

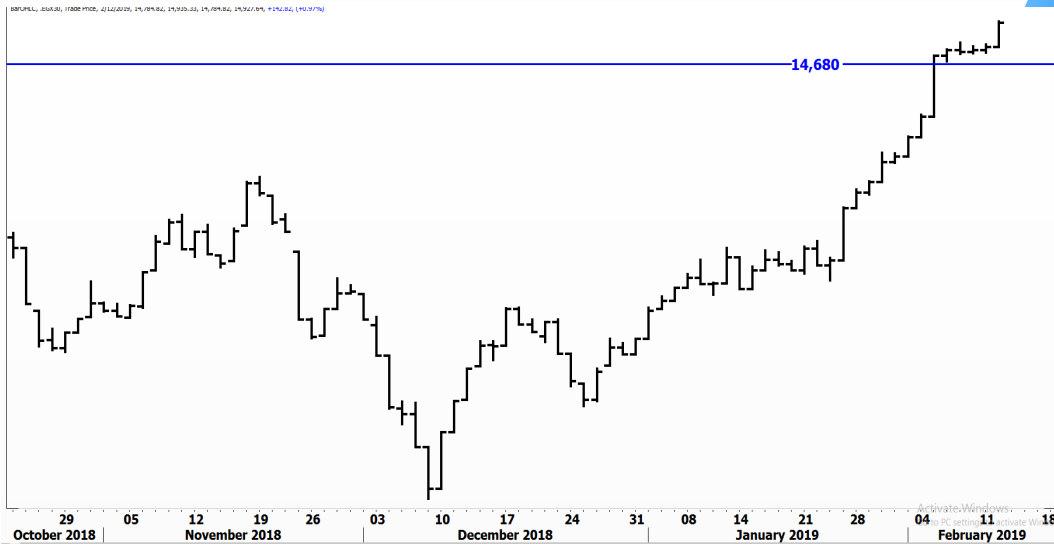


PIONEERSECURITIES

TECH TO THE POINT

13-Feb-19

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



14,927	Last	14,927.64
14,800	High Today	14,935.33
14,600	Low Today	14,784.82
14,400	Volume M	158.415
14,200	First Support	14,680.00
14,000	Second Support	14,000.00
13,800	First Resistance	15,000.00
13,600	Second Resistance	16,000.00
13,400	Stop Loss	14,680.00
13,200	HISTORICAL RETURN %	
13,000	1 WEEK	1.32%
12,800	1 MONTH	10.36%
12,600	1 QUARTER	10.22%
12,400	1 YEAR	0.25%
12,200	YTD	14.51%

Analysis

The market continued its rise yesterday, and refused to correct despite that lots of market participants were expecting the market to correct. As we mentioned in our previous few reports, the ability of the EGX 30 to trade near 14,800 for a couple of sessions is a sign of a potential breakout; this breakout came yesterday and the market closed at 14,927. As we know, the 15,000 is the next resistance; we expect, however, this level to be broken upwards after yesterday's breakout; if any correction occurs, it will be very weak. Our next target, thus lies at 16,000.

Our stop is currently clear below 14,680, if we break this level, short-term investors will be recommended to reduce their exposure as a correction will then probably take place.

We expect the current rise to continue, especially that lots of stocks are still in their early stages of a strong rise.

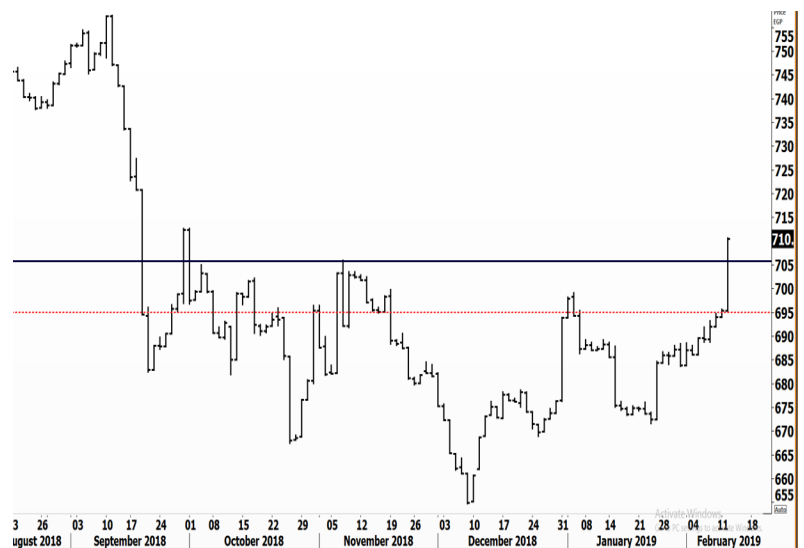
Egyptian Exchange Small Caps Index EGX70

Analysis

At last the small and medium caps index witnessed its breakout above both the 700 and the 705 levels. We were actually expecting this break and we believe that such a breakout should enhance market breadth.

Having both indices (the EGX 30 and the 70) doing well is a bullish sign for the market, especially that the EGX 50 is also in its uptrend

Our stop will be placed below 695..



Resistance

ARCC 

The stock broke both the 5.4 and the 5.6 levels, closing at its limit up. Any decline near 5.4 will be considered as a buying opportunity. It is important to note though that the stock will face its major resistance at 6. This is the major resistance that should be watched as a breakout above it will take the stock to much higher levels.

Support

No stocks broke their support yesterday.

Testing

Support

Resistance

CCAP 

The 3.92 is the current resistance for the stock. CCAP closed at 3.91 and is challenging this level; a breakout above 3.92 will probably lead to new highs. Our target will be then set around 5.

SWDY 

Facing its resistance at 19. We are expecting the stock to break upwards, which should lead it to 20.5 initially, followed by the 22.5-23 area.

ORAS 

The stock witnessed high volumes lately, which should be considered as an early sign of a potential breakout above 120. Our next target (if the 120 is broken) lies at 135.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/Re-Entry
COMI.CA	COM INTL BK	90.50	88.00	85.00	93.00	96.50	↑	Hold	82.00
EAST.CA	EASTERN CO	16.60	16.20	15.50	17.15	19.00	↔	Hold	17.15
SWDY.CA	ELSWEDY ELECTRIC	18.60	17.30	16.00	19.00	20.50	↔	Hold	19.00
TMGH.CA	TALAT MOSTAFA	11.47	10.85	10.30	12.30	12.70	↑	Hold	10.85
ACAMD.CA	Arab Co. for Asset Management	2.82	2.73	2.60	3.07	3.25	↔	Hold	2.73
EKHO.CA	EGYPT KUWAIT HLD	1.28	\$1.25	\$1.22	\$1.34	\$1.38	↑	P.Buy	\$1.22
HRHO.CA	EFG HERMES HOLD	16.92	16.60	16.20	17.40	17.80	↑	Hold	15.30
GTHE.CA	GLOBAL TELECO	4.78	4.40	3.93	4.92	5.28	↑	Hold	4.40
AMOC.CA	ALX MINERAL OILS	6.14	5.96	5.50	6.70	7.18	↔	Hold	6.70
MNHD.CA	MEDINET NASR HOU	7.13	6.85	6.20	7.22	7.65	↔	Hold	7.22
CIRA.CA	Cairo Investment & Real Estate	9.20	8.30	8.00	10.00	N.A	↔	Hold	8.00
OCDI.CA	6TH OCT DEV INV	15.92	15.20	14.50	17.20	18.50	↑	Hold	16.90
JUFO.CA	JUHAYNA FOOD IND	12.57	11.00	10.20	13.00	14.00	↑	Hold	11.00
ESRS.CA	EZZ STEEL	21.20	19.20	18.30	21.15 *	22.00	↔	Hold	18.30
ETEL.CA	TELECOM EGYPT	14.81	14.30	13.70	15.50	16.00	↑	Hold	13.70
CCAP.CA	CITADEL CAPITAL	3.91	3.60	3.50	3.92	4.15	↔	Hold	3.50
SRWA.CA	Sarwa Capital Holding	6.60	6.00	5.50	6.75	7.40	↔	Hold	6.00
PHDC.CA	PALM HILL DEV CO	2.59	2.40	2.20	2.60	2.70	↔	Hold	2.40
AUTO.CA	GB AUTO S.A.E	5.29	5.10	4.70	5.68	5.80	↔	Hold	4.70
HELI.CA	Misr Gedida Hou	21.81	19.50	18.50	22.00	23.50	↑	Hold	18.50
AIND.CA	ARABIA INVEST	0.74	0.70	0.63	0.75	0.81	↔	Hold	0.75
EGCH.CA	EGYPT CHEM IND	7.32	7.00	6.65	7.60	8.20	↑	Hold	7.00
EMFD.CA	EMAAR MISR DEV	3.59	3.42	3.30	3.70	3.90	↑	Hold	3.30
PIOH.CA	PIONEERS HLDG	7.11	6.60	6.22	7.17	7.50	↔	Hold	7.17
OIH.CA	ORASCOM INVESTMENT HOLDING	0.65	0.60	0.57	0.67	0.70	↑	Hold	0.57
ORHD.CA	ORASCOM DEV	7.36	7.20	6.25	7.94	N.A	↑	Hold	7.20
EGTS.CA	EGYPTIAN RESORTS	2.05	1.95	1.83	2.14	2.22	↑	Hold	1.95
ORWE.CA	ORIENTAL WEAVERS	11.60	11.40	10.80	12.50	13.30	↑	P.Buy	10.80
IRON.CA	EGYPTIAN IR & ST	5.66	5.25	5.00	5.70	6.00	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.96	1.88	1.65	2.15	2.45	↑	Hold	1.88

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.