

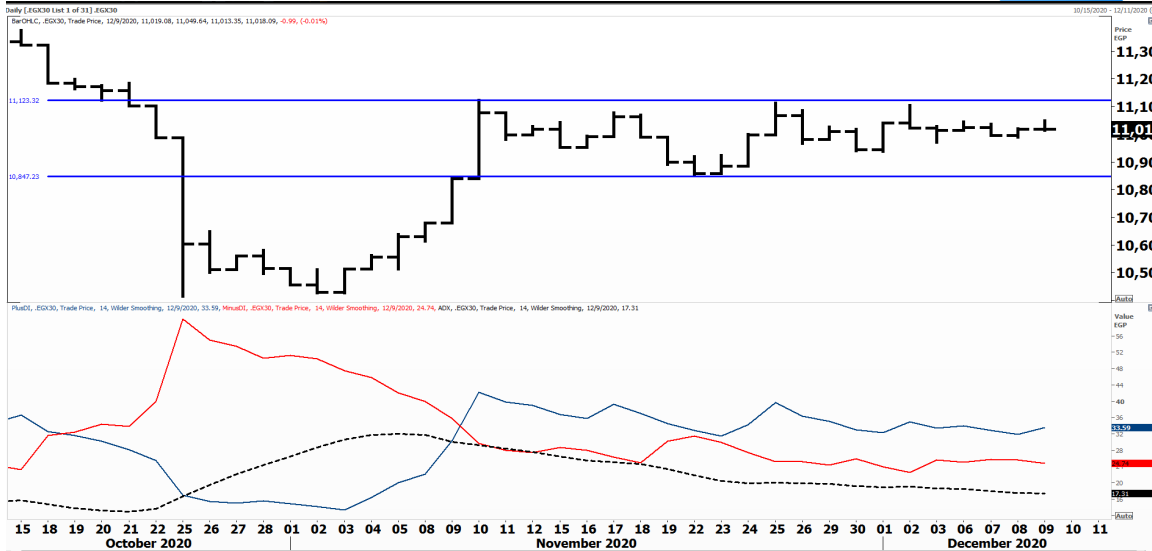


PIONEERSECURITIES

TECH TO THE POINT

10-Dec-2020

This report must be read with the disclaimer
on the last page



Last	11,018.08
High Today	11,019.90
Low Today	10,989.26
Volume	M 219.001
First Support	10,850.00
Second Support	10,650.00
First Resistance	11,100.00
Second Resistance	11,500.00
Stop Loss	10,850.00
HISTORICAL RETURN %	
1 WEEK	-0.41%
1 MONTH	5.70%
1 QUARTER	-1.70%
1 YEAR	-18.16%
YTD	-21.05%

Analysis

Let us talk about a new technique today that proved to be useful; we are using the DMI system which consists of three lines. The blue line (upper one) shows the positive movement in the market, while the red line (the middle line) shows the market negative movements. The dotted line shows whether the market is trending or not; based on the current movement of this dotted line (called ADX) the market is in a strong sideways trend.

Based on the above, if this dotted line begins to move to the upside (*given the fact that the market upward movement is stronger than the downward movement i.e, blue line is above red line*), a buy signal will be triggered in the market.

Thus, those who want to enter the market based on one of the very successful techniques that are used, can wait for the ADX (dotted line) to begin rising significantly while the blue line is still above the red line. This action will probably be coupled with a breakout above the 11,100 level.

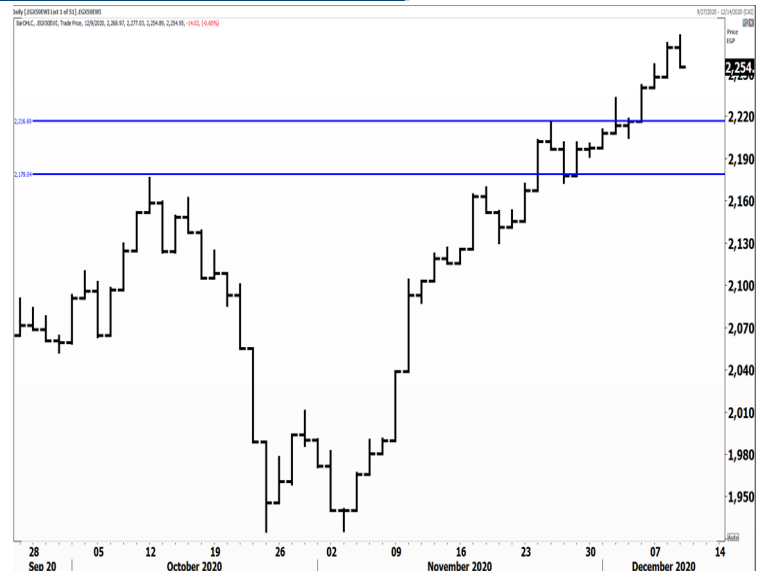
Egyptian Exchange Equal Weighted Index .EGX 50

Analysis


The EGX 50 index began to decline yesterday as it closed negatively, signaling that a correction might take place. This correction is not expected to be severe, and it might also be a test for the blue chips, whether they will be able to outperform (as we are expecting) or not.

As for the expected correction of the EGX 50 index, the 2,220 is a support to watch. We do not expect the index to go beyond this level, especially if it begins to rebound from this support area or from above it.

We thus expect the current decline to be a chance for investors to step in at the next market rebound.



Resistance


AIH  Broke 0.60-0.62 to the upside, closing at 0.663. AIH looks strong and is expected to reach 0.8; those who have positions or want to step in are recommended to place their stop below the low of the past three sessions at 0.608.

Support

No stocks broke their support yesterday


Testing


Support

AUTO  The 3.1 level is the current support for AUTO; a break below this level will trigger short-term stops with a target around 2.8. If AUTO rebounds from here, a short-term buy signal will be triggered. Our target, in case of a rebound, will be set around 3.35.

TMGH  Reached a low of 6.7, approaching its 6.6 support before rebounding slightly to close at 6.8. If TMGH rebounds from here, a buy signal will be triggered with a target at 7.2.

Resistance

EAST  Closed its gap as we were expecting and is witnessing significant resistance at these levels. Those who want to reduce exposure should place their re-entry level at a break above 12.67. EAST began to show better performance lately and is expected to break to the upside.

AFMC  The stock does not look bad, especially with the current sideways range. A break above 11.7 will increase liquidity and will signal a buy signal. Such a breakout can lead the stock near 13.5-14.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	62.50	61.8	60	64	66	↔	Hold	60
EAST.CA	EASTERN CO/d	12.29	11.7	11.3	12.35	12.9	↔	Hold	11.7
EKHO.CA	EGYPT KUWAIT H/d	1.03	\$1.02	\$0.99	\$1.04	\$1.08	↔	Hold	\$1.02
HRHO.CA	EFG HERMES HOL/d	13.70	13.2	13	14.1	15	↔	Hold	13
TMGH.CA	TALAT MOSTAFA/d	6.85	6.90*	6.6	7.35	7.7	↑	Hold	6.6
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.55	4.58*	4.35	4.9	5	↔	Hold	4.58*
SWDY.CA	ELSWEDY ELECTR/d	9.02	8.89	8.5	9.5	9.8	↑	Hold	8.5
ETEL.CA	TELECOM EGYPT/d	12.70	12.45	12.1	13.2	13.5	↔	Hold	12.45
ISPH.CA	IBNSINA PHARMA	5.26	5.11	5	5.6	5.9	↓	P.Sell	5.95
CIRA.CA	CAIRO INVESTMENT & REAL ESTATE/d	14.48	13.3	12.6	14.5	15.25	↔	Hold	12.6
JUFO.CA	JUHAYNA FOOD I/d	6.02	6	5.66	6.7	6.9	↓	P.Sell	6.19
CIEB.CA	CREDIT AGRICOL/d	25.76	25.2	24.5	26.5	28	↔	Hold	24.5
OCDI.CA	6TH OCT DEV IN/d	14.63	13.9	13.5	15.2	15.7	↑	Hold	13.5
MNHD.CA	NASR CITY HOUS/d	3.80	3.77	3.67	4.12	4.34	↔	Hold	3.67
EFID.CA	EDITA /d	9.60	8.99	8.6	9.85	10.3	↔	Hold	8.6
HELI.CA	HELIOPOLIS/d	6.48	6.44	6.22	6.9	7.2	↔	Hold	6.22
ORWE.CA	ORIENTAL WEAVERS /d	7.71	7.5	7	8	8.25	↑	Hold	7
PHDC.CA	PALM HILL DEV /d	1.45	1.38	1.33	1.48	1.52	↔	Hold	1.33
CCAP.CA	CITADEL CAPITA/d	1.53	1.43	1.39	1.53*	1.61	↔	Hold	1.39
SKPC.CA	SIDI KERIR PET/d	8.60	8.1	7.8	8.60*	8.85	↔	Hold	7.8
AUTO.CA	AUTO GHABBOUR /d	3.23	3.12	3	3.57	3.7	↑	Hold	3.12
EMFD.CA	EMAAR MISR DEV/d	2.53	2.5	2.4	2.75	2.85	↔	Hold	2.49
ORHD.CA	ORASCOM EGYPT/d	5.00	4.5	4.35	5*	5.2	↔	Hold	4.35
ESRS.CA	EZZ STEEL/d	7.78	7.35	7	7.9	8.33	↔	Hold	7.35
OIH.CA	ORASCOM INVESTMENT HOLDING /d	0.581	0.555	0.52	0.59	0.62	↔	Hold	0.52
EXPA.CA	EXPORT DEVELOPMENT BANK /d	16.560	15.9	15.3	17.5	18.3	↑	Hold	15.3
IRON.CA	EGYPTAIN IRON & STEEL /d	3.65	3.5	3.3	3.74	4	↔	Hold	3.3
DSCW.CA	DICE SPORT AND CASUAL WEAR /d	2.091	1.95	1.85	2.2	2.35	↑	Hold	1.85
BTFH.CA	BELTONE FINANCIAL HOLDING /d	2.770	2.65	2.5	2.8	3.15	↔	Hold	2.5

Guidelines



Bullish



Bearish



Neutral

Trend: (Upgrade, Downgrade): Change in trend color refers to upgrade or downgrade in the trend relative to the previous trend direction. E.g. change from "↓Down" to "↔ Flat" is considered an upgrade and vice versa.

Buy: Buy the full position.

P.Buy: Buy portion of a position

Hold: Don't Buy or sell.

P.SELL: Sell portion of a position.

Sell: Sell the full position.

Stop Loss: Completely exit the position (or) Re-entry in cases of Selling.

Disclaimer

This report has been prepared according to the general data available for public, in accordance with the professional standards applied in that career to the best knowledge of the reporter. The recommendations mentioned are a guiding tool representing a professional opinion, and not granting any profits, consequently it is not obligatory for our valued customers and investors. Pioneers Securities©, Egypt shall not be liable for any direct, indirect, incidental, or consequential damages, including limitation losses, lost revenues, or lost profits that may result from these materials. Republishing this report or any of its contents is subject to prior approval; referring to the source is a must. Opinions expressed are subject to change without notice and may differ or be contrary to the opinions or recommendations of Pioneers Securities©, Egypt Research or the opinions expressed by other business areas or groups of Pioneers Securities©, Egypt as a result of depending solely on the historical technical behavior (price and volume).

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Tips on reading the report

The first page includes an analysis of two major indices in the Egyptian Stock Market; the norm is that we will analyze both the EGX 30 and 70, but sometimes we will compare the EGX 30 to its 50 counterpart if there is important information in this comparison. We also use the Hermes Last Index interchangeably with the EGX 30. The .HRMSL index has an important edge; it uses last prices instead of VWAP. First thing our clients should do is to read the indices analysis carefully to have a clear understanding on our overall view.

The second page includes stocks that broke out beyond their resistance levels, and those that violated their support levels. It also includes stocks that are testing their support levels and those that are testing their resistance. This analysis is important and it is the core of our recommendations. It is important to note though that not all stocks that are testing their support levels are bullish, and not all that are testing their resistance levels are bearish. To make it easier for our clients, we have placed a bull face 🐂 if we consider the stock under study bullish, and a bear face 🐻 if we consider it bearish. We also added a big bullet 🟩 if we are neutral .

It is important to note that you might find a stock that we consider bullish in our analysis (in the breakouts/testing section) but it remains as a hold or partial sell in the table. The conflict here is that the table is more conservative. This will not be an issue with our clients, because our analysis will explain why we are being bullish/bearish on the stock.