

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 10, 2024

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

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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.

May 12, 2024

**Stocks**

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
CTI on Rydex Tempest Fund *	Bearish
<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	Bullish
Cycle Momentum Indicator	Bullish
*When this indicator is Bullish it is negative for the market and visa versa.	

Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
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
<b>Secondary Short Term Indicators</b>	
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	Bearish

The short-term buy signal and advance out of the April 17th trading cycle low on the Industrials remains intact and with the close on Friday, the April 26th completion of a weekly swing low was confirmed by an upturn of the weekly CTI also triggering an intermediate-term buy signal. Friday concluded the 17th trading day of the current trading cycle and we know that with the less dominant half-trading cycle averaging some 19 trading days in duration, conditions are ripe for a pull back out of the less dominant half-trading cycle top. Once a daily swing high is formed, any weakness that follows should be in association with the decline into the less dominant half-trading cycle low, but the expectation is for further strength to follow as we move up in association with the higher degree intermediate-term cycle advance. The expectation has been to see higher prices as we move into the 3rd quarter in conjunction with the initiation of the rate cutting cycle and the setting up of the CheckMate Chart. It should now be in conjunction with this intermediate-term cycle advance in which these anticipated developments are seen. In the interim, while the price/oscillator picture has ripened for a short-term top, the short-term buy signal will remain intact until a daily

swing high AND downturn of ALL Three of the Primary Short-Term Indicators are seen and the intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI are seen. In the event a weekly swing high and intermediate-term sell signal should be triggered sooner than anticipated, then perhaps the higher degree setup is taking a different form and we will examine any such developments at such time should they occur.

Thursday's short-term buy signal on Crude Oil remains intact, but because of the reversal lower on Friday, this advance may have run its course. Any further weakness on Monday that completes the formation of a daily swing high should trigger a short-term sell signal, which will in turn be suggestive that it has. 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. But, for now, it is the advance in association with Thursday's 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 was for it to be counter-trend and in light of the reversal lower on Friday, the evidence also tends to be suggestive of this advance having run its course. Here too, any further weakness on Monday that completes the formation of a daily swing high should trigger a short-term sell signal leaving Gasoline positioned to continue lower in association with the higher degree cycle top/s.

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.

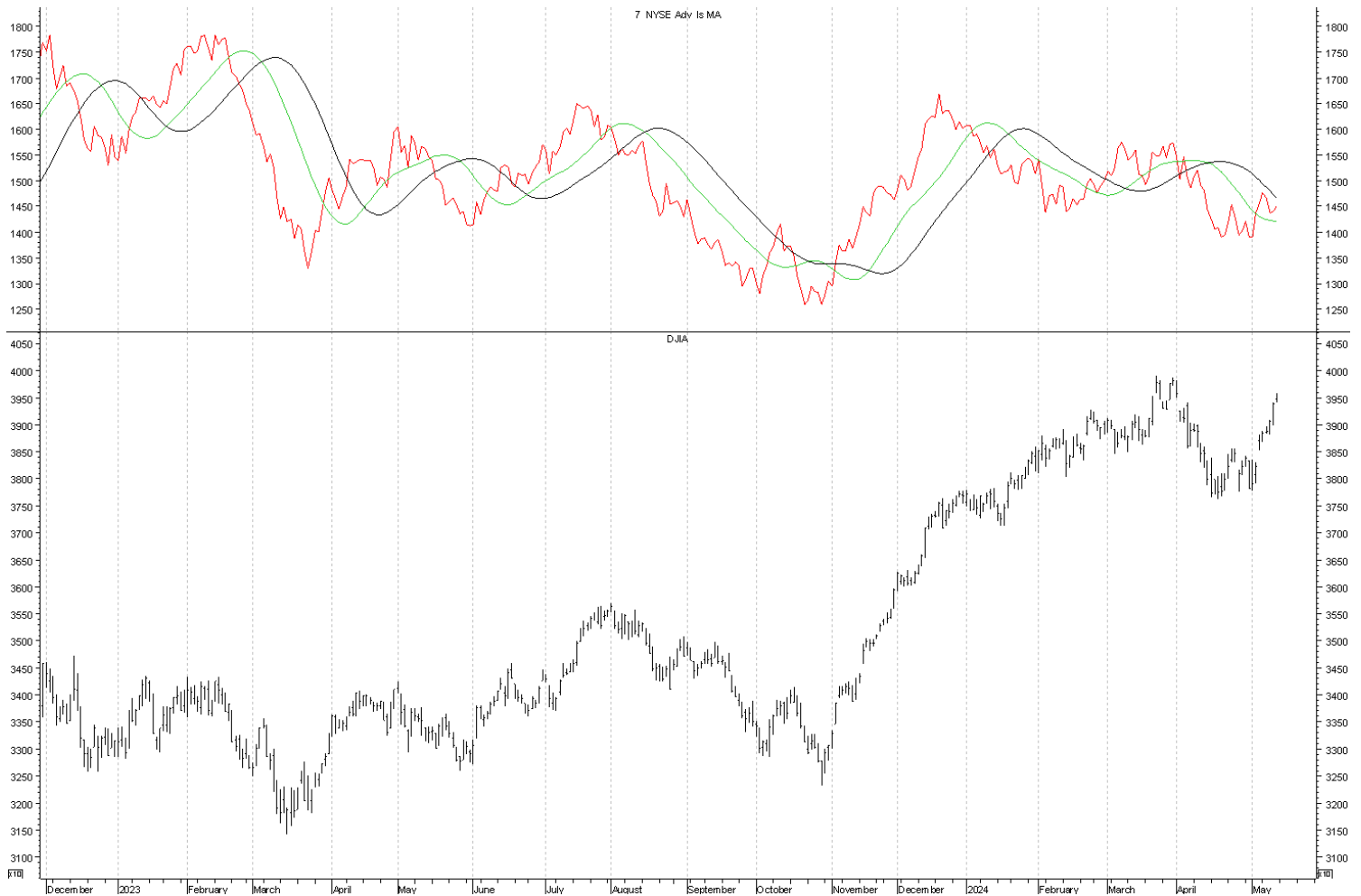
The CRB Index completed the formation of a daily swing high on Friday, but the May 6th short-term buy signal will remain intact until both a daily swing high and downturn of the daily CTI are seen. Because of the May 3rd completion of a weekly swing high and triggering of an intermediate-term sell signal, the expectation has been for this advance to be counter-trend and with the triggering of the next short-term sell signal we will assume this advance to have run its course. Gold triggered a short-term buy signal on Monday, May 6th, and per the Thursday night update we knew that the price/oscillator picture had become suggestive of the trading cycle low having been seen on May 3rd rather than April 23rd. As a result of Friday's advance, this has proven correct.

Monday's short-term buy signal on the XAU remains intact. In this case the trading cycle low was seen on April 23rd and this trading cycle advance should now prove to be an ending push into the trading and intermediate-term cycle top.

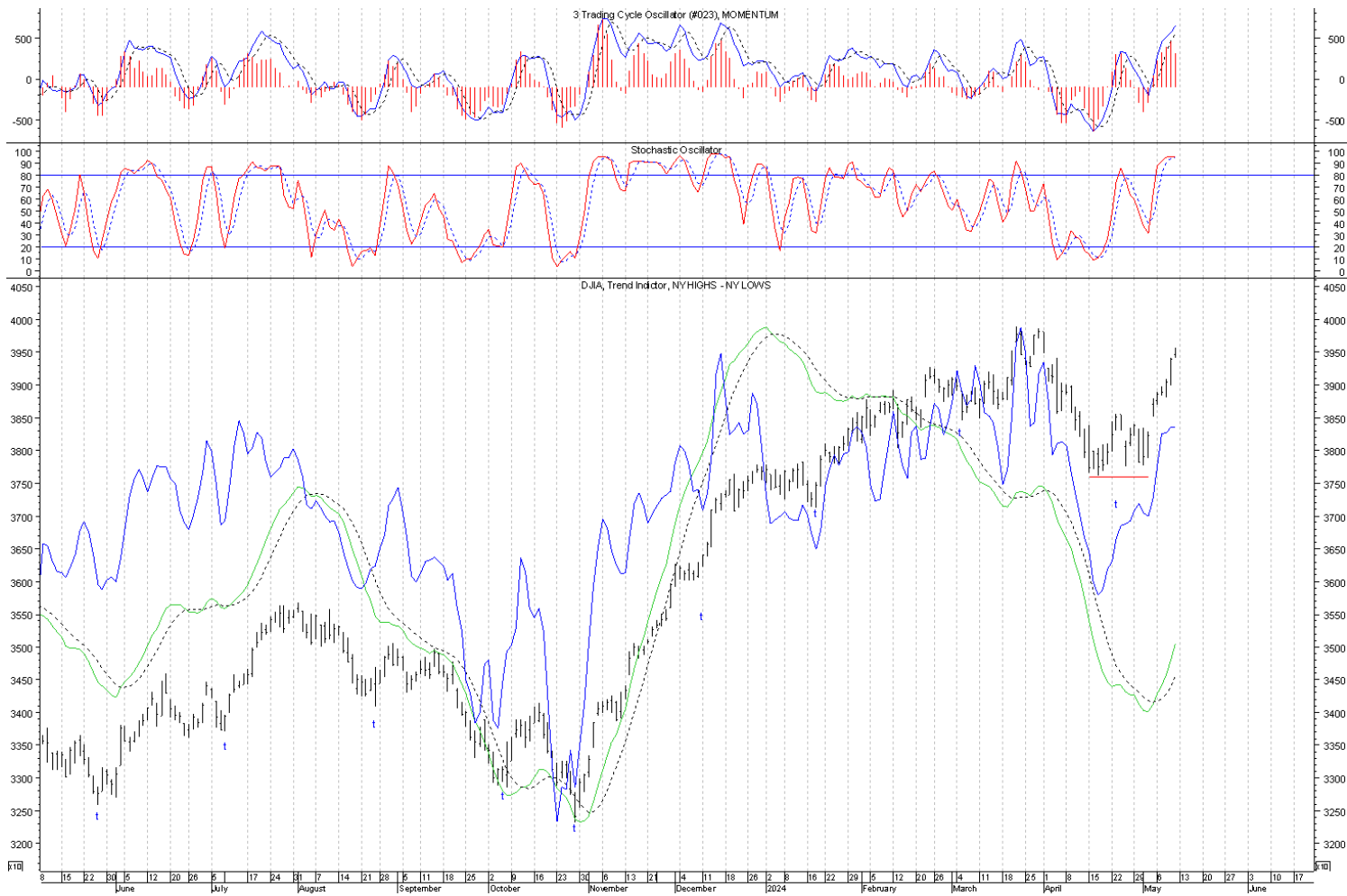
The Dollar completed the formation of a daily swing low on Monday, May 6th, and while the trading cycle low should have ideally been seen in conjunction with another push down, but with the additional advance on Wednesday turning the daily CTI up, a short-term buy signal was triggered. In doing so, the assumption was 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.

