

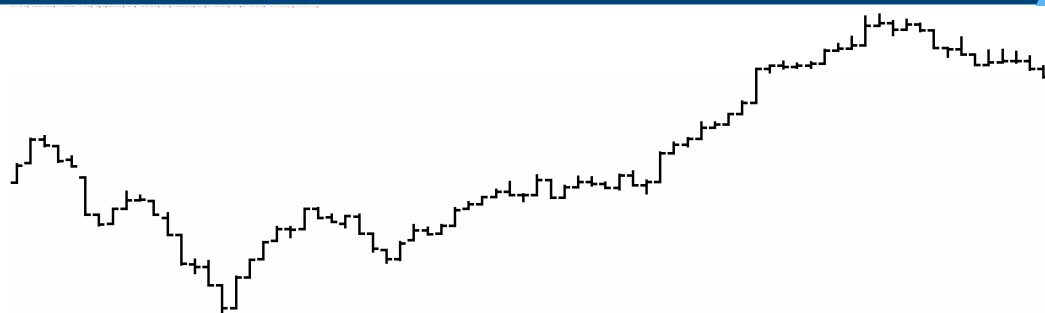


PIONEERSECURITIES

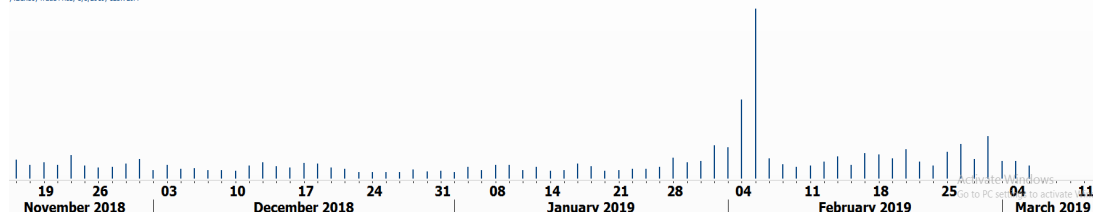
TECH TO THE POINT

7-Mar-19

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



EGX30, Trade Price, 3/5/2019, 123.729H



Price
EGX
15,000
14,500
14,000
13,500
13,000
12,500

Last	14,643.09
High Today	14,762.50
Low Today	14,641.86
Volume M	154.489
First Support	14,600.00
Second Support	14,300.00
First Resistance	14,950.00
Second Resistance	15,300.00
Stop Loss	

EGX
Volume
1.4B
1.2B
1B
800M
600M
400M
200M
0

HISTORICAL RETURN %	
1 WEEK	-0.88%
1 MONTH	1.92%
1 QUARTER	16.33%
1 YEAR	-8.61%
YTD	12.32%

Analysis

The market witnessed the same everyday pattern by beginning the session with buying power and ending the day with sellers having control on the market. The EGX 30 closed clearly below 14,750, which tells us that more decline is expected to occur. As we mentioned before, we are intermediate-term bullish but are expecting a short-term market correction.

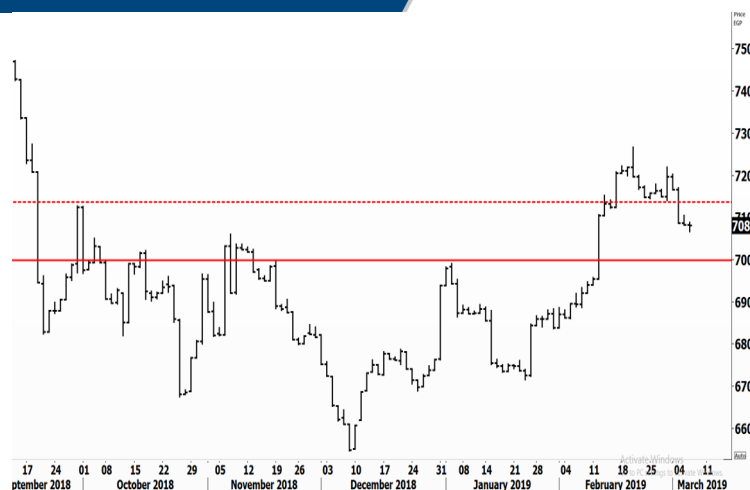
This correction will be a healthy scenario for the market as the next rise will most probably be strong. As for the amplitude of this correction, we are expecting the EGX 30 to hit 14,000.

Egyptian Exchange Small Caps Index EGX70

Analysis

It is important to note that the EGX 70 index broke its short-term support that lies at 713. Such a break should be considered a bit negative on the short-term. Very short-term investors are recommended to sell rises and wait for the 700 level as our minimum target.

