

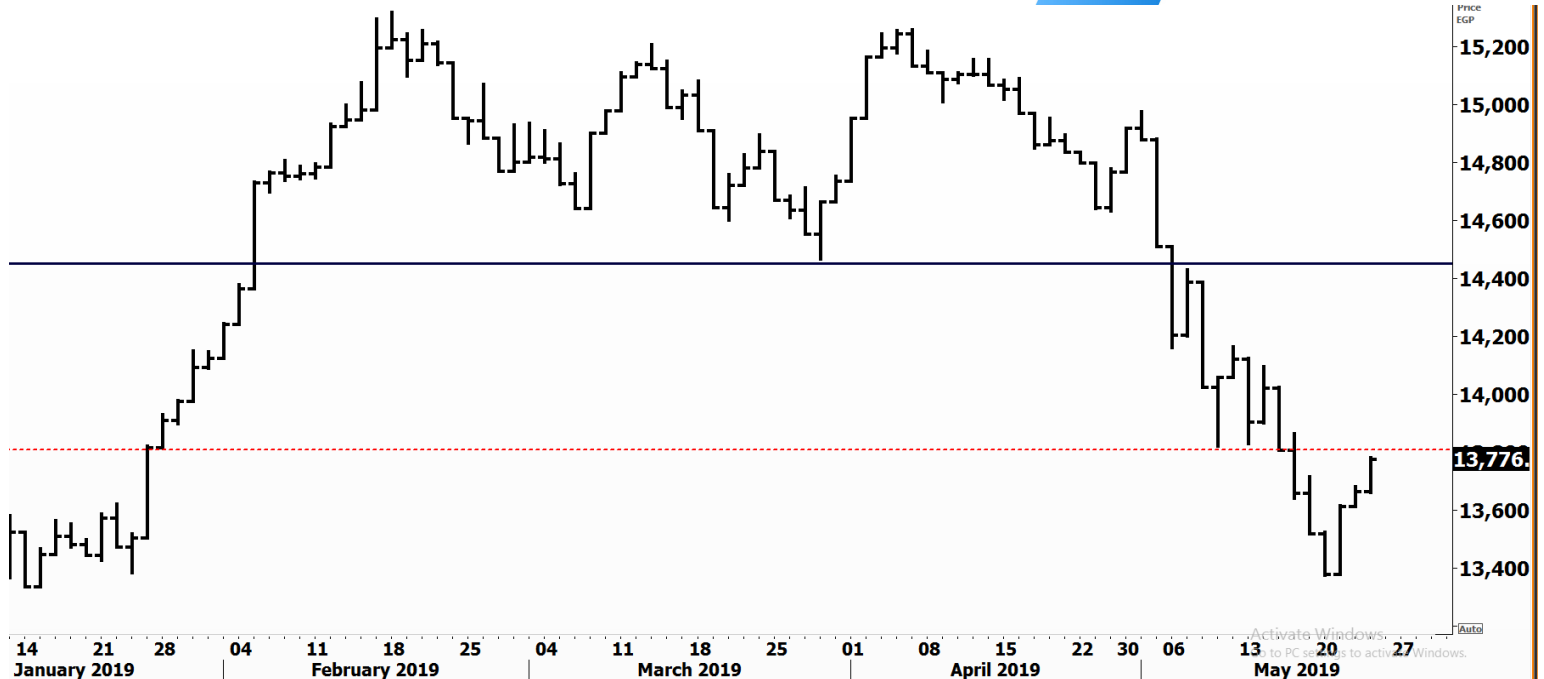


PIONEERSECURITIES

# Weekly Overview

26–May 19

This report must be read with the disclaimer  
on last page



The last three days of the past week witnessed a rebound. Such a rebound, however, despite that it came with more stocks joining this rise, was accompanied by low volumes. Thus, we are considering this rebound as a contra-move which means that the decline should resume.

Our first sign of strength, however, will appear if the index breaks clearly above 13,800 with high volumes; such a breakout will probably lead the EGX 30 near its broken major support at 14,400-14,500. This will be considered as a significant move and the next decline might then create a higher low.

Let us say it in another way, the bigger the amplitude of the current rise, the bigger the probability that the index does not break 13,300 downwards afterwards. If, however, the index begins to decline once again from current levels, the probability of breaking the lows will be high.

## EGX 50 Index/ Weekly Chart

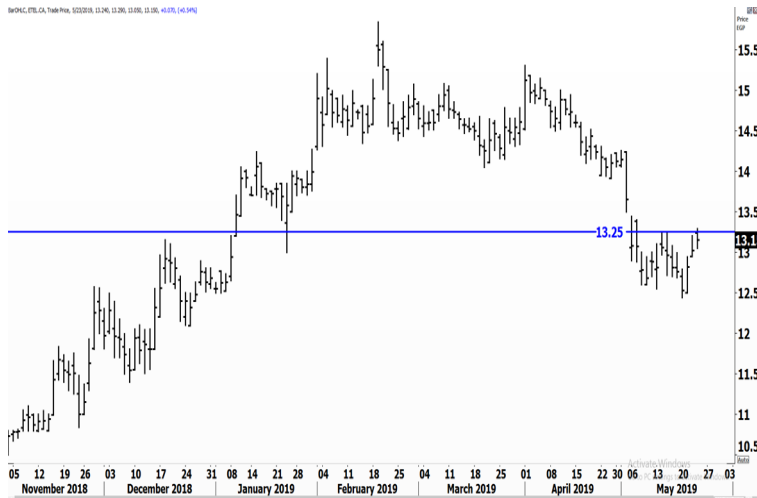
The EGX 50 index witnessed a clear lower high as we can see from this weekly chart. Such a lower high is considered significant as any confirmed break below the bottom that lies at 2,000 will be an intermediate-term bearish signal, which will lead the market to significantly lower levels.

The ability of the index to rebound from this support is a natural phenomenon and is not yet a bullish sign until volumes begin to appear and the rebound takes a sharper shape.

We reiterate our view that the market still needs to continue its current rise with higher volumes. If we decline from here, lower lows will probably come quickly.



## ETEL



The 13.25 is the current minor resistance for ETEL. A break above this level will trigger a short-term buy signal and our target will be set near 14.25.

Those who are out of the stock can buy at the 13.25 breakout with an initial stop below the low of the breakout day.

## ECAP

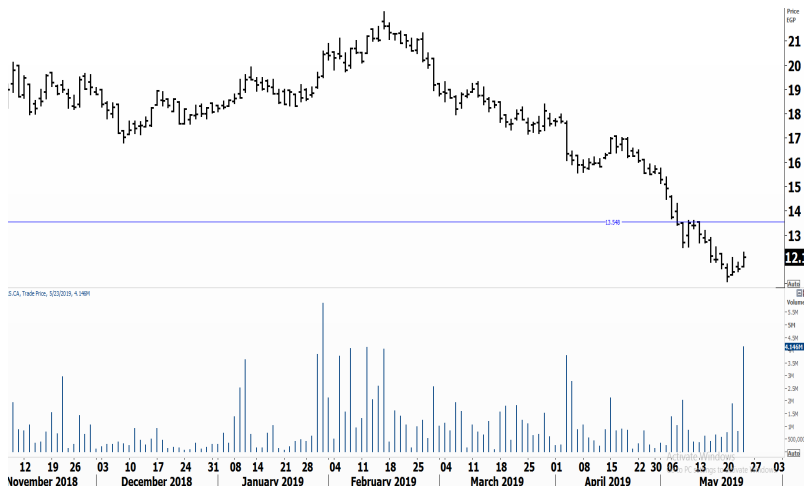
ECAP is one of the underrated stocks despite that it is one of the best performers in the Egyptian Market. The main problem with ECAP is its liquidity, but apart from that, the stock is an outperformer, and also one of the important defensive stocks in the market.

Position holders are recommended to keep the stock as long as it is trading above 13.5; we are still expecting the current major uptrend to continue.

The higher lows and higher highs are apparent on the weekly chart, and market dips should be taken as a chance to add to positions.



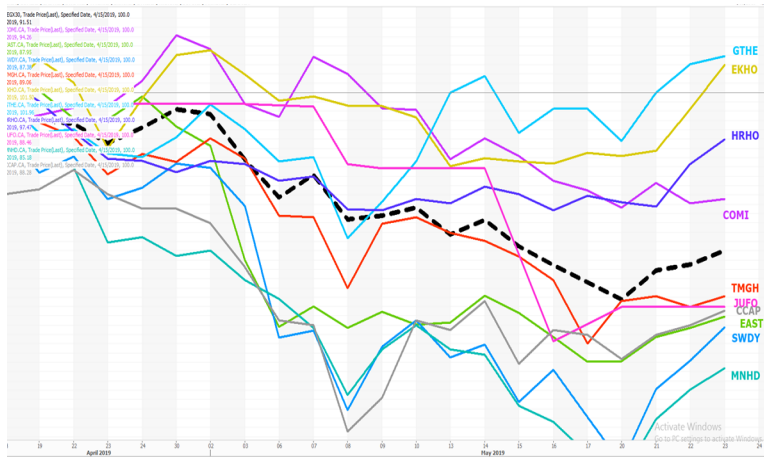
## ESRS



As we all know, ESRS is one of the worst performers in the market; the stock declined sharply recently and might witness a short-term rebound if the market continues its current rise. We are not getting bullish on the stock, but we can see a potential trading opportunity between 12 and 14.

Thus, those who want to step in for short-term trading can do so by using 13.5 and 14 as their upward targets and a stop below 11.1.

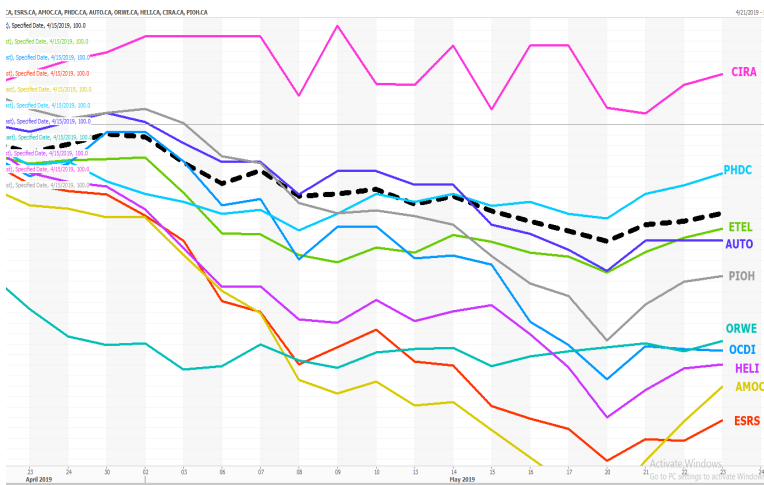
## Top index weights (3% and above)



GTHE, EKHO, and HRHO are currently the top three, followed by COMI, which lost some of its luster as we expected in our previous reports.

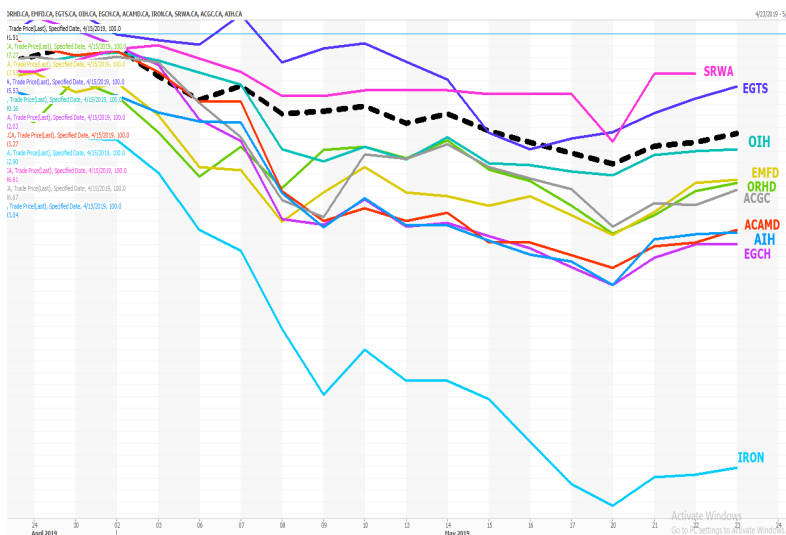
These four stocks are outperforming the index. As for underperformers, TMGH is trying to improve once again.

## Mid Weights (above 1.5%)



CIRA is still on top, then comes PHDC which is currently outperforming the index. As for the rest, ETEL and AUTO are moving very close to the EGX 30's relative performance curve; the rest are still in the underperformance phase.

## Smallest Weights (below 1.5%)



In this category of stocks, SRWA and EGTS are outperformers. It is worth noting that EGTS is maintaining itself well despite the strong market decline that occurred in the past few weeks. Then comes OIH, which began to show significant improvement in its performance. As for the rest of the stocks, we are waiting for more improvement in their relative performance curves.

Stock	10/20 EMA signal	Comments
EGX 30	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (14th week)
COMI	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (14th week)
EAST	BUY	The 10 weeks MA Broke above the 20 weeks MA/ Buy signal triggered (5th 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 (16th 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 (16th 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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