

# Gemini Stock Analysis Report

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This analysis is conducted from the perspective of a positional equity trader, focusing on the INFY.NS (Infosys) report provided.

## Step 1: Audit the Data

- **Data Present:** 3-year daily price charts, 4-year long-term and 6-quarter short-term fundamental metrics, Relative Strength (RS) analysis against the IT sector (^CNXIT), EMA Crossover (20, 50, 200), Bollinger Bands (20, 2), Supertrend (14, 3), MACD (12, 26, 9), Volatility Squeeze (ATR/BB Width), and RSI-Volume Divergence analysis.
- **Data Missing:** Weekly and monthly timeframe charts (critical for confirming intermediate-term structural trends), volume profile/market profile data, and upcoming earnings announcement dates (to avoid event risk).
- **Confidence Level: High.** The report provides a robust confluence of technical indicators and relative strength data, though the lack of a higher-timeframe chart (Weekly) necessitates a slightly more conservative stop-loss approach.

## Step 2: Analyze the Setup

The stock is currently exhibiting a "**Volatility Squeeze**" breakout characteristic. After a prolonged correction from the INR 1900+ levels down to INR 1400, the stock has spent the latter half of 2025 building a base.

- **Price Structure & Trend:** The price is currently in a "Short-term **Uptrend**" (Price > EMA 20 > EMA 50). It recently cleared a consolidation zone. The Supertrend flipped to a "Buy" signal on 2025-10-23 and has remained supportive.
- **Momentum & Volatility:** The Bollinger Band width is low (0.0908), and the report identifies a "Volatility Squeeze." This suggests an imminent expansion in price. MACD is bullish, though the histogram shows "Weakening" momentum, likely due to a minor 3-day pause near the INR 1650-1680 resistance.
- **Relative Strength:** This is the strongest part of the thesis. INFY.NS is classified as an "**Emerging Leader**." Its RS ratios across 1M, 3M, 6M, and 1Y are all > 1.0, meaning it is consistently outperforming the Nifty IT index.
- **Confluence:** We have a volatility squeeze occurring while the stock is showing superior relative strength and a positive EMA alignment. This is a classic "Power Trend" setup.

## Step 3: Formulate the Recommendation

### Recommendation: YES (Enter Now / On Minor Strength)

The setup aligns with a positional timeframe (1-4 months). The stock has successfully bottomed and is now outperforming its sector. The volatility squeeze suggests the next "leg up" is starting.

- **Entry Price: INR 1665.00** (Ideally on a move above the previous day's high to confirm the squeeze is breaking upward).
- **Stop Loss: INR 1585.00** (Located just below the EMA 50/200 cluster and the Supertrend support line. This represents a ~4.8% risk).
- **Take Profit: INR 1865.00** (This target sits just below the major supply zone seen in late 2024/early 2025. This offers an upside of ~12%, providing a healthy 1:2.5 Risk-to-Reward ratio).

**Risk-Averse Note:** While the fundamentals show growth, the "Accelerating" column is marked "No." This suggests this is a price-momentum and sector-rotation play rather than an earnings-acceleration play. Monitor the MACD histogram; if it fails to turn back up within 5-7 trading sessions, the squeeze may be failing, requiring an early exit at breakeven.

## News & Analyst Targets

To provide you with the latest analysis on **Infosys (INFY)** for the week of **December 22-28, 2025**, I have summarized the key developments, brokerage movements, and sector-wide impacts below.

### 1) Latest News for INFY This Week (Dec 22-28, 2025)

The week has been dominated by a mix of legal resolution and unusual market volatility:

- **US Lawsuit Settlement Approval:** On December 22, 2025, Infosys received final court approval for its settlement agreement regarding a class-action lawsuit involving its US subsidiary, **McCamish Systems**. The settlement, stemming from a data breach incident, requires a payment of approximately **\$17.5 million**. This resolution cleared a significant legal overhang, helping the stock reach a 9-month high in domestic trading.
- **ADR "Phantom Surge" and Trading Halts:** In the preceding days (Dec 19-22), the INFY ADR on the NYSE experienced extreme volatility, at one point surging over **50%** due to what was later clarified as a **technical glitch/ticker mapping error**. This triggered multiple volatility trading pauses. While the company confirmed no undisclosed fundamental changes, the event caused temporary chaos for high-frequency trading (HFT) algorithms.
- **Strategic Philanthropy:** The **Infosys Foundation** signed a four-year MoU with the Indian National Academy of Engineering (INAE) to modernize engineering education, highlighting the company's continued focus on long-term talent pipeline development.

### 2) Upgrades and Downgrades from Brokerages

Sentiment remains cautiously optimistic as the company navigates a challenging fiscal year:

- **Upgrade (CLSA):** On December 22, CLSA upgraded Infosys to "**Accumulate**" from "Hold." The brokerage cited the removal of legal hurdles (McCamish settlement) and attractive valuations following recent underperformance.
- **Recent Downgrade Context:** It is worth noting that earlier in 2025, **Morgan Stanley** downgraded the stock to "**Equal-weight**" from "Overweight," citing concerns over a slowdown in discretionary spending and growth normalization in FY26.
- **Fresh Bullish Stance:** **Motilal Oswal** reiterated a positive stance this week, noting that the company remains a preferred pick for a recovery in the digital transformation space.

