

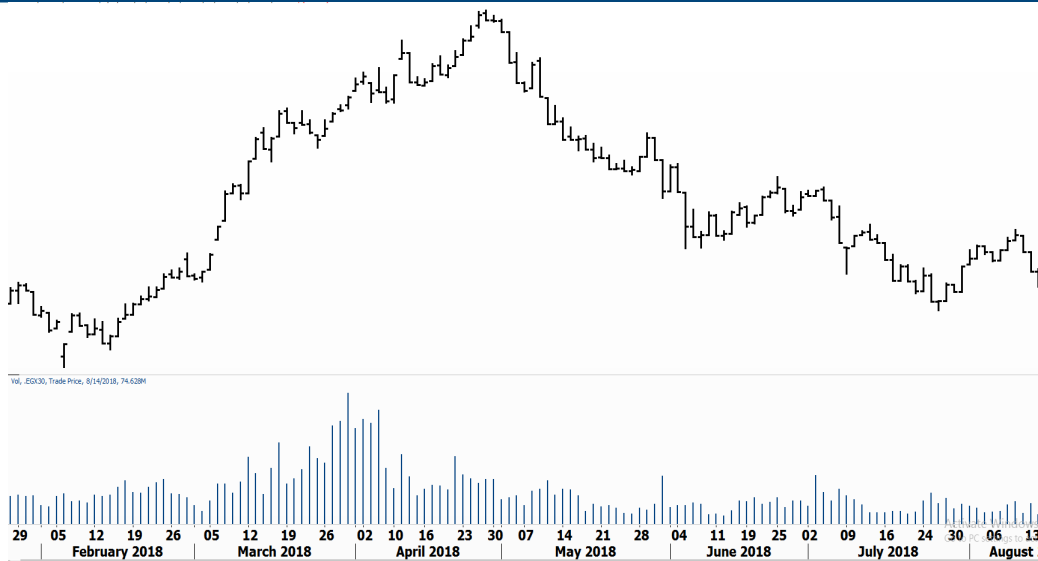


PIONEERSECURITIES

# TECH TO THE POINT

15-Aug-18

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



Price EGP	Last	15,356.81
18,000	High Today	15,551.45
17,500	Low Today	15,356.81
17,000	Volume M	74.628
16,500	First Support	15,290.00
16,000	Second Support	15,100.00
15,500	First Resistance	16,000.00
15,356	Second Resistance	16,600.00
15,000	Stop Loss	15,290.00
14,500	HISTORICAL RETURN %	
14,000	1 WEEK	-2.57%
13,500	1 MONTH	-3.07%
13,000	1 QUARTER	-9.59%
12,500	1 YEAR	16.91%
12,000	YTD	2.25%

## Analysis

Yesterday's decline should be the last falling day within the current market rise. A rebound from current levels is expected to occur. If, however, the market continues its decline, then we will probably witness a lower low, which will drag the index to lower levels. Thus, we are still expecting the current rise to continue despite the last couple of sessions' decline. Our upward target lies at 16,000. This is where selling pressure should be strong. Only a break beyond 16,000 will bring the market to significantly higher levels.

Our intermediate-term conservative view is still intact as we are expecting lower targets regardless whether the current rise will continue or not.

In other words, we are still expecting the market to continue its short-term rise within its major correction that did not end yet in our view.

# Egyptian Exchange Equal Weights Index EGX50


## Analysis


The EGX 50 index already tested its bottom that lies at 2,520-2,530. The index is currently trading in a sensitive area as a violation below current support will be an early signal of a following break on the EGX 30. Thus, we should witness a rise beginning from today's session. As we know, the current peak lies at 2,650; thus, the 2,520 level is a buying area, while the 2,650 is a selling area. We recommend investors, however, to wait for a rebound from current levels before stepping in.



## Resistance


## Support


**SVCE**  Despite that the stock broke below 3.5, it is trading near its major bottom that lies at 3.25-3.3. The stock is an underperformer and not recommended as a buy, despite that it is approaching its major support.

**MNHD**  Broke 9.5 downwards, closing at 9.35. MNHD is in a downtrend now and should reach lower levels. Our target on the downside lies at around 7.75-8. It is worth nothing though that we might see a rebound to 10.5-11 before the big decline resumes.

