

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 July 5, 2024

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

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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.

July 7, 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)	Bearish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bearish
<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>	

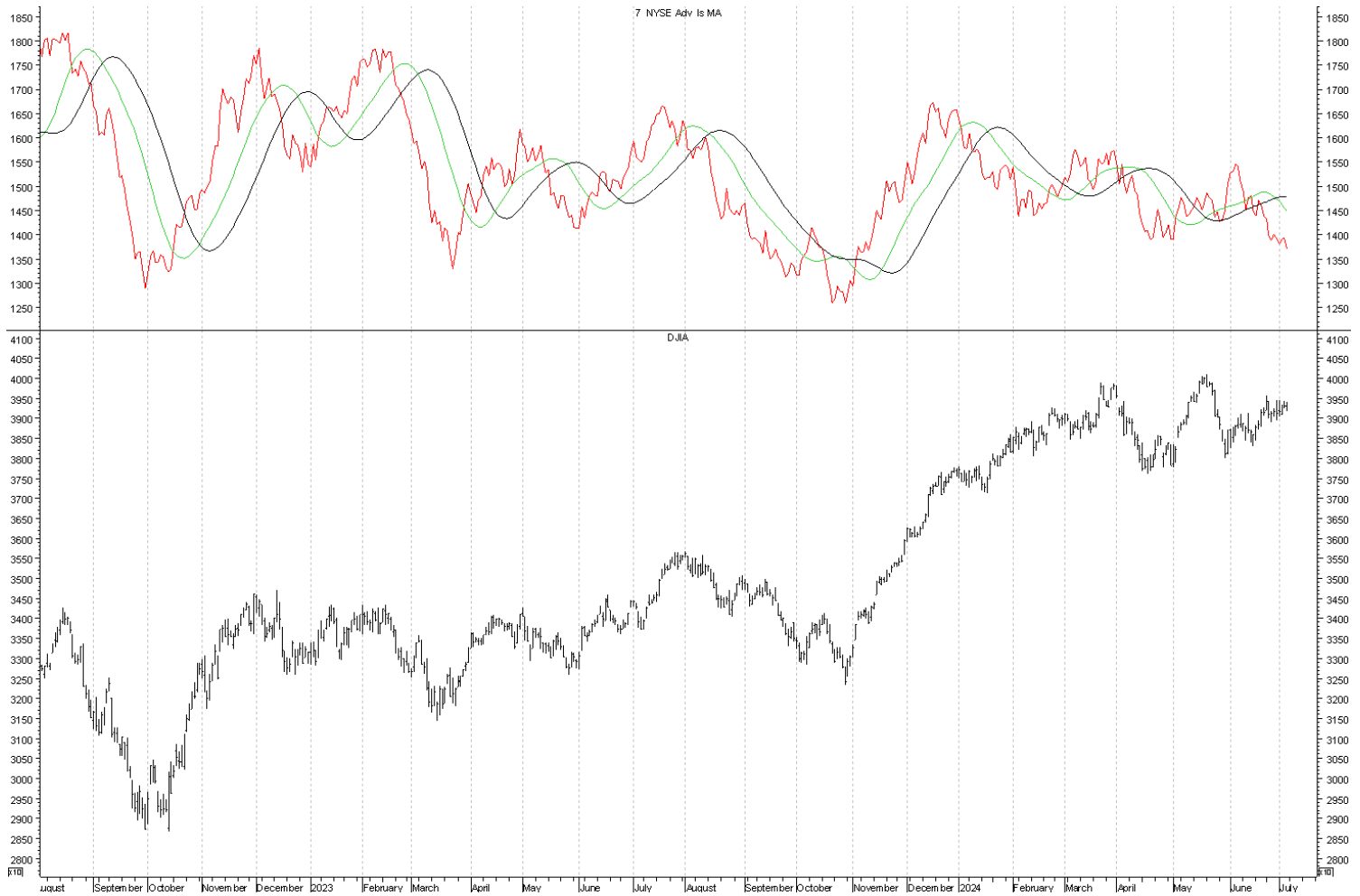
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
McClellan Intermediate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

The trading cycle low on the Industrials was seen on May 30th and the timing band for the now approaching trading cycle low runs between July 10th and July 30th. With all of the price action since June 28th having occurred within the June 28th price bar, there were no meaningful developments over the past week. Within the context of the June 28th price bar, the price action on Friday completed the formation of a daily swing high, but price reversed off the low and with Two of the Three Primary Short-Term Indicators remaining positive, the ongoing short-term buy signal remains intact. Structurally, this trading cycle remains at risk of a left-translated trading cycle top, but the expectation of higher prices with the remainder of the current trading cycle and ideally one additional trading cycle up as the higher degree intermediate-term cycle advance carries us into the anticipated 3rd quarter setting up of the CheckMate Chart similar to the 2007 and 2020 tops has not changed. The June 28th intermediate-term buy signal also remains intact leaving the Industrials positioned for continued strength in association with this ongoing expectation of higher prices as we move into the 3rd quarter. While we have thus far seen nothing to negate these expectation, I also

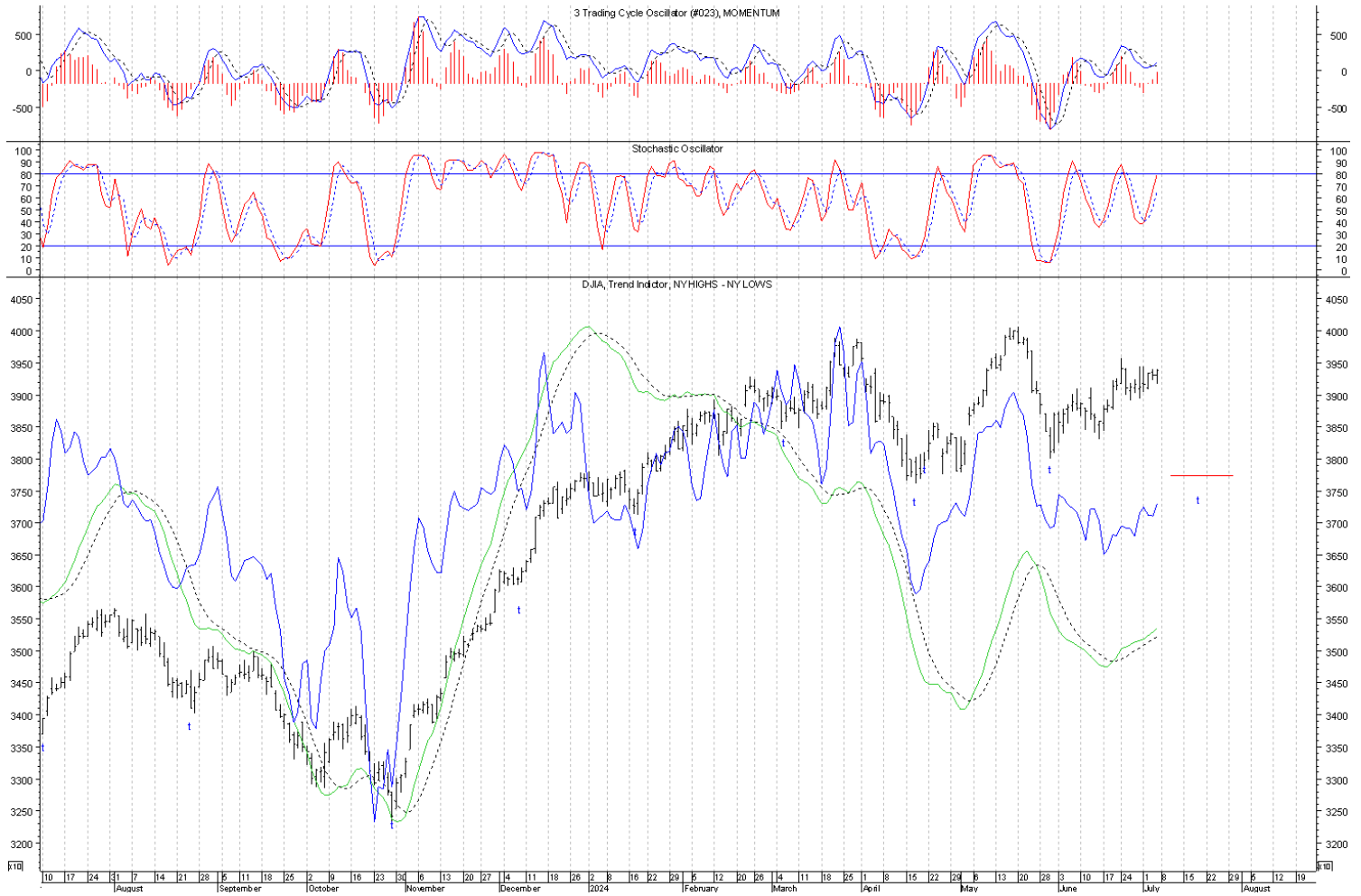
continue to acknowledge the ongoing risk of a failing and left-translated trading cycle advance, which at this juncture would be further suggestive of a left-translated intermediate-term cycle top as well. Bottom line, the structure of the current trading and intermediate-term cycles remains key!

