

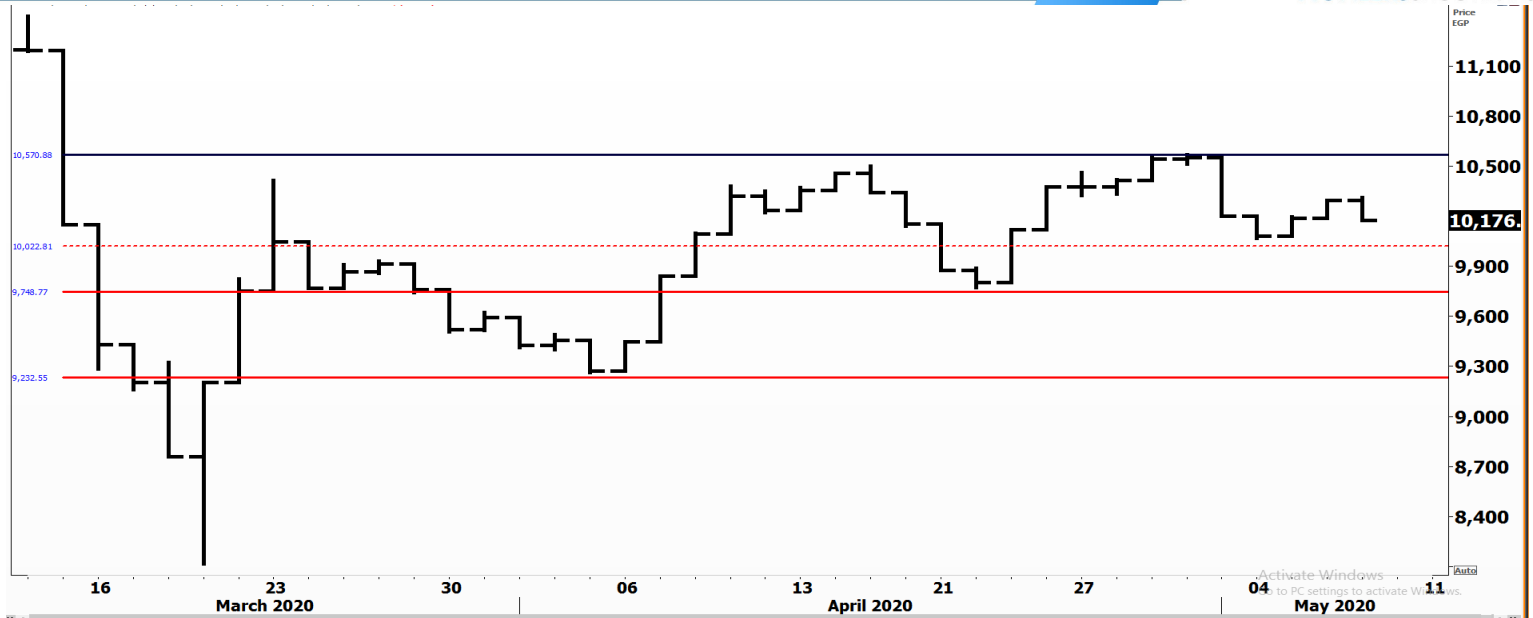


PIONEERSECURITIES

Weekly Overview

10–May 2020

This report must be read with the disclaimer
on last page



We have multiple stops to watch, where each of them suits a different kind of investor. First stop lies at 10,000; this stop suits very short-term investors, or those who cannot bear any more losses. Those short-term investors can place their stop below the closest bottom that lies around 10,000. Next, the 9,800 level, and this is also a short-term stop but can be used by investors who can bear some losses and who are ready to hold onto their shares for an additional time, risking a bigger loss if the second top is hit. It is worth noting that the 9,800 level is a more significant stop and its violation will be significant for the short-term picture.

Third stop lies at 9,250, and this is the stop that is more suitable to position holders who will not sell with losses until the market confirms clearly its weakness. The main disadvantage of this level is that it is too far away from here, and will lead to more losses. This stop should be used by high net worth investors who understand their risk and whose portfolios will not be affected seriously by keeping their stops far away. Some investors can use a mix of these stops.

