

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 11, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Positive	Low	Positive	Low
Transports	Positive	Low	Positive	High
NDX	Negative	High	Positive	Low
S&P Inverse Fund	Negative	N/A	Negative	High
CRB Index	Negative	Low	Negative	High
Gold	Positive	Low	Positive	Low
XAU	Positive	Low	Positive	Low
Dollar	Negative	High	Negative	High
Bonds	Positive	Low	Negative	Low
Crude Oil	Negative	Low	Positive	High
Unleaded	Negative	High	Positive	High
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 11, 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>	

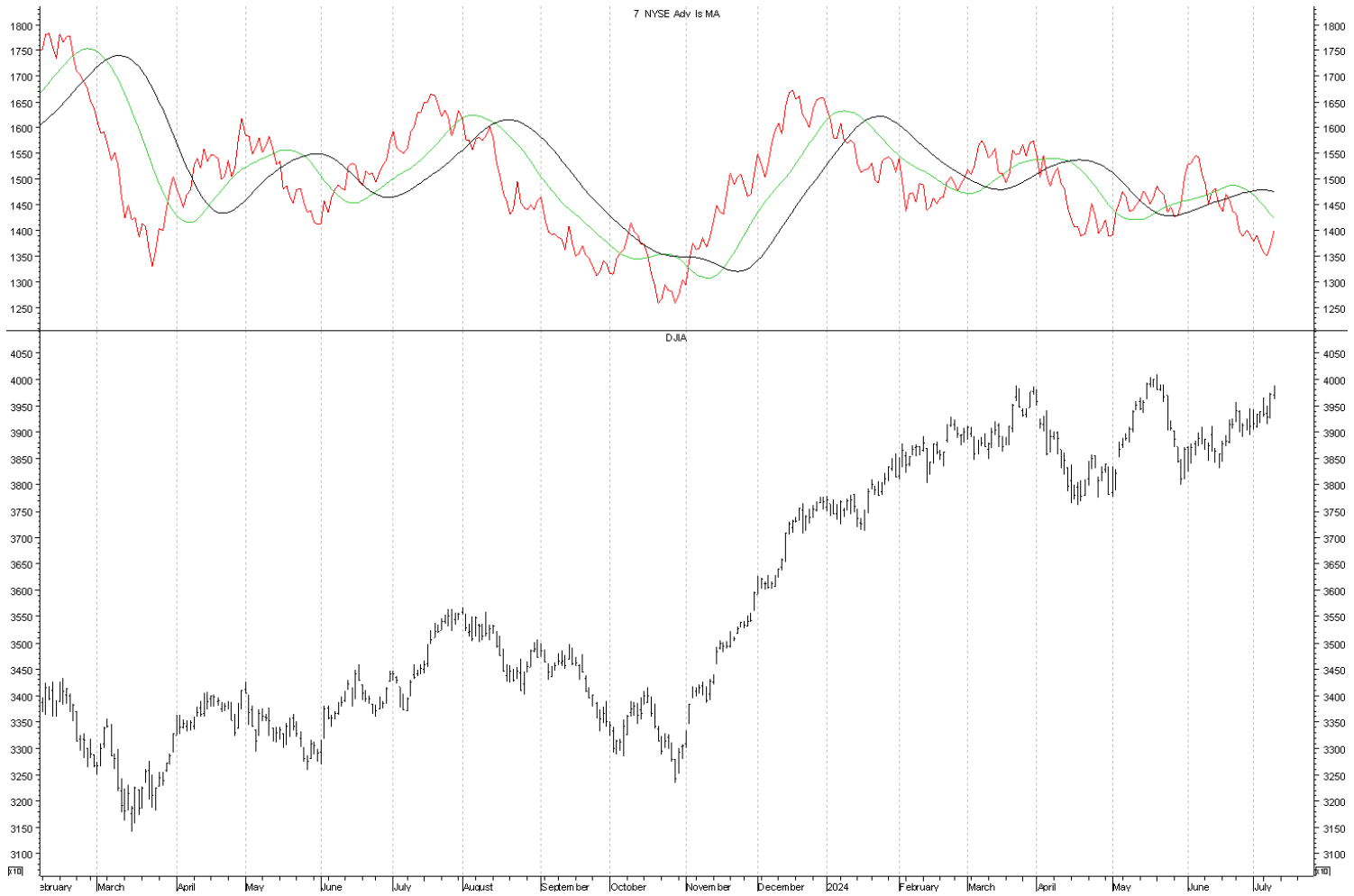
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Slow Cycle Turn Indicator (CTI)	Bullish
New High/New Low Differential	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
McClellan Intermediate 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 advance out of that low remains intact. On Tuesday the Industrials completed the formation of a daily swing high, but with one of the Primary Short-Term Indicators remaining positive, a short-term sell signal was not triggered. On Wednesday and Thursday more strength followed as the Industrials continue pressing into an increasingly right-translated trading cycle top, which should be in place once a daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen. As a result of this continued strength, there have been no new developments other than that this trading cycle has become increasingly right-translated. The timing band for the pending trading cycle low runs between July 10th and July 30th. Ideally, I would like to see this trading cycle low late next week or early the following week, but first we must see the completion of a daily swing high and the triggering of a short-term sell signal. At a higher level, in spite of the continued strength this week, with the May 20th high not having been bettered in conjunction with this trading cycle advance, the higher degree intermediate-term cycle remains at risk of a left-translated top. Yet, the

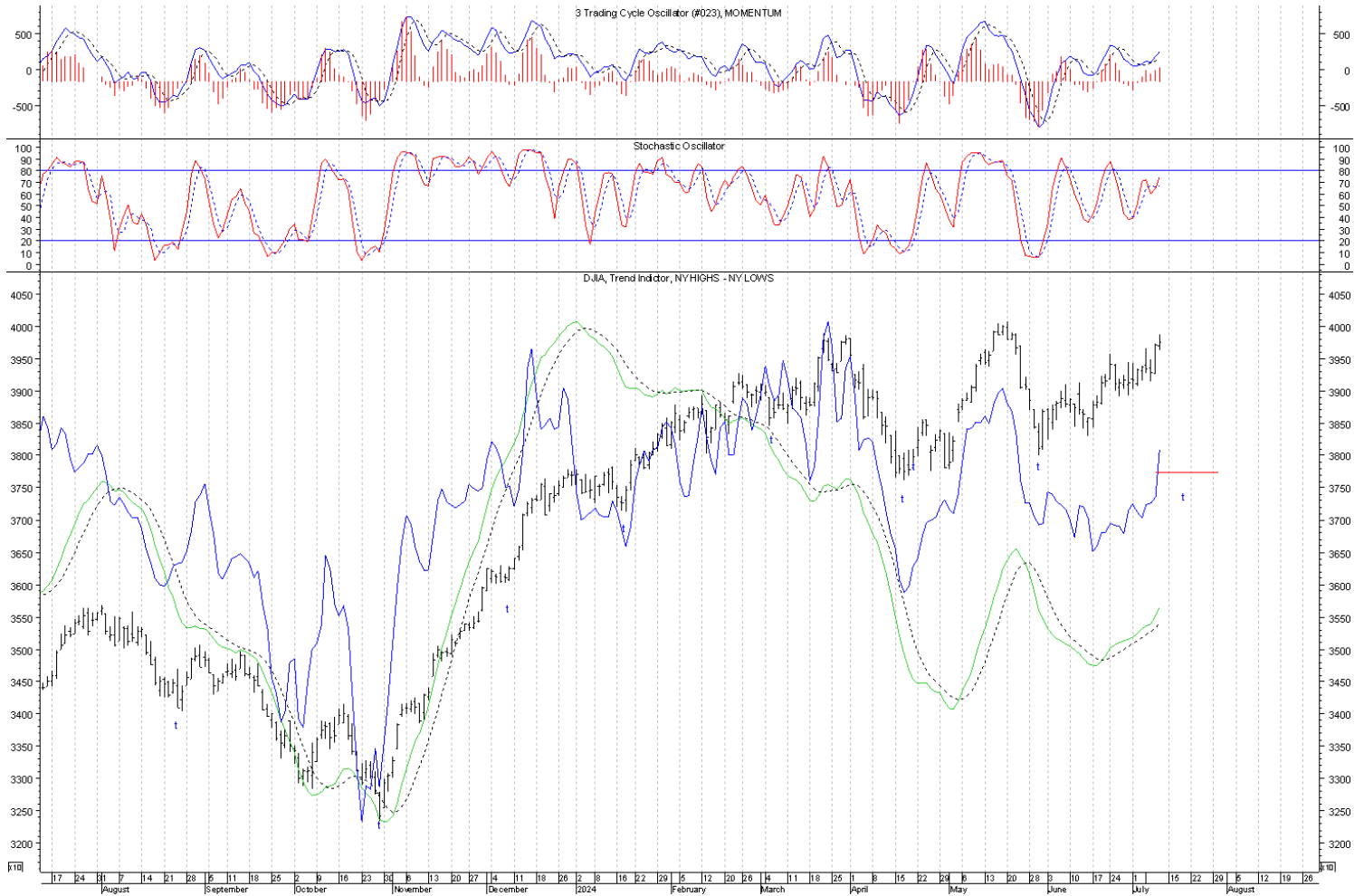
increasingly right-translated trading cycle suggests that the decline into the now due trading cycle low should prove to be a counter-trend retest of the May 30th trading cycle low. Assuming this to be the case, from the pending trading cycle low the Industrials will be positioned for another trading cycle up, which I would ideally like to see carry the Industrials above their May 20th high in conjunction with an ending push into the higher degree intermediate-term cycle top. It has been with this next trading cycle advance that I have been looking to for the capping of this intermediate-term cycle and the setup with the CheckMate Chart to take hold. Thus far, this expectation has not changed, but a violation of the May 30th trading cycle low in conjunction with the pending trading cycle low would be suggestive of a left-translated intermediate-term cycle top and that the higher degree setup has begun taking hold in a slightly different form. In the short-term, the price/oscillator remains ripe for the trading cycle top, which should be in place once a daily swing high AND downturn of ALL Three of the Primary Short-Term Indicators are seen.

Crude Oil completed the formation of a daily swing low on Thursday, but with the daily CTI remaining negative, Monday's short-term sell signal held. Any further advance will retrigger another short-term buy signal in association with a retest of the trading cycle top whereas any further weakness will serve as confirmation of the short-term sell signal and decline out of the trading cycle top. At a higher level, this trading cycle top is also an opportunity to cap the higher degree intermediate-term cycle top as well. Gasoline triggered a short-term sell signal on Monday and here too, every indication is that the trading cycle top has been seen. 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. Monday's short-term sell signal on the CRB Index remains intact and we now have a weekly swing high also in the making. The price/oscillator picture remains ripe for the trading cycle top in Gold, which should be in place once a short-term sell signal is triggered. If the decline out of the trading cycle top completes the formation of a weekly swing high, it will be suggestive of a left-translated intermediate-term cycle top. The short-term buy signal on the XAU also remains intact and here too, once a short-term sell signal is triggered it will be indicative of the trading cycle top. As with Gold, if the decline out of the trading cycle top completes the formation of a weekly swing high, it will put the XAU at risk of a left-translated intermediate-term cycle top. The Dollar triggered a short-term sell signal on Thursday and we are either seeing an additional push into the trading cycle low, or we have a failed and left-translated trading cycle at play. Until proven otherwise, the assumption is the former. Bonds completed the formation of a daily swing high on Tuesday, but the short-term buy signal held and further strength has followed. The expectation continues to be for further strength in association with the advance out of the higher degree intermediate-term, seasonal and suspected 3-year cycle lows. I have been saying here that the expectation has been for it be in conjunction with this intermediate-term cycle advance in which interest rates would come under increased pressure in association with the initiation of the rate cutting cycle. With the decline in rates that appears to be taking hold, that expectation appears to now be proving correct.

The Intermediate-Term Advancing Issues Line, plotted in red, has turned back up in conjunction with this ending push into the trading cycle top. The Green MA continues its downturn below the Black MA and there are generally two crossings below the Black MA in association with intermediate-term cycle tops. Now that the current trading cycle is right-translated, a second crossing of the Green back above the Black with one additional trading cycle is increasingly possible. This remains an important juncture.

