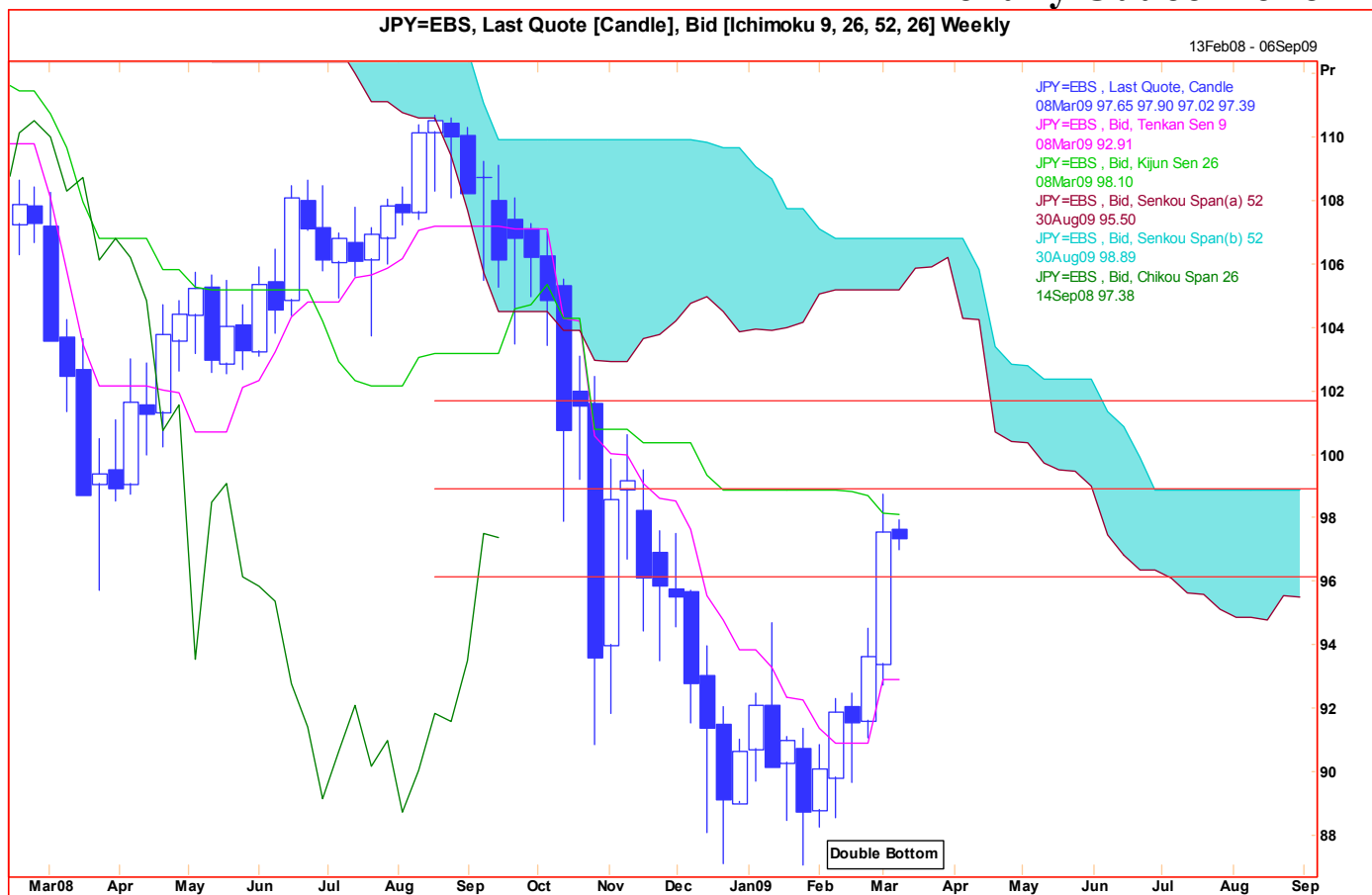


**Technical Analysis**

**02 March 2009  
Monthly Outlook for JPY**



**Comment:** The 'double bottom' at 87.10 has done a miraculous job stemming the catastrophic losses that started in August last year, resulting in one of the biggest monthly rallies ever. We feel this has put a 'full stop' to the decline and that the Yen will hold above here this month and possibly for the whole of Q2 2009. However, we feel that follow-through to this rally is likely to be minimal because so much ground has been covered already. Having retraced 50% of the prior major decline, expect some hesitation under here this week, and around here for much of March. Cautious upside probes are likely, with some long term investors probably fretting should we trade above the psychological level at 100.00. Moves above here will probably be brief and sharp, and later this year we expect the Yen to drift back down inside a broad sideways band that we are in the process of establishing.

A weekly close above 102.00 would force us to adjust.

**Chart Levels:**

Support	Resistance	Direction of Trade
<b>95.75</b>	<b>98.72/99.00*</b>	
<b>94.45</b>	<b>100.55*</b>	
<b>92.75*</b>	<b>102.00</b>	
<b>91.00**</b>	<b>103.00</b>	
<b>87.10**</b>	<b>105.70/106.00*</b>	

Produced by London Branch - Nicole Elliott +44-20-7786-2509

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Charts provided by Reuters.