

**Bearish CAD Position Builds While JPY Short Covering Accelerates**

Data in this report cover up to Tuesday Jan 8 & were released Friday Feb 8. The CFTC releases were interrupted by the US Government shutdown and the data will be released biweekly until they are fully caught up by early March.

- The aggregate USD long position fell for a second consecutive week, fading to \$27.6bn. This week's adjustments were dominated by a moderation in bearish net EUR and JPY positions along with a build in bearish CAD and AUD positions. EUR and JPY remain the largest held net shorts, followed by the CAD, GBP, CHF and AUD. NZD and MXN are held close to neutral.
- The deterioration in CAD sentiment has extended with an impressive \$1.3bn w/w widening in the net short position to \$5.0bn. The bearish bet is the largest since June 2017, reflecting a recent liquidation of bullish gross longs and a material build in bearish gross shorts. The \$2.7bn net short AUD position is relatively muted by comparison, given the considerable short covering from October to December.
- EUR bears have been slowly liquidating gross shorts since early December and the pace of short covering appears to be accelerating. The cumulative adjustments have delivered a relatively modest \$2.8bn narrowing in the net however the bearish position remains extended at the wider end of its two year range.
- The net short JPY position narrowed an impressive \$3.1bn w/w on the back of a \$1.9bn liquidation of gross shorts and a simultaneous \$1.2bn build in gross longs. The pace of adjustment has accelerated over the past three weeks.

	Sentiment		\$mns	
	8-Jan	Bias	Trend	Position
CAD	bearish	increasing	-4,972	-1,257
AUD	bearish	increasing	-2,697	-843
NZD	neutral	neutral	-103	-235
MXN	bullish	increasing	800	552
EUR	bearish	decreasing	-5,797	889
GBP	bearish	neutral	-4,776	-244
CHF	bearish	decreasing	-2,953	298
JPY	bearish	decreasing	-7,048	3,047
Gold	bullish	decreasing	12,753	-3,122
Total USD pos'n (excl. gold)			27,546	-2,206

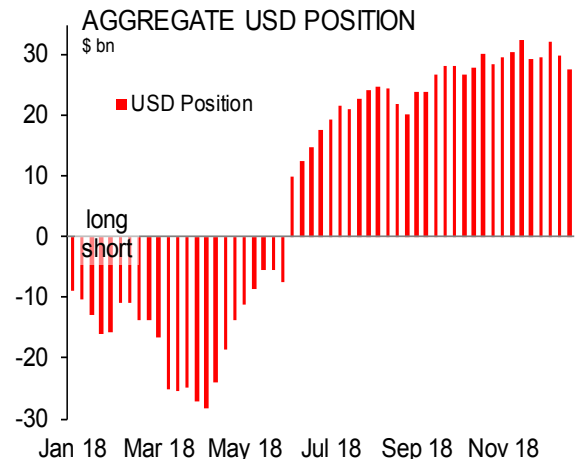
**CAD — NON-COMMERCIAL POSITIONING**

Date	Position - Contracts of 100,000 CAD					
	(\$MM)	Long	Short	Net	Net w/w	Open Int.
8-Jan	-4,972	19,287	85,289	-66,002	-15,353	167,005
1-Jan	-3,716	34,330	84,979	-50,649	-5,957	170,168
25-Dec	-3,288	27,887	72,579	-44,692	-37,235	159,195
18-Dec	-554	51,566	59,023	-7,457	4,212	191,476

