



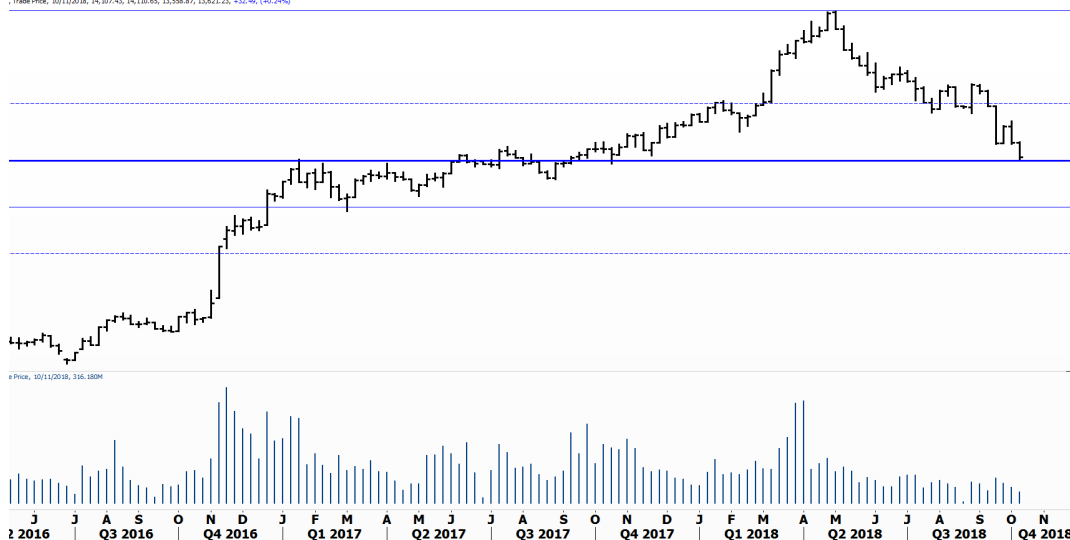
PIONEERSECURITIES

TECH TO THE POINT

11-Oct-18

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

Trade Price: 30/11/2018, 14,307.43, 14,110.65, 13,558.87, 13,621.23, +52.46, (+0.34%)



Last	13,621.23
High Today	13,627.63
Low Today	13,558.87
Volume	M 123.762
First Support	13,500.00
Second Support	12,900.00
First Resistance	14,100.00
Second Resistance	14,800.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-4.83%
1 MONTH	-12.84%
1 QUARTER	-14.61%
1 YEAR	-1.47%
YTD	-9.31%

Analysis

Buyers are struggling big time to maintain prices above support. Yesterday's session looks good, especially that the market closed near its high. The weekly chart above shows that the EGX 30 index is testing an important support, which is 13,500. This is the congestion area where the market traded at during most of 2017, thus it should serve as a significant support. In addition to that, the 13,500 is the 38% re-tracement of the whole rise. It is important though, to watch buying power appearing at current levels before expecting a significant upward move, especially that global equities fell sharply yesterday.

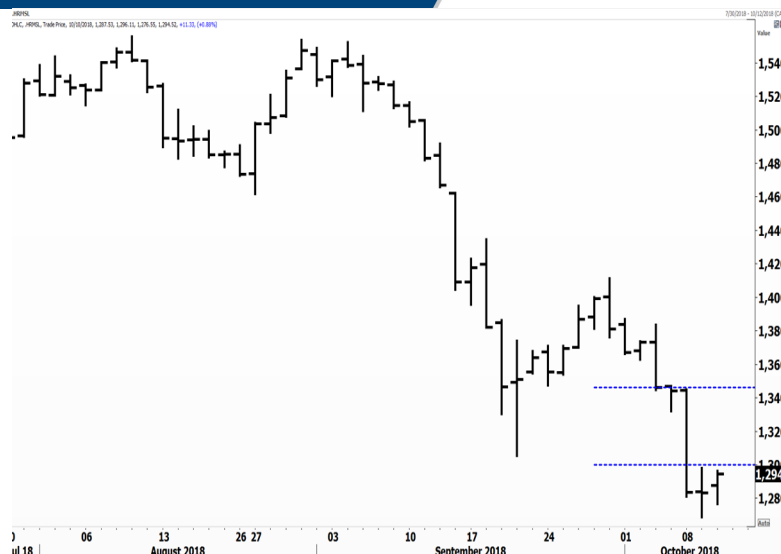
Those who want some confirmation can wait for a break above 14,100; such a breakout will lead the EGX 30 initially to 14,800, which will be a very important resistance to watch. A break above the latter level will be considered bullish for the market.

Hermes Last Index/ Daily Chart

Analysis



The Hermes Last Index closed near Tuesday's high, which is a preliminary positive signal for a potential market rebound. If we succeed to break this high, the index will head to the 1,345-1,350 range, which constitutes Monday's high. This is where there will be a big fight between bulls and bears. If the market succeeds to break this week's high, however, (by breaking Monday's high) this will be considered as an early signal of a breakout above the 14,800 on the EGX 30 index.

