

USD Bull Sentiment Stumbles, Speculators Add to CAD, MXN Longs

Data in this report cover up to Tuesday Jan 14 & were released Friday Jan 17

- IMM-based traders continue to dump the USD in overall terms, with the shedding of USD exposure extending significantly through early January. The latest CFTC data reflect a further, sharp decline in the aggregate USD long position implied by market participants' exposures to the major currencies. The total aggregate bull bet on the USD fell more than half in the week (down USD2.7bn), to just USD2.2bn, the smallest overall bullish bet on the USD since 2018.
- This week's data reflected a move away from safe-havens, to an extent, with net JPY shorts increasing sharply (USD2.1bn) while investors cut gold exposure USD2.25bn. Net CHF positioning was flat and little changed (ditto for the NZD).
- Elsewhere, however, investors pared short exposure to the EUR—appropriate, we think, as Eurozone data may soon start to turn higher. Net EUR shorts were cut USD1.9bn, mainly reflecting gross short covering. Speculative sentiment in the AUD remains bearish but positioning here also moderated (USD454mn) to work against the USD.
- Investors remain more constructive on the CAD, adding to net longs in the amount of USD487mn for a third, consecutive weekly build. Gross CAD longs extended while shorts covered. GBP bullishness also extended, with speculators adding to net longs for a fifth consecutive week (just over USD2.5bn) to take bullish sentiment here to its strongest level since May 2018. Net MXN longs rose more modestly—USD247mn in the week—but the rise took bullish bets on the peso to a new record (+166k contracts net).

14-Jan	Sentiment		\$mns	
	Bias	Trend	Position	w/w chg.
CAD	bullish	increasing	2,515	487
AUD	bearish	decreasing	-1,418	454
NZD	neutral	neutral	-24	75
MXN	bullish	neutral	4,409	247
EUR	bearish	decreasing	-6,702	1,895
GBP	bullish	increasing	2,566	1,211
CHF	neutral	neutral	-25	551
JPY	bearish	increasing	-3,572	-2,160
Gold	bullish	decreasing	49,366	-1,374
Total USD pos'n (excl. gold)			2,251	-2,760

CAD — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 100,000 CAD					Open Int.
	Net	Long	Short	Net	Net w/w		
14-Jan	2,515	70,428	37,576	32,852	6,485	190,229	
7-Jan	2,028	68,756	42,389	26,367	14,454	189,996	
31-Dec	917	63,961	52,048	11,913	3,416	175,666	
24-Dec	645	51,478	42,981	8,497	-2,694	158,666	

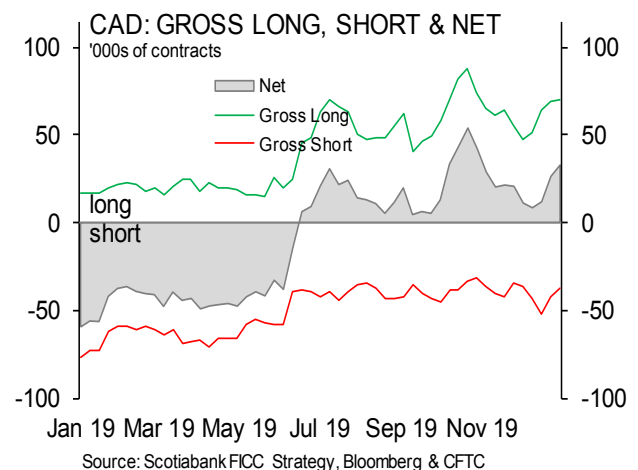
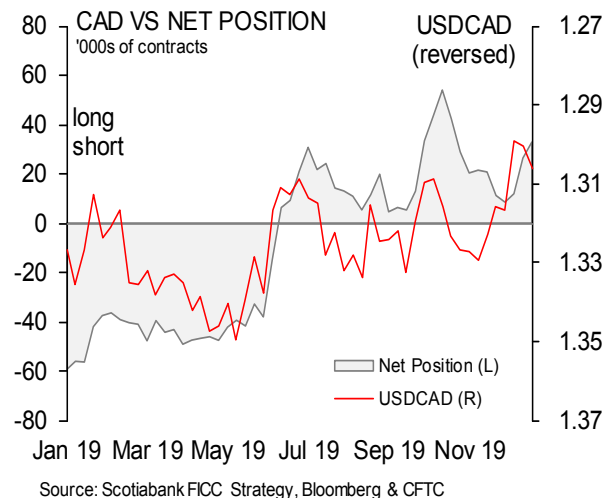
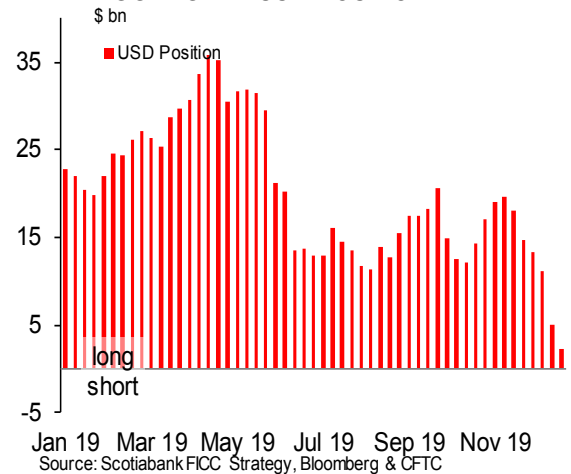


