

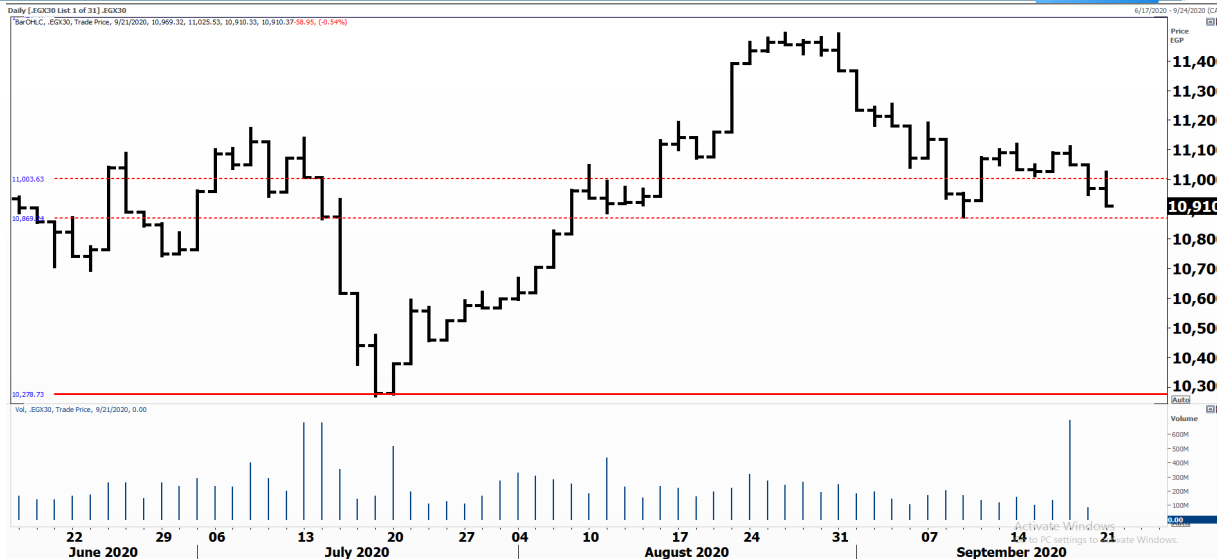


PIONEERSECURITIES

TECH TO THE POINT

22-Sep-2020

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



Last	10,910.37
High Today	11,025.53
Low Today	10,910.33
Volume	M 199.993
First Support	10,880.00
Second Support	10,300.00
First Resistance	11,200.00
Second Resistance	11,500.00
Stop Loss	10,880.00
HISTORICAL RETURN %	
1 WEEK	-1.12%
1 MONTH	-2.24%
1 QUARTER	1.56%
1 YEAR	-21.83%
YTD	-21.85%

Analysis

The market declined significantly yesterday as most of the stocks closed near their lows. The EGX 30 index closed at 10,900 and is challenging its support, and our stop, that lies at 10,880. It is important to note that a break below 10,880 will trigger our stops and the index will be eligible to test its bottom that lies near 10,300.

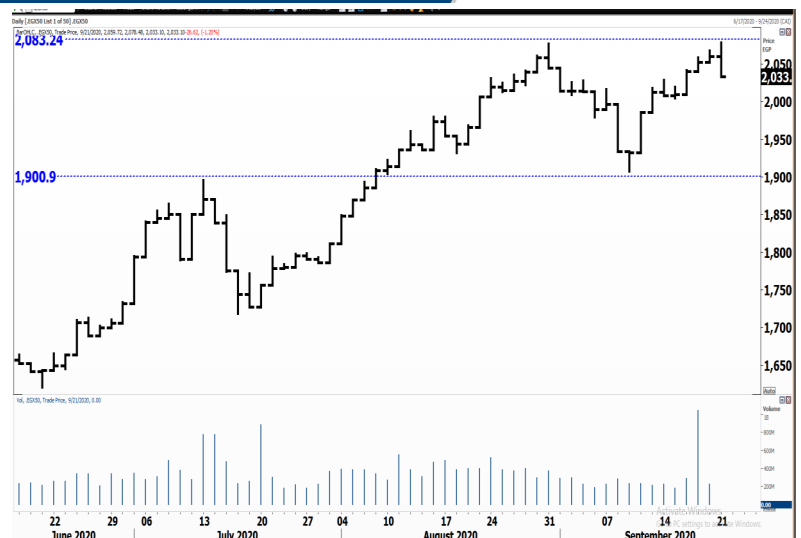
On the other hand, we prefer to wait for a breakout above 11,100 before opening new positions. We mentioned before that we were not expecting a break below 10,880; if this violation occurs, however, we will have to reduce our exposure as more decline will probably occur.

