



Twitter: cyclesresearch7

Summary

Equities: Have likely bottomed for now. Expect higher prices into May 24th

Bonds: In a trading range with a rally due in the second half of the month

Gold: Likely to correct or consolidate before moving higher

Equity Market Analysis

There was a strong PTP on Friday, the 26th. And, the dynamic monthly cycle bottoms this week. These 2 developments are likely to lift the market. There is a random cycle event in late May-early June that has been associated with highs in the past. The 1-4-10 year cycle declines through June. The likely result is a rally into May followed by a weak June.

There are 3 considerations:

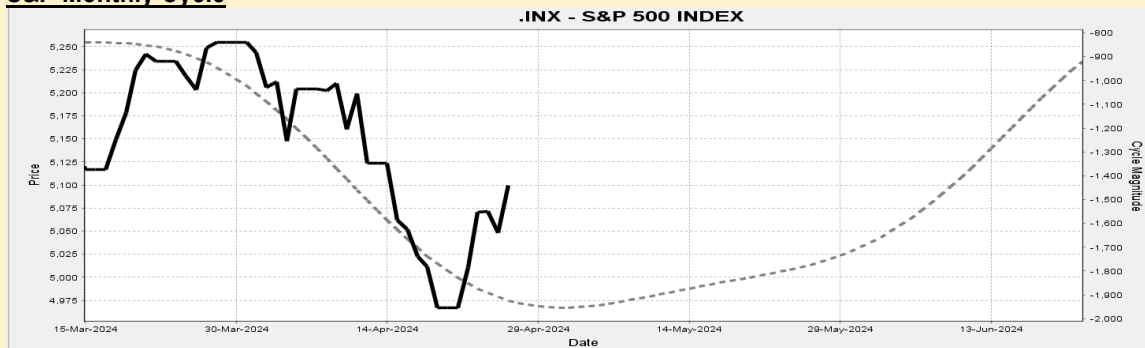
1. The dynamic cycle bottoms at the end of April
2. The 1-4-10 year cycle bottoms at the end of May, rises and then drops into June
3. There is a signal from late May through early June which has been coincident with highs in the past. This Planetary Cluster is explained under Planetary Notes.

Here are the likely outcomes:

1. The decline ends in late April and runs up into May and declines again in June
2. The market runs down through June

I favor scenario 1 and I think that this selection is now confirmed.

S&P Monthly Cycle



When working with cycles, it is best to await a technical confirmation before fully relying on the cycle. Markets are oversold and put/call ratios are now bullish. The 5% decline took the steam out of the bulls for now.

This dynamic cycle rises through June, but it conflicts with other indications. The 1-4-10 year cycle falls from the first week of June to the last week of June. In addition, study the monthly histograms below. Note that June in election years and in years ending in 4 have tended to be weaker than the average month.

Here is the outlook for May from 3 viewpoints based upon DJIA data from 1885:

All Months: Up 55.8% of the time for an average change of 0.14%.

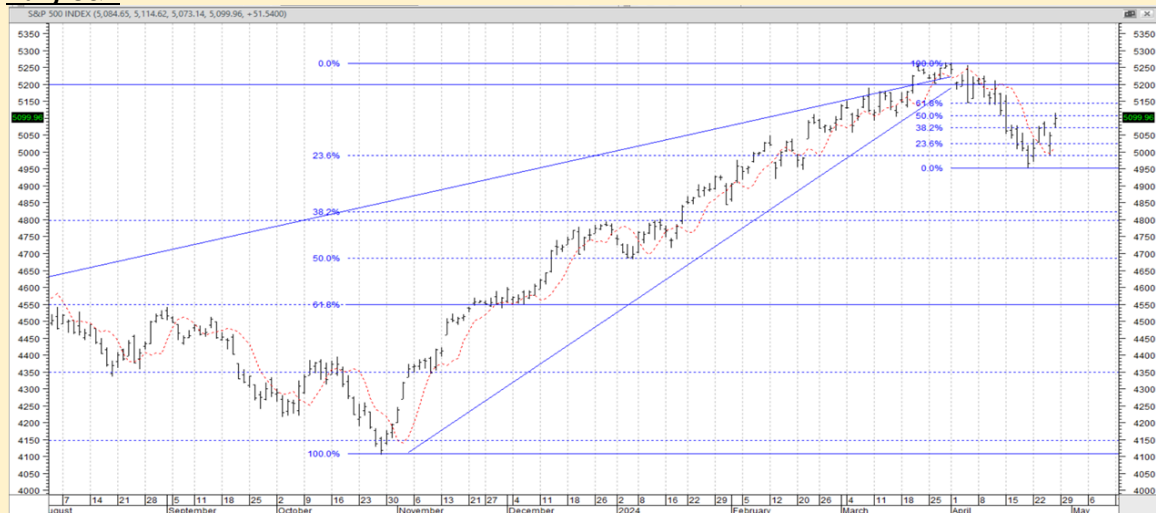
Month in election years: Up 52.9% of the time for an average change of -0.35%

Year ending in 4: Up 46.2% for a 1.18% loss.

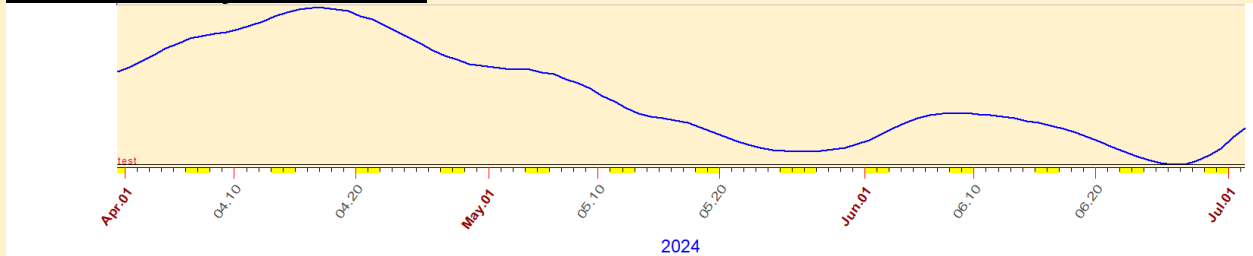
I cited many cases of momentum analysis, such as the effect when the market rises X months in a row. Here is a continuation of the momentum analyses.

- The difference between this analysis and the prior analyses is that the new analysis factors in a weak April. The bull market appears intact. Since 1950, I see 30 prior situations where a losing month broke a 5-month winning streak. The ensuing market action was positive in 90% of these cases to yearend.
- Let us consider May. Looking back at years in which these conditions were present and a down month occurred, the following month was up in 21 of 25 cases.
- Adding to this outlook is the following consideration. The S&P 500 hit a new all-time high and then corrected by 5%. The uptrends tended to continue after such 5% drops.

Daily S&P

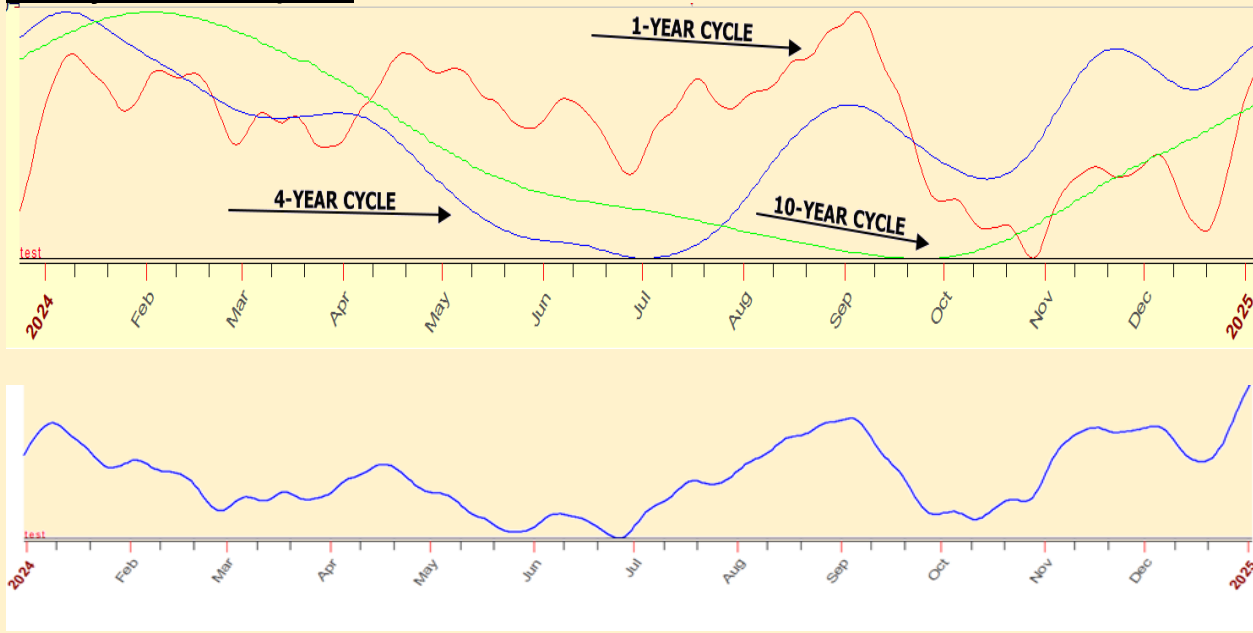


Composite of 3 Cycles in Q2 2024



Here are the 1-4-10 year cycles in 2024 followed by the composite.

