

Tim W. Wood's

Cycles News & Views

Specializing in Dow Theory and Cycles Analysis



1545 Gulf Shores Pkwy, PMB #251 • Gulf Shores, Alabama 36542 • 504-208-9781 • www.cyclesman.net

Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on May 2, 2024

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

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.

May 2, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
CTI on Rydex Tempest Fund *	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Advance/Decline Issues Diff	Bullish
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 Neutral	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bullish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bullish
McClellan Summation Index	Bullish
McClellan Volume Summation Index	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bearish
Ratio Adjusted McClellan Oscillator Crossover	Bullish
Accumulation/Distribution Index	Bullish

The timing band for the trading cycle low runs between April 15th and May 2nd. With the April 18th completion of a daily swing low and the upturn of ALL Three of the Primary Short-Term Indicators, a short-term buy signal was triggered and every indication has been that the trading cycle low was seen on April 17th. On Tuesday the Industrials completed the formation of a daily swing high and given the evidence of the trading cycle low having been seen on April 17th, this left the Industrials at risk of a failing and left-translated trading cycle advance, which as of the close on Tuesday appeared almost inevitable. With One of the Three Primary Short-Term Indicators remaining positive a short-term sell signal was not triggered on Tuesday, but with Wednesday's close a short-term sell signal was triggered. However, with the April 17th low having held, the price/oscillator picture is increasingly suggestive of the trading cycle low having been seen on April 17th and that we have simply seen a retest of that low. If so, we now need to see the re-triggering of a short-term buy signal and any further strength that carries the Industrials above the April 23rd daily swing high should serve as confirmation of this retest having run its course. At a higher level, a

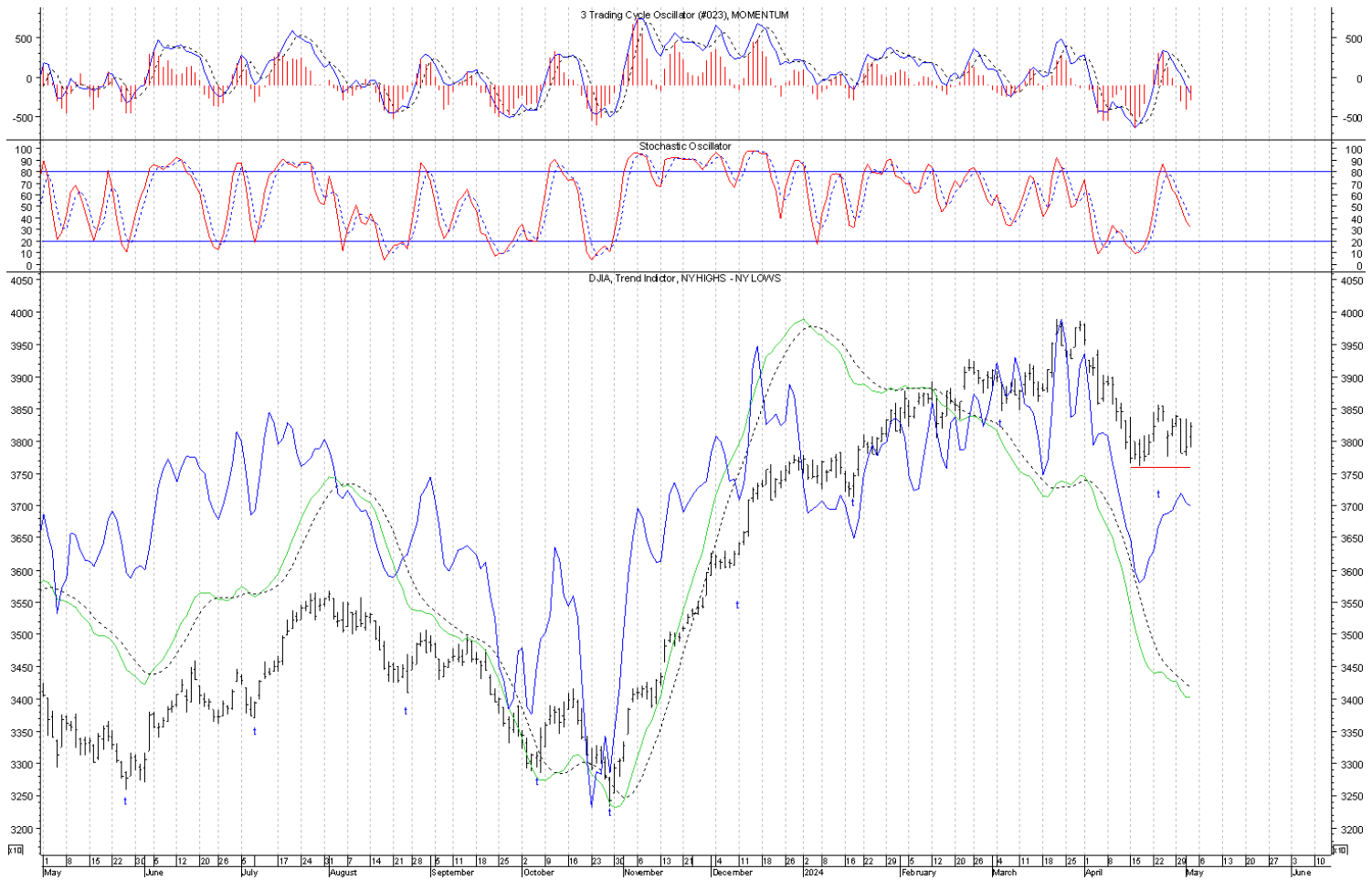
bettering of the April 23rd daily swing high will be further suggestive of the higher degree intermediate-term cycle low as well. To the contrary, given the mounting evidence of the trading cycle low having been seen on April 17th, a violation of the April 17th daily swing low will indeed be suggestive of a failed and left-translated trading cycle. However, with that said, in spite of the short-term sell signal, the price/oscillator picture has improved since Tuesday and the assumption is that we have seen a retest of the trading and what should ideally be the intermediate-term cycle low. More on this as it develops.

