

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 16, 2024

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

April 16, 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)	Bearish
Advance/Decline Issues Diff	Bearish
New High New Low Diff	Bearish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
<i>*When this indicator is Bullish it is negative for the market and visa versa.</i>	

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 short-term sell signal and decline out of the March 21st trading cycle top remains intact. With the timing band for the trading cycle low running between April 15th and May 2nd, we should be at or near this low. Ideally, I would like to see another few days of weakness as we move further into this timing band, but once a daily swing low and upturn of ALL Three of the Primary Short-Term Indicators are seen, this low should be in place. As a result of the weekly swing high that was completed in conjunction with the decline into this trading cycle low, every indication has been that we have seen the intermediate-term cycle top. But, the question remains as to whether this intermediate-term cycle stretched into the March 21st high or if an abbreviated intermediate-term cycle low was seen in mid-January. Whichever the case, the advance out of the pending trading cycle low should serve to confirm the question with that higher degree phasing. If the intermediate-term cycle low doesn't prove to bottom in conjunction with the pending trading cycle low, then it should prove to be another trading cycle down into the intermediate-term cycle low in accordance with the

mid-January alternative phasing. More on that all once the trading cycle low is in place. For now, the focus remains on the trading cycle low.

The additional confirmation of the April 8th short-term sell signal on Crude Oil was never seen and on Monday and Tuesday further weakness followed. With the completion of a weekly swing high this week, the overall price/oscillator picture continues to be suggestive of what should be the intermediate-term cycle top, but we need to see a definitive short-term sell signal. 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.

Gasoline triggered a short-term sell signal on Monday, but because of the completion of another daily swing low on Tuesday, Gasoline is position to continue higher. As confirmation of Monday's short-term sell signal, I want to see a close below Monday's low. Here too, the intermediate-term cycle top should be close at hand and any further weakness that completes the formation of a weekly swing high will be further suggestive of the intermediate-term advance out of the February low having run its course.

The CRB Index triggered a short-term sell signal on April 11th and as a result, the trading cycle top should ideally be in place. But, as further confirmation I want to see a close below the April 11th low as well as the completion of a weekly swing high. With the completion of a daily swing high on Monday, Gold triggered a short-term sell signal. However, because of the reversal off the low on Monday, this sell signal needs to be confirmed with a close below Monday's low.

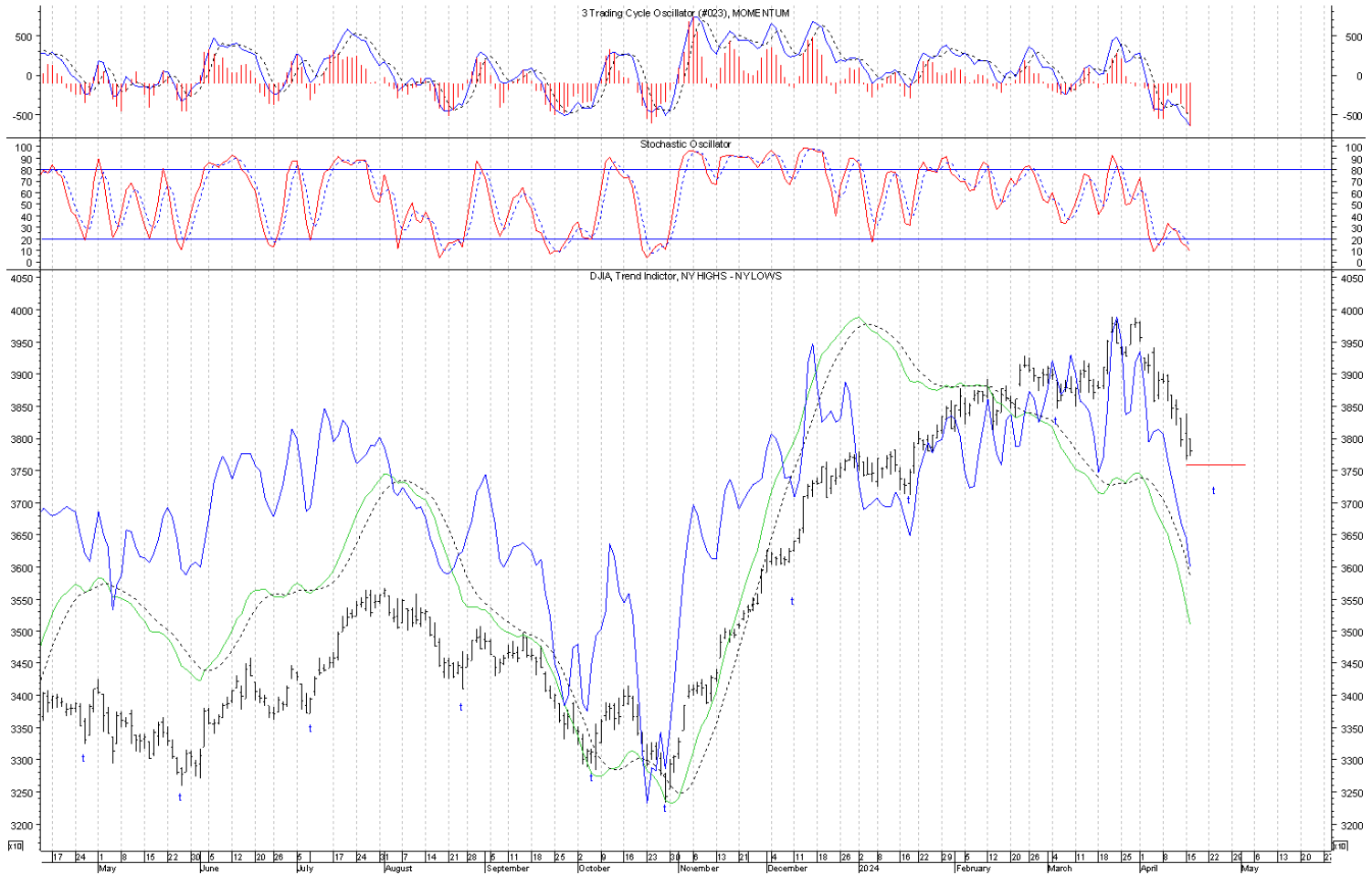
The XAU triggered a short-term sell signal on Monday, thereby confirming the trading cycle top.

