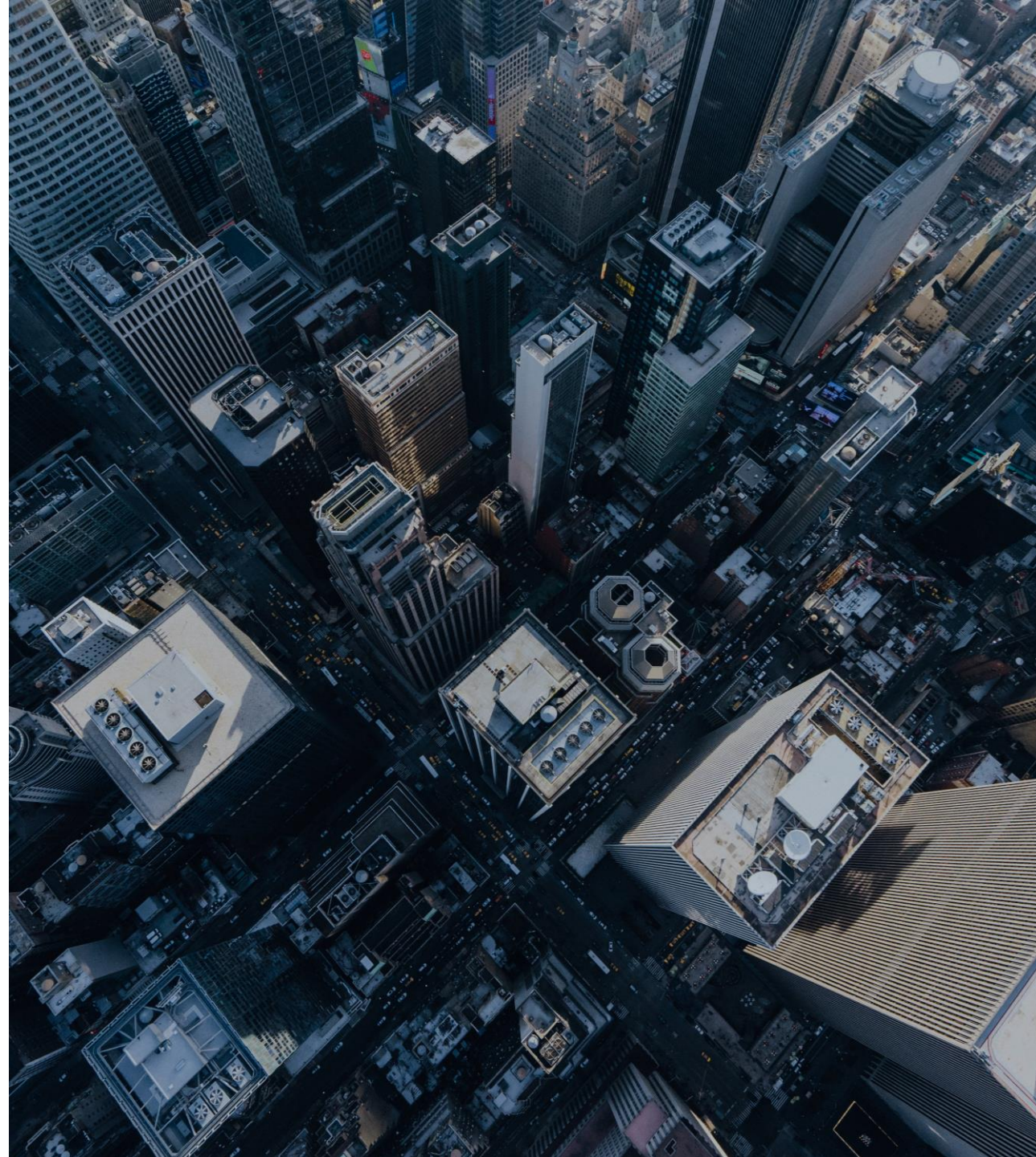




Global FX Outlook

December 2024

convera
SMART MONEY MOVES



Key insights

“Trump trade” drives USD to two-year highs

Financial markets have already entered the “Trump 2.0 era” with the biggest FX moves in November driven first by the US election result and then by warnings of new tariffs on Canada, Mexico and China later in the month. Surely, a sign of things to come.

Away from politics, central banks remain in their “loosening era” with significant rate cuts from New Zealand, UK, South Korea, Sweden Brazil and Mexico during November.

The combination of geopolitical fears and rate cuts saw key currencies weaken versus the greenback and the USD index hit two-year highs.

This monthly guide provides analysis of the global trends and events driving FX volatility, to help SMEs and corporates uncover the potential opportunities or risks involved with cross-border trade.

We hope that with better access to insights, more informed international trade and payment strategies may lead to better financial outcomes for our customers.

US



The USD index hit the highest level since November 2022 last month with the currency up as much as 7.4% over October and November, on track for the USD’s best quarter since 2015.

EU



The euro was one of the hardest hit currencies over November with the pair impacted by worries about increased trade tensions and poor economic data. The EUR/USD fell to two-year lows.

UK



The British pound was lower for most of last month as the impact of the 7 November rate cut from the Bank of England pressured the currency. The GBP/USD hit six-month lows before later recovering.

Australia



The AUD/USD was also weaker in November, but the Aussie’s losses were more contained with the RBA reluctant to cut interest rates. The AUD/USD remains stuck in its 2024 range between 0.6400 and 0.6900.

Global economic outlook

Key market themes to watch

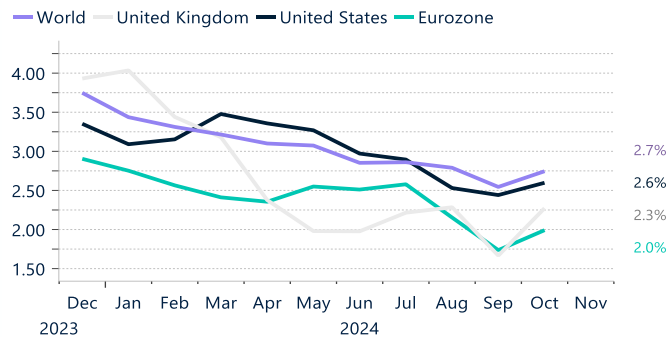
Inflation fears return

Inflation has seen a clear increase in recent months with an apparent turning point in September. The move has been seen across the world and bucks the trend of global inflation drifting lower over the last 12 months.

Of the major economies, the UK has seen the biggest jump, albeit from a lower base. A further rebound in inflation could unnerve expectations for further rate cuts and could even impact lofty sharemarket valuations.

Global inflation has picked up since September

Global inflation rates - annual change in %



Source: Convera, Macrobond

Stepping back from rate cuts

One consequence of this pick-up in inflation has been a shift higher in global rate expectations. Nowhere has been more apparent than in the US with bond yields also pushed higher after the Trump win.

Most interestingly, Fed expectations have waxed and waned significantly over 2024 – starting near 3.00%, climbing to 4.20%, then falling to 2.80% before quickly recovering again. The main takeaway? Higher Fed expectations might not last long this time either.

Fed pricing waxes and wanes

Fed pricing in 2024



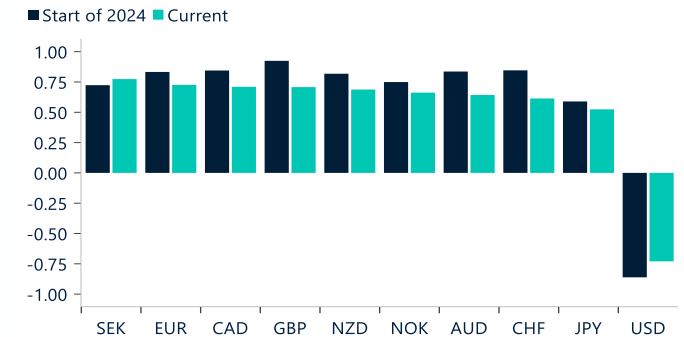
Source: Convera, Macrobond

Will Santa come this year?

Have financial markets been naughty or nice? The so-called Santa Claus rally is an observable fact with equity markets historically higher in December and especially in the two-week period surrounding Christmas and the New Year. "High beta" FX – the Aussie, British pound and euro – tend to be the most closely tied to sharemarket performance and can also rise in this period. That said, FX has become less closely tied to equity market performance in 2024, partly due to the impact of trade tensions.

FX's correlation with global equities has weakened

One-year rolling correlation FX v MSCI global stocks



Source: Convera, Macrobond

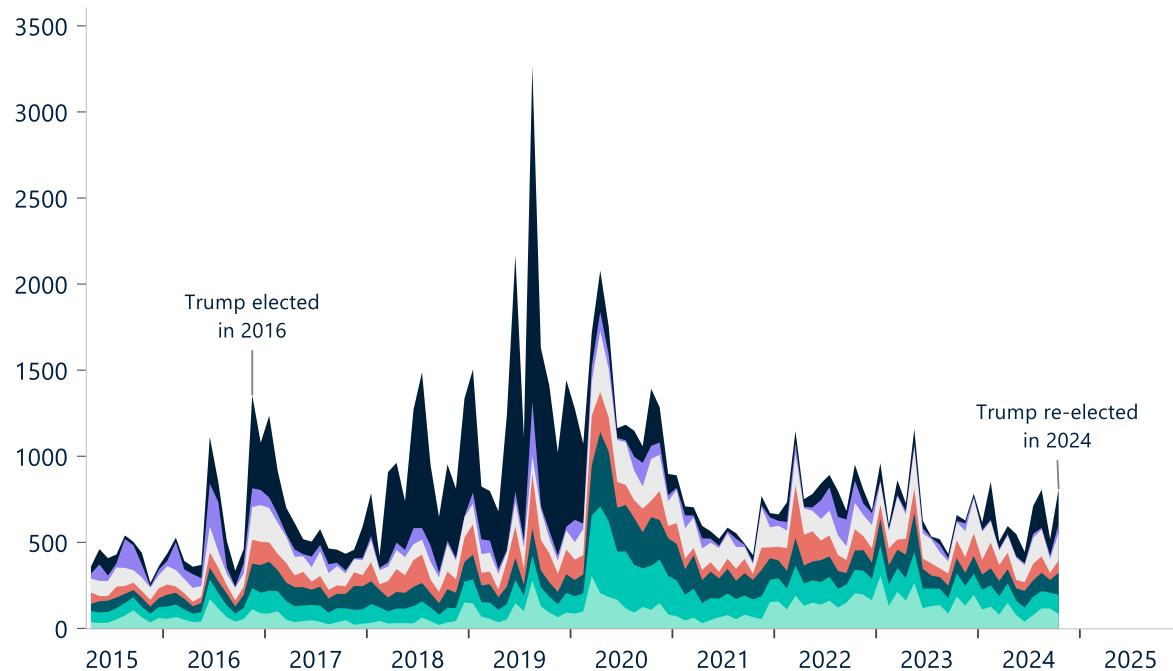
Chart sources: Convera, Macrobond – September 30, 2024

Theme in focus: Trump's tariff threats

Bracing for Trump 2.0 and more trade policy uncertainty

US Economic Policy Uncertainty Indices

■ Trade Policy ■ Sovereign Debt, Currency Crises ■ Regulation ■ National Security
■ Fiscal Policy (Taxes or Spending) ■ Economic Policy Uncertainty ■ Monetary Policy

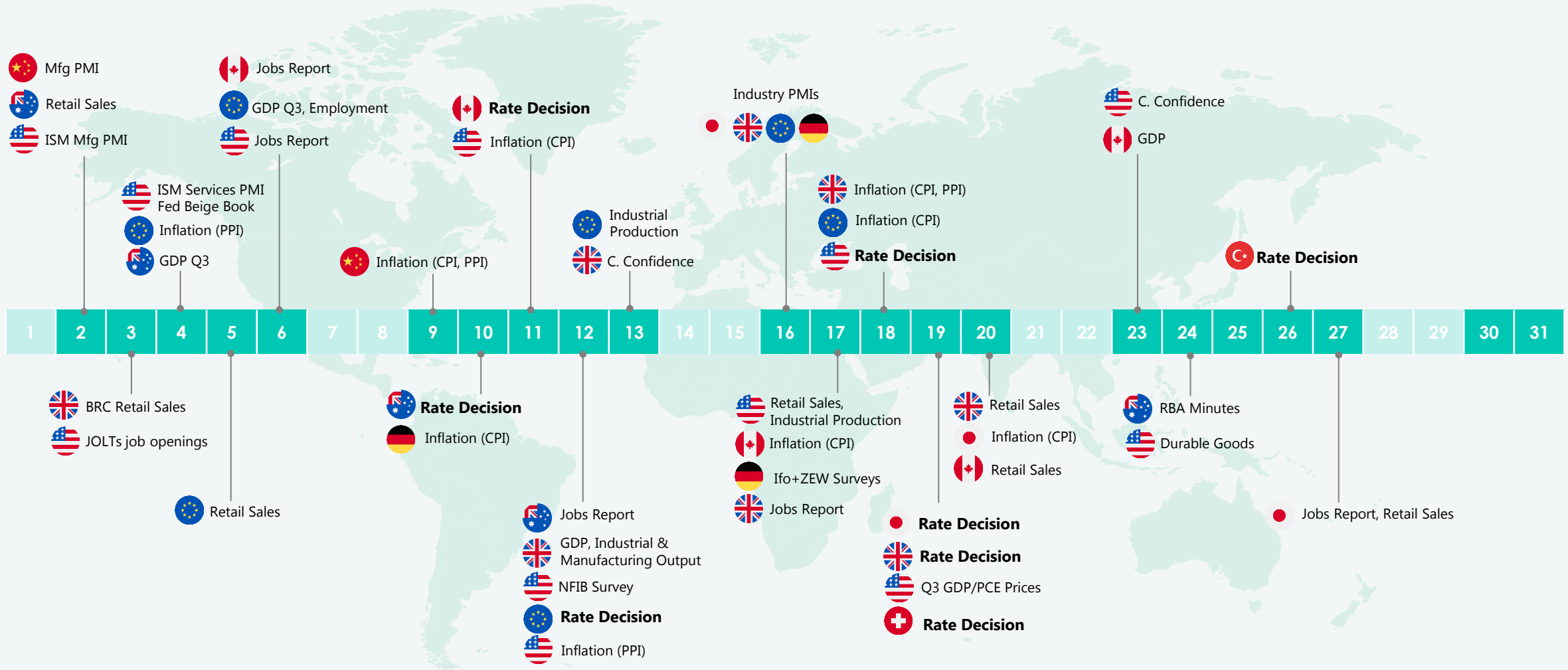


Source: Convera, Macrobond

- Investors around the world are bracing for more volatility in the wake of the US election result.
- Trump's resounding election win is already introducing volatility into currency markets as his "clean red sweep" clears the way for tariffs and protectionist trade policies that were the hallmark of his first term, whereby trade policy uncertainty spiked to record highs.
- The President-elect has once again wasted no time in threatening to impose steep tariffs on goods imported into the US and has set the stage for a bitter global trade war.
- The pledge to levy tariffs of 25% on all US imports from Canada and Mexico as soon as he takes office and an extra 10% tariff aimed at China, has already created widespread unease – with the Canadian dollar falling to a four-year low, the Mexican peso at its weakest since 2022 and a selloff in the Chinese yuan.
- Perhaps the threat is overblown, and based on historical experience, it's likely to take almost a year from the announcement for higher tariffs to be put in place. Yet the wild swings in FX markets following Trump's announcements are a reminder of how much volatility his comments can cause, and how far it can spread.
- Sweeping tariffs would increase the price of goods for US consumers and risks the threat of retaliatory tariffs by other countries and this also raises the risk of a rebound in inflation just as the global easing cycle has gotten underway.

Key market events to watch

December 2024

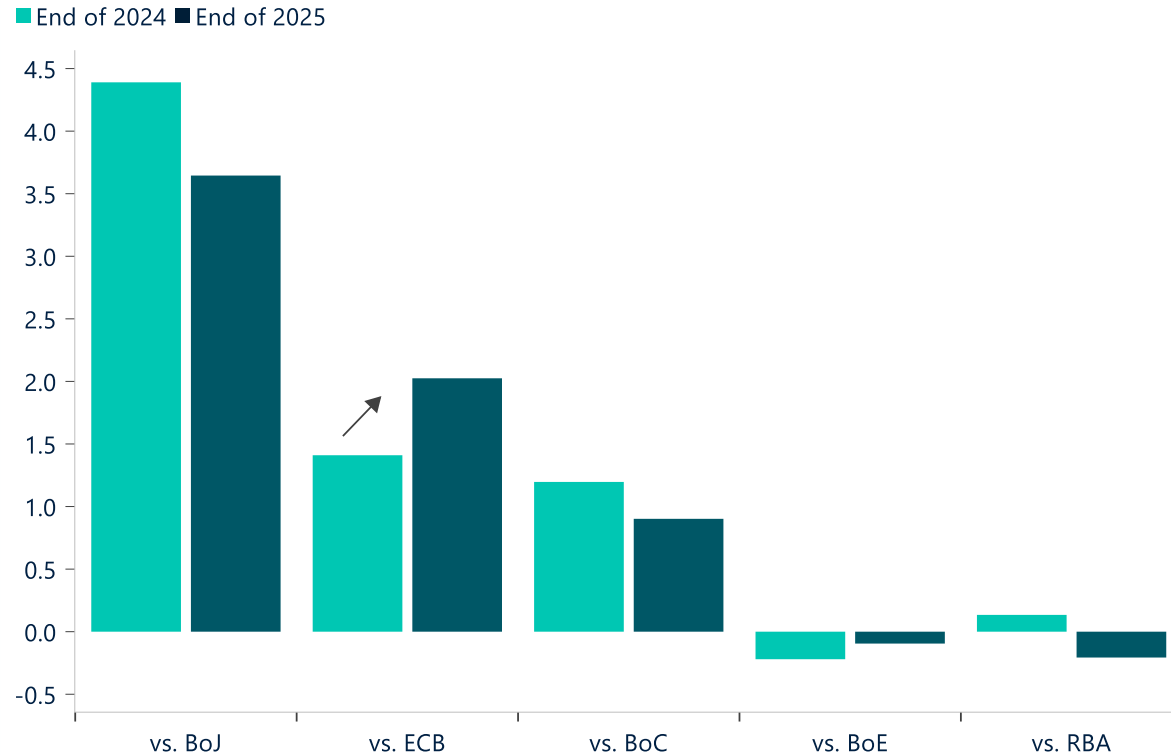


Source: Convera, Bloomberg – November 28, 2024

Event in focus: Desynchronized cutting cycles

Markets expect ECB to accelerate its cutting cycle

Policy rate differentials between the Fed and selected central banks



Source: Convera, Macrobond

- We have already seen a more desynchronized nature of global monetary policy on the way down versus the way up.
- Policymakers' reaction functions were shifting back to supporting labor markets and growth. With both seemingly cooling down, the direction of rates is lower, but the potential pace of central banks' easing remains uncertain, especially since inflation concerns are resurfacing.
- Whether the Fed cuts interest rates by another 25 basis points in December remains a 50/50 chance. The Bank of England and Reserve Bank of Australia are expected to keep their benchmark rates unchanged. But the European Central Bank will cut, it's just a matter of size, with markets pricing a 20% chance of an outsized 50 basis point reduction.
- In this dovish policy regime, characterized by a bias to ease policy, we think only a renewed spike in inflation or an external shock (geopolitics, elections, market crash) would be able to meaningfully lift volatility rates from current levels.
- However, interest rate differentials remain a key driver of FX trends, and with the ECB viewed as one of the most dovish major central banks, this adds to the euro's bearish narrative.
- As for the US dollar, its recent rally has been linked to the revival of the Trump trade and upward implications for US yields via the likely shift in fiscal and monetary policy.



UK currency outlook

GBP volatility analysis



Pound only holds steady versus euro

Chart: GBP 30-day, year-to-date trading range



	Spot	High		Low		Trading range		Position within the range	
		30D	YTD	30D	YTD	30D	YTD		
GBP/USD	1.256	1.304	1.248	1.343	1.23	4.5%	9.2%	14%	23%
GBP/CAD	1.757	1.815	1.748	1.815	1.678	3.8%	8.2%	13%	58%
GBP/NOK	13.93	14.37	13.84	14.37	12.88	3.8%	11.6%	17%	70%
GBP/JPY	193.8	199.8	192.5	208.1	178.7	3.8%	16.5%	18%	51%
GBP/ZAR	22.67	23.25	22.43	24.59	22.43	3.7%	9.6%	29%	11%
GBP/AUD	1.932	1.988	1.921	2.003	1.860	3.5%	7.7%	16%	50%
GBP/CNY	9.077	9.297	9.052	9.471	8.908	2.7%	6.3%	10%	30%
GBP/EUR	1.197	1.210	1.183	1.210	1.147	2.3%	5.5%	52%	79%
GBP/CHF	1.113	1.135	1.110	1.167	1.064	2.3%	9.7%	12%	48%
GBP/NZD	2.150	2.184	2.141	2.191	2.005	2.0%	9.3%	21%	78%

- **GBP/USD** recorded its biggest monthly price range (4.5%) in a year and slumped to fresh six-month lows in the wake of the US election. Sterling failed to benefit from the hawkish BoE repricing as inflation surprised higher, largely due to the deteriorating UK economic growth outlook and broad-based USD strength.
- One-year implied volatility for GBP/USD is trading near a one-year high, and the implied-realised volatility spread, shows options are overpriced by around 170 basis points, the most since October 2022.
- **GBP/EUR** remains in the top half of its YTD range around the €1.20 mark, buoyed by the UK-German yield spread near multi-year highs amidst a more dovish ECB outlook versus the BoE. We see room for further upside given the UK is also less exposed than the Eurozone to US trade tariffs.
- **GBP/JPY** also shed about 2.5% in November amidst rising prospects of a BoJ rate hike in December. With the BoE commencing its easing cycle, rate differentials are narrowing in favour of the yen. Meanwhile, escalating geopolitical tensions in Europe have further supported the safe haven yen.

