

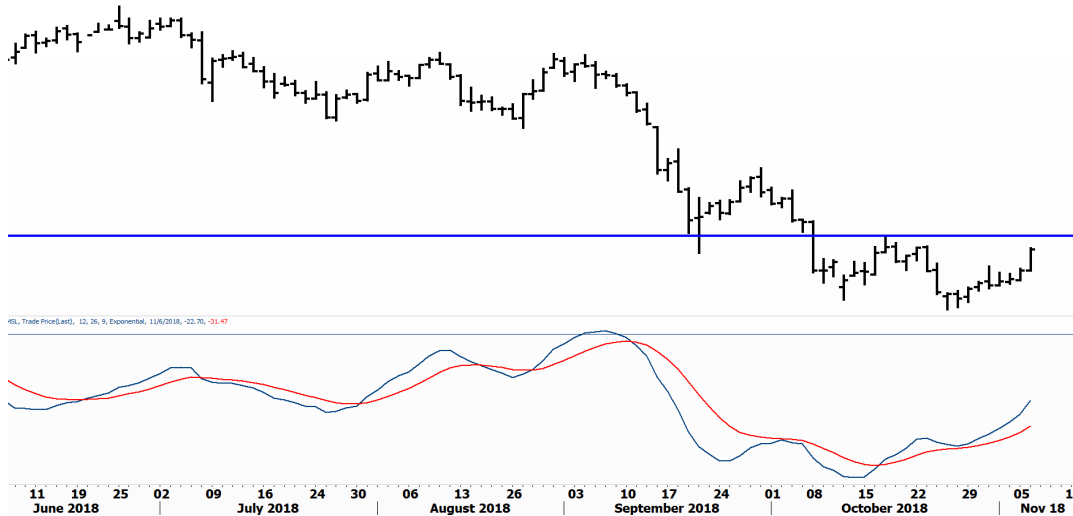


PIONEERSECURITIES

TECH TO THE POINT

7-Nov-18

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



Value	Last	1,310.01
1,600	High Today	1,311.43
1,550	Low Today	1,283.78
1,500	Volume	M 0.000
1,450	First Support	1,245.00
1,400	Second Support	1,170.00
1,350	First Resistance	1,325.00
1,300	Second Resistance	1,380.00
1,250	Stop Loss	
1,200		
1,150		
1,100		
1,050		
1,000		
950		
900		
850		
800		
750		
700		
650		
600		
550		
500		
450		
400		
350		
300		
250		
200		
150		
100		
50		
0		
11		
19		
25		
02		
09		
16		
24		
30		
06		
13		
26		
03		
10		
17		
24		
01		
08		
15		
22		
29		
05		
12		
June 2018		
July 2018		
August 2018		
September 2018		
October 2018		
Nov 18		

HISTORICAL RETURN %	
1 WEEK	3.32%
1 MONTH	-2.54%
1 QUARTER	-14.96%
1 YEAR	-1.16%
YTD	-9.24%

Analysis

We are analyzing the Hermes Last Index today as it is approaching its important resistance that lies at 1,325. This level coincides with the 13,800 on the EGX 30 index. In other words, today is a very important session as a breakout above 1,325 will be a clear signal of the current short-term uptrend, which will give lots of energy to buyers. Thus, we can consider a breakout on the .HRMSL as an early signal of a potential breakout on the EGX 30 index, which will probably lag the Hermes Last.

As we have been mentioning during the whole month of October, the momentum of the decline shrunk sharply during October, which was an important sign of a potential significant market rise. This was one of the important reasons of our bullishness during the past few weeks.

Our clear confirmation will be a breakout above the 1,325 and 13,800 (on the Hermes Last and EGX 30 respectively).

Egyptian Exchange Equal Weights Index EGX50

Analysis

Continuing our analysis on the EGX 50 index, the 2,160 is being challenged as the index closed at 2,166. Thus, if today the market closes above this peak, this will be an early signal of a breakout above the 13,800 on the EGX 30 index.


We mentioned in yesterday's report that SWDY will be the leader of the big caps; as we have seen, the stock witnessed a strong performance and broke its peak that lies at 16. This should be a good signal for the rest of the big caps which should begin to improve.


Back to the EGX 50, if the 2,160 is broken clearly today, a new buy signal will be triggered and our target will be set at around 2,300 initially.



Resistance

SWDY  Closed above 16 clearly yesterday, triggering a buy signal. Those who are out of the stock should buy today at intraday dips. Our first target lies at 18.

EGCH  As we were expecting, EGCH closed above its resistance that lies at 5.25 and triggered a buy signal. We expect the stock to reach 6.3-6.5. Any decline near the 5.3-5.4 area will be a chance to buy.


