

Gemini Stock Analysis Report

This analysis is conducted from the perspective of a seasoned positional equity trader, focusing on the provided technical and fundamental data for **HINDALCO.NS**.

Step 1: Audit the Data

- **Data Present:** 3-year daily price action, long-term (4-year) and short-term (6-quarter) fundamental metrics, Relative Strength (RS) vs. Benchmark (^CNXMETAL), EMA Crossovers (20, 50, 200), Bollinger Bands, Supertrend, MACD, and RSI-Volume Divergence.
- **Data Missing:** Weekly/Monthly charts for higher-timeframe context; Volume-at-Price (Order flow) data to see institutional accumulation zones.
- **Confidence Level: High.** The report provides a comprehensive multi-factor view, combining momentum, trend following, and fundamental growth metrics.

Step 2: Analyze the Setup

- **Trend & Structure:** The stock is in a textbook "Stage 2" uptrend. It is characterized by a "Strong Uptrend" status with EMAs in a perfect bullish fan ($20 > 50 > 200$). The price is currently making new 52-week highs.
- **Fundamentals:** Very strong support for the price action. 1Y Revenue growth of 10.34% and EPS growth of 57.62% indicate the move is backed by earnings, not just speculation.
- **Momentum:** MACD is bullish and "Strengthening." RSI is at 69.18, which is high but not yet in the extreme "blow-off" territory (typically 80+ in strong trends).
- **Relative Strength:** While the RS ratios remain in "Leader" territory (>1.0), the classification as a "Weakening Leader" and the flat-to-declining RS Score (54.2) suggest that Hindalco is starting to perform in line with the Metal sector rather than significantly outperforming it.
- **Volatility:** The stock recently broke out from a Bollinger Band squeeze, suggesting the current leg up has fresh momentum.
- **Risk Concern:** The price (872.90) is currently hugging the Upper Bollinger Band (880.69) and is extended roughly 4% above its 20-day EMA. Entering here carries a high risk of a "mean reversion" pullback to the 840-850 level.

Step 3: Formulate the Recommendation

Recommendation: NO (Wait for Pullback)

While the trend is undeniably bullish, a risk-averse positional trader should avoid "chasing" a stock currently hugging its upper volatility band. The RS "Weakening Leader" status suggests we may see a period of consolidation or a minor retracement before the next leg up.

Conditional Plan (Buy on Retracements): * **Condition to Buy:** Look for a successful test of the 20-day EMA or a "Bull Flag" consolidation on the daily chart that allows the RSI to cool down toward the 55-60 level. * **Entry Price:** INR 845.00 - INR 852.00 (Near the 20-day EMA / Middle Bollinger Band). * **Stop Loss:** INR 798.00 (Slightly below the 50-day EMA and the recent swing low to protect against a trend change). * **Take Profit:** INR 960.00 (Approximately 13% upside from entry, targeting the psychological 1000 level while exiting slightly before it).

Summary: Hindalco is a high-quality "Growth at a Reasonable Price" play. However, the current entry is tactically poor due to the extension from moving averages. Patience for a 2-3% dip will significantly improve the Reward-to-Risk ratio.

News & Analyst Targets

As a stock research analyst, I have synthesized the latest developments for **Hindalco Industries Ltd.** (**HINDALCO**) for the current week ending **December 28, 2025**.

The sentiment for Hindalco is currently **bullish but cautious**, as the stock recently hit new multi-year highs, driven by the anticipated recovery of its US subsidiary, Novelis, and a global rally in metal prices.