The short-term buy signal on the Dollar remains intact and will continue to do so until another daily swing high and downturn of the daily CTI are seen. Bonds completed the formation of a daily swing low on Friday and with the upturn of the daily CTI, a short-term buy signal was triggered. As discussed in the weekend update, we had to assume that buy signal to be in association with the trading cycle low, but I ideally wanted to see additional weakness down into this low, which we have now seen. Once another daily swing low and upturn of the daily CTI are seen, this low should be in place.

The Intermediate-Term Advancing Issues Line, plotted in red, continues its downturn and the Green MA has turned below 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 on the Industrials, the expectation was 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, this downturn should now prove to be in association with the intermediate-term cycle top and tends to be suggestive of this intermediate-term cycle having run long rather than it having bottomed early in association with the shallow January low.

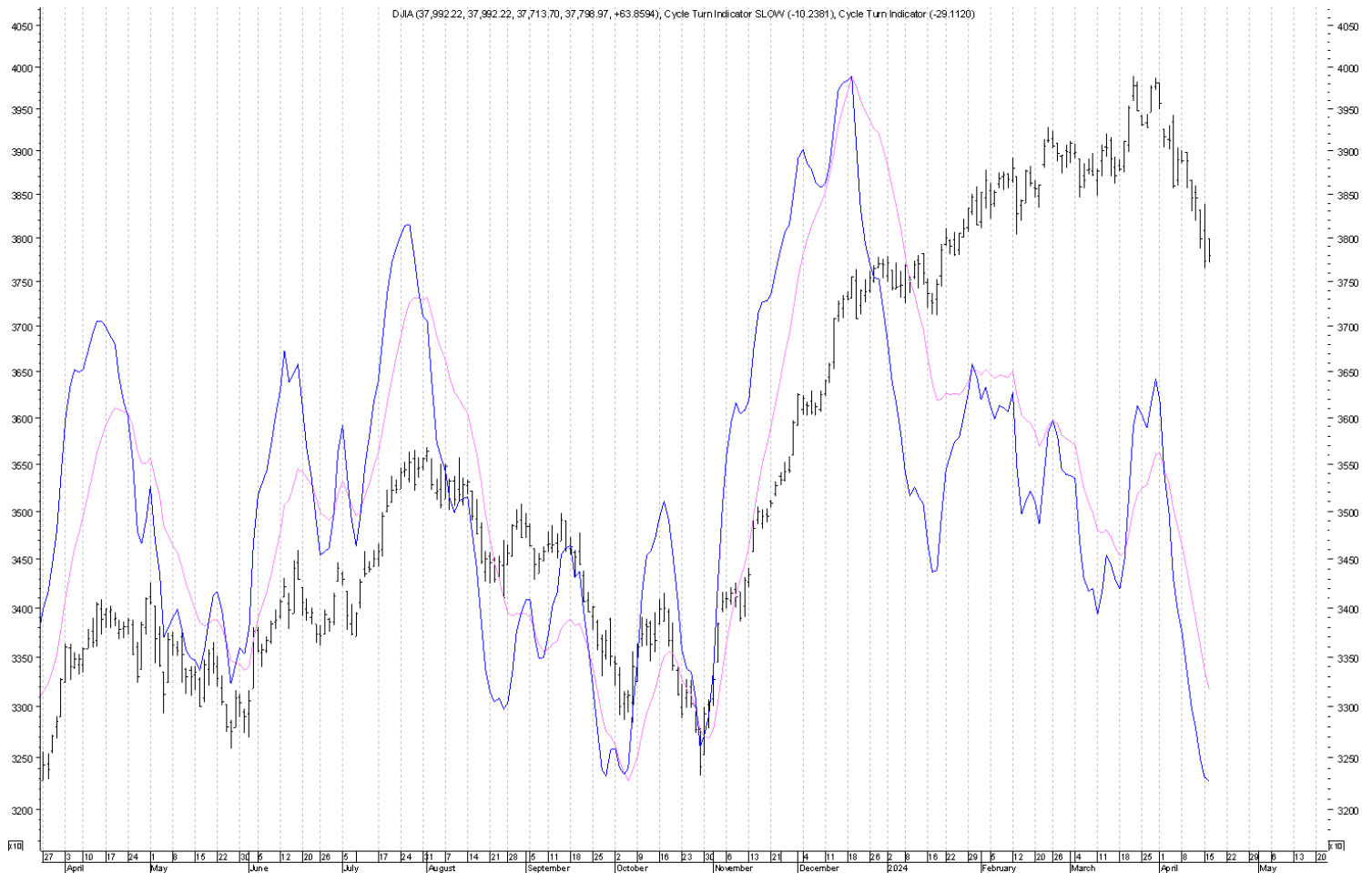


The **Trading Cycle Oscillator** in the upper window remains negative and at oversold levels. The **Momentum Indicator** has turned back down and remains solidly below its zero line. The **5 3 3 Stochastic** in the middle window has turned back down into oversold territory and thus far continues trying to form a divergence as price approaches the trading cycle low. The **New High/New Low Differential**, plotted with price, continues its downturn. The **Trend Indicator** also continues its downturn in association with the decline out of the trading and intermediate-term cycle top.

