

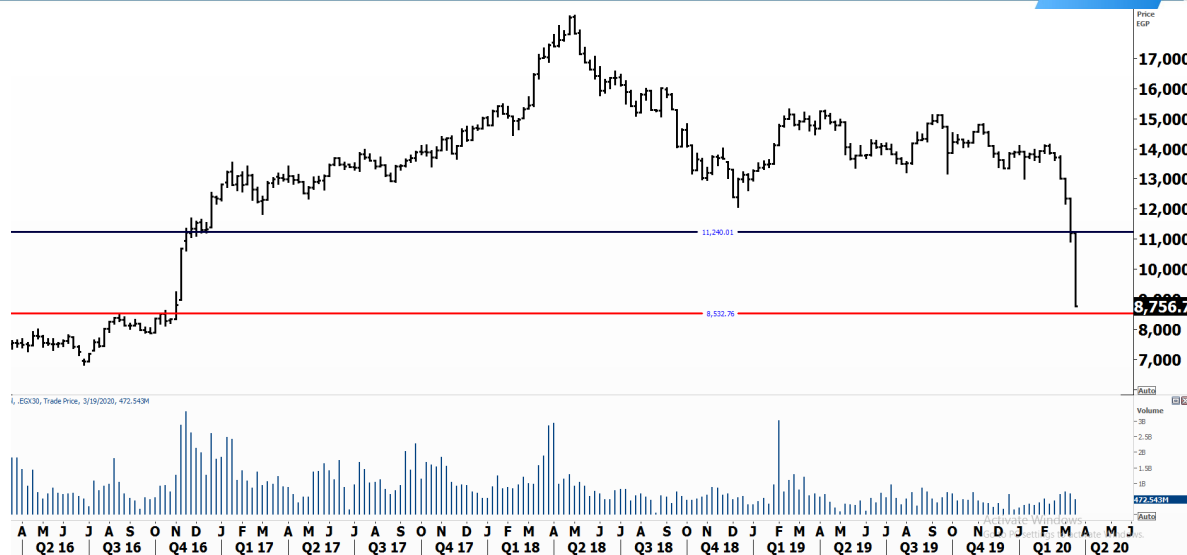


PIONEERSECURITIES

TECH TO THE POINT

19-Mar-2020

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



Last	8,756.70
High Today	9,323.59
Low Today	8,756.70
Volume	M 118.922
First Support	8,500.00
Second Support	8,150.00
First Resistance	10,000.00
Second Resistance	11,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-21.77%
1 MONTH	-36.55%
1 QUARTER	-36.52%
1 YEAR	-40.21%
YTD	-37.28%

Analysis

Another deep decline in the market taking the EGX 30 to 8,700, and 200 points away from next support that lies at 8,500. We are waiting for the rebound to come and will enter as the market rises. Honestly speaking, we were expecting the market to rise two days ago but it continued its sharp decline not respecting anything on its way.

People are getting more terrified with time, especially with this Corona issue. What we know here is that we are reaching an extreme measurement of pessimism, and this is a normal scenario of a bottom. The problem, however, is the amplitude of this decline and the severe aggressiveness of selling pressure. The US, as we are writing the report is down 9%, we do not know whether it will rebound in the next three hours or not, but it looks like it will close near the low.

Let us look today at the 8,500 level and see whether we will be able to rebound from there or not.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 index closed at 1,188 and is trading at its 1,190 support. A break below this level will lead the index to 1,000, which coincides with the 5,800 on the EGX 30 index.

This does not mean that the EGX is going there but it only means that the overall market is actually near this level.

As we mentioned, we will have to wait for a rebound before stepping in.


Those who are in cash can buy the market partially as we still believe that the next rise will be strong.





Resistance

No stocks broke their resistance yesterday

Support


TMGH  Closed at 4.47 after breaking 5 to the downside. It looks like TMGH will break 4.35 to the downside. A break below this level will lead the stock to 3.5.

HELI  The break below 3, if confirmed is a bearish scenario. Our first bearish signal was the violation of 4.9-5. If HELI continues trading below 3 it will probably visit 2.25-2.3 before the next rise.