The price/oscillator picture on Crude Oil continues to be suggestive the trading cycle top. Any further weakness following Friday's reversal lower will complete the formation of another daily swing high and if accompanied by a downturn of the daily CTI, a short-term sell signal will be triggered, leaving Crude Oil in a position to turn down out of the trading cycle top. If a weekly swing high is formed in conjunction with the downturn out of the pending trading cycle top, we will have a structural footing for the higher degree intermediate-term cycle top as well. Gasoline also remains ripe for the trading cycle top and here too, once a daily swing high and downturn of the daily CTI are seen, a short-term sell signal will be triggered in association with what should be the trading cycle top. As with Crude Oil, the expectation has been for this advance to be counter-trend and the completion of a weekly swing high will be suggestive of this advance having run its course as well. The short-term sell signal on Natural Gas remains intact and at a higher level the evidence continues to be suggestive of the intermediate-term cycle top having also been seen and that the counter-trend advance has run its course. The CRB Index triggered a short-term buy signal on Monday and while that buy signal remains intact, the expectation is for this buy signal to be in association with another counter-trend advance. With the completion of a daily swing low and the triggering of a short-term buy signal on Wednesday, the additional confirmation of Tuesday's short-term sell signal on Gold was not seen. As a result of this buy signal, the current trading cycle is now right-translated, which in turn is also suggestive of the higher degree intermediate-term cycle low as well. The XAU also triggered a short-term buy signal on Wednesday and every indication is that both the trading and intermediate-term cycle lows were seen on June 17th. On Monday the Dollar completed the formation of a daily swing high and with the downturn of the daily CTI a short-term sell signal was triggered. But, because of the reversal off the low on Monday and with the price action on Tuesday completing the formation of another daily swing low, we needed to see a close below Monday's low as confirmation of Monday's sell signal and on Wednesday that additional confirmation was seen. Any further weakness that completes the formation of a weekly swing high will leave the Dollar at risk of a left-translated intermediate-term cycle top, which will in turn leave the Dollar further positioned for continued weakness into the higher degree seasonal and 4-year cycle low. Bonds completed the formation of a daily swing low on Wednesday, triggering a short-term buy signal in association with the trading cycle low. The expectation is for further strength to follow in association with the advance out of the higher degree intermediate-term, seasonal and suspected 3-year cycle lows. It is also expected that it will be in conjunction with this intermediate-term cycle advance that we see interest rates come under increased pressure in association with the initiation of the rate cutting cycle.

The Intermediate-Term Advancing Issues Line, plotted in red, ticked back down on Friday and the overall weakness and violation of the April low continues to be indicative of the weak trading and intermediate-term cycle advance. The Green MA continues its downturn below the Black MA and while there are generally two crossings below the Black MA in association with intermediate-term cycle tops, given the ongoing struggling trading cycle advance, this downturn continues to be a noteworthy development in that confirmation of a failed and left-translated trading cycle top would have to be taken as a serious warning of the intermediate-term cycle top having been seen in conjunction with this crossing. More on this as this trading cycle unfolds. This remains an important juncture and again, the structure of the trading and intermediate-term cycles are key with regard to this crossing.

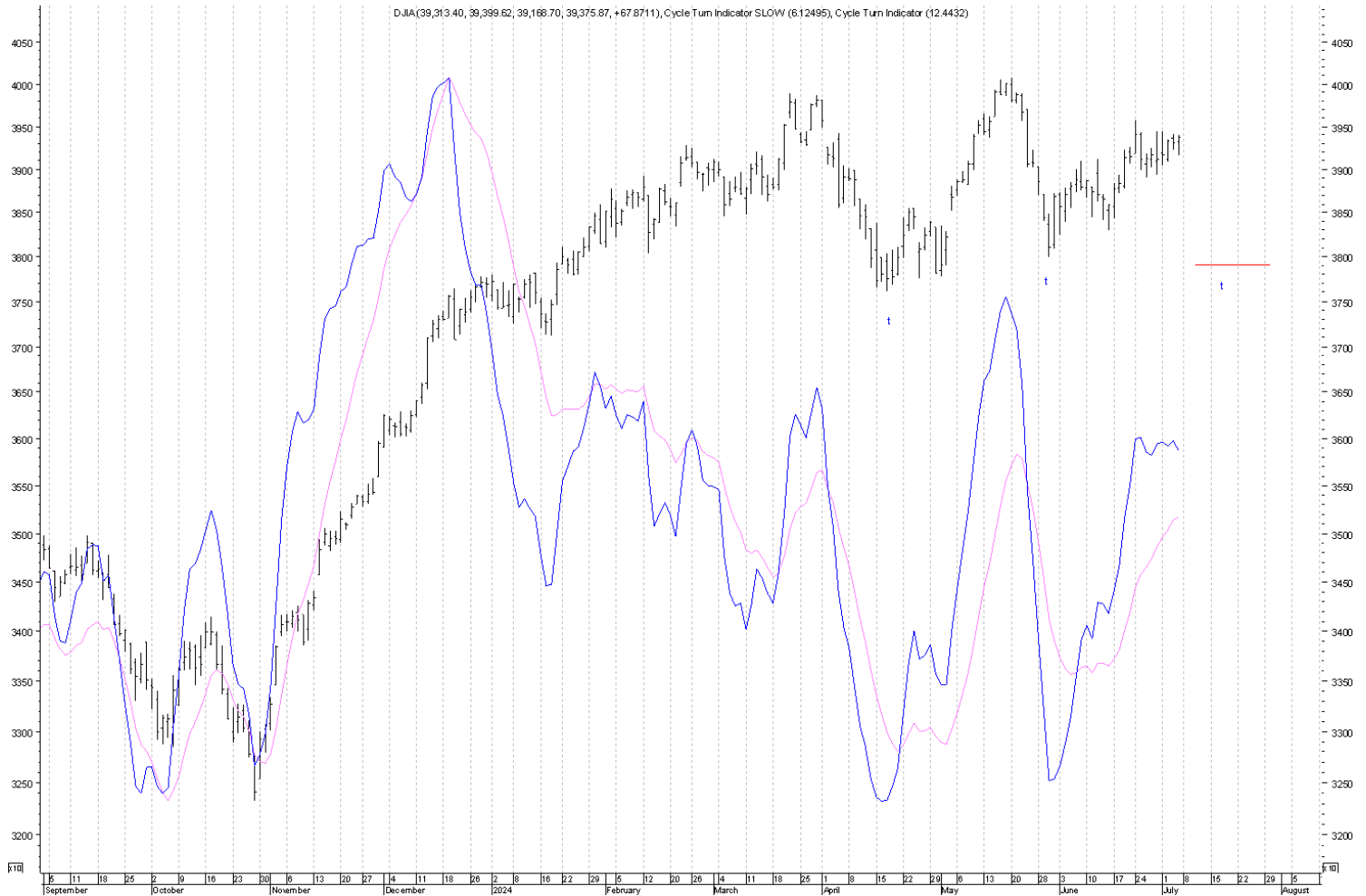


The **Trading Cycle Oscillator** in the upper window has turned back up above its trigger line and the **Momentum** Indicator has crossed back above its zero line. The **5 3 3 Stochastic** in the middle window continued its upturn on Friday. The **New High/New Low Differential**, plotted with price, has turned back up, which does make for an improved oscillator picture in association with what should ideally be one more push up into the trading cycle top. The **Trend Indicator** remains above its trigger line.

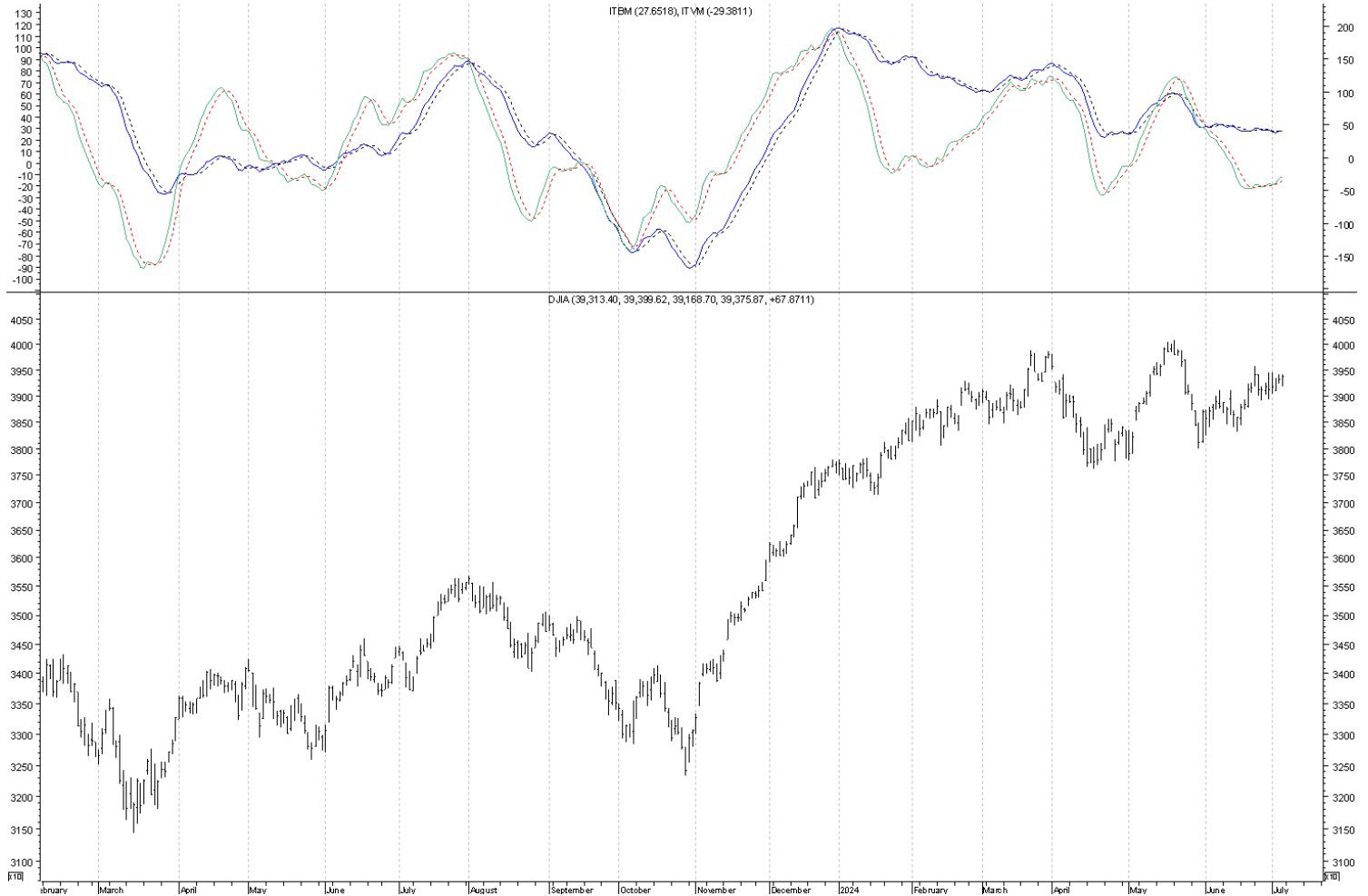


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**Bottom line, the short-term buy signal and advance out of the trading cycle low will remain intact until another daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen and in order to mend the risk of a left-translated trading cycle top, the Industrials must better their June 24th daily swing high.**

