

Bearish USD Bets Pared Back on EUR, GBP Positioning

Data cover up to Tuesday October 17th & were released Friday October 20.

- IMM data for the week through Tuesday Oct 17th reflected much reduced bearish USD sentiment, with the total, aggregate bet against the big dollar against expressed via the major currencies cut back by a little less than USD3bn. The overall USD bear bet remains elevated but is back to levels prevailing in late August.

- For the most part, however, positioning changes were concentrated in just a few currency contracts. Net EUR longs were cut by USD1.1bn to USD13.3bn in the week while net GBP longs were reduced by USD864mn to just USD416mn—or net 5k contracts—virtually flat. These changes account for around 2/3 of the USD short-covering price action. The next most significant positioning change was a reduction in net AUD longs by a little more than USD500mn.

- Elsewhere, investors largely sat in their hands on the week. Net CAD longs fell by just over USD100mn as gross longs drift lower and gross CAD shorts were trimmed further. Gross CAD short positioning is the smallest since June 2016. Net long MXN positioning dropped by USD 306mn this week, reflecting renewed worries about NAFTA weighing on the peso. Net JPY positioning was virtually unchanged on the week and positioning changes in the CHF and NZD amounted to less that USD100mn.

17-Oct	Sentiment		\$mns	
	Bias	Trend	Position	w/w chg.
CAD	bullish	neutral	5,996	-108
AUD	bullish	decreasing	4,849	-532
NZD	bullish	neutral	500	95
MXN	bullish	decreasing	1,891	-306
EUR	bullish	decreasing	13,303	-1,173
GBP	neutral	neutral	416	-864
CHF	bearish	neutral	-630	-84
JPY	bearish	neutral	-11,284	-10
Gold	bullish	neutral	25,795	20
Total USD pos'n (excl. gold)			-15,042	2,982

CAD — NON-COMMERCIAL POSITIONING

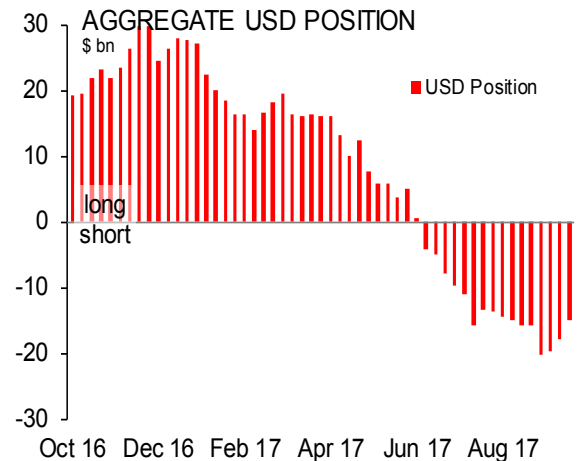
Date	(\$MM)	Position - Contracts of 100,000 CAD				
		Net	Long	Short	Net	Net w/w
17-Oct	5,996	94,507	19,421	75,086	-1,306	174,347
10-Oct	6,104	97,068	20,676	76,392	1,264	175,817
3-Oct	6,016	97,204	22,076	75,128	523	177,263
26-Sep	6,041	102,688	28,083	74,605	15,759	181,913



