

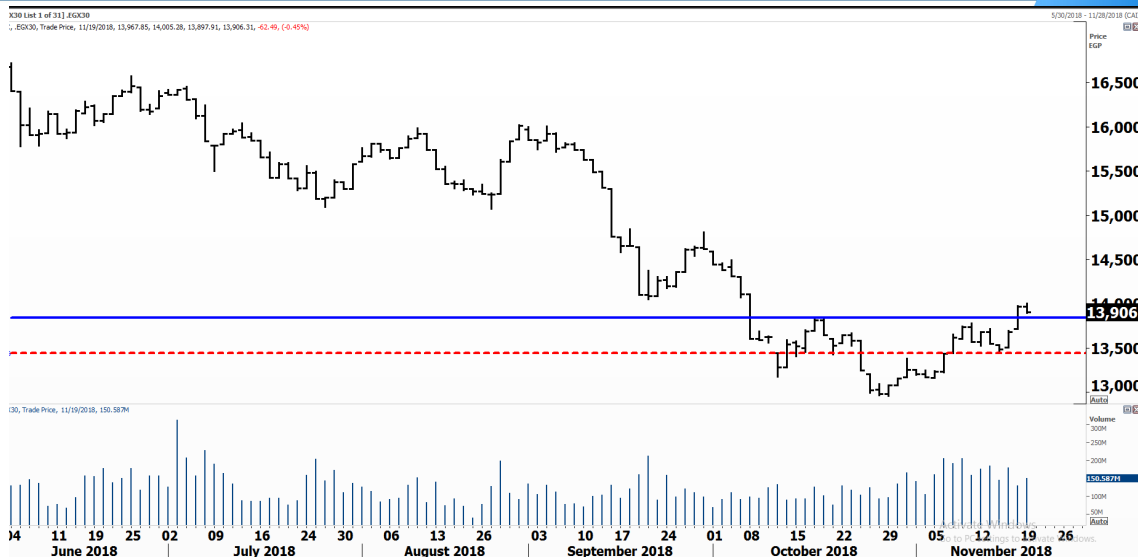


PIONEERSECURITIES

TECH TO THE POINT

21-Nov-18

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



Last	13,906.31
High Today	14,005.28
Low Today	13,897.91
Volume	M 150.587
First Support	13,500.00
Second Support	13,300.00
First Resistance	14,100.00
Second Resistance	14,800.00
Stop Loss	13,900.00
HISTORICAL RETURN %	
1 WEEK	1.67%
1 MONTH	1.92%
1 QUARTER	-8.95%
1 YEAR	1.19%
YTD	-7.41%

Analysis

The EGX 30 index closed at 13,900, declining slightly after it witnessed the breakout above 13,800. As we mentioned in our recent daily report, a decline from current levels can occur. Such a decline should not break below 13,500. We are expecting any potential market declines to be short lived.

If the EGX 30 rebounds from above the 13,800, this will be viewed as the most bullish scenario as it will lead to a strong rise. As we mentioned before, stocks are still not moving in tandem, which creates some confusion among market participants. In addition to that, real estate stocks are still in their underperforming phase, which is not a good sign for the market given that we are currently in a rising stage of the market.

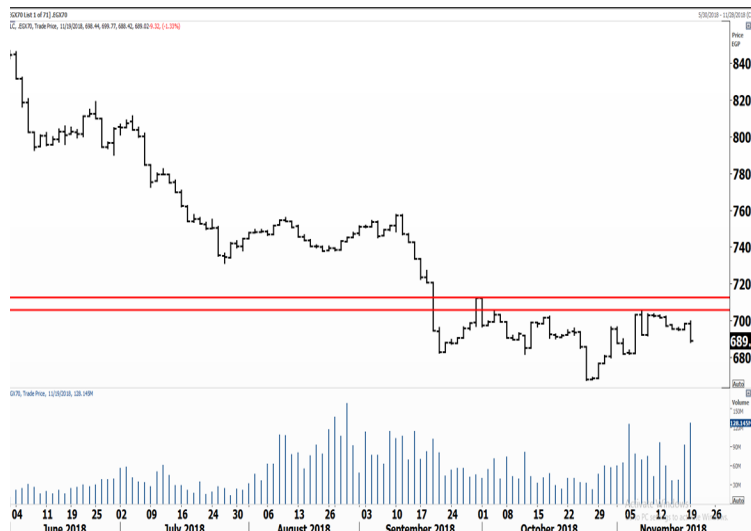
Egyptian Exchange Small Caps Index EGX70

Analysis


The EGX 70 index fell on Monday, closing significantly lower than the previous session. The failure to break resistance adds on the weak market breadth that we are currently witnessing.


We need to watch the EGX 70 index breaking along with the EGX 30 which is not the case yet.


We expect the index to reach 680 first before any new rebound occurs. If the 680 level is violated, the lows will be in jeopardy.



