

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 16, 2024

Market	Daily CTI	Daily Swing	Weekly CTI	Weekly Swing
Industrial	Positive	Low	Positive	Low
Transports	Positive	Low	Positive	Low
NDX	Negative	High	Positive	Low
S&P Inverse Fund	Negative	N/A	Negative	High
CRB Index	Negative	High	Negative	High
Gold	Positive	Low	Positive	Low
XAU	Positive	Low	Positive	Low
Dollar	Positive	Low	Negative	High
Bonds	Positive	Low	Negative	Low
Crude Oil	Negative	High	Positive	High
Unleaded	Negative	High	Negative	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 16, 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	Bullish
<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 last trading cycle low on the Industrials was seen on May 30th. While the advance out of this low got off to an extremely poor start, this has certainly changed since the July 8th bettering of the May high and we now have an extremely right-translated trading cycle at play. With the timing band for the now due trading cycle low running between July 10th and July 30th, once a daily swing high and downturn of ALL Three of the Primary Short-Term Indicators are seen, a short-term sell signal will be triggered and the trading cycle top should be in place. The expectation continues to be for the decline into the pending trading cycle low to be counter-trend, followed by an additional trading cycle up into the higher degree intermediate-term cycle top. It will be with that trading cycle advance the higher degree intermediate-term cycle will have an opportunity to peak as we move into the timing band for the next intermediate-term cycle low. The expectation is for the pending intermediate-term cycle top to also mark the higher degree seasonal cycle top, which I anticipate will coincide with the higher degree 4-year cycle top and the conclusion of the setting up of the CheckMate Chart. For now, this short-term buy signal and advance into the pending trading cycle top

**will remain intact until 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 last Thursday and on Friday the daily CTI turned up, technically triggering a short-term buy signal. However, because of the reversal lower, we had to see a close above Friday's high as confirmation of that signal. With the completion of a daily swing high and re-triggering of another short-term sell signal on Monday, that confirmation was not seen. At a higher level, the July 5th trading cycle top continues to be an opportunity to cap the higher degree intermediate-term cycle top.**

**Gasoline completed the formation of a daily swing low on Friday, but reversed lower and with the daily CTI remaining negative, the July 8th short-term sell signal remains intact. As with Crude Oil, another daily swing high was completed on Monday and the ongoing short-term sell signal remains intact. With the additional weakness this week, we also now have an intermediate-term sell signal in the making.**

**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 questionable short-term buy signal on Friday, but as confirmation we needed to see a close above Friday high, which was not seen and as a result the ongoing short and intermediate-term sell signal remains intact.**

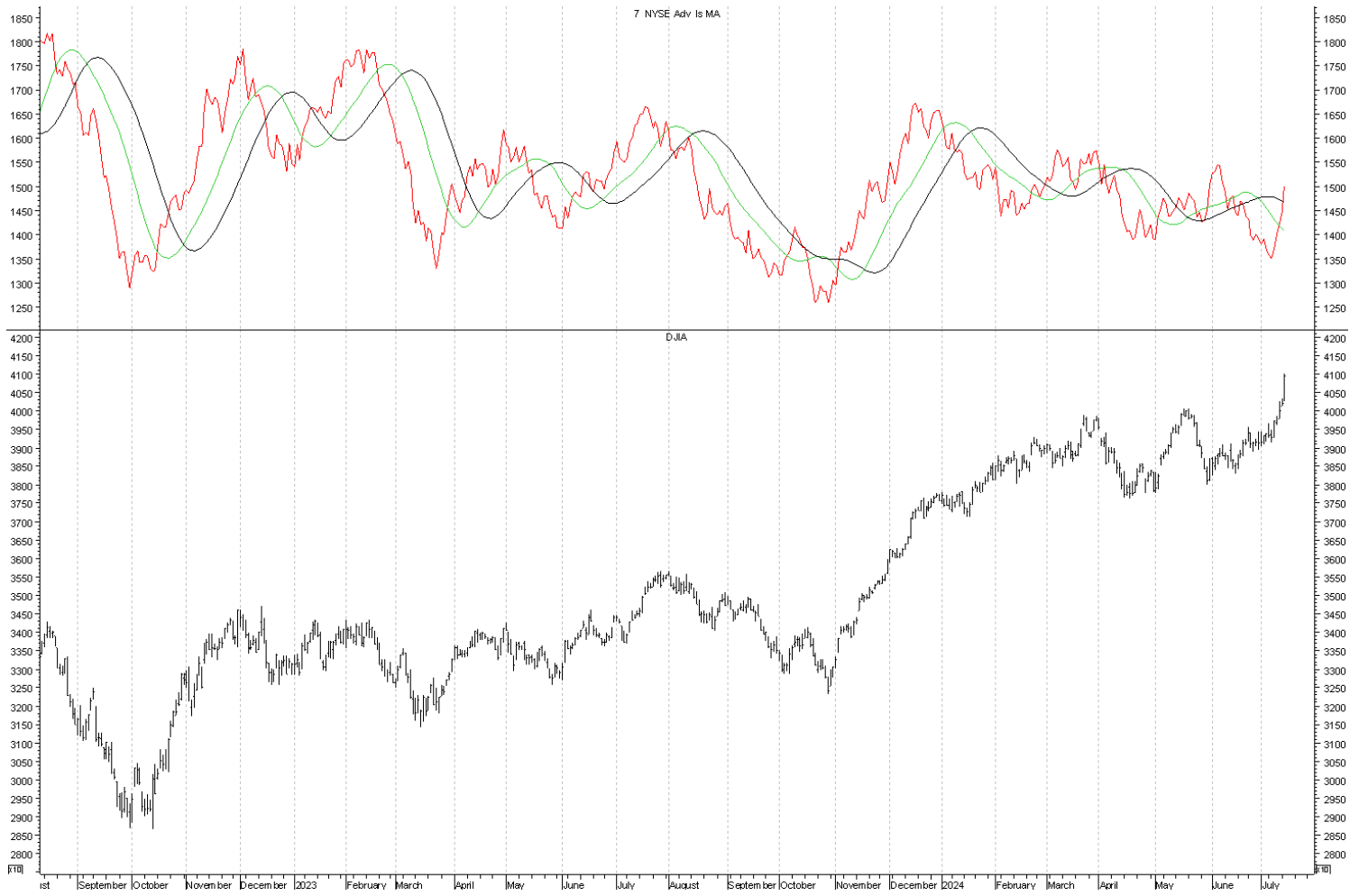
**The trading cycle advance in Gold remains intact, but the price/oscillator picture also remains ripe for the trading cycle top, which should be in place once a short-term sell signal is triggered. If the decline out of the trading cycle top completes the formation of a weekly swing high, it will be 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.**