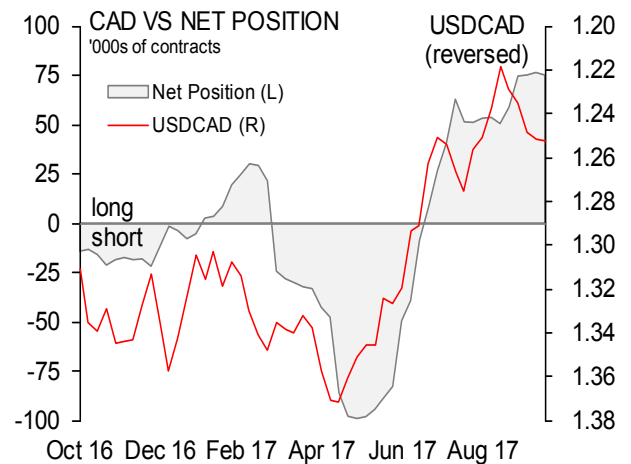
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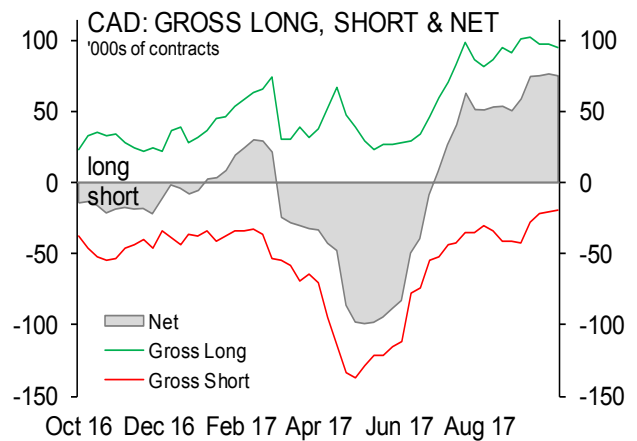
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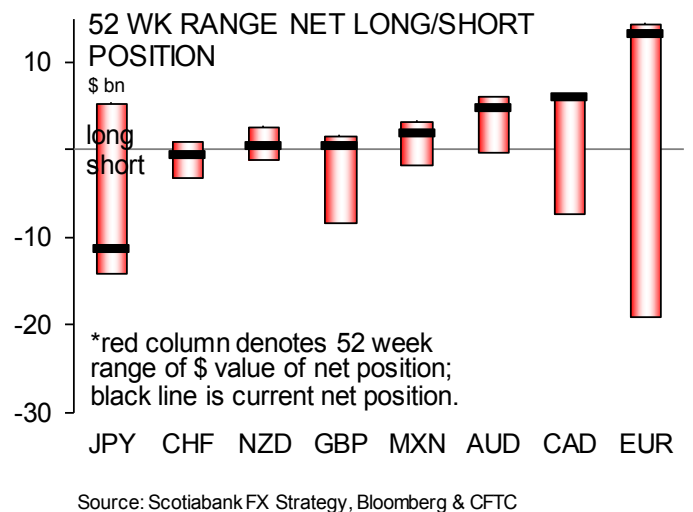
