

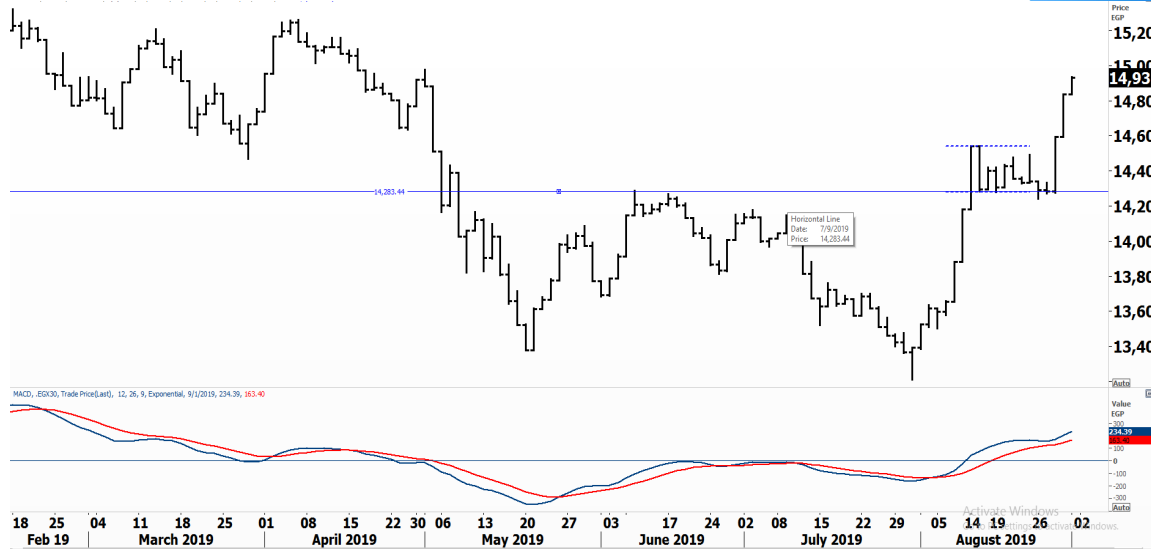


PIONEERSECURITIES

TECH TO THE POINT

2-Sep-19

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



| | |
|---------------------|-----------|
| Last | 14,931.66 |
| High Today | 14,936.16 |
| Low Today | 14,835.36 |
| Volume | M 143.242 |
| First Support | 14,500.00 |
| Second Support | 14,280.00 |
| First Resistance | 15,000.00 |
| Second Resistance | 15,300.00 |
| Stop Loss | |
| HISTORICAL RETURN % | |
| 1 WEEK | 4.12% |
| 1 MONTH | 10.40% |
| 1 QUARTER | 9.07% |
| 1 YEAR | -6.73% |
| YTD | 14.55% |

Analysis

The market continued its rise yesterday despite Thursday's selling pressure; as we mentioned in our weekly overview, any market decline is a chance to step in. Thus, we should capitalize on market dips.

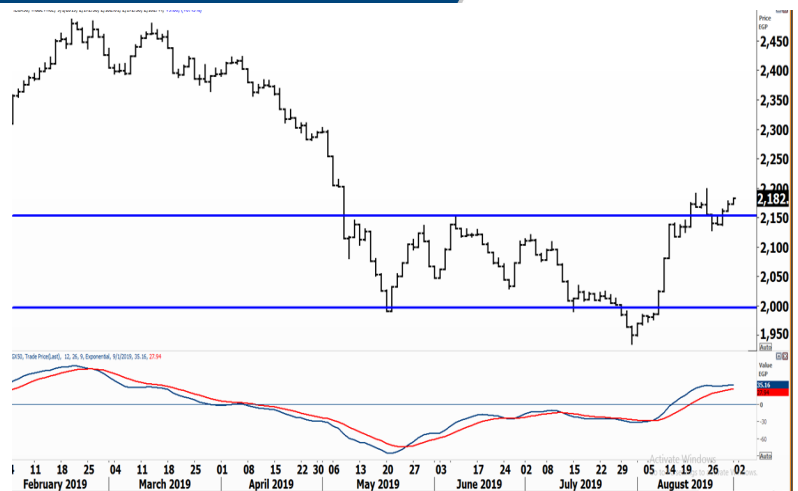
The EGX 30 index closed at 14,930 and is approaching our 15,000-15,200 area. We know that this is the current resistance. We will be monitoring closely how the market will react as we approach this resistance range; we might see a correction from there, but, as we mentioned before, we are expecting a breakout above 15,200 before the end of the year.

Egyptian Exchange Equals Weights Index EGX50


Analysis


As we can see from the chart, the EGX 50 index confirmed its breakout above 2,150. The index, however, is relatively underperforming the EGX 30. This means that blue chips are still controlling the situation. We know that market breadth is getting much better than before, but blue chips are still the outperformers.


A break above 2,200 will be considered as a new entry signal for the index; probably a breakout above this level will be accompanied by a break above 15,000 on the EGX 30.



Resistance

AFDI  Broke 6.45 with very high volumes and closed at 6.83 at the end of the session. Our first target lies at 7.5. Those who want to buy at this breakout are recommended to place their stop below Thursday's low.

ASCM  Very nice break above 8.3; the breakout looks classical and prices are not overextended yet. We recommend stepping in with a target at 10. ASCM is preparing itself for a neat rise.

EGTS  Broke again above 3.07 and closed above it. It is important to note though, that the 3.2-3.25 is an old resistance (2009-2010). It is an old peak that might not be as significant as more recent peaks but can be put into account. In all cases, we are expecting EGTS to reach 4 initially.


Support


No stocks broke their support levels.

