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Weekly Overview

22-May 2022

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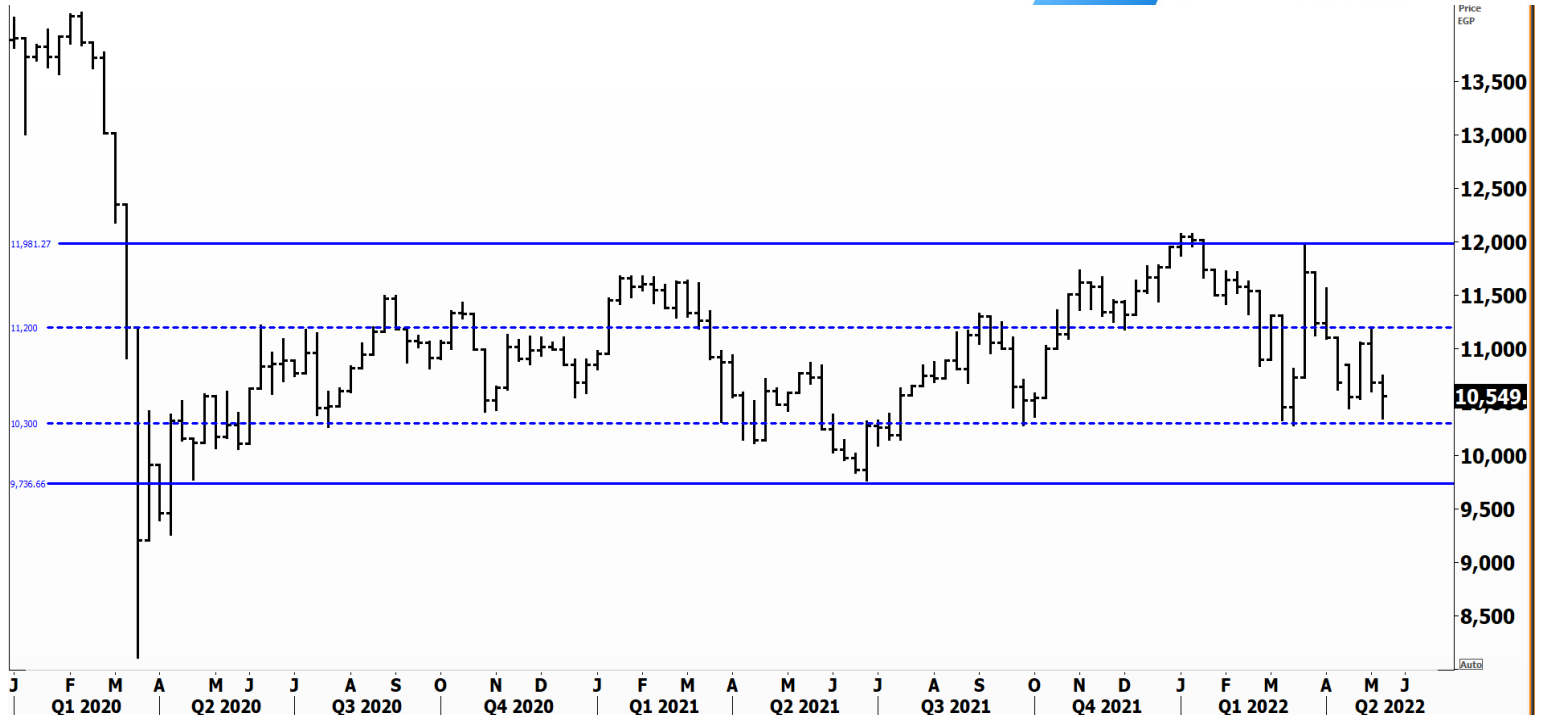
The 9,800—12,000 area is the big trading range; inside this major range, we can depict the 10,300-11,200 area too, and this is the area we are looking at.

The rebound from above the 10,300 level tells us that there is still some hope that we see a short-term rebound, but the confirmation will take place at the 11,200 breakout.

Thursday's CBE decision concerning the interest rates is seen by the crowd as bearish for the market; and despite that we agree that a 200 points raise is bearish for equities, but a big part of this negativity is already discounted in the market. In other words, if the market rebounds this will not come as a surprise because we already fell significantly recently.

We do not, however, recommend stepping in aggressively because the overall situation is still weak. Stops should be placed below 10,300 for those who want to trade here. Investors who will wait for confirmation can step in at the 11,200 breakout.

