

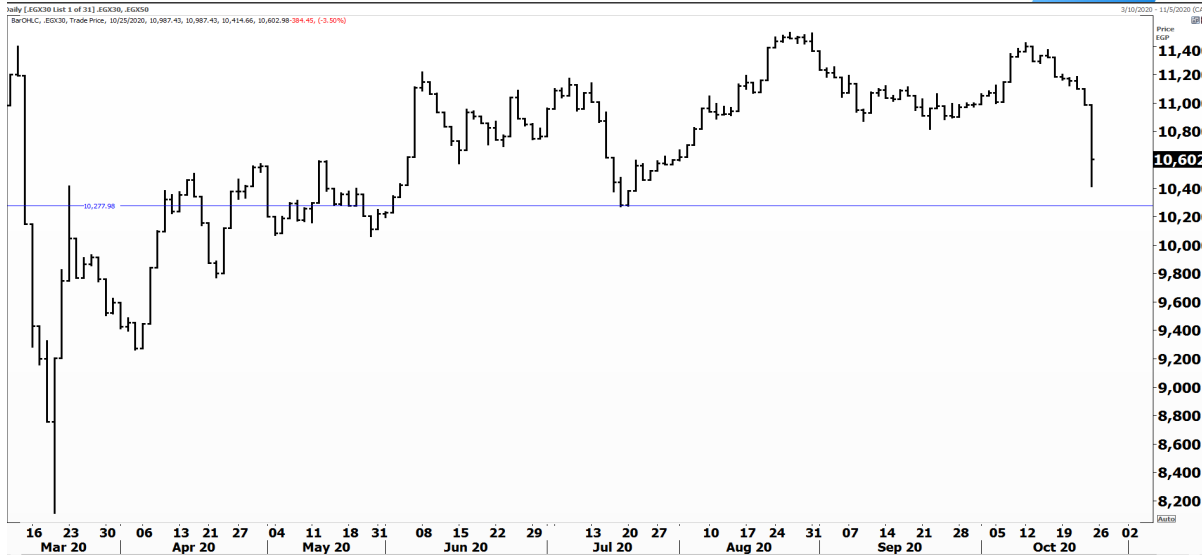


PIONEERSECURITIES

# TECH TO THE POINT

26-Oct-2020

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



Last	10,602.98
High Today	10,987.43
Low Today	10,414.66
Volume	M 113.942
First Support	10,800.00*
Second Support	10,200.00
First Resistance	11,100.00
Second Resistance	11,500.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	-5.20%
1 MONTH	-2.83%
1 QUARTER	0.75%
1 YEAR	-25.37%
YTD	-24.06%

## Analysis

Because of what happened on Thursday, it was normal for the EGX 30 to break below 10,800, which took place in the early morning of Sunday's session. The EGX 30 reached a low of 10,400 (approaching its major support at 10,200) and rebounded to close above 10,600.

Those who were not able to sell at the 10,800 violation, are not in a bad situation because the market actually approached its next support and rebounded.

Now, we can look at the market and see whether it will be able to continue its rebound or not. In other words, are we going to break above 10,800 and consider this break as a bear trap or not? It is not easy to answer this question because of the current market volatility; but if the EGX 30 does not trade back above 10,800, we will recommend reducing exposure at this rebound.

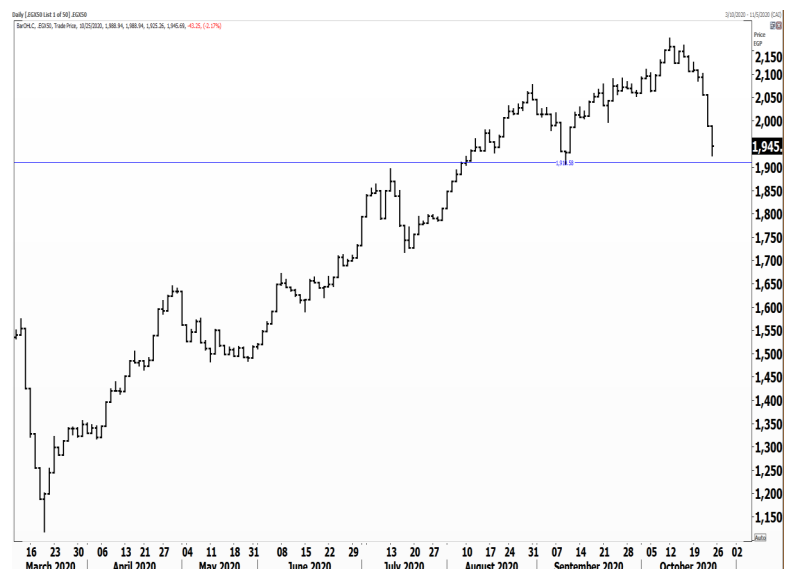
## Egyptian Exchange Equal Weight Index .EGX 50

### Analysis

The market strong selloff sent the EGX 50 near its important support that lies at 1,900. The index rebounded from this support but did not show clear strength yet.

If we break below 1,900, then this will be a signal that this market decline is real and not only a temporary reaction to CIB. If, however, we rebound and break above 2,000 once again, we will be considering this decline dead and will begin to look at upward levels.


