USDCAD continues to consolidate above short-term support at 1.4070/75.
EURCAD pressures support at 1.5220.
GBPCAD trades neutral, mid-range in the mid-1.72s.
CADMXN trades back from new cycle high but uptrend remains intact.
AUDCAD struggles to extend but longer run base remains intact.
CADJPY remains capped below 78.40 but CAD well-supported on weakness.

USDCAD continues to consolidate on the daily and weekly charts—successive inside ranges weeks on the weekly chart and USD chopping sideways on the daily chart after the late March test of the low 1.39s (50% Fibonacci retracement of the Feb/Mar rally at 1.3935). The short term (6-hour) chart here reflects the consolidation pattern of trade where the USD has met firm resistance in the upper 1.42/lows 1.43 area over the past week whilst support below 1.41 has been fairly consistent. The trend lower off the 1.4668 high has been steady and resistance now appears to be stiffening at 1.4240/50. Trend strength oscillators continue to lean USD-bullishly across a range of time frame and while these signals are weak, the residual strength of the USD uptrend will slow losses and lower the bar for a resumption of USD gains. We think the drift lower may persist, however. Losses below 1.4070/75 should see the USD nudge back towards the low 1.39s—but perhaps not too much more for now.

EURCAD has been trading sideways in consolidation mode for the past two weeks and has spent a month chopping around in a range around the 1.55 area. Bearish price signals on the daily and weekly charts noted previously (daily key reversal on Mar 19th and weekly bearish “shooting star” candle from the Mar 16th week) have been reinforced by a bearish “dark cloud cover” signal on the weekly chart last week. The cross continues to look very rich on the longer run chart and bearish daily/weekly price action suggests that short positions here remain appropriate from a technical point of view—either on EUR gains to the 1.55 area or on a break under key short term support at 1.5220 now.
GBPCAD is stuck mid-range between support near 1.69 and resistance at 1.78. Trend strength signals are weak and the cross is showing little in the way of strong directional intent after a large weekly doji candle formed through last Friday. The longer term chart signals are leaning more GBP-bullish we think and these point to firmed underlying support for the GBP near the range base. But the 1.78 zone remains a clear block on upside progress for now. The 40-day MA (1.7240) provides some support for the GBP near the middle of the range but losses below here leave the low 1.69 area exposed again. We think the GBP is a buy on dips from a technical point of view but mid-range price action is no real incentive for either buyers or sellers at the moment, rather suggesting more drift.

CADMXN gains to new cycle—record—highs above 18 today confirm our expectations that the upward March for the cross still has some way to run. The brief consolidation through early April proved to be the pause that refreshes for the bull trend, correcting shorter term overbought conditions. Daily price action looks somewhat soft at the moment—a large “shooting star” candle potentially forming—but the strength of the underlying trend signals across the daily and weekly charts really suggest limited downside risk for the CAD at the moment. We expect firm support on weakness to the low 17s.

AUDCAD traded lower last week overall after struggling to hold gains through the mid 0.86 area. This is a moderate setback for the AUD recovery but we still think the cross is in better shape after squeezing higher through late March. Weekly price signals through the end of last month indicate a bullish engulfing pattern. Trend signals have, however, edged a little more AUD-negative through the past week, although the signals here remain relatively
weak. Overall, we still think the AUD reached a major low in late March, with support developing around long term resistance-turned-support around the 0.80 level (currently). We prefer to look for opportunities to buy into AUD weakness.

**CADJPY** remains choppy and range-bound. The late march turn lower from the range ceiling at 78.35 and bearish trend oscillator reding on the daily and weekly charts continue to suggest some downside risk for the cross. But the emphatic weekly rejection of the 74 level consistently over the past four weeks suggests that dips may remain relatively shallow and should be viewed as a buying opportunity. Gains through 78.40 would be bullish for a rally towards the 80.50 area (61.8% Fibonacci retracement of the March drop n the cross).

**GLOBAL FX STRATEGY | TECHNICAL ANALYSIS**

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**07/10/2019 - 06/04/2020 Daily FX/Spot/TM/CADJPY 22/22 Hi: 94.720 Lo: 73.870**

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**DMI 10**

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