

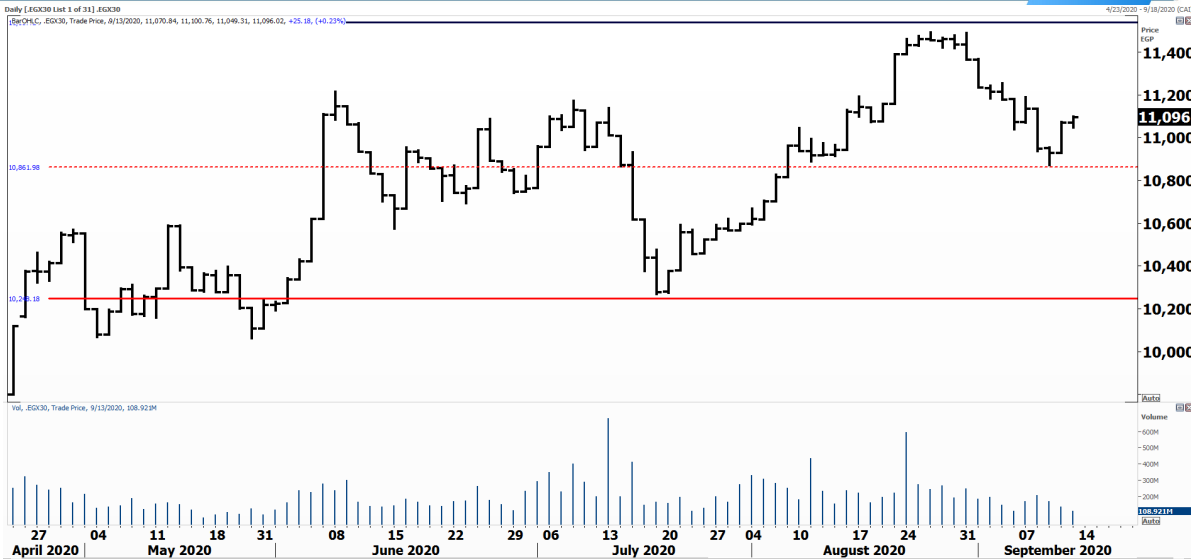


PIONEERSECURITIES

TECH TO THE POINT

14-Sep-2020

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



Analysis

The 10,880 level has gained more importance after it was confirmed as a bottom; thus, we will be strict in using this level as a stop. Let us say it in another way; a break below 10,880 will probably lead the EGX 30 near 10,200-10,300. This means that this stop is now an important one and should be taken into consideration.

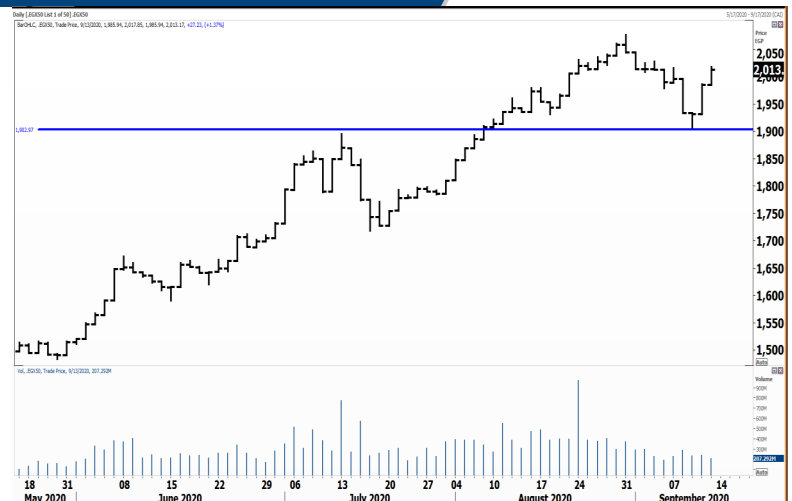
On the other hand, the market is still unable to break above 11,200, which is a level that should be watched too. If the EGX 30 breaks above 11,200 it will approach its peak that lies at 11,500. For now, those who want to wait for confirmation should do nothing here and wait for a break.

Egyptian Exchange Equal Weight Index .EGX 50


Analysis


The 1,900 level on the EGX 50 index is a super important level on the short-term as a break below it will lead to a significant decline. This level should be watched closely and stops should be strictly placed below it.

As for the upside scenario, we are already approaching the market peak so we recommend investors to wait and see how the market will react at these levels; a breakout will lead to a renewed strong rise.



Resistance

ESRS  Broke 7.6 upwards and closed at 7.78 at the end of the session. We expect ESRS to reach 9, especially if this breakout is confirmed today. Declines will be considered as chances to step in.