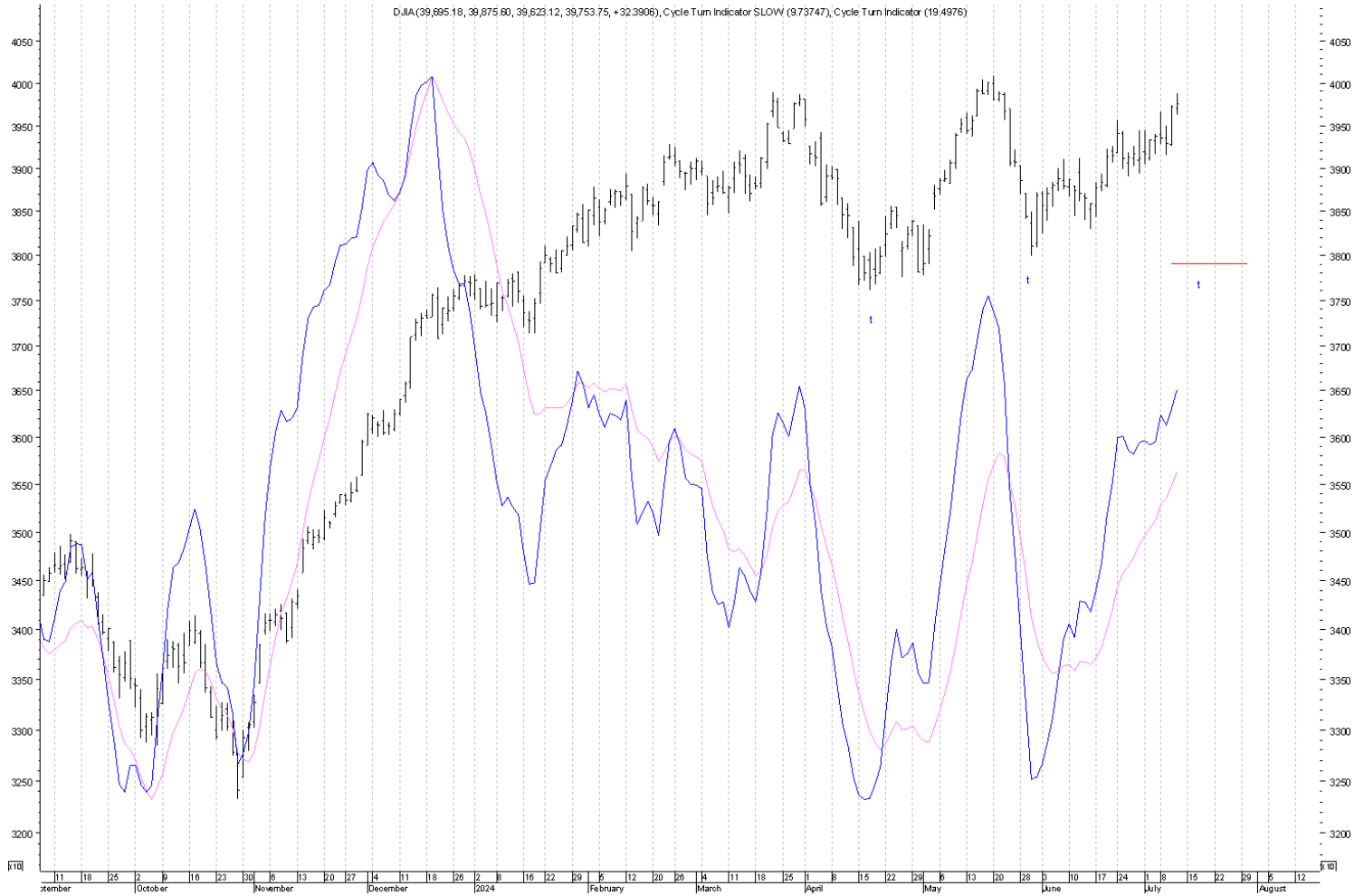


The **Trading Cycle Oscillator** in the upper window continues its latest upturn above the trigger line and the **Momentum** Indicator continues its upturn above its zero line. The **5 3 3 Stochastic** in the middle window has turned back up as well. The **New High/New Low Differential**, plotted with price, has also continued its upturn. Collectively, the oscillator picture has improved, but given the now due trading cycle low, this should be an ending push into the trading cycle top. The **Trend Indicator** remains above its trigger line.

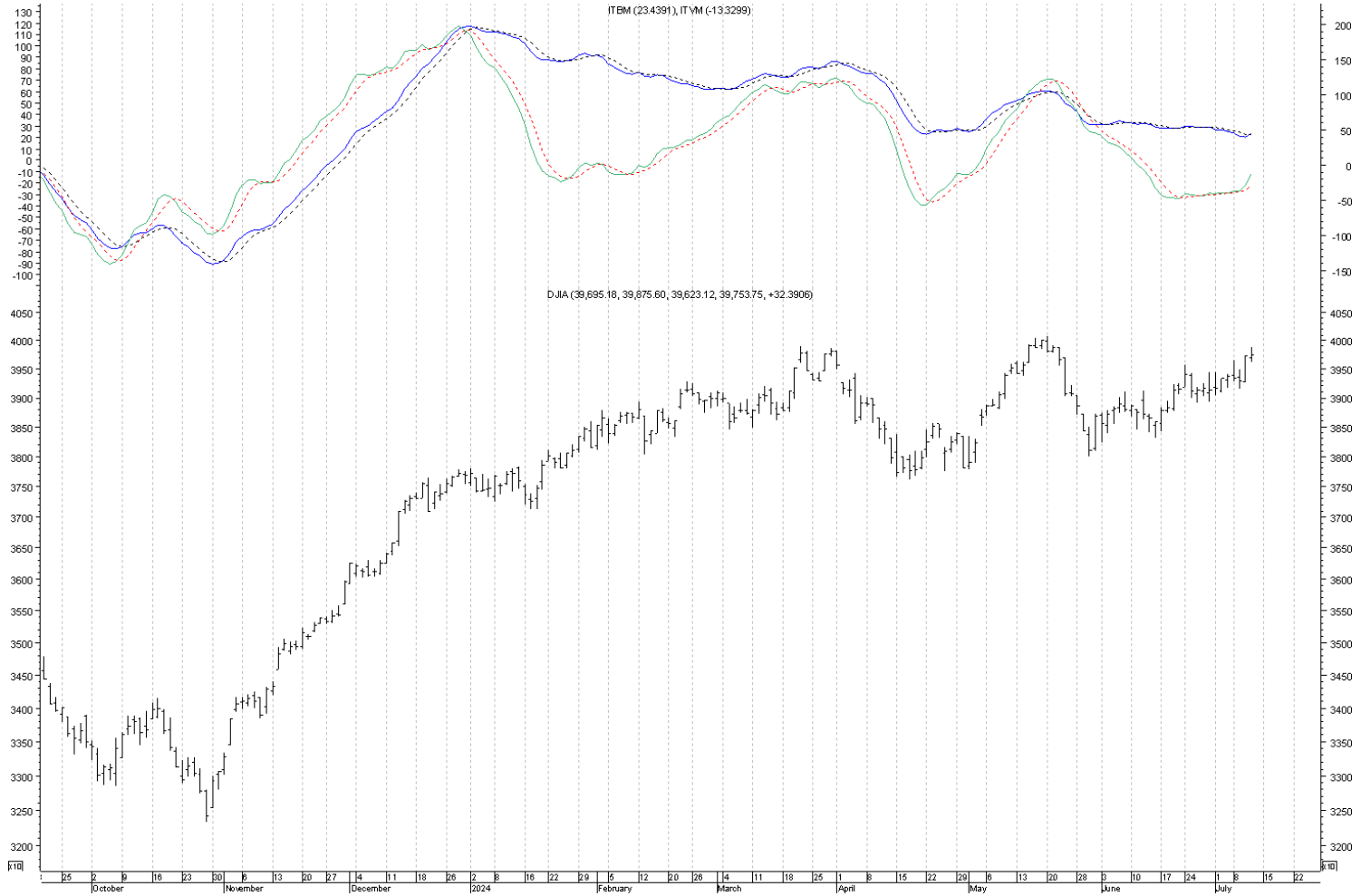


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**Bottom line, the trading cycle top should be close at hand, but the short-term buy signal and advance out of the May 30th trading cycle low will remain intact until a daily swing high AND downturn of ALL Three of the Primary Short-Term Indicators are seen.**

