

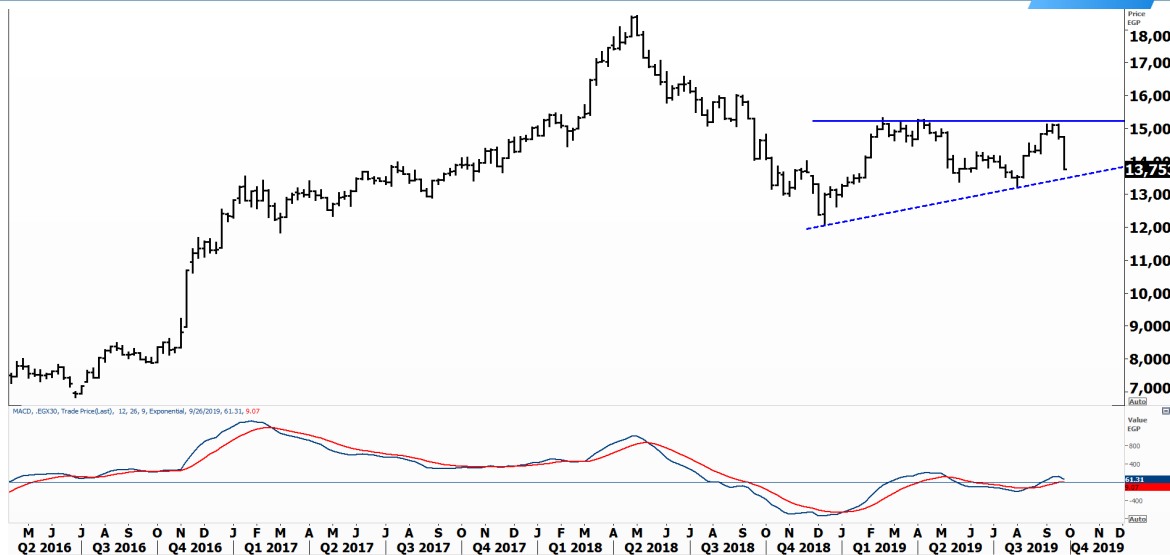


PIONEERSECURITIES

TECH TO THE POINT

24-Sep-19

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



Price	EGP	
18,000	Last	13,753.19
17,000	High Today	13,972.26
16,000	Low Today	13,753.19
15,000	Volume	M 173.836
14,000	First Support	13,650.00
13,000	Second Support	13,250.00
12,000	First Resistance	14,300.00
11,000	Second Resistance	14,800.00
10,000	Stop Loss	
9,000		
8,000		
7,000		
Value	EGP	
100		
0		
-100		
-200		
-300		
-400		
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-10000		

HISTORICAL RETURN %		
1 WEEK		-8.13%
1 MONTH		-4.05%
1 QUARTER		-0.82%
1 YEAR		-3.56%
YTD		5.50%

Analysis

The market continued its sharp decline yesterday, closing at its low. We were expecting a rebound to occur; unfortunately, this rebound was short-lived and was unable to sustain itself, probably due to the heavy margin trading positions that were closed.

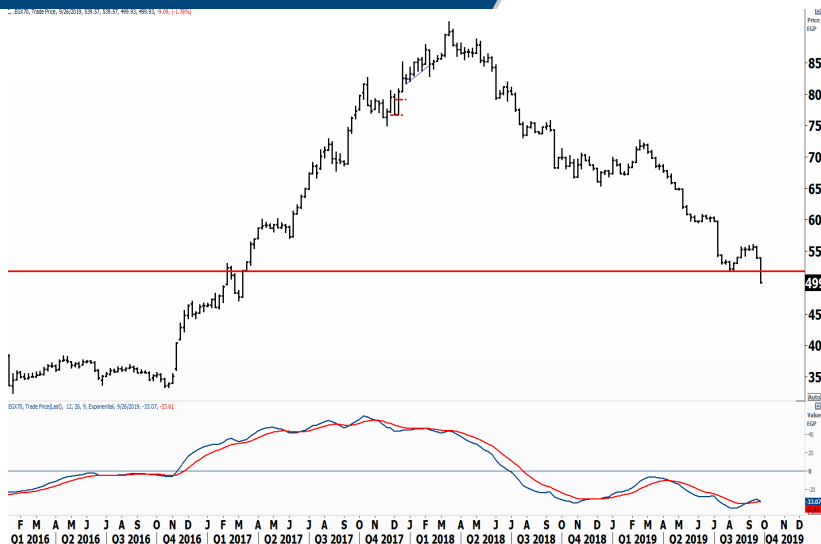
The 13,250 level is the weekly bottom that is very important to watch from a longer-term perspective; this means that our intermediate-term view will change if this level is violated. We do not expect such break though; classically, a rebound from current levels will be considered positive as it will confirm a bullish ascending triangle. We will not step in, however, until a clear rebound occurs.

Egyptian Exchange Small Caps Index EGX70

Analysis

The EGX 70 index is the index that shows smaller caps; its main problem is the way it is calculated as it is a price-weighted index; this is why we do not analyze it often. It is important, however, from time to time, to look at the index to see how small caps are moving, especially if the highest priced stocks do not move significantly.


