

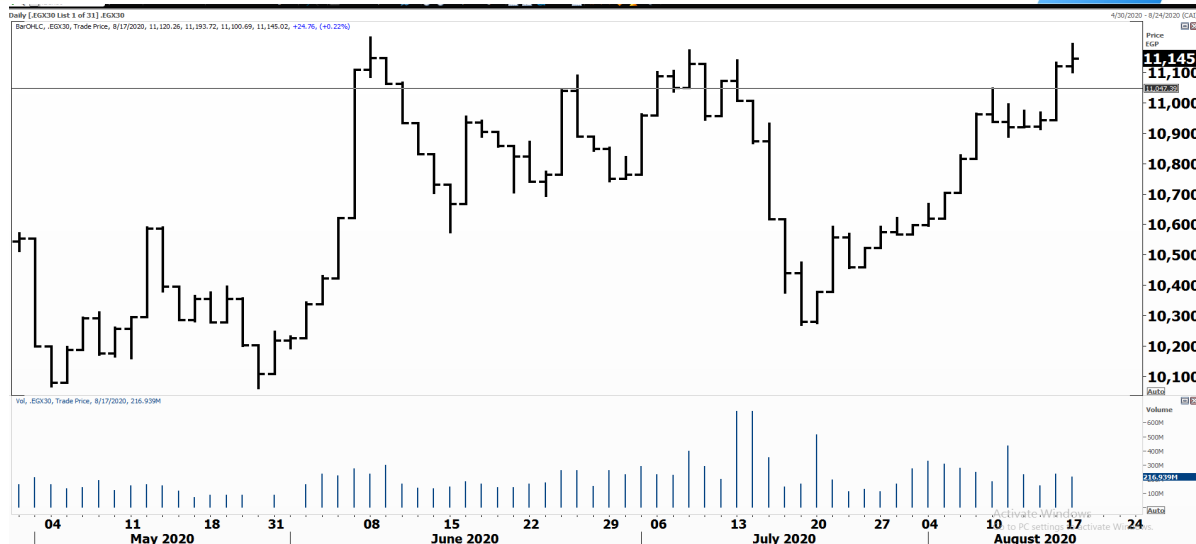


PIONEERSECURITIES

# TECH TO THE POINT

18-Aug-2020

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



|                     |           |
|---------------------|-----------|
| Last                | 11,142.77 |
| High Today          | 11,193.72 |
| Low Today           | 11,100.69 |
| Volume              | M 222.478 |
| First Support       | 10,900.00 |
| Second Support      | 10,600.00 |
| First Resistance    | 11,200.00 |
| Second Resistance   | 12,000.00 |
| Stop Loss           | 10,900.00 |
| HISTORICAL RETURN % |           |
| 1 WEEK              | 1.87%     |
| 1 MONTH             | 6.72%     |
| 1 QUARTER           | 8.40%     |
| 1 YEAR              | -22.62%   |
| YTD                 | -20.19%   |

## Analysis

The market witnessed strong selling pressure at the end of the session after some political developments that appeared in the news. The end of session selloff was not expected, but it does not affect our bullish view on the market. The EGX 30 approached its resistance that lies at 11,200 but did not break it to the upside.

The 10,900 is our stop; those who want to use a closer stop can use 11,050, which is the minor peak that was broken two days ago. Investors who are selling near resistance should prepare themselves to repurchase if the 11,200 is broken to the upside.

