

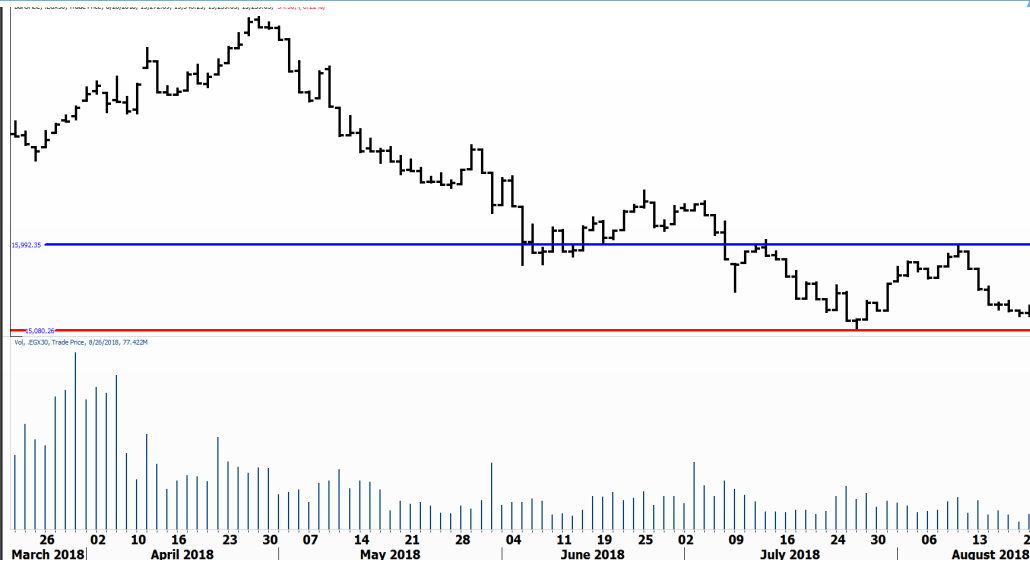


PIONEERSECURITIES

TECH TO THE POINT

27-Aug-18

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



Last	15,239.03
High Today	15,346.25
Low Today	15,239.03
Volume	M 77.422
First Support	15,000.00
Second Support	14,700.00
First Resistance	16,000.00
Second Resistance	16,600.00
Stop Loss	15,000.00
15,239	
HISTORICAL RETURN %	
1 WEEK	-0.22%
1 MONTH	0.26%
1 QUARTER	-8.47%
1 YEAR	17.89%
YTD	1.46%

Analysis

The market's inability to witness a significant rise from current levels is viewed as a negative sign, especially if sellers step in once again. It is important to note that selling pressure is currently halted in anticipation of a short-term market rise. If buyers fail to bring prices to higher levels, sellers will be harsh and violent.

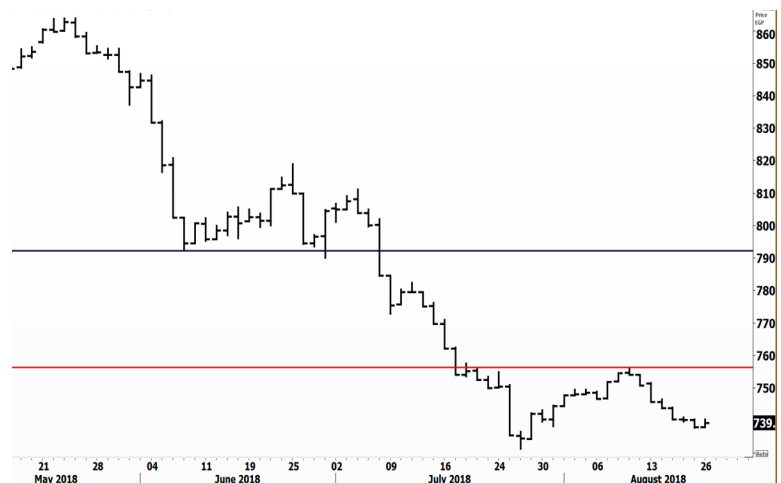
The 15,000 is our current support, while the 16,000 is the upper boundary of this trading range. Any market movement between these two boundaries is of little significance for the overall market trend. Only a breakout above 16,000 will be viewed as a bullish scenario. On the other hand, if sellers lead the EGX 30 to levels below 15,000, the next decline will be too swift and harsh.

Egyptian Exchange Small Caps Index EGX70




Analysis

Only a rise from current levels will create a higher low formation, which will be viewed as an early signal of a potential breakout above 755. The index did not yet rebound from here, so we should first wait for a rise from current levels.



A failure to rise will be bearish as selling pressure will intensify. We are still biased to the short-term market rise scenario, but as time passes and buyers are unable to show themselves, sellers will regain their upper hand.



Resistance

- ELEC**  Confirmed its major breakout above 1.05, closing at 1.12 at the end of yesterday's session. We have introduced ELEC in our weekly report, and our intermediate-term target lies at around 1.5-1.6. The break above 1.05 is of major significance and should lead ELEC to much higher levels.
- UEGC**  Broke 0.72 upwards, closing at 0.75 at the end of the session. First target lies at 0.79-0.8. A break above this level will lead the stock to much higher levels. It is worth mentioning that the stock's breakout came on high volumes, which is an early signal of a potential break above 0.8.
- MEPA**  Broke 0.94 upwards with high volumes, closing at 0.97 at the end of the session. We expect the stock to reach the 1.05-1.07 initially. Those who want to enter can place a stop below 0.91 and use the aforementioned level as their upward target.




Support

- COMI**  CIB's violation of 83.5 had an effect on the EGX 30 index. The stock declined with low volumes yesterday and is on its way to test the 80-81 support range. We expect a rebound from this level; if COMI rebounds from its support area a short-term buy signal will probably be triggered.
- RAYA**  The break below 9.7 is a bearish sign. If RAYA continues trading below this level, it will probably witness a significant decline that might lead it to around 8.5.

Testing

Support

Resistance

- EGTS**  Approaching its resistance that lies at 1.76-1.77. A break above this level will trigger a buy signal with a target at around 2. Those who want to enter the stock are recommended to wait for the breakout.
- RREI**  The stock is facing two resistance levels at 0.73 and 0.76. If the 0.73 is broken upwards, and the stock closes above it, an early buy signal will be triggered with a target at around 0.85. In other words, those who want to wait for more confirmation can buy at a break above 0.76. The 0.73 breakout, however, can be used as a signal to buy too.
- INFI**  The 11.25-11.3 area is the current resistance for the stock. A break above this level will trigger a short-term buy signal with a target at around 13.5. We do not recommend stepping in before the breakout occurs.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	82.15	80.00	77.00	86.50	88.50	↔	Hold	80.00
EAST.CA	EASTERN CO	100.20	96.50	91.00	110.00	113.00	↓	P.SELL	113.00
GTHE.CA	GLOBAL TELECO	4.07	4.07	3.93	4.50	5.00	↔	Hold	3.93
ABUK.CA	ABU QIR FRT&CHM	29.62	27.00	26.00	30.50	33.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	173.01	166.00	152.00	178.00	190.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	11.00	9.90	9.50	11.14	11.85	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	17.40	17.20	16.70	18.90	19.60	↔	P.SELL	18.90
MNHD.CA	MEDINET NASR HOU	9.45	9.10	8.00	9.60	10.45	↓	P.SELL	10.45
AMOC.CA	ALX MINERAL OILS	10.60	10.00	9.60	11.20	11.40	↓	P.SELL	11.40
JUFO.CA	JUHAYNA FOOD IND	11.36	10.60	10.20	12.50	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	2.99	2.90	2.75	3.60	4.06	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	21.01	20.20	19.00	21.40	24.00	↓	P.SELL	24.00
ETEL.CA	TELECOM EGYPT	14.05	13.70	13.40	14.60	15.50	↔	Hold	13.40
HELI.CA	Misr Gedida Hou	27.16	26.25	24.60	28.20	29.70	↓	P.SELL	29.70
ESRS.CA	EZZ STEEL	26.50	25.65	24.00	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	0.00	140.00	130.00	153.00	165.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	6.49	6.15	5.85	7.05	7.50	↓	P.SELL	7.50
EGAL.CA	EGYPT ALUMINIUM	42.55	42.00	39.50	48.00	50.20	↓	P.SELL	50.20
EMFD.CA	EMAAR MISR DEV	4.33	4.25	3.95	4.75	5.15	↔	Hold	3.95
CCAP.CA	CITADEL CAPITAL	3.53	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.	2.28	2.30	2.10	2.73	2.90	↔	Hold	2.30
ISPH.CA	IBNSINA PHARMA	11.00	10.12	9.75	11.50	12.15	↔	Hold	10.12
EGTS.CA	EGYPTIAN RESORTS	1.72	1.55	1.45	1.75	1.94	↓	P.SELL	1.75
EKHO.CA	EGYPT KUWAIT HLD	1.15	\$1.12	\$1.08	\$1.17	\$1.20	↔	Hold	\$1.12
PORT.CA	PORTO GROUP	0.21	0.20	0.17	0.24	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	6.43	6.00	5.35	7.40	8.00	↔	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	23.55	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.