

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 June 6, 2024

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

June 6, 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	Bullish
New High New Low Diff	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
<i>*When this indicator is Bullish it is negative for the market and visa versa.</i>	

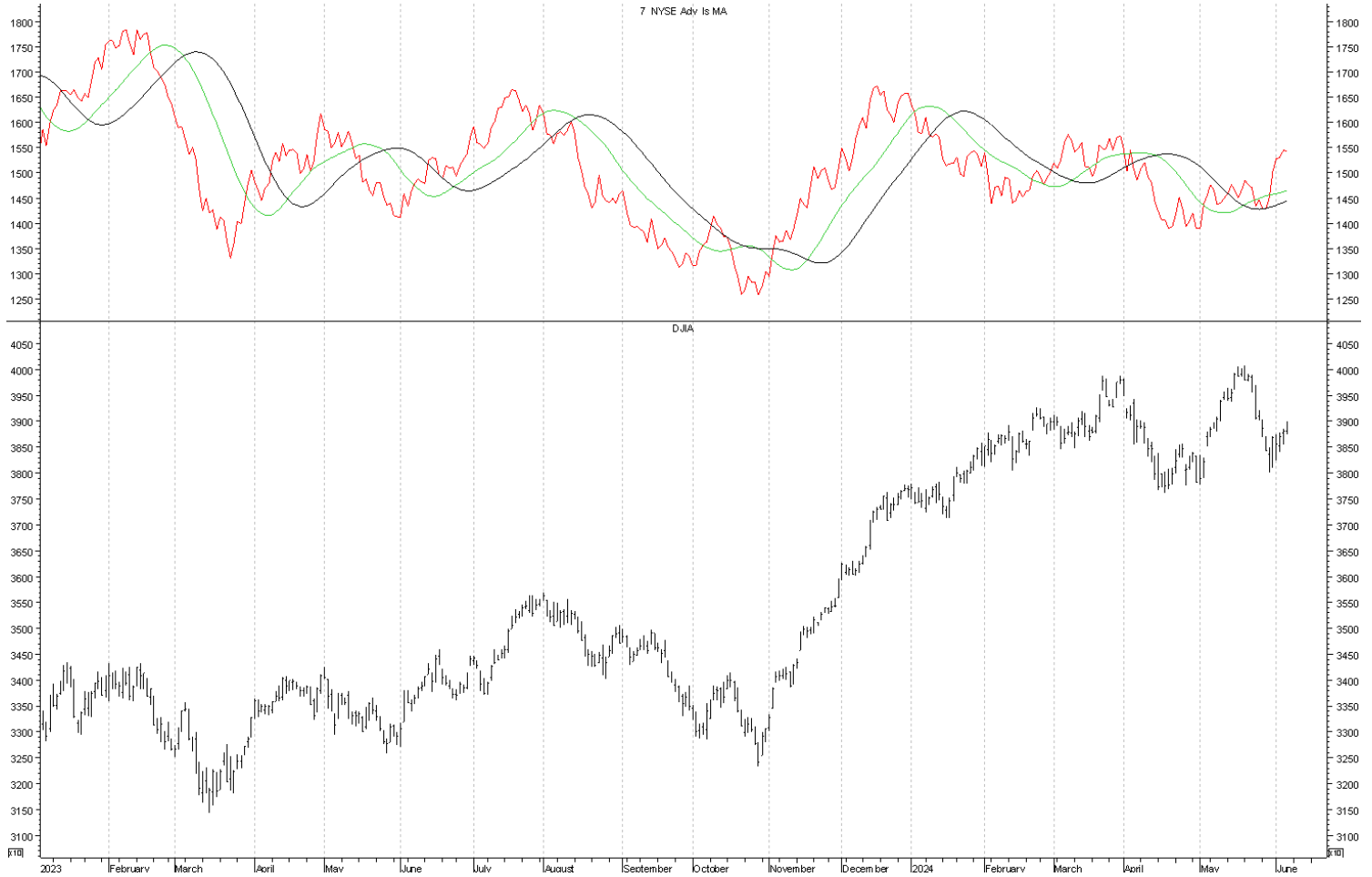
Daily Indicator Summary Short-Term Sell/Neutral	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term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

The timing band for the current trading cycle low on the Industrials runs between May 28th and June 14th. In spite of the ongoing absence of the triggering of a short-term buy signal on the Industrials, it has been my believe that the trading cycle low was seen in conjunction with the May 30th daily swing low. With the S&P 500, the Nasdaq 100, the Nasdaq Composite and the Sox all having bettered their previous trading cycle tops every indication now is that the trading cycle low was in fact seen in conjunction with the May 30th daily swing low. Any further advance on the Industrials that turns ALL Three of the Primary Short-Term Indicators into gear to the upside will trigger a short-term buy signal. Structurally, this trading cycle advance must reverse last week's completion of a weekly swing low and accompanying intermediate-term sell signal, in conjunction with a right-translated trading cycle advance, in order to negate the possibility of a left-translated intermediate-term cycle top. Otherwise, a failed and/or left-translated trading cycle advance on the Industrials will leave them at increased risk of a left-translated intermediate-term cycle top, which will in turn be suggestive of the higher degree cycle tops having been seen. The expectation has been for

