

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 18, 2024

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

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 18, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
CTI on Rydex Tempest Fund *	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Advance/Decline Issues Diff	Bearish
New High New Low Diff	Bearish
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.	

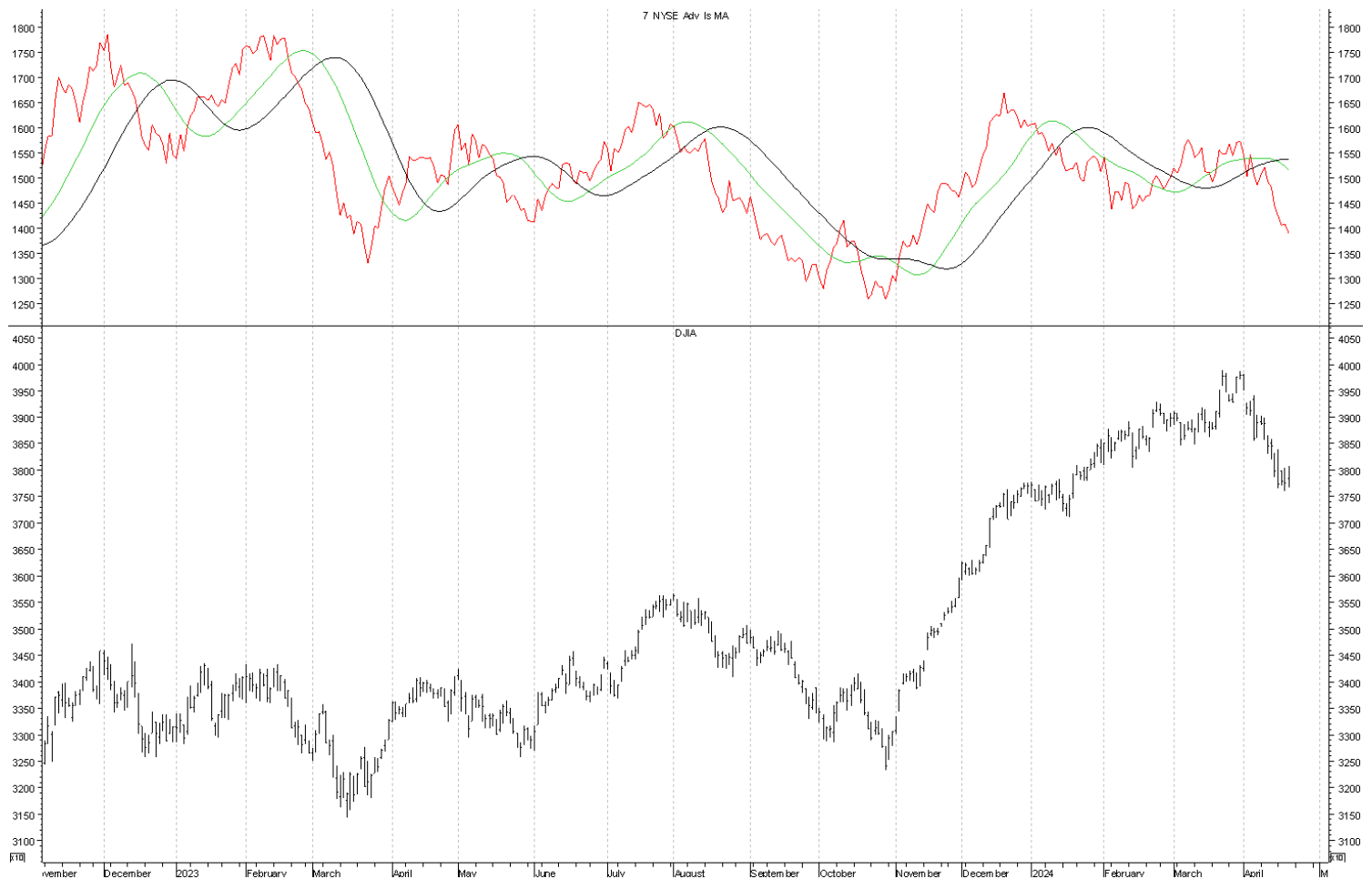
Daily Indicator Summary Short-Term Sell	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term Breadth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

The timing band for the trading cycle low runs between April 15th and May 2nd. Ideally, I would still like to see another few days of weakness as we move further into this timing band. The price action on Thursday completed the formation of a daily swing low, but because of the reversal lower and with ALL Three of the Primary Short-Term Indicators not having turned up, a short-term buy signal was not triggered. Any further strength on Friday that yields a close above Thursday's high, and that turns ALL Three of the Primary Short-Term Indicators up, will trigger a short-term buy signal in association with what we will have to assume to be the trading cycle low. To the contrary, any additional weakness below Wednesday's low should be in association with an ending push into the trading cycle low. If the advance out of the pending trading cycle low completes the formation of a weekly swing low, such development will be suggestive of the intermediate-term cycle low having also been seen. Further confirmation will then come with a right-translated trading cycle advance. 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

