



PIONEERSECURITIES

TECH TO THE POINT

3-Sep-19

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



Price EGP	15,110.23
Last	15,110.23
High Today	15,115.90
Low Today	14,832.25
Volume	M 117,440
First Support	14,500.00
Second Support	14,280.00
First Resistance	15,300.00
Second Resistance	16,000.00
Stop Loss	
HISTORICAL RETURN %	
1 WEEK	5.73%
1 MONTH	11.71%
1 QUARTER	9.59%
1 YEAR	-4.68%
YTD	15.91%

Analysis

The EGX 30 index closed at 15,110 and is currently entering its resistance range that lies at 15,100-15,200. As we know, this is the current resistance that might lead to a temporary correction. Thus, we will be watching how the market will react at current levels. A breakout above 15,200 with expanding number of rising stocks, will be a bullish signal for the market and a sign of the continuation of the uptrend. On the other hand, a decline from this resistance area is also a probable scenario; such a decline, will not be sharp in our view; it will be used as a chance to step in, especially those who are not invested in the market.

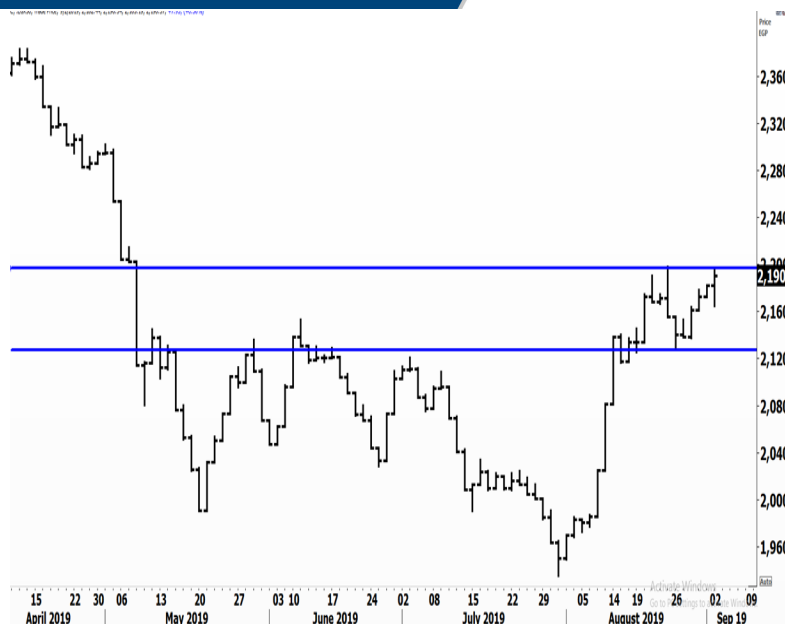
Our overall view is bullish as we are still expecting much higher prices, even if a temporary correction occurs.

Egyptian Exchange Equals Weights Index EGX50

Analysis

The EGX 50 index is testing its current resistance that lies at 2,200. Thus, a breakout above this level will trigger a new, and strong, entry signal.

As we just mentioned in our EGX 30 analysis, a decline from current levels might occur. We can clearly see now that the EGX 50 is trading in a sideways range between 2,125 and 2,200; thus, those who want to place a stop at a clear level can use the 2,125 as their stop. Those who want to reduce their exposure slightly at current levels, can do so but they should be prepared to repurchase should a breakout above 2,200 occurs.



Resistance

SWDY  Broke 14.5 with high volumes, closing at 14.85 at the end of the session. This breakout triggered a new buy signal with a target around 16.5.


Support


No stocks broke their support levels.


Testing

Support

Resistance

ORAS  The 101-102 range is the current peak that should be broken upwards today. We are thus expecting the breakout probably today. This will trigger a buy signal with a target around 108-110.

EKHO  The 1.49 level is the next resistance for EKHO. A correction from this level might occur, but the 1.4 level will probably serve as support. If EKHO breaks above 1.5 a new buy signal will be triggered.

RTVC  Tested its resistance that lies at 2.8-2.85 and declined to close at 2.76. RTVC will trigger a buy signal at the breakout above 2.85; such a break will probably lead the stock near 3.5. Those who want to enter are recommended to buy at the breakout.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	83.00	80.00	77.60	83.50	86.00	↑	P.Buy	77.60
EAST.CA	EASTERN CO/d	15.56	15.15	14.60	16.00	16.70	↔	Hold	15.15
SWDY.CA	ELSWEDY ELECTR/d	14.85	14.40	13.20	15.08	15.75	↔	Hold	13.20
TMGH.CA	TALAT MOSTAFA/d	11.40	10.90	10.50	11.65	11.90	↔	Hold	10.90
SKPC.CA	SIDI KERIR PET/d	10.13	9.50	9.10	10.50	11.50	↔	Hold	8.85
EKHO.CA	EGYPT KUWAIT H/d	1.45	1.35 \$	1.30 \$	1.46 \$	1.48 \$	↑	P.Buy	1.30
HRHO.CA	EFG HERMES HOL/d	20.00	19.00	17.60	20.00 *	20.60	↑	Hold	17.60
ORAS.CA	ORASCOM CONST/d	101.66	97.00	91.00	101.00 *	107.00	↔	Hold	91.00
AMOC.CA	ALX MINERAL OI/d	4.53	4.30	4.10	4.68	5.00	↔	Hold	4.10
MNHD.CA	MEDINET NASR H/d	5.37	5.11	4.90	5.44	5.65	↔	Hold	4.90
CIRA.CA	Cairo Investment & Real Estate	12.50	11.25	10.50	12.50 *	13.00	↑	Hold	11.25
OCDI.CA	6TH OCT DEV IN/d	17.51	15.70	14.70	17.60	18.00	↑	Hold	15.70
JUFO.CA	JUHAYNA FOOD I/d	9.45	9.00	8.50	10.50	11.20	↓	P.SELL	11.20
ESRS.CA	EZZ STEEL/d	10.19	9.95	8.60	11.90	12.50	↔	Hold	9.95
ETEL.CA	TELECOM EGYPT/d	13.33	13.00	12.44	14.00	14.90	↔	Hold	13.00
CCAP.CA	CITADEL CAPITA/d	2.69	2.55	2.30	2.95	3.20	↓	P.SELL	2.55
ISPH.CA	IBNSINA PHARMA	10.23	9.85	9.00	11.00	12.00	↔	Hold	9.70
PHDC.CA	PALM HILL DEV /d	2.33	2.27	2.14	2.49	2.65	↔	Hold	2.27
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	6.30	6.20	5.80	6.70	7.00	↔	Hold	5.80
HELI.CA	Misr Gedida Ho/d	28.77	26.15	25.00	31.50	32.80	↑	Hold	25.00
IEB.CA	CREDIT AGRICOL/d	45.00	42.00	40.00	48.00	53.00	↔	Hold	40.00
EGCH.CA	EGYPT CHEM IND/d	5.94	5.70	5.45	6.40	6.80	↔	Hold	5.45
EMFD.CA	EMAAR MISR DEV/d	3.10	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	7.25	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	11.50	11.00	10.40	11.74	12.18	↑	Hold	11.00
IRON.CA	EGYPTIAN IR & /d	2.95	2.90	2.60	3.20	3.50	↔	Hold	3.20
ADIB.CA	ABUDHABI ISLM /d	13.60	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).

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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.