

Tim W. Wood's

# Cycles News & Views

*Specializing in Dow Theory and Cycles Analysis*



1545 Gulf Shores Pkwy, PMB #251 • Gulf Shores, Alabama 36542 • 504-208-9781 • www.cyclesman.net

---

## Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on March 19, 2024

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

March 19, 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  | Bearish |
| New High New Low Diff  | Bullish |
| <b>Secondary Indicators</b>  |         |
| 5 3 3 Stochastic   | Bearish |
| Cycle Momentum Indicator   | Bearish |
| *When this indicator is Bullish it is negative for the market and visa versa.    |         |

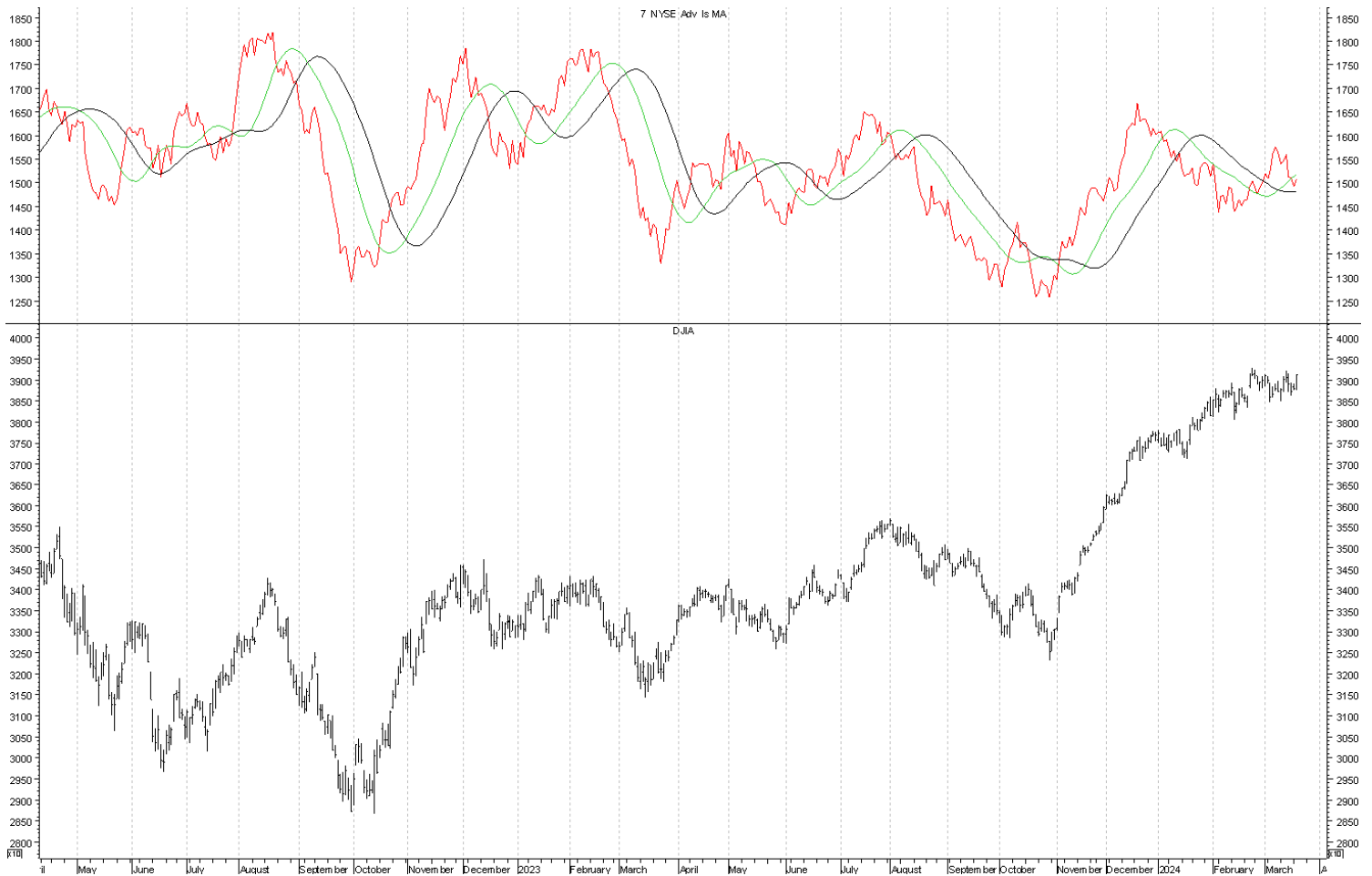
| Daily Indicator Summary <b>Short-Term Buy</b>                  |         |
|--|---------|
| <b>Primary Indicators</b>                                      |         |
| Formation of a Daily Swing Low                                 | Bullish |
| Cycle Turn Indicator (CTI)                                     | Bullish |
| Slow Cycle Turn Indicator (CTI)                                | Bullish |
| 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)  | Bearish |
| McClellan Summation Index                                      | Bullish |
| McClellan Volume Summation Index                               | Bullish |
| <b>Secondary Short Term Indicators</b>                         |         |
| 5 3 3 Stochastic   | Bearish |
| Cycle Momentum Indicator                                       | Bullish |
| Trading Cycle Oscillator                                       | Bearish |
| Momentum Indicator   | Bearish |
| Ratio Adjusted McClellan Oscillator Crossover                  | Bearish |
| Accumulation/Distribution Index                                | Bullish |

The price action on Tuesday completed the formation of a daily swing low and with the corresponding 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 ran between February 27th and March 18th. In spite of the recent absence of a short-term buy signal in association with the March 5th daily swing low, the assumption has been that the trading cycle low was seen in conjunction with the March 5th daily swing low. Now with price having moved through the timing band for this low and Tuesday’s triggering of a short-term buy signal, every indication is that this was in fact the case. With the higher degree intermediate-term cycle top due, the expectation has been for this trading cycle advance to be a left-translated failure that leaves the Industrials positioned for a more meaningful decline into the higher degree intermediate-term cycle low. However, this buy signal will now remain intact and higher prices will remain possible until another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen. At a higher level, once a weekly swing high is formed, we should have confirmation of the trading cycle top and the higher

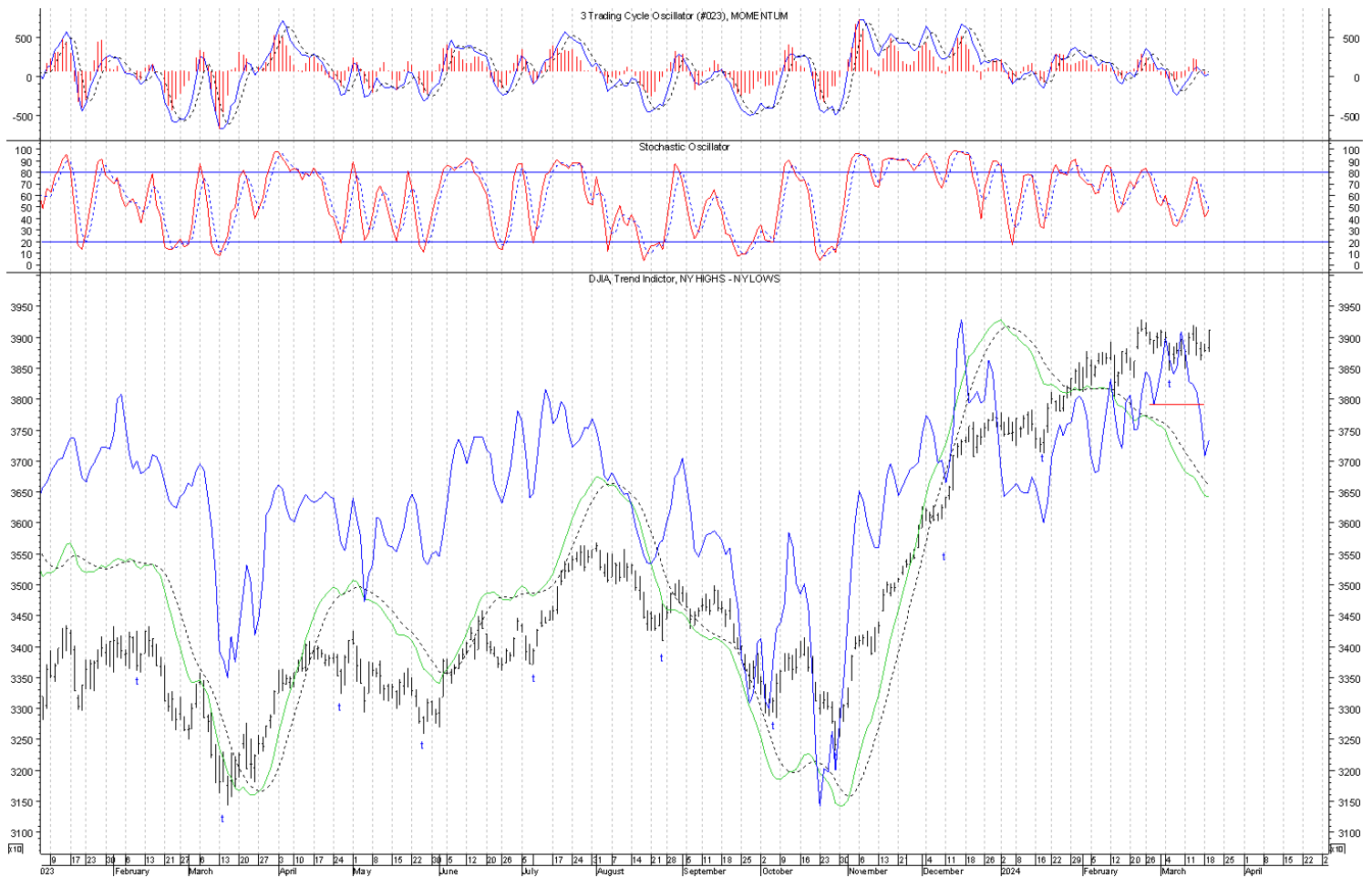
degree intermediate-term cycle top should then be in place as well. The timing band for the higher degree intermediate-term cycle low runs between February 16th and April 19th. It will be the advance out of the next intermediate-term cycle low in which the opportunity for the setup to cap the higher degree cycle tops in conjunction with the setting up of the CheckMate Chart will then come.

The March 13th short-term buy signal remains intact. This advance has carried price to increasingly overbought levels, but until another daily swing high and downturn of the daily CTI are seen, this buy signal will continue to stand and higher prices will remain possible. At a higher level, this should still prove to be an ending push into the higher degree intermediate-term cycle top. The short-term buy signal on Gasoline also remains intact and here too, this continued advance is in association with what should be an ending push into the trading and intermediate-term cycle top. Natural Gas completed the formation of a daily swing low on Friday and with the upturn of the daily CTI, a short-term buy signal was triggered. However, because of the reversal lower on Friday, this buy signal was questionable and still needs to be confirmed with a close above Friday's high. As a result of the higher degree structure, the advance out of the February low is expected to be counter-trend and the triggering of another daily swing high will be increasingly suggestive of this advance having run its course. The CRB Index completed the formation of a daily swing high on Tuesday and any further weakness that turns the daily CTI down will trigger another short-term sell signal. As with the energy sector, the expectation is for this advance to be in association with an ending push into the trading and intermediate-term cycle top. The short-term sell signal on Gold remains intact and while the trading cycle low should be in place once a short-term buy signal is triggered, I would still ideally like to see continued weakness into this low. If the decline out of this trading cycle top completes the formation of a weekly swing high, then it will also be an opportunity to cap the higher degree intermediate-term cycle top as well. The XAU triggered a short-term sell signal on Tuesday and as with Gold, the trading cycle top should now be in place. The Dollar triggered a short-term buy signal on March 12th and the advance out of the trading cycle low remains intact. Given the evidence of the higher degree intermediate-term cycle top, this trading cycle advance should ideally prove to be counter-trend. Bonds completed the formation of a daily swing low on Tuesday and while I would ideally like to see continued weakness as we move a little further into the timing band for the trading cycle low, any further strength that turns the daily CTI up will trigger a short-term buy signal and the assumption will then have to be that the trading cycle low is in place.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked up, but the overall downturn thus far appears to be intact. The Green MA continues its upturn above the Black MA. As I have explained here all along, there are generally two crossings below the Black in association with intermediate-term cycle tops. The January crossing 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. Accordingly, the next downturn should now prove to be in association with the intermediate-term cycle top, which should be in place once a weekly swing high is formed and an intermediate-term sell signal is triggered.