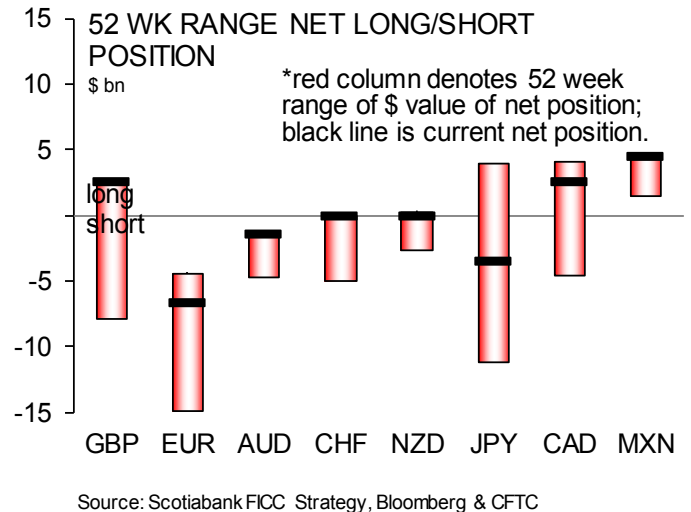
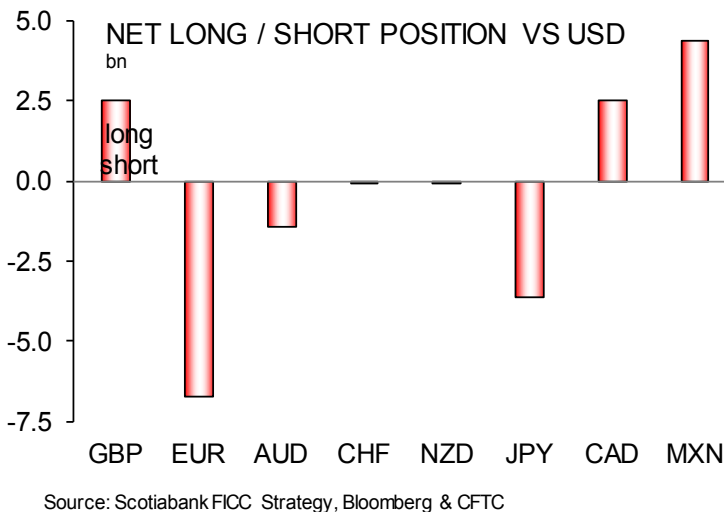
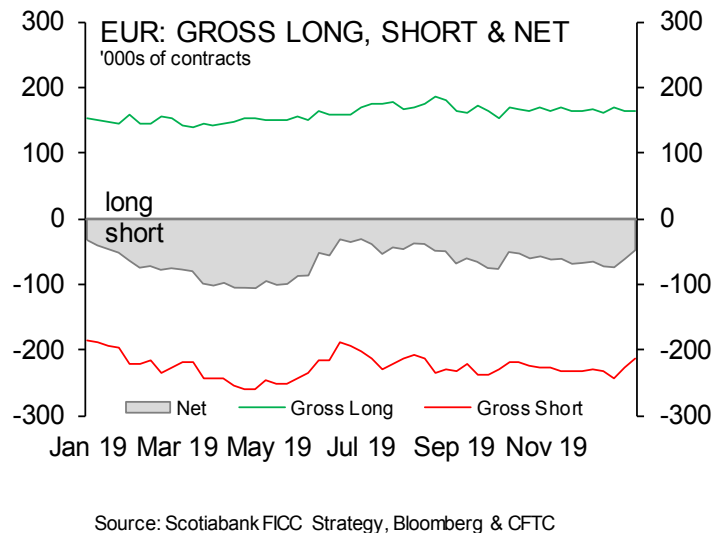
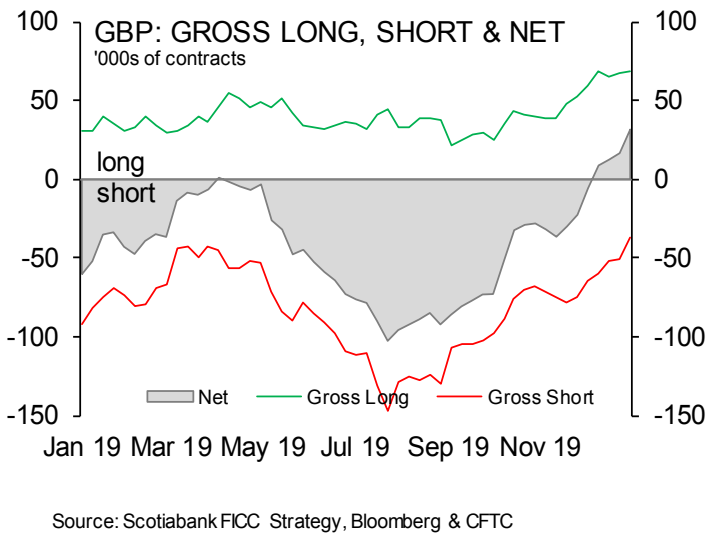
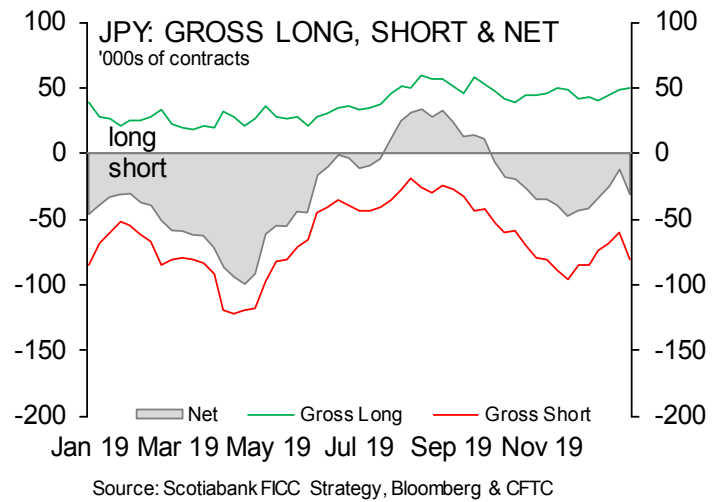
