

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 11, 2024

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

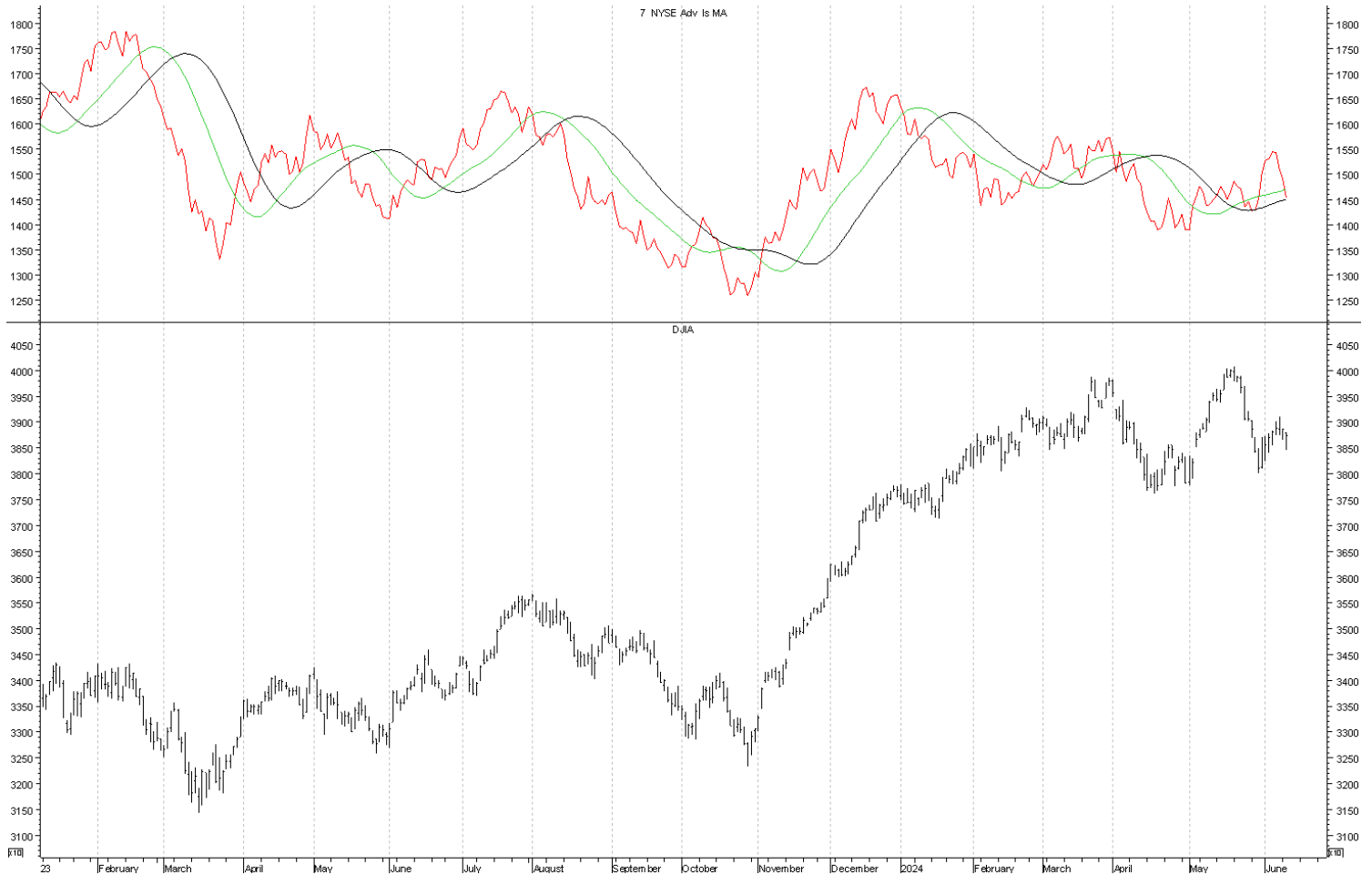
Daily Indicator Summary Short-Term Sell/Neutral	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term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

The timing band for the current trading cycle low on the Industrials runs between May 28th and June 14th. On Monday the Industrials completed the formation of a daily swing high and in spite of the ongoing absence of a buy signal, with the S&P 500, the Nasdaq 100, the Nasdaq Composite and the SOX all having bettered their previous trading cycle tops every indication continues to be that the trading cycle low was nonetheless seen in conjunction with the May 30th daily swing low. As a result, Monday's completion of a daily swing high leaves the Industrials at an increasingly important and vulnerable juncture. This weakness may simply be in association with a retest of the trading cycle low, but the risk is that it has the potential of also being in association with a failing and left-translated trading cycle advance. Structurally, in order to keep the intermediate-term advance out of the April 17th intermediate-term cycle low intact, this trading cycle advance cannot peak with a left-translated structure. To do so, will be suggestive of not only a left-translated trading cycle top, but also of a left-translated intermediate-term cycle top in conjunction with what will then be further suggestive of the higher degree cycle top/s as well. It is for this reason that the

