

Gemini Stock Analysis Report

Based on the attached **Persistent Systems Ltd. (PERSISTENT.NS)** report, here is the positional trading analysis.

Step 1: Audit the Data

- **Data Present:**
 - Daily & Weekly Price Charts with Candle/EMA overlays.
 - Moving Averages (EMA 20, 50, 200) and Crossover status.
 - Oscillators: RSI, MACD, Bollinger Bands.
 - Trend Indicators: Supertrend, Relative Strength (RS).
 - Volume Analysis (Distribution days, Selling Exhaustion signals).
 - Fundamental snapshot (Revenue, EPS growth, Valuation).
 - **Data Missing:**
 - Detailed Option Chain/Open Interest data (helpful for immediate support/resistance but not critical for intermediate positional trades).
 - Detailed Institutional Ownership changes (FII/DII flow).
 - **Confidence Level: High.** The technical report is comprehensive, covering trend, momentum, volatility, and volume across multiple timeframes, allowing for a robust technical assessment.
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Step 2: Analyze the Setup

- **Price Structure & Trend:**
 - **Long-Term:** The stock is in a primary uptrend (Weekly chart), sitting well above the 200-day EMA (5804).
 - **Intermediate/Short-Term:** The stock is currently in a **correction phase**. It is trading *below* the 20-day (6312) and 50-day (6228) EMAs. The daily chart shows a "Lower High, Lower Low" formation.
 - **Momentum:**
 - **Bearish:** The MACD is in a bearish crossover and below the signal line. The Supertrend (Daily) is currently in a "Sell" mode (Resistance at 6572).
 - **Relative Strength:** The stock is underperforming the benchmark (^CNXIT) in the short term, with an RS Score of 52.8 (Neutral).
 - **Confluence & Signals:**
 - **Negative:** The price is "walking down" the Lower Bollinger Band (Page 9), indicating strong short-term bearish pressure.
 - **Positive (Potential Reversal):** Page 18 indicates a "Selling Exhaustion (**Bullish** Div)" signal on Jan 23, 2026. Additionally, the price is approaching a major support zone near the 200-day EMA (~5800).
 - **Conclusion:** The stock is currently a "falling knife." While the long-term story is intact, the intermediate momentum is currently downward. Buying now requires fighting the immediate trend. A safe positional entry requires evidence that the correction has ended.
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Step 3: Formulate the Recommendation

Should you enter this stock now? NO.

Reasoning: Although the fundamentals are strong and the long-term trend is up, the short-term technicals are broken. The price is below key short-term moving averages (20 & 50 EMA), and the Supertrend is negative. Entering now exposes you to the risk of a further 5-6% drop toward the 200-day EMA (approx. 5805). You

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need to wait for price stabilization or a reclaim of momentum.

Conditional Plan (Watchlist Setup): We will look for a "Reclaim of Strength" to confirm the correction is over.

- **Condition to Buy: Daily Close above EMA 20 (approx. INR 6,320).**
 - *Why:* This confirms that the "Selling Exhaustion" signal was valid and breaks the immediate short-term downtrend, putting price back into the Bollinger Band trading range.
- **Entry Price: INR 6,325 - INR 6,350** (Upon confirmation of the condition).
- **Stop Loss: INR 5,990** (Daily Close).
 - *Risk:* ~5.3%. This is placed below the psychological INR 6000 level and recent consolidation lows.
- **Take Profit: INR 6,800 - INR 6,850.**
 - *Reward:* ~7.5% - 8.5%. This targets a re-test of the recent swing highs and the analyst target shown on the Trendlyne snapshot.

Alternative High-Risk Entry: If the stock flushes down to **INR 5,800 - INR 5,850** (200 DMA support) and prints a bullish reversal candle (Hammer/Engulfing), a speculative buy can be taken there with a tight stop at INR 5,700.

News & Analyst Targets

Equity Research Update: Persistent Systems (PERSISTENT)

Date: January 25, 2026

Sector: Information Technology

Here is the latest research and market intelligence on Persistent Systems for the week ending January 25, 2026.

1) Latest News for PERSISTENT (This Week)

The news cycle this week was dominated by the company's Q3 FY26 earnings announcement and subsequent corporate actions.

- **Strong Q3 FY26 Financial Results:** On January 20, 2026, Persistent Systems reported a robust quarter with revenue reaching **\$422.5 million**, a growth of **17.3% YoY** and **4.0% QoQ**. In rupee terms, revenue stood at INR 3,778.2 crore.
- **Dividend Declaration:** The Board declared an interim dividend of **INR 22 per share**. The record date for eligibility is set for **Tuesday, January 27, 2026**, meaning investors buying early this coming week can still qualify.
- **Margin Performance:** EBIT margins came in at **14.4%**, down ~190 bps QoQ, largely due to seasonal wage hikes and one-time impacts from new labor codes. Adjusted EBIT margin (excluding one-offs) was healthier at 16.7%.
- **Strategic Restructuring:** The board approved the transfer of 100% shareholding of its German and French subsidiaries to Aepona Group Limited (Ireland) to streamline its European operations.
- **Partnership Announcement:** The company announced a strategic partnership with **DigitalOcean** to advance accessible and scalable AI solutions, leveraging Persistent's engineering expertise with DigitalOcean's cloud infrastructure.

2) Brokerage Upgrades & Downgrades

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The analyst community has largely reacted positively to the Q3 numbers, looking past the temporary margin dip and focusing on the strong deal pipeline (ACV of \$722M for 9M FY26, +18% YoY).

- **Anand Rathi: Upgraded** the stock to **BUY** with a target of **INR 7,587**, citing strong revenue concentration from top clients and ambitious growth targets (\$2B revenue by FY27).
- **ICICI Direct: Maintained BUY** rating but **Raised Target Price** to **INR 7,200** (previously INR 6,570), valuing the stock at 41x FY28E EPS.
- **Prabhudas Lilladher (PL Capital): Maintained BUY** rating and set a target of **INR 7,360**. They noted that revenue performance exceeded estimates and highlighted the success of the company's AI-led platform, Sasva.
- **MarketsMojo:** Earlier in the month (Dec 30, 2025), the rating was technically adjusted from "Strong Buy" to "**Buy**" due to valuation factors, though the fundamental outlook remains positive.

3) Other News Impacting PERSISTENT

- **Post-Earnings Price Correction:** Despite beating revenue estimates, the stock witnessed a **correction of ~3%** immediately following the results (Jan 21). Traders likely booked profits due to the "sell on news" sentiment and concerns over the reported headline margin compression.
- **Technical "Sell" Signal:** Technical analysis flagged a "Weekly Stochastic Crossover" (a bearish indicator) on the week ending Jan 23, 2026, suggesting the stock might face short-term consolidation or weakness before resuming its uptrend.
- **Sector Tailwinds:** The broader IT sector has seen renewed interest on hopes of Fed rate cuts in 2026, which would lower borrowing costs for US clients and potentially boost discretionary tech spending-a key driver for Persistent's product engineering business.

4) Latest Analyst Targets (Consensus & Brokerage)

The following table summarizes the most recent price targets issued by major brokerages post-Q3 FY26 results.

Brokerage Firm	Rating	Price Target (INR)	Previous Target (INR)	Date Issued
Anand Rathi	BUY (Upgrade)	7,587	N/A	Jan 21, 2026
Prabhudas Lilladher	BUY	7,360	N/A	Jan 22, 2026
ICICI Direct	BUY	7,200	6,570	Jan 21, 2026
UBS	BUY	6,730	Initiated	Sep 2025
BNP Paribas	OUTPERFORM	6,730	N/A	Recent
Motilal Oswal	BUY	7,600	N/A	Recent
Consensus Mean	BUY	~6,817	N/A	Jan 25, 2026

Analyst Note: The street is pricing in a strong FY27-28, with most targets implying an upside of 10-20% from the current trading range of INR 6,100-INR 6,300. The key risk remains the durability of margins in the face of wage inflation.

