

## Technical Analysis – The Egyptian Exchange

15-February-2021

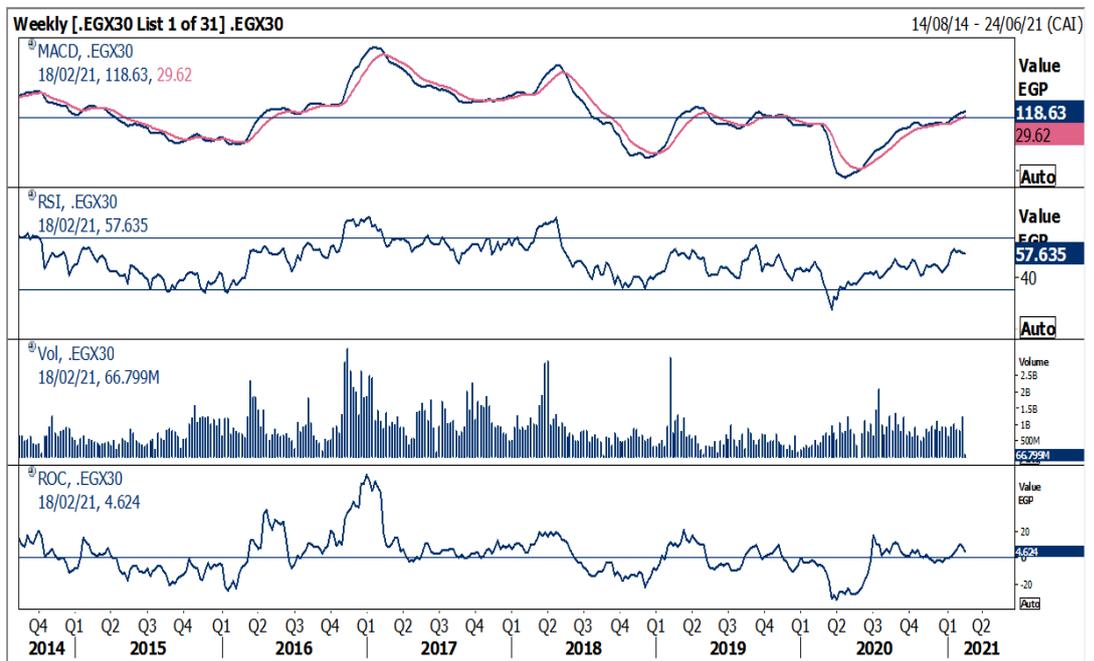
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### The Egyptian Exchange

**EGX 30 Index <.EGX30> closed at 11,526.77 point.** The index has posted a temporarily top at around 11,675 point, while only above this will re-activate the buying potential and call for an advance to the resistance line at 12,000 point, which if broken would lead to a gradual increase to 13,000 point. On the other side, attempts to move down cannot be neglected, knowing that the nearby support levels are located at 11,215 point, 10,800 point and 10,400 point.

Medium-term investors can hold above 11,400 point, while long-term investors can only enter the market at levels higher than 12,075 point.



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**Madinet Nasr Holding**

Reuters Ticker: <MNHD.CA>

**Price closed at EGP3.820.** The stock should escape out of the wide range at EGP3.420-EGP4.490 to turn the technical picture brighter, knowing that managing to print a foothold above EGP4.490 will increase the chances of reaching the next layer of resistance at EGP5.670. However, a fall below EGP3.420 could deepen the bearish move to EGP2.890 and maybe lower to EGP2.400.



RSI	53.709
MACD	0.138
ROC	-1.799
M10	3.900
M50	3.540
M100	3.775

S1	3.420
S2	2.890
S3	2.400
R1	4.490
R2	5.670
R3	6.420

**Egyptian Iron & Steel**

Reuters Ticker: <IRON.CA>

**Price closed at EGP2.470.** The stock is back to the negative territory after posting a high of EGP4.100. The support level at EGP2.170 is currently arresting additional weaknesses but failing to sustain a close above this will lead to EGP1.250. On the other side, a break above the tiny resistance level at EGP2.690 would be the first positive sign that could call for a jump once again to EGP4.100.



RSI	43.841
MACD	0.077
ROC	-25.378
M10	2.615
M50	2.805
M100	2.575

S1	2.170
S2	1.250
S3	0.815
R1	2.690
R2	4.100
R3	6.190

## 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.

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