

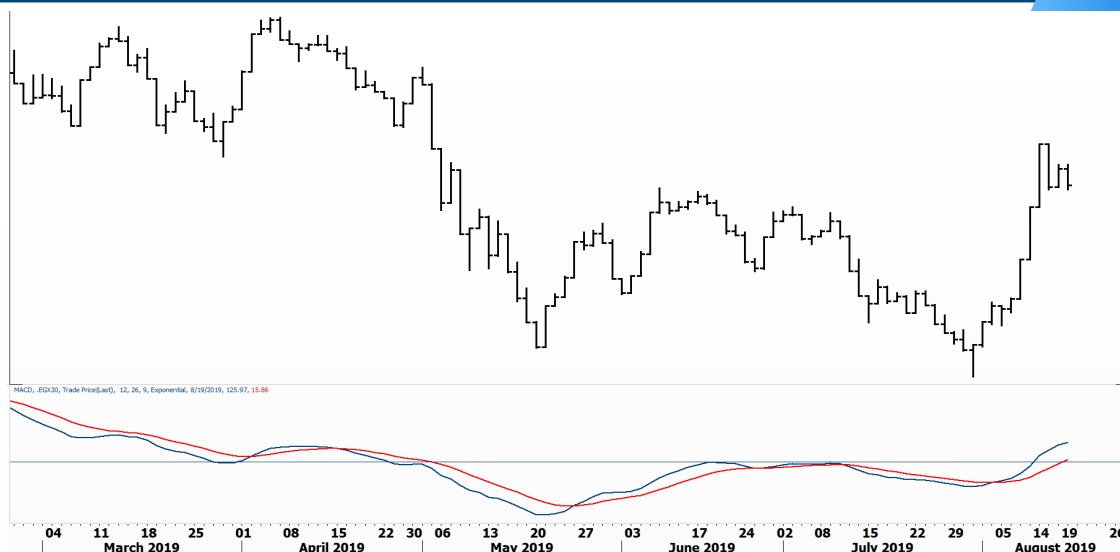


PIONEERSECURITIES

TECH TO THE POINT

20-Aug-19

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



Last	14,304.37
High Today	14,420.78
Low Today	14,280.75
Volume	M 226.194
First Support	14,000.00
Second Support	13,600.00
First Resistance	14,550.00
Second Resistance	15,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	0.87%
1 MONTH	4.64%
1 QUARTER	6.91%
1 YEAR	-6.34%
YTD	9.73%

Analysis

Despite that selling pressure appeared yesterday, the market was able to maintain itself as many stocks closed near their highs. As we know, the overall situation looks positive and corrections are short lived. The EGX 30 index did not break yet the short-term stop that lies at 14,280. Based on yesterday's action, we believe that a break above 14,550 will occur soon; this will lead the EGX 30 index near 15,200.

Those who are not positioned in the market are recommended to buy stocks that show outperformance signs or stocks that break resistance; like SKPC, OIH, PHDC, AMOC, ESRS, OCDI, as well as CCAP which began to show improvement. Lots of these stocks show flag-like formations i.e. a narrow sideways range after a sharp rise. If they rebound from here, the next rise will be very strong.

For an early sign of a continuation of the upward move, we can use 14,425 as our initial level.

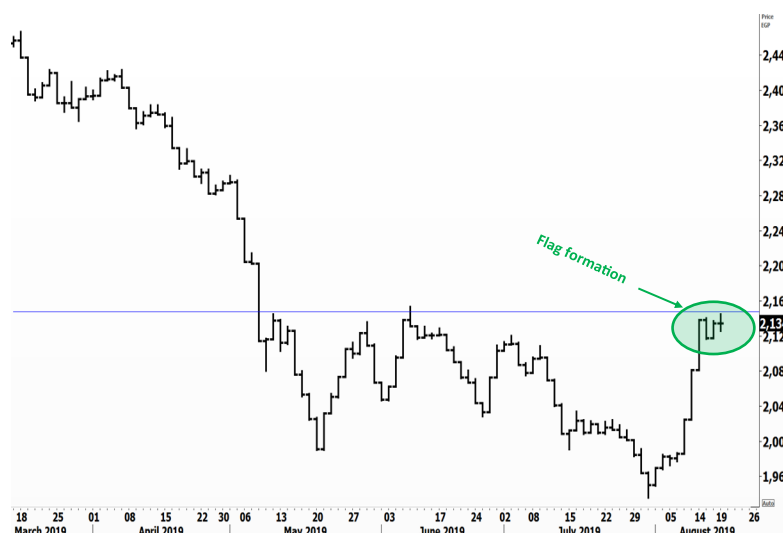
Egyptian Exchange Equals Weights Index EGX50

Analysis

The current shape of the EGX 50 index looks positive; many stocks are having this shape, which adds bullishness to the overall market. As we can see from the daily chart of the EGX 50, the index witnessed a sharp rise followed by a narrow sideways range; we call this a flag as it looks like a fluttering flag. Usually, after such a narrow sideways pattern the previous rise continues aggressively.