On Thursday Bonds completed the formation of a daily swing high and with the corresponding downturn of the daily CTI, a short-term sell signal was triggered. Because of the reversal off the low, as confirmation of this sell signal we need to see a close below Thursday's low. With the completion of a daily swing low on Friday, this confirmation was not seen, but Friday's reversal lower is suggestive of the trading cycle top, which should be confirmed with a close below Thursday's low.

**The Intermediate-Term Advancing Issues Line, plotted in red, ticked back up on Friday and the short-term divergence that has now formed tends to be suggestive a short-term top in association with what should be the anticipated half-trading cycle top. Now that the May 3rd completion of a weekly swing low has been accompanied by the triggering of an intermediate-term buy signal, another upturn of the Green MA above the Black MA should serve as additional confirmation of the intermediate-term cycle low having been seen.**

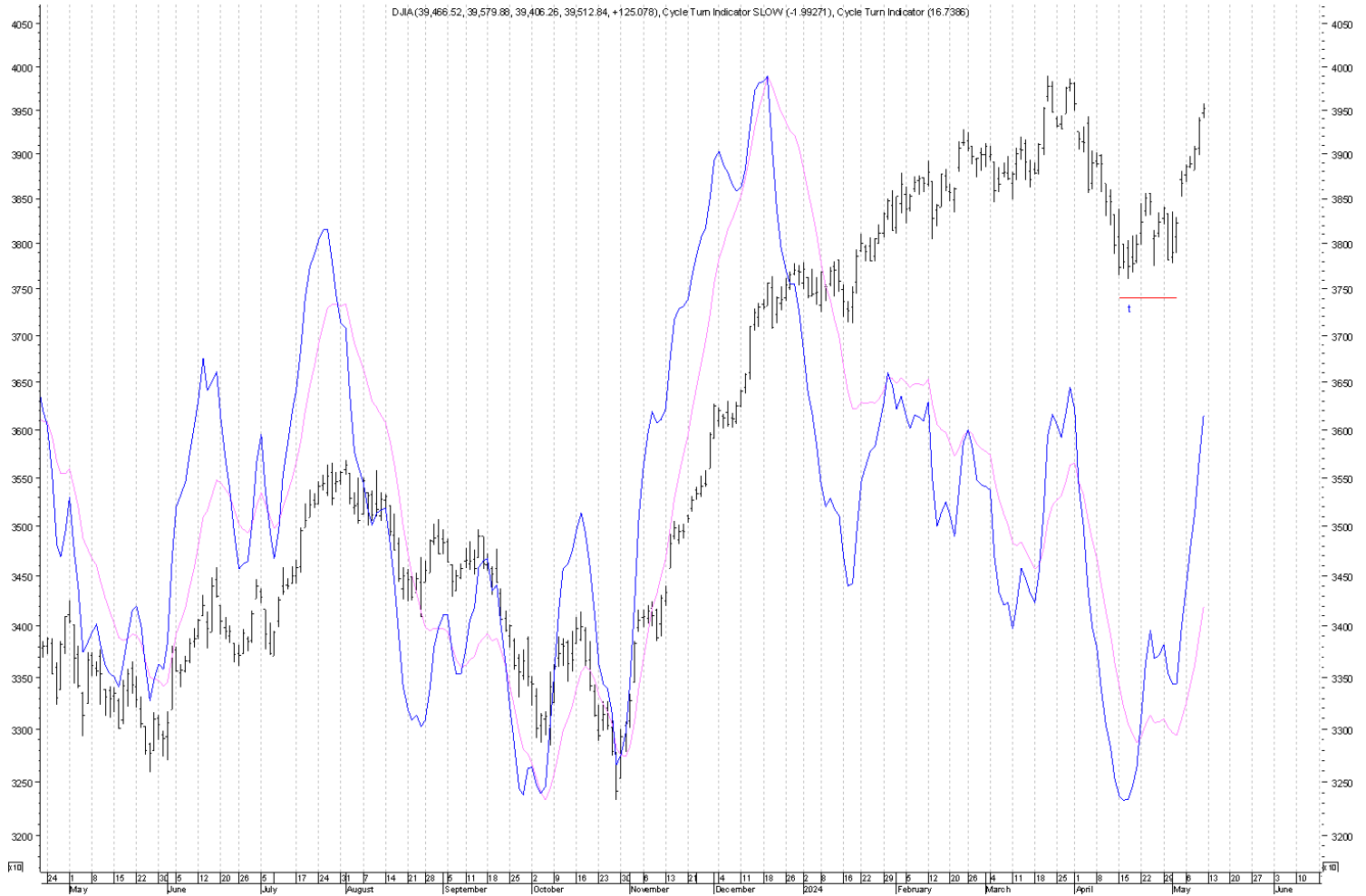


The **Trading Cycle Oscillator** in the upper window continues its upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window continues trying to roll over from overbought levels. While these oscillators remain positive, the oscillator picture also remains ripe for a top, which again should be in association with a counter-trend decline out of 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 is reflective of both the trading and intermediate-term cycle low.

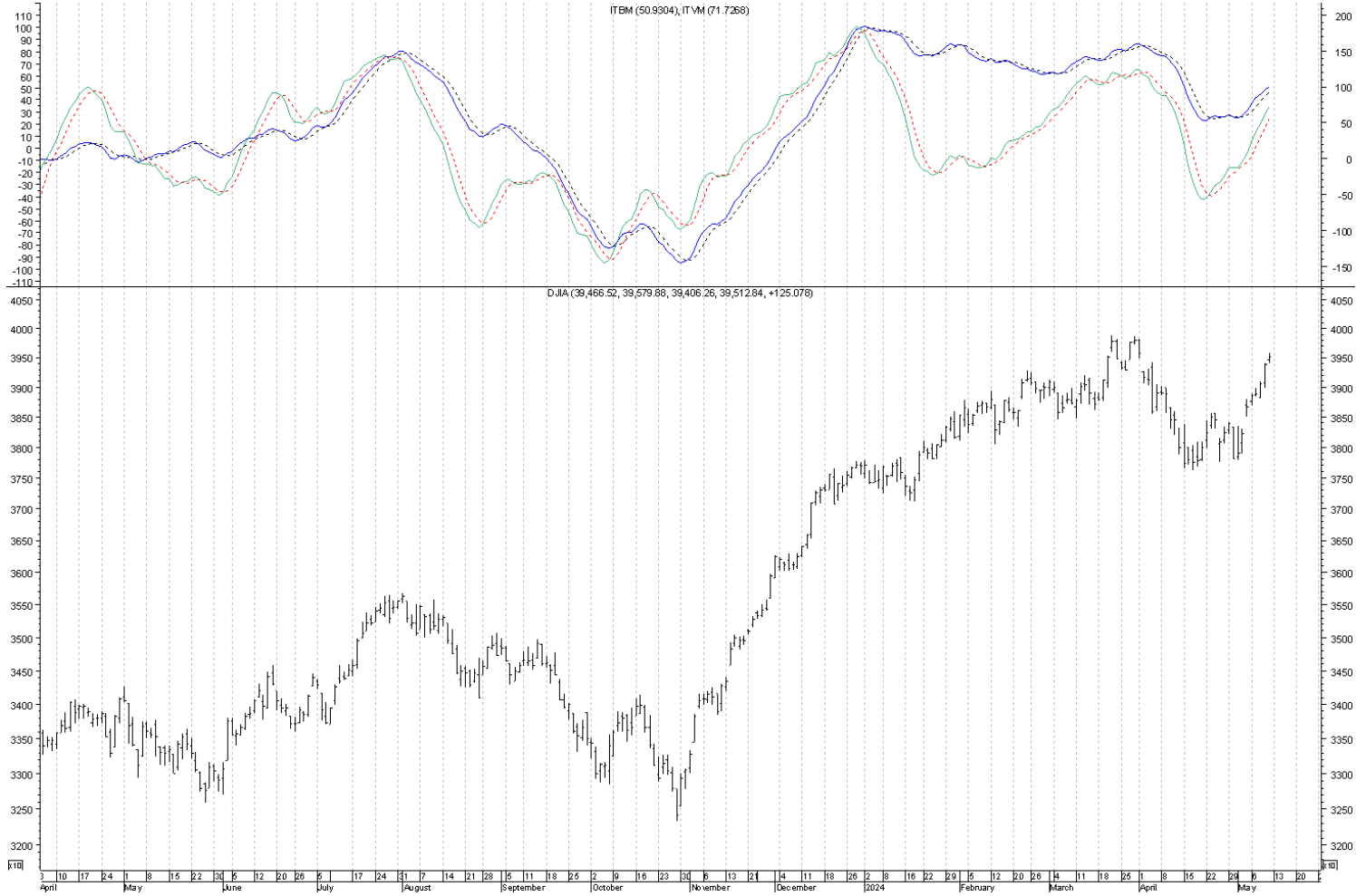


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**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 Monday if 39,579.88 is not bettered and if 39,406.26 is violated.**

