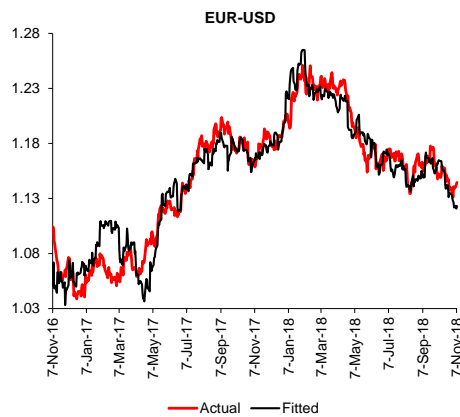
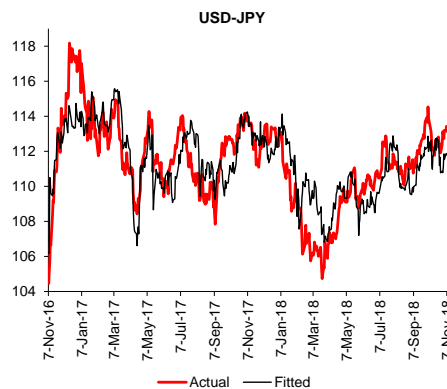


Wednesday, November 07, 2018

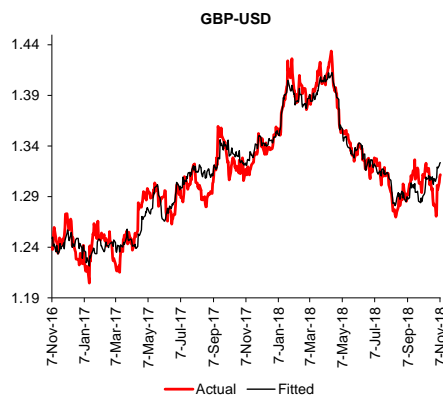
FX: US midterms a mere distraction



- **EUR-USD** – US midterms may well prove to be a transient distraction with short term implied valuation continuing to slide south for the pair. A top heavy posture may reassert once past the current base building phase.



- **USD-JPY** – Structural buoyancy for the pair remains intact, especially if global risk appetite levels continue to improve.

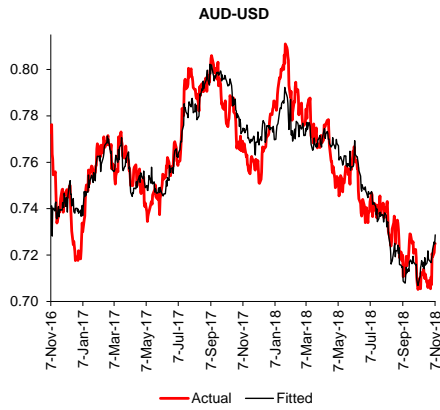


- **GBP-USD** – GBP-USD is looking slightly less undervalued since our last publication with short term implied valuations also attempting to inch up. Market reflexivity may portend further upside for the pair if the news flows continues to move away from a “no deal” Brexit.

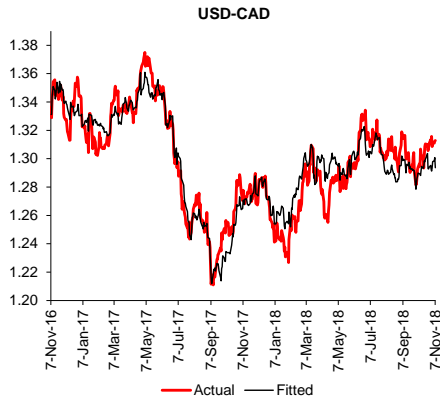
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- **AUD-USD** – Short term implied valuations have continued to lift (with price action following suit), especially in the face of brightening investor sentiment. We look for potential headroom for the pair going ahead.



- **USD-CAD** – Core view remains unchanged: Continue to bounce dips within a range for the pair but this time on the tailwind of the dollar (which is in turn supported by rate differentials with respect to the CAD).

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