

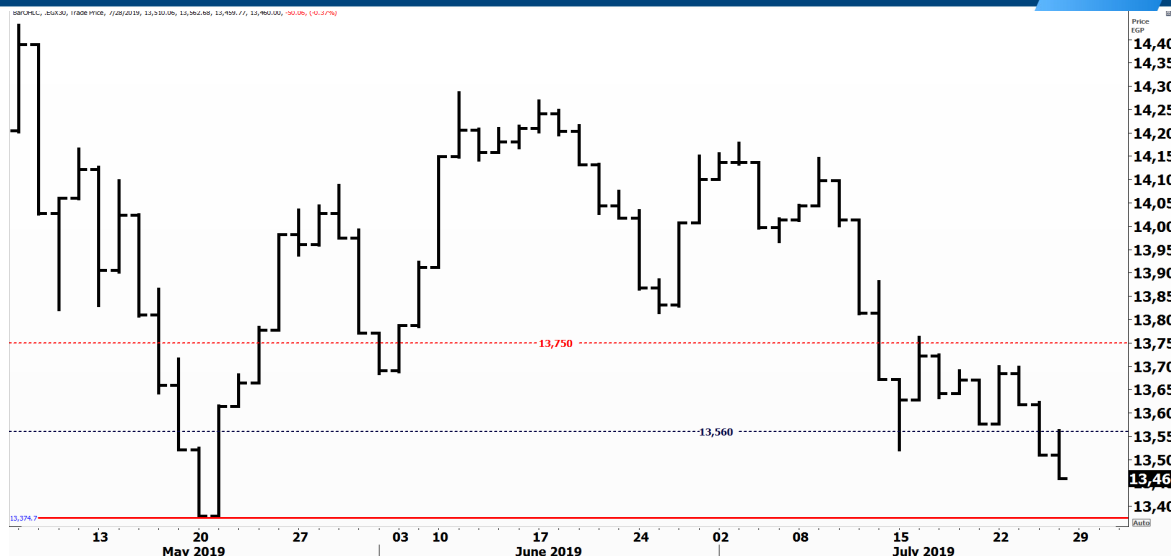


PIONEERSECURITIES

TECH TO THE POINT

29-Jul-19

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



Last	13,460.00
High Today	13,562.68
Low Today	13,459.77
Volume	M 52.384
First Support	13,300.00
Second Support	12,650.00
First Resistance	13,700.00
Second Resistance	14,300.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-0.86%
1 MONTH	-4.54%
1 QUARTER	-8.87%
1 YEAR	-11.44%
YTD	3.25%

Analysis

Sellers continued pushing the market down after the first hour of the session; this is a usual pattern that we see everyday; buyers appearing in the beginning of the session followed by selling pressure that closes the market at its lows. The EGX 30 index closed at 13,460, breaking 13,550 downwards and approaching its more important support that lies around 13,300-13,350.

We have two confirmations before entering the market for short-term trades; the first one is yesterday's high that lies at 13,550; a break above it will trigger a short-term buy signal (please look at the Hermes Last intraday analysis next for more precise entry points). The next confirmation level lies at the 13,700-13,750 area. Short-term investors can use the 13,550 to open new positions in case a rebound occurs.

Last but not least, if the market rebounds it should do so very soon as we are already approaching the 13,300 level. If we rebound from above this level, this will be seen as a positive sign for the market.

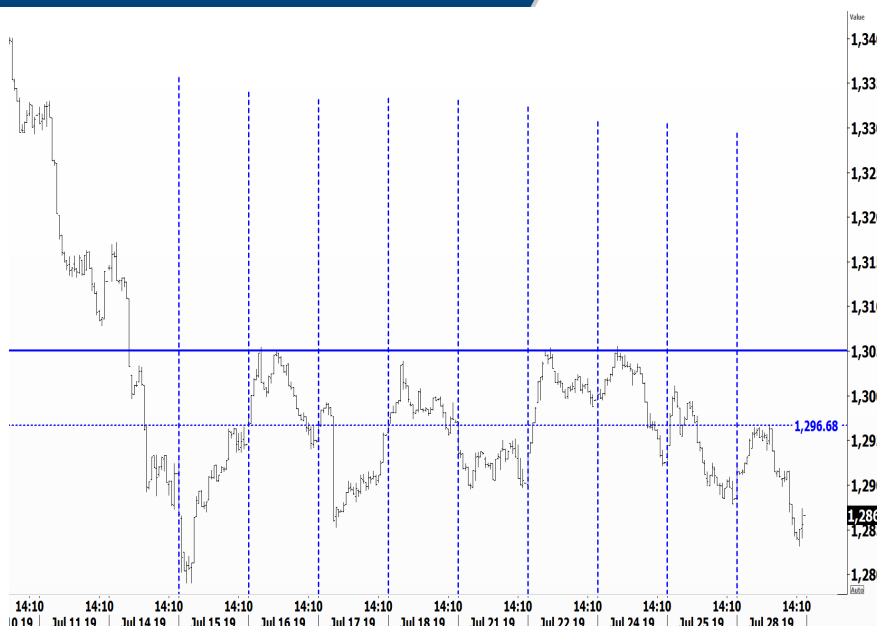
Hermes Last Index/ Intraday 10 mins chart

Analysis

The vertical lines show the beginning of the session in each day from July 15 until yesterday. As we can see, in most of the sessions, the market begins with buying power bringing it up until mid session when sellers bring the market back to the South. This pattern also occurred yesterday as the market began strong before sellers stepped in aggressively.

