

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

May 9, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Positive	Low	Positive	Low
Transports	Positive	Low	Negative	Low
NDX	Positive	Low	Positive	Low
S&P Inverse Fund	Negative	N/A	Negative	High
CRB Index	Positive	Low	Negative	High
Gold	Positive	Low	Negative	High
XAU	Positive	Low	Positive	Low
Dollar	Negative	Low	Negative	Low
Bonds	Negative	High	Positive	Low
Crude Oil	Positive	Low	Negative	High
Unleaded	Positive	Low	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 9, 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	Bearish
New High New Low Diff	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bearish
<i>*When this indicator is Bullish it is negative for the market and visa versa.</i>	

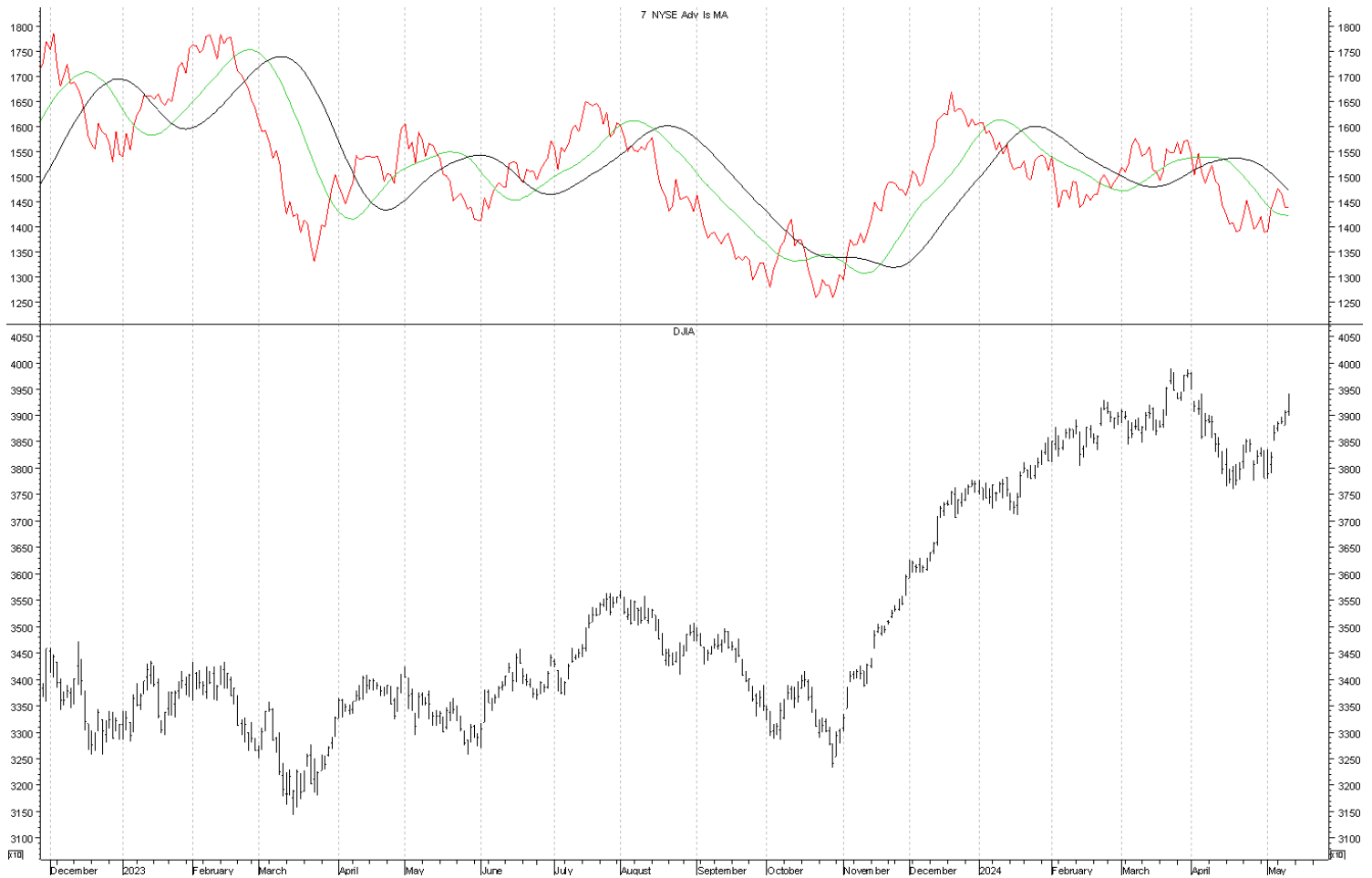
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
McClellan Intermediate Term Breadth Momentum 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	Bullish
Cycle Momentum Indicator	Bullish
Trading Cycle Oscillator	Bullish
Momentum Indicator	Bullish
Ratio Adjusted McClellan Oscillator Crossover	Bullish
Accumulation/Distribution Index	Bullish

No change with the Industrials in that the advance out of the April 17th trading cycle low remains intact and will continue to do so until a daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen. If nothing changes on Friday an intermediate-term buy signal will be triggered in association with the higher degree intermediate-term cycle low. I would ideally like to see another few days of strength into the less dominant half-trading cycle top, but knowing that the less dominant half-trading cycle averages some 19 trading days and with Thursday concluding the 16th trading day of the current trading cycle, the price/oscillator picture has ripened for a short-term top. That said, we have an intermediate-term buy signal in the making and the expectation is for any weakness at this juncture to be counter-trend.