Investors are now confused whether we are going to rise or fall. We do not always have the answer, especially during turbulent times, but if we have to answer, we will still go for the positive side of the coin.





## Resistance

No stocks broke their resistance yesterday

## Support


**AMOC**  Broke below 2.45 and closed at 2.38 at the end of the session. We recommend reducing exposure unless the stock breaks above 2.5. Those who sold can repurchase if this level is broken upwards.


**BTFH**  Closed at 2.5 after breaking below 2.65. The stock hit its stop so it should be sold at rebounds. Re-entry will be triggered at a clear break above 2.75.


**CCAP**  The stock broke a support and also approached its next support that lies at 1.3. We will monitor the performance of CCAP and see how it will act in the next few sessions.

## Testing

## Support

**COMI**  Despite that COMI broke below 66 and this is considered as a break of support, it reached 60 and rebounded, which is a stronger support. Thus COMI is now at support and rebounding. Those who have positions, however, are recommended to reduce as the stock approaches the 64-65 range until we see what will happen.

**HRHO**  The stock has support at 12.6; it is important to note that if HRHO breaks 12.6 it will be considered as a valid break as it comes after the panic day. On the other hand a rebound from here will trigger a buy signal. We are more biased to the bullish side.

**EMFD**  EMFD is trading near its major support area. The stock, however, has been witnessing higher lows lately. If this pattern continues; i.e. if EMFD rebounds from these levels, this will be considered as a positive signal for the stock.

## Resistance

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	62.00	60.3	58.5	66	68	↔	Hold	60.3
EAST.CA	EASTERN CO/d	11.98	11.50	10.85	12.40	13.00	↔	Hold	11.50
EKHO.CA	EGYPT KUWAIT H/d	1.04	\$1.04*	\$1.02	\$1.10	\$1.12	↔	Hold	\$1.04*
HRHO.CA	EFG HERMES HOL/d	12.90	12.65	12.00	13.55	14.10	↔	Hold	12.65
TMGH.CA	TALAT MOSTAFA/d	6.48	6	5.8	6.77	7	↔	Hold	5.80
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.90	4.70	4.53	5.15	5.22	↔	Hold	4.70
SWDY.CA	ELSWEDY ELECTR/d	7.51	7.00	6.7	7.7	8.2	↔	Hold	7
ETEL.CA	TELECOM EGYPT/d	12.00	11.80	11.40	12.60	13.00	↔	Hold	11.40
ISPH.CA	IBNSINA PHARMA	6.15	5.70	5.30	6.24	6.50	↓	P.Sell	6.50
CIRA.CA	CAIRO INVESTMENT & REAL ESTATE/d	14.90	14.00	13.30	16.00	17.00	↑	Hold	14.00
JUFO.CA	JUHAYNA FOOD I/d	6.74	6.2	5.5	7	7.6	↓	P.Sell	7
CIEB.CA	CREDIT AGRICOL/d	25.80	25.30	24.50	28.00	30.00	↔	Hold	24.50
OCDI.CA	6TH OCT DEV IN/d	12.12	11.50	10.96	13.00	14.00	↔	Hold	11.50
MNHD.CA	NASR CITY HOUS/d	3.78	3.60	3.45	4.10	4.50	↑	Hold	3.60
EFID.CA	EDITA /d	9.00	8.60	7.76	10.13	10.50	↔	Hold	8.90
HELI.CA	HELIOPOLIS/d	6.40	6.18	5.80	6.70	7.60	↑	Hold	6.18
ORWE.CA	ORIENTAL WEAVERS /d	5.90	5.77	5.55	6.44	6.62	↔	Hold	5.55
PHDC.CA	PALM HILL DEV /d	1.33	1.27	1.22	1.4	1.51	↔	Hold	1.22
CCAP.CA	CITADEL CAPITA/d	1.39	1.30	1.23	1.53	1.62	↔	Hold	1.30
SKPC.CA	SIDI KERIR PET/d	7.50	7.00	6.65	7.90	8.25	↔	Hold	7.00
AUTO.CA	AUTO GHABBOUR /d	2.77	2.65	2.55	3.12	3.25	↔	Hold	2.65
EMFD.CA	EMAAR MISR DEV/d	2.33	2.25	2.14	2.48	2.62	↔	Hold	2.20
ORHD.CA	ORASCOM EGYPT/d	3.65	3.44	3.27	3.82	4.18	↓	P.Sell	4.18
ESRS.CA	EZZ STEEL/d	6.75	6.50	6.20	7.40	8.25	↔	Hold	6.50
OIH.CA	ORASCOM INVESTMENT HOLDING /d	0.510	0.480	0.463	0.530	0.560	↔	Hold	0.480
EXPA.CA	EXPORT DEVELOPMENT BANK /d	13.000	12.850	12.500	14.000	14.400	↑	Hold	12.500
IRON.CA	EGYPTAIN IRON & STEEL /d	2.86	2.90*	2.35	3.40	3.60	↔	Hold	2.90
DSCW.CA	DICE SPORT AND CASUAL WEAR /d	1.410	1.350	1.240	1.530	1.650	↔	Hold	1.240
BTFH.CA	BELTONE FINANCIAL HOLDING /d	2.500	2.300	2.000	2.650	2.900	↔	Hold	2.900

## 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).

## 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.