

Gemini Stock Analysis Report

Step 1: Audit the Data

- **Data Present:**

- Daily Price Charts with 3-year history.
- Moving Averages (EMA 20, 50, 200).
- Relative Strength Analysis (vs. ^CNXINFRA index).
- Momentum Indicators (RSI, MACD with Divergence detection).
- Volatility Analysis (Bollinger Bands, Volatility Squeeze/ATR).
- Trend Following (Supertrend).
- Fundamental Summary (4-year annual and 6-quarter trends).

- **Data Missing:**

- **Weekly/Monthly Charts:** Critical for a positional trader to confirm the "big picture" macro trend.
- **Volume Profile:** While volume MAs are present, a price-by-volume (Volume Profile) would help identify key support/resistance zones.
- **Catalyst/News:** Information on upcoming earnings or major infrastructure contract announcements.

- **Confidence Level: High.** The report provides a robust multi-factor technical analysis suite and sufficient fundamental context to make an informed positional decision.
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Step 2: Analyze the Setup

Price Structure and Trend: LT.NS is in a clear, long-term secular uptrend, trading well above its EMA 200 (INR 3738). The stock is currently in a consolidation phase near all-time highs. A "Golden Cross" occurred in mid-2025, and the "Strong **Uptrend**" status is confirmed by the EMA stack (20 > 50 > 200).

Momentum and Relative Strength: There are conflicting signals here. While the long-term trend is bullish, momentum is waning. 1. **Bearish Divergence:** Both MACD and RSI show bearish divergences (Price making higher highs while indicators make lower highs) as of mid-December 2025. 2. **Relative Strength:** Classified as a "Weakening Leader." While it still outperforms the benchmark on a 1Y basis, the RS Score has plateaued around 52, indicating it is no longer the aggressive alpha-generator it was earlier in the year. 3. **Volatility Squeeze:** The stock is currently in a "BB Squeeze" (low volatility). This suggests a significant move is imminent, but given the bearish divergences, the direction is not yet guaranteed.

Fundamentals: The long-term growth is stable (3Y CAGR 17-21%), but short-term quarterly revenue and net income have dipped significantly (-12% and -34% QoQ). This fundamental deceleration explains the technical "Weakening Leader" status.

Step 3: Formulate the Recommendation

Recommendation: NO (Wait for Confirmation)

Reasoning: As a risk-averse positional trader, entering now is suboptimal. The stock is at the top of its range with prominent **bearish momentum divergences** and **decelerating quarterly fundamentals**. The "Volatility Squeeze" indicates a breakout is coming, but buying *before* the breakout into potential overhead resistance (the recent high of ~4100-4150) carries a poor reward-to-risk ratio.

Gemini Stock Analysis Report

Conditional Plan (Buy on Breakout):

- **Condition to Buy:** A daily candle close above the recent swing high/Upper Bollinger Band with an expansion in volume (Volume > 20MA). This would invalidate the bearish divergence.
- **Entry Price:** INR 4160.00 (Triggering above the current resistance cluster).
- **Stop Loss:** INR 3930.00 (Below the Supertrend value and the recent consolidation floor).
- **Take Profit:** INR 4575.00 (Approximately 10% upside, aligning with the next psychological round number and measured move from the squeeze).

Risk Note: If the price breaks below the EMA 50 (INR 3970) on high volume, the "Weakening Leader" status will likely shift to "Laggard," and the setup should be discarded entirely.

News & Analyst Targets

As a stock research analyst, I have compiled the latest news, brokerage actions, and analyst targets for **Larsen & Toubro (LT)** for the week of **December 22-28, 2025**.

1) Latest News for LT (This Week)

The final week of December has been highly active for L&T, characterized by major domestic order wins and robust project momentum: * **Major BPCL Order (Dec 23):** L&T's Hydrocarbon Onshore business secured a "Major" contract (internally classified as **INR 5,000 crore to INR 10,000 crore**) from Bharat Petroleum Corporation (BPCL). The project involves the engineering and construction of India's largest Polyethylene (LLDPE/HDPE) swing unit at the Bina Refinery in Madhya Pradesh. * **Mumbai Metro Line 4 Win (Dec 24):** The Transportation Infrastructure vertical bagged a "Significant" order (**INR 1,000 crore to INR 2,500 crore**) from MMRDA. This contract (Package CA-298) covers the electrification of the 24.72 km Line 4 (Wadala to Cadbury Junction), marking L&T's third consecutive win in this corridor. * **Trading Window Closure:** L&T announced the closure of its trading window for all designated persons starting **January 1, 2026**, in anticipation of the Q3 FY26 financial results. * **Market Performance:** The stock traded with positive bias during the week, closing near the **INR 4,045-INR 4,055** range, supported by consistent order inflows and a general "Santa Rally" in the broader indices.

2) Brokerage Upgrades and Downgrades

The sentiment among top-tier brokerages remains largely bullish, following a pivotal upgrade earlier this month: * **Goldman Sachs (Upgrade):** Upgraded the stock to "**Buy**" from "Neutral" (Dec 12) with a target of **INR 5,000**. The brokerage cited a massive expansion in L&T's Total Addressable Market (TAM), particularly in defense, green hydrogen, and nuclear power. * **ICICI Securities (Maintain Buy):** In a note dated Dec 21, analysts suggested buying LT in the INR 3,980-INR 4,070 range, anticipating further upside as capital expenditure cycles in India and the Middle East continue to bottom out. * **Nomura/JPMorgan (Maintain Buy):** Both firms maintained their bullish stance this week, focusing on the company's resilient order book (currently exceeding INR 6.67 lakh crore) and improving core margins.

