

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

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## Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on March 21, 2024

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

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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 21, 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.	

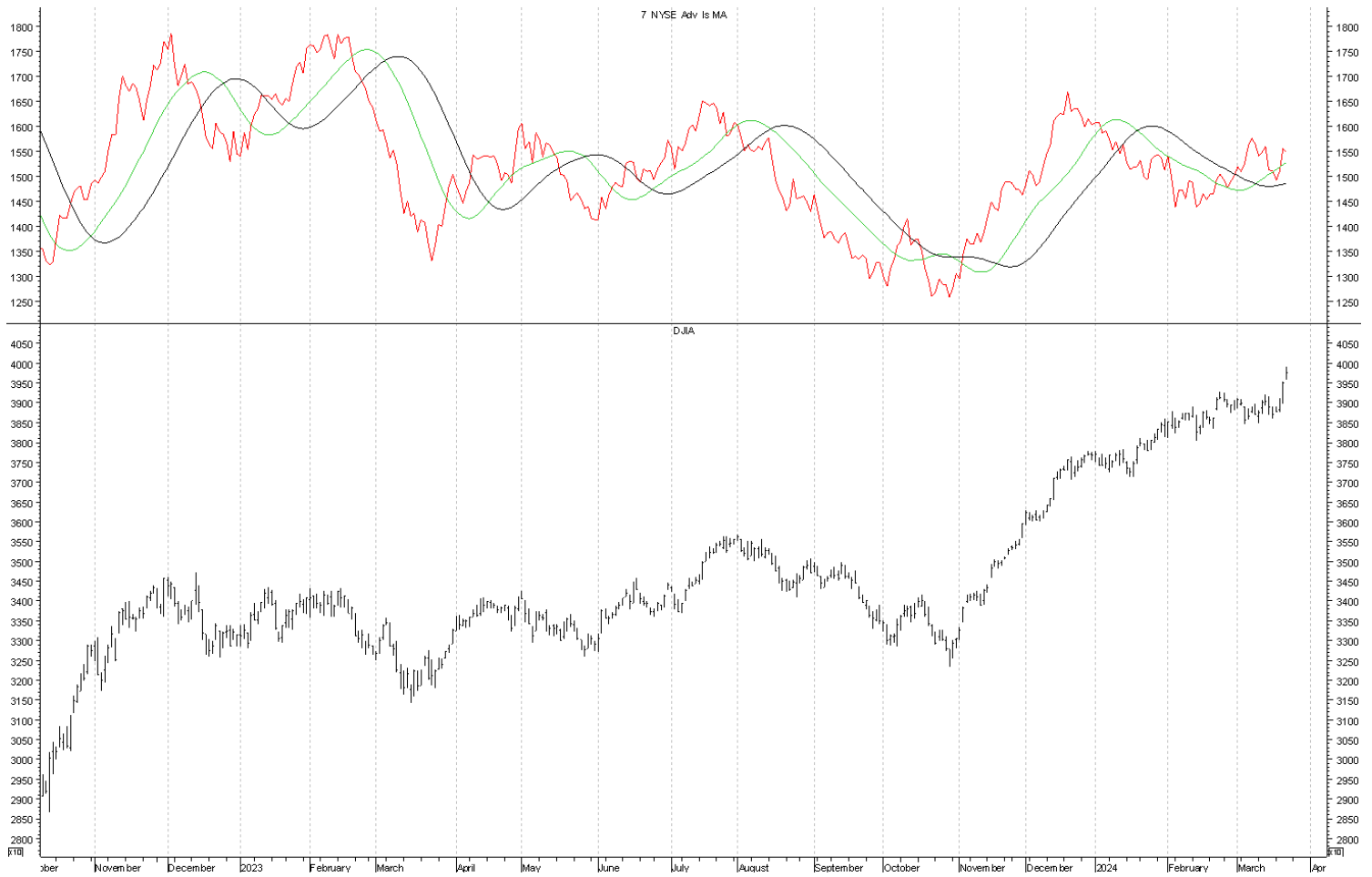
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
McClellan Intermediate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

The timing band for the trading cycle low ran between February 27th and March 18th. In spite of the initial 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 that daily swing low. On Tuesday a short-term buy signal was triggered, which in doing so was further indicative of the trading cycle low. Given the advance that has followed on Wednesday and Thursday, this buy signal obviously proved correct as did the assumption of the trading cycle low having been seen on March 5th. This short-term buy signal will remain intact until another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen. If the decline in association with the next short-term sell signal completes the formation of a weekly swing high, 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

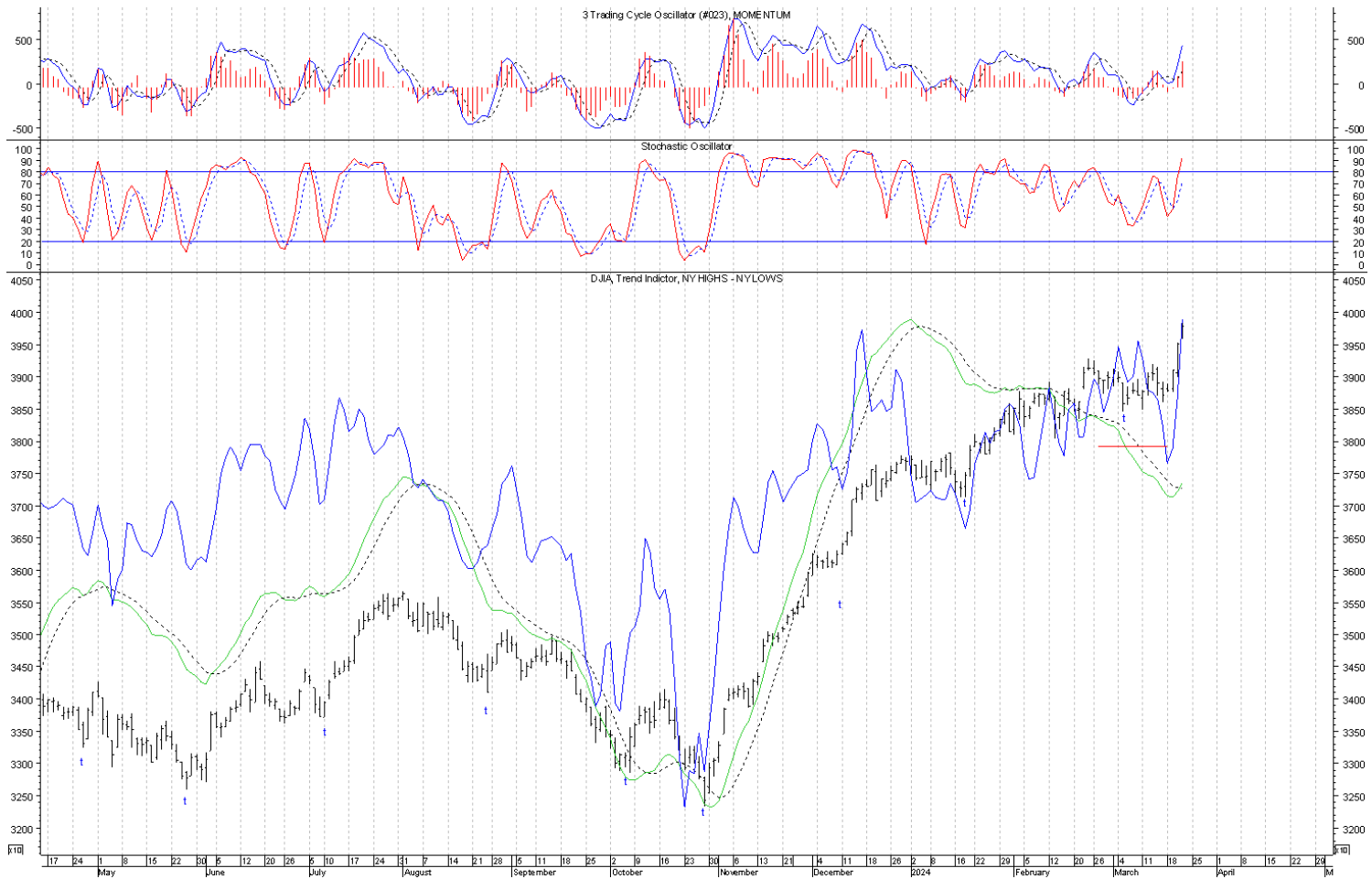
low in which the opportunity for the setup to cap the higher degree cycle tops in conjunction with the setting up of the CheckMate Chart will then come. More on that in the Research Letter.

Crude Oil triggered a short-term sell signal on Wednesday. If a weekly swing high and downturn of the weekly CTI are seen in conjunction with this 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. Gasoline triggered a short-term sell signal on Wednesday and here too, if a weekly swing high and downturn of the weekly CTI are seen in conjunction with this 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. Natural Gas completed the formation of a daily swing low last 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 needed to be confirmed with a close above last Friday's high, which we have not seen and with the completion of another daily swing high on Thursday, a short-term sell signal was re-triggered. The CRB Index completed the formation of a daily swing high on Tuesday and with the downturn of the daily CTI on Wednesday, another short-term sell signal was triggered. As with the energy sector, the expectation is/was for the advance to be in association with an ending push into the trading and intermediate-term cycle top. The completion of a weekly swing high and downturn of the weekly CTI will be suggestive of the intermediate-term advance out of the December low having run its course. Gold triggered a short-term buy signal on Wednesday in association with the trading cycle low. In order to keep the intermediate-term advance alive, this trading cycle must continue higher with a right-translated structure. The XAU triggered a questionable short-term buy signal on Thursday in association with what should also be the trading cycle low. The Dollar triggered a questionable short-term sell signal on Thursday. A close below Thursday's low will serve as confirmation of this sell signal and what should be the trading cycle top, leaving the Dollar positioned for greater weakness into the higher degree intermediate-term cycle low. Bonds completed the formation of a daily swing low on Tuesday and with the upturn of the daily CTI on Wednesday a short-term buy signal in association with the trading cycle low was triggered.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back down and 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.

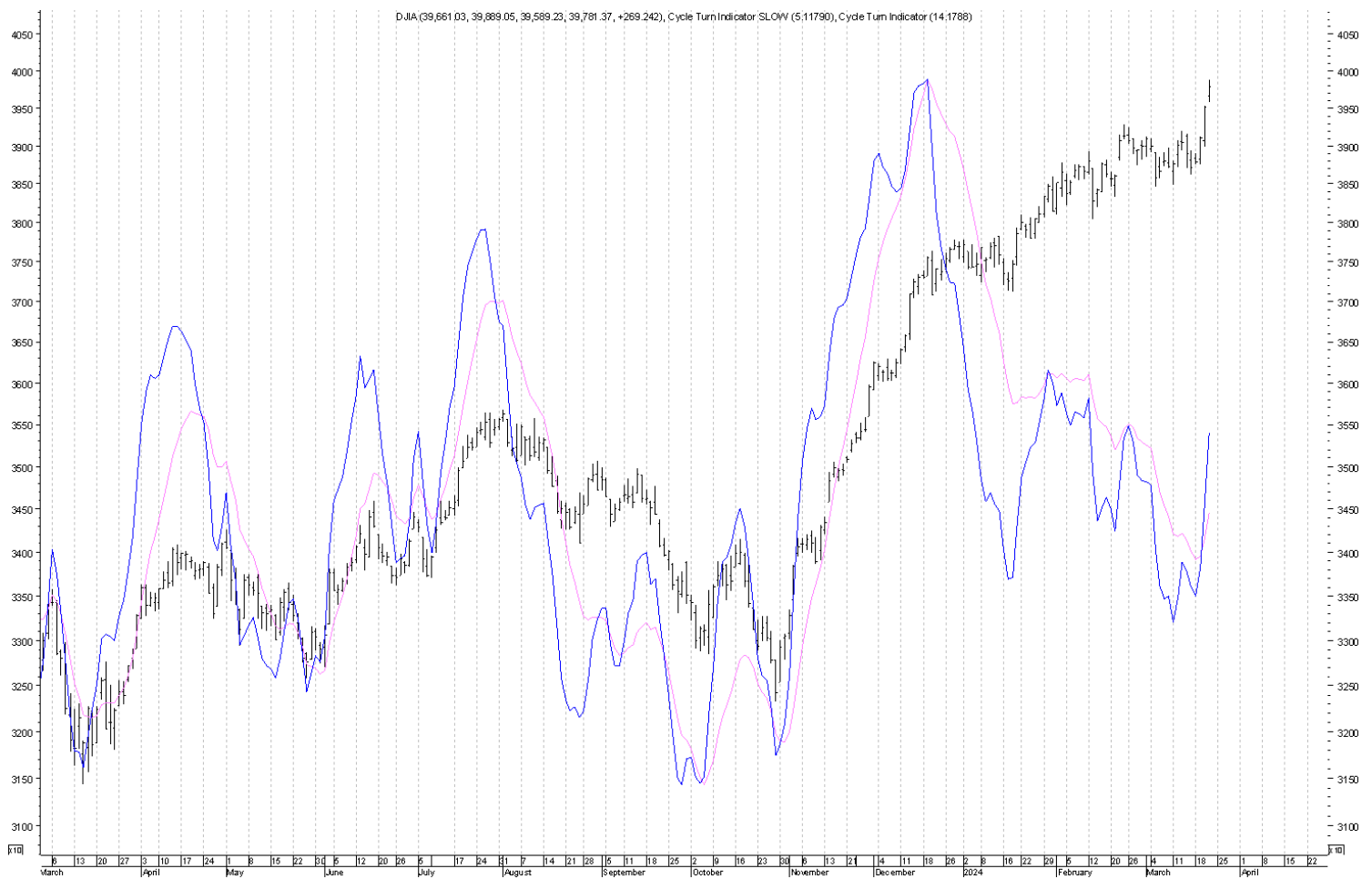


The price/oscillator picture since the March 5th low has been suggestive of the trading cycle low having been seen in conjunction with that low. As a result of Tuesday's short-term buy signal this proved correct. If this trading cycle advance peaks with a left-translated structure and/or a weekly swing high follows in the wake of the next short-term sell signal, the higher degree intermediate-term cycle top should be in place. The **Trading Cycle Oscillator** in the upper window continues its upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window has now moved to overbought levels. The **New High/New Low Differential**, plotted with price, turned up on Tuesday and here too, that upturn continues. The **Trend Indicator** has also crossed back above its trigger line.

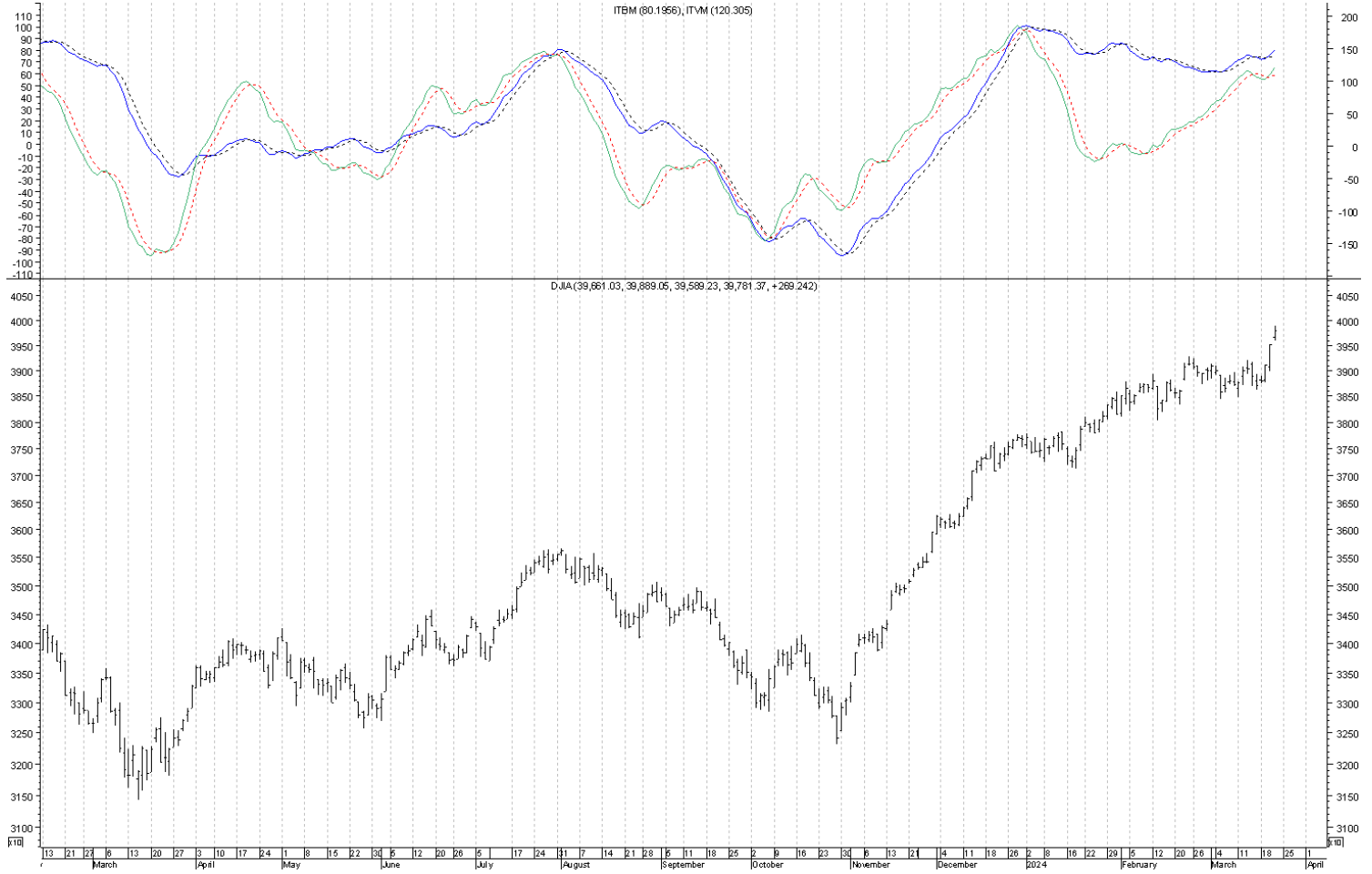


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

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. Again, if this trading cycle advance peaks with a left-translated structure and/or a weekly swing high follows in the wake of the next short-term sell signal, the higher degree intermediate-term cycle top should be in place.

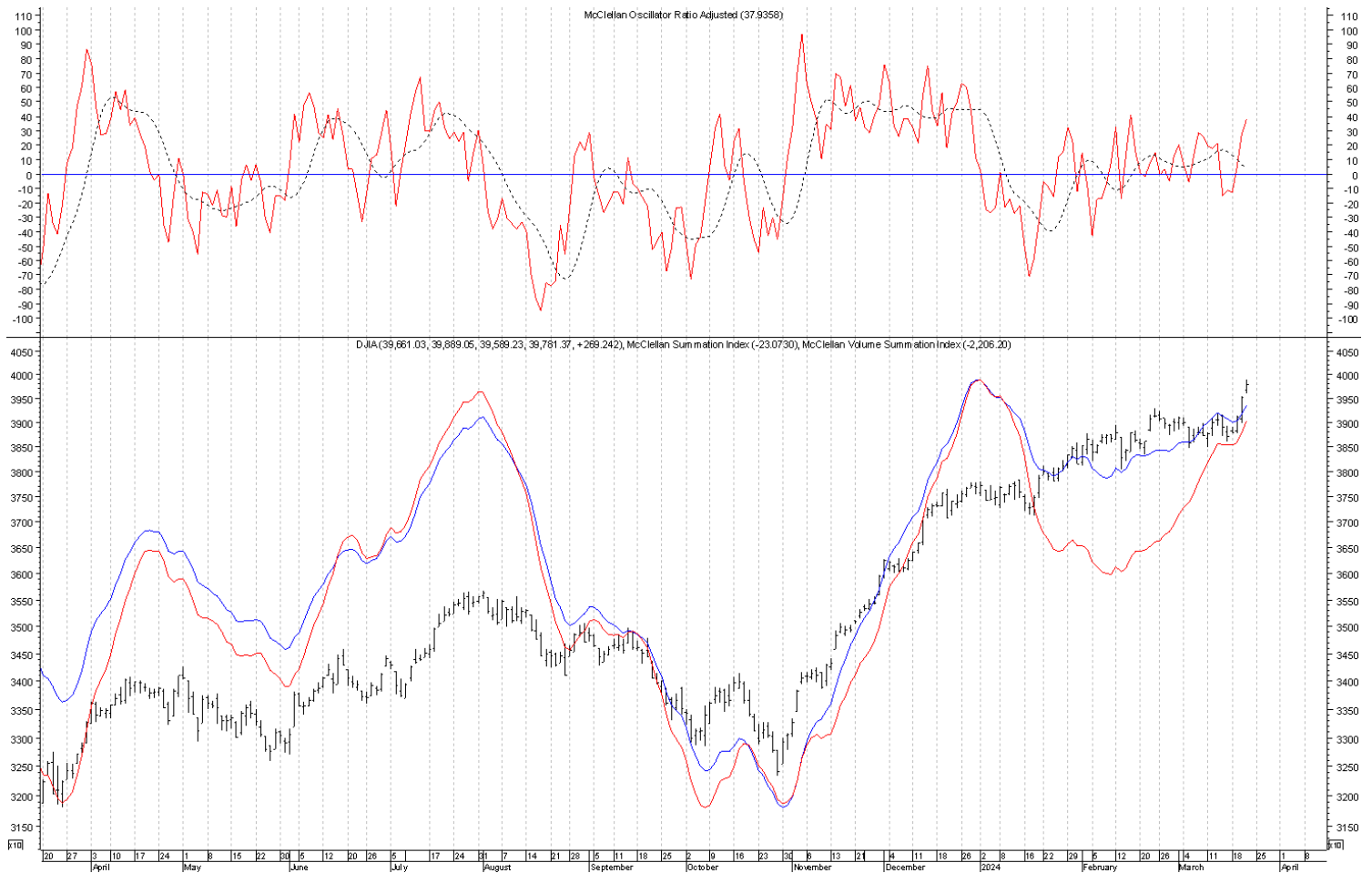


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** continue their upturns in association with the advance out of the trading cycle low as well.





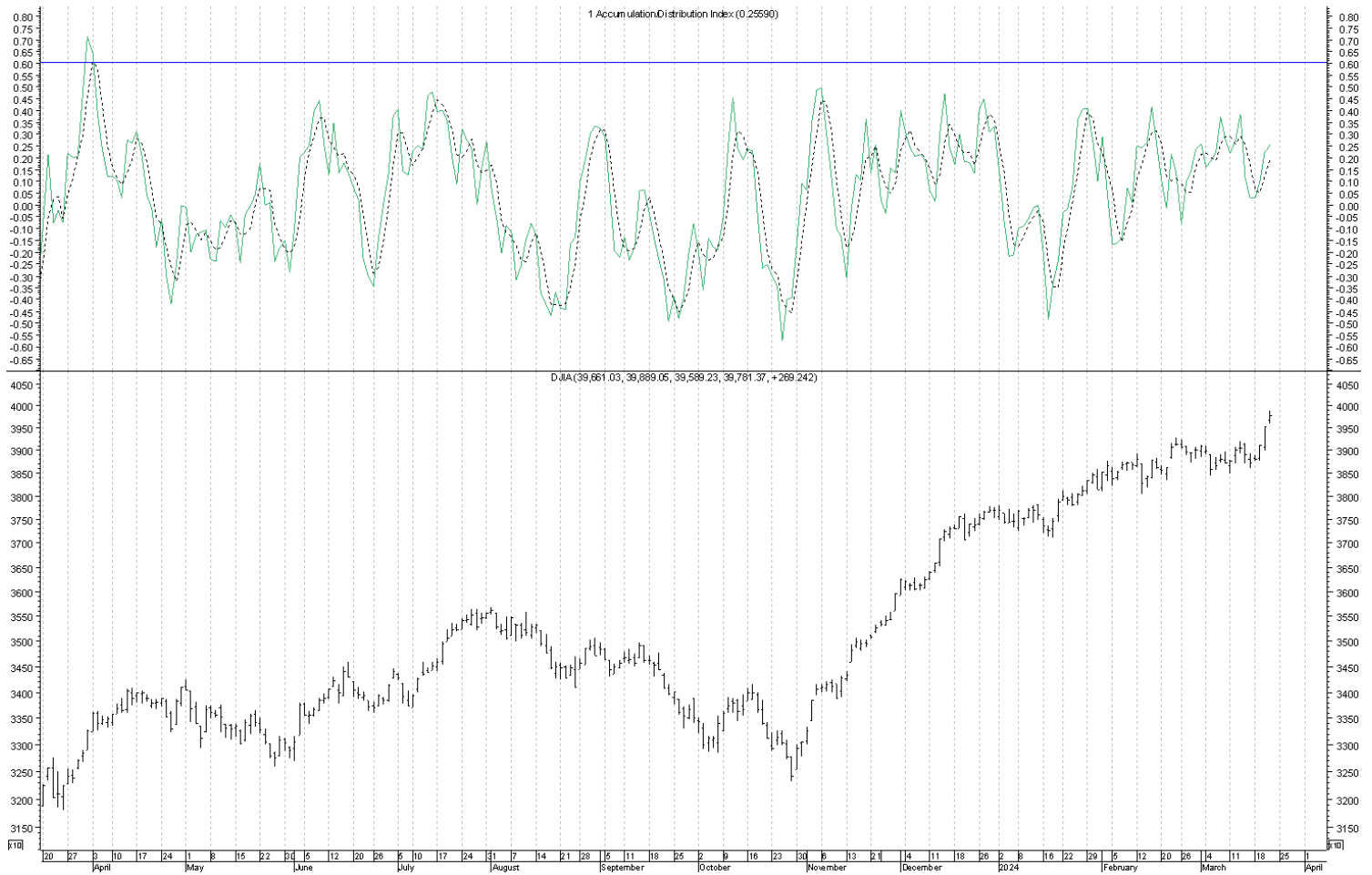
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their upturns in association with this trading cycle advance. The **Ratio Adjusted McClellan Oscillator** ticked up last Friday and has now crossed above both its trigger and zero lines, which here too is reflective of the advance out of the March 5th 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 has also turned back up in association with the advance out of the March 5th trading cycle low. Another downturn in conjunction with the completion 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 and that upturn also continues. 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 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.



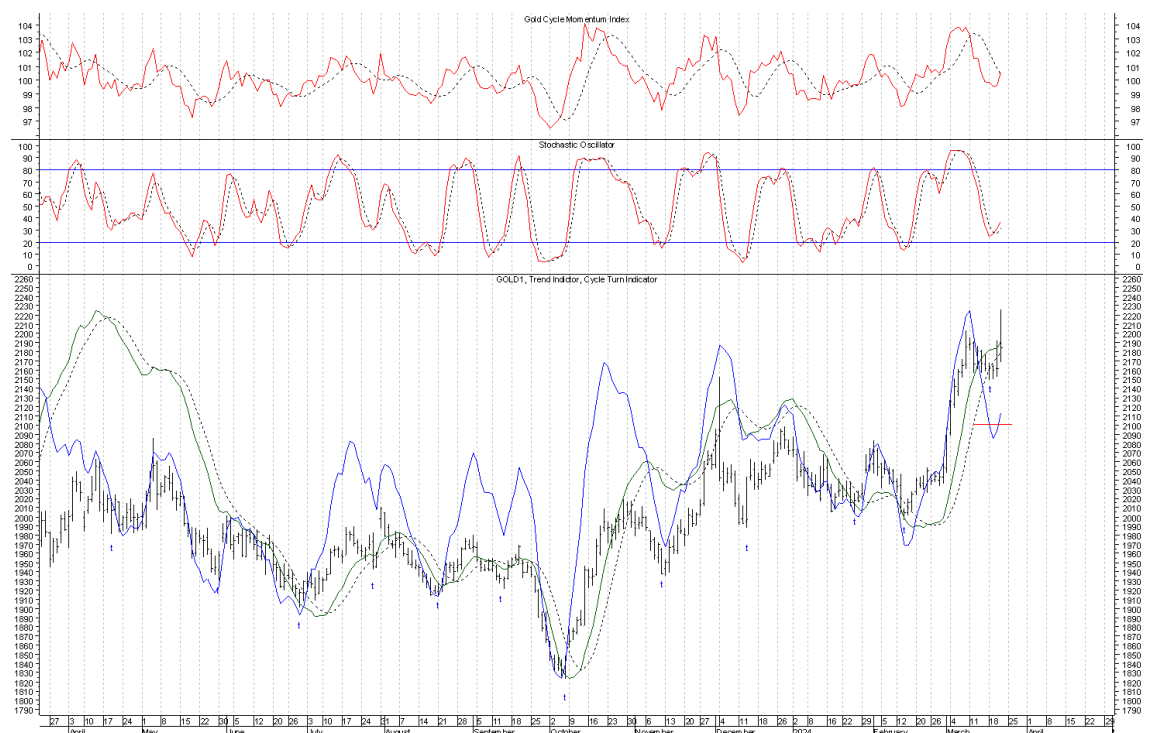
## Gold

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 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

The timing band for the current trading cycle low runs between March 12th and March 26th. Ideally, I wanted to see continued weakness into this low, but per the Tuesday night update we knew that once a daily swing low and upturn of the daily CTI were seen, a short-term buy signal would be triggered and this low would be in place. Per the parameters given in the Tuesday night update, the price action on Wednesday completed the formation of a daily swing low triggering a short-term buy signal. Because of the reversal lower, this buy signal was questionable, but every indication is that the trading cycle low has been seen and we are thus far seeing a weak trading cycle advance. 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 and now with the bettering of the March 8th trading cycle top, this certainly appears to have been the case. Accordingly, a left-translated trading cycle advance and the completion of a weekly swing high will leave

Gold at risk of the intermediate-term cycle having peaked. More on that once another short-term sell signal is triggered. For now, 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 Friday if 2,225.30 is not bettered and if 2,168.20 is violated.



Our daily chart of the XAU is next. The trading cycle top was seen on March 13th vs March 8th on Gold. As a result of the reversal on Wednesday and the completion of a daily swing low on Thursday, every indication is that the trading cycle low was seen on March 18th. However, because of the reversal lower on Thursday, the short-term buy signal is questionable and as with Gold, it appears as if we are potentially seeing a weak trading cycle advance. As confirmation of Thursday's questionable short-term buy signal, we must see a close above Thursday's high. Otherwise, the completion of another daily swing high and downturn of the daily CTI will be suggestive of a failed and left-translated trading cycle top. A daily swing high will be completed on Friday if 124.02 is not bettered and if 120.80 is violated.



