

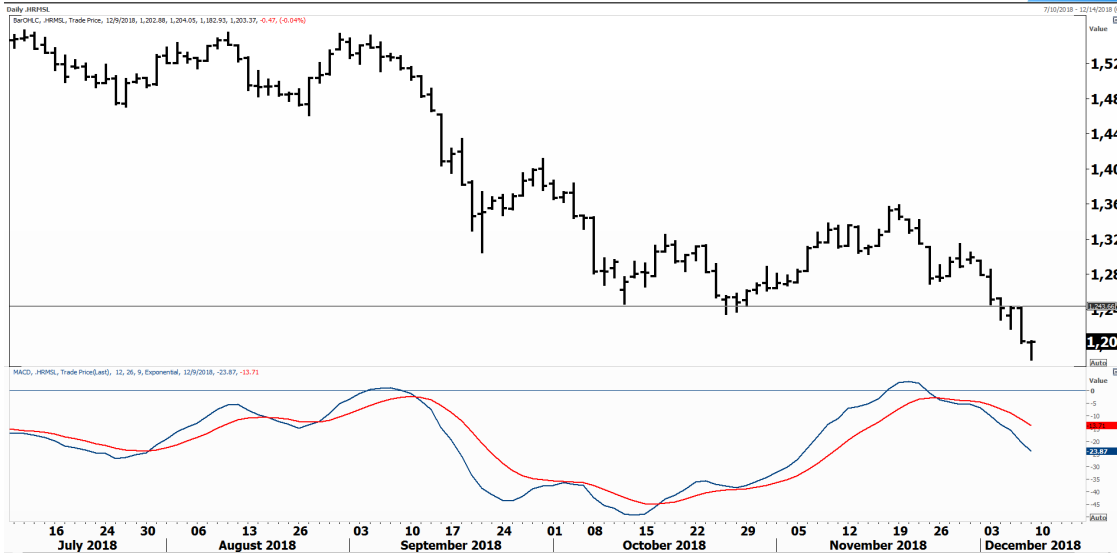


PIONEERSECURITIES

TECH TO THE POINT

10-Dec-18

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



Last	1,203.37
High Today	1,204.05
Low Today	1,182.93
Volume	M 0.000
First Support	1,180.00
Second Support	1,130.00
First Resistance	1,245.00
Second Resistance	1,270.00
Stop Loss	

HISTORICAL RETURN %

1 WEEK	-5.95%
1 MONTH	-9.58%
1 QUARTER	-20.55%
1 YEAR	-12.44%
YTD	-16.63%

Analysis

The market was able to stabilize yesterday despite the bad market sentiment to close near the high of the session. Buyers were not aggressive yesterday, but sellers did not exert selling pressure. The high of the previous two sessions (that lies at 1,245 on the Hermes Last Index) is important to watch as only a break through this level will lead to a short-term rise.

The picture until now is still weak and we should monitor closely how the index will perform the next few sessions. A failure to break above 1,245 will be a clear chance to sell.

One of the signs that we are looking for is a bullish crossover on the MACD indicator. If this positive crossover occurs, this will be seen as short-term bullish for the market. Nothing of that happened yet so we are still waiting to see if any short-term bullish sign will occur from current levels or not.

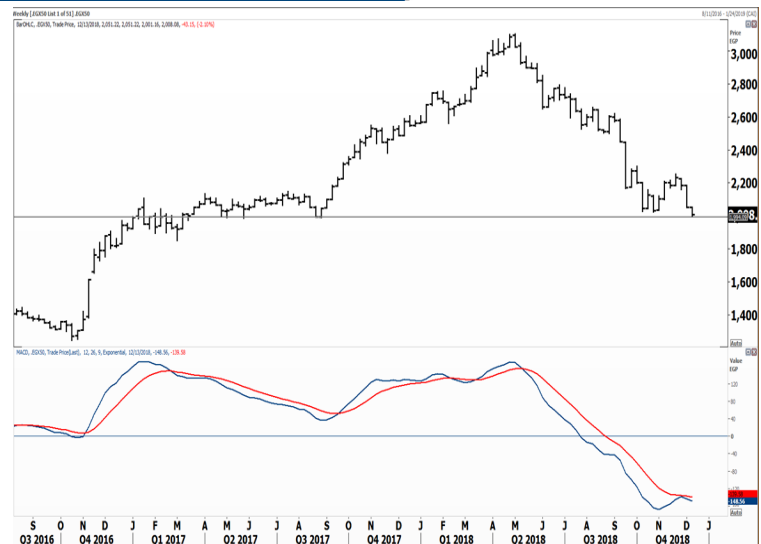
Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 index is testing its support that lies at around 2,000. The MACD indicator is also trying to witness a positive crossover, which will be viewed as a positive sign.

