

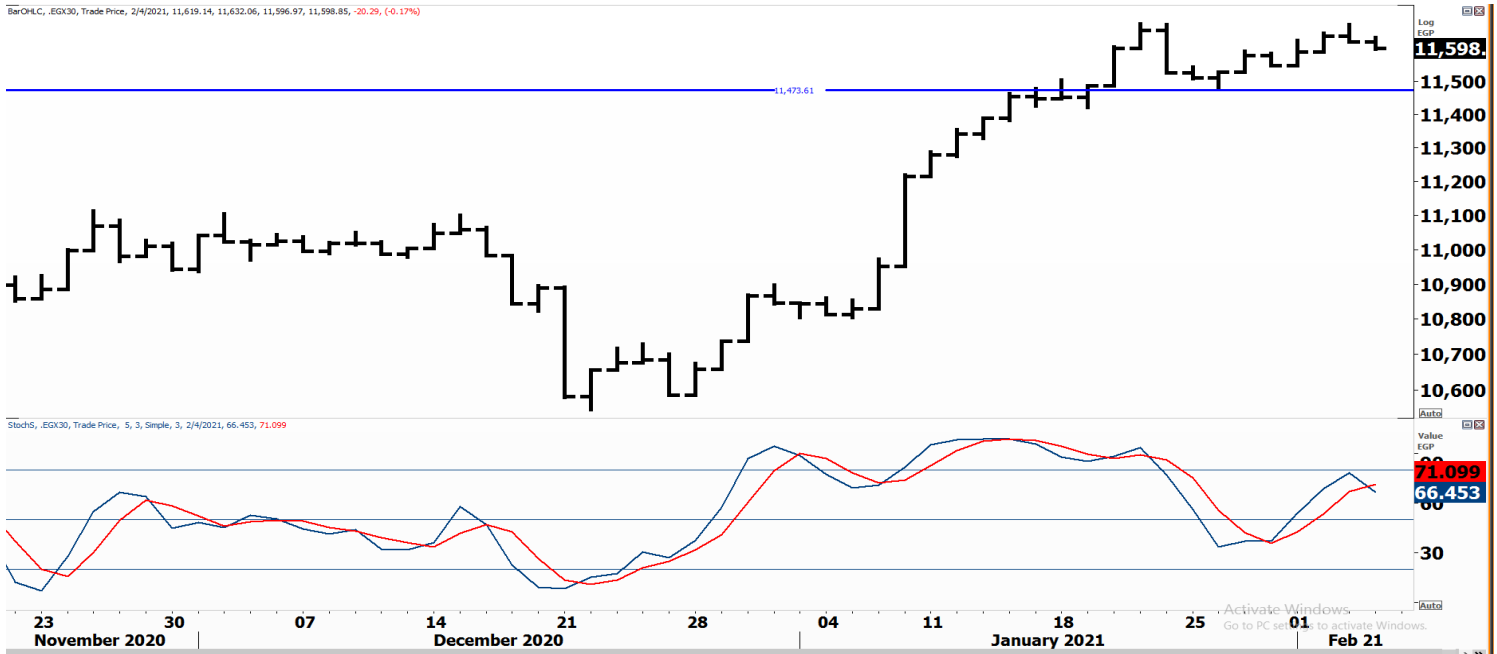


PIONEERSECURITIES

# Weekly Overview

7–Feb 2021

This report must be read with the disclaimer  
on last page



The EGX 30 index is currently in a state where it is stalling but still unable to decline. Our stochastic oscillator, which shows the degree of aggressiveness of buyers, refused to visit overbought territory as the market was testing its peak; this is a sign of weakness that might lead to a correction.

