FIS Urea (Granular) FOB US Gulf Futures

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Support		Resistance		Current price	Bull	Bear
S1	415	R1	459	450	RSI above 50	
S2	383	R2	480			
S3	357	R3	500			

- **Synopsis- Intraday**
- Price is above the 30-60 period EMA's
- RSI above 50 (55)
- 14-period Directional Market Index (DMI) +
- Technical Outlook Previously: Inflection point
- The move lower previously had failed to test the USD 415 support, while the RSI was holding above 40, implying we were seeing light momentum support. Price was testing its trend resistance line at USD 434, meaning we were at an inflection point; a close and hold above the line, having seen the RSI hold 40, would warn that the USD 459 resistance could be tested. USD 459 was a key resistance on the technical, if rejected, then it would imply we could be looking at a more complex corrective phase. We noted that market buyers should act with caution if we rejected the trend resistance, as it would leave the USD 415 support vulnerable. We were seeing evidence of light bid support but needed to see further upside to convince the USD 459 resistance could come under pressure.
- The futures closed above the resistance line having seen the RSI hold the 40 level, resulting in price moving higher. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 415 would support a bull argument, below this level would warn that the USD 383.5 fractal low could be tested. Conversely, upside moves that fail at or below USD 459 would leave support levels vulnerable, if broken, it would signal an increase in buyside pressure.
- Technical outlook: Buyside pressure increasing
- The resistance break with RSI support signals an increase in buyside pressure, warning the USD 459 level could be tested. This is a key level on the technical; if broken, then the probability of the futures trading at a new low would start to decrease, further supporting a buyer's argument. However, a resistance break will also need to see the RSI reclaim and hold above the 60 level, as the momentum support would increase the probability of further upside moves. Market buyers should act with caution if the futures reject the USD 459 level, as it would warn that we could be looking at a more complex corrective phase.

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