

Bullish JPY Sentiment Strengthens

Data in this report cover up to Tuesday Jan 5 and were released on Friday Jan 8.

- CFTC data covering the New Year period reflect little change in overall FX sentiment—as one might expect, given the holidays. Aggregate positioning shows little significant change for a third consecutive week, in fact, with the well-established net short USD position increasing a bare USD91mn this week to remain near USD31bn.
- While the EUR remains the largest play against the USD (net EUR longs rose USD75mn to USD21.98bn in the latest week), net JPY longs continue to nudge higher and the USD393mn increase in net JPY longs through Tuesday represents the biggest positioning shift among the major currencies we cover in this report. In fact, the net long of USD6.1bn (equating to a little more than 50k net in contract terms) is the biggest bullish bet on the JPY since late 2016. Net CHF longs remain subdued in broad terms (USD1.3bn in total net exposure) but were pared back USD333mn this week, the second-largest move on the week.
- Speculative sentiment finally responded to the steady improvement in the CAD in recent months in late December and while bullish sentiment remains intact, net CAD longs were trimmed a slight USD53mn over the New Year period as gross CAD longs were pared back. Net AUD shorts were reduced USD192mn in the week, leaving exposure near neutral at just USD303mn. Net NZD longs (USD826mn) were cut a very modest USD26mn.
- Elsewhere, neutral sentiment on the MXN persists—despite the peso’s steady gains in recent months—with net MXN shorts increasing a bare USD62mn to a very modest USD192mn. GBP sentiment looks equally flat; modest net GBP longs were trimmed USD96mn to just USD312mn. Beyond the Major currencies, net gold longs rose nearly USD4bn through early January to reach USD54.4bn—the biggest bull bet since March.

	Sentiment		USD mns		
	5-Jan	Bias	Trend	Position	w/w chg.
CAD	bullish	neutral	1,146	-53	
EUR	bullish	neutral	21,981	75	
GBP	neutral	neutral	312	-96	
AUD	neutral	neutral	-303	192	
NZD	bullish	neutral	870	-26	
MXN	neutral	neutral	-194	-62	
CHF	bullish	decreasing	1,334	-333	
JPY	bullish	increasing	6,108	393	
Gold	bullish	increasing	54,467	3,968	
Total USD position ex. Gold			-31,254	-91	

CAD — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 100,000 CAD				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	-1,237	39,856	-55,572	-15,716	-5,022	196,230



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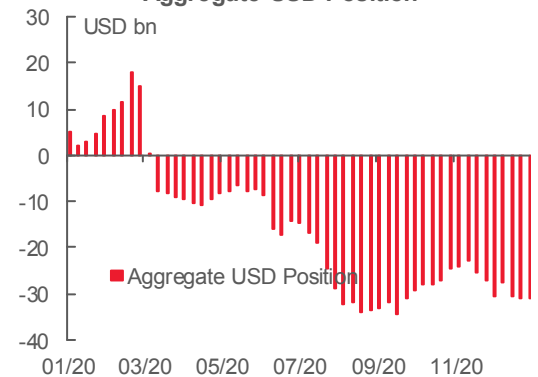
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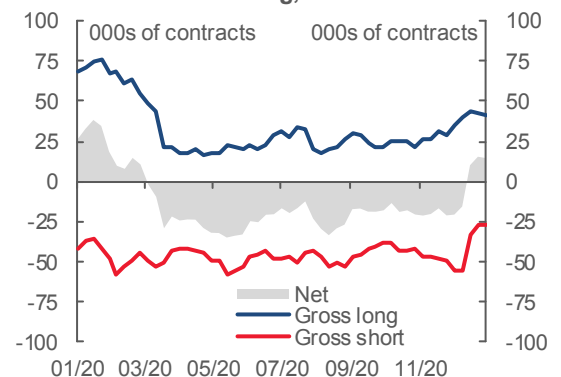
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Aggregate USD Position



