

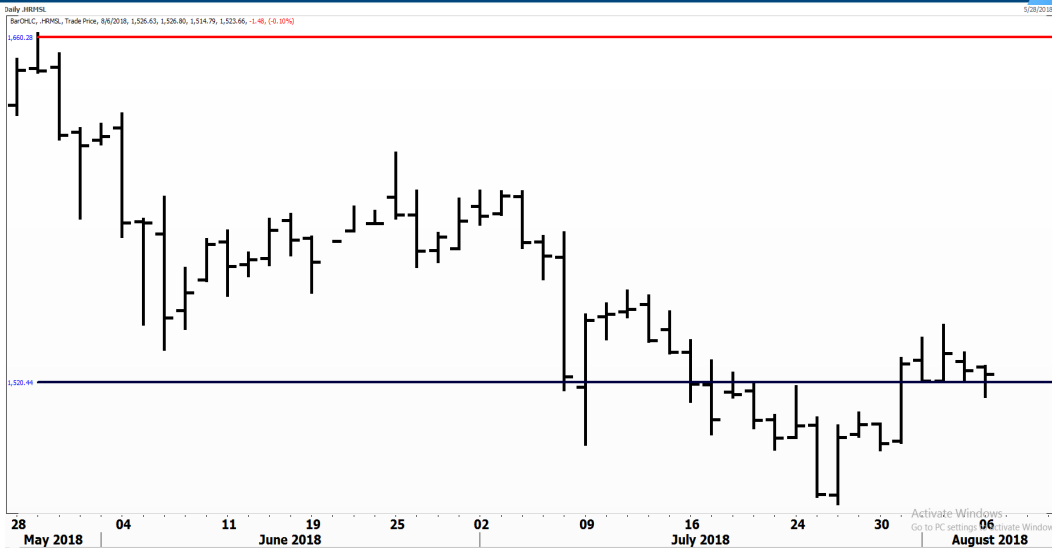


PIONEERSECURITIES

# TECH TO THE POINT

7-Aug-18

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



Last	1,523.66
High Today	1,526.80
Low Today	1,514.79
Volume	M 0.000
First Support	1,480.00
Second Support	1,450.00
First Resistance	1,540.00
Second Resistance	1,600.00
Stop Loss	1,480.00
HISTORICAL RETURN %	
1 WEEK	1.88%
1 MONTH	-3.06%
1 QUARTER	-9.75%
1 YEAR	23.71%
YTD	5.56%

## Analysis

One of the things that give us the feeling that the current short-term rise will still continue is the current worries among market participants. Our talks with traders and clients show that people are worried about the current market situation. Coupled with these worries, we can see buying power entering aggressively at market dips. In other words, buyers are not absent from the picture; if buying power succeeds to bring prices at higher levels; like the EGX 30 reaching near 16,500-16,600, market sentiment will change to a very bullish one, which will probably be a reason of the formation of a new market peak.

For now, let us watch how the market will perform at current levels. As we mentioned yesterday, we are waiting for a break above 1,540 on the Hermes Last, which coincides with 15,800 on the EGX 30 index. A breakout above this level will lead the EGX 30 directly to 16,500-16,600.

## Egyptian Exchange Equal Weights Index EGX50

### Analysis

It is important to watch the EGX 50 index from time to time, especially if it gives us important information.

First of all, the MACD indicator is witnessing a significant positive divergence with the index. This means that the last decline in the market came with declining selling momentum. Such a divergence should lead to a significant rise; as we have been mentioning before, this divergence appeared also on the EGX 30.

A break above 2,615 will be our new buy signal with a target at 2,750-2,800. This breakout will probably coincide with the break above 1,580 on the EGX 30 index.

In short, we are waiting for a breakout above 15,800 and 2,615 on the EGX 30 and EGX 50 respectively to have a confirmation that the current rise will continue.



## Resistance

**AIND** 

The break above 0.93 is significant and should lead the stock to higher levels. We are bullish on AIND since sometime and are expecting much higher levels. We are expecting a break above the 1-1.03 range and our first target lies at 1.2-1.3. This is our major resistance of the past three years and its breakout will be considered as the most important signal for the stock. For now, let us look at the 1.2-1.3 and then decide how will we deal with the situation.

## Support

**AMER** 

The stock broke 0.27 downwards unexpectedly and closed at 0.25. Unfortunately, AMER is still unable to rise from its support levels. There are two levels to watch; 0.24 then 0.2. Thus, if the 0.24 is broken downwards, our next target will be set at 0.2.

## Testing

### Support

**RTVC** 

Closed at 4.75 after rebounding from its important support that lies at 4.6. The 5.2 level is the current resistance for the stock. Those who want to step in can do that by placing their stop below 4.5 and using 5.15-5.2 as their target. Only a breakout above resistance will turn the stock into a bullish one.

**BTFH** 

The 11.35-11.4 is an important support for BTFH. The risk of breaking downwards is not low. It is important to note that this support is a very important one and considered as major. Thus, if BTFH breaks below 11.35 it will witness a strong decline that will take it to much lower levels.

### Resistance

**IRON** 

Those who did not buy IRON during the recent rise have another chance to step in if the stock breaks 7.6 upwards. A break above this level will trigger a new buy signal with a minimum target at around 8.5. We recommend to step in at the breakout.

**ELSH** 

The stock witnessed a higher low lately, and is probably preparing itself to challenge its current resistance that lies at 6.6. A breakout above this level will lead ELSH to 7.5. We do not recommend, however, stepping in until 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	85.00	83.50	79.80	86.50	88.50	↔	Hold	79.80
EAST.CA	EASTERN CO	165.00	163.50	155.00	170.00	186.00	↔	Hold	155.00
GTHE.CA	GLOBAL TELECO	4.17	4.00	3.85	4.35	5.00	↔	Hold	3.93
ABUK.CA	ABU QIR FRT&CHM	28.20	27.00	26.00	29.25	30.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	191.00	187.00	178.00	198.00	205.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	11.27	10.55	10.14	11.85	12.50	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	17.80	16.70	16.00	18.70	19.60	↓	P.SELL	18.70
MNHD.CA	MEDINET NASR HOU	10.17	9.50	8.95	10.45	11.40	↔	Hold	9.50
AMOC.CA	ALX MINERAL OILS	10.50	10.00	9.60	11.40	12.00	↓	P.SELL	11.40
JUFO.CA	JUHAYNA FOOD IND	11.86	10.60	10.20	12.50	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	3.59	3.50	3.15	4.06	4.22	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	22.87	21.40	20.20	23.90	25.30	↔	Hold	21.40
ETEL.CA	TELECOM EGYPT	14.10	13.20	12.00	14.60	15.50	↔	Hold	13.20
HELI.CA	Misr Gedida Hou	28.59	27.50	26.25	29.70	31.70	↔	Hold	27.50
ESRS.CA	EZZ STEEL	27.65	26.80	24.00	30.70	N.A.	↔	Hold	26.80
QNBA.CA	QNB ALAHLI	53.50	50.00	46.00	57.00	60.00	↔	Hold	50.00
ORAS.CA	ORASCOM CONST	147.00	140.00	130.00	148.00	153.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	7.29	7.20	6.80	8.00	8.90	↔	P.SELL	8.00
EGAL.CA	EGYPT ALUMINIUM	45.84	44.00	42.00	50.70	54.50	↓	P.SELL	50.70
EMFD.CA	EMAAR MISR DEV	4.50	4.25	3.85	4.75	5.10	↔	Hold	3.85
CCAP.CA	CITADEL CAPITAL	3.43	3.25	2.96	3.60	3.85	↔	Hold	3.85
OTMT.CA	ORASCOM TEL MED	0.68	0.67	0.64	0.71	0.76	↓	P.SELL	0.71
ACGC.CA	ARAB COTTON GIN.	2.30	2.30 *	2.10	2.73	2.90	↔	Hold	2.30
ISPH.CA	IBNSINA PHARMA	10.98	10.80	10.12	11.50	12.15	↔	Hold	10.12
EGTS.CA	EGYPTIAN RESORTS	1.63	1.50	1.45	1.75	1.94	↓	P.SELL	1.94
EKHO.CA	EGYPT KUWAIT HLD	1.17	\$1.12	\$1.08	\$1.17	\$1.20	↔	Hold	\$1.12
PORT.CA	PORTO GROUP	0.22	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	7.46	7.06	6.80	7.60	8.50	↑	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	24.00	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.