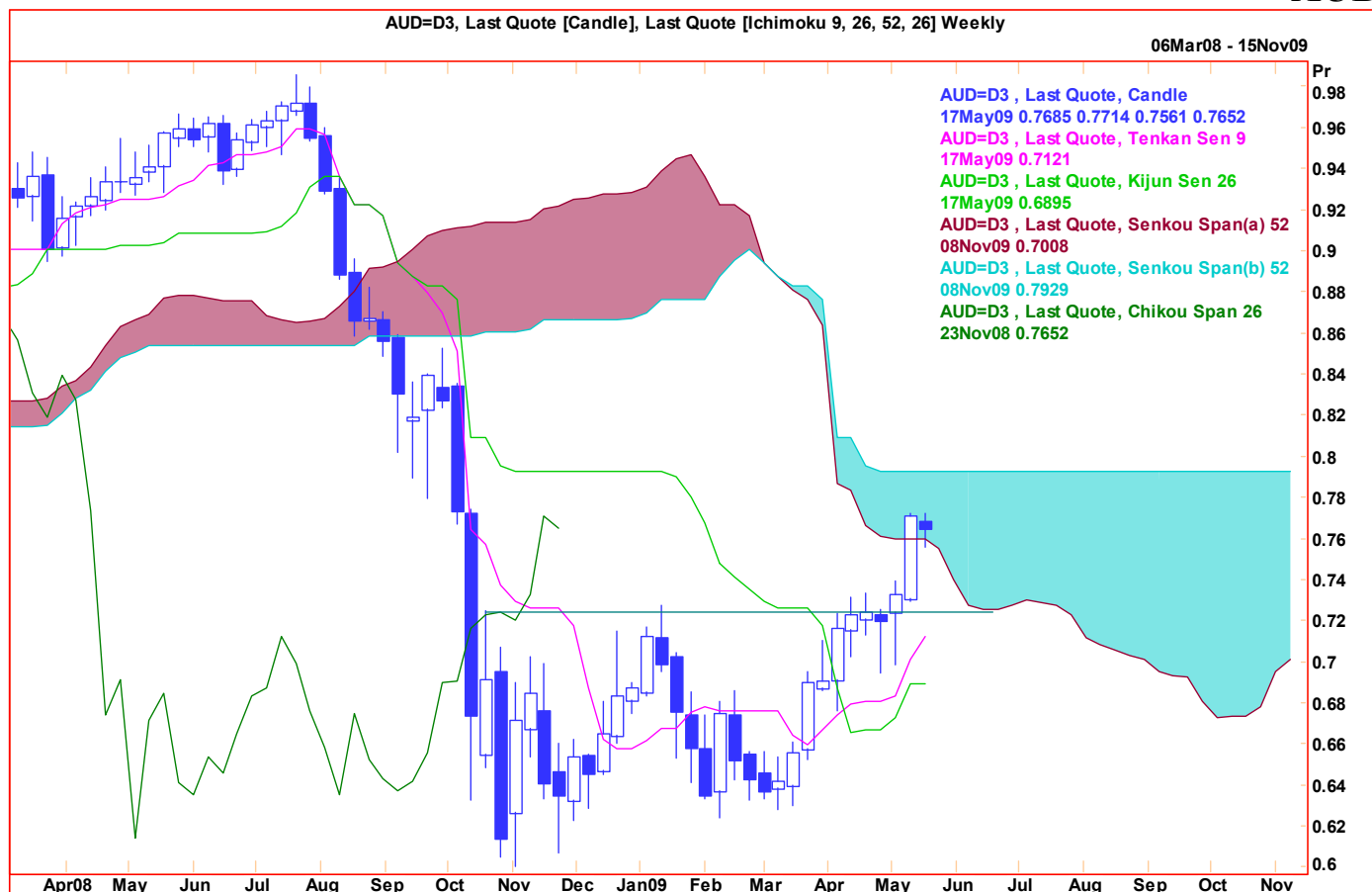


Technical Analysis

www.mizuho-cb.co.uk/

13 May 2009

AUD



Comment: After dithering for four consecutive weeks at the pivotal 0.7200 area, at last! A weekly close clearly above it confirming a break higher, marking the next step in the rally we expect this year caused by generalised US dollar selling. The Australian dollar is overbought but bullish momentum is stronger than it has been in almost three decades (a neat counterbalance to the bearish pressure on the way down last year). One-month at-the-money implied volatility appears to be basing against the 17.00% area (one standard deviation above the mean of the last 15 years) and will probably pick up to 25.00% this summer. Our first measured target is 0.8200 and probably 0.8800 further out.

A weekly close below 0.7200 would force us to adjust and review.

Chart Levels:

Support	Resistance	Direction of Trade
0.7550	0.7735*	
0.7475	0.7800	
0.7325*	0.7925	
0.7200**	0.8000*	
0.7000	0.8200	

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Charts provided by Reuters.