Thus, for now, our first important level to watch is 1,345, which coincides with 14,100 on the EGX 30 index.





Resistance

Support


- AMOC**  Broke 10.25 downwards, closing at 9.9 at the end of the session. Only a break back above 10.25 will give some hope to investors that a short-term rebound might occur. For now, we recommend avoiding the stock.
- PHDC**  Hit new lows after breaking below 2.15. PHDC is approaching a major support range, but it is still a clear underperformer and not recommended as a buy until it breaks 2.55 upwards. Before such a breakout, any action to buy will be surrounded by high risk.

Testing

Support

- ZEOT**  It is important to watch the 1.15 level as any violation below it will be considered bearish for the stock. ZEOT is testing its important support and should witness, at least, a short-term rebound. We do not recommend stepping in though because of the stock's underperformance.
- AMER**  Approaching once again its important support that lies at 0.17. Only a clear and confirmed break above 0.2 will trigger a short-term buy signal, as long as AMER is trading below this level, we do not recommend it.

Resistance

- EGAL**  We have mentioned EGAL in our last "Weekly Overview" as one of the stocks that want to improve in their performance. A break above 36 will trigger a buy signal with a target at 41. We recommend stepping in at the breakout.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	81.00	80.00	77.00	84.00	86.25	↔	Hold	80.00
EAST.CA	EASTERN CO	15.98	15.00	13.50	18.00	19.80	↓	P.SELL	19.80
SWDY.CA	ELSWEDY ELECTRIC	14.45	14.50 *	14.00	16.50	18.30	↓	P.SELL	18.30
TMGH.CA	TALAT MOSTAFA	10.41	9.90	9.50	11.40	12.30	↔	Hold	9.90
ABUK.CA	ABU QIR FRT&CHM	31.65	30.00	29.00	32.60	35.00	↔	Hold	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.12	\$1.11	\$1.08	\$1.17	\$1.23	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	15.34	15.00	14.00	16.00	18.00	↔	Hold	15.00
GTHE.CA	GLOBAL TELECO	3.05	3.00	2.90	3.50	3.90	↓	P.SELL	3.50
AMOC.CA	ALX MINERAL OILS	9.90	9.80	9.00	10.80	11.40	↔	Hold	10.80
MNHD.CA	MEDINET NASR HOU	6.73	6.50	5.50	7.90	9.15	↓	P.SELL	7.90
SKPC.CA	SIDI KERIR PETRC	22.60	21.40	20.50	23.50	26.00	↓	P.SELL	23.50
OCDI.CA	6TH OCT DEV INV	19.80	18.75	17.50	22.20	23.30	↔	Hold	18.75
JUFO.CA	JUHAYNA FOOD IND	9.00	8.70	7.70	10.85	11.50	↓	P.SELL	10.85
ESRS.CA	EZZ STEEL	20.40	19.25	18.50	21.50	24.00	↓	P.SELL	24.00
ETEL.CA	TELECOM EGYPT	10.70	10.25	9.55	11.90	13.20	↓	P.SELL	11.90
CCAP.CA	CITADEL CAPITAL	3.14	2.95	2.60	3.45	3.75	↔	Hold	2.95
QNBA.CA	QNB ALAHLI	42.50	40.00	38.00	50.00	54.50	↓	P.SELL	54.50
PHDC.CA	PALM HILL DEV CO	2.07	2.15 *	1.80	2.55	2.90	↓	P.SELL	2.55
ORAS.CA	ORASCOM CONST	113.00	106.00	94.00	122.00	138.00	↓	P.SELL	138.00
HELI.CA	Misr Gedida Hou	20.82	19.90	18.00	23.50	25.00	↓	P.SELL	23.50
EFID.CA	EDITA FOOD INDS	0.00	14.50	13.50	19.00	21.50	↔	Hold	17.50
ISPH.CA	IBNSINA PHARMA	8.28	8.00	7.50	9.60	10.10	↔	Hold	8.90
EMFD.CA	EMAAR MISR DEV	3.26	2.90	2.50	3.70	3.90	↓	P.SELL	3.70
PIOH.CA	PIONEERS HLDG	5.83	5.40	5.00	6.50	7.00	↓	P.SELL	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.54	0.51	0.45	0.64	0.69	↓	P.SELL	0.64
EGAL.CA	EGYPT ALUMINIUM	35.28	32.50	31.00	35.80	39.20	↓	P.SELL	35.80
EGTS.CA	EGYPTIAN RESORTS	1.83	1.68	1.42	1.96	2.03	↔	Hold	1.68
PORT.CA	PORTO GROUP	0.75	0.60	N.A	0.85	1.20	↓	P.SELL	0.85
IRON.CA	EGYPTIAN IR & ST	4.50	4.15	3.85	5.30	5.90	↓	P.SELL	5.30
ACGC.CA	ARAB COTTON GIN.	2.07	1.83	1.72	2.30	2.50	↓	P.SELL	2.30

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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Technical Analysis Department

Saleh Nasser

Chief Technical Strategist

Ahmed Hassan

Senior Technical Analyst

Dina Fahmy

Senior Technical Analyst

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.