

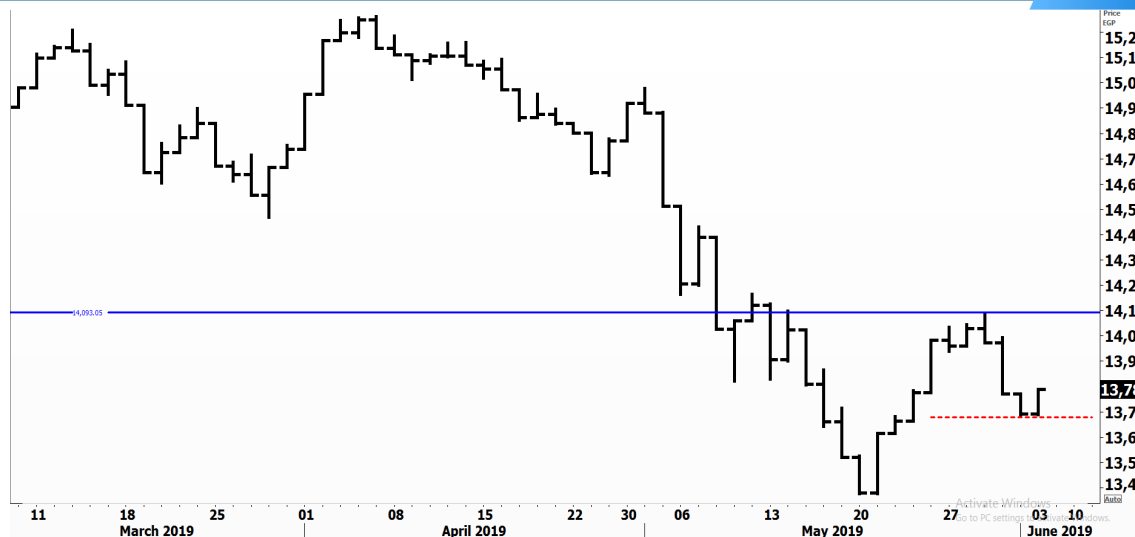


PIONEERSECURITIES

TECH TO THE POINT

9-Jun-19

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



Price (EGX)	15,200
Last	13,787.80
High Today	13,787.80
Low Today	13,688.59
Volume	M 43.475
First Support	13,680.00
Second Support	13,300.00
First Resistance	14,100.00
Second Resistance	14,500.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	0.71%
1 MONTH	-1.94%
1 QUARTER	-7.96%
1 YEAR	-13.41%
YTD	5.77%

Analysis

The EGX 30 index is probably trying to create a higher low on the daily chart. If the market closes positively today, this minor higher low will be confirmed. Such a formation will be considered as an early sign of a potential breakout above 14,100. If we break above the latter level, a strong buy signal will be triggered as our target will be set near the high that lies around 15,200.

Thus, we have a potential for a significant rise, especially if the market rises today. Our stop lies below 13,300. Those who are very short-term in nature however, can place their stop below 13,680 which is the low of the past two sessions. If a rise occurs today, this level (13,680) will gain more significance.

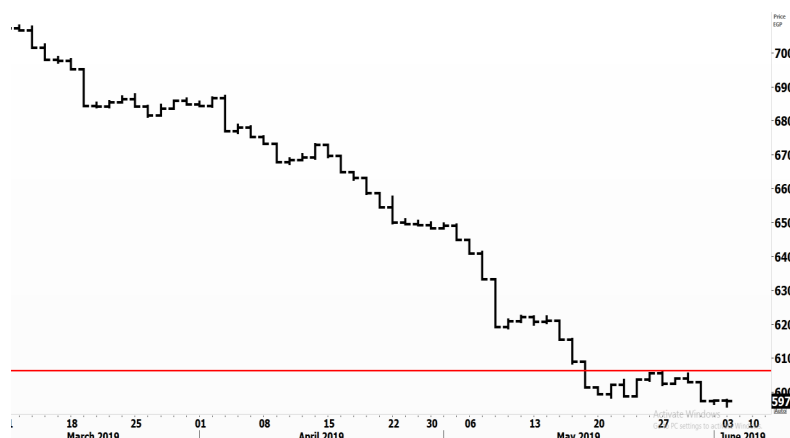
Let us put it this way, as long as the EGX 30 is trading above 13,680 we can initiate short-term trades with a stop below this minor bottom.

