

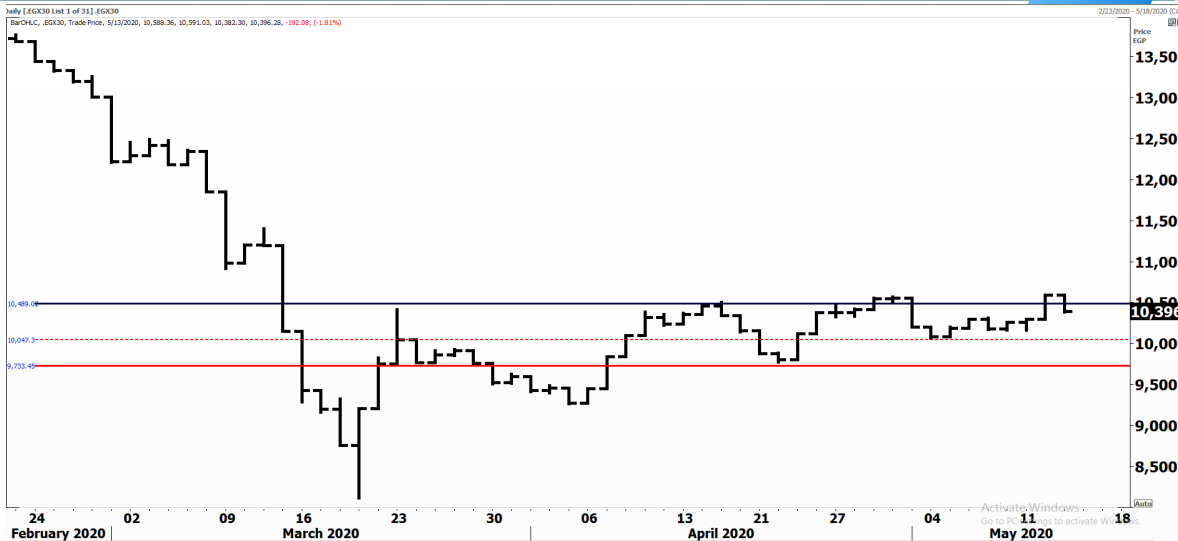


PIONEERSECURITIES

TECH TO THE POINT

14-May-2020

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



Last	10,396.28
High Today	10,591.03
Low Today	10,382.30
Volume	M 151.297
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	0.99%
1 MONTH	0.41%
1 QUARTER	-24.91%
1 YEAR	-25.87%
YTD	-25.54%

Analysis

The EGX 30 index was not able to confirm its breakout yesterday as it met strong selling pressure that led it to close around 10,400 while most of the stocks closed near their session's low. We all know now the levels clearly; the importance of the 10,500 level has increased, especially after yesterday's decline. Thus, if this breakout occurs, it will even be more significant.

Because of the high market volatility, things turn quickly from positive to negative and vice versa; investors yesterday turned mostly bearish; if the market rises today they will turn once again positive. This high volatility is also related to the crowd sentiment.

Our stop is the same and will not change for now. We are expecting the market to rebound once again from above 10,000; if the next rebound occurs from above this level, we will probably break 10,500.

All Stocks Equal Weight Index .EGX 100

Analysis

The stock market launched a new EGX 100 index as it is calculated based on an equal weighting criteria. Such an index will be very beneficial as it constitutes all the EGX 30 and EGX 70 stocks, all with the same weight.

As we can see from the chart, the market has been falling for two years as lower highs and lower lows were created. The 2000 level is the area that should be watched from a long-term analysis, as a break above it will lead to an overall rise in most of the stocks.

If we look at the MACD we will note that it tested the lowest levels it usually reaches; this is not a signal that a bottom took place, but at least, a sign that we are at an important level and at a bottleneck where we can reverse the major trend to up once again.

It goes without saying that if the monthly MACD (shown on the chart) gives a positive crossover from these levels, this will be considered as a major bull signal for the market.



Resistance


No stocks broke their resistance yesterday.


Support


No stocks broke their support yesterday.

Testing

Support

ESRS  The 6.25-6.35 area is the current support for ESRS. If this level is violated, ESRS can reach 5.5. The stock is already trading at support, so a rise from here should take place.

PORT  Stops should be placed below 0.43; on the other hand, a new buy signal will be triggered if the 0.46 is broken to the upside. Those who have positions are recommended to respect their stop below 0.43 as PORT might reach 0.39 if it breaks support.

ABUK  The stock witnessed a very strong decline during the past two years, falling from 36 to a low of 10.85 during March. ABUK reached a projected target and is at an important major support, and naturally it should rebound from here. Any rebound from these levels will be significant as we might easily see 16-17. We recommend investors to monitor the stock closely and buy at the next rebound.

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	65.00	61	58.5	66	70	↔	Hold	58.5
EAST.CA	EASTERN CO/d	12.70	11.8	11.4	13	14	↔	Hold	11.8
SWDY.CA	ELSWEDY ELECTR/d	7.93	7.4	7	8.8	9.25	↔	Hold	7.4
TMGH.CA	TALAT MOSTAFA/d	5.31	5.09	4.55	5.85	6.5	↔	Hold	5.09
SKPC.CA	SIDI KERIR PET/d	6.03	6	5.5	6.87	7.3	↔	Hold	6
EKHO.CA	EGYPT KUWAIT H/d	1.00	0.96 \$	0.875 \$	1.05 \$	1.15 \$	↔	Hold	0.875
HRHO.CA	EFG HERMES HOL/d	11.10	10.13	9.2	12	13	↔	Hold	10.13
ORAS.CA	ORASCOM CONST/d	66.18	67*	62.5	73	80	↔	Hold	62.5
AMOC.CA	ALX MINERAL OI/d	2.32	2.17	2.03	2.7	3.1	↔	Hold	2.17
MNHD.CA	NASR CITY HOUS/d	2.64	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	9.87	9	8.2	10.8	11.35	↔	Hold	9
JUFO.CA	JUHAYNA FOOD I/d	7.36	6.7	6.3	7.49	8	↔	Hold	6.5
ESRS.CA	EZZ STEEL/d	6.35	6.25	6	7.55	7.88	↔	Hold	6.35
ETEL.CA	TELECOM EGYPT/d	10.63	10.2	9.5	11.2	12.2	↔	Hold	10.2
CCAP.CA	CITADEL CAPITA/d	1.28	1.23	1.17	1.38	1.47	↔	Hold	1.17
ISPH.CA	IBNSINA PHARMA	9.00	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	4.96	4.55	4.2	5.1	5.37	↔	Hold	4.2
HELI.CA	HELIOPOLIS/d	4.70	4	3.77	4.93	5.3	↔	Hold	3.77
CIEB.CA	CREDIT AGRICOL/d	26.00	25	23	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	2.33	2.21	2.13	2.45	2.55	↔	Hold	2.13
OIH.CA	ORASCOM INVESTMENT HOLDING	0.35	0.26	0.17	0.45	0.5	↔	Hold	0.5
ORHD.CA	ORASCOM EGYPT/d	3.60	3.2	2.87	3.68	4.3	↔	Hold	2.87
EGTS.CA	EGYPTIAN RESOR/d	1.68	1.63	1.43	1.9	2.09	↔	Hold	1.63
PORT.CA	PORTO GROUP	0.44	0.43	0.41	0.522	0.55	↔	Hold	0.43
AUTO.CA	AUTO GHABBOUR	1.64	1.6	1.4	2	2.3	↔	Hold	1.6
DSCW.CA	DICE SPORT AND CASUAL WEAR	1.58	1.4	1.25	1.7	1.93	↔	Hold	1.25

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.