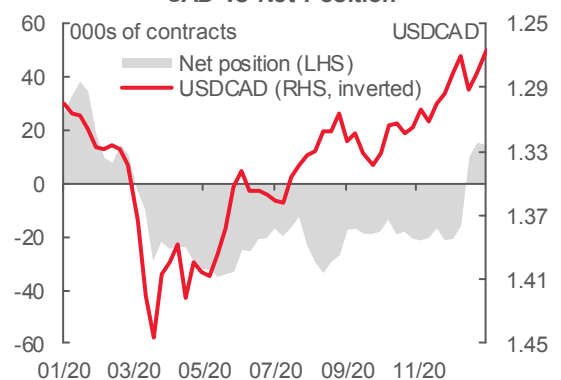
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

CAD: Gross Long, Short and Net

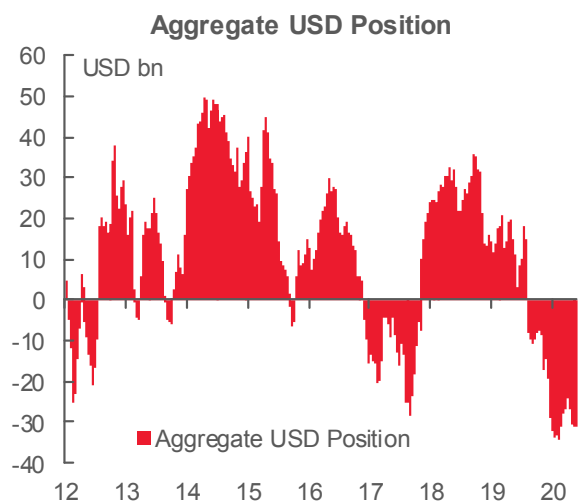


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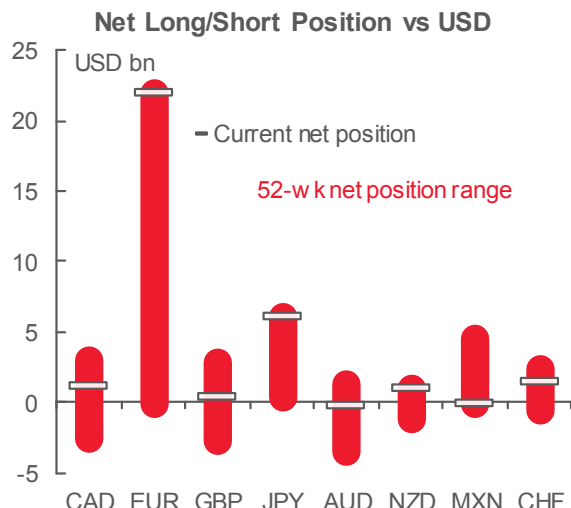
CAD vs Net Position



