

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 18, 2024

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

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 18, 2024

Stocks

End of Week Intermediate-Term Indicator Summary Intermediate-Term Buy	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
CTI on Rydex Tempest Fund *	Bearish
Confirming Indicators	
Trend Indicator (TI)	Bearish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bullish
Cycle Momentum Indicator	Bullish
*When this indicator is Bullish it is negative for the market and visa versa.	

Daily Indicator Summary Short-Term Neutral	
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)	Bullish
McClellan Intermediate Term Volume Momentum Oscillator (ITVM)	Bullish
McClellan Summation Index	Bullish
McClellan Volume Summation Index	Bullish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bearish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bullish
Momentum Indicator	Bullish
Ratio Adjusted McClellan Oscillator Crossover	Bearish
Accumulation/Distribution Index	Bearish

The timing band for the now due trading cycle low runs between July 10th and July 30th. With price now having moved well into this timing band this trading cycle has become very right-translated but given the reversal seen on Thursday, the price/oscillator picture is suggestive of this trading cycle top having been seen. As confirmation of this suspicion, we must however see the completion of a daily swing high and accompanying downturn of ALL Three of the Primary Short-Term Indicators. 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. However, if the decline into the pending trading cycle low should complete the formation of a weekly swing high, then at that time it will be possible that the intermediate-term cycle top was seen in conjunction with the current trading cycle top. At a higher level, 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. In the short-term, the trading cycle top should now be in place, but if not it should be very close at hand.

Crude Oil completed the formation of a daily swing low on Wednesday and with the upturn of the daily CTI, a short-term buy signal was triggered. The expectation is for this to be another test of the suspected intermediate-term cycle top. Gasoline completed the formation of a daily swing low on Wednesday

and with the continued upturn on Thursday a short-term buy signal was triggered. 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.

No change with the CRB Index in that both the short and intermediate-term sell signals remain intact.

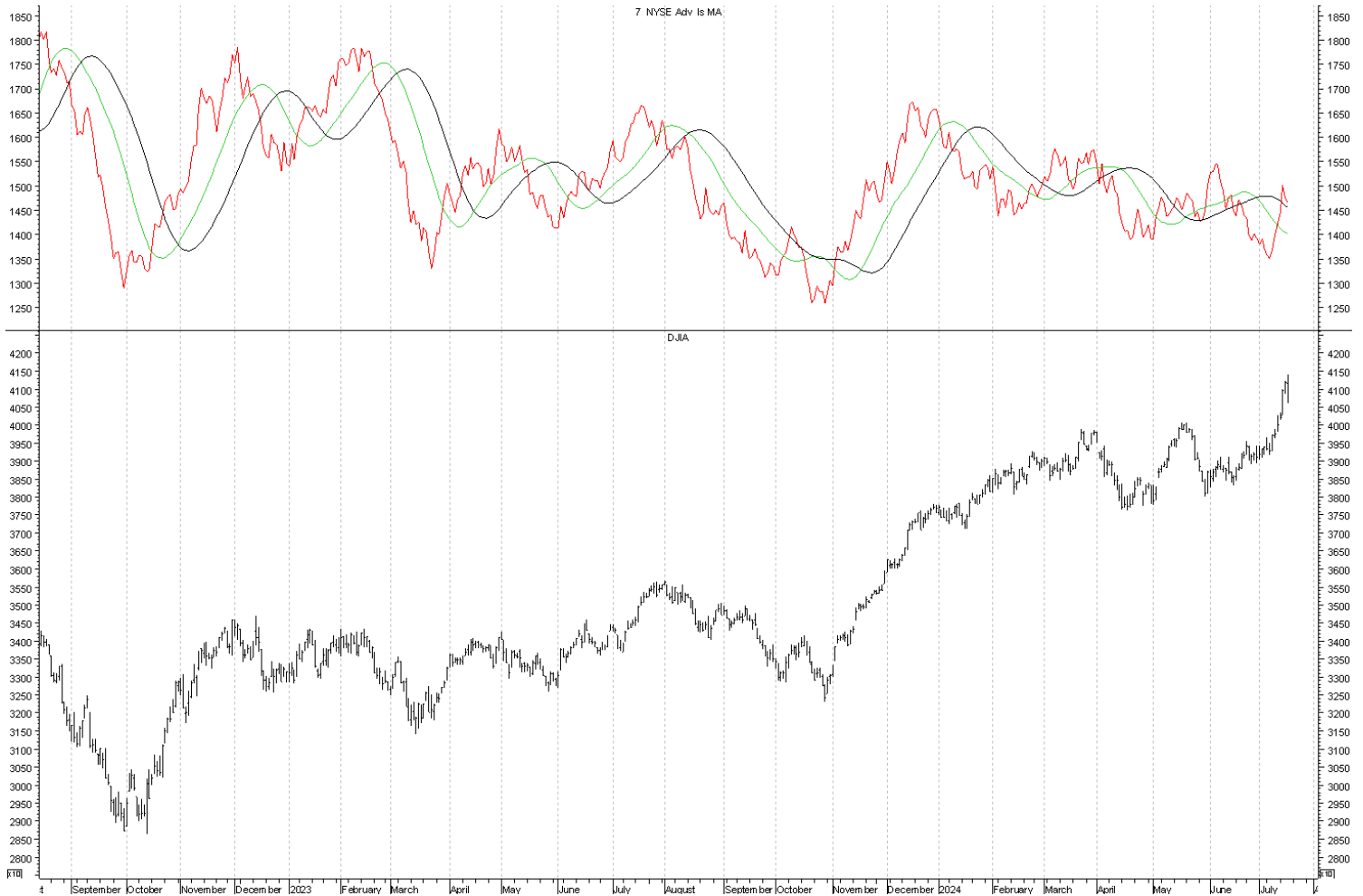
Gold completed the formation of a daily swing high on Thursday and any further weakness that triggers a short-term sell signal should serve as confirmation of this very extended trading cycle top. If the decline out of the trading cycle top completes the formation of a weekly swing high, it will be suggestive of a left-translated intermediate-term cycle top. The XAU triggered a short-term sell signal on Thursday in

association with what we have to assume to be 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 another short-term sell signal on

