

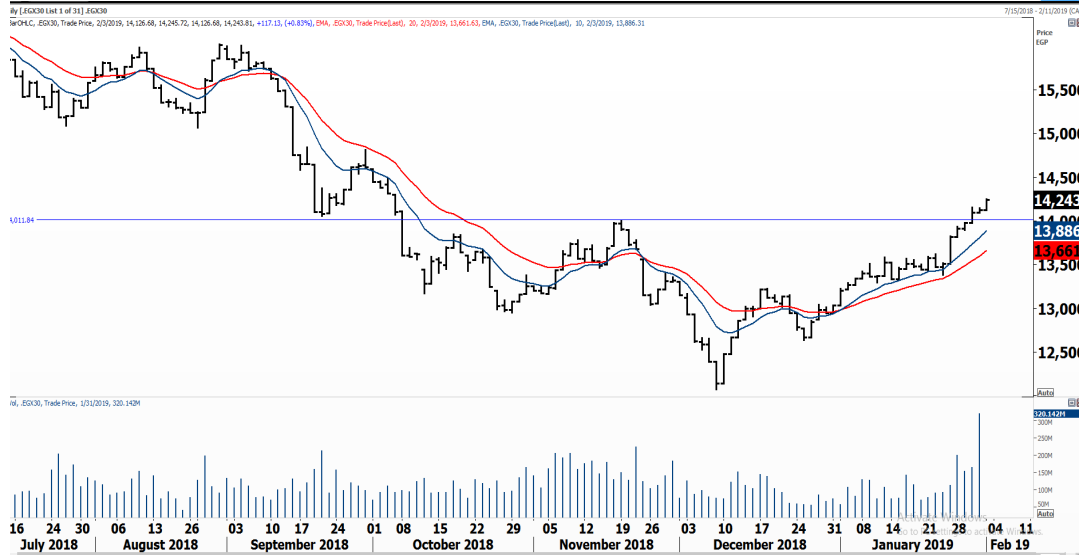


PIONEERSECURITIES

TECH TO THE POINT

4-Feb-19

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



Last	14,243.81
High Today	14,245.72
Low Today	14,126.68
Volume	M 298.451
First Support	13,900.00
Second Support	13,600.00
First Resistance	14,800.00
Second Resistance	15,000.00
Stop Loss	13,600.00
HISTORICAL RETURN %	
1 WEEK	3.09%
1 MONTH	7.38%
1 QUARTER	8.15%
1 YEAR	-5.60%
YTD	9.27%

Analysis

The market is confirming its 14,000 breakout, which signals that our major correction is probably ending. Any decline in the market will be weak and short lived. Our next important target lies near 14,800; this is where we might see a more significant correction. If the market reaches our target without correcting significantly, the next correction will be relatively strong (the market might then approach 14,000 once again).

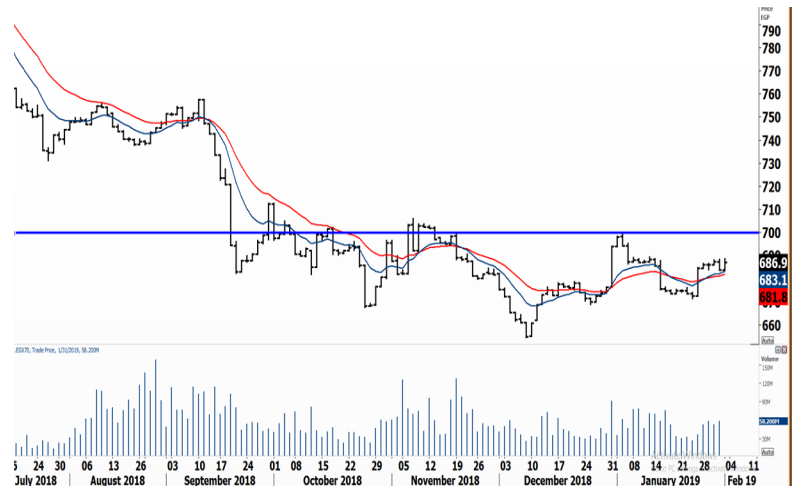
First stop can be placed below 13,900, next stop below 13,600, and final stop below 13,300. Based on the current market performance we do not believe that any of these stops will be violated.

Egyptian Exchange Small Caps Index EGX70




Analysis

As we know, we are waiting for the 700-705 area to be broken upwards before taking an aggressive action on the EGX 70 index. The small and medium caps index looks like it is preparing itself for this breakout. If we succeed to close few days above the 705 level, the next rise will be strong.

Our important stop loss remains at 680.