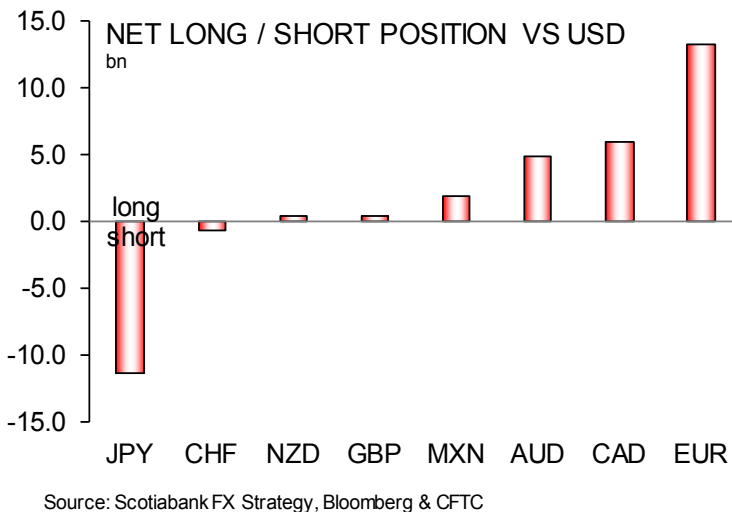
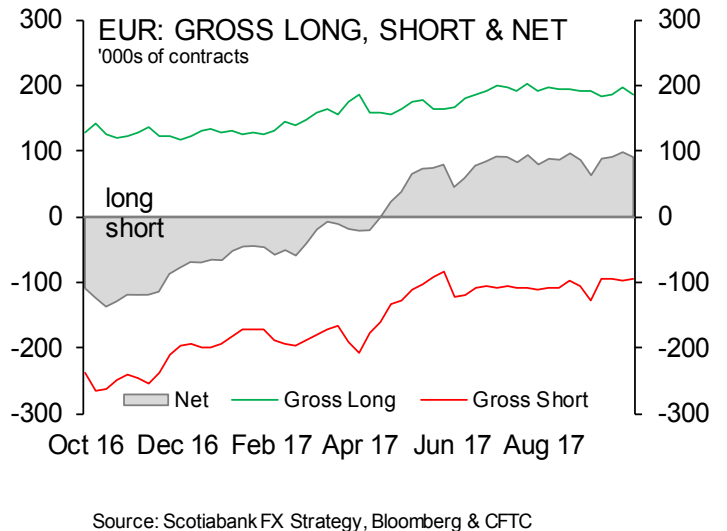
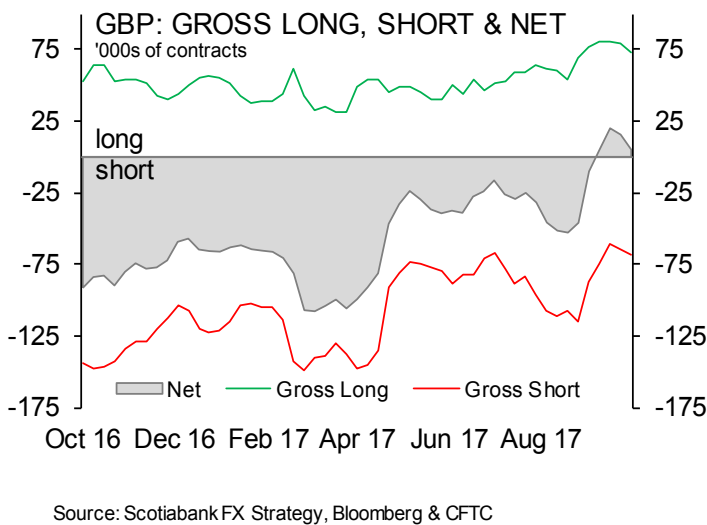
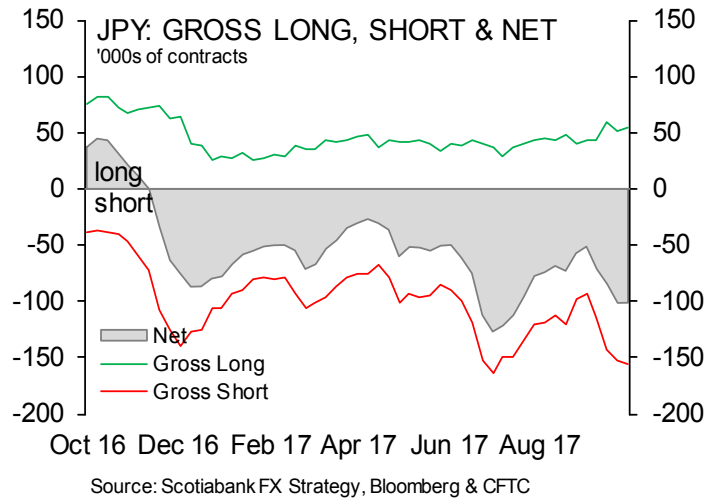
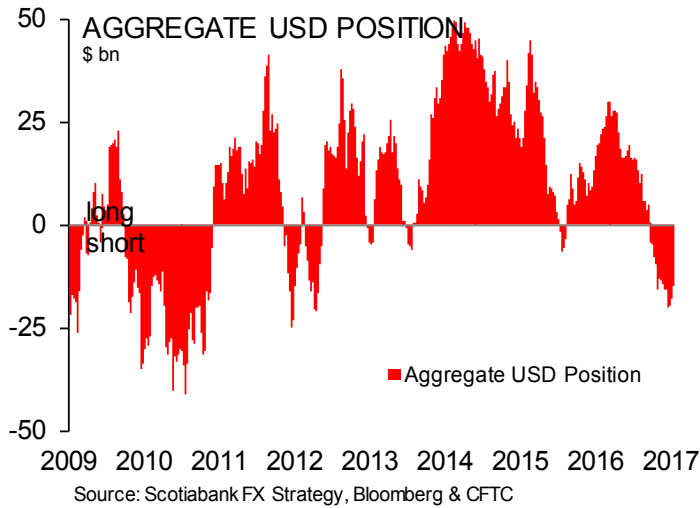
Source: Scotiabank FX Strategy, Bloomberg & CFTC

