

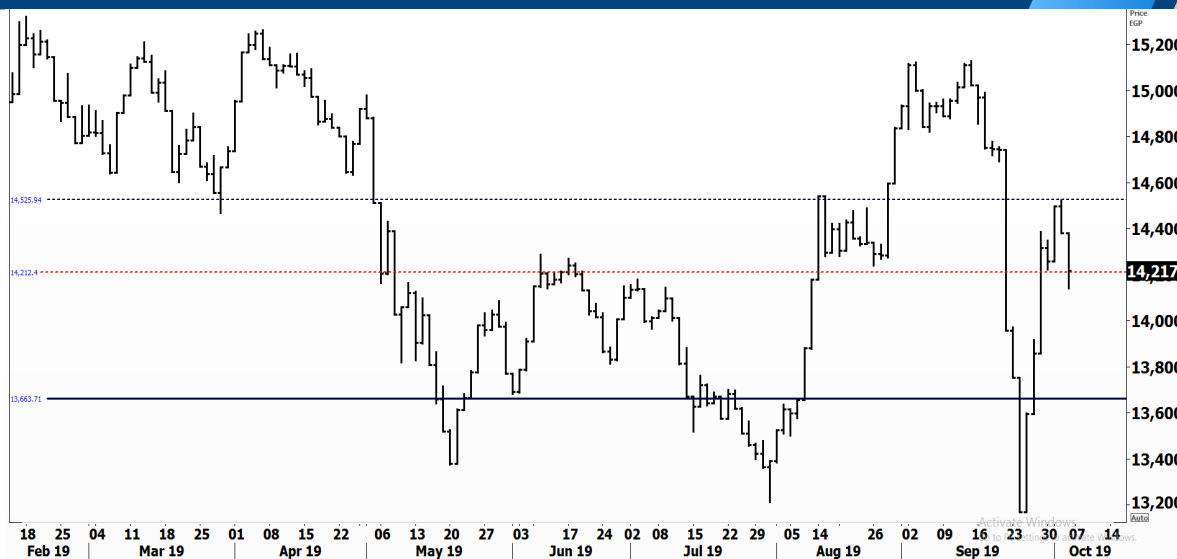


PIONEERSECURITIES

# TECH TO THE POINT

7-Oct-19

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



Last	14,217.81
High Today	14,381.15
Low Today	14,140.09
Volume M	140.584
First Support	14,200.00
Second Support	14,000.00
First Resistance	14,550.00
Second Resistance	14,800.00
Stop Loss	14,200.00
HISTORICAL RETURN %	
1 WEEK	-0.28%
1 MONTH	-4.79%
1 QUARTER	1.24%
1 YEAR	0.80%
YTD	9.07%

## Analysis

The EGX 30 index witnessed an intraday break below 14,200 before rising by the second part of the session, closing above its stop. Thus, we are still not stopped out. Based on Thursday's action, the probability of a break above 14,500 is still high.

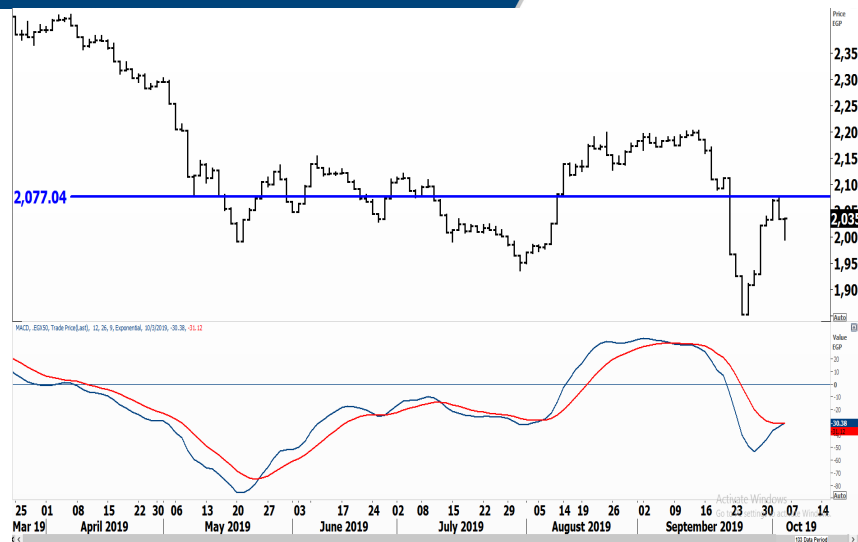
It is important to note that if we break above this level (14,500), buying power will be more aggressive, which will lead the market to 15,200-15,300, and probably break above this resistance range. For now, we need to see the index trading clearly above 14,200 to hold our positions and prepare ourselves to add at the 14,500 breakout.

## Egyptian Exchange Equals Weights Index EGX50

### Analysis

Those who are looking at the EGX 50 index for market breadth purposes, can feel safe at the 2,075-2,080 breakout. A break above this minor peak will be an early signal for a potential break above 2,200.