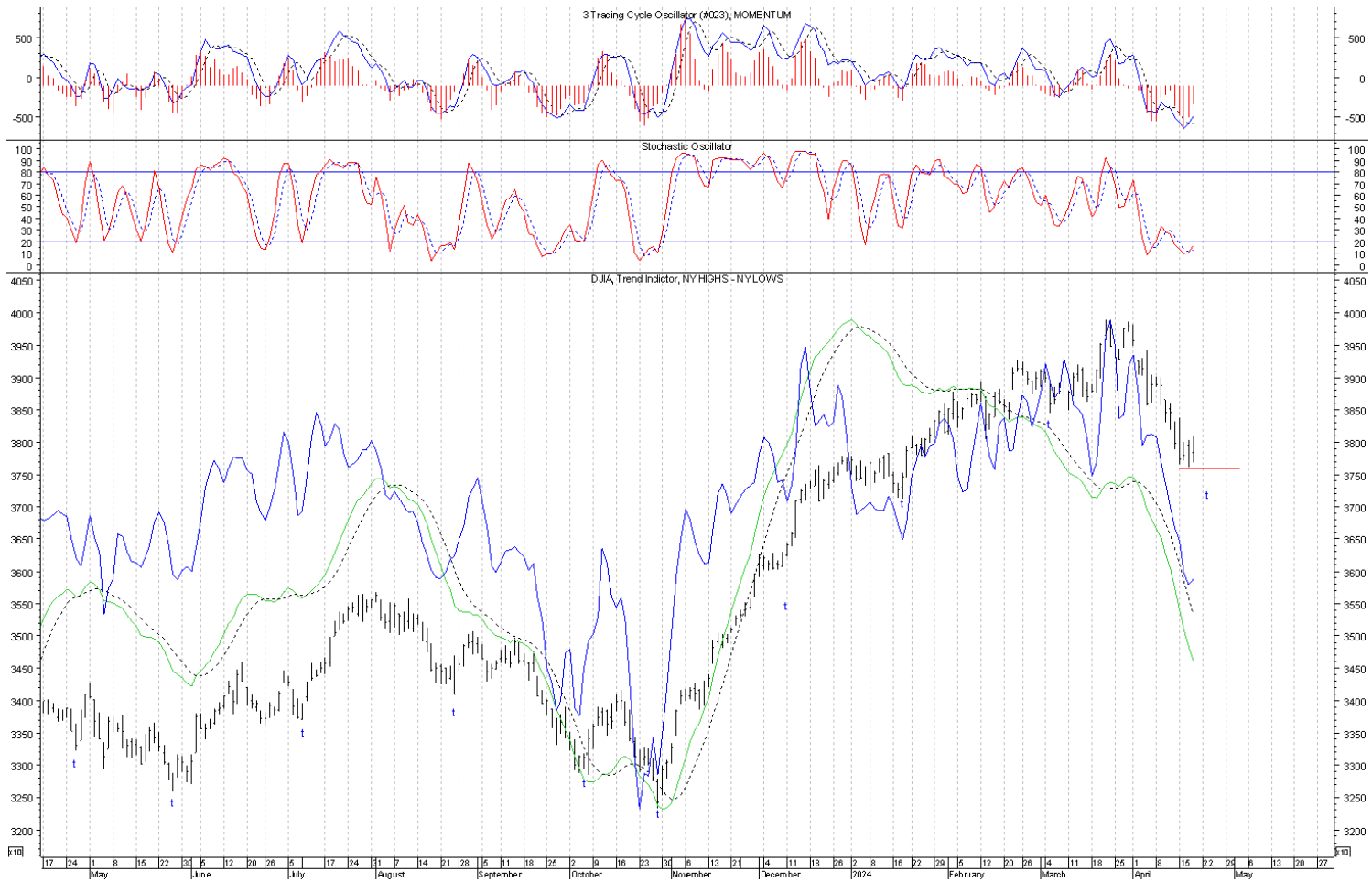
intermediate-term cycle low in accordance with the mid-January alternative phasing. More on that all once the trading cycle low is in place. For now, the focus remains on the trading cycle low.

We have known that Crude Oil has been trying to make the trading and suspected intermediate-term cycle top, but we have needed to see a definitive short-term sell signal, which we saw on Wednesday. We have to see what the close on Friday brings, but with the completion of a weekly swing high and downturn of the weekly CTI this week, the overall price/oscillator picture continues to be suggestive of what should ideally also be the intermediate-term cycle top as well. Gasoline triggered a short-term sell signal on Monday and as a result of the weakness on Wednesday the additional confirmation I wanted to see has been seen. As with Crude Oil, we have known that the intermediate-term cycle top should be close at hand and with the formation of a weekly swing high this week the evidence is suggestive of the intermediate-term advance out of the February low having possibly 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. 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 and the sideways price action since, this sell signal still needs to be confirmed with a close below Monday's low. The XAU completed the formation of a daily swing low on Wednesday, but thus far, Monday's short-term sell signal remains intact. The Dollar triggered a short-term sell signal on Wednesday and the trading cycle top should ideally be in place, but as additional confirmation of this sell signal, I would like to see a close below Thursday's low. Bonds completed the formation of a daily swing low on Wednesday and the trading cycle low should ideally be in place. A close above Thursday's high should serve as confirmation of the trading cycle low having been seen whereas any additional weakness should be in association with an ending push into the trading cycle low.