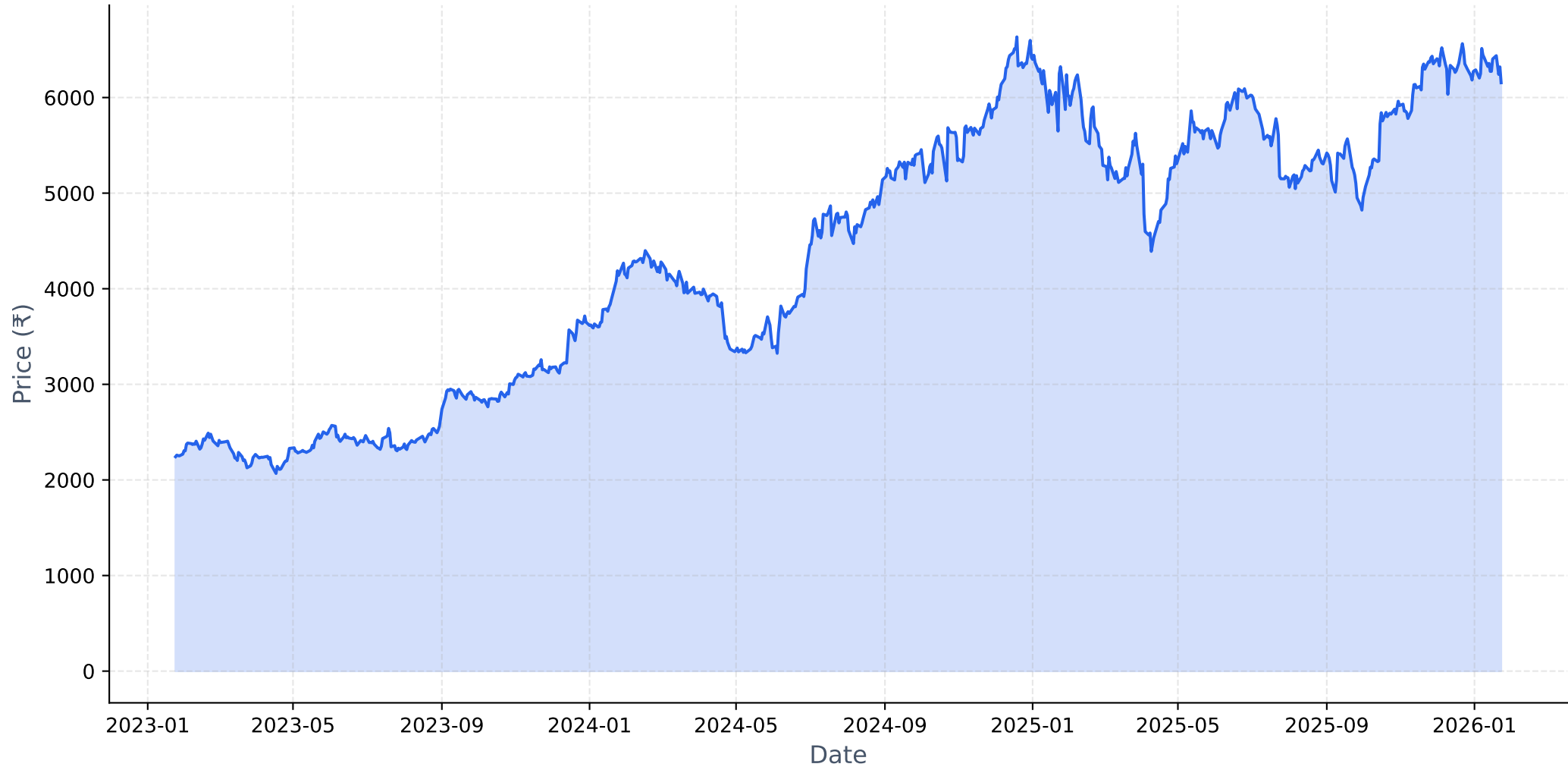
Stock Detailed Analysis Report

PERSISTENT.NS

Current Price: ₹6155.00

Generated: 2026-01-24 18:25

PERSISTENT.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	21.56%	27.87%
Net Income	Yes	Yes	28.05%	26.58%
ROE	Yes	No	0.46%	2.63%
EPS	Yes	No	25.92%	26.40%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	13.34%	6.93%
Net Income	Yes	3.42%	7.92%
ROE	Yes	7.23%	7.23%
EPS	Yes	2.62%	7.56%

PERSISTENT.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Emerging Leader
RS Score:	52.8/100
:	

== RS RATIOS ==:

1M RS:	1.001 [Leader]
3M RS:	0.967 [Neutral]
6M RS:	1.152 [Leader]
1Y RS:	1.192 [Leader]
:	

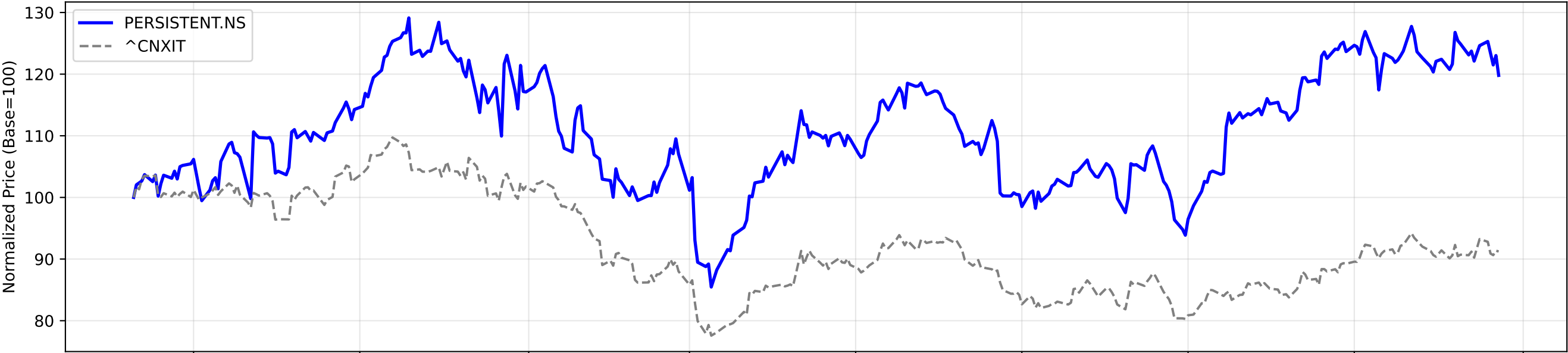
== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

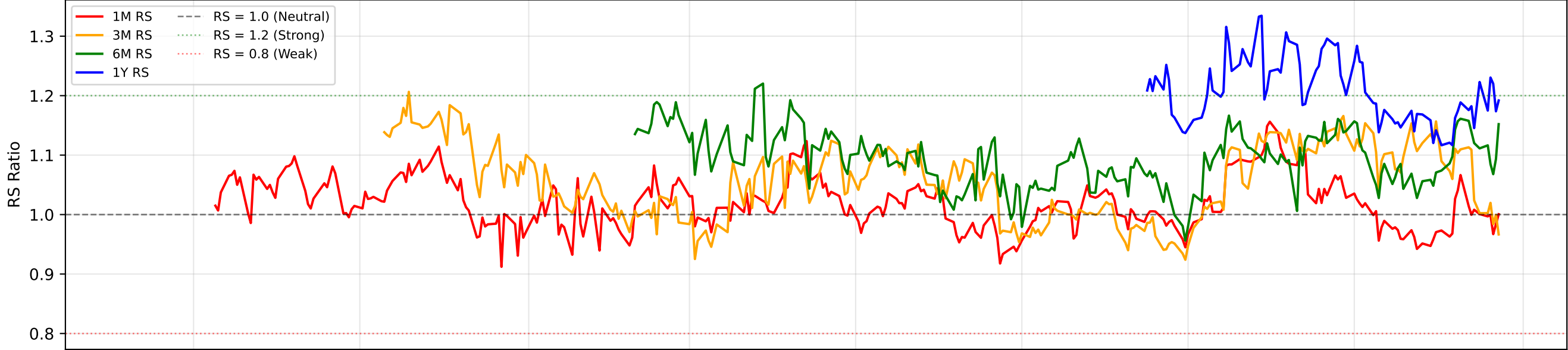
SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.001) > 3M (0.967)
✗ Medium-term Lagging:	Not lagging
✗ Performance Improving:	Not improving

