

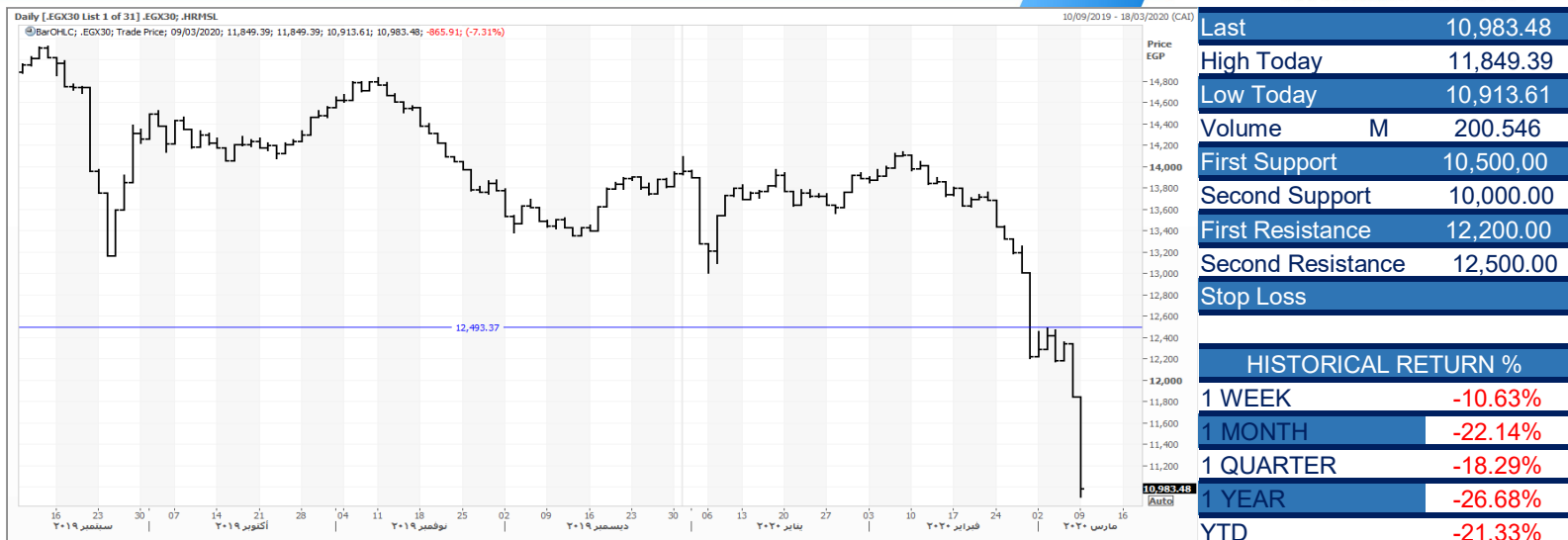


PIONEERSECURITIES

# TECH TO THE POINT

10-Mar-2020

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



## Analysis

The market witnessed another strong selloff yesterday, which led the EGX 30 index to close more than 7% down, at 10,900. Yesterday's panic selling is a signal that another selloff will probably occur today. This will lead the index near 10,000, which is the major breakout point of 2016.

As we mentioned in all our previous reports, buying at market declines, especially during these days is a lethal trading strategy and leads to severe losses. We will not recommend to enter the market until clear strength appears. We cannot talk about any level before the 12,200-12,300 range to enter the market.

In other words, any rise is a selling opportunity until the 12,300 is broken to the upside, and preferably the 12,500. Below these levels, we sell rises.

## Dow Jones Index .DJI Monthly

## Analysis

The Dow Jones Index looks both good and bad; the panic decline that occurred should be followed by a significant rise; the index is testing its 50 months moving average, and also approaching its major bottom that lies near 22,000.

On the other hand, the major negative divergence on the monthly chart with the MACD indicator is of major significance.


Having said that, we will probably witness a significant rebound, which will be followed by a renewed decline.




## Resistance


No stocks broke their resistance yesterday

## Support

**COMI**  The 70-71 area was considered as a strong support that was not expected to be violated. The break of such level will probably lead COMI to lower levels. If the market continues its panic today, COMI will probably approach 55.


**ORAS**  Broke 80 yesterday and closed clearly below it. Any rise is a selling opportunity until the 85 level is broken to the upside. Below this level we are sellers.

