

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 9, 2024

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

Hey hello hello

# Short-term Updates

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## **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 11, 2024

**Stocks**

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

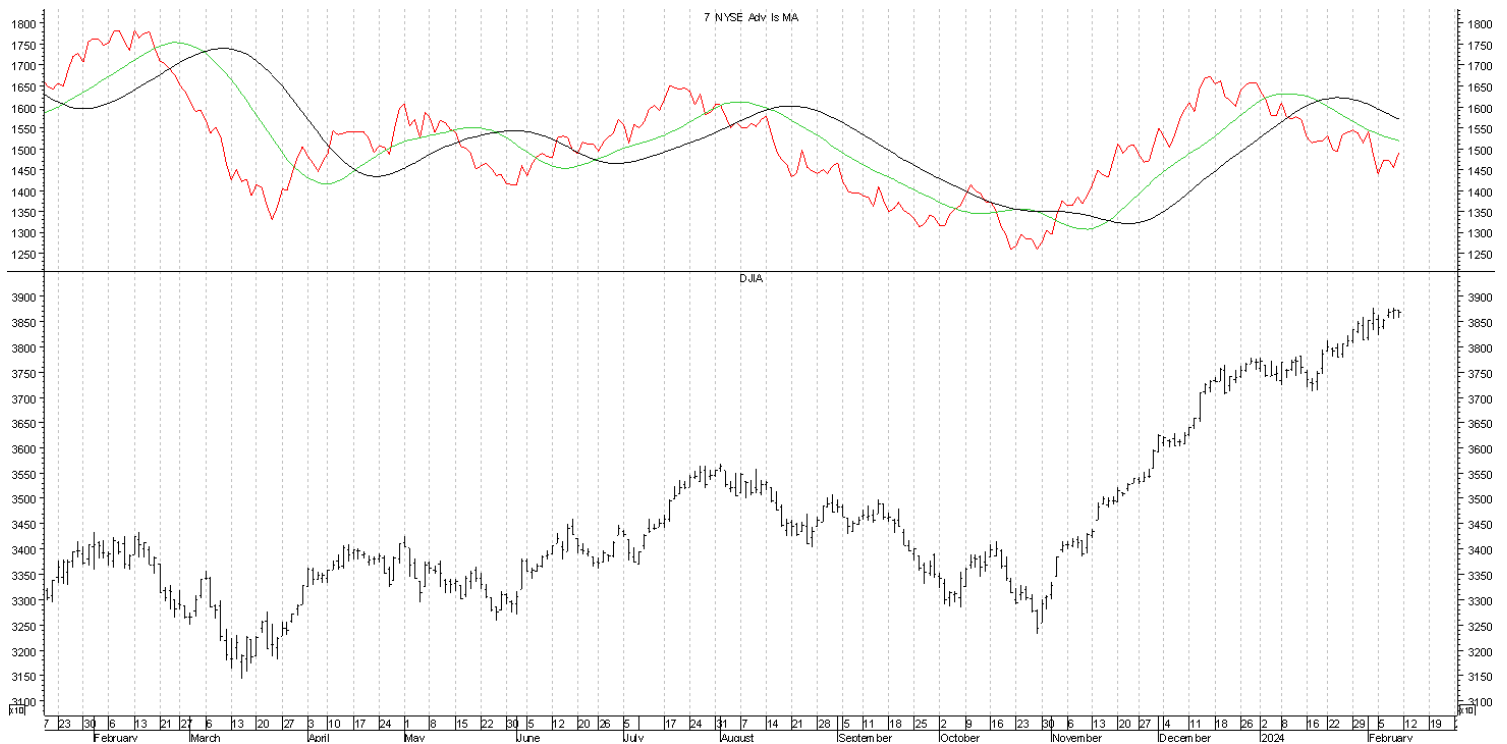
Daily Indicator Summary <b>Short-Term Sell/Neutral</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
McClellan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

With Friday’s price action on the Industrials having occurred within Thursday’s price range, Friday was an inside day, thereby yielding no changes. Cyclically, the trading cycle low was seen on January 18th and Friday concluded the 16th trading day of this cycle. With the half-trading cycle averaging some 19 trading days, the Industrials should be at or near the less dominant half-trading cycle top. The price action on February 1st triggered a short-term sell signal, but because of the reversal off the low, I explained that we needed to see a close below the February 1st low as confirmation of that signal. With the completion of a daily swing low the following day, that additional confirmation was not seen, but with the Primary Short-Term Indicators remaining negative, the questionable short-term sell signal also held. On Monday, February 5th, the Industrials completed the formation of a daily swing high and with ALL Three of the Primary Short-Term Indicators once again negative, a secondary short-term sell signal was triggered. But, with Tuesday, February 6th, being an inside up day, I wanted to see a close below Monday’s low as further confirmation of this signal. Because of the completion of another daily swing low on Wednesday, that additional

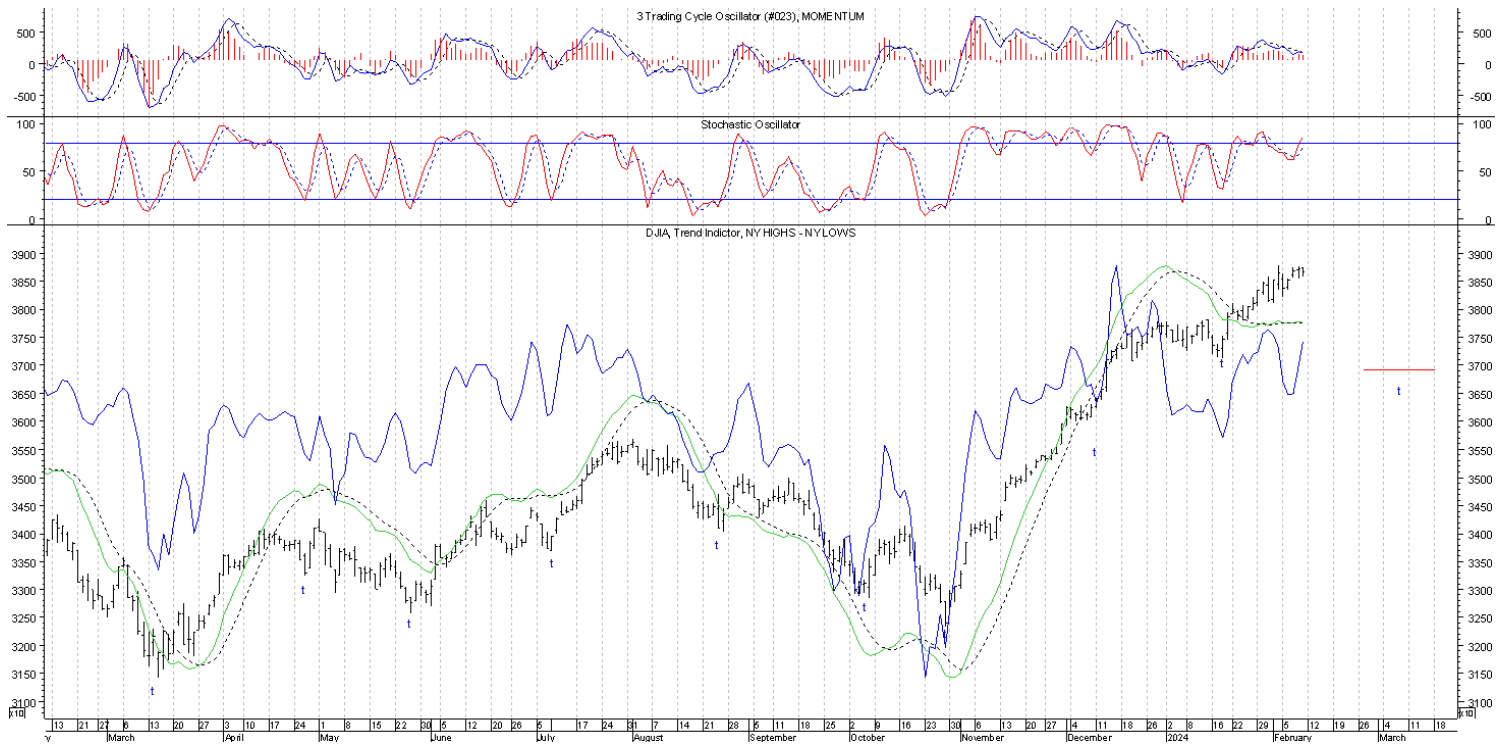
confirmation was not seen either. On Thursday the Industrials inched higher, but the February 2nd daily swing high has thus far held and with the Primary Short-Term Indicators not all having turned up, both questionable short-term sell signals remain intact. Therefore, it is clear that the price/oscillator picture is suggestive of a top, but until a solid short-term sell signal is triggered, we cannot assume this top to be in place. The short-term sell signal that is currently trying to take hold will be an opportunity to also cap the higher degree intermediate-term cycle top. If we see the completion of a weekly swing high in conjunction with the downturn out of the short-term sell signal, based on the timing band for the intermediate-term cycle top and the current intermediate-term oscillator picture, we should then have the higher degree intermediate-term cycle top in place. The timing band for the next trading cycle low runs between February 27th and March 18th. At a higher level, the timing band for the intermediate-term cycle low runs between February 16th and April 19th. 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.

The short-term buy signal on Crude Oil remains intact and with a weekly swing high in place, it is the advance in association with this short-term buy signal that serves as a structural test of the intermediate-term cycle top. The short-term buy signal on Gasoline also remains intact. In this case the January trading cycle top has been bettered, but the expectation is that it is in association with an ending push into the higher degree intermediate-term cycle top. The short-term sell signal on Natural Gas remains intact and in this case, the higher degree intermediate-term cycle top did in fact prove to have peaked in January with a left-translated structure. The short-term buy signal on the CRB Index remains intact as does the higher degree intermediate-term buy signal. However, the expectation is for this intermediate-term buy signal to be counter-trend and followed by further weakness in association with the downturn out of the higher degree seasonal and 3-year cycle top. The short-term sell signal on Gold remains intact and structurally Gold remains at risk of a left-translated trading cycle top. The short-term sell signal and decline out of the left-translated trading cycle top on the XAU remains intact. The price/oscillator picture on the Dollar continues to leave the Dollar at risk of a possible left-translated trading cycle top, but until another short-term sell signal is triggered, we cannot yet say this top has been seen. Bonds completed the formation of a daily swing high on February 2nd, which in doing so also left Bonds at risk of a left-translated trading cycle top and given the weakness this past week, that has not changed.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back up, but the overall divergent oscillator picture here continues to be suggestive of an ending move into a top. The Green MA continues its downturn below the Black MA. 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 has been 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, with the timing band for the intermediate-term cycle low now upon us, we will further evaluate the overall evidence once an intermediate-term sell signal is triggered.

