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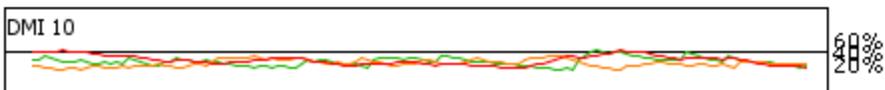
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Overview

- USDCAD decline runs out of momentum below 1.28.
- EURCAD rebounds from 1.30 again but undertone remains weak.
- GBPCAD shows signs of technical strength, may extend higher.
- CADMXN holds broader range trade as 16 zone continues to cap.
- AUDCAD rally stalls above 0.90, risks returning to former range.
- CADJPY slide finds strong support at 101.70.

USDCAD

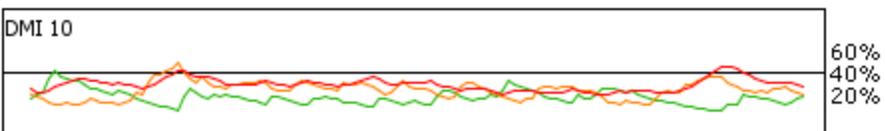
USDCAD's run lower in the second half of July is running out of momentum after the USD stabilized around the 61.8% Fib retracement of the Jun/Jul run rally at 1.2790. The sharp squeeze higher in the USD over the long weekend in Canada has drawn a line under the USD slide for now but it is not obvious that the USD rebound can extend much further at this point. The 40-day MA resistance (1.2910) remains intact at writing and shorter-term trend signals are weak or neutral. Rather, we look for more sideways range trading in the USD and still view USD rebounds to the mid/upper 1.28s as a USD-selling opportunity while the 40-day MA holds. USD gains may stretch to the mid/upper 1.29s above there, with weak and generally flat trend strength indicators making for a low-conviction backdrop about where USD gains will peak for the moment. Support is 1.2790/00 and 1.2770, where the USD based on Monday.



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EURCAD

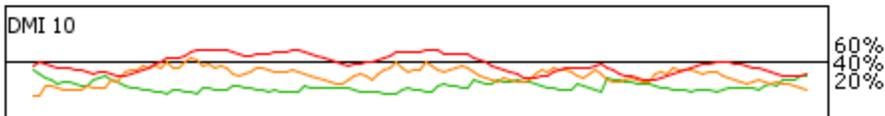
EURCAD's probing of the 1.30 point—effectively a retest of the Apr 2015 spike low—has persisted through Jul and, with only a modest rebound in the cross evident at this point and the broader downtrend in the EUR still the salient feature of the daily chart, it is hard to conclude that there is a durable base for the EUR in development. Trend signals have moderated across the short-term studies but the weekly and monthly DMI oscillators remain deeply bearish, suggesting the bar to a clear rebound is very high at this point. EURCAD strength above 1.3290, the high point between the two tests of 1.30, could trigger a push to 1.36 or so but a move through the mid-year highs above 1.3750 is needed to signal a more sustainable rebound, absent more positive EUR price action at this point.



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GBPCAD

02/02/2022 - 02/08/2022 Daily FX/Spot/TM/GBPCAD 22/22 Hi: 1.7377 Lo: 1.5353 **1.5713**

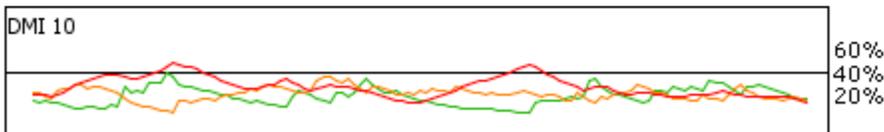


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GBPCAD is showing some tangible signs of strength from a short-term point of view, at least. Since noting that the GBP was oversold last month, the cross has traded higher for two consecutive weeks and is embarking on a third so far this week. The rebound from the mid-1.53 zone (now key support) looks technically bullish on the weekly chart, albeit in weak form only (“morning star” signal), but the pound is pressuring the Q2 downtrend at 1.5665—now short-term support. The “rounded” nature of the low that has developed through Jul may be a sign of a more durable based in development. These sorts of patterns are sometimes followed by a brief, counter-trend consolidation before the rebound accelerates (cup & handle formation), possibly to 1.58+. We note that the daily DMI oscillator is oriented more GBP-bullish than it has been in months, supporting rebound prospects.

CADMXN

02/02/2022 - 02/08/2022 Daily FX/Spot/TM/CADMXN Hi: 16.734 Lo: 15.318 **15.913**

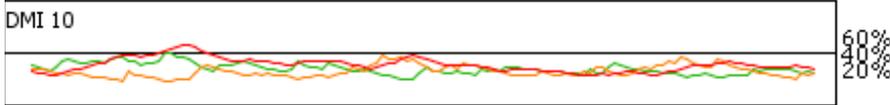


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CADMXN continues to trade below resistance around the 16 zone which has held the CAD rebound since Jun, with the help of the 200-day MA. Trend oscillators are flat and weakening (daily DMI), suggesting more sideways chop ahead in the short run at least. Having tested the topside of the range in the past couple of months and no sign of a break higher, we look for the CAD to soften up somewhat from here to retest the low/mid 15 zone.

AUDCAD

01/02/2022 - 02/08/2022 Daily FX/Spot/TM/AUDCAD Hi: 0.9515 Lo: 0.8739 **0.8942**

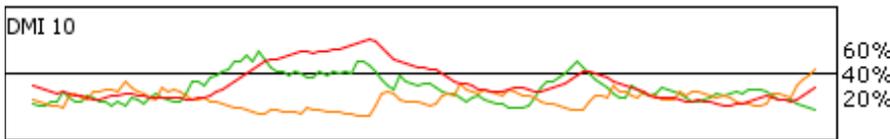


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AUDCAD is struggling to reach the full potential of the noted double bottom formation (which targeted a measured move gain to the 0.9070 area). The AUD rally picked up speed Monday to reach the 0.9030 area, only for heavy losses to effectively reverse—and potentially cap—the AUD recovery so far today. A low close on the session, which looks very likely at this stage, will form a bearish outside range signal, putting renewed focus on support in the low 0.89s (40-day MA at 0.8920 and the double bottom neckline at 0.8910). AUD losses below this point dumps the cross back into the early July range.

CADJPY

02/02/2022 - 02/08/2022 Daily FX/Spot/TM/CADJPY 22/22 Hi: 107.64 Lo: 89.250 **102.84**



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CADJPY has dropped sharply over the past two weeks, breaking trend and key MA support, to retest the mid-Jun low and key support (double top trigger) at 101.70 after the successive test of the low 107s. However, the price action looks bullish CAD/bearish JPY so far on the session, with the cross' rally off the intraday low forming a bullish doji at writing, pointing to a further snap higher (assuming the CAD closes out the session around or a little better than current levels). We spot initial resistance (minor) at 103.60/70 ahead of 105.00/10 and (major) 107.65.

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