

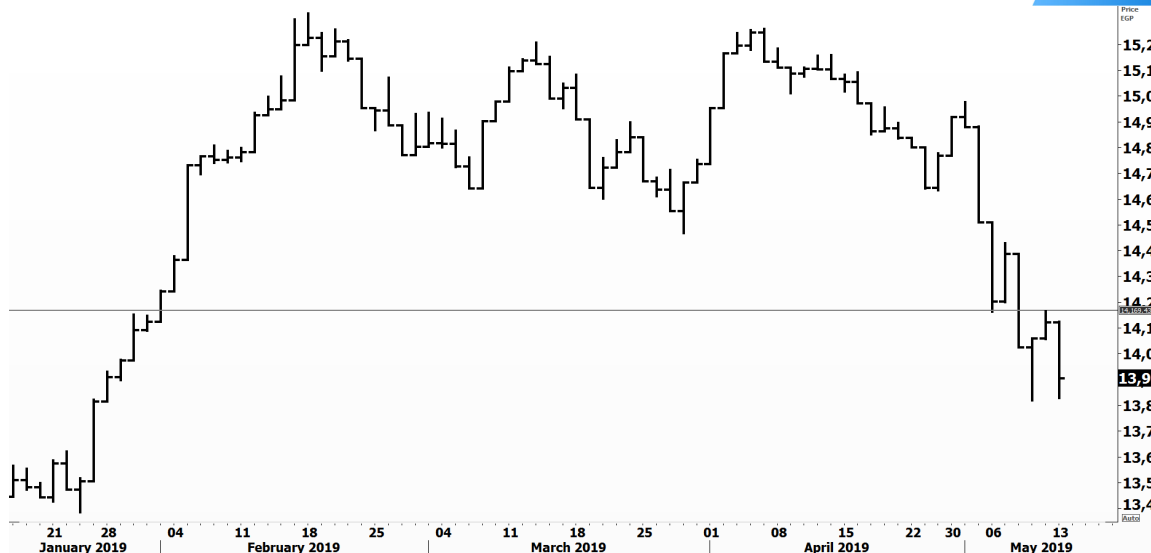


PIONEERSECURITIES

TECH TO THE POINT

14-May-19

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



Last	13,905.73
High Today	14,126.14
Low Today	13,829.96
Volume M	94.645
First Support	13,800.00
Second Support	13,600.00
First Resistance	14,150.00
Second Resistance	14,450.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-2.10%
1 MONTH	-7.95%
1 QUARTER	-5.95%
1 YEAR	-19.08%
YTD	6.67%

Analysis

Yesterday witnessed a positive close after an intraday decline. As we mentioned in our last report, any market declines will most probably be only intraday; yesterday confirmed our view that the current short-term rise still has more room to go.

The 14,150 level has been created as a new minor peak; this level will be used as a buy signal. A break above 14,150 will trigger a new short-term buy signal with a target near 14,500. We are expecting this upward break and we believe that this target will be reached soon. Thus, those who are heavily invested should first watch the first breakout and then wait for our short-term target to reduce their exposure. Investors who are not heavily invested are recommended to buy at the first breakout (above 14,150).

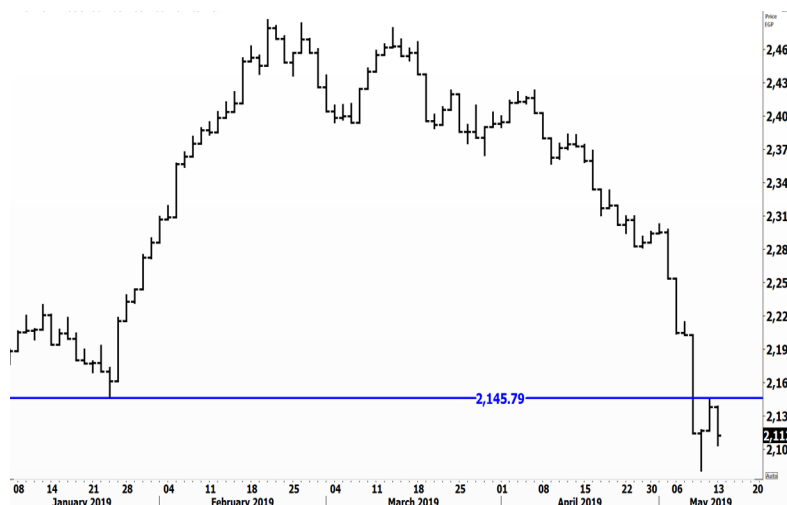
Our stop will remain the same, below 13,800.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 index also formed a minor peak at 2,145; this level will also be used as a trigger to enter the market. The importance of the EGX 50 index is that, if it begins to rise along with the EGX 30, this will be a sign that the market is rising on more stocks rather than being controlled by a single stock.