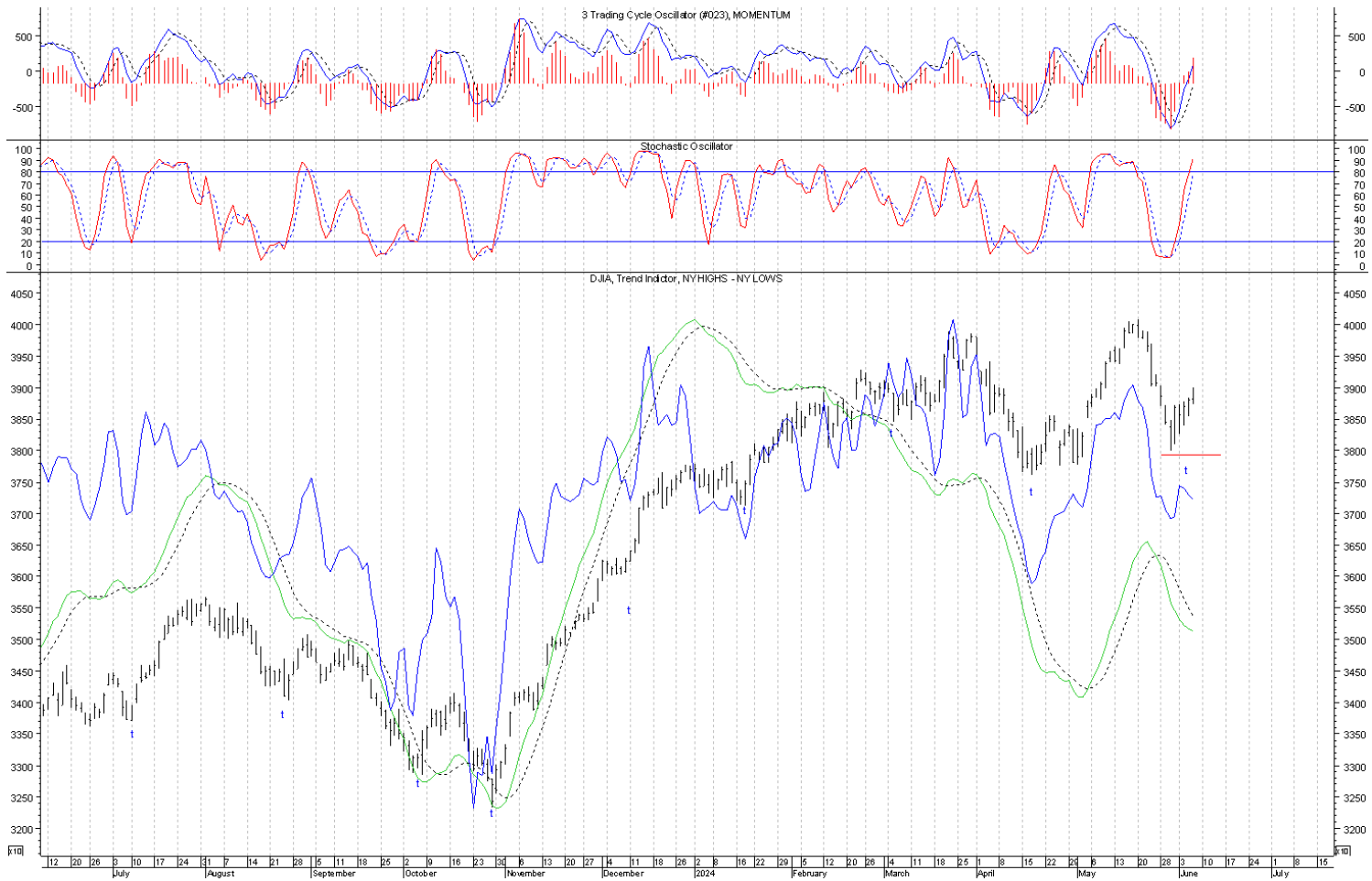
there to be at least one and ideally two additional trading cycles up in conjunction with the current intermediate-term cycle advance as the higher degree setting up of the CheckMate Chart takes form similar to the 2007 and 2020 tops. Thus far, that expectation has not changed. But, should the current risk of a left-translated intermediate-term cycle top fail to be mended in conjunction with the current trading cycle advance, then such failure will be suggestive of a setting up of the CheckMate Chart more akin with the 2000 top rather than with the 2007 and 2020 tops. For this reason, the advance out of the current trading cycle low remains key! More on this as it develops.

The short-term sell signal on Crude Oil had carried price to oversold levels and on Wednesday a daily swing low was completed. The upturn of the daily CTI on Thursday triggered a short-term buy signal, but the expectation is for this to be in association with another counter-trend advance. Gasoline also completed the formation of a daily swing low on Wednesday with a short-term buy signal following on Thursday. But, here too, this advance should again be counter-trend. Natural Gas triggered a short-term buy signal on Monday and thus far, that signal remains intact, but the expectation is for it to be a counter-trend/retest of the higher degree intermediate-term cycle top. The CRB Index triggered a short-term buy signal on Thursday, but here too, the expectation is for it to be in association with a counter-trend/retest of the higher degree intermediate-term cycle top. Gold completed the formation of a daily swing low on Wednesday and with the upturn of the daily CTI, another short-term buy signal was triggered. As a result of this signal and the continued advance on Thursday, every indication is that the May 24th daily swing low has proven to have marked an early trading cycle low. The XAU triggered a short-term buy signal on Thursday and every indication is that the trading cycle low was seen on June 4th. No change with the Dollar. The short-term sell signal remains intact and the trading cycle low should ideally still lie ahead. The advance out of the May 29th trading cycle low remains intact. The expectation was for this trading cycle advance to carry the long-Bond higher in conjunction with the intermediate-term cycle advance and with the completion of a weekly swing low and what is thus far the re-triggering of an intermediate-term buy signal, this expectation has proven correct. It should now be with this advance we begin to see increased pressure on rates as we move toward the initiation of the rate cutting cycle.

The Intermediate-Term Advancing Issues Line, plotted in red, ticked marginally lower on Thursday, but the overall upturn continues to be reflective of the advance out of the trading cycle low. The Green MA continues its upturn above the Black MA, which is reflective of the intermediate-term cycle low.

