

Gemini Stock Analysis Report

This analysis is conducted from the perspective of a seasoned positional equity trader, focusing on the intermediate-term (1-4 month) outlook for **BAJAJ-AUTO.NS**.

Step 1: Audit the Data

- **Data Present:** Multi-year daily price charts, long-term (4Y) and short-term (6Q) fundamental growth metrics, Relative Strength (RS) analysis against ^CNXAUTO, EMA crossovers (20, 50, 200), Bollinger Band volatility analysis, Supertrend, MACD with divergence detection, and RSI/Volume analysis.
- **Data Missing:** Weekly/Monthly timeframe charts (essential for confirming primary multi-year trends), Volume Profile (to identify high-interest price nodes), and specific sector peer comparisons (Relative Strength is provided for the index, but not specific competitors).
- **Confidence Level: High.** The report provides a robust confluence of technical indicators and fundamental growth rates, allowing for a high-degree of trend and volatility assessment.

Step 2: Analyze the Setup

The stock is currently in a complex technical state. While the primary trend is technically "Strong **Uptrend**" (Price > EMA 20 > 50 > 200), several warning signs suggest a lack of immediate momentum:

1. **Volatility Squeeze:** The Bollinger Band Width is extremely low (0.0376). The stock has been in a "Squeeze" since mid-December. This indicates a large move is imminent, but direction is not yet confirmed.
2. **Weak Relative Strength:** With an RS Score of 47.8 and all RS Ratios below 1.0, Bajaj Auto is currently a laggard. It is underperforming its own sector (Auto), meaning capital is likely flowing into other auto stocks instead of this one.
3. **MACD Bearish Divergence:** A bearish divergence was identified on Dec 24, 2025. While the price made a minor peak, the MACD momentum did not, suggesting the buying pressure is exhausting.
4. **Fundamentals:** While revenue is growing, the 1-year growth for Net Income and EPS is negative (-4.98% and -3.78% respectively), and growth is "Not Accelerating." This provides a weak fundamental "tail-wind" for a breakout.

Step 3: Formulate the Recommendation

Should you enter now? NO.

Reasoning: As a risk-averse positional trader, entering during a squeeze with **declining relative strength** and **bearish MACD divergence** is low-probability. We risk being caught in a "fake-out" or a period of prolonged stagnation. The stock needs to prove it can lead the sector before we commit capital.

Conditional Plan (The "Wait and See" Strategy)

We will monitor the stock for a high-volume breakout from the current squeeze to confirm the direction.

- **Condition to Buy:** A daily close above INR 9,250 on volume at least 1.5x the 20-day average. This would clear the recent resistance and the Upper Bollinger Band.
- **Entry Price:** INR 9,300 (Trigger on confirmation of breakout).
- **Stop Loss:** INR 8,750 (Below the current consolidation floor and the EMA 50).
- **Take Profit (Target):** INR 10,465 (Targeting an approx. 12.5% move, which aligns with previous resistance levels from late 2024).

Trader's Note: If the squeeze breaks to the downside (below INR 8,800), the setup is completely invalidated, and the stock may test the EMA 200 support near INR 8,100. Always prioritize capital preservation in

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"Neutral" RS environments.

News & Analyst Targets

As a stock research analyst, I have synthesized the latest news and brokerage updates for **Bajaj Auto (BAJAJ-AUTO)** for the final week of December 2024 (specifically Dec 22 - Dec 28).

The stock has recently faced some volatility but is seeing significant traction in the Electric Vehicle (EV) segment and export markets.