If a rise occurs from current levels, we will consider this rise as a chance to sell until the 2,250 level (the current minor peak) is clearly broken upwards. It is very risky to buy before confirmation as the market is currently weak.


Thus, we are holding positions, selling rallies, and waiting for the 2,250 level to be broken to repurchase for another short-term leg.




Resistance

No resistance breakouts


Support


EFIC  Broke 9 downwards to close at 8.87. Next support lies at 8.4; a rebound from this support is probable. Those who still have positions are recommended to reduce at market rises.


EKHO  The stock closed at 1.06 at the end of the session. No re-entry signals will be triggered before a clear breakout above 1.1. As for the downside potential, EKHO can reach the 0.99-1 range before witnessing a rebound.


Testing

Support

SWDY  Rebounded from its support that lies at 14, to close near 15 at the end of the session. Those who have positions should place their sell target at 16-16.5. Re-entry will be triggered only if 17.5 is broken upwards.

PIOH  The stock was able to close at the high of the session at 5.89. A continuation of this rise can lead PIOH near 7 where selling pressure will probably be stronger.

HRHO  Hovering around its support but still unable to rise. The failure to rise quickly from current levels will be bearish for HRHO. If a rise occurs, we recommend getting out at 14.5 and placing the re-entry level at a break above 15.

AIND  The stock is trading at its major support. A rebound from here is very logic. Our first level to watch is 0.68. A failure to break above 0.68; or the 0.68-0.7 range will not be a bullish sign. This is where we should look for selling chances.

Resistance

S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COM INTL BK	68.99	66.00	62.00	72.00	75.00	↓	P.SELL	75.00
EASTERN CO	16.74	16.90 *	16.30	19.00	19.80	↔	Hold	16.90 *
ELSWEDY ELECTRIC	14.97	13.90	13.50	15.20	16.00	↓	P.SELL	16.00
TALAT MOSTAFA	9.02	8.80	8.20	9.60	10.50	↓	P.SELL	10.50
ABU QIR FRT&CHM	25.00	24.00	22.00	25.50	27.75	↓	P.SELL	27.75
EGYPT KUWAIT HLD	1.06	\$1.03	\$1.00	\$1.10	\$1.13	↓	P.SELL	\$1.13
EFG HERMES HOLD	13.54	13.55 *	12.80	14.60	15.00	↓	P.SELL	15.00
GLOBAL TELECO	2.83	2.75	2.55	3.28	3.50	↓	P.SELL	3.80
ALX MINERAL OILS	5.86	5.90 *	5.60	6.80	7.50	↓	P.SELL	7.50
MEDINET NASR HOU	6.25	6.30 *	5.50	6.90	7.65	↓	P.SELL	7.65
SIDI KERIR PETRC	16.61	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
6TH OCT DEV INV	13.29	12.90	12.00	14.80	16.00	↓	P.SELL	16.00
JUHAYNA FOOD IND	10.99	10.50	9.50	11.30	13.00	↔	Hold	9.50
EZZ STEEL	17.04	17.25 *	16.00	18.20	20.00	↓	P.SELL	20.00
TELECOM EGYPT	11.62	10.85	10.00	12.50	13.20	↑	Hold	10.85
CITADEL CAPITAL	3.45	3.40	3.20	3.60	4.00	↓	P.SELL	4.00
QNB ALAHLI	39.50	40.00*	38.00	46.00	50.00	↓	P.SELL	50.00
PALM HILL DEV CO	2.20	2.18	2.06	2.43	2.58	↓	P.SELL	2.58
ORASCOM CONST	109.00	108.00	103.00	116.00	120.00	↔	Hold	108.00
Misr Gedida Hou	15.50	14.50	13.50	16.60	17.35	↓	P.SELL	17.35
EDITA FOOD INDS	12.60	13.00 *	12.20	15.20	17.00	↓	P.SELL	16.00
IBNSINA PHARMA	9.84	9.50	8.60	11.00	12.20	↔	Hold	9.50
EMAAR MISR DEV	2.98	2.85	2.50	3.20	3.45	↓	Hold	3.45
PIONEERS HLDG	5.89	5.40	5.00	6.10	6.80	↔	Hold	5.40
ORASCOM INVESTMENT HOLD- ING	0.52	0.51	0.45	0.56	0.60	↔	Hold	0.51
EGYPT ALUMINIUM	33.70	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGYPTIAN RESORTS	1.73	1.68	1.42	2.05	2.22	↓	P.SELL	2.05
PORTO GROUP	0.79	0.78	0.74	0.96	1.20	↔	Hold	0.74
EGYPTIAN IR & ST	4.65	4.50	4.25	5.30	5.70	↓	P.SELL	5.70
ARAB COTTON GIN.	1.64	1.65 *	1.57	1.83	2.00	↔	Hold	1.65

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.