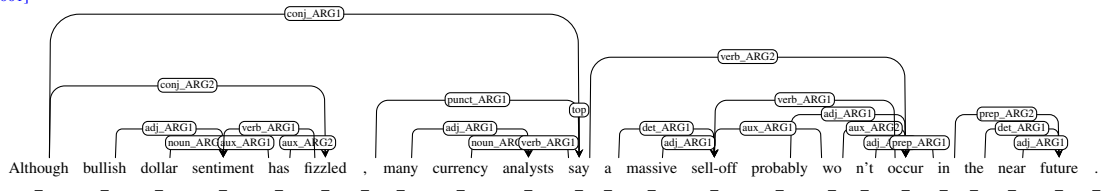


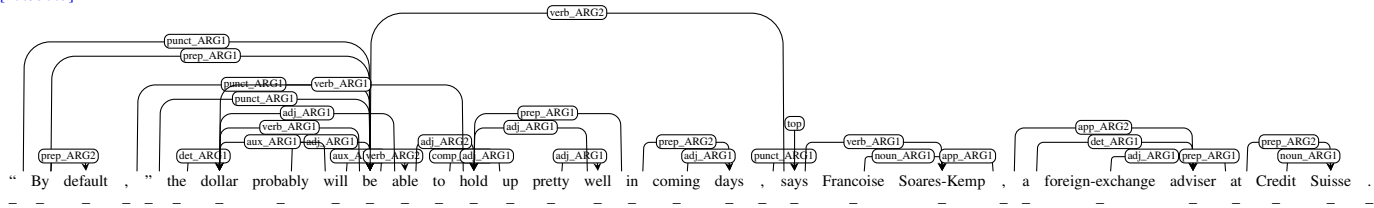
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[20693001]



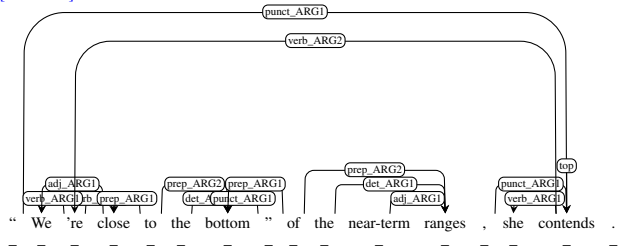
Although bullish dollar sentiment has fizzled, many currency analysts say a massive sell-off probably won't occur in the near future.

[20693003]



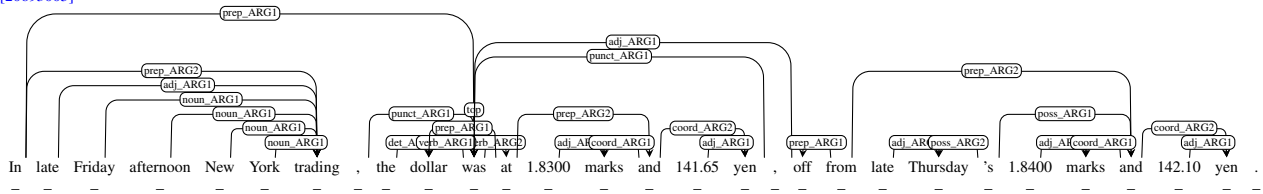
By default, the dollar probably will be able to hold up pretty well in coming days, says Françoise Soares-Kemp, a foreign-exchange adviser at Credit Suisse.

[20693004]



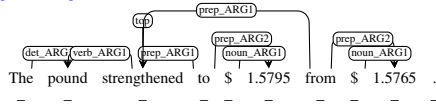
We're close to the bottom of the near-term ranges, she contends.

[20693005]



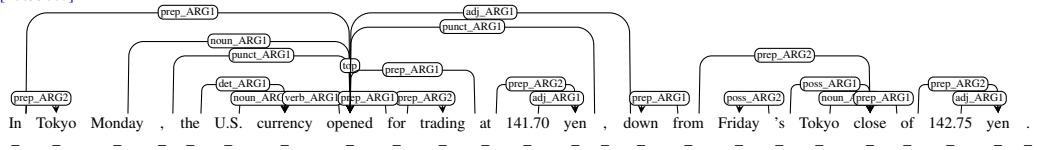
In late Friday afternoon New York trading, the dollar was at 1.8300 marks and 141.65 yen, off from late Thursday's 1.8400 marks and 142.10 yen.