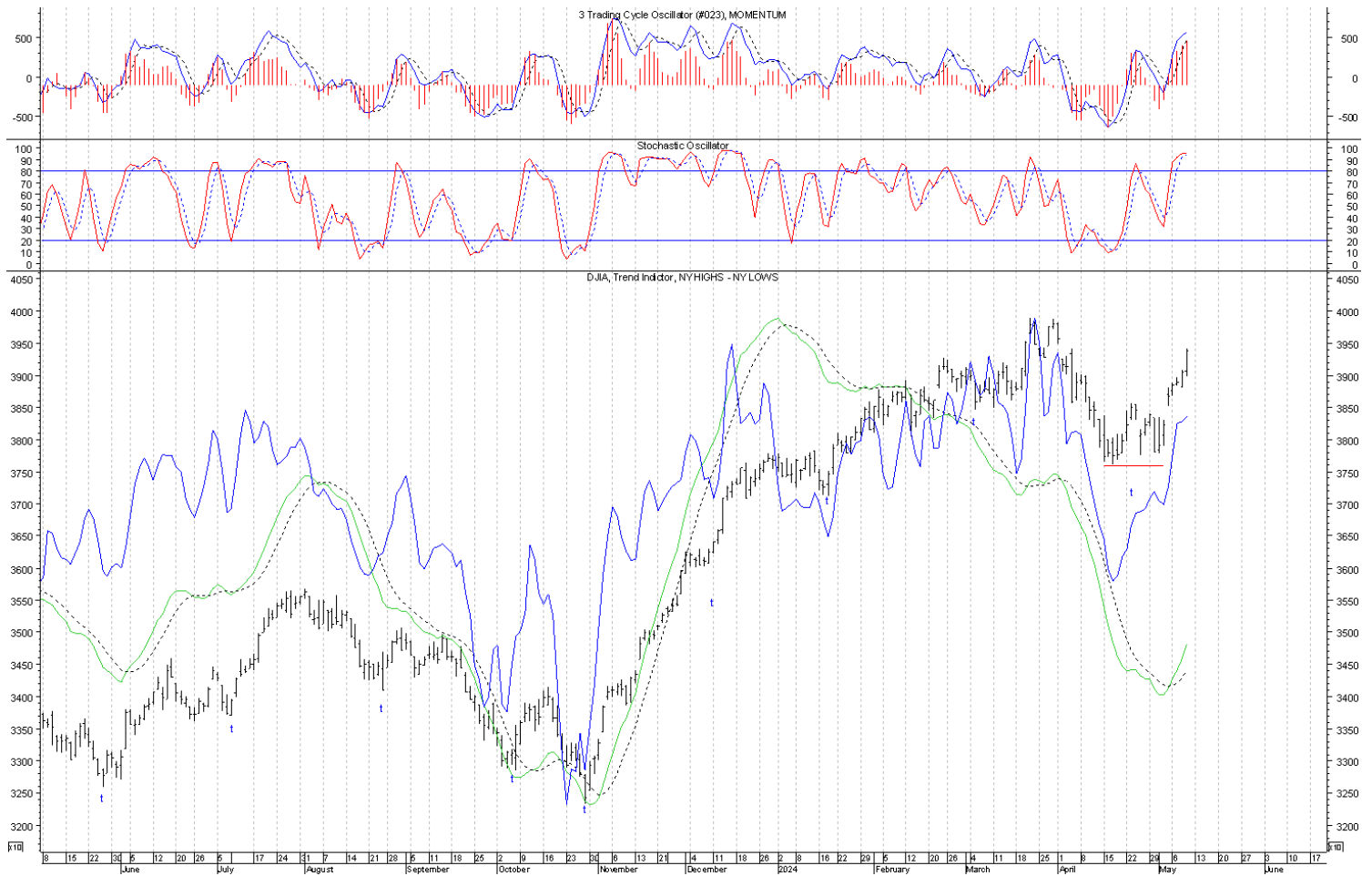
On Wednesday Crude Oil reversed off its low and on Thursday a daily swing low was completed. In doing so the daily CTI turned up triggering a short-term buy signal. With a monthly swing high in the making, the

intermediate-term cycle top has to be assumed to have also been seen in conjunction with the higher degree seasonal cycle top. It is now the advance in association with this short-term buy signal that serves as the structural test of these higher degree cycle tops. A short-term buy signal was also triggered on Gasoline Thursday, but here too, the expectation is for it to be counter-trend. The April 29th short-term buy signal on Natural Gas remains intact and will continue to do so until reversed, but based on the higher degree structure, this advance is expected to be counter-trend. Monday's short-term buy signal on the CRB Index remains intact, but because of last week's weekly swing high and triggering of an intermediate-term sell signal, this advance should ideally prove to be counter-trend. Gold triggered a short-term buy signal on Monday and the price/oscillator picture is now suggestive of the trading cycle low having been seen on May 3rd rather than April 23rd. Monday's short-term buy signal on the XAU remains intact and in this case the trading cycle low was clearly seen on April 23rd. The Dollar completed the formation of a daily swing low on Monday and ideally the trading cycle low should still lie ahead. However, with the additional advance on Wednesday turning the daily CTI up, a short-term buy signal was triggered and until proven otherwise the assumption is that the trading cycle low was seen on May 3rd. The triggering of another short-term sell signal will therefore now leave the Dollar at risk of a left-translated trading cycle top. Thursday's completion of a daily swing high on Bonds and the corresponding downturn of the daily CTI triggered a short-term sell signal, but because of the reversal off the low, as confirmation of this sell signal we need to see a close below Thursday's low.

The Intermediate-Term Advancing Issues Line, plotted in red, ticked down on Tuesday and that downturn has continued. There is no indication of the advance out of the April 17th trading cycle low having run its course at this point, but this downturn does tend to be suggestive a short-term top in association with what should be the anticipated half-trading cycle top. Once a weekly swing low, which we now have, is accompanied by another upturn of the Green MA above the Black MA, we should have final confirmation of the intermediate-term cycle low having been seen.