Monday's short-term sell signal on Crude Oil was followed on Wednesday by a violation of the April 23rd daily swing low, which in doing so confirmed the suspected failed and left-translated trading cycle. Gasoline also triggered a short-term buy signal on Tuesday and as with Crude Oil, every indication was that the retest of the intermediate-term cycle top had also run its course. With the violation of the April 23rd daily swing low on Wednesday, this proved correct and as with Crude Oil, this violation served to confirm the suspected failed and left-translated trading cycle. Natural Gas triggered a short-term buy signal on Monday and this signal will remain intact until reversed, but based on the higher degree structure, this advance is expected to be counter-trend. The April 23rd short-term sell signal on the CRB Index remains intact and this week's completion of a weekly swing high continues to be further suggestive of the higher degree intermediate-term cycle top. No change with Gold. The previously triggered short-term sell signal remains intact and the assumption continues to be that the trading cycle low was seen on April 23rd. Tuesday's short-term sell signal on the XAU also remains intact and here too, every indication is that we have a left-translated trading cycle at play. The Dollar completed the formation of another daily swing high on Thursday and the previously triggered short-term sell signal remains intact. Bonds completed the formation of another daily swing low on Monday and with the upturn of the daily CTI, a short-term buy signal was triggered. As a result of the continued strength, every indication is that the trading cycle low was seen on April 25th and that we should now ideally have the higher degree intermediate-term cycle low in place as well.

The Intermediate-Term Advancing Issues Line, plotted in red, has once again ticked back up and with the April 18th low having held, the oscillator picture here is suggestive of the decline on Tuesday and Wednesday's reversal lower having been in association with a retest of the trading cycle low. Once a weekly swing low is accompanied by another upturn of the Green MA above the Black MA, we should have confirmation of the intermediate-term cycle low having been seen.

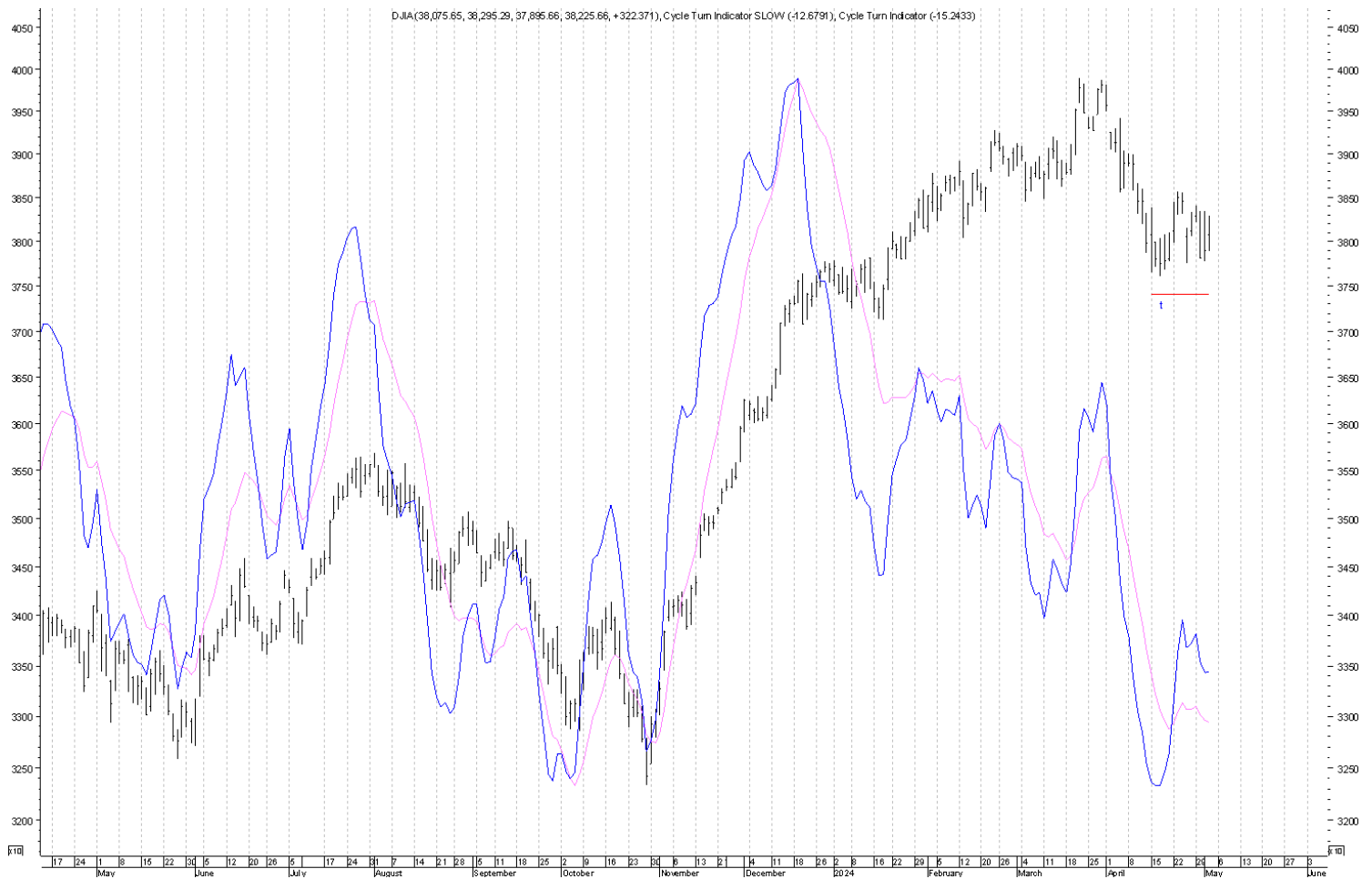


The **Trading Cycle Oscillator** in the upper window continues its downturn. The **Momentum Indicator** remains below its trigger line, but is trying to turn up. The **5 3 3 Stochastic** in the middle window continues its downturn. Collectively, this oscillator picture continues to put the trading cycle advance at risk of a failing and left-translated trading cycle top. For this reason, we need to see the April 23rd daily swing high bettered. The **New High/New Low Differential**, plotted with price, has ticked down. The **Trend Indicator** remains negative.

