

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 26, 2024

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

March 26, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Neutral	
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 High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bearish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bearish
McClellan Summation Index	Bearish
McClellan Volume Summation Index	Bearish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bullish
Ratio Adjusted McClellan Oscillator Crossover	Bearish
Accumulation/Distribution Index	Bearish

There is a correction to the March Research Letter. On page 17 the letter read, “The timing band for the next trading cycle low runs between April 10th and March 3rd.” It should have read, The timing band for the next trading cycle low runs between April 15th and May 3rd. I have uploaded a corrected version of the letter.

The recent trading cycle low was seen on March 5th. On Friday the Industrials completed the formation of a daily swing high, but a short-term sell signal was not triggered. The continued weakness on Monday and Tuesday is increasingly suggestive of a left-translated trading cycle top, as is the accompanying oscillator picture, but with ALL Three of the Primary Short-Term Indicators not yet having turned down, a short-term sell signal has not been triggered. Any further weakness that turns ALL Three of these indicators into gear to the downside will trigger a short-term sell signal and the assumption will have to be that we have a left-translated trading cycle top in place. If the decline in association with such 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.

The price action on Monday completed the formation of a daily swing low and with the upturn of the daily CTI, a short-term buy signal was triggered. On Tuesday Crude Oil closed lower, but in the absence of the completion of another daily swing high, a short-term sell signal was not triggered. Any further weakness that carries price below Monday's low will retrigger another short-term sell signal. In spite of the advance on Friday and Monday, the March 20th short-term sell signal on Gasoline held and on Tuesday another daily swing high was completed. The completion of a weekly swing high AND downturn of the weekly CTI in conjunction with this short-term sell signal will serve as confirmation of the trading cycle top, leaving the intermediate-term advance out of the December low at risk of having run its course.

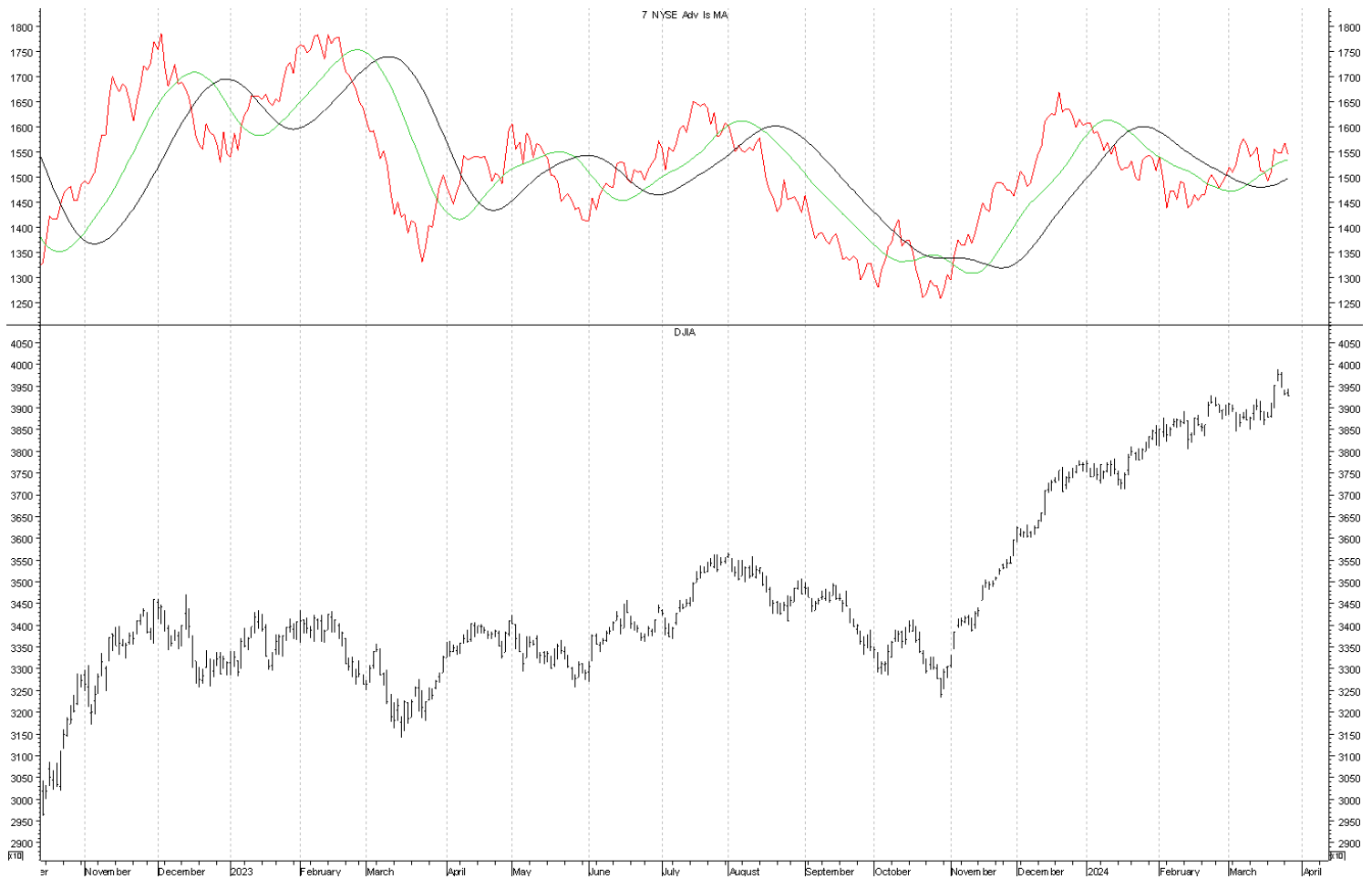
The short-term sell signal on Natural Gas remains intact and with the violation of the February low, the decline in association with the higher degree cycle tops continues. On Monday the CRB Index completed the formation of a daily swing low, but with the completion of another daily swing high on Tuesday, another short-term sell signal was triggered. 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 another short-term buy signal on Tuesday, but because of the reversal lower this signal is questionable and Gold remains at risk of a left-translated trading cycle advance. In order to keep the intermediate-term advance alive, this trading cycle must continue higher with a right-translated structure.

