

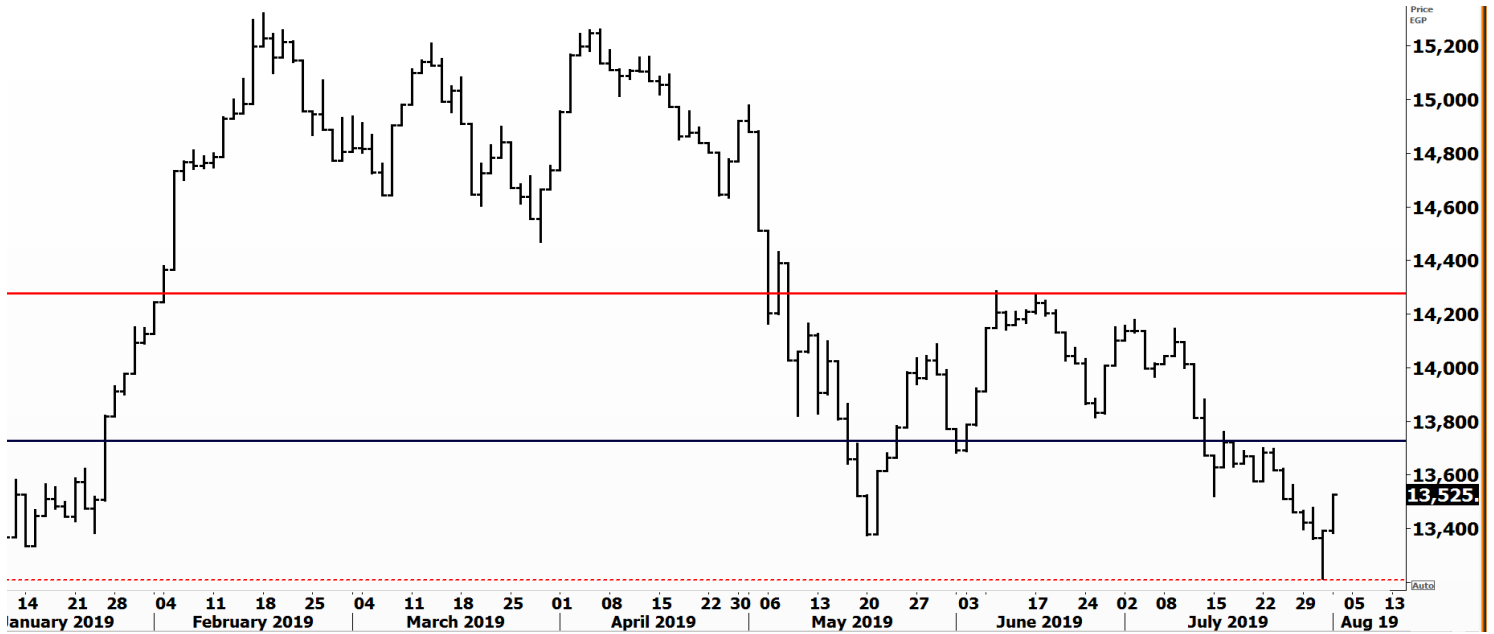


PIONEERSECURITIES

# Weekly Overview

4– Aug 19

This report must be read with the disclaimer  
on last page



The market was able to rebound in the final two sessions of the week to close above support which was violated on an intra-week basis. As we mentioned before, we believe that the market is witnessing a bottoming formation, which should be followed by a significant rise. The current phase, however, is characterized by a lot of non-directional volatility coupled with unbelief (as we have been watching, any market rise was followed by strong selling pressure as market participants do not have faith yet that the rise can be strong).

Thus, we have to wait for a clear confirmation before being bullish on the market; our first level to watch on the EGX 30 index lies at 13,750-13,800, which coincides with the 16,800 on the EGX 30 capped index. Our confirmation, however, will occur at the breakout above 14,300; a break above this level will confirm the end of the current strong market correction and will signal the continuation of the major uptrend. This level coincides with 17,600 on the capped index.

