

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 9, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Negative	High	Negative	High
Transports	Neutral	High	Negative	High
NDX	Negative	High	Negative	Low
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	Negative	High
Bonds	Negative	High	Negative	High
Crude Oil	Negative	High	Positive	Low
Unleaded	Negative	High	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 9, 2024

**Stocks**

End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
CTI on Rydex Tempest Fund *	Bullish
<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 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	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bullish
Momentum Indicator	Bearish
Ratio Adjusted McClellan Oscillator Crossover	Bullish
Accumulation/Distribution Index	Bullish

The last trading cycle low on the Industrials was seen on March 5th with the trading cycle top following on March 21st. Thus far, the low for the decline out of the trading cycle top was seen on April 4th and with the timing band for the trading cycle low running between April 15th and May 2nd, the trading cycle low should ideally still lie ahead. At a higher level, last week’s triggering of an intermediate-term sell signal is also suggestive of both the trading and intermediate-term cycle top. Therefore, any additional strength at this juncture should ideally prove to be counter-trend and followed by continued weakness into the trading cycle low in association with the higher degree intermediate-term cycle top. The timing band for the higher degree intermediate-term cycle low runs between February 16th and April 19th. Based on the combined phasing of the trading and intermediate-term cycles, the intermediate-term cycle low is ideally due in conjunction with the pending trading cycle low. But, as discussed for a couple of week’s now, it is possible that an abbreviated intermediate-term cycle low was seen in early January. If so, this would push the timing band for the next intermediate-term cycle low out to between between May 9th and July 11th. But, even so,

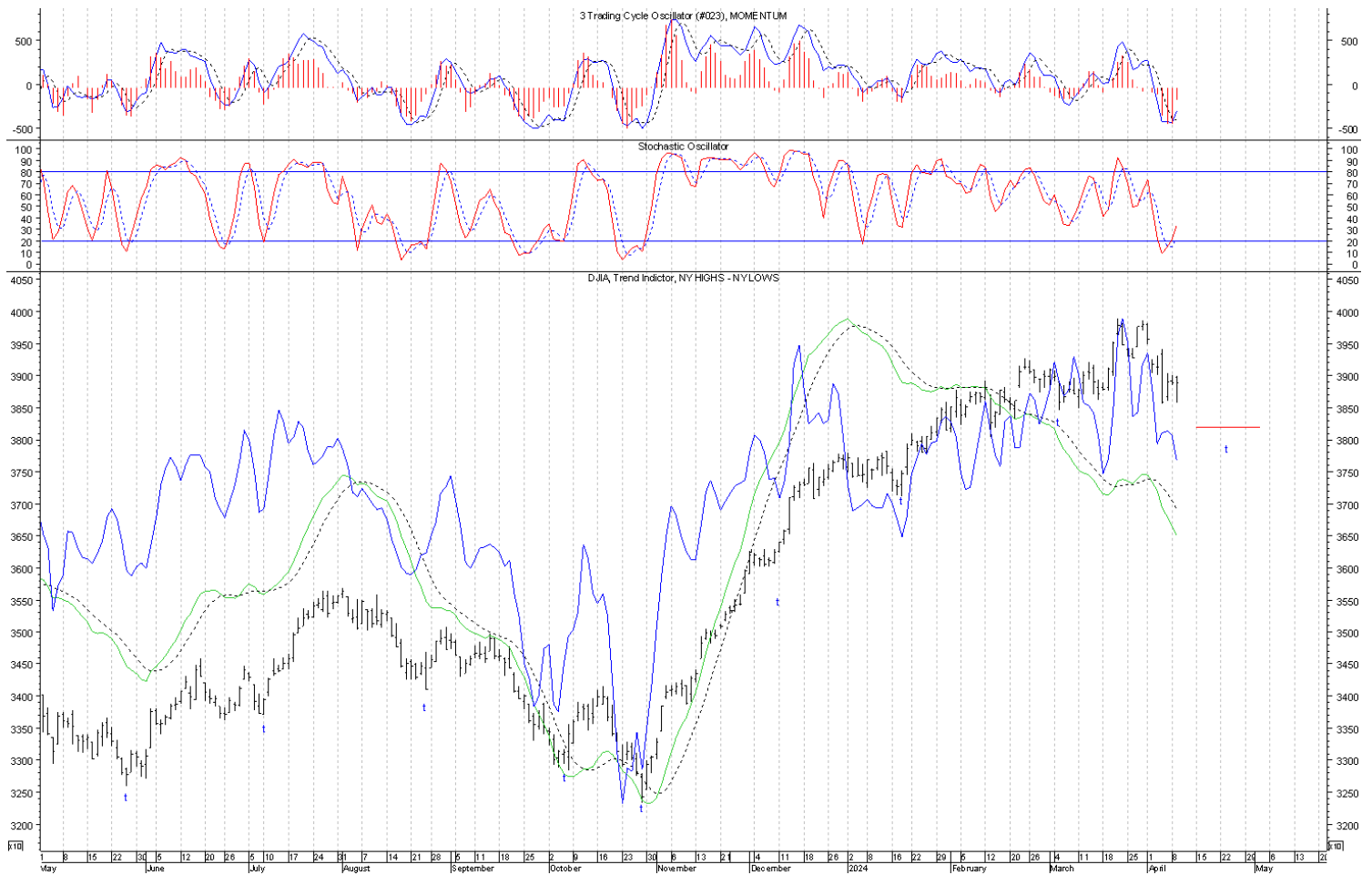
last week's intermediate-term sell signal is suggestive of an intermediate-term cycle top. Once the pending trading cycle low is in place I can then further evaluate which phasing of the intermediate-term cycle is applicable. Because of the incomplete setup with the CheckMate Chart, the expectation is for another intermediate-term cycle up as that setup takes form. That said, this intermediate-term cycle top has peaked in conjunction with a non-confirmation with my Intermediate-Term Advance Decline Line as well as a Dow Theory non-confirmation. If we see the completion of a monthly swing high in conjunction with this intermediate-term sell signal then it may be that we are seeing something more serious taking place, but more akin to the 2000 setup with the CheckMate Chart rather than the 2007 or 2020 setup. More on this as it develops. For now, we have an intermediate-term sell signal in place and we should have the intermediate-term cycle top.