The Intermediate-Term Advancing Issues Line, plotted in red, continues its downturn and the Green MA continues its downturn 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, every indication is that this downturn is 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.

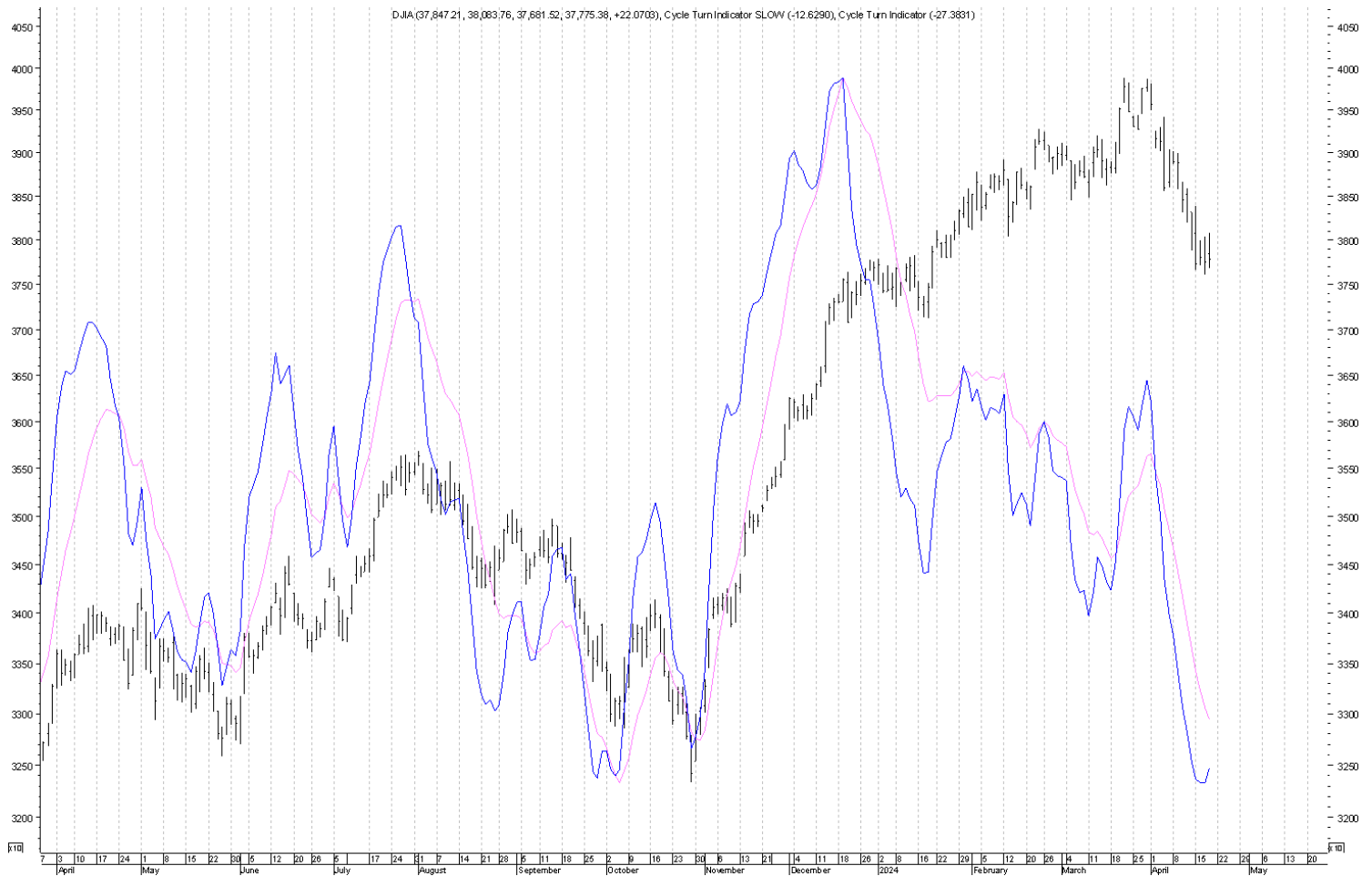


The **Trading Cycle Oscillator** in the upper window has turned up from oversold levels. The **Momentum Indicator** is now also turning up, but thus far remains below its zero line. The **5 3 3 Stochastic** in the middle window has turned back up as well from oversold levels. The behavior of these indicators is suggestive of the now due trading cycle low, which should be in place once a short-term buy signal is triggered. The **New High/New Low Differential**, plotted with price, has also ticked up. The **Trend Indicator** continues its downturn. Here too, an upturn will be suggestive of the trading cycle low and if a weekly swing low is seen it will tend to also be suggestive of the higher degree intermediate-term cycle low as well.

