

USD Net Short Reaches New High

Data in this report cover up to Tuesday Jan 12 and were released on Friday Jan 15.

- Following the post-New Year lull, CFTC data reflected the largest week-to-week turn against the dollar since early-Aug 2020 with the USD's net short reaching its highest mark on record (in dollar terms) at USD35bn on the back of a USD3.7bn increase in favour of the currencies that we track.
- Net EUR longs rose by USD1.8bn over the week and accounted for roughly half of the week-to-week increase in the net USD short. The EUR's net position jumped mainly due to speculative accounts slashing their EUR gross shorts from 82k contracts to 73k contracts, after the EUR reached its highest point since April 2018 on Jan 6 at ~1.2350; it has declined by over 2% since. Gross longs climbed by 4k contracts.
- Investors also warmed up to the GBP a bit more after the UK reached a trade agreement with the EU, eventually pushing Cable to (and a bit past) the 1.37 mark, building their net GBP long by an additional USD793mn (the second largest move on the week) to USD1.1bn—the biggest bullish bet on the pound since mid-March in USD and in net contract terms.
- AUD sentiment turned bullish in the latest week with a USD727mn bet in its favour to take the Aussie's net position to +USD424mn after ten consecutive weeks of negative bias. As in the case of the EUR, the move mostly reflected a clearing of short contracts against the AUD, which fell from 64k to 55k (gross longs rose by only 712 contracts). Note that the AUD and the MXN are the only currencies among those that we track in this report that are still up against the dollar in the year to date. MXN net positioning was practically unchanged on a USD56mn decline in its net short to USD138mn.
- Speculative accounts are still not too enthused by the CAD's performance as they trimmed the currency's net long by USD197mn to USD950mn; as of mid-Dec, investors still maintained a bearish outlook on the CAD (on the basis of CFTC data, at least).
- The net gold long fell by USD8.8bn as gross longs dropped to their lowest level since mid-Sep, with the week-to-week decline in gold's net bullish bet exacerbated by a ~5% decline in the value of the precious metal.

	Sentiment		USD mns		
	12-Jan	Bias	Trend	Position	w/w chg.
CAD		bullish	neutral	950	-197
EUR		bullish	increasing	23,787	1,806
GBP		bullish	increasing	1,105	793
AUD		neutral	neutral	424	727
NZD		bullish	neutral	1,062	192
MXN		neutral	neutral	-138	56
CHF		bullish	increasing	1,689	355
JPY		bullish	neutral	6,086	-21
Gold		bullish	decreasing	45,669	-8,798
Total USD position ex. Gold				-34,965	-3,711

CAD — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 100,000 CAD			Net w/w	Open Int.
	Net	Long	Short	Net		
12-Jan	950	43,386	-31,313	12,073	2,451	156,675
5-Jan	1,146	41,560	-27,036	14,524	844	156,124
29-Dec	1,199	42,178	-26,810	15,368	-5,283	154,464
22-Dec	781	43,198	-33,113	10,085	-25,801	156,597



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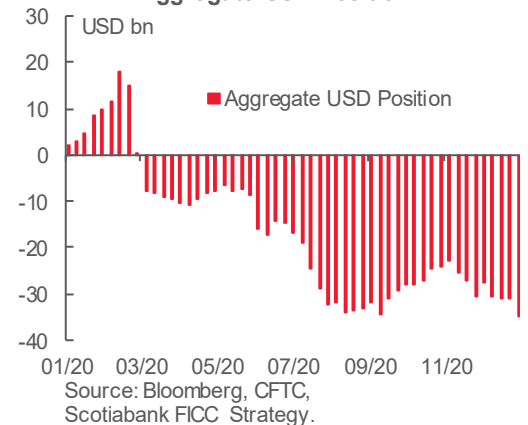
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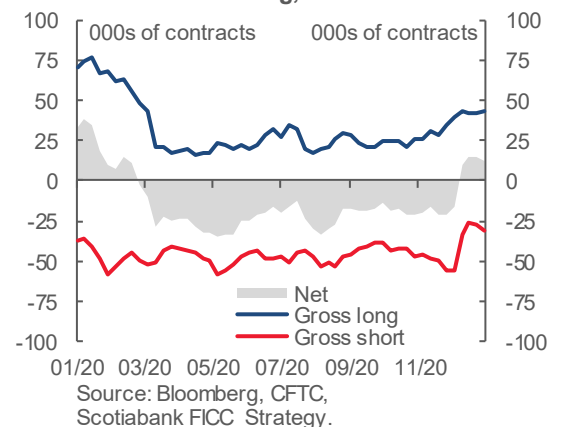
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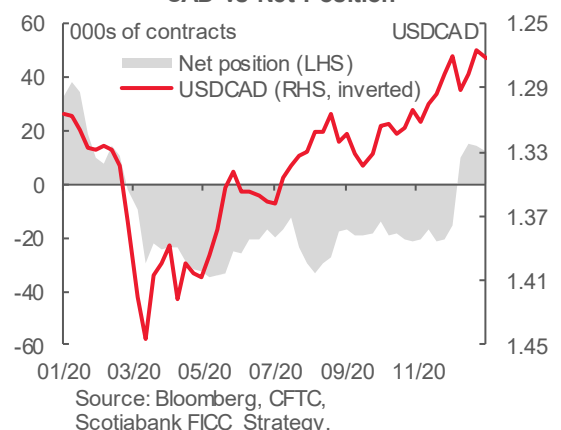
Aggregate USD Position

