

Gemini Stock Analysis Report

This analysis evaluates **NATIONALALUM.NS (National Aluminium Company)** for a positional trade setup based on the provided technical and fundamental data.

Step 1: Audit the Data

• Data Present:

- Daily Price Charts (3-year and 1-year views).
- Long-term (4Y) and Short-term (6Q) Fundamental growth metrics.
- Relative Strength (RS) Analysis against the Benchmark (^CNXMETAL).
- Moving Averages (EMA 20, 50, 200).
- Momentum Indicators (RSI, MACD, Supertrend).
- Volatility Analysis (Bollinger Bands, ATR, Squeeze).

• Data Missing:

- Weekly/Monthly charts: Essential for confirming long-term structural support/resistance levels.
- Volume Profile: To identify "High Volume Nodes" for more precise support levels.
- Sector Context: While RS is present, specific performance vs. direct peers (e.g., Hindalco, Tata Steel) would add depth.

- **Confidence Level: High.** The report provides a multi-dimensional view combining fundamentals, trend, and momentum, which is sufficient for a high-conviction positional assessment.
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Step 2: Analyze the Setup

Price Structure & Trend: The stock is in a powerful, accelerating uptrend. It has successfully moved from a "Golden Cross" (August 2025) and is currently trading well above its major moving averages (EMA 20, 50, and 200). The price action is characterized by higher highs and higher lows, indicating strong institutional demand.

Momentum & Volatility: * **Overextension:** The stock is currently "overheated." The RSI is at **81.97**, which is deep in overbought territory. Furthermore, the price is trading at **306.85**, which is significantly above the Upper Bollinger Band (300.37). * **Relative Strength:** While the stock is a "Leader," the RS Classification of "Weakening Leader" suggests that while it is rising, its pace of outperformance compared to the metal index is starting to decelerate. * **MACD:** Remains bullish with strengthening momentum, confirming the current trend's strength but not necessarily the entry's timing.

Fundamentals: The fundamental backdrop is exceptionally strong. 1Y Revenue growth of 27.48% and Net Income growth of 164.93% provide a solid "floor" for the technical trend. This is not a speculative pump; it is backed by earnings.

Step 3: Formulate the Recommendation

Should you enter now? NO.

Rationale: As a risk-averse positional trader, entering a stock when the RSI is >80 and the price is trading outside the Upper Bollinger Band is a low-probability entry. The stock is currently "vertical." While the trend is

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undeniably bullish, the risk of a mean-reversion pullback to the 20-day EMA (INR 277.82) is high. Entering here forces a very wide stop loss, ruining the Risk-to-Reward (R:R) ratio.

Conditional Plan (The "Buy on Retracement" Strategy)

We will wait for a "cool-off" period to enter at a more sustainable level.

- **Condition to Buy:** A price retracement to the **20-day EMA** or a successful test of the **Upper Bollinger Band as support** (after a period of consolidation). RSI should ideally cool down to the 60-65 range.
- **Entry Price:** INR 282.00 - INR 285.00 (Looking for a bounce near the EMA 20).
- **Stop Loss:** INR 258.00 (Just below the 50-day EMA to protect against a trend change).
- **Take Profit:** INR 335.00 - INR 350.00 (Projected 15% upside from the entry zone, targeting psychological resistance and trend extension).

Final Note: Patience is required. Let the "euphoria" of the current spike settle before committing capital. The fundamentals ensure the stock will remain on the watchlist for the next 1-4 months.

News & Analyst Targets

As a stock research analyst, I have compiled the following latest research and news update for **National Aluminium Company Limited (NATIONALUM / NALCO)** for the week of December 22-28, 2025.

1) Latest News for NATIONALUM (This Week)

The stock has shown significant bullish momentum this week, reaching a fresh **52-week high of INR 309.20** on December 26, 2025. Key developments include:

- **Government Review (Dec 24):** The Union Mines Secretary reviewed NALCO's expansion programs. The government emphasized the need for "timeliness" in completing the 5th stream refinery expansion and pushing production targets to meet rising domestic demand from the EV and renewable energy sectors.
- **Pottangi Mine Milestone:** NALCO confirmed the selection of **Dilip Buildcon** as the L1 bidder for the 25-year Mine Developer and Operator (MDO) contract for the Pottangi Bauxite Mines. Operational launch is targeted for **June 2026**, which is expected to secure long-term raw material supply.
- **Operational Expansion:** The company's 1-million-tonne-per annum alumina refinery expansion (5th stream) is reportedly **85% complete** and is on track for commissioning by mid-2026.
- **Dividend Update (Dec 23):** NALCO issued a "Dividend Payment Update" to shareholders following the earlier declaration of a INR 4/share interim dividend, reflecting strong cash flow management.

