

**Weekly Technical Commentary**

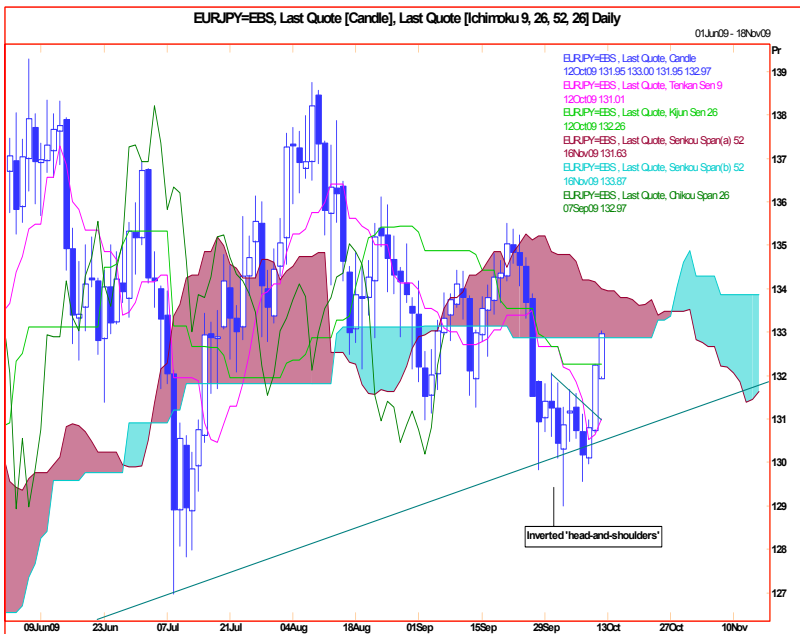
**12 October 2009**

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

Bloomberg Page: MIZH

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

**EUR/JPY Chart Levels: Support 131.95..130.70..130.00..129.00. Resistance 133.35..134.40..135.50..136.00**

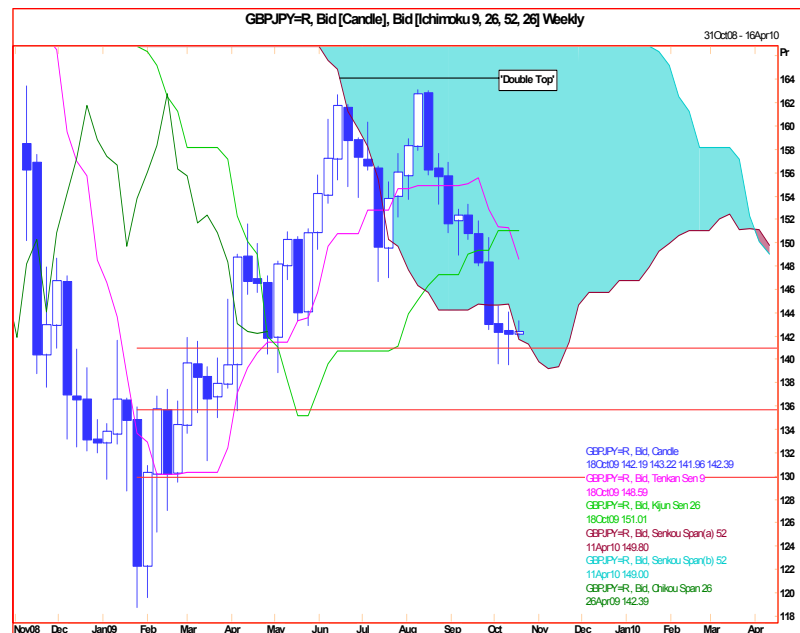


**This week**  
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**This month**  
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Having spent the best part of a fortnight dithering around trendline support, prices formed a tiny inverted 'head-and-shoulders' which has already almost met its minimum measured upside objective. The Euro is no longer oversold against the yen and momentum is neutral. This has obviously postponed the break lower we had expected but while below the daily and weekly Ichimoku 'clouds' there is no reason to change our view: the yen should strengthen against many currencies between now and year-end. 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 in a very wide band.

**GBP/JPY Chart Levels: Support 141.00..139.65..139.00..138.00. Resistance 144.00..146.60..148.65..151.40.**



**This week**  
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**This month**  
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Sterling weakening across the board, a whopping 4.3% against the Canadian dollar month to date, has kept this yen cross at last week's level hovering on the first long term Fibonacci support. Weekly moving averages have turned bearish and it is just a matter of time before we break decisively below the massive Ichimoku 'cloud'. Our measured target remains at 130.00, 61% Fibonacci retracement. Below 129.00 on a first attempt is considered highly unlikely, though note that moves below here are likely to be complex and very sharp. We cannot rule out a re-test of the all-time low at 118.80 of January this year as sterling looks set for a horrible year-end.

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