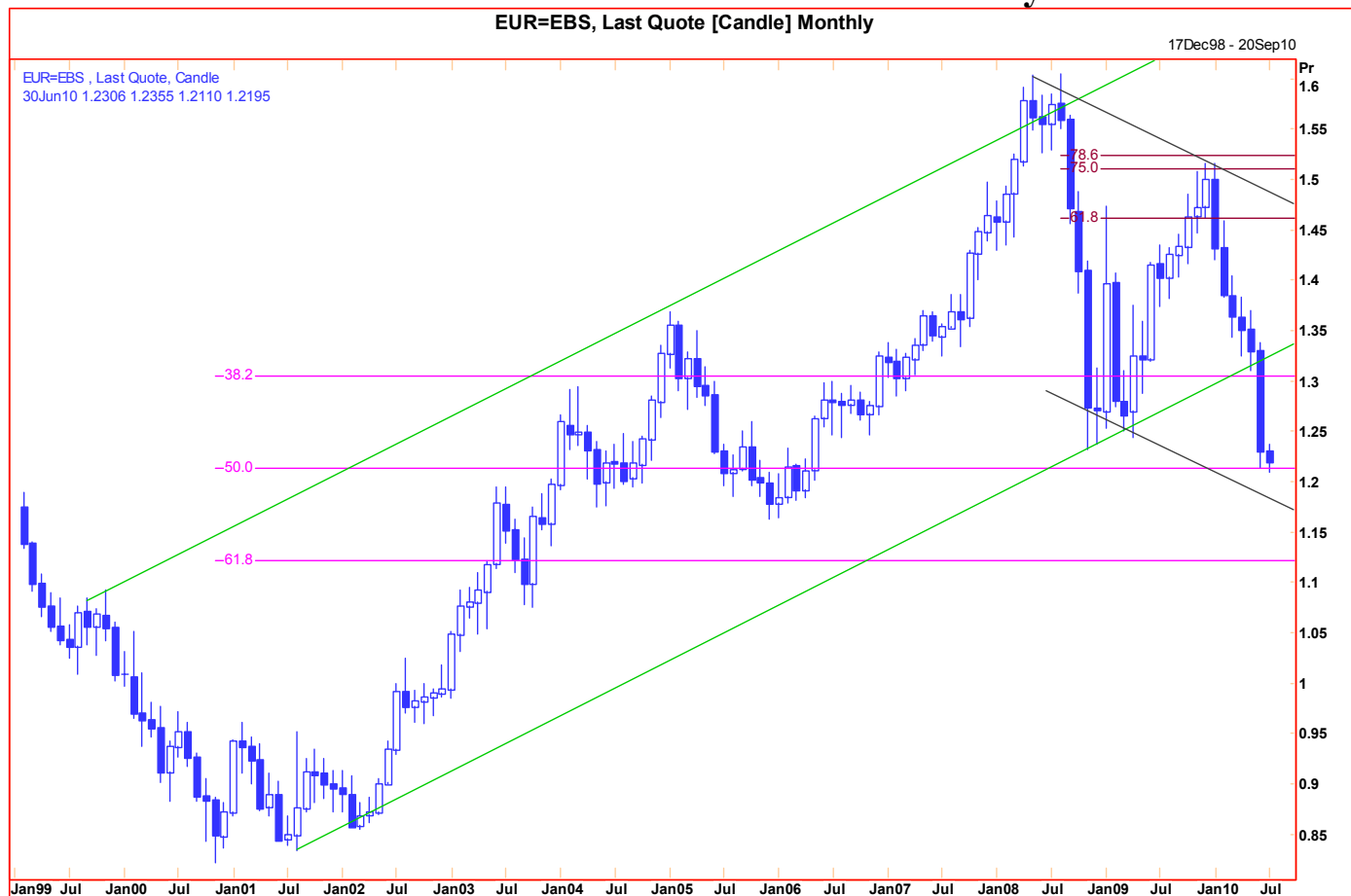


**Technical Analysis**

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

**03 June 2010**

**Monthly Outlook for EUR**



**Comment:** Six consecutive monthly declines and still we cannot say that the massive corrective move lower is over. At 1.2140 the Euro lies at the mid-point between it's all-time low at 0.8228 and high at 1.6040. Sentiment is universally anti a very oversold Euro, monthly futures volume triple the 2006-2008 mean, and 'on balance volume' a record negative. We continue to watch for signs of forming an interim base, without holding our breath as the slow process is likely to take most of the summer.

A monthly close clearly below 1.1800 would force us to review.

**Chart Levels:**

Support	Resistance	Direction of Trade
<b>1.2140/1.2100*</b>	<b>1.2670</b>	→
<b>1.2000</b>	<b>1.2800</b>	
<b>1.1825</b>	<b>1.3100*</b>	
<b>1.1760*</b>	<b>1.3270</b>	
<b>1.1640*</b>	<b>1.3700*</b>	

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Charts provided by Reuters.