

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 13, 2024

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

June 13, 2024

**Stocks**

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
CTI on Rydex Tempest Fund *	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
Advance/Decline Issues Diff	Bearish
New High New Low Diff	Bullish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
*When this indicator is Bullish it is negative for the market and visa versa.	

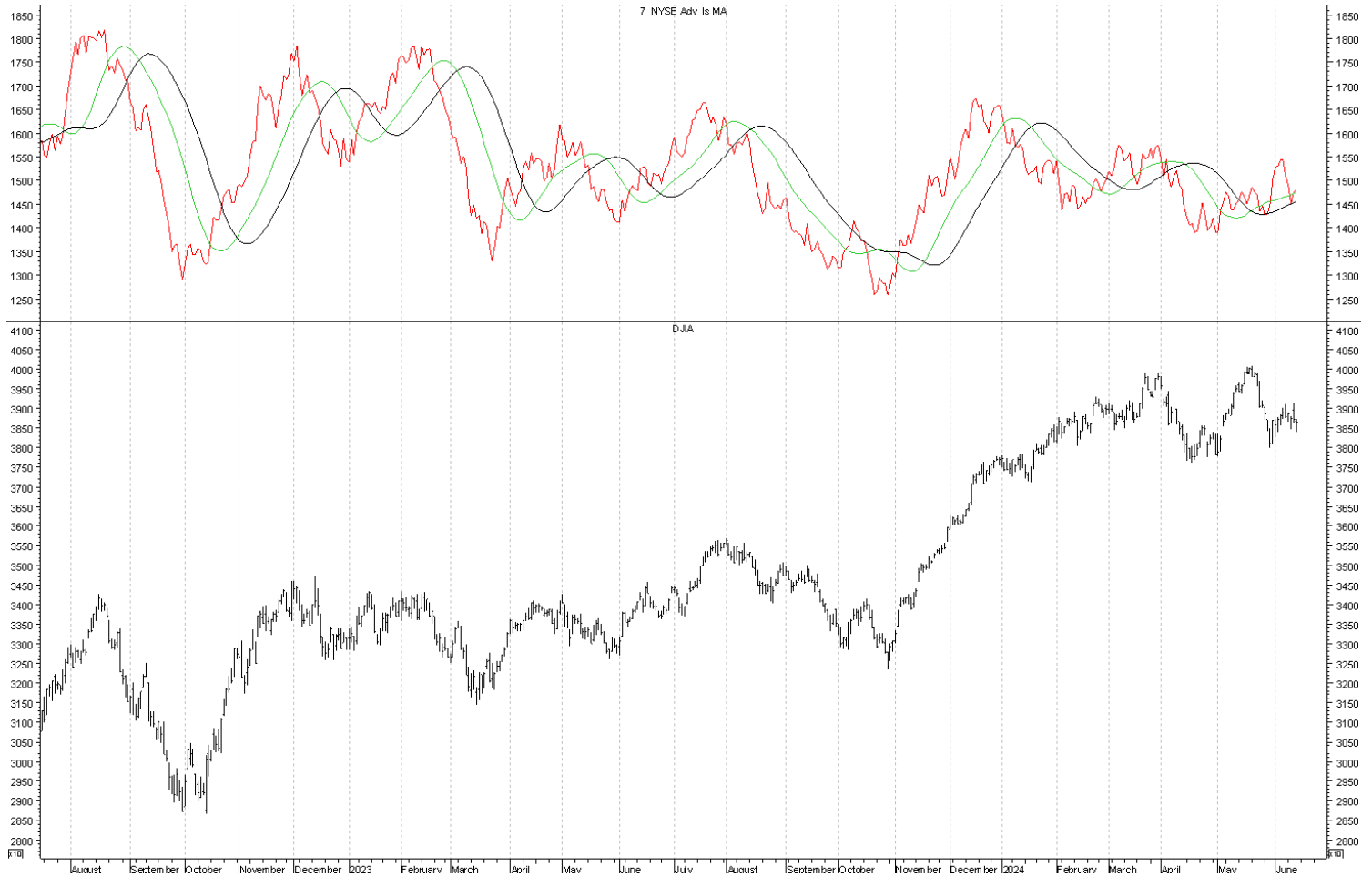
Daily Indicator Summary <b>Short-Term Neutral</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
McClellan Intermediate Term Breadth Momentum Oscillator (ITBM)	Bearish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bearish
McClellan Summation Index	Bearish
McClellan Volume Summation Index	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
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. In spite of the 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 has been that the trading cycle low was seen in conjunction with the May 30th daily swing low. As a result, Monday's completion of a daily swing high left the Industrials at increased risk of a left-translated trading cycle top. On Wednesday, the Industrials completed the formation of a daily swing low and with ALL Three of the Primary Short-Term Indicators having turned up, a short-term buy signal was finally triggered. However, because of the reversal lower on Wednesday, that signal was questionable and now with the completion of a daily swing high on Thursday, as confirmation of this buy signal I want to see a close above Wednesday's high that is also confirmed by another upturn of ALL Three of the Primary Short-Term Indicators. This remains a critical spot for the Industrials and any further weakness that yields a close below Thursday low, in conjunction with another downturn of ALL Three of the Primary Short-Term Indicators, will be further suggestive of a failing