Egyptian Exchange Small and Medium Caps Index EGX70


Analysis

In our last daily report we analyzed the same index and mentioned that the MACD indicator witnessed a bullish crossover for the first time since Feb 2019; thus, we are currently going a bit to the bullish side of the coin.

We recommend, however, waiting for the breakout above 605. A break above this level will trigger a short-term buy signal and our initial target will be set near 620.



Resistance


ELEC  Broke 1.42 with relatively high volumes and closed at 1.47 at the end of the session. We expect the stock to reach 1.58 soon where selling pressure will probably intensify.


Support


No stocks broke their support yesterday

Testing


Support

TMGH  Tested its support that lies at 10.08 and rebounded to close at 10.29 at the end of the session. Those who want to buy are recommended to place their stop below 10.08. Our target lies at 11.

ABUK  The stock witnessed a strong decline last Monday, closing at 22.8 at the end of the session. It is important to note though that the 22.5 is a strong support. We do not expect a violation of this support. Those who want to buy at the next rebound are recommended to place their stop strictly below 22.5.

DSCW  The 2.15 level is the major support for DSCW. The decline has been losing momentum lately, which is a hint of a probable rebound. We do not recommend buying though until a clear rebound occurs.

Resistance

UEGC  Approaching 0.42, which is a minor resistance to watch. The stock witnessed high volumes in the last trading day and is probably preparing itself for the breakout. A break above 0.42 will trigger a buy signal with a target around 0.58.

ELWA  If the 7.65 level is clearly broken today, a buy signal will be triggered with a target at 8.2. Those who want to step in are recommended to wait for the breakout confirmation.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	71.85	69.00	66.00	73.00	77.00	↓	P.SELL	77.00
EAST.CA	EASTERN CO	15.96	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.14	13.75	12.80	14.80	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	10.29	10.10	9.60	11.00	11.60	↓	P.SELL	11.60
ACAMD.CA	Arab Co. for Asset Management	2.35	2.26	2.19	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	16.20	15.85	15.10	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.64	4.30	4.05	4.75	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.62	4.45	4.25	5.00	5.50	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	6.04	5.60	5.45	6.25	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	11.10	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	12.91	12.85	12.55	13.90	14.60	↓	P.SELL	13.90
JUFO.CA	JUHAYNA FOOD IND	10.88	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL	11.36	11.25	10.00	13.50	14.80	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	13.60	13.10	12.50	14.25	15.00	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.41	3.25	2.90	3.60	3.81	↓	P.SELL	3.60
SRWA.CA	Sarwa Capital Holding	5.31	5.00	4.70	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.41	2.40	2.27	2.70	2.87	↔	Hold	2.27
AUTO.CA	GB AUTO S.A.E	4.30	4.15	3.85	4.65	4.90	↓	P.SELL	4.65
HELI.CA	Misr Gedida Hou	20.50	19.00	18.50	22.00	23.30	↓	P.SELL	23.30
AINH.CA	Arab Investment Holding	0.58	0.55	0.50	0.61	0.66	↓	P.SELL	0.66
EGCH.CA	EGYPT CHEM IND	5.59	5.26	4.60	5.85	6.20	↓	P.SELL	5.85
EMFD.CA	EMAAR MISR DEV	3.14	3.00	2.85	3.35	3.60	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.40	6.25	5.70	6.80	7.20	↓	P.SELL	6.80
OIH.CA	ORASCOM INVESTMENT HOLDING	0.57	0.55	0.53	0.59	0.63	↓	P.SELL	0.59
ORHD.CA	ORASCOM DEV	6.40	6.20	5.80	6.75	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.92	1.83	1.72	2.00	2.09	↓	P.SELL	2.00
ORWE.CA	ORIENTAL WEAVERS	9.50	9.25	8.90	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.28	3.15	2.90	3.50	3.70	↓	P.SELL	3.70
ACGC.CA	ARAB COTTON GIN.	1.81	1.77	1.65	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.