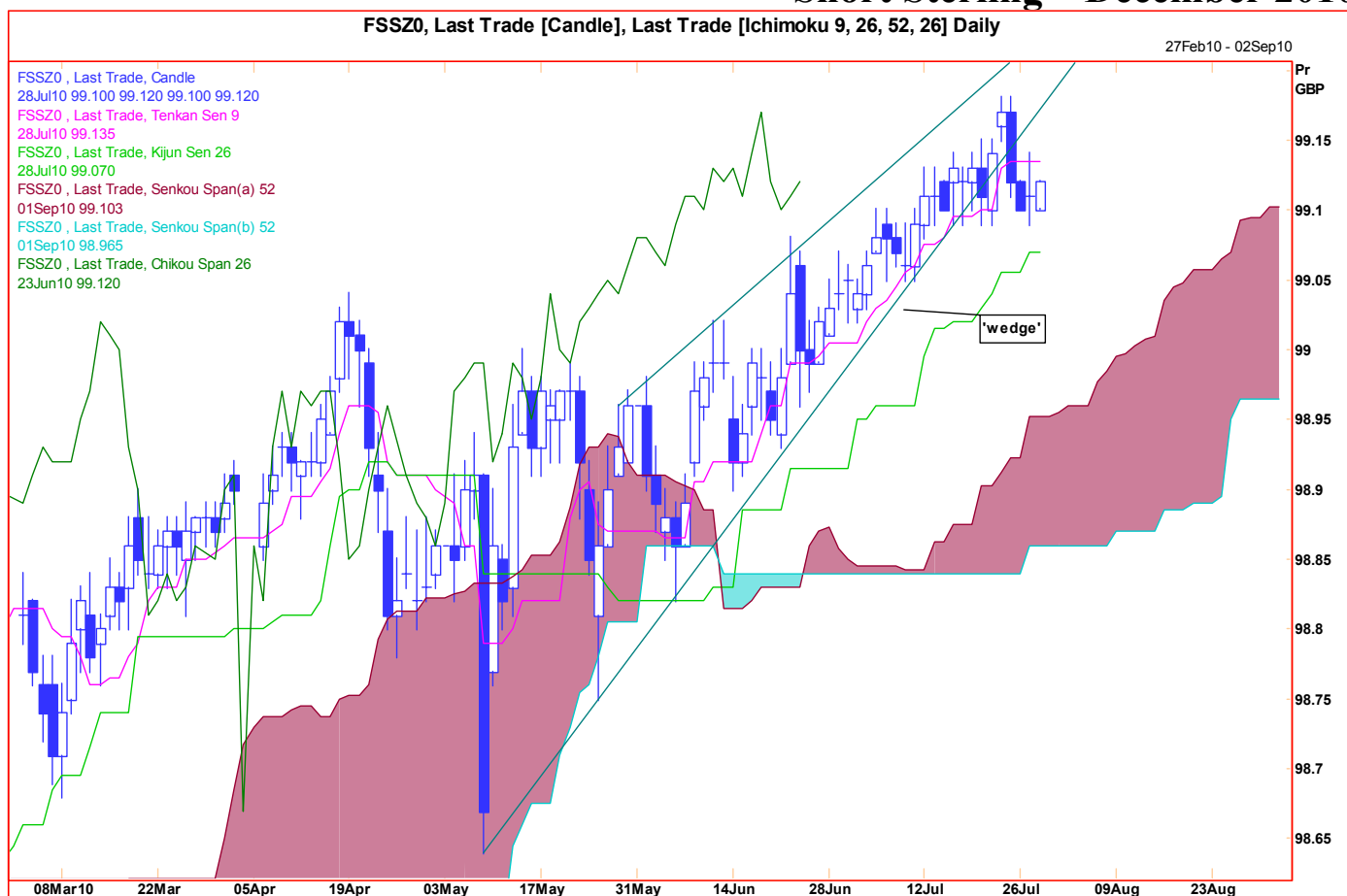


Technical Analysis

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

28 July 2010

Short Sterling – December 2010



Comment: Front month Short Sterling contracts are trading close to their highest ever, though under the record high over 99.500 of September 2009, while Gilt yields backed up a tad last week; very odd. Small signs of instability starting Friday with good volume and falling open interest suggesting position-trimming. Be very careful as we continue to watch for signs of topping, the daily close below the 9-day moving average the first hint that we may have found an interim high.

Strategy: Strategy remains unchanged: attempt small shorts at 99.120; stop above 99.250. Possibly add to shorts on a daily close below 99.045 for a first target at 98.960, re-selling on a daily close below here for 98.850.

Chart Levels:

Support	Resistance	Direction of Trade
99.090*	99.140	
99.040	99.180/99.200*	
99.000	99.250*	
98.960	99.300	
98.900	99.350	

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Charts provided by Reuters.