

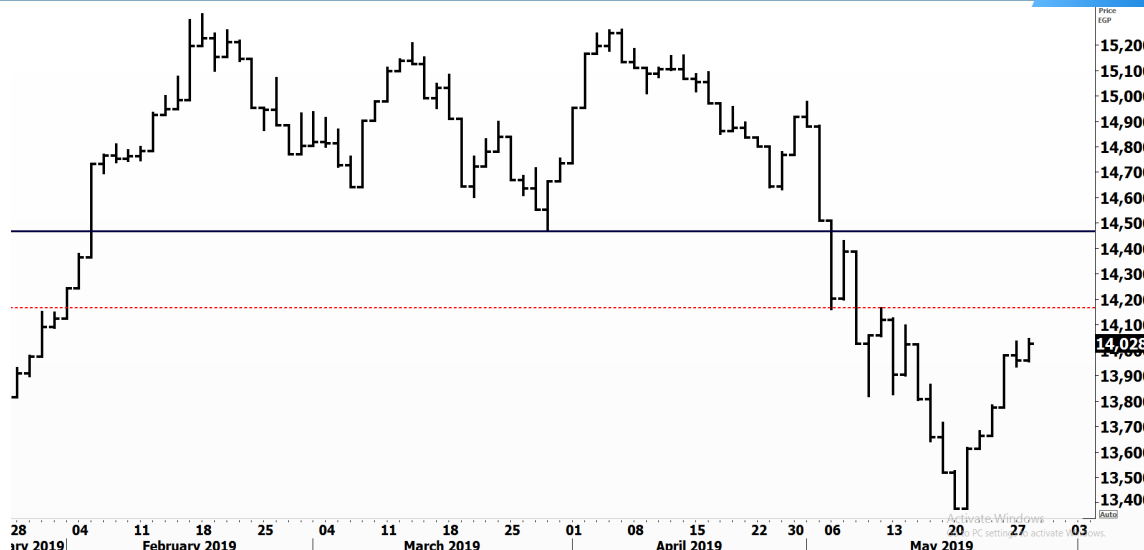


PIONEERSECURITIES

TECH TO THE POINT

29-May-19

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



Last	14,028.00
High Today	14,044.01
Low Today	13,958.98
Volume	M 121.229
First Support	13,350.00
Second Support	12,700.00
First Resistance	14,150.00
Second Resistance	14,500.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	3.04%
1 MONTH	-5.03%
1 QUARTER	-5.77%
1 YEAR	-16.46%
YTD	7.61%

Analysis

The EGX 30 index closed at 14,028 yesterday and is approaching its first minor resistance that lies at 14,150; as we mentioned before, we expect this level to be broken upwards which should lead the EGX 30 near the 14,400-14,500 range. If the current rise reaches the aforementioned target range, then the next decline will probably create a higher low.

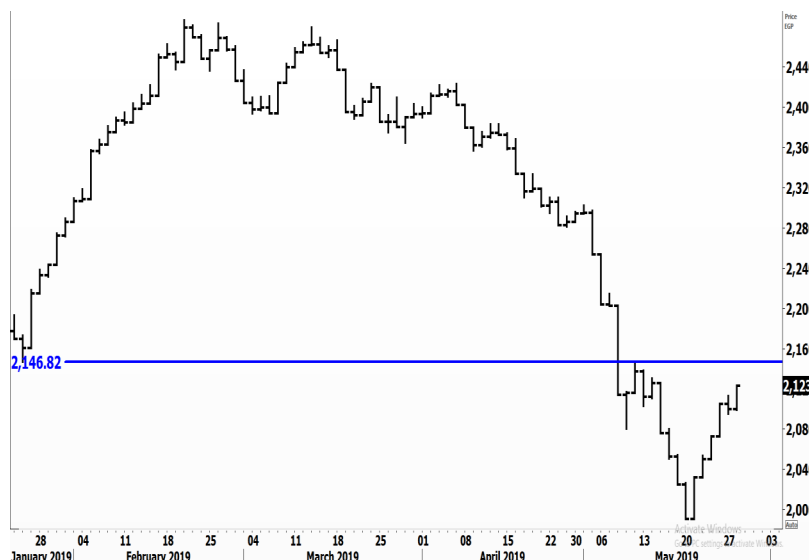
We still recommend those who are heavily invested in the market to reduce their exposure near 14,400 and plan for their re-entry then depending on the market movement.

Egyptian Exchange Equal Weights Index EGX50


Analysis


The EGX 50 index is trading near 2,150; a slight decline might occur from this level; if we break upwards, a new buy signal will be triggered. As for the decline that can occur from 2,150, it will probably be slight and insignificant; thus we should take chance of minor declines to buy.

