

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 27, 2024

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

*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 27, 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 *	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Advance/Decline Issues Diff	Bearish
New High New Low Diff	Bullish
Secondary Indicators	
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>	

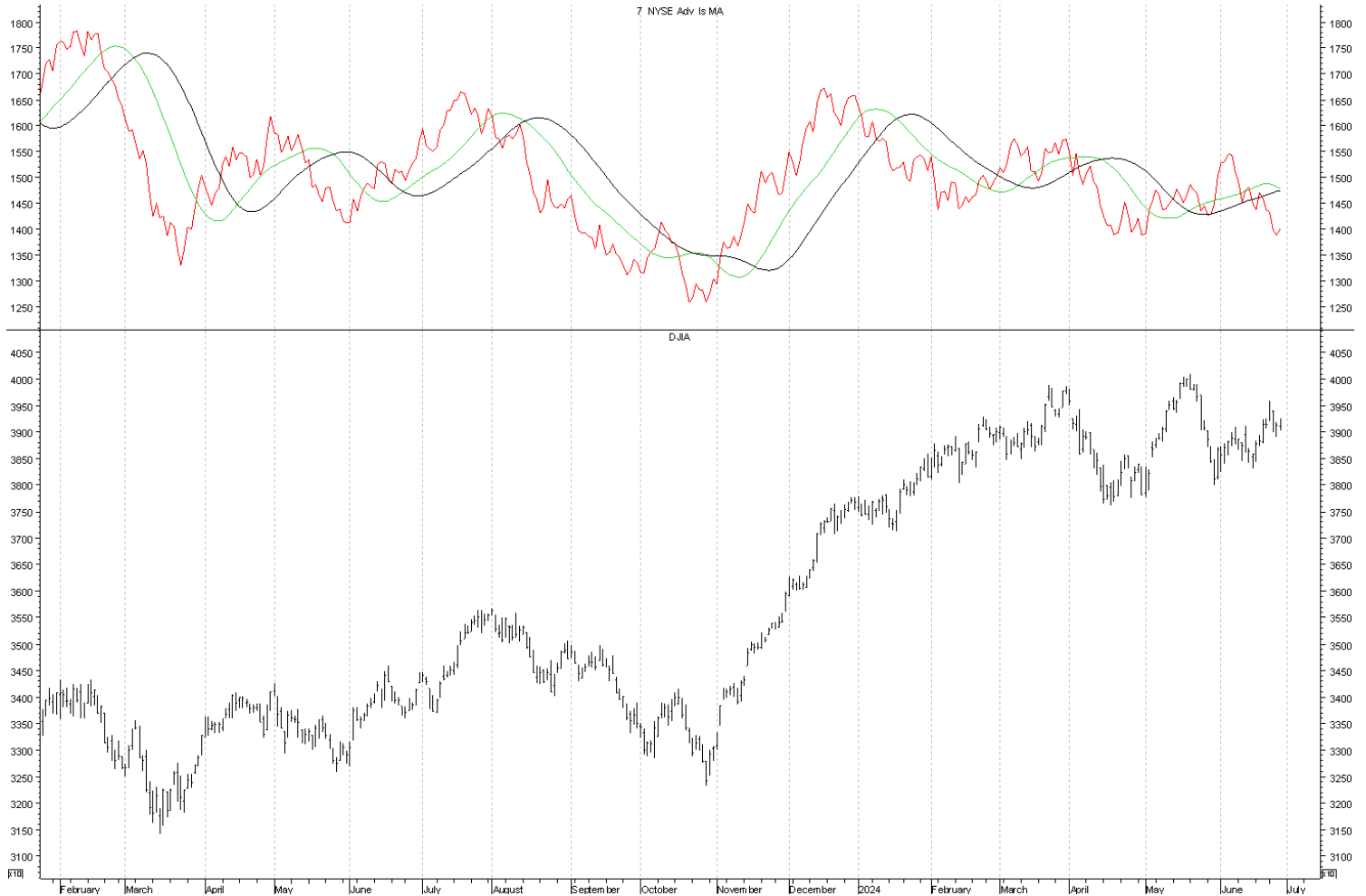
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
McClellan Intermediate Term Breadth Momentum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

The trading cycle low on the Industrials was seen on May 30th and Thursday concluded the 19th trading day of the current trading cycle. With the less dominant half-trading cycle averaging some 19 trading days, Tuesday's completion of a daily swing high should ideally be in association with the half-trading cycle top and corrective pause. On Thursday the Industrials completed the formation of another daily swing low and any further advance will be suggestive of the less dominant half-trading cycle low having been seen whereas any additional weakness should be in association with an additional push into the half-trading cycle low. Either way, the expectation, thus far, is for continued strength into the trading cycle top. At a higher level, 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. While this trading cycle advance has certainly been sketchy, this expectation has yet not changed. However, Tuesday's completion of a daily swing high continues to be an opportunity to cap what has been a struggling trading cycle advance and