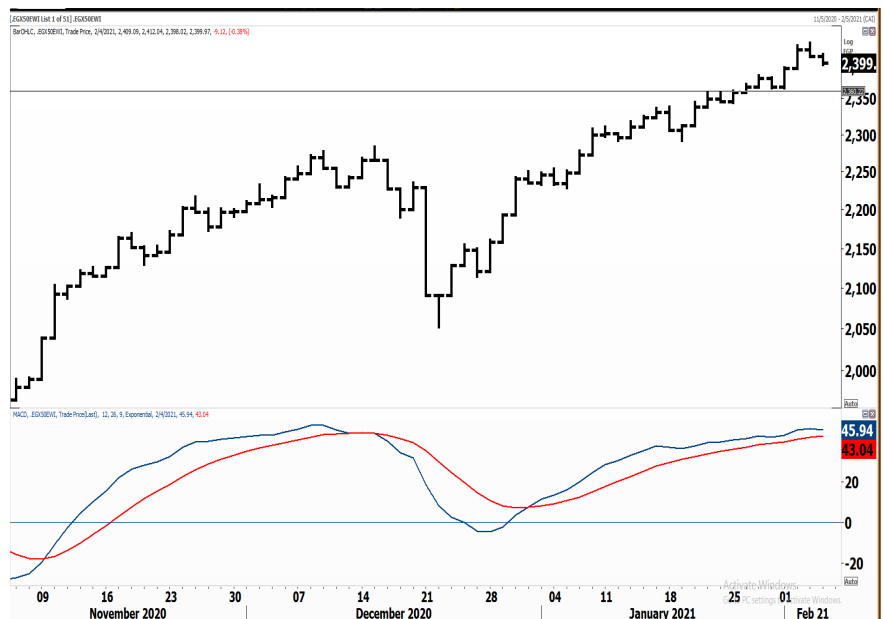
For price confirmation, we need to see a break below 11,475, this break will trigger a short-term sell signal and our target will be set around 11,250-11,300. Investors who want to take a preliminary step and sell here, can do so and reduce their exposure, but should note that they are risking an upward market breakout, so they will need to place their re-entry levels above the market peak that lies at 11,670.

Our overall view is bullish and this does not contradict with our short-term view of a potential correction. If this correction does not take place and the index breaks above its peak we will recommend to repurchase.

## EGX 50 Index/ Weekly Chart

The EGX 50 index closed the week at 2,399, and declined slightly the past two sessions.

The EGX 50, and because of the outperformance of small and medium caps, is still outperforming the EGX 30. We believe, however, that if a correction takes place it will also affect smaller stocks. The 2,360 level can be placed as a trailing stop for position holders. Another scenario is a negative crossover on the MACD indicator; such a crossover, if it takes place, will trigger a short-term sell.



## **FWRY**



Let us look at the levels where position holders can take profits at; first of all, the 43.5 is a short-term support. If the market corrects, FWRY might break this level. Those who are short-term in nature can sell if the 43.5 level is broken.

We recommend, however, to treat this stock as an intermediate-term vehicle because it is expected to reach much higher levels. Thus, more important stops can be placed below 39.5. This is a far away level but a very unlikely area to be violated.

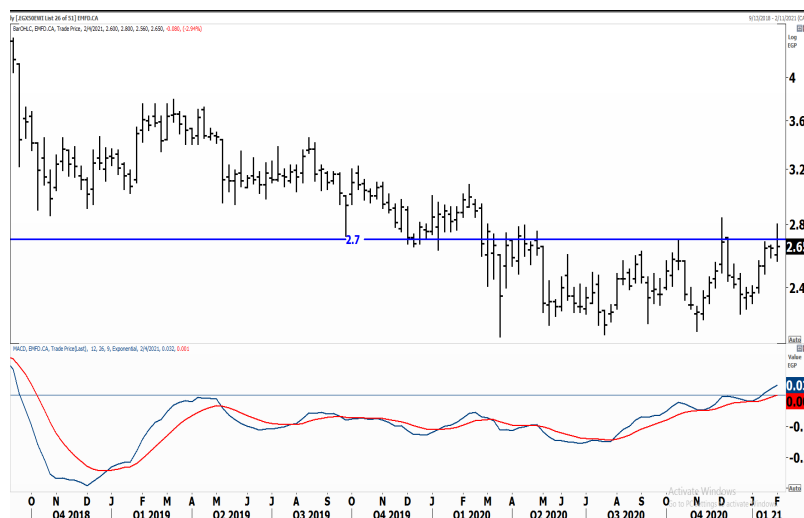
We are bullish on FWRY and are expecting it to continue its major uptrend.

One final note: if the stock breaks below 43.5, it might approach 40 before resuming its major uptrend.

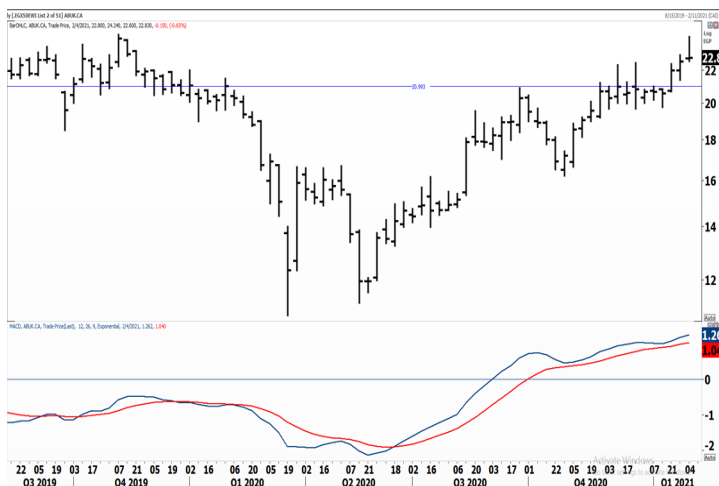
## **EMFD**

The 2.7 is the important resistance to watch for EMFD. The MACD indicator is rising sharply, telling us that the stock will probably break to the upside.

The stock looks very promising and expected to reach the 3.7-3.8 area if the 2.7 level is broken to the upside on a confirmed basis.



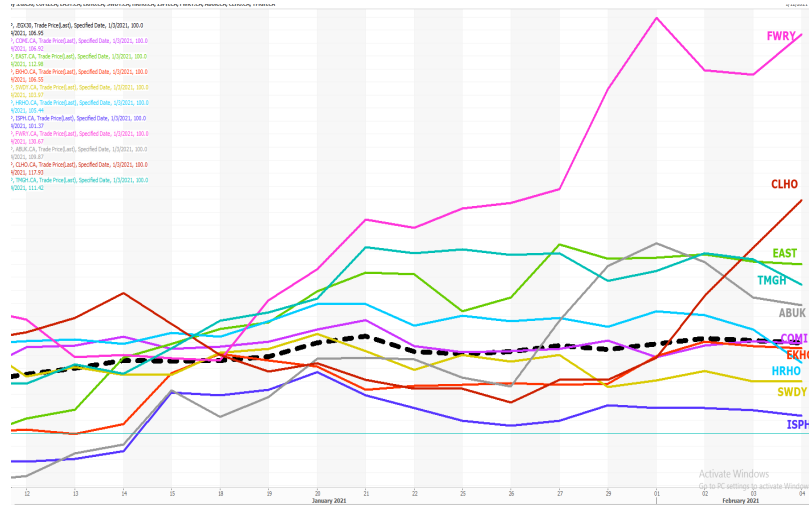
## **ABUK**



One of the fresh EGX 30 stocks; ABUK is witnessing a major uptrend and should be bought at corrections. Thus, a decline from here should be a chance to step in.

The 20-20.5 area is a place where buyers will probably enter. Thus, we can watch the stock as it approaches its support and join at the first rebound.

## Top index weights

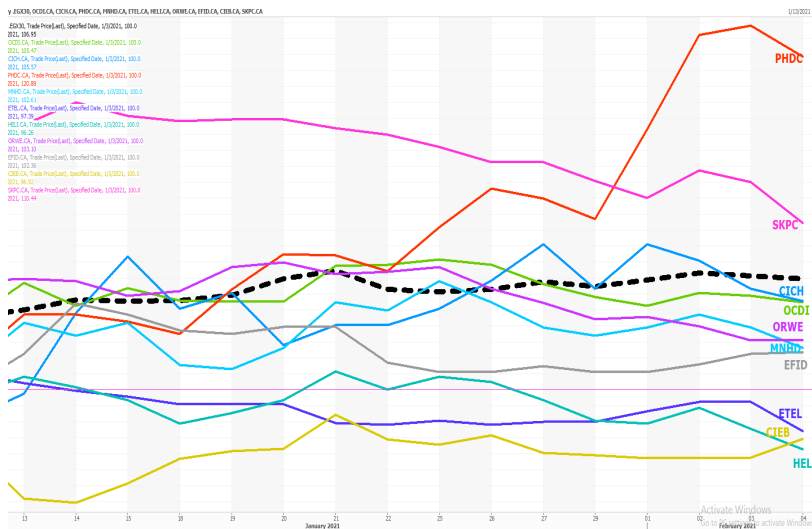


Since the beginning of the year, FWRV is on top of the outperformers, followed by CLHO, which is doing great.

Then comes EAST, TMGH, and ABUK.

The rest of the stocks are underperforming the index.

## Mid Weights

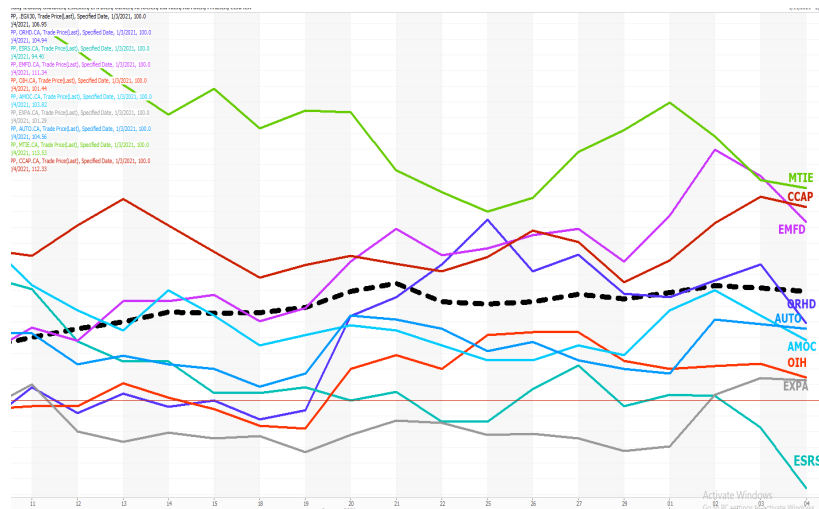


Most of the stocks in this category have a declining relative performance curve with the exception of PHDC which is still maintaining itself.

We recommend investors to wait for the stocks to improve before stepping in.

As we mentioned in our report, the market might witness a correction in the coming period.

## Smallest Weights



MTIE looks good, along with CCAP and EMFD. The rest of the stocks are underperforming and need to witness some strength before stepping into them.

We recommend investors to begin looking at EMFD in the coming period as it is trying to confirm a breakout that will take it to much higher levels.

Stock	10/20 EMA signal	Comments
EGX 30	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
COMI	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
FWRY	Above	Buy signal was triggered during April 2020
EAST	Above	Buy signal was triggered during December 2020
EKHO	Below	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
ABUK	Above	Buy signal was triggered during August 2020
HRHO	Above	Buy signal was triggered during July 2020
TMGH	Above	Buy signal was triggered during November 2020
SWDY	Above	Buy signal was triggered during November 2020
CLHO	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
ISPH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ETEL	Sell	The 10 weeks moving average broke below its 20 weeks counterpart
MNHD	Above	Buy signal was triggered during October 2020
CIEB	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
OCDI	Above	Buy signal was triggered during July 2020
SKPC	Above	Buy signal was triggered during August 2020
CICH	Above	Buy signal was triggered during June 2020
ORWE	Above	Buy signal was triggered in October 2020
EFID	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
HELI	Above	Buy signal was triggered during August 2020
PHDC	Above	Buy signal was triggered during August 2020
AMOC	Above	Buy signal was triggered during December 2020
ESRS	Above	Buy signal was triggered during September 2020
CCAP	Buy	The 10 weeks moving average just broke above its 20 weeks counterpart
MTIE	Above	Buy signal was triggered during August 2020
AUTO	Above	Buy signal was triggered during September 2020
ORHD	Above	Buy signal was triggered during December 2020
OIH	Above	Buy signal was triggered in August 2020
EMFD	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
EXPA	Above	Buy signal was triggered during July 2020

*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.

N.B.

Stocks that are “Above” in the table gave a buy signal sometime ago; those who followed our intermediate-term recommendations and held these stocks based on moving averages system, are making very significant performance. We will show you later the profits that can be done by using a buy and hold strategy with stocks that trigger moving averages signals.

## Disclaimer

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