### 3) Indirect News Impacting INFY

- **Macro Headwinds in North America:** North America, which contributes over 60% of Infosys' revenue, remains under pressure due to cautious tech spending. The Nifty IT index has been one of the worst-performing sectors in 2025, down roughly **14% YTD**, reflecting broader sector fatigue.
- **Competitor Sentiment:** Recent commentary from **TCS** and **Accenture** suggests that while Generative AI deals are increasing in volume, they are not yet large enough to offset the slowdown in traditional BFSI (Banking, Financial Services, and Insurance) and Telecom verticals.
- **Rupee Volatility:** The weakening of the Indian Rupee (INR) against the USD typically provides a tailwind for margins, but this benefit is currently being offset by wage hikes and higher onsite costs.

### 4) Latest Targets from Analysts & Brokerages

The following table provides the most recent price targets and ratings for INFY from the analyst community (as of December 2025):

# Gemini Stock Analysis Report

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Brokerage / Analyst	Rating	Target Price (INR)	Target Price (USD - ADR)	Date
Motilal Oswal	Buy	INR 2,200	-	Dec 24, 2025
CLSA	Accumulate	INR 1,978	-	Dec 22, 2025
Trendlyne Consensus	Buy	INR 2,097	-	Dec 26, 2025
BMO Capital	Market Perform	-	\$19.00	Oct 17, 2025
TD Cowen	Hold	-	\$16.00	Oct 17, 2025
Morgan Stanley Bernstein	Equal-weight	INR 1,740	-	Mar 12, 2025
	Outperform	INR 2,330	-	Mar 11, 2025

**Analyst Summary:** While the **INFY ADR** experienced a technical "flash" event this week, the fundamental story is focused on the resolution of US legal issues and a cautious recovery in deal pipelines. The consensus remains a "Buy/Hold," with the market closely watching the next earnings guidance for signs of a turnaround in discretionary IT spending.

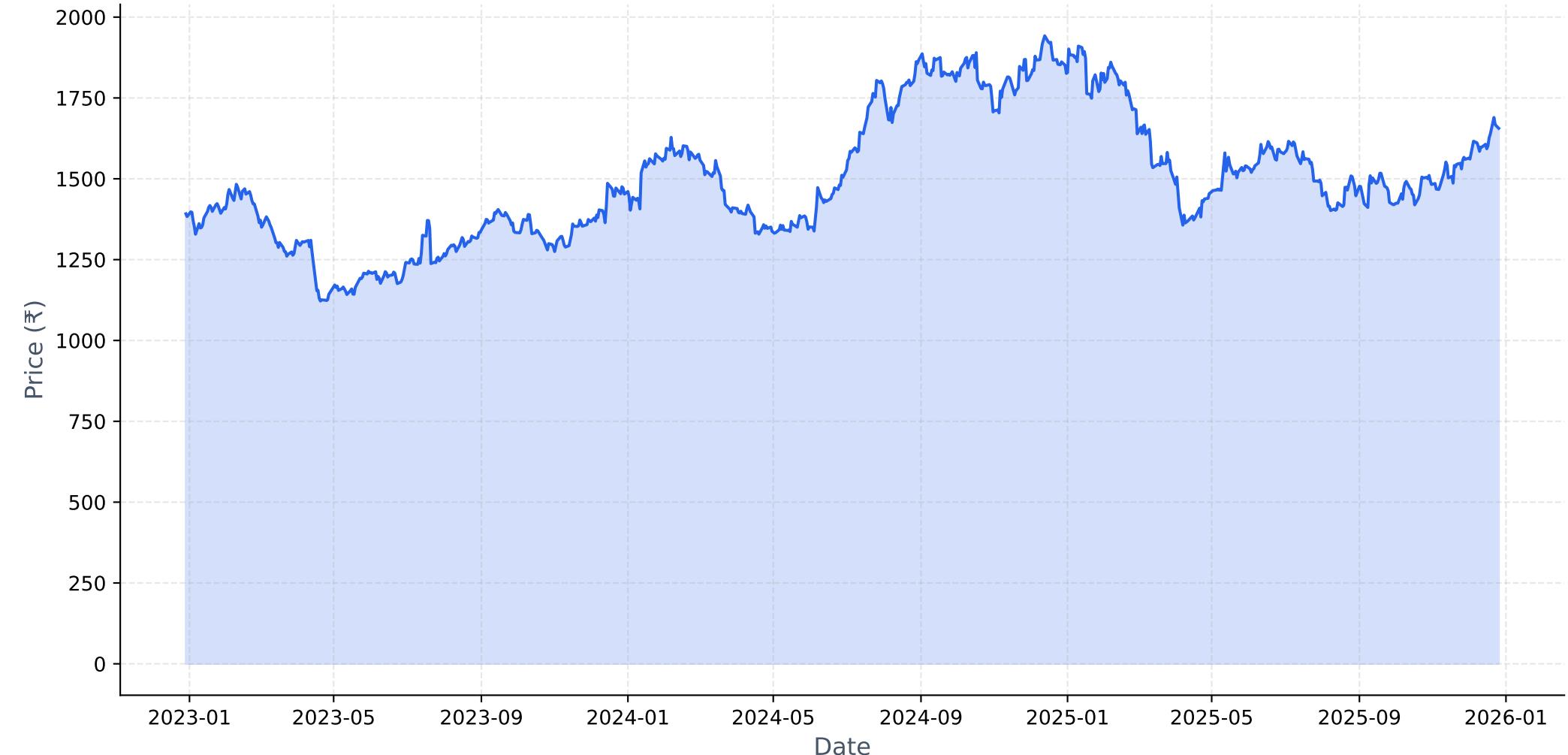
# Stock Detailed Analysis Report

**INFY.NS**

Current Price: ₹1656.10

Generated: 2025-12-28 10:29

# INFY.NS - 3 Year Daily Price Chart



## Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	3.85%	5.73%
Net Income	Yes	No	-0.28%	2.15%
ROE	No	No	-6.03%	-1.85%
EPS	Yes	No	-1.30%	2.78%

## Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	2.73%	0.97%
Net Income	Yes	3.71%	1.95%
ROE	Yes	-1.33%	0.18%
EPS	Yes	0.00%	2.70%

# INFY.NS - Relative Strength Analysis

## == OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Emerging Leader
RS Score:	51.2/100
:	

## == RS RATIOS ==:

1M RS:	1.030 [Leader]
3M RS:	1.012 [Leader]
6M RS:	1.037 [Leader]
1Y RS:	1.016 [Leader]
:	

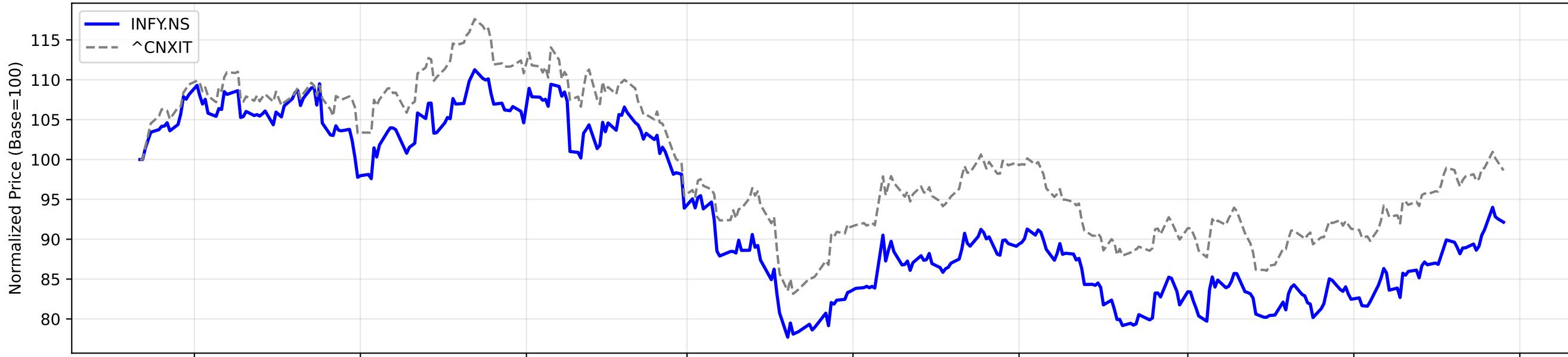
## == TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

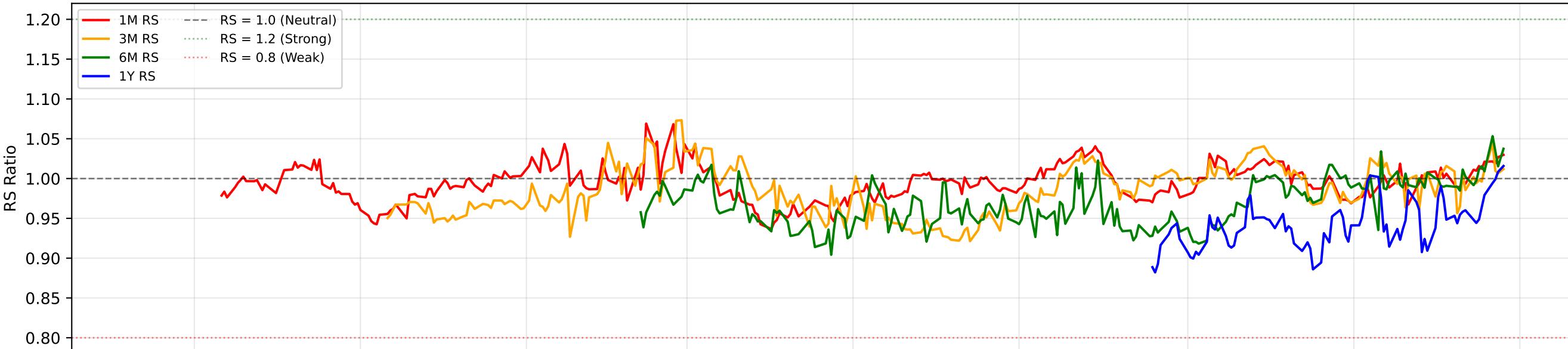
## SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.030) > 3M (1.012)
✗ Medium-term Lagging:	Not lagging
✓ Performance Improving:	3M (+11.5%) > 6M (+2.5%)