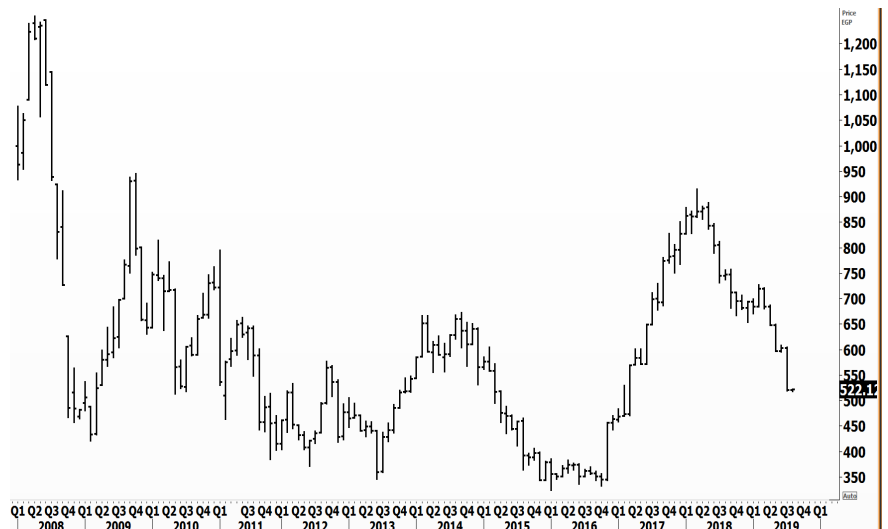
This week is an important week as the ability of the market to maintain itself above current support (even if it does not witness a significant rise) will heighten the probability of a market breakout.

## EGX 70 Index/ Monthly Chart

The exclusion of IRAX from the EGX 70 index is a good decision as the index is price weighted and the stock was very highly priced. Thus, we believe that the movement of the index in the coming period will be more representative of the stocks that constitute it.

As we can see from the monthly chart, the index witnessed a major decline from over 900 to 520; such a decline broke all support levels but is still above the major index low at 350. If a rebound occurs on a monthly basis; i.e. if this month closes with a bullish bar, this will be considered as the beginning of a strong rise.

We will be watching the weekly performance of the index first as we believe that we are very close to witness a strong rise.



