

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 4, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Negative	High	Negative	High
Transports	Positive	High	Negative	High
NDX	Negative	High	Negative	High
S&P Inverse Fund	Positive	N/A	Positive	Low
CRB Index	Positive	Low	Positive	Low
Gold	Positive	Low	Positive	Low
XAU	Positive	Low	Positive	Low
Dollar	Negative	High	Positive	Low
Bonds	Negative	Low	Negative	High
Crude Oil	Positive	Low	Positive	Low
Unleaded	Negative	Low	Positive	Low
Natural Gas	Negative	High	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 4, 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	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	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 having turned down, a short-term sell signal was triggered. As a result, per the Tuesday night update, we knew that the trading cycle top should be in place and given the continued weakness on Thursday, every indication is that the trading cycle top has in fact been seen. Also, with the completion of a weekly swing high thus far this week, an intermediate-term sell signal is also in the making. If nothing changes on Friday with the weekly close, the evidence will point toward this sell signal being in association with the intermediate-term cycle top. The timing band for the next trading cycle low runs between April 15th and May 2nd. Based on this phasing, the trading cycle low should still lie ahead. The timing band for the higher degree intermediate-term cycle low runs between February 16th and April 19th. Based on the combined phasing of these two cycles, 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. Now with the completion of a weekly swing high and intermediate-term sell signal in the making this week, the evidence is 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 has run long, or it bottomed early in conjunction with the modest downturn in early January. Either way, this intermediate-term sell signal is suggestive of an intermediate-term cycle top. Once the pending trading cycle low is in place I can better evaluate the phasing of the intermediate-term cycle. More on this as it develops.

**No change with Crude Oil.** 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 and 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.

Natural Gas triggered a short-term sell signal on Thursday. Given the evidence of the higher degree cycle tops, the expectation was for the recent advance to be counter-trend and this sell signal is thereby an opportunity to cap that counter-trend advance.

The March 28th short-term buy signal on the CRB Index remains intact. 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.

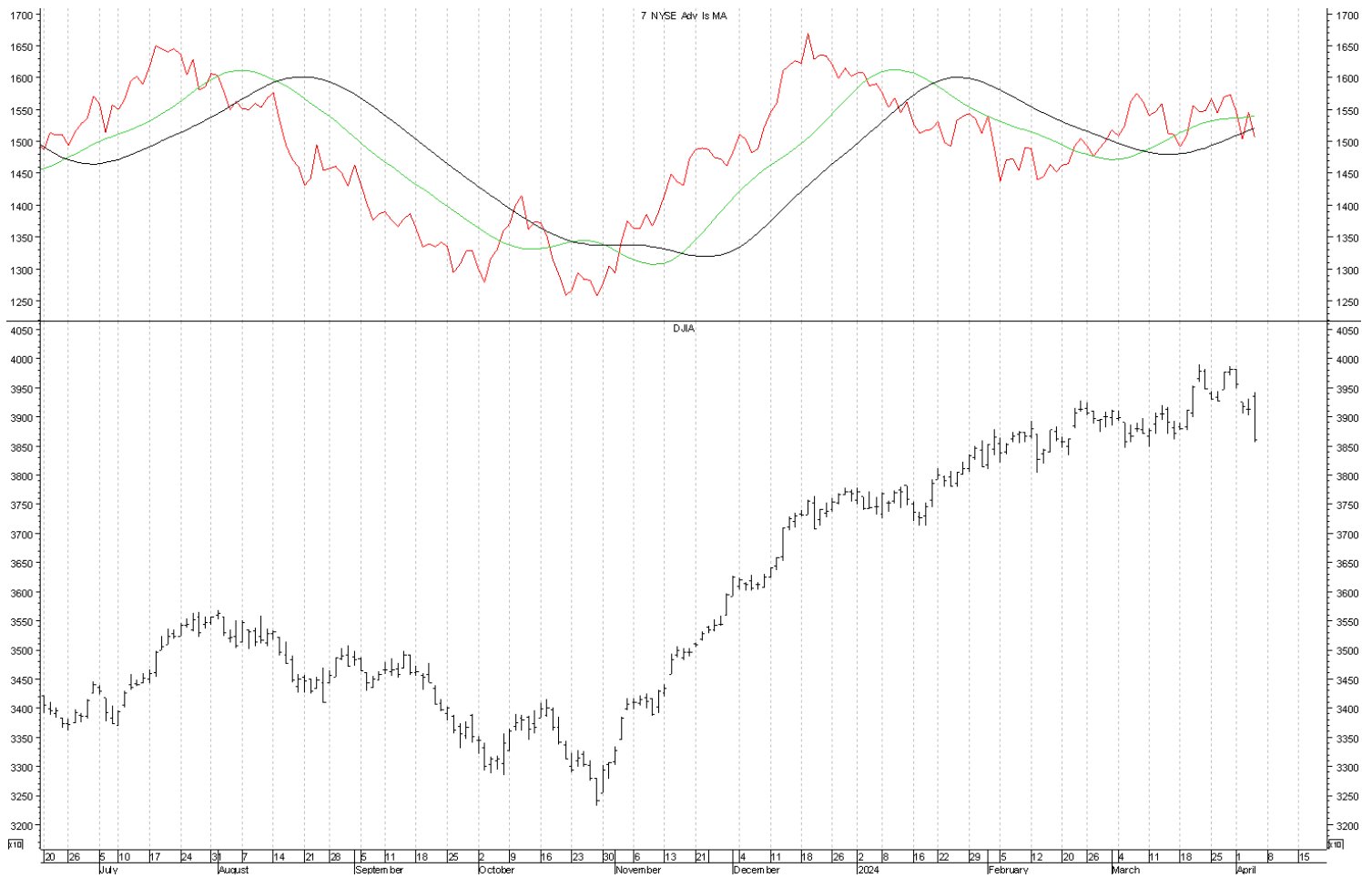
The March 26th short-term buy signal on Gold also remains intact as does the trading cycle advance.

The short-term buy signal and advance on the XAU also remains intact. As with Gold, once a daily swing high is formed and confirmed by a downturn of the daily CTI, a short-term sell signal will be triggered and the trading cycle top should be in place.

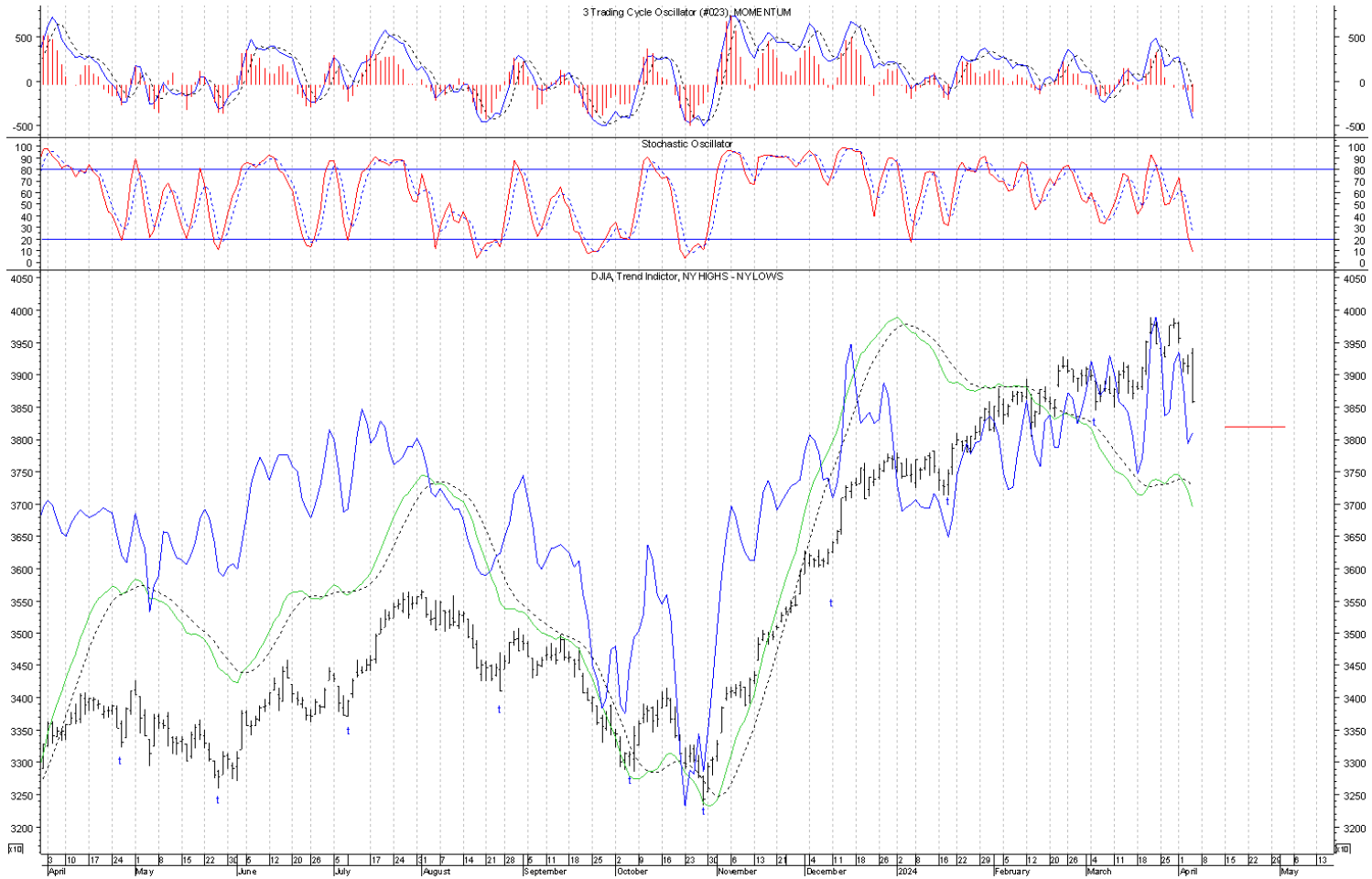
The price/oscillator picture on the Dollar was ripe for the trading cycle top and with the triggering of a short-term sell signal on Wednesday, the trading cycle top was seen. Ideally, the trading cycle low should still lie ahead, but once another short-term buy signal is triggered, this low should be in place.

Bonds completed the formation of a daily swing low on Thursday and any further advance that turns the daily CTI up will trigger another short-term buy signal. As a result of Thursday's completion of a daily swing low, we have potentially seen an additional 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 completion of a weekly swing low will now serve as evidence of this having been an additional push down into the trading cycle low.

The Intermediate-Term Advancing Issues Line, plotted in red, continues its downturn and the behavior here continues to be reflective of the trading cycle top. 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 with a weekly close. 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.

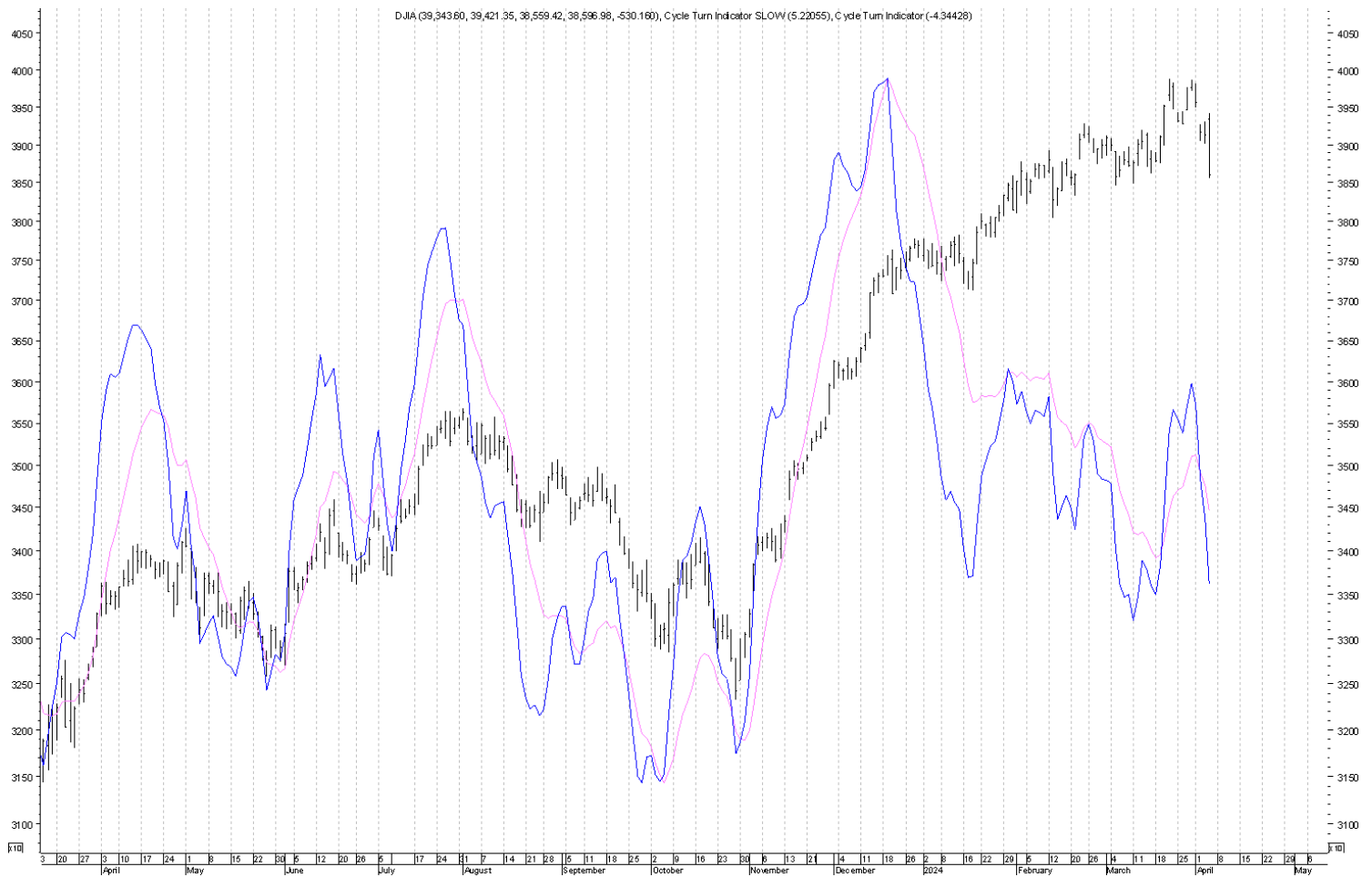


The **Trading Cycle Oscillator** in the upper window continues its downturn below its trigger line and the **Momentum** Indicator continues its downturn below the zero line. The **5 3 3 Stochastic** in the middle window has moved to oversold levels, but with the timing band for the trading cycle low still ahead, any advance should be counter-trend and followed by another leg down into the trading cycle low. The **New High/New Low Differential**, plotted with price, turned up on Thursday. The **Trend Indicator** continues its downturn below its trigger line and the overall price/oscillator picture here continues to be suggestive of the trading and now with a weekly swing high in place, what should also be the intermediate-term cycle top as well.

