

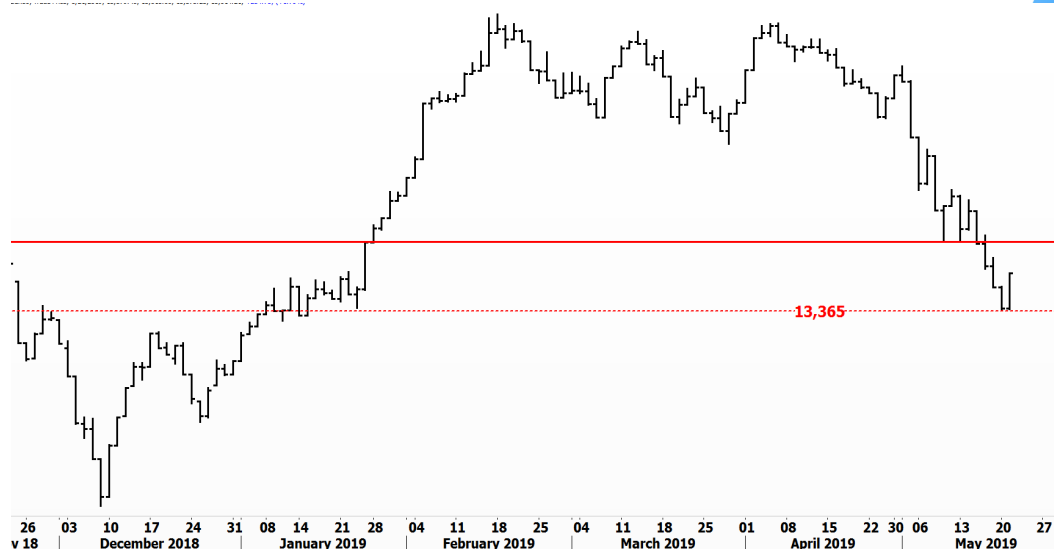


PIONEERSECURITIES

TECH TO THE POINT

22-May-19

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



| | |
|---------------------|-----------|
| Last | 13,614.21 |
| High Today | 13,615.66 |
| Low Today | 13,378.23 |
| Volume | M 80.437 |
| First Support | 13,200.00 |
| Second Support | 12,700.00 |
| First Resistance | 13,800.00 |
| Second Resistance | 14,150.00 |
| Stop Loss | |
| HISTORICAL RETURN % | |
| 1 WEEK | -2.92% |
| 1 MONTH | -8.25% |
| 1 QUARTER | -10.17% |
| 1 YEAR | -18.87% |
| YTD | 4.44% |

Analysis

As we were expecting, the market rebounded yesterday, as the EGX 30 index closed at 13,614. A new minor bottom at 13,365 has been formed; thus, our new stop will be placed below this level. In other words, those who want to initiate short-term trades will place their stop below 13,365. Our first upward level lies at 13,800; this is a level that will not lead to any short-term profits; so we actually need the EGX 30 to break above 13,800. Our second target lies at 14,100; only a break above 14,100 will signal the end of the downward correction and the continuation of the uptrend.

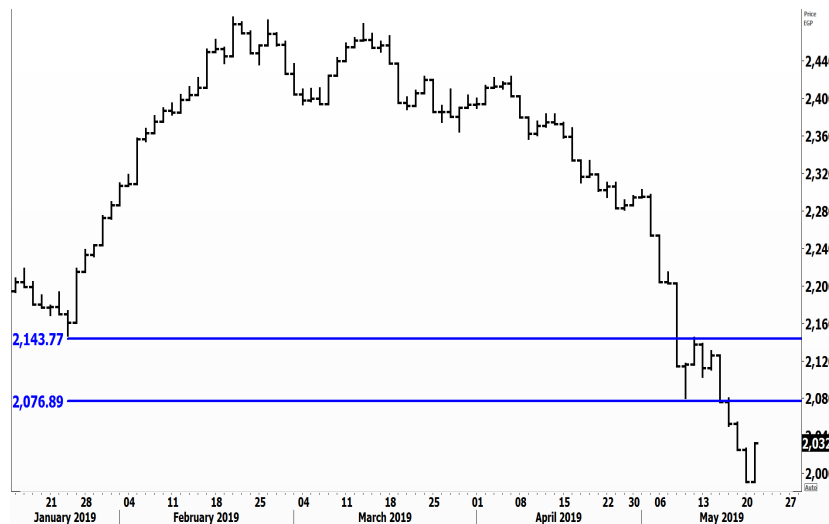
Based on the above, we are expecting this rise, if it continues, to approach 14,000-14,100; if we approach this area, our recommendation will be to reduce exposure significantly.

Egyptian Exchange Equal Weights Index EGX50

Analysis

The EGX 50 was able to rebound from its major support that lies at 2,000; yesterday's low is our new stop; as for upside targets, first we have the 2,075, then 2,150; we believe that if this upward move is strong, the index might reach the latter level.

Our recommendation for those who are heavily invested is still to reduce their exposure at this market rise.



Resistance


No stocks broke their resistance yesterday


Support


ARCC  Closed below the 4-4.05 area. The stock is reaching new historical lows, this is very bearish for ARCC and will probably lead the stock to lower levels. If a significant upward move occurs from here, it will probably not surpass 4.25.

Testing


Support

MOIL  Rebounded from 0.38 and closed at 0.39. The stock looks good and is expected to reach 0.42. Those who want to enter after clear confirmation can wait for a breakout above 0.42 before stepping in.