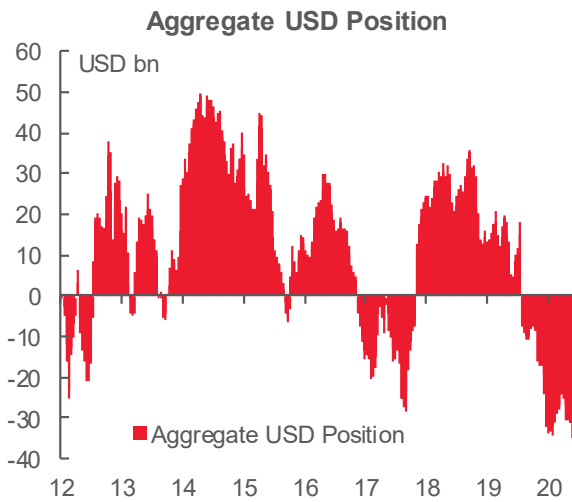


CAD: Gross Long, Short and Net

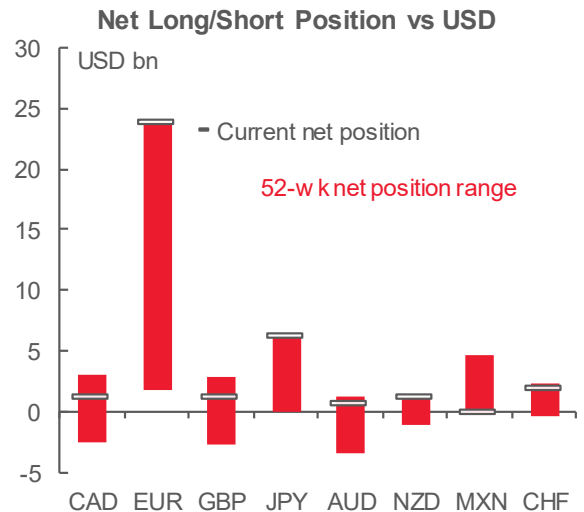


CAD vs Net Position

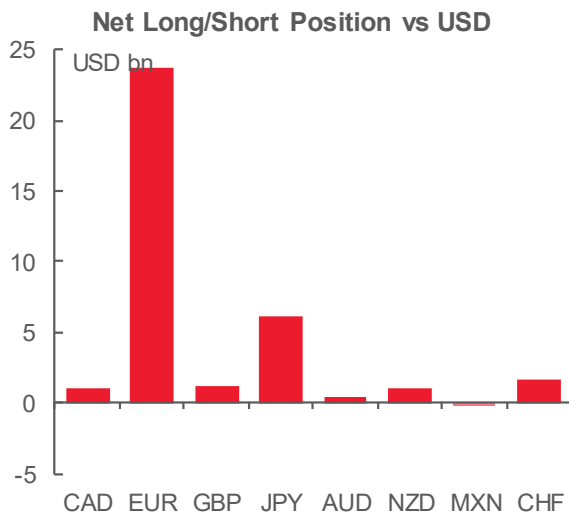




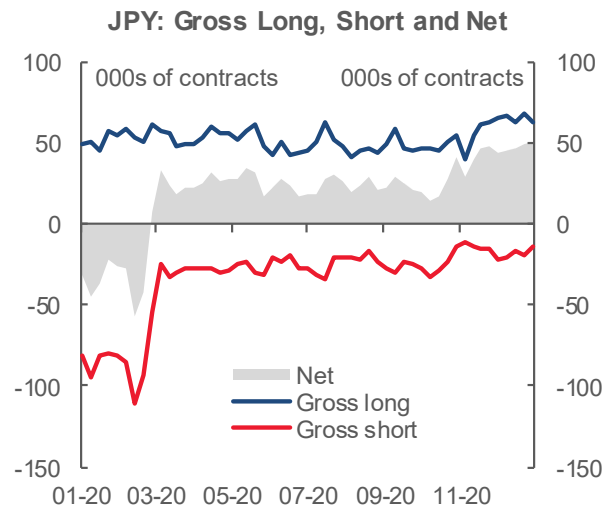
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.