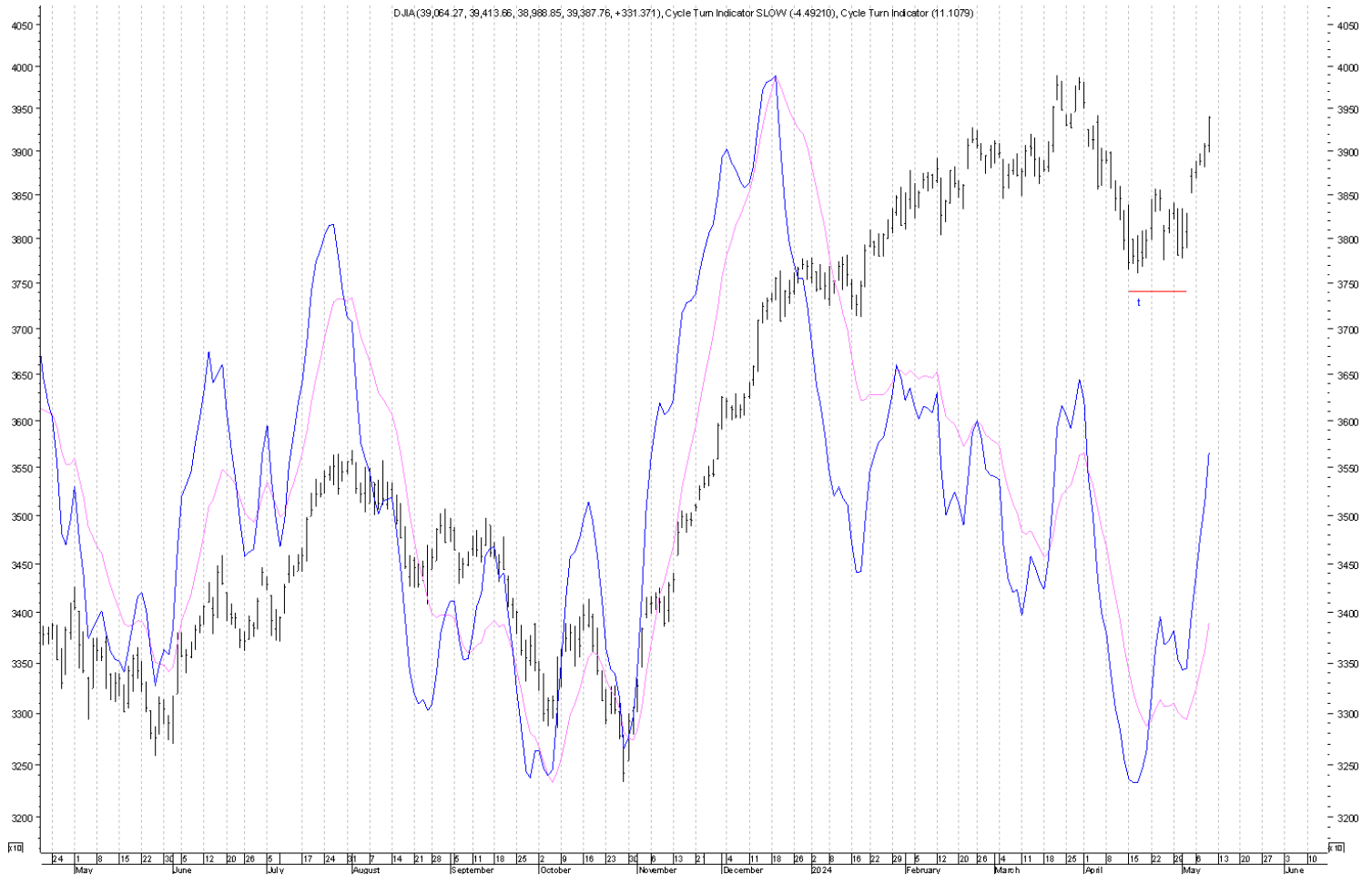


The **Trading Cycle Oscillator** in the upper window continues its upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window is now trying to roll over from overbought levels. While these oscillators remain positive, the oscillator picture remains ripe for a top, which again should be in association with the less dominant half-trading cycle top. The **New High/New Low Differential**, plotted with price, remains positive. The **Trend Indicator** continues its upturn above the trigger line, which in doing so is reflective of not only the trading cycle low, but also what should be the higher degree intermediate-term cycle low as well.

