

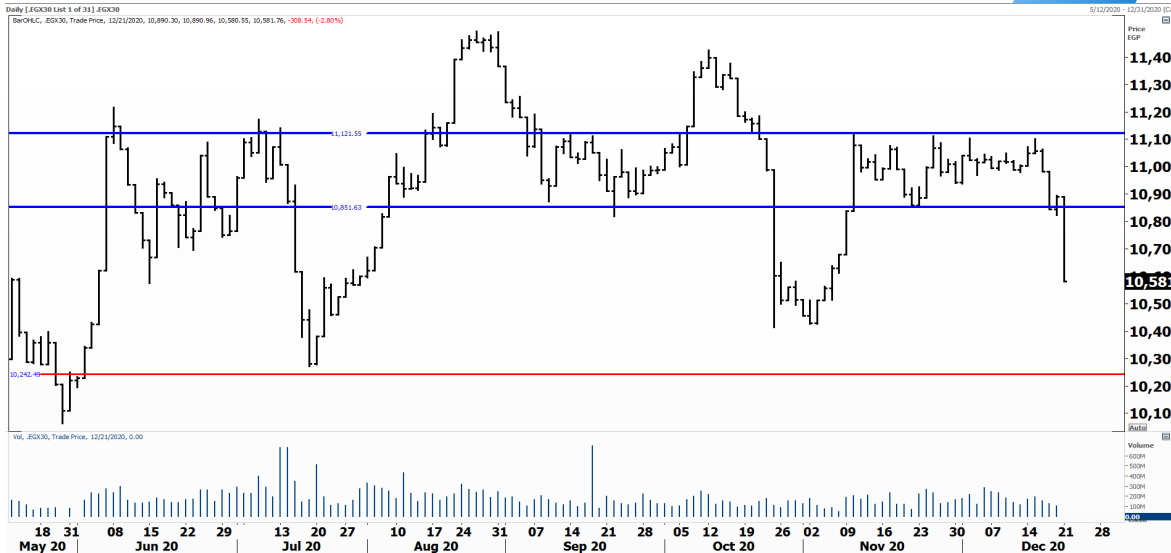


PIONEERSECURITIES

# TECH TO THE POINT

22-Dec-2020

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



Last	10,581.76
High Today	10,892.28
Low Today	10,580.55
Volume	M 235.288
First Support	10,400.00
Second Support	10,200.00
First Resistance	10,850.00
Second Resistance	11,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-0.41%
1 MONTH	5.70%
1 QUARTER	-1.70%
1 YEAR	-18.16%
YTD	-21.05%

## Analysis

Yesterday was a day where we had to change our short-term view significantly. Yesterday's panic decline was not expected and it came surprisingly. This decline broke support levels and changed the picture significantly to a much more conservative view.

The 10,850 was not only violated, but the index almost reached its next support that lies at 10,400. The EGX 30 closed at 10,580 yesterday and is on its way to the 10,200-10,300 area, which is also now in jeopardy.

We usually do not make swift changes in our short-term views, but when a significant move takes place, we have to follow reality and abide by what we are witnessing.

Let us put it this way; the 10,850 was violated sharply, which triggered stops. Our next level to watch lies near 10,300. A rebound from this level will revive hopes once again; however, any violation below 10,300 will have bearish implications for the market.

## Egyptian Exchange Small Caps Index .EGX 70

### Analysis

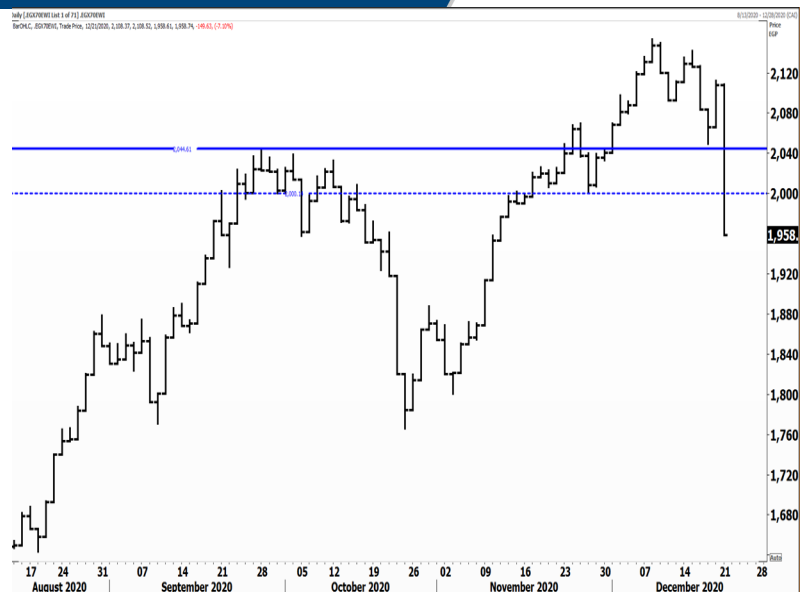
A decline of 7.1% on an index is something that does not happen everyday.

The 2,040-2,050 level was serving its role well as a strong support until yesterday when everything collapsed and most of the EGX 70 stocks closed at their limit down.

The index closed at 1,958, breaking also the 2,000 bottom. Things turned to a much more bearish view, as we will find a lot of resistance above 2,000.

This decline should lead the EGX 70 to 1,890 initially; we will watch whether a rebound will take place from there or not.


For now, we changed our view from buying dips to selling rises.





## Resistance

No stocks broke their resistance yesterday

## Support


**CCAP**  A stock that was on the verge of breaking resistance, yesterday fell 10% and violated the 1.4-1.42 support area, closing at 1.37. We cannot do anything but reduce exposure at any rise. Next target lies at 1.28.


**SKPC**  Fell yesterday with a significant gap, breaking 9.2 to the downside, and reaching its maximum 10% limit. SKPC has a support at 7.8; we will watch how it will react at this support.


**EGTS**  The 1.45 level was violated sharply yesterday, as the stock closed at 1.381 at the end of the session. Next support lies at 1.26. A violation below this level will lead EGTS near 1.

## Testing

### Support

**HELI**  Closed at 5.7 after testing its support that lies at 5.58. HELI is on the verge of violating support. It is worth noting that this level is important to watch and any clear violation below it will lead to a strong decline.

**MNHD**  Closed at 3.6 and is approaching its important support that lies at 3.4. It is important to note also that the 3.6 is a support too; however, MNHD will most probably break it downwards today and reach the 3.4. The latter level is the more important to watch and stops should be placed there.

**EMFD**  Witnessed a decline of 7.7% yesterday, to close at 2.27 and approaching its major bottom that lies at 2.2. No one was expecting EMFD to go back to 2.2 after it broke 2.6 to the upside. Markets, however, are full of surprised sometimes, many of these surprises, unfortunately are not pleasant.

## Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	60.10	59.94	58.5	61.8	63	↔	Hold	59.94
EAST.CA	EASTERN CO/d	12.70	12.3	12	13.34	13.75	↑	Hold	12
EKHO.CA	EGYPT KUWAIT H/d	1.00	\$0.97	\$0.94	\$1.04	\$1.08	↓	P.Sell	\$1.04
HRHO.CA	EFG HERMES HOL/d	13.70	13.3	13	14.8	15.53	↔	Hold	13.3
TMGH.CA	TALAT MOSTAFA/d	6.30	6.3	6	6.7	6.9	↔	Hold	6.52
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.59	4.35	4.16	4.95	5.2	↔	Hold	4.35
SWDY.CA	ELSWEDY ELECTR/d	8.72	8.5	8.2	9.4	9.8	↔	Hold	8.5
ETEL.CA	TELECOM EGYPT/d	11.45	11.2	10.5	12.1	12.6	↔	Hold	11.2
ISPH.CA	IBNSINA PHARMA	5.08	5.08*	4.85	5.45	5.64	↓	P.Sell	5.64
CIRA.CA	CAIRO INVESTMENT & REAL ESTATE/d	14.00	14*	13.3	15	15.8	↔	Hold	13.3
JUFO.CA	JUHAYNA FOOD I/d	5.55	5.39	5.1	6	6.3	↓	P.Sell	6.3
CIEB.CA	CREDIT AGRICOL/d	26.55	25.2	24.5	28	31.5	↔	Hold	24.5
OCDI.CA	6TH OCT DEV IN/d	14.60	14	13.3	15.35	15.7	↑	Hold	14
MNHD.CA	NASR CITY HOUS/d	3.60	3.67*	3.42	3.95	4.12	↔	Hold	3.42
EFID.CA	EDITA /d	8.50	8.25	7.75	9	9.7	↔	Hold	8.25
HELI.CA	HELIOPOLIS/d	5.70	5.6	5.11	6.22	6.4	↔	Hold	5.6
ORWE.CA	ORIENTAL WEAVERS /d	6.76	6.8*	6.44	7.2	8	↔	Hold	6.8*
PHDC.CA	PALM HILL DEV /d	1.30	1.28	1.22	1.35	1.41	↔	Hold	1.22
CCAP.CA	CITADEL CAPITA/d	1.37	1.39*	1.33	1.44	1.55	↔	Hold	1.33
SKPC.CA	SIDI KERIR PET/d	8.39	8.2	7.83	9.17	9.9	↔	Hold	8.2
AUTO.CA	AUTO GHABBOUR /d	3.10	3	2.85	3.34	3.48	↑	Hold	3
EMFD.CA	EMAAR MISR DEV/d	2.27	2.25	2.15	2.4	2.54	↔	Hold	2.15
ORHD.CA	ORASCOM EGYPT/d	4.50	4.54*	4.3	5	5.25	↑	Hold	4.54*
ESRS.CA	EZZ STEEL/d	8.51	8.33	8	9	9.6	↑	Hold	8.33
OIH.CA	ORASCOM INVESTMENT HOLDING /d	0.486	0.47	0.45	0.53	0.55	↔	Hold	0.45
EXPA.CA	EXPORT DEVELOPMENT BANK /d	14.220	14.1	12.8	15.6	16	↔	Hold	14.1
IRON.CA	EGYPTAIN IRON & STEEL /d	3.09	3.08	2.95	3.52	3.74	↔	Hold	3.08
DSCW.CA	DICE SPORT AND CASUAL WEAR /d	1.509	1.6	1.46	1.82	1.95	↔	Hold	1.6
BTFH.CA	BELTONE FINANCIAL HOLDING /d	2.270	2.2	2	2.55	2.66	↔	Hold	2.2

## 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.