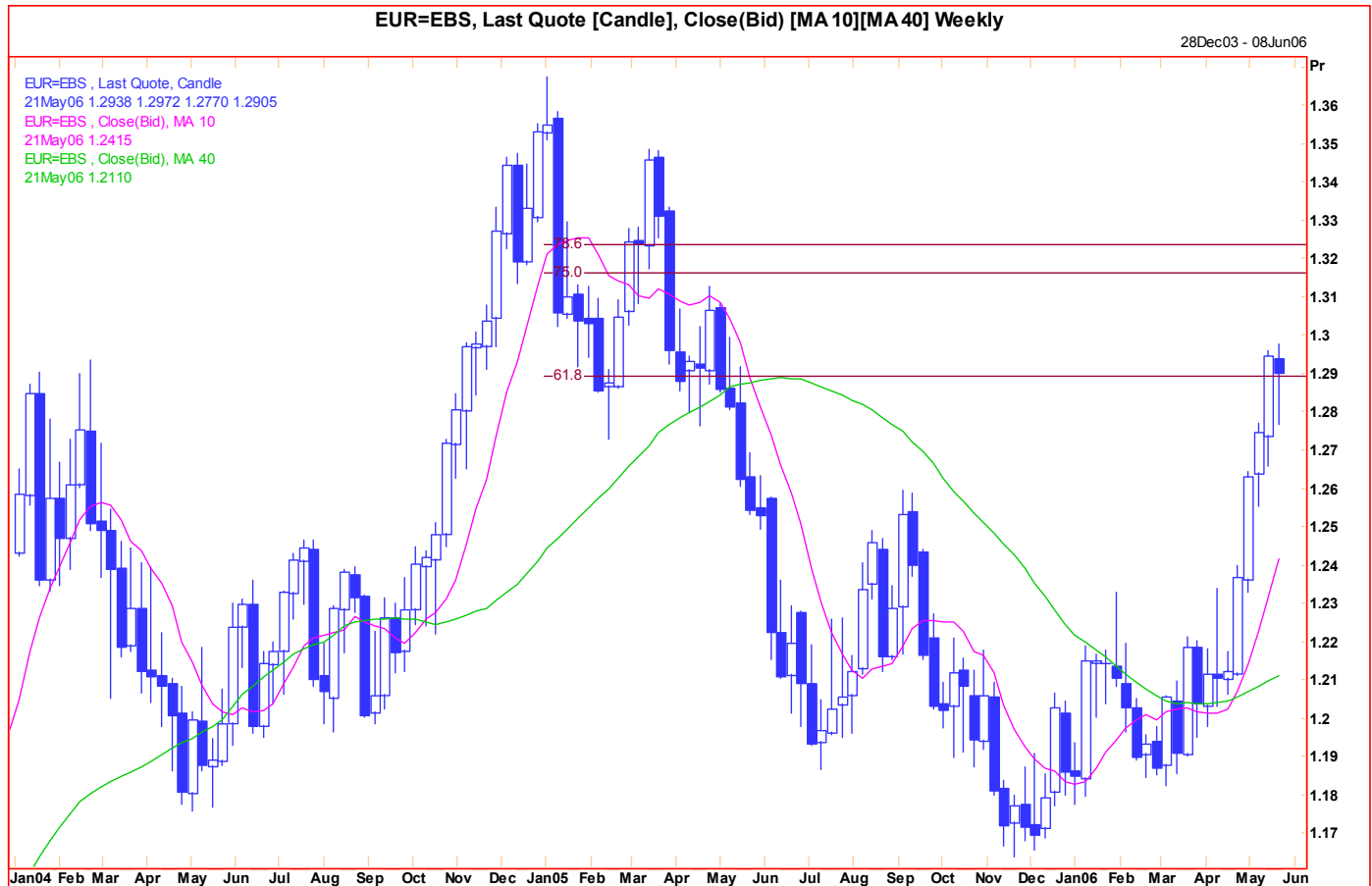


Technical Analysis

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

17 May 2006

Six Month Outlook for EUR



Comment: Having wasted so much time last year flip-flopping either side of 1.2100 the Euro has at last woken up to the fact that the very long term trend is still for generalised US dollar weakness. The Euro is rather overbought at the moment so we favour consolidation around 1.2900 for another month or so, say in a band roughly between 1.2600 and 1.3200. Then on up again to re-test the all-time high at 1.3670 and eventually to new all-time highs where 1.4000 is a realistic target. Then more consolidation below here followed by even higher highs in 2007.

A monthly close below 1.1700 would force us to review.

Chart Levels:

Support	Resistance	Direction of Trade
1.2750	1.3000	
1.2550	1.3100*	
1.2400*	1.3550	
1.2000	1.3670**	
1.1800/1.1640**	1.4000	

Produced by London Branch - Nicole Elliott +44-20-7786-2509 (email Nicole.Elliott@mhcb.co.uk)

The information contained in this paper is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty is made or implied that it is accurate or complete. Any opinions expressed in this paper are subject to change without notice. This paper has been prepared solely for information purposes and if so decided, for private circulation and does not constitute any solicitation to buy or sell any instrument, or to engage in any trading strategy.

Charts provided by Reuters.