

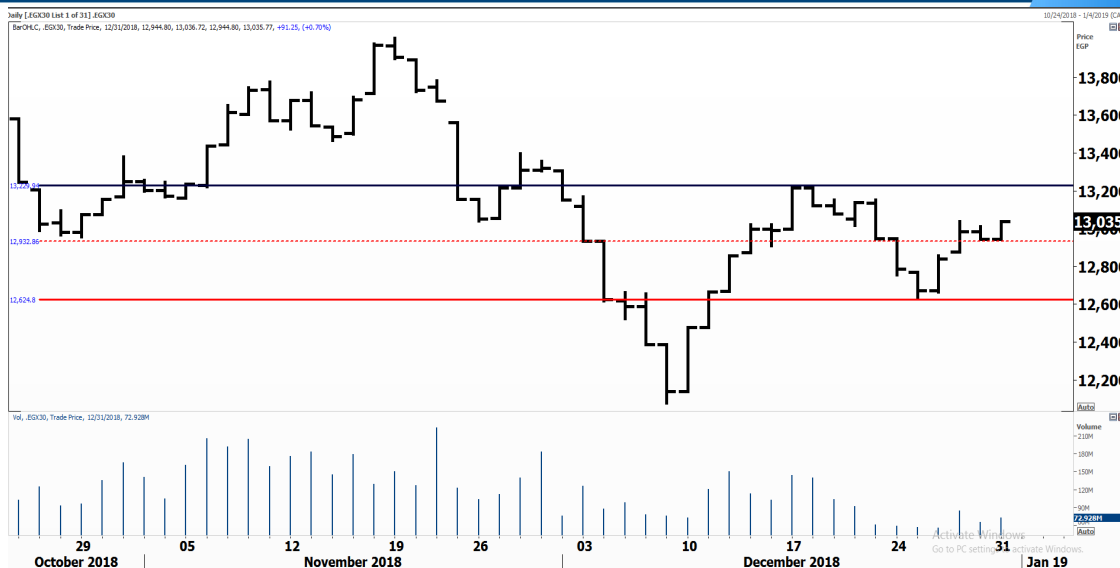


PIONEERSECURITIES

TECH TO THE POINT

2-Jan-19

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



Last	13,035.77
High Today	13,036.72
Low Today	12,944.80
Volume	M 72.928
First Support	12,600.00
Second Support	12,000.00
First Resistance	13,250.00
Second Resistance	14,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	1.97%
1 MONTH	-2.13%
1 QUARTER	-9.77%
1 YEAR	-13.21%
YTD	-13.21%

Analysis

The market rose in the last day of 2018 to close at around 13,035, a nice daily close but still below the 13,230-13,250 resistance level. Many stocks look good and if we break to the upside, we will have a handful of stocks to enter.

As we know, the important stop lies at 12,600; a break below this level will be bearish for our market. Those who are very short-term in nature, however, can use the low of the last two sessions that lies at 12,930.

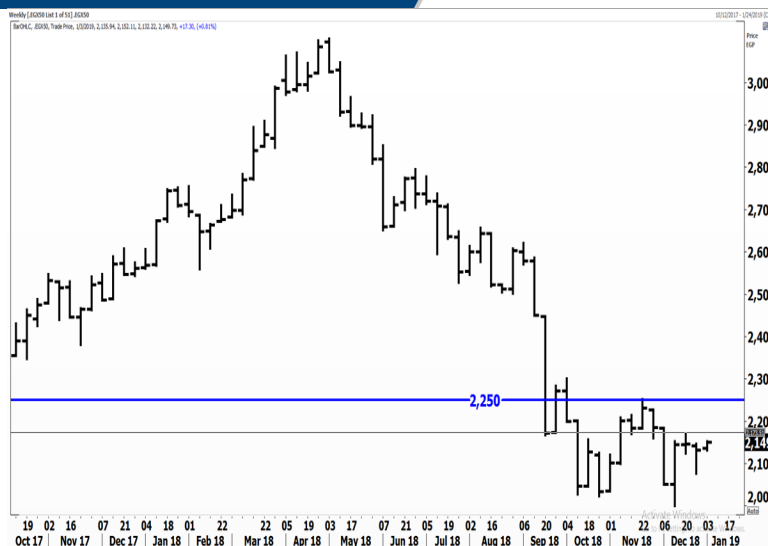
Those who are reducing their exposure slightly are recommended to repurchase at the 13,230 breakout. On the other hand, investors who will hold their positions should place their stop either below 12,600 or below 12,930, depending on their risk exposure.

Egyptian Exchange Equal Weights Index EGX50


Analysis


Our most important resistance currently resides at 2,250. Thus, a break above this level confirmed on a weekly basis will trigger an important entry signal. Those who are looking for an early entry, can step in at a break above 2,170, which is also a peak but shown more clearly on the daily chart.

As we mentioned before, we recommend investors to assess their risk first and begin to buy stocks with care as not all stocks are rising and falling together. Buying outperformers is the preferred strategy for now.




Resistance

SWDY  Triggered a buy signal on Monday by breaking 17.5 upwards, closing slightly above 18 at the end of the session. As we mentioned in our last daily report, such a breakout should lead SWDY to 20. Initial stop will be placed below 17.25


ETRS  Egyptrans broke the 7.7-7.8 resistance range with very high volumes, to close at 7.91 at the end of the session. Investors can buy at current levels with a stop below 7.4 and a target near 9.

Support


ABUK  Closed at 22.88 after breaking 24 to the downside. If the stock continues its current decline, it will probably meet support near 21-21.2. On the other hand, our first entry signal will be triggered at a breakout above 24.5.


Testing

Support

CIEB  Hovering around its support that lies at 40. If CIEB breaks below support it will probably reach 35, which will serve as the next support. As we know, the stock is very defensive, thus if the market rises in January, CIEB will be an underperformer.

Resistance

ORAS  The 120 level is our current resistance. A break above this level will trigger a buy signal with a target at around 135. Position holders are recommended to place their stop below 108.

ORHD  Tried to challenge its resistance but closed slightly below it. ORHD looks good and might witness a significant rise if it breaks 7.15 clearly. Major resistance, however, lies at 8. This is the most important level to watch.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	74.99	71.50	67.00	75.00	77.75	↔	Hold	77.75
EAST.CA	EASTERN CO	16.40	15.20	14.50	17.55	19.00	↓	P.SELL	17.55
SWDY.CA	ELSWEDY ELECTRIC	18.10	17.30	15.80	18.40	19.50	↔	Hold	15.80
TMGH.CA	TALAT MOSTAFA	9.92	9.50	8.70	10.25	10.50	↓	P.SELL	10.50
ABUK.CA	ABU QIR FRT&CHM	22.88	22.00	21.25	24.80	26.00	↓	P.SELL	26.00
EKHO.CA	EGYPT KUWAIT HLD	1.07	\$1.03	\$1.00	\$1.10	\$1.13	↓	P.SELL	\$1.13
HRHO.CA	EFG HERMES HOLD	15.05	14.50	13.60	15.70	16.20	↔	Hold	13.60
GTHE.CA	GLOBAL TELECO	3.67	3.20	2.75	3.80	3.93	↔	Hold	3.80
AMOC.CA	ALX MINERAL OILS	6.23	5.90	5.60	6.80	7.50	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	6.71	6.50	6.25	7.22	7.65	↓	P.SELL	7.65
SKPC.CA	SIDI KERIR PETRC	17.20	16.30	15.70	18.10	19.23	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	13.40	12.90	12.00	14.80	16.00	↓	P.SELL	16.00
JUFO.CA	JUHAYNA FOOD IND	11.25	10.50	9.50	11.30	13.00	↔	Hold	9.50
ESRS.CA	EZZ STEEL	18.07	17.25	16.00	20.00	21.00	↓	P.SELL	20.00
ETEL.CA	TELECOM EGYPT	12.59	12.00	11.40	13.20	14.50	↑	Hold	11.40
CCAP.CA	CITADEL CAPITAL	3.54	3.40	3.20	3.83	4.00	↓	P.SELL	4.00
QNBA.CA	QNB ALAHLI	39.50	40.00 *	38.00	46.00	50.00	↓	P.SELL	50.00
PHDC.CA	PALM HILL DEV CO	2.17	2.12	2.06	2.43	2.58	↓	P.SELL	2.58
ORAS.CA	ORASCOM CONST	118.00	112.00	108.00	120.00	127.00	↔	Hold	108.00
HELI.CA	Misr Gedida Hou	18.24	17.30	16.30	18.80	19.50	↓	P.SELL	19.50
EFID.CA	EDITA FOOD INDS	0.00	13.00	12.20	15.20	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	10.20	9.50	8.60	10.50	11.00	↔	Hold	9.50
EMFD.CA	EMAAR MISR DEV	3.30	3.11	2.90	3.45	3.72	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.12	5.50	5.00	6.40	6.80	↔	Hold	5.50
OIH.CA	ORASCOM INVESTMENT HOLD- ING	0.58	0.54	0.51	0.58 *	0.60	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	22.20	21.65	20.60	24.00	25.50	↔	Hold	21.65
EGTS.CA	EGYPTIAN RESORTS	1.74	1.63	1.42	1.88	2.05	↓	P.SELL	2.05
PORT.CA	PORTO GROUP	0.84	0.78	0.74	0.87	0.96	↔	Hold	0.74
IRON.CA	EGYPTIAN IR & ST	5.30	5.00	4.50	5.50	5.70	↔	Hold	5.70
ACGC.CA	ARAB COTTON GIN.	1.75	1.70	1.60	1.88	2.01	↔	Hold	1.60

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.