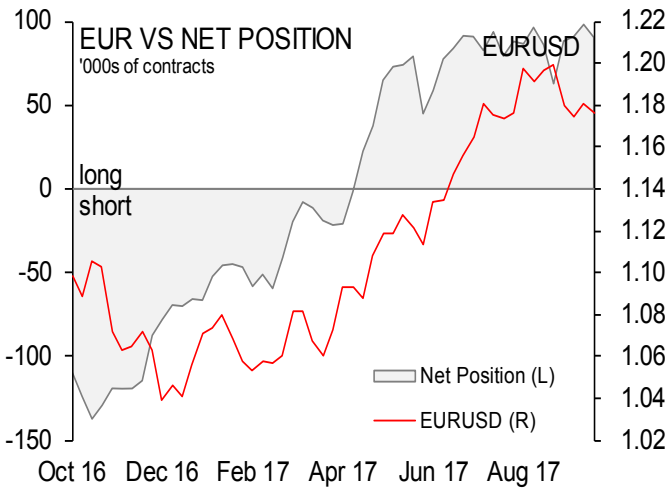


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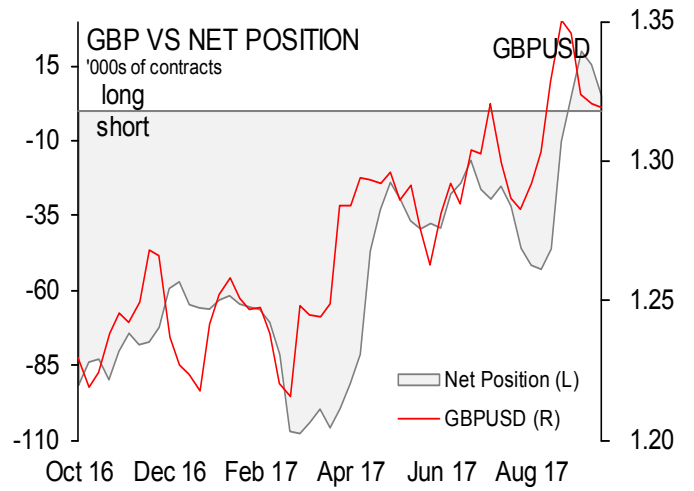


Source: Scotiabank FX Strategy, Bloomberg & CFTC





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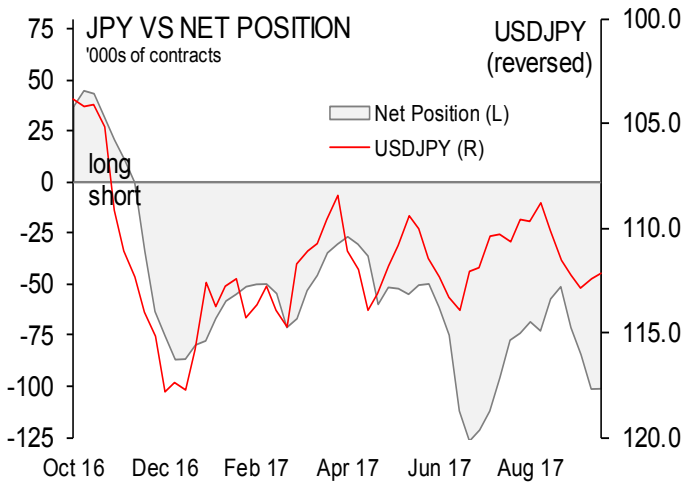
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EUR — NON-COMMERCIAL POSITIONING