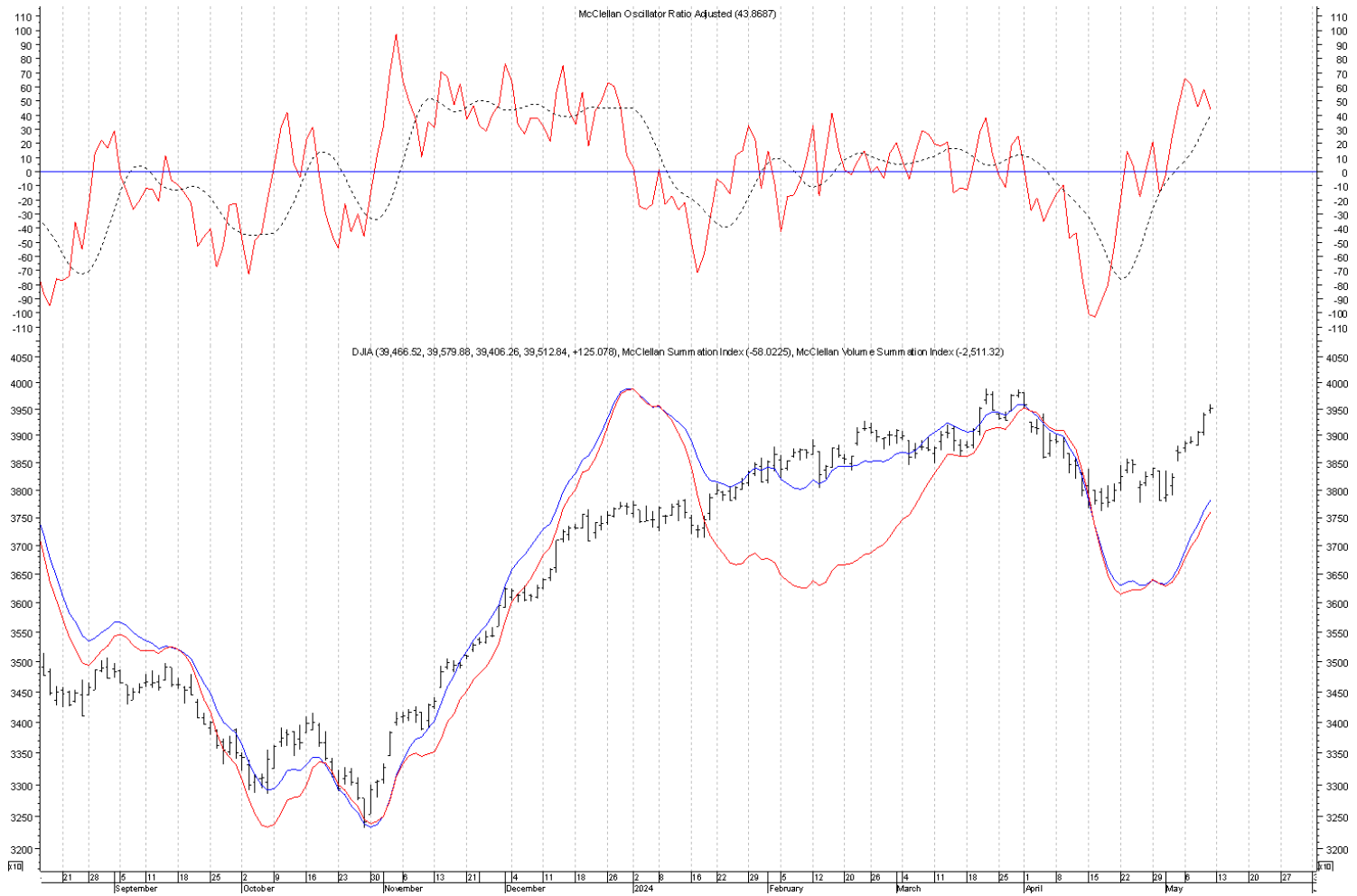


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** continue their upturn.





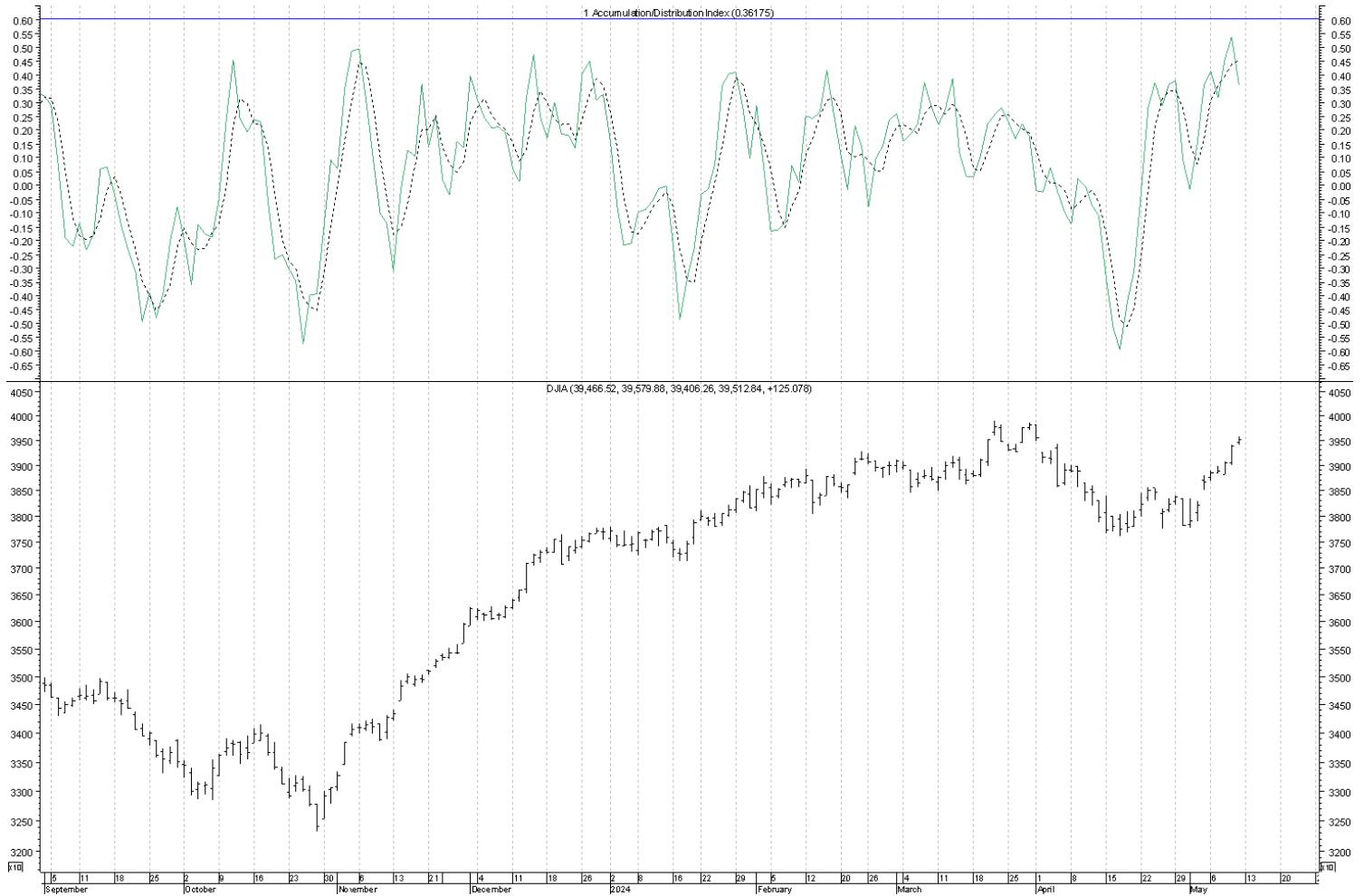
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their upturns as well and in doing so the price/oscillator picture here continues to be reflective of the advance out of the trading and intermediate-term cycle low. The **Ratio Adjusted McClellan Oscillator** in the upper window ticked back down on Friday and is now approaching its trigger line. A crossing below the trigger line will turn this indicator negative as we use it and should be in association with the half-trading cycle top.



