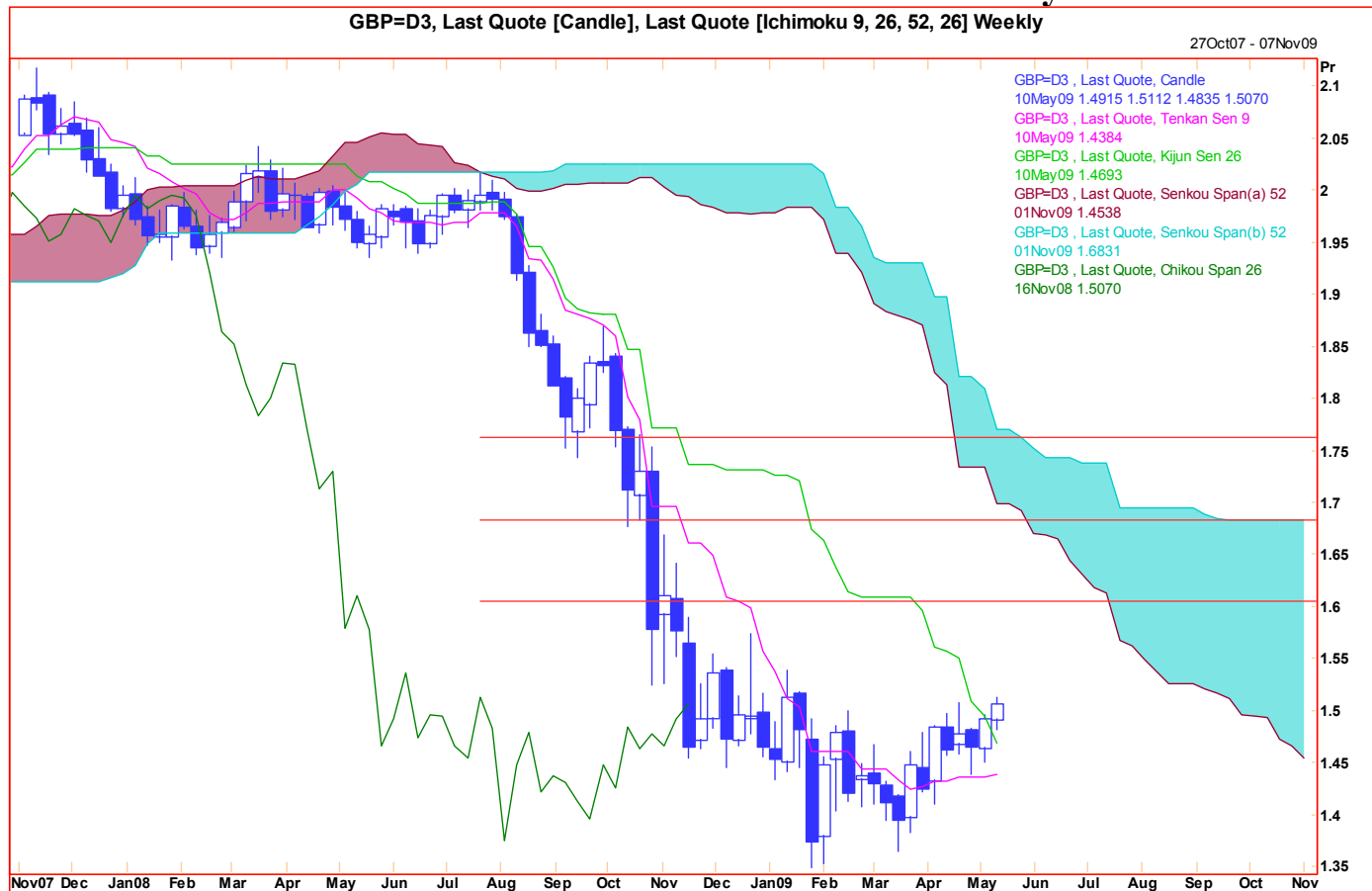


Technical Analysis

**05 May 2009
Monthly Outlook for GBP**



Comment: Creeping slowly towards January's high and would benefit from a weekly close above the psychological 1.5000 area (though a weekly close above 1.5500 is still the minimum required to turn momentum decidedly bullish). Cable should then rally to the 1.5600/1.5800 area where some consolidation is likely. Above here, probably late this quarter, targets 1.6500. Meanwhile one-month at-the-money implied volatility should base against 12.00% and rally back up to 18.00%.

A monthly close below 1.4000 forces us to adjust.

Chart Levels:

Support	Resistance	Direction of Trade
1.4750	1.5375	
1.4400	1.5535	
1.4050	1.5725*	
1.3655*	1.6000*	
1.3500**	1.6500	

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Charts provided by Reuters.