

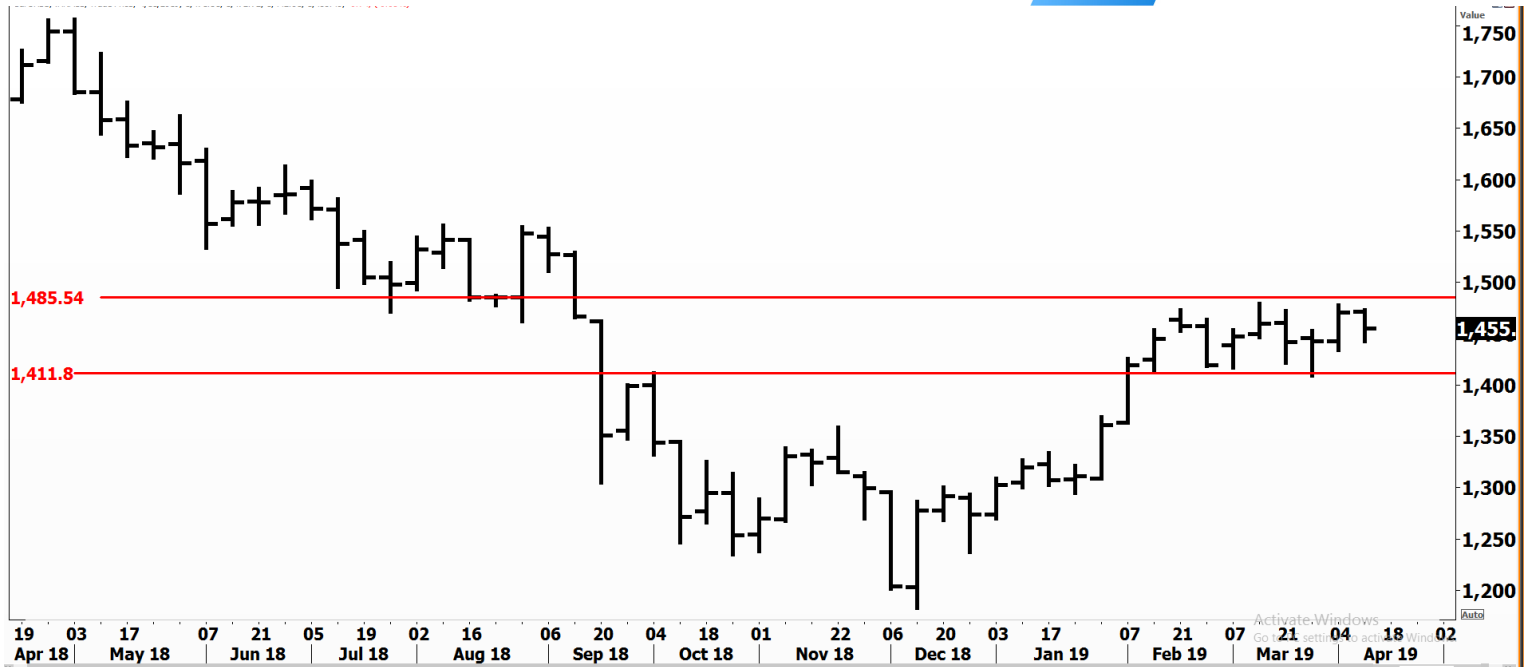


PIONEERSECURITIES

Weekly Overview

14–Apr 19

This report must be read with the disclaimer
on last page



The chart above is a weekly chart of the Hermes Last Index. We are analyzing the Hermes Last this week because of its clear sideways range boundaries and the significance of the potential breakout beyond either of these two boundaries.

The market is trading in a lateral range that is clearly bounded between two important levels; these levels are 1,485/1,410 on the Hermes Last, and they coincide with 15,300/14,500 on the EGX 30 index. Since these boundaries are more clearly shown on the Hermes Last Index, the breakout beyond either of these two boundaries will be taken into account as a clear and important breakout.

