

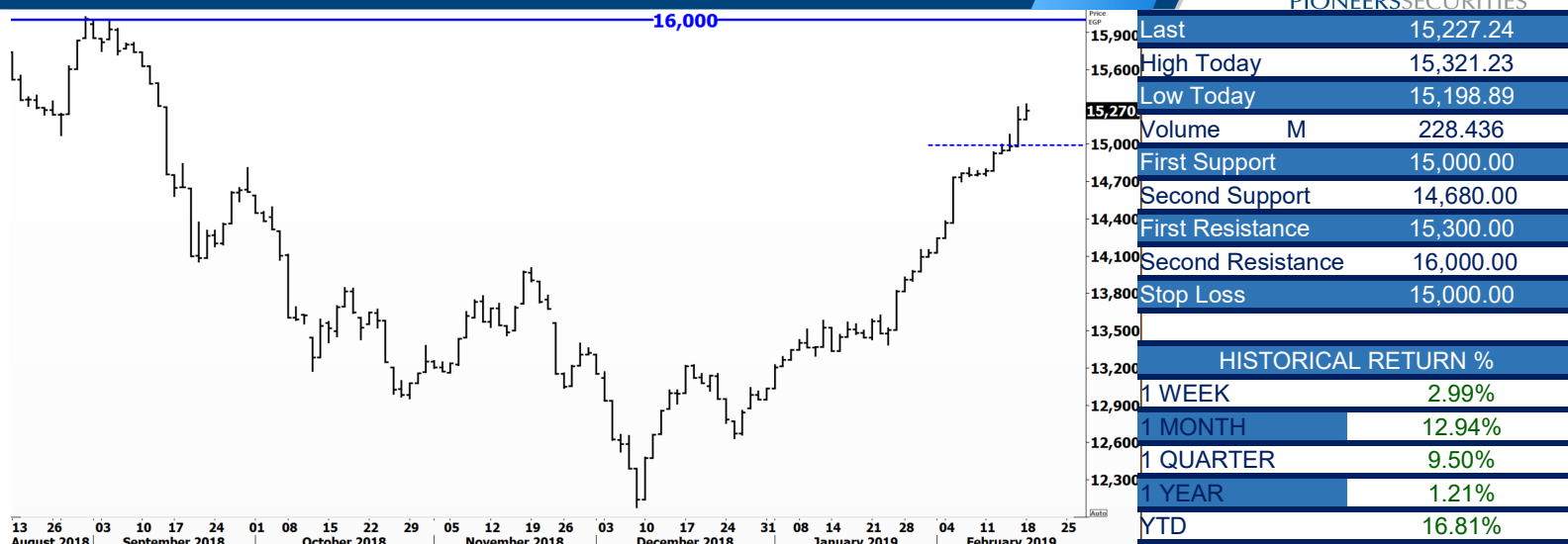


PIONEERSECURITIES

TECH TO THE POINT

19-Feb-19

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



Analysis

The market witnessed selling pressure yesterday as many stocks closed near their lows. Our trailing stop will be placed below 15,000. Only a violation below this level will trigger short-term profit stops; if the market rebounds from above 15,000 a re-entry (adding to positions) will be triggered above the peak of the past two sessions.

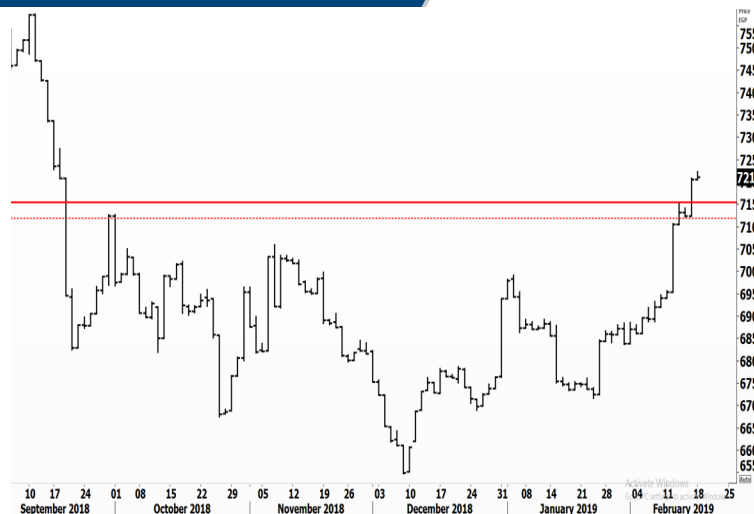
Thus, the current market correction is expected to be small and should not surpass a 2-days period; unless our stop is hit, which is not expected currently.

Egyptian Exchange Small Caps Index EGX70


Analysis


If a correction occurs from here, the EGX 70 index will probably rebound from 715 or from above this level. On the other hand, our short-term stop will be placed below 712.