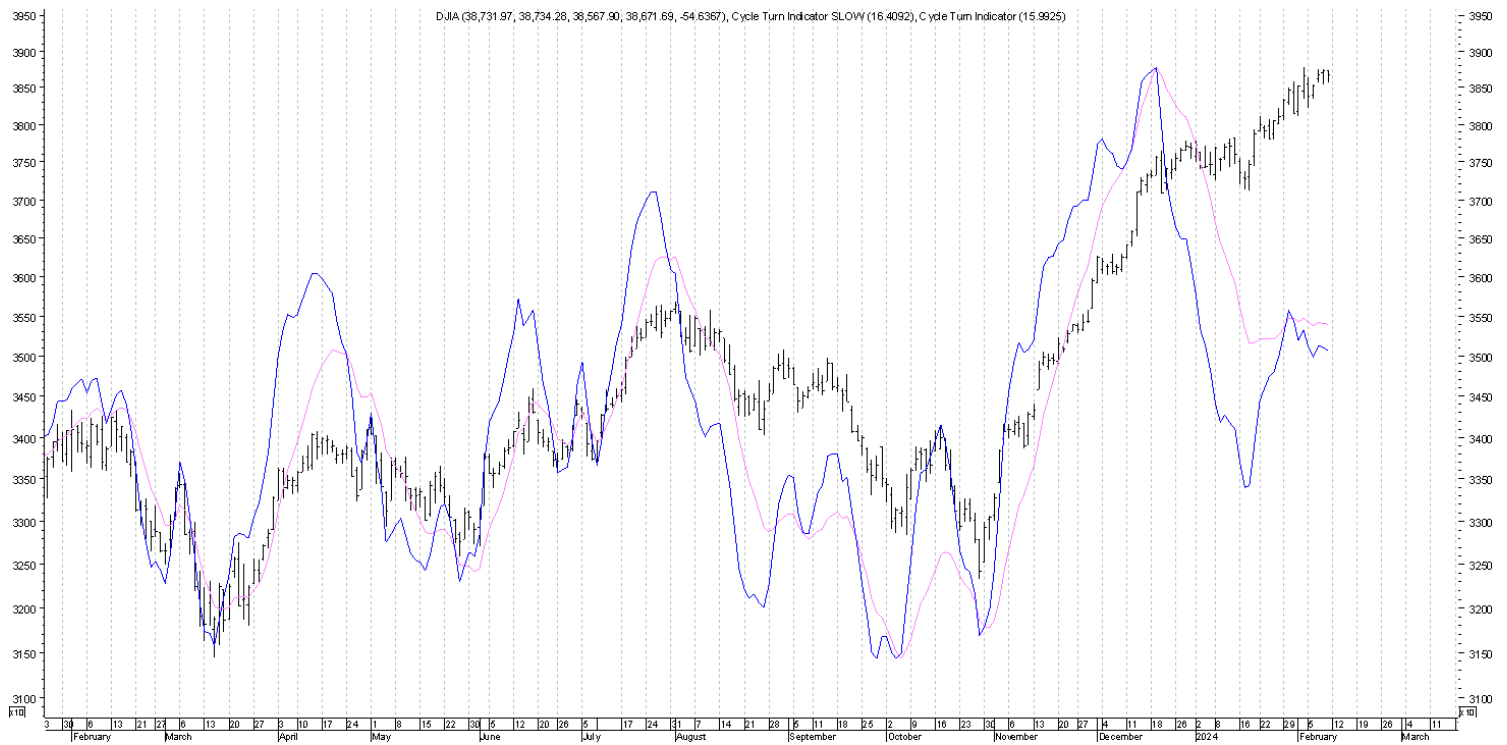


The **Trading Cycle Oscillator** in the upper window is sitting marginally above its trigger line and continues to be suggestive of a top. The **Momentum** Indicator is also trying to turn back down, but remains marginally above its zero line. The **5 3 3 Stochastic** in the middle window continued its uptick on Friday and has again moved into overbought territory. The **New High/New Low Differential**, plotted with price, also continued its uptick on Friday. While marginal, the recent upturn of the **Trend Indicator** has been suggestive of the trading cycle low and the downturn that is currently in the making consequently continues to be suggestive of the trading cycle top.

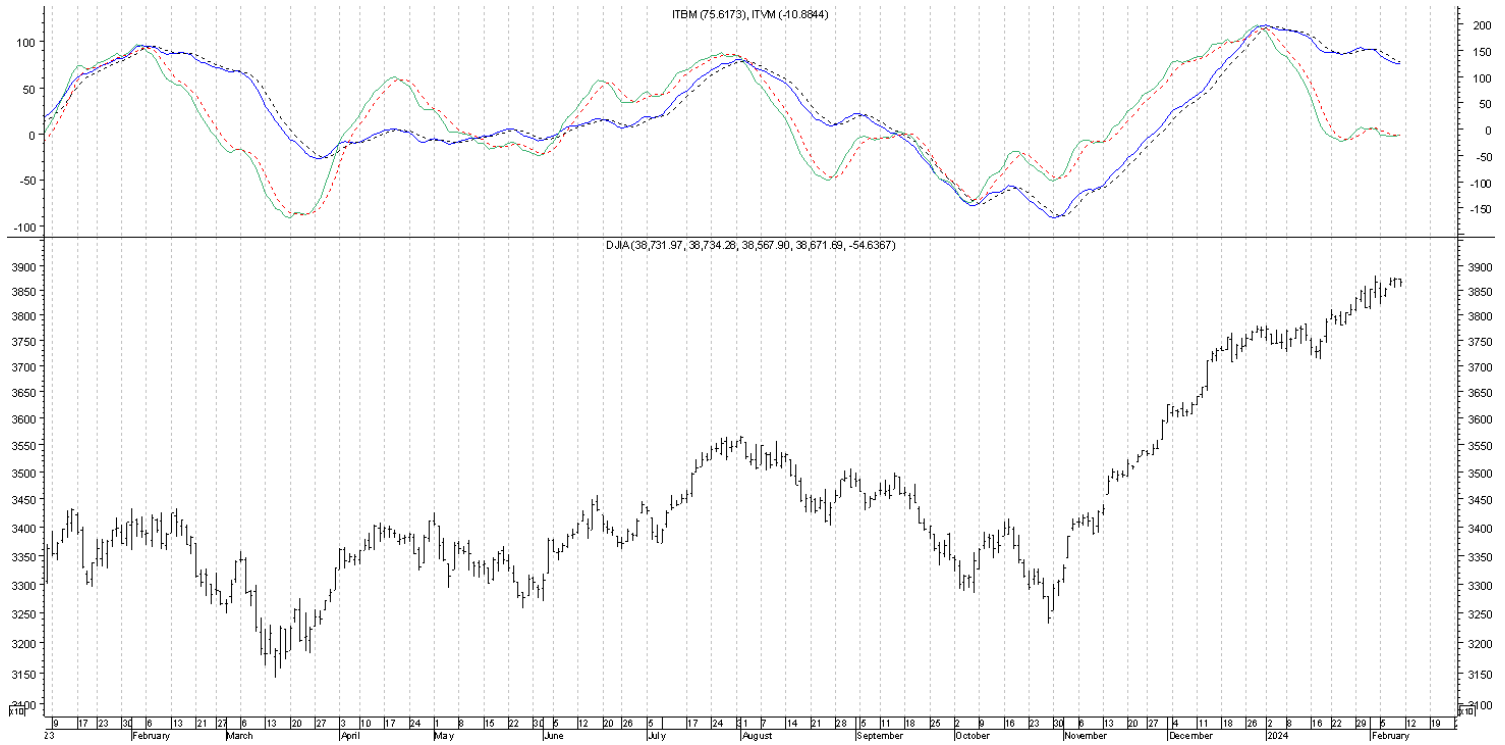


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

With the completion of a daily swing high and downturn of ALL Three of the Primary Short-Term Indicators on February 1st, a short-term sell signal was triggered, but because of the reversal higher that sell signal had to be discounted until a close below the February 1st low was seen. Per the parameters given here in the February 1st update, the price action on February 2nd, completed the formation of another daily swing low and as a result that confirmation was not seen. On Monday, February 5th, another daily swing high was completed and with the Three Primary Short-Term Indicators negative a secondary short-term sell signal was technically triggered. However, as confirmation of that signal, we needed to see a close below Monday's low, which with Tuesday being an inside day and Wednesday's completion of a daily swing low, we have not seen. Any further advance that turns the **Original** and the **Slow** Cycle Turn Indicators back up will trigger another short-term buy signal, whereas a decline below the February 5th low should serve as confirmation of the February 5th secondary short-term sell signal.

