



PIONEERSECURITIES

TECH TO THE POINT

23-Sep-19

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



Last	13,958.11
High Today	14,742.07
Low Today	13,958.11
Volume M	115.026
First Support	14,000.00 *
Second Support	13,650.00
First Resistance	14,300.00
Second Resistance	14,800.00
Stop Loss	

HISTORICAL RETURN %	
1 WEEK	-7.09%
1 MONTH	-2.62%
1 QUARTER	-0.42%
1 YEAR	-0.89%
YTD	7.08%

Analysis

The market crashed yesterday as almost all stocks closed at their limit down, in addition to another handful of stocks that closed worse than their limit down. The EGX 30 index closed below 14,000, breaking below our first target and reaching the second and more important target. The market might reach near 13,650-13,700 today if the decline continues for the second day. This, however, should lead to a market rebound that will lead the market back near early 14000s.

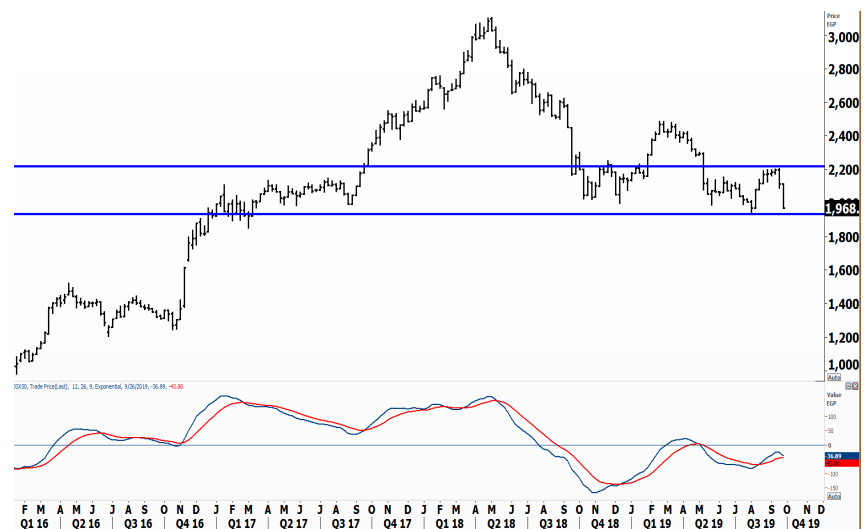
As we know, our stop was hit at the violation of 14,800 and we closed all our “stocks trade” positions few days ago. We were not expecting the decline to come that sharply, but we believe that a significant rebound should take place, especially if the decline continues today.

Egyptian Exchange Equals Weights Index EGX50

Analysis

The EGX 50 index is jeopardizing its important support that lies at 1,930. A break below this level will not be a good sign and will probably lead to more selling pressure.

On the other hand, only a rebound from here (or slightly below) will save the market from a renewed strong decline. In other words, if we do not rebound from current levels, the EGX 50 index will probably reach much lower levels.



Resistance

No stocks broke their resistance yesterday

Support

SKPC 

One of the stocks that surpassed its 10% limit down. The stock fell 11.5%, closing at 8.55 after breaking sharply below 9.5. Today the lows at 8.1 will probably be tested. We expect a rebound to occur from there. However, if the 8 is violated, this will be more bearish for the stock.

SWDY 

Violated 13.2 sharply, closing at 12.6 at the end of the session. We expect buying power to appear as the stock approaches 12. This will probably create a short-term trading opportunity. We do not recommend buying though until a rebound begins to appear.

CCAP 

Unfortunately, CCAP broke its low that lies at 2.28 and closed clearly below it. If the stock continues trading below this level, it will probably witness a renewed strong decline that might take it to lower levels.

ETEL 

Despite that the stock tried to maintain itself during the session, it was not able to sustain and broke down to close at 11.9, breaking 12.5 downwards. We expect the 12.5 level to serve as resistance should any rebound occurs. Selling rises is recommended.

Testing

Support

COMI 

The 76.5-77 range is the first support; we expect COMI, however, to approach 75 before its rebound. A decline near the latter level will probably invite buyers to step in. This will probably lead the stock back near 80-81.

ORHD 

Closed at its 10% limit down and approached 6.7, which is its current support. If ORHD breaks below support it will probably reach 6.2-6.3 where buying power will probably be stronger. In all cases, we will wait for a rebound before stepping in.