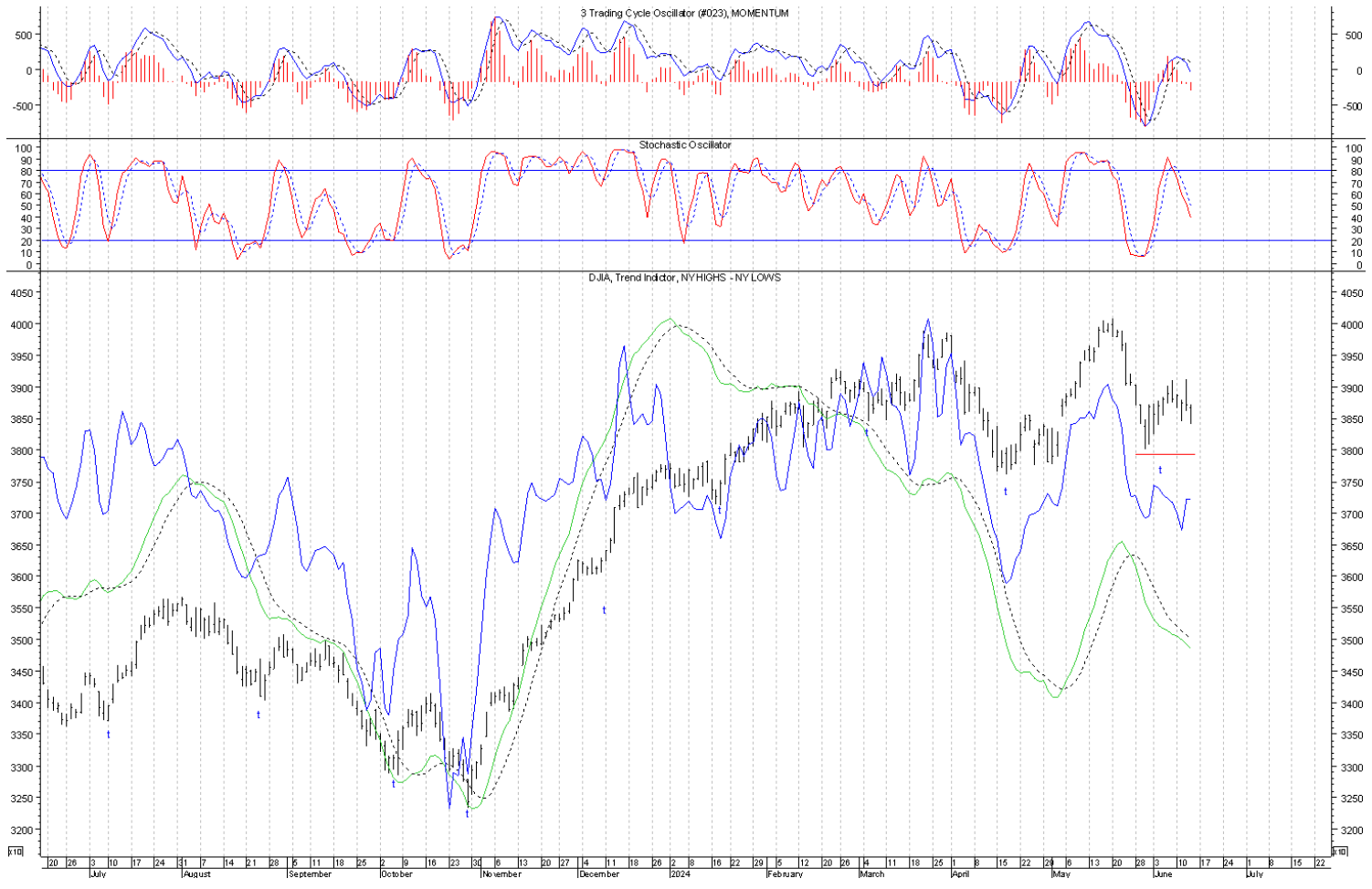
and left-translated trading cycle advance having been seen. Structurally, to see a left-translated trading cycle top at this juncture will be suggestive of the intermediate-term advance out of the April 17th intermediate-term cycle low having also peaked with a left-translated structure. It is for this 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 completed the formation of a daily swing high on Thursday, but with the daily CTI remaining positive a short-term sell signal was not triggered. The advance out of the June 4th daily swing low will remain intact until both a daily swing high AND downturn of the daily CTI are seen. At a higher level, this advance is expected to be counter-trend. Gasoline also completed the formation of a daily swing high on Thursday, but here too, until a daily swing high AND downturn of the daily CTI are seen, the advance out of the June 4th daily swing low will also remain intact. Natural Gas completed the formation of a daily swing high on Thursday and in this case the daily CTI turned down triggering a short-term sell signal. Any further weakness in the wake of this sell signal that completes the formation of a weekly swing high should prove to be in association with the intermediate-term cycle top. The June 6th short-term buy signal on the CRB Index remains intact, but 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 June 7th. Thus far, all of the price action since June 7th remains within the June 7th price bar and for that reason the phasing of this trading cycle has not been clarified. At a higher level, the intermediate-term cycle top should be in place. The June 7th 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 completed the formation of a daily swing high on Wednesday and with the downturn of the daily CTI, a short-term sell signal was triggered, leaving the Dollar at risk of a left-translated trading cycle top. The expectation has been for this trading cycle advance to carry the long-Bond higher in conjunction with the intermediate-term cycle advance. With the completion of a daily swing low and upturn of the daily CTI on Wednesday, a short-term buy signal was triggered and with the continued advance on Thursday, our expectation of higher prices remains on tract. 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. In order to keep this intermediate-term advance structurally intact, we must see this trading cycle advance continue higher with a right-translated structure.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back up. Another downturn below the recent low will be increasingly suggestive of a failing and left-translated trading cycle whereas a continued upturn will be suggestive that the recent weakness has been in association with a retest of the trading cycle low. The Green MA continues its upturn above the Black MA, which is reflective of the intermediate-term cycle low.