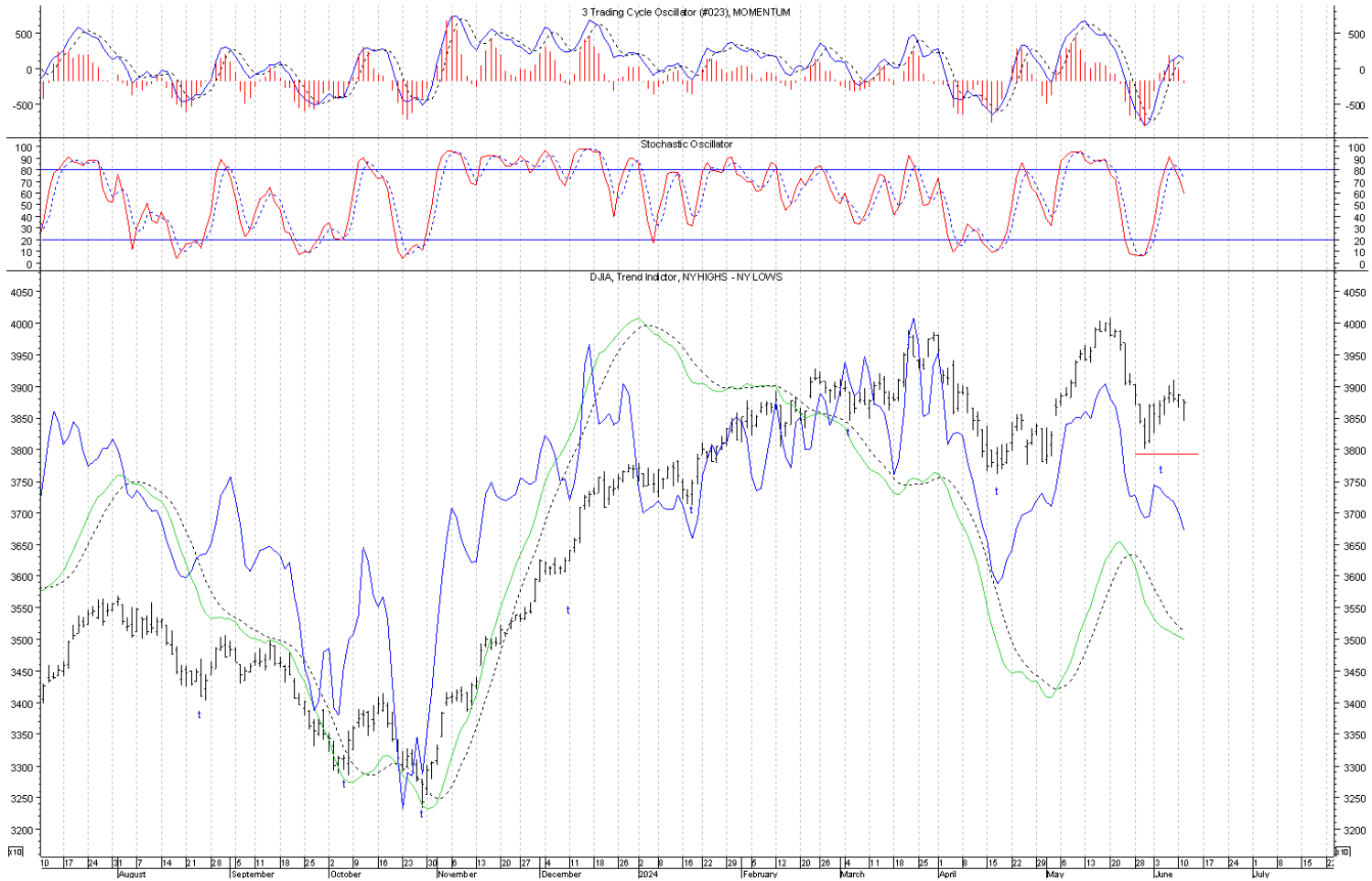
advance out of the May 30th trading cycle low has been and remains key. The expectation has been for there to be at least one and ideally two additional trading cycles up in conjunction with the current intermediate-term cycle advance as the higher degree setting up of the CheckMate Chart takes form 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 every thing changes in that such failure will be suggestive of a setting up of the CheckMate Chart more akin with the 2000 top, in which the Industrials peaked prior to the initiation of the rate cutting cycle, rather than with the 2007 and 2020 tops, in which case the initiation of the rate cutting cycle fueled Equities into one final push higher. More on this as it develops.

Crude Oil's advance out of the June 4th daily swing low remains intact and will continue to do so until a daily swing high and downturn of the daily CTI are seen. At a higher level, this advance is expected to be counter-trend. The advance out of the June 4th daily swing low on Gasoline also remains intact, but here too, is also expected to be counter-trend. The short-term buy signal on Natural Gas also remains intact. While a bettering of the May high has been seen, this should be an ending push into the intermediate-term cycle top. Last Thursday's short-term buy signal on the CRB Index also remains intact and here too, the expectation is for it to be in association with a counter-trend/retest of the higher degree intermediate-term cycle top. Every indication is that the trading cycle low in Gold was seen early in association with the May 24th daily swing low, but it is possible that we saw an additional push into that low on Friday. The price action this week should clarify this phasing. At a higher level, the intermediate-term cycle top should be in place. Friday's short-term sell signal on the XAU remains intact and the price/oscillator picture continues to point toward the trading cycle low having been seen in conjunction with the May 23rd daily swing low, which I believe to be synonymous with the May 24th daily swing low in Gold, leaving both positioned with left-translated trading cycles in association with the higher degree cycle top/s. The Dollar's reversal off its low on Friday was suggestive of the trading cycle low having been seen, which as reported here in the weekend update, until proven otherwise we will assumed to be the case. Given the completion of a daily swing low and upturn of the daily CTI on Monday, a short-term buy signal was triggered and every indication is that the trading cycle low was in fact seen early in conjunction with the higher degree intermediate-term cycle low. On Friday Bonds reversed lower, but in the absence of the completion of a daily swing high, a short-term sell signal was not triggered. On Monday Bonds completed the formation of a daily swing high triggering a short-term sell signal, but on Tuesday Bonds completed the formation of another daily swing low and while Bonds are currently still at risk of a left-translated trading cycle top, the expectation is for this trading cycle advance to carry the long-Bond higher in conjunction with the intermediate-term cycle advance. With the completion of a weekly swing low and upturn of the weekly CTI last week, an intermediate-term buy signal was triggered and 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 down last Thursday and that downturn has continued. The Green MA continues its upturn above the Black MA, which is reflective of the intermediate-term cycle low.

