

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 April 2, 2024

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

April 2, 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)	Bullish
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	Bullish
Cycle Momentum Indicator	Bullish
*When this indicator is Bullish it is negative for the market and visa versa.	

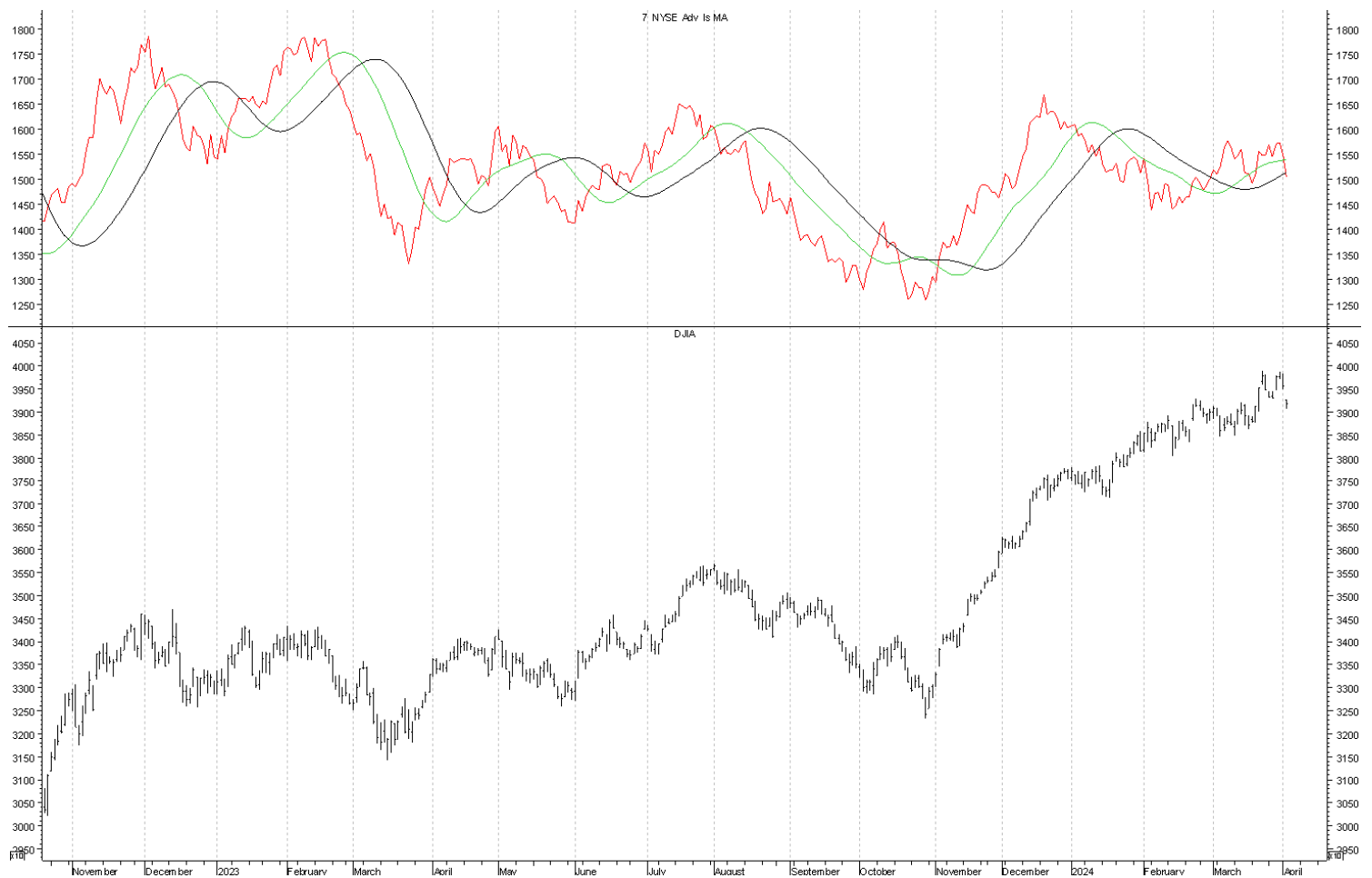
Daily Indicator Summary <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bearish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bearish
McClellan Summation Index	Bearish
McClellan Volume Summation Index	Bearish
<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

The last trading cycle low was seen on March 5th. On Monday the Industrials completed the formation of a daily swing high and with ALL Three of the Primary Short-Term Indicators turning into gear to the downside on Tuesday, a short-term sell signal was triggered. As a result, the trading cycle top should be in place, which we will assume to be the case until the Industrials can prove otherwise. The timing band for the next trading cycle low runs between April 15th and May 2nd. The timing band for the higher degree intermediate-term cycle low runs between February 16th and April 19th. Based on this combined cyclical phasing, the expectation was to see the intermediate-term cycle top in conjunction with the last trading cycle top in February as we moved into the timing band for the higher degree intermediate-term cycle low. This top tried to take hold, but in the absence of the completion of a weekly swing high and the triggering of an intermediate-term sell signal, the higher degree intermediate-term cycle top failed to develop at that time. If a weekly swing high and intermediate-term sell signal follow in the wake of this short-term sell signal, then the evidence will be suggestive of not only the trading cycle top, but also of the higher degree intermediate-

