

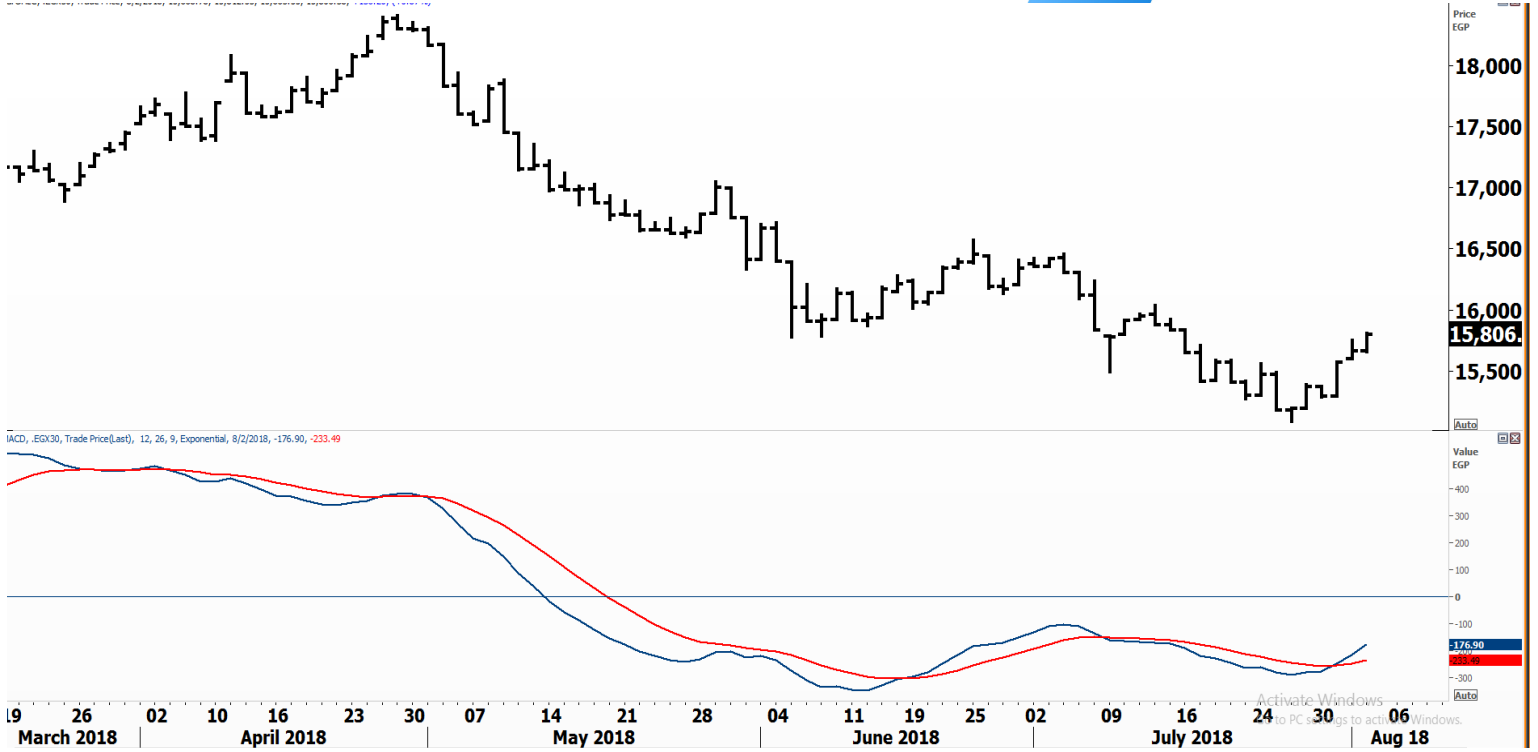


PIONEERSECURITIES

# Weekly Overview

5- August 18

This report must be read with the disclaimer  
on last page



In our last “Weekly Overview” we mentioned the positive divergence on the MACD and expected a market rebound with 16,000 as a first target. The index closed slightly above 15,800 on Thursday and is already approaching 16,000.

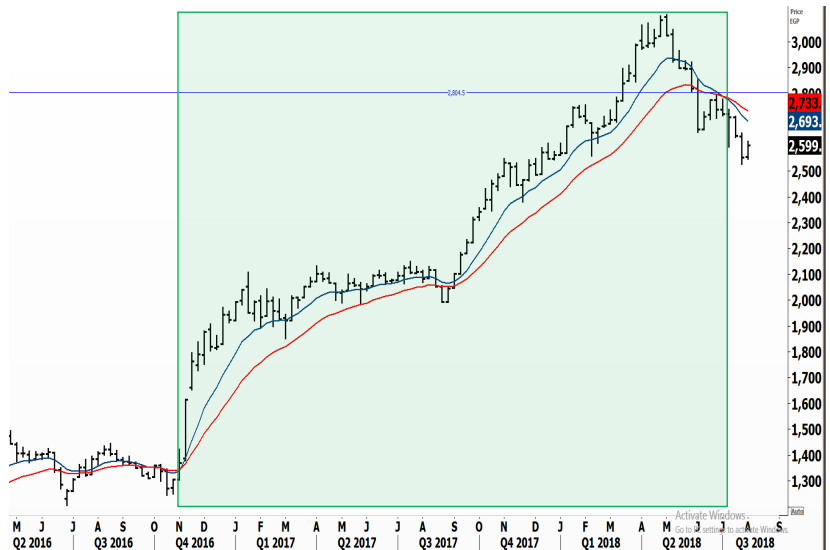
It is important to watch how the EGX 30 will perform as it approaches this level. We are expecting one of two scenarios. Either the index breaks above 16,000 and continues to our more important target that lies at around 16,500, or a decline might occur from here, which will probably create a higher low, followed by a break above 16,000. In other words, we expect the 16,000 to be broken upwards and our next target will be set at around 16,500.

## EGX 50 Weekly Chart

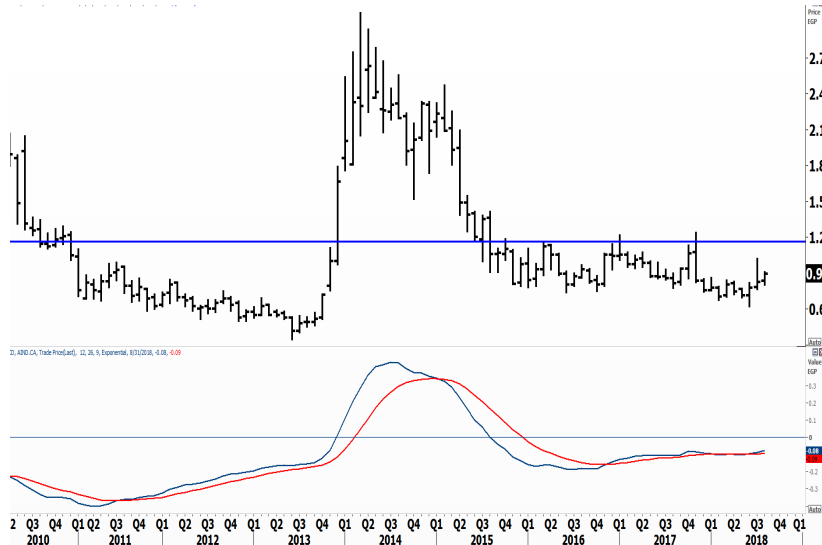
As we mentioned many times before, looking at the major picture is important because it gives us an overall view on the big picture of the market.

It is important to note that we have a sell signal based on moving averages crossover system; the intermediate-term picture has been in a sell mode since three weeks ago, after the important entry signal that was triggered during November 2016.

This should make us wary about the current market performance, especially if it continues its rise on the short-term. We should reiterate our view that the current market rebound is considered as a short-term move inside the bigger correction that is currently taking place. Thus, we still expect the overall correction to resume after the short-term rise ends.



## AIND



It is important to look at the monthly chart of AIND, as it shows the major bottoming formation that is currently being witnessed.

The stock has its major resistance at 1.2, and has been trading inside a lateral range below this level since Q3 2015. This three years bottoming formation is very significant from a long-term point of view, especially with the rising MACD creating also a major positive divergence with the stock.

We are expecting an ultimate breakout above this level and a target near 2.

