

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 23, 2024

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

\*Since this fund is quoted at the end of the day it is impossible for the concept of swing highs and lows to apply on a daily level. The primary interests here are the weekly developments.

The daily is representative of the short-term and the weekly is representative of the intermediate-term

# Short-term Updates

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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 23, 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)	Bullish
Advance/Decline Issues Diff	Bullish
New High New Low Diff	Bullish
<b>Secondary Indicators</b>	
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 <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
Slow Cycle Turn Indicator (CTI)	Bearish
New High/New Low Differential	Bearish
<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	Bearish
Cycle Momentum Indicator	Bearish
Trading Cycle Oscillator	Bearish
Momentum Indicator	Bearish
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. We are now approaching the outer portion of the timing band for this low, but in order to make for a more mature price/oscillator picture, I would ideally still like to see continued weakness into this low. This said, once another daily swing low and upturn of ALL Three of the Primary Short-Term Indicators are seen, a short-term buy signal will be triggered and this low should be in place. The expectation continues to be for the advance out of the pending trading cycle low to carry the Industrials higher as we move into the higher degree intermediate-term cycle top. However, if the pending trading cycle advance should fail to better the current trading cycle top, then upon such failure the evidence will be suggestive of the higher degree intermediate-term cycle top having peaked in conjunction with the current trading cycle top rather than with an additional trading cycle up. Whichever the case, 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, I

would ideally like to see another few days of weakness, but the trading cycle low should be close at hand and in place once a short-term buy signal is triggered.

Crude Oil triggered a short-term sell signal on Friday and with the additional weakness that has followed every indication is that the intermediate-term cycle top was in fact seen in conjunction with the July 5th daily swing high.

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. As with Crude Oil, the expectation was for that advance to be counter-trend and with Monday's triggering of a short-term sell signal, that proved correct.

Natural Gas triggered a short-term buy signal on Monday, but here too, the expectation is for this advance to be counter-trend.

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

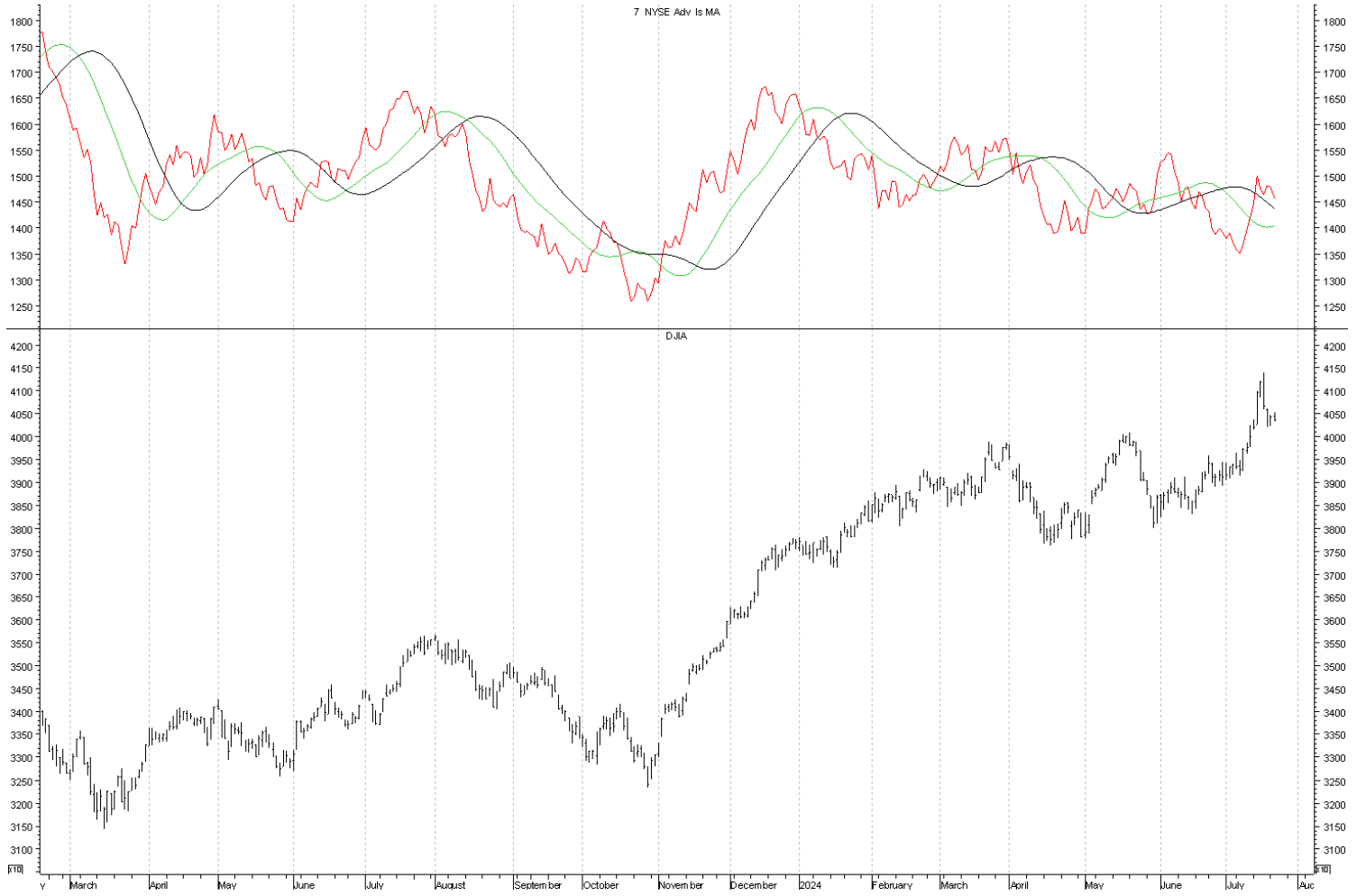
The short-term sell signal and decline into the trading cycle low on Gold remains intact, but once a short-term buy signal is triggered, the trading cycle low should be in place and it will be the advance out of that low that will serve as the structural test of the higher degree intermediate-term cycle top.

The short-term sell signal on the XAU also remains intact and as with Gold, the advance out of the pending trading cycle low will serve as the structural test of the higher degree intermediate-term cycle top.

