



PIONEERSECURITIES

TECH TO THE POINT

18-Feb-2020

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



Last	13,800.25
High Today	13,806.12
Low Today	13,734.67
Volume	M 62.036
First Support	13,600.00
Second Support	13,200.00
First Resistance	14,100.00
Second Resistance	14,300.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-1.28%
1 MONTH	-0.17%
1 QUARTER	-4.02%
1 YEAR	-9.20%
YTD	-1.16%

Analysis

Yesterday witnessed a rise as the index was able to trade back at 13,800; in other words, the 13,800 is still serving its role as a support for the EGX 30. Yesterday's rebound, however, was not strong enough to confirm this level as a support. Thus, we are still risking the probability of a break below 13,800 which might lead the index near 13,600.

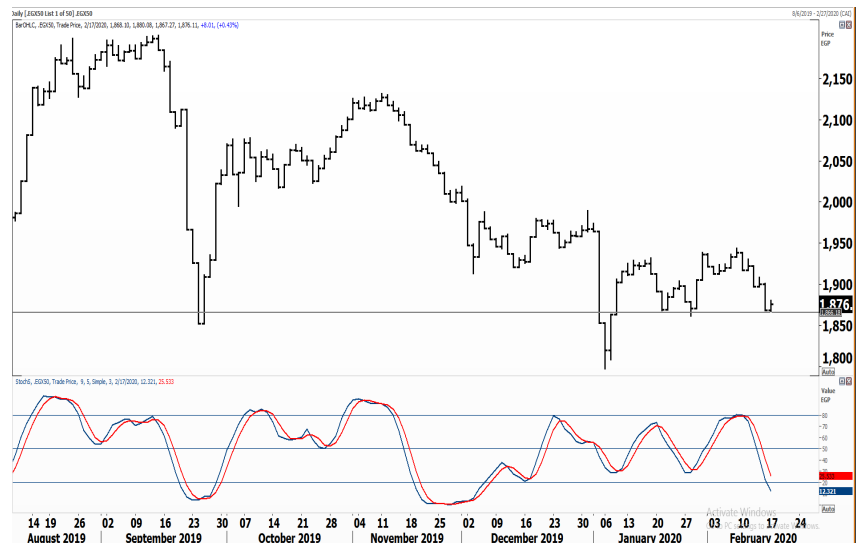
The question is: what is the signal that we should see to expect a strong rise to come? First minor signal that we should see is a clear break above yesterday's high that lies at 13,860. If we break above this level once again, then the 13,800-13,850 will confirm its role as support. We still have the 14,100 level as the more important resistance that should be broken to the upside to change our view once again to bullish.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 index respected its support that lies at 1,850-1,860 as it closed at 1,876. Today is an important day to see whether the index will be able to continue trading above this support or not.

Those who want to step in based on this slight rebound are recommended to place their stop below 1,850 as a break below this level will lead the index back to its lows. Investors who want more confirmation before entering should buy at the break of 1,900, which is also yesterday's high.



Resistance


No stocks broke their resistance yesterday


Support


No stocks broke their support yesterday.

Testing

Support

HELI  The bottom that lies at 20 is the 2020 low and is an important support to watch. HELI rebounded from this support in the beginning of Feb but witnessed a clear lower high as it failed to test its resistance that lies at 23. The current weakness of HELI is flashing a light of danger; if the 20 level is violated, selling pressure will probably intensify, which will lead HELI to much lower levels. We do not recommend to step in unless the 21.5 level is broken to the upside, while our stops will be placed below 20.

PHDC  Approaching the 1.45-1.5 range which is the support of the stock. PHDC should witness a rebound from this support area; a break, however, below this area will not be a positive scenario for the stock. It is important to note that PHDC should close the month above 1.65, which is the major bottom that is still not violated on a monthly basis.

IRON  The 1.88-1.9 level is the current support for IRON. The stock is witnessing a sideways range between this level and 2.25, which is the upper boundary of this range. We do not recommend stepping in until the 2.25 is clearly broken to the upside.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	86.01	84.00	82.00	87.00	90.00	↑	Hold	82.00
EAST.CA	EASTERN CO/d	15.38	15.20	14.70	16.05	16.20	↔	Hold	15.20
SWDY.CA	ELSWEDY ELECTR/d	10.15	10.20 *	9.50	11.00	11.50	↓	P.SELL	11.00
TMGH.CA	TALAT MOSTAFA/d	7.95	7.77	7.40	8.35	8.70	↔	Hold	8.35
SKPC.CA	SIDI KERIR PET/d	8.63	8.10	7.80	9.16	10.00	↔	Hold	7.80
EKHO.CA	EGYPT KUWAIT H/d	1.25	1.24 \$	1.20 \$	1.29 \$	1.34 \$	↔	Hold	1.29
HRHO.CA	EFG HERMES HOL/d	16.52	16.30	15.90	16.99	17.50	↔	Hold	15.90
ORAS.CA	ORASCOM CONST/d	95.00	94.00	90.50	99.00	104.00	↔	Hold	100.00
AMOC.CA	ALX MINERAL OI/d	3.28	3.22	3.10	3.50	3.73	↔	Hold	3.10
MNHD.CA	NASR CITY HOUS/d	4.65	4.55	4.40	4.95	5.20	↔	Hold	4.55
CIRA.CA	Cairo Investment & Real Estate	0.00	12.50	11.55	14.00	15.00	↑	Hold	12.50
OCDI.CA	6TH OCT DEV IN/d	12.64	12.50	11.65	13.60	14.50	↔	Hold	13.60
JUFO.CA	JUHAYNA FOOD I/d	8.88	8.00	7.00	9.80	10.00	↔	Hold	10.00
ESRS.CA	EZZ STEEL/d	8.48	8.30	7.90	9.25	10.12	↔	Hold	9.25
ETEL.CA	TELECOM EGYPT/d	12.43	11.75	11.22	15.00	16.00	↑	Hold	11.22
CCAP.CA	CITADEL CAPITA/d	2.29	2.18	2.10	2.50	2.62	↔	Hold	2.50
ISPH.CA	IBNSINA PHARMA	8.55	8.27	8.00	9.00	9.50	↔	Hold	9.50
PHDC.CA	PALM HILL DEV /d	1.54	1.55*	1.50	1.70	1.84	↔	Hold	1.70
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	5.51	5.50	5.30	6.00	6.30	↔	Hold	5.50
HELI.CA	HELIOPOLIS/d	20.46	20.20	19.15	21.80	22.70	↔	Hold	20.20
CIEB.CA	CREDIT AGRICOL/d	43.00	40.00	38.00	45.00	47.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.40	5.05	4.80	5.60	6.10	↔	Hold	5.60
EMFD.CA	EMAAR MISR DEV/d	2.95	2.87	2.75	3.13	3.22	↔	Hold	2.87
OIH.CA	ORASCOM INVESTMENT HOLDING	0.53	0.52	0.50	0.56	0.58	↔	Hold	0.58
ORHD.CA	ORASCOM EGYPT/d	5.21	5.10	4.50	5.80	6.10	↓	P.SELL	6.10
EGTS.CA	EGYPTIAN RESOR/d	2.21	2.12	2.00	2.51	2.65	↔	Hold	2.51
PORT.CA	PORTO GROUP	0.61	0.55	0.52	0.61 *	0.64	↔	Hold	0.52
AUTO.CA	AUTO GHABBOUR	3.25	3.20	3.10	3.50	3.68	↔	Hold	3.50
DSCW.CA	DICE SPORT AND CASUAL WEAR	0.98	0.94	0.88	1.07	1.10	↑	Hold	0.88

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.