

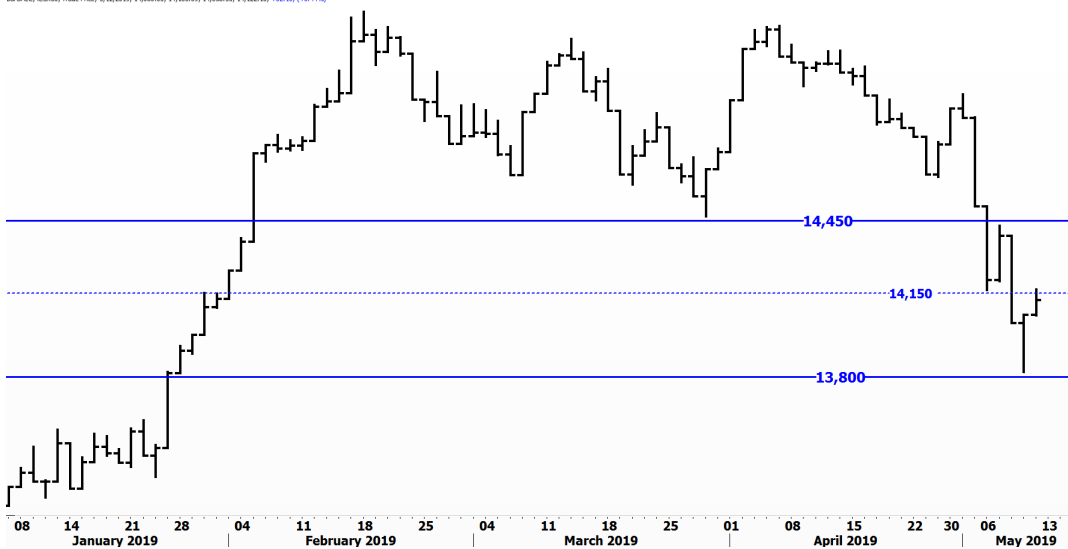


PIONEERSECURITIES

TECH TO THE POINT

13-May-19

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



Last	14,122.10
High Today	14,165.69
Low Today	14,058.55
Volume	M 95.520
First Support	13,800.00
Second Support	13,600.00
First Resistance	14,450.00
Second Resistance	14,950.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-2.66%
1 MONTH	-6.49%
1 QUARTER	-4.32%
1 YEAR	-17.66%
YTD	8.36%

Analysis

It is now clear that the 13,800 (which was our previous target) is now a very important stop to watch; thus, as long as we are trading above this level, we can trade the market with a strict stop below it. As for the upside potential, the 14,150, which was hit yesterday was the first minor resistance to watch. The market hit this level and declined slightly. If we decline today, it will probably be a temporary decline as we are expecting the current short-term rise to continue. Our next level, after the break of 14,150, lies near 14,450.

Our recommendation is to be very short-term in trading decisions as long as the market is below 14,450; only a breakout above this level will be considered bullish for the market. For now, we will be using these levels as our targets; the 14,450 as our upward target and the 13,800 as our stop.

Egyptian Exchange Equal Weights Index EGX50

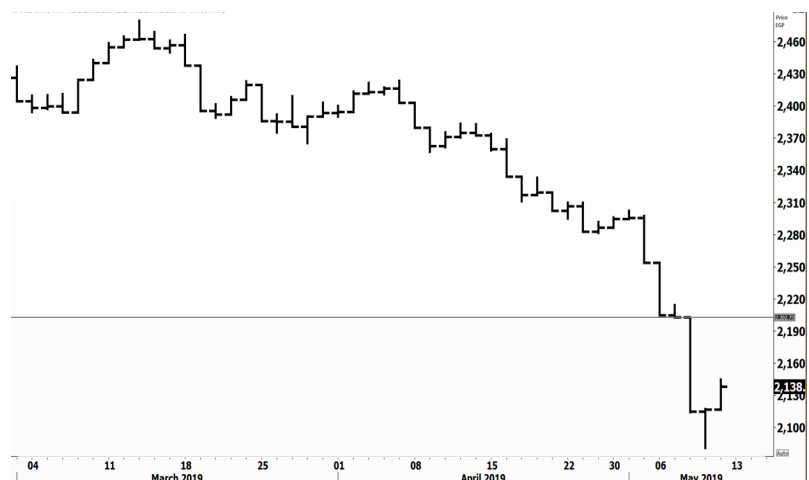
Analysis

The hammer formation that the EGX 50 index formed on Thursday is a bullish formation on the short-term. This day should serve as support should any slight decline occurs.

