

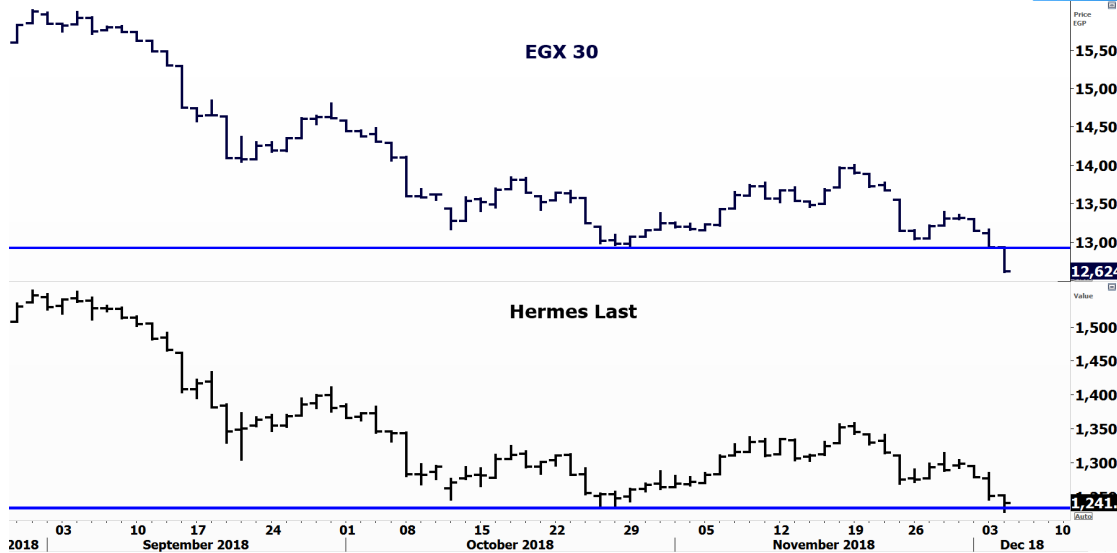


PIONEERSECURITIES

TECH TO THE POINT

5-Dec-18

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



Last	12,624.74
High Today	12,934.27
Low Today	12,618.33
Volume M	87.614
First Support	12,350.00
Second Support	12,000.00
First Resistance	13,400.00
Second Resistance	14,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-4.46%
1 MONTH	-4.14%
1 QUARTER	-20.71%
1 YEAR	-13.36%
YTD	-15.94%

Analysis

It is important to analyze both the EGX 30 and the Hermes Last in tandem, especially after yesterday's session. The 13,000 level was violated yesterday in the EGX 30 index, which closed at 12,624 (approaching 12,500). On the other hand, the Hermes Last Index closed above its support that lies at 1,230, which is the support that corresponds to the 13,000 on the EGX 30.

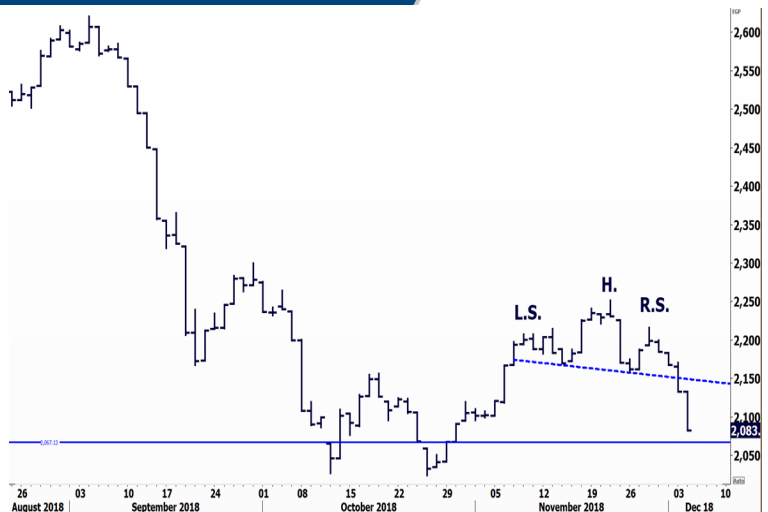
Given the fact that there is a clear divergence between both indices, we need to wait to see how the market will perform today. As we mentioned in yesterday's report, we might see a bear trap that will bluff the sellers. Such a bear trap will only be intact if the EGX 30 index trades back above 13,000. As for the picture to turn bullish, we must see a clear breakout above 13,500, which corresponds to 1,310 on the Hermes Last Index.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 index witnessed a short-term topping formation that we call a "head and shoulders". The break below the 2,150 confirmed the formation and our target was set at 2,065-2,070. The index closed yesterday at 2,083 and is already approaching its target. Thus, a rebound from here, or slightly below current levels is a probable scenario. We need to see the index trading back above 2,150 however to begin stepping in once again.


As for our first confirmed sign of strength; a break above 2,215 will be seen as a bullish scenario.




Resistance

No resistance breakouts


Support


PORT  The stock closed below 0.86 with moderate volumes. If the decline continues, PORT can go to 0.75. Only a breakout above 0.9 will call for re-entries.


BTFH  Closed below 6.5 but rebounded slightly at the end of the session to close at 6.39 after reaching a low of 6.14. The stock might rebound from here but it looks like sellers are waiting for rebounds to sell their positions. We believe that a rebound to the 6.9-7 range will be a chance to sell.

Testing

Support

PIOH  The 6.08-6.1 level should serve as support. If PIOH rebounds from here it will retest the 6.9-7 area. Only a clear break above 7.2 will be bullish for PIOH and will lead to higher targets.

TMGH  Still respecting its support that lies around 9-9.1. TMGH needs to rebound though from current levels to witness a short-term rebound. Those who want to buy at the rebound can do so as the stock begins its rebound. A retest of the 10.2 level is probable.

OCDI  Sodic is an underperformer and not recommended in the time being until its performance improves. No entry is recommended until the 17.3 level is clearly broken to the upside. As long as OCDI is trading below this peak, any rise will be a chance to offload positions.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	70.70	70.00	66.00	75.00	77.00	↔	Hold	70.00
EAST.CA	EASTERN CO	17.89	16.60	15.75	19.80	21.00	↑	Hold	16.60
SWDY.CA	ELSWEDY ELECTRIC	14.75	14.80 *	14.00	16.60	17.50	↔	Hold	17.50
TMGH.CA	TALAT MOSTAFA	9.27	9.10	8.80	10.50	11.40	↔	Hold	9.10
ABUK.CA	ABU QIR FRT&CHM	25.35	25.50 *	24.50	28.45	29.00	↓	P.SELL	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.08	\$1.08	\$1.03	\$1.12	\$1.15	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	14.20	13.55	12.80	14.84	15.70	↓	P.SELL	14.84
GTHE.CA	GLOBAL TELECO	3.12	3.00	2.75	3.28	3.80	↔	Hold	3.80
AMOC.CA	ALX MINERAL OILS	6.15	5.93	5.60	6.95	7.20	↓	P.SELL	7.20
MNHD.CA	MEDINET NASR HOU	6.78	6.30	5.50	7.11	7.70	↔	Hold	6.30
SKPC.CA	SIDI KERIR PETRC	17.00	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	14.63	14.80 *	14.20	16.00	16.90	↔	Hold	14.80
JUFO.CA	JUHAYNA FOOD IND	11.01	9.50	8.50	11.50	12.10	↔	Hold	9.50
ESRS.CA	EZZ STEEL	18.16	18.00	17.25	20.10	20.95	↓	P.SELL	20.95
ETEL.CA	TELECOM EGYPT	11.95	11.90	10.85	13.25	14.00	↑	Hold	10.85
CCAP.CA	CITADEL CAPITAL	3.65	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	2.32	2.30	2.18	2.90	3.20	↑	Hold	2.30
ORAS.CA	ORASCOM CONST	110.50	110.00	108.00	122.00	131.00	↔	Hold	122.00
HELI.CA	Misr Gedida Hou	16.43	16.00	15.00	18.50	19.50	↓	P.SELL	19.50
EFID.CA	EDITA FOOD INDS	0.00	13.80	13.00	16.00	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	9.72	9.50	8.60	11.00	12.20	↑	Hold	9.50
EMFD.CA	EMAAR MISR DEV	3.03	3.05 *	2.85	3.45	3.70	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.16	6.10	5.60	7.15	8.00	↔	Hold	5.60
OIH.CA	ORASCOM INVESTMENT HOLD- ING	0.54	0.54	0.51	0.60	0.64	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	33.00	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	1.85	1.86 *	1.68	2.05	2.22	↓	P.SELL	2.22
PORT.CA	PORTO GROUP	0.83	0.78	0.69	0.98	1.10	↔	Hold	0.78
IRON.CA	EGYPTIAN IR & ST	5.01	4.80	4.50	5.70	5.90	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.75	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.