Global FX Outlook

May 2025

convera

Key insights

Tariff wars trigger market turmoil

The first 100 days of Trump 2.0 have been a rollercoaster ride. April was an historic month of U-turns and flip-flopping on trade policy by the Trump administration. The worst-case scenario on tariffs seems to have been avoided, but there are still much higher tariff levels now than we had before 'Liberation Day'. A 10% universal tariff and sectoral charges will take their toll on the global economy. Even with the 90-day pause, the current escalation would bring global tariffs back to levels last seen in the early 1930s.

Financial markets have been volatile, and market correlations between stocks and bonds, as well as interest rates and dollar crosses, are breaking traditional patterns due to inflation and policy uncertainties. Global equities suffered their biggest daily swings since the depths of the Covid pandemic in 2020. Gold surged to fresh record highs, oil prices plunged on recession fears and US stocks, bonds, and the dollar all faced simultaneous declines, amplifying fears of a mass retreat by foreign investors from US assets.

With macroeconomic uncertainty and geopolitical risks still unresolved, volatility across financial markets is likely to remain elevated.

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 US dollar index fell circa 5% in April and below 100 for the first time since 2022, as it flipped from a safe haven to a more risk-sensitive currency.

EU

The euro is experiencing its fastest rally in 15 years, up more than 14% from recent lows with some market participants eyeing a move to $1.20 before year-end.

UK

GBP/USD rallied around 4% towards a three-year high above the $1.34 handle amidst broad-based US dollar weakness relating to Trump's policies and inconsistent messaging.

Australia

After briefly hitting its lowest level since 2020 following 'Liberation Day', the Aussie dollar rebounded a whopping 9% as investors ditched the USD.

Global economic outlook

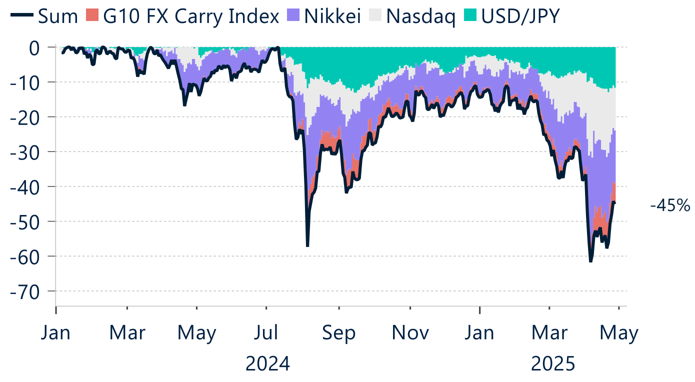
Key market themes to watch

Risk sentiment rocked

Heightened volatility, and risks tied to geopolitical uncertainties and tighter financial conditions remain significant challenges, which sent our global risk sentiment index to multi-year lows. Inconsistent messaging from the Trump administration is eroding trust in US policy, keeping investors on edge. Escalating trade war risks and even fears about the independence of the US central bank, have also undermined confidence in US assets.

Global risk sentiment deteriorated sharply

Cumulative 2024 drawdown for selected assets in %



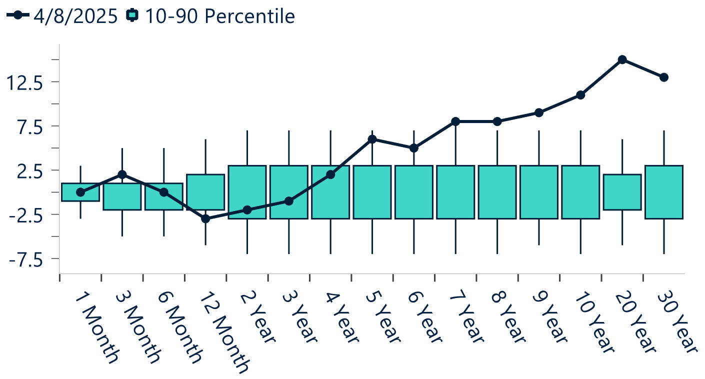
Source: Convera, Macrobond

Bond market chaos spooked Trump

A dramatic sell-off in US Treasuries, long considered the world's safest assets, intensified when Trump's reciprocal tariffs went into effect amid fears of stagflation. Less than a week after tariffs were rolled out, the president suspended reciprocal tariffs for 90 days but retained the 10% basic tariff. The abrupt idiosyncratic upswing in bond yields was a key catalyst, reflecting crimped foreign capital inflows but also highlighting the influence bond markets have on Trump's political agenda.

Extreme moves in long-dated US yields

Daily moves across US Treasury curve



Source: Convera, Macrobond

Fading US exceptionalism

Fading US exceptionalism is becoming evident as markets price in deeper Federal Reserve rate cuts, reflecting diminished confidence in the economy's strength. Anticipated easing highlights concerns about a recession and has weakened the dollar, steering investors towards alternative assets. Trade uncertainties and geopolitical shifts further erode the dollar's dominance, underscoring its vulnerability.

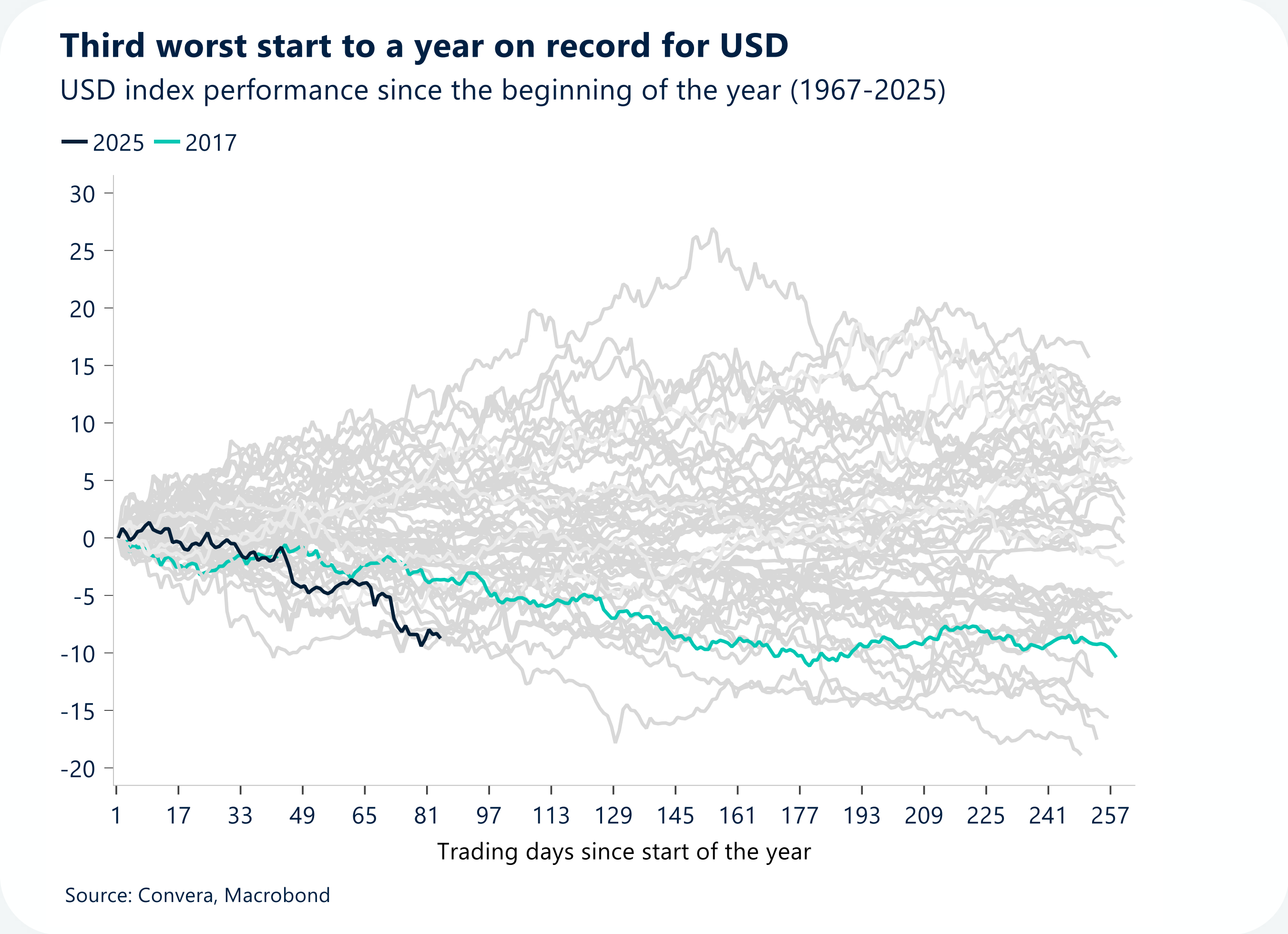
US slowdown seen in Fed pricing and USD

Fed pricing and DXY Index

Source: Convera, Macrobond

Chart sources: Convera, Macrobond – April 29, 2025

Theme in focus: paradigm shift for the dollar



- President Trump's desire for a weaker dollar has materialized, but at a significant cost to the global economy and financial markets. The US growth outlook has deteriorated sharply, and disruptions in US asset markets have cast doubt on the dollar's traditional safe-haven status. This shift underscores the broader economic challenges stemming from recent policy decisions and their far-reaching implications.

- It does look like the dollar bearish view is more structural in nature; the uncertainty surrounding US trade policy now makes the US economy less appealing as an investment destination. The dollar index is down over 8% year-to-date, its third-worst start to a year ever. Notably, regarding the two worst years for overall performance, 1986 followed the Plaza Accord in 1985, while 1973 followed the Bretton Woods system collapse in 1971. So, relatively speaking, we really are witnessing a paradigm shift in the dollar.

- The market is increasingly considering de-dollarization, with reduced reserves and disinvestment from heavily weighted US assets. And this heightened sensitivity to policy changes and growing skepticism about the dollar's dominance will remain a key theme throughout the year.

- The dollar has recently stabilized since President Trump has recently backtracked on key policy items, from Fed independence to trade. The underlying issue, however, has not gone away. The dollar's challenges stem less from losing its "exorbitant privilege" and safe-haven status, and more from the looming risk of a sharp US economic slowdown tied to trade disruptions and uncertainty. Persistent dovish pressure on the Federal Reserve adds to this, raising the likelihood of a weaker dollar for longer.