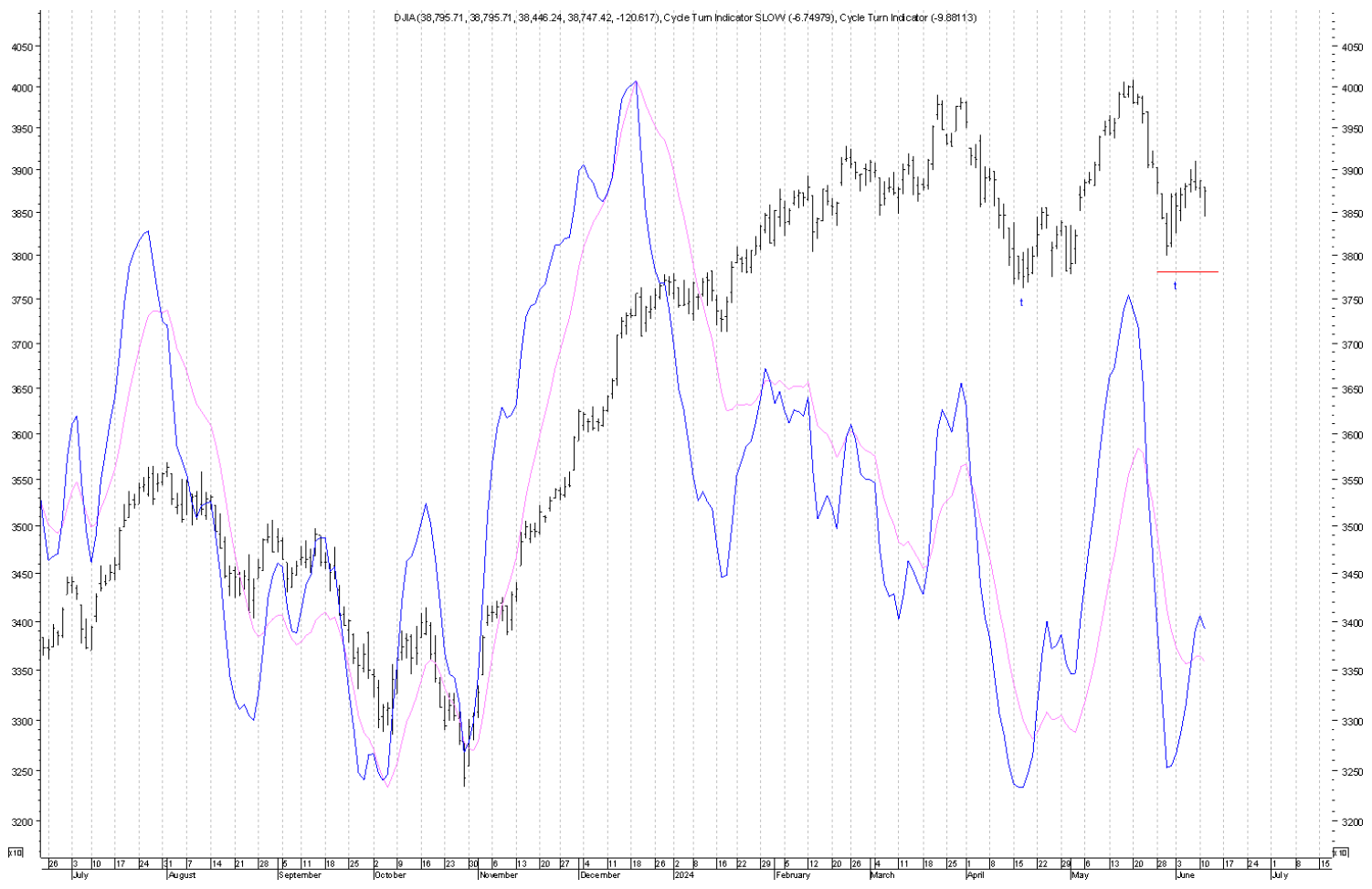


The **Trading Cycle Oscillator** in the upper window has crossed marginally below its trigger line and the **Momentum** Indicator has crossed below its zero line. The **5 3 3 Stochastic** in the middle window continues its downturn from overbought levels. The **New High/New Low Differential**, plotted with price, continues its downturn and has crossed below its trading cycle low, which in doing so I have to read as indicative of a failing and left-translated trading cycle. 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.