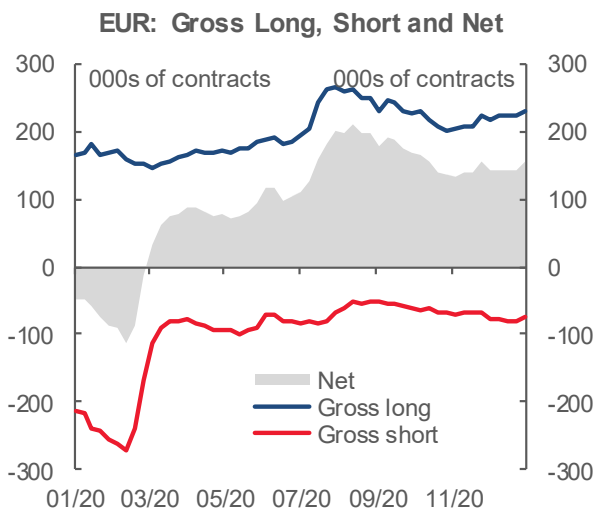
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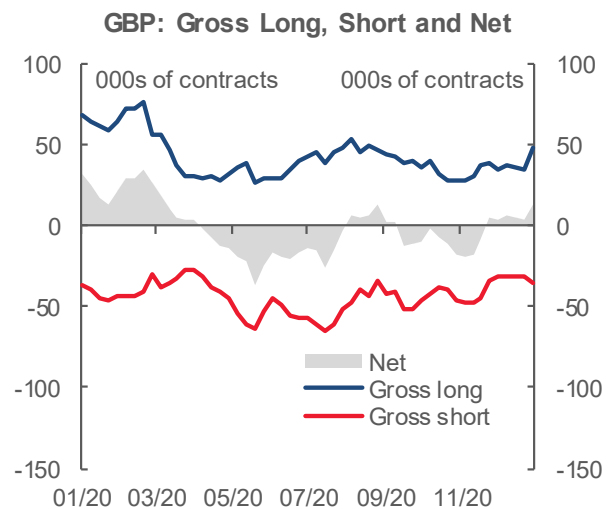
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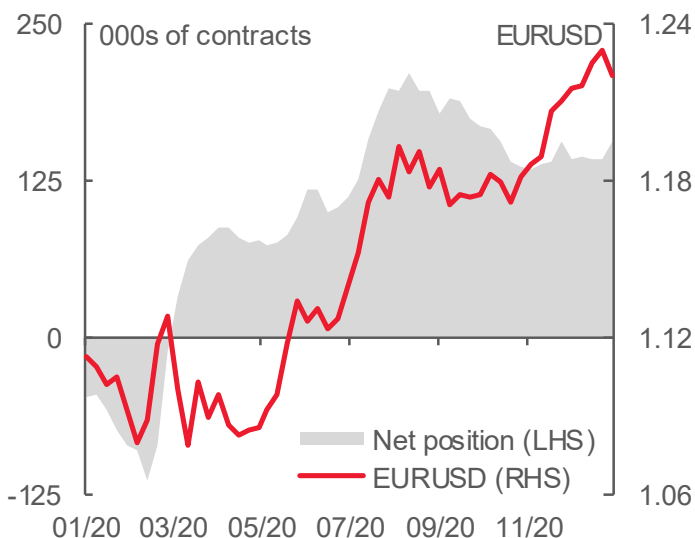