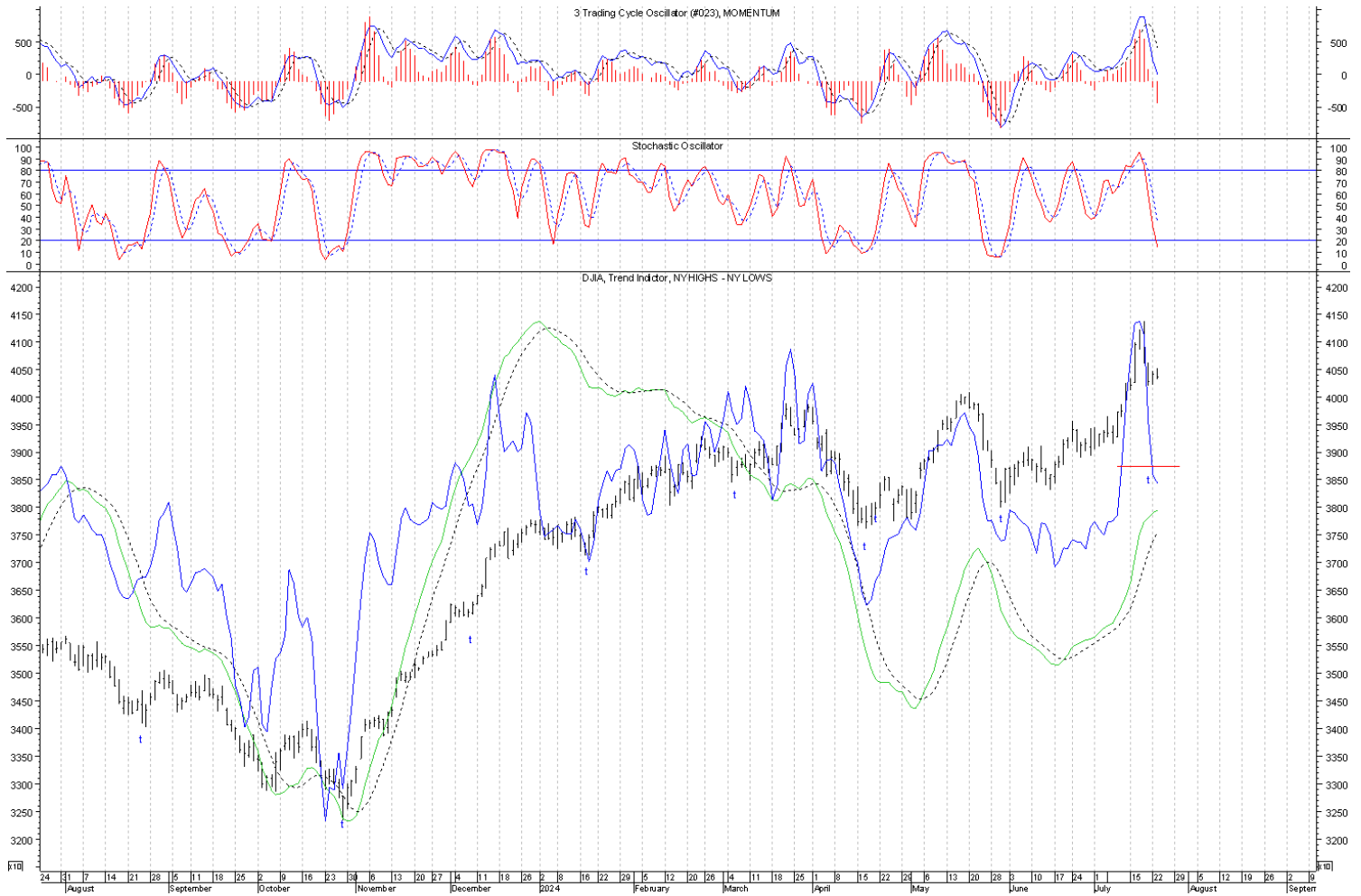
The Dollar triggered a short-term buy signal on Friday, proving the trading cycle low to have been seen on July 17th. The expectation is for this advance to be counter-trend.

Bonds completed the formation of a daily swing high on Thursday and we knew the trading cycle top had possibly been seen. This proved correct and I would ideally still like to see further weakness into the trading cycle low as we move further into the timing band, but once a daily swing low and upturn of the daily CTI are seen, this low should be in place. The expectation is for the advance out of the pending trading cycle low to be followed by 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, continues its downturn in association with the decline out of the trading cycle top. The Green MA is trying to turn back up and as I have seen saying, there are generally two crossings below the Black MA in association with intermediate-term cycle tops. As a result, a second crossing of the Green back above the Black with one additional trading cycle up would be ideal.