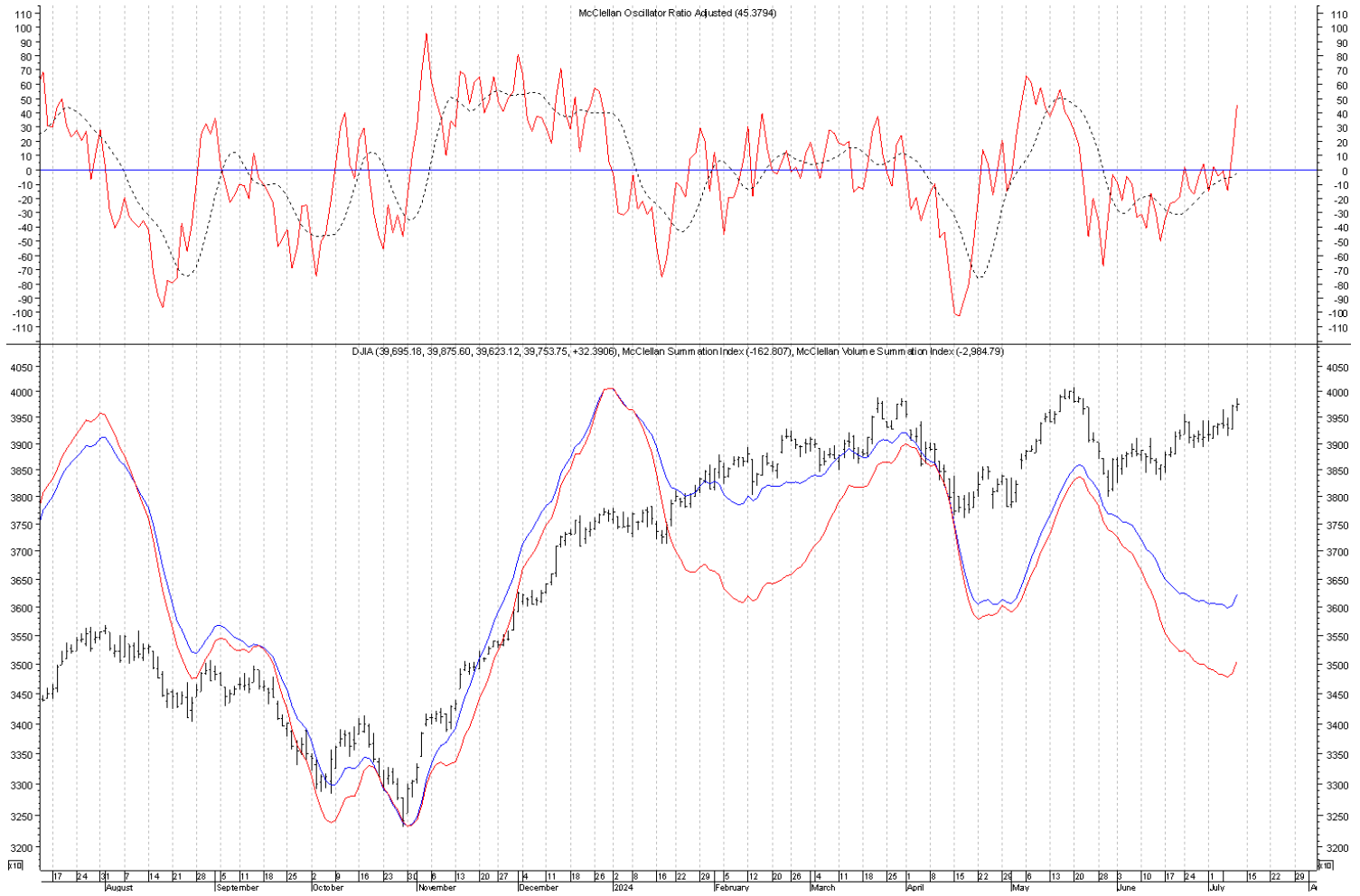


The **Intermediate Term Breadth Momentum Oscillator** has turned marginally back above its trigger line. The **Intermediate Term Volume Momentum Oscillator** has turned sharply higher so here too, the oscillator picture has improved in conjunction with the continued advance into the trading cycle top.

