

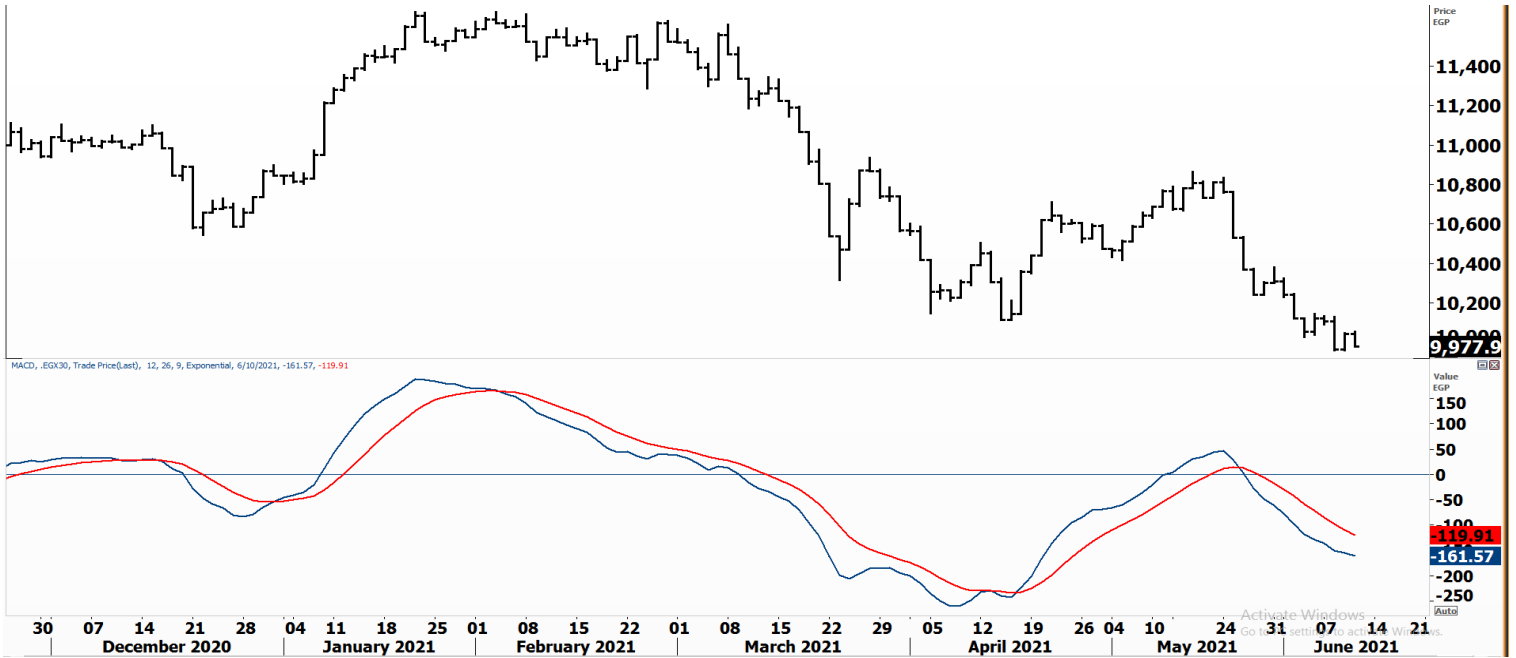


PIONEERSECURITIES

Weekly Overview

13–June 2021

This report must be read with the disclaimer
on last page



Despite that many stocks in the EGX 30 are trying to perform well, the index is still affected by the heavy weight of CIB, which is doing nothing but being a heavy burden on the index and on the Egyptian Market overall.

If we look at the index itself, we will see that it is witnessing a marginal lower low between April and June, while the MACD indicator is forming a potential higher low; thus, if we see a positive crossover on the MACD, this will be considered as a positive signal on the short-term.