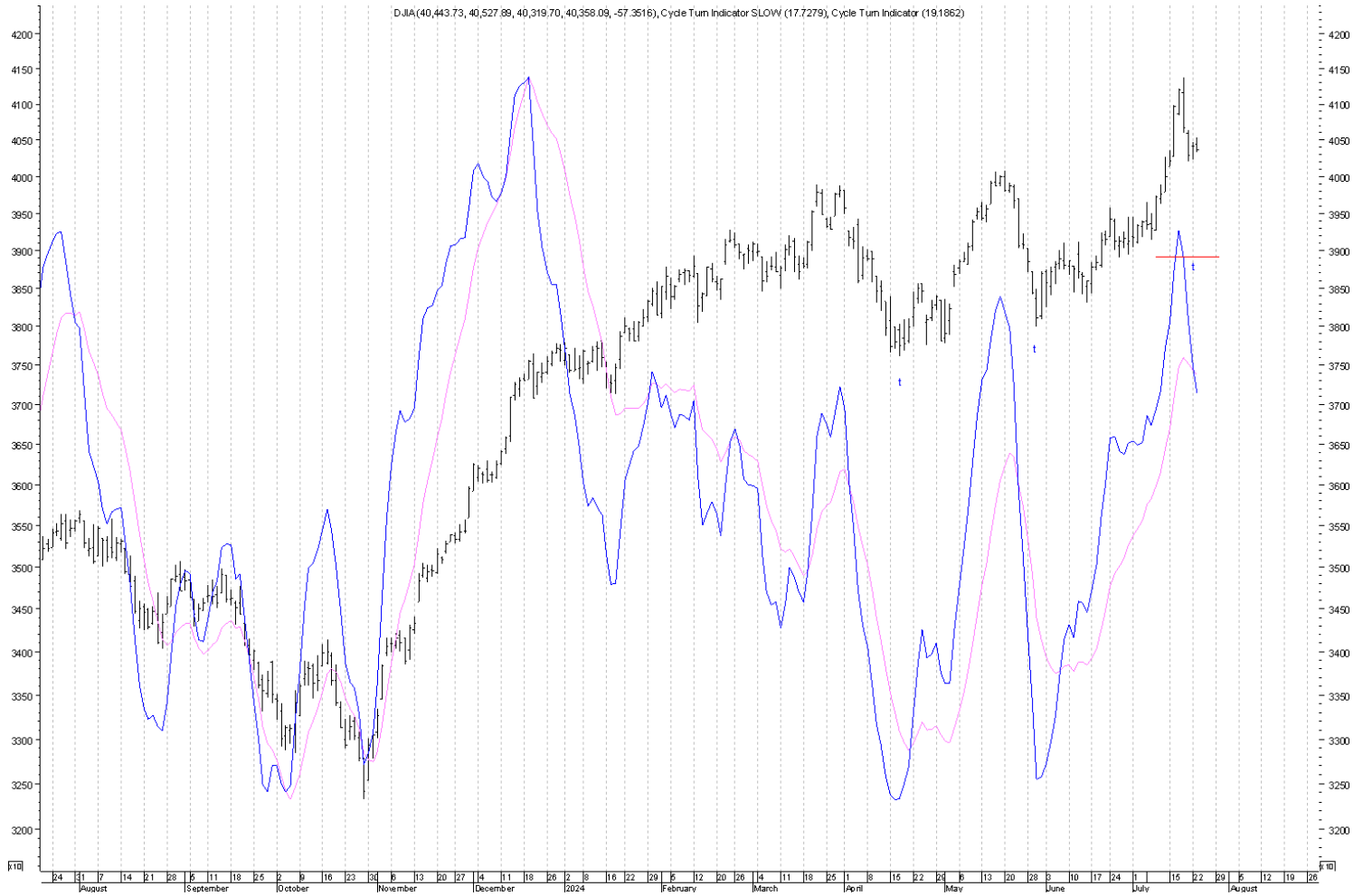


The **Trading Cycle Oscillator** in the upper window continues its downturn in association with the trading cycle top as does the **Momentum** Indicator. The **5 3 3 Stochastic** in the middle window also continues its downturn and is now moving into oversold territory. The overall price/oscillator picture is certainly reflective of the trading cycle top, but again, another few days of weakness should make for a much more mature oscillator picture with regard to the pending trading cycle low. The **New High/New Low Differential**, plotted with price, remains negative. The **Trend Indicator** remains above its trigger line.

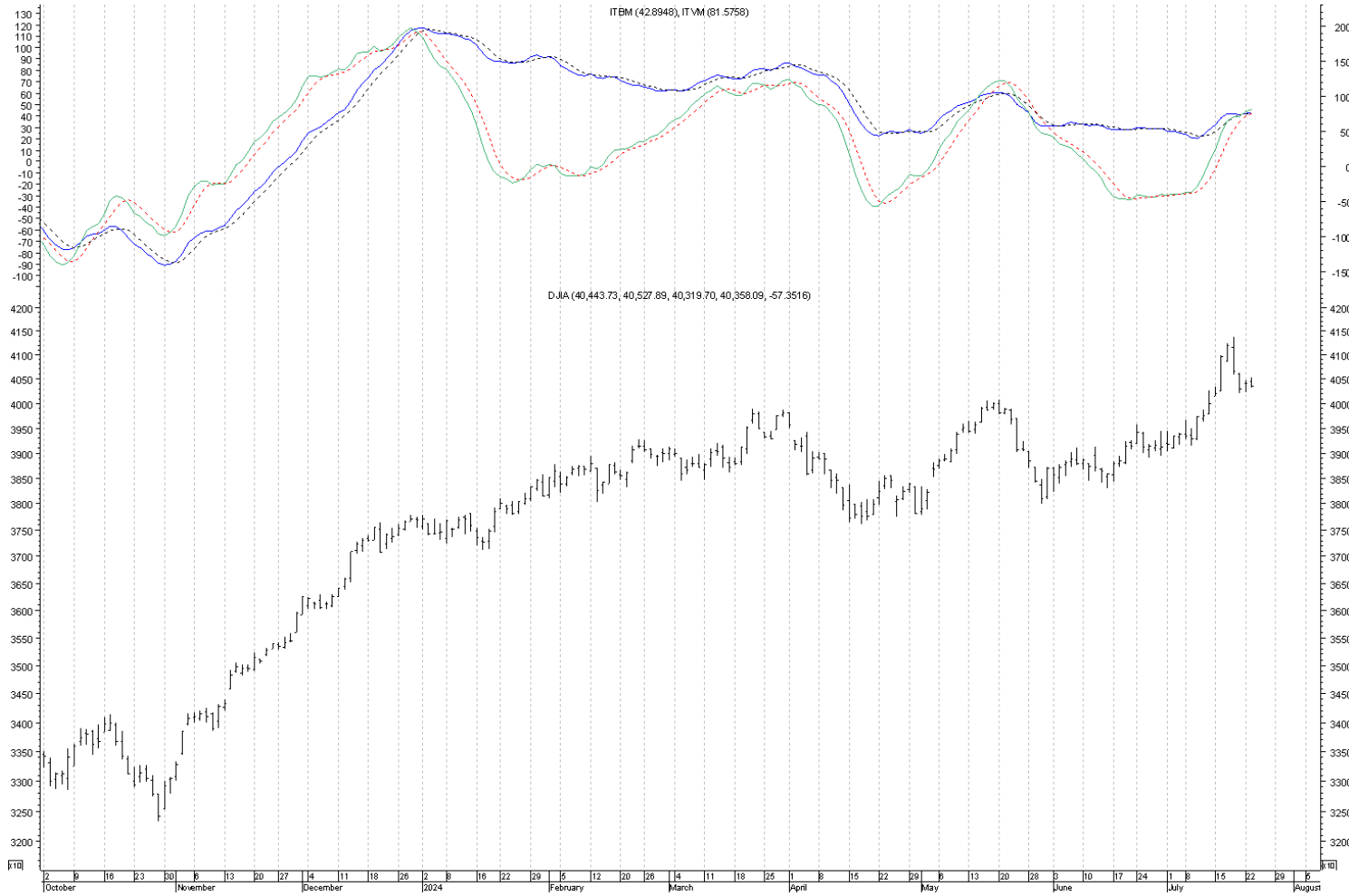


The Three Primary Short-Term Indicators are the **Original** and the **Slow** Cycle Turn Indicators, both plotted below, and the **NYSE New High/New Low Differential**, plotted with price above.