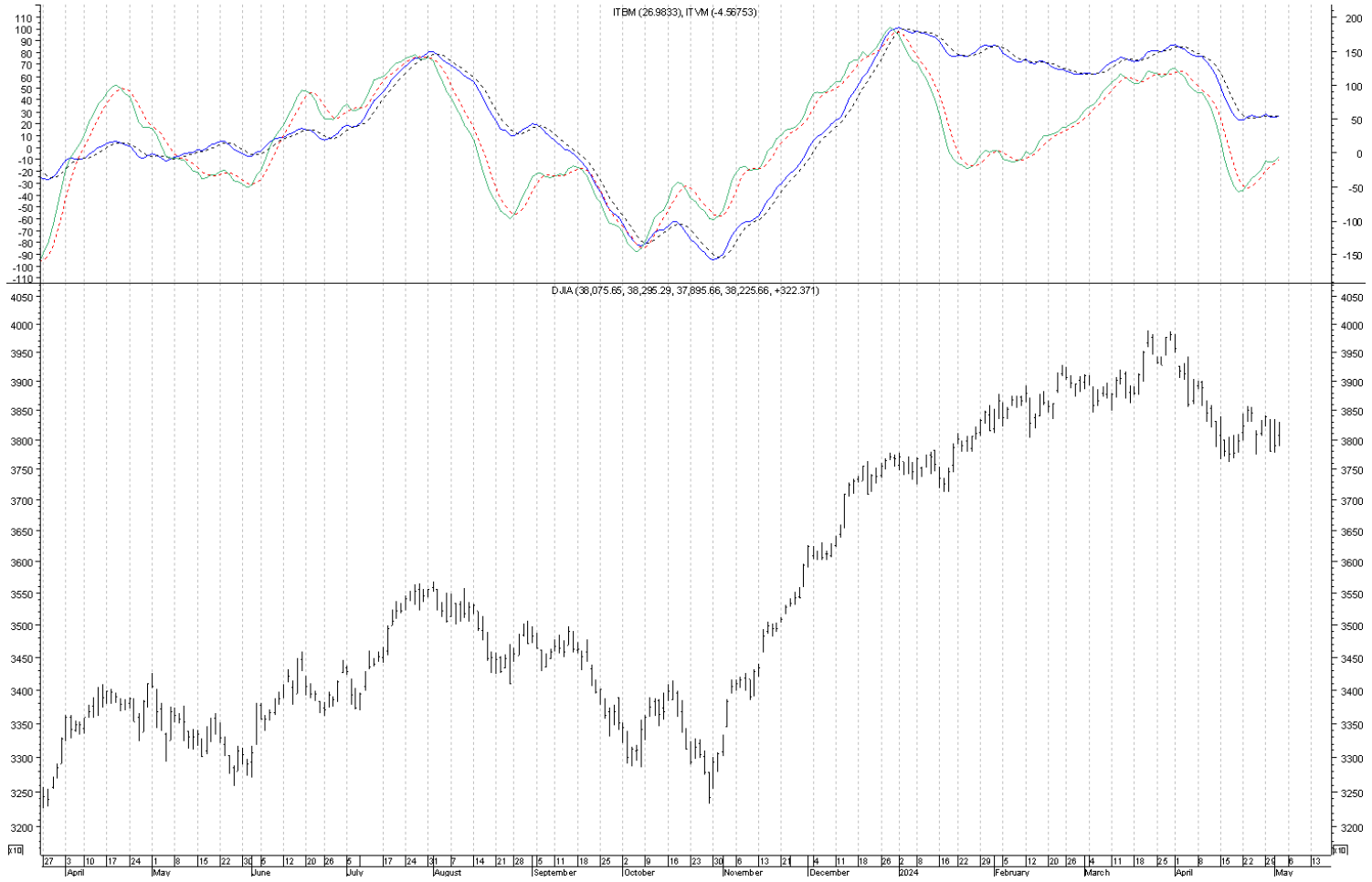


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

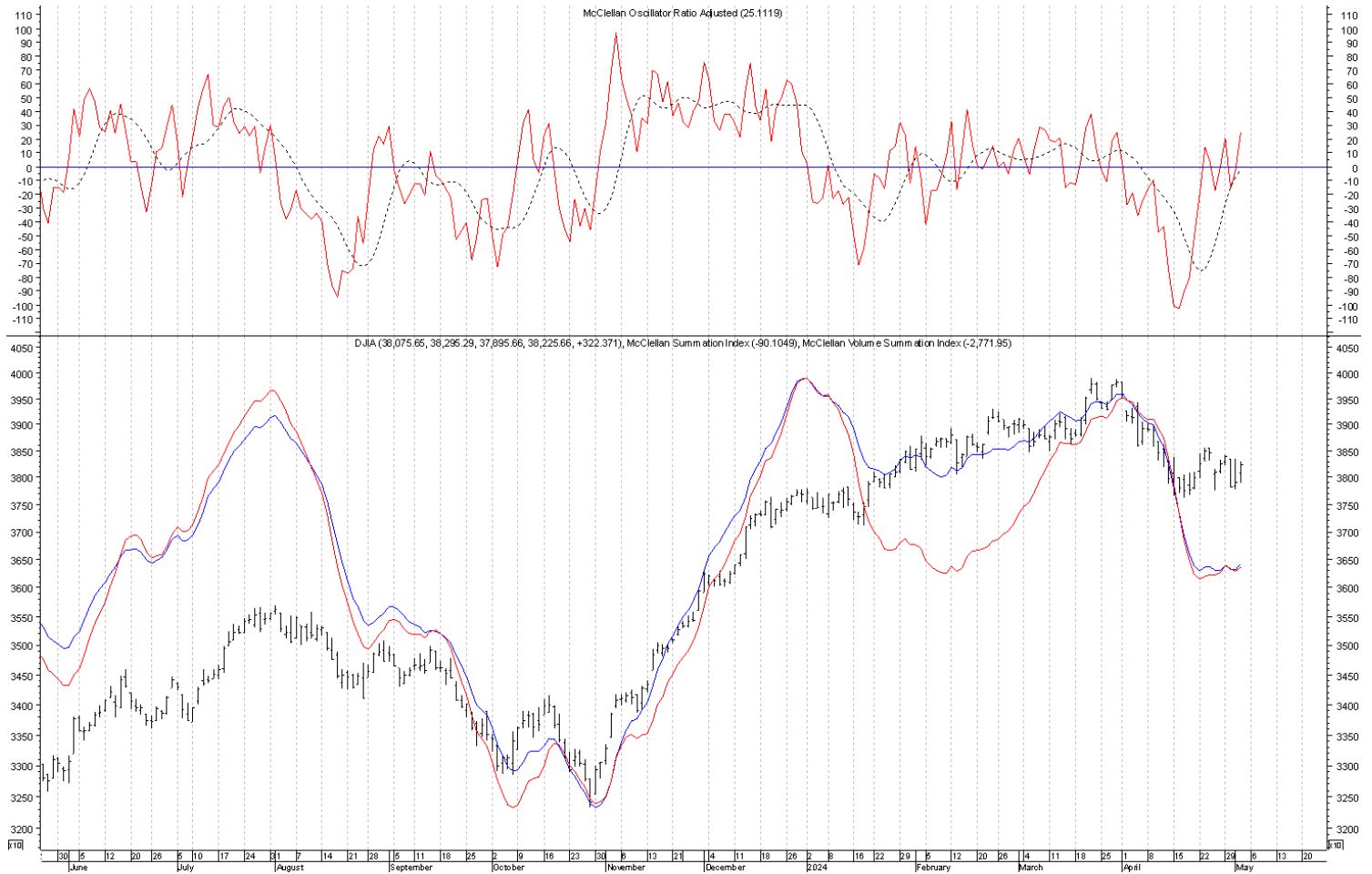
The Industrials completed the formation of a daily swing high on Tuesday, but with the **NYSE New High/New Low Differential**, plotted with price above, remaining positive, a short-term sell signal was not triggered. But, with the close on Wednesday, ALL Three of the Primary Short-Term Indicators turned down, triggering a short-term sell signal. Now as evidence of this having been a retest of the trading cycle low and that the retest has run its course, we must see the completion of another daily swing low and upturn of ALL Three of the Primary Short-Term Indicators. Until then, while this does now appear to have been a rest of the trading cycle low, Wednesday's