

## Weekly Commercial FX Brief

(05/11/2026-05/15/2026)



### TD Global FX Strategy Forecasts: USDCAD

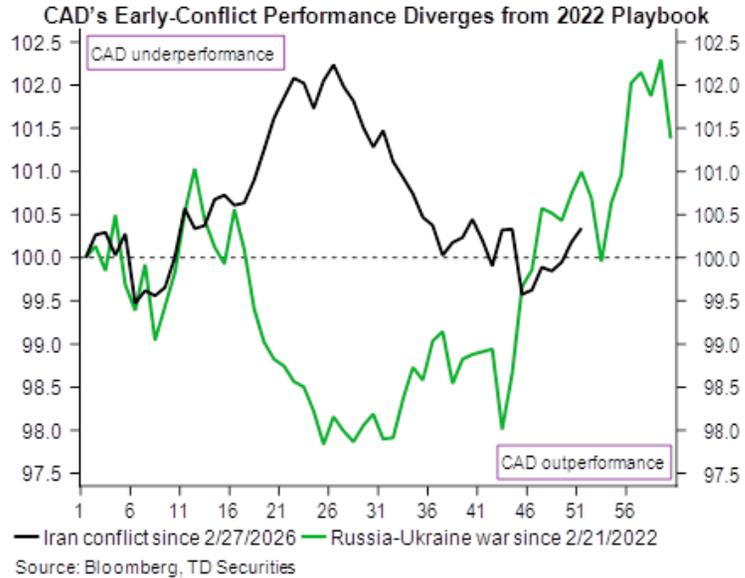
Global FX Forecasts										
spot		2026			2027				2028	2029
	11-May-26	26Q2	26Q3	26Q4	27Q1	27Q2	27Q3	27Q4	28Q4	29Q4
USDCAD	1.37	1.37	1.35	1.34	1.34	1.33	1.33	1.32	1.30	1.30



### FX Commentary

CAD employment hits another setback in April. With the U.S. release printing on the strong side, USDCAD jumped roughly five big figures on the headline despite little broad dollar move – underscoring market’s sensitivity to Canada’s domestic growth and labor-market backdrop. We don't think this will move the BoC any closer to cuts, but it should help to push back against market pricing for rate hikes over the second half of 2026.

CAD has underperformed its G10 peers this week with FX markets driven by current macro trend and expected central bank reaction to the inflation shock, rather than future growth effects from the ongoing conflict. If markets were trading more on future growth effects, CAD would likely have outperformed — consistent with its behavior in early 2022 at the onset of the Russia–Ukraine war.



Given the BoC’s relatively more dovish tilt against a softer domestic backdrop, we continue to forecast USDCAD at 1.37 in Q2, absent a more constructive turn in the geopolitical backdrop. Hawkish FOMC dissents and resilient U.S. data have made near-term USD downside more difficult to realize. With market-implied volatility retracing to pre-conflict levels, we expect price action to remain choppy, with USDCAD range-bound between 1.36 and 1.38 over the week ahead.

**Market Implied USDCAD Ranges**

USDCAD spot	Week Ahead	Month Ahead
1.37	1.36-1.38	1.35-1.38

Source: TD Securities

## **The Week that Was (04 May)**

- In Canada, [labor markets](#) hit a new setback in April with 18k jobs lost during the month, falling short of the market consensus (+10k) and TD's forecast (+5k) for muted job growth. Details were largely downbeat with job losses concentrated across full-time workers (-47k) which left full-time employment 156k below the Q1 highs. The unemployment rate rose by 0.2pp to 6.9% in April, but stronger labor force growth also played a role.
- In the U.S., [payrolls](#) slowed but remained firm in April at 115k, easily beating our and consensus expectations (TD: 80k, consensus: 65k), with revisions totaling a negligible -16k in Feb-Mar. Private-sector jobs came in firm at 123k, slowing from the unsustainable 190k surge in March. The series is now averaging 55k over the last three months (29k of which is explained by education & healthcare).

## **The Week Ahead (11 May)**

- [In Canada](#), BoC Minutes will give some further insight into the Bank's deliberations from April and the two-sided risks to their guidance, where we will be focused on their assessment of geopolitical risks and the impact of higher crude oil prices for Canada. We will also hear from the BoC's Alexopoulos next Thursday when she gives a speech on AI and its impact on potential output.
- [In the U.S.](#), [we look for core inflation to accelerate](#). The CPI report next week will be more closely watched. We have flagged that the Fed path for the year now leans much more on how much the energy shock from Q1 will pass through to core inflation, rather than on labor market conditions (as long as they remain stable).