We reiterate our recommendation though to reduce exposure, for those who are heavily invested, as the EGX 30 approaches 14,400-14,500.



Resistance

EMFD  Broke the 3.25-3.26 clearly to close at 3.33. The volume at the breakout is not high; thus we are still a bit cautious in our buying decisions. Those who want to step in can use 3.5 as their target and place a stop below 3.2.


MENA  Closed at 2.75 after breaking its resistance as it was expected. We expect MENA to reach the 3.2-3.25 range where selling pressure will probably be stronger.

Support


No stocks broke their support yesterday


Testing

Support

EAST  Witnessed a strong decline yesterday, to test 15.2 before rebounding and closing at 16.03 at the end of the session. Yesterday's session is more biased to the bullish side as the closing price was nearer to the session's high. If this rebound continues, EAST will probably retest 17-17.2.

Resistance

PHDC  The 2.65 level is the previously broken neck line of the head and shoulders formation that appeared during Feb to Apr. This level should serve as resistance for the current rise. Thus, a decline from here (if it occurs) will probably lead the stock to 2.5 (not more). If, however, the stock succeeds to continue its rise, it will probably approach the 2.9-3 area once again.

COMI  Tested its resistance that lies at 72, and declined to close clearly below it. COMI as we have been saying lately, began to show some weakness in its performance. The good point here is that the rest of the market is rising, while the bad news is that the current volume that is accompanying the market rise is still low.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	70.70	69.00	66.00	73.00	77.00	↓	P.SELL	77.00
EAST.CA	EASTERN CO	16.03	15.20	14.60	17.00	17.70	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.60	12.80	11.60	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	11.00	10.10	9.60	11.00 *	11.60	↓	P.SELL	11.60
ACAMD.CA	Arab Co. for Asset Management	2.42	2.20	2.00	2.42 *	2.60	↓	P.SELL	2.60
EKHO.CA	EGYPT KUWAIT HLD	1.47	1.37 \$	1.30 \$	1.48 \$	1.55 \$	↔	Hold	1.48
HRHO.CA	EFG HERMES HOLD	16.21	15.50	15.10	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	0.00	4.05	3.90	4.75	4.90	↔	Hold	4.75
AMOC.CA	ALX MINERAL OILS	4.90	4.25	3.80	5.50	5.85	↓	P.SELL	5.50
MNHD.CA	MEDINET NASR HOU	6.25	5.50	5.00	6.25 *	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	10.71	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	13.70	12.85	12.55	14.50	16.00	↓	P.SELL	16.00
JUFO.CA	JUHAYNA FOOD IND	10.70	10.00	9.00	11.25	12.50	↓	P.SELL	12.50
ESRS.CA	EZZ STEEL	12.09	11.25	10.00	13.50	14.80	↓	P.SELL	15.60
ETEL.CA	TELECOM EGYPT	13.90	12.50	11.40	14.25	15.00	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.57	3.20	2.90	3.70	3.81	↓	P.SELL	3.70
SRWA.CA	Sarwa Capital Holding	5.70	5.50	5.00	6.00	6.40	↓	P.SELL	6.00
PHDC.CA	PALM HILL DEV CO	2.65	2.43	2.27	2.85	2.87	↔	Hold	2.27
AUTO.CA	GB AUTO S.A.E	4.52	4.30	3.85	4.65	4.90	↓	P.SELL	4.65
HELI.CA	Misr Gedida Hou	21.87	19.00	18.50	23.30	25.50	↓	P.SELL	23.30
AINH.CA	Arab Investment Holding	0.60	0.55	0.50	0.60 *	0.66	↓	P.SELL	0.66
EGCH.CA	EGYPT CHEM IND	5.70	5.26	4.60	5.75	6.20	↓	P.SELL	5.75
EMFD.CA	EMAAR MISR DEV	3.33	3.00	2.85	3.35	3.60	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.76	5.70	5.40	6.80	7.20	↓	P.SELL	6.80
OIH.CA	ORASCOM INVESTMENT HOLDING	0.59	0.53	0.50	0.59 *	0.63	↓	P.SELL	0.59 *
ORHD.CA	ORASCOM DEV	6.60	5.75	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.98	1.83	1.72	2.00	2.09	↓	P.SELL	2.00
ORWE.CA	ORIENTAL WEAVERS	9.85	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.42	3.00	2.70	3.70	4.10	↓	P.SELL	4.10
ACGC.CA	ARAB COTTON GIN.	1.90	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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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.