FX Month-End Rebalancing

Real money selling of USD vs corporate buying of EUR and selling of GBP

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RED MOUNT Analytics
BY CRÉDIT AGRICOLE CIB

Dr Valentin Marinov
Head of G10 FX Research & Strategy
+44 20 7214 5289
valentin.marinov@ca-cib.com

Alexandre Dolci
FX Strategist
+44 20 7214 5064
alexandre.dolci@ca-cib.com

G10 FX Month-End Model results

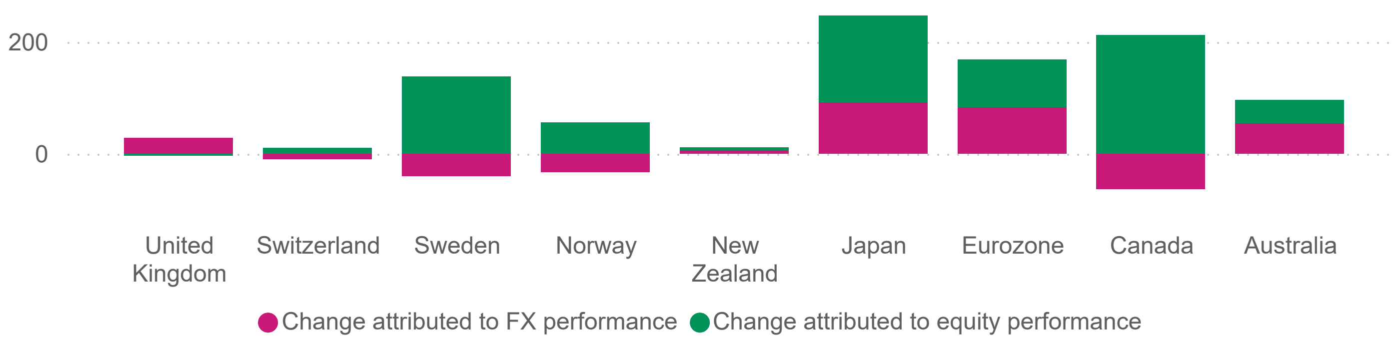
All publications & forecasts available at https://research.ca-cib.com

> Global equity markets were broadly firmer in August. In FX, the USD was broadly weaker on the month. Overall, the moves in equity markets, when adjusted for market capitalisation and FX performance this month, suggest month-end portfolio-rebalancing flows are likely to be mild USD selling across the board with the strongest sell signal in the case of the USD vs the JPY.

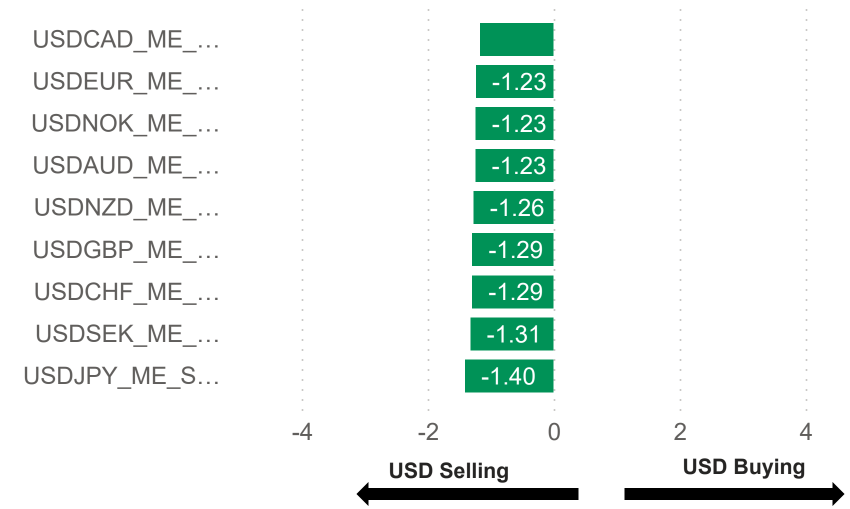
> Our corporate flow model is pointing to EUR buying and GBP selling at the end of the month.

