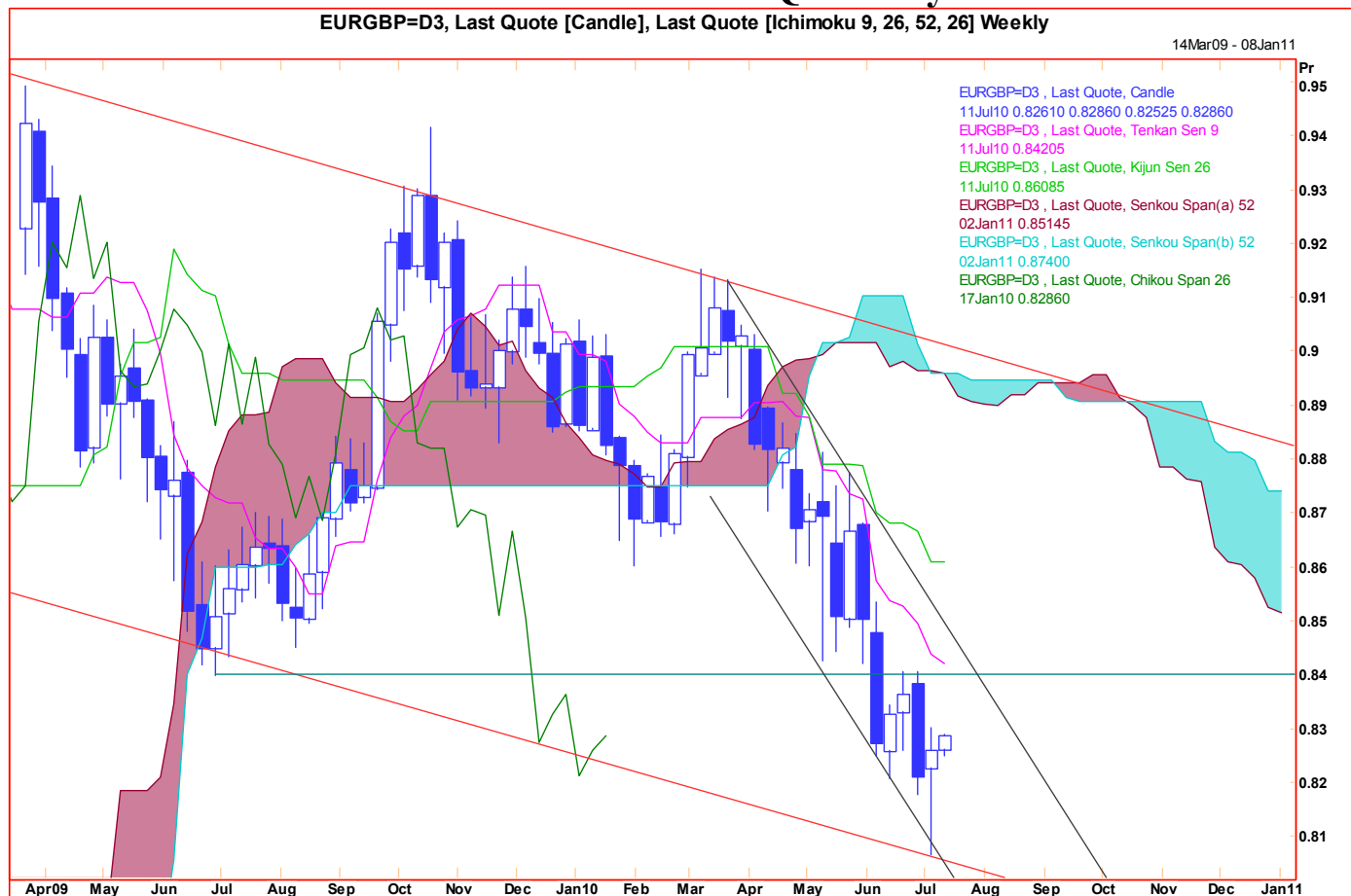


Technical Analysis

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

05 July 2010

Quarterly Outlook for EUR/GBP



**Comment:** The quarterly close below 0.8400 ends the phase of extreme sterling weakness seen since December 2008 at the height of banking meltdown. Over the next three months we favour consolidation, hopefully under this pivotal level. Expect much work between here and the psychological level at 0.8000 in Q3 and a slow slide towards 0.7800 in Q4 2010. Even so sterling would still be on the cheap side of things at the long term average based on the Deutschemark is 0.7175.

A weekly close above 0.8600 would force us to review.

**Chart Levels:**

Support	Resistance	Direction of Trade
0.8210	0.8335	
0.8180	0.8400*	
0.8067*	0.8500	
0.8000	0.8700*	
0.7800*	0.8775*	

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Charts provided by Reuters.