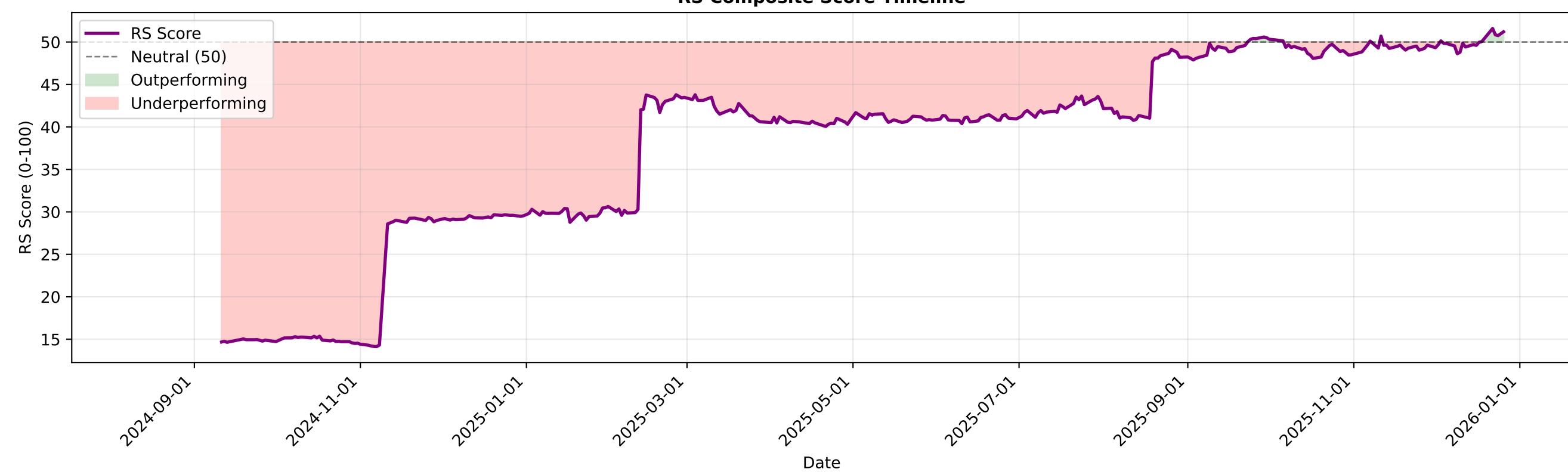
**Relative Strength Analysis: INFY.NS vs ^CNXIT**  
**Classification: Emerging Leader**  
**Price Performance Comparison (Normalized)**



**RS Ratio Trends (Multiple Timeframes)**



**RS Composite Score Timeline**



## **INFY.NS - EMA Crossover Summary**

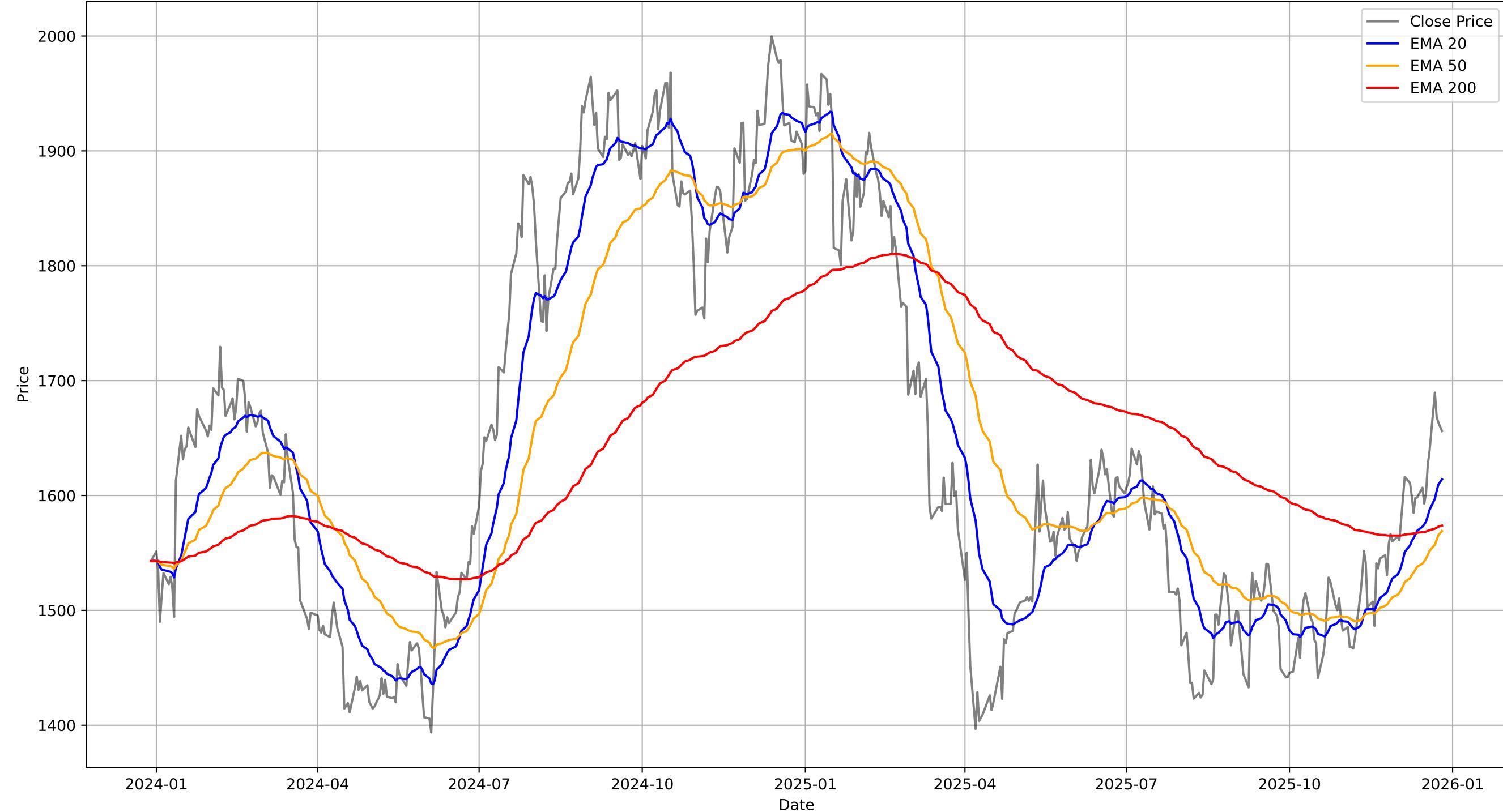
**EMA 20:** 1614.03

**EMA 50:** 1569.08

**EMA 200:** 1573.72

**Trend Status:** **Short-term Uptrend**

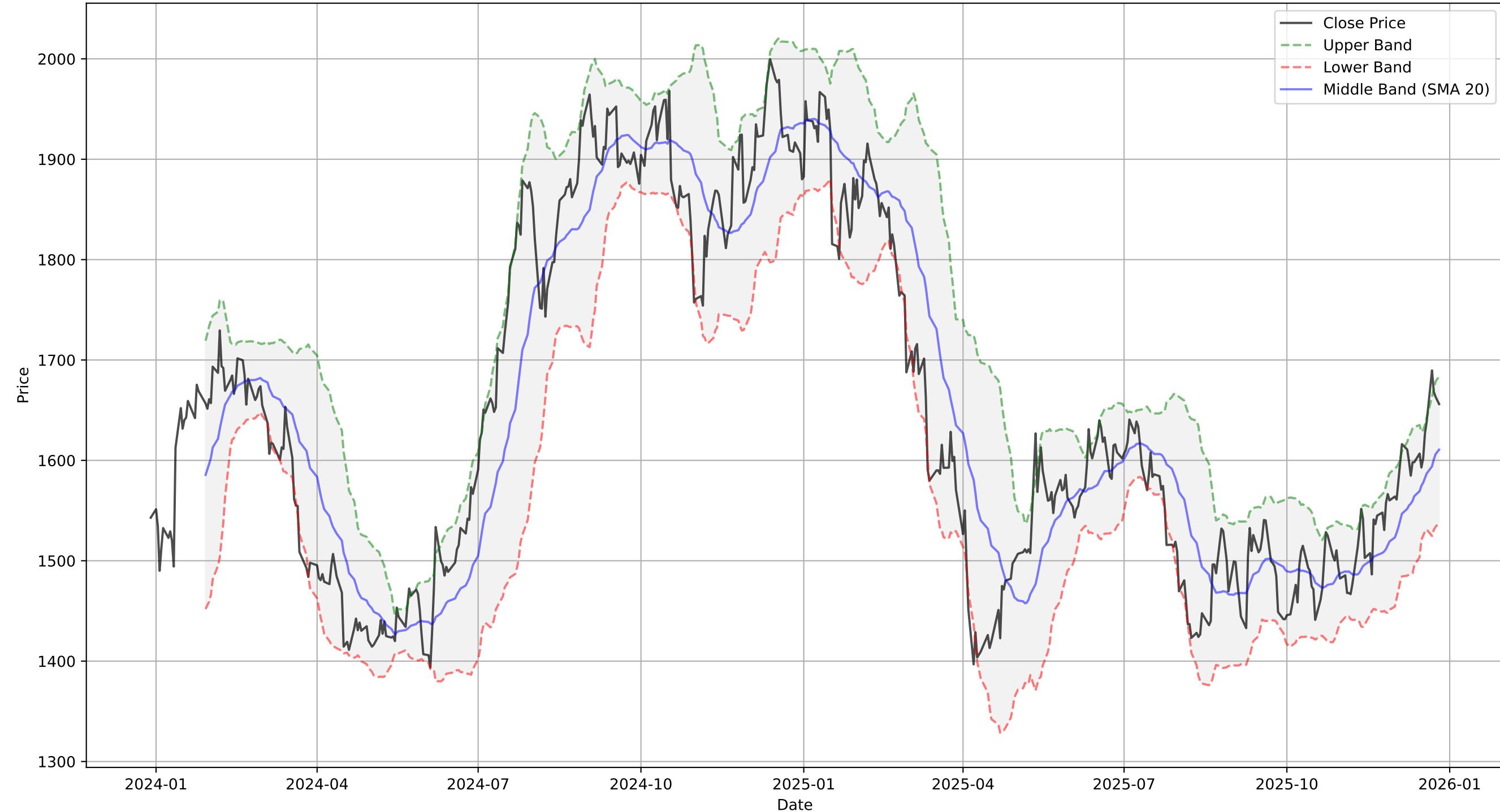
### INFY.NS EMA Crossover Analysis



## **INFY.NS - Bollinger Bands Summary**

<b>Current Price:</b>	1656.10
<b>Upper Band:</b>	1683.77
<b>Middle Band (SMA 20):</b>	1610.65
<b>Lower Band:</b>	1537.53
<b>%B:</b>	0.8108
<b>Band Width:</b>	0.0908
<b>Status:</b>	Upper Half
<b>Signal:</b>	None

