Latest Market Focus – FX Commentary

Rate hikes strengthen CAD

#Investment #CIO Insights #FX Markets #CAD

30 October 2026
CIO Office and Investment Advisory

- **The Bank of Canada raised rates by 25 basis points to 2.5% on 28 October.** With the Federal Reserve holding rates on 29 October, the narrower differential eased pressure on CAD
- **The CAD's short-term performance will depend on oil prices, expectations of further Federal Reserve rate hikes and the US midterm elections.** A Republican failure to control both chambers could reduce Canada's tariff exposure and related policy pressure
- **The CAD's technical outlook against HKD has improved,** with renewed momentum above short-term moving averages. Sustained trading above HK$5.68 could pave the way towards HK$5.75

CAD/HKD Trend(Daily Chart)



Sources：LSEG, as of 29 Oct 2026

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