

Gemini Stock Analysis Report

Based on the detailed analysis of the attached report for **ASHOKLEY.NS** (Ashok Leyland), here is my assessment.

Note on Timeline: The report data is dated **January 24, 2026**. I have conducted this analysis treating this as the "current" date and price action.

Step 1: Audit the Data

- **Data Present:**
 - **Price Structure:** Daily and Weekly charts (candlesticks + EMAs).
 - **Trend Indicators:** Moving Averages (20, 50, 200), Supertrend, MACD.
 - **Momentum/Volatility:** RSI, Bollinger Bands, ATR.
 - **Relative Strength:** Comparison against [^]CNXAUTO (Auto Index).
 - **Volume:** Volume Analysis with moving averages and distribution/accumulation signals.
 - **Fundamentals:** High-level revenue/EPS growth metrics and broker consensus.
- **Data Missing:**
 - **Market Profile/Order Flow:** Granular intraday volume profiles are absent (less critical for positional trades but helpful).
 - **Specific News Catalysts:** The report lists earnings dates but not the specific fundamental triggers causing the recent price surge.
- **Confidence Level: High.** The technical package is comprehensive, covering trend, momentum, volatility, and relative strength across multiple timeframes.

Step 2: Analyze the Setup

- **Price Structure & Trend:**
 - The stock is in a **Strong Uptrend** on the Daily and Weekly timeframes. It is trading above all key EMAs (20 > 50 > 200).
 - Current Price (INR 192.98) is significantly extended from the 200 EMA (143.01), indicating the stock is historically expensive relative to its mean.
- **Momentum & Indicators:**
 - **MACD (Bearish):** A bearish divergence is explicitly detected (Page 12). Momentum is classified as "Weakening," and the histogram has turned negative despite the price being near highs.
 - **RSI:** At 67.42, it is hovering near overbought territory. The report notes bearish divergences, suggesting upside exhaustion.
 - **Volume:** Page 18 indicates "Buying Exhaustion" and recent "Distribution Days." This suggests institutional selling into strength.
- **Relative Strength:**
 - Classified as a "Weakening Leader" (Page 4). While the 1-year RS is strong, the shorter-term RS (1 Month) is decelerating relative to the sector.
- **Support Levels:**
 - Immediate support lies at the **Supertrend (Daily)** value of **178.60** and the **20 EMA** at **183.56**.
 - Major structural support is at the **50 EMA** at **172.28**.

Step 3: Formulate the Recommendation

Verdict: NO / WAIT

Reasoning: While the primary trend is bullish, entering a positional trade at INR 193 is high-risk. The

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confluence of **MACD bearish divergence**, **Distribution volume signals**, and a "**Weakening Leader**" **RS status** suggests a short-term correction or consolidation is imminent. Buying now chases the top. The risk-reward ratio is unfavorable as the stop loss would need to be too wide.

Conditional Plan (Buy the Dip): I recommend waiting for a mean reversion to value zones before entering.

- **Condition to Buy:** Wait for the price to pull back and successfully test the **EMA 20** or **Supertrend Support** zone. Look for a bullish reversal candle (e.g., Hammer or Engulfing) on the daily chart accompanied by RSI cooling off to near 50.
- **Entry Price:** **INR 179 - INR 182** (Zone between Supertrend and current EMA 20).
- **Stop Loss:** **INR 171.00** (Daily Close below the 50 EMA).
- **Take Profit:** **INR 195.00** (First Target - retest highs) and **INR 205.00** (Second Target - trend extension).

Note: If the price breaks below the 50 EMA (INR 172) on high volume, invalidate this setup entirely.

News & Analyst Targets

Based on the latest market data and news for the week ending **January 25, 2026**, here is the research report for Ashok Leyland (ASHOKLEY).

1. Latest News for ASHOKLEY (Week of Jan 19 - Jan 25, 2026)

- **Record Stock Highs:** Ashok Leyland shares hit a new 52-week and all-time high this week, touching levels around **INR 199** on Friday, January 23. The rally is driven by strong investor sentiment regarding the commercial vehicle (CV) upcycle and robust Q3 sales volumes.
- **Strong Q3 Sales Volume:** The company reported impressive sales numbers for Q3 FY26, with a **24.2% YoY growth** in total sales volume (approx. 57,625 units). Domestic sales significantly outperformed the broader sector, growing at ~24.6% compared to the industry average of ~20%.
- **Pre-Budget Scrappage Policy Push:** On January 22, MD & CEO Shenu Agarwal publicly urged the government to introduce **incentives for scrapping old trucks** in the upcoming Union Budget 2026-27. The company believes this will stimulate fresh replacement demand and reduce pollution.
- **Focus on Value over Price:** Management highlighted a shift in customer behavior, noting that fleet operators are now prioritizing **Total Cost of Ownership (TCO)** and vehicle productivity over upfront pricing. This favors Ashok Leyland's newer, more efficient "Taurus" and "Hippo" truck ranges.
- **EV Expansion:** The company inaugurated a new EV manufacturing facility in Lucknow earlier this month (Jan 9), reinforcing its commitment to the electric transition in the commercial sector.

2. Brokerage Upgrades & Downgrades

- **Citi (Upgrade/Maintain):** Citi has maintained a **BUY** rating and raised its target price to **INR 205** (from previous levels), citing strong cyclical recovery and market share gains.
- **Nomura (Maintain Buy):** Nomura continues to prefer Ashok Leyland as a top pick in the auto sector, setting a target of **INR 196**. They project an 18% EPS CAGR over FY26-28, supported by benign commodity prices and operating leverage.
- **Motilal Oswal (Bullish):** Recent data indicates a highly bullish stance with a target as high as **INR 255**, reflecting confidence in the company's margin expansion and the ongoing infrastructure boom.

3. Indirect Impacts & Sector News

- **Commercial Vehicle Upcycle:** The Indian CV sector is currently in a "Goldilocks" phase, with rising freight rates and increasing fleet utilization driving demand.
- **Input Costs:** Commodity prices (steel and aluminum) have remained relatively benign, which is expected to support EBITDA margins (forecasted to expand to ~13-14%) in the upcoming quarterly financial results.

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- **Government Infrastructure Push:** The market is pricing in a continued heavy capex allocation for infrastructure in the upcoming Budget 2026, which directly correlates with demand for Ashok Leyland's tippers and heavy-duty trucks.

4. Analyst Price Targets (Jan 2026)

The following table summarizes the latest targets from major brokerage firms:

Brokerage Firm	Rating	Target Price (INR)	Sentiment	Date of Note
Motilal Oswal	BUY	255	Bullish	Jan 25, 2026
Citi	BUY	205	Bullish	Jan 25, 2026
Nomura	BUY	196	Positive	Jan 23, 2026
Consensus Mean	HOLD/BUY	~159	Cautious*	Jan 25, 2026

**Note: The consensus mean is currently lagging behind the sharp recent rally in the stock price (Current Price ~INR 195), leading to a technical "downside" in older average aggregations, while fresh reports are upgrading targets.*

