

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 March 5, 2024

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

\*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

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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.

March 5, 2024

## Stocks

End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Neutral</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
CTI on Rydex Tempest Fund *	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bullish
<b>Secondary Indicators</b>	
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 <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
<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	Bearish
McClellan Volume Summation Index	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bearish
Ratio Adjusted McClellan Oscillator Crossover	Bearish
Accumulation/Distribution Index	Bearish

In case you are unaware, the website was hacked this past weekend. The site is obviously back up and it is safe to access, but there are still some maintenance issues to be dealt with. In order do so, I have to make this update short. The website guys need this evening and the remainder of the week, Wednesday, Thursday and Friday as a maintenance window. Therefore, I will not be able to make any updates during this timeframe. The plan is to get back on schedule with the weekend update. All indicator summaries have been updated. Thanks for your patience and understanding on this matter.

In spite of the February 29th completion of a daily swing low on the Industrials and the continued advance on Friday, the February 27th short-term sell signal held. With Monday's price bar occurring within Friday's price range, this signal continued to hold and with the decline on Tuesday, the additional confirmation of the February 27th short-term sell signal was seen. In doing so, every indication is that the trading cycle top has finally been confirmed. This trading cycle top should ideally coincide with the higher

degree intermediate-term cycle top and any further weakness that completes the formation of a weekly swing high should serve as confirmation of that suspected higher degree cycle top. The timing band for the trading cycle low runs between February 27th and March 18th. The timing band for the higher degree intermediate-term cycle low runs between February 16th and April 19th. With this trading cycle advance being right-translated, the intermediate-term cycle low is not expected to be seen in conjunction with the pending trading cycle low, but for there to be another trading cycle down into that higher degree low. It will be the advance out of the next intermediate-term cycle low in which the opportunity for the setup to cap the higher degree cycle tops in conjunction with the setting up of the CheckMate Chart will then come.

Crude Oil triggered a short-term sell signal on Tuesday. The price/oscillator picture suggests that the additional advance following the February 27th short-term buy signal has been in association with an ending push into the trading cycle top and what should also ideally be the higher degree intermediate-term cycle top as well. This short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen. Based on the oscillator picture, the assumption is that the trading cycle top is in place and any further weakness that completes the formation of a weekly swing high will be suggestive of the intermediate-term cycle top.

Gasoline completed the formation of a daily swing high on Tuesday and any further weakness that turns the daily CTI down will trigger a short-term sell signal. Here too, this trading cycle top should ideally coincide with the higher degree intermediate-term cycle top, which should also be in place with the completion of a weekly swing high.

Natural Gas triggered a short-term buy signal on February 28th and thus far, that buy signal remains intact. But, as a result of the higher degree structural developments, this advance is expected to be counter-trend.

The CRB Index completed the formation of a daily swing high on Tuesday and with the downturn of the daily CTI, a short-term sell signal was also triggered. As with the energy sector, this is an opportunity to also cap the intermediate-term cycle top, which we will assume to be in place if a weekly swing high is completed in conjunction with this short-term sell signal.

The short-term buy signal in association with the February 14th trading cycle low on Gold remains intact. With this advance completing the formation of a weekly swing low the week of February 23rd and the triggering of an intermediate-term buy signal that followed last week, we knew that every indication was the intermediate-term cycle low had also been seen. Given the continued advance this week, this has certainly proven correct. This intermediate-term cycle advance continues to serve as the test of the higher degree cycle tops and/or ending push into those higher degree cycle tops.

The short-term buy signal on the XAU has also been followed by continued strength this week. In doing so, an intermediate-term buy signal is also now in the making. This advance serves as the structural test of the higher degree intermediate-term cycle top, which in this case is expected to be counter-trend.

The Dollar triggered a short-term sell signal on Tuesday, leaving it at further risk of a failed and left-translated trading cycle top in association with what should also be the higher degree intermediate-term cycle top. Confirmation of this trading cycle having peaked with a failed and left-translated structure should now serve as confirmation of the intermediate-term cycle top.