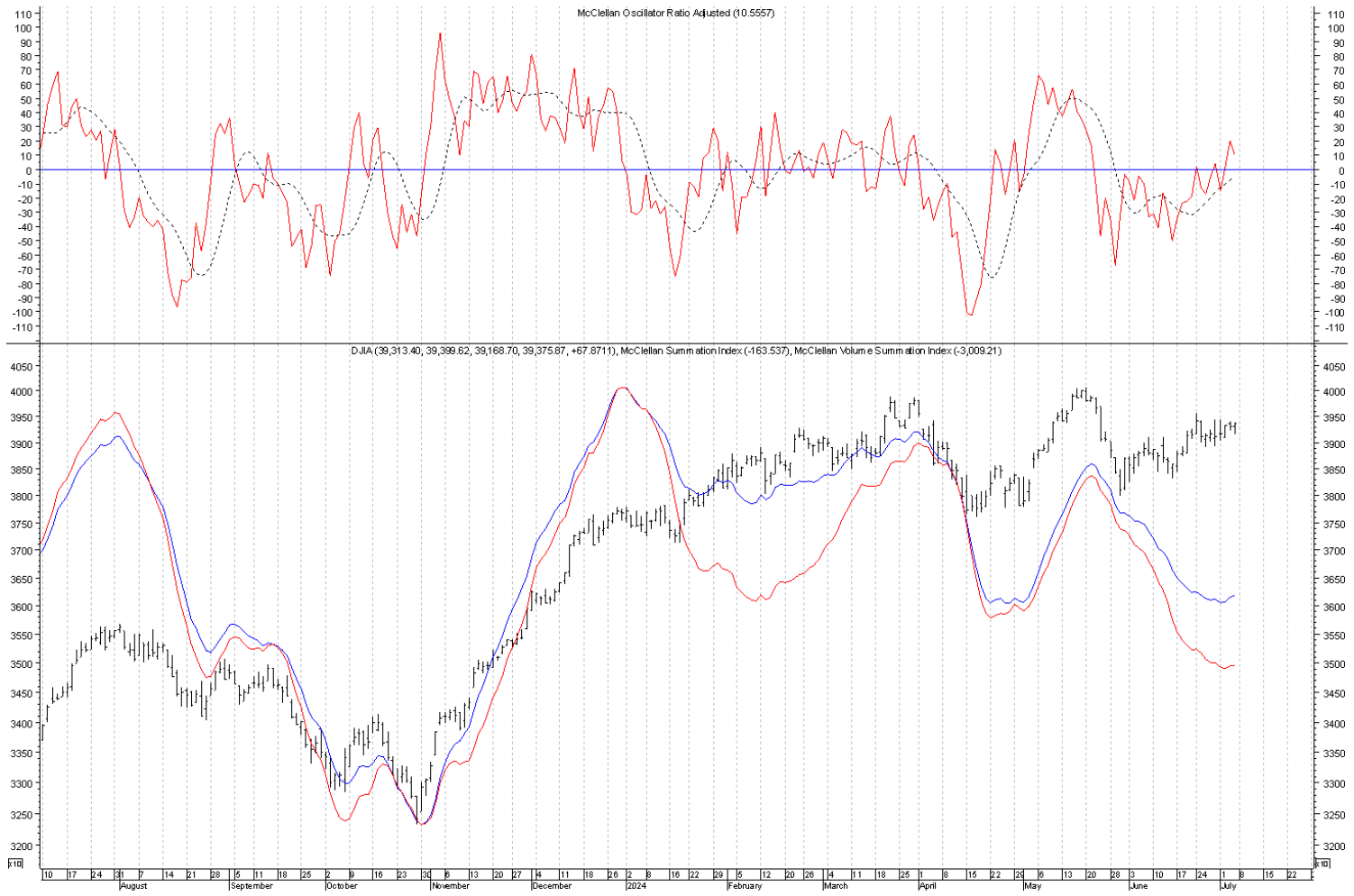


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** are again in gear above their trigger lines, but the ongoing poor performance here continues to be reflective of the struggling trading cycle advance.