As we can see from the chart, the market tested its upper boundary and began to decline once again. It is important to watch the market closely in the next few days as any rebound from current levels will be considered as an early sign of a potential upward breakout. In other words, if we begin this week with a market rise, we will probably break upwards. A break above this sideways range will have bullish implications on the market. This is still a not-likely scenario. The market looks weak and unable to rise.

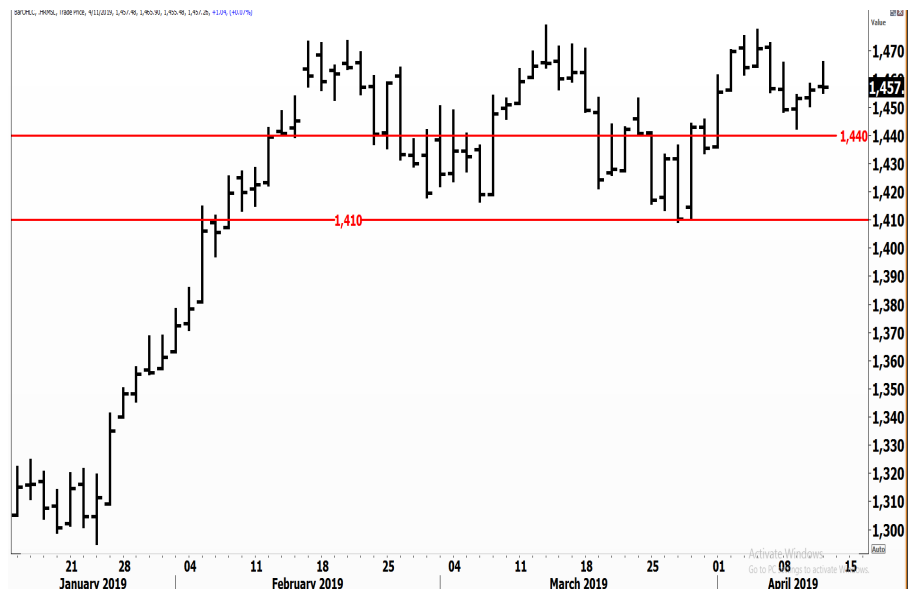
For now, the market is still struggling and not showing strength; the first sign of strength, as we just mentioned, will appear if the market creates a higher low.

Hermes Last Index/ Daily Chart

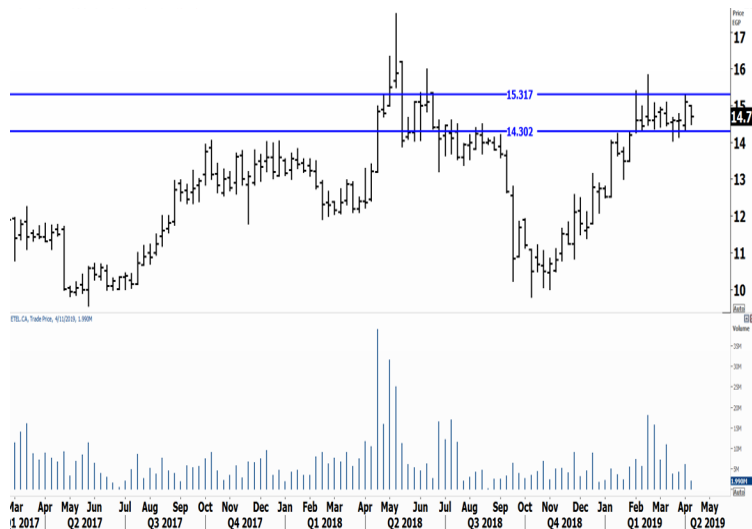
Looking at the daily chart of the Hermes Last Index, we will find that the 1,440 is our first level to watch; thus, our current support lies at this level and a break below it will lead the index back to the lower boundary of the overall sideways range. This level coincides with the 15,000 level on the EGX 30 index.

This means that our nearer stop will be placed below 1,440; a break below it will be seen as a negative sign on the short-term.

We reiterate our view that if the market rebound from current levels; i.e. if we see a strong Sunday and Monday, this will be considered as an early sign of a potential strong market rise.



ETEL



ETEL is one of the rare EGX 30 stocks that possess a good looking relative performance curve. The 14.3-15.3 is our trading range. A break below 14.3 will trigger stop losses. On the other hand, only a break above the 15.3 resistance level will be seen as bullish for the stock.

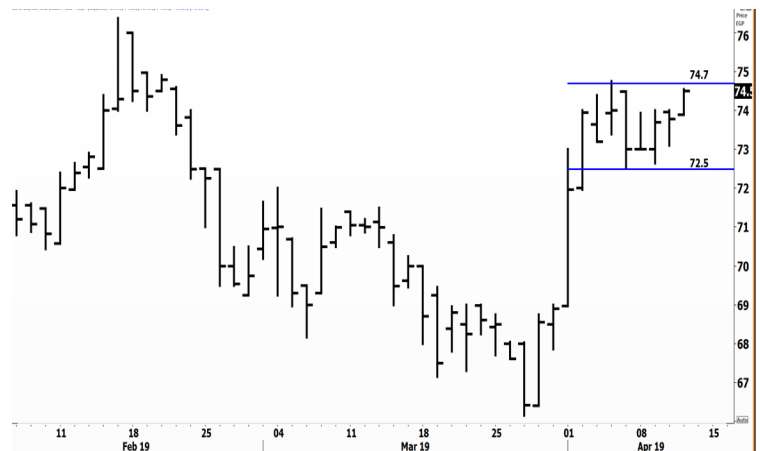
The overall view is bullish. Even if we break below 14.3, our intermediate-term view will remain positive.

It is very important to know what are the current important levels to watch as a break beyond either of the following levels will have implications on the stock's performance, and may be on the market as a whole.

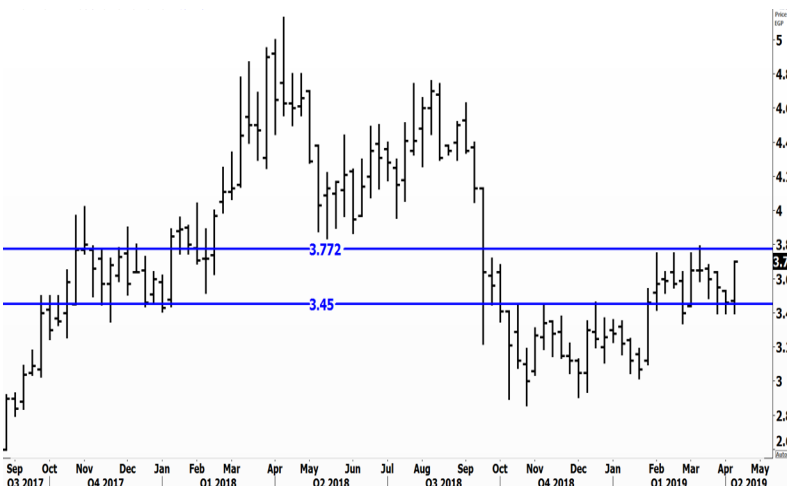
We are talking about 74.7 and 72.5. First let us look to the bad side of the coin. A violation below 72.5 will signal the end of the current market rise for quite sometime. In other words, if COMI breaks below 72.5, we will exit the stock and the market.

On the other hand, a new buy signal will be triggered if the 74.7 level is broken upwards on a daily basis. We are not biased to either of these two scenarios and we are open to all possibilities. No one can tell nowadays (with a high degree of confidence) what the market will do in the near future. All what we need to do is to have discipline and respect the market's decision.

