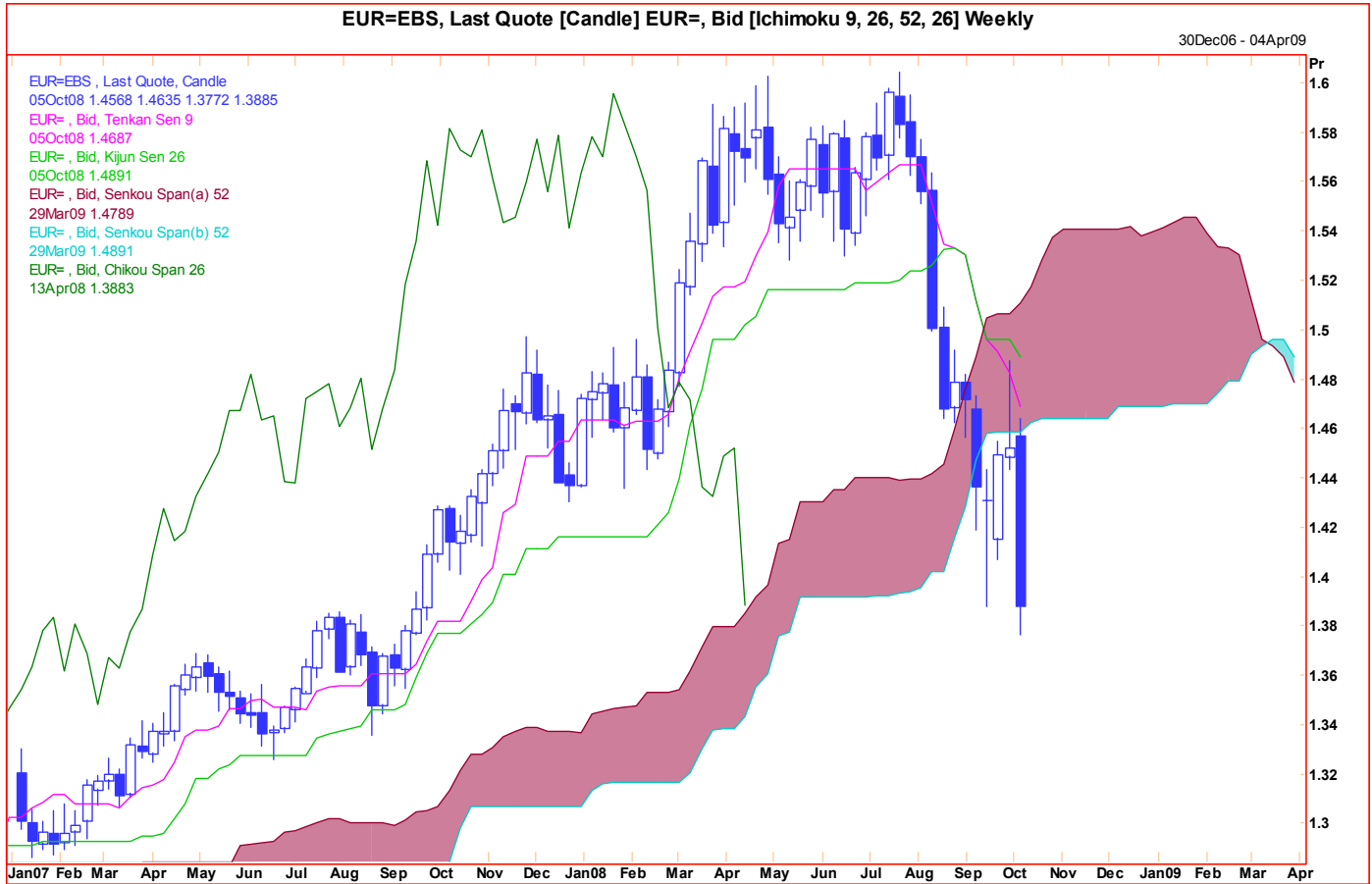


Technical Analysis

03 October 2008
EUR



Comment: The biggest weekly fall for the Euro, and something similar for most major currencies against the US dollar, has seen implied volatility soar to record or close to record highs. This smacks of capitulation and/or a desperate attempt to repatriate US dollars to shore up crippled balance sheets. Needless to say the USD is more overbought than it has been in a long time and we are looking for a dramatic reversal imminently. Wait and watch for something very dramatic.

Strategy: Possibly attempt tiny longs at 1.3895; stop below 1.3700. Short term target 1.4100, then 1.4400.

Chart Levels:

Support	Resistance	Direction of Trade
1.3800	1.3905	
1.3772	1.3935	
1.3747*	1.4020	
1.3650	1.4100*	
1.3550*	1.4175*	

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Charts provided by Reuters.