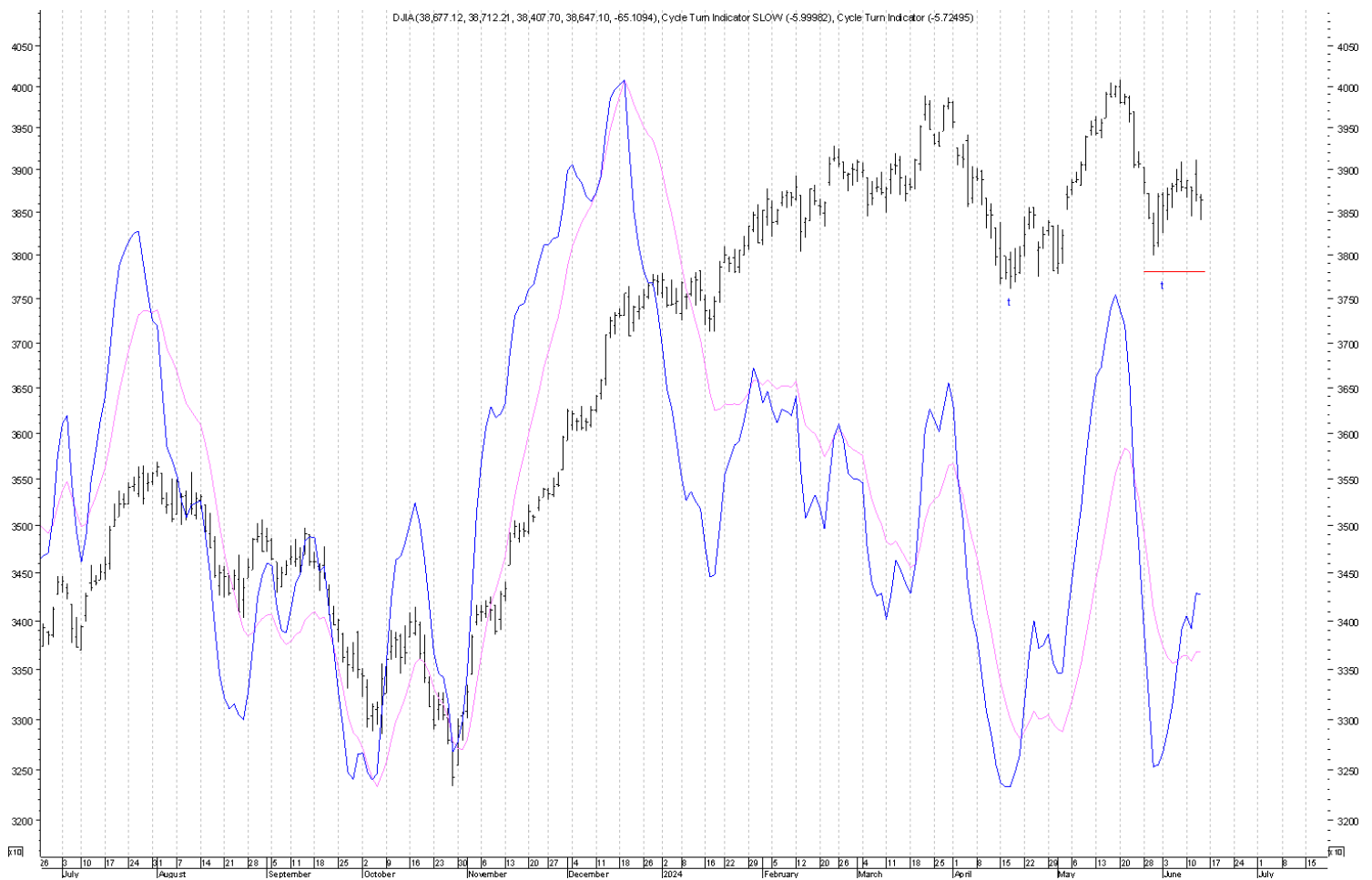


The **Trading Cycle Oscillator** in the upper window continues its downturn as does the **Momentum Indicator**, which has now crossed below its zero line. The **5 3 3 Stochastic** in the middle window continues its downturn from overbought levels. The **New High/New Low Differential**, plotted with price, turned up on Wednesday and closed flat on Thursday. 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.

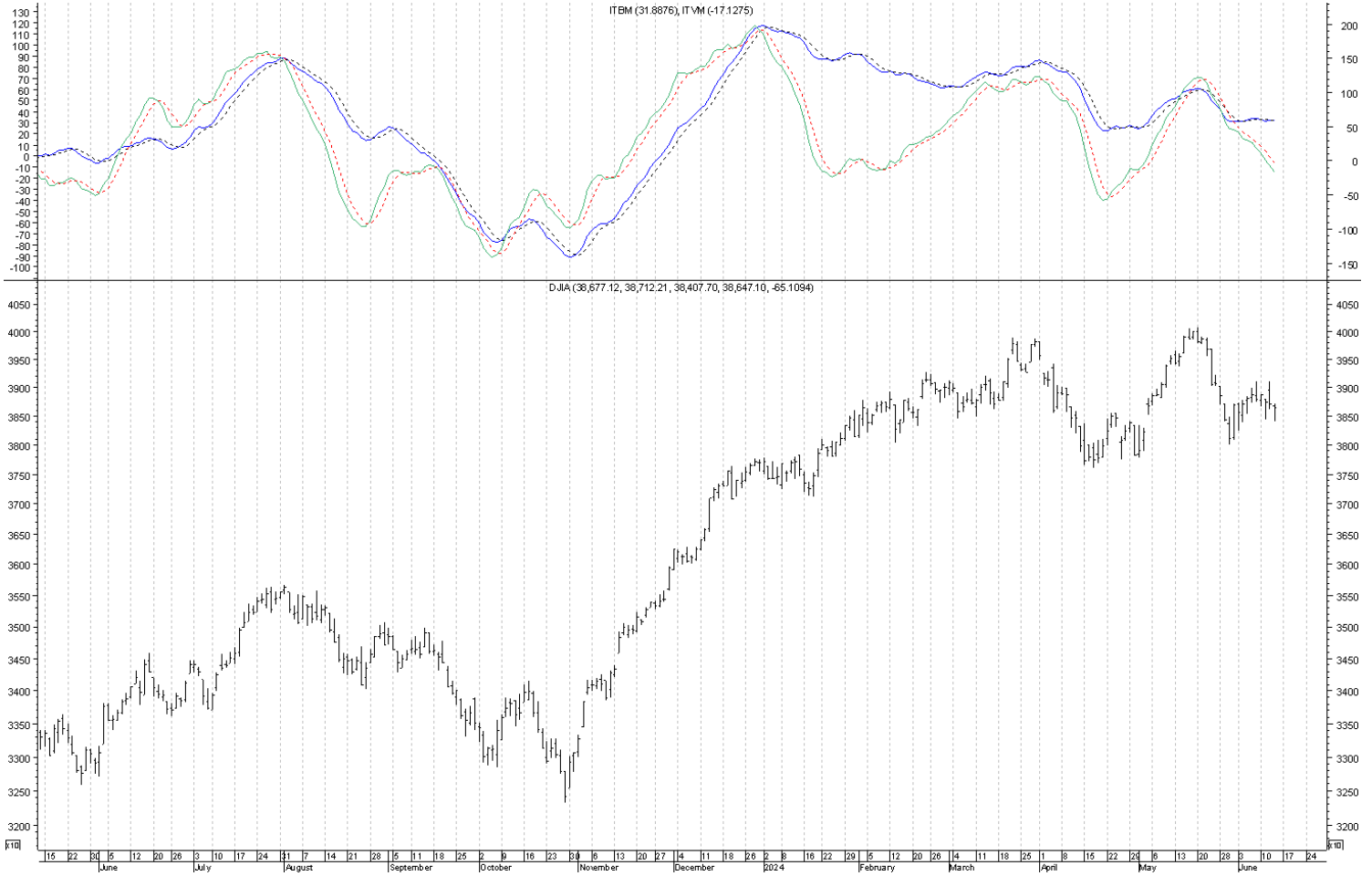


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

The price action on Wednesday completed the formation of another daily swing low and while price reversed off its high, with ALL Three of the Primary Short-Term Indicators having turned up, a short-term buy signal was triggered. However, in light of the price reversal lower, this made for a questionable buy signal and as confirmation of this signal I want to see a close above Wednesday's high that is also confirmed by another upturn of ALL Three of the Primary Short-Term Indicators. This remains a risky and critical juncture and 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.