OIH 

The 0.574 level is an important support that should halt the decline. We expect a rebound from here. A break below this level, however, will be bearish as we will probably approach the lows once again.

PORT 

The stock fell yesterday almost 14% closing at 0.66 at the end of the session. Support lies at 0.64. We do not recommend buying unless a clear rebound occurs.

Resistance

No stocks are testing their 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	77.50	77.00	74.85	83.50	86.00	↔	Hold	77.00
EAST.CA	EASTERN CO/d	16.52	16.60 *	16.10	17.22	18.50	↑	Hold	16.10
SWDY.CA	ELSWEDY ELECTR/d	12.60	12.50	11.50	14.00	15.17	↓	P.SELL	15.17
TMGH.CA	TALAT MOSTAFA/d	10.04	9.75	8.70	11.15	11.80	↓	P.SELL	11.15
SKPC.CA	SIDI KERIR PET/d	8.55	8.20	7.75	10.85	11.75	↔	Hold	8.20
EKHO.CA	EGYPT KUWAIT H/d	1.35	1.28 \$	1.20 \$	1.48 \$	1.52 \$	↔	Hold	1.52
HRHO.CA	EFG HERMES HOL/d	17.98	17.50	16.85	19.50	20.60	↔	Hold	17.50
ORAS.CA	ORASCOM CONST/d	96.00	91.00	87.00	103.00	111.00	↔	Hold	91.00
AMOC.CA	ALX MINERAL OI/d	3.78	3.78 *	3.55	4.30	4.70	↔	Hold	3.55
MNHD.CA	MEDINET NASR H/d	4.52	4.60 *	411.00	5.05	5.40	↔	Hold	4.60 *
CIRA.CA	Cairo Investment & Real Estate	11.70	11.50	11.00	13.50	15.00	↔	Hold	11.50
OCDI.CA	6TH OCT DEV IN/d	14.50	14.60 *	13.65	16.00	17.35	↔	Hold	14.60 *
JUFO.CA	JUHAYNA FOOD I/d	8.18	8.50*	7.70	9.10	10.00	↓	P.SELL	10.00
ESRS.CA	EZZ STEEL/d	9.00	8.60	7.84	11.44	12.00	↓	P.SELL	12.55
ETEL.CA	TELECOM EGYPT/d	11.90	12 *	11.40	12.90	13.30	↓	P.SELL	12.90
CCAP.CA	CITADEL CAPITA/d	2.24	2.12	1.85	2.50	2.76	↓	P.SELL	2.76
ISPH.CA	IBNSINA PHARMA	9.71	9.90 *	9.00	11.40	12.00	↔	Hold	9.90*
PHDC.CA	PALM HILL DEV /d	1.97	1.94	1.80	2.20	2.43	↓	P.SELL	2.20
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	5.85	5.80	5.30	6.23	6.60	↔	Hold	5.80
HELI.CA	Misr Gedida Ho/d	23.69	23.85 *	22.25	26.70	27.50	↔	Hold	23.85
CIEB.CA	CREDIT AGRICOL/d	41.50	42.00 *	40.00	48.00	53.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.11	5.05	4.63	5.85	6.25	↓	P.SELL	5.85
EMFD.CA	EMAAR MISR DEV/d	2.80	2.50	2.38	3.00	3.45	↓	P.SELL	3.45
OIH.CA	ORASCOM INVESTMENT HOLDING	0.58	0.58 *	0.55	0.66	0.70	↓	P.SELL	0.66
ORHD.CA	ORASCOM DEV/d	6.76	6.70	6.20	7.60	8.00	↔	Hold	6.70
EGTS.CA	EGYPTIAN RESOR/d	2.70	2.55	2.40	2.85	3.04	↓	P.SELL	2.85
ORWE.CA	ORIENTAL WEAVE/d	9.91	10.00 *	9.27	11.00	11.34	↔	Hold	10.00 *
IRON.CA	EGYPTIAN IR & /d	2.52	2.58 *	2.20	2.89	3.17	↔	Hold	2.58 *
ADIB.CA	ABUDHABI ISLM /d	12.00	11.67	11.00	13.33	14.80	↓	P.SELL	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

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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.