1) Latest News for BAJAJ-AUTO (Week of Dec 22 - Dec 28, 2024)

- **Expansion of EV Leadership:** Recent Vahan dashboard data indicates that Bajaj Auto is rapidly closing the gap with Ola Electric in the electric two-wheeler segment. The company's **Chetak** brand reportedly achieved a significant market share milestone this week, positioning itself as a top contender in the E-2W space.
- **Launch of Chetak 35 Series:** Following its unveiling around December 20, the new **Chetak 35 Series** has started reaching dealerships. The "Best Chetak Yet" features improved under-seat storage (increased to 21+ liters) and an enhanced battery range, aimed at capturing a more practical commuter segment.
- **Updated Pulsar 150 Range:** The company launched an updated **Pulsar 150** lineup this week. The refresh includes high-demand features like LED headlamps and LED blinkers across variants (SD, SD UG, and TD UG), with prices starting at INR 1.08 lakh (ex-showroom Delhi).
- **Export Recovery:** Internal and industry trackers suggest that while domestic demand remains cautious, Bajaj Auto's export volumes for the December quarter are showing a healthy double-digit recovery, particularly in Latin American and ASEAN markets.

2) Brokerage Upgrades and Downgrades

- **Nirmal Bang (Buy):** As of **December 28, 2024**, Nirmal Bang has issued a fresh "**Buy**" call on Bajaj Auto. They noted that after a sharp correction from the INR 12,000 levels, the stock is finding strong support on the weekly charts and is poised for a reversal.
- **Emkay Global (Upgrade to 'Add'):** In a recent thematic note, Emkay upgraded the stock from 'Sell' to 'Add'. The brokerage cited that the 30% correction from its peak adequately captures the risks in the domestic segment and that the company is a prime beneficiary of the export recovery cycle.
- **MarketsMOJO (Hold):** Recently maintained a "**Hold**" rating, expressing caution regarding current high valuations (Price-to-Book ~9.3x) despite strong long-term fundamentals.

3) Other Impacting News (Direct & Indirect)

- **FADA Industry Outlook:** The Federation of Automobile Dealers Associations (FADA) released a mid-month update suggesting a temporary slowdown in domestic two-wheeler retail sales for December as buyers wait for the new 2025 calendar year models.
- **CNG Motorcycle Traction:** The **Bajaj Freedom 125** (world's first CNG bike) continues to see strong inquiry levels. Analysts are closely watching for any government announcement regarding further incentives for clean-fuel (non-EV) vehicles, which would indirectly benefit Bajaj's unique CNG portfolio.
- **Raw Material Costs:** Stability in steel and aluminum prices during the final quarter of 2024 is expected to help maintain Bajaj Auto's industry-leading EBITDA margins (roughly 20%+) in the upcoming quarterly results.

4) Analyst Targets and Recommendations

The following table summarizes the latest target prices and ratings from the brokerage community as of late

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December 2024.

Brokerage / Firm	Rating	Target Price (INR)	Date (Dec 2024)
Motilal Oswal	Buy	11,450	Dec 13, 2024
Nirmal Bang	Buy	10,900	Dec 28, 2024
Trendlyne (Consensus)	Add	9,779	Dec 26, 2024
TipRanks (Avg. 12m)	Moderate Buy	9,633	Dec 25, 2024
Emkay Global	Add	9,500	Dec 27, 2024
Morgan Stanley	Underweight	8,075	Dec 20, 2024

Analyst View: *Bajaj Auto is currently a "tale of two markets." While domestic Internal Combustion Engine (ICE) sales are witnessing seasonal pressure, the company's aggressive EV push and resilient export engine make it a preferred pick for many looking at a 2025 recovery play. The target range remains wide (INR 8,000 to INR 11,500), reflecting divided opinion on whether current valuations are fully priced in.*