Key market events to watch

May 2025

1	**Rate Decision**; ISM Mfg PMI
2	Jobs Report; Retail Sales; Inflation (CPI)
3	Federal Elections
4	
5	ISM Services PMI
6	Services PMI; Inflation (PPI)
7	**Rate Decision**; Retail Sales
8	BoJ Minutes; Industrial Production; **Rate Decision**; **Rate Decision**; **Rate Decision**
9	Jobs Report; Industrial & Manufacturing Output; Balance of Trade
10	Inflation (CPI, PPI)
11	
12	
13	Inflation (CPI) & NFIB Index; ZEW Surveys; Jobs Report; BRC Retail Sales
14	
15	Jobs Report; Q1 GDP & Balance of Trade; Q1 GDP & Industrial Production; Retail Sales, Industrial Production, Inflation (PPI)
16	Import/Export Prices; Balance of Trade; Q1 GDP
17	
18	
19	Retail Sales & Industrial Production
20	**Rate Decision**; Inflation (CPI); C. Confidence
21	Inflation (CPI, PPI); Balance of Trade
22	Ifo Surveys; Industry PMIs
23	Retail Sales; Retail Sales; Inflation (CPI)
24	
25	
26	
27	GfK C. Confidence; Economic Sentiment; CB C. Confidence
28	**Rate Decision**; Inflation (CPI); Fed Minutes
29	Q1 GDP
30	Retail Sales & Industrial production; GDP; PCE Inflation; Inflation (CPI)

Source: Convera, Bloomberg – April 24, 2025

UK currency outlook

GBP volatility analysis

GBP/USD has swung almost 11% this year already

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

Increasing volatility

	Spot	High 30D	Low 30D	High YTD	Low YTD	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
GBP/ZAR	24.89	25.47	23.46	25.47	22.71	8.6%	12.2%	71%	79%
GBP/CHF	1.090	1.148	1.061	1.150	1.061	8.2%	8.4%	33%	33%
GBP/JPY	191.0	195.7	184.3	198.2	184.3	6.2%	7.5%	59%	48%
GBP/AUD	2.081	2.164	2.047	2.164	1.959	5.7%	10.5%	29%	60%
GBP/USD	1.331	1.342	1.270	1.342	1.21	5.7%	10.9%	85%	92%
GBP/NZD	2.235	2.335	2.214	2.335	2.168	5.5%	7.7%	17%	40%
GBP/CNY	9.688	9.809	9.305	9.809	8.873	5.4%	10.5%	76%	87%
GBP/NOK	13.86	14.16	13.45	14.34	13.45	5.3%	6.6%	58%	46%
GBP/EUR	1.170	1.202	1.144	1.213	1.144	5.1%	6.0%	45%	38%
GBP/CAD	1.844	1.865	1.798	1.877	1.745	3.7%	7.6%	69%	75%

Source: Bloomberg, Convera – April 28, 2025

- Sterling has had a mixed start to the year and a varied April amidst Trump's tariff flip-flopping. Increased BoE easing bets have reduced the pound's yield advantage, but as a high beta to risk currency, it remains sensitive to changes in global risk sentiment.
- **GBP/USD** gains were driven largely by US dollar weakness as opposed to sterling strength though. The pair hit a seven-month high above $1.34 and is about 5% higher since Liberation Day.
- **GBP/EUR** sunk to its lowest level since late 2023 due to the euro's status as a tariff safe haven and appealing alternative to the US dollar. A rebound in risk sentiment helped the pair bounce back from near €1.14 though, to trade above €1.17 and more in line with rate differentials.
- **GBP/CHF** plunged to its lowest level since 2022 due to safe haven swissy demand following Trump's tariff announcements. The pair rebounded sharply though as risk sentiment improved following the 90-day pause.

GBP value indicator

Suffering versus safe havens

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

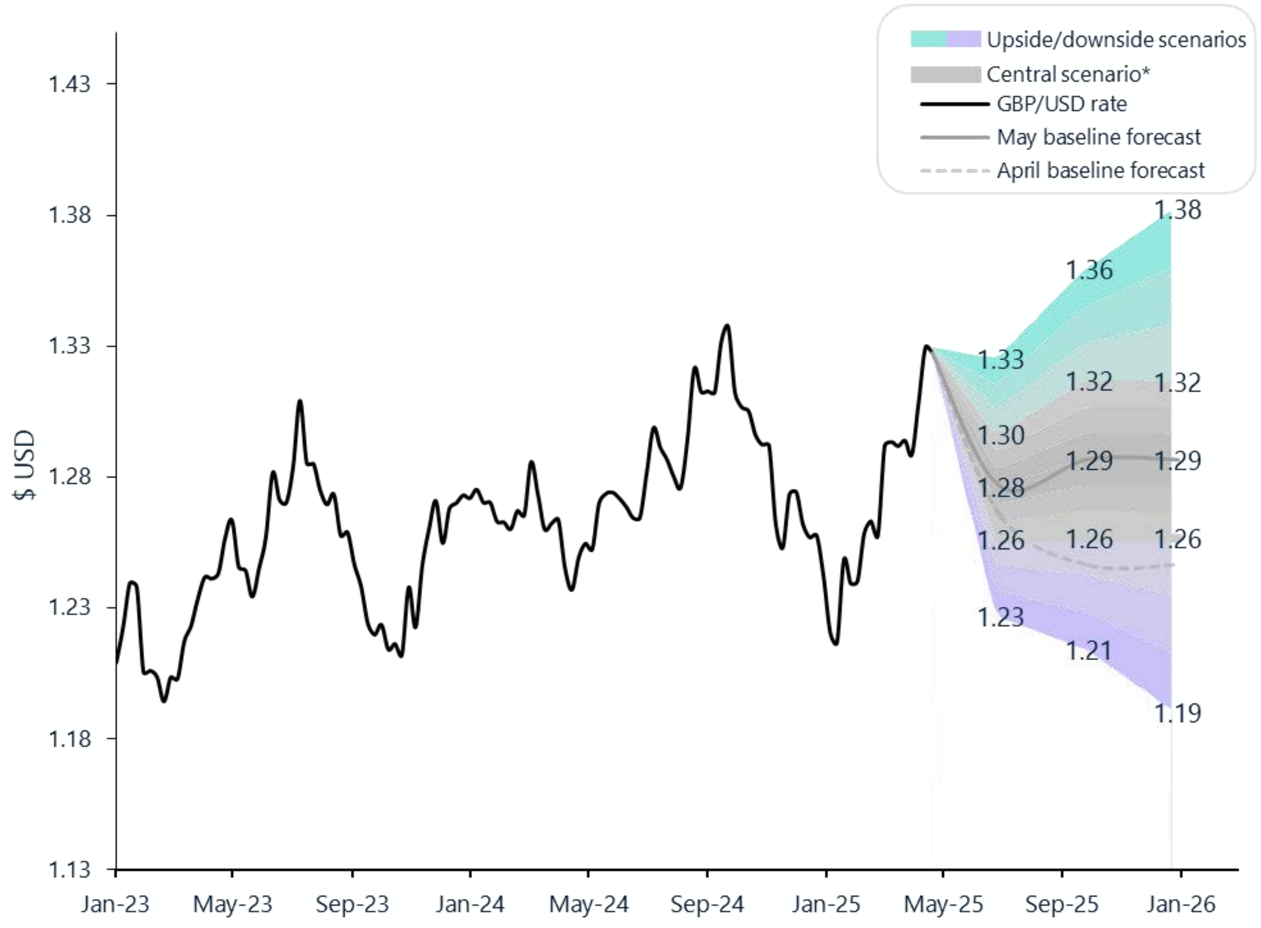
Appreciation Depreciation

	Spot (As of 28.04.2025)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
GBP/USD	1.331	4.7% Avg.: 1.271	4.0% Avg.: 1.280	4.9% Avg.: 1.269	3.7% Avg.: 1.283
GBP/CNY	9.688	4.6% Avg.: 9.259	4.8% Avg.: 9.248	5.9% Avg.: 9.148	9.7% Avg.: 8.833
GBP/AUD	2.081	2.7% Avg.: 2.025	5.7% Avg.: 1.968	7.1% Avg.: 1.942	11.8% Avg.: 1.861
GBP/CAD	1.844	1.7% Avg.: 1.813	3.4% Avg.: 1.783	5.9% Avg.: 1.740	8.3% Avg.: 1.702
GBP/NZD	2.235	0.4% Avg.: 2.226	3.4% Avg.: 2.160	5.7% Avg.: 2.114	11.0% Avg.: 2.013
GBP/JPY	191.0	-0.3% Avg.: 191.5	-1.7% Avg.: 194.3	1.1% Avg.: 188.9	14.3% Avg.: 167.1
GBP/EUR	1.170	-1.8% Avg.: 1.191	-1.6% Avg.: 1.188	-0.4% Avg.: 1.174	0.8% Avg.: 1.160
GBP/CHF	1.090	-3.0% Avg.: 1.124	-3.4% Avg.: 1.128	-2.8% Avg.: 1.121	-6.8% Avg.: 1.169

- The pound is still trading above most of its key long-term averages against most of its major peers barring the safe haven USD alternative of the JPY, EUR and CHF. The sharp spike in the VIX overshadowed the pound's larger resilience to tariffs, resulting in GBP/EUR trading much lower than rate differentials imply.
- **GBP/USD's** recovery from $1.21 in January to $1.34 in April means the pair is up over 7% now this year and almost 5% higher than its two-year average.
- **GBP/EUR** is now trading below most key long-term moving averages and almost 2% below its 2025 average rate of €1.19 given the euro's boost as a dollar alternative.
- **GBP/CHF** has had a tough start to the year despite widening rate differentials – sitting almost 7% below its five-year average rate. The franc will defy the gravitational pull of a negative carry to gain ground against the pound if traders continue to see a need for havens.

Source: Bloomberg, Convera – April 28, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 28.04.2025; 1Y: 28.04.2024 - 28.04.2025; 2Y: 28.04.2023 - 28.04.2025; 5Y: 28.04.2020 - 28.04.2025.

GBP/USD future scenarios



Upside scenario: US confidence crisis continues

- Geopolitical risks recede and growth outlook improves, boosting pro-cyclical pound OR trade war escalates and hurts US economy more than peers.
- The BoE keeps interest rates elevated due to persistent services inflation, whilst Fed forced to cut on recession risks.

Central scenario: Policy uncertainty extends

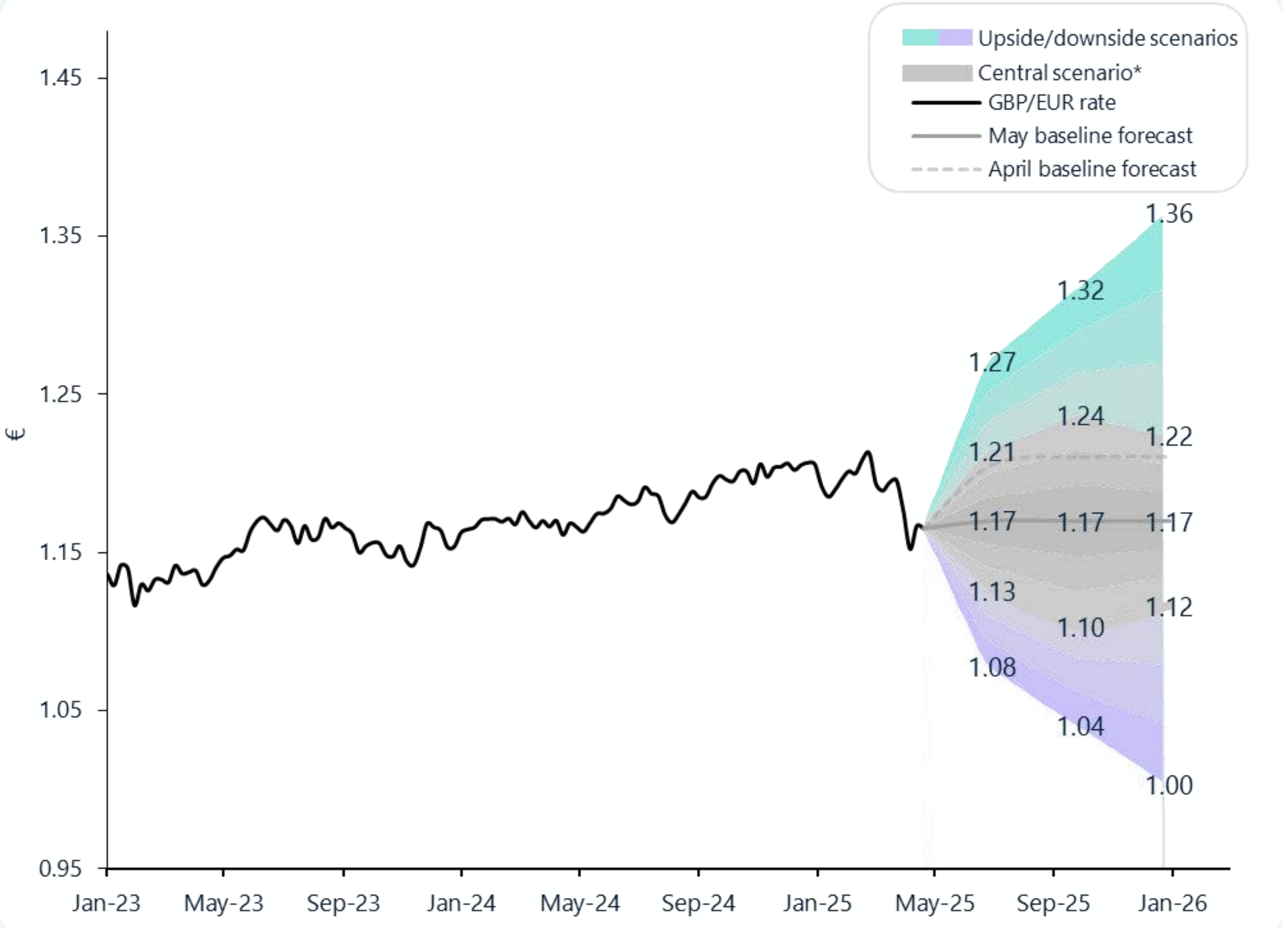
- Despite narrowing UK-US economic growth divergence, geopolitical uncertainty and tariffs weigh on the risk-sensitive pound.
- However, confidence in US assets being eroded has limited downside risk and rate differentials will start coming back into play.