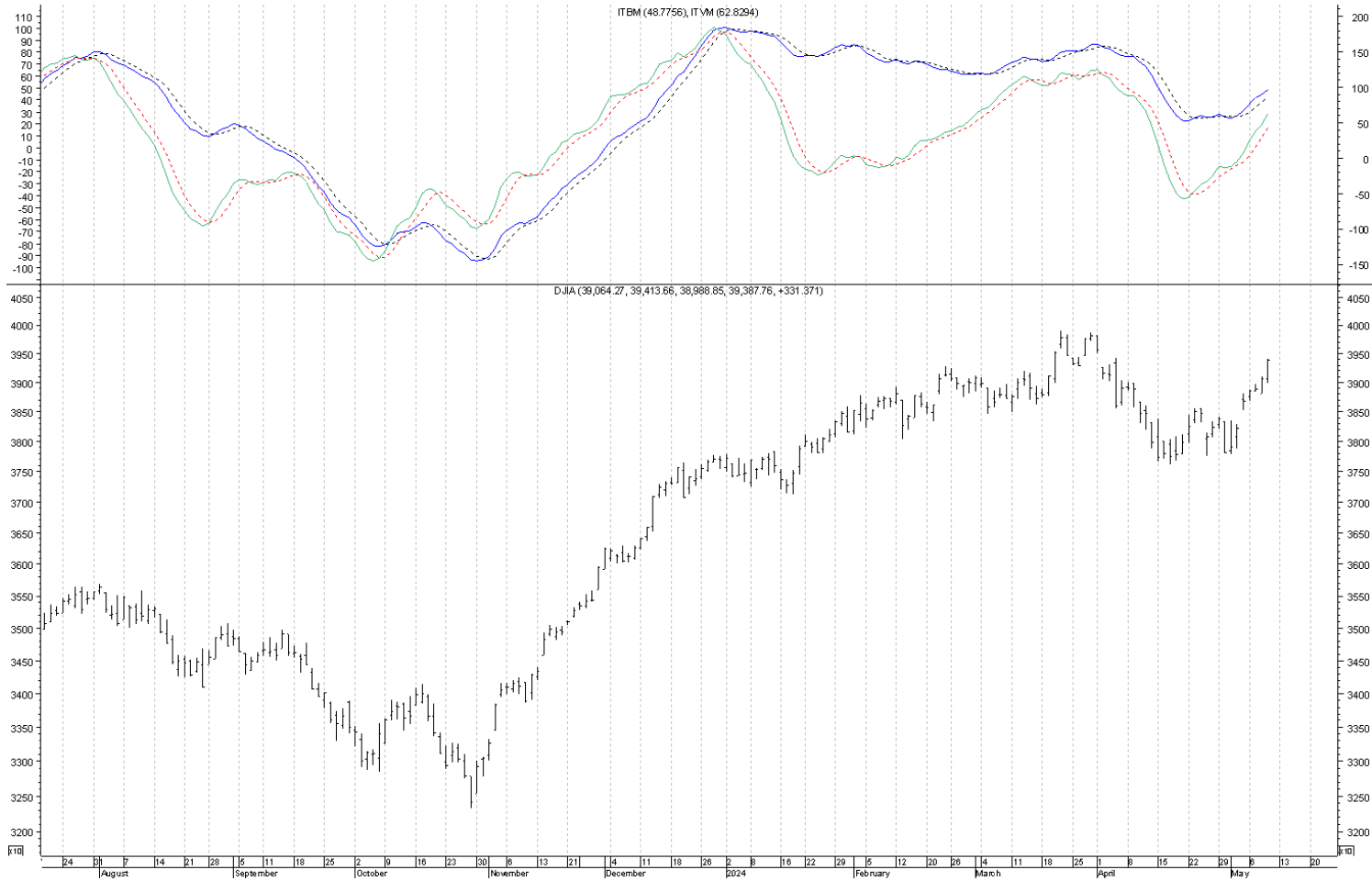


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

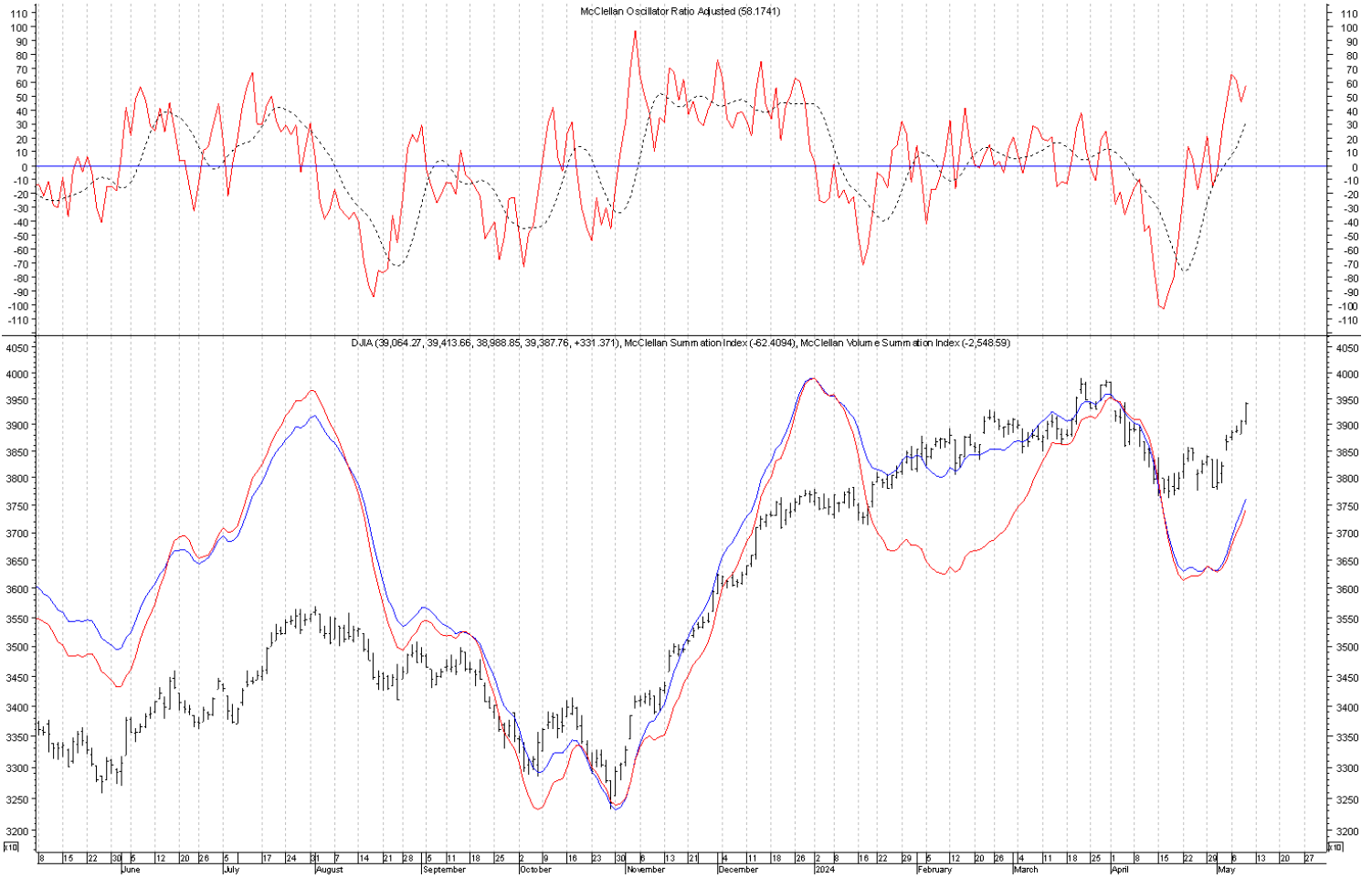
Bottom line, the trading cycle low was seen on April 17th and the short-term buy signal in association with this low will remain intact until another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen. A daily swing high will be completed on Friday if 39,413.66 is not bettered and if 38,988.85 is violated.



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



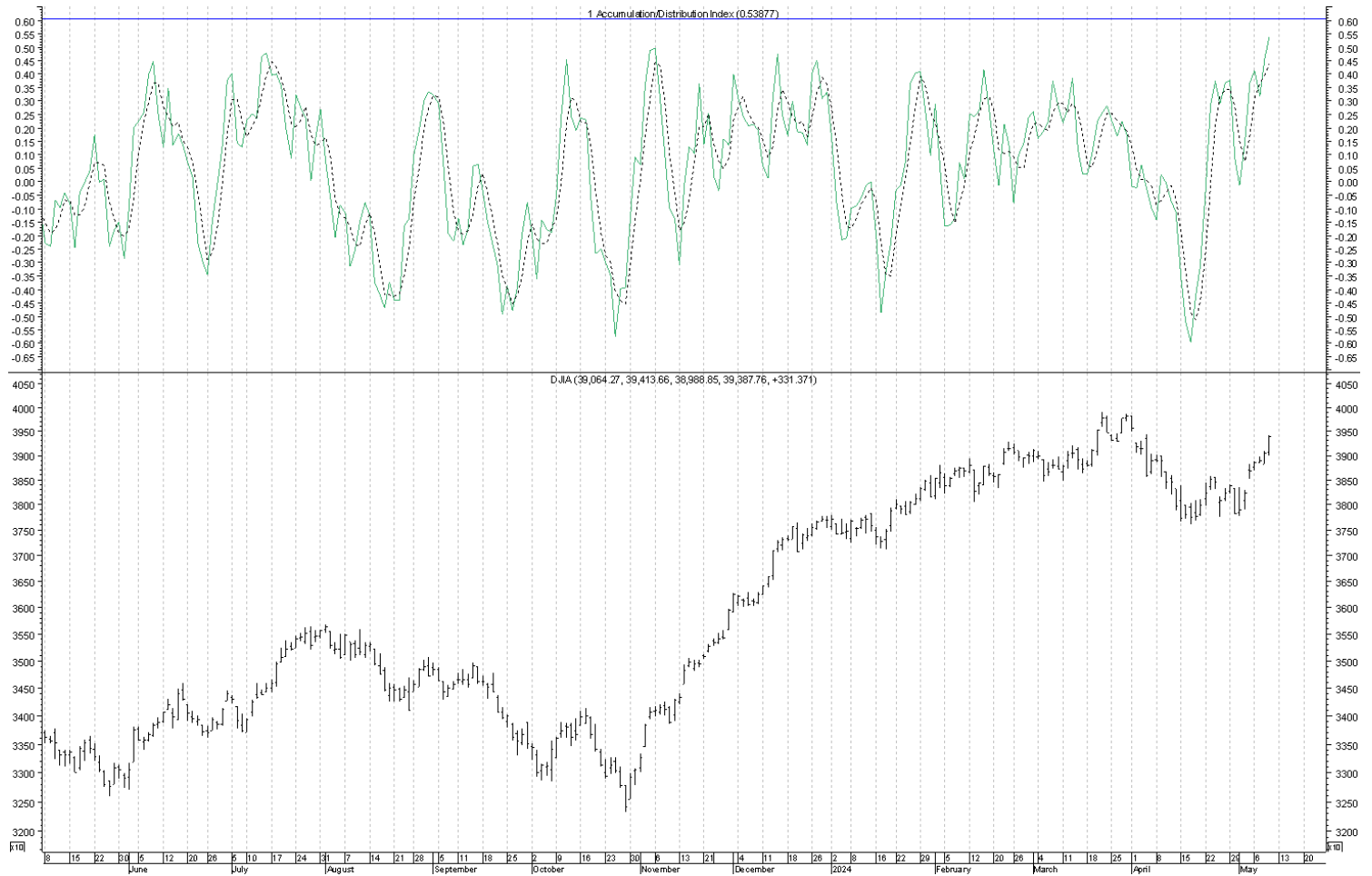
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their upturns as well and in doing so the price/oscillator picture here continues to be reflective of the trading cycle low. The **Ratio Adjusted McClellan Oscillator** in the upper window ticked down on Tuesday, but has since turned back up and remains well above its trigger line. Therefore, while in overbought territory, this indicator remains positive as we use it.



The smoothed McClellan oscillator continues its upturn out of the April 17th trading cycle low as well and until a downturn below the trigger line is seen, there is no indication of the trading cycle advance having run its course.



The **Accumulation/Distribution Index** turned down on Tuesday, but has since turned back up. This indicator typically leads with the formation of a divergence at tops so in knowing that, until such downturn in association with the completion of a daily swing high are seen, there is no indication of the trading cycle top having been seen.

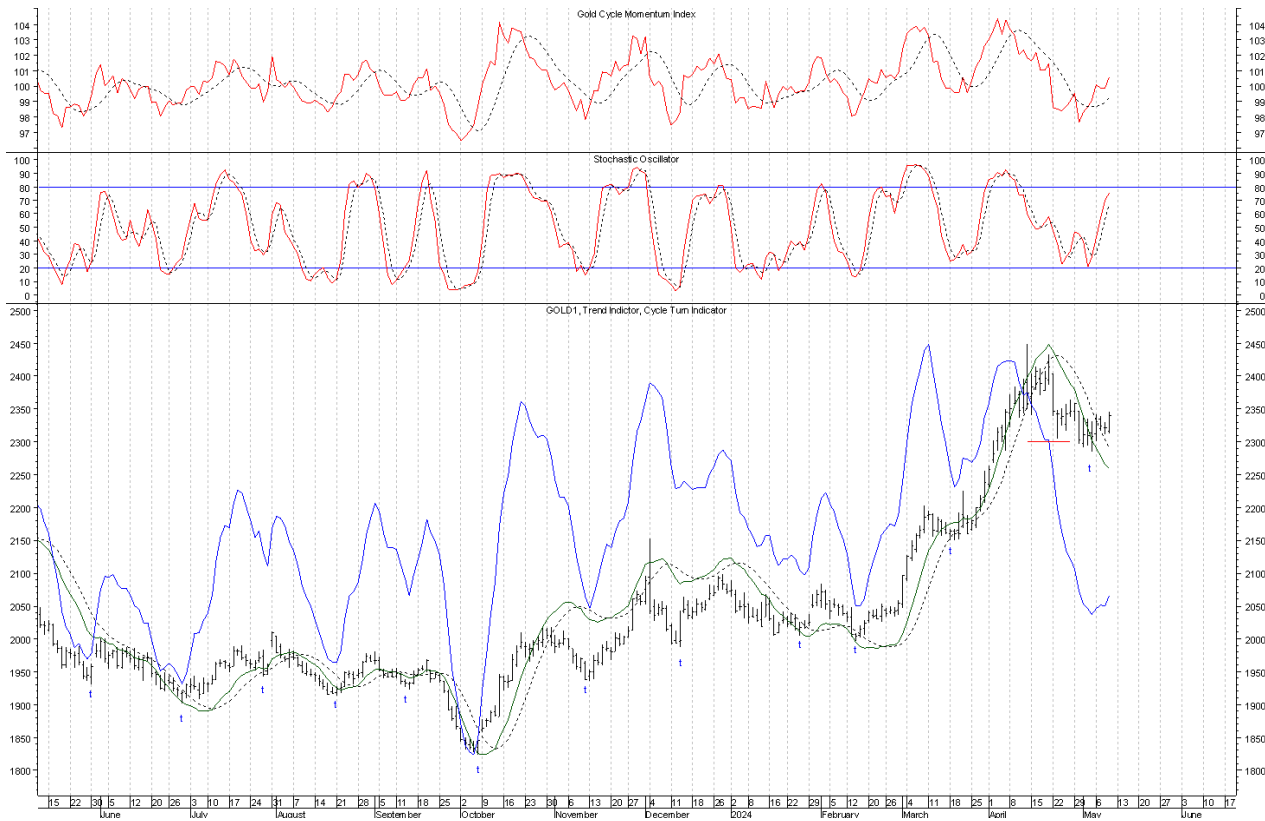


Gold

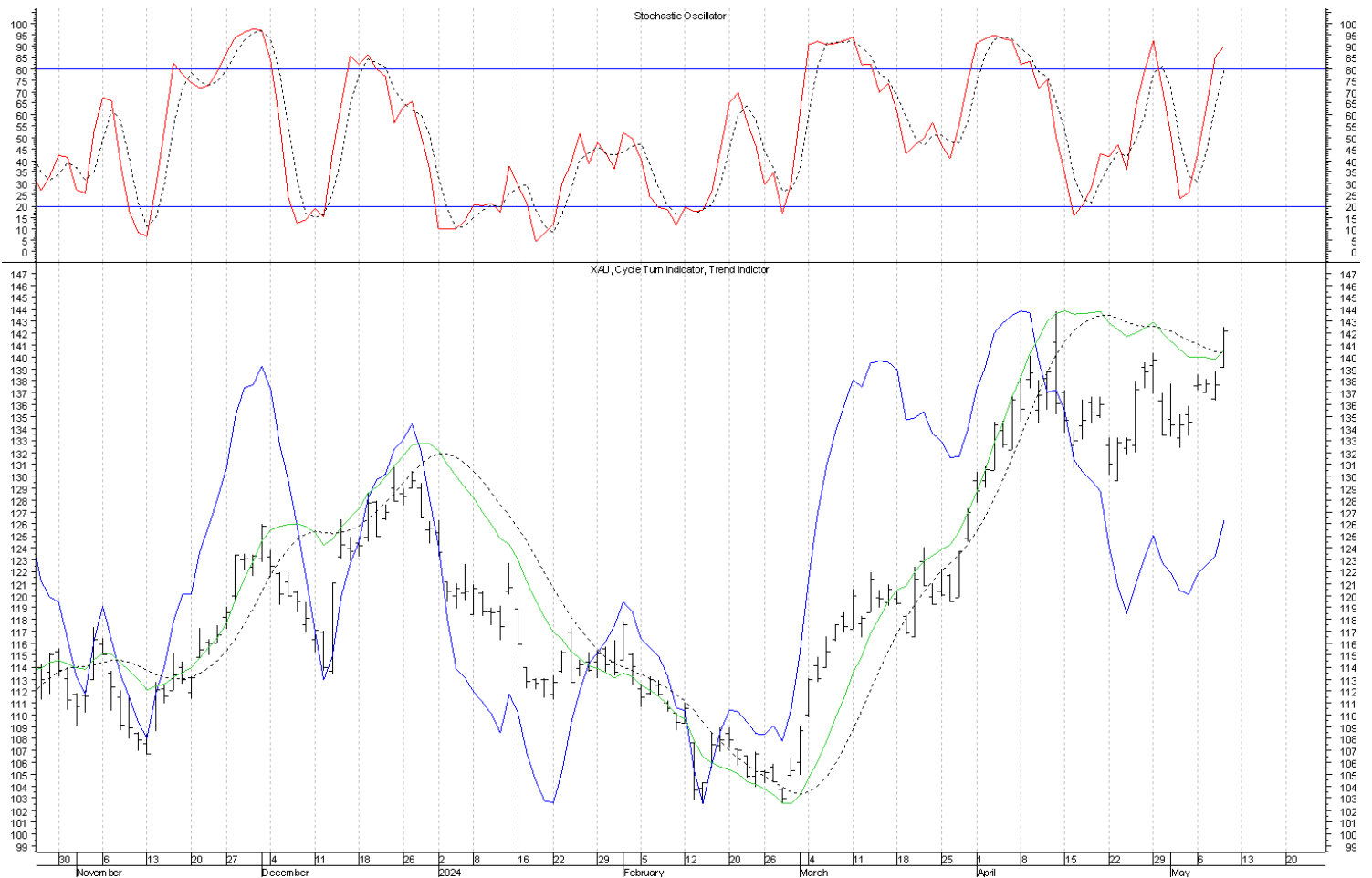
End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

Daily Indicator Summary Short-Term 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 ran between April 12th and April 26th. With the completion of a daily swing low on April 24th, while a short-term buy signal was not triggered, every indication has been that the trading cycle low was seen on April 23rd. On Monday Gold completed the formation of a daily swing low and given the continued advance, the price/oscillator picture is now suggestive of this trading cycle having run long with the low having been seen on May 3rd rather than April 23rd. Monday's 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 2,345.80 is not bettered and if 2,312.90 is violated.



Our daily chart of the XAU is next and in this case it remains clear that the trading cycle low was seen on April 23rd. This advance should ideally be counter-trend, but nonetheless continues to serve as the structural test of the trading cycle top. Any additional advance that carries the XAU above the April 12th daily swing high should be in association with an ending push up into the higher degree intermediate-term cycle top whereas the triggering of another short-term sell signal prior to the bettering of the April 12th daily swing high will be suggestive of the retest of the intermediate-term cycle top having run its course and that the intermediate-term cycle top should be in place. Bottom line, 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 142.53 is not bettered and if 139.17 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)	Bearish

Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish

Secondary Indicators

5 3 3 Stochastic	Bearish
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Daily Indicator Summary **Short-Term Buy**