ORAS  The stock is confirming its break above 73. If it continues trading above this level, we will probably witness a strong rise. Stops should be placed below 70.

Support


No stocks broke their support yesterday

Testing

Support

SWDY  The 6.9 level is a minor support to watch. Short-term investors can place their stop below this level. If SWDY rebounds from current levels, it will probably approach the 7.8 level which will serve as resistance.

Resistance

COMI  The stock looks strong and improving, and is currently challenging its resistance that lies at 69. We are waiting for the breakout before recommending to buy. A breakout above resistance will lead COMI back to its peak.

Symbol	S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COMI.CA	COM INTL BK/d	68.00	65.5	63	68.5	70.2	↔	Hold	65.50
EAST.CA	EASTERN CO/d	11.94	11.70	10.85	13.00	13.60	↔	Hold	11.70
EKHO.CA	EGYPT KUWAIT H/d	1.07	\$1.06	\$1.04	\$1.12	\$1.15	↔	Hold	\$1.06
HRHO.CA	EFG HERMES HOL/d	13.40	13.25	12.55	14.50	15.50	↔	Hold	12.55
TMGH.CA	TALAT MOSTAFA/d	6.34	6	5.8	6.60	7.15	↔	Hold	6.00
CLHO.CA	CLEOPATRA HOSPITAL COMPANY	4.80	4.53	4.35	5.08	5.20	↔	Hold	4.53
SWDY.CA	ELSWEDY ELECTR/d	7.14	7.03	6.68	7.56	7.88	↔	Hold	7.03
ETEL.CA	TELECOM EGYPT/d	12.13	12.00	11.20	13.30	14.50	↔	Hold	12.00
ISPH.CA	IBNSINA PHARMA	7.35	7.30	6.90	8.00	8.30	↔	Hold	7.30
CIRA.CA	CAIRO INVESTMENT & REAL ESTATE/d	13.00	12.60	11.50	13.50	14.00	↔	Hold	11.50
JUFO.CA	JUHAYNA FOOD I/d	6.85	6.5	6	6.96	7.6	↔	Hold	6.5
CIEB.CA	CREDIT AGRICOL/d	26.00	24.50	22.20	30.00	31.50	↔	Hold	24.50
OCDI.CA	6TH OCT DEV IN/d	11.95	12.00*	11.60	13.40	13.60	↔	Hold	11.60
MNHD.CA	NASR CITY HOUS/d	3.08	3.00	2.92	3.30	3.50	↔	Hold	3.00
EFID.CA	EDITA /d	9.90	9.30	8.90	10.50	11.35	↔	Hold	8.90
HELI.CA	HELIOPOLIS/d	6.03	5.80	5.50	6.25	6.70	↔	Hold	5.50
ORWE.CA	ORIENTAL WEAVERS /d	5.21	5.15	4.98	5.5	5.8	↔	Hold	4.98
PHDC.CA	PALM HILL DEV /d	1.39	1.35	1.32	1.46	1.6	↔	Hold	1.35
CCAP.CA	CITADEL CAPITA/d	1.51	1.49	1.40	1.58	1.67	↔	Hold	1.40
SKPC.CA	SIDI KERIR PET/d	8.25	7.30	6.65	8.25	8.65	↑	Hold	7.30
AUTO.CA	AUTO GHABBOUR /d	2.63	2.43	2.29	2.78	2.94	↔	Hold	2.43
EMFD.CA	EMAAR MISR DEV/d	2.32	2.30	2.15	2.45	2.60	↔	Hold	2.30
ORHD.CA	ORASCOM EGYPT/d	4.27	4.10	3.70	4.40	4.86	↔	Hold	4.10
ESRS.CA	EZZ STEEL/d	7.78	7.50	7.00	7.88	8.25	↔	Hold	7.00
OIH.CA	ORASCOM INVESTMENT HOLDING /d	0.553	0.530	0.500	0.590	0.612	↑	Hold	0.530
EXPA.CA	EXPORT DEVELOPMENT BANK /d	11.120	10.850	10.350	12.500	13.000	↑	Hold	10.85
IRON.CA	EGYPTAIN IRON & STEEL /d	2.59	2.30	2.13	2.79	2.93	↔	Hold	2.30
DSCW.CA	DICE SPORT AND CASUAL WEAR /d	1.620	1.530	1.420	1.710	1.900	↔	Hold	1.530
BTFH.CA	BELTONE FINANCIAL HOLDING /d	2.990	2.660	2.500	3.000	3.350	↑	Hold	2.660

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.