

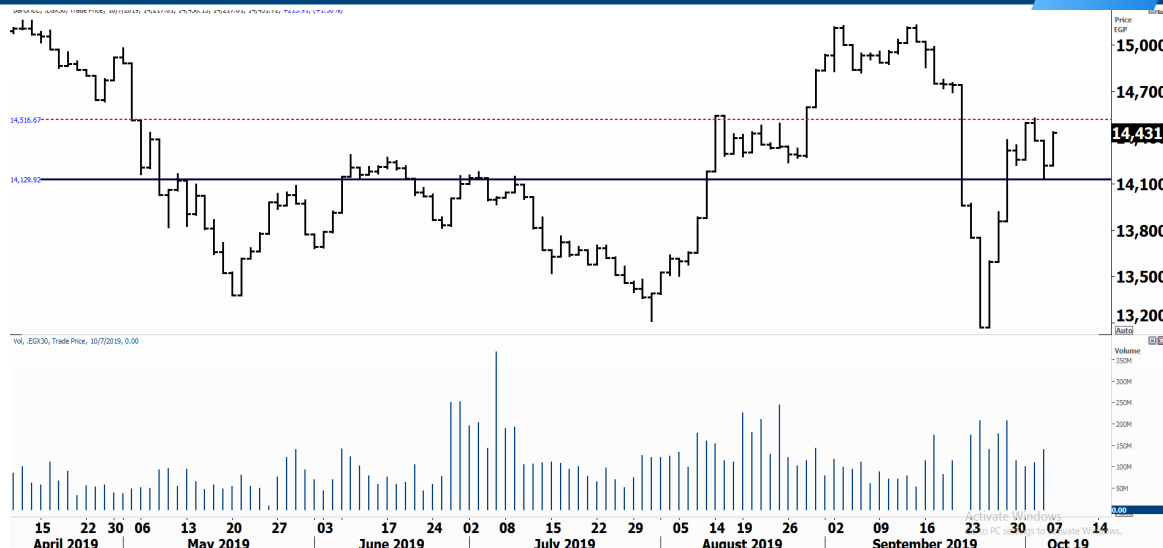


PIONEERSECURITIES

# TECH TO THE POINT

8-Oct-19

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



|                   |           |
|-------------------|-----------|
| Last              | 14,431.72 |
| High Today        | 14,436.15 |
| Low Today         | 14,217.81 |
| Volume M          | 130.310   |
| First Support     | 14,130.00 |
| Second Support    | 14,000.00 |
| First Resistance  | 14,550.00 |
| Second Resistance | 14,800.00 |
| Stop Loss         | 14,130.00 |

## HISTORICAL RETURN %

|           |        |
|-----------|--------|
| 1 WEEK    | 1.22%  |
| 1 MONTH   | -3.36% |
| 1 QUARTER | 2.77%  |
| 1 YEAR    | 2.32%  |
| YTD       | 10.71% |

## Analysis

The EGX 30 index closed at 14,431 yesterday, approaching its resistance that lies at 14,500. As we know, a break above 14,500 is very important before taking a new buying action. On the other hand, our stop, which was placed below 14,200, can be altered to be 14,130 after Thursday's decline. In other words, we will hold positions as long as the index is trading above 14,130. This stop will obviously be altered upwards as the market rises.

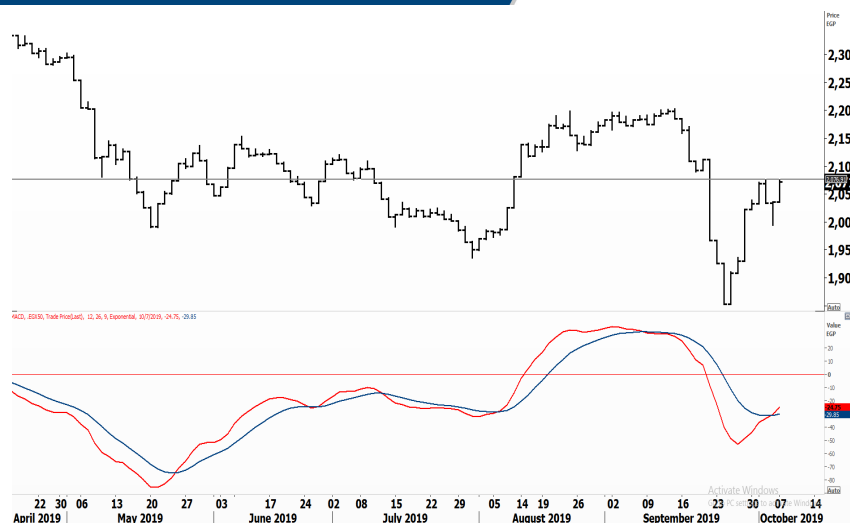
Those who are not heavily invested are recommended to wait for a break above 14,500 before taking a new buy action as our target will then be set near 15,200.

## Egyptian Exchange Equals Weights Index EGX50


## Analysis


The EGX 50 index breakout above 2,080, if confirmed, will be bullish for the market as it will be a signal that more stocks are rising with the market. Our stop is still placed below 2,000.

Those who want to enter the market can use the 2,080 as their entry level. A break above it, along with the EGX 30 index breakout will lead to a strong rise.



## Resistance

**ESRS**  Broke both its 11.45 and 12 resistance levels upwards, closing at 12.8. The 11.25-11.9 area is a significant gap that should serve as support. Any intraday declines that approach this area should be used as a chance to step in. Our target remains as it is near 15-16.