ZEOT  The stock is hovering around its support that lies at the 1.1-1.15 area. If a clear rebound occurs from here, a buy signal will be triggered with a target near 1.25-1.3

EGCH  Rebounded from 4.5, closing at 4.87 at the end of the session. The stock can rise to 5.2; if this level is reached sellers will probably step in. Only a clear break above 5.2 will trigger a confirmed buy signal.

Resistance

PHDC  The 2.43 level is a minor resistance for the stock. We expect this minor level to be broken upwards. This will trigger a short-term buy signal with a target at the 2.6-2.65 range.

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|----------|--------------------------------|-------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK | 70.10 | 69.00 | 66.00 | 73.00 | 77.00 | ↓ | P.SELL | 77.00 |
| EAST.CA | EASTERN CO | 16.10 | 15.20 | 14.60 | 17.00 | 17.70 | ↓ | P.SELL | 17.70 |
| SWDY.CA | ELSWEDY ELECTRIC | 13.77 | 12.80 | 11.60 | 15.00 | 16.00 | ↓ | P.SELL | 16.00 |
| TMGH.CA | TALAT MOSTAFA | 10.50 | 9.60 | 8.75 | 11.00 | 11.60 | ↓ | P.SELL | 11.60 |
| ACAMD.CA | Arab Co. for Asset Management | 2.26 | 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 | 15.89 | 15.20 | 14.30 | 16.35 | 17.00 | ↓ | P.SELL | 17.00 |
| GTHE.CA | GLOBAL TELECO | 4.67 | 4.05 | 3.90 | 4.75 | 4.90 | ↔ | Hold | 4.75 |
| AMOC.CA | ALX MINERAL OILS | 4.25 | 3.40 | 2.50 | 4.30 | 4.80 | ↓ | P.SELL | 5.50 |
| MNHD.CA | MEDINET NASR HOU | 5.79 | 5.50 | 5.00 | 6.25 | 6.85 | ↓ | P.SELL | 6.85 |
| CIRA.CA | Cairo Investment & Real Estate | 10.70 | 10.60 | 10.00 | 12.50 | 13.30 | ↔ | Hold | 10.00 |
| OCDI.CA | 6TH OCT DEV INV | 13.58 | 12.85 | 12.55 | 14.50 | 16.00 | ↓ | P.SELL | 16.00 |
| JUFO.CA | JUHAYNA FOOD IND | 10.35 | 10.00 | 9.00 | 11.25 | 12.50 | ↓ | P.SELL | 12.50 |
| ESRS.CA | EZZ STEEL | 11.50 | 11.25 | 10.00 | 13.50 | 14.80 | ↓ | P.SELL | 15.60 |
| ETEL.CA | TELECOM EGYPT | 12.74 | 12.50 | 11.40 | 13.25 | 14.25 | ↓ | P.SELL | 14.25 |
| CCAP.CA | CITADEL CAPITAL | 3.34 | 3.20 | 2.90 | 3.45 | 3.60 | ↓ | P.SELL | 3.60 |
| SRWA.CA | Sarwa Capital Holding | 5.99 | 5.50 | 5.00 | 6.00 | 6.40 | ↓ | P.SELL | 6.00 |
| PHDC.CA | PALM HILL DEV CO | 2.41 | 2.30 | 2.10 | 2.45 | 2.60 | ↓ | P.SELL | 2.60 |
| AUTO.CA | GB AUTO S.A.E | 3.95 | 3.65 | 3.00 | 4.30 | 4.65 | ↓ | P.SELL | 4.65 |
| HELI.CA | Misr Gedida Hou | 21.00 | 19.30 | 18.50 | 23.30 | 25.50 | ↓ | P.SELL | 23.30 |
| AINH.CA | Arab Investment Holding | 0.56 | 0.55 | 0.50 | 0.60 | 0.66 | ↓ | P.SELL | 0.66 |
| EGCH.CA | EGYPT CHEM IND | 4.87 | 4.70 | 4.50 | 5.30 | 5.75 | ↓ | P.SELL | 5.75 |
| EMFD.CA | EMAAR MISR DEV | 3.14 | 3.00 | 2.85 | 3.35 | 3.60 | ↓ | P.SELL | 3.60 |
| PIOH.CA | PIONEERS HLDG | 6.21 | 5.75 | 5.40 | 6.40 | 6.80 | ↓ | P.SELL | 6.80 |
| OIH.CA | ORASCOM INVESTMENT HOLDING | 0.52 | 0.51 | 0.45 | 0.55 | 0.59 | ↓ | P.SELL | 0.59 |
| ORHD.CA | ORASCOM DEV | 6.14 | 5.75 | 5.50 | 6.70 | 7.00 | ↓ | P.SELL | 7.00 |
| EGTS.CA | EGYPTIAN RESORTS | 1.83 | 1.72 | 1.64 | 1.86 | 2.00 | ↓ | P.SELL | 2.00 |
| ORWE.CA | ORIENTAL WEAVERS | 9.40 | 8.90 | 8.55 | 10.00 | 10.70 | ↓ | P.SELL | 10.70 |
| IRON.CA | EGYPTIAN IR & ST | 3.11 | 3.00 | 2.70 | 3.70 | 4.10 | ↓ | P.SELL | 4.10 |
| ACGC.CA | ARAB COTTON GIN. | 1.74 | 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).

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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.