

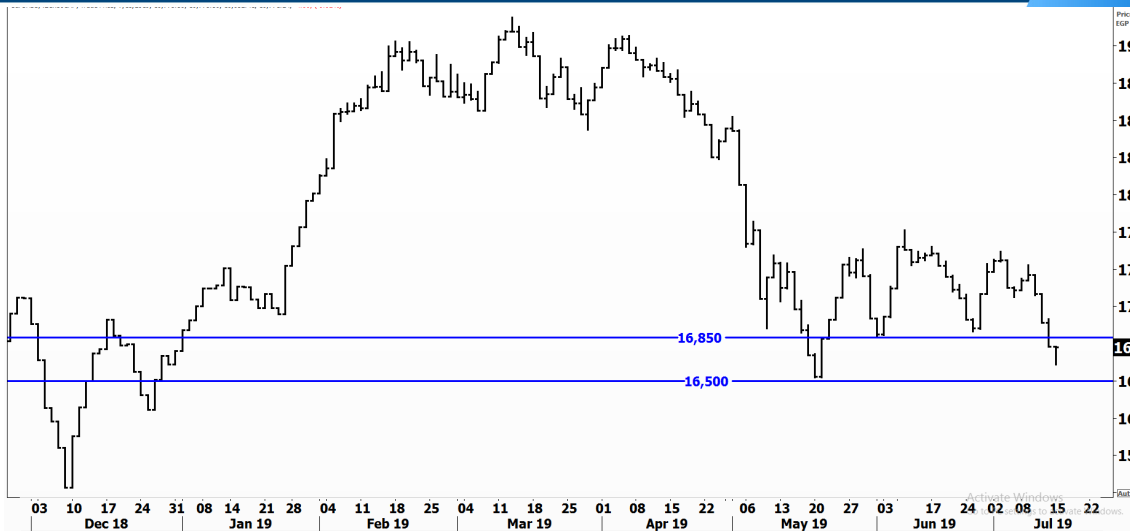


PIONEERSECURITIES

TECH TO THE POINT

16-Jul-19

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



Last	16.771.24
High Today	16.775.30
Low Today	16.632.41
Volume	M 110.914
First Support	16.500.00
Second Support	16.250.00
First Resistance	17.400.00
Second Resistance	17.700.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-2.96%
1 MONTH	-3.90%
1 QUARTER	-9.48%
1 YEAR	-13.98%
YTD	4.54%

Analysis

The EGX 30 capped index has the same 30 stocks of the EGX 30 but with a ceiling of 15%. Thus, it gives us a better representation of the market performance than the EGX 30 index as it dilutes the concentration of top weights, especially COMI.

The index violated 16,850 downwards (the 13,800 on the EGX 30 index) but was able to rebound slightly yesterday to close at 16,771. Our important support lies currently at 16,500 (the 13,300 on the 30 index); if, however, the EGX30cap succeeds to trade back above 16,850 for two consecutive days, this will be considered as positive on the short-term

As we all know, the market is still weak and investors are extremely frustrated with the current performance. We believe, however, that we are witnessing a bottoming formation from which prices will witness significant rises in the future.

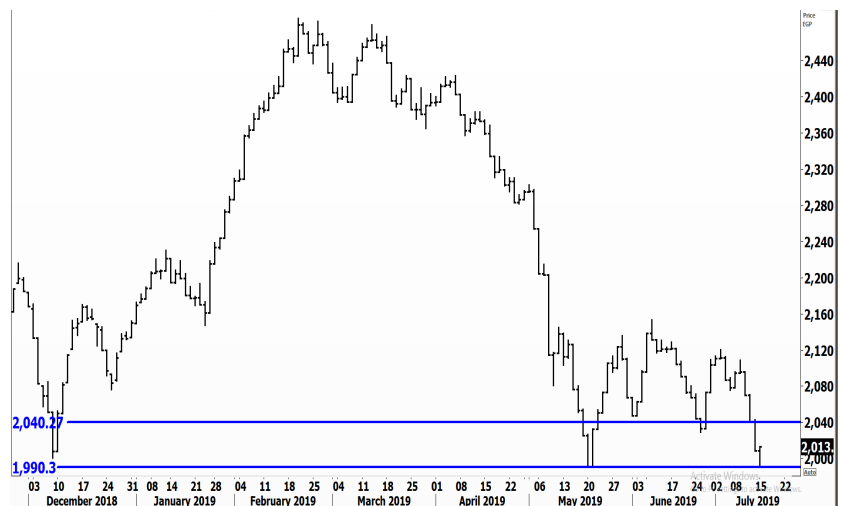
Egyptian Exchange Equal Weights Index EGX50

Analysis

The ability to rebound from the major support that lies at 2,000 is obviously not enough yet to assess the situation as a positive scenario for the market.

The index needs to show resilience in trading above support; a break above the previously broken bottom that lies at 2,040 will be a short-term positive scenario.


Thus, we are waiting for a re-break above 13,800 (EGX 30), 16,850 (EGX 30cap), and 2,040 (EGX 50).



Resistance

No stocks broke their resistance yesterday.


Support


COMI  Broke 72 slightly, closing at 71.5 at the end of the session. If the stock continues its decline it will find support at 69. Thus, we are not expecting a significant decline on COMI; the 69 level will be a chance to step in.

ADIB  Broke 11.2 downwards but with low volumes. Next support lies at 10.5. We do not recommend stepping in unless the stock rebounds from 10.5 or if it breaks 11.75 upwards.

Testing

Support

HELI  The rebound from 20.8-21 should be considered positive for the stock. We believe that HELI should reach the 23.5-4 range. Those who trade the stock can place their target near this area. A break above 24 will be a re-entry signal.

EAST  Major support lies at 14.5-15. Such support is of major importance and any confirmed break below it will be bearish. Thus, position holders should place their stops below 14.5. On the other hand, our buy signal will be triggered at a breakout above 16. As long as EAST is trading below this level we will not recommend buying. A breakout above 16 will be our first bullish signal.

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	71.50	72.00 *	70.55	75.30	77.00	↔	Hold	72.00
EAST.CA	EASTERN CO/d	15.40	15.20	14.60	16.00	16.70	↔	Hold	15.20
SWDY.CA	ELSWEDY ELECTR/d	13.30	12.80	11.85	14.40	14.80	↔	Hold	12.80
TMGH.CA	TALAT MOSTAFA/d	10.60	10.10	9.60	11.00	11.60	↔	Hold	10.10
ACAMD.CA	Arab Co. for Asset Management	2.28	2.00	1.88	2.46	2.60	↔	Hold	2.26
EKHO.CA	EGYPT KUWAIT H/d	1.30	1.25 \$	1.18 \$	1.37 \$	1.48 \$	↓	P.SELL	1.48
HRHO.CA	EFG HERMES HOL/d	16.42	15.85	15.20	17.45	18.22	↔	Hold	15.85
GTHE.CA	GLOBAL TELECO/d	4.93	4.45	4.05	5.15	5.28	↔	Hold	4.45
AMOC.CA	ALX MINERAL OI/d	4.13	3.80	3.40	4.60	5.00	↔	Hold	3.80
MNHD.CA	MEDINET NASR H/d	4.92	4.90	4.55	5.24	5.44	↔	Hold	5.24
CIRA.CA	Cairo Investment & Real Estate	9.70	9.60	9.00	10.70	11.70	↓	P.SELL	11.70
OCDI.CA	6TH OCT DEV IN/d	13.49	12.70	11.50	14.25	14.70	↔	Hold	12.70
JUFO.CA	JUHAYNA FOOD I/d	9.60	9.00	8.50	10.50	11.20	↓	P.SELL	11.20
ESRS.CA	EZZ STEEL/d	8.40	7.50	6.50	10.75	11.60	↓	P.SELL	11.60
ETEL.CA	TELECOM EGYPT/d	13.71	13.20	12.44	15.00	15.85	↑	Hold	13.20
CCAP.CA	CITADEL CAPITA/d	3.89	3.75	3.50	4.00	4.10	↑	Hold	3.50
SRWA.CA	Sarwa Capital Holding	5.25	5.00	4.70	5.80	6.00	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV /d	2.27	2.10	1.96	2.47	2.67	↓	P.SELL	2.47
AUTO.CA	GB AUTO S.A.E/d	4.19	4.04	3.85	4.55	4.90	↔	Hold	4.55
HELI.CA	Misr Gedida Ho/d	22.00	20.75	19.50	23.50	25.50	↔	Hold	20.75
AINH.CA	Arab Investment Holding	0.49	0.46	0.40	0.52	0.64	↓	P.SELL	0.52
EGCH.CA	EGYPT CHEM IND/d	5.80	5.70	5.25	6.40	7.20	↔	Hold	5.70
EMFD.CA	EMAAR MISR DEV/d	3.15	2.95	2.85	3.35	3.60	↔	Hold	3.35
OIH.CA	ORASCOM INVESTMENT HOLDING	0.67	0.65	0.62	0.74	0.84	↑	Hold	0.62
ORHD.CA	ORASCOM DEV/d	6.60	6.20	5.80	7.00	7.70	↔	Hold	6.20
EGTS.CA	EGYPTIAN RESOR/d	1.94	1.90	1.83	2.06	2.13	↔	Hold	1.90
ORWE.CA	ORIENTAL WEAVE/d	10.10	9.94	9.25	10.70	11.40	↔	Hold	9.25
IRON.CA	EGYPTIAN IR & /d	2.90	2.70	2.55	3.20	3.50	↓	P.SELL	3.20
ACGC.CA	ARAB COTTON GI/d	1.74	1.68	1.57	1.87	1.93	↔	Hold	1.68

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).

Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst

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.