

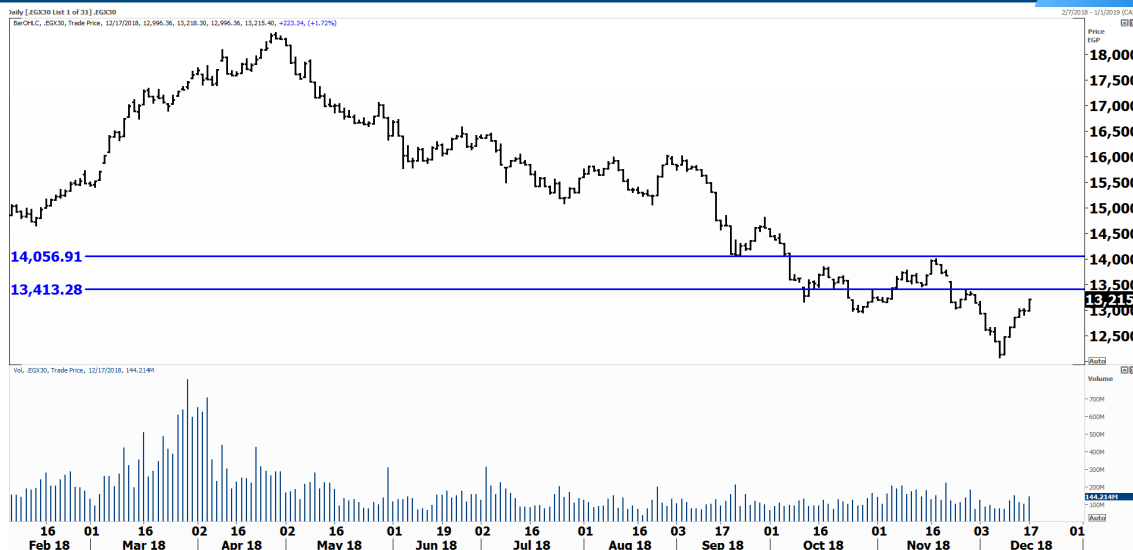


PIONEERSECURITIES

TECH TO THE POINT

18-Dec-18

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



Last	13,215.40
High Today	13,218.30
Low Today	12,996.36
Volume	M 144.214
First Support	12,650.00
Second Support	12,100.00
First Resistance	13,400.00
Second Resistance	14,000.00
Stop Loss	

HISTORICAL RETURN %

1 WEEK	5.92%
1 MONTH	-3.41%
1 QUARTER	-9.80%
1 YEAR	-10.20%
YTD	-12.01%

Analysis

The market continued its rise yesterday, closing slightly above 13,200. The 13,400 level is currently very near and this is our first target to watch. As we mentioned before, the 13,400 level was expected to be reached. In other words, those who have been heavily invested in the market and suffered a big drawdown can begin to reduce exposure and repurchase at a market dip near 12,500-12,700, or re-enter if the index breaks 13,500 upwards.

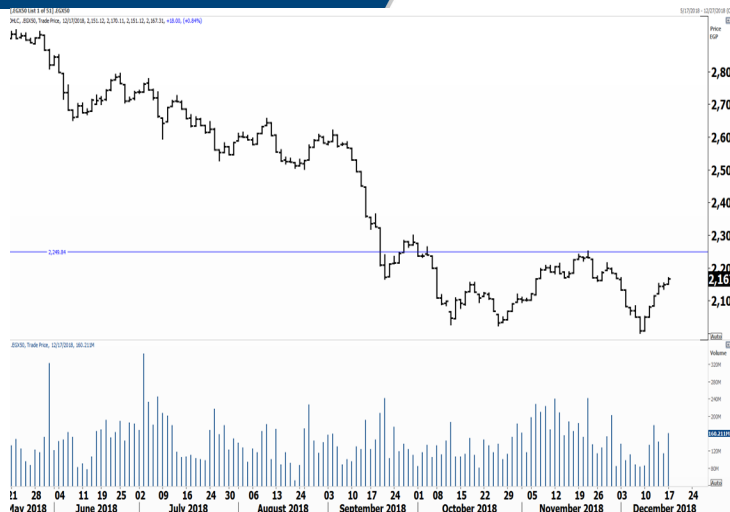
On the other hand, our bullish view will be confirmed at a clear breakout above 14,000; this is the level that will turn the market to bullish. For now, our two levels to watch are 13,400 and 14,000.

Egyptian Exchange Equal Weights Index EGX50


Analysis


Let us reiterate the important fact that if the EGX 50 breaks above 2,250, this will be an important sign of a potential strong rise. The index closed at 2,167 yesterday and is approaching its resistance. It is very logic to find selling pressure appearing at current levels. Those who want to reduce exposure as the EGX 50 approaches 2,250 can do so but it is very important to place the re-entry at a breakout above this level.


On the other hand, if a decline occurs from here, the 2,100 level will probably act as support.



Resistance

ECAP  The stock broke 14.75 upwards with high volumes, closing at 15.25 at the end of the session. We expect ECAP to reach 20, especially if it confirms this breakout.

ACGC  The 1.83 is a minor resistance for ACGC; the breakout above this level triggered a buy signal. Our more important resistance, however, lies at 2. If this level is clearly broken upwards a stronger buy signal will be triggered with a target at around 2.5.


ETEL  The stock confirmed its 12 breakout, and even closed above 12.5, which was another minor resistance. We are bullish on the stock; if we continue trading above 12.5, the 14.5 level will probably be reached soon.

Support

Testing

Support

Resistance

ACAMD  The stock witnessed a sharp rise yesterday, closing near 2.9, which is an important resistance to watch. The stock looks very strong and is one of our recommended stocks. A breakout above 2.9 will be an early signal of a potential new historical high.

COMI  Those who want to step in can buy at a breakout above 75. Such a breakout, if confirmed, will lead COMI near mid eighties.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	75.00	71.50	67.00	75.00 *	77.75	↓	P.SELL	75.00
EAST.CA	EASTERN CO	16.90	16.20	15.20	17.55	19.00	↓	P.SELL	17.55
SWDY.CA	ELSWEDY ELECTRIC	16.80	16.00	13.90	17.50	18.30	↓	P.SELL	17.50
TMGH.CA	TALAT MOSTAFA	10.01	9.50	8.70	10.25	10.50	↓	P.SELL	10.50
ABUK.CA	ABU QIR FRT&CHM	25.00	24.00	22.00	26.00	27.75	↓	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	15.20	14.50	13.60	15.70	16.20	↔	Hold	13.60
GTHE.CA	GLOBAL TELECO	3.57	3.20	2.75	3.80	3.93	↓	P.SELL	3.80
AMOC.CA	ALX MINERAL OILS	6.43	5.90	5.60	6.80	7.50	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	7.15	6.70	6.30	7.30	7.65	↓	P.SELL	7.65
SKPC.CA	SIDI KERIR PETRC	17.80	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	14.65	12.90	12.00	14.80	16.00	↓	P.SELL	16.00
JUFO.CA	JUHAYNA FOOD IND	11.02	10.50	9.50	11.30	13.00	↔	Hold	9.50
ESRS.CA	EZZ STEEL	18.95	17.25	16.00	20.00	21.00	↓	P.SELL	20.00
ETEL.CA	TELECOM EGYPT	12.75	11.40	10.85	13.20	14.50	↑	Hold	11.40
CCAP.CA	CITADEL CAPITAL	3.63	3.40	3.20	3.83	4.00	↓	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	2.35	2.12	2.06	2.43	2.58	↓	P.SELL	2.58
ORAS.CA	ORASCOM CONST	118.25	115.00	108.00	120.00	127.00	↔	Hold	108.00
HELI.CA	Misr Gedida Hou	18.20	17.30	16.30	18.80	19.50	↓	P.SELL	19.50
EFID.CA	EDITA FOOD INDS	14.00	13.00	12.20	15.20	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	9.82	9.50	8.60	11.00	12.20	↔	Hold	9.50
EMFD.CA	EMAAR MISR DEV	3.30	3.22	2.90	3.45	3.72	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.36	5.40	5.00	6.40	6.80	↔	Hold	5.40
OIH.CA	ORASCOM INVESTMENT HOLDING	0.58	0.54	0.51	0.58 *	0.60	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	34.31	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	1.85	1.68	1.42	1.94	2.05	↓	P.SELL	2.05
PORT.CA	PORTO GROUP	0.84	0.78	0.74	0.96	1.20	↔	Hold	0.74
IRON.CA	EGYPTIAN IR & ST	5.21	4.50	4.25	5.30	5.70	↓	P.SELL	5.70
ACGC.CA	ARAB COTTON GIN.	1.88	1.70	1.60	2.00	2.15	↔	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

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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.