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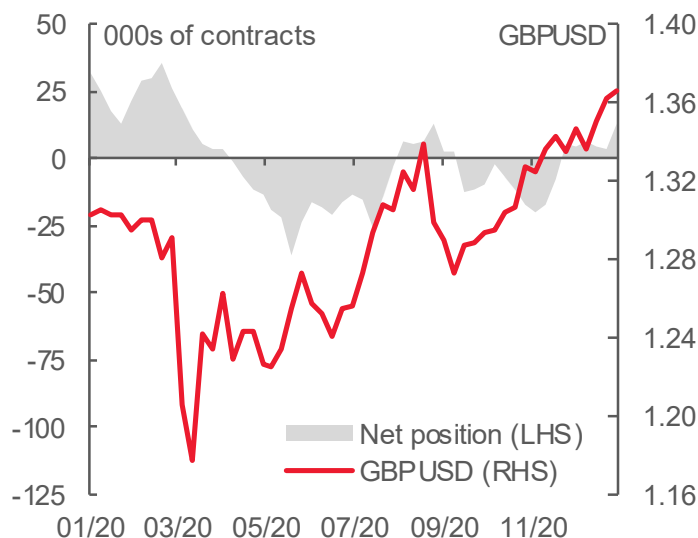
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

EUR vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

GBP vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

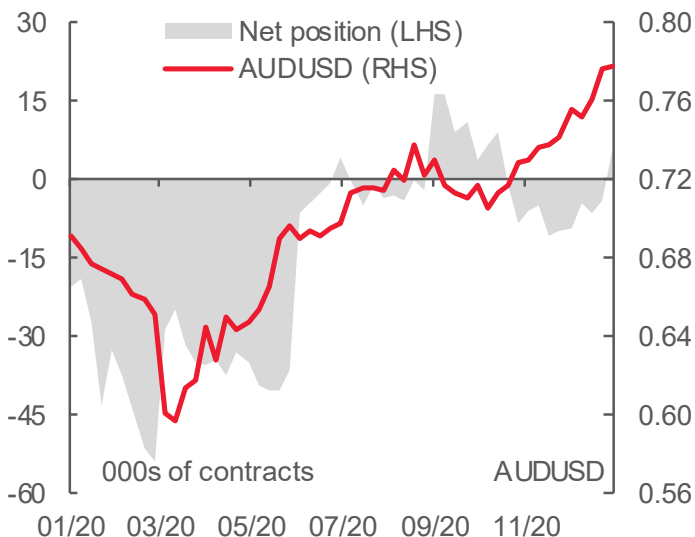
EUR — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 125,000 EUR				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	23,787	228,757	-72,867	155,890	-12,899	677,952
5-Jan	21,981	224,832	-81,841	142,991	85	673,532
29-Dec	21,907	222,848	-79,772	143,076	826	671,643
22-Dec	21,879	222,443	-78,541	143,902	-2,069	659,499

GBP — NON-COMMERCIAL POSITIONING

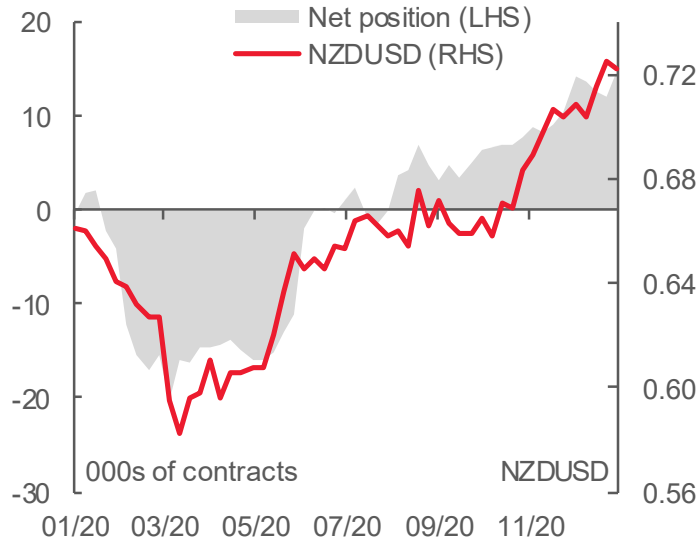
Date	(USD mn)	Position - Contracts of 62,500 GBP				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	1,105	47,935	-34,993	12,942	-9,277	152,924
5-Jan	312	35,526	-31,861	3,665	1,167	143,209
29-Dec	408	35,735	-30,903	4,832	1,200	139,870
22-Dec	504	37,550	-31,518	6,032	-1,964	144,606