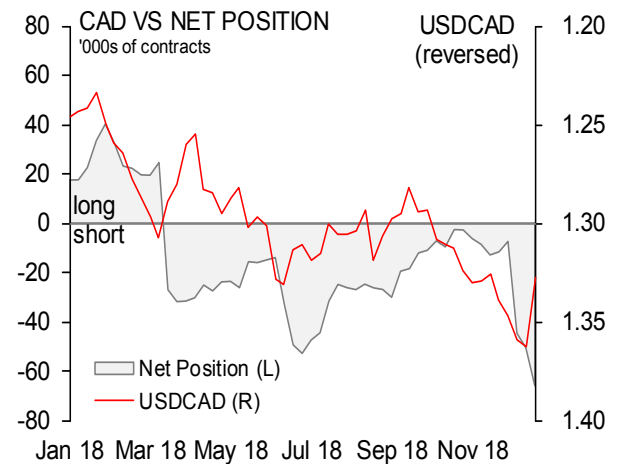
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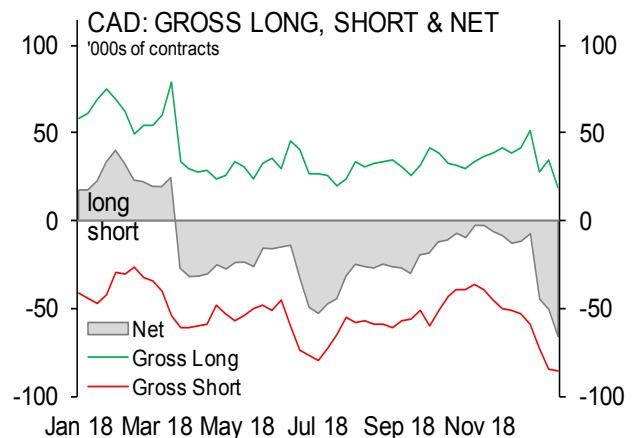
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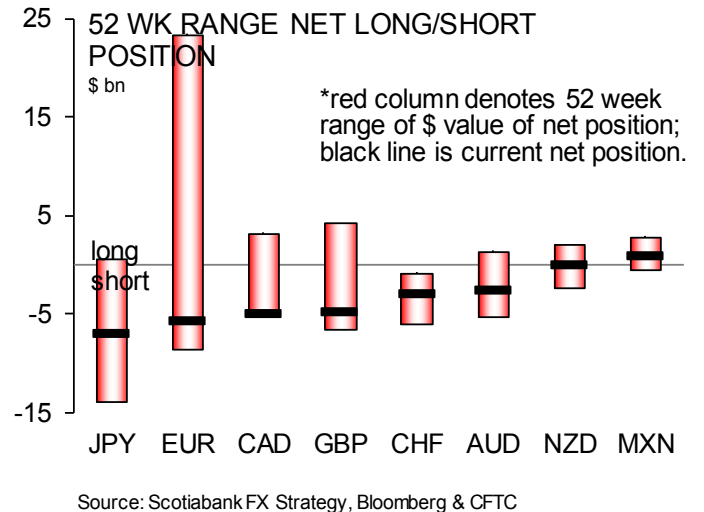