Resistance

PORT  The stock broke above its first resistance area at 0.78, closing at 0.85 at the end of the session. If PORT continues above 0.85 it will probably hit 1.2, which is an important target to watch.

UEGC  Closed at 0.66 after breaking 0.63-0.64 upwards. The breakout came with high volumes and our target lies around 0.78.


AIND  If AIND continues trading above 0.77, it will probably surpass 1; those who have positions are recommended to place their stop below 0.7.

Support


No stocks broke their support yesterday.


Testing


Support

KABO  The 1.25-1.28 area is an important support to watch. If the stock rebounds from here, it will probably witness a rise that can take it to 1.55. Stop loss should be strictly placed below 1.25

Resistance

EGAL  Minor resistance lies at 35.8. A break above this level will lead EGAL to 39. Only a break above the latter level should lead to a strong rise.

UASG  The 0.96 level is the broken bottom that should serve as resistance. We believe, however, that if the market continues its current rise, UASG will probably reach 1.15.

AMIA  A break above 16.8 will trigger a buy signal with an upward target at around 20.5. Position holders should place their stop below 15.2 and use the 20.5-21 as their first important target.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	82.30	78.00	73.00	84.00	86.25	↔	Hold	78.00
EAST.CA	EASTERN CO	18.01	16.60	15.75	19.80	21.00	↑	P.Buy	16.60
SWDY.CA	ELSWEDY ELECTRIC	16.89	15.90	14.80	18.30	20.50	↑	P.Buy	15.90
TMGH.CA	TALAT MOSTAFA	10.08	9.30	9.10	10.50	11.40	↔	Hold	10.50
ABUK.CA	ABU QIR FRT&CHM	27.50	27.00	25.50	29.00	31.50	↓	P.SELL	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.11	\$1.10	\$1.08	\$1.15	\$1.17	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	14.30	13.85	13.20	14.84	15.70	↓	P.SELL	14.84
GTHE.CA	GLOBAL TELECO	3.57	3.28	3.00	3.70	4.07	↔	Hold	3.28
AMOC.CA	ALX MINERAL OILS	7.10	6.80	6.25	7.50	8.00	↓	P.SELL	7.50
MNHD.CA	MEDINET NASR HOU	7.47	7.17	6.85	7.75	8.40	↔	Hold	6.85
SKPC.CA	SIDI KERIR PETRC	19.01	18.22	16.00	19.80	20.60	↓	P.SELL	20.60
OCDI.CA	6TH OCT DEV INV	16.50	15.70	14.75	17.20	17.90	↔	Hold	17.20
JUFO.CA	JUHAYNA FOOD IND	10.30	9.00	8.70	10.85	11.50	↓	P.SELL	10.85
ESRS.CA	EZZ STEEL	19.29	18.00	17.25	20.10	20.95	↓	P.SELL	20.95
ETEL.CA	TELECOM EGYPT	11.60	11.20	10.80	11.90	13.25	↔	Hold	11.90
CCAP.CA	CITADEL CAPITAL	4.10	3.80	3.50	4.13	4.40	↑	Hold	3.80
QNBA.CA	QNB ALAHLI	42.00	40.00	38.00	46.00	50.00	↓	P.SELL	50.00
PHDC.CA	PALM HILL DEV CO	2.62	2.30	2.18	2.90	3.20	↑	P.Buy	2.30
ORAS.CA	ORASCOM CONST	112.99	110.00	108.00	122.00	131.00	↔	Hold	122.00
HELI.CA	Misr Gedida Hou	18.80	17.30	16.00	19.50	21.95	↓	Hold	19.50
EFID.CA	EDITA FOOD INDS	15.18	13.80	13.00	16.00	17.00	↓	P.SELL	16.00
ISPH.CA	IBNSINA PHARMA	10.22	10.10	9.50	11.50	12.20	↑	P.Buy	9.50
EMFD.CA	EMAAR MISR DEV	3.30	3.15	2.90	3.45	3.70	↔	Hold	3.45
PIOH.CA	PIONEERS HLDG	6.93	6.10	5.60	7.15	8.00	↔	Hold	5.60
OIH.CA	ORASCOM INVESTMENT HOLDING	0.59	0.56	0.51	0.60	0.64	↔	Hold	0.56
EGAL.CA	EGYPT ALUMINIUM	35.80	32.50	31.00	36.00	38.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	2.15	2.10	2.03	2.22	2.32	↑	Hold	2.10
PORT.CA	PORTO GROUP	0.85	0.74	0.69	0.85 *	0.98	↓	P.SELL	0.85
IRON.CA	EGYPTIAN IR & ST	5.39	4.93	4.50	5.50	5.90	↔	Hold	4.93
ACGC.CA	ARAB COTTON GIN.	1.93	1.80	1.65	2.00	2.11	↔	Hold	2.00

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.