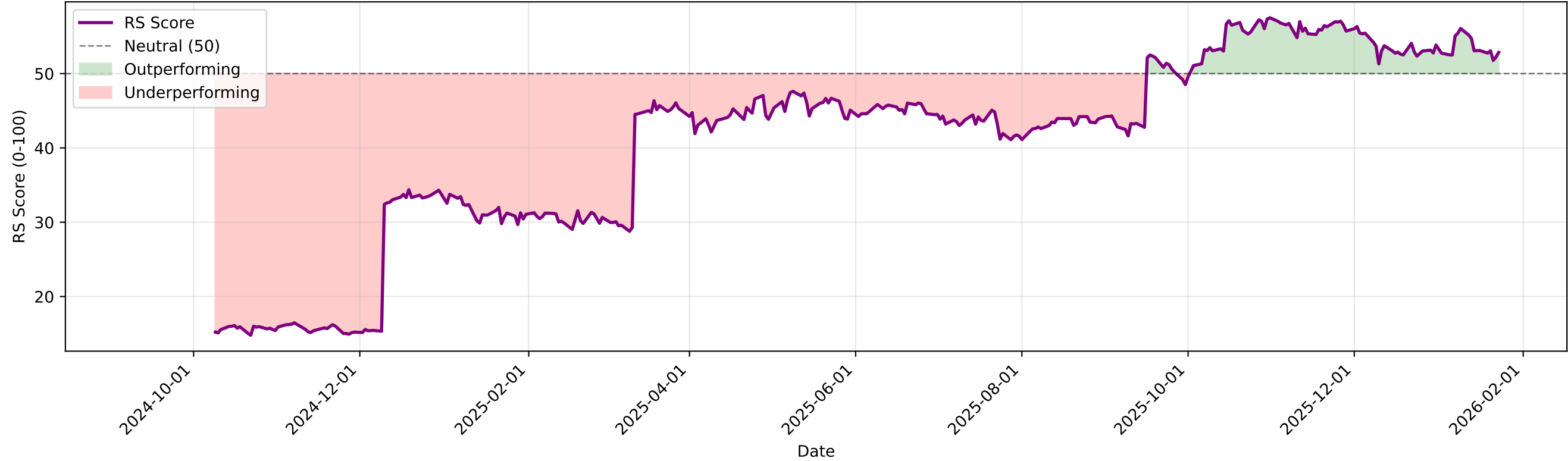
Relative Strength Analysis: PERSISTENT.NS vs ^CNXIT
Classification: Emerging Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



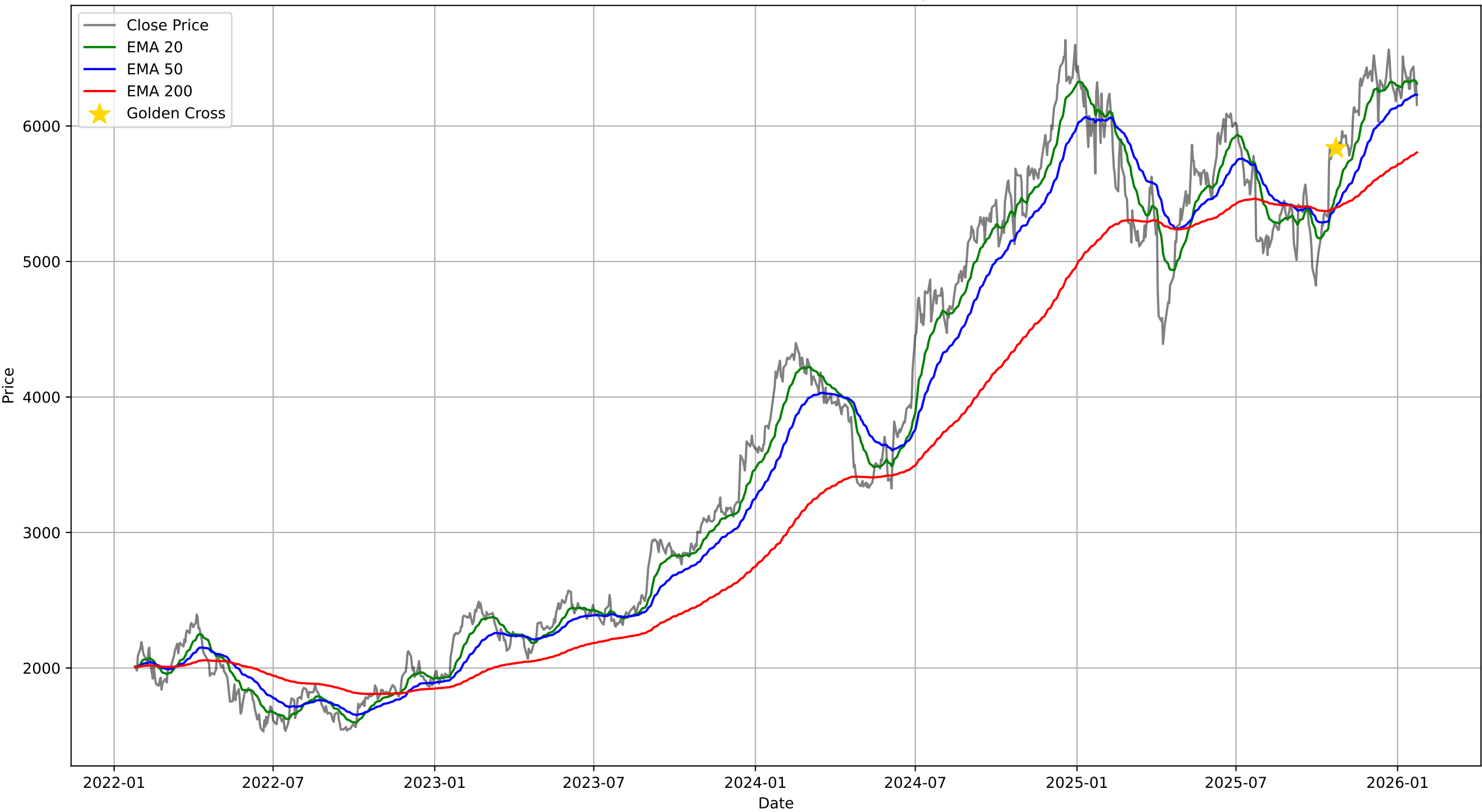
RS Composite Score Timeline



PERSISTENT.NS - EMA Crossover Summary

EMA 20:	6312.42
EMA 50:	6228.94
EMA 200:	5804.19
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-10-23 00:00:00+05:30
Golden Cross Price:	5835.90

