

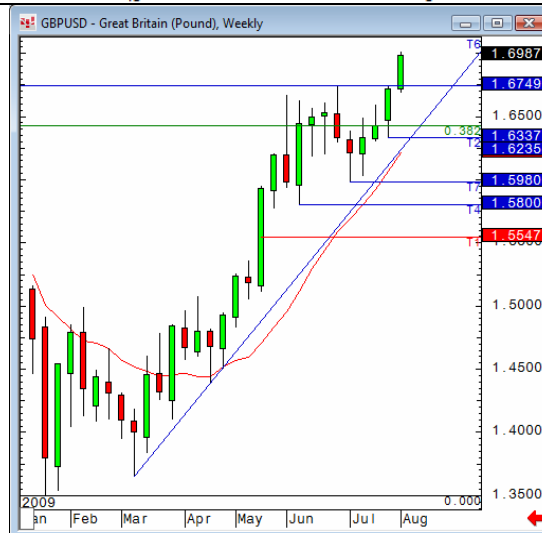


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Yesterday's modest gains were capped by the **1.7000** handle as we printed a high of **1.7009**, but closed at 1.6943. This morning is seeing much of the same behavior, as we have once again traded to **1.7009** and pulled back from here. What we're really after (as we said yesterday) is a weekly close above **1.6749**, as this will add weight to our argument that we'll see further gains from here in the long term. Our short term target is still at **1.7635**, and is the high from 14th October last year. Above here in the longer term, we're now gunning for **1.7333** and **1.7443**. The first is the 50% Fibonacci Retracement of the losses seen since November 2007 and the second is an old low from September 2008.

Indicators in play.

Trendlines are probably the most basic and easy to understand tools in Technical Analysis. It's just a matter of joining higher lows together with two and some prefer three points of contact. The more dips that touch the line and the longer the support has been in play increases the potency of this type of trading tool.



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Summary

In the short term we're more than happy to remain in the Bulls camp especially whilst we're above **1.6605** and then **1.6825**. These are both Marabuzo line on the daily chart. Long term we're also now Bullish, targeting **1.7333** and then **1.7443**. Our stop will be below **1.6428**. We'll tighten this up, once things get going on the upside.