Egyptian Exchange Equal Weight Index .EGX 50

Analysis

The EGX 50 index declined exactly from its resistance that lies at 2,080. Yesterday's decline looks a bit bearish as the market closed clearly below Sunday's low, which means that sellers were very aggressive.


It looks like the EGX 50 index will continue inside its trading range, that lies between 1,900 and 2,080 for quite sometime. Trading these boundaries is acceptable. A break beyond one of these two important levels will be very significant for the next major market move.




Resistance

No stocks broke their resistance yesterday


Support


SWDY  Broke its support that lies at 7 and closed below it. If this breakdown is confirmed today, SWDY will probably reach 6.3 soon.

HELI  The stock closed yesterday below 5.8 which should be considered as a support. HELI needs to trade back above 5.8; if it fails to do so it will probably retest its recent bottom near 5.25.

Testing

Support

ESRS  Stops can be placed either below 7.05 or below 6.9, depending on the risk tolerance of each investor. A confirmed break below 7.05, however, will be considered as an early signal of a break below 6.9. If this occurs, ESRS will witness much lower prices.

EAST  The 11.5 level is a very important support to watch. Any break below this level will be bearish and will trigger stops. If the stock breaks below 11.5 it might go below 10.

Resistance

S. Description	Last	Support 1	Support 2	Resistance 1	Resistance 2	Trend	Recommendation	Stop Loss/ Re-Entry
COM INTL BK/d	67.00	65.5	63	68.5	70.2	↔	Hold	65.5
EASTERN CO/d	11.70	11.70*	10.85	13.00	13.60	↔	Hold	11.70*
EGYPT KUWAIT H/d	1.06	\$1.06*	\$1.04	\$1.12	\$1.15	↔	Hold	\$1.06*
EFG HERMES HOL/d	12.90	12.55	12.00	14.00	14.50	↔	Hold	12.55
TALAT MOSTAFA/d	6.28	6	5.8	6.60	7.15	↔	Hold	6.00
CLEOPATRA HOSPITAL COMPANY	4.88	4.53	4.35	5.08	5.20	↔	Hold	4.53
ELSWEDY ELECTR/d	6.87	6.68	6.22	7.56	7.88	↔	Hold	6.68
TELECOM EGYPT/d	11.44	11.20	10.70	12.60	13.30	↓	P.Sell	13.30
IBNSINA PHARMA	7.20	7.30*	6.90	8.00	8.30	↔	Hold	7.30*
CAIRO INVESTMENT & REAL ESTATE/d	13.00	12.60	11.50	13.50	14.00	↔	Hold	11.50
JUHAYNA FOOD I/d	6.51	6.5	6	6.96	7.6	↔	Hold	6.5
CREDIT AGRICOL/d	26.00	24.50	22.20	30.00	31.50	↔	Hold	24.50
6TH OCT DEV IN/d	11.89	11.90	11.60	13.40	13.60	↔	Hold	11.60
NASR CITY HOUS/d	3.06	3.00	2.92	3.30	3.50	↔	Hold	3.00
EDITA /d	9.90	9.30	8.90	10.50	11.35	↔	Hold	8.90
HELIOPOPOLIS/d	5.69	5.50	5.11	6.18	6.70	↔	Hold	5.50
ORIENTAL WEAVERS /d	5.34	5.15	4.98	5.5	5.8	↔	Hold	4.98
PALM HILL DEV /d	1.37	1.35	1.32	1.46	1.6	↔	Hold	1.35
CITADEL CAPITA/d	1.46	1.42	1.40	1.58	1.67	↔	Hold	1.40
SIDI KERIR PET/d	8.00	8.00*	7.30	8.60	8.90	↑	Hold	7.30
AUTO GHABBOUR /d	2.52	2.43	2.29	2.78	2.94	↔	Hold	2.43
EMAAR MISR DEV/d	2.32	2.30	2.15	2.45	2.60	↔	Hold	2.30
ORASCOM EGYPT/d	4.05	4.07*	3.70	4.40	4.86	↔	Hold	4.07*
EZZ STEEL/d	7.14	7.00	6.77	8.00	8.25	↔	Hold	7.00
ORASCOM INVESTMENT HOLDING /d	0.530	0.53*	0.500	0.590	0.612	↑	Hold	0.53*
EXPORT DEVELOPMENT BANK /d	10.950	10.850	10.350	12.500	13.000	↔	Hold	10.850
EGYPTAIN IRON & STEEL /d	3.20	2.90	2.60	3.34	3.50	↔	Hold	2.60
DICE SPORT AND CASUAL WEAR /d	1.630	1.530	1.420	1.710	1.900	↔	Hold	1.530
BELTONE FINANCIAL HOLDING /d	2.790	2.660	2.500	3.170	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).

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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.