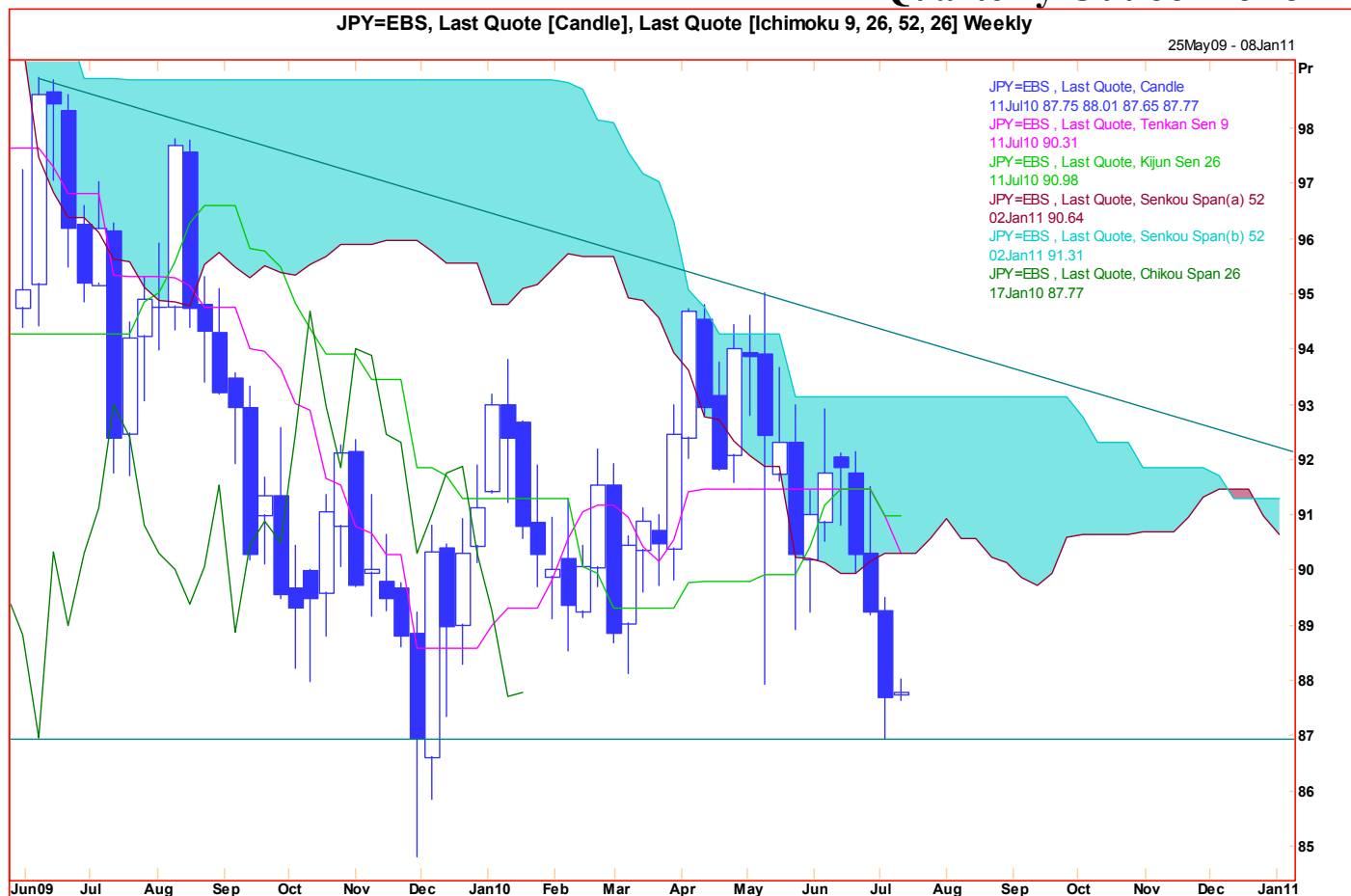


Technical Analysis

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

05 July 2010

Quarterly Outlook for JPY



Comment: FX moves this year have not gone exactly according to plan, yen ones being slower and Euro weakness taking it further than expected. Over the last four weeks the yen has gained against all major currencies except the Swiss franc, and over the past quarter up to 15.00% (AUD/JPY), another small surprise. Over the coming quarter we shall once again favour repeated testing of key support for dollar/yen between 85.00 and 87.00. Note that a sudden slide to the record low of 79.75 (April 1995) cannot be ruled out, though below 83.00 will be difficult to sustain, despite no doubt vociferous protestations from the Japanese authorities who will do their utmost to prevent such a move. When prices trade between 87.00 and 95.00 moves are likely to continue to be slow and messy.

A weekly close above 90.65 postpones all of the above and we would probably have to adjust our view.

Chart Levels:

Support	Resistance	Direction of Trade
87.30/87.00**	88.75	
86.00	89.50*	
85.00/84.82**	90.65	
83.35	91.50	
81.75*	92.15	

Produced by London Branch - Nicole Elliott +44-20-7786-2509 (email Nicole.Elliott@mhcb.co.uk)

The information contained in this paper is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty is made or implied that it is accurate or complete. Any opinions expressed in this paper are subject to change without notice. This paper has been prepared solely for information purposes and if so decided, for private circulation and does not constitute any solicitation to buy or sell any instrument, or to engage in any trading strategy.

Charts provided by Reuters.