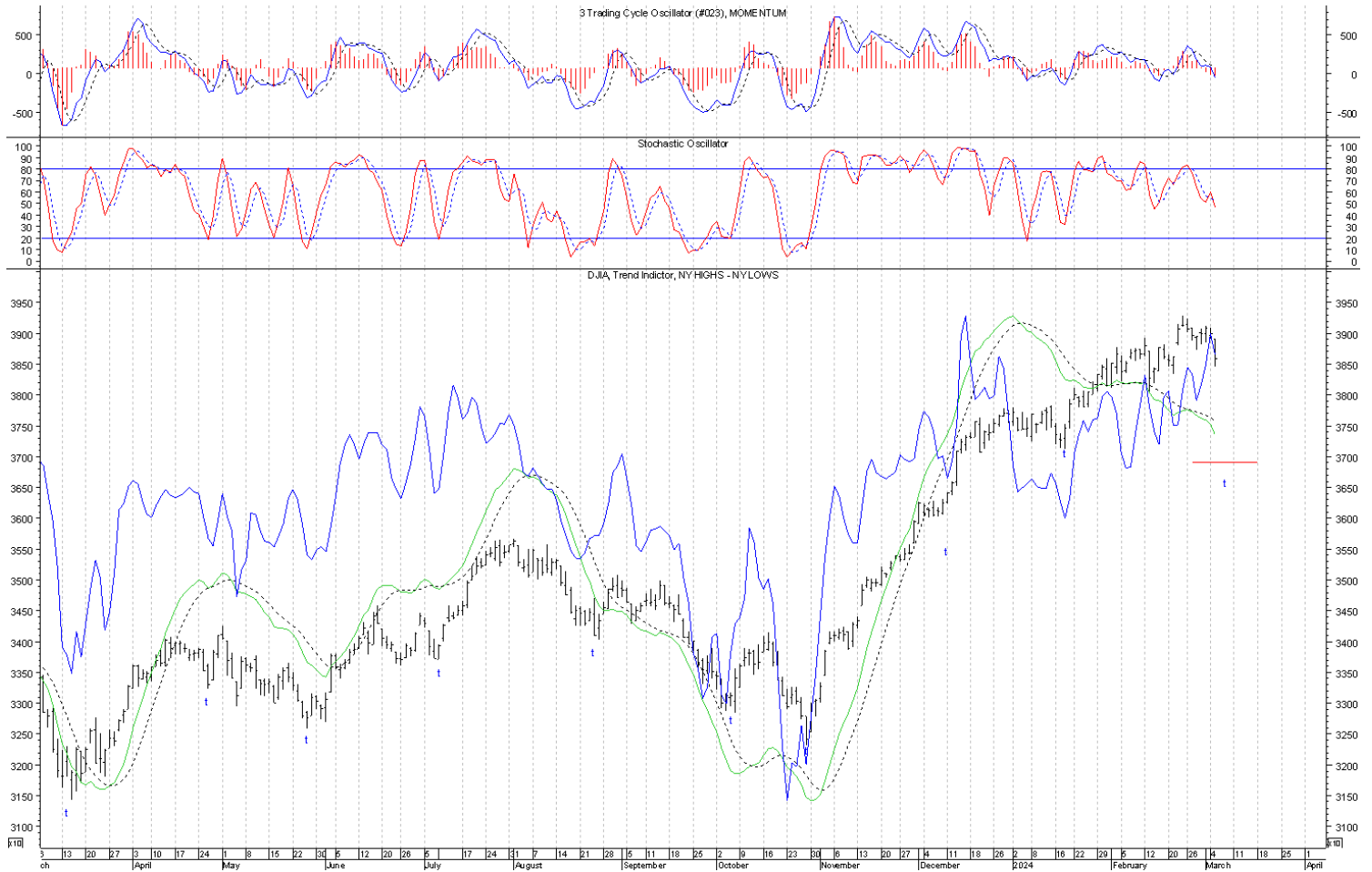
No change with Bonds. The advance out of the February 22nd trading cycle low on Bonds remains intact. With the February 22nd trading cycle low having occurred just ahead of this timing band, the expectation was to see at least one more trading cycle down into the intermediate-term cycle low. But, as a result of last week's completion of a weekly swing low and this week's upturn of the weekly CTI, we now have an intermediate-term buy signal in the making in association with what now appears to have been an early intermediate-term cycle low. A right-translated trading cycle advance should now serve as confirmation of an early

intermediate-term cycle low. Otherwise, a left-translated trading cycle top will leave Bonds positioned for another trading cycle down.

The Intermediate-Term Advancing Issues Line, plotted in red, continues its upturn out of the February 13th low. The Green MA is trying to turn up, but remains below the Black MA. Generally there are two crossings below the Black in association with intermediate-term cycle tops. The recent crossing has continued to put Equities at risk of an intermediate-term cycle top, but 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.