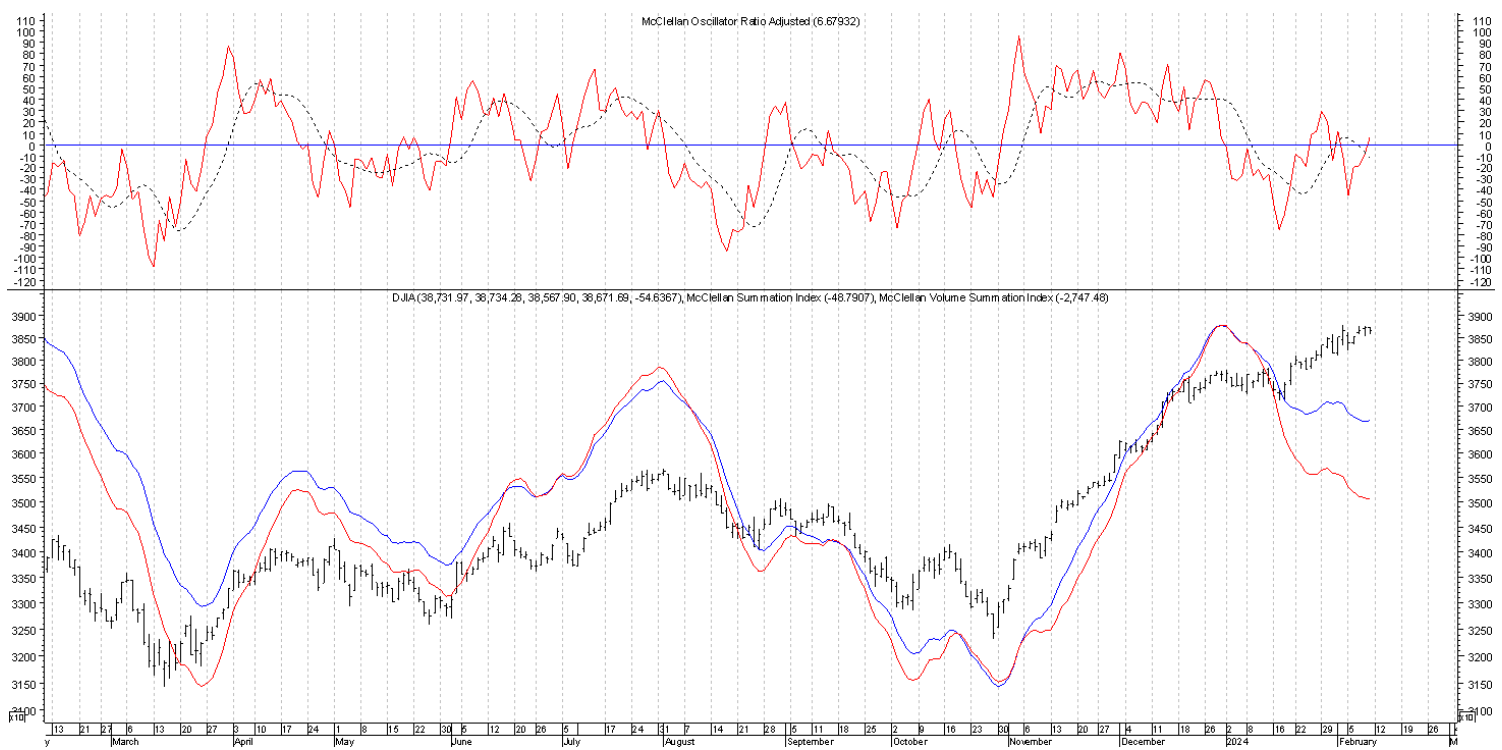


The **Intermediate Term Breadth Momentum Oscillator** remains marginally below its trigger line while the **Intermediate Term Volume Momentum Oscillator** has turned marginally back above its trigger line. Confirmation of a solid short-term sell signal in conjunction with the joint downturns of these indicators will be further indicative of the trading cycle top having been seen.

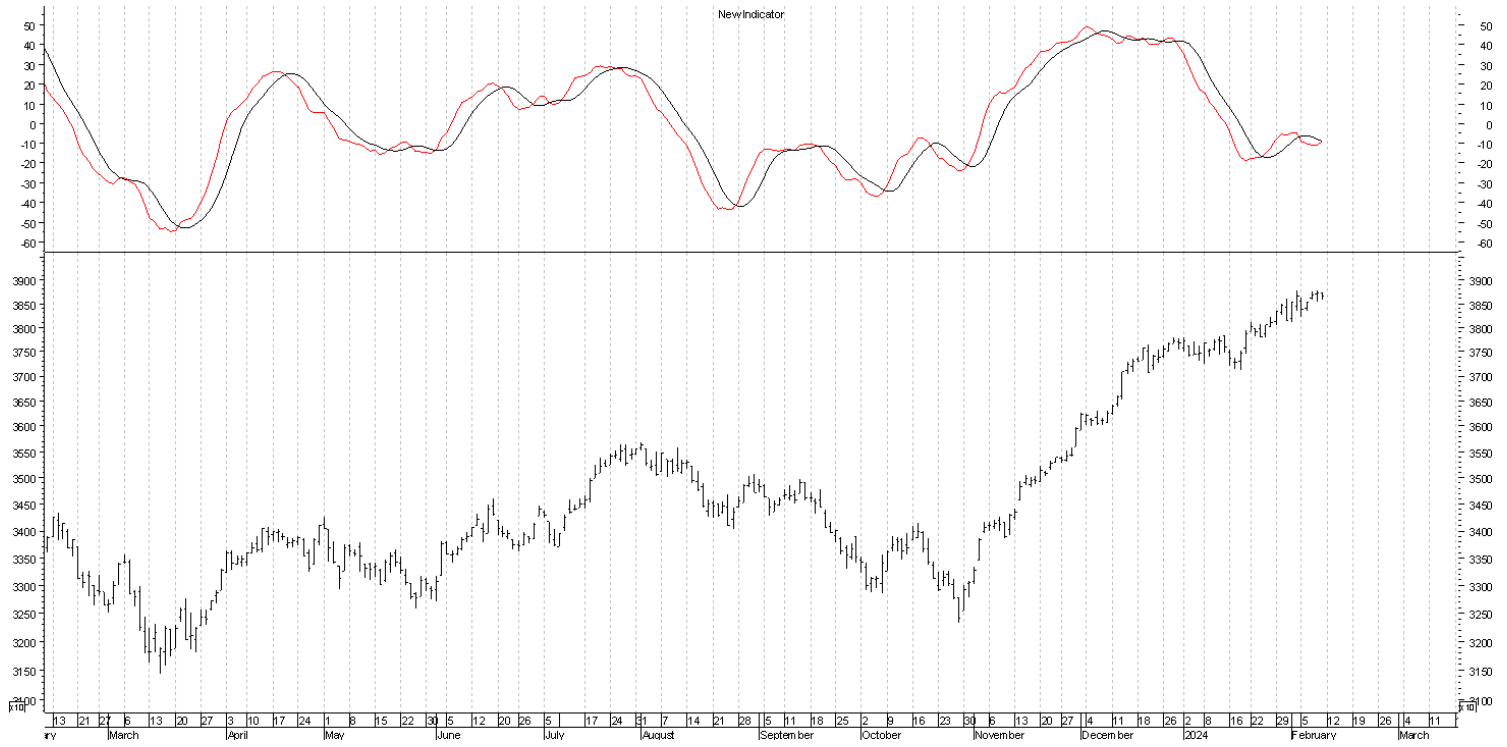




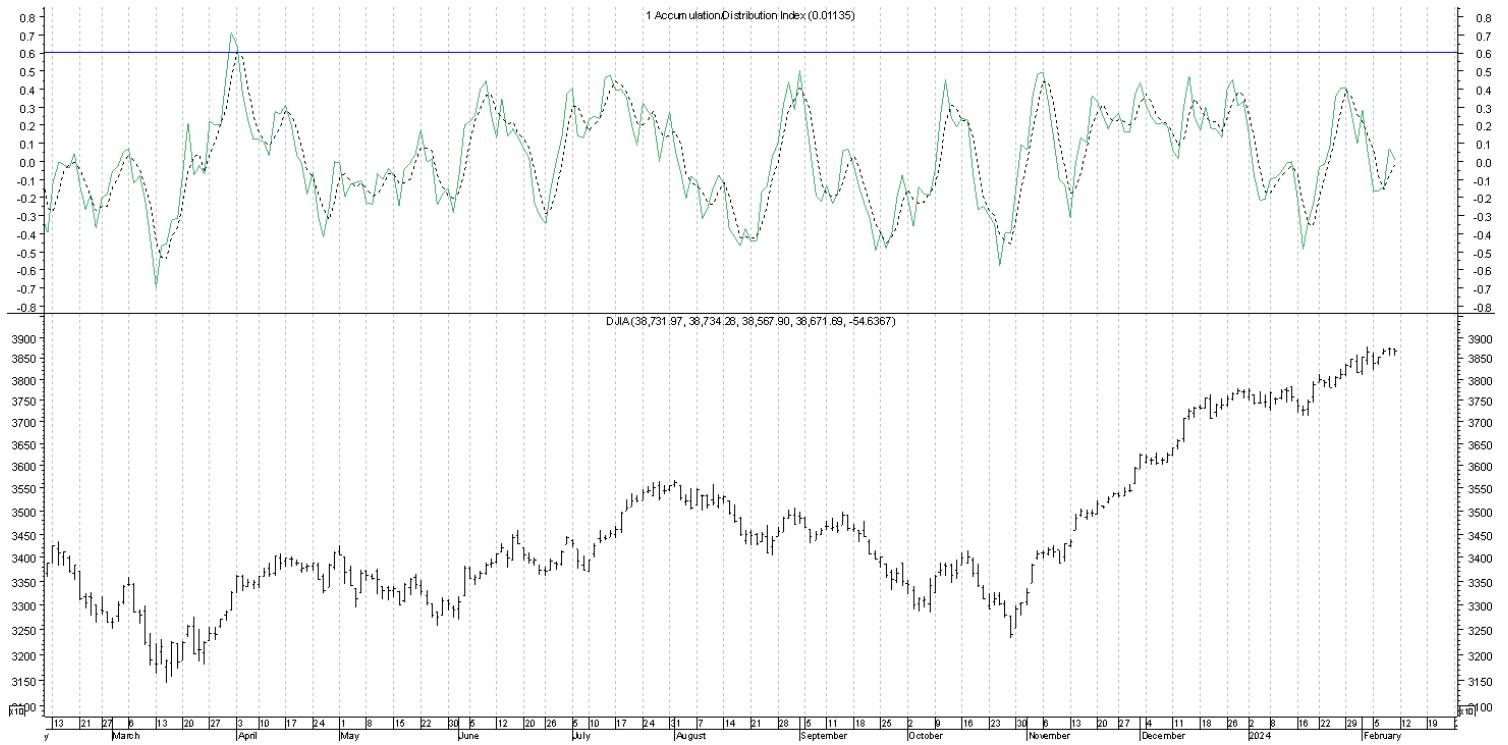
The **McClellan Summation Index** has ticked back up. The **McClellan Volume Summation Index** continues its downturn, which is suggestive of the trading cycle top. Here too, confirmation of a solid short-term sell signal in conjunction with the joint downturns of these indicators will be further indicative of the trading cycle top having been seen. The **Ratio Adjusted McClellan Oscillator** has turned back up above both its trigger and zero lines. Confirmation of the February 5th short-term sell signal or the re-triggering of yet another short-term sell signal in conjunction with a downturn below both the trigger and zero lines should serve as confirmation of the trading cycle top.