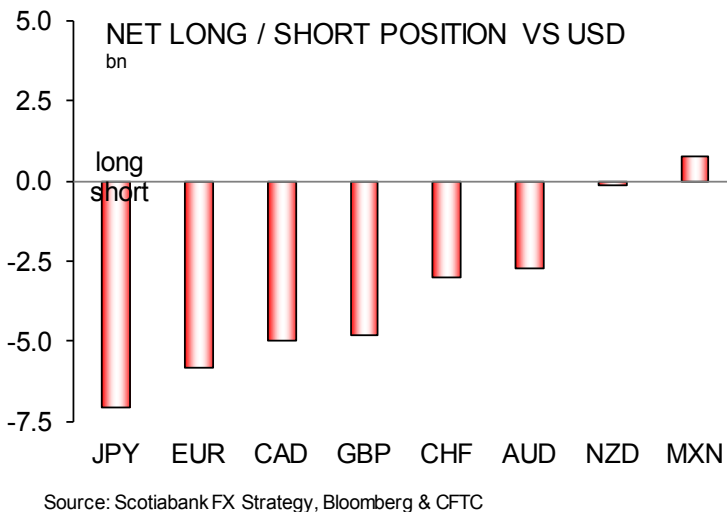
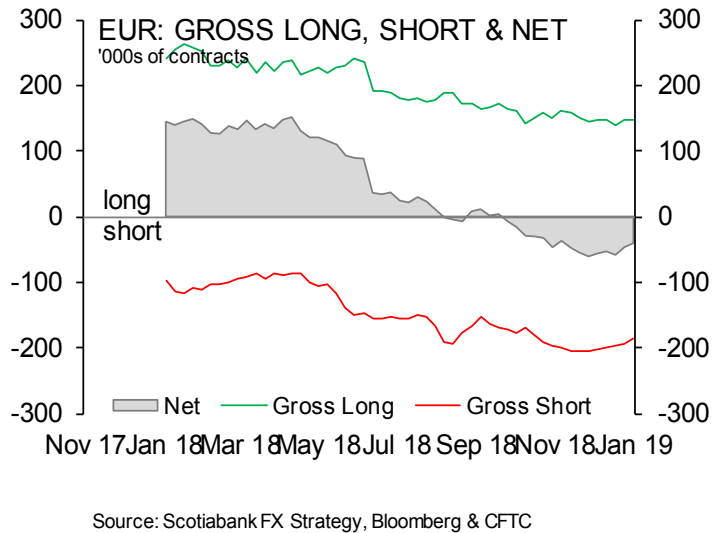
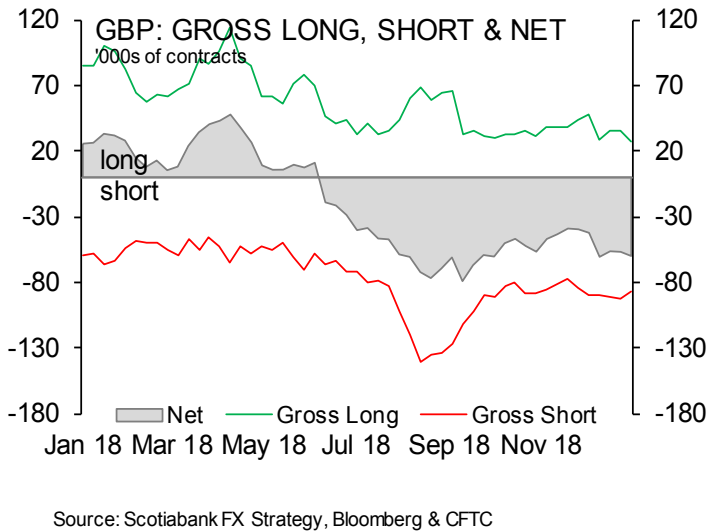
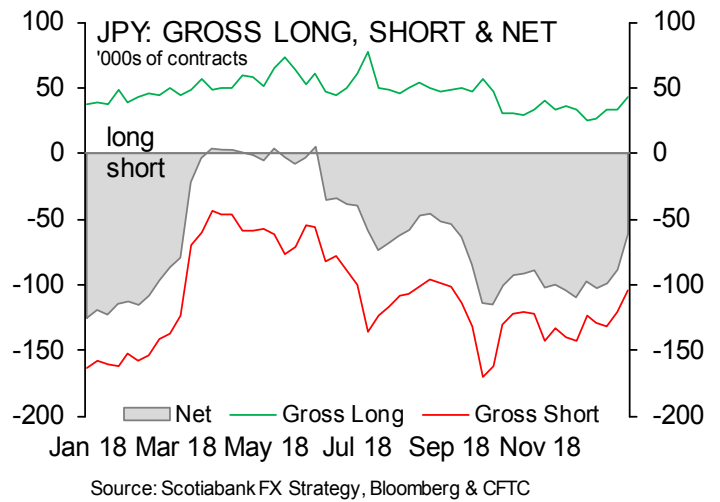
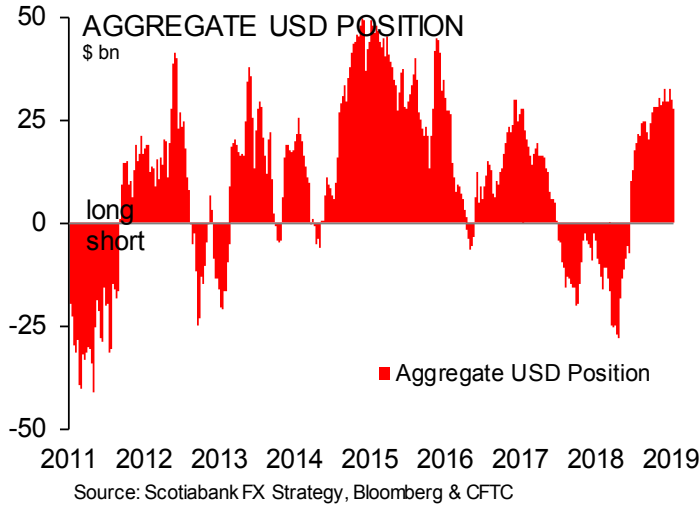
Source: Scotiabank FX Strategy, Bloomberg & CFTC