ESGI  Egyptian Starch and Glucose; the peak of the stock lies at 10.8. Yesterday's volumes were high as the stock closed at 10.98. If we continue trading above this peak today, our target will be set at the 12.5-13 area.


Support


Testing

Support

Resistance

GTHE  At last Global Telecom awakened from its sleep. We just need to see the stock trading above 3 today. If this occurs, we will probably break above 3.45 and our target will be set around 4. We are expecting this scenario to occur before the end of the year.

ORWE  The stock is actually a breakout as it closed above 9.9 with relatively high volumes. It is worth noting though that the 10.25 might serve as a hurdle. In other words, we can consider ORWE as a breakout stock and buy it as our target lies around 12.

PIOH  Yesterday's high volumes is an important bullish sign for PIOH. The 7-7.2 area is expected to be broken upwards. A breakout above this range will lead to a strong rise with a minimum target near the 8-8.5 range.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	80.10	78.00	73.00	84.00	86.25	↔	Hold	78.00
EAST.CA	EASTERN CO	16.27	15.20	14.60	17.00	19.80	↓	P.SELL	17.00
SWDY.CA	ELSWEDY ELECTRIC	16.20	14.80	13.85	17.25	18.00	↔	Hold	14.80
TMGH.CA	TALAT MOSTAFA	9.60	9.00	8.80	9.90	10.50	↓	P.SELL	10.50
ABUK.CA	ABU QIR FRT&CHM	28.60	27.00	25.50	29.00	31.50	↓	P.SELL	31.50
EKHO.CA	EGYPT KUWAIT HLD	1.10	\$1.10 *	\$1.08	\$1.15	\$1.17	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	14.35	13.85	13.20	14.50	15.12	↓	P.SELL	15.12
GTHE.CA	GLOBAL TELECO	3.03	2.55	2.20	3.00 *	3.50	↓	P.SELL	3.00
AMOC.CA	ALX MINERAL OILS	7.38	6.80	6.25	8.00	8.20	↓	P.SELL	8.90
MNHD.CA	MEDINET NASR HOU	7.35	7.00	6.50	7.65	8.40	↔	Hold	6.50
SKPC.CA	SIDI KERIR PETRC	20.20	19.00	18.35	20.60	22.75	↓	P.SELL	22.75
OCDI.CA	6TH OCT DEV INV	15.87	14.75	13.00	16.80	17.90	↓	P.SELL	17.90
JUFO.CA	JUHAYNA FOOD IND	9.80	8.70	7.70	10.85	11.50	↓	P.SELL	10.85
ESRS.CA	EZZ STEEL	18.00	16.00	13.50	19.90	20.95	↓	P.SELL	20.95
ETEL.CA	TELECOM EGYPT	10.80	10.25	9.55	11.20	11.90	↓	P.SELL	11.90
CCAP.CA	CITADEL CAPITAL	3.90	3.65	3.45	3.85 *	4.20	↔	Hold	3.45
QNBA.CA	QNB ALAHLI	41.50	40.00	38.00	50.00	54.50	↓	P.SELL	54.50
PHDC.CA	PALM HILL DEV CO	2.52	2.18	2.06	2.55	2.90	↔	Hold	2.55
ORAS.CA	ORASCOM CONST	119.50	114.00	110.00	122.00	131.00	↔	Hold	122.00
HELI.CA	Misr Gedida Hou	19.19	17.30	16.00	19.90	21.95	↓	P.SELL	19.90
EFID.CA	EDITA FOOD INDS	0.00	13.00	12.20	14.50 *	16.00	↓	P.SELL	17.00
ISPH.CA	IBNSINA PHARMA	9.71	9.40	8.60	10.23	10.80	↔	Hold	8.60
EMFD.CA	EMAAR MISR DEV	3.31	3.08	2.90	3.45	3.70	↓	P.SELL	3.45
PIOH.CA	PIONEERS HLDG	6.90	6.50	5.75	7.15	8.00	↔	Hold	5.75
OIH.CA	ORASCOM INVESTMENT HOLDING	0.55	0.51	0.45	0.58	0.64	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	33.60	31.00	30.00	34.00	35.90	↔	Hold	31.00
EGTS.CA	EGYPTIAN RESORTS	2.22	2.03	1.90	2.38	2.50	↑	Hold	1.90
PORT.CA	PORTO GROUP	0.75	0.71	0.60	0.77	0.85	↓	P.SELL	0.85
IRON.CA	EGYPTIAN IR & ST	4.89	4.15	3.85	4.90	5.30	↓	P.SELL	5.30
ACGC.CA	ARAB COTTON GIN.	1.84	1.65	1.50	1.99	2.07	↓	P.SELL	2.07

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).

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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.