**Bottom line, the short-term sell signal and decline into the trading cycle low will remain intact until another daily swing low and upturn of ALL Three of the Primary Short-Term Indicators are seen. Once a short-term buy signal is triggered, the trading cycle low will be in place and it will be the advance out of that low that will serve as the retest of or ending push into the higher degree intermediate-term cycle top.**

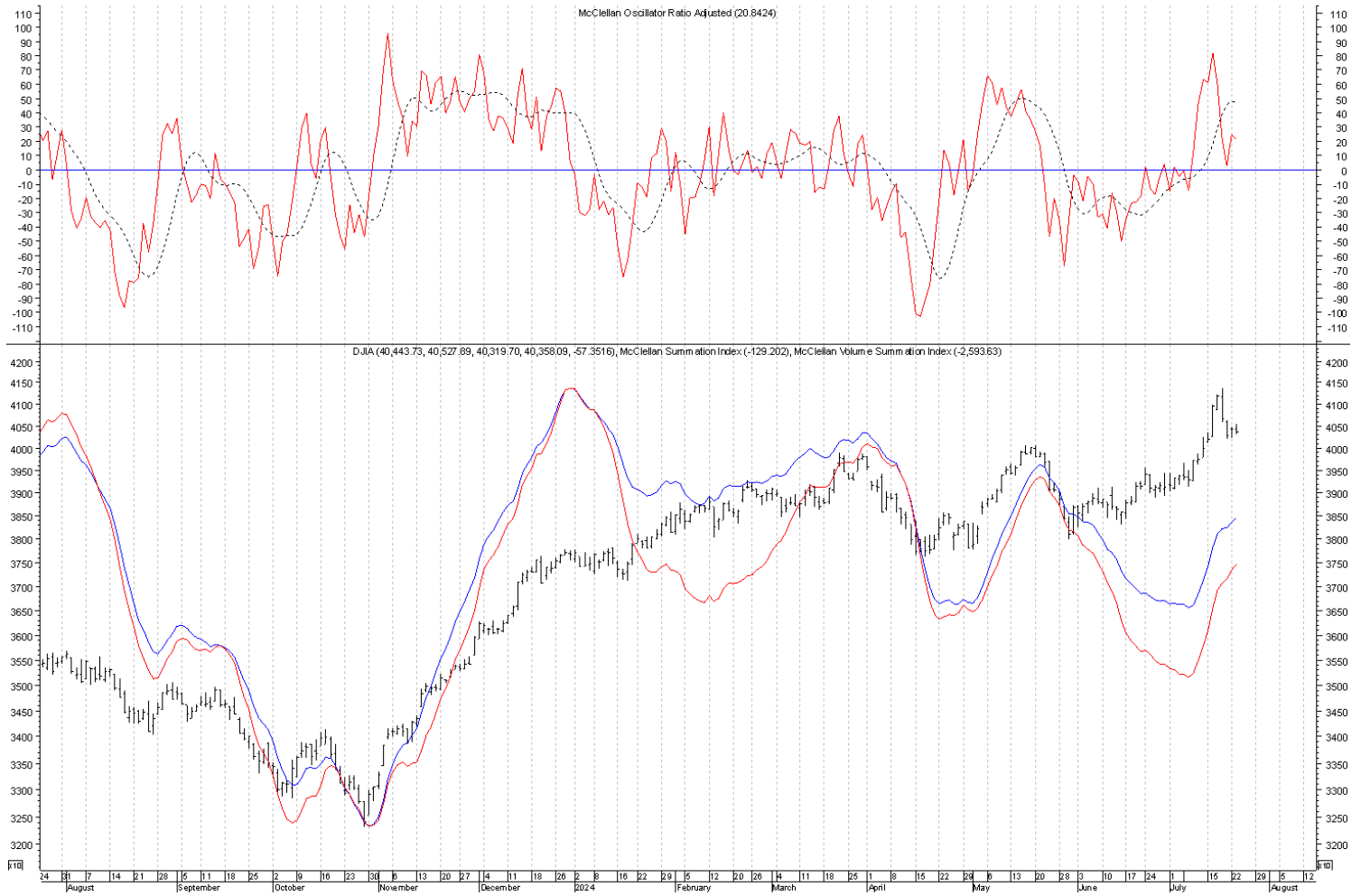


Both the **Intermediate Term Breadth Momentum Oscillator** and the **Intermediate Term Volume Momentum Oscillator** remain marginally above their trigger lines.

