

Gemini Stock Analysis Report

This analysis is conducted from the perspective of a positional equity trader focusing on a 1-4 month time horizon.

Step 1: Audit the Data

- **Data Present:** Daily price charts (3-year history), EMA Analysis (20, 50, 200), Relative Strength (RS) vs. ^CNXIT benchmark, Fundamental metrics (4-year and 6-quarter), Bollinger Bands (Volatility Squeeze metrics), Supertrend, MACD, RSI, and Volume Moving Averages.
 - **Data Missing:** Weekly and Monthly trend charts (crucial for identifying major overhead resistance in positional trades), sector-wide valuation context (P/E vs. historical average), and institutional delivery percentage.
 - **Confidence Level: High.** The report provides a comprehensive multi-indicator technical suite and balances long-term growth with short-term price action.
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Step 2: Analyze the Setup

Price Structure & Trend: HCLTECH.NS is currently in a recovery phase following a significant correction in mid-2025. It has successfully established a "Golden Cross" (EMA 50 crossing above EMA 200) as of December 10, 2025. The price is currently trading above all major moving averages (20, 50, and 200), which indicates the path of least resistance is higher.

Momentum & Volatility: The most compelling aspect of this setup is the **Volatility Squeeze**. The Bollinger Band Width is extremely low (0.0427), and "Squeeze" signals have been firing consistently for the last five trading sessions. This suggests a powerful directional move is imminent. While the MACD is technically **"Bearish,"** the histogram is "Strengthening," showing that the recent minor pullback is losing steam.

Relative Strength: The stock is classified as a "Weakening Leader" with an RS score of 50.7/100. It is currently performing inline with the IT index (^CNXIT) rather than outperforming it. While not an aggressive "alpha" play, it represents a stable, trend-following setup.

Step 3: Formulate the Recommendation

Recommendation: YES (Conditional Entry) The stock is in a high-probability "Buy the Quiet" zone. The combination of a recent Golden Cross and a Volatility Squeeze often precedes a 10-15% trending move. However, because the RS is neutral and the MACD has not yet crossed bullishly, a risk-averse trader should wait for a price trigger to confirm the breakout direction.

- **Condition to Buy:** Daily close above the recent resistance level of INR 1680 (confirming the upside breakout of the Bollinger Band squeeze).
- **Entry Price:** INR 1685.00 (Stop-buy limit order)
- **Stop Loss:** INR 1585.00 (Just below the EMA 200 and recent swing low; represents ~6% risk)
- **Take Profit:** INR 1880.00 (Targeting the previous major peak from early 2025; represents ~11.5% upside)

Risk Management Note: The current "Neutral" RS score suggests that if the IT sector fails to catch a bid, this stock may continue to trade sideways. The tight Bollinger Bands mean the move, when it happens, will

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likely be fast. Ensure the stop loss is hard-coded to protect against a "head-fake" where the squeeze breaks to the downside.

News & Analyst Targets

As a Stock Research Analyst, I have compiled the latest intelligence on **HCL Technologies (HCLTECH)** for the week of December 22-28, 2025.

The firm has had a transformative week, characterized by a massive inorganic growth push and strategic AI partnerships that have redefined its software-led strategy.

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

- **\$400M Acquisition Spree:** HCLTech concluded a high-velocity acquisition week, committing over \$400 million to strengthen its AI and data analytics portfolio:
 - **Jaspersoft (\$240M):** Acquired from Cloud Software Group to enhance the "Actian" Data & AI division with embedded analytics and reporting tools.
 - **HPE Telco Solutions (\$160M):** Carved out this business unit to dominate 5G and autonomous networking segments, bringing 1,500 specialists into the fold.
 - **Wobby (\$5.3M):** A tactical "acqui-hire" of a Belgian startup to integrate "Agentic AI" (autonomous data agents) into its enterprise stack.
- **Microsoft Discovery Platform Partnership:** On December 23, HCLTech joined Microsoft's advanced **Discovery** platform. This collaboration focuses on using Agentic AI to accelerate scientific breakthroughs in drug discovery, semiconductor design, and materials science.
- **Trading Window Closure:** Per SEBI regulations, HCLTech announced the closure of its trading window starting **December 25, 2025**, ahead of its Q3 FY26 financial results scheduled for release on **January 12, 2026**.
- **Gartner Leadership:** The company was recognized as a **Leader** in the 2025 Gartner Magic Quadrant for Data Center Outsourcing and Hybrid Infrastructure Managed Services.

2) Brokerage Upgrades & Downgrades

- **Morgan Stanley (Dec 23):** Maintained an **Equal Weight** rating. While they noted the HPE acquisition strengthens HCLTech's engineering DNA, they expect a limited near-term impact on earnings per share (EPS) due to the lack of immediate margin disclosure on the acquired assets.
- **MarketsMojo (Dec 24):** Reaffirmed a **Buy** rating, citing strong return on equity (ROE) averaging 22.67% and excellent fundamental quality despite a "fair" (premium) valuation.
- **Technical Analysts:** Several boutique research firms shifted to a **Bullish** outlook this week, noting that the stock is holding steady above its 200-Day Moving Average (DMA) of INR 1,567, with short-term price action targets pointing toward INR 1,750.