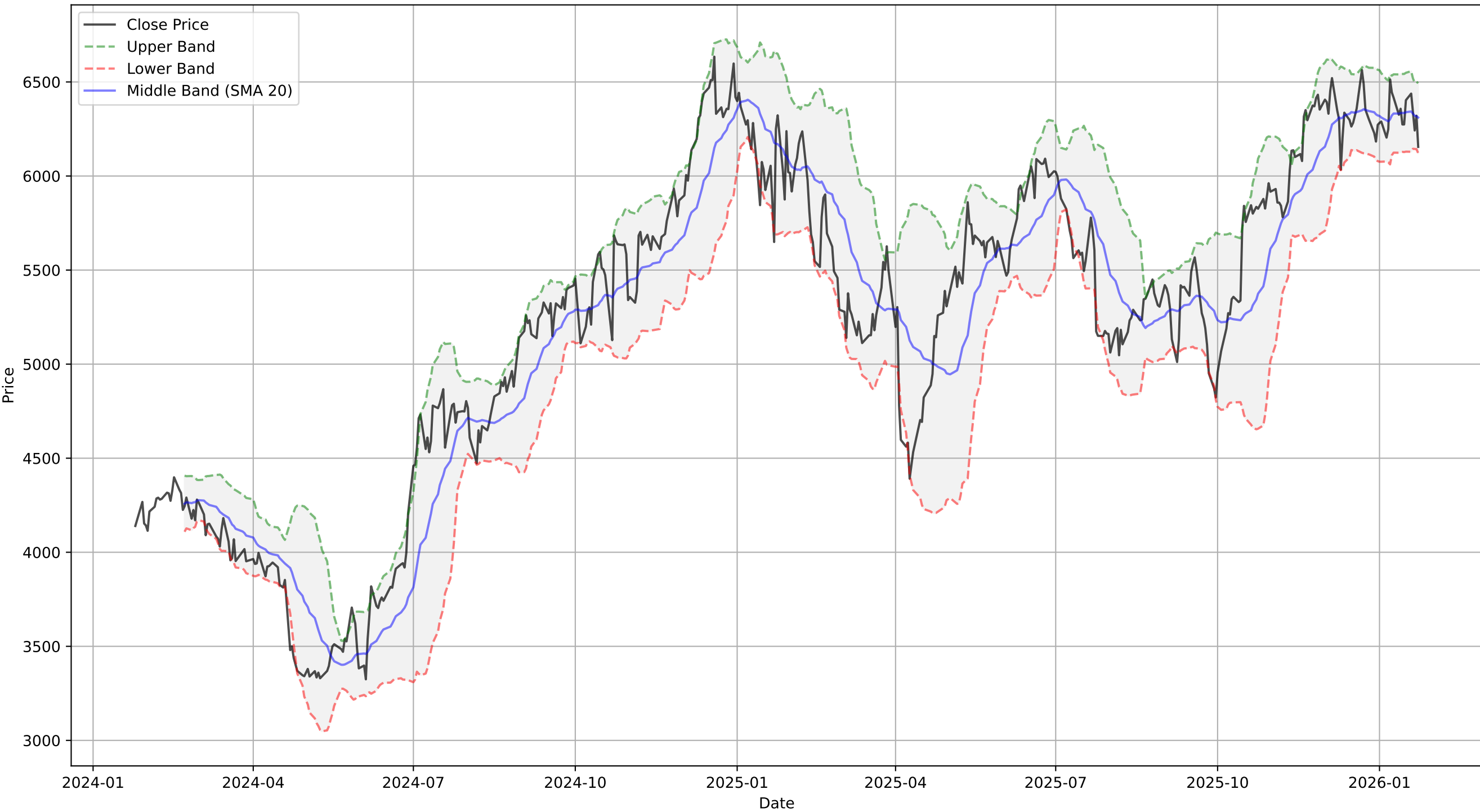
PERSISTENT.NS EMA Crossover Analysis



PERSISTENT.NS - Bollinger Bands Summary

Current Price:	6155.00
Upper Band:	6500.64
Middle Band (SMA 20):	6310.77
Lower Band:	6120.91
%B:	0.0898
Band Width:	0.0602
Status:	Lower Half
Signal:	None

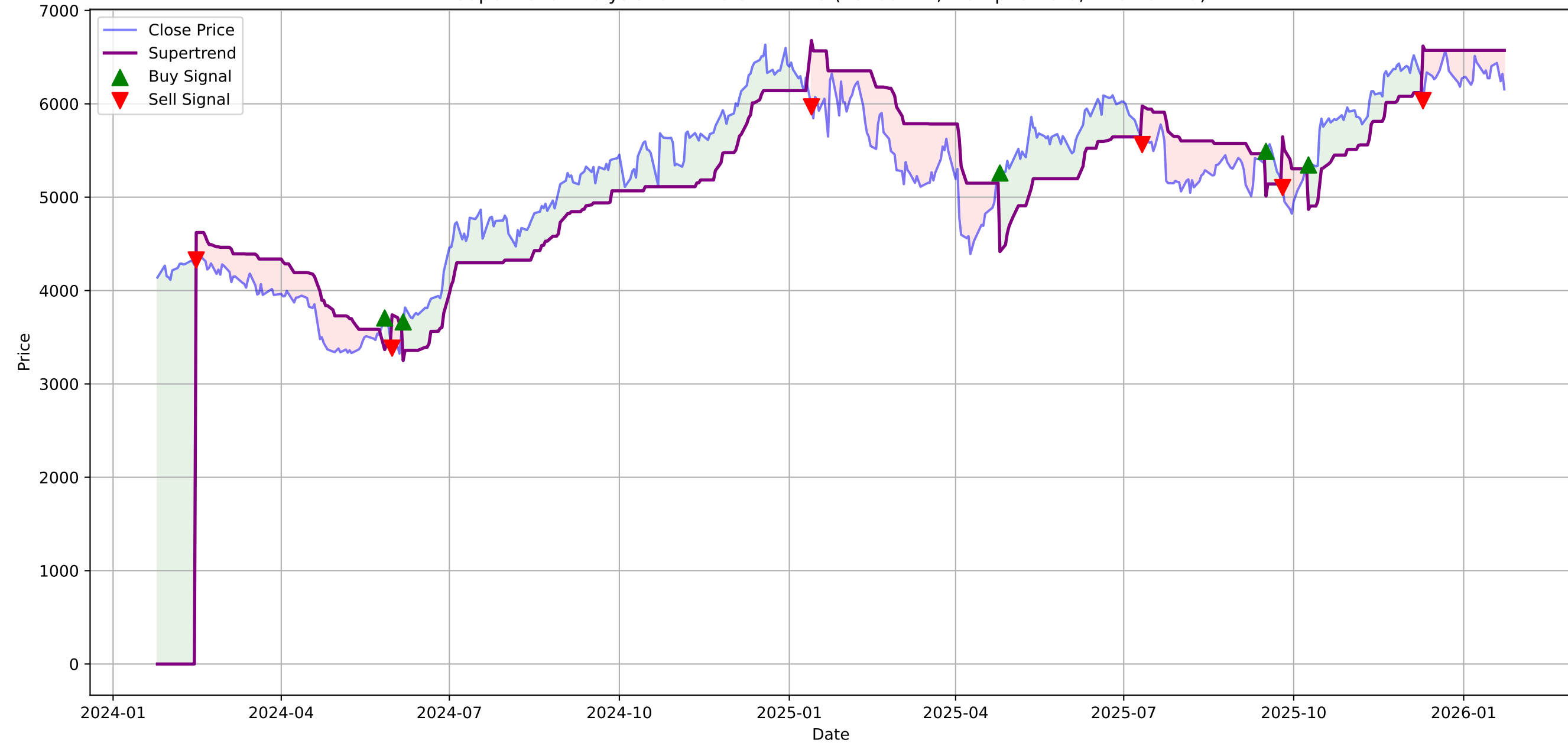
PERSISTENT.NS Bollinger Bands (20, 2) Analysis



PERSISTENT.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	6572.21
Signal Identified On:	2025-12-10

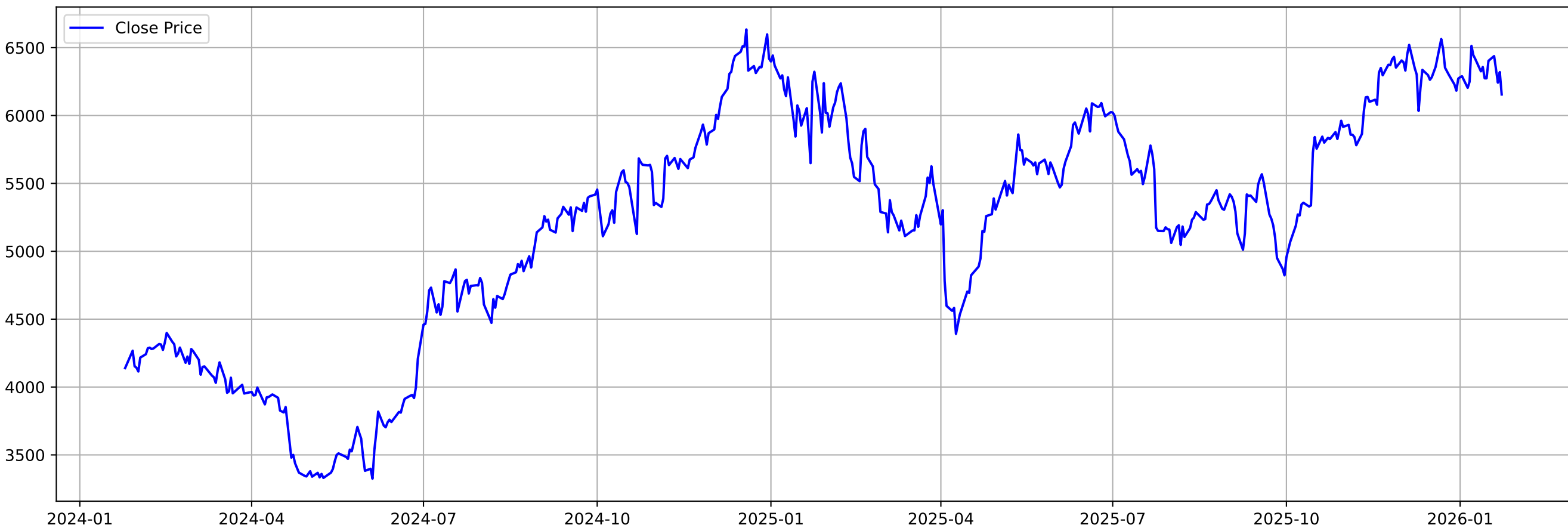
Supertrend Analysis for PERSISTENT.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



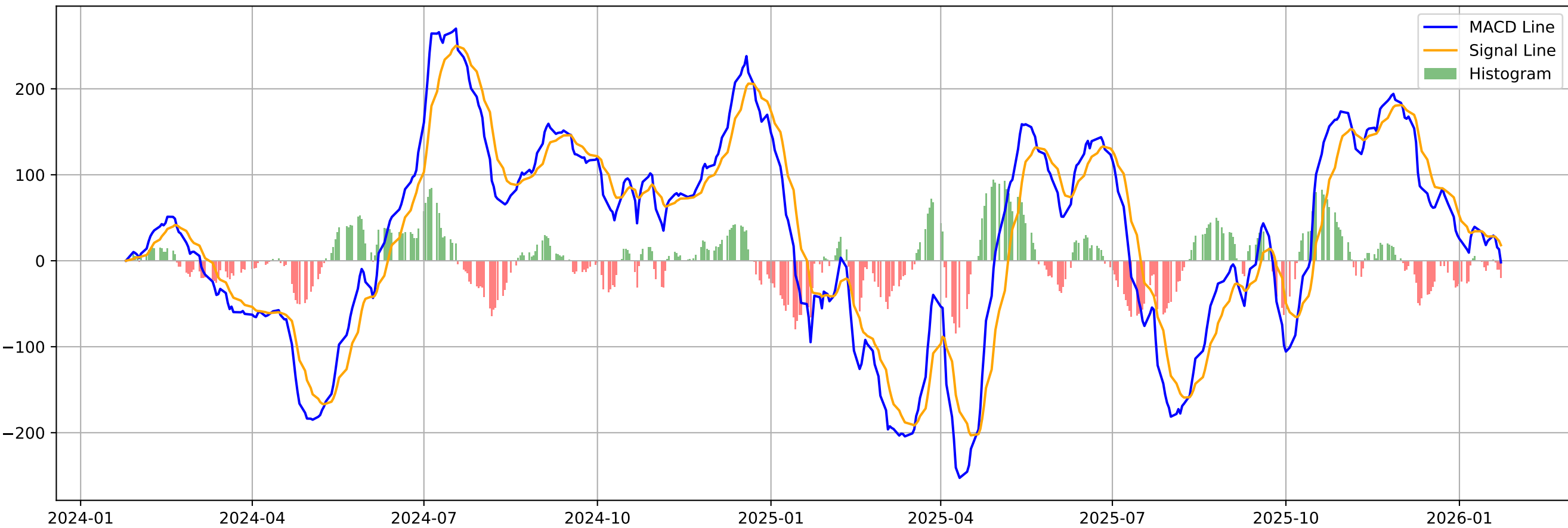
PERSISTENT.NS - MACD Summary

MACD Line:	-1.83
Signal Line:	18.09
Histogram:	-19.93
Trend:	Bearish
Momentum:	Strengthening
Signal:	None

