

Weekly Technical Commentary

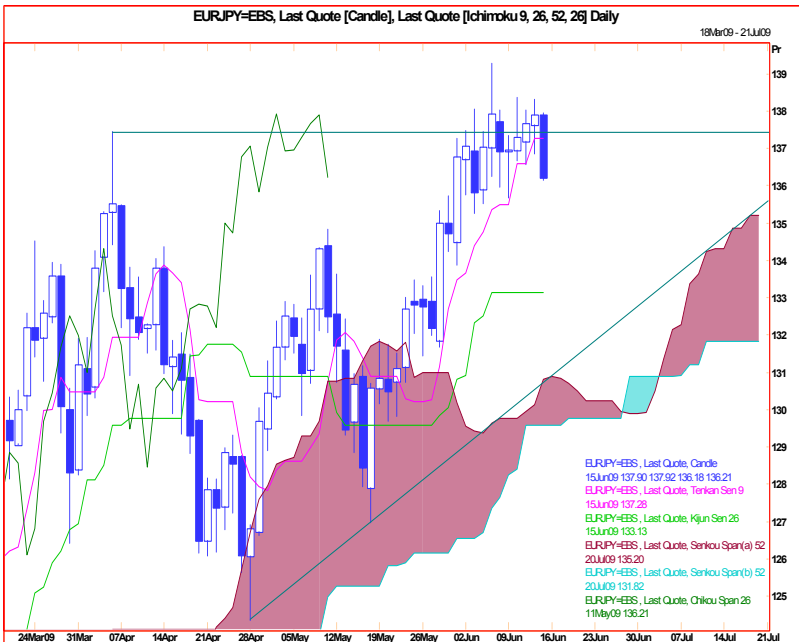
15 June 2009

Links: <http://www.mizuho-sc.com/>

Bloomberg Page: MIZH

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EUR/JPY Chart Levels: Support 135.30..134.25..133.85..133.00. Resistance 137.50..138.33..139.26..140.00

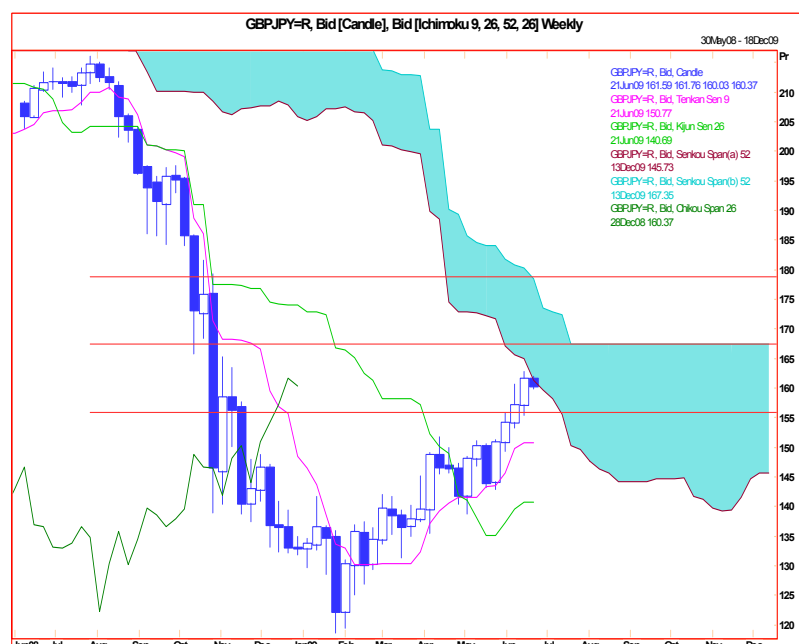


This week
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This month
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Not charting neatly but still mapping out this year as expected – broadly sideways! We feel Yen crosses will continue to trade across the page at the higher half of the ranges so far this year. Picking interim tops and bottoms will not get any easier and the worry of 'missing out' on the big move will persist. In fact many have still not got their heads around the idea that the Yen is not necessarily a one way street. For this pair prices should hold below 138.00 for much of the coming week, maybe dropping as low as the 26-day moving average at 133.00. If the range since March has been roughly 126.00 to 138.00, then its mid-point is 132.00 and prices should hold above here, probably until the end of the month.

GBP/JPY Chart Levels: Support 160.000..155.50..153.45..150.75. Resistance 161.75..162.55..163.35..165.00.



This week
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This month
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As the pound is the best performing major currency over the last one, three and six months, this cross has traded a little higher again to 162.55. This is more than a 38% retracement of last year's declines and it has met the weekly Ichimoku 'cloud'. This hints that further gains this month might be difficult and that we should allow for a period of sideways moves. The difficulty will be in establishing where these interim highs and lows might lie. We feel the 9-week moving average at 150.75 has a good chance of limiting drops, at least on a first attempt. As for the upside, a sustained break above the psychological 165.00 (and November's high) is unlikely. Note the increasingly deep 'cloud' though.

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