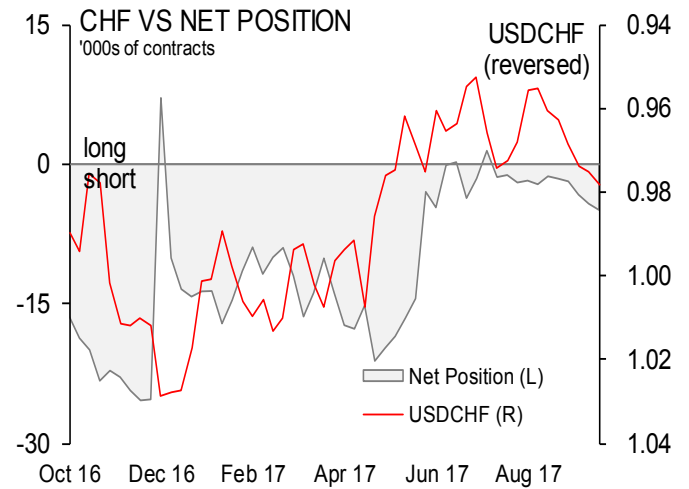
Date	(\$MM)	Position - Contracts of 125,000 EUR				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	13,303	186,751	96,299	90,452	-7,627	446,338
10-Oct	14,476	195,816	97,737	98,079	7,246	450,748
3-Oct	13,334	187,053	96,220	90,833	2,666	438,663
26-Sep	12,997	183,679	95,512	88,167	25,414	429,111

GBP — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 62,500 GBP				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	416	72,871	67,824	5,047	-10,461	186,473
10-Oct	1,280	79,610	64,102	15,508	-4,441	181,570
3-Oct	1,650	80,325	60,376	19,949	14,895	174,867
26-Sep	425	80,145	75,091	5,054	15,215	195,509



Source: Scotiabank FX Strategy, Bloomberg & CFTC



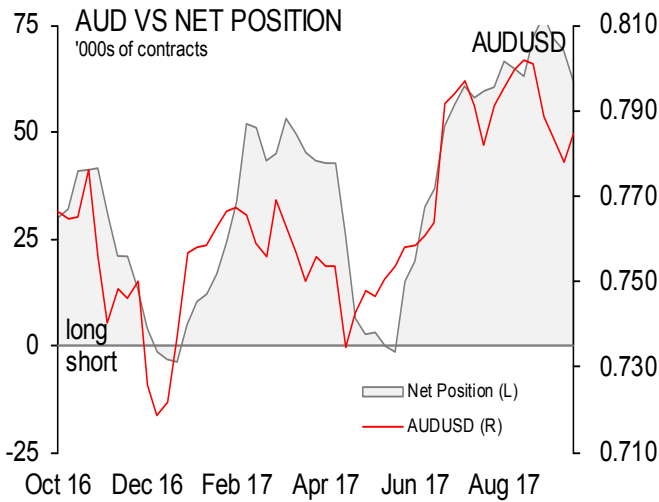
Source: Scotiabank FX Strategy, Bloomberg & CFTC

JPY — NON-COMMERCIAL POSITIONING

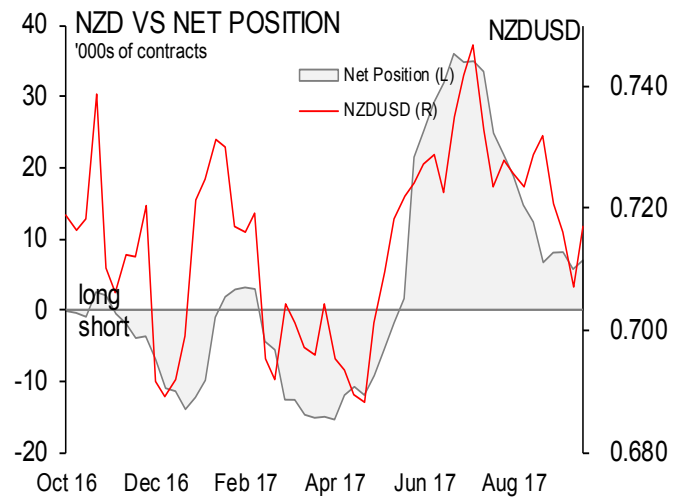
Date	(\$MM)	Position - Contracts of 12.5MM JPY				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	-11,284	55,010	156,296	-101,286	133	257,087
10-Oct	-11,274	51,655	153,074	-101,419	-16,776	254,124
3-Oct	-9,376	58,770	143,413	-84,643	-13,296	246,889
26-Sep	-7,946	42,963	114,310	-71,347	-20,025	207,097

CHF — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 125,000 CHF				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	-630	22,174	27,105	-4,931	-669	55,168
10-Oct	-546	18,211	22,473	-4,262	-969	49,039
3-Oct	-423	17,614	20,907	-3,293	-1,431	44,571
26-Sep	-240	14,926	16,788	-1,862	-293	39,765



Source: Scotiabank FX Strategy, Bloomberg & CFTC



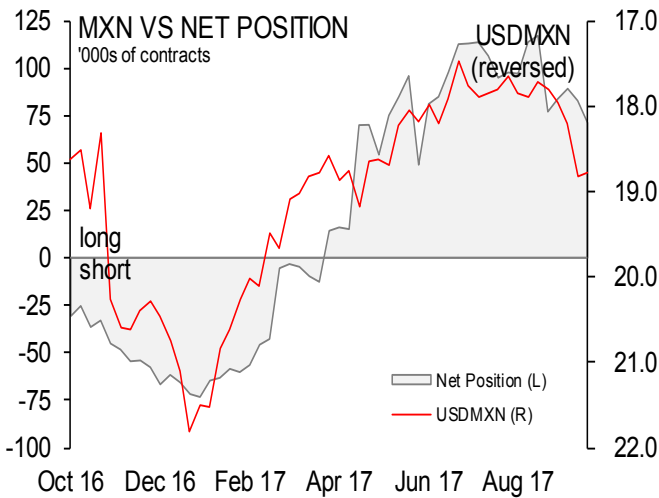
Source: Scotiabank FX Strategy, Bloomberg & CFTC

AUD — NON-COMMERCIAL POSITIONING

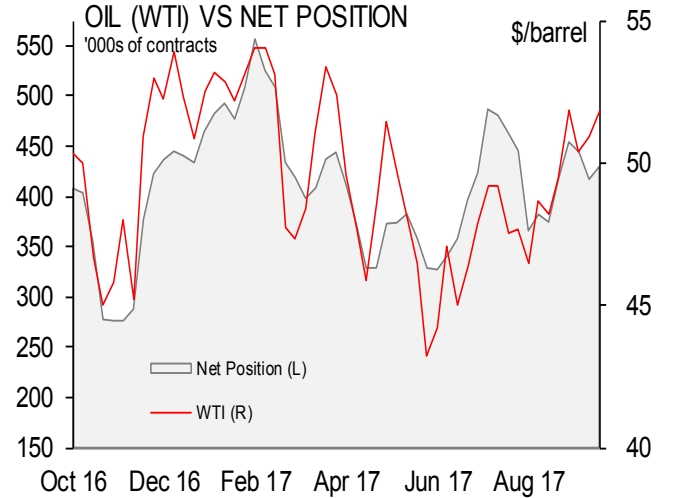
Date	(\$MM)	Position - Contracts of 100,000 AUD				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	4,849	85,763	23,963	61,800	-7,382	134,145
10-Oct	5,381	93,702	24,520	69,182	-2,630	140,854
3-Oct	5,627	98,499	26,687	71,812	-5,382	147,098
26-Sep	6,088	103,507	26,313	77,194	4,682	154,112

NZD — NON-COMMERCIAL POSITIONING

Date	(\$MM)	Position - Contracts of 100,000 NZD				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	500	20,423	13,446	6,977	1,248	33,757
10-Oct	405	21,529	15,800	5,729	-2,389	36,460
3-Oct	581	20,928	12,810	8,118	65	34,175
26-Sep	580	22,369	14,316	8,053	1,383	35,914



Source: Scotiabank FX Strategy, Bloomberg & CFTC



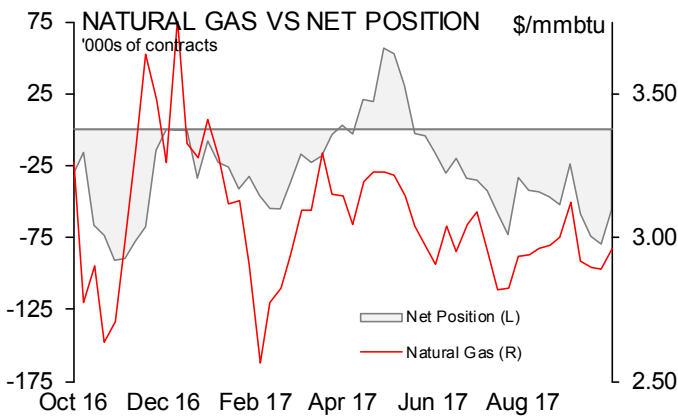
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MXN — NON-COMMERCIAL POSITIONING

