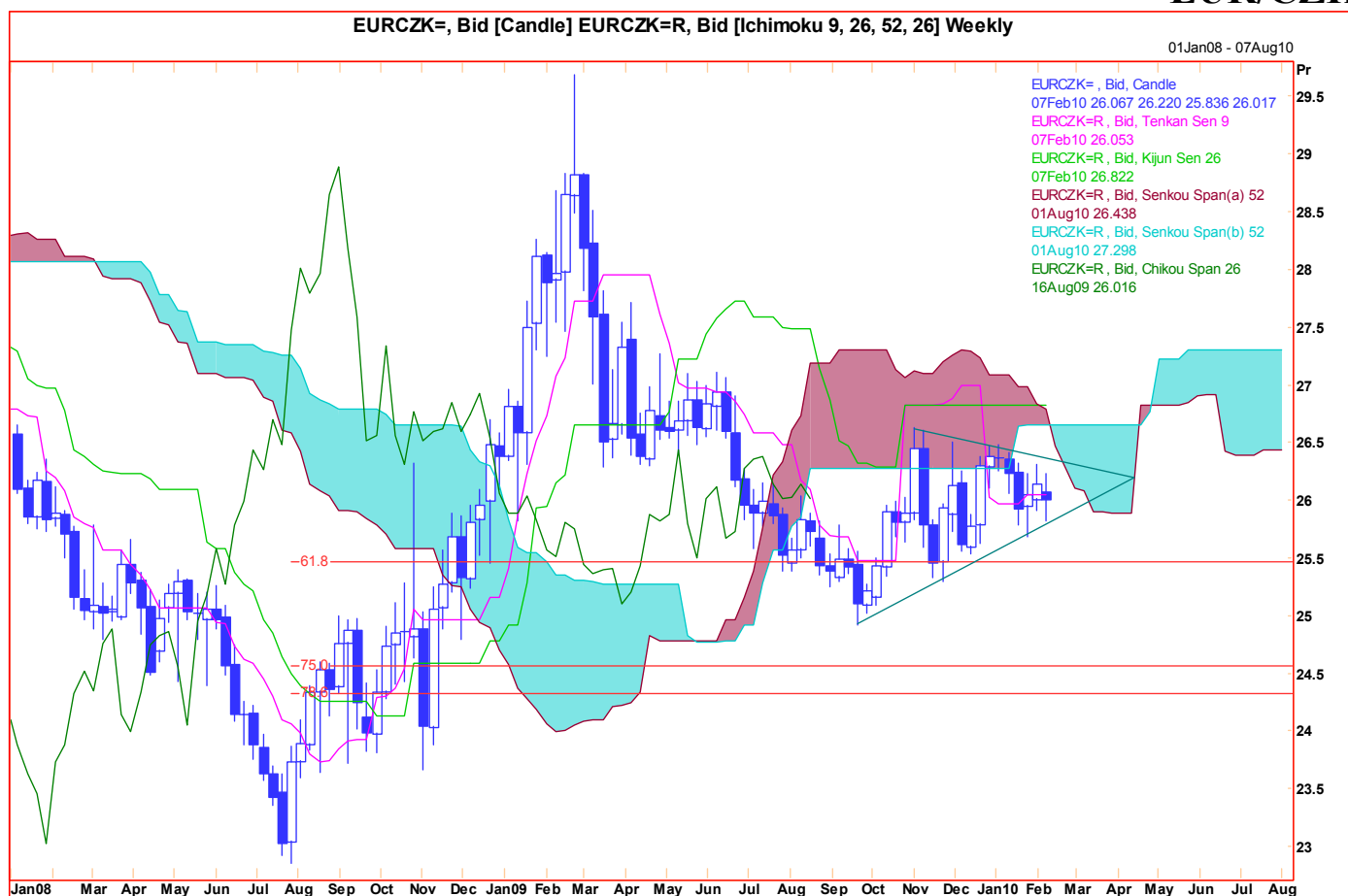


**Technical Analysis**

**03 February 2010**  
**EUR/CZK**



**Comment:** After the very big moves of November 2008-March 2009, then retracing 61% of the previous rally, many will probably be very thankful that this currency pair has gone precisely nowhere since then, hovering 50 haleru either side of 26.000. 'Triangle' consolidation means the break out could go either way, or lead to a 'rectangle', so there is no point anticipating the move. However, as we are currently closer to some of the lowest levels since this currency was introduced in 1993, almost two standard deviations below the mean at 32.000, plus the dramatic rally from the all-time low at 22.860 starting in July 2008, we feel this marks an important long term low. Therefore we shall hold a slight upside bias this year, with a weekly close above 27.700 the minimum needed to get things moving.

A monthly close below 25.000 would force us to review.

**Chart Levels:**

Support	Resistance	Direction of Trade
25.690	26.450	
25.300/25.265*	26.650*	
24.930*	27.100	
24.495	27.700	
23.650*	28.820*	

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Charts provided by Reuters.