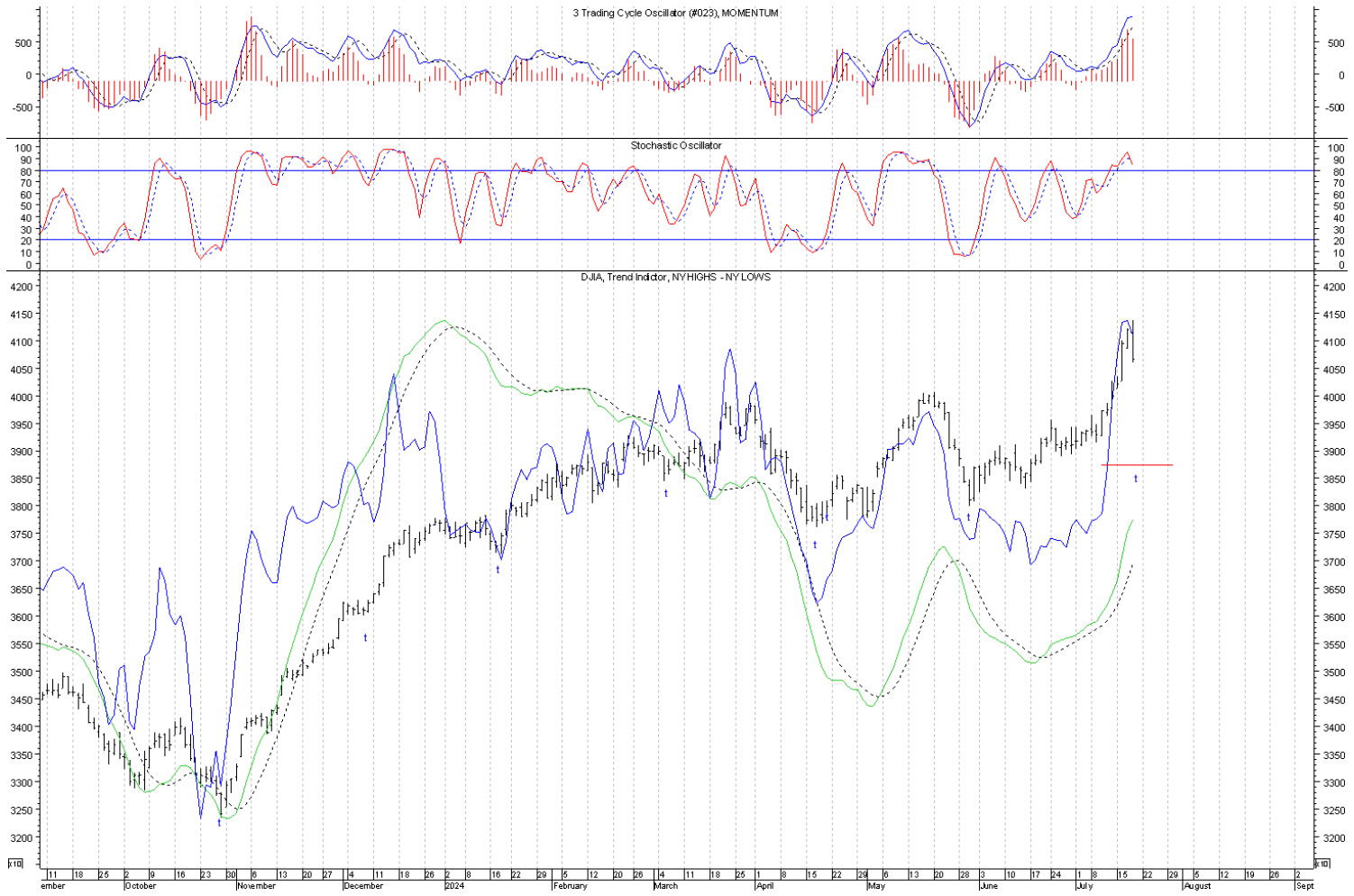
Wednesday and we have either seen yet another push down into the trading cycle low, or the low was seen on July 8th and we have a failed and left-translated trading cycle at play. The completion of a daily swing low and the triggering of a short-term buy signal here will be suggestive of the former whereas any further weakness from here will be suggestive of the latter. Bonds completed the formation of a daily swing

high on Thursday and the trading cycle top should be close at hand and possibly in place. Any further weakness that triggers a short-term sell signal will be suggestive of the trading cycle top whereas any further strength should be in association with an ending push into the trading cycle top. Once the trading cycle low is in place, 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, has ticked back down, which tends to be suggestive of the ending push into the trading cycle top having run its course. 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.