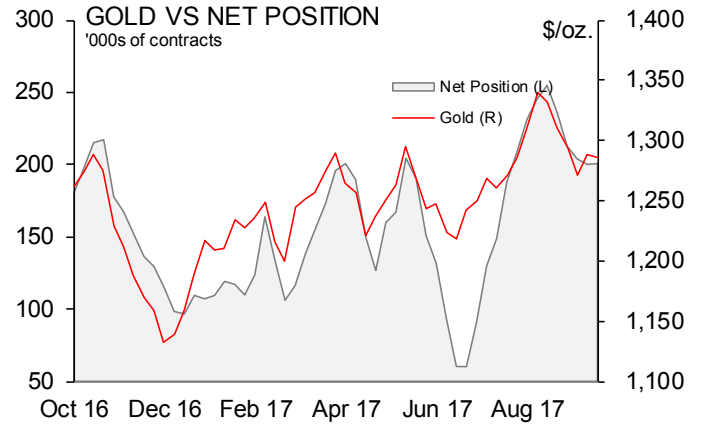
Date	(\$MM)	Position - Contracts of 500,000 MXN				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	1,891	98,936	27,869	71,067	-11,682	188,907
10-Oct	2,197	102,473	19,724	82,749	-6,367	188,075
3-Oct	2,447	117,452	28,336	89,116	5,389	204,344
26-Sep	2,332	134,621	50,894	83,727	6,775	219,926

NYMEX Crude — NON-COMMERCIAL POSITIONING

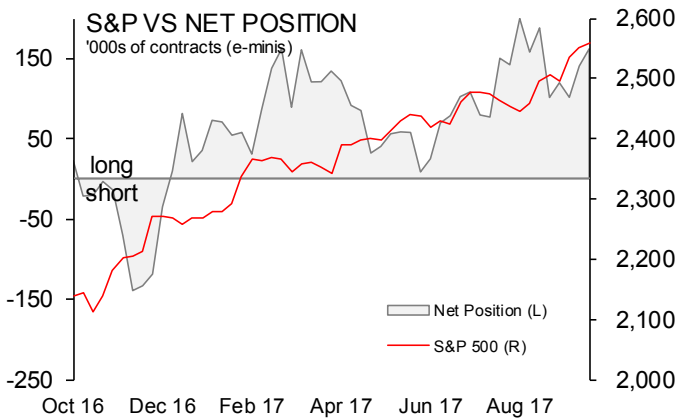
Date	(\$MM)	Position - Contracts of 1000 barrels				Open Int.
	Net	Long	Short	Net	Net w/w	
17-Oct	22,284	701,946	272,421	429,525	12,464	2,440,472
10-Oct	21,237	685,322	268,261	417,061	-27,255	2,437,479
3-Oct	22,402	687,611	243,295	444,316	-9,792	2,471,226
26-Sep	23,559	698,180	244,072	454,108	36,034	2,411,223



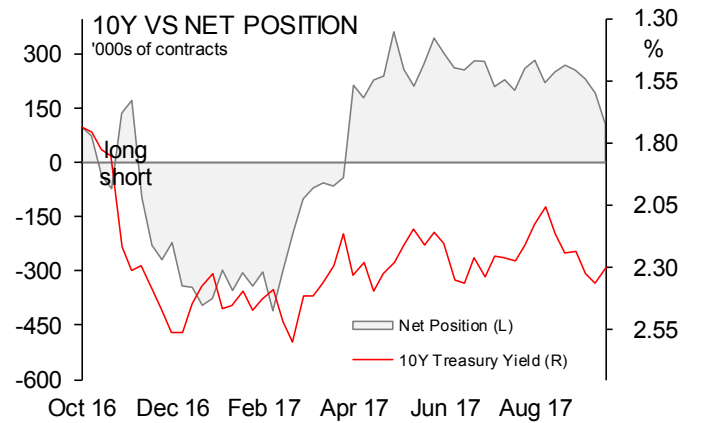
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