2) Upgrades or Downgrades from Brokerages

Sentiment remains mixed as the stock's price has outpaced many fundamental targets:

- **Consensus View:** The majority of analysts (13 tracked) maintain a "**Hold**" or "**Neutral**" stance. While operational performance is strong, brokerages have flagged that the "risk-reward ratio" is becoming less attractive at current levels above INR 300.
- **ICICI Securities:** Recently maintained a "**Hold**" rating. Their previous target of INR 246 has been significantly exceeded, and a re-rating is expected in the next quarterly update.
- **Technical Ratings:** Most technical platforms (e.g., TradingView, MarketsMojo) have upgraded the stock to a "**Strong Buy**" or "**Bullish**" based on its trend of trading above all key moving averages (50-DMA, 200-DMA).

3) Other News Impacting NATIONALUM

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- **LME Aluminum Prices:** Global aluminum prices on the London Metal Exchange (LME) surged to \$2,932/tonne this week. High energy costs in Europe and production ceilings in China are creating a global supply deficit, which directly benefits NALCO's export margins.
- **Fuel Security:** NALCO is ramping up coal production from its captive **Utkal D and E blocks** to 4 million tonnes. This shift from market-purchased coal to captive coal is estimated to save the company **INR 100-INR 150 crore annually**.
- **Regulatory Pressure:** The company faced a minor headwind with a regulatory fine (~INR 10.85 lakh) by BSE/NSE for non-compliance regarding board composition (lack of requisite independent directors), though this has had negligible impact on the share price.

4) Analyst Targets and Brokerage Forecasts

The following table summarizes the latest price targets and analyst views:

Brokerage / Source	Date	Recommendation	Price Target (INR)
Stockpricearchive (Technical)	Dec 26, 2025	Bullish	316.12 - 326.50
Consensus Estimate (6 Brokers)	Dec 26, 2025	Neutral/Hold	248.83 (Average)
MunafaSutra (Short-term)	Dec 24, 2025	Strong Buy	306.13
ICICI Direct (Technical)	Dec 19, 2025	Buy Range	280.00 - 300.00
The Tax Heaven (2026 View)	Dec 19, 2025	Long-term Buy	310.00 - 340.00
ICICI Securities	Nov 2025	Hold	246.00 (Target Met)

Analyst Summary: NATIONALUM is currently in a "blue-sky zone" technically, outperforming its fundamental fair value estimates. While long-term targets for 2026 are as high as INR 340, short-term investors should watch for potential profit-booking near the INR 310-INR 315 resistance levels.