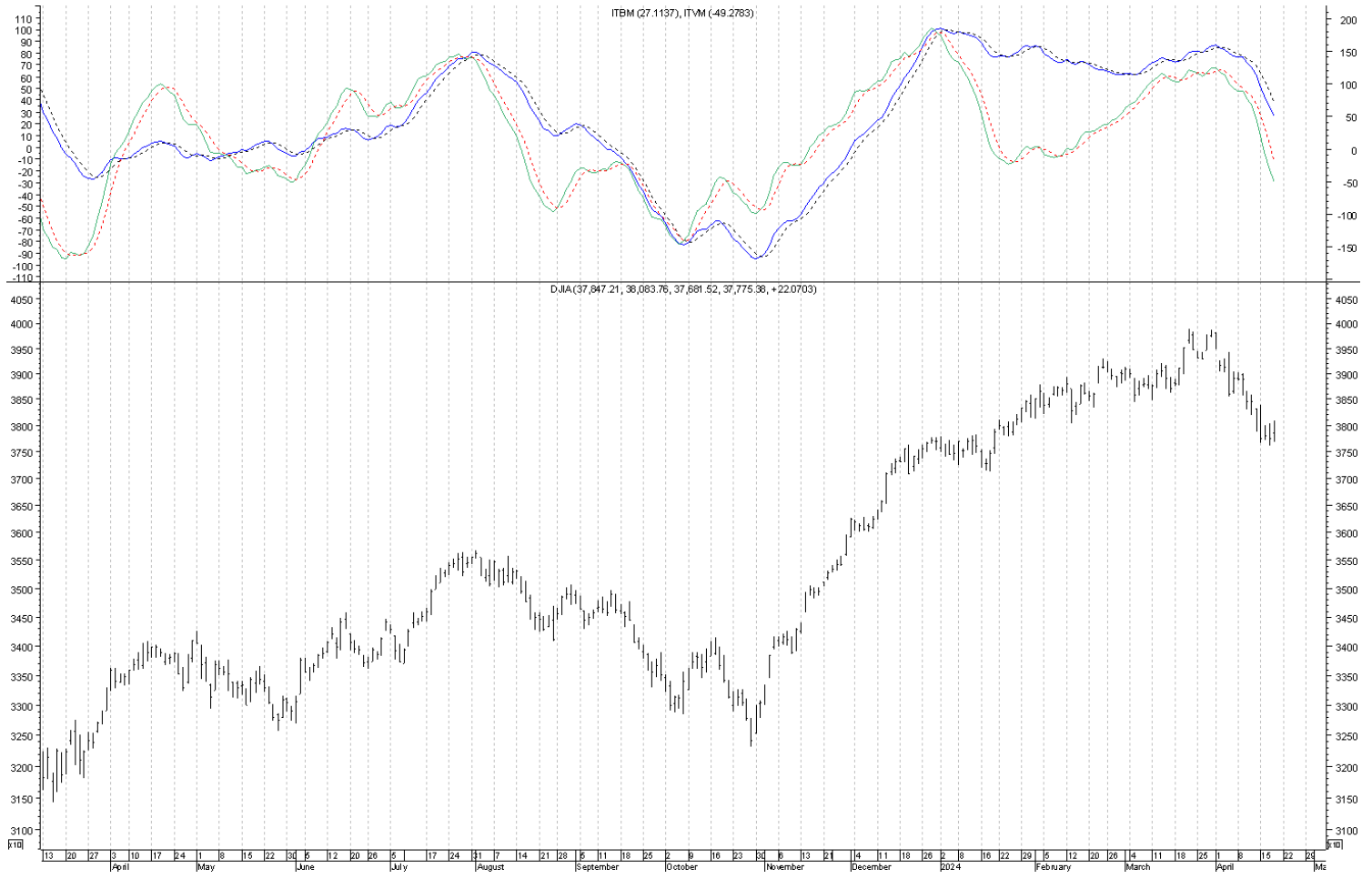


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

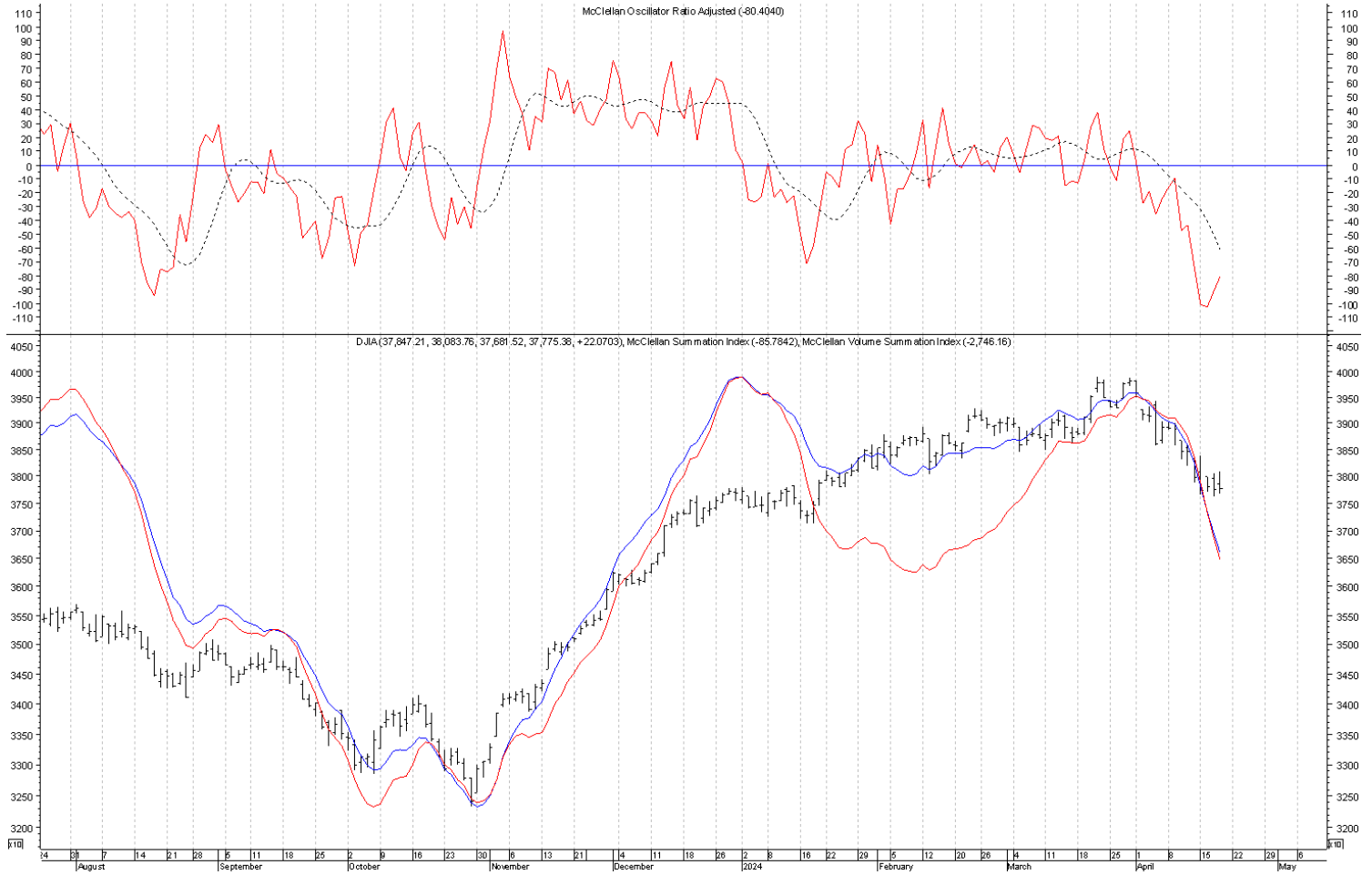
The Industrials completed the formation of a daily swing high on April 1st and with the continued weakness on April 2nd turning ALL Three of the Primary Short-Term Indicators into gear to the downside, a short-term sell signal was triggered. In doing so, the overall price/oscillator picture has been reflective of the trading cycle top. With the completion of a daily swing low on Thursday the price/oscillator picture has now begun to telegraph the trading cycle low, which should be in place once a daily swing low AND upturn of ALL Three 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.



