

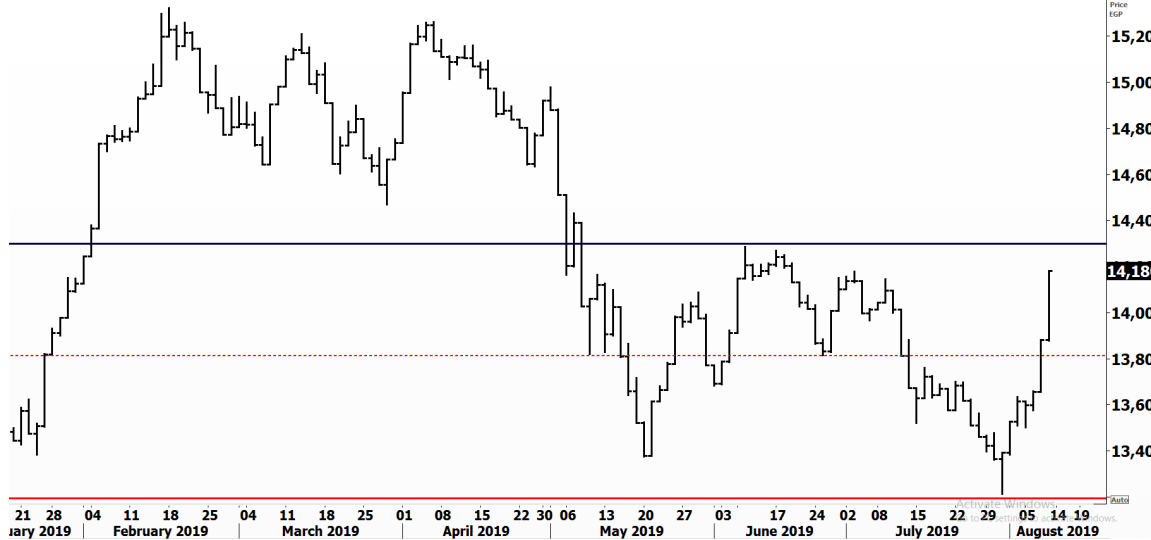


PIONEERSECURITIES

TECH TO THE POINT

14-Aug-19

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



| | |
|---------------------|-----------|
| Last | 14,180.44 |
| High Today | 14,180.44 |
| Low Today | 13,880.15 |
| Volume | M 160.465 |
| First Support | 13,600.00 |
| Second Support | 13,200.00 |
| First Resistance | 14,300.00 |
| Second Resistance | 14,500.00 |
| Stop Loss | |
| HISTORICAL RETURN % | |
| 1 WEEK | 4.83% |
| 1 MONTH | 0.58% |
| 1 QUARTER | 0.85% |
| 1 YEAR | -10.61% |
| YTD | 8.77% |

Analysis

Last working day before the feast saw one of the strongest Thursdays since a long time. We missed such bullish days; we were expecting the strong rise and we even expected it to begin before the feast. Now, and as the market is approaching our important level at 14,300, we should watch whether there will be a slight decline or not. As we all know from our previous reports, the current rise should be very strong with minimal corrections; our confirmation of the end of the corrective phase will occur at the breakout above 14,300.

Whether the market will break 14,300 at this rise or after a slight decline will be left for the market to say; for now, we should expect corrections to be very slight, or even lateral. Our bullish view is still intact and, as we all know, hope was born in the womb of suffering; we have seen all the extreme sentiment at market bottom and saw how people lost complete hope; this was interpreted at that time as a very important signal of the formation of a market bottom from where a strong rise was expected to occur.

Market breadth is very favorable and the major uptrend is expected to continue during the rest of 2019 and 2020.

Egyptian Exchange Equals Weights Index EGX50


Analysis


The EGX 50 weekly chart is showing an important probable MACD positive divergence. Such a signal is bullish if confirmed by a second MACD crossover, and price confirmation. We have shed a light on this potential divergence in a previous report but we are mentioning it again because of its importance.


A break above 2,160 will confirm the bullish picture and will trigger a new entry signal. Such a breakout will lead the EGX 50 to 2,500 which is a more important resistance to watch.



Resistance

HELI  Broke 23.5 upwards with moderate volumes closing at 24.58 at the end of the session. HELI is expected to reach its next target that lies at 27.

ETEL  Closed at 14.43 after breaking 14.25. Despite this breakout, ETEL is still facing a strong resistance at 14.9-15. If we break above this area, the stock will probably witness a very strong rise. ETEL is one of the stocks that are expected to reach new highs in the coming period.

AMOC  Thursday's rise came on high volumes; if this rise continues, AMOC should reach 4.8. The stock is still one of the underperformers, but is expected to rise along with the overall market rise. Those who have positions should sell near the target.


Support


No stocks broke their support levels.

Testing

Support

Resistance

CLHO  Approached its resistance that lies at 7 and closed at 6.5 at the end of the session. Those who sold near resistance (we issued a sell signal in our stock trade recommendation) are recommended to repurchase either at a decline near 6.3 or at a breakout above 7.

AIH  The 0.47 level is our first resistance. We are expecting a breakout above this level; probably today. If AIH breaks above 0.47 it will probably witness a significant rise that should lead it near 0.52 initially. We are expecting the stock to reach 0.65 soon though.

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|---------|--------------------------------|-------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK/d | 75.00 | 70.55 | 69.00 | 75.20 | 77.00 | ↔ | Hold | 69.00 |
| EAST.CA | EASTERN CO/d | 16.00 | 15.40 | 15.15 | 16.70 | 17.22 | ↔ | Hold | 15.20 |
| SWDY.CA | ELSWEDY ELECTR/d | 13.30 | 12.50 | 11.60 | 13.60 | 14.60 | ↓ | P.SELL | 13.60 |
| TMGH.CA | TALAT MOSTAFA/d | 11.20 | 10.50 | 9.75 | 11.65 | 11.90 | ↔ | Hold | 10.50 |
| SKPC.CA | SIDI KERIR PET/d | 9.25 | 8.20 | 7.75 | 9.60 | 10.60 | ↓ | P.SELL | 9.60 |
| EKHO.CA | EGYPT KUWAIT H/d | 1.36 | 1.20 \$ | 1.16 \$ | 1.36 \$ * | 1.40 \$ | ↓ | Hold | 1.36 * |
| HRHO.CA | EFG HERMES HOL/d | 18.09 | 17.00 | 16.10 | 18.22 | 18.50 | ↔ | Hold | 18.22 |
| ORAS.CA | ORASCOM CONST/d | 98.99 | 87.00 | 80.80 | 99.00 | 105.00 | ↓ | P.SELL | 105.00 |
| AMOC.CA | ALX MINERAL OI/d | 4.12 | 3.40 | 3.20 | 4.20 | 4.60 | ↓ | P.SELL | 4.20 |
| MNHD.CA | MEDINET NASR H/d | 5.12 | 4.90 | 4.65 | 5.24 | 5.44 | ↔ | Hold | 4.65 |
| CIRA.CA | Cairo Investment & Real Estate | 11.00 | 9.60 | 9.00 | 11.20 | 11.70 | ↓ | P.SELL | 11.70 |
| OCDI.CA | 6TH OCT DEV IN/d | 16.00 | 14.70 | 13.65 | 16.00 | 17.50 | ↑ | Hold | 14.70 |
| JUFO.CA | JUHAYNA FOOD I/d | 0.00 | 9.00 | 8.50 | 10.50 | 11.20 | ↓ | P.SELL | 11.20 |
| ESRS.CA | EZZ STEEL/d | 9.77 | 7.85 | 6.50 | 9.94 | 10.75 | ↔ | Hold | 7.85 |
| ETEL.CA | TELECOM EGYPT/d | 14.43 | 13.50 | 13.00 | 14.90 | 15.30 | ↔ | Hold | 13.20 |
| CCAP.CA | CITADEL CAPITA/d | 2.58 | 2.30 | 2.00 | 2.95 | 3.20 | ↓ | P.SELL | |
| ISPH.CA | IBNSINA PHARMA | 10.06 | 9.70 | 9.00 | 11.00 | 12.00 | ↔ | Hold | 9.70 |
| PHDC.CA | PALM HILL DEV /d | 2.29 | 2.14 | 2.03 | 2.30 | 2.49 | ↔ | Hold | 2.30 |
| CLHO.CA | CLEOPATRA HOSPITAL COMPANY | 6.50 | 5.80 | 5.30 | 6.70 | 7.00 | ↔ | Hold | 5.80 |
| HELI.CA | Misr Gedida Ho/d | 24.58 | 22.30 | 20.40 | 24.80 | 24.80 | ↑ | Hold | 22.30 |
| CIEB.CA | CREDIT AGRICOL/d | 45.00 | 42.00 | 40.00 | 48.00 | 53.00 | ↔ | Hold | 40.00 |
| EGCH.CA | EGYPT CHEM IND/d | 5.57 | 5.00 | 4.60 | 5.60 | 5.90 | ↓ | P.SELL | 5.90 |
| EMFD.CA | EMAAR MISR DEV/d | 3.31 | 3.07 | 2.95 | 3.35 | 3.60 | ↔ | Hold | 2.95 |
| OIH.CA | ORASCOM INVESTMENT HOLDING | 0.68 | 0.58 | 0.56 | 0.69 | 0.72 | ↔ | Hold | 0.58 |
| ORHD.CA | ORASCOM DEV/d | 6.91 | 6.20 | 5.80 | 7.00 | 7.50 | ↔ | Hold | 7.00 |
| EGTS.CA | EGYPTIAN RESOR/d | 2.40 | 2.17 | 2.05 | 2.45 | 2.55 | ↑ | Hold | 2.17 |
| ORWE.CA | ORIENTAL WEAVE/d | 11.17 | 10.85 | 10.40 | 11.30 | 11.80 | ↑ | Hold | 10.40 |
| IRON.CA | EGYPTIAN IR & /d | 2.88 | 2.70 | 2.55 | 3.20 | 3.50 | ↓ | P.SELL | 3.20 |
| ADIB.CA | ABUDHABI ISLM /d | 11.55 | 10.40 | 9.50 | 12.00 | 12.40 | ↔ | Hold | 10.40 |

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.