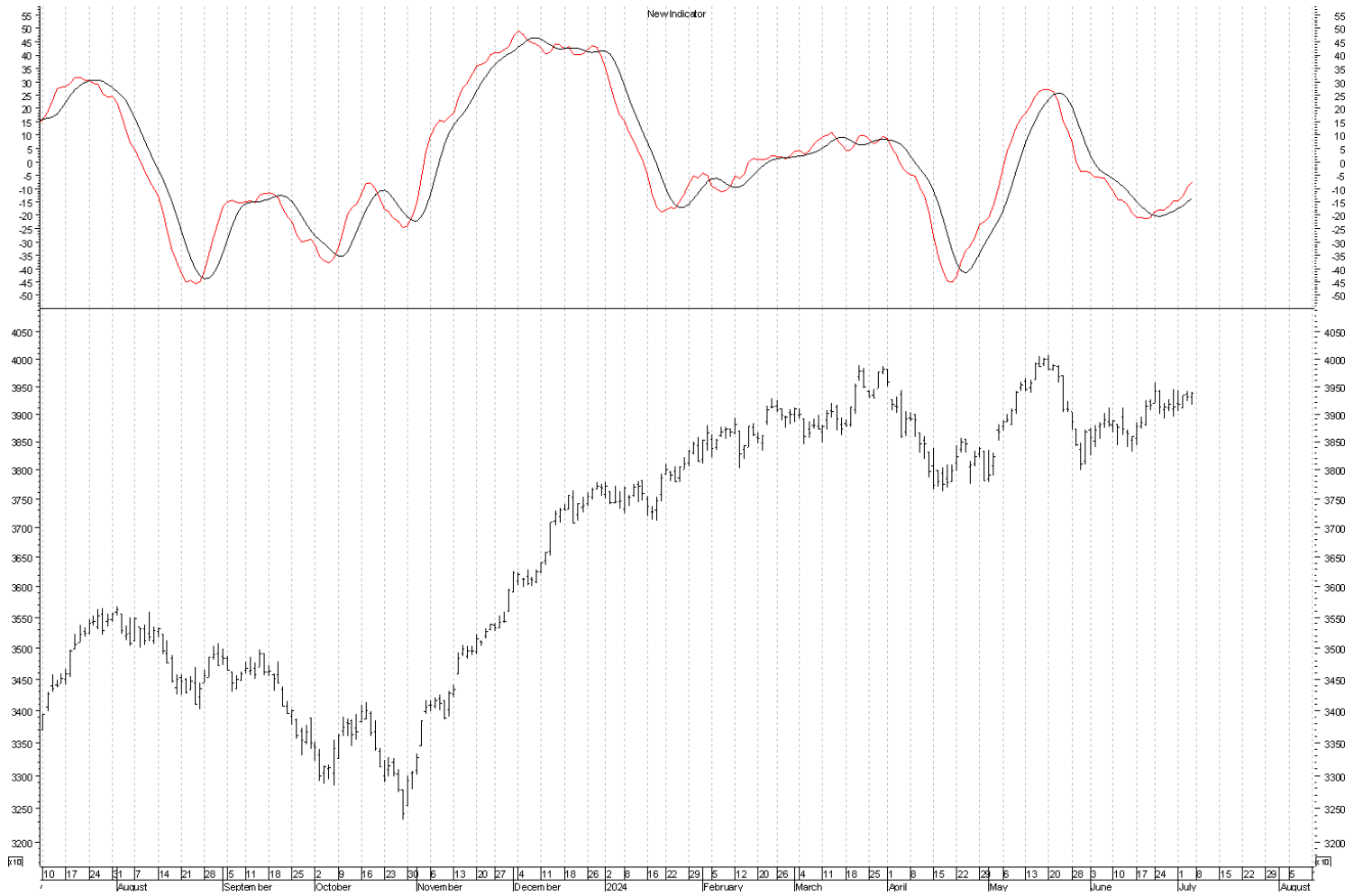




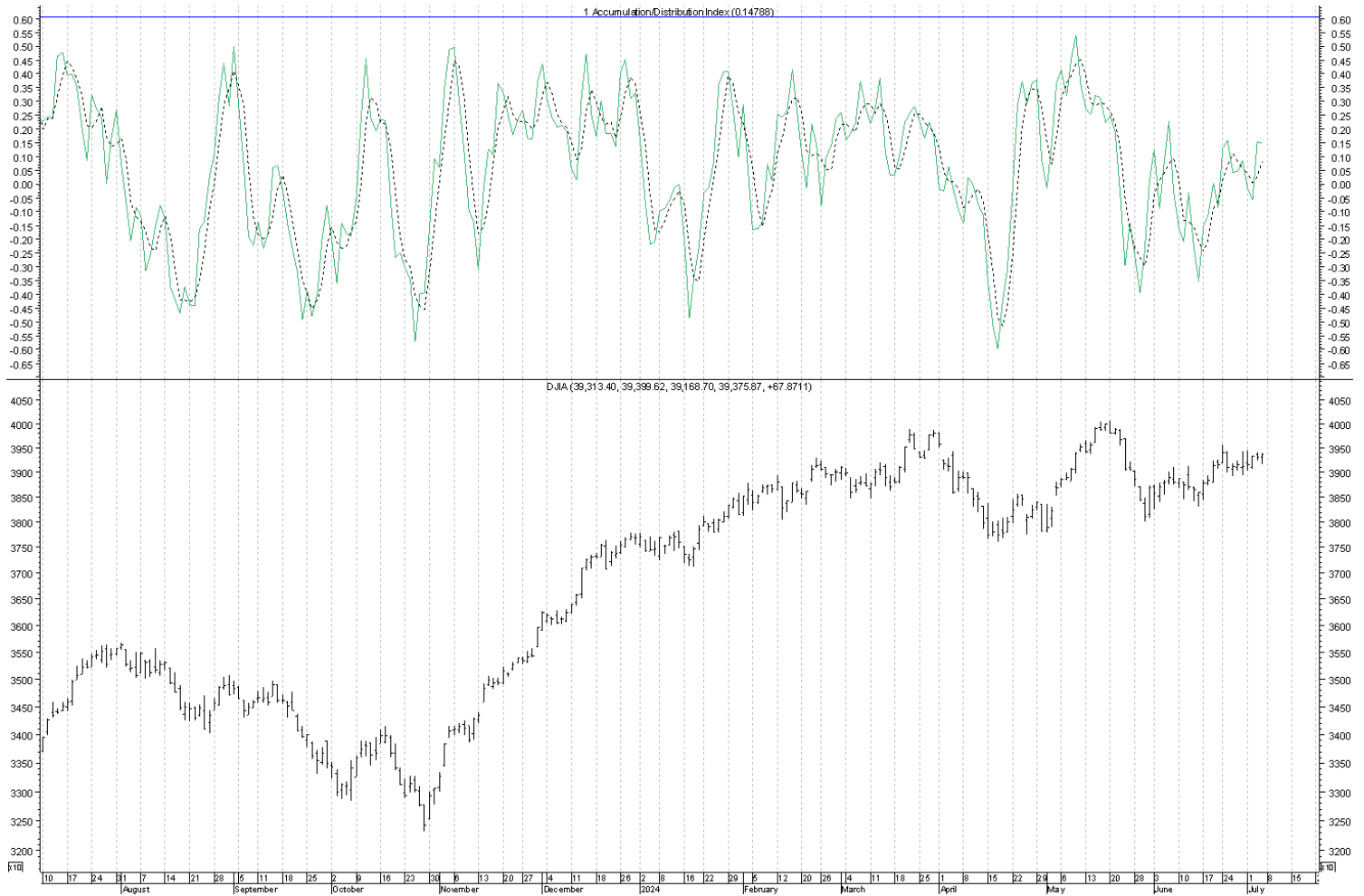
The price action on Wednesday and Friday turned both the **McClellan Summation Index** and the **McClellan Volume Summation Index** back up, but the overall weakness of these indicators also continue to be reflective of the struggling trading cycle advance. The **Ratio Adjusted McClellan Oscillator** in the upper window turned back down on Friday, but with it well above its trigger line, this indicator remains positive as we use it. A crossing back below the trigger and zero lines in conjunction with the triggering of a short-term sell signal will be suggestive of the trading cycle top.



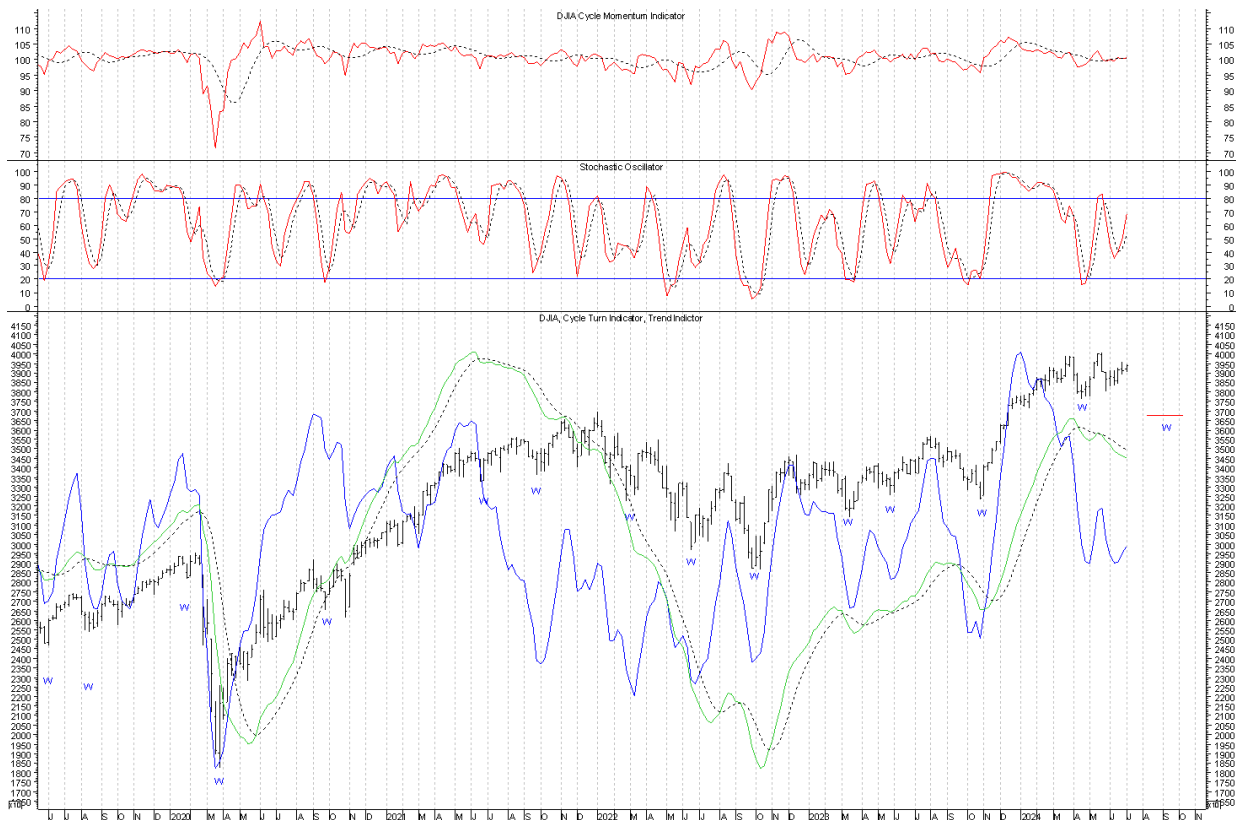
The smoothed McClellan oscillator continues its delayed upturn and a crossing back below the trigger line will be suggestive of the trading cycle top.



The **Accumulation/Distribution Index** has turned back up above its trigger line, which now tends to be suggestive of another push up into the trading cycle top.



Our weekly chart of the Industrials is next and with this past week's price action having occurred within the June 28th price bar, this past week was an inside week, resulting in no structural changes. The week ending June 7th the Industrials completed the formation of a weekly swing low and with the close the week of June 28th turning the weekly CTI up, an intermediate-term buy signal was finally re-triggered. In order to keep the intermediate-term advance out of the April 17th intermediate-term cycle low structurally intact, the current trading cycle advance out of the May 30th daily swing low must carry the Industrials above their May high in conjunction with a right-translated trading cycle advance. Failure to do so will leave the Industrials at risk of a left-translated intermediate-term cycle top, which will in turn leave Equities at further risk of the seasonal and what should also be the 4-year cycle top as well. Therefore, this continues to be a critical cyclical juncture and the advance out of the current trading cycle low remains key. Thus far, the expectation continues to be for higher prices as we move up with the remainder of the current trading cycle and ideally one additional trading cycle after that. For now, while this intermediate-term advance continues to struggle, the June 28th retriggering of an intermediate-term buy signal will remain intact until another weekly swing high AND downturn of the weekly CTI are seen. The timing band for the next intermediate-term cycle low runs between August 9th and October 11th. Another weekly swing high will be completed in the coming week if 39,571.23 is not bettered and if 38,908.99 is violated



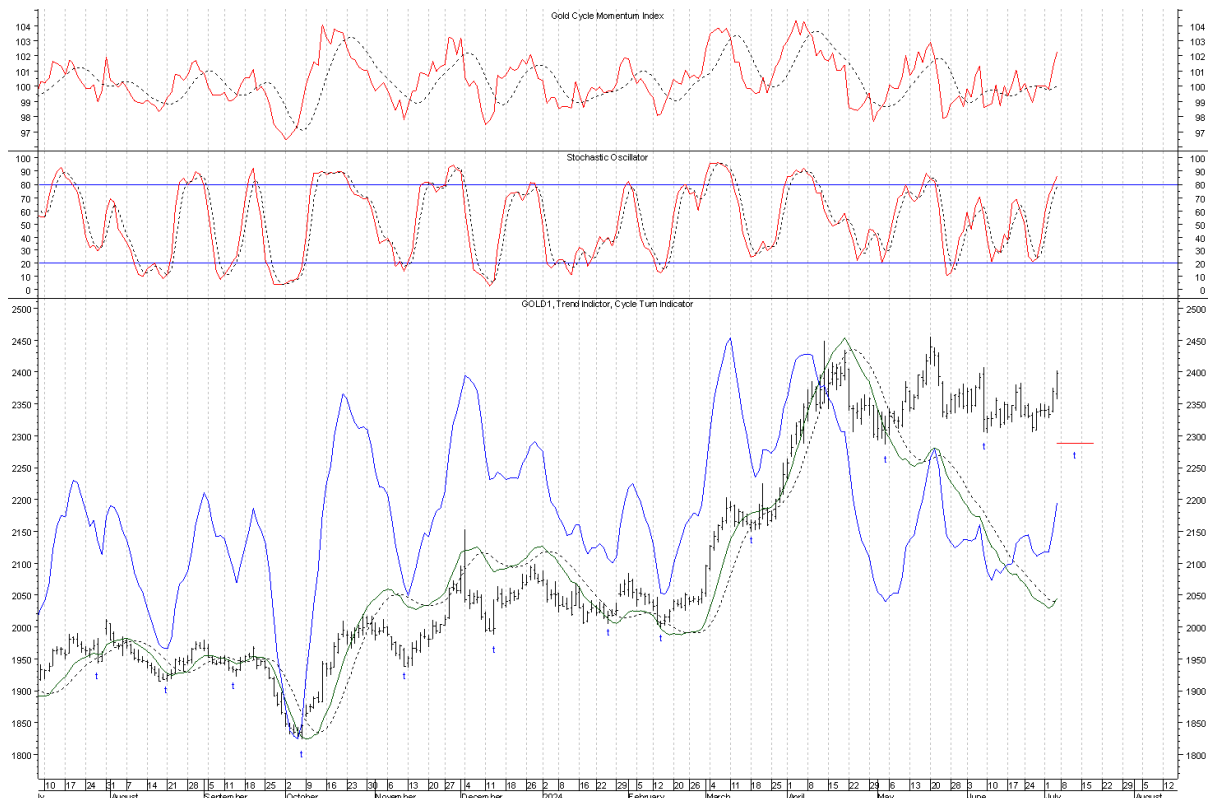
## Gold

End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing High	Bearish
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	Bullish

