X Citizens •

CITIZENS GLOBAL MARKETS Daily FiX



Trading Desk Direct: 888.821.3600

Your Foreign FiX Thursday, April 18, 2024

Lower than expected jobless claims, and stronger than expected Philly Fed business outlook has lifted US interest rates and in turn have been a catalyst to turn the Dollar higher this morning, after being down earlier in the session. US interest rates have also turned higher, following a reversal yesterday, with the 2-year and 10-year each up 2-bps today. Several Fed speakers, including Bowman, Williams and Bostic will set the tone for the balance of the day. Heading into those, the OIS market is pricing a 12% chance for a Fed 25-bps cut in June, while September remains high at 88%. For the year, the market is pricing 40-bps of Fed cuts. The Bloomberg Dollar index is trading just above the 1,261 level, down marginally from yesterday but up 80-bps from one week ago. The index is down 40-bps from the cycle high set on Tuesday.

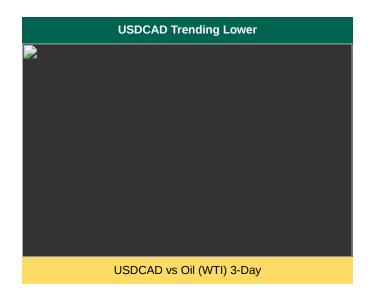
Canada: USDCAD begins the US session down 15bps and lower for the second day running on the back of higher commodity prices. The pair recovered the 1.3700 handle yesterday afternoon on broad greenback weakness. USDCAD is currently trading in the mid-1.3700s. Against its G-10 peers overnight the loonie was mainly stronger, showing mild strength against the EUR (+0.16%) while showing the most weakness against the Swedish krona (-0.27%). Canada has no economics today. Oil (WTI) continues its slide as crude is down nearly 6% since peaking at \$87.67 on April 12th. Oil is currently priced at \$82.48, down \$0.21 on the day. With US data already in the rearview, USDCAD should remain range-bound. Support comes in at 1.3712 with resistance coming in at 1.3855.

Europe: The euro is modestly higher as the dollar drops for its second day, steadying around the upper range of 1.06 to 1.07. In the eurozone, there was nothing to report on the local economic calendar. As for the US, we receive weekly jobless claims, leading index, and existing home sales. Volatility and technical indicators paint a picture of a weaker euro in the path to monetary policy divergence between the Fed and ECB. It is now the most expensive since November to hedge the euro's move over the next year as volatility picks up across major currencies amid renewed geopolitical concerns and the likelihood US rates remain higher for longer. The EUR rests well below all its moving averages, which appear to be consolidating above the 1.08 handle flatlined.

	Percentage Change					
	1M	3M	6M	9M	12M	24M
USDCAD	1.65%	2.07%	0.11%	2.27%	1.86%	6.21%
USDCNH	0.36%	0.95%	-1.08%	0.07%	2.81%	8.43%
EURUSD	-1.70%	-1.58%	0.50%	-2.79%	-0.88%	1.19%

Annualized Forward Differential						
	1M	3M	6M	9M	12M	24M
USDCAD	0.48%	0.56%	0.98%	0.71%	0.71%	0.68%
USDCNH	0.56%	1.25%	2.75%	2.07%	2.16%	2.02%
EURUSD	1.48%	1.56%	2.48%	1.77%	1.79%	1.82%

	Implied Volatilty					
	3M	6M	9M	12M	24M	6M-RR
USDCAD	5.49%	5.59%	5.82%	5.83%	5.96%	0.74%
USDCNH	3.93%	4.73%	5.57%	5.91%	6.29%	0.48%
EURUSD	6.43%	6.52%	6.80%	6.85%	6.99%	-0.95%





Read our technical documentation to learn more about this data.

Questions, or thinking of trading? Contact the Foreign Exchange Trading Desk direct at 888-821-3600.

Share with a colleague.



Get just the daily FiX information you want - set your preferences



Change the currencies included in my Citizens Daily Foreign FiX email.



Send us an email with a comment or question about the Citizens Daily FiX email.

This document has been prepared for discussion and informational purposes only by Citizens Bank, N.A. (Citizens). In the preparation of this document, Citizens has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources. Citizens makes no representation or warranty (expressed or implied) of any nature, nor does it accept any responsibility or liability of any kind, with respect to the accuracy or completeness of the information in this document. The information in this document is subject to change without notice and Citizens does not undertake a duty or responsibility to update these materials.

Citizens is not acting as an advisor or fiduciary in any respect in connection with providing this information, and no information or material contained herein is to be relied upon for the purpose of making or communicating investment or other decisions nor construed as either projections or predictions. In no event should the information be considered recommendations to enter into transactions. Citizens and its affiliates, connected companies, employees or clients may have an interest in the financial instruments mentioned in this document.

To ensure that you receive our emails, please add $\underline{\text{mail@citizenscommercial.com}}$ to your address book.

Privacy and Security:

Please do not reply to this email. For inquiries kindly call 877.550.5933. Keeping your financial information secure is one of our most important responsibilities. We will never ask you to send sensitive information via email or via a link in an email. If you receive a suspicious email claiming to be from Citizens Commercial Banking please forward it to: abuse@citizensbank.com. For an explanation of how we manage customer information, please read our Privacy Notice.

To opt-out of future promotional emails, please click here.

Citizens Bank | One Citizens Plaza | Providence, RI 02903

©2024 Citizens Financial Group, Inc. All rights reserved. Banking products and services are offered by Citizens Bank, N.A. Member FDIC. Securities products and services are offered through Citizens JMP Securities, LLC, Member FINRA, SIPC. Citizens Capital Markets, JMP Securities, DH Capital and Trinity Capital are brand names of Citizens Financial Group, Inc.