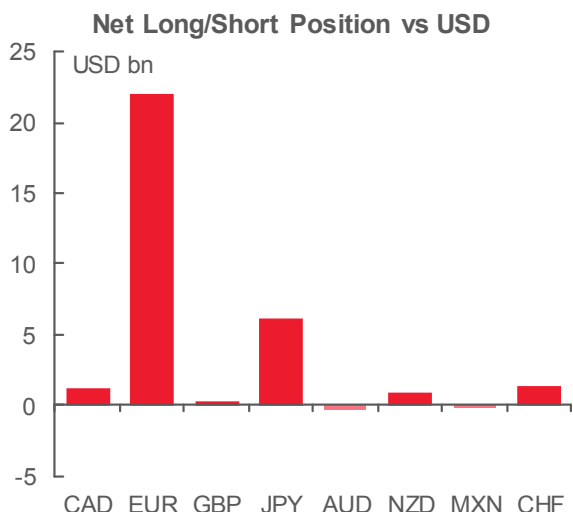
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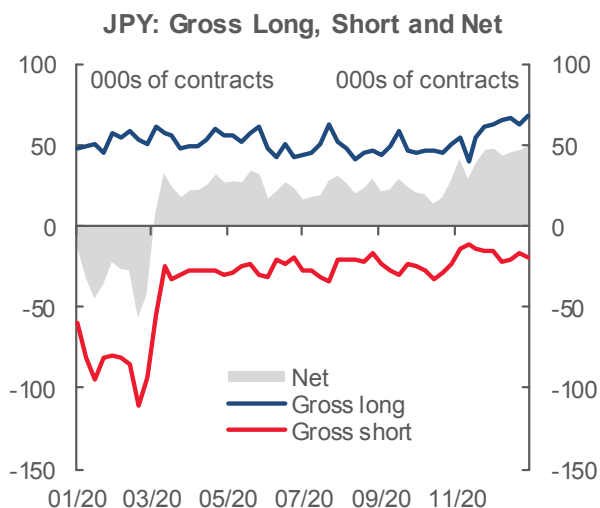
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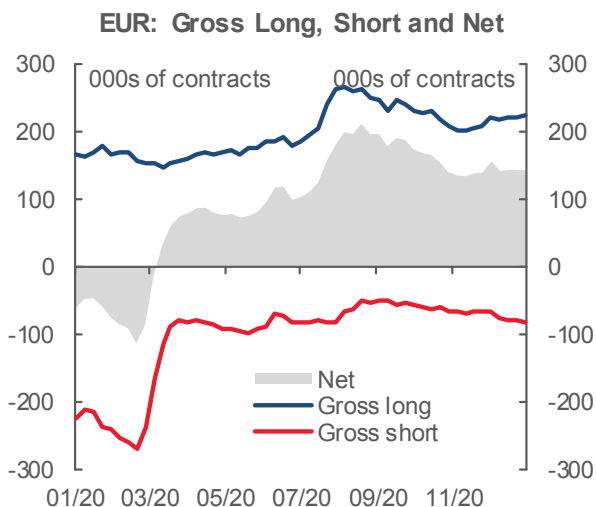
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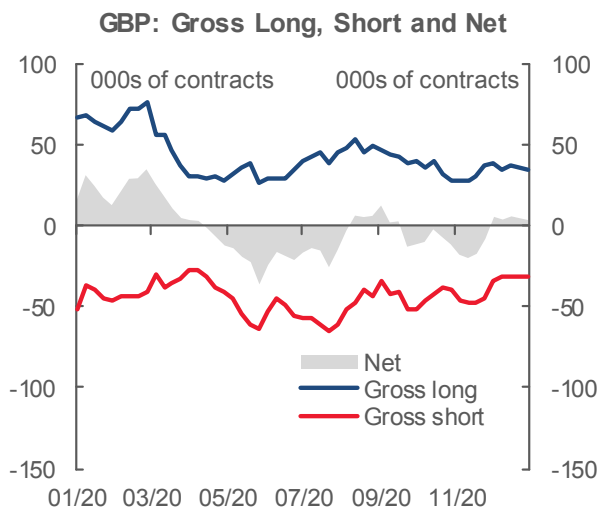
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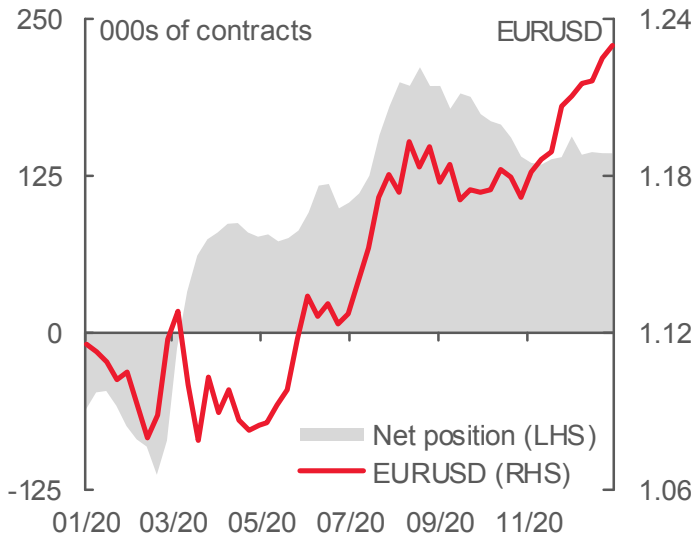