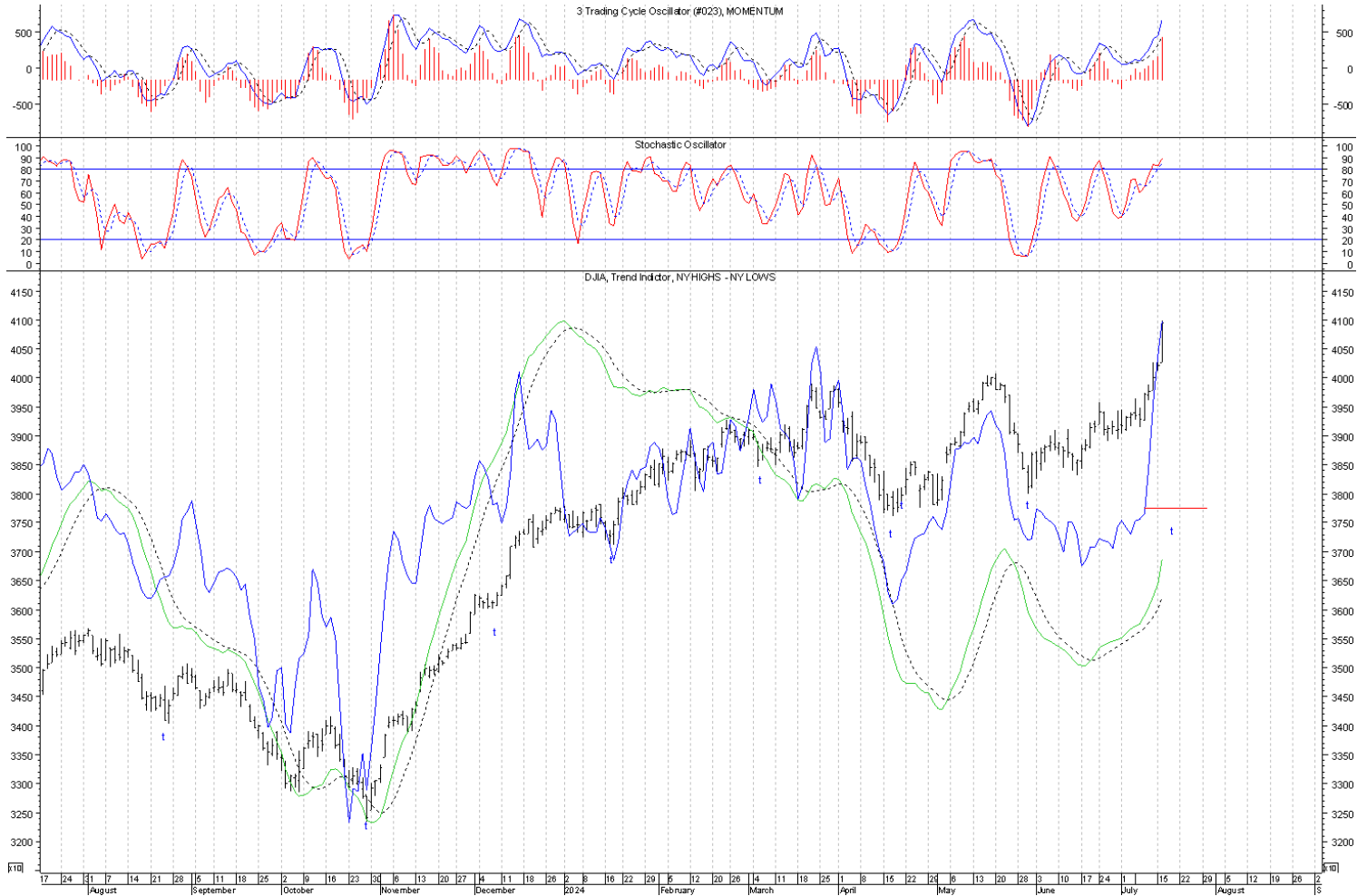
**The Dollar triggered a short-term buy signal on Tuesday and the trading cycle low should be in place, but as confirmation of this signal we need to see a close above Tuesday's high. The advance out of this trading cycle low will be in association with another retest of the higher degree intermediate-term cycle top.**

**The short-term buy signal and advance out of the trading cycle low on Bonds remains intact. 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 as we see increased pressure on rates.**

The Intermediate-Term Advancing Issues Line, plotted in red, continued its upturn in conjunction with this ending push into the trading cycle top. The Green MA continues its downturn below the Black MA. But, as I have been saying, there are generally two crossings below the Black MA in association with intermediate-term cycle tops and now that the current trading cycle is right-translated, a second crossing of the Green back above the Black with one additional trading cycle up would be ideal.