As we know, and based on our previous analysis, we are still skeptical about the current rise; unfortunately, it is not a good idea to try to outsmart the market nowadays; this is why, we will be following the market direction and base our recommendations based on the market's performance. Such a tactic led to good results recently.

The market closed on a positive note yesterday and should test the 2,200 level, where selling pressure will probably appear.

As for market declines, we expect intraday declines to be short lived and the current short-term rise to continue. Position holders, and those who are heavily margined should take chance of this short-term rise to reduce exposure.



Resistance



Confirmed the breakout above 0.38 and closed at 0.416 at the end of yesterday's session. MOIL looks bullish and any decline near support will trigger a buy signal. As for the upside potential, we expect the stock to hit 0.44.

Support



Breaking its support; if the stock continues its decline today, it will probably reach 0.4. RREI is currently an underperformer and not recommended.

Testing

Support



The 22.5 level is the current support for HELI; the stock still needs much more significant buying power to rise though. Let us put it this way; if the market continues its short-term rise and volumes begin to enter, the stock will be eligible to reach back the 25-25.5 range.



Still hovering around the 2.7 level; the stock violated it Thursday but was able to trade above it once again. It is important to note that the 2.7 level is an important support; thus, a break below it will trigger stops. We do not recommend stepping in until a clear rebound from here occurs.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	73.00	72.00	69.00	77.00	80.00	↔	Hold	72.00
EAST.CA	EASTERN CO	16.05	15.20	14.60	17.70	19.00	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.20	13.00	12.00	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	11.00	10.30	9.60	11.50	12.00	↓	P.SELL	11.50
ACAMD.CA	Arab Co. for Asset Management	2.34	2.30	2.15	2.80	2.97	↓	P.SELL	2.80
EKHO.CA	EGYPT KUWAIT HLD	1.41	1.37 \$	1.30 \$	1.47 \$	1.55 \$	↔	Hold	1.47
HRHO.CA	EFG HERMES HOLD	15.67	15.30	14.30	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.41	3.93	3.77	4.40 *	4.75	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.57	4.00	3.40	5.50	6.20	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	6.06	5.50	5.00	6.50	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	11.00	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	15.56	14.50	12.85	16.30	17.50	↔	Hold	17.50
JUFO.CA	JUHAYNA FOOD IND	12.50	12.00	10.80	13.70	14.50	↔	Hold	12.00
ESRS.CA	EZZ STEEL	13.41	11.55	10.00	15.60	17.10	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	12.90	12.50	11.40	14.25	15.30	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.41	2.90	2.60	3.40 *	3.60	↓	P.SELL	3.60
SRWA.CA	Sarwa Capital Holding	5.90	5.90 *	5.50	6.40	6.80	↔	Hold	5.90 *
PHDC.CA	PALM HILL DEV CO	2.41	2.30	2.10	2.60	2.80	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E	4.18	4.00	3.65	4.65	5.00	↓	P.SELL	5.00
HELI.CA	Misr Gedida Hou	22.75	21.50	20.00	24.20	25.50	↓	P.SELL	25.50
AINH.CA	Arab Investment Holding	0.58	0.55	0.50	0.66	0.71	↓	P.SELL	0.71
EGCH.CA	EGYPT CHEM IND	5.13	4.70	4.50	5.75	6.25	↓	P.SELL	6.25
EMFD.CA	EMAAR MISR DEV	3.20	3.00	2.85	3.60	3.80	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.71	6.60	6.22	7.00	7.65	↓	P.SELL	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.52	0.51	0.45	0.59	0.63	↓	P.SELL	0.63
ORHD.CA	ORASCOM DEV	6.40	6.25	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.94	1.87	1.83	2.00	2.10	↔	Hold	1.87
ORWE.CA	ORIENTAL WEAVERS	9.29	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.60	3.50	3.30	4.10	4.50	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GIN.	1.80	1.65	1.55	1.95	2.05	↓	P.SELL	2.05

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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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.