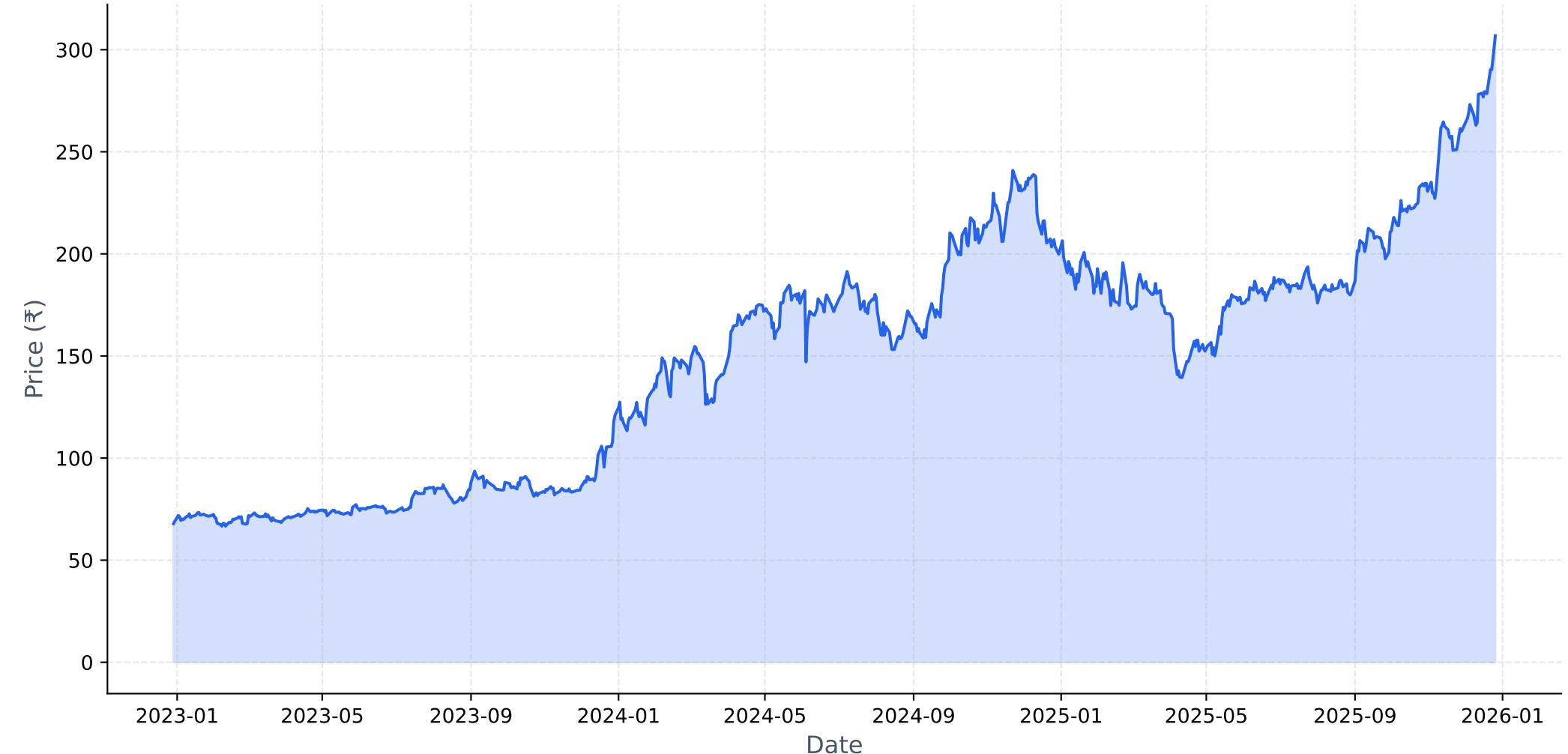
Stock Detailed Analysis Report

NATIONALUM.NS

Current Price: ₹306.85

Generated: 2025-12-28 10:25

NATIONALUM.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	27.48%	5.44%
Net Income	Yes	Yes	164.93%	21.30%
ROE	Yes	Yes	114.08%	7.96%
EPS	Yes	Yes	164.82%	21.30%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	12.75%	3.40%
Net Income	Yes	36.25%	17.19%
ROE	Yes	-37.91%	17.86%
EPS	Yes	36.43%	54.73%

NATIONALUM.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXMETAL
Sector:	Metal
Classification:	Weakening Leader
RS Score:	63.8/100
:	

== RS RATIOS ==:

1M RS:	1.131 [Leader]
3M RS:	1.389 [Strong]
6M RS:	1.368 [Strong]
1Y RS:	1.184 [Leader]
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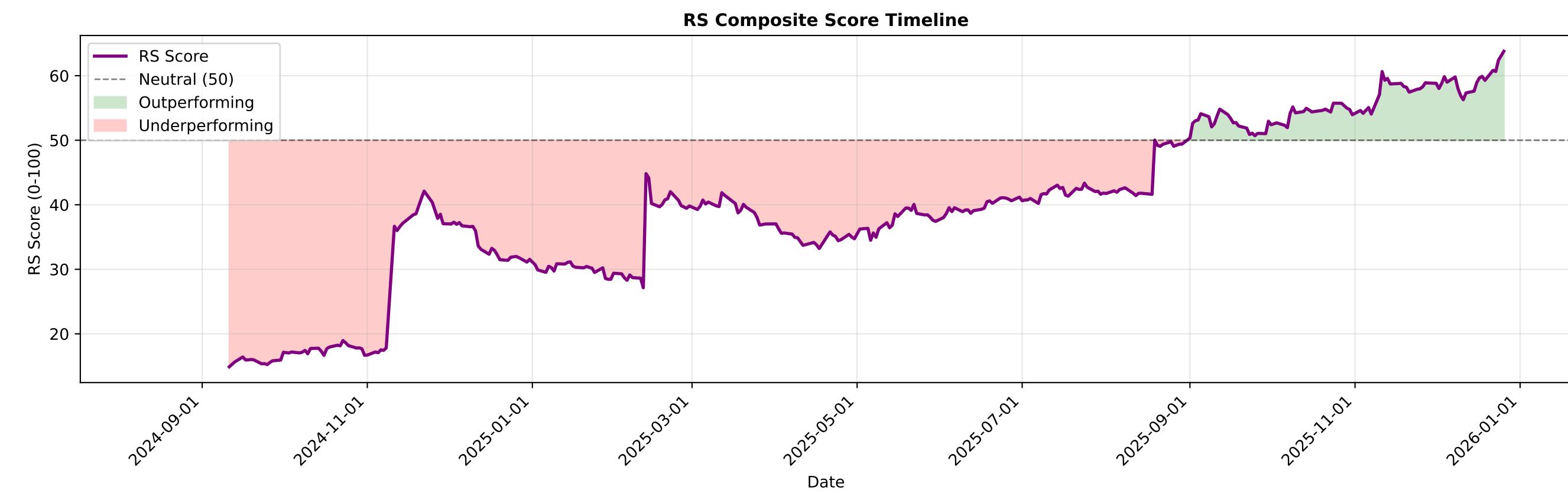
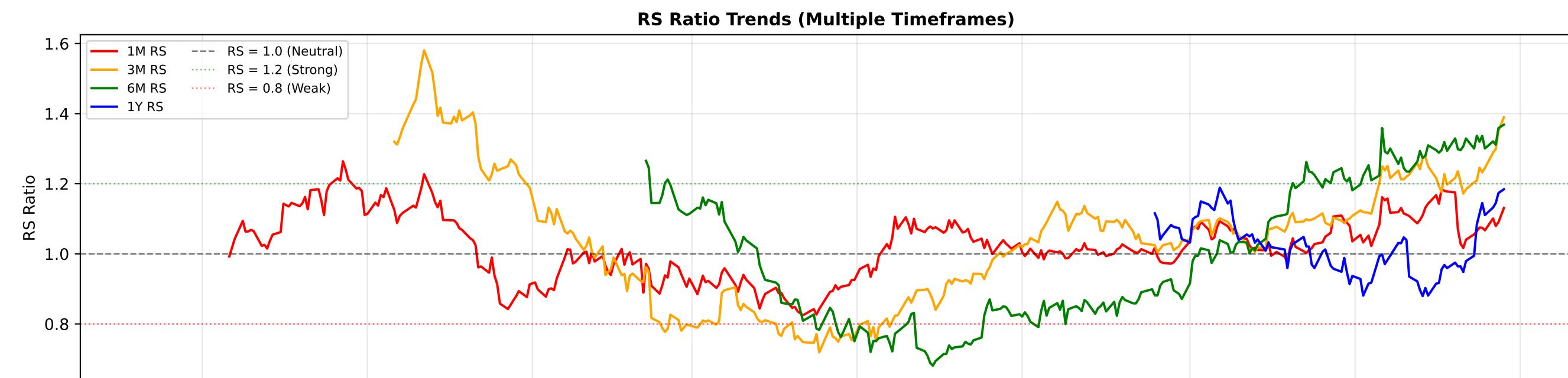
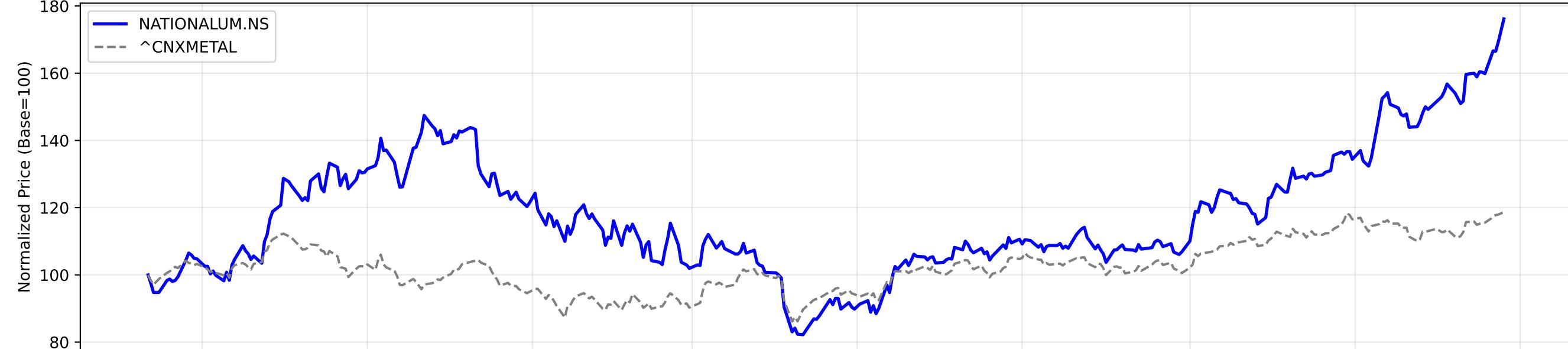
== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
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SIGNAL CRITERIA::

