“People have pretty short memories,” William Vaughan, associate portfolio manager at Brandywine Global Investment Management, said of the carry trade and investors who ply them. “There’s so many momentum traders in that sort of space.” 有很多有動力的交易者在這種地方

One of the key questions for investors still sitting on the carry-trade sidelines is whether the Bank of Japan will hike interest rates again this year. BOJ Deputy Governor Shinichi Uchida has already [indicated](https://www.bloomberg.com/news/articles/2024-08-07/yen-extends-losses-against-dollar-as-market-volatility-continues) that policymakers won’t raise rates further if financial markets are unstable.

If the BOJ holds fire, then the allure of re-entering the trade is poised to grow. 如果BOJ不動作,重新進入的交易將上升

Traders may get further clarity on the trade this week with BOJ Governor Kazuo Ueda due to [speak](https://www.bloomberg.com/news/articles/2024-08-13/boj-s-ueda-set-to-explain-july-rate-hike-decision-on-aug-23) before parliament 國會 on Aug. 23. 交易者可能獲得更加清晰交易在這星期隨著BOJ長在國會的演講8月23前 They may also be emboldened if Federal Reserve Chair Jerome Powell, in his Jackson Hole speech due the same day, pushes back against bets by some traders that the US central bank will ease monetary policy by a half percentage point in September. 他們可能會更加大膽如果美聯儲JP不打退一些交易員的賭注,US中央銀行可能減緩貨幣政策藉由0.5半分點的降息在9月

The yen has slid to around 149 per dollar since touching 141.70 on Aug. 5, but investors still remain cautious about selling the Japanese currency given its sudden surge earlier this month.

“The big over-hang short yen position has been wiped out, but this market is extremely fragile 大的短期日元價位已經被抹除，但市場仍然非常脆弱,” says Foster at Nomura.

The fragility was evident in the latest Commodity Futures Trading Commission [data](https://www.bloomberg.com/news/articles/2024-08-09/bets-against-yen-crater-as-volatility-scares-crowded-carry-trade), which showed speculative traders pulling back sharply on bearish yen bets during the week to Aug. 6 顯示投機的交易者迅速拉回熊市的日元賭注在這個星期到8/6.

Even if comments from Ueda and Powell pave the way for investors to buy dollars for yen though, that doesn’t mean they will all rush to do so.

M&G Investment Management, which has pared some bullish positions on the yen, says that while the currency is undervalued, it might remain so for a while yet.

Japan’s currency “is really cheap, but we’re not foolish enough to think that it is going to ping back down to fair value anytime soon,” said Jim Leaviss, one of Britain’s most well-known bond investors and head of fixed income at M&G.

For Nick Twidale from ATFX, there’s already evidence that investors are reloading yen shorts as part of their strategy to buy higher-yielding assets. “The carry trade is still very relevant,” said the chief analyst in Sydney.