EGX 50 Index, Daily Chart

If the EGX 50 rebounds from here, this will be seen as a higher low, which will be a positive signal on the short-term. Resistance, however, lies at 1,920-1,930. We recommend waiting for a break above this resistance before stepping in.

A breakout above 1,930 will trigger a confirmed entry signal on the short-term and a significant rise will probably follow.

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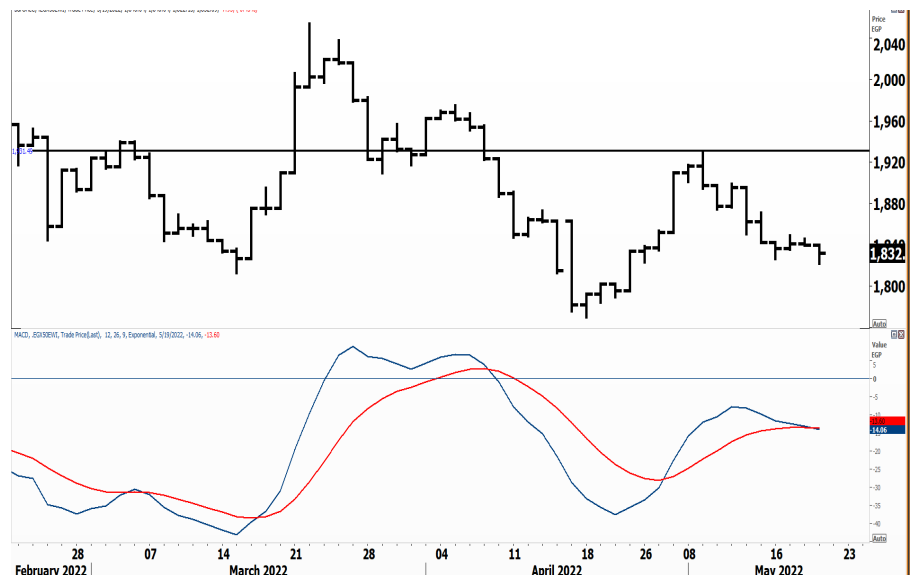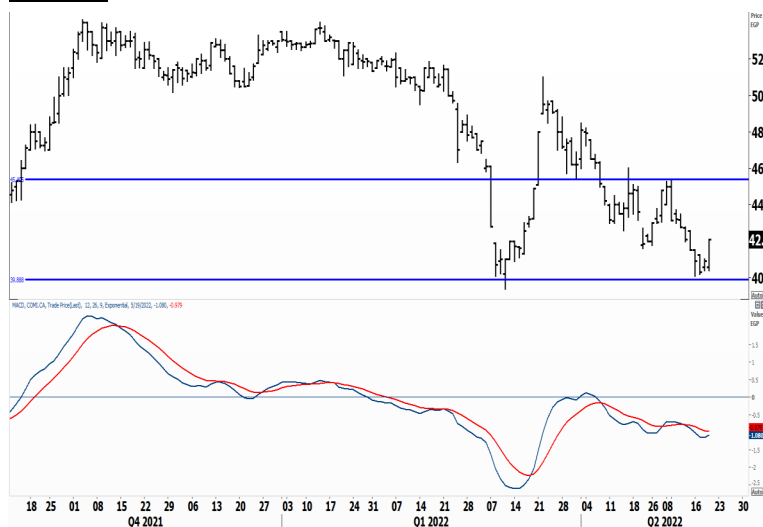
COMI

The stock rebounded from the 40-40.5 area to close above 42 on Thursday. This rebound came from an important place and should lead COMI to 45-46.

Those who want to step in are recommended to place their stop below 40.