COMI

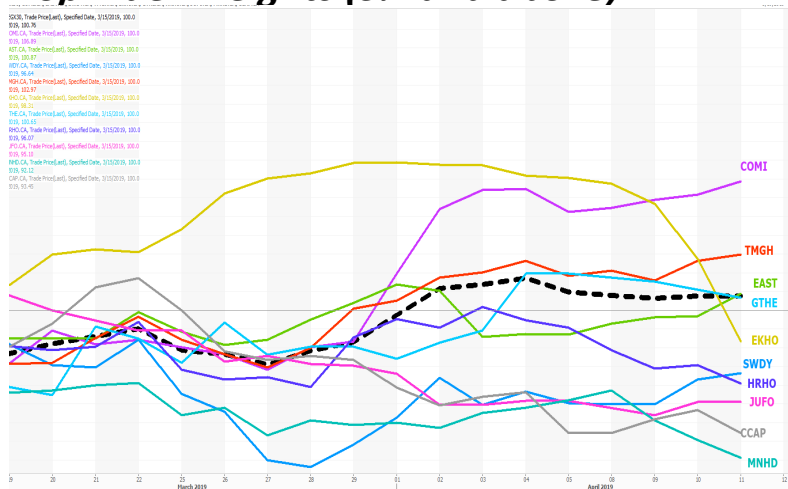


EMFD



Our buy signal will be triggered if the stock breaks above 3.8. A break above this level will trigger a new entry with a target near 4.4-4.5. For now, EMFD is testing its resistance that lies at 3.8; we do not recommend stepping in until a clear breakout occurs.

Top index weights (3% and above)

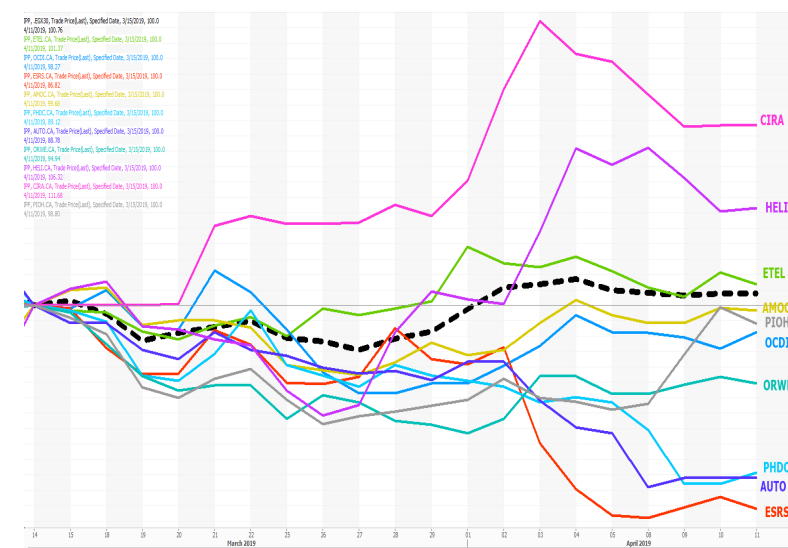


EKHO witnessed a significant decline in its relative performance curve; such weakness was expected since last week; COMI, TMGH, and EAST, however, kept their strong relative performance.

GTHE is still moving lateral, while SWDY is trying to improve but till struggling.

On the other hand, MNHD is the ugliest of them all and we will ignore it until it begins to show clear significant strength.

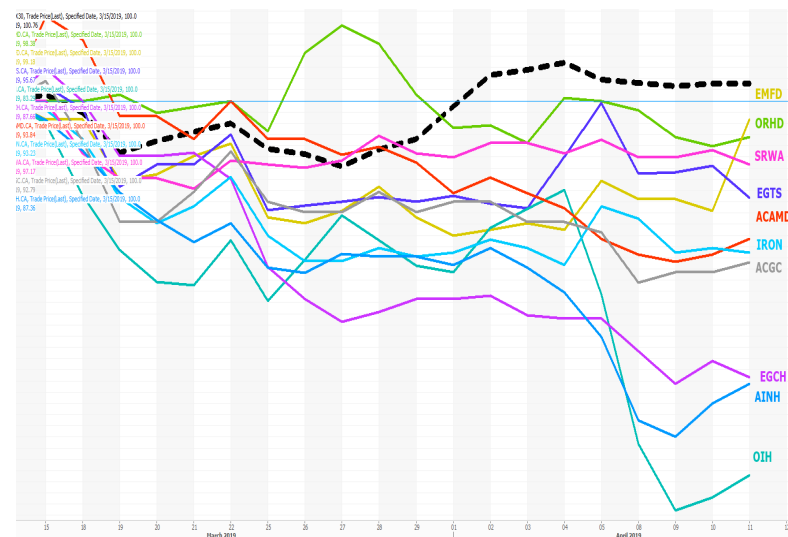
Mid Weights (above 1.5%)



CIRA and HELI are still on top despite their slightly declining relative performance curve. ETEL comes next, then AMOC, which is having a stable and slightly improving relative performance curve.

