

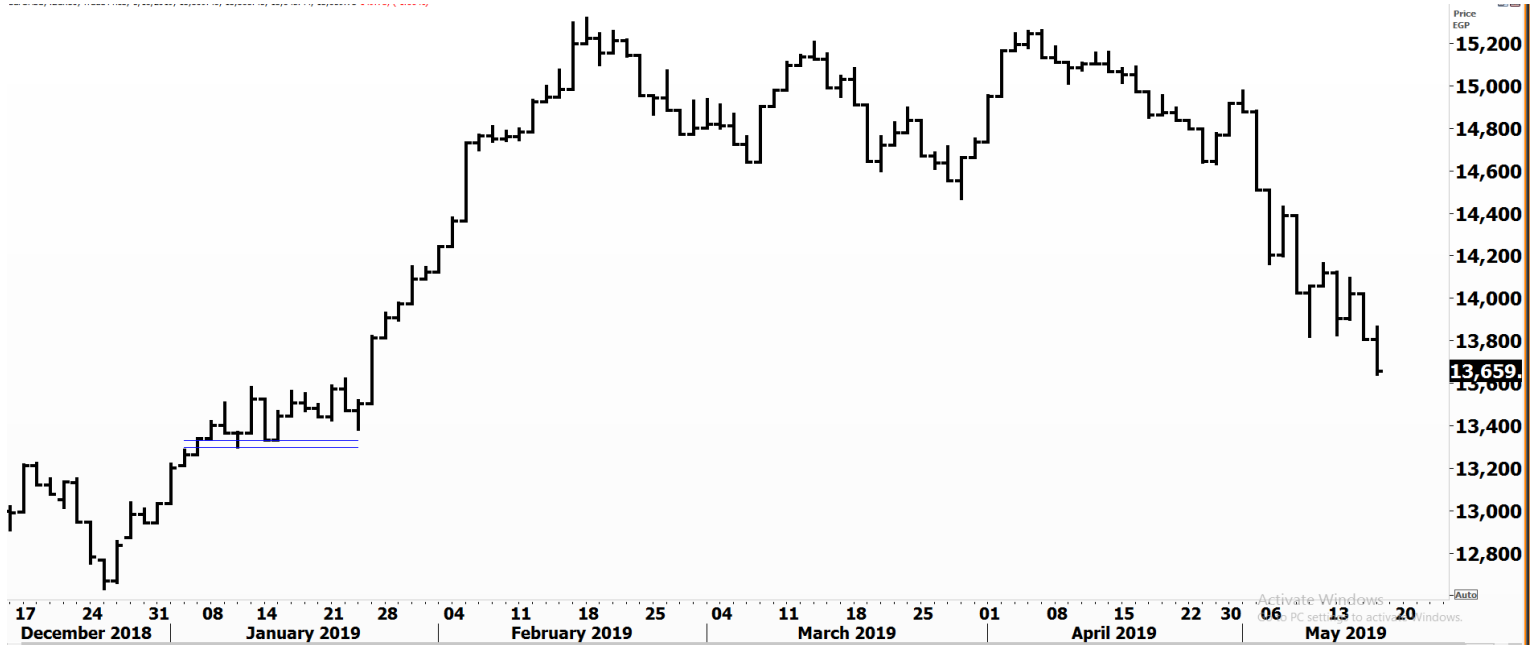


PIONEERSECURITIES

# Weekly Overview

19–May 19

This report must be read with the disclaimer  
on last page



Last week was tough to all market participants as the market did not show any signs of strength; the week began with a slight rise, then the index declined for the rest of the week to close on Thursday below 13,800.

The break below 13,800 is a negative action, but we believe that a renewed rebound is still very possible, even if it occurs from slightly lower levels. Our target, after the break below 13,800 was set at 13,200; based on the current market sentiment, however, that became very pessimistic, we think that a rebound can occur even before the index reaches 13,200. Usually, when people's sentiment deteriorates rapidly in a short period of time a rebound should occur.

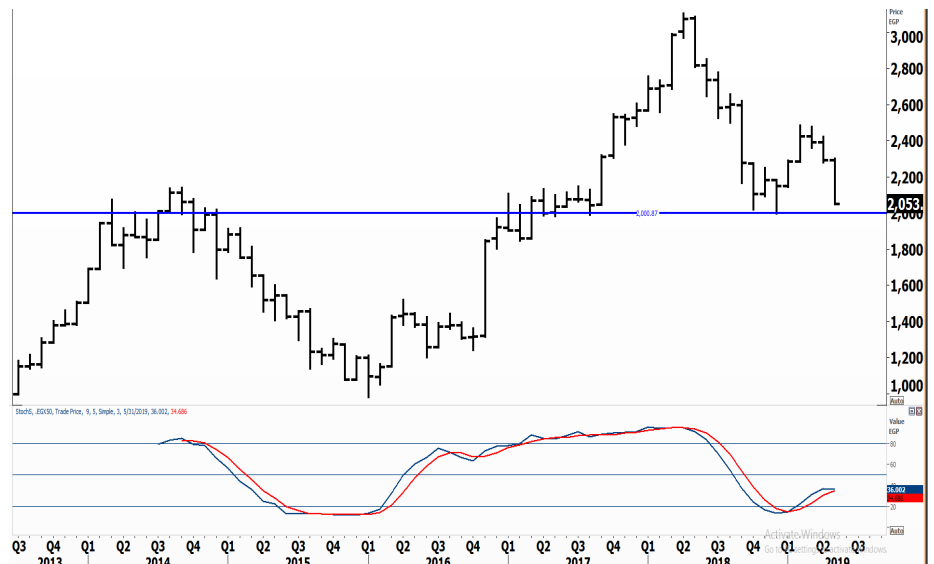
The main problem of our market is the lack of liquidity; investors are just watching around, and those who have margin calls are forced to sell. If buyers step in, the next short-term rise will be significant.