Source: Bloomberg, Convera – November 26, 2024

GBP value indicator



GBP/CHF almost 6% below its 5-year average

Chart: GBP performance versus year-to-date, 1, 2, and 5-year averages

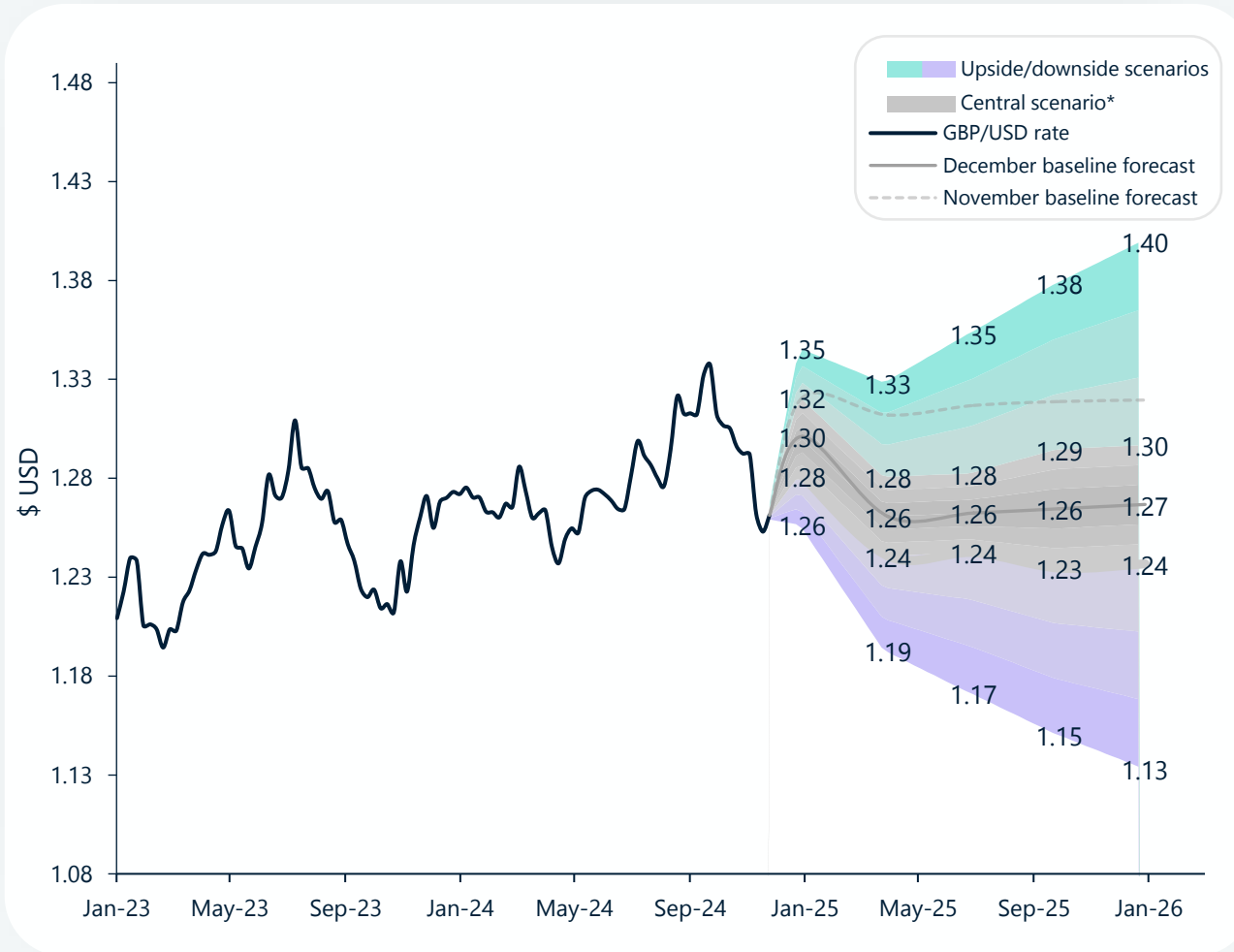
● Appreciation ● Depreciation

	Spot	Spot vs			
	(As of 26.11.2024)	YTD average	1-year average	2-year average	5-year average
GBP/NZD	2.150	2.2% Avg.: 2.103	2.5% Avg.: 2.097	4.6% Avg.: 2.056	7.7% Avg.: 1.997
GBP/EUR	1.197	1.6% Avg.: 1.178	1.7% Avg.: 1.176	2.9% Avg.: 1.162	3.4% Avg.: 1.157
GBP/CAD	1.757	0.7% Avg.: 1.745	0.9% Avg.: 1.741	2.9% Avg.: 1.707	3.7% Avg.: 1.694
GBP/JPY	193.8	0.2% Avg.: 193.4	0.7% Avg.: 192.4	6.0% Avg.: 192.7	19.1% Avg.: 192.6
GBP/AUD	1.932	0.0% Avg.: 1.931	0.2% Avg.: 1.928	1.9% Avg.: 1.896	4.1% Avg.: 1.855
GBP/CHF	1.113	-1.1% Avg.: 1.124	-0.8% Avg.: 1.122	-0.8% Avg.: 1.121	-5.7% Avg.: 1.179
GBP/CNY	9.077	-1.3% Avg.: 9.199	-1.2% Avg.: 9.184	1.2% Avg.: 8.971	3.0% Avg.: 8.809
GBP/USD	1.256	-1.9% Avg.: 1.279	-1.7% Avg.: 1.278	-0.2% Avg.: 1.258	-2.2% Avg.: 1.284

- The pound is still trading above most of its key long-term averages up until the five-year mark versus a slew of peers.
- The pound has been 2024's best-performing major currency for much of the year as UK interest rates remain elevated compared to elsewhere. However, the resilient USD has reclaimed the throne as risk- and trade-sensitive currencies underperform in the wake of the US election and rising geopolitical risks.
- **GBP/USD** fell towards \$1.25 and sits over 2% below its five-year average and 7% below its 10-year average.
- **GBP/EUR** is over 3% above its five-year average and looks to have established a new higher trading range with a low of €1.16 in place.
- **GBP/NZD** has switched to the top of the table, up 2.2% versus its year-to-date average rate, and almost 8% above its five-year average given the dovish RBNZ.
- **GBP/CHF** has slipped to back to the bottom end of the table, with the pair more than 1% down versus its YTD average and almost 6% below its five-year average as safe haven demand for the Swiss franc swells amidst the influx of international news flow.

Source: Bloomberg, Convera – November 26, 2024. Note: YTD average refers to the following time periods: 01.01.2024 - 26.11.2024; 1Y: 27.11.2023 - 26.11.2024; 2Y: 25.11.2022 - 26.11.2024; 5Y: 28.11.2019 - 26.11.2024.

GBP/USD future scenarios



Upside scenario: Global recovery & risk appetite

- UK economic recovery gathers pace. The BoE keeps interest rates elevated due to persistent services inflation, whilst US economy underperforms.
- Geopolitical risks recede and China's growth outlook improves, fueling increased demand for risk assets and hurting the safe haven USD.

Central scenario: Policy easing cycle

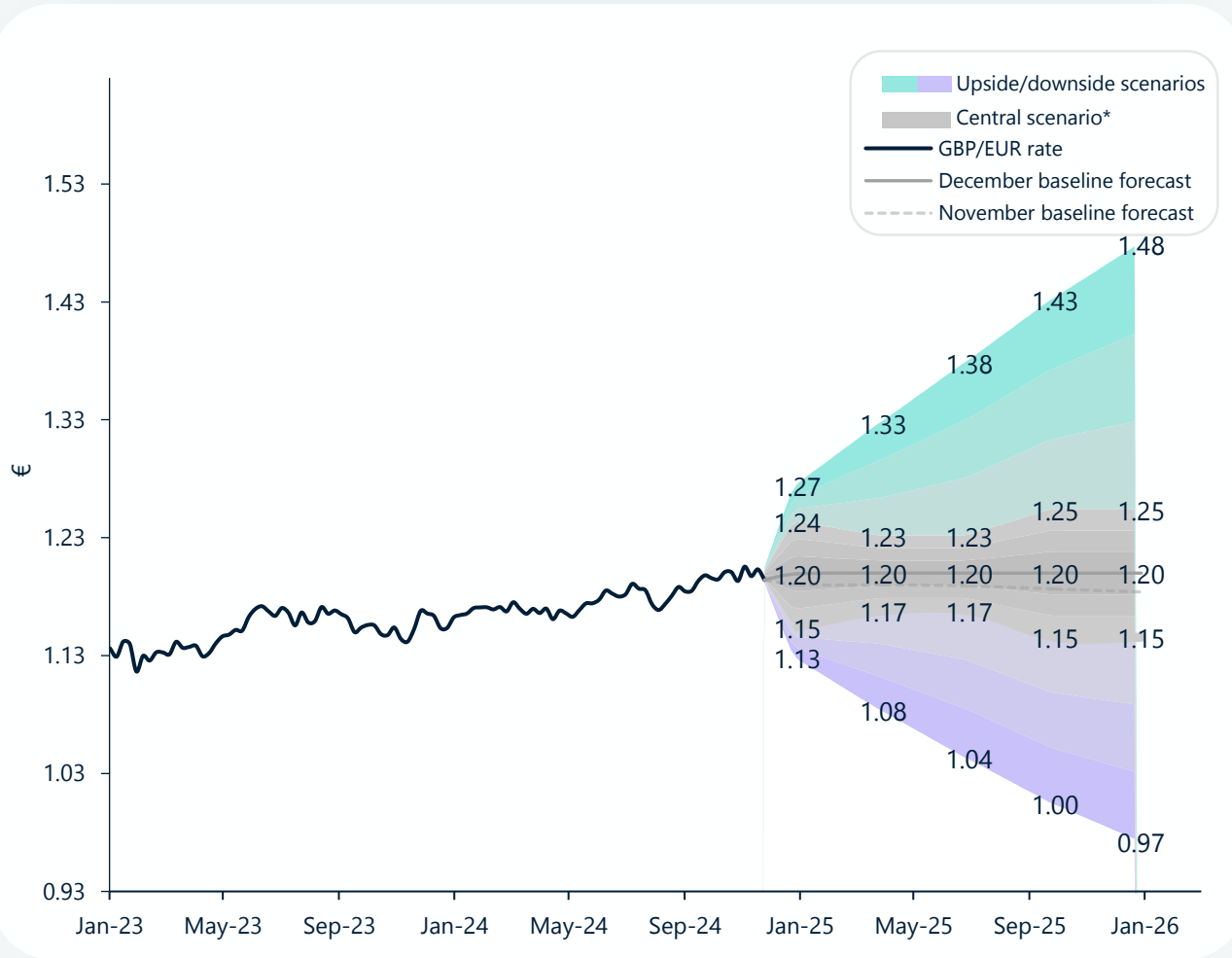
- Narrowing UK-US economic growth divergence stalls as UK economic recovery loses steam, while universal tariffs hit risk sentiment.
- Both central banks embark on their easing cycles, but GBP retreats given the historically overstretched long positioning.

Downside scenario: Trade tariffs & dovish BoE

- Following the US election, there is an increase in US-China tensions and wider universal tariffs, hurting risk-sensitive GBP.
- BoE forced to cut interest rates more as UK falls into recession, hurting GBP. Geopolitical risks inflate safe haven USD demand.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

GBP/EUR future scenarios



Upside scenario: UK avoids tariff risks

- BoE keeps interest rates high for longer amid sticky inflation, whilst ECB is forced to cut rates sooner amid disinflationary impulse accelerating.
- Meanwhile, the Eurozone hit hard by US tariffs, whilst the UK economy more immune and continues to surprise stronger than expected.

Central scenario: Easing at different speeds

- The euro faces growing downside risks due to the US election and its sensitivity to trade tariffs greater than that of the GBP.
- BoE doesn't cut rates as much as ECB, providing the pound a bigger yield advantage.

Downside scenario: Global growth outlook weakens

- Global trade war and geopolitical tensions rise, hampering global growth and weighing on the pro-cyclical pound.
- BoE eases policy rates as the headline inflation is at the 2% target, eroding sterling's yield advantage. EZ economy recovers, boosting EUR demand.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)



EU currency outlook

EUR volatility analysis



EUR/USD swings almost 6% in a month

Chart: EUR 30-day, year-to-date trading range



	Spot	High	Low	High	Low	Trading range		Position within the range	
		30D		YTD		30D	YTD	30D	YTD
EUR/USD	1.049	1.093	1.033	1.121	1.033	5.8%	8.5%	<div style="width: 27%;"></div>	18%
EUR/CAD	1.467	1.517	1.448	1.522	1.446	4.8%	5.3%	<div style="width: 28%;"></div>	28%
EUR/JPY	161.8	166.6	159.9	175.4	154.4	4.2%	13.6%	<div style="width: 28%;"></div>	35%
EUR/AUD	1.613	1.660	1.596	1.718	1.596	4.0%	7.6%	<div style="width: 27%;"></div>	14%
EUR/CNY	7.557	7.769	7.495	7.978	7.495	3.7%	6.4%	<div style="width: 23%;"></div>	13%
EUR/ZAR	18.95	19.34	18.66	20.98	18.66	3.6%	12.4%	<div style="width: 43%;"></div>	13%
EUR/NZD	1.795	1.827	1.774	1.864	1.739	3.0%	7.2%	<div style="width: 40%;"></div>	45%
EUR/CHF	0.930	0.944	0.920	0.993	0.920	2.6%	7.9%	<div style="width: 42%;"></div>	14%
EUR/GBP	0.835	0.844	0.826	0.870	0.826	2.2%	5.3%	<div style="width: 50%;"></div>	20%
EUR/CZK	25.30	25.44	25.19	25.53	24.45	1.0%	4.4%	<div style="width: 44%;"></div>	79%

- **EUR/USD** has dropped almost 4% since Trump was re-elected and over 7% since the end of September. The \$1.05 handle, a key support level, broke and short-dated moving averages are below longer-dated ones, a pattern that heralds further declines. Trump's policy agenda and trade tariffs weigh in. Political headaches in France and Germany don't help, nor the escalating war in Ukraine, nor the underwhelming Eurozone cyclical context and expected dovish ECB adjustment.
- **EUR/CAD** is also trending lower, swinging almost 5% in November and falling to its lowest level since February as the CAD benefited from ongoing US economic resilience and rising commodity prices.
- **EUR/JPY** has swung over 13% this year and the 4% swings in November highlight how sensitive this pair is to the wider geopolitical landscape. Down over 3% in November, the safe haven yen outperformed the trade-sensitive euro.
- **EUR/CZK** was the least volatile of the pack, staging a mere 1% range in November, mirroring that of October as both central banks continue their cutting cycles with their economies operating below potential.