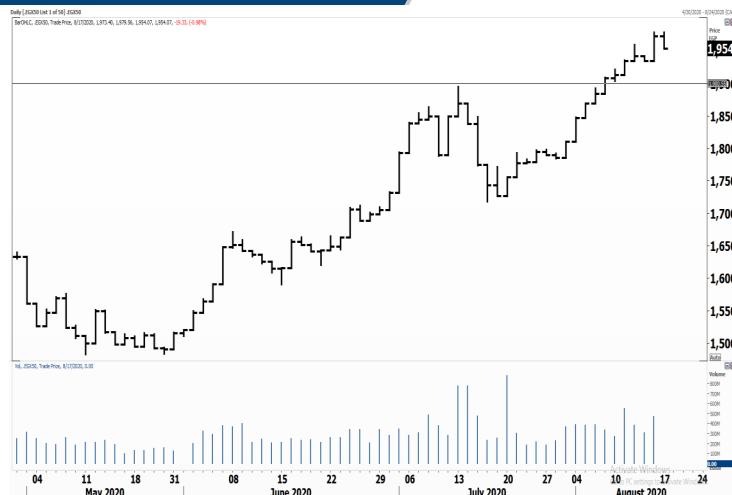
As for the expected amplitude of this correction, we are not expecting the 10,900 to be violated.

## Egyptian Exchange Equal Weight Index .EGX 50


### Analysis


The EGX 50's decline is normal and not scary at all as it should be considered as a minor correction within the overall rise. Our support lies at 1,900. We are actually expecting the rebound to occur from higher levels.

The current market decline should be used as a chance to step in.



## Resistance

**FWRY**  The stock rebounded sharply yesterday from its tight sideways range to close at its limit up and challenging to hit new historical highs. We expect FWRY to continue its rise and reach higher targets.


**AMER**  Closed at 0.701 after breaking 0.69 to the upside. We recommend investors to wait today for the stock to confirm this breakout. If it continues trading above 0.7, a buy signal will be triggered with a target around 0.8

## Support


No stocks broke their support yesterday


## Testing

### Support

**ISPH**  Rebounded from its support that lies at 7.5 to close clearly above support. ISPH might witness a rise from this level to reach 8.25-8.3 which is the next minor peak that should be watched.

### Resistance

**ESRS**  ESRS continued its rise to challenge its resistance that lies at 7.5-7.55. The stock witnessed some selling pressure in the second half of the session to close at 7.27. We are still expecting the breakout to occur. Those who want to purchase after confirmation are recommended to buy at the 7.5 breakout as our target will be set around 8.5.

**CCAP**  Broke above 1.68 on an intraday basis with high volumes but was not able to clearly close above it. If CCAP breaks above 1.68 and closes above it, a new buy signal will be triggered with a minimum target around 2.1-2.15

| Symbol  | S. Description                   | Last   | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/<br>Re-Entry |
|---------|----------------------------------|--------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK/d                    | 66.00  | 62        | 60        | 66.5         | 67.5         | ↔     | Hold           | 60                     |
| EAST.CA | EASTERN CO/d                     | 12.00  | 11.70     | 10.85     | 13.00        | 13.60        | ↔     | Hold           | 11.70                  |
| EKHO.CA | EGYPT KUWAIT H/d                 | 1.11   | \$1.08    | \$1.04    | \$1.13       | \$1.17       | ↔     | Hold           | \$1.04                 |
| HRHO.CA | EFG HERMES HOL/d                 | 13.97  | 13.55     | 12.55     | 15.50        | 16.10        | ↑     | Hold           | 12.55                  |
| TMGH.CA | TALAT MOSTAFA/d                  | 6.60   | 6.42      | 6         | 6.90         | 7.15         | ↑     | Hold           | 6.00                   |
| CLHO.CA | CLEOPATRA HOSPITAL COMPANY       | 5.06   | 4.90      | 4.60      | 5.20         | 5.50         | ↔     | Hold           | 4.60                   |
| SWDY.CA | ELSWEDY ELECTR/d                 | 7.13   | 6.94      | 6.6       | 7.4          | 7.88         | ↔     | Hold           | 6.6                    |
| ETEL.CA | TELECOM EGYPT/d                  | 13.08  | 12.84     | 12.25     | 13.30        | 13.65        | ↔     | Hold           | 12.25                  |
| ISPH.CA | IBNSINA PHARMA                   | 7.80   | 7.50      | 7.35      | 8.32         | 8.70         | ↔     | Hold           | 7.50                   |
| CIRA.CA | CAIRO INVESTMENT & REAL ESTATE/d | 13.00  | 12.60     | 11.50     | 13.50        | 14.00        | ↑     | Hold           | 11.50                  |
| JUFO.CA | JUHAYNA FOOD I/d                 | 7.10   | 7         | 6.8       | 7.65         | 8.2          | ↔     | Hold           | 7                      |
| CIEB.CA | CREDIT AGRICOL/d                 | 26.34  | 26.50*    | 24.50     | 30.00        | 31.50        | ↔     | Hold           | 26.50*                 |
| OCDI.CA | 6TH OCT DEV IN/d                 | 12.35  | 12.00     | 11.60     | 13.40        | 13.60        | ↑     | Hold           | 11.60                  |
| MNHD.CA | NASR CITY HOUS/d                 | 3.28   | 3.16      | 2.90      | 3.48         | 3.64         | ↑     | Hold           | 2.90                   |
| EFID.CA | EDITA /d                         | 9.21   | 8.90      | 8.20      | 10.35        | 11.00        | ↔     | Hold           | 8.90                   |
| HELI.CA | HELIOPLIS/d                      | 6.30   | 6.20      | 5.95      | 6.65         | 7.00         | ↑     | Hold           | 5.95                   |
| ORWE.CA | ORIENTAL WEAVERS /d              | 5.53   | 5.4       | 5.1       | 5.8          | 6            | ↑     | Hold           | 5.4                    |
| PHDC.CA | PALM HILL DEV /d                 | 1.47   | 1.46      | 1.4       | 1.6          | 1.68         | ↑     | Hold           | 1.4                    |
| CCAP.CA | CITADEL CAPITA/d                 | 1.66   | 1.54      | 1.41      | 1.67         | 1.74         | ↔     | Hold           | 1.41                   |
| SKPC.CA | SIDI KERIR PET/d                 | 6.95   | 6.60      | 6.45      | 7.00         | 7.30         | ↔     | Hold           | 6.45                   |
| AUTO.CA | AUTO GHABBOUR /d                 | 2.45   | 2.30      | 2.20      | 2.70         | 2.93         | ↑     | Hold           | 2.20                   |
| EMFD.CA | EMAAR MISR DEV/d                 | 2.40   | 2.30      | 2.15      | 2.60         | 2.80         | ↔     | Hold           | 2.15                   |
| ORHD.CA | ORASCOM EGYPT/d                  | 4.42   | 4.35      | 4.10      | 4.75         | 5.00         | ↑     | Hold           | 4.10                   |
| ESRS.CA | EZZ STEEL/d                      | 7.27   | 6.77      | 6.53      | 7.60         | 7.88         | ↔     | Hold           | 6.53                   |
| OIH.CA  | ORASCOM INVESTMENT HOLDING /d    | 0.498  | 0.480     | 0.460     | 0.530        | 0.556        | ↑     | Hold           | 0.460                  |
| EXPA.CA | EXPORT DEVELOPMENT BANK /d       | 11.500 | 10.850    | 10.650    | 11.550       | 12.000       | ↑     | Hold           | 10.650                 |
| IRON.CA | EGYPTAIN IRON & STEEL /d         | 3.08   | 2.93      | 2.66      | 3.50         | 3.70         | ↔     | Hold           | 2.66                   |
| DSCW.CA | DICE SPORT AND CASUAL WEAR /d    | 1.435  | 1.44*     | 1.370     | 1.630        | 1.720        | ↔     | Hold           | 1.370                  |
| BTFH.CA | BELTONE FINANCIAL HOLDING /d     | 2.690  | 2.650     | 2.430     | 3.000        | 3.250        | ↑     | Hold           | 2.430                  |

## 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).

## Technical Analysis Department

### Saleh Nasser

Chief Technical Strategist

### Ahmed Hassan

Senior Technical Analyst

### Dina Fahmy

Senior Technical Analyst

### 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.