

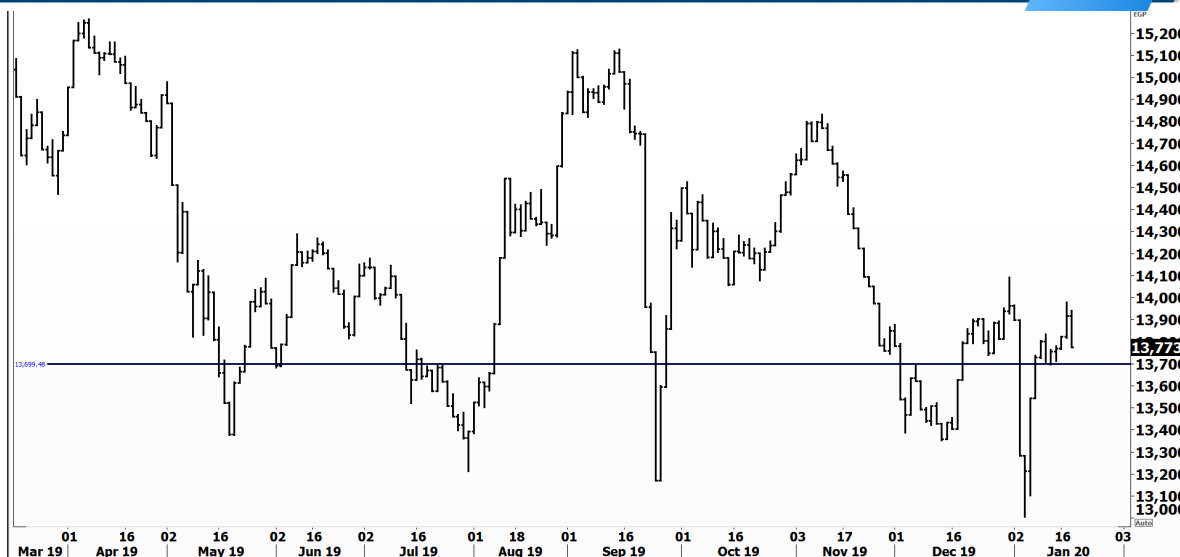


PIONEERSECURITIES

# TECH TO THE POINT

21-Jan-2020

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



Last	13,773.73
High Today	13,941.65
Low Today	13,773.73
Volume	M 51.010
First Support	13,700.00
Second Support	13,400.00
First Resistance	14,100.00
Second Resistance	14,300.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	0.55%
1 MONTH	-0.46%
1 QUARTER	-2.85%
1 YEAR	2.45%
YTD	-1.34%

## Analysis

The market declined yesterday as it was expected and the EGX 30 closed at 13,773. As we know, most stocks did not rise along with the EGX 30 rise which led to a lot of desperation among investors. Our view is clear as we do not recommend entering until we see a clear signal coming from the EGX 50 index, which is a more credible index to watch than the CIB-controlled EGX 30 index.

It is important to note, however, that the 13,700 is a stop loss. A break below this level will be bearish as it will lead to more declines. It is worth noting that if the EGX 30 breaks below 13,700 and closes clearly below it, selling pressure will begin to intensify with any slight rises as the number of losing investors will increase.

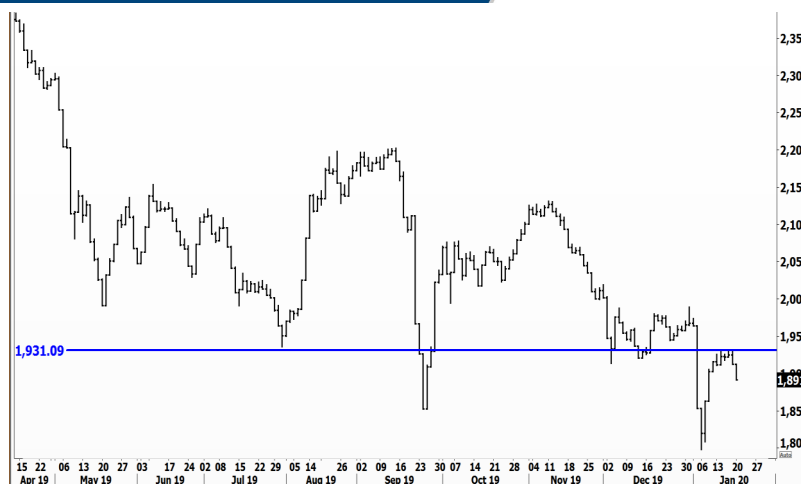
A break above the 14,000-14,100 is a re-entry level, only if accompanied by a similar breakout on the EGX 50. Until this happens, we should not be bullish on the market even when it reaches lower levels, because these low levels increase selling pressure.