[20693006]



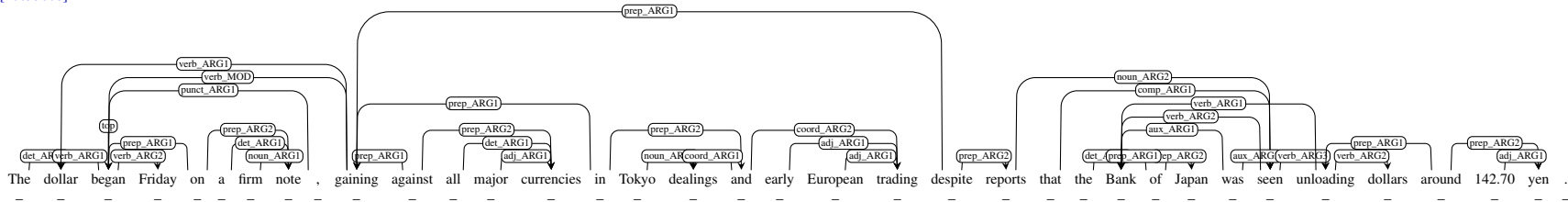
The pound strengthened to \$ 1.5795 from \$ 1.5765.

[20693007]



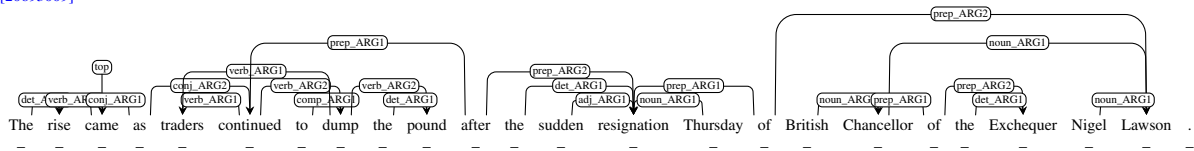
In Tokyo Monday, the U.S. currency opened for trading at 141.70 yen, down from Friday's Tokyo close of 142.75 yen.

[20693008]



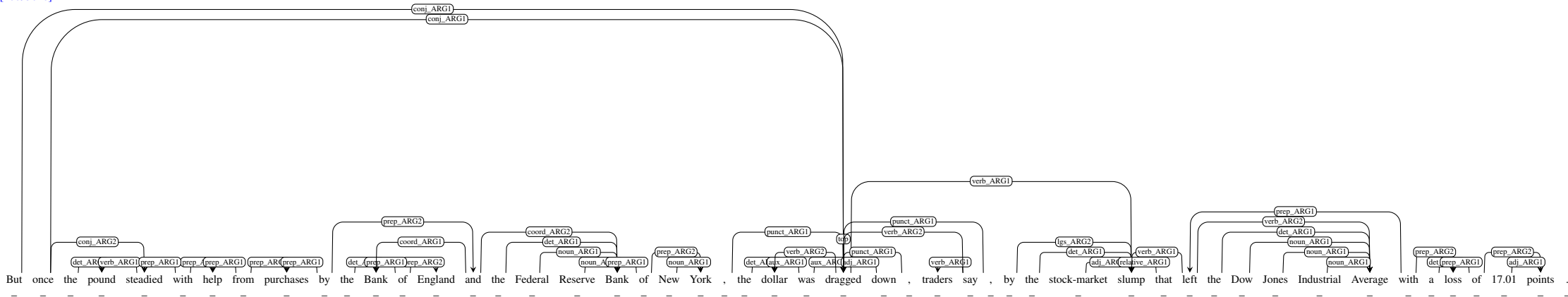
The dollar began Friday on a firm note, gaining against all major currencies in Tokyo dealings and early European trading despite reports that the Bank of Japan was seen unloading dollars around 142.70 yen.

[20693009]



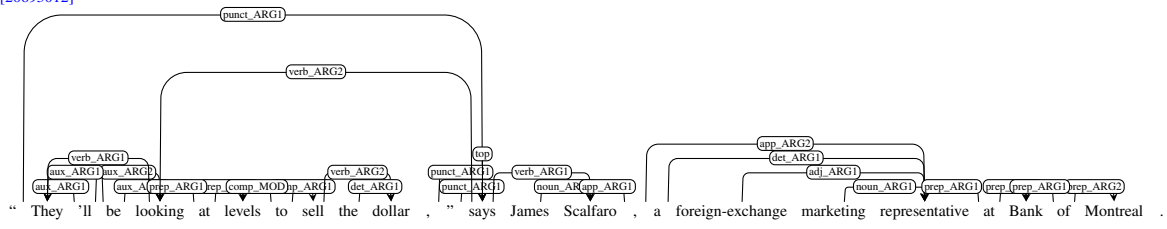
The rise came as traders continued to dump the pound after the sudden resignation Thursday of British Chancellor of the Exchequer Nigel Lawson.

[20693010]



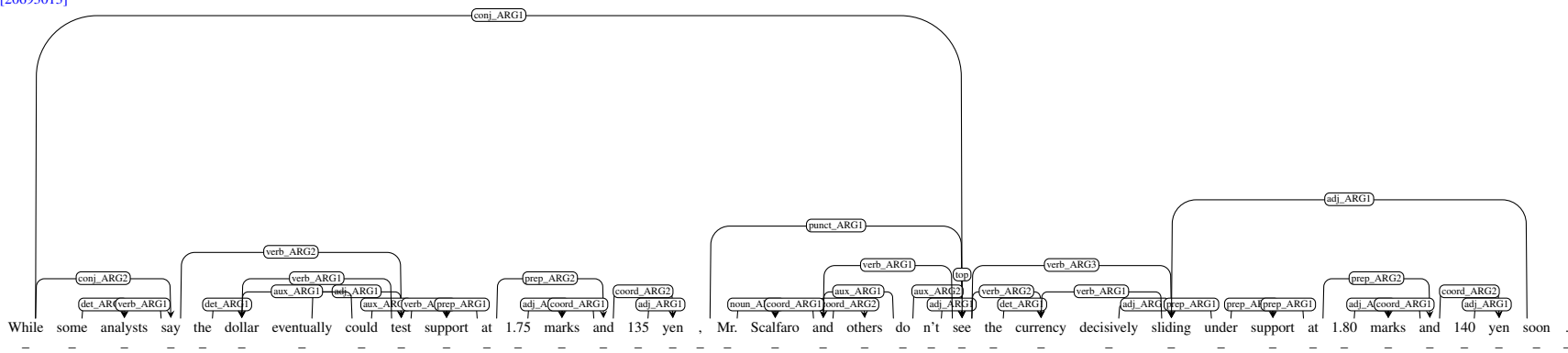
But once the pound steadied with help from purchases by the Bank of England and the Federal Reserve Bank of New York, the dollar was dragged down, traders say, by the stock-market slump that left the Dow Jones Industrial Average with a loss of 17.01 points.

[20693012]



They'll be looking at levels to sell the dollar," says James Scalfaro, a foreign-exchange marketing representative at Bank of Montreal.

[20693013]



While some analysts say the dollar eventually could test support at 1.75 marks and 135 yen, Mr. Scalfaro and others do n't see the currency decisively sliding under support at 1.80 marks and 140 yen soon.

[20693014]

Predictions for limited dollar losses are based largely on the pound 's weak state after Mr. Lawson 's resignation and the yen 's inability to strengthen substantially when there are dollar retreats .

[20693015]

With the pound and the yen lagging behind other major currencies , " you do n't have a confirmation " that a sharp dollar downturn is in the works , says Mike Malpede , senior currency analyst at Refco Inc. in Chicago .

[20693016]

As far as the pound goes , some traders say a slide toward support at \$ 1.5500 may be a favorable development for the dollar this week .

[20693017]

While the pound has attempted to stabilize , currency analysts say it is in critical condition .

[20693018]

Sterling plunged about four cents Thursday and hit the week 's low of \$ 1.5765 when Mr. Lawson resigned from his six-year post because of a policy squabble with other cabinet members .

[20693020]

But the market remains uneasy about Mr. Major 's policy strategy and the prospects for the pound , currency analysts contend .

[20693022]

If there are any signs that Mr. Major will be less inclined to use interest-rate boosts to rescue the pound from another plunge , that currency is expected to fall sharply .

[20693023]

" It 's fair to say there are more risks for the pound under Major than there were under Lawson , " says Malcolm Roberts , a director of international bond market research at Salomon Brothers in London .

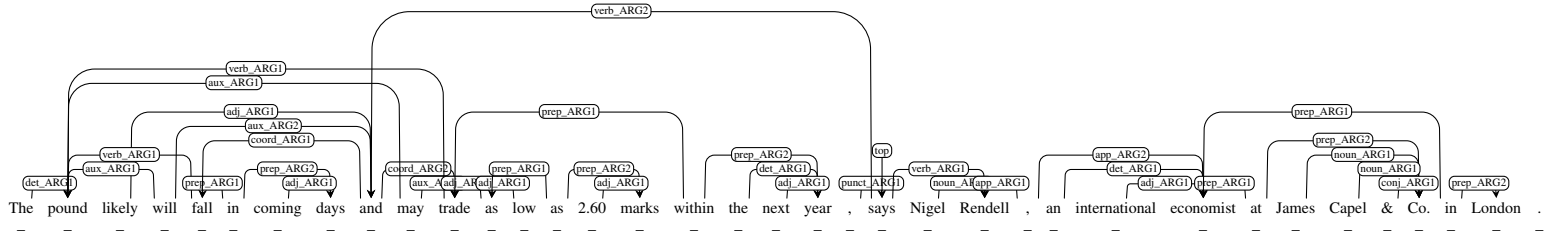
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" There 's very little upside to sterling , " Mr. Roberts says , but he adds that near-term losses may be small because the selling wave that followed Mr. Major 's appointment apparently has run its course .