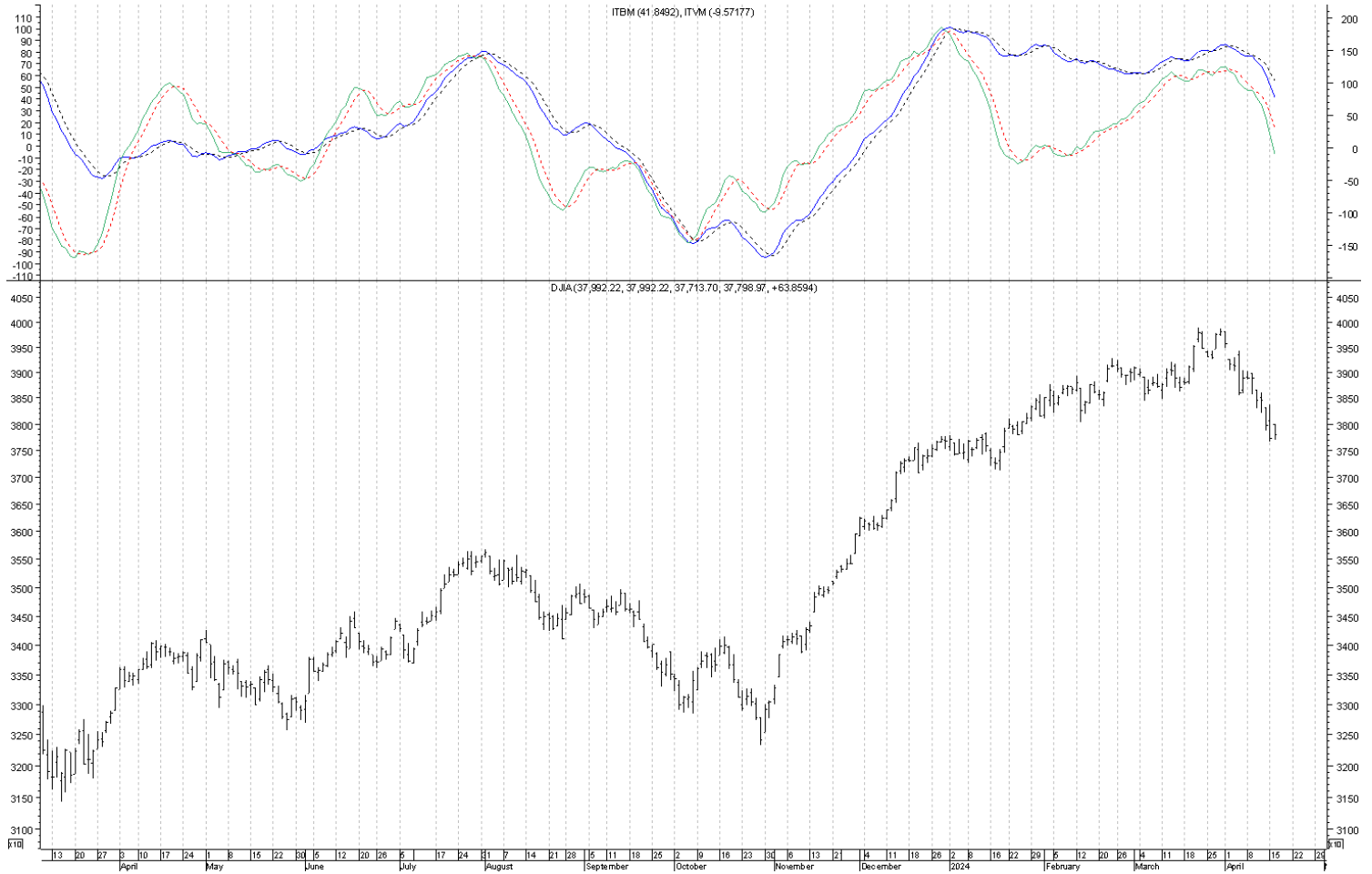


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

The Industrials completed the formation of a daily swing high on 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. Given the continued weakness on Monday and with Tuesday being an inside day, there have been no additional changes in that the decline into the trading cycle low remains intact and while we should be getting close, with price not yet having moved into the timing band for the trading cycle low, this low should ideally still lie ahead. Bottom line, the short-term sell signal will remain intact until another daily swing low and upturn of the Primary Short-Term Indicators are seen.