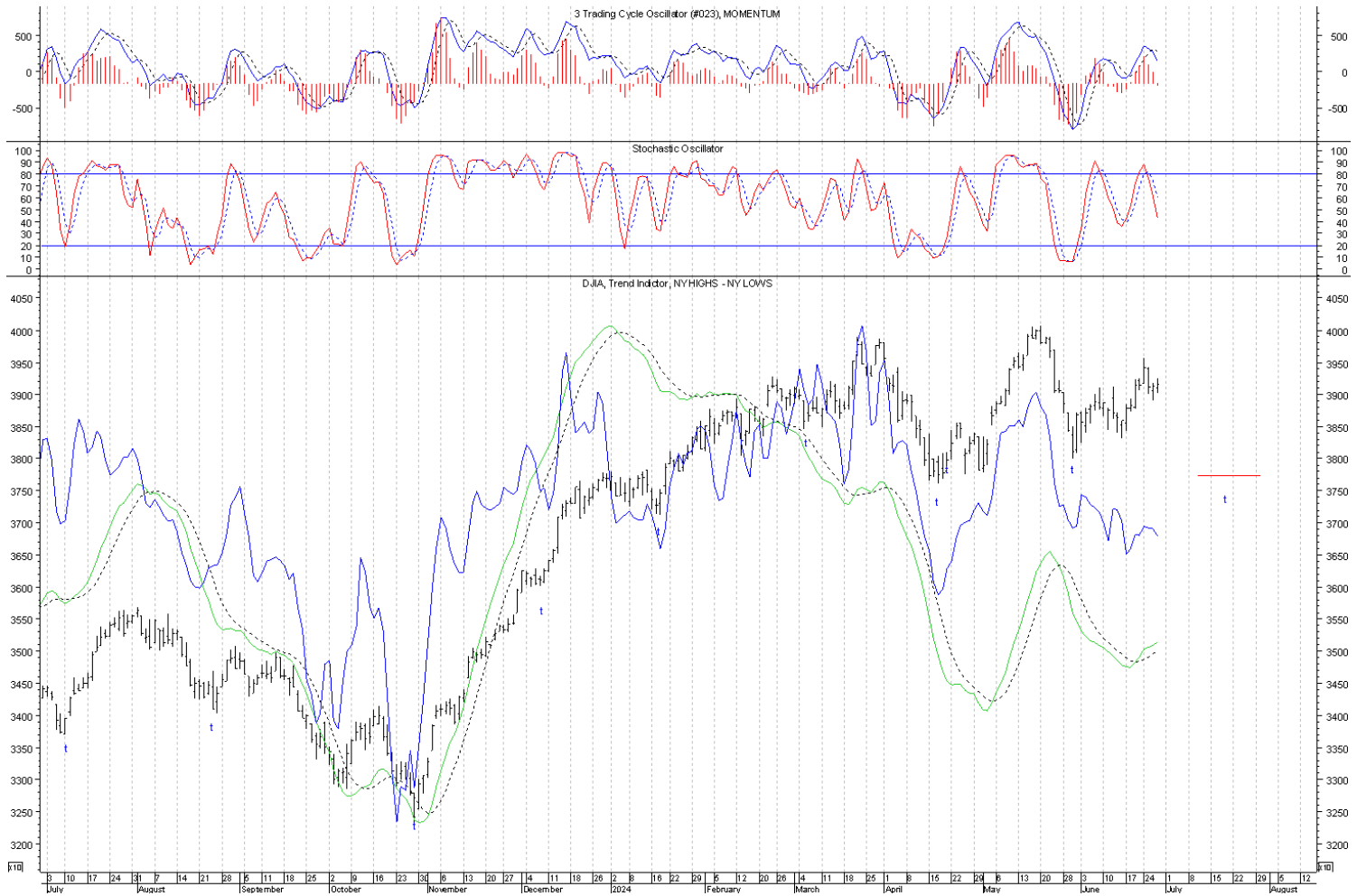
failure to see the June 24th daily swing high bettered will be suggestive of a left-translated trading cycle top. Any further weakness that turns ALL Three of the Primary Short-Term Indicators down will trigger a short-term sell signal and the completion of a weekly swing high would be further indicative of a left-translated trading and intermediate-term cycle top. Therefore, while this should ideally be a corrective move into a half-trading cycle low and followed by higher prices, because of the struggling trading cycle advance and the accompanying price/oscillator picture, a short-term sell signal at this juncture will leave the Industrials in a vulnerable position. For this reason, caution is warranted. As I said in the June Research Letter, given the non-confirmations that have begun forming and with us now nearing the 3rd quarter, it is my opinion that we have moved into an increasingly vulnerable environment. With this all said, the structure of the current trading and intermediate-term cycles are key! The timing band for the next trading cycle low runs between July 10th and July 30th. More on this as it develops.

The June 21st short-term sell signal on Crude Oil remains intact and the oscillator picture continues to be suggestive of the trading cycle top, but with the completion of a daily swing low on Thursday, Crude Oil is again positioned for another push up into the trading cycle top. The expectation has been for the advance out of the June 4th low to be counter-trend and if a weekly swing high is formed in conjunction with the downturn out of the current/pending trading cycle top, it will leave Crude Oil at risk of the intermediate-term/counter-trend advance having run its course. The advance out of the June 4th trading and intermediate-term cycle low on Gasoline remains intact, but here too, the expectation is for this advance to be counter-trend. Natural Gas completed the formation of a daily swing low on Tuesday, triggering a short-term buy signal, but because of the reversal lower, we knew that this signal was questionable and had to be confirmed with a close above Tuesday's high. With the completion of a daily swing high on Wednesday and the continued weakness on Thursday, that confirmation was not seen. The June 21st short-term sell signal on the CRB Index remains intact and the continued weakness has set another weekly swing high into motion, which is in turn suggestive of the retest of the intermediate-term top having run its course. Gold completed the formation of a daily swing high on Tuesday and the continued weakness on Wednesday triggered a short-term sell signal. On Thursday a daily swing low was completed, but with the daily CTI remaining negative, a short-term buy signal was not triggered. The XAU completed the formation of a daily swing high on Tuesday and on Wednesday a short-term sell signal was triggered. On Thursday another daily swing low was completed, but because of the reversal lower that signal is questionable and structurally the XAU remains at risk of a left-translated trading cycle top. The June 20th short-term buy signal on the Dollar remains intact, but thus far the risk of a left-translated trading cycle top stands. In order to correct this risk, we must see the June 14th daily swing high bettered. Bonds triggered a short-term sell signal on Thursday and once another daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and the trading cycle low should be in place.

The Intermediate-Term Advancing Issues Line, plotted in red, has ticked back up, but the overall weakness continues to be concerning. The Green MA remains above the Black MA, but continues its downturn from Tuesday. Generally there are two crossings below the Black MA in association with intermediate-term cycle tops, but a downturn here in association with a failed and left-translated trading cycle would certainly not be a positive development.