New G10 FX Month-End trades this month

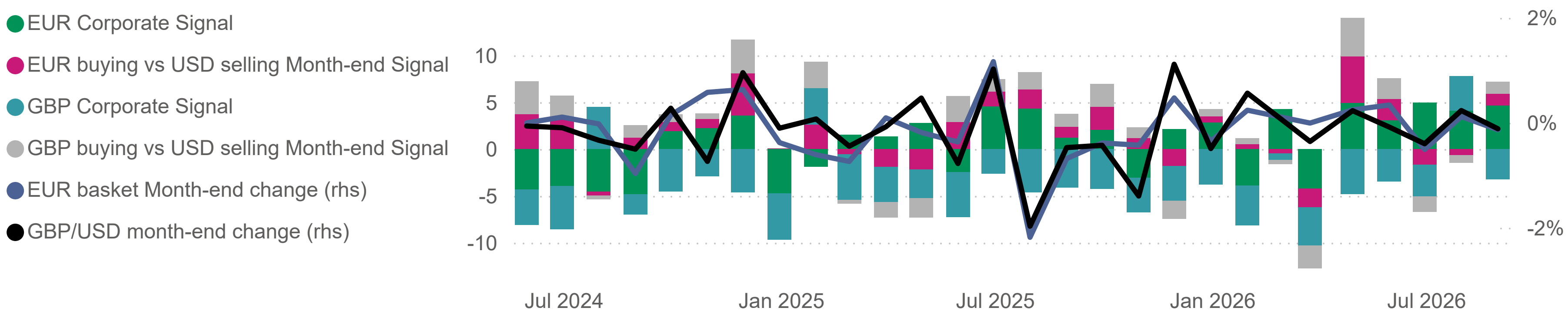
Relative monthly equity/FX performance



Month-end rebalancing signal (-5 to 5)



Model signals vs GBP & EUR basket month-end performance



Performance and methodology

For more info go to page 3

G10 FX Month-End Model - Performance and methodology

All publications & forecasts available at https://research.ca-cib.com

Related publications

22 April 2025 - FX Focus: *Introducing our upgraded month-end rebalancing and corporate flow model*

The ME rebalancing model uses FX and equity market moves to predict investors' hedging behaviour and thus FX moves at month-end.

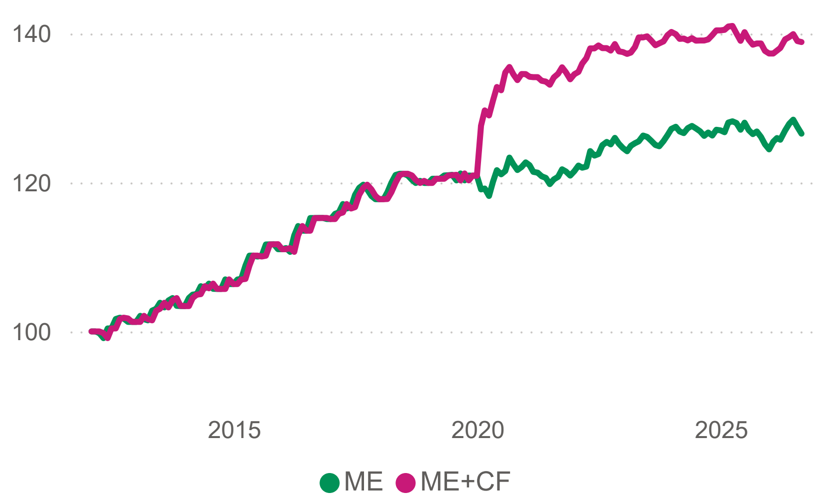
In addition, we also track the net buying/selling of EUR & GBP by our corporate franchise in the days prior to ME.

