

- USDCAD bounce signals short-term low, test of resistance in the upper 1.33s.
- EURCAD consolidates in choppy fashion, underlying bias remains soft.
- GBPCAD rallies hard, may avert additional losses for now.
- CADMXN slips to test 14.45 area.
- AUDCAD grinds a little higher but still below major resistance overhead at 0.96.
- CADJPY rebound stalls below key resistance at 82.45/50.

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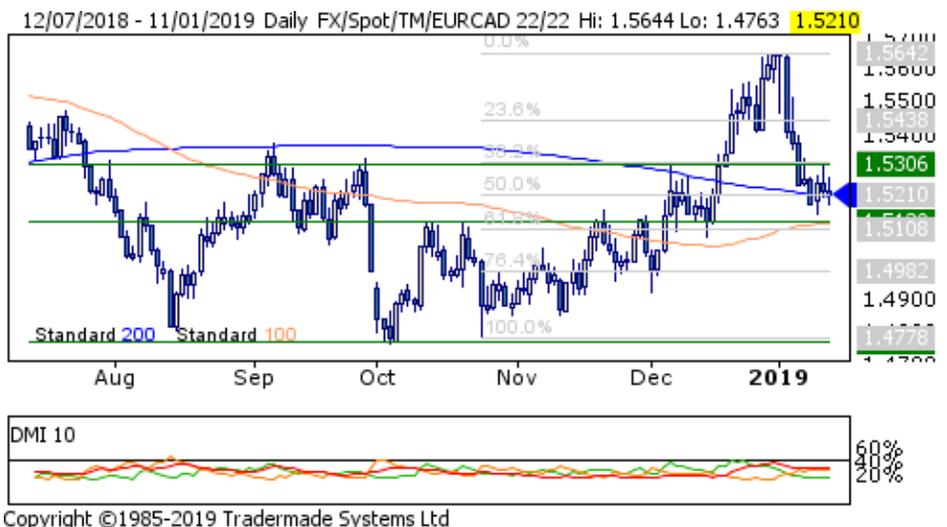
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USDCAD retains a modestly firmer undertone as recent losses consolidate around the 50% Fib retracement of the Q4 rally. Price action looks a little more USD-constructive on the day (at the moment), with the market carving out a bullish outside range day (minor double bottom on the intraday chart). USD gains are not accelerating through the double bottom trigger at this point, however, and gains look rather bogged down. A firm close today is needed to lift the USD in the next few days. We still think scope for USD gains is limited following the large, bearish reversal seen on the medium term (weekly) chart through late Dec and we expect firm resistance at the 40-day MA at (1.3386) from here.

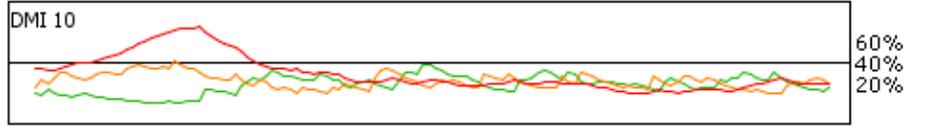
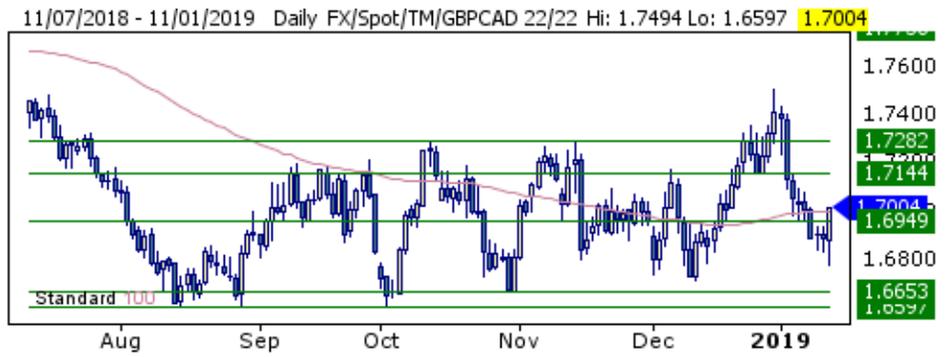


EURCAD is modestly lower on the week at writing, slowing losses after the heavy net selling seen through early Jan (forming the large, bearish key week reversal we have noted previously). With the broader trend higher in the cross reversing, we continue to look for losses to extend to the low 1.51s (61.8% retracement of late 2018 rally at 1.5108). Price action has consolidated for the most part this week but intraday price action today underscores the fact that moderate EUR gains attracts selling pressure and corrective gains have struggled to get anywhere near the mid/upper 1.53 area—which we view as key resistance. We look to fade EUR rallies while 1.5375 holds.