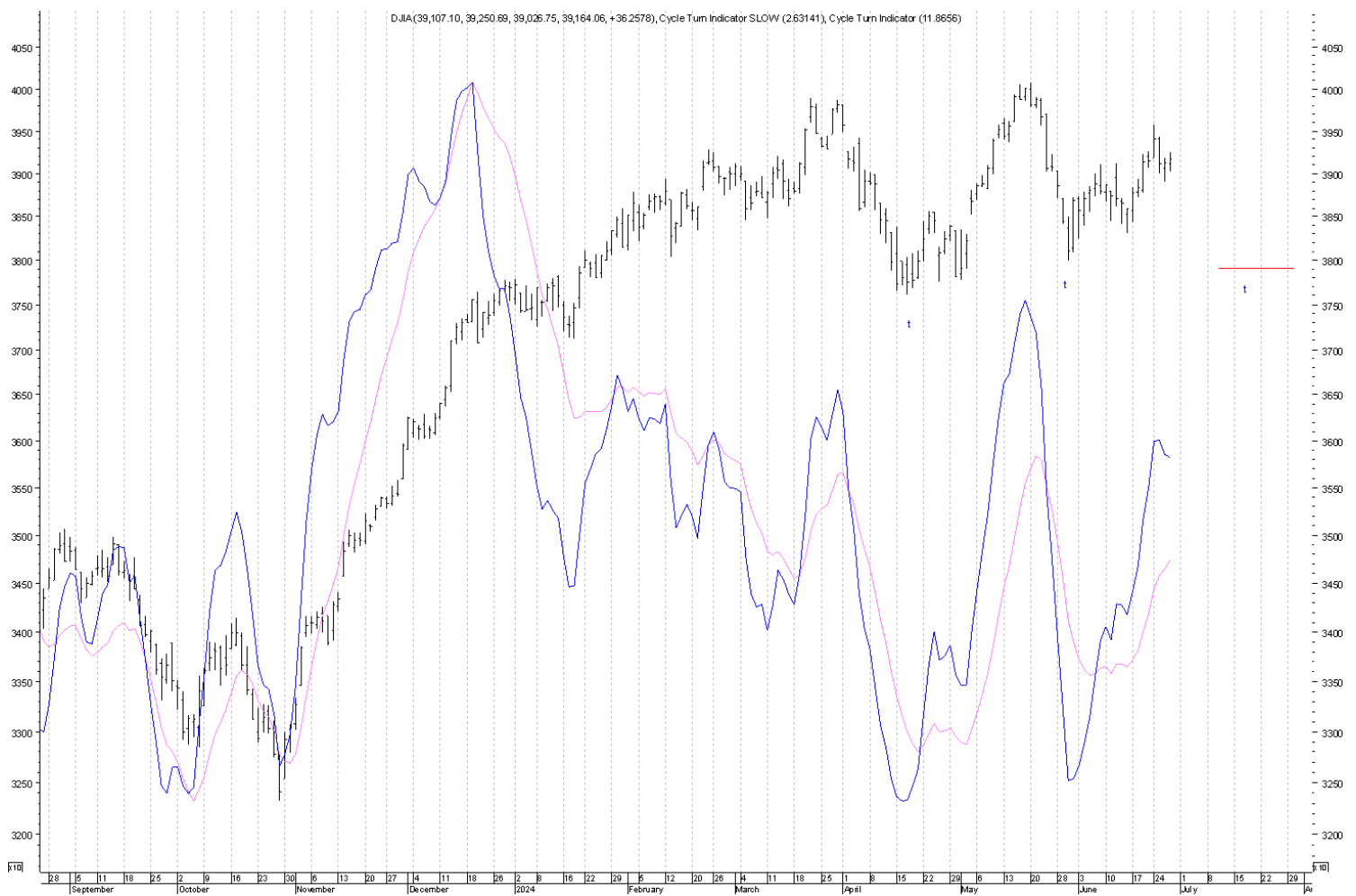


The **Trading Cycle Oscillator** in the upper window has turned below its trigger line. The **Momentum Indicator** continues its downturn and is now sitting right on its zero line. The **5 3 3 Stochastic** in the middle window continues its downturn from overbought levels. The **New High/New Low Differential**, plotted with price, continues its downturn from Tuesday. The **Trend Indicator** remains above its trigger line.