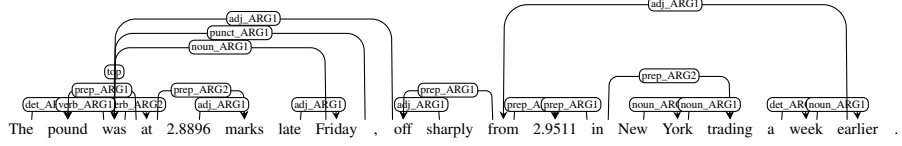
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But some other analysts have a stormier forecast for the pound , particularly because Britain 's inflation is hovering at a relatively lofty annual rate of about 7.6 % and the nation is burdened with a struggling government and large current account and trade deficits .

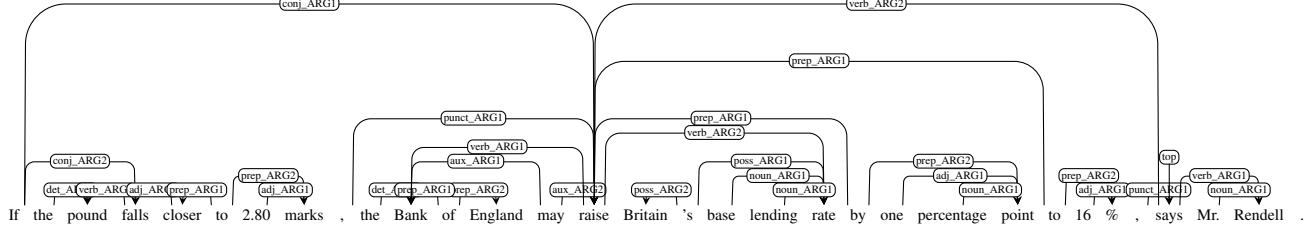
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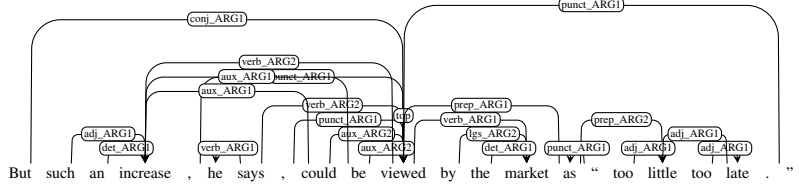