Crude Oil triggered a short-term sell signal on Monday and the trading cycle top should be in place, but as confirmation of this sell signal we need to see a close below Monday's low. At a higher level, as with Equities, Crude Oil should be at or near an intermediate-term cycle top, which should also 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. Gasoline triggered a short-term sell signal on Monday and here too, the trading cycle top should be in place. If this 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 as well. Natural Gas triggered a short-term buy signal on Tuesday. The March 26th short-term buy signal on Gold also remains intact. The oscillator picture is increasingly ripening for the trading cycle top, which should be in place once a daily swing high is formed and a short-term sell signal is triggered. The short-term buy signal and advance on the XAU remain intact as well and here too, the oscillator picture is extremely ripe for the trading cycle top, which should be in place once a short-term sell signal is triggered. The Dollar triggered a short-term sell signal on Tuesday in association with another push down into the trading cycle low. As a result, the trading cycle low should now be close at hand. My data vendor is having issues and the Bond data was not available. As of the weekend update, Bonds completed the formation of another daily swing high on Friday. The trading cycle low was either seen on March 18th and we have a failed and left-translated trading cycle at play, or we are seeing this low now. Until proven otherwise, we will continue to assume that the trading cycle low was seen on March 18th and that we have a failed and left-translated trading cycle at play in conjunction with an additional push down into the higher degree intermediate-term cycle low.

The Intermediate-Term Advancing Issues Line, plotted in red, has turned back up. 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 ideally be in place with the weekly swing high and downturn of the weekly CTI. 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.

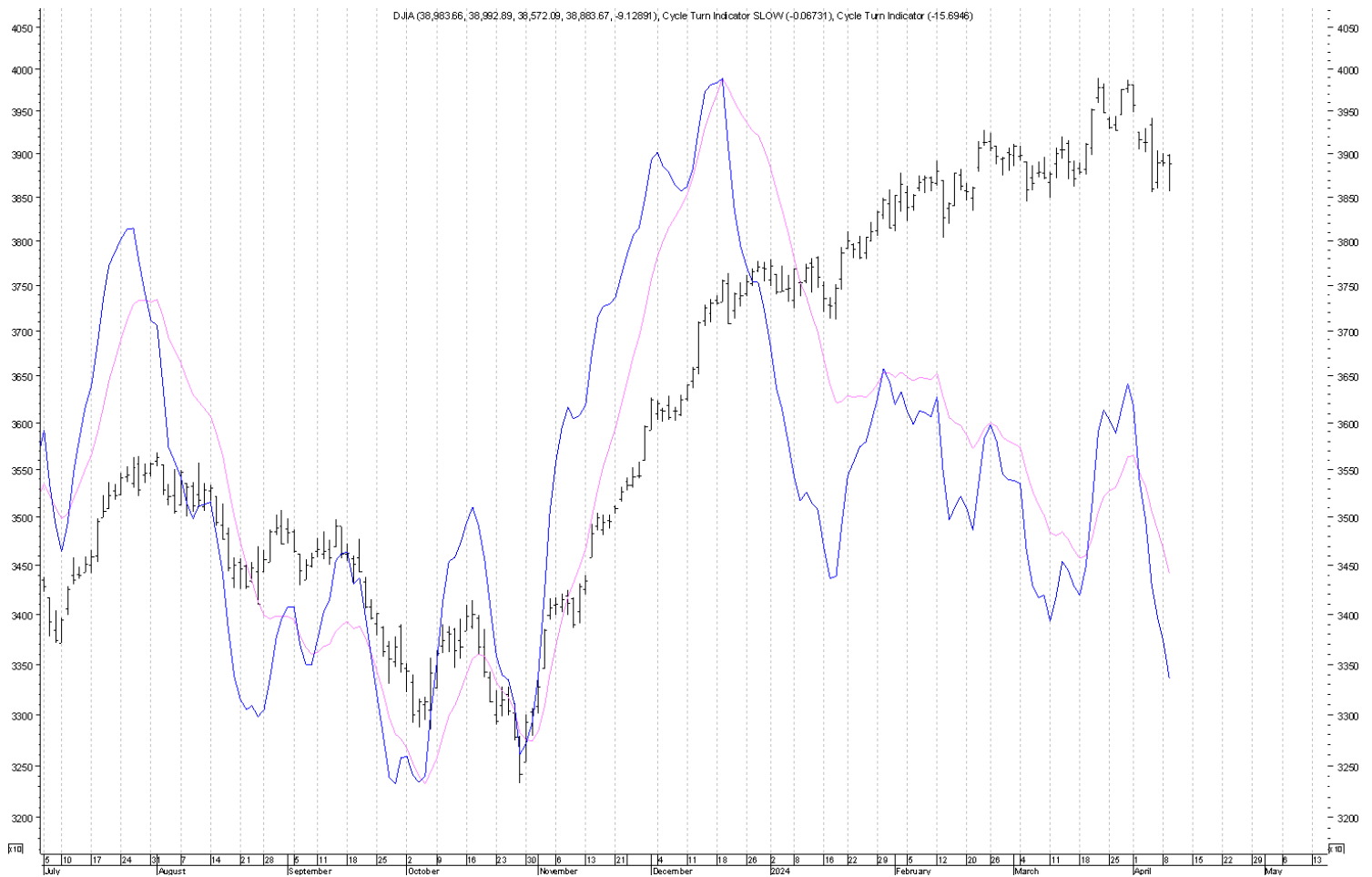


The **Trading Cycle Oscillator** in the upper window has turned up in association with what should ideally be a counter-trend advance. The **Momentum** Indicator has ticked up, but remains below its zero line. The **5 3 3 Stochastic** in the middle window continues its upturn from oversold levels. In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

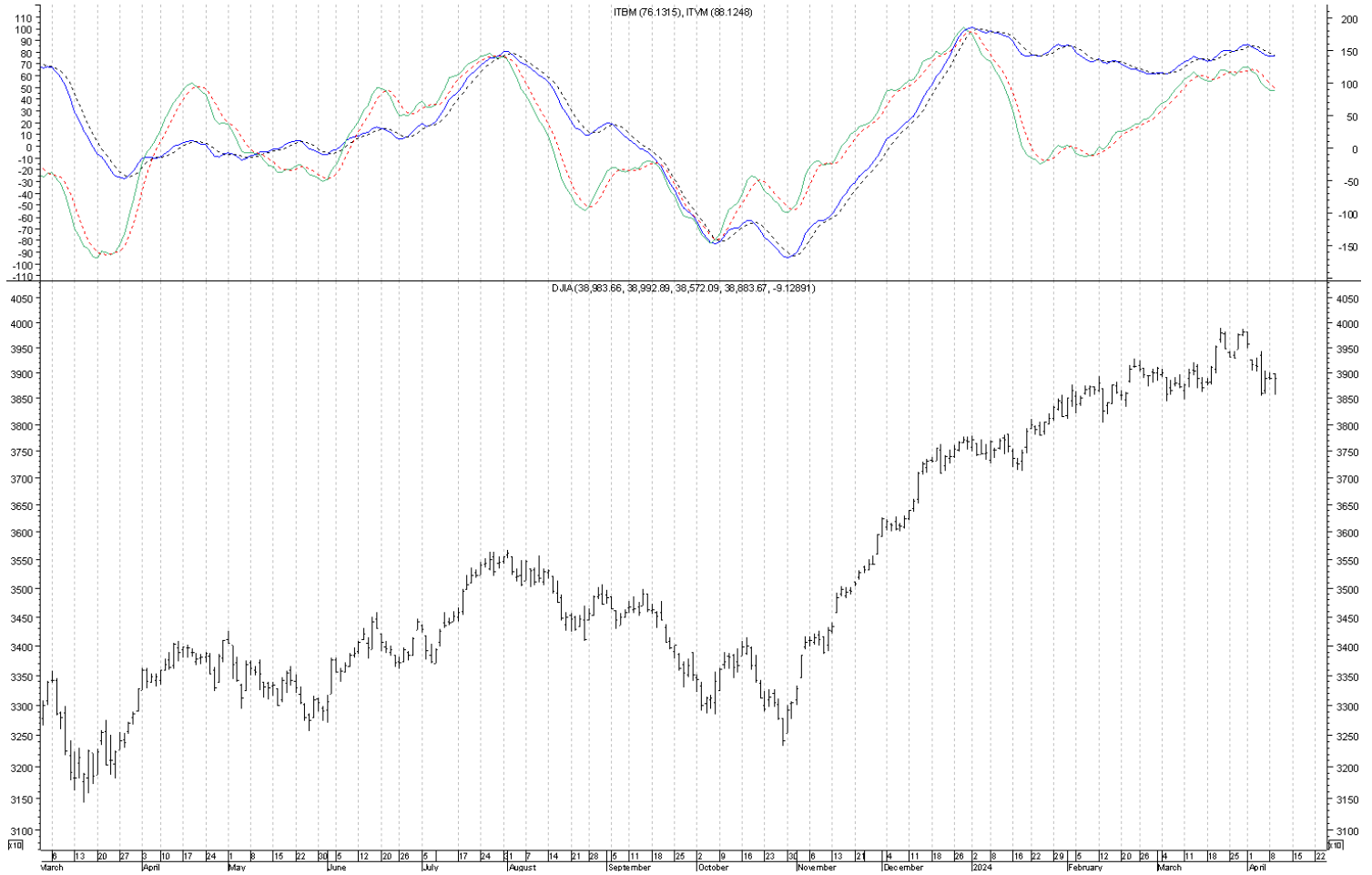


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

The Industrials completed the formation of a daily swing high on April 1st and with the continued weakness on April 2nd 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 has been suggestive of the trading cycle top. With Friday, Monday and Tuesday all being inside days with respect to last Thursday's price range, there have been no changes here. The short-term sell signal will remain intact until another daily swing low and upturn of the Primary Short-Term Indicators are seen.