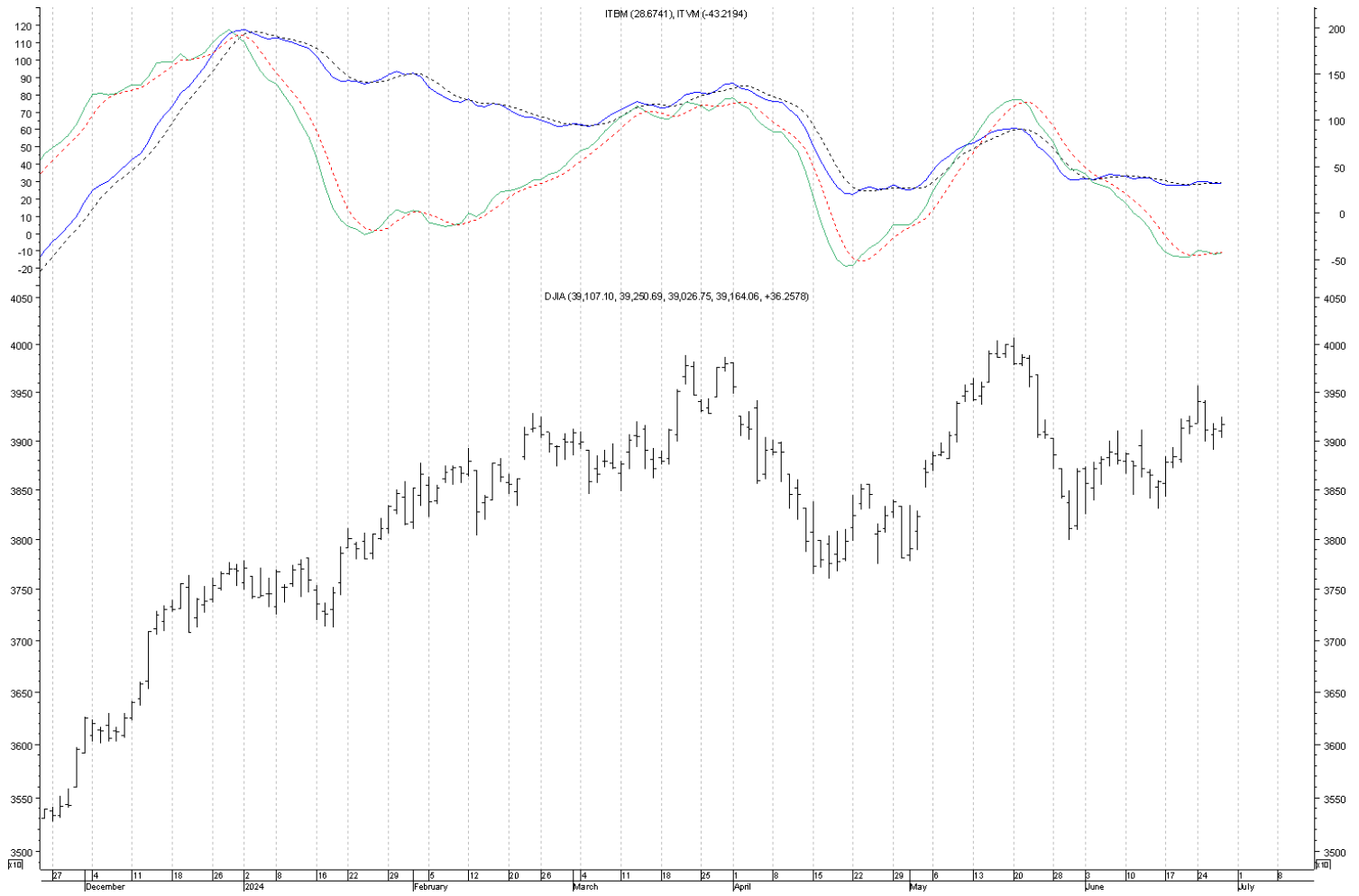


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

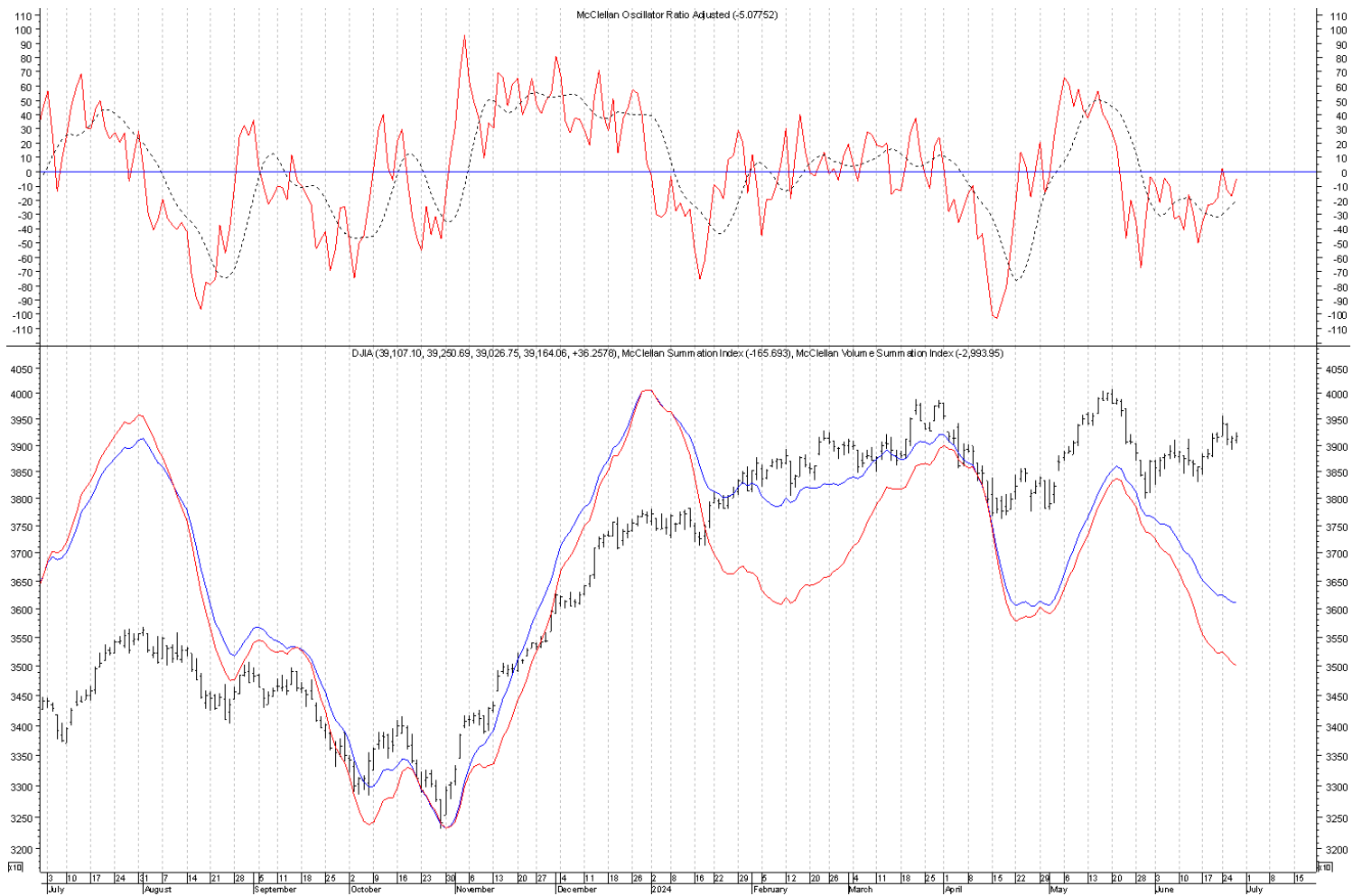
On Tuesday the Industrials completed the formation of a daily swing high, but with ALL Three of the Primary Short-Term Indicators not having turned down, a short-term sell signal was not triggered. On Wednesday the Industrials reversed off their lows and on Thursday the Industrials completed the formation of another daily swing low. The triggering of a short-term sell signal at this juncture would put the Industrials at increased risk of a left-translated trading cycle top. To the contrary, any further advance in the wake of Thursday's completion of a daily swing low will be suggestive of the half-trading cycle low having been seen.



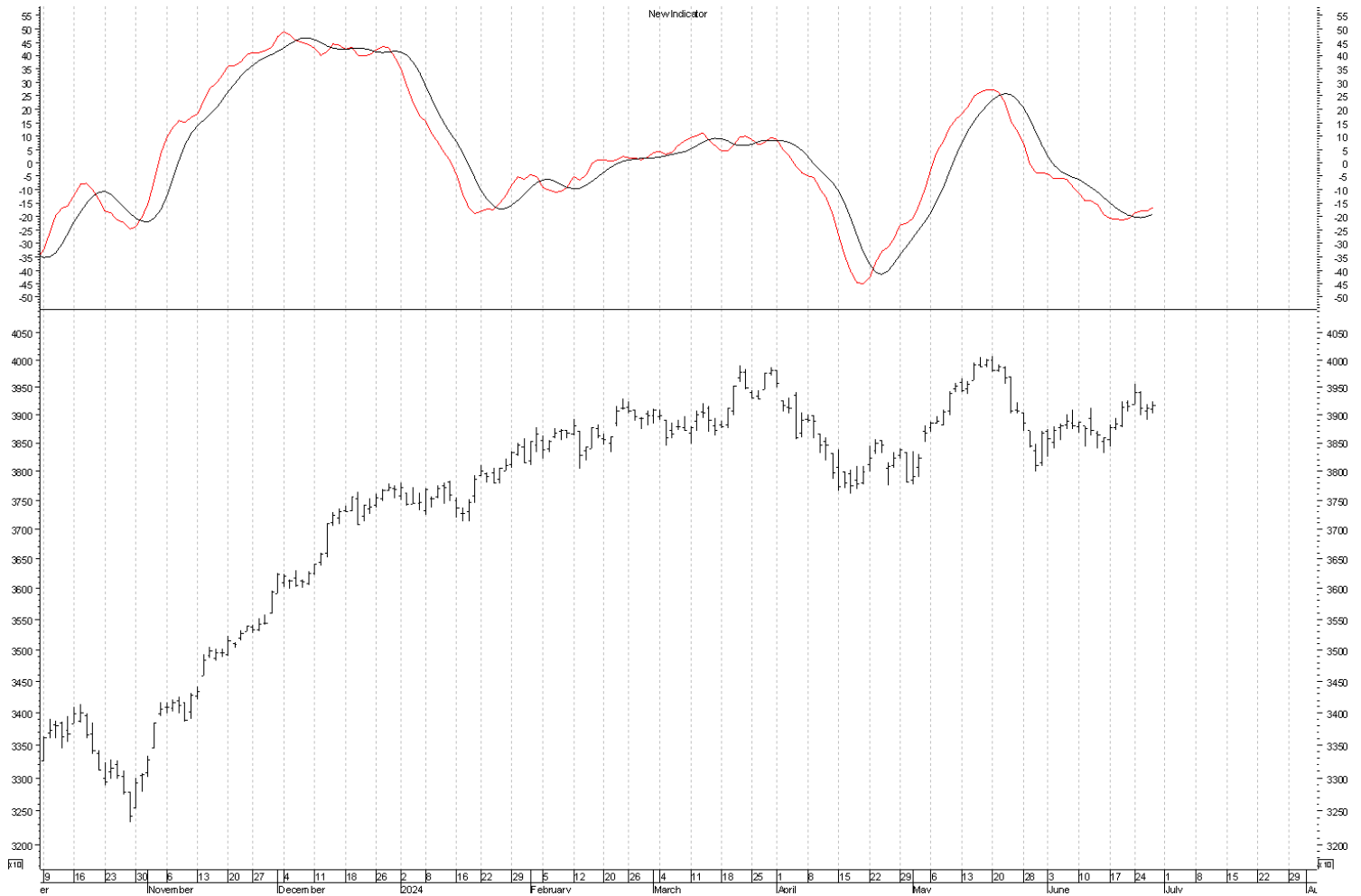
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** have turned marginally back below their trigger lines, which is concerning with regard to this trading cycle advance.