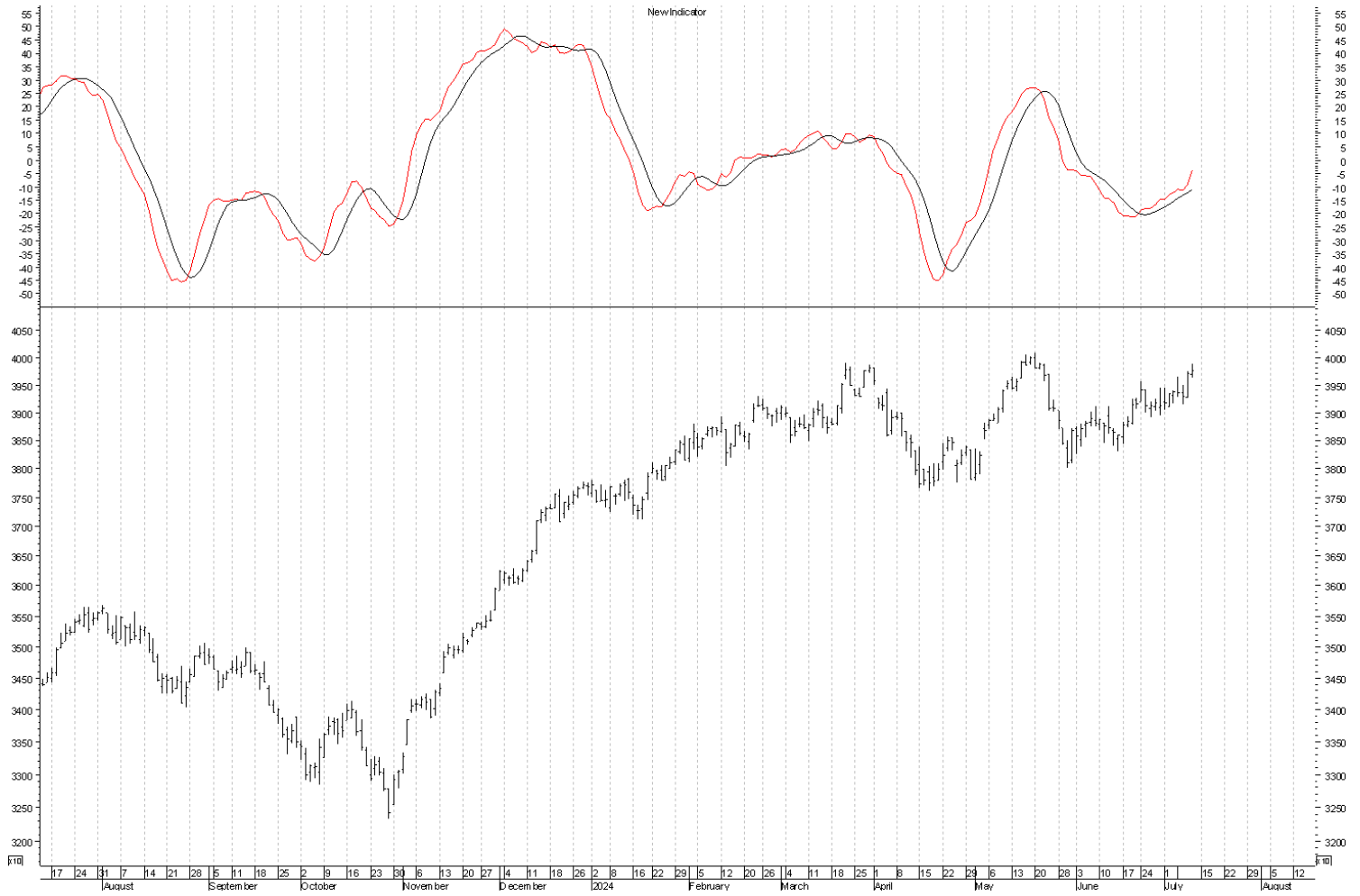




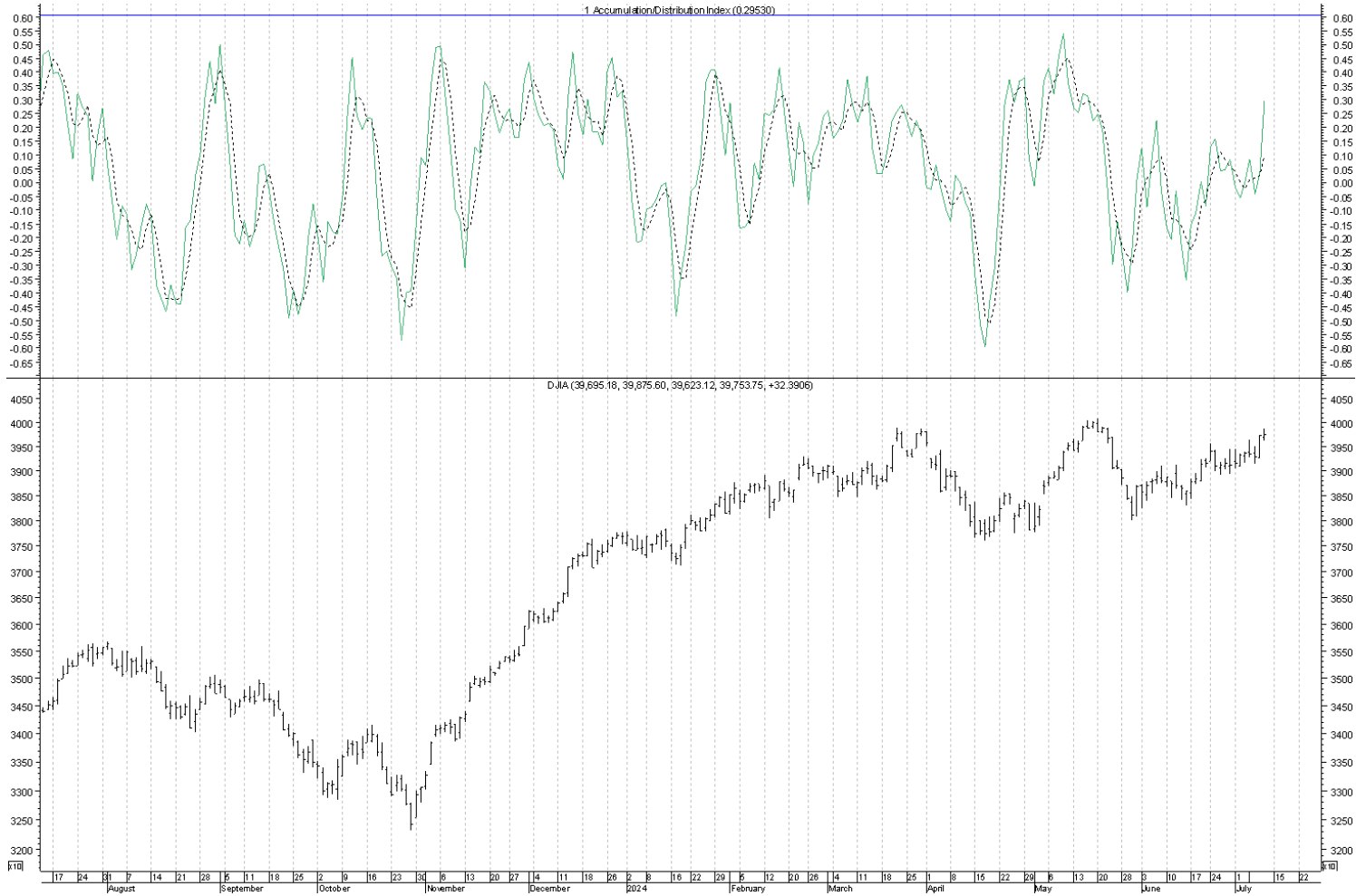
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** have also turned back up in conjunction with the continued push into the trading cycle top. The **Ratio Adjusted McClellan Oscillator** in the upper window has turned back above both its trigger and zero lines, but here too, given the now due trading cycle low, every indication is that this is in conjunction with an ending push into the trading cycle top. The triggering of a short-term sell signal in conjunction with another crossing below the trigger and zero lines should serve as confirmation of the short-term sell signal and the trading cycle top.



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



The **Accumulation/Distribution Index** has also turned back up in conjunction with the continued push into the trading cycle top. Again, given the now due trading cycle low, once another downturn here and the completion of a daily swing high are seen, the trading cycle top should be in place.



# Gold

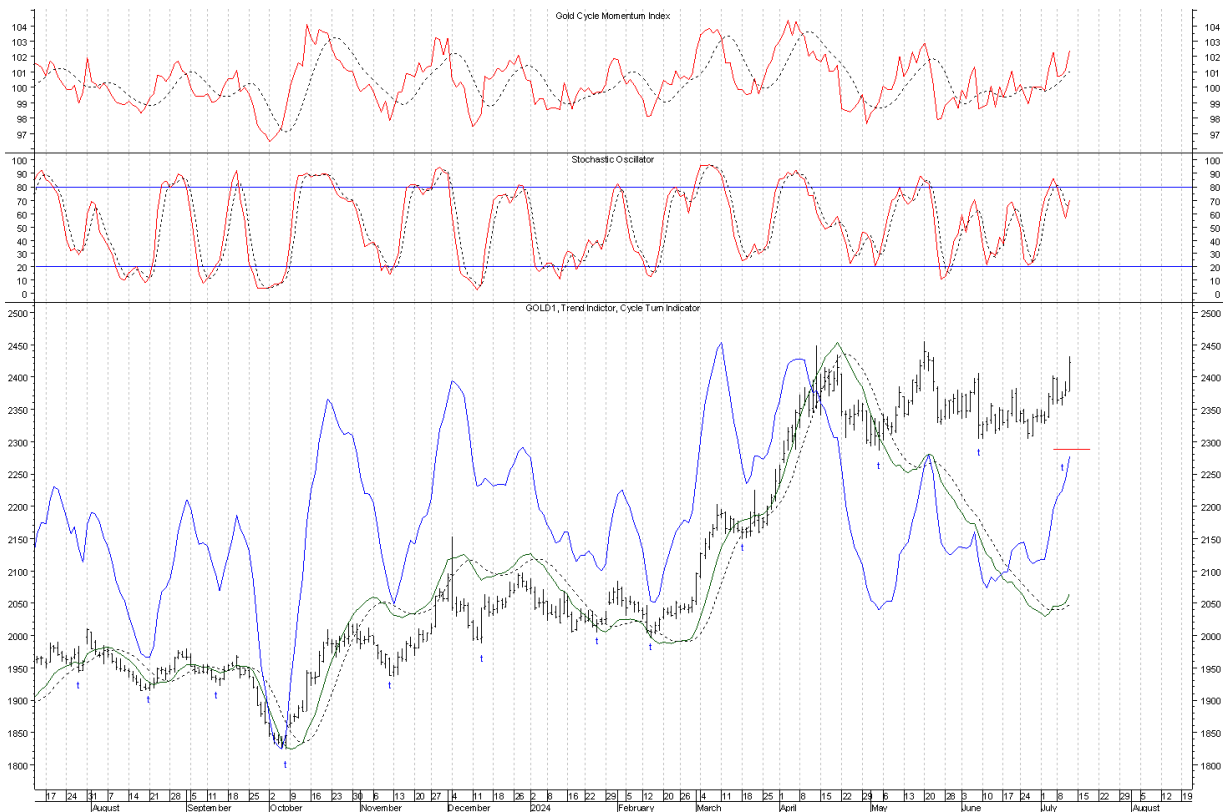
## End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy**

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

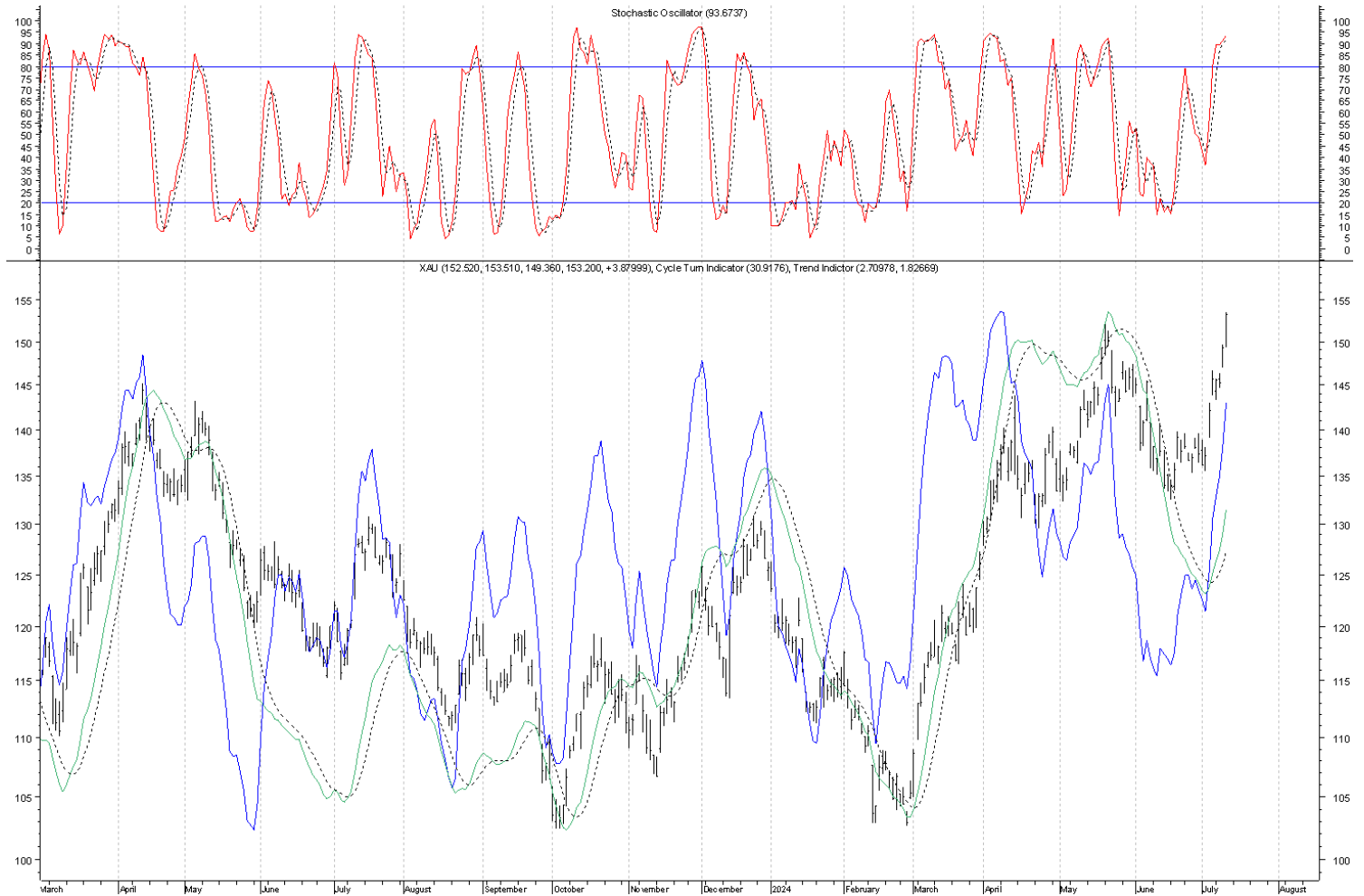
## Daily Indicator Summary **Short-Term Buy**

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

The timing band for the now due trading cycle low runs between July 3rd and July 18th. The price/oscillator picture continues to be suggestive of the trading cycle top, which should be in place once a daily swing high and downturn of the daily CTI are seen. Every indication is that the intermediate-term cycle low was seen in conjunction with the June 7th trading cycle low and it is this intermediate-term advance that serves as the structural test of the previous intermediate-term cycle top and possibly the seasonal cycle top as well. If the decline out of the trading cycle top completes the formation of a weekly swing high it will put Gold at risk of a left-translated intermediate-term cycle top. A daily swing high will be completed on Friday if 2,430.40 is not bettered and if 2,376.80 is violated.



Our daily chart of the XAU is next and the short-term buy signal and advance out of the June 17th trading cycle low remains intact. With this advance having carried the 5 3 3 Stochastic to overbought levels, the price/oscillator picture has ripened for the trading cycle top here as well, but until a daily swing high and downturn of the daily CTI are seen, higher prices will remain possible. This advance has served as a retest of the intermediate-term cycle top and what is now expected to be an ending push into that higher degree cycle top. Another daily swing high will be completed on Friday if 153.51 is not bettered and if 149.36 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

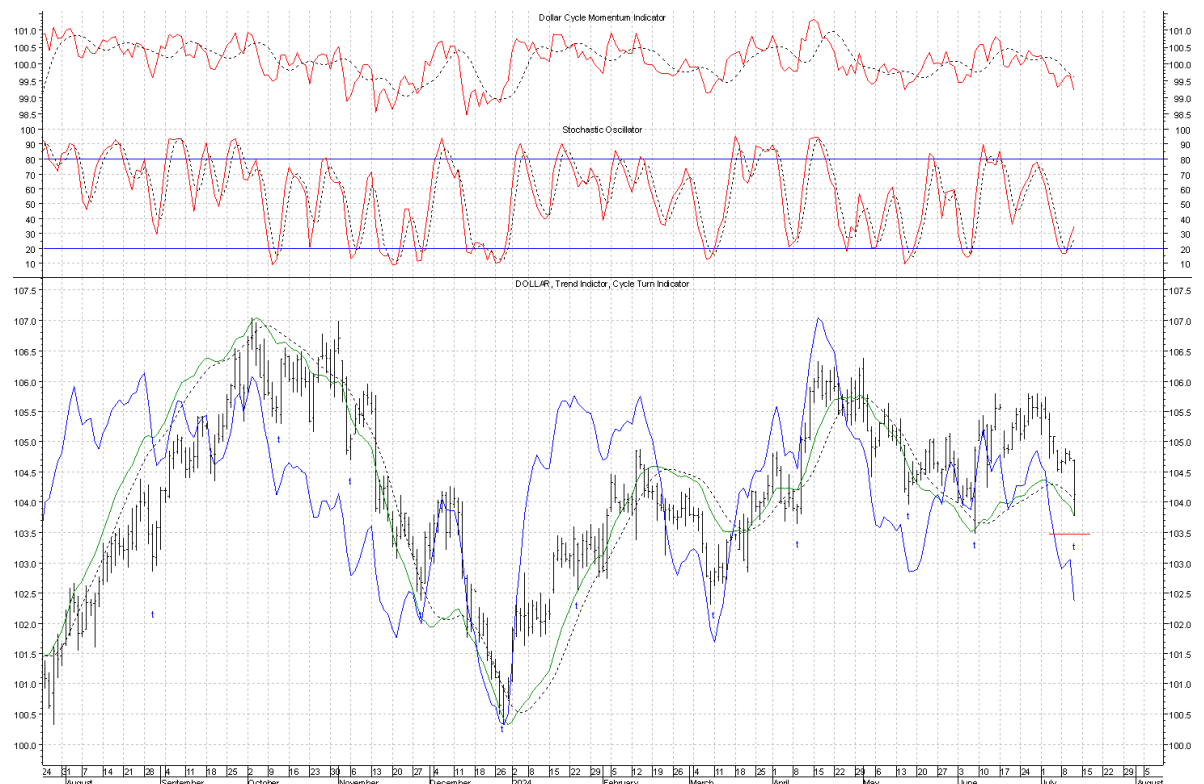
#### Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the trading cycle low runs between July 3rd and July 17th. As stated in the Tuesday night update, I would liked to have seen continued weakness as we moved further into the timing band for this low, but with the completion of a daily swing low and upturn of the daily CTI on Tuesday, we had to assume this low to have been seen. However, as also was stated in the Tuesday night update, any additional weakness should be in conjunction with an ending push into this low. As a result of Thursday's decline, every indication is that we have seen an additional push down into this low. The alternative is that the trading cycle low was seen in conjunction with Tuesday's completion of a daily swing low and that we have a failed and left-translated trading cycle at play. Until proven otherwise, the assumption is that this is an additional push into the trading cycle low rather than a failed and left-translated trading cycle. It will be

the advance out of the now due trading cycle low that will serve as a test of the higher degree intermediate-term cycle top.

Thursday's short-term sell signal will remain intact until another daily swing low and upturn of the daily CTI are seen.

