

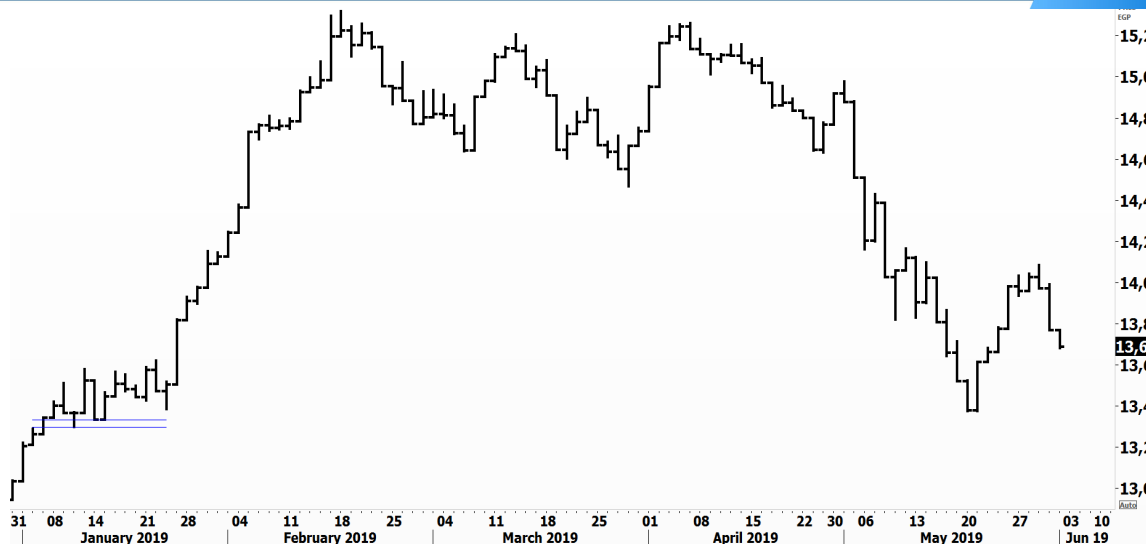


PIONEERSECURITIES

TECH TO THE POINT

3-Jun-19

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



Last	13,690.72
High Today	13,771.31
Low Today	13,683.82
Volume	M 93.099
First Support	13,600.00
Second Support	13,350.00
First Resistance	14,100.00
Second Resistance	14,500.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-2.08%
1 MONTH	-7.99%
1 QUARTER	-7.62%
1 YEAR	-16.59%
YTD	5.02%

Analysis

Despite that the index closed on a negative note, there was some buying power yesterday and most of the stocks were able to stabilize despite their decline.

The market is currently in an important crossroad; if a rebound occurs from current levels, a higher low on the daily chart will be signaled, which will be an early signal of a breakout above 14,000-14,100. As we know, a breakout above the latter range is a bullish sign for the market on the short-term.

Our confirmed buy signal will only be triggered at a clear break above 14,100.

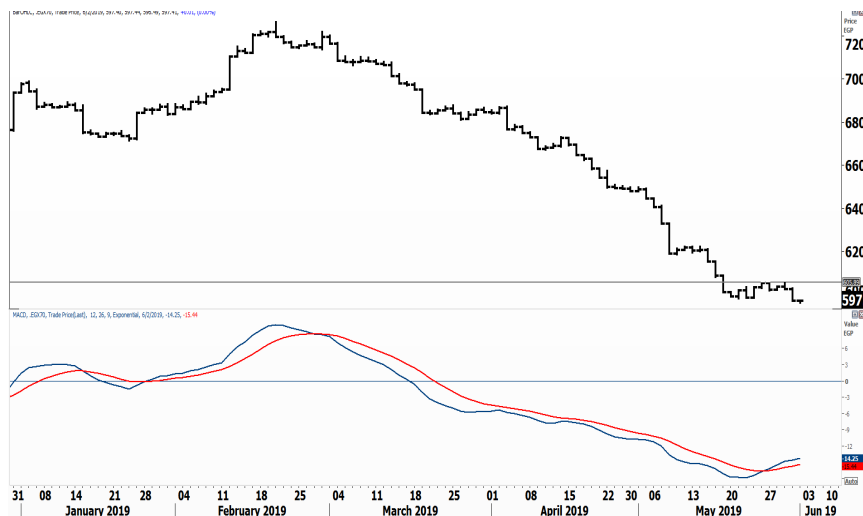
Egyptian Exchange Small and Medium Caps Index EGX70

Analysis

The EGX 70 index began to witness a slight accumulation period. As we know, the index witnessed a severe decline and broke its major support levels.

Currently, the index began to stabilize at current levels, and the MACD indicator witnessed a positive crossover for the first time since Feb 2019. Such a positive crossover tells us that the momentum of the decline began to shrink.

Our first buy signal will be triggered at a break above 605. This will be considered as a short-term signal.



Resistance

No stocks broke their resistance yesterday

Support

No stocks broke their support yesterday

Testing

Support

SKPC 

The 11.5 level (where the stock closed) is the current support for SKPC. We believe that a rebound should occur from here, even if a brief violation of this support occurs. Let us say our view clearly. The decline that took SKPC from 32 to 11 in one year, is probably reaching an end. If more decline occurs, it might take SKPC near 10; thus, we are expecting the beginning of a totally new big rise from the current range, or slightly below.

OCDI 

Support lies at 12.7. A rebound might occur from here. We do not recommend stepping in, however, until a clear and confirmed break above 14 occurs.

KABO 

Despite that support lies at 0.86, the stock looks weak currently and is clearly underperforming the market. We do not recommend buying until clear strength appears. It will take sometime to create a bullish pattern that can trigger a buy 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	71.51	69.00	66.00	73.00	77.00	↓	P.SELL	77.00
EAST.CA	EASTERN CO	15.52	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	13.80	12.80	11.60	14.80	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	10.25	10.10	9.60	11.00	11.60	↓	P.SELL	11.60
ACAMD.CA	Arab Co. for Asset Management	2.30	2.20	2.00	2.42	2.60	↓	P.SELL	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.42	1.37 \$	1.30 \$	1.48 \$	1.55 \$	↔	Hold	1.48
HRHO.CA	EFG HERMES HOLD	16.00	15.50	15.10	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.60	4.05	3.90	4.75	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.55	4.25	3.80	5.00	5.50	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	5.70	5.50	5.00	6.25	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	0.00	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	12.84	12.85 *	12.55	13.90	14.60	↓	P.SELL	13.90
JUFO.CA	JUHAYNA FOOD IND	10.70	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL	11.30	11.25	10.00	13.50	14.80	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	13.46	12.50	11.40	14.25	15.00	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.36	3.20	2.90	3.70	3.81	↓	P.SELL	3.70
SRWA.CA	Sarwa Capital Holding	5.35	5.50 *	5.00	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.41	2.43 *	2.27	2.85	2.87	↔	Hold	2.27
AUTO.CA	GB AUTO S.A.E	0.00	4.20	3.85	4.65	4.90	↓	P.SELL	4.65
HELI.CA	Misr Gedida Hou	20.17	19.00	18.50	23.30	25.50	↓	P.SELL	23.30
AINH.CA	Arab Investment Holding	0.56	0.55	0.50	0.60	0.66	↓	P.SELL	0.66
EGCH.CA	EGYPT CHEM IND	5.44	5.26	4.60	5.75	6.20	↓	P.SELL	5.75
EMFD.CA	EMAAR MISR DEV	3.06	3.00	2.85	3.35	3.60	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.40	5.70	5.40	6.80	7.20	↓	P.SELL	6.80
OIH.CA	ORASCOM INVESTMENT HOLDING	0.56	0.53	0.50	0.59	0.63	↓	P.SELL	0.59
ORHD.CA	ORASCOM DEV	6.34	5.75	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.93	1.83	1.72	2.00	2.09	↓	P.SELL	2.00
ORWE.CA	ORIENTAL WEAVERS	9.31	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.28	3.00	2.70	3.70	4.10	↓	P.SELL	4.10
ACGC.CA	ARAB COTTON GIN.	1.80	1.65	1.55	1.95	2.05	↓	P.SELL	2.05

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.