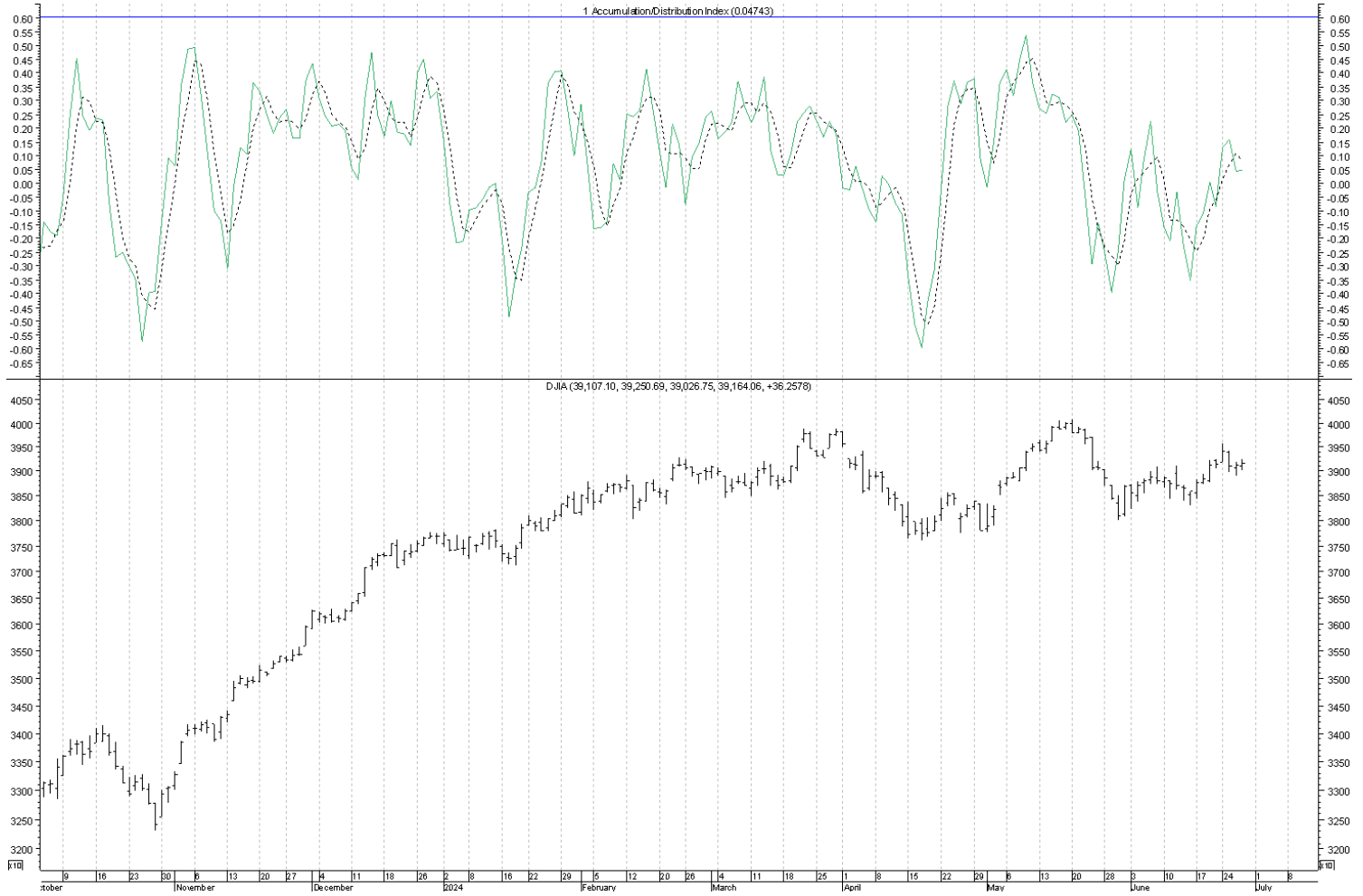
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** ticked up on Monday, but have since also continued their downturns as well. The **Ratio Adjusted McClellan Oscillator** in the upper window turned back up on Thursday and remains marginally above its trigger line. A crossing below the trigger line in conjunction with the triggering of a short-term sell signal would definitely be concerning in that it should seemingly make for an increasingly risky price/oscillator picture in association with a possible left-translated trading cycle top.



The smoothed McClellan oscillator continues its delayed upturn above the trigger line in conjunction with the trading cycle low.



No change here. The upturn of the **Accumulation/Distribution Index** has turned back down. As confirmation of the half-trading cycle low, we need to see this indicator turn back up in conjunction with a continued price advance following Thursday's completion of a daily swing low.



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
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Daily Indicator Summary **Short-Term Sell**

Primary Indicators

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

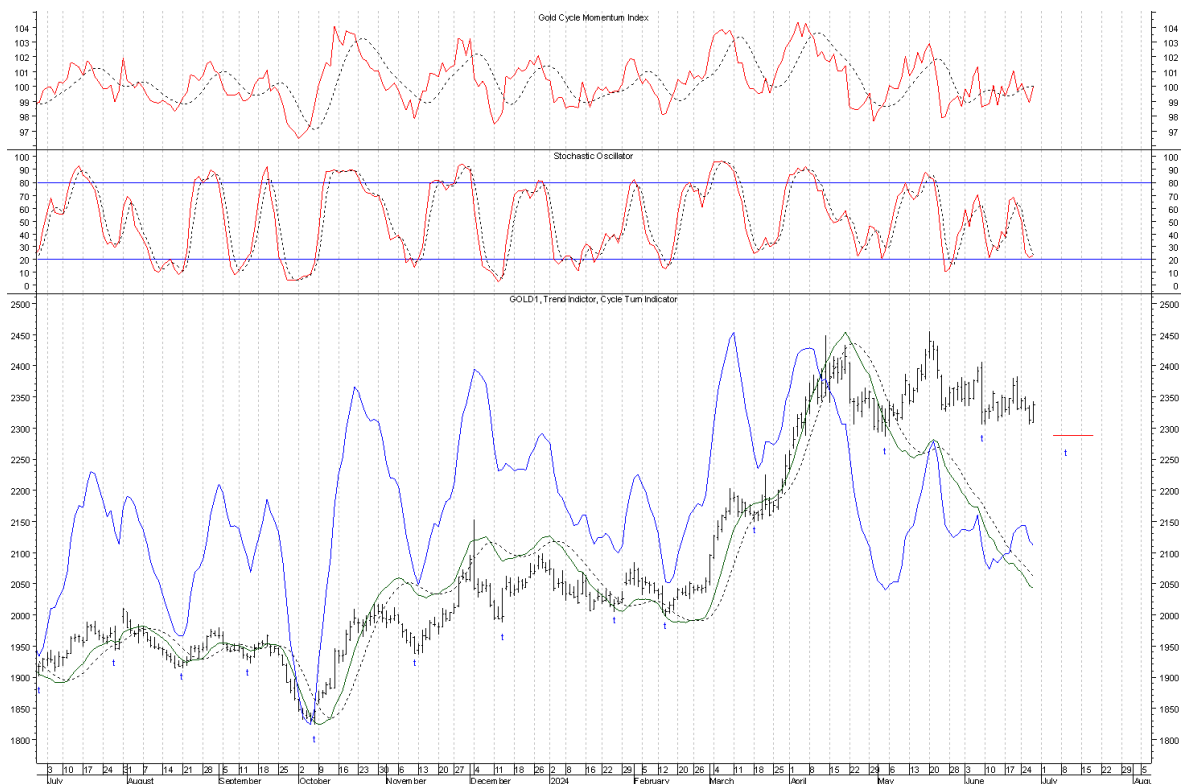
Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

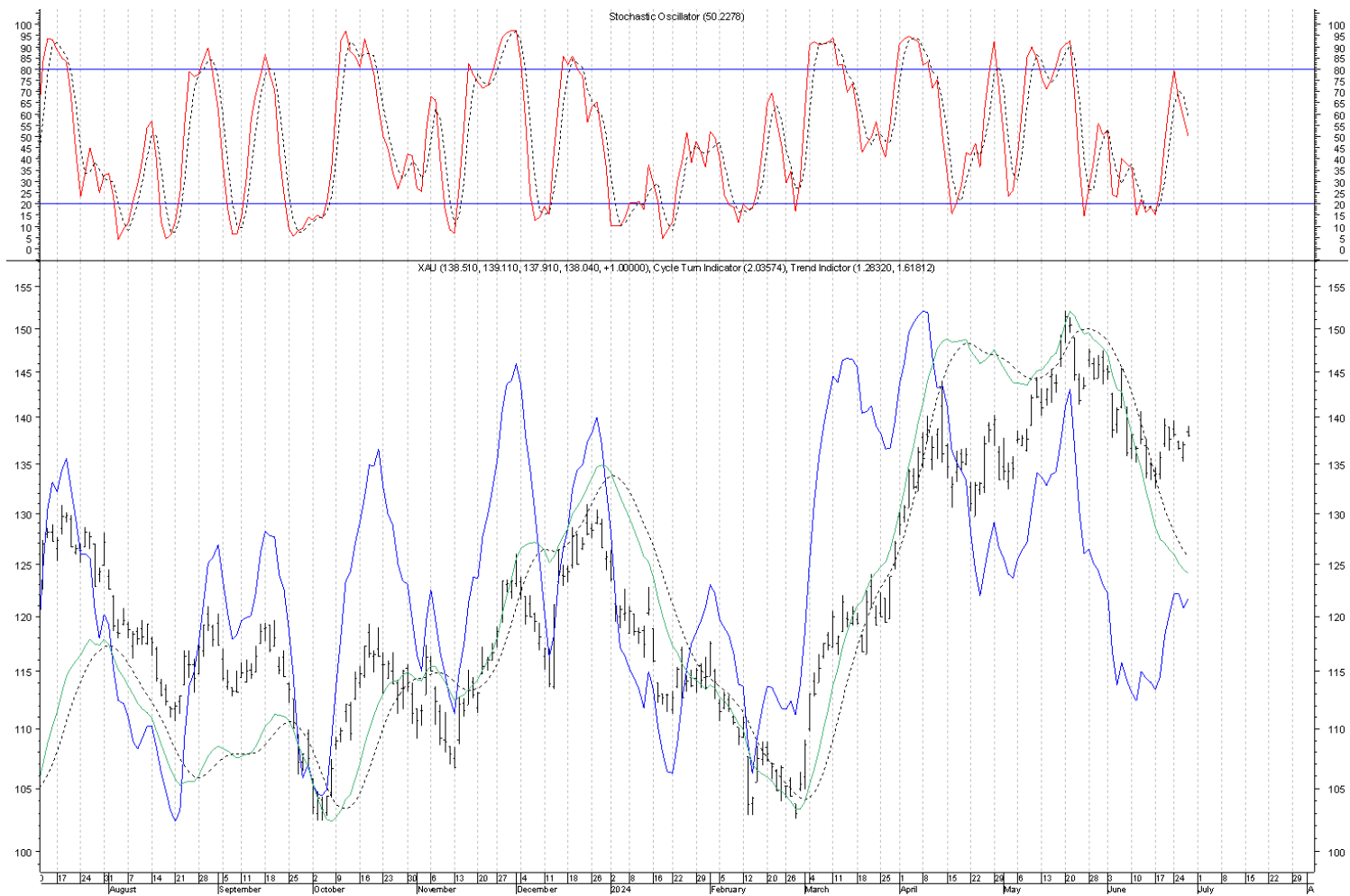
Secondary Short Term Indicators

5 3 3 Stochastic	Bearish
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Gold completed the formation of a daily swing high on Tuesday and with the additional weakness that followed on Wednesday turning the daily **CTI** down, a short-term sell signal was triggered, leaving Gold at risk of a left-translated trading cycle top. On Thursday Gold completed the formation of another daily swing low and any further advance on Friday that turns the daily **CTI** back up will re-trigger another short-term buy signal. In order to correct the risk of a left-translated trading cycle top, we must see the June 21st daily swing high bettered. Otherwise, the next formation of a daily swing high will leave Gold positioned to continue lower in association with a left-translated structure. The timing band for the next trading cycle low runs between July 3rd and July 18th. Another daily swing high will be completed on Friday if 2,342.00 is not bettered and if 2,306.80 violated.