1) Latest News for HINDALCO (Week of Dec 22-28, 2025)

- **52-Week High and Market Momentum:** On December 24, 2025, Hindalco's stock hit a new **52-week high of INR 875.50**. This rally was supported by a significant surge in derivatives open interest, suggesting strong long-side buildup by traders heading into the year-end.
- **Novelis Oswego Plant Restart:** The most critical catalyst this week is the expected restart of the hot mill at the **Oswego, New York plant** by the end of December 2025. The restoration following the September fire is reportedly ahead of the original 2026 schedule, providing a major relief for automotive customers like Ford.
- **Strategic Coal Security:** Following the acquisition of the **Bandha coal block** earlier this month (Dec 1), the company is seeing improved fuel security for its Mahan smelter, which analysts expect will lower the cost of production (CoP) for the upcoming quarters.

2) Brokerage Upgrades and Downgrades

The analyst community is currently divided based on the valuation surge versus the recovery potential of Novelis:

- * **CLSA (Upgrade):** Recently upgraded the stock to "**Outperform**" (Dec 4, 2025), citing that Hindalco's EBITDA could double in five years despite near-term capex escalations at Novelis.
- * **JM Financial (Maintain Buy):** Reiterated a "**Buy**" rating (Dec 12, 2025), highlighting Hindalco's automation-led productivity and strong "stickiness" with domestic OEMs like Mahindra.
- * **Nuvama & Axis Capital (Downgrades):** Both firms recently moved to "**Hold**" or "**Reduce**" ratings. They caution that the risk-reward is becoming unfavorable as the stock trades at 6.6x one-year forward EV/EBITDA, while Novelis still faces a ~\$650 million cash flow impact from the plant fire.

3) Indirect and Direct Impacting Factors

- **Global Metal Prices:** Aluminum prices on the LME have remained buoyant above **\$2,850 per tonne**, driven by supply tightness and a smelter shutdown in Iceland. As an integrated producer, Hindalco benefits directly from these higher realizations.
- **US Trade Policy:** New executive orders in the US raising tariffs on imported steel and aluminum from 25% to 50% have created a complex environment for **Novelis**. While this increases the premium for US-produced aluminum, it also pressures global supply chains.
- **Copper Segment Resilience:** While aluminum makes headlines, Hindalco's copper segment continues to provide a stable EBITDA cushion (~INR 600 crore/quarter) despite global volatility in TC/RC (Treatment and Refining Charges).

4) Analyst Targets and Recommendations

The following table summarizes the latest consensus and brokerage-specific targets as of late December 2025:

Gemini Stock Analysis Report

Brokerage / Source	Recommendation	Latest Target (INR)	Date (2025)	Key Rationale
CLSA	Outperform	965	Dec 4	Potential for EBITDA to double in 5 years.
JM Financial	Buy	872	Dec 12	High efficiency in battery enclosures and OEM stickiness.
Consensus (Trendlyne)	Hold	838	Dec 28	Average of 20+ analysts; cautious on valuation.
Nuvama	Hold	838	Nov 5	Downgraded from Buy; fire impact priced in.
Equirus	Reduce	770	Nov 5	Unfavorable risk-reward at current EV/EBITDA.
ICICI Securities	Sell	765	Nov 9	Concerns over capex escalation and debt at Novelis.
Dailybulls (Technical)	Bullish	1,010	Dec 24	Based on strong breakout above INR 867.

Analyst Note: Monitor the **INR 867.22 level** closely. A sustained close above this immediate resistance could trigger a further breakout toward the INR 900+ zone. However, if the Novelis ramp-up faces any technical delays in January, the stock has major support at **INR 833.97**.

Stock Detailed Analysis Report

HINDALCO.NS

Current Price: ₹872.90

Generated: 2025-12-28 10:26

HINDALCO.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	10.34%	6.92%
Net Income	Yes	Yes	57.57%	5.23%
ROE	No	Yes	35.20%	-9.69%
EPS	Yes	Yes	57.62%	5.29%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	2.84%	3.26%
Net Income	Yes	18.41%	7.80%
ROE	Yes	-17.68%	4.07%
EPS	Yes	18.41%	13.71%

HINDALCO.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXMETAL
Sector:	Metal
Classification:	Weakening Leader
RS Score:	54.2/100
:	

== RS RATIOS ==:

1M RS:	1.037 [Leader]
3M RS:	1.090 [Leader]
6M RS:	1.091 [Leader]
1Y RS:	1.155 [Leader]
:	

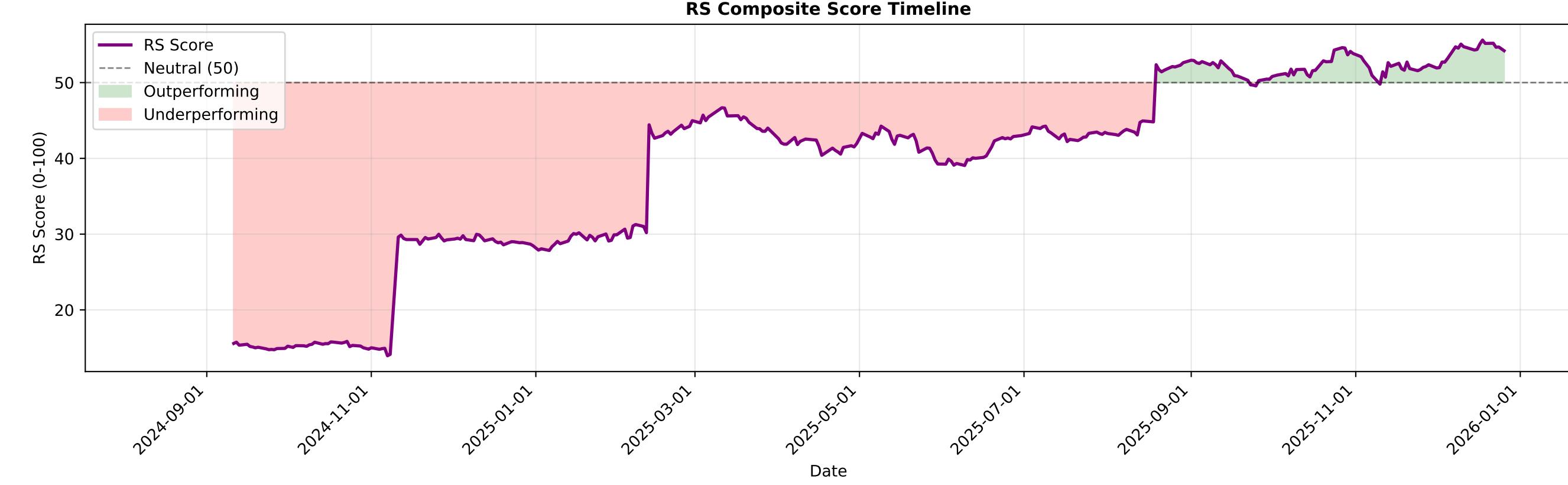
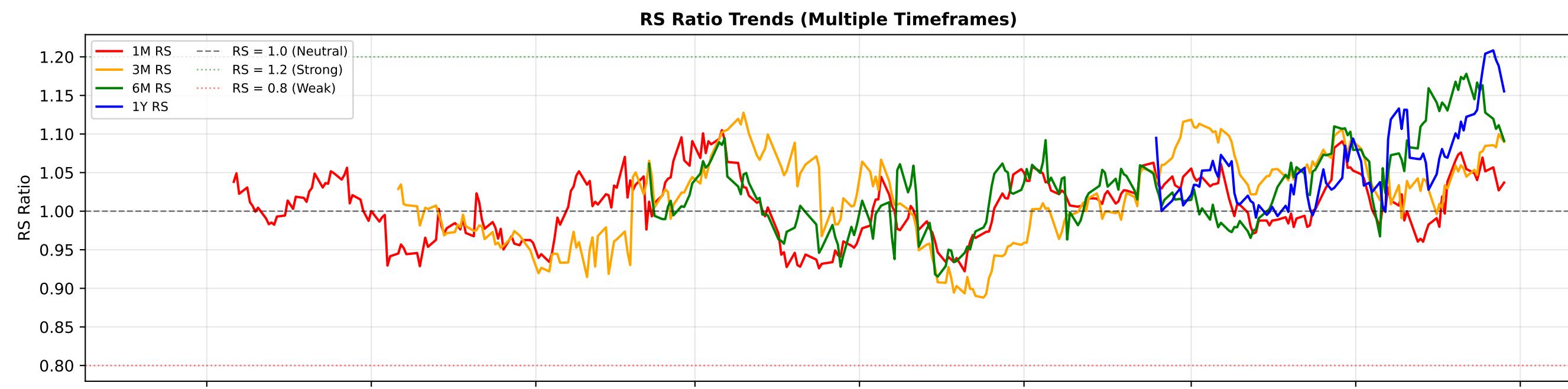
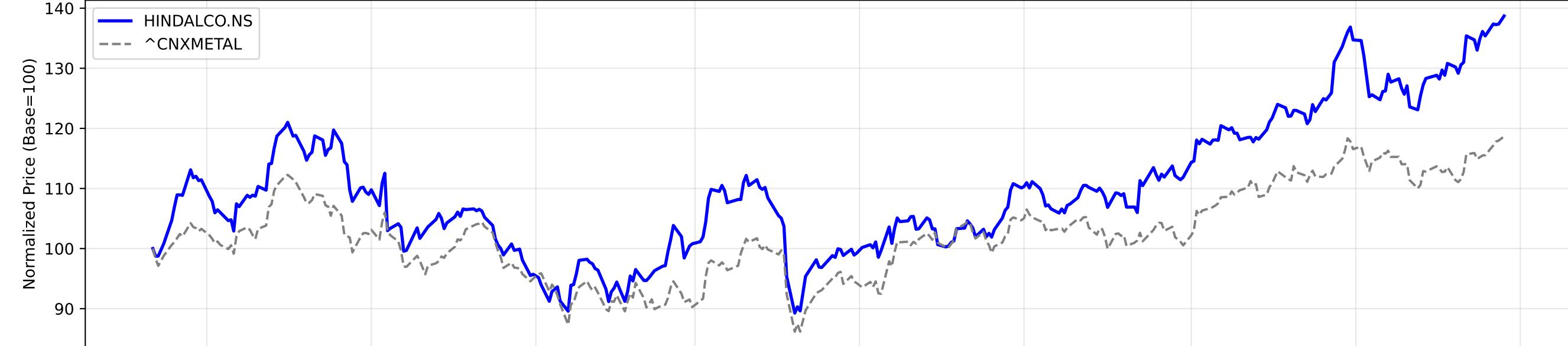
== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

SIGNAL CRITERIA::

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

Relative Strength Analysis: HINDALCO.NS vs ^CNXMETAL
Classification: Weakening Leader
Price Performance Comparison (Normalized)



HINDALCO.NS - EMA Crossover Summary

EMA 20:	840.68
EMA 50:	815.26
EMA 200:	738.84
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-06-10 00:00:00
Golden Cross Price:	658.35

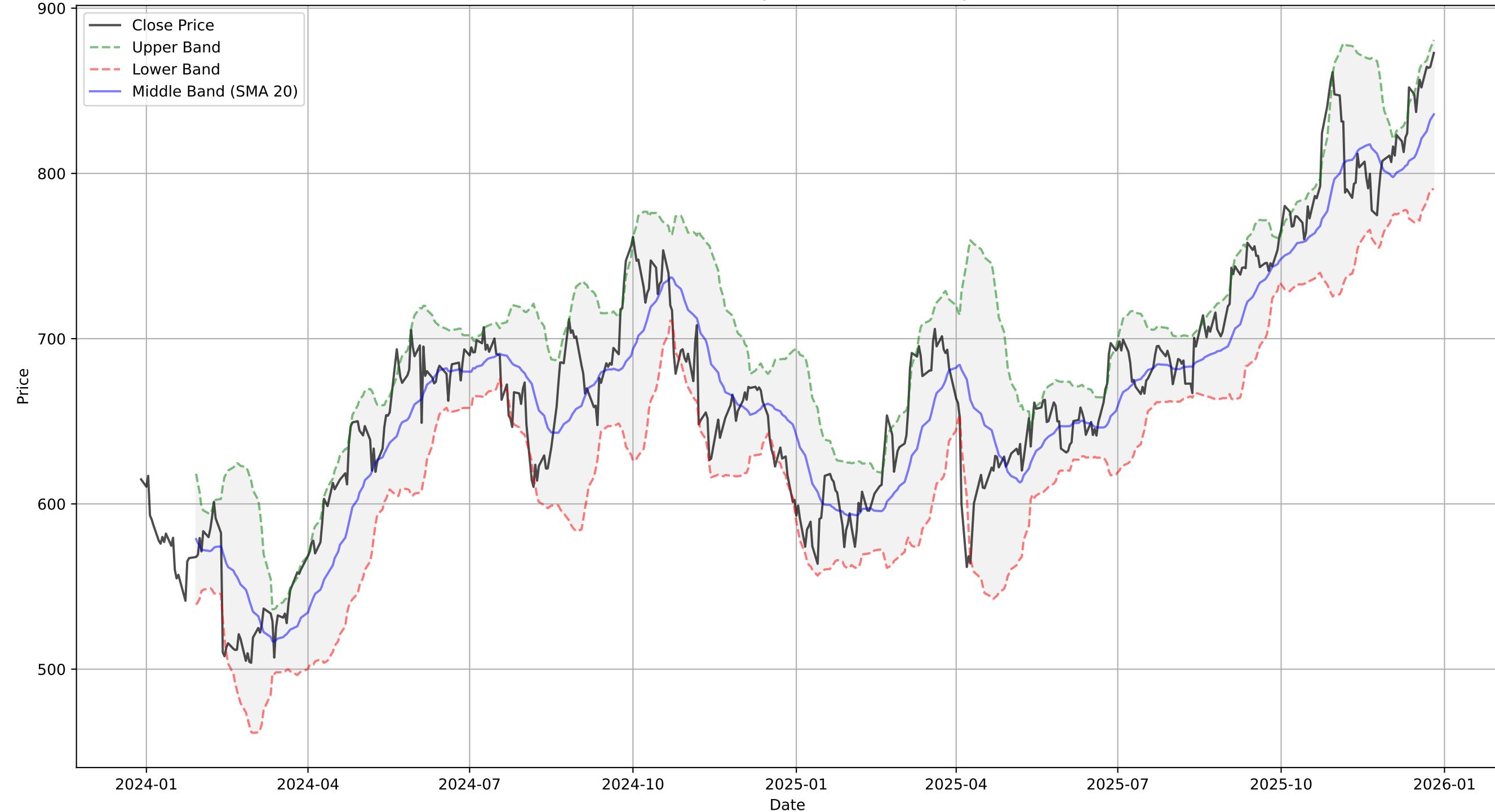
HINDALCO.NS EMA Crossover Analysis



HINDALCO.NS - Bollinger Bands Summary

Current Price:	872.90
Upper Band:	880.69
Middle Band (SMA 20):	835.76
Lower Band:	790.83
%B:	0.9133
Band Width:	0.1075
Status:	Upper Half
Signal:	None