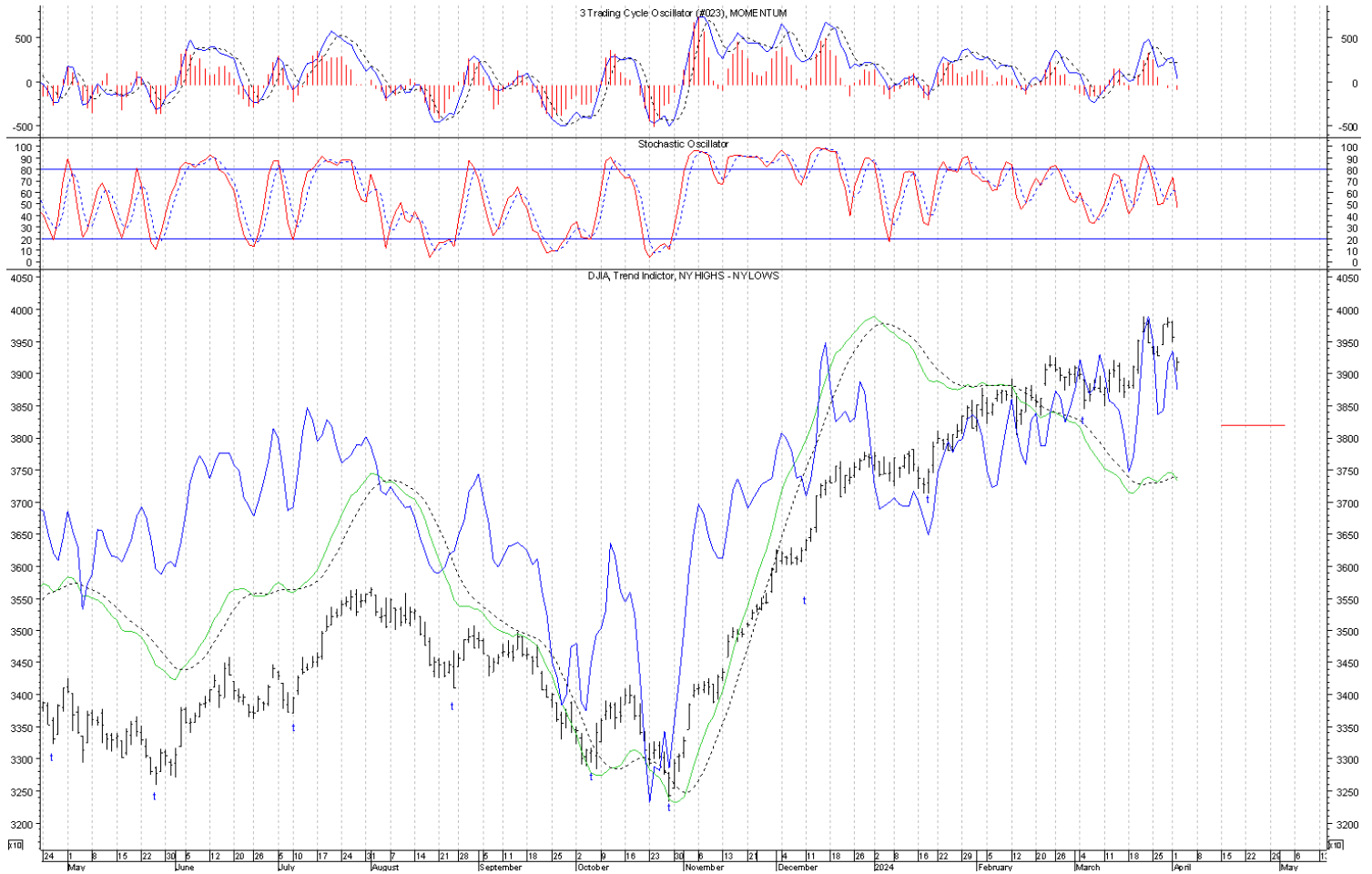
term cycle top as well. As discussed in the weekend update, either this intermediate-term cycle is running long, or it bottomed early in conjunction with the modest downturn in early January. Either way, we need to see if an intermediate-term sell signal follows in the wake of this short-term sell signal and if so what the structural consequences of the decline into the trading cycle low yields. Then, once the trading cycle low is in place I can better evaluate the phasing of the intermediate-term cycle. In either case, the triggering of an intermediate-term sell signal is going to be suggestive of the the intermediate-term cycle top. More on this as it develops.

The March 25th short-term buy signal on Crude Oil remains intact. At a higher level, as with Equities, Crude Oil should be at or near an intermediate-term cycle top, which should be in place once a weekly swing high and downturn of the weekly CTI are seen. The next opportunity for this higher degree cycle top will come in conjunction with the next short-term sell signal. The short-term buy signal on Gasoline remains intact, but here too an intermediate-term cycle top should be close at hand. If the next short-term sell signal is followed by the completion of weekly swing high and the triggering of an intermediate-term sell signal, the higher degree intermediate-term cycle top should be in place. The March 27th short-term buy signal on Natural Gas remains intact. Given the evidence of the higher degree cycle tops, this advance is expected to be counter-trend. The March 28th short-term buy signal on the CRB Index has been followed by continued strength. At a higher level, the intermediate-term cycle top should be close at hand, but until a short-term sell signal is followed by the completion of weekly swing high and the triggering of an intermediate-term sell signal, there is no evidence of this higher degree cycle top having been seen. The March 26th short-term buy signal on Gold remains intact as does the trading cycle advance. The short-term buy signal and advance on the XAU also remains intact. The price/oscillator picture on the Dollar remains ripe for the trading cycle top, but until a short-term sell signal is triggered, this trading cycle advance will also remain intact. Bonds completed the formation of a daily swing high on Monday and with the downturn of the daily CTI, a short-term sell signal was triggered. As a result, with price still within the timing band for the trading cycle low, we are potentially seeing another push down into the trading cycle low. However, until Bonds can prove that to be the case, the assumption is that the trading cycle low was seen on March 18th and that we have a failed and left-translated trading cycle at play.

The Intermediate-Term Advancing Issues Line, plotted in red, has turned back down and the behavior here is suggestive of the trading cycle top having been seen. 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. Based on the behavior of the Moving Averages, the evidence tends to suggest that this intermediate-term cycle has run long and that the intermediate-term cycle low should still lie ahead.