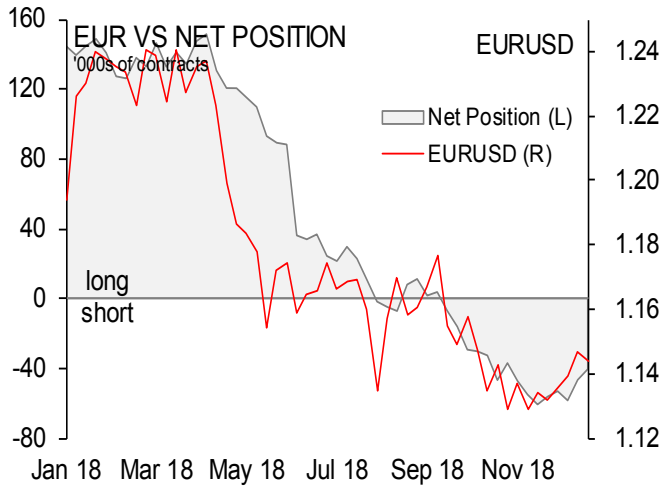


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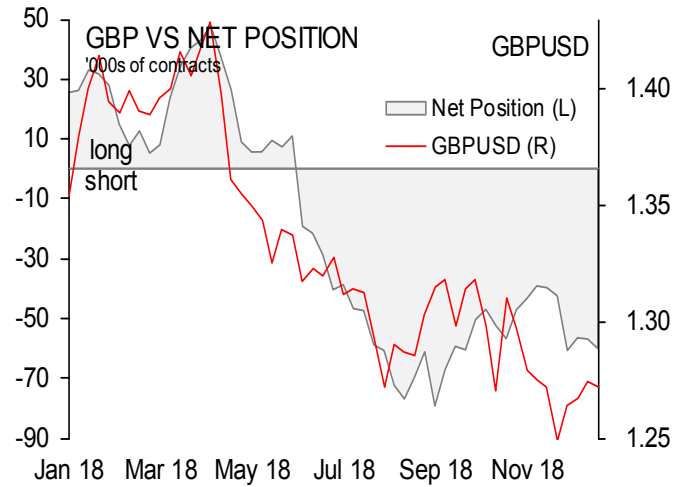


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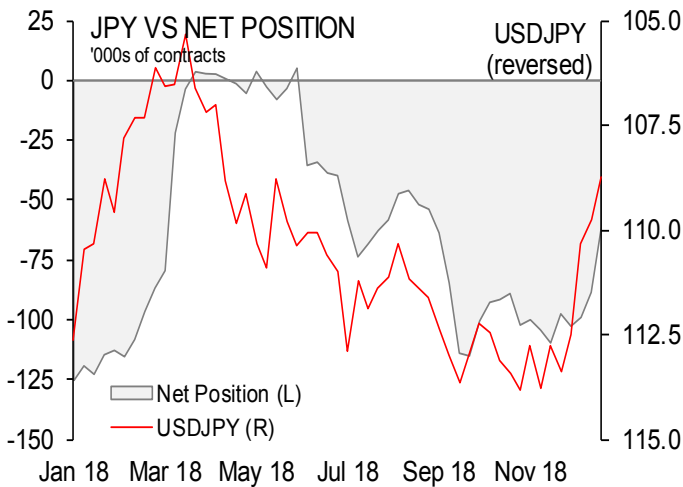
Source: Scotiabank FX Strategy, Bloomberg & CFTC