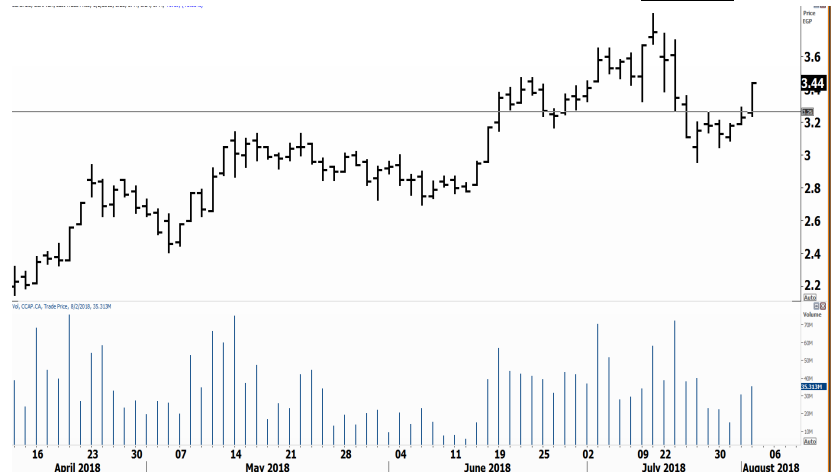
We have introduced AIND few weeks ago and analyzed it from a long-term perspective. We reiterate our bullish view on the stock.

Our “stock trade” new buy signal was triggered last Wednesday as the stock was trying to break 3.25. This breakout was confirmed Thursday and a big move followed, leading CCAP to close at 3.44 at the end of the session.

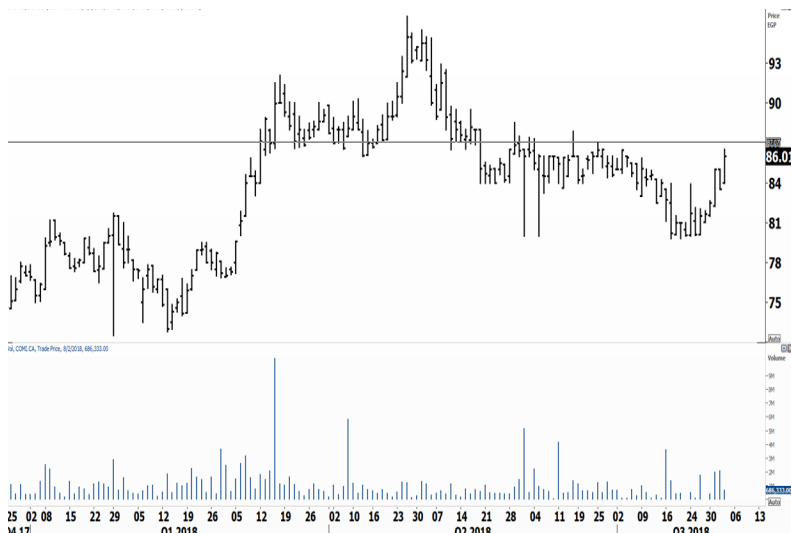
The stock is gaining strength and should test its peak. Whether it will break this peak during this rise or not need to be seen. We believe that regardless the stock declines or not, it will break its peak soon.

Our view is still bullish on CCAP and are still expecting much higher targets, as our next intermediate-term target lies at 5.

## CCAP



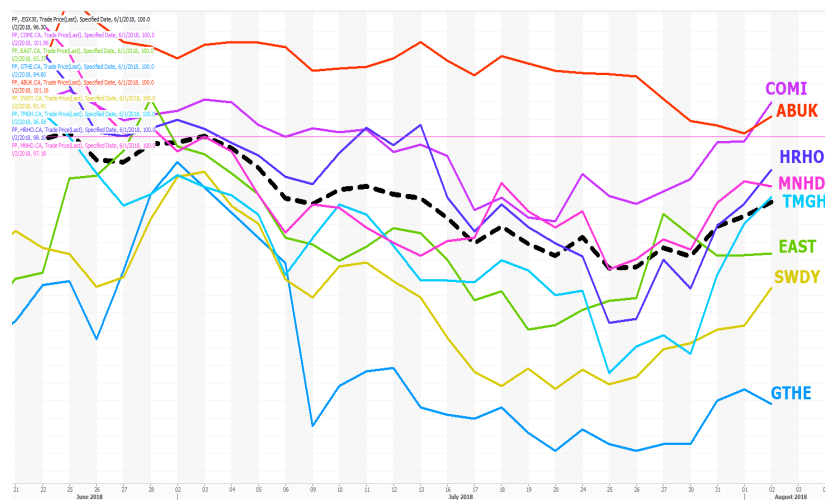
## COMI



Despite that COMI is not a leader for the rest of the stocks like it has been before, we believe that if it breaks above 87, it will send positive vibes for the market which will have a good effect on most stocks.