AUD vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

NZD vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

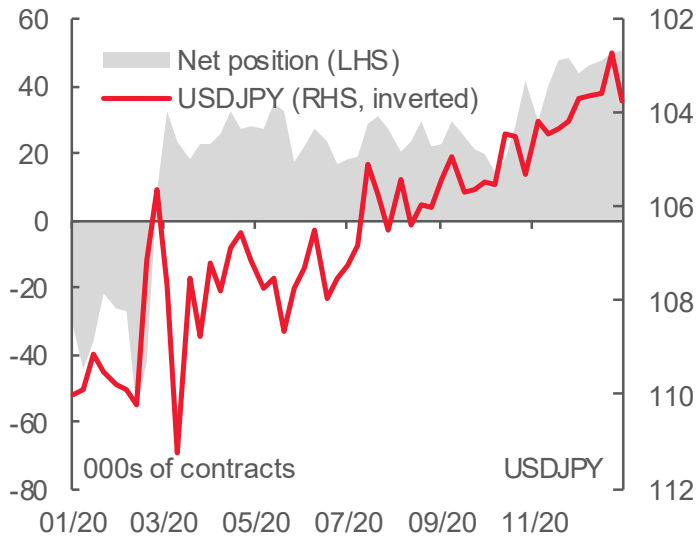
AUD — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 100,000 AUD				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	424	60,450	-54,994	5,456	-9,363	144,614
5-Jan	-303	59,738	-63,645	-3,907	-2,599	146,093
29-Dec	-495	53,827	-60,333	-6,506	2,087	138,309
22-Dec	-332	53,323	-57,742	-4,419	-4,906	136,013

NZD — NON-COMMERCIAL POSITIONING

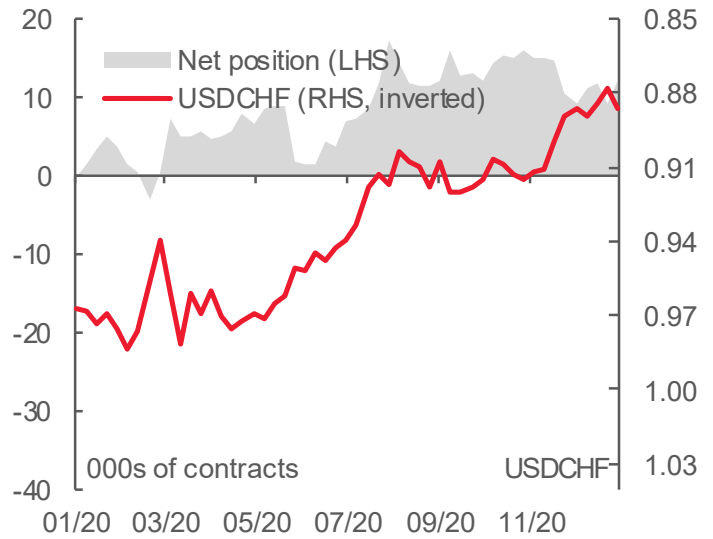
Date	(USD mn)	Position - Contracts of 100,000 NZD				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	1,062	26,131	-11,424	14,707	-2,711	44,757
5-Jan	870	26,552	-14,556	11,996	538	47,194
29-Dec	896	27,839	-15,305	12,534	1,120	47,915
22-Dec	961	28,710	-15,056	13,654	539	48,309