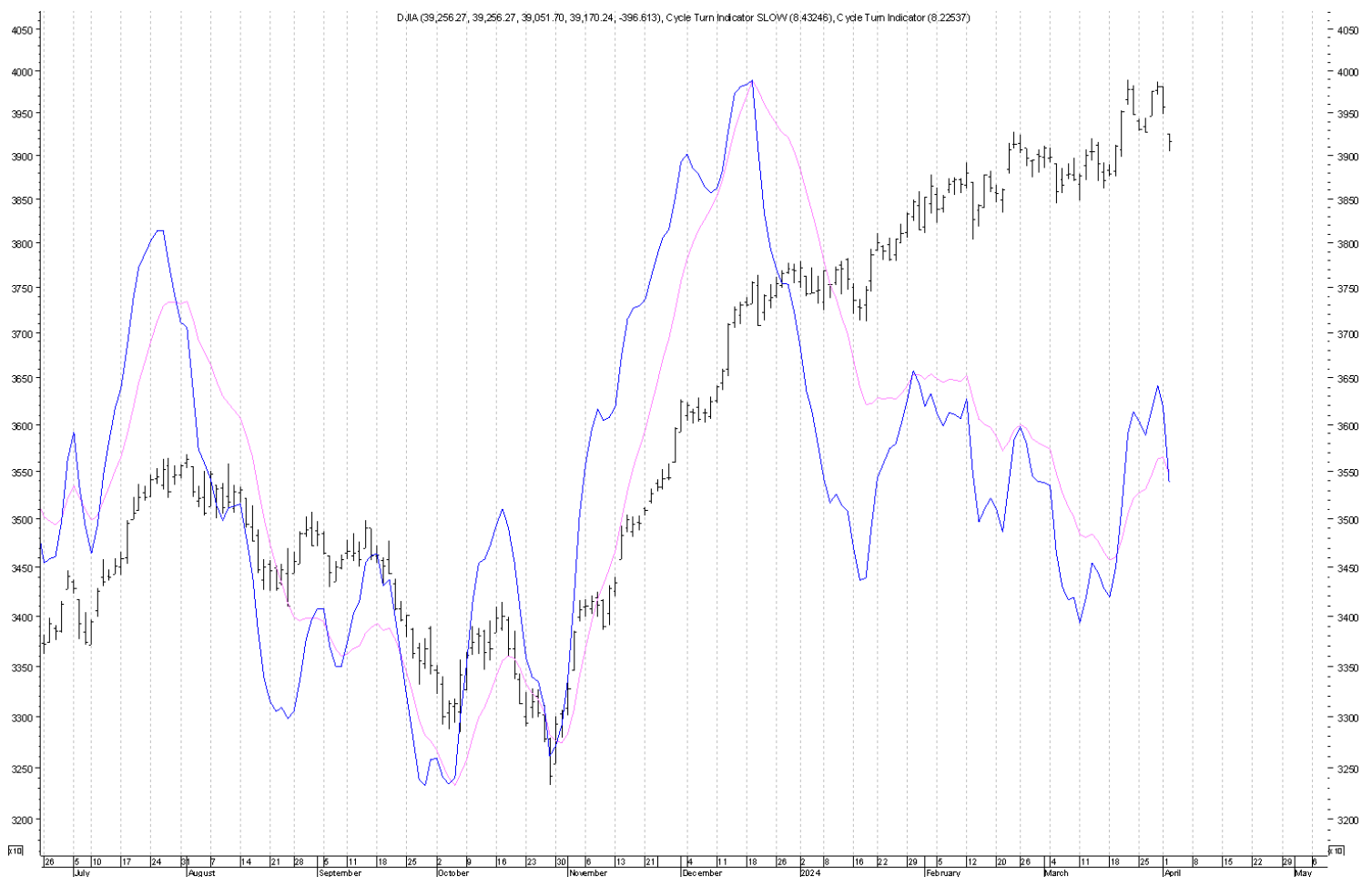


The **Trading Cycle Oscillator** in the upper window has turned back down below its trigger line and the **Momentum** Indicator has crossed back below its zero line. The **5 3 3 Stochastic** in the middle window has also turned back down. The **New High/New Low Differential**, plotted with price, turned down on Tuesday. The **Trend Indicator** has also turned back below its trigger line and the overall price/oscillator picture here is suggestive of the trading cycle top having been seen.

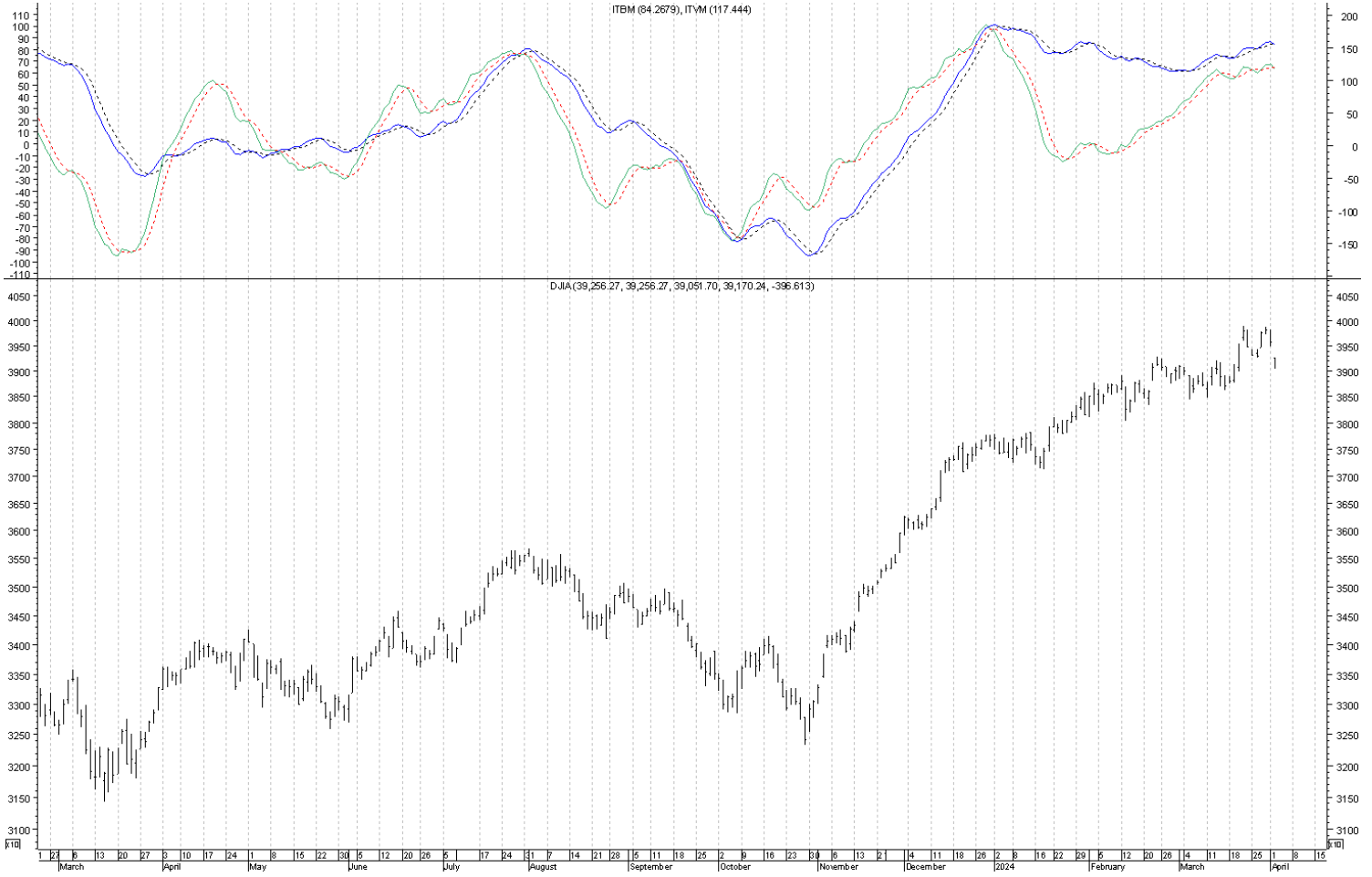


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

The Industrials completed the formation of a daily swing high on Monday and with the continued weakness on Tuesday turning ALL Three of the Primary Short-Term Indicators into gear to the downside, a short-term sell signal was triggered. In doing so, the overall price/oscillator picture here also tends to be suggestive of the trading cycle top having been seen. While the assumption is that this is the case, because of the reversal off the low on Tuesday, I do want to see further confirmation with a close below Tuesday's low. Any further weakness that completes the formation of a weekly swing high should serve as further confirmation of the trading cycle top and what should ideally also be the intermediate-term cycle top as well.

