

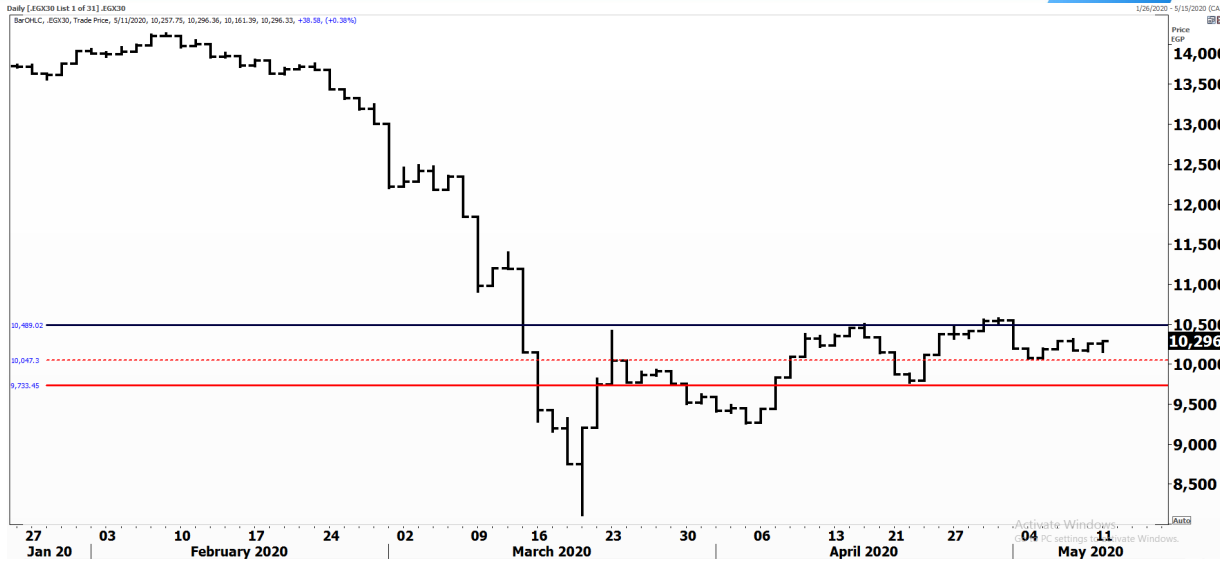


PIONEERSECURITIES

# TECH TO THE POINT

11-May-2020

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



Last	10,296.33
High Today	10,296.36
Low Today	10,161.39
Volume	M 153.491
First Support	10,000.00
Second Support	9,800.00
First Resistance	10,500.00
Second Resistance	11,000.00
Stop Loss	9,800.00

HISTORICAL RETURN %	
1 WEEK	2.13%
1 MONTH	-0.25%
1 QUARTER	-26.35%
1 YEAR	-27.09%
YTD	-26.25%

## Analysis

The market is still moving inside the critical area stuck between the 10,000 and 10,500 levels; we know, from our previous reports, that short-term stops should be placed below 10,000. The market began yesterday with selling pressure but was able to regain its strength in the second half of the session. The ability of the market to close near its high is a good sign, but no positive signal is confirmed yet.

As we mentioned before, we are expecting the next rise, if it takes place, to be led by blue chips; this means that the EGX 30 index will probably begin to outperform its 50 counterpart. If this phenomenon begins to appear, it will be better for investors to reallocate their funds to be more biased to the stocks that possess higher weights in the EGX 30 index.

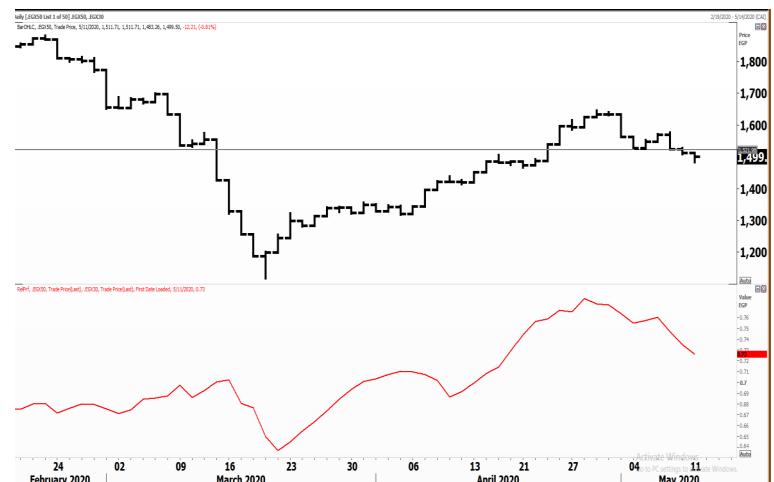
## Egyptian Exchange Equal Weight Index .EGX 50

### Analysis


As we mentioned yesterday, we need to see the EGX 50 index trading back above 1,520 so that it confirms the bear trap, which will be considered as a positive sign for the market.


The curve is a relative performance curve of the EGX 50 versus the EGX 30. As we can see, the EGX 50 began to underperform lately as its relative performance curve began to look down. We are actually expecting the EGX 50 to continue underperforming blue chips in the next rise.

We need to see, however, a clear break above the 10,500 on the EGX 30 and a resume of the EGX 50 rise that began in March.



## Resistance

**HRHO**  Broke above 10.6 with high volumes and closed at 11.2 at the end of the session. The more important breakout did not occur yet though. A breakout above 11.8 will be the confirmation. If this breakout occurs, we will probably witness a significant rise in the overall market, not only HRHO.


**CSAG**  Broke its resistance upwards with aggressiveness and very high volumes. CSAG closed at 10.9 yesterday and is expected to approach 12 as our first important target to watch.

## Support

No stocks broke their support yesterday.


## Testing

### Support

**OCDI**  Rebounded from its support that lies at 9.25-9.35 and closed at 9.81. OCDI should reach 10.5, which is a significant resistance to watch. Those who want to step in after a clear confirmation can wait for the final breakout before stepping in, especially with the current grey situation.

## Resistance

**EAST**  If EAST breaks above 13, a significant buy signal will be triggered and our target will be set at 14.5. It is worth noting that the 13 level is an important resistance, thus its breakout will be significant.

**ISPH**  Closed at 8.9 where its resistance lies. ISPH is already a buy and hold stock and is recommended as one of the essential stocks in anyone's portfolio. Our target lies around 10.5.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	64.75	61	58.5	66	70	↔	Hold	58.5
EAST.CA	EASTERN CO/d	12.80	11.8	11.4	13	14	↔	Hold	11.8
SWDY.CA	ELSWEDY ELECTR/d	8.35	8	7.4	9	9.8	↔	Hold	8
TMGH.CA	TALAT MOSTAFA/d	5.34	5.09	4.55	5.85	6.5	↔	Hold	5.09
SKPC.CA	SIDI KERIR PET/d	6.20	6	5.5	6.87	7.3	↔	Hold	6
EKHO.CA	EGYPT KUWAIT H/d	1.02	0.96 \$	0.875 \$	1.05 \$	1.15 \$	↔	Hold	0.875
HRHO.CA	EFG HERMES HOL/d	11.20	10.13	9.2	12	13	↔	Hold	10.13
ORAS.CA	ORASCOM CONST/d	68.00	67	62.5	73	80	↔	Hold	62.5
AMOC.CA	ALX MINERAL OI/d	2.34	2.17	2.03	2.7	3.1	↔	Hold	2.17
MNHD.CA	NASR CITY HOUS/d	2.62	2.5	2.27	2.85	3.2	↔	Hold	2.5
CIRA.CA	Cairo Investment & Real Estate	0.00	12.5	11.55	14	15	↑	Hold	12.5
OCDI.CA	6TH OCT DEV IN/d	9.81	9	8.2	9.95	10.8	↔	Hold	9
JUFO.CA	JUHAYNA FOOD I/d	7.31	6.7	6.3	7.49	8	↔	Hold	6.5
ESRS.CA	EZZ STEEL/d	6.78	6.6	6.35	7.55	7.88	↔	Hold	6.35
ETEL.CA	TELECOM EGYPT/d	10.81	10.2	9.5	11.2	12.2	↔	Hold	10.2
CCAP.CA	CITADEL CAPITA/d	1.27	1.23	1.17	1.38	1.47	↔	Hold	1.17
ISPH.CA	IBNSINA PHARMA	8.90	8	7.5	8.9*	9.5	↔	Hold	8
PHDC.CA	PALM HILL DEV /d	1.12	1.11	1.025	1.21	1.32	↔	Hold	1.11
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.60	4.2	3.8	4.8	5.1	↔	Hold	4.2
HELI.CA	HELIOPOLIS/d	4.50	4.21	3.77	4.85	5.3	↔	Hold	3.77
CIEB.CA	CREDIT AGRICOL/d	25.25	27	26	28.5	30.6	↔	Hold	27
EGCH.CA	EGYPT CHEM IND/d	3.58	3.4	3	3.97	4.37	↔	Hold	3.4
EMFD.CA	EMAAR MISR DEV/d	2.31	2.21	2.13	2.45	2.55	↔	Hold	2.13
OIH.CA	ORASCOM INVESTMENT HOLDING	0.36	0.26	0.17	0.45	0.5	↔	Hold	0.5
ORHD.CA	ORASCOM EGYPT/d	3.43	3.2	2.87	3.68	4.3	↔	Hold	2.87
EGTS.CA	EGYPTIAN RESOR/d	1.65	1.63	1.43	1.9	2.09	↔	Hold	1.63
PORT.CA	PORTO GROUP	0.45	0.44	0.41	0.522	0.55	↔	Hold	0.43
AUTO.CA	AUTO GHABBOUR	1.65	1.6	1.4	2	2.3	↔	Hold	1.6
DSCW.CA	DICE SPORT AND CASUAL WEAR	1.54	1.26	1.15	1.55	1.61	↔	Hold	1.26

## 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.