Gemini Stock Analysis Report

3) Other News Impacting LT (Indirect)

- **Macroeconomic Tailwinds:** A recent cooling in **Brent Crude** prices (dropping ~2% this week) is a positive for L&T's construction and hydrocarbon verticals by reducing raw material and logistics costs.
- **Government Capex:** Renewed focus on the '**Aatmanirbhar Bharat**' initiative has fast-tracked domestic manufacturing projects, directly benefiting L&T's high-tech manufacturing and EPC segments.
- **Middle East Momentum:** Continued stability in Saudi Arabia and UAE infrastructure spending has mitigated previous concerns regarding a slowdown in international order intake.

4) Latest Analyst Targets and Brokerage Ratings

The following table summarizes the most recent ratings and price targets from the analyst community:

| Brokerage / Analyst | Current Rating | Target Price (INR) | Date / Context |
|---------------------|----------------|--------------------|--------------------|
| Goldman Sachs | Buy (Upgrade) | INR 5,000 | Dec 2025 |
| ICICI Direct | Buy | INR 5,020 | Dec 2025 |
| JPMorgan | Overweight | INR 4,780 | Nov/Dec 2025 |
| Nomura / Instinet | Buy | INR 4,640 | Dec 2025 |
| Asit C Mehta | Accumulate | INR 4,565 | Dec 2025 |
| Sharekhan | Buy | INR 4,550 | Dec 2025 |
| ICICI Securities | Buy | INR 4,520 | Dec 22, 2025 |
| UBS | Neutral | INR 4,000 | Oct 2025 (Revised) |
| Bank of America | Underperform | INR 3,700 | Sept 2025 |

Analyst Summary: L&T is currently the "best proxy" for India's capital expenditure. While some valuation concerns were raised by BofA and UBS earlier in the year, the recent "Major" and "Significant" order wins in the final weeks of 2025 have reinforced the consensus "Buy" rating, with an average target implying a **10-15% upside** from current levels.