Downside scenario: Trade war & dovish BoE

- Increased risk of global trade war with universal tariffs, weighing on global growth and hurting the 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 – April 24, 2025. 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 secures trade deal

- BoE keeps interest rates high for longer amid sticky inflation, whilst ECB is forced to cut rates more amid disinflationary impulse accelerating.
- Meanwhile, the Eurozone hit hard by US tariffs, whilst the UK manages to secure a trade deal, thus minimizing economic hit.

Central scenario: Risk on/risk off

- The euro is seen as a safer bet than the pound in this global trade war thanks to its liquidity and EZ fiscal stimulus and current account surplus.
- The pound is more sensitive to risk appetite, so the current climate has forced a downgrade in the baseline scenario.

Downside scenario: European exceptionalism

- Historic fiscal reforms translate to stronger Eurozone economic growth, and more demand for European assets amidst global trade and policy risks.
- BoE forced to cut rates more than currently priced in by markets, eroding sterling's yield advantage.

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EU currency outlook

EUR volatility analysis

EUR/USD's range of 14% YTD is unprecedented

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

Increasing volatility

	Spot	High 30D	Low	High YTD	Low	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
EUR/AUD	1.780	1.855	1.710	1.855	1.635	8.5%	13.5%	48%	66%
EUR/CNY	8.274	8.437	7.820	8.437	7.383	7.9%	14.3%	74%	85%
EUR/USD	1.138	1.157	1.076	1.157	1.014	7.5%	14.1%	77%	87%
EUR/NZD	1.908	2.001	1.88	2.001	1.811	6.4%	10.5%	23%	51%
EUR/SEK	11.02	11.23	10.66	11.53	10.66	5.3%	8.2%	63%	41%
EUR/GBP	0.854	0.873	0.831	0.873	0.824	5.1%	5.9%	55%	61%
EUR/CHF	0.943	0.963	0.922	0.966	0.922	4.4%	4.8%	51%	48%
EUR/CAD	1.577	1.596	1.538	1.596	1.468	3.8%	8.7%	67%	85%
EUR/JPY	163.2	164.1	158.3	164.5	154.8	3.7%	6.3%	84%	87%
EUR/CZK	24.99	25.29	24.88	25.31	24.84	1.6%	1.9%	27%	32%

Source: Bloomberg, Convera – April 28, 2025

- Since Liberation Day, the euro has served as a cost-effective and liquid alternative to the dollar. Germany's fiscal measures have provided resilience for manufacturing, evident in preliminary PMIs for April that showed strength despite challenges. However, US trade policy volatility and the limited time since tariff enactments mean tangible economic impacts may take longer to materialize. Meanwhile, the European Central Bank appears poised to cut rates more aggressively than anticipated, adding marginal support to eurozone activity in the face of ongoing uncertainty.
- **EUR/USD** had dropped over 7% since Trump was re-elected, falling to a two-year low close to $1.01. The pair has since been on a tear higher, boosted by a fiscal impulse from Europe and the euro standing to be a major beneficiary from the flight from dollars.
- The pair hit a three-year high in April near $1.16, clocking one of its fastest appreciations on record.
- **EUR/CNY** has mirrored the move in EUR/USD as the euro's correlation with the yuan hit a record recently. The pair jumped to a 10-year high as a result, having swung over 14% YTD.

EUR value indicator

Reversal of fortunes for the euro accelerates in April

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

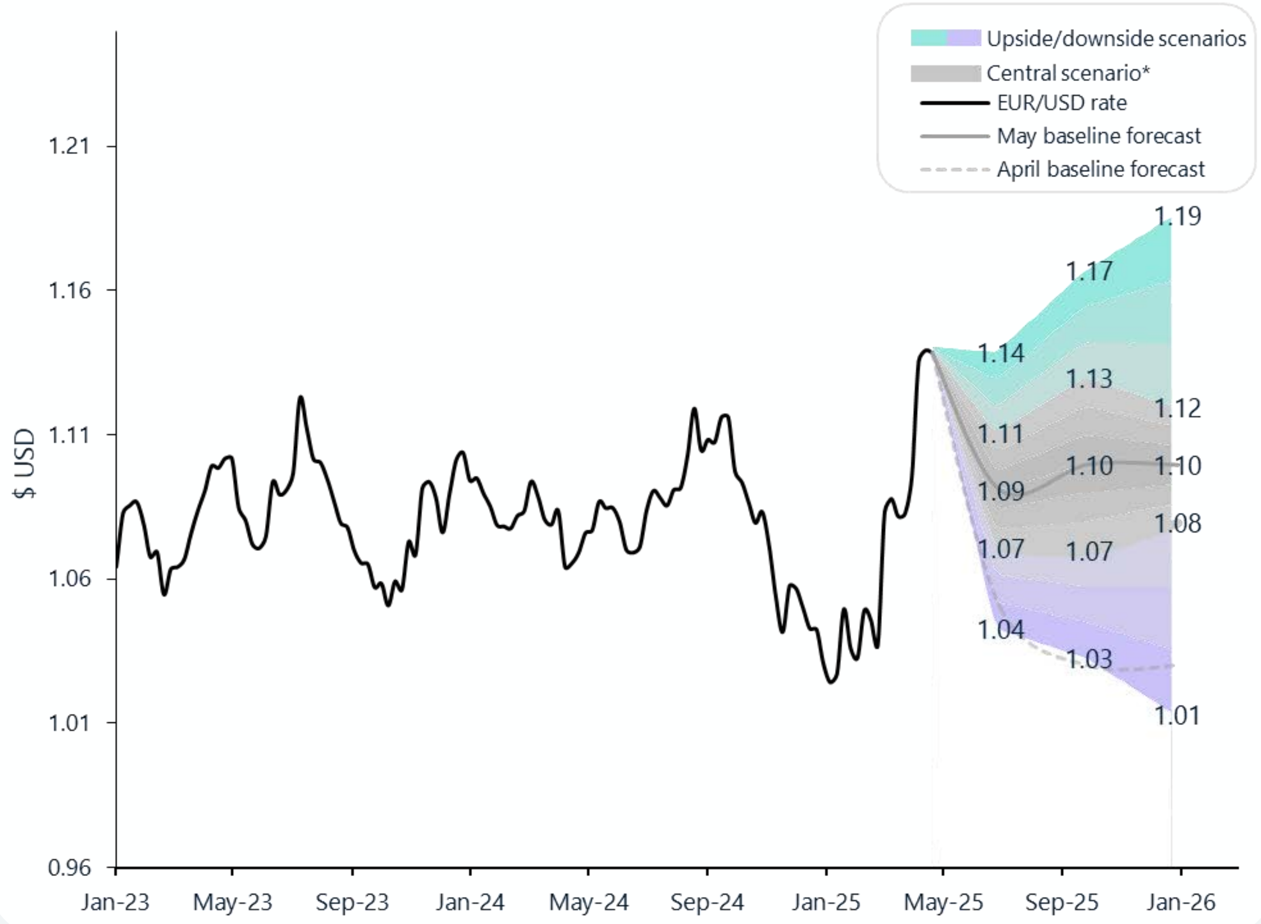
Appreciation Depreciation

	Spot (As of 28.04.2025)	Spot vs YTD average	1-year average	2-year average	5-year average
EUR/USD	1.138	6.6% Avg.: 1.067	5.6% Avg.: 1.077	5.4% Avg.: 1.080	2.9% Avg.: 1.106
EUR/AUD	1.780	4.7% Avg.: 1.700	7.5% Avg.: 1.656	7.7% Avg.: 1.653	11.0% Avg.: 1.603
EUR/CAD	1.577	3.6% Avg.: 1.522	5.1% Avg.: 1.500	6.5% Avg.: 1.481	7.5% Avg.: 1.466
EUR/NZD	1.908	2.1% Avg.: 1.869	5.0% Avg.: 1.817	6.0% Avg.: 1.799	10.0% Avg.: 1.734
EUR/GBP	0.854	1.7% Avg.: 0.839	1.5% Avg.: 0.841	0.3% Avg.: 0.851	-0.9% Avg.: 0.861
EUR/JPY	163.2	1.5% Avg.: 160.8	-0.2% Avg.: 163.4	1.5% Avg.: 160.7	13.5% Avg.: 143.7
EUR/CHF	0.943	-0.1% Avg.: 0.943	-0.6% Avg.: 0.949	-1.2% Avg.: 0.954	-6.5% Avg.: 1.008
EUR/CZK	24.99	-0.3% Avg.: 25.07	-0.4% Avg.: 25.10	0.8% Avg.: 24.77	-0.4% Avg.: 25.09

- The euro recorded a strong appreciation against most major pairs, with sizeable gains against the USD and CNY in April. The historic fiscal reforms and optimism about future European growth looks promising for EUR/USD, but it will be subject to volatility given the uncertain tariff risks and whether US economic growth continues to slow.
- **EUR/USD** is now sitting well above long-term averages, over 6% above its 2025 average rate of $1.0670. more gains are expected, with $1.20 eyed by options traders this year.
- **EUR/CHF** continues to trade below its long-term moving averages as demand for the safe haven franc remains buoyant but improving rate and growth differentials point to possibly more upside over the year.
- **EUR/CZK** is bottom of the table, as CZK demand supported by wider interest rate differentials versus the Eurozone and perhaps some path towards peace in Ukraine.

Source: Bloomberg, Convera – April 28, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 28.04.2025; 1Y: 28.04.2024 - 28.04.2025; 2Y: 28.04.2023 - 28.04.2025; 5Y: 28.04.2020 - 28.04.2025.

EUR/USD future scenarios



Upside scenario: End of US exceptionalism

- The "sell America" trade gathers momentum due to the US administration's disruptive policies eroding confidence in US policy and US assets.
- As the second most liquid currency, EUR's appeal as a haven asset rises, helped further by fiscal spending shielding EZ economy from tariffs risks.

Central scenario: Tariff risks vs fiscal support

- Baseline revised higher after historic German fiscal reforms and optimistic EZ growth outlook despite tariff threats.
- But given rapid appreciation and overvaluation relative to rates differentials the probability of mean reversion has risen.

Downside scenario: Liquidity crisis

- The euro might be pressured lower by an escalating global trade war that sparks a liquidity crisis.
- ECB forced to cut rates more aggressively than the Fed due to deteriorating Eurozone economic outlook if fiscal plans prove less impactful.

