

INVESTORS BUILT AGGRESSIVE EUR POSITIONS INTO ECB

Data in this report cover up to Tuesday October 18 & were released Friday October 21.

- The aggregate USD long position has climbed to a fresh multi-month high, reaching \$19.3bn on the back of a \$2.7bn w/w build primarily driven by a deterioration in sentiment toward EUR, JPY, and CHF. Investors made limited changes to their GBP positions and pared CAD risk ahead of Wednesday's BoC. EUR is by far the largest held net short, followed by GBP, CHF, and CAD.

- Investors pared CAD risk heading into Wednesday's BoC, reducing both gross long and gross short positions in a sign of underlying uncertainty (bottom right p1). The greater decline in gross longs resulted in a widening of the net short to \$1.1bn at levels last seen in March. Meanwhile, investors added to AUD risk on both sides, delivering a fourth consecutive week of improving sentiment with a \$0.3bn build in the net long position to \$2.3bn.

- EUR saw the largest w/w swing with a \$2.1bn widening in the net short to \$15.0bn. Details were suggestive of an aggressive build to risk on both sides (middle right p2) with an acceleration in the pace of gross long (\$1.8bn w/w) and gross short (\$3.9bn w/w) positions. EUR's subsequent break of the July and post-Brexit lows may have been amplified by a liquidation of the wrong-footed longs.

- JPY sentiment has deteriorated for a second consecutive week with a \$1.1bn decline in the net long position to \$4.5bn. A broader turn in sentiment has extended over the past several months (middle left p2) and has shown no signs of exhaustion.

18-Oct	Sentiment		\$mns	
	Bias	Trend	Position	w/w chg.
CAD	bearish	neutral	-1,091	-208
AUD	bullish	increasing	2,298	330
NZD	neutral	neutral	-11	535
MXN	bearish	decreasing	-825	544
EUR	bearish	increasing	-14,998	-2,083
GBP	bearish	neutral	-7,037	196
CHF	bearish	increasing	-2,068	-879
JPY	bullish	decreasing	4,452	-1,092
Gold	bullish	decreasing	22,677	-1,780
Total USD pos'n (excluding gold)			19,281	2,657

CAD — NON-COMMERCIAL POSITIONING

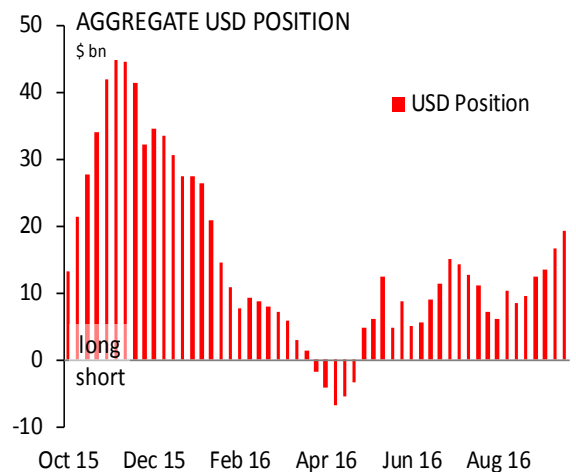
Date	(\$MM)	Position - Contracts of 100,000 CAD				Open Int.
	Net	Long	Short	Net	Net w/w	
18-Oct	-1,091	23,679	37,977	-14,298	-2,594	95,793
11-Oct	-882	30,809	42,513	-11,704	2,373	104,002
4-Oct	-1,067	32,585	46,662	-14,077	-2,462	104,219
27-Sep	-880	34,579	46,194	-11,615	-27,918	105,130



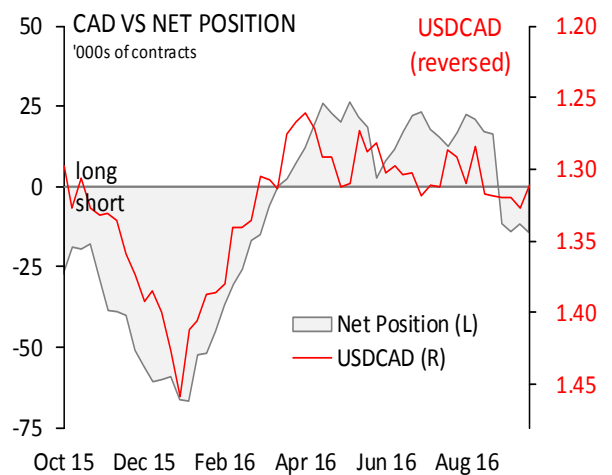
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Shaun Osborne
Chief FX Strategist
416.945.4538
shaun.osborne@scotiabank.com