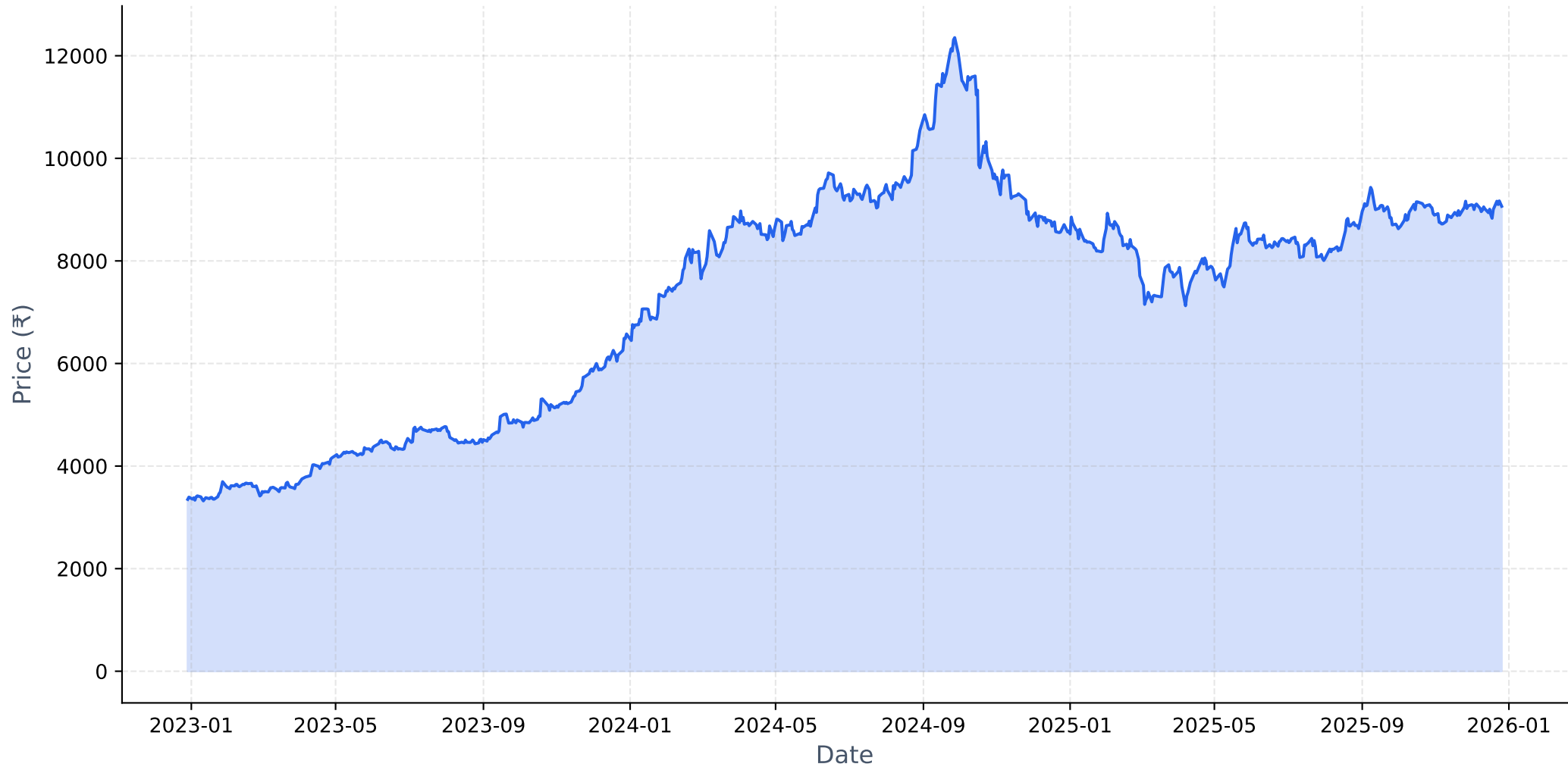
Stock Detailed Analysis Report

BAJAJ-AUTO.NS

Current Price: ₹9064.50

Generated: 2025-12-28 10:32

BAJAJ-AUTO.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	12.53%	15.31%
Net Income	Yes	No	-4.98%	5.91%
ROE	Yes	No	-21.79%	0.27%
EPS	Yes	No	-3.78%	7.17%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	20.61%	4.86%
Net Income	Yes	-4.00%	14.81%
ROE	Yes	21.28%	17.89%
EPS	Yes	-4.04%	8.57%

BAJAJ-AUTO.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXAUTO
Sector:	Auto
Classification:	Neutral
RS Score:	47.8/100
:	

== RS RATIOS ==:

1M RS:	0.988 [Neutral]
3M RS:	0.998 [Neutral]
6M RS:	0.923 [Neutral]
1Y RS:	0.866 [Neutral]
:	

== TURNAROUND ANALYSIS ==:

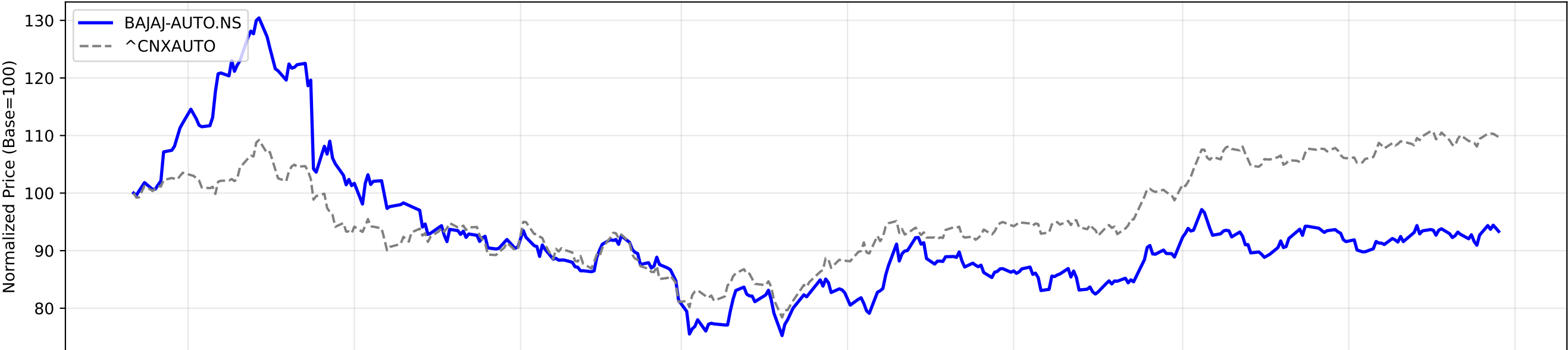
Turnaround Status:	Not Detected
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SIGNAL CRITERIA::

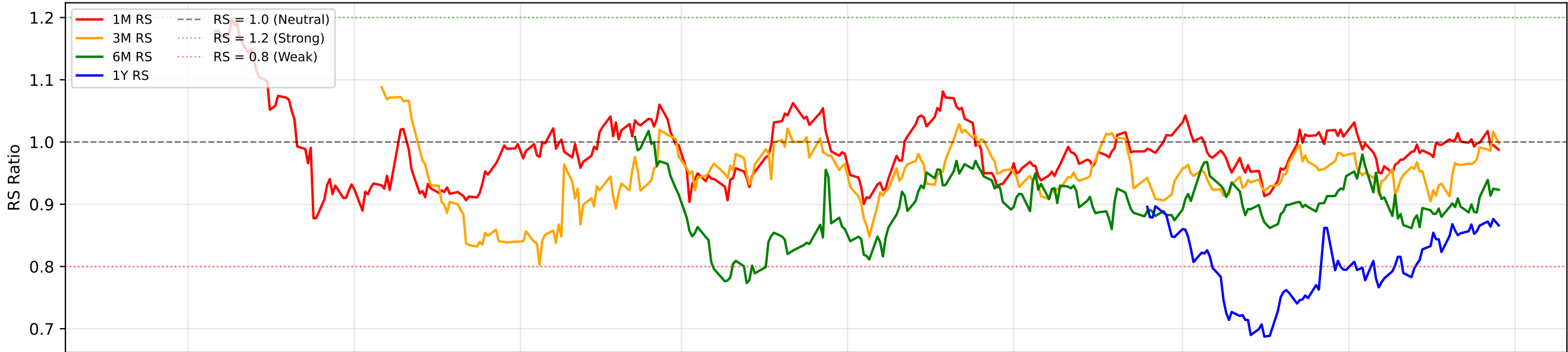
✗ Emerging RS:	Not accelerating
✓ Medium-term Lagging:	6M=0.923, 1Y=0.866 (≤ 1.0)
✗ Performance Improving:	Not improving

Relative Strength Analysis: BAJAJ-AUTO.NS vs ^CNXAUTO
Classification: Neutral

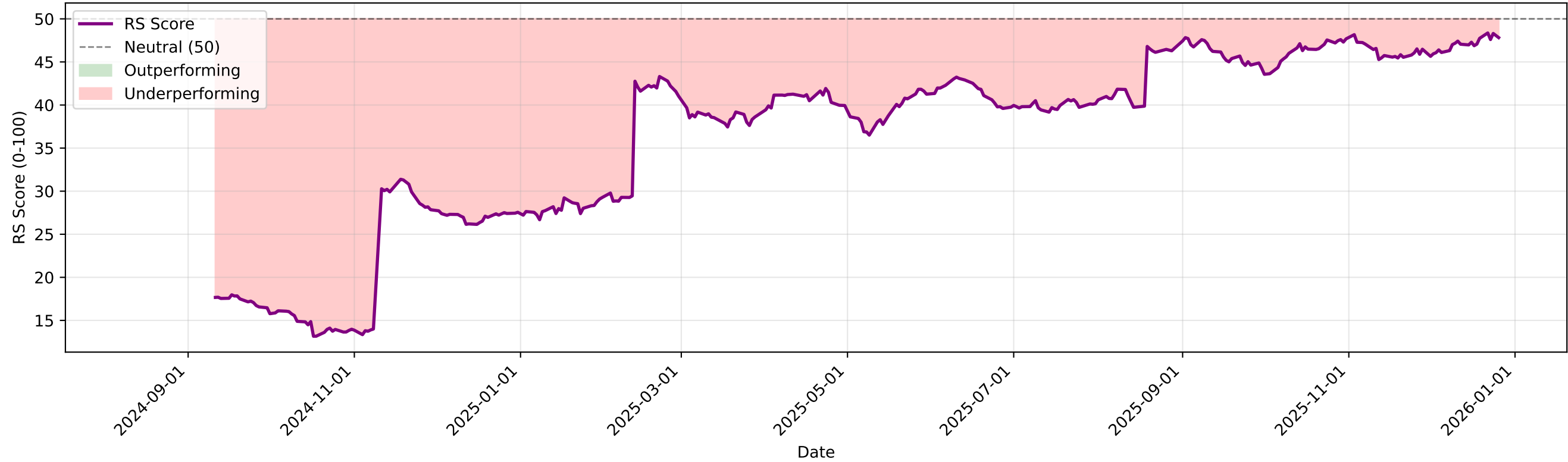
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



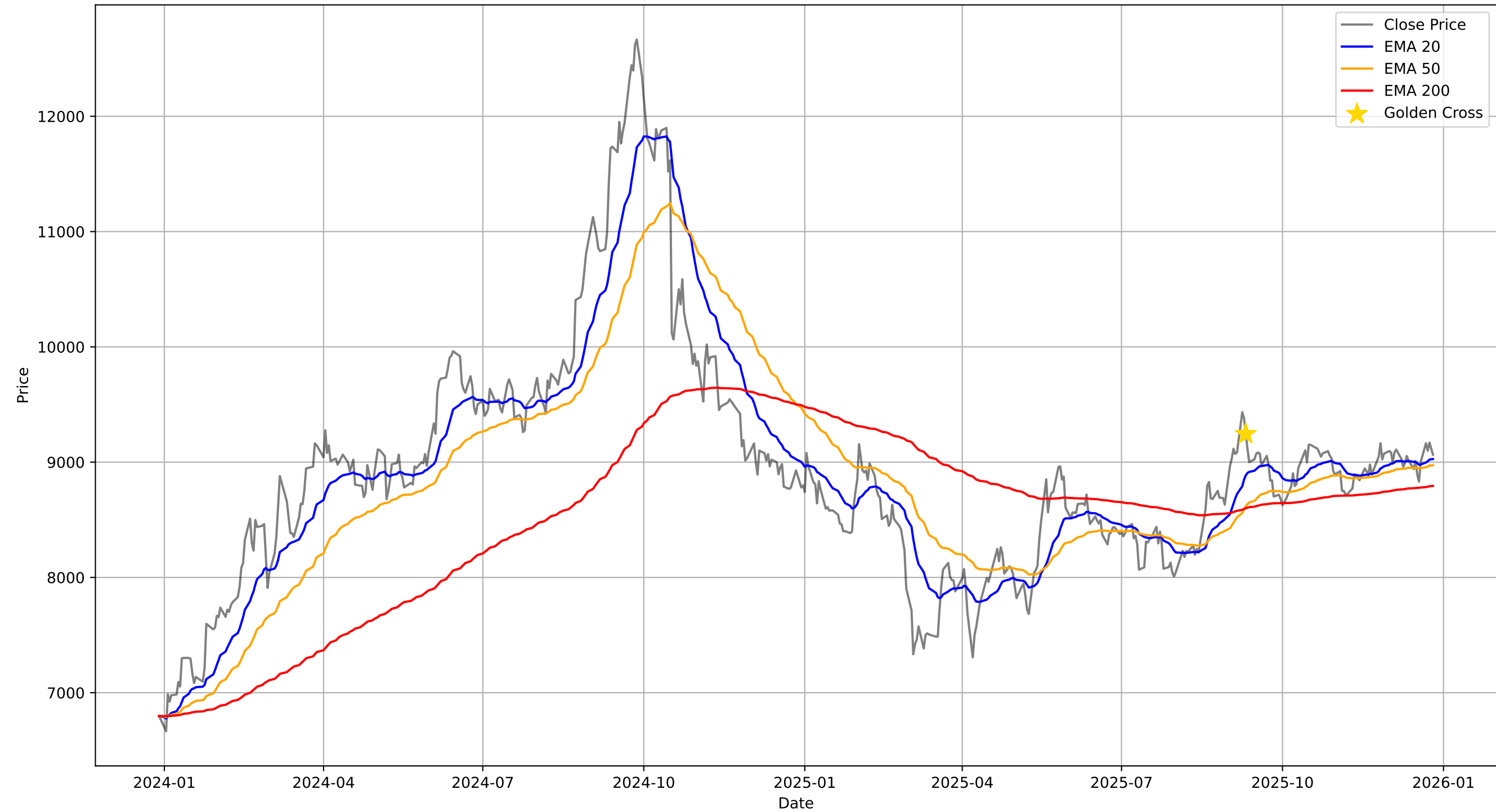
RS Composite Score Timeline



BAJAJ-AUTO.NS - EMA Crossover Summary

EMA 20:	9026.50
EMA 50:	8973.91
EMA 200:	8793.47
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-09-10 00:00:00
Golden Cross Price:	9244.00

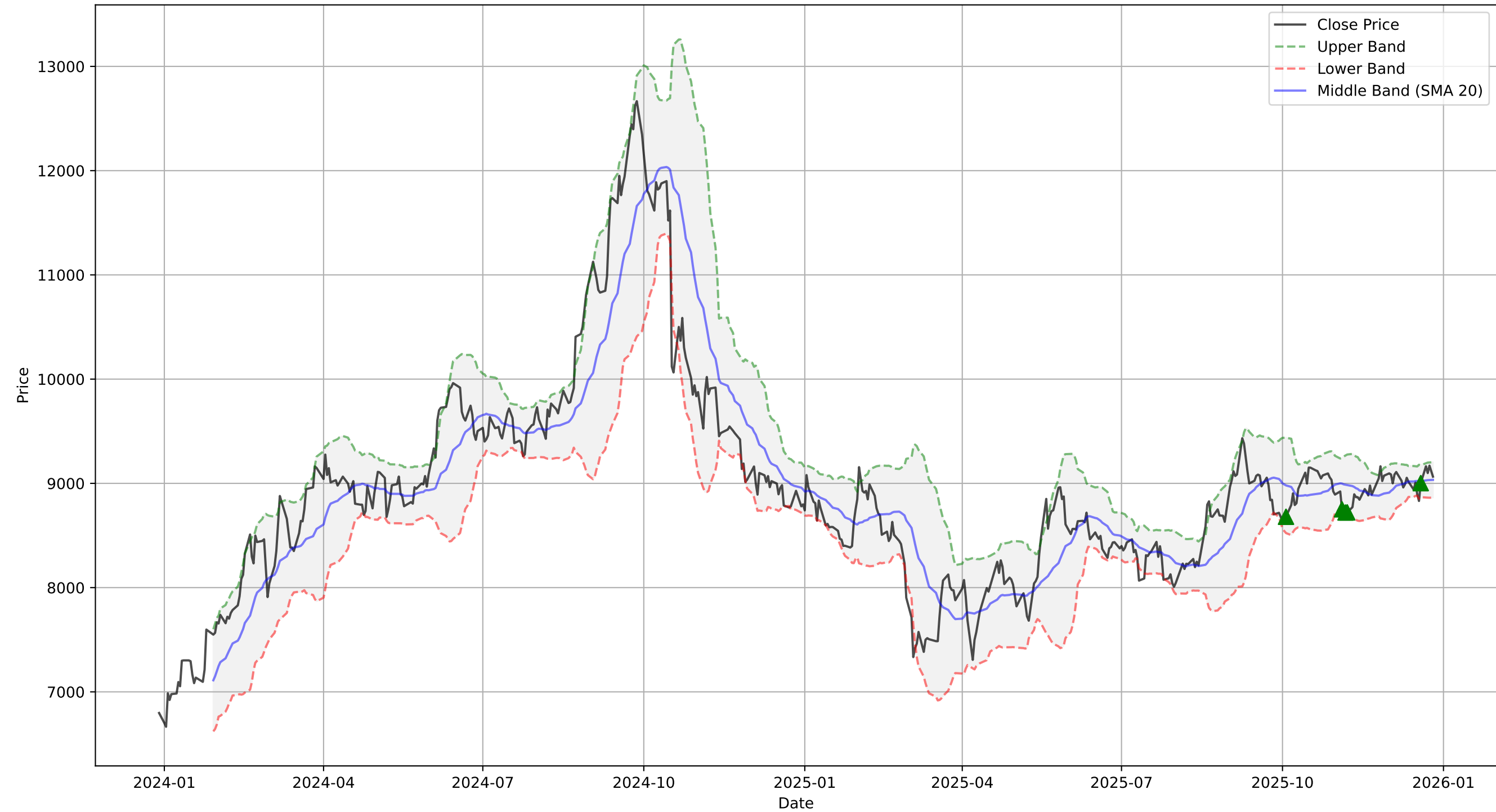
BAJAJ-AUTO.NS EMA Crossover Analysis



BAJAJ-AUTO.NS - Bollinger Bands Summary

Current Price:	9064.50
Upper Band:	9203.30
Middle Band (SMA 20):	9033.48
Lower Band:	8863.65
%B:	0.5913
Band Width:	0.0376
Status:	Upper Half
Signal:	None
Recent Signal 1:	Buy Signal at 2025-11-06 00:00:00
Recent Signal 2:	Buy Signal at 2025-11-07 00:00:00
Recent Signal 3:	Buy Signal at 2025-12-19 00:00:00