ADIB

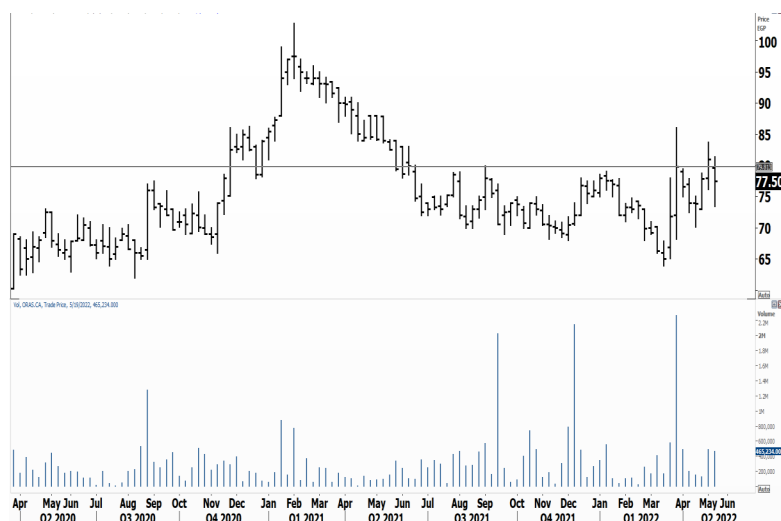A break above 13.3 will trigger an entry signal with a target around 15-15.5.

ADIB looks potentially good, but we need to see the breakout before stepping in.

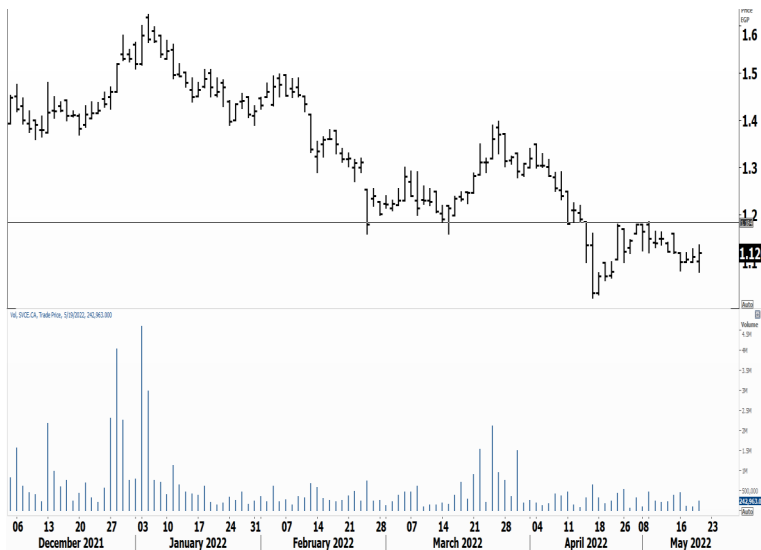We recommend using 12.1 as a stop for any new entry.

ORAS

ORAS is trading within a sideways range with an upper boundary at 79-80. A breakout above this resistance will be bullish for the stock and will probably lead it near 100.

We do not recommend stepping in before the breakout above 80 though.

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SVCE

A break above 1.2 will trigger a short-term entry signal with a target around 1.4.

Those who want to step in are recommended to wait for the break before entering. The stock is currently trading at 1.12 and if it begins to rebound form here it will create a higher low which is bullish for the stock.
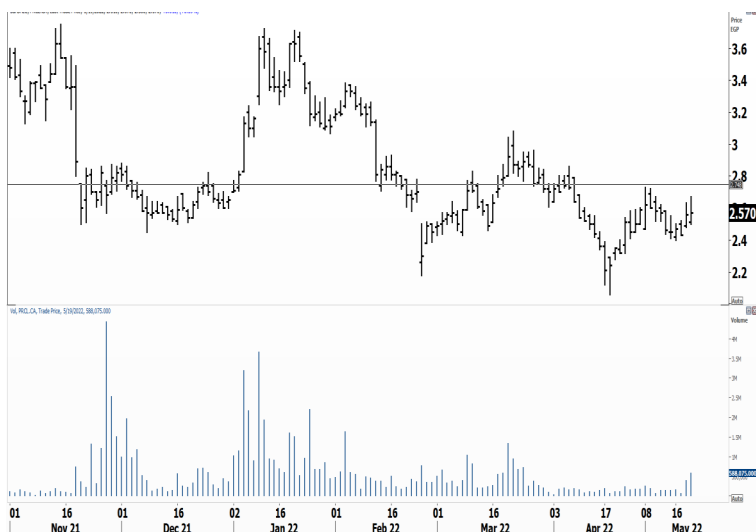
UASG

We need to see UASG trading above 0.7 to enter with confirmation. The stock witnessed high volumes lately and is expected to witness a significant rise in the near future.