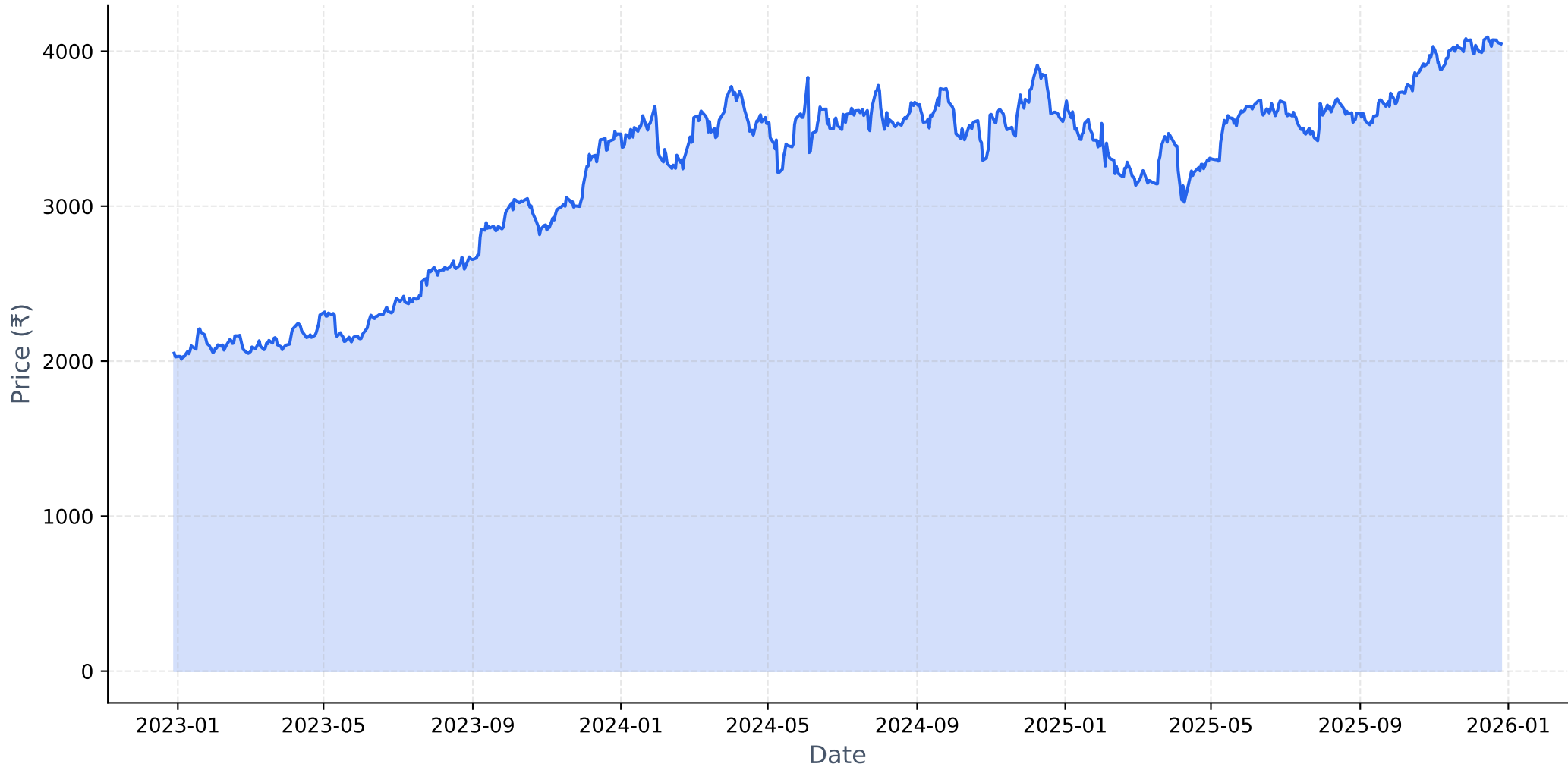
Stock Detailed Analysis Report

LT.NS

Current Price: ₹4047.30

Generated: 2025-12-28 10:27

LT.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

| Metric | Is Growing? | Accelerating? | 1Y Growth | 3Y CAGR |
|------------|-------------|---------------|-----------|---------|
| Revenue | Yes | No | 16.02% | 17.76% |
| Net Income | Yes | No | 15.15% | 20.15% |
| ROE | Yes | No | 1.83% | 13.54% |
| EPS | Yes | No | 16.39% | 21.01% |

Short-term Fundamental Analysis (6 Quarters)

| Metric | Is Growing? | Recent QoQ | Avg QoQ |
|------------|-------------|------------|---------|
| Revenue | Yes | -12.61% | 4.20% |
| Net Income | Yes | -34.20% | 12.57% |
| ROE | Yes | 47.94% | 47.94% |
| EPS | Yes | -1.05% | 10.41% |

LT.NS - Relative Strength Analysis

== OVERVIEW ==:

| | |
|------------------|-------------------------|
| Benchmark Index: | ^CNXINFRA |
| Sector: | Infra |
| Classification: | Weakening Leader |
| RS Score: | 52.0/100 |
| : | |

== RS RATIOS ==:

| | |
|--------|-----------------------|
| 1M RS: | 1.010 [Leader] |
| 3M RS: | 1.062 [Leader] |
| 6M RS: | 1.064 [Leader] |
| 1Y RS: | 1.011 [Leader] |
| : | |

== TURNAROUND ANALYSIS ==:

| | |
|--------------------|---------------------|
| Turnaround Status: | Not Detected |
| : | |

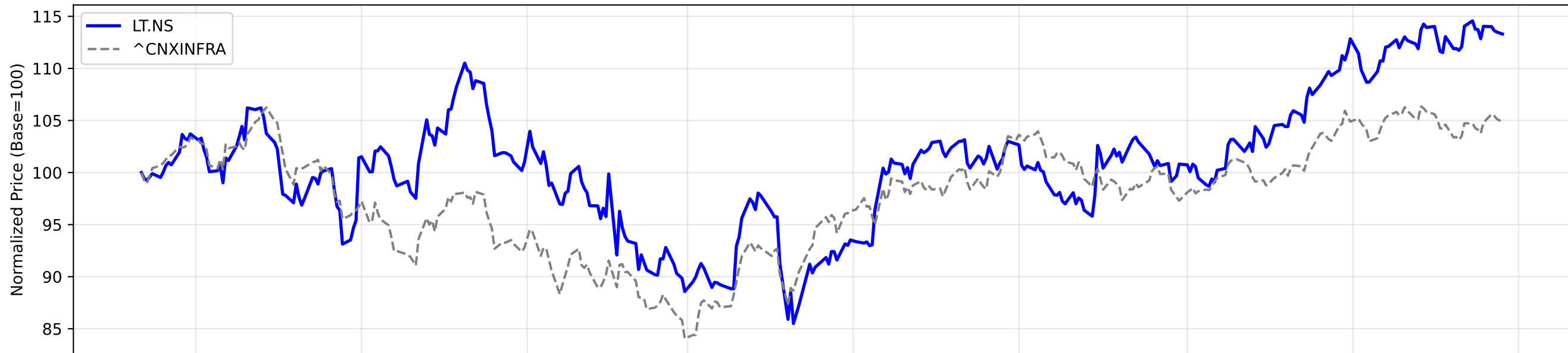
SIGNAL CRITERIA::

| | |
|--------------------------|---------------------------|
| ✗ Emerging RS: | Not accelerating |
| ✗ Medium-term Lagging: | Not lagging |
| ✓ Performance Improving: | 3M (+11.1%) > 6M (+10.6%) |

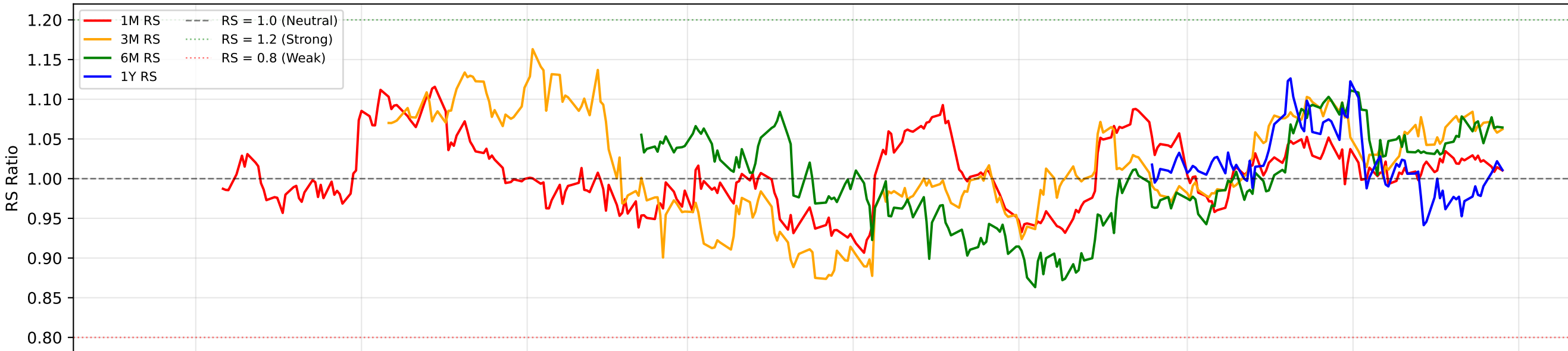
Relative Strength Analysis: LT.NS vs ^CNXINFRA

Classification: Weakening Leader

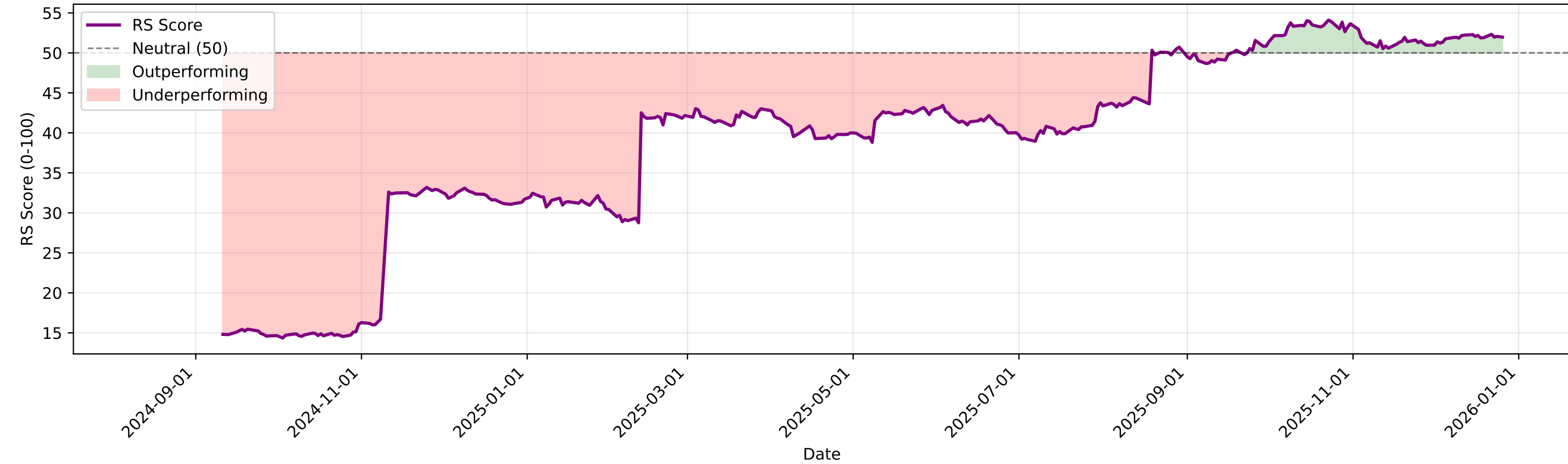
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



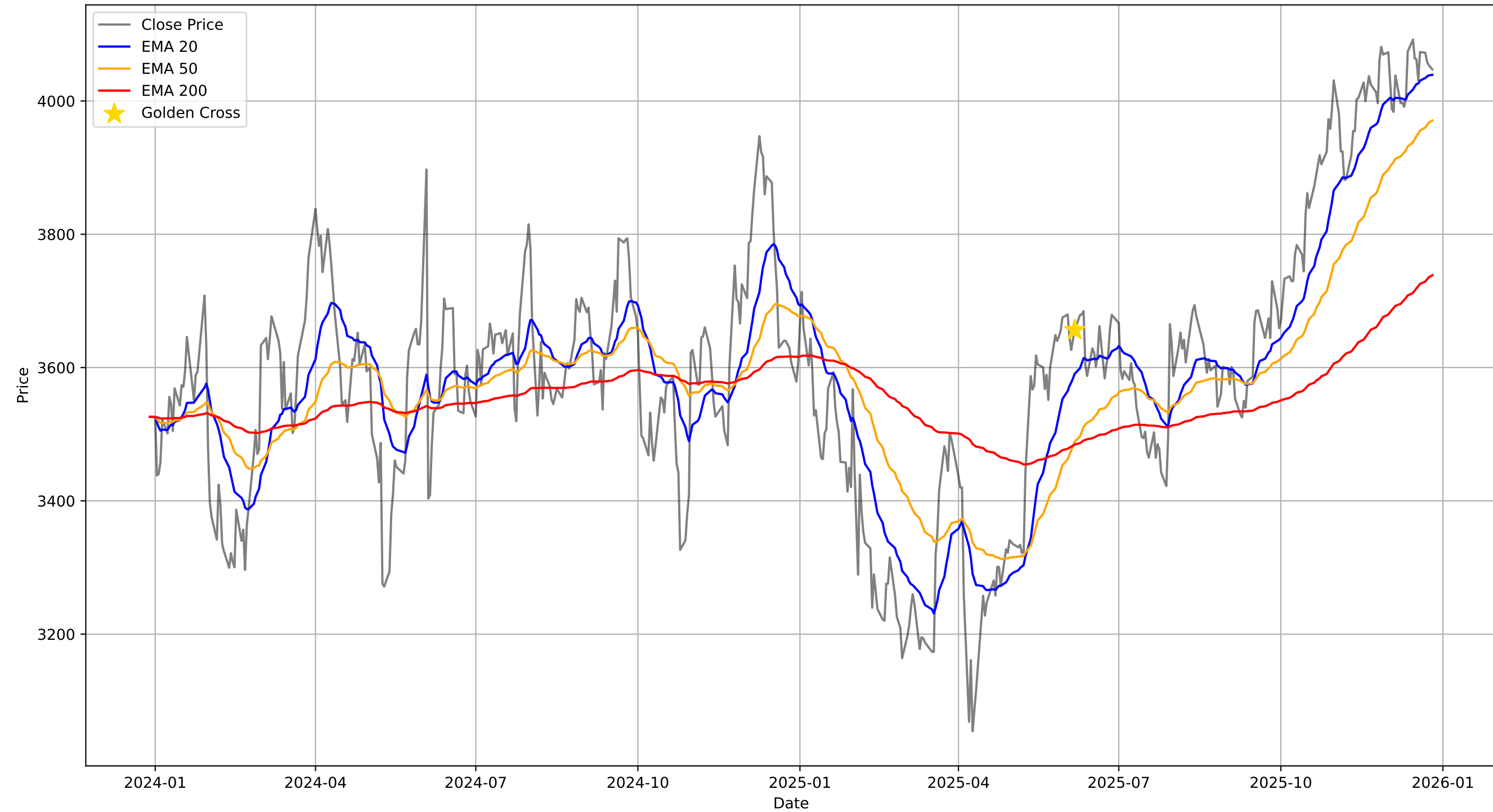
RS Composite Score Timeline



LT.NS - EMA Crossover Summary

| | |
|---------------------|-----------------------|
| EMA 20: | 4039.29 |
| EMA 50: | 3970.76 |
| EMA 200: | 3738.61 |
| Trend Status: | Strong Uptrend |
| Golden Cross Date: | 2025-06-06 00:00:00 |
| Golden Cross Price: | 3656.30 |

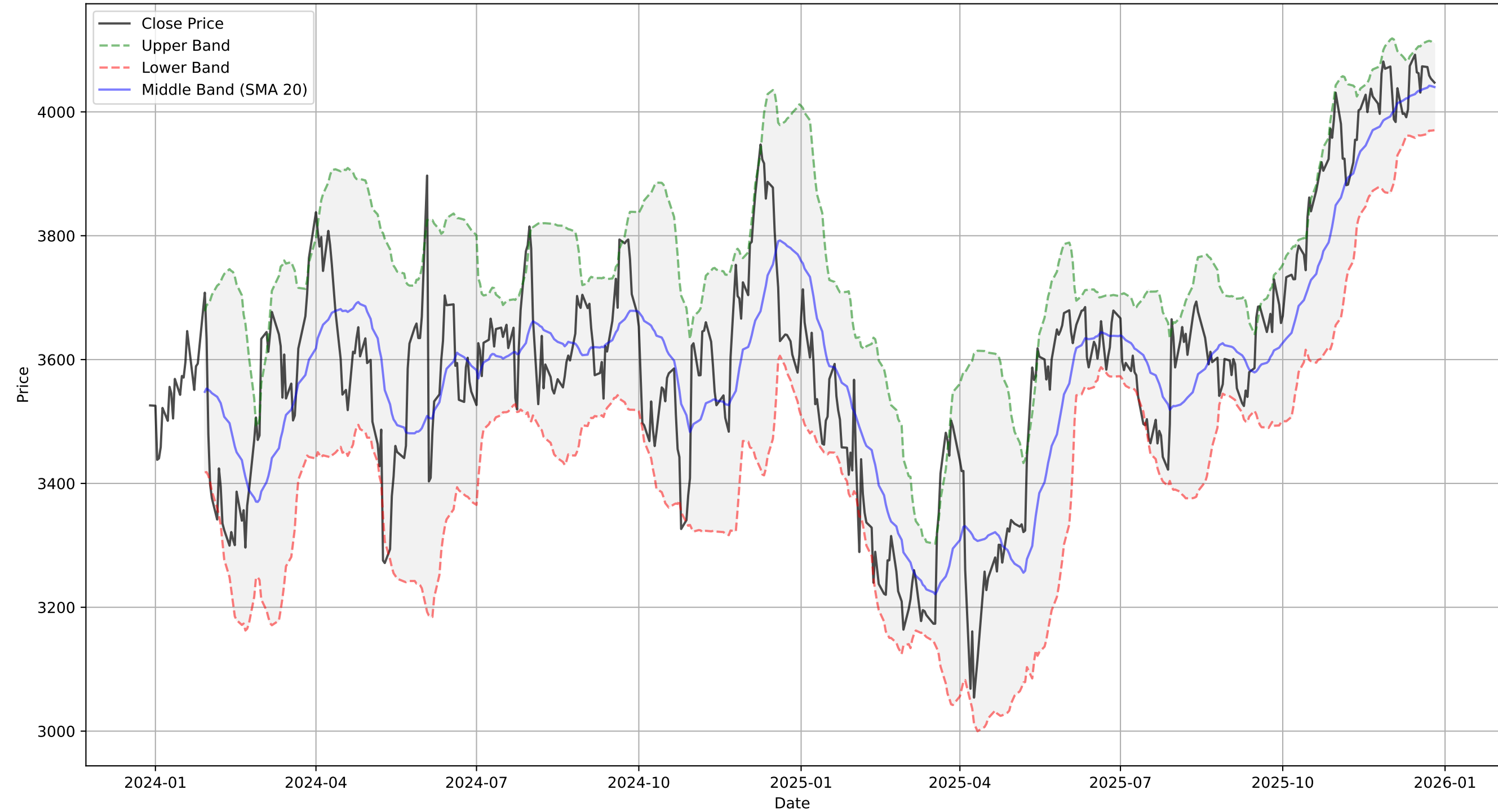
LT.NS EMA Crossover Analysis



LT.NS - Bollinger Bands Summary

| | |
|------------------------------|------------|
| Current Price: | 4047.30 |
| Upper Band: | 4109.86 |
| Middle Band (SMA 20): | 4040.09 |
| Lower Band: | 3970.32 |
| %B: | 0.5517 |
| Band Width: | 0.0345 |
| Status: | Upper Half |
| Signal: | None |