**EUR — NON-COMMERCIAL POSITIONING**

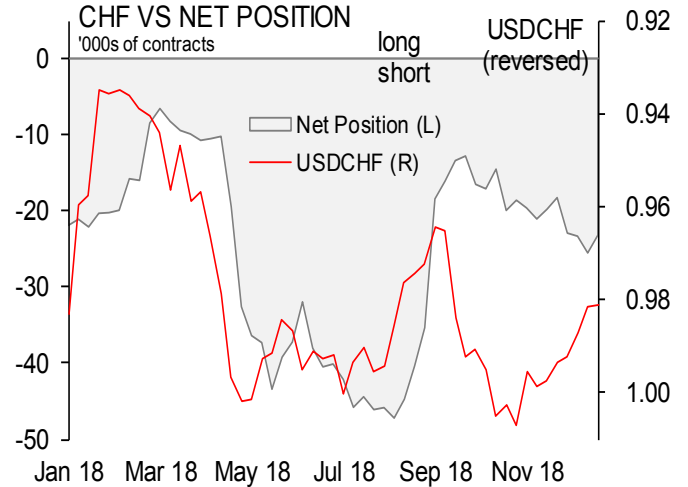
Date	(\$MM)	Position - Contracts of 125,000 EUR				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-5,797	146,271	186,804	-40,533	6,115	514,545
1-Jan	-6,685	148,288	194,936	-46,648	11,807	505,986
25-Dec	-8,324	139,059	197,514	-58,455	-5,331	508,253
18-Dec	-7,544	147,654	200,778	-53,124	3,163	505,711

**GBP — NON-COMMERCIAL POSITIONING**

Date	(\$MM)	Position - Contracts of 62,500 GBP				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-4,776	27,670	87,762	-60,092	-3,178	210,800
1-Jan	-4,532	35,782	92,696	-56,914	-435	212,470
25-Dec	-4,474	35,076	91,555	-56,479	4,244	212,023
18-Dec	-4,797	29,162	89,885	-60,723	-18,304	204,948



Source: Scotiabank FX Strategy, Bloomberg & CFTC



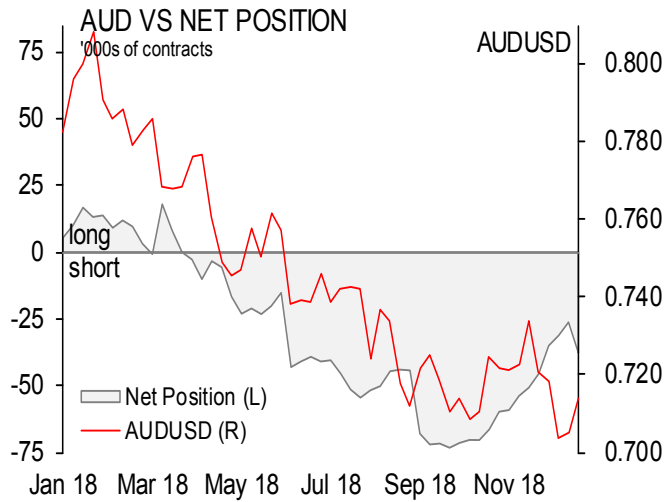
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**JPY — NON-COMMERCIAL POSITIONING**

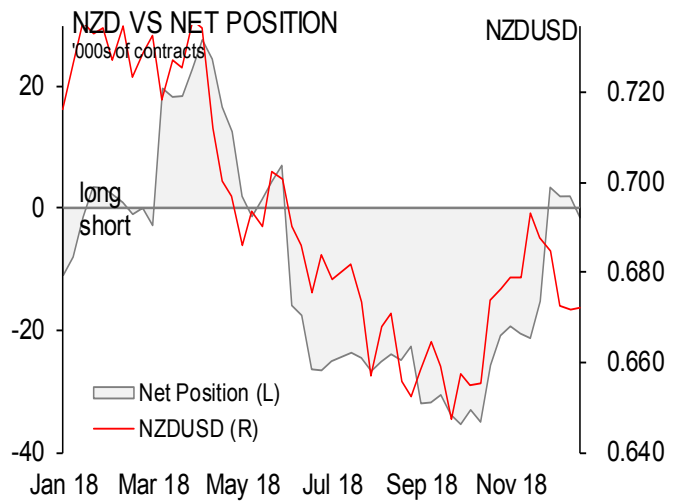
Date	(\$MM)	Position - Contracts of 12.5MM JPY				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-7,048	42,727	104,041	-61,314	27,309	230,524
1-Jan	-10,095	32,712	121,335	-88,623	10,466	216,224
25-Dec	-11,228	33,281	132,370	-99,089	3,682	224,458
18-Dec	-11,417	26,957	129,728	-102,771	-5,165	214,868