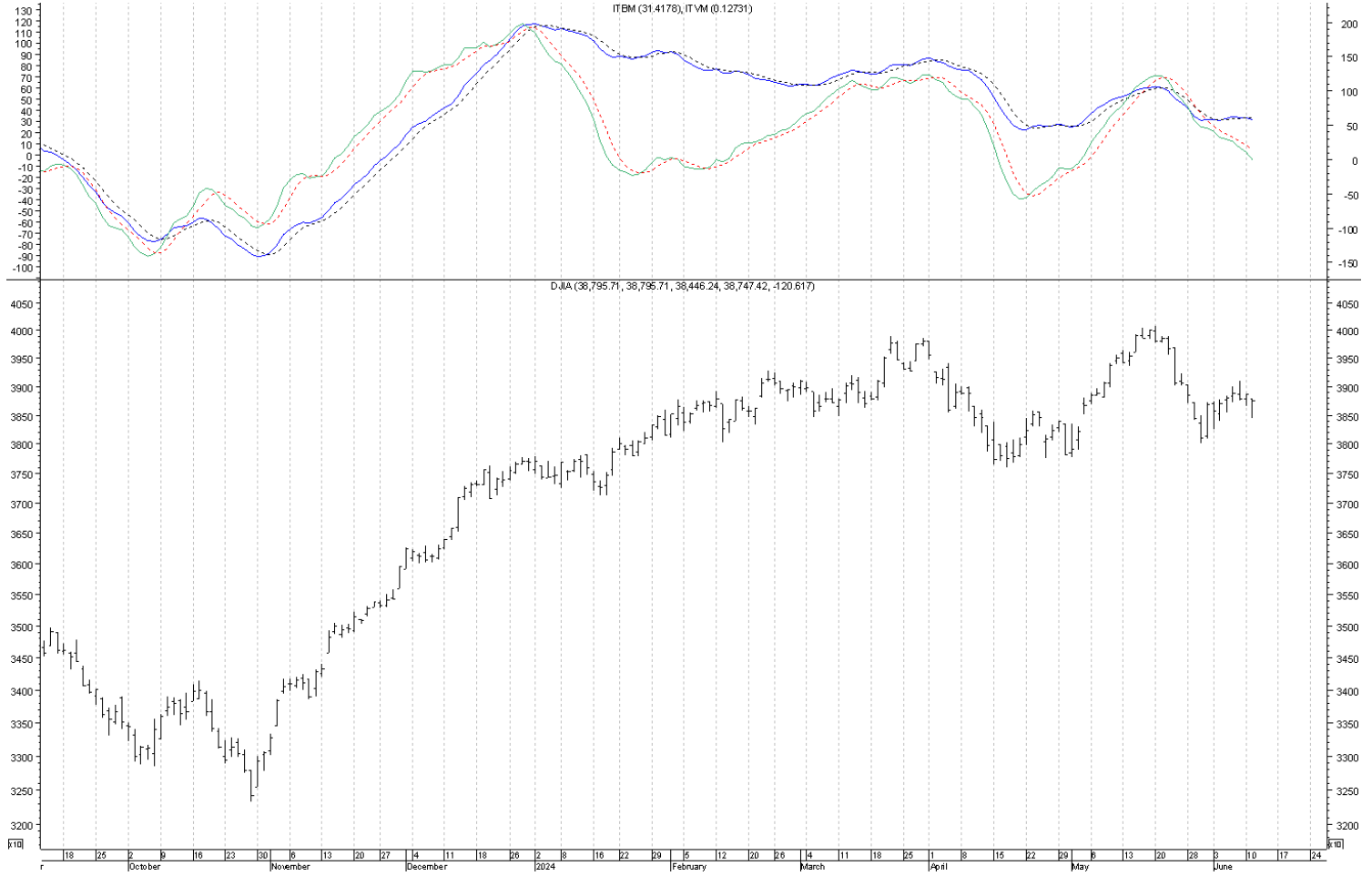


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

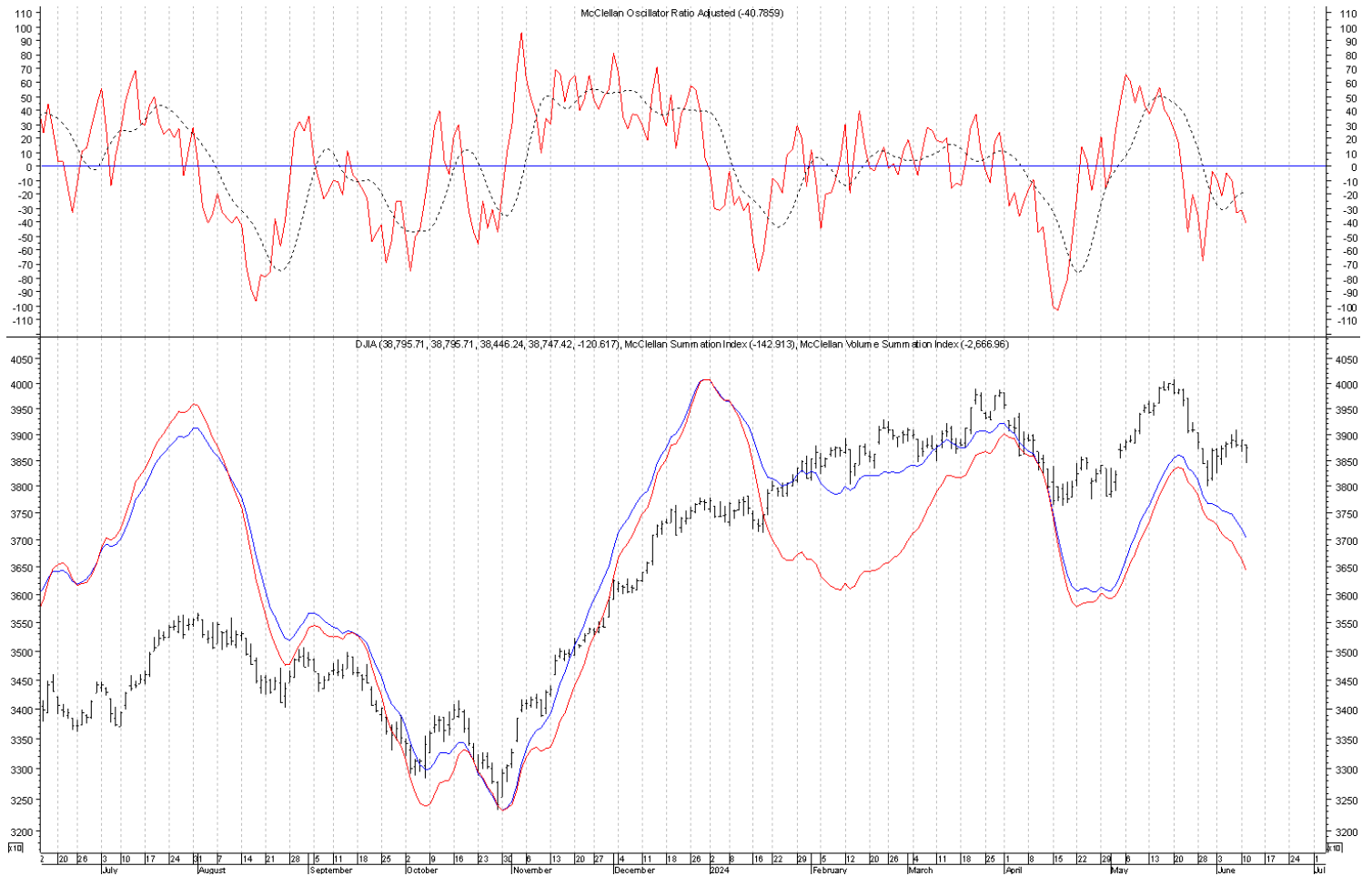
The price action on Monday completed the formation of another daily swing high and while price reversed off its lows on Tuesday, with ALL Three of the Primary Short-Term Indicators having turned down, a secondary short-term sell signal was triggered. I'm calling this a secondary signal because the ongoing short-term sell signal in association with the May 20th trading cycle top remains intact and was never reversed with the advance out of the May 30th trading cycle low. It is for this reason that the Industrials are at such a risky and critical juncture. In order to correct this risk, the May 30th trading cycle low must hold and higher prices in association with a right-translated trading cycle advance must follow. More on this as it develops.



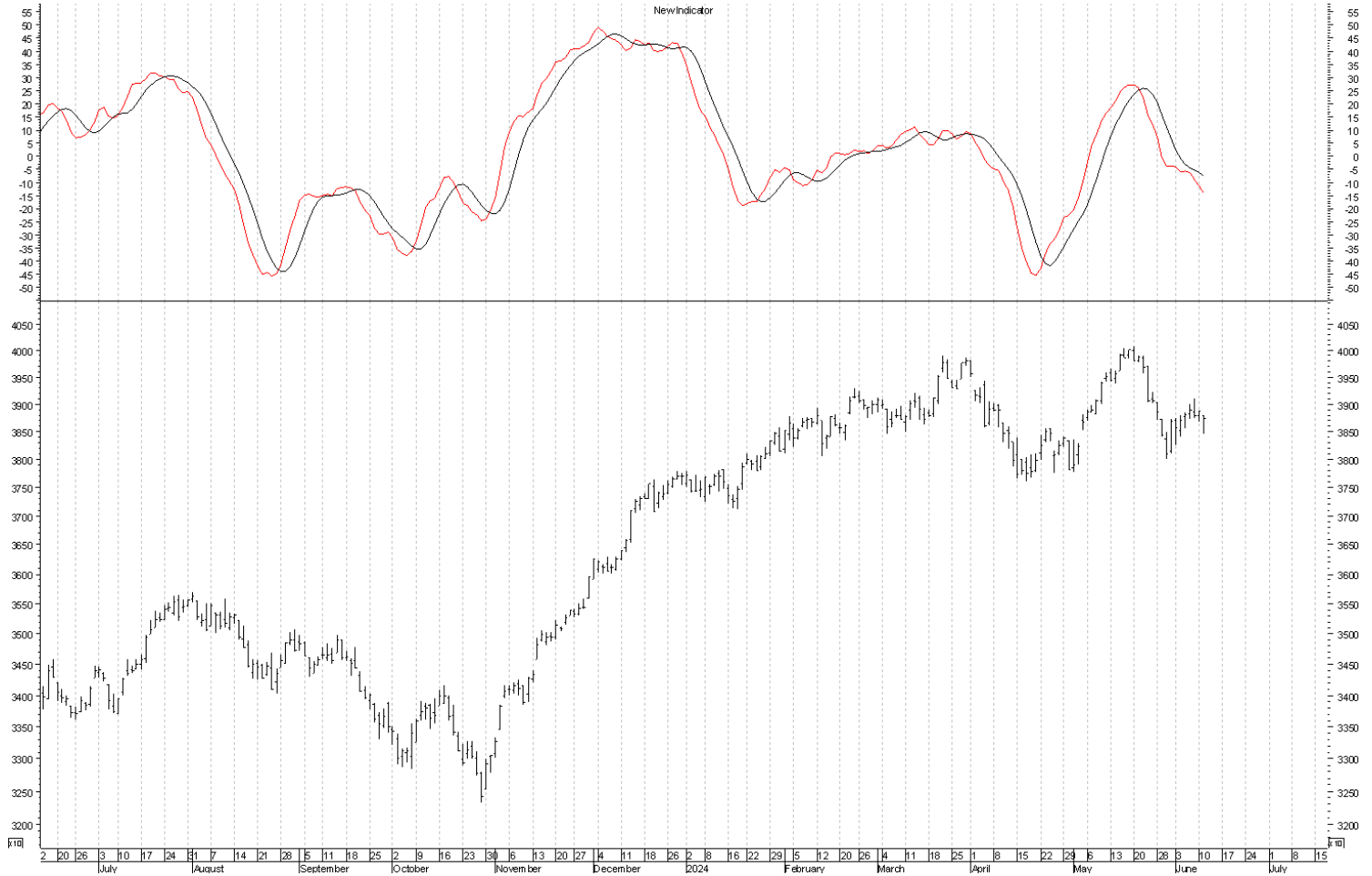
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** are again in gear to the downside and this behavior continues to be suggestive of a weak and failing trading cycle advance.