## Testing


## Support


**ADIB**  The 16.2 is a support for the stock. A violation of this level will lead ADIB to 15.5 where a rebound will be expected to occur. Those who want to step in are recommended to wait for the 15.5 level, or at a rebound from current levels.

**TMGH**  First of all, let us be clear and mention that TMGH's important sign of weakness occurred at the break below 11.7. This was the important signal that led to the following decline that the stock witnessed. Currently, a minor support at 10.15 appears. A break below this level will add additional pressure on the stock and will lead it to lower targets.

## Resistance

**ETEL**  Still challenging its resistance that lies at 14.5-14.6. ETEL closed at 14.2 at the end of the session, but is looking good. We are still expecting a break beyond 14.6, which will lead the stock to 16-16.5 initially

**ELSH**  Looks like ELSH is preparing itself for a significant rise. If the stock succeeds to close above 6.7, a buy signal will be triggered with a target at 7.5. For now, we recommend investors to wait for the breakout before buying.

**AUTO**  The 6.25 is the current resistance, but we will probably recommend buying if the 6.15 is broken upwards. A confirmed break above 6.15 will probably lead AUTO near 7.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	84.50	83.50	80.00	86.50	88.50	↔	Hold	80.00
EAST.CA	EASTERN CO	159.00	145.00	137.00	170.00	182.00	↓	P.SELL	170.00
GTHE.CA	GLOBAL TELECO	4.13	4.08	3.93	4.50	5.00	↔	Hold	4.08
ABUK.CA	ABU QIR FRT&CHM	29.00	27.00	26.00	30.50	33.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	183.50	178.00	166.00	198.00	205.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	10.30	10.14	9.50	11.85	12.50	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	18.01	17.50	16.70	18.90	19.60	↔	P.SELL	18.90
MNHD.CA	MEDINET NASR HOU	9.30	8.00	7.70	10.45	11.40	↓	P.SELL	10.45
AMOC.CA	ALX MINERAL OILS	10.70	10.00	9.60	11.20	11.40	↓	P.SELL	11.40
JUFO.CA	JUHAYNA FOOD IND	12.45	10.60	10.20	12.50	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	3.06	2.90	2.75	3.60	4.06	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	20.52	20.20	19.00	21.40	24.00	↓	P.SELL	24.00
ETEL.CA	TELECOM EGYPT	14.20	13.40	12.00	14.60	15.50	↔	Hold	13.40
HELI.CA	Misr Gedida Hou	26.60	26.25	24.60	28.20	29.70	↓	P.SELL	29.70
ESRS.CA	EZZ STEEL	25.65	24.00	22.80	27.00	28.50	↓	Hold	28.50
QNBA.CA	QNB ALAHLI	54.00	50.00	46.00	57.00	60.00	↔	Hold	50.00
ORAS.CA	ORASCOM CONST	148.00	140.00	130.00	153.00	165.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	7.00	6.80	6.00	7.60	8.00	↓	P.SELL	8.00
EGAL.CA	EGYPT ALUMINIUM	43.00	42.00	39.50	48.00	50.20	↓	P.SELL	50.20
EMFD.CA	EMAAR MISR DEV	4.40	4.25	3.95	4.75	5.15	↔	Hold	3.95
CCAP.CA	CITADEL CAPITAL	3.42	3.38	3.05	3.75	4.00	↔	Hold	3.75
OIH.CA	ORASCOM INVESTMENT HOLDING	0.67	0.66	0.63	0.72	0.76	↓	P.SELL	0.72
ACGC.CA	ARAB COTTON GIN.	2.33	2.30	2.10	2.73	2.90	↔	Hold	2.30
ISPH.CA	IBNSINA PHARMA	10.70	10.12	9.75	11.50	12.15	↔	Hold	10.12
EGTS.CA	EGYPTIAN RESORTS	1.60	1.55	1.45	1.75	1.94	↓	P.SELL	1.75
EKHO.CA	EGYPT KUWAIT HLD	1.14	\$1.12	\$1.08	\$1.17	\$1.20	↔	Hold	\$1.12
PORT.CA	PORTO GROUP	0.22	0.20	0.17	0.24	0.28	↓	P.SELL	0.28
EFID.CA	EDITA FOOD INDS	18.78	17.50	16.00	19.00	21.50	↔	Hold	17.50
IRON.CA	EGYPTIAN IR & ST	7.13	6.80	6.00	8.00	8.60	↑	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	22.81	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.