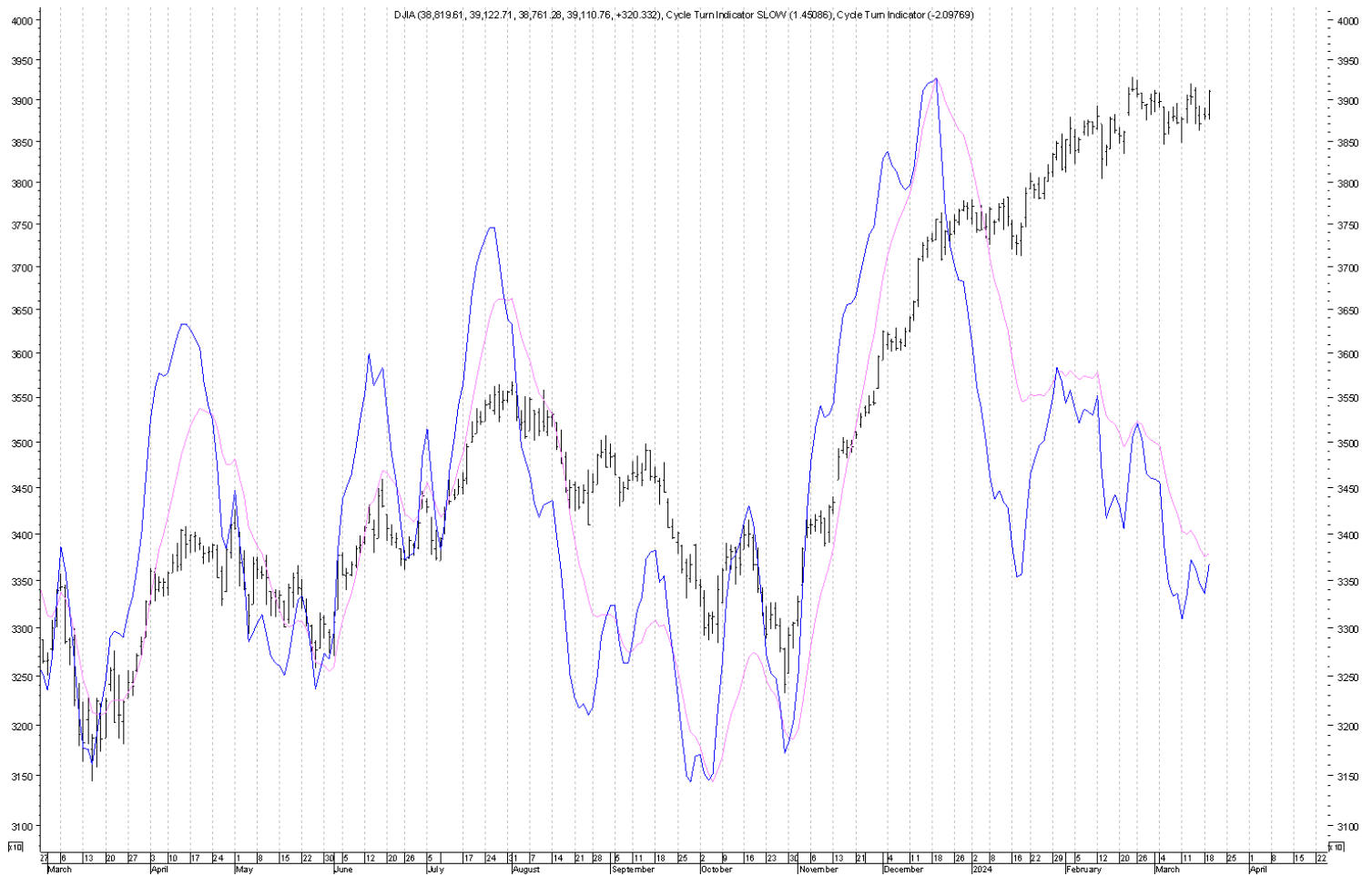


The price/oscillator picture since the March 5th low has been suggestive of the trading cycle low having been seen in conjunction with that low. As a result of Tuesday's short-term buy signal this has proven correct. If this trading cycle advance proves to be a failed and/or left-translated advance, with the higher degree intermediate-term cycle top due, such setup will leave the Industrials positioned for the downturn out of the higher degree intermediate-term cycle top. The **Trading Cycle Oscillator** in the upper window has ticked up, but has not yet crossed back above its trigger line. The **Momentum** Indicator has also turned back up, but has not crossed back above its zero line. The **5 3 3 Stochastic** in the middle window has turned back up, but has not crossed back above its trigger line. The **New High/New Low Differential**, plotted with price, turned up on Tuesday. The **Trend Indicator** remains below its trigger line.

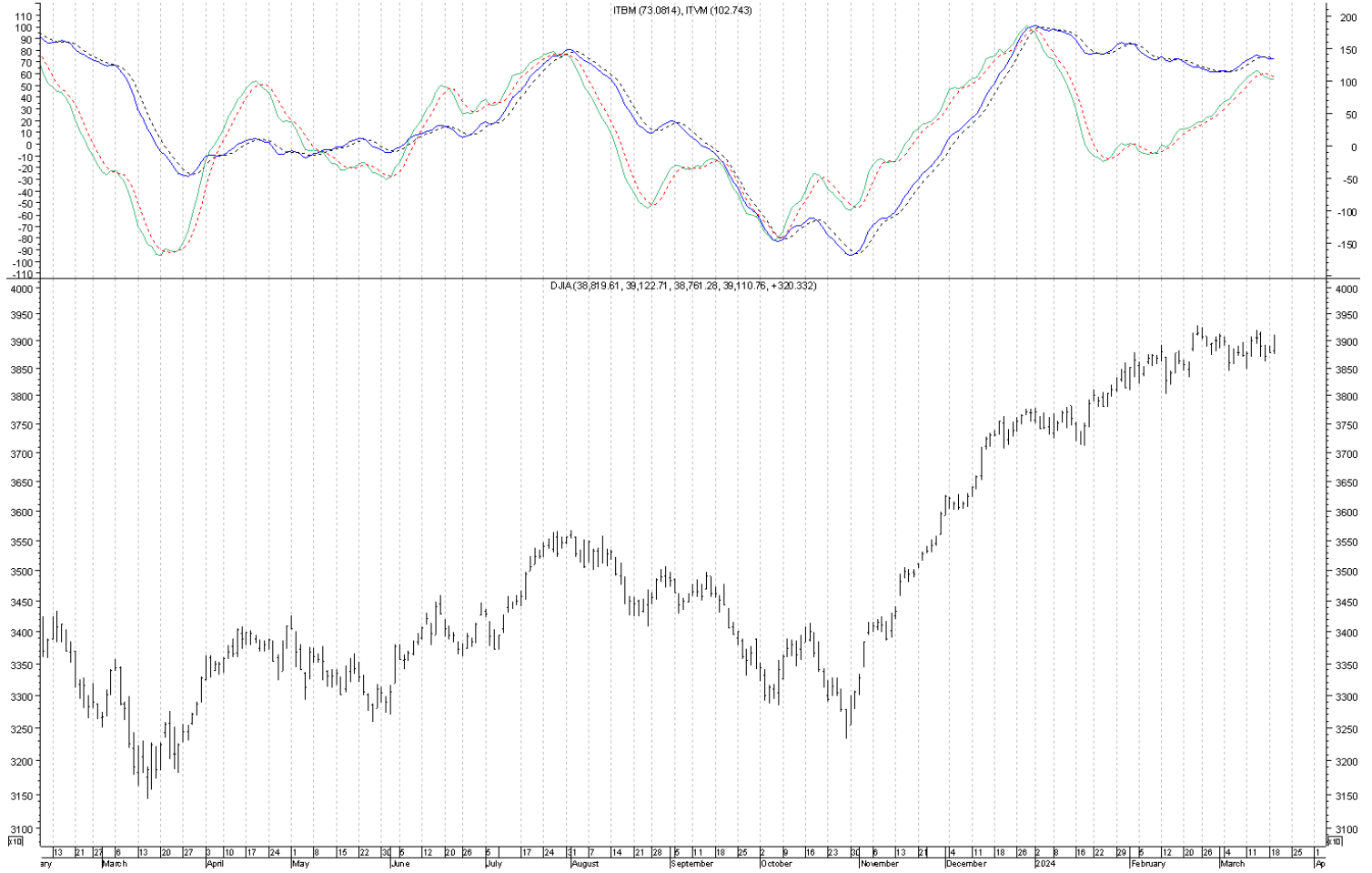


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

With the completion of a daily swing low and upturn of ALL Three of the Primary Short-Term Indicators on Tuesday, a short-term buy signal was triggered. In doing so, this served as further confirmation of the suspected March 5th trading cycle low. Bottom line, this buy signal will remain intact and higher prices will remain possible until another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen.

