

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 22, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Positive	Low	Negative	Low
Transports	Neutral	Low	Negative	High
NDX	Positive	Low	Negative	High
S&P Inverse Fund	Negative	N/A	Negative	High
CRB Index	Positive	Low	Positive	Low
Gold	Positive	Low	Negative	High
XAU	Negative	High	Negative	High
Dollar	Negative	High	Positive	Low
Bonds	Negative	High	Negative	High
Crude Oil	Negative	Low	Positive	Low
Unleaded	Positive	High	Positive	High
Natural Gas	Positive	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 22, 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)	Bearish
CTI on Rydex Tempest Fund *	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
*When this indicator is Bullish it is negative for the market and visa versa.	

Daily Indicator Summary Short-Term Buy	
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	Bullish
Confirming Indicators	
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	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bullish
Trading Cycle Oscillator	Bullish
Momentum Indicator	Bullish
Ratio Adjusted McClellan Oscillator Crossover	Bearish
Accumulation/Distribution Index	Bullish

On Thursday the Industrials completed the formation of a daily swing low and with the upturn of ALL Three of the Primary Short-Term Indicators, a short-term buy signal was triggered. The timing band for the trading cycle low runs between February 27th and March 18th. Since the February 13th triggering of a short-term sell signal, this trading cycle top has been trying to take hold, but with Thursday’s completion of another daily swing low the Industrials have managed to make yet another push into the trading cycle top and with the timing band for the trading cycle top now upon us, this buy signal should be in association with an ending push into that top. With the timing band for the higher degree intermediate-term cycle low now also upon us, conditions continue to be extremely ripe for the intermediate-term cycle top as well. Once another short-term sell signal is triggered, the trading cycle top should finally be in place and if the decline out of the trading cycle top completes the formation of a weekly swing high, then we should also have the intermediate-term cycle top in place as well. With this intermediate-term cycle being right-translated, the expectation is for this decline to be counter-trend. The timing band for the intermediate-term cycle low runs

between February 16th and April 19th. It will be the advance out of the next intermediate-term cycle low that the higher degree setup with the CheckMate Chart will have an opportunity to take form.

Crude Oil triggered another short-term sell signal on Wednesday, but because of the reversal off the low, we needed to see a close below Wednesday's low as confirmation of the short-term sell signal. With Thursday's completion of a daily swing low that confirmation was not seen, but the overall price/oscillator picture is suggestive of the trading cycle top, which should be in place once a solid short-term sell signal is triggered. Gasoline's reversal off its low on Thursday and the accompanying oscillator picture makes conditions ripe for a bounce and any further advance on Friday that completes the formation of a daily swing low will trigger a short-term buy signal.

Natural Gas triggered a short-term buy signal on Wednesday, but given the higher degree cycle tops this advance should be counter-trend. The CRB Index triggered another short-term buy signal on Wednesday in association with another push into the trading and intermediate-term cycle top. The expectation is for the current intermediate-term advance 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. Once a short-term sell signal is followed by the formation of a weekly swing high, the higher degree intermediate-term cycle top should be in place.

Gold's advance out of the February 15th daily swing low and the short-term buy signal that followed the next day remains intact and in doing so, the price/oscillator picture is suggestive of an early trading cycle low having been seen. As a result, any further weakness in the wake of Thursday's reversal lower will be suggestive of a left-translated trading cycle top.

The XAU triggered a short-term sell signal on Wednesday and in doing so, the the XAU is at risk of a left-translated trading cycle top.

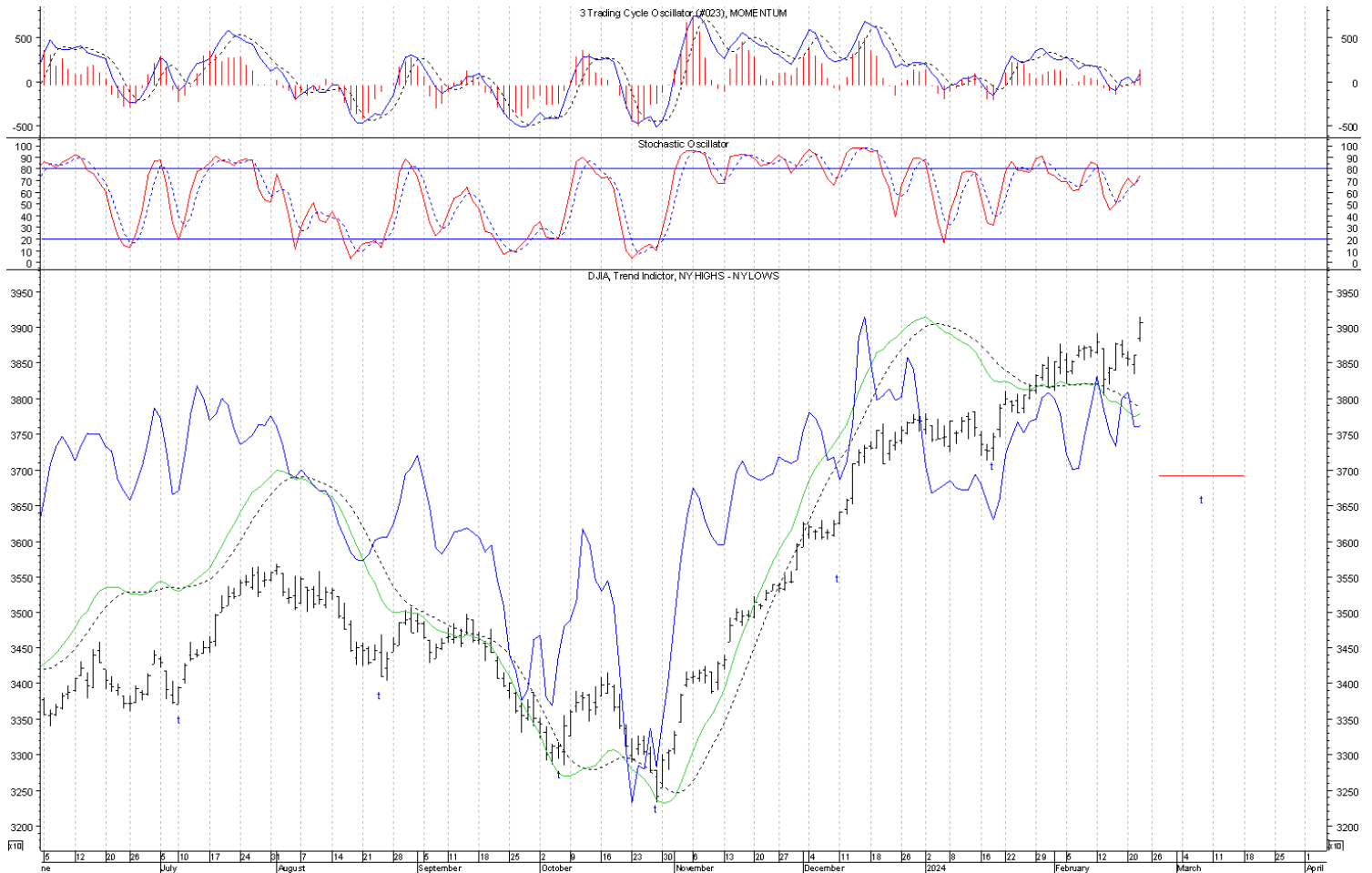
The February 15th short-term sell signal on the Dollar remains intact and the trading cycle low should ideally still lie ahead. But, once a daily swing low and upturn of the daily CTI are seen, this low should be in place.

Bonds have moved into the middle portion of the timing band for the trading cycle low and once a daily swing low and upturn of the daily CTI are seen, this low should be in place.

The Intermediate-Term Advancing Issues Line, plotted in red, continues its recent upturn. 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 has continued 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 assume the intermediate-term cycle top to be in place until Equities can prove otherwise.

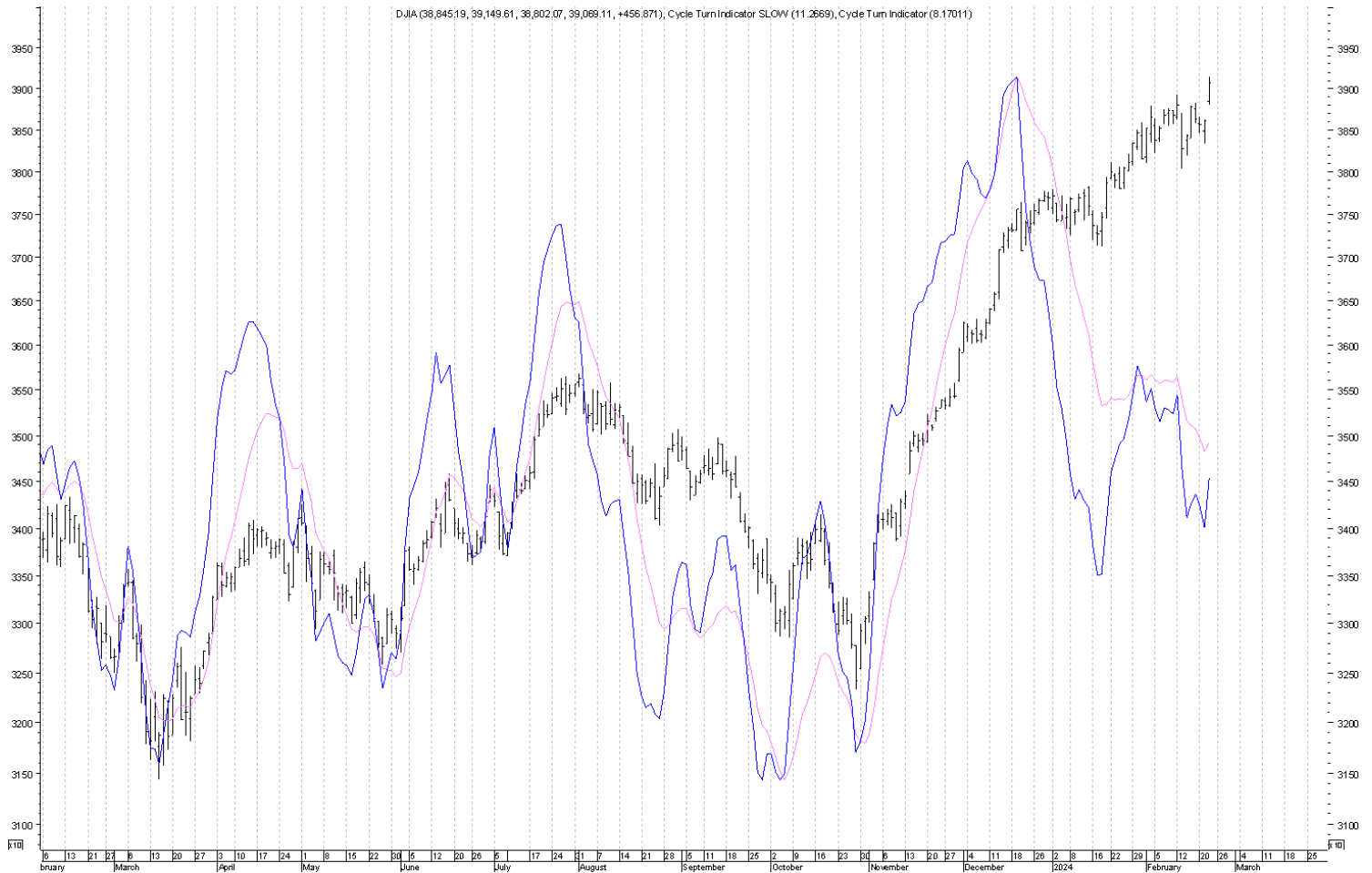


The **Trading Cycle Oscillator** in the upper window continues its recent upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window also continues its recent upturn. The **New High/New Low Differential**, plotted with price, turned down on Wednesday, but back up on Thursday. The **Trend Indicator** has ticked up, but thus far remains below its trigger line.

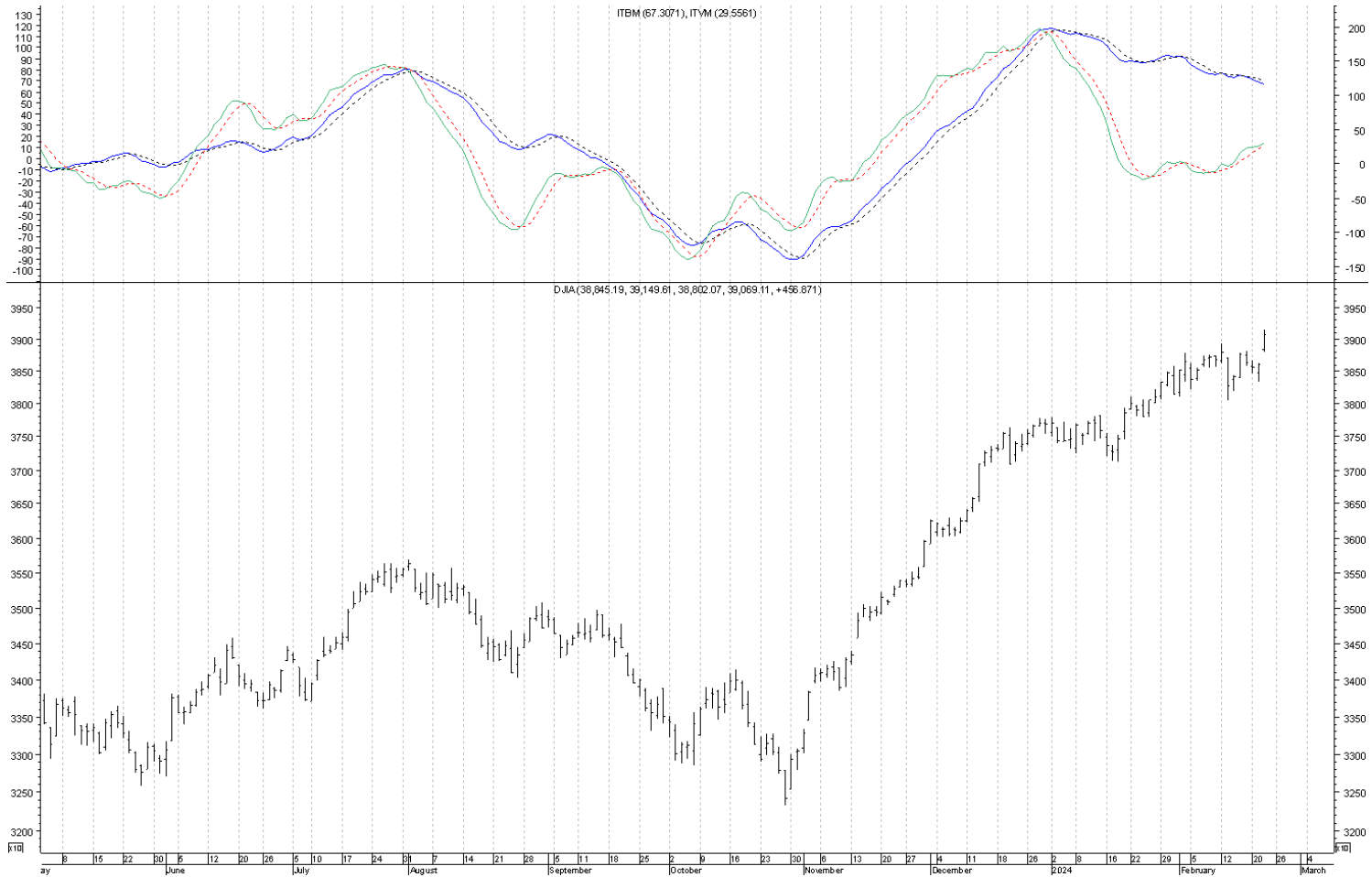


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

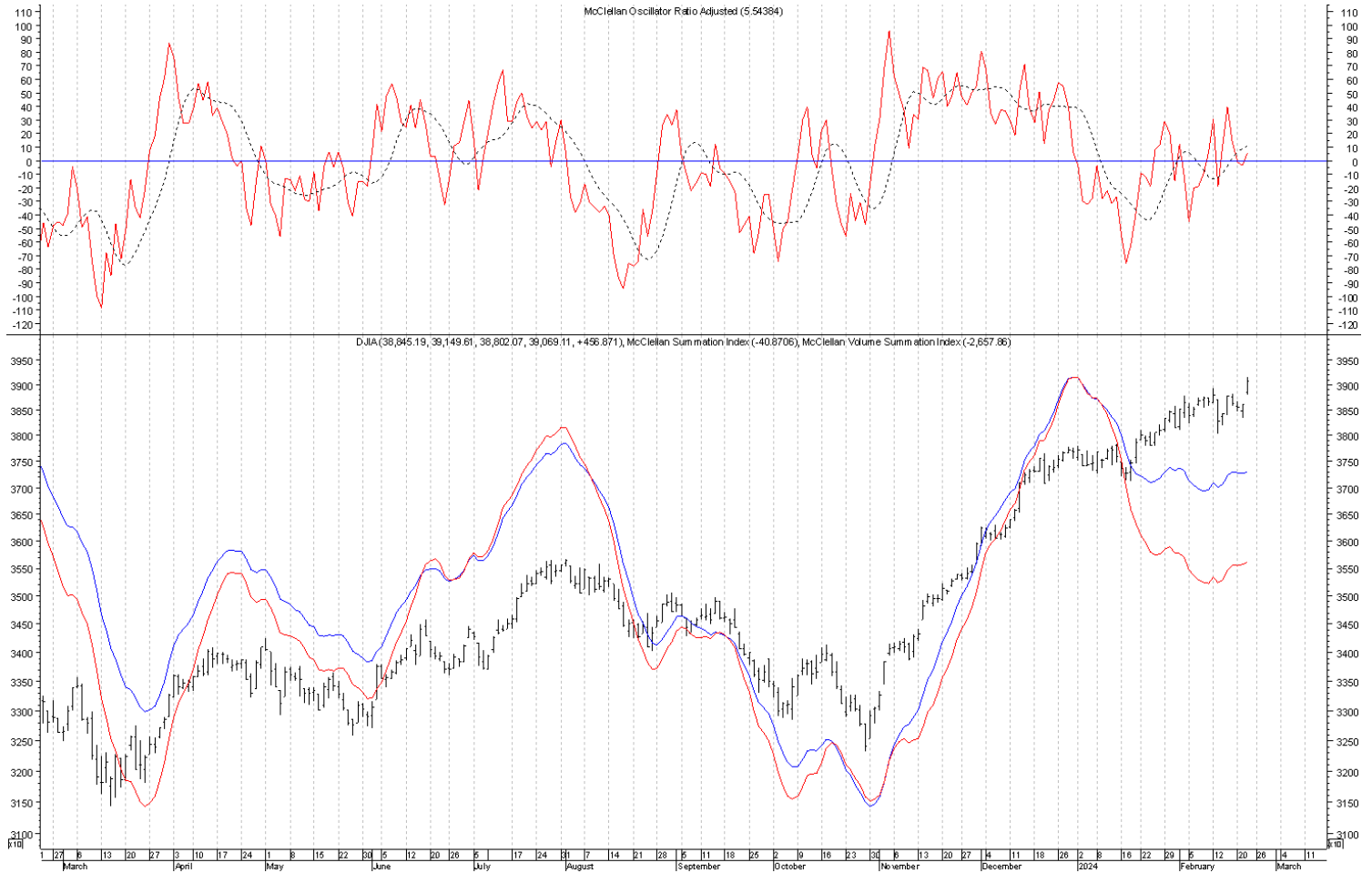
The February 13th short-term sell signal was reversed on Thursday in association with what should be an ending push up into the trading cycle top. Once another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen, another short-term sell signal will be triggered and the trading cycle top should finally be in place.



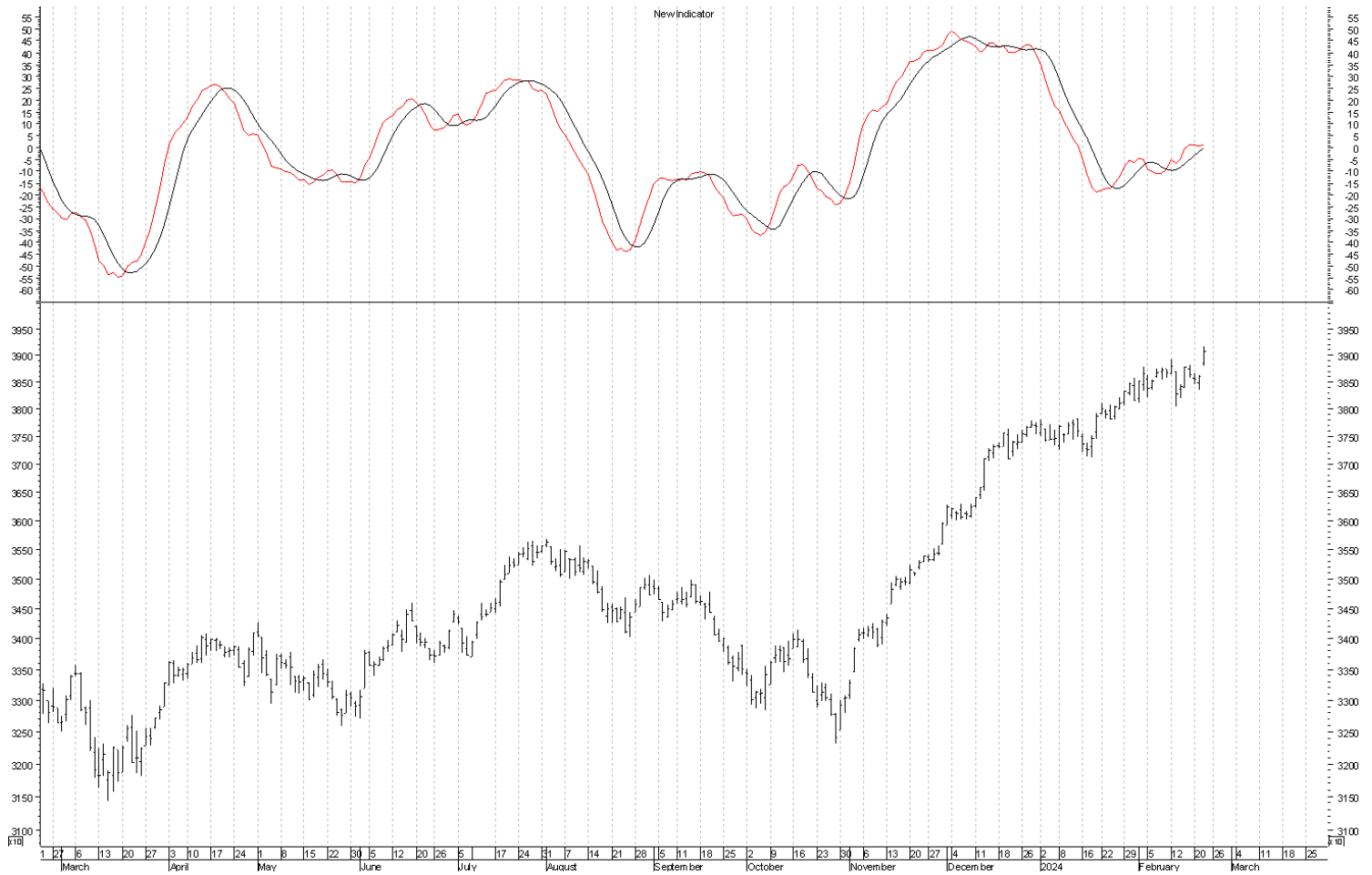
The **Intermediate Term Breadth Momentum Oscillator** remains below its trigger line while the **Intermediate Term Volume Momentum Oscillator** remains above its trigger line. Another downturn of both of these indicators in conjunction with the re-triggering of another short-term sell signal should prove to be in association with the trading and intermediate-term cycle tops.



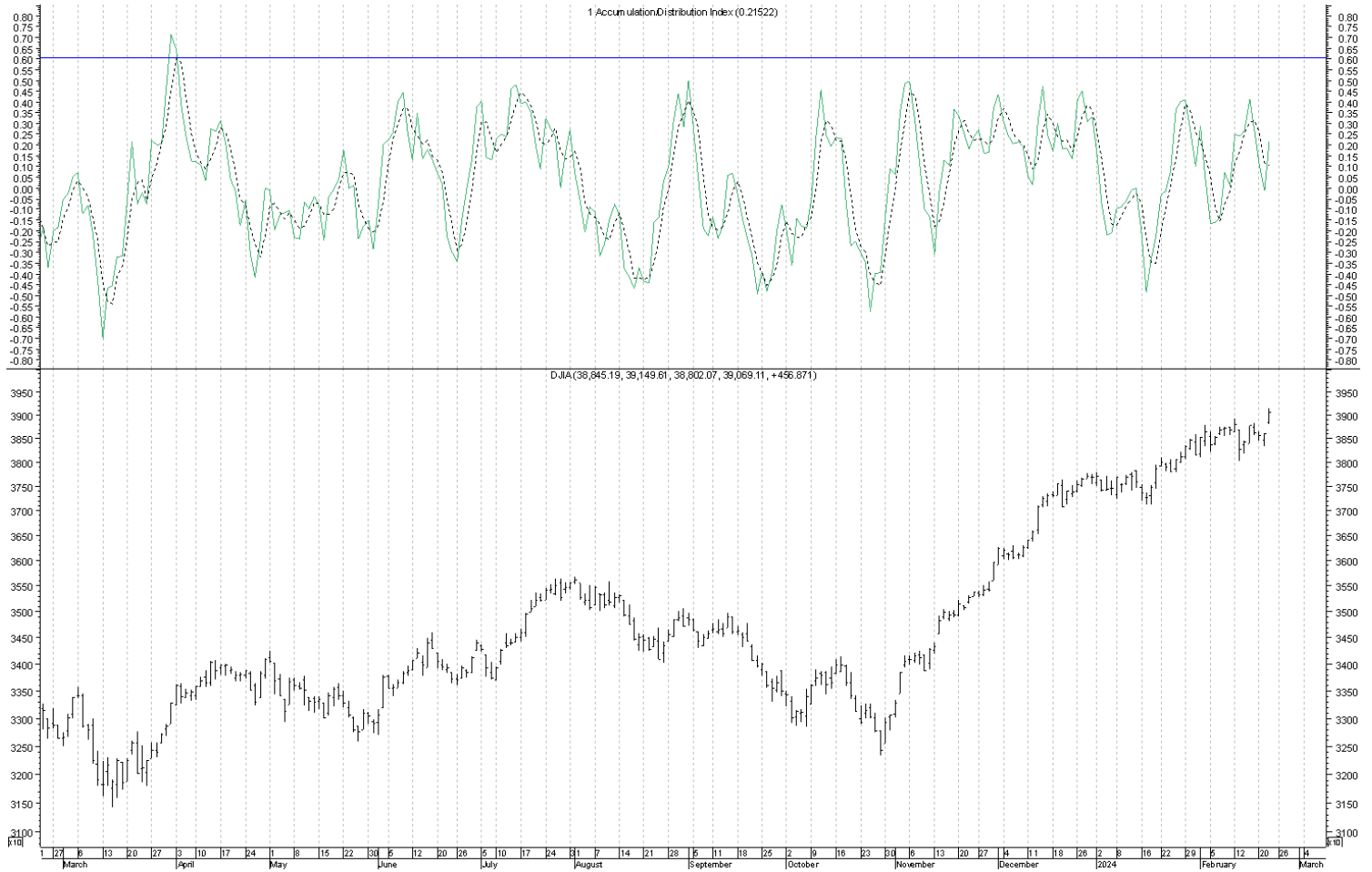
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have turned back up. The **Ratio Adjusted McClellan Oscillator** has also ticked back up, but has not yet crossed above its trigger line. The resulting divergence is also suggestive of this advance being in association with an ending push into the trading cycle top.



The smoothed McClellan oscillator remains above its trigger line. Given the cyclical phasing, another downturn should prove to be in association with the trading cycle top.



The **Accumulation/Distribution Index** has turned back up. Another downturn here will be suggestive of the trading cycle top.

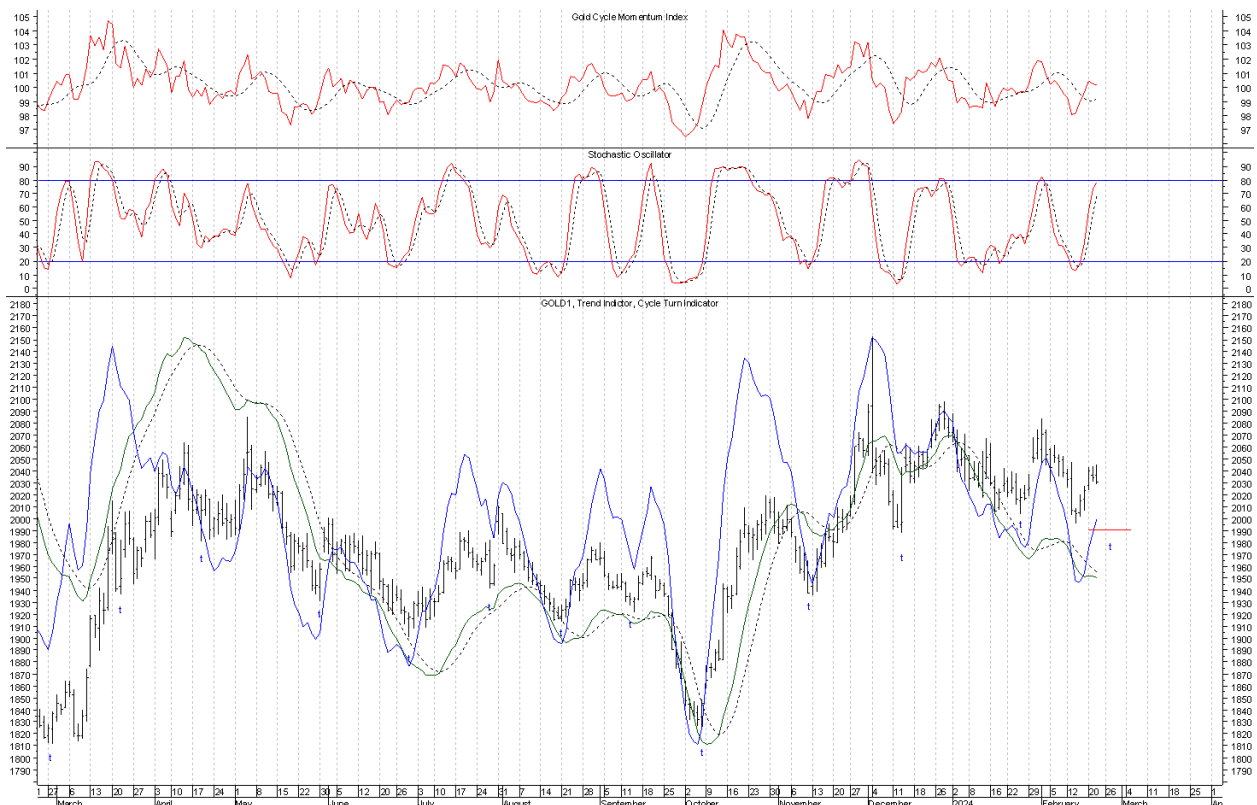


Gold

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

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)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the pending trading cycle low runs between February 20th and March 5th. The price action on February 15th completed the formation of a daily swing low and with the upturn of the daily CTI on February 16th a short-term buy signal was triggered. With this advance still intact, every indication continues to be that an early trading cycle low has been seen. Assuming this to be the case, Thursday's reversal lower and the accompanying oscillator picture leave Gold at risk of a left-translated trading cycle top. However, this short-term buy signal will remain intact until another daily swing high and downturn of the daily CTI are seen. More on the cyclical phasing as we move through the remainder of the timing band for this low. Another daily swing high will be completed on Friday if 2,045.50 is not bettered and if 2,029.30 is violated.



Our daily chart of the XAU is next. The price action on February 15th completed the formation of a daily swing low and with the upturn of the daily CTI, a short-term buy signal was triggered. In doing so, the price/oscillator picture here has been suggestive of the trading cycle low having been seen. On Wednesday the XAU completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal was triggered. Because of the reversal off the low, we needed to see a close below Wednesday's low, which we saw on Thursday. As a result of this sell signal and the accompanying oscillator picture, the price/oscillator picture now leaves the XAU at risk of a left-translated trading cycle top. If this trading cycle advance should in fact prove to peak with a left-translated structure, it will leave the XAU positioned for yet another trading cycle down into the higher degree intermediate-term cycle low. Otherwise, the completion of a weekly swing low, followed by a right-translated trading cycle advance, will be suggestive of the 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 Friday if 104.74 holds and if 106.62 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	Bearish
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Daily Indicator Summary **Short-Term Sell**

Primary Indicators

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

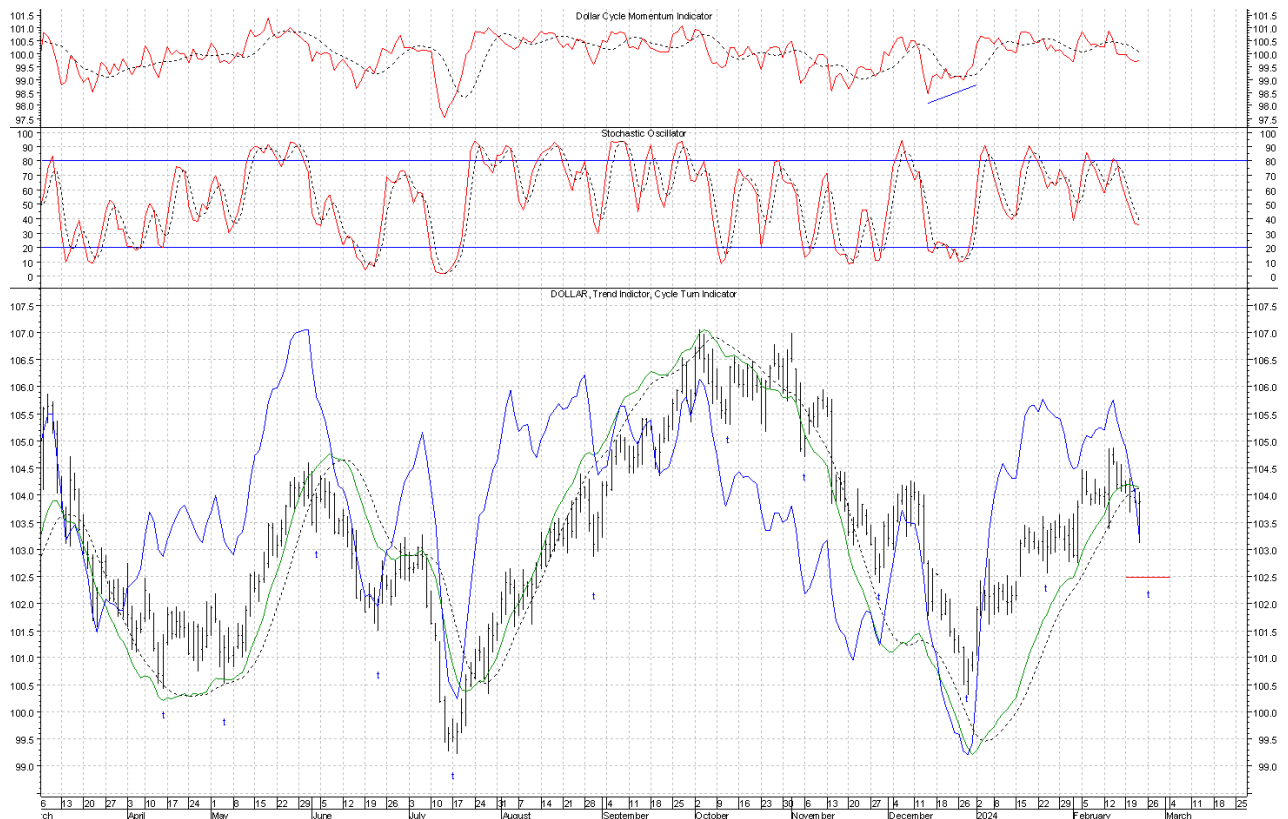
Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

Secondary Indicators

5 3 3 Stochastic	Bearish
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The timing band for the pending trading cycle low runs between February 19th and March 2nd. No change with the Dollar. The short-term sell signal remains intact and while price has moved into the early side of the timing band for the trading cycle low, I would ideally still like to see continued weakness as we move into the middle portion of the timing band. If the decline in association with the February 15th short-term sell signal and into the trading cycle low completes the formation of a weekly swing high, then we should ideally have the higher degree intermediate-term cycle top as well. That said, once another daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and this low should be in place. A daily swing low will be completed on Friday if 103.11 holds and if 104.06 is bettered.

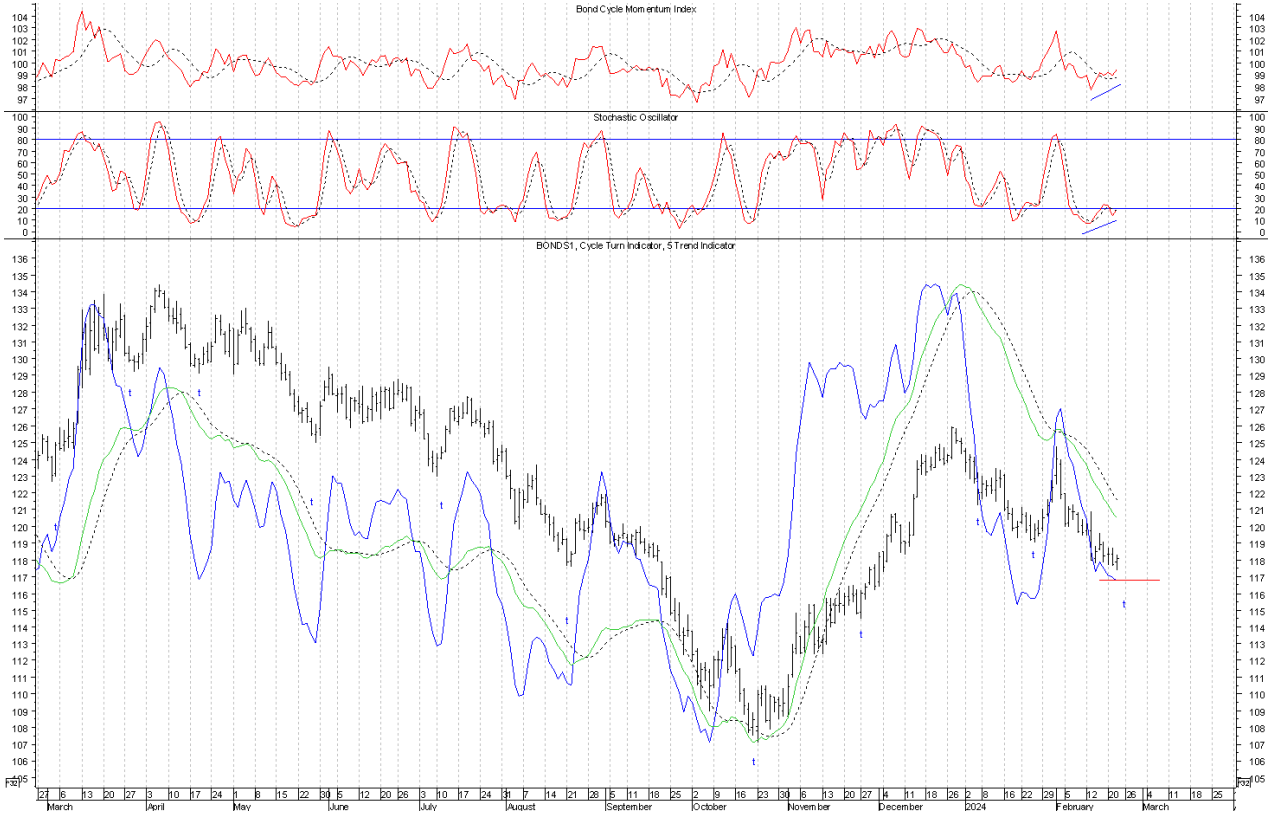


Bonds

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

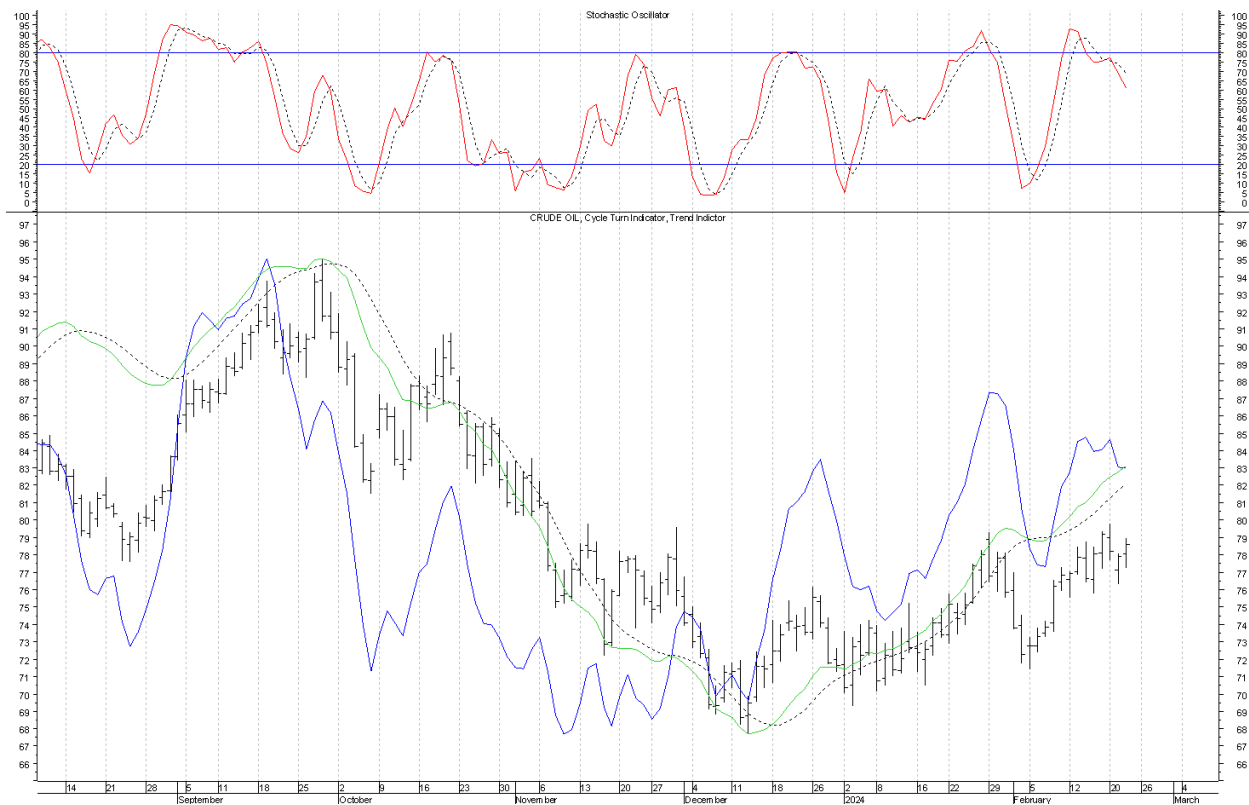
Daily Indicator Summary Short-Term Sell	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the now due trading cycle low runs between February 15th and March 7th. Per the Tuesday night update, I ideally wanted to see another couple of days down into this low, which we have now seen. With price now moving into the middle portion of the timing band, Thursday’s reversal higher and with the divergent Cycle Momentum Index and 5 3 3 Stochastic, the trading cycle low should be in place once another daily swing low and upturn of the daily CTI are seen. Based on the cyclical structure and timing for the intermediate-term cycle low, the advance out of the now due trading cycle low should prove to be counter-trend and followed by at least one more trading cycle down into the higher degree intermediate-term cycle low. More on that as the advance out of the trading cycle low unfolds.



Crude Oil

The price action on February 15th completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal was triggered. But, because of the reversal off the low, we needed to see a close below the February 15th low as confirmation of this signal. With the completion of another daily swing low on February 16th, that additional confirmation was not seen. On Tuesday Crude Oil initially moved higher, but the reversal lower, which was again suggestive of a top as is the accompanying downturn of the 5 3 3 Stochastic. On Wednesday Crude Oil completed the formation of another daily swing high and with the daily CTI having turned down, a short-term sell signal was triggered. But, as was the case last week, because of the price reversal off the low on Wednesday, we need to see a close below Wednesday's low and with the completion of another daily swing low on Thursday, that confirmation was not seen. Therefore, while the price/oscillator picture continues to be suggestive that a top is in the making, we must see a solid triggering of a short-term sell signal. Structurally, this advance served as the test of the higher degree intermediate-term cycle top. If a weekly swing high and downturn of the weekly CTI are seen in conjunction with the decline out of the pending/current trading cycle top, then the evidence will be suggestive of this advance having run its course and that the intermediate-term cycle top has been seen. Another daily swing high will be completed on Friday if 78.92 is not bettered and if 77.23 is violated.



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