

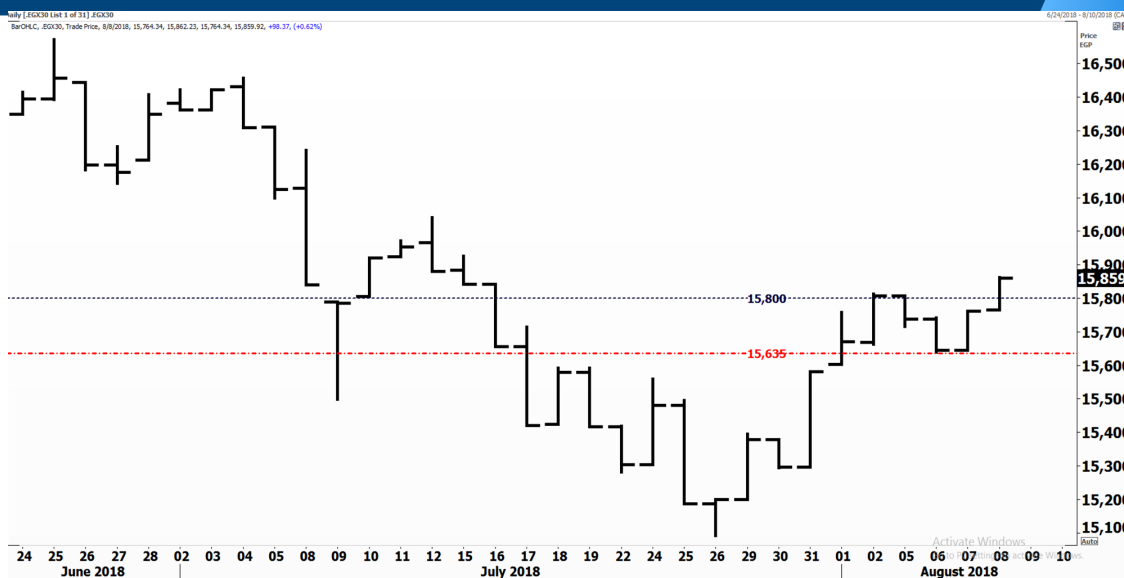


PIONEERSECURITIES

TECH TO THE POINT

9-Aug-18

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



Last	15,862.86
High Today	15,895.33
Low Today	15,764.34
Volume	M 131.825
First Support	15,630.00
Second Support	15,000.00
First Resistance	16,000.00
Second Resistance	16,600.00
Stop Loss	15,630.00
HISTORICAL RETURN %	
1 WEEK	1.23%
1 MONTH	0.49%
1 QUARTER	-9.15%
1 YEAR	16.32%
YTD	5.62%

Analysis

Both the EGX 30 index and the Hermes Last Index broke their minor resistance during yesterday's session. Such a break is considered significant on the short-term as it should lead the index near 16,500-16,600; this is where selling pressure will be stronger. Yesterday's breakout created a new buy signal with the aforementioned target. It is important though, for those who are adding to their existing positions to place their new stop below 15,630 as a break below this level, which is the low of the past few sessions, will lead the index back near 15,000.

We do not expect a violation below current support currently, and we are more biased to the bullish side, from a short-term perspective. As for the overall correction, this rise is still considered as a market reaction to the major correction that did not end yet, in our view.

Egyptian Exchange Equal Weights Index EGX50

Analysis


The EGX 50 index broke its minor resistance that lies at 2,600 to confirm the EGX 30 breakout. Such a confirmation gives more weight to the current rise, and makes it potentially more profitable. Usually, when many indices confirm a certain price action, they confirm each other.


If the index confirms its breakout and continues trading above 2,600, our target will be set at the 2,750-2,800 range; this range almost coincides with the 16,500-16,600 on the EGX 30.

Thus, we are still bullish on the short-term, expecting higher targets, but we are still considering the overall correction intact, especially if the market begins to fall after reaching 16,600 / 2,750 (on the EGX 30 and 50).



Resistance

AIND  Closed at 1.05 at the end of the session after breaking 1.02 upwards. As we mentioned before, we are bullish on AIND and expecting much higher targets. Major resistance of the stock lies at 1.2-1.25; a retracement off this level will be very probable, but we expect the stock to ultimately break beyond this major resistance, and our target will be set near 2.5. Long-term investors should hold, while those who trade the stock from a short-term perspective can trade it near 1.2.

CANA  Despite the severe correction that CANA witnessed during the past few months, the stock still looks strong from a long-term perspective. First hurdle might appear near 10.35. A slight decline might occur from this level. We believe, however, that the stock can reach 12.5-13, especially if the 10.35 is broken upwards.

Support


No stocks broke their support yesterday.


Testing


Support

No stocks were testing their support yesterday

Resistance

GTHE  The stock should be placed in the breakout section as it clearly broke above 4.35 with high volumes. It is approaching the 4.5 level though, which is the previous bottom and might serve as resistance. Our view on GTHE, as we mentioned in previous reports, is bullish; especially with the important positive divergence that was witnessed with the MACD indicator. We are expecting the stock to break 4.5 and our initial target lies at 5.2.

EGTS  The 1.75 is the current resistance for the stock. If we break above it today, a buy signal will be triggered with an upward target at around 1.95-2. This is a potentially profitable trade. We are bullish on EGTS and are expecting it to reach this target.

EGCH  The 5.6-5.7 range is serving as resistance for EGCH. We do not recommend stepping in unless the stock breaks above this area. If this occurs, our target will be set at around 6.5

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	85.45	83.50	79.80	86.50	88.50	↔	Hold	79.80
EAST.CA	EASTERN CO	158.99	163.50	155.00	170.00	186.00	↔	Hold	155.00
GTHE.CA	GLOBAL TELECO	4.44	4.08	3.93	5.00	5.28	↔	Hold	4.08
ABUK.CA	ABU QIR FRT&CHM	29.51	27.00	26.00	30.50	33.50	↔	Hold	27.00
SWDY.CA	ELSWEDY ELECTRIC	192.50	187.00	178.00	198.00	205.00	↓	P.SELL	205.00
TMGH.CA	TALAT MOSTAFA	11.48	10.55	10.14	11.85	12.50	↓	P.SELL	11.85
HRHO.CA	EFG HERMES HOLD	18.70	16.70	16.00	18.70 *	19.60	↓	P.SELL	18.70
MNHD.CA	MEDINET NASR HOU	10.20	9.50	8.95	10.45	11.40	↔	Hold	9.50
AMOC.CA	ALX MINERAL OILS	10.76	10.00	9.60	11.40	12.00	↓	P.SELL	11.40
JUFO.CA	JUHAYNA FOOD IND	12.50	10.60	10.20	12.50 *	13.15	↔	Hold	10.60
PHDC.CA	PALM HILL DEV CO	3.54	3.50	3.15	4.06	4.22	↓	P.SELL	4.22
OCDI.CA	6TH OCT DEV INV	23.02	21.40	20.20	23.90	25.30	↔	Hold	21.40
ETEL.CA	TELECOM EGYPT	14.18	13.20	12.00	14.60	15.50	↔	Hold	13.20
HELI.CA	Misr Gedida Hou	28.50	27.50	26.25	29.70	31.70	↔	Hold	27.50
ESRS.CA	EZZ STEEL	27.50	26.80	24.00	30.70	N.A.	↔	Hold	26.80
54	QNB ALAHLI	53.50	50.00	46.00	57.00	60.00	↔	Hold	50.00
ORAS.CA	ORASCOM CONST	150.50	140.00	130.00	153.00	165.00	↔	Hold	140.00
PIOH.CA	PIONEERS HLDG	7.39	7.20	6.80	8.00	8.90	↔	P.SELL	8.00
EGAL.CA	EGYPT ALUMINIUM	47.00	44.00	42.00	50.70	54.50	↓	P.SELL	50.70
EMFD.CA	EMAAR MISR DEV	4.71	4.25	3.85	4.75	5.10	↔	Hold	3.85
CCAP.CA	CITADEL CAPITAL	3.66	3.38	2.96	3.85	4.10	↔	Hold	3.85
OTMT.CA	ORASCOM TEL MED	0.71	0.67	0.64	0.71*	0.76	↓	P.SELL	0.71
ACGC.CA	ARAB COTTON GIN.	2.42	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	1.72	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	0.23	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	7.62	7.06	6.80	7.60 *	8.50	↑	Hold	6.80
SKPC.CA	SIDI KERIR PETRC	24.65	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.