ME model performance

12M rolling (%): **-1.22%**

Hit ratio (per trade): **25%**

Model performance since 2012



Past G10 FX Month-End trades

Date	Time Stamp	Trade	Direction	Spot at entry	Spot at exit	% return
24/06/2022	08:00 BST	EUR vs USD & GBP Basket	Short	1.05325 / 0.85843	1.04675 / 0.86074	0.40%
25/07/2022	08:00 BST	EUR vs USD & GBP Basket	Long	1.01965 / 0.85067	1.0201 / 0.83728	-0.36%
26/09/2022	08:00 BST	USD Basket	Long	-	-	-0.33%
25/10/2022	08:00 BST	USD Basket	Short	-	-	0.88%
24/11/2022	08:00 GMT	EUR & GBP vs USD Basket	Long	1.04175 / 1.2083	1.030689 / 1.19585	-0.98%
26/12/2022	08:00 GMT	GBP/USD	Short	1.20645	1.20755	-0.09%
25/01/2023	08:00 GMT	EUR vs USD & GBP Basket	Long	1.08835 / 0.88365	1.08575 / 0.88115	-0.25%
22/02/2023	08:00 GMT	GBP/USD	Short	1.21175	1.20955	0.18%
27/03/2023	08:00 GMT	EUR vs USD & GBP Basket	Long	1.07635 / 0.87916	1.08715 / 0.8789	0.75%
24/04/2023	08:00 BST	GBP/USD	Long	1.24195	1.25795	1.29%
26/06/2023	08:00 BST	EUR vs USD & GBP Basket	Long	1.09035 / 0.85713	1.09165 / 0.85906	0.15%
25/07/2023	08:00 BST	EUR vs USD & GBP Basket	Long	1.1081 / 0.86223	1.1019 / 0.85708	-0.57%
25/08/2023	08:00 BST	EUR & GBP vs USD Basket	Short	1.07815 / 1.25705	1.0838 / 1.2663	-0.63%
25/09/2023	08:00 BST	GBP/USD	Short	1.2244	1.2213	0.25%
25/10/2023	08:00 BST	EUR & GBP vs USD Basket	Short	1.0594 / 1.2163	1.0565 / 1.2132	0.26%
24/11/2023	08:00 GMT	GBP/USD	Long	1.2532	1.26365	0.83%
25/12/2023	08:00 GMT	EUR vs USD & GBP Basket	Long	1.1002 / 0.86667	1.10595 / 0.86819	0.44%
25/01/2024	08:00 GMT	EUR vs USD & GBP Basket	Long	1.0888 / 0.85513	1.0855 / 0.85264	-0.30%
23/02/2024	08:00 GMT	USD Basket	Short	-	-	-0.63%
25/03/2024	08:00 GMT	EUR & GBP vs USD Basket	Long	1.0817 / 1.2604	1.0799 / 1.2636	0.04%
24/04/2024	08:00 BST	EUR & GBP vs USD Basket	Short	1.0694 / 1.2444	1.0685 / 1.25155	-0.25%
27/05/2024	08:00 BST	USD Basket	Short	-	-	0.30%
24/06/2024	08:00 BST	USD Basket	Short	-	-	-0.33%
25/07/2024	08:00 BST	EUR vs USD & GBP Basket	Short	1.08345 / 0.84099	1.0823 / 0.84291	0.02%
24/09/2024	08:00 BST	EUR vs USD & GBP Basket	Long	1.1116 / 0.83235	1.114 / 0.83184	0.15%
25/10/2024	08:00 BST	EUR vs USD & GBP Basket	Long	1.08155 / 0.8345	1.0858 / 0.844	0.58%
25/11/2024	08:00 GMT	EUR vs USD & GBP Basket	Long	1.0455 / 0.83135	1.0546 / 0.83066	0.63%
27/01/2025	08:00 GMT	GBP/USD	Long	1.24345	1.24435	0.07%
24/02/2025	08:00 GMT	GBP/USD	Short	1.2643	1.25865	0.45%
25/03/2025	08:00 GMT	GBP/USD	Short	1.2908	1.2898	0.08%
24/04/2025	08:00 BST	GBP/USD	Short	1.32755	1.3408	-1.00%
26/05/2025	08:00 BST	USD Basket	Short	-	-	-1.00%
24/06/2025	08:00 BST	EUR vs USD & GBP Basket	Long	1.1604 / 0.85437	1.1769 / 0.85774	1.17%
25/07/2025	08:00 BST	EUR vs USD & GBP Basket	Long	1.1749 / 0.87101	1.1610 / 0.8668	-1.00%
24/09/2025	08:00 BST	EUR vs USD & GBP Basket	Long	1.1788 / 0.87338	1.173 / 0.87283	-0.38%
24/11/2025	08:00 BST	GBP/USD	Short	1.3091	1.3222	-1.00%

Source: CMIT by Crédit Agricole CIB

Red Mount Analytics – G10 FX Research specific dashboards

FX Research advanced tools

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See for yourself here:

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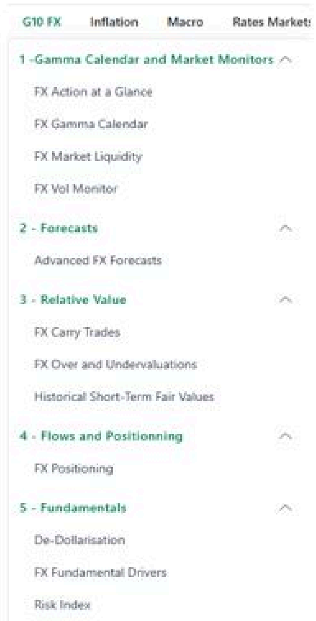


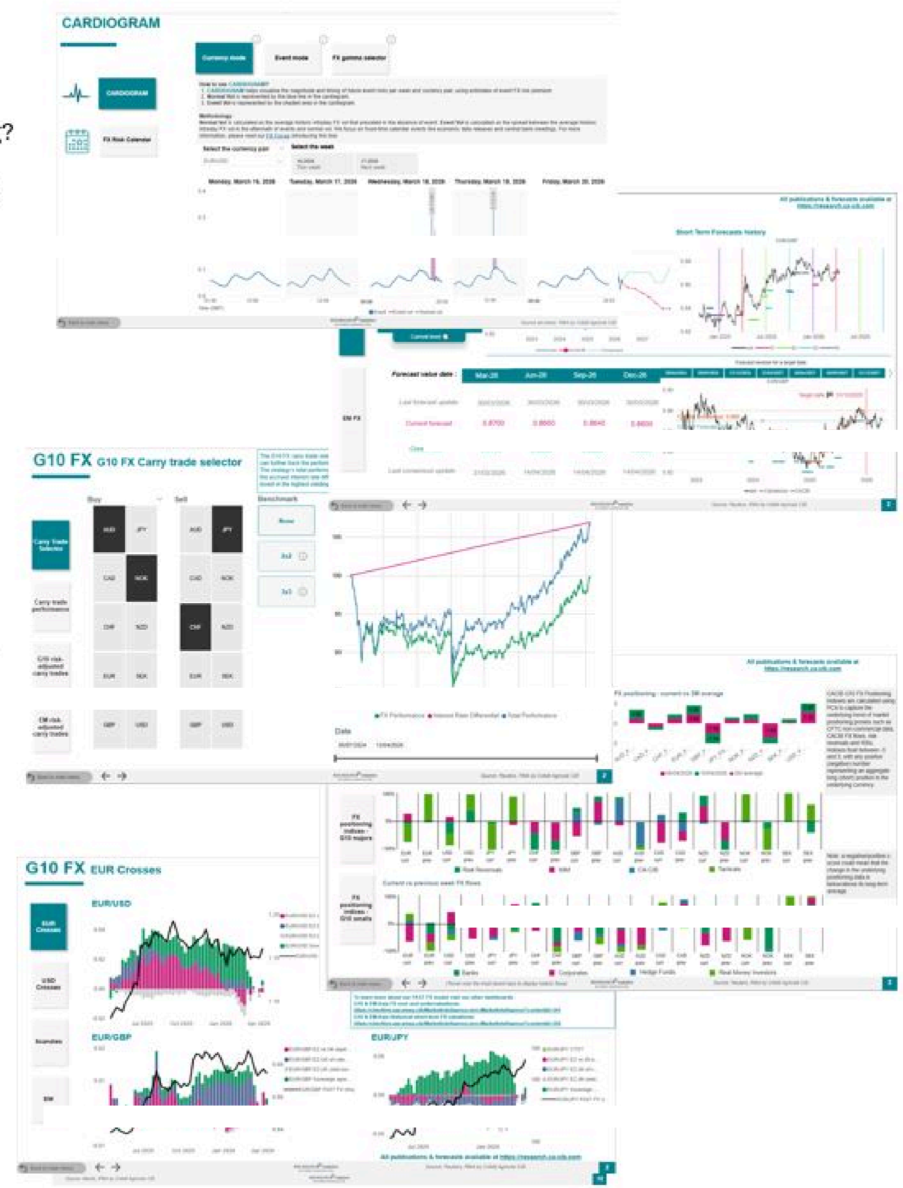
FX gamma calendar & Market monitors:
What are the key FX events ahead and how to position ahead of the next NFP or Fed/ECB meeting?
What is the FX CARDIOGRAM?
What are the key trends and the main movers in FX spot, forward and option markets?

