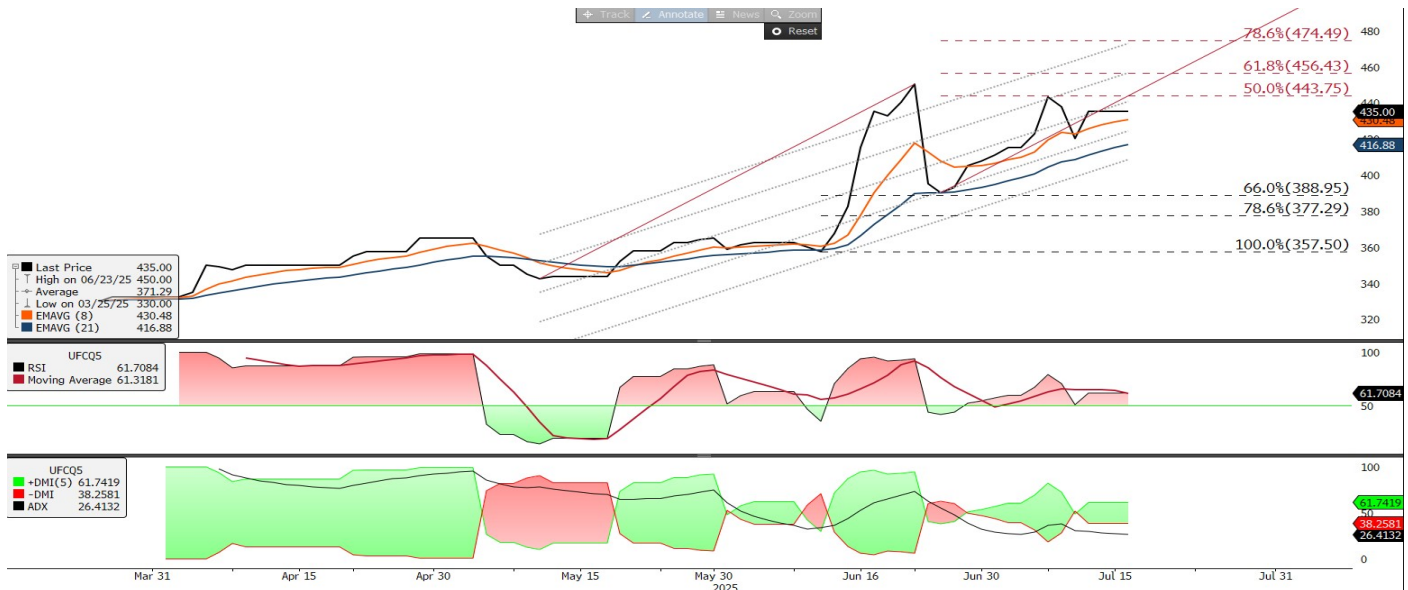


## Urea Aug 25



Support	Resistance	Previous Close	Bull	Bear
S1	420	R1	443	
S2	388	R2	456	
S3	377	R3	474	

### Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- 6 - period RSI is above 50 (61)
- Directional Market Index (DMI) +
- Technically bullish in the July futures on the last report, the corrective move lower was holding above the USD 381 level, supporting a bull argument. If broken, then the pullback would be considered as deep, meaning the probability of price trading to a new high would start to decrease. A close that held above the linear regression line (USD 412), would warn that the USD 427 Fibonacci resistance could come under pressure. This was a key resistance on the technical, as a move above this level will target the USD 447.5 fractal high. We noted that time would be a factor, as the July was starting to average in, meaning the longer we took to move higher, the less likely it was that a new high would be achieved.
- The July futures traded to a high of USD 426.25 with price currently at USD 423.5; however, the futures are averaging in, meaning we are now rolling to the August contract.
- Downside moves that hold at or above USD 388 will support a bull argument. Below this level the technical will have a neutral bias.
- Technically bullish, the downside move in the futures held the USD 388 level, supporting a bull argument. The upside move above USD 429 implies that buyside pressure is increasing, warning the USD 450 fractal high could be tested and broken. If it is, Fibonacci projection levels suggest we have a potential upside target at USD 456. However, above USD 450 the futures will be in divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. The technical warns that the futures could trade to a new high, however, due to the divergence above USD 450, we have a note of caution on upside breakouts.