

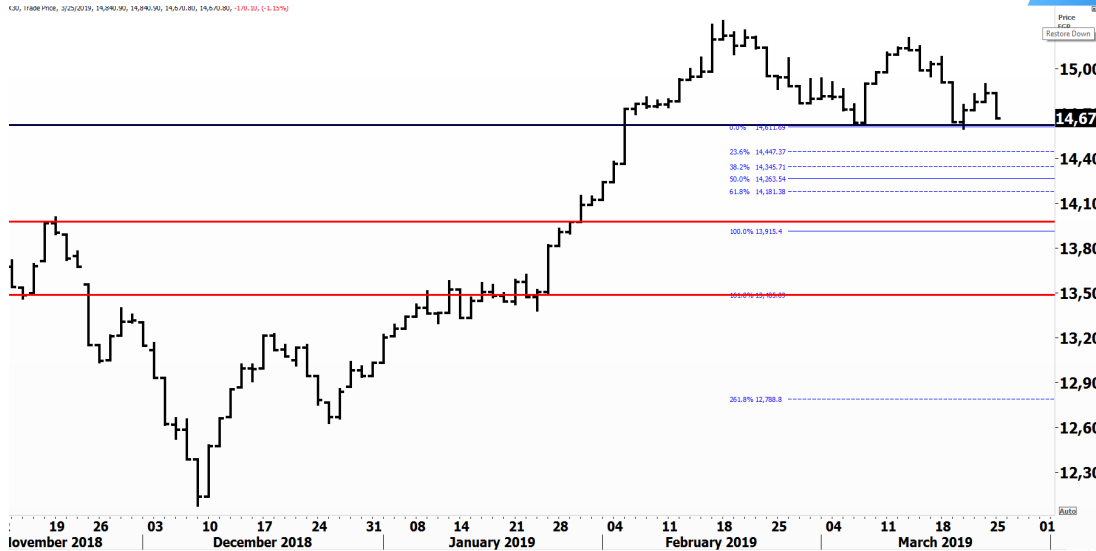


PIONEERSECURITIES

TECH TO THE POINT

26-Mar-19

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



Last	14,670.80
High Today	14,840.90
Low Today	14,670.80
Volume M	119.504
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	-1.61%
1 MONTH	-3.14%
1 QUARTER	14.76%
1 YEAR	-13.62%
YTD	12.55%

Analysis

Sellers continued their pressure on the market as it was expected, as the EGX 30 index closed at 14,670 and is challenging its support that lies at 14,600. As we mentioned before, a break below 14,600 is a high probability scenario; if such a breakout occurs, our target will be set at the 13,800-14,000 area. This is our minimum target if the EGX 30 index breaks below 14,600.

As for the probability of another rates cut, this will be a bullish signal; however, we will not be entering the market once again until the most recent peak is broken upwards. In other words, the 14,900 is the new minor peak; a break above it will create a new buy signal. Thus, our recommendation is to sell the market. Our re-entry signal will be triggered at our target (13,800-14,000) or if the index breaks 14,900 to the upside.

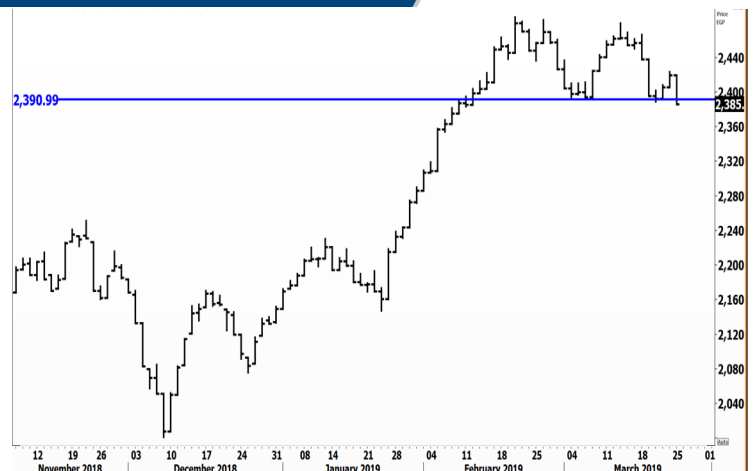
Egyptian Exchange Equal Weights Index EGX50

Analysis


The EGX 50 index is breaking its support. If today the index continues trading below 2,390 this break will be confirmed, and an imminent EGX 30 breakdown will follow.

It is important to watch the market closely today, as a failure to rise will confirm the indices bearish signals, which will have a negative effect on the short-term.


It is important to note that margin calls will also have a significant effect on the amplitude of the next decline. This is why we recommended few days ago to exit all margins positions and to reduce equity exposure.



Resistance

MENA  Continued its rise as it was expected, breaking its resistance and closing at 2.3 at the end of the session. We expect the 2.2 level to serve as support if intraday declines occur. Our upward target lies at 2.5.


Support

HELI  Despite that the stock broke a minor support, it should find some support at the 22-22.5 range. We do not recommend stepping in unless a clear rebound occurs.

Testing

Support

EMFD  The 3.35 level should act as support if the stock declines today. This support should lead to a very short-term rise. We are not expecting any significant rises unless the overall market's performance improves. For now, we are taking the bearish side.

CSAG  Those who want to set up their stop can place their stop either below 13 or 12.75 depending on each one's risk tolerance. As for new entries, only a break above 13.6 will trigger a new short-term buy signal.

Resistance

EKHO  If the 1.55 level is broken upwards the stock will continue its rise to new historical highs. EKHO is an outperformer and, as we know from our quarterly reports, it outperforms significantly during markets corrections.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	68.50	67.00	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	16.04	16.00	15.00	17.80	19.00	↔	Hold	16.00
TMGH.CA	TALAT MOSTAFA	11.18	11.00	10.85	11.70	11.90	↔	Hold	11.00
ACAMD.CA	Arab Co. for Asset Management	2.88	2.85	2.75	3.07	3.25	↔	Hold	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.55	\$1.44	\$1.36	\$1.55 *	\$1.68	↑	Hold	\$1.36
HRHO.CA	EFG HERMES HOLD	16.70	16.60	15.60	17.70	18.50	↔	Hold	16.60
GTHE.CA	GLOBAL TELECO	4.46	4.40	4.00	4.80	4.90	↔	Hold	4.40
AMOC.CA	ALX MINERAL OILS	5.92	5.85	5.50	6.44	6.70	↔	Hold	5.85
MNHD.CA	MEDINET NASR HOU	7.04	7.07	6.85	7.70	7.80	↔	Hold	7.07
CIRA.CA	Cairo Investment & Real Estate	10.00	9.00	8.30	10.00	11.00	↔	Hold	9.00
OCDI.CA	6TH OCT DEV INV	16.89	16.70	15.70	18.00	19.20	↑	Hold	16.70
JUFO.CA	JUHAYNA FOOD IND	13.45	13.00	12.00	14.00	N.A	↑	Hold	12.00
ESRS.CA	EZZ STEEL	17.31	17.50 *	16.80	19.30	21.30	↓	P.SELL	19.30
ETEL.CA	TELECOM EGYPT	14.20	13.70	13.00	15.10	16.00	↓	Hold	15.10
CCAP.CA	CITADEL CAPITAL	4.05	4.00	3.80	4.30	4.75	↑	Hold	3.80
SRWA.CA	Sarwa Capital Holding	6.20	6.00	5.50	6.75	7.40	↔	Hold	6.00
PHDC.CA	PALM HILL DEV CO	2.71	2.65	2.55	3.00	3.21	↔	Hold	2.67
AUTO.CA	GB AUTO S.A.E	4.94	4.90	4.70	5.40	5.68	↔	Hold	4.90
HELI.CA	Misr Gedida Hou	22.94	22.50	21.35	25.75	29.50	↑	Hold	25.75
AIND.CA	ARABIA INVEST	0.74	0.75 *	0.70	0.83	0.88	↔	Hold	0.83
EGCH.CA	EGYPT CHEM IND	6.32	6.10	5.68	7.12	7.20	↓	P.SELL	7.20
EMFD.CA	EMAAR MISR DEV	3.45	3.35	3.20	3.75	3.90	↔	Hold	3.35
PIOH.CA	PIONEERS HLDG	7.02	7.00	6.60	7.60	8.00	↔	Hold	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.63	0.63 *	0.60	0.71	0.74	↓	Hold	0.74
ORHD.CA	ORASCOM DEV	7.45	7.26	6.80	7.60	8.00	↔	Hold	8.00
EGTS.CA	EGYPTIAN RESORTS	1.92	1.93 *	1.83	2.04	2.09	↔	Hold	1.93
ORWE.CA	ORIENTAL WEAVERS	11.80	11.50	11.00	13.00	14.00	↑	Hold	11.50
IRON.CA	EGYPTIAN IR & ST	4.93	5.00 *	4.65	5.50	5.87	↓	P.SELL	5.50
ACGC.CA	ARAB COTTON GIN.	2.09	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

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.