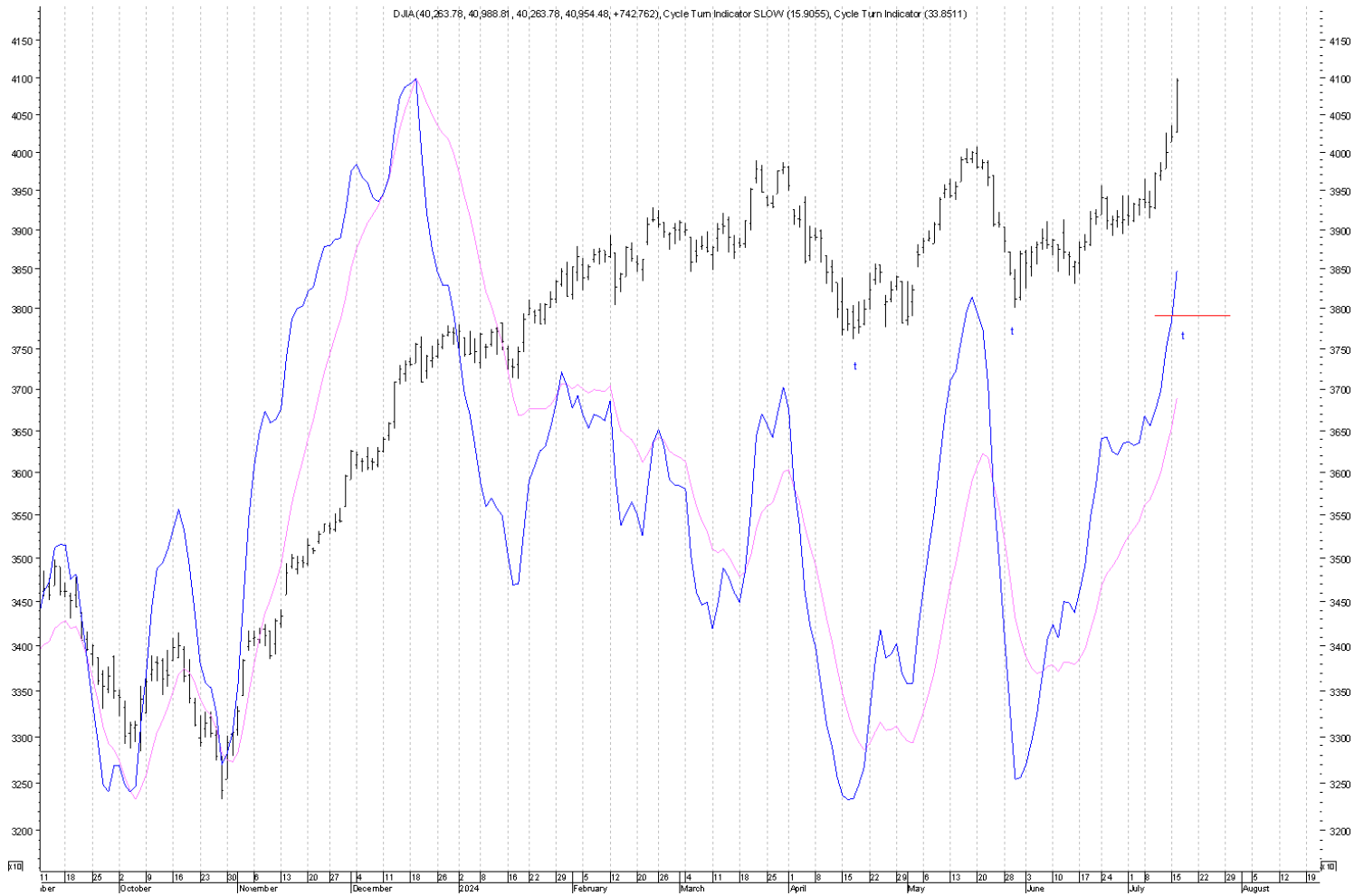


The **Trading Cycle Oscillator** in the upper window continues its upturn as does the **Momentum Indicator**. The **5 3 3 Stochastic** in the middle window remain in overbought territory and the overall price/oscillator picture certainly remains ripe for the trading cycle top. The **New High/New Low Differential**, plotted with price, also continues its upturn. The **Trend Indicator** remains above its trigger line.