## Global TD Securities Forecasts

Global Macro Forecast Summary (%)													
		25Q4	26Q1	26Q2	26Q3	26Q4	27Q1	27Q2	27Q3	27Q4	2025	2026	2027
US	GDP Growth (q/q saar)	0.5	2.0	2.0	1.8	2.0	2.1	2.4	2.2	2.3	2.1	2.1	2.1
	Headline CPI (y/y)	2.8	2.7	3.8	3.5	3.4	3.2	2.4	2.4	2.4	2.7	3.3	2.6
	Core CPI (y/y)	2.7	2.5	2.8	2.6	2.6	2.6	2.4	2.4	2.5	2.9	2.6	2.5
	Fed Funds Rate (eop, upper)	3.75	3.75	3.75	3.50	3.25	3.00	3.00	3.00	3.00	3.75	3.25	3.00
Euro Area	GDP Growth (q/q)	0.2	0.1	0.1	0.2	0.3	0.5	0.4	0.3	0.3	1.5	0.7	1.4
	Headline CPI (y/y)	2.1	2.0	3.1	3.0	3.1	2.5	1.7	1.7	1.7	2.1	2.8	1.9
	Core CPI (y/y)	2.4	2.3	2.4	2.4	2.3	2.3	2.1	2.1	2.0	2.4	2.3	2.1
	Deposit Rate (eop)	2.00	2.00	2.00	2.25	2.25	2.25	2.25	2.25	2.25	2.00	2.25	2.25
Canada	GDP Growth (q/q saar)	-0.6	1.5	1.9	2.1	2.0	1.7	1.6	1.5	1.5	1.7	1.2	1.8
	Headline CPI (y/y)	2.2	2.2	3.0	2.9	2.7	2.7	2.1	2.2	2.1	2.1	2.7	2.3
	Core CPI (y/y, avg)	2.8	2.3	2.2	2.2	2.3	2.5	2.3	2.2	2.0	2.9	2.2	2.3
	Overnight Rate (eop)	2.25	2.25	2.25	2.25	2.25	2.75	2.75	2.75	2.75	2.25	2.25	2.75

### Summary Commodities Forecasts

		Spot		2026				2027			
		8-May-26	Q1 A	Q2 F	Q3 F	Q4 F	Q1 F	Q2 F	Q3 F	Q4 F	
<b>Precious Metals*</b>	Gold	\$/oz	4726	4856	4400	4650	5200	5100	5000	4950	4900
	Silver	\$/oz	81	84	70	73	73	70	68	65	65
	Platinum	\$/oz	2030	2200	1800	2000	2075	1950	1950	1900	1900
	Palladium	\$/oz	1478	1705	1650	1675	1650	1625	1650	1625	1625
<b>Other Metals**</b>	Copper	\$/lb	6.05	5.82	6.35	6.01	5.59	5.56	5.56	5.67	5.67
	Zinc	\$/lb	1.57	1.47	1.53	1.51	1.47	1.44	1.44	1.35	1.35
	Lead	\$/lb	0.90	0.88	1.02	1.00	1.00	1.01	1.01	0.98	0.98
	Nickel	\$/lb	8.59	7.86	8.39	8.05	7.94	7.37	7.37	7.14	7.14
	Aluminum	\$/lb	1.61	1.45	1.68	1.60	1.60	1.61	1.61	1.54	1.54
	Iron Ore <sup>†</sup>	\$/tonne	106	103	106	100	100	95	95	90	90
<b>Energy</b>	Nymex Crude Oil	\$/bbl	95	72	92	90	85	87	87	88	90
	Brent Crude Oil	\$/bbl	100	78	100	96	90	91	91	92	94
	Heating Oil	\$/gal	3.86	2.93	3.80	3.60	3.30	3.15	3.15	3.15	3.20
	Gasoline	\$/gal	3.44	2.25	3.00	2.85	2.70	2.65	2.65	2.63	2.68
	Natural Gas	\$/MMBtu	2.83	3.45	3.60	3.80	3.75	3.75	3.75	4.00	4.00
	AECO Natural Gas	\$/MMBtu	1.22	1.50	1.60	1.80	1.75	1.95	1.95	2.25	2.25

Source: TD Securities // Commodity forecasts are period averages; \*London PM Fix; \*\*LME; <sup>†</sup>CFR China, 62% Fe, dry