

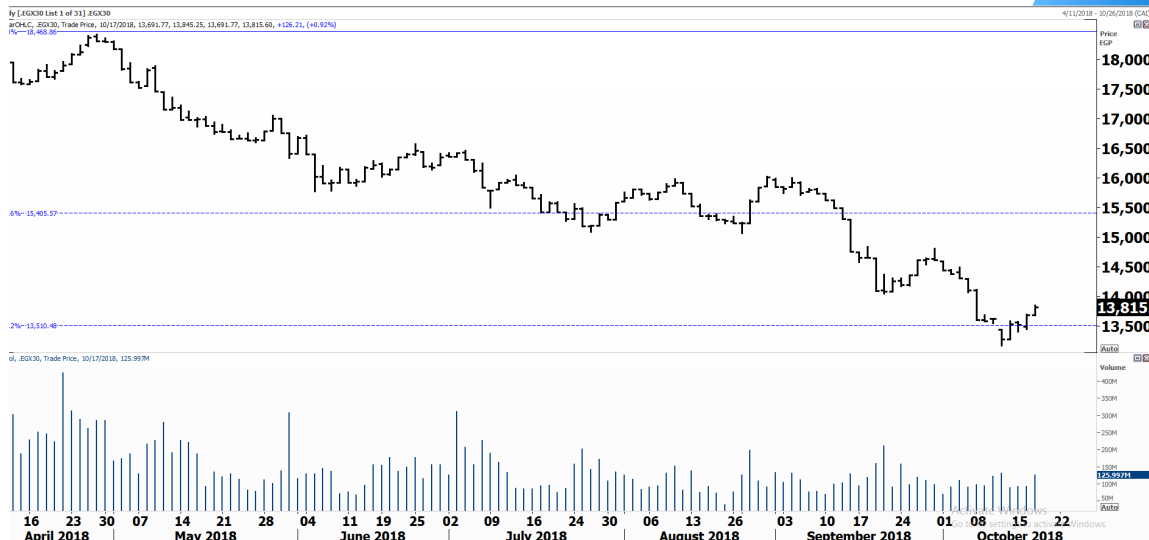


PIONEERSECURITIES

# TECH TO THE POINT

18-Oct-18

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



Last	13,815.60
High Today	13,845.25
Low Today	13,691.77
Volume	M 125.997
First Support	13,175.00
Second Support	12,900.00
First Resistance	14,000.00
Second Resistance	14,600.00
Stop Loss	

HISTORICAL RETURN %	
1 WEEK	1.43%
1 MONTH	-5.70%
1 QUARTER	-11.32%
1 YEAR	2.15%
YTD	-8.01%

## Analysis

Despite that sellers stepped in yesterday, we still expect the current short-term upward move to continue. As we mentioned yesterday, our first target lies at 14,000; we will monitor the market to see whether it will correct from 14,000 or not. It is important to note though that if a decline occurs from there, it will probably be short lived, as we believe that the EGX 30 can reach 14,800.

Sentiment is currently mixed; people are still worried about the current rise, especially that it is coupled with low volumes; this is obviously one of the drawbacks of the current rebound. If the current rise, however, begins to show more consistency we believe that volumes will begin to increase, which will add to the short-term positive view.

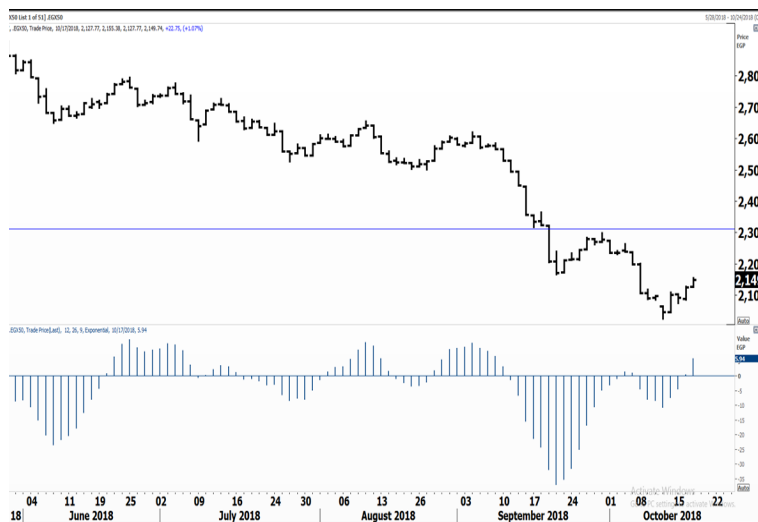
## Egyptian Exchange Equal Weights Index EGX50

### Analysis


Looking at the EGX 50 index we will note that the index witnessed a lower low, which was not confirmed by the MACD histogram which formed a positive divergence. The MACD histogram shows very preliminary strength, so we cannot rely fully on it. It shows, however, inner market strength.

Thus, the 2,300 is the current peak and needs to be broken upwards so we turn our view to a more bullish one. If the EGX 50 succeeds to break above 2,300, the next rise will be strong.

We expect the index to reach this level but we are not sure yet whether it will be able to break it upwards or not. Those who want to enter after clear confirmation can step in at the breakout.



## Resistance

**SDTI**  Sharm Dreams broke a minor resistance but witnessed very high volumes, which should be considered as an early signal of a potential breakout above 3.75. If SDTI breaks above the latter level, a clearer buy signal will be triggered with a target at around 4.4.

**MENA**  Broke above its broken bottom, and closed at 1.7 with relatively high volumes. The stock is expected to reach 1.88 initially. A break above this level will trigger a buy signal with a target at around 2.2.


## Support


No stocks broke their support yesterday.

## Testing

### Support

### Resistance

**EGTS**  The stock is trying to form a bullish formation so it breaks up sharply. Our first resistance to watch lies at 1.95. A successful break above this level will send EGTS to higher levels. We all know that the 2.05 constitutes the most recent peak. We believe, however, that a confirmed break above 1.95 will be an early signal of a potential breakout above 2.05.

**SWDY**  The stock reached a high of 15.24 near its first resistance that lies at 15.5. Those who want to step in are recommended to wait for a break above 15.5. A break above this level will lead SWDY near 18.

**RTVC**  We are ready to buy the stock as soon as it breaks 3.25 upwards. RTVC looks like it is preparing itself for a big rise. A breakout above 3.25 will trigger a buy signal and our target will be set at 4, followed by 4.5.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK	82.93	80.00	77.00	84.00	86.25	↔	Hold	80.00
EAST.CA	EASTERN CO	15.70	15.00	13.50	17.00	19.80	↓	P.SELL	19.80
SWDY.CA	ELSWEDY ELECTRIC	14.80	13.25	12.50	15.50	16.50	↓	P.SELL	16.50
TMGH.CA	TALAT MOSTAFA	10.34	9.90	9.50	10.50	11.40	↔	Hold	9.90
ABUK.CA	ABU QIR FRT&CHM	31.00	30.00	29.00	32.60	35.00	↔	Hold	29.00
EKHO.CA	EGYPT KUWAIT HLD	1.15	\$1.11	\$1.08	\$1.17	\$1.23	↔	Hold	\$1.08
HRHO.CA	EFG HERMES HOLD	15.17	15.00	14.00	16.00	18.00	↔	Hold	15.00
GTHE.CA	GLOBAL TELECO	2.89	2.65	2.20	3.50	3.90	↓	P.SELL	3.50
AMOC.CA	ALX MINERAL OILS	9.80	9.50	9.00	10.10	10.80	↔	Hold	10.80
MNHD.CA	MEDINET NASR HOU	7.83	7.60	7.15	8.40	9.15	↔	Hold	6.50
SKPC.CA	SIDI KERIR PETRC	22.41	21.40	20.50	23.50	26.00	↓	P.SELL	23.50
OCDI.CA	6TH OCT DEV INV	17.35	17.50 *	16.00	21.00	22.20	↓	P.SELL	21.00
JUFO.CA	JUHAYNA FOOD IND	9.11	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	10.70	10.25	9.55	11.90	13.20	↓	P.SELL	11.90
CCAP.CA	CITADEL CAPITAL	3.24	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	112.00	106.00	94.00	117.00	122.00	↓	P.SELL	122.00
HELI.CA	Misr Gedida Hou	21.50	19.90	18.00	23.50	25.00	↓	P.SELL	23.50
EFID.CA	EDITA FOOD INDS	14.00	13.00	12.20	17.00	19.00	↓	P.SELL	17.00
ISPH.CA	IBNSINA PHARMA	9.62	8.60	8.00	9.75	10.50	↔	Hold	8.00
EMFD.CA	EMAAR MISR DEV	3.23	3.20	2.90	3.45	3.70	↓	P.SELL	3.70
PIOH.CA	PIONEERS HLDG	5.74	5.40	5.00	6.50	7.00	↓	P.SELL	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING	0.57	0.51	0.45	0.60	0.64	↔	Hold	0.51
EGAL.CA	EGYPT ALUMINIUM	37.18	32.50	31.00	39.20	42.00	↔	Hold	32.50
EGTS.CA	EGYPTIAN RESORTS	1.94	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	4.66	4.15	3.85	5.30	5.90	↓	P.SELL	5.30
ACGC.CA	ARAB COTTON GIN.	2.14	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.