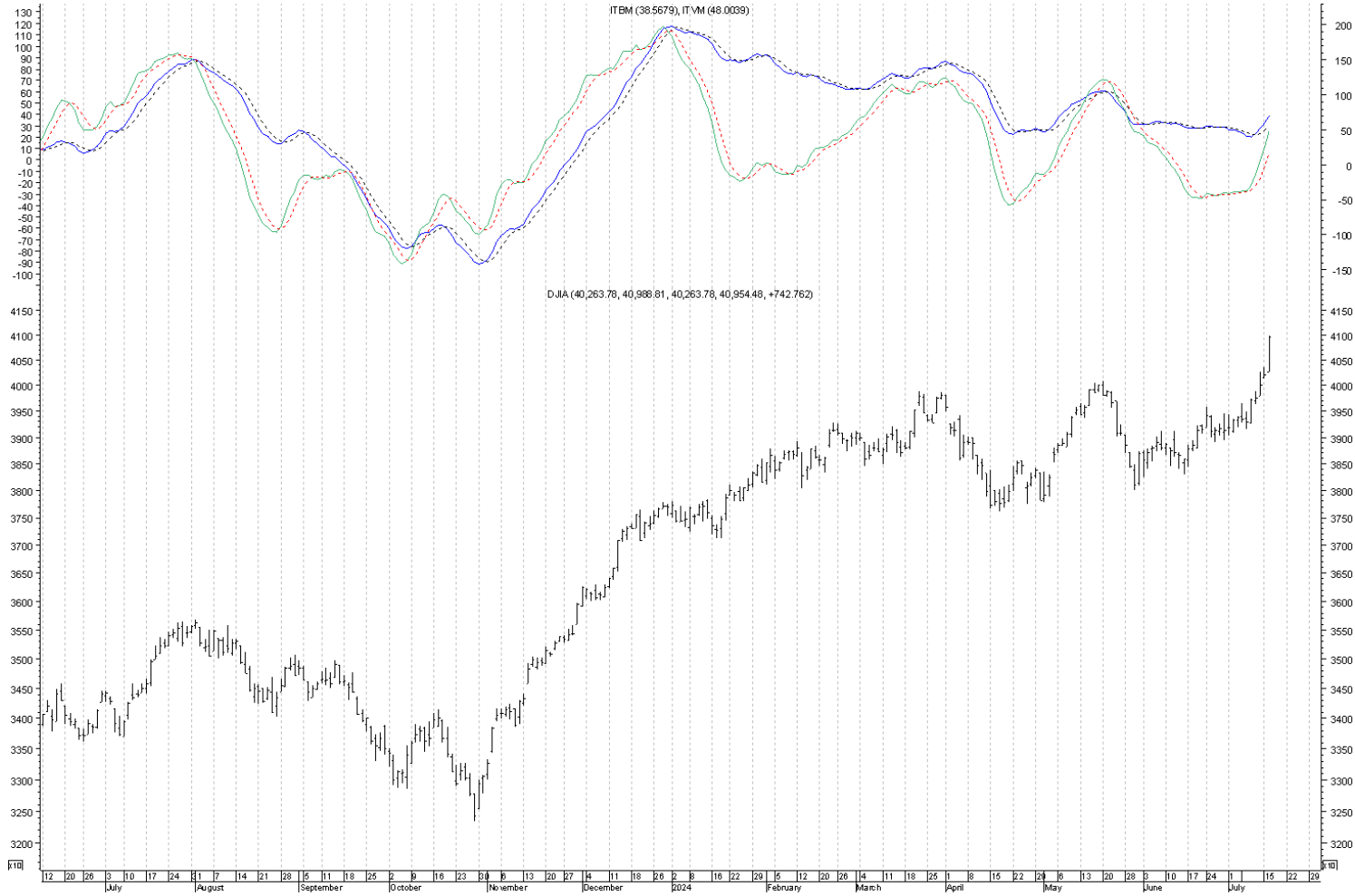


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**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 continue to remain intact until a daily swing high AND downturn of ALL Three of the Primary Short-Term Indicators are seen.**

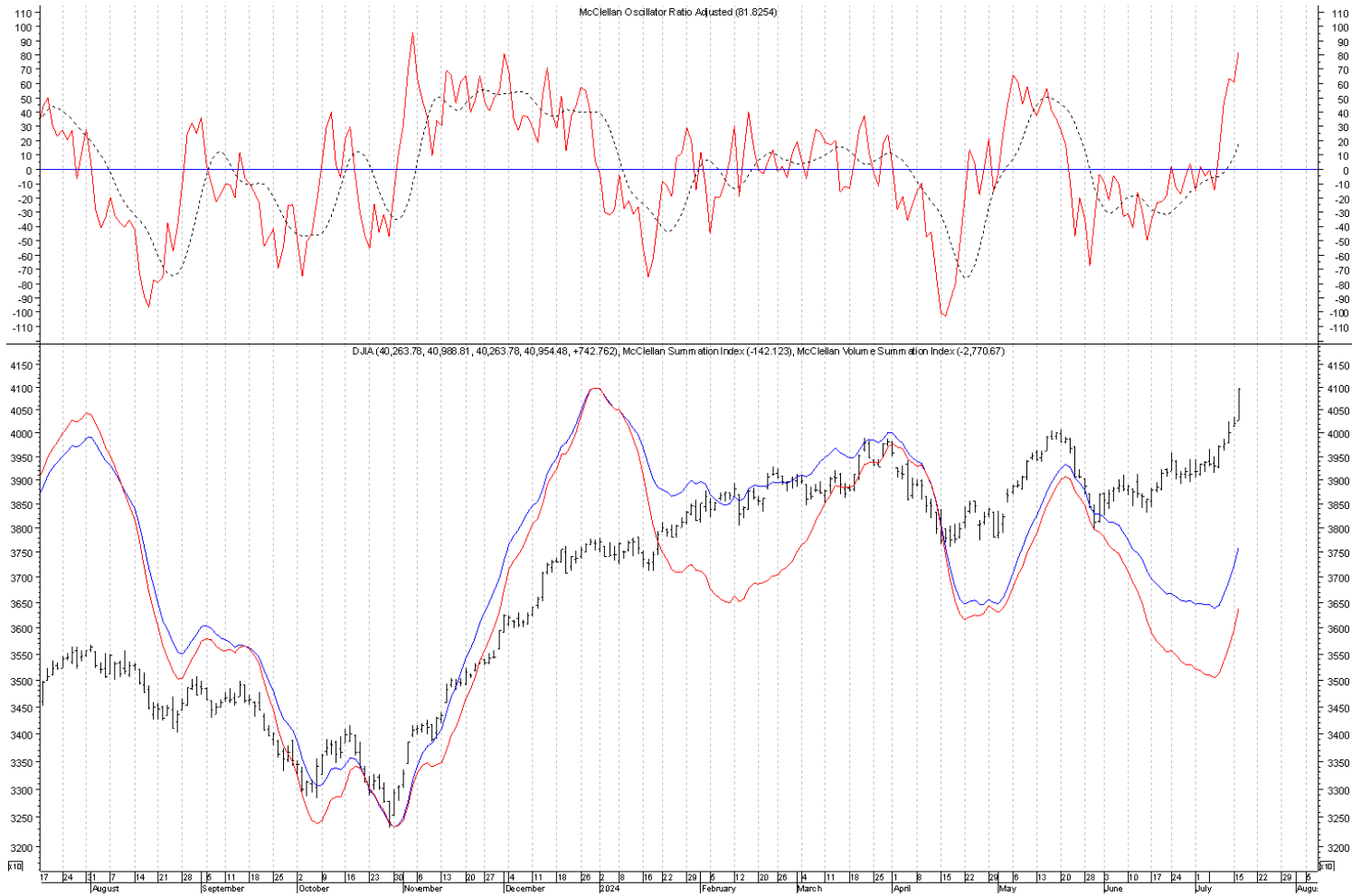


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain in gear to the upside, but again, with the trading cycle low now due, this upturn should be in association with an ending push into the trading cycle top.