This will enhance market breadth, which will have a positive effect on the market. Thus, a break above 2,145 on the EGX 50 will be seen as an important breakout.



Resistance

No stocks broke their resistance yesterday


Support

ATQA  Closed at 2.65 at the end of the session but still needs to confirm this break. Thus, if ATQA does not trade above 2.7 today, this break will be confirmed.


Testing


Support


COMI  The 72-72.5 range is the current support for COMI; the stock needs to trade back above 72.5 clearly to avoid a significant decline. If COMI succeeds to maintain itself above its support range today, it might retest its highs.

OIH  The 0.5 level is an important support for OIH. The stock closed at 0.53 at the end of the session. Our first short-term buy trigger is a break above 0.534; this will probably lead the stock to 0.57.

Resistance

GTHE  Looks like GTHE will be the catalyst for the market to rise. The 4.75 level is the current resistance; a break above it will probably lead the stock to new highs.

ACGC  The 1.87 is a minor resistance for ACGC; a break above this level will trigger a short-term buy signal with a target near 2. Thus, short-term investors can trade this potential quick rise.

AIH  The 0.596 level is a newly created minor peak; a break above it will trigger a short-term buy signal with a target near 0.64. Obviously, volumes need to rise with the breakout.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	72.15	72.00	69.00	77.00	80.00	↔	Hold	72.00
EAST.CA	EASTERN CO	16.26	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.11	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	2.36	2.30	2.15	2.42	2.60	↓	P.SELL	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.38	1.37 \$	1.30 \$	1.47 \$	1.55 \$	↔	Hold	1.47
HRHO.CA	EFG HERMES HOLD	16.00	15.30	14.30	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.75	4.05	3.90	4.75 *	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.55	4.00	3.40	5.50	6.20	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	5.99	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	15.00	14.50	12.85	16.30	17.50	↔	Hold	17.50
JUFO.CA	JUHAYNA FOOD IND	0.00	12.00	10.80	13.70	14.50	↔	Hold	12.00
ESRS.CA	EZZ STEEL	13.04	11.55	10.00	15.60	17.10	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	12.81	12.50	11.40	14.25	15.30	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.40	2.90	2.60	3.40 *	3.60	↓	P.SELL	3.60
SRWA.CA	Sarwa Capital Holding	5.70	5.50	5.00	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.42	2.30	2.10	2.60	2.80	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E	4.19	4.00	3.65	4.65	5.00	↓	P.SELL	5.00
HELI.CA	Misr Gedida Hou	22.50	21.50	20.00	24.20	25.50	↓	P.SELL	25.50
AINH.CA	Arab Investment Holding	0.59	0.55	0.50	0.66	0.71	↓	P.SELL	0.71
EGCH.CA	EGYPT CHEM IND	5.14	4.70	4.50	5.75	6.25	↓	P.SELL	6.25
EMFD.CA	EMAAR MISR DEV	3.14	3.00	2.85	3.35	3.60	↓	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	0.53	0.51	0.45	0.59	0.63	↓	P.SELL	0.63
ORHD.CA	ORASCOM DEV	6.62	6.25	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.92	1.87	1.83	2.00	2.10	↔	Hold	1.87
ORWE.CA	ORIENTAL WEAVERS	9.27	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.49	3.30	3.00	4.10	4.50	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GIN.	1.88	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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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.