

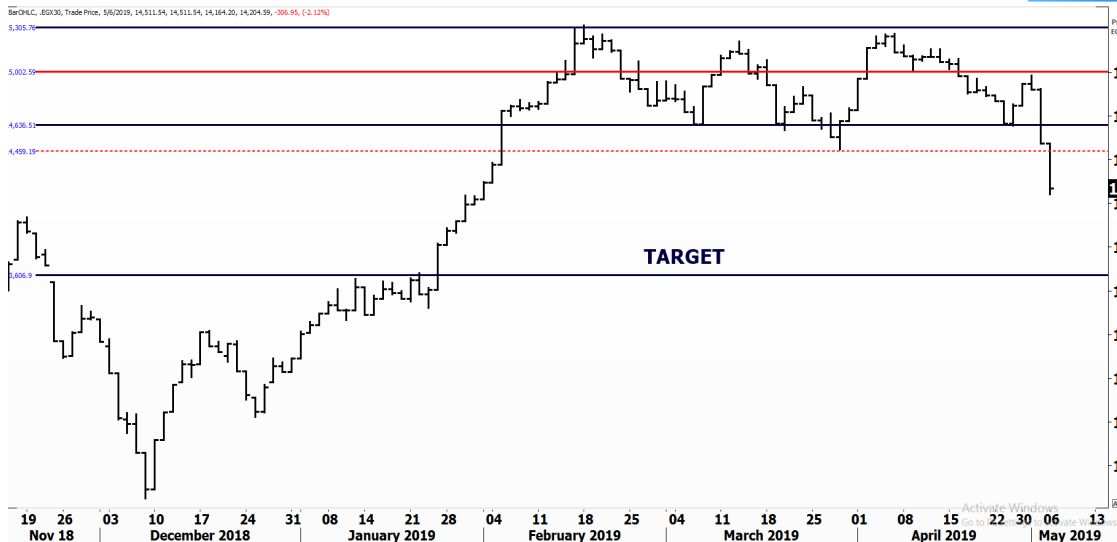


PIONEERSECURITIES

TECH TO THE POINT

7-May-19

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



Last	14,204.59
High Today	14,511.54
Low Today	14,164.20
Volume	M 51.616
First Support	14,000.00
Second Support	13,600.00
First Resistance	14,950.00
Second Resistance	15,300.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-3.83%
1 MONTH	-6.84%
1 QUARTER	-1.12%
1 YEAR	-19.34%
YTD	8.97%

Analysis

Yesterday's sharp decline came to no surprise as the index, as it was expected, broke 14,500 violently, closing at 14,200, and approaching our first target range that lies at the 13,800-14,000 area.

We are monitoring the market closely and we can still see the weakness, which was clear during the whole sideways formation. The period from Feb to April witnessed a very disappointing breadth performance; i.e. all rises in the EGX 30 index came without any of its constituents rising. We have mentioned this a lot, that the EGX 30 index was rising by itself. This was due to its calculation and the ability of a single stock to have a significant effect on the index' performance. So it was a very natural scenario to see a market panic that led the index near 14,000 in only one day after the breakdown.

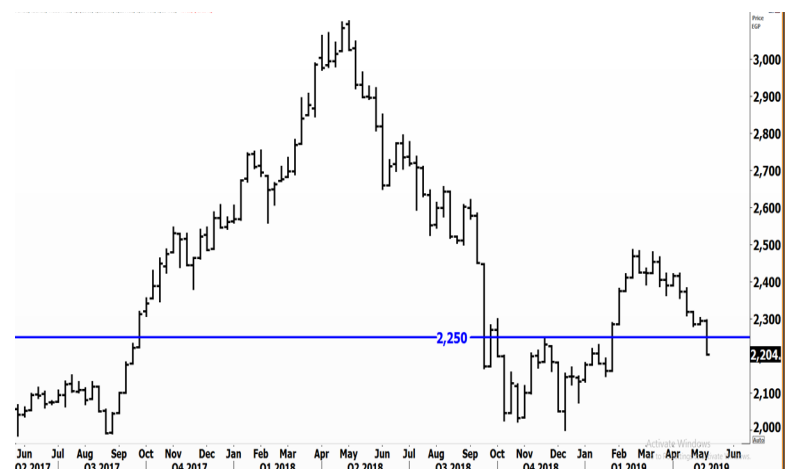
Looks like the 13,800 is not the end of the story; in other words, if today is not a very bullish day, the market will be eligible to reach 13,500-13,600 in a very short period of time.

Egyptian Exchange Equal Weights Index EGX50

Analysis

Unfortunately, the EGX 50 index also panicked yesterday, breaking its breakout point (2,250) and closing at 2,200, warning of a probable retest of the lows.