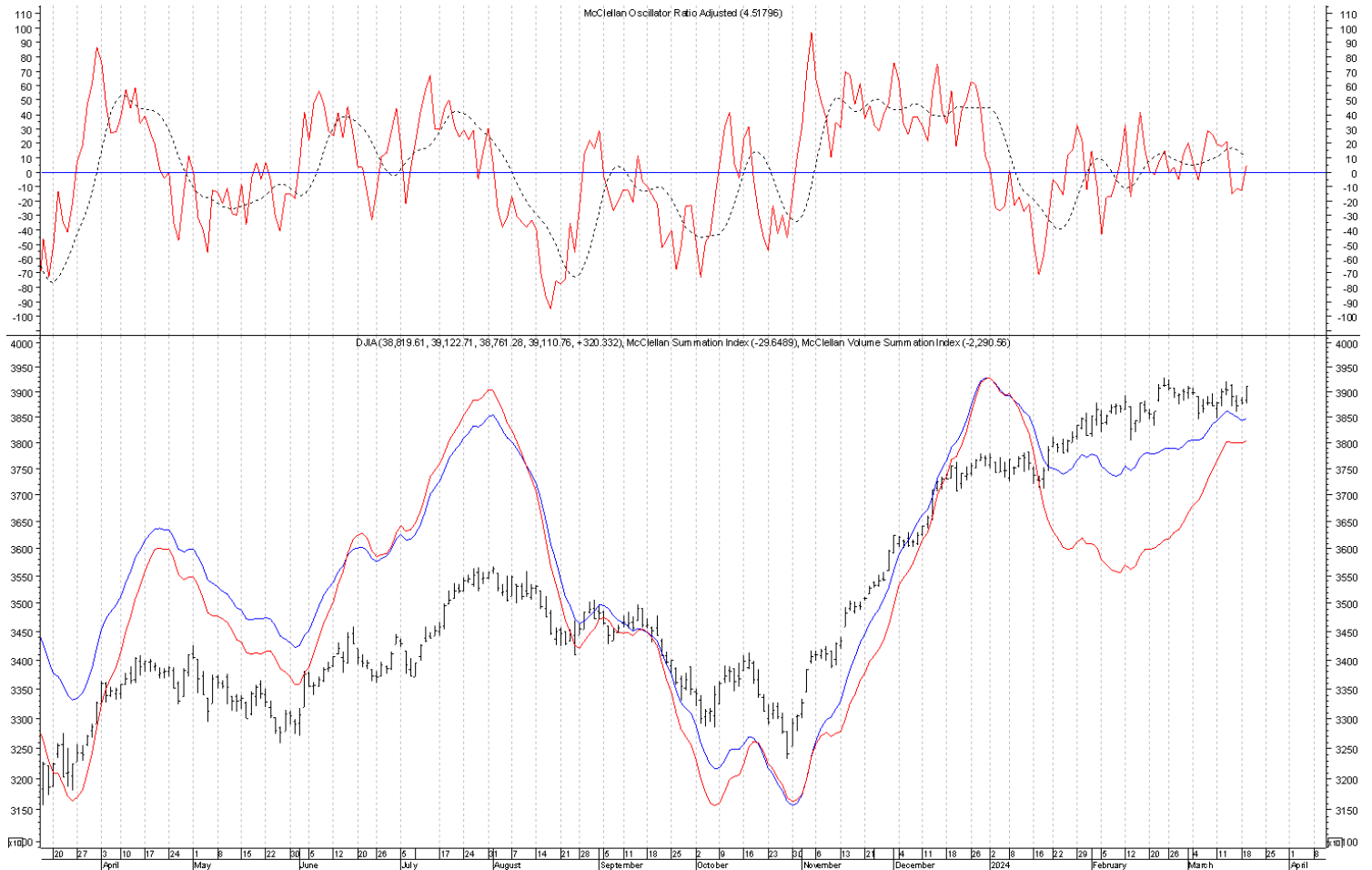


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain marginally below their trigger lines.





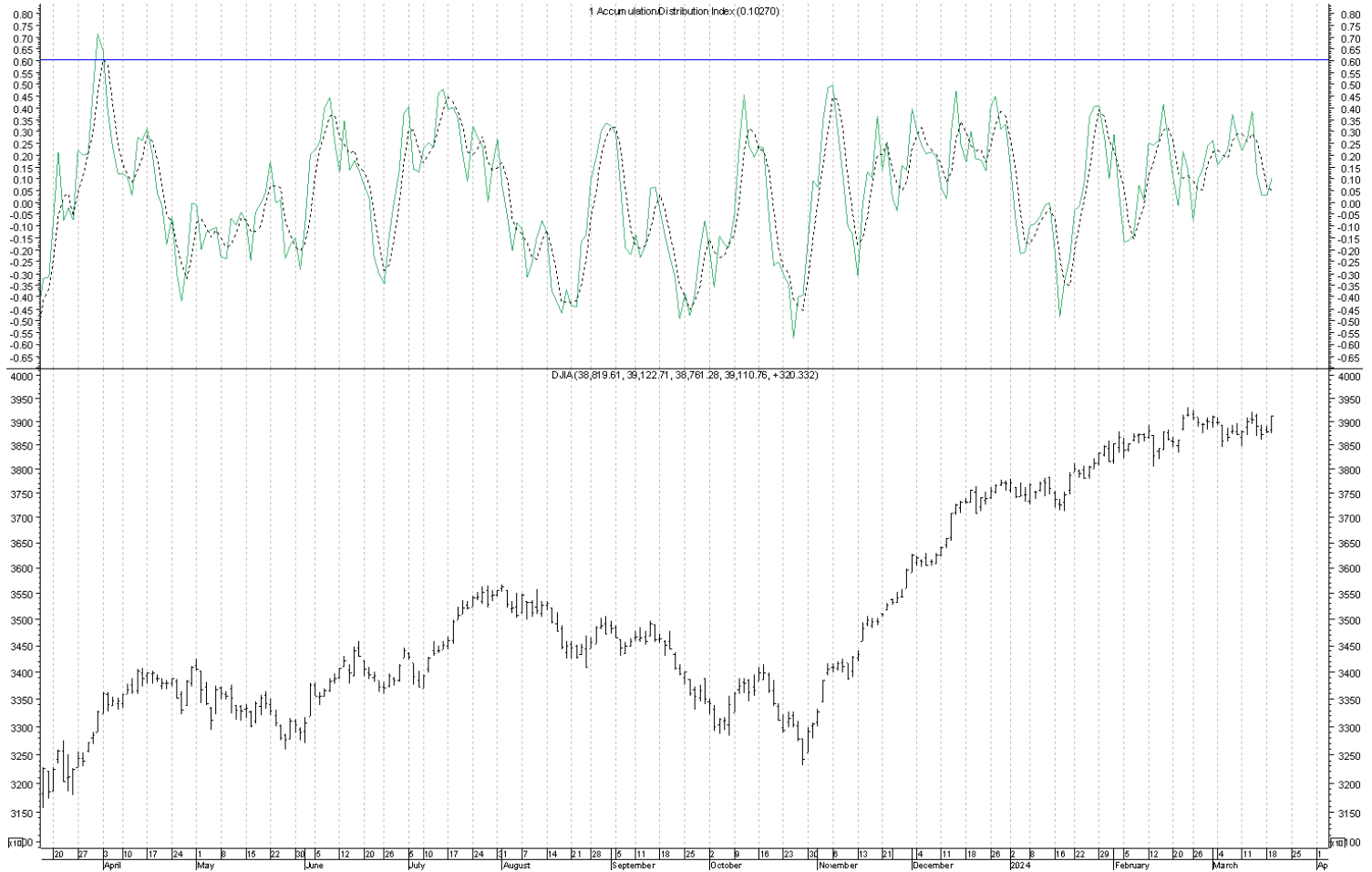
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have ticked up. The **Ratio Adjusted McClellan Oscillator** ticked up on Friday and has now crossed above its zero line, but has not yet crossed above its trigger. Nonetheless, this upturn is also reflective of the trading cycle low. Another downturn below the trigger and zero lines, in conjunction with the re-triggering of a short-term sell signal and the completion of a weekly swing high should be reflective of the higher degree intermediate-term cycle top.