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

Gold marginally completed the formation of a daily swing high on Tuesday and with the marginal downturn of the daily **CTI**, a marginal short-term sell signal was triggered. As explained in the Tuesday night update, because this signal was marginal, I wanted to see a solid close below Tuesday's low as confirmation. With the completion of a daily swing low on Wednesday, per the parameters given in the Tuesday night update, that confirmation was not seen and with the accompanying upturn of the daily **CTI**, another short-term buy signal was triggered. Also, with Friday's bettering of the June 21st daily swing high, this trading cycle is now right-translated and as a result, the evidence is further suggestive of the intermediate-term cycle low also having been seen. More on that below. For now, this short-term buy signal will remain intact until another daily swing high and downturn of the daily **CTI** are seen. The timing band for the next trading cycle low runs between July

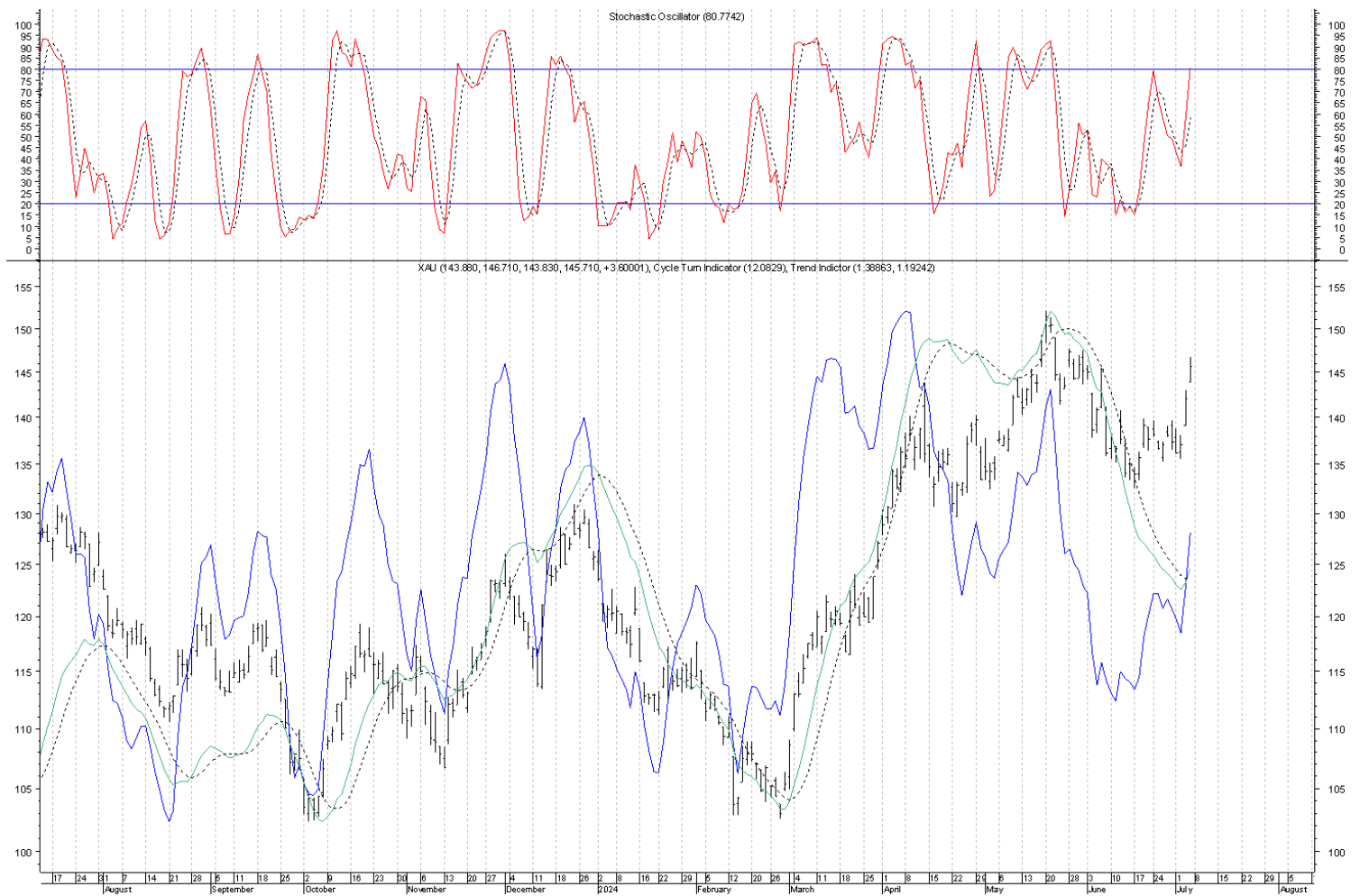
3rd and July 18th. Another daily swing high will be completed on Monday if 2,401.50 is not bettered and if 2,356.00 is violated.



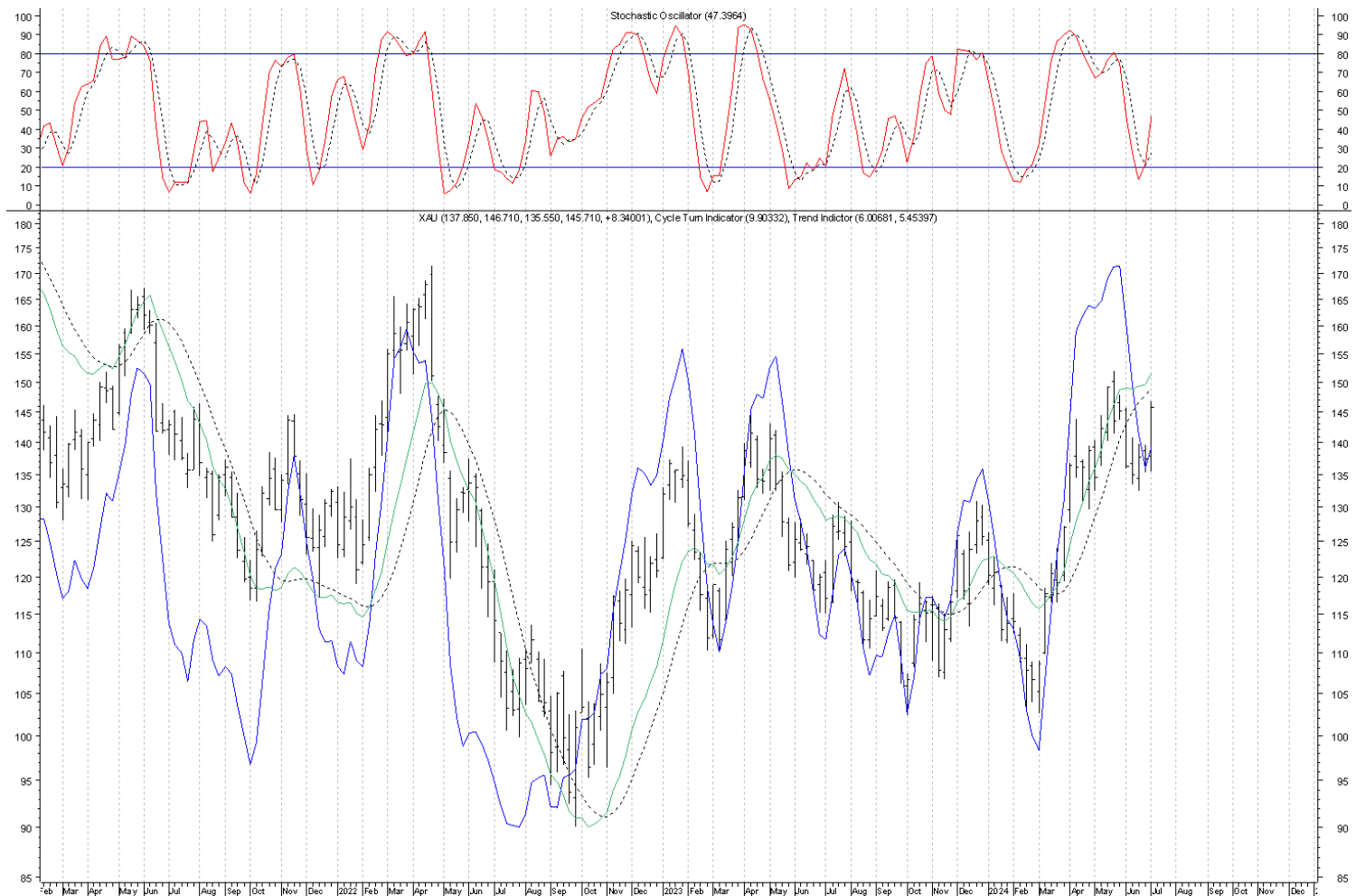
Our weekly chart of Gold is next and the timing band for the current intermediate-term cycle low runs between June 4th and July 23rd. At this level I have ideally wanted to see another push down into this low in conjunction with the current trading cycle, but with the current trading cycle now being right-translated, the evidence is now suggestive of the intermediate-term cycle low having been seen. That said, with all of the price action since the June 7th price bar having occurred within the June 7th price range, we still need to see the completion of a weekly swing low and upturn of the weekly CTI in order to trigger an intermediate-term buy signal in conjunction with this intermediate-term cycle low. At a higher level, the 9-year cycle low was ideally due in the late 2023 to 2024 timeframe, but because of the bettering of the May 2023 seasonal cycle top and more recently the December 2023 intermediate-term cycle top, the evidence has been increasingly suggestive of the November 2022 seasonal cycle low having also marked the 9-year cycle low. While the bettering of the December 2023 high and continued advance has obviously been a positive development for Gold, as was originally discussed in the December Research Letter, the Industrial Metals Index nor the CRB Index have structurally confirmed this advance. Until such structural confirmation is seen, the higher degree expectation is for any additional strength in association with this suspected intermediate-term cycle low to be an ending push into a left-translated 9-year cycle top in accordance with the overall setting up of the CheckMate Chart. For now, the price/oscillator picture is suggestive of the intermediate-term cycle low and any further strength that completes the formation of a weekly swing low in conjunction with an upturn of the weekly CTI will trigger another intermediate-term buy signal in conjunction with what should serve as confirmation of the intermediate-term cycle low. A weekly swing low will be completed in the coming week if 2,304.20 holds and if 2,406.70 is bettered.