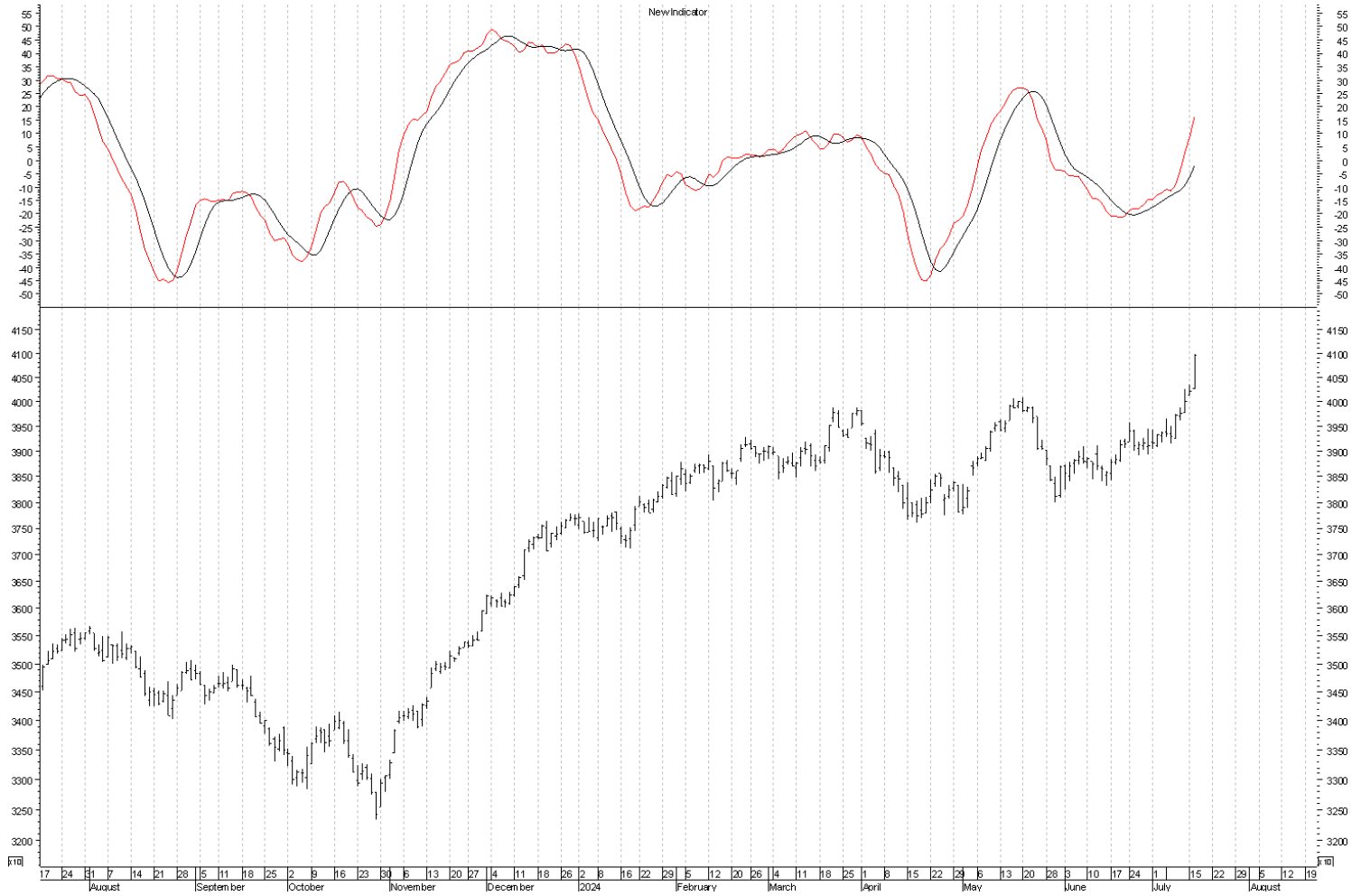




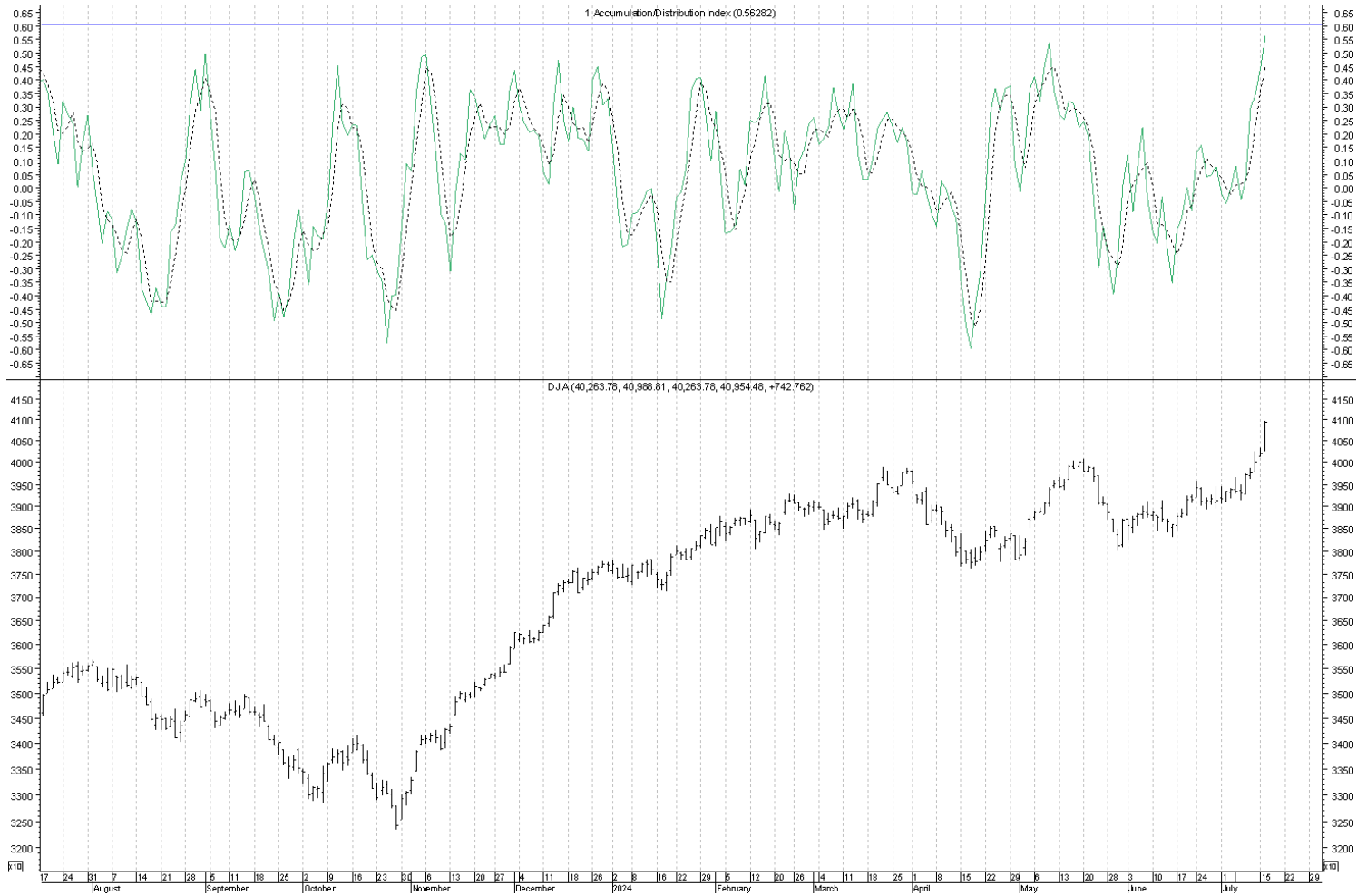
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their upturns in conjunction with the push into the trading cycle top. The **Ratio Adjusted McClellan Oscillator** in the upper window continues its upturn as well. Again, given the now due trading cycle low, every indication continues to be that this ongoing advance is in conjunction with an ending push into the trading cycle top and that we have not seen a trading cycle low since the May 30th low. 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.



