

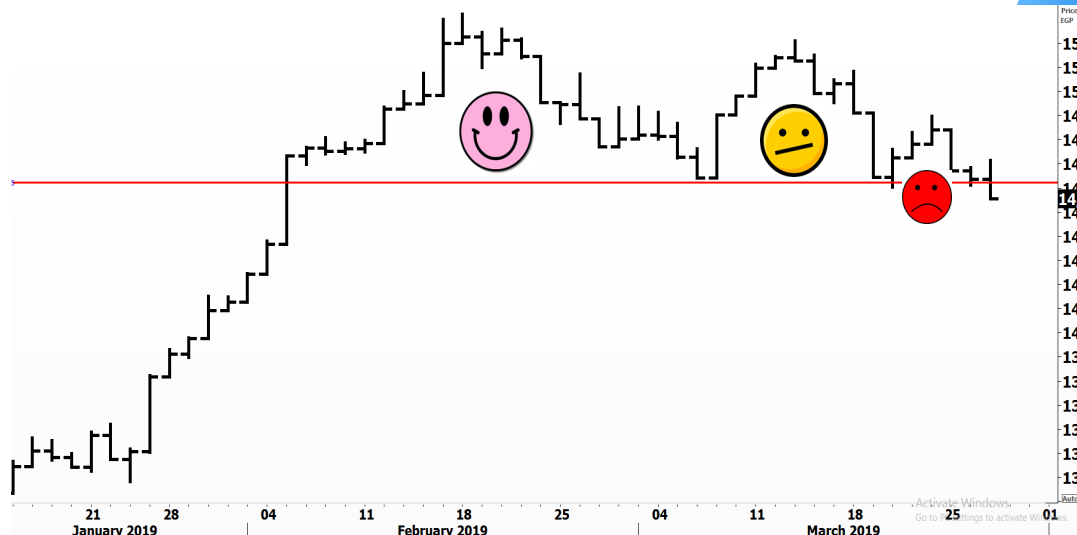


PIONEERSECURITIES

TECH TO THE POINT

28-Mar-19

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



Price EGP	
Last	14,554.66
High Today	14,715.50
Low Today	14,554.66
Volume M	148.484
First Support	14,600.00 *
Second Support	14,000.00
First Resistance	14,900.00
Second Resistance	15,300.00
Stop Loss	14,600.00 *
HISTORICAL RETURN %	
1 WEEK	-1.15%
1 MONTH	-2.62%
1 QUARTER	13.35%
1 YEAR	-15.72%
YTD	11.65%

Analysis

The inability of the market to maintain itself for two consecutive sessions is not a good sign. As we can see from the EGX 30's chart, every time the index rises it witnesses a lower high formation, which increases investors' frustration. A confirmed break below 14,600 will not be considered positive for the market. For now, we prefer to be on the sidelines until signs of strength appear.

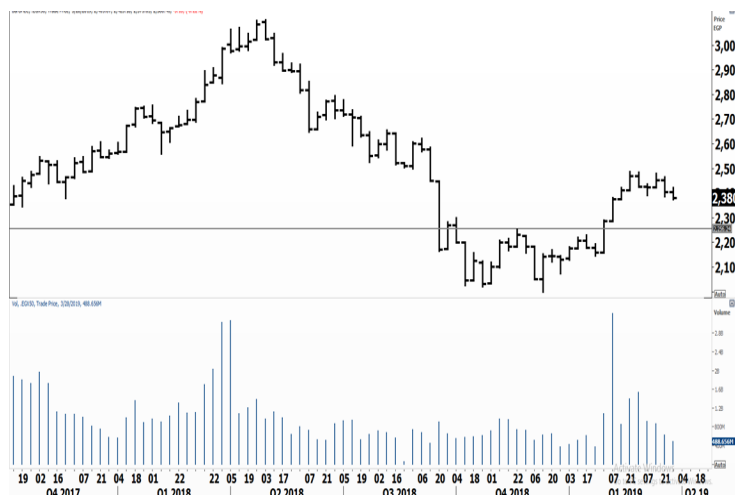
As we mentioned before, the first important sign of strength is a breakout above 14,900; and despite that this level is far away from current market prices, we cannot confirm the end of this weakness until this level is broken upwards. If other earlier signs of strength appear we will be mentioning it clearly.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The weekly chart of the EGX 50 shows that the index is still in its corrective phase. The EGX is challenging its support currently and is on the verge of breaking it downwards. If this break occurs, the index will probably test 2,250 where buying power will probably appear.


It is important to understand that our current negative view is only for the short-term; our intermediate-term view is bullish and we are expecting the next rise (after this correction ends) to be strong.





Resistance

No stocks broke their resistance yesterday

Support

COMI  Confirmed the break of 68, closing clearly below it. The 65 level might serve as a minor support for the stock but the end of the correction is expected to be near the 62-63 area.


CCAP  Despite that CCAP closed below 4, it is still struggling at the current area and might trade back above this level. In all cases we do not recommend stepping in unless the high of the last two sessions, that lies at 4.1, is broken upwards.


SWDY  Unexpectedly, SWDY broke its support with a sharp downward move. Such a harsh decline was actually not expected, as the stock is considered as one of the outperformers from an intermediate-term perspective. Our downward target lies around 13.5-14. If any rise occurs from here, we will not touch the stock until it "clearly" breaks above 16.3.

EGAL  Broke a 6-months sideways range to the downside, which is considered as a bearish action. Despite that next major support lies at 13.5, we do not believe that EGAL will go that far. The 18.5 will be the first level to watch.

Testing

Support

TMGH  TMGH's support lies at 10.93-10.95. It is trading almost at this level but did not break it yet. A break below support will trigger stops and our target will be set around 10.35-10.4.

AMOC  Moving inside an important sideways range that looks like a bottoming formation. AMOC can witness more decline, but we believe that the stock is in its final phase of its decline.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	66.41	65.50	63.00	69.00	72.00	↓	P.SELL	72.00
EAST.CA	EASTERN CO	18.00	17.80	17.00	19.00	19.80	↔	Hold	19.00
SWDY.CA	ELSWEDY ELECTRIC	15.32	15.00	13.80	16.00	16.90	↓	Hold	17.80
TMGH.CA	TALAT MOSTAFA	11.01	11.00	10.85	11.70	11.90	↔	Hold	11.00
ACAMD.CA	Arab Co. for Asset Management	2.86	2.85	2.75	3.07	3.25	↔	Hold	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.56	\$1.48	\$1.44	\$1.68	\$1.75	↑	Hold	\$1.44
HRHO.CA	EFG HERMES HOLD	16.57	16.60 *	15.60	17.70	18.50	↔	Hold	16.60 *
GTHE.CA	GLOBAL TELECO	4.45	4.40	4.00	4.80	4.90	↔	Hold	4.40
AMOC.CA	ALX MINERAL OILS	5.90	5.85	5.50	6.44	6.70	↔	Hold	5.85
MNHD.CA	MEDINET NASR HOU	6.90	6.85	6.20	7.28	7.70	↔	Hold	7.70
CIRA.CA	Cairo Investment & Real Estate	10.15	9.00	8.30	10.00 *	11.00	↔	Hold	9.00
OCDI.CA	6TH OCT DEV INV	16.15	15.70	15.20	18.00	19.20	↔	Hold	18.00
JUFO.CA	JUHAYNA FOOD IND	13.60	13.00	12.00	14.00	N.A	↑	Hold	12.00
ESRS.CA	EZZ STEEL	17.30	16.80	16.30	18.30	19.30	↓	P.SELL	19.30
ETEL.CA	TELECOM EGYPT	14.38	13.70	13.00	15.10	16.00	↔	Hold	15.10
CCAP.CA	CITADEL CAPITAL	3.98	3.80	3.60	4.22	4.30	↔	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	2.67	2.65	2.55	3.00	3.21	↔	Hold	2.65
AUTO.CA	GB AUTO S.A.E	4.90	4.90 *	4.70	5.40	5.68	↔	Hold	4.90 *
HELI.CA	Misr Gedida Hou	22.78	22.50	21.35	25.75	29.50	↑	Hold	25.75
AIND.CA	ARABIA INVEST	0.74	0.70	0.67	0.78	0.83	↔	Hold	0.83
EGCH.CA	EGYPT CHEM IND	6.13	6.10	5.68	7.12	7.20	↓	P.SELL	7.20
EMFD.CA	EMAAR MISR DEV	3.47	3.35	3.20	3.75	3.90	↔	Hold	3.35
PIOH.CA	PIONEERS HLDG	6.86	6.65	6.20	7.30	7.65	↔	Hold	7.65
OIH.CA	ORASCOM INVESTMENT HOLDING	0.65	0.63	0.60	0.71	0.74	↓	Hold	0.74
ORHD.CA	ORASCOM DEV	7.56	7.26	6.80	7.60	8.00	↔	Hold	8.00
EGTS.CA	EGYPTIAN RESORTS	1.92	1.87	1.83	2.04	2.09	↓	Hold	2.04
ORWE.CA	ORIENTAL WEAVERS	11.97	11.50	11.00	13.00	14.00	↔	Hold	11.50
IRON.CA	EGYPTIAN IR & ST	4.87	4.65	4.40	5.20	5.50	↓	P.SELL	5.50
ACGC.CA	ARAB COTTON GIN.	2.10	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.