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

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



NATIONALUM.NS - EMA Crossover Summary

EMA 20:	277.82
EMA 50:	259.43
EMA 200:	220.28
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-08-07 00:00:00
Golden Cross Price:	189.76

NATIONALUM.NS EMA Crossover Analysis



NATIONALUM.NS - Bollinger Bands Summary

Current Price:	306.85
Upper Band:	300.37
Middle Band (SMA 20):	275.63
Lower Band:	250.90
%B:	1.1311
Band Width:	0.1795
Status:	Above Upper Band
Signal:	None

NATIONALUM.NS Bollinger Bands (20, 2) Analysis



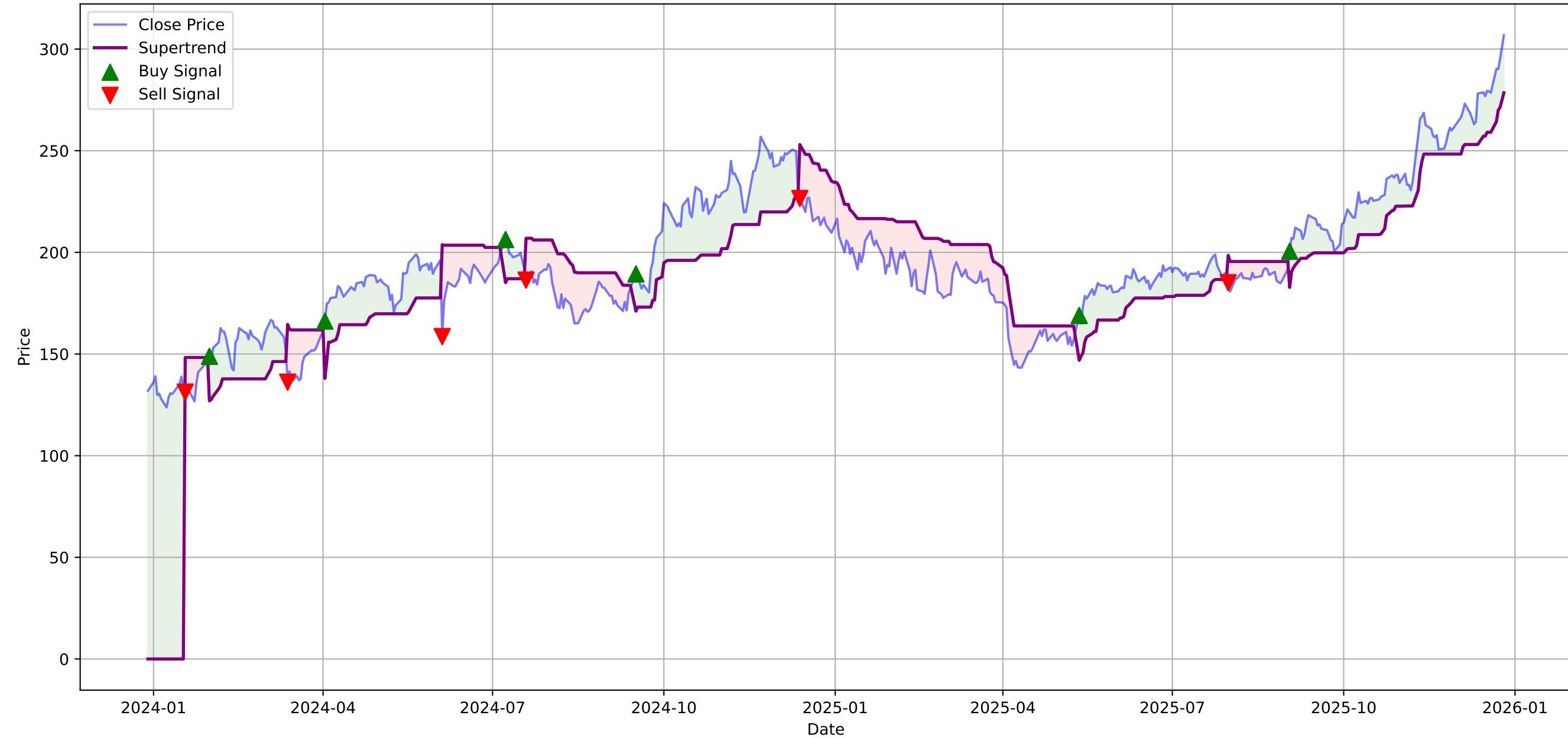
NATIONALUM.NS - Supertrend Summary

Status: UPTREND (Buy)

Supertrend Value: 278.49

Signal Identified On: 2025-09-02

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



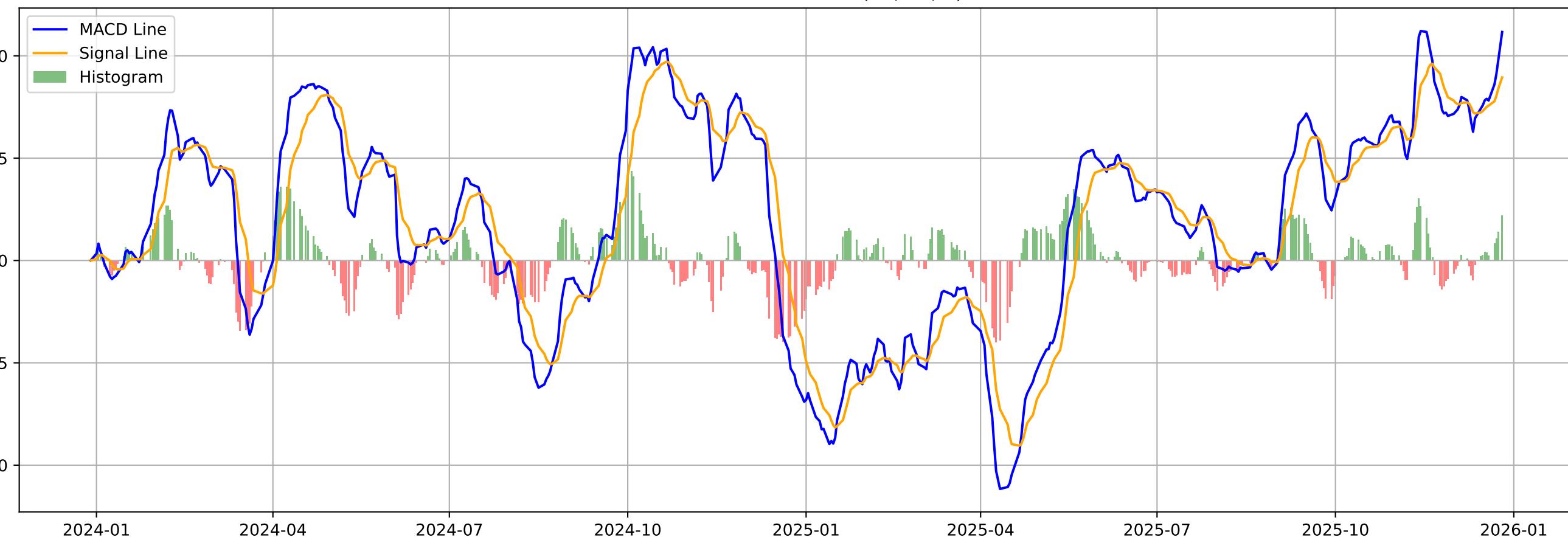
NATIONALUM.NS - MACD Summary

MACD Line:	11.17
Signal Line:	8.95
Histogram:	2.22
Trend:	Bullish
Momentum:	Strengthening
Signal:	None