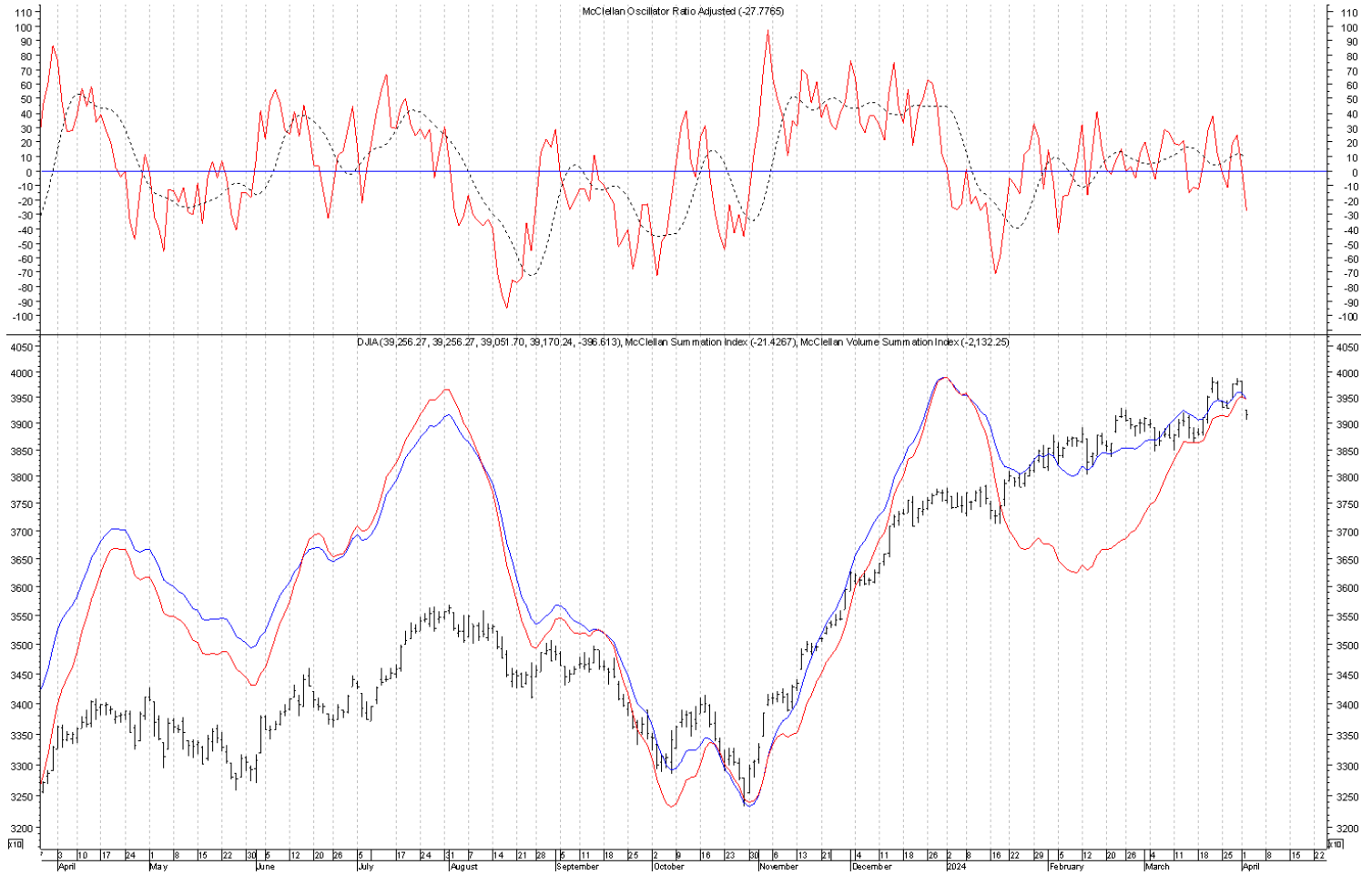


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** have turned back down.

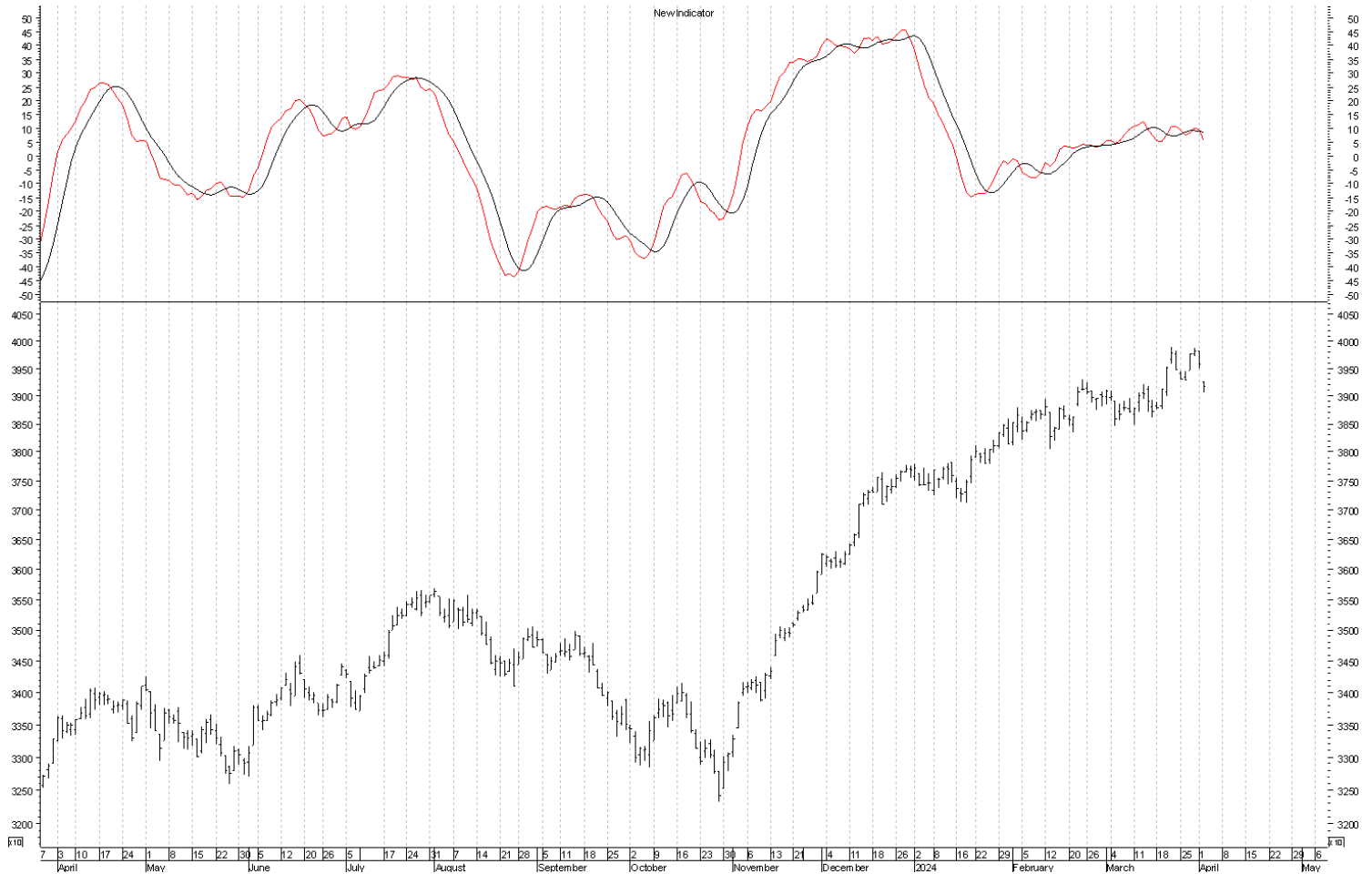




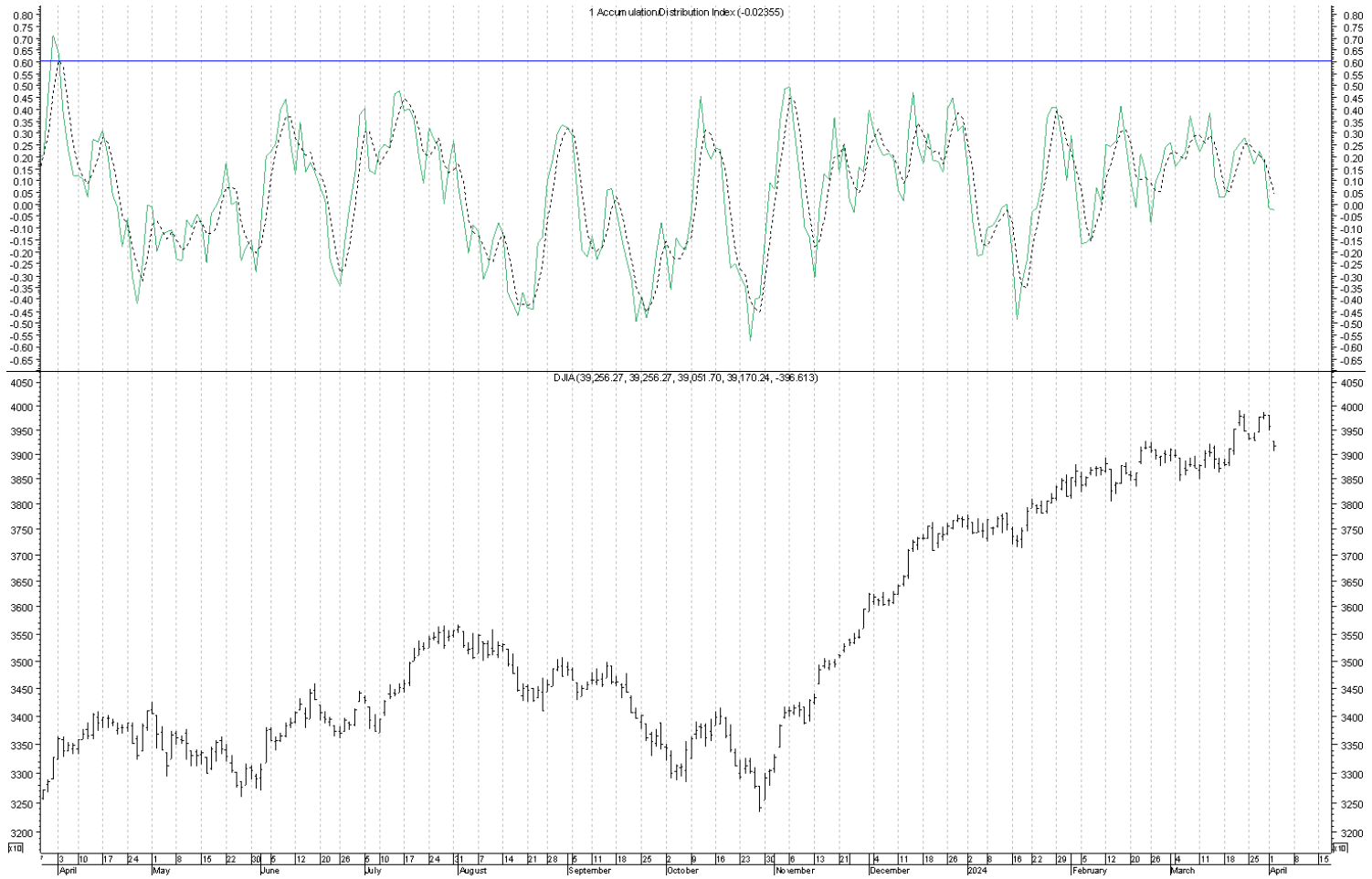
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have also turned back down. The **Ratio Adjusted McClellan Oscillator** has turned below both its trigger and zero line, which in doing so should serve as confirmation of the short-term sell signal. If now followed by the completion of a weekly swing high, the price/oscillator picture will be reflective of the higher degree intermediate-term cycle top as well.



The smoothed McClellan oscillator has turned back down and the oscillator picture here is also very much suggestive of the trading cycle top. Here too, the completion of another weekly swing high in conjunction with this downturn should be in association with not only the trading cycle top, but also the intermediate-term cycle top as well.



The **Accumulation/Distribution Index** continues its downturn. Per the Thursday night update, this downturn was suggestive of last week's advance having been in association with an ending push into the trading cycle top. Now with the triggering of a short-term sell signal, every indication is that this was the case. 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.

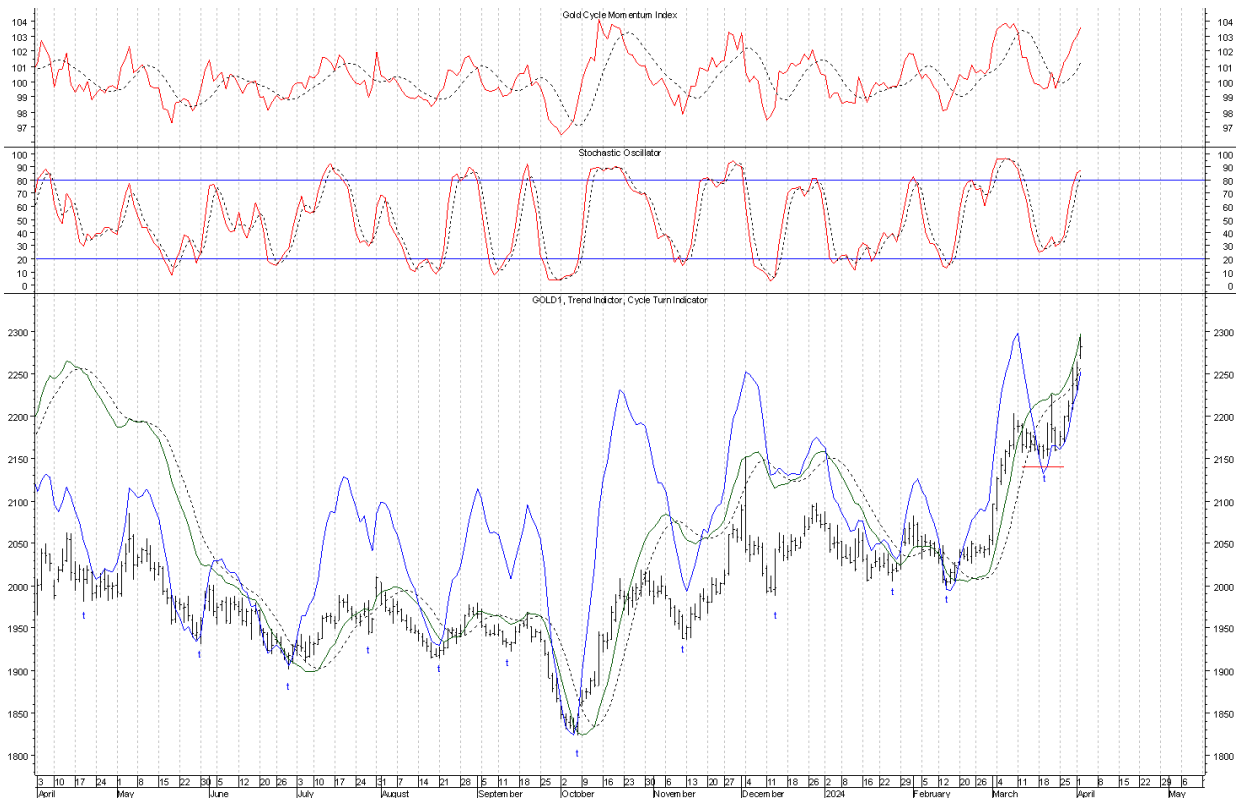


# Gold

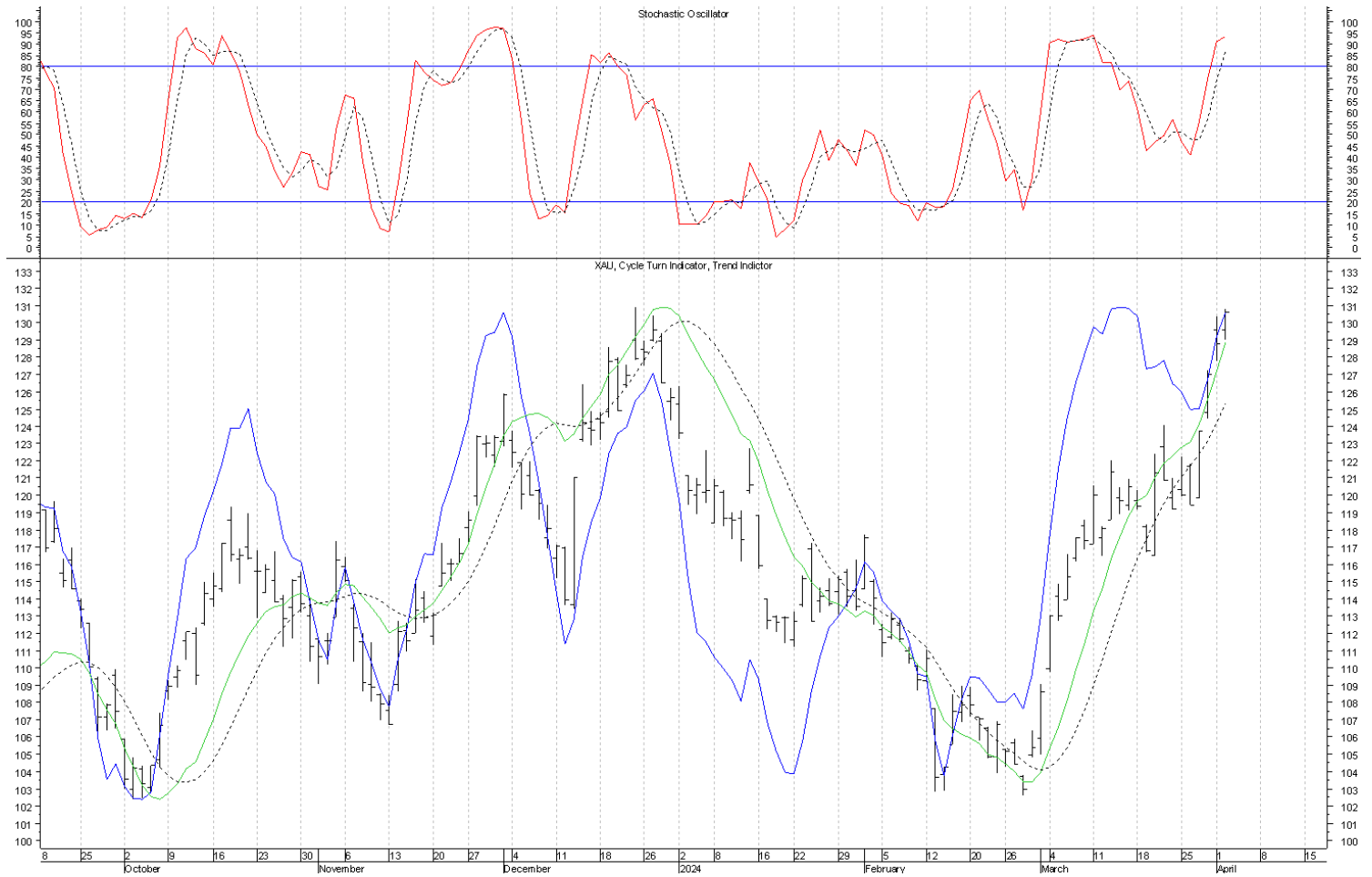
End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Indicators</b>	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

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 ran between March 12th and March 26th. This low was seen on March 18th. The advance out of that low remains intact and will continue to do so until a daily swing high and downturn of the daily CTI are seen. If the decline in association with the next short-term sell signal completes the formation of a weekly swing high, it will put Gold at risk of the intermediate-term cycle top. 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 Wednesday if 2,297.90 is not bettered and if 2,267.10 is violated.



**Our daily chart of the XAU is next and here too the advance out of the trading cycle low has continued higher. As with with Gold this advance has carried price to 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 remain intact. If the decline in association with the next short-term sell signal completes the formation of a weekly swing high, it will leave the XAU at risk of the intermediate-term cycle top. A daily swing high will be completed on Wednesday if 130.78 is not bettered and if 129.01 is violated.**



## 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)	Bullish

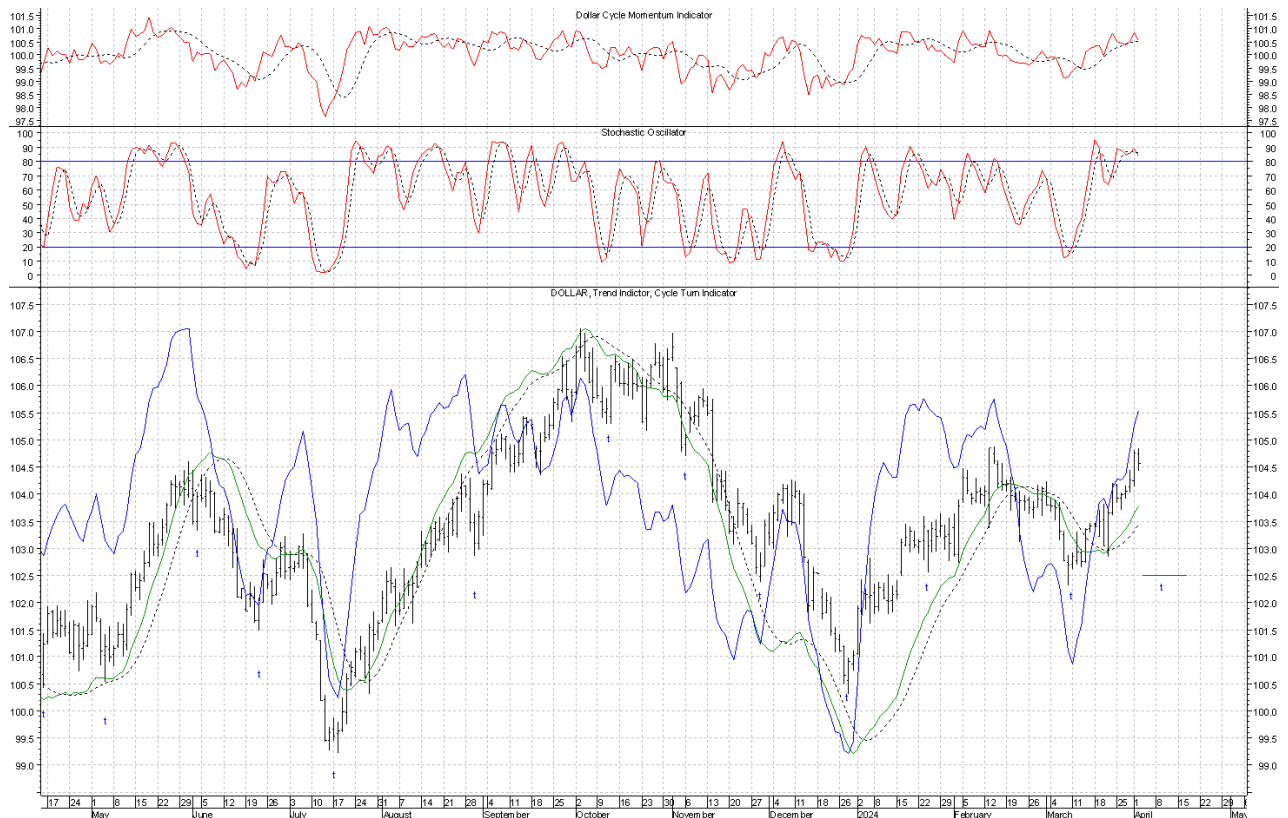
#### Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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**No change with the Dollar. The trading cycle low was seen on March 8th and the advance out of this low remains intact. The price/oscillator picture also remains ripe for the trading cycle top and this trading cycle advance continues to serve as a structural test of the higher degree intermediate-term cycle top. The timing band for the next trading cycle low runs between April 3rd and April 17th. 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 as well as the intermediate-term cycle top. A daily swing high will be completed on Wednesday if 104.84 is not bettered and if 104.42 is violated.**

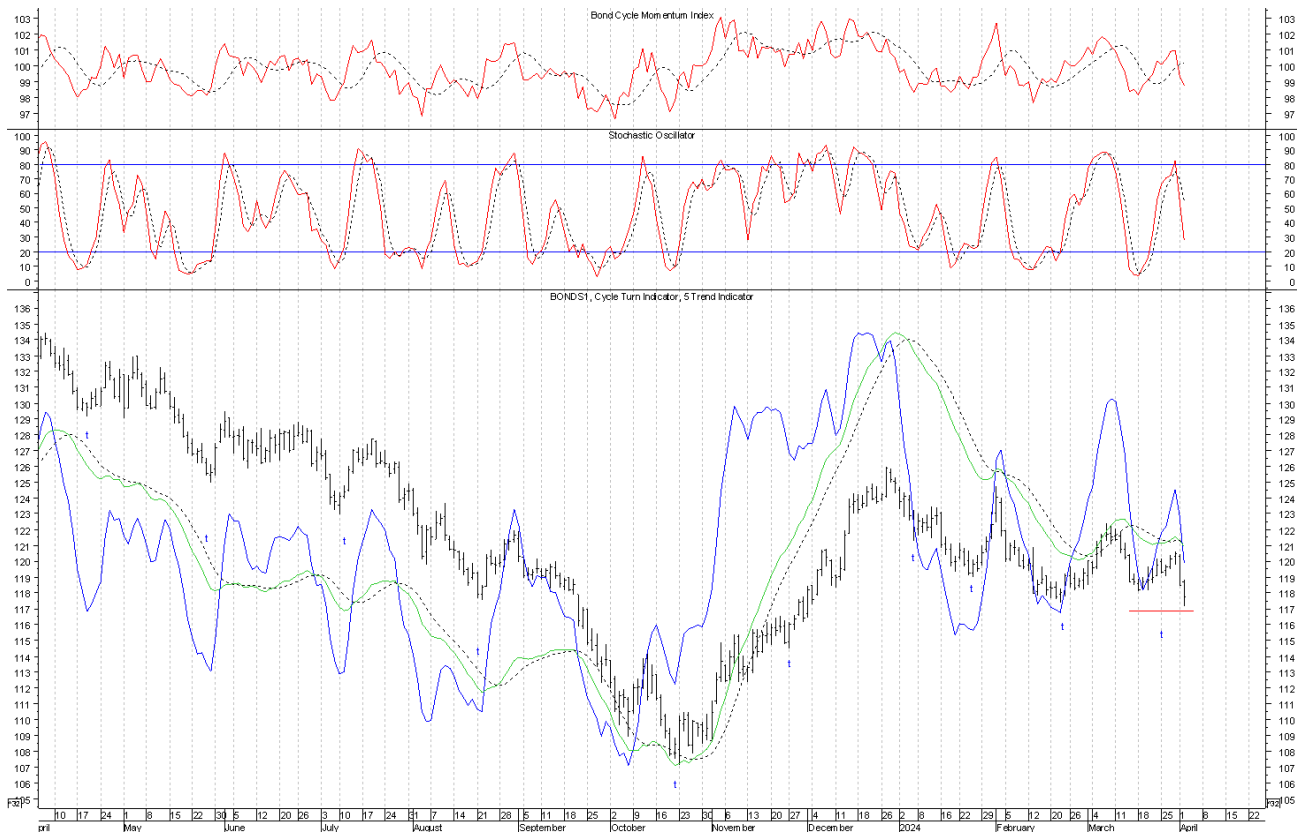


## Bonds

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	Bearish

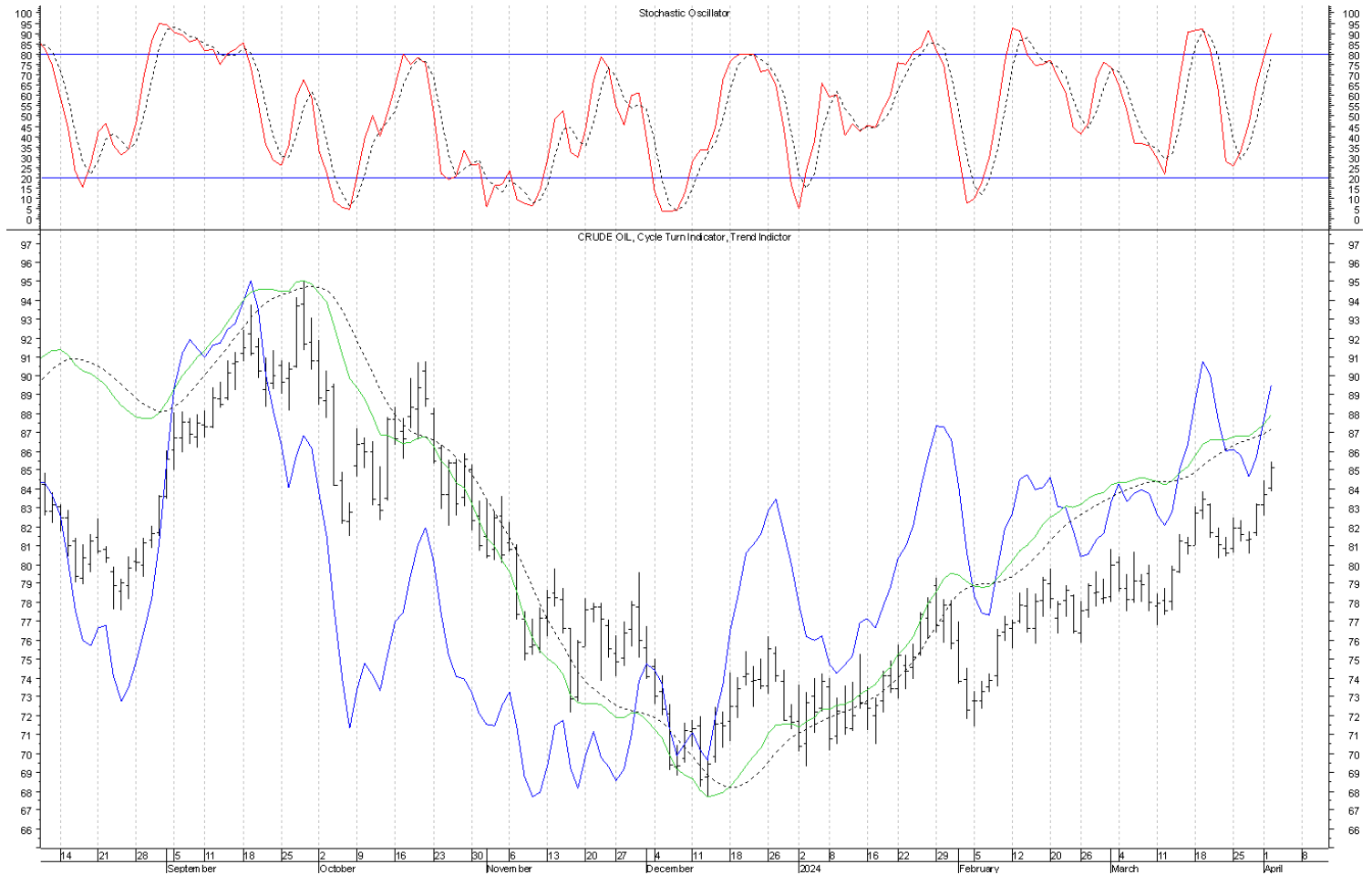
Daily Indicator Summary <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The timing band for the current trading cycle low runs between March 14th and April 4th. The assumption has been that this low was seen in conjunction with the March 18th daily swing low. On Monday, Bonds completed the formation of a daily swing high and the accompanying downturn of the daily **CTI** triggered a short-term sell signal. As a result, we are now either seeing an additional push into the trading cycle low, or this low was in fact seen on March 18th and we now have a failed and left-translated trading cycle at play. Until Bonds can prove this to be the latter, the assumption is the former. In either case, this short-term sell signal will stand until a daily swing low and upturn of the daily **CTI** are seen, at which time I will further evaluate this phasing.



## Crude Oil

The March 25th short-term buy signal remains intact. This advance has again carried price to overbought levels, per the 5 3 3 Stochastic, but will remain intact until another daily swing high and downturn of the daily CTI are seen. If the next short-term sell signal is accompanied by the completion of a weekly swing high, then we should have 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 85.46 is not bettered and if 83.85 is violated.



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