

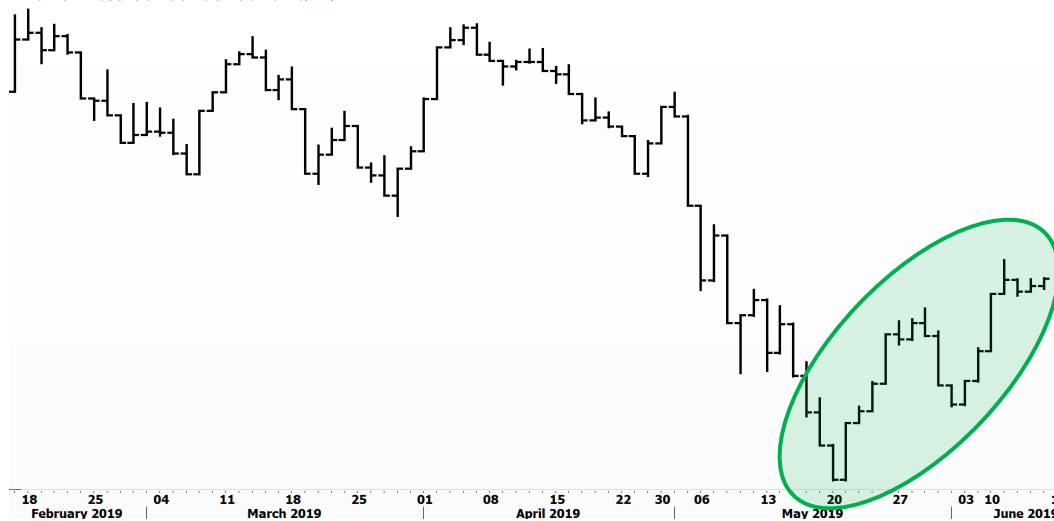


PIONEERSECURITIES

TECH TO THE POINT

17-Jun-19

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



Last	14,210.09
High Today	14,214.24
Low Today	14,168.15
Volume	M 102.125
First Support	14,050.00
Second Support	13,680.00
First Resistance	14,250.00
Second Resistance	14,500.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	2.13%
1 MONTH	4.02%
1 QUARTER	-5.49%
1 YEAR	-12.41%
YTD	9.00%

Analysis

The EGX 30 index closed at 14,208 and is confirming the breakout above the 14,000-14,100 area. The higher low and higher high that the index witnessed looks positive but we need more volumes for the bullish picture to be complete.

Today is an important day; if the index continues trading above 14,100 and closes above it, this will attract more buyers, which will be another catalyst for the market.

The current phase is called the unbelief phase; this is where the market begins to bottom and rise, while market participants still have lots of doubts concerning the market. This unbelief phase remains for sometimes but begins to fade as the market confirms its breakout. Slowly, market participants begin to enter the next phase, which is called the belief phase where the rise begins to appear stronger and more aggressive, along with positive news concerning the fundamentals of companies or the economy as a whole. We believe that we are currently approaching this phase.

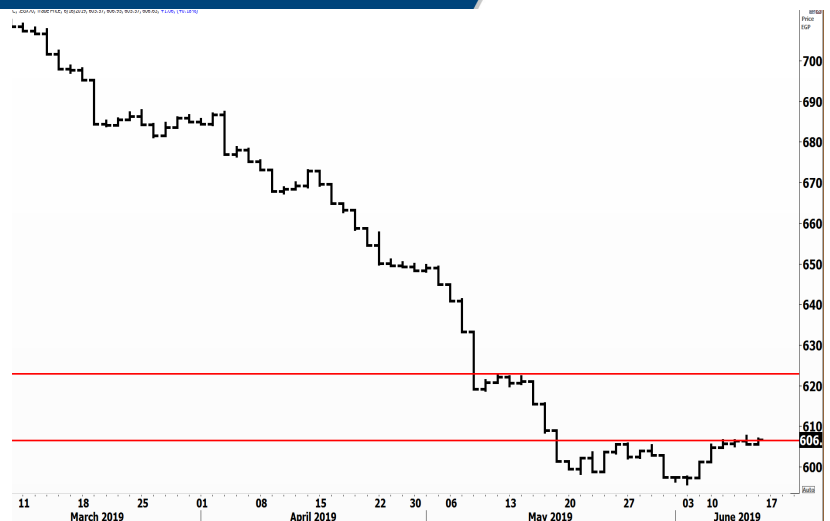
Egyptian Exchange Small Caps Index EGX70

Analysis


The EGX 70 index is still struggling to break its minor resistance level. The index is still underperforming its 30 counterpart, but is fighting to break upwards.