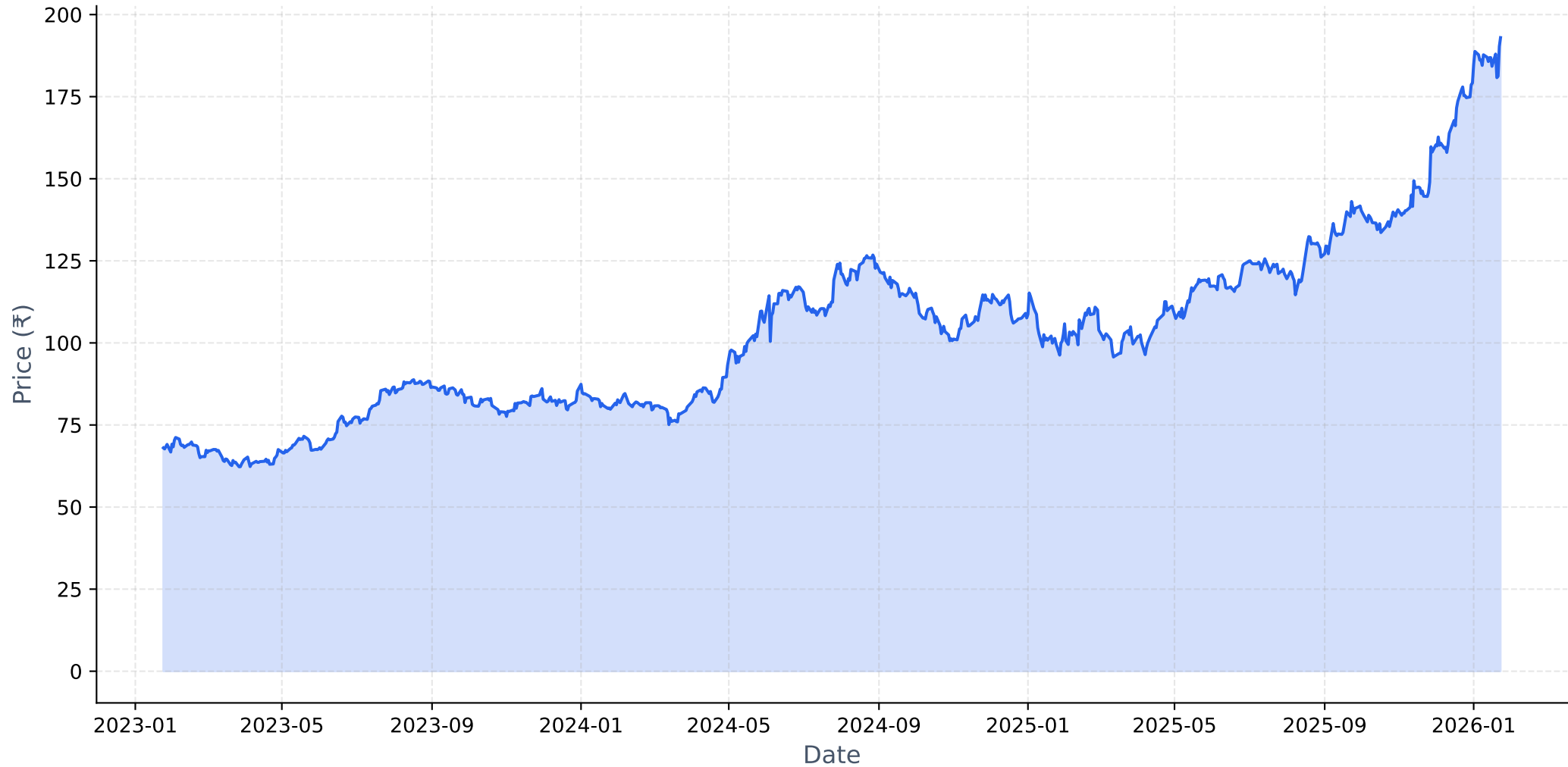
Stock Detailed Analysis Report

ASHOKLEY.NS

Current Price: ₹192.98

Generated: 2026-01-24 18:31

ASHOKLEY.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	6.21%	22.79%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	7.39%	4.28%
Net Income	Yes	23.68%	8.51%
ROE	Yes	-34.99%	0.01%
EPS	Yes	148.08%	110.62%

ASHOKLEY.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXAUTO
Sector:	Auto
Classification:	Weakening Leader
RS Score:	68.3/100
:	

== RS RATIOS ==:

1M RS:	1.145 [Leader]
3M RS:	1.409 [Strong]
6M RS:	1.430 [Strong]
1Y RS:	1.620 [Strong]
:	

== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

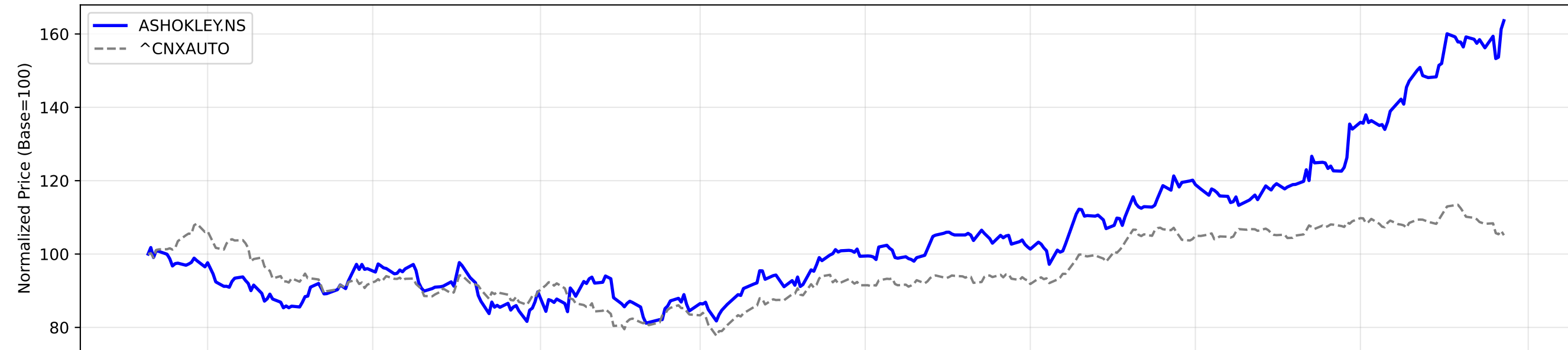
SIGNAL CRITERIA::

× Emerging RS:	Not accelerating
× Medium-term Lagging:	Not lagging
× Performance Improving:	Not improving

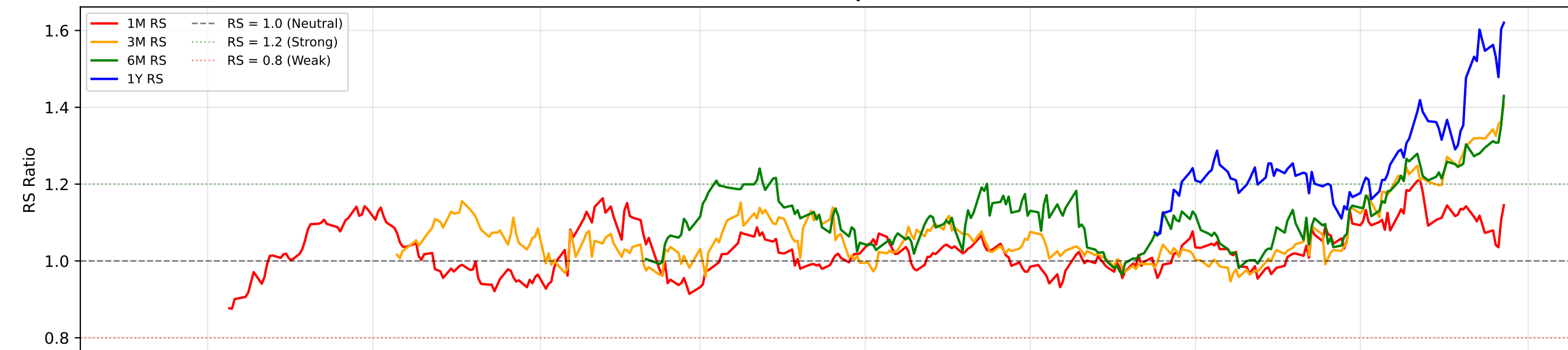
Relative Strength Analysis: ASHOKLEY.NS vs ^CNXAUTO