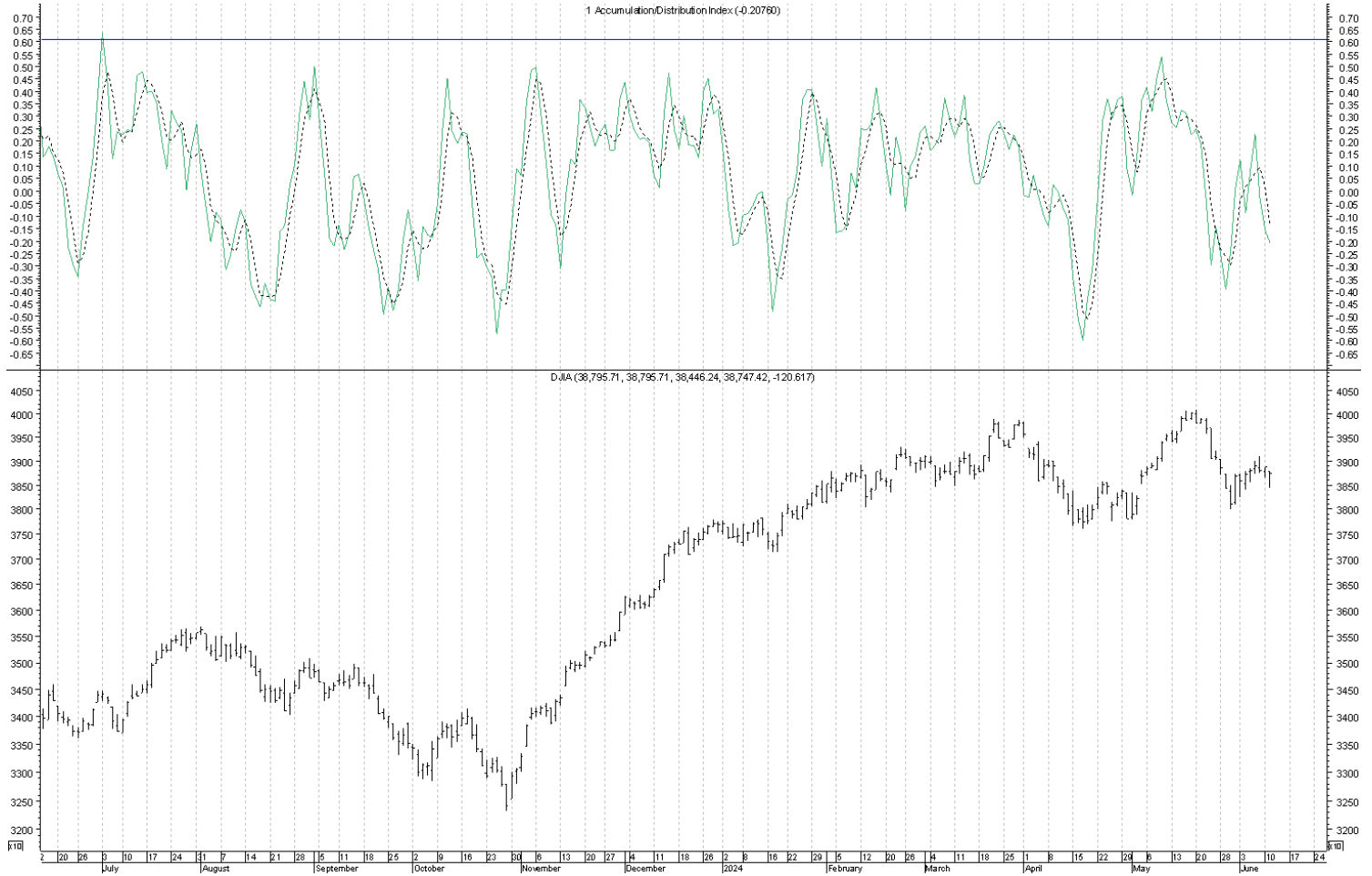
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** remain negative. While upturns here would be further reflective of the trading cycle low, the ongoing weakness also continues to be suggestive of a potentially failing trading cycle advance. The **Ratio Adjusted McClellan Oscillator** in the upper window continues its downturn below the trigger line. The upturn from two weeks ago continues to be reflective of the trading cycle low having been seen and the recent downturn also continues to be reflective of what thus far appears to be a weak and failing trading cycle advance. The triggering of a short-term buy signal and crossing above both the trigger and zero lines would serve as confirmation of the buy signal.



No change here. The smoothed McClellan oscillator remains below its trigger line. Here too, this ongoing downturn currently appears to be reflective of a weak and failing trading cycle advance. A crossing back above the trigger line in conjunction with the triggering of a short-term buy signal would serve as confirmation of the short-term buy signal in association with the advance out of the trading cycle low.



No change here. The upturn of the **Accumulation/Distribution Index** from two weeks ago is reflective of the trading cycle low and the downturn we are now seeing continues to be suggestive of what at this juncture has been a weak and potentially failing trading cycle advance.



Gold

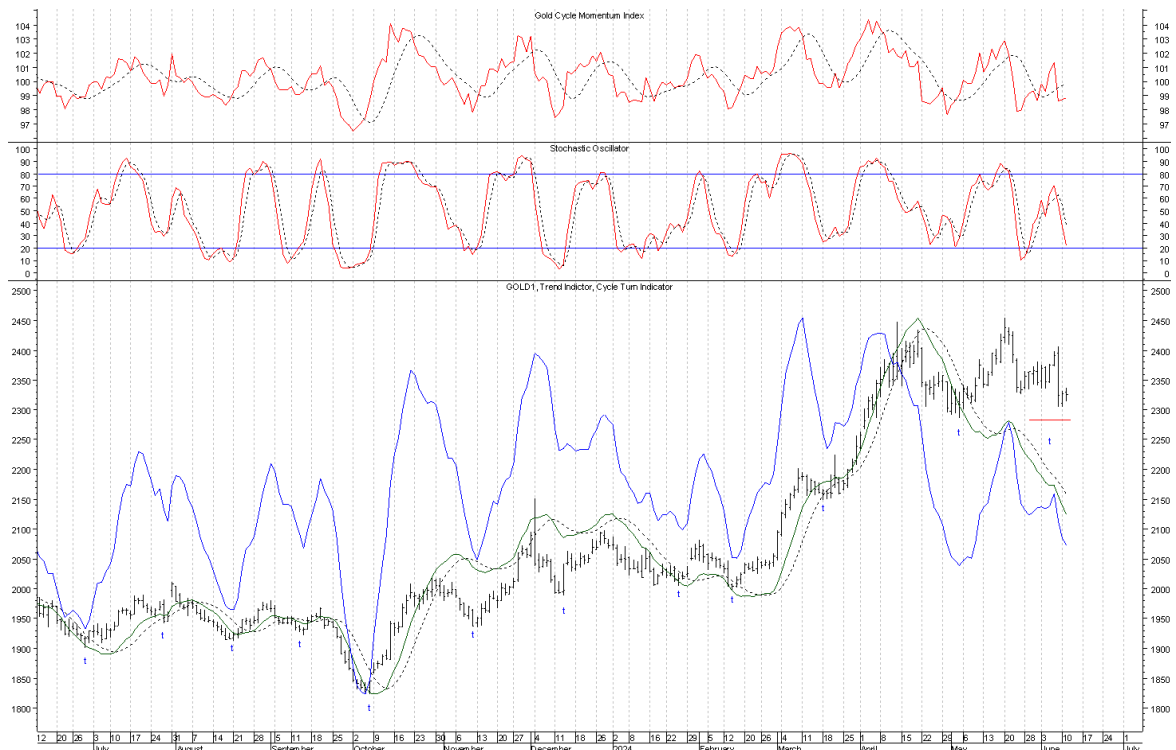
End of Week Intermediate-Term Indicator Summary **Intermediate-Term Sell**

Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

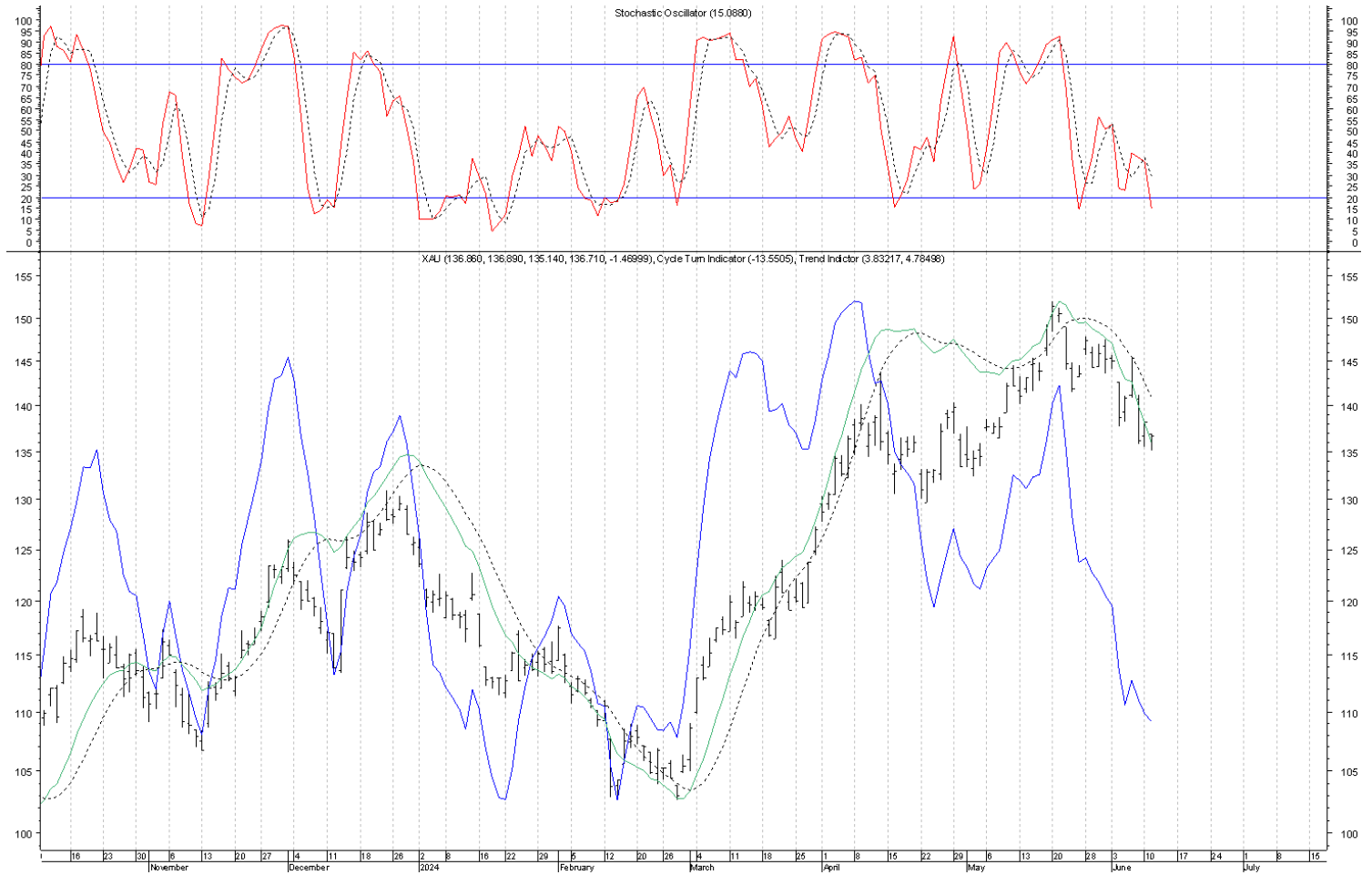
Daily Indicator Summary **Short-Term Sell**

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

The timing band for the current trading cycle low runs between May 29th and June 12th. As discussed in recent updates, the evidence has pointed toward the trading cycle low having been seen early in association with the May 24th daily swing low. But, as discussed in the weekend update, with price still within the timing band for this low, we knew that it was also possible that we saw an additional push down into this low. As we now move out of the timing band for this low this phasing should clarify, but until proven otherwise, the assumption is that the trading cycle low was seen on May 24th and that we now have a failed and left-translated trading cycle at play in conjunction with the decline out of the higher degree intermediate-term cycle top. A daily swing low will be completed on Wednesday if 2,304.20 holds and if 2,406.70 is bettered. If a daily swing low and upturn of the daily CTI are seen this week, then we will have to consider the potential of Friday's decline having been an additional push down into the trading cycle low.



