

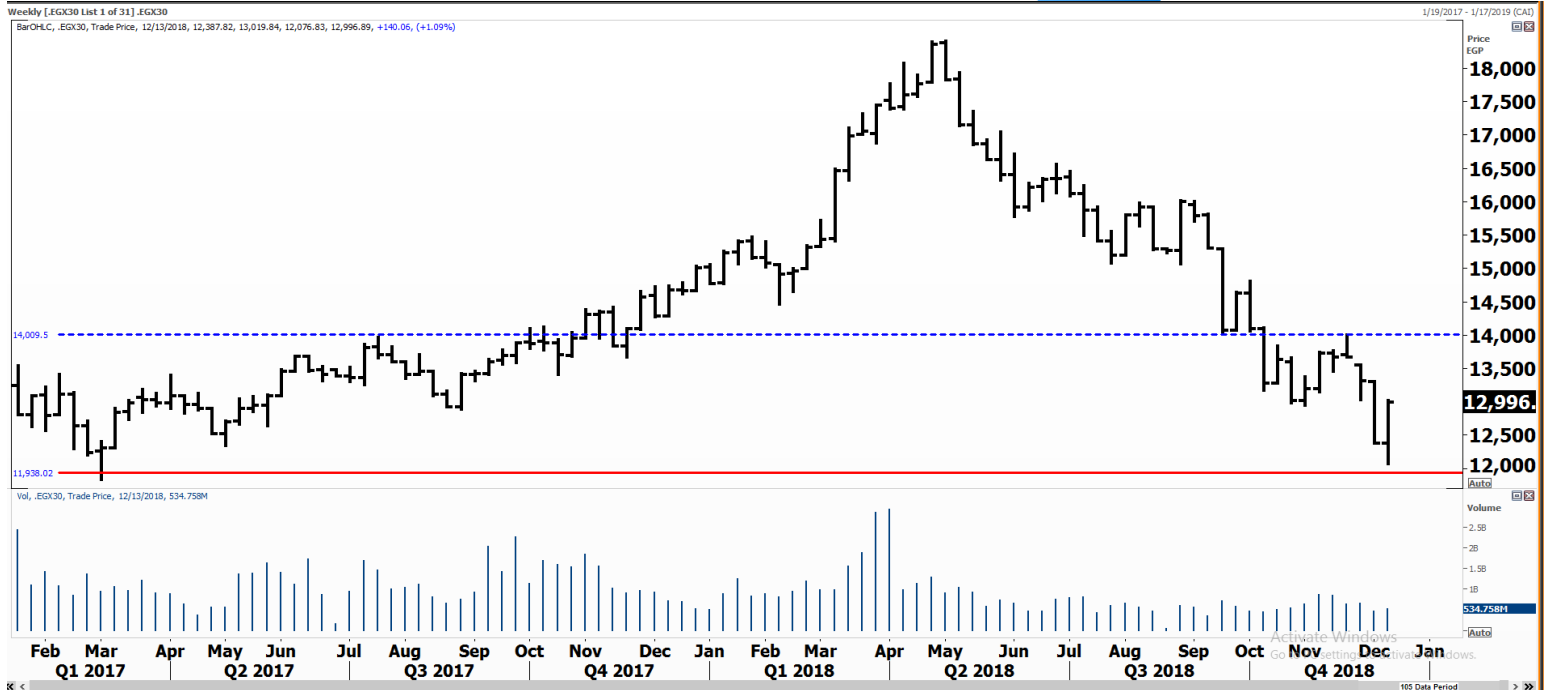


PIONEERSECURITIES

# Weekly Overview

16–Dec 18

This report must be read with the disclaimer  
on last page



Last week was a notable one as the market witnessed a significant rise, after the extreme pessimism that affected most markets participants the week before, to close near 13,000.

As we all know, the 13,000 is an important resistance that most investors are watching now; it is important to note, however, that if a decline occurs from current levels, it will not be of a significant magnitude. In other words, we do not expect a break below 12,000 from current levels. The 12,000 was our major target since many months ago and it was reached in the beginning of the last week before the market rebounded sharply for almost 1,000 points.