JPY vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

CHF vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

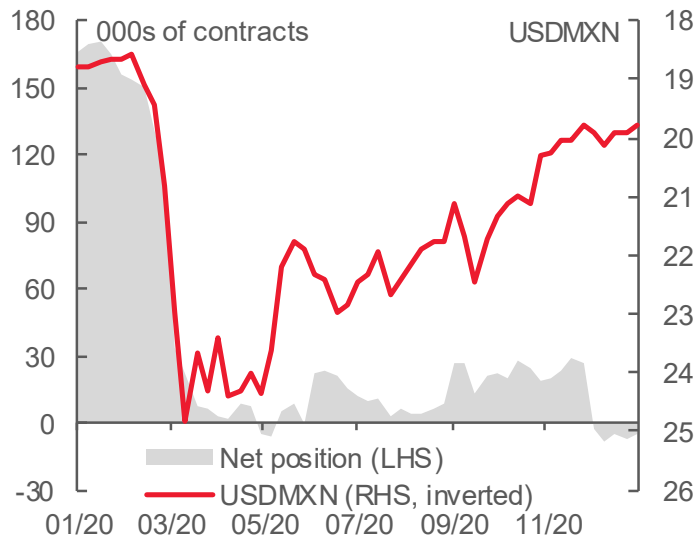
JPY — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 12.5mn JPY				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	6,086	63,857	-13,337	50,520	-330	190,811
5-Jan	6,108	69,163	-18,973	50,190	-2,840	206,963
29-Dec	5,714	63,577	-16,227	47,350	-1,257	194,454
22-Dec	5,559	66,970	-20,877	46,093	-2,130	196,845

CHF — NON-COMMERCIAL POSITIONING

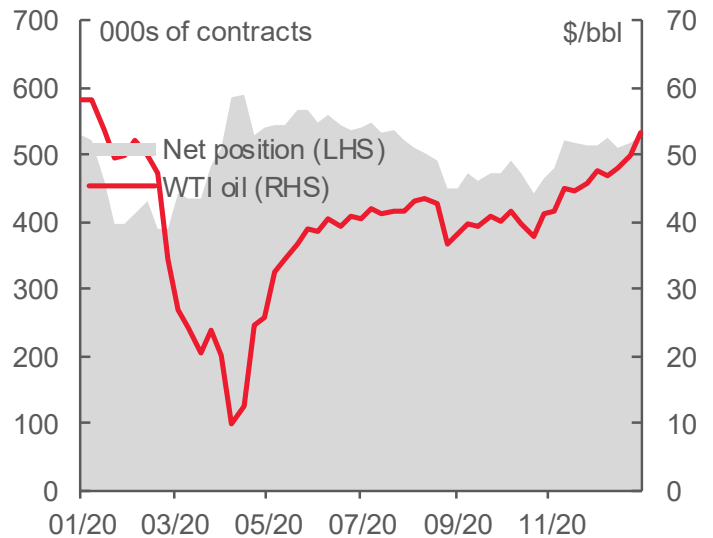
Date	(USD mn)	Position - Contracts of 125,000 CHF				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	1,689	20,421	-8,446	11,975	-2,603	50,164
5-Jan	1,334	17,386	-8,014	9,372	2,415	49,028
29-Dec	1,666	21,496	-9,709	11,787	-543	52,404
22-Dec	1,580	23,286	-12,042	11,244	-1,953	53,305

MXN vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

WTI Oil vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

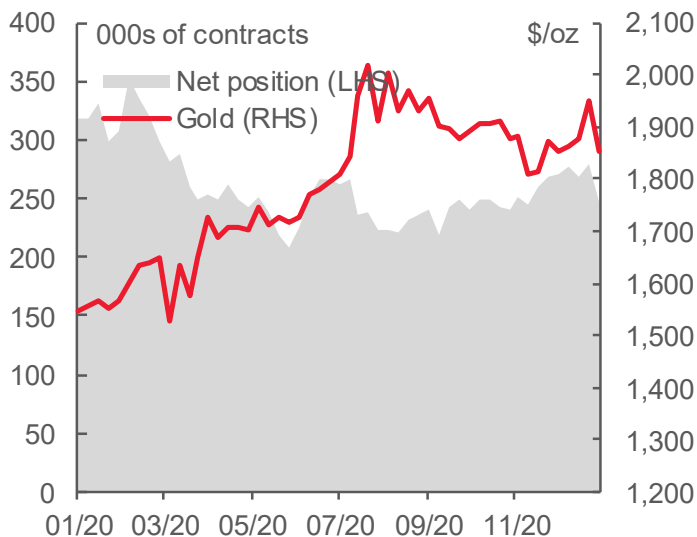
MXN — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 500,000 MXN				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	-138	57,570	-63,022	-5,452	-2,271	151,244
5-Jan	-194	52,578	-60,301	-7,723	2,465	141,291
29-Dec	-132	56,929	-62,187	-5,258	-2,991	142,582
22-Dec	-205	56,598	-64,847	-8,249	5,022	142,814