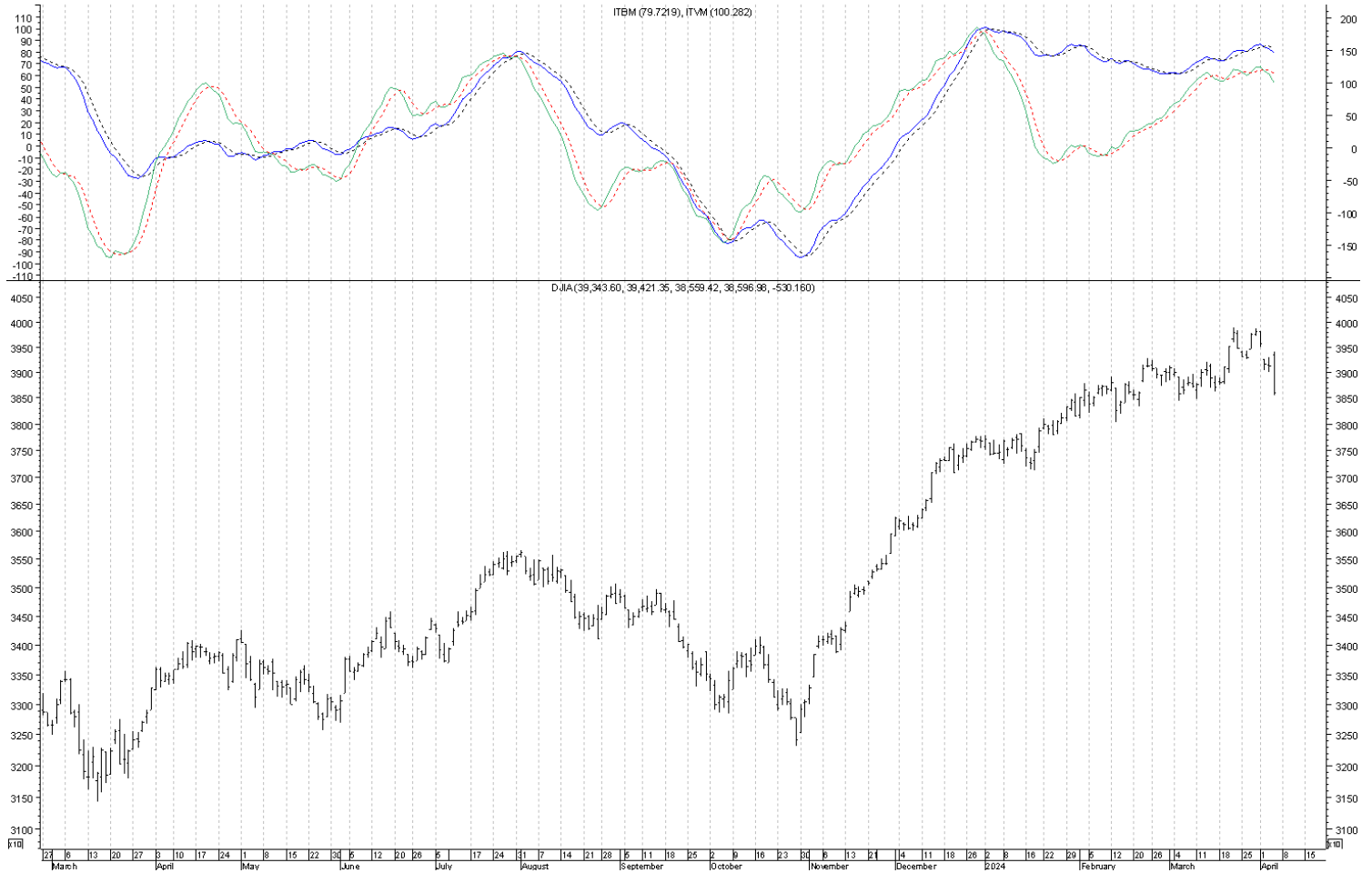


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

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 was suggestive of the trading cycle top and given the continued weakness every indication is that this top has in fact been seen. This short-term sell signal will remain intact until another daily swing low and upturn of the Primary Short-Term Indicators are seen.

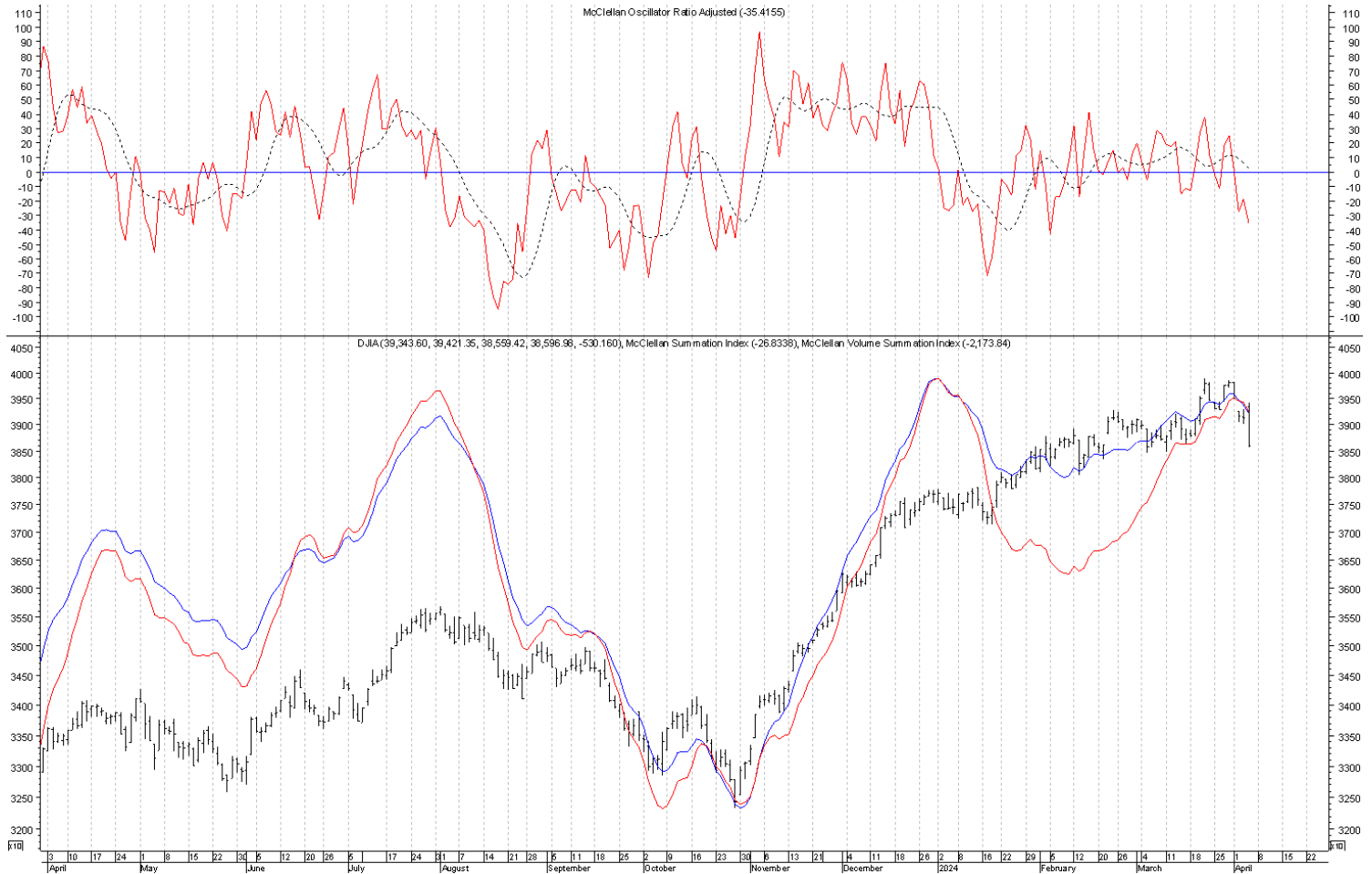


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** continue their downturns.





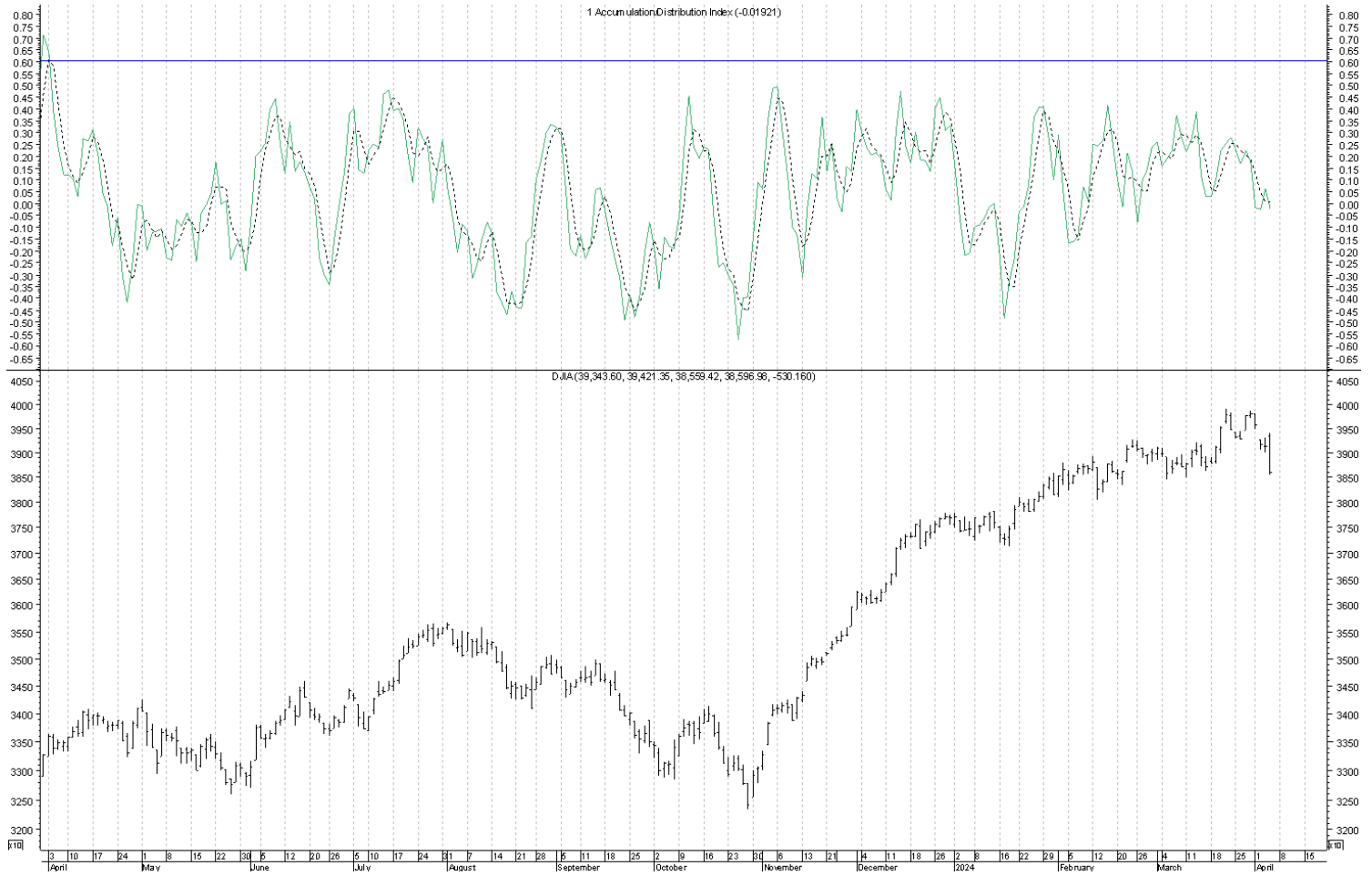
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their downturns as does the **Ratio Adjusted McClellan Oscillator** in the upper window. With a weekly swing high now in the making, the price/oscillator picture is further suggestive of the higher degree intermediate-term cycle top as well.



The smoothed McClellan oscillator continues its downturn and the oscillator picture continues to be suggestive of the trading cycle top. Here too, with the completion of another weekly swing high, we should have not only the trading cycle top, but also the intermediate-term cycle top as well.



The **Accumulation/Distribution Index** ticked up on Wednesday, but resumed its downturn in association with the decline out of the trading cycle top on Thursday. Again, the completion of a weekly swing high this week should now serve as structural confirmation of the trading and what should ideally also prove to be the higher degree intermediate-term cycle top.

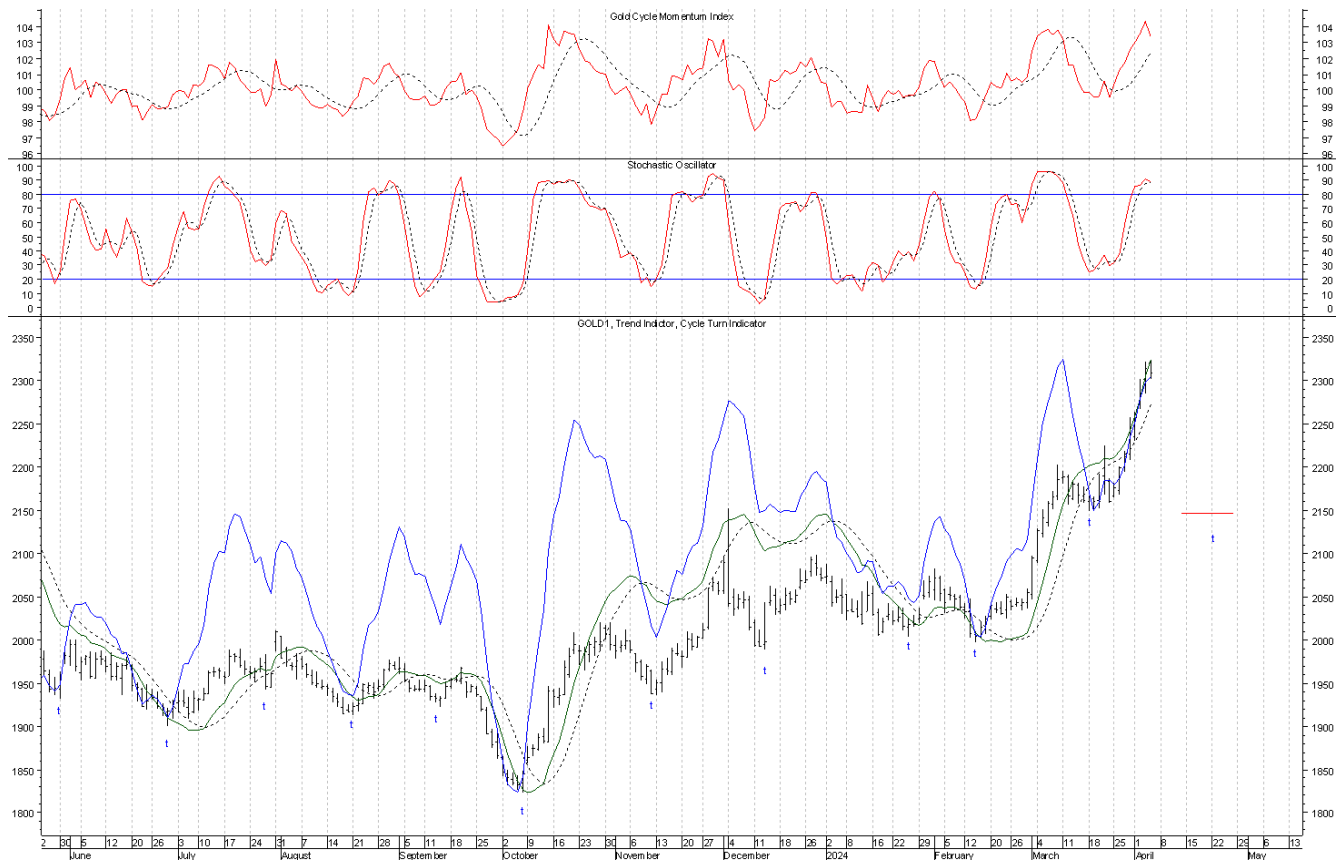


# Gold

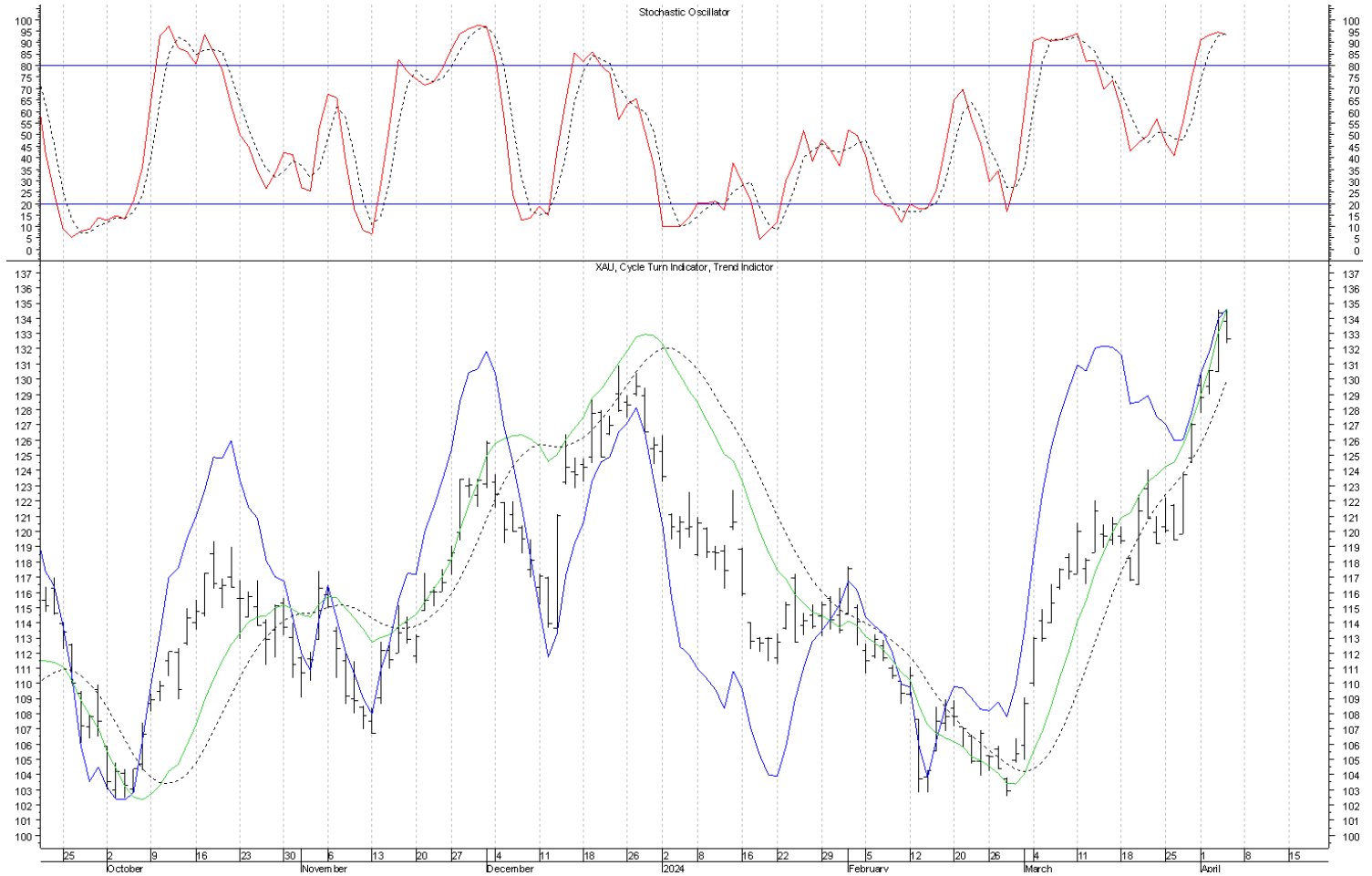
End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Indicators</b>	
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 trading cycle low was seen on March 18th and the timing band for the next trading cycle low runs between April 12th and April 26th. The trading cycle advance out of the March 18th 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 and the pending trading cycle top complete 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 Friday if 2,324.80 is not bettered and if 2,301.80 is violated.