HINDALCO.NS Bollinger Bands (20, 2) Analysis



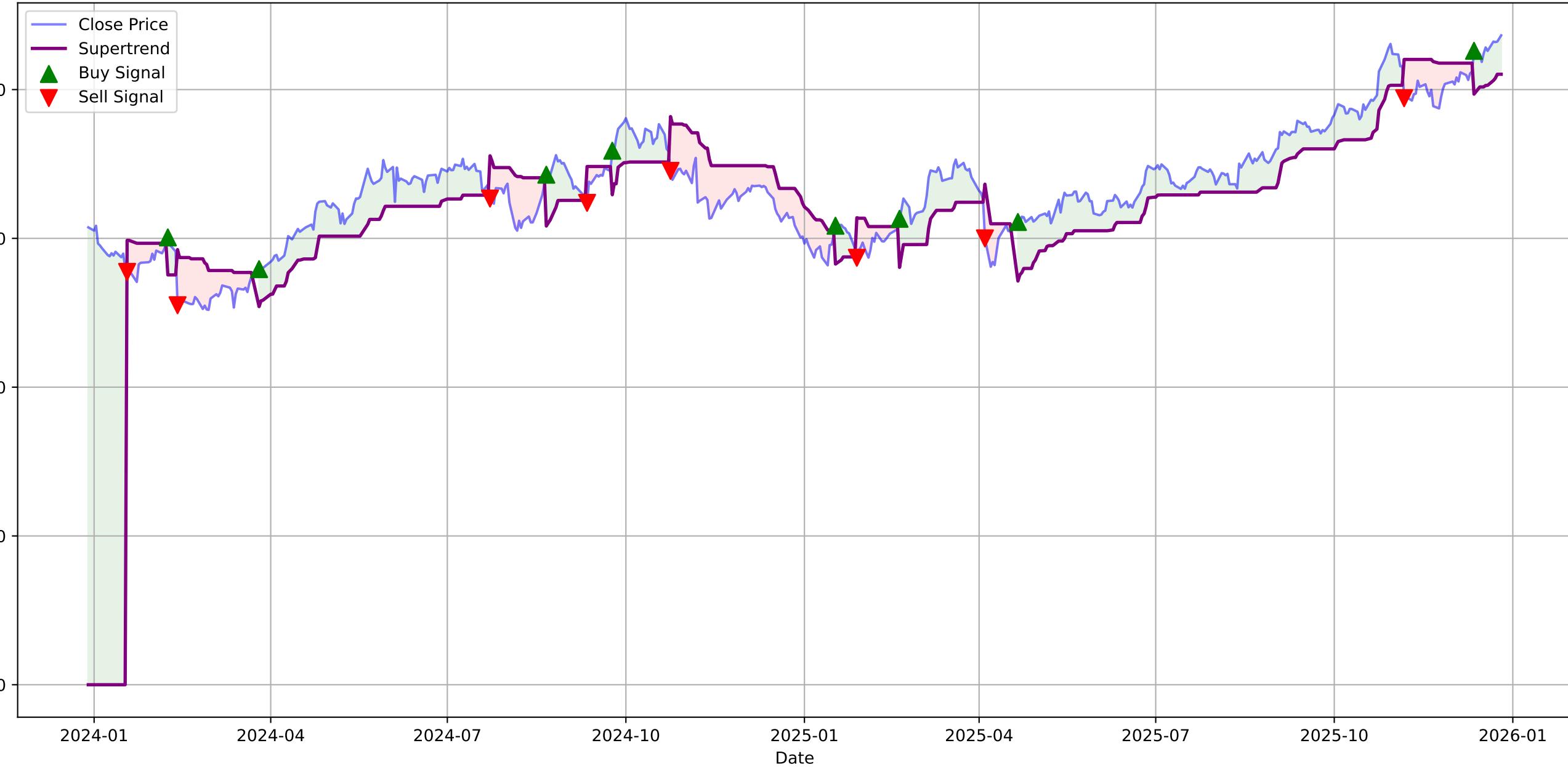
HINDALCO.NS - Supertrend Summary

Status: UPTREND (Buy)