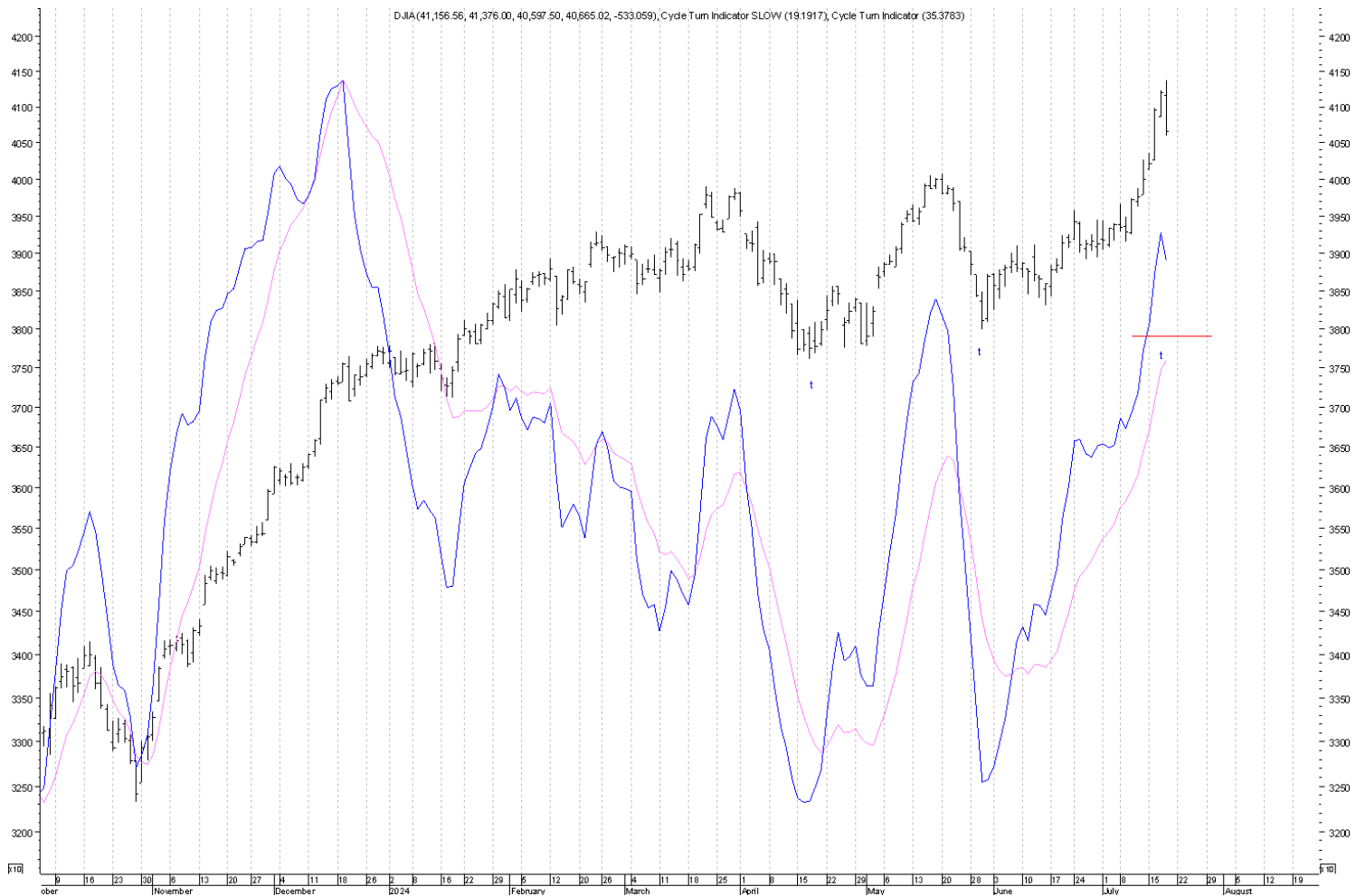


The **Trading Cycle Oscillator** in the upper window remains above its trigger line and the **Momentum Indicator** remains above its zero line. Crossings here below the trigger and zero lines should serve as confirmation of the trading cycle top. The **5 3 3 Stochastic** in the middle window has turned down from overbought territory. The overall price/oscillator picture here remains ripe for the trading cycle top. The **New High/New Low Differential**, plotted with price, ticked down on Thursday, which also tends to be indicative of the ending push into the trading cycle top having run its course. The **Trend Indicator** remains above its trigger line.

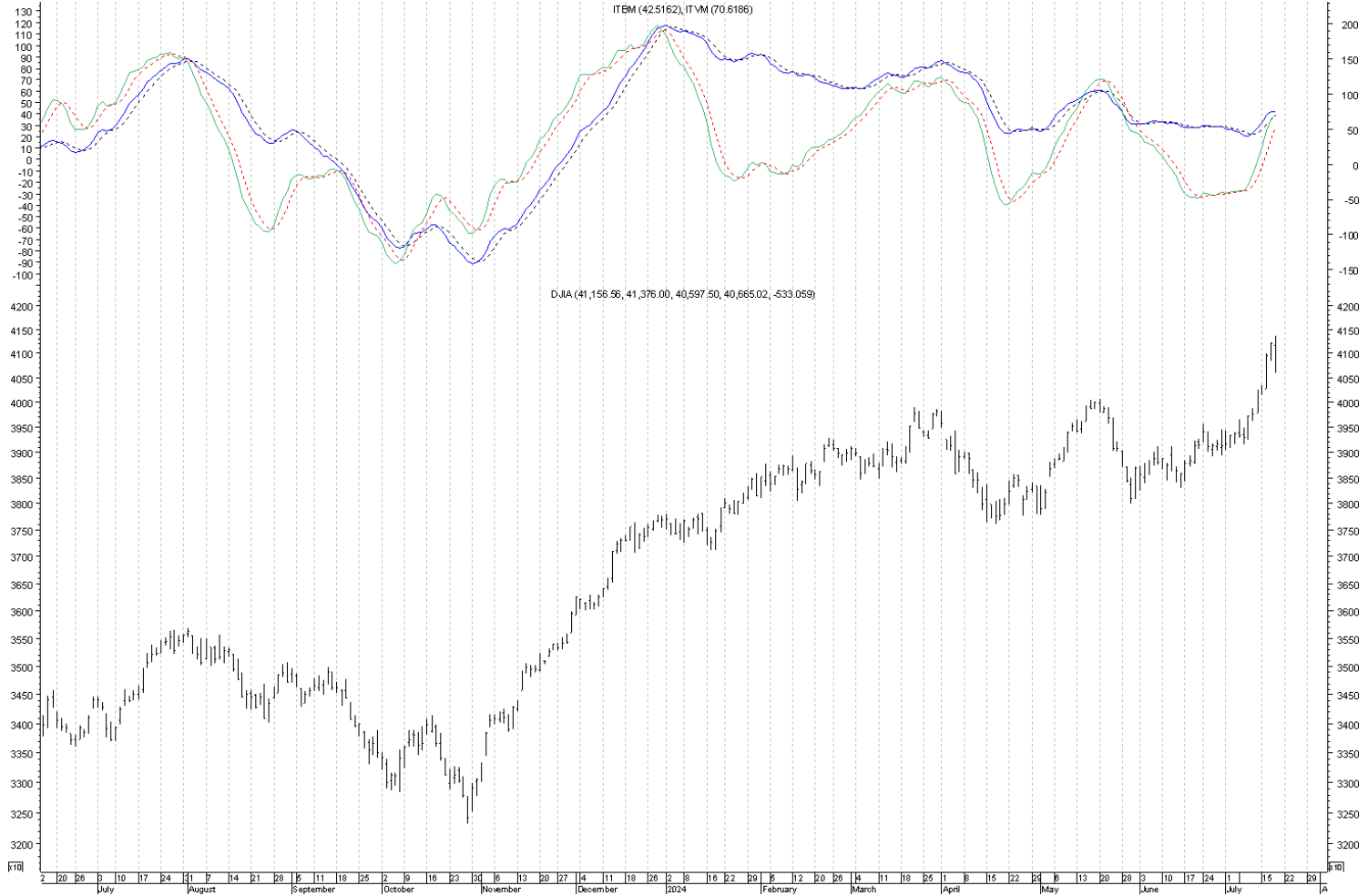


The Three Primary Short-Term Indicators are the **Original** and the **Slow Cycle Turn Indicators**, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