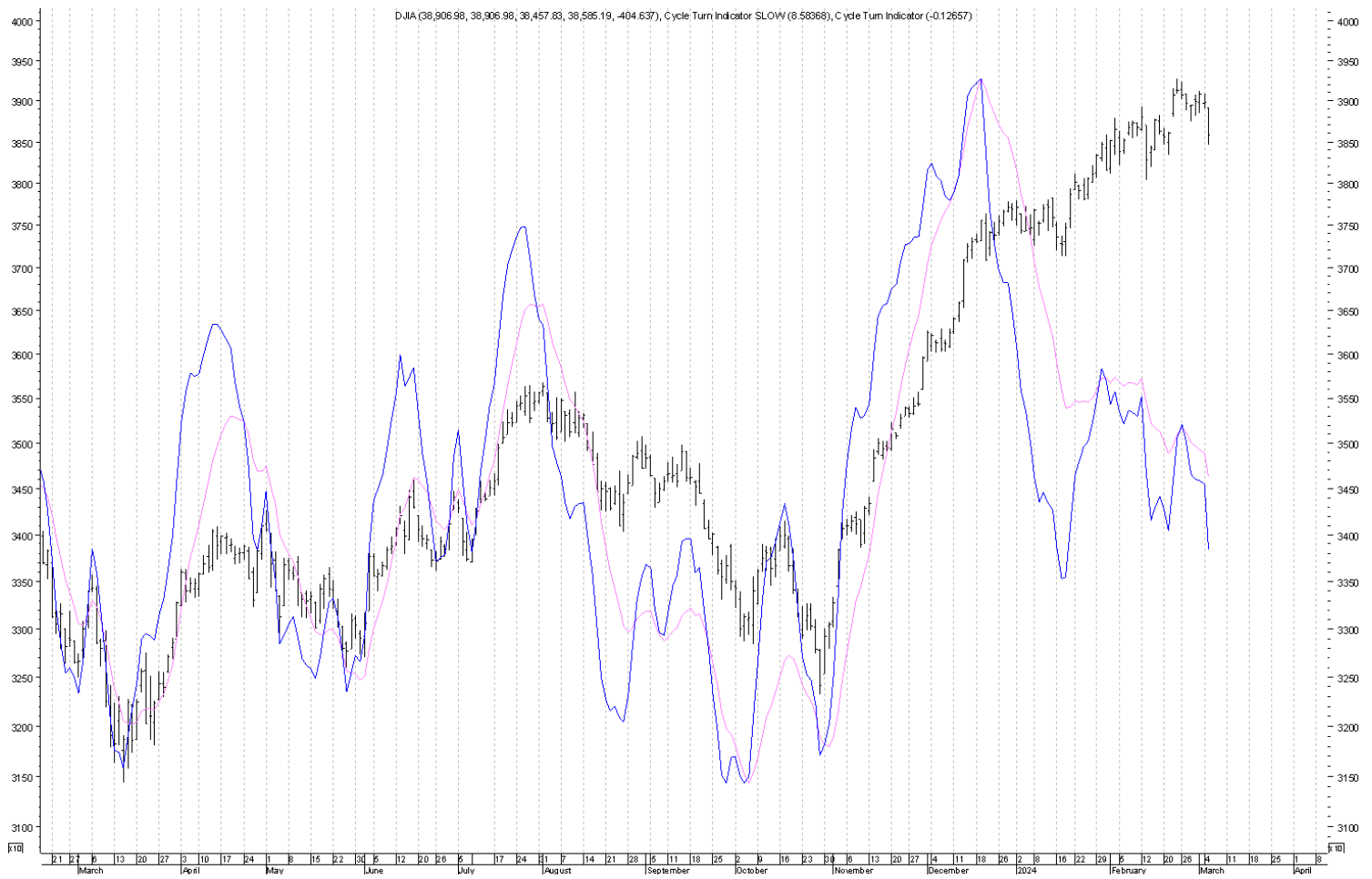


The oscillators here have been suggestive of the trading cycle top. The **Trading Cycle Oscillator** in the upper window has continued its downturn and the **Momentum Indicator** has crossed back below its zero line. The **5 3 3 Stochastic** in the middle window has also resumed its downturn from overbought levels. The **New High/New Low Differential**, plotted with price, turned back down on Tuesday. The **Trend Indicator** remains marginally below its trigger line.

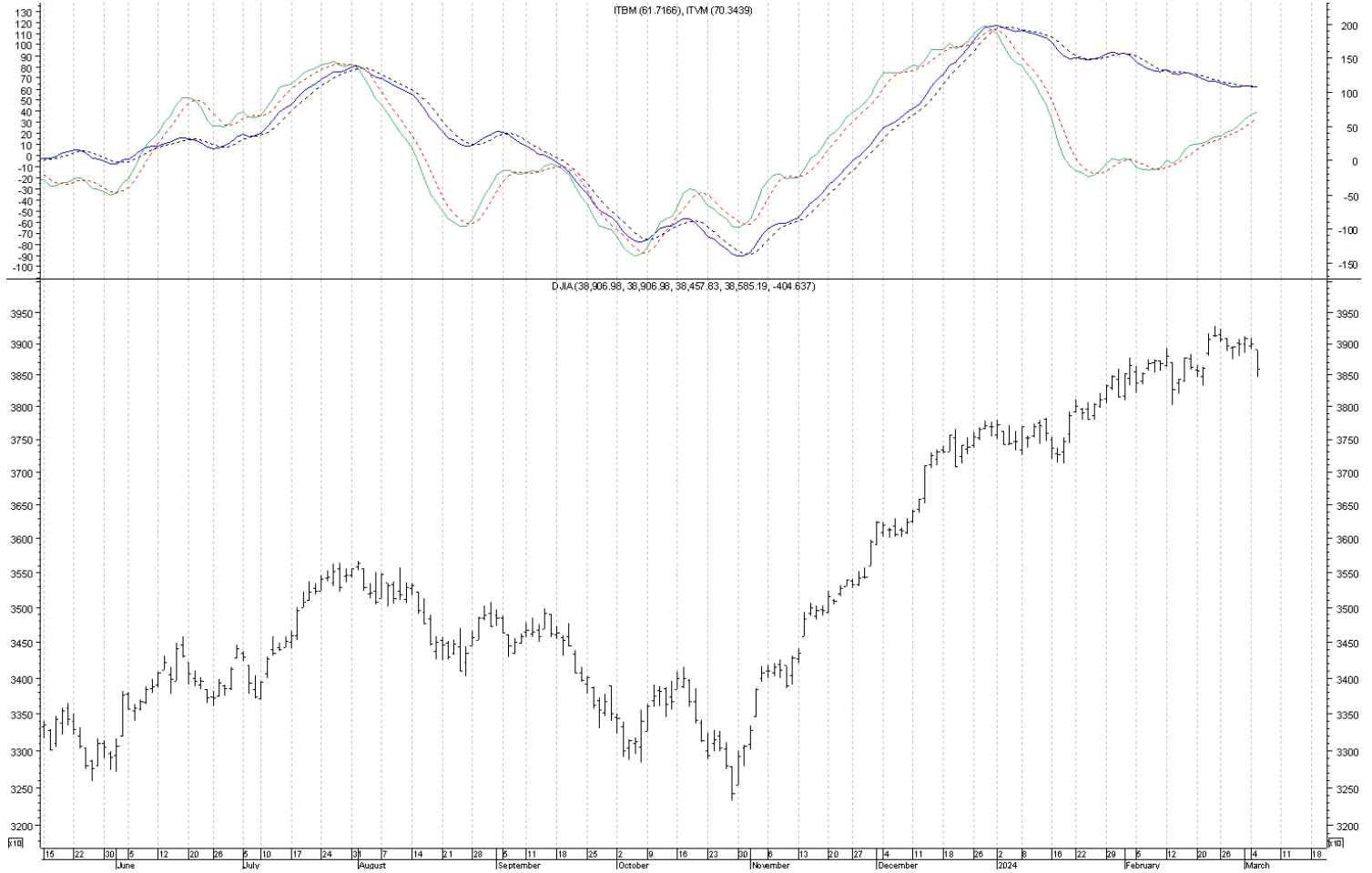


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

On February 27th 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 triggered. Based on the cyclical phasing for the trading and intermediate-term cycle lows, we have known that both the trading and intermediate-term cycle top should be in place. However, as confirmation of the short-term sell signal I have wanted to see a close below the February 22nd low, which we saw in conjunction with Tuesday's decline. Accordingly, the assumption is that the trading cycle top has been seen. This short-term sell signal will remain intact until another daily swing low and upturn of ALL Three of the Primary Short-Term Indicators are seen.

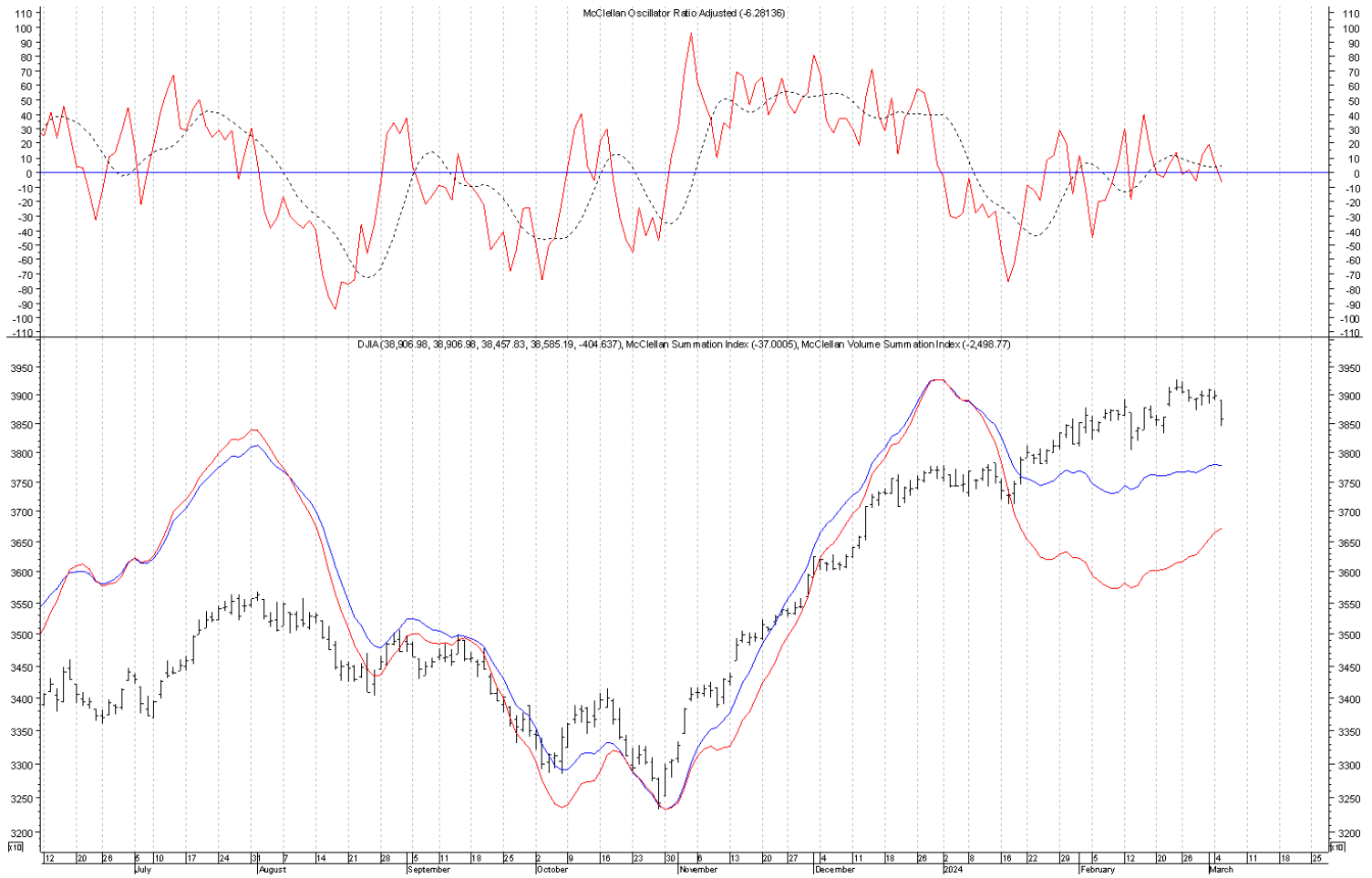


The **Intermediate Term Breadth Momentum Oscillator** has turned marginally back below its trigger line. Another downturn of the **Intermediate Term Volume Momentum Oscillator** should now serve as additional confirmation of the trading and intermediate-term cycle tops.

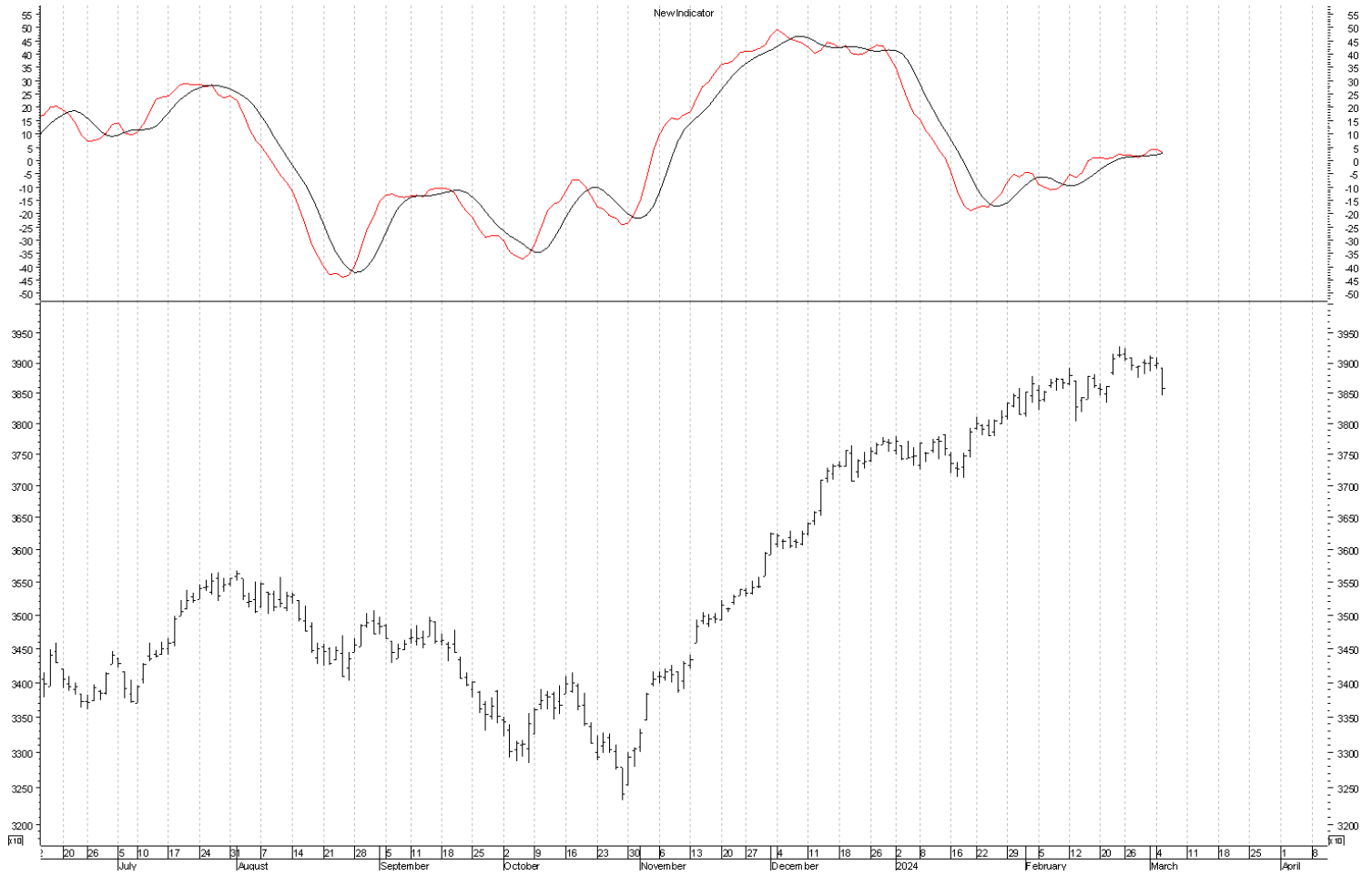




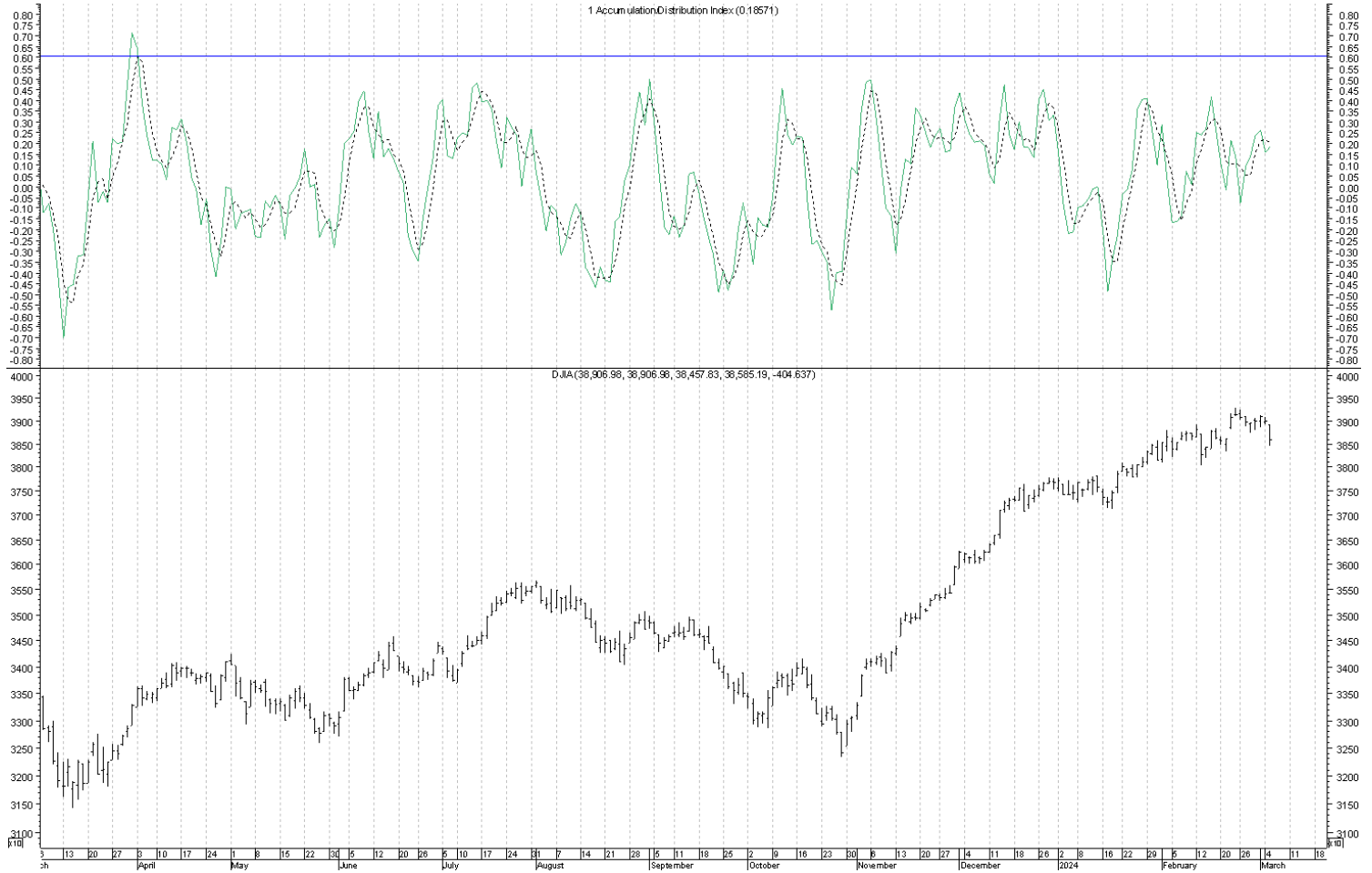
The **McClellan Summation Index** has also ticked back down. The **McClellan Volume Summation Index** continues its upturn. Another downturn here should also now serve as additional confirmation of the trading cycle and ideally what should be the higher degree intermediate-term cycle top as well. The **Ratio Adjusted McClellan Oscillator** turned back up below both its trigger and zero lines. In doing so, Tuesday's close below the February 22nd low on the Industrials should now serve as confirmation of both the short-term sell signal and the trading cycle top.



The smoothed McClellan oscillator has ticked back down and is sitting right on its trigger line. Another crossing below the trigger line should serve as additional confirmation of the February 27th short-term sell signal.



The **Accumulation/Distribution Index** turned back below its trigger line on Monday. Given the close below the February 22nd low, we should have the trading cycle top and what should also ideally be the higher degree intermediate-term cycle top as well.



## Gold

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

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

## Dollar

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

<b>Daily Indicator Summary</b> <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	Bullish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bearish

## Bonds

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

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

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