Source: Bloomberg, Convera – November 26, 2024

EUR value indicator



Euro oversold, but downside risks aplenty

Chart: EUR performance versus year-to-date, 1, 2, and 5-year averages

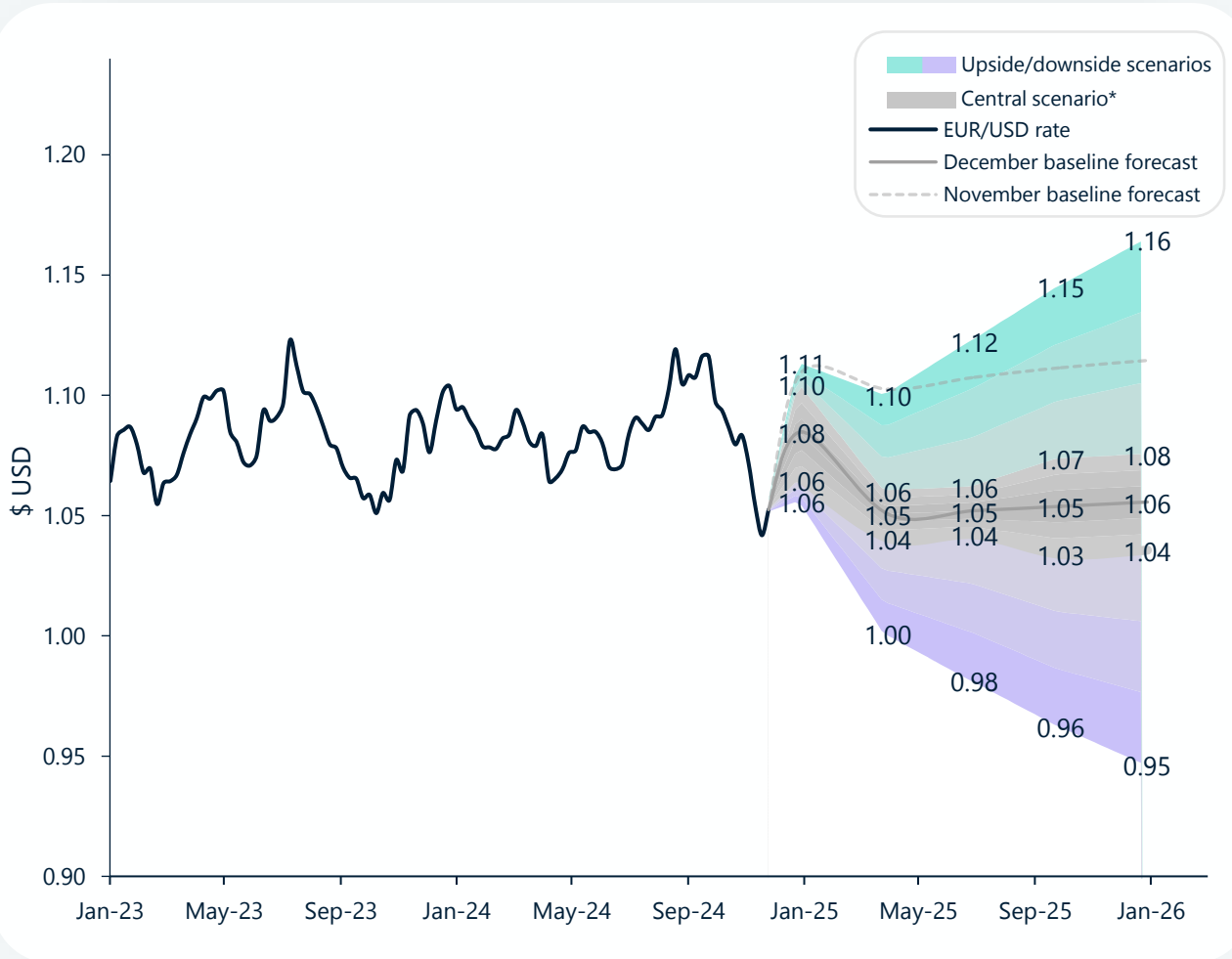
● Appreciation ● Depreciation

	Spot (As of 26.11.2024)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
EUR/CZK	25.30	0.7% Avg.: 25.11	1.0% Avg.: 25.04	3.2% Avg.: 24.51	0.5% Avg.: 25.16
EUR/NZD	1.795	0.6% Avg.: 1.784	0.7% Avg.: 1.782	1.5% Avg.: 1.767	4.1% Avg.: 1.725
EUR/CAD	1.467	-0.9% Avg.: 1.480	-0.9% Avg.: 1.479	-0.1% Avg.: 1.467	0.2% Avg.: 1.464
EUR/JPY	161.8	-1.4% Avg.: 164.1	-1.1% Avg.: 163.5	3.0% Avg.: 157.0	15.3% Avg.: 140.3
EUR/AUD	1.613	-1.6% Avg.: 1.639	-1.6% Avg.: 1.638	-1.1% Avg.: 1.630	0.6% Avg.: 1.602
EUR/GBP	0.835	-1.6% Avg.: 0.848	-1.8% Avg.: 0.849	-2.9% Avg.: 0.860	-3.4% Avg.: 0.864
EUR/CHF	0.930	-2.6% Avg.: 0.954	-2.5% Avg.: 0.953	-3.6% Avg.: 0.964	-8.8% Avg.: 1.019
EUR/USD	1.049	-3.4% Avg.: 1.085	-3.4% Avg.: 1.086	-3.1% Avg.: 1.082	-5.5% Avg.: 1.109

- The euro has been the worst G10 performer post the US election. When Trump was elected in 2016, EUR/USD fell around 4% through November and December. If history repeats, the world's most traded currency pair could be trading below \$1.03 before year-end. Plagued by a plethora of domestic and external factors, the path of least resistance looks lower for the common currency.
- **EUR/USD** is currently trading over 3.4% below its YTD, and one-year moving averages. It's also over 5% below its five-year average as rate differentials continue to favor the buck. Trump's tariff threats, and rising uncertainty related to French and German politics are also adding to the euro's woes.
- **EUR/CHF** continues to trade below its short and long-term moving averages and has broken below a key support around the 0.94 level as safe haven franc demand adds to the euro's domestic pressures.
- **EUR/CZK** is top of the table, with the pair over 3% above its two-year average rate as the CZK has a higher beta to risk than the EUR and the economic backdrop continues to weaken.

Source: Bloomberg, Convera – November 26, 2024. Note: YTD average refers to the following time periods: 01.01.2024 - 26.11.2024; 1Y: 27.11.2023 - 26.11.2024; 2Y: 25.11.2022 - 26.11.2024; 5Y: 28.11.2019 - 26.11.2024.

EUR/USD future scenarios



Upside scenario: EZ economy recovers, US exceptionalism fades

- Economic growth across the Eurozone picks up with the help of Chinese stimulus, while US economic growth continues to slow.
- Renewed risk appetite as trade tariffs don't come to fruition, supports pro-cyclical euro over the dollar.

Central scenario: Cyclical divergence extends

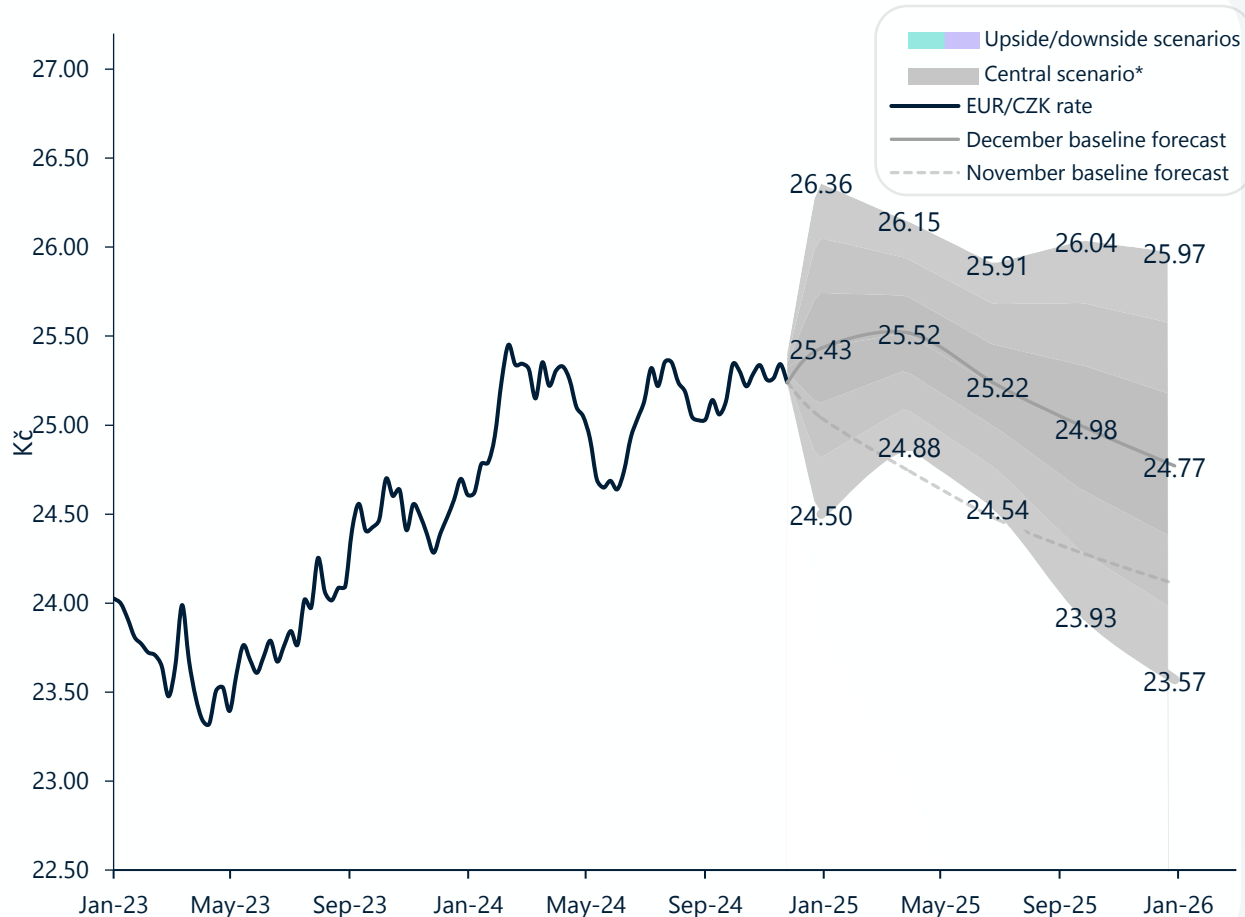
- 2024's underwhelming Eurozone/overwhelming US cyclical narrative is repeated in 2025.
- Lingering political risks in the Eurozone and the US presidential election result support the US dollar via risk sentiment and trade channel.

Downside scenario: Sweeping trade tariffs

- The euro might be pressured even lower by an increase in US-China tensions and universal tariffs, hurting the risk and trade-sensitive euro.
- ECB forced to cut rates more aggressively than the Fed due to deteriorating Eurozone economic outlook.

Chart sources: Oxford Economics, Bloomberg, Convera – November 27, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

EUR/CZK future scenarios

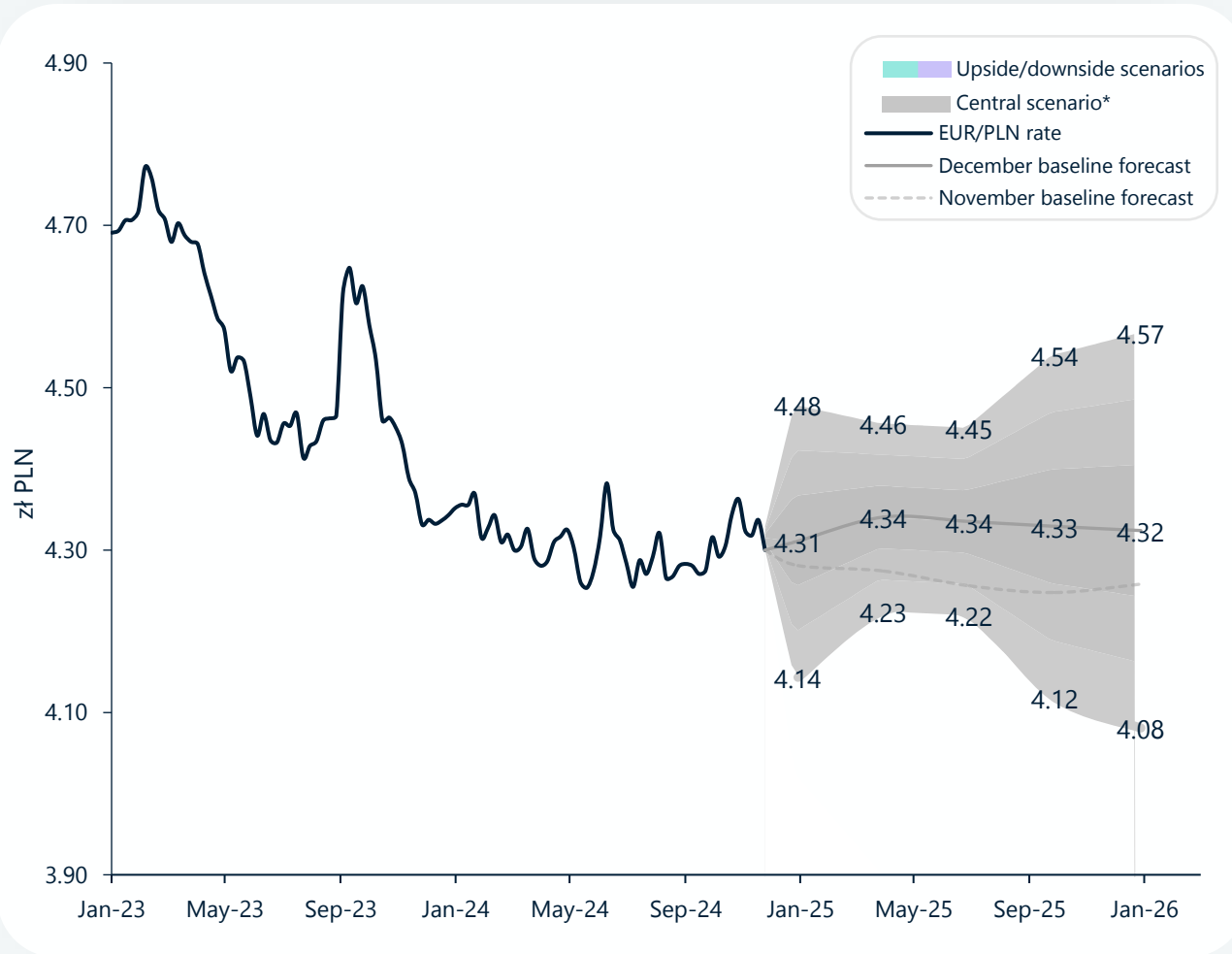


Central scenario: Easing pause on external risks?

- The Czech National Bank (CNB) cut its key rate by 25 bps to 4%, despite a further pickup in inflation in October to 2.8%, in line with consensus. Subdued growth and inflation warrant further rate cuts, but the CNB appears less confident about maintaining a steady pace of reductions. Its latest statement pledged caution, while warning about a potential pause to easing, likely reflecting higher external risks in the aftermath of the US elections.
- Although a pause in the easing cycle would help the currency regain the policy support it may need to outperform regional peers in a prolonged risk-off episode, the koruna's near-term outlook likely hinges more on the euro's path against the USD than the CNB.
- This could thus support the CZK further amidst the dovish ECB rhetoric and trade related risks stemming from the US, whilst renewed political risk emanating from Germany and France are further negative drivers of the euro.
- **Upside risks:** The ECB cuts more gradually as services inflation remains sticky.
- **Downside risks:** ECB continues front-loading its easing cycle. Meanwhile, CNB postpones further rate cuts as inflation reheats.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

EUR/PLN future scenarios



Central scenario: Easing to accelerate in 2025

- Throughout 2024, the central bank has consistently been more hawkish than consensus expectations, but the tone has shifted to the dovish side this quarter. Looking into next year, we expect the NBP to deliver cuts of at least 75 basis points during 2025, bringing the reference rate to 5.0% or lower by the end of next year, which should weigh on the PLN.
- Slowing growth momentum, confirmed by last week's GDP data, and a deteriorating fiscal position may further exacerbate the risk premium in the zloty.
- The zloty has significantly outperformed its move implied by historical beta to the EUR/USD. So, we see scope for EUR/PLN upside realignment in the coming weeks. It appears the market has significantly overpriced Poland's resilience to the risk of a global trade war, while it has underpriced geopolitical risks associated with the war in Ukraine.
- **Upside risks:** Inflation in Poland cools, prompting the NBP to bring forward rate cuts, taking away from PLN appeal. EUR/PLN trends higher as rate differentials improve marginally to favor the euro.
- **Downside risks:** the ECB cuts rates more aggressively amid growth risks and cooling inflation while the NBP leaves the rates unchanged through Q1 2025.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)



APAC currency outlook

APAC volatility analysis



Market realignments drive regional currency swings

Chart: AUD 30-day, year-to-date trading range



	Spot	High 30D	Low	High YTD	Low	Trading range		Position within the range	
						30D	YTD	30D	YTD
NZD/USD	0.584	0.603	0.579	0.637	0.579	4.1%	10.0%	21%	9%
AUD/USD	0.650	0.668	0.643	0.694	0.635	3.9%	9.3%	28%	25%
AUD/EUR	0.619	0.626	0.602	0.626	0.582	4.0%	7.6%	71%	84%
AUD/GBP	0.517	0.520	0.502	0.539	0.499	3.6%	8.0%	83%	45%
AUD/JPY	100.2	102.4	99.07	109.3	90.15	3.4%	21.2%	34%	52%
NZD/EUR	0.556	0.563	0.547	0.575	0.536	2.9%	7.3%	56%	51%
USD/SGD	1.345	1.351	1.313	1.367	1.278	2.9%	7.0%	84%	75%
AUD/CNY	4.68	4.776	4.654	4.934	4.527	2.6%	9.0%	21%	38%
USD/CNY	7.253	7.256	7.086	7.277	7.006	2.4%	3.9%	98%	91%
NZD/AUD	0.898	0.912	0.894	0.946	0.894	2.0%	5.8%	22%	8%

- **AUD/JPY** emerges as the standout volatility pair with an unprecedented 21.2% year-to-date range, currently positioned at 34% of its 30-day range and 52% of YTD range, highlighting intensified market reactions to BOJ policy speculation.
- **NZD/USD** maintains significant movement potential with a 10.0% YTD range, currently at 21% of 30-day and 9% of YTD ranges, aligning with broader market expectations of monetary policy adjustments.
- **AUD/USD** exhibits notable volatility with a 9.3% YTD range, with current positioning at 28% of 30-day and 25% of YTD ranges, reflecting heightened sensitivity around central bank policy divergence.
- **AUD/CNY** shows meaningful fluctuation with a 9.0% YTD range, positioned at 21% of 30-day and 38% of YTD ranges, demonstrating sensitivity to regional trade dynamics.
- **USD/CNY** displays remarkable stability with just a 3.9% YTD range, currently at 98% of 30-day and 91% of YTD ranges, reflecting PBOC's effective management amid regional pressures.

Source: Bloomberg, Convera – November 26, 2024

APAC value indicator



Monetary policy divergence drives currency valuations

Chart: AUD performance versus year-to-date, 1, 2, and 5-year averages

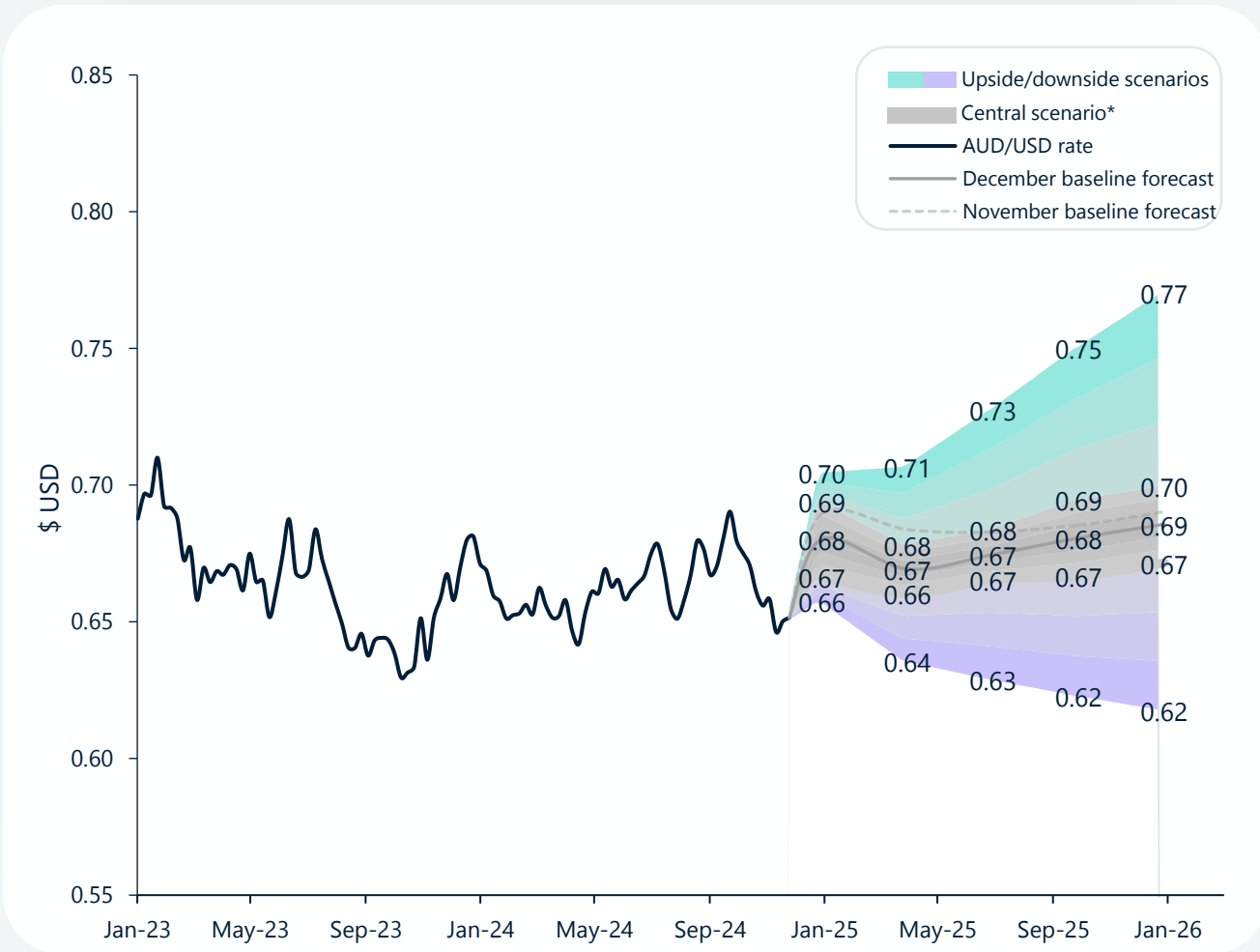
● Appreciation ● Depreciation

	Spot (As of 26.11.2024)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
AUD/NZD	1.112	2.1% Avg.: 1.089	2.2% Avg.: 1.088	2.5% Avg.: 1.084	3.3% Avg.: 1.076
AUD/EUR	0.619	1.4% Avg.: 0.610	1.4% Avg.: 0.610	0.9% Avg.: 0.613	-1.0% Avg.: 0.624
AUD/CAD	0.909	0.6% Avg.: 0.903	0.6% Avg.: 0.903	0.9% Avg.: 0.900	-0.6% Avg.: 0.914
AUD/JPY	100.2	0.0% Avg.: 100.1	0.4% Avg.: 99.82	4.0% Avg.: 99.30	14.3% Avg.: 87.65
AUD/GBP	0.517	-0.2% Avg.: 0.517	-0.3% Avg.: 0.518	-2.1% Avg.: 0.527	-4.2% Avg.: 0.539
AUD/SGD	0.875	-1.1% Avg.: 0.884	-1.1% Avg.: 0.884	-1.6% Avg.: 0.889	-6.9% Avg.: 0.939
AUD/CNY	4.68	-1.7% Avg.: 4.761	-1.7% Avg.: 4.762	-1.1% Avg.: 4.731	-1.5% Avg.: 4.749
AUD/USD	0.650	-1.9% Avg.: 0.662	-2.0% Avg.: 0.663	-2.1% Avg.: 0.664	-6.2% Avg.: 0.693

- **AUD/NZD** demonstrates notable strength trading 2.1% above the YTD average and 3.3% above the five-year average, indicating relative AUD premium driven by RBA's firm stance on maintaining higher rates amid inflation concerns.
- **AUD/EUR** maintains positive momentum at 1.4% above both YTD and one-year averages (Avg: 0.610), reflecting stronger relative economic performance and more attractive yield differentials.
- **AUD/JPY** shows significant appreciation at 14.3% above five-year average (Avg: 87.65), driven by persistent yield differentials between hawkish RBA and still-accommodative BOJ policy dynamics.
- **AUD/USD** appears relatively cheap at 2.0% below one-year average and 6.2% below five-year mean (Avg: 0.693), suggesting potential undervaluation based on historical ranges.
- **AUD/CNY** shows persistent weakness at 1.7% below both YTD and one-year averages (Avg: 4.762), reflecting China's managed currency regime and regional trade considerations.

Source: Bloomberg, Convera – November 26, 2024. Note: YTD average refers to the following time periods: 01.01.2024 - 26.11.2024; 1Y: 27.11.2023 - 26.11.2024; 2Y: 25.11.2022 - 26.11.2024; 5Y: 28.11.2019 - 26.11.2024.

AUD/USD future scenarios



Upside scenario: Australian inflation remains high

- The Australian government plans to boost growth prospects by compensating for cost savings with another significant fiscal easing.
- US inflation slows down faster than anticipated, lowering expectations for terminal rates, and boosting risk assets like the AUD.

Central scenario: Greenback recovers

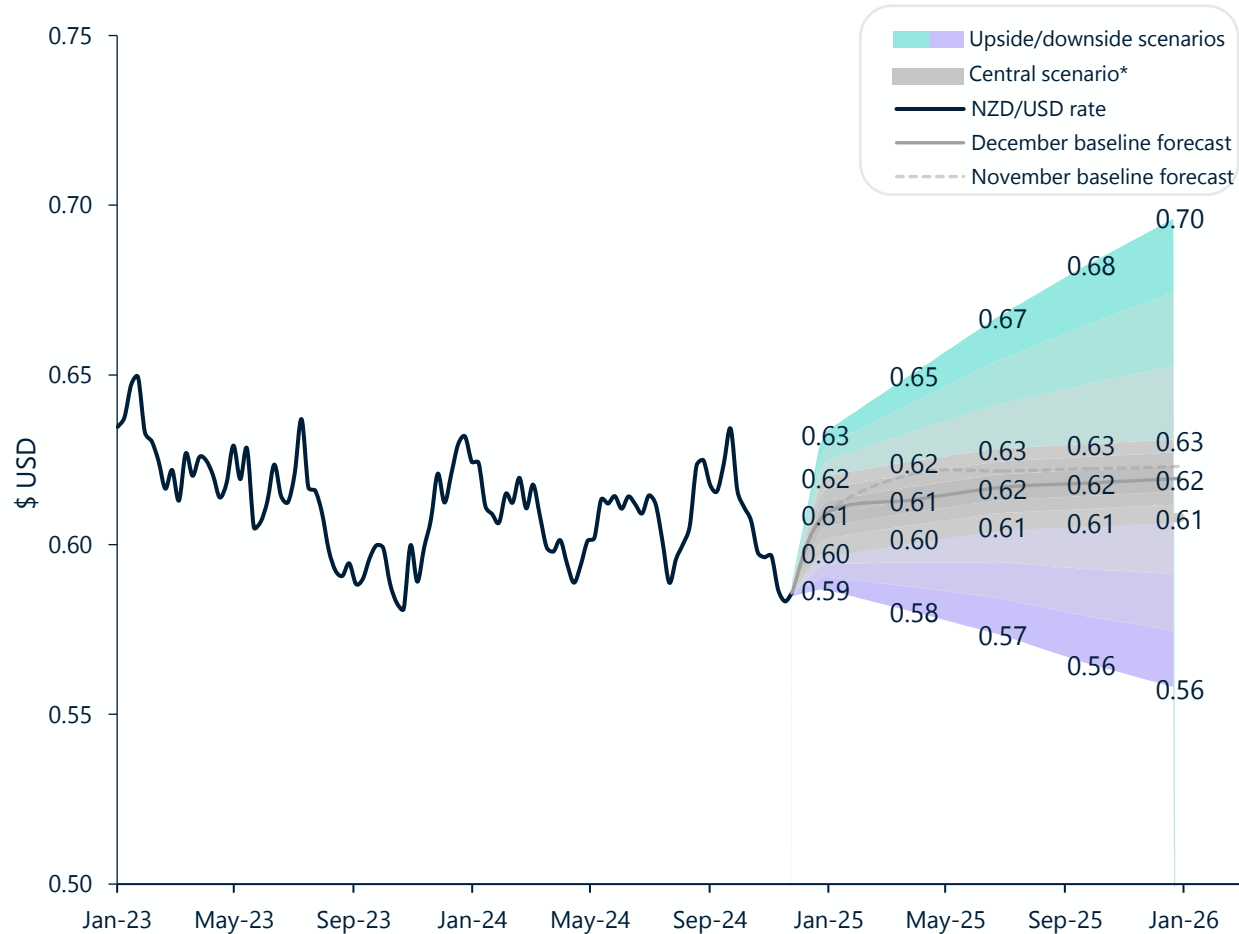
- The Australian dollar might rise in response to the Reserve Bank of Australia's resistance to a worldwide cycle of rate cuts.
- Although the RBA may hold steady in coming meetings, US rates are likely to remain above Australian rates, capping growth in the AUD/USD.

Downside scenario: Financial system stress

- Following the US election, there is an increase in US-China tension and wider tariffs.
- Higher-for-longer global policy outlook starts to put pressure on credit markets.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

NZD/USD future scenarios



Upside scenario: Likelihood of global soft landing

- The budget cutbacks promised to finance the new tax package are abandoned by the incoming administration
- The likelihood of soft landing globally is boosted by sharply lower US inflation

Central scenario: NZD susceptible to risk-off events

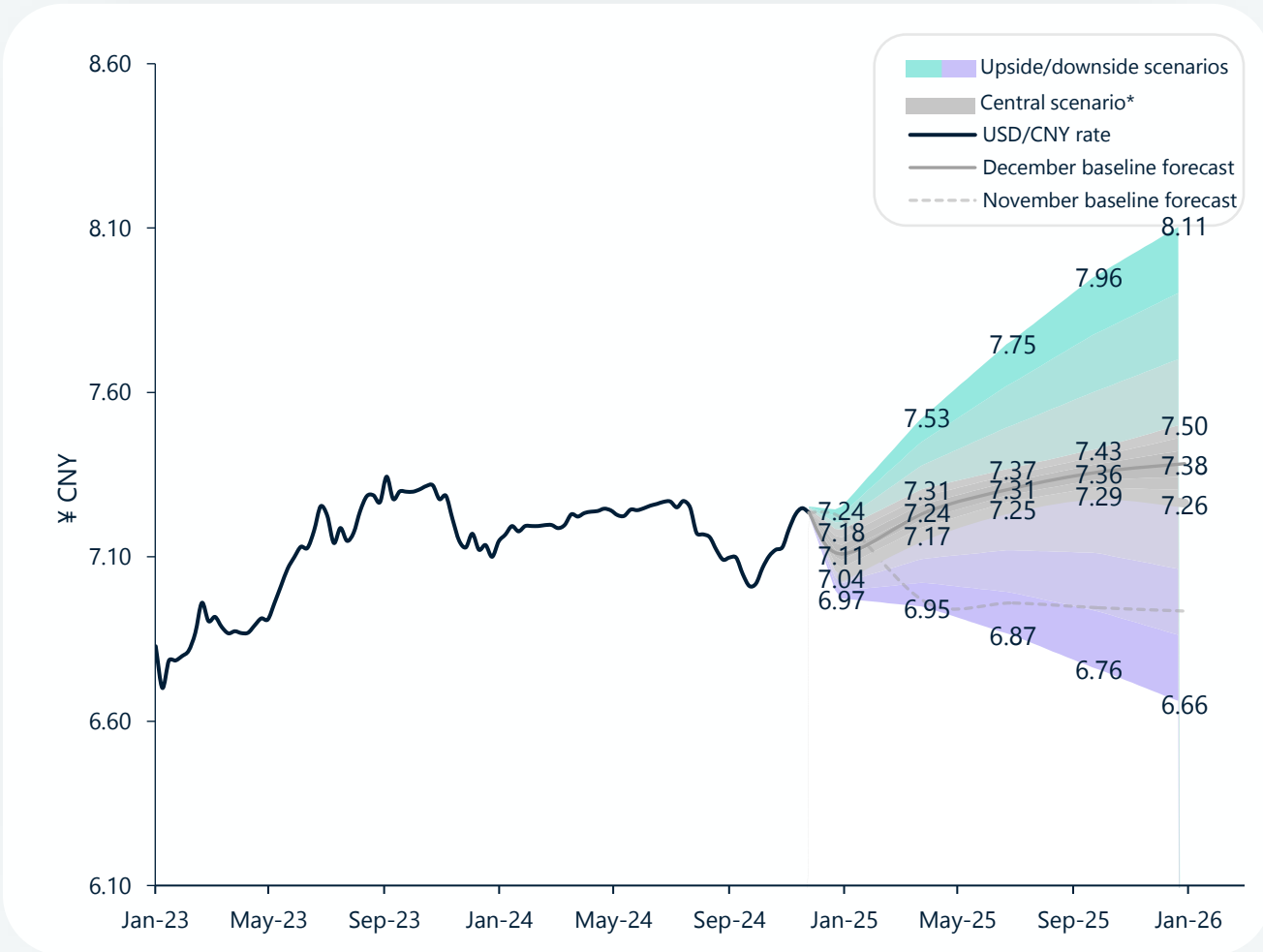
- NZD is still susceptible to any global risk-off events, even if China surprises to the upside.
- A slowdown in growth means commodities remain under pressure with dairy prices key for NZD.

Downside scenario: More aggressive RBNZ easing

- The implementation of high tariffs after the US election.
- When the RBNZ begins to ease, domestic growth stagnates and a more aggressive policy response is pursued,

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 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

USD/CNY future scenarios



Upside scenario: Higher PBoC tolerance for a yuan that is weaker

- Higher PBoC tolerance for a yuan that is weaker
- Geopolitical unrest intensifies

Central scenario: China recovery improves

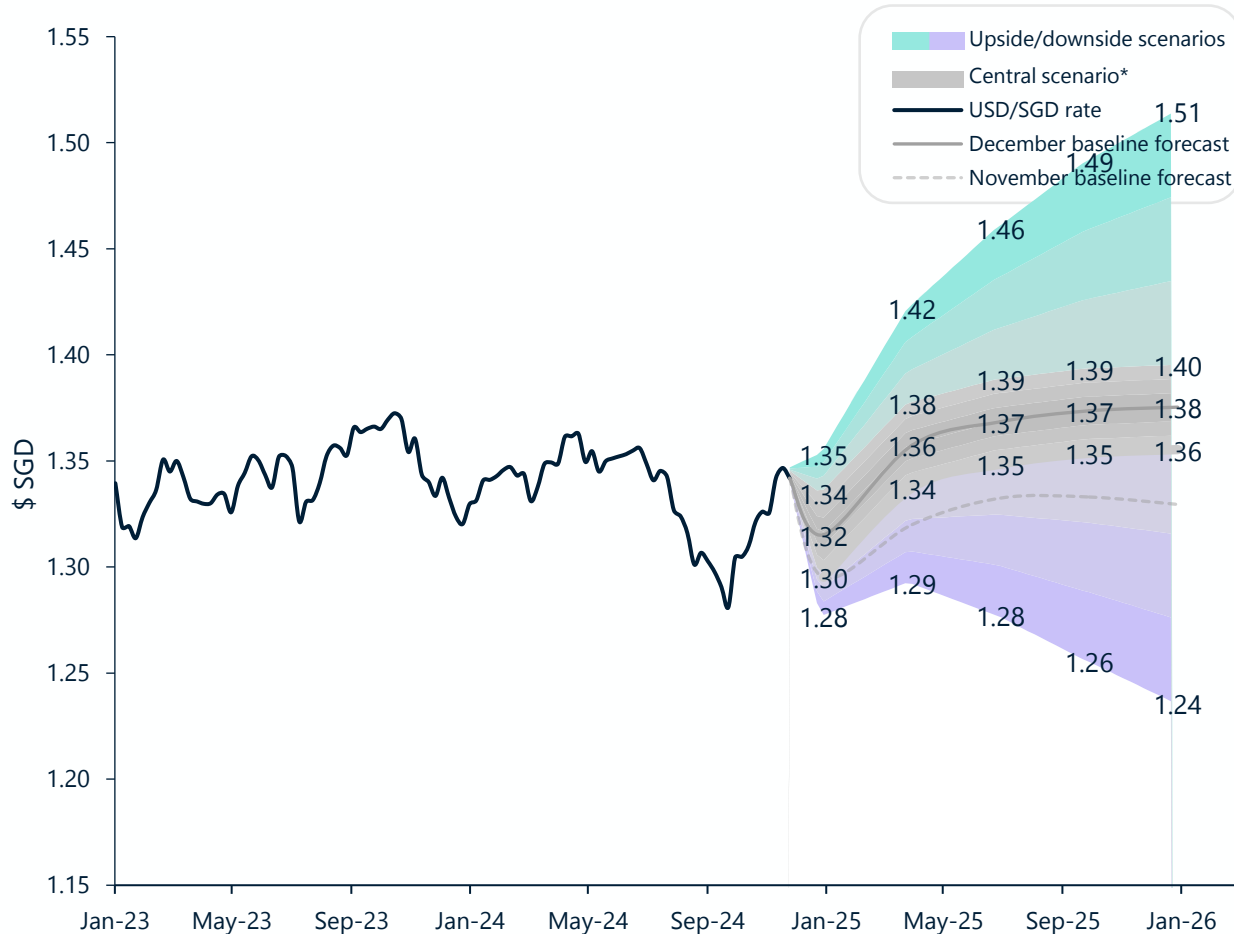
- The Chinese government's recent supportive action to the local economy could see the CNY strengthen.
- Once the Fed confirms a cut in rates, the US dollar might ease.