sell signal does leave the Industrials at risk of a left-translated trading cycle top and until that risk is eliminated, it is prudent to remain cautious.



The **Intermediate Term Breadth Momentum Oscillator** has ticked marginally back above its zero line. The **Intermediate Term Volume Momentum Oscillator** remains positive.



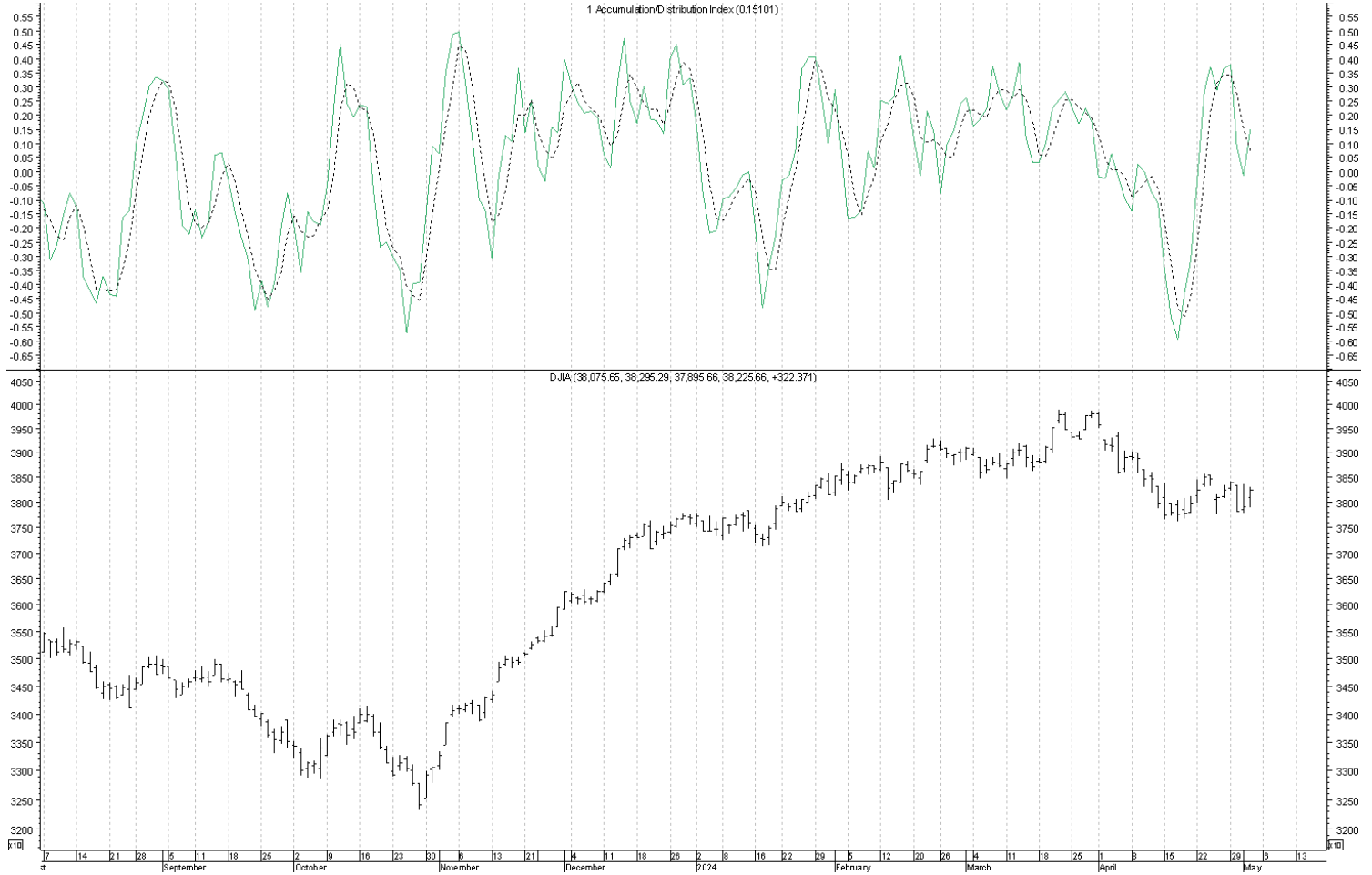
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have ticked back up and in doing so the price/oscillator picture is now suggestive of the recent weakness having been in association with a retest of the trading cycle low. The **Ratio Adjusted McClellan Oscillator** in the upper window has turned back up, which here too, tends to be suggestive the recent weakness having been in association with a retest of the trading cycle low.