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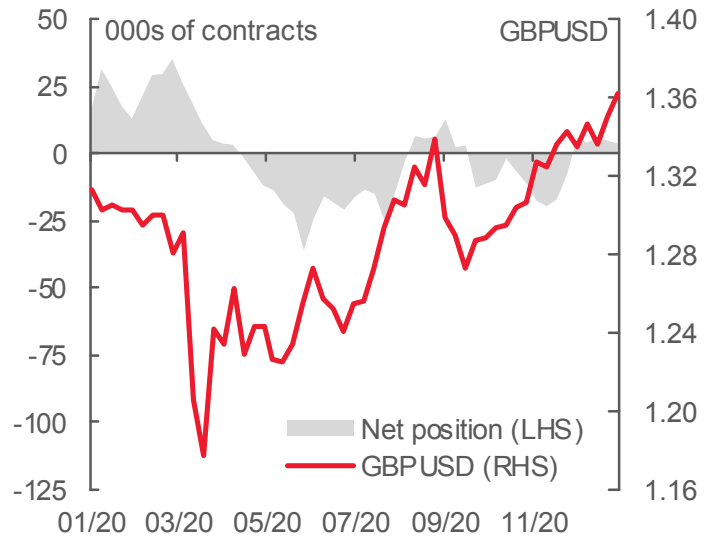
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

EUR vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

GBP vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

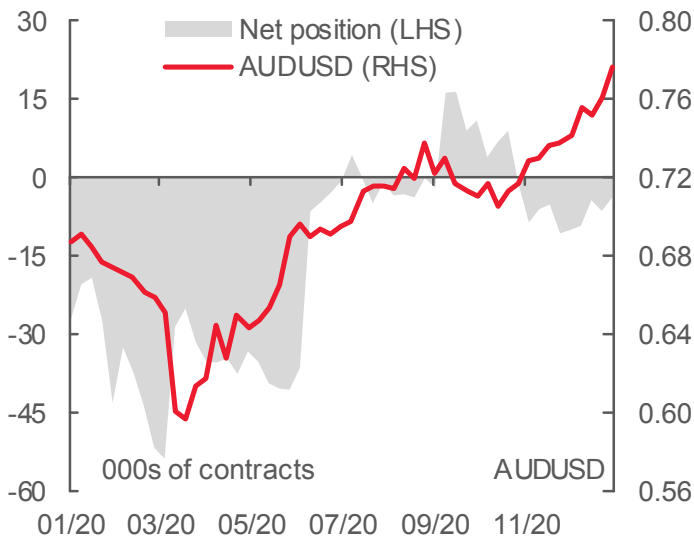
EUR — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 125,000 EUR				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	21,543	218,710	-76,877	141,833	14,596	657,046

GBP — NON-COMMERCIAL POSITIONING

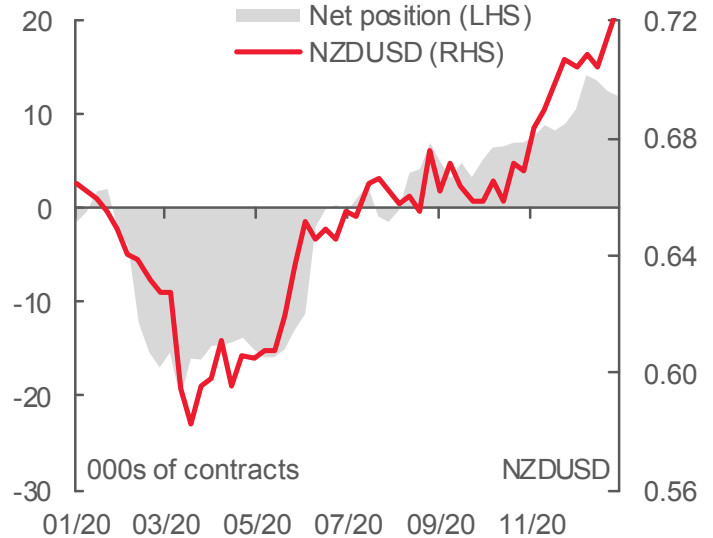
Date	(USD mn)	Position - Contracts of 62,500 GBP				Open Int.
	Net	Long	Short	Net	Net w/w	
5-Jan	312	35,526	-31,861	3,665	1,167	143,209
29-Dec	408	35,735	-30,903	4,832	1,200	139,870
22-Dec	504	37,550	-31,518	6,032	-1,964	144,606
15-Dec	342	35,128	-31,060	4,068	1,642	142,242

AUD vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

NZD vs Net Position



Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

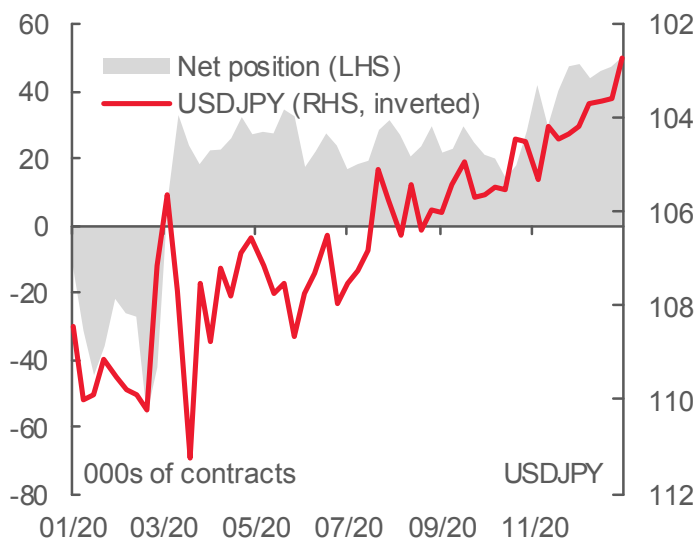
AUD — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 100,000 AUD				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	-705	45,786	-55,111	-9,325	-782	127,016

NZD — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 100,000 NZD				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	1,006	28,739	-14,546	14,193	-3,643	47,402

JPY vs Net Position

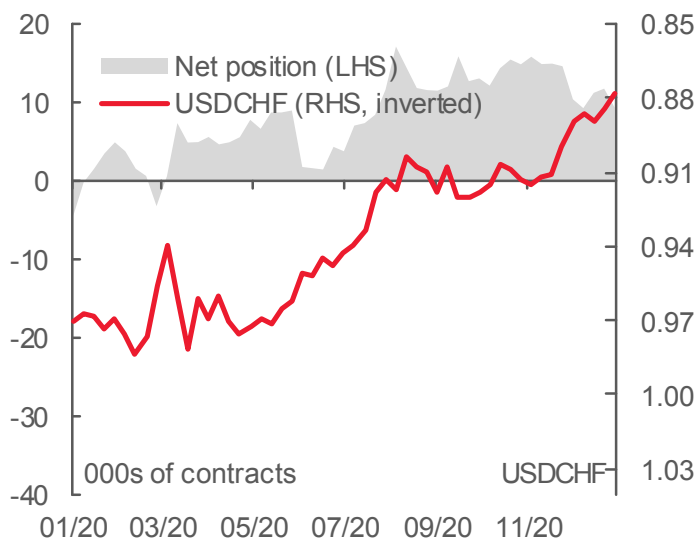


Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

JPY — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 12.5mn JPY				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	5,301	65,376	-21,413	43,963	4,203	193,317

CHF vs Net Position

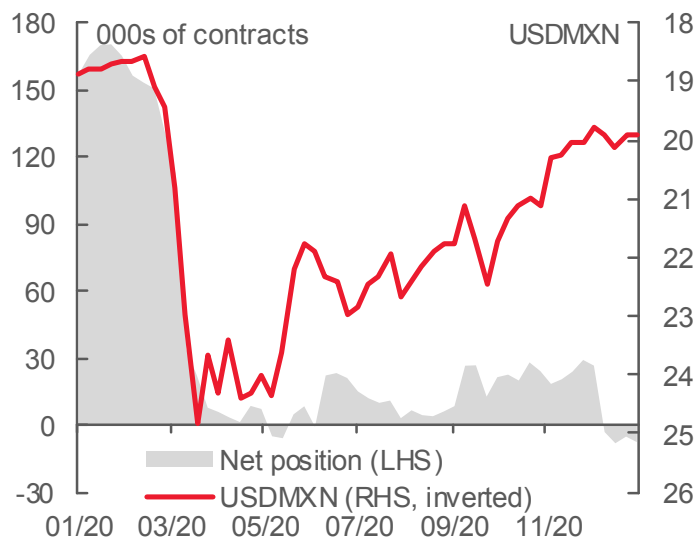


Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

CHF — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 125,000 CHF				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	1,311	17,177	-7,886	9,291	1,132	48,913

MXN vs Net Position

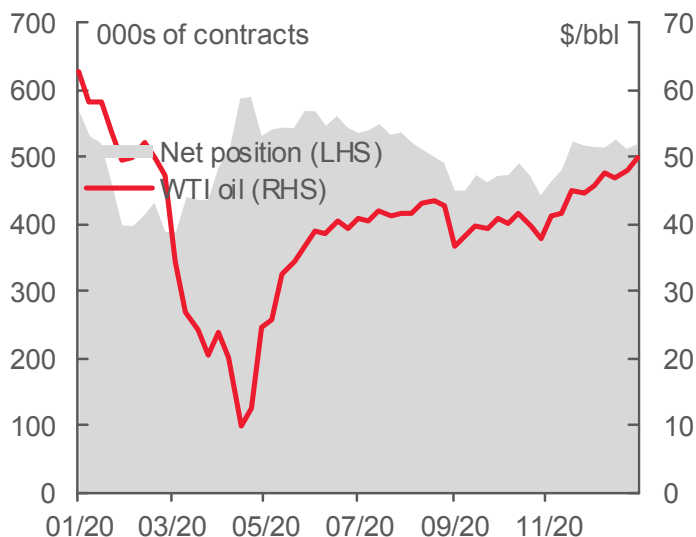


Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

MXN — NON-COMMERCIAL POSITIONING

Date	(USD mn)	Position - Contracts of 500,000 MXN				Open Int.
	Net	Long	Short	Net	Net w/w	
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
15-Dec	-81	62,335	-65,562	-3,227	29,749	142,913