Classification: Weakening Leader

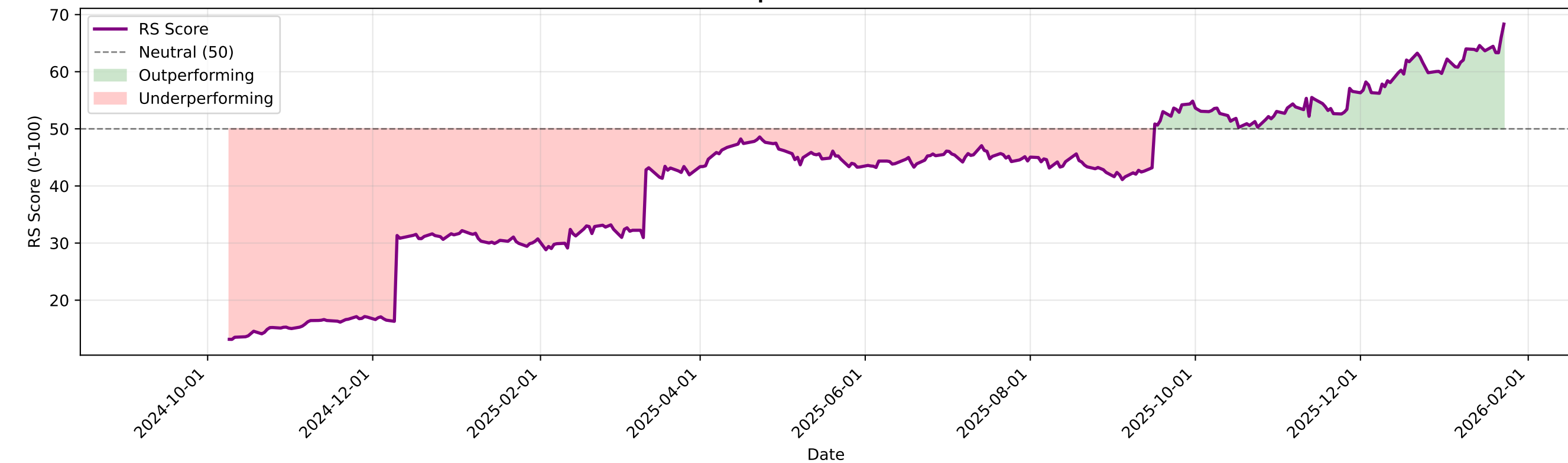
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



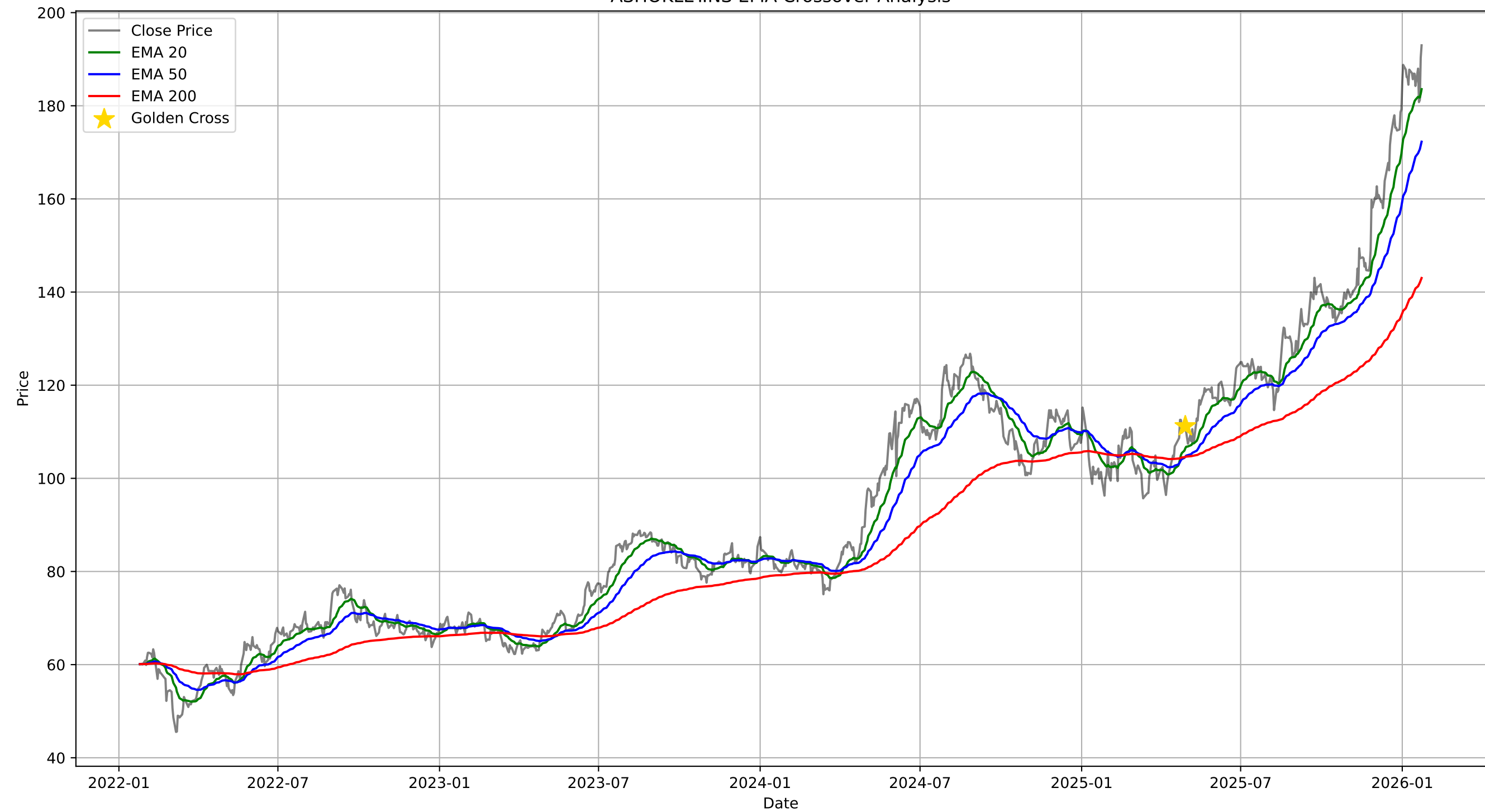
RS Composite Score Timeline



ASHOKLEY.NS - EMA Crossover Summary

EMA 20:	183.56
EMA 50:	172.28
EMA 200:	143.01
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-04-29 00:00:00+05:30
Golden Cross Price:	111.20