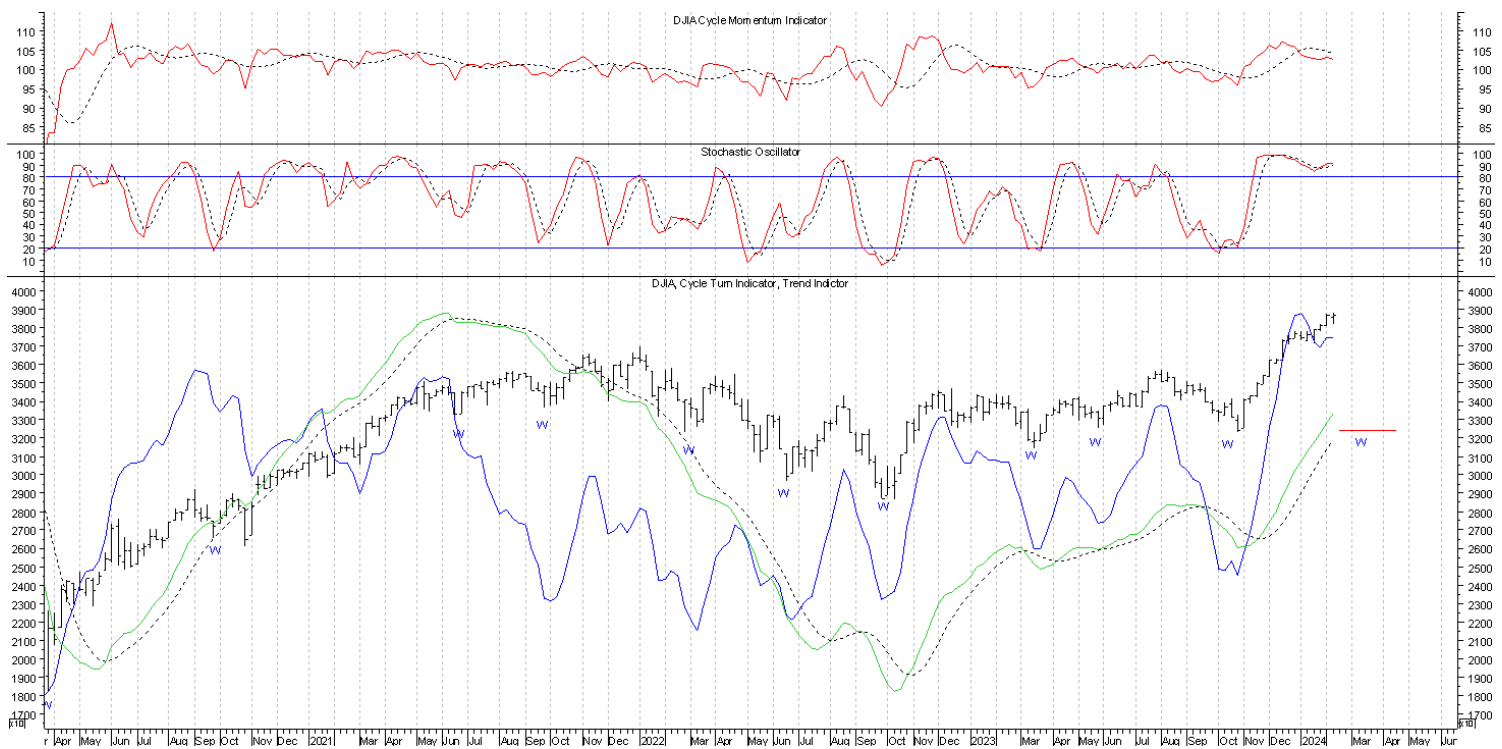
The upturn of the smoothed McClellan oscillator was reflective of the advance out of the trading cycle low with the downturn earlier this past week being suggestive of the trading cycle top. As of Friday, this indicator is sitting marginally above its trigger line. Confirmation of a short-term sell signal in conjunction with another downturn of this indicator should ideally prove to be in association with the trading cycle top.



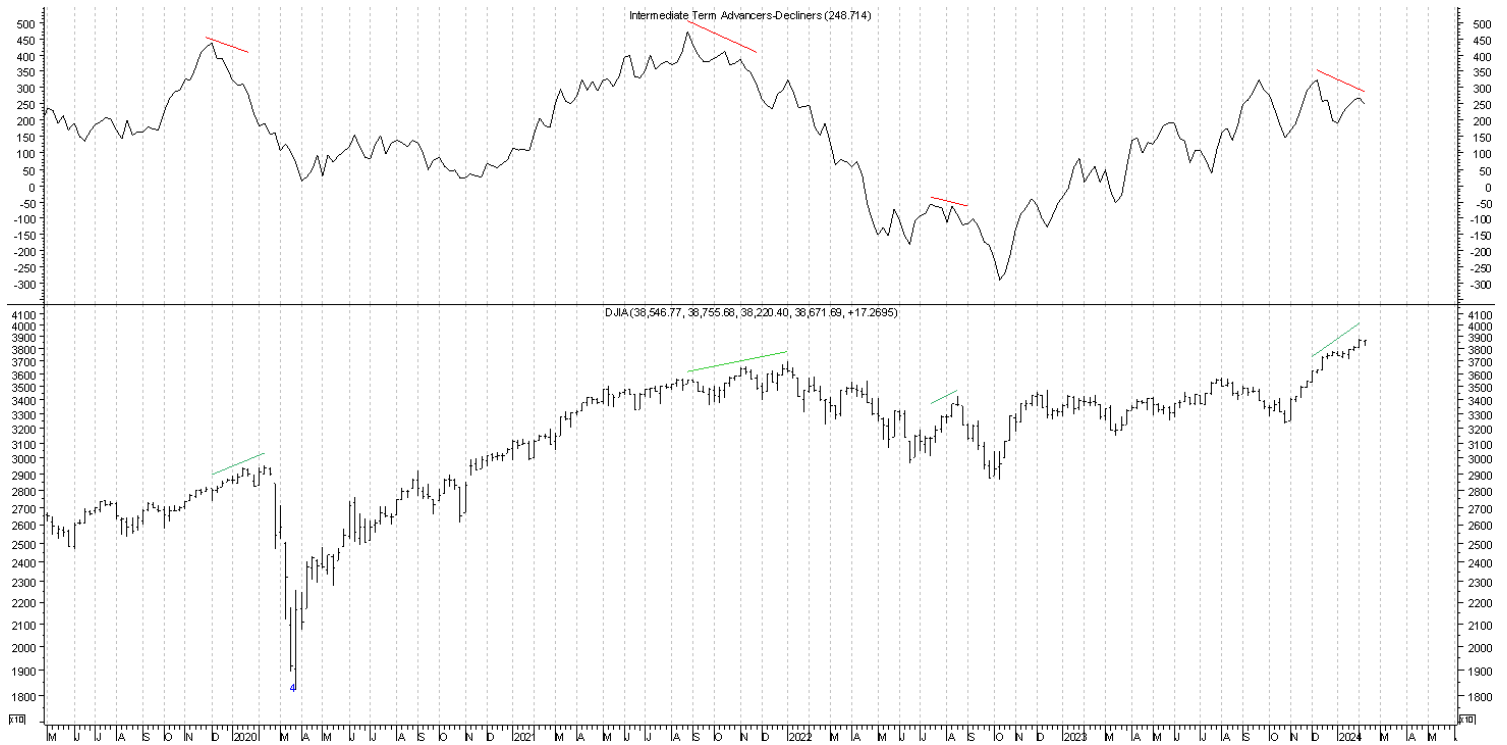
The **Accumulation/Distribution Index** has turned back down on Friday, which tends to be suggestive of the bounce in association with Wednesday's completion of a daily swing low having run its course. But, here too, we need to see confirmation of a short-term sell signal in conjunction with another downturn of this indicator.



Our weekly chart of the Industrials is next. With the price action this past week being an inside week, meaning this past week's price action occurred within the previous week's price range, there were no changes at this level on the Industrials. 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. The week of February 2nd the weekly CTI turned back up and this past week it is again trying to turn back down. The oscillator picture remains extremely ripe for the intermediate-term cycle top and with price now moving into the early portion of the timing band for the intermediate-term cycle low, this top should be in place once a weekly swing high AND downturn of the weekly CTI are seen. This intermediate-term cycle top will be an opportunity to cap the higher degree top/s, but 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. With this said, 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. 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 ticked down this past week. With this indicator not yet having bettered its December high, the non-confirmation with the price high stands. As a result, once an intermediate-term sell signal is triggered, it will be an opportunity for a more meaningful turn to potentially take hold. However, again, 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	Bullish
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### Daily Indicator Summary **Short-Term Sell**

