

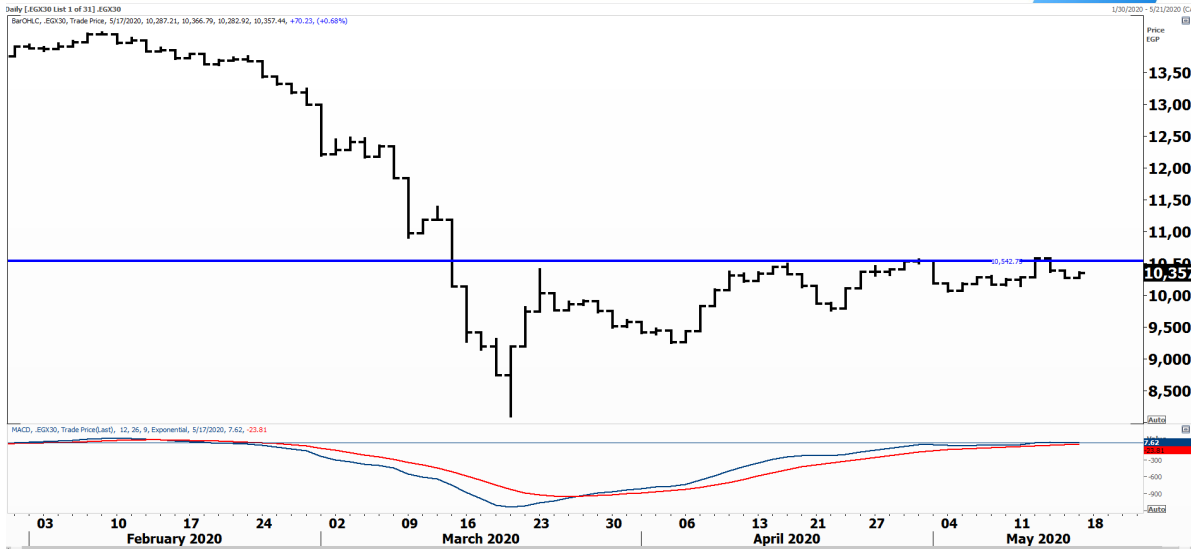


PIONEERSECURITIES

# TECH TO THE POINT

18-May-2020

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



|                   |           |
|-------------------|-----------|
| Last              | 10,357.44 |
| High Today        | 10,366.79 |
| Low Today         | 10,282.92 |
| Volume            | M 68.387  |
| 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    | 0.98%   |
| 1 MONTH   | 2.00%   |
| 1 QUARTER | -24.60% |
| 1 YEAR    | -24.17% |
| YTD       | -25.81% |

### Analysis

Stuck inside its trading range still unable to break neither the 10,500 or the 10,000 downwards. As we mentioned before, we are still expecting a breakout above 10,500, however, we should respect our short-term stop in case the EGX 30 breaks below 10,000.

The ascending triangle formation is still in place; in other words, the current formation that is being formed can still be considered positive; this will be confirmed if the 10,500 is broken.

The MACD indicator also looks good as it is showing a slowdown in directional volatility; such low directional price movement should lead to a market burst. This burst will only be upwards if the EGX 30 index succeeds to break its resistance.

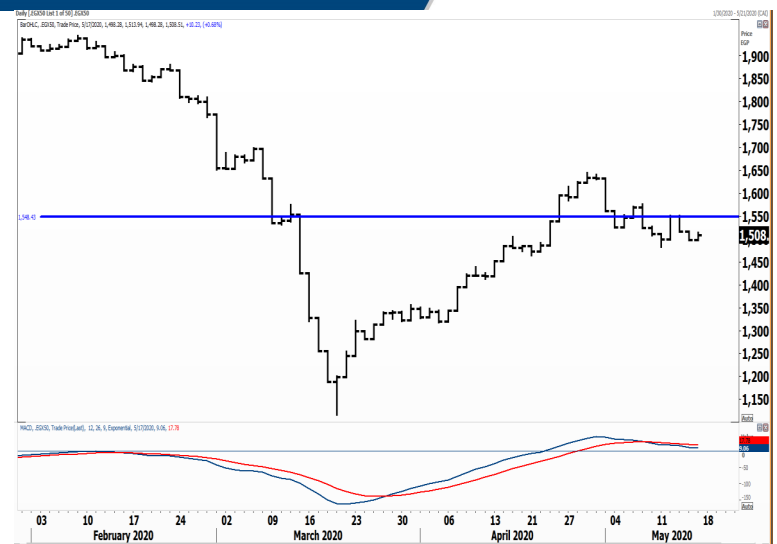
## Egyptian Exchange Equal Weight Index .EGX 50

### Analysis

The EGX 50 index is currently in a corrective phase, which did not end yet. Such a correction should be considered healthy if the market rebounds from here.

As we know, the EGX 50 witnessed (from mid March to end of April) a strong rise that was not interrupted by declines; thus, the current decline should be a positive one, especially if the market begins a new bull phase.

Our entry signal will be triggered at a break of the most recent peak. The 1,550 level is the area to watch as a break above it will be a sign to re-enter the market.



## Resistance


No stocks broke their resistance yesterday.