Downside scenario: Larger-than-expected stimulus from PBoC

- Larger-than-expected stimulus from PBoC.
- The USD could fall if the Fed is forced to cut official interest rates to support the US economy.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

USD/SGD future scenarios



Upside scenario: Global sell-off hits risk

- US equities could turn from higher levels, causing safe-haven FX like the US dollar to gain.
- SGD NEER trades in the top half of the band and pose downside risks to SGD.

Central scenario: Global growth remains underwhelming

- Global trade is likely disappointing as Chinese growth remains sluggish, keeping the USD/SGD near recent highs.
- The USD rises as risk aversion comes to the fore

Downside scenario: Fed cuts – and fast

- USD might weaken if the Fed is forced to cut official interest rates as the US economy slows.
- An improving global growth outlook could help trade – and the SGD.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)



NAM currency outlook

NAM volatility analysis



MXN, JPY take post-election spotlight

Chart: NAM 30-day, year-to-date trading range



	Spot	High	Low	High	Low	Trading range		Position within the range			
		30D		YTD		30D	YTD	30D	YTD		
EUR/USD	1.049	1.093	1.033	1.121	1.033	5.8%	8.5%		27%		18%
USD/MXN	20.30	20.80	19.76	20.80	16.26	5.3%	27.9%		52%		89%
EUR/CAD	1.467	1.517	1.448	1.522	1.446	4.8%	5.3%		28%		28%
GBP/USD	1.256	1.304	1.248	1.343	1.23	4.5%	9.2%		14%		23%
NZD/USD	0.584	0.603	0.579	0.637	0.579	4.1%	10.0%		21%		9%
USD/CHF	0.886	0.895	0.861	0.922	0.837	3.9%	10.2%		74%		58%
AUD/USD	0.650	0.668	0.643	0.694	0.635	3.9%	9.3%		28%		25%
USD/JPY	154.2	156.7	151.3	161.9	139.5	3.6%	16.1%		54%		66%
USD/CAD	1.398	1.417	1.382	1.417	1.322	2.5%	7.2%		46%		80%
USD/CNY	7.253	7.259	7.086	7.277	7.006	2.4%	3.9%		97%		91%

- The euro saw big losses and sharp moves in November with the currency hit by trade worries and weaker data, especially the poor purchasing manager index (PMI) numbers at the end of the month.
- The **EUR/USD** experienced a volatile month but the 8.5% trading range for 2024 is historically low compared to the post-1999 average annual range of 17%.
- The **USD/MXN** also saw more volatility in November as warnings of new trade tariffs pushed the MXN lower and caused the USD/MXN to hit two-year highs.
- The **USD/JPY** saw a decline in volatility in November but potential for a Bank of Japan rate hike in December means the calm might be only short lived.

Source: Bloomberg, Convera – November 26, 2024

NAM value indicator



MXN, CAD at lows post-election

Chart: NAM performance versus year-to-date, 1, 2, and 5-year averages

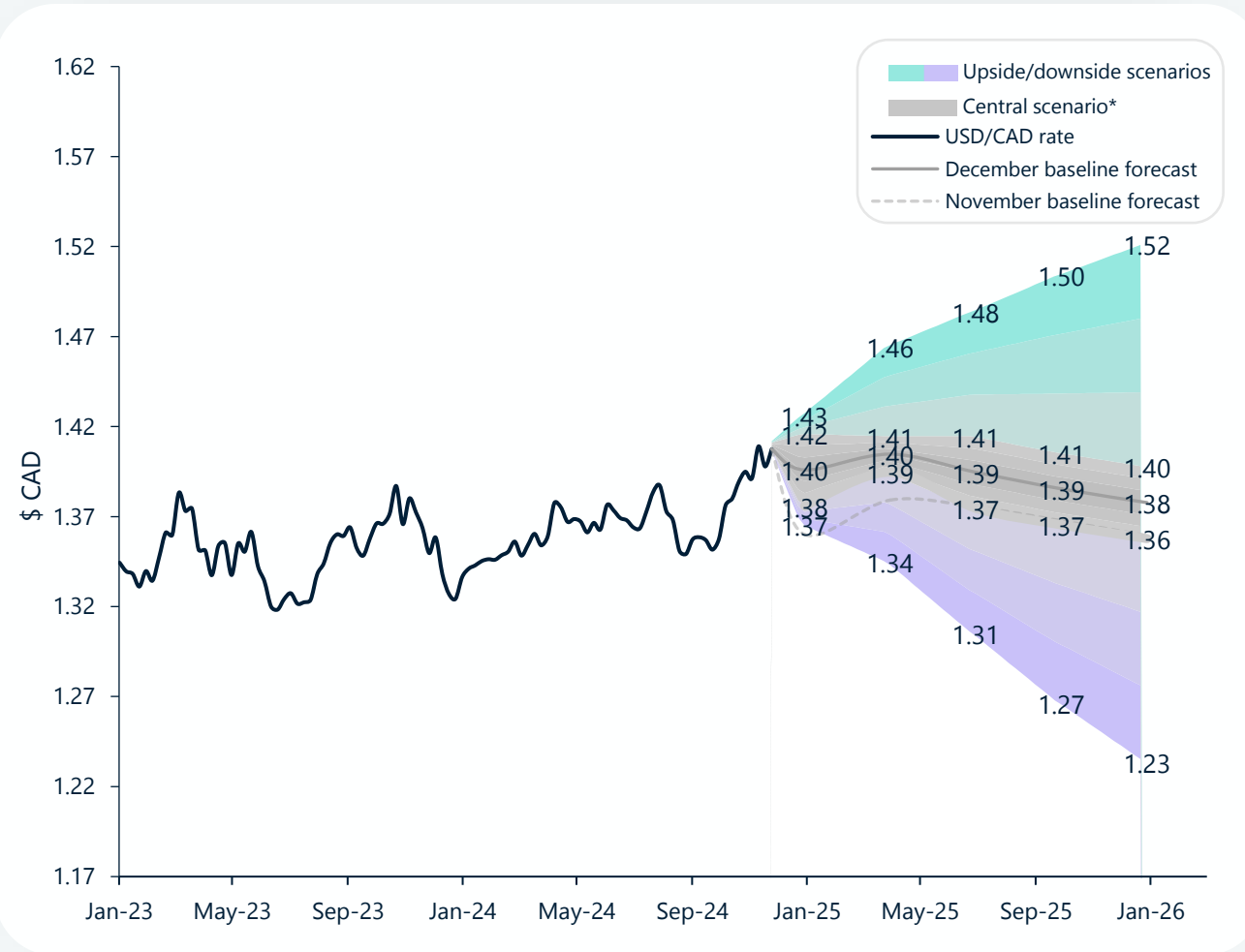
● Appreciation ● Depreciation

	Spot (As of 26.11.2024)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
USD/MXN	20.30	12.2% Avg.: 18.09	12.7% Avg.: 18.01	12.8% Avg.: 17.99	3.7% Avg.: 19.56
USD/CAD	1.398	2.5% Avg.: 1.364	2.6% Avg.: 1.362	3.1% Avg.: 1.356	5.8% Avg.: 1.321
USD/JPY	154.2	2.0% Avg.: 151.1	2.4% Avg.: 150.5	6.3% Avg.: 145.1	21.3% Avg.: 127.1
EUR/CAD	1.467	-0.9% Avg.: 1.480	-0.9% Avg.: 1.479	-0.1% Avg.: 1.467	0.2% Avg.: 1.464
GBP/USD	1.256	-1.9% Avg.: 1.279	-1.7% Avg.: 1.278	-0.2% Avg.: 1.258	-2.2% Avg.: 1.284
AUD/USD	0.650	-1.9% Avg.: 0.662	-2.0% Avg.: 0.663	-2.1% Avg.: 0.664	-6.2% Avg.: 0.693
EUR/USD	1.049	-3.4% Avg.: 1.085	-3.4% Avg.: 1.086	-3.1% Avg.: 1.082	-5.5% Avg.: 1.109
NZD/USD	0.584	-4.0% Avg.: 0.608	-4.2% Avg.: 0.609	-4.7% Avg.: 0.612	-9.3% Avg.: 0.644

- The USD index's move to two-year highs in November clearly drove big shifts across markets.
- The **USD/MXN** remains around 12.0% higher versus the YTD, one and two-year averages as trade tensions impact this market.
- The **USD/CAD** was also driven by trade factors in November with the pair moving to four-year highs. That said, valuations remain only moderately stretched versus shorter-term averages.
- The **GBP/USD** and **AUD/USD**, while both lower in November, saw only moderate losses with expectations that their respective central banks will be reluctant to cut rates further providing support.
- On the other hand, poor economic data means the **EUR/USD** and **NZD/USD** might require further cuts, weighing on these currencies.

Source: Bloomberg, Convera – November 26, 2024. Note: YTD average refers to the following time periods: 01.01.2024 - 26.11.2024; 1Y: 27.11.2023 - 26.11.2024; 2Y: 25.11.2022 - 26.11.2024; 5Y: 28.11.2019 - 26.11.2024.

USD/CAD future scenarios



Upside scenario: Dovish BoC, cautious Fed

- US inflation proves sticky, prompting investors to price out aggressive Fed rate cut bets in the near-term and 2025.
- An increase in trade tensions can push USD/CAD to the mid 1.4500s.

Central scenario: Fed cuts rates gradually

- The baseline forecast has been lifted as expectations for Fed cuts are pulled back.
- Lingering upside risks to inflation, despite the weakening US labor market, means the USD might remain supported.

Downside scenario: US labor market deteriorates

- Fed delivers a more aggressive cutting cycle as US labor market weakens, reducing the US dollar interest rate differential advantage.
- The BoC might near an end to rate cuts if economy shows signs of recovery.

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International strategy

Considerations for global businesses



Currency volatility

What if we continue to see material 5-10% shifts in your key exchange rates, or your target rate stays at levels significantly above or below your budgeted level?

Risk management

Talk to us about our full range of currency risk management tools[^].



Geopolitics

What if your industry, or specific country of interest remains exposed to supply chain risks, whilst pressures to diversify and speed up delivery remains high?

Diversification

Talk to us about our trade solutions and how we help organizations accelerate payment speed or diversify into alternative markets.

We support 140 currencies and operate across 200 countries and territories.



Sanctions

What if factors like sanctions escalate, and your payment and regulatory complexities increase? Is managing reputational risks and customer experience related to global payments important to you?

Efficiency and security

Talk to us about our automated global payment solutions, compliance controls and fraud prevention measures.

We invest annually in managing compliance and regulations globally.

[^]Options products are not available in Hong Kong.

