

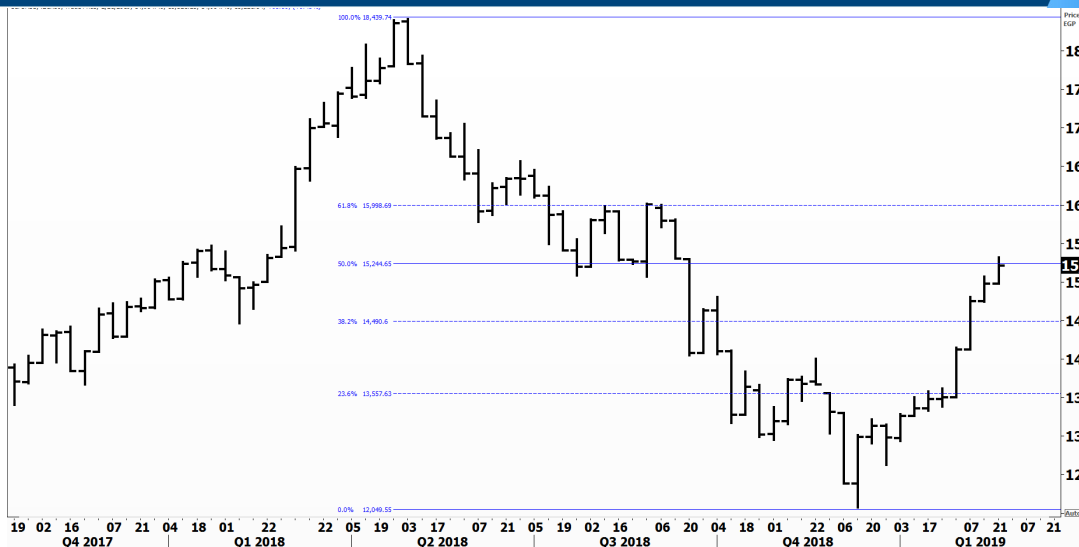


PIONEERSECURITIES

TECH TO THE POINT

21-Feb-19

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



| | |
|---------------------|-----------|
| Last | 15,213.54 |
| High Today | 15,259.08 |
| Low Today | 15,155.84 |
| Volume | M 277.091 |
| First Support | 15,000.00 |
| Second Support | 14,750.00 |
| First Resistance | 15,300.00 |
| Second Resistance | 16,000.00 |
| Stop Loss | 15,000.00 |
| HISTORICAL RETURN % | |
| 1 WEEK | 1.77% |
| 1 MONTH | 12.07% |
| 1 QUARTER | 10.80% |
| 1 YEAR | -0.04% |
| YTD | 16.71% |

Analysis

Let us look at the EGX 30 index from a bigger picture to see whether the current rise is reaching a temporary end or not. First, it is important to note that the 50% upward retracement of the whole decline lies at 15,250; this means that the EGX 30 rose 50% of the overall decline that took place from April until December 2018.

This is one of the levels that we usually watch and monitor to see whether a correction will occur from this level or not. This is why we are using the 15,300 as our re-entry (adding to positions) level, while our stop is placed below 15,000. Our advice for short-term investors is to alter their stop to be below 15,100, while our re-entry remains as it is above 15,300.

Thus, a correction from current levels can take place only if the 15,100 level is violated. If this occurs, our first target will be set near 14,750-14,800.

Hermes Last Intraday Chart/ 30 minutes chart

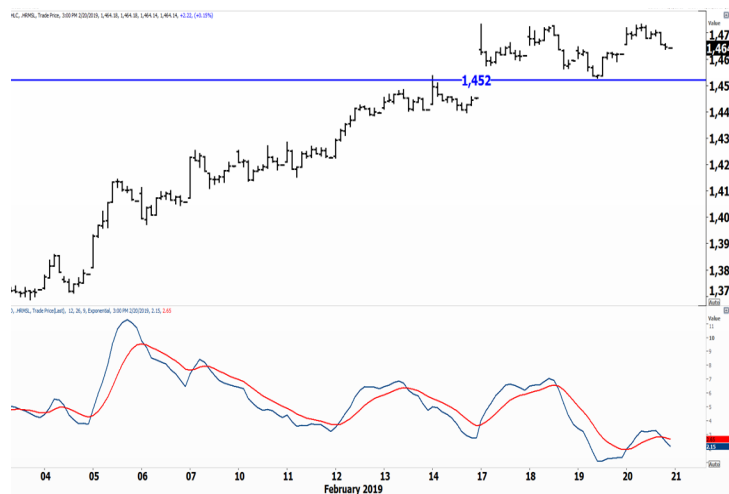
Analysis

It is important to look at the Hermes Last Index from time to time, especially when prices are approaching important short-term targets or stops.

The 1,452 on the Hermes Last Index is a clear short-term bottom that should be monitored closely. A break below this level will signal our stops as a correction will then probably take place.

Thus, we recommend short-term investors to place their stops below this level.

On the other hand, if a rebound occurs before breaking below 1,452, we will probably break above the high of the past few sessions, which will lead the market to our aforementioned target which lies at 16,000.



Resistance

OIH 

Broke 0.71 upwards to close at 0.719 at the end of the session. If the stock maintains its good performance and trades above 0.72, it will probably witness a significant rise that can take it near 0.76.

SVCE 

The 2.85-2.87 important peak was broken upwards and the stock was able to close above it. We still need confirmation of this break, especially that this peak is very important from an intermediate-term time dimension. Thus, if SVCE continues trading above 2.87 for a couple of sessions, the next rise should be strong enough to lead the stock near 3.65 initially.