WTI Oil vs Net Position

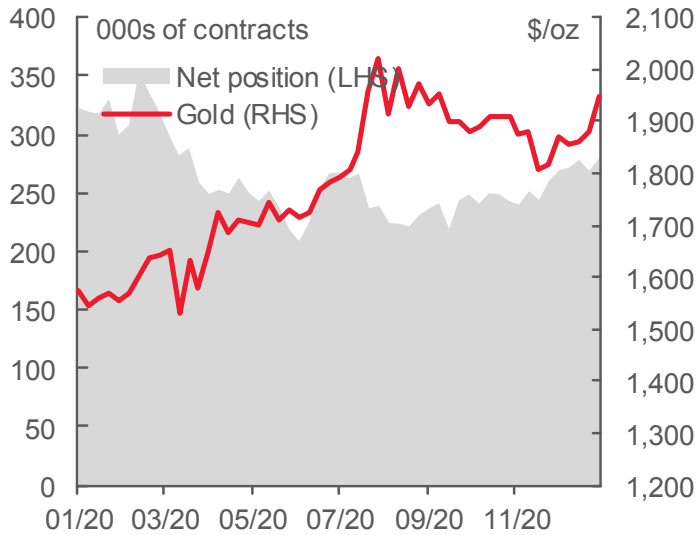


Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

OIL — NON-COMMERCIAL POSITIONING

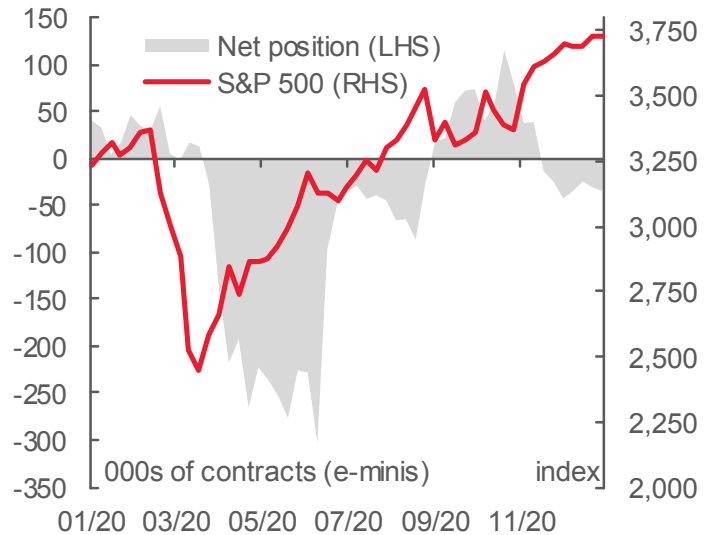
Date	(USD mn)	Position - Contracts of 1,000 barrels				Open Int.
	Net	Long	Short	Net	Net w/w	
5-Jan	25,896	684,132	-165,483	518,649	-6,918	2,169,541
29-Dec	24,563	655,694	-143,963	511,731	13,971	2,121,502
22-Dec	24,719	665,598	-139,896	525,702	-11,898	2,120,797
15-Dec	24,467	664,557	-150,753	513,804	825	2,154,618

Gold vs Net Position



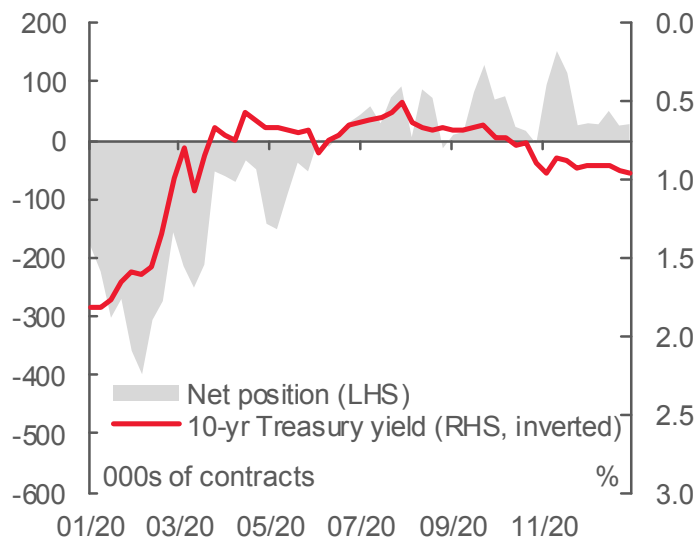
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

S&P 500 vs Net Position



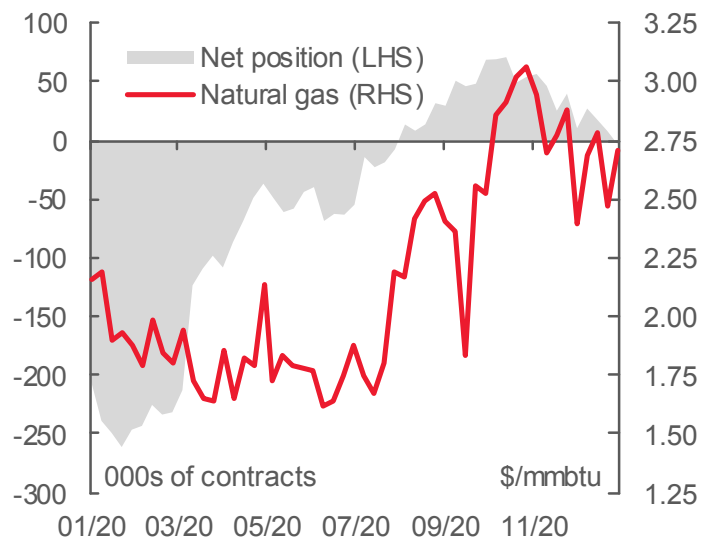
Source: Bloomberg, CFTC, Scotiabank FICC Strategy.

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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