

**Weekly Technical Commentary**

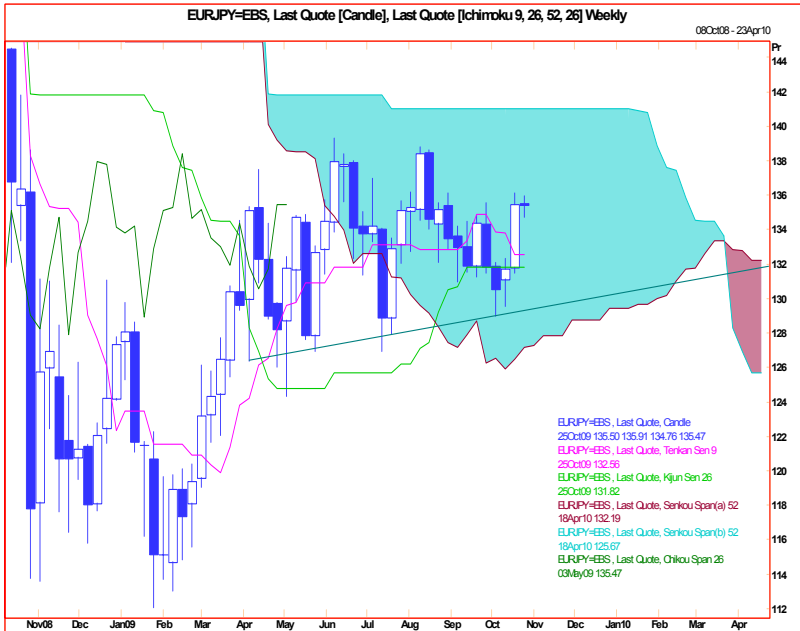
**19 October 2009**

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

Bloomberg Page: MIZH

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

**EUR/JPY Chart Levels: Support 134.00..132.55..131.50..129.55. Resistance 136.11..137.00..137.50..138.70**

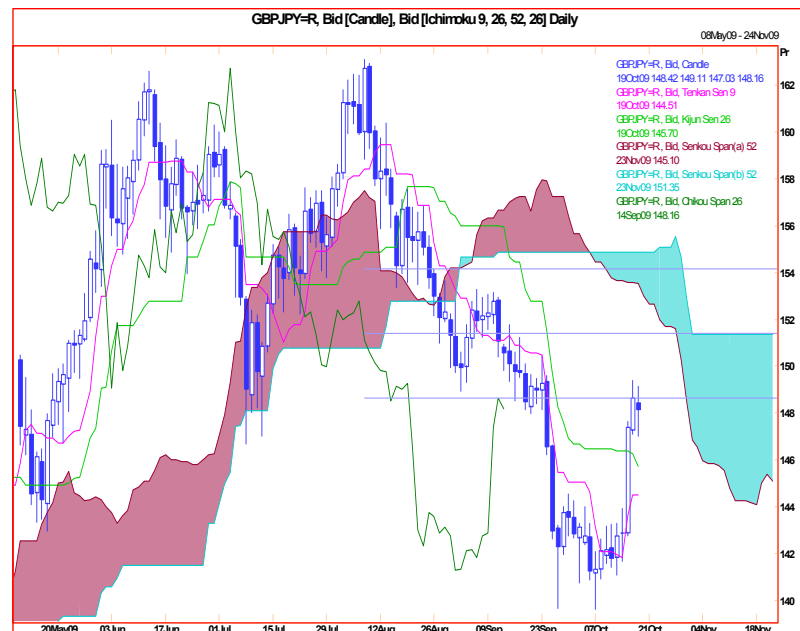


**This week**  
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**This month**  
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Rallying once again from trendline support, the fifth time it has done so since late March. Though this latest rally went higher than we had thought, having the patience of Job we shall continue to watch for signs of topping in what could turn out to be a massive 'quadruple top'. The Euro is now very overbought against the Yen, but we have to admit that bullish momentum is strong. Other currencies are even more overstretched against the Yen. We favour a new interim top forming between 136.00 and 137.50 either this week or next. Towards the end of November we expect a break below the pivotal 127.00 support area. The very long term view is still for more broadly sideways moves.

**GBP/JPY Chart Levels: Support 147.00..145.70..144.50..142.00. Resistance 149.35..150.35..151.50..153.25.**



**This week**  
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**This month**  
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Reversing positions as Sterling, the previous week's 'dog', overtook a weaker Yen. Despite sharp moves, surprisingly one-month at-the-money implied volatility has barely budged. Nevertheless the bounce is clearly corrective and has, for the time being anyway, stalled at the first Fibonacci retracement. Daily moving averages and the Ichimoku 'cloud' still point to a short position so we shall watch for a new interim high to form over the next week or two, though it might take even longer. A weekly close below 147.00 should also turn 50 and 200-day moving averages bearish. Sterling is overbought and we shall look for a new interim top to form between 149.00 and 151.50.

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