**ABUK**  Broke 21.5 upwards and closed clearly above it at 22.81. It is important to note though that the 23.6 level is expected to serve as resistance. A break above it, however, will trigger a new buy signal.

## Support


No stocks broke their support yesterday


## Testing

### Support

**AUTO**  The 3.35 level is expected to serve as support. We do not recommend, however, stepping in unless a clear rebound occurs. Actually, we prefer to wait for a confirmed breakout above 3.95 before buying.

### Resistance

**DSCW**  The stock is on its way to challenge its important resistance that lies at 1.8-1.85. Volumes improved lately and a breakout might occur soon. If this breakout is confirmed, we recommend stepping in with a target around 2.2.

**MFPC**  Those who want to take a preliminary action can buy at the break of 70. The 75 level is still serving as resistance, but investors can take action at the 70 breakout. We will turn bullish on the stock though, if the 75 level is broken upwards.

| Symbol  | S. Description                 | Last   | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/<br>Re-Entry |
|---------|--------------------------------|--------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK/d                  | 80.20  | 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               | 13.38  | 12.60     | 11.92     | 13.75        | 15.17        | ↔     | Hold           | 13.75                  |
| TMGH.CA | TALAT MOSTAFA/d                | 10.05  | 9.80      | 9.30      | 10.75        | 11.15        | ↔     | Hold           | 10.75                  |
| SKPC.CA | SIDI KERIR PET/d               | 9.18   | 8.70      | 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               | 18.62  | 18.25     | 17.50     | 19.70        | 20.60        | ↔     | Hold           | 19.70                  |
| ORAS.CA | ORASCOM CONST/d                | 102.06 | 100.00    | 95.00     | 111.00       | 117.00       | ↔     | Hold           | 111.00                 |
| AMOC.CA | ALX MINERAL OI/d               | 4.30   | 3.96      | 3.60      | 4.35         | 4.70         | ↔     | Hold           | 4.35                   |
| MNHD.CA | NASR CITY HOUS/d               | 4.60   | 4.40      | 4.00      | 4.65         | 5.05         | ↓     | P.SELL         | 4.65                   |
| CIRA.CA | Cairo Investment & Real Estate | 13.00  | 12.70     | 11.50     | 13.50        | 15.00        | ↑     | Hold           | 11.50                  |
| OCDI.CA | 6TH OCT DEV IN/d               | 15.30  | 14.80     | 14.25     | 15.90        | 16.50        | ↔     | Hold           | 15.90                  |
| JUFO.CA | JUHAYNA FOOD I/d               | 8.42   | 8.00      | 7.70      | 10.00        | 11.00        | ↔     | Hold           | 10.00                  |
| ESRS.CA | EZZ STEEL/d                    | 12.80  | 11.25     | 10.00     | 13.55        | 15.50        | ↔     | P.Buy          | 11.25                  |
| ETEL.CA | TELECOM EGYPT/d                | 11.91  | 11.60     | 11.20     | 12.30        | 12.90        | ↔     | Hold           | 12.30                  |
| CCAP.CA | CITADEL CAPITA/d               | 2.50   | 2.30      | 2.12      | 2.60         | 2.75         | ↔     | Hold           | 2.60                   |
| ISPH.CA | IBNSINA PHARMA                 | 9.92   | 9.30      | 8.80      | 10.50        | 11.15        | ↔     | Hold           | 10.50                  |
| PHDC.CA | PALM HILL DEV /d               | 2.07   | 2.06      | 1.90      | 2.20         | 2.43         | ↔     | Hold           | 2.20                   |
| CLHO.CA | CLEOPATRA HOSPITAL COMPANY     | 6.16   | 5.90      | 5.55      | 6.60         | 7.06         | ↔     | P.Buy          | 5.90                   |
| HELI.CA | HELIOPOLIS/d                   | 26.78  | 25.50     | 24.40     | 27.55        | 29.20        | ↔     | Hold           | 26.70                  |
| CIEB.CA | CREDIT AGRICOL/d               | 43.00  | 40.00     | 38.00     | 43.00        | 45.00        | ↔     | Hold           | 40.00                  |
| EGCH.CA | EGYPT CHEM IND/d               | 5.32   | 4.90      | 4.40      | 5.55         | 5.80         | ↔     | Hold           | 5.55                   |
| EMFD.CA | EMAAR MISR DEV/d               | 3.14   | 2.94      | 2.70      | 3.23         | 3.45         | ↔     | Hold           | 3.23                   |
| OIH.CA  | ORASCOM INVESTMENT HOLDING     | 0.58   | 0.54      | 0.50      | 0.60         | 0.64         | ↓     | P.SELL         | 0.60                   |
| ORHD.CA | ORASCOM EGYPT/d                | 6.78   | 6.45      | 5.95      | 6.88         | 7.30         | ↔     | Hold           | 6.88                   |
| EGTS.CA | EGYPTIAN RESOR/d               | 2.69   | 2.68      | 2.55      | 3.04         | 3.25         | ↔     | Hold           | 2.55                   |
| ORWE.CA | ORIENTAL WEAVE/d               | 10.34  | 10.00     | 9.50      | 11.09        | 11.34        | ↔     | Hold           | 9.50                   |
| IRON.CA | EGYPTIAN IR & /d               | 2.90   | 2.51      | 2.15      | 2.89*        | 3.10         | ↔     | Hold           | 2.89*                  |
| ADIB.CA | ABU DHABI/d                    | 12.90  | 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).

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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.