

## Technical Analysis – The Egyptian Exchange

25-November-2024

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### The Egyptian Exchange

**EGX 30 Index <.EGX30> closed at 30,270.51 point.** The market needs to print a close above 32,215 point to prevent seeing a downward move back to 29,180 point, while a dip below this would most likely trigger further slippage to 27,125 point. On the positive side, a successful close above 32,215 point should be enough to call for an advance back to all-time high level at 34,500 point, knowing that a jump over this would call for another leg up towards 37,000 point.

Medium-term and long-term investors can stay in the market as long as the index is closing above 24,200 point and 20,000 point, respectively.



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**Palm Hills Development Co.**

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

**Price closed at EGP5.41.** The stock retreated from its multi-year high at around EGP7.00 and further weaknesses could take place once the price trades below the horizontal line at EGP5.09, which if happens would lead to EGP4.67 and maybe lower to EGP3.86. However, back above the tiny resistance line at EGP6.16 is expected to bring back to focus EGP7.00, while above this could lead to EGP8.00.

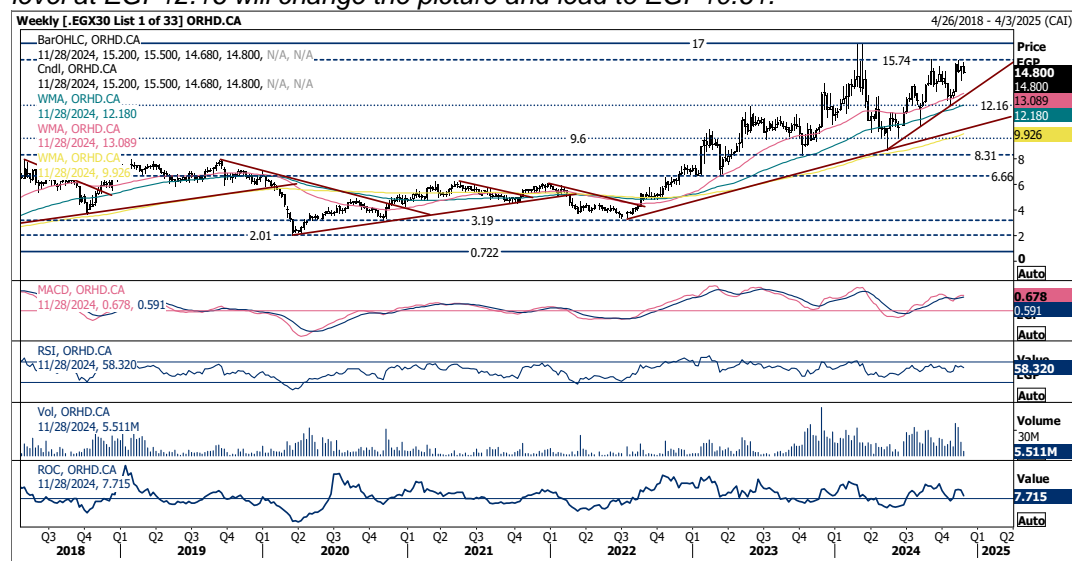


RSI (W)	52.281
MACD (W)	0.540
ROC (W)	0.933
MA50 (W)	4.970
MA100 (W)	4.000
MA200 (W)	3.030
S1	5.090
S2	4.670
S3	3.860
R1	6.160
R2	7.010
R3	8.000

**Orascom Development Egypt**

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

**Price closed at EGP14.80.** The stock maintains its close above all MAs on the weekly chart and a move within the ascending trend line, knowing that a break above the resistance level at EGP15.74 would lead to the high of this year at EGP17.00 (all-time high), while above this would target EGP20.00. On the counter side, only losing the support level at EGP12.16 will change the picture and lead to EGP10.61.