3) Other Impacting News (Direct/Indirect)

- **Accenture Read-through:** Strong Q1 FY26 guidance from global peer **Accenture** earlier this week provided a positive sentiment boost for Indian IT majors, suggesting that the "bottom of the cycle" for discretionary spend has likely passed.
- **H-1B Visa Regulatory Shifts (Dec 24):** News regarding stricter H-1B norms caused minor volatility in the sector. However, analysts believe HCLTech is well-insulated due to its aggressive "localization" strategy in the U.S. and its increased focus on offshore/near-shore delivery.
- **Federal Rate Cut Anticipation:** Increasing hopes of interest rate cuts in early 2026 helped the Nifty IT index stay resilient during the "Santa Rally" sessions, as lower borrowing costs typically spur global enterprise tech spending.

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4) Analyst Targets & Recommendations

Below are the latest targets and recommendations from the brokerage community as of late December 2025:

Brokerage / Firm	Recommendation	Target Price (INR)	Date (Latest)
Axis Securities	Equal Weight	INR 2,175	Dec 23, 2025
MarketsMojo	Buy	Consensus-led	Dec 24, 2025
Morgan Stanley	Equal Weight	INR 1,680	Dec 23, 2025
JPMorgan	Neutral	INR 1,700	Dec 19, 2025
Nuvama	Hold	INR 1,630	Dec 19, 2025
ICICI Securities	Reduce	INR 1,390	Dec 21, 2025
Consensus Average	Moderate Buy	INR 1,685	Dec 26, 2025

Analyst Summary: *The market is currently digesting the \$400M acquisition flurry. While the long-term move into Software and Agentic AI is viewed as high-value, brokerages like Morgan Stanley and Nuvama remain cautious on near-term margin erosion. Investors should watch the Jan 12 earnings call for specific margin guidance on the new HPE and Jaspersoft assets.*

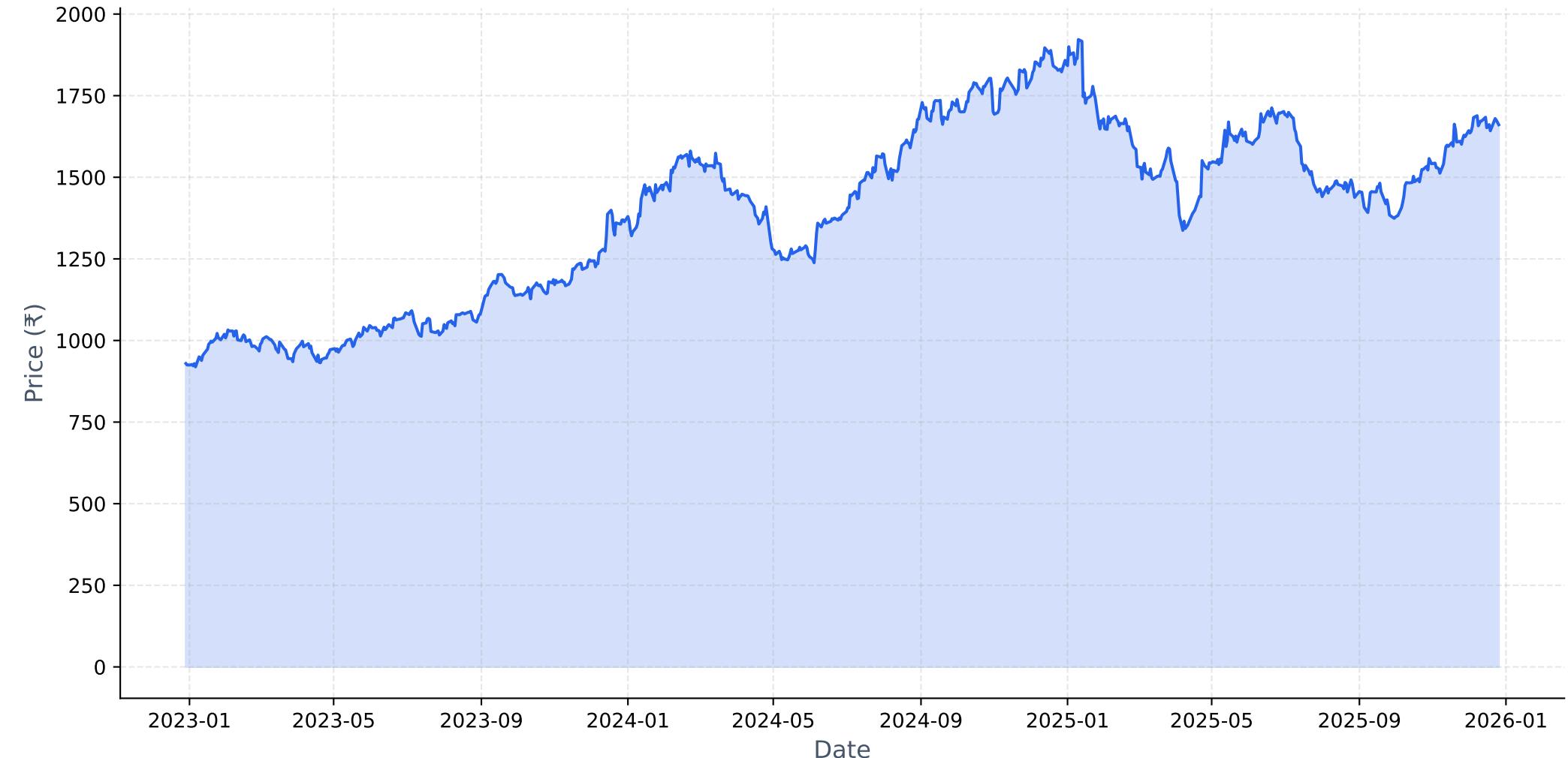
Stock Detailed Analysis Report

HCLTECH.NS

Current Price: ₹1660.90

Generated: 2025-12-28 10:29

HCLTECH.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	6.50%	10.97%
Net Income	Yes	Yes	10.75%	8.81%
ROE	Yes	Yes	8.54%	4.62%
EPS	Yes	Yes	10.64%	8.83%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	0.34%	1.99%
Net Income	No	-10.77%	-2.27%
ROE	Yes	0.56%	0.56%
EPS	Yes	8.45%	3.97%

HCLTECH.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Weakening Leader
RS Score:	50.7/100
:	

== RS RATIOS ==:

1M RS:	0.994 [Neutral]
3M RS:	1.058 [Leader]
6M RS:	0.975 [Neutral]
1Y RS:	1.030 [Leader]
:	

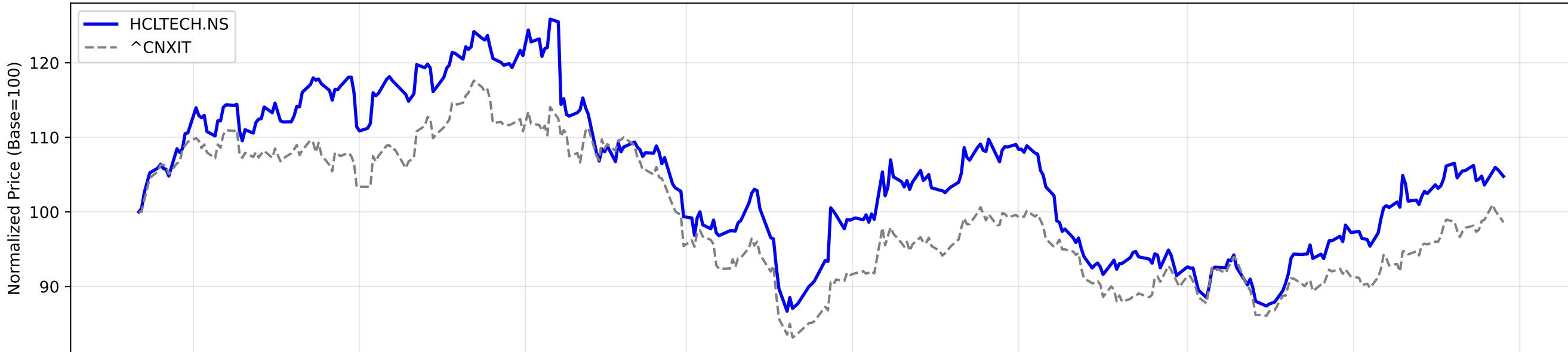
== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
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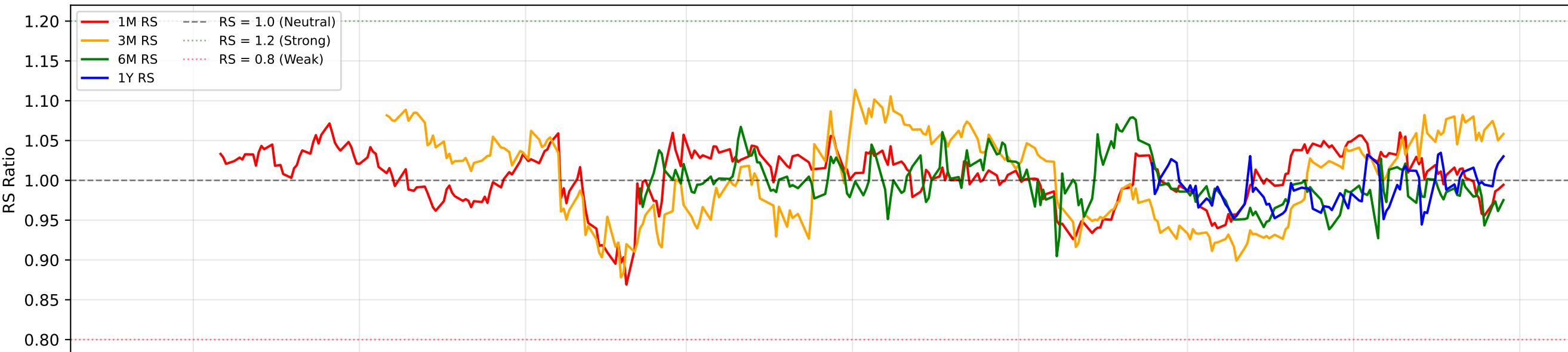
SIGNAL CRITERIA::

