



Urea (Granular) FOB US Gulf Futures

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	Support	Resistance	Previous Close	Bull	Bear
S1	543	R1	620		RSI below 50
S2	526	R2	642		
S3	502	R3	672		
			572.5		

Synopsis - Intraday

Source Bloomberg

- Price is below the 30 - 60 period EMA's
- RSI is below 50 (39)
- 14—period Directional Market Index (DMI) -
- Technical outlook previously: key support being tested.
- The futures remained in a corrective phase last week with the RSI moving average signaling momentum remained weak at that point. The futures were approaching key support at USD 543, if broken, then the probability of the futures achieving new highs would begin to decrease. While above USD 543 resistance was considered as vulnerable; however, market buyers should look for the RSI to close above its moving average supported by price closing above its 30—period EMA (correction 60-period EMA)
- The futures have held the USD 543 support resulting in a small move higher. We are below the EMA support band with the RSI below 50
- Downside moves that hold at or above USD 543 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Holding key support
- The futures have held above the USD 543 support with the RSI closing above its moving average. Momentum is starting to move higher; however, we will need to see price close and hold above the 60-period EMA at USD 590 to signal an increase in buy-side pressure. Evidence of market support, we still need to see more upside from price in this technical. Market buyers should be cautious on a move below USD 543, as the probability of the futures trading to a new high will start to decrease.

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