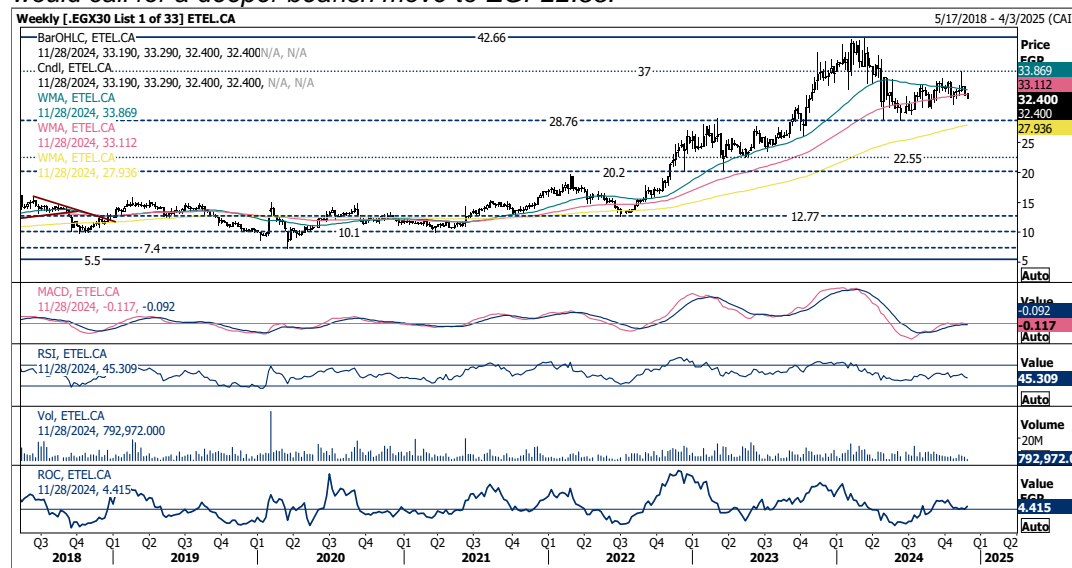


RSI (W)	58.320
MACD (W)	0.591
ROC (W)	7.715
MA50 (W)	12.180
MA100 (W)	13.090
MA200 (W)	9.930
S1	12.160
S2	10.610
S3	9.600
R1	15.740
R2	17.000
R3	20.000

## Telecom Egypt

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

**Price closed at EGP32.40.** The stock has been trading within the wide range of EGP28.76-EGP37.00 for more than 6 months, while a break of either line is needed to anticipate the next direction, knowing that a crossover EGP37.00 would promote a jump back to all-time high at EGP42.66 (high of this year). However, a fall below EGP28.76 would call for a deeper bearish move to EGP22.55.

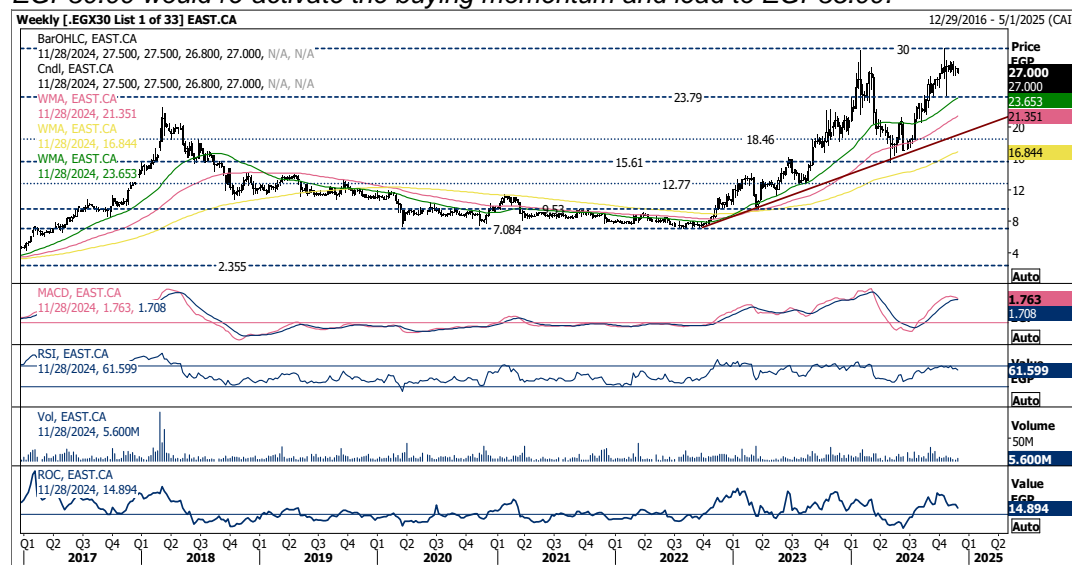


RSI (W)	45.309
MACD (W)	-0.092
ROC (W)	4.415
MA50 (W)	33.870
MA100 (W)	33.110
MA200 (W)	27.940
S1	28.760
S2	25.800
S3	22.550
R1	37.000
R2	42.660
R3	45.000

## Eastern Co.

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

**Price closed at EGP27.00.** Although the technical picture of the stock is positive, continuous failure to break above the strong resistance level at EGP30.00 could allow some weaknesses to take place, knowing that the nearby support level is located at EGP23.79, while below this would target EGP20.61. On the other side, only above EGP30.00 would re-activate the buying momentum and lead to EGP35.00.



RSI (W)	61.599
MACD (W)	1.708
ROC (W)	14.894
MA50 (W)	21.350
MA100 (W)	16.840
MA200 (W)	23.650
S1	23.790
S2	18.460
S3	15.610
R1	30.000
R2	35.000
R3	38.000

## 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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