2024 Cycles and Composite



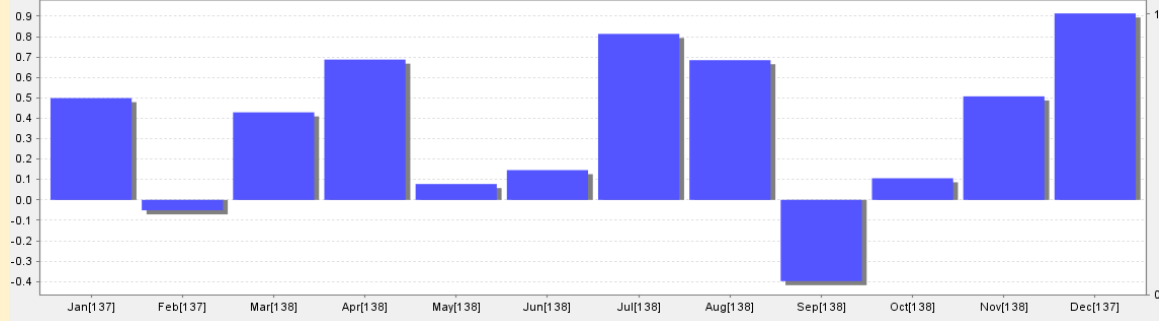
Planetary Notes

Planetary Clusters (PCs) were first defined by Neil Michelsen in his book, Tables of Planetary Phenomena. Planetary Clusters are defined by 5 planets within a 20-degree span. They are conjunctions with a wide orb. Conjunctions (planets within 10 degrees or less) tend to cause market tops. There was a PC on August 25, 1987 that Arch Crawford spotted that led to his accurate prediction of a DJIA high. (The subsequent low was on the day of the late September solar eclipse, and the pre-crash high was on the day of a lunar eclipse in addition to Mars passing over the September solar eclipse. This is one of the few cases of a major high that was clearly defined by planetary configurations on 3 distinct days.) This August 25 high ended with the crash of October 1987. There were no PCs in 2023. In 2024, they occur on February 7-9, May 9-10, May 26-June 4, and June 4-7. The May-June PCs are caused by the conjunction of 2 outer planets, Jupiter and Uranus. The PCs are created when the smaller and faster planers catch up with the conjunction. June has been the second weakest month. Thus, the late May-early June PCs are most likely to lead to tops.

The Cycles in 2024

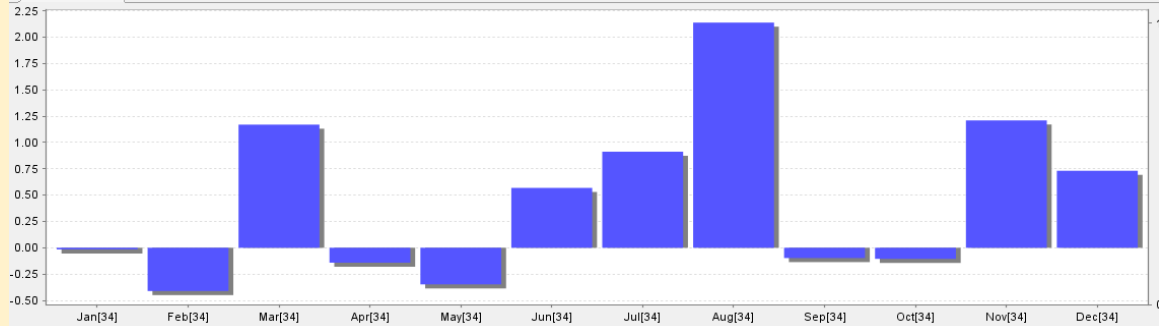
Here are the 2024 projections using varying parameters.

Histogram of Monthly Expected Return in 2024



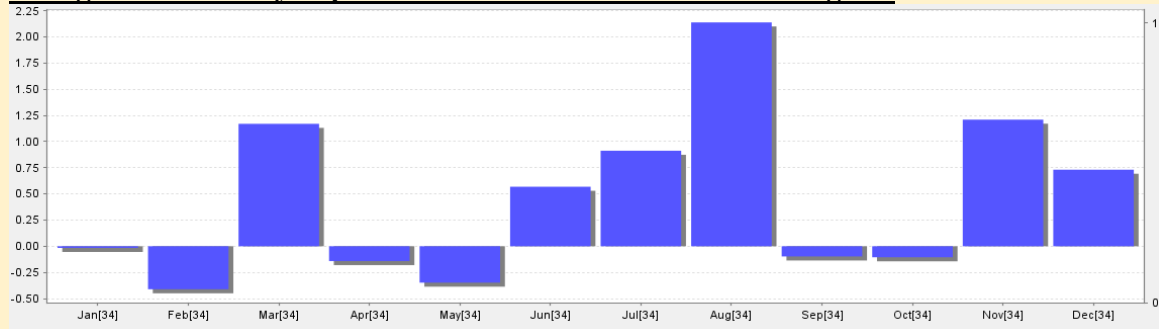
Blue: Average Percentage Change
Red: Probability of a rise on that day
Green: Expected Return (Product of the first 2)

Histogram of Monthly Expected Return in 2024: Election Year



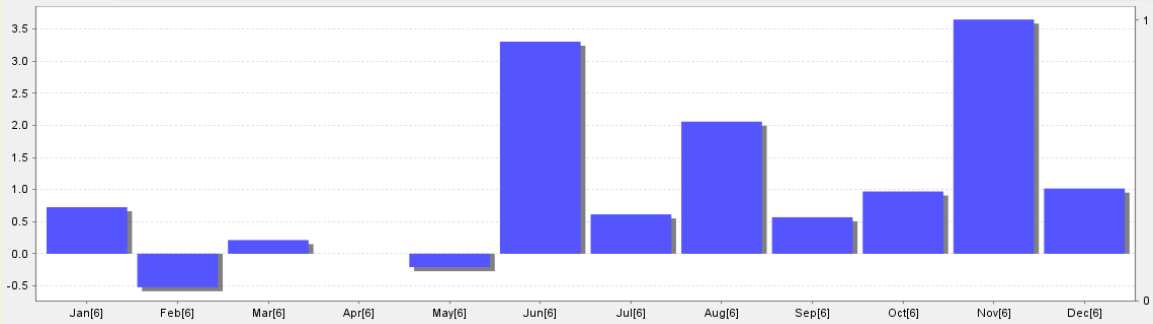
Blue: Average Percentage Change
Red: Probability of a rise on that day
Green: Expected Return (Product of the first 2)

Histogram of Monthly Expected Return in 2024: All Years Ending in 4



Blue: Average Percentage Change
Red: Probability of a rise on that day
Green: Expected Return (Product of the first 2)

Histogram of Monthly Expected Return in 2024: All Years Ending in 4 that Have Also Been Election Years

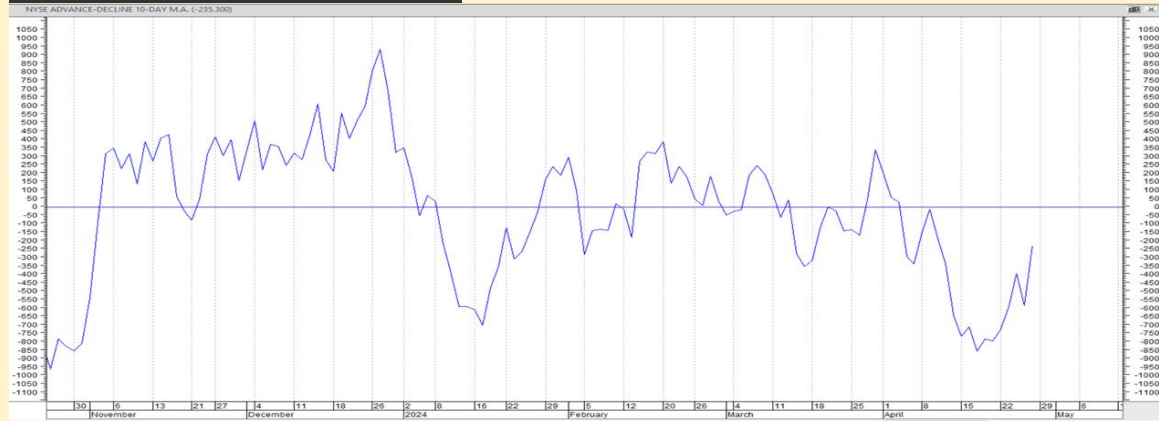


Blue: Average Percentage Change
Red: Probability of a rise on that day
Green: Expected Return (Product of the first 2)