The index broke below 520 which is a bottom that appears on the weekly chart. This break is considered significant if confirmed on a weekly basis. It is probable that the index moves back above 520 once again. This will be dependent on the overall market situation.





Resistance


No stocks broke their resistance yesterday

Support

PHDC  Violated its support that lies at 1.95 and closed at 1.81 at the end of the session. Our next target lies around 1.65; we will see whether buying power will step in at this major support or not. For now, we recommend to ignore the stock.


PORT  The stock panicked sharply yesterday, and closed at its limit down hitting new historical lows. This action is bearish for PORT and can lead to more decline. Those who still have positions are recommended to sell at this support breakdown.


MNHD  Broke sharply to the downside and closed clearly below 4.58. Next support lies around 3.8, but we believe that the 3.25 can be hit if the market does not witness a significant rebound.

TMGH  Closed at 9.47 after breaking its support to the downside. We expect the next support to appear at 8.7; this level will probably halt the current decline. We do not recommend buying, though, until a clear rebound occurs.

Testing

Support

SKPC  We still like SKPC despite the strong decline that occurred lately. SKPC should witness its rebound whether from current levels or from slightly below. One of the possible scenarios is a false break below support. This will confuse investors but will lead to a strong upward move afterwards. In all cases, we will wait on the sidelines and see how the stock will trade and act accordingly.

RTVC  The stock witnessed a sharp decline from 3.18 to 2.25 on only one week. Such a decline came after the 2.8 was broken to the upside; but the panic came quick and swift like the rest of the market. We are expecting the 2.2 level to act as support. A violation below this support will probably lead RTVC near 1.95.

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	75.00	74.85	73.00	80.00	83.00	↔	Hold	80.00
EAST.CA	EASTERN CO/d	17.49	16.40	15.90	17.80	18.50	↑	Hold	16.40
SWDY.CA	ELSWEDY ELECTR/d	12.26	11.50	10.35	13.20	14.40	↓	P.SELL	14.40
TMGH.CA	TALAT MOSTAFA/d	9.47	8.70	8.20	10.20	11.15	↓	P.SELL	11.15
SKPC.CA	SIDI KERIR PET/d	8.33	8.20	7.75	9.60	10.85	↔	Hold	8.20
EKHO.CA	EGYPT KUWAIT H/d	1.30	1.28 \$	1.20 \$	1.48 \$	1.52 \$	↔	Hold	1.52
HRHO.CA	EFG HERMES HOL/d	17.70	17.50	16.85	19.50	20.60	↔	Hold	17.50
ORAS.CA	ORASCOM CONST/d	97.99	91.00	87.00	103.00	111.00	↔	Hold	91.00
AMOC.CA	ALX MINERAL OI/d	3.74	3.78 *	3.55	4.30	4.70	↔	Hold	3.55
MNHD.CA	MEDINET NASR H/d	4.20	4.11	3.80	4.65	5.05	↓	P.SELL	5.05
CIRA.CA	Cairo Investment & Real Estate	12.29	11.50	11.00	13.50	15.00	↔	Hold	11.50
OCDI.CA	6TH OCT DEV IN/d	14.67	14.60	13.65	16.00	17.35	↔	Hold	14.60
JUFO.CA	JUHAYNA FOOD I/d	8.50	8.50*	7.70	9.10	10.00	↓	P.SELL	10.00
ESRS.CA	EZZ STEEL/d	8.27	7.84	6.40	9.60	12.00	↓	P.SELL	12.55
ETEL.CA	TELECOM EGYPT/d	11.46	11.40	10.84	12.50	12.90	↓	P.SELL	12.90
CCAP.CA	CITADEL CAPITA/d	2.06	1.85	1.72	2.40	2.60	↓	P.SELL	2.60
ISPH.CA	IBNSINA PHARMA	9.72	9.90 *	9.00	10.55	11.15	↔	Hold	9.90*
PHDC.CA	PALM HILL DEV /d	1.81	1.80	1.65	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	23.10	22.25	20.50	25.00	26.70	↓	P.SELL	26.70
CIEB.CA	CREDIT AGRICOL/d	40.75	40.00	38.00	45.00	48.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	4.67	4.63	4.38	5.25	5.55	↓	P.SELL	5.55
EMFD.CA	EMAAR MISR DEV/d	2.82	2.50	2.38	3.00	3.45	↓	P.SELL	3.45
OIH.CA	ORASCOM INVESTMENT HOLDING	0.53	0.525 *	0.50	0.58	0.64	↓	P.SELL	0.64
ORHD.CA	ORASCOM DEV/d	6.20	6.20 *	5.85	6.70	7.12	↓	P.SELL	7.12
EGTS.CA	EGYPTIAN RESOR/d	2.69	2.55	2.40	2.85	3.04	↓	P.SELL	2.85
ORWE.CA	ORIENTAL WEAVE/d	9.75	10.00 *	9.27	10.50	11.00	↔	Hold	10.00 *
IRON.CA	EGYPTIAN IR & /d	2.31	2.20	1.70	2.60	2.82	↓	P.SELL	2.82
ADIB.CA	ABUDHABI ISLM /d	11.80	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

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.