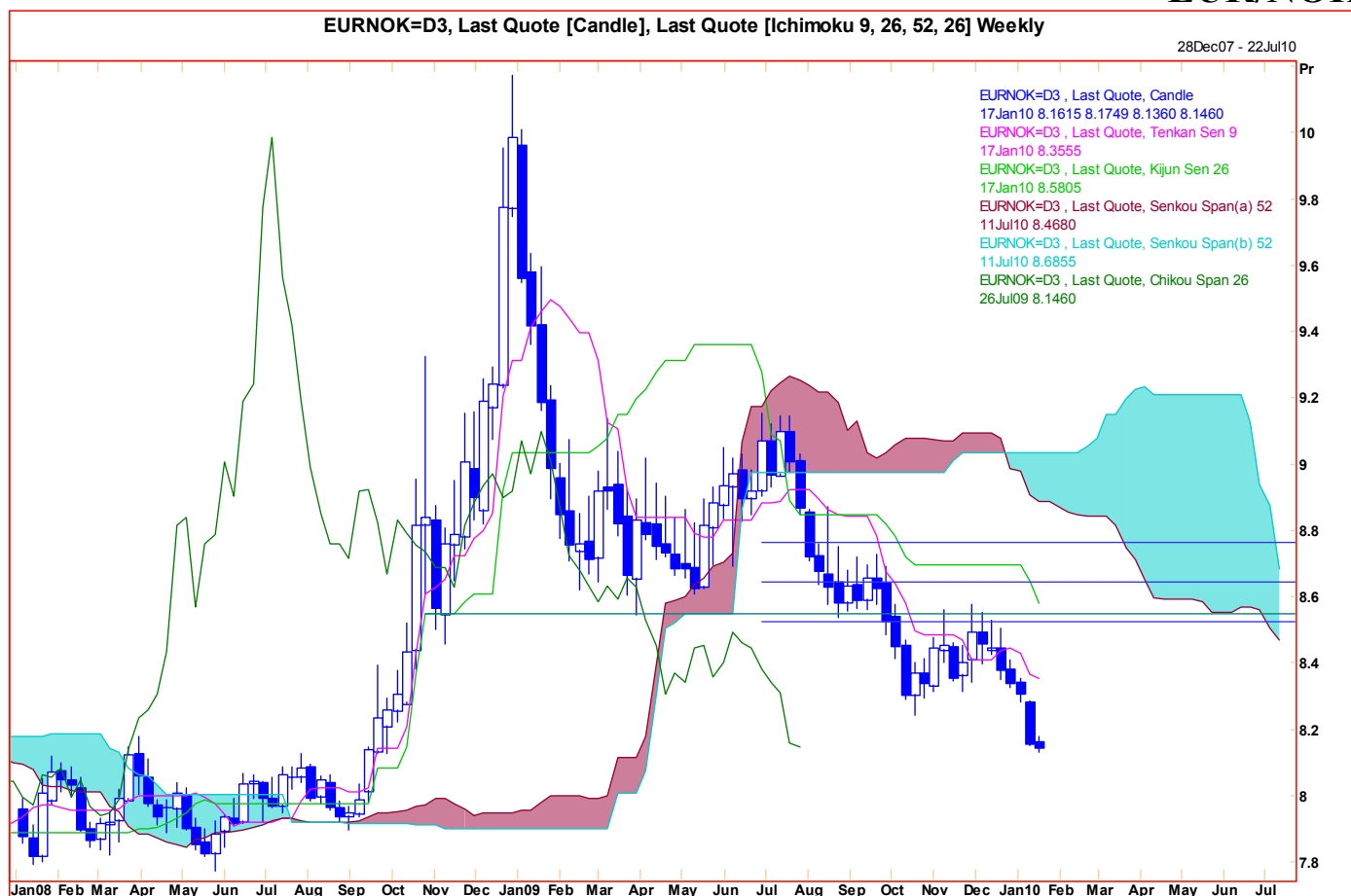


Technical Analysis

11 January 2010
EUR/NOK



Comment: Trading down towards 8.0000, as forecast last summer, so-called 'commodity' currencies flavour of the month. The neat series of steps lower since June has taken the pair below 8.4000, one standard deviation from the mean (8.0600) of the last twenty years, while one-month at-the-money implied volatility is back at its long term mean of 7.00%. Though the Euro is slightly oversold against the Norwegian krone bearish momentum looks set to increase this month and probably during much of February too. An overshoot below 8.0000 to last year's low at 7.6250 is possible, prior to moving broadly sideways in a band for much of the rest of the year.

A weekly close above 8.4000 would postpone all of the above while one above 8.5800 forces us to review.

Chart Levels:

Support	Resistance	Direction of Trade
8.1360	8.2500	
8.1550	8.2850	
8.0000*	8.4000*	
7.8990	8.4750	
7.8000*	8.5750**	

Produced by London Branch - Nicole Elliott +44-20-7786-2509

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Charts provided by Reuters.