**No change here. 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** continues its upturn as well. Once another downturn of this indicator and the completion of a daily swing high are seen, the trading cycle top should be in place.



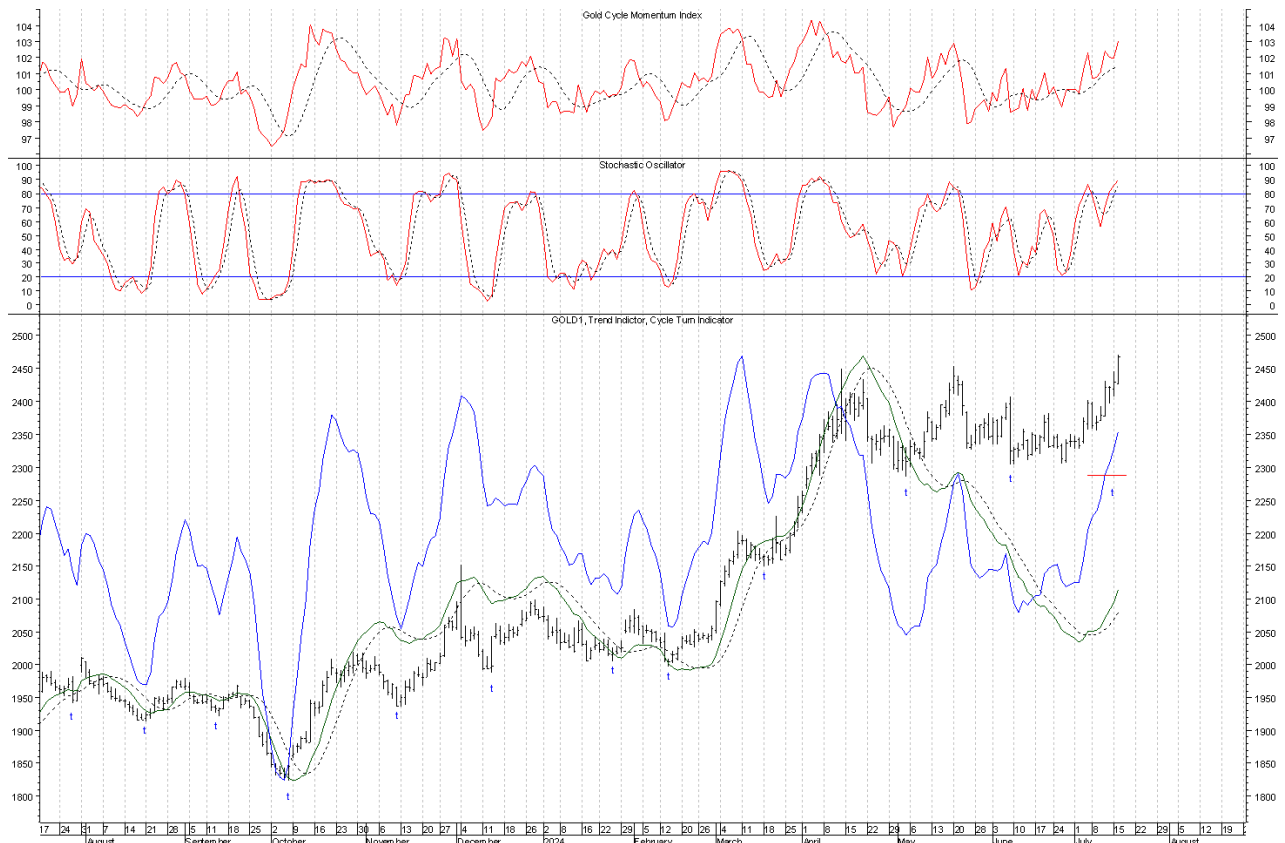
# Gold

End of Week Intermediate-Term Indicator Summary <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	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

The timing band for the now due trading cycle low runs between July 3rd and July 18th. Given the continued strength, this trading cycle advance remains intact and has become increasingly right-translated. However, 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 has served as the structural test of the previous intermediate-term cycle top, which has now been exceeded. Nonetheless, the expectation is that this advance is in conjunction with an ending push into the higher degree cycle top/s. 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 Wednesday if 2,470.20 is not bettered and if 2,424.50 is violated.





## 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)	Bearish
Cycle Momentum Indicator	Bearish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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### Daily Indicator Summary **Short-Term Buy**

#### Primary Indicators

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

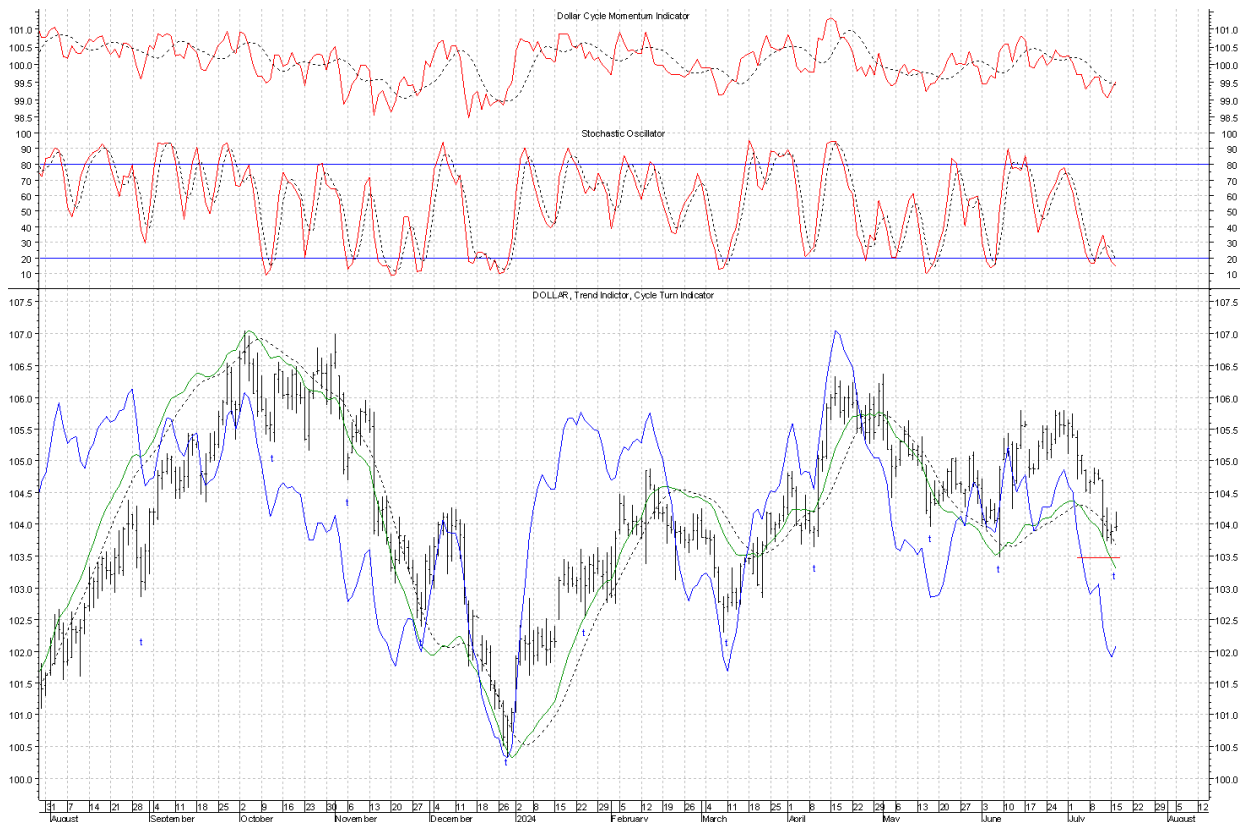
#### Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bearish
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The timing band for the trading cycle low runs between July 3rd and July 17th. As stated in recent updates, the trading cycle low was either seen on July 8th or we have seen an additional push down into the trading cycle low. With the completion of a daily swing low and upturn of the daily **CTI** on Tuesday, a short-term buy signal was triggered and the assumption is that we have seen an additional push down into the trading cycle low. Because of the reversal lower on Tuesday, I do however want to see a close above Tuesday's high as confirmation of this buy signal. It will be the advance out of this trading cycle low that will serve as a test of the higher degree intermediate-term cycle top. Another daily swing high will be completed on Wednesday if 104.20 is not bettered and if 103.89 is violated.

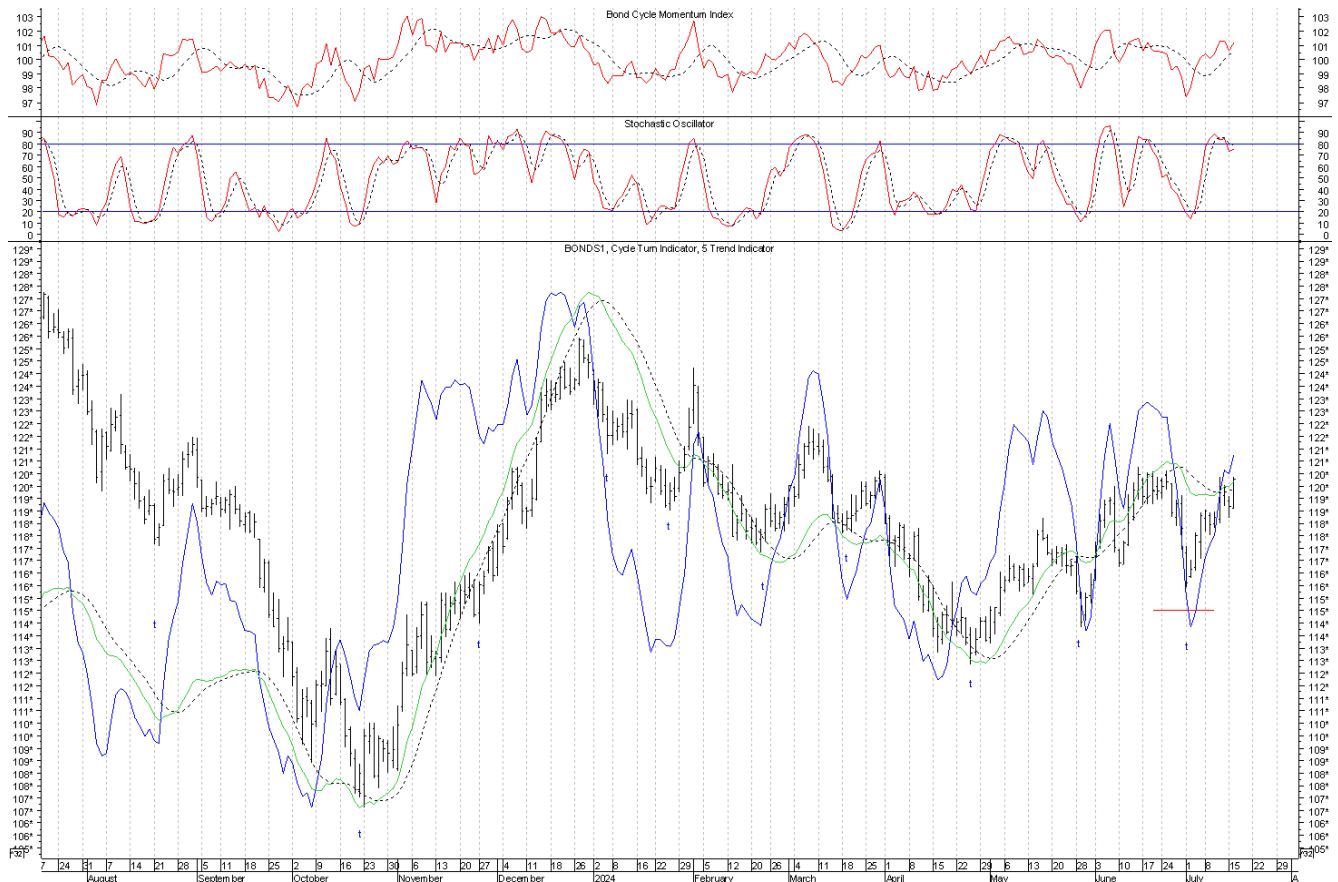


## Bonds

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

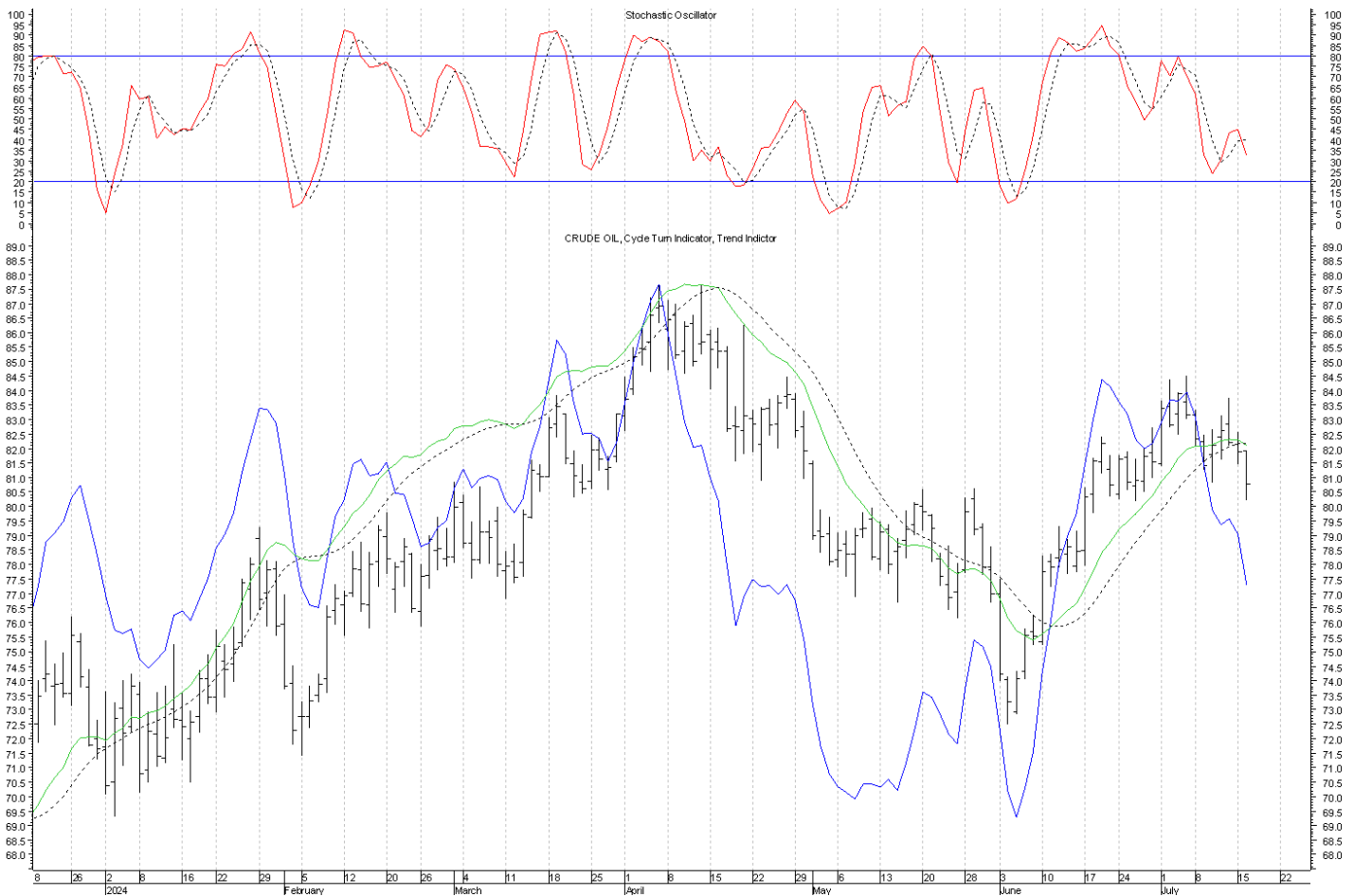
Daily Indicator Summary <b>Short-Term Buy</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The trading cycle low was seen on July 1st and while all of the price action since July 11th has occurred within the July 11th price bar, the advance out of the trading cycle low remains intact. The expectation continues to be for this trading cycle advance to carry Bonds higher with a right-translated structure in association with the higher degree intermediate-term cycle advance. It has been with this intermediate-term advance that I have expected to see increased pressure on rates as we move toward the rate cutting cycle and that is proving correct. 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 July 11th completed the formation of a daily swing low, but with the daily **CTI** remaining negative, a short-term buy signal was not triggered. On Friday, July 12th, the daily **CTI** turned up in conjunction with the initial move higher, triggering a short-term buy signal. But, because of the reversal lower that signal was questionable and as stated in the weekend update we needed to see a close above Friday's high as confirmation of that signal. Accordingly, I went on to say in the weekend update that until proven otherwise, based on Friday's reversal lower, the assumption was that the advance out of the July 10th daily swing low had run its course and that the July 8th short-term sell signal was still intact. On Monday Crude Oil completed the formation of another daily swing high. In doing so, Friday's questionable short-term buy signal was not confirmed and with the downturn of the daily **CTI**, another short-term sell signal was triggered. The ongoing July 8th short-term sell signal will remain intact until another daily swing low and upturn of the daily **CTI** are seen. Another daily swing low will be completed on Wednesday if 80.22 holds and if 81.93 is bettered.



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