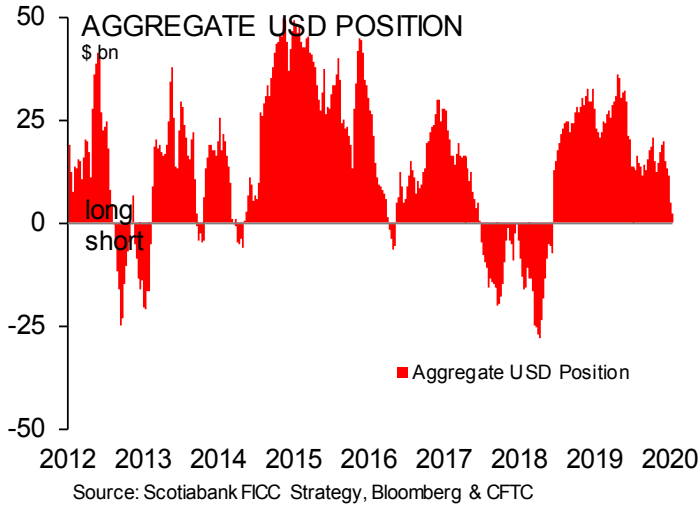
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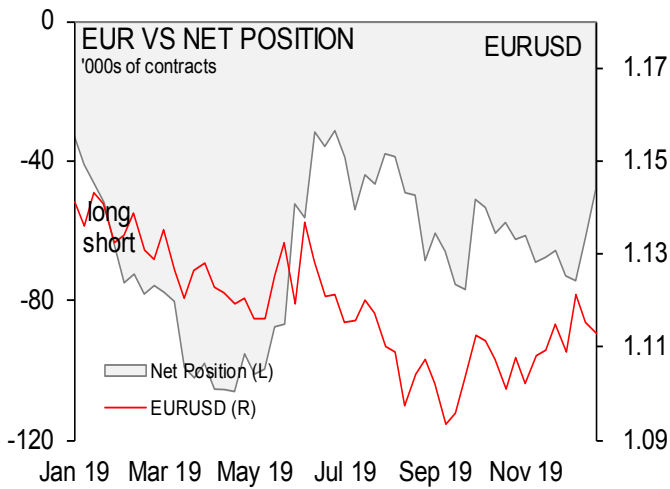
Shaun Osborne
Chief FX Strategist
416.945.4538
shaun.osborne@scotiabank.com

Juan Manuel Herrera
FX Strategist
416.866.6781
juanmanuel.herrera@scotiabank.com

AGGREGATE USD POSITION



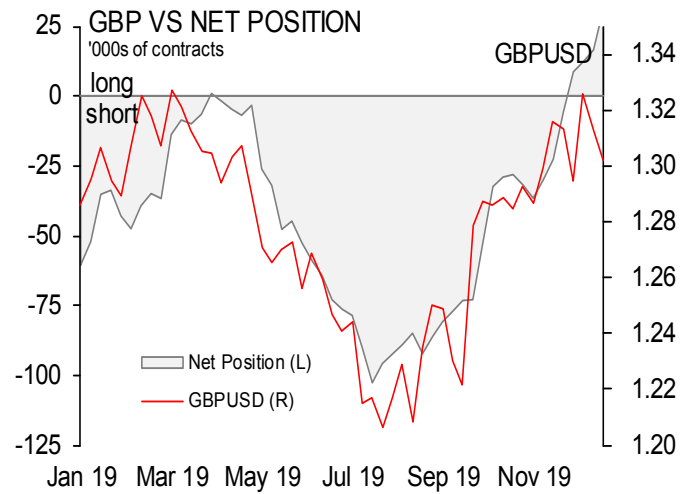




Source: Scotiabank FICC Strategy, Bloomberg & CFTC

EUR — NON-COMMERCIAL POSITIONING

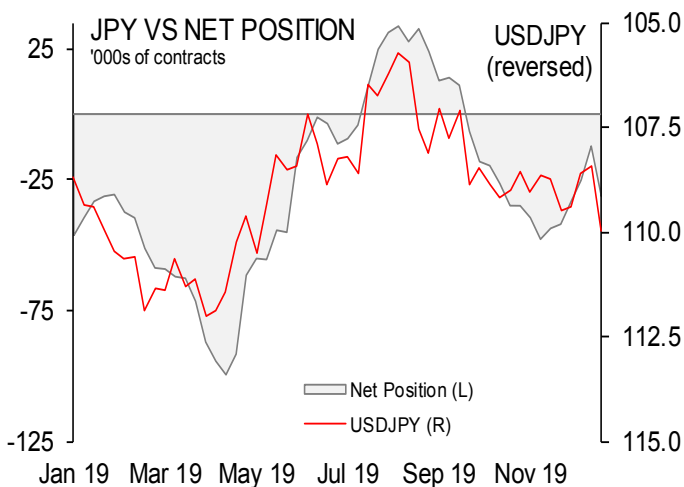
Date	(\$MM)	Position - Contracts of 125,000 EUR				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	-6,702	163,881	212,063	-48,182	13,482	571,239
7-Jan	-8,597	164,813	226,477	-61,664	12,681	555,940
31-Dec	-10,420	168,852	243,197	-74,345	-1,402	557,585
24-Dec	-10,111	160,263	233,206	-72,943	-7,249	540,395