Our daily chart of the XAU is next and every indication is that the trading cycle low was seen on June 17th. The expectation has been for the advance out of that low to be counter-trend and on Tuesday the XAU completed the formation of a daily swing high. On Wednesday the daily CTI turned down, triggering a short-term sell signal, but because of the reversal off the low that signal was questionable and on Thursday another daily swing low was completed. In doing so, the daily CTI turned back up, triggering a short-term buy signal, but because of the reversal lower that signal was also questionable. Any further weakness that completes the formation of a daily swing high in conjunction with a downturn of the daily CTI will again trigger another short-term sell signal, thereby leaving the XAU at increased risk of a left-translated trading cycle top. Upon such development, it will in turn leave the XAU positioned for continued weakness in association with the intermediate-term cycle top and decline into the intermediate-term cycle low. Another daily swing high will be completed on Friday if 139.11 is not bettered and if 137.91 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)	Bullish

Confirming Indicators

Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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Daily Indicator Summary **Short-Term Buy**

Primary Indicators

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

Confirming Indicators

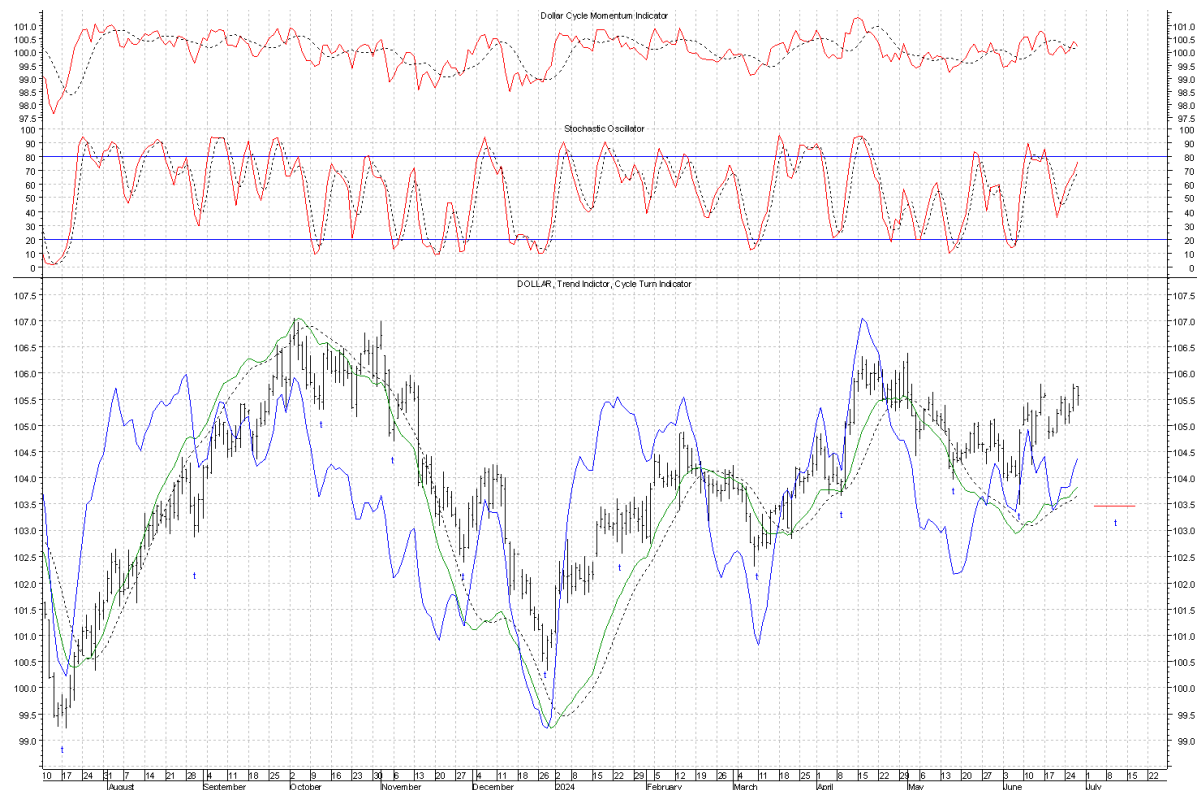
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish

Secondary Indicators

5 3 3 Stochastic	Bullish
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No change with the Dollar. On June 18th, a short-term sell signal was triggered leaving the Dollar at risk of a left-translated trading cycle top. While the June 20th short-term buy signal remains intact, the risk of a left-translated trading cycle top also stands. This short-term buy signal continues to be an opportunity to correct the risk of a left-translated trading cycle top, but in order to do so we must see the June 14th daily swing high bettered. Otherwise, this risk will stand and the next triggering of a short-term sell signal will leave the Dollar positioned to continue lower in association with the left-translated trading cycle top. If the decline in association with any such short-term sell signal completes the formation of a weekly swing high, it will leave the Dollar at further risk of a left-translated intermediate-term cycle top as well. Bottom line, in order to correct this risk, the current trading cycle advance cannot peak with a left-translated structure.

For now, the June 20th 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 Friday if 105.79 is not bettered and if 105.26 is violated. The timing band for the next trading cycle low runs between July 3rd and July 17th.

