

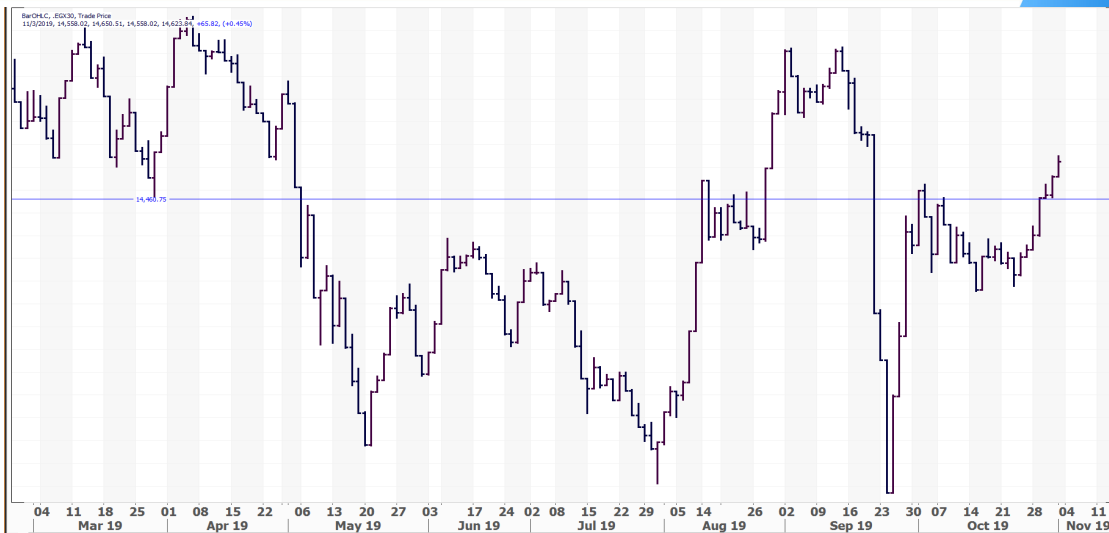


PIONEERSECURITIES

TECH TO THE POINT

4-Nov-19

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



Last	14,622.75
High Today	14,650.51
Low Today	14,558.02
Volume	M 112.104
First Support	14,460.00
Second Support	14,100.00
First Resistance	14,800.00
Second Resistance	15,200.00
Stop Loss	14,460.00
HISTORICAL RETURN %	
1 WEEK	2.71%
1 MONTH	2.86%
1 QUARTER	7.40%
1 YEAR	10.77%
YTD	12.18%

Analysis

The EGX 30 index closed clearly above 14,500 yesterday, confirming the breakout. As we know, our next target lies at 15,200-15,300; a breakout above this level is expected to occur too. Those who are still not invested in the market can step in, especially that many stocks did not witness their rise yet. Volumes are getting better and more bullish, along with market breadth.

The 14,460 can be used as our minor stop loss for now; if the market is strong enough it will probably not break below this level. We are expecting the current rise to continue and we should close above 16,000 by the end of the year.

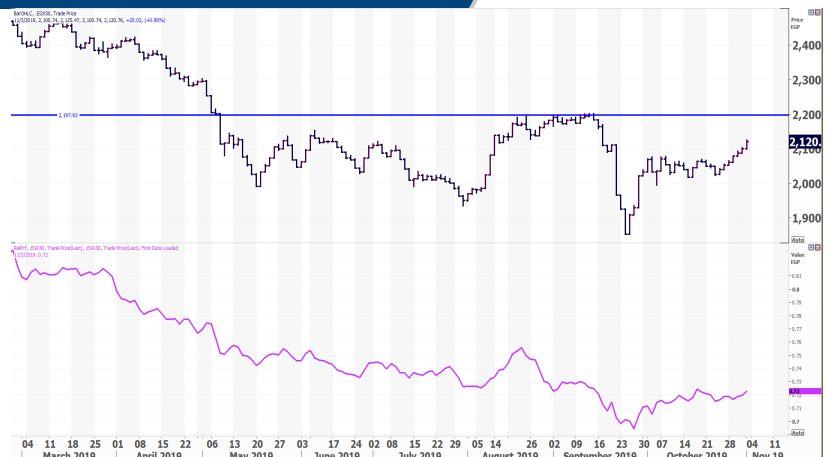
Egyptian Exchange Equal Weights Index EGX50

Analysis

The strong performance of the EGX 50 index is a good sign as it tells us that more stocks are rising along with the market rise, unlike what we used to see before.

In addition to that, the rising relative performance curve (EGX50 /Vs. 30) is a good sign too that our market breadth is improving.

The EGX 50 index is heading towards the 2,200 level which coincides with the 15,200 on the EGX 30. We expect the equal weights index to lead the EGX 30 to the upside, especially if it succeeds to break above 2,200.



Resistance

EGCH 

Broke 5.57 sharply to the upside with very high volumes, closing at 5.99 at the end of the session. EGCH will probably meet its resistance at the 6.25-6.45 range. A breakout above this area will lead the stock to 7.5. For now, we expect the stock to approach 6.5.

ARCC 

Witnessed high volumes yesterday along with the breakout above 3.75. ARCC looks strong and should witness a strong rise. We do not see any significant resistance before 4.75, which makes the stock a good candidate.

Support

No stocks broke their support yesterday

Testing

Support

HELI 

The 26.5 level is our first support, followed by 25.8; we do not expect HELI to reach beyond the second support. Actually, the 26.5 level will probably halt any minor decline. A clear break above 28 will trigger a new buy signal.

Resistance

AMOC 

The 4.7 is the stock's resistance. AMOC tried to break it upwards yesterday but closed slightly below it. We are expecting this breakout to occur soon, probably today. Our target will be set near 5.5.

EGTS 

The 2.8 is the stock's resistance; we are expecting EGTS to break this level upwards very soon, especially that it is one of the strongest performers in our market. Those who want to step in can do so with a minimum target at 2.92. We expect, however, the stock to retest its peak at 3.25.

EGAL 

The stock is preparing itself to break beyond 13.8-13.9. If EGAL breaks above this resistance it will probably boom. From an intermediate-term basis, this stock can reach the 20s.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	80.71	78.50	77.00	83.00	86.00	↔	Hold	78.50
EAST.CA	EASTERN CO/d	16.15	15.80	15.00	16.20	16.70	↔	Hold	15.00
SWDY.CA	ELSWEDY ELECTR/d	13.38	12.80	12.60	13.75	15.17	↔	Hold	11.92
TMGH.CA	TALAT MOSTAFA/d	9.86	9.60	9.27	10.20	10.75	↔	Hold	9.27
SKPC.CA	SIDI KERIR PET/d	12.69	12.00	11.25	13.30	14.50	↔	Hold	11.25
EKHO.CA	EGYPT KUWAIT H/d	1.38	1.37 \$	1.29 \$	1.44 \$	1.52 \$	↔	Hold	1.44
HRHO.CA	EFG HERMES HOL/d	19.34	18.50	17.60	19.70	20.15	↔	Hold	18.50
ORAS.CA	ORASCOM CONST/d	105.50	99.00	95.00	108.50	111.00	↔	P.Buy	95.00
AMOC.CA	ALX MINERAL OI/d	4.64	4.50	4.26	4.85	5.00	↔	Hold	4.26
MNHD.CA	NASR CITY HOUS/d	5.36	5.28	5.05	5.70	6.05	↔	Hold	5.05
CIRA.CA	Cairo Investment & Real Estate	12.70	12.30	11.55	13.50	15.00	↑	Hold	12.30
OCDI.CA	6TH OCT DEV IN/d	16.00	15.45	14.95	15.90 *	16.50	↔	P.Buy	14.95
JUFO.CA	JUHAYNA FOOD I/d	8.51	8.00	7.70	10.00	11.00	↔	Hold	10.00
ESRS.CA	EZZ STEEL/d	11.87	11.25	10.00	13.55	15.50	↔	Hold	11.25
ETEL.CA	TELECOM EGYPT/d	11.56	11.00	10.85	11.50 *	12.30	↔	Hold	11.00
CCAP.CA	CITADEL CAPITA/d	2.55	2.34	2.12	2.60	2.75	↔	Hold	2.60
ISPH.CA	IBNSINA PHARMA	9.80	9.70	9.30	10.50	11.15	↔	Hold	9.30
PHDC.CA	PALM HILL DEV /d	2.11	2.00	1.90	2.20	2.43	↔	Hold	2.00
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	6.25	6.00	5.50	6.40	6.60	↔	Hold	6.00
HELI.CA	HELIOPOLIS/d	26.99	25.50	24.40	28.00	29.20	↔	Hold	25.50
CIEB.CA	CREDIT AGRICOL/d	44.00	40.00	38.00	45.00	47.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.99	5.56	5.37	6.25	6.44	↑	P.Buy	5.37
EMFD.CA	EMAAR MISR DEV/d	3.01	2.94	2.70	3.23	3.45	↔	Hold	2.94
OIH.CA	ORASCOM INVESTMENT HOLDING	0.63	0.61	0.58	0.64	0.66	↔	Hold	0.54
ORHD.CA	ORASCOM EGYPT/d	7.10	6.85	6.50	7.30	7.60	↔	P.Buy	6.50
EGTS.CA	EGYPTIAN RESOR/d	2.78	2.55	2.38	2.93	3.04	↔	Hold	2.55
ORWE.CA	ORIENTAL WEAVE/d	10.60	10.00	9.50	10.60 *	11.09	↔	Hold	9.50
IRON.CA	EGYPTIAN IR & /d	2.73	2.50	2.15	2.78	3.00	↔	Hold	2.50
ADIB.CA	ABU DHABI/d	12.93	12.10	11.50	13.33	14.50	↔	Hold	13.33

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.