Resistance


- ETEL**  The breakout above the 14.2-4.5 range is very significant if it is confirmed. As we mentioned before, ETEL is probably the only stock in the Egyptian Stock Market that did not witness any major uptrend yet since inception. We are expecting the stock to begin a major uptrend, which will take it to much higher levels. Obviously, we are expecting new highs to occur. This is an intermediate-term investment opportunity.
- OIH**  Broke 0.6 with high volumes, closing at 0.63 at the end of the session. OIH is a buy as we are expecting the stock to reach 0.7 initially as a minimum target. Any decline near the 0.61-0.62 range is a buying opportunity.
- ESGI**  The stock broke its major resistance that lies at 20, closing at 21 at the end of the session. If ESGI continues trading above this level today, this breakout will be confirmed, which will lead the stock to the 30-32 range.

Support



No stocks broke their support yesterday.

Testing

Support

- ALUM**  Testing its support that lies at the 22.5-23 area. A rebound from this level is expected. ALUM should reach 26 first; a break above this level will trigger a new buy signal.

Resistance

- ASCM**  Tried to break above 10.8 but was not able to close above it, closing the session at 10.5. ASCM looks bullish and is expected to break above 10.8. A confirmed break above this level will trigger a buy signal with a target at 11.6 followed by 13.
- EKHO**  The 1.27 is the current resistance of EKHO; the stock should break this level today and trade above it, which will be considered as a bullish sign for the stock.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/Re-Entry
COMI.CA	COM INTL BK	84.25	82.00	79.00	86.00	88.00	↑	Hold	79.00
EAST.CA	EASTERN CO	16.60	15.50	14.60	17.15	19.00	↔	Hold	17.15
SWDY.CA	ELSWEDY ELECTRIC	18.00	17.30	16.00	19.00	20.45	↑	Hold	17.30
TMGH.CA	TALAT MOSTAFA	11.12	10.85	10.30	11.50	12.30	↑	P.Buy	10.30
ACAMD.CA	Arab Co. for Asset Management	2.81	2.73	2.60	2.87	3.07	↔	Hold	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.27	\$1.17	\$1.15	\$1.27	\$1.34	↑	P.Buy	\$1.17
HRHO.CA	EFG HERMES HOLD	16.97	16.20	15.30	17.10	17.80	↑	Hold	15.30
GTHE.CA	GLOBAL TELECO	4.47	4.35	3.93	4.50	4.92	↑	Hold	3.93
AMOC.CA	ALX MINERAL OILS	5.77	5.50	5.35	6.07	6.70	↔	Hold	6.70
MNHD.CA	MEDINET NASR HOU	6.76	6.20	5.50	7.00	7.22	↔	Hold	7.22
CIRA.CA	Cairo Investment & Real Estate	9.75	8.30	8.00	10.00	N.A	↔	Hold	8.00
OCDI.CA	6TH OCT DEV INV	15.40	13.00	12.60	16.30	16.90	↔	Hold	16.90
JUFO.CA	JUHAYNA FOOD IND	12.20	11.00	10.20	13.00	14.00	↑	Hold	11.00
ESRS.CA	EZZ STEEL	20.40	19.20	18.30	21.15	22.00	↔	Hold	18.30
ETEL.CA	TELECOM EGYPT	14.90	14.00	13.00	15.50	16.00	↑	P.Buy	14.00
CCAP.CA	CITADEL CAPITAL	3.78	3.60	3.50	3.98	4.15	↔	Hold	3.50
SRWA.CA	Sarwa Capital Holding	6.23	6.00	5.50	6.75	7.40	↔	Hold	6.00
PHDC.CA	PALM HILL DEV CO	2.36	2.11	2.06	2.40	2.60	↔	Hold	2.40
AUTO.CA	GB AUTO S.A.E	5.01	4.70	4.50	5.10	5.35	↔	Hold	4.70
HELI.CA	Misr Gedida Hou	19.69	18.50	17.00	21.00	22.00	↑	P.Buy	18.50
AIND.CA	ARABIA INVEST	0.74	0.70	0.63	0.75	0.81	↔	Hold	0.75
EGCH.CA	EGYPT CHEM IND	7.27	7.00	6.65	7.60	8.20	↑	Hold	7.00
EMFD.CA	EMAAR MISR DEV	3.49	3.02	2.90	3.45 *	3.70	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.70	6.22	6.00	6.80	7.17	↔	Hold	6.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.63	0.57	0.55	0.64	0.70	↑	P.Buy	0.57
ORHD.CA	ORASCOM DEV	7.50	7.20	6.25	7.94	N.A	↑	Hold	7.20
EGTS.CA	EGYPTIAN RESORTS	2.06	1.95	1.83	2.05 *	2.22	↑	P.Buy	1.83
ORWE.CA	ORIENTAL WEAVERS	11.23	10.80	10.20	11.60	12.50	↔	Hold	11.60
IRON.CA	EGYPTIAN IR & ST	5.38	5.25	5.00	5.70	6.00	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.80	1.64	1.60	1.88	2.01	↔	Hold	1.64

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.