

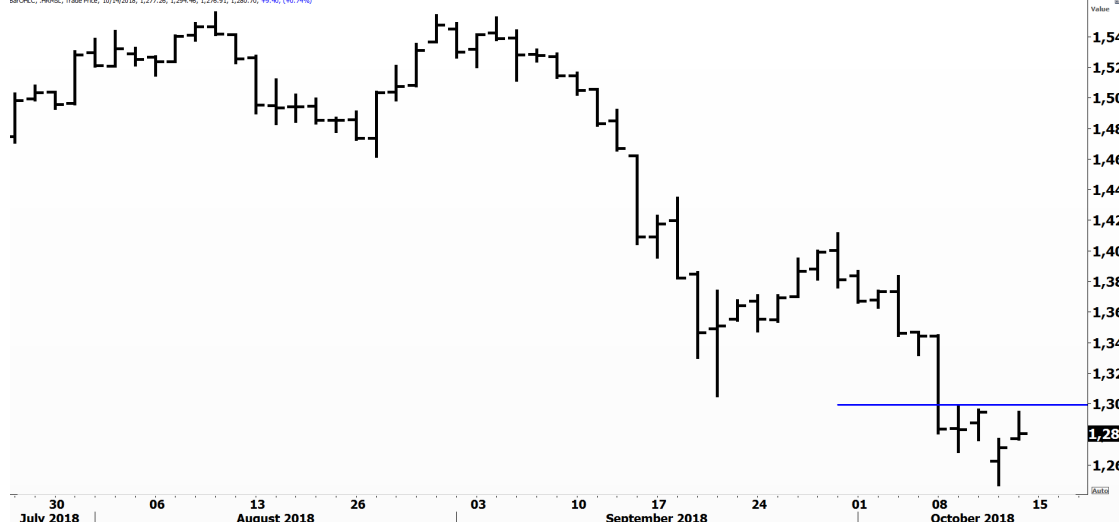


PIONEERSECURITIES

# TECH TO THE POINT

15-Oct-18

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

dly\_20181018  
 Bid/Ask: .HRMSL, Trade Price, 10/14/2018, 1,277.36, 1,294.46, 1,276.91, 1,280.70, +9.40, (+0.74%)


Last	1,280.70
High Today	1,294.46
Low Today	1,276.91
Volume	M 0.000
First Support	1,240.00
Second Support	1,170.00
First Resistance	1,300.00
Second Resistance	1,410.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-4.72%
1 MONTH	-12.70%
1 QUARTER	-16.43%
1 YEAR	-2.24%
YTD	-11.27%

## Analysis

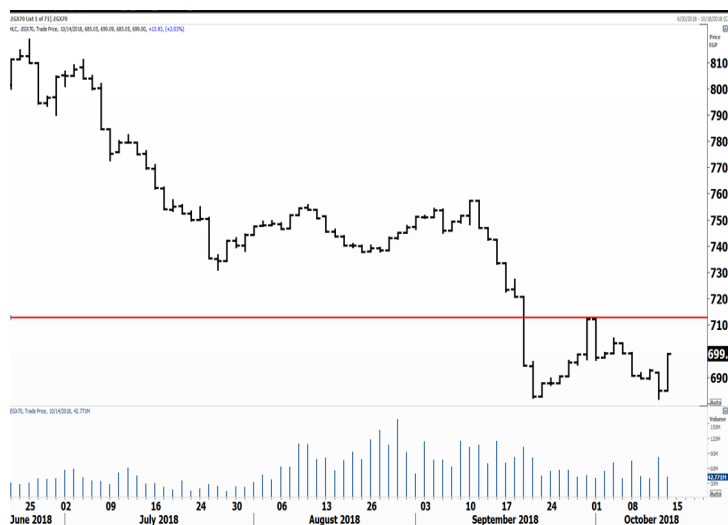
The market witnessed selling pressure yesterday as it was trying to break above 1,300 on the Hermes Last Index. The failure to break Wednesday's high is not a bearish sign yet, especially that selling pressure was not aggressive like before. In other words, we are still expecting a break above 1,300, such a break will lead the market to significantly higher levels.

Yesterday's session's market sentiment was mixed as many investors are still worried about the situation. This is also a sign that the current rise is still in its early stage. Thus, we should still reach higher targets.


## Egyptian Exchange Small Caps Index EGX70


### Analysis

The EGX 70 index is trying to rebound from its support level. The index closed at around 700 and is preparing itself to challenge its first peak that lies at 710. If the EGX 70 succeeds to break above 710, a short-term buy signal will be triggered with a target at around 750. Those who want to step in are recommended to wait for the breakout above 710.



## Resistance


**EGAL**  Closed at 37.84 after confirming the breakout above its resistance. EGAL looks strong and is expected to reach 42 as a minimum target. Those who are out of the stock are recommended to step in at intraday dips.


**ECAP**  The stock broke above 10.1 and closed at 10.2 at the end of the session. If ECAP continues trading above 10-10.1 today, with higher volumes, this breakout will be confirmed and a buy signal might be triggered. We believe that ECAP can retest 12.

## Support


## Testing

### Support

**IRON**  Rebounded from its support that lies at 4.1-4.15 and closed at around 4.4 at the end of yesterday's session. IRON is trying to maintain itself above its support. Those who already own positions should place their stop below 4.1. On the other hand, investors who want to buy are recommended to wait for more confirmation before stepping in. A break above 4.6 will be considered as the first preliminary confirmation.

**ALRA**  The 7.9 level is the support for ALRA. A rise from current levels might lead the stock to 10. We expect selling pressure to appear there. If, however, the 10-resistance level is broken upwards a new buy signal will be triggered.

### Resistance

**ISMA**  The stock is challenging its resistance that lies at 1.88. If a break above this level occurs, a short-term buy signal will be triggered with a target near 2.2. This stock only suits retail investors who are ready to take high risks.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	79.51	80 *	77.00	84.00	86.25	↔	Hold	80.00 *
EAST.CA	EASTERN CO	15.50	15.00	13.50	18.00	19.80	↓	P.SELL	19.80
SWDY.CA	ELSWEDY ELECTRIC	14.30	13.25	12.50	15.50	16.50	↓	P.SELL	16.50
TMGH.CA	TALAT MOSTAFA	10.23	9.90	9.50	11.40	12.30	↔	Hold	9.90
ABUK.CA	ABU QIR FRT&CHM	30.52	30.00	29.00	32.60	35.00	↔	Hold	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.13	\$1.11	\$1.08	\$1.17	\$1.23	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	15.20	15.00	14.00	16.00	18.00	↔	Hold	15.00
GTHE.CA	GLOBAL TELECO	2.84	2.65	2.20	3.50	3.90	↓	P.SELL	3.50
AMOC.CA	ALX MINERAL OILS	9.60	9.50	9.00	10.10	10.80	↔	Hold	10.80
MNHD.CA	MEDINET NASR HOU	7.15	6.50	5.50	7.90	9.15	↓	P.SELL	7.90
SKPC.CA	SIDI KERIR PETRC	22.62	21.40	20.50	23.50	26.00	↓	P.SELL	23.50
OCDI.CA	6TH OCT DEV INV	19.50	18.75	17.50	22.20	23.30	↔	Hold	18.75
JUFO.CA	JUHAYNA FOOD IND	8.62	8.70*	7.70	10.85	11.50	↓	P.SELL	10.85
ESRS.CA	EZZ STEEL	20.51	19.25	18.50	21.50	24.00	↓	P.SELL	24.00
ETEL.CA	TELECOM EGYPT	10.62	10.25	9.55	11.90	13.20	↓	P.SELL	11.90
CCAP.CA	CITADEL CAPITAL	3.11	2.95	2.60	3.45	3.75	↔	Hold	2.95
QNBA.CA	QNB ALAHLI	43.00	40.00	38.00	50.00	54.50	↓	P.SELL	54.50
PHDC.CA	PALM HILL DEV CO	2.12	1.96	1.80	2.35	2.55	↓	P.SELL	2.55
ORAS.CA	ORASCOM CONST	108.50	106.00	94.00	122.00	138.00	↓	P.SELL	138.00
HELI.CA	Misr Gedida Hou	21.28	19.90	18.00	23.50	25.00	↓	P.SELL	23.50
EFID.CA	EDITA FOOD INDS	13.78	13.00	12.20	17.00	19.00	↓	P.SELL	17.00
ISPH.CA	IBNSINA PHARMA	9.00	8.00	7.50	9.60	10.10	↔	Hold	8.90
EMFD.CA	EMAAR MISR DEV	3.36	2.90	2.50	3.70	3.90	↓	P.SELL	3.70
PIOH.CA	PIONEERS HLDG	5.76	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	37.85	32.50	31.00	39.20	42.00	↓	P.SELL	35.80
EGTS.CA	EGYPTIAN RESORTS	1.85	1.68	1.42	1.96	2.03	↔	Hold	1.68
PORT.CA	PORTO GROUP	0.72	0.60	N.A	0.85	1.20	↓	P.SELL	0.85
IRON.CA	EGYPTIAN IR & ST	4.38	4.15	3.85	5.30	5.90	↓	P.SELL	5.30
ACGC.CA	ARAB COTTON GIN.	2.06	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

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.