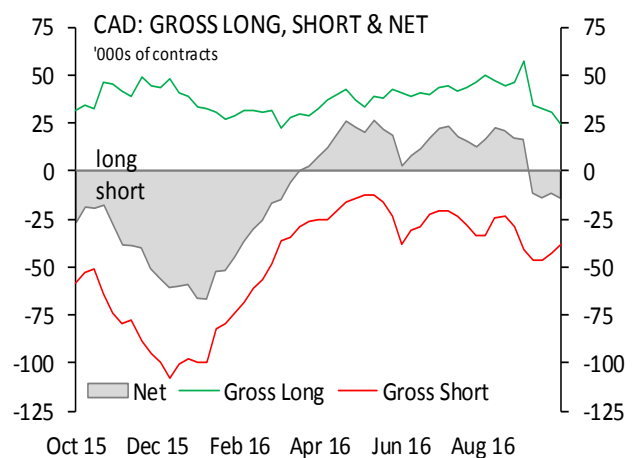
Eric Theoret, CFA, CMT
FX Strategist
416.863.7030
eric.theoret@scotiabank.com



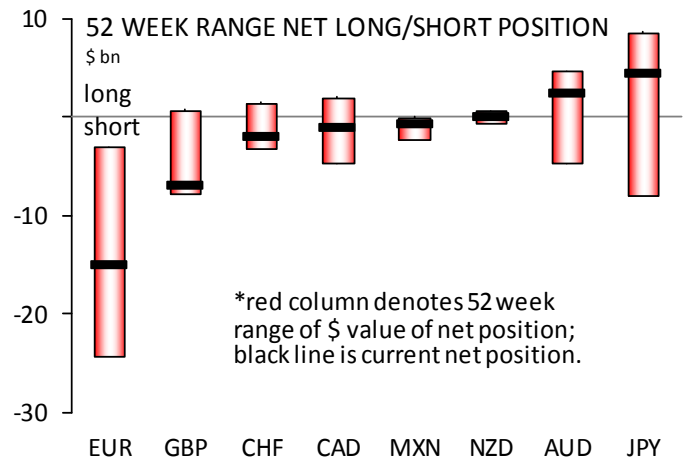
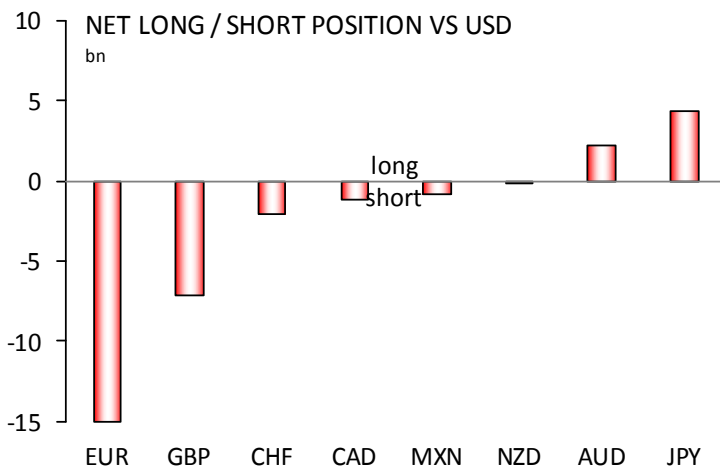