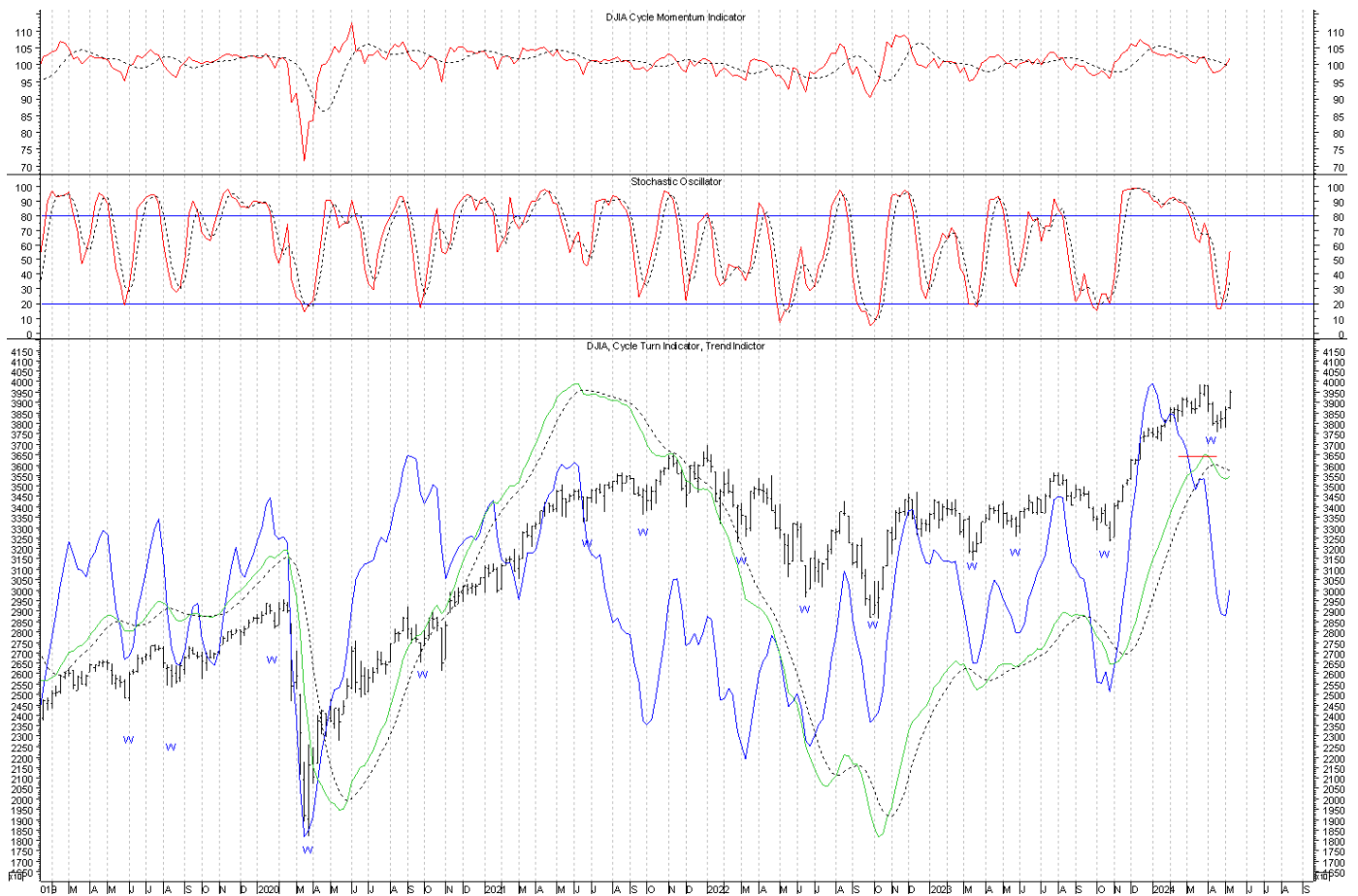
The smoothed McClellan oscillator continues its upturn out of the April 17th trading cycle low as well and until a downturn below the trigger line is seen, there is no indication of the trading cycle advance having run its course.



The **Accumulation/Distribution Index** turned back down on Friday. As stated in the Thursday night update, this indicator typically leads with the formation of a divergence at tops, which we now have. But, given the overall price/oscillator picture and cyclical phasing, this divergence should be signaling the half-trading cycle top rather than the trading cycle top with a more meaningful divergence forming as we move forward into the trading cycle top.



Our weekly chart of the Industrials is next and the timing band for the current intermediate-term cycle low ran between February 16th and April 19th. As discussed here in the last couple of weekend updates, with the completion of a weekly swing low the week of April 26th, the evidence has been suggestive of the intermediate-term cycle low having been seen in conjunction with the April 17th trading cycle low and the assumption has been that it did. However, as also previously discussed, an alternative phasing of this cycle was possible, but with the upturn of the weekly CTI this past week and the triggering of an intermediate-term buy signal, that alternative is now off the table. This intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI are seen. The expectation is for it to be with this intermediate-term cycle advance that the rate cutting cycle begins. In order to keep this intermediate-term cycle advance structurally positive, this trading cycle advance must continue higher in association with a right-translated structure, which means that any pause here in conjunction with the half-trading cycle top should be followed by continued strength. Otherwise, evidence of a left-translated trading cycle will be suggestive that something else is going on. The timing band for the next intermediate-term cycle low runs between August 9th and October 11th. For now, the focus is on this intermediate-term advance and the initiation of the rate cutting cycle as this intermediate-term cycle advance unfolds. All other factors aside, this intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI are seen. A weekly swing high will be completed in the coming week if 39,579.88 is not bettered and if 38,689.38 is violated.



Next is our weekly chart of the Industrials, along with my Intermediate-Term Advance Decline Line in the upper window. **Bottom line here, the non-confirmation with the March price high stands. Knowing that non-confirmations with my Intermediate-Term Advance Decline Line are one of the DNA Markers that have been seen at every 4-year cycle top since the inception of my AD data going back to 1926, and that all but one 4-year cycle top since the inception of the averages in 1896 have occurred in conjunction with a Dow Theory non-confirmation, the possibility of a more meaningful top in conjunction with the March intermediate-term cycle top remains on the table. Therefore, caution is warranted, particularly given the completion of a monthly swing high.** While I have to acknowledge the risk associated with this development, because of the incomplete setup with the CheckMate Chart, there should ideally be at least one additional intermediate-term cycle up, which should be under way in conjunction with this intermediate-term cycle advance. In the meantime, we now have an intermediate-term buy signal and the non-confirmation that began forming in conjunction with the March high continues to take form. More on all of this as it develops.