In other words, we believe that the current marginal lower low will probably be a whipsaw and the market will rebound from here; this means that CIB will also begin to rebound from its level, at least on the short-term

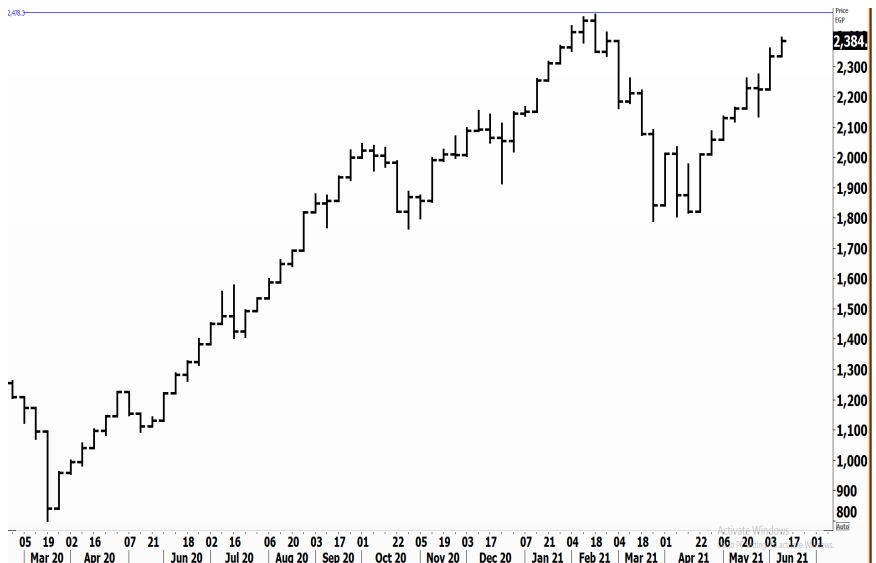
If the EGX 30 rebounds from current levels, as we are expecting, it might approach 10,700-10,800 once again.

EGX 70 Index/ Weekly Chart

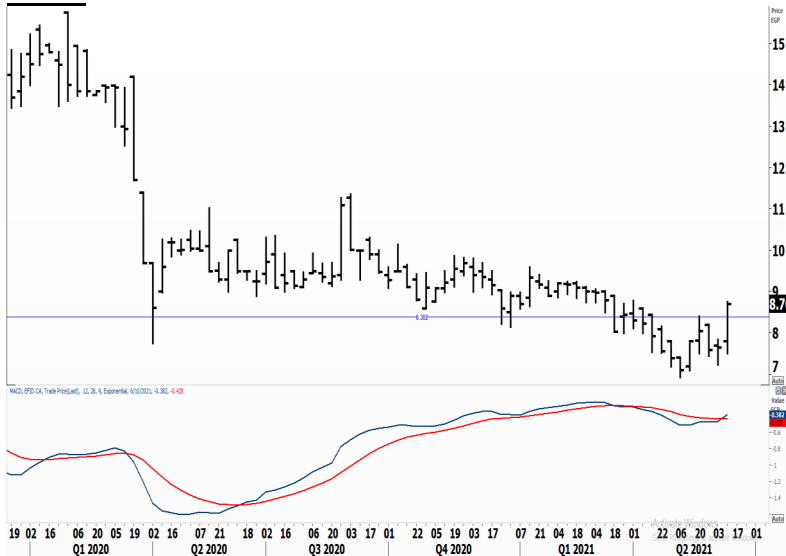
The EGX 70 is still the outperformer, and its stocks are clearly outperforming blue chips.

It is important, however, to know that the index is approaching its major peak that lies at 2,480. This is an important peak that should be watched.

Our advise is to reduce exposure at these levels and see how the index will react. If a correction takes place, investors will be able to enter once again at better price. On the other hand, if a breakout takes place, a new re-entry signal will be triggered.



EFID



EFID broke 8.4 and confirmed its breakout on a weekly basis, closing at 8.7 at the end of the week. The only problem with the stock is its low liquidity which needs to improve.

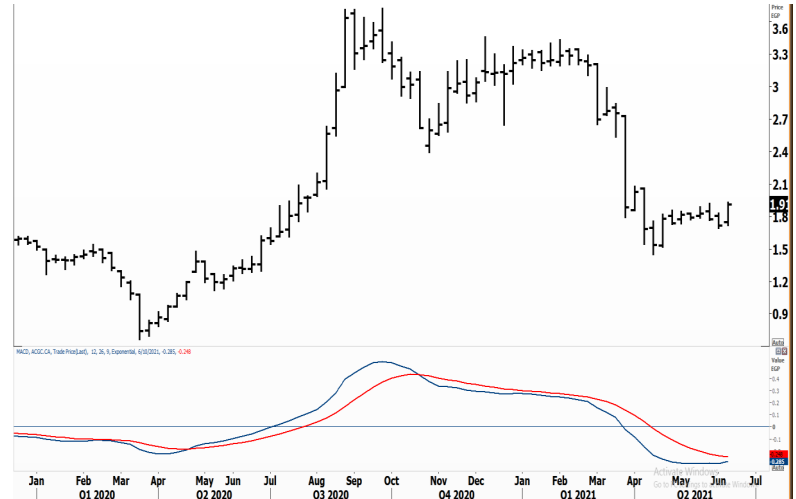
EFID looks strong and is expected to reach 10 initially.