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

#### Primary Indicators

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

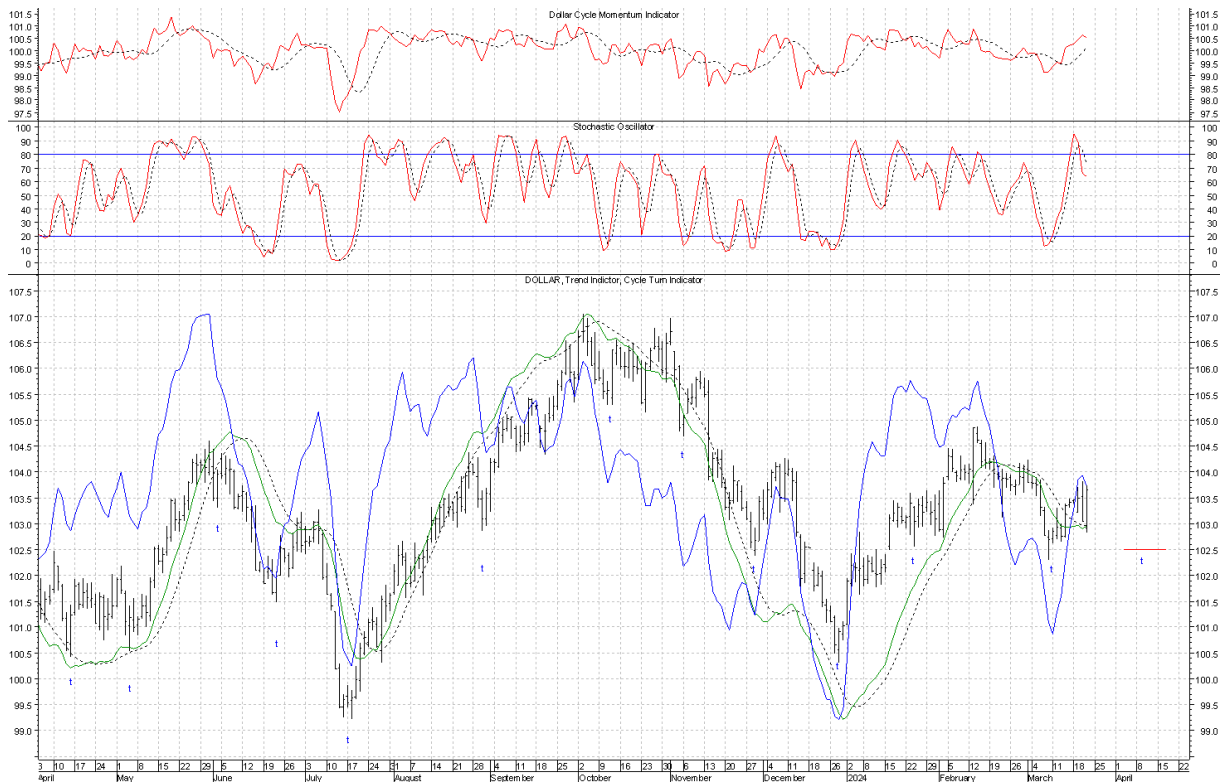
#### Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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The trading cycle low was seen on March 8th. 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 trading cycle low should prove to be counter-trend. With the completion of a daily swing high and downturn of the daily CTI on Thursday, a short-term sell signal was triggered. But, because of the reversal off the low, this sell signal must be confirmed with a close below Thursday's low. If such confirmation is seen, this trading cycle advance should have ideally run its course, leaving the Dollar positioned for continued weakness in conjunction with the downturn out of the intermediate-term cycle top. A daily swing low will be completed on Friday if 102.83 holds and if 103.73 is bettered.

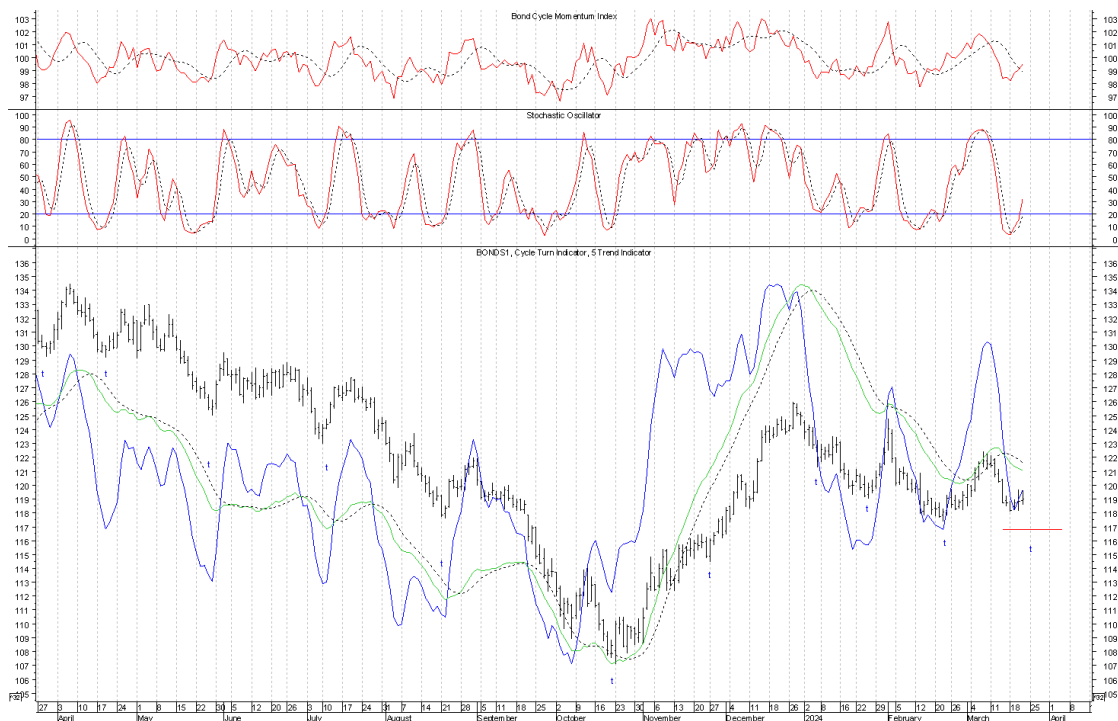


## Bonds

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

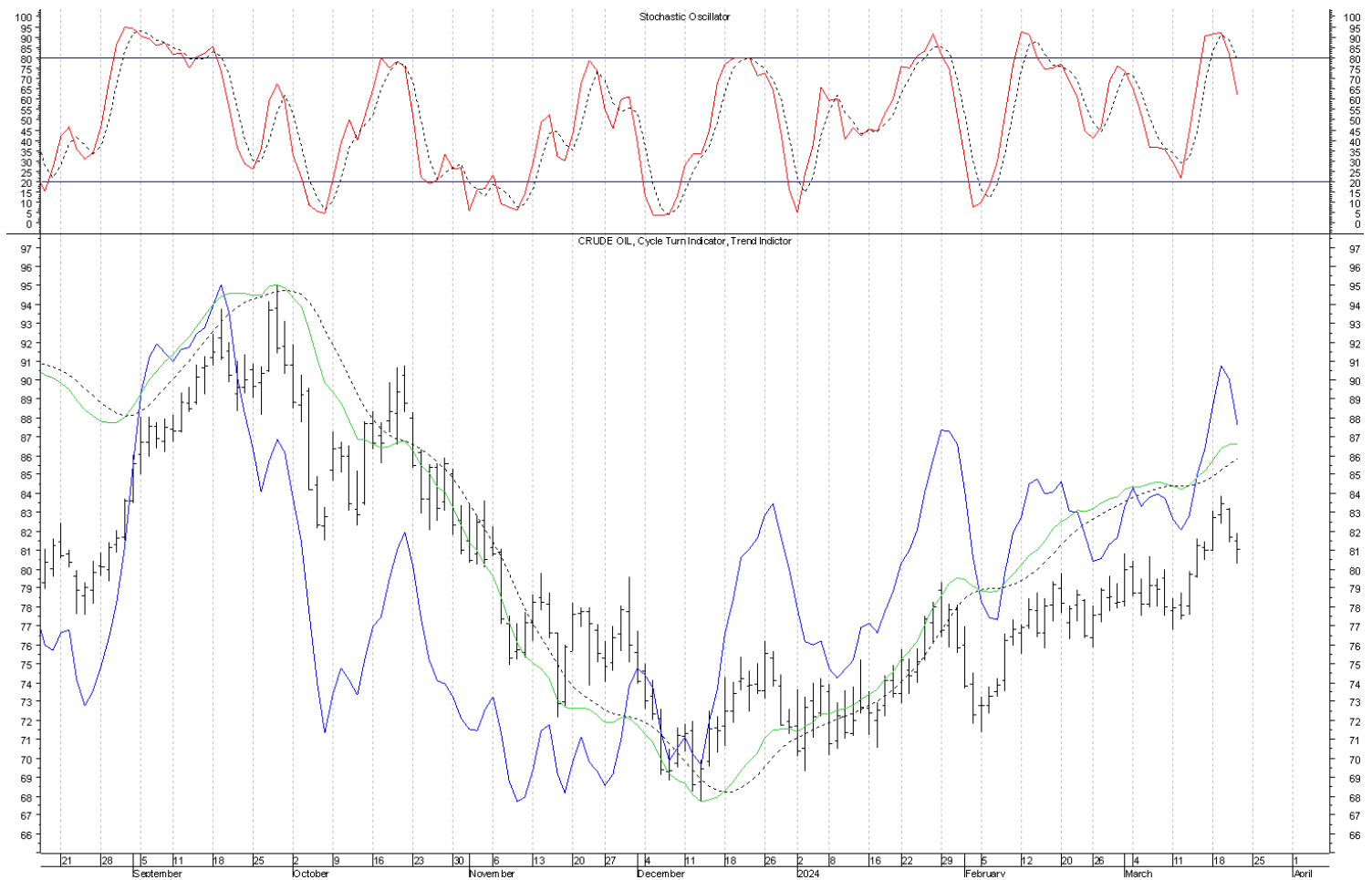
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bullish

The timing band for the current trading cycle low runs between March 14th and April 4th. Ideally, I wanted to see a little further weakness into this timing band, but per the Tuesday night update, we knew that the price action on Tuesday completed the formation of a daily swing low and that any further strength that turned the daily **CTI** up would trigger a short-term buy signal, which we saw on Wednesday. In doing so, every indication is that the trading cycle low has been seen. Based on the cyclical structure and timing for the intermediate-term cycle low, we have to continue to assume that an early intermediate-term cycle low was seen in February. 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, the advance out of this trading cycle low must carry Bonds above the March trading cycle top with a right-translated structure. Therefore, the advance out of this trading cycle low now serves as the structural test with regard to the intermediate-term cycle. In the meantime, Wednesday's short-term buy signal will remain intact until a daily swing high and downturn of the daily **CTI** are seen.



## Crude Oil

The March 13th short-term buy signal had carried price to increasingly overbought levels, per the 5 3 3 Stochastic, and per the parameters given in the Tuesday night update, Crude Oil completed the formation of a daily swing high on Wednesday. In doing so, the daily CTI turned down triggering a short-term sell signal. If a weekly swing high and downturn of the weekly CTI are seen in conjunction with this 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. 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 80.30 holds and if 81.92 is bettered.



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