

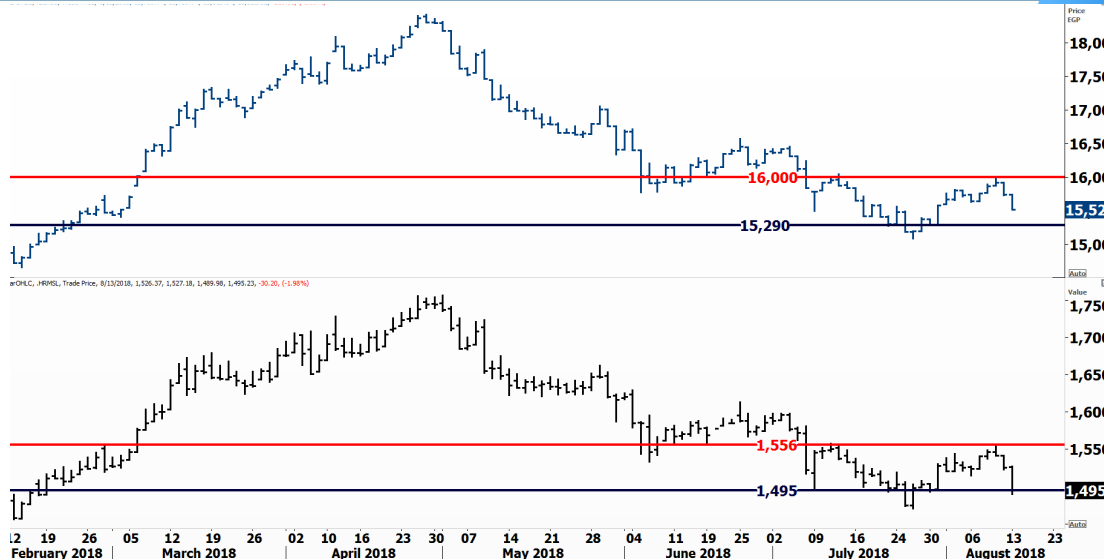


PIONEERSECURITIES

TECH TO THE POINT

14-Aug-18

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



Last	15,521.52
High Today	15,739.74
Low Today	15,519.84
Volume	M 139.708
First Support	15,290.00
Second Support	15,100.00
First Resistance	16,000.00
Second Resistance	16,600.00
Stop Loss	15,290.00
HISTORICAL RETURN %	
1 WEEK	-0.79%
1 MONTH	-2.26%
1 QUARTER	-8.61%
1 YEAR	16.88%
YTD	3.34%

Analysis

Today we will analyze both the EGX 30 and Hermes Last indices together to look at our levels and their importance, in addition to any changes that have been made to these levels.

First of all, our current peak that has been confirmed as a strong peak is 16,000. Those who are following-up our reports will note that we have been considering 15,800 as our peak; the market, however, broke slightly above this level, to test the initial peak at 16,000. Thus, the 16,000 level is the current important peak that needs to be broken upwards. This level coincides with the 1,556 level on the Hermes Last Index.

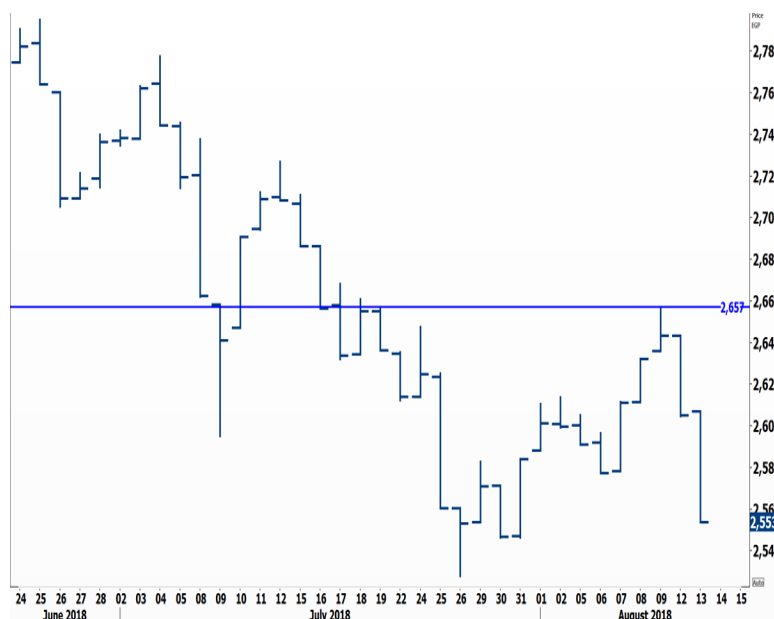
As for the current support, the 15,290 (1,495 on the Hermes Last) should halt the decline. If the indices violate their support level, this will be considered as a negative sign for the market.

Egyptian Exchange Equal Weights Index EGX50

Analysis





Yesterday's panic selling was severe, as can be seen on the EGX 50 index. It is obvious that the decline hit almost all stocks in the market. The EGX 50 index witnessed a big decline of around 2%, approaching its recent bottom that lies at 2,530. If a rebound occurs from here, this will be considered as a good signal for the market. The breakout, however, above 2,657 will be our buy signal.

For now, we are waiting for a rebound. If the bottom is violated (not a likely scenario to occur) stops will be hit.






Resistance

Support

- ESRS**  Closed at 26.65 after breaking below 26.85. The stock does not look bad despite violating its support, but we do not recommend stepping in unless a rebound occurs. The first signal of revival for ESRS is a break above 27.5.
- HELI**  The stock declined sharply yesterday, closing at 26.9 at the end of the session. The decline was so severe, bringing HELI 5.3% down. The violation below 28 is significant as selling pressure is expected to be strong if a rebound occurs. Yesterday's high (28.3) should be used as a selling area; only a break above this level can be viewed as a positive sign. Those who want to enter after confirmation are not recommended to buy unless the 30 level is clearly broken upwards.
- PORT**  The break below 0.22 is a bearish signal and should lead PORT to its bottom that lies near 0.18. The stock is a clear underperformer and not recommended as an investment opportunity until it shows better performance. For now, we recommend investors to stay on the sidelines.
- EGAL**  Also one of the underperformers that are not showing any signs of strength yet. Our target lies at around 39.5. We believe that a rebound might occur from support; such a rebound, however, will probably create a lower high, as the current trend is already down.

Testing

Support

- OIH**  OIH, previously known as OTMT, closed at 0.69 after testing its support at 0.66-0.67. Despite the market decline yesterday, OIH looked good, especially that it was able to maintain itself. If the 0.72 is broken upwards, a buy signal will be triggered with a target at 0.76.
- OCDI**  The 20.25-21 area is a support area for OCDI. The stock witnessed a severe decline, reaching 20.43, before rebounding at the end of the session to close at 21.5. If OCDI maintains itself well today it can rebound to 23-23.5 once again.
- MNHD**  The 9.45-9.5 area is an important support for the stock. If MNHD violates below this range, a strong decline will follow. The stock has to trade back above 9.5 to regain its strength. Those who hold positions should place their stops below 9.45.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	85.49	83.50	79.80	86.50	88.50	↔	Hold	79.80
EAST.CA	EASTERN CO	144.86	137.00	126.00	155.00	165.00	↓	P.SELL	170.00
GTHE.CA	GLOBAL TELECO	4.15	4.08	3.93	4.50	5.00	↔	Hold	4.08
ABUK.CA	ABU QIR FRT&CHM	28.99	27.00	26.00	30.50	33.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	190.95	185.00	178.00	198.00	205.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	10.75	10.50	10.14	11.85	12.50	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	18.00	17.50	16.70	18.90	19.60	↓	P.SELL	18.90
MNHD.CA	MEDINET NASR HOU	9.45	9.50 *	8.95	10.45	11.40	↔	Hold	9.50
AMOC.CA	ALX MINERAL OILS	10.86	10.00	9.60	11.20	11.40	↓	P.SELL	11.40
JUFO.CA	JUHAYNA FOOD IND	12.54	10.60	10.20	12.50 *	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	3.08	2.90	2.75	4.06	4.22	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	21.50	21.40	20.20	23.90	25.30	↔	Hold	21.40
ETEL.CA	TELECOM EGYPT	14.00	13.20	12.00	14.60	15.50	↔	Hold	13.20
HELI.CA	Misr Gedida Hou	26.90	26.25	24.50	27.20	29.70	↓	P.SELL	29.70
ESRS.CA	EZZ STEEL	26.65	25.00	24.00	27.50	28.50	↔	Hold	26.80
QNBA.CA	QNB ALAHLI	54.00	50.00	46.00	57.00	60.00	↔	Hold	50.00
ORAS.CA	ORASCOM CONST	145.00	140.00	130.00	153.00	165.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	7.15	7.07	6.80	8.00	8.90	↔	P.SELL	8.00
EGAL.CA	EGYPT ALUMINIUM	43.02	42.00	41.50	50.50	54.50	↓	P.SELL	50.70
EMFD.CA	EMAAR MISR DEV	4.55	4.25	3.85	4.75	5.10	↔	Hold	3.85
CCAP.CA	CITADEL CAPITAL	3.44	3.38	2.96	3.85	4.10	↔	Hold	3.85
OTMT.CA	ORASCOM TEL MED	0.71	0.67	0.64	0.71*	0.76	↓	P.SELL	0.71
ACGC.CA	ARAB COTTON GIN.	2.42	2.30	2.10	2.73	2.90	↔	Hold	2.30
ISPH.CA	IBNSINA PHARMA	10.43	10.12	9.75	11.50	12.15	↔	Hold	10.12
EGTS.CA	EGYPTIAN RESORTS	1.60	1.50	1.45	1.75	1.94	↓	P.SELL	1.94
EKHO.CA	EGYPT KUWAIT HLD	1.14	\$1.12	\$1.08	\$1.17	\$1.20	↔	Hold	\$1.12
PORT.CA	PORTO GROUP	0.21	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	7.20	7.06	6.80	7.60	8.50	↑	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	23.00	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.