## Egyptian Exchange Equal Weights Index EGX50

### Analysis

Yesterday's decline increased the importance of the 1,930-1,935 as a resistance level, which confirms our view to enter the market for short-term trading only if this resistance area is broken to the upside.


Let us give the EGX 50 a leeway until 1,850; in other words, if the index witnesses a rise from 1,850 or above, a clear higher low will be created, which can be used as a sign of a potential break above 1,935. If we go below 1,850, we will probably break to the downside.



## Resistance


No stocks broke their resistance yesterday


## Support

**EFIC**  Broke 11 downwards and closed below it. If EFIC does not trade back above this level it will probably witness a decline that might lead it to the 9.5-9.75 area. Those who want to enter should wait for the 11.5 level to be broken to the upside.

## Testing

### Support

**ORHD**  The stock closed exactly at its support. If the 5.85 level is broken to the downside, stops should be triggered as ORHD will be eligible to approach 4. Thus, we recommend position holders to activate their stop loss if the support is clearly violated.

**ALCN**  Hovering around its support that lies at 10. A confirmed break below this level will lead ALCN initially to 9. We do not recommend buying here.

### 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	85.00	83.00	80.00	88.00	90.00	↑	Hold	80.00
EAST.CA	EASTERN CO/d	14.90	14.60	13.50	15.20	15.60	↔	Hold	14.60
SWDY.CA	ELSWEDY ELECTR/d	10.55	10.40	9.30	11.20	11.80	↓	P.SELL	11.80
TMGH.CA	TALAT MOSTAFA/d	7.89	7.30	6.80	8.30	8.70	↓	P.SELL	8.70
SKPC.CA	SIDI KERIR PET/d	8.32	8.00	7.35	9.00	9.67	↓	P.SELL	9.67
EKHO.CA	EGYPT KUWAIT H/d	1.27	1.20 \$	1.17 \$	1.29 \$	1.34 \$	↓	P.SELL	1.34
HRHO.CA	EFG HERMES HOL/d	15.78	15.50	15.00	16.60	17.50	↓	P.SELL	16.60
ORAS.CA	ORASCOM CONST/d	96.00	91.00	87.00	99.00	104.00	↓	P.SELL	104.00
AMOC.CA	ALX MINERAL OI/d	3.34	3.30	3.00	3.85	3.97	↓	P.SELL	3.97
MNHD.CA	NASR CITY HOUS/d	4.75	4.40	4.00	4.95	5.20	↔	Hold	4.35
CIRA.CA	Cairo Investment & Real Estate	13.75	12.50	11.55	14.00	15.00	↑	Hold	12.50
OCDI.CA	6TH OCT DEV IN/d	12.94	12.50	11.50	13.80	14.50	↓	P.SELL	13.30
JUFO.CA	JUHAYNA FOOD I/d	8.80	8.00	7.70	9.20	10.00	↔	Hold	10.00
ESRS.CA	EZZ STEEL/d	8.15	7.75	6.70	8.90	10.12	↓	P.SELL	10.12
ETEL.CA	TELECOM EGYPT/d	9.40	9.00	8.70	10.10	10.75	↓	P.SELL	10.75
CCAP.CA	CITADEL CAPITA/d	2.26	2.10	2.00	2.50	2.62	↔	Hold	2.10
ISPH.CA	IBNSINA PHARMA	8.84	8.90 *	8.50	10.00	10.30	↔	Hold	8.90 *
PHDC.CA	PALM HILL DEV /d	1.56	1.50	1.23	1.72	1.84	↓	P.SELL	1.84
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	5.72	5.60	5.00	6.30	6.60	↔	Hold	5.60
HELI.CA	HELIOPOLIS/d	21.89	20.50	19.15	23.25	24.85	↓	P.SELL	24.85
CIEB.CA	CREDIT AGRICOL/d	44.25	40.00	38.00	45.00	47.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.38	5.30	5.05	5.65	6.10	↔	Hold	5.05
EMFD.CA	EMAAR MISR DEV/d	2.76	2.75	2.64	3.00	3.10	↔	Hold	2.65
OIH.CA	ORASCOM INVESTMENT HOLDING	0.54	0.50	0.46	0.56	0.58	↓	P.SELL	0.58
ORHD.CA	ORASCOM EGYPT/d	5.90	6.00*	5.84	6.45	7.10	↔	Hold	6.00*
EGTS.CA	EGYPTIAN RESOR/d	2.28	2.26	2.00	2.40	2.65	↓	P.SELL	2.65
ORWE.CA	ORIENTAL WEAVE/d	10.11	10.05	9.70	11.10	11.70	↔	Hold	9.70
IRON.CA	EGYPTIAN IR & /d	1.96	1.88	1.60	2.30	2.52	↓	P.SELL	2.52
ADIB.CA	ABU DHABI/d	12.84	12.50	12.00	13.20	13.80	↔	Hold	12.00

## 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.