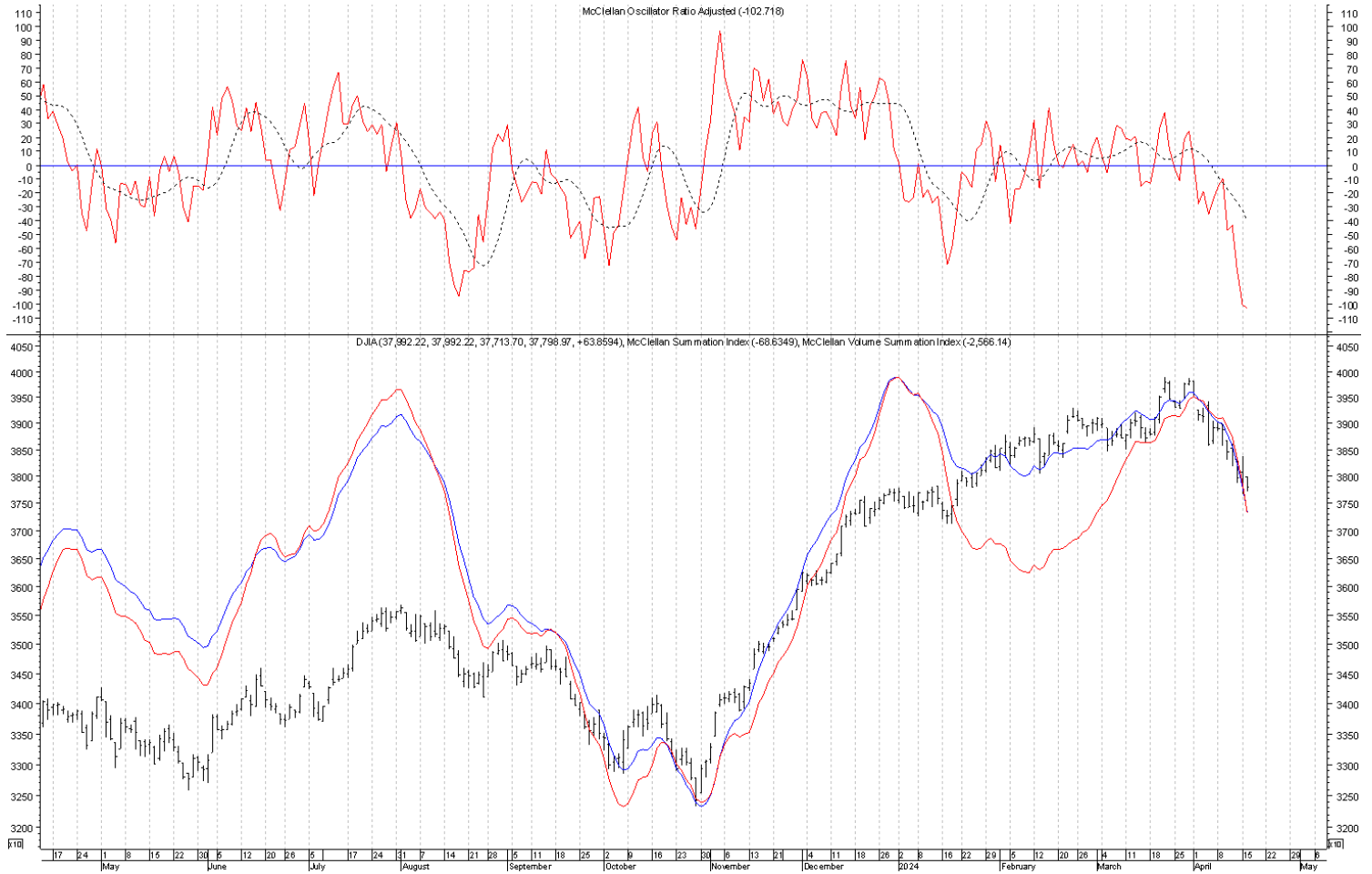


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain in gear to the downside.