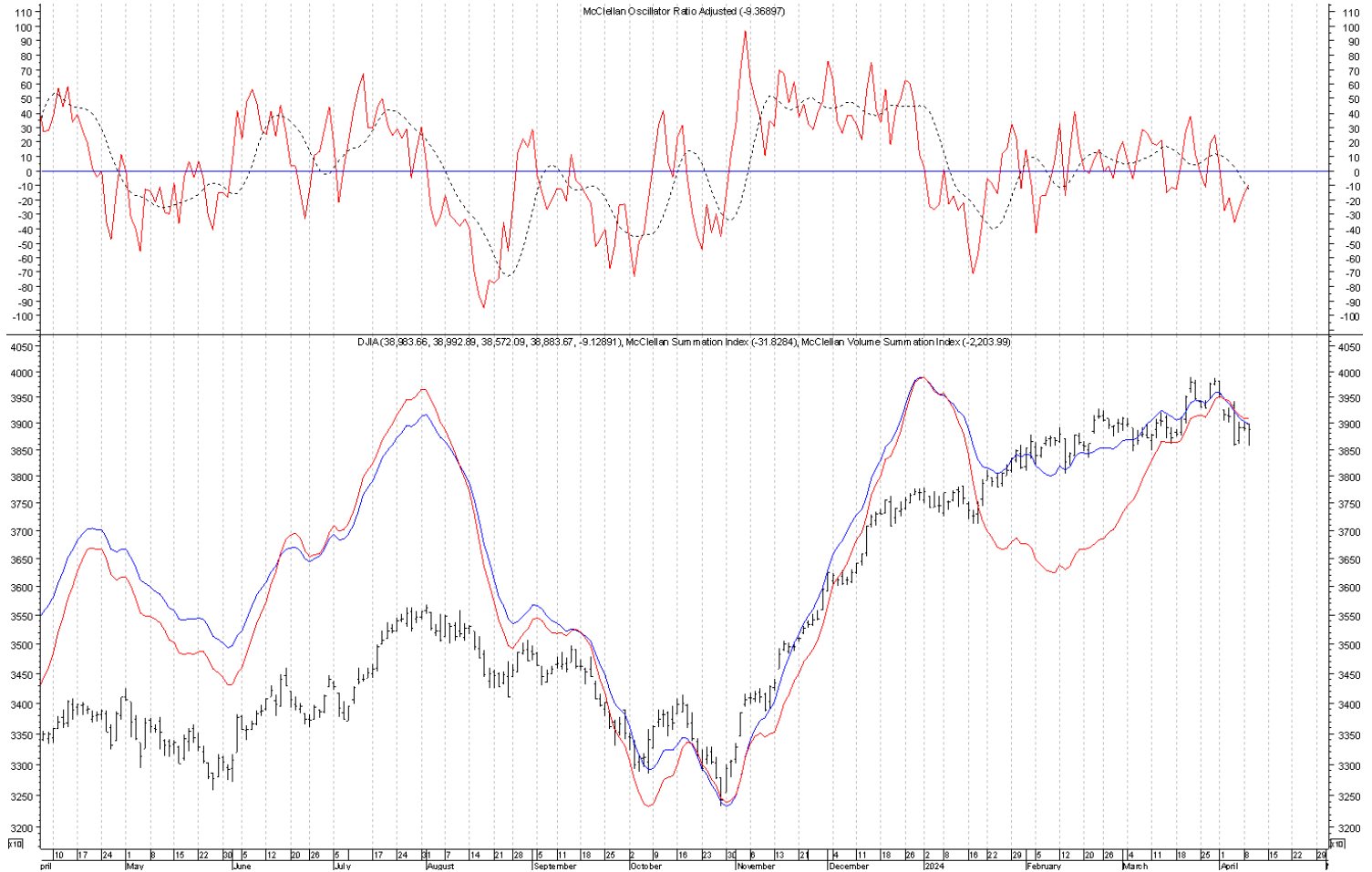


The **Intermediate Term Breadth Momentum Oscillator** has ticked marginally above its trigger line while the **Intermediate Term Volume Momentum Oscillator** continues its downturn.