Source: Scotiabank FICC Strategy, Bloomberg & CFTC

GBP — NON-COMMERCIAL POSITIONING

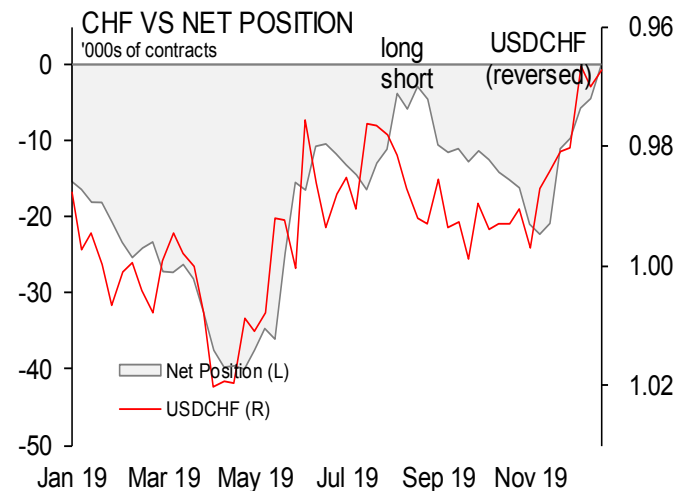
Date	(\$MM)	Position - Contracts of 62,500 GBP				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	2,566	68,816	37,284	31,532	15,022	196,536
7-Jan	1,354	67,403	50,893	16,510	4,117	197,490
31-Dec	1,027	64,574	52,181	12,393	3,696	206,784
24-Dec	704	68,574	59,877	8,697	14,477	206,283



Source: Scotiabank FICC Strategy, Bloomberg & CFTC

JPY — NON-COMMERCIAL POSITIONING

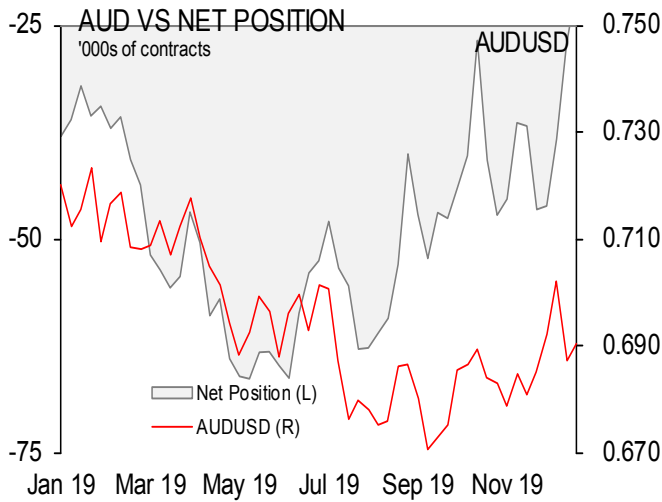
Date	(\$MM)	Position - Contracts of 12.5MM JPY				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	-3,572	49,720	81,150	-31,430	-19,182	183,863
7-Jan	-1,412	47,846	60,094	-12,248	13,054	162,094
31-Dec	-2,912	43,668	68,970	-25,302	8,240	174,966
24-Dec	-3,833	40,592	74,134	-33,542	8,520	173,142



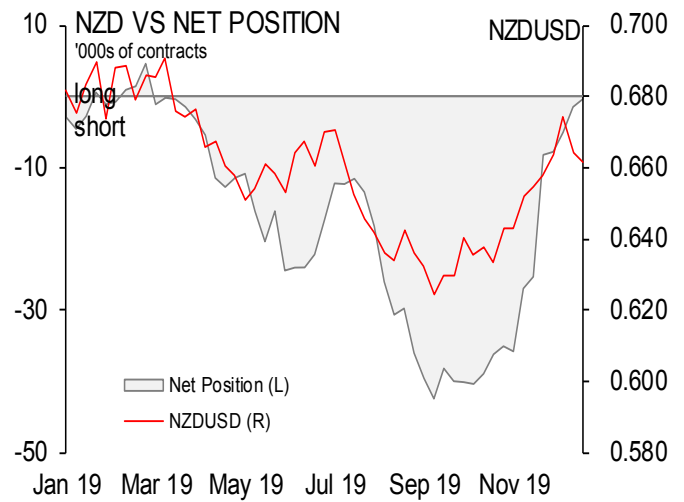
Source: Scotiabank FICC Strategy, Bloomberg & CFTC