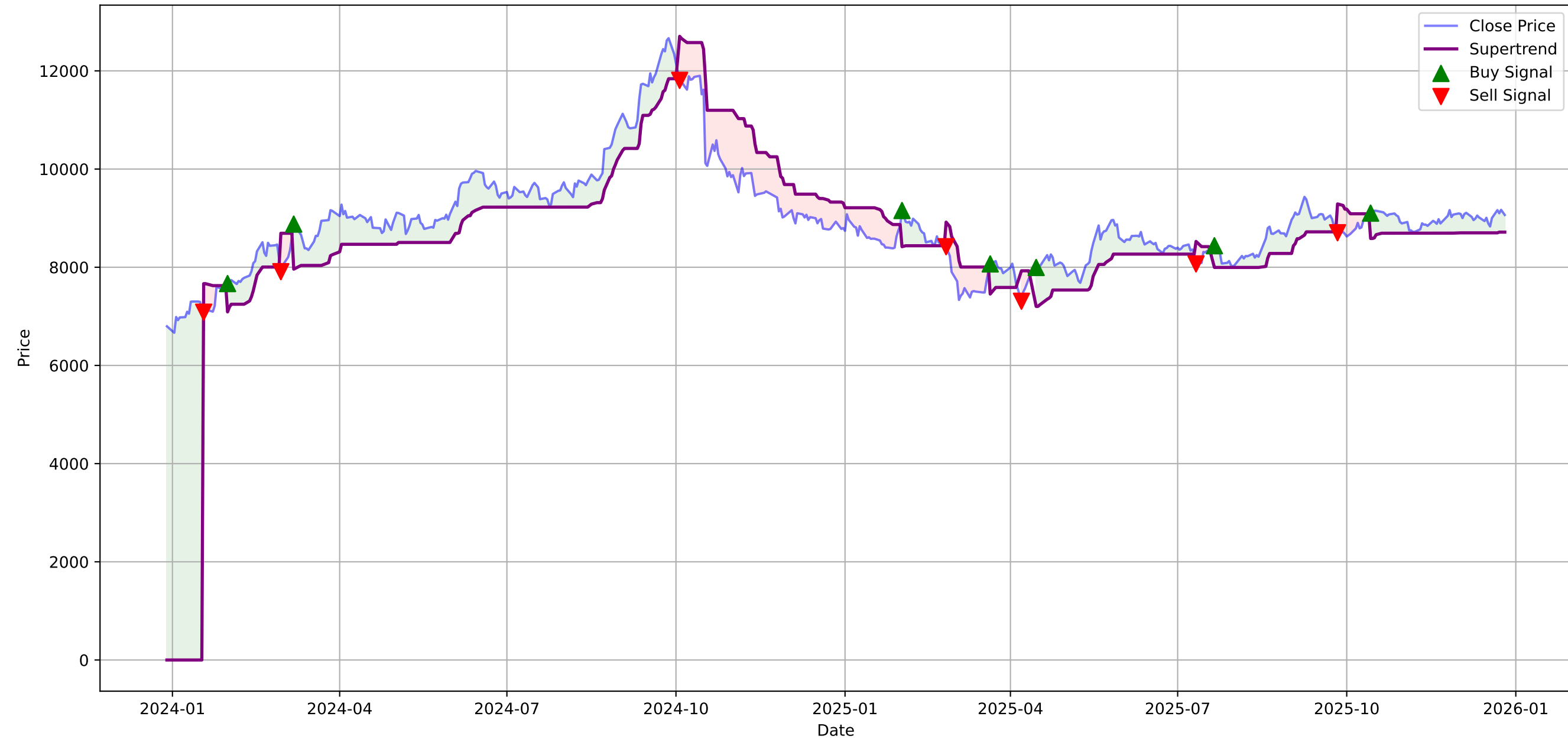
BAJAJ-AUTO.NS Bollinger Bands (20, 2) Analysis



BAJAJ-AUTO.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	8715.21
Signal