*Certain hedging products are not available in all countries. For more information on availability, contact AskMarketInsights@Convera.com

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Appendix

Future scenarios



	Scenarios	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2
GBP/USD	High	1.345	1.328	1.353	1.378	1.400	1.416	1.428	1.436	1.439	1.441	1.443
	Baseline + σ	1.321	1.28	1.282	1.294	1.296	1.308	1.32	1.322	1.333	1.335	1.347
	Baseline	1.301	1.260	1.262	1.264	1.266	1.268	1.270	1.272	1.273	1.275	1.277
	Baseline - σ	1.281	1.24	1.242	1.234	1.236	1.228	1.22	1.222	1.213	1.215	1.207
	Low	1.256	1.192	1.171	1.150	1.133	1.120	1.111	1.107	1.107	1.109	1.111
GBP/EUR	High	1.274	1.327	1.378	1.432	1.479	1.515	1.541	1.556	1.559	1.557	1.556
	Baseline + σ	1.243	1.230	1.230	1.254	1.253	1.263	1.285	1.284	1.307	1.321	1.343
	Baseline	1.199	1.199	1.199	1.200	1.199	1.199	1.199	1.198	1.198	1.198	1.197
	Baseline - σ	1.154	1.167	1.167	1.145	1.144	1.134	1.112	1.111	1.088	1.074	1.050
	Low	1.128	1.084	1.043	1.004	0.973	0.949	0.933	0.923	0.921	0.921	0.921
GBP/JPY	High	221.2	223.9	229.3	234.1	237.8	240.0	241.0	241.0	239.8	238.3	236.9
	Baseline + σ	210.2	207.7	206.4	206.2	207.1	208.1	207.7	208.9	212.7	214.1	216.3
	Baseline	201.1	197.7	196.6	194.9	193.3	191.6	189.8	188.3	186.9	185.6	184.3
	Baseline - σ	191.9	187.6	186.7	183.5	179.4	175.0	171.8	167.6	161.0	157.0	152.2
	Low	181.9	173.0	166.4	159.3	153.5	148.6	144.7	142.1	140.6	139.4	138.3
GBP/CHF	High	1.216	1.265	1.314	1.357	1.393	1.420	1.439	1.450	1.452	1.452	1.451
	Baseline + σ	1.156	1.176	1.182	1.192	1.191	1.214	1.236	1.236	1.244	1.244	1.253
	Baseline	1.126	1.133	1.139	1.140	1.139	1.139	1.139	1.139	1.138	1.138	1.137
	Baseline - σ	1.095	1.089	1.095	1.087	1.086	1.063	1.041	1.041	1.031	1.031	1.020
	Low	1.039	1.009	0.977	0.941	0.912	0.889	0.874	0.865	0.862	0.862	0.862

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios



	Scenarios	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2
EUR/USD	High	1.113	1.100	1.122	1.145	1.164	1.180	1.191	1.198	1.202	1.203	1.205
	Baseline + σ	1.104	1.06	1.062	1.073	1.075	1.077	1.089	1.091	1.102	1.114	1.126
	Baseline	1.084	1.050	1.052	1.053	1.055	1.057	1.059	1.061	1.062	1.064	1.066
	Baseline - σ	1.064	1.04	1.042	1.033	1.035	1.037	1.029	1.031	1.022	1.014	1.006
	Low	1.056	1.000	0.981	0.962	0.946	0.934	0.926	0.923	0.923	0.925	0.927
EUR/GBP	High	0.886	0.922	0.958	0.995	1.027	1.053	1.071	1.082	1.085	1.084	1.084
	Baseline + σ	0.861	0.854	0.854	0.868	0.868	0.875	0.890	0.891	0.906	0.914	0.929
	Baseline	0.833	0.833	0.833	0.833	0.833	0.833	0.833	0.834	0.834	0.834	0.834
	Baseline - σ	0.804	0.811	0.811	0.797	0.797	0.790	0.775	0.776	0.761	0.753	0.738
	Low	0.784	0.753	0.725	0.698	0.676	0.659	0.648	0.642	0.641	0.641	0.642
EUR/CHF	High	1.006	1.048	1.090	1.128	1.159	1.183	1.200	1.210	1.213	1.213	1.213
	Baseline + σ	0.966	0.974	0.979	0.989	0.989	0.999	1.020	1.019	1.028	1.038	1.048
	Baseline	0.938	0.944	0.949	0.950	0.950	0.949	0.950	0.949	0.949	0.949	0.950
	Baseline - σ	0.909	0.913	0.918	0.910	0.910	0.898	0.879	0.878	0.869	0.859	0.851
	Low	0.873	0.846	0.819	0.787	0.761	0.742	0.728	0.720	0.719	0.719	0.719
EUR/CNY	High	8.066	8.280	8.701	9.110	9.446	9.699	9.872	9.974	10.00	9.983	9.952
	Baseline + σ	7.930	7.749	7.824	7.975	8.070	8.125	8.232	8.339	8.484	8.567	8.614
	Baseline	7.711	7.603	7.688	7.753	7.794	7.816	7.826	7.834	7.837	7.821	7.793
	Baseline - σ	7.491	7.456	7.551	7.530	7.517	7.506	7.419	7.328	7.189	7.074	6.971
	Low	7.364	6.954	6.738	6.506	6.300	6.136	6.018	5.953	5.936	5.922	5.898

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 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios



	Scenarios	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2
EUR/HUF	High	431.7	463.6	483.6	506.0	527.2	545.2	558.6	566.8	569.8	570.8	571.7
	Baseline + σ	413.2	416.5	414.6	417.6	419.3	425.5	438.7	440.2	449.3	459.7	467.7
	Baseline	395.4	404.7	401.6	400.4	400.8	402.3	404.0	405.3	406.3	407.2	407.9
	Baseline - σ	377.5	392.8	388.5	383.1	382.2	379.0	369.2	370.3	363.2	354.6	348.0
	Low	372.9	366.6	348.6	332.7	320.8	312.8	307.8	305.3	305.2	306.0	306.6
EUR/CZK	High	27.04	28.12	28.82	29.59	30.25	30.74	31.04	31.14	31.04	30.89	30.74
	Baseline + σ	26.36	26.14	25.90	26.03	25.97	25.80	26.11	25.91	26.01	26.14	26.27
	Baseline	25.43	25.51	25.22	24.98	24.77	24.58	24.41	24.26	24.10	23.97	23.84
	Baseline - σ	24.49	24.87	24.53	23.92	23.56	23.35	22.70	22.60	22.18	21.79	21.40
	Low	23.86	23.03	21.85	20.76	19.83	19.11	18.58	18.23	18.04	17.92	17.81
USD/CZK	High	24.28	25.56	25.68	25.84	25.97	26.04	26.05	25.97	25.82	25.65	25.49
	Baseline + σ	23.86	24.65	24.39	24.24	24.14	23.95	23.98	23.75	23.59	23.45	23.32
	Baseline	23.44	24.28	23.97	23.70	23.46	23.24	23.05	22.86	22.68	22.51	22.35
	Baseline - σ	23.02	23.91	23.55	23.16	22.78	22.53	22.12	21.97	21.77	21.57	21.38
	Low	22.59	23.01	22.27	21.57	20.95	20.45	20.05	19.75	19.54	19.37	19.21
USD/PLN	High	4.136	4.361	4.416	4.471	4.519	4.556	4.580	4.591	4.588	4.576	4.559
	Baseline + σ	4.054	4.201	4.19	4.228	4.246	4.295	4.367	4.348	4.33	4.327	4.321
	Baseline	3.974	4.131	4.120	4.108	4.096	4.085	4.077	4.068	4.060	4.047	4.031
	Baseline - σ	3.894	4.061	4.05	3.988	3.946	3.875	3.787	3.788	3.79	3.767	3.741
	Low	3.811	3.902	3.824	3.744	3.672	3.615	3.573	3.546	3.532	3.519	3.503

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
 *+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios



	Scenarios	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2
AUD/USD	High	0.704	0.706	0.727	0.750	0.770	0.787	0.801	0.814	0.824	0.834	0.844
	Baseline + σ	0.693	0.677	0.683	0.693	0.699	0.703	0.713	0.728	0.735	0.749	0.762
	Baseline	0.680	0.669	0.674	0.680	0.685	0.689	0.694	0.699	0.706	0.714	0.721
	Baseline - σ	0.666	0.660	0.664	0.666	0.670	0.674	0.674	0.669	0.676	0.678	0.679
	Low	0.657	0.635	0.628	0.622	0.617	0.613	0.612	0.613	0.618	0.624	0.629
AUD/EUR	High	0.667	0.706	0.741	0.779	0.814	0.842	0.864	0.881	0.893	0.902	0.911
	Baseline + σ	0.642	0.649	0.653	0.660	0.664	0.667	0.673	0.695	0.695	0.702	0.710
	Baseline	0.627	0.637	0.641	0.645	0.649	0.652	0.655	0.659	0.665	0.670	0.676
	Baseline - σ	0.611	0.624	0.628	0.629	0.633	0.636	0.636	0.622	0.634	0.637	0.641
	Low	0.590	0.577	0.560	0.543	0.530	0.520	0.513	0.512	0.514	0.518	0.522
AUD/NZD	High	1.200	1.217	1.268	1.327	1.381	1.424	1.458	1.485	1.504	1.519	1.531
	Baseline + σ	1.160	1.125	1.128	1.144	1.149	1.162	1.181	1.212	1.237	1.264	1.289
	Baseline	1.117	1.091	1.093	1.101	1.106	1.111	1.115	1.122	1.131	1.140	1.147
	Baseline - σ	1.073	1.056	1.057	1.057	1.062	1.059	1.048	1.031	1.024	1.015	1.004
	Low	1.039	0.977	0.942	0.912	0.886	0.866	0.853	0.848	0.851	0.857	0.860
AUD/CNY	High	5.103	5.319	5.638	5.967	6.248	6.470	6.639	6.772	6.862	6.921	6.971
	Baseline + σ	4.982	4.955	5.037	5.158	5.250	5.310	5.393	5.574	5.669	5.763	5.835
	Baseline	4.835	4.843	4.930	5.008	5.062	5.099	5.130	5.168	5.213	5.246	5.272
	Baseline - σ	4.687	4.730	4.822	4.857	4.873	4.887	4.866	4.761	4.756	4.728	4.708
	Low	4.586	4.416	4.317	4.211	4.111	4.030	3.976	3.959	3.976	3.994	4.005

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
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Future scenarios



	Scenarios	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2
USD/CAD	High	1.426	1.464	1.483	1.504	1.521	1.535	1.545	1.548	1.546	1.542	1.538
	Baseline + σ	1.415	1.414	1.414	1.405	1.397	1.392	1.388	1.394	1.4	1.406	1.401
	Baseline	1.395	1.404	1.394	1.385	1.377	1.372	1.368	1.364	1.360	1.356	1.351
	Baseline - σ	1.375	1.394	1.374	1.365	1.357	1.352	1.348	1.334	1.32	1.306	1.301
	Low	1.365	1.344	1.305	1.266	1.233	1.209	1.191	1.179	1.173	1.169	1.165
USD/MXN	High	22.72	23.45	23.88	24.30	24.58	24.83	25.03	25.17	25.24	25.31	25.40
	Baseline + σ	20.63	21.6	21.53	21.42	21.35	21.46	21.69	21.83	21.98	22.04	22.11
	Baseline	19.99	20.31	20.33	20.32	20.34	20.38	20.44	20.50	20.56	20.64	20.72
	Baseline - σ	19.35	19.02	19.13	19.22	19.33	19.3	19.19	19.17	19.14	19.24	19.33
	Low	18.50	18.58	18.35	18.10	17.96	17.88	17.86	17.87	17.92	18.00	18.08
USD/JPY	High	164.4	168.6	169.4	169.8	169.8	169.4	168.7	167.7	166.6	165.3	164.1
	Baseline + σ	159.1	162.1	160.9	159.3	159.7	159.0	157.3	158.0	159.5	160.3	160.5
	Baseline	154.6	156.8	155.7	154.1	152.6	151.0	149.4	148.0	146.7	145.5	144.3
	Baseline - σ	150.0	151.4	150.4	148.8	145.4	142.9	141.5	137.9	133.8	130.6	128.0
	Low	144.8	145.0	142.0	138.5	135.4	132.6	130.2	128.3	126.9	125.6	124.4
USD/CNY	High	7.243	7.526	7.751	7.955	8.109	8.218	8.284	8.319	8.319	8.292	8.253
	Baseline + σ	7.178	7.307	7.368	7.427	7.503	7.542	7.559	7.644	7.693	7.686	7.648
	Baseline	7.108	7.237	7.308	7.357	7.383	7.392	7.389	7.384	7.373	7.346	7.308
	Baseline - σ	7.038	7.167	7.248	7.287	7.263	7.242	7.219	7.124	7.053	7.006	6.968
	Low	6.974	6.948	6.865	6.760	6.656	6.566	6.493	6.448	6.428	6.400	6.362

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2024. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
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