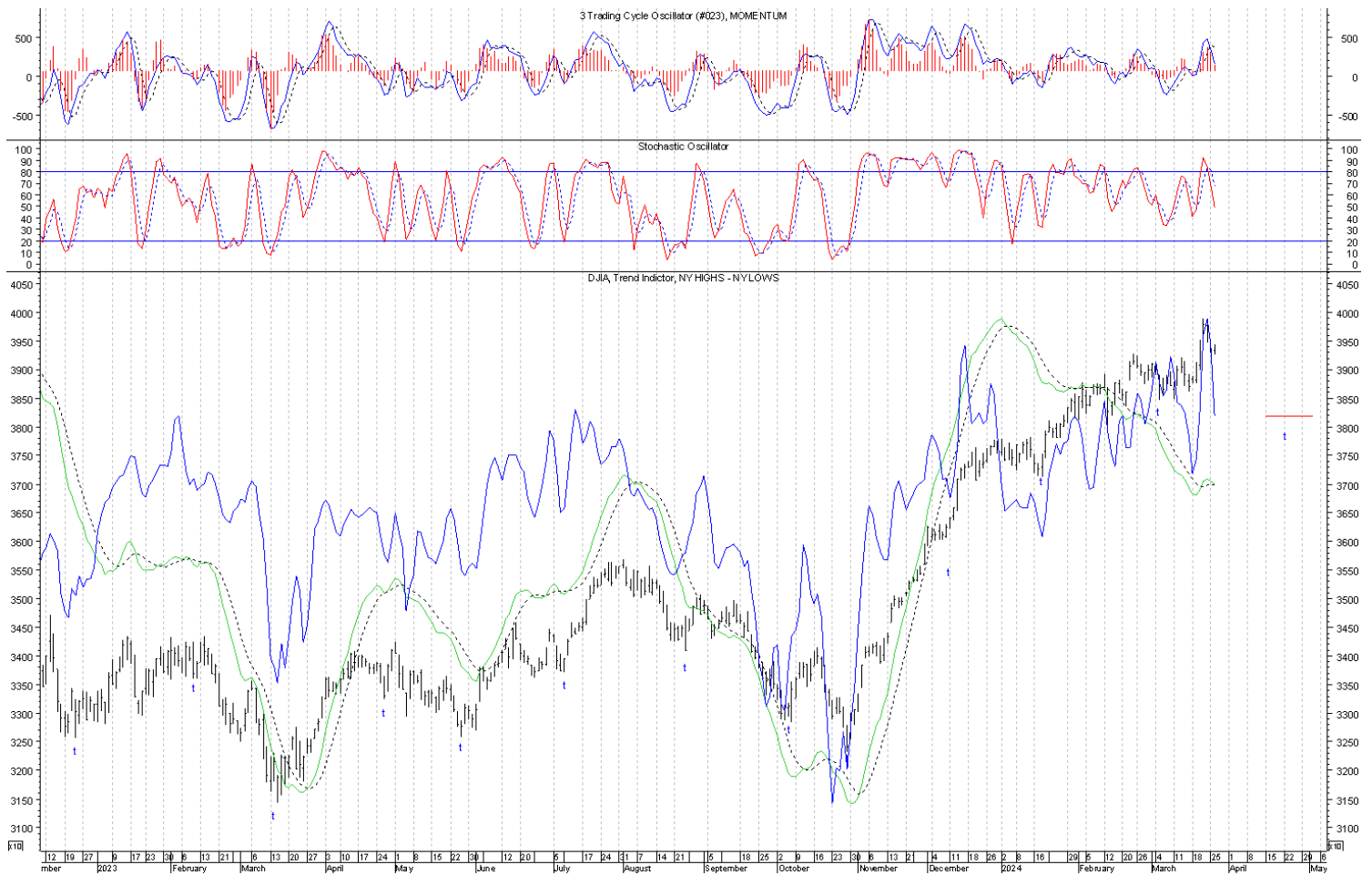
The XAU triggered a short-term sell signal on Friday. That signal remains intact and structurally the XAU also remains at risk of a left-translated trading cycle top. On the Dollar, the price/oscillator picture is ripe for the trading cycle top and any further weakness that completes the formation of a daily swing high will trigger a short-term sell signal in association with what should be the trading cycle top, whereas any additional advance should be in association with an additional push up into that top.

Bonds completed the formation of a daily swing high on Tuesday, but with the daily CTI remaining positive, a short-term sell signal was not triggered. Any further advance on Wednesday that completes the formation of another daily swing low will keep this trading cycle advance structurally alive whereas 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.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back down and the overall downturn out of the early March high 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.