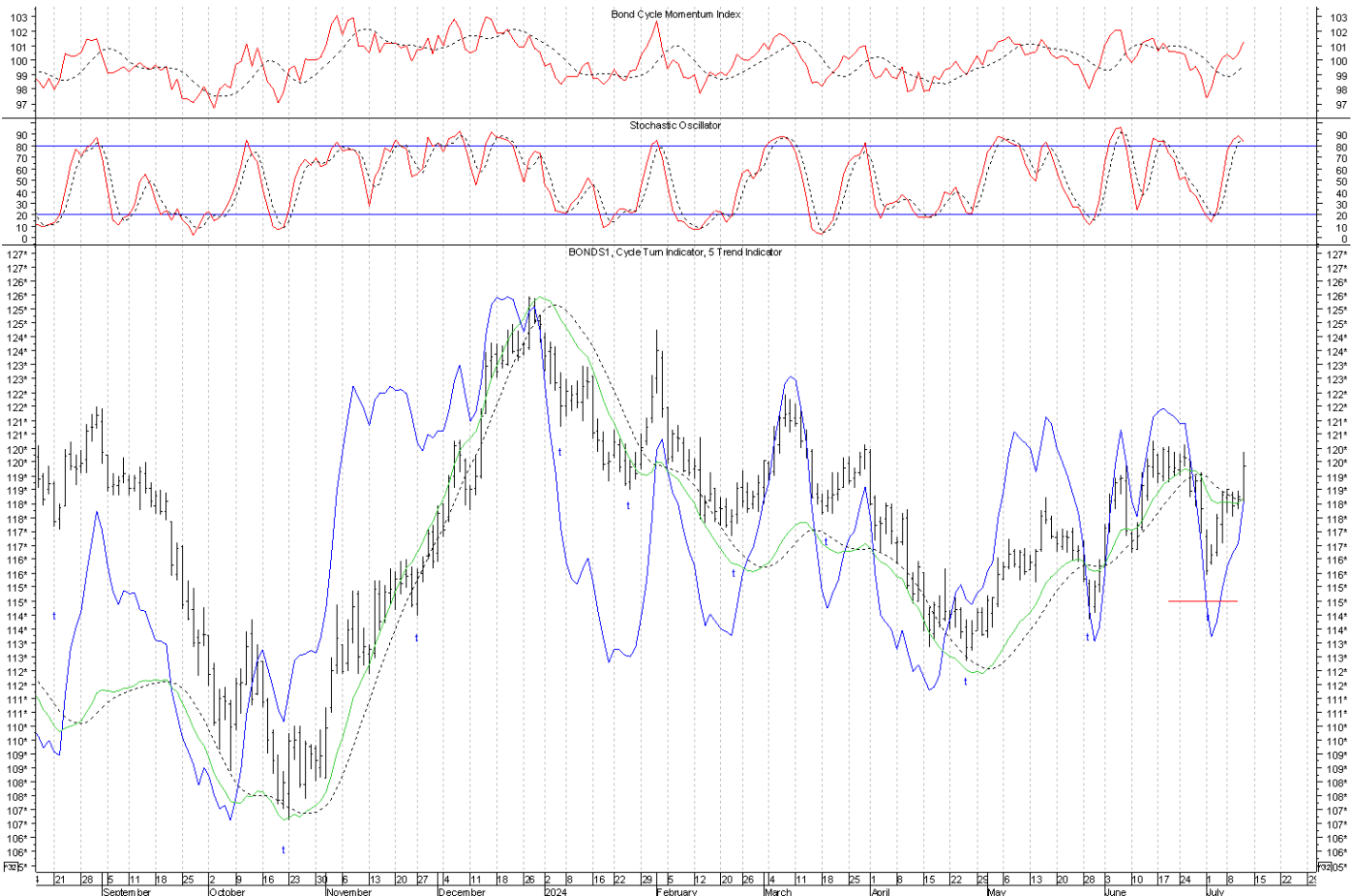


## Bonds

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

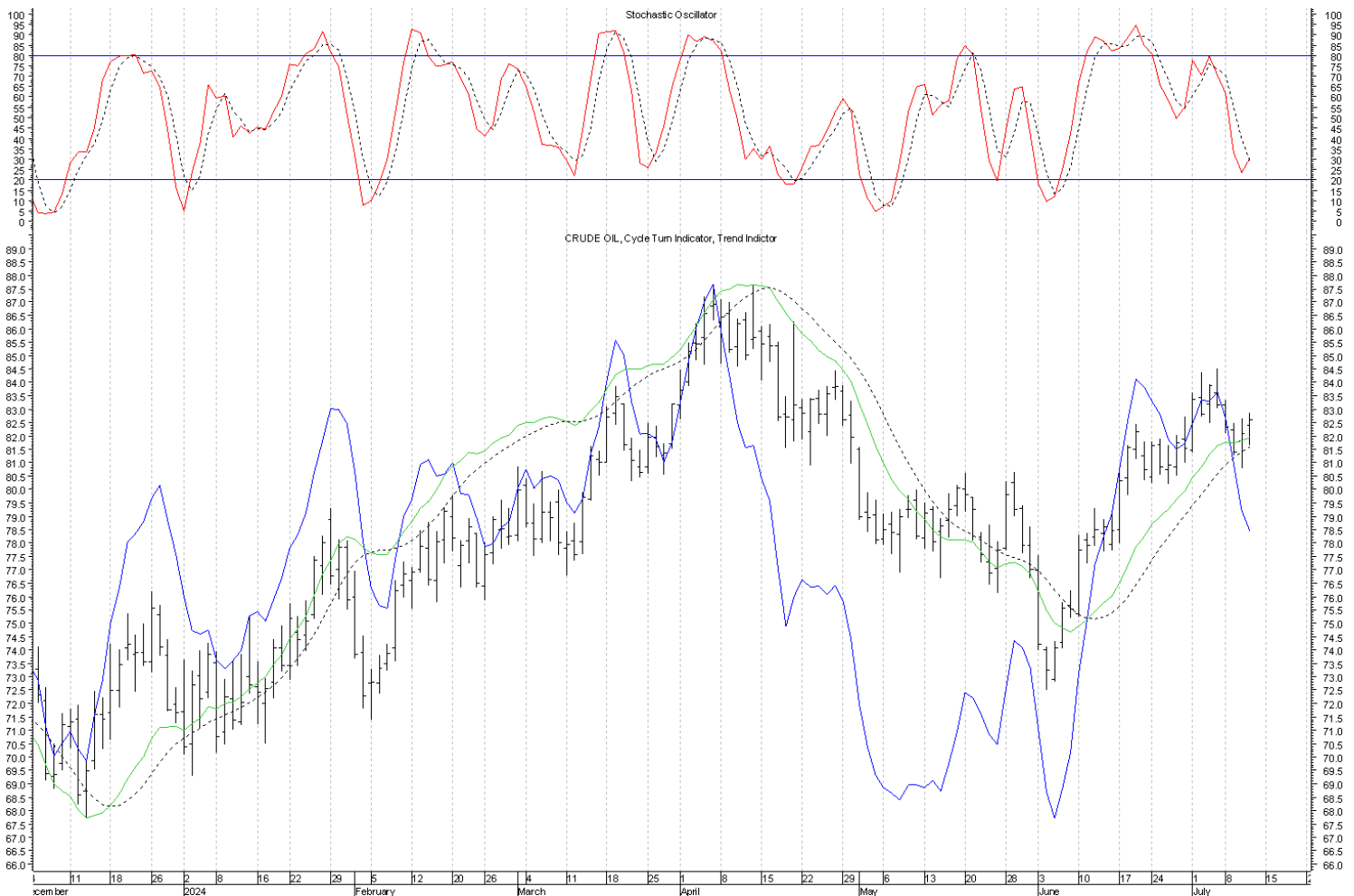
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The timing band for the current trading cycle low ran between June 19th and July 10th. This low was seen on July 1st and the advance out of that low remains intact. The expectation is for this trading cycle advance to continue higher with a right-translated structure in association with the higher degree intermediate-term cycle 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.



## Crude Oil

The price action on Thursday completed the formation of a daily swing low, but with the daily **CTI** remaining negative, Monday's short-term sell signal held. With a weekly swing high in the making, we have a structural footing to also cap the higher degree intermediate-term counter-trend advance. Any further advance that turns the daily **CTI** back up will re-trigger a short-term buy signal, which in doing so will serve as a structural test of the higher degree intermediate-term cycle top. To the contrary, any continued weakness that completes the formation of another daily swing high will reposition Crude Oil to continue lower in association with the decline out of the trading cycle top. More on that as this trading cycle decline develops. For now, Monday's short-term 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 82.87 is not bettered and if 81.63 is violated.



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