

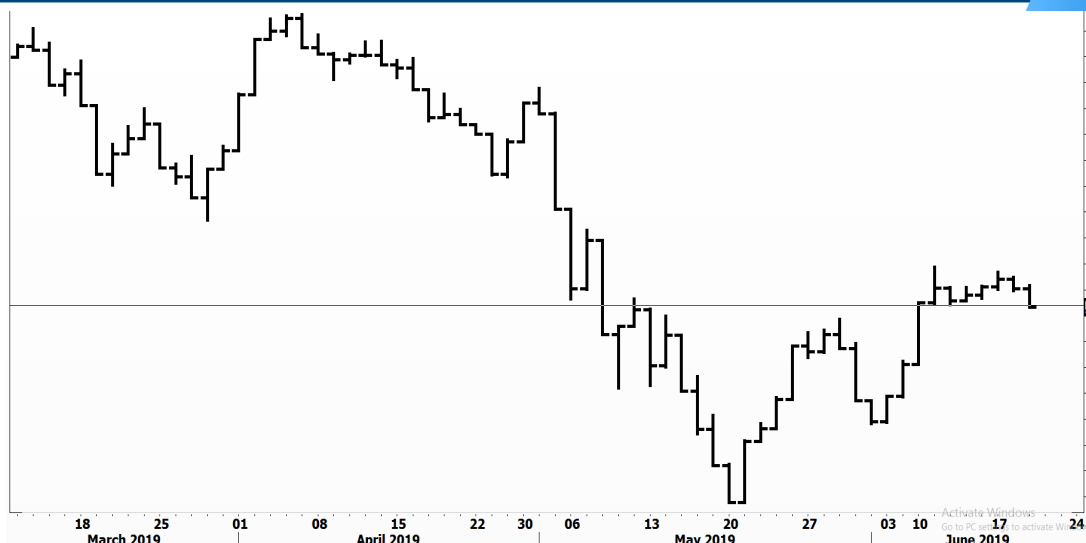


PIONEERSECURITIES

TECH TO THE POINT

20-Jun-19

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



Last	14,132.18
High Today	14,215.35
Low Today	14,132.18
Volume	M 59.399
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	-0.18%
1 MONTH	5.63%
1 QUARTER	-4.02%
1 YEAR	-12.05%
YTD	8.41%

Analysis

The market hit our stop. The break below 1,345 on the Hermes Last Index came sharp and the index closed clearly below it. Short-term investors are stopped out. This level coincides with the 14,135 on the EGX 30 index which is also broken downwards.

Our next target on the EGX 30 lies at 13,800; if a rebound occurs from there, this will be seen as a positive scenario. As we mentioned before, intermediate-term stop is placed below 13,600; any break below this level will turn the picture back to bearish.

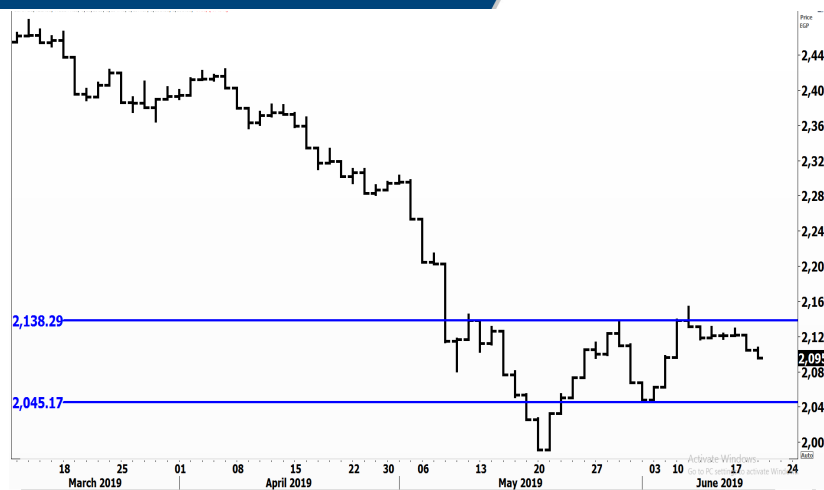
Unfortunately, our recent short-term bullish view did not manifest itself in the market; this is due to the absence of buyers, who appeared for only a couple of sessions and left quickly. We will monitor the market closely the next few sessions to see whether it will be able to create a higher low or not.

Egyptian Exchange Equals Weights Index EGX50

Analysis

The EGX 50 index was not able to break its peak, as we mentioned previously. This broader index did not confirm the EGX 30 breakout. Our next support lies at 2,050; if the index begins to rebound before testing this level, this will be a bullish scenario; on the other hand, if we reach 2,050, we will probably break it downwards, which will be bearish on a bigger time dimension.