Primary Indicators

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

Confirming Indicators

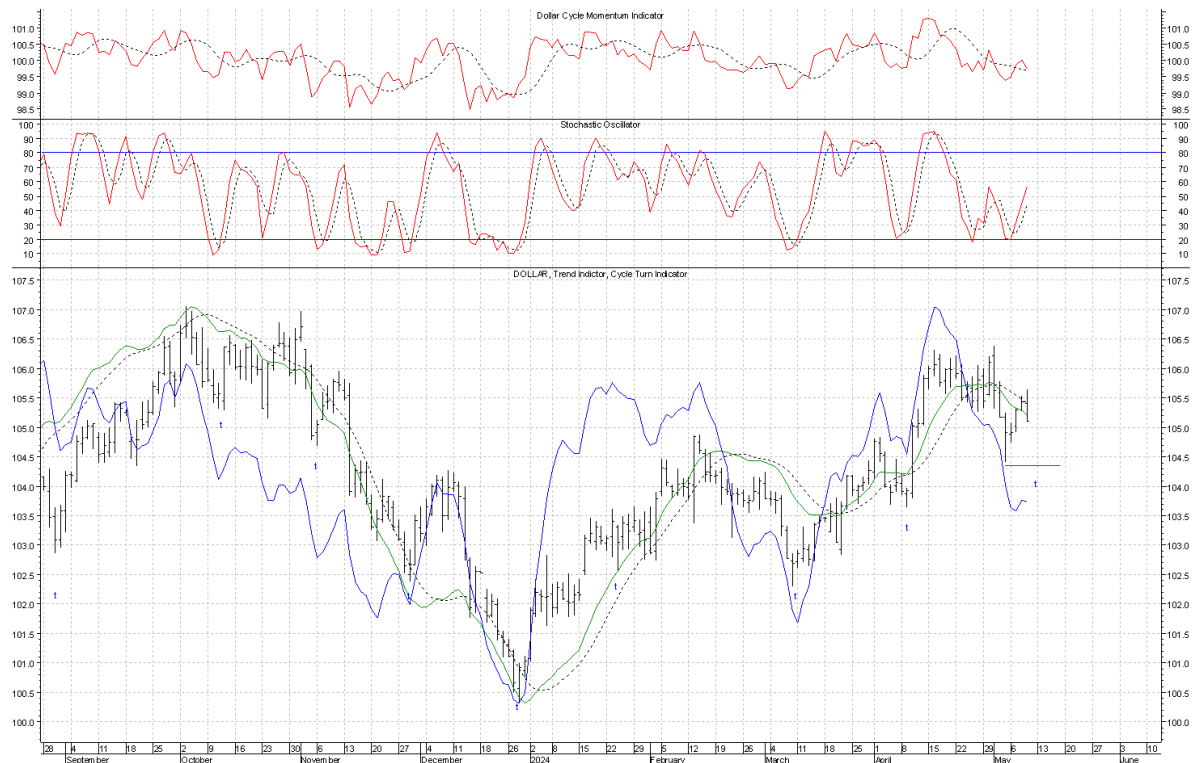
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the current trading cycle low runs between May 5th and May 17th. Ideally, I would still like to see continued weakness into this low, but as was discussed in the Tuesday night update, with the completion of a daily swing low on Tuesday, it is possible the trading cycle low was seen slightly early on May 3rd. With the additional advance on Wednesday the daily **CTI** turned up triggering a short-term buy signal. On Thursday the Dollar reversed lower turning the daily **CTI** back down and any further weakness on Friday that completes the formation of another daily swing high will trigger another short-term sell signal. With price still within the timing band for this low, any additional weakness may be in association with an additional push down into the trading cycle low, but as a result of Wednesday's short-term buy signal, another short-term sell signal will also leave the Dollar at risk of a left-translated trading cycle top. More on this phasing as we move through the remainder of the timing band for this low, but because of Wednesday's triggering of a

short-term buy signal the assumption is that the trading cycle low was seen on May 3rd. Another daily swing high will be completed on Friday if 105.64 is not bettered and if 105.09 is violated.



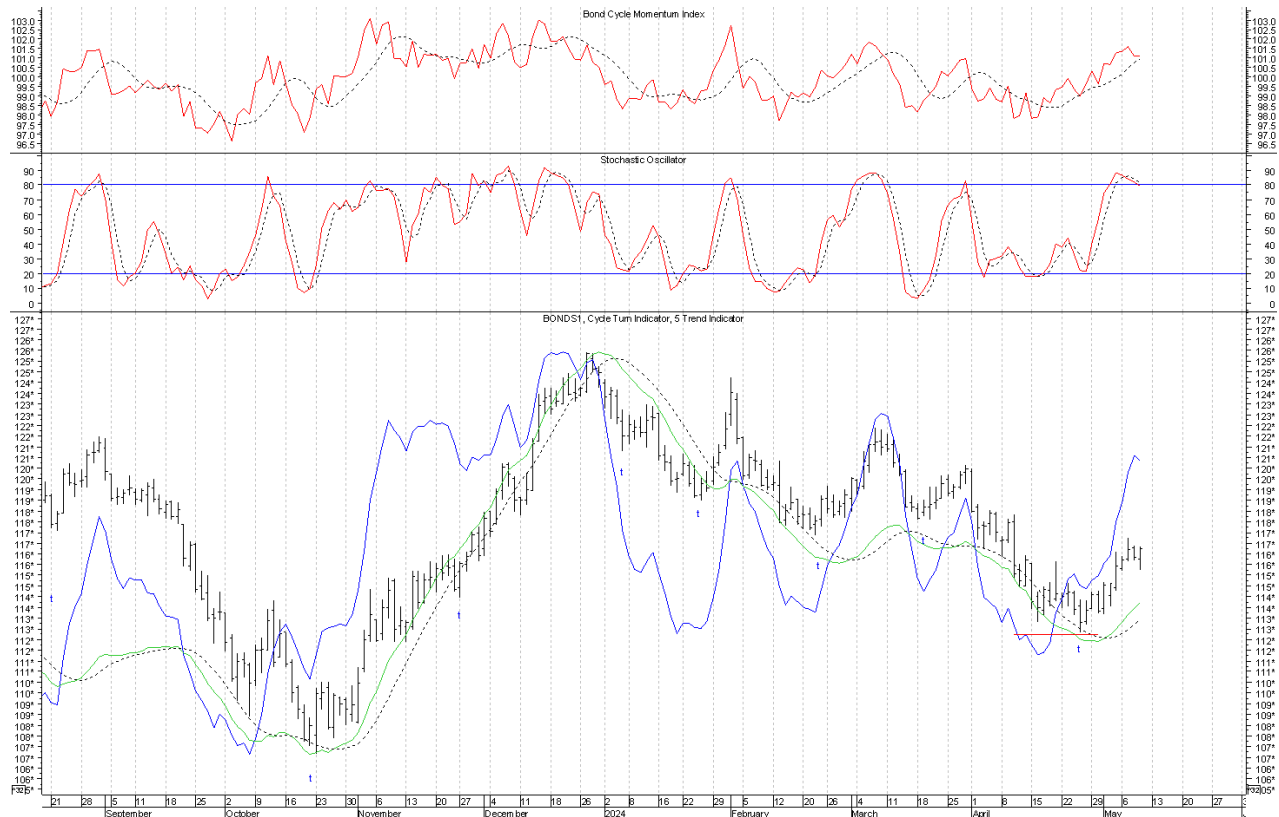
Bonds

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

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

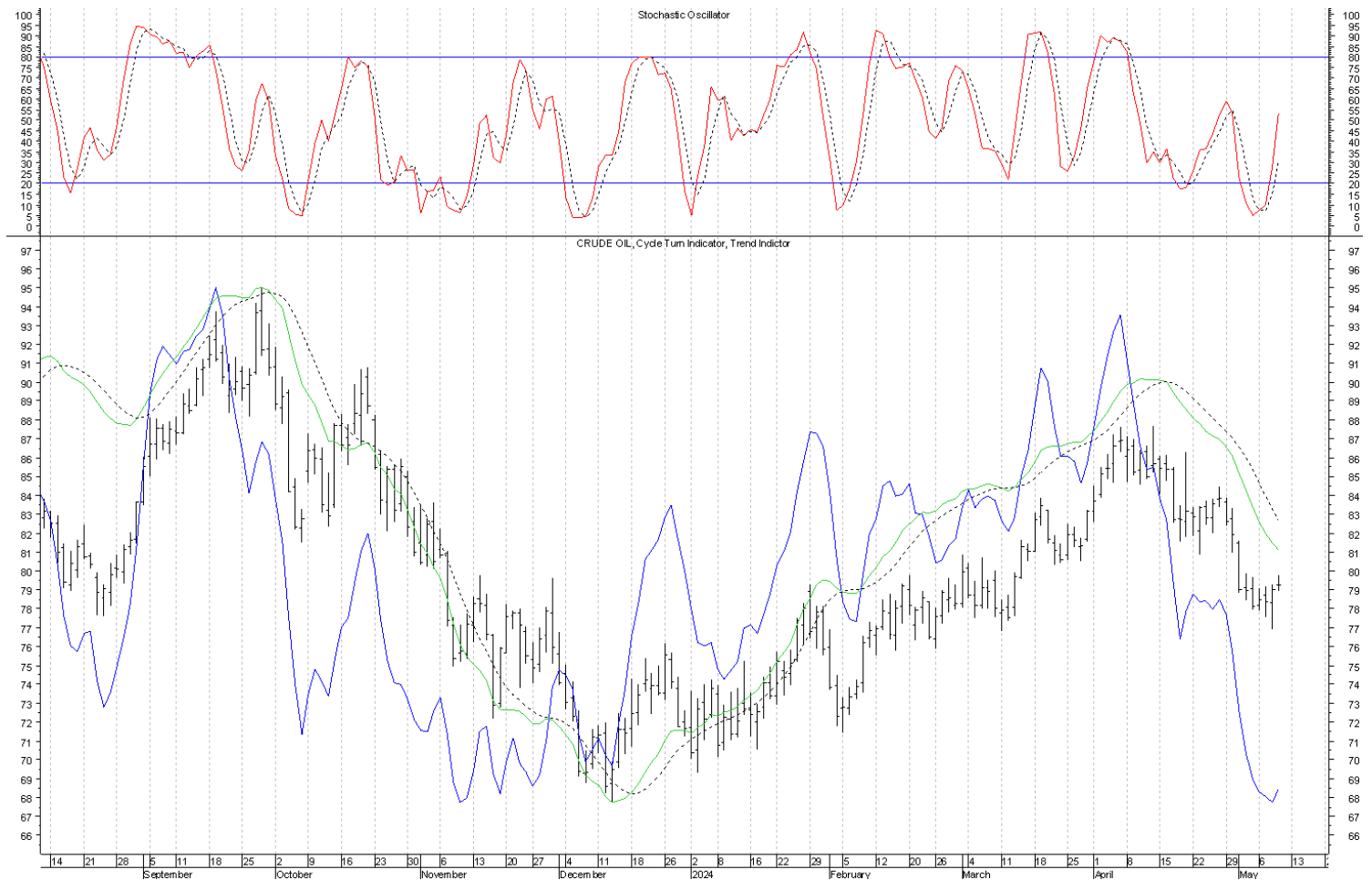
The trading cycle low was seen on April 25th. This trading cycle advance has carried price to overbought levels, making conditions ripe for a top and on Thursday Bonds completed the formation of a daily swing high. With the downturn of the daily CTI a short-term sell signal was triggered, but because of the reversal off the low, I want to see a close below Thursday's low in order to confirm this signal. Ideally, I would like to see another push up into the trading cycle top, but a close below Thursday's low will be suggestive of the trading cycle top having been seen. At a higher level, every indication continues to be that the intermediate-term cycle low was seen in conjunction with the April 25th trading cycle low and given the expectation of the intermediate-term cycle low having been seen, the decline out of the current/pending trading cycle top should prove to be counter-trend and followed by continued strength in association with the higher degree intermediate-term cycle low.

Otherwise, something else is going on.



Crude Oil

The April 26th short-term sell signal had carried price to oversold levels, per the 5 3 3 Stochastic, which we have known made conditions ripe for a bounce. On Wednesday Crude Oil reversed off its low and on Thursday a daily swing low was completed. With the accompanying upturn of the daily **CTI**, a short-term buy signal was triggered in association with the anticipated bounce. The expectation is for this advance to be counter-trend, but until another daily swing high and downturn of the daily **CTI** are seen, this buy signal will remain intact. A daily swing high will be completed on Friday if 79.80 is not bettered and if 78.91 violated.



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