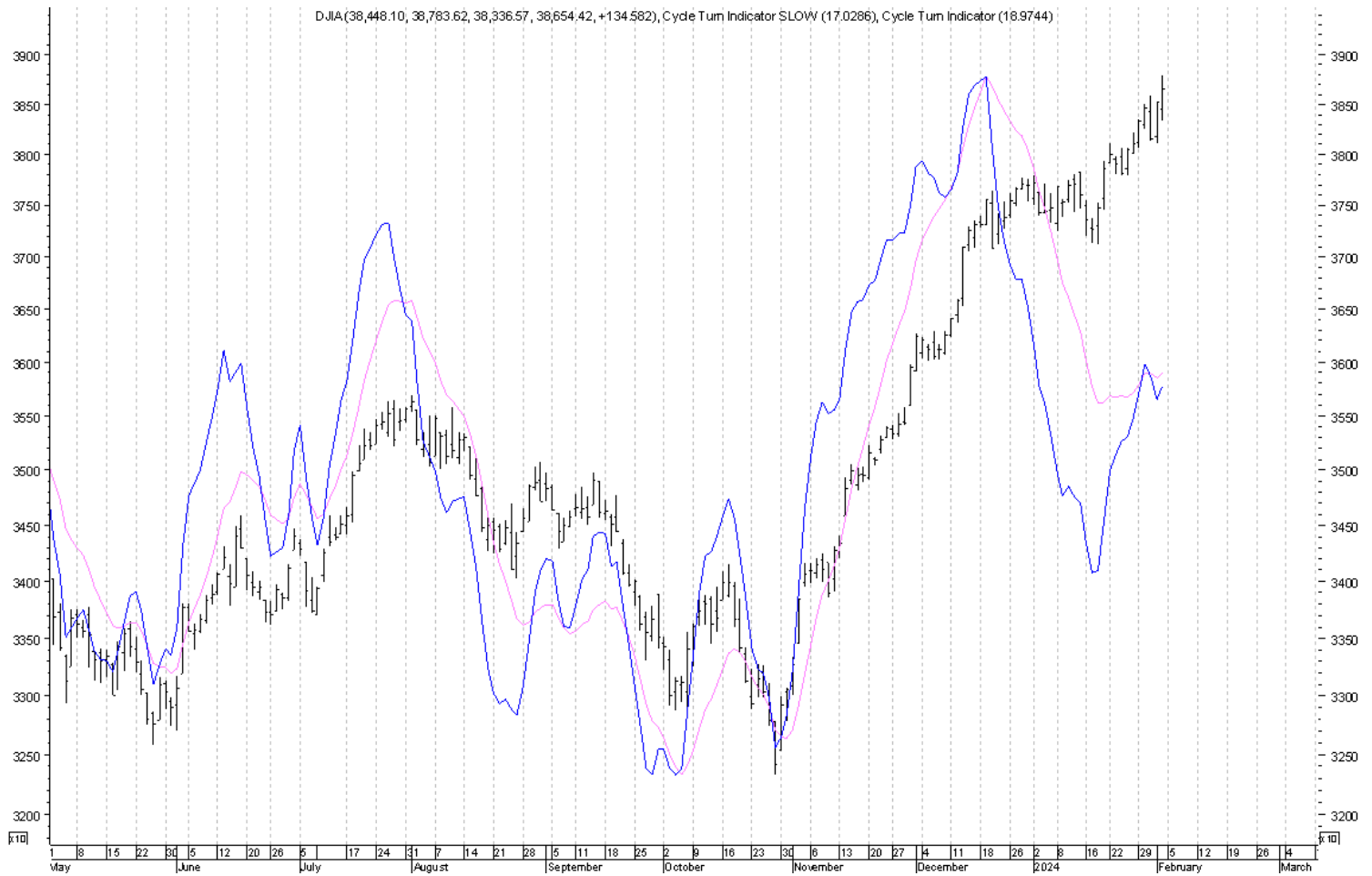


The **Trading Cycle Oscillator** in the upper window continues its recent downturn. The **Momentum Indicator** remains above its zero line. The **5 3 3 Stochastic** in the middle window continues its downturn from overbought territory. The behavior of these indicators continues to be suggestive of the trading cycle low having been seen and now are suggestive of a top. The **New High/New Low Differential**, plotted with price, turned down on Thursday and that downturn continued on Friday. The **Trend Indicator** crossed marginally above its trigger line earlier this past week, which in doing so continues to serve as further evidence of the trading cycle low having been seen.

