

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](http://www.cyclesman.net)

---

## Cycle Turn Indicator Direction and Swing Summary of Select Markets as of the close on May 21, 2024

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

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

Conditions have been ripe for a pull back into the less dominant half-trading cycle low, but with Monday concluding the 24th trading day of the trading cycle and with the timing band for the trading cycle low now approaching, once a short-term sell signal is triggered, the assumption will have to be that it is in association with the trading cycle top rather than the less dominant half-trading cycle top. On Tuesday the Industrials completed the formation of a daily swing high and any further weakness that puts ALL Three of the Primary Short-Term Indicators into gear to the downside will trigger a short-term sell signal. To the contrary, any additional advance at this juncture will be in association with an ending push up into the trading cycle top. With the timing band for the low running between May 28th and June 14th, I would ideally still like to see another few days of strength into this top. But, either way, the trading cycle top should be close at hand and in place once a short-term sell signal is triggered. The decline into this trading cycle low is expected to be counter-trend and followed by continued strength in association with the intermediate-term advance as we move higher in conjunction with the setting up of the CheckMate Chart.

Crude Oil completed the formation of a daily swing high on Tuesday and with the downturn of the daily CTI a short-term sell signal was triggered. The expectation was for the advance out of the May 15th daily swing low to be counter-trend and this sell signal now leaves this advance at risk of having run its course.

Gasoline also triggered a short-term sell signal on Tuesday and here too, this is an opportunity to cap the counter-trend advance.

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 triggered a short-term buy signal on May 15th and that signal remains intact, but because of the May 3rd completion of a weekly swing high and triggering of an intermediate-term sell signal, the expectation is for this advance to be counter-trend, leaving the CRB once again positioned for continued weakness in association with the decline out of the intermediate-term cycle top.

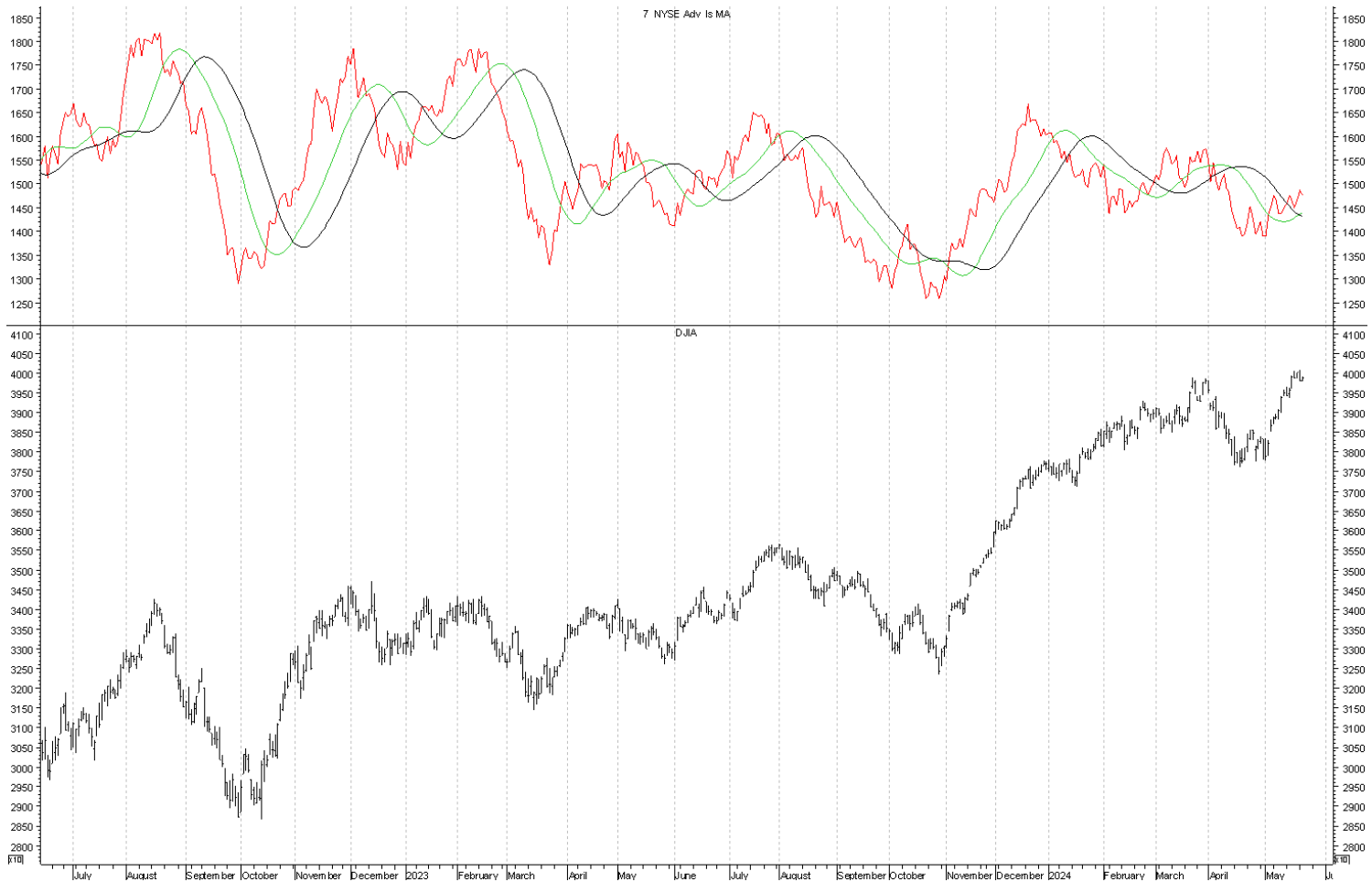
Gold completed the formation of a daily swing high on Tuesday and any further weakness that turns the daily CTI down will trigger a short-term sell signal in association with what should be the trading cycle top. If the decline in association with this trading cycle top completes the formation of another weekly swing high, the retest of the intermediate-term cycle top should have run its course and the intermediate-term cycle top should be in place.

The XAU should also be near its trading cycle top, which should be in place once another short-term sell signal is triggered. Here too, if the decline in association with this trading cycle top completes the formation of another weekly swing high, the intermediate-term cycle top should also be in place.

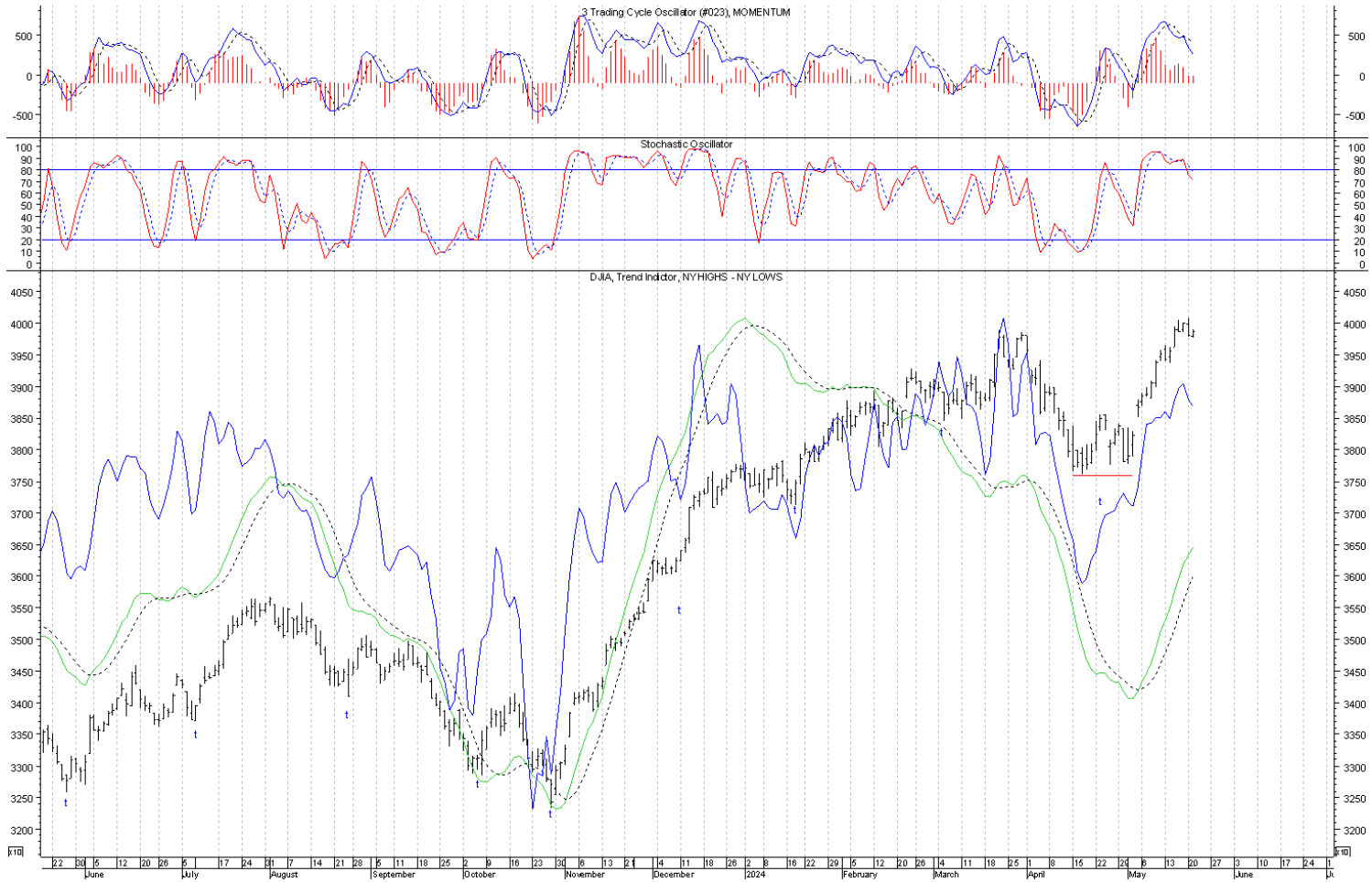
The Dollar has triggered a short-term buy signal in association with the May 16th daily swing low, but as confirmation of this buy signal I want to see a close above the May 17th daily swing high. If such confirmation is seen, then the evidence will point toward the trading cycle low having been seen on May 16th rather than May 3rd.

Ideally, I would like to see continued weakness into the trading cycle low on Bonds, but any further strength in the wake of Tuesday's completion of a daily swing low that turns the daily CTI up will trigger a short-term buy signal and the assumption will have to be that this low has been seen.

**The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back down and in doing so is again hinting of the trading cycle top. The Green MA continues its upturn and has now crossed marginally above the Black MA, which in doing so serves as additional confirmation of the intermediate-term cycle low.**