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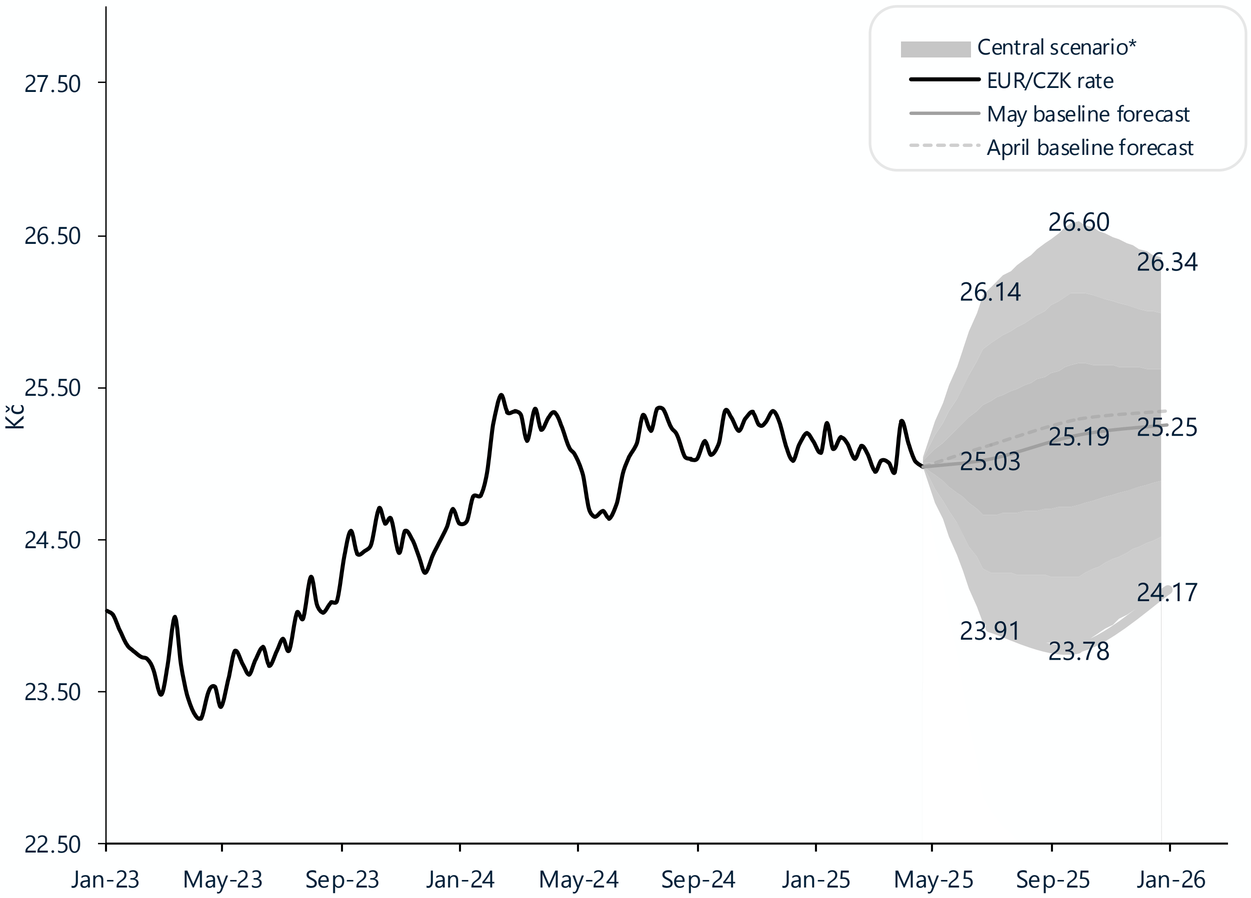
EUR/CZK future scenarios



Central scenario: Holding pattern

- EUR/CZK briefly spiked to a 10-week high before erasing gains in April – indicative of its holding pattern of late. The move below 25.00 recently could extend if the risk-on sentiment holds in the market.
- Providing CZK support is the CNB indicating a much more hawkish stance than the market, which has priced in rate cuts in recent weeks.
- Deputy Governor of the CNB said that the key rate will be "around" 3.50% in the second half of the year, which is significantly higher than the market's pricing, with the terminal rate priced in at 2.75%.
- This hawkish bias should remain intact looking at headline inflation above target and strong local fundamentals and could limit any euro gains versus the koruna despite the rotation of capital from US into European assets.
- However, amidst ongoing increasing geopolitical, policy, growth and trade uncertainty, the euro might benefit more than its CEE peers due to risk aversion forcing traders to exit less-liquid currencies, which is the main reason for the baseline trending slightly higher through the year.

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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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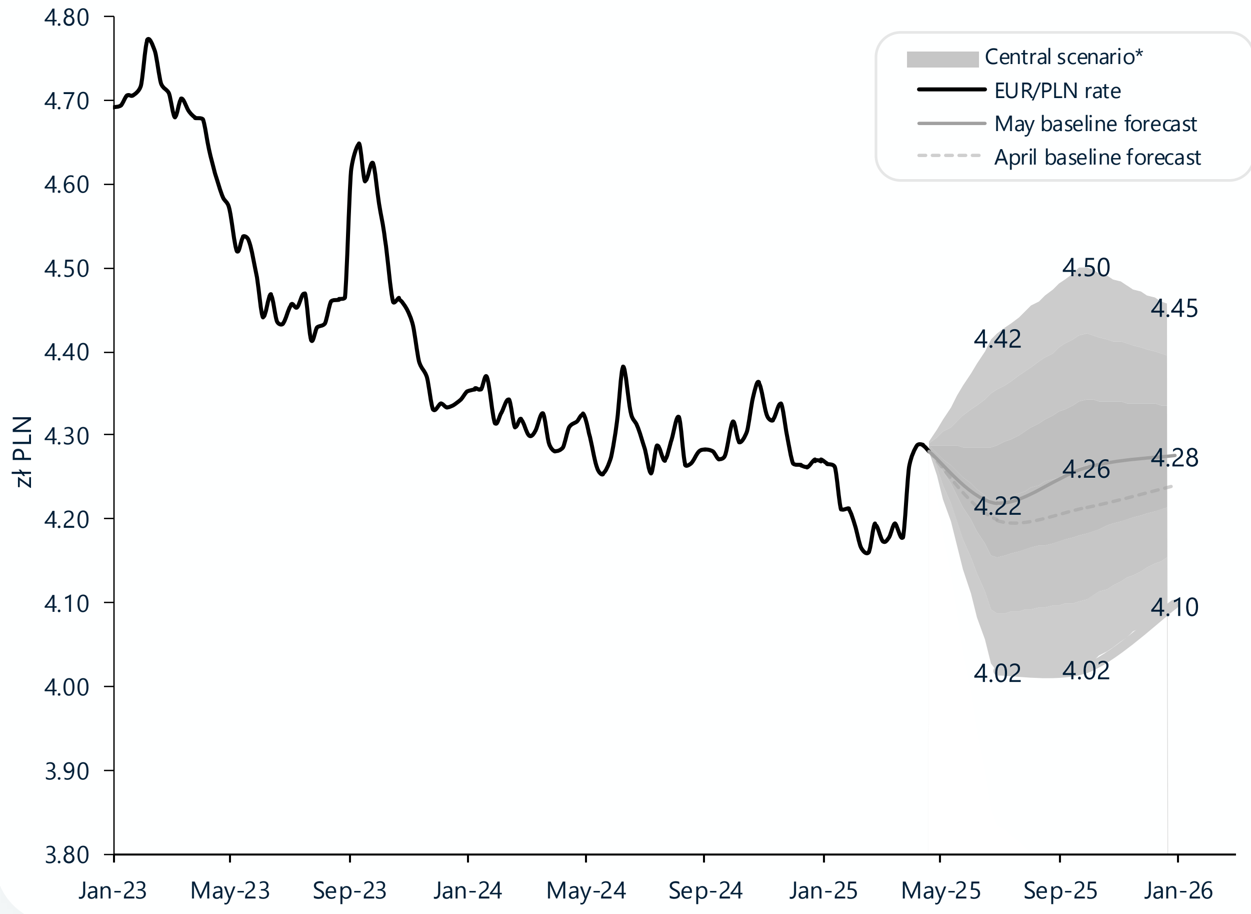
EUR/PLN future scenarios



Central scenario: Policy U-turn shifts outlook

- There was a complete dovish turn in communication at the NBP's March meeting, ironically at the same time as the US tariffs announcement. A 50bp rate cut as early as the next meeting in May is now possible and 100bp in total this year, with the possibility of another 50bp if the zloty allows.
- This development has allowed the euro to hold onto most of its monthly gains (unlike against CZK).
- Moreover, hopes of a potential ceasefire agreement between Russia and Ukraine also petered out, meaning the risk premium here is also still weighing on PLN.
- Based on Bloomberg's Behavioral Equilibrium Exchange Rate (BEER) model, the zloty is overvalued vs. the euro.
- It 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 months.

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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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APAC currency outlook

APAC volatility analysis

Stability gives way to volatility amid policy shifts

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

Increasing volatility

	Spot	High	Low	High	Low	Trading range		Position within the range	
		30D		YTD		30D	YTD	30D	YTD
AUD/JPY	91.90	95.31	86.04	99.17	86.04	10.8%	15.3%	63%	45%
NZD/USD	0.595	0.602	0.548	0.602	0.548	9.9%	9.9%	87%	87%
AUD/USD	0.639	0.643	0.591	0.643	0.591	8.8%	8.8%	92%	92%
AUD/EUR	0.562	0.584	0.539	0.611	0.539	8.3%	13.4%	51%	32%
AUD/CNY	4.668	4.705	4.352	4.705	4.352	8.1%	8.1%	90%	90%
NZD/EUR	0.524	0.532	0.499	0.552	0.499	6.6%	10.6%	76%	47%
AUD/GBP	0.480	0.488	0.461	0.510	0.461	5.9%	10.6%	70%	39%
USD/SGD	1.314	1.355	1.301	1.375	1.301	4.2%	5.7%	24%	18%
NZD/AUD	0.931	0.938	0.906	0.938	0.894	3.5%	4.9%	78%	84%
USD/CNY	7.293	7.351	7.247	7.351	7.216	1.4%	1.9%	44%	57%

Source: Bloomberg, Convera – April 28, 2025

- Among the more volatile pairs, **AUD/JPY's** wide 10.8% 30-day range reflects its sensitivity to the broader risk environment. The pair has traversed 45% of its YTD range in the last month alone.
- For **NZD/USD** (9.9%) and **AUD/USD** (8.8%), the pairs' high volatility were bolstered by the structural **USD** weakness, due to persistent tariff uncertainties and expectations of US growth slowdown.
- **AUD/EUR** (8.3%) and **NZD/EUR** (6.6%) displayed high 30-day volatility, driven by Eurozone fiscal optimism around Germany's infrastructure and defense spending, which bolstered the euro. The **AUD** and **NZD** rallied strongly on the back of robust domestic economic data.
- In contrast, **USD/CNY** and **NZD/AUD** recorded the lowest 30-day volatility at 1.4% and 3.5% respectively. **USD/CNY's** subdued moves reflect continued policy-driven stability from the PBoC, keeping the **CNY** anchored amid lower-than-expected commodity demand and ongoing trade tensions. China's cautious monetary easing stance has the central bank maintaining stability ahead of upcoming tariff uncertainties and geopolitical risks.

APAC value indicator

Persistent AUD undervaluation amid global headwinds

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

Appreciation Depreciation

	Spot (As of 28.04.2025)	Spot vs YTD average	1-year average	2-year average	5-year average
AUD/CNY	4.668	2.2% Avg.: 4.567	-0.6% Avg.: 4.698	-0.9% Avg.: 4.710	-1.7% Avg.: 4.746
AUD/USD	0.639	1.8% Avg.: 0.627	-1.8% Avg.: 0.650	-2.3% Avg.: 0.653	-7.5% Avg.: 0.690
AUD/SGD	0.839	-0.5% Avg.: 0.843	-3.5% Avg.: 0.869	-4.3% Avg.: 0.876	-10.2% Avg.: 0.934
AUD/CAD	0.885	-1.2% Avg.: 0.895	-2.4% Avg.: 0.906	-1.3% Avg.: 0.896	-3.3% Avg.: 0.914
AUD/NZD	1.073	-2.4% Avg.: 1.099	-2.2% Avg.: 1.097	-1.4% Avg.: 1.088	-0.8% Avg.: 1.081
AUD/GBP	0.480	-2.8% Avg.: 0.493	-5.6% Avg.: 0.508	-6.8% Avg.: 0.515	-10.8% Avg.: 0.538
AUD/JPY	91.90	-2.9% Avg.: 94.63	-7.0% Avg.: 98.81	-5.6% Avg.: 97.31	2.5% Avg.: 89.62
AUD/EUR	0.562	-4.5% Avg.: 0.588	-7.0% Avg.: 0.604	-7.1% Avg.: 0.605	-10.0% Avg.: 0.624

- **AUD/EUR** remains significantly undervalued, trading 7.0% below its one-year average and 10.0% below its five-year mean. The **AUD** rallied strongly on the back of robust Australian economic data and broad USD weakness, even as Eurozone optimism strengthened the **EUR**.

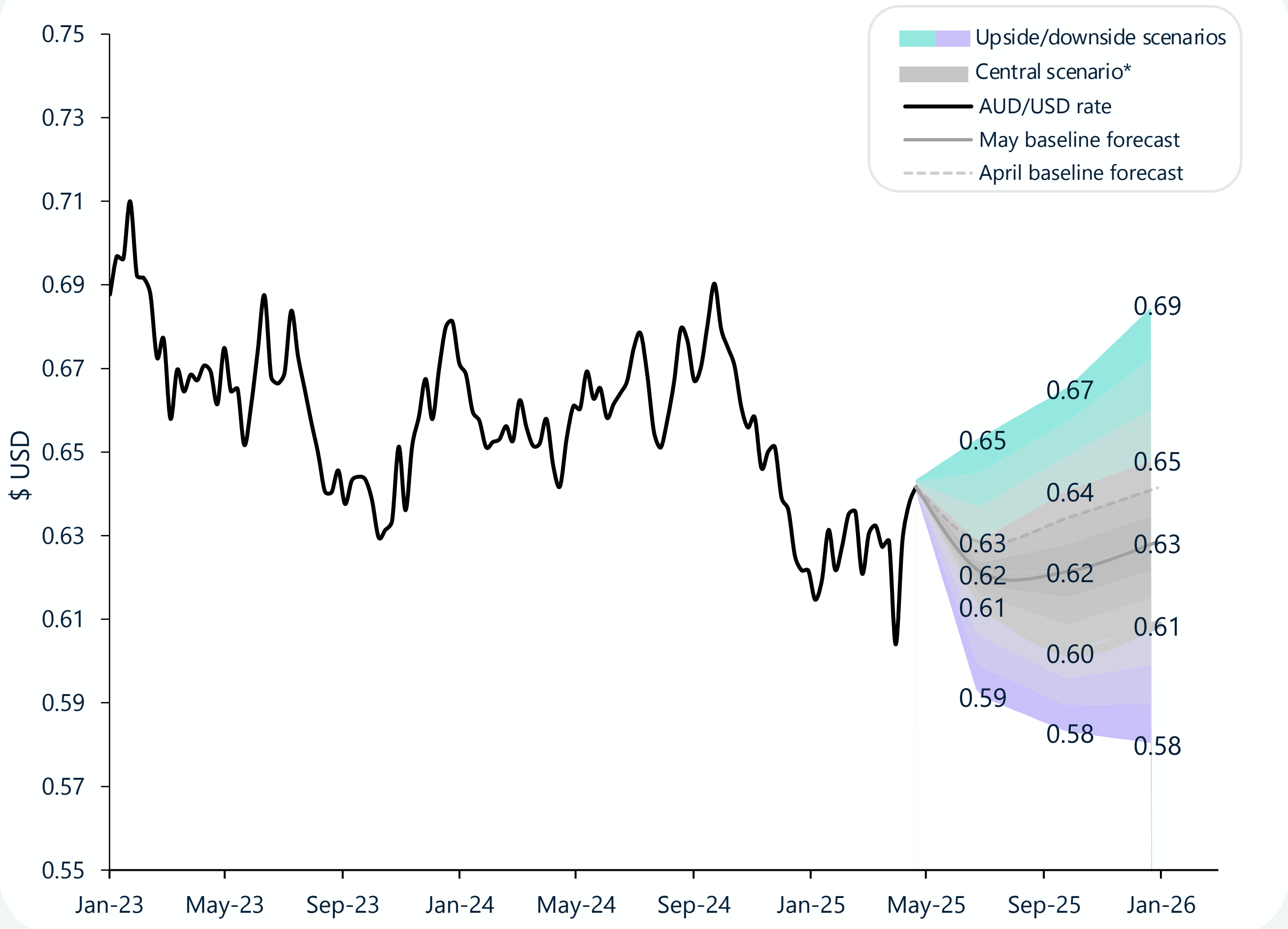
- Similarly, **AUD/GBP** trades 5.6% and 10.8% below its one-year and five-year averages, respectively. The **AUD's** rebound, supported by strong domestic fundamentals, has outpaced **GBP** strength stemming from receding UK fiscal concerns.

- **AUD/USD** has rebounded significantly, with performance of 1.8% above its YTD average versus the -1.8% below its one-year average. Resilient domestic fundamentals and broad **USD** weakness have supported **AUD** gains despite lingering global uncertainty.

- **AUD/CNY** remains subdued, trading 2.2% above its YTD average, reflecting the **AUD's** broad-based strength. China's managed currency regime has allowed the **AUD** to recover value despite ongoing trade tensions.

Note: YTD average refers to the following time periods: 01.01.2025 - 28.04.2025; 1Y: 26.04.2024 - 28.04.2025; 2Y: 28.04.2023 - 28.04.2025; 5Y: 29.04.2020 - 28.04.2025.

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

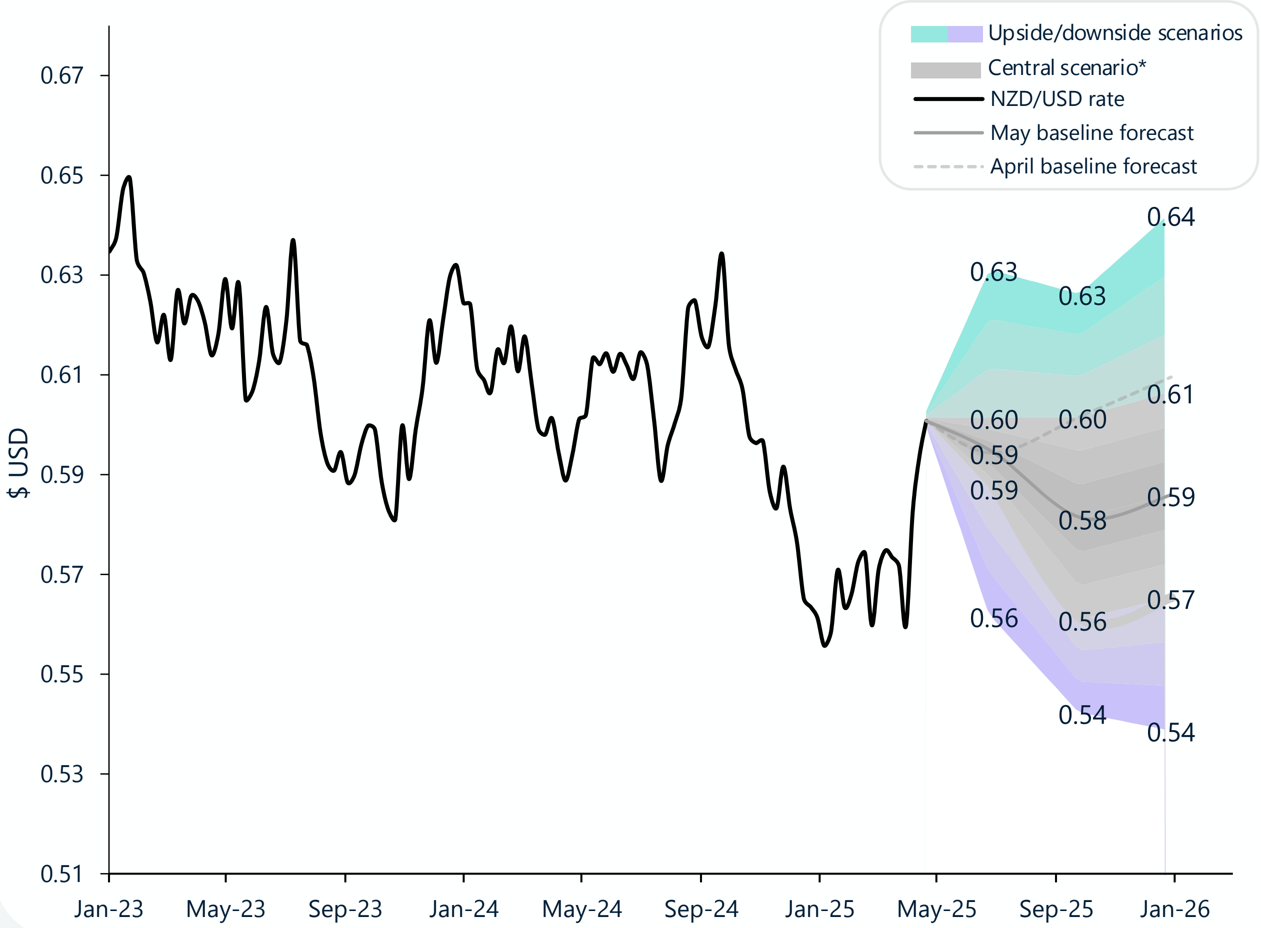
- The Australian dollar might rise in response to the Reserve Bank of Australia's resistance to a worldwide cycle of rate cuts.
- Although the RBA may hold steady in coming meetings, US rates are likely to remain above Australian rates, capping growth in the AUD/USD.

Downside scenario: Escalation of tariffs too fast too furious

- Escalation of tariffs happens more quickly or widely than anticipated.
- Concentrated weakening in Asian trade and commodities prices is caused by slower global growth.

Chart sources: Oxford Economics, Bloomberg, Convera – April 28, 2025. 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

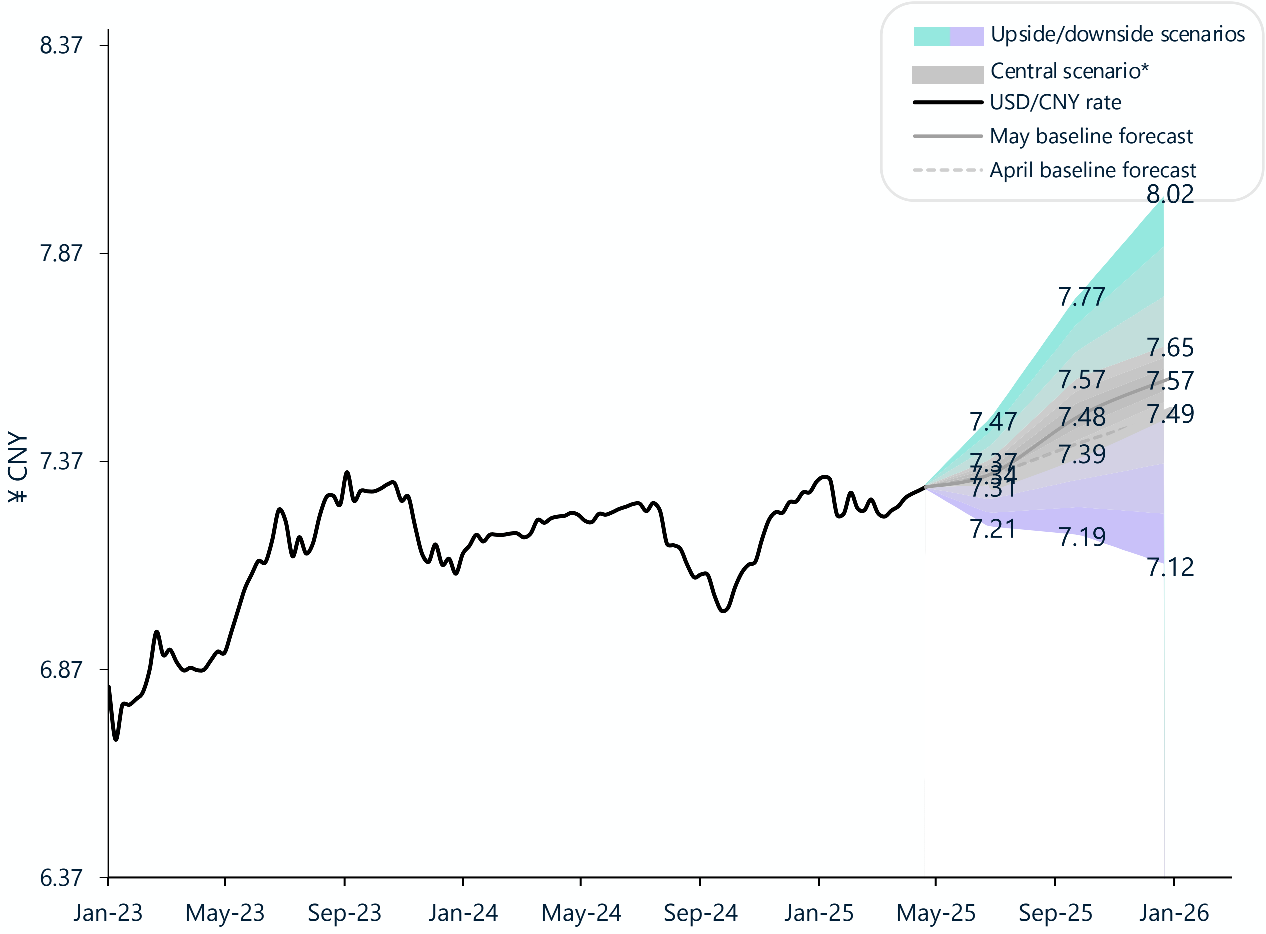
- NZD is still susceptible to any global risk-off events, even if China surprises to the upside.
- A slowdown in growth means commodities remain under pressure with dairy prices key for NZD.

Downside scenario: More aggressive RBNZ easing

- A more expansive and forceful tariff policy.
- When the RBNZ begins to ease, domestic growth stagnates and a more aggressive policy response is pursued,

Chart sources: Oxford Economics, Bloomberg, Convera – April 28, 2025. 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/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

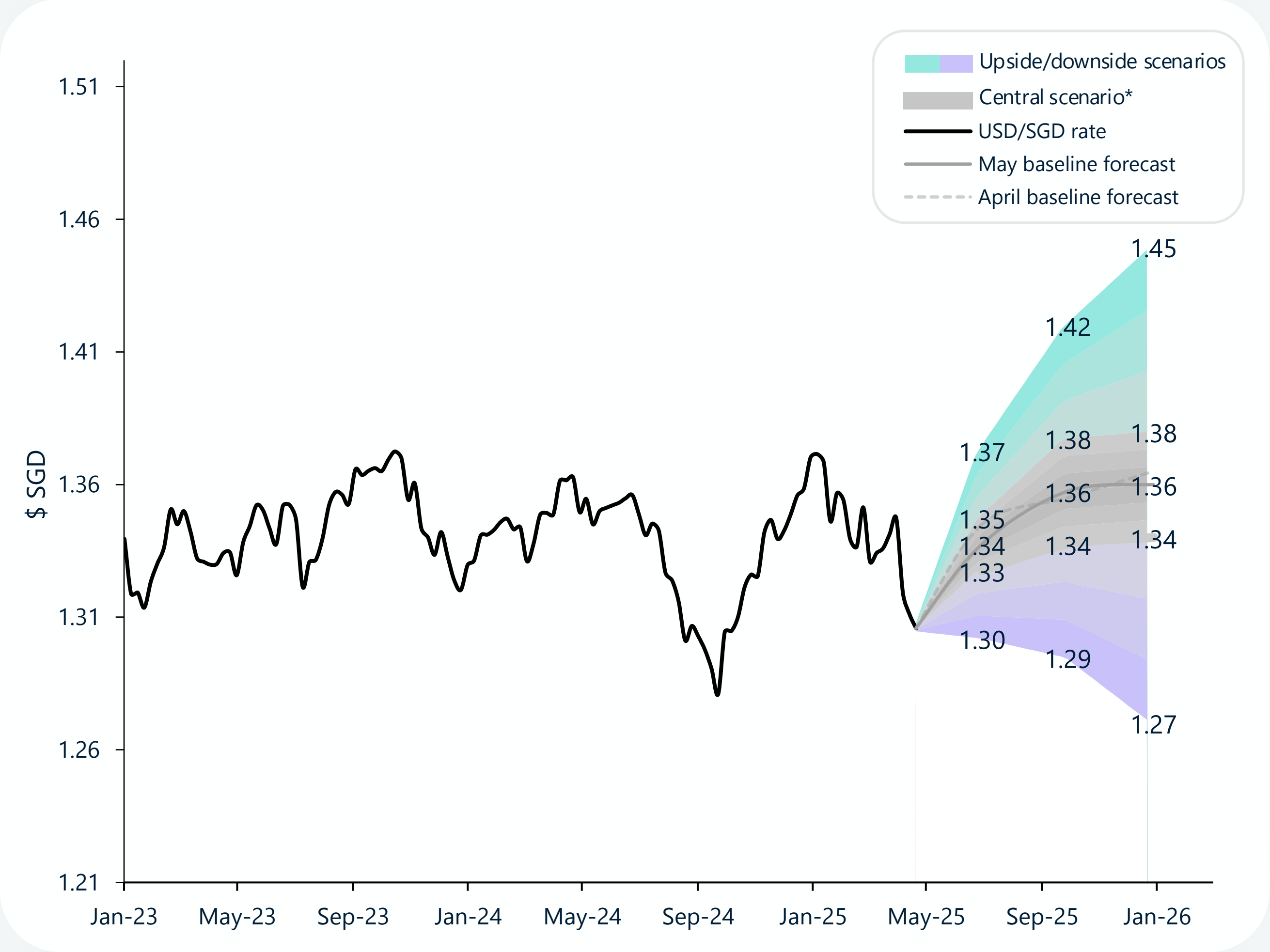
- The Chinese government's recent supportive action to the local economy could see the CNY strengthen.
- Once the Fed confirms a cut in rates, the US dollar might ease.

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 – April 28, 2025. 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 poses 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 – April 28, 2025. 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

CHF, EUR & JPY lead volatility on safe-haven surge

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

Increasing volatility

	Spot	High 30D	Low	High YTD	Low	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
USD/CHF	0.83	0.885	0.804	0.920	0.804	10.1%	14.4%	32%	22%
NZD/USD	0.595	0.602	0.548	0.602	0.548	9.9%	9.9%	87%	87%
AUD/USD	0.639	0.643	0.591	0.643	0.591	8.8%	8.8%	92%	92%
USD/MXN	19.56	21.08	19.47	21.29	19.47	8.3%	9.3%	6%	5%
USD/JPY	143.6	151.2	139.8	158.8	139.8	8.2%	13.6%	33%	20%
EUR/USD	1.138	1.157	1.076	1.157	1.014	7.5%	14.1%	77%	87%
GBP/USD	1.331	1.342	1.270	1.342	1.21	5.7%	10.9%	85%	92%
USD/CAD	1.386	1.441	1.378	1.479	1.378	4.6%	7.3%	13%	8%
EUR/CAD	1.577	1.596	1.538	1.596	1.468	3.8%	8.7%	67%	85%
USD/CNY	7.290	7.351	7.247	7.351	7.216	1.4%	1.9%	41%	55%

- **USD/CHF, EUR/USD & USD/JPY** saw increased volatility in April as risk aversion gripped markets and bids for safe-havens stayed consistent throughout the month.
- The **EUR/USD** hit a more than three-year high just shy of $1.157, EUR/USD and has pulled back to near $1.13. The 21-day moving average at $1.1136 could serve as a short-term anchor, while the euro remains an appealing liquid alternative to the dollar during periods of heightened risk aversion.
- The **GBP/USD** has recoiled from seven-month highs above $1.342 to trade near $1.33 to end the month.
- The **USD/MXN** has benefited from recent risk rally in markets. trading at its weakest level since October 2024, a level last seen before President Trump's election as the 47th president of the United States. Year to date, the peso has gained more than 6% against the US dollar.
- Primarily by ongoing dollar weakness, the **USD/CAD** also benefited from relief sparked by tariff-related headlines, with rising hopes of trade de-escalation providing additional support.

Source: Bloomberg, Convera – April 28, 2025

NAM value indicator

Driven by U.S. dollar weakness, all major currencies post gains

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

Appreciation · Depreciation

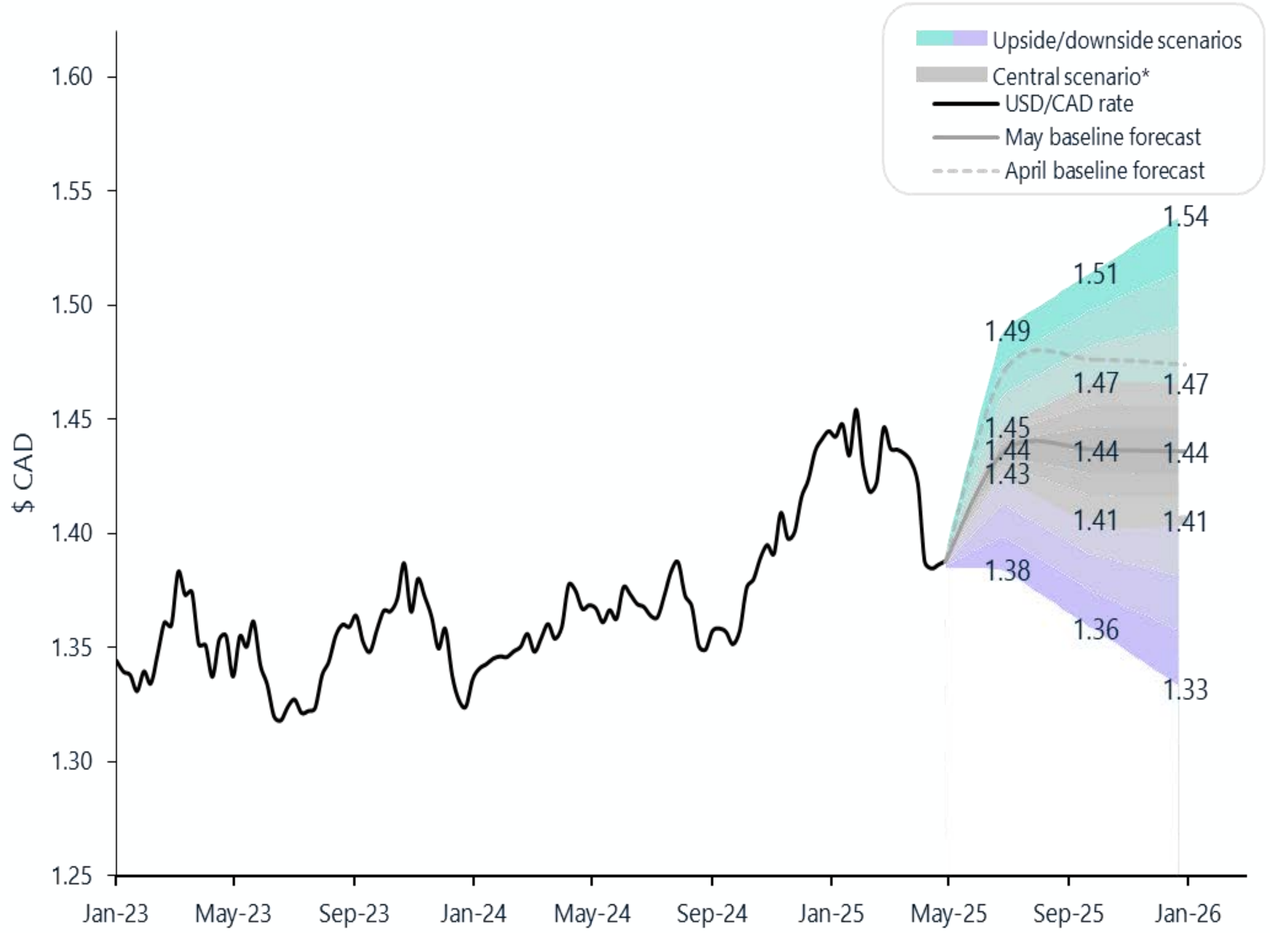
	Spot (As of 28.04.2025)	Spot vs YTD average	Spot vs 1-year average	Spot vs 2-year average	Spot vs 5-year average
EUR/USD	1.138	6.6% Avg.: 1.067	5.6% Avg.: 1.077	5.4% Avg.: 1.080	2.9% Avg.: 1.106
GBP/USD	1.331	4.7% Avg.: 1.271	4.0% Avg.: 1.280	4.9% Avg.: 1.269	3.7% Avg.: 1.283
NZD/USD	0.595	4.2% Avg.: 0.571	0.3% Avg.: 0.593	-0.9% Avg.: 0.600	-6.9% Avg.: 0.639
EUR/CAD	1.577	3.6% Avg.: 1.522	5.1% Avg.: 1.500	6.5% Avg.: 1.481	7.5% Avg.: 1.466
AUD/USD	0.639	1.8% Avg.: 0.627	-1.8% Avg.: 0.650	-2.3% Avg.: 0.653	-7.5% Avg.: 0.690
USD/CAD	1.386	-2.9% Avg.: 1.426	-0.5% Avg.: 1.393	1.0% Avg.: 1.371	4.4% Avg.: 1.327
USD/MXN	19.56	-3.9% Avg.: 20.34	0.8% Avg.: 19.40	6.8% Avg.: 18.31	0.1% Avg.: 19.55
USD/JPY	143.6	-4.8% Avg.: 150.7	-5.4% Avg.: 151.8	-3.6% Avg.: 148.9	9.9% Avg.: 130.7

Over the past month investors have been reallocating away from US assets, which has put the US dollar under pressure.

- The **USD/MXN** is trading at its five-year average and has dropped slightly below its YTD average. Broad **USD** weakness has supported **MXN** gains despite lingering global uncertainty and domestic fundamentals deteriorating.
- The **USD/CAD** has dropped below its YTD and one-year average and is just 1% from its two-year average. Broad **USD** weakness has supported **CAD** gains despite lingering global uncertainty and domestic fundamentals being unchanged.
- The **GBP/USD** and **EUR/USD**, are seeing stronger gains YTD, with expectations that dollar weakness could support momentum.
- The **NZD/USD** is approaching its two-year average at 0.6 and trading well above short-term averages.
- The **AUD/USD** just surpassed its YTD average and is 2% away from its one-year average.

Source: Bloomberg, Convera – April 28, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 26.02.2025; 1Y: 27.02.2024 - 26.02.2025; 2Y: 27.02.2023 - 26.02.2025; 5Y: 28.02.2020 - 26.02.2025.

USD/CAD future scenarios



Upside scenario: Dovish BoC, cautious Fed, tariffs higher for longer

- Fed remains hawkish despite softer macro data, BoC is forced to keep cutting rates due to tariffs weighing on the economy and no end in sight for CUSMA/USMCA re-negotiations.
- Prolonged trade tariffs may push the USD/CAD above 1.45.

Central scenario: Fed cuts rates gradually, room for CUSMA renegotiation before mid 2026

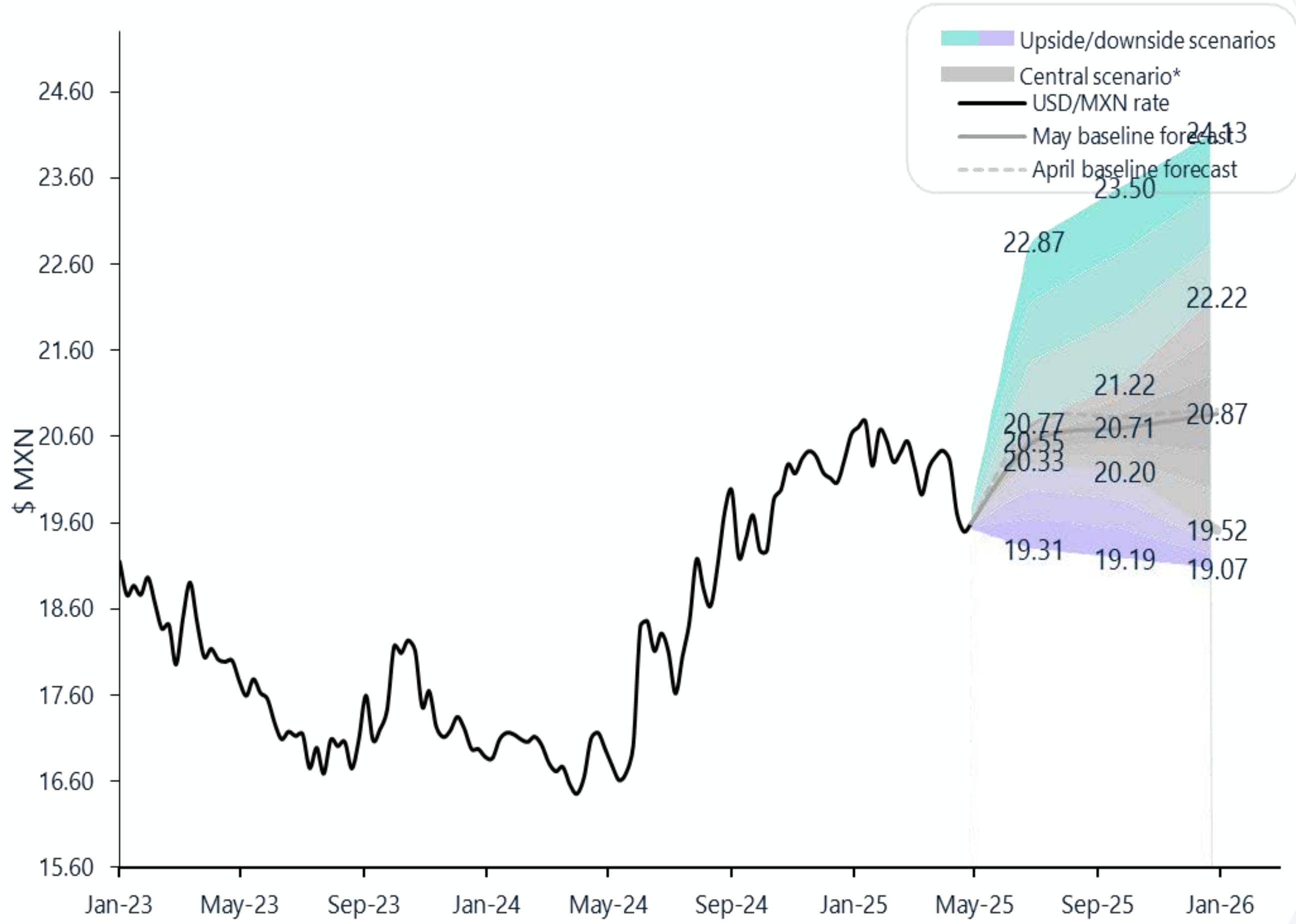
- The baseline forecast holds, with two Fed cuts anticipated in the second half of the year and some tariff-premia already priced in.
- Lingering upside risks to inflation, despite the weakening US labor market, means the USD might remain supported.

Downside scenario: US dollar weakens, hopes of new CUSMA deal negotiated before 2025

- US dollar weakness supports USD/CAD below 1.39.
- Fed delivers a more aggressive cutting cycle as US labor market weakens, reducing the US dollar interest rate differential, and new PM starts early CUSMA negotiation with U.S. administration, with tariff drama end in sight.
- The BoC ends easing cycle and shifts focus from growth to inflation.

Chart sources: Oxford Economics, Bloomberg, Convera – April 28, 2025. 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/MXN future scenarios



Upside scenario: Dovish Banxico, cautious Fed, tariffs higher for longer

- Fed remains hawkish despite softer macro data, BoC is forced to keep cutting rates due to tariffs weighing on the economy and there's no end in sight for CUSMA/USMCA re-negotiations.
- Banxico cuts rates beyond target rate as tariffs weigh on the economy.

Central scenario: Regional growth supports MXN, room for CUSMA renegotiation before mid 2026

- Strong growth prospects for both the US and Mexico are usually more positive for the economically-sensitive MXN.
- Banxico continues cutting rates as expected, with inflation stable and CUSMA/USMCA talks anticipated before 2025.

Downside scenario: US labor market deteriorates, new CUSMA deal negotiated before 2025

- US dollar weakness supports USD/MXN below 20 level.
- Fed delivers a more aggressive cutting cycle as US labor market weakens.
- CUSMA talks begin with tariff resolution in sight; Banxico ends easing cycle on target rate.