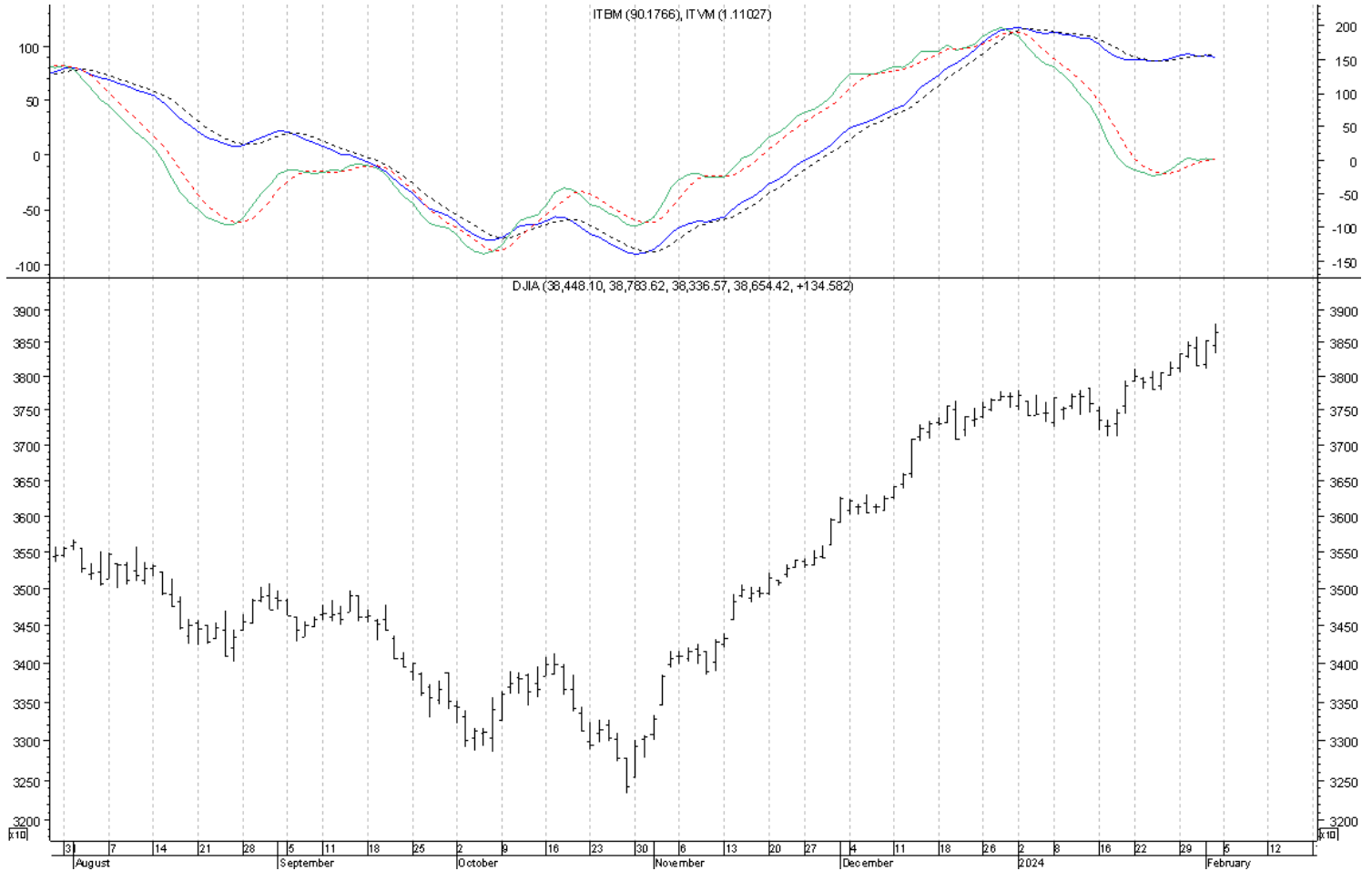


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

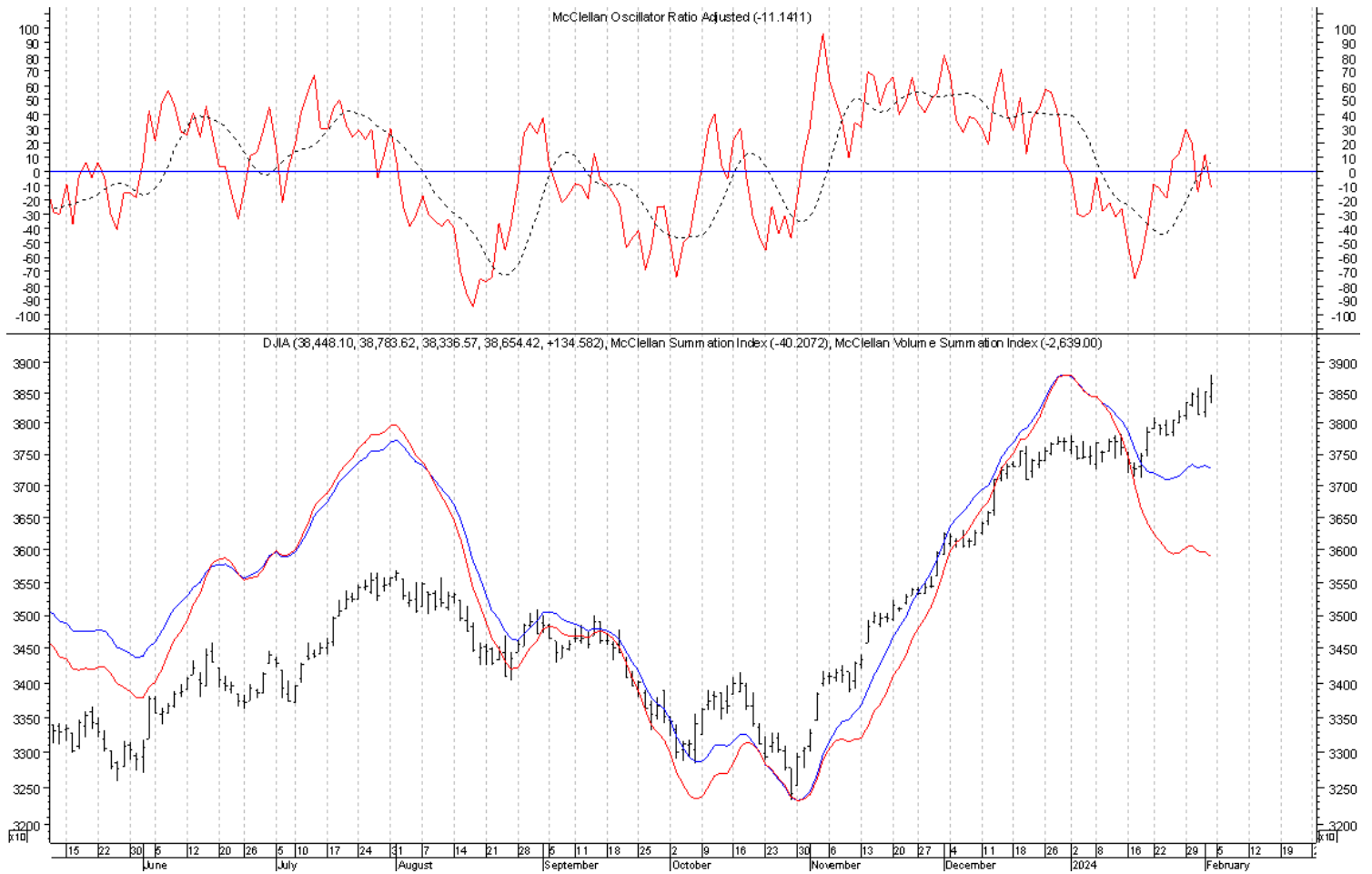
With the completion of a daily swing high and downturn of ALL Three of the Primary Short-Term Indicators, a short-term sell signal was triggered on Thursday, but because of the reversal higher that sell signal had to be discounted until a close below Thursday's low was seen. Per the parameters given here in the Thursday night update, the price action on Friday completed the formation of another daily swing low and as a result such close was not seen. Another daily swing high will be completed on Monday if 38,783.62 is not bettered and if 38,336.57 is violated.



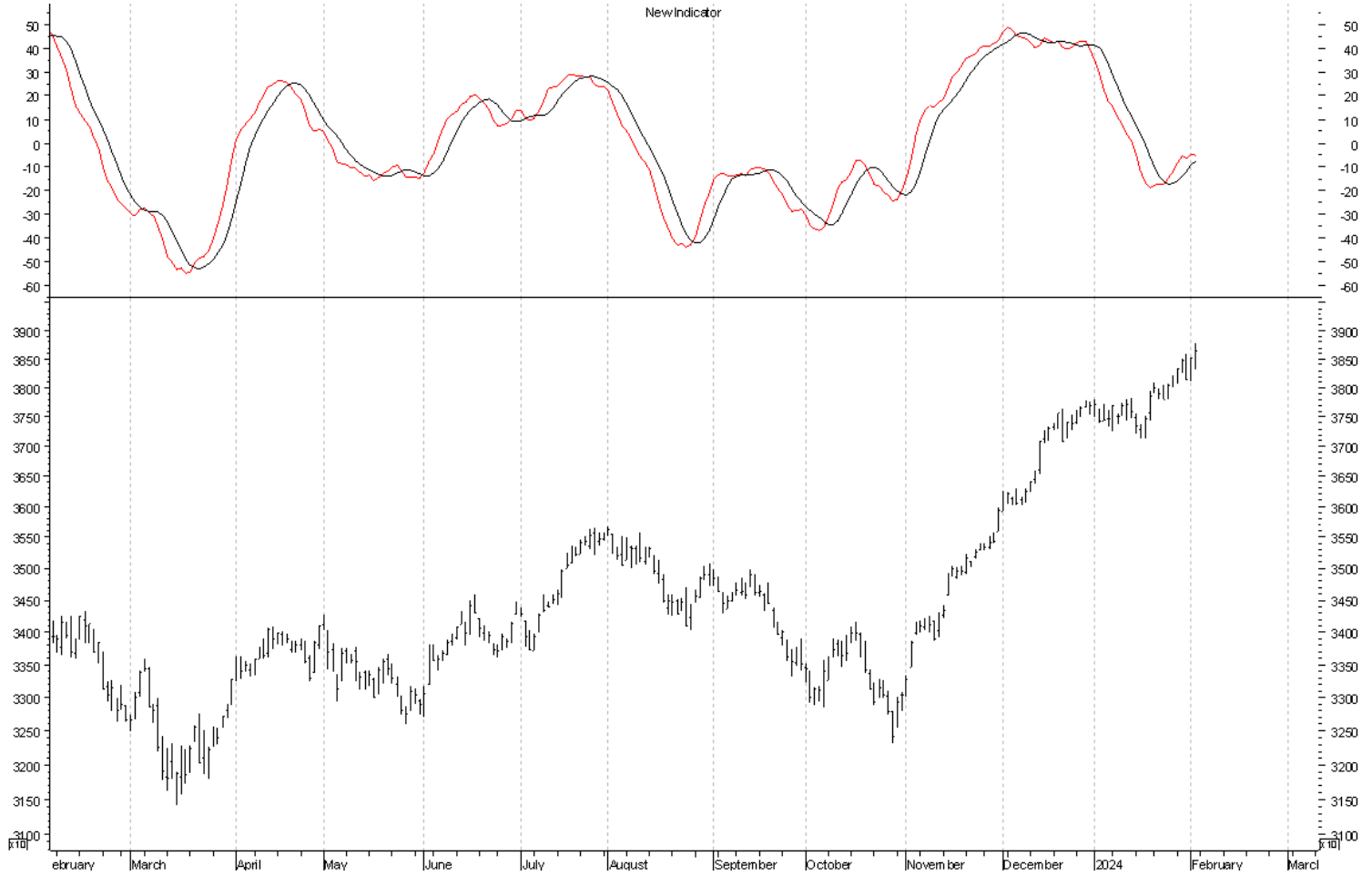
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** have turned marginally below their trigger lines, which in doing so is now telegraphing the trading cycle advance having run its course. Confirmation of a short-term sell signal in conjunction with the joint downturns of these indicators will be suggestive of the trading cycle top.