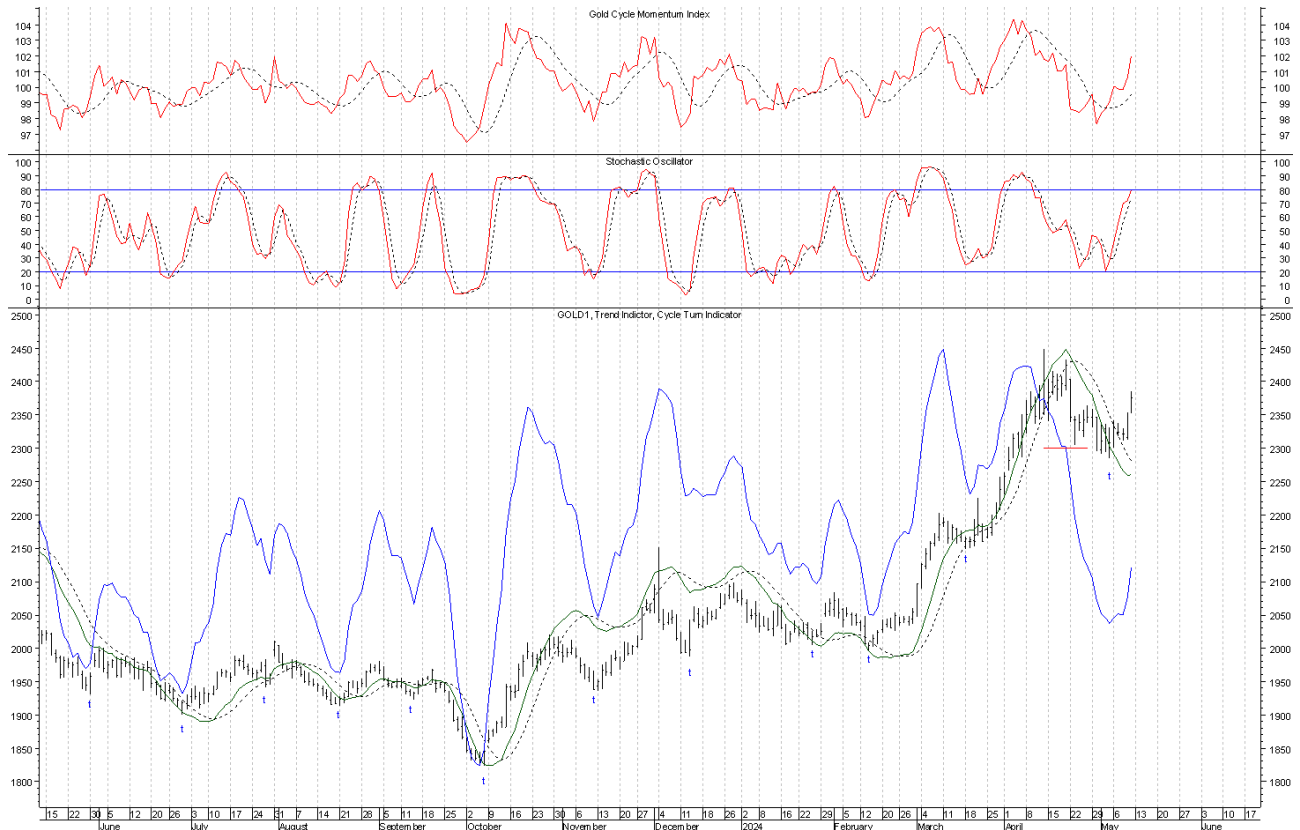


# Gold

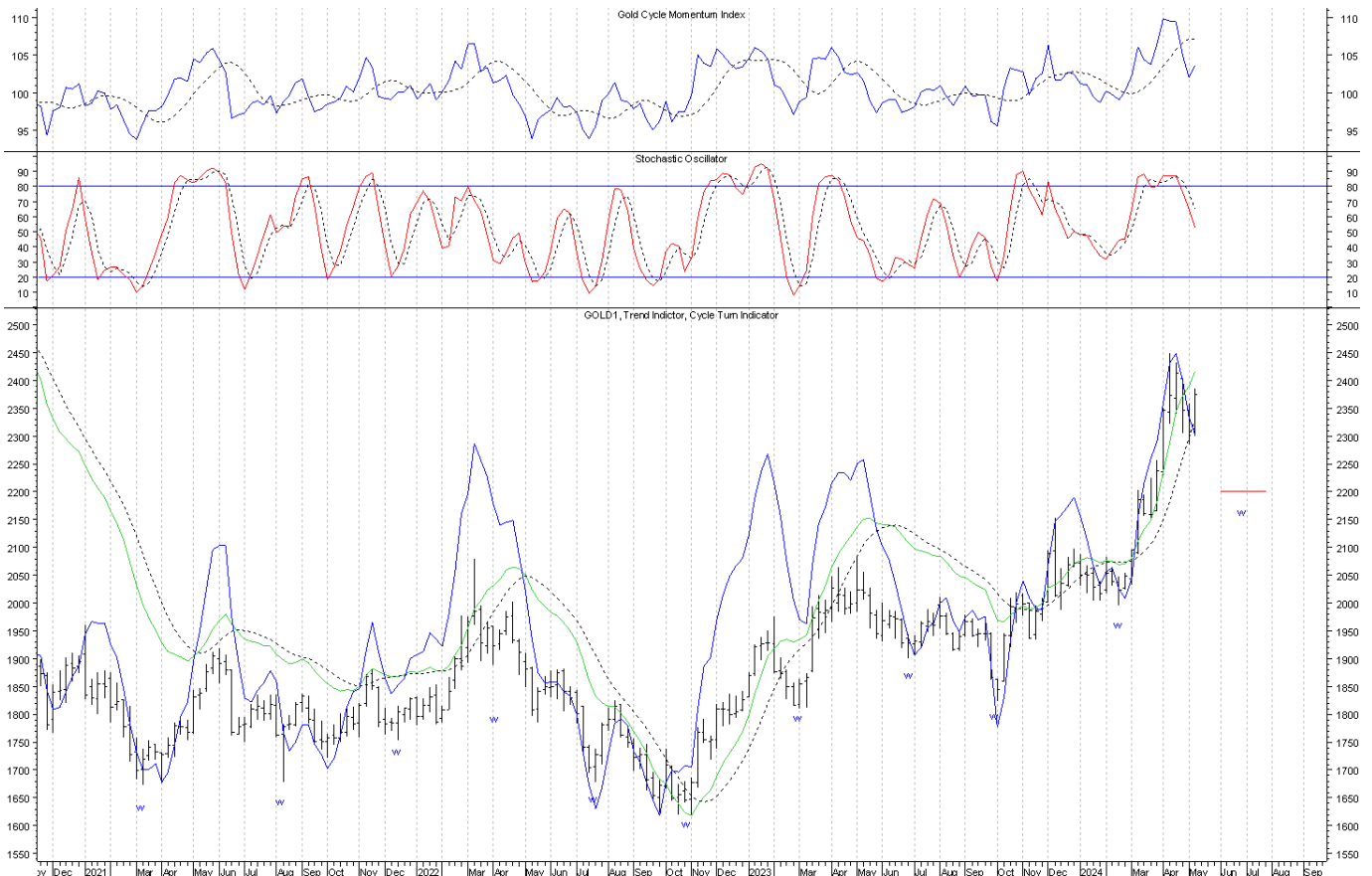
End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Indicators</b>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

Daily Indicator Summary <b>Short-Term 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)	Bearish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
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 was that the trading cycle low had been seen on April 23rd. On Monday Gold completed the formation of a daily swing low and given the advance on Thursday, per the Thursday night update, we knew that the price/oscillator picture had become suggestive of the trading cycle having run long with the low occurring on May 3rd rather than April 23rd. With the continued advance on Friday, this has certainly proven correct. The May 6th 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 Monday if 2,385.30 is not bettered and if 2,352.00 is violated.

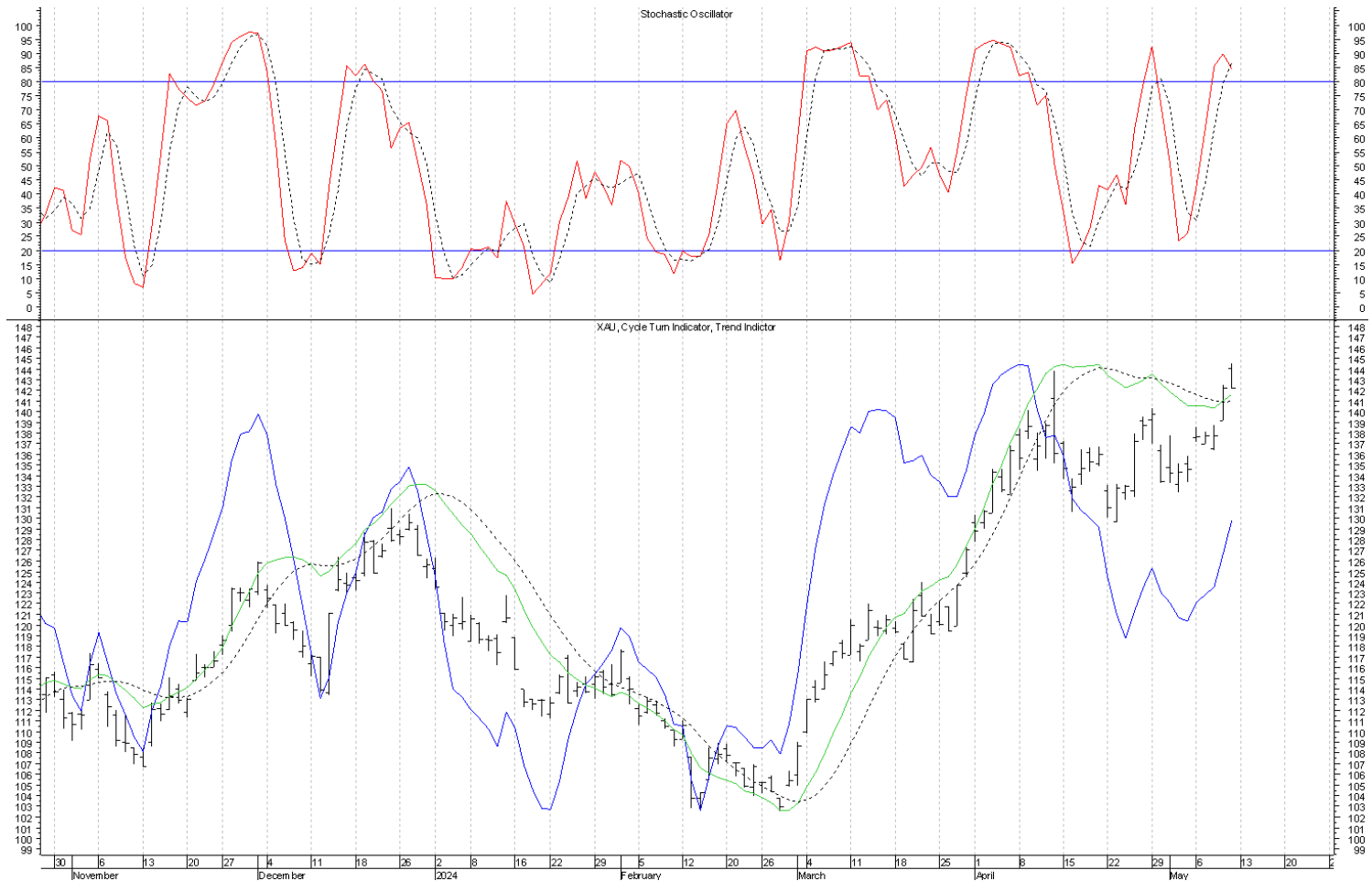


Our weekly chart of Gold is next and the timing band for the next intermediate-term cycle low runs between June 4th and July 23rd. With the completion of a weekly swing high and downturn of the weekly CTI the week of April 26th, an intermediate-term sell signal was triggered and every indication continues to be that the intermediate-term cycle top has been seen. This past week, Gold completed the formation of a weekly swing low, but with the weekly CTI remaining negative, an intermediate-term buy signal was not triggered. Based on the cyclical phasing, the April 26th intermediate-term sell signal and the accompanying oscillator picture, the current advance out of the trading cycle low should be a counter-trend retest of the intermediate-term cycle top or ending push into that top. Until proven otherwise, the assumption is that it is the former. At a higher level, the 9-year cycle low was ideally due in the late 2023 to 2024 timeframe, but because of the bettering of the May 2023 seasonal cycle top and more recently the December 2023 intermediate-term cycle top, the evidence has been increasingly suggestive of the November 2022 seasonal cycle low having also marked the 9-year cycle low. While the bettering of the December 2023 high and continued advance has obviously been a positive development for Gold, as was discussed in the December Research Letter, the Industrial Metals Index nor the CRB Index have structurally confirmed this advance. Until such structural confirmation is seen, the higher degree expectation is for this to be an ending push into a left-translated 9-year cycle top in accordance with the overall setting up of the CheckMate Chart. For now, the price/oscillator picture continues to be suggestive of the intermediate-term cycle top, which we continue to assume to be in place. This intermediate-term sell signal will remain intact until another weekly swing low AND upturn of the weekly CTI are seen. Another weekly swing high will be completed in the coming week if 2,385.30 is not bettered and if 2,300.60 is violated.