#### Primary Indicators

Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish

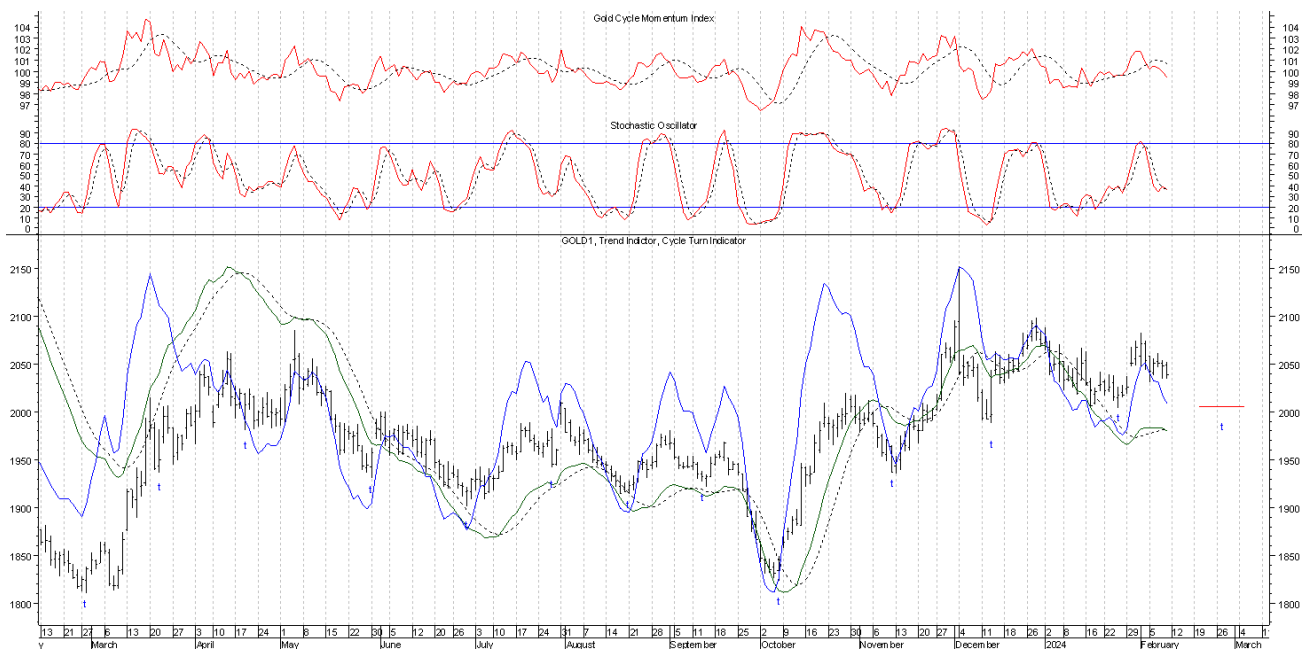
#### Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish

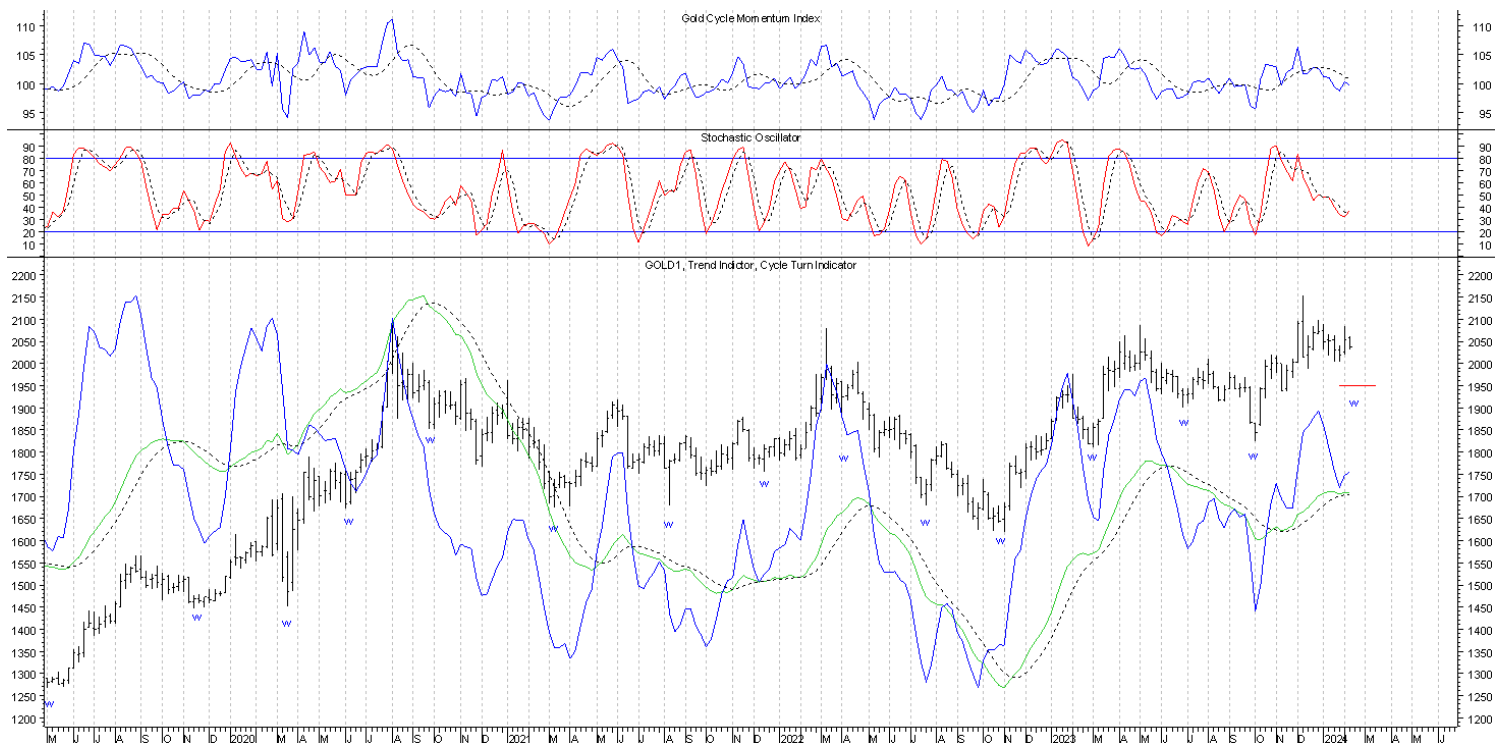
#### Secondary Short Term Indicators

5 3 3 Stochastic	Bearish
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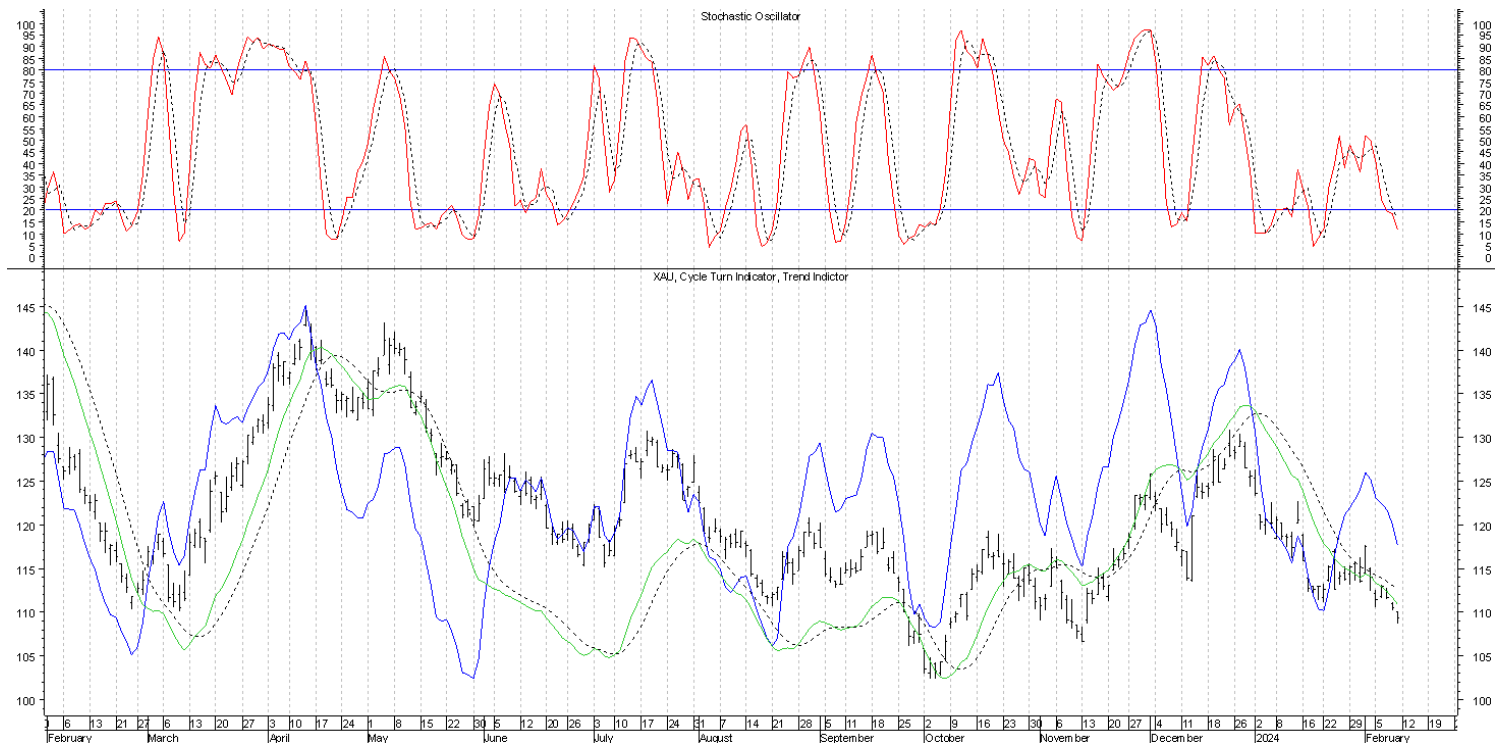
The trading cycle bottomed on January 25th and the timing band for the next trading cycle low runs between February 20th and March 5th. The February 2nd completion of a daily swing high continues to leave Gold at risk of a left-translated trading cycle top. If this risk is corrected and this trading cycle advance should prove to be right-translated, then we should prove to have the higher degree intermediate-term cycle low in place. But, until that can prove to have been the case, we have to continue to assume that we have a failed and left-translated structure at play, leaving Gold positioned for what should ideally be another trading cycle down into the higher degree intermediate-term cycle low. 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 2,034.30 holds and if 2,051.90 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. With this past week being an inside week in that the price action occurred within the parameters of the previous weekly price bar, there were no changes at this level. 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 the week of February 2nd, an intermediate-term buy signal was triggered. Therefore, 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 possibly marked the intermediate-term cycle low. But, on the other hand, the current trading cycle advance is at risk of having peaked with a left-translated structure, which if proven correct also leaves Gold positioned for another trading cycle down into the intermediate-term cycle low. Therefore, the current trading cycle is key with regard to whether we have seen the intermediate-term cycle low. At a higher level 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 the current/pending 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.