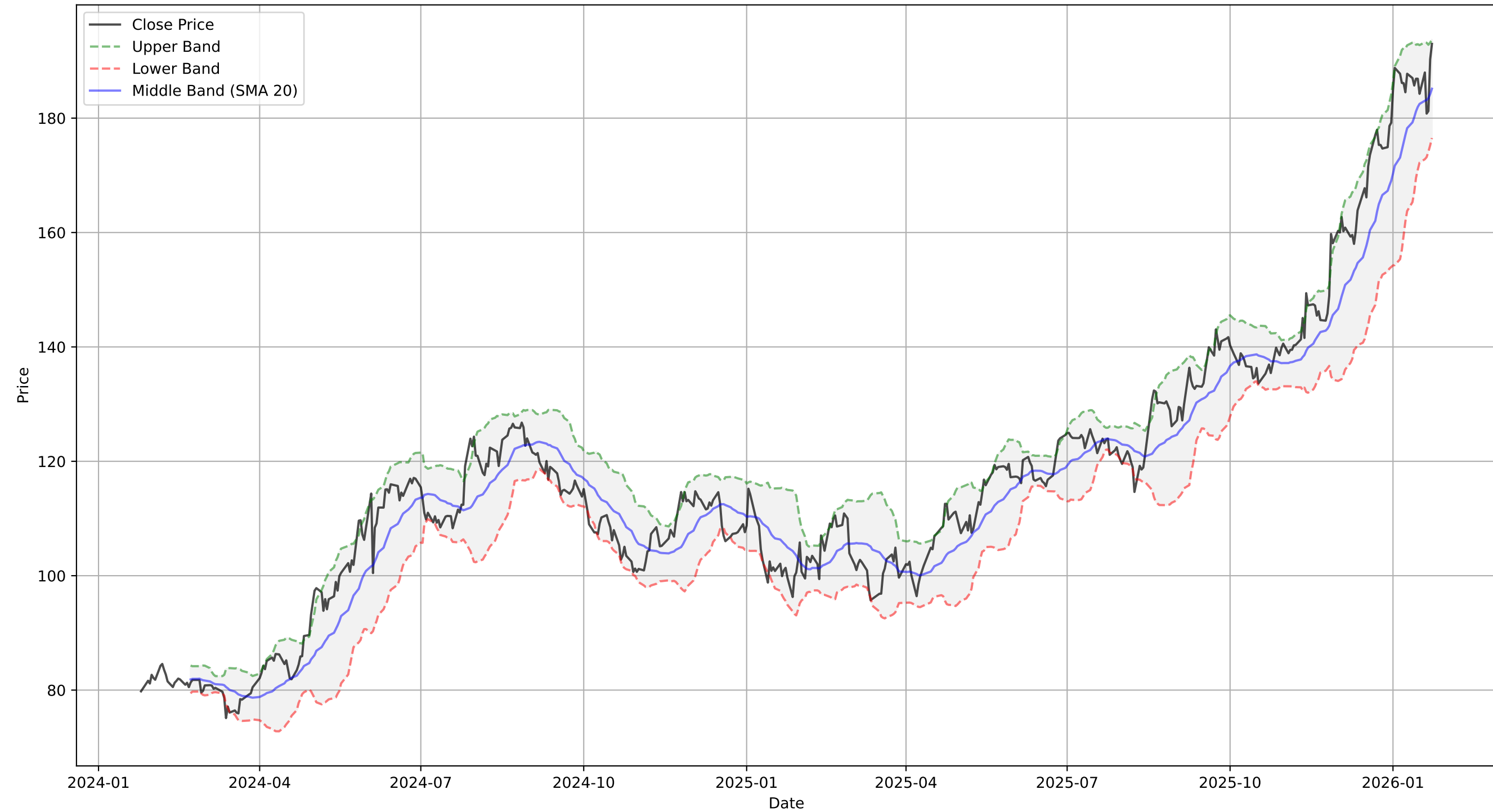
ASHOKLEY.NS EMA Crossover Analysis



ASHOKLEY.NS - Bollinger Bands Summary

Current Price:	192.98
Upper Band:	193.75
Middle Band (SMA 20):	185.14
Lower Band:	176.52
%B:	0.9553
Band Width:	0.0931
Status:	Upper Half
Signal:	None

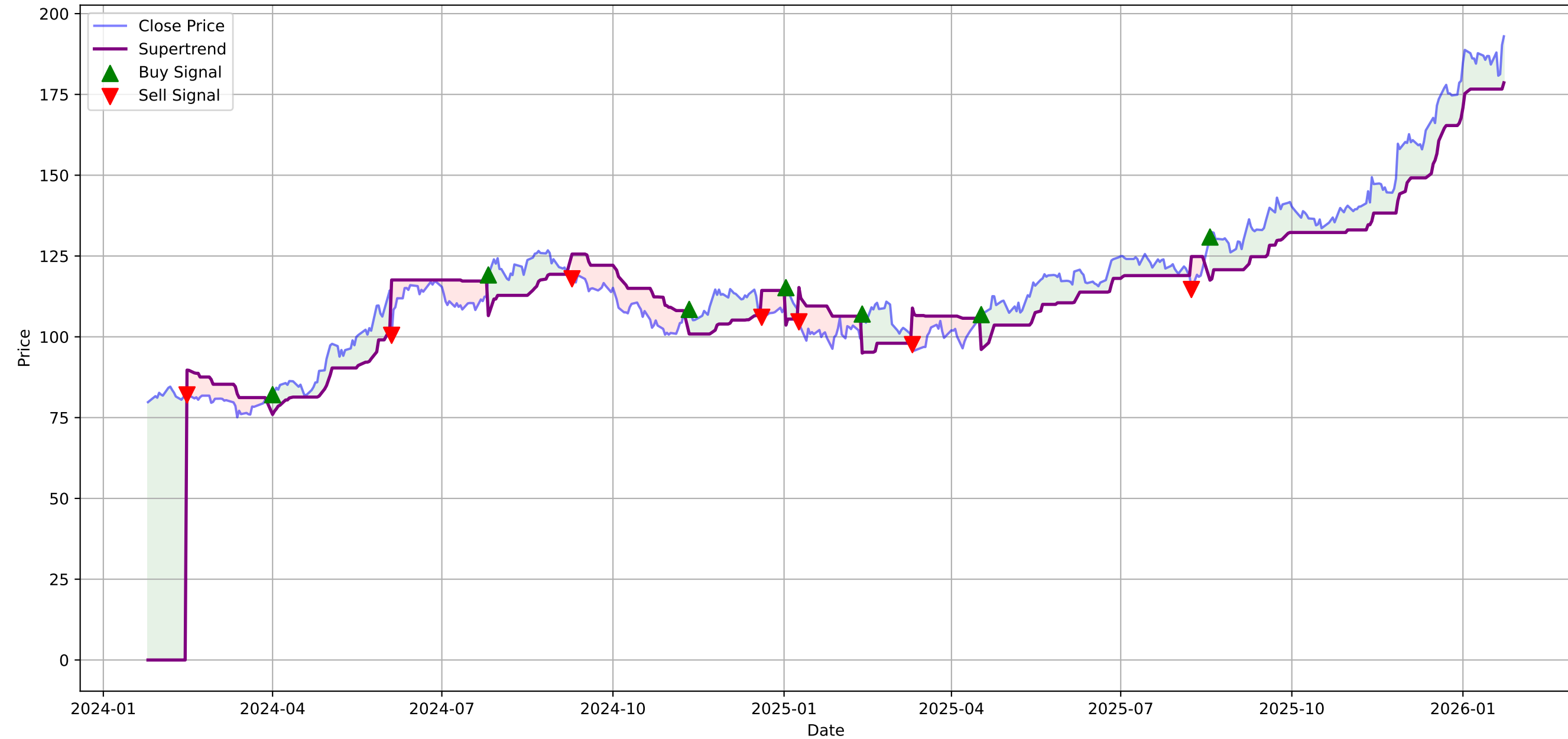
ASHOKLEY.NS Bollinger Bands (20, 2) Analysis