In other words, COMI can regain its leadership if it breaks above 87 with high volumes. Such a breakout will be seen as bullish and will bring some positive energy to market participants, which will help the EGX 30 reach its next target that lies at around 16,500.

## Top index weights (5% and above)

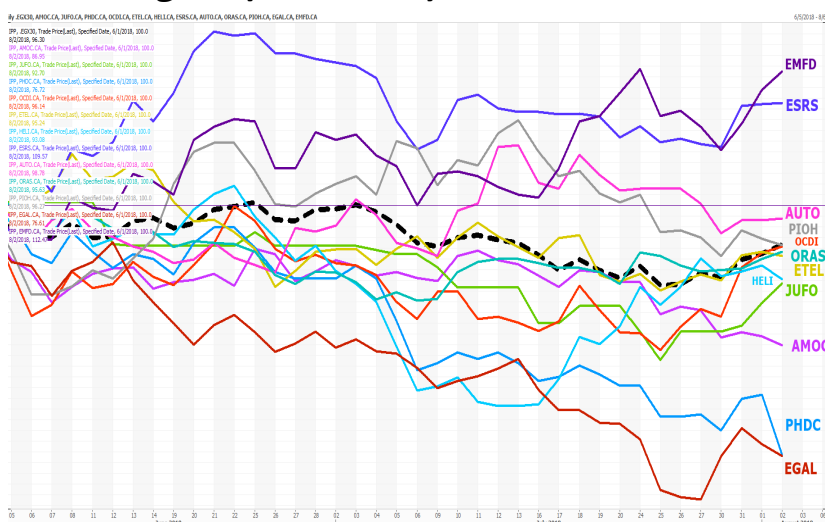


If we look at the underperformers, we will note that SWDY is looking north, which means that it is showing significant improvement in its relative performance despite that it still lies below the EGX 30 relative performance curve.

As for the outperformers, COMI and ABUK are still the best two, followed by HRHO, which began to show better performance than before.

Note that we changed the base value to be June 1.

## Mid Weights (above 1%)



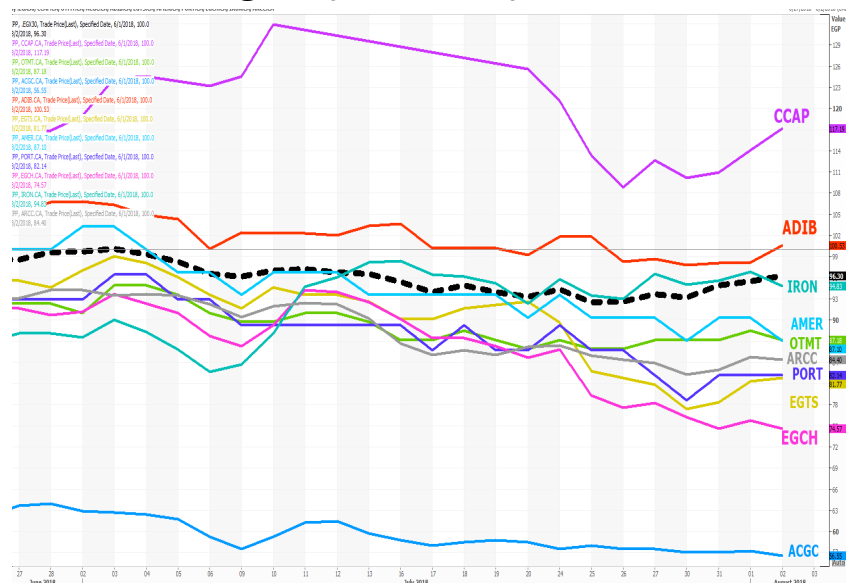
The best three stocks are still the same; EMFD, ESRS, and AUTO.

AMOC was one of the top stocks too but it is showing some weakness in its relative performance curve after we changed the base value; which means that AMOC weakened lately. It is worth mentioning though that despite its current short-term relative performance weakness, the stock is one of the best stocks in our ranking system.

ORAS and ETEL still look good, very close to the EGX 30 curve, along with OCOI, which began to improve lately.

As for the rest, we prefer to wait for some improvement.

## Smallest Weights (below 1%)



Still the best performer without competition is CCAP. The stock is still on top, even after we changed the base value, which means that CCAP is by far the best performing stock in the market. Then comes ADIB as usual, which is also showing very good performance.

IRON is third, moving slightly below the EGX 30 relative performance curve, then comes AMER, and OTMT.

Almost the same stocks that were performing the best last week are still witnessing the same performance.

## 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