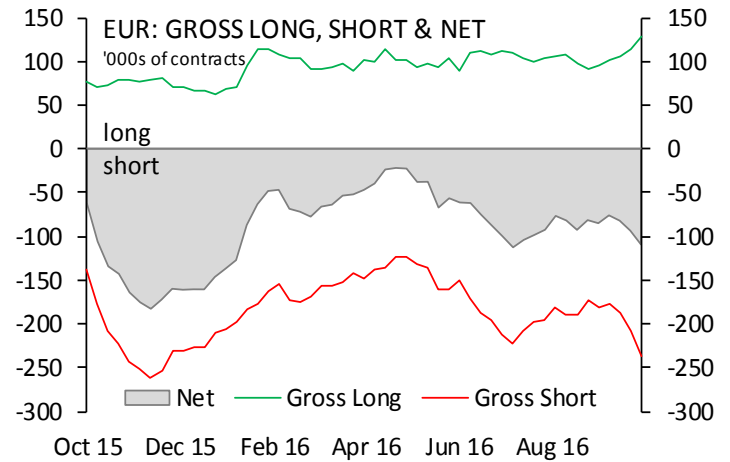
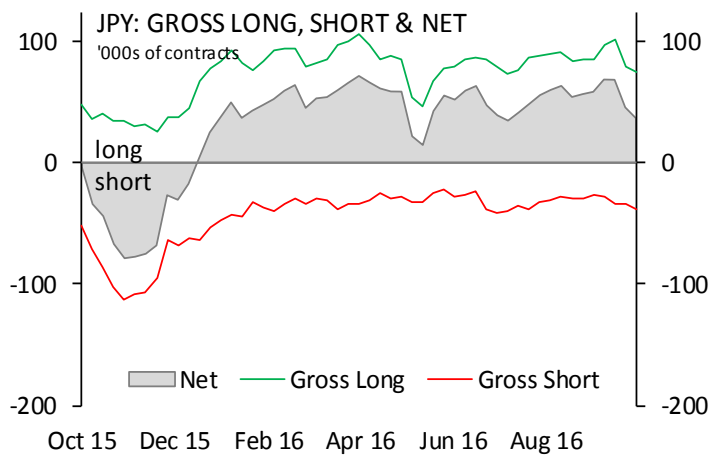
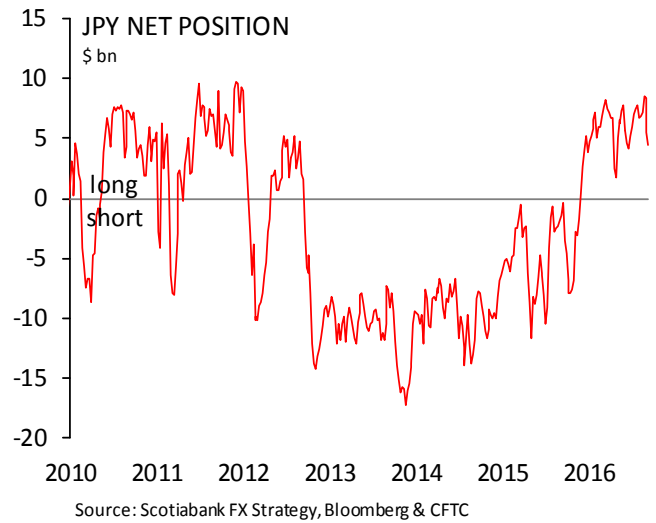
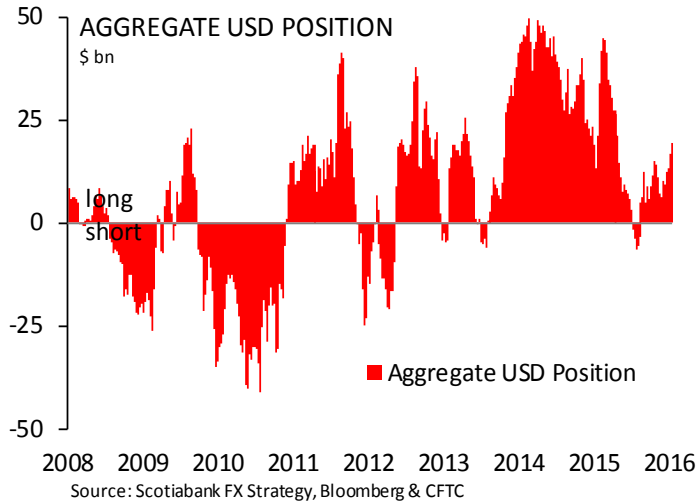
Source: Scotiabank FX Strategy, Bloomberg & CFTC

