



PIONEERSECURITIES

Weekly Overview

2–Dec 18

This report must be read with the disclaimer
on last page



The weekly chart of the EGX 30 index shows the most recent sideways pattern that the market has been witnessing during the past 7-8 weeks. We reiterate the important fact that this sideways pattern will be solved if the 14,000 level is clearly broken upwards. A breakout above this peak will lead the market to a significant rise to the 16,000 level.

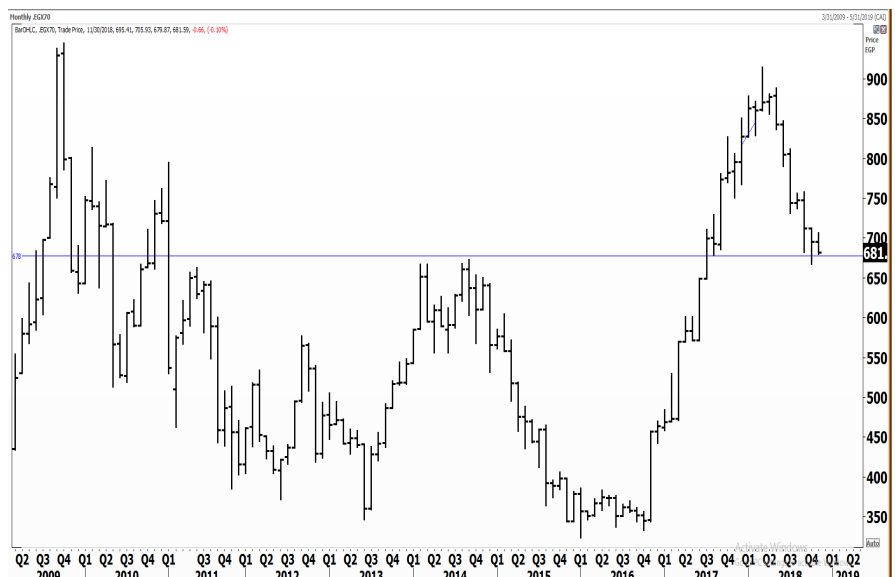
Our current support lies at 13,000; we do not expect a violation below this level; if, however, the EGX 30 breaks below it, our target will be set near 12,000 or slightly above. This scenario is unexpected currently as we believe that the current sideways pattern is more biased to the bullish side.

Those who want to buy after confirmation are recommended to buy at the 14,000 breakout.

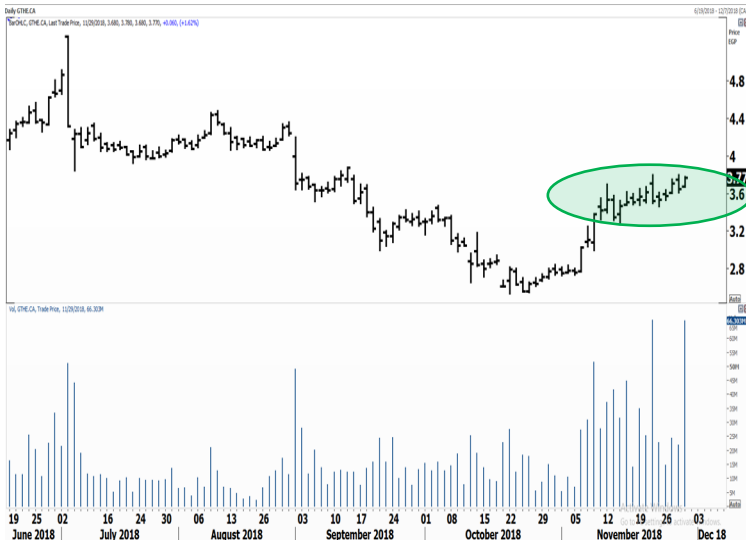
EGX 70/ Monthly Chart

The EGX 70 index is testing its major broken peak that lies at the 675-680 area. We believe that the index should rise from these levels, especially that the 675-680 range is considered as a major support area.