Advanced FX forecasts:
Where are the FX market heading? How do our forecasts compare to consensus?
How accurate have our FX forecasts been?

Relative Value:
What is the EUR fair value vs the USD, JPY and GBP? Are commodity currencies cheap or expensive?
What are the best FX carry trades?
How to build a tailored FX carry trade and track its performance over time?

FX Flows and positioning:
What are the biggest longs and shorts in the FX markets?
How are FX corporates positioned?
What are hedge funds and real money buying and selling?

FX fundamentals:
What are the key FX drivers at present – relative rate spreads or market risk sentiment?
Are the FX markets in risk-on or risk-off mood?
What's the latest on de-dollarisation?



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Valentin Marinov, Alexandre Dolci

Global Markets Research contact details

Jean-François Paren Head of Global Markets Research +33 1 41 89 33 95

	Asia (Hong Kong, Singapore & Tokyo)		Europe (London & Paris)		Americas (New York)
Macro Strategy	Takuji Aida Chief Economist Japan +81 3 4580 5360	Ken Matsumoto Macro Strategist Japan +81 3 4580 5337	**Louis Harreau** **Head of Developed Markets Macro & Strategy** **+33 1 41 89 98 95**	Valentin Giust Global Macro Strategist +33 1 41 89 30 01	Nicholas Van Ness ** Chief US Economist +1 212 261 7601
Interest Rates			**Jean-François Perrin** **Head of Rates and Inflation Research & Strategy** **+33 1 41 89 73 49** Matthias Loise Inflation Strategist +33 1 41 89 20 06	Guillaume Martin Interest Rates Strategist +33 1 41 89 37 66 Riccardo Lamia Interest Rates Strategist +33 1 41 89 63 83 Monna Dimitrova Interest Rates Strategist +33 1 41 89 05 61	Alex Li ** Head of US Rates Strategy +1 212 261 3950
Emerging Markets	Xiaojia Zhi Chief China Economist Head of Research, Asia ex-Japan +852 2826 5725 Eddie Cheung CFA Senior Emerging Market Strategist +852 2826 1553	Jeffrey Zhang Emerging Market Strategist +852 2826 5749 Yeon Jin Kim Emerging Market Analyst +852 2826 5756	**Sébastien Barbé** **Head of Emerging Market Research & Strategy** **+33 1 41 89 15 97**		Olga Yangol ** Head of Emerging Market Research & Strategy, Americas +1 212 261 3953
Foreign Exchange	David Forrester Senior FX Strategist +65 6439 9826		**Valentin Marinov** **Head of G10 FX Research & Strategy** **+44 20 7214 5289**	Alexandre Dolci FX Strategist +44 20 7214 5064	
Quant Research			Alexandre Borel Data Scientist +33 1 57 87 34 27		

*** employee(s) of Crédit Agricole Securities (USA), Inc.*

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