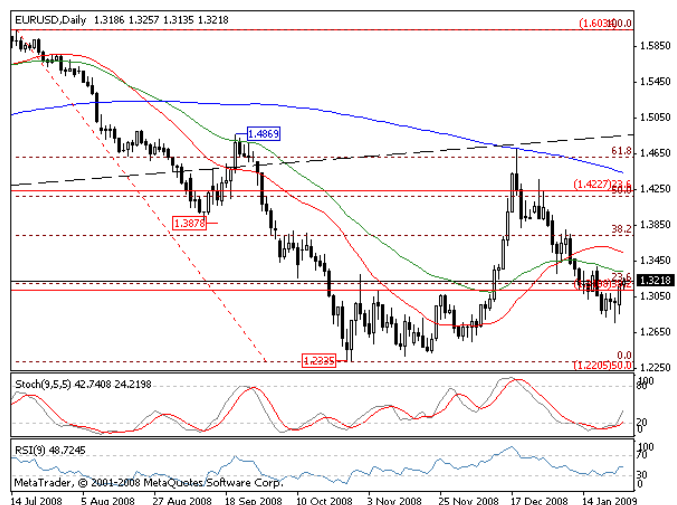


The euro and the pound rose on the back of growing risk appetite

The yen dropped versus the euro and the sterling as investors' appetite for risk improved after major stock markets around the world registered improvement. Analysts said the yen could fall further against the sterling and the euro in the near term, especially if global stock markets rise and point to further improvement in investors' risk appetite. On the other hand the sterling rose against the dollar to 1.3995, pulled back from 23-year lows hit late last week after data showed that Britain's economy shrank at its fastest pace since 1980. Against the yen, the sterling reached 124.65 levels, rebounding from a record low of 118.80 yen hit last week. The euro rose 0.1 % against the yen to 117.53. The dollar also rose 0.2 % to 89.31 versus yen staying above its lowest level in more than 13 years. The risk appetite came back after surprising results from U.K. banking giant Barclays. The bank reported it will not need additional cash injections from the U.K. government at this time. It also announced its 2008 pretax profits are expected to be £5.3 billion even after the £8 billion in write-downs. Data released in the U.K. saw January house prices fall 1.0% m/m and 9.4% y/y.

EUR/USD

The short term picture improves as the euro broke its short term resistance at 1.3110 and reached levels around 1.3240, which is 23.6% fibo-retracement of 1.4714-1.2817 drop. If 1.3240 is broken successfully next targets will be the resistance at 1.3750 and 1.3840. On downside, resistance is seen at 1.3110, which is 38.2% retracement of the 0.8375-1.6035 rise, followed by 1.3030 and 1.2770.



Support	1.3110	1.3030	1.2770
Resistance	1.3240	1.3750	1.3840

USD/JPY

The short term picture remains natural as the pair keeps retreating from the psychological level at 90.00. So far the downward movement is limited by the support at 88.50, and if broken successfully next targets will be the supports at 87.10 and the psychological 85.00. On the upside, resistance is seen at 91.00, followed by 94.50 and 96.00, which is 38.2% retracement of the 110.64-87.14 drop.



Support	88.50	87.10	85.00
Resistance	91.00	94.50	96.00

GBP/USD

The short term picture improved as the pair reached levels around 1.4000. On the upside, resistance is seen at 1.4365, followed by 1.4500 and 1.4830, where the 50-days SMA crosses. So far the downward movement is limited by 1.3500 levels, and if broken successfully next targets will be the supports at the psychological 1.3300 and 1.2550.



Support	1.3500	1.3300	1.2550
Resistance	1.4365	1.4500	1.4830

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