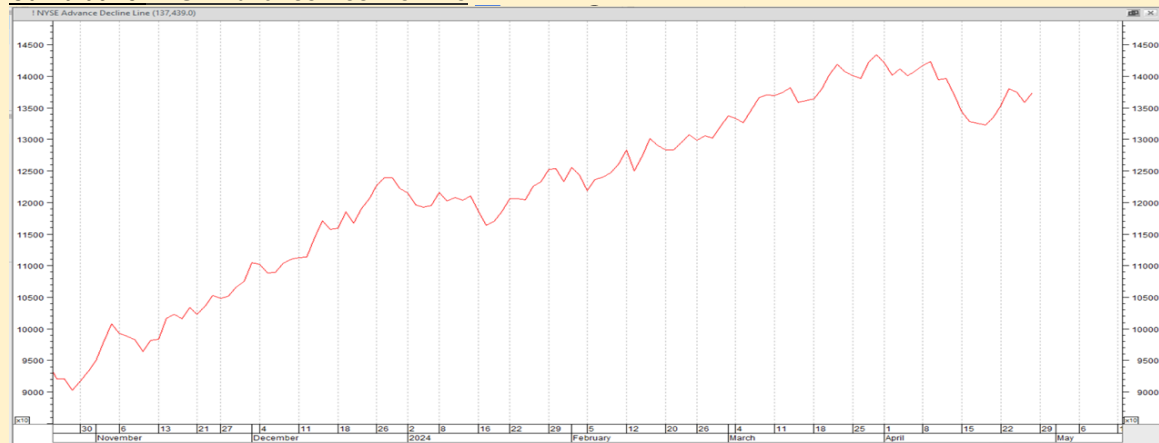
The Technical Picture

Note that the 10-day MA of advancing issues less declines became very oversold and has turned up.