The EGX 50 index is currently at a level which coincides with 13,400-13,500 on the EGX 30 index; based on the current market performance, if we do not begin to rise, or at least, stabilize, the market will be eligible to more decline




Resistance

No stocks broke their resistance


Support


EMFD  Yesterday's breakdown was severe as it took the stock to 3.13, falling almost 7%. EMFD's market panic warns of more decline in the near future. The stock should reach the 2.85-2.9 range where major support lies. We do not recommend doing any action on the stock; the only action to do is to sell any intraday rises.


IRON  Closed at 4.01 after violating 4.15 sharply. IRON is on its way to its lows at 3.5. We are bearish.

Testing

Support

TMGH  The 10.9 is an important support to watch. A break below this level will trigger a sell signal and will lead the stock to 10.3-10.4.

ACAMD  Struggling at the 2.6 support level but is unable to rise. If ACAMD breaks below support, sellers will step in aggressively, which will lead the stock near 2.3.

SWDY  SWDY is approaching 13.8, which is its major support. Many short-term investors considered this sharp decline (especially with the coupon it paid) as a chance to step in. We still recommend being out of the stock as the probability of a violation of 13.8 is there. If we break this level, the major rise will be over.

Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	73.79	72.00	69.00	77.00	80.00	↔	Hold	72.00
EAST.CA	EASTERN CO/d	15.91	16.00 *	15.30	17.70	19.00	↔	Hold	19.00
SWDY.CA	ELSWEDY ELECTR/d	14.01	13.80	12.00	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA/d	11.00	10.85	10.30	11.90	12.20	↔	Hold	10.85
ACAMD.CA	Arab Co. for Asset Management	2.60	2.60*	2.42	2.85	2.97	↔	Hold	2.60 *
EKHO.CA	EGYPT KUWAIT H/d	1.42	1.37 \$	1.30 \$	1.48 \$	1.59 \$	↔	Hold	1.48
HRHO.CA	EFG HERMES HOL/d	15.60	15.60 *	15.30	17.00	17.70	↓	P.SELL	17.70
GTHE.CA	GLOBAL TELECO/d	4.41	4.35	4.00	4.75	4.90	↔	Hold	4.35
AMOC.CA	ALX MINERAL OI/d	5.05	4.85	3.85	5.85	6.25	↓	P.SELL	5.85
MNHD.CA	MEDINET NASR H/d	6.16	6.20 *	5.50	6.80	7.25	↓	P.SELL	7.25
CIRA.CA	Cairo Investment & Real Estate	11.50	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV IN/d	15.85	15.90 *	15.20	17.49	18.00	↔	Hold	15.90 *
JUFO.CA	JUHAYNA FOOD I/d	0.00	12.00	11.00	14.00	N.A	↔	Hold	12.00
ESRS.CA	EZZ STEEL/d	13.75	13.50	11.55	17.00	18.40	↓	P.SELL	17.00
ETEL.CA	TELECOM EGYPT/d	13.30	13.00	12.00	14.50	15.10	↓	P.SELL	14.50
CCAP.CA	CITADEL CAPITA/d	3.32	3.30	3.10	3.71	3.80	↓	P.SELL	3.80
SRWA.CA	Sarwa Capital Holding	0.00	6.00	5.50	6.40	6.80	↔	Hold	6.00
PHDC.CA	PALM HILL DEV /d	2.35	2.30	2.10	2.60	2.80	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E/d	4.34	4.30	4.00	4.75	5.00	↓	P.SELL	5.00
HELI.CA	Misr Gedida Ho/d	23.22	22.50	21.50	25.50	27.00	↓	P.SELL	27.00
AINH.CA	Arab Investment Holding	0.65	0.63	0.60	0.68	0.73	↓	P.SELL	0.73
EGCH.CA	EGYPT CHEM IND/d	5.46	5.45	5.25	5.75	6.25	↓	P.SELL	6.25
EMFD.CA	EMAAR MISR DEV/d	3.13	3.00	2.85	3.60	3.80	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG/d	7.08	6.80	6.60	7.65	8.00	↔	Hold	7.65
OIH.CA	ORASCOM INVESTMENT HOLDING	0.57	0.55	0.51	0.60	0.63	↓	P.SELL	0.63
ORHD.CA	ORASCOM DEV/d	6.21	6.25 *	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESOR/d	1.93	1.87	1.83	2.00	2.04	↔	Hold	1.87
ORWE.CA	ORIENTAL WEAVE/d	9.30	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & /d	4.01	3.85	3.50	4.50	5.25	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GI/d	1.91	1.92 *	1.84	2.05	2.13	↓	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.