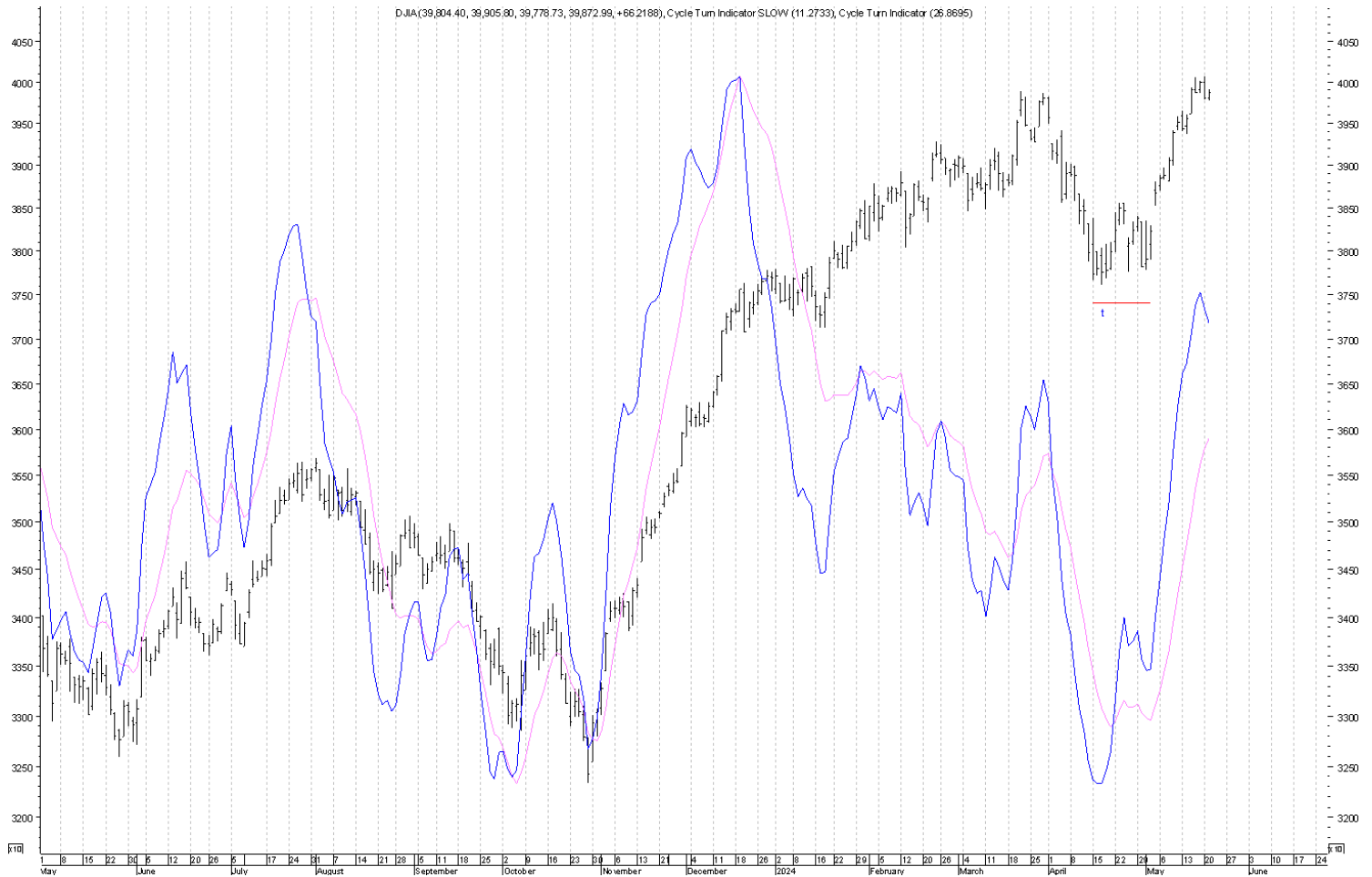


The **Trading Cycle Oscillator** in the upper window continues its downturn. The **Momentum** Indicator also continues its downturn, but has not crossed back below its zero line. The **5 3 3 Stochastic** in the middle window continues rolling over from overbought levels. Collectively, these oscillators continue to be suggestive of a top, which again should now be in association with the trading cycle top rather than a half-trading cycle top. The **New High/New Low Differential**, plotted with price, has turned back down as well, which here too, is not indicative of the pending trading cycle top. The **Trend Indicator** continues its upturn above the trigger line in association with both the trading and intermediate-term cycle low.

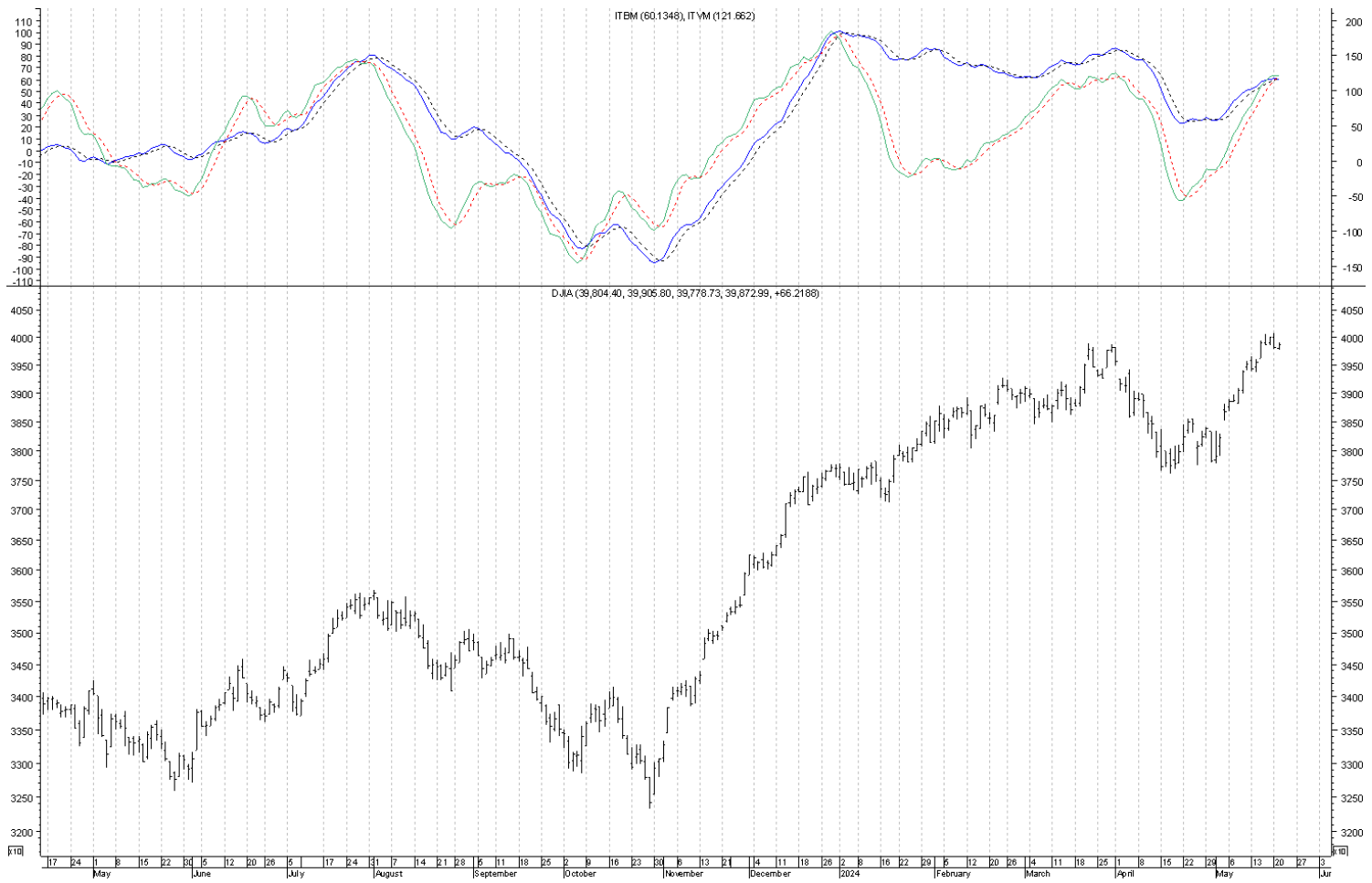


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**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 both a daily swing high AND downturn of ALL Three of the Primary Short-Term Indicators are seen. Another daily swing low will be completed on Wednesday if 39,778.73 holds and if 39,905.80 is bettered.**