As we know, we were bullish recently, but the market did not move as expected. We still believe, however, that the potential of a significant short-term rise is still there, especially if a higher low is created. It is worth noting that global equities are rising sharply, this should be seen as a positive sentiment but we are still unable to cope.




Resistance

ELNA  The breakout above 28 needs more confirmation. Thus, if the stock continues trading above 28 today, its target will be set around 32-33.


Support


EKHO  Broke below 1.4, closing at 1.387. The picture will turn bearish if the stock breaks 1.36 downwards. Only a violation below this level will call for selling positions.


SKPC  The break below 11.5 is being confirmed as the stock closed at 11.13 at the end of the session. Despite that the stock is still in its bottoming process, it might witness more decline. Our next major support lies at 10.

Testing

Support

PHDC  Support lies at 2.38; those who have positions are recommended to place their stop below this level. On the other hand, we do not recommend entering until a clear breakout above 2.6 occurs. The market does not give investors a room to trade short moves. Thus, we must wait for confirmation before taking any bullish action.

EAST  Approaching its support that lies at 15.2. This support should halt the current decline. Those who want to step in near support must wait for a rebound before entering.

ETEL  Closed at 13.25 at the end of the session and declined with high volumes. ETEL should find some support at 13. Short-term investors should apply their stop if the 13 level is broken downwards. Our target will be set around 12.5.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	74.80	72.00	70.55	76.00	77.00	↔	Hold	77.00
EAST.CA	EASTERN CO	15.40	15.20	14.60	16.70	17.22	↔	Hold	17.22
SWDY.CA	ELSWEDY ELECTRIC	13.90	13.75	12.80	14.80	16.00	↔	Hold	16.00
TMGH.CA	TALAT MOSTAFA	10.60	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	1.39	1.36 \$	1.30 \$	1.48 \$	1.55 \$	↔	Hold	1.48
HRHO.CA	EFG HERMES HOLD	16.30	15.85	15.10	17.00	17.55	↔	Hold	17.00
GTHE.CA	GLOBAL TELECO	4.61	4.45	4.05	4.90	5.15	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.46	4.45	4.25	5.00	5.50	↔	Hold	5.00
MNHD.CA	MEDINET NASR HOU	5.30	4.75	4.55	5.70	6.05	↔	Hold	4.75
CIRA.CA	Cairo Investment & Real Estate	10.50	10.50 *	10.00	11.74	12.50	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	14.35	13.88	13.20	14.60	15.30	↔	Hold	13.90
JUFO.CA	JUHAYNA FOOD IND	10.49	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL	11.56	11.00	10.00	12.55	13.50	↔	Hold	12.55
ETEL.CA	TELECOM EGYPT	13.25	13.10	12.50	14.25	15.00	↔	Hold	14.25
CCAP.CA	CITADEL CAPITAL	3.68	3.60	3.32	3.80	3.93	↔	Hold	3.32
SRWA.CA	Sarwa Capital Holding	5.35	5.00	4.70	5.80	6.00	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.42	2.38	2.27	2.67	2.87	↔	Hold	2.38
AUTO.CA	GB AUTO S.A.E	4.19	4.04	3.85	4.55	4.90	↓	P.SELL	4.55
HELI.CA	Misr Gedida Hou	22.49	22.00	19.50	23.30	25.50	↔	Hold	23.30
AINH.CA	Arab Investment Holding	0.52	0.50	0.43	0.64	0.66	↔	Hold	0.66
EGCH.CA	EGYPT CHEM IND	6.00	5.60	5.25	6.30	7.00	↑	Hold	5.60
EMFD.CA	EMAAR MISR DEV	3.06	3.06 *	2.95	3.35	3.60	↔	Hold	3.60
OIH.CA	ORASCOM INVESTMENT HOLDING	0.57	0.55	0.53	0.59	0.63	↔	Hold	0.59
ORHD.CA	ORASCOM DEV	6.33	6.20	5.80	6.75	7.00	↔	Hold	7.00
EGTS.CA	EGYPTIAN RESORTS	1.99	1.91	1.88	2.00	2.09	↔	Hold	2.00
ORWE.CA	ORIENTAL WEAVERS	10.41	9.94	9.25	10.70	11.40	↔	Hold	9.25
IRON.CA	EGYPTIAN IR & ST	3.31	3.15	2.90	3.50	3.70	↔	Hold	3.50
ACGC.CA	ARAB COTTON GIN.	1.80	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).

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.