The importance of this formation is that it appears near the important resistance that lies at 2,150; thus a breakout above this resistance will be a valid breakout, in addition to being a breakout from this bullish flag formation.

Stepping in at current levels is recommended, while adding at the breakout.



Resistance


PORT  Broke its resistance that lies at 0.82 with high volumes to close at 0.826 at the end of the session. We recommend buying PORT with a target near 1 and a stop below the low of the breakout day.

Support


No stocks broke their support levels.


Testing

Support

ETEL  The 13.5 level should serve as support for the stock. Yesterday's intraday breach of support was probably temporary. If ETEL trades back above 13.5 today it will probably retest its resistance that lies at 14.7.

Resistance

OIH  Resistance lies at 0.71; a break above this level will trigger a buy signal and a target at 0.85. Those who want to enter at current levels are recommended to place their stop below 0.67.

ACGC  The stock hit its resistance at 1.93 but declined afterwards to close at 1.89. We do not recommend stepping in unless ACGC breaks clearly above 1.93. Such a breakout will lead the stock to higher levels.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	75.60	75.30	73.00	77.20	79.00	↔	Hold	73.00
EAST.CA	EASTERN CO/d	15.60	15.90	15.40	16.70	17.22	↔	Hold	15.20
SWDY.CA	ELSWEDY ELECTR/d	14.09	13.50	12.50	14.60	15.08	↔	Hold	12.50
TMGH.CA	TALAT MOSTAFA/d	11.31	11.10	10.50	11.65	11.90	↔	Hold	10.50
SKPC.CA	SIDI KERIR PET/d	9.98	8.85	8.20	10.50	11.50	↔	Hold	8.85
EKHO.CA	EGYPT KUWAIT H/d	1.32	1.20 \$	1.16 \$	1.36 \$	1.40 \$	↓	Hold	1.36
HRHO.CA	EFG HERMES HOL/d	18.60	17.20	16.10	19.00	19.60	↔	Hold	17.20
ORAS.CA	ORASCOM CONST/d	94.99	87.00	80.80	99.00	105.00	↓	P.SELL	105.00
AMOC.CA	ALX MINERAL OI/d	4.30	4.12	3.55	4.30 *	4.60	↓	P.SELL	4.60
MNHD.CA	MEDINET NASR H/d	5.30	4.90	4.65	5.44	5.65	↔	Hold	4.65
CIRA.CA	Cairo Investment & Real Estate	11.25	10.50	9.60	11.70	12.50	↔	Hold	11.70
OCDI.CA	6TH OCT DEV IN/d	15.81	14.70	13.65	16.00	17.50	↑	Hold	14.70
JUFO.CA	JUHAYNA FOOD I/d	10.06	9.00	8.50	10.50	11.20	↓	P.SELL	11.20
ESRS.CA	EZZ STEEL/d	11.07	9.95	8.60	11.60	12.50	↔	Hold	9.95
ETEL.CA	TELECOM EGYPT/d	13.46	13.50 *	13.00	14.90	15.30	↔	Hold	13.20
CCAP.CA	CITADEL CAPITA/d	2.66	2.30	2.00	2.95	3.20	↓	P.SELL	
ISPH.CA	IBNSINA PHARMA	9.90	9.70	9.00	11.00	12.00	↔	Hold	9.70
PHDC.CA	PALM HILL DEV /d	2.43	2.27	2.14	2.49	2.65	↔	Hold	2.14
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	6.35	5.80	5.30	6.70	7.00	↔	Hold	5.80
HELI.CA	Misr Gedida Ho/d	26.50	23.85	22.30	27.20	28.30	↑	Hold	23.85
CIEB.CA	CREDIT AGRICOL/d	45.00	42.00	40.00	48.00	53.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.92	5.00	4.60	5.90 *	6.40	↔	Hold	5.00
EMFD.CA	EMAAR MISR DEV/d	3.32	3.07	2.95	3.38	3.60	↔	Hold	2.95
OIH.CA	ORASCOM INVESTMENT HOLDING	0.69	0.66	0.63	0.69 *	0.72	↔	Hold	0.63
ORHD.CA	ORASCOM DEV/d	7.13	6.55	6.20	7.55	7.95	↔	Hold	6.55
EGTS.CA	EGYPTIAN RESOR/d	2.50	2.32	2.17	2.55	2.70	↑	Hold	2.17
ORWE.CA	ORIENTAL WEAVE/d	11.24	10.85	10.40	11.30	11.80	↑	Hold	10.40
IRON.CA	EGYPTIAN IR & /d	3.06	2.70	2.55	3.20	3.50	↓	P.SELL	3.20
ADIB.CA	ABUDHABI ISLM /d	11.79	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.