The smoothed McClellan oscillator remains below its trigger line. Any further weakness that completes the formation of a weekly swing high, should be in association with the trading and intermediate-term cycle top.



The **Accumulation/Distribution Index** ticked up on Tuesday. Another downturn in conjunction with the completion of a daily swing high will be suggestive of the trading cycle top. Until such time, higher prices will again remain possible. The completion of a weekly swing high should serve as structural confirmation of both the trading and what should ideally be the higher degree intermediate-term cycle top.

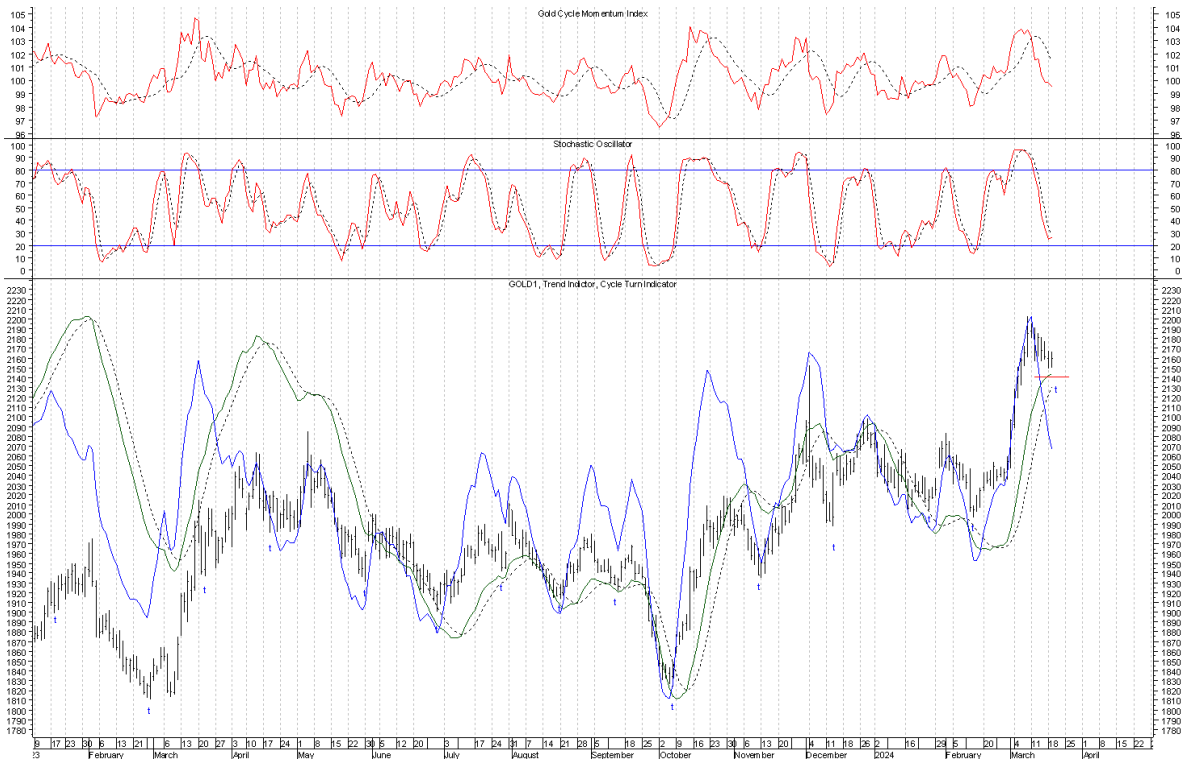


# Gold

| 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 |
| <b>Confirming Indicators</b>   |         |
| Trend Indicator (TI)   | Bullish |
| Cycle Momentum Indicator   | Bullish |
| <b>Secondary Indicators</b>  |         |
| 5 3 3 Stochastic   | Bullish |

| 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)                           | Bullish |
| Cycle Momentum Indicator                       | Bearish |
| <b>Secondary Short Term Indicators</b>         |         |
| 5 3 3 Stochastic                               | Bearish |

The March 12th short-term sell signal remains intact and the timing band for the now due trading cycle low runs between March 12th and March 26th. Ideally, I would still like to see continued weakness into this low, but once a daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and we will have to assume this low to be in place. At a higher level, the evidence has been increasingly suggestive of the intermediate-term cycle low having been seen in conjunction with the February 14th trading cycle low. Accordingly, if the decline out of the current trading cycle top completes the formation of a weekly swing high, it will leave Gold at risk of the intermediate-term cycle having possibly peaked. More on that at that time. 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 2,149.20 holds and if 2,167.20 is bettered.



Our daily chart of the XAU is next. With the price/oscillator picture here suggestive of the trading cycle top, we knew that the trading cycle top should be at hand. With the completion of a daily swing high on Tuesday and the previous downturn of the daily CTI, a short-term sell signal was triggered and as with Gold, every indication is that this sell signal is in association with the trading cycle top. Also as with Gold, if the decline out of this trading cycle top completes the formation of a weekly swing high, it will put the XAU at risk of 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. A swing low will be completed on Wednesday if 116.71 holds and if 118.32 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 | Bearish |

#### Secondary Indicators

|                  |         |
|------------------|---------|
| 5 3 3 Stochastic | Bearish |
|------------------|---------|

### Daily Indicator Summary **Short-Term Buy**

#### Primary Indicators

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

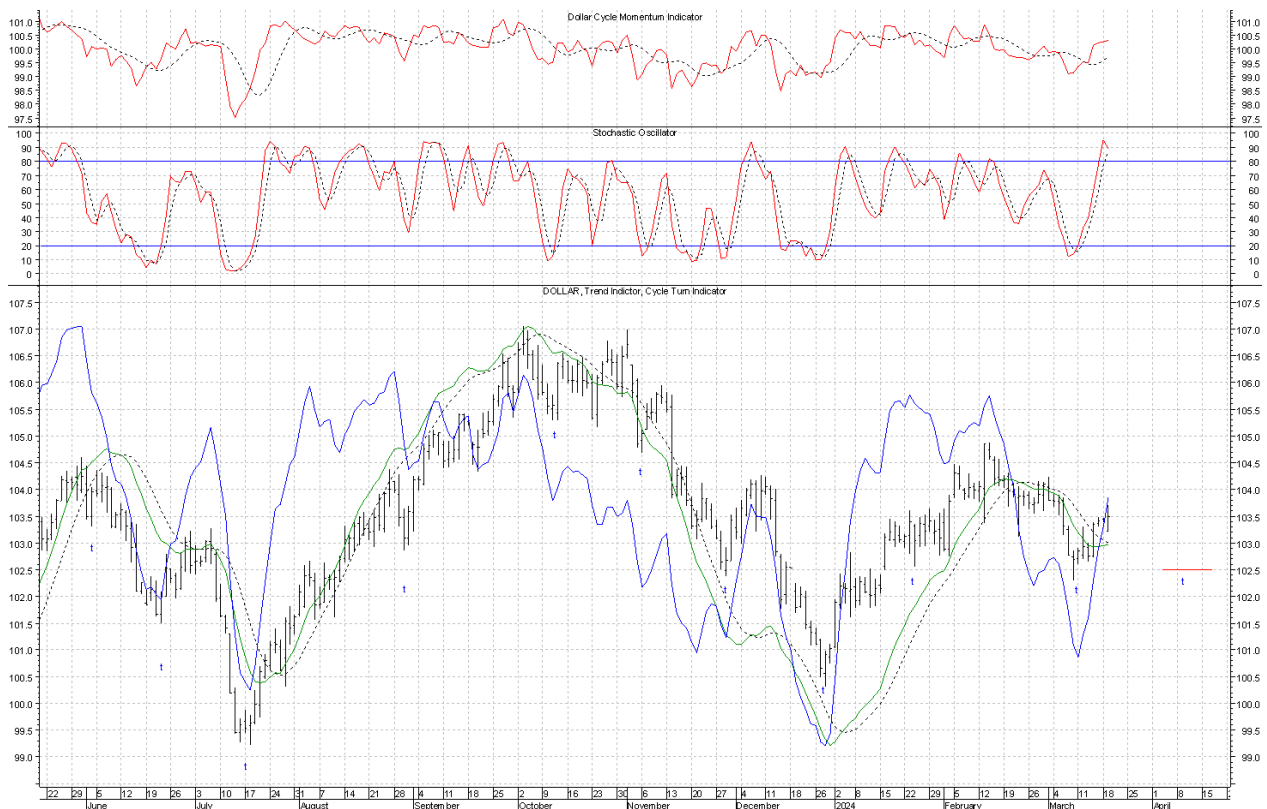
#### Confirming Indicators

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

#### Secondary Indicators

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

The trading cycle low was seen on March 8th and the advance out of that low remains intact. At a higher level, the evidence continues to be suggestive of the intermediate-term cycle top and for this reason, the advance out of this low should prove to be counter-trend. If so, this trading cycle advance will serve as confirmation of the intermediate-term cycle top and will leave the Dollar positioned for continued weakness in conjunction with the downturn out of the intermediate-term cycle top. This advance has carried price to overbought levels, per the 5 3 3 Stochastic, making conditions ripe for a top. But, 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 Wednesday if 103.71 is not bettered and if 103.21 is violated.

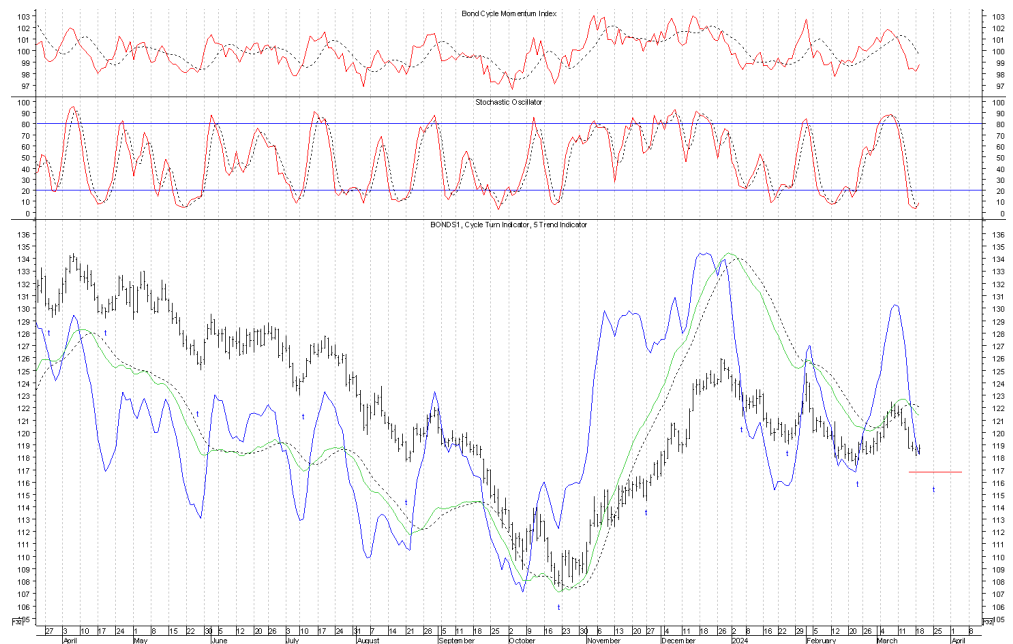


## Bonds

| End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Buy/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   | Bullish |
| <b>Secondary Indicators</b>  |         |
| 5 3 3 Stochastic   | Bullish |

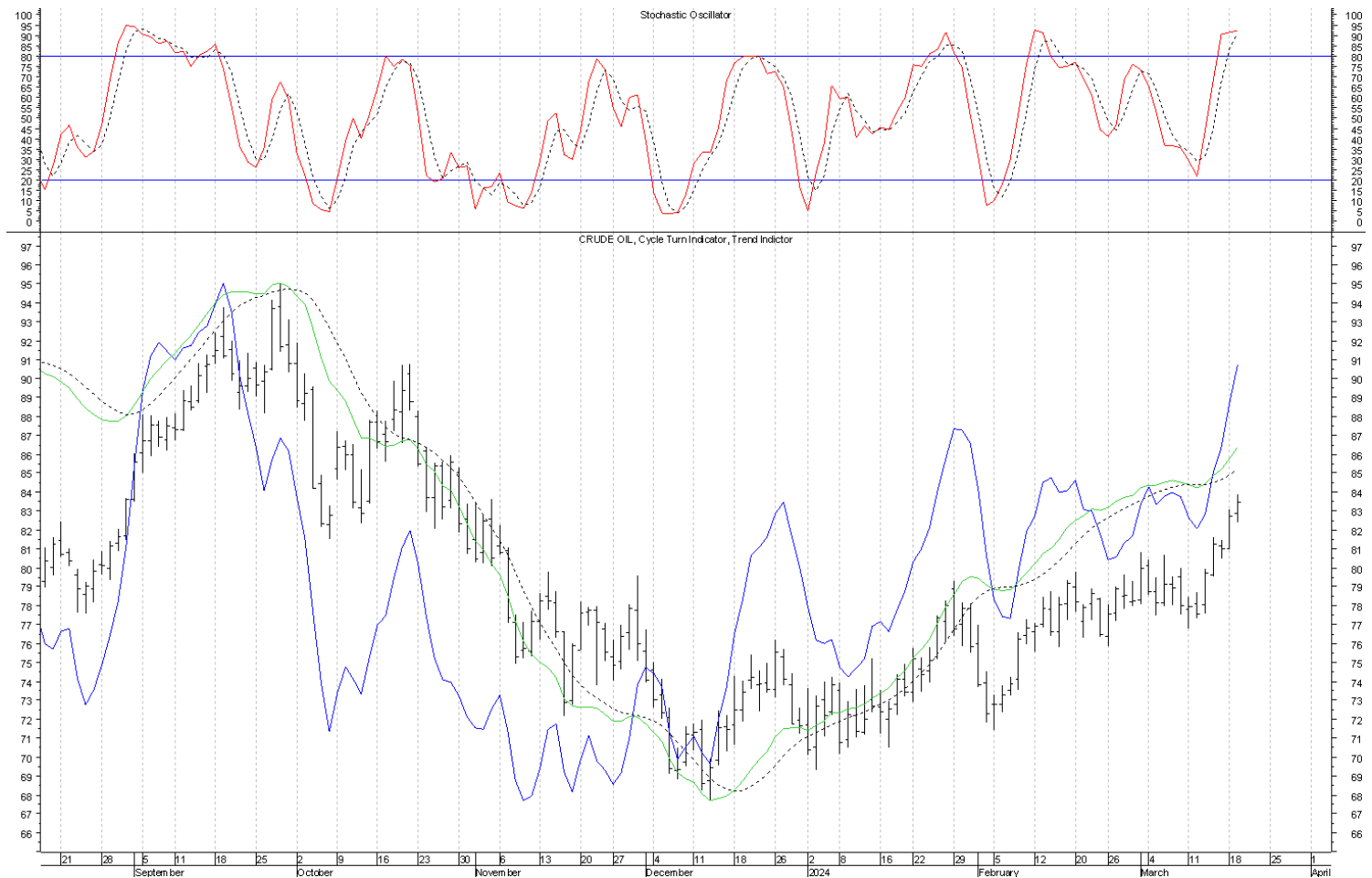
| Daily Indicator Summary <b>Short-Term Sell</b> |         |
|--|---------|
| <b>Primary Indicators</b>                      |         |
| Formation of a Daily Swing Low                 | Bullish |
| Cycle Turn Indicator (CTI)                     | Bearish |
| <b>Confirming Indicators</b>           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

The timing band for the now due trading cycle low runs between March 14th and April 4th. Ideally, I would still like to see continued weakness as we move a little further into this timing band, but the price action on Tuesday completed the formation of a daily swing low and any further strength that turns the daily CTI up will trigger a short-term buy signal, at which time we will have to assume the trading cycle low to be in place. Based on the cyclical structure and timing for the intermediate-term cycle low, the expectation was 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. However, as a result of the March 1st completion of a weekly swing low, along with the continued advance into the March 7th daily swing high and upturn of the weekly CTI, an intermediate-term buy signal was triggered. For this reason, we have to continue to assume that an early intermediate-term cycle low was seen. Accordingly, as a result of last week's completion of a weekly swing high, Bonds are at risk of a left-translated intermediate-term cycle top. In order to correct this risk, any further advance in association with Tuesday's completion of a daily swing low must prove to be the trading cycle low and must carry Bonds above the March trading cycle top with a right-translated structure. Until Bonds can prove otherwise, because of the previous completion of a weekly swing low and the accompanying upturn of the weekly CTI, they are at risk of a left-translated intermediate-term cycle top. Structurally, it will be the advance out of the pending trading cycle low that will be key in that regard. For now, the short-term sell signal will remain intact until a daily swing low AND upturn of the daily CTI are seen.



## Crude Oil

The March 13th short-term buy signal remains intact. This advance has carried price to increasingly overbought levels, per the 5 3 3 Stochastic, but until another daily swing high and downturn of the daily CTI are seen, this buy signal will continue to stand and higher prices will remain possible. If a weekly swing high and downturn of the weekly CTI are seen in conjunction with the next short-term sell signal, we should have confirmation of the trading cycle top, leaving the intermediate-term advance out of the December low at risk of having run its course. Another daily swing high will be completed on Wednesday if 83.85 is not bettered and if 82.39 is violated.



©2024 Cycles News & Views; All Rights Reserved

[timwood1@cyclesman.com](mailto:timwood1@cyclesman.com)