CHF — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 125,000 CHF				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	-25	12,417	12,609	-192	4,277	49,118
7-Jan	-576	11,298	15,767	-4,469	1,256	49,365
31-Dec	-740	14,549	20,274	-5,725	3,954	55,514
24-Dec	-1,234	14,516	24,195	-9,679	1,395	60,450



Source: Scotiabank FICC Strategy, Bloomberg & CFTC



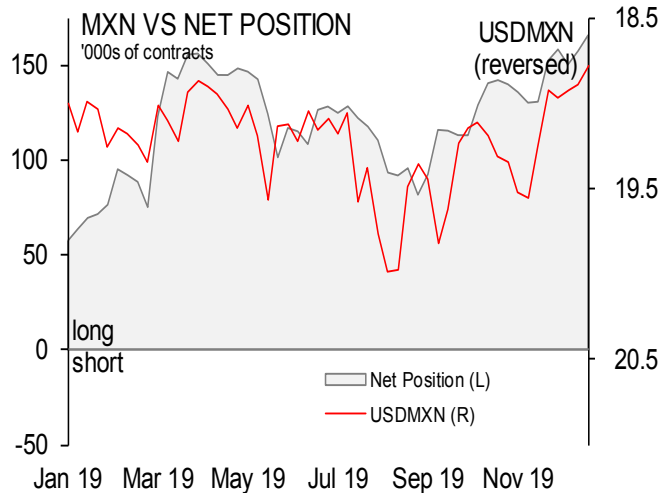
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AUD — NON-COMMERCIAL POSITIONING

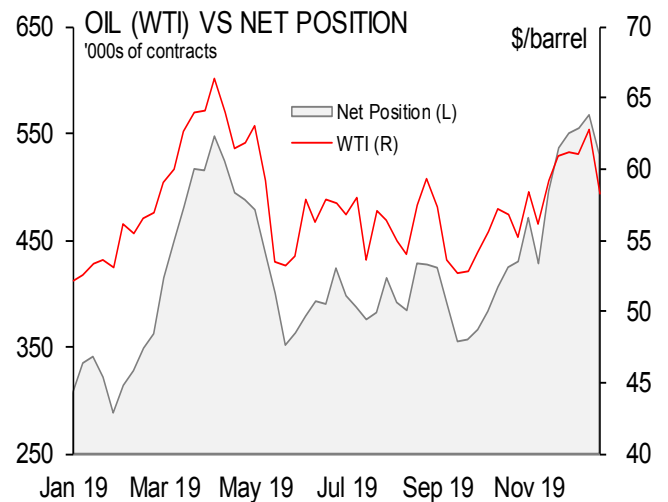
Date	(\$MM)	Position - Contracts of 100,000 AUD				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	-1,418	43,769	64,318	-20,549	6,700	144,568
7-Jan	-1,872	52,063	79,312	-27,249	11,090	157,739
31-Dec	-2,692	49,430	87,769	-38,339	7,825	164,305
24-Dec	-3,195	39,526	85,690	-46,164	414	155,810

NZD — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 100,000 NZD				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	-24	24,085	24,446	-361	1,127	48,651
7-Jan	-99	27,369	28,857	-1,488	3,570	50,802
31-Dec	-341	23,893	28,951	-5,058	2,738	48,744
24-Dec	-517	18,651	26,447	-7,796	421	46,630



Source: Scotiabank FICC Strategy, Bloomberg & CFTC



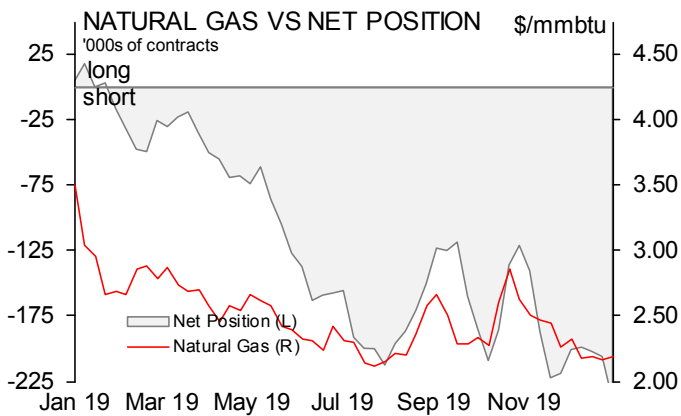
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MXN — NON-COMMERCIAL POSITIONING