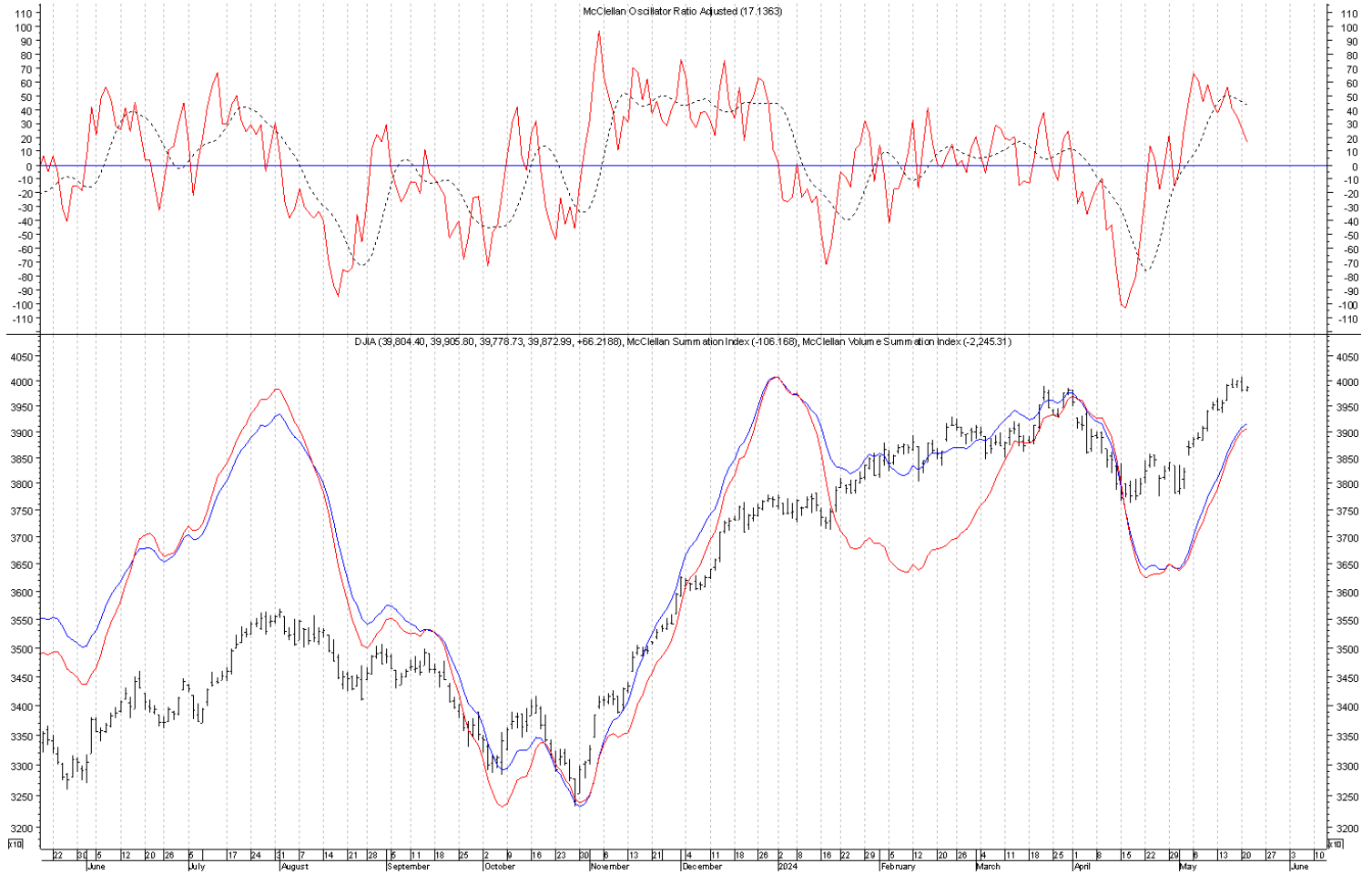


The **Intermediate Term Breadth Momentum Oscillator** has turned marginally below its trigger line. The **Intermediate Term Volume Momentum Oscillator** thus far remains positive.

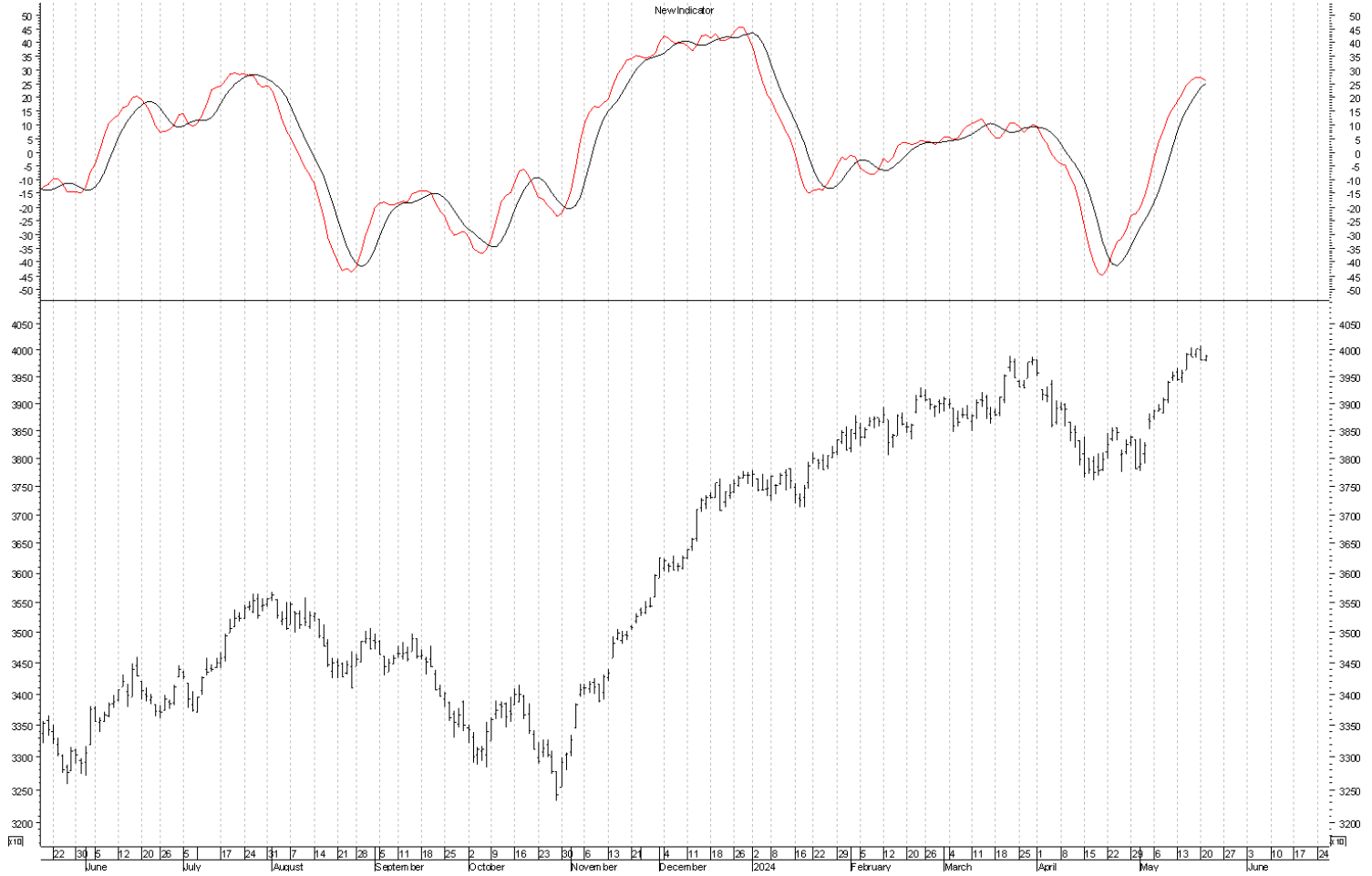




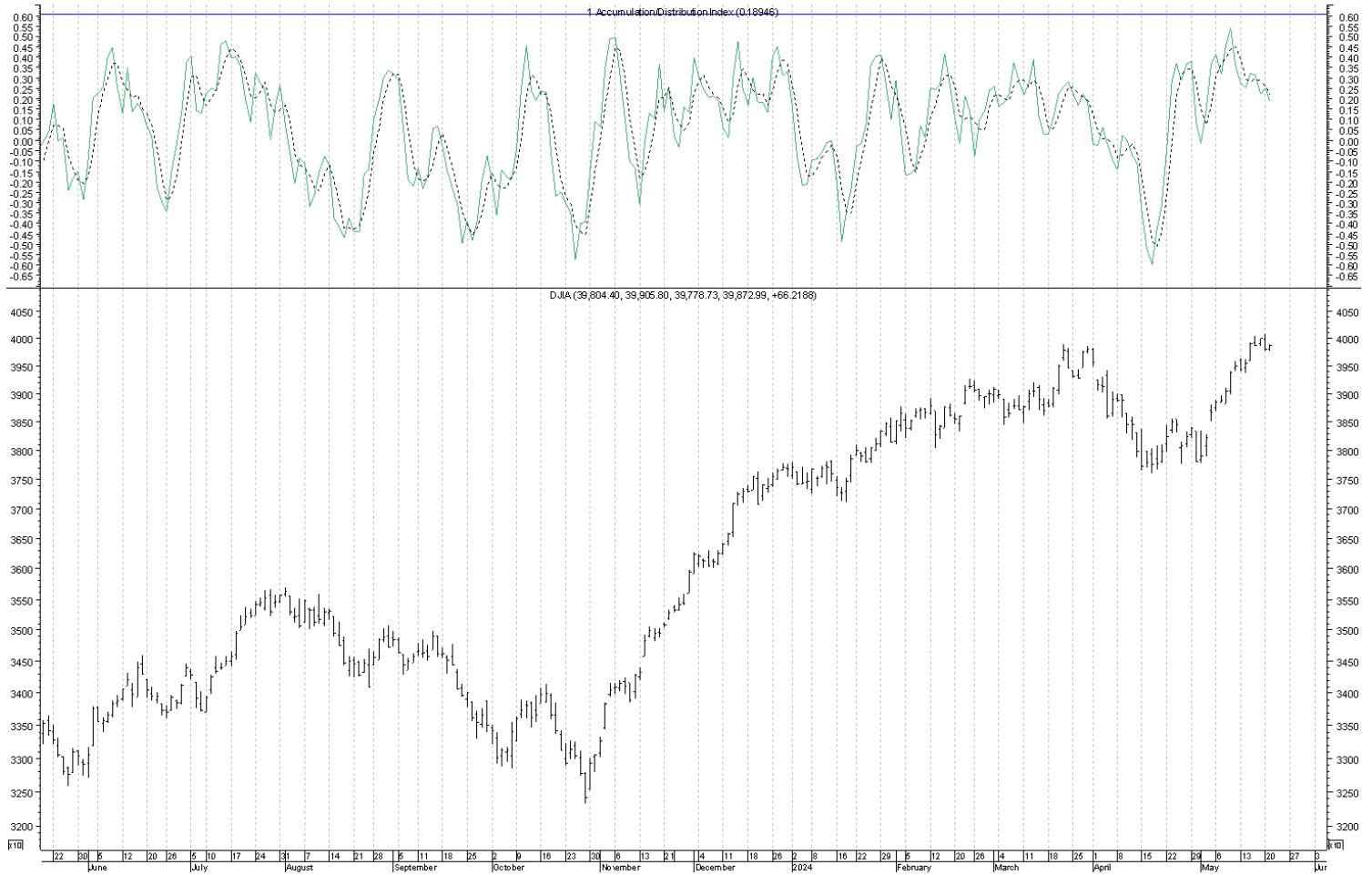
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** continue their upturns. Downturns here will obviously be further indicative of the pending trading cycle top. The **Ratio Adjusted McClellan Oscillator** in the upper window continues its downturn, which in doing so continues to telegraph what should now be the trading cycle top. Once a short-term sell signal is accompanied by a crossing below the zero line, the assumption will have to be that the trading cycle top has been seen.



The smoothed McClellan oscillator has now also begun turning down and a crossing below the trigger line in conjunction with the triggering of a short-term sell signal will also be suggestive of the trading cycle top having been seen.



The **Accumulation/Distribution Index** continues its downturn and in doing so is also suggestive of the trading cycle top.



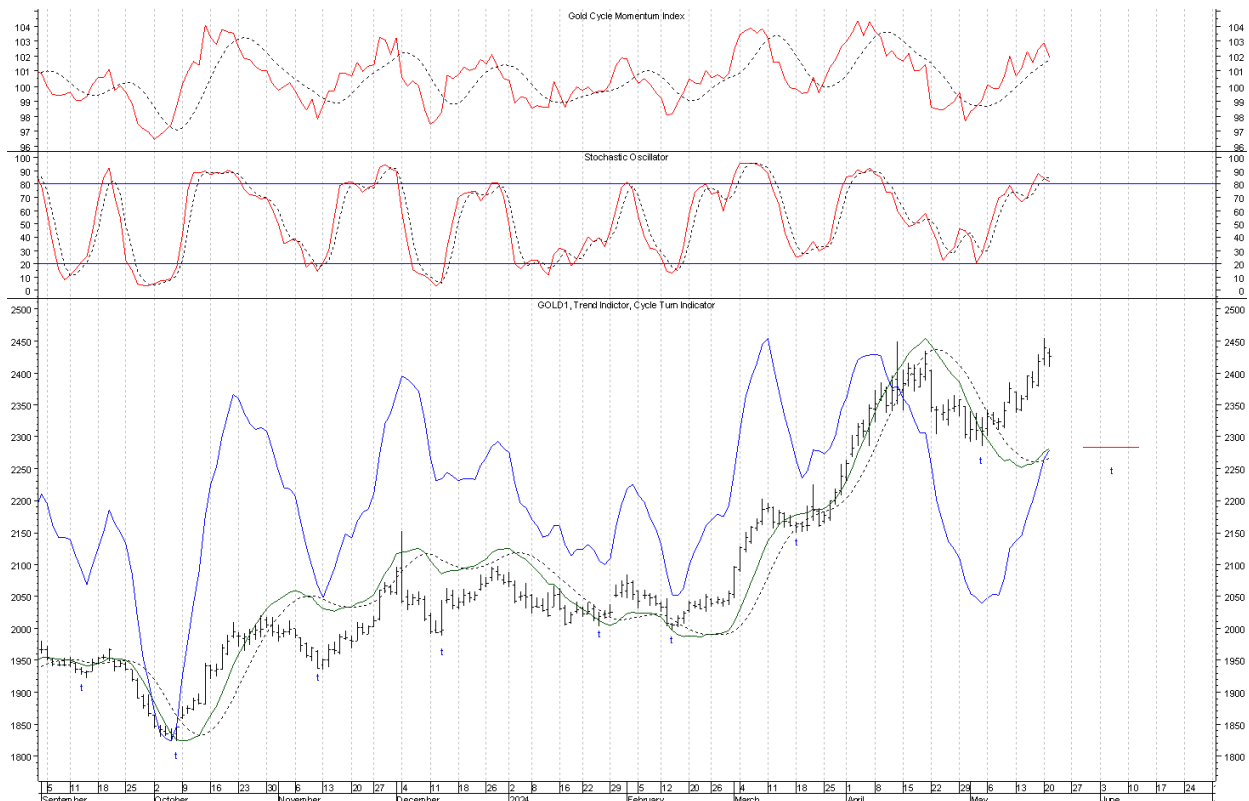
## Gold

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

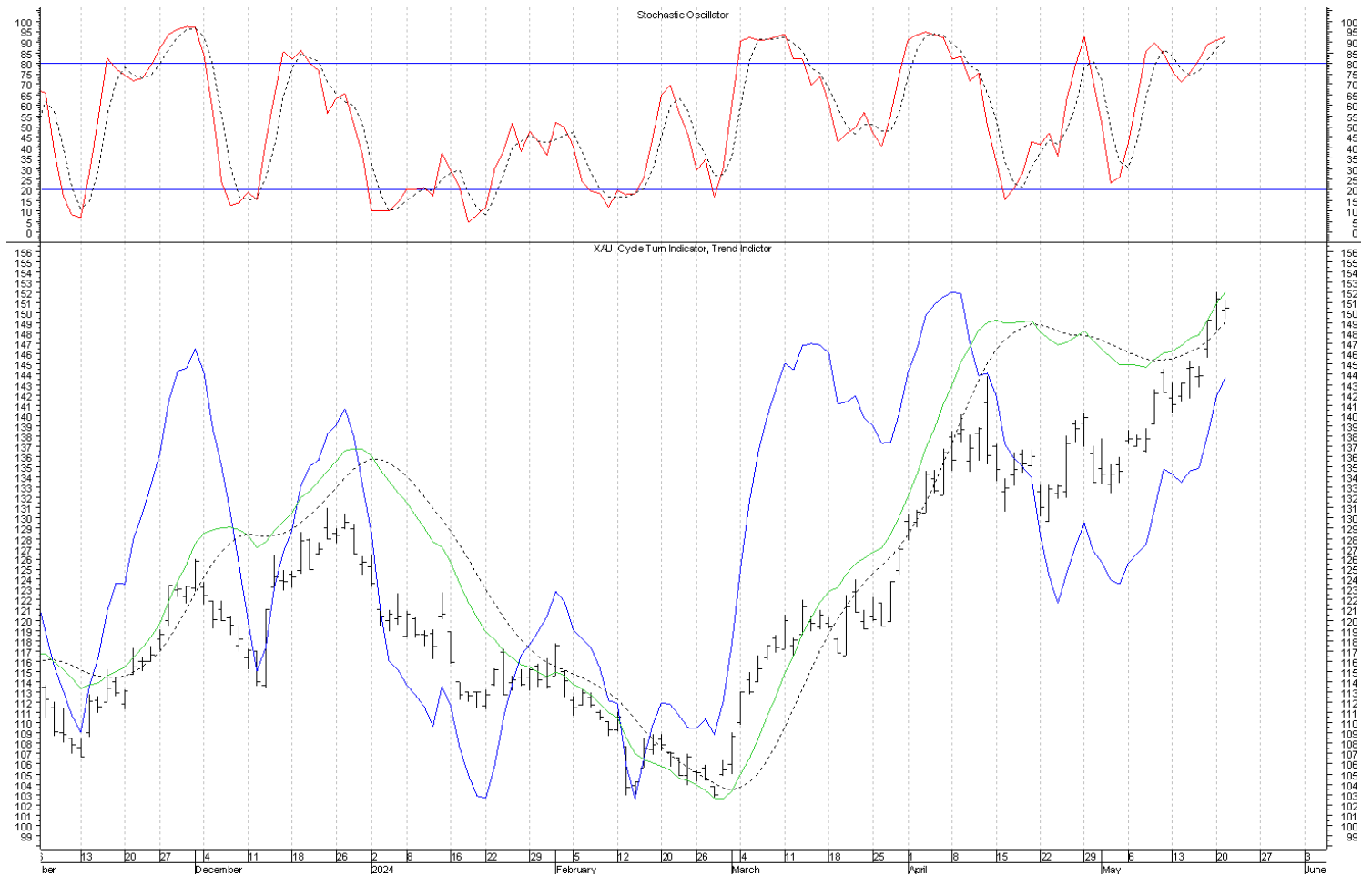
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The trading cycle low was seen on May 3rd and the timing band for the next trading cycle low runs between May 29th and June 12th. Based on the cyclical phasing, the April 26th intermediate-term sell signal and the accompanying oscillator picture, this trading cycle advance has been expected to be a counter-trend retest of the intermediate-term cycle top. On Monday the April high was marginally bettered and on Tuesday Gold completed the formation of a daily swing high. The price/oscillator picture is ripe for the trading cycle top and any further weakness that turns the daily CTI down will trigger a short-term sell signal in association with what should be the trading cycle top. If the decline out of this trading cycle top completes the formation of another weekly swing high, every indication will be that the retest of the intermediate-term cycle top has run its course. For now, the May 6th short-term buy signal will remain intact until both a daily swing high

AND downturn of the daily CTI are seen. Another daily swing low will be completed on Wednesday if 2,408.50 holds and if 2,438.20 is bettered.



Our daily chart of the XAU is next. The trading cycle low here was seen on April 23rd and the price/oscillator picture is definitely ripe for the trading cycle top. Once a daily swing high and downturn of the daily CTI are seen, a short-term sell signal will be triggered and the trading cycle top should be in place. At a higher level, the intermediate-term cycle top is also due and should ideally peak in conjunction with the current trading cycle top. If the decline out of this trading cycle top completes the formation of another weekly swing high, then every indication will be that the intermediate-term cycle top has likely been seen as well. A daily swing high will be completed on Wednesday if 152.02 is not bettered and if 148.30 is violated.



## Dollar

### 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

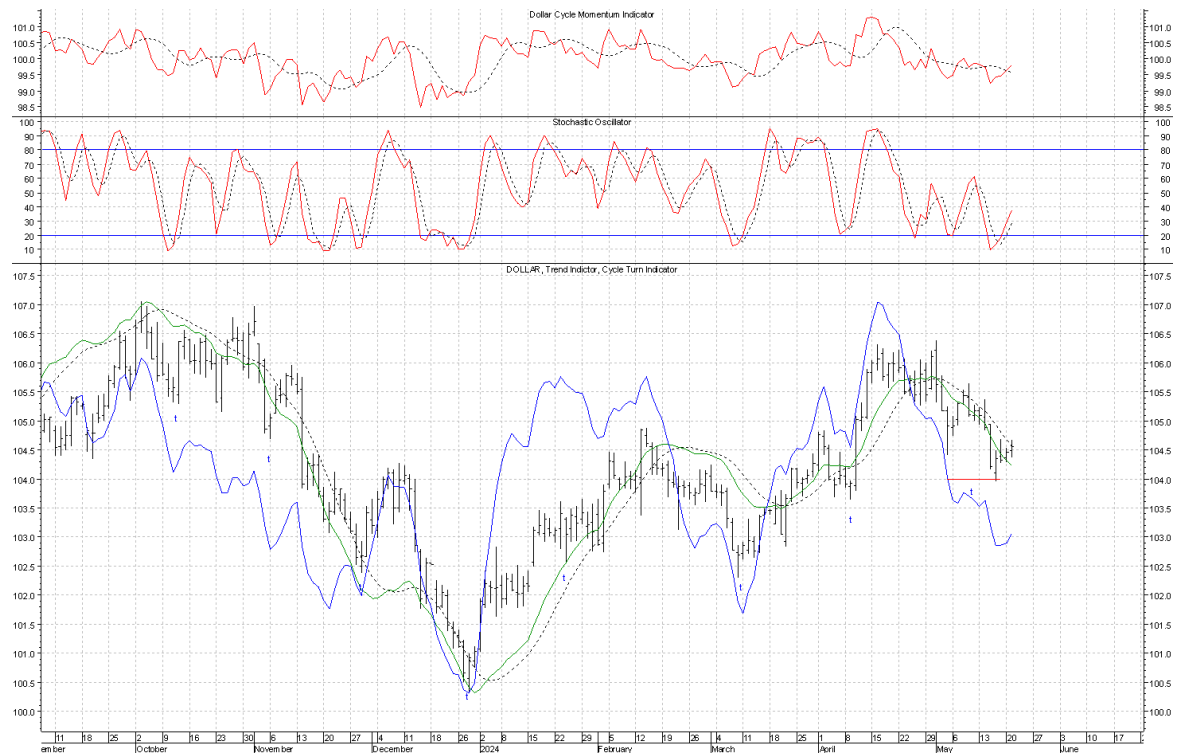
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

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

The timing band for the current trading cycle low runs between May 5th and May 17th. As discussed in the short-term updates last week and in the May Research Letter this past weekend, this low was either seen on May 3rd, in which case we have a failed and left-translated trading cycle at play, or with the additional push down into the May 16th daily swing low. The assumption has been that this low was seen on May 3rd and that we have a failed and left-translated trading cycle at play. On May 17th the Dollar completed the formation of a daily swing low, but because of the reversal lower a short-term buy signal was not triggered. With the upturn of the daily **CTI** that has followed, a short-term buy signal was triggered. But, with Monday and Tuesday both being inside days with respect to the Friday, May 17th, price bar, I would like to see a close above Friday's high as confirmation of this buy signal. If that confirmation is seen, then the evidence will point toward the trading cycle low having been seen on May 16th rather than on May 3rd. In

the event we are seeing the trading cycle low here, I would ideally like to see another trading cycle down into the higher degree intermediate-term cycle low. More on that once we determine the phasing of the trading cycle. Another daily swing high will be completed on Wednesday if 104.67 is not bettered and if 104.36 is violated.