NATIONALUM.NS Price



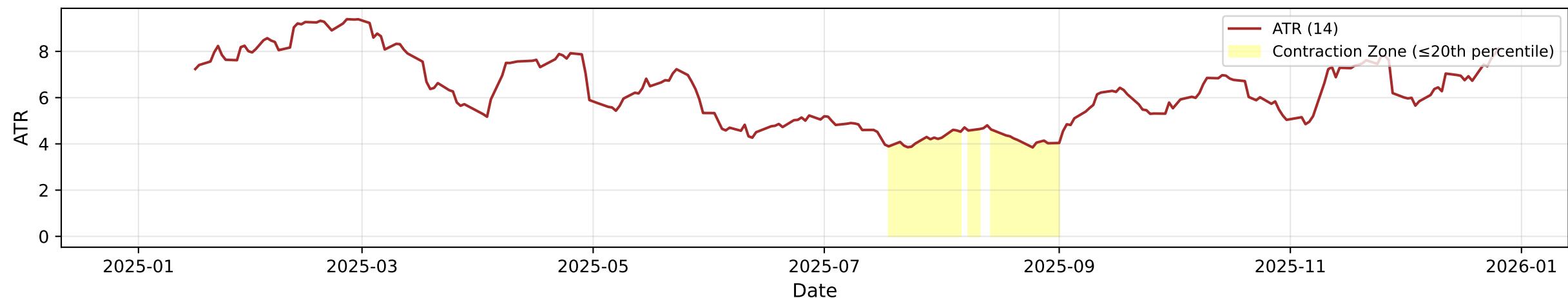
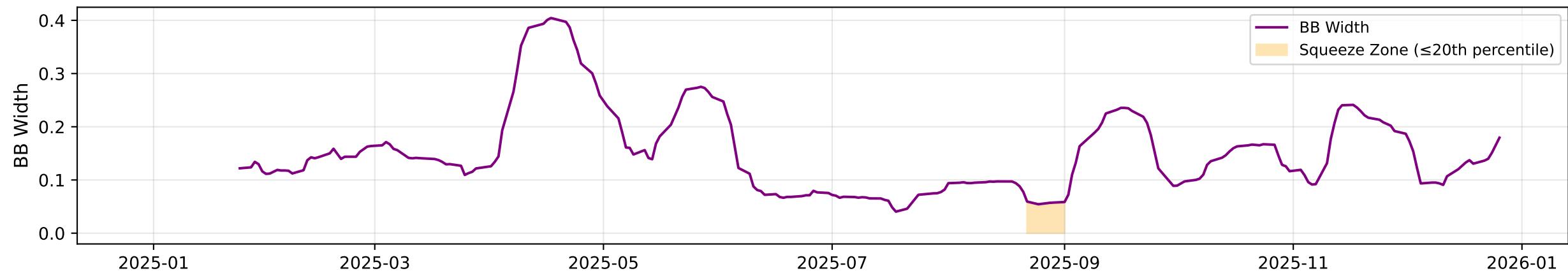
NATIONALUM.NS MACD (12, 26, 9)



NATIONALUM.NS - Volatility Squeeze Summary

BB Width: 0.1795
ATR: 8.1214
Total Signals: 0

NATIONALUM.NS - Volatility Squeeze Analysis



NATIONALUM.NS - RSI-Volume Summary

Current RSI:	81.97
Current Volume:	12990101
Volume MA 20:	10331355
Bullish Divergences:	0
Bearish Divergences:	4
Bearish Div 1:	Date: 2024-10-18 00:00:00, Price: 232.12
Bearish Div 2:	Date: 2025-06-26 00:00:00, Price: 193.59

NATIONALUM.NS RSI-Volume Divergence Analysis