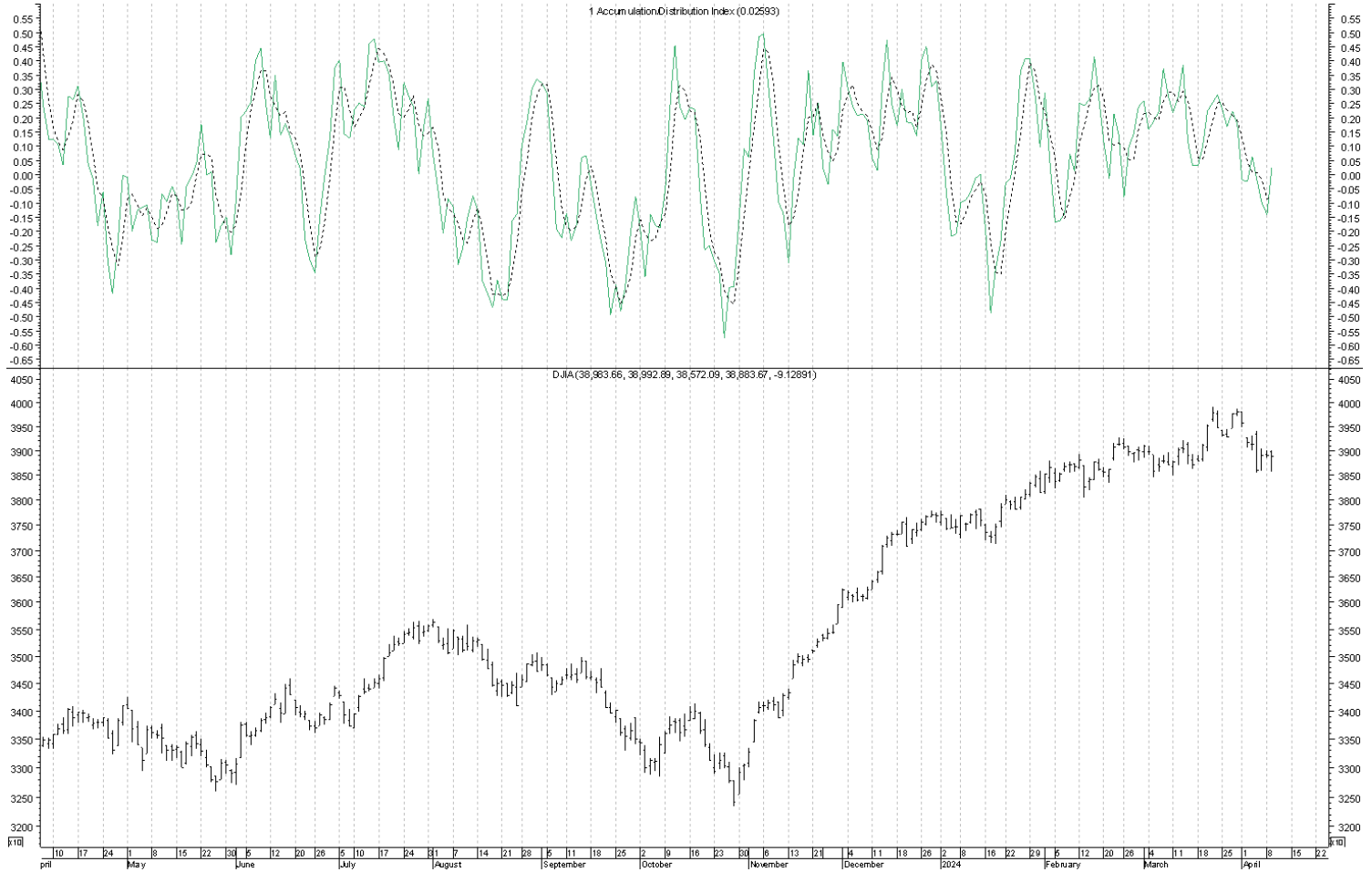
The **McClellan Summation Index** continues its downturn. The **McClellan Volume Summation Index** has ticked slightly to the upside. The **Ratio Adjusted McClellan Oscillator** in the upper window has turned above its trigger line, which makes it positive as we use it. But, with the completion of a weekly swing high last week and the timing band for the trading cycle low still ahead, any strength should be counter-trend and followed by continued weakness as we move into the timing band for the trading cycle low.



**No change here. 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** has turned up, but here too, with the timing band for the trading cycle low still ahead, any additional strength at this juncture should ideally be counter-trend and followed by another leg down into the trading cycle low.



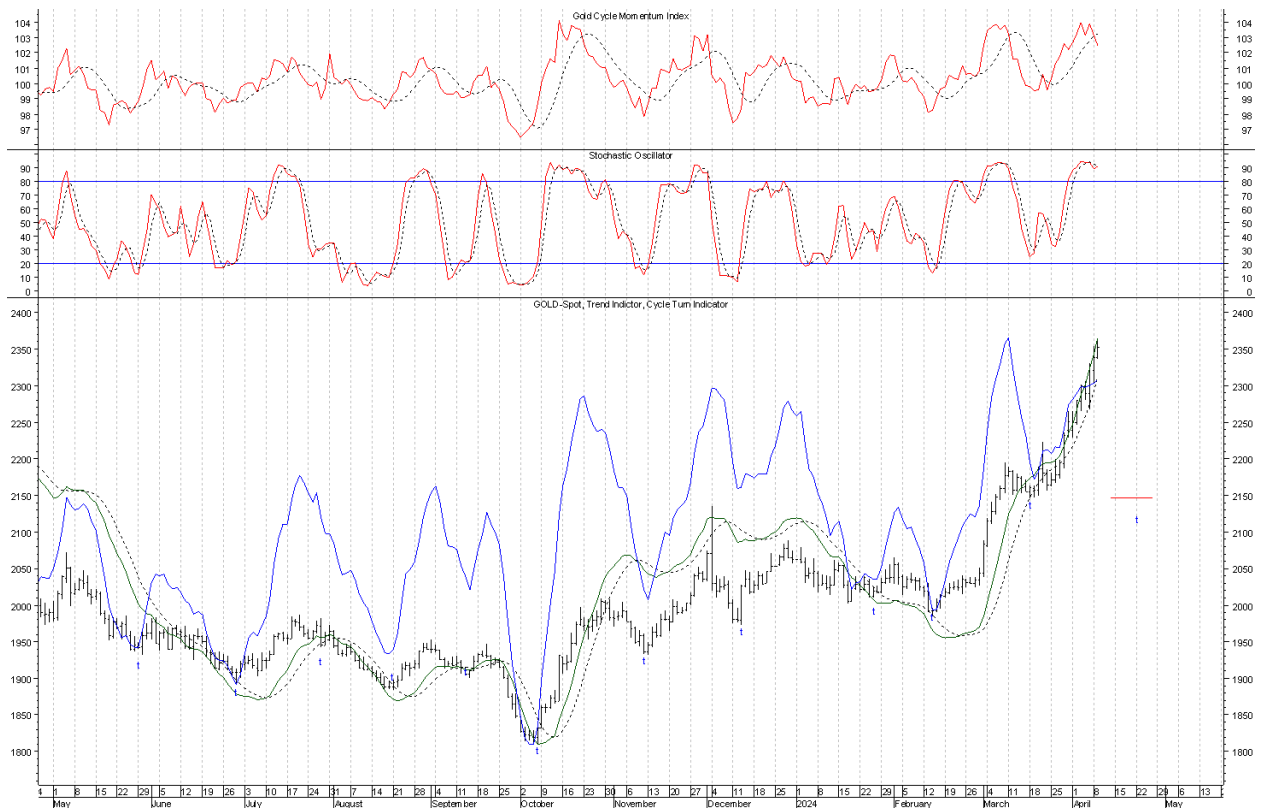
# Gold

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

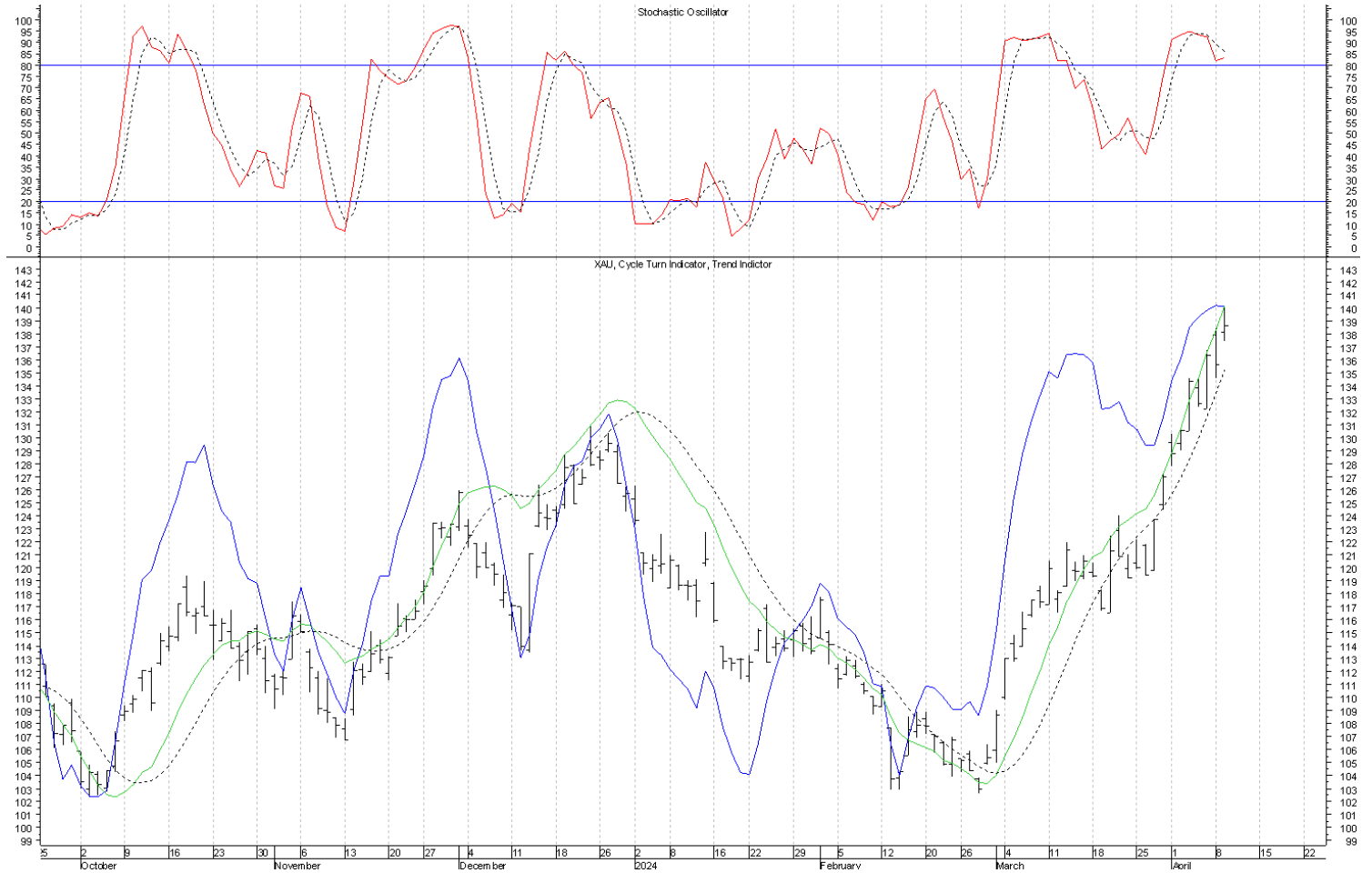
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

Given the continued advance, there are no additional changes with Gold. The trading cycle low was seen on March 18th, the oscillator picture is increasingly ripe for the trading cycle top 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 will remain intact 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 continue to 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 2,365.09 is not bettered and if 2,336.58 is violated.



Our daily chart of the XAU is next and here too, the advance out of the trading cycle low remains intact. As with Gold, the overbought 5 3 3 Stochastic makes conditions ripe for a top, but until a daily swing high and downturn of the daily CTI are seen, the ongoing short-term buy signal will remain intact. Once a daily swing high and downturn of the daily CTI are seen, the trading cycle 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 Wednesday if 140.15 is not bettered and if 137.74 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

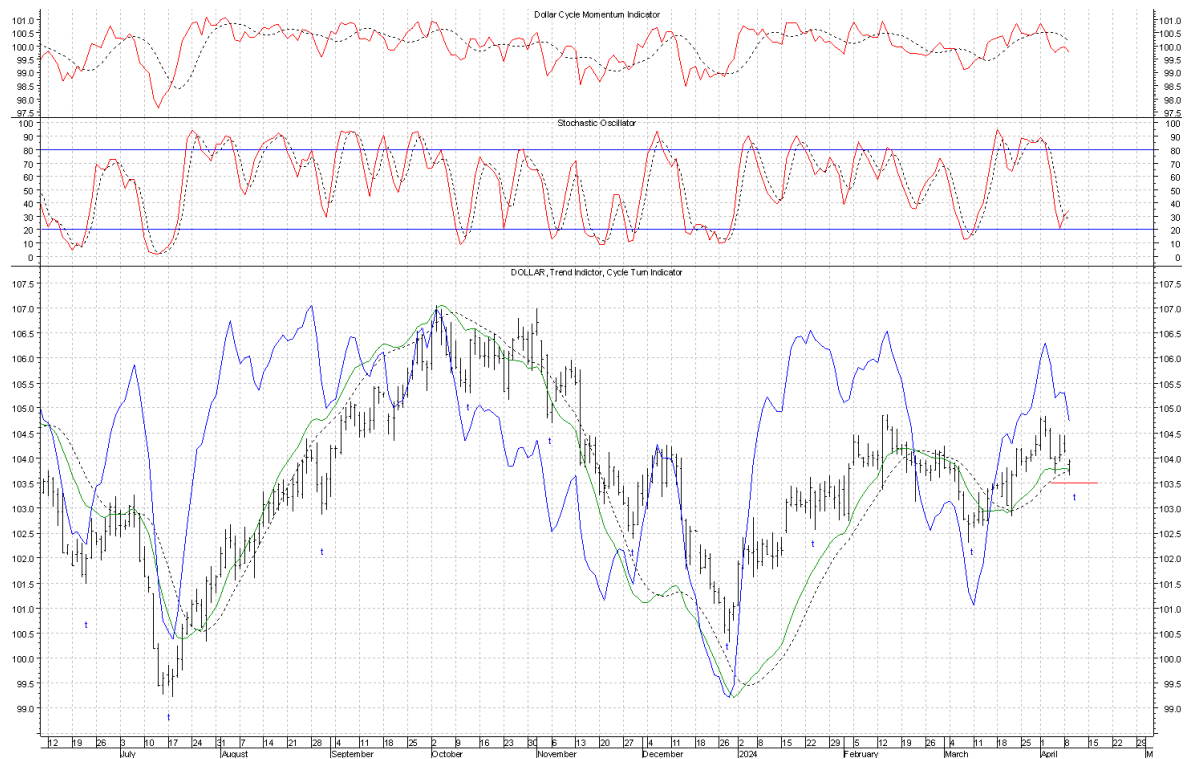
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

#### Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the trading cycle low runs between April 3rd and April 17th. A short-term buy signal was triggered on Friday, but with the Dollar having just moved into the early portion of the timing band for the trading cycle low in conjunction with the April 4th daily swing low and with the 5 3 3 Stochastic not having been pulled down into oversold territory, we knew that the trading cycle low should ideally still lie ahead. With the completion of another daily swing high on Tuesday and the accompanying downturn of the daily **CTI**, another short-term sell signal was triggered in association with another push down into the trading cycle low. As a result, the trading cycle low should now be close at hand. Any further weakness should be in association with a continued push into this now due low whereas the completion of another daily swing low and

upturn of the daily **CTI** should be in association with the trading cycle low having been seen. Whichever the case, we should be at or near the trading cycle low, which should now be in place once a daily swing low and upturn of the daily **CTI** are seen. A daily swing low will be completed on Wednesday if 103.64 holds and if 103.97 is bettered.

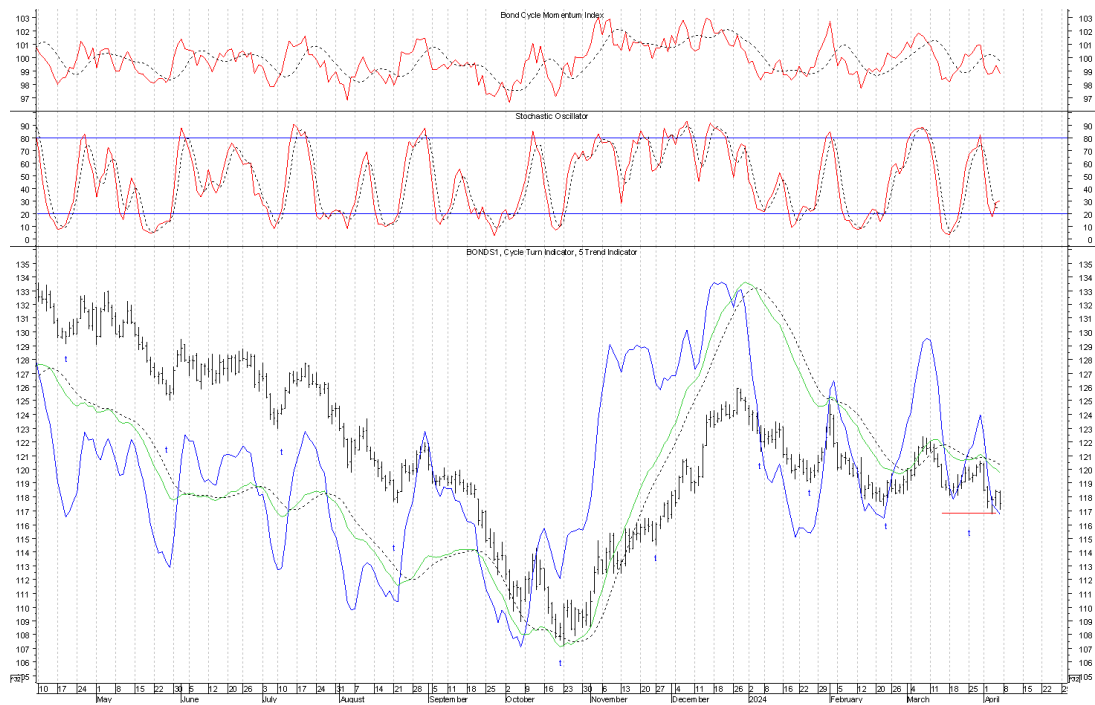


## Bonds

End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<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	Bullish

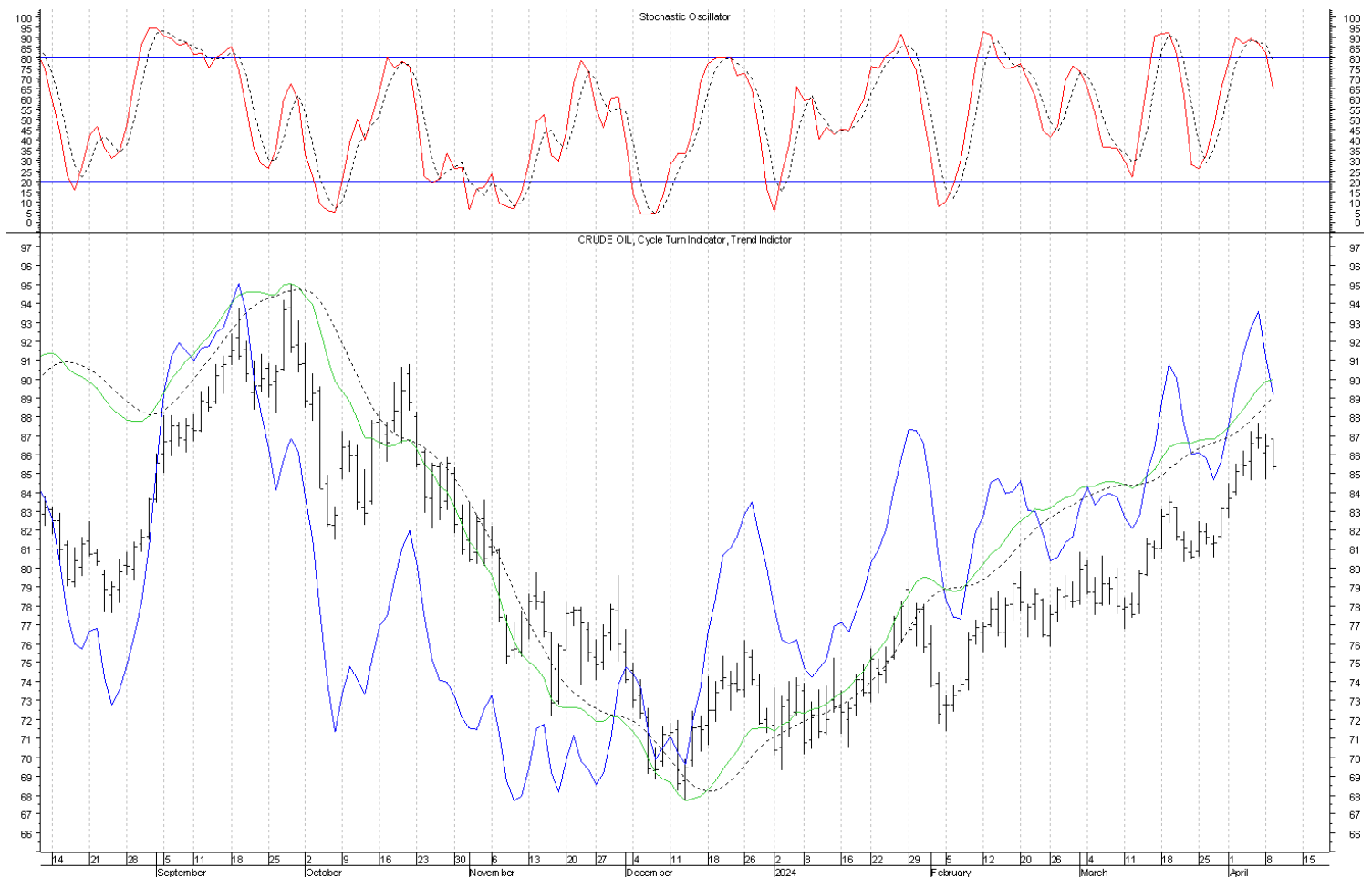
I have no update on the 30 year Bond. My data vendor is having an issue and there have been no updates since Friday. I was unaware of this issue until today and will be calling tomorrow to find resolution. The timing band for the current trading cycle low runs between March 14th and April 4th. The assumption 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 in conjunction with the April 3rd daily swing 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 if that is the case, then Friday's completion of another daily swing high once again leaves Bonds at risk of a left-translated trading cycle top. Until Bonds can prove this latter phasing, we will continue to assume that the trading cycle low was seen on March 18th and that we have a failed and left-translated trading cycle at play. Any further weakness that carries Bonds below the April 3rd daily swing low will serve as further evidence to this effect. In either case, the short-term sell signal will remain intact until another daily swing low and upturn of the daily **CTI** are seen.





## Crude Oil

The March 25th short-term buy signal had carried price to overbought levels, per the 5 3 3 Stochastic. Per the parameters given in the weekend update, the price action on Monday completed the formation of a daily swing high. With the corresponding downturn of the daily CTI a short-term sell signal was triggered and every indication is that the trading cycle top has been seen. That said, because of the reversal off the low on Monday and with Tuesday being an inside day, I want to see a close below Monday's low as confirmation of this short-term sell signal. If the decline in association with this 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 low will be completed on Wednesday if 84.69 holds and if 87.10 is bettered.



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