As for the rest, OCID and ORWE are maintaining their performance, while the bottom 3; PHDC, AUTO, and ESRS are doing bad. ESRS, obviously, is the worst.

Smallest Weights (below 1.5%)



All of the stocks in this category are underperforming the EGX 30 index. As we can see, all the relative performance curves are below that of the EGX 30.

Actually, out of the 30 stocks, only 5 have a relative performance curve that is above the index; COMI, TMGH, CIRA, HELI, and ETEL. Out of these 5 stocks, only 2 have a rising relative performance curve (COMI and TMGH). In other words, any stocks held in portfolios apart from COMI and TMGH lead to a clearly underperforming portfolio.

As for this category of stocks, EMFD is performing the best, followed by ORHD. We will not look at the rest of the stocks until they give clear strengthening signals.

This is not the time to bet on underperformers. The market is already weak, and the index is rising without stocks; underperformers are doing bad and should not be looked at until they show improvement.

Stock	10/20 EMA signal	Comments
EGX 30	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (8th week)
COMI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (9th week)
EAST	Below	The 10 weeks MA is almost breaking above the 20 weeks MA/ watch closely
SWDY	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
TMGH	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (11th week)
EKHO	Above	Buy signal was triggered in mid Jan 2019
GTHE	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (10th week)
HRHO	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (9th week)
JUFO	Above	Buy signal was triggered in mid Jan 2019
MNHD	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it **
CCAP	Above	Buy signal was triggered on the 17th of August 2017
ETEL	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (14th week)
OCDI	Below	The 10 weeks MA is almost breaking above the 20 weeks MA/ watch closely
ESRS	Below	The 10 weeks moving average is still below its 20 weeks counterpart *
AMOC	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it
PHDC	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (5th week)
AUTO	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it **
ORWE	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (8th week)
HELI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (4th week)
PIOH	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (8th week)
ORHD	Above	Buy signal was triggered in the first week of December 2018
EMFD	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (5th week)
EGTS	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (9th week)
OIH	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (8th week)
EGCH	Above	Buy signal was triggered in the first week of December 2018
ACAMD	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (13th week)
IRON	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it
ACGC	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (5th week)
AIND	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (7th week)

Stock	10/20 EMA signal	Comments
ISPH	Above	Buy signal was triggered in the first week of January 2019
EFID	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (6th week)
ORAS	Below	The 10 weeks moving average is still below its 20 weeks counterpart *
SKPC	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it
ABUK	Below	The 10 weeks MA is almost breaking above the 20 weeks MA/ watch closely
PORT	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it **
EGAL	Below	The 10 weeks moving average is still below its 20 weeks counterpart *

The first page contains the EGX 30 stocks with the exception of CIRA and SRWA which are not in our universe of stocks. The 7 stocks in this page are those that were kicked off the index, but we will keep them in our report so they do not get sad!

Priority are for the "Buy" stocks as they just witnessed a significant buy signal. Next, we should look at stocks that are written in blue as they are on the verge of witnessing a significant buy signal, next are those written in brown, then the red ones which are not recommended for intermediate-term investors. Stocks that are "Above" already witnessed their buy signals sometime ago and should be held.

First let us mention the "Above" stocks, which gave their buy signals a while ago but witnessed significant rises after their buy signals; EKHO, JUFO, CCAP, ORHD, EGCH, ISPH

* ESRS, ORAS, and EGAL deteriorated from brown to red. They are in the "blocked list" now.

**MNHD, AUTO, and PORT are downgraded to brown from blue. They are currently not close to give a buy signal, but not yet on our "ignore" list

Disclaimer

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Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst