

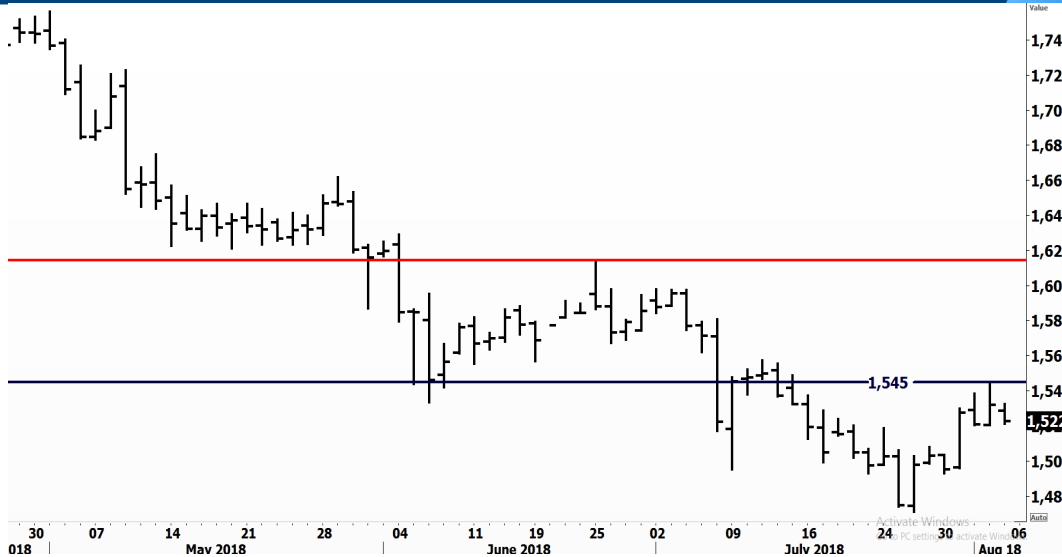


PIONEERSECURITIES

TECH TO THE POINT

6-Aug-18

This report must be read with the disclaimer
on the last page



Last	1,525.14
High Today	1,532.45
Low Today	1,521.45
Volume	M 0.000
First Support	1,490.00
Second Support	1,450.00
First Resistance	1,560.00
Second Resistance	1,600.00
Stop Loss	1,490.00

HISTORICAL RETURN %

1 WEEK	1.46%
1 MONTH	-2.96%
1 QUARTER	-9.48%
1 YEAR	24.46%
YTD	5.66%

Analysis

The 1,545 level is an important level to watch, especially after yesterday's session, as it will probably serve as resistance. A break through this level will be considered as a signal of the continuation of the current short-term rise. If the index breaks 1,545, it will probably reach near 1,620.

If we translate these levels to the EGX 30, then the 15,800 is our current level to watch. If the EGX 30 breaks 15,800, our target will be set at 16,500 (not 16,000). Thus, we are expecting a break above the high of the last two sessions for the continuation of the current short-term rise.

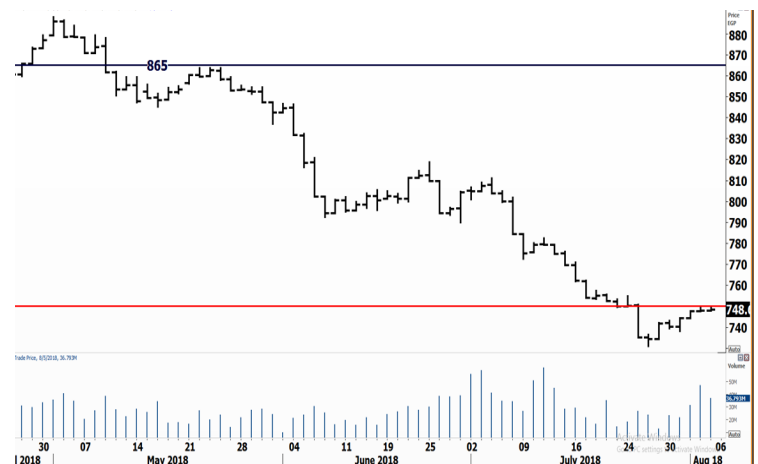
Our view is still the same as we believe that the current rise did not end yet, and we are still considering this rise as a temporary move within the major correction that the market is still witnessing.

Egyptian Exchange Small Caps Index EGX70




Analysis

The EGX 70 index is still hovering around 750, trying to break it upwards. Despite that buyers lost their momentum the last two sessions, sellers are not ready yet to step in. This can be considered as a positive signal, only if buyers step in once again. The appearance of buying power from current levels will lead to an enhanced rise on the EGX 70.

The index needs to sleep few days above 750. If it succeeds to do so, then we will probably see a nice rise that will take the index near 780-800.



Resistance




- ALRA**  The stock witnessed a classical test on its breakout level last week and rebounded exactly like a text book. ALRA was able yesterday to break its minor resistance that lies at 14.25, closing above 15 at the end of the session. Those who want to step in can do so with a stop below 14.2 and a target at around 18.
- ORHD**  Broke 6.08 to the upside and closed at 6.45 at the end of the session. Our minimum target lies at 6.9, this is where selling pressure might appear. If ORHD breaks 6.9 /7 on a weekly basis, the major uptrend will resume.
- IFAP**  Broke 3.07, closing at 3.11 at the end of the session. First resistance is expected to appear at 3.35. A break above this level will lead IFAP to 3.6. Position holders can place their stop below 2.9

Support



No stocks broke their support yesterday.

Testing

Support

- ELEC**  Rebounded from its 0.77-0.78 important support to close at 0.82 at the end of the session. It is important that ELEC maintains itself above 0.78 in the coming period. Naturally, the stock should test 1 once again. This will occur if the 0.78 is not violated in the next few sessions.
- PHDC**  PHDC tested its 3.45 support and closed around this level. A rebound should occur from current levels. We do not recommend buying though until a clear rebound appears. Those who want to step in at current prices are taking high risk, especially with an underperformer like PHDC.
- PIOH**  The 7.2 level is very important to watch; it is considered as a major level and any confirmed break below it will intensify selling pressure, which will probably lead the stock to much lower levels. Thus, if buyers step in at current levels, a rebound might occur, especially that PIOH is at its major support. Our target, in case buyers step in once again, lies at around 8.8.

Resistance

- RAKT**  The stock is already in its uptrend, breaking its resistance levels. The 12.15 level is an important resistance that appears on the monthly chart. A break above this level will be viewed as bullish for the stock and our target will be set at around 18.
- AFMC**  Trading near 15.7, which is an important resistance to watch. If Alex Flour Mills breaks this level upwards, a significant rise will follow, which will lead the stock near 17.75-18.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	84.99	79.80	77.00	88.00	92.50	↔	Hold	79.80
EAST.CA	EASTERN CO	165.00	155.00	148.00	170.00	186.00	↔	Hold	155.00
GTHE.CA	GLOBAL TELECO	4.08	4.00	3.85	4.35	5.00	↔	Hold	3.93
ABUK.CA	ABU QIR FRT&CHM	27.99	27.00	26.00	29.25	30.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	193.00	178.00	165.00	198.00	205.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	11.36	10.14	9.50	11.85	12.50	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	17.98	16.70	16.00	18.70	19.60	↓	P.SELL	18.70
MNHD.CA	MEDINET NASR HOU	10.30	9.50	8.95	10.45	11.40	↔	Hold	9.50
AMOC.CA	ALX MINERAL OILS	10.55	10.00	9.60	11.40	12.00	↓	Hold	11.40
JUFO.CA	JUHAYNA FOOD IND	11.50	10.60	10.20	12.50	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	3.48	3.50 *	3.15	4.22	4.65	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	23.84	21.25	20.20	23.90	25.30	↔	Hold	21.25
ETEL.CA	TELECOM EGYPT	14.09	13.20	12.00	14.60	15.50	↔	Hold	13.20
HELI.CA	Misr Gedida Hou	28.32	27.50	26.25	29.70	31.70	↔	Hold	27.50
ESRS.CA	EZZ STEEL	27.74	26.80	24.00	30.70	N.A.	↔	Hold	26.80
QNBA.CA	QNB ALAHLI	54.37	50.00	46.00	57.00	60.00	↔	Hold	50.00
ORAS.CA	ORASCOM CONST	0.00	140.00	130.00	148.00	153.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	7.32	7.20	6.80	8.10	8.90	↔	P.SELL	8.10
EGAL.CA	EGYPT ALUMINIUM	46.00	44.00	42.00	50.70	54.50	↓	P.SELL	50.70
EMFD.CA	EMAAR MISR DEV	4.51	4.30	3.85	4.75	5.10	↔	Hold	3.85
CCAP.CA	CITADEL CAPITAL	3.48	2.95	2.70	3.40 *	3.70	↔	Hold	3.70
OTMT.CA	ORASCOM TEL MED	0.68	0.67	0.64	0.71	0.76	↓	P.SELL	0.71
ACGC.CA	ARAB COTTON GIN.	2.29	2.30 *	2.10	2.73	2.90	↔	Hold	2.30
ISPH.CA	IBNSINA PHARMA	11.26	10.15	9.75	12.00	12.80	↔	Hold	10.15
EGTS.CA	EGYPTIAN RESORTS	1.66	1.50	1.45	1.75	1.94	↓	P.SELL	1.94
EKHO.CA	EGYPT KUWAIT HLD	1.16	\$1.12	\$1.08	\$1.17	\$1.20	↔	Hold	\$1.12
PORT.CA	PORTO GROUP	0.22	0.20	0.17	0.25	0.28	↓	P.SELL	0.28
EFID.CA	EDITA FOOD INDS	0.00	17.50	16.00	19.00	21.50	↔	Hold	17.50
IRON.CA	EGYPTIAN IR & ST	7.22	6.80	6.00	7.60	8.50	↑	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	24.13	22.50	21.60	25.00	27.00	↓	Hold	22.50

Guidelines



Bullish



Bearish



Neutral

Trend: (Upgrade, Downgrade): Change in trend color refers to upgrade or downgrade in the trend relative to the previous trend direction. E.g. change from "↓ Down" to "↔ Flat" is considered an upgrade and vice versa.

Buy: Buy the full position.

P.Buy: Buy portion of a position

Hold: Don't Buy or sell.

P.SELL: Sell portion of a position.

Sell: Sell the full position.

Stop Loss: Completely exit the position (or) Re-entry in cases of Selling.

Disclaimer

This report has been prepared according to the general data available for public, in accordance with the professional standards applied in that career to the best knowledge of the reporter. The recommendations mentioned are a guiding tool representing a professional opinion, and not granting any profits, consequently it is not obligatory for our valued customers and investors. Pioneers Securities©, Egypt shall not be liable for any direct, indirect, incidental, or consequential damages, including limitation losses, lost revenues, or lost profits that may result from these materials. Republishing this report or any of its contents is subject to prior approval; referring to the source is a must. Opinions expressed are subject to change without notice and may differ or be contrary to the opinions or recommendations of Pioneers Securities©, Egypt Research or the opinions expressed by other business areas or groups of Pioneers Securities©, Egypt as a result of depending solely on the historical technical behavior (price and volume).

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Tips on reading the report

The first page includes an analysis of two major indices in the Egyptian Stock Market; the norm is that we will analyze both the EGX 30 and 70, but sometimes we will compare the EGX 30 to its 50 counterpart if there is important information in this comparison. We also use the Hermes Last Index interchangeably with the EGX 30. The .HRMSL index has an important edge; it uses last prices instead of VWAP. First thing our clients should do is to read the indices analysis carefully to have a clear understanding on our overall view.

The second page includes stocks that broke out beyond their resistance levels, and those that violated their support levels. It also includes stocks that are testing their support levels and those that are testing their resistance. This analysis is important and it is the core of our recommendations. It is important to note though that not all stocks that are testing their support levels are bullish, and not all that are testing their resistance levels are bearish. To make it easier for our clients, we have placed a bull face 🐂 if we consider the stock under study bullish, and a bear face 🐻 if we consider it bearish. We also added a big bullet 🟩 if we are neutral.

It is important to note that you might find a stock that we consider bullish in our analysis (in the breakouts/testing section) but it remains as a hold or partial sell in the table. The conflict here is that the table is more conservative. This will not be an issue with our clients, because our analysis will explain why we are being bullish/bearish on the stock.