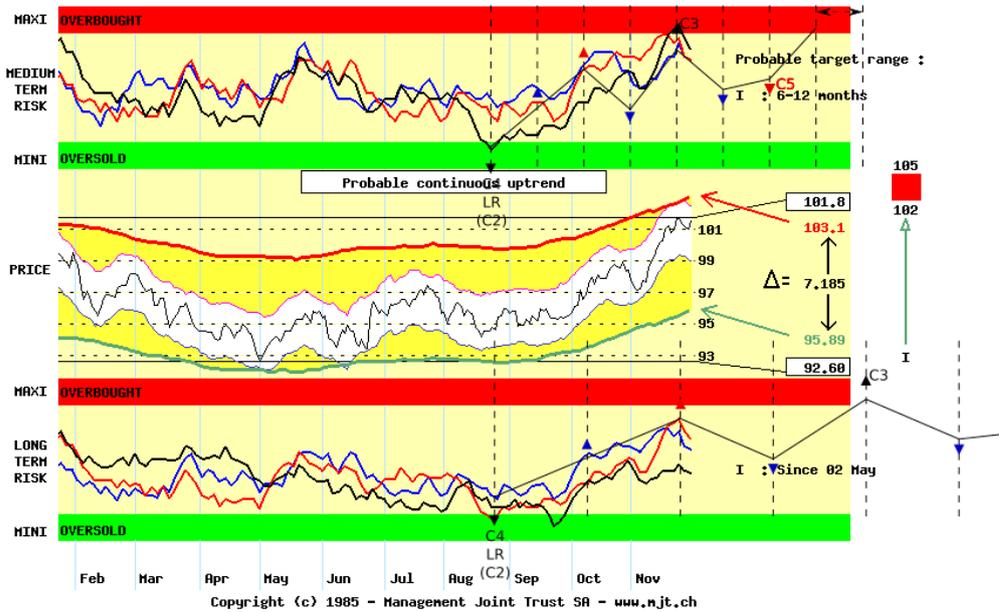


16 / MJT TIMING INSIGHT

USD medium term positioning, Dollar Index, EUR/USD, USDJPY:

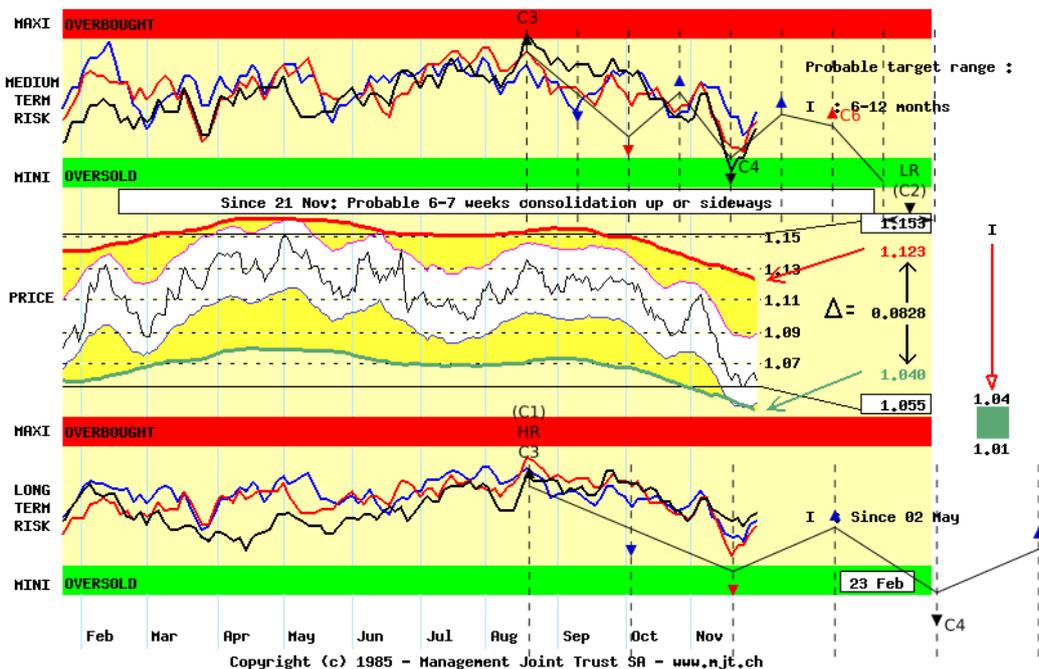
DXY - Dollar Index (Daily Graph or the perspective over the next 2 to 3 months):

The move up since August and the recent acceleration on DXY since the US election has now reached an intermediate top on our long term oscillators (lower rectangle). We would now expect a consolidation which could resemble the model presented on our medium oscillators (upper rectangle): first, a couple weeks on consolidation down into mid December (price targets towards the 99 level on DXY) and then a higher low in January to resume the uptrend to February. The potential on the upside is however (right hand scale:102/105) is limited.