Support

No stocks broke their support yesterday.

Testing

Support

Resistance

AIND 

We expect a breakout above 0.81 very soon. If this level is broken, a buy signal will be triggered with a target near 1.05. We like AIND and we are bullish about it. Those who are holding positions can place their stop below 0.76 and add at the 0.81 breakout.

ISPH 

The stock's major resistance lies at 12.75; if ISPH succeeds to break above this level it will reach new historical highs. Such a scenario will be considered very bullish as it will lead ISPH to much higher levels. The stock is already in our buy stocks since more than a month ago based on our "Weekly Overview" Major Buy signals.

EAST 

Looks like EAST is beginning to witness better performance and volumes began to take a more bullish shape than before. EAST has been underperforming since few months but is trying to regain its good old days. Our first sign of strength lies at a breakout above 17. This will be the first signal to buy as our target will be set initially at 19.

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|----------|--------------------------------|-------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK | 74.80 | 72.00 | 70.00 | 77.20 | 83.00 | ↑ | Hold | 70.00 |
| EAST.CA | EASTERN CO | 16.50 | 15.90 | 15.30 | 17.15 | 19.00 | ↔ | Hold | 17.15 |
| SWDY.CA | ELSWEDY ELECTRIC | 18.21 | 18.00 | 17.30 | 19.00 | 20.50 | ↔ | Hold | 19.00 |
| TMGH.CA | TALAT MOSTAFA | 11.45 | 11.20 | 10.85 | 12.30 | 12.70 | ↑ | Hold | 11.20 |
| ACAMD.CA | Arab Co. for Asset Management | 2.88 | 2.73 | 2.60 | 2.92 | 3.07 | ↔ | Hold | 2.73 |
| EKHO.CA | EGYPT KUWAIT HLD | 1.29 | \$1.25 | \$1.22 | \$1.34 | \$1.38 | ↑ | P.Buy | \$1.25 |
| HRHO.CA | EFG HERMES HOLD | 17.26 | 16.60 | 16.20 | 18.00 | 18.50 | ↑ | Hold | 16.60 |
| GTHE.CA | GLOBAL TELECO | 4.76 | 4.55 | 4.40 | 4.92 | 5.28 | ↑ | Hold | 4.40 |
| AMOC.CA | ALX MINERAL OILS | 6.25 | 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 | 9.25 | 8.30 | 8.00 | 10.00 | N.A | ↔ | Hold | 8.00 |
| OCDI.CA | 6TH OCT DEV INV | 15.75 | 15.20 | 14.50 | 16.70 | 17.20 | ↑ | Hold | 14.50 |
| JUFO.CA | JUHAYNA FOOD IND | 12.75 | 11.00 | 10.20 | 13.00 | 14.00 | ↑ | Hold | 11.00 |
| ESRS.CA | EZZ STEEL | 20.91 | 21.00 * | 19.75 | 22.30 | 23.00 | ↑ | Hold | 19.75 |
| ETEL.CA | TELECOM EGYPT | 15.16 | 14.30 | 13.70 | 15.50 | 16.00 | ↑ | Hold | 13.70 |
| CCAP.CA | CITADEL CAPITAL | 4.00 | 3.84 | 3.75 | 4.15 | 4.35 | ↑ | P.Buy | 3.84 |
| SRWA.CA | Sarwa Capital Holding | 6.55 | 6.00 | 5.50 | 6.75 | 7.40 | ↔ | Hold | 6.00 |
| PHDC.CA | PALM HILL DEV CO | 2.80 | 3.65 | 2.50 | 2.90 | 3.05 | ↑ | P.Buy | 2.50 |
| AUTO.CA | GB AUTO S.A.E | 5.29 | 5.10 | 4.70 | 5.68 | 5.80 | ↔ | Hold | 5.10 |
| HELI.CA | Misr Gedida Hou | 21.55 | 21.00 | 19.50 | 22.50 | 23.50 | ↑ | Hold | 19.50 |
| AIND.CA | ARABIA INVEST | 0.81 | 0.75 | 0.72 | 0.81 * | 0.88 | ↔ | Hold | 0.81 |
| EGCH.CA | EGYPT CHEM IND | 7.17 | 7.00 | 6.65 | 7.60 | 8.20 | ↑ | Hold | 7.00 |
| EMFD.CA | EMAAR MISR DEV | 3.58 | 3.52 | 3.40 | 3.75 | 3.90 | ↑ | Hold | 3.30 |
| PIOH.CA | PIONEERS HLDG | 7.36 | 6.90 | 6.60 | 7.50 | 8.00 | ↑ | Hold | 6.90 |
| OIH.CA | ORASCOM INVESTMENT HOLDING | 0.72 | 0.68 | 0.66 | 0.72 * | 0.76 | ↑ | Hold | 0.66 |
| ORHD.CA | ORASCOM DEV | 7.23 | 7.20 | 6.25 | 7.60 | 7.95 | ↑ | Hold | 7.20 |
| EGTS.CA | EGYPTIAN RESORTS | 2.09 | 2.02 | 1.95 | 2.22 | 2.32 | ↑ | Hold | 2.02 |
| ORWE.CA | ORIENTAL WEAVERS | 12.00 | 11.40 | 10.80 | 12.00 * | 12.50 | ↑ | Hold | 11.40 |
| IRON.CA | EGYPTIAN IR & ST | 5.92 | 5.70 | 5.50 | 6.20 | 6.50 | ↑ | Hold | 5.70 |
| ACGC.CA | ARAB COTTON GIN. | 2.29 | 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.