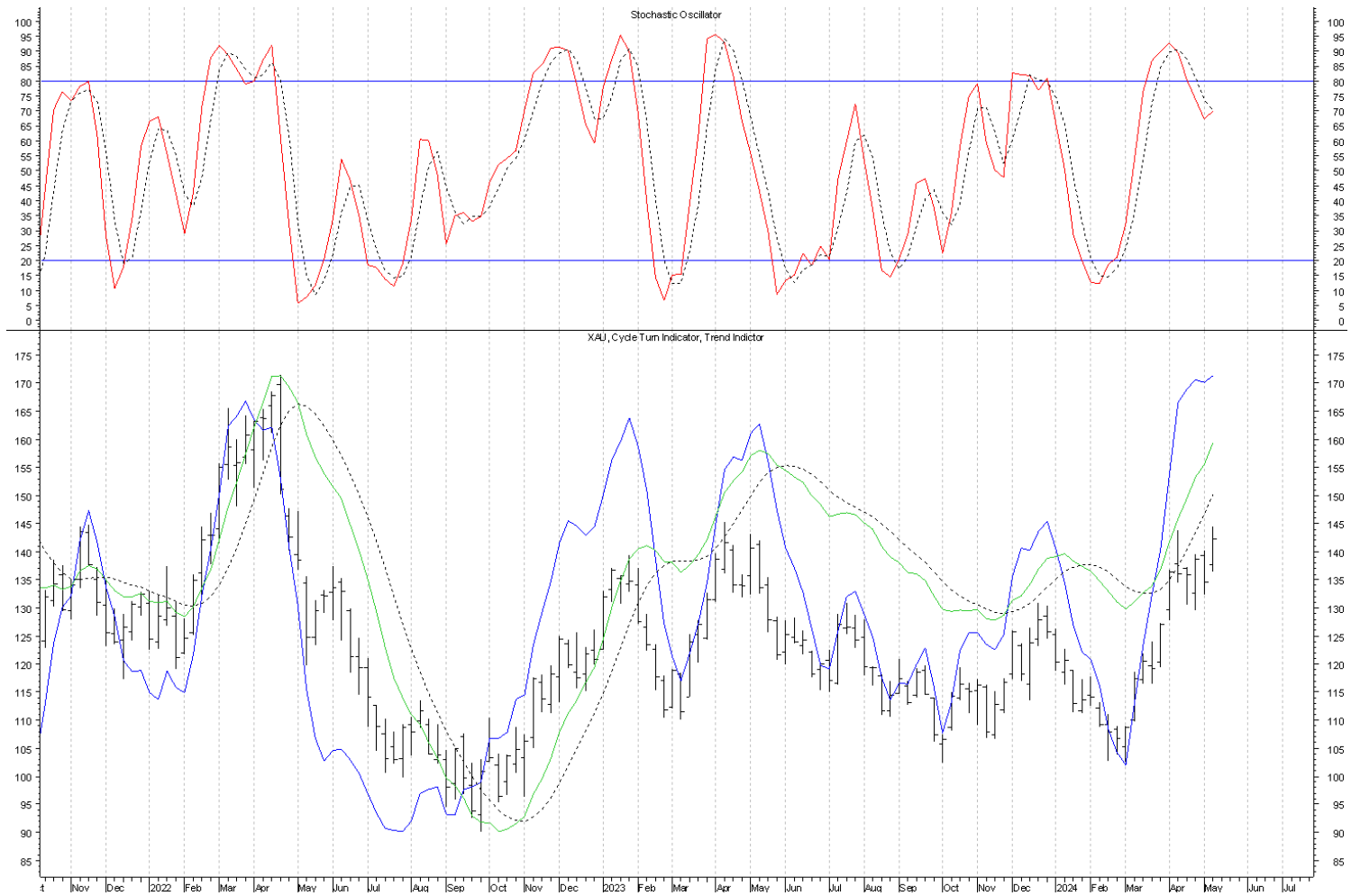


Our daily chart of the XAU is next and the trading cycle low here was seen on April 23rd. As previously discussed, this advance was expected to be a counter-trend structural retest of the previous trading cycle top or possibly in association with an ending push into the trading and higher degree intermediate-term cycle top. With the bettering of the April 12th daily swing high and reversal lower on Friday, it appears as if this was both. Any further weakness on the heels of Friday's reversal that completes the formation of a daily swing high, in conjunction with a downturn of the daily CTI, will trigger a short-term sell signal in association with what should be the trading cycle top. If the decline out of the trading cycle top completes the formation of a weekly swing high, we should ideally have the intermediate-term cycle top in place. For now, the 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 Monday if 144.47 is not bettered and if 142.18 is violated.





**Our weekly chart of the XAU is next. The price action the week of May 3rd completed the formation of a weekly swing low, but reversed lower. As with Gold, we knew the intermediate-term cycle top should ideally have been in place, but we also knew that we needed to see both the completion of a weekly swing high AND a downturn of the weekly CTI in order to trigger a short-term sell signal. As explained above, with the current trading cycle advance carrying price above the April 12th daily swing high, every indication is that we have seen an ending push/retest of the intermediate-term cycle top. Once a weekly swing high is formed and confirmed by a downturn of the weekly CTI, an intermediate-term sell signal will be triggered and the intermediate-term cycle top should be in place. Another weekly swing high will be completed in the coming week if 144.47 is not bettered and if 136.38 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 Sell**

#### Primary Indicators

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

#### Confirming Indicators

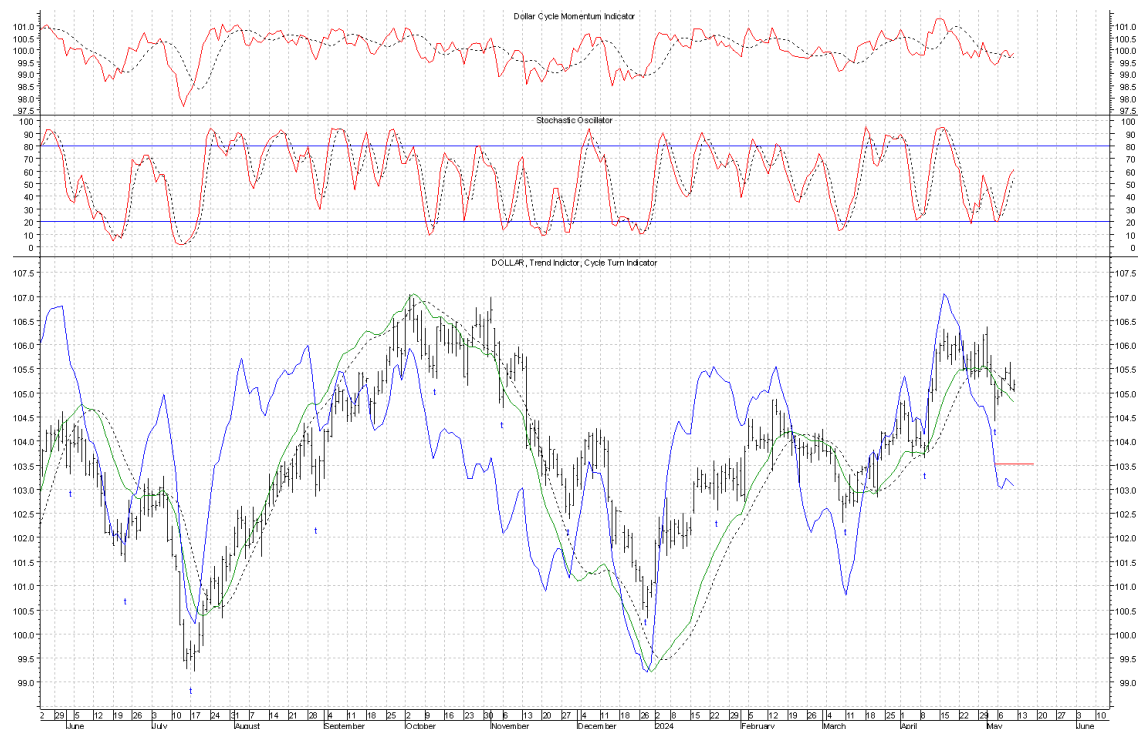
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

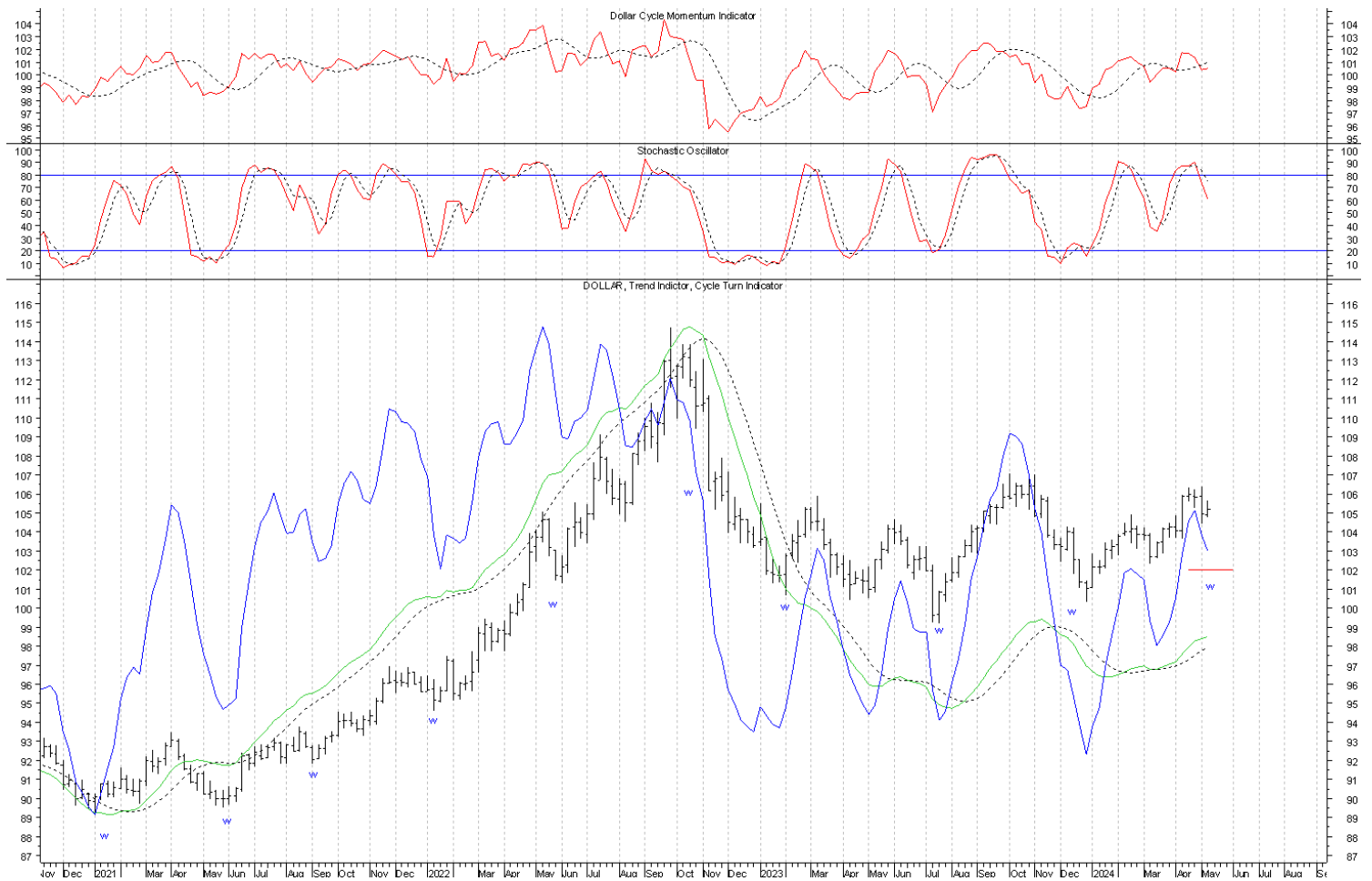
5 3 3 Stochastic	Bullish
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No change with the Dollar. The timing band for the current trading cycle low runs between May 5th and May 17th. Ideally, I would still like to see continued weakness into this low, but as previously discussed in the updates this past week, with the completion of a daily swing low on Tuesday, it is possible the trading cycle low was seen slightly early on May 3rd. As we now move toward the outer portion of the timing band for this low and given the current price/oscillator picture, the evidence is increasingly suggestive that this low was seen on May 3rd. On Thursday the Dollar reversed lower turning the daily CTI back down and with the completion of a daily swing high on Friday another short-term sell signal was triggered. But, because of the reversal off the low, as confirmation of Friday's short-term sell signal we must see a close below Friday's low. 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, Friday's price action

leaves the Dollar at risk of a left-translated trading cycle top and the assumption continues to be that the trading cycle low was seen on May 3rd. More on this phasing as we move through the remainder of the timing band for this low. Another daily swing low will be completed on Monday if 105.01 holds and if 105.28 is bettered.