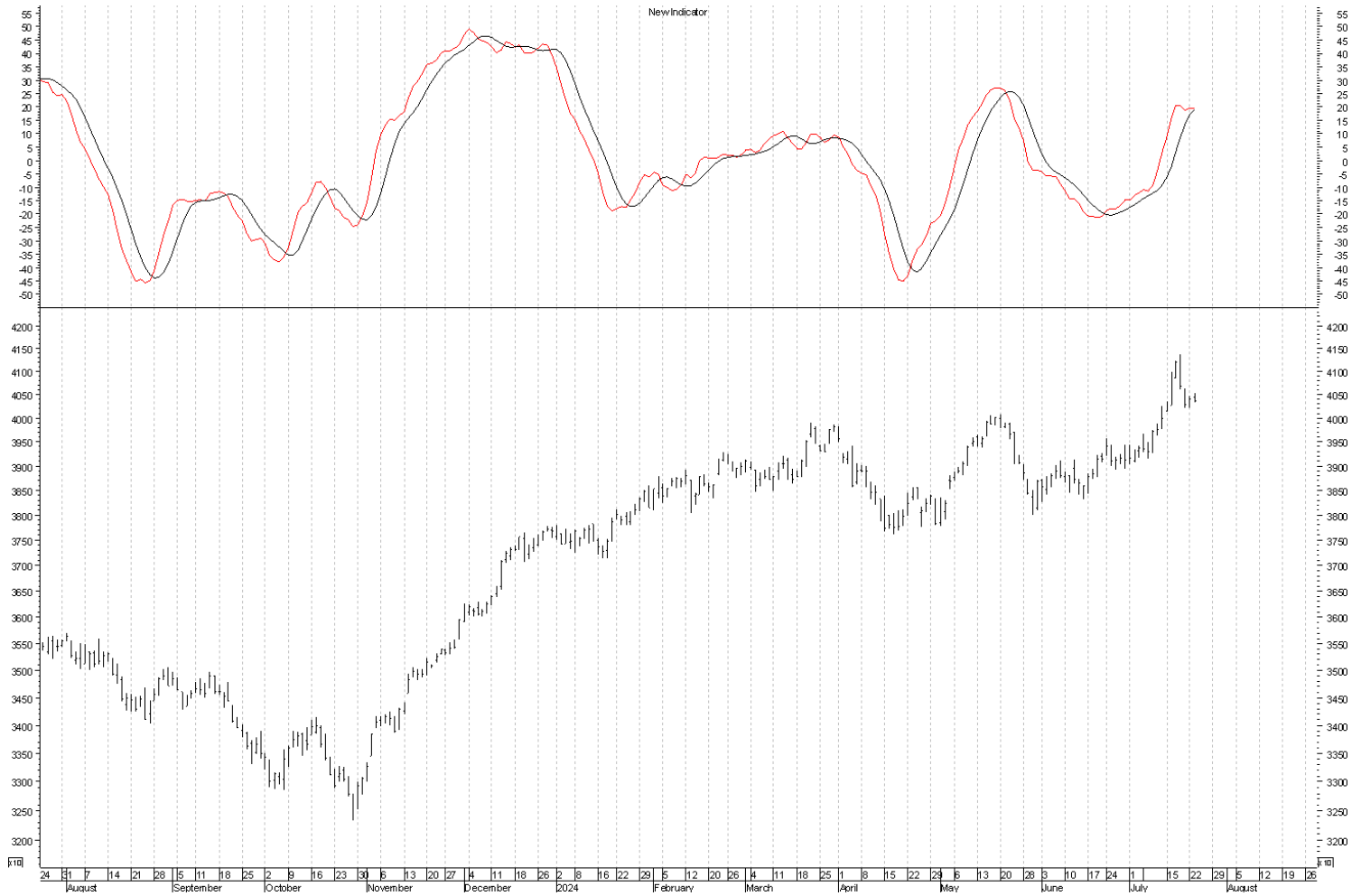




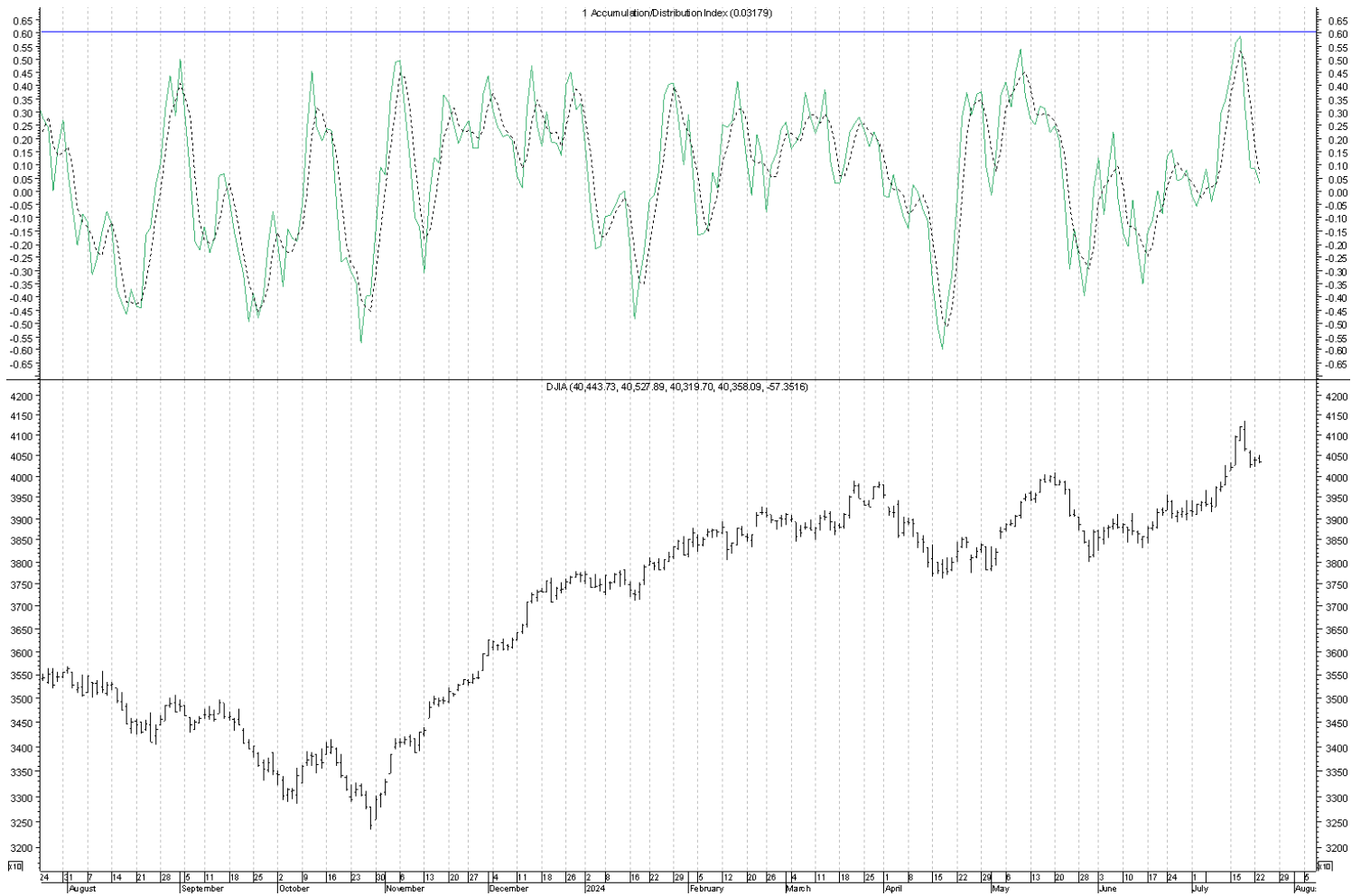
Both the **McClellan Summation Index** and the **McClellan Volume Summation Index** continue their upturns. The **Ratio Adjusted McClellan Oscillator** in the upper window remains below its trigger line and ideally I would like to see another push down in order to draw this indicator below its zero line in association with the trading cycle low.



The smoothed McClellan oscillator is now sitting right on its trigger line. A crossing below the trigger line should will be reflective of the trading cycle top, which we know to be in place.



The **Accumulation/Distribution Index** remains negative. Once a daily swing low and upturn here are seen, the price/oscillator picture here will be suggestive of the trading cycle low.



