

- USDCAD holds range around 1.28 amid a lack of follow through either way.
- EURCAD holds mid-range, lacks momentum at 1.55.
- GBPCAD rally reverses from range ceiling, mild downside risk develops.
- CADMXN tests and stalls against resistance in the low 16s.
- AUDCAD weakness extends on sharp fall last Friday.
- CADJPY holds tight range below 82.10 key resistance.

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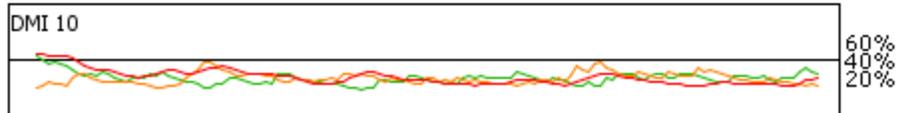
**USDCAD** has tried to push higher above the 1.2835 resistance point and has tried to break lower below short-term support (1.2790) that should have prompted a push to the 1.2700 area. But the spot rate remains stuck around the 1.28 area in early trading so far this week as the market shows further signs of having lost its sense of direction. On the face of it, the downside move in funds has stalled. But the lack of upside movement in the USD and its failure to really take fuller advantage of positive technical developments (break above the 40-day MA) suggests USDCAD is poised for more, choppy range trading. Short-term trend strength oscillators are flat; the daily DMI is leaning bullish while the weekly oscillator is tilting quite obviously bearish still. We still rather favour looking to fade USD gains and look for the low/mid 1.29 zone to provide strong resistance to a deeper USD advance. 1.2850/1.2750 might cover the range in the near-term.



**EURCAD** is trading mid-range and pivoting around the 55-day MA amid flat-looking (daily) trend indicators. There's not really much else to say about this cross which has managed to remain resolutely range bound since the latter part of last summer. The strong rejection of the 1.53 range base should, on the face of it, encourage thoughts of a return to the 1.57/58 area but neither the intraday nor weekly DMI oscillators are signalling very much momentum at the moment, suggesting that the cross is likely to continue chopping around the 1.55 area in the near term.

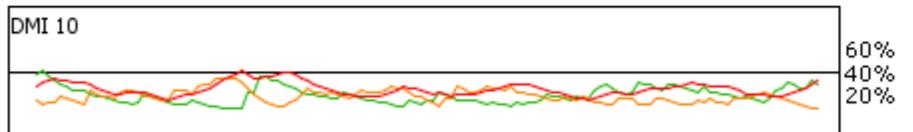


**GBPCAD** pushed through to the upper 1.76s Friday but reversed sharply from the intraday peak to form a key bearish reversal signal on the day overall. The daily DMI remains bullish -aligned and there is a bullish tilt to the weekly study as well but the GBP has struggled to really make headway through the upper 1.70s over the past year and we think the reversal Friday really sets a short-term (at least) top on the cross again. We spot support at 1.7440/50 now and will reassess the GBP's outlook (amid a broadly more positive backdrop, it has to be noted) from there. Resistance is 1.7675.



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**CADMXN** is backing off the test of resistance in the low 16 area, which we expected to follow last week's push through the 15.80/85 area. The dip in the CAD looks corrective at this point, rather than an outright bearish reversal. Underlying trend dynamics remain CAD-supportive and we think modest dips in the CAD back to the 15.75/85 area is likely to remain well-supported.



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**AUDCAD** is under a little more pressure after falling sharply through Friday's session—and pushing below noted support at 0.9775. The weekly close for the AUD was bearish as well—forming a bearish outside range week. This signal came after a period of AUD softness so the position is not ideally placed to point decisively to more downside in the cross but the weight of evidence—pressure below channel support, pressure on the 40-day MA, bearish “flip” in the daily DMI signal—suggests the AUD is at risk of dipping back to the 0.97 area (last July's peak) at least.



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CADJPY is settling into a tight range at the upper end of the broader trading band that has been in place since June. Signals here are mixed; after five daily tests of the low 82 area and two tests of 811.10 support, the daily DMI signal has slipped into neutral—suggesting more range trading. The persistence of upward pressure on the 82.10 is edging risks towards a push higher now, we feel, but this is a low-conviction call. Look for a quick-ish move of around 100bps on a break above 82.10 or below 81.10.



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