**ORHD**  Also broke a major support, and closed at 3.33. If the stock confirms this breakdown, it will probably witness another leg to the 2.5 level.

**SKPC**  Not only did SKPC break its support levels, but it hit yesterday never seen before levels. New historical lows. We do not recommend any buying action before the break of 7.7 to the upside.

## Testing

### Support

**CIEB**  This defensive stock is trading at its support. Because of the current market situation, CIEB can break below 40, which will lead it to 33-35. Still CIEB remains one of the important defensive stocks in our market.

### Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	68.50	66.00	63.00	72.00	76.00	↓	P.SELL	76.00
EAST.CA	EASTERN CO/d	12.35	11.50	10.50	14.30	15.25	↓	P.SELL	14.30
SWDY.CA	ELSWEDY ELECTR/d	8.20	8.30*	7.75	9.20	10.23	↓	P.SELL	10.23
TMGH.CA	TALAT MOSTAFA/d	6.25	6.18	5.80	6.75	7.15	↓	P.SELL	7.15
SKPC.CA	SIDI KERIR PET/d	7.10	7.00	6.70	7.60	8.10	↓	P.SELL	8.10
EKHO.CA	EGYPT KUWAIT H/d	1.07	1.02 \$	0.99 \$	1.15 \$	1.22 \$	↓	P.SELL	1.22
HRHO.CA	EFG HERMES HOL/d	11.16	10.98	10.45	13.00	14.10	↓	P.SELL	14.10
ORAS.CA	ORASCOM CONST/d	75.50	72.00	65.00	82.00	86.00	↓	P.SELL	86.00
AMOC.CA	ALX MINERAL OI/d	2.23	2.22	1.87	2.41	2.70	↓	P.SELL	2.70
MNHD.CA	NASR CITY HOUS/d	3.59	3.50	3.20	4.10	4.25	↓	P.SELL	4.25
CIRA.CA	Cairo Investment & Real Estate	0.00	12.50	11.55	14.00	15.00	↑	Hold	12.50
OCDI.CA	6TH OCT DEV IN/d	9.60	9.44	8.00	10.75	11.77	↓	P.SELL	11.77
JUFO.CA	JUHAYNA FOOD I/d	6.79	6.50	6.00	7.80	8.40	↓	P.SELL	8.40
ESRS.CA	EZZ STEEL/d	6.18	6.10	5.50	7.12	7.80	↓	P.SELL	7.80
ETEL.CA	TELECOM EGYPT/d	10.35	10.10	9.80	11.50	12.60	↓	P.SELL	12.60
CCAP.CA	CITADEL CAPITA/d	1.47	1.39	1.22	1.92	2.01	↓	P.SELL	2.01
ISPH.CA	IBNSINA PHARMA	7.14	7.10	6.50	8.00	8.30	↓	P.SELL	8.30
PHDC.CA	PALM HILL DEV /d	1.26	1.22	1.15	1.45	1.55	↓	P.SELL	1.45
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.85	4.55	4.18	5.25	5.50	↓	P.SELL	5.50
HELI.CA	HELIOPOLIS/d	4.15	4.08	3.40	5.80	6.40	↓	P.SELL	5.80
CIEB.CA	CREDIT AGRICOL/d	40.00	40.00*	38.00	45.00	47.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	3.81	3.50	3.00	4.40	4.80	↓	P.SELL	4.80
EMFD.CA	EMAAR MISR DEV/d	2.56	2.40	1.93	2.75	2.95	↓	P.SELL	2.75
OIH.CA	ORASCOM INVESTMENT HOLDING	0.45	0.45*	0.40	0.50	0.54	↓	P.SELL	0.50
ORHD.CA	ORASCOM EGYPT/d	3.33	3.12	2.70	4.30	4.00	↓	P.SELL	5.00
EGTS.CA	EGYPTIAN RESOR/d	1.69	1.83	1.72	2.16	4.60	↓	P.SELL	4.60
PORT.CA	PORTO GROUP	0.60	0.58	0.55	0.65	0.68	↔	Hold	0.55
AUTO.CA	AUTO GHABBOUR	2.13	2.00	1.79	2.60	3.00	↓	P.SELL	3.00
DSCW.CA	DICE SPORT AND CASUAL WEAR	1.07	0.95	0.92	1.06	1.14	↔	Hold	1.06

## 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.