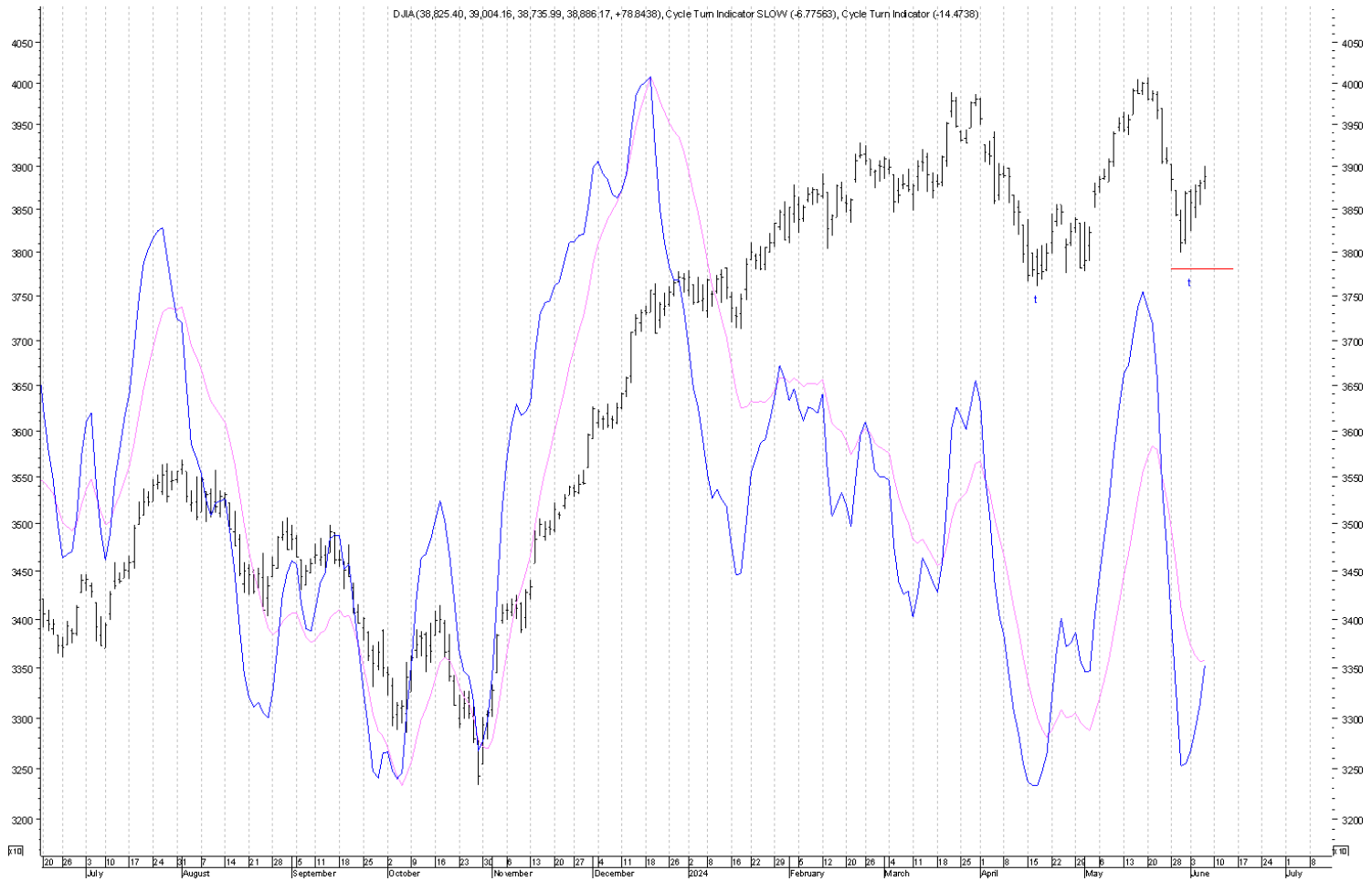


The **Trading Cycle Oscillator** in the upper window continues its upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window has now moved into overbought territory, making conditions ripe for a possible top. The **New High/New Low Differential**, plotted with price, ticked back down on Tuesday and has not yet turned back up. The **Trend Indicator** continues its decline below the trigger line and the divergence that has formed since the January high continues to be reflective of the pending seasonal and higher degree cycle tops.

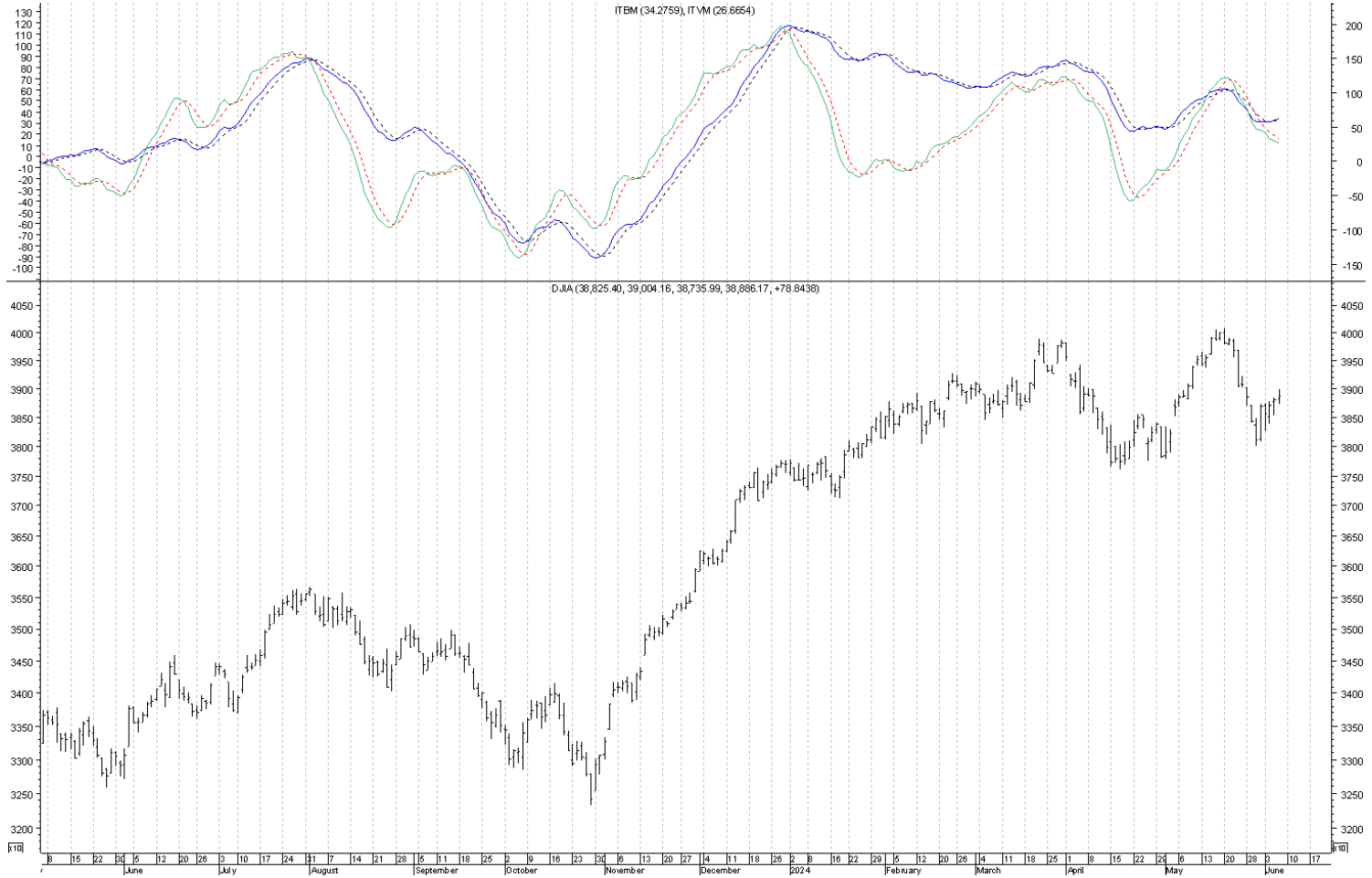


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn** Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

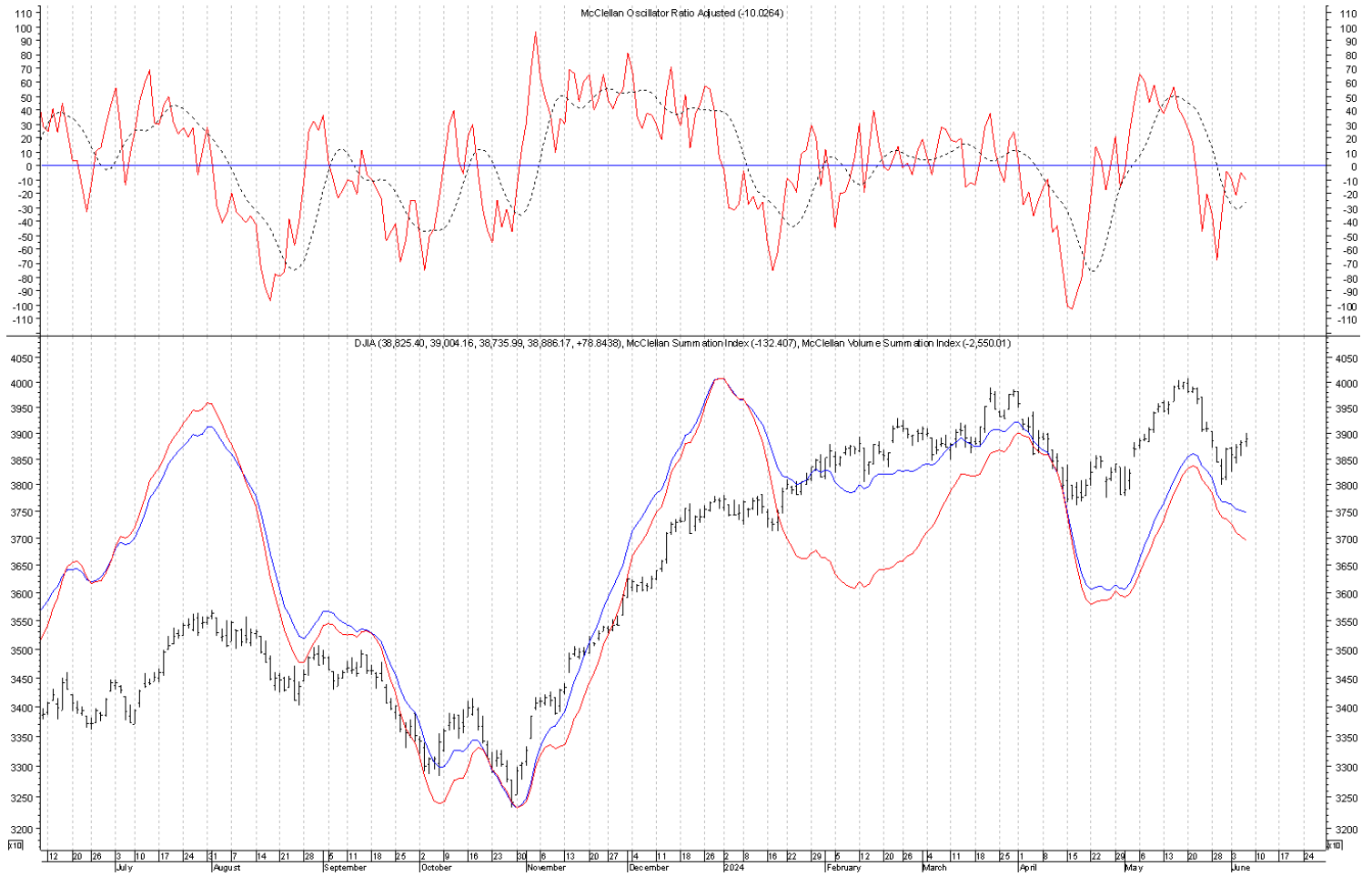
The price action on May 31st completed the formation of a daily swing low, turning Two of the Three Primary Short-Term Indicators up. As of the close on Thursday, we still have a daily swing low in place, but in spite of the continued advance, with only Two of the Three Primary Short-Term Indicators positive, a short-term buy signal has still not been triggered. Any further strength that turns ALL Three of these indicators into gear to the upside will trigger a short-term buy signal in association with this trading cycle low. To the contrary, with the S&P 500, the Nasdaq 100, the Nasdaq Composite and the Sox all having bettered their previous trading cycle tops, any additional weakness that completes the formation of another daily swing high will be suggestive of a failing and left-translated trading cycle top.



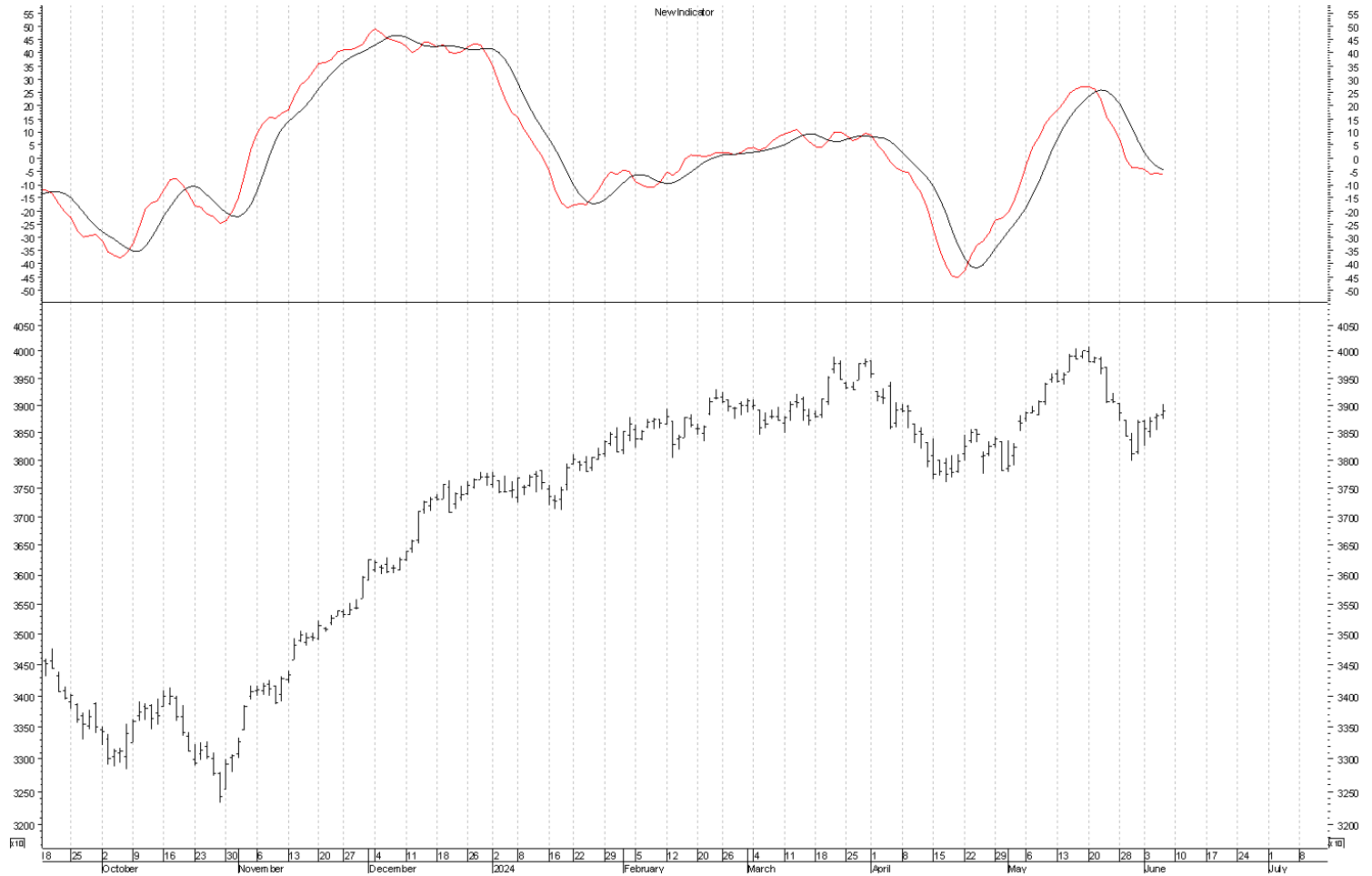
The **Intermediate Term Breadth Momentum Oscillator** has turned above its trigger line in conjunction with the advance out of the May 30th trading cycle low. The **Intermediate Term Volume Momentum Oscillator** remains below its trigger line, which thus far is suggestive of a weak trading cycle advance.



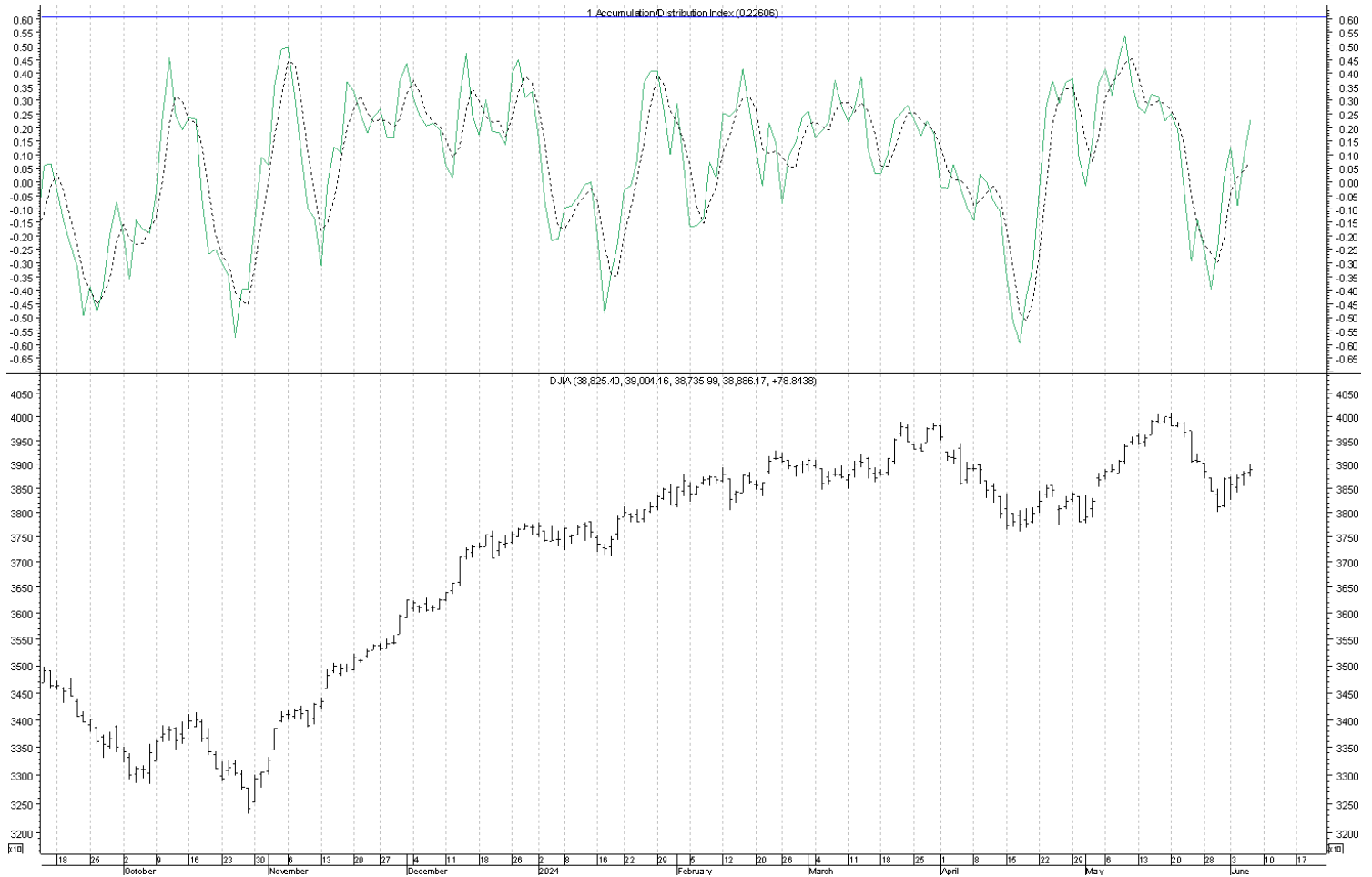
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** remain negative and upturns here will also be further reflective of the trading cycle low. The **Ratio Adjusted McClellan Oscillator** in the upper window has again ticked back down, but remains above its trigger line, which makes it still positive as we use it and the overall upturn of this indicator continues to be suggestive of the trading cycle low having been seen. The triggering of a short-term buy signal and crossing above both the trigger and zero lines should serve as confirmation of the buy signal.



The smoothed McClellan oscillator remains below its trigger line. A crossing back above the trigger line in conjunction with the triggering of a short-term buy signal should also serve as confirmation of the short-term buy signal in association with the advance out of this trading cycle low.



The **Accumulation/Distribution Index** has turned back up and in doing so the oscillator picture here is also further reflective of the trading cycle low. Failure to see the triggering of a short-term buy signal in association with the May 30th daily swing low will put the Industrials at increased risk of a violation of the April 17th trading cycle low and a left-translated intermediate-term cycle top.



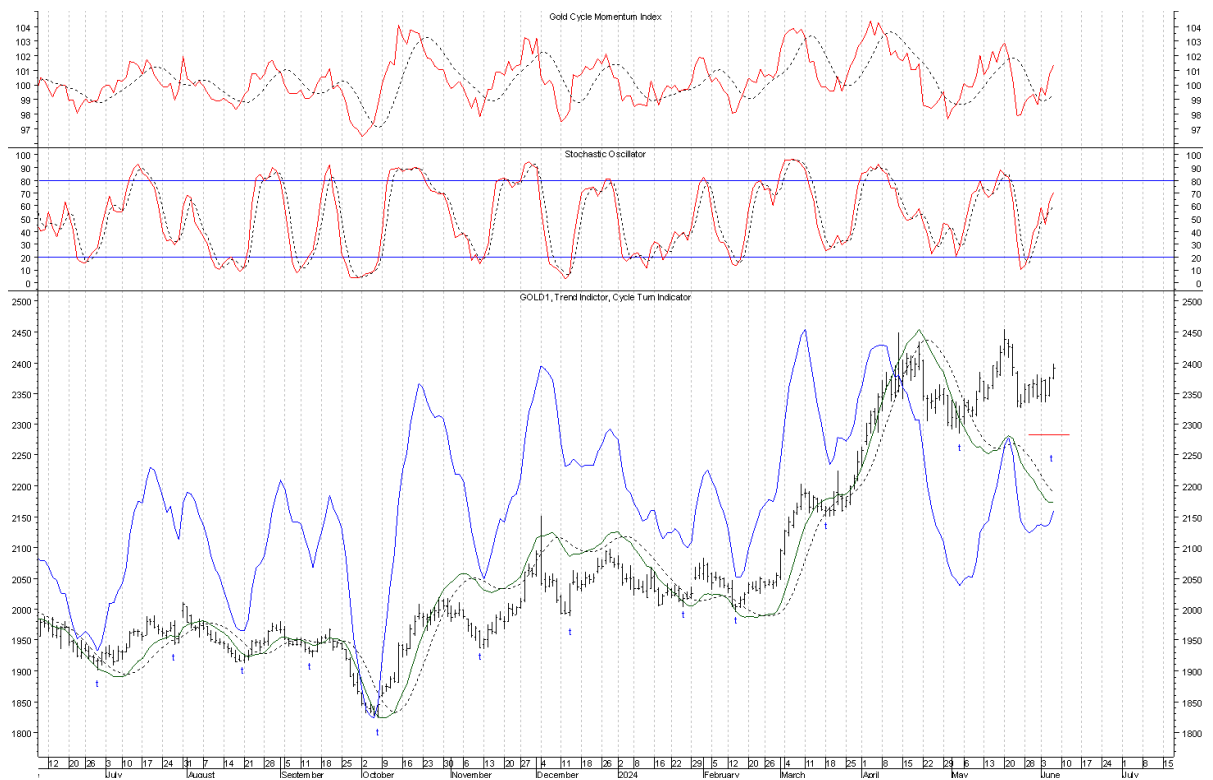
Gold

End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell	
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

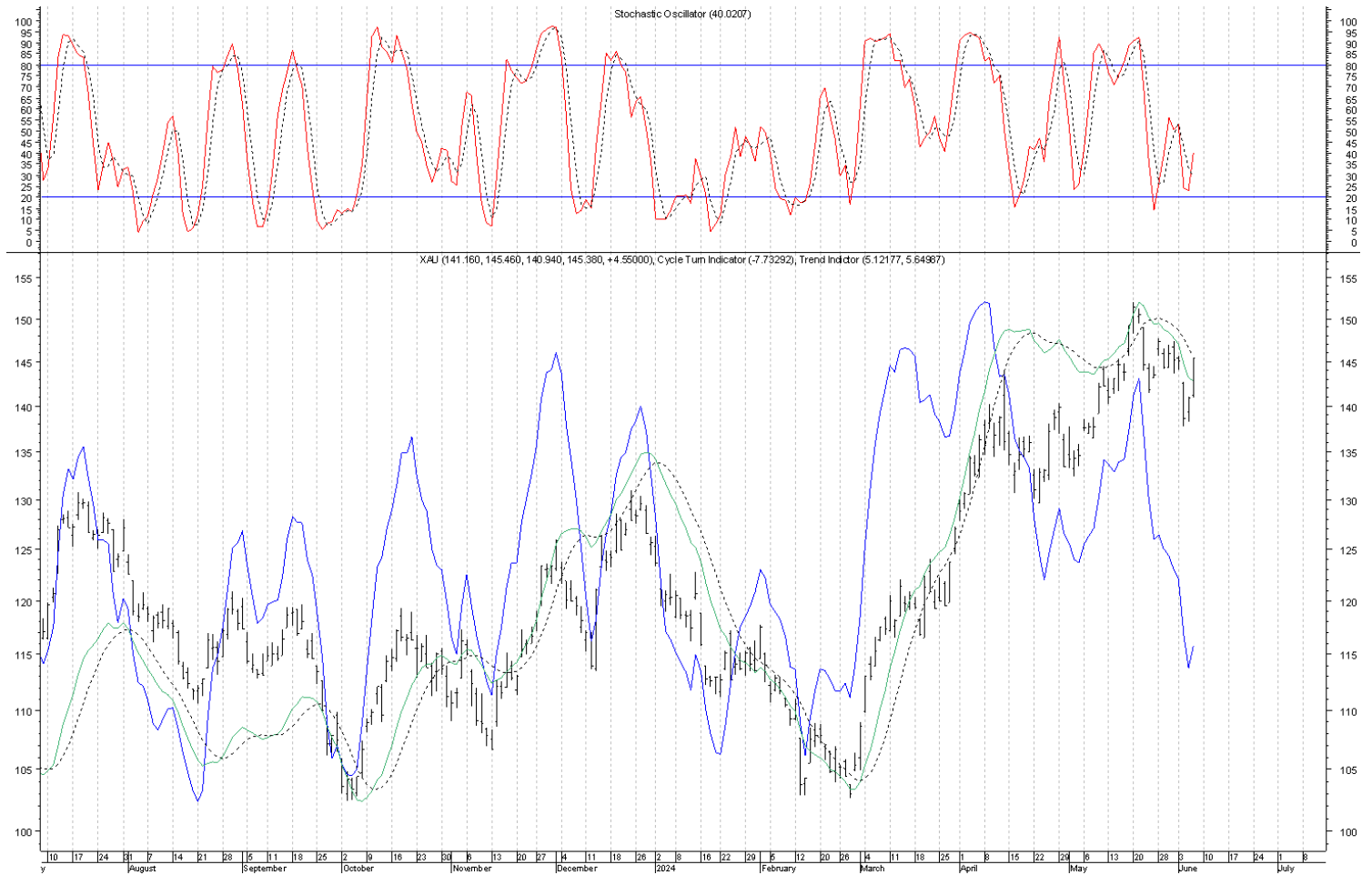
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the current trading cycle low runs between May 29th and June 12th. As discussed in recent updates, in spite of the short-term buy signal that was triggered in association with the advance out of the May 24th daily swing low, with the May 24th daily swing low having occurred prior to price moving into the timing band, there should have ideally been another push down into the trading cycle low. On Wednesday Gold completed the formation of a daily swing low and with the upturn of the daily CTI another short-term buy signal was triggered. Given that buy signal and with Gold now sitting in the latter portion of the timing band for this low, every indication now is that the trading cycle low was seen on May 24th. Structurally, this trading cycle advance will serve as another retest of the higher degree intermediate-term cycle top, which

should be in place. A failed and left-translated trading cycle advance will leave Gold positioned for greater weakness in association with the decline out of the intermediate-term cycle top. Another daily swing high will be completed on Friday if 2,397.80 is not bettered and if and if 2,372.20 is violated.



Our daily chart of the XAU is next. The price action on Thursday completed the formation of a daily swing low and with the upturn of the daily **CTI**, a short-term buy signal was triggered. In doing so, the trading cycle low should be in place here as well. At a higher level, the XAU has completed the formation of a weekly swing high and the price/oscillator picture is suggestive of the intermediate-term cycle top. Accordingly, this trading cycle advance will serve as a retest of the intermediate-term cycle top and should ideally prove to be a counter-trend retest of that top. Another daily swing high will be completed on Friday if 145.46 is not bettered and if 140.94 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
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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

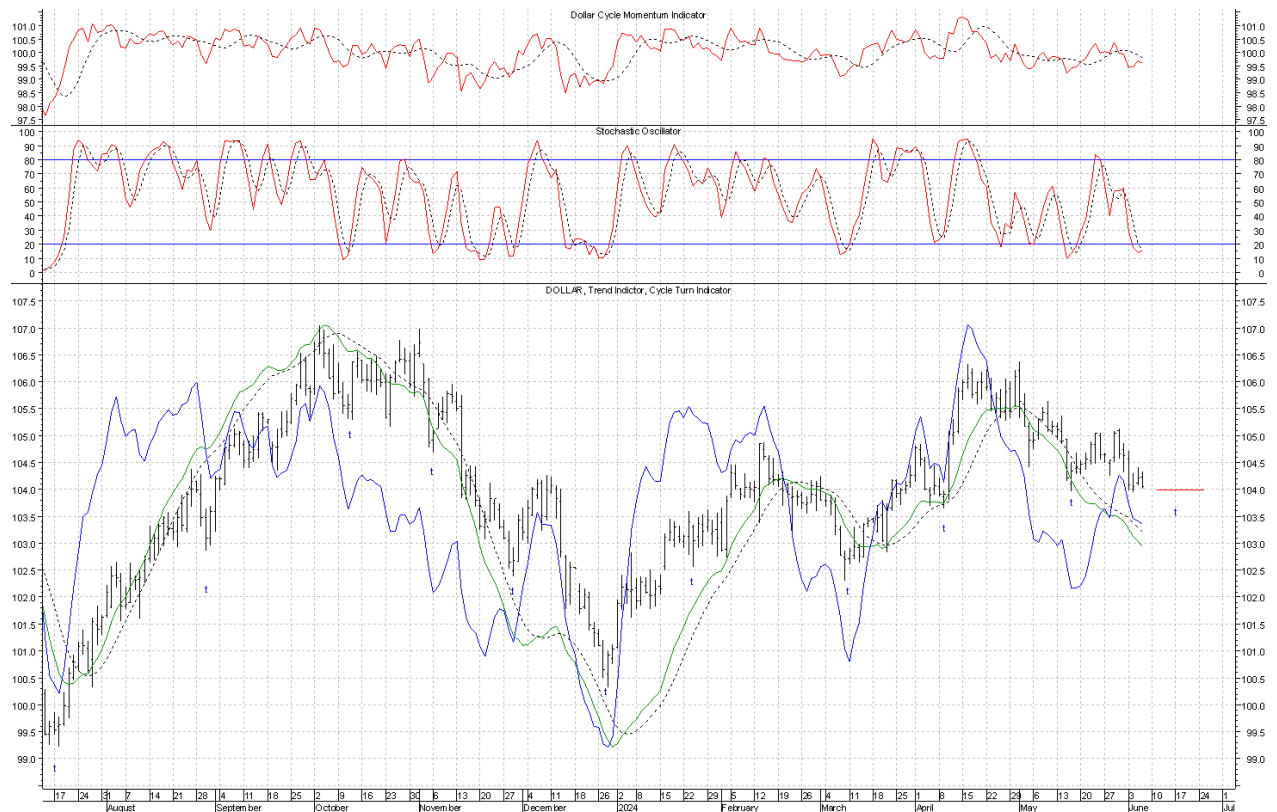
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish

Secondary Indicators

5 3 3 Stochastic	Bearish
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The trading cycle low was seen on May 16th and the timing band for the next trading cycle low runs between June 11th and June 25th. The price action on May 31st completed the formation of another daily swing high and with the downturn of the daily **CTI** a short-term sell signal was triggered. On Wednesday the Dollar completed the formation of a daily swing low, but in the absence of an accompanying upturn of the daily **CTI**, the short-term sell signal held. On Thursday another daily swing high was formed and the trading cycle low should ideally still lie ahead. However, with the higher degree intermediate-term cycle low also due, it is possible for this trading cycle low to occur early. Once a short-term buy signal is triggered, we can further assess the trading cycle low. A daily swing low will be completed on Friday if 104.01 holds and if 104.33 is

bettered. If the advance out of the pending trading cycle low completes the formation of a weekly swing low, the intermediate-term cycle low should be in place.

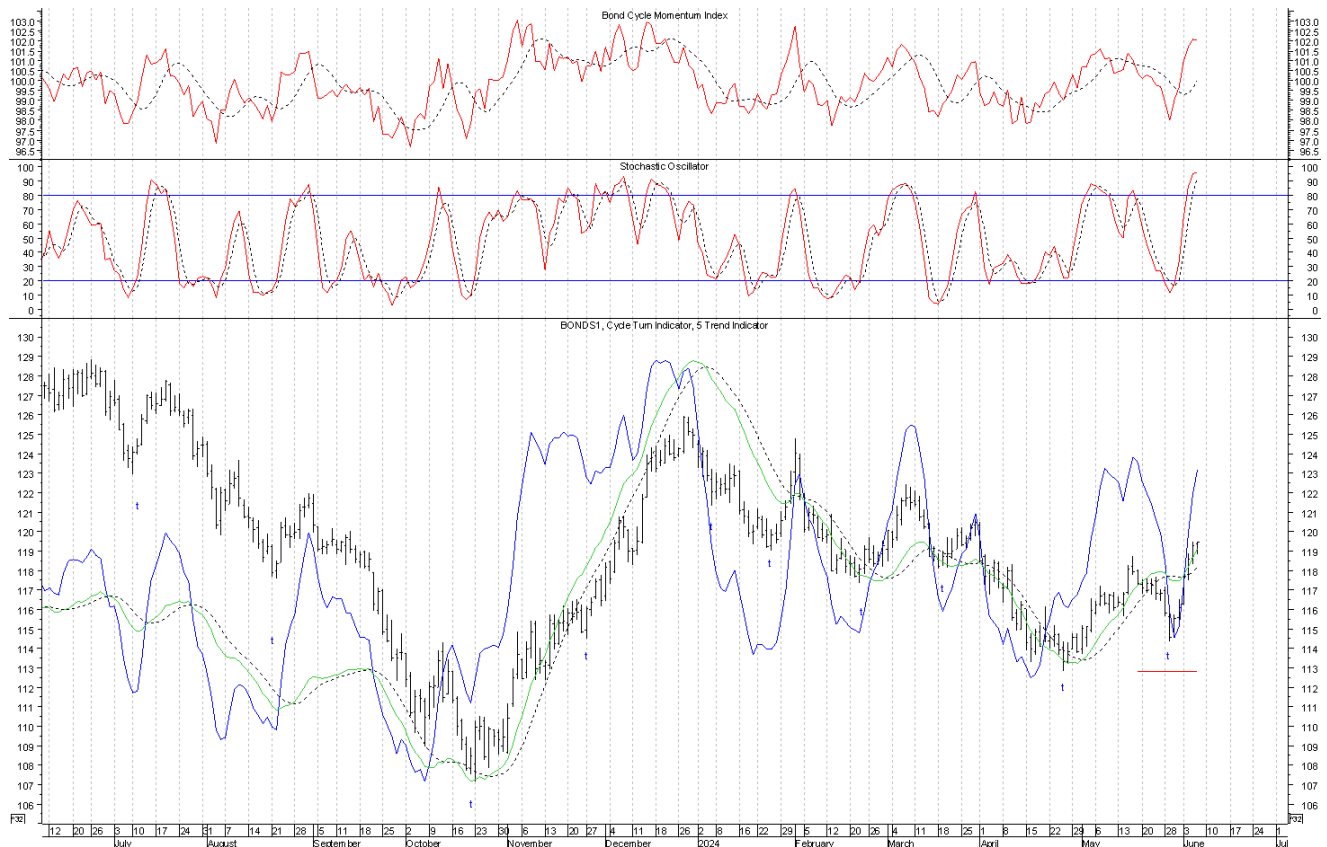


Bonds

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	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bullish

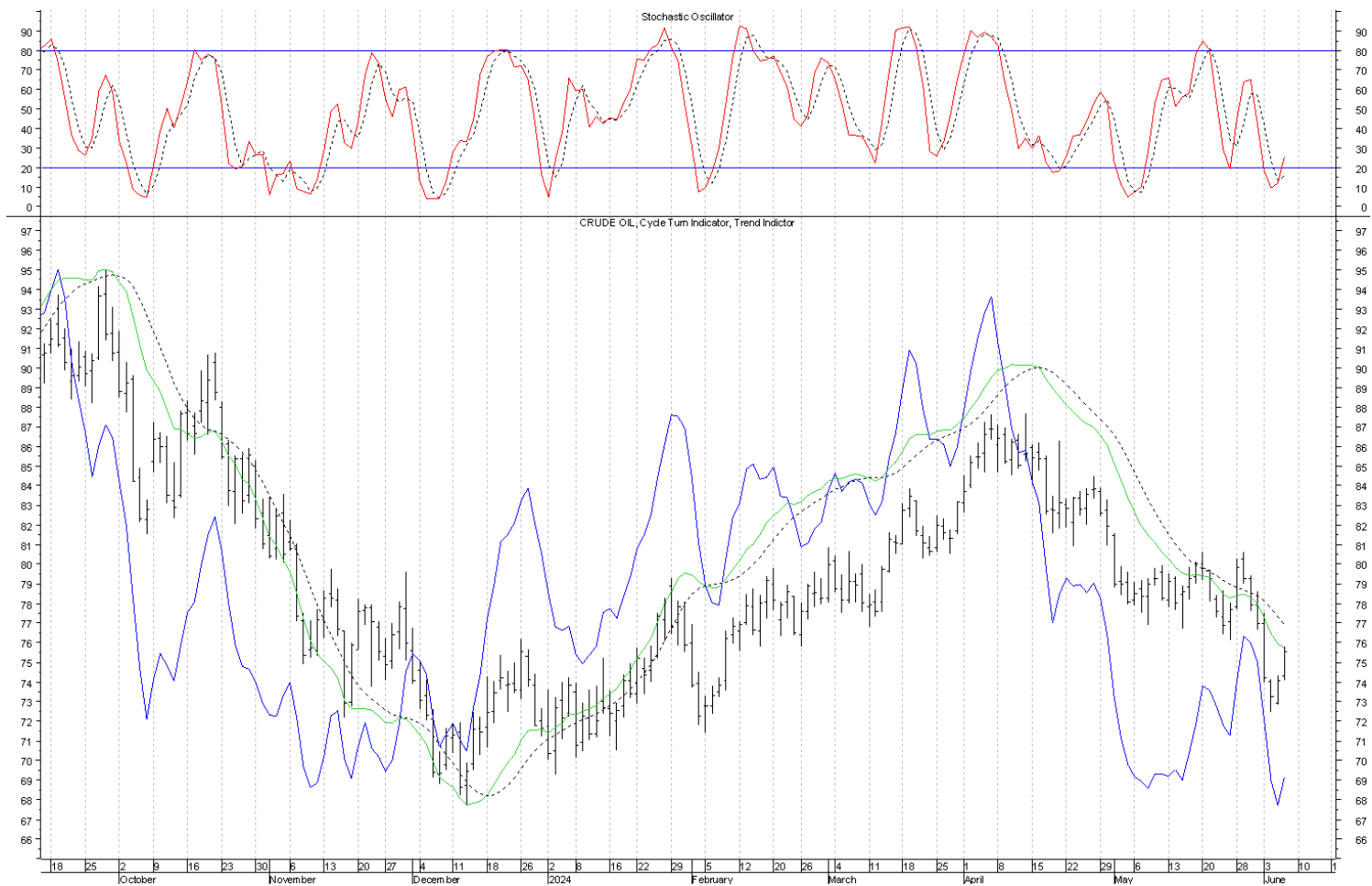
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the current trading cycle low runs between May 17th and June 6th. As discussed in the weekend update, this low was seen in conjunction with the May 29th daily swing low. No change with Bonds in that the short-term buy signal and advance out of this low remains intact. At a higher level, every indication has been that the intermediate-term cycle low was seen in conjunction with the April 25th trading cycle low. Accordingly, the expectation was for the decline into the trading cycle low to be counter-trend and with the completion of a weekly swing low and re-triggering of an intermediate-term buy signal this week, this has certainly proven correct. This short-term buy signal will remain in tact until another daily swing high and downturn of the daily CTI are seen.



Crude Oil

As discussed in the Tuesday night update, with the 5 3 3 Stochastic having moved to oversold levels, conditions had again ripened for a bounce and per the parameters given in the Tuesday night update Crude Oil completed the formation of a daily swing low on Wednesday. The additional advance on Thursday turned the daily CTI up, triggering a short-term buy signal, which 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 75.79 is not bettered and if 74.06 is violated. At a higher level, every indication is that the higher degree seasonal and 3-year cycle tops have been seen. Therefore, this advance, even if it should prove to be in conjunction with an intermediate-term cycle low it should be counter-trend.



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