## INFY.NS Bollinger Bands (20, 2) Analysis



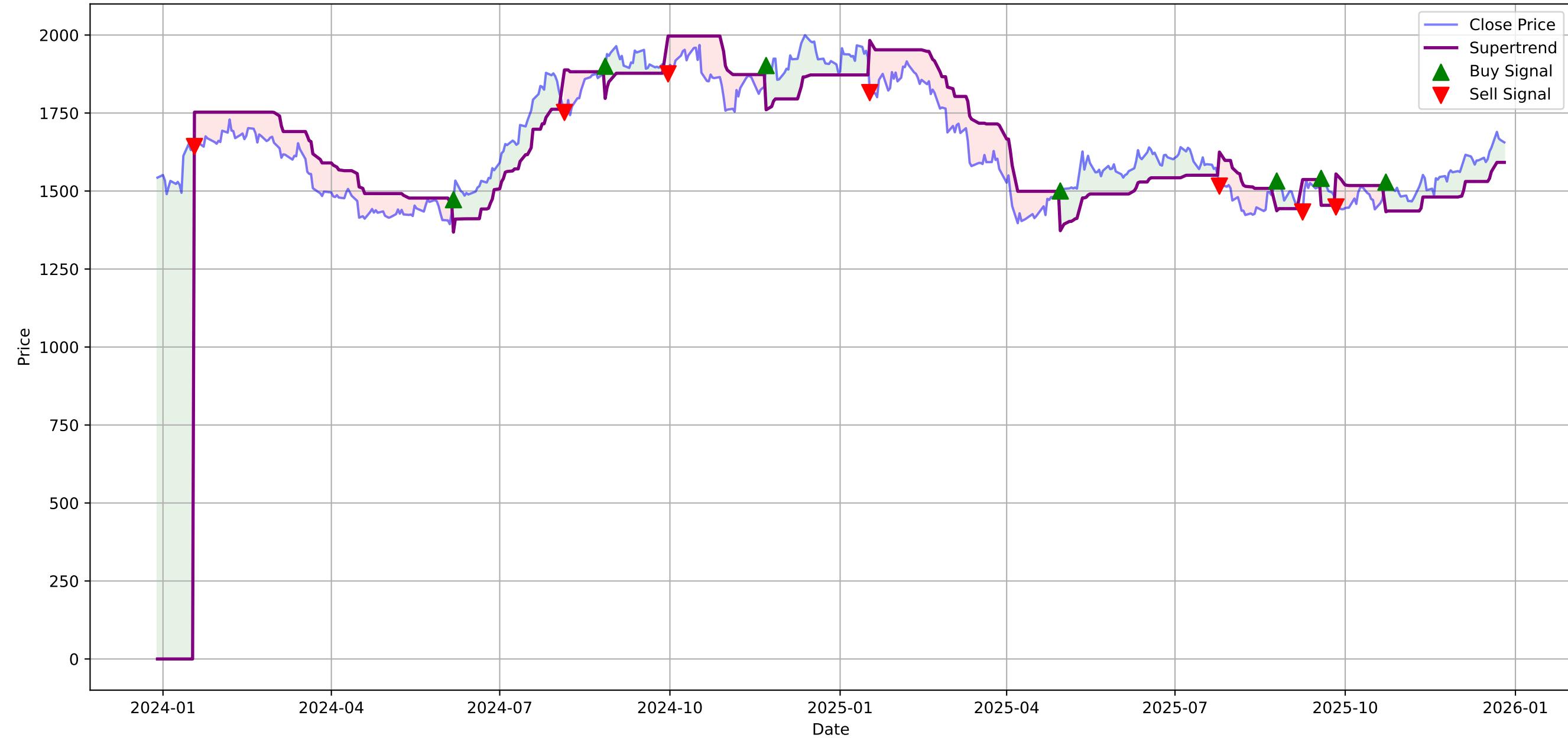
## **INFY.NS - Supertrend Summary**

**Status:** UPTREND (Buy)

**Supertrend Value:** 1591.79

**Signal Identified On:** 2025-10-23

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



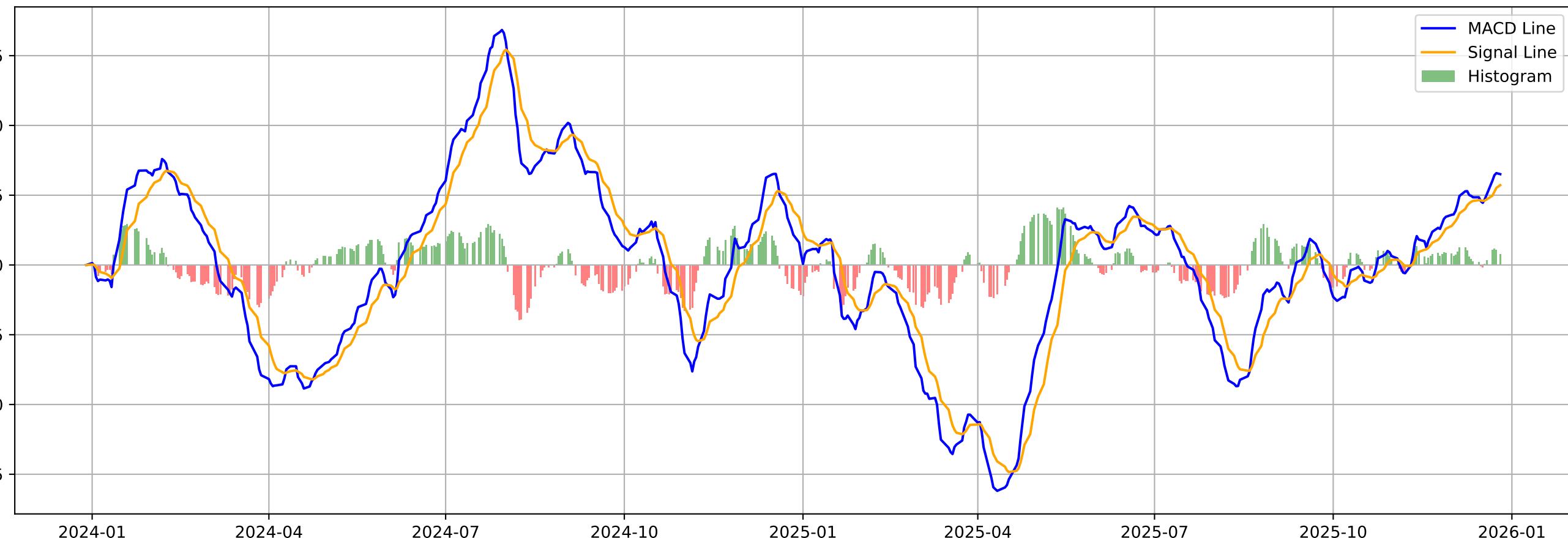
## **INFY.NS - MACD Summary**

<b>MACD Line:</b>	32.54
<b>Signal Line:</b>	28.61
<b>Histogram:</b>	3.94
<b>Trend:</b>	<b>Bullish</b>
<b>Momentum:</b>	<b>Weakening</b>
<b>Signal:</b>	None