If a rebound occurs from current levels, the index will probably approach 700. For a confirmed bull signal, the EGX 70 index should break above 700; such a breakout will lead the index to 750. For now, let us wait for a rebound with a target at 690-700.



GTHE



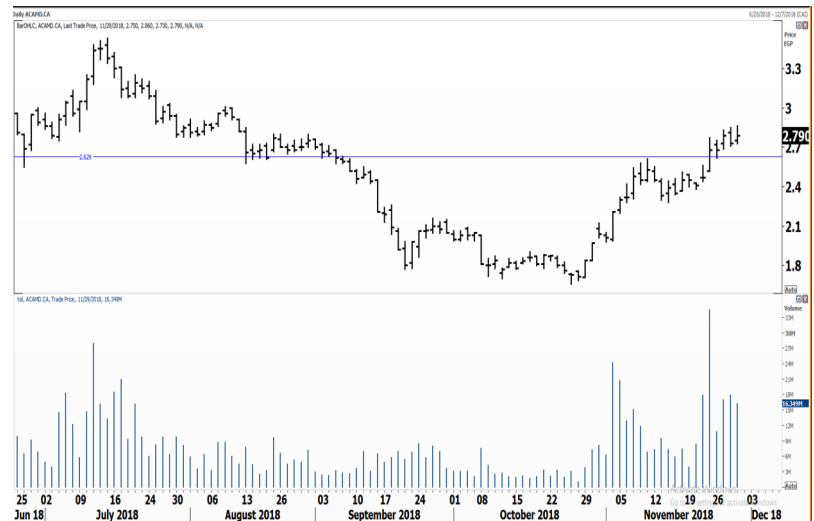
GTHE witnessed a significant rise from 2.5 to 3.8, then it moved in a sideways trend for almost one month before closing at 3.77 at the end of Thursday's session.

GTHE closed the week strong, which is a sign of a continuation of the rise. A break above 3.8 will lead the stock near the 4.85-5 range.

Arab Company for Asset Management is currently in an up-trend and should continue its rise. The stock is clearly outperforming both the EGX 30 and the EGX 70 and is expected to maintain its strong performance.

The first important support lies at 2.6; a dip near this level will be a chance to add to positions. If the stock breaks 2.85 upwards and closes above it, it will reach its peak that lies at around 3.3. An ultimate break above this peak is expected to occur soon, probably before the end of the year.

ACAMD



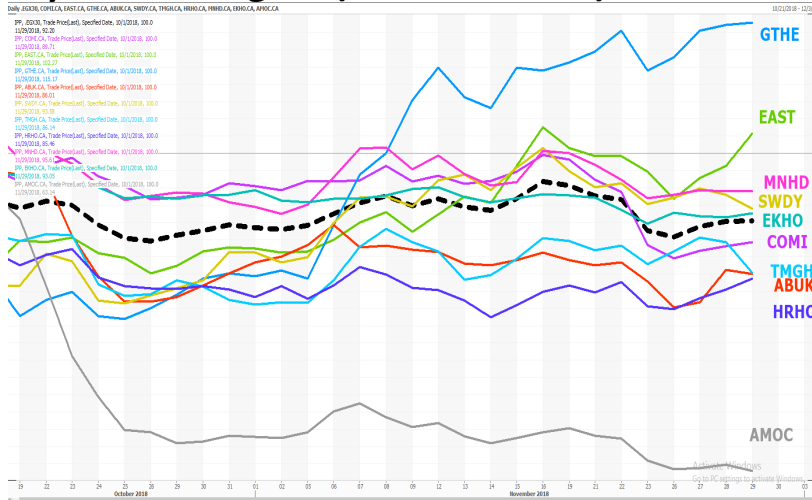
ECAP



ECAP broke 12 upwards and confirmed this break on a monthly basis. The stock is currently in a major uptrend and is expected to test its historical highs that lie in early twenties.

ECAP is not a trading stock, it can be categorized more as a buy and hold stock. The outperformance of this stock is worth the attention and much higher targets are expected.

