

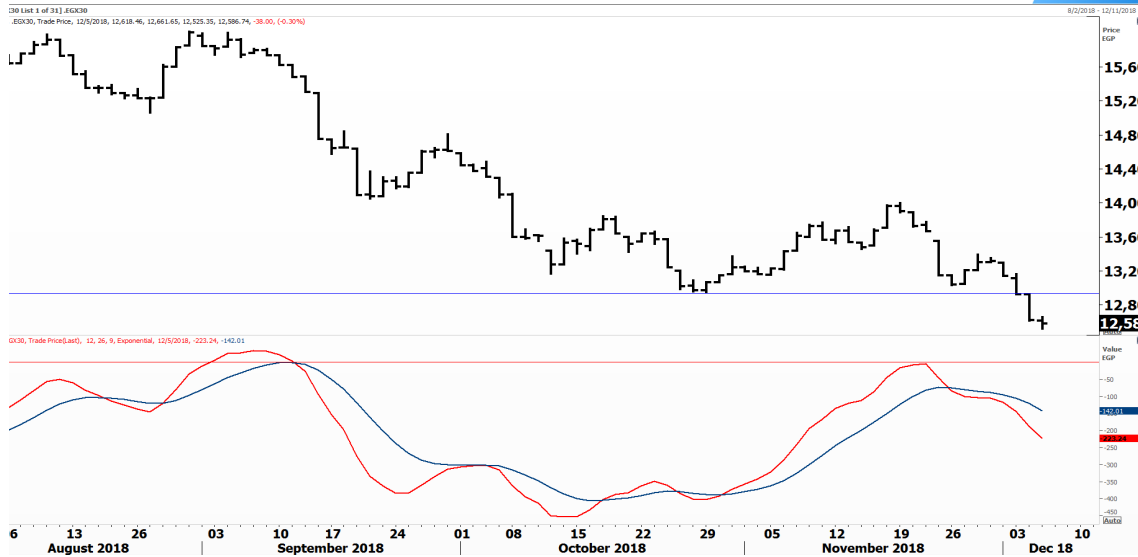


PIONEERSECURITIES

TECH TO THE POINT

6-Dec-18

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



| | |
|---------------------|-----------|
| Last | 12,586.74 |
| High Today | 12,661.65 |
| Low Today | 12,525.35 |
| Volume M | 98.452 |
| First Support | 12,350.00 |
| Second Support | 12,000.00 |
| First Resistance | 13,000.00 |
| Second Resistance | 13,400.00 |
| Stop Loss | |
| HISTORICAL RETURN % | |
| 1 WEEK | -5.43% |
| 1 MONTH | -4.90% |
| 1 QUARTER | -20.09% |
| 1 YEAR | -12.96% |
| YTD | -16.20% |

Analysis

The ability of the market to maintain itself yesterday despite USA's market selloff is a positive sign. Obviously, no bullish signals appeared yet but at least we did not decline.

For the market to regain its luster it needs to trade back above 13,000; if we go back above this level, this will be one of the positive signs for the market. If this is accompanied by a positive breakout on the MACD indicator, we will be more bullish.

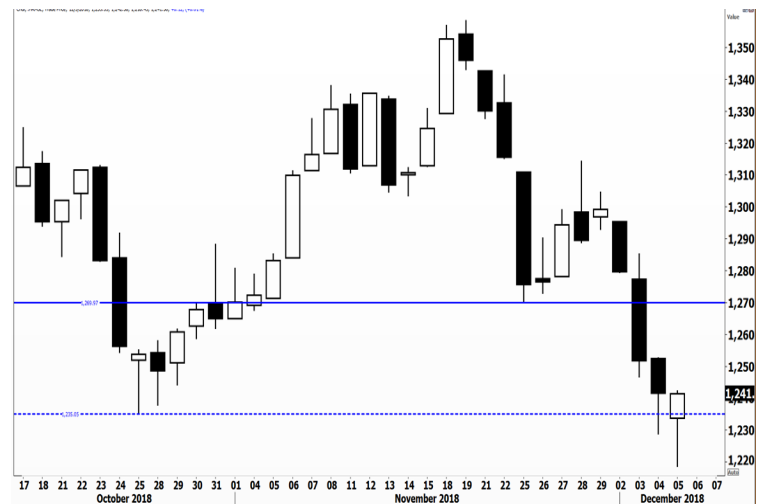
Our first sign of entry is a breakout above the high of Tuesday's session. This high lies at 13,000 and hence our repurchase signal. Our confirmed bullish signal, however, lies at a break above 13,400. We will first monitor whether the market will be able to trade above 13,000 or not and then we will see what will happen next.

Hermes Last Index/ Daily Chart

Analysis

The Hermes Last Index witnessed an intraday violation of its bottom that lies at 1,235 but was able to rebound and close at 1,241 at the end of the session. Yesterday's candle looks good as the index closed almost at the high of the session.


Today should be a positive day, this will be a good signal as many stocks will be able to trade back above their support levels. Thus, as we mentioned in our past couple reports, the EGX 30 support break can turn out to be a bear trap. There is no confirmation of that yet, but a rise from current levels will confirm this view.



Resistance


No resistance breakouts


Support


ZEOT  Broke 1.27 downwards to close at 1.23 at the end of the session. It is important to note, however, that the 1.11 -1.12 range should serve as support for the stock. Having said that, we are not bearish on ZEOT and we believe that a rebound might take place from current levels.


Testing

Support

TORA  Closed at 16.61 after testing its support that lies near 16. TORA needs to rebound from here and break yesterday's high to trigger a new buy signal. Our target will be set near 20.

CSAG  Rebounded sharply from its support with high volumes, to close at 11.8 at the end of the session. Those who want to step in can do so by placing a stop below 10.55. If the 12.25 is broken upwards, our target will be set near 15.

ORWE  Rebounded from its support that lies at 10 to close at 10.6 at the end of the session. ORWE faces a resistance at 11.25. A break above this level will trigger an important buy signal with much higher targets.

EFIC  Closed positively and was able to respect its support. Those who want to enter, however, are recommended to wait for a breakout above 10.2 with a potential target near 11.75.

Resistance

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|---------|-------------------------------|--------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK | 71.85 | 70.00 | 66.00 | 75.00 | 77.00 | ↔ | Hold | 70.00 |
| EAST.CA | EASTERN CO | 17.50 | 16.60 | 15.75 | 19.80 | 21.00 | ↑ | Hold | 16.60 |
| SWDY.CA | ELSWEDY ELECTRIC | 14.59 | 14.10 | 13.50 | 15.90 | 16.60 | ↔ | Hold | 15.90 |
| TMGH.CA | TALAT MOSTAFA | 9.45 | 9.10 | 8.80 | 10.50 | 11.40 | ↔ | Hold | 9.10 |
| ABUK.CA | ABU QIR FRT&CHM | 25.49 | 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 | 14.10 | 13.55 | 12.80 | 14.84 | 15.70 | ↓ | P.SELL | 14.84 |
| GTHE.CA | GLOBAL TELECO | 3.14 | 3.00 | 2.75 | 3.28 | 3.80 | ↔ | Hold | 3.80 |
| AMOC.CA | ALX MINERAL OILS | 6.07 | 5.93 | 5.60 | 6.95 | 7.20 | ↓ | P.SELL | 7.20 |
| MNHD.CA | MEDINET NASR HOU | 6.73 | 6.30 | 5.50 | 7.11 | 7.70 | ↔ | Hold | 6.30 |
| SKPC.CA | SIDI KERIR PETRC | 16.91 | 16.30 | 15.70 | 18.10 | 19.23 | ↓ | P.SELL | 20.60 |
| OCDI.CA | 6TH OCT DEV INV | 14.70 | 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 | 18.27 | 18.00 | 17.25 | 20.10 | 20.95 | ↓ | P.SELL | 20.95 |
| ETEL.CA | TELECOM EGYPT | 11.87 | 11.90* | 10.85 | 13.25 | 14.00 | ↑ | Hold | 10.85 |
| CCAP.CA | CITADEL CAPITAL | 3.63 | 3.60 | 3.40 | 4.13 | 4.40 | ↔ | Hold | 3.60 |
| QNBA.CA | QNB ALAHLI | 39.50 | 40.00* | 38.00 | 46.00 | 50.00 | ↓ | P.SELL | 50.00 |
| PHDC.CA | PALM HILL DEV CO | 2.27 | 2.18 | 2.06 | 2.45 | 2.70 | ↔ | Hold | 2.70 |
| ORAS.CA | ORASCOM CONST | 111.00 | 110.00 | 108.00 | 122.00 | 131.00 | ↔ | Hold | 122.00 |
| HELI.CA | Misr Gedida Hou | 16.20 | 16.00 | 15.00 | 18.50 | 19.50 | ↓ | P.SELL | 19.50 |
| EFID.CA | EDITA FOOD INDS | 14.00 | 13.80 | 13.00 | 16.00 | 17.00 | ↓ | P.SELL | 16.00 |
| ISPH.CA | IBNSINA PHARMA | 9.80 | 9.50 | 8.60 | 11.00 | 12.20 | ↑ | Hold | 9.50 |
| EMFD.CA | EMAAR MISR DEV | 3.07 | 3.05 | 2.85 | 3.45 | 3.70 | ↔ | Hold | 3.45 |
| PIOH.CA | PIONEERS HLDG | 6.10 | 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 | 33.05 | 32.50 | 31.00 | 36.00 | 38.00 | ↔ | Hold | 32.50 |
| EGTS.CA | EGYPTIAN RESORTS | 1.80 | 1.68 | 1.42 | 2.05 | 2.22 | ↓ | P.SELL | 2.05 |
| PORT.CA | PORTO GROUP | 0.84 | 0.78 | 0.69 | 0.98 | 1.10 | ↔ | Hold | 0.78 |
| IRON.CA | EGYPTIAN IR & ST | 4.92 | 4.80 | 4.50 | 5.70 | 5.90 | ↔ | Hold | 5.70 |
| ACGC.CA | ARAB COTTON GIN. | 1.73 | 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.