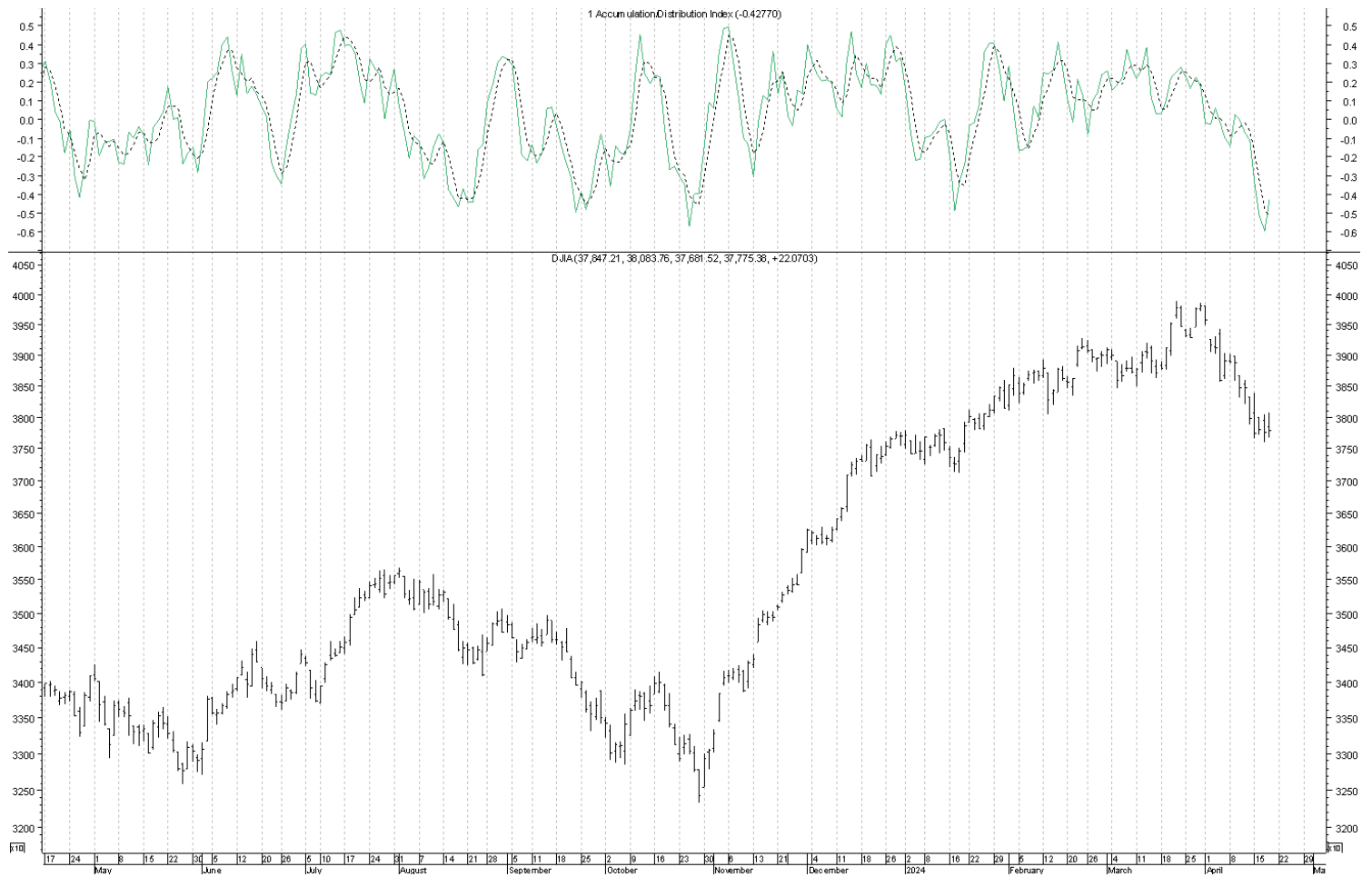
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also remain in gear to the downside. The **Ratio Adjusted McClellan Oscillator** in the upper window has turned up and any further up turn above the trigger line in association with the triggering of a short-term buy signal will be suggestive of the trading cycle low having been seen.



The smoothed McClellan oscillator continues its downturn in association with the trading and intermediate-term cycle top. An upturn back above the trigger line should also serve as confirmation of the trading cycle low.



The **Accumulation/Distribution Index** has turned up, which here too, is reflective of the now due trading cycle low, which should be in place once a short-term buy signal is triggered.



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	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

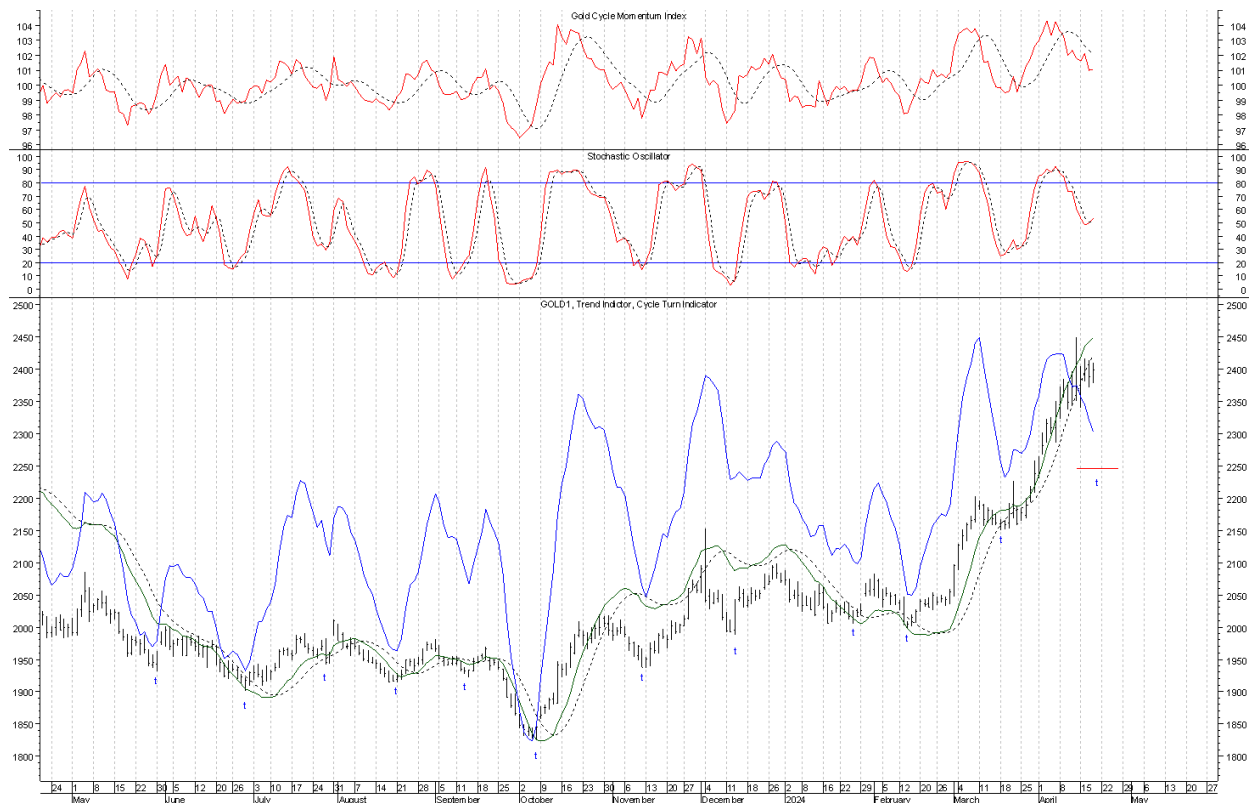
Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

