

MNI FX Positioning Indicator - USD Positioning Indicator Rises to Multi-year High

- The net speculative position on USD have been rising sharply in recent weeks as uncertainty over the Delta variant has been surging; net contracts increased by 72K in the past month to a total of 28.9K in the week ending August 3.
- This has boosted the USD Positioning Indicator to its highest level in over two years – mirrored in new cycle lows for positioning across AUD, EUR, GBP and CAD.
- The slow vaccination campaign in the EM world combined with the rise in political instability could continue to support the greenback against EM currencies in the coming weeks.
- As the percentage of the population having received at least one dose of the Covid vaccine is much lower across emerging markets, the probability of a renewed period of lockdowns imposed by governments to fight the pandemic has been consistently rising.
- The USD index retraced sharply higher on Friday following strong US payrolls print (+943K change in July vs. 870K exp.), gradually approaching its 93 resistance; next level to watch on the topside stands at 93.19, followed by 93.44 (March 31 high). On the downside, first support stands at 92, followed by 91.85 (50DMA).



CFTC NET SPECULATIVE POSITIONING ON 3-Aug-21

	Current	Previous	Weekly Net Ch.	Previous (4W)	Monthly Net Ch	52W high	52W Low	52W Z-score
EUR	38007	38126	-119	77190	-39183	211752	38007	1.22
GBP	-86	-5684	5598	21903	-21989	36082	-19746	-1.02
AUD	-41283	-39347	-1936	-17800	-23483	16339	-41283	-0.36
NZD	-325	1421	-1746	1761	-2086	17126	-325	-0.45
CHF	7543	8489	-946	10162	-2619	17165	-4265	1.89
JPY	-55190	-59934	4744	-69136	13946	50520	-69895	1.86
CAD	7460	5374	2086	41178	-33718	48772	-33587	-2.03
MXN	-21297	-26407	5110	-22333	1036	29041	-29457	0.78
BRL	23444	21820	1624	21305	2139	23444	-28162	-1.00
ZAR	3949	5005	-1056	6046	-2097	8112	1793	0.13
RUB	8923	7593	1330	8897	26	10338	-5687	-0.41
Total	28855	43544	-14689	-72103	100958	260468	-43544	0.28

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