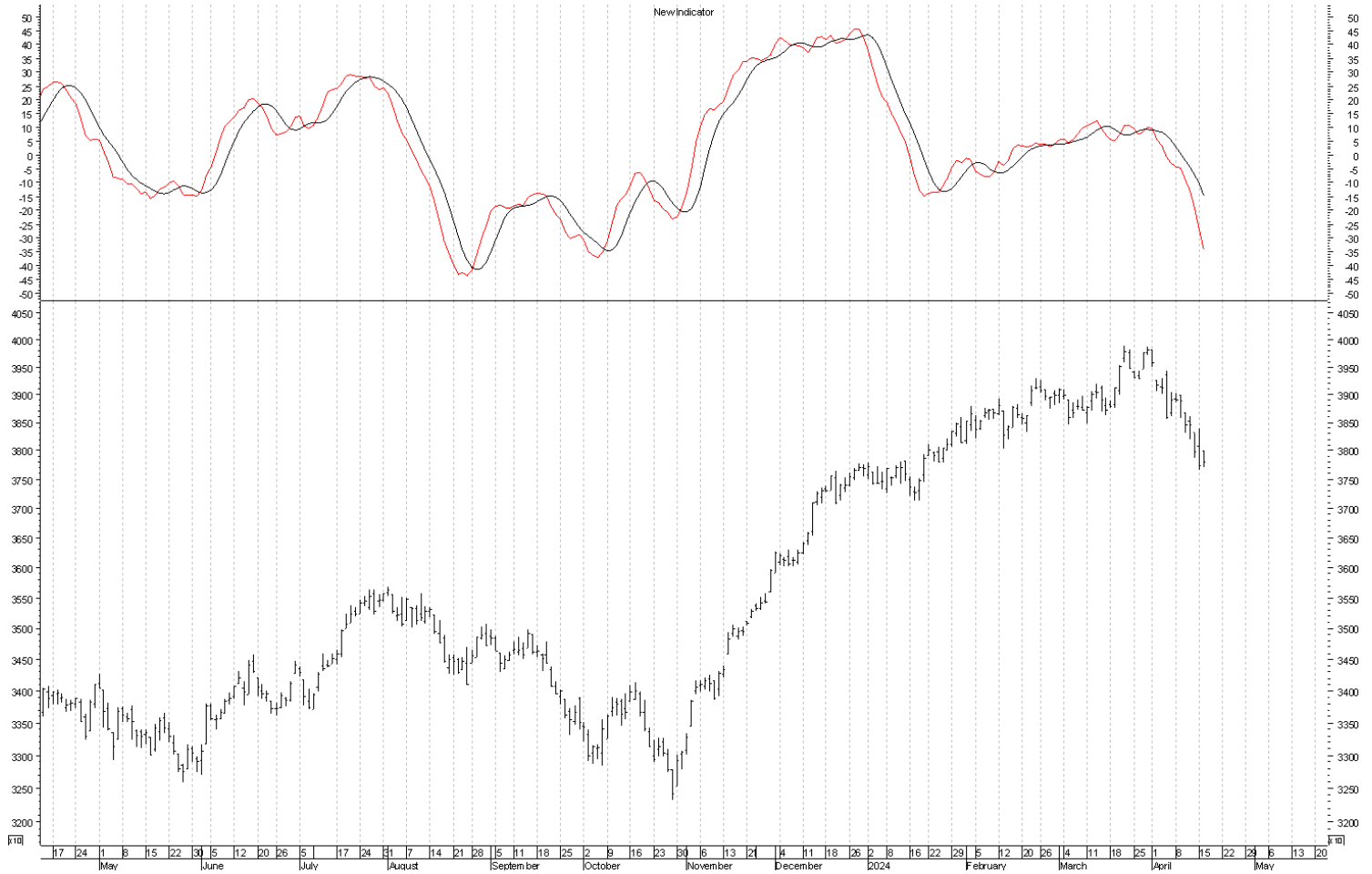




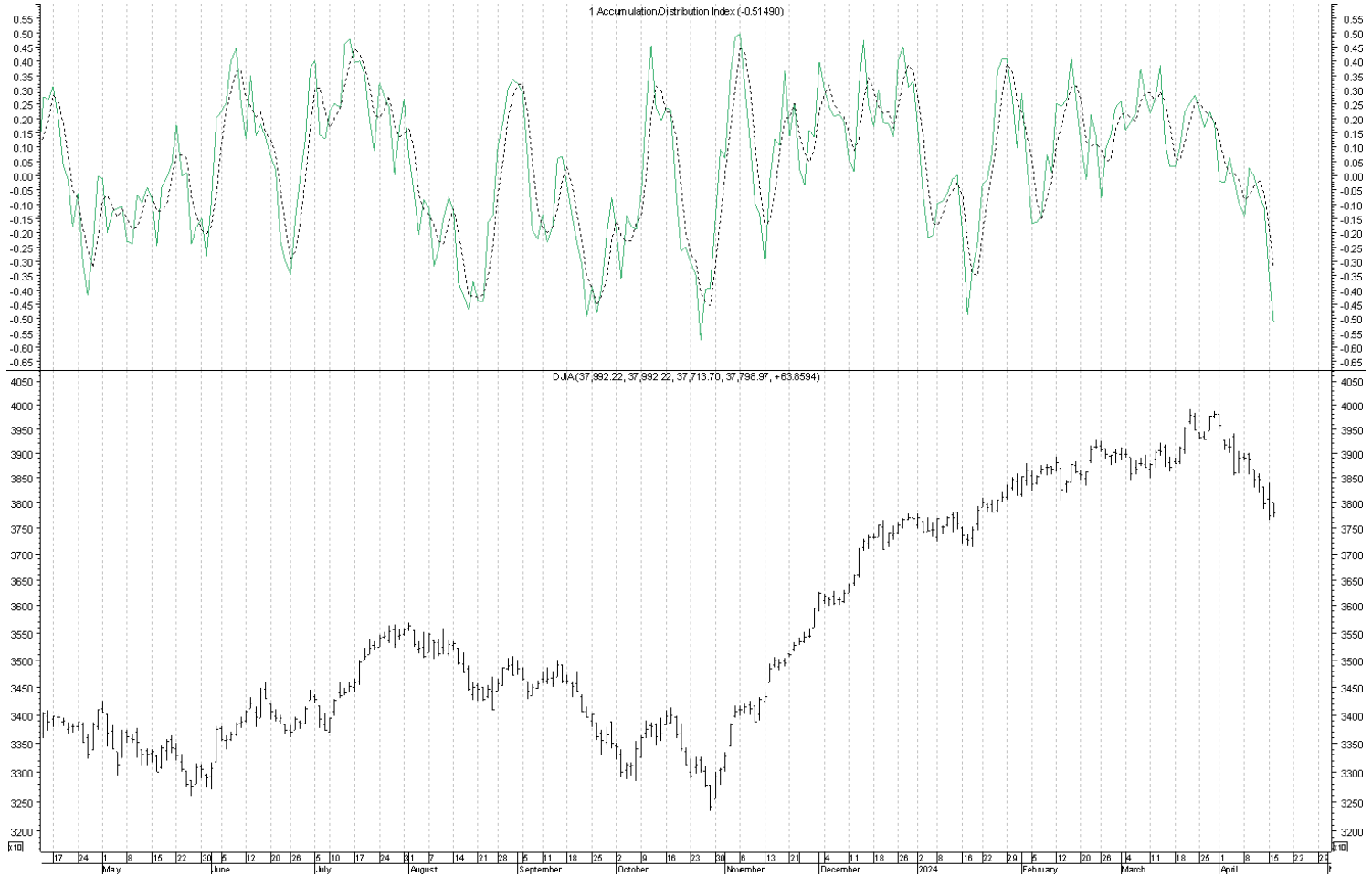
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also remain in gear to the downside. The **Ratio Adjusted McClellan Oscillator** in the upper window remains negative and has moved to deeply oversold levels, which regardless of the phasing of the intermediate-term cycle is certainly suggestive of what should be the pending trading cycle low.



The smoothed McClellan oscillator continues its downturn in association with the trading and intermediate-term cycle top.



The **Accumulation/Distribution Index** remains below its trigger line and has now moved to deeply oversold levels in association with the approaching trading cycle low. Another upturn of this indicator, in conjunction with the triggering of a short-term buy signal, will be suggestive of the trading cycle low having been seen.



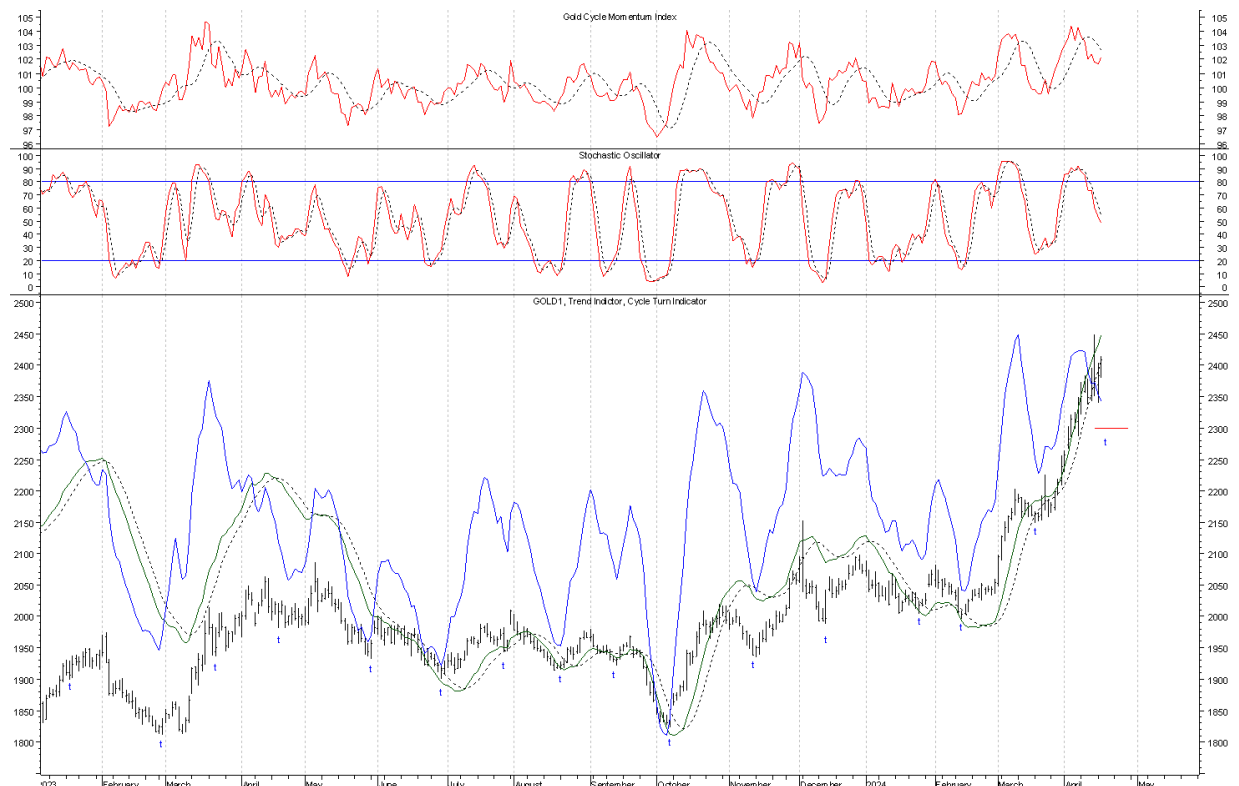
## Gold

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

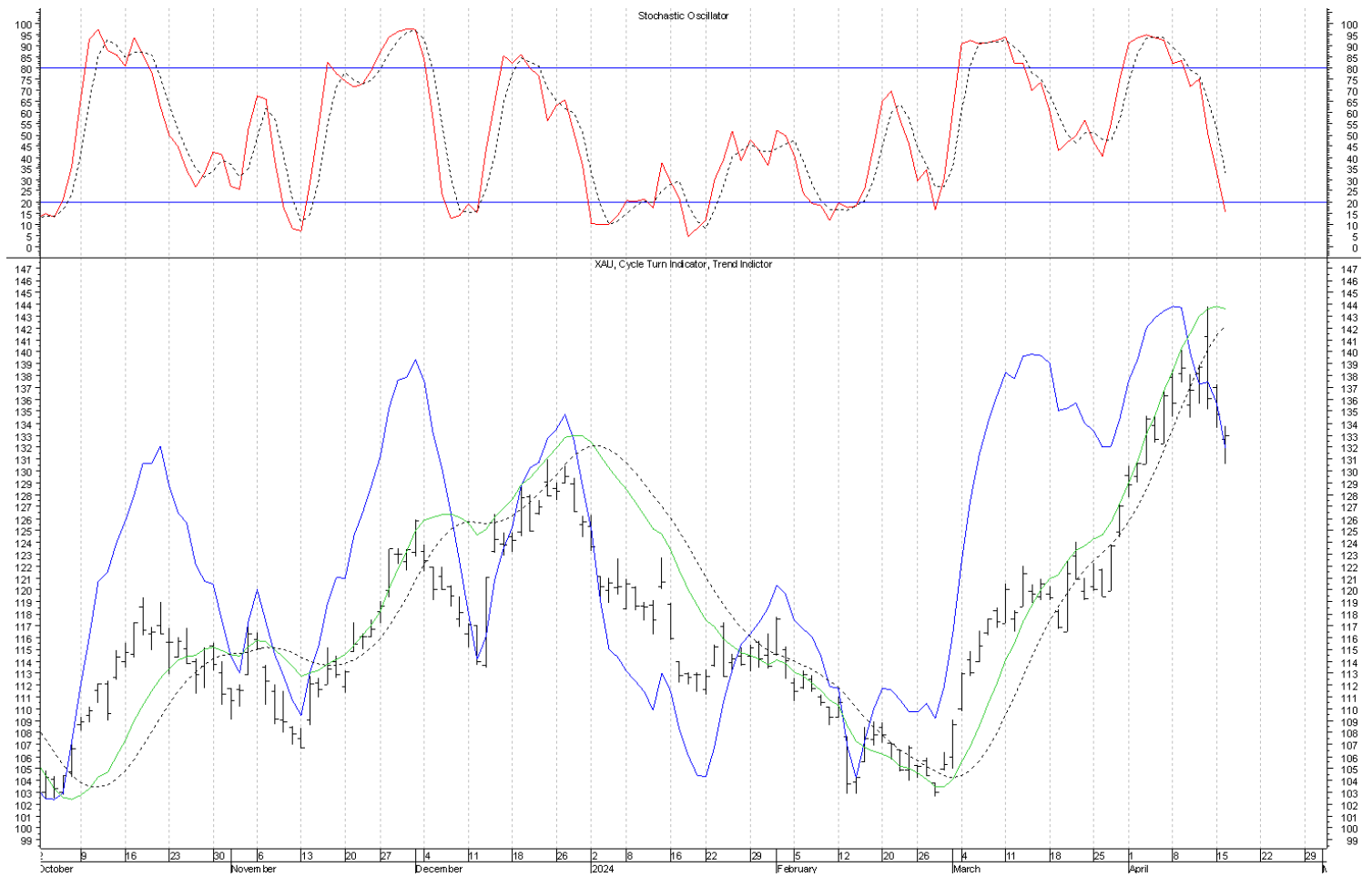
Daily Indicator Summary <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The timing band for the now due trading cycle low runs between April 12th and April 26th. The oscillator picture has been ripe for the trading cycle top and with the completion of a daily swing high on Monday, a short-term sell signal was triggered. However, because of the reversal off the low on Monday, this sell signal needs to be confirmed with a close below Monday's low. Ideally another push down into the trading cycle low should still lie ahead, but with the completion of a daily swing low on Tuesday, it is possible that we could have seen a shallow trading cycle low. Any further advance that turns the daily CTI up will trigger a short-term buy signal whereas any further weakness below Monday's low should be in association with an additional push into the trading cycle low. More on the trading cycle low as we move through this timing band.

If the decline in association with the trading cycle top completes the formation of a weekly swing high, it will put Gold at further risk of the intermediate-term cycle top. Another daily swing high will be completed on Wednesday if 2,414.80 is not bettered and if 2,379.20 is violated.



Our daily chart of the XAU is next and per the parameters given in the weekend update, the price action on Monday completed the formation of a daily swing high, re-triggering another short-term sell signal in association with the trading cycle top. As with Gold, I would still like to see continued weakness into the trading cycle low, but once a daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggering and this low should be in place. With this decline out of the trading cycle top completing the formation of a weekly swing high, the XAU is at risk of the intermediate-term cycle top, which should ideally be in place. A daily swing low will be completed on Wednesday if 130.60 holds and if 133.77 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	Bullish

#### 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

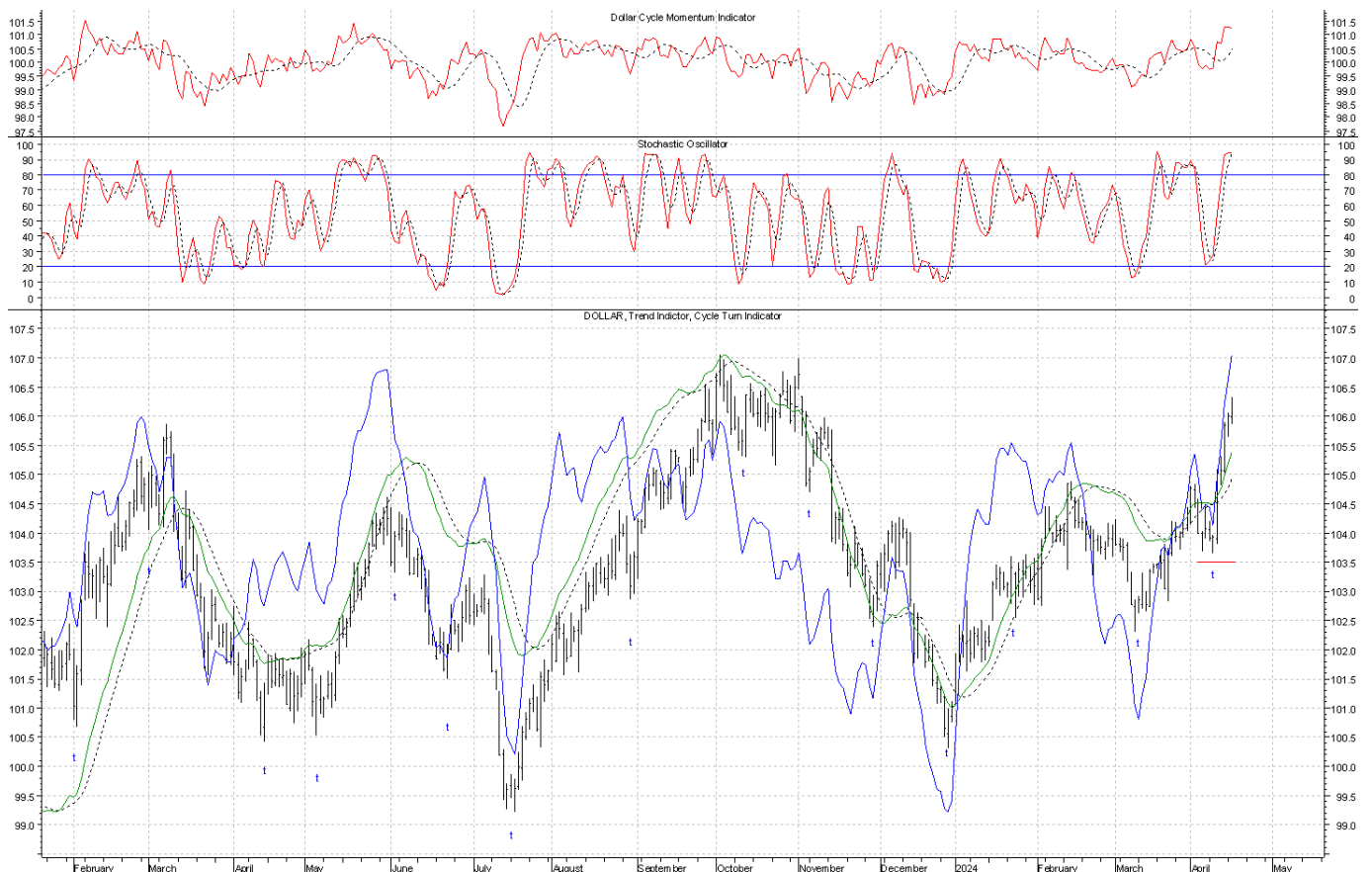
#### Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the trading cycle low runs between April 3rd and April 17th. This low was seen in conjunction with the April 9th daily swing low and the advance out of that low will continue to remain intact until another daily swing high and downturn of the daily **CTI** are seen. At a higher level, this trading cycle advance should be in association with an ending push into 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. A daily swing high will be completed on Wednesday if 106.32 is not bettered and if 105.87 is violated.

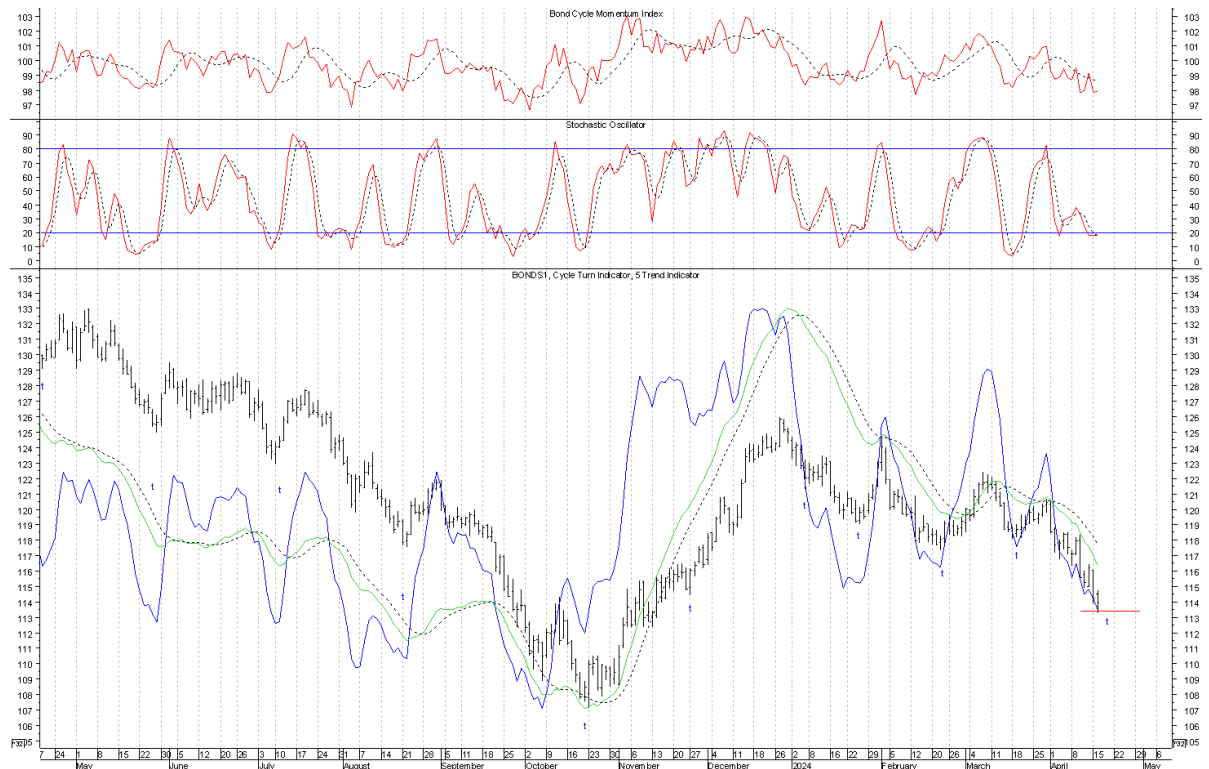


## Bonds

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

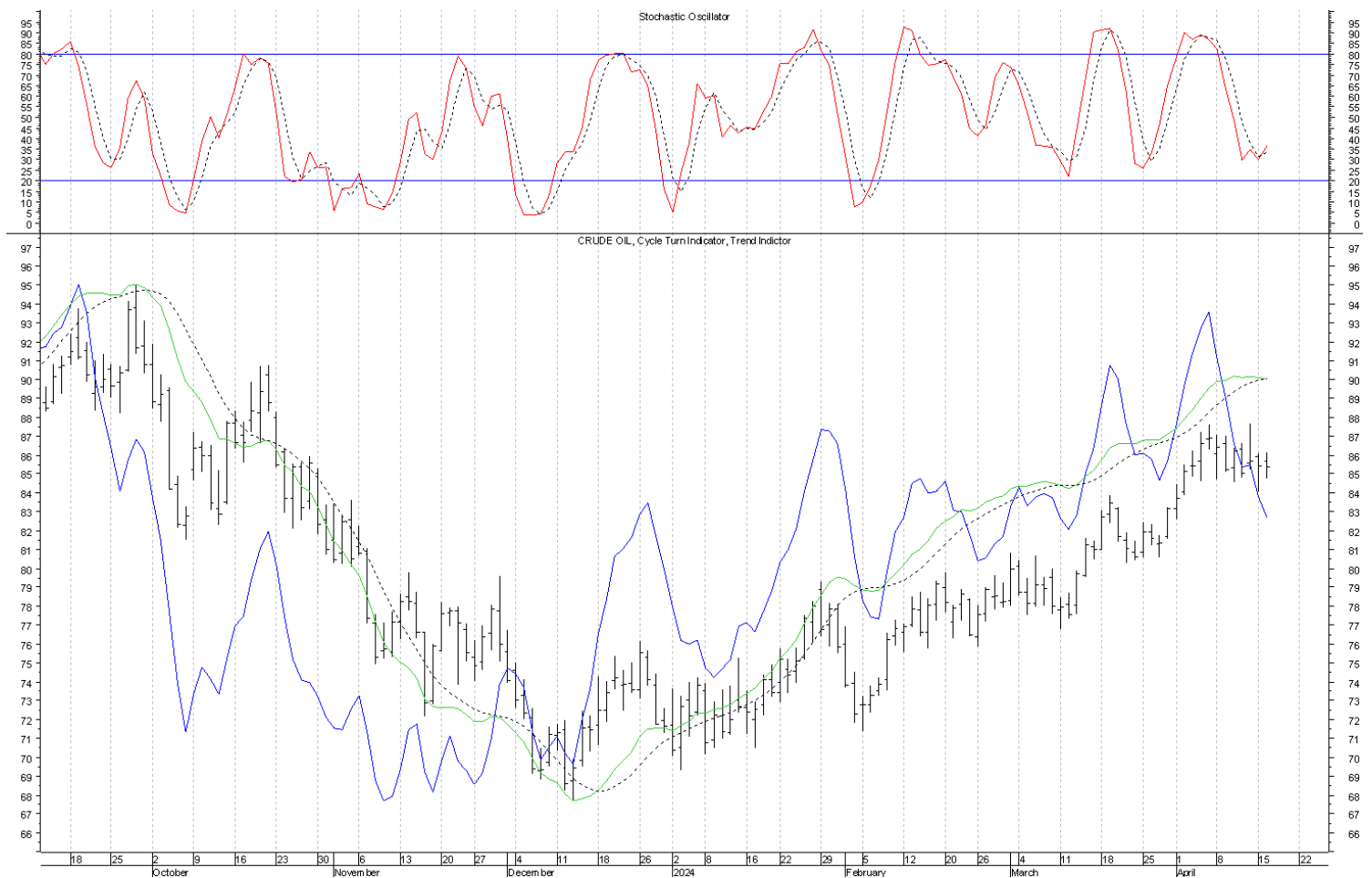
Daily Indicator Summary <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bullish

The timing band for the trading cycle low runs between April 10th and April 30th. The price action on Friday completed the formation of a daily swing low and with the upturn of the daily **CTI**, a short-term buy signal was triggered. Per the weekend update, we had to assume the trading cycle low had been seen in conjunction with that sell signal, but I Ideally wanted to see another push down as we move a little further into the timing band for this low. With the continued weakness on Monday and Tuesday, this additional push into the trading cycle low has been realized and once another daily swing low and upturn of the daily **CTI** are seen, this low should be in place. At a higher level, the timing band for the intermediate-term cycle low runs between February 29th and May 9th. Accordingly, this trading cycle low will be an opportunity for this higher degree cycle low and if the advance out of this trading cycle low completes the formation of a weekly swing low, the intermediate-term cycle low should be in place. A weekly swing low that is also accompanied by a right-translated trading cycle advance should serve as confirmation of the intermediate-term cycle low.



## Crude Oil

Since the April 8th completion of a daily swing high, Crude Oil has been trying to form the trading and what is further suspected to be an intermediate-term cycle top. The price action this week has also put a weekly swing high into motion, which is further suggestive of the trading and what again should ideally be the intermediate-term cycle top. But, we have needed to see a definitive short-term sell signal, which we have not seen. With the completion of another daily swing low on Tuesday and the corresponding upturn of the 5 3 3 Stochastic, Crude Oil is in a position to bounce. However, given the overall price/oscillator picture, any such bounce should be in association with a retest of or ending push into the trading and what should ideally be the intermediate-term cycle top. Another daily swing high will be completed on Wednesday if 86.18 is not bettered and if 84.75 is violated.



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