EUR/USD (Daily Graph or the perspective over the next 2 to 3 months):

Inversely, but yet similarly, following its recent sell-off, EUR/USD is forming an intermediate bottom on both our oscillator sequences (lower and upper rectangles). The upper boundary of our downside price targets has almost been reached at 1.04 (right hand scale), and a period of rebound could now materialize. It could last between 3 weeks to 1.5 months, take the shape of the model described in our medium term oscillators (lower rectangle) and possibly run 4 to 5 figures. Following that, a further period of weakness is expected into February.

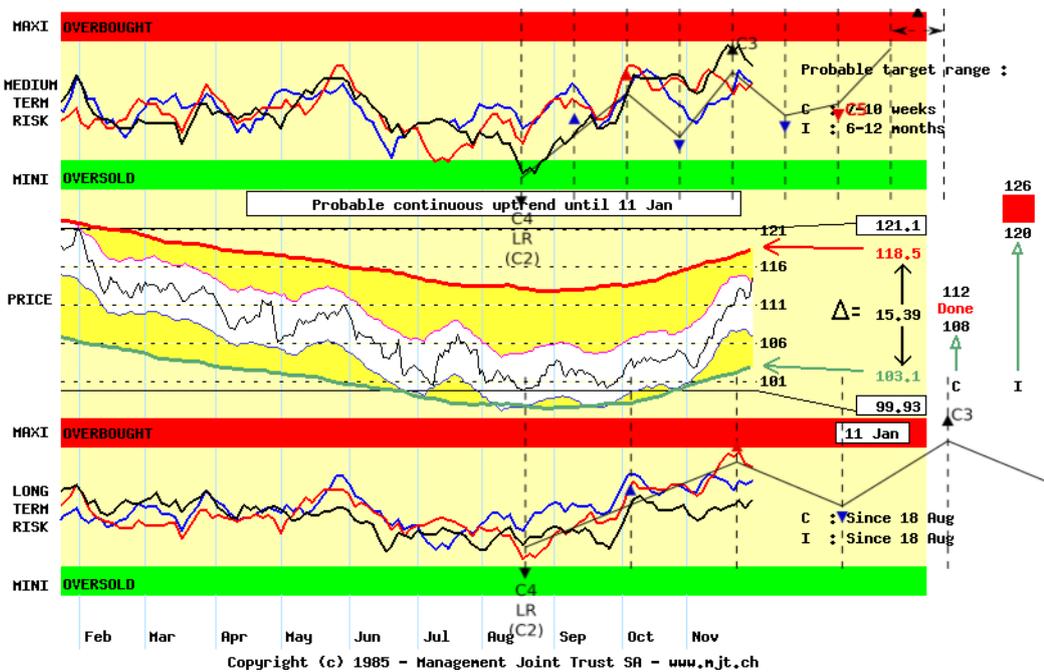


17 / MJT TIMING INSIGHT

USD medium term positioning, Dollar Index, EUR/USD, USDJPY:

USD/JPY (Daily Graph or the perspective over the next 2 to 3 months):

Dollar/Yen follows a similar dynamic to DXY and EUR/USD (inverted), i.e. it has reached an intermediate top on our long term oscillators (lower rectangle). After the recent surge, prices may now consolidate into mid December before resuming their uptrend towards mid February (the model we superimposed on our medium term oscillators – upper rectangle). In the move up since August, USD/JPY has made it above its corrective targets (112). This break opens the way to impulsive targets towards 120 and above. These may be achieved early next year if, as we expect, risk-on persists into late January or February.



Summary:

The Dollar index, EUR/USD and USD/JPY have had an impressive run since August and, more recently, since the US election. As with interest rates, we expect some consolidation down into December (up on EUR/USD). By and large, the trend should resume up (down for EUR/USD) by year end or early January, before toping out again (bottoming for EUR/USD) in February. The upside potential to February may be particularly strong on USD/JPY, especially if as we believe, the risk-on environment persists until then.