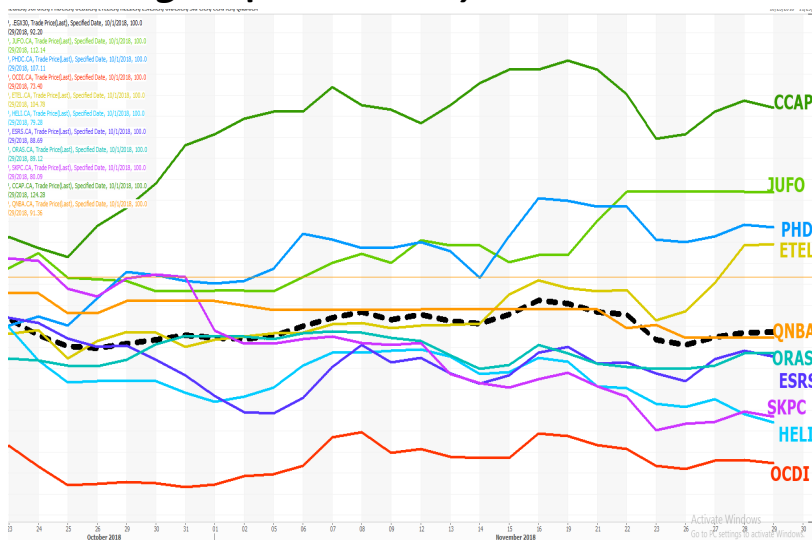
Top index weights (3% and above)



GTHE is still on top of heavy weights stocks. The stock looks strong and still has lots of upward potential. EAST and MNHD come next, then comes SWDY and EKHO.

The rest of the stocks have their relative performance curves moving below that of the EGX 30.

Mid Weights (above 1.5%)

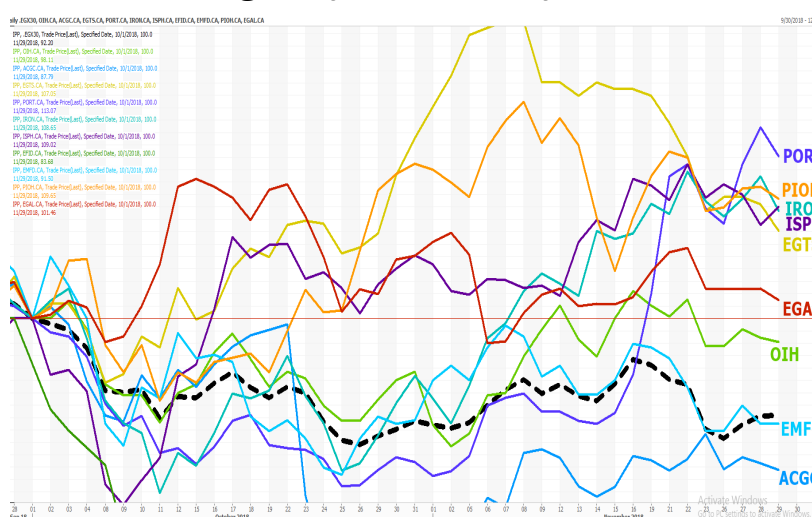


CCAP, JUFO, and PHDC are still the top three, followed by ETEL, which began to show better performance than before.

The rest of the stocks are moving below the EGX 30 index; we like though ESRS, which began to show better performance.

If we choose three stocks we will go for CCAP, PHDC, and ETEL. JUFO is a strong stock too but is not as liquid as the rest of the stocks.

Smallest Weights (below 1.5%)



As we can see from the chart, most of the stocks in this category are outperforming the index. It is important to note though that despite their outperformance, their relative performance curves began to turn south slightly. This can be a preliminary sign that blue chips can begin to outperform in the coming period. It is not clear yet, but we believe that blue chips might begin to show better performance.

PORT is still doing well and it still has significant upward potential. ISPH also looks strong as it is still able to maintain a rising relative performance curve.

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