Our daily chart of the XAU is next and here too, the advance out of the trading cycle low remains intact, but as with Gold this advance has carried price to overbought levels, per the 5 3 3 Stochastic, making conditions ripe for a top. Once a daily swing high and downturn of the daily CTI are seen, a short-term sell signal will be triggered and this top should be in place. 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 Friday if 134.62 is not bettered and if 132.38 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 Sell**

#### Primary Indicators

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

#### Confirming Indicators

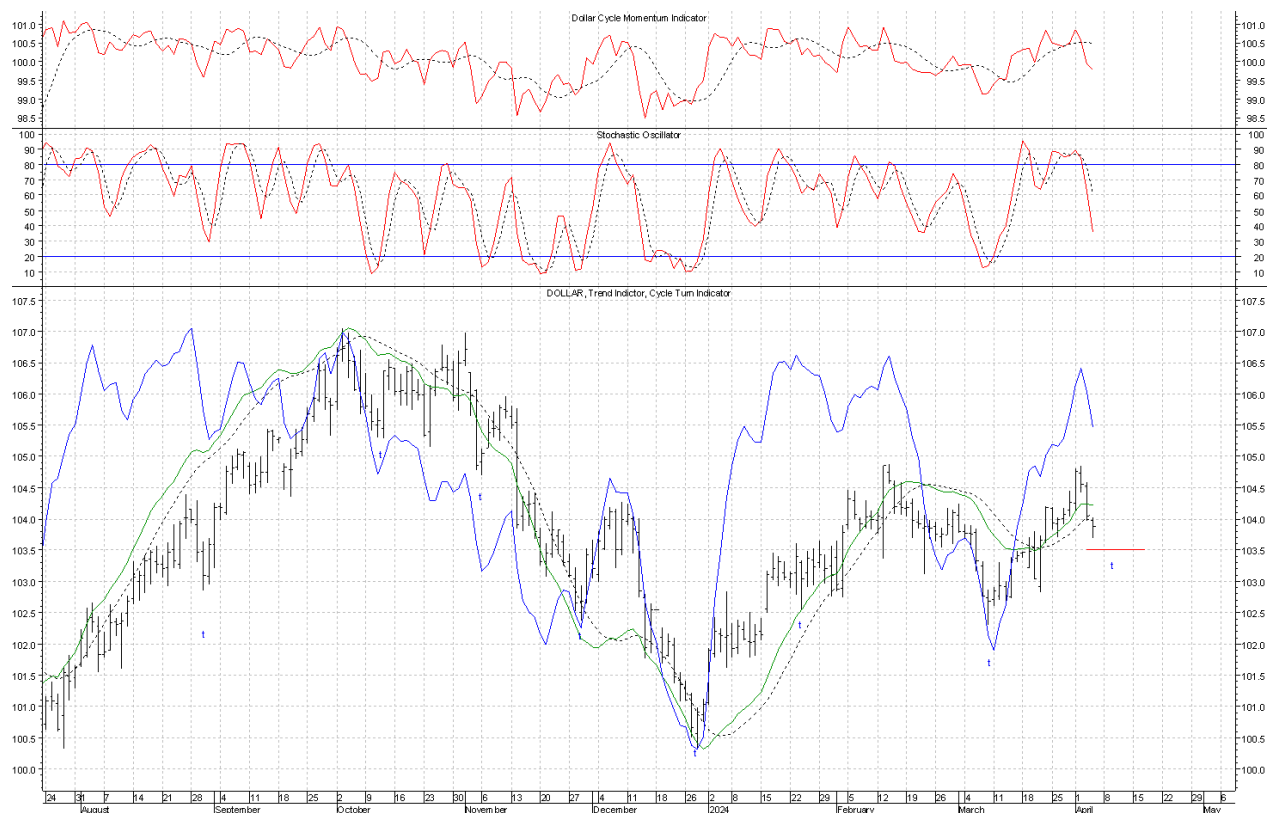
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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The trading cycle low was seen on March 8th and as discussed in the Tuesday night update, while the short-term buy signal was still intact, we knew that the price/oscillator picture was ripe for the trading cycle top. Per the parameters given in the Tuesday night update, the price action on Wednesday completed the formation of a daily swing high, triggering a short-term sell signal in association with the decline into the trading cycle low. If a weekly swing high is completed in conjunction with the decline into the trading cycle low, we should have confirmation of the intermediate-term cycle top as well. The timing band for the next trading cycle low runs between April 3rd and April 17th. Ideally, this low should still lie ahead, but once a daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and I will evaluate the

evidence with regard to the trading cycle low at that time. A daily swing low will be completed on Friday if 103.68 holds and if 104.02 is bettered.



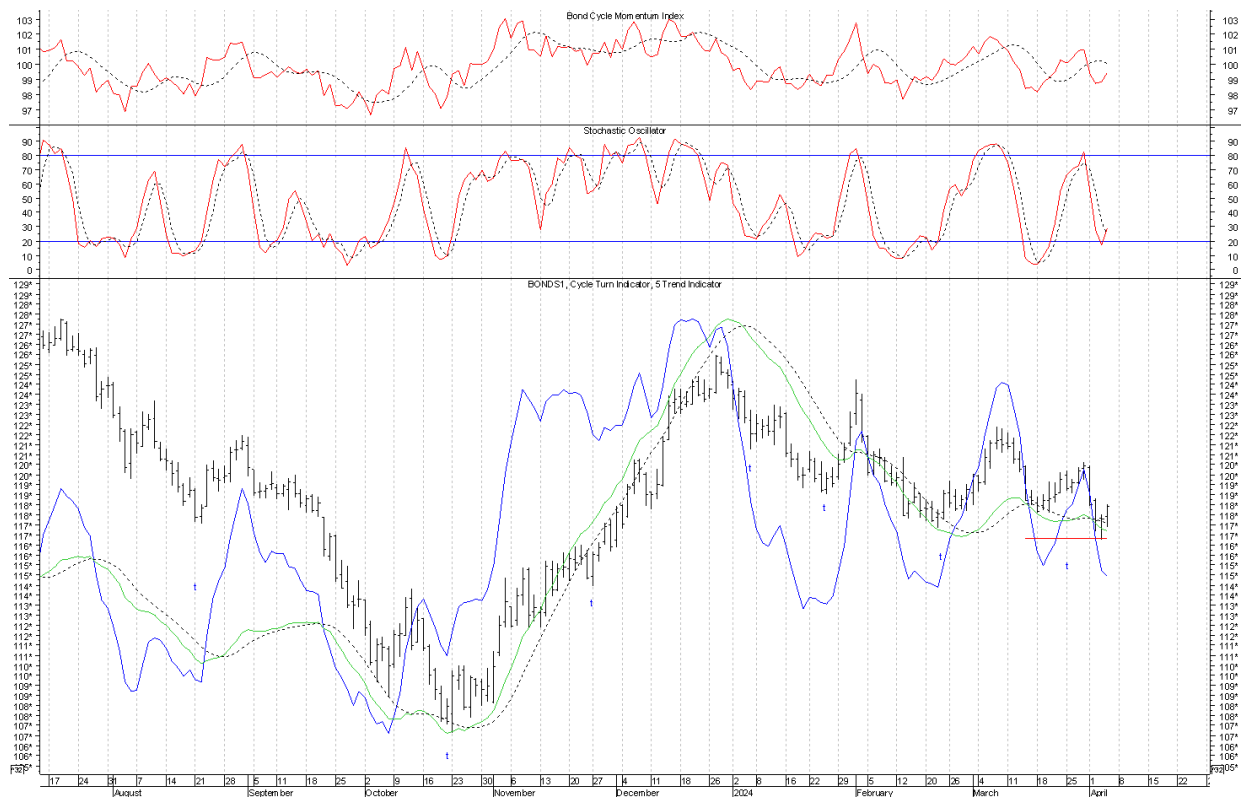
## Bonds

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 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

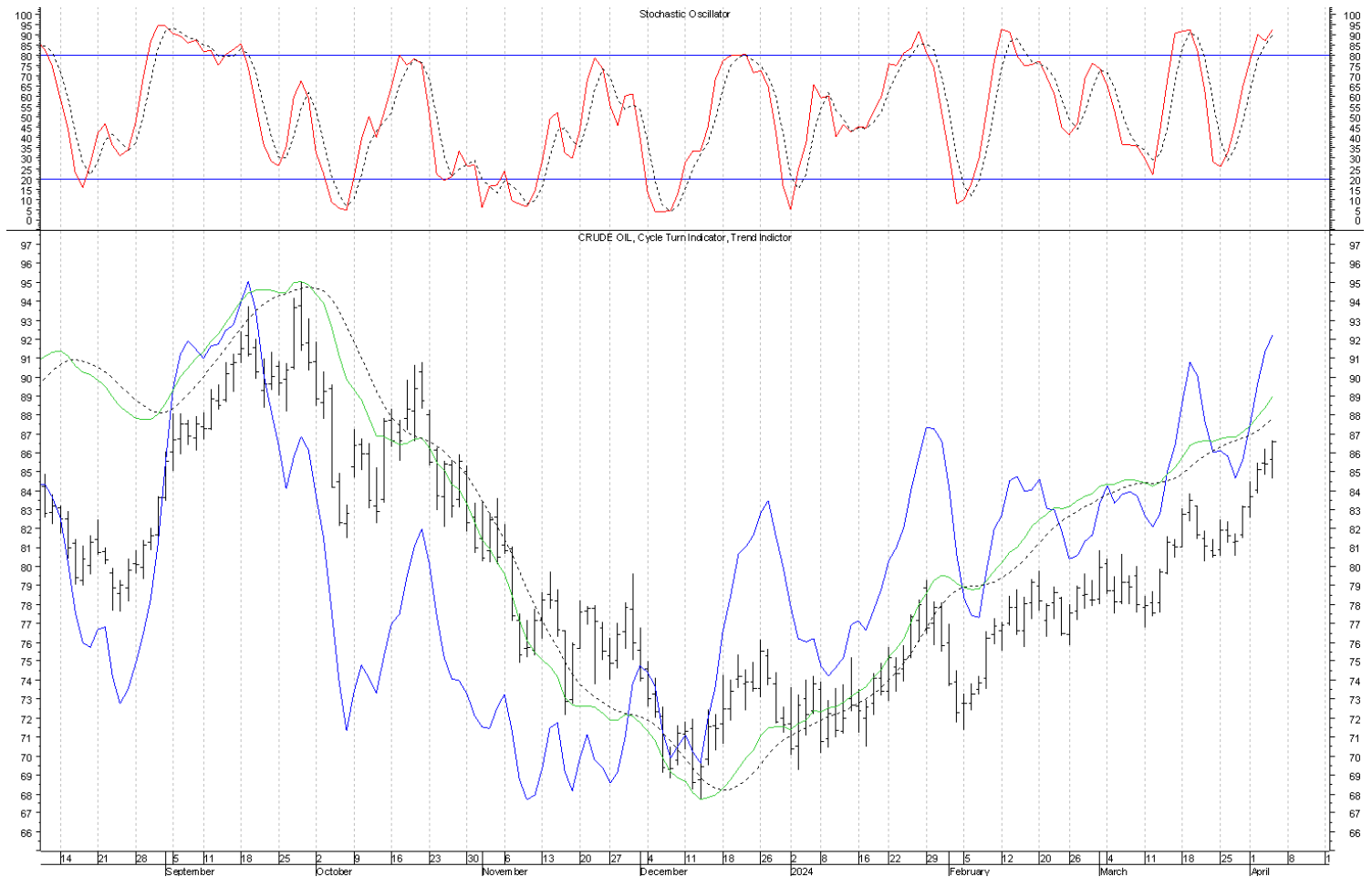
The timing band for the current trading cycle low runs between March 14th and April 4th. The assumption has been that this low was seen in conjunction with the March 18th daily swing low. On Monday, Bonds completed the formation of a daily swing high and with the accompanying downturn of the daily **CTI**, a short-term sell signal was triggered. As was discussed in the Tuesday night update, we have either seen an additional push into the trading cycle low, or this low was seen on March 18th and we have a failed and left-translated trading cycle at play. With the completion of a daily swing low on Thursday, it is certainly possible that we have seen an additional push into the trading cycle low, but until Bonds can prove this to be the case, we will continue to assume that we have a failed and left-translated trading cycle at play. Any further advance that turns the daily **CTI** up will trigger a short-term buy signal. Should a weekly swing low follow, upon

such development the evidence will be suggestive of this having been an additional push down into the trading cycle low, which will then also be an opportunity to mark the higher degree intermediate-term cycle low as well.



## Crude Oil

**No change with Crude Oil. The March 25th short-term buy signal remains intact. With this advance having carried price to overbought levels, per the 5 3 3 Stochastic, conditions are ripe for a top, but until another daily swing high and downturn of the daily CTI are seen this buy signal will remain intact. 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 Friday if 86.64 is not bettered and if 84.64 is violated.**



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