**CHF — NON-COMMERCIAL POSITIONING**

Date	(\$MM)	Position - Contracts of 125,000 CHF				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-2,953	5,724	28,910	-23,186	2,344	67,100
1-Jan	-3,251	5,931	31,461	-25,530	-2,201	67,730
25-Dec	-2,954	6,830	30,159	-23,329	-403	70,711
18-Dec	-2,888	8,437	31,363	-22,926	-4,659	70,943



Source: Scotiabank FX Strategy, Bloomberg & CFTC



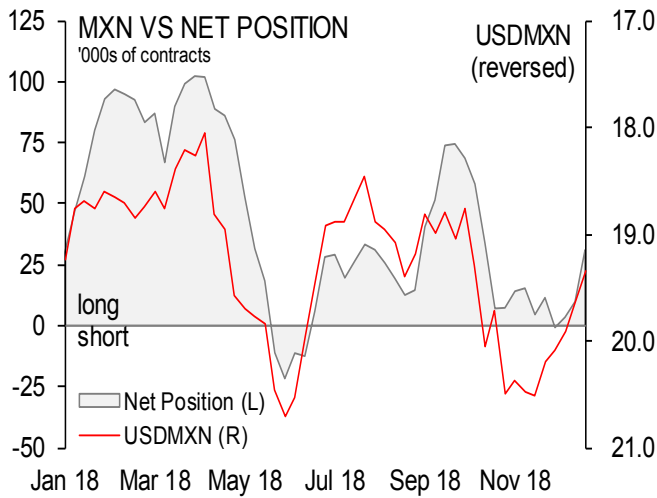
Source: Scotiabank FX Strategy, Bloomberg & CFTC

**AUD — NON-COMMERCIAL POSITIONING**

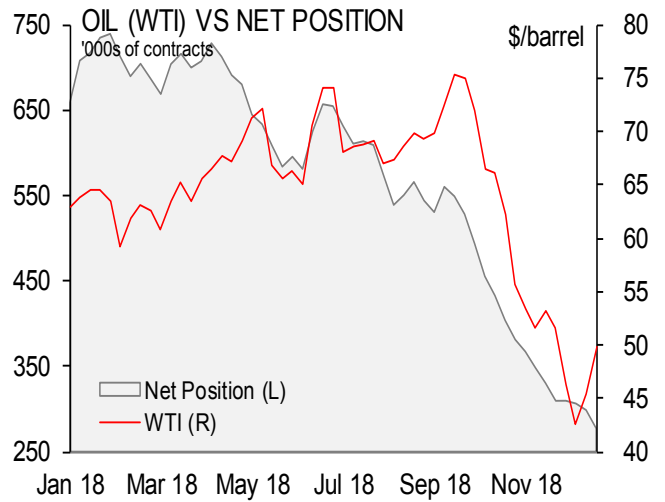
Date	(\$MM)	Position - Contracts of 100,000 AUD				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-2,697	22,345	60,120	-37,775	-11,484	127,476
1-Jan	-1,854	27,919	54,210	-26,291	4,970	122,428
25-Dec	-2,200	22,653	53,914	-31,261	3,808	117,693
18-Dec	-2,518	17,970	53,039	-35,069	10,462	112,262

**NZD — NON-COMMERCIAL POSITIONING**

Date	(\$MM)	Position - Contracts of 100,000 NZD				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	-103	14,895	16,433	-1,538	-3,500	29,804
1-Jan	132	18,272	16,310	1,962	22	29,640
25-Dec	131	17,717	15,777	1,940	-1,471	28,524
18-Dec	234	18,820	15,409	3,411	18,652	29,675



Source: Scotiabank FX Strategy, Bloomberg & CFTC



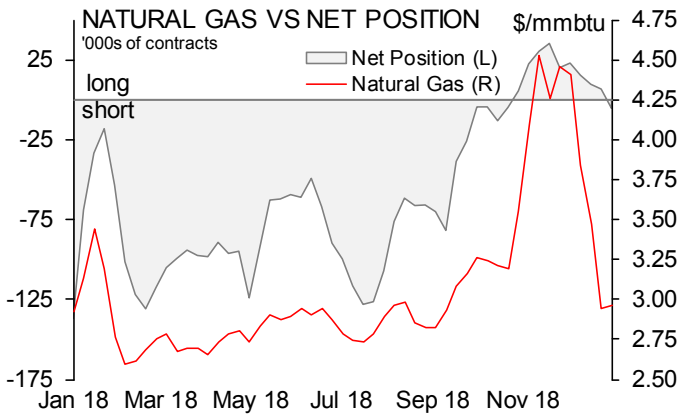
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**MXN — NON-COMMERCIAL POSITIONING**

