

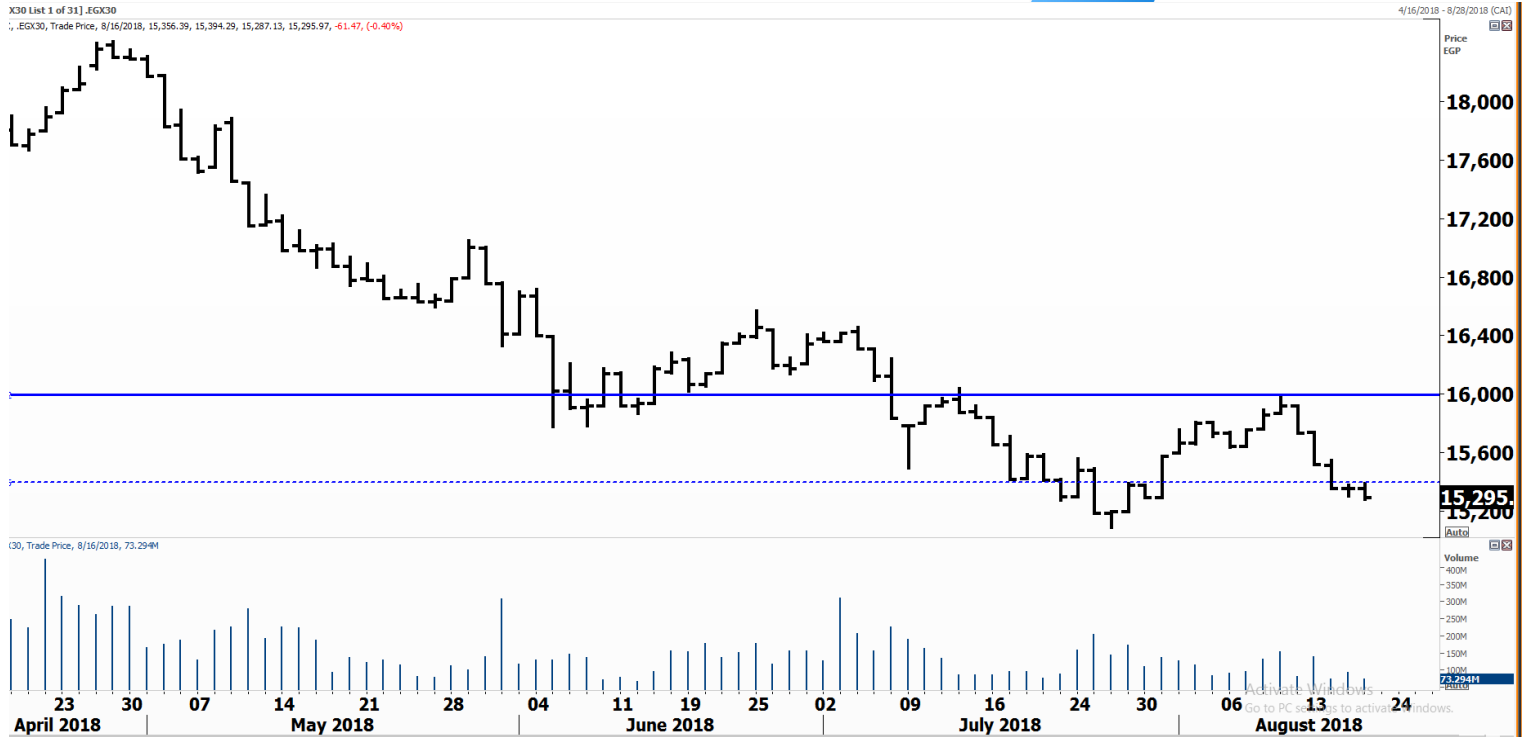


PIONEERSECURITIES

Weekly Overview

19- August

This report must be read with the disclaimer
on last page



Happy Eid to all; next Sunday we will not be writing a report, so our coming report will be the “Tech To The Point” on the first Monday after Eid.

As for the market, sellers were aggressive at the second half of the session, brining the stocks to close at their lows. Thursday's market decline brought some frustration to market participants as stocks are still unable to witness a decent rise.

Our first minor level to watch today is 15,400 this is the high of the last two sessions; a break above this level (which is near to current market levels) will encourage investors once again to step in, and hence, buying power will increase.

Our view has not changed, we are still expecting a short-term rise within the current major correction that did not end yet.

EGX 70 Daily Chart

The EGX 70 index still looks good as it has a potential to create a higher low. If a higher low is formed, we will probably break the peak that lies at around the 750-755 range.

The MACD indicator looks good, especially if it rises from here; as we can see from the indicator, it is rising since last July, giving a sign of potential strength. As we know, the confirmation of this strength will be a break above the minor peak. For now, we are waiting for a rebound from current levels.

The bad side of the coin is a violation of the index' bottom. If this scenario occurs, this will be considered as a bearish sign as the correction will most probably resume. For now, we are still expecting the EGX 70 to continue its short-term rise before resuming its correction.



ELEC



The stock's monthly chart shows that the 1-1.05 range is the major resistance that has been intact since 2015. This 3.5 years bottoming formation is of major magnitude, especially if this resistance is clearly broken to the upside on a monthly basis. Thus, if we close this month above 1-1.05, the stock will probably witness a major rise of 50-70%.

We recommend stepping in at the breakout as we are expecting much higher targets, especially if the breakout is confirmed on a monthly basis.

ABUK



The clear higher low that we can depict on the MACD indicator hints that ABUK will probably break to the upside. A breakout above 30 will trigger a confirmed buy signal with a minimum target at 33. This is a potential profitable short-term trade that suits those who buy and sell quickly.