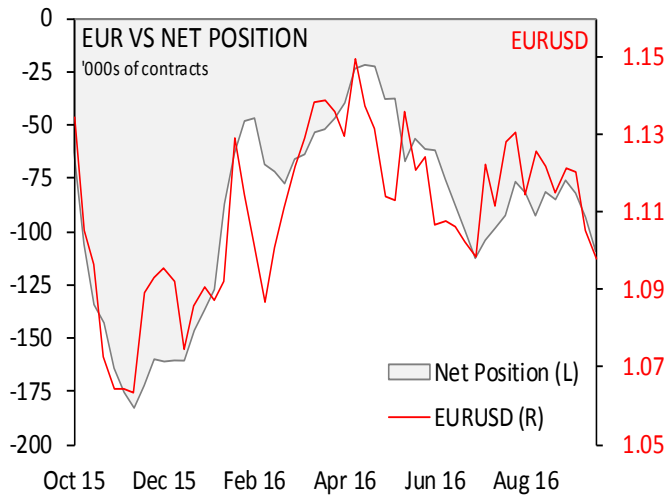


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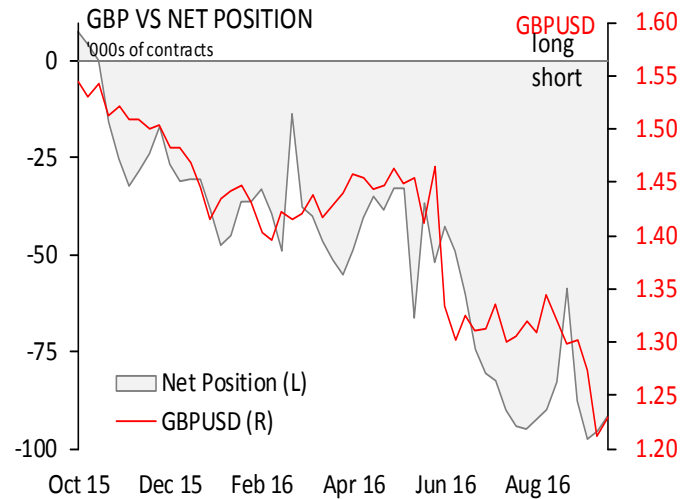


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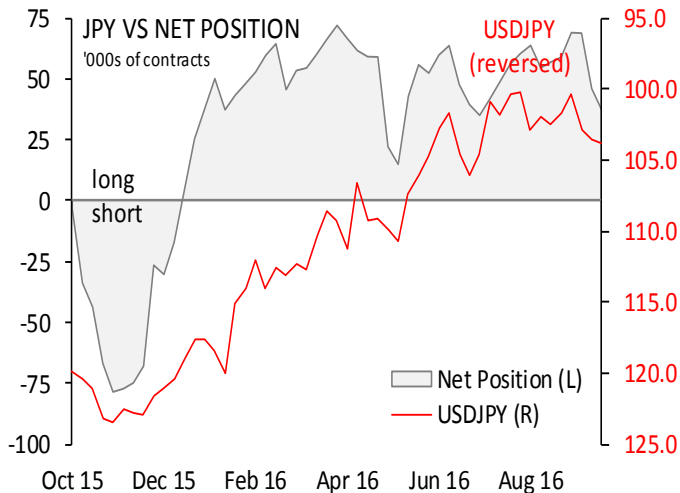
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EUR — NON-COMMERCIAL POSITIONING

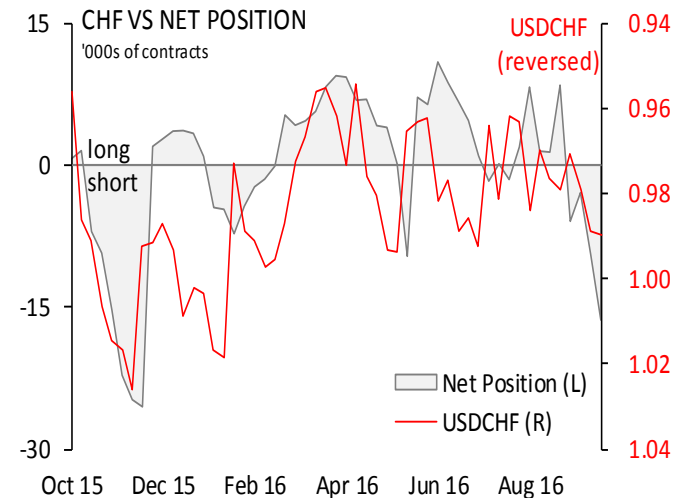
Date	(\$MM) Net	Position - Contracts of 125,000 EUR				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	-14,998	128,181	237,449	-109,268	-15,796	413,183
11-Oct	-12,915	114,284	207,756	-93,472	-11,413	378,774
4-Oct	-11,492	105,634	187,693	-82,059	-6,029	347,643
27-Sep	-10,658	100,492	176,522	-76,030	8,995	328,490

