

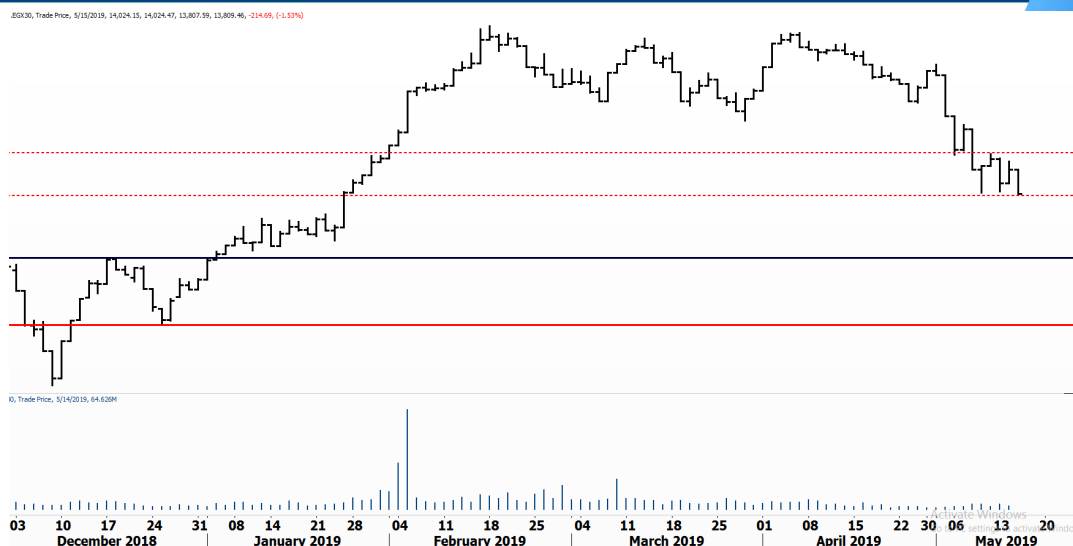


PIONEERSECURITIES

TECH TO THE POINT

16-May-19

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



Last	13,809.46
High Today	14,024.47
Low Today	13,807.59
Volume	M 47.139
First Support	13,800.00*
Second Support	13,200.00
First Resistance	14,150.00
Second Resistance	14,450.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-1.55%
1 MONTH	-8.28%
1 QUARTER	-7.62%
1 YEAR	-18.70%
YTD	5.94%

Analysis

Yesterday's decline came as a selloff, as all most of the stocks closed on a negative note, some of them (almost 12 or 13 stocks of the EGX 30 constituents) witnessed a fall of over 3%

The index closed exactly at 13,800 and is seriously challenging it. However, we have been used lately to market surprises, so we will not be too surprised if the market rebounds from current levels, (despite the current bearish sentiment among market participants).

If the index rebounds from here, we will probably wait for a breakout above the 14,150 level first before entering. A break above this minor peak will be a significant signal on the short-term, especially after the recent market decline.

On the other hand, a confirmed violation of the 13,800 level, will lead the EGX 30 to 13,200 as a first target.

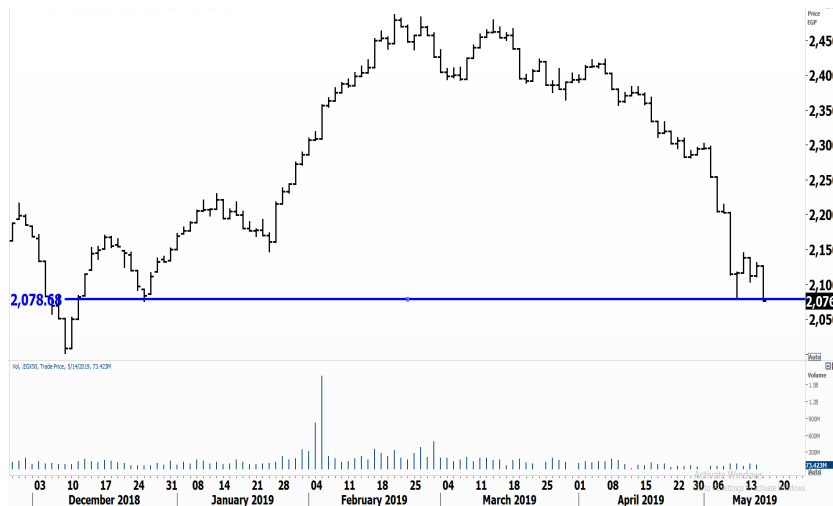
For now, we will look how the market will react and we will be ready to step in if a rebound occurs.

Egyptian Exchange Equal Weights Index EGX50

Analysis

As we can see from the performance of the EGX 50 index, the overall market breadth is still weak; the EGX 50 is breaking below its support currently; as we mentioned before however, the probability of a market rebound from current levels is still there.


The 2,150 level on the EGX 50 is the current minor peak; if we rebound, a break above this level will trigger a buy signal on the short-term.





Resistance


No stocks broke their resistance yesterday

Support

ASCM  The stock broke its major support that lies at 6.3 and closed at 6 at the end of the session. Next target lies at 5. If a rebound occurs, only a break above 7 will be considered as an entry signal.


PORT  Despite that the stock is trading at its major historical lows, it violated its lows yesterday sharply and witnessed new historical lows. Classically, this is a bearish scenario for the stock.
Whether prices will go far from these levels or not will be seen. For now, our recommendation is to avoid PORT.


EFIC  If the stock closes today below 7.9-8, a new major breakdown will be confirmed. This will lead the stock back near its lows.

SUCE  Broke its weekly support that lies at 11.4 and closed clearly below it. Our minimum downward target lies at 8.8 -9.

Testing

Support

UASG  Currently testing its major support that lies at 0.75. Based on the current market situation where no buyers are appearing, a break below support is expected, especially with the weak performance of the EGX 70 index. UASG is eligible to reach 0.6.

MPRC  The stock is currently near its support that lies at 4.25-4.3; a violation below this level will lead MPRC to 4 initially.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	72.79	72.00	69.00	77.00	80.00	↔	Hold	72.00
EAST.CA	EASTERN CO	16.25	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	13.55	13.00	12.00	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	10.75	10.30	9.60	11.50	12.00	↓	P.SELL	11.50
ACAMD.CA	Arab Co. for Asset Management	3.27	2.20	2.00	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	15.88	15.30	14.30	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.54	4.05	3.90	4.75	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.26	4.00	3.40	5.50	6.20	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	5.75	5.50	5.00	6.50	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	10.75	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	14.65	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	12.15	11.55	10.00	13.50	14.80	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	12.73	12.50	11.40	14.25	15.30	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.30	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	2.38	2.30	2.10	2.45	2.60	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E	4.04	4.00	3.65	4.65	5.00	↓	P.SELL	5.00
HELI.CA	Misr Gedida Hou	22.30	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	4.85	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	6.28	6.22	5.98	6.80	7.00	↓	P.SELL	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.51	0.51 *	0.45	0.59	0.63	↓	P.SELL	0.63
ORHD.CA	ORASCOM DEV	6.30	6.25	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.75	1.72	1.64	1.86	2.00	↓	P.SELL	2.00
ORWE.CA	ORIENTAL WEAVERS	9.24	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.34	3.30	3.00	4.10	4.50	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GIN.	1.82	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

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).

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.