ACGC

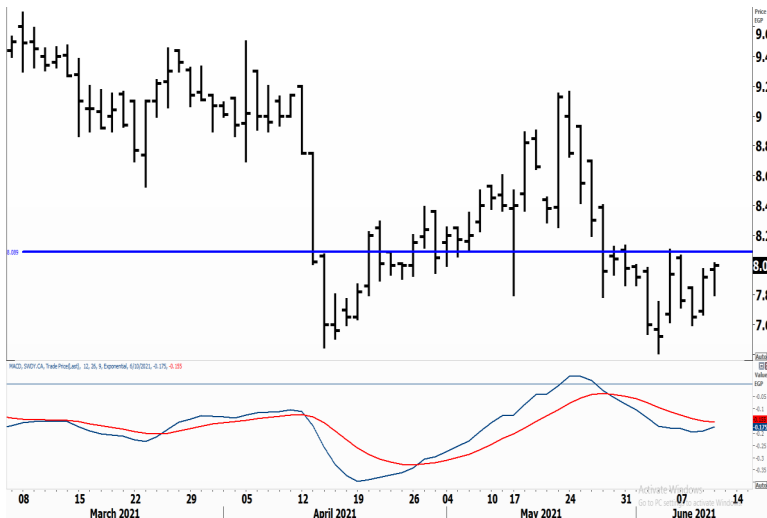
ACGC looks good on the weekly chart and is probably preparing itself for a big rise. The weekly MACD indicator is also on the verge of signaling a positive crossover, which will have a bullish effect.

If the stock rises from here and breaks its current resistance, a strong rise will probably follow, which will lead ACGC near 2.5.

Those who are out of the stock can step in with a stop below 1.7.



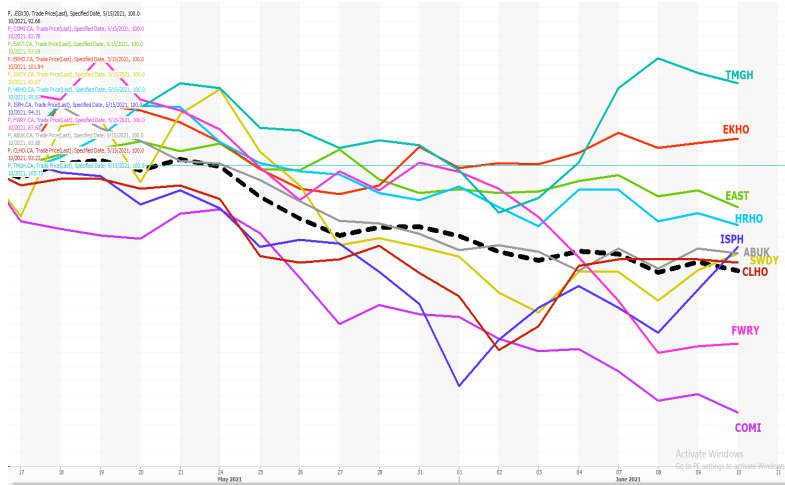
SWDY



A breakout above 8.1 will trigger a buy signal with a target around 9. SWDY looks good and is expected to break above this minor peak. Those who want to enter can buy with a stop below 7.6.

The 9 resistance level will be the next important resistance to watch.

