

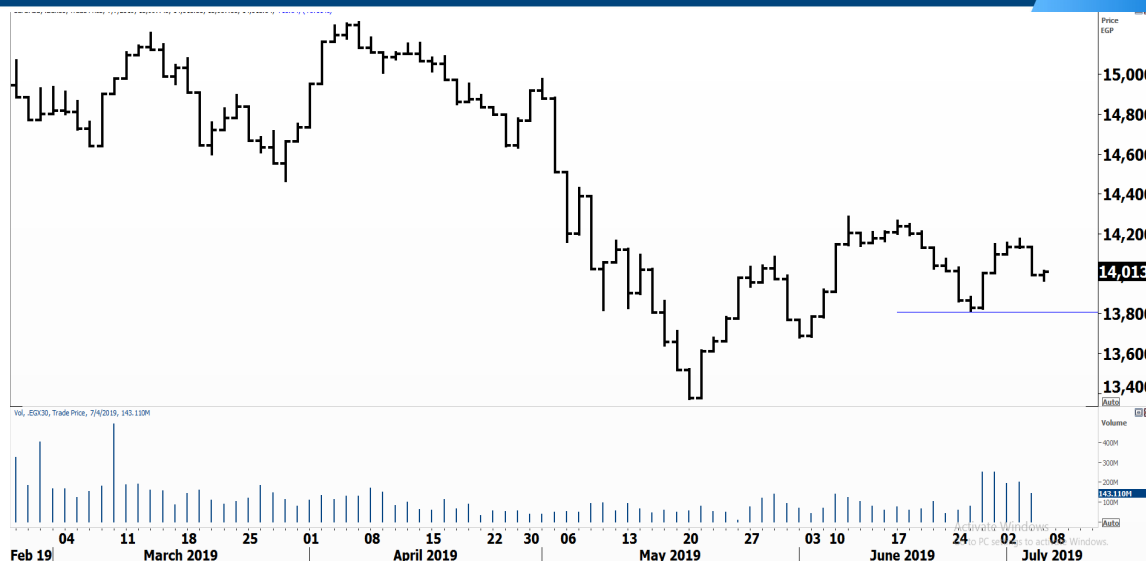


PIONEERSECURITIES

TECH TO THE POINT

8-Jul-19

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



Price EGP	Last	14,013.04
15,000	High Today	14,015.85
14,800	Low Today	13,967.55
14,600	Volume M	140.607
14,400	First Support	13,800.00
14,200	Second Support	13,300.00
14,000	First Resistance	14,300.00
13,800	Second Resistance	14,600.00
13,600	Stop Loss	13,800.00
13,400		
	HISTORICAL RETURN %	
	1 WEEK	-0.62%
	1 MONTH	1.63%
	1 QUARTER	-7.42%
	1 YEAR	-13.10%
	YTD	7.50%

Analysis

The EGX 30 index closed at 14,000 yesterday as sellers were able to exert some selling pressure on the market. Our short-term stop, as we mentioned before, lies at 13,800; a break below this level will trigger short-term stops and our target will be then set around 13,400.

Or buy action will take place at the break of the newly created minor peak at 14,150, as a break above this level will probably lead the index near 15,000.

As for our expectation of the market direction, we are expecting the EGX 30 index to hit 15,000 soon; probably without breaking 13,800 downwards. However, even if we break below 13,800, our 15,000 target will still be expected to be hit but at a later stage.

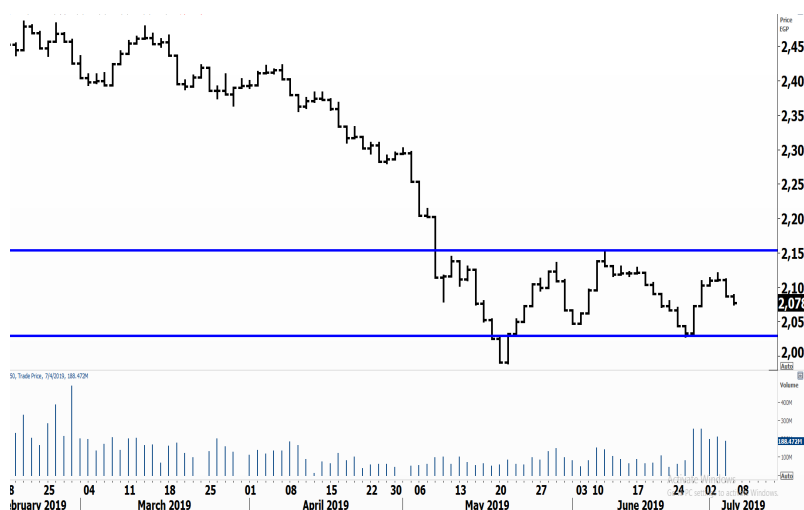
Egyptian Exchange Equal Weights Index EGX50

Analysis


The current bottom of the index lies around 2,025-2,030; we can use this bottom as a filter for the EGX 30 index. In other words, if the EGX 30 breaks below 13,800, and the EGX 50 index does not break below its bottom that lies at 2,025, the probability of a bear trap on the EGX 30 will be high.

