

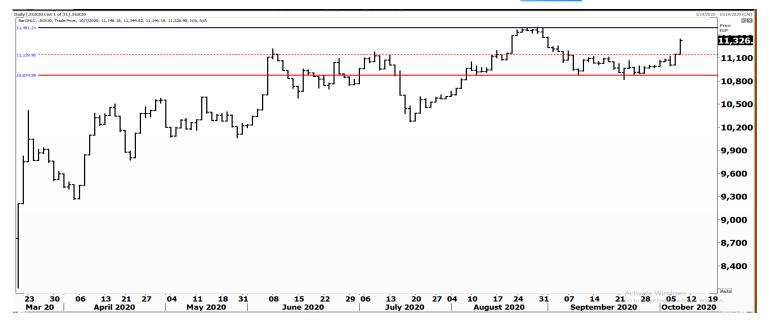
# Weekly Overview

11-Oct 2020

This report must be read with the disclaimer on last page

# **Market Overview**





The market looks strong and is preparing itself for a significant rise, especially that the blue chips began to look strong. The outperformance of big stocks will be good for the market as it will probably lead to a strong rise on the EGX 30. The index already broke its resistance that lies at 11,150 and is now approaching the 11,500. A decline from this second resistance, if it takes place, will probably be slight and will be considered as a chance to buy.

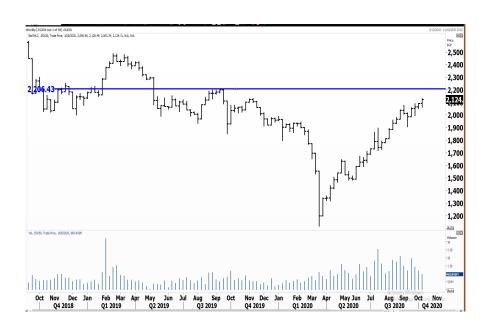
If we break the 11,500 (which is our expected scenario) a new buy signal will be triggered and our target will be set at 12,000 initially. Our more important target lies at 13,500.

#### EGX 50 Index/ Weekly Chart

The EGX 50 index broke its minor resistance and continued its major rise, heading towards 2,200 which is already our target.

We expect the EGX 50 index to reach the 2,200 level this week; this level will serve as resistance.

We will see whether it will correct after testing this resistance or not. If the 2,200 level is broken, our next target will be set near 2,500.





#### **TMGH**



Those who were not able to buy MNHD (which was recommended in our weekly report of Sept 27) entered Heliopolis Housing.

HELI broke its resistance that lies at 6.65 and closed clearly above it.

If this breakout is confirmed, the stock will probably reach 9, which will be considered as a major resistance to watch.

Those who want to buy can enter at intraday dips.

Investors are not really giving much attention to TMGH because of its slow rise. The stock, however, is probably ready for a big rise that should break 7 to the upside.

If TMGH witnesses a strong move from these levels, or even after a slight correction, it will probably reach much higher levels. We believe that the 9.5-10 area will be our important resistance to watch.



#### **RTFH**

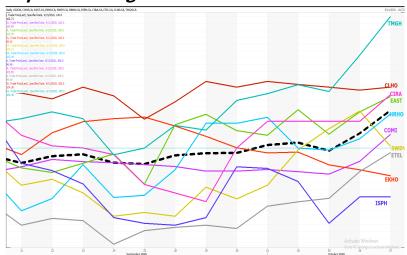


Those who want to step in should buy at the 2.9 breakout. A clear breakout above this level will be considered as a buy signal and should lead the stock near 3.25.

The MACD is also preparing for a bullish crossover. Thus, if BTFH breaks above 2.9 along with a bullish crossover on the MACD, a buy signal will be triggered.



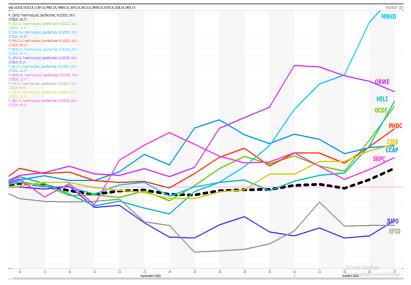
## Top index weights



TMGH witnessed significant improvement lately, as we were expecting, and is now on top of the big EGX 30 weights. Then comes CLHO, CIRA, and EAST. HRHO is also moving along with the EGX 30 relative performance curve.

As for the rest, we like ETEL because it began to show a rising relative performance curve despite that it still underperforms.

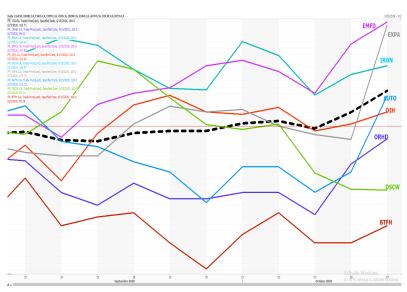
# Mid Weights



It goes without saying that MNHD is clearly on top. Then comes ORWE (which has a falling relative performance curve), and HELI, OCDI which are showing significant improvement in their relative performance curves.

PHDC also looks strong as it is showing improvement too.

# Smallest Weights



IRON is on top, followed by EXPA and IRON. Despite that EXPA is one of the top performers, its relative performance curve looks very sharp; we talked before about the best looking relative performance curves that have a slowly but surely rising shape.

OIH and ORHD both look good too; DSCW and BTFH are the worst two performers but began to reverse their curves to the upside.

# **Moving Average Crossover System**



Stock	10/20 EMA signal	Comments
EGX 30	Below	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
СОМІ	Below +	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
EAST	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ЕКНО	Below	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
HRHO	Buy	The 10 weeks moving average just broke above its 20 weeks counterpart
TMGH	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
CLHO	Below	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
SWDY	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
ETEL	Above	Buy signal was triggered in June 2020
ISPH	Below -	The 10 weeks moving average is moving below its 20 weeks counterpart
CIRA	Above	Buy signal was triggered in July 2020
JUFO	Below -	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
CIEB	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
OCDI	Above	Buy signal was triggered early August 2020
MNHD	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
EFID	Below	The 10 weeks moving average is still below its 20 weeks counterpart but approaching it
HELI	Above	Buy signal was triggered early August 2020
ORWE	Below +	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
PHDC	Above	Buy signal was triggered during August 2020
CCAP	Below	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
SKPC	Above	Buy signal was triggered in mid September 2020
AUTO	Above	Buy signal was triggered during August 2020
EMFD	Below +	The 10 weeks moving average is almost breaking above its 20 weeks counterpart
ORHD	Buy	The 10 weeks moving average just broke above its 20 weeks counterpart
ESRS	Buy +	The 10 weeks moving average just broke above its 20 weeks counterpart
ОІН	Above	Buy signal was triggered in August 2020
EXPA	Above	Buy signal was triggered in July 2020
IRON	Above	Buy signal was triggered in July 2020
DSCW	Above	Buy signal was triggered in early April 2020
BTFH	Above	Buy signal was triggered in July 2020

# Moving Average Crossover System (cont'd)





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.



#### Disclaimer

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