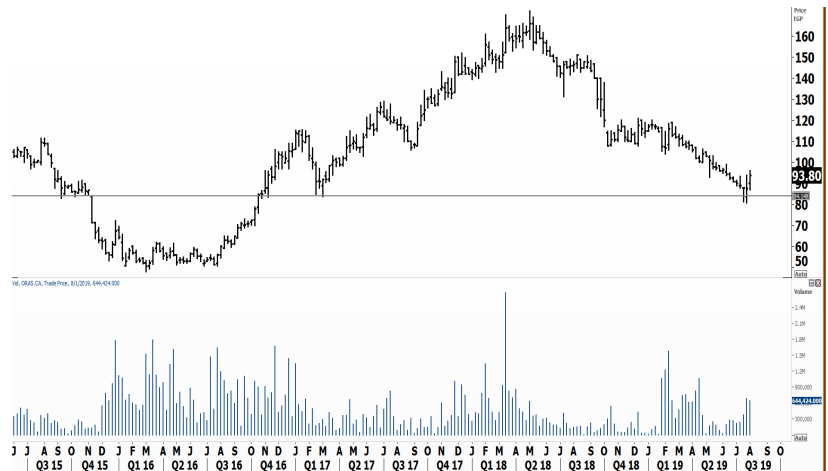
## PHDC



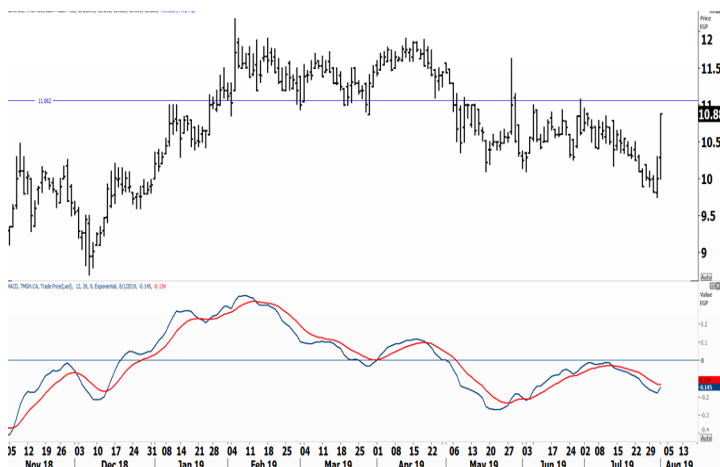
PHDC rebounded significantly from its major bottom that lies at 1.9. As we know, the stock tested its strong 1.9 support before rebounding, and closing at 2.14 at the end of the week. Such a bullish bar should lead to a rise; our first hurdle lies at 2.25-2.3; this is expected to be broken upwards, which will probably lead the stock back near 2.6-2.7.

Rebounded from the 80-85 area which is an important support for the stock. Volumes began to rise lately, which adds to the positive picture of ORAS. If the current support area is not violated this week, the stock will probably reach 110-115. We believe that sellers will be more aggressive at this area; currently, we recommend buying dips as our target is still far from current levels.

## ORAS

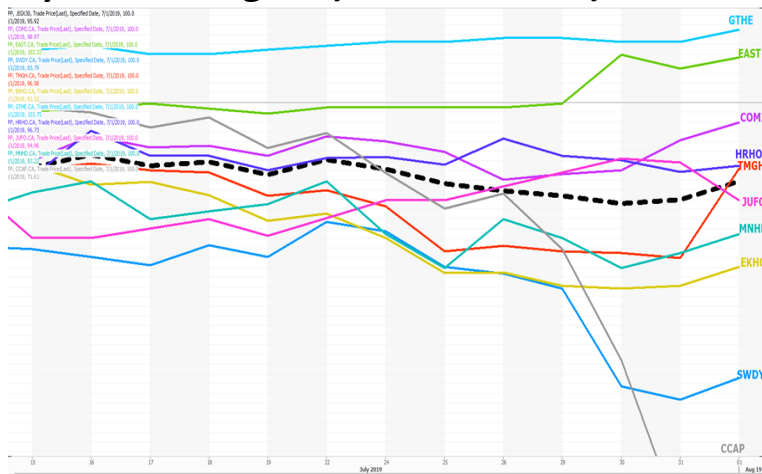


## TMGH



Rebounded sharply last Thursday to close at 10.8; challenging its resistance that lies at 11. TMGH is usually one of the out-performers, thus if the market rebounds, the stock will perform well. A break above 11 will be our trigger to buy. If this breakout occurs, our minimum target will be set around 12, which is a very important resistance to watch.

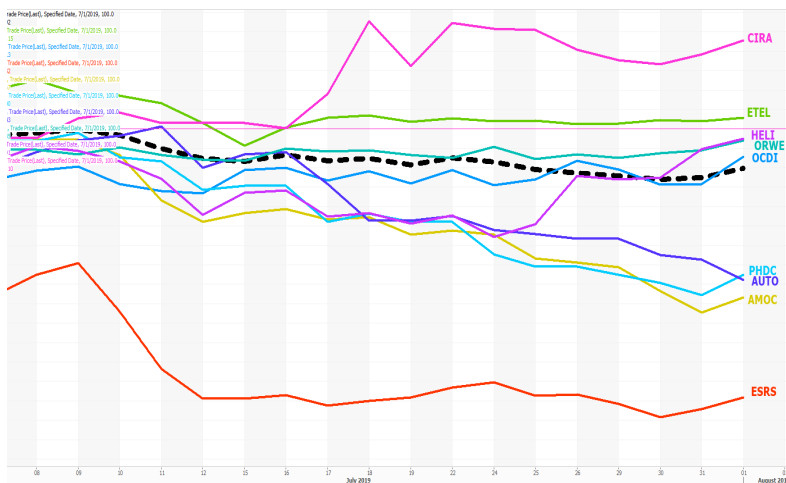
## Top index weights (3% and above)



EAST, COMI, HRHO, and TMGH are the current outperformers, followed by JUFO, MNHD, and EKHO. The good point is that EAST, COMI, and HRHO have a rising relative performance curve, which means that they should continue their outperforming phase.

