

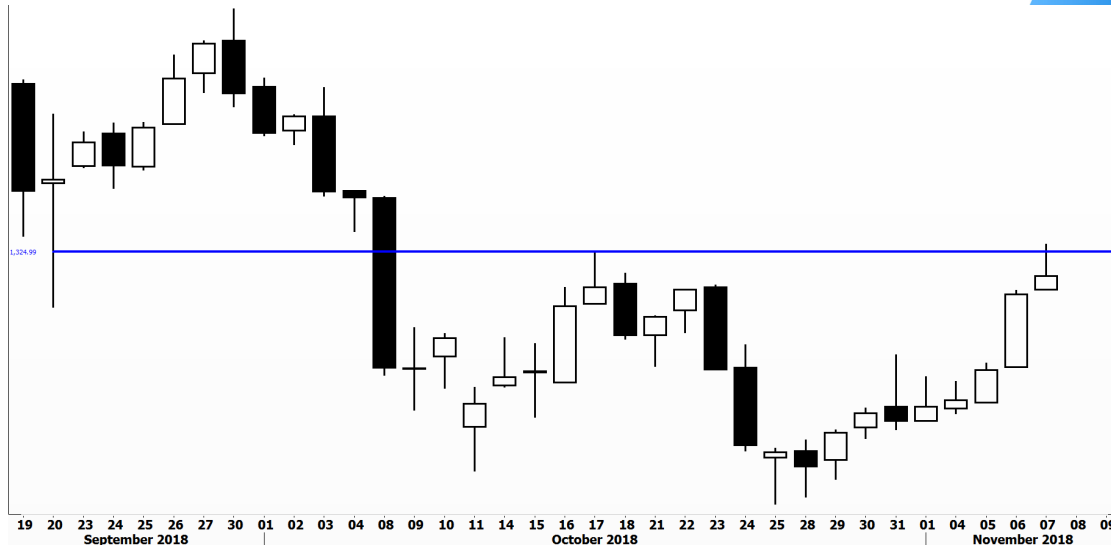


PIONEERSECURITIES

TECH TO THE POINT

8-Nov-18

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



| | |
|---------------------|----------|
| Last | 1,316.63 |
| High Today | 1,327.80 |
| Low Today | 1,311.32 |
| Volume | M 0.000 |
| First Support | 1,290.00 |
| Second Support | 1,245.00 |
| First Resistance | 1,325.00 |
| Second Resistance | 1,380.00 |
| Stop Loss | 1,316.63 |
| HISTORICAL RETURN % | |
| 1 WEEK | 4.10% |
| 1 MONTH | 2.58% |
| 1 QUARTER | -14.87% |
| 1 YEAR | -1.61% |
| YTD | -8.79% |

Analysis

The Hermes Last Index hit its resistance yesterday but was not able to break it upwards. Sellers appeared by the end of the session to bring prices lower. The failure to break resistance might lead to a slight decline, which should form a higher low. Thus, if the market declines from current levels and forms a higher low, the next rise will probably break the peak, which will lead to much higher targets.

Those who want to trade the market are recommended to repurchase at the first rebound if the index approaches 1,285-1,290 once again, or at a breakout above the peak. Those who want to hold and take the correction, should add at the breakout.

We are still positive on the market and believe that if any decline occurs, it will be short lived.

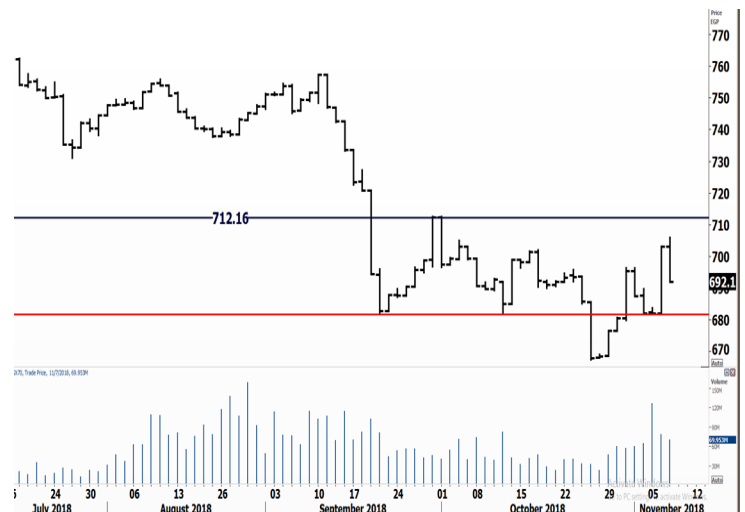
Egyptian Exchange Small Caps Index EGX70

Analysis


The EGX 70 index has been showing lots of volatility lately, especially after the false support break it witnessed during October. We believe that this lateral volatility will continue until the peak that lies at 712 is clearly broken upwards.


The 680 level should serve as support if a decline occurs today. Another violation below 680 is unlikely to occur if the index wants to break upwards.


Thus, we are expecting the decline to be very short-term and it will probably create new buying opportunities.



Resistance

TMGH  Broke 9.7 upwards with high volumes, closing at 10 at the end of the session. TMGH reached 10.3 during the session, but sellers were able to bring prices lower. If the stock maintains itself above 9.7 it will be a good buying opportunity.

EFIC  Yesterday's breakout above 8.9 came with very high volumes. EFIC witnessed a significant breakout and should continue its rise. Our first target lies at 10.3, while our more important resistance to watch lies at 11.2.


ABRD  If the stock confirms the breakout today and continues trading above 2.9, a buy signal will be triggered with an upward target at around 3.5.


Support

Testing

Support

Resistance

ACAMD  The 2.5-2.6 range is a resistance. The stock closed at 2.45 and is preparing itself for another run to 2.8. We believe that if ACAMD retraces it will move sideways without breaking 2.32 downwards.

ATQA  Misr National Steel "Ataqa": Major resistance and historical peak lies at 32.86. If the stock breaks this major level it will create an important buy signal as new historical highs will be hit.

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|---------|-------------------------------|--------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK | 80.00 | 78.00 | 73.00 | 84.00 | 86.25 | ↔ | Hold | 78.00 |
| EAST.CA | EASTERN CO | 16.70 | 15.20 | 14.60 | 17.00 | 19.80 | ↓ | P.SELL | 17.00 |
| SWDY.CA | ELSWEDY ELECTRIC | 16.11 | 14.80 | 13.85 | 17.25 | 18.00 | ↔ | Hold | 14.80 |
| TMGH.CA | TALAT MOSTAFA | 10.00 | 9.00 | 8.80 | 9.90 * | 10.50 | ↓ | P.SELL | 10.50 |
| ABUK.CA | ABU QIR FRT&CHM | 28.02 | 27.00 | 25.50 | 29.00 | 31.50 | ↓ | P.SELL | 31.50 |
| EKHO.CA | EGYPT KUWAIT HLD | 1.11 | \$1.10 | \$1.08 | \$1.15 | \$1.17 | ↔ | Hold | \$1.08 |
| HRHO.CA | EFG HERMES HOLD | 14.55 | 13.85 | 13.20 | 14.50 * | 15.12 | ↓ | P.SELL | 15.12 |
| GTHE.CA | GLOBAL TELECO | 3.11 | 2.70 | 2.50 | 3.45 | 3.88 | ↓ | P.SELL | 3.45 |
| AMOC.CA | ALX MINERAL OILS | 7.26 | 6.80 | 6.25 | 8.00 | 8.20 | ↓ | P.SELL | 8.90 |
| MNHD.CA | MEDINET NASR HOU | 7.52 | 7.00 | 6.50 | 7.65 | 8.40 | ↔ | Hold | 6.50 |
| SKPC.CA | SIDI KERIR PETRC | 20.15 | 19.00 | 18.35 | 20.60 | 22.75 | ↓ | P.SELL | 22.75 |
| OCDI.CA | 6TH OCT DEV INV | 16.51 | 14.75 | 13.00 | 16.80 | 17.90 | ↓ | P.SELL | 17.90 |
| JUFO.CA | JUHAYNA FOOD IND | 10.01 | 8.70 | 7.70 | 10.85 | 11.50 | ↓ | P.SELL | 10.85 |
| ESRS.CA | EZZ STEEL | 19.00 | 16.00 | 13.50 | 19.90 | 20.95 | ↓ | P.SELL | 20.95 |
| ETEL.CA | TELECOM EGYPT | 10.82 | 10.25 | 9.55 | 11.20 | 11.90 | ↓ | P.SELL | 11.90 |
| CCAP.CA | CITADEL CAPITAL | 3.91 | 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 | 2.45 | 2.30 | 2.06 | 2.55 | 2.90 | ↔ | Hold | 2.55 |
| ORAS.CA | ORASCOM CONST | 116.50 | 114.00 | 110.00 | 122.00 | 131.00 | ↔ | Hold | 122.00 |
| HELI.CA | Misr Gedida Hou | 18.87 | 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 | 9.70 | 9.40 | 8.60 | 10.23 | 10.80 | ↔ | Hold | 8.60 |
| EMFD.CA | EMAAR MISR DEV | 3.37 | 3.08 | 2.90 | 3.45 | 3.70 | ↓ | P.SELL | 3.45 |
| PIOH.CA | PIONEERS HLDG | 7.05 | 6.50 | 5.75 | 7.15 | 8.00 | ↔ | Hold | 5.75 |
| OIH.CA | ORASCOM INVESTMENT HOLDING | 0.54 | 0.51 | 0.45 | 0.58 | 0.64 | ↔ | Hold | 0.51 |
| EGAL.CA | EGYPT ALUMINIUM | 33.51 | 31.00 | 30.00 | 34.00 | 35.90 | ↔ | Hold | 31.00 |
| EGTS.CA | EGYPTIAN RESORTS | 2.24 | 2.11 | 2.03 | 2.32 | 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 | 4.90 | 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.