For now, we can buy at the 2,075 breakout and place our first target at 2,150-2,200. We expect the index to ultimately break above the latter range though.



## Resistance

**EFIC** 

Broke 10.35 upwards and closed at 10.77 at the end of the session. Next resistance lies at 11.6. Those who want to buy after confirmation can wait for the breakout. We are bullish on EFIC.

## Support

No stocks broke their support yesterday

## Testing

### Support

**OIH** 

Filled its gap and rebounded. This is a classical test of support, and it feels good when the stock respects its gaps. Those who want to buy after confirmation are recommended to enter at the 0.588 breakout. This will lead the stock to 0.65.

**EGAL** 

Tested support and rose sharply to close at 13.22. We expect EGAL to reach 15.2 before any correction occurs.

### Resistance

**ESRS** 

If ESRS breaks above 11.4 it will most probably break 12. Thus, we can enter at the 11.4 breakout and place our target near 15-16. Those who did not buy yet still have a chance to join the bulls.

**ECAP** 

The 18.5-18.7 range is a major resistance for ECAP. The stock has been a clear outperformer since a long time and still expected to continue its outperformance. A break above resistance will trigger a new buy signal with a target near 22.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	79.60	77.00	74.00	80.00	83.00	↔	Hold	80.00
EAST.CA	EASTERN CO/d	16.40	16.40 *	15.90	17.40	17.80	↔	Hold	16.40 *
SWDY.CA	ELSWEDY ELECTR/d	12.90	12.60	11.92	13.75	15.17	↔	Hold	13.75
TMGH.CA	TALAT MOSTAFA/d	10.09	9.70	9.30	10.75	11.15	↔	Hold	11.15
SKPC.CA	SIDI KERIR PET/d	9.22	8.90	8.00	9.60	10.85	↔	Hold	9.60
EKHO.CA	EGYPT KUWAIT H/d	1.43	1.37 \$	1.29 \$	1.44 \$	1.52 \$	↔	Hold	1.44
HRHO.CA	EFG HERMES HOL/d	18.70	18.75 *	17.50	19.70	20.60	↔	Hold	19.50
ORAS.CA	ORASCOM CONST/d	104.00	100.00	95.00	111.00	117.00	↔	Hold	111.00
AMOC.CA	ALX MINERAL OI/d	4.20	3.96	3.60	4.35	4.70	↔	Hold	4.35
MNHD.CA	NASR CITY HOUS/d	4.65	4.40	4.00	4.65	5.05	↓	P.SELL	4.65
CIRA.CA	Cairo Investment & Real Estate	12.79	12.70	11.50	13.50	15.00	↑	Hold	11.50
OCDI.CA	6TH OCT DEV IN/d	15.29	14.80	14.25	15.90	16.50	↔	Hold	15.90
JUFO.CA	JUHAYNA FOOD I/d	8.61	8.00	7.70	10.00	11.00	↔	Hold	10.00
ESRS.CA	EZZ STEEL/d	11.25	9.60	8.70	11.44	11.90	↔	Hold	8.70
ETEL.CA	TELECOM EGYPT/d	11.78	11.20	10.84	12.50	12.90	↓	P.SELL	12.50
CCAP.CA	CITADEL CAPITA/d	2.52	2.30	2.12	2.60	2.75	↔	Hold	2.60
ISPH.CA	IBNSINA PHARMA	9.80	9.30	8.80	10.50	11.15	↔	Hold	10.50
PHDC.CA	PALM HILL DEV /d	2.09	2.06	1.90	2.25	2.43	↓	P.SELL	2.25
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	6.35	5.90	5.55	6.60	7.06	↔	P.Buy	5.90
HELI.CA	HELIOPOLIS/d	26.50	23.99	21.80	26.70	28.10	↔	Hold	26.70
CIEB.CA	CREDIT AGRICOL/d	42.75	40.00	38.00	43.00	45.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.36	4.90	4.40	5.55	5.80	↔	Hold	5.55
EMFD.CA	EMAAR MISR DEV/d	3.10	2.90	2.70	3.23	3.45	↔	Hold	3.23
OIH.CA	ORASCOM INVESTMENT HOLDING	0.57	0.54	0.50	0.60	0.64	↓	P.SELL	0.60
ORHD.CA	ORASCOM EGYPT/d	6.79	6.53	5.95	6.88	7.30	↔	Hold	6.88
EGTS.CA	EGYPTIAN RESOR/d	2.71	2.70	2.55	3.04	3.25	↔	Hold	2.55
ORWE.CA	ORIENTAL WEAVE/d	10.28	10.00	9.50	11.09	11.34	↔	Hold	9.50
IRON.CA	EGYPTIAN IR & /d	2.84	2.51	2.15	2.89	3.10	↔	Hold	2.89
ADIB.CA	ABU DHABI/d	12.62	12.55	11.50	13.33	14.50	↔	Hold	13.33

## 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.