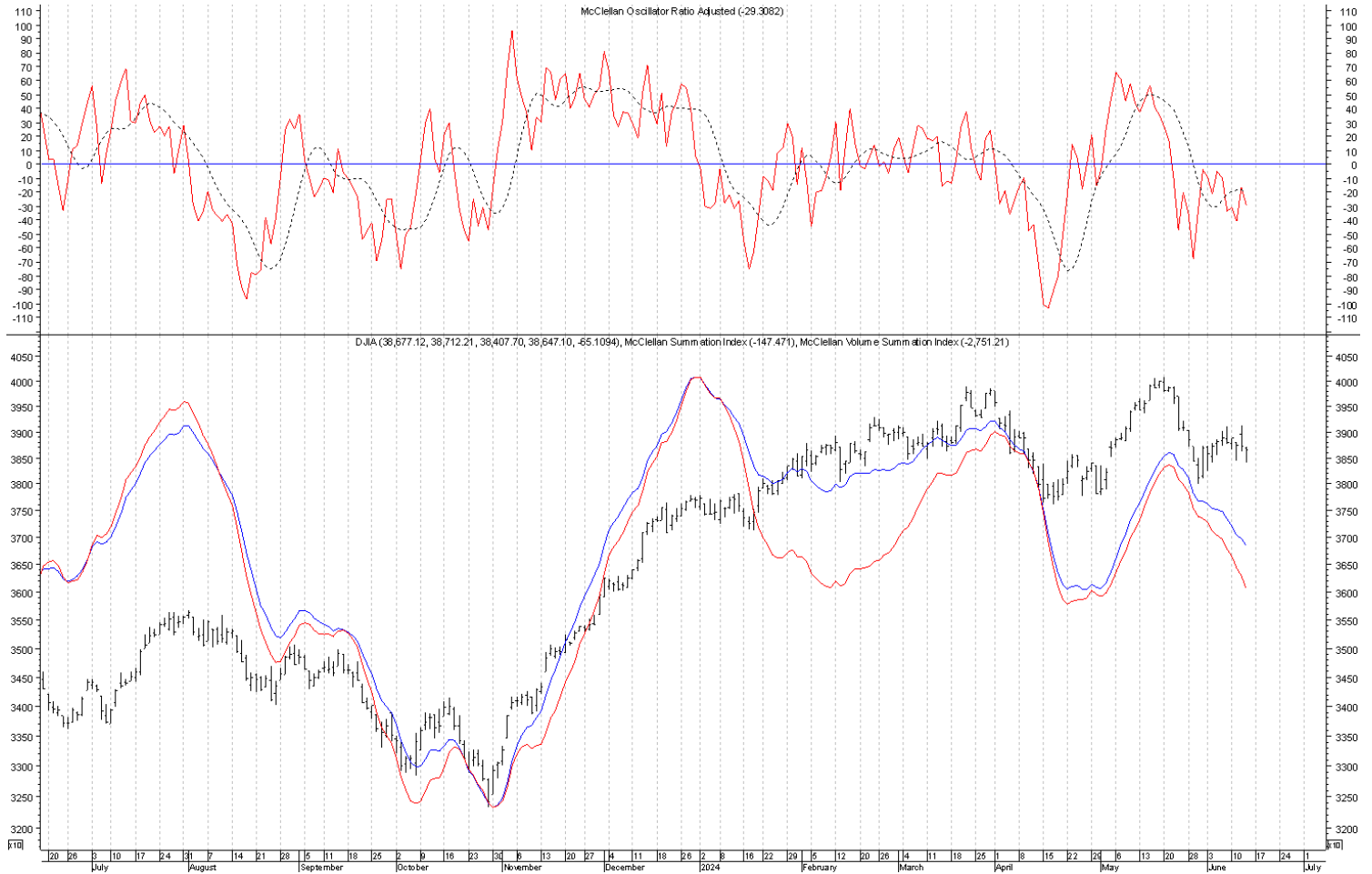


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain in gear to the downside and the behavior here continues to be suggestive of a weak and failing trading cycle advance.

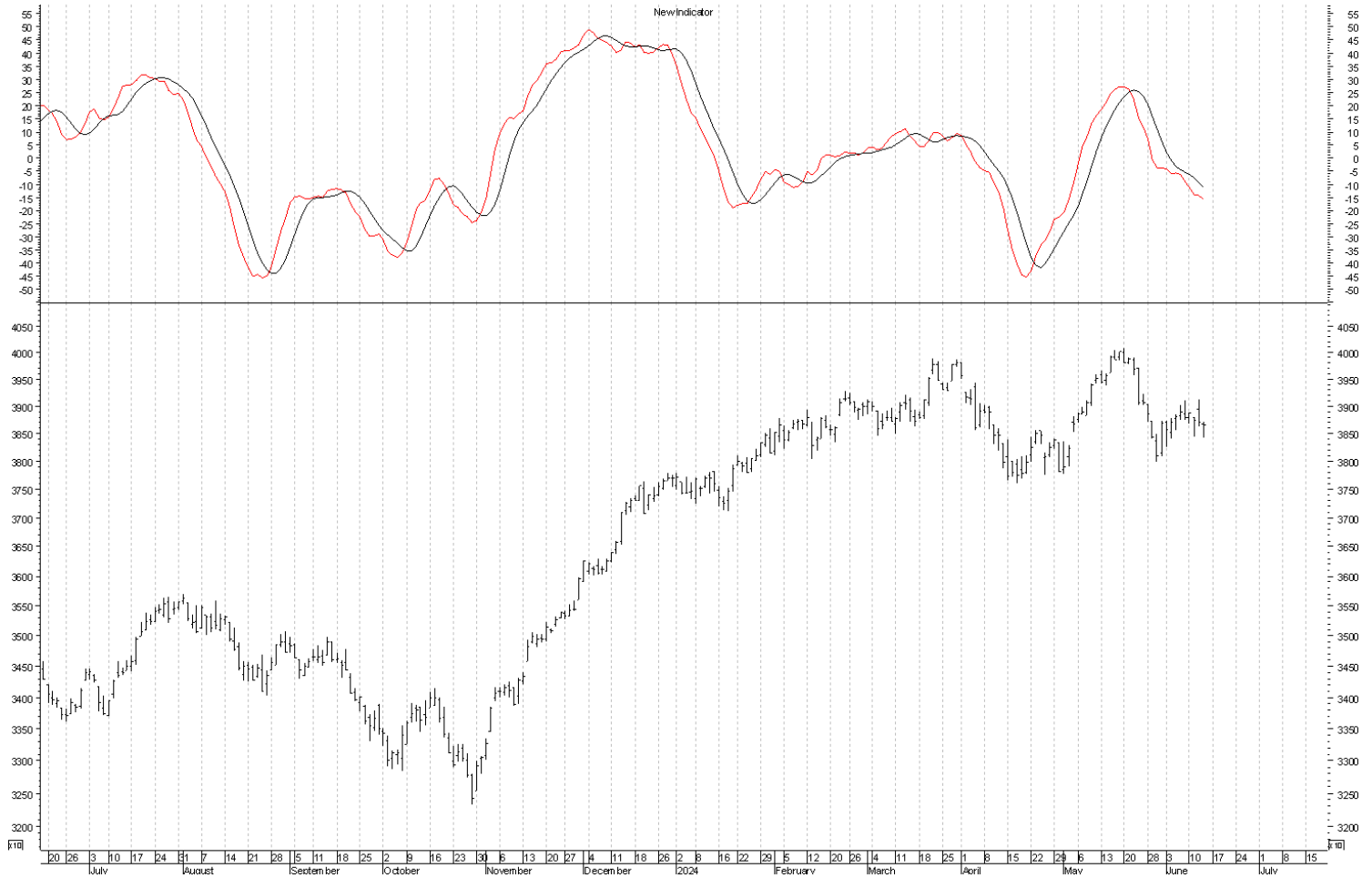




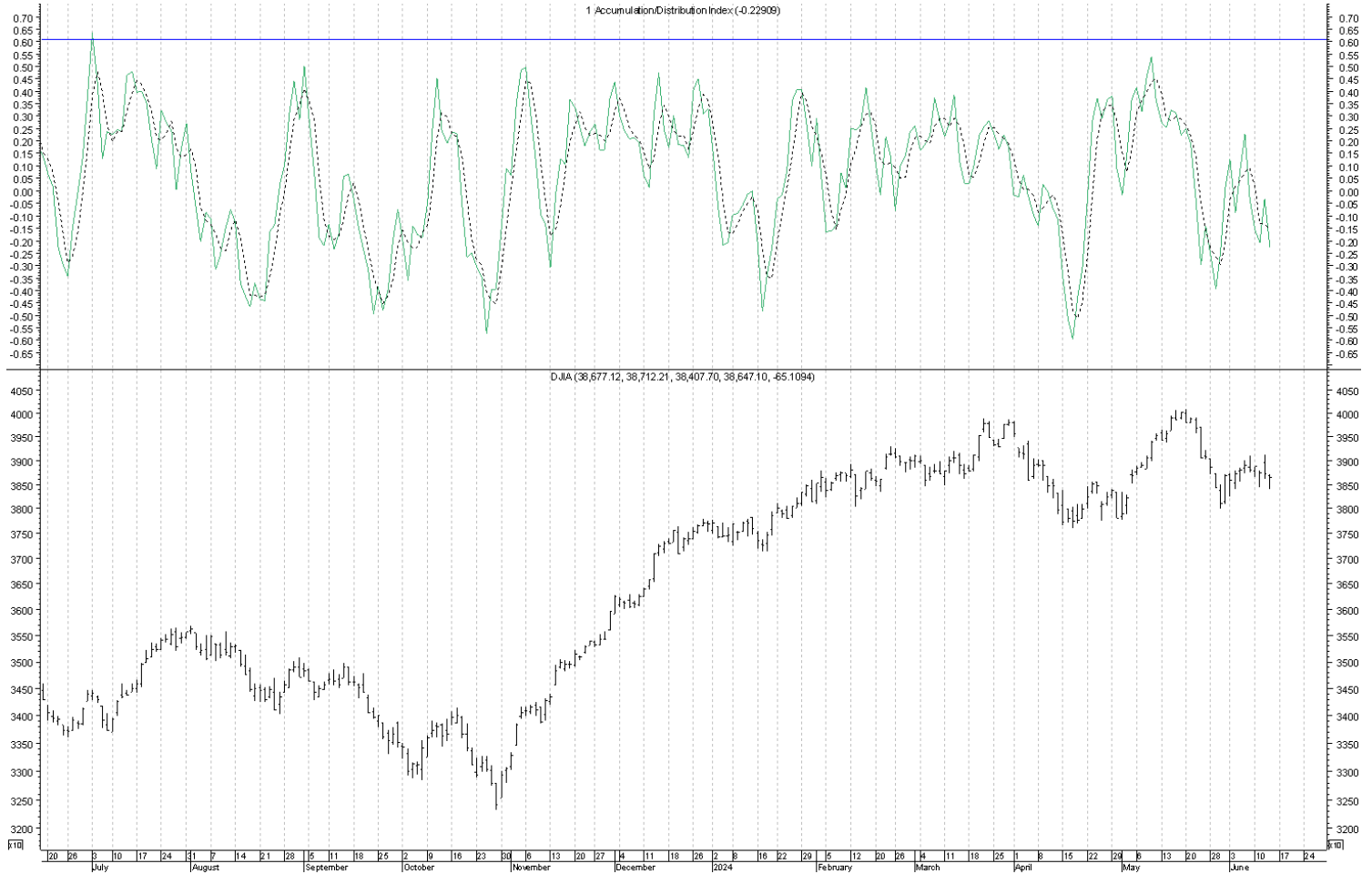
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** remain negative and the ongoing weakness continues to be suggestive of a potentially failing trading cycle advance. The **Ratio Adjusted McClellan Oscillator** in the upper window has turned back down below its trigger line. The upturn from two weeks ago continues to be reflective of the trading cycle low having been seen and the ongoing downturn that has followed 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.



