

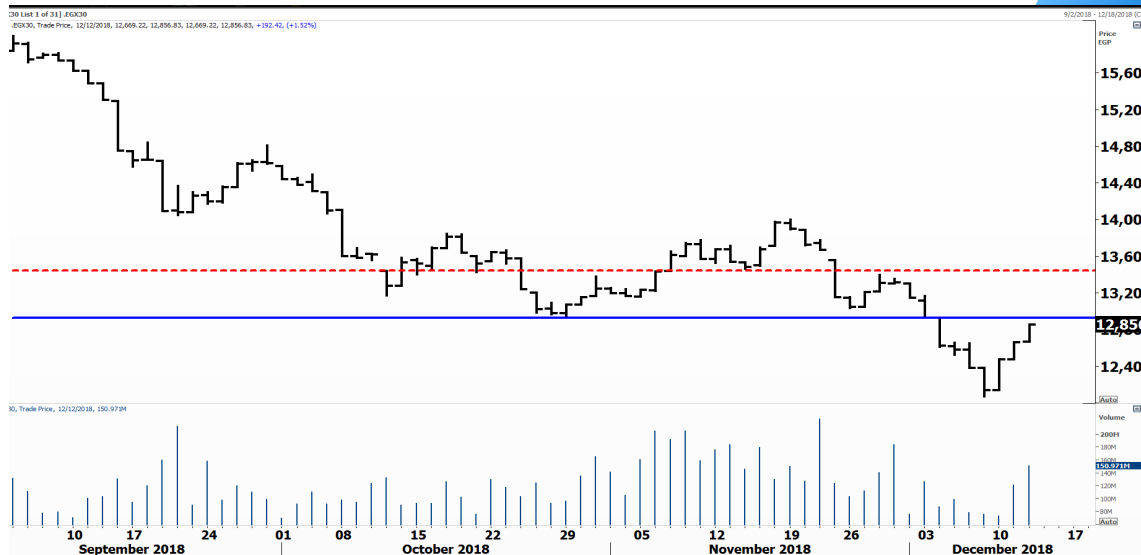


PIONEERSECURITIES

TECH TO THE POINT

13-Dec-18

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



Last	12,856.83
High Today	12,856.83
Low Today	12,669.22
Volume	M 150.971
First Support	12,100.00
Second Support	11,850.00
First Resistance	13,000.00
Second Resistance	13,400.00
Stop Loss	
12,856.83	
12,400	
HISTORICAL RETURN %	
1 WEEK	2.15%
1 MONTH	-6.01%
1 QUARTER	-16.99%
1 YEAR	-11.88%
YTD	-14.40%

Analysis

The market began strong yesterday and closed even stronger. We like how the market acted yesterday, especially that sellers were not able to overcome buying power. The EGX 30 is currently trading almost at 13,000. This is the broken support that should serve as resistance. If we continue trading above it today and we close this week strong, we will probably reach 13,400-13,500 next week, which will be considered as a preferable scenario to investors.

Our recommendation is to monitor the market closely to see first if it will break 13,000 upwards or not, and then monitor the next level. Those who are heavily invested and are still holding their positions are recommended to begin thinking of reducing slowly at the current rise to protect their investments. Those who are cash can trade the market from a short-term perspective.

In other words, the market still has trading opportunities, but we should apply cautious and care when trading the market especially nowadays.

Egyptian Exchange Small Caps Index EGX70


Analysis

The EGX 70 index continued its rise yesterday to close at 673. Our first resistance to watch lies at 680-685. We believe that testing this area will probably invite sellers to step in; if a decline occurs from there, however, it will probably create a higher low formation.


Our more important resistance that should be hit at a later stage is 700-710. This is where selling pressure will be much stronger.



Resistance

ORHD  Broke 6.5 with high volumes, closing at 6.71 at the end of the session. ORHD is expected to test its high that lies around 7.5

EGCH  As we expected yesterday, EGCH broke its resistance to close near 7. Our target lies at 8. We recommended to buy the stock yesterday and we are expecting it to reach our target soon.

AIND  Closed yesterday near its high with relatively high volumes. AIND can reach 0.8, especially if it continues trading above 0.7.


Support


EAST  Closed at 16.35 at the end of the session after breaking below 16.8-17. It is important to note that the 15 level should serve as support. If a rebound occurs from here, it will probably meet selling pressure near 17.5.

Testing

Support

Resistance

HRHO  Closed at 14.9 exactly at its resistance. A breakout above 15 today (if it occurs) will be seen as bullish for the stock on the short-term. Our first target will be set near 15.7, followed by 17.

MNHD  Challenging its current resistance that lies at 6.9. MNHD is not expected to go far from current levels. If the 6.9 is broken upwards, sellers will probably step in near the 7.2-7.25 area.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	73.88	66.00	62.00	75.00	77.75	↓	P.SELL	75.00
EAST.CA	EASTERN CO	16.35	16.20	15.20	17.55	19.00	↓	P.SELL	17.55
SWDY.CA	ELSWEDY ELECTRIC	16.70	13.90	13.50	17.50	18.30	↓	P.SELL	17.50
TMGH.CA	TALAT MOSTAFA	9.47	8.80	8.20	9.60	10.50	↓	P.SELL	10.50
ABUK.CA	ABU QIR FRT&CHM	25.71	24.00	22.00	27.75	29.00	↓	P.SELL	27.75
EKHO.CA	EGYPT KUWAIT HLD	1.08	\$1.03	\$1.00	\$1.10	\$1.13	↓	P.SELL	\$1.13
HRHO.CA	EFG HERMES HOLD	14.90	13.55	12.80	15.12	15.70	↓	P.SELL	15.12
GTHE.CA	GLOBAL TELECO	3.50	2.75	2.55	3.50 *	3.80	↓	P.SELL	3.80
AMOC.CA	ALX MINERAL OILS	6.30	5.90	5.60	6.80	7.50	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	6.83	6.30	5.50	6.90	7.65	↓	P.SELL	7.65
SKPC.CA	SIDI KERIR PETRC	17.35	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	14.15	12.90	12.00	14.80	16.00	↓	P.SELL	16.00
JUFO.CA	JUHAYNA FOOD IND	11.00	10.50	9.50	11.30	13.00	↔	Hold	9.50
ESRS.CA	EZZ STEEL	17.52	17.25	16.00	18.20	20.00	↓	P.SELL	20.00
ETEL.CA	TELECOM EGYPT	12.00	10.85	10.00	12.50	13.20	↑	Hold	10.85
CCAP.CA	CITADEL CAPITAL	3.76	3.40	3.20	4.00	4.14	↓	P.SELL	4.00
QNBA.CA	QNB ALAHLI	39.50	40.00 *	38.00	46.00	50.00	↓	P.SELL	50.00
PHDC.CA	PALM HILL DEV CO	2.33	2.18	2.06	2.43	2.58	↓	P.SELL	2.58
ORAS.CA	ORASCOM CONST	113.99	108.00	103.00	116.00	120.00	↔	Hold	108.00
HELI.CA	Misr Gedida Hou	16.48	14.50	13.50	16.60	17.35	↓	P.SELL	17.35
EFID.CA	EDITA FOOD INDS	14.00	13.00	12.20	15.20	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	10.12	9.50	8.60	11.00	12.20	↔	Hold	9.50
EMFD.CA	EMAAR MISR DEV	3.14	2.85	2.50	3.20	3.45	↓	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.29	5.40	5.00	6.40	6.80	↔	Hold	5.40
OIH.CA	ORASCOM INVESTMENT HOLDING	0.55	0.51	0.45	0.56	0.60	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	34.50	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	1.82	1.68	1.42	1.94	2.05	↓	P.SELL	2.05
PORT.CA	PORTO GROUP	0.83	0.78	0.74	0.96	1.20	↔	Hold	0.74
IRON.CA	EGYPTIAN IR & ST	5.13	4.50	4.25	5.30	5.70	↓	P.SELL	5.70
ACGC.CA	ARAB COTTON GIN.	1.71	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).

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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.