✗ Emerging RS:	Not accelerating
✓ Medium-term Lagging:	6M=0.975 (≤ 1.0)
✓ Performance Improving:	3M (+16.7%) > 6M (-3.7%)

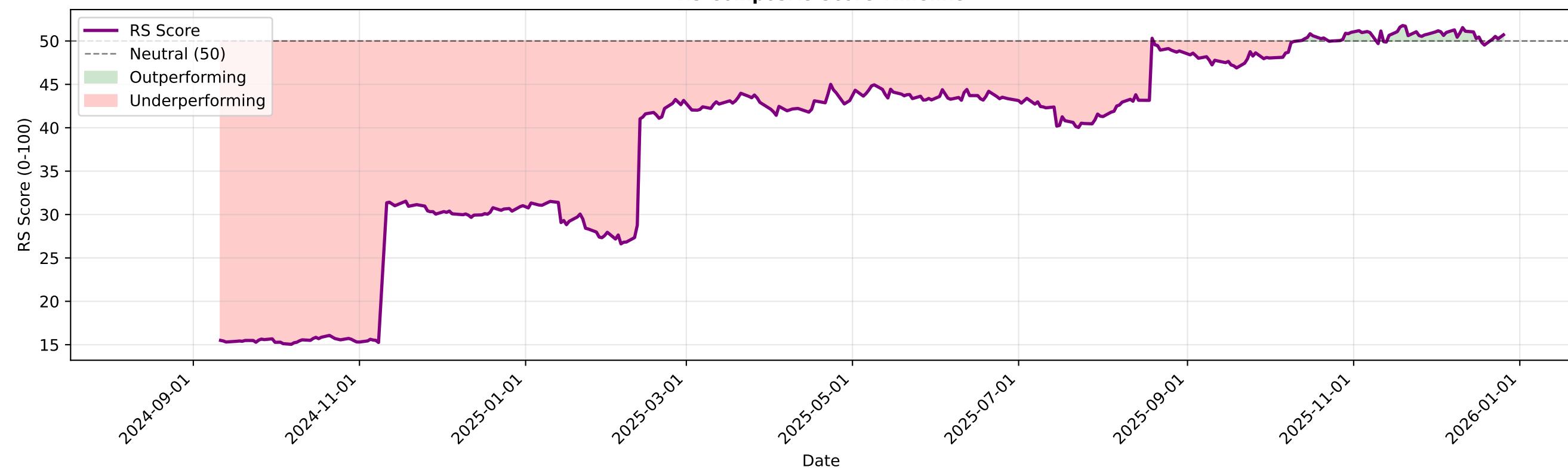
Relative Strength Analysis: HCLTECH.NS vs ^CNXIT
Classification: Weakening Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



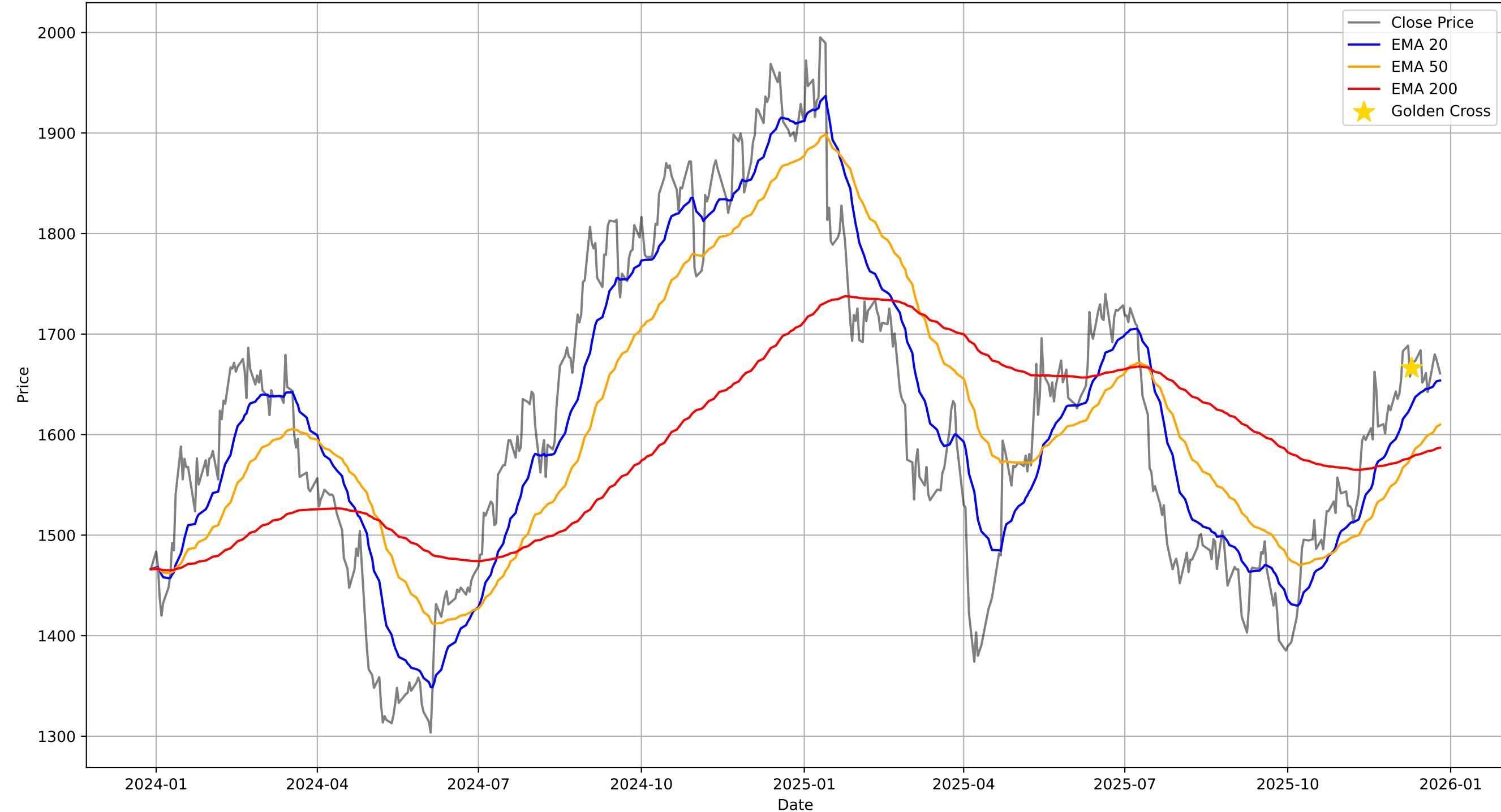
RS Composite Score Timeline



HCLTECH.NS - EMA Crossover Summary

EMA 20:	1653.79
EMA 50:	1609.87
EMA 200:	1586.94
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-12-10 00:00:00
Golden Cross Price:	1666.00

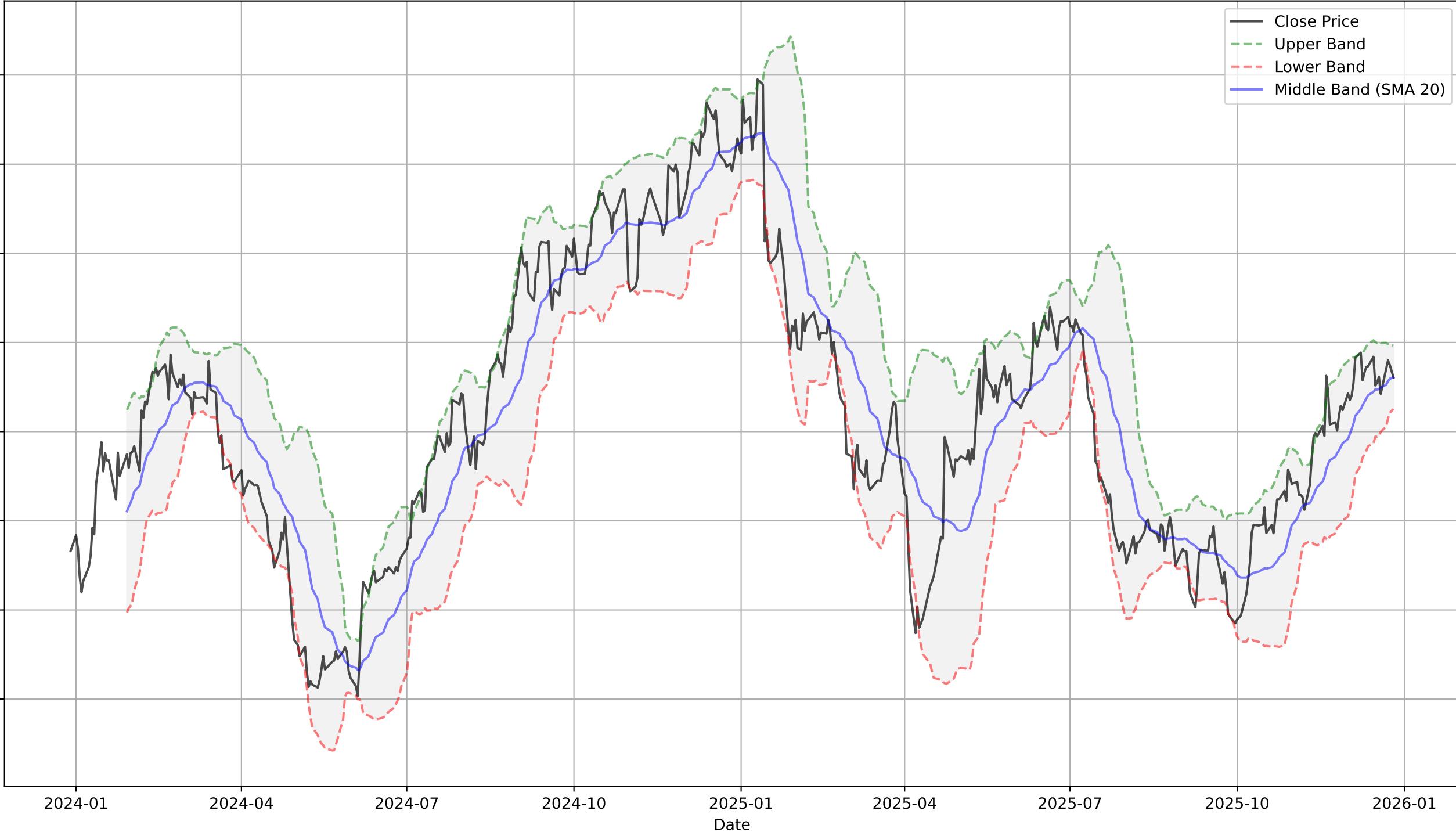
HCLTECH.NS EMA Crossover Analysis



HCLTECH.NS - Bollinger Bands Summary

Current Price:	1660.90
Upper Band:	1696.43
Middle Band (SMA 20):	1660.94
Lower Band:	1625.45
%B:	0.4994
Band Width:	0.0427
Status:	Lower Half
Signal:	None

HCLTECH.NS Bollinger Bands (20, 2) Analysis



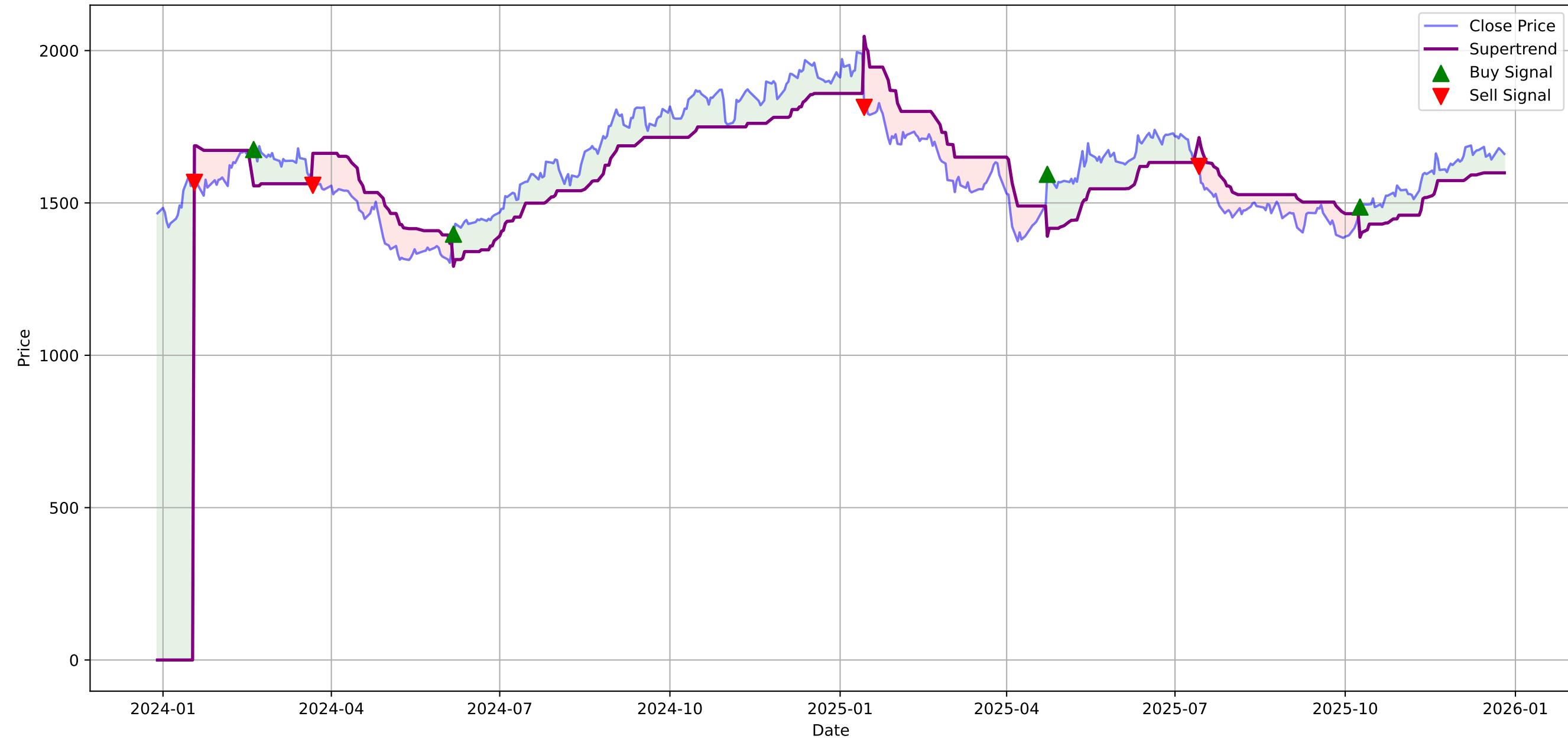
HCLTECH.NS - Supertrend Summary

Status: UPTREND (Buy)

Supertrend Value: 1598.79

Signal Identified On: 2025-10-09

SuperTrend Analysis for HCLTECH.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



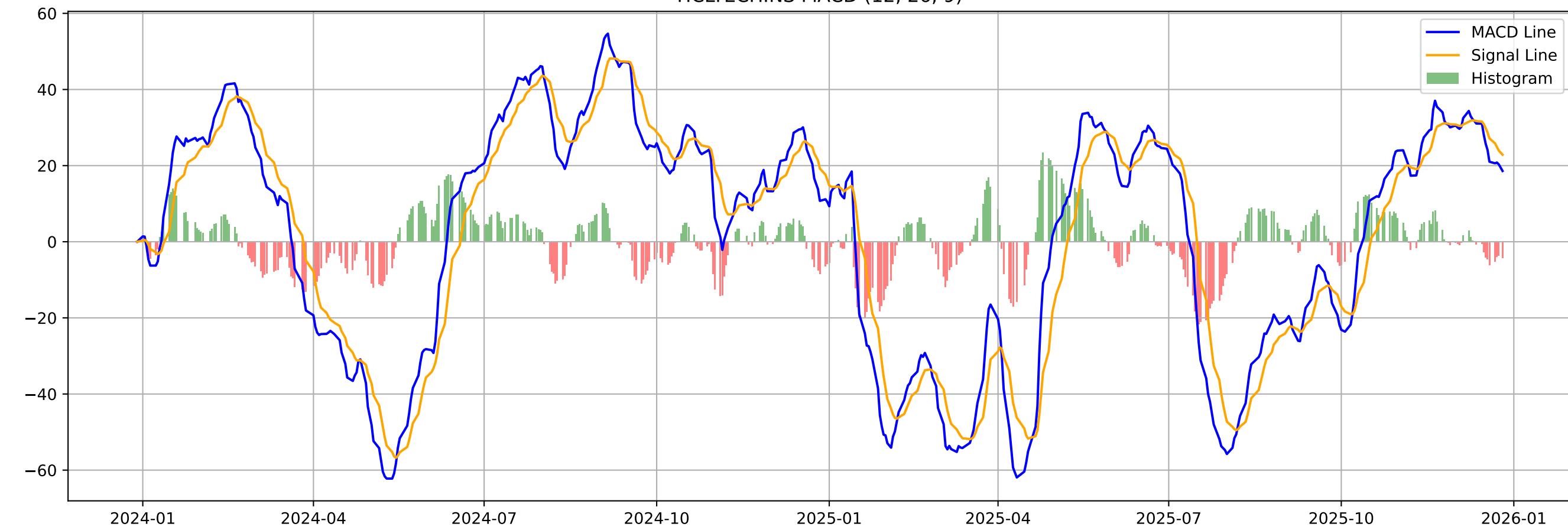
HCLTECH.NS - MACD Summary

MACD Line:	18.60
Signal Line:	22.87
Histogram:	-4.27
Trend:	Bearish
Momentum:	Strengthening
Signal:	None

