

US\$ Index Rebound May Turn Into a Trend Reversal

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At the end of January 2026, the US\$ Index made a spike lower low at 95.55 below the flat lower weekly B-Band (97.50 at the time) but rebounded above that same Band the following week. It was a "bear trap" (as hindsight shows), followed by the US\$ Index taking three weeks to consolidate between 96.50 and 98.00 before breaking to a higher HIGH, with the MACD crossing up and the STO rising above 50%. Is this just another rebound or a change of trend?

Four points need consideration:

First, the US\$ Index's rise above the 40-wk moving average (98.33) will be seen as a change of trend, when the 40-wk moving average itself will start to rise on a weekly basis. It may take a few more weeks,

Second, meanwhile, many market analysts may consider that the US\$ Index remains in Bearish mode as long as it remains below the lower level of the weekly Cloud (99.75), as the Cloud often serves as

a cap in the current downtrend,

Third, the major trend reversal will happen when the US\$ Index is able to break above the 100.40 level, which is the top of the about 9-month lasting wide range 100.40-95.50, opening a rise toward 106, **Fourth**, cycle analysts reviewing the displayed cycle (black sinusoidal line) would underscore that the next rising phase of the cycle is expected at the end of March 2026.

Ideally, the US\$ Index may extend its rise gradually toward 100.40 in the coming three weeks and then benefit from the rising phase of the cycle!

It is time to monitor these parameters, as the US\$ Index is gathering rising momentum and is about to enter the Cloud (abandoning its bearish status for a neutral one) and will soon benefit from a bullish cyclical phase.

Remember, the longer the base, the higher in space!

Chart of the US\$ Index (98.96)

represented on an arithmetic scale since May 2023 in weekly candles with Ichimoku Cloud (right scale)



Behind the US\$ Index, in the orange solid line is the S&P500 (6832 on left scale). The black sinusoidal line is an approximate cycle, which was in a rising phase from June until October 2025. It entered a declining phase from November 2025 to March 2026. Also shown are horizontal lines at 106.50 (the April 2024 high), and 100.50 (the September 2024 low) are key pivotal levels.

UPPER PANEL: In the green dotted line is the parity US\$-Swiss Franc (\$One: \$XDS 0.78 per \$ on left scale), in black solid line the parity \$-Yen (157 yen per \$ on right scale).

LOWER PANEL: As of March 4, 2026, the momentum is rising as the weekly STO is rising above 50% and the negative MACD has just recently crossed up.