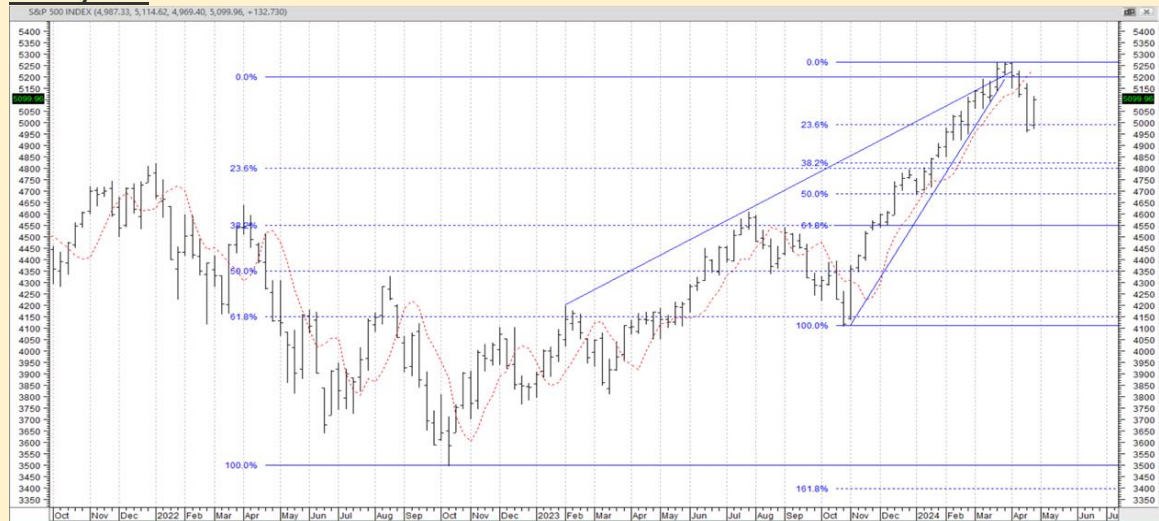
NYSE Advance-Decline Line 10-Day MA



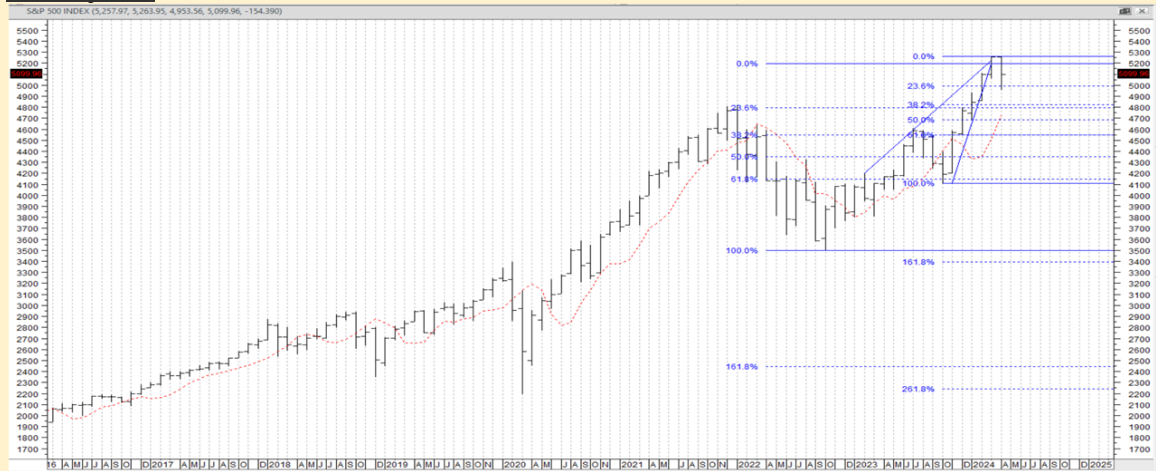
Cumulative NYSE Advance-Decline Line



Weekly S&P



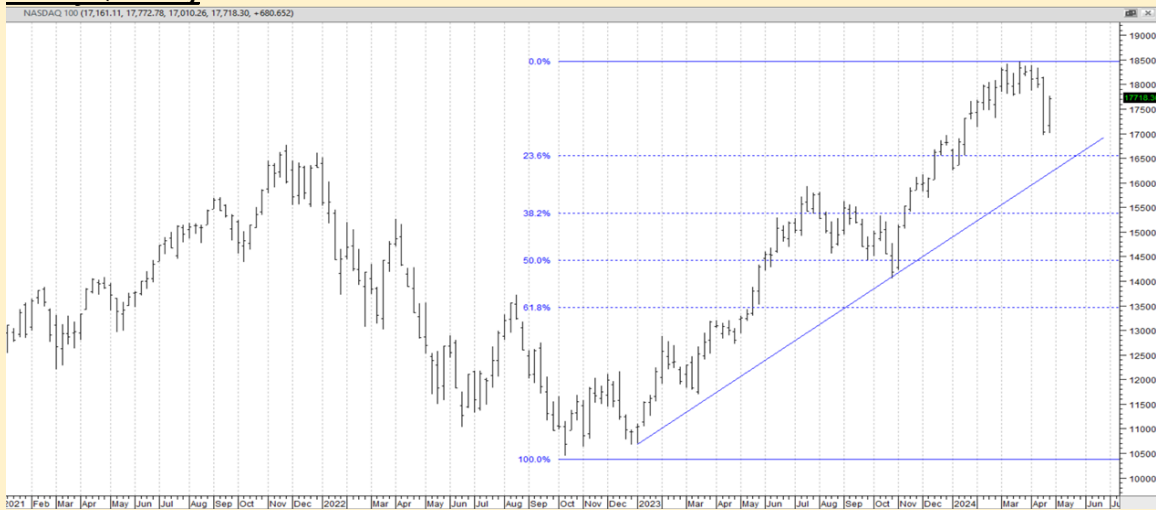
Monthly S&P



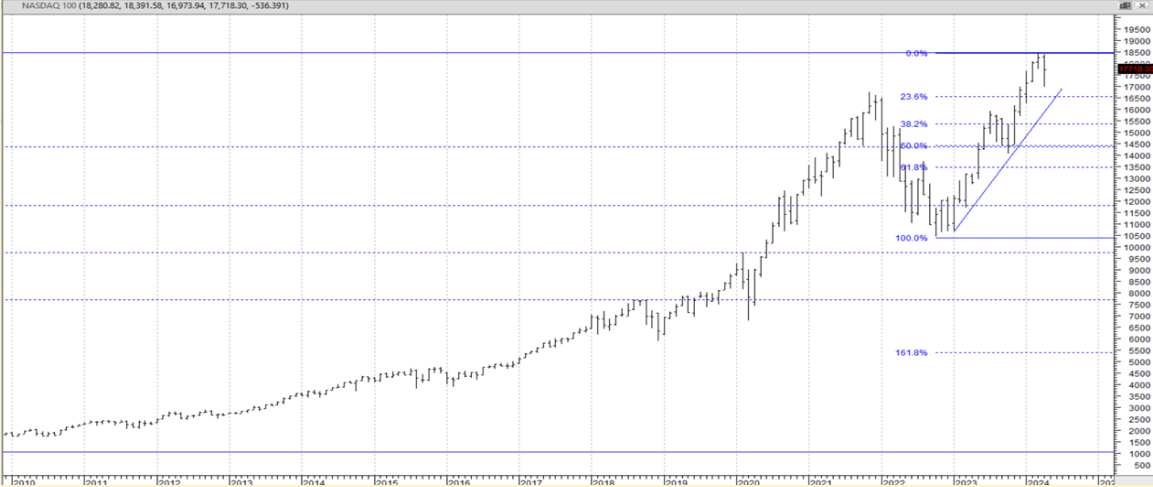
NASDAQ Daily



NASDAQ Weekly



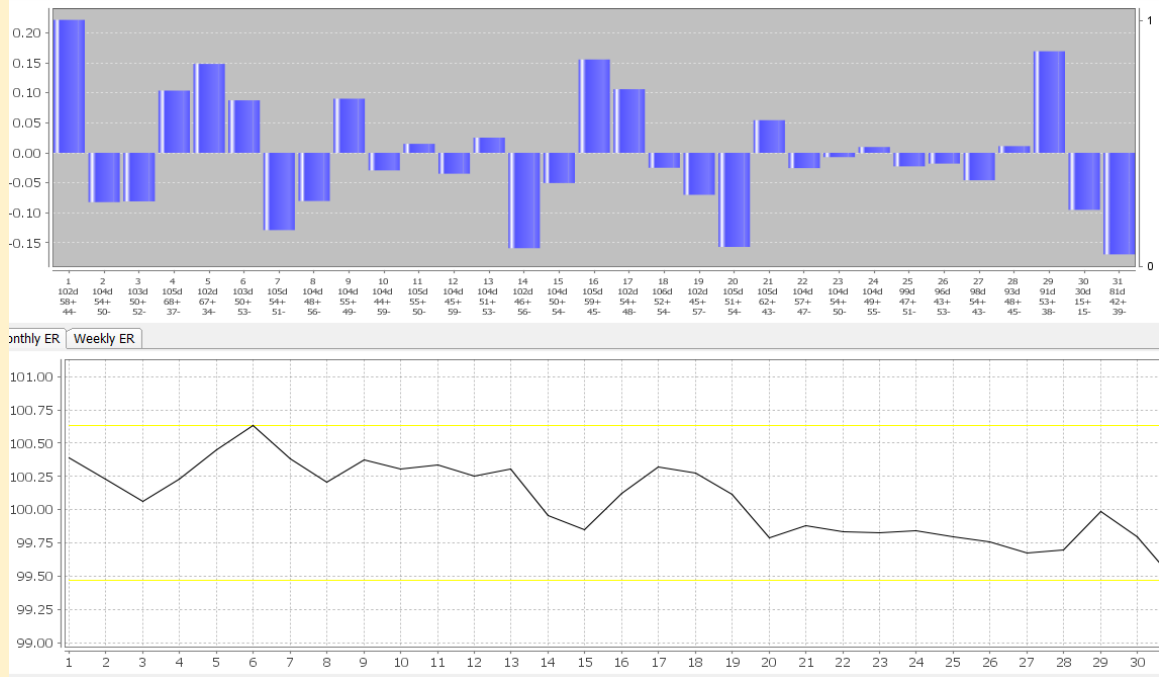
Monthly NASDAQ



May Daily Histograms

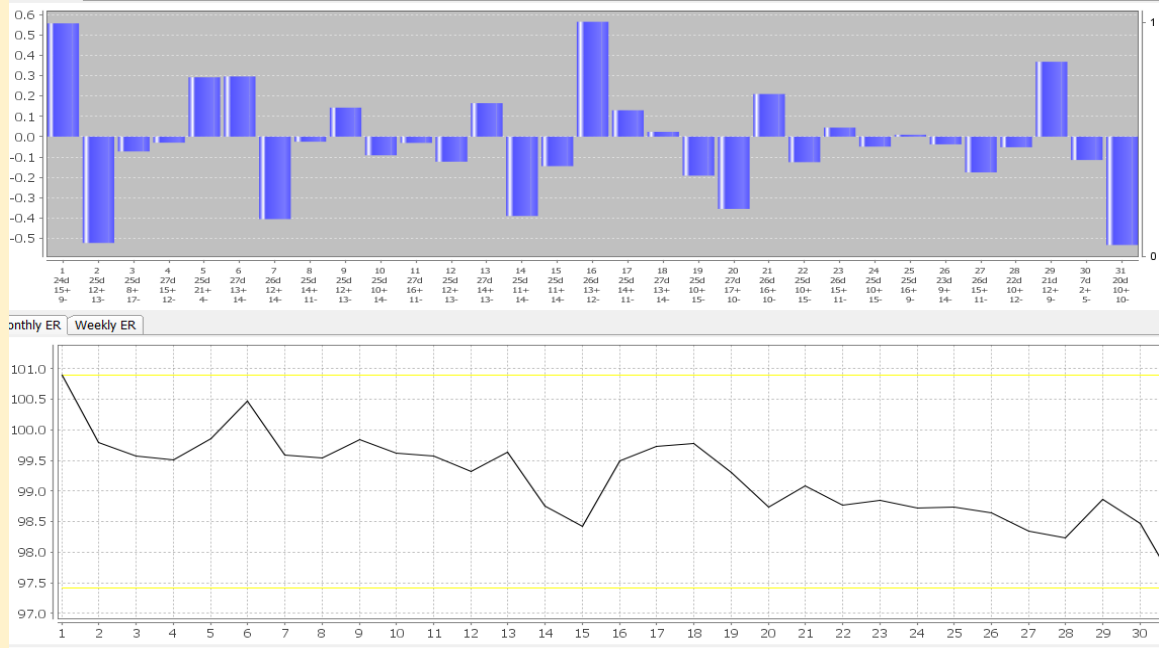
The histograms below show the average behavior of the DJIA from 1885 to 2023 in several different formats for the current month. The graph below shows the expected return (the probability of the market rising times the percent change).

Average Daily Expected Return of DJIA (1886-2023)



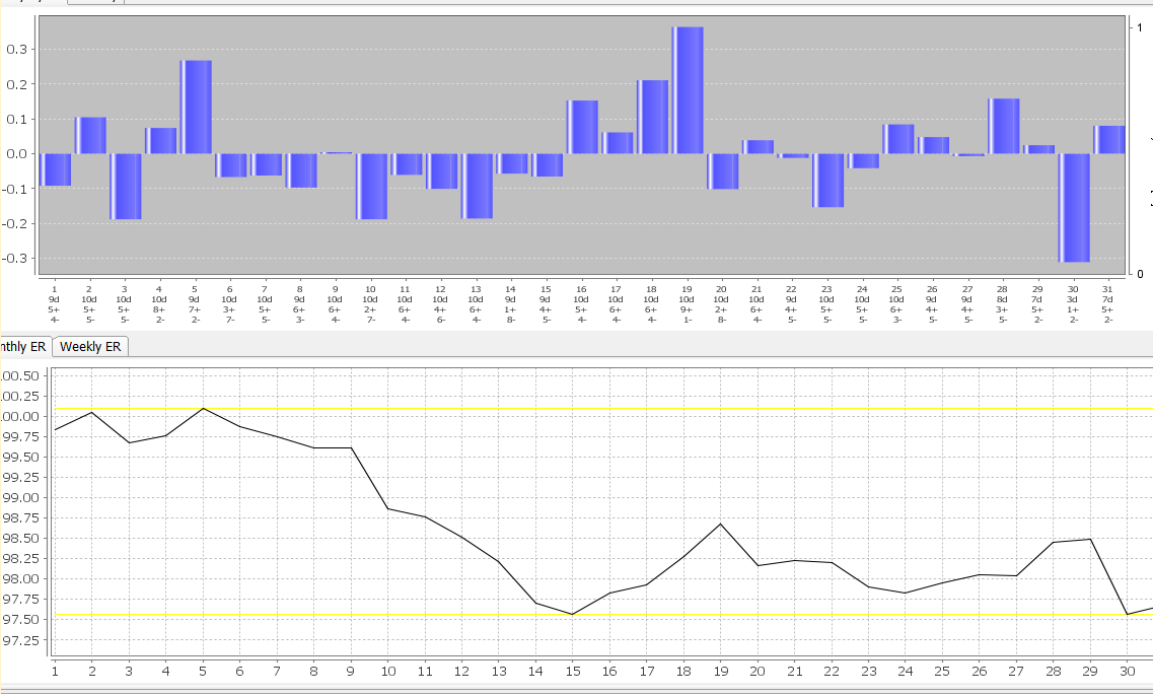
Expected Return

Average Daily Expected Return of DJIA in an Election Year (1886-2023)



Expected Return

Average Daily Expected Return of DJIA in a Year Ending in 4 (1886-2023)



Expected Return

Projected Turning Points

The highest-probability stock market turning points (+ or - 1 day) for the month are:
(The stronger turning points are starred*)

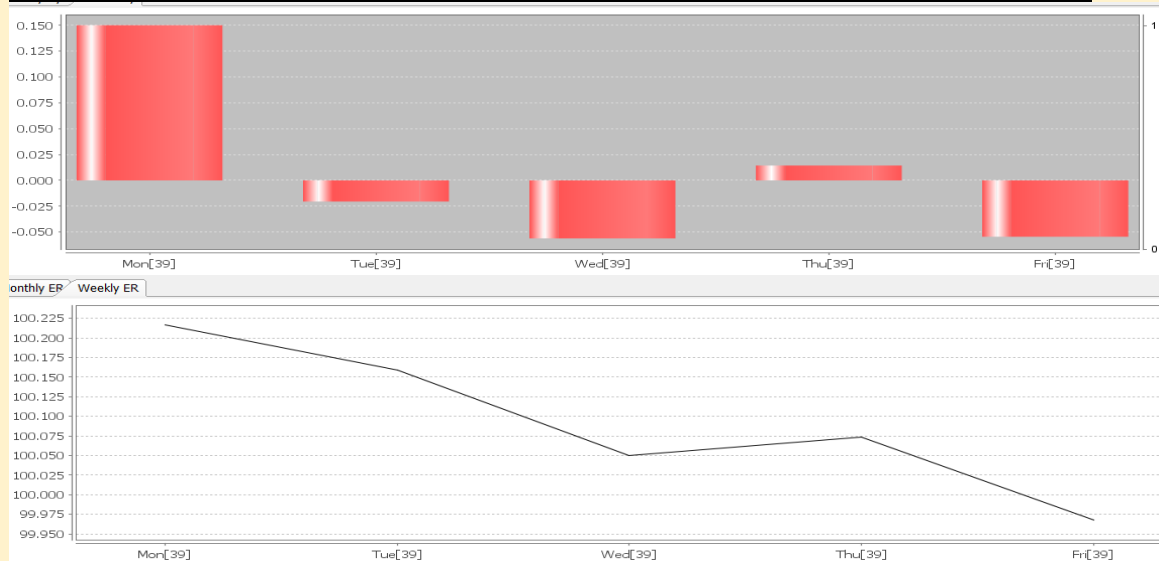
S&P

3*, 10, 17, 24*

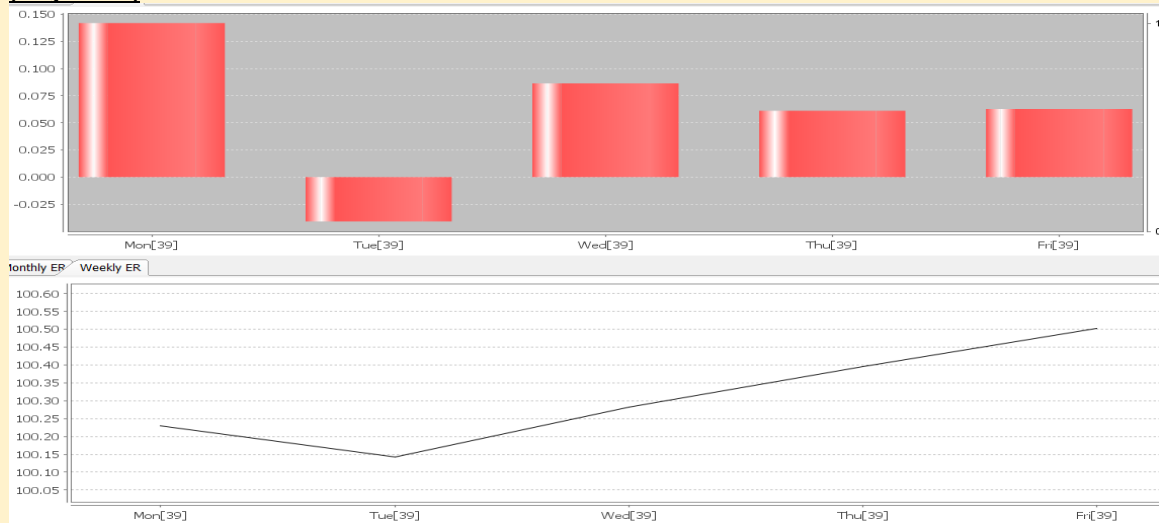
NASDAQ

3*, 15*, 20*, 31*

Average Daily Expected Return of S&P 500 in OPEX Week in This Month 1985-2023 (May 13-17)



Average Daily Expected Return of S&P 500 in the Week Following OPEX in This Month 1985-2023 (May 20-24)



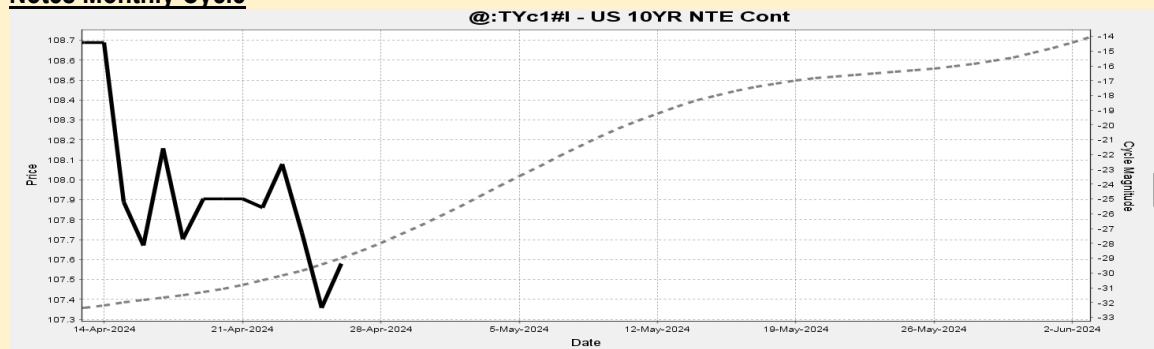
Bonds

The 26th was a PTP. Price was falling, so the note decline will likely be interrupted by a rally into the 2nd. This move will likely be taking the form of an oversold rally for a few days up to 108 at the most.

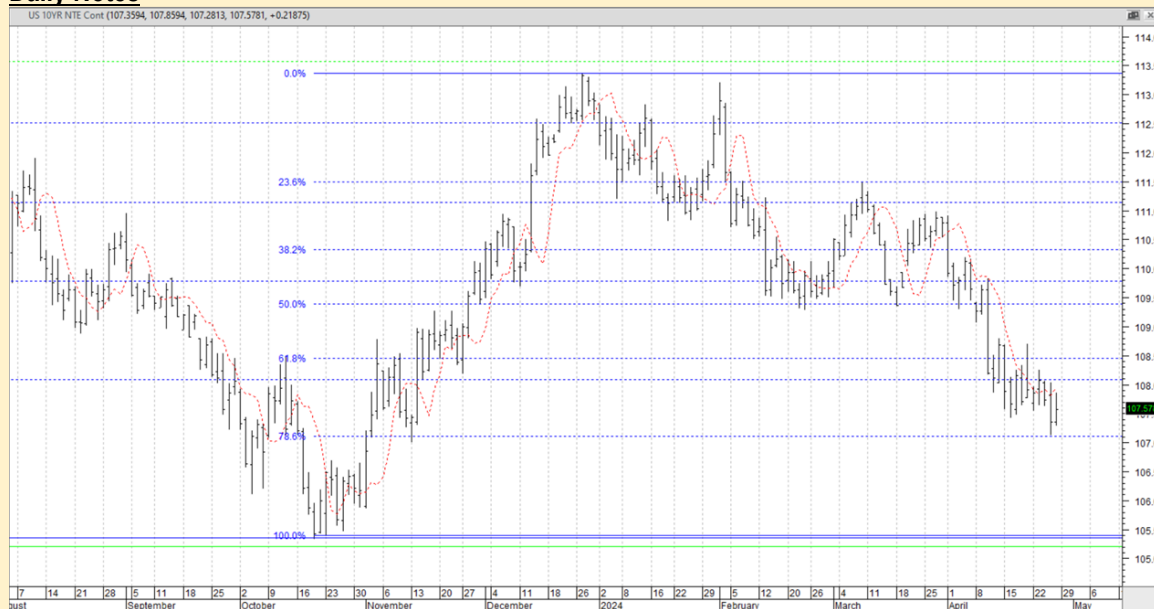
There is a change in the sentiment. The open interest put/call ratio has dropped. This tells us that traders are writing calls expecting notes to fall so that they can retain the premiums. Sentiment has become much more bearish which is a plus for bond bulls. The last time that the ratio was this low was at the October 2023 low.