INFY.NS Price



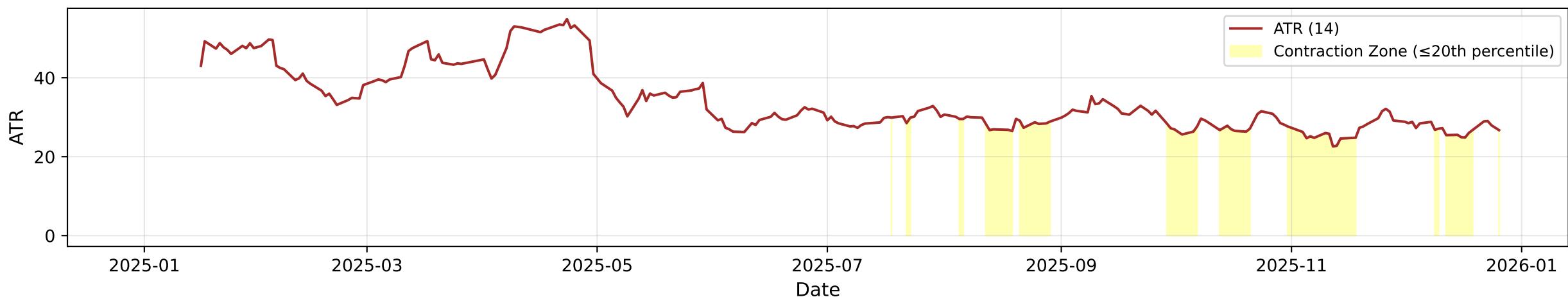
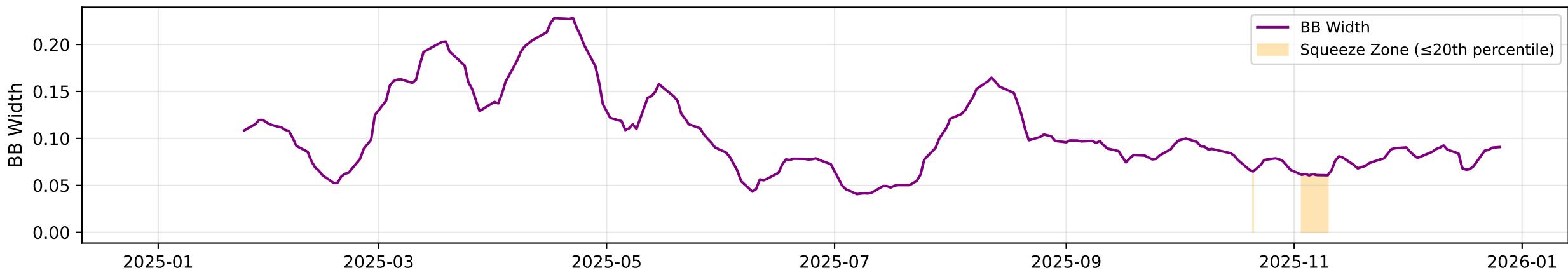
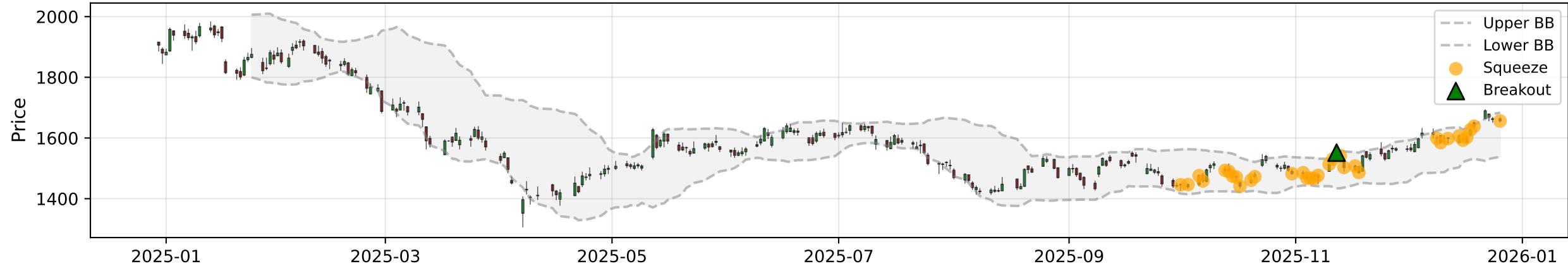
INFY.NS MACD (12, 26, 9)



## **INFY.NS - Volatility Squeeze Summary**

<b>BB Width:</b>	0.0908
<b>ATR:</b>	26.7215
<b>Total Signals:</b>	33
<b>Signal 1:</b>	ATR Contraction at 2025-12-16 00:00:00 (Price: 1592.90)
<b>Signal 2:</b>	ATR Contraction at 2025-12-17 00:00:00 (Price: 1602.00)
<b>Signal 3:</b>	ATR Contraction at 2025-12-18 00:00:00 (Price: 1626.80)
<b>Signal 4:</b>	ATR Contraction at 2025-12-19 00:00:00 (Price: 1638.70)
<b>Signal 5:</b>	ATR Contraction at 2025-12-26 00:00:00 (Price: 1656.10)

# INFY.NS - Volatility Squeeze Analysis



## **INFY.NS - RSI-Volume Summary**

<b>Current RSI:</b>	64.50
<b>Current Volume:</b>	2006491
<b>Volume MA 20:</b>	7580072
<b>Bullish Divergences:</b>	0
<b>Bearish Divergences:</b>	3
<b>Bearish Div 1:</b>	Date: 2025-07-04 00:00:00, Price: 1640.70
<b>Bearish Div 2:</b>	Date: 2025-09-10 00:00:00, Price: 1532.60

# INFY.NS RSI-Volume Divergence Analysis