Starting next week we will make our changes in this section to cope with the new EGX 30 additions and removals.

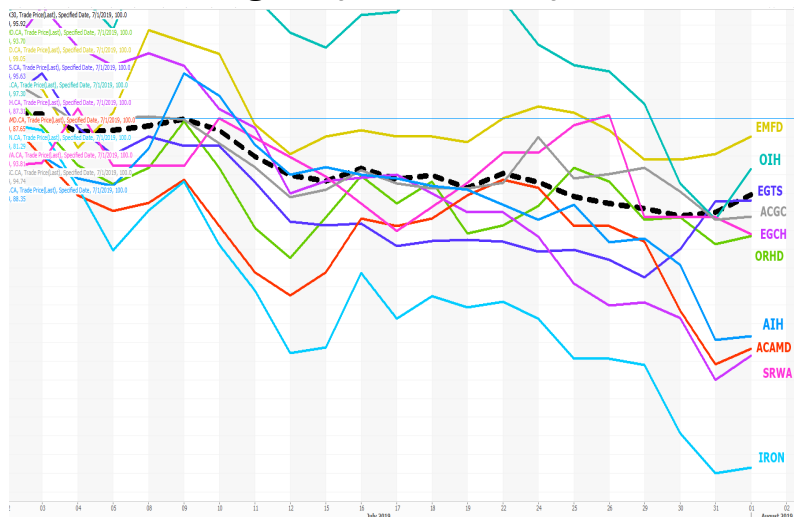
## Mid Weights (above 1.5%)



CIRA is the best performer, followed by ETEL, which has been maintaining a strong relative performance curve since few weeks. HELI, ORWE, and OCIDI come next.

As for the rest, PHDC, AUTO and AMOC are still underperforming, while ESRS is still far away.

## Smallest Weights (below 1.5%)



EMFD is the outperformer in this category of stocks, followed by OIH and EGTS.

ACGC, which is slightly underperforming comes next, then EGCH and ORHD.

As for the rest of the stocks, we recommend staying away from them until they show better performance.

Stock	10/20 EMA signal	Comments
EGX 30	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
COMI	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (21st week)
EAST	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
SWDY	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
TMGH	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
EKHO	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
GTHE	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (19th week)
HRHO	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (3rd week)
JUFO	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
MNHD	<b>Below</b>	The 10 weeks moving average is still below its 20 weeks counterpart
CCAP	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
ETEL	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (3rd week)
OCDI	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
ESRS	<b>Below</b>	The 10 weeks moving average is still below its 20 weeks counterpart
AMOC	<b>Below</b>	The 10 weeks moving average is still below its 20 weeks counterpart
PHDC	<b>SELL</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
AUTO	<b>Below</b>	The 10 weeks moving average is still below its 20 weeks counterpart
ORWE	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
HELI	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
ORHD	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
EMFD	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
EGTS	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (sideways trend)
OIH	<b>BUY</b>	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (2nd week)
EGCH	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
ACAMD	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
IRON	<b>Below</b>	The 10 weeks moving average is still below its 20 weeks counterpart
ACGC	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
AIND	<b>SELL*</b>	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered

Stock	10/20 EMA signal	Comments
ISPH	Above	Buy signal was triggered in the first week of January 2019
EFID	Above	Buy signal was triggered in the first week of March 2019
ORAS	Below	The 10 weeks moving average is still below its 20 weeks counterpart
SKPC	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ABUK	Below	The 10 weeks moving average is still below its 20 weeks counterpart
PORT	Below	The 10 weeks moving average is still below its 20 weeks counterpart
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.*

## Disclaimer

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