Supertrend Value: 820.60

Signal Identified On: 2025-12-12

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



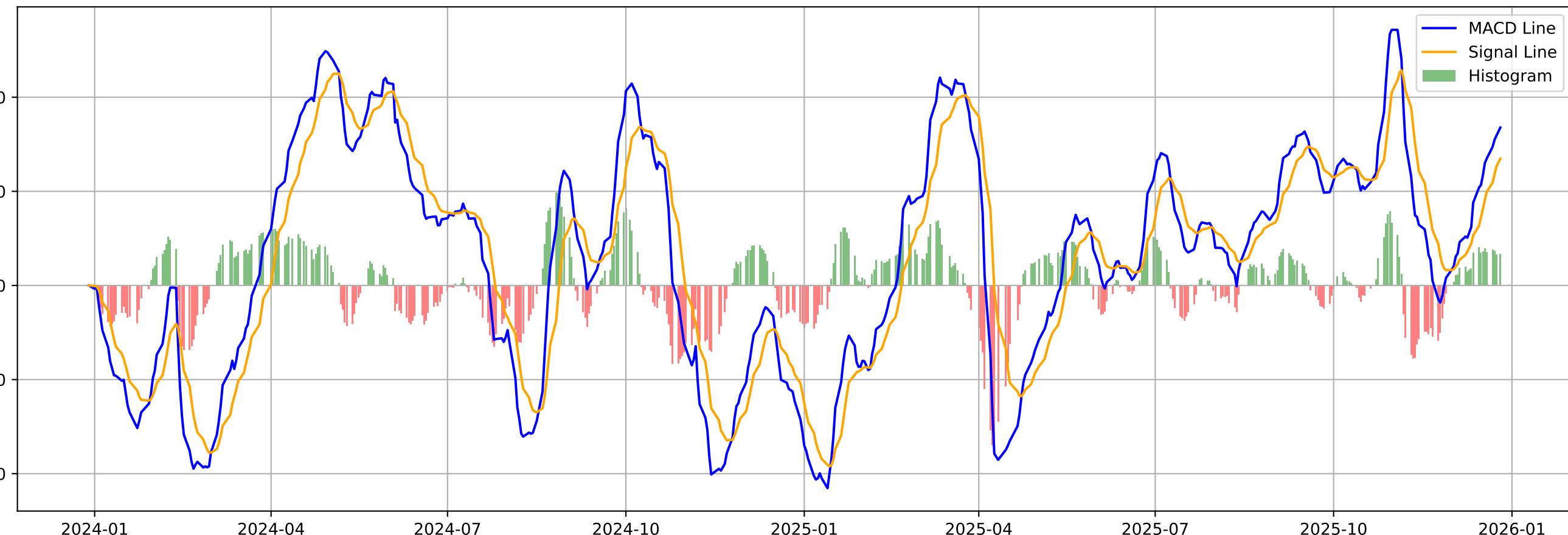
HINDALCO.NS - MACD Summary

MACD Line:	16.78
Signal Line:	13.47
Histogram:	3.30
Trend:	Bullish
Momentum:	Strengthening
Signal:	None

HINDALCO.NS Price



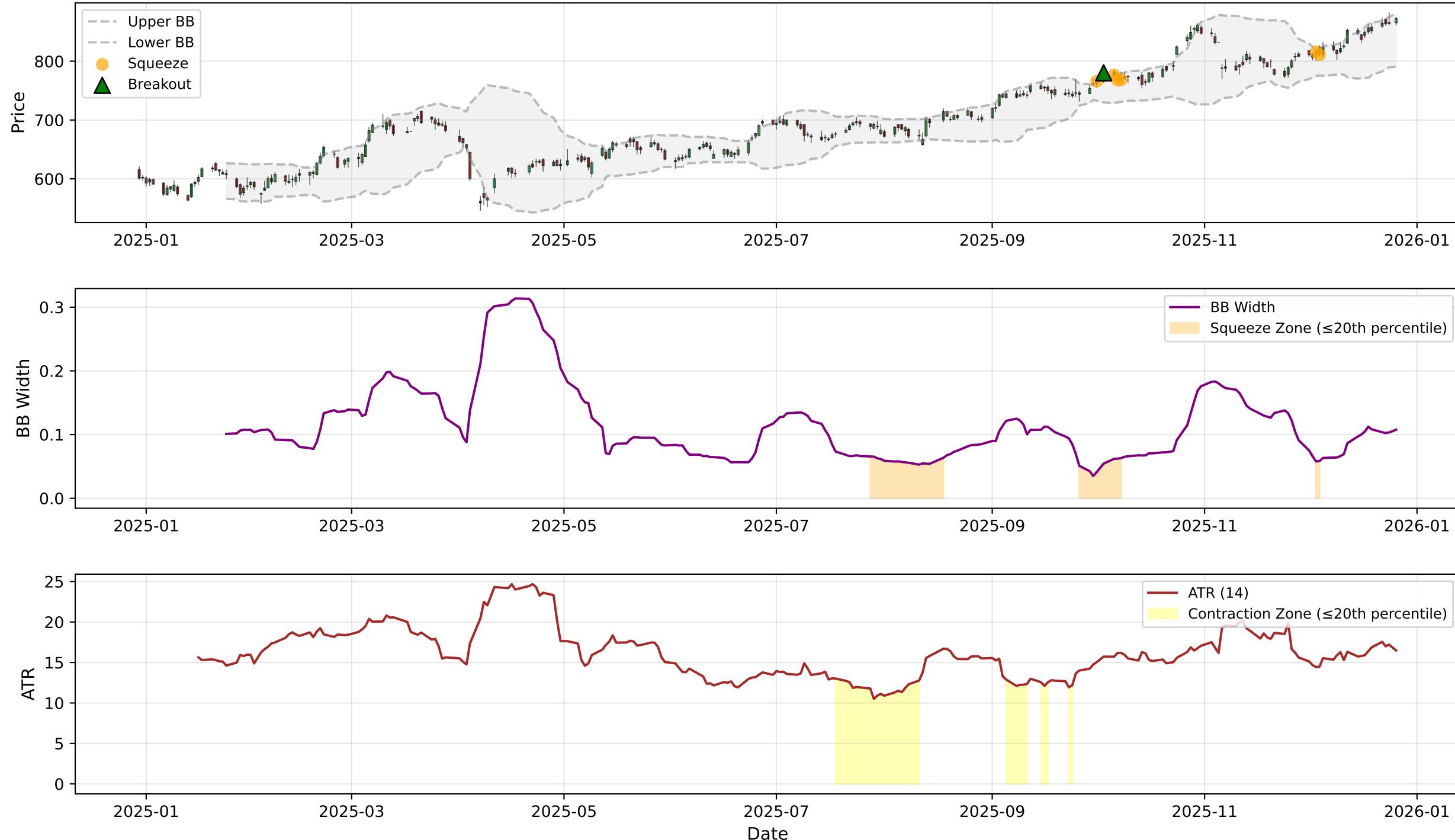
HINDALCO.NS MACD (12, 26, 9)



HINDALCO.NS - Volatility Squeeze Summary

BB Width:	0.1075
ATR:	16.4821
Total Signals:	7
Signal 1:	BB Squeeze at 2025-10-06 00:00:00 (Price: 776.70)
Signal 2:	BB Squeeze at 2025-10-07 00:00:00 (Price: 767.80)
Signal 3:	BB Squeeze at 2025-10-08 00:00:00 (Price: 768.20)
Signal 4:	BB Squeeze at 2025-12-03 00:00:00 (Price: 816.30)
Signal 5:	BB Squeeze at 2025-12-04 00:00:00 (Price: 810.80)

HINDALCO.NS - Volatility Squeeze Analysis



HINDALCO.NS - RSI-Volume Summary

Current RSI:	69.18
Current Volume:	2334952
Volume MA 20:	4018489
Bullish Divergences:	0
Bearish Divergences:	1
Bearish Div 1:	Date: 2024-07-09 00:00:00, Price: 707.00

HINDALCO.NS RSI-Volume Divergence Analysis