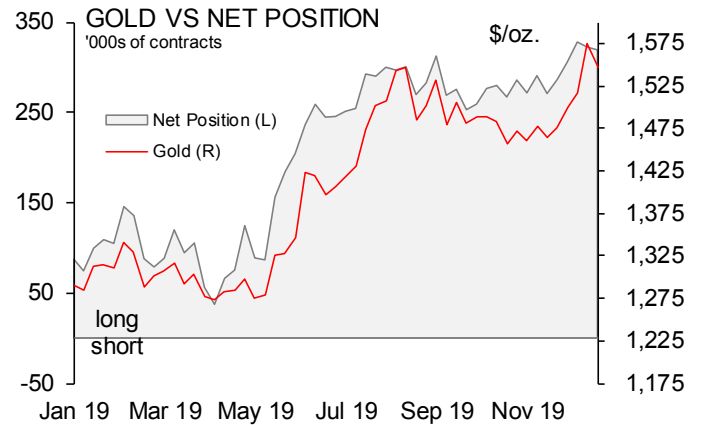
Date	(\$MM)	Position - Contracts of 500,000 MXN				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	4,409	207,127	41,487	165,640	8,322	294,039
7-Jan	4,163	203,580	46,262	157,318	7,052	283,332
31-Dec	3,970	193,069	42,803	150,266	-7,950	277,946
24-Dec	4,170	202,097	43,881	158,216	5,956	274,987

NYMEX Crude — NON-COMMERCIAL POSITIONING

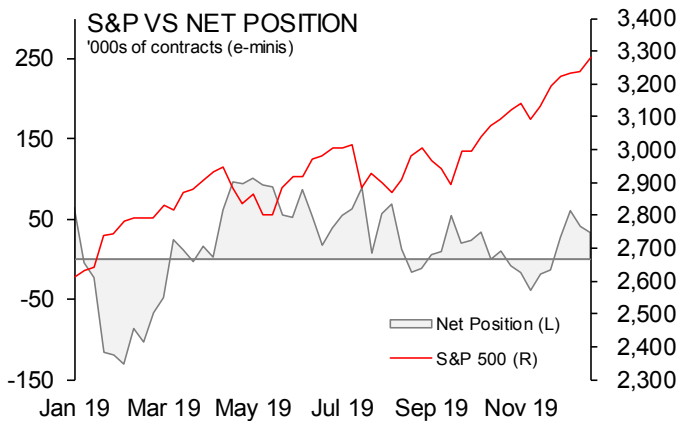
Date	(\$MM)	Position - Contracts of 1000 barrels				Open Int.
	Net	Long	Short	Net	Net w/w	
14-Jan	30,880	610,444	80,132	530,312	-36,960	2,215,893
7-Jan	35,568	639,009	71,737	567,272	12,415	2,244,930
31-Dec	33,880	626,848	71,991	554,857	4,780	2,145,567
24-Dec	33,615	625,302	75,225	550,077	13,700	2,114,661



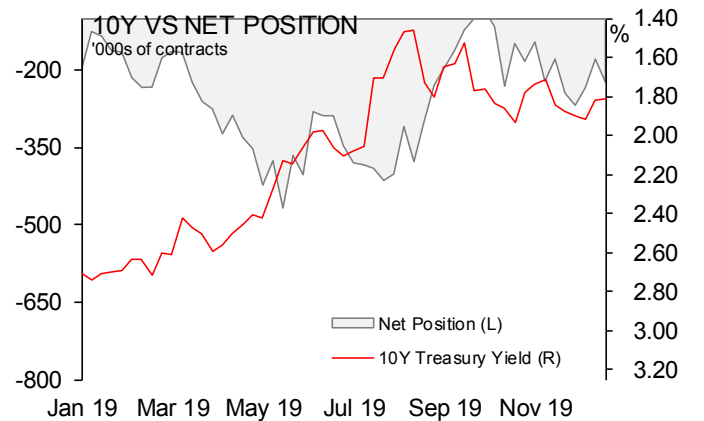
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