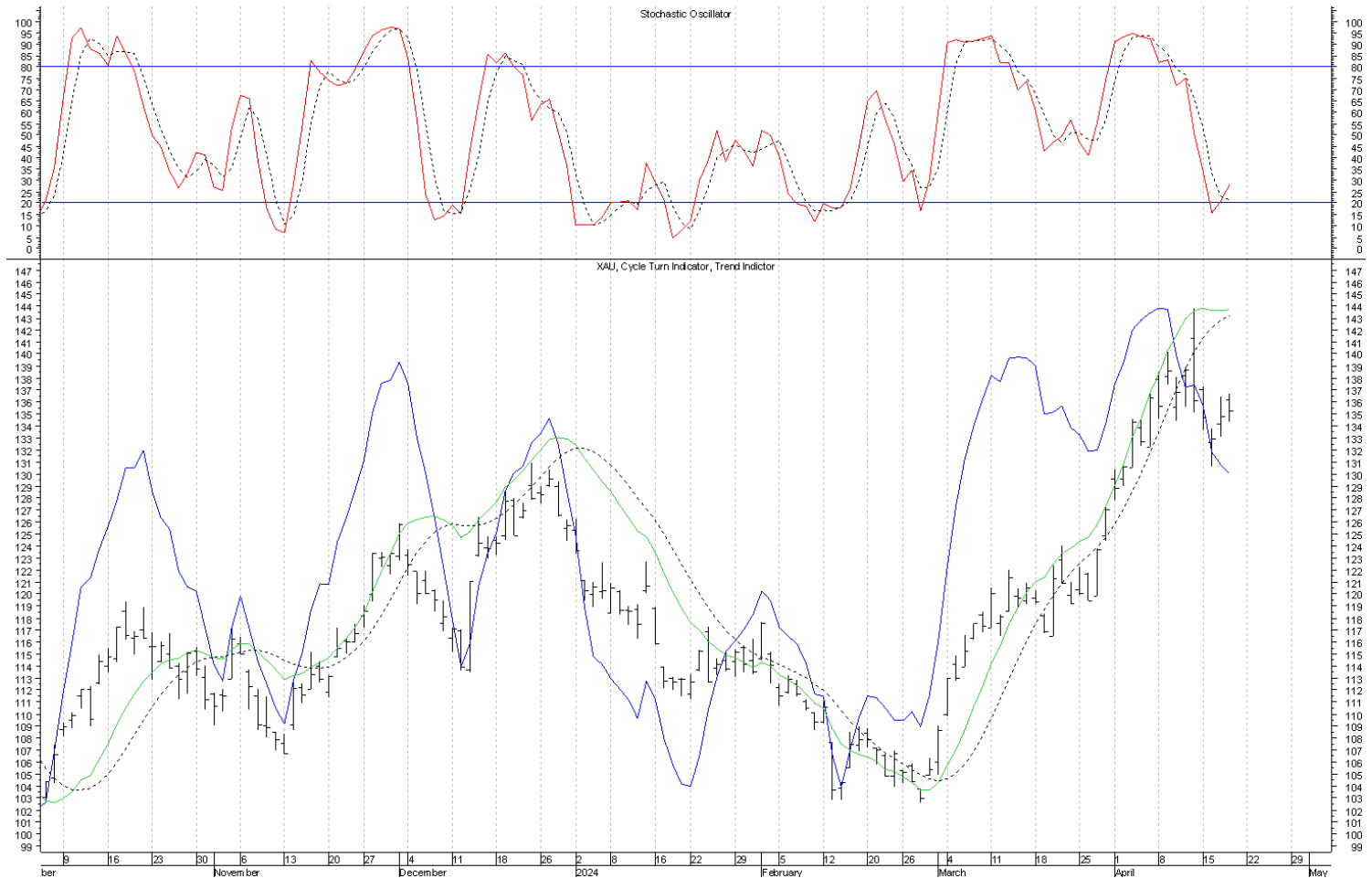
Secondary Short Term Indicators

5 3 3 Stochastic	Bullish
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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, which we still have not seen. Ideally another push down into the trading cycle low should still lie ahead. 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 low will be completed on Friday if 2,370.70 holds and if 2,412.00 is bettered.



