

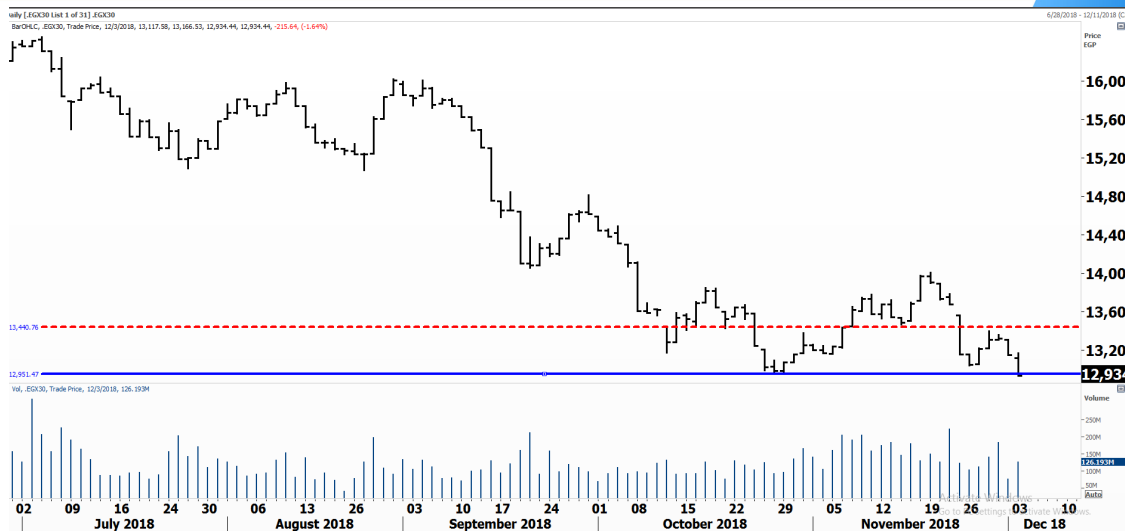


PIONEERSECURITIES

TECH TO THE POINT

4-Dec-18

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



Last	12,934.44
High Today	13,166.53
Low Today	12,934.44
Volume	M 126.193
First Support	13,000.00 *
Second Support	12,000.00
First Resistance	13,400.00
Second Resistance	14,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-0.88%
1 MONTH	-2.03%
1 QUARTER	-18.25%
1 YEAR	-12.09%
YTD	-13.88%

Analysis

The market unexpectedly witnessed a severe selloff yesterday despite that GTHE tried to maintain itself. Yesterday's market panic came with COMI breaking its major support, which is an important level to watch. Yesterday's decline dragged the index to its low once again; a confirmed break below 13,000 will lead the index back to 12,000, which was our initial target. We were expecting to bottom at these levels, but unfortunately, the market does not want to rise yet.

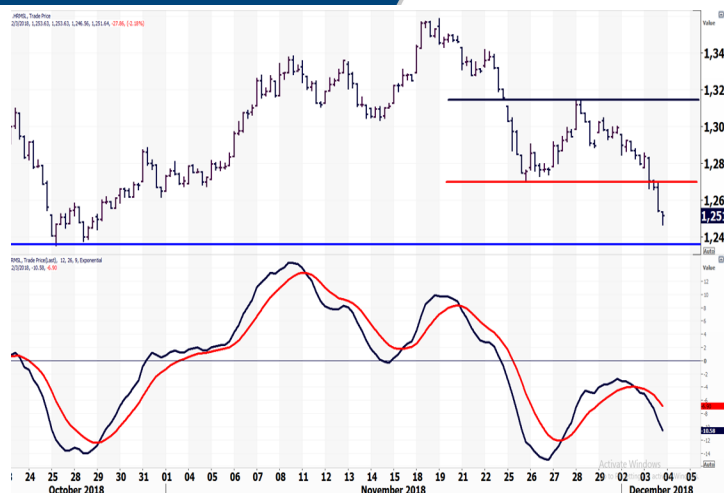
If the market does not rebound today, we will be eligible to another declining leg that will take the market to lower levels.

Hermes Last Index/ Hourly Chart

Analysis

Looking at the Hermes Last Hourly chart, we can search for potential positive signals. We do not want to appear as if we are mining to extract positive signals, but we can simply put it this way; IF the market rebounds today and the MACD gives a positive crossover, this will be considered as an important positive divergence, which will also be a significant bear trap for sellers. We need to see two important signals though: 1– the index breaking back above its previous bottom that lies at 1,270 and 2– the MACD indicator giving a positive crossover. Such a combination will be seen as a bullish scenario.


Until the above happens, we can say that the market is in real jeopardy.





Resistance

No resistance breakouts

Support


SWDY  Yesterday's decline was strong, taking the stock from above 16 to close at 14.9 at the end of the session. SWDY is expected to test its low that lies near 14.


ADIB  If the break below 11 is confirmed, the stock will probably reach 9.5. We still need to see more confirmation of this support violation. If a rebound occurs, we will not think of stepping in unless the 11.75 is broken upwards


AIND  Broke 0.7 downwards, closing at 0.693. Until the stock breaks above 0.75, we recommend getting out of positions. Only a breakout above the latter level will call for re-entry, for now we recommend to sell.


Testing

Support

CCAP  The stock witnessed a clear lower high and is currently challenging its support that lies at 3.6. A break below this level will lead to a strong decline that can take CCAP to 3.45 initially.

ACAMD  The market panic was so contagious that it affected even ACAMD which was one of yesterday's breakouts. The stock erased in one day the gains that were seen the past 6 sessions to reach its support at 2.6 before rebounding slightly at the end of the session to close at 2.69. Naturally, we should rise from here. It is important though to note that the 2.85-2.9 area is expected to serve as a strong resistance.

PHDC  The 2.3 level is our current support. If PHDC breaks this level downwards, stop loss will be hit and our target will be set near 2.

COMI  The violation of the 70-72 major support range will have bearish implications on the stock. A confirmed break below this level will lead COMI to mid fifties. This break should be confirmed on a weekly basis; if confirmed, selling rises will be the strategy to use. For now, we should still expect a rise from current levels.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	70.22	70.00	66.00	75.00	77.00	↔	Hold	70.00
EAST.CA	EASTERN CO	18.10	16.60	15.75	19.80	21.00	↑	Hold	16.60
SWDY.CA	ELSWEDY ELECTRIC	14.90	14.80	14.00	16.60	17.50	↔	Hold	17.50
TMGH.CA	TALAT MOSTAFA	9.29	9.30 *	9.10	10.50	11.40	↔	Hold	9.10
ABUK.CA	ABU QIR FRT&CHM	26.00	25.50	24.50	28.45	29.00	↓	P.SELL	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.09	\$1.08	\$1.03	\$1.12	\$1.15	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	13.95	13.55	12.80	14.84	15.70	↓	P.SELL	14.84
GTHE.CA	GLOBAL TELECO	3.16	3.00	2.75	3.28	3.80	↔	Hold	3.80
AMOC.CA	ALX MINERAL OILS	6.35	6.25	5.93	7.18	7.50	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	6.92	6.90	6.30	7.75	8.40	↔	Hold	6.90
SKPC.CA	SIDI KERIR PETRC	17.16	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	15.30	14.80	14.20	16.00	16.90	↔	Hold	14.80
JUFO.CA	JUHAYNA FOOD IND	11.00	9.50	8.50	11.50	12.10	↔	Hold	9.50
ESRS.CA	EZZ STEEL	18.38	18.00	17.25	20.10	20.95	↓	P.SELL	20.95
ETEL.CA	TELECOM EGYPT	12.26	11.90	10.85	13.25	14.00	↑	Hold	10.85
CCAP.CA	CITADEL CAPITAL	3.67	3.60	3.40	4.13	4.40	↑	Hold	3.60
QNBA.CA	QNB ALAHLI	40.20	40.00	38.00	46.00	50.00	↓	P.SELL	50.00
PHDC.CA	PALM HILL DEV CO	2.34	2.30	2.18	2.90	3.20	↑	Hold	2.30
ORAS.CA	ORASCOM CONST	112.00	110.00	108.00	122.00	131.00	↔	Hold	122.00
HELI.CA	Misr Gedida Hou	16.75	16.00	15.00	18.50	19.50	↓	P.SELL	19.50
EFID.CA	EDITA FOOD INDS	14.20	13.80	13.00	16.00	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	10.16	10.10	9.50	11.00	12.20	↑	P.Buy	9.50
EMFD.CA	EMAAR MISR DEV	3.01	3.05 *	2.85	3.45	3.70	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.35	6.10	5.60	7.15	8.00	↔	Hold	5.60
OIH.CA	ORASCOM INVESTMENT HOLDING	0.55	0.54	0.51	0.60	0.64	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	33.95	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	1.90	1.86	1.68	2.05	2.22	↓	P.SELL	2.22
PORT.CA	PORTO GROUP	0.87	0.84	0.78	0.98	1.10	↔	Hold	0.78
IRON.CA	EGYPTIAN IR & ST	4.97	4.80	4.50	5.70	5.90	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.74	1.65	1.57	2.00	2.11	↔	Hold	2.00

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.