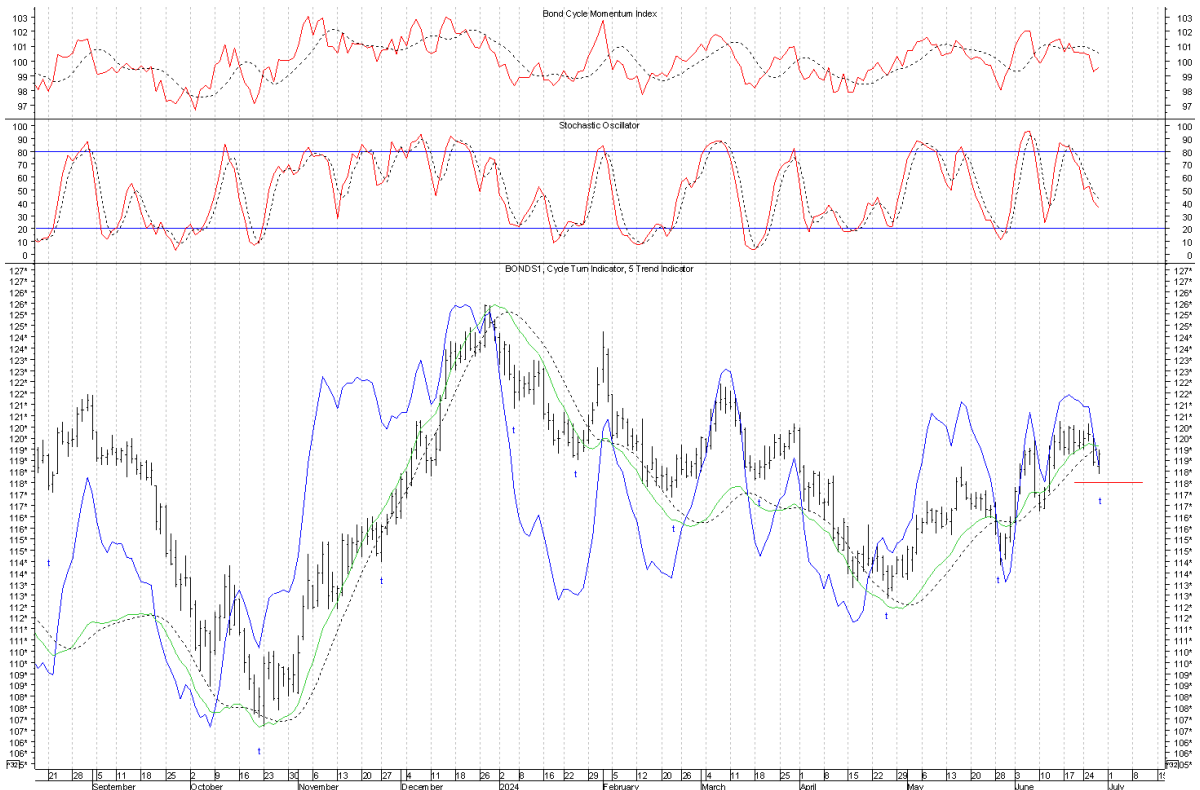


Bonds

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	Bullish

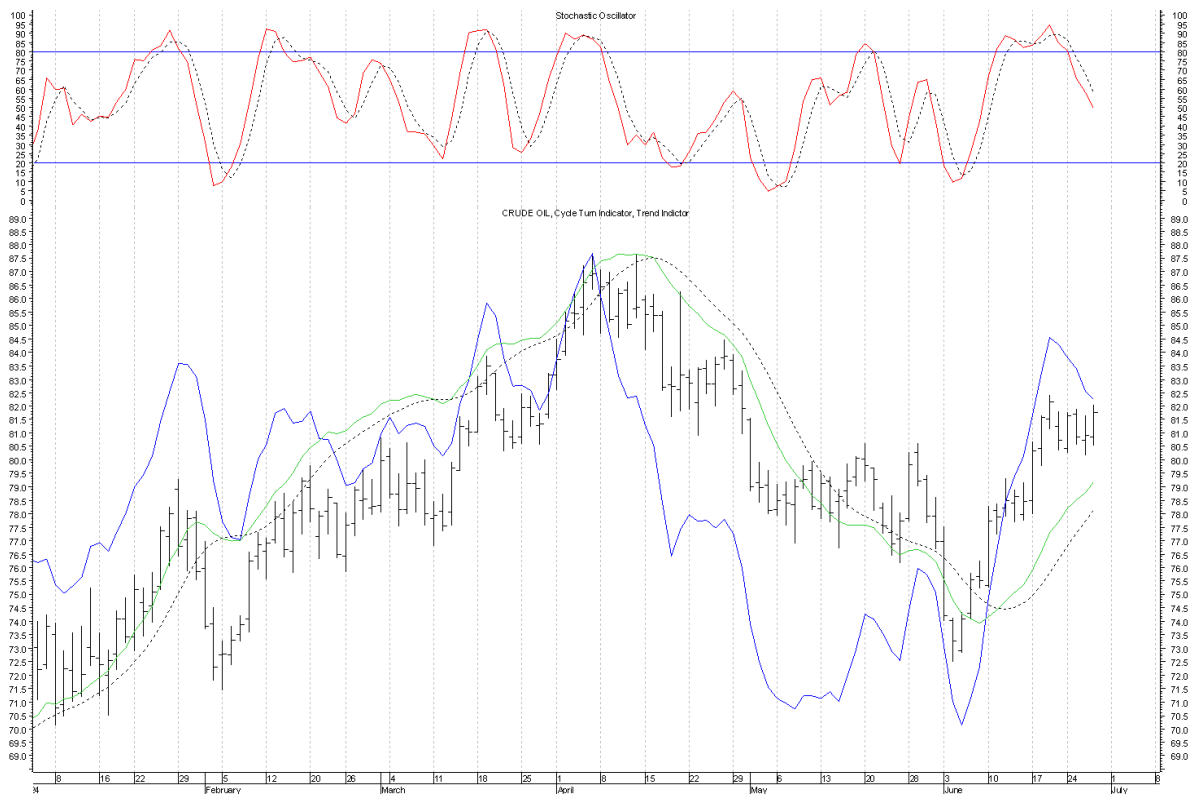
Daily Indicator Summary Short-Term Sell	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish

With the daily **CTI** having turned, Wednesday's completion of a daily swing high triggered a short-term sell signal in association with the trading cycle top. The timing band for the now pending trading cycle low runs between June 19th and July 10th. The expectation is for the decline into the pending trading cycle low to be counter-trend, followed by continued strength and it should be in conjunction with the current intermediate-term cycle advance that we see increased pressure on rates as we move toward the rate cutting cycle. Thursday's reversal off the trading cycle low is suggestive of this low having possibly been seen and any further advance that completes the formation of a daily swing low, in conjunction with an upturn of the daily **CTI**, will trigger a short-term buy signal and every indication will be that this low has been seen. Bottom line, we should be at or near the trading cycle low, which should be in place once a short-term buy signal is triggered.



Crude Oil

The June 21st short-term sell signal remains intact and the oscillator picture continues to be suggestive of the trading cycle top. Within that context, the price action on Thursday completed the formation of a daily swing low leaving Crude Oil positioned for another push into the trading cycle top. Any further advance that turns the daily CTI back up will trigger another short-term buy signal whereas any further weakness that yields a close below Wednesday's low should serve as confirmation of the trading cycle top. With the completion of a weekly swing low the week of June 14th, an intermediate-term buy signal in association with the higher degree intermediate-term cycle low was seen. Every indication has been that the higher degree seasonal and 3-year cycle tops have been seen and for that reason the expectation has been for the advance out of the June 4th low to be counter-trend. If the decline in association with the June 21st short-term sell signal completes the formation of a weekly swing high, then we will have a structural footing to cap this intermediate-term counter-trend advance. For now, the price/oscillator picture continues to be suggestive of a trading cycle top and this sell signal will remain intact until another daily swing low AND upturn of the daily CTI are seen. Another daily swing high will be completed on Friday if 82.04 is not bettered and if 80.51 is violated.



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