

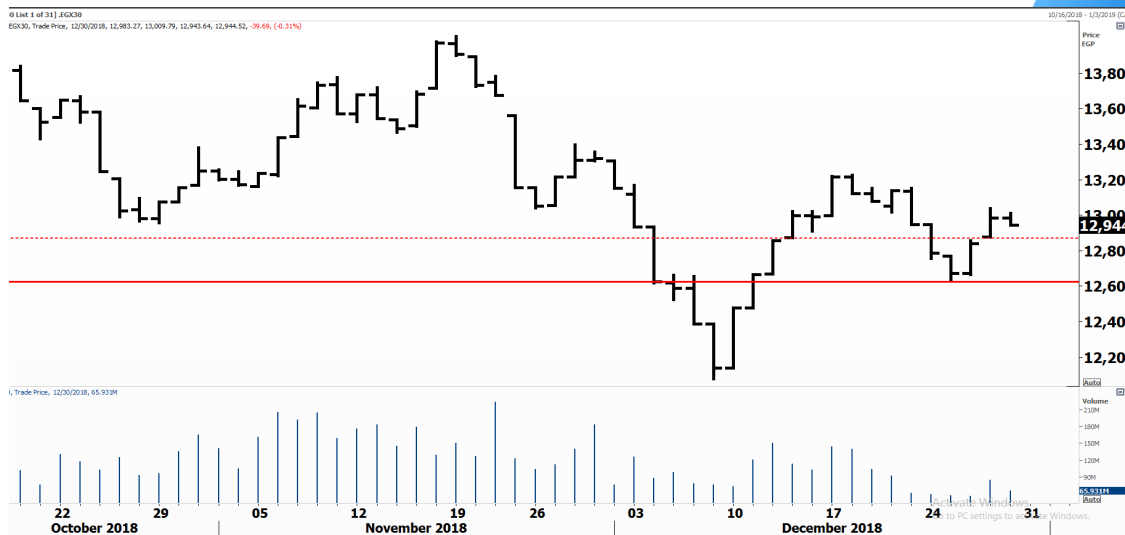


PIONEERSECURITIES

TECH TO THE POINT

31-Dec-18

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



Last	12,944.52
High Today	13,009.79
Low Today	12,943.64
Volume	M 65.931
First Support	12,600.00
Second Support	12,000.00
First Resistance	13,250.00
Second Resistance	14,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-0.02%
1 MONTH	-2.82%
1 QUARTER	-11.44%
1 YEAR	-13.80%
YTD	-13.81%

Analysis

Happy New Year.

It is important to note that the EGX 30 index is unable to reach its highs at 13,250; if a decline occurs today, breaking below 12,870, a lower high will be in place, which will be an early sign of a potential break below 12,600. Thus, we recommend investors to reduce their exposure here, and repurchase either at a rebound near the lows, or if the 13,250 is broken upwards.

The best action to take at current levels is to lock in current profits (or losses) and re-assess the situation with a more disciplined way as we are welcoming 2019.

We do not have to wait for certain prices if the market is unable to reach them; we are controlling our risk and our re-entry tactics are already in place. As we mentioned, either at a rebound from 12,000 or a break above 13,250.

Egyptian Exchange Small Caps Index EGX70


Analysis


Smaller caps stocks are outperforming blue chips; we can use this information in our favor. If the EGX 70 index breaks above 678, we can put some money in small caps. We do not recommend being heavily invested though as long as the EGX 30 index is unable to break 13,250 upwards.

In other words, we will be more biased to small caps if the 678 on the EGX 70 index is broken, but we will obviously be more bullish if both indices break their corresponding resistance levels.



Resistance

UASG  The 0.99 level is a major resistance. Yesterday's breakout is not confirmed yet despite that it came with very high volumes, which makes it a potentially successful breakout. If the stock continues trading above 1 today, a buy signal will be triggered with a minimum target at around 1.22.


ZEOT  Broke 1.26 with very high volumes, closing at 1.33 at the end of the session. Our next target lies at 1.45, then 1.65. Those who want to step in can do that at intraday dips with the aforementioned targets and a stop below 1.2.

Support


No stocks broke their support yesterday.


Testing

Support

AMER  The 0.78-0.8 area should serve as support for the stock. Those who want to step in after confirmation can enter at a break above 0.84. A break above this level will trigger a buy signal with a target near 0.9-0.92.

Resistance

SWDY  Challenging its resistance that lies at 17.5. Our buy signal will be triggered after the breakout. If SWDY breaks clearly above 17.5 it will probably reach 20 in a relatively short period of time.

ETRS  Closed at 7.5 with very high volumes. ETRS will trigger a buy signal at a break above 7.8. If this breakout occurs we will step in. Our target will be set near 9.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	73.47	71.50	67.00	75.00	77.75	↓	P.SELL	75.00
EAST.CA	EASTERN CO	16.20	15.20	14.50	17.55	19.00	↓	P.SELL	17.55
SWDY.CA	ELSWEDY ELECTRIC	17.36	16.00	13.90	17.50	18.30	↓	P.SELL	17.50
TMGH.CA	TALAT MOSTAFA	9.85	9.50	8.70	10.25	10.50	↓	P.SELL	10.50
ABUK.CA	ABU QIR FRT&CHM	23.00	22.00	21.25	24.80	26.00	↓	P.SELL	26.00
EKHO.CA	EGYPT KUWAIT HLD	1.07	\$1.03	\$1.00	\$1.10	\$1.13	↓	P.SELL	\$1.13
HRHO.CA	EFG HERMES HOLD	15.01	14.50	13.60	15.70	16.20	↔	Hold	13.60
GTHE.CA	GLOBAL TELECO	3.70	3.20	2.75	3.80	3.93	↔	Hold	3.80
AMOC.CA	ALX MINERAL OILS	6.14	5.90	5.60	6.80	7.50	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	6.65	6.50	6.25	7.22	7.65	↓	P.SELL	7.65
SKPC.CA	SIDI KERIR PETRC	17.21	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	13.30	12.90	12.00	14.80	16.00	↓	P.SELL	16.00
JUFO.CA	JUHAYNA FOOD IND	11.20	10.50	9.50	11.30	13.00	↔	Hold	9.50
ESRS.CA	EZZ STEEL	18.25	17.25	16.00	20.00	21.00	↓	P.SELL	20.00
ETEL.CA	TELECOM EGYPT	12.57	11.40	10.85	13.20	14.50	↑	Hold	11.40
CCAP.CA	CITADEL CAPITAL	3.52	3.40	3.20	3.83	4.00	↓	P.SELL	4.00
QNBA.CA	QNB ALAHLI	40.00	40.00 *	38.00	46.00	50.00	↓	P.SELL	50.00
PHDC.CA	PALM HILL DEV CO	2.15	2.12	2.06	2.43	2.58	↓	P.SELL	2.58
ORAS.CA	ORASCOM CONST	116.00	108.00	106.00	120.00	127.00	↔	Hold	108.00
HELI.CA	Misr Gedida Hou	17.80	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	10.15	9.50	8.60	10.50	11.00	↔	Hold	9.50
EMFD.CA	EMAAR MISR DEV	3.24	3.11	2.90	3.45	3.72	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.01	5.50	5.00	6.40	6.80	↔	Hold	5.50
OIH.CA	ORASCOM INVESTMENT HOLD- ING	0.58	0.54	0.51	0.58 *	0.60	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	22.17	21.65	20.60	24.00	25.50	↔	Hold	21.65
EGTS.CA	EGYPTIAN RESORTS	1.75	1.63	1.42	1.88	2.05	↓	P.SELL	2.05
PORT.CA	PORTO GROUP	0.82	0.78	0.74	0.96	1.20	↔	Hold	0.74
IRON.CA	EGYPTIAN IR & ST	5.27	5.00	4.50	5.50	5.70	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.76	1.70	1.60	1.88	2.01	↔	Hold	1.60

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.