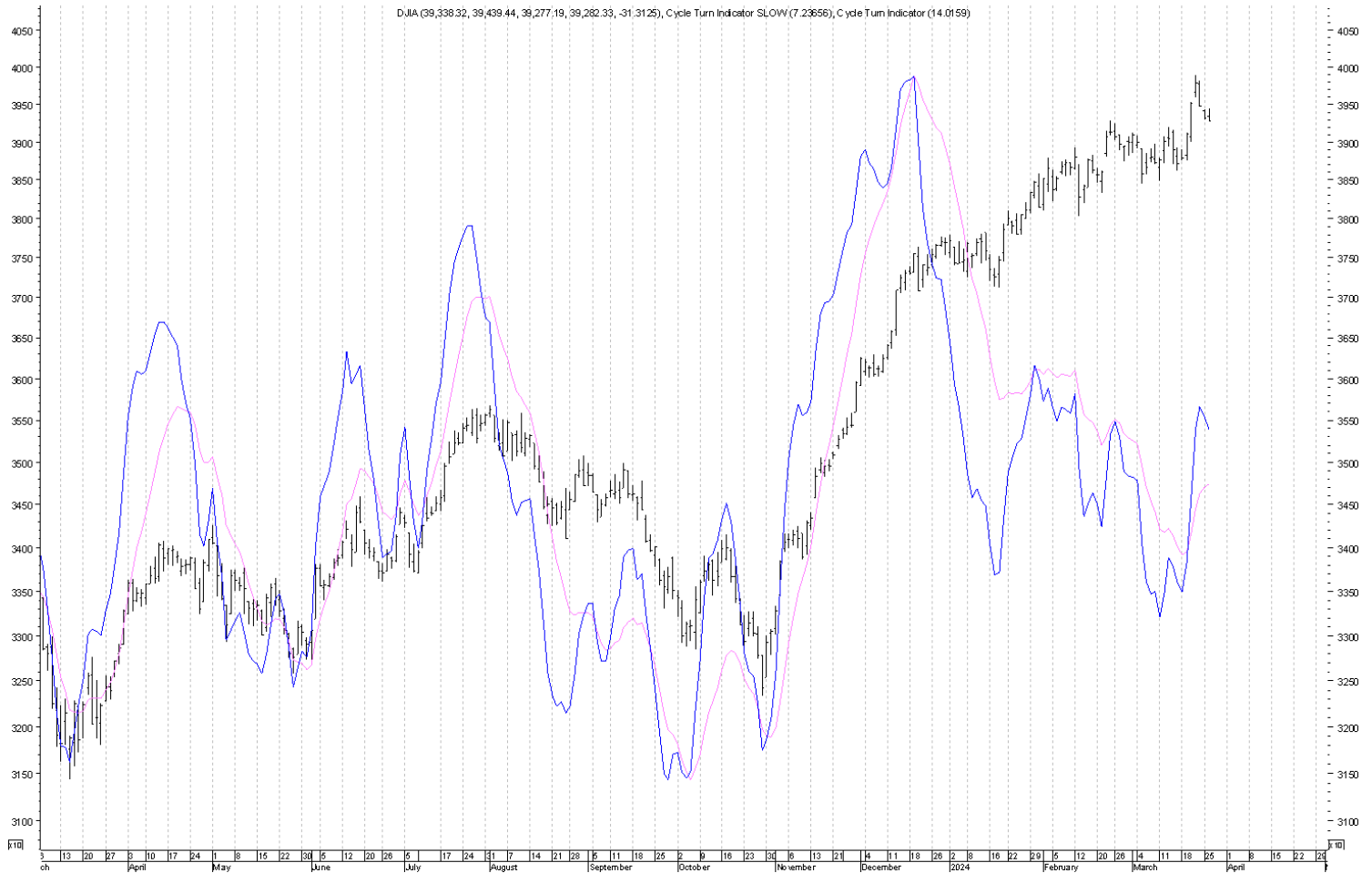


The price/oscillator picture in association with Friday's completion of a daily swing high and the weakness that has followed is suggestive of a trading cycle top. If this trading cycle advance proves to peak with a left-translated structure and/or a weekly swing high follows in the wake of the next 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 downturn as does the **Momentum** Indicator, which now sits marginally above its zero line. The **5 3 3 Stochastic** in the middle window continues its downturn from overbought levels. The **New High/New Low Differential**, plotted with price, turned down on Monday. The **Trend Indicator** has turned back down and is sitting marginally above its trigger line. Another crossing here will be suggestive of what is currently trying to set up as a left-translated trading cycle top.



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.

