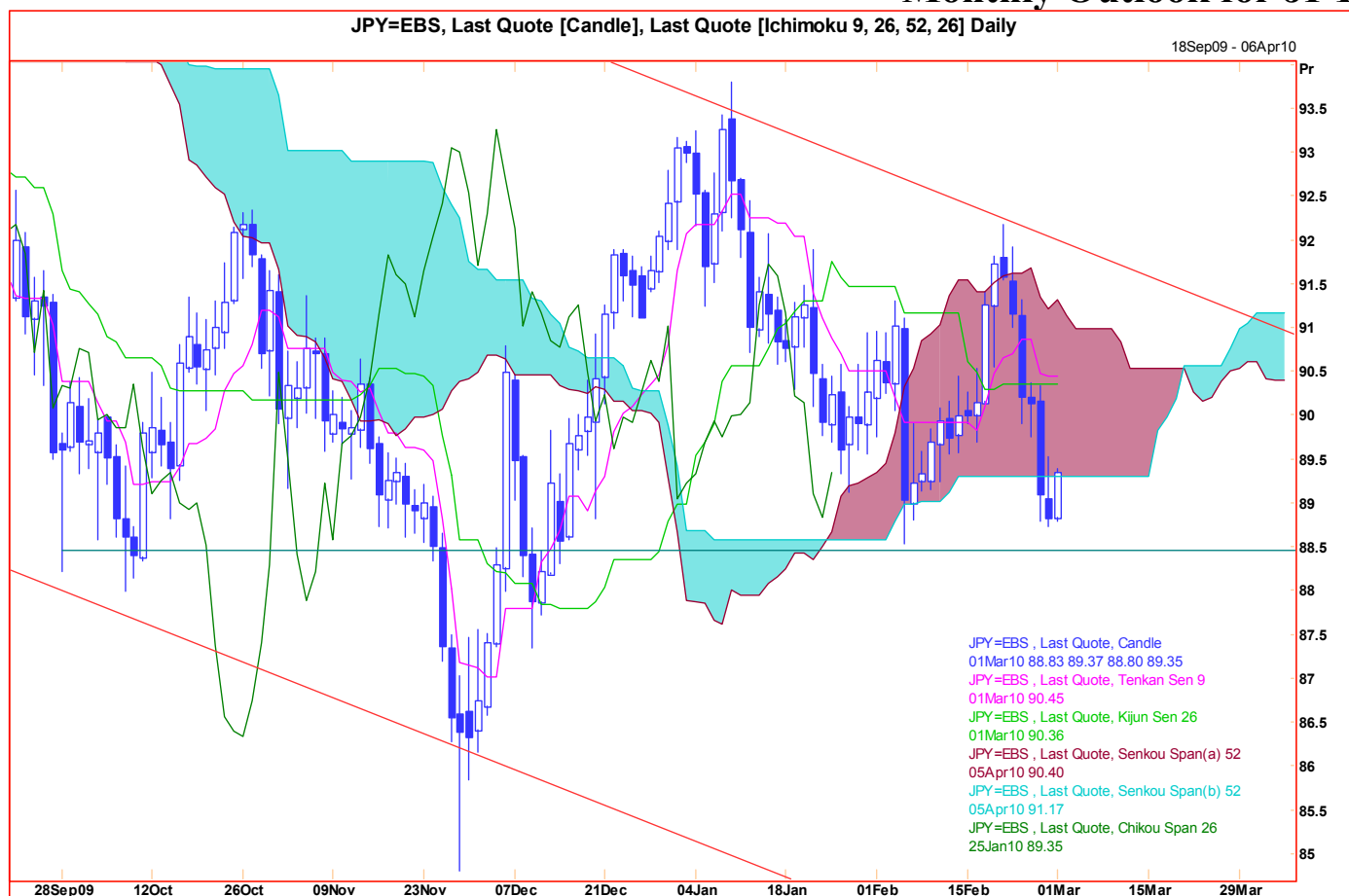


**Technical Analysis**

**01 March 2010  
Monthly Outlook for JPY**



**Comment:** An area of interim support lies between the flat-bottomed daily Ichimoku 'cloud' and 88.50, a level that has held the downside many times except for a few dramatic days in November. Assuming the FX market does not go into meltdown, we feel this area might limit the downside for most if not all of this coming month. Rallies should hold below 91.00 and are seen as selling opportunities because the long term trend is to a lower dollar/yen. We remind that key support lies between 87.00 and 85.00 and that the authorities are likely to defend this area vigorously. We shall allow for repeated downside tests of this band later this year.

A weekly close above 92.00 would cause us to adjust.

**Chart Levels:**

Support	Resistance	Direction of Trade
89.30	90.00	
88.70/88.50*	91.00	
88.25/88.00*	91.90	
87.35	92.15/92.35**	
87.00*	93.15	

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Charts provided by Reuters.