

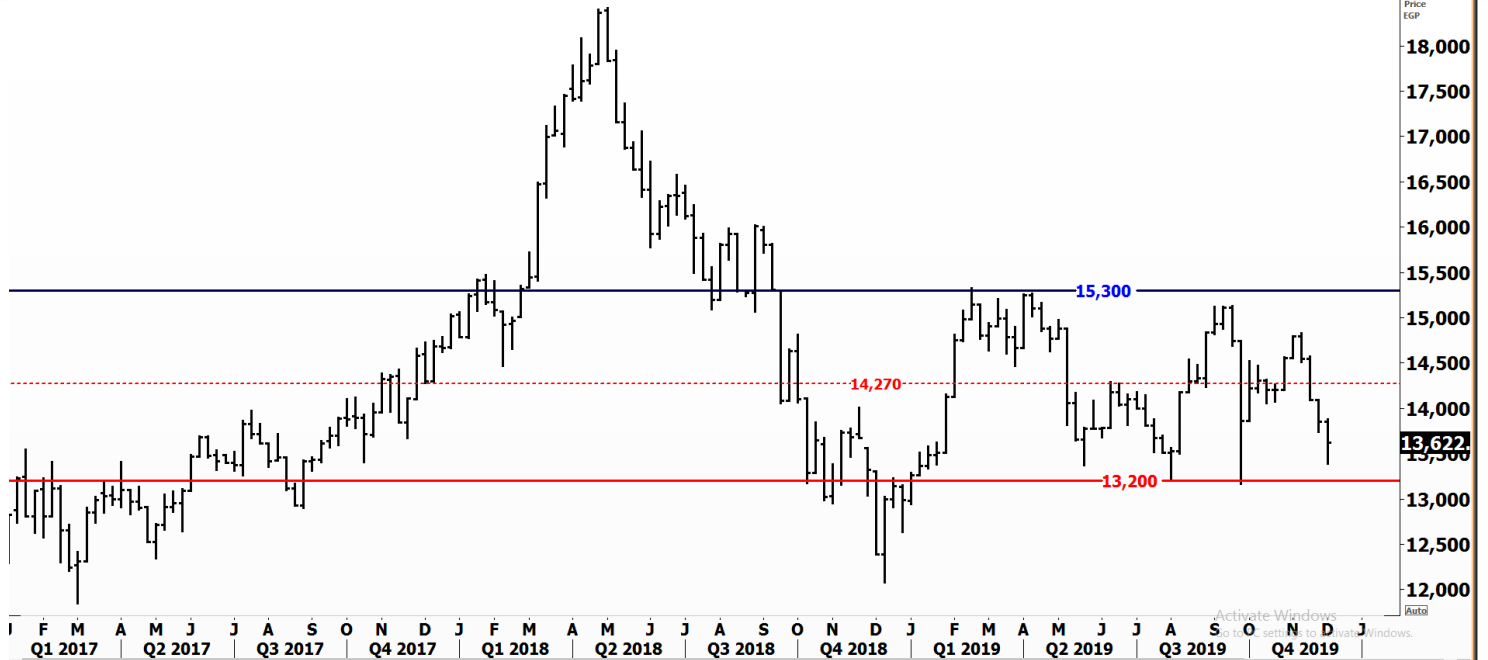


PIONEERSECURITIES

Weekly Overview

8-Dec 19

This report must be read with the disclaimer
on last page



As we can see from the weekly chart, the EGX 30 index is trading between 13,200 and 15,300. The most recent declining leg took the index from 14,800 to close at 13,600 at the end of the week. It is worth noting that the latest peak failed to reach the upper boundary of the trading range.

The last decline was not expected to be that severe; this market fall, however, changed our positive view to be a much more conservative one, especially that the probability of violation of the 13,200 level is now higher than what we were expecting.

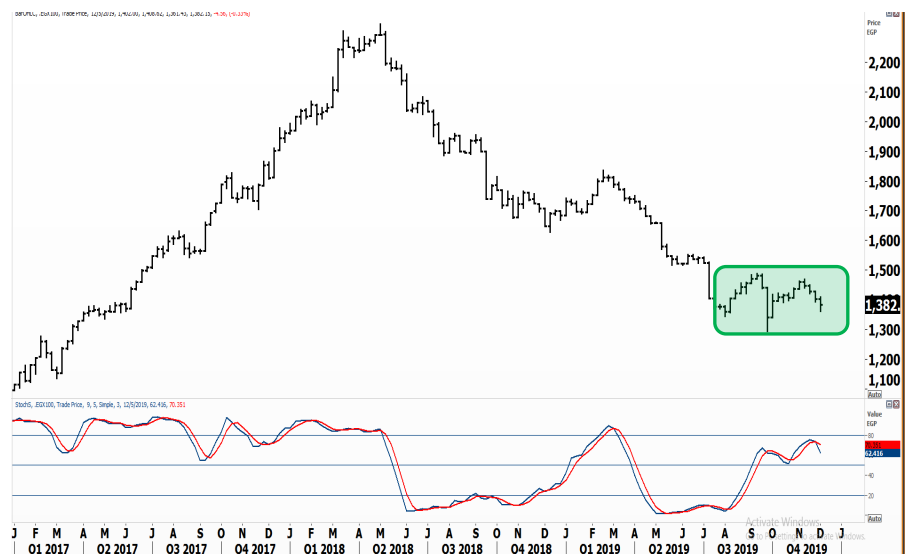
In other words, the market is risking a break below 13,200, which will be considered as a bearish signal for the overall market. On the other hand, first important level that needs to be broken upwards -in order for buyers to regain their strength- is 14,300; as long as we are trading below this level, the risk of breaking downwards is high.

It has been obvious recently that market participants lost their appetite for stocks investing, which led to a total absence of any buying power. This led to a strong market decline, even though selling pressure was not strong during this market fall.

EGX 100 Index/ Monthly Chart

The EGX 100 index entered a sideways range after the big decline it witnessed since April 2018. This sideways trend might serve as continuation, if the prices continue their decline.

The upper boundary of this range lies at 1,500; a break above this level will lead to a new intermediate-term buy signal. Long-term investors are recommended to wait for a clear breakout before building positions in the market.



ORWE



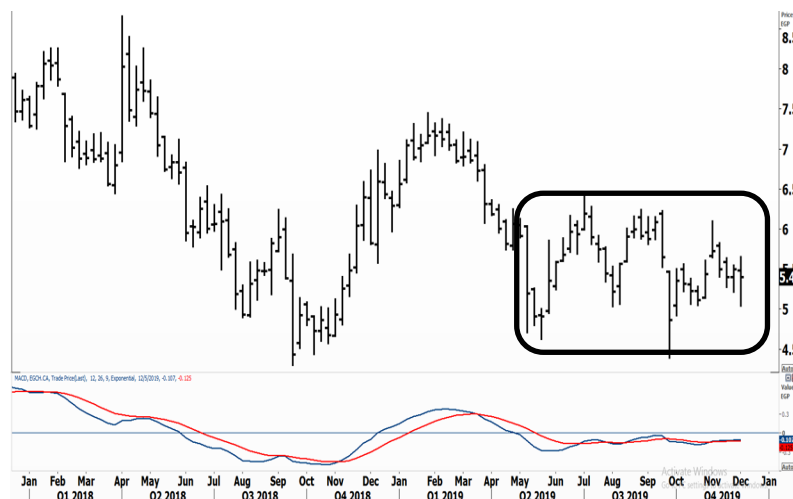
ORWE tested its support that lies at 9.5 and rebounded to close at 10.36 on Thursday. The stock is one of the outperformers and is expected to continue its relatively good performance.

Those who want to buy after confirmation are recommended to enter at the breakout above resistance that lies at 11. A breakout above this level will lead to a stronger rise.

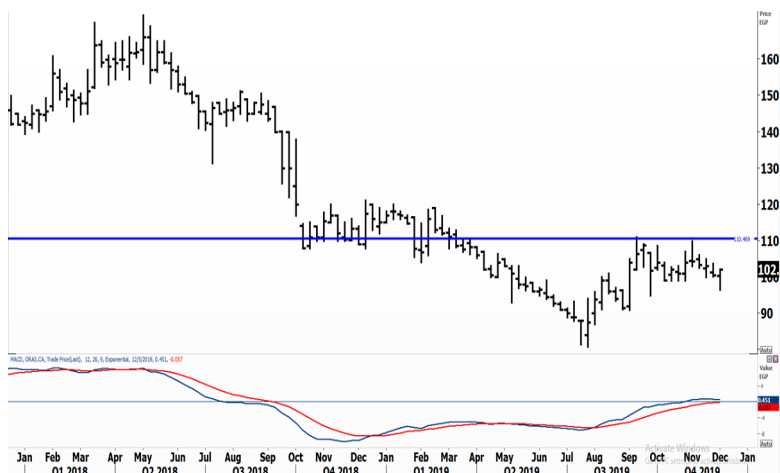
The stock is witnessing a sideways range between 4.5 and 6.25; it is obvious that every time EGCH approaches its support it meets significant buying power that leads to significant rebounds.

Based on the current market weak performance, however, we recommend waiting for a break above 6.25 before stepping in. Those who are trying to buy near support should place their stop below 4.5.

EGCH



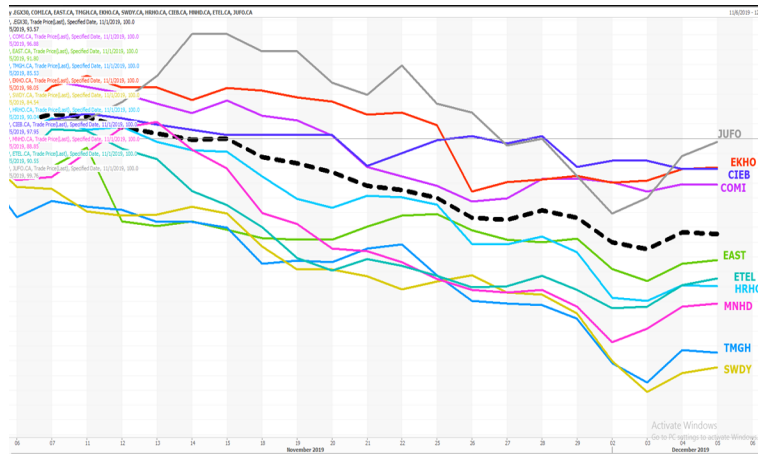
ORAS



The weekly chart of ORAS looks good, especially with the higher low formation that it is trying to form. A break above 110 will be the confirmation of this strength and an important buy signal will be triggered.

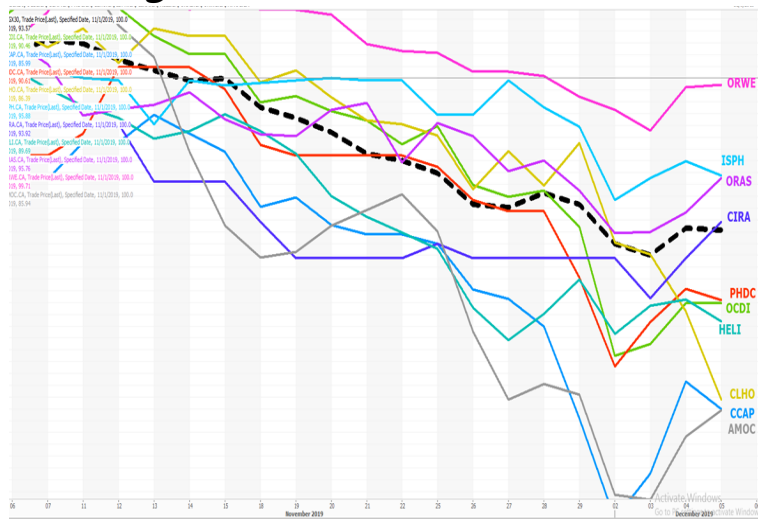
ORAS is not a high beta stock, so it is also beneficial to have during market weak periods. We recommend investors to step in at the breakout above 110.

Top index weights



Defensive stocks were the outperformers lately, which makes perfect sense. JUFO, EKHO, CIEB, and COMI are the outperformers. As for the rest of the stocks, they will continue underperforming if the market continues its decline.

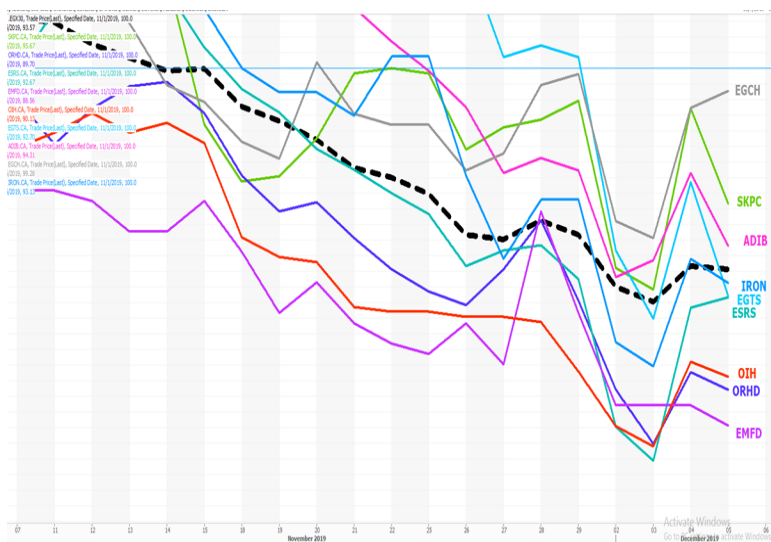
Mid Weights



ORWE, ISPH, and ORAS are still the outperforming stocks in this category, then comes CIRA, which is also one of the defensives.

As for the rest, OCIDI and PHDC are the closest to the index relative performance curve while the rest of the stocks are underperforming.

Smallest Weights



EGCH is the only stock that is still maintaining a rising relative performance curve. The rest look weaker, even those that are outperforming. ESRS also looks better than the underperformers. As for the rest, we recommend to avoid them until we see clear strength.

Stock	10/20 EMA signal	Comments
EGX 30	Sell	The 10 weeks moving average just broke below its 20 weeks counterpart
COMI	Above	Buy signal was triggered in Feb 2019
EAST	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
TMGH	Below	The 10 weeks moving average is still below its 20 weeks counterpart
SWDY	Below	The 10 weeks moving average is still below its 20 weeks counterpart
HRHO	Above	Buy signal was triggered in June 27, 2019
CIEB	Below	The 10 weeks moving average is almost breaking above the 20 weeks moving average
MNHD	Below	The 10 weeks moving average is almost breaking above the 20 weeks moving average
ETEL	Below	The 10 weeks moving average is still below its 20 weeks counterpart
JUFO	Below	The 10 weeks moving average is still below its 20 weeks counterpart
OCDI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered
CCAP	Below	The 10 weeks moving average is still below its 20 weeks counterpart
PHDC	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CLHO	Sell	The 10 weeks moving average just broke below its 20 weeks counterpart
ISPH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CIRA	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered
HELI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered
ORAS	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered
ORWE	Below	The 10 weeks moving average is almost breaking above the 20 weeks moving average
AMOC	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
SKPC	Below	The 10 weeks moving average is almost breaking above the 20 weeks moving average
ORHD	Sell	The 10 weeks moving average just broke below its 20 weeks counterpart
ESRS	Below	The 10 weeks moving average is almost breaking above the 20 weeks moving average
EMFD	Below	The 10 weeks moving average is still below its 20 weeks counterpart
OIH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
EGTS	Above	Buy signal was triggered in June 2019
ADIB	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered
EGCH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
IRON	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it

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.

It is important to note that most of the stocks that were written in blue last week already gave a buy signal this week. Thus, we should be monitoring closely stocks that are in blue as they are almost giving a buy signal.

Disclaimer

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Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst