

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 27, 2024

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

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 27, 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 |
| <i>*When this indicator is Bullish it is negative for the market and visa versa.</i> | |

| Daily Indicator Summary Short-Term Sell | |
|--|---------|
| Primary Indicators | |
| Formation of a Daily Swing High | Bearish |
| Cycle Turn Indicator (CTI) | Bearish |
| Slow Cycle Turn Indicator (CTI) | Bearish |
| New High/New Low Differential | Bearish |
| 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 | Bearish |
| Cycle Momentum Indicator | Bullish |
| Trading Cycle Oscillator | Bullish |
| Momentum Indicator | Bullish |
| Ratio Adjusted McClellan Oscillator Crossover | Bearish |
| Accumulation/Distribution Index | Bullish |

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 last Thursday’s completion of a daily swing low, a short-term buy signal was triggered in association with an additional push into the trading cycle top. On Tuesday the Industrials completed the formation of a daily swing high and with the downturn of ALL Three of the Primary Short-Term Indicators, a short-term sell signal was re-triggered. Given that we have now moved into the early portion of the timing band for the trading cycle low, this short-term sell signal should ideally be in association with both the trading and intermediate-term cycle top, but as confirmation of this short-term sell signal I want to see an additional close below the February 22nd low. If the decline out of this trading cycle top completes the formation of a weekly swing high, then we should also prove to have the intermediate-term cycle top in place as well. With price now moving into the timing band for the trading cycle low, the expectation is not to see the intermediate-term cycle low in conjunction with the pending trading cycle low, but for there to be an

additional trading cycle down into the higher degree intermediate-term cycle low. The timing band for the intermediate-term cycle low runs between February 16th and April 19th. It will then be in conjunction with the advance out of the next intermediate-term cycle low that the opportunity for the setup to cap the higher degree cycle tops in conjunction with the setting up of the CheckMate Chart will come.

Crude Oil triggered another short-term buy signal on Tuesday and in doing so we are seeing yet another test of or ending push into the trading cycle top. The completion of another daily swing high and triggering of a short-term sell signal will be suggestive of this advance having run its course. Gasoline

reversed off its low last Thursday and per the weekend update, the accompanying oscillator picture made conditions ripe for a bounce and on Monday a short-term buy signal was triggered. In this case, we may have seen the trading cycle low with this advance now serving as a structural test of the higher degree intermediate-term cycle top.

Natural Gas triggered a short-term buy signal last Wednesday and we knew that advance should ideally prove to be counter-trend. On Tuesday a short-term sell signal was triggered, but as additional confirmation of this signal I want to see a close below Tuesday's low.

The CRB Index triggered yet another short-term buy signal on Monday and more strength followed on Tuesday and here too, we are proving to see an additional push into the trading and intermediate-term cycle top. At a higher level, the downturn out of the pending intermediate-term cycle top will leave the CRB positioned for continued weakness in association with the downturn out of the higher degree seasonal and 3-year cycle top.

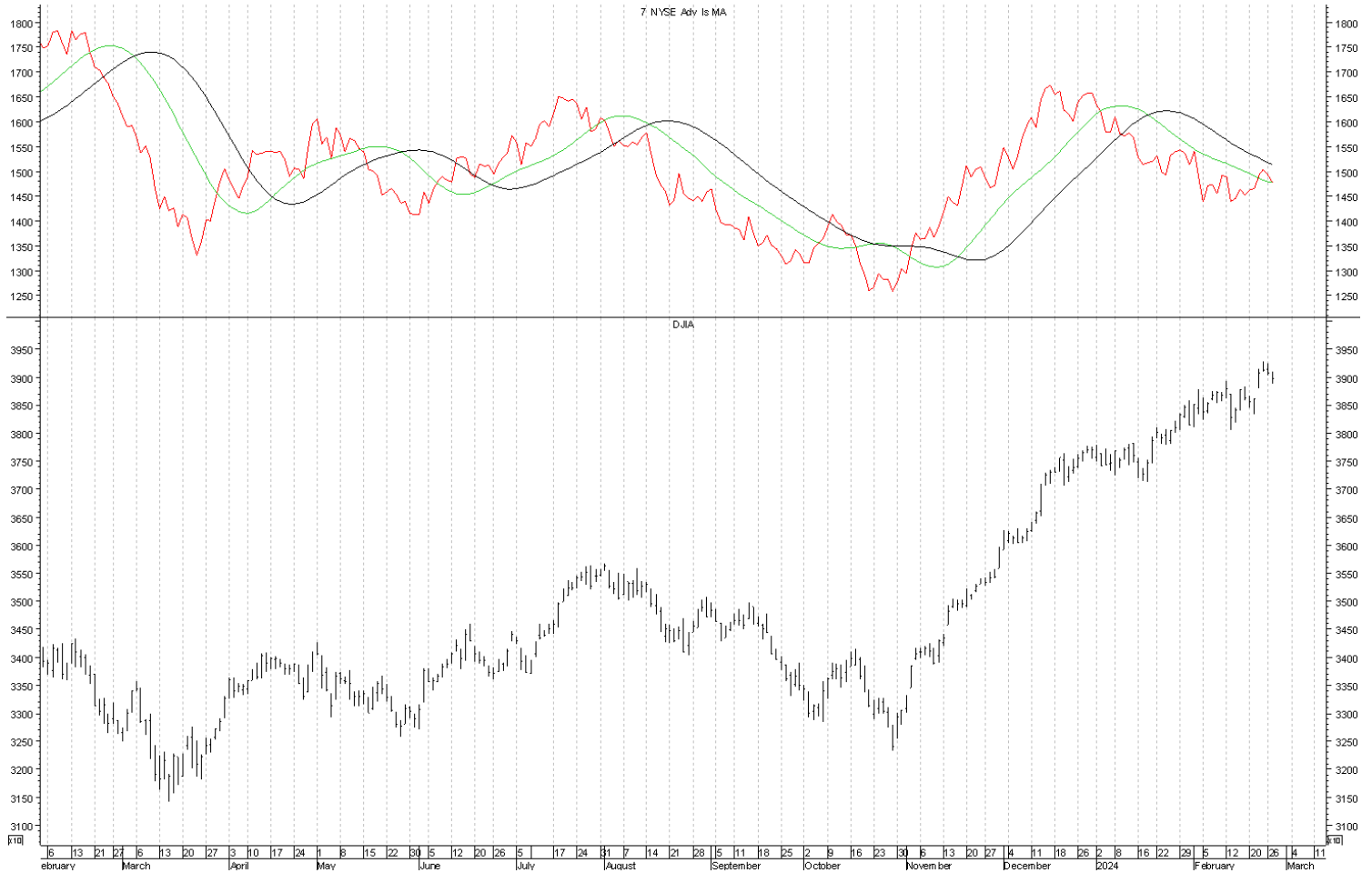
The short-term buy signal on Gold remains intact and every indication continues to be that the trading cycle low was seen in conjunction with the February 15th completion of a daily swing low.

The XAU triggered a short-term sell signal on February 21st and with Monday and Tuesday being inside days, the XAU remains at risk of a left-translated trading cycle top.

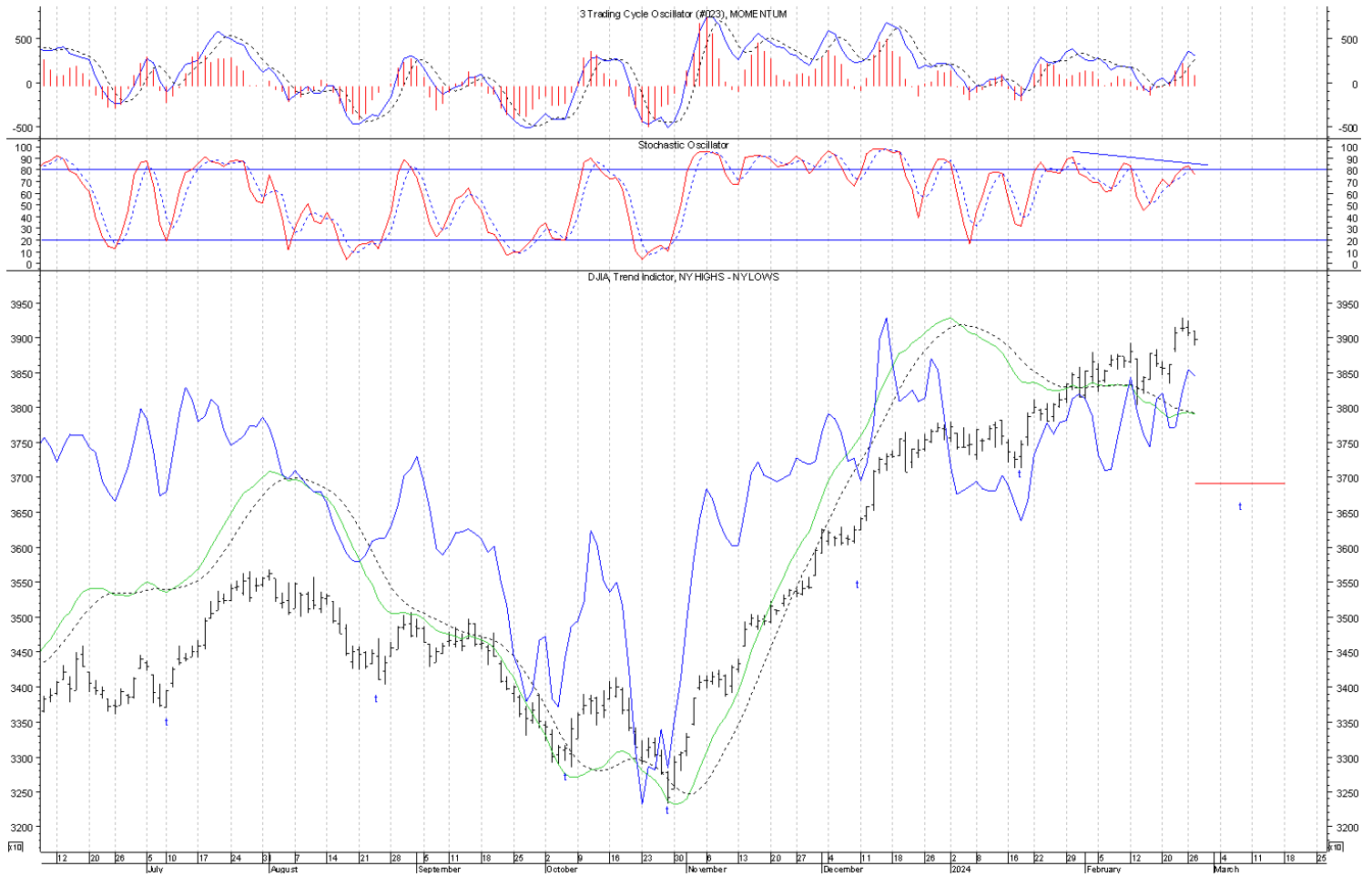
With the last 3 trading day's being inside days on the Dollar, there have been no changes. The February 15th short-term sell signal remains intact and ideally I would still like to see another push down into the trading cycle low, but once a daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and this low should be in place.

Bonds completed the formation of a daily swing high on Tuesday, leaving them 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 and the assumption will be that a left-translated top has been seen, thereby leaving Bonds positioned for another trading cycle down into the higher degree intermediate-term cycle low.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back down. The Green MA continues its downturn below the Black MA so there have been no changes here. 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, once a weekly swing high and intermediate-term sell signal are triggered, the intermediate-term cycle top should be in place.

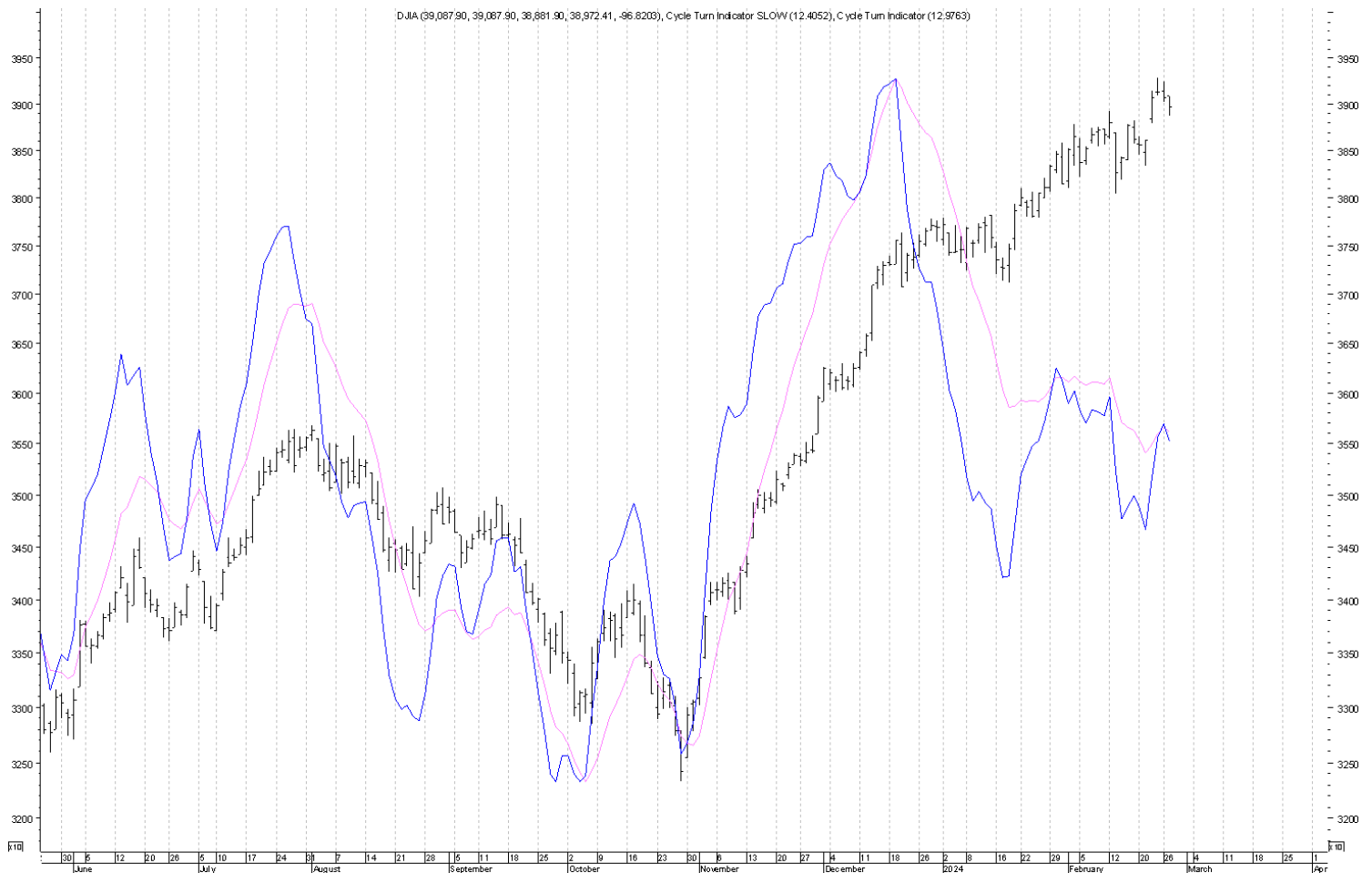


The **Trading Cycle Oscillator** in the upper window has turned down, but has not yet crossed back below its trigger line. The **Momentum** Indicator has also turned back down, but has not crossed below its zero line. The **5 3 3 Stochastic** in the middle window has turned down from overbought levels. The **New High/New Low Differential**, plotted with price, has ticked down as well. The **Trend Indicator** remains marginally below its trigger line.

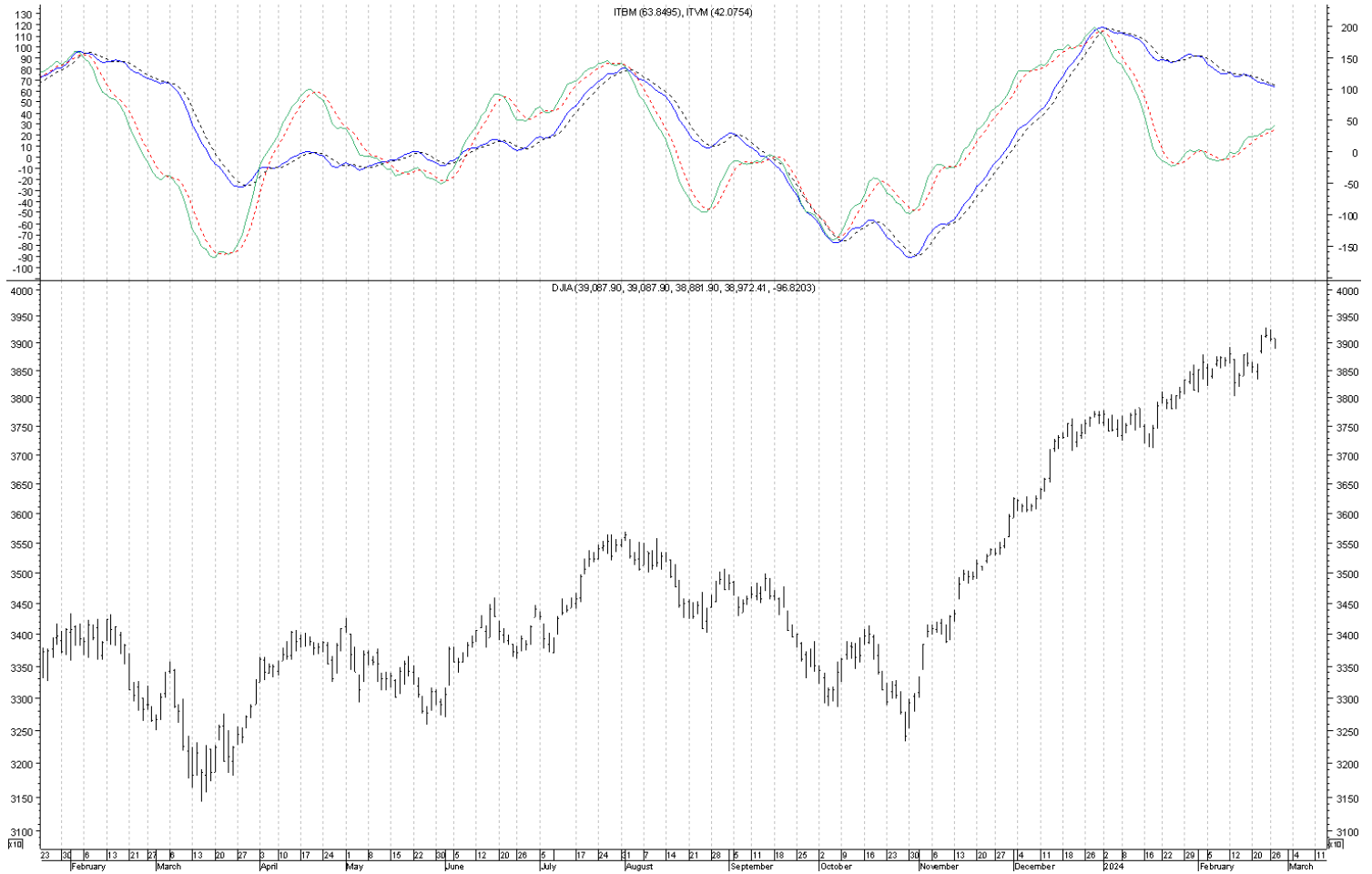


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

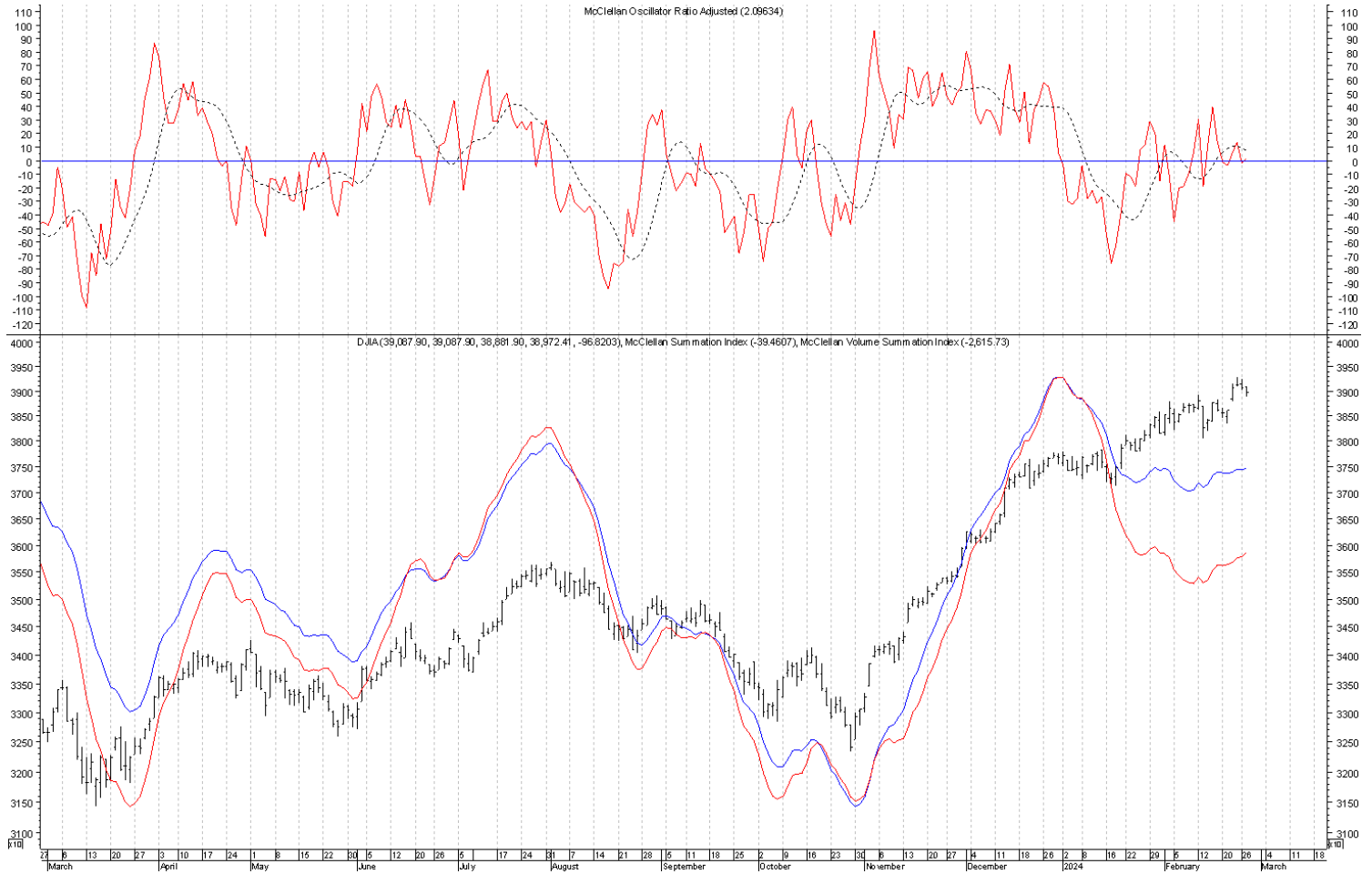
On Tuesday the Industrials completed the formation of a daily swing high and with the downturn of ALL Three of the Primary Short-Term Indicators, another short-term sell signal has been triggered. Based on the cyclical phasing for the trading and intermediate-term cycle lows, both the trading and intermediate-term cycle top should be in place, but as confirmation of this short-term sell signal I want to see a close below the February 22nd low.



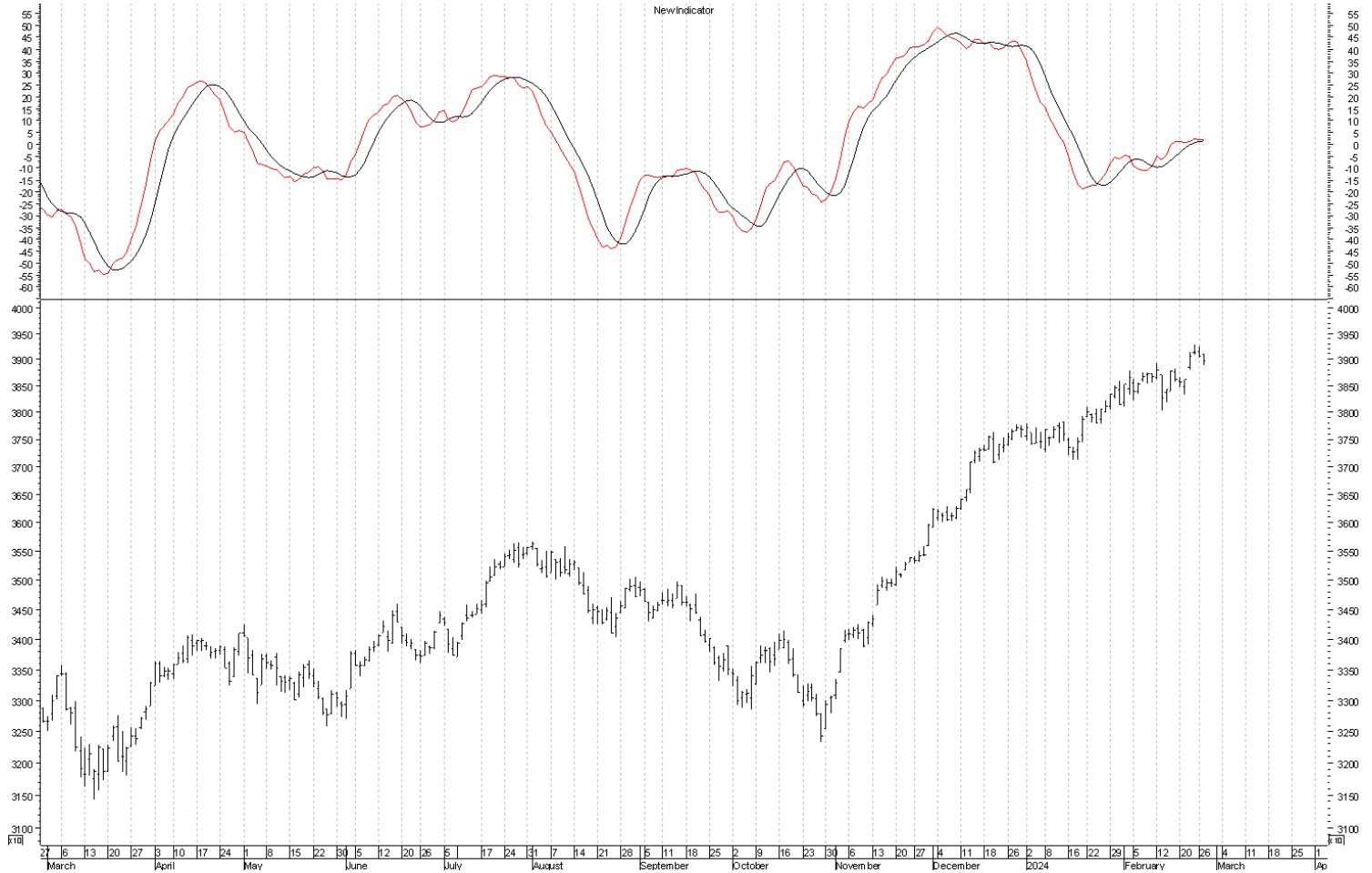
No changes here. The **Intermediate Term Breadth Momentum Oscillator** remains below its trigger line while the **Intermediate Term Volume Momentum Oscillator** remains above its trigger line. Another downturn of both of these indicators in conjunction with Tuesday's triggering of a short-term sell signal should prove to be in association with the trading and intermediate-term cycle tops.



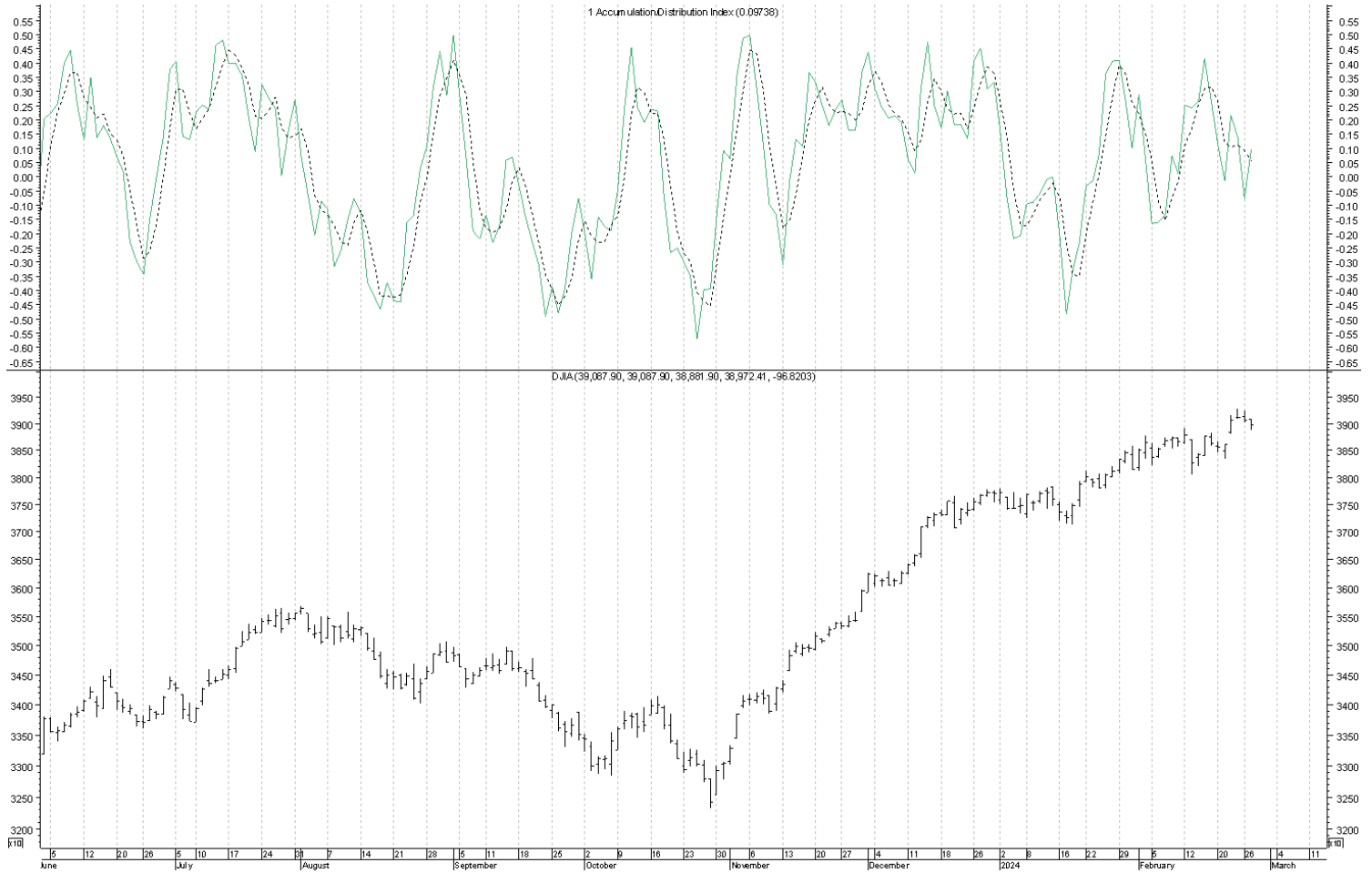
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** continue their upturns. The **Ratio Adjusted McClellan Oscillator** ticked back down below both its trigger and zero line on Monday, with an upturn back above the zero line on Tuesday. Another downturn below the zero line in association with a close below the February 22nd low on the Industrials should serve as confirmation of both the short-term sell signal and the trading cycle top.



The smoothed McClellan oscillator remains above its trigger line, but marginally so. Another downturn at this juncture should prove to be in association with the trading cycle top and what should also ideally be the higher degree intermediate-term cycle top as well.



The **Accumulation/Distribution Index** ticked back up on Tuesday. Here too, another downturn at this juncture should prove to be in association with the trading cycle top and what should also ideally be the higher degree intermediate-term cycle top as well.

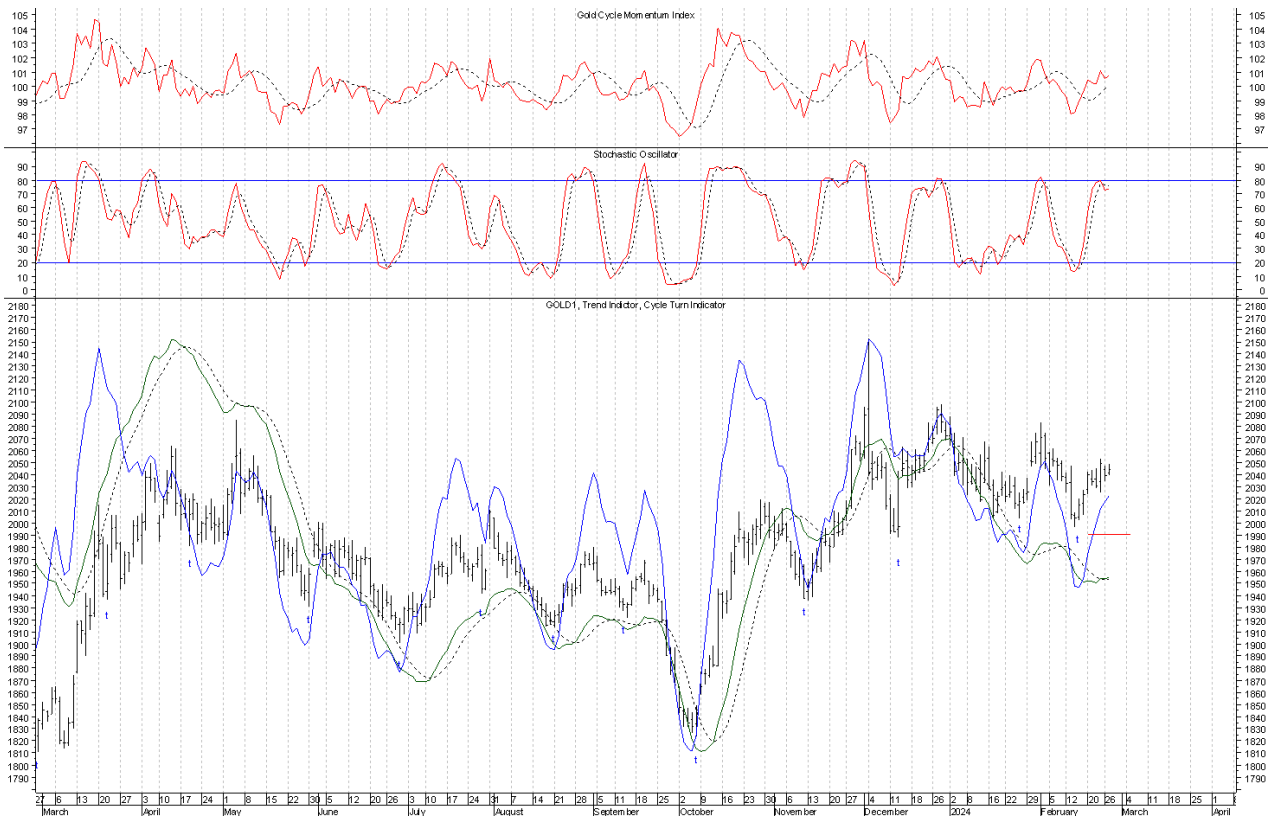


Gold

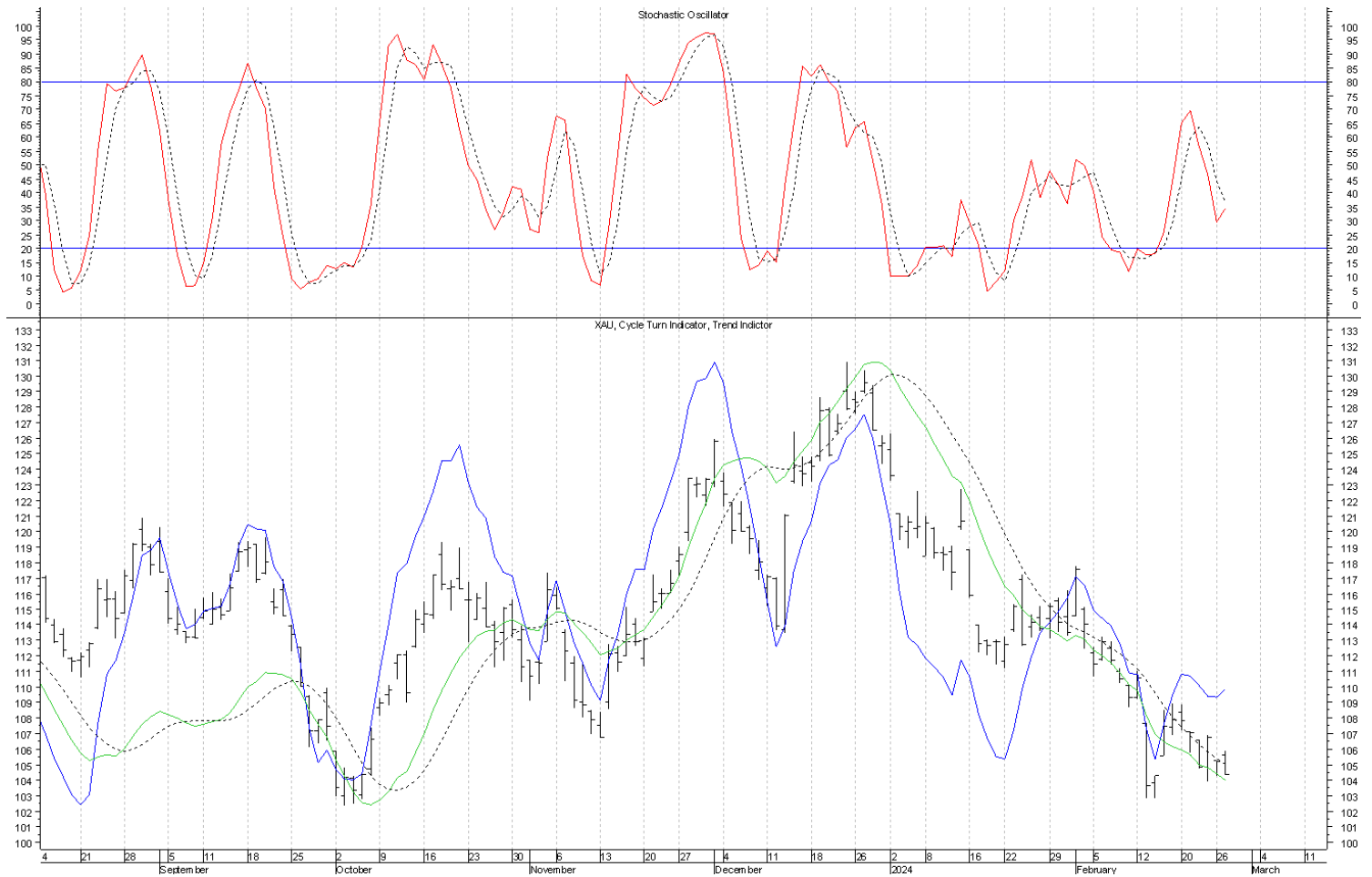
| End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell | |
|---|---------|
| Primary Indicators | |
| Formation of a Weekly Swing Low | Bullish |
| Cycle Turn Indicator (CTI) | Bearish |
| Confirming Indicators | |
| Trend Indicator (TI) | Bearish |
| Cycle Momentum Indicator | Bullish |
| 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) | 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 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. This advance still remains intact and thus far, every indication continues to be that an early trading cycle low was seen on February 14th. 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 Wednesday if 2,053.20 is not bettered and if 2,025.40 is violated.



Our daily chart of the XAU is next. With the price action on both Monday and Tuesday occurring within Friday's price range, there have been no changes. The February 21st short-term sell signal remains intact and thus far, the XAU remains at risk of a left-translated trading cycle top. In order to mend this risk, we must see the completion of another daily swing low that is followed by a bettering of the February 16th daily swing high. Otherwise, if this trading cycle advance does in fact prove to have peaked 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. To the contrary, 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 Wednesday if 103.92 holds and if 106.92 is bettered.



Dollar

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 | Bullish |

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 |

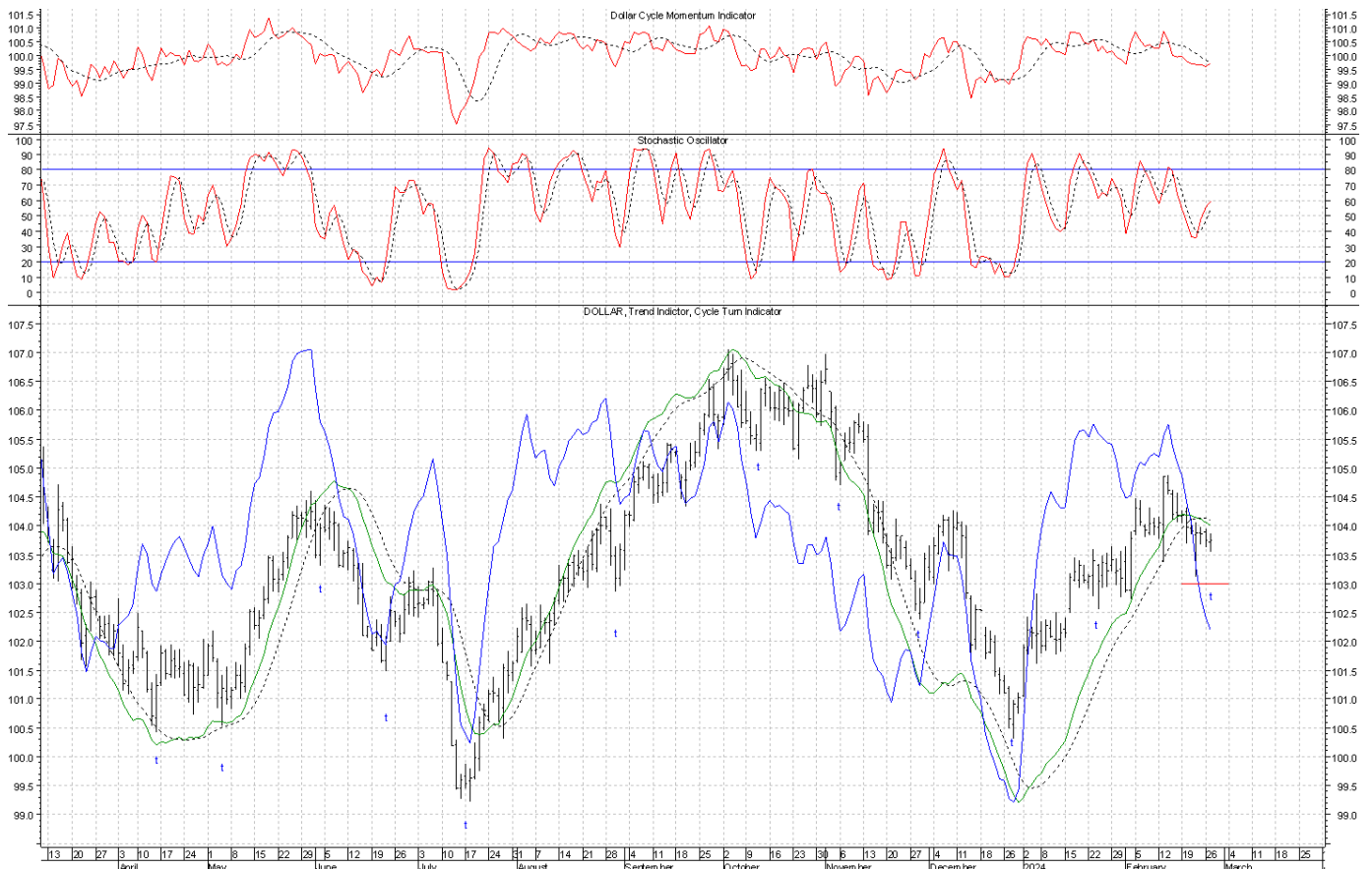
Confirming Indicators

| | |
|--------------------------|---------|
| Trend Indicator (TI) | Bearish |
| Cycle Momentum Indicator | Bearish |

Secondary Indicators

| | |
|------------------|---------|
| 5 3 3 Stochastic | Bullish |
|------------------|---------|

With all of the price action since February 22nd having occurred within the February 22nd price range, there have been no changes with the Dollar. The timing band for the pending trading cycle low runs between February 19th and March 2nd. The short-term sell signal remains intact and I would ideally still like to see another push down below the February 22nd low, but with price now moving toward the end of the timing band for this low, once a 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 Wednesday if 103.11 holds and if 104.06 is bettered.



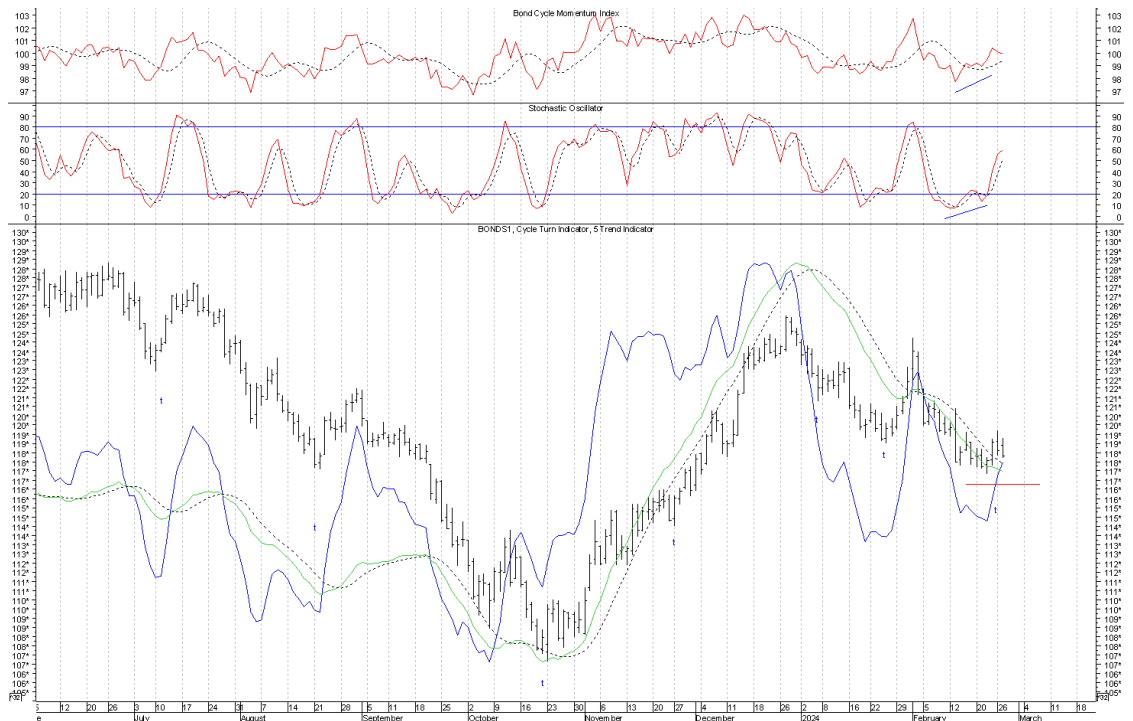
Bonds

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

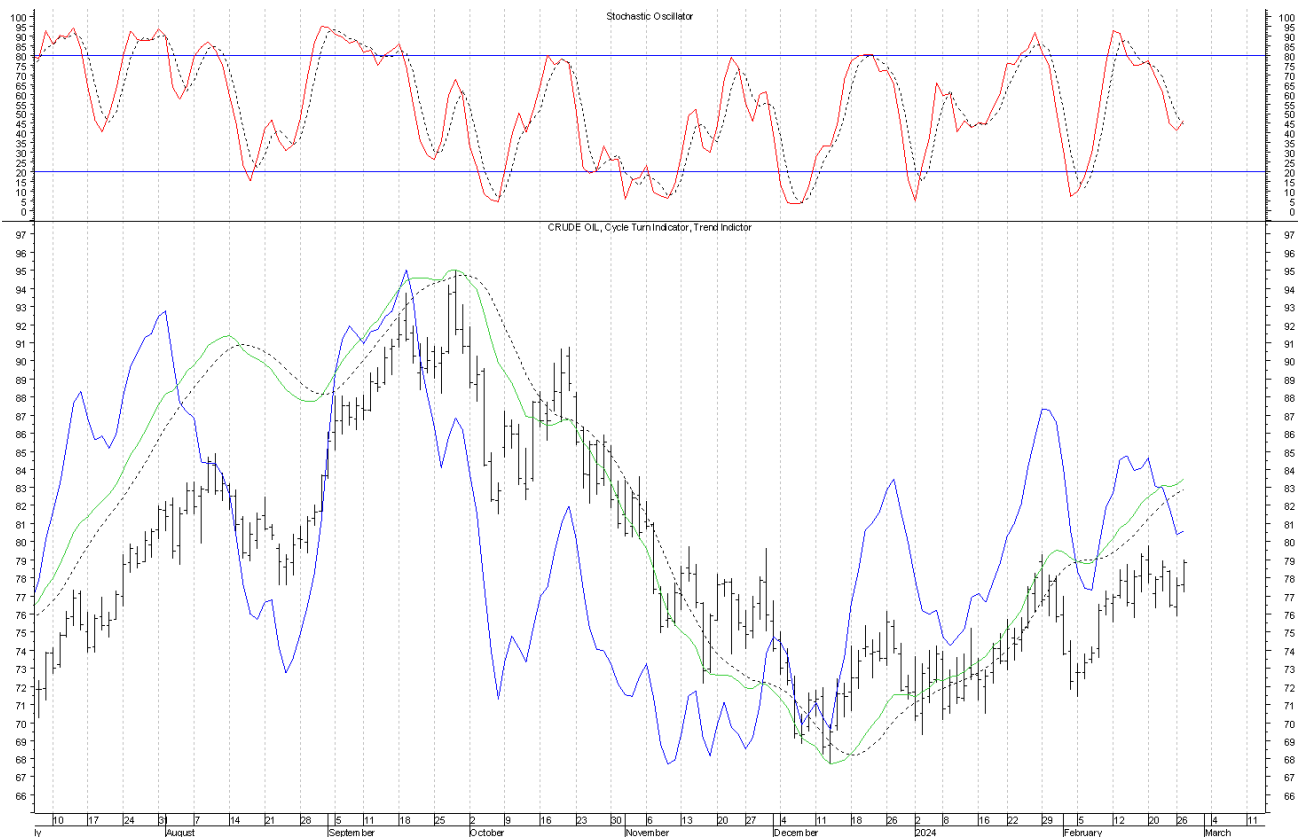
The timing band for the now due trading cycle low runs between February 15th and March 7th. Per the February 22nd update, with price having moved into the middle portion of the timing band, we knew that the reversal higher, in conjunction with the divergent Cycle Momentum Index and 5 3 3 Stochastic was suggestive of the trading cycle low. With the completion of daily swing low and upturn of the daily CTI the following day, a short-term buy signal was triggered and every indication continues to be that the trading cycle low has been seen. Based on the cyclical structure and timing for the intermediate-term cycle low, the expectation has been for this trading cycle advance to be counter-trend and followed by at least one more trading cycle down into the higher degree intermediate-term cycle low. With the completion of a daily swing high on Tuesday, this advance is now at risk of having run its course and any further weakness that turns the daily CTI down will trigger a short-term sell signal in association with what we will have to assume to be a left-translated trading cycle top. That said, if another daily swing low is first formed and the advance out of this trading cycle low completes the formation of a weekly swing low, then it may be possible that an early intermediate-term

cycle low has been seen. Confirmation of such will follow with a right-translated trading cycle advance. Otherwise, any further weakness in association with a left-translated trading cycle advance will leave Bonds positioned for what should ideally be at least one more trading cycle down into the intermediate-term cycle low.



Crude Oil

Since the completion of a daily swing high on February 15th, Crude Oil has been trying to top, but has struggled to trigger a solid short-term sell signal. With the completion of a daily swing high on Friday, another short-term sell signal was triggered and per the weekend update, the price/oscillator picture was/is suggestive of the trading cycle top having been seen. But, as was also explained in the weekend update, while the assumption is that this top is in place, I wanted to see a close below the February 15th low as additional structural confirmation. This additional confirmation was not seen on Monday and with the completion of another daily swing low and upturn of the daily CTI on Tuesday, another short-term buy signal was triggered. In doing so, Crude Oil is once again positioned for yet another retest of or ending push into the trading cycle top. As a result, this buy signal now serves as another structural test of the trading cycle top. If a weekly swing high and downturn of the weekly CTI are seen in conjunction with the decline out of this trading cycle top, then the evidence will be further suggestive of this advance having run its course and that the intermediate-term cycle top has also been seen. Another daily swing high will be completed on Wednesday if 79.00 is not bettered and if 77.17 is violated.



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