Our weekly chart of the Dollar is next and the timing band for the now due intermediate-term cycle low runs between April 19th and June 7th. Because of the May 3rd weekly reversal lower and the accompanying price/oscillator picture, conditions certainly remain ripe for the intermediate-term cycle top. But, with this last week being an inside week, we have not yet seen the completion of a weekly swing high, which we need to see in order to trigger an intermediate-term sell signal. With the weekly CTI having turned down, any further weakness in the coming week that completes the formation of another weekly swing high will trigger an intermediate-term sell signal in conjunction with what should be the intermediate-term cycle top. At a higher level, as a result of the October monthly swing high, the Dollar remains at risk of a left-translated seasonal cycle top and even with this cycle being right-translated, it has been in association with a structural retest of the higher degree seasonal cycle top. More on this all once the intermediate-term cycle top is confirmed. Another weekly swing high will be completed in the coming week if 106.38 is not bettered and if 104.41 is violated.



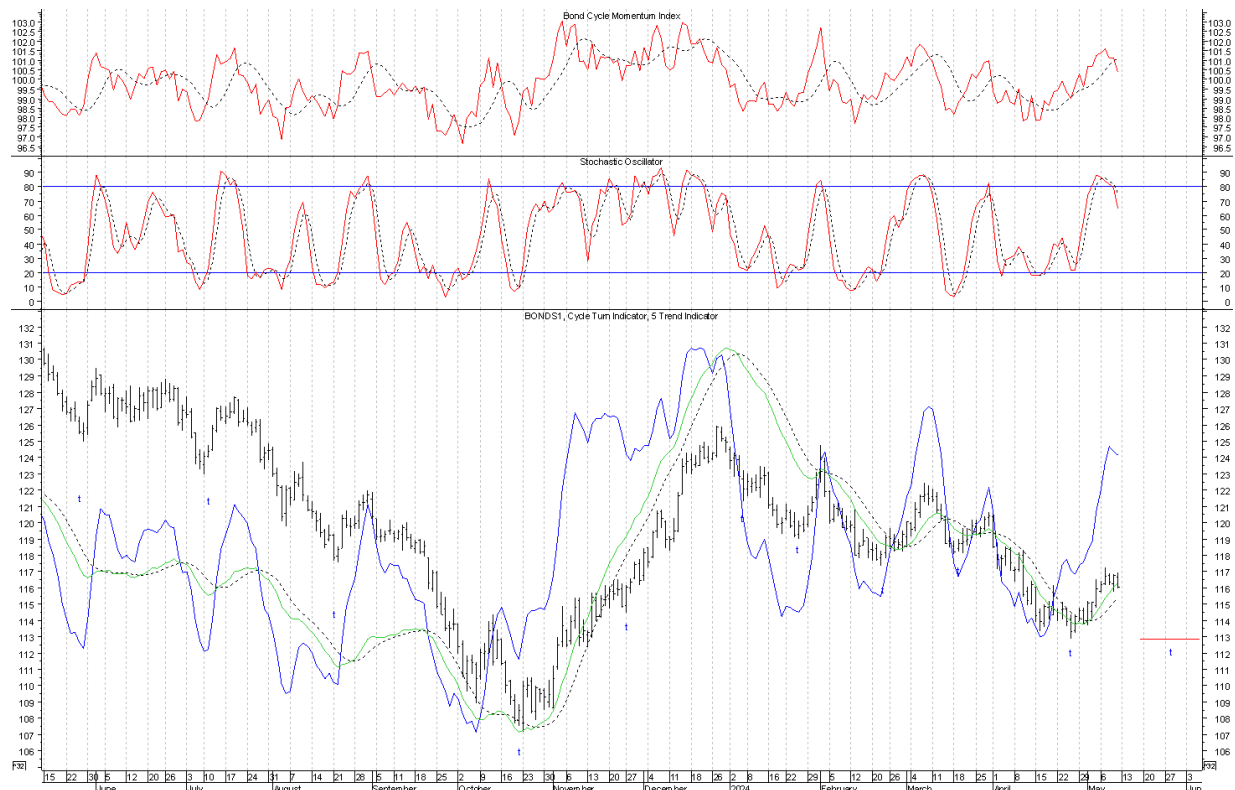
## Bonds

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)	Bearish
Cycle Momentum Indicator	Bullish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bullish

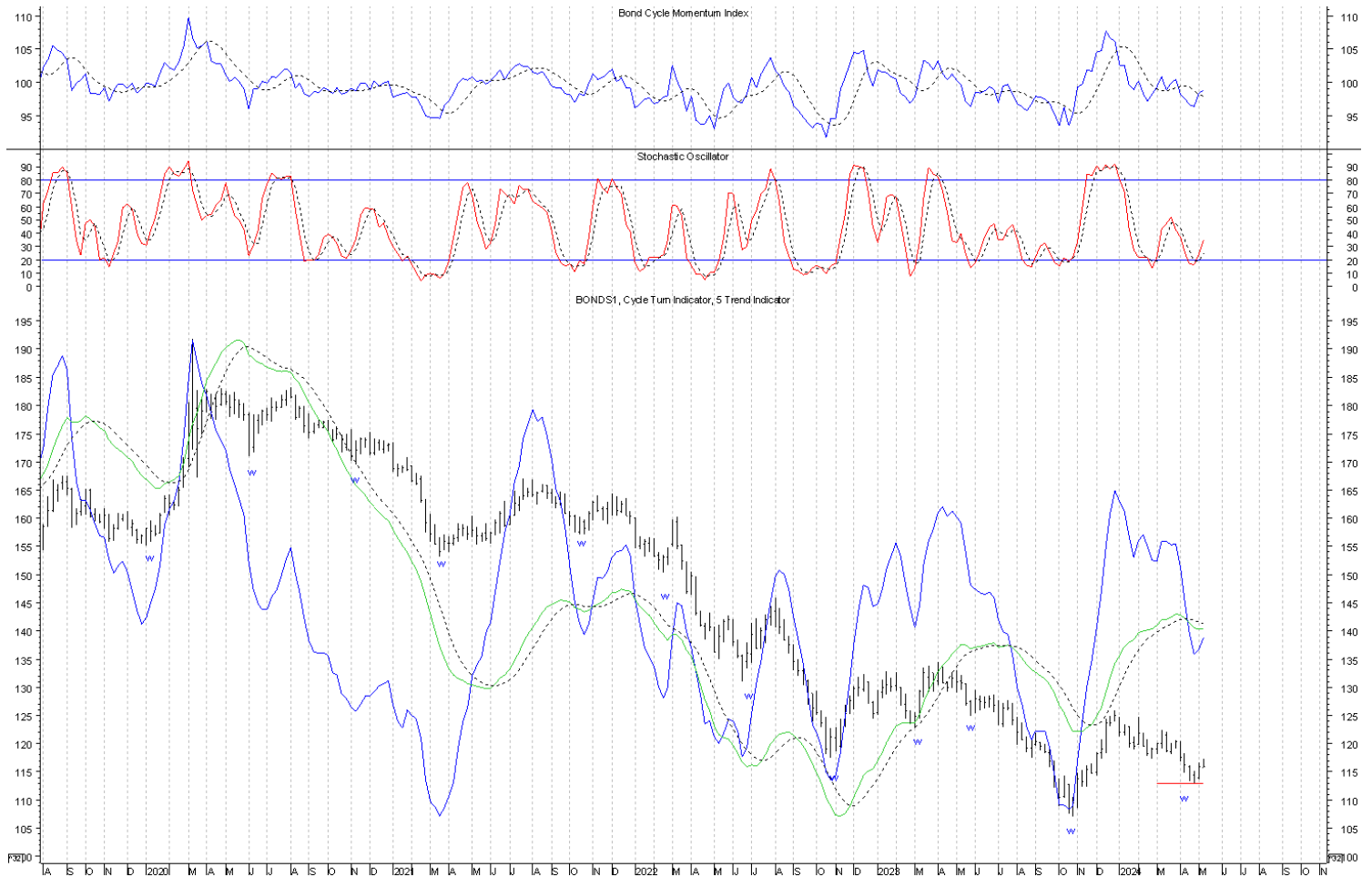
Daily Indicator Summary <b>Short-Term Sell/Neutral</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic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

The trading cycle low was seen on April 25th and the timing band for the next trading cycle low runs between May 17th and June 6th. 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. With the completion of a daily swing low on Friday, this was not seen. Ideally, I would like to see another push up into the trading cycle top, but because of the reversal lower on Friday, the price/oscillator picture is increasingly suggestive of the trading cycle top and 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 that this was the case, 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.

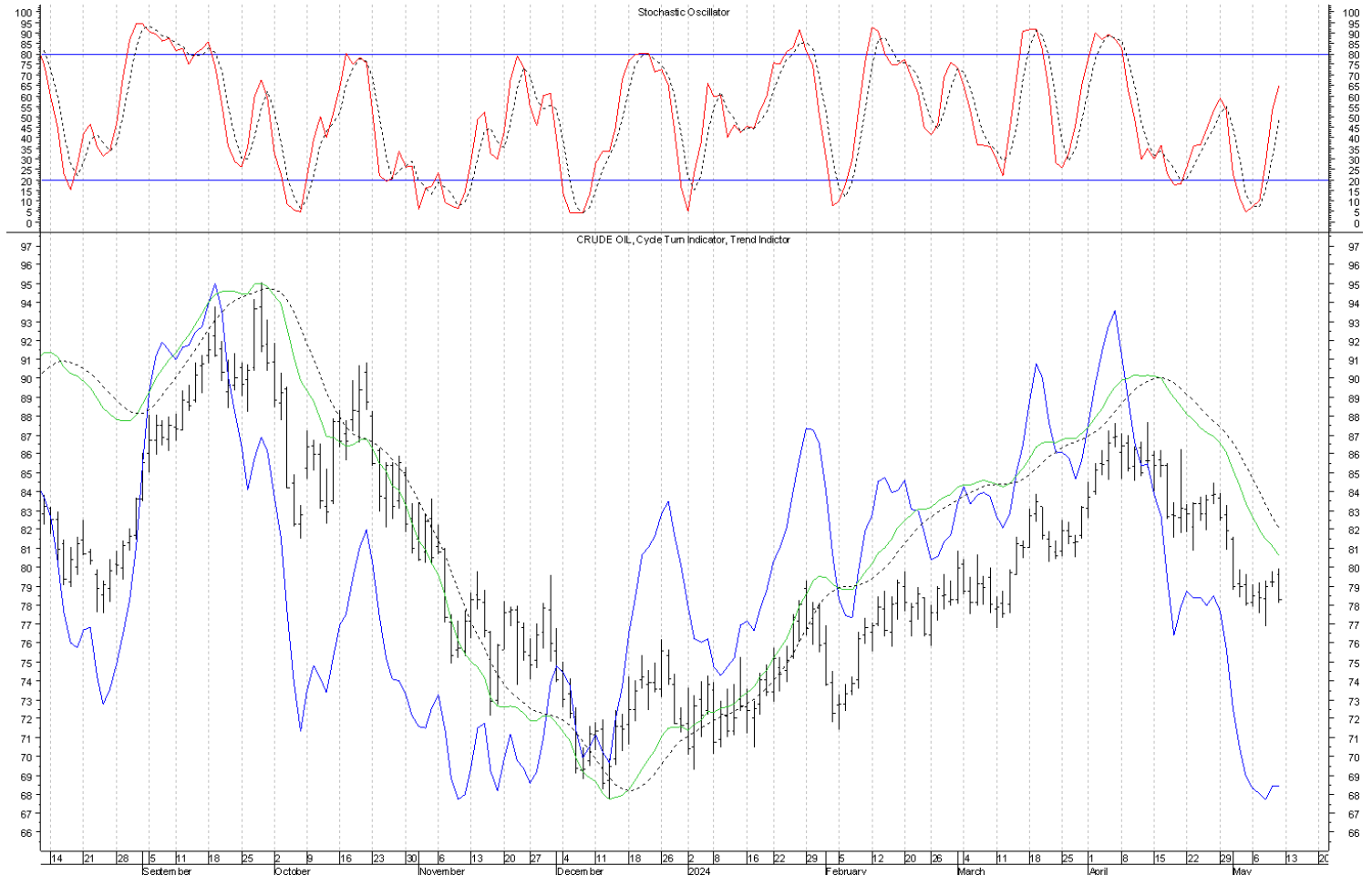


The timing band for the current intermediate-term cycle low ran between February 29th and May 9th. With the completion of a weekly swing low in conjunction with the advance out of the April 25th trading cycle low, every indication has been that the intermediate-term cycle low was seen in conjunction with the April 25th trading cycle low. The decline out of the now pending trading cycle top will serve as a structural test of the intermediate-term cycle low and given the evidence of the intermediate-term cycle low having been seen, the decline out of the now due trading cycle top should prove to be a counter-trend retest of the low. Otherwise, something else is going on. Bottom line, the evidence is suggestive of the intermediate-term cycle low and the intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly CTI, plotted with price, are seen.

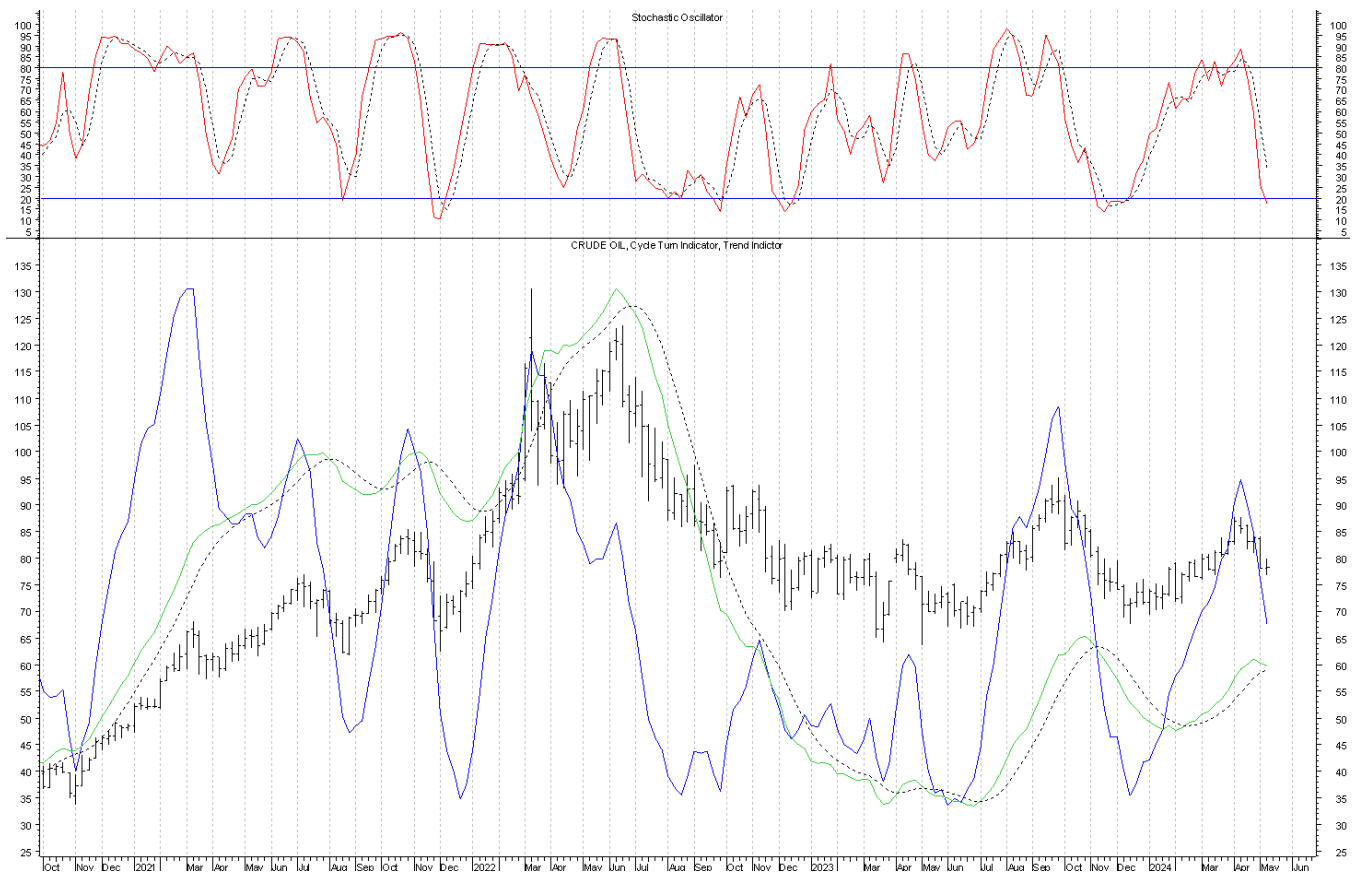


# Crude Oil

Crude Oil reversed off its low on Wednesday and with the completion of a daily swing low on Thursday, the corresponding upturn of the daily **CTI** triggered a short-term buy signal. The expectation is for this advance to be counter-trend and Friday's reversal is suggestive of this advance having possibly run its course, 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 Monday if 79.96 is not bettered and if 78.14 violated.



Our weekly chart of Crude Oil is next. The week of April 19th Crude Oil completed the formation of a weekly swing high and with the downturn of the weekly **CTI**, an intermediate-term sell signal was triggered. That sell signal remains intact and has now carried price to modestly oversold levels, per the 5 3 3 Stochastic, but I would still ideally like to see another trading cycle down into the intermediate-term cycle low. At a higher level, we have known that the September 2023 seasonal cycle top has been an opportunity to have capped the higher degree 3-year cycle top. As a result of the monthly swing high that is now in the making in conjunction with the decline out of the April intermediate-term cycle top, every indication is that the advance out of the December intermediate-term cycle low was a retest of the 3-year cycle top, now leaving Crude Oil positioned for overall continued weakness in association with that higher degree cycle top. More on this as this intermediate-term decline unfolds. For now, this intermediate-term sell signal will remain intact until a weekly swing low AND upturn of the weekly **CTI** are seen. A weekly swing low will be completed in the coming week if 76.89 holds and if 79.96 is bettered.



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[timwood1@cyclesman.com](mailto:timwood1@cyclesman.com)