OIL — NON-COMMERCIAL POSITIONING

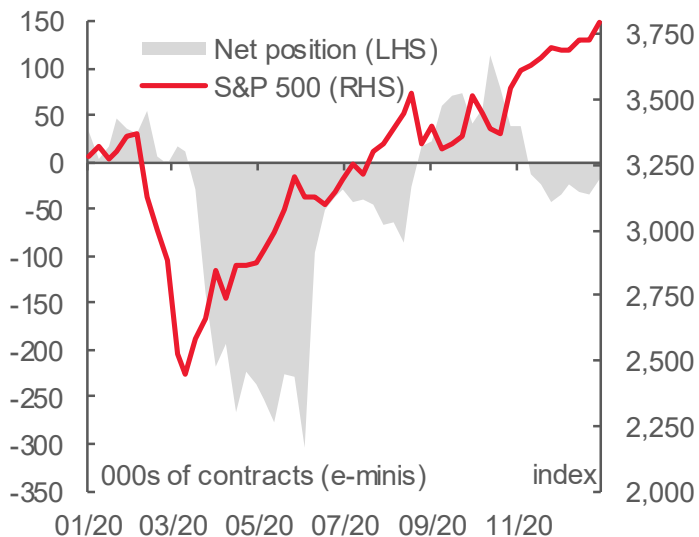
Date	(USD mn)	Position - Contracts of 1,000 barrels				Open Int.
	Net	Long	Short	Net	Net w/w	
12-Jan	28,080	692,315	-164,598	527,717	-9,068	2,234,696
5-Jan	25,896	684,132	-165,483	518,649	-6,918	2,169,541
29-Dec	24,563	655,694	-143,963	511,731	13,971	2,121,502
22-Dec	24,719	665,598	-139,896	525,702	-11,898	2,120,797

Gold vs Net Position



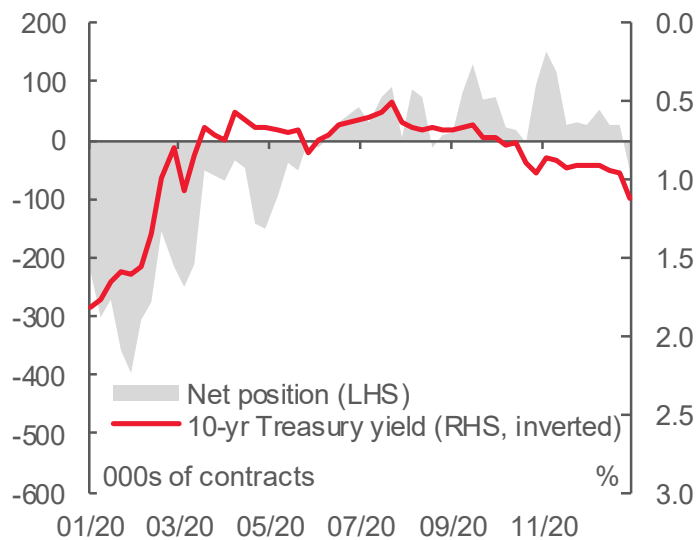
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

S&P 500 vs Net Position



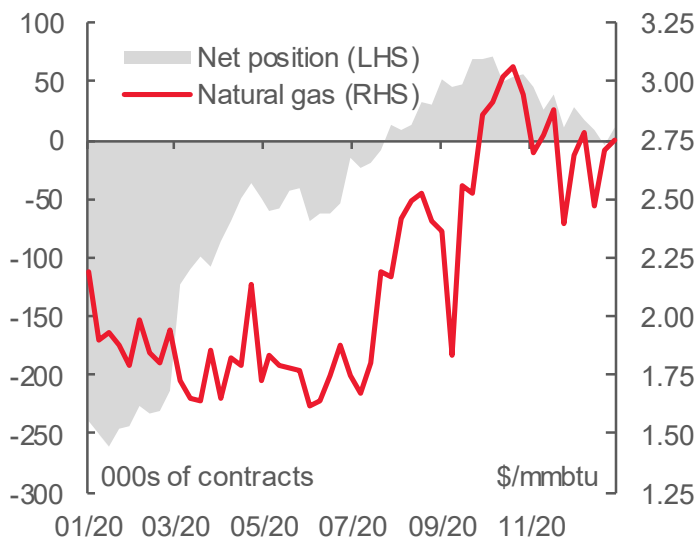
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

10-yr UST vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

Natural Gas vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

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