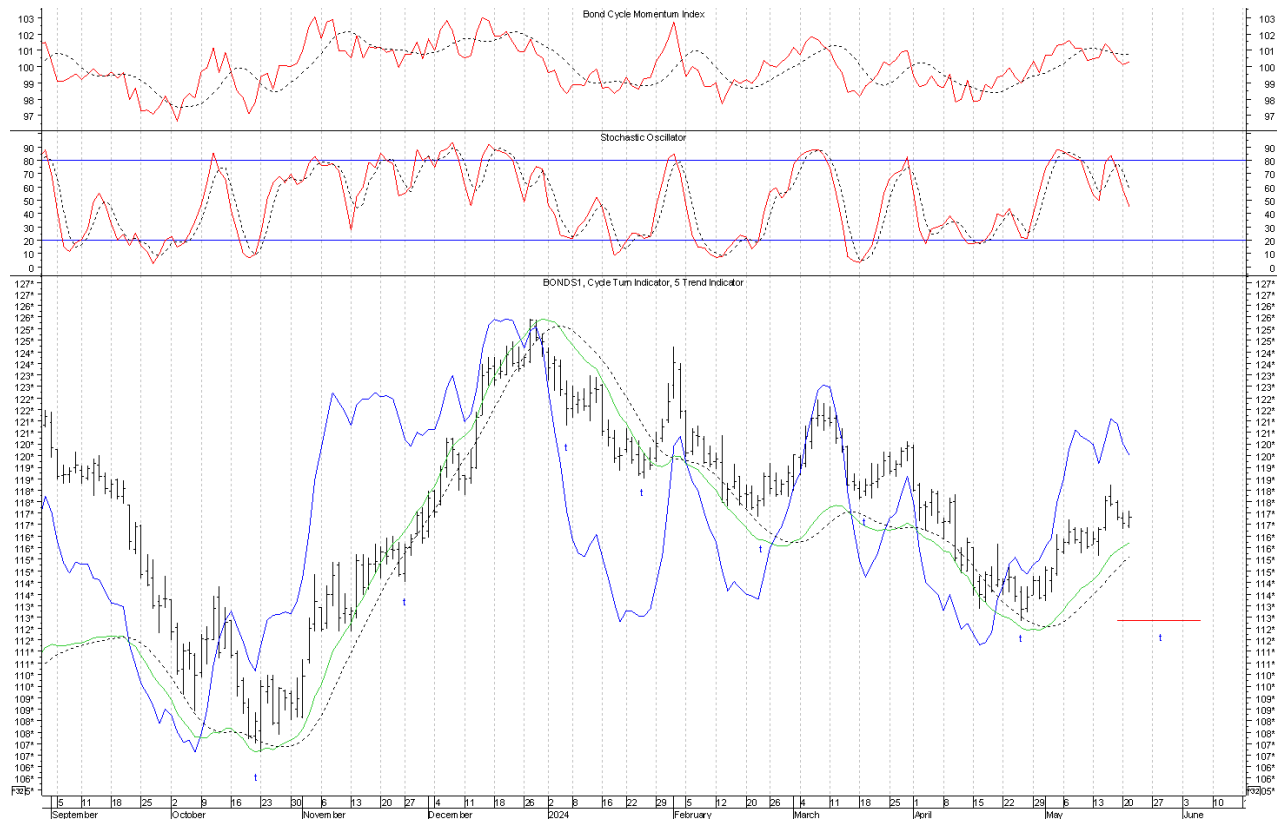
## Bonds

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</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

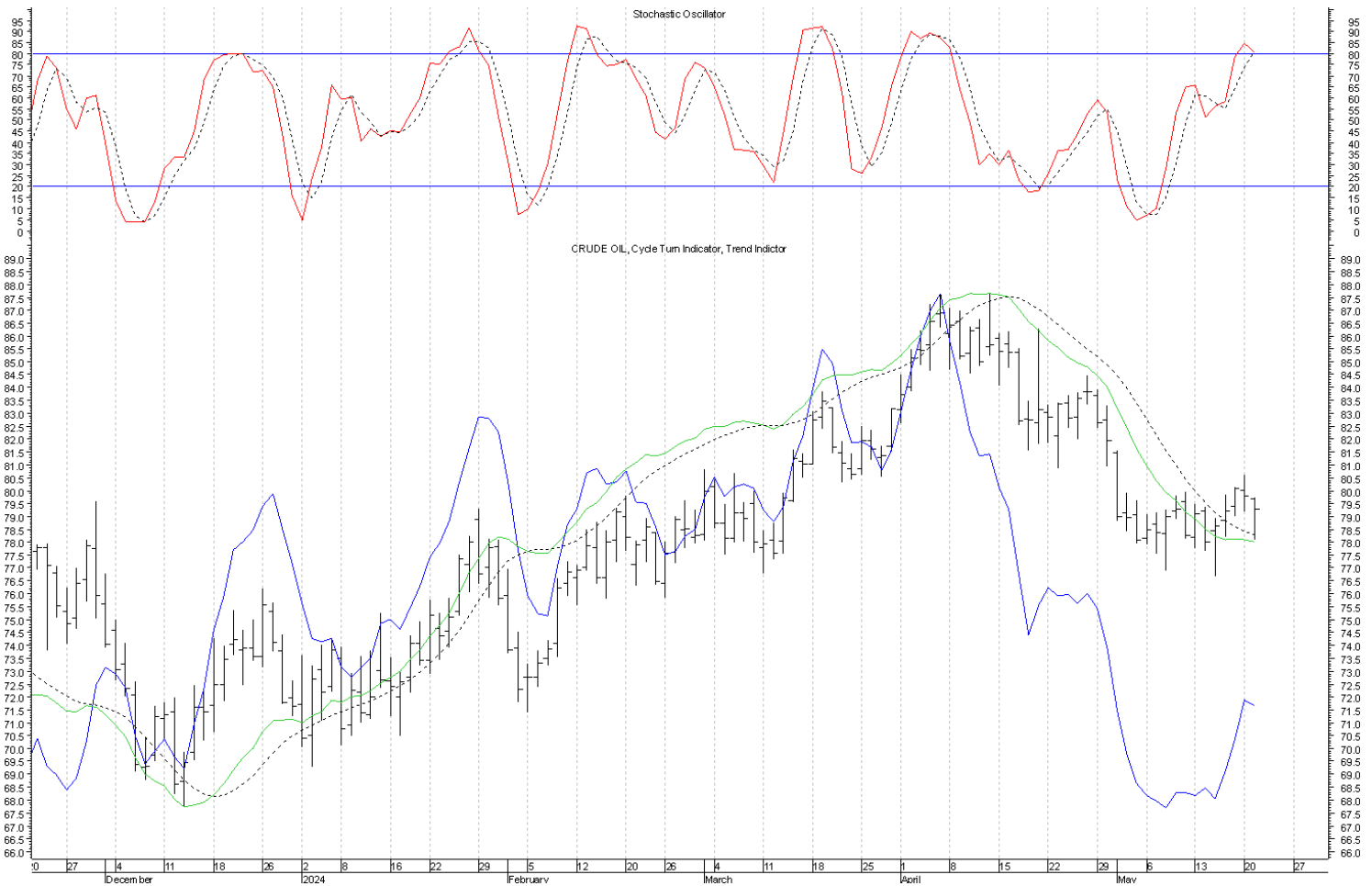
The timing band for the now pending trading cycle low runs between May 17th and June 6th. Given the May 17th short-term sell signal and with price just now moving into the early side of the timing band for this low, I would ideally like to see another push down into the trading cycle low. However, with the completion of a daily swing low on Tuesday, any further advance that turns the daily **CTI** up will trigger a short-term buy signal and the assumption will have to be that the trading cycle low has 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. Accordingly, the expectation has been for the decline into the trading cycle low to be counter-trend and thus far that expectation appears to be on track. Once a short-term buy signal is

triggered, this low should be in place, leaving Bonds positioned to continue higher in association with the intermediate-term cycle advance.



## Crude Oil

On Tuesday Crude Oil completed the formation of a daily swing high and with the downturn of the daily **CTI**, a short-term sell signal was triggered. The expectation was for the advance out of the May 15th daily swing low to be counter-trend and this sell signal now leaves this advance at risk of having run its course. Any further weakness that completes the formation of another weekly swing high will further serve as confirmation to that effect. Any additional advance should be in association with an ending push up in association with this counter-trend advance. Another daily swing low will be completed on Wednesday if 78.08 holds and if 79.72 is bettered.



©2024 Cycles News & Views; All Rights Reserved

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