

## Technical Analysis – The Egyptian Exchange

03-September-2019

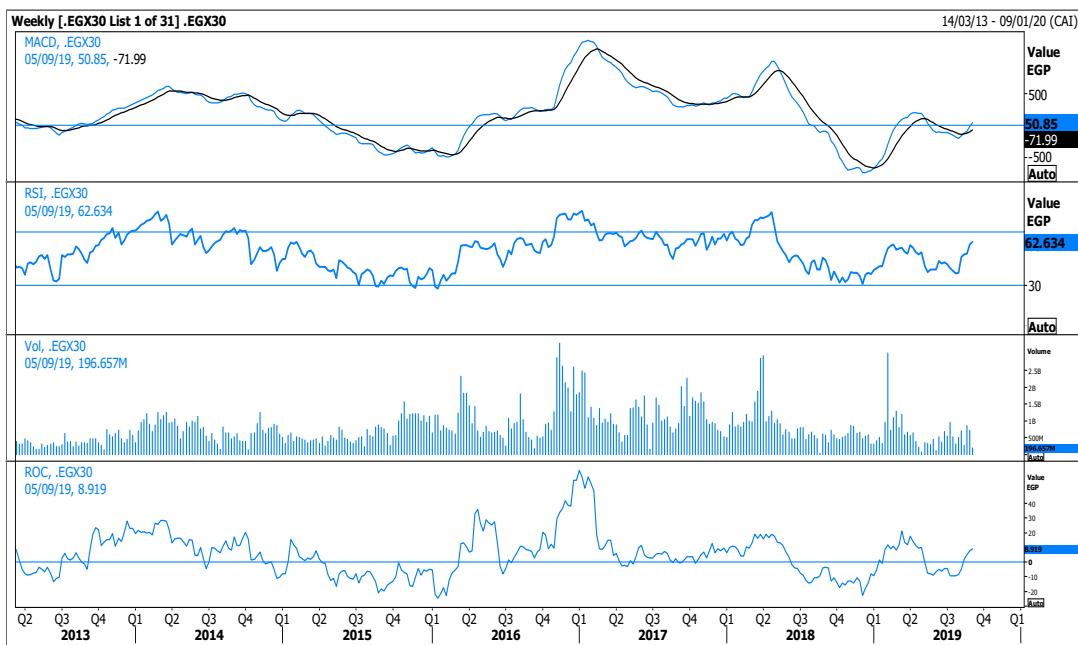
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## The Egyptian Exchange

**EGX 30 Index <.EGX30> closed at 14,999.58 point.** The technical picture at present is bullish as the index is moving above its MAs on the weekly chart and within the 9-months ascending trend line. Eyes now has shifted towards the resistance level at 15,320 point, while a jump over it would target 16,000 point and 16,570 point. On the other side, the nearby support levels are located at 14,550 point and 14,200 point but only below 13,200 point will change the tone and could allow a slippage back to 12,076 point.

*Medium-term and long-term investors can stay in the market as long as the index is closing higher than 14,300 point and 14,100 point, respectively.*



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Reuters Ticker: <ESRS.CA>

Weekly [.EGX30 List 1 of 31] ESRS.CA 01/05/14 - 19/12/19 (CAI)



RSI	35.882
MACD	-2.249
ROC	-14.335
M10	9.92
M50	13.67
M100	17.89
S1	7.84
S2	6.11
S3	5.50
R1	12.55
R2	15.50
R3	17.09

Reuters Ticker: <EAST.CA>

Weekly [.EGX30 List 1 of 31] EAST.CA 17/10/13 - 26/12/19 (CAI)



RSI	40.466
MACD	-0.508
ROC	-1.610
M10	15.56
M50	16.37
M100	17.93
S1	14.60
S2	11.52
S3	8.29
R1	17.22
R2	19.82
R3	22.67

## Citadel Capital

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

**Price closed at EGP2.69.** The stock is currently moving within the negative territory as it closes below its MAs on the weekly chart. The break below the recent support level at EGP2.28 will call for additional weaknesses to EGP1.81. However, a noticeable jump is unlikely to take place on the coming period but some attempts to inch up could be seen, knowing that above EGP2.87 will target the next layer of resistance at EGP3.44.

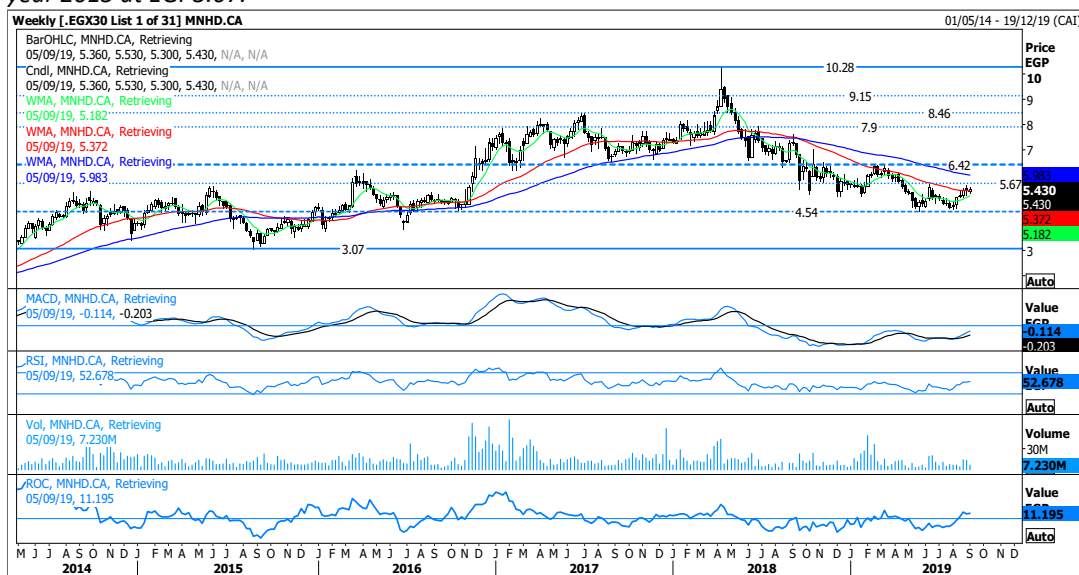


RSI	34.726
MACD	-0.142
ROC	-20.882
M10	2.87
M50	3.49
M100	3.32
S1	2.28
S2	1.81
S3	1.22
R1	2.87
R2	3.44
R3	4.30

## Madinet Nasr Holding

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

**Price closed at EGP5.43.** The stock saw some relief after it failed to break below the horizontal line at EGP4.54 and now encounters a tiny resistance level at EGP5.67, which if broken would increase the upside chances to EGP6.42 and EGP7.00. On the other side, the key support level at EGP4.54 is expected to arrest additional losses but a sudden move below it could lead to a re-test of the low of year 2015 at EGP3.07.



RSI	52.678
MACD	-0.203
ROC	11.195
M10	5.18
M50	5.37
M100	5.98
S1	5.11
S2	4.54
S3	3.07
R1	5.67
R2	6.42
R3	7.90

## 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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