Our daily chart of the XAU is next. As discussed in the weekend update, the evidence is suggestive of the trading cycle low having been seen in conjunction with the May 23rd daily swing low, with the corresponding low on Gold having been seen on May 24th. As a result, the price/oscillator picture here continues to also be suggestive of a failed and left-translated trading cycle in association with the higher degree intermediate-term cycle top. This short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen. Another daily swing low will be completed on Wednesday if 135.14 holds and if 136.89 is bettered.



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	Bullish
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Daily Indicator Summary **Short-Term Buy**

Primary Indicators

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

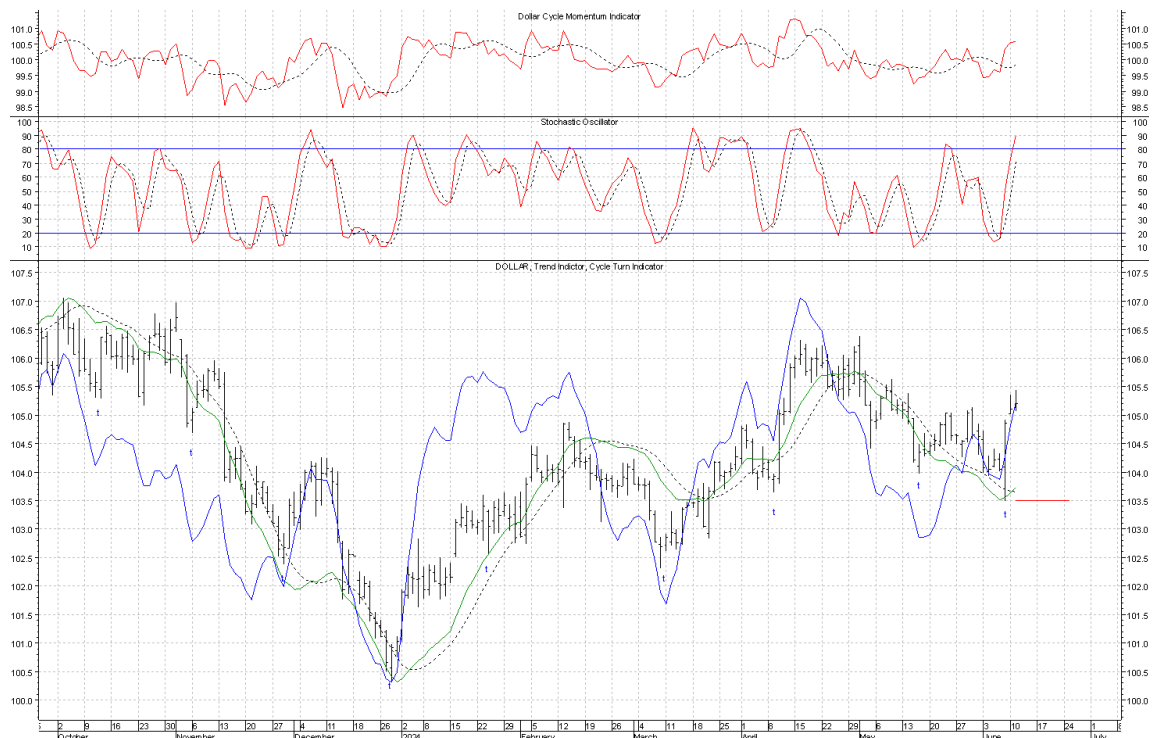
Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the current trading cycle low runs between June 11th and June 25th. With the June 7th reversal higher having occurred prior to price having moved into this timing band, the trading cycle low should have ideally lain ahead with one more push down. However, as discussed in recent updates, with the higher degree intermediate-term cycle low also due, we have known that it was possible for this trading cycle low to occur early. Given the continued advance on Monday, the Dollar completed the formation of a daily swing low and with the upturn of the daily **CTI**, a short-term buy signal was triggered. On Tuesday the Dollar continued this upturn and in doing so it has in fact proven that the trading cycle low was seen in conjunction with Friday's reversal off its low. This advance has also completed the formation of a weekly swing low and for that reason every indication is that the anticipated higher degree intermediate-term cycle low has also been seen. The expectation is for this intermediate-term advance to be counter-trend and followed by further weakness into the higher degree 4-year cycle low. For now, every indication is that we have the intermediate-term cycle low in place and the short-term buy signal will remain intact until another daily swing high and downturn of the daily **CTI** are seen. A daily swing high will be completed on Wednesday if 105.43 is not bettered and if 105.06 is violated.



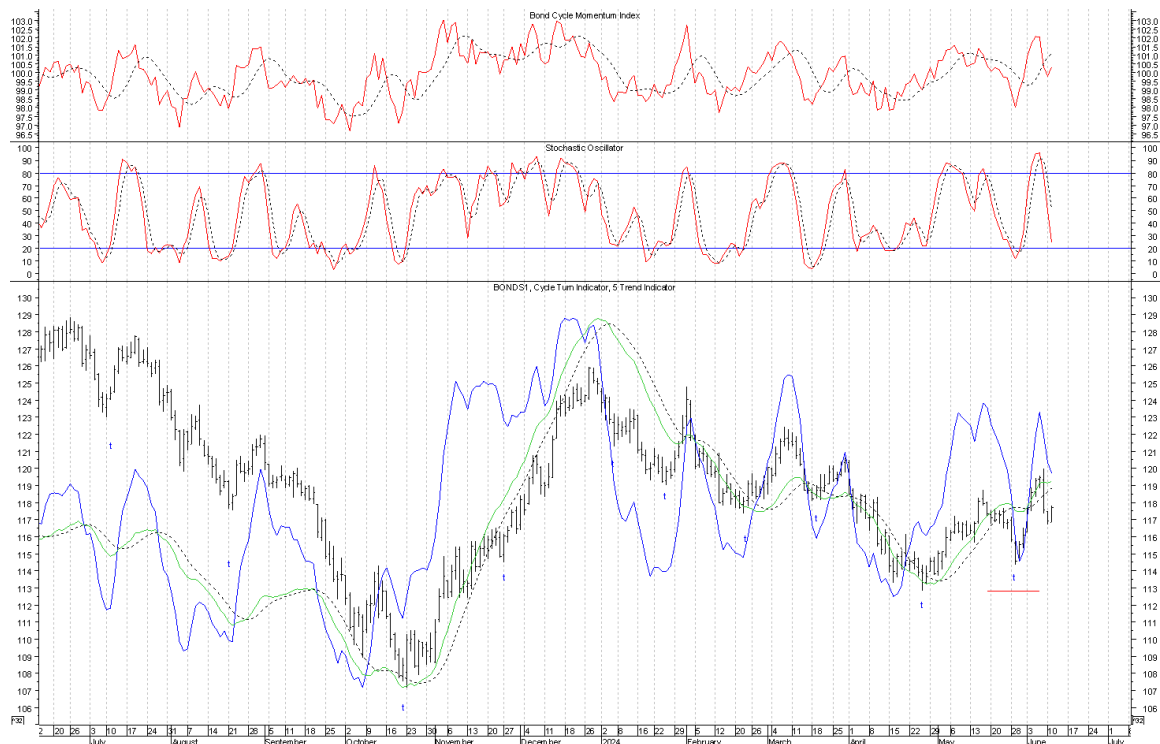
Bonds

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

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

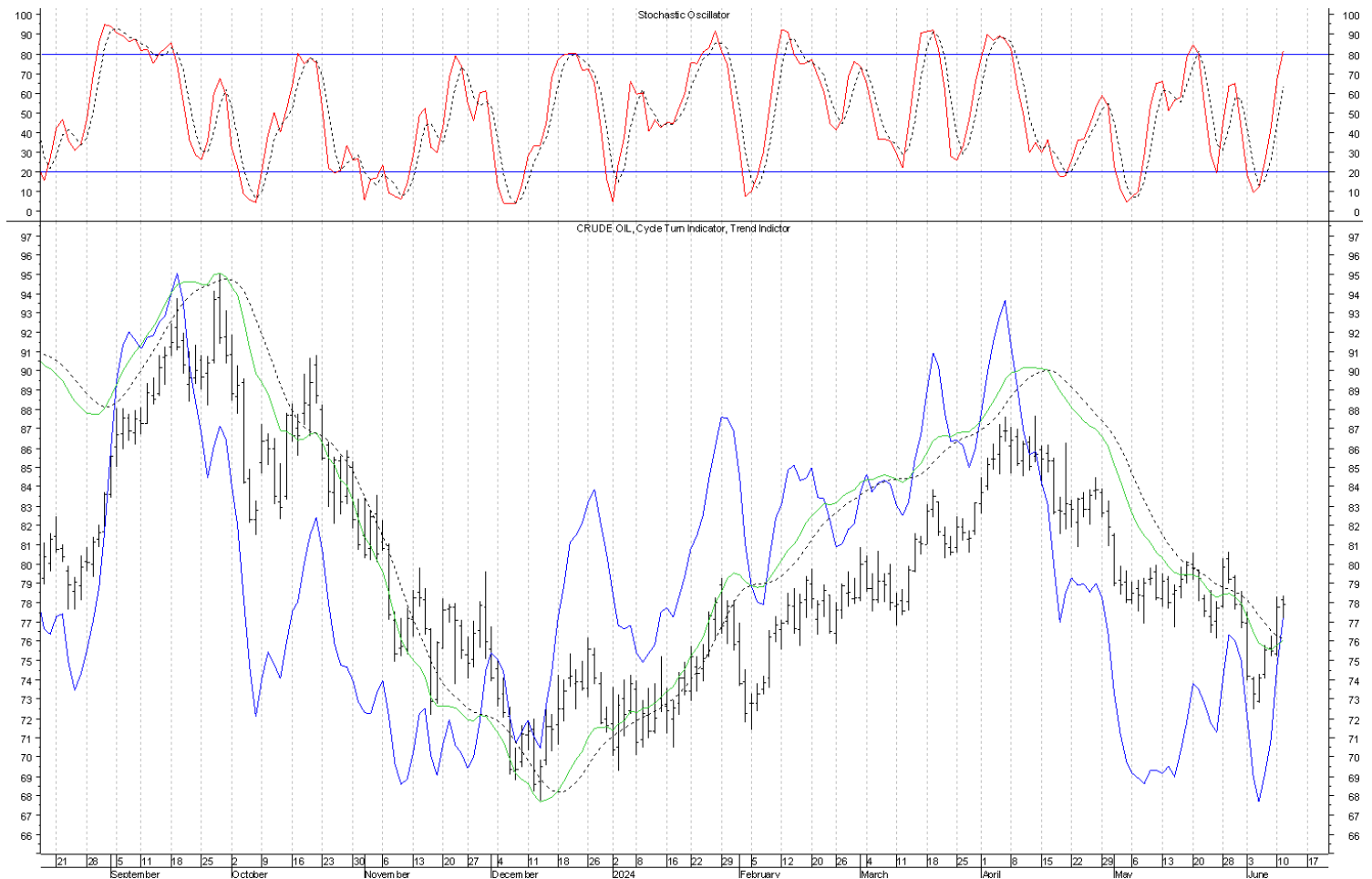
The trading cycle low was seen in conjunction with the May 29th daily swing low. With the completion of a daily swing high on Monday in the wake of Friday's reversal lower and the accompanying downturn of the daily **CTI**, a short-term sell signal was triggered. At a higher level, every indication has been that the intermediate-term cycle low was seen in conjunction with the April 25th trading cycle low. Accordingly, the expectation is/was for this weakness to be counter-trend and followed by continued strength. On Tuesday, Bonds completed the formation of another daily swing low leaving them with the structural footing to continue the advance out of the May 29th trading cycle low and any further strength that turns the daily **CTI** up will retrigger another short-term buy signal. In order to keep the higher degree intermediate-term cycle advance structurally intact, this trading cycle advance must continue higher with a right-translated structure. To see a left-translated trading cycle top at this juncture would be suggestive of a left-translated intermediate-term

cycle top. For now, Monday's short-term sell signal will remain intact until both a daily swing low AND another upturn of the daily **CTI** are seen. Assuming Bonds do continue higher out of the current trading cycle low as anticipated, it should be in conjunction with this intermediate-term advance that we begin to see rates coming under pressure.



Crude Oil

The advance out of the June 4th daily swing low remains intact and has now carried the 5 3 3 Stochastic back into modestly overbought territory, again making conditions ripe for another top. However, until a daily swing high and downturn of the daily CTI are seen, this buy signal will remain intact. Another daily swing high will be completed on Wednesday if 78.36 is not bettered and if 77.22 is violated. At a higher level, every indication is that the higher degree seasonal and 3-year cycle tops have been seen. Therefore, the expectation is for this advance to be counter-trend, even if it should prove to be in conjunction with an intermediate-term cycle low, which with a weekly swing low now in place we should assume to be the case.



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