The smoothed McClellan oscillator remains above its trigger line in association with the April 17th trading cycle low. As a result, the price/oscillator picture here is also now suggestive of the recent weakness having been in association with a retest of the trading cycle low.



The **Accumulation/Distribution Index** has turned back up in association with what at this juncture appears to have been a retest of the trading cycle low.

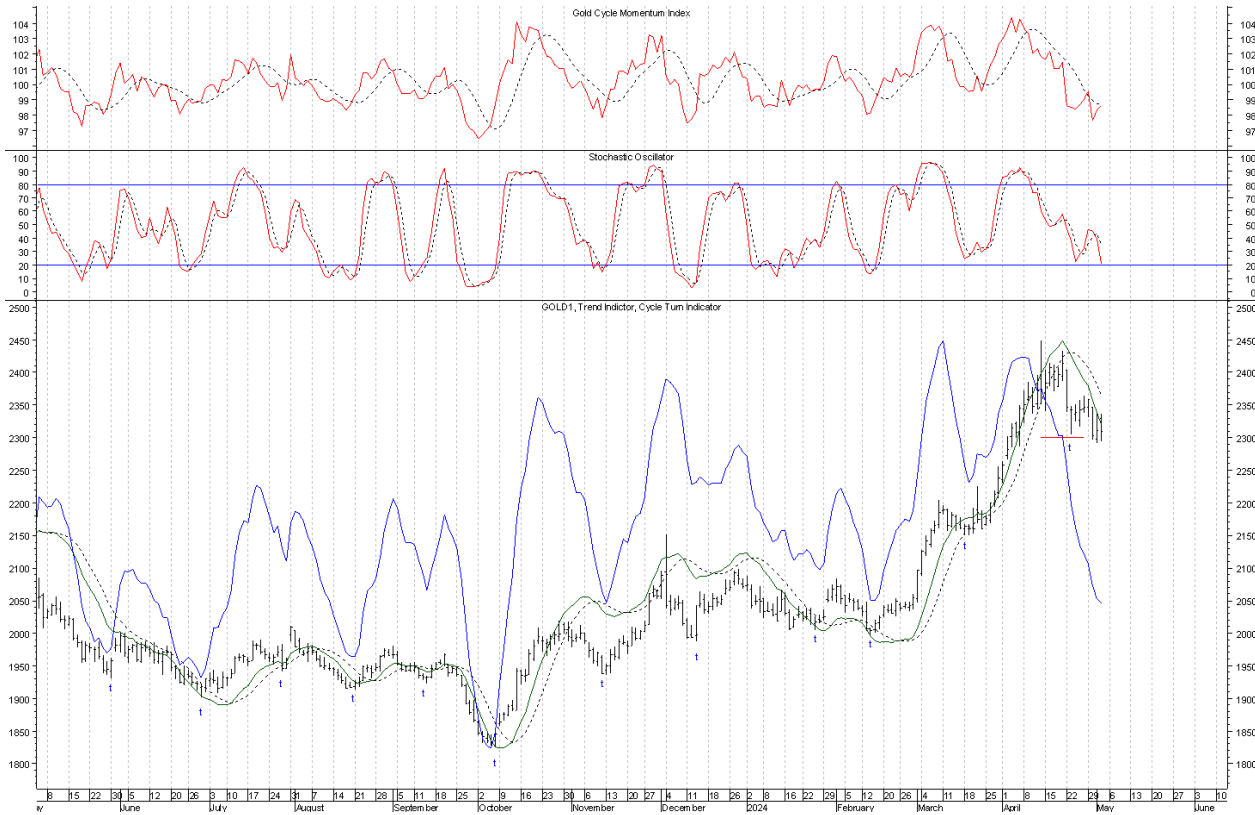


Gold

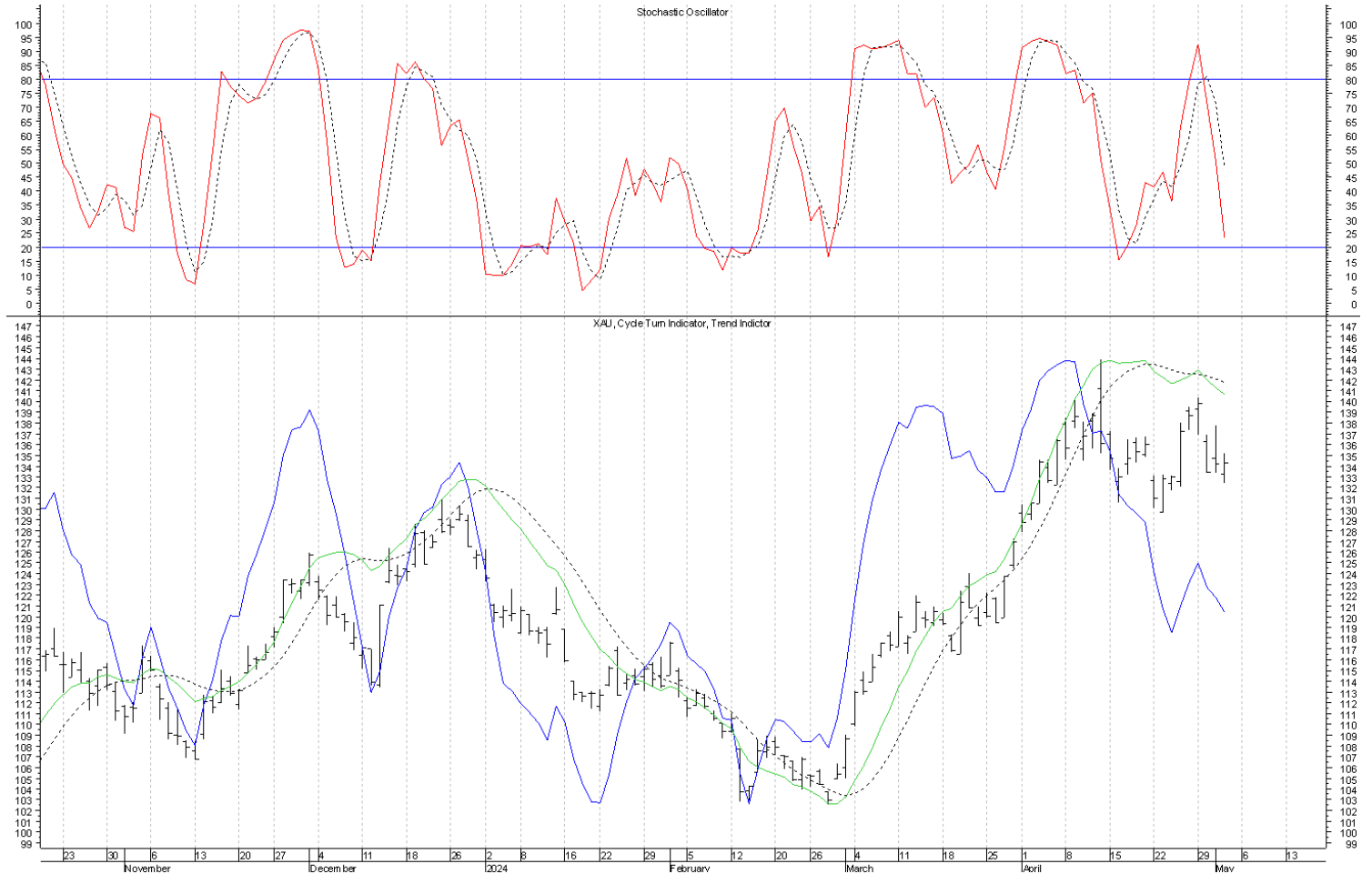
End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

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

No change with Gold. The timing band for the current trading cycle low ran between April 12th and April 26th. With the completion of a daily swing low on April 24th and the price action that followed into the April 26th daily swing high, while a short-term buy signal was not triggered, every indication continues to be that the trading cycle low was seen on April 23rd. Now, with price having moved this far beyond the timing band for the trading cycle low, the completion of a daily swing high on Monday, along with the price action since, we have to continue to assume that we have a failed and left-translated trading cycle at play. Another daily swing low will be completed on Friday if 2,291.70 holds and if 2,339.50 is bettered.



Our daily chart of the XAU is next. The price action on Tuesday completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal was triggered. Tuesday's short-term sell signal remains intact. As with Gold, every indication is that the trading cycle low was seen on April 23rd and that we now have a failed and left-translated trading cycle at play. This short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen and until proven otherwise, the assumption is that we have a failed and left-translated trading cycle at play. A daily swing low will be completed on Friday if 132.40 holds and if 135.15 is bettered.



Dollar

End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy**

Primary Indicators

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

Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
------------------	---------