The upturn of the **Accumulation/Distribution Index** from two weeks ago continues to be 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**

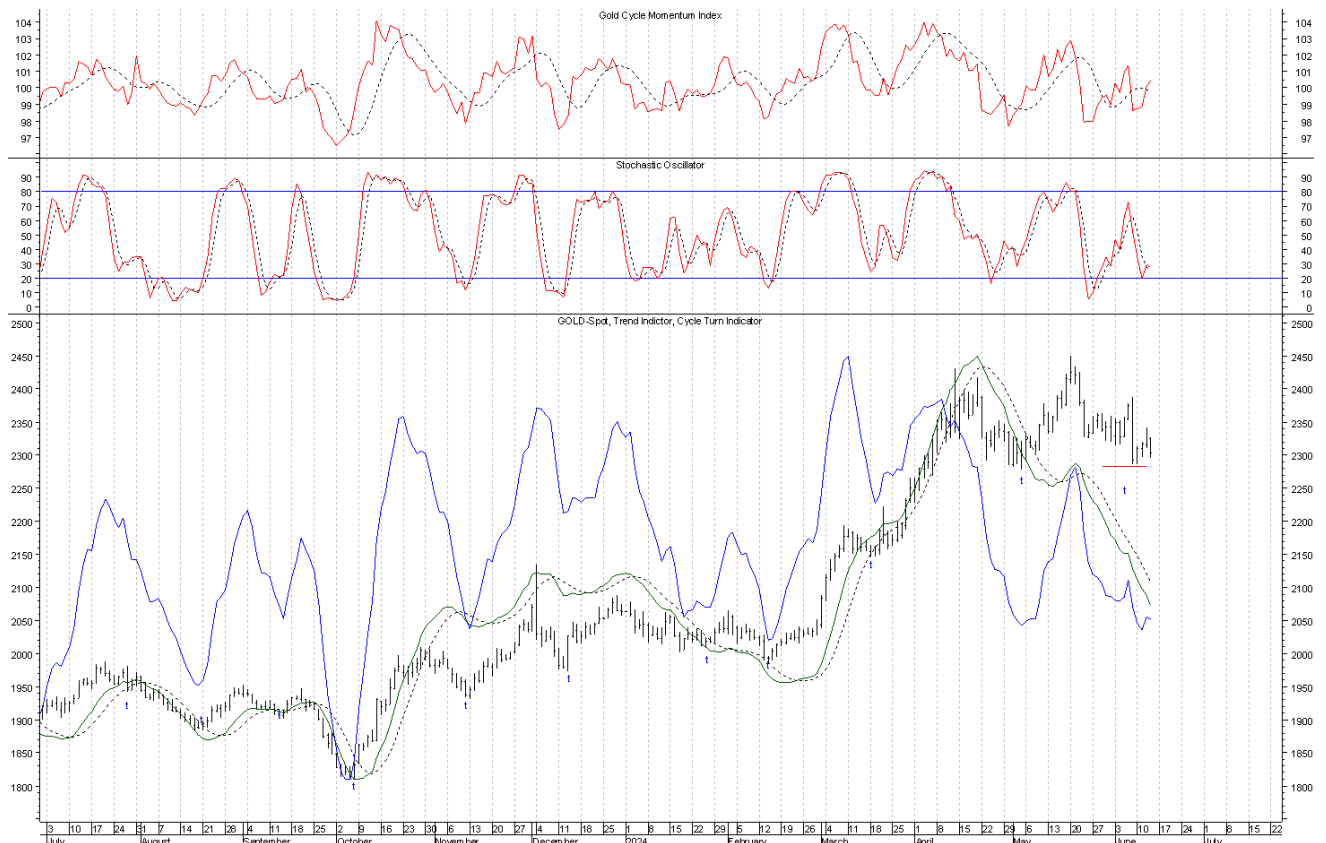
Primary Indicators	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Indicators	
5 3 3 Stochastic	Bearish

## Daily Indicator Summary **Short-Term Sell**

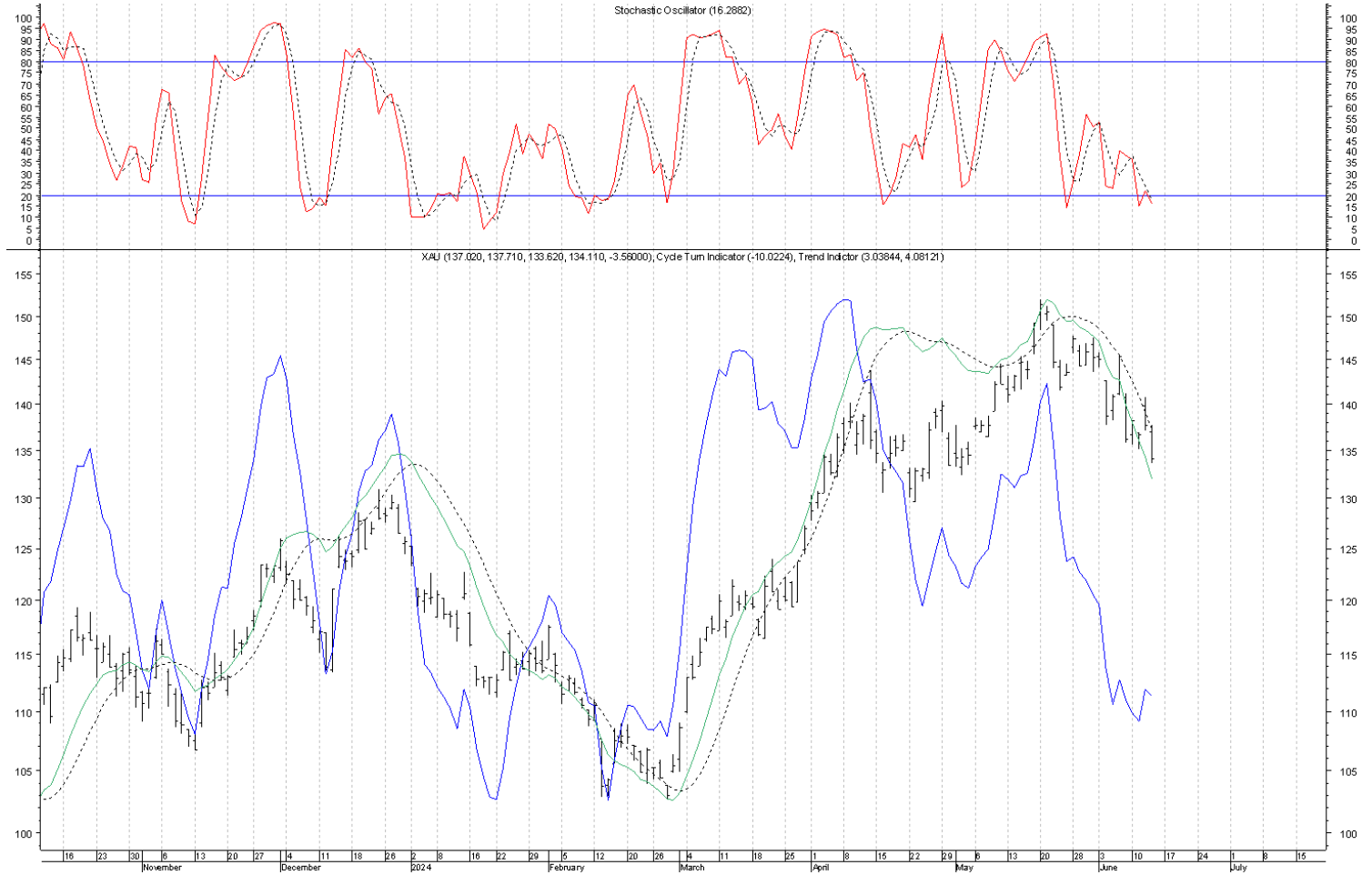
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The timing band for the current trading cycle low ran 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 was also discussed in the weekend update, with price still within the timing band for this low, we knew it was also possible that we had seen an additional push down into this low in conjunction with the June 7th low. All of the price action since June 7th has occurred within the June 7th price bar and for that reason the phasing of the trading cycle remains unclear at this juncture. For now, the risk is of a left-translated trading cycle top and the short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen. A daily swing low will be completed on Friday if

