

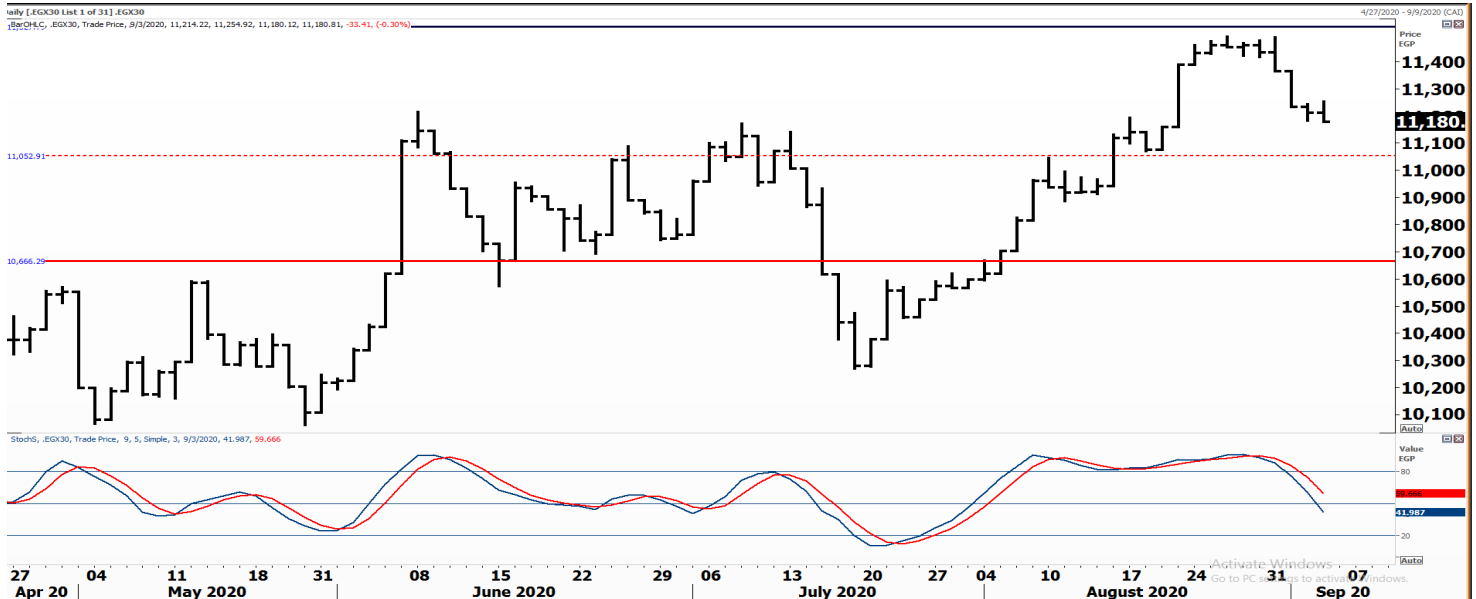


PIONEERSECURITIES

# Weekly Overview

6–Sept 2020

This report must be read with the disclaimer  
on last page



The most recent correction that the market witnessed turned the crowd from bullish to bearish. Most of investors, traders, and analysts are expecting this correction to be stronger and much harsher.

We are not completely against this view, however, we understand very well that what we are hearing among market participants is the psychology and sentiment of a typical uptrend. In other words, the current correction, even if it extends, will always have an amplitude that will be much smaller than investors' expectations.

