

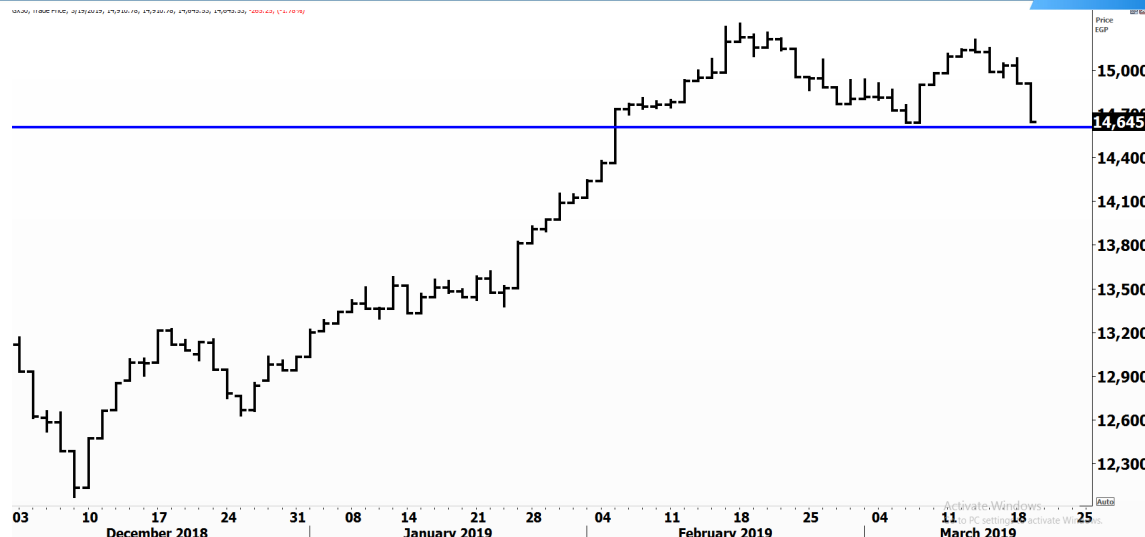


PIONEERSECURITIES

TECH TO THE POINT

20-Mar-19

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



Last	14,645.53
High Today	14,910.78
Low Today	14,645.53
Volume	M 159.727
First Support	14,600.00
Second Support	14,000.00
First Resistance	15,300.00
Second Resistance	16,000.00
Stop Loss	14,600.00
HISTORICAL RETURN %	
1 WEEK	-3.27%
1 MONTH	-3.64%
1 QUARTER	11.62%
1 YEAR	-14.71%
YTD	12.35%

Analysis

Unfortunately, the market was not able to witness any strength yesterday as buyers were completely annihilated by selling pressure. As we mentioned in our few previous reports, testing the 14,600 increases the likelihood of its breakdown; the market reached this support yesterday and we are currently on the verge of breaking to the downside. Such a violation will lead the EGX 30 to the 13,800-14,000 area where buying power will be expected to appear.

It is important to note though that the 14,600 is already an important support to watch; thus a rebound from here will not come as a surprise. What we are saying, however, is that the probability of a break below support is currently higher than before.

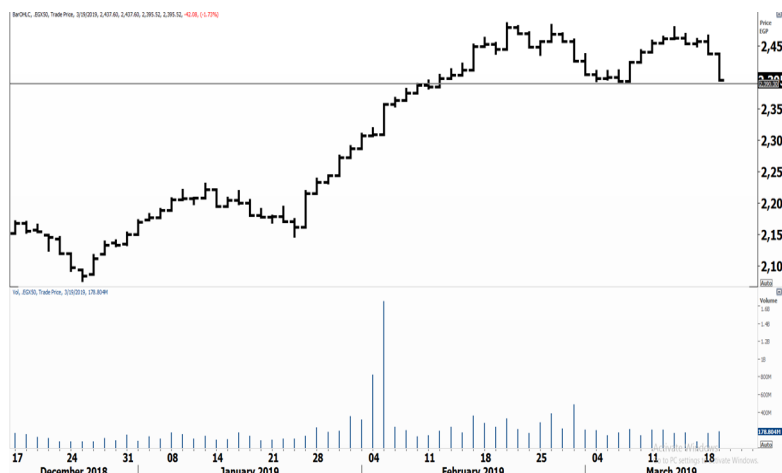
Short-term investors are already stopped out two days ago; a break below 14,600, however, will confirm the bearish picture and will lead to more decline.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The index closed below 2,400 and is challenging its support at 2,390. Yesterday's decline was strong as buyers were completely absent given the current situation of the black box called Global Telecom. The bad news here is that selling pressure intensified, which can be a clear sign of a potential support violation.




A break below 2,390 will trigger a confirmed sell signal as the market will probably witness a severe decline afterwards.



Resistance





No stocks broke their resistance yesterday

Support

- IRON**  After yesterday's decline, IRON might continue its fall to the 4.5 level. If any rise occurs from here, we will not recommend stepping in until the 5.5 is broken upwards. For now, we will probably test 4.5 before any rise occurs.
- MPRC**  Closed at 6.35 after breaking below 6.5. The decline came on relatively low volumes, but we still recommend to get out at any rise. Thus, intraday rises are chances to sell.
- COMI**  The stock closed below 68; if CIB continues trading below this level, it will probably reach 60-62. Thus, the failure to break back above 68 will trigger an important sell signal.

Testing

Support

- CCAP**  Tested its support that lies at 3.95-4 to close at 4.1 at the end of the session. Those who want to step in are recommended to use 3.9 as their stop and 4.25 as their target.
- ACAMD**  Tested its support that lies at 2.8-2.85 and closed at 2.9 at the end of the session. ACAMD looks good, especially if it continues trading today above 2.9. A test of the highs is very likely to occur.
- ACGC**  The 2.05 level should act as support. If a rebound occurs, a buy signal will be triggered with a target at 2.25. Stops should be strictly placed below 2.04.
- PHDC**  The 2.65 level is currently in danger. Buyers were completely absent yesterday and if they do not step in, the stock will witness a break of support which will drag it to much lower levels. PHDC's yesterday's decline was unexpected, and it looks bad.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	67.50	68.00 *	65.50	72.00	76.00	↔	Hold	72.00
EAST.CA	EASTERN CO	18.00	17.80	17.00	19.00	19.80	↔	Hold	19.00
SWDY.CA	ELSWEDY ELECTRIC	16.64	16.00	15.00	17.80	19.00	↔	Hold	16.00
TMGH.CA	TALAT MOSTAFA	11.00	11.00 *	10.85	11.70	11.90	↔	Hold	11.00
ACAMD.CA	Arab Co. for Asset Management	2.90	2.85	2.75	3.07	3.25	↔	Hold	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.48	\$1.44	\$1.36	\$1.55	\$1.68	↑	Hold	\$1.36
HRHO.CA	EFG HERMES HOLD	16.91	16.60	15.60	17.70	18.50	↔	Hold	16.60
GTHE.CA	GLOBAL TELECO	4.40	4.40 *	4.00	4.80	4.90	↔	Hold	4.40 *
AMOC.CA	ALX MINERAL OILS	6.10	5.85	5.50	6.44	6.70	↔	Hold	5.85
MNHD.CA	MEDINET NASR HOU	7.20	7.07	6.85	7.70	7.80	↔	Hold	7.07
CIRA.CA	Cairo Investment & Real Estate	9.35	9.00	8.30	10.00	N.A	↔	Hold	9.00
OCDI.CA	6TH OCT DEV INV	16.91	16.70	15.70	18.00	19.20	↑	P.Buy	16.70
JUFO.CA	JUHAYNA FOOD IND	13.51	13.00	12.00	14.00 *	N.A	↑	Hold	12.00
ESRS.CA	EZZ STEEL	17.67	17.50	16.80	19.30	21.30	↓	P.SELL	19.30
ETEL.CA	TELECOM EGYPT	14.22	14.30 *	13.00	15.10	16.00	↔	Hold	14.30
CCAP.CA	CITADEL CAPITAL	4.10	4.00	3.80	4.30	4.75	↑	Hold	3.80
SRWA.CA	Sarwa Capital Holding	6.15	6.00	5.50	6.75	7.40	↔	Hold	6.00
PHDC.CA	PALM HILL DEV CO	2.68	2.65	2.55	3.00	3.21	↔	Hold	2.67
AUTO.CA	GB AUTO S.A.E	5.00	4.90	4.70	5.40	5.68	↔	Hold	4.90
HELI.CA	Misr Gedida Hou	24.16	23.60	22.50	26.25	29.50	↑	Hold	23.60
AIND.CA	ARABIA INVEST	0.76	0.75	0.70	0.83	0.88	↔	Hold	0.83
EGCH.CA	EGYPT CHEM IND	6.61	6.57	6.10	7.12	7.20	↓	P.SELL	7.20
EMFD.CA	EMAAR MISR DEV	3.51	3.35	3.20	3.75	3.90	↔	Hold	3.35
PIOH.CA	PIONEERS HLDG	7.08	7.06	6.60	7.60	8.00	↔	Hold	7.06
OIH.CA	ORASCOM INVESTMENT HOLDING	0.65	0.66 *	0.63	0.71	0.74	↓	P.SELL	0.74
ORHD.CA	ORASCOM DEV	7.31	7.26	6.80	7.60	8.00	↔	Hold	8.00
EGTS.CA	EGYPTIAN RESORTS	1.93	1.93 *	1.83	2.04	2.09	↔	Hold	1.93 *
ORWE.CA	ORIENTAL WEAVERS	11.91	11.50	11.00	13.00	14.00	↑	Hold	11.50
IRON.CA	EGYPTIAN IR & ST	5.01	5.00	4.65	5.50	5.87	↓	P.SELL	5.50
ACGC.CA	ARAB COTTON GIN.	2.08	2.04	1.95	2.40	2.50	↔	Hold	2.04

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.