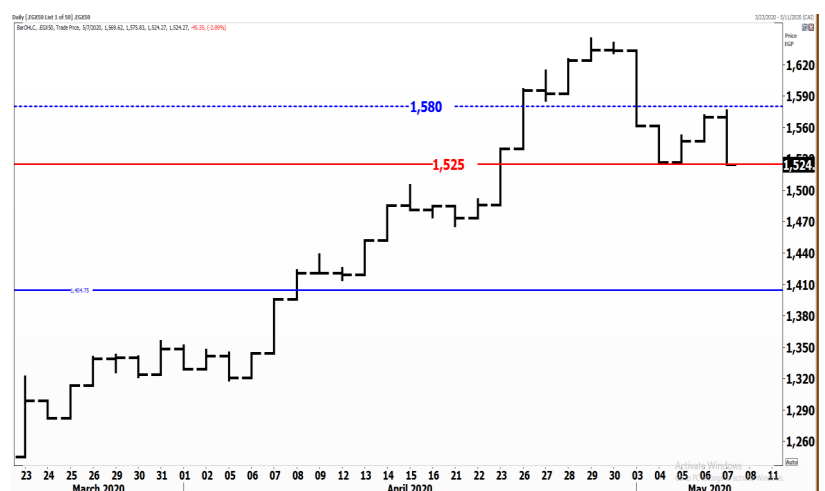
We wanted to bring the risk part this week to understand all our levels and know how to deal with them. We will talk about the market upward potential in our EGX 50 analysis.

EGX 50 Index Weekly Chart

The break below 1,525, if confirmed, will bring bad news for short-term investors. Such break will probably be accompanied by a violation of the 10,000 on the EGX 30 index. If the EGX 50 confirms the 1,525 violation, it will probably approach 1,400. This will be considered as a big decline. Thus, position holders are recommended to place their stop below 1,525.

As for re-entry, a break above 1,580 will trigger a new buy signal. Based on the current volatility, we might see such a breakout, but Thursday's selling pressure was strong and is telling us that they will continue selling this week.

Unfortunately, Thursday's decline ruined a bit the short-term bullish picture that we were expecting. If you recall, we mentioned in our daily reports that Wednesday and Thursday are key days because the market should witness its breakout in those two days. The inability of our market to break on Thursday is a bearish sign for the market; this will only be confirmed if we continue our decline today.



EKHO



EKHO looks better than most of the EGX 30 stocks as it is still respecting its uptrend. The 0.96 level is the next support.

Those who are holding positions can place their stop below this level. As long as EKHO is trading above 0.96 we can hold it.

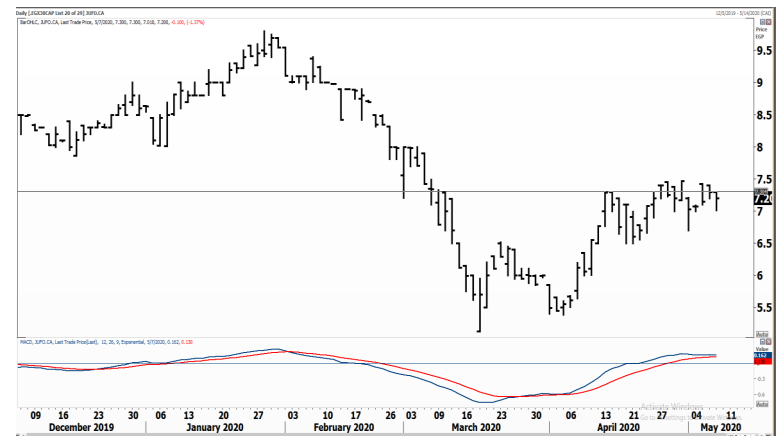
On the other hand, if a rebound occurs from current levels a buy signal will be triggered with a target around 1.15.

JUFO is currently one of the outperformers as it is maintaining itself well despite the market panic that occurred on Thursday.

The stock has resistance at the 7.3-7.5 area. A breakout above this resistance will trigger a new buy signal with a target around 8.5.

On the other hand, the 6.5 level is our support. If JUFO approaches this support it will probably trigger a buy signal at the next rebound.

JUFO



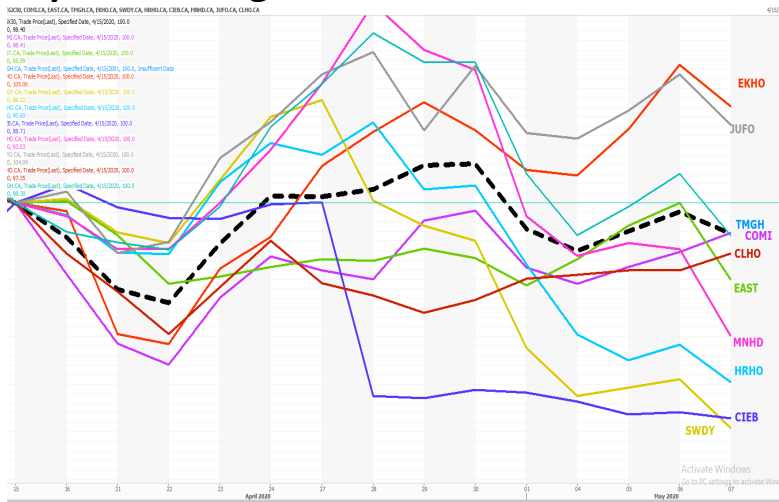
ISPH



ISPH broke its resistance that lies at 8 and confirmed this breakout on a weekly basis. If the stock maintains itself this week it will probably reach 9.5.

Those who are interested in ISPH can buy dips as the stock will probably outperform in case the market continues its weakness.

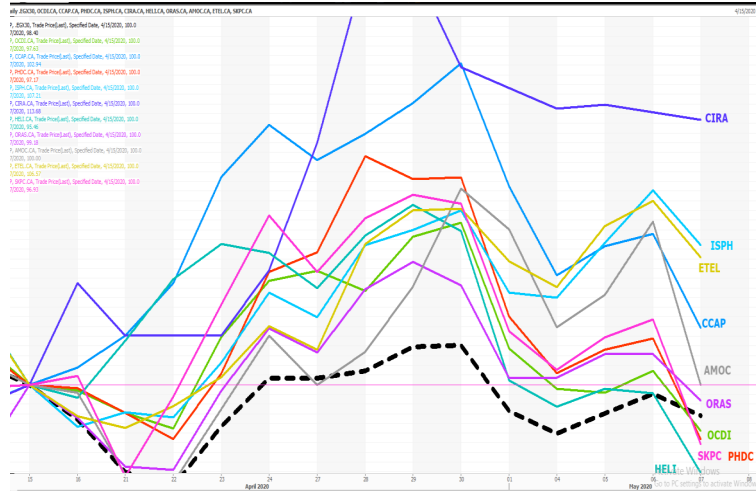
Top index weights



Honestly speaking, the sudden changes in relative performance curves that happened in only one week was not expected. For example, we were not expecting to see HRHO in the bottom three after it was fighting to be number one the past few weeks. We were also not expecting SWDY to be the worst performer, probably in the whole index.

As for outperformers, EKHO and JUFO are on top, as we were mentioning before, followed by TMGH, COMI and CLHO which are market performers.

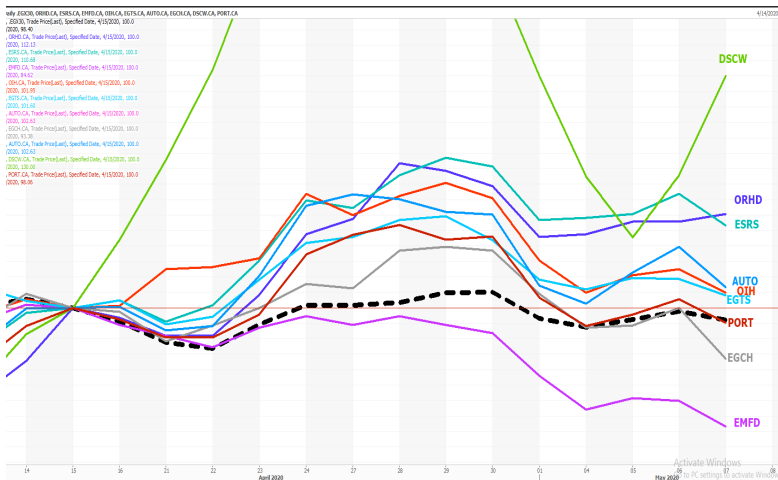
Mid Weights



With the exception of CIRA, all stocks witnessed a big decline in their relative performance curves. Unfortunately, HELI witnessed a dramatic fall in its relative performance curve unexpectedly. The best performers are CIRA, ISPH, and ETEL. The rest of the stocks look bad.

We have to wait and see what will happen in the next few days before taking any new investment decisions. As we mentioned in our analysis, we are trading within critical levels that should be monitored closely.

Smallest Weights



DSCW is still the best performer, followed by ORHD. Then comes ESRS. Same outperformers kept their strength. Nothing changed from the past few weeks in this category of stocks. DSCW, however, is now very volatile and not recommended.

As for the rest, AUTO, OIH, and EGTS are moving laterally and do not look bad; PORT also is currently performing like the index.

If we look at these curves we will note that they are clearly outperforming the heavier weights stocks.

Stock	10/20 EMA signal	Comments
EGX 30	Below	The 10 weeks moving average is still below its 20 weeks counterpart
COMI	Below	The 10 weeks moving average is still below its 20 weeks counterpart
EAST	Below	The 10 weeks moving average is still below its 20 weeks counterpart
EKHO	Below	The 10 weeks moving average is still below its 20 weeks counterpart
TMGH	Below	The 10 weeks moving average is still below its 20 weeks counterpart
HRHO	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
SWDY	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CLHO	Below	The 10 weeks moving average is still below its 20 weeks counterpart
CIEB	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 but approaching it
MNHD	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ETEL	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ISPH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CIRA	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ORAS	Below	The 10 weeks moving average is still below its 20 weeks counterpart
OCDI	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CCAP	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
SKPC	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
PHDC	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
AMOC	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
AUTO	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ESRS	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ORHD	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
EMFD	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
OIH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
EGTS	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
EGCH	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
PORT	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
DSCW	Above	Buy signal was triggered in early April 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.

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