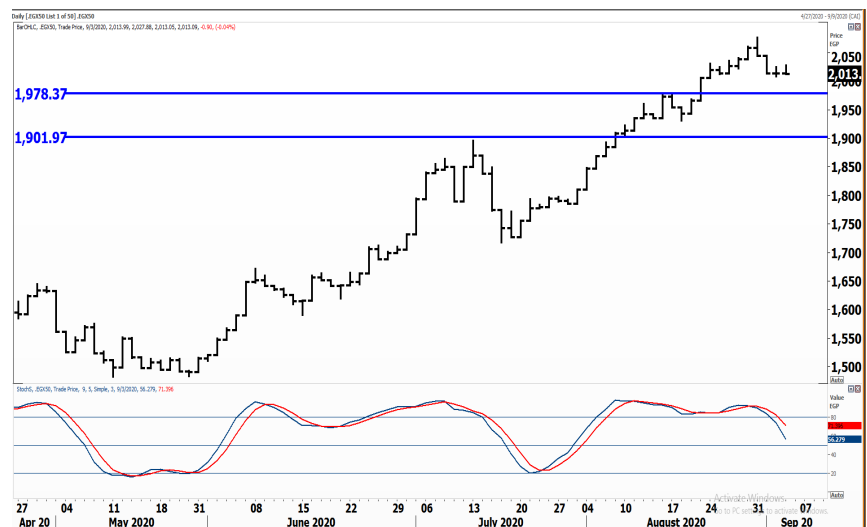
As for our levels, we expect the current levels to halt the current decline; thus we should be expecting a rebound from here. The leeway that we can give the index extends to 11,060; thus short-term stops can be placed below this level which, in our opinion, should not be violated.

## EGX 50 Index/ Daily Chart

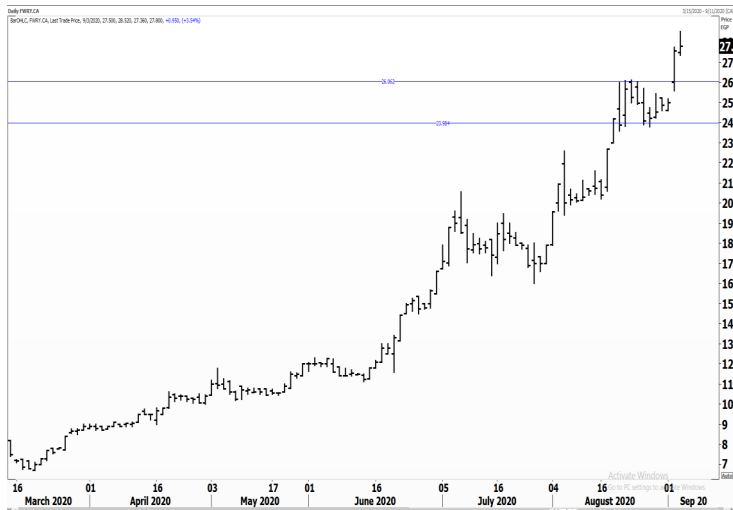
The EGX 50 index is also in a corrective phase that is expected to test either the 1,980 or the 1,900 level. We believe that the former (1,980) level can halt the decline, especially if the EGX 30 rebounds.

Those who have positions in smaller caps stocks should place their short-term stop below 1,980 as a break below this level will lead the index near 1,900.

The next rebound will be expected to create a new high and resume the current uptrend.



## ***FWRY***



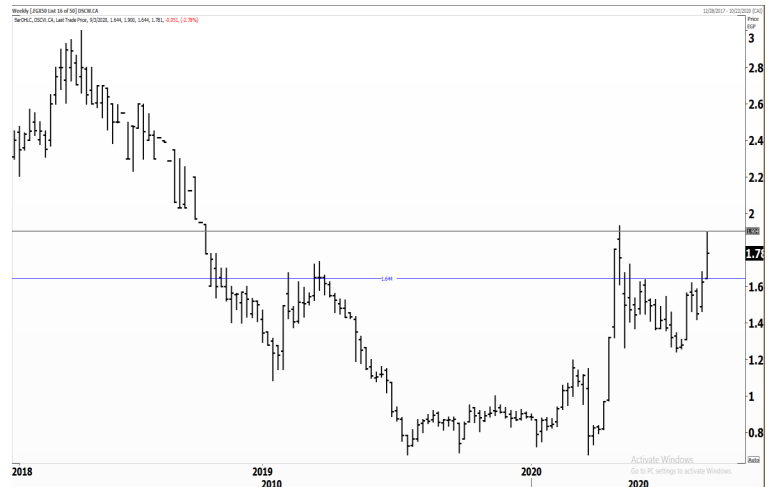
The question is; is it too late? The answer is, by all means NO! Actually, FWRY is, in our view, in its early stages of its rise. Those who are a bit old remember OT (aka GTHE) when it rose from 7.5 to 50 pounds from 2003 to 2004, and it was at that time too overvalued, but it was a new industry that had lots of upward potential and OT reached a high of 800 (or above) where every single investor was extremely bullish at that time back in 2006. Investors were bearish when OT reached 50-60 but were extremely bullish at 800.

Now people are worried because FWRY (which is also a new industry with lots of upward potential) rose sharply. We expect this rise to reach extraordinary levels above any expectation. As for our support levels, we should look at 26 and 24.

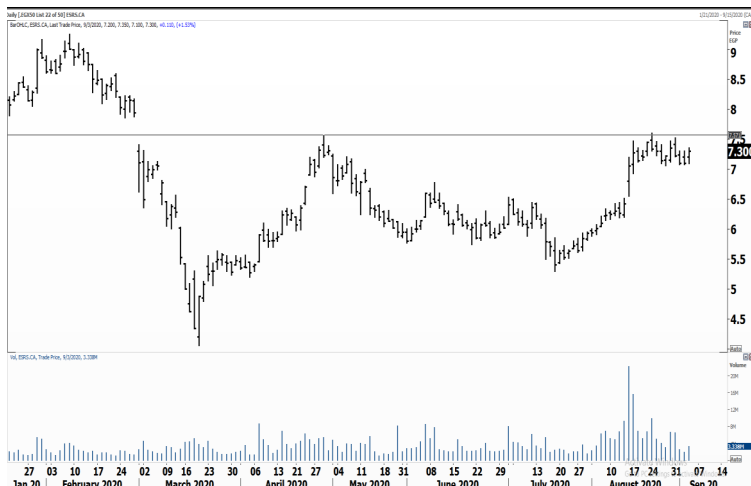
DSCW is one of the stocks that are eligible to witness big rises in the near future. The stock is trading at an important resistance level and might correct. The 1.6-1.65 area is an important support to watch.

If DSCW corrects from here we will be buying at the first rebound. On the other hand, a clear break above 1.9 will trigger a strong buy signal as our target will be set around 3.

## ***DSCW***



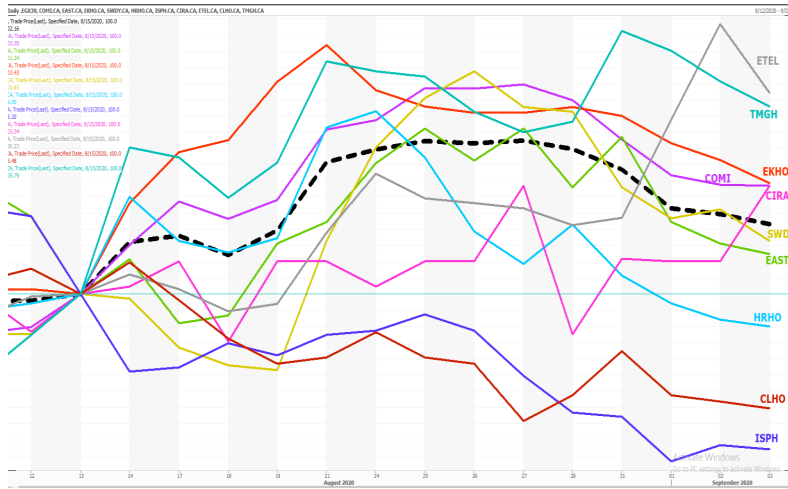
## ***ESRS***



ESRS is still moving inside the 7-7.6 range; those who have positions are recommended to place their short-term stops below 7. On the other hand, a breakout above 7.6 will trigger a new buy signal with a target around 9.

Thus, at these levels we will do nothing. Only a breakout above the 7.6 will trigger a new entry signal.

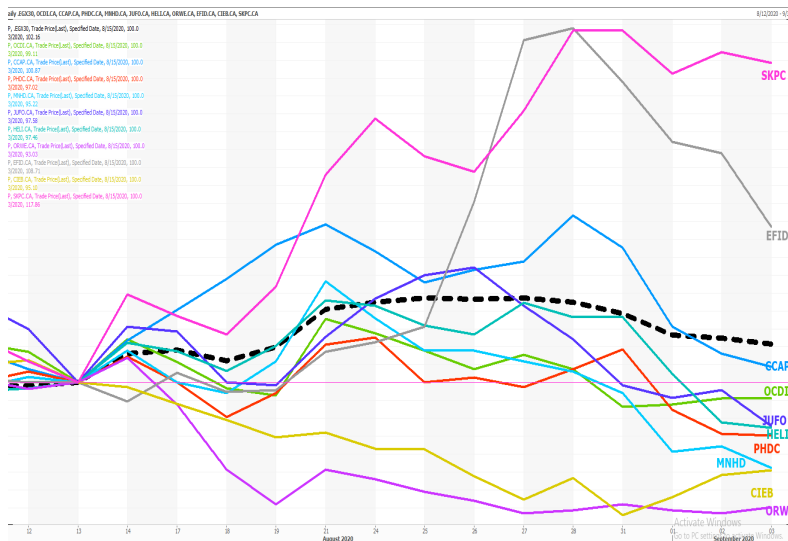
## Top index weights



ETEL witnessed significant improvement lately and is now on top, followed by TMGH, which is still maintaining its strength. EKHO, COMI, and CIRA are moving together slightly above the EGX 30 relative performance curve.

SWDY and EAST are not doing bad but are moving slightly below the EGX.

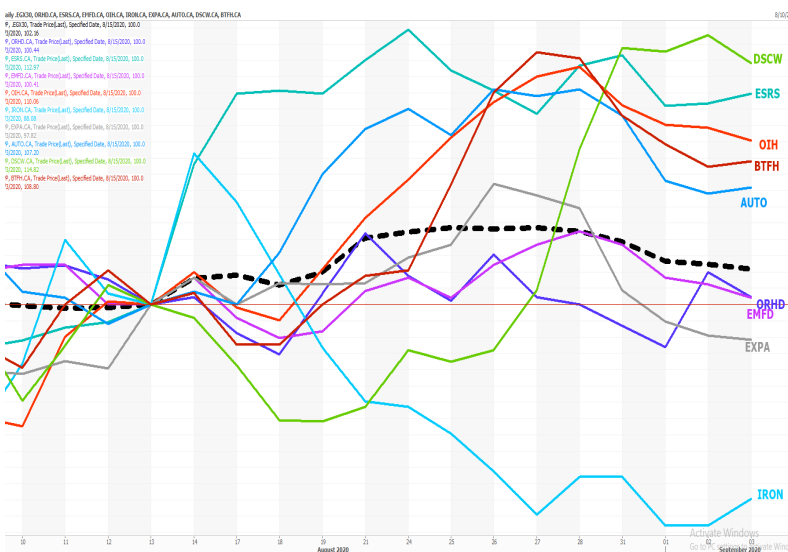
## Mid Weights



SKPC is currently the best performer. EFID comes next but is witnessing a declining relative performance curve, thus we will not look at it now.

CCAP comes next and looks ok despite that it is moving slightly below the EGX 30 relative performance curve. As for the rest, we like OQDI and CIEB, which began to witness a rising curve despite its underperformance.

## Smallest Weights



DSCW, ESRS, OIH, BTFH, and AUTO are the outperformers that should be watched. The rest of the stocks are underperforming.

These stocks still have lots of upward potential, especially if the overall market rebounds. Thus, we recommend investors to pay special attention to these five stocks in the next market rise.

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

## Disclaimer

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