**2,304.20**  
**holds and**  
**if 2,406.70**  
**is bettered.**



**Our daily chart of the XAU is next and with the short-term sell signal still intact, there have been no changes. 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 Friday if 133.62 holds and if 137.71 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 Sell**

#### Primary Indicators

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

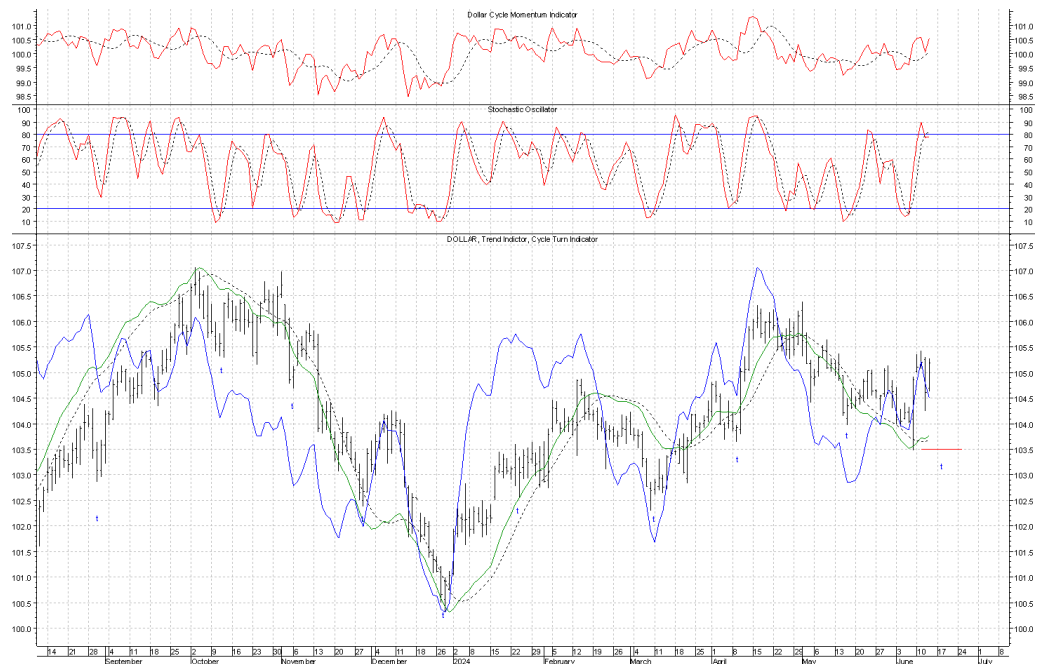
#### Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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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 followed with one more push down into that window. 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. Last Friday's reversal off the low was suggestive of this having been the case and on Monday a daily swing low and upturn of the daily **CTI** were seen, triggering a short-term buy signal. As a result of that buy signal and the price action that has followed, every indication continues to be that the trading cycle low was seen early in conjunction with the June 7th reversal higher. 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. This said, with the completion of a daily swing high and downturn of the daily **CTI** on Wednesday, a short-term sell signal was triggered, leaving the Dollar at risk of a left-translated trading cycle top. In order to keep the intermediate-term advance structurally intact, this trading cycle advance must continue higher with a right-translated structure. For now, this short-term sell signal will remain intact until another daily swing low and upturn of the daily **CTI** are seen. A daily swing low will be completed on Friday if 104.23 holds and if 105.30 is bettered.