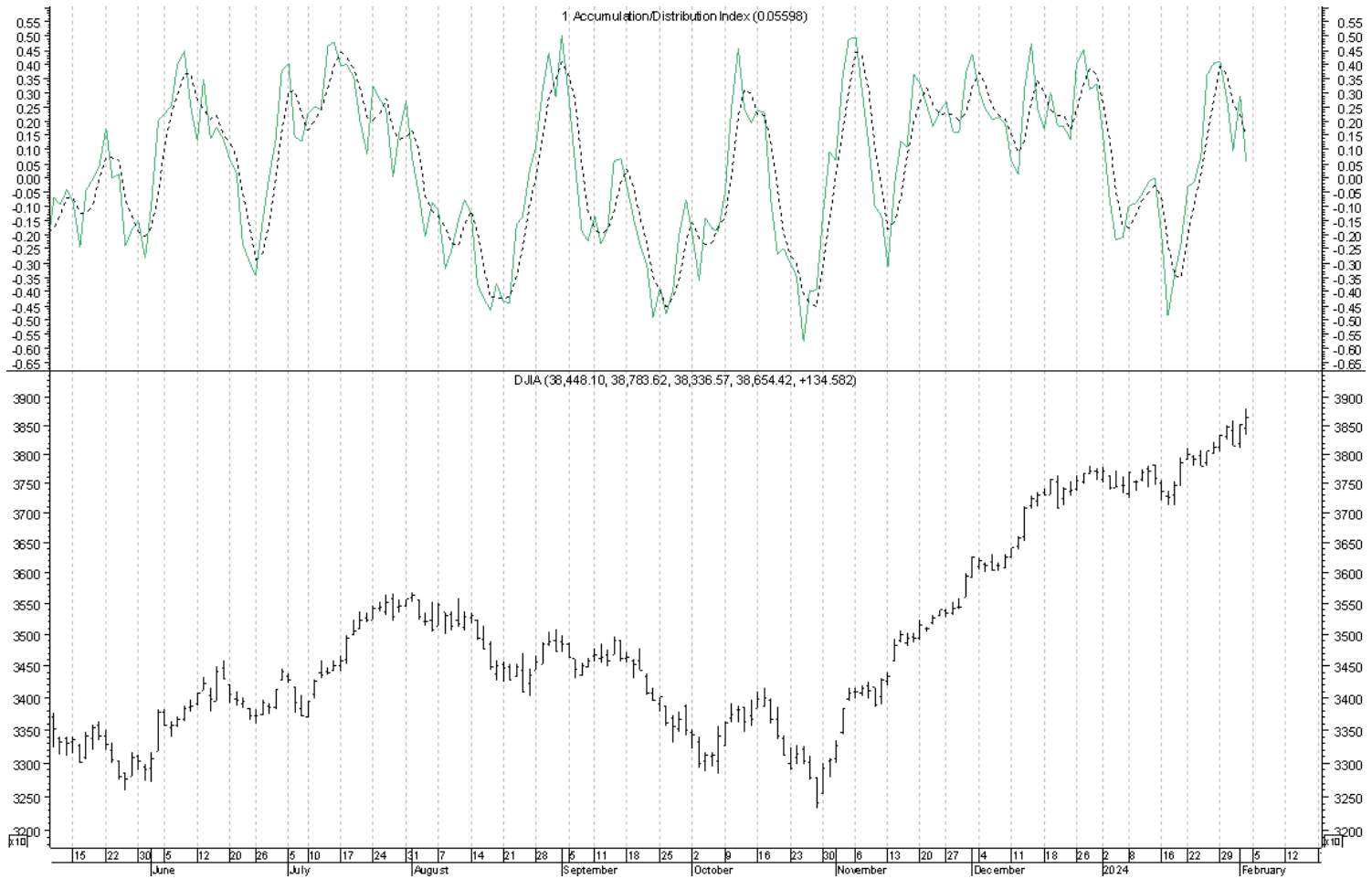
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have ticked down, which here too is suggestive of the trading cycle top. Confirmation of the short-term sell signal in conjunction with joint downturns of these indicators will be suggestive of the trading cycle top. The **Ratio Adjusted McClellan Oscillator** ticked back down below both its zero and trigger line. This too is suggestive of the trading cycle top and if a short-term sell signal is triggered with this indicator in this position, it should serve as confirmation of the short-term sell signal and what should be the trading cycle top.



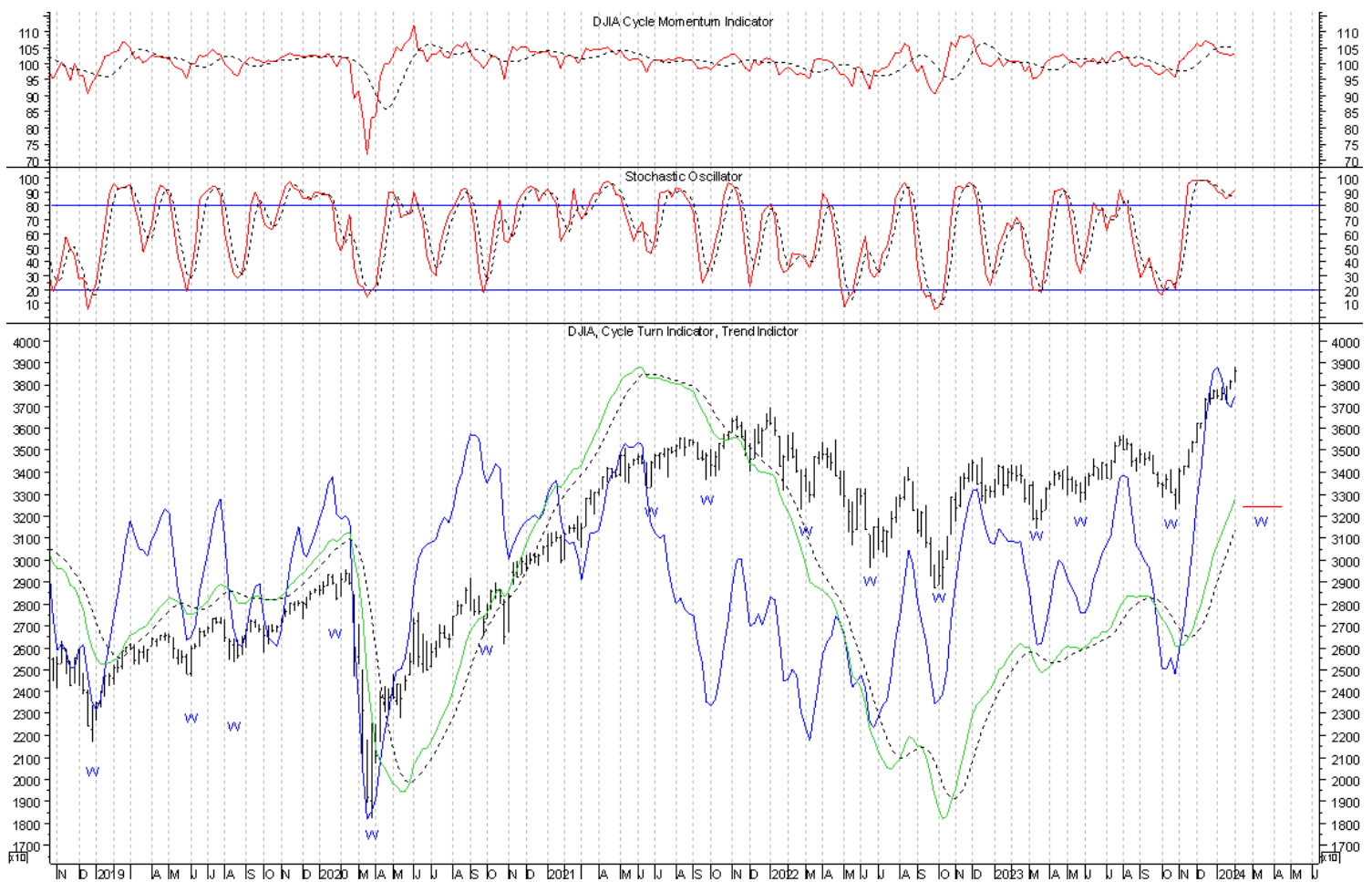
The ongoing upturn of the smoothed McClellan oscillator continues to serve as additional confirmation of the short-term buy signal and trading cycle low. But, it too is now trying to turn down, which will also be suggestive of the trading cycle top.



