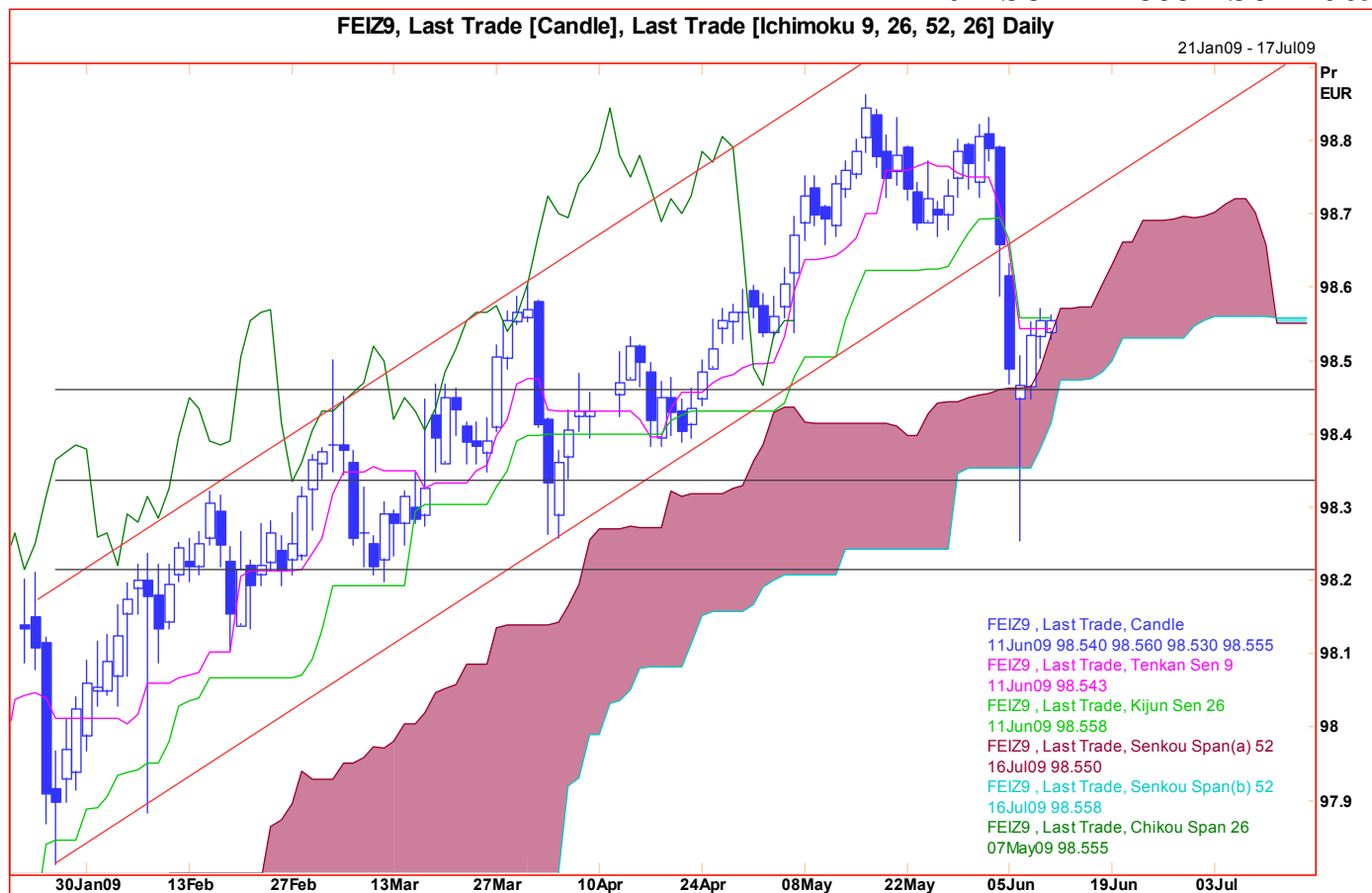


Technical Analysis

11 June 2009

<http://www.mizuho-cb.co.uk/>

Euribor – December 2009



**Comment:** The German Treasury yield curve has started to flatten at last, thirty-year doing best and also gaining against US TBonds. We see this as the beginning of trends that have a lot further to go. Futures contracts collapsed, an example of what can happen when apathy meets the summer lull and contracts trading at record highs. It is nevertheless a corrective drop and the very long term trend is to higher prices. Interesting to note how the Ichimoku 'cloud' has limited closing prices, and should help lift the contract back up to the 98.700 area over the rest of the month. Liquidity in the money market is good and the spread between Libid and Libor decent – and unlikely to trade up to 2.00% by Christmas.

**Strategy:** Buy at 98.555; stop well below 98.450. Upside target 98.700/98.800.

**Chart Levels:**

| Support  | Resistance      | Direction of Trade |
|----------|-----------------|--------------------|
| 98.500   | 98.570          |                    |
| 98.450*  | 98.630          |                    |
| 98.385   | 98.750          |                    |
| 98.335   | 98.830/98.860** |                    |
| 98.255** | 98.950/99.000*  |                    |

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Charts provided by Reuters.