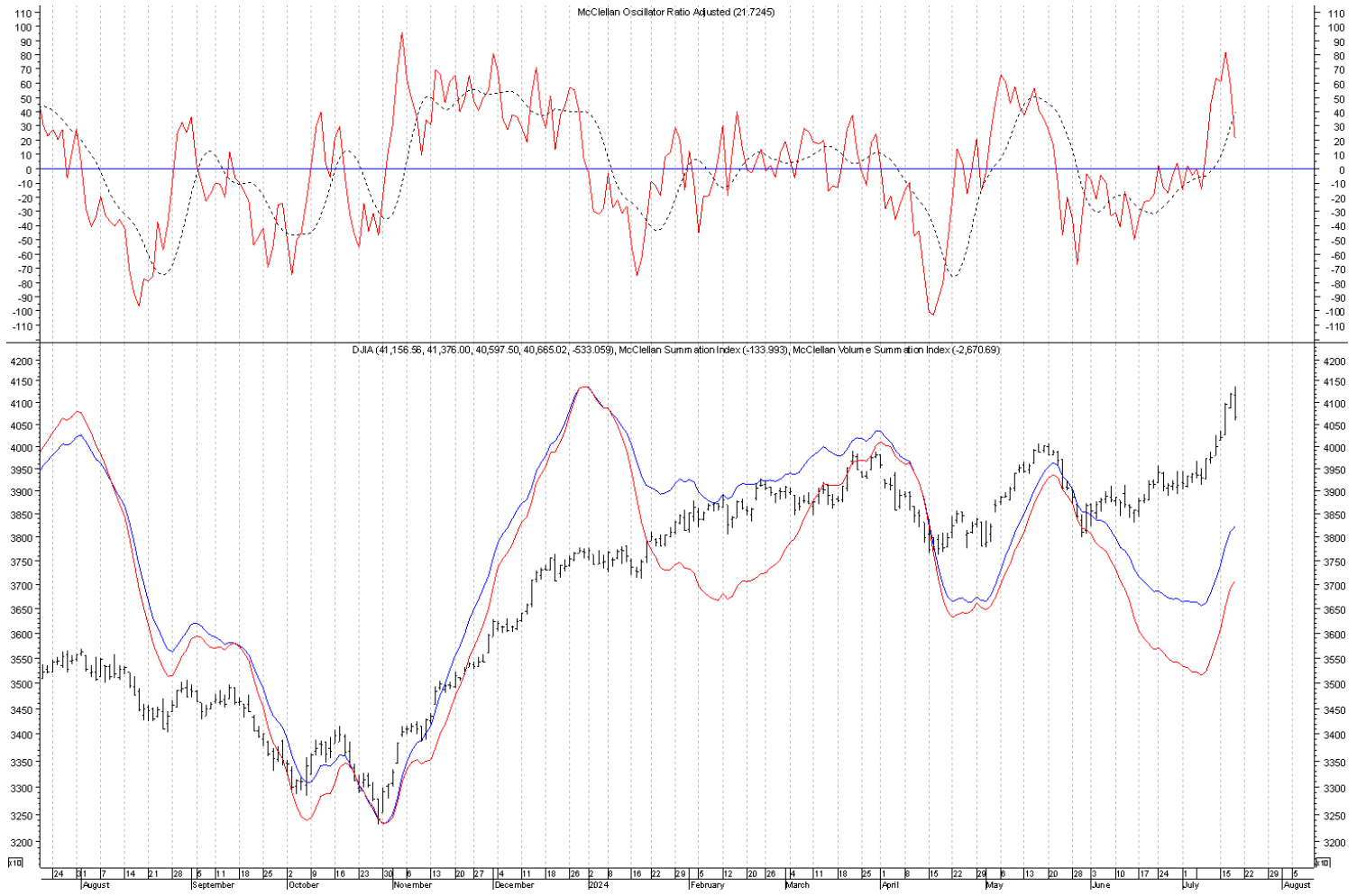
Bottom line, I suspect the trading cycle top was seen on Thursday, but if not, this top should certainly be close at hand. Any further weakness that completes the formation of a daily swing high that is confirmed by a downturn ALL Three of the Primary Short-Term Indicators will trigger a short-term sell signal in association with the trading cycle top whereas any additional advance should be in association with an ending push into the trading cycle top.



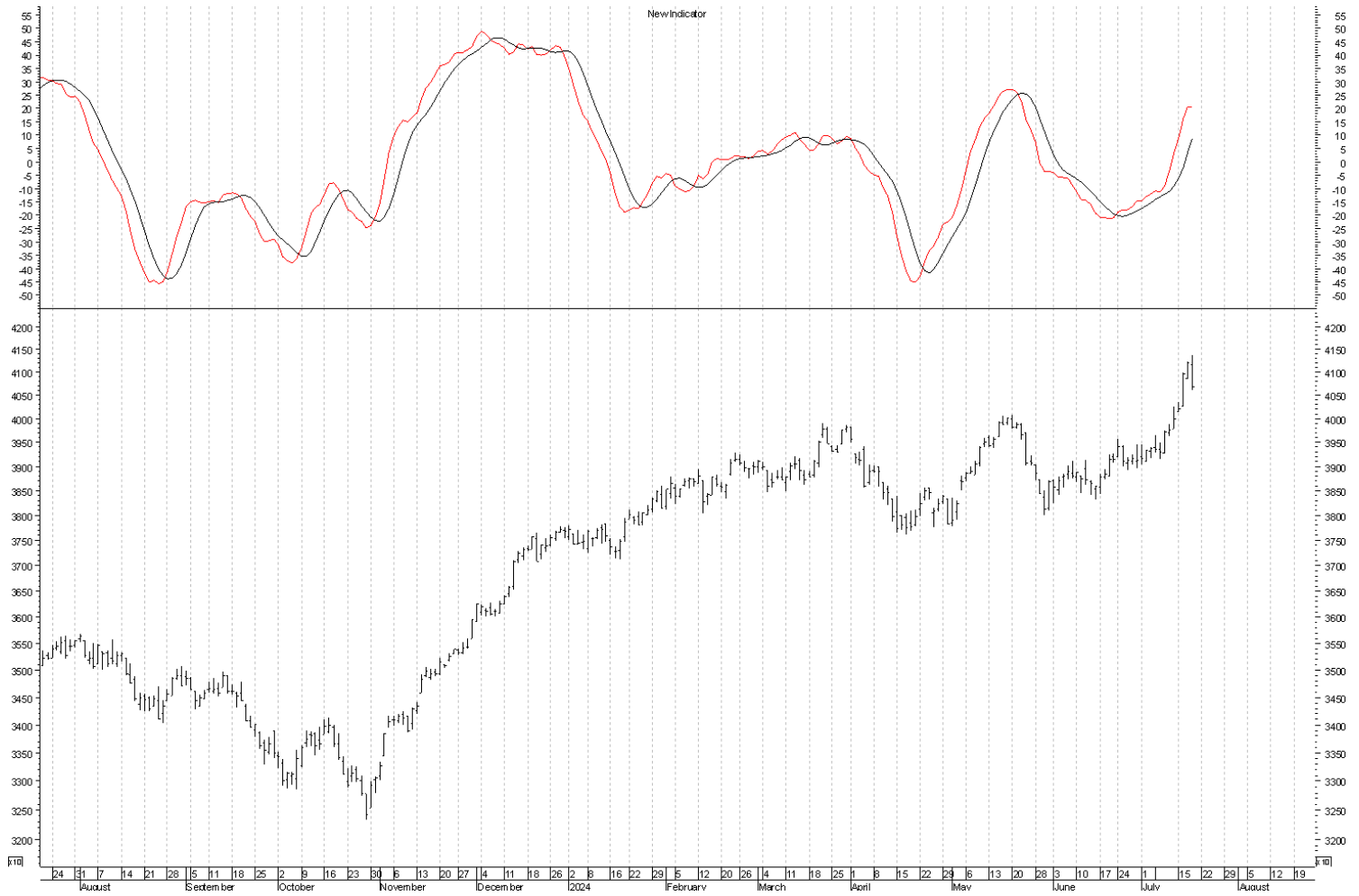
Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain in gear to the upside. Crossings below the trigger lines should serve as confirmation of the trading cycle top.



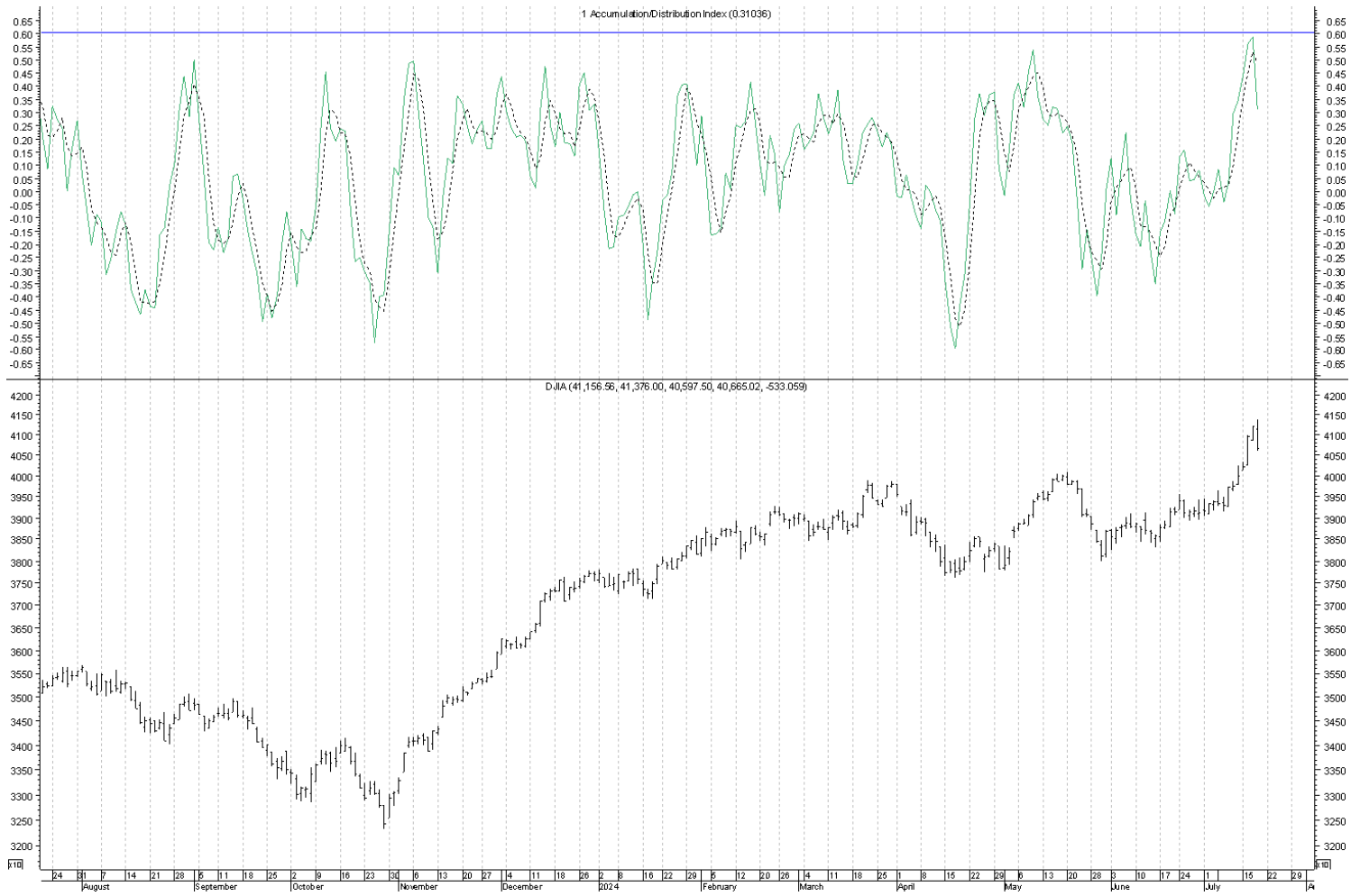
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** also continue their upturns and here too, downturns should serve as confirmation of the trading cycle top. The **Ratio Adjusted McClellan Oscillator** in the upper window has crossed below its trigger line, which makes it negative as we use it. Any further weakness that triggers a short-term sell signal in conjunction with a crossing of this indicator below its zero line should serve as confirmation of the trading cycle top.



No change here. The smoothed McClellan oscillator continues its upturn. A crossing back below the trigger line should now serve as confirmation of the suspected trading cycle top.



The **Accumulation/Distribution Index** has turned back down, which here too, is suggestive of the trading cycle top, which should be in place once a daily swing higher and triggering of a short-term sell signal is seen.

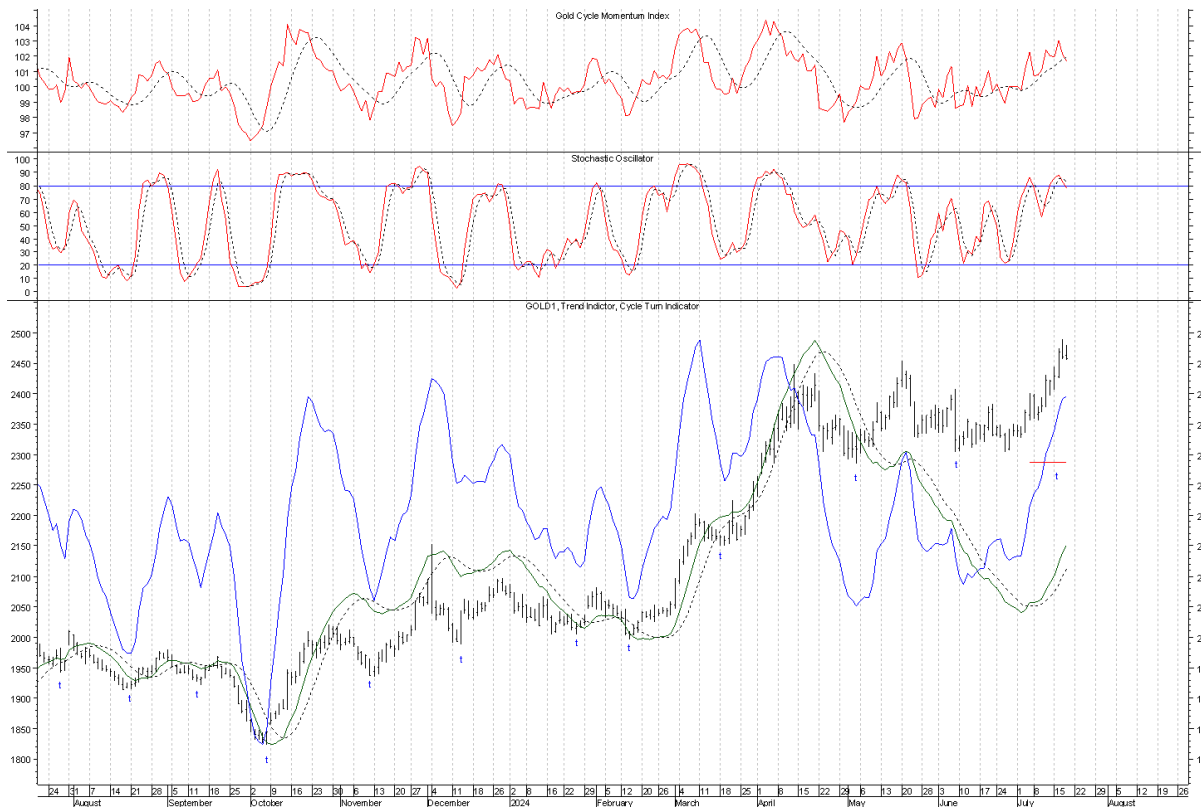


Gold

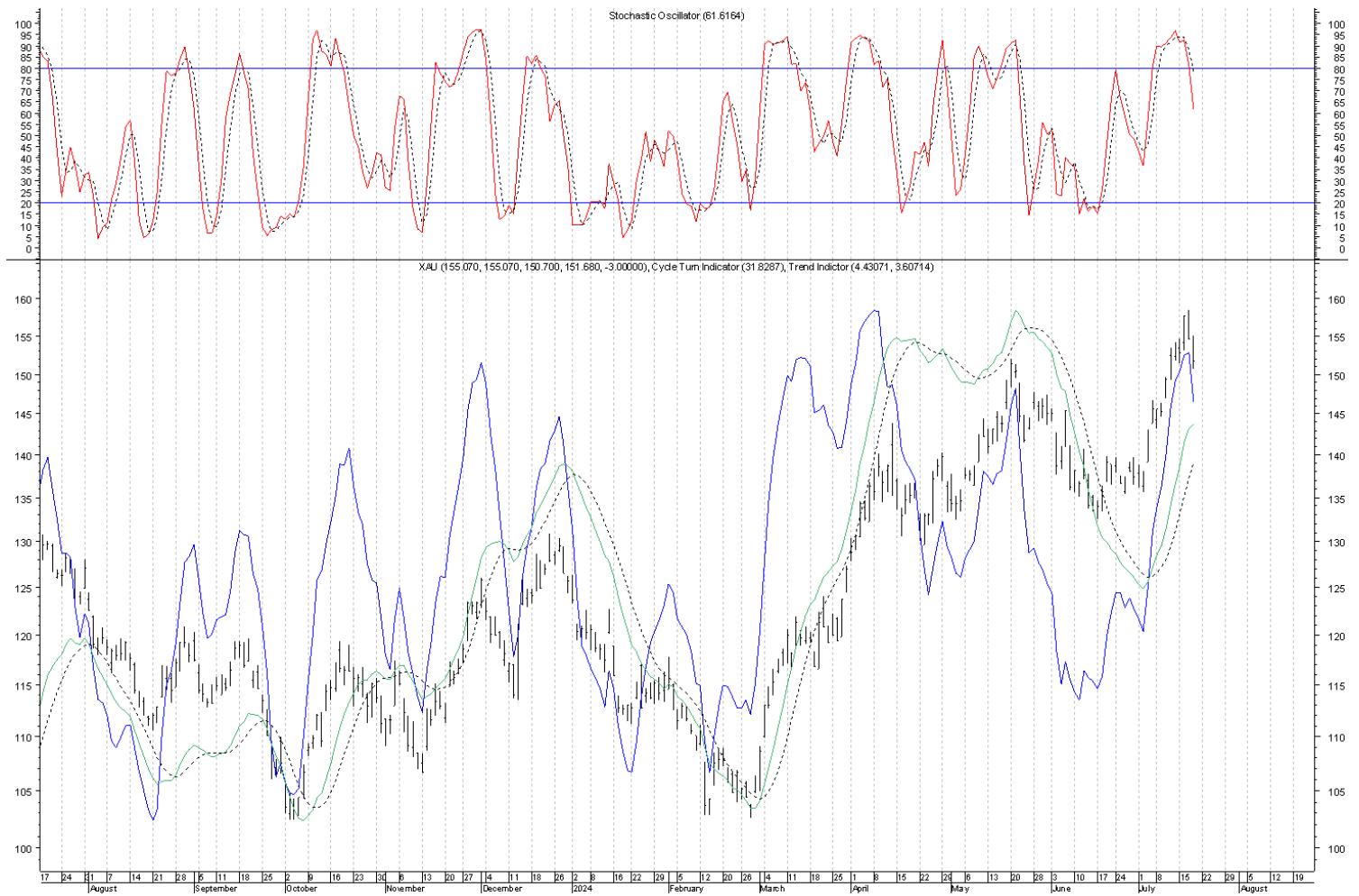
End of Week Intermediate-Term Indicator Summary Intermediate-Term Buy	
Primary Indicators	
Formation of a Weekly Swing Low	Bullish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bullish
Secondary Indicators	
5 3 3 Stochastic	Bullish

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

The timing band for the now past due trading cycle low ran between July 3rd and July 18th. While this trading cycle advance has been extremely right-translated and has now carried price out beyond the timing band, the price/oscillator picture is indeed ripe for this top and with the completion of a daily swing high on Thursday this top should ideally be in place. That said, we must see continued weakness and a downturn of the daily CTI in order to trigger a short-term sell signal as confirmation. At a higher level, 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 for this advance to be 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. Another daily swing low will be completed on Friday if 2,454.40 holds and if 2,478.50 is bettered.