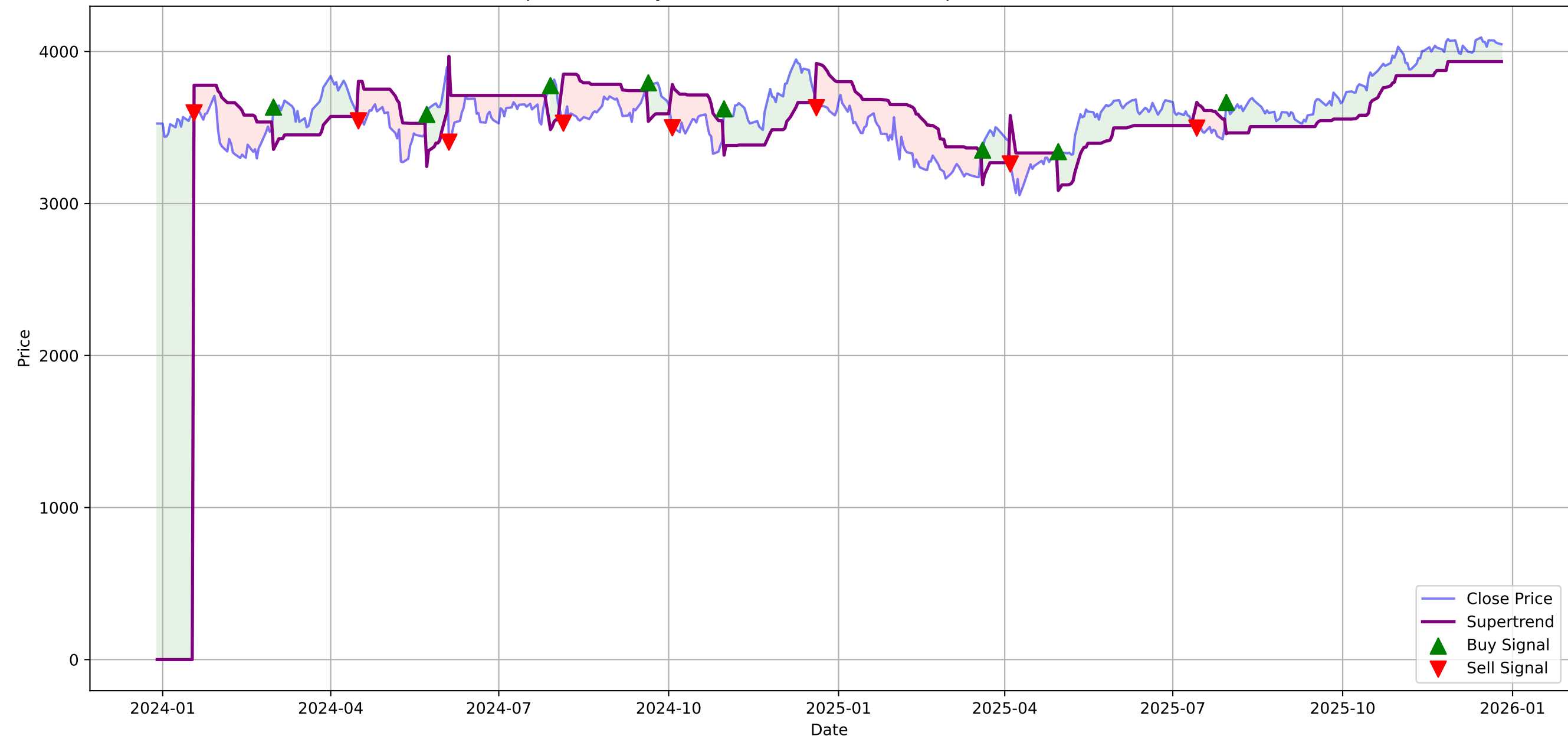
LT.NS Bollinger Bands (20, 2) Analysis



LT.NS - Supertrend Summary

| | |
|-----------------------|---------------|
| Status: | UPTREND (Buy) |
| Supertrend Value: | 3932.94 |
| Signal Identified On: | 2025-07-30 |

