

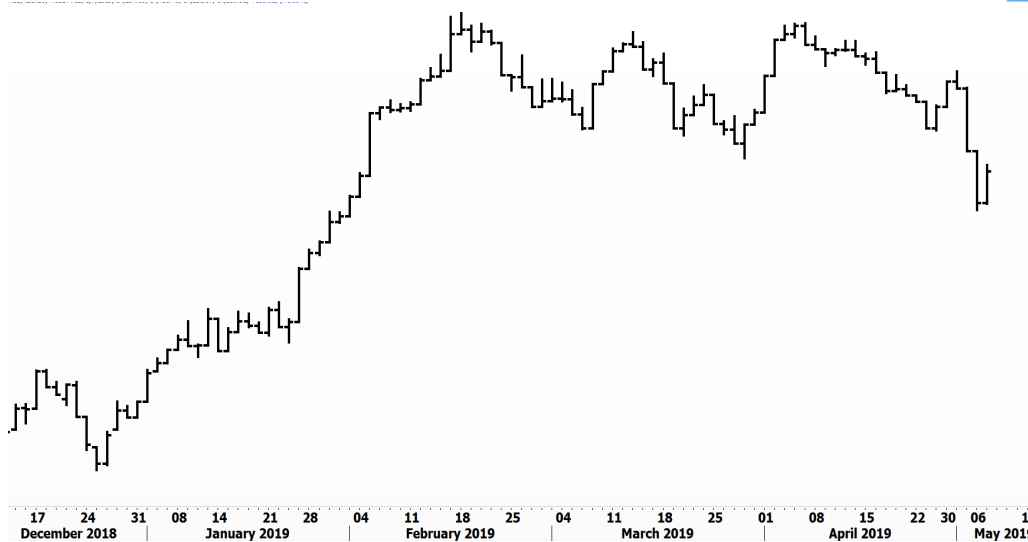


PIONEERSECURITIES

TECH TO THE POINT

8-May-19

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



Last	14,389.91
High Today	14,430.40
Low Today	14,201.67
Volume	M 50.399
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	-3.55%
1 MONTH	-4.93%
1 QUARTER	-2.33%
1 YEAR	-17.88%
YTD	10.39%

Analysis

The completely fake "EGX 30" rise is a very clear sign that the market is still due for a big decline. Things are getting worse with time, not better.

The 13,800-14,000 area will be violated, but this is not the problem; the main issue is that the EGX 30 index is left alone at relatively high levels while all of its constituents (with the exception of CIB) are witnessing severe selloffs.

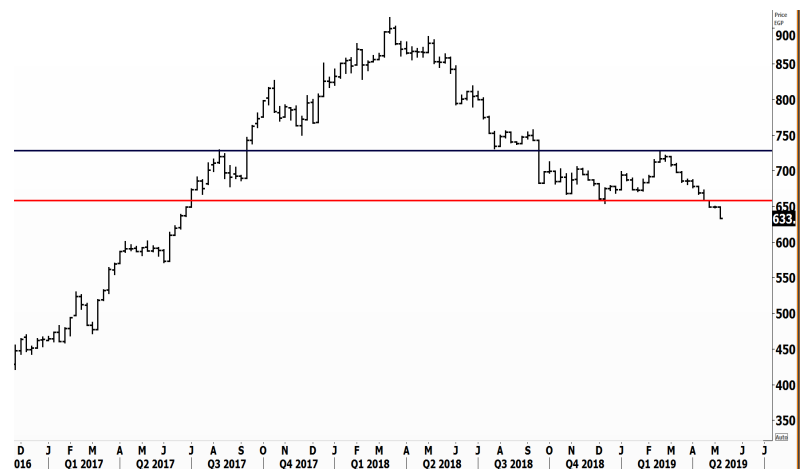
Our recommendation is the same; sell your positions at any market rises until the market gives us a sign of strength. The EGX 30 index already hit our target at 14,000 but is still expected to surpass these levels and reach much lower levels.

Egyptian Exchange Small and Medium Caps Index EGX70

Analysis

The EGX 70 index confirmed a very bearish support break-down on the weekly chart, which should lead the index to much lower levels. The EGX 70 index is very weak and expected to continue its bad performance. We actually expected this bad performance since few weeks, but it looks like we still have sometime before any buyers step in.


We will look at 570 as our first important target to watch.





Resistance


No stocks broke their resistance

Support

MNHD  The stock confirmed its breakdown and is on its way to 5. Any intraday rises should be faced with selling.

TMGH  The fall of TMGH is an important sign of the market as TMGH is one of the outperformers; such a strong decline is a bearish sign for the market; TMGH triggered a clear sell signal.