Our intermediate-term picture of the stock also looks good. But for now, let us stick on this short-term trade.

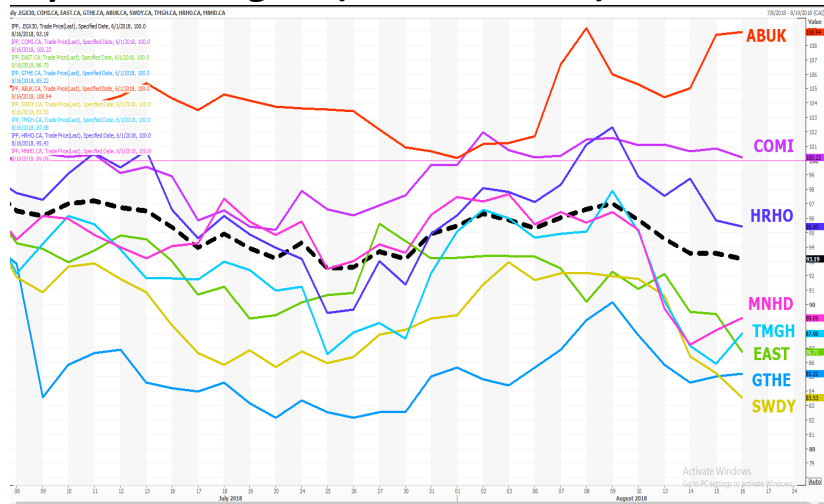
EHCH



Thursday's rise did not come on high volumes, thus we are waiting for a clear breakout above 5.7 before recommending the stock. Those who want to step in should wait for the breakout and our target will be placed at around 6.5.

The breakout needs to be accompanied with high volumes. This will trigger a buy signal with a stop below the low of the breakout day.

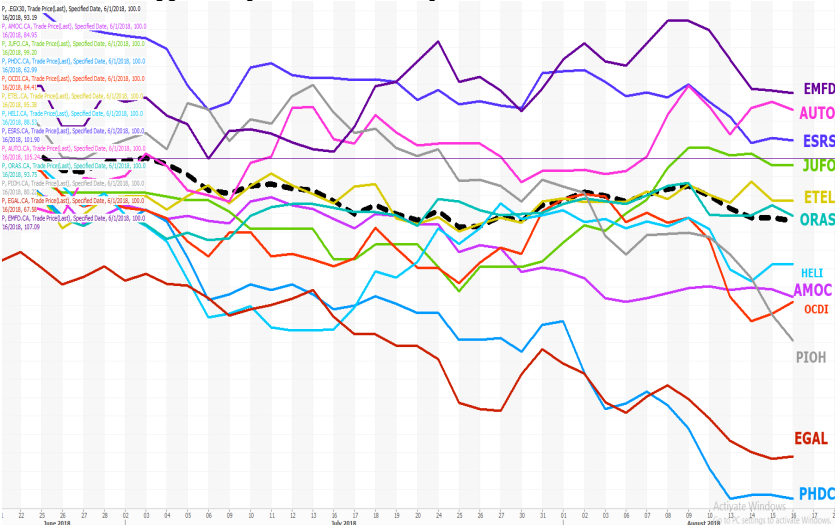
Top index weights (5% and above)



The best three stocks are still the same; ABUK, COMI, and HRHO. It is important to note though that HRHO began to show some weakness lately despite that its relative performance curve is still above the EGX 30.

As for the rest, we recommend to wait until they show improvement in their curves. We are still monitoring GTHE, especially if it begins to show a significant upward move in its relative performance curve.

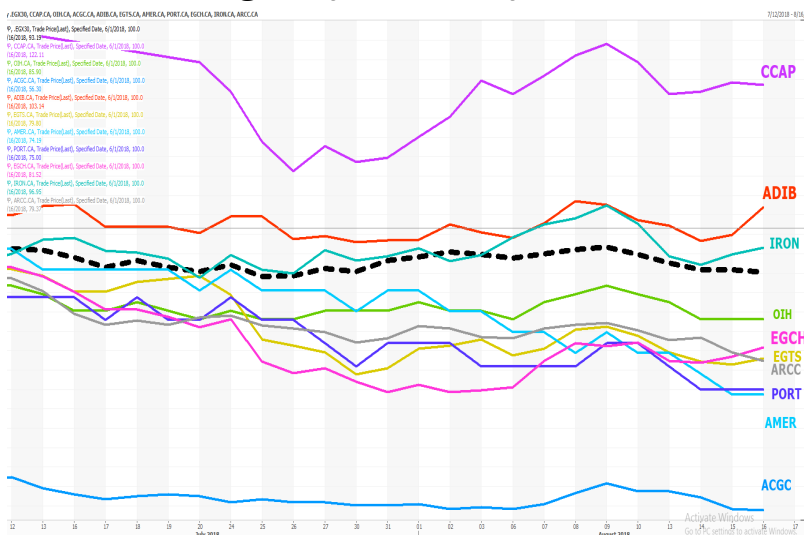
Mid Weights (above 1%)



EMFD, AUTO, ESRS, JUFO, and ETEL, are still the best performers as expected. These are the recommended stocks in this category of the EGX 30.

As for the rest of the stocks, we only recommend to watch AMOC as it is still moving laterally below the index' curve. As we all know, AMOC will be an important part of our portfolio if the market resumes its major correction.

Smallest Weights (below 1%)



The three best outperformers in this section are still the same; CCAP, ADIB, and IRON. These are the only stocks we recommend so far. As for the rest, EGCH began to show some improvement, while OIH (OTMT) is still moving laterally slightly below the EGX' curve.

Thus, we recommend CCAP, ADIB, IRON, and we are monitoring OIH and EGCH.

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).

Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst