

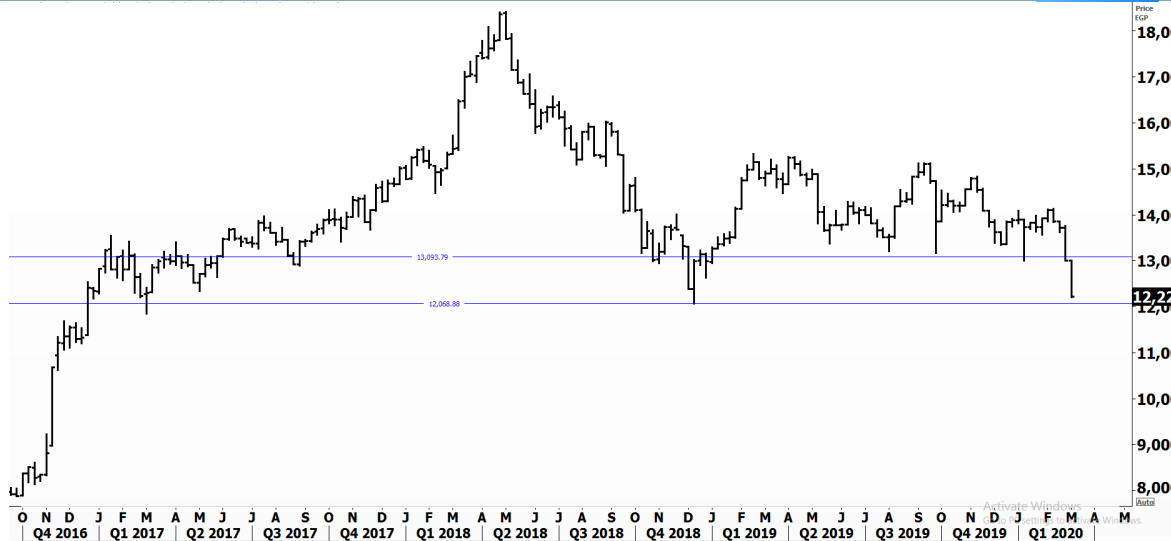


PIONEERSECURITIES

TECH TO THE POINT

3-Mar-2020

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



Price EGP	18,000
Last	12,289.87
High Today	12,458.33
Low Today	12,222.59
Volume M	179.115
First Support	12,000.00
Second Support	11,800.00
First Resistance	13,000.00
Second Resistance	13,500.00
Stop Loss	12,222.59
HISTORICAL RETURN %	
1 WEEK	-8.57%
1 MONTH	-11.70%
1 QUARTER	-9.22%
1 YEAR	-17.07%
YTD	-11.97%

Analysis

The market is still under the bears attack despite that it reached the Dec 2018 bottom at 12,000. The session began with a rebound as some buying power appeared; this was followed, in the second half of the session, by strong selling pressure bringing most last prices much below their vwap.

The EGX 30 is still above its 12,000 level and is still eligible to rebound from this support; we obviously need to see a recovery in global equities.

If a significant rebound occurs from here it can reach the 13,000 once again, which will be an area to sell at; those who are holding positions are not recommended to sell at market panics, waiting for a rebound is a better strategy.

Egyptian Exchange Equal Weights Index EGX 50 Monthly

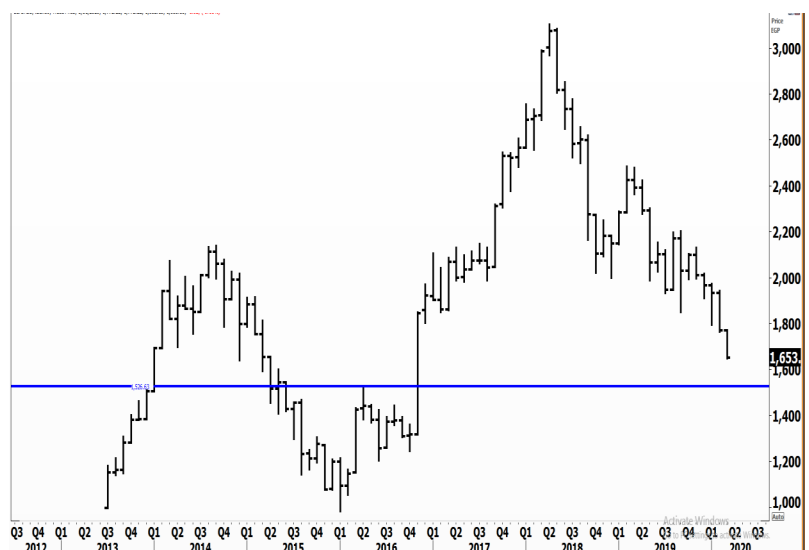
Analysis

Yesterday we had a look at the monthly chart of the EGX 100 index; today we will look at the EGX 50 monthly chart.

We saw yesterday that the EGX 100 is approaching its 2015 peak and we mentioned that we should be monitoring the market closely as this level is approached.

The EGX 50 index, on the other hand, is approaching the Q4 2016 breakout; this is the EGP flotation rise and we are entering this zone once again. We might see a market surprise very soon, especially that everybody is getting extremely bearish, which is a feeling that is fueled by the opened margin trading positions.







We do not recommend, stepping in, however, until we see clear market strength.



Resistance

No stocks broke their resistance yesterday

Support

- COMI**  Broke 77 to the downside, closing at 76 at the end of the session. If the 77 level is not broken once again to the upside, the stock will probably approach its bottom that lies around 72. Those who are thinking of stepping in should wait for a clear break above yesterday's high before entering.
- EAST**  The stock violated its 1.5 years sideways range by breaking below 14.7. EAST has a support at 11.5, followed by 9.5. The stock's violation of its major support should not be taken lightly.
- TMGH**  Broke its new support once again after it broke its major support before. TMGH's target lies around 5.
- MNHD**  On its way to 3.2 especially after the downward gap it witnessed. Any rebound near 4-4.1 should be used as a chance to reduce exposure. New entries can be triggered above 4.2.
- SKPC**  The 7.5-8 is the major support for the stock. SKPC yesterday hit new historical lows; if the stock continues trading below 7.5 it will hit new levels. We do not have a downward target but it can have a lot of room to the downside.
- EGAL**  EGAL's support violation was a very unexpected scenario. The stock broke below its sideways range along with the market decline and is eligible to witness a stronger decline unless it trades once again above 11.5.

Testing

Support

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	76.05	77.00*	70.00	82.00	85.00	↓	P.SELL	82.00
EAST.CA	EASTERN CO/d	12.59	11.50	10.50	14.30	15.25	↓	P.SELL	14.30
SWDY.CA	ELSWEDY ELECTR/d	8.61	8.30	7.75	9.20	10.23	↓	P.SELL	10.23
TMGH.CA	TALAT MOSTAFA/d	6.77	6.65	6.17	7.14	7.40	↓	P.SELL	7.40
SKPC.CA	SIDI KERIR PET/d	7.22	7.30	7.00	8.30	8.90	↓	P.SELL	8.00
EKHO.CA	EGYPT KUWAIT H/d	1.16	1.10 \$	1.03 \$	1.20 \$	1.24 \$	↓	P.SELL	1.24
HRHO.CA	EFG HERMES HOL/d	13.30	13.25	12.50	15.00	16.06	↓	P.SELL	15.00
ORAS.CA	ORASCOM CONST/d	82.99	81.00	72.00	90.00	98.00	↓	P.SELL	90.00
AMOC.CA	ALX MINERAL OI/d	2.49	2.33	2.22	2.90	3.10	↓	P.SELL	3.10
MNHD.CA	NASR CITY HOUS/d	3.71	3.80*	3.50	4.25	4.60	↓	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	10.80	10.00	9.40	11.40	12.00	↓	P.SELL	12.00
JUFO.CA	JUHAYNA FOOD I/d	0.00	8.00	7.00	9.80	10.00	↔	Hold	9.80
ESRS.CA	EZZ STEEL/d	6.49	6.40	6.10	7.80	8.50	↓	Hold	7.80
ETEL.CA	TELECOM EGYPT/d	11.94	11.40	11.22	12.60	13.20	↔	Hold	12.60
CCAP.CA	CITADEL CAPITA/d	1.69	1.56	1.39	1.92	2.01	↓	P.SELL	2.01
ISPH.CA	IBNSINA PHARMA	8.11	7.90	7.40	8.50	9.00	↓	P.SELL	9.00
PHDC.CA	PALM HILL DEV /d	1.30	1.22	1.15	1.45	1.55	↓	P.SELL	1.45
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	5.05	4.55	4.18	5.20	5.50	↓	P.SELL	5.20
HELI.CA	HELIOPOLIS/d	4.32	4.08	3.40	5.80	6.40	↓	P.SELL	5.80
CIEB.CA	CREDIT AGRICOL/d	39.50	40.00*	38.00	45.00	47.00	↔	Hold	40.00*
EGCH.CA	EGYPT CHEM IND/d	4.00	3.98	3.50	4.40	4.80	↓	P.SELL	4.80
EMFD.CA	EMAAR MISR DEV/d	2.41	2.40	1.93	2.75	2.95	↓	P.SELL	2.75
OIH.CA	ORASCOM INVESTMENT HOLDING	0.47	0.47*	0.40	0.50	0.54	↓	P.SELL	0.50
ORHD.CA	ORASCOM EGYPT/d	3.60	3.70*	3.12	4.60	5.00	↓	P.SELL	5.00
EGTS.CA	EGYPTIAN RESOR/d	2.00	2.12*	2.00	2.51	2.65	↔	Hold	2.12
PORT.CA	PORTO GROUP	0.60	0.58	0.55	0.64	66.00	↔	Hold	0.55
AUTO.CA	AUTO GHABBOUR	2.15	2.00	1.79	2.60	3.00	↓	P.SELL	3.00
DSCW.CA	DICE SPORT AND CASUAL WEAR	1.07	1.06	0.95	1.20	1.26	↔	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

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Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst

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.