# Gold

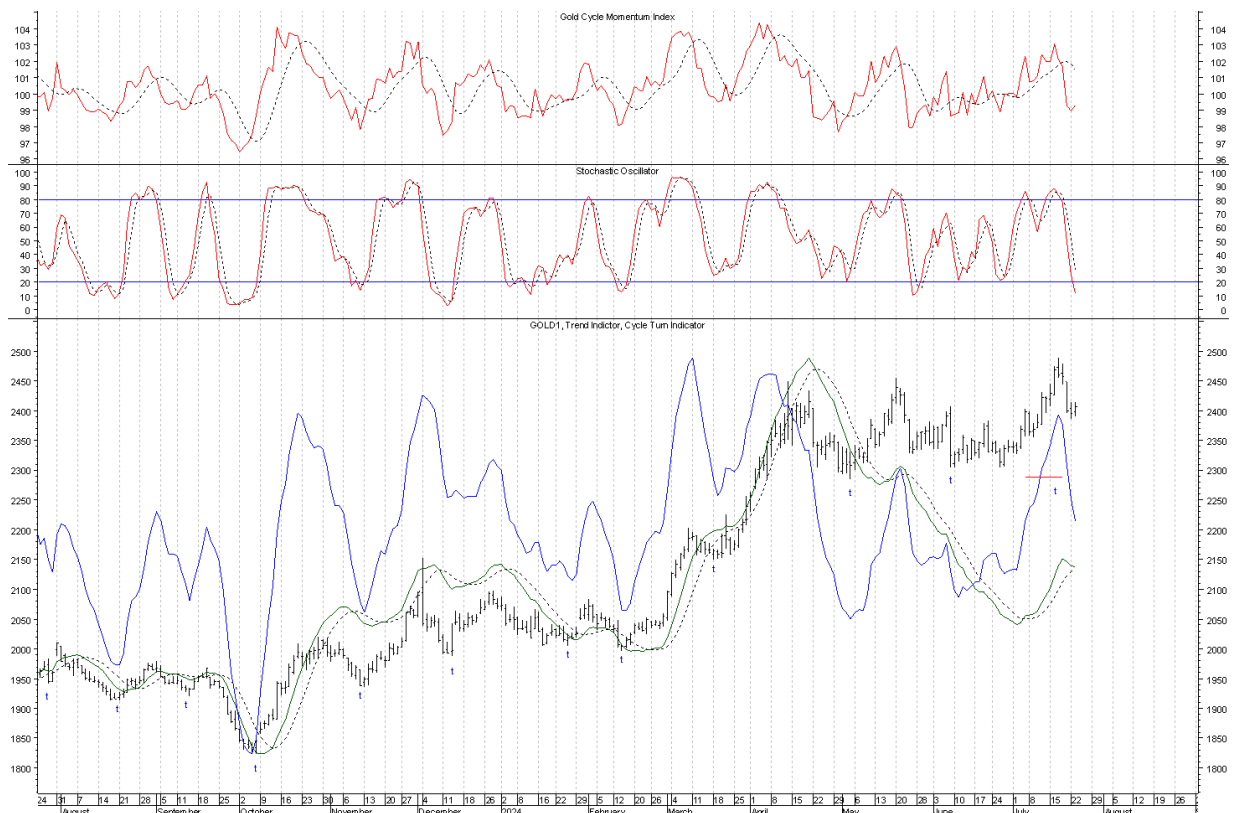
## End of Week Intermediate-Term Indicator Summary **Intermediate-Term Buy**

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

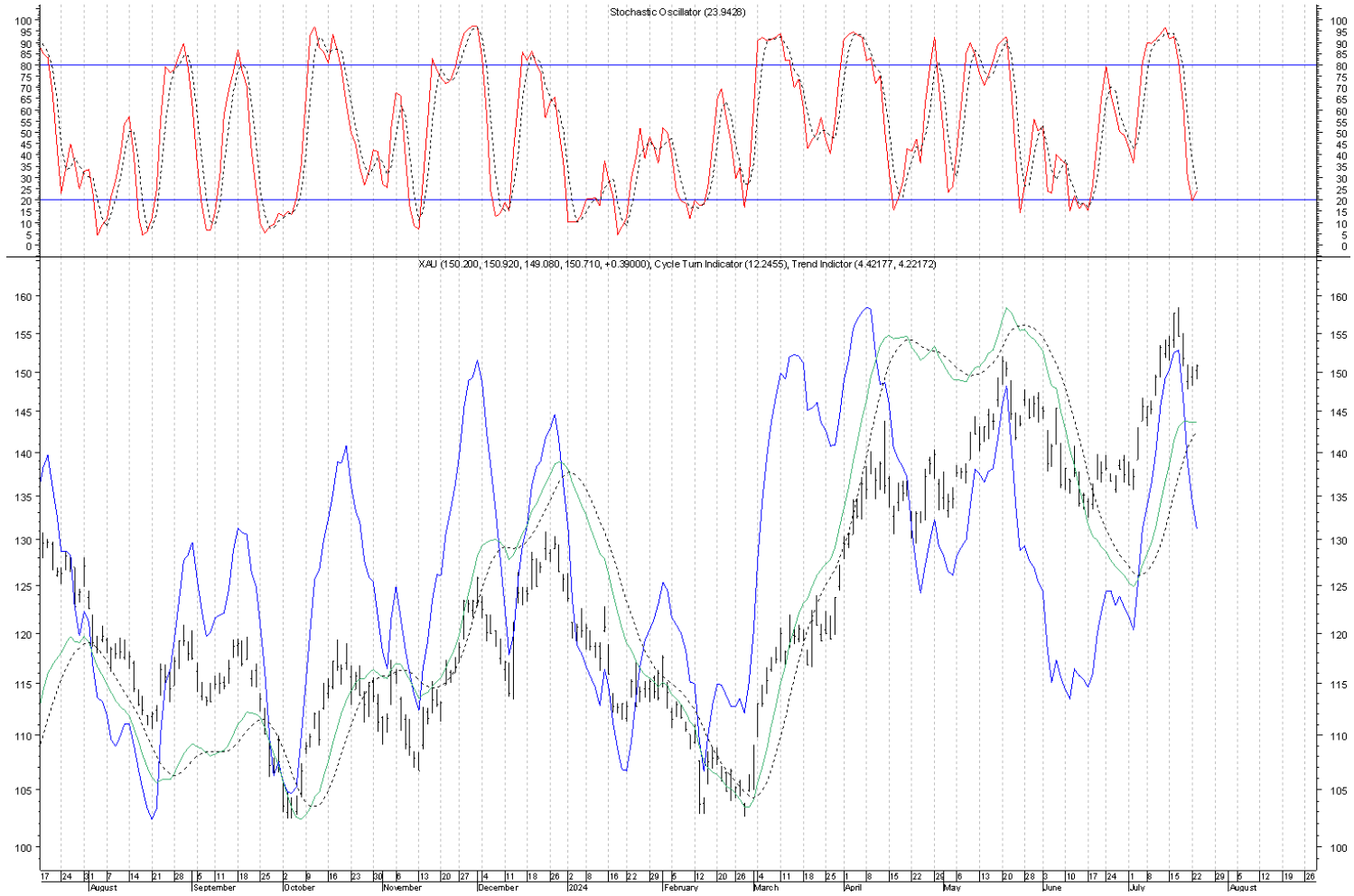
## Daily Indicator Summary **Short-Term Sell**

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

The timing band for the current trading cycle low ran between July 3rd and July 18th. As a result of the extremely right-translated trading cycle advance, this cycle has run long and once a daily swing low and upturn of the daily **CTI** are seen, a short-term buy signal will be triggered and this low should be in place. At a higher level, the price action this week has also set a weekly swing high into motion, which in doing so is suggestive of the intermediate-term cycle top. If the advance out of the pending trading cycle low should fail to carry price back above the July 17th high and/or if it should peak with a left-translated structure, then Gold will be at risk of a left-translated intermediate-term cycle top. Therefore, the advance out of the pending trading cycle low is going to be structurally critical for Gold. Another daily swing low will be completed on **Wednesday if 2,385.20 holds and if 2,414.40 is bettered.**



**Our daily chart of the XAU is next and here too, the trading cycle low is due and should be in place once a daily swing low and upturn of the daily CTI are seen. As with Gold, the advance out of the pending trading cycle low will also serve as a test of the intermediate-term cycle top. A daily swing low will be completed on Wednesday if 147.74 holds and if 150.92 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 Buy**

#### Primary Indicators

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

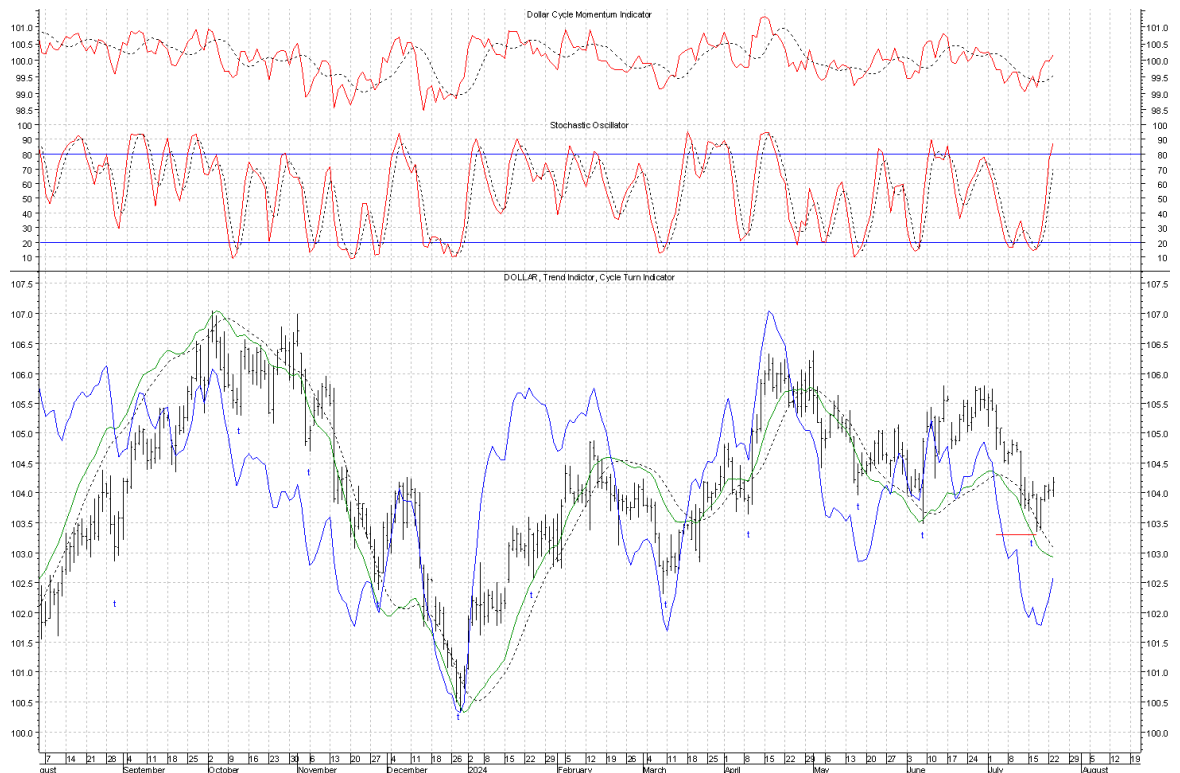
#### Confirming Indicators

Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bullish

#### Secondary Indicators

5 3 3 Stochastic	Bullish
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The timing band for the trading cycle low ran between July 3rd and July 17th. Per the Thursday night update, the Dollar completed the formation of a daily swing low on Friday and with the upturn of the daily **CTI**, a short-term buy signal was triggered. As discussed in the Research Letter this past weekend, the assumption was that the trading cycle low was seen on July 17th. Given the additional price advance and the accompanying oscillator picture, this has proven correct. This advance has carried price to overbought levels, per the 5 3 3 Stochastic, but will remain intact until another daily swing high and downturn of the daily **CTI** are seen. As a result of the violation of the June 7th trading and intermediate-term cycle low, the evidence is suggestive of a failed and left-translated intermediate-term cycle. For that reason, the advance out of the July 17th trading cycle low is expected to be counter-trend and followed by continued weakness into the higher degree clustering of lows due in conjunction with the next intermediate-term cycle low. Another daily swing high will be completed on Wednesday if 104.26 is not bettered and if 103.93 is violated.

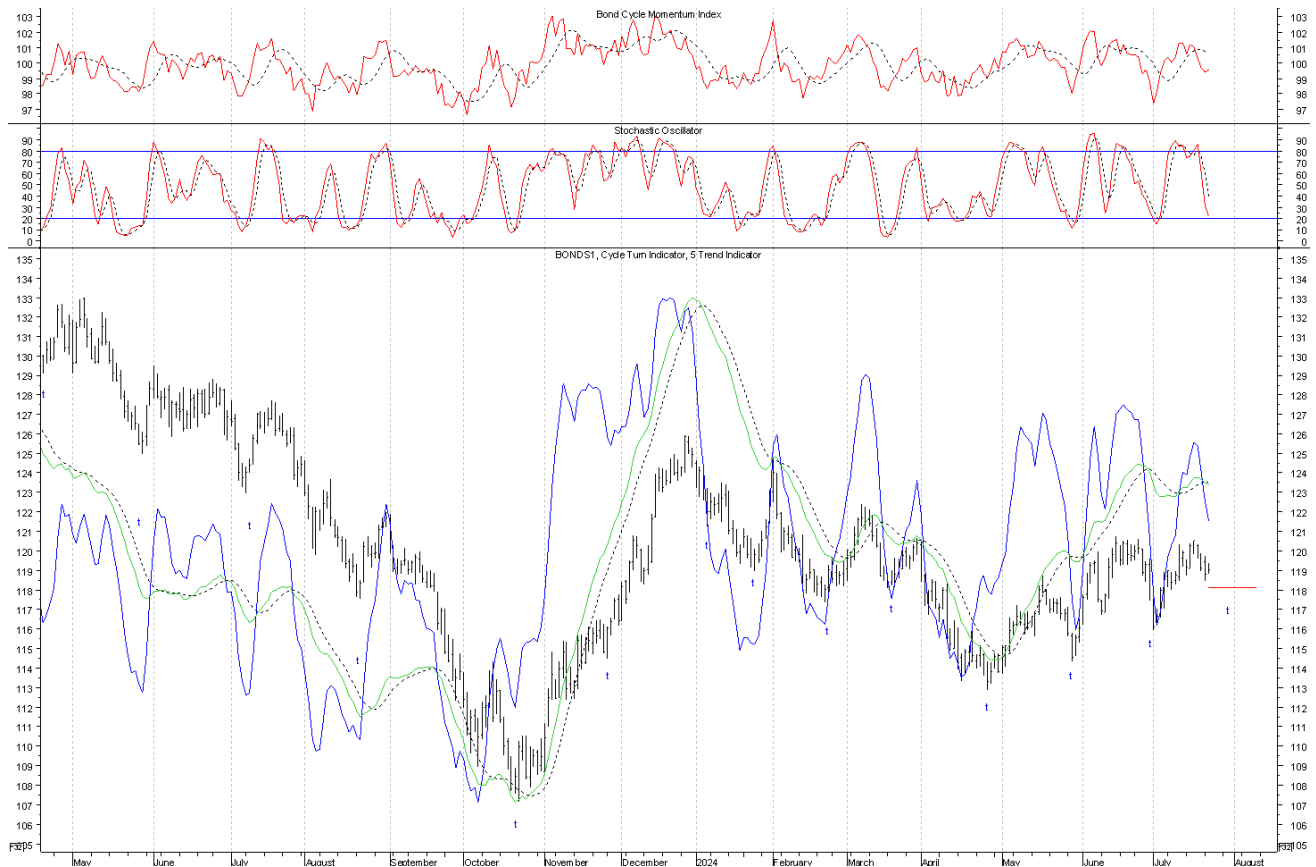


## Bonds

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	Bearish
<b>Secondary Indicators</b>	
5 3 3 Stochastic	Bullish

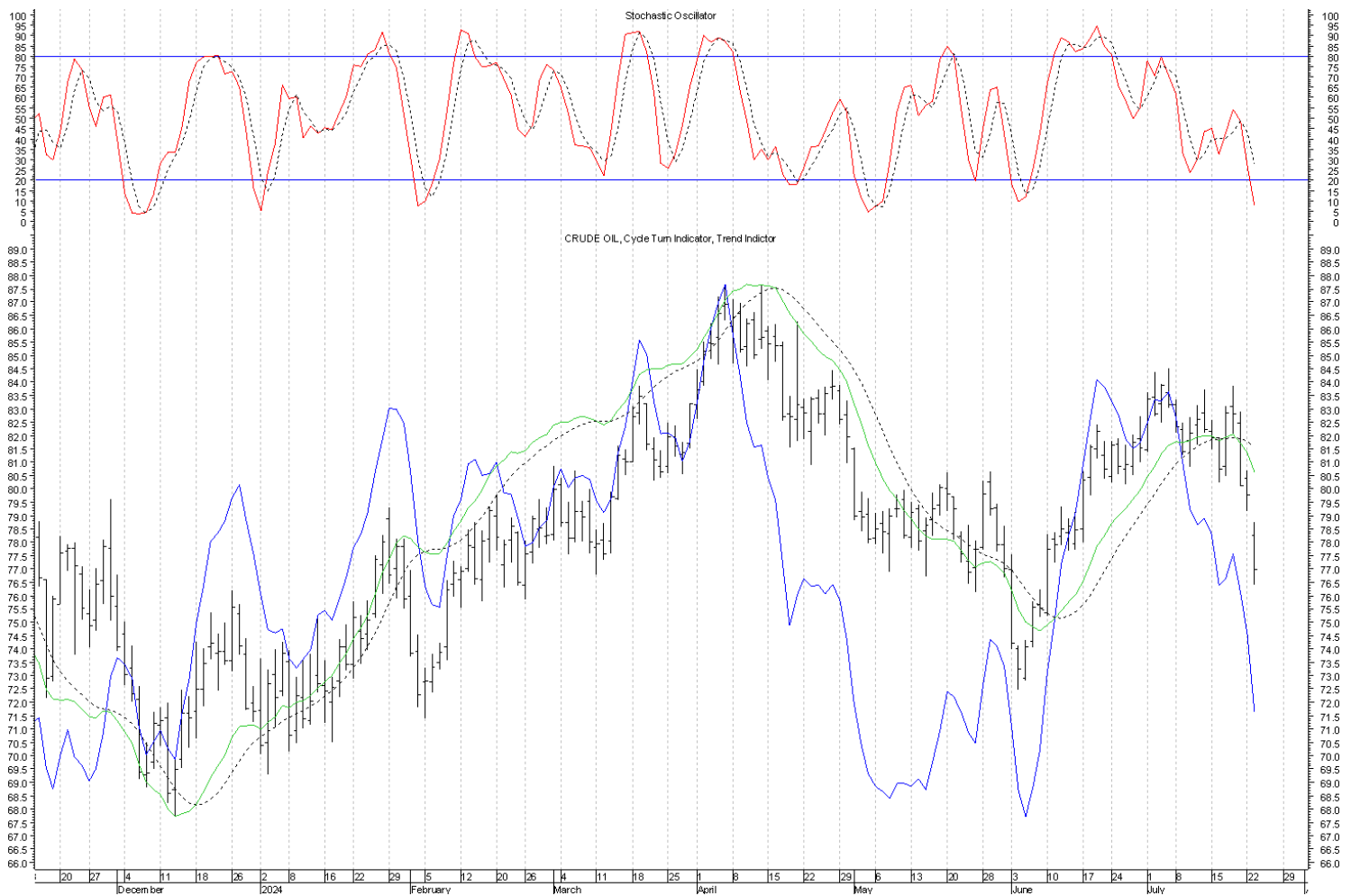
Daily Indicator Summary <b>Short-Term Sell</b>	
<b>Primary Indicators</b>	
Formation of a Daily Swing High	Bearish
Cycle Turn Indicator (CTI)	Bearish
<b>Confirming Indicators</b>	
Trend Indicator (TI)	Bearish
Cycle Momentum Indicator	Bearish
<b>Secondary Short Term Indicators</b>	
5 3 3 Stochastic	Bearish

The timing band for the pending trading cycle low runs between July 23rd and August 9th. The short-term sell signal and decline into the trading cycle low remains intact and should ideally still lie ahead as we move a little further into the timing band for this low. This said, once a daily swing low and upturn of the daily CTI are seen, a short-term buy signal will be triggered and this low will then likely be in place. More on that once a short-term buy signal is triggered. 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.



## Crude Oil

The expectation was for the advance out of the July 16th daily swing low to be in association with another retest of the suspected July 5th intermediate-term cycle top or ending push into that top. Per the parameters given in the Thursday night update, the price action on Friday completed the formation of a daily swing high and with the downturn of the daily **CTI**, another short-term sell signal was triggered. With the additional weakness that has since followed, every indication is that the intermediate-term cycle top was in fact seen in conjunction with the July 5th daily swing high. This decline has carried price to oversold levels, but given the evidence of the higher degree intermediate-term cycle top, any advance is expected to be counter-trend and followed by continued weakness. This sell signal will remain intact until another daily swing low and upturn of the daily **CTI** are seen. A daily swing low will be completed on Wednesday if 76.40 holds and if 78.73 is bettered.





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