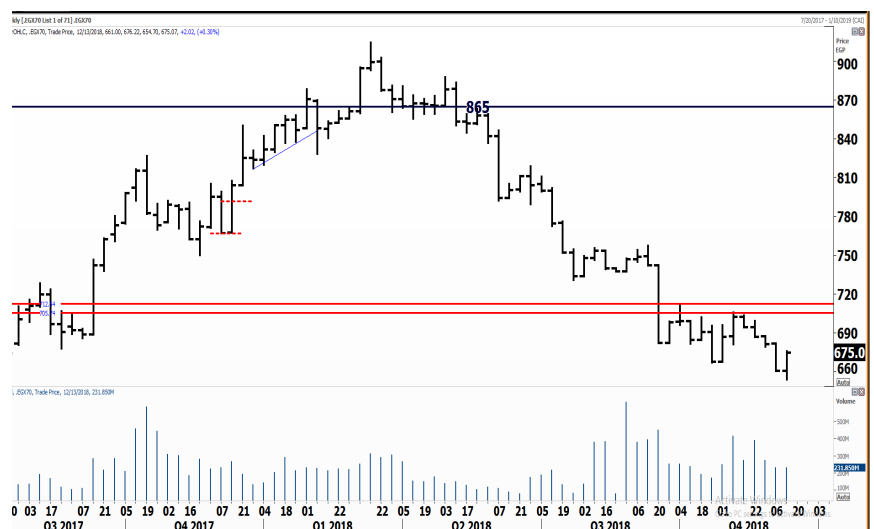
Thus, we can watch a slight decline from current levels, that will probably be short-lived. Our more important resistance, however, lies at 14,000; this is where we should watch the market carefully as any clear breakout above 14,000 will send the market to another bullish phase, which will lead to higher targets.

Our current view is more biased to the positive side, especially after the market hit our target, but we will not turn bullish until the 14,000 level is broken upwards.

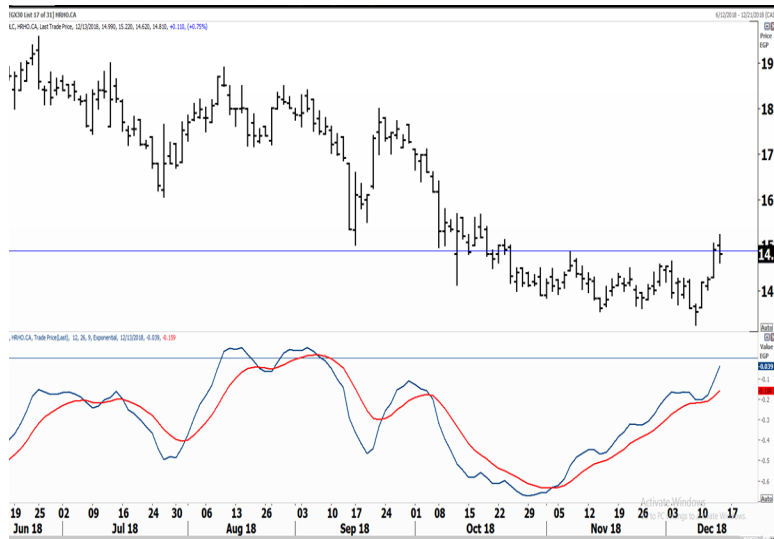
## EGX 70/ Weekly Chart

It is important to watch how the EGX 70 index will perform in the next period as it is trying to rebound from current levels and it might approach its 700-710 resistance area, which is the most important resistance on the short-term.

Those who want to enter on confirmation should be heavily invested if the 710 is clearly broken upwards. If we buy at this rebound, it is recommended that we buy partial positions and then watch whether the index will be able to break its peak or not.



## HRHO



The recent price action along with the MACD indicator hint that more rise is expected. HRHO closed slightly below its resistance that lies at the 14.85-15 range. If the stock breaks upwards, it will probably reach 18; in other words, we are expecting a significant rise in case the stock breaks 16 clearly.

It is worth mentioning that if a decline occurs from current levels, it will probably meet support near 14 or slightly below this level.

The stock is passing through hard times trying to break 12 upwards. It is logic that this level is serving as strong resistance, but once ETEL breaks through it, it will probably witness a strong rise that can lead it near its highs once again.

Thus, if the stock trades for a couple of days above 12, a buy signal will be triggered and our target will be set near 16-17.

## ETEL



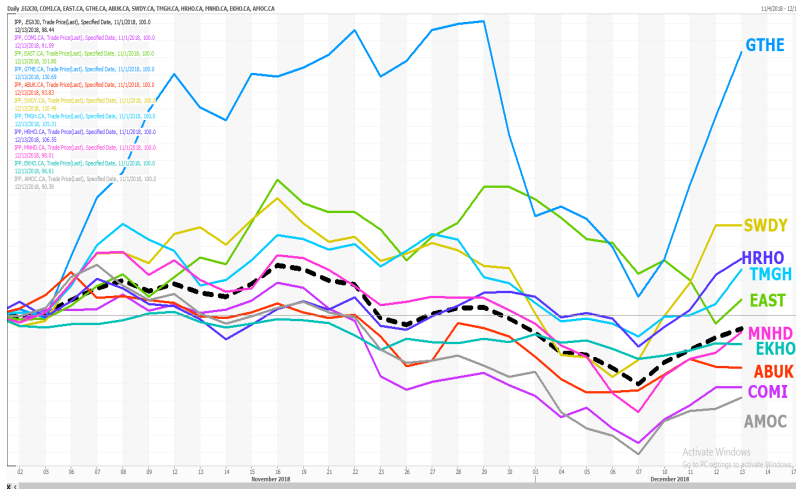
## ACGC



Despite that ACGC is still not an outperformer, it is probably witnessing a bottoming formation that might be solved upwards. The stock has an important resistance at 2. A breakout through this level will trigger an important buy signal as our target will be set near 2.7-2.8.

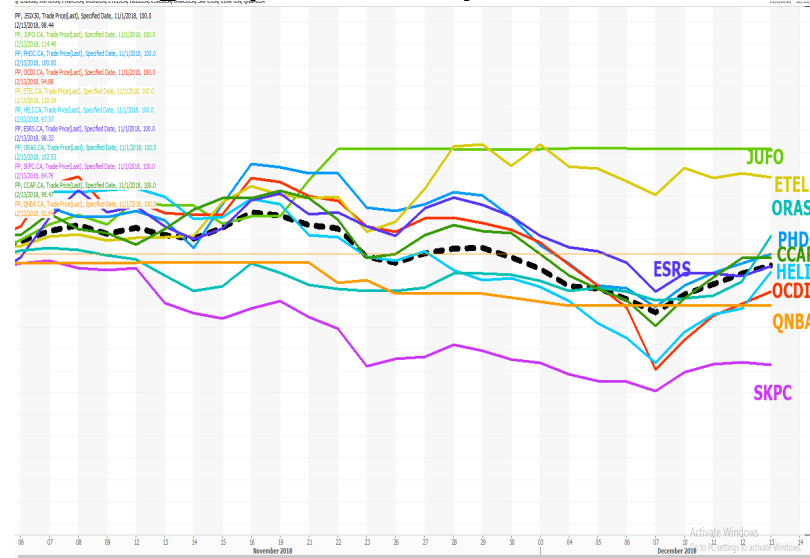
The weekly MACD indicator looks great and it hints of a potential strong breakout above 2.

## Top index weights (3% and above)



GTHE moved again sharply higher as its relative performance curve moved back on top. GTHE's relative performance curve witnessed strong volatility, which should not usually be the case with a relative performance curve. As for the rest, HRHO is showing better performance, as we have been mentioning in our previous weekly overviews. SWDY and TMGH also look good.

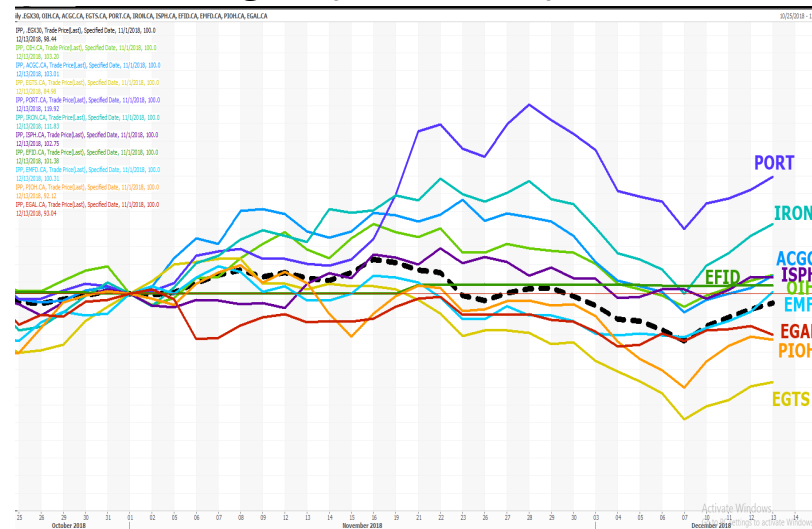
## Mid Weights (above 1.5%)



JUFO and ETEL are still on top, followed by ORAS, PHDC, and CCAP.

It is worth noting too that HELI's relative performance curve began to look up, and is on its way to surpass the EGX 30 relative performance curve.

## Smallest Weights (below 1.5%)



Top performers are PORT, IRON, then ACGC and ISPH. It is important to note too that OIH is trying to witness better performance than before but it is still moving laterally. If OIH's relative performance curve looks north, we will be putting it on our list of stocks to be bought.

## Disclaimer

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