Our daily chart of the XAU is next. Per the parameters given in the Tuesday night update, the price action on Wednesday completed the formation of a daily swing low, but with the daily CTI remaining negative, a short-term buy signal was not triggered. On Thursday the XAU initially moved higher, but reversed lower and thus far, Monday's short-term sell signal remains intact. 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 triggered 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 remains at risk of the intermediate-term cycle top, which should ideally be in place. Another daily swing high will be completed on Friday if 136.66 is not bettered and if 134.36 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	Bullish

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

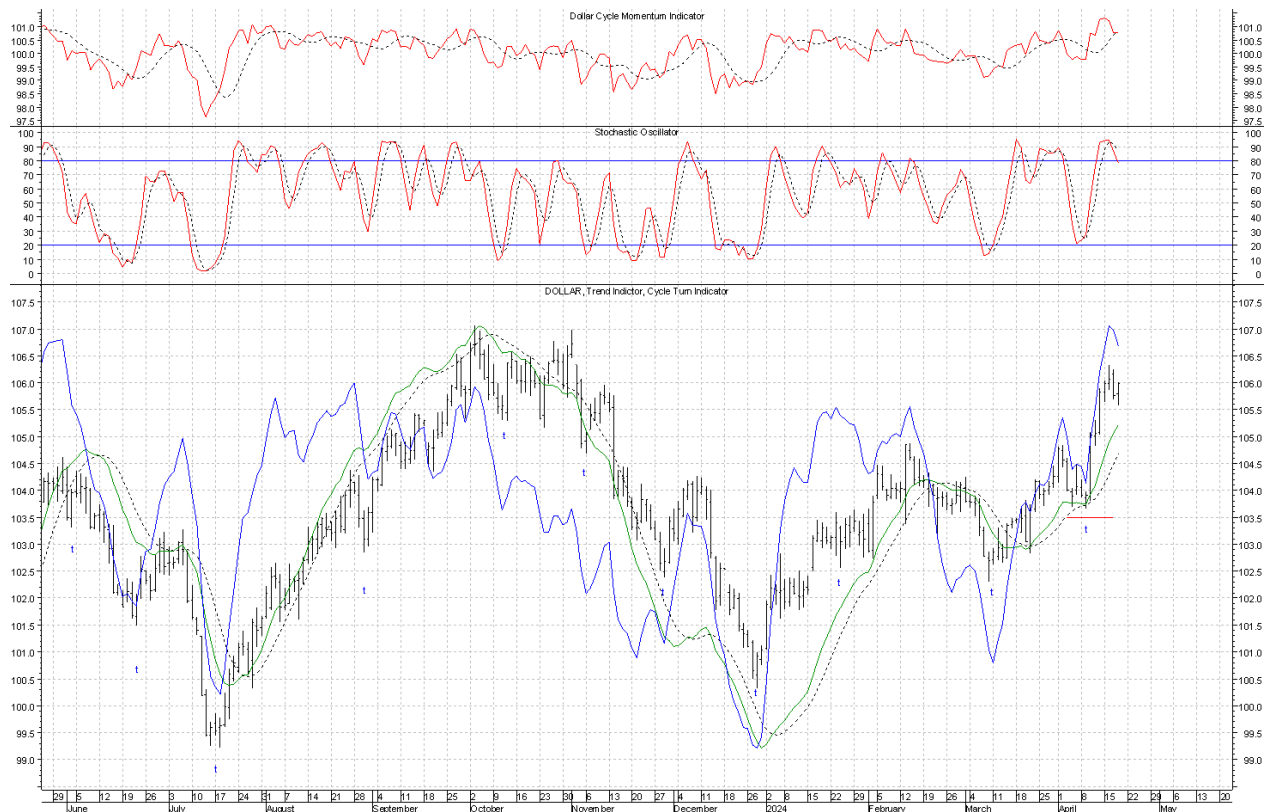
Confirming Indicators

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 April 9th and with the advance out of this low having carried the 5 3 3 Stochastic to overbought levels, conditions were ripe for a top. Per the parameters given in the Tuesday night update, the price action on Wednesday completed the formation of a daily swing high and with the downturn of the daily CTI a short-term sell signal was triggered. As a result, every indication is that the trading cycle top has been seen and the timing band for the pending trading cycle low runs between May 5th and May 17th. This said, because of the reversal off the low on Thursday, I would like to see a close below Thursday's low as additional confirmation of this sell signal and the trading cycle top. Otherwise, any additional advance should be in association with an ending push/retest of the trading cycle top. For now, this short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen. A daily swing low will be completed on Friday if 105.57 holds and if 106.00 is bettered.



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	Bearish
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)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the trading cycle low runs between April 10th and April 30th. The price action on Wednesday completed the formation of another daily swing low and with the upturn of the daily CTI, a short-term buy signal was triggered. In doing so, the price/oscillator picture is suggestive of the trading cycle low having been seen, which we will assume to be the case. That said, I did not like Thursday's reversal lower and with price still within the timing band for the trading cycle low, any additional weakness should be in association with an ending push into that low whereas a close above Thursday's high should serve as confirmation of the trading cycle low having been seen. 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 accompanied by a right-translated trading cycle advance should serve as confirmation of the intermediate-term cycle low.