Our recommendation is to wait for the market to move back above 13,800; this will create a short-term trading opportunity; with our target at 14,500.

## EGX 50 Index/ Monthly Chart

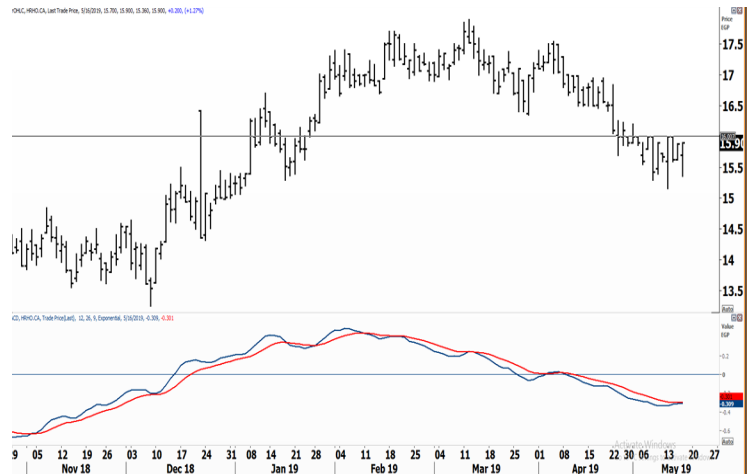
The EGX 50 index is reaching a very important and major level that appears on the monthly chart. A break below 2000 will be very bearish for the market. We believe, however, that a rebound should occur from here. Such a rebound will probably create a lower high formation, but at least, will create short-term trading opportunities.

Those who are still heavily invested should reduce their exposure if the market rebounds from here.



It is important to note that the stronger resistance will appear near 2.6-2.65 as it constitutes the neckline of a previous head and shoulders.

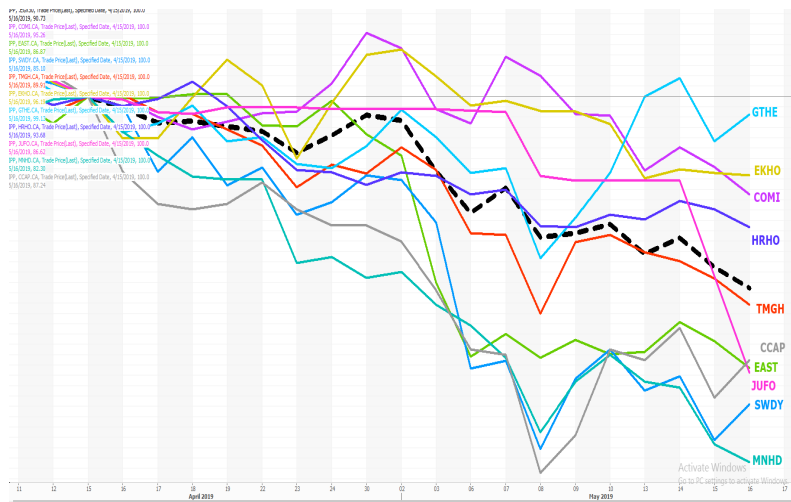
The MACD indicator is also on the verge of forming a positive crossover; such a buy signal will confirm the price breakout.

***HRHO***

**OIH**

OIH is one of the socks that witnessed severe declines. The stock fell from 0.85 to 0.5 in only 2.5 months. Such a decline will obviously have its effect on the intermediate-term picture of the stock. On the short-term, however, OIH began to stabilize and is probably preparing itself for a minor breakout above 0.535; only a break above this level will trigger a short-term buy signal and our target will be set near 0.6.

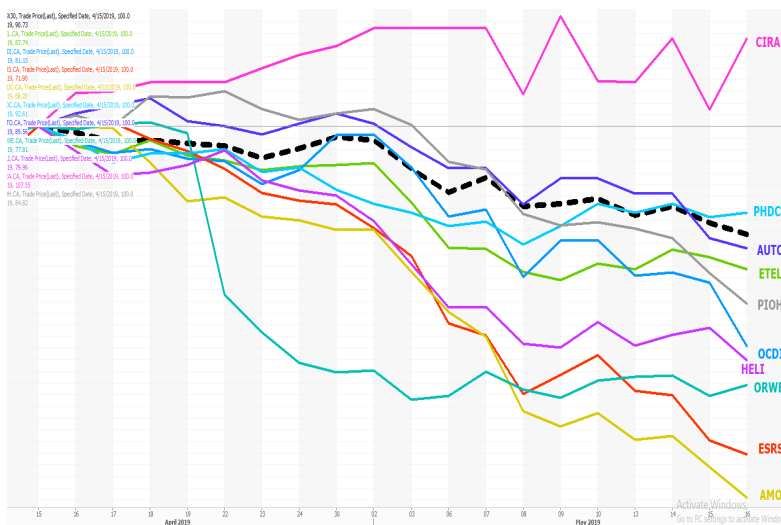
## Top index weights (3% and above)



The number of stocks that are moving above the EGX 30's relative performance curve increased slightly. This can be considered as good news, but we obviously still need to see more concrete strength in the market.

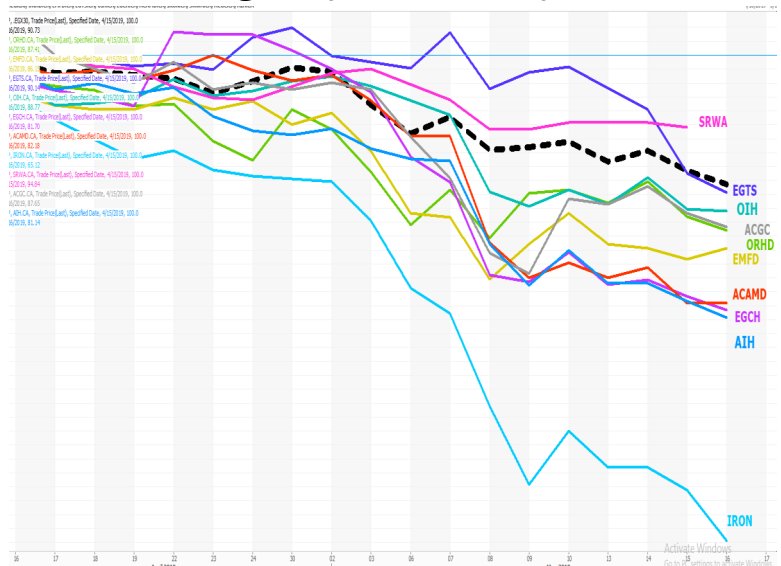
HRHO began to show better performance and it looks like it will begin to outperform, at least for sometime. GTHE and EKHO are still doing well while COMI began to lose some ground.

## Mid Weights (above 1.5%)



CIRA is still on top, then comes PHDC which began to show better performance. The rest of the stocks are below the EGX 30 relative performance curve. AUTO and ETEL are the closest but the rest of the stocks are currently in their underperformance phase.

## Smallest Weights (below 1.5%)



Only SRWA is moving above the EGX relative performance curve in this category of stocks, while the rest are still underperforming.

EGTS and OIH are slightly below the EGX 30, then comes ACGC and ORHD.

Out of these stocks, we are more biased to OIH which is trying to maintain itself.

Stock	10/20 EMA signal	Comments
EGX 30	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (13th week)
COMI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (13th week)
EAST	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (4th week)
SWDY	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
TMGH	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (15th week)
EKHO	Above	Buy signal was triggered in mid Jan 2019
GTHE	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (15th week)
HRHO	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
JUFO	Above	Buy signal was triggered in mid Jan 2019
MNHD	Below	The 10 weeks moving average is still below its 20 weeks counterpart
CCAP	Above	Buy signal was triggered on the 17th of August 2017
ETEL	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (19th week)
OCDI	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
ESRS	Below	The 10 weeks moving average is still below its 20 weeks counterpart
AMOC	Below	The 10 weeks moving average is still below its 20 weeks counterpart
PHDC	SELL	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
AUTO	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ORWE	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
HELI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (9th week)
PIOH	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (13th week)
ORHD	Above	Buy signal was triggered in the first week of December 2018
EMFD	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
EGTS	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
OIH	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
EGCH	Above	Buy signal was triggered in the first week of December 2018
ACAMD	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
IRON	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ACGC	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered
AIND	SELL*	The 10 weeks MA Broke below the 20 weeks MA/ Buy signal triggered

Stock	10/20 EMA signal	Comments
ISPH	Above	Buy signal was triggered in the first week of January 2019
EFID	Above	Buy signal was triggered in the first week of March 2019
ORAS	Below	The 10 weeks moving average is still below its 20 weeks counterpart
SKPC	Below	The 10 weeks moving average is still below its 20 weeks counterpart
ABUK	Below	The 10 weeks MA is almost breaking above the 20 weeks MA/ watch closely
PORT	Below	The 10 weeks MA is below its 20 weeks counterpart but is approaching it
EGAL	Below	The 10 weeks moving average is still below its 20 weeks counterpart

The first page contains the EGX 30 stocks with the exception of CIRA and SRWA which are not in our universe of stocks. The 7 stocks in this page are those that were kicked off the index, but we will keep them in our report so they do not get sad!

*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.*

First let us mention the "Above" stocks, which gave their buy signals a while ago but witnessed significant rises after their buy signals; EKHO, JUFO, CCAP, ORHD, EGCH, ISPH, EFID

## Disclaimer

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