We are expecting the EGX 70 index to rebound from 700 or from the 685-690 area. For now, we recommend short-term investors to reduce exposure at intraday rises.



Resistance


No stocks broke their resistance levels yesterday


Support


No stocks broke their support yesterday

Testing

Support

HDBK  Rebounded from its support that lies at 53, closing near 55 at the end of the session. HDBK is one of the defensive stocks that should perform well during market corrections. The 56.75 is the current resistance. A break above this level will trigger a new buy signal.

COMI  The 68 level should serve as support for the stock. Next support lies at 65.5. If a rebound occurs, the 72 level will probably act as resistance. Thus, we recommend stepping in only at the breakout above 72.

ESRS  We should monitor the stock to see whether it will break 18.25 downwards or not. A clear break below this level will lead ESRS to 17 initially.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	69.00	68.00	65.50	72.50	76.30	↔	Hold	76.30
EAST.CA	EASTERN CO	17.05	15.90	15.30	17.55	19.00	↔	Hold	15.90
SWDY.CA	ELSWEDY ELECTRIC	16.30	15.80	14.00	17.50	19.00	↔	Hold	19.00
TMGH.CA	TALAT MOSTAFA	11.40	10.80	10.40	11.60	11.90	↔	Hold	10.80
ACAMD.CA	Arab Co. for Asset Management	2.71	2.60	2.45	2.75	2.95	↔	Hold	2.95
EKHO.CA	EGYPT KUWAIT HLD	1.36	\$1.38 *	\$1.30	\$1.55	\$1.65	↑	Hold	\$1.30
HRHO.CA	EFG HERMES HOLD	17.15	16.60	16.20	17.70	18.50	↑	Hold	16.60
GTHE.CA	GLOBAL TELECO	4.69	4.55	4.40	4.92	5.28	↑	Hold	4.40
AMOC.CA	ALX MINERAL OILS	5.90	5.85	5.50	6.44	6.70	↔	Hold	6.70
MNHD.CA	MEDINET NASR HOU	7.20	7.07	6.85	7.70	7.80	↑	Hold	7.07
CIRA.CA	Cairo Investment & Real Estate	9.40	9.00	8.30	10.00	N.A	↔	Hold	8.00
OCDI.CA	6TH OCT DEV INV	15.95	15.20	14.50	16.70	17.20	↑	Hold	14.50
JUFO.CA	JUHAYNA FOOD IND	13.85	12.00	11.50	14.00	N.A	↑	Hold	11.50
ESRS.CA	EZZ STEEL	18.20	18.30*	17.60	19.30	21.30	↔	Hold	21.30
ETEL.CA	TELECOM EGYPT	14.60	14.30	13.00	15.50	16.00	↑	Hold	14.30
CCAP.CA	CITADEL CAPITAL	4.15	3.80	3.75	4.15*	4.35	↑	Hold	3.80
SRWA.CA	Sarwa Capital Holding	6.19	6.00	5.50	6.75	7.40	↔	Hold	6.00
PHDC.CA	PALM HILL DEV CO	2.83	2.70	2.50	2.90	3.05	↑	Hold	2.50
AUTO.CA	GB AUTO S.A.E	4.92	4.70	4.50	5.40	5.68	↔	Hold	5.68
HELI.CA	Misr Gedida Hou	20.42	19.50	17.00	21.70	22.50	↑	Hold	19.50
AIND.CA	ARABIA INVEST	0.79	0.78	0.75	0.88	0.94	↑	Hold	0.75
EGCH.CA	EGYPT CHEM IND	6.86	6.80	6.65	7.20	7.60	↑	Hold	6.80
EMFD.CA	EMAAR MISR DEV	3.61	3.34	3.20	3.75	3.90	↔	Hold	3.75
PIOH.CA	PIONEERS HLDG	7.21	7.06	6.90	7.50	8.00	↑	Hold	6.90
OIH.CA	ORASCOM INVESTMENT HOLDING	0.72	0.72 *	0.68	0.84	0.92	↑	Hold	0.72
ORHD.CA	ORASCOM DEV	7.10	6.70	6.25	7.20	7.60	↓	Hold	7.60
EGTS.CA	EGYPTIAN RESORTS	1.98	1.94	1.83	2.05	2.17	↔	Hold	2.17
ORWE.CA	ORIENTAL WEAVERS	11.70	11.40	10.80	12.20	12.50	↑	Hold	11.40
IRON.CA	EGYPTIAN IR & ST	5.28	5.20	5.00	5.87	6.20	↔	Hold	6.20
ACGC.CA	ARAB COTTON GIN.	2.12	1.95	1.88	2.30	2.40	↑	Hold	2.08

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.