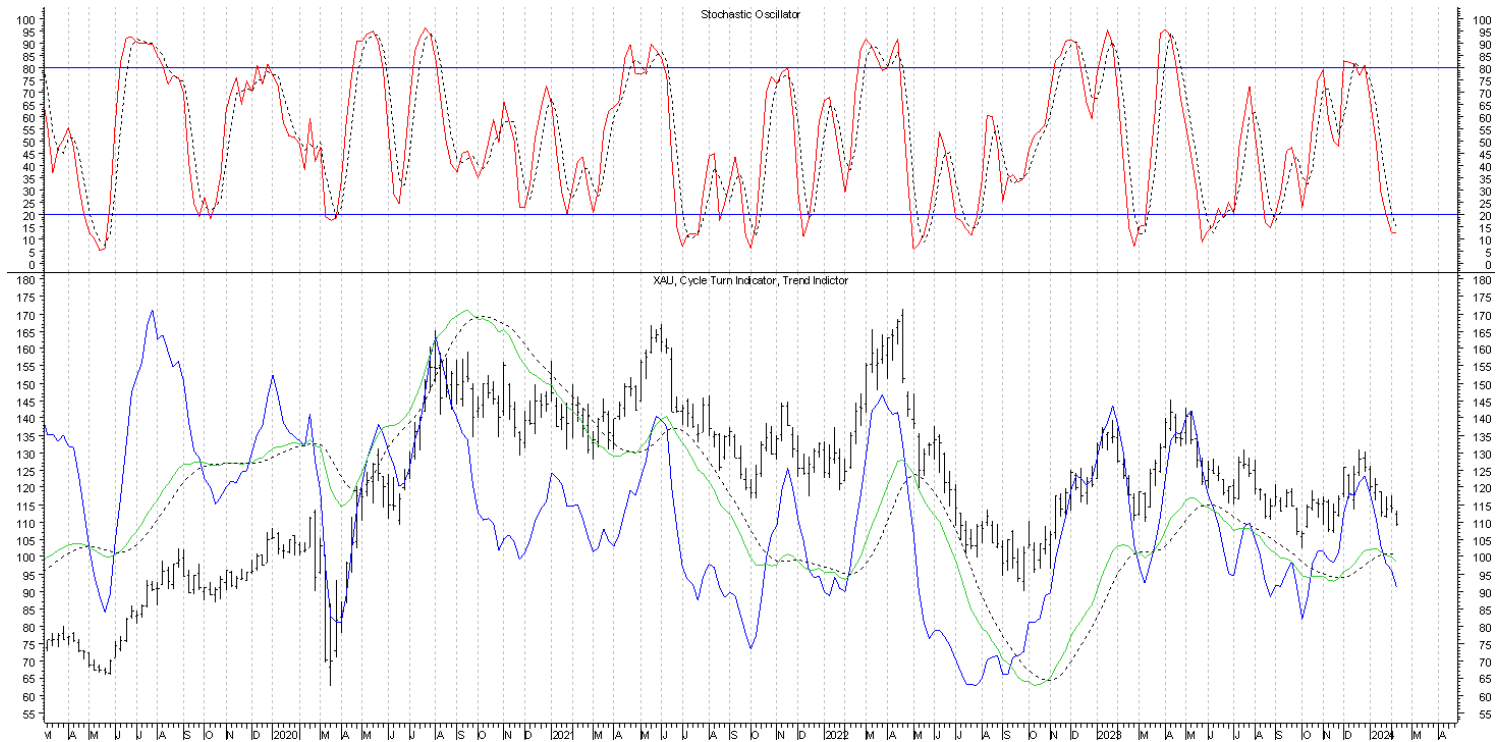


Our daily chart of the XAU is next. The price action on February 2nd completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal was triggered. In doing so, this left the XAU at risk of a left-translated trading cycle top and given the violation of the January 22nd daily swing low on Monday, the risk of a left-translated trading cycle top proved to be reality. This left-translated structure on the XAU suggests that the trading cycle advance in Gold should also prove to be left-translated. 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 108.67 holds and if 110.11 is bettered.





Our weekly chart of the XAU is next and at this level the intermediate-term sell signal clearly remains intact. This decline has carried price to oversold levels, per the 5 3 3 Stochastic, but based on the timing band for Gold and the current oscillator picture, the intermediate-term cycle low should lie ahead for both Gold and the XAU. As with Gold, the higher degree seasonal cycle low was seen in October and the evidence continues to be that the seasonal cycle peaked in December with a left-translated structure. As a result of this structure, the advance out of the pending intermediate-term cycle low should be counter-trend, but it will be that advance that will ultimately serve as the test of the higher degree intermediate-term cycle top. If the pending intermediate-term advance does in fact prove to be counter-trend, then upon that advance running its course, we should have confirmation that the seasonal cycle has in fact peaked with a left-translated structure, leaving both Gold and the XAU positioned for greater weakness in association with the downturn out of the higher degree cycle tops. For now, this intermediate-term sell signal will remain intact until another weekly swing low and upturn of the weekly CTI are seen. A weekly swing low will be completed in the coming week of 108.67 holds and if 113.21 is bettered.



## 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)	Bullish
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

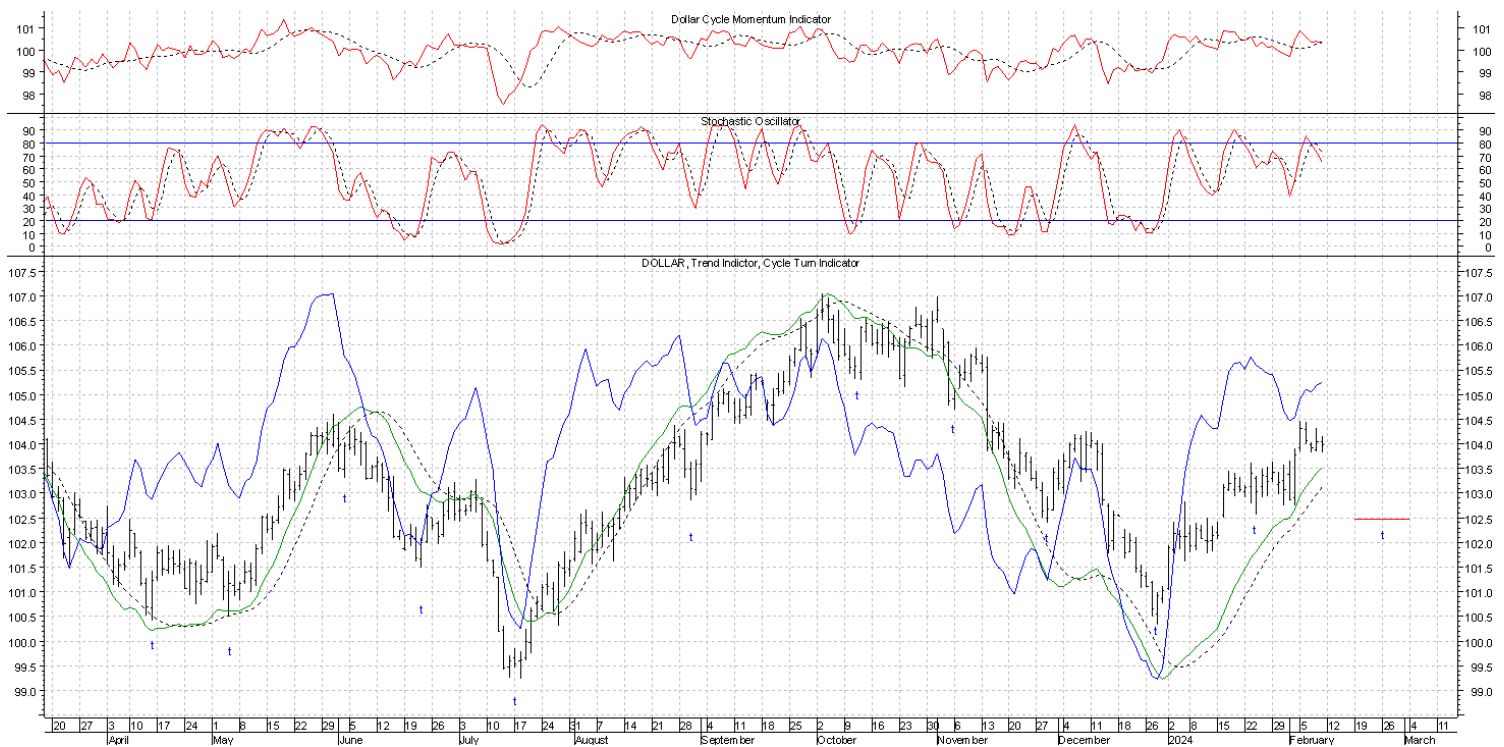
#### Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

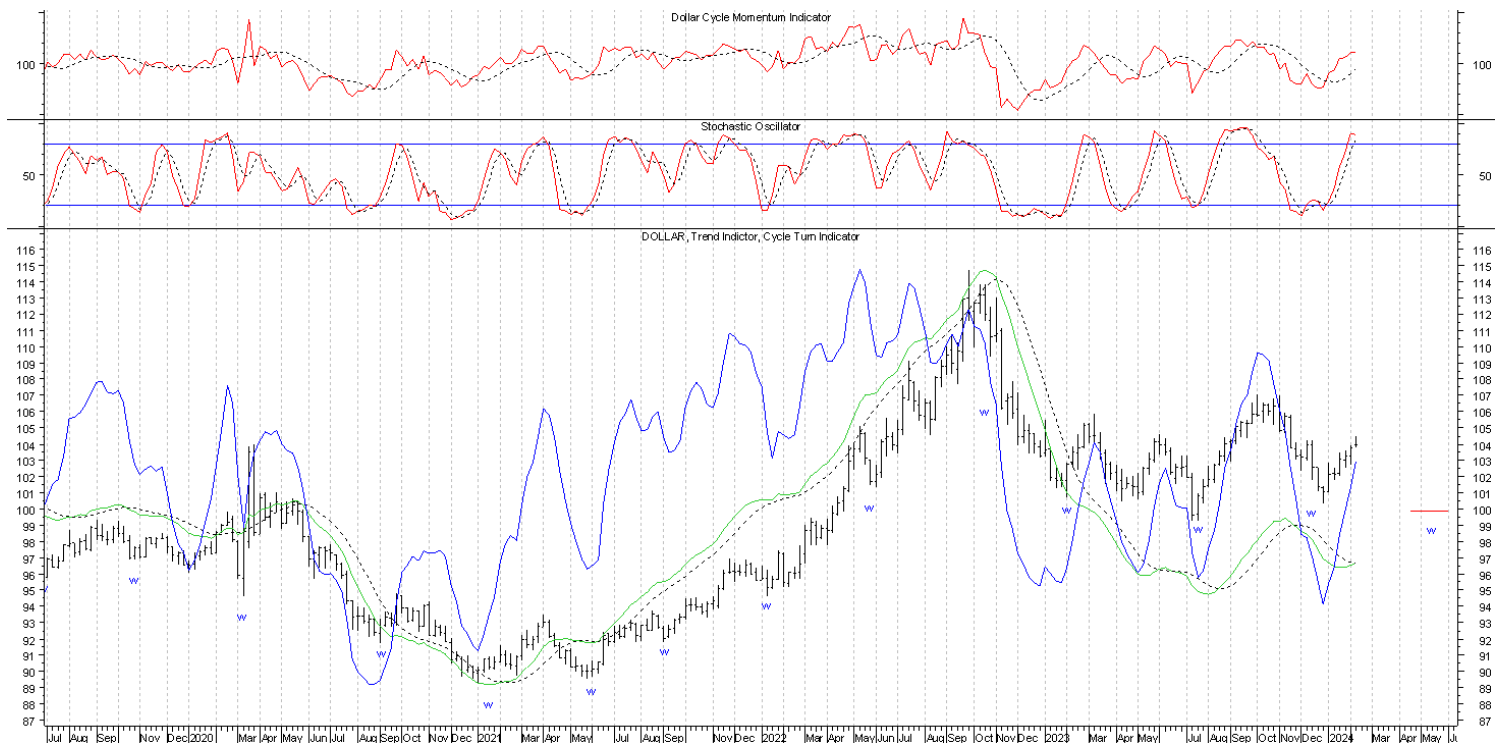
#### Secondary Indicators

5 3 3 Stochastic	Bearish
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The trading cycle low last bottomed on January 24th and the timing band for the next trading cycle low runs between February 19th and March 2nd. As discussed all week, the price/oscillator picture continues to put the Dollar at risk of a left-translated trading cycle top, but until another daily swing high and downturn of the daily CTI are seen, we cannot yet say that this top has been seen. If this trading cycle does in fact prove to peak with a left-translated structure, then it will be suggestive of the higher degree intermediate-term cycle top having run its course, leaving the Dollar positioned for another intermediate-term cycle down into the clustering of higher degree cycle lows expected later this year. For now, this short-term buy signal will remain intact until another daily swing high and downturn of the daily CTI are seen. A daily swing high will be completed on Monday if 104.30 is not bettered and if 103.83 is violated.



Our weekly chart of the Dollar is next and there are no changes at this level. The intermediate-term cycle 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 lows. 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. The timing band for the next intermediate-term cycle low runs between April 19th and June 7th.

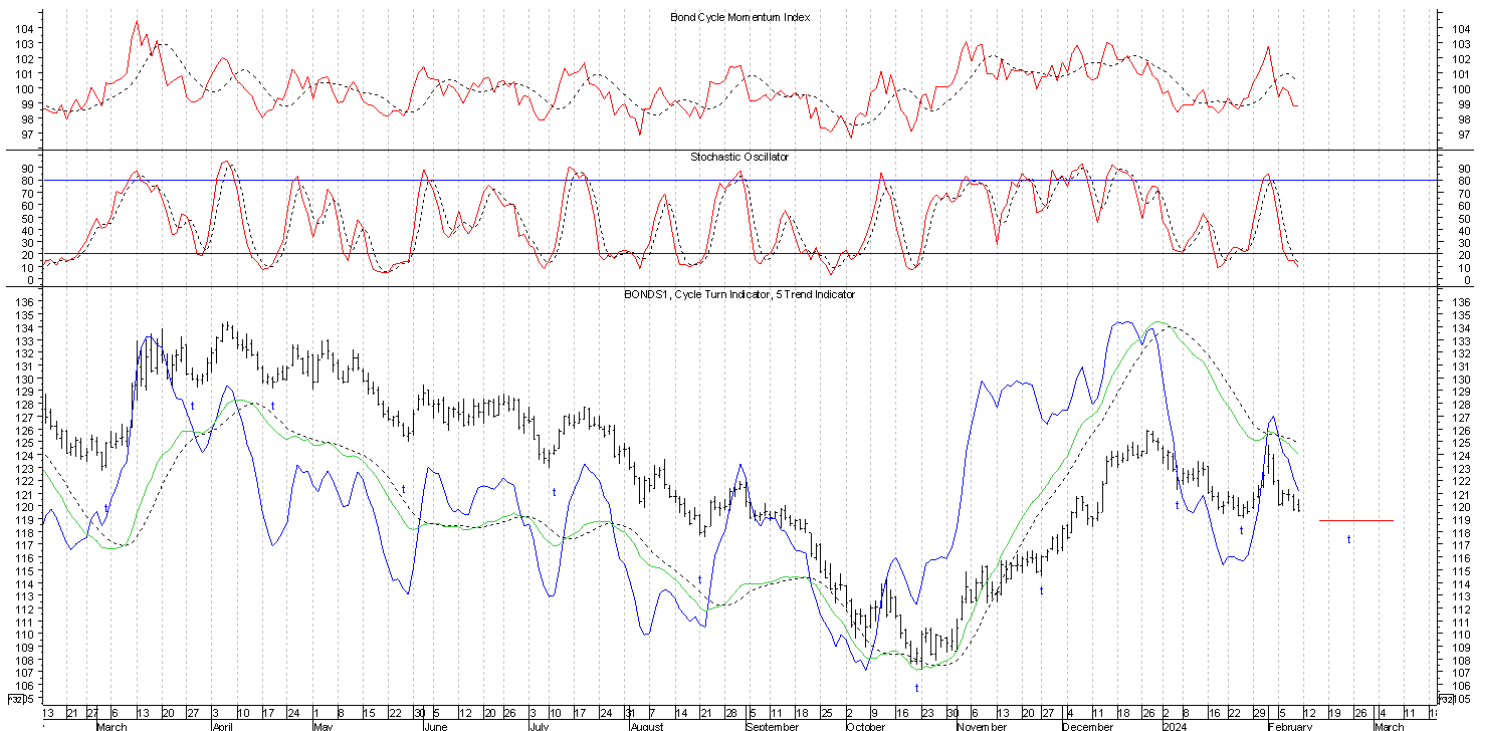


**Bonds**

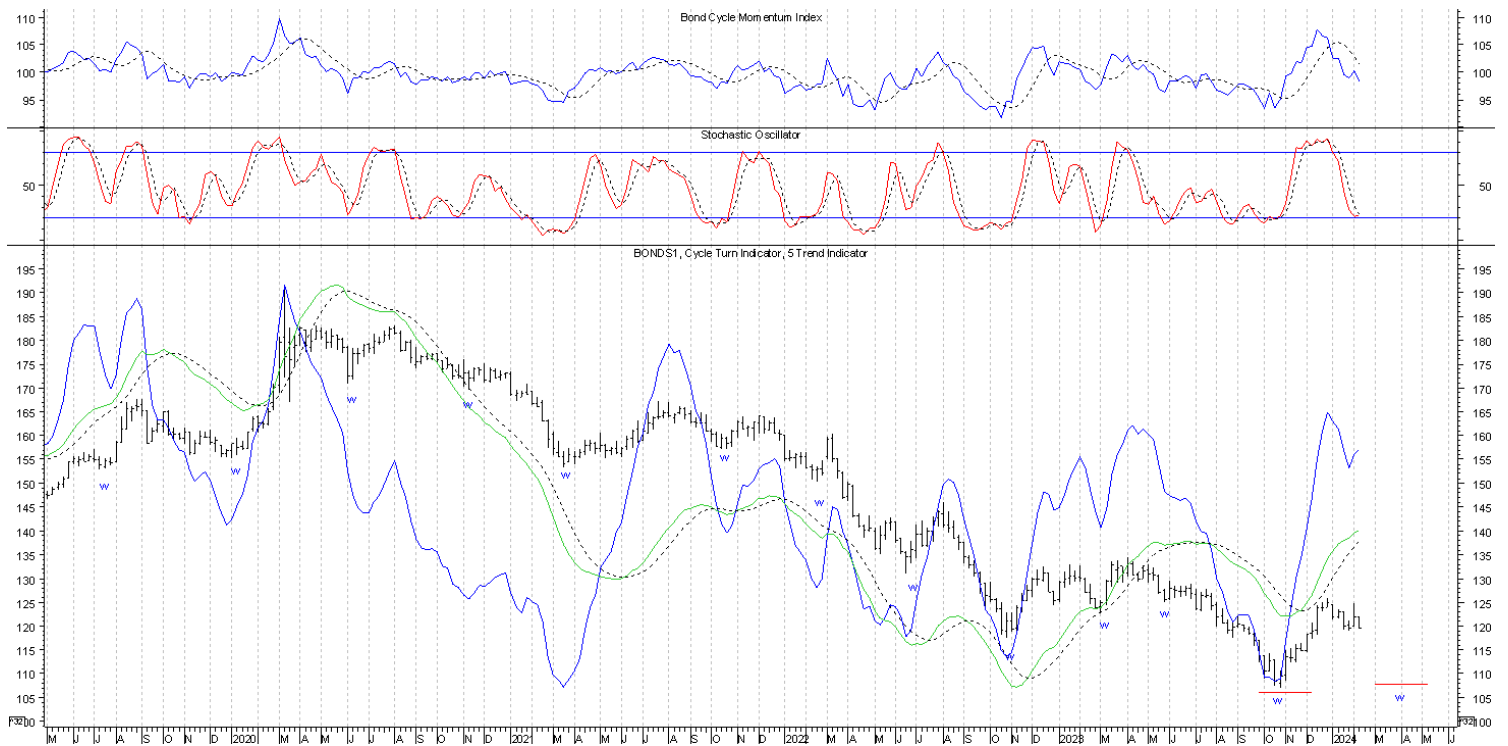
End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Neutral</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Indicators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

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

No change with Bonds in that the short-term sell signal remains intact and structurally Bonds remain at risk of a left-translated trading cycle top. 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 the January 25th 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 February 2nd we knew that the advance out of the January 25th trading cycle low was at risk of having run its course and with the downturn of the daily CTI on Monday, a short-term sell signal was triggered. In doing so, it left the trading cycle advance at further risk of having peaked and given the continued weakness that has thus far followed, we have to continue to assume this to be the case and that we have a left-translated trading cycle top in place and that the retest of the intermediate-term cycle top has now potentially run its course.

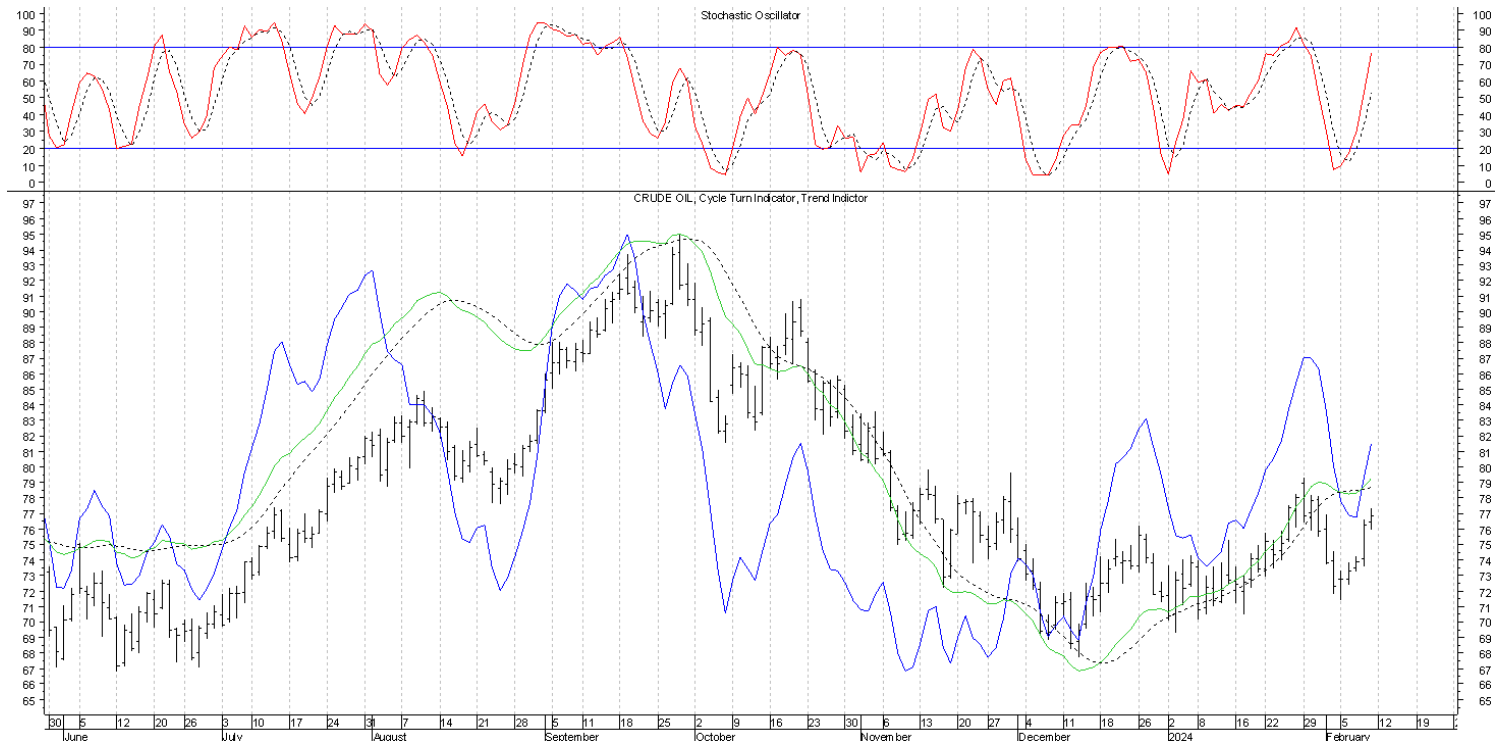


Our weekly chart of Bonds is next. With the advance out of the trading cycle low completing the formation of a weekly swing low the week of February 2nd and the accompanying upturn of the weekly CTI, an intermediate-term buy signal was triggered. But, with the timing band for the next intermediate-term cycle low running between February 29th and May 9th, the expectation was for this advance to be counter-trend and followed by at least one more trading cycle down into this low. Now with the decline in association with the February 1st daily swing high completing the formation of a weekly swing high this past week, not only is the structure suggestive of the trading cycle top, but also of this counter-trend advance having run its course. Any further weakness that turns the weekly CTI, plotted with price, back down will re-trigger another intermediate-term sell signal, leaving Bonds positioned for continued weakness into the intermediate-term cycle low.

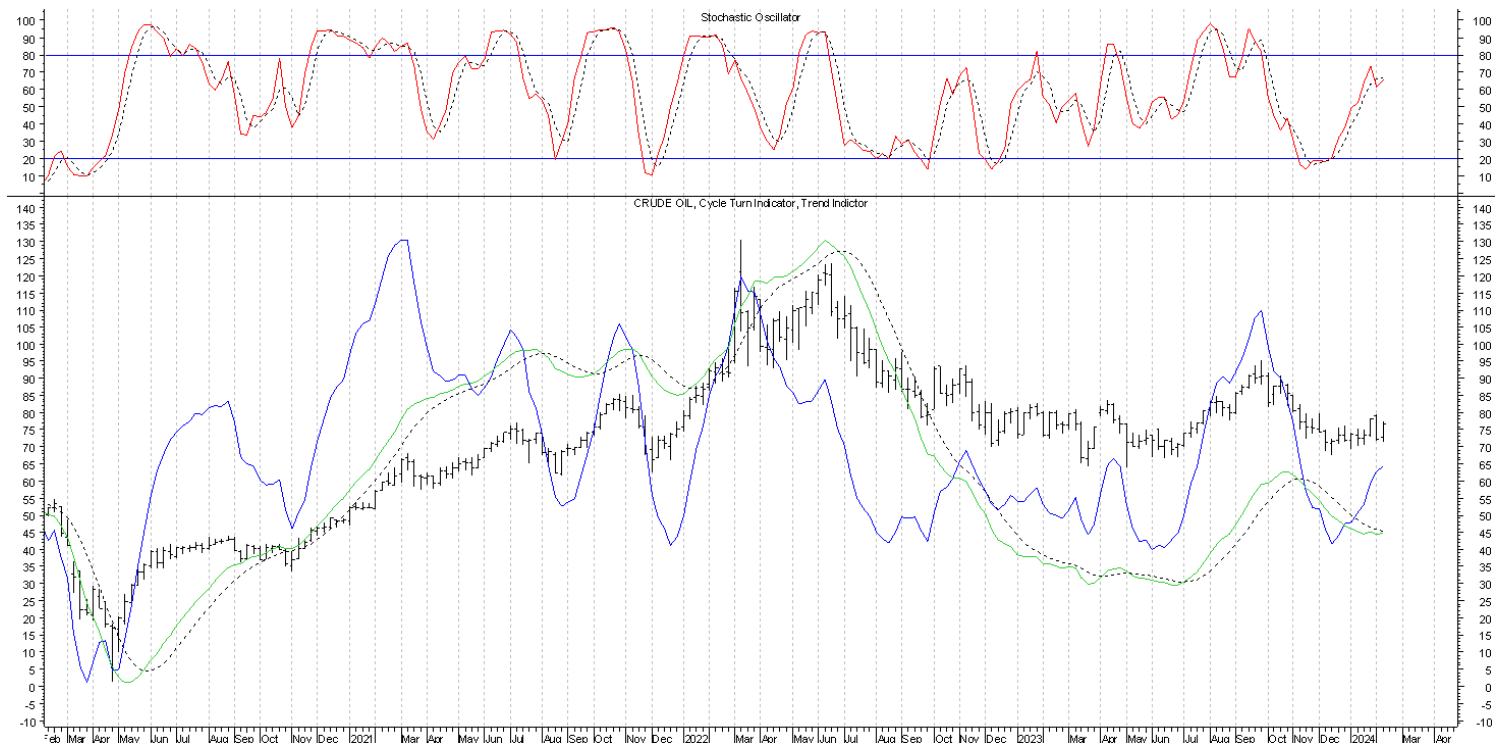


## Crude Oil

The short-term buy signal in association with Tuesday's completion of a daily swing low remains intact and it is this advance that serves as the test of the intermediate-term cycle top. As this structural test runs its course, this short-term buy signal will remain intact until another daily swing high AND downturn of the daily CTI are seen. Another daily swing high will be completed on Monday if 77.29 is not bettered and if 75.93 is violated.



Our weekly chart of Crude Oil is next. At this level the February 2nd weekly reversal continues to be suggestive of the intermediate-term cycle top, but it is the advance in association with this past week's short-term buy signal that serves as a structural test of that top. The ongoing intermediate-term buy signal will remain intact until a weekly swing high AND downturn of the weekly CTI are seen. The completion of another weekly swing low in the coming week will keep this intermediate-term advance structurally alive, but still within the context of a counter-trend intermediate-term advance. 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 low will be completed in the coming week if 71.41 holds and if 77.29 is bettered.



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