Testing

Support

Resistance

OCDI  The 17.5-18 area is the current resistance for OCDI. A breakout above this area will be of major magnitude and our target will be set at mid twenties.

AUTO  Trading near its resistance that lies at 4.5. Those who want to buy are recommended to wait for a break above this level. If we break 4.5, our target will be set near 5.5.

| Symbol | S. Description | Last | Support 1 | Support 2 | Resistance 1 | Resistance 2 | Trend | Recommendation | Stop Loss/ Re-Entry |
|---------|--------------------------------|-------|-----------|-----------|--------------|--------------|-------|----------------|------------------------|
| COMI.CA | COM INTL BK/d | 81.00 | 75.00 | 73.00 | 79.00 | 80.50 | ↑ | P.Buy | 75.00 |
| EAST.CA | EASTERN CO/d | 15.33 | 15.15 | 14.60 | 16.00 | 16.70 | ↔ | Hold | 15.15 |
| SWDY.CA | ELSWEDY ELECTR/d | 14.05 | 13.50 | 12.50 | 14.60 | 15.08 | ↔ | Hold | 12.50 |
| TMGH.CA | TALAT MOSTAFA/d | 11.65 | 10.90 | 10.50 | 11.65 * | 11.90 | ↔ | Hold | 10.90 |
| SKPC.CA | SIDI KERIR PET/d | 10.11 | 9.50 | 9.10 | 10.50 | 11.50 | ↔ | Hold | 8.85 |
| EKHO.CA | EGYPT KUWAIT H/d | 1.42 | 1.35 \$ | 1.30 \$ | 1.46 \$ | 1.48 \$ | ↑ | P.Buy | 1.30 |
| HRHO.CA | EFG HERMES HOL/d | 20.15 | 19.00 | 17.60 | 20.00 * | 20.60 | ↑ | Hold | 17.60 |
| ORAS.CA | ORASCOM CONST/d | 94.01 | 91.00 | 87.00 | 101.00 | 107.00 | ↔ | Hold | 87.00 |
| AMOC.CA | ALX MINERAL OI/d | 4.47 | 4.14 | 3.90 | 4.68 | 5.00 | ↔ | Hold | 3.90 |
| MNHD.CA | MEDINET NASR H/d | 5.44 | 5.11 | 4.90 | 5.44 * | 5.65 | ↔ | Hold | 4.90 |
| CIRA.CA | Cairo Investment & Real Estate | 12.00 | 11.25 | 10.50 | 12.50 | 13.00 | ↑ | Hold | 11.25 |
| OCDI.CA | 6TH OCT DEV IN/d | 17.30 | 15.70 | 14.70 | 17.60 | 18.00 | ↑ | Hold | 15.70 |
| JUFO.CA | JUHAYNA FOOD I/d | 9.80 | 9.00 | 8.50 | 10.50 | 11.20 | ↓ | P.SELL | 11.20 |
| ESRS.CA | EZZ STEEL/d | 11.27 | 9.95 | 8.60 | 11.90 | 12.50 | ↔ | Hold | 9.95 |
| ETEL.CA | TELECOM EGYPT/d | 13.35 | 13.00 | 12.44 | 14.00 | 14.90 | ↔ | Hold | 13.00 |
| CCAP.CA | CITADEL CAPITA/d | 2.66 | 2.55 | 2.30 | 2.95 | 3.20 | ↓ | P.SELL | 2.55 |
| ISPH.CA | IBNSINA PHARMA | 10.13 | 9.85 | 9.00 | 11.00 | 12.00 | ↔ | Hold | 9.70 |
| PHDC.CA | PALM HILL DEV /d | 2.34 | 2.27 | 2.14 | 2.49 | 2.65 | ↔ | Hold | 2.27 |
| CLHO.CA | CLEOPATRA HOSPITAL COMPANY | 6.23 | 6.20 | 5.80 | 6.70 | 7.00 | ↔ | Hold | 5.80 |
| HELI.CA | Misr Gedida Ho/d | 28.98 | 26.15 | 25.00 | 31.50 | 32.80 | ↑ | Hold | 25.00 |
| CIEB.CA | CREDIT AGRICOL/d | 45.00 | 42.00 | 40.00 | 48.00 | 53.00 | ↔ | Hold | 40.00 |
| EGCH.CA | EGYPT CHEM IND/d | 6.03 | 5.70 | 5.45 | 6.40 | 6.80 | ↔ | Hold | 5.45 |
| EMFD.CA | EMAAR MISR DEV/d | 3.14 | 3.03 | 2.94 | 3.25 | 3.45 | ↔ | Hold | 3.03 |
| OIH.CA | ORASCOM INVESTMENT HOLDING | 0.71 | 0.66 | 0.63 | 0.72 | 0.74 | ↔ | Hold | 0.72 |
| ORHD.CA | ORASCOM DEV/d | 7.24 | 6.55 | 6.20 | 7.55 | 7.95 | ↔ | Hold | 6.55 |
| EGTS.CA | EGYPTIAN RESOR/d | 3.14 | 2.80 | 2.60 | 3.23 | 3.60 | ↑ | Hold | 2.80 |
| ORWE.CA | ORIENTAL WEAVE/d | 11.53 | 11.00 | 10.40 | 11.74 | 12.18 | ↑ | Hold | 11.00 |
| IRON.CA | EGYPTIAN IR & /d | 3.03 | 2.90 | 2.60 | 3.20 | 3.50 | ↔ | Hold | 3.20 |
| ADIB.CA | ABUDHABI ISLM /d | 13.78 | 12.40 | 11.67 | 14.00 | 15.70 | ↑ | P.Buy | 11.67 |

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.