## Support


No stocks broke their support yesterday.

## Testing


### Support

**CIEB**  Witnessed a very strong decline lately, currently approaching 24-25 which is a support level. Unexpectedly, CIEB's decline was very sharp, especially after it broke its previous support at 40.

**EGTS**  Position holders are recommended to place their stop below 1.6. A violation of this level will trigger a sell signal and our target will be set around 1.4 initially.

**MPRC**  Major support lies at 2.2; the 2.6, however, is also serving as support. It is important to note that if the stock breaks below 2.6, it will initially go to 2.2, which will also be put in jeopardy,

### Resistance

**CANA**  Resistance lies at 7.7. Despite that the stock rose sharply yesterday, we do not recommend buying unless the 7.7 is clearly broken to the upside. Such a breakout might lead CANA to 8.5.

| Symbol  | S. Description                 | Last  | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/<br>Re-Entry |
|---------|--------------------------------|-------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK/d                  | 64.90 | 61        | 58.5      | 66           | 70           | ↔     | Hold           | 58.5                   |
| EAST.CA | EASTERN CO/d                   | 12.95 | 11.8      | 11.4      | 13           | 14           | ↔     | Hold           | 11.8                   |
| SWDY.CA | ELSWEDY ELECTR/d               | 7.35  | 7         | 6.88      | 8.8          | 9.25         | ↔     | Hold           | 7                      |
| TMGH.CA | TALAT MOSTAFA/d                | 5.06  | 5.09*     | 4.55      | 5.85         | 6.5          | ↔     | Hold           | 4.55                   |
| SKPC.CA | SIDI KERIR PET/d               | 5.80  | 6*        | 5.5       | 6.87         | 7.3          | ↔     | Hold           | 6*                     |
| EKHO.CA | EGYPT KUWAIT H/d               | 0.99  | 0.96 \$   | 0.875 \$  | 1.05 \$      | 1.15 \$      | ↔     | Hold           | 0.875                  |
| HRHO.CA | EFG HERMES HOL/d               | 11.11 | 10.13     | 9.2       | 12           | 13           | ↔     | Hold           | 10.13                  |
| ORAS.CA | ORASCOM CONST/d                | 66.01 | 65        | 62.5      | 73           | 80           | ↔     | Hold           | 62.5                   |
| AMOC.CA | ALX MINERAL OI/d               | 2.22  | 2.17      | 2.03      | 2.7          | 3.1          | ↔     | Hold           | 2.17                   |
| MNHD.CA | NASR CITY HOUS/d               | 2.56  | 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               | 9.84  | 9         | 8.2       | 10.8         | 11.35        | ↔     | Hold           | 9                      |
| JUFO.CA | JUHAYNA FOOD I/d               | 7.11  | 6.7       | 6.3       | 7.49         | 8            | ↔     | Hold           | 6.5                    |
| ESRS.CA | EZZ STEEL/d                    | 6.20  | 6         | 5.6       | 7.2          | 7.55         | ↔     | Hold           | 6                      |
| ETEL.CA | TELECOM EGYPT/d                | 10.89 | 10.2      | 9.5       | 11.2         | 12.2         | ↔     | Hold           | 10.2                   |
| CCAP.CA | CITADEL CAPITA/d               | 1.24  | 1.23      | 1.17      | 1.38         | 1.47         | ↔     | Hold           | 1.17                   |
| ISPH.CA | IBNSINA PHARMA                 | 8.80  | 8         | 7.5       | 8.9          | 9.5          | ↔     | Hold           | 8                      |
| PHDC.CA | PALM HILL DEV /d               | 1.09  | 1.05      | 1.025     | 1.21         | 1.32         | ↔     | Hold           | 1.025                  |
| CLHO.CA | CLEOPATRA HOSPITAL COMPANY     | 4.89  | 4.55      | 4.2       | 5.1          | 5.37         | ↔     | Hold           | 4.2                    |
| HELI.CA | HELIOPOLIS/d                   | 4.44  | 4         | 3.77      | 4.93         | 5.3          | ↔     | Hold           | 3.77                   |
| CIEB.CA | CREDIT AGRICOL/d               | 25.50 | 25        | 23        | 28.5         | 30.6         | ↔     | Hold           | 27                     |
| EGCH.CA | EGYPT CHEM IND/d               | 3.55  | 3.4       | 3         | 3.97         | 4.37         | ↔     | Hold           | 3.4                    |
| EMFD.CA | EMAAR MISR DEV/d               | 2.30  | 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                | 3.46  | 3.2       | 2.87      | 3.68         | 4.3          | ↔     | Hold           | 2.87                   |
| EGTS.CA | EGYPTIAN RESOR/d               | 1.60  | 1.63      | 1.43      | 1.9          | 2.09         | ↔     | Hold           | 1.63                   |
| PORT.CA | PORTO GROUP                    | 0.43  | 0.43*     | 0.41      | 0.522        | 0.55         | ↔     | Hold           | 0.43                   |
| AUTO.CA | AUTO GHABBOUR                  | 1.65  | 1.6       | 1.4       | 2            | 2.3          | ↔     | Hold           | 1.6                    |
| DSCW.CA | DICE SPORT AND CASUAL WEAR     | 1.50  | 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.