ASHOKLEY.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	178.60
Signal Identified On:	2025-08-18

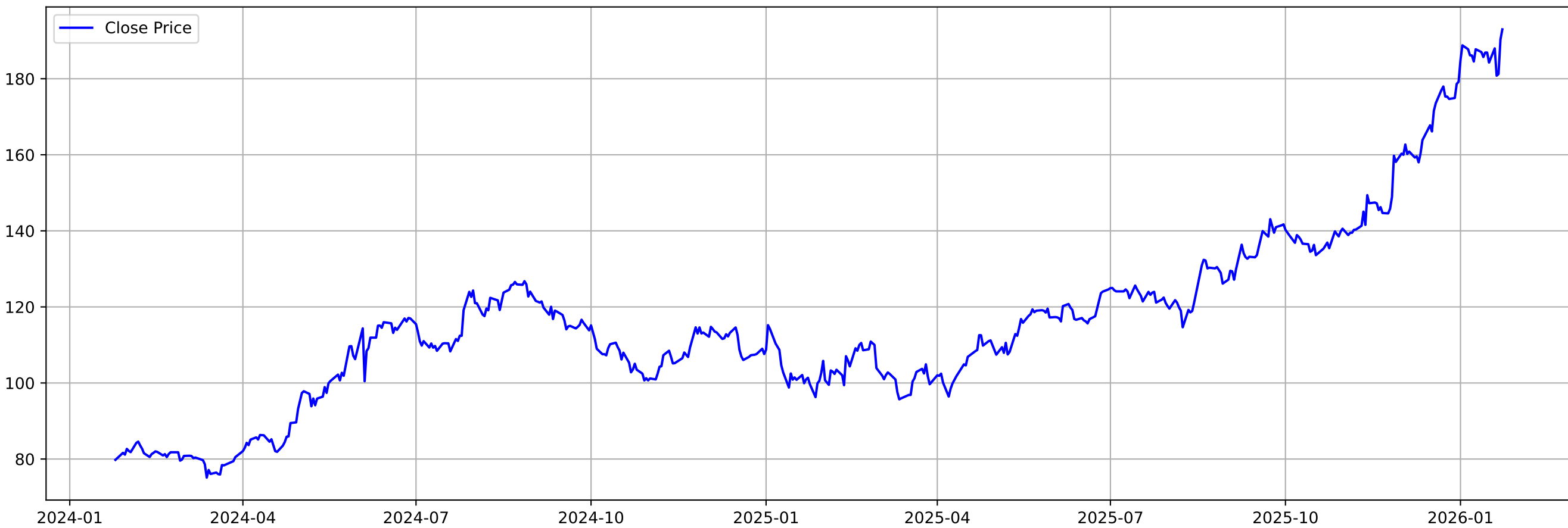
Supertrend Analysis for ASHOKLEY.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



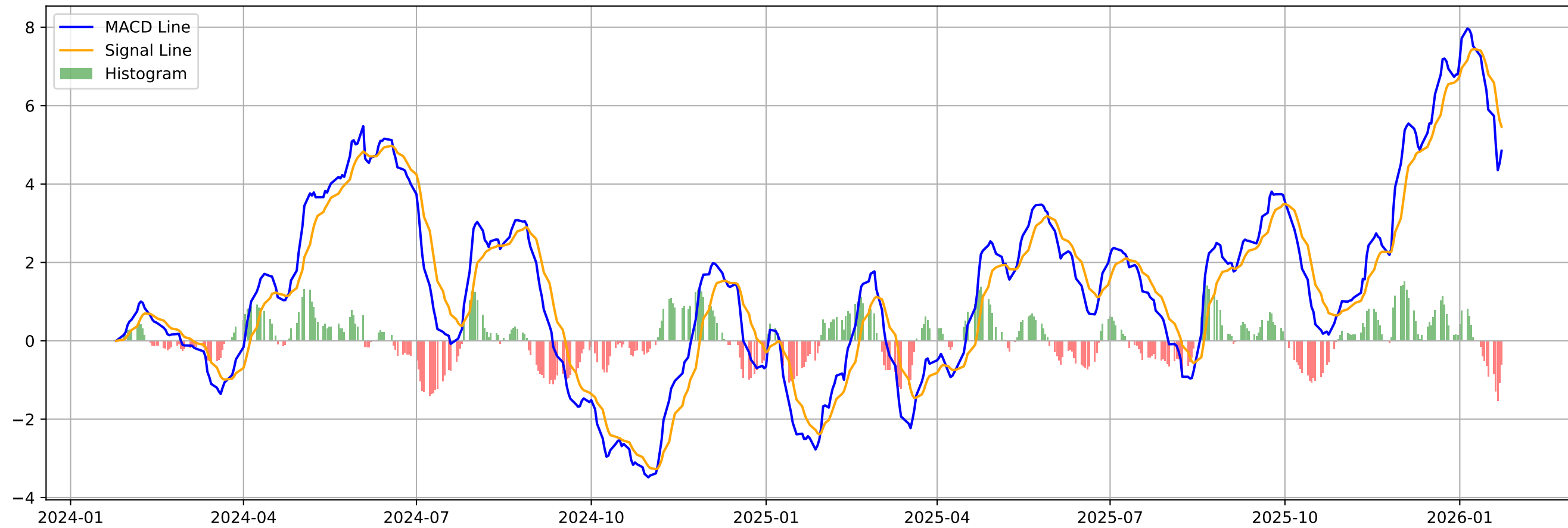
ASHOKLEY.NS - MACD Summary

MACD Line:	4.85
Signal Line:	5.46
Histogram:	-0.61
Trend:	Bearish
Momentum:	Weakening
Signal:	None
Divergences Detected:	1
└ Bearish Divergence:	Date: 2026-01-23 00:00:00+05:30, Price: 192.98