HCLTECH.NS Price



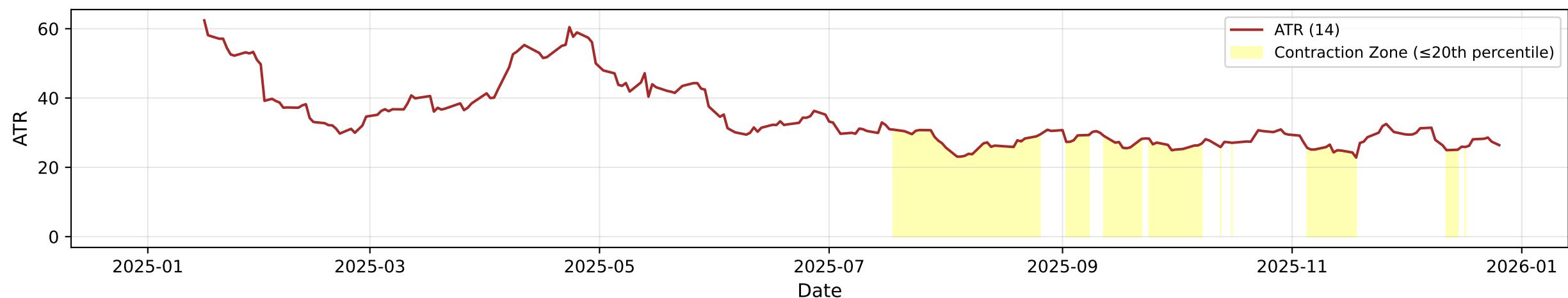
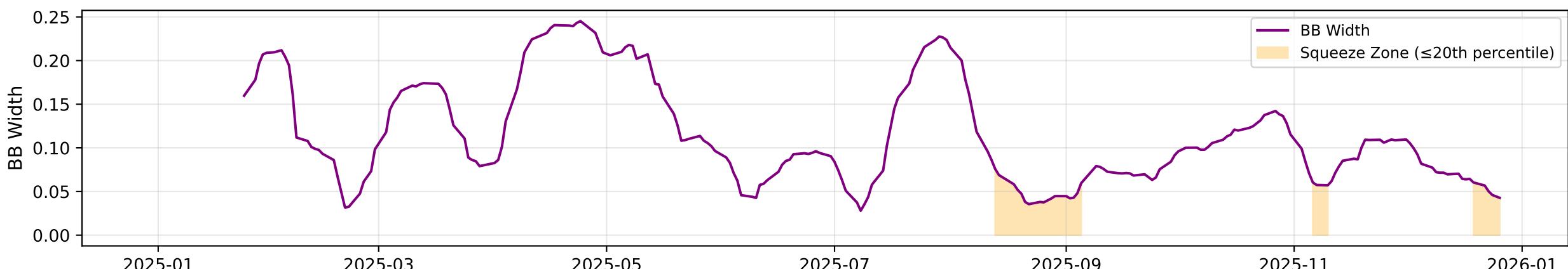
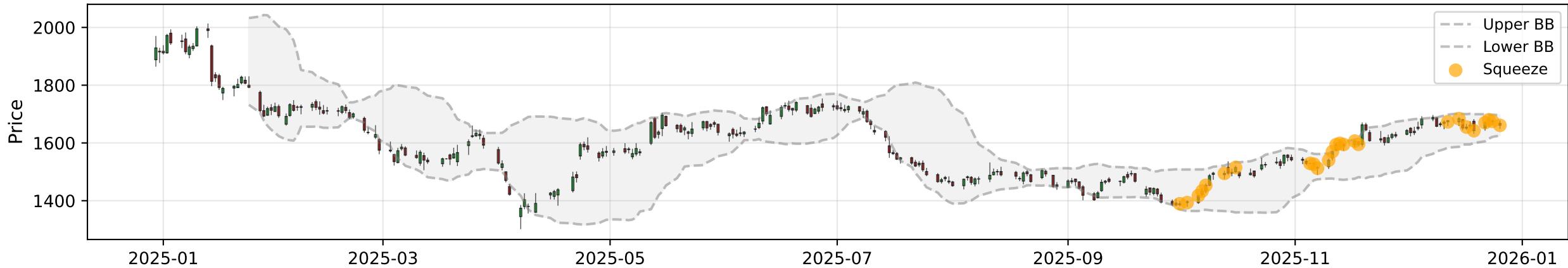
HCLTECH.NS MACD (12, 26, 9)



HCLTECH.NS - Volatility Squeeze Summary

BB Width:	0.0427
ATR:	26.4000
Total Signals:	25
Signal 1:	BB Squeeze at 2025-12-19 00:00:00 (Price: 1642.40)
Signal 2:	BB Squeeze at 2025-12-22 00:00:00 (Price: 1670.30)
Signal 3:	BB Squeeze at 2025-12-23 00:00:00 (Price: 1679.90)
Signal 4:	BB Squeeze at 2025-12-24 00:00:00 (Price: 1674.70)
Signal 5:	BB Squeeze at 2025-12-26 00:00:00 (Price: 1660.90)

HCLTECH.NS - Volatility Squeeze Analysis



HCLTECH.NS - RSI-Volume Summary

Current RSI:	54.99
Current Volume:	921138
Volume MA 20:	2039196
Bullish Divergences:	3
Bearish Divergences:	4
Bullish Div 1:	Date: 2025-03-13 00:00:00, Price: 1534.75
Bullish Div 2:	Date: 2025-09-30 00:00:00, Price: 1385.10
Bearish Div 1:	Date: 2024-10-28 00:00:00, Price: 1871.75
Bearish Div 2:	Date: 2025-12-08 00:00:00, Price: 1688.60

HCLTECH.NS RSI-Volume Divergence Analysis