GBP — NON-COMMERCIAL POSITIONING

Date	(\$MM) Net	Position - Contracts of 62,500 GBP				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	-7,037	52,575	144,133	-91,558	3,912	255,194
11-Oct	-7,234	50,393	145,863	-95,470	2,102	255,590
4-Oct	-7,762	56,760	154,332	-97,572	-9,858	262,478
27-Sep	-7,139	48,177	135,891	-87,714	-29,028	239,025



Source: Scotiabank FX Strategy, Bloomberg & CFTC



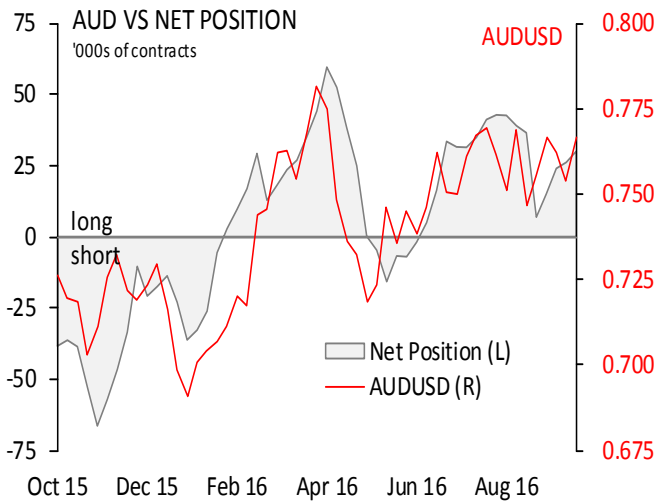
Source: Scotiabank FX Strategy, Bloomberg & CFTC

JPY — NON-COMMERCIAL POSITIONING

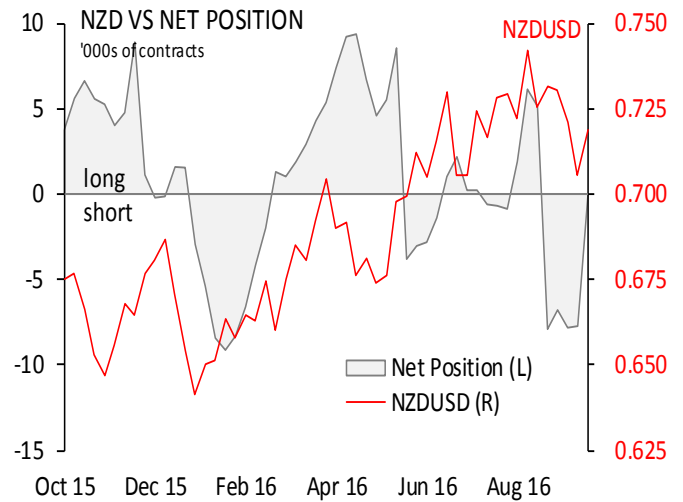
Date	(\$MM) Net	Position - Contracts of 12.5MM JPY				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	4,452	74,966	37,975	36,991	-8,918	156,607
11-Oct	5,544	79,279	33,370	45,909	-22,786	150,394
4-Oct	8,345	101,986	33,291	68,695	-197	157,574
27-Sep	8,575	97,432	28,540	68,892	10,107	155,170

CHF — NON-COMMERCIAL POSITIONING

Date	(\$MM) Net	Position - Contracts of 125,000 CHF				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	-2,068	18,329	34,706	-16,377	-6,969	63,226
11-Oct	-1,189	20,146	29,554	-9,408	-6,472	55,747
4-Oct	-375	19,293	22,229	-2,936	3,020	46,330
27-Sep	-767	12,803	18,759	-5,956	-14,369	38,969



Source: Scotiabank FX Strategy, Bloomberg & CFTC



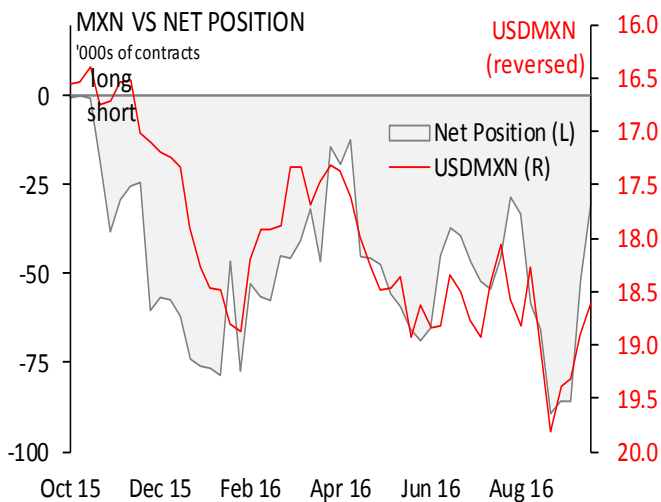
Source: Scotiabank FX Strategy, Bloomberg & CFTC

AUD — NON-COMMERCIAL POSITIONING

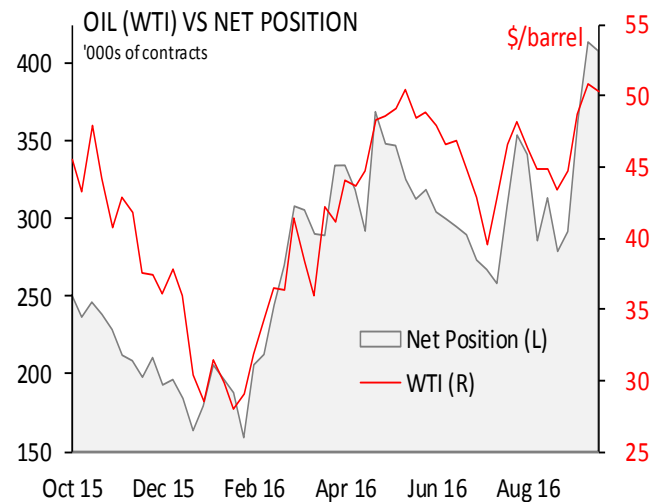
Date	(\$MM) Net	Position - Contracts of 100,000 AUD				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	2,298	80,526	50,546	29,980	3,876	122,436
11-Oct	1,968	73,395	47,291	26,104	2,166	112,028
4-Oct	1,824	73,545	49,607	23,938	8,930	110,028
27-Sep	1,151	62,892	47,884	15,008	8,160	98,351

NZD — NON-COMMERCIAL POSITIONING

Date	(\$MM) Net	Position - Contracts of 100,000 NZD				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	-11	29,513	29,666	-153	7,583	47,413
11-Oct	-546	30,962	38,698	-7,736	94	47,124
4-Oct	-565	32,224	40,054	-7,830	-1,037	49,242
27-Sep	-496	34,159	40,952	-6,793	1,123	49,416



Source: Scotiabank FX Strategy, Bloomberg & CFTC



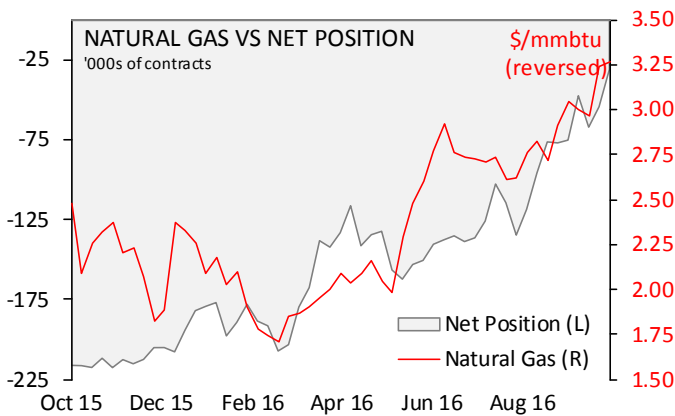
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MXN — NON-COMMERCIAL POSITIONING

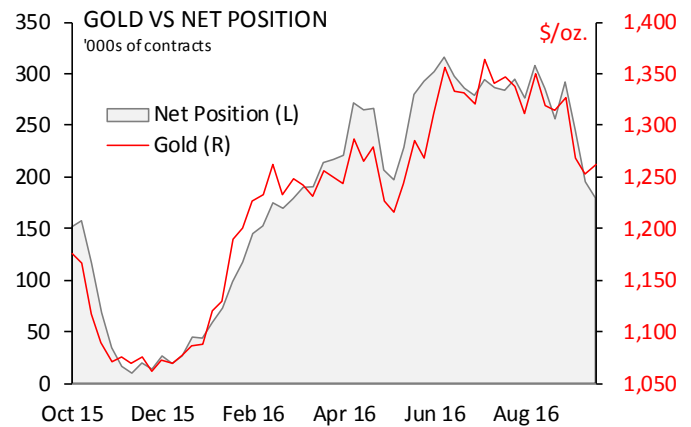
Date	(\$MM) Net	Position - Contracts of 500,000 MXN				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	-825	33,364	64,083	-30,719	21,073	129,729
11-Oct	-1,369	38,060	89,852	-51,792	34,100	135,977
4-Oct	-2,222	22,358	108,250	-85,892	-19	157,510
27-Sep	-2,214	24,865	110,738	-85,873	3,469	160,243

NYMEX Crude — NON-COMMERCIAL POSITIONING

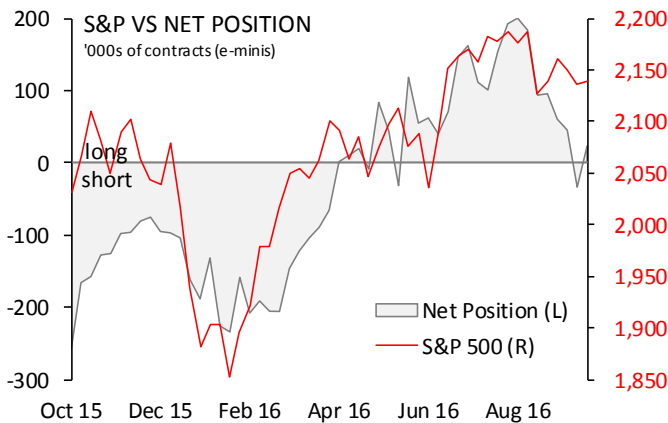
Date	(\$MM) Net	Position - Contracts of 1000 barrels				Open Int.
		Long	Short	Net	Net w/w	
18-Oct	20,518	578,530	170,535	407,995	-5,655	1,811,281
11-Oct	21,009	597,569	183,919	413,650	50,674	1,880,412
4-Oct	17,673	571,306	208,330	362,976	71,330	1,871,665
27-Sep	13,028	543,799	252,153	291,646	12,773	1,830,991



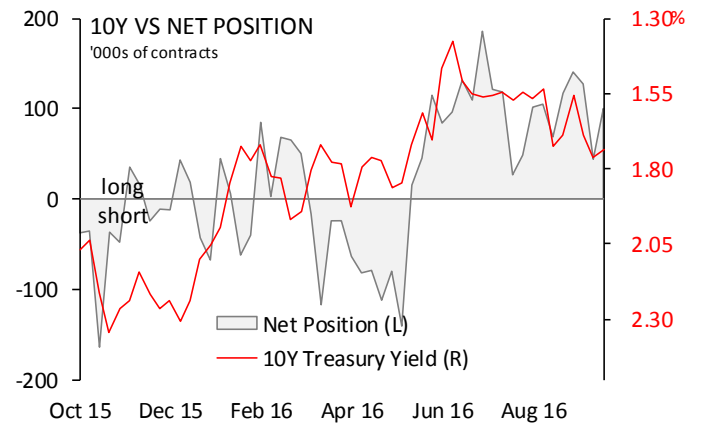
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