ASHOKLEY.NS Price



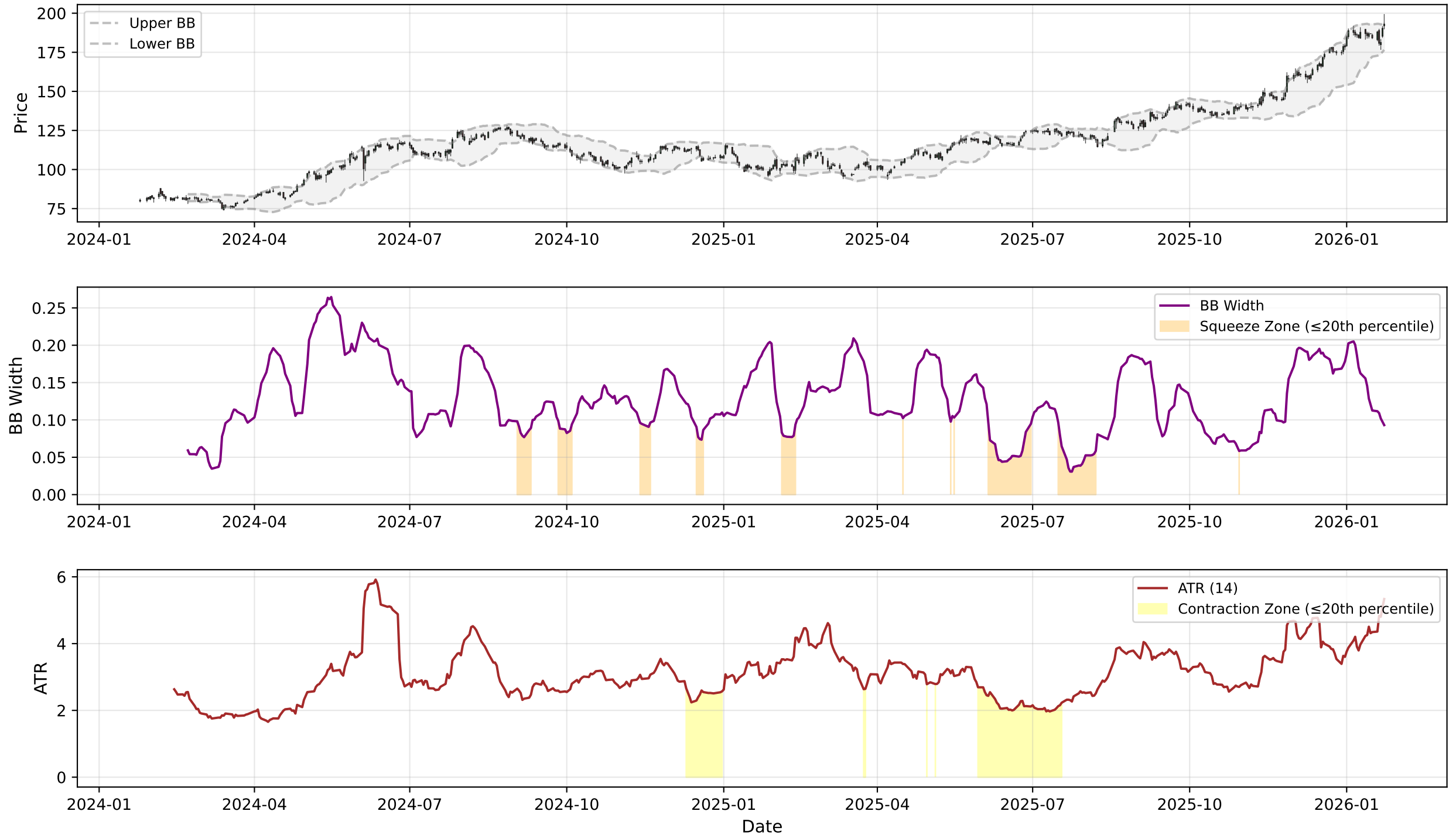
ASHOKLEY.NS MACD (12, 26, 9)



ASHOKLEY.NS - Volatility Squeeze Summary

BB Width:	0.0931
ATR:	5.3357
Total Signals:	0

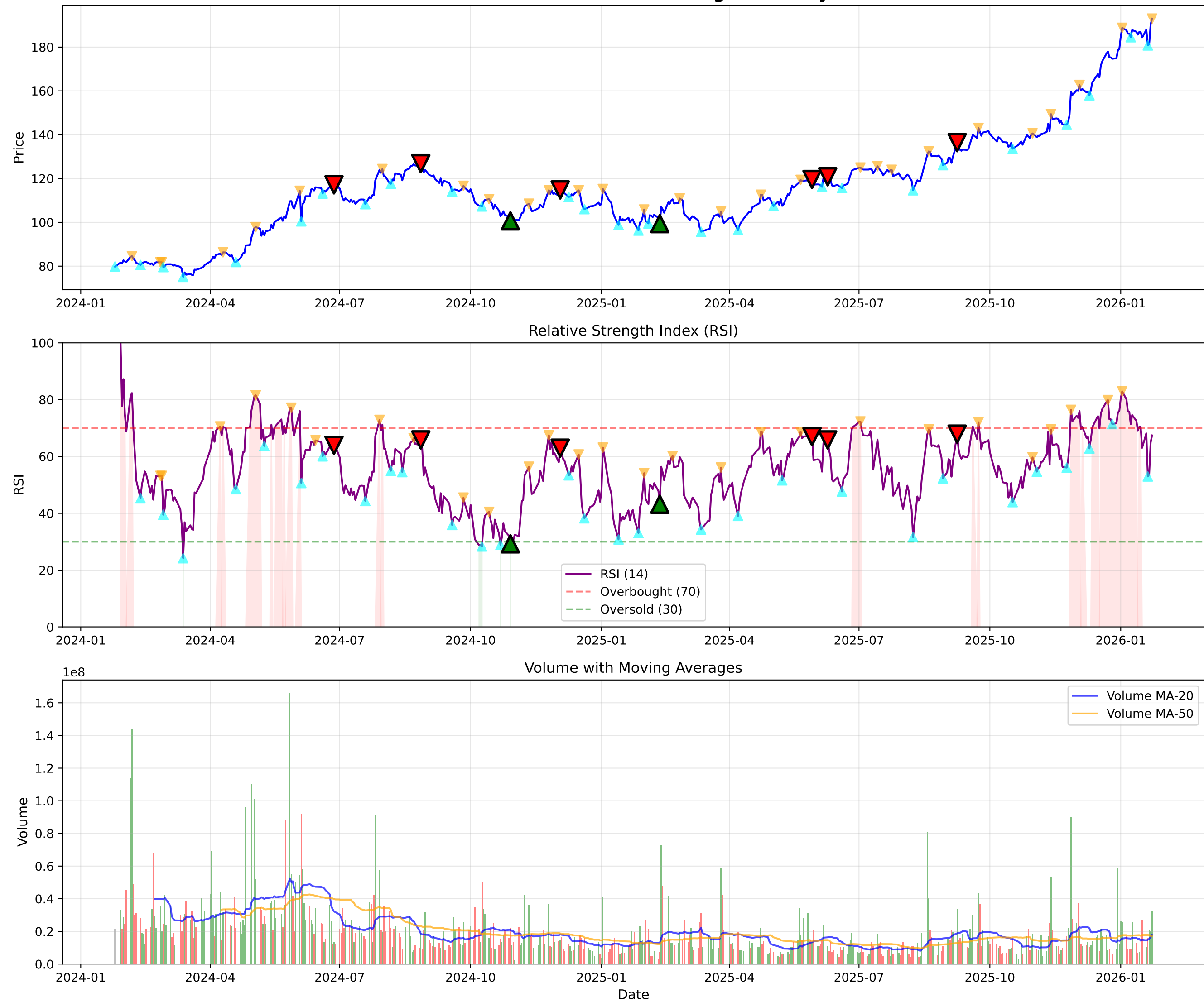
ASHOKLEY.NS - Volatility Squeeze Analysis



ASHOKLEY.NS - RSI-Volume Summary

Current RSI:	67.42
Current Volume:	32467563
Volume MA 20:	17808873
Bullish Divergences:	2
Bearish Divergences:	6
Bullish Div 1:	Date: 2024-10-29 00:00:00+05:30, Price: 100.66
Bullish Div 2:	Date: 2025-02-11 00:00:00+05:30, Price: 99.41
Bearish Div 1:	Date: 2025-06-09 00:00:00+05:30, Price: 120.77
Bearish Div 2:	Date: 2025-09-08 00:00:00+05:30, Price: 136.37

ASHOKLEY.NS RSI-Volume Divergence Analysis



ASHOKLEY.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status:

34 Signals Detected

:

2025-11-28 [-]:

Distribution Day

2025-12-02 [-]:

Distribution Day

2025-12-03 [+]:

Buying Exhaustion (Bearish Div)

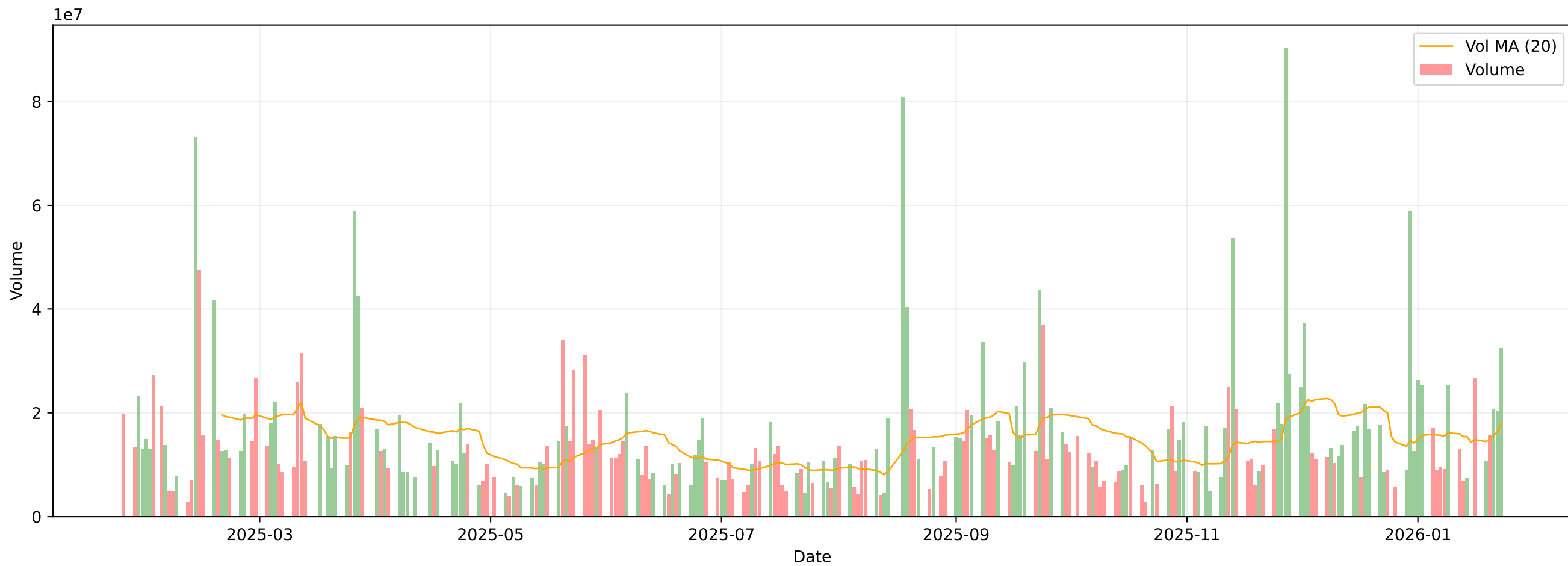
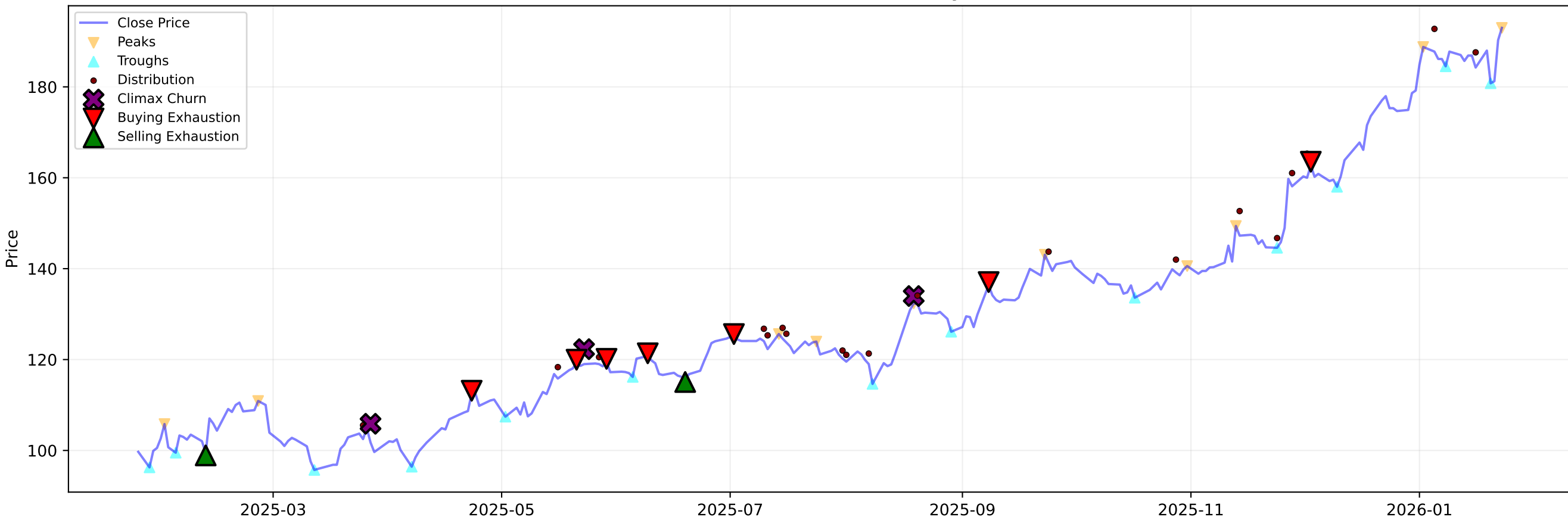
2026-01-05 [-]:

Distribution Day

2026-01-16 [-]:

Distribution Day

ASHOKLEY.NS - Volume Analysis



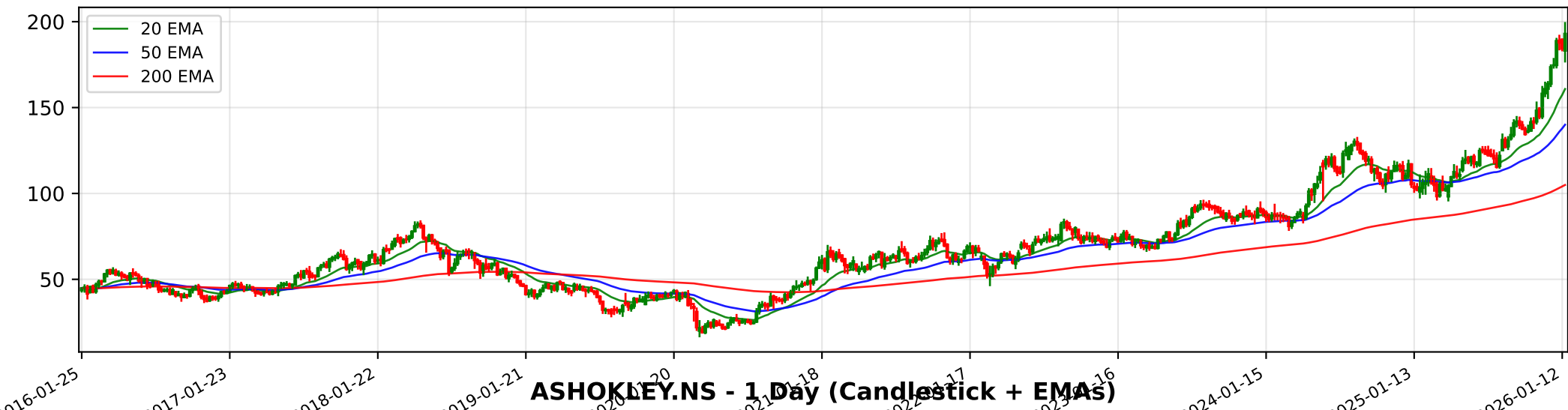
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	167.89	192.98	2025-05-12
1 Day	UPTREND (Buy)	178.6	192.98	2025-08-18
15 Min	DOWNTREND (Sell)	196.2	192.99	2026-01-23

Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bullish	Weakening	No Signal
1 Day	Bearish	Weakening	No Signal
15 Min	Bearish	Weakening	No Signal

ASHOKLEY.NS - 1 Week (Candlestick + EMAs)



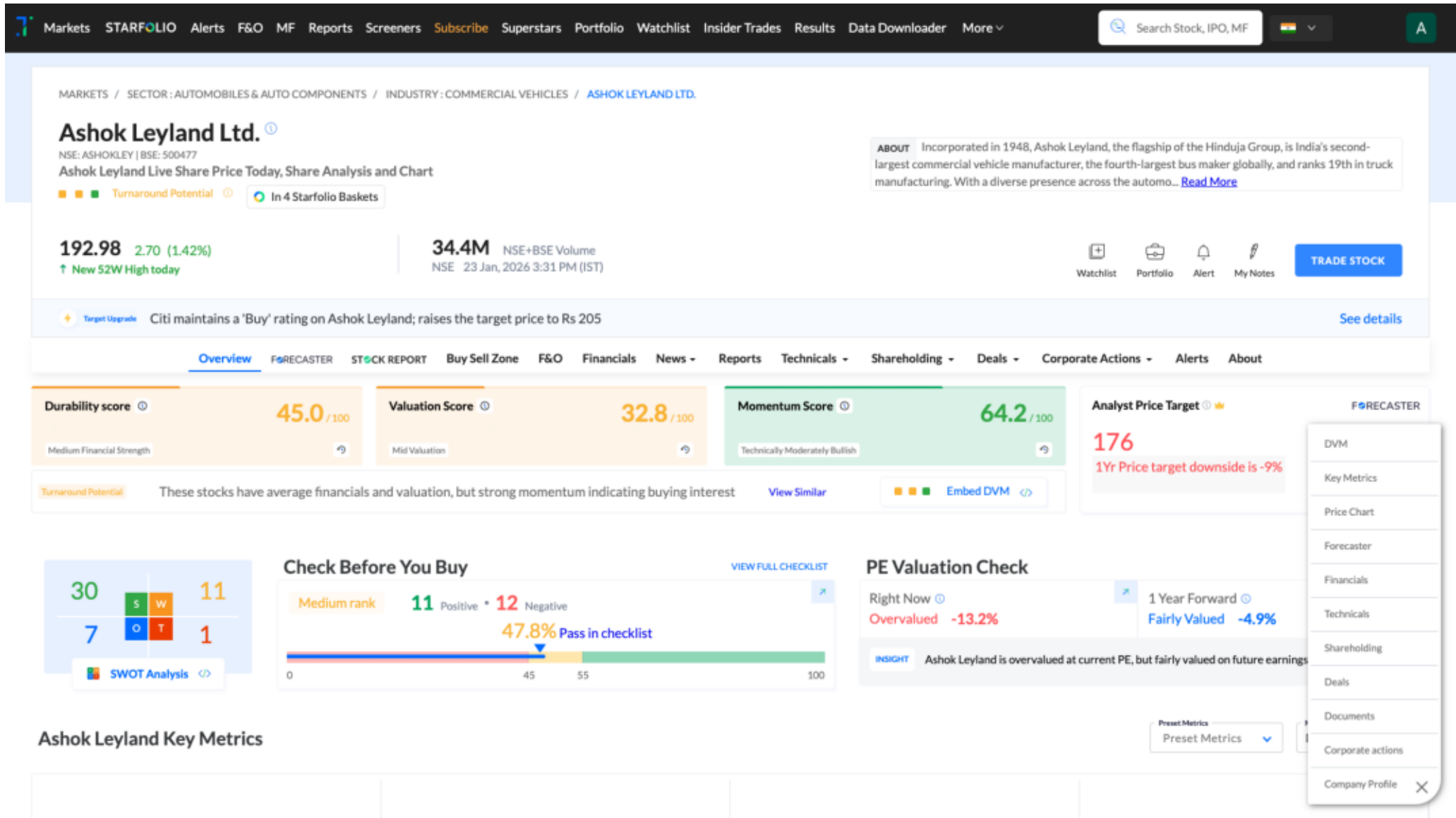
ASHOKLEY.NS - 1 Day (Candlestick + EMAs)



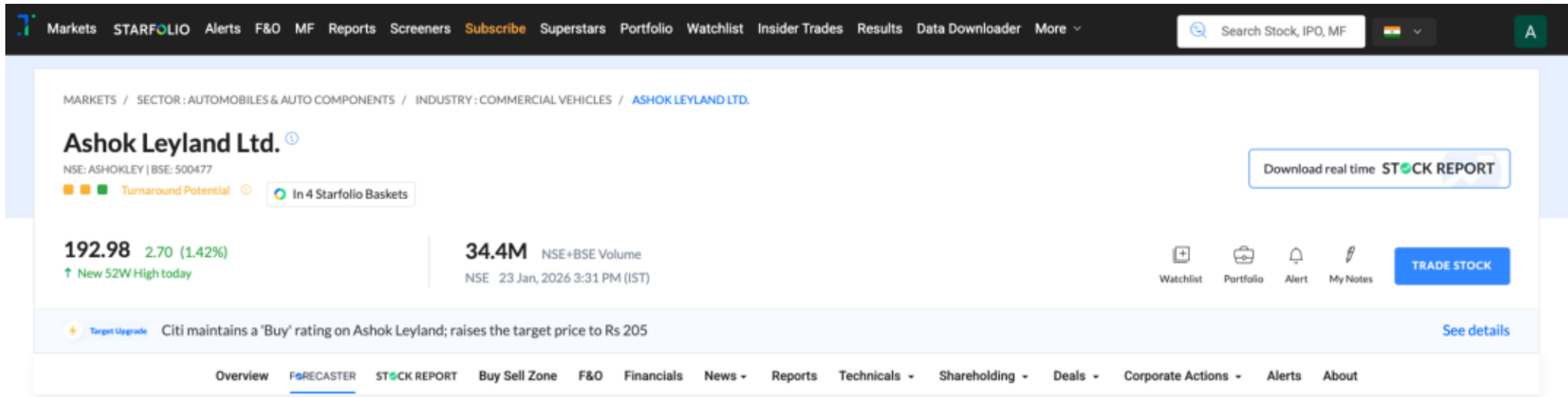
ASHOKLEY.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - ASHOKLEY_main



Trendlyne Snapshot - ASHOKLEY_forecaster



Ashok Leyland - ASHOKLEY - stock price prediction, stock forecast, target price, analyst ratings from 36 analysts

Ashok Leyland has a share price target of Rs 176, revenue growth forecast of 9.3%, and profit growth estimate of 8.6% for FY26, based on top 36 analyst calls.

Ashok Leyland FORECASTER - Analyst Estimates

FORECASTER DASHBOARD