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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	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
GBP/USD	High	1.325	1.359	1.382	1.406	1.424	1.439	1.449	1.454	1.456	1.456
	Baseline + σ	1.296	1.316	1.316	1.306	1.315	1.315	1.315	1.334	1.335	1.335
	Baseline	**1.276**	**1.286**	**1.286**	**1.286**	**1.285**	**1.285**	**1.285**	**1.284**	**1.285**	**1.285**
	Baseline - σ	1.256	1.256	1.256	1.266	1.255	1.255	1.255	1.234	1.235	1.235
	Low	1.227	1.214	1.190	1.166	1.147	1.132	1.121	1.115	1.114	1.114
GBP/EUR	High	1.270	1.316	1.364	1.415	1.457	1.490	1.514	1.528	1.531	1.531
	Baseline + σ	1.214	1.235	1.222	1.214	1.223	1.222	1.222	1.255	1.254	1.267
	Baseline	**1.170**	**1.169**	**1.169**	**1.170**	**1.170**	**1.169**	**1.169**	**1.170**	**1.169**	**1.169**
	Baseline - σ	1.125	1.102	1.115	1.125	1.116	1.115	1.115	1.084	1.083	1.070
	Low	1.077	1.040	1.003	0.967	0.939	0.918	0.904	0.895	0.893	0.894
GBP/JPY	High	211.6	225.4	235.3	244.1	251.1	256.2	259.2	260.0	258.7	257.1
	Baseline + σ	197.6	204.1	204.6	202.0	202.1	203.4	203.7	204.9	205.3	207.9
	Baseline	**189.7**	**193.6**	**193.7**	**192.5**	**191.3**	**190.1**	**188.7**	**187.1**	**185.4**	**184.0**
	Baseline - σ	181.7	183.0	182.7	182.9	180.4	176.7	173.6	169.2	165.4	160.0
	Low	173.9	170.7	163.9	156.1	149.7	144.5	140.5	137.6	135.7	134.5
GBP/AUD	High	2.239	2.331	2.383	2.428	2.445	2.449	2.439	2.421	2.395	2.370
	Baseline + σ	2.113	2.184	2.160	2.100	2.076	2.038	2.014	2.011	1.996	1.987
	Baseline	**2.055**	**2.070**	**2.047**	**2.017**	**1.978**	**1.941**	**1.904**	**1.872**	**1.845**	**1.823**
	Baseline - σ	1.996	1.955	1.933	1.933	1.879	1.843	1.793	1.732	1.693	1.658
	Low	1.878	1.824	1.736	1.644	1.561	1.491	1.434	1.393	1.367	1.348

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
	High	1.138	1.167	1.186	1.205	1.220	1.232	1.240	1.244	1.246	1.246
	Baseline + σ	1.11	1.129	1.119	1.119	1.119	1.118	1.118	1.128	1.128	1.138
EUR/USD	**Baseline**	**1.090**	**1.099**	**1.099**	**1.099**	**1.099**	**1.098**	**1.098**	**1.098**	**1.098**	**1.098**
	Baseline - σ	1.07	1.069	1.079	1.079	1.079	1.078	1.078	1.068	1.068	1.058
	Low	1.042	1.032	1.013	0.993	0.977	0.965	0.956	0.951	0.950	0.950
	High	0.927	0.961	0.996	1.033	1.064	1.088	1.105	1.116	1.118	1.118
	Baseline + σ	0.883	0.897	0.889	0.883	0.889	0.889	0.889	0.911	0.911	0.919
EUR/GBP	**Baseline**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**	**0.854**
	Baseline - σ	0.824	0.810	0.818	0.824	0.818	0.818	0.818	0.796	0.796	0.788
	Low	0.786	0.759	0.732	0.706	0.686	0.670	0.660	0.654	0.652	0.652
	High	1.016	1.048	1.081	1.113	1.140	1.161	1.176	1.184	1.186	1.186
	Baseline + σ	0.969	0.977	0.969	0.968	0.968	0.969	0.969	0.999	0.999	1.009
EUR/CHF	**Baseline**	**0.930**	**0.930**	**0.930**	**0.929**	**0.929**	**0.930**	**0.930**	**0.929**	**0.929**	**0.930**
	Baseline - σ	0.890	0.882	0.890	0.889	0.889	0.890	0.890	0.858	0.858	0.850
	Low	0.846	0.818	0.790	0.762	0.740	0.724	0.712	0.706	0.704	0.704
	High	8.507	9.069	9.511	9.861	10.07	10.21	10.28	10.32	10.29	10.24
	Baseline + σ	8.188	8.555	8.563	8.554	8.488	8.458	8.433	8.480	8.517	8.627
EUR/CNY	**Baseline**	**8.008**	**8.229**	**8.323**	**8.325**	**8.260**	**8.186**	**8.118**	**8.068**	**8.027**	**7.984**
	Baseline - σ	7.827	7.902	8.082	8.095	8.031	7.913	7.802	7.655	7.536	7.340
	Low	7.522	7.428	7.213	6.919	6.626	6.385	6.204	6.092	6.040	6.003

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

Future scenarios

	Scenarios	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
EUR/CZK	High	27.42	28.45	29.38	30.17	30.81	31.27	31.53	31.58	31.45	31.28
	Baseline + σ	26.13	26.60	26.33	26.27	26.25	26.36	26.19	26.45	26.25	26.34
	Baseline	**25.02**	**25.19**	**25.25**	**25.17**	**25.10**	**25.01**	**24.88**	**24.73**	**24.57**	**24.41**
	Baseline - σ	23.90	23.77	24.16	24.06	23.94	23.65	23.56	23.00	22.88	22.47
	Low	22.73	22.12	21.43	20.63	19.97	19.44	19.03	18.71	18.53	18.40
EUR/PLN	High	4.615	4.806	4.966	5.120	5.246	5.341	5.403	5.432	5.433	5.424
	Baseline + σ	4.417	4.502	4.454	4.447	4.495	4.506	4.557	4.702	4.683	4.704
	Baseline	**4.218**	**4.262**	**4.276**	**4.280**	**4.283**	**4.283**	**4.278**	**4.270**	**4.262**	**4.254**
	Baseline - σ	4.018	4.021	4.097	4.112	4.070	4.059	3.998	3.837	3.840	3.803
	Low	3.838	3.751	3.636	3.516	3.418	3.342	3.284	3.247	3.233	3.226
USD/CZK	High	24.08	24.37	24.76	25.03	25.24	25.38	25.41	25.36	25.24	25.09
	Baseline + σ	23.53	23.54	23.52	23.48	23.45	23.56	23.42	23.44	23.27	23.14
	Baseline	**22.94**	**22.90**	**22.96**	**22.90**	**22.83**	**22.76**	**22.65**	**22.51**	**22.37**	**22.22**
	Baseline - σ	22.35	22.26	22.4	22.32	22.21	21.96	21.88	21.58	21.47	21.3
	Low	21.80	21.42	21.16	20.76	20.43	20.14	19.89	19.67	19.50	19.35
USD/PLN	High	4.053	4.118	4.187	4.248	4.298	4.334	4.355	4.363	4.360	4.351
	Baseline + σ	3.977	3.985	3.978	3.973	4.017	4.028	4.074	4.168	4.15	4.132
	Baseline	**3.867**	**3.875**	**3.888**	**3.893**	**3.897**	**3.898**	**3.894**	**3.888**	**3.880**	**3.872**
	Baseline - σ	3.757	3.765	3.798	3.813	3.777	3.768	3.714	3.608	3.61	3.612
	Low	3.681	3.633	3.590	3.539	3.496	3.462	3.433	3.412	3.401	3.393

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
AUD/USD	High	0.653	0.665	0.685	0.709	0.734	0.758	0.781	0.800	0.814	0.826
	Baseline + σ	0.627	0.640	0.647	0.653	0.665	0.679	0.696	0.709	0.725	0.738
	Baseline	**0.620**	**0.621**	**0.628**	**0.637**	**0.649**	**0.662**	**0.674**	**0.686**	**0.696**	**0.704**
	Baseline - σ	0.612	0.601	0.608	0.620	0.632	0.644	0.651	0.662	0.666	0.669
	Low	0.591	0.583	0.580	0.579	0.582	0.587	0.593	0.600	0.607	0.614
AUD/EUR	High	0.626	0.644	0.676	0.713	0.751	0.786	0.817	0.841	0.857	0.869
	Baseline + σ	0.576	0.594	0.605	0.604	0.616	0.626	0.647	0.651	0.669	0.679
	Baseline	**0.569**	**0.565**	**0.571**	**0.579**	**0.591**	**0.602**	**0.614**	**0.624**	**0.633**	**0.641**
	Baseline - σ	0.561	0.535	0.536	0.553	0.565	0.577	0.580	0.596	0.596	0.602
	Low	0.519	0.499	0.489	0.480	0.477	0.476	0.478	0.482	0.487	0.492
AUD/NZD	High	1.163	1.226	1.272	1.324	1.376	1.421	1.459	1.485	1.497	1.502
	Baseline + σ	1.069	1.140	1.144	1.145	1.152	1.166	1.193	1.202	1.221	1.246
	Baseline	**1.044**	**1.069**	**1.072**	**1.079**	**1.091**	**1.103**	**1.114**	**1.121**	**1.124**	**1.124**
	Baseline - σ	1.018	0.997	0.999	1.012	1.029	1.039	1.034	1.039	1.026	1.001
	Low	0.937	0.931	0.903	0.878	0.866	0.857	0.851	0.847	0.845	0.842
AUD/CNY	High	4.880	5.170	5.495	5.803	6.062	6.288	6.484	6.636	6.732	6.796
	Baseline + σ	4.634	4.852	4.958	4.996	5.056	5.139	5.261	5.334	5.474	5.604
	Baseline	**4.559**	**4.650**	**4.757**	**4.828**	**4.883**	**4.934**	**4.988**	**5.041**	**5.088**	**5.122**
	Baseline - σ	4.483	4.447	4.555	4.659	4.709	4.728	4.714	4.747	4.701	4.639
	Low	4.268	4.194	4.131	4.032	3.949	3.885	3.851	3.845	3.862	3.878

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
USD/CAD	High	1.489	1.514	1.539	1.562	1.576	1.584	1.586	1.583	1.575	1.566
	Baseline + σ	1.447	1.466	1.465	1.463	1.457	1.45	1.441	1.442	1.433	1.434
	Baseline	**1.437**	**1.436**	**1.435**	**1.433**	**1.427**	**1.420**	**1.411**	**1.402**	**1.393**	**1.384**
	Baseline - σ	1.427	1.406	1.405	1.403	1.397	1.39	1.381	1.362	1.353	1.334
	Low	1.384	1.358	1.332	1.304	1.278	1.255	1.237	1.222	1.211	1.202
USD/MXN	High	22.87	23.50	24.13	24.72	25.18	25.51	25.75	25.89	25.93	25.95
	Baseline + σ	20.77	21.22	22.22	22.5	22.49	22.44	22.41	22.48	22.53	22.61
	Baseline	**20.55**	**20.71**	**20.87**	**20.99**	**21.04**	**21.07**	**21.10**	**21.13**	**21.15**	**21.18**
	Baseline - σ	20.33	20.2	19.52	19.48	19.59	19.7	19.79	19.78	19.77	19.75
	Low	19.30	19.18	19.07	18.91	18.72	18.57	18.48	18.44	18.46	18.49
USD/JPY	High	159.6	165.8	170.2	173.6	176.2	178.0	178.9	178.7	177.7	176.5
	Baseline + σ	152.4	154.9	155.5	154.7	153.6	154.5	154.8	153.5	153.8	155.6
	Baseline	**148.6**	**150.4**	**150.6**	**149.7**	**148.8**	**147.8**	**146.8**	**145.6**	**144.3**	**143.1**
	Baseline - σ	144.7	145.8	145.6	144.7	143.9	141.0	138.7	137.6	134.7	130.5
	Low	141.7	140.6	137.7	133.9	130.5	127.6	125.3	123.3	121.8	120.6
USD/CNY	High	7.471	7.771	8.018	8.181	8.252	8.285	8.294	8.290	8.261	8.220
	Baseline + σ	7.372	7.572	7.649	7.643	7.585	7.56	7.54	7.516	7.548	7.577
	Baseline	**7.342**	**7.482**	**7.569**	**7.573**	**7.515**	**7.450**	**7.390**	**7.346**	**7.308**	**7.267**
	Baseline - σ	7.312	7.392	7.489	7.503	7.445	7.34	7.24	7.176	7.068	6.957
	Low	7.213	7.193	7.121	6.965	6.778	6.614	6.485	6.402	6.355	6.314

Chart sources: Oxford Economics, Bloomberg, Convera – April 24, 2025. 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)

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