Daily Indicator Summary **Short-Term Sell**

Primary Indicators

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

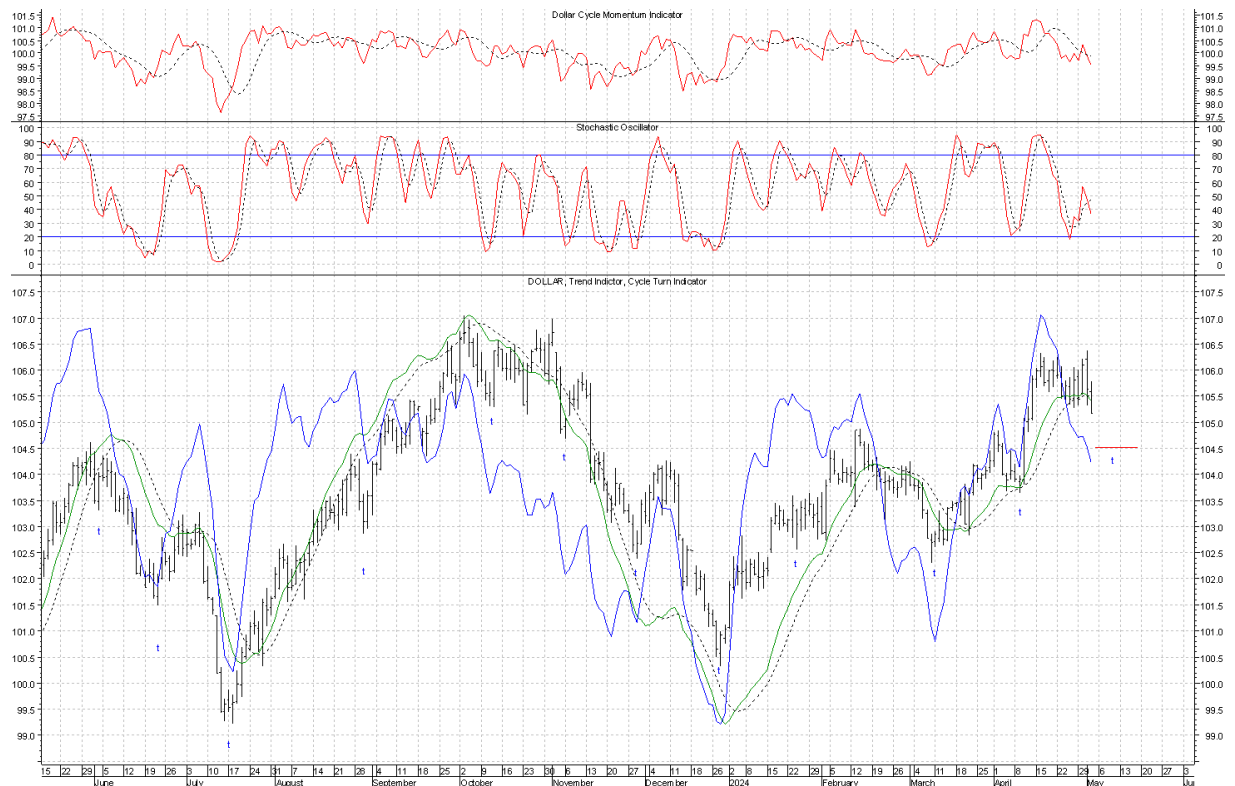
Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish

Secondary Indicators

5 3 3 Stochastic	Bearish
------------------	---------

The last trading cycle low was seen on April 9th and every indication has been that the trading cycle top was seen on April 16th. As a result, the Dollar has been at risk of a left-translated trading cycle top, thereby leaving the Dollar positioned for further weakness in association with what we knew should be the decline out of the intermediate-term cycle top. With the completion of a daily swing low on Tuesday, the Dollar was structurally positioned to correct this risk, but with the reversal on Wednesday that opportunity was lost and with the continued decline on Thursday the decline out of the left-translated trading cycle top was further confirmed. At a higher level, this trading cycle top should ideally prove to have marked the higher degree intermediate-term cycle top, but as evidence of that higher degree top we next need to see the completion of a weekly swing high. The timing band for the approaching trading cycle low runs between May 5th and May 17th. This short-term sell signal will continue to 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 105.17 holds and if 105.78 is bettered.

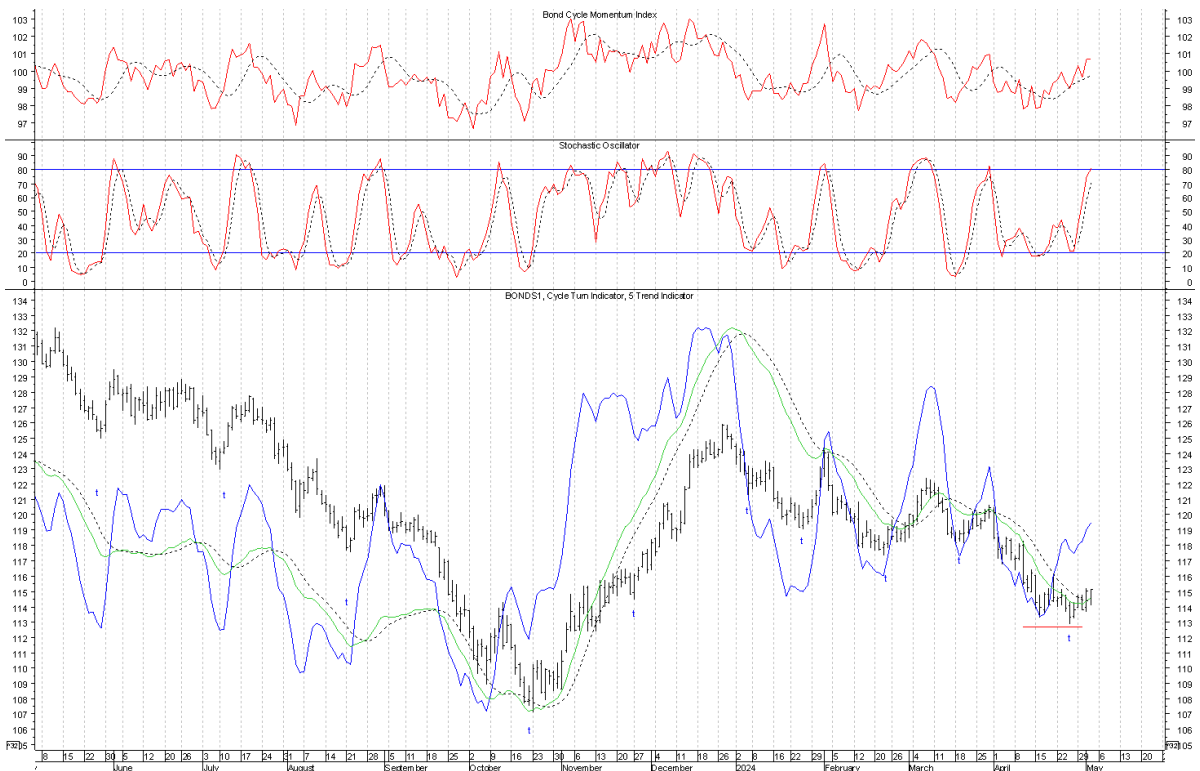


Bonds

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)	Bearish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