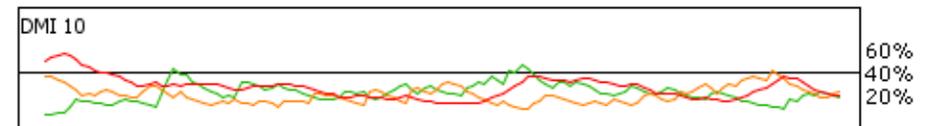
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GBPCAD has turned decisively higher on the daily chart, with net gains today building a bullish outside range day reversal. Recall that we think the broader trend here looks challenging for the GBP following the big, bearish reversal from the early Jan high/rejection of the range break out (via a bearish key reversal week). Intraday gains have extended to the 1.70 area (100-day MA resistance) but we are somewhat skeptical that the GBP rally can extend in a major way. We still rather look to fade GBP gains but acknowledge that price action will be volatile in the coming week.



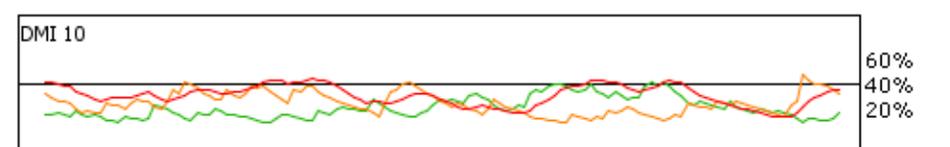
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CADMXN has yet to break out of its two week consolidation range roughly bound between 14.35 and 14.65 but the cross is currently threatening the 14.45 level on which we had based our modestly bullish bias. Daily momentum indicators are bearish but their magnitude has softened and the DMI's reveal waning bearish trend strength. We remain modestly bullish above 14.45, looking to medium-term gains through 14.65 toward 14.80 around levels roughly corresponding to the 100 and 200 day MA's as well as the midpoint of the range from August.



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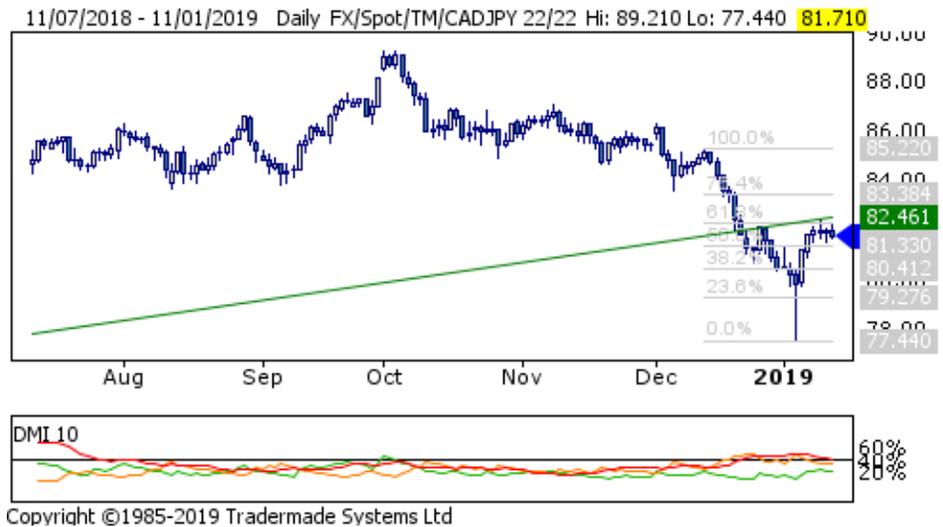
AUDCAD is firmer on the day again and moderately firmer on the week. But the weekly range is tiny compared to the huge swings seen last week and, at most, we think the AUD is consolidating the recent volatility—which may cloud the outlook for the cross for a little longer. We still think the longer run trend is challenging for the AUD (after a big, bearish weekly reversal from the 200-week MA in Dec). We spot resistance overhead near 0.96 (200-day MA). Support remains 0.9450.



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CADJPY is a little weaker on the day and—crucially (for our bearish bias)—remains well below key resistance on the shorter term charts at 82.45/50. The CAD bounce from the early Jan volatility still looks to be struggling around the 61.8% retracement of the Dec/Jan sell off (82.25) and a series of doji candles (a third possible today) on the daily chart suggests that the tide may be turning against the CAD here again now.



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