EMFD  Even EMFD violated its support and closed clearly below it. The stock confirmed its breakdown and is ready for more decline. The 1.95-2 is our next level.

Testing

Support

ORAS  The stock only fell 5% yesterday, and is considered one of yesterday's best performers. The stock's low lies at 50. We should be expecting a rebound from there. Given the current circumstances, however, we will not take any decision until a clear rebound occurs.

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	56.00	53.6	49.5	62.7	66	↓	P.SELL	66
EAST.CA	EASTERN CO/d	10.13	9.7	8.9	11.5	12.3	↓	P.SELL	12.3
SWDY.CA	ELSWEDY ELECTR/d	5.80	5.55	5.3	7.8	8.8	↓	P.SELL	8.8
TMGH.CA	TALAT MOSTAFA/d	4.42	4.3	3.7	5.3	6	↓	P.SELL	6
SKPC.CA	SIDI KERIR PET/d	4.82	4.8	3.97	5.9	7	↓	P.SELL	7
EKHO.CA	EGYPT KUWAIT H/d	0.90	0.91 \$ *	0.86 \$	1.03 \$	1.15 \$	↓	P.SELL	1.15
HRHO.CA	EFG HERMES HOL/d	7.23	7.1	6	9	10.75	↓	P.SELL	10.75
ORAS.CA	ORASCOM CONST/d	55.00	56 *	51	72	80	↓	P.SELL	80
AMOC.CA	ALX MINERAL OI/d	1.56	1.42	1.2	2.06	2.12	↓	P.SELL	2.34
MNHD.CA	NASR CITY HOUS/d	2.61	2.59	2.42	3.24	3.5	↓	P.SELL	3.5
CIRA.CA	Cairo Investment & Real Estate	0.00	12.5	11.55	14	15	↑	Hold	12.5
OCDI.CA	6TH OCT DEV IN/d	6.60	6.6*	5.7	8.5	9.5	↓	P.SELL	9.5
JUFO.CA	JUHAYNA FOOD I/d	5.70	5.6	5.3	6.5	7.5	↓	P.SELL	7.5
ESRS.CA	EZZ STEEL/d	4.34	4.3	3.28	5.5	6.5	↓	P.SELL	6.5
ETEL.CA	TELECOM EGYPT/d	8.01	7.6	7.3	9.25	10.2	↓	P.SELL	10.2
CCAP.CA	CITADEL CAPITA/d	0.89	0.87	0.63	1.19	1.5	↓	P.SELL	1.5
ISPH.CA	IBNSINA PHARMA	6.20	6.20*	5.6	7.3	7.7	↓	P.SELL	7.7
PHDC.CA	PALM HILL DEV /d	0.87	0.87*	0.67	1.2	1.37	↓	P.SELL	1.2
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.00	3.5	3.2	4.6	5.1	↓	P.SELL	4.6
HELI.CA	HELIOPOLIS/d	2.88	2.90*	2.1	3.6	4	↓	P.SELL	4
CIEB.CA	CREDIT AGRICOL/d	0.00	33	32	39	42	↓	P.SELL	42
EGCH.CA	EGYPT CHEM IND/d	2.91	2.8	2.47	3.7	4	↓	P.SELL	4
EMFD.CA	EMAAR MISR DEV/d	2.14	2.1	1.93	2.45	2.7	↓	P.SELL	2.7
OIH.CA	ORASCOM INVESTMENT HOLDING	0.30	0.26	0.17	0.45	0.5	↓	P.SELL	0.5
ORHD.CA	ORASCOM EGYPT/d	2.46	2.12	2.12	3.12	3.7	↓	P.SELL	3.7
EGTS.CA	EGYPTIAN RESOR/d	1.06	1.01	0.9	1.3	1.5	↓	P.SELL	1.5
PORT.CA	PORTO GROUP	0.38	0.35	0.25	0.49	0.52	↓	P.SELL	0.52
AUTO.CA	AUTO GHABBOUR	1.59	1.5	1.1	2.1	2.4	↓	P.SELL	2.1
DSCW.CA	DICE SPORT AND CASUAL WEAR	0.75	0.72	0.69	0.83	0.91	↓	P.SELL	0.91

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.