A violation below 712 (unlikely scenario) should lead the index back near the 700-705 area. We expect the index to rebound from above 715.



Resistance

MNHD  Despite that the stock closed near its session's low, the breakout above 7.23 is confirmed. MNHD might retrace slightly to test 7.2-7.25; If this occurs, a buy signal will be triggered. On the other hand, a breakout above 7.8 will signal a continuation of the current rise.


AFMC  Broke 14.45-14.5 with high volumes as it was expected, to close at 14.74. Our first upward target lies at 16. If this level is broken upwards, the next rise will probably be strong.

Support


No stocks broke their support yesterday.


Testing

Support

ACAMD  The 2.73-2.75 area should serve as support. We need to see the stock breaking above 2.92 for a new buy signal to be triggered. We will not recommend entering the stock until this minor peak is clearly broken upwards.

Resistance

SCVE  Challenging its major resistance that lies at 2.9. Volumes were high yesterday, which hints that this peak will probably be broken soon. A breakout above 2.9 will trigger an important buy signal as our target will be set near 3.7.

SWDY  Still struggling below 19 and is unable to break it upwards. We recommend keeping our stop below 17.4 to give the stock the leeway to fall a bit without exiting it. We do not expect this support to be violated though. A break above 19 will trigger a new buy signal.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	74.50	72.00	70.00	77.20	83.00	↑	Hold	70.00
EAST.CA	EASTERN CO	16.30	15.30	14.60	17.15	19.00	↔	Hold	17.15
SWDY.CA	ELSWEDY ELECTRIC	18.31	18.00	17.30	19.00	20.50	↔	Hold	19.00
TMGH.CA	TALAT MOSTAFA	11.61	11.20	10.85	12.30	12.70	↑	Hold	11.20
ACAMD.CA	Arab Co. for Asset Management	2.80	2.73	2.60	2.92	3.07	↔	Hold	2.73
EKHO.CA	EGYPT KUWAIT HLD	1.30	\$1.25	\$1.22	\$1.34	\$1.38	↑	P.Buy	\$1.25
HRHO.CA	EFG HERMES HOLD	17.50	16.60	16.20	18.00	18.50	↑	Hold	16.60
GTHE.CA	GLOBAL TELECO	4.83	4.55	4.40	4.92	5.28	↑	Hold	4.40
AMOC.CA	ALX MINERAL OILS	6.31	5.96	5.50	6.44	6.70	↔	Hold	6.70
MNHD.CA	MEDINET NASR HOU	7.42	7.07	6.85	7.65	7.80	↑	Hold	6.85
CIRA.CA	Cairo Investment & Real Estate	9.55	8.30	8.00	10.00	N.A	↔	Hold	8.00
OCDI.CA	6TH OCT DEV INV	15.60	15.20	14.50	16.70	17.20	↑	Hold	14.50
JUFO.CA	JUHAYNA FOOD IND	12.50	11.00	10.20	13.00	14.00	↑	Hold	11.00
ESRS.CA	EZZ STEEL	21.34	21.00	19.75	22.30	23.00	↑	Hold	19.75
ETEL.CA	TELECOM EGYPT	14.98	14.30	13.70	15.50	16.00	↑	Hold	13.70
CCAP.CA	CITADEL CAPITAL	3.84	3.80	3.60	3.98	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	2.75	2.50	2.40	2.90	3.05	↑	P.Buy	2.50
AUTO.CA	GB AUTO S.A.E	5.36	5.10	4.70	5.68	5.80	↔	Hold	5.10
HELI.CA	Misr Gedida Hou	21.71	21.00	19.50	22.50	23.50	↑	Hold	19.50
AIND.CA	ARABIA INVEST	0.76	0.75	0.72	0.81	0.88	↔	Hold	0.72
EGCH.CA	EGYPT CHEM IND	7.20	7.00	6.65	7.60	8.20	↑	Hold	7.00
EMFD.CA	EMAAR MISR DEV	3.64	3.52	3.40	3.75	3.90	↑	Hold	3.30
PIOH.CA	PIONEERS HLDG	7.16	6.90	6.60	7.50	8.00	↑	Hold	6.90
OIH.CA	ORASCOM INVESTMENT HOLDING	0.69	0.66	0.63	0.69 *	0.70	↑	Hold	0.63
ORHD.CA	ORASCOM DEV	7.24	7.20	6.25	7.60	7.95	↑	Hold	7.20
EGTS.CA	EGYPTIAN RESORTS	2.10	2.02	1.95	2.22	2.32	↑	Hold	2.02
ORWE.CA	ORIENTAL WEAVERS	11.62	11.40	10.80	12.00	12.50	↑	Hold	10.80
IRON.CA	EGYPTIAN IR & ST	5.83	5.70	5.50	6.20	6.50	↑	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	2.16	2.10	1.95	2.30	2.45	↑	Hold	1.95

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.