

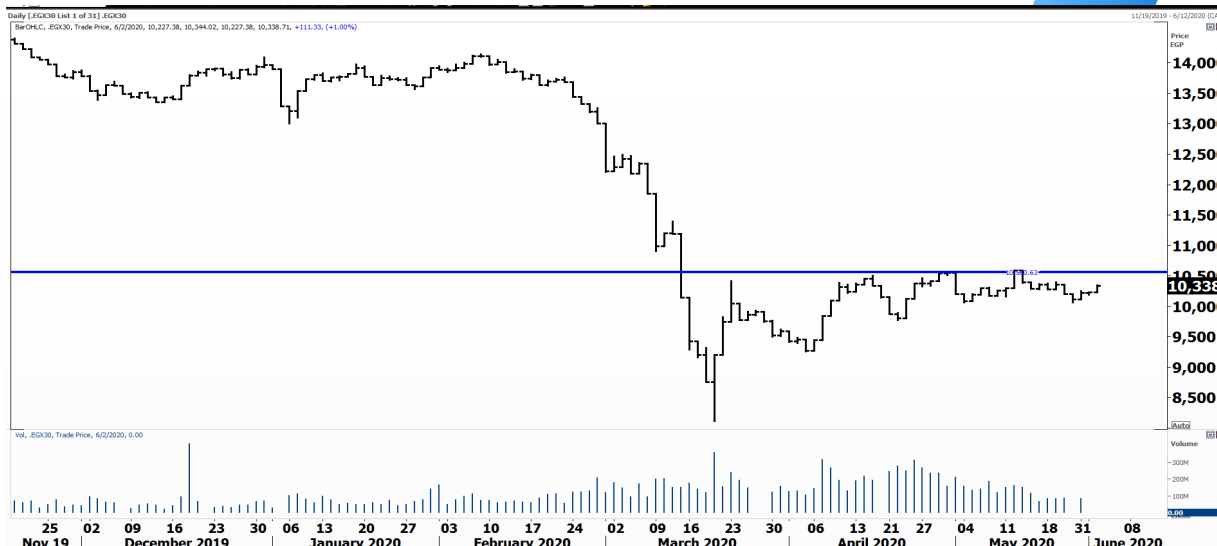


PIONEERSECURITIES

# TECH TO THE POINT

3-June-2020

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



Last	10,338.71
High Today	10,344.02
Low Today	10,227.38
Volume	M 162.657
First Support	10,000.00
Second Support	9,700.00
First Resistance	10,500.00
Second Resistance	11,000.00
Stop Loss	9,700.00
HISTORICAL RETURN %	
1 WEEK	2.26%
1 MONTH	1.36%
1 QUARTER	-16.75%
1 YEAR	-25.02%
YTD	-25.95%

## Analysis

It looks like the market is preparing itself for the breakout. As we know, we still do not have confirmation as the EGX 30 index is still moving below 10,500. Short-term investors who want to step in early can do so with a stop below 10,000. Buying after confirmation will be a better idea and the next rise will probably be strong.

Thus, to reiterate our view, we can step in partially here and monitor the market while adding at the 10,500 breakout. Any buying action should be accompanied by a close stop below 10,000.

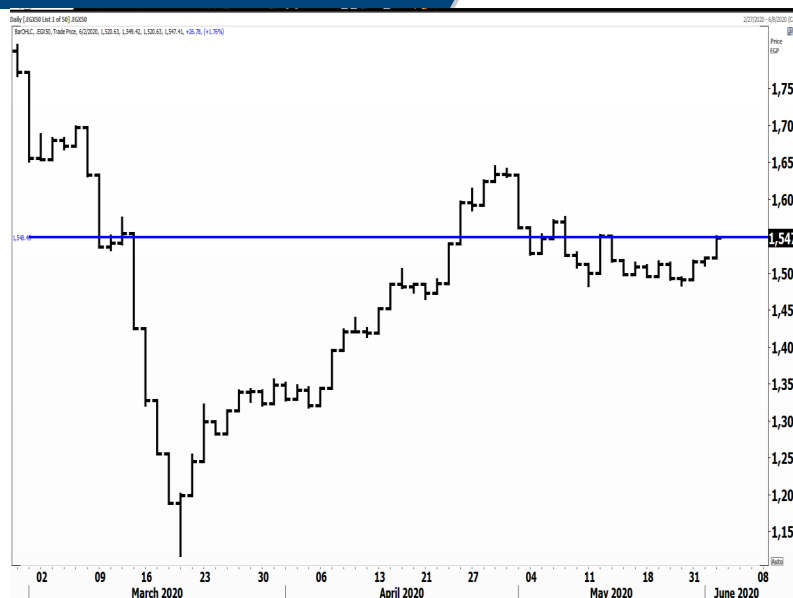
## Egyptian Exchange Equal Weight Index .EGX 50

### Analysis


The EGX 50 index is seriously challenging its resistance and on its way to break it upwards. We know that the EGX 50 shows the market breadth better than its 30 counterpart.

Thus, a breakout above 1,550 (which can take place today) will be an early bullish sign and also a signal of a potential breakout on the EGX 30 index.

Those who will buy before the EGX 30 break above 10,500 can take their decision based on the EGX 50 breakout that might take place today.



## Resistance

**EKHO**  Broke its resistance level that lies at 1.05 and closed at 1.06 at the end of the session. We expect EKHO to reach around 1.2. Those who are out of the stock can step in at intraday dips.


**RAKT**  The stock witnessed very high volumes the past two sessions, which shows that buying power entered aggressively. After the breakout, we expect RAKT to witness a significant rise that might lead it to 5.6-5.7.


## Support

No stocks broke their support yesterday


## Testing

### Support

**CCAP**  The stock rebounded sharply from its support that lies at 1.2-1.25 and closed at 1.375. CCAP is expected to reach 1.5 initially, which is the resistance that should be broken upwards. A breakout above 1.5 will trigger a confirmed buy signal.

**ESRS**  Witnessed a significant correction to reach 5.65 before rebounding slightly, closing near 6 at the end of yesterday's session. We like the stock and expect it to rebound significantly from here. We recommend investors to step in with a target around 7.

### Resistance

**EGCH**  The 3.76 level is a resistance for the stock. If this level is broken upwards on a confirmed basis, a buy signal will be triggered with a target around 4.3.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	63.20	61	58.5	66	70	↔	Hold	58.5
EAST.CA	EASTERN CO/d	12.40	11.8	11.4	13	14	↔	Hold	11.8
SWDY.CA	ELSWEDY ELECTR/d	7.51	7	6.88	8.1	8.8	↔	Hold	7
TMGH.CA	TALAT MOSTAFA/d	5.10	4.95	4.7	5.53	5.85	↔	Hold	4.7
SKPC.CA	SIDI KERIR PET/d	5.96	5.44	5.14	6.3	6.87	↔	Hold	5.44
EKHO.CA	EGYPT KUWAIT H/d	1.06	1 \$	0.97 \$	1.10 \$	1.15 \$	↔	Hold	0.97
HRHO.CA	EFG HERMES HOL/d	11.30	10.6	9.92	12	13	↔	Hold	10.6
ORAS.CA	ORASCOM CONST/d	65.00	62.5	58	68.5	73	↔	Hold	62.5
AMOC.CA	ALX MINERAL OI/d	2.41	2.17	2.03	2.40*	2.7	↔	Hold	2.17
MNHD.CA	NASR CITY HOUS/d	2.60	2.46	2.27	2.75	2.9	↔	Hold	2.46
CIRA.CA	Cairo Investment & Real Estate	0.00	12.5	11.55	14	15	↑	Hold	12.5
OCDI.CA	6TH OCT DEV IN/d	9.51	9	8.2	10.4	10.88	↔	Hold	9
JUFO.CA	JUHAYNA FOOD I/d	7.40	6.7	6.3	7.8	8	↔	Hold	6.5
ESRS.CA	EZZ STEEL/d	5.92	5.6	5.06	6.4	7	↔	Hold	5.6
ETEL.CA	TELECOM EGYPT/d	11.98	11.5	10.7	12.6	14	↑	P.Buy	10.7
CCAP.CA	CITADEL CAPITA/d	1.38	1.19	1.14	1.38*	1.47	↔	Hold	1.19
ISPH.CA	IBNSINA PHARMA	8.70	8.32	8	9.25	9.6	↔	Hold	8
PHDC.CA	PALM HILL DEV /d	1.09	1.05	1.025	1.16	1.2	↔	Hold	1.025
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	5.06	4.55	4.2	5.4	5.75	↔	Hold	4.55
HELI.CA	HELIOPOIS/d	4.66	4.4	4	4.93	5.3	↔	Hold	4
CIEB.CA	CREDIT AGRICOL/d	25.90	25	23	28.5	30.6	↔	Hold	27
EGCH.CA	EGYPT CHEM IND/d	3.67	3.4	3	3.97	4.37	↔	Hold	3.4
EMFD.CA	EMAAR MISR DEV/d	2.35	2.24	2.19	2.45	2.55	↔	Hold	2.19
OIH.CA	ORASCOM INVESTMENT HOLDING	0.36	0.26	0.17	0.45	0.5	↔	Hold	0.5
ORHD.CA	ORASCOM EGYPT/d	3.40	3.2	2.87	3.68	4.3	↔	Hold	2.87
EGTS.CA	EGYPTIAN RESOR/d	1.44	1.3	1.14	1.6	1.77	↔	Hold	1.3
PORT.CA	PORTO GROUP	0.44	0.422	0.41	0.475	0.529	↔	Hold	0.422
AUTO.CA	AUTO GHABBOUR	1.72	1.55	1.4	1.73	1.92	↔	Hold	1.55
DSCW.CA	DICE SPORT AND CASUAL WEAR	1.47	1.37	1.26	1.7	1.93	↔	Hold	1.26

## 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.