The combination of this sentiment shift and the rising monthly cycle is likely to lead to a substantial rally beginning sometime in May, likely from mid-month.

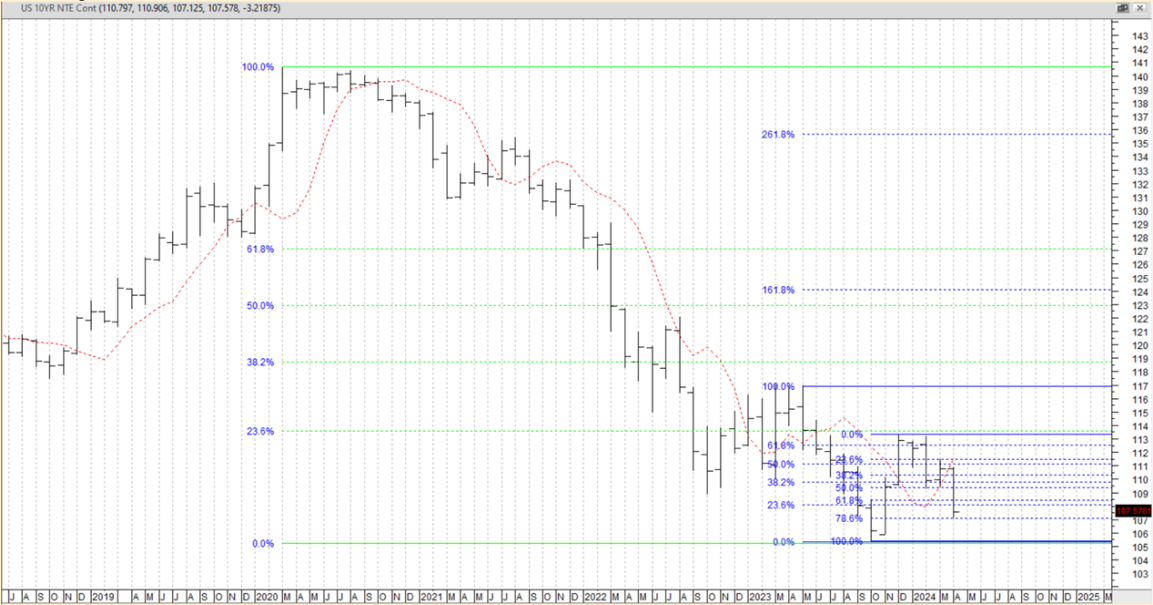
Notes Monthly Cycle



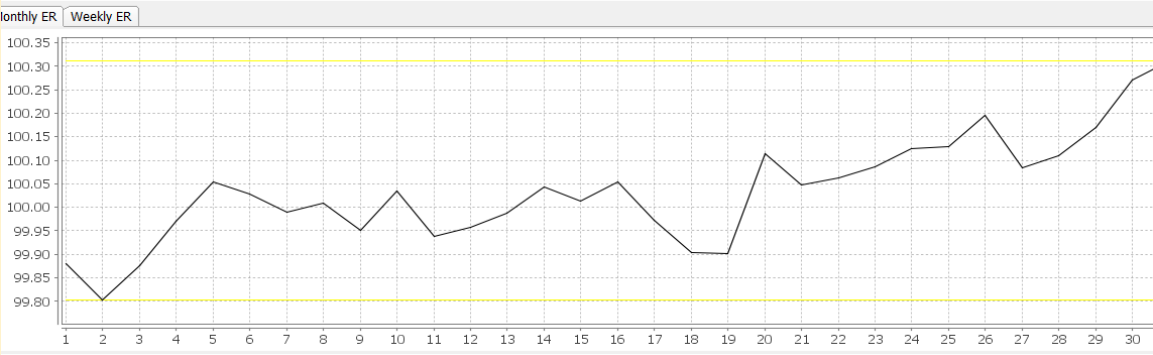
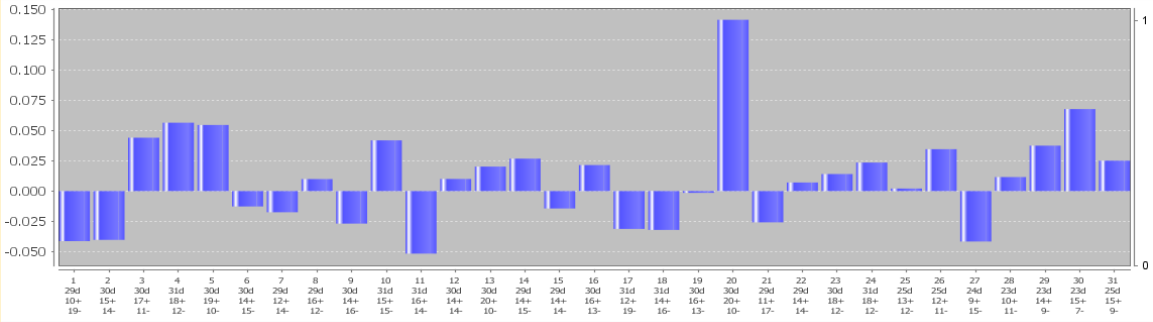
Daily Notes



10-Year Notes Monthly

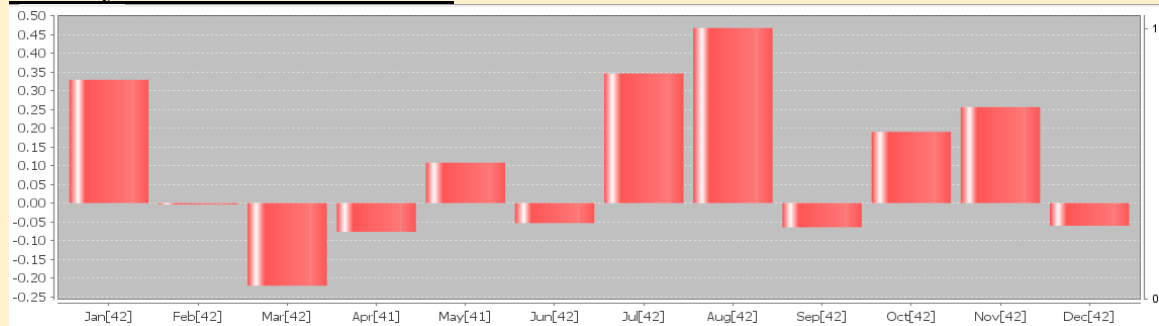


Average Daily Return US Notes in this Month



Expected Return

Monthly Return- US 10-Year Notes



Expected Return

Projected Turning Points (PTPs)

As far as I can see from this point in time, the 2nd is a low and the 20th is a high.

The highest-probability note turning points (+ or - 1 day) for the month are:
(The stronger turning points are starred*):

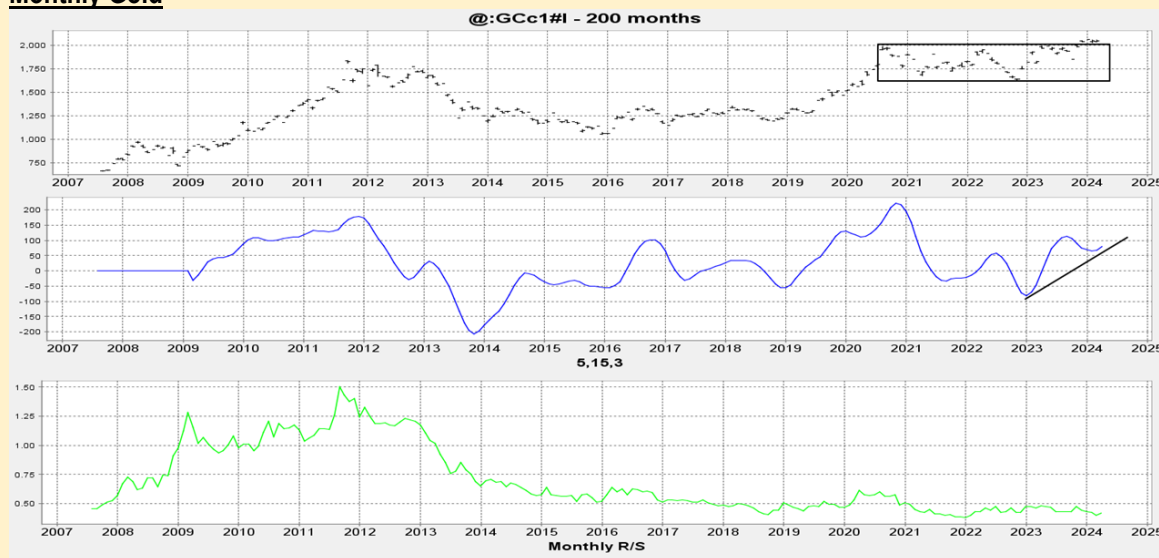
2*, 20*

Gold

Gold, bitcoin, and the dollar are all rallying. April has been the weakest month of the year for the \$ so this rally was atypical. The first two asset classes are considered inflation hedges that usually move inversely to the \$ but the trio has been appreciating at the same time. The driver is likely a flight from the banking system. The \$ rally is likely due to people feeling more comfortable with assets denominated in US\$. Having lived overseas for many years, I know that foreign assets move to the USA in times of turmoil.