PERSISTENT.NS Price



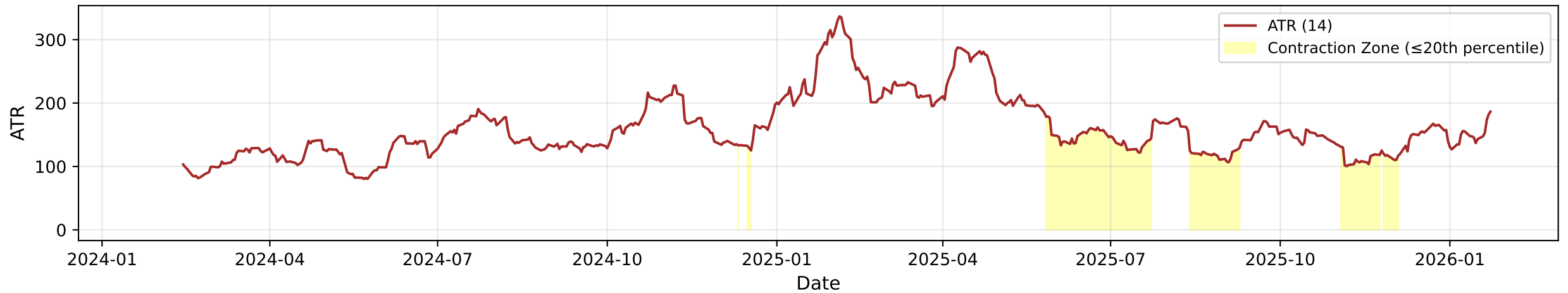
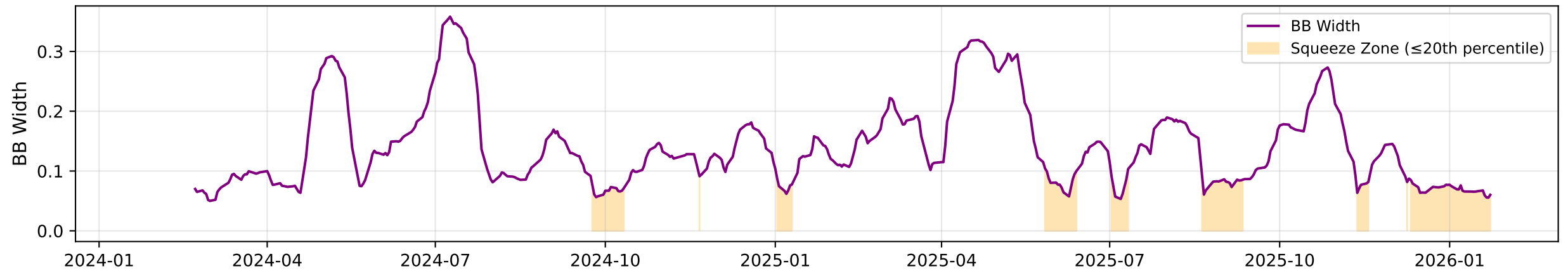
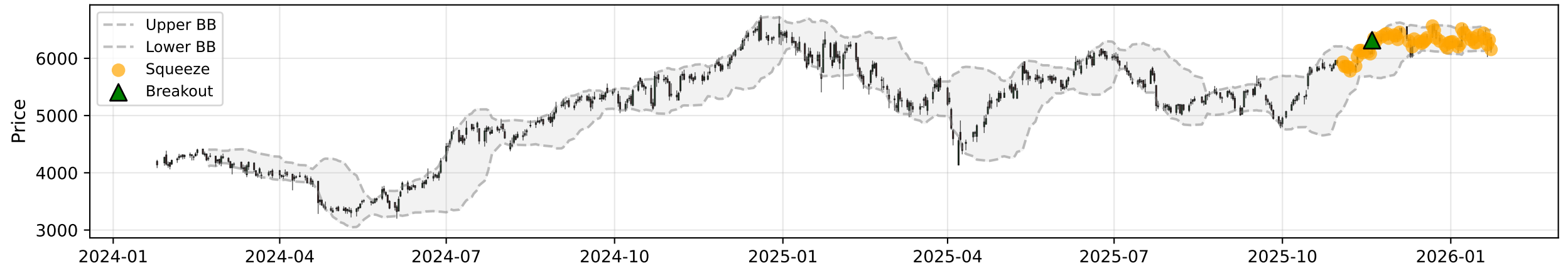
PERSISTENT.NS MACD (12, 26, 9)



PERSISTENT.NS - Volatility Squeeze Summary

BB Width:	0.0602
ATR:	186.4643
Total Signals:	55
Signal 1:	BB Squeeze at 2026-01-19 00:00:00+05:30 (Price: 6438.00)
Signal 2:	BB Squeeze at 2026-01-20 00:00:00+05:30 (Price: 6342.50)
Signal 3:	BB Squeeze at 2026-01-21 00:00:00+05:30 (Price: 6242.00)
Signal 4:	BB Squeeze at 2026-01-22 00:00:00+05:30 (Price: 6320.50)
Signal 5:	BB Squeeze at 2026-01-23 00:00:00+05:30 (Price: 6155.00)

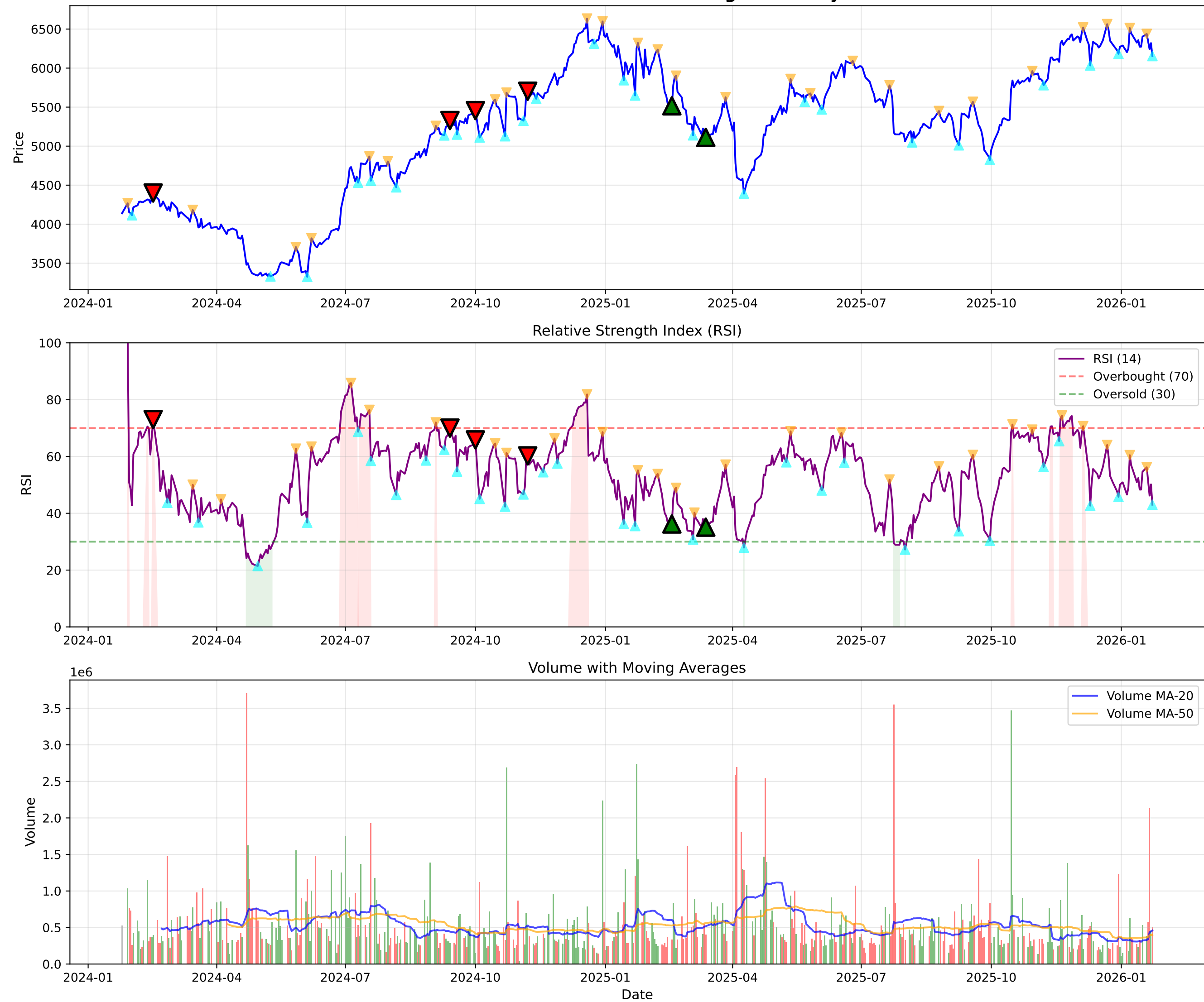
PERSISTENT.NS - Volatility Squeeze Analysis



PERSISTENT.NS - RSI-Volume Summary

Current RSI:	43.01
Current Volume:	499112
Volume MA 20:	458825
Bullish Divergences:	2
Bearish Divergences:	4
Bullish Div 1:	Date: 2025-02-17 00:00:00+05:30, Price: 5516.43
Bullish Div 2:	Date: 2025-03-13 00:00:00+05:30, Price: 5111.97
Bearish Div 1:	Date: 2024-10-01 00:00:00+05:30, Price: 5454.92
Bearish Div 2:	Date: 2024-11-07 00:00:00+05:30, Price: 5703.08

PERSISTENT.NS RSI-Volume Divergence Analysis



PERSISTENT.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status:

34 Signals Detected

:

2026-01-09 [-]:

Distribution Day

2026-01-14 [-]:

Distribution Day

2026-01-20 [-]:

Distribution Day

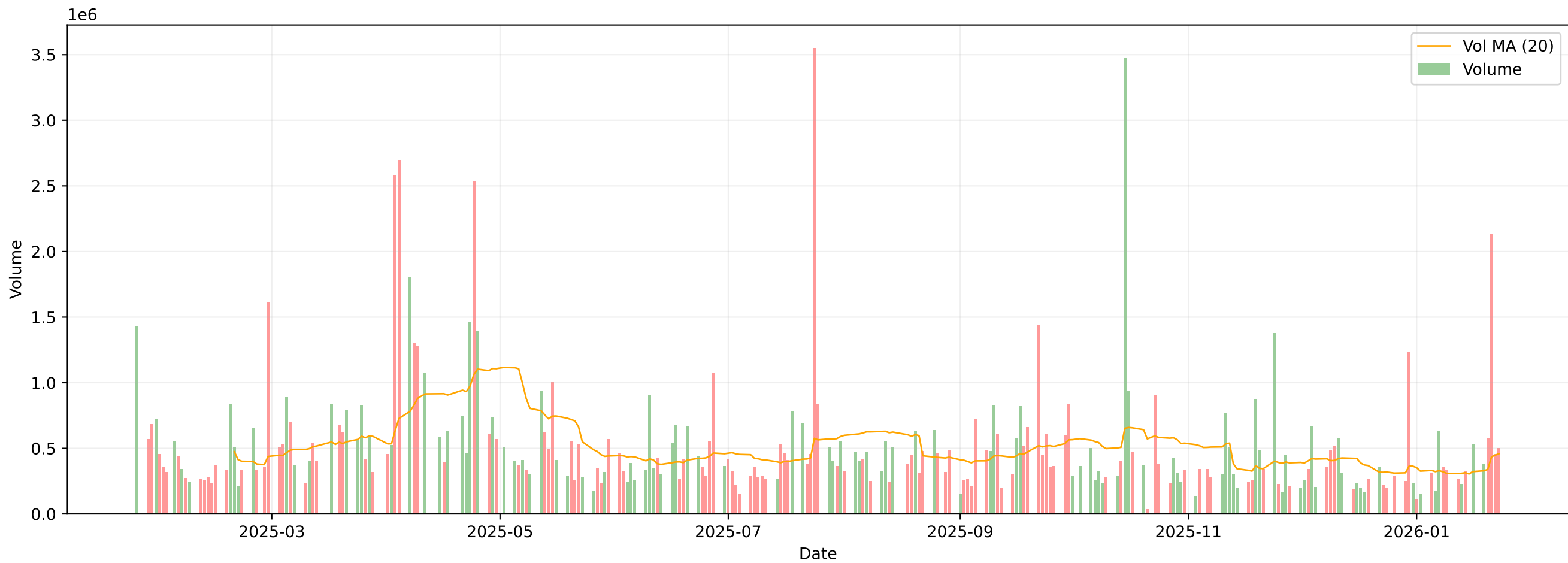
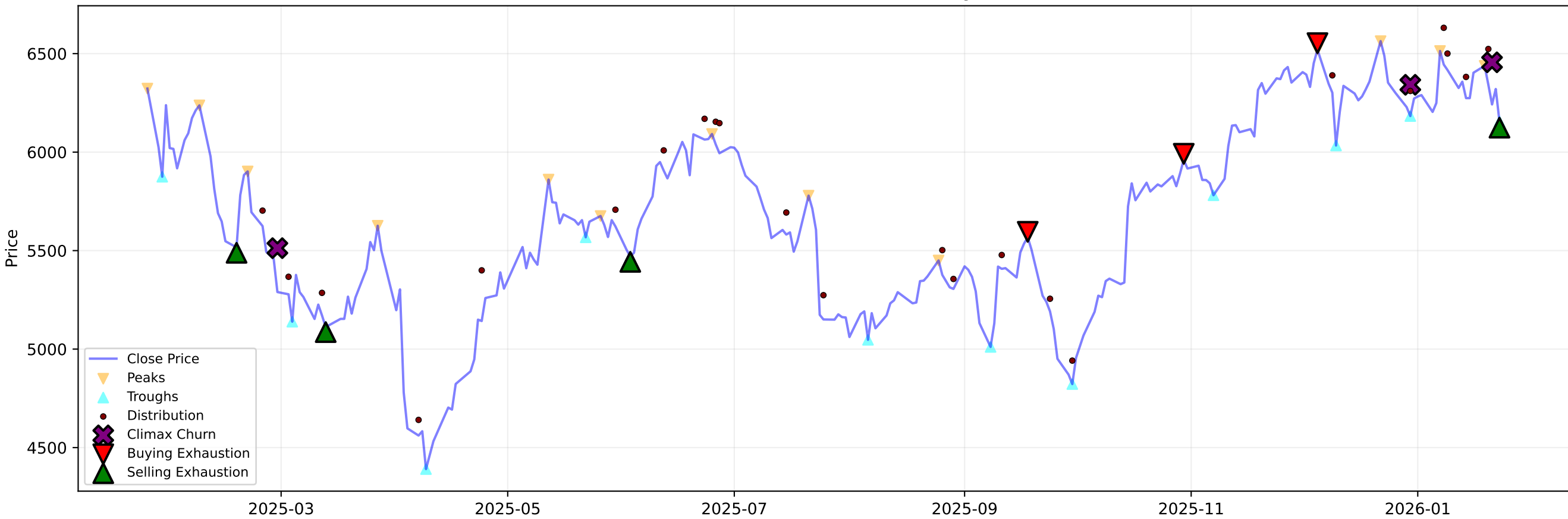
2026-01-21 [-]:

Climax Volume (Churning)

2026-01-23 [+]:

Selling Exhaustion (Bullish Div)

PERSISTENT.NS - Volume Analysis



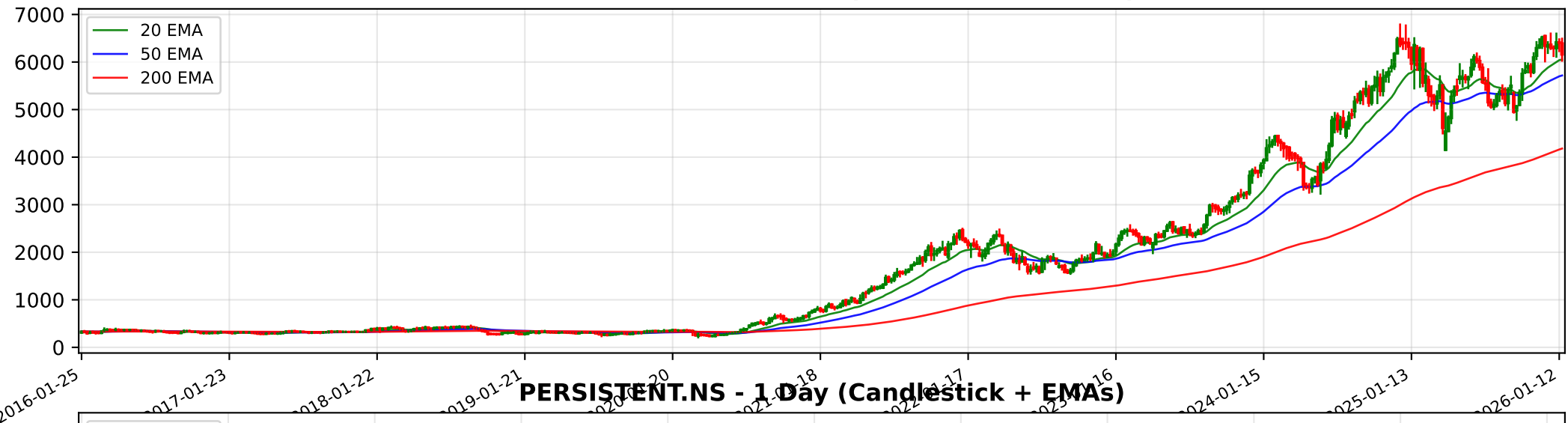
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	5882.88	6155.0	2025-10-13
1 Day	DOWNTREND (Sell)	6572.21	6155.0	2025-12-10
15 Min	DOWNTREND (Sell)	6225.39	6155.0	2026-01-22

Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bullish	Weakening	No Signal
1 Day	Bearish	Strengthening	No Signal
15 Min	Bullish	Weakening	Bullish Crossover (Buy)

PERSISTENT.NS - 1 Week (Candlestick + EMAs)



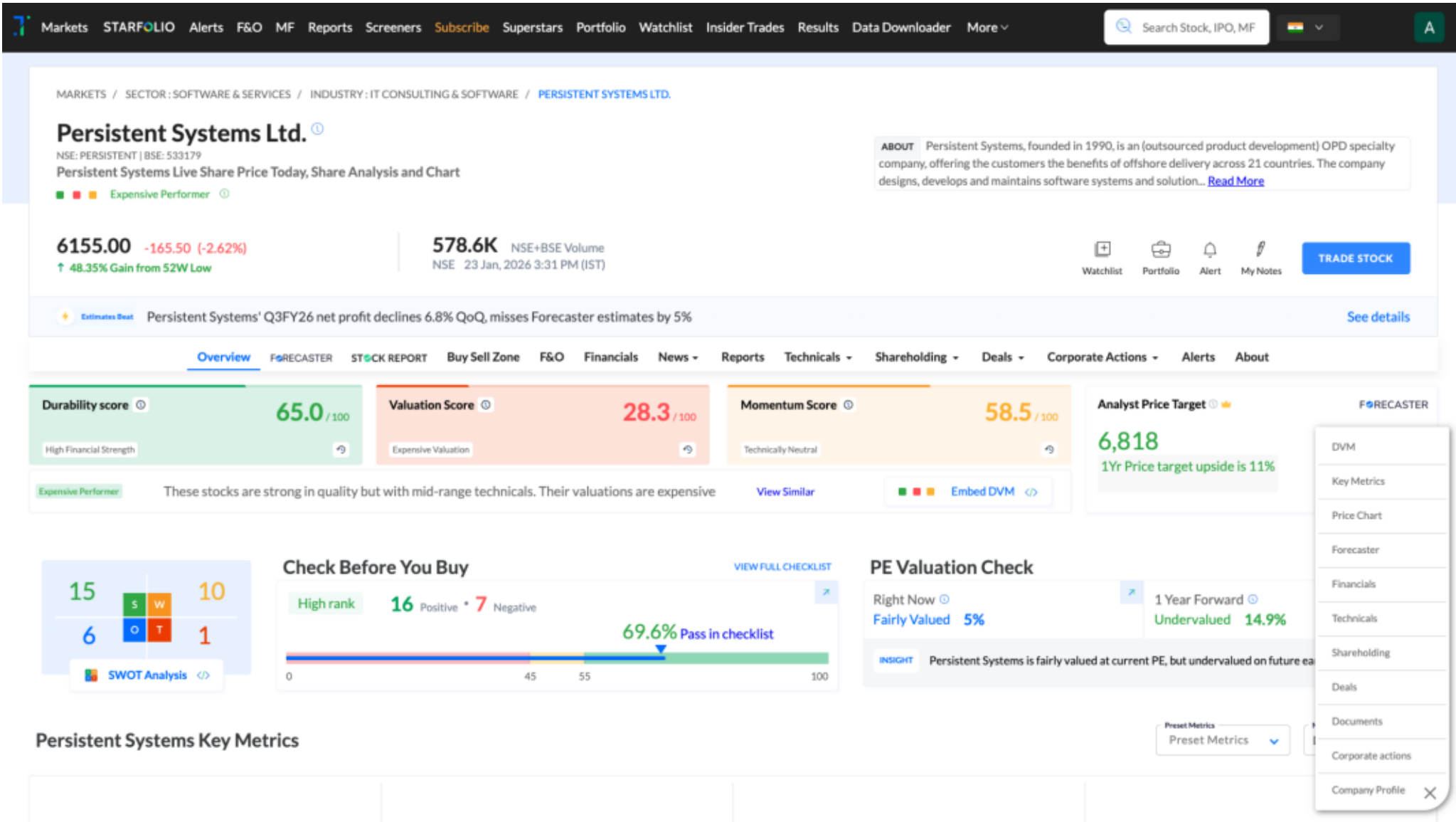
PERSISTENT.NS - 1 Day (Candlestick + EMAs)



PERSISTENT.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - PERSISTENT_main



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SWOT Analysis

Check Before You Buy

VIEW FULL CHECKLIST

High rank **16** Positive **7** Negative

69.6% Pass in checklist

PE Valuation Check

Right Now ¹

Fairly Valued **5%**

1 Year Forward ¹

Undervalued **14.9%**

INSIGHT Persistent Systems is fairly valued at current PE, but undervalued on future ea

Persistent Systems Key Metrics

Preset Metrics

Preset Metrics

DVM

Key Metrics

Price Chart

Forecaster

Financials

Technicals

Shareholding

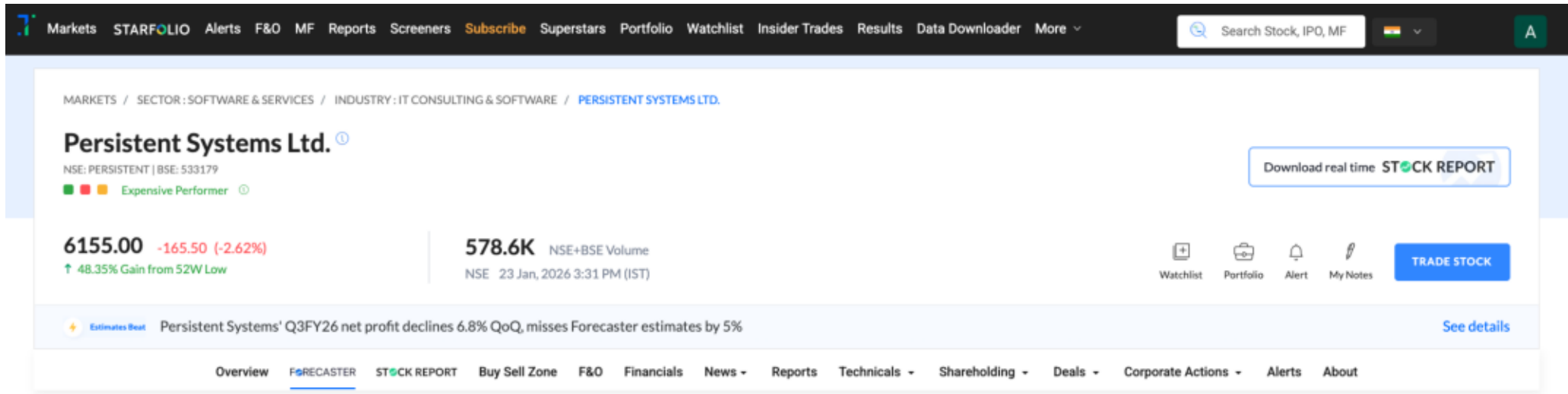
Deals

Documents

Corporate actions

Company Profile

Trendlyne Snapshot - PERSISTENT_forecaster



Persistent Systems - PERSISTENT - stock price prediction, stock forecast, target price, analyst ratings from 35 analysts

Persistent Systems has a share price target of Rs 6818, revenue growth forecast of 22.5%, and profit growth estimate of 33.5% for FY26, based on top 35 analyst calls.

Persistent Systems FORECASTER - Analyst Estimates ^{NEW} ¹

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