

- USDCAD grinding higher, testing resistance near 1.2575.
- EURCAD capped above 1.48. Longer run charts remain bearish.
- GBPCAD softer but broader structure remains bullish.
- CADMXN rally stalls, near-term risks tilt lower on exhaustion.
- AUDCAD little changed but well capped below 0.99. Neutral.
- CADJPY reverses Monday's weakness but undertone still soft.

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USDCAD retains a positive undertone on the shorter-term charts and studies but is still facing some headwinds against advancing on the longer run charts. The grind higher in funds over the past few days is meeting significant selling interest in the mid 1.25s at present but the bar to a further advance seems fairly low, with last week's peak (1.2560) and minor trend resistance at 1.2576 currently the only near-term caps on the USD bounce extending. Support is fairly distant and at 1.2425 still. A clear push through the upper 1.25s will open up the upside for more corrective price action into Q4, with gains to the 1.27/1.28 region possibly on the cards. Technical factors are tilting more bullish above 1.2560/75.



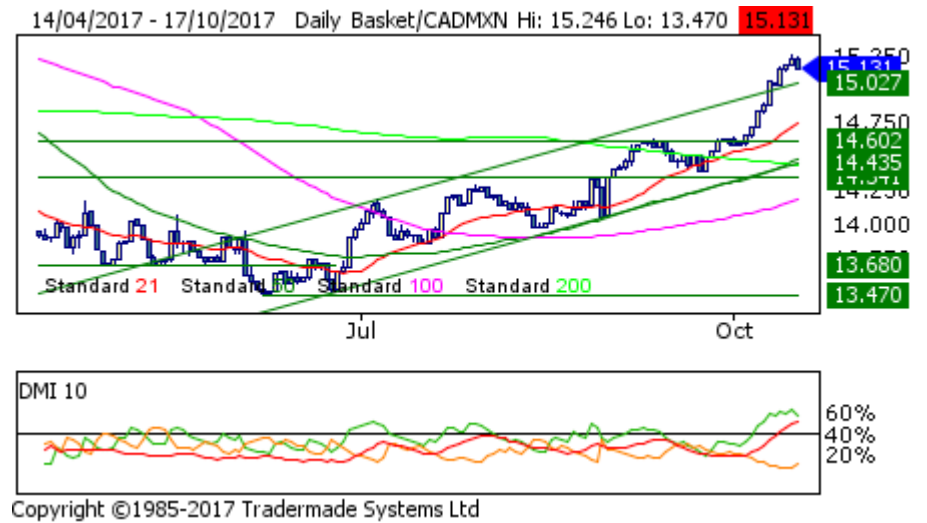
EURCAD has struggled to extend gains in the past week, with the cross well capped in the low 1.48 area—and strongly policed by former trend support (now resistance) at 1.4882 today still. Another failure/rejection above 1.48 in the past 24 hours leaves the short term chart showing three significant peaks/reversals on the intraday chart over the week. Price reversals have been signaled by quite aggressive sell offs, which support the idea of a firm top in place now. Intraday charts show a possible double top forming now (downside break under 1.4702 would imply a downside move of 120 pips over the next 3-5 days). We retain a bearish longer run perspective of the outlook for EURCAD following longer run reversals seen in the past few months (notably Jun's key month reversal). We prefer to look for opportunities to sell.



GBPCAD is trading a little lower today but GBP's bounce from support in the low 1.63 area remains intact following Thursday's outside range day signal (bullish). We continue to highlight the developing (potential) bullish, inverse H&S formation on the daily chart, which implies around 10 big figures' worth of upside potential in the cross in the event of a push above 1.6807. This formation is in keeping with the constructive, longer-term signals noted here recently (bullish key month reversal that developed in Sep). Monitor for now but we look for opportunities to buy GBP weakness.



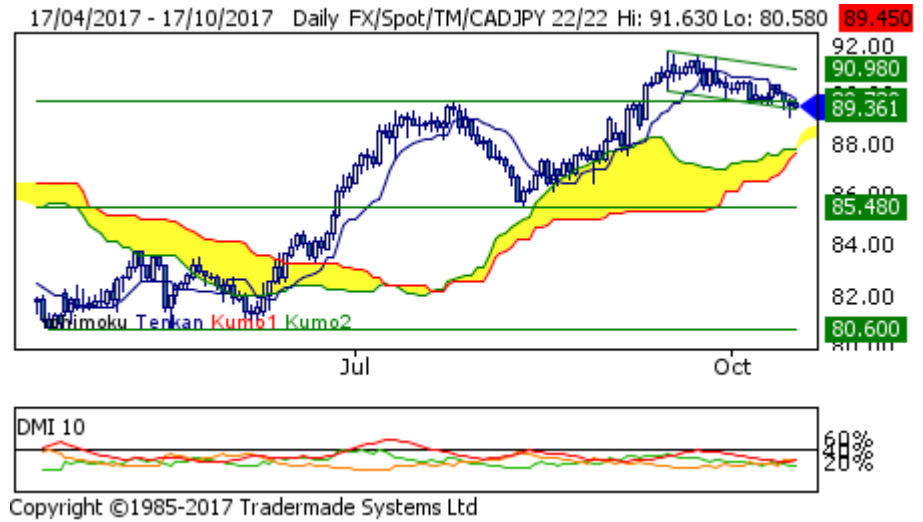
CADMXN appears vulnerable, with the CAD struggling to maintain gains above 15.20 following Monday's short-lived rally to a fresh multi-month high. Daily momentum signals are overbought and showing signs of exhaustion. Trend strength indicators are also suggestive of a shift in the balance of risk. Shorter-term (hourly) signals have already turned and argue for near-term weakness toward 15.00.



AUDCAD is little changed on the day after trading to, but failing to break, 0.9870 three times since Friday. The daily chart looks negative, with Monday's price action forming a bearish shooting star candle. While there is no net change in the cross to note so far today, the shorter term undertone for the market still looks quite soft, with the cross slipping to test the early Oct high at 0.9815. Shorter-term price signals look negative and suggest a peak may be developing (bearish under 0.9815 at the moment). Technically, signals here are mixed—bullish longer run price action, weak trend signals and bearish short term price signals. All in, this suggests the recent 0.97/0.99 range will continue.



CADJPY pressured support in the upper 89 area yesterday but closed net higher on the day and appears to have formed an important, short term low (via a daily bull hammer signal). We had thought that losses yesterday would spell more weakness for the cross but the CAD remains resilient and we note that broader signals (cloud charts) remain bullishly aligned while longer run trend strength signals are still constructive. Downside risks remain, considering the recent drift in the market, while the CAD remains below last week's 90.35 high. Recall that seasonal trends generally favour JPY under-performing in Q4. Remain neutral for now.



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