If the break above 606 is confirmed, the index will begin a strong upward move that will take it to much higher levels.


Our first target will be set near 625, but higher levels will be expected to be reached.



Resistance

ESGI  Egyptian Starch and Glucose closed at 12.68 after breaking 12.5 with relatively high volumes. If the stock continues trading above 12.5, it will probably retest the 15-16 area once again.

EGCH  Yesterday's volumes were high as the stock broke 5.9 upwards. EGCH might witness a hurdle around 6.3, next target will be set around 7.


EDBM  The breakout that the stock is witnessing is of major magnitude. If EDBM continues trading above 8.3 this week and witnesses high volumes, our target will be set near 10.5-11.


Support

No stocks broke their support yesterday

Testing

Support

SUCE  The stock is trading at its historical low that lies at the 8.5-9 area. SUCE is a clear underperformer but might witness a rebound from current levels. We do not recommend buying as the stock still looks weak though. In case a rebound occurs, the 10.5-11 area will serve as strong resistance.

EKHO  First support lies at 1.4; a break below this level will lead EKHO near 1.35 where support is stronger. EKHO usually underperforms during market rises, thus if the overall market begins to improve, EKHO will be a bit underperforming.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	74.60	72.00	70.55	76.00	77.00	↔	Hold	77.00
EAST.CA	EASTERN CO	15.99	15.85	15.20	17.22	18.00	↔	Hold	17.22
SWDY.CA	ELSWEDY ELECTRIC	14.15	13.75	12.80	14.80	16.00	↔	Hold	16.00
TMGH.CA	TALAT MOSTAFA	10.77	10.40	10.10	11.00	11.60	↔	Hold	11.60
ACAMD.CA	Arab Co. for Asset Management	2.31	2.26	2.19	2.44	2.60	↔	Hold	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.41	1.40 \$	1.37 \$	1.48 \$	1.55 \$	↔	Hold	1.48
HRHO.CA	EFG HERMES HOLD	16.55	15.85	15.10	17.00	17.55	↔	Hold	17.00
GTHE.CA	GLOBAL TELECO	4.76	4.45	4.05	4.90	5.15	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.60	4.45	4.25	5.00	5.50	↔	Hold	5.00
MNHD.CA	MEDINET NASR HOU	5.38	4.75	4.55	5.70	6.05	↔	Hold	4.75
CIRA.CA	Cairo Investment & Real Estate	10.70	10.60	10.00	11.74	12.50	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	14.39	13.88	13.20	14.60	15.30	↔	Hold	13.90
JUFO.CA	JUHAYNA FOOD IND	10.97	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL	12.00	11.00	10.00	12.55	13.50	↔	Hold	12.55
ETEL.CA	TELECOM EGYPT	13.52	13.10	12.50	14.25	15.00	↔	Hold	14.25
CCAP.CA	CITADEL CAPITAL	3.71	3.60	3.32	3.80	3.93	↔	Hold	3.32
SRWA.CA	Sarwa Capital Holding	5.50	5.00	4.70	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.49	2.38	2.27	2.67	2.87	↔	Hold	2.38
AUTO.CA	GB AUTO S.A.E	4.11	4.04	3.85	4.55	4.90	↓	P.SELL	4.55
HELI.CA	Misr Gedida Hou	23.04	22.00	19.50	23.30	25.50	↔	Hold	23.30
AINH.CA	Arab Investment Holding	0.62	0.60	0.55	0.66	0.71	↔	Hold	0.66
EGCH.CA	EGYPT CHEM IND	6.07	5.60	5.25	6.30	7.00	↑	P.Buy	5.60
EMFD.CA	EMAAR MISR DEV	3.17	3.06	2.95	3.35	3.60	↔	Hold	3.60
OIH.CA	ORASCOM INVESTMENT HOLDING	0.58	0.55	0.53	0.59	0.63	↔	Hold	0.59
ORHD.CA	ORASCOM DEV	6.50	6.20	5.80	6.75	7.00	↔	Hold	7.00
EGTS.CA	EGYPTIAN RESORTS	1.95	1.91	1.88	2.00	2.09	↔	Hold	2.00
ORWE.CA	ORIENTAL WEAVERS	10.60	9.94	9.25	10.70	11.40	↔	Hold	9.25
IRON.CA	EGYPTIAN IR & ST	3.33	3.15	2.90	3.50	3.70	↔	Hold	3.50
ACGC.CA	ARAB COTTON GIN.	1.84	1.77	1.65	1.95	2.05	↔	Hold	1.95

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.