ACAMD  Violated 2.6 downwards, closing at 2.52 at the end of the session. Those who still have positions are recommended to sell as our next target lies near 2.3.

OIH  Witnessed a new bearish breakdown by breaking below 0.55. OIH is revisiting its 0.51 bottom with the risk of breaking it downwards.


Testing

Support

AIH  Went back to its bottom that lies at 0.6. This is the major support since 2015; a break below this area will be very bearish.

HELI  The 22.5 is the current support for HELI; a short-term rebound might occur from here, but we recommend waiting on the sidelines. Position holders are recommended to place their stop below 22.5.

Resistance

COMI  We cannot be bullish on COMI if it is “literally” the only stock that is rising for reasons that are not known. Our recommendation is to keep the stop strictly below 72.5.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	75.21	72.00	69.00	77.00	80.00	↔	Hold	72.00
EAST.CA	EASTERN CO	16.40	15.20	14.60	17.70	19.00	↓	P.SELL	17.70
SWDY.CA	ELSWEDY ELECTRIC	14.00	13.00	12.00	15.00	16.00	↓	P.SELL	16.00
TMGH.CA	TALAT MOSTAFA	10.68	10.30	9.60	11.50	12.00	↓	P.SELL	11.50
ACAMD.CA	Arab Co. for Asset Management	2.52	2.30	2.15	2.80	2.97	↓	P.SELL	2.80
EKHO.CA	EGYPT KUWAIT HLD	1.44	1.37 \$	1.30 \$	1.47 \$	1.55 \$	↔	Hold	1.47
HRHO.CA	EFG HERMES HOLD	16.00	15.30	14.30	16.35	17.00	↓	P.SELL	17.00
GTHE.CA	GLOBAL TELECO	4.40	4.35	4.00	4.75	4.90	↔	Hold	4.35
AMOC.CA	ALX MINERAL OILS	4.90	4.85	4.00	5.50	6.20	↓	P.SELL	6.20
MNHD.CA	MEDINET NASR HOU	6.00	5.50	5.00	6.50	6.85	↓	P.SELL	6.85
CIRA.CA	Cairo Investment & Real Estate	11.56	10.60	10.00	12.50	13.30	↔	Hold	10.00
OCDI.CA	6TH OCT DEV INV	15.90	15.90 *	15.20	17.49	18.00	↔	Hold	15.90 *
JUFO.CA	JUHAYNA FOOD IND	12.35	12.00	10.80	13.70	14.50	↔	Hold	12.00
ESRS.CA	EZZ STEEL	13.44	13.30	11.55	15.60	17.10	↓	P.SELL	17.10
ETEL.CA	TELECOM EGYPT	12.90	13.00 *	12.00	14.25	15.30	↓	P.SELL	14.25
CCAP.CA	CITADEL CAPITAL	3.30	3.30 *	2.90	3.58	3.70	↓	P.SELL	3.70
SRWA.CA	Sarwa Capital Holding	6.00	5.90	5.50	6.40	6.80	↔	Hold	5.90
PHDC.CA	PALM HILL DEV CO	2.38	2.30	2.10	2.60	2.80	↓	P.SELL	2.60
AUTO.CA	GB AUTO S.A.E	4.23	4.30 *	4.00	4.65	5.00	↓	P.SELL	5.00
HELI.CA	Misr Gedida Hou	23.10	22.50	20.00	25.50	27.00	↓	P.SELL	25.50
AINH.CA	Arab Investment Holding	0.62	0.60	0.55	0.68	0.73	↓	P.SELL	0.73
EGCH.CA	EGYPT CHEM IND	5.31	5.25	4.50	5.75	6.25	↓	P.SELL	6.25
EMFD.CA	EMAAR MISR DEV	3.13	3.00	2.85	3.60	3.80	↓	P.SELL	3.60
PIOH.CA	PIONEERS HLDG	6.97	6.80	6.60	7.65	8.00	↔	Hold	6.80
OIH.CA	ORASCOM INVESTMENT HOLDING	0.54	0.51	0.45	0.59	0.63	↓	P.SELL	0.63
ORHD.CA	ORASCOM DEV	6.40	6.25	5.50	6.70	7.00	↓	P.SELL	7.00
EGTS.CA	EGYPTIAN RESORTS	1.99	1.87	1.83	2.00	2.10	↔	Hold	1.87
ORWE.CA	ORIENTAL WEAVERS	9.41	8.90	8.55	10.00	10.70	↓	P.SELL	10.70
IRON.CA	EGYPTIAN IR & ST	3.95	3.85	3.50	4.10	4.50	↓	P.SELL	5.25
ACGC.CA	ARAB COTTON GIN.	1.82	1.80	1.65	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

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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.