

Sell EUR/JPY

- EUR/JPY's primary model is stable and suggests that the exchange rate's short-term fair value has fallen from 162.03 to 161.00. The move resulted from further tightening of EUR-JPY rate spread and widening of peripheral EGB yield spread to Bunds.
- EUR/JPY has become more than 1.5 standard deviations overvalued. So the [FAST FX model](#) has triggered a sell EUR/JPY trade with a stop-loss of -1.48% and a take-profit level of 161.00.
- Unless EUR/JPY reaches our stop-loss or take-profit levels, the FAST FX model will exit the trade at 22:00 GMT on Friday 12 April.



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Related publications

[26 September 2023](#) – FX Focus: [FAST FX Model turbo charged](#)

[28 February 2018](#) – FX Focus: [FAST FX model tune-up](#)

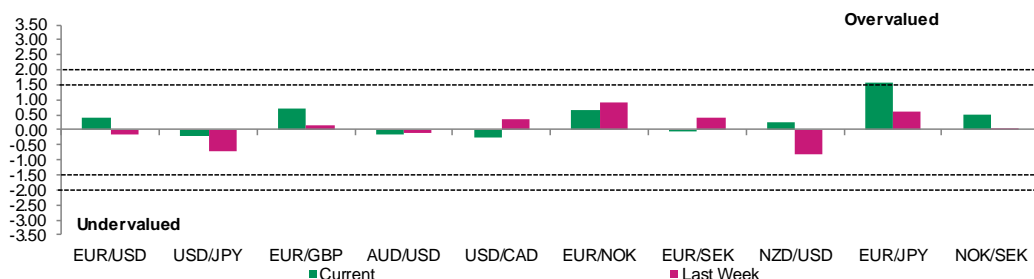
[28 September 2017](#) – FX Focus: [Introducing our FAST FX fair value model](#)

New trades this week

Time Stamp	Entry	Pair	Direction	Spot at entry	Take Profit	Stop Loss
09:00 GMT	08/04/2024	EUR/JPY	SELL	164.51	161.00	-1.48%

Source: *Crédit Agricole CIB*

FX under/overvaluation – Z-scores



Dotted lines mark 1.5 and 2 standard deviations in the Z-score

Source: *Crédit Agricole CIB*

FAST FX fair value summary

	FX spot (Friday NY close)	Fair value estimate	Under /over valuation	Z-score	Stability filter
EUR/USD	1.0837	1.0784	0.49%	0.42	stable
USD/JPY	151.62	151.87	-0.16%	-0.20	unstable
EUR/GBP	0.8575	0.8539	0.41%	0.69	stable
AUD/USD	0.6579	0.6594	-0.22%	-0.18	stable
USD/CAD	1.359	1.3616	-0.19%	-0.25	stable
EUR/NOK	11.6252	11.4140	1.85%	0.64	stable
EUR/SEK	11.5309	11.5324	-0.01%	-0.01	unstable
NZD/USD	0.6013	0.5993	0.34%	0.23	stable
EUR/JPY	164.32	161.00	2.06%	1.56	stable
NOK/SEK	0.9921	0.9822	1.01%	0.48	stable

For a stable regime – the primary model is used whereby trades are triggered when the z-score is greater than 1.5 or less than -1.5; while for an unstable regime – the secondary model is used and the trigger level is +/-2 for the z-score.

Historical trade performance

Historical trades

Time Stamp	Entry	Pair	Direction	Spot at entry	Spot at Exit	% Return
09:00 BST	17/04/2023	EUR/GBP	SELL	0.88561	0.88363	0.24%
09:00 BST	15/05/2023	EUR/NOK	SELL	11.6218	11.7625	-1.07%
09:00 BST	22/05/2023	EUR/NOK	SELL	11.7643	11.8878	-0.95%
09:00 BST	05/06/2023	EUR/NOK	SELL	11.8072	11.5718	2.06%
09:00 BST	12/06/2023	EUR/SEK	SELL	11.6325	11.6547	-0.19%
09:00 BST	19/06/2023	EUR/SEK	SELL	11.6704	11.6789	0.06%
09:00 BST	26/06/2023	EUR/SEK	SELL	11.6814	11.7709	-0.83%
09:00 BST	09/04/2023	USD/CAD	SELL	1.35915	1.364	-0.37%
09:00 BST	09/04/2023	EUR/SEK	SELL	11.8942	11.9018	-0.09%
09:00 BST	09/11/2023	USD/CAD	SELL	1.35985	1.3525	0.53%
09:00 BST	25/09/2023	NZD/USD	SELL	0.5951	0.5998	-0.64%
09:00 BST	25/09/2023	EUR/JPY	SELL	157.9	157.95	-0.10%
09:00 BST	02/10/2023	EUR/JPY	SELL	158.32	158.07	0.07%
09:00 BST	02/10/2023	EUR/SEK	BUY	11.5642	11.6054	0.35%
09:00 BST	09/10/2023	EUR/JPY	SELL	156.99	157.2	-0.22%
09:00 BST	23/10/2023	EUR/SEK	SELL	11.6735	11.7746	-0.86%
09:00 BST	23/10/2023	NOK/SEK	BUY	0.992	0.9968	0.47%
09:00 GMT	30/10/2023	EUR/SEK	SELL	11.7939	11.6855	0.87%
09:00 GMT	06/11/2023	USD/JPY	SELL	149.47	151.52	-1.35%
09:00 GMT	06/11/2023	EUR/JPY	SELL	160.68	161.93	-0.85%
09:00 GMT	13/11/2023	USD/JPY	SELL	151.81	149.63	1.35%
09:00 GMT	13/11/2023	EUR/JPY	SELL	162.3	163.27	-1.25%
09:00 GMT	13/11/2023	USD/CAD	SELL	1.38055	1.3723	1.08%
09:00 GMT	20/11/2023	EUR/JPY	SELL	162.38	163.47	-0.75%
09:00 GMT	27/11/2023	EUR/JPY	SELL	163.15	159.75	1.98%
09:00 GMT	04/12/2023	EUR/SEK	BUY	11.3104	11.2614	-0.41%
09:00 GMT	11/12/2023	EUR/SEK	BUY	11.2644	11.1985	-0.67%
09:00 GMT	11/12/2023	USD/JPY	BUY	146.23	142.15	2.76%
09:00 GMT	15/01/2024	EUR/JPY	BUY	159.38	161.47	1.36%

* % USD return adjusted for carry

Source: Crédit Agricole CIB

Portfolio performance

12M rolling (%)	4.91%
Hit ratio (per trade)	51%

Source: Crédit Agricole CIB

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