

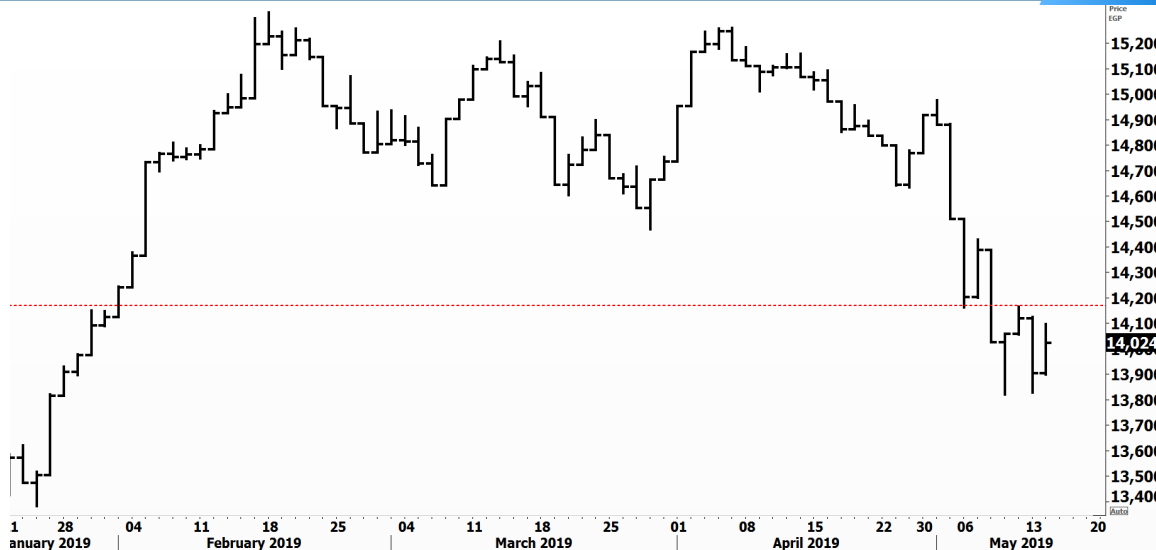


PIONEERSECURITIES

TECH TO THE POINT

15-May-19

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



Last	14,024.15
High Today	14,097.70
Low Today	13,902.14
Volume	M 64.626
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	-2.54%
1 MONTH	-6.93%
1 QUARTER	-6.05%
1 YEAR	-17.43%
YTD	7.58%

Analysis

The market was not able to close at its highs as selling pressure appeared in the second half of the session. The 14,150 level is currently an important minor peak to watch, as a break above it will lead to a strong short-term rise. We do not recommend stepping in until this minor resistance is broken to the upside.

We still believe that the market should witness another rise before its next decline, having said that, intraday declines should be followed by market rises as long as the index is trading above 13,800. This is our stop that if hit, things will be uglier.

EGX 100 index/ Weekly chart

Analysis

The intermediate-term picture of the EGX 100 index does not look favorable, especially that the index is already trading below December lows. This obviously is not a good sign for our overall market situation.

It is worth mentioning though, that the 1,555 level (very close to where the index is trading) is the 50% retracement of the big rise that began in November 2016. A second point to note is that the MACD indicator might create a positive divergence with prices; this will be confirmed, only if prices rise from here and the MACD witnesses a new buy signal; the potential higher low on the indicator will be a good sign for the market.


Having said that, we have to be conservative until a clear rebound occurs; if this rebound occurs from current levels we will be more bullish on the market.




Resistance


No stocks broke their resistance yesterday

Support

EGTS  Broke 1.9 downwards, closing at 1.85 at the end of the session. If this break is confirmed today, EGTS will probably reach the 1.7 level back.


ATQA  The stock closed below 2.7 yesterday, and might witness more decline. Our next support lies at 2.2-2.25. As for changing our view to the bullish side, the stock must break 2.87 first.


RTVC  Violating a major support to the downside. If RTVC continues trading below the 2.65-2.75 range, it will probably reach 2. Those who have positions are recommended to sell at intraday rises.

POUL  Broke an important support and closed at 4.5 at the end of the session. A weekly close below 5 will be bearish for POUL as it might lead it back to its lows.


Testing

Support

ASCM  Closed at 6.4, exactly at its support. If we were looking at this stock on its own we would have recommended to step in slightly. However, based on the current market performance, we recommend waiting for a rebound before stepping in.

PORT  Unfortunately, the stock is unable to show any buying power despite that it is trading at its major bottom. Such a bottom can take longer than expected, but we should see some buying power coming in from time to time. The complete absence of buying power puts this support in jeopardy.

Resistance

CLHO  The 6.9 level is the current peak for the stock. A break above this level will trigger a new buy signal. CLHO is one of the few stocks that are witnessing strong performance.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	72.00	72.00 *	69.00	77.00	80.00	↔	Hold	72.00 *
EAST.CA	EASTERN CO	16.40	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.00	13.00	12.00	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	10.65	10.30	9.60	11.50	12.00	↓	P.SELL	11.50
ACAMD.CA	Arab Co. for Asset Management	2.30	2.20	2.00	2.42	2.60	↓	P.SELL	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.39	1.37 \$	1.30 \$	1.47 \$	1.55 \$	↔	Hold	1.47
HRHO.CA	EFG HERMES HOLD	15.62	15.30	14.30	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.52	4.05	3.90	4.75	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.45	4.00	3.40	5.50	6.20	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	5.93	5.50	5.00	6.50	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	11.40	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	15.36	14.50	12.85	16.30	17.50	↔	Hold	17.50
JUFO.CA	JUHAYNA FOOD IND	12.70	12.00	10.80	13.70	14.50	↔	Hold	12.00
ESRS.CA	EZZ STEEL	12.73	11.55	10.00	13.50	14.80	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	12.97	12.50	11.40	14.25	15.30	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.35	2.90	2.60	3.40	3.60	↓	P.SELL	3.60
SRWA.CA	Sarwa Capital Holding	5.90	5.50	5.00	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.37	2.30	2.10	2.45	2.60	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E	4.16	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	0.57	0.55	0.50	0.66	0.71	↓	P.SELL	0.71
EGCH.CA	EGYPT CHEM IND	5.00	4.70	4.50	5.75	6.25	↓	P.SELL	6.25
EMFD.CA	EMAAR MISR DEV	3.10	3.00	2.85	3.35	3.60	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.53	6.40	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	6.43	6.25	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.85	1.83	1.72	2.00	2.10	↓	P.SELL	2.00
ORWE.CA	ORIENTAL WEAVERS	9.31	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.47	3.30	3.00	4.10	4.50	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GIN.	1.83	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.