Thus, we can trigger our stops if both the EGX 30 and 50 break their corresponding minor bottoms.


On the other hand, a breakout above 2,150 will trigger an important buy signal.



Resistance


PORT  Closed at 0.767 after breaking 0.724 upwards two sessions ago. The confirmation of this breakout is bullish for PORT. If a decline occurs, this will be considered as a chance to step in. We expect PORT to hit 0.85.


Support

ESRS  The stock, as usual breaks its support level. Despite that it is testing another support at current levels, any rise will probably be short lived and a chance to get out. We still believe that there are lower targets to be hit.

Testing

Support

IRON  The stock has support at 2.9. We do not recommend buying though as IRON is clearly an underperformer. We have to wait either a break above 3.15 (for a very risky trade) or above 3.5 (for a confirmed trading action) before stepping in.

EGAL  Moving inside a sideways range between 13 and 15. The stock is currently near the lower boundary of this trading range but is not showing yet any signs of strength. We do not recommend trading the stock as long as it is moving inside the range. Only a breakout above the high of this sideways move will trigger a new entry 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	72.25	72.00	70.55	75.30	77.00	↔	Hold	72.00
EAST.CA	EASTERN CO/d	15.98	15.20	14.60	16.00	16.70	↔	Hold	15.20
SWDY.CA	ELSWEDY ELECTR/d	13.88	13.25	12.80	14.40	14.80	↔	Hold	12.80
TMGH.CA	TALAT MOSTAFA/d	10.43	10.10	9.60	11.00	11.60	↔	Hold	10.10
ACAMD.CA	Arab Co. for Asset Management	2.31	2.26	2.19	2.46	2.60	↔	Hold	2.26
EKHO.CA	EGYPT KUWAIT H/d	1.32	1.25 \$	1.18 \$	1.37 \$	1.48 \$	↓	P.SELL	1.48
HRHO.CA	EFG HERMES HOL/d	17.25	17.00	16.00	17.90	18.50	↑	Hold	17.00
GTHE.CA	GLOBAL TELECO/d	4.92	4.45	4.05	4.90 *	5.15	↔	Hold	4.45
AMOC.CA	ALX MINERAL OI/d	4.42	4.30	3.80	4.70	5.00	↔	Hold	4.30
MNHD.CA	MEDINET NASR H/d	4.99	4.90	4.55	5.44	5.70	↔	Hold	5.70
CIRA.CA	Cairo Investment & Real Estate	9.80	9.60	9.00	10.70	11.70	↓	P.SELL	11.70
OCDI.CA	6TH OCT DEV IN/d	13.21	12.70	11.50	14.25	14.70	↔	Hold	12.70
JUFO.CA	JUHAYNA FOOD I/d	10.15	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL/d	9.51	9.00	7.50	10.75	11.60	↓	P.SELL	11.60
ETEL.CA	TELECOM EGYPT/d	14.40	14.20	13.50	15.30	15.85	↑	P.Buy	13.50
CCAP.CA	CITADEL CAPITA/d	3.94	3.75	3.50	4.00	4.10	↑	P.Buy	3.50
SRWA.CA	Sarwa Capital Holding	5.35	5.00	4.70	5.80	6.00	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV /d	2.36	2.27	2.10	2.47	2.67	↔	Hold	2.27
AUTO.CA	GB AUTO S.A.E/d	4.06	4.04	3.85	4.55	4.90	↔	Hold	4.55
HELI.CA	Misr Gedida Ho/d	22.59	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	0.64
EGCH.CA	EGYPT CHEM IND/d	6.15	5.70	5.25	6.40	7.20	↑	Hold	5.70
EMFD.CA	EMAAR MISR DEV/d	3.18	2.95	2.85	3.35	3.60	↔	Hold	2.95
OIH.CA	ORASCOM INVESTMENT HOLDING	0.69	0.62	0.60	0.74	0.84	↑	Hold	0.62
ORHD.CA	ORASCOM DEV/d	6.50	6.20	5.80	7.00	7.70	↔	Hold	6.20
EGTS.CA	EGYPTIAN RESOR/d	2.00	1.93	1.91	2.09	2.17	↔	Hold	1.93
ORWE.CA	ORIENTAL WEAVE/d	10.19	9.94	9.25	10.70	11.40	↔	Hold	9.25
IRON.CA	EGYPTIAN IR & /d	3.03	2.90	2.70	3.30	3.70	↔	Hold	2.90
ACGC.CA	ARAB COTTON GI/d	1.82	1.76	1.68	1.93	2.05	↔	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.