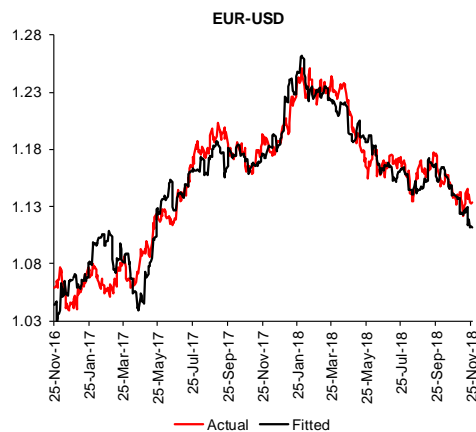
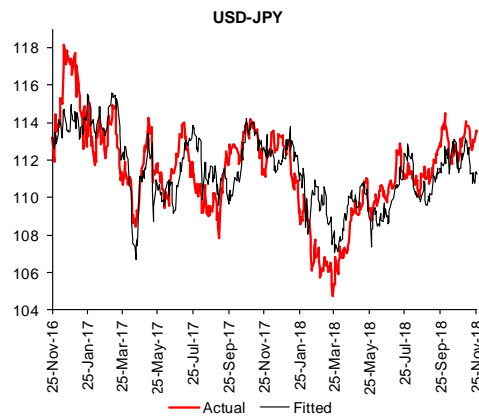


Tuesday, November 27, 2018

FX: Favor the USD selectively



- **EUR-USD** – Short term implied valuations for the EUR-USD have turned south again. Note also that the pair is trading at the rich end of its implied confidence interval and as such, look to fade upticks in the EUR-USD.

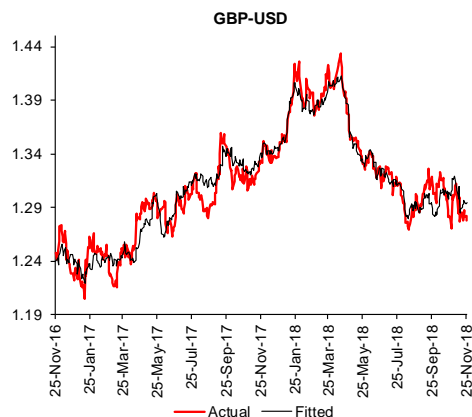


- **USD-JPY** – Implied valuations for the pair remain depressed but with the USD-JPY still aloft (and trading rich of fair value), a risk of a relapse lower in the face of renewed risk aversion remains a significant risk.

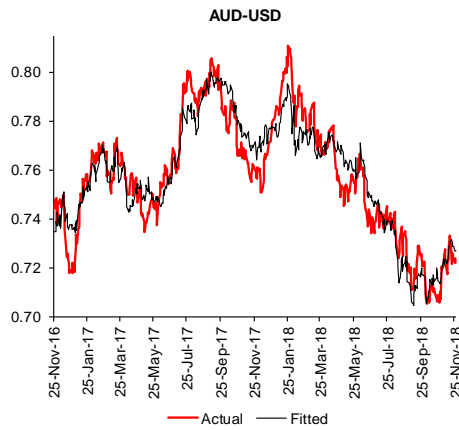
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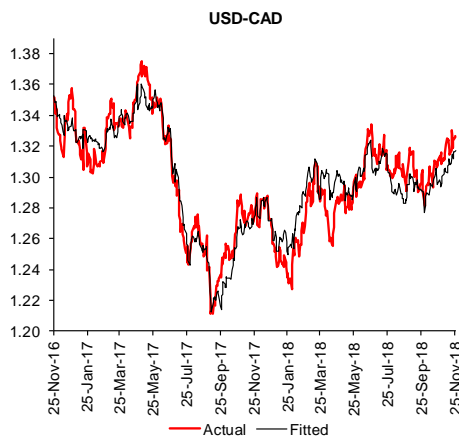
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- **GBP-USD** – Model-suggested implied valuations remain suppressed and we expect any relief rally in the GBP-USD to be met with a healthy dose of skepticism.



- **AUD-USD** – AUD-USD may be stalling slightly in the near term but we reiterate that short term implied valuations have continued to quietly base build. Accumulate on dips within this context.



- **USD-CAD** – Short term implied valuations for USD-CAD have been climbing and we expect the pair to test towards the top side of its recent ranges.

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