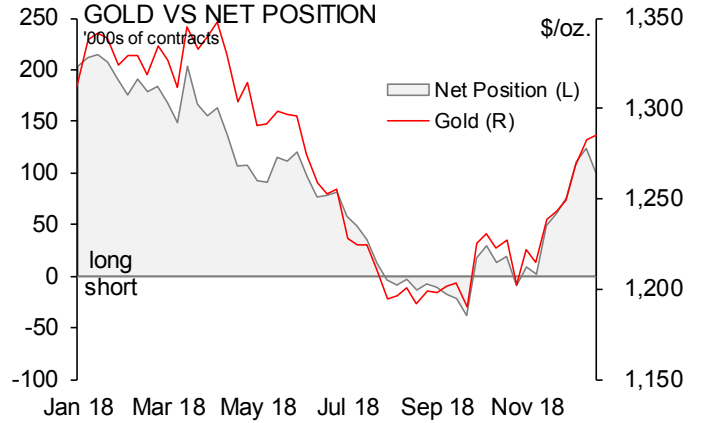
Date	(\$MM)	Position - Contracts of 500,000 MXN				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	800	92,398	61,416	30,982	21,210	160,493
1-Jan	249	82,260	72,488	9,772	6,343	151,235
25-Dec	86	64,558	61,129	3,429	4,198	137,078
18-Dec	-19	49,996	50,765	-769	-12,211	122,610

**NYMEX Crude — NON-COMMERCIAL POSITIONING**

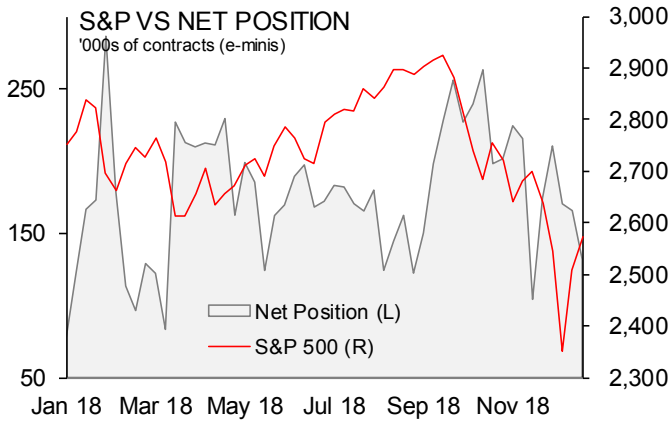
Date	(\$MM)	Position - Contracts of 1000 barrels				Open Int.
	Net	Long	Short	Net	Net w/w	
8-Jan	13,800	498,716	221,505	277,211	-21,502	2,120,930
1-Jan	#VALUE!	502,972	204,259	298,713	-7,599	2,104,675
25-Dec	#VALUE!	502,719	196,407	306,312	-3,296	2,073,992
18-Dec	14,316	502,715	193,107	309,608	102	2,063,376



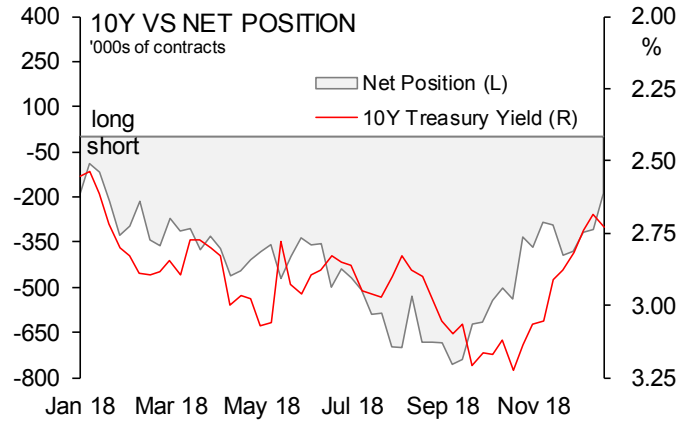
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