The metal price broke out of a rectangle as graphed below. Price has come close to hit the \$2484 price target. Short-sentiment has become very bullish. Note that the momentum shows higher lows (blue line) but is not overbought.

Monthly Gold

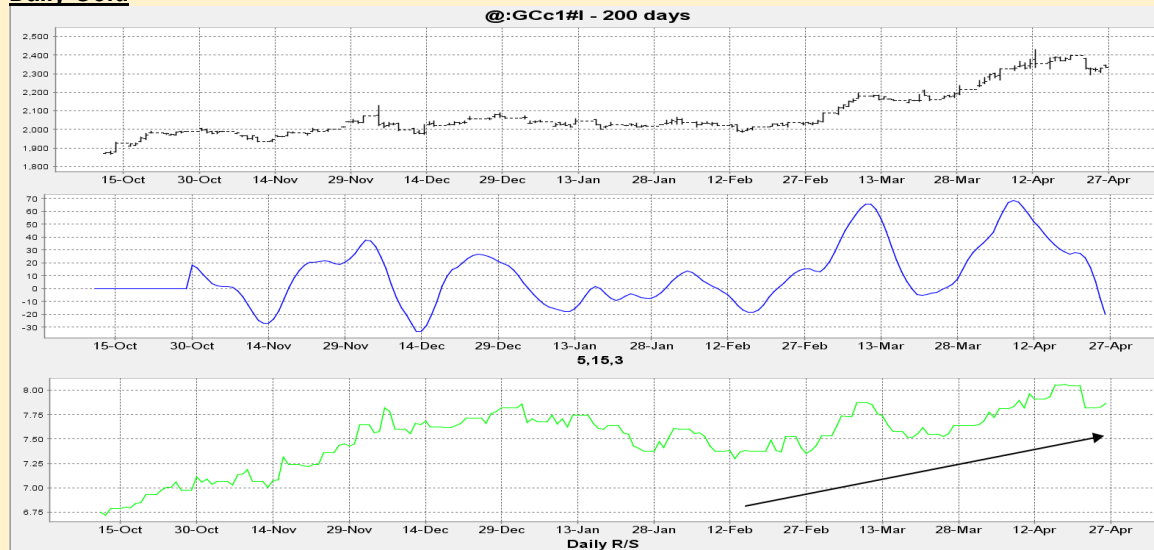


In terms of sentiment, my favored reliable measure is below. This is the division of the GLD ETF by the UGL. This ratio measures gold investors' appetite for risk. If risk is of little concern, then investors buy the levered UGL which rises at twice the rate of the unlevered GLD. A high ratio reflects bullish sentiment while a low ratio symbolizes caution. As we can see, the graph does not reveal excessive bullishness.

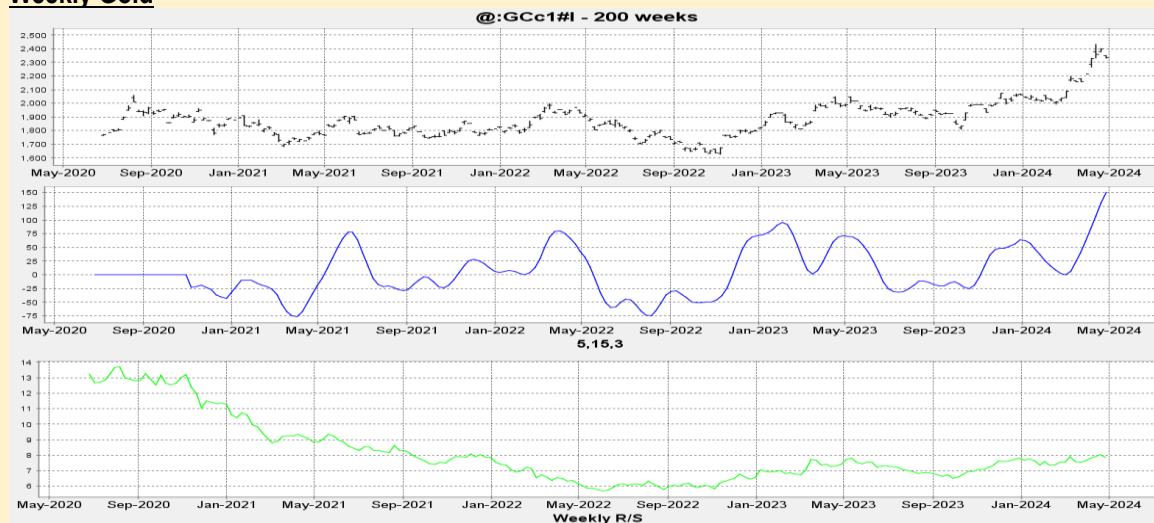


The 26th was a PTP, likely a low. The price objective has been met, but the technical/cyclical/sentiment condition remains constructive. The resolution will likely be a rally back to the new high with \$2000 as support. A rally back to \$2430 is likely.

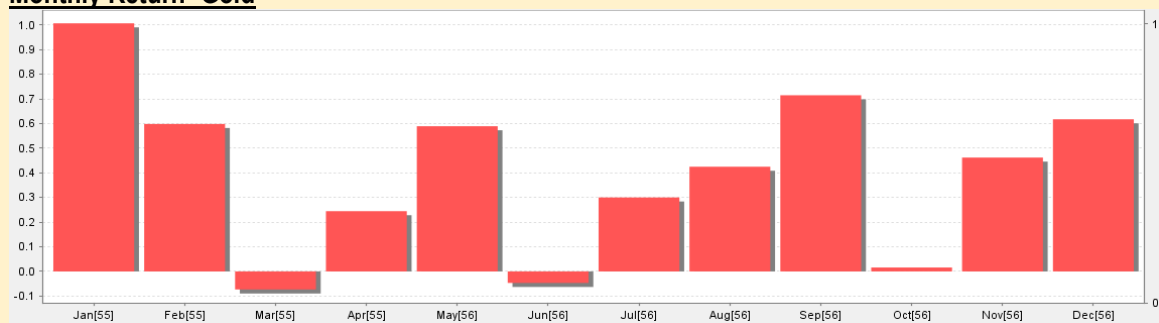
Daily Gold



Weekly Gold

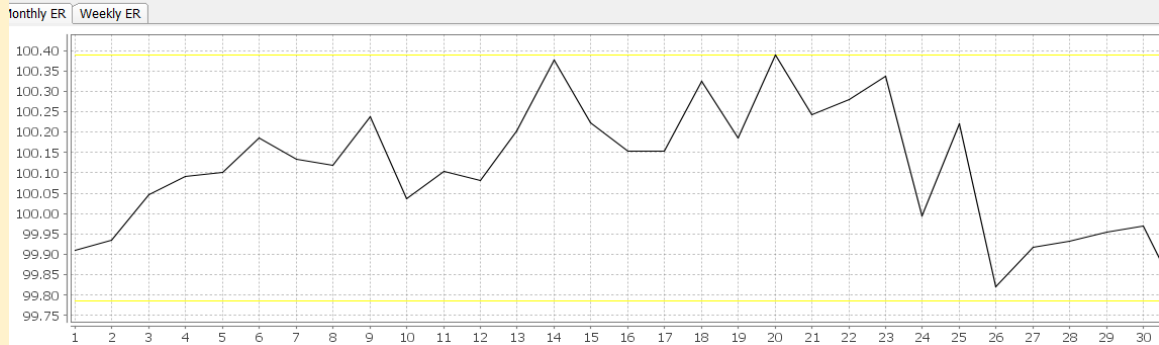
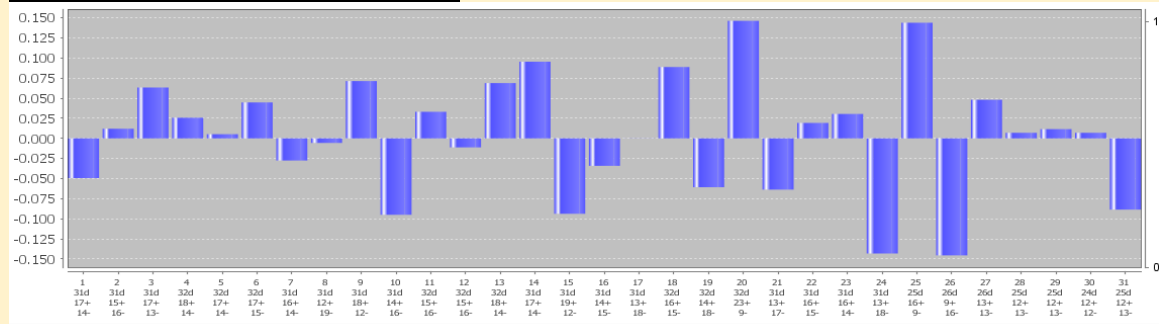


Monthly Return- Gold



Expected Return

Daily Histogram for Gold for this Month



Expected Return

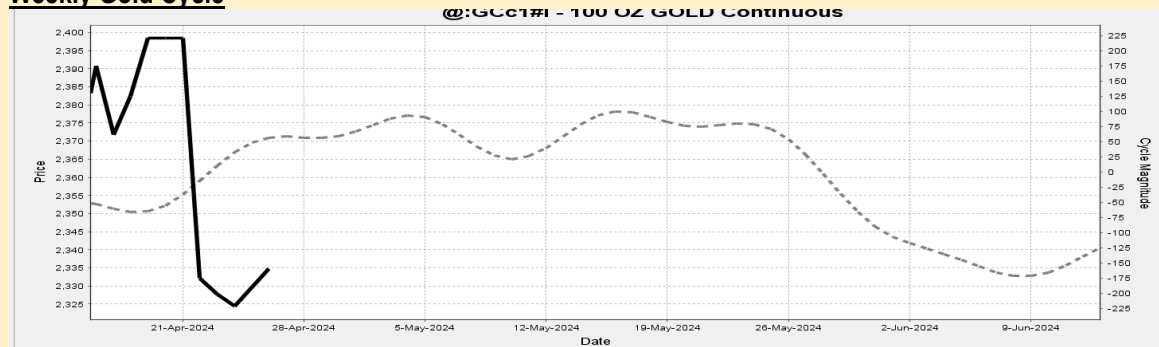
Projected Turning Points (PTPs)

Matching the PTPs with the weekly cycle leads to the conclusions that the 6th-7th is a low and the 17th a high.

The highest-probability note turning points (+ or - 1 day) for the month are:
(The stronger turning points are starred*):

6-7*, 17*

Weekly Gold Cycle



Portfolio and Individual Stocks

PORTFOLIO

Stock or ETF	Buy Price	Buy Date	Current Price	% Allocation
BUY: ProShares Ultra S&P500 (SSO) Stop: 68.2	-	April 29, 2024	72.71	10
BUY: ProShares Ultra QQQ (QLD) Stop: 74.8	-	April 29, 2024	81.83	10
SELL: SDS ProShares UltraShort S&P500	27.15	April 17, 2024	26.53	10
Disney-DIS Stop: 109	122.06	April 1, 2024	112.73	10
SM Energy-SM Stop: 46	50	April 1, 2024	51.08	10
ProShares Ultra Gold-UGL Stop: 76	74.37	April 1, 2024	79.46	10
Cash	-	-	-	40

Funds under management by Cycles Research LLC may own positions in the recommended stocks and ETFs.

Don't Worry, Be Happy

“There’s A Lot More Chainsaw”: Argentine President Milei To Fire 70,000 Government Workers
<https://www.sgtreport.com/2024/03/theres-a-lot-more-chainsaw-argentine-president-milei-to-fire-70000-government-workers/>

The Word War

Paying rent is now “plantation capitalism.” One US politician thinks that rent should simply be 20% one one’s income.

What the Media is Not Telling Us

Are you wondering where all the people who come into countries illegally are going to be housed? I note this disturbing trend:

- In the EU, one bureaucrat has stated that there is plenty of space for the homeless. People have second homes and vacation homes that are vacant.
- Some US cities have offered money to people who will house illegal migrants.
- Near my US home in NJ, there have been writings that communities for people over 55 are discriminatory. I expect a movement to remove the age requirement.
- You have likely read about the increased incidents of squatting in the USA. People who have lost their homes are finding that the laws favor the invaders.
- In Scotland, there is discussion about homelessness that has focused upon elderly people who no longer need the space that they currently occupy. One solution is to buy these homes and move the older folks to smaller living spaces.

USA Politics

- Will Soy lent Green be next?
Delaware Passes Bill To Allow Dead People Be Used As Compost
<https://winepressnews.com/2024/04/04/delaware-passes-bill-to-allow-dead-people-be-used-as-compost/>
- Surprise! The IRS Lied About Who Those 80,000 New Agents Would Target
https://pjmedia.com/rick-moran/2024/04/06/surprise-the-irs-lied-about-who-those-80000-new-agents-would-target-n4927951?utm_source=pjmedia&utm_medium=email&utm_campaign=nl_pm&bcid=0a010d562b05be1009406357fc57ca557121fe2572361441551ae7044537974f&recip=28551219
- Shellenberger: Brazil’s Spiral into CCP-Like Tyranny Should Scare Americans
https://pjmedia.com/catherinesalgado/2024/04/13/shellenberger-brazils-spiral-into-ccp-like-tyranny-should-scare-americans-n4928151?utm_source=pjmedia&utm_medium=email&utm_campaign=nl_pm&bcid=0a010d562b05be1009406357fc57ca557121fe2572361441551ae7044537974f&recip=28551219

International Trends That Are Likely to Come to America

- United Nations Promotes Turning Off The Power At Homes To Fight Climate Change
<https://winepressnews.com/2024/04/02/united-nations-promotes-turning-off-the-power-at-homes-to-fight-climate-change/>
- UK Grocery Chain Sainsbury's Publishes Report Saying Diets Will Be Plant-Based By 2025, Introducing A 'Sin Tax' To Reduce Meat Consumption
<https://winepressnews.com/2024/04/04/uk-grocery-chain-sainsburys-publishes-report-saying-diets-will-be-plant-based-by-2025-introducing-a-sin-tax-to-reduce-meat-consumption/>
- World Economic Forum Panelists Adamantly Demand A Global Carbon Tax Be Implemented Soon
<https://winepressnews.com/2024/01/24/as-forecast-world-economic-forum-panelists-adamantly-demand-a-global-carbon-tax-be-implemented/>

Technology

Meta Just Achieved Mind-Reading Using AI

<https://www.youtube.com/watch?v=uiGl6oF5-cE>

Elections and Voter Fraud

- If you think that the 2020 election was not fair, you are not alone as explained in the study... https://heartland.org/wp-content/uploads/2024/02/Feb-24-2020-Election-Analysis-vWeb_Final.pdf
- Green Bay broke same-day voter registration rules, allowed illegal votes
https://justthenews.com/politics-policy/elections/green-bay-allegedly-broke-same-day-voter-registration-rules-illegal-votes?utm_source=daily&utm_medium=email&utm_campaign=newsletter
- On April 1, Jim Quinn (warroom.com) explained the Transition Equity Project. In 2020, a group of democrat government people (see Wikipedia for the names) met to game out strategies depending upon the election outcome. In the event of a clear Trump win, they discussed they were going to work with the Joint Chiefs of Staff to support BLM and ANTIFA to take to the streets. This was discussed in June of 2020. So, they were planning to use violence to make governance difficult. This was what they were accusing Trump of.

COVID

- Mother Miriam tells is like it is about COVID and the NWO...
<https://www.youtube.com/channel/UCbbK9bbSK4XW2i2cwcDnCA>
- MRNA Vaccines Aid Cancer Development, Study Finds
<https://dailysceptic.org/2024/04/11/mrna-vaccines-aid-cancer-development-study-finds/>
- Germany's Health Minister changes tune on vaccine injuries
<https://unherd.com/newsroom/germanys-health-minister-changes-tune-on-vaccine-injuries/>

- 585 million killed or injured and massive harm to pregnant women by covid injections, doctor says placing American medical organizations on notice <https://expose-news.com/2024/03/04/585-million-killed-or-injured/>
- 34 Deaths, 302 Serious Injuries: RSV Vaccines Aren't Even a Year Old but Some Experts Say It's Time to Pull Them From the Market <https://childrenshealthdefense.org/defender/rsv-vaccines-deaths-serious-injuries/>

Book Review

The Changing World Order by Ray Dalio. This 500-page book is quite a piece of work. The author breaks down and quantifies the factors that make empires grow and the decline. The most interesting chapters are those that relate to the growth of China. In many places in this book, a reader might say to oneself, this is common sense. That is true. It tells something about the times we live in.

Here are some favorite quotes:

"...the US is now in the position of trying to cat herd its allies without catnip."

"There are always arguments or fights between those who want to make big redistributions of wealth and those who don't."

"As Aristotle said a long time ago, 'The poor and the rich quarrel with one another, and whichever side gets the better, instead of establishing a just or popular government, regards political supremacy as the prize of victory.'"

Quote of the Month

"What has Christ to do with Satan?"

-Cardinal Mindzenty, when asked about coexistence between communism and chistianity

*Disclaimer: The methods utilized have proven profitable in the past but no guarantee can be made of future performance nor is any liability accepted.
See the website at cyclesresearch.com.*

The report is sent on or prior to the open of the first trading day of the new month, unless otherwise stated. If you do contact us by e-mail, kindly give your full name. We cannot query the database by e-mail address. Thank you.

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