Our first target lies around 0.8.
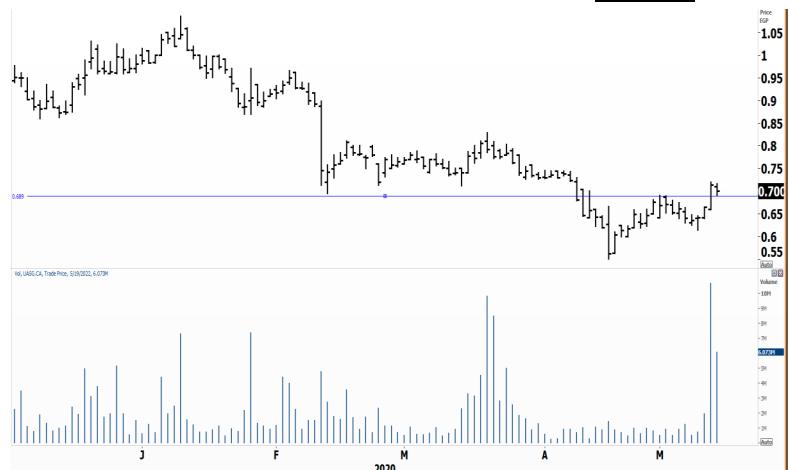
PRCL

PRCL is one of the stocks that can witness a rise if it breaks its resistance level. Those who want to enter can buy at the 2.75 breakout. This break will trigger an entry signal with a minimum target at 3, followed by 3.5.

The stock already created a higher low which is a positive sign for PRCL. A break above 2.75 is our entry signal.
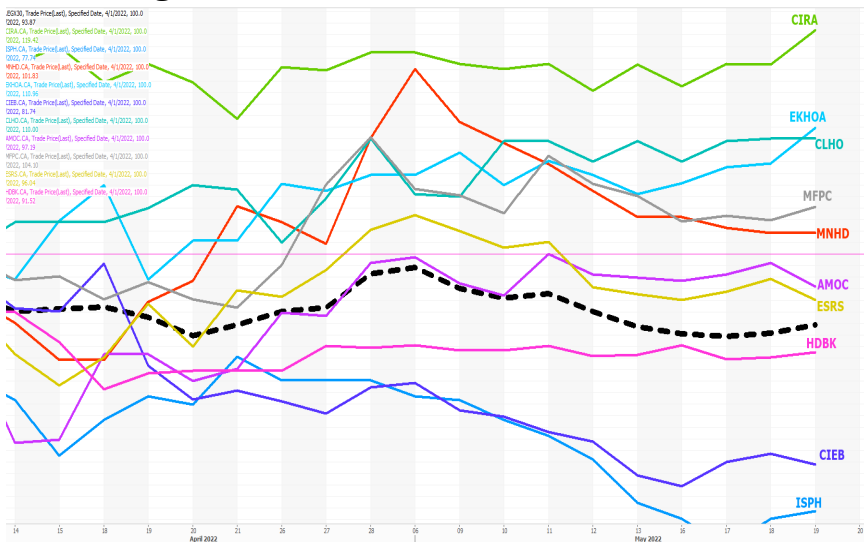
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Top index weights
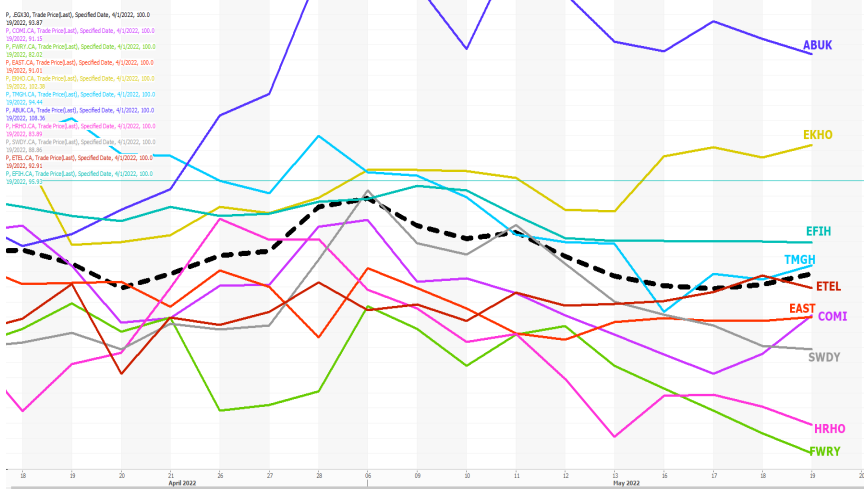
ABUK is still on top as usual followed by EKHO, EFIH, and TMGH.

ETEL also looks good as it is showing improvement in its relative performance curve.
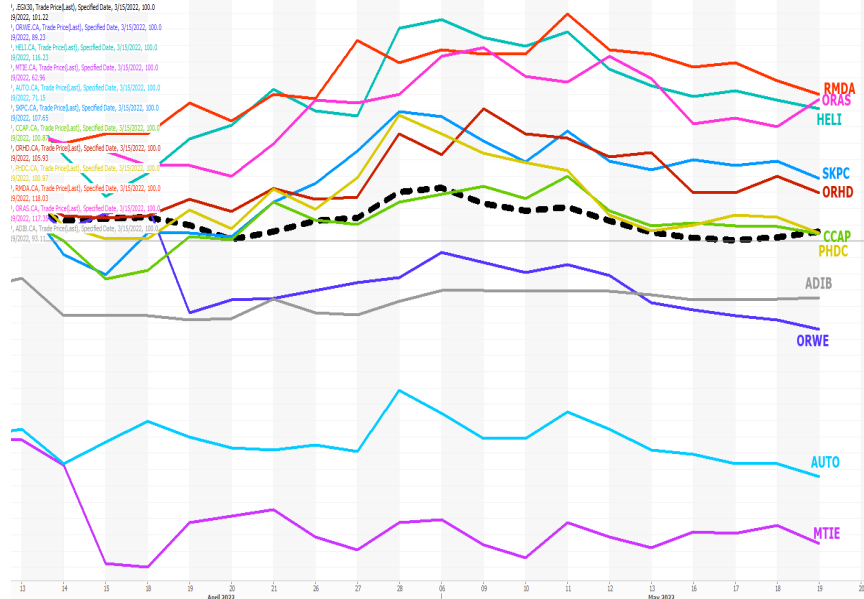
Mid Weights

CIRA is on top, followed by CLHO, and EKHOA. Same stocks are outperforming. These three stocks are relatively good, along with MFPC which is also able to maintain itself.

One of the stocks that is also trying to improve is MNHD.

Smallest Weights

RMDA is on top, followed by ORAS and HELI. This are the three stocks that can be watched for now.

SKPC and ORHD are also showing good performance but need some confirmation.

As we can see, AUTO and MTIE are the two worst performers.

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Stock	10/20 EMA signal	Comments
EGX 30	Below	The 10 weeks moving average broke below its 20 weeks counterpart
COMI	Below	The 10 weeks moving average broke below its 20 weeks counterpart
FWRY	Below	The 10 weeks moving average broke below its 20 weeks counterpart
ABUK	Above	Buy signal was triggered during July 2021
EAST	Below -	The 10 weeks moving average broke below its 20 weeks counterpart
HRHO	Above	Buy signal was triggered during end of August 2020
TMGH	Above	Buy signal was triggered during July 2021
EKHO	Above	Buy signal was triggered during August 2020
EFIH	N.A.	
SWDY	Below	The 10 weeks moving average broke below its 20 weeks counterpart
ETEL	Above	Buy signal was triggered in mid June 2021
EKHOA	N.A.	
CLHO	Above	Buy signal was triggered in November 2021
MFPC	Above	Buy signal was triggered in November 2020
CIEB	Below	The 10 weeks moving average broke below its 20 weeks counterpart
CIRA	Below +	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
HDBK	Below	The 10 weeks moving average broke below its 20 weeks counterpart
AMOC	Below	The 10 weeks moving average broke below its 20 weeks counterpart
ISPH	Below	The 10 weeks moving average broke below its 20 weeks counterpart
ESRS	Above	Buy signal was triggered in Sep 2020
MNHD	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
HELI	Below	The 10 weeks moving average broke below its 20 weeks counterpart
SKPC	Above	Buy signal was triggered during March 2022
AUTO	Below	The 10 weeks moving average broke below its 20 weeks counterpart
PHDC	Below	The 10 weeks moving average broke below its 20 weeks counterpart
ORAS	Above	Buy signal was triggered in May 2022
ORWE	Below	The 10 weeks moving average broke below its 20 weeks counterpart
MTIE	Below	The 10 weeks moving average broke below its 20 weeks counterpart
CCAP	Above	Buy signal was triggered during Feb 2022
ORHD	Below	The 10 weeks moving average broke below its 20 weeks counterpart
RMDA	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ADIB	Below	The 10 weeks moving average broke below its 20 weeks counterpart

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.

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