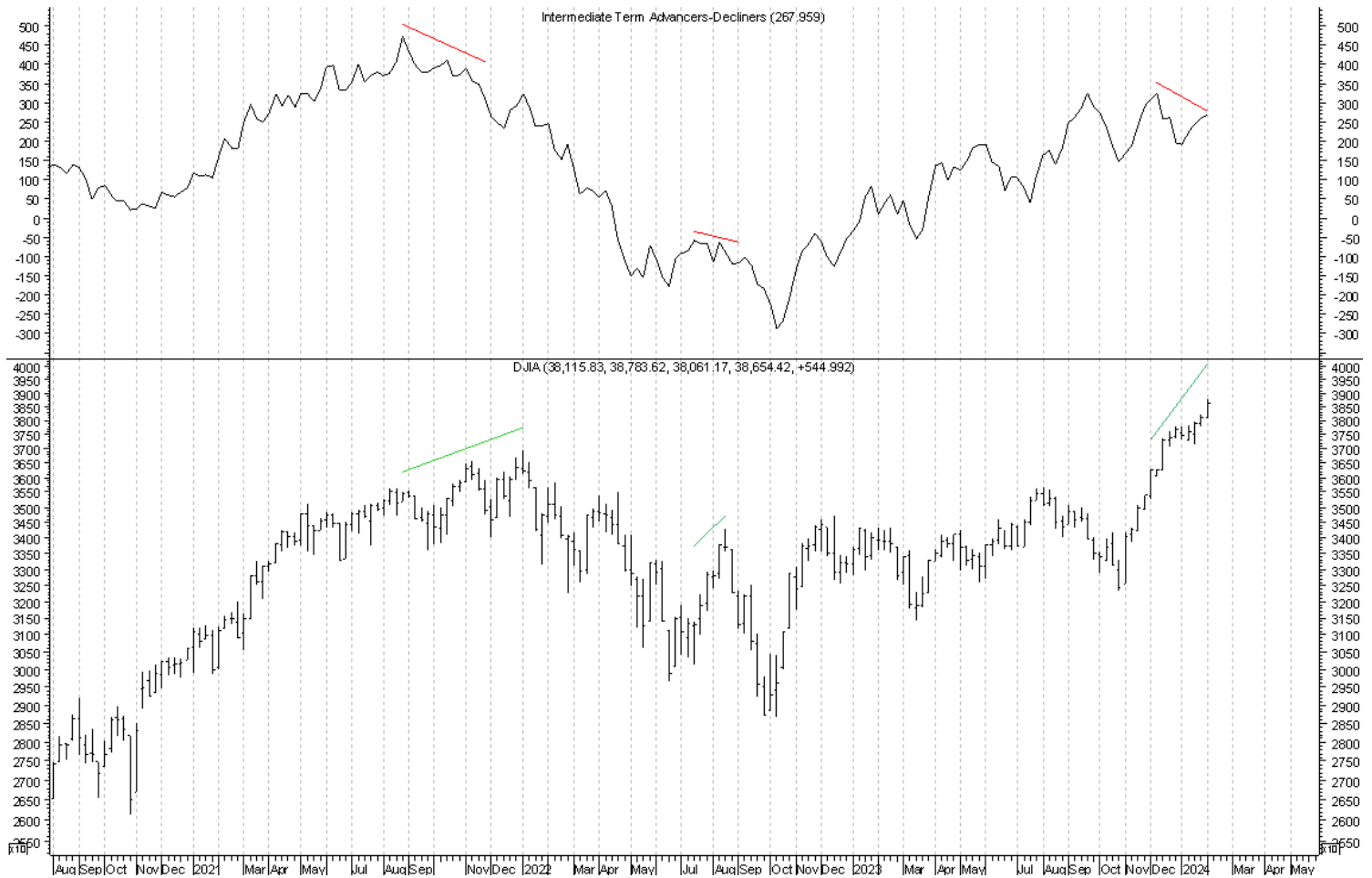
The **Accumulation/Distribution Index** turned down on Tuesday, ticked back up on Thursday and back down again on Friday. As a result, this non-confirmation of the recent advance is also suggestive of a pending top, which should be in place once a short-term sell signal is triggered.



Our weekly chart of the Industrials is next. The timing band for the next intermediate-term cycle low runs between February 16th and April 19th. The weekly CTI turned down the week of January 12th, but in the absence of a weekly swing high, an intermediate-term sell signal was not triggered. This past week the weekly CTI turned back up and while the oscillator picture continues to be extremely ripe for the intermediate-term cycle top, until a weekly swing high AND downturn of this indicator are seen, the ongoing intermediate-term buy signal will remain intact. While this intermediate-term cycle top will be an opportunity for a higher degree cycle top, with this intermediate-term cycle being right-translated, the expectation is for the decline out of this intermediate-term cycle top to be counter-trend and followed by another intermediate-term cycle up into the higher degree seasonal and 4-year cycle top. It will then be with that advance that the opportunity for the setting up of the CheckMate Chart will come. However, if evidence of a higher degree cycle top is seen in conjunction with the pending intermediate-term cycle top, then I will further evaluate any such development at that time. Based on the timing for the next intermediate-term cycle low, this trading cycle advance should be the last trading cycle up into the intermediate-term cycle top. For now, the intermediate-term buy signal remains intact. A weekly swing high will be completed in the coming week if 38,783.62 is not bettered and if 38,061.17 is violated.



Next is our weekly chart of the Industrials, along with my Intermediate-Term Advance Decline Line in the upper window, which continues its uptick out of its January 5th low. However, with the Industrials at a new high and this indicator not yet having bettered its December high, the non-confirmation stands. As a result, this DNA Marker is in place. Therefore, once an intermediate-term sell signal is triggered, it will be an opportunity for a more meaningful turn to potentially take hold. However, based on the longer-term process with the setting up of the CheckMate Chart, my expectation is for a longer-term non-confirmation to take form as the Industrials press into the next intermediate-term cycle top.

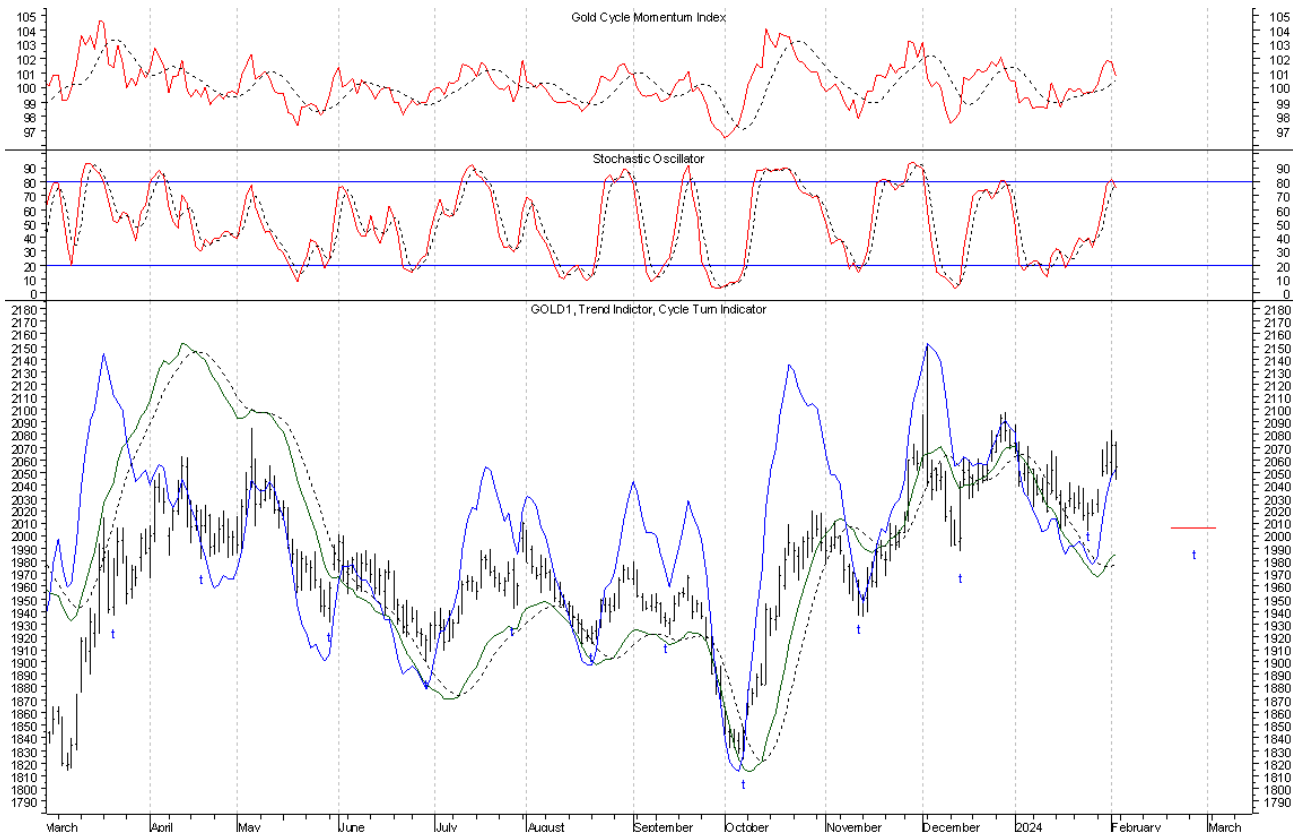


Gold

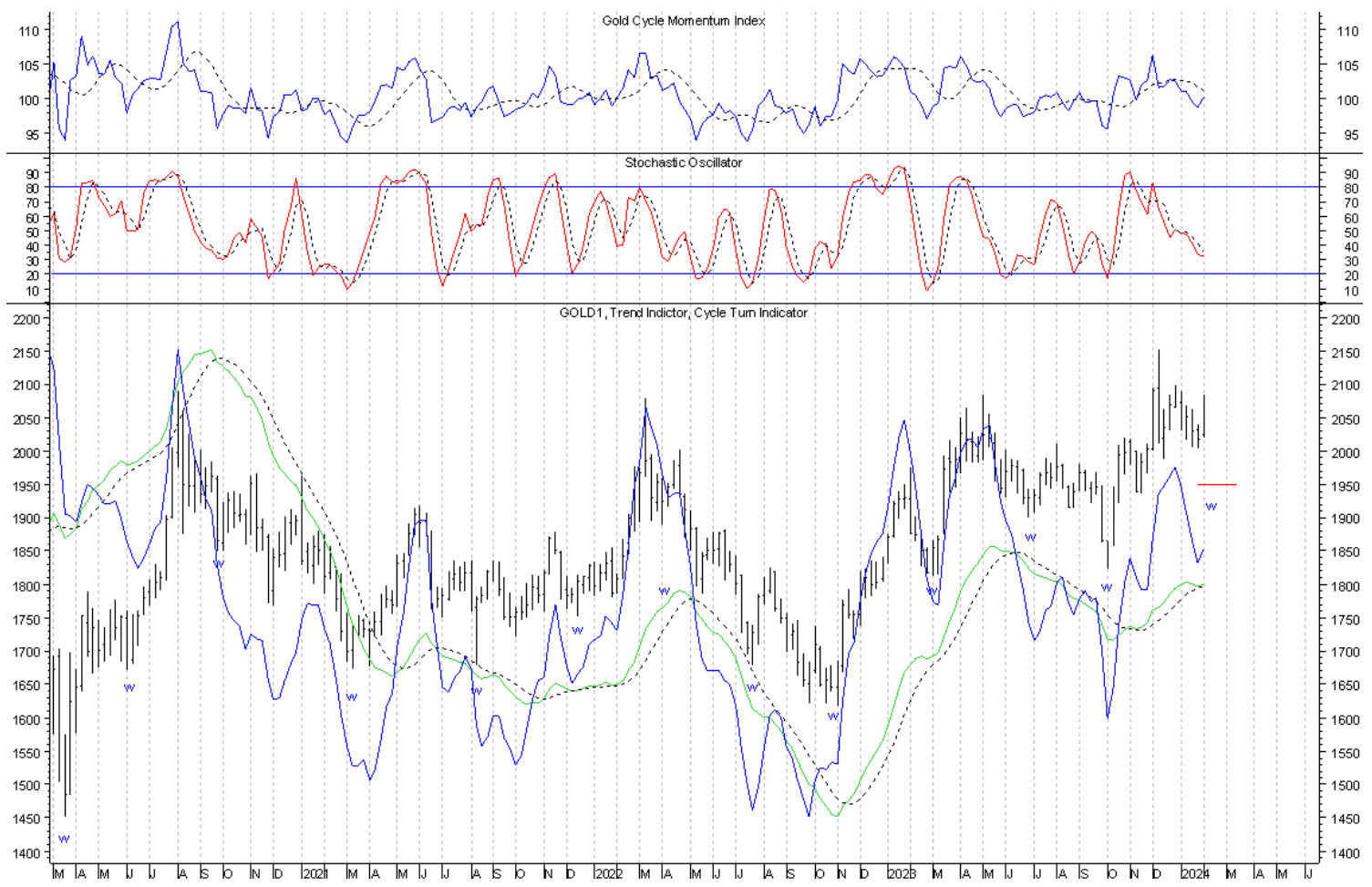
End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish

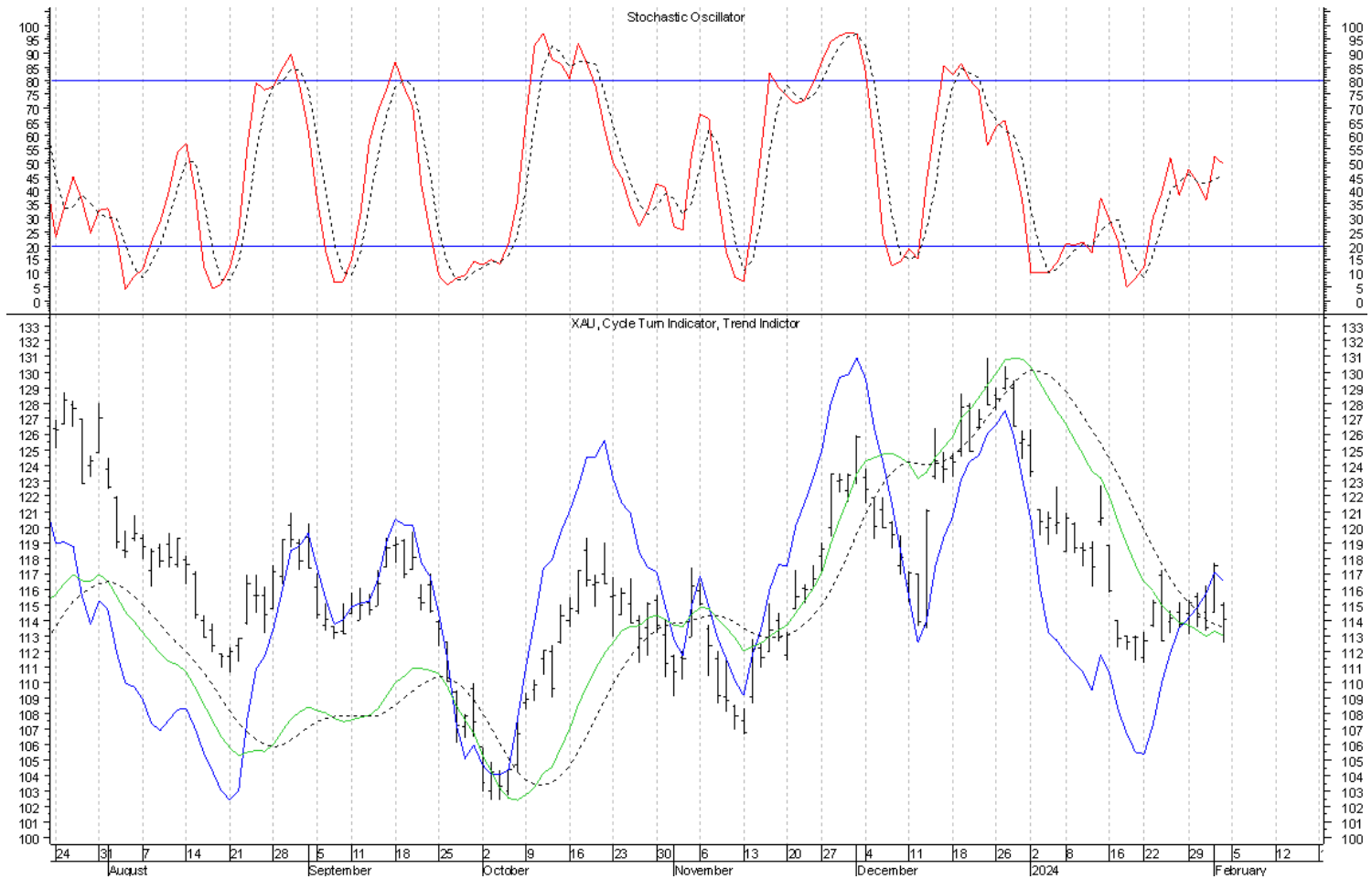
The timing band for the current trading cycle low runs between January 9th and January 23rd. The evidence has been suggestive of this low having been seen on January 17th, but with the slight undercutting of that low on January 25th and the advance that has followed, this low proved to have bottomed on January 25th in conjunction with that marginally lower low. On Friday Gold completed the formation of a daily swing high, which in doing so leaves Gold at risk of a left-translated trading cycle top. Any further weakness that turns the daily CTI down will trigger a short-term sell signal, which will in turn be further suggestive of the trading cycle top. Last Monday's short-term buy signal will remain intact until both a daily swing high AND downturn of the daily CTI are seen. Another daily swing low will be completed on Monday if 2,044.20 holds and if 2,074.70 is bettered.



Our weekly chart of Gold is next and the timing band for the next intermediate-term cycle low runs between January 26th and March 15th. While it is on the very early side of the timing band for this low, with the completion of a weekly swing low and upturn of the weekly CTI this past week, an intermediate-term buy signal was triggered and until Gold can prove there to be another push down into this low, we have to give this intermediate-term buy signal the benefit of the doubt as to having marked the intermediate-term cycle low. This said, the current trading cycle advance should prove to peak with a left-translated trading cycle, leaving Gold positioned for another trading cycle down into the intermediate-term cycle low. At the next higher degree, the 9-year cycle low was ideally due in the late 2023 to 2024 timeframe, but because of the bettering of the May 2023 seasonal cycle top in conjunction with the current seasonal cycle advance, the evidence has been further suggestive of the November 2022 seasonal cycle low having also marked the 9-year cycle low. Consequently, the December intermediate-term cycle top has been an opportunity to cap both the seasonal and 9-year cycle top. It is now this intermediate-term advance that will serve as the structural test of the higher degree seasonal cycle top. For now, the intermediate-term buy signal will remain intact until another weekly swing high AND downturn of the weekly CTI are seen. A weekly swing high will be completed in the coming week if 2,083.20 is not bettered and if 2,018.80 is violated.



Our daily chart of the XAU is next. The price action on Friday completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal was triggered, which as with Gold's completion of a daily swing high leaves the XAU at risk of a left-translated trading cycle top. This said, because of the reversal off the low on Friday, we do need to see a close below Friday's low as confirmation of this sell signal. Another daily swing low will be completed on Monday if 112.50 holds and if 115.16 is bettered. Also as with Gold, any further weakness in conjunction with this short-term sell signal that completes the formation of a weekly swing high will leave the XAU positioned for another push down into the intermediate-term cycle low.



Dollar

End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy**

Primary Indicators

Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish

Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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Daily Indicator Summary **Short-Term Buy**

Primary Indicators

Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish

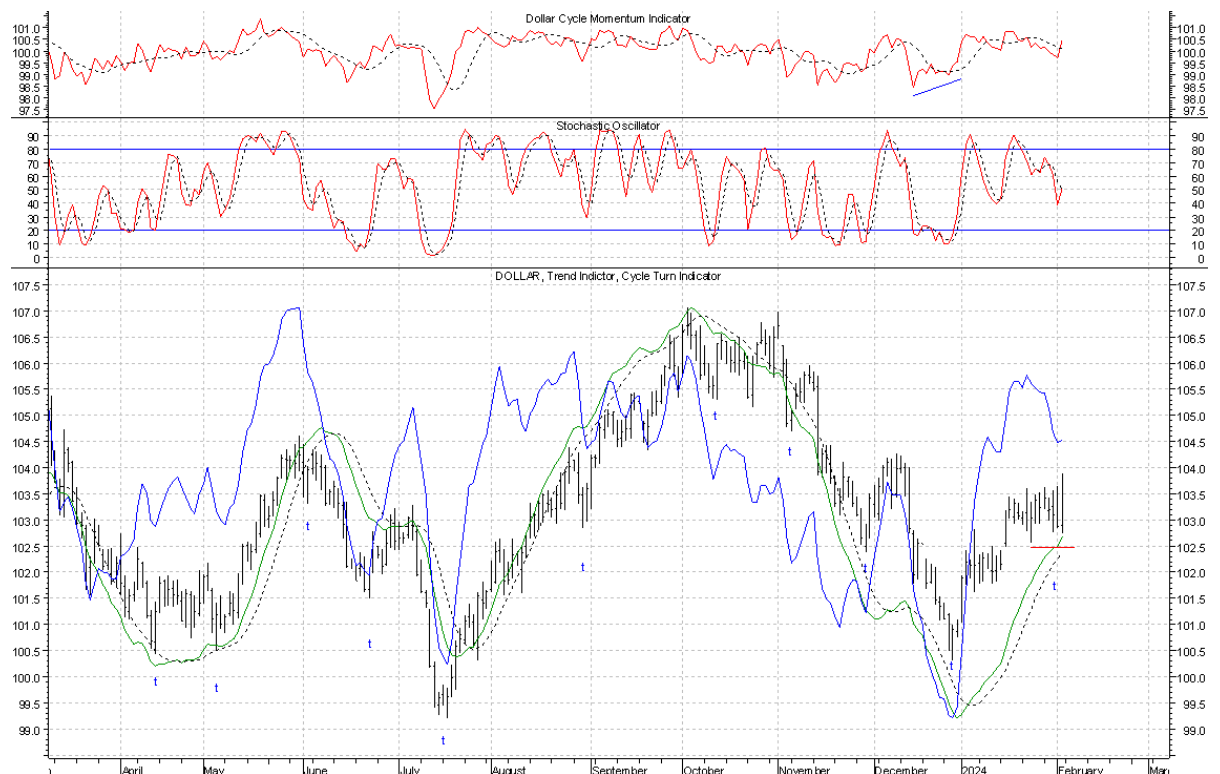
Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

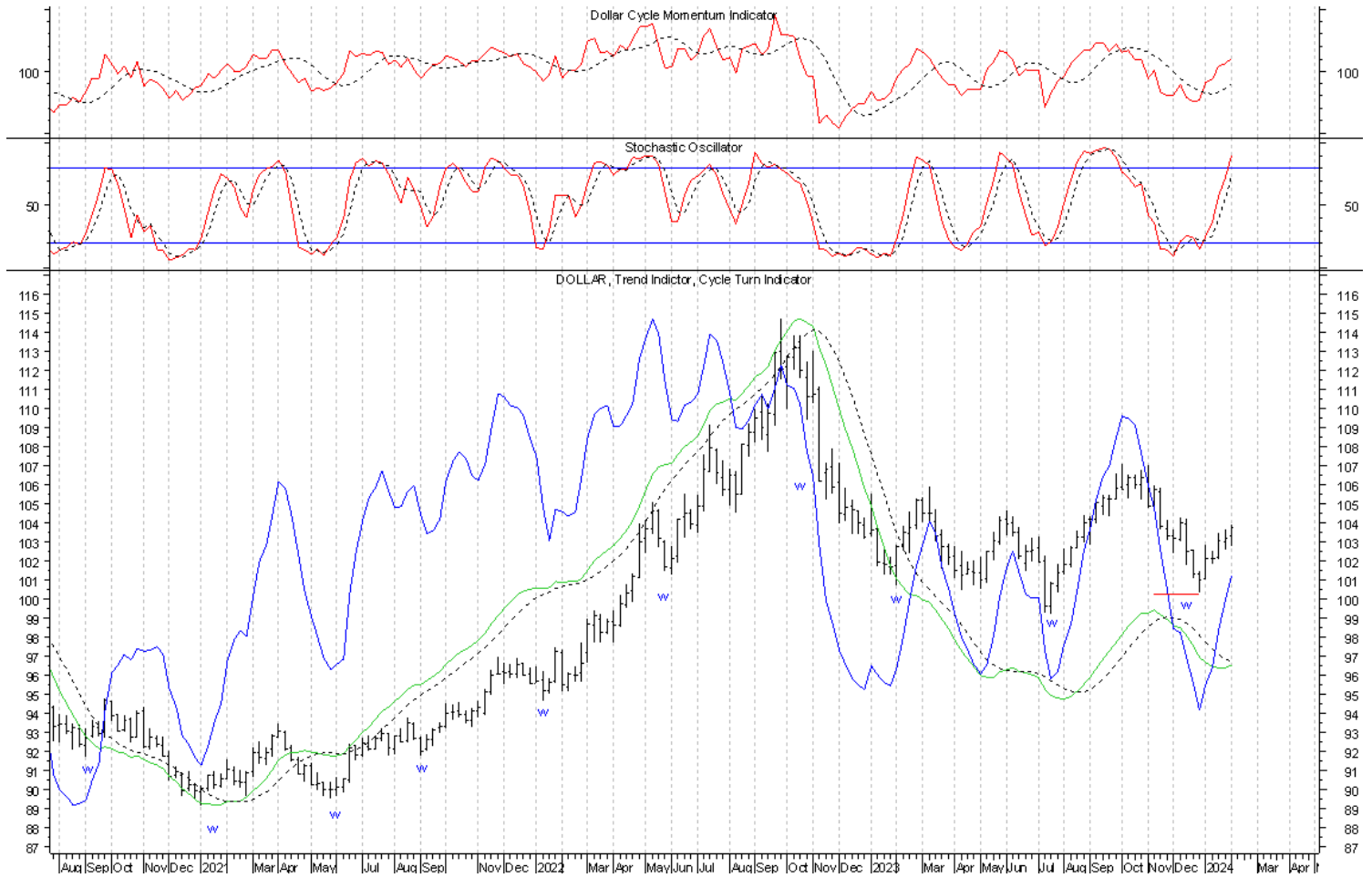
Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the current trading cycle low runs between January 24th and February 7th. The price action on January 24th completed the formation of a daily swing high and with the downturn of the daily **CTI** a short-term sell signal was triggered, but that signal was never confirmed by a close below the January 24th low. On Thursday the Dollar completed the formation of another daily swing low, but reversed lower. This was followed by a reversal higher on Friday and with the upturn of the daily **CTI** and the complex completion of a daily swing low, a secondary short-term buy signal was triggered. In doing so, the evidence is increasingly suggestive of the alternative phasing mentioned in the Thursday night update with the January 24th low having marked the trading cycle low. More on this phasing as we move through the remainder of the timing band for this low. Another daily swing high will be completed on Monday if 103.89 is not bettered and if 102.73 is violated.



Our weekly chart of the Dollar is next and there is no change at this level. The timing band for the intermediate-term cycle low ran between November 10th and December 29th. This low was seen on December 28th and the intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI are seen. At a higher level, with a monthly swing high having been completed in November, every indication continues to be that the higher degree seasonal cycle top has been seen and that the higher degree 4-year cycle low should lie ahead in conjunction with one more intermediate-term cycle down into the clustering of the seasonal and 4-year cycle low. Therefore, the expectation is for this intermediate-term advance to be counter-trend. In the meantime, this intermediate-term advance will remain intact until another weekly swing high and downturn of the weekly CTI are seen. A weekly swing high will be completed in the coming week if 103.89 is not bettered and if 102.73 is violated.

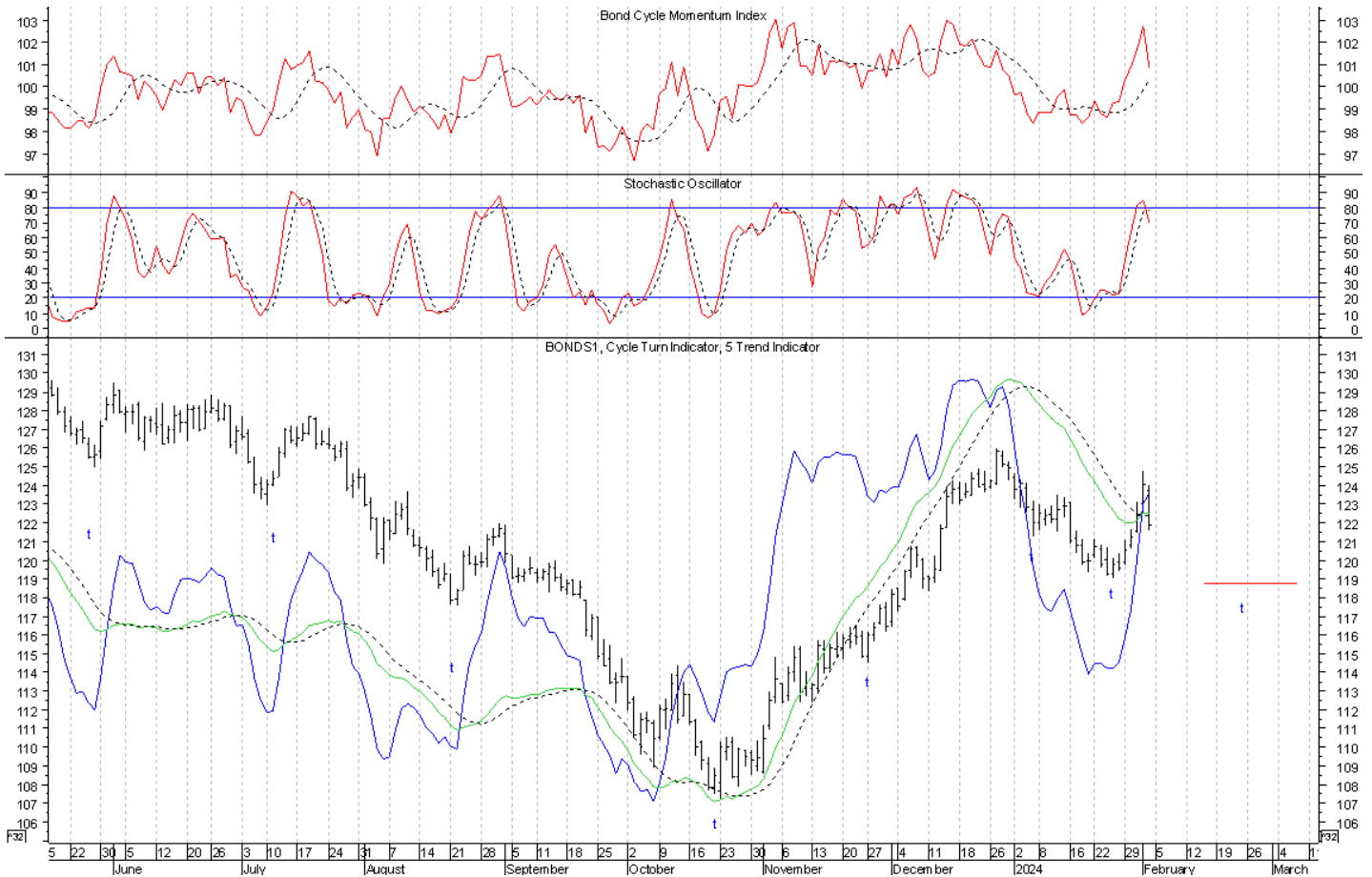


Bonds

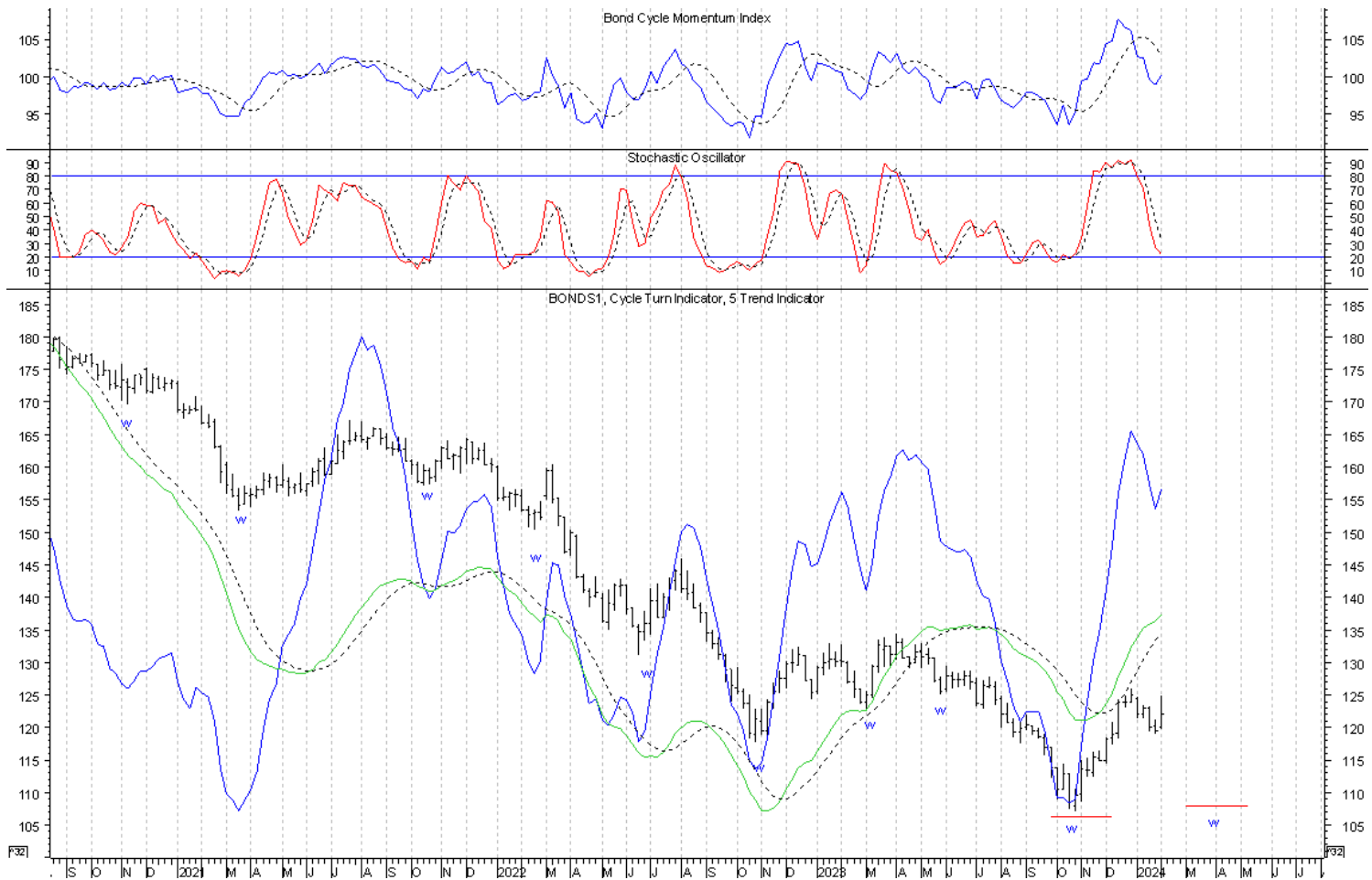
End of Week Intermediate-Term Indicator Summary Intermediate-Term Neutral	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

Daily Indicator Summary Short-Term Buy/Neutral	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish

The trading cycle low was seen on January 25th and the timing band for the next trading cycle low runs between February 15th and March 7th. With the timing band for the higher degree intermediate-term cycle low still ahead, the expectation has been for the advance out of this trading cycle low to be counter-trend and followed by continued weakness into the intermediate-term cycle low. With the completion of a daily swing high on Friday, this advance is at risk of having run its course and any further weakness on Monday that turns the daily CTI down will trigger a short-term sell signal, which will in turn be further suggestive of this advance having peaked.

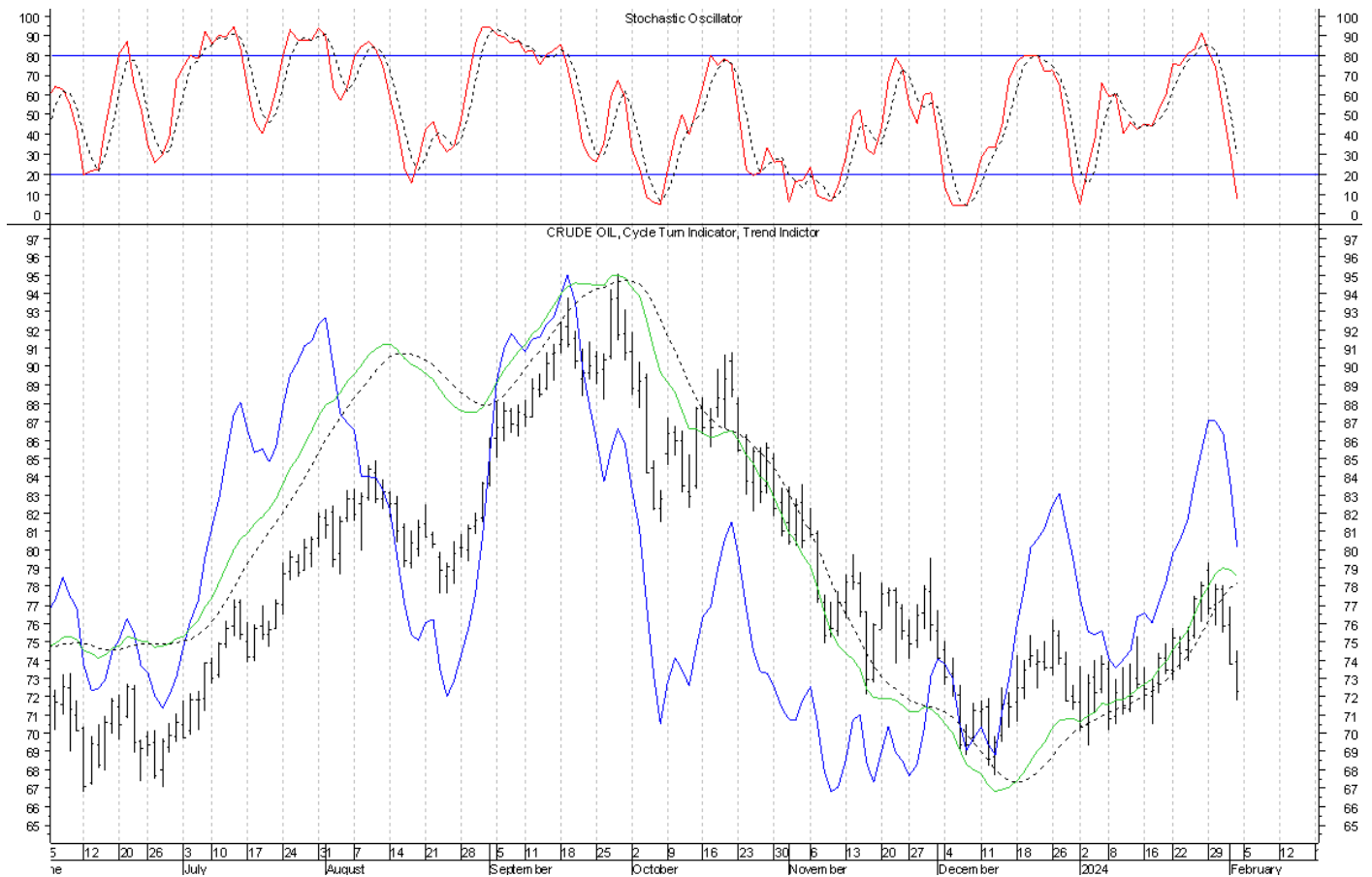


Our weekly chart of Bonds is next. With the advance out of the trading cycle low completing the formation of a weekly swing low this past week and the accompanying upturn of the weekly CTI, an intermediate-term buy signal was triggered. But, with the timing band for the next intermediate-term cycle low running between February 29th and May 9th, the expectation has been for this advance to be counter-trend and followed by at least one more trading cycle down into this low. If the decline in association with Friday's short-term sell signal completes the formation of another weekly swing high, then it will leave Bonds positioned for continued weakness into the intermediate-term cycle low. For now, this intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI, plotted with price, are seen.

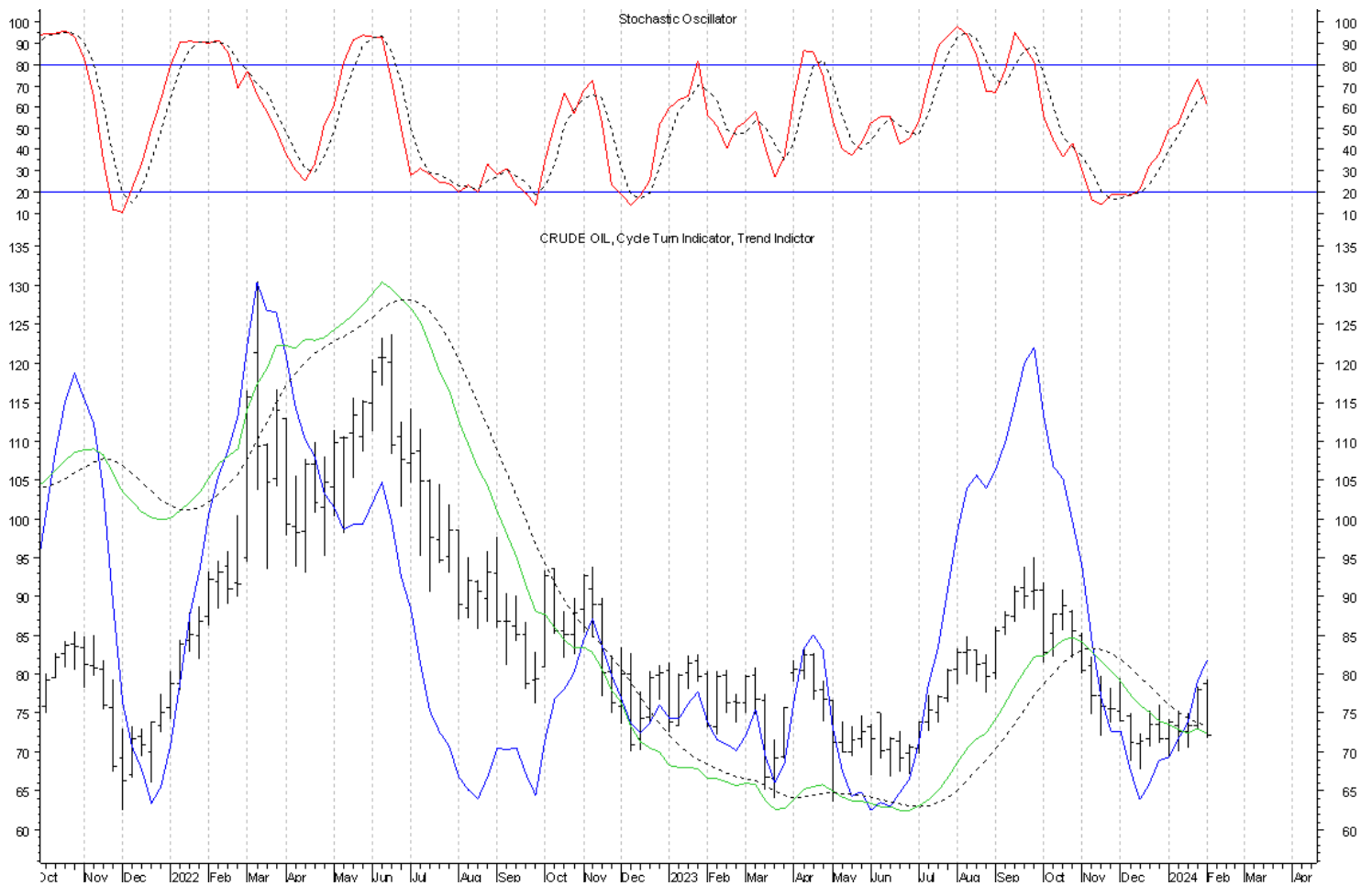


Crude Oil

The price action on Tuesday completed the formation of a daily swing high and with the downturn of the daily **CTI**, a short-term sell signal was triggered. With the decline on Wednesday the additional confirmation of this sell signal was seen. This weekly reversal lower is suggestive of the intermediate-term advance having possibly run its course. If the decline in association with this short-term sell signal completes the formation of a weekly swing high, then the intermediate-term advance will certainly be at increased risk of the intermediate-term cycle top having been seen. If a weekly swing high is not completed, then higher prices in association with the higher degree intermediate-term cycle low will be expected to follow. For now, this short-term sell signal will remain intact until another daily swing low and upturn of the daily **CTI** are seen. Another daily swing low will be completed on Monday if 71.79 holds and if 74.52 is bettered.



Our weekly chart of Crude Oil is next. At this level the intermediate-term buy signal remains intact, but the weekly reversal seen this week is suggestive of this intermediate-term advance having possibly run its course. Any further weakness in the coming week that completes the formation of a weekly swing high that is confirmed by a downturn of the weekly **CTI** will trigger an intermediate-term sell signal, which will in turn be further suggestive of the intermediate-term cycle top having been seen. At a higher level, the September intermediate-term and seasonal cycle top continue to be an opportunity to cap the higher degree 3-year cycle top. Given the evidence of the seasonal cycle top, the expectation has been for this intermediate-term advance to be counter-trend and the triggering of an intermediate-term sell signal will be an opportunity to cap this advance. For now, the intermediate-term buy signal remains intact and will until a weekly swing high AND downturn of the weekly **CTI** are seen. Another weekly swing high will be completed in the coming week if 79.29 is not bettered and if 71.79 is violated.



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