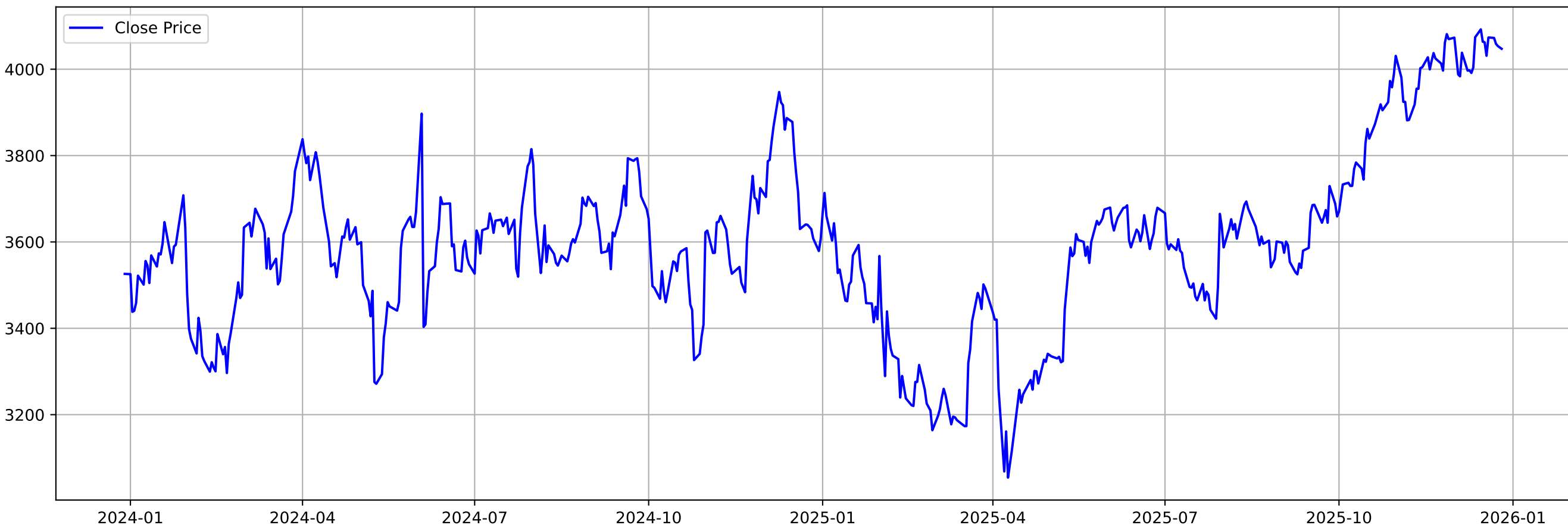
Supertrend Analysis for LT.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



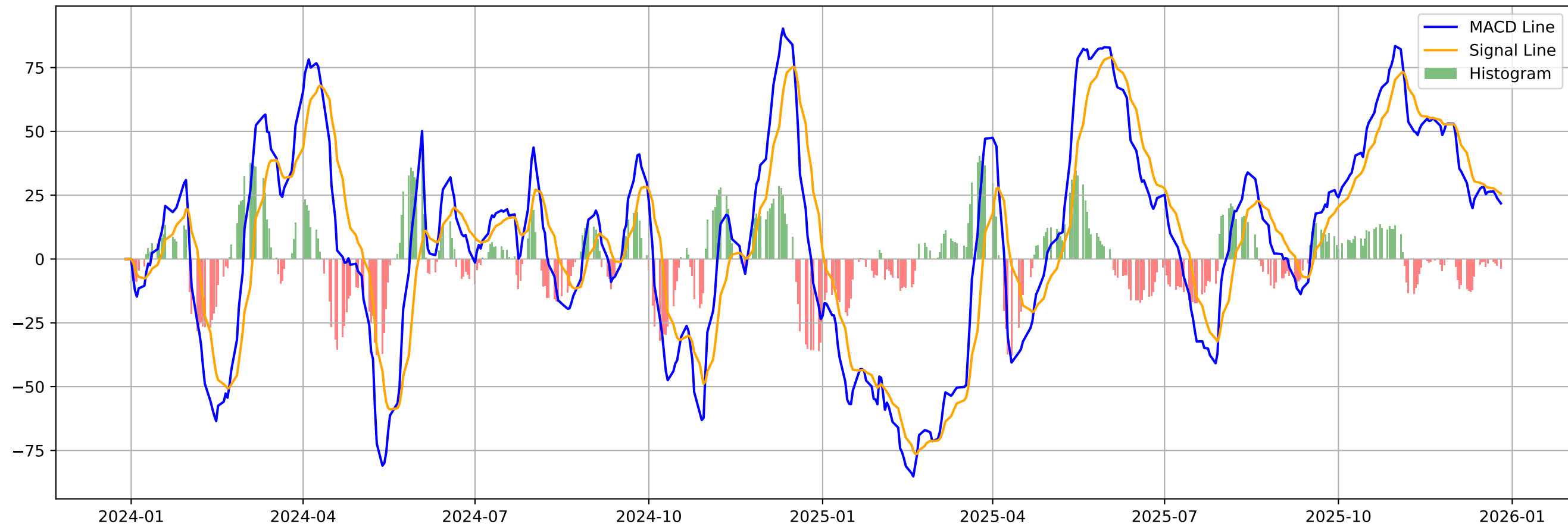
LT.NS - MACD Summary

| | |
|------------------------------|---|
| MACD Line: | 21.80 |
| Signal Line: | 25.63 |
| Histogram: | -3.83 |
| Trend: | Bearish |
| Momentum: | Strengthening |
| Signal: | None |
| Divergences Detected: | 1 |
| └ Bearish Divergence: | Date: 2025-12-15 00:00:00, Price: 4092.30 |

LT.NS Price



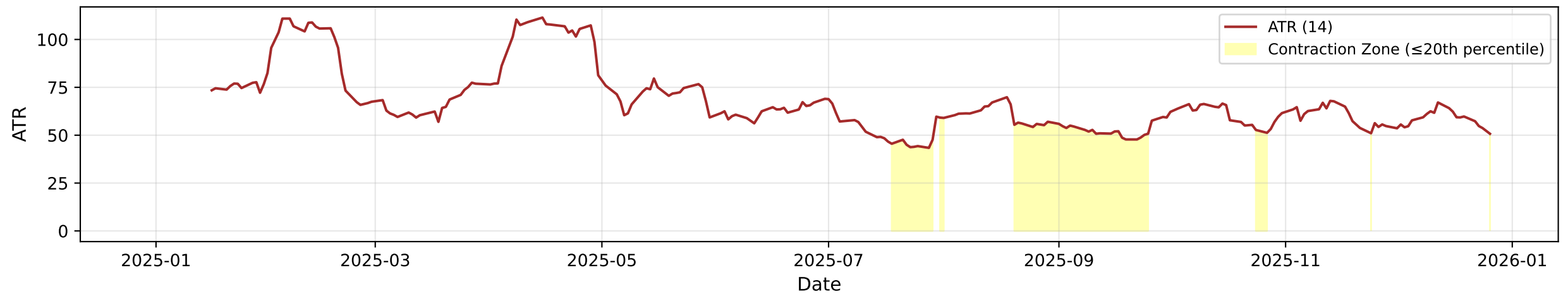
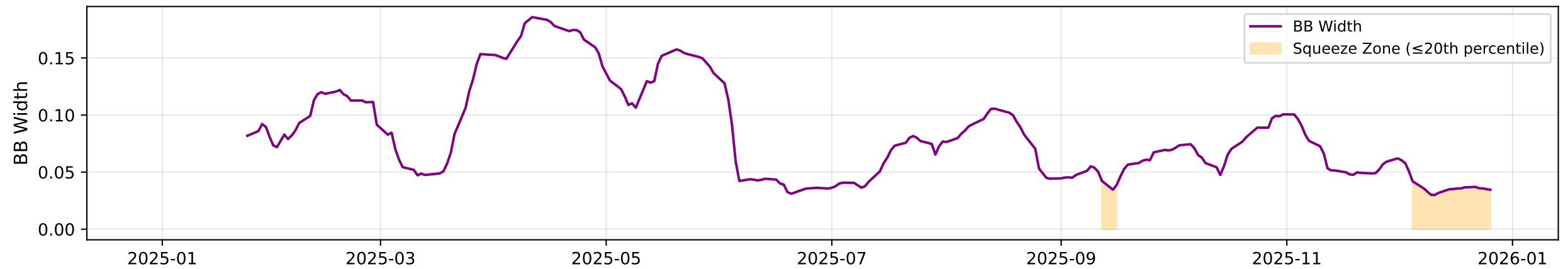
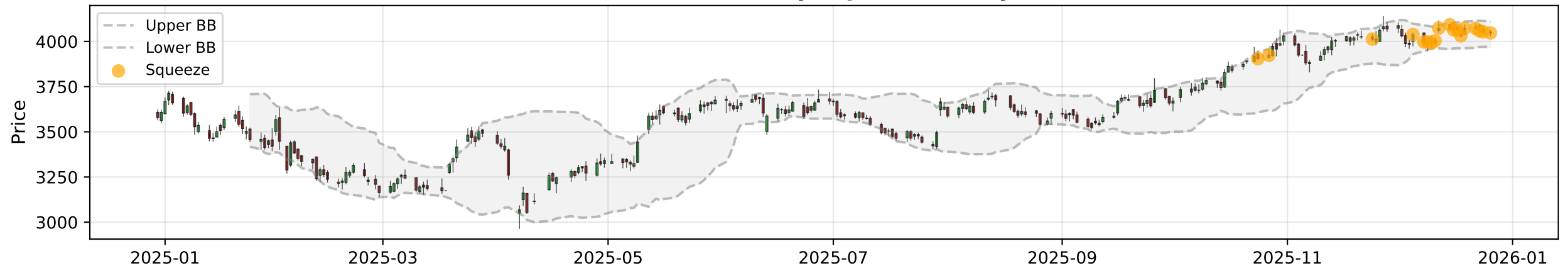
LT.NS MACD (12, 26, 9)



LT.NS - Volatility Squeeze Summary

| | |
|----------------|--|
| BB Width: | 0.0345 |
| ATR: | 50.7500 |
| Total Signals: | 18 |
| Signal 1: | BB Squeeze at 2025-12-19 00:00:00 (Price: 4073.50) |
| Signal 2: | BB Squeeze at 2025-12-22 00:00:00 (Price: 4072.40) |
| Signal 3: | BB Squeeze at 2025-12-23 00:00:00 (Price: 4058.80) |
| Signal 4: | BB Squeeze at 2025-12-24 00:00:00 (Price: 4053.60) |
| Signal 5: | BB Squeeze + ATR Contraction at 2025-12-26 00:00:00 (Price: 4048.20) |

LT.NS - Volatility Squeeze Analysis



LT.NS - RSI-Volume Summary

| | |
|-----------------------------|---|
| Current RSI: | 53.81 |
| Current Volume: | 594330 |
| Volume MA 20: | 1256992 |
| Bullish Divergences: | 1 |
| Bearish Divergences: | 5 |
| Bullish Div 1: | Date: 2025-02-18 00:00:00, Price: 3220.15 |
| Bearish Div 1: | Date: 2025-11-27 00:00:00, Price: 4081.30 |
| Bearish Div 2: | Date: 2025-12-15 00:00:00, Price: 4092.30 |

LT.NS RSI-Volume Divergence Analysis

