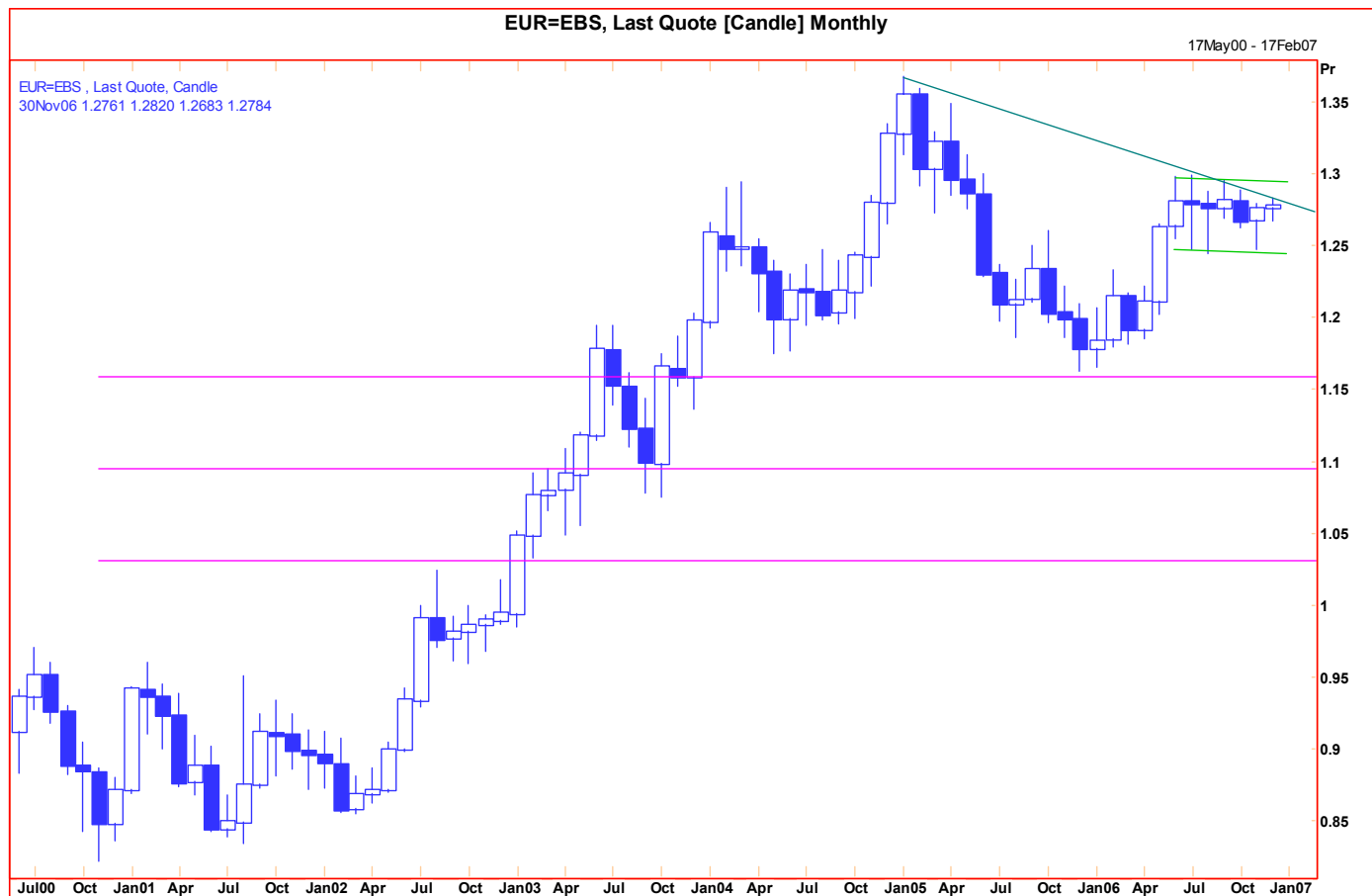


**Technical Analysis**

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

**09 November 2006**

**Three and six-month outlook for EUR**



**Comment:** Having spent the last six months in a relatively tight range, complacency has probably set in. We feel this is misplaced and that there is a good chance of a rally around year-end. A sustained break above increasingly important resistance at 1.3000 targets 1.3500 short term, just shy of the all-time high at 1.3670. Expect prices to hover nervously around here in Q1 2007 as markets prepare to move even higher. In Q2 2007 we expect the Euro to reach a high somewhere between 1.3700 and 1.4000, maybe but briefly quite a bit higher.

A monthly close well below 1.2500 would force us to review.

**Chart Levels:**

Support	Resistance	Direction of Trade
1.2650	1.2900	
1.2550	1.3000**	
1.2500/1.2450**	1.3125*	
1.2300	1.3200	
1.2150*	1.3500*	

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Charts provided by Reuters.