

Weekly Technical Commentary

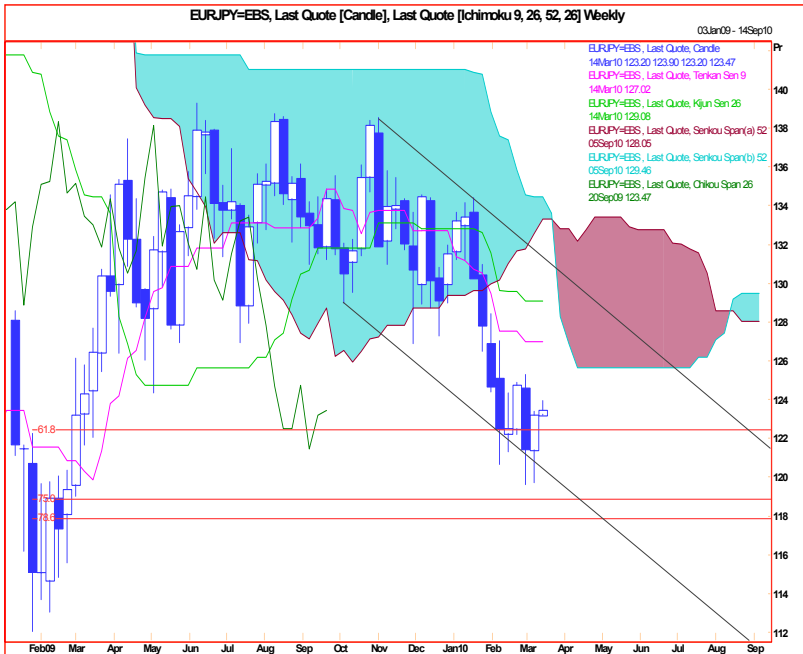
08 March 2010

Links: <http://www.mizuho-sc.com/>

Bloomberg Page: MIZH

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

EUR/JPY Chart Levels: Support 122.00..120.70..120.00..119.00. Resistance 124.25..125.25..126.00..127.55

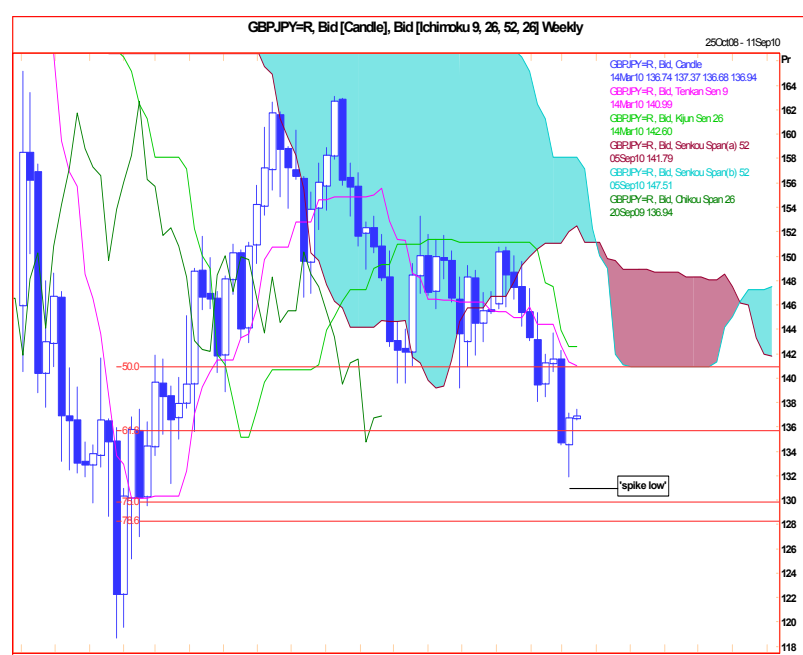


This week
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This month
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Probably the best we can hope for these coming four to six weeks is a series of messy random moves around current levels so that we move sideways across the page until we meet the flat-bottomed weekly Ichimoku 'cloud'. Many will also be hoping that this pair will continue to hold above the psychological level of 120.00. However, note that all elements of this chart point to holding a medium term bearish position. Therefore further out we shall continue to allow for a drop to roughly the 118.00 area. Expect variations on this theme for other yen crosses. Moves in yen crosses will probably be caused by the currencies as the USD/JPY is also expected to move broadly sideways for the rest of this month.

GBP/JPY Chart Levels: Support 136.00..134.65..133.75..132.00. Resistance 137.50..139.30..140.00..141.00.



This week
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This month
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Last week's large 'spike low' ahead of 75% Fibonacci retracement support suggests an interim low has been found. Note that this is a pound phenomenon as something similar can be seen in many sterling pairs. We favour a strong bounce this week and maybe the following one too, back up to 50% Fibonacci retracement and the 9-week moving average at 141.00. Then watch for signs of topping as all aspects of this chart suggest a medium term short position. Later this year we still favour another move lower, most likely when the lower edge of the weekly Ichimoku 'cloud' drops sharply in early April. This should take the cross down to the 130.00 area. Note how this held much of the time in December 2008 and March 2009.

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