

## Technical Analysis – The Egyptian Exchange

22-May-2023

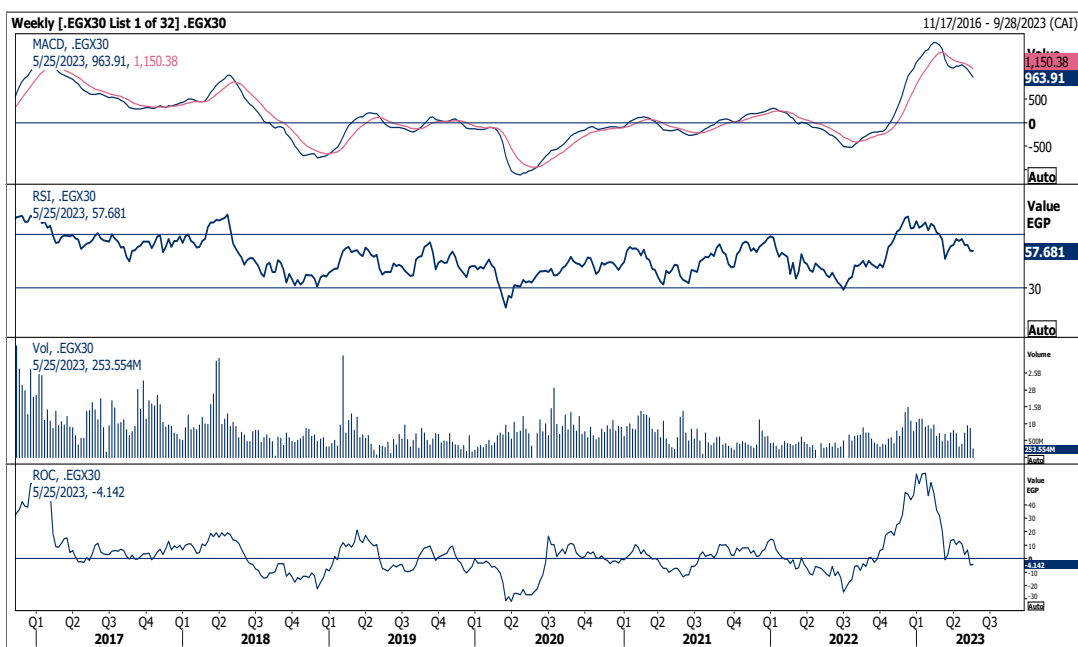
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### The Egyptian Exchange

**EGX 30 Index <.EGX30> closed at 16,764.41 point.** The index declined as it approached the critical resistance level at 18,414 (all-time high) and after a prolonged bullish move, knowing that additional weaknesses cannot be neglected and a dip below 16,225 point would trigger a fall to 15,625 point, while below this could deepen the correction mode to 14,500 point (38.2% level of the Fibonacci Retracements from 8,600 point-18,142 point). On the positive side, the nearby resistance levels are located at 17,140 point, 17,670 point and 18,414 point but only above this will shift the tone.

Medium-term and long-term investors can stay in the market as long as the index is maintaining a close above 15,000 point and 12,500 point, respectively.



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## Qalaa Holdings

Reuters Ticker: &lt;CCAP.CA&gt;

**Price closed at EGP2.130.** The stock saw a noticeable move up, reaching levels last seen in January-2020 before easing down but maintains a close within the positive territory. A cross over the recent top at EGP2.470 would re-activate the buying potential and lead to EGP2.870 and maybe more to EGP3.440. However, a fall below EGP1.850 could put selling pressure on the strong support line at EGP1.510.



RSI	55.344
MACD	0.132
ROC	-2.740
MA50	1.895
MA100	1.635
MA200	1.520
S1	1.850
S2	1.510
S3	1.160
R1	2.470
R2	2.870
R3	3.440

## Commercial International Bank

Reuters Ticker: &lt;COMI.CA&gt;

**Price closed at EGP52.000.** The stock one more time hasn't gathered enough potential to surpass the resistance line at EGP59.000, knowing that continuous failure to do so could lead to further downward correction to 48.000 before EGP41.30. On the counter side, a jump over EGP59.000 is needed to anticipate a move to the next layer of resistance at EGP66.750 and maybe higher to EGP78.700.



RSI	56.847
MACD	4.361
ROC	-5.558
MA50	45.610
MA100	38.820
MA200	35.240
S1	48.000
S2	41.300
S3	39.400
R1	59.000
R2	66.750
R3	78.700



## 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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