Our daily chart of the XAU is next. On Thursday the XAU completed the formation of a daily swing high and with the downturn of the daily CTI, a short-term sell signal in association with what we have to assume to be the trading cycle top was seen. As with Gold, this advance was expected to be in association with an ending push into a clustering of higher degree cycle top/s. If the XAU completes the formation of a weekly swing high in association with the decline into the trading cycle low, it will leave the XAU at further risk of the higher degree intermediate-term cycle top and thereby this anticipated clustering of higher degree cycles. Another daily swing low will be completed on Friday if 150.70 holds and if 155.07 is bettered.



Dollar

End of Week Intermediate-Term Indicator Summary **Intermediate-Term Sell**

Primary Indicators

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

Confirming Indicators

Trend Indicator (TI)	Bearish
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	Bullish

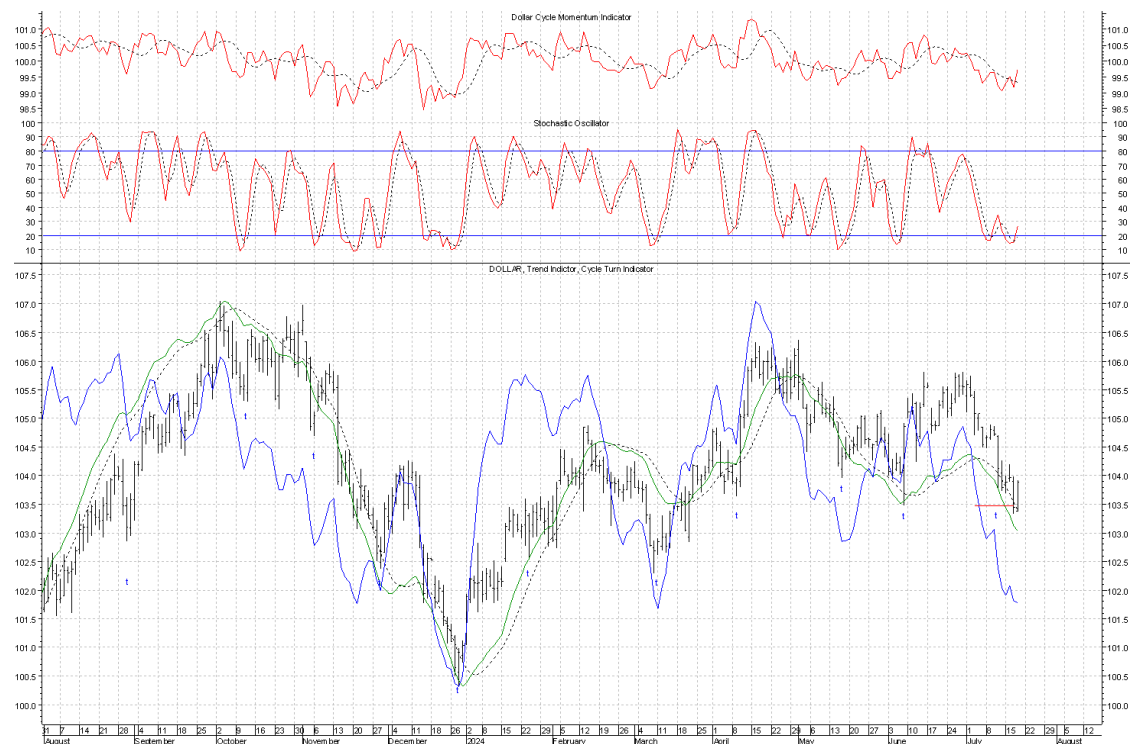
Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the trading cycle low ran 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 yet 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 was that we had seen the trading cycle low. But, because of the reversal lower on Tuesday, we needed to see a close above Tuesday's high as confirmation of the buy signal. With the completion of a daily swing high on Wednesday, that did not happen and based on the oscillator picture it appears as if we have seen yet another push down into this low. On Thursday the Dollar moved up, but it was an inside day with respect to Wednesday's price range and we must see the completion

of a daily swing high and upturn of the daily **CTI** in order to retrigger another short-term buy signal. Upon such development, we should have the trading cycle low in place.

Otherwise, any continued weakness at this point will tend to be suggestive of the trading cycle low having been seen on July 8th and that we have a failed and left-translated trading cycle at play. Another daily swing low will be completed on Friday if 103.34 holds and if 103.98 is bettered.

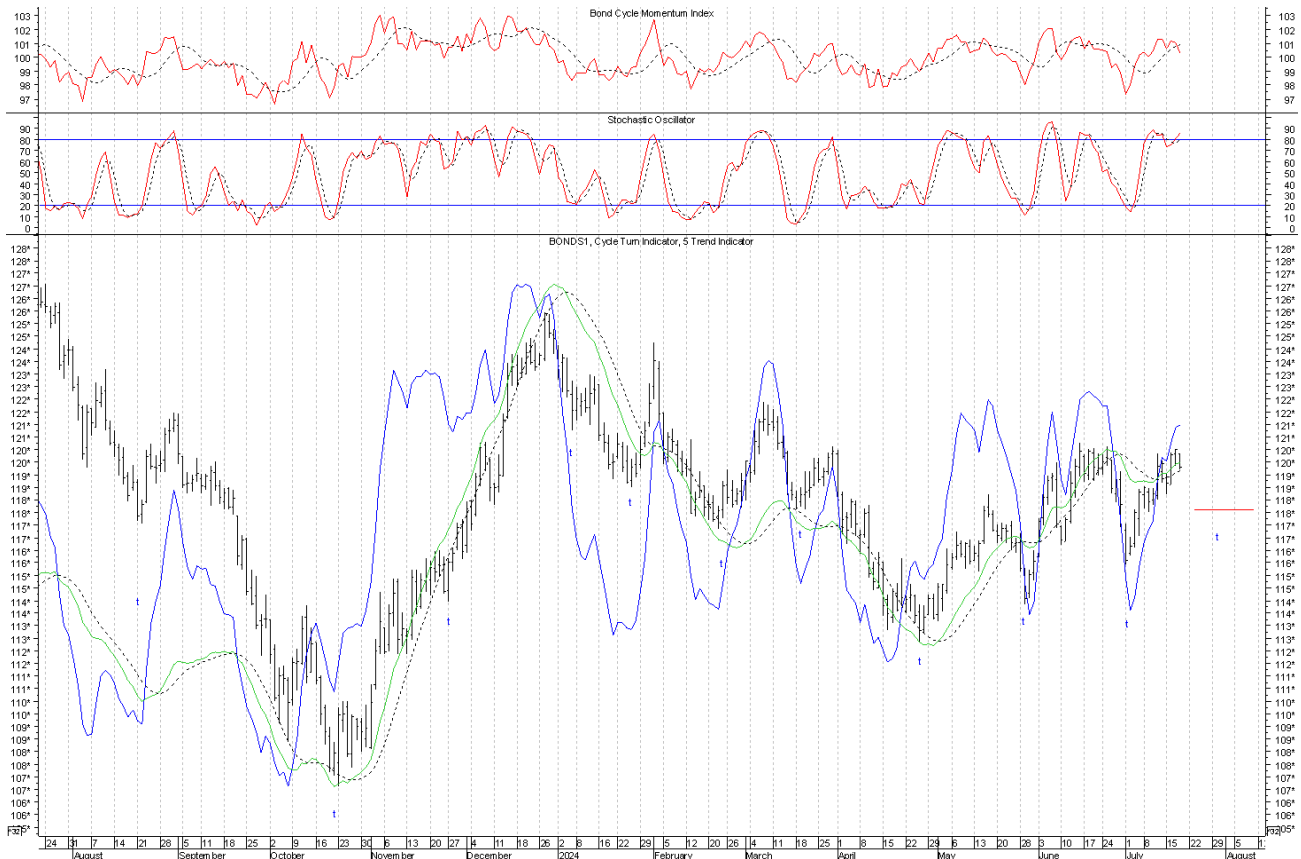


Bonds

End of Week Intermediate-Term Indicator Summary Intermediate-Term Sell/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

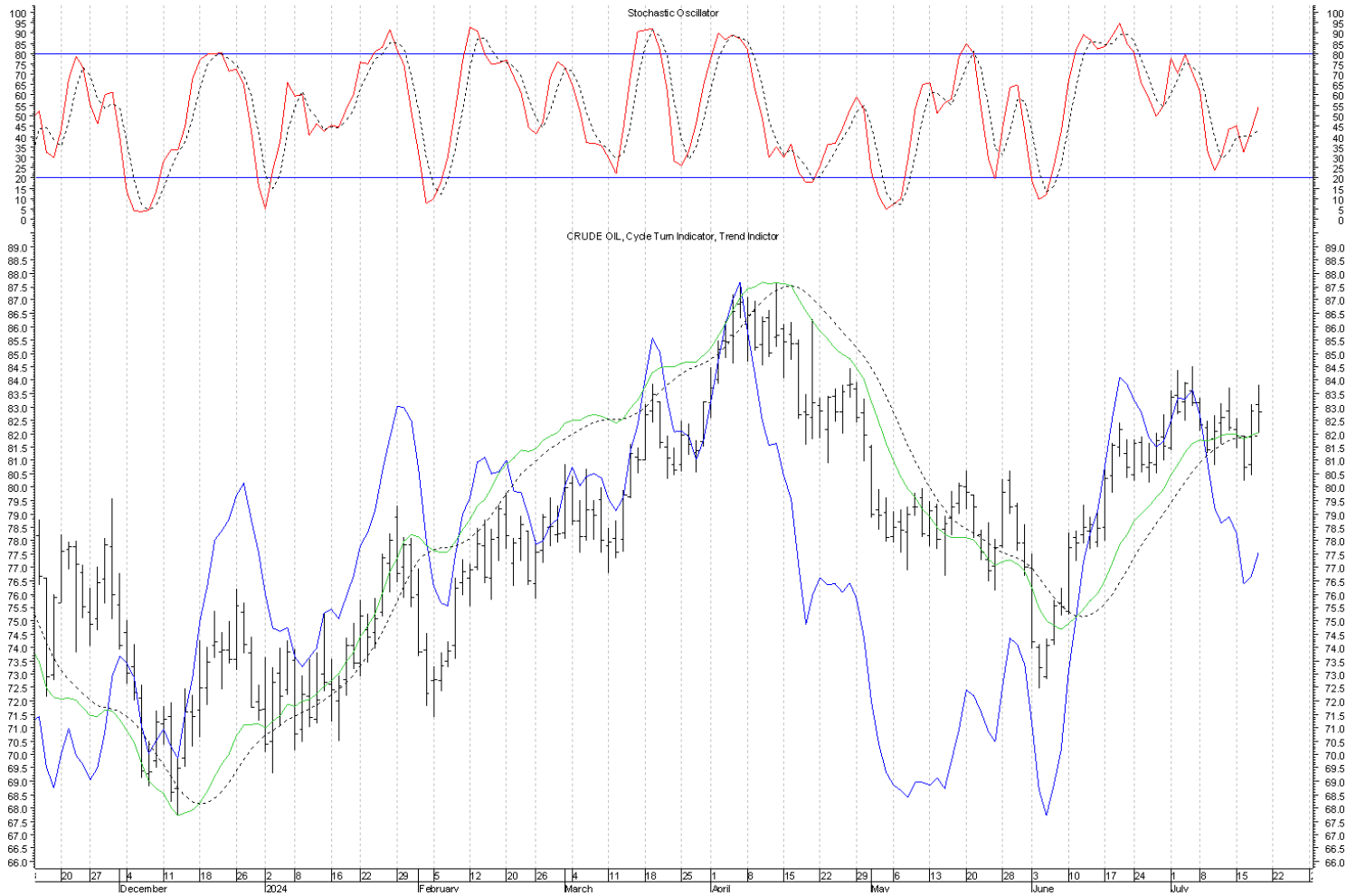
Daily Indicator Summary Short-Term Buy	
Primary Indicators	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bullish
Confirming Indicators	
Trend Indicator (TI)	Bullish
Cycle Momentum Indicator	Bearish
Secondary Short Term Indicators	
5 3 3 Stochastic	Bullish

The trading cycle low was seen on July 1st and the timing band for the pending trading cycle low runs between July 23rd and August 9th. On Thursday Bonds completed the formation of a daily swing high and the price/oscillator picture is certainly ripe for the trading cycle top. Any further weakness that turns the daily **CTI** down will trigger a short-term sell signal and the trading cycle top should then be in place. The expectation is for continued strength to follow in the wake of the pending trading cycle low as the higher degree upturn in association with the intermediate-term cycle advance continues pressuring rates. This short-term buy signal will remain intact until another daily swing high AND downturn of the daily **CTI** are seen.



Crude Oil

Per the parameters given in the Tuesday night update, the price action on Wednesday completed the formation of a daily swing low and with the upturn of the daily **CTI**, a short-term buy signal was triggered. The expectation is for this to be in association with another retest of or ending push into the suspected July 5th intermediate-term cycle top. For now, this 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 83.82 is not bettered and if 82.04 is violated.



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