This pattern needs to change first to expect a market rebound; in other words, we need to see buyers entering in the second half of the session, not in the beginning. If this occurs, and the market closes on a positive note, we will probably see a rebound.


As for our levels to watch; the 1,297 level, which is also yesterday's high is important to watch. A break above this level will trigger a short-term buy signal with a good profitable opportunity. Then comes the 1,305, which is a more important level to watch.




Resistance

No stocks broke their resistance yesterday


Support

SKPC  Closed at 8.7 at the end of yesterday's session, violating 8.8 downwards. If the stock does not break above 8.8 once again today our stop loss will be triggered.


AIH  The stock witnessed a decline to 0.458 but was able to rebound slightly to close at 0.468. The 0.47 is now serving as resistance; only if AIH succeeds to break it upwards it might retest 0.5.

Testing

Support

EGAL  The 11.8 is the current support for EGAL. It is a major support that should be watched. EGAL's latest decline came on lower momentum; this should be considered as a positive signal only if buyers step in. Thus, we will not step in until a clear rebound occurs from these levels.

Resistance

ORHD  Approached 6.75 yesterday but closed at its low at the end of the session (at 6.53). ORHD is one of the currently outperforming stocks; we recommend, however, waiting for a clear break above 6.75 before stepping in,

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	70.75	70.55	69.00	73.00	75.20	↔	Hold	69.00
EAST.CA	EASTERN CO/d	15.41	15.20	14.60	16.00	16.70	↔	Hold	15.20
SWDY.CA	ELSWEDY ELECTR/d	13.00	12.80	11.85	13.60	14.40	↔	Hold	12.80
TMGH.CA	TALAT MOSTAFA/d	10.02	9.60	9.10	11.00	11.60	↓	P.SELL	11.00
ACAMD.CA	Arab Co. for Asset Management	2.26	2.13	1.98	2.37	2.46	↔	Hold	2.46
EKHO.CA	EGYPT KUWAIT H/d	1.23	1.18 \$	1.16 \$	1.27 \$	1.36 \$	↓	P.SELL	1.36
HRHO.CA	EFG HERMES HOL/d	16.80	16.39	15.85	17.00	17.70	↔	Hold	15.85
GTHE.CA	GLOBAL TELECO/d	4.95	4.75	4.45	5.15	5.28	↔	Hold	4.45
AMOC.CA	ALX MINERAL OI/d	3.83	3.80	3.40	4.30	4.60	↔	Hold	3.80
MNHD.CA	MEDINET NASR H/d	4.84	4.70	4.55	5.05	5.24	↔	Hold	5.24
CIRA.CA	Cairo Investment & Real Estate	10.51	9.60	9.00	11.20	11.70	↓	P.SELL	11.70
OCDI.CA	6TH OCT DEV IN/d	13.40	12.70	11.50	13.65	14.25	↔	Hold	12.70
JUFO.CA	JUHAYNA FOOD I/d	0.00	9.00	8.50	10.50	11.20	↓	P.SELL	11.20
ESRS.CA	EZZ STEEL/d	8.17	7.50	6.50	9.94	10.75	↓	P.SELL	9.94
ETEL.CA	TELECOM EGYPT/d	14.00	13.50	13.00	14.25	15.00	↔	Hold	13.20
CCAP.CA	CITADEL CAPITA/d	3.62	3.60	3.44	3.90	4.02	↔	Hold	3.90
SRWA.CA	Sarwa Capital Holding	5.50	5.00	4.70	5.80	6.00	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV /d	2.05	1.96	1.80	2.30	2.45	↓	P.SELL	2.30
AUTO.CA	GB AUTO S.A.E/d	3.78	3.62	3.50	4.00	4.30	↓	P.SELL	4.00
HELI.CA	Misr Gedida Ho/d	21.50	20.70	19.50	22.25	23.85	↔	Hold	20.70
AINH.CA	Arab Investment Holding	0.47	0.40	0.30	0.52	0.64	↓	P.SELL	0.52
EGCH.CA	EGYPT CHEM IND/d	5.39	5.25	4.60	5.60	5.90	↓	P.SELL	5.90
EMFD.CA	EMAAR MISR DEV/d	3.15	3.07	2.95	3.35	3.60	↔	Hold	2.95
OIH.CA	ORASCOM INVESTMENT HOLDING	0.65	0.64	0.62	0.72	0.74	↔	Hold	0.62
ORHD.CA	ORASCOM DEV/d	6.53	6.20	5.80	6.70	7.00	↔	Hold	6.20
EGTS.CA	EGYPTIAN RESOR/d	1.89	1.90 *	1.83	2.06	2.13	↔	Hold	1.90
ORWE.CA	ORIENTAL WEAVE/d	10.09	9.94	9.25	10.45	10.85	↔	Hold	9.25
IRON.CA	EGYPTIAN IR & /d	2.81	2.70	2.55	3.20	3.50	↓	P.SELL	3.20
ACGC.CA	ARAB COTTON GI/d	1.76	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

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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.