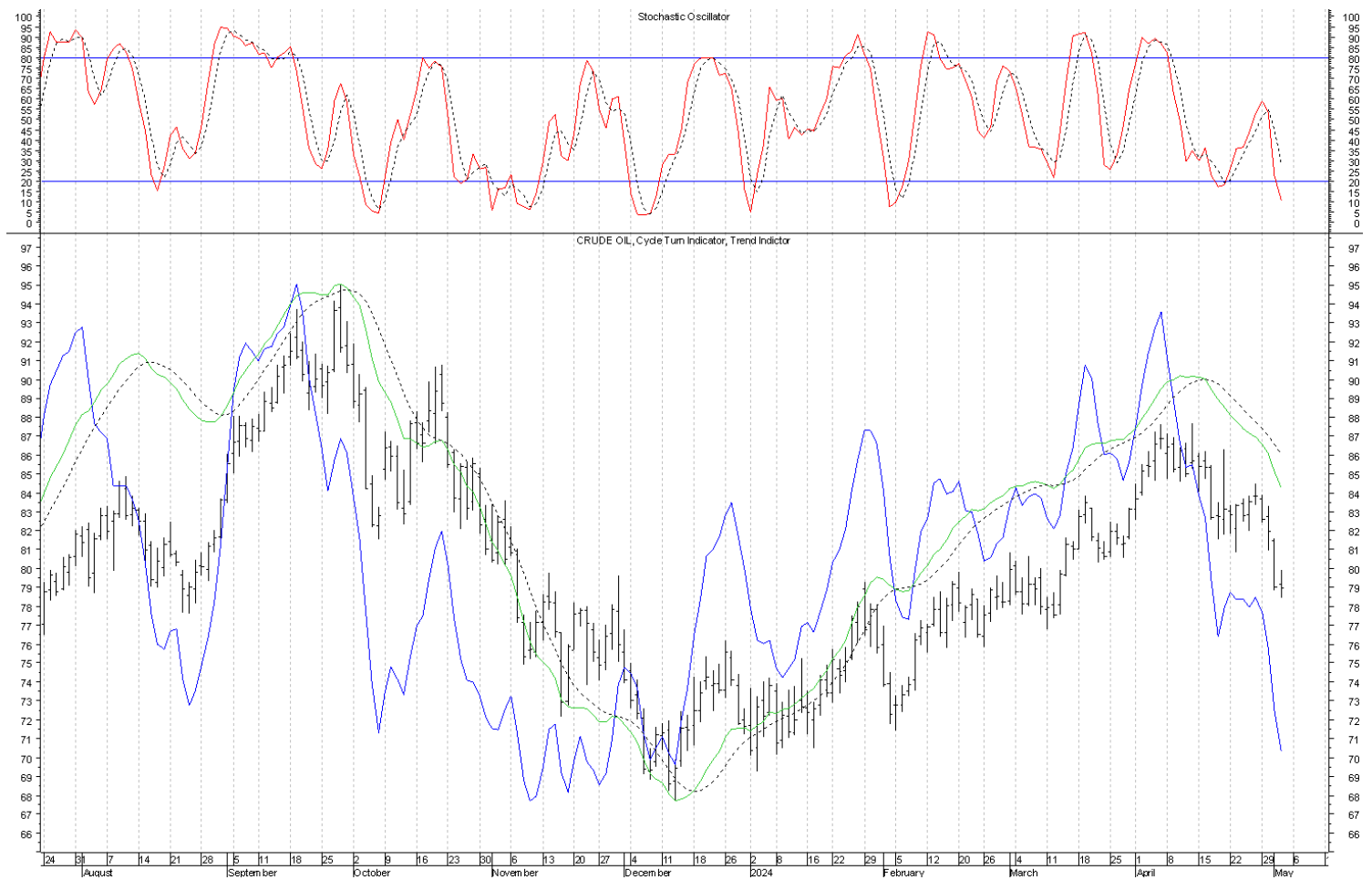
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the trading cycle low ran between April 10th and April 30th. Initially it appeared this low was seen on April 16th, but another push down into this low followed with the low proving to have been seen on April 25th. The timing band for the intermediate-term cycle low runs between February 29th and May 9th. We have known that this low should ideally be seen in conjunction with the current trading cycle low and now with the advance this week putting a weekly swing low into motion, the initial evidence is that we have also seen the higher degree intermediate-term cycle low as well. If this weekly swing low holds, any continued advance that carries this trading cycle higher with a right-translated structure should serve as confirmation of the intermediate-term cycle low having been seen.



Crude Oil

Monday's short-term sell signal put the advance out of the April 23rd daily swing low at risk of having run its course and per the Tuesday night update the assumption was that it had. Structurally, this implied that we had a failed and left-translated trading cycle advance out of the April 23rd low at play and with the violation of the April 23rd low on Wednesday this proved to be the case. This short-term sell signal has carried price to oversold levels, per the 5 3 3 Stochastic, but as a result of the intermediate-term cycle top and evidence of a higher degree cycle top, any bounce is expected to be counter trend and followed by continued weakness in association with the higher degree cycle top. 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 78.41 holds and if 79.90 is bettered.



©2024 Cycles News & Views; All Rights Reserved

timwood1@cyclesman.com