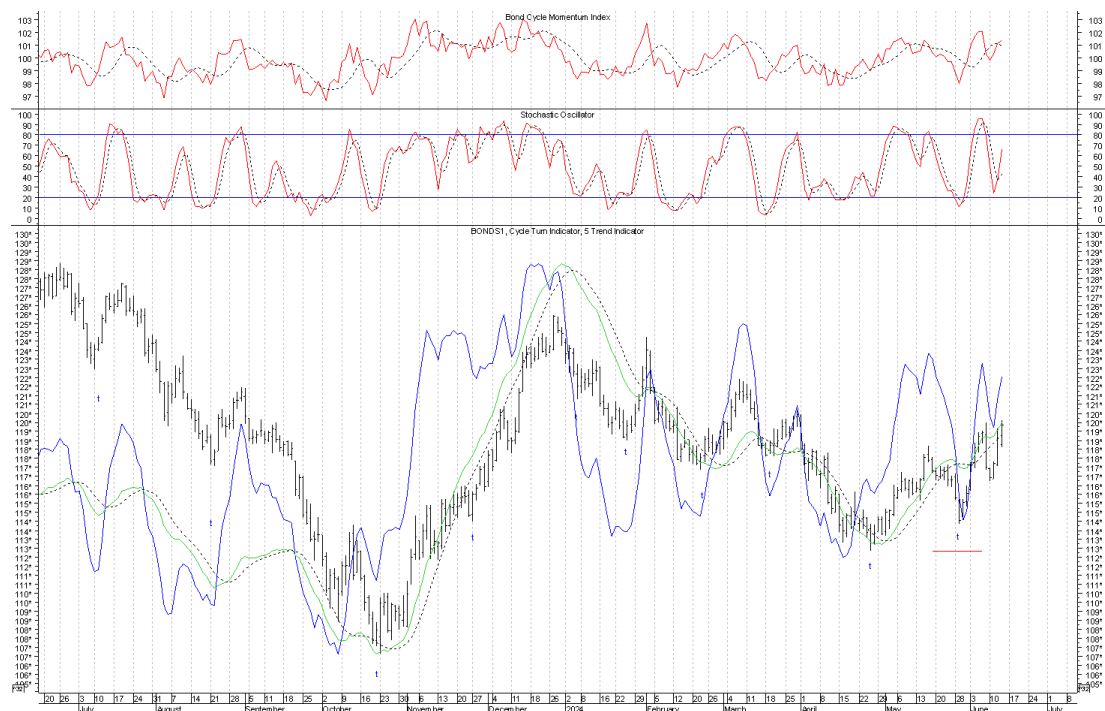


## Bonds

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

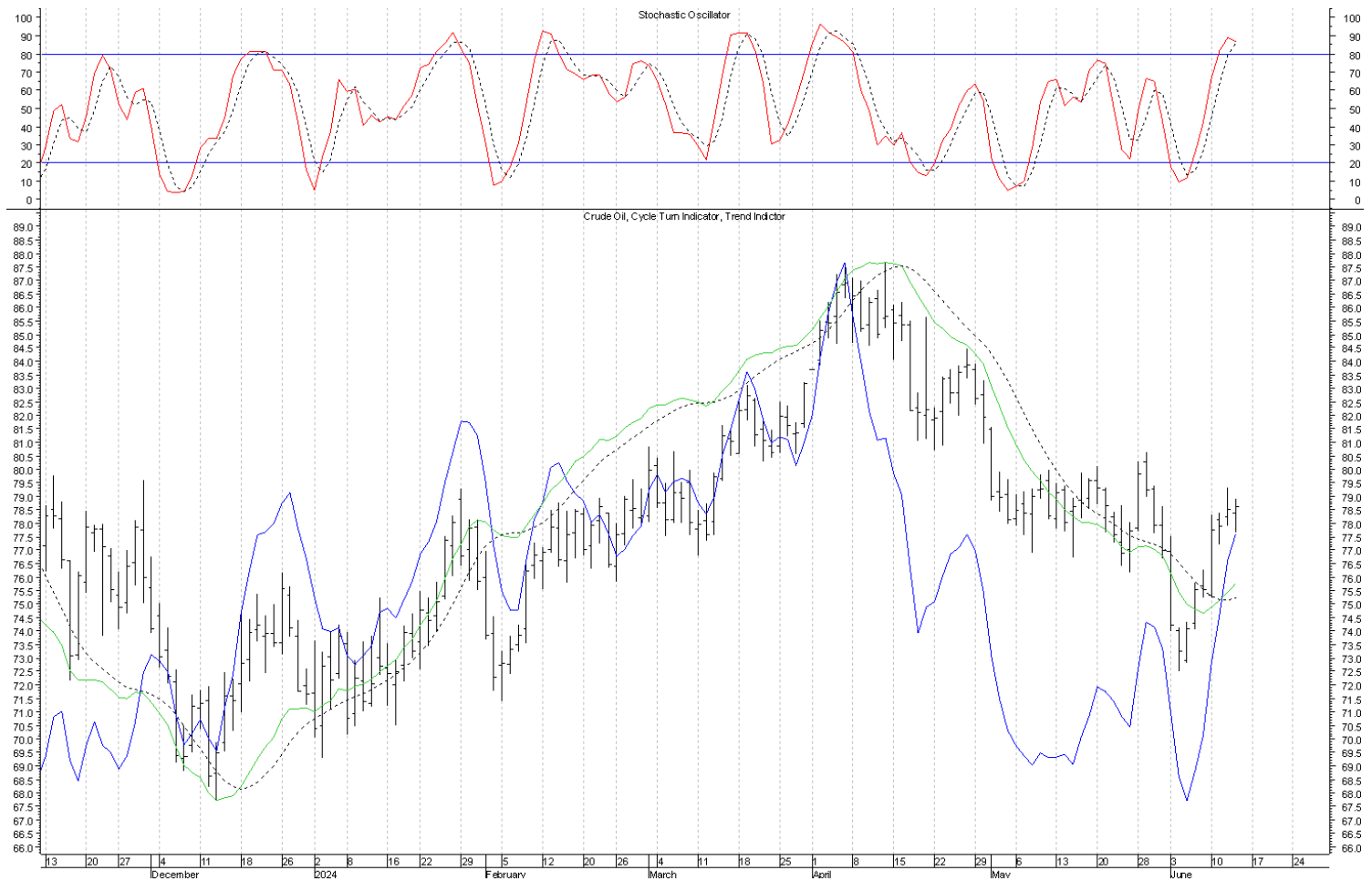
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bullish

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 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 was for the weakness in association with Monday's short-term sell signal to be counter-trend and followed by continued strength. Per the Tuesday night update, 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 with Wednesday's continued strength the daily **CTI** turned up retriggering another short-term buy signal. This was followed on Thursday by continued strength and in doing so our expectation for higher prices has proven correct. However, in order to keep the higher degree intermediate-term cycle advance structurally intact, this trading cycle advance must still 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 as well. Wednesday's short-term buy signal will remain intact until another daily swing high AND downturn of the daily **CTI** are seen. Assuming Bonds do continue higher with a right-translated trading cycle as anticipated, it should be in conjunction with this intermediate-term advance that we begin to see increased pressure rates.



## Crude Oil

With the completion of a daily swing high on Thursday and the 5 3 3 Stochastic trying to turn down, the price/oscillator picture is certainly 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 low will be completed on Friday if 77.67 holds and if 78.89 is bettered. 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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