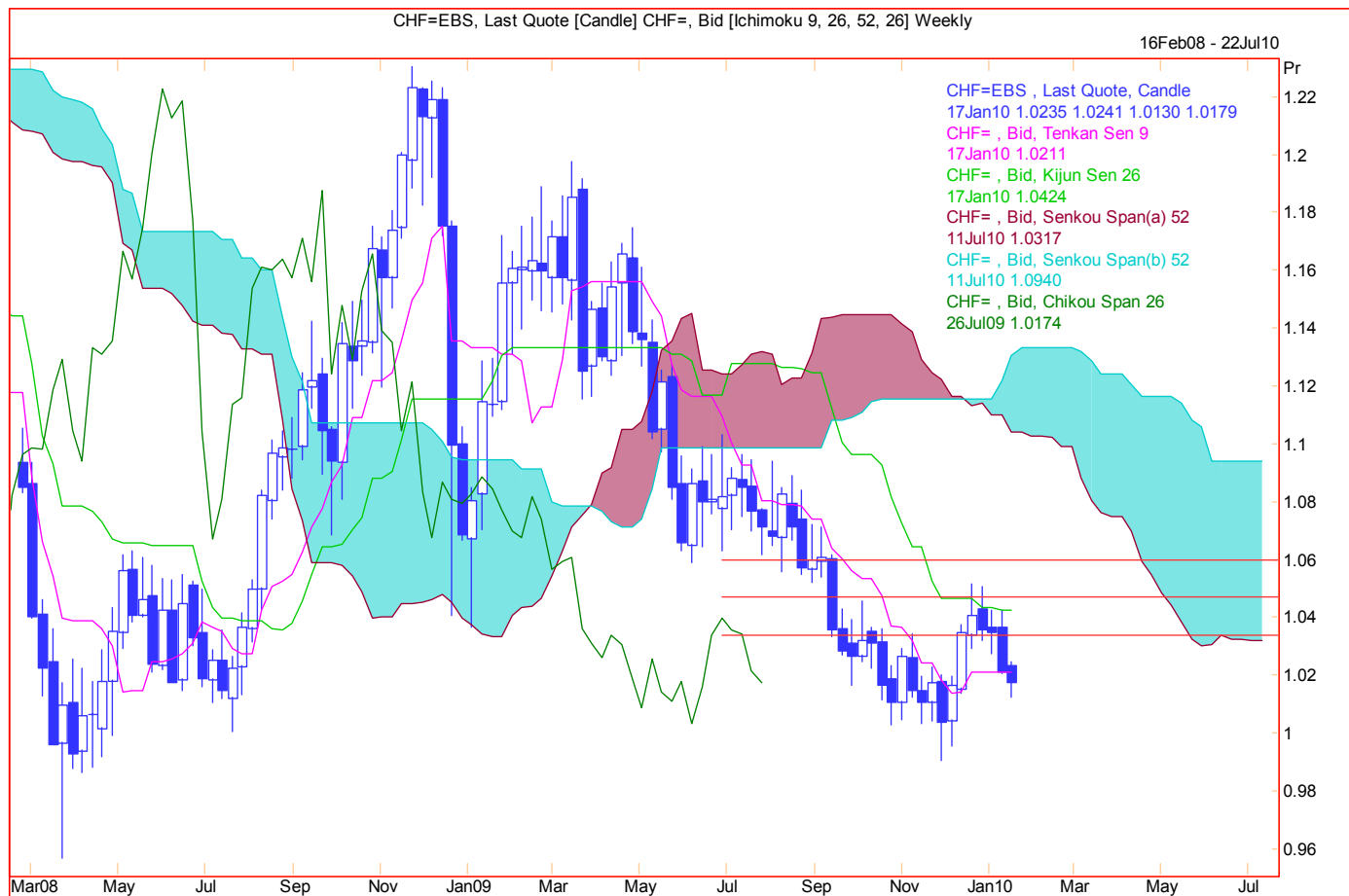


Technical Analysis

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

13 January 2010

CHF



Comment: Having re-tested the psychological level at parity, the US dollar bounced a little in thin year-end conditions. One of last year's worst-performing currencies (with Swiss National Bank intervention to keep it weak against the Euro), it nevertheless managed a 10% appreciation against the greenback. So much for a strong dollar policy and recapitalisation. Attitudes to the Swiss franc seem to have changed over the holidays and it is currently trading at its strongest ever on the Bank of England's Trade Weighted Index. There is more to come. This week's dip below the 9-week moving average has turned momentum bearish, it is not oversold thanks to December's tiny bounce (which was capped at Fibonacci resistance), and other major currencies are doing something similar. It is just a matter of time before we start holding consistently under 1.0000 and then re-test the all-time low at 0.9572 set in March 2008.

Strategy: Sell at 1.0170, adding to 1.0400; stop above 1.0535. Short term target 1.0000/0.9910 where medium term traders should take profits. The very aggressive should re-sell on a weekly close below 0.9850 for 0.9600 and possibly 0.8500 if enough momentum and frenzy builds.

Chart Levels:

Support	Resistance	Direction of Trade
1.0130	1.0240	
1.0035/1.0000**	1.0340	
0.9960	1.0425*	
0.9910/0.9870**	1.0510**	
0.9572***	1.0600	

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Charts provided by Reuters.