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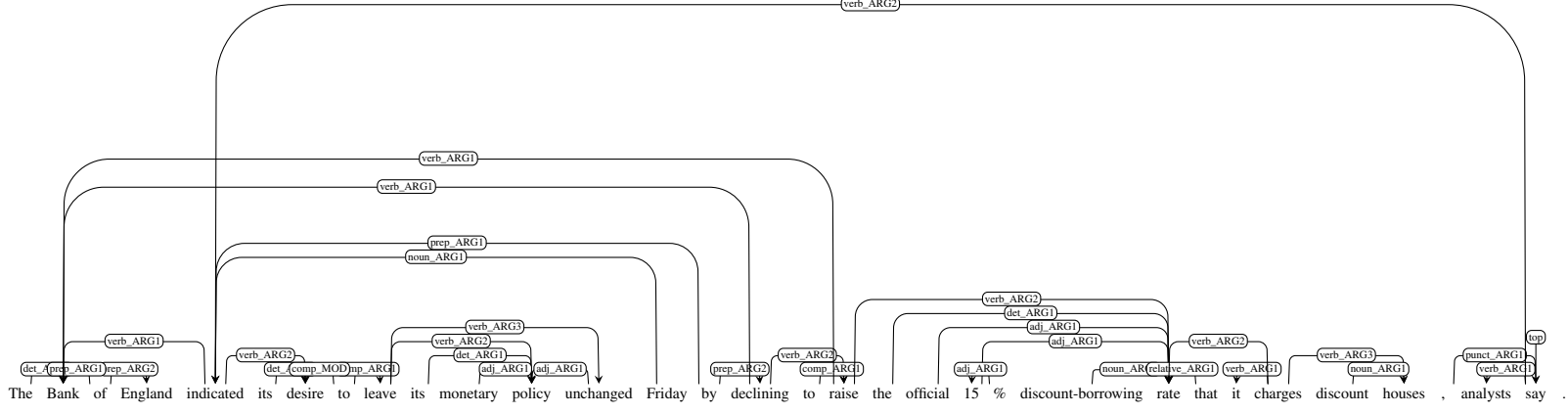
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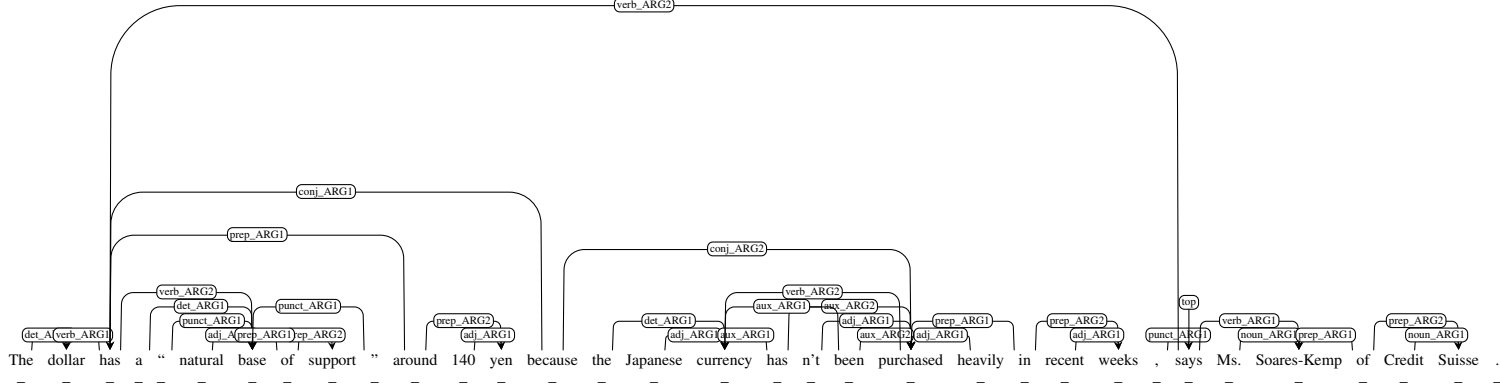
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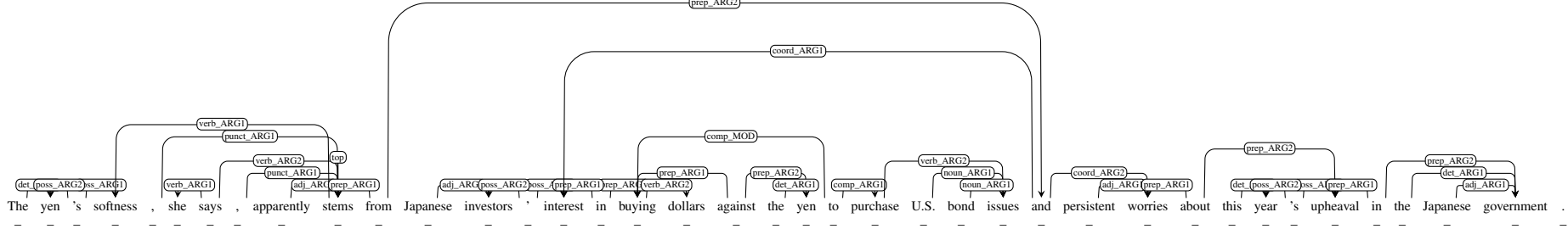
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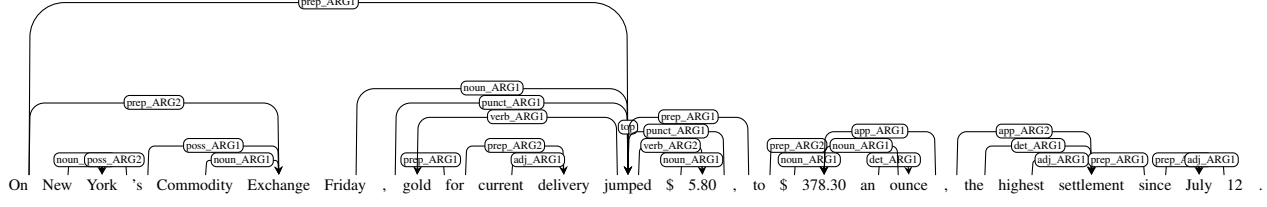
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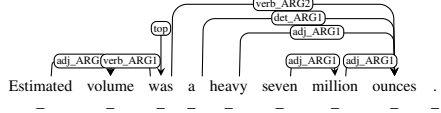
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