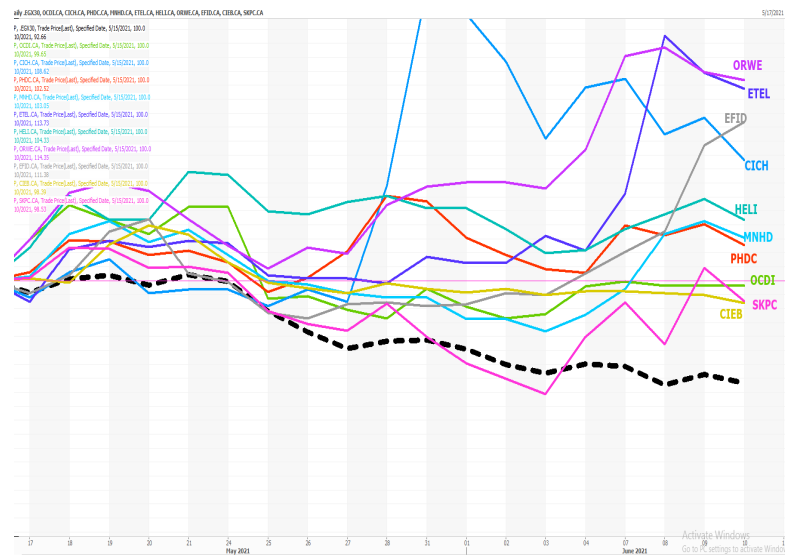
Top index weights



Because of the current weak performance of CIB and FWRY, most of the stocks are outperforming the index except those two stocks.

TMGH is on top, followed by EKHO. It is also important to watch ISPH, ABUK, and SWDY as they began to have a rising relative performance curve.

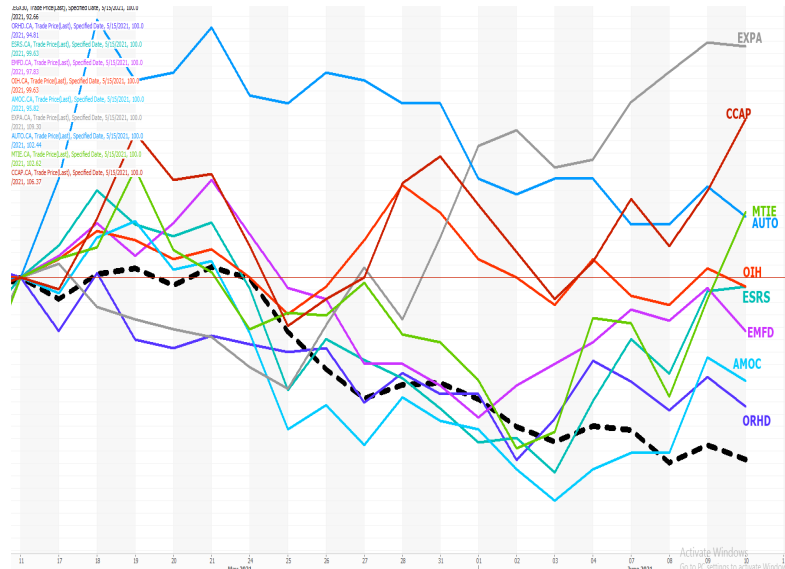
Mid Weights



All stocks in this category are doing better than the EGX 30. ORWE and ETEL are on top, then comes EFID, which began to witness significant improvement in its relative performance curve.

We like ODCI because it possesses a low volatile curve, which means that its performance is stable.

Smallest Weights



EXPA is on top, followed by CCAP, which began to show strong performance. We also like AUTO which is maintaining its performance.

MTIE is strong but with high relative performance volatility, while OIH and ESRS are maintaining themselves well.

| Stock | 10/20 EMA signal | Comments |
|--------|------------------|--|
| EGX 30 | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| COMI | Below - | The 10 weeks moving average is below its 20 weeks counterpart |
| FWRY | Above | Buy signal was triggered during April 2020 |
| EAST | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| EKHO | Above | Buy signal was triggered during August 2020 |
| ABUK | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| HRHO | Below - | The 10 weeks moving average is below its 20 weeks counterpart |
| TMGH | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| SWDY | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| CLHO | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| ISPH | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| ETEL | Below + | The 10 weeks moving average is almost breaking its 20 weeks counterpart upwards |
| MNHD | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| CIEB | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| OCDI | Above | Buy signal was triggered during July 2020 |
| SKPC | Above | Buy signal was triggered during August 2020 |
| CICH | Below | The 10 weeks moving average is below its 20 weeks counterpart |
| 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 | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| PHDC | Above | Buy signal was triggered during August 2020 |
| AMOC | Below | The 10 weeks moving average is almost breaking its 20 weeks counterpart upwards |
| ESRS | Above | Buy signal was triggered during September 2020 |
| CCAP | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| 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 | Below | The 10 weeks moving average is still below its 20 weeks counterpart but approaching it |
| EXPA | Below + | The 10 weeks moving average is almost breaking its 20 weeks counterpart upwards |

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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