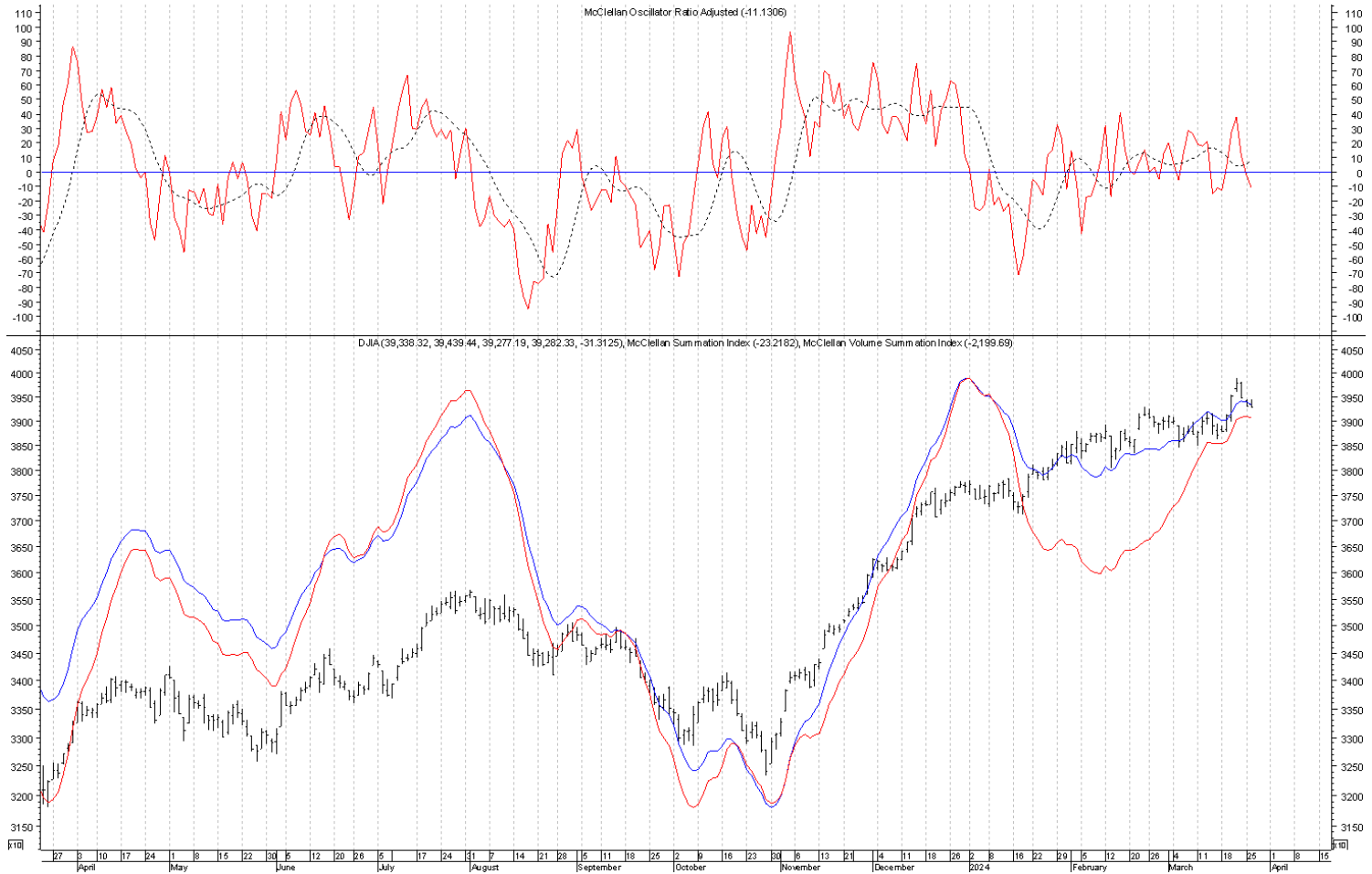
The Industrials completed the formation of a daily swing high on Friday and while it appears this trading cycle is trying to set up with a left-translated structure, we need to see a downturn of ALL Three of the Primary Short-Term Indicators in order to trigger a short-term sell signal. If this trading cycle advance peaks with a left-translated structure and/or a weekly swing high follows in the wake of the short-term sell signal, the higher degree intermediate-term cycle top should be in place.



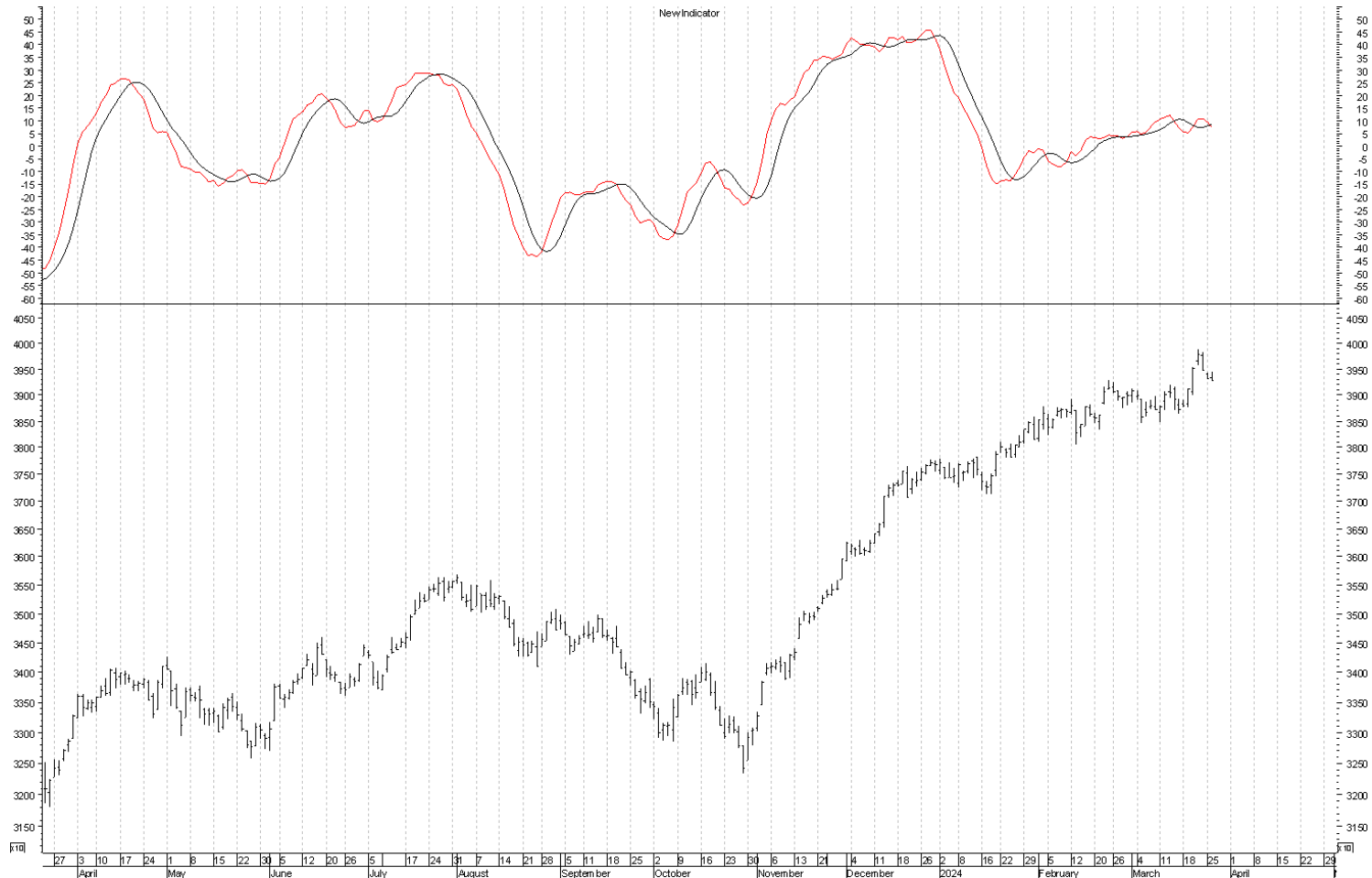
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** have turned down, which in doing so is also suggestive of a left-translated trading cycle top in the making.



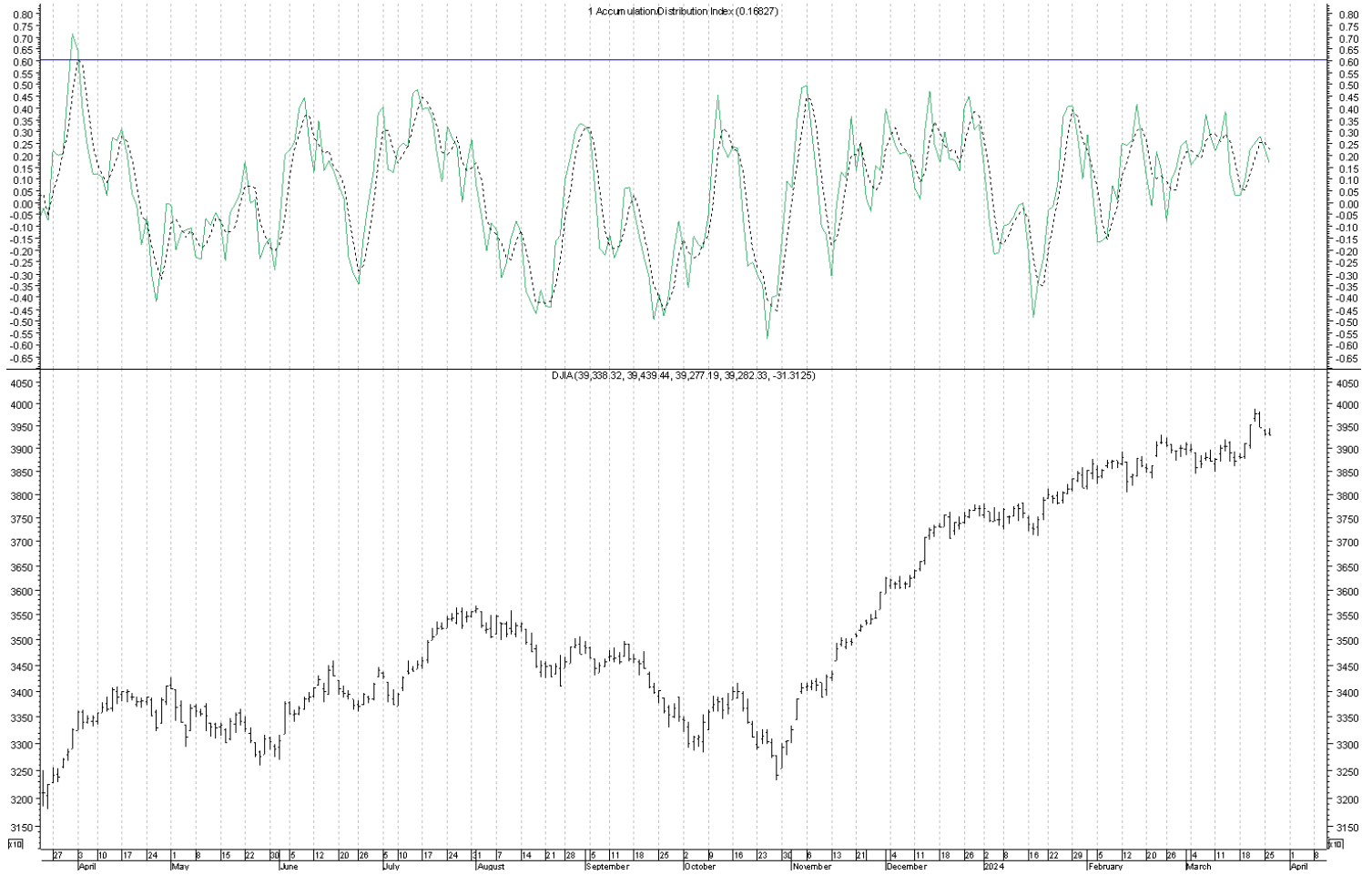
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have also ticked down, which here too, tends to be suggestive of a left-translated trading cycle top in the making. The **Ratio Adjusted McClellan Oscillator** has turned below its zero line, which here too is suggestive of a left-translated trading cycle in the making. If this downturn is now followed by the triggering of a short-term sell signal and the completion of a weekly swing high, the price/oscillator picture will be reflective of the higher degree intermediate-term cycle top.



The smoothed McClellan oscillator has turned back below its zero line, which again is suggestive of a left-translated trading cycle top in the making. The triggering of a short-term sell signal that is accompanied by the completion of a weekly swing high should be in association with the trading and intermediate-term cycle top.



The **Accumulation/Distribution Index** has turned back down and as with the other oscillators, this too is suggestive that a left-translated trading cycle top is trying to take hold. 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.

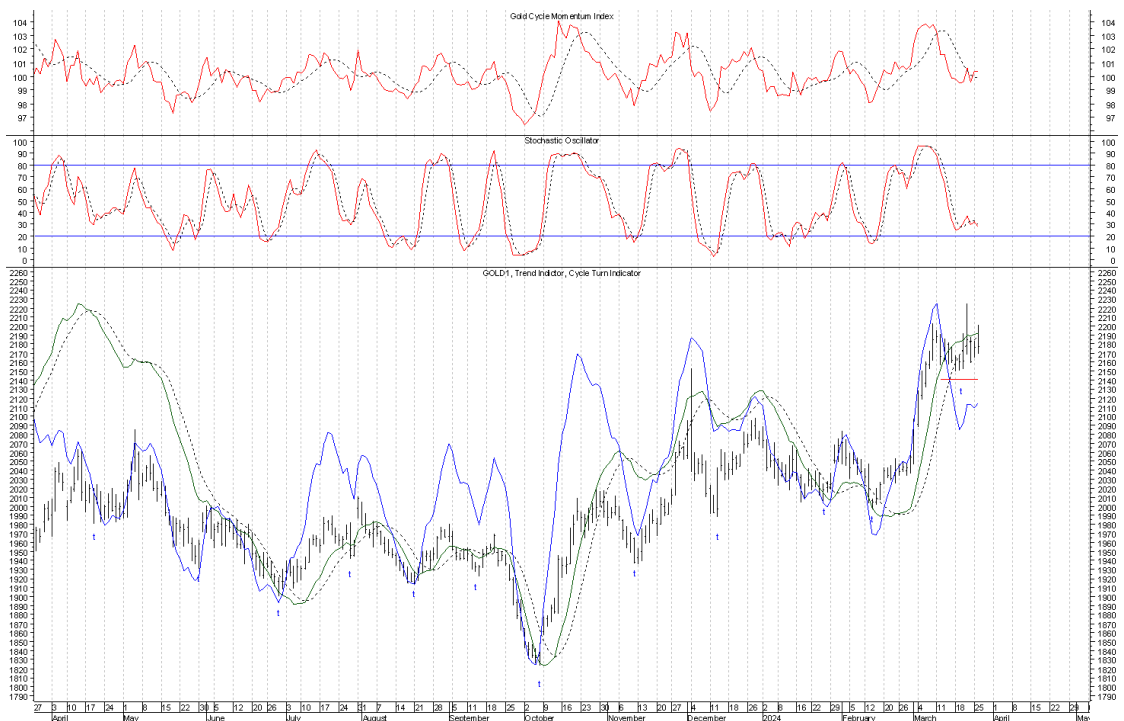


Gold

End of Week Intermediate-Term Indicator Summary 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

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 March 12th and March 26th. This low was seen on March 18th. With Friday's completion of a daily swing low and downturn of the daily CTI, a short-term sell signal was triggered in association with a potentially failing trading cycle advance. On Tuesday Gold completed the formation of a daily swing low and with the upturn of the daily CTI a short-term buy signal was triggered. But, because of the reversal lower, this buy signal is questionable and needs to be confirmed with a close above Tuesday's high. If such confirmation is seen, then higher prices in association with this trading cycle advance will be possible. However, the completion of another daily swing high, following Tuesday's reversal with a close below Friday's low will be suggestive of this trading cycle advance having failed and that we have a left-translated trading cycle at play. 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 this as it develops. Another daily swing high will be completed on Wednesday if 2,200.60 is not bettered and if 2,168.30 is violated.



Our daily chart of the XAU is next. The price action on Monday completed the formation of a daily swing low, but because of the reversal lower and with the daily CTI remaining negative, a short-term buy signal was not triggered. On Tuesday another daily swing high was completed and as a result the short-term sell signal and decline out of what thus far appears to have been a left-translated trading cycle top remains intact. Any further weakness that completes the formation of a weekly swing high should serve as confirmation of the trading cycle top and will be suggestive of what should be the higher degree intermediate-term cycle top as well. A daily swing low will be completed on Wednesday if 119.43 holds and if 121.79 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	Bearish

Secondary Indicators

5 3 3 Stochastic	Bullish
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Daily Indicator Summary **Short-Term Buy**

Primary Indicators

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

Confirming Indicators

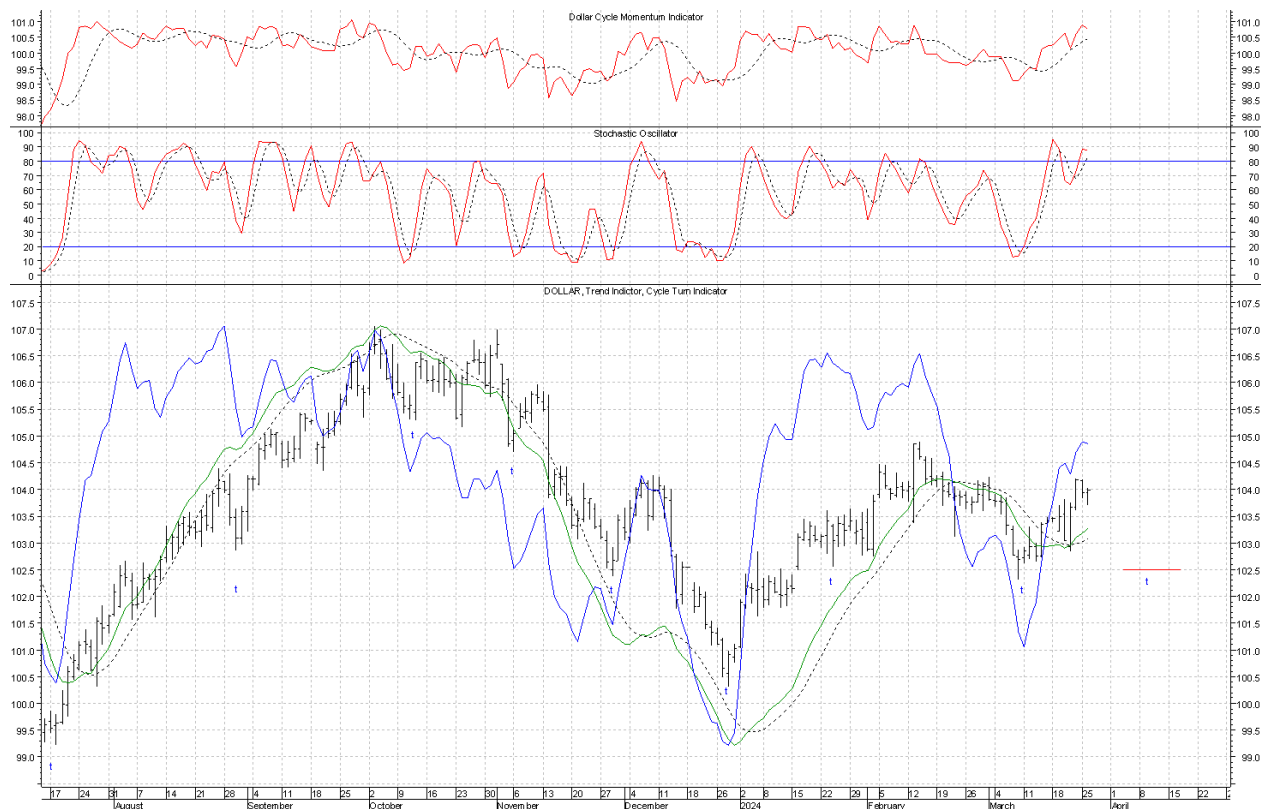
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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The trading cycle low was seen on March 8th. The timing band for the next trading cycle low runs between April 3rd and April 17th. The price/oscillator picture is ripe for the trading cycle top and any further weakness that completes the formation of a daily swing high will trigger a short-term sell signal in association with what should be the trading cycle top, whereas any additional advance should be in association with an additional push up into that top. 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. If a weekly swing high is completed in conjunction with the next short-term sell signal, we should have confirmation of the trading cycle top and every indication will be that the counter-trend

retest of the intermediate-term cycle top has run its course. A daily swing high will be completed on Wednesday if 104.20 is not bettered and if 103.60 is violated.

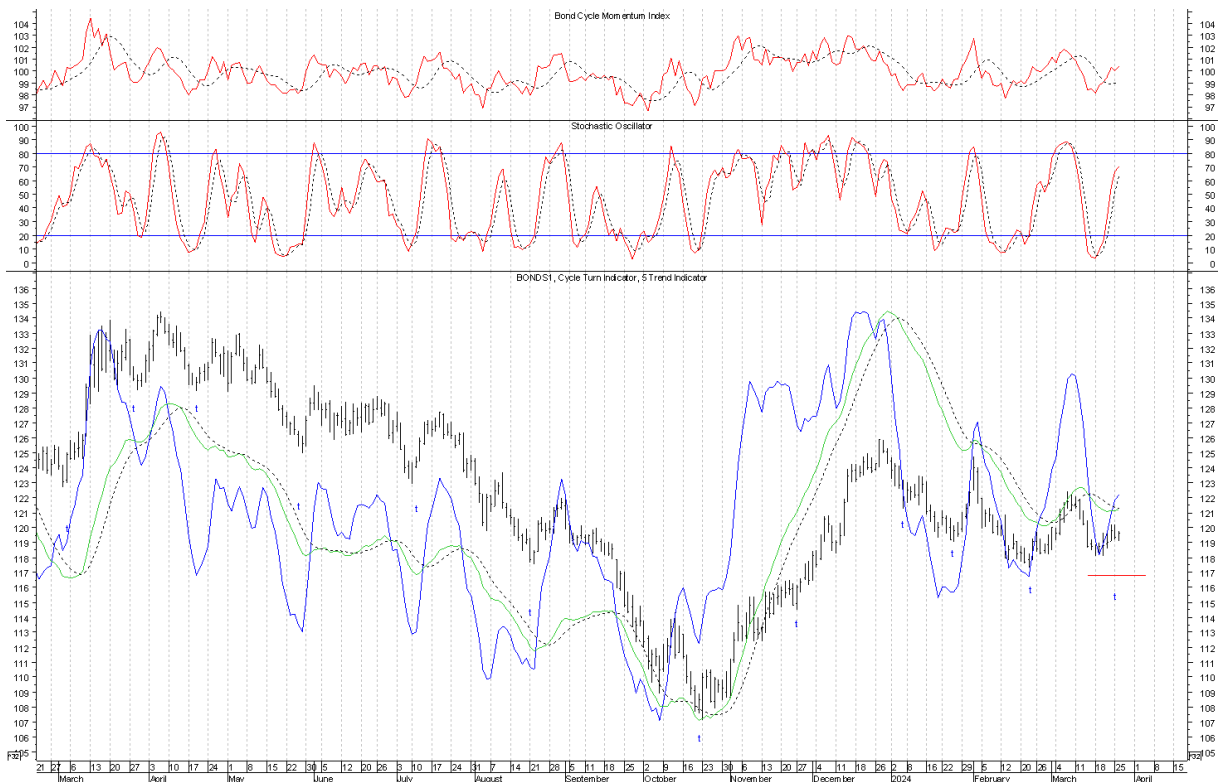


Bonds

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	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bullish

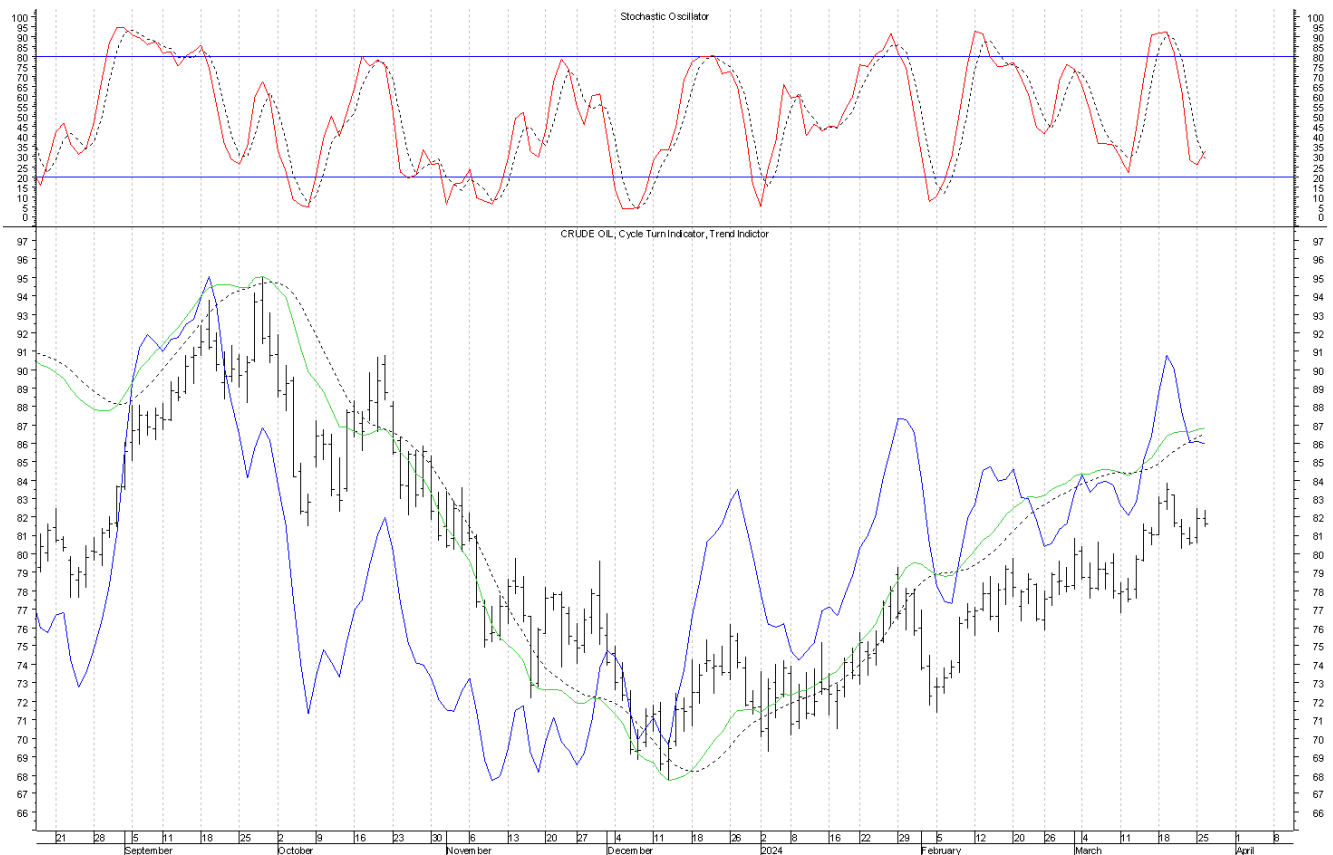
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the current trading cycle low runs between March 14th and April 4th. Every indication continues to be that this low was seen on March 18th. The price action on Tuesday completed the formation of a daily swing high, but with the daily **CTI** remaining positive, a short-term sell signal was not triggered. Any further advance on Wednesday that completes the formation of another daily swing low will keep this trading cycle advance structurally alive whereas 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. The advance out of this trading cycle low remains key with respect to the structural test of the higher degree intermediate-term cycle. For now, the short-term buy signal will remain intact until a daily swing high and downturn of the daily **CTI** are seen.



Crude Oil

The price action on Monday completed the formation of a daily swing low and with the upturn of the daily **CTI**, a short-term buy signal was triggered. On Tuesday Crude Oil closed lower, but in the absence of the completion of another daily swing high, a short-term sell signal was not re-triggered. Any further weakness that carries price below Monday's low will retrigger another short-term sell signal and any further weakness that yields a close below the March 21st low should serve as confirmation of the trading cycle top, as well as what should ideally also be the higher degree intermediate-term cycle top. Another daily swing high will be completed on Wednesday if 82.48 is not bettered and if 80.59 is violated.



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