

### Technical Analysis – The Egyptian Exchange

02-August-2021

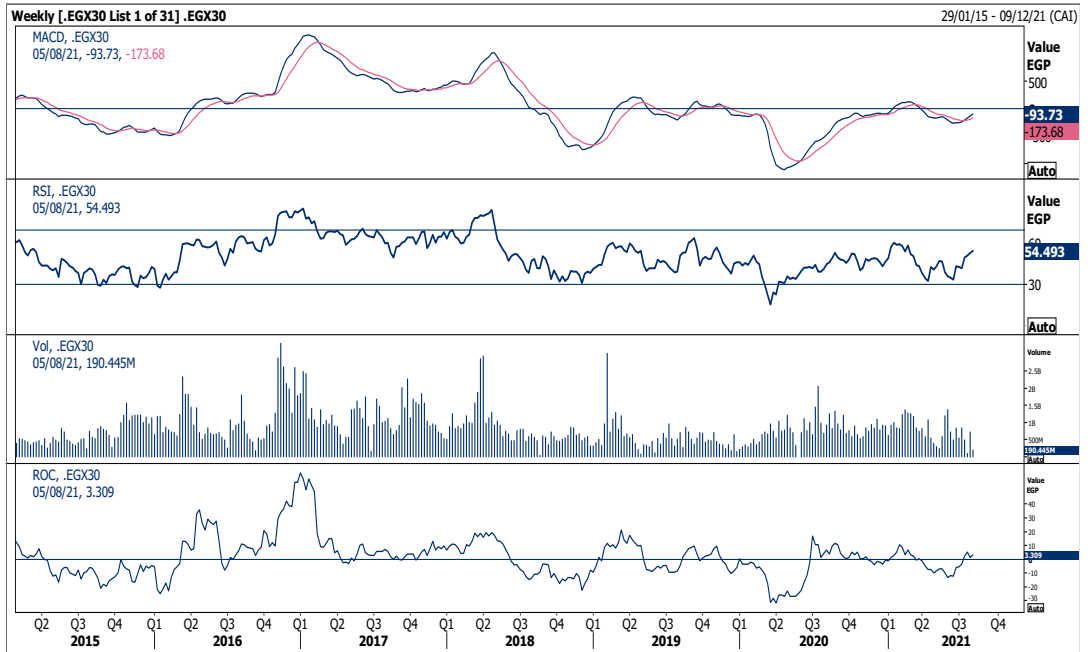
**In this Report...**

- EGX 30 INDEX..... 1
- COMI..... 2
- QALAA..... 2
- EZZ STEEL..... 3
- TMG..... 3

### The Egyptian Exchange

**EGX 30 Index <.EGX30> closed at 10,821.88 point.** The support level at around 9,770 point once again arrested additional loses and forced the index to head north. Further advance cannot be ignored as the index could target the critical line at 11,675 point, which should be broken to establish a new positive trend and promote 12,000 point before 13,000 point. On the negative side, the nearby support levels are located at 10,560 point, 10,100 point and 9,770 point but only below this will change the tone.

Medium-term and long-term investors can re-enter the market at levels higher than 11,000 point and 11,500 point, respectively.

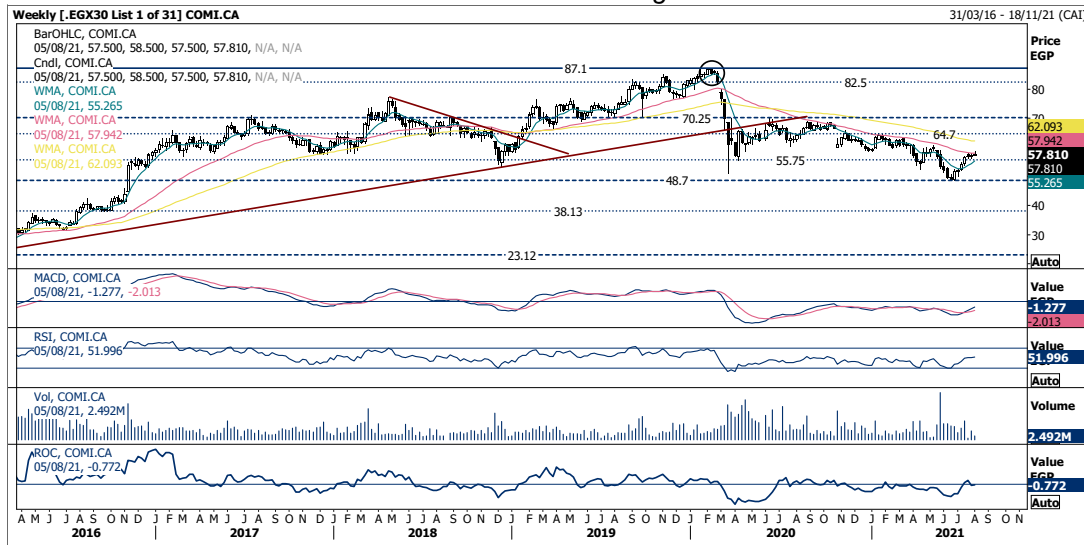


**Raed Diab**  
 Vice President  
 +(965) 2233 6908  
[rdiab@kamcoinvest.com](mailto:rdiab@kamcoinvest.com)

**Commercial International Bank**

Reuters Ticker: <COMI.CA>

**Price closed at EGP57.810.** The stock is leaning more towards the bulls and further strength above the resistance line at EGP60.500 will target EGP64.700 and maybe more to re-test the strong level at EGP70.250 (near the 50% level of the Fibonacci Retracements from EGP87.100-EGP51.200). However, an aggressive bearish move is not favored but a sudden break below the horizontal line at EGP48.700 will change the tone.



RSI	51.996
MACD	-2.013
ROC	-0.772
M10	55.265
M50	57.940
M100	62.100
S1	55.750
S2	48.700
S3	45.000
R1	64.700
R2	70.250
R3	82.500

**Qalaa Holdings**

Reuters Ticker: <CCAP.CA>

**Price closed at EGP1.259.** The stock has been swinging between the tight range of EGP1.090-EGP1.367 for about 5-months and a break of either line will turn the technical picture brighter, knowing that managing to surpass EGP1.367 will call for an advance to EGP1.775, while above this will lead to EGP2.500. On the other side, a dip below EGP1.090 will re-instate the bearish tone and trigger EGP0.805 before EGP0.630.



RSI	47.604
MACD	-0.057
ROC	-1.255
M10	1.215
M50	1.320
M100	1.435
S1	1.090
S2	0.805
S3	0.630
R1	1.367
R2	1.775
R3	2.000

**Ezz Steel**

Reuters Ticker: <ESRS.CA>

**Price closed at EGP15.100.** The stock continued to move up, as was expected in our last analysis, and eyes now have shifted towards the resistance line at EGP17.090, which if broken would call for another leg up to EGP22.800. However, the support level at EGP11.800 should arrest any attempts to move down but a fall below it could lead to a re-test of the strong support level at EGP8.550.



RSI	72.816
MACD	0.876
ROC	54.082
M10	13.190
M50	10.775
M100	9.380
S1	11.800
S2	8.550
S3	6.500
R1	17.090
R2	22.800
R3	27.000

**TMG Holding**

Reuters Ticker: <TMGH.CA>

**Price closed at EGP7.100.** The stock has moved to the positive territory as it broke above all its MAs on the weekly chart but encounters a resistance level at EGP7.720, which if broken would seal a more constructive outlook and lead to EGP8.540 before EGP9.270. On the counter side, losing the support level at EGP6.460 will most likely trigger a dip back to the horizontal line at EGP5.410.



RSI	61.622
MACD	0.006
ROC	25.664
M10	6.845
M50	6.460
M100	6.475
S1	7.000
S2	6.460
S3	5.410
R1	7.720
R2	8.540
R3	9.270

## Definitions

**Technical Analysis:** Aims to identify the direction of prices and reveal any indication of possible changes as soon as possible, so it can be used as much as possible in making buying and selling decisions in the most appropriate time in order to minimize risk and maximize profits.

**Trend:** The general direction of a market or of the price of an asset.

**Resistance:** A chart point or range that caps an increase in the level of a stock or index over a period of time.

**Support:** The price level which, historically, a stock has had difficulty falling below. It is thought of as the level at which a lot of buyers tend to enter the stock.

**Breakout:** A signal that prices are beginning to trend, either upward or downward.

**Bull:** An investor who thinks the market, a specific security or an industry is likely to rise.

**Bear:** An investor who thinks the market, a specific security or an industry is likely to decline.

**Channel:** is two parallel trend lines either rising or declining.

**Consolidation Area:** is a sideways movement in prices that interrupts or reverse a trend.

**Moving Average (MA):** The most common applications of MAs are to identify the trend direction and to determine support and resistance levels.

**MACD (Moving Average Convergence-Divergence):** A trend-following momentum indicator that shows the relationship between two moving averages of prices.

**Relative Strength Index:** A technical momentum indicator (ranges from 0 to 100) that compares the magnitude of recent gains to recent losses in an attempt to determine overbought and oversold conditions of an asset.

**Overbought:** A situation in which the price of a security has risen to such a degree that an oscillator has reached its upper bound. This is generally interpreted as a sign that the price of the asset is becoming overvalued and may experience a pullback.

**Oversold:** A situation in which the price of a security has fallen to such a degree that an oscillator has reached its upper bound. This is generally interpreted as a sign that the price of the asset is becoming undervalued and may represent a buying opportunity for investors.

**Fibonacci:** A term refers to areas of support or resistance and to help identify strategic places for transactions to be placed, target prices or stop losses.

**On Balance Volume (OBV):** is a simple running total of up day (added) and down day (subtracted) volume. If OBV is moving with price, it confirms the current trend. Divergences between OBV and price indicates the price may be due for a reversal.

---

## **Disclaimer & Important Disclosures**

**Kamco Invest** is authorized and fully regulated by the Capital Markets Authority ("**CMA, Kuwait**") and partially regulated by the Central Bank of Kuwait ("**CBK**").

This document is provided for informational purposes only. Nothing contained in this document constitutes investment, an offer to invest, legal, tax or other advice or guidance and should be disregarded when considering or making investment decisions. In preparing this document, Kamco Invest did not take into account the investment objectives, financial situation and particular needs of any particular person. Accordingly, before acting on this document, investors should independently evaluate the investments and strategies referred to herein and make their own determination of whether it is appropriate in light of their own financial circumstances and objectives. The entire content of this document is subject to copyright with all rights reserved. This research and the information contained herein may not be reproduced, distributed or transmitted in Kuwait or in any other jurisdiction to any other person or incorporated in any way into another document or other material without our prior written consent.

In certain circumstances, ratings may differ from those implied by a fair value target using the criteria above. Kamco Invest policy is to maintain up-to-date fair value targets on the companies under its coverage, reflecting any material changes to the analyst's outlook on a company. Share price volatility may cause a stock to move outside the rating range implied by Kamco Invest's fair value target. Analysts may not necessarily change their ratings if this happens, but are expected to disclose the rationale behind their view to Kamco Invest clients.

Any terms and conditions proposed by you which are in addition to or which conflict with this Disclaimer are expressly rejected by Kamco Invest and shall be of no force or effect. The information contained in this document is based on current trade, statistical and other public information we consider reliable. We do not represent or warrant that such information is fair, accurate or complete and it should not be relied upon as such. Kamco Invest has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. The publication is provided for informational uses only and is not intended for trading purposes. The information on publications does not give rise to any legally binding obligation and/or agreement, including without limitation any obligation to update such information. You shall be responsible for conducting your own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this or other such document. Moreover, the provision of certain data/information in the publication may be subject to the terms and conditions of other agreements to which Kamco Invest is a party.

Nothing in this document should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction, or to provide any investment advice or service. This document is directed at Professional Clients and not Retail Clients within the meaning of CMA rules. Any other persons in receipt of this document must not rely upon or otherwise act upon it. Entities and individuals into whose possession this document comes are required to inform themselves about, and observe such restrictions and should not rely upon or otherwise act upon this document where it is unlawful to make to such person such an offer or invitation or recommendation without compliance with any authorization, registration or other legal requirements.

'Kamco Investment Company (DIFC) Limited ("Kamco Invest DIFC"), Office 205, Level 2, Gate Village 1, Dubai International Financial Centre, a wholly owned subsidiary of Kamco Investment Company KSC (Public), is regulated by the Dubai Financial Services Authority (DFSA). Kamco Invest DIFC may only undertake the financial services activities that fall within the scope of its existing DFSA license. The information in this document may be distributed by Kamco Invest DIFC on behalf of Kamco Investment Company KSC (Public). This document is intended for Professional Clients or Market Counterparties only as defined by the DFSA, and no other person should act upon it.

### **Risk Warnings**

Any prices, valuations or forecasts are indicative and are not intended to predict actual results, which may differ substantially from those reflected. The value of an investment may go up as well as down. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including, without limitation, foreseeable or unforeseeable changes in interest rates, foreign exchange rates, default rates, prepayment rates, political or financial conditions, etc.).

Past performance is not indicative of future results. Any opinions, estimates, valuations or projections (target prices and ratings in particular) are inherently imprecise and a matter of judgment. They are statements of opinion and not of fact, based on current expectations, estimates and projections, and rely on beliefs and assumptions. Actual outcomes and returns may differ materially from what is expressed or forecasted. There are no guarantees of future performance. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. This document does not propose to identify or to suggest all of the risks (direct or indirect) which may be associated with the investments and strategies referred to herein.

### **Conflict of Interest**

Kamco Invest and its affiliates provide full investment banking services, and they and their directors, officers and employees, may take positions which conflict with the views expressed in this document. Salespeople, traders, and other professionals of Kamco Invest may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this document. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this document. Kamco Invest may have or seek investment banking or other business relationships for which it will receive compensation from the companies that are the subject of this document. Facts and views presented in this document have not been reviewed by, and may not reflect information known to, professionals in other Kamco Invest business areas, including investment banking personnel. United Gulf Bank, Bahrain owns majority of Kamco Invest's shareholding and this ownership may create, or may create the appearance of, conflicts of interest.

### **No Liability & Warranty**

Kamco Invest makes neither implied nor expressed representations or warranties and, to the fullest extent permitted by applicable law, we hereby expressly disclaim any and all express, implied and statutory representations and warranties of any kind, including, without limitation, any warranty as to accuracy, timeliness, completeness, and fitness for a particular purpose and/or non-infringement. Kamco Invest will accept no liability in any event including (without limitation) your reliance on the information contained in this document, any negligence for any damages or loss of any kind, including (without limitation) direct, indirect, incidental, special or consequential damages, expenses or losses arising out of, or in connection with your use or inability to use this document, or in connection with any error, omission, defect, computer virus or system failure, or loss of any profit, goodwill or reputation, even if expressly advised of the possibility of such loss or damages, arising out of or in connection with your use of this document. We do not exclude our duties or liabilities under binding applicable law.



---

**Kamco Investment Company - K.S.C. (Public)**

Al-Shaheed Tower, Khalid Bin Al-Waleed Street- Sharq

P.O. BOX : 28873, Safat 13149, State of Kuwait

Tel: (+965) 2233 6600 Fax: (+965) 2249 2395

Email : [kamcoird@kamcoinvest.com](mailto:kamcoird@kamcoinvest.com)

Website : [www.kamcoinvest.com](http://www.kamcoinvest.com)

---

**Kamco Invest**