Our daily chart of the XAU is next and there are no changes at this level. Every indication continues to be that the trading cycle low was seen on June 17th and the expectation has been for the advance out of this low to be counter-trend. With the daily CTI having turned down, Monday's completion of a daily swing high triggered a short-term sell signal, which in doing so was an opportunity to cap this counter-trend advance. Structurally, as with Gold, the XAU has also been at risk of a left-translated trading cycle top. However, per the parameters given in the Tuesday night update, the XAU 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. This advance continues to serve as a retest of the intermediate-term cycle top and will remain intact until another daily swing high and downturn of the daily CTI are seen. Another daily swing high will be completed on Monday if 146.71 is not bettered and if 143.83 violated.



Our weekly chart of the XAU is next. Per the parameters given here in last weekend's update, the price action this past week completed the formation of a weekly swing low and with the upturn of the weekly **CTI**, an intermediate-term buy signal was triggered. In doing so, as with Gold, every indication is that the intermediate-term cycle low has been seen. At a higher level, the May intermediate-term cycle top was an opportunity to have marked the suspected seasonal cycle top, but as has been discussed in recent weekend updates, we have needed to see the completion of a monthly swing high, which we have not seen, as evidence of the higher degree seasonal cycle top. It will now be the advance out of this intermediate-term cycle low that will serve as the structural test of the seasonal cycle top or in the absence of the completion of a monthly swing high, this advance may possibly prove to be in association with an ending push into the seasonal cycle top. Whichever the case, this intermediate-term buy signal will remain intact until another weekly swing high and downturn of the weekly **CTI** are seen. Another weekly swing high will be completed in the coming week if 146.71 is not bettered and if 135.55 is violated.





## Dollar

### End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy/Neutral**

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

#### Primary Indicators

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

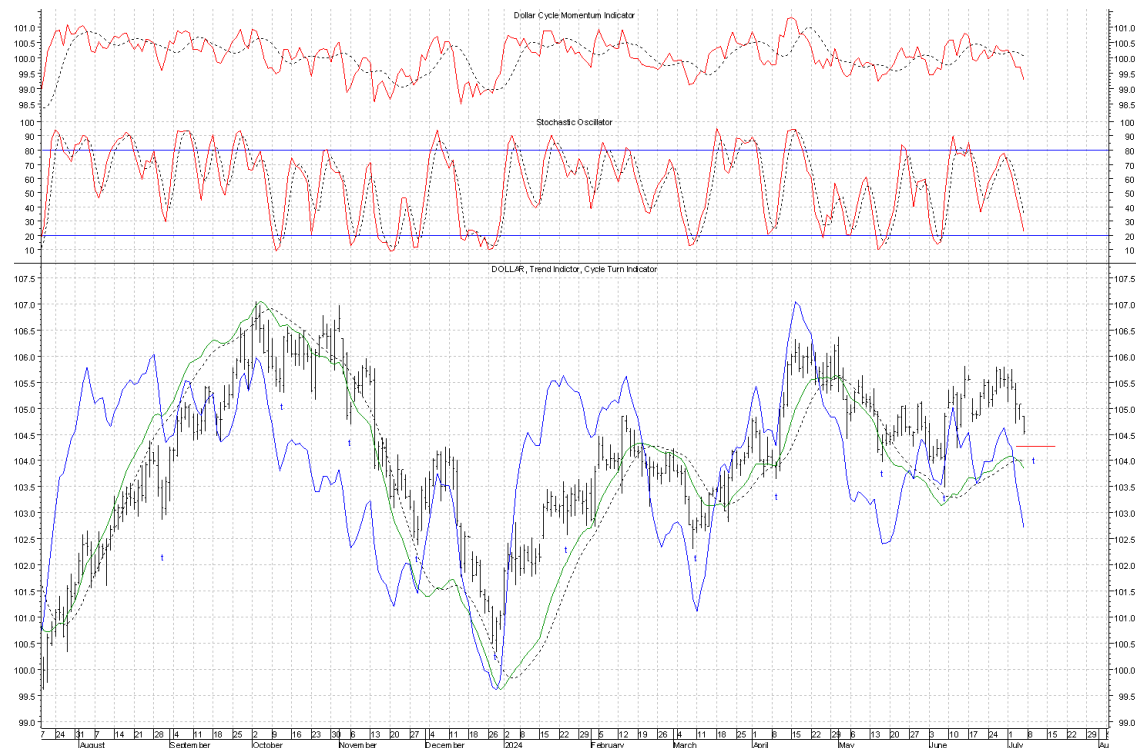
#### Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish

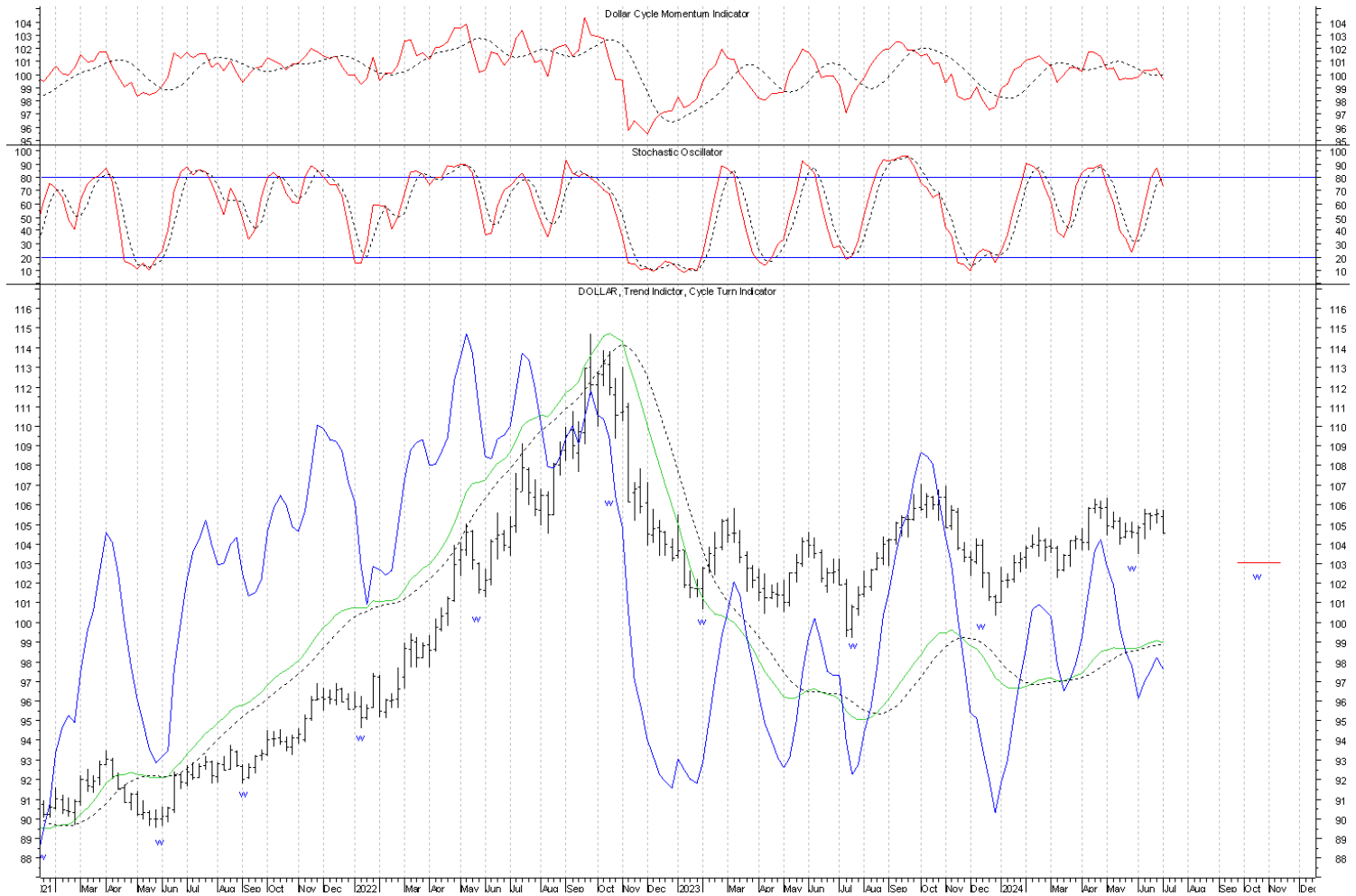
#### Secondary Indicators

5 3 3 Stochastic	Bearish
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On Monday, July 1st, the Dollar completed the formation of a daily swing high and with the downturn of the daily **CTI** a short-term sell signal was triggered. But, because of the reversal off the low on Monday and Tuesday's completion of another daily swing low, we needed to see a close below Monday's low as confirmation of this short-term sell signal, which was seen on Wednesday. The structure of the current trading cycle is a little odd in that we saw a deep retest of the June 14th trading cycle top, but in the absence of the bettering of the June 14th high, we technically should have a left-translated trading cycle top in place. If the decline in association with this 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. The July 1st short-term sell signal and risk of a left-translated trading cycle top will remain intact until another daily swing low AND upturn of the daily **CTI** are seen. The timing band for the current trading cycle low runs between July 3rd and July 17th. Another daily swing low will be completed on Monday if 104.50 holds and if 104.85 is bettered.



The intermediate-term cycle low was seen on June 7th and the timing band for the next intermediate-term cycle low runs between September 27th and November 15th. At a higher level, as a result of the October monthly swing high, we have known that the Dollar has been at risk of a left-translated seasonal cycle top and even with the last intermediate-term cycle being right-translated, that intermediate-term advance proved to be in association with a structural retest of the higher degree seasonal cycle top. We have also known that the advance out of the June 7th intermediate-term cycle low would serve as another structural test of the higher degree seasonal cycle top, with the expectation being that it would prove to be another counter-trend retest of that top. Given the reversal lower this past week, the accompanying price/oscillator is suggestive of this retest having run its course and any further weakness that completes the formation of a weekly swing high will trigger an intermediate-term sell signal. Any such weakness will in turn be further suggestive of this retest having run its course, leaving the Dollar positioned with a left-translated intermediate-term cycle top. A weekly swing high will be completed in the coming week if 105.80 is not bettered and if 104.23 is violated.

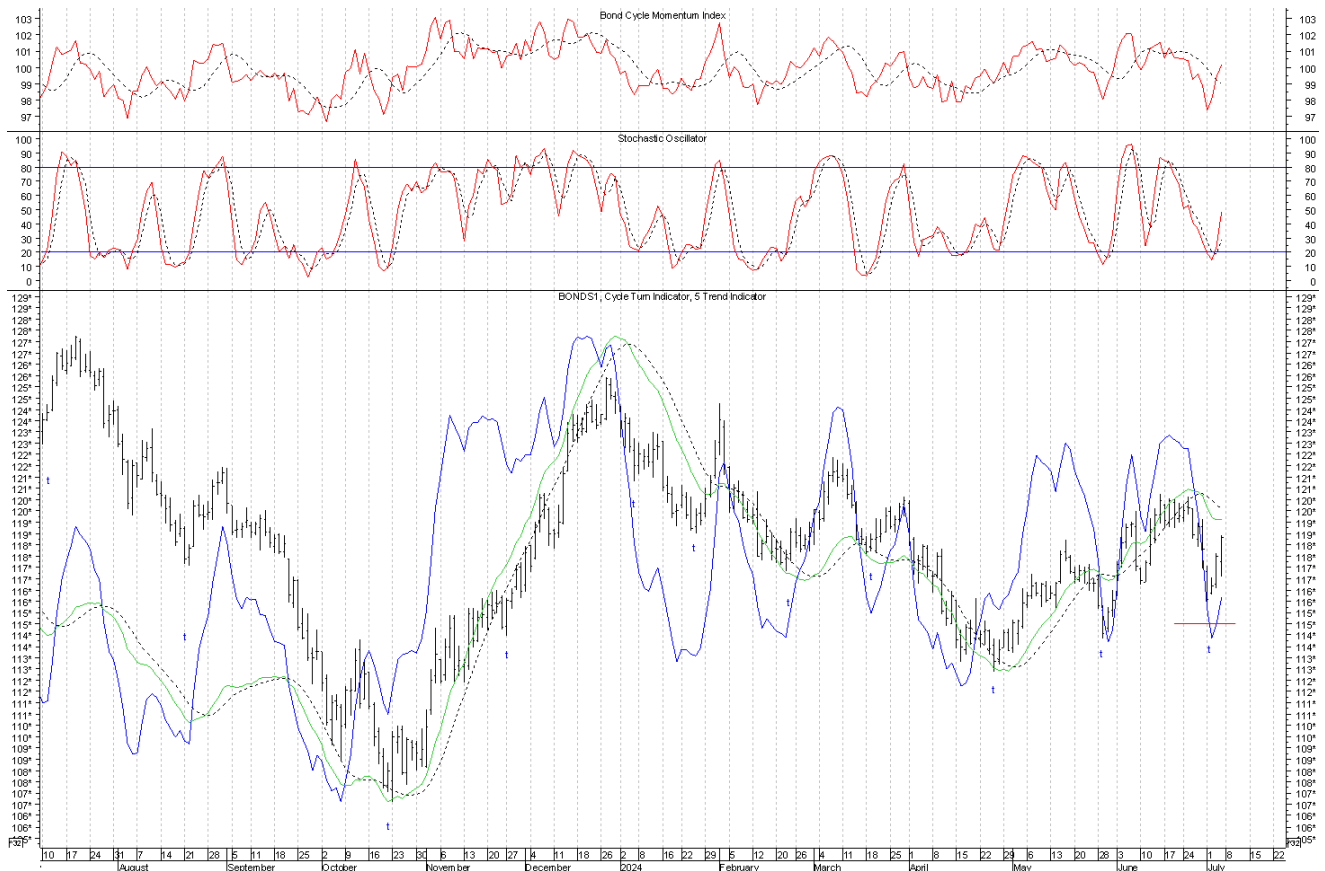


## Bonds

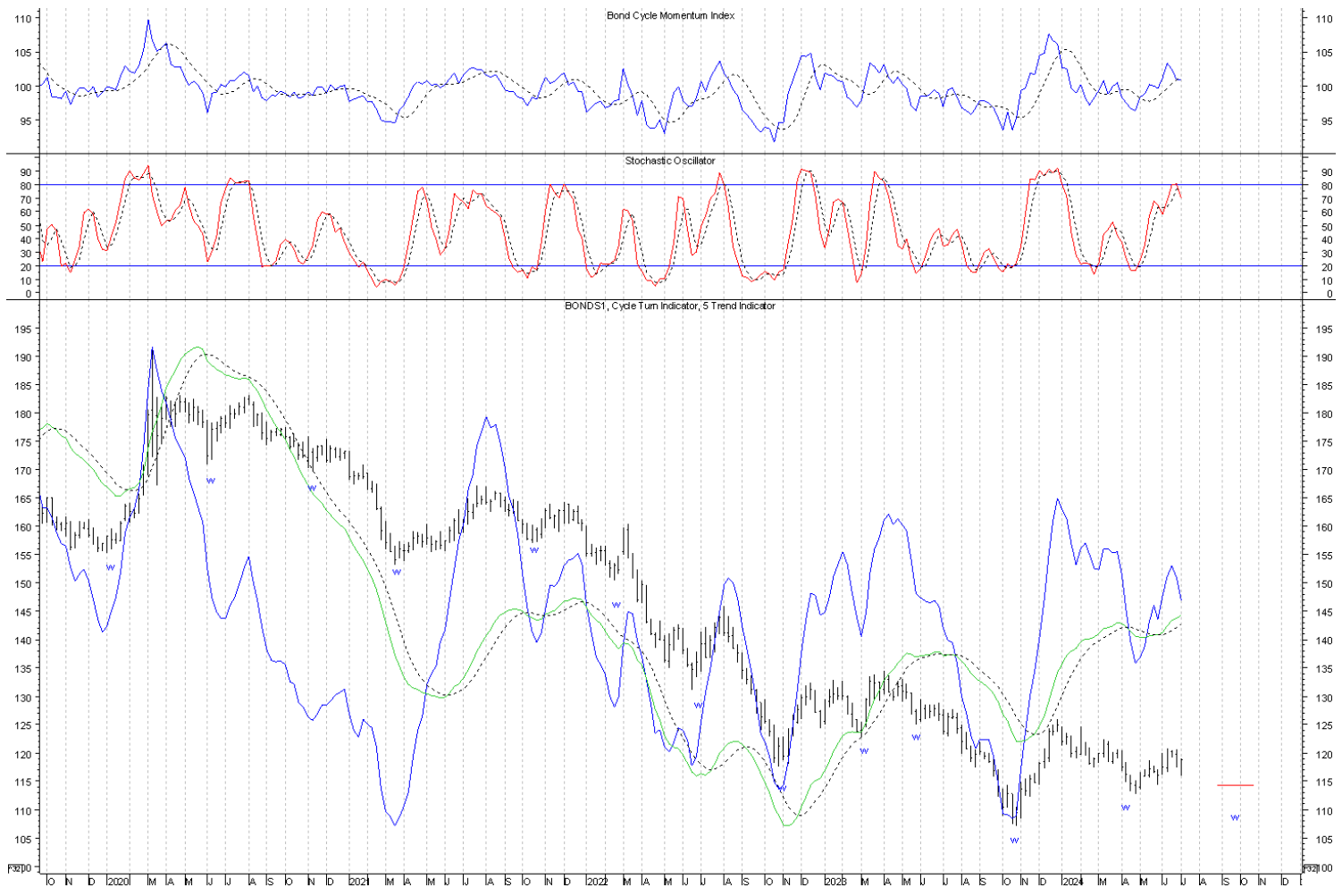
End of Week Intermediate-Term Indicator Summary <b>Intermediate-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Weekly Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bearish

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

The timing band for the current trading cycle low runs between June 19th and July 10th. Per the Tuesday night update, we knew that this low should be at hand and in place once a daily swing low and upturn of the daily CTI were seen. On Wednesday a daily swing low and upturn of the daily CTI were seen and with the triggering of that short-term buy signal, this low did in fact prove to be at hand. The expectation now is for this trading cycle advance to continue higher with a right-translated structure and for it to be with this intermediate-term advance that we see increased pressure on rates as we move toward the rate cutting cycle. This short-term buy signal will remain intact until another daily swing high and downturn of the daily CTI are seen.

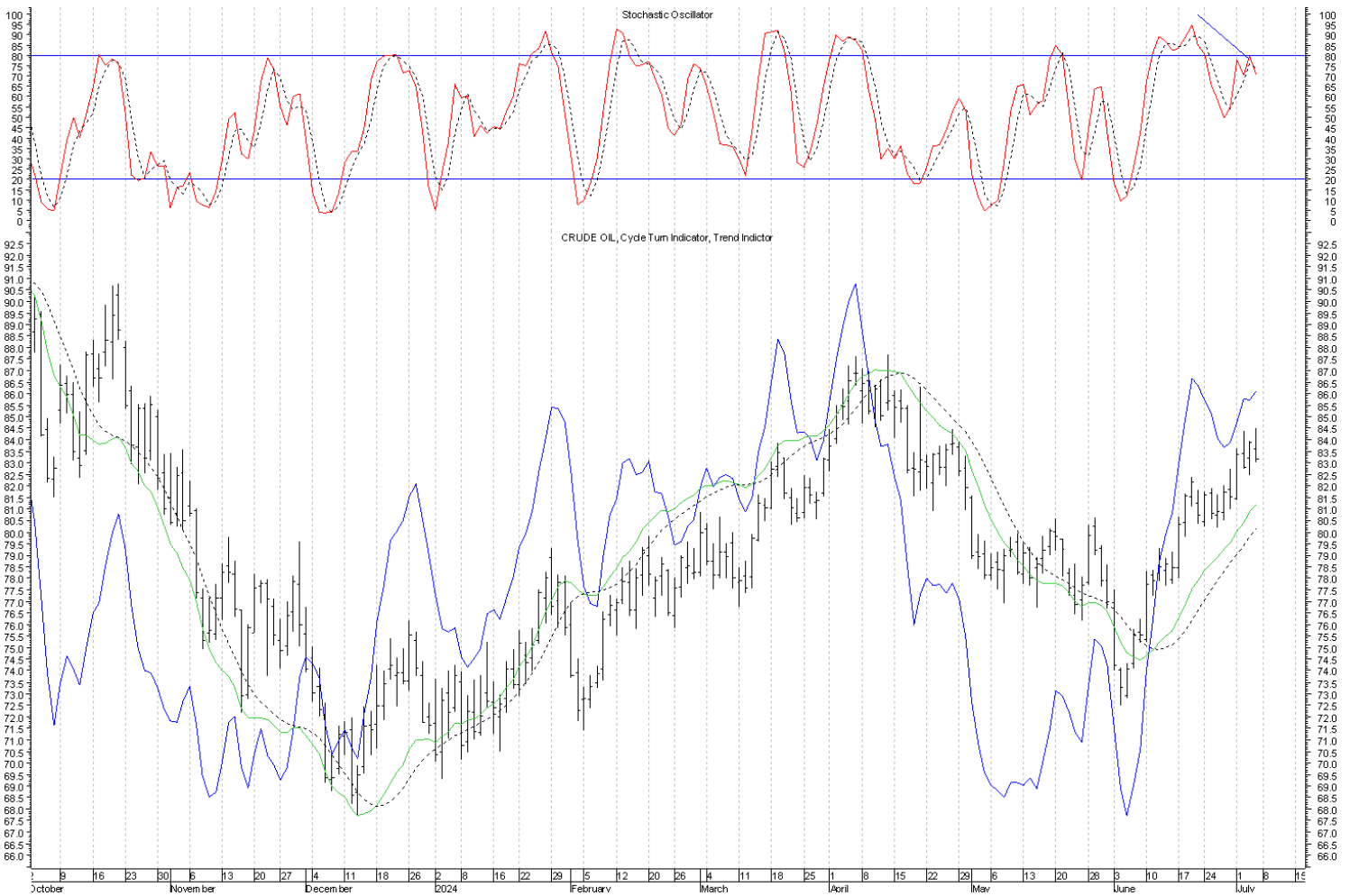


The intermediate-term cycle low was seen in conjunction with the April 25th trading cycle low and the timing band for the next intermediate-term cycle low runs between August 30th and October 25th. The decline out of the June 14th trading cycle top had turned the weekly CTI down and with this past week completing the formation of a weekly swing high, an intermediate-term sell signal was triggered. But, the expectation is for continued strength in association with this intermediate-term cycle advance and given the reversal off the low in conjunction with the upturn out of the July 1st trading cycle low, Bonds are expected to continue higher. Continued strength in the coming week will complete the formation of another weekly swing low and in order to keep the structure at this level positive, we must continue to see right-translated trading cycles as Bonds press up into a right-translated intermediate-term cycle top in the late summer to early fall timeframe. For now, this week's intermediate-term sell signal will remain intact until another weekly swing low and upturn of the weekly CTI are seen.

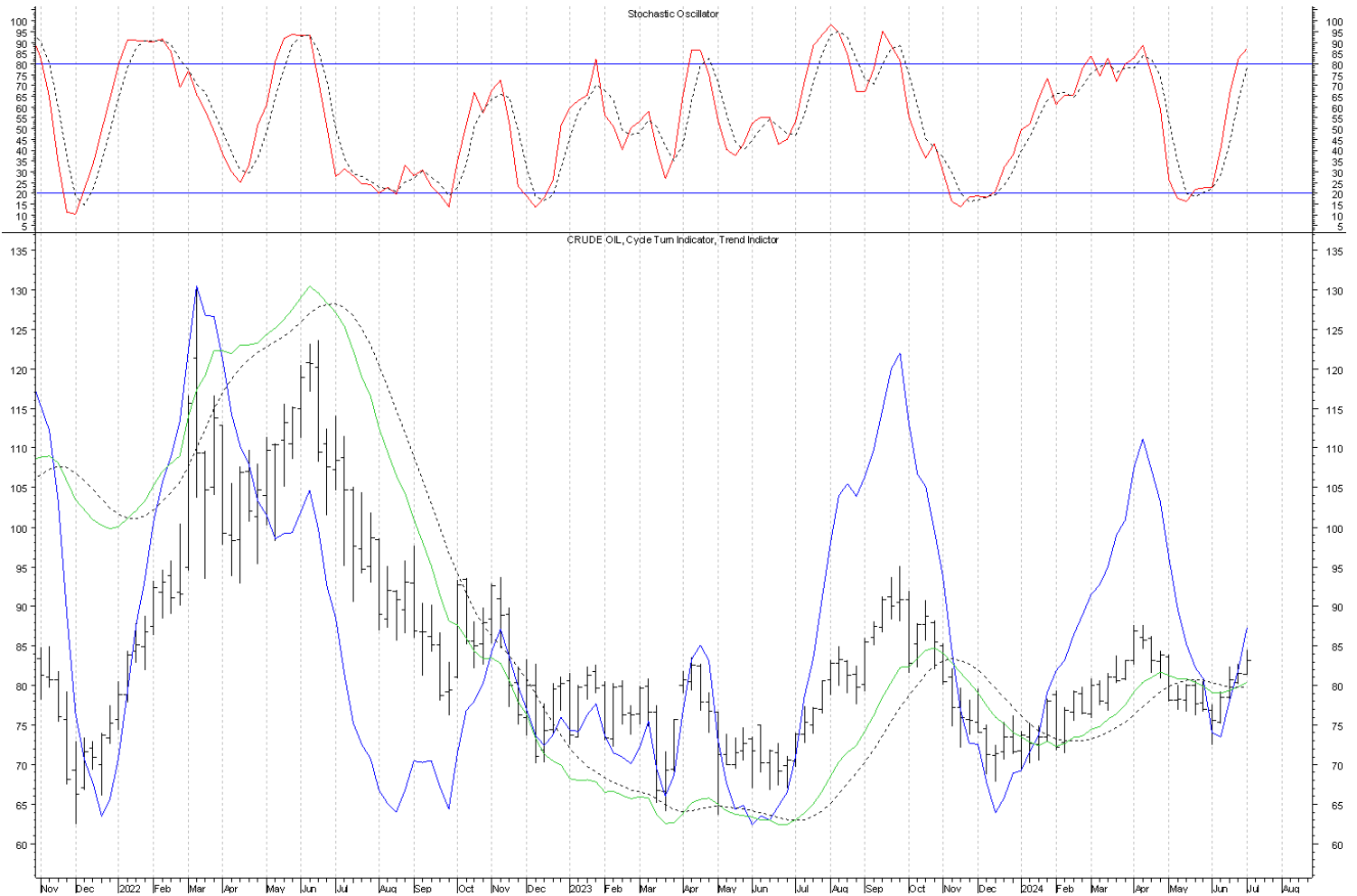


# Crude Oil

The price/oscillator picture continues to be suggestive of the trading cycle top and the expectation is for the additional advance in association with the June 27th completion of a daily swing low to be an ending push into the trading cycle top. The price action on Friday completed the formation of another daily swing low, but the price reversal lower and the accompanying oscillator picture are increasingly suggestive of a top. Any further weakness on Monday that completes the formation of a daily swing high in conjunction with a downturn of the daily CTI will trigger another short-term sell signal in association with what should ideally be the trading cycle top. If the decline out of the pending trading cycle top completes the formation of a weekly swing high, then we will have a structural footing to cap this intermediate-term counter-trend advance as well. For now, the price/oscillator picture continues to be suggestive of a trading cycle top, but we must see the completion of a daily swing high AND downturn of the daily CTI in order to trigger a short-term sell signal. Another daily swing high will be completed on Monday if 84.52 is not bettered and if 83.02 is violated.



Next is our weekly chart of Crude Oil and there continues to be no change at this level. The advance out of the June 4th intermediate-term cycle low remains intact, but has now carried price to overbought levels, per the 5 3 3 Stochastic, making conditions ripe for a top. At a higher level, every indication has been that the seasonal and 3-year cycle tops have been seen and for that reason the expectation is for the advance out of the June 4th intermediate-term cycle low to be counter-trend. If the decline in association with the pending trading cycle top completes the formation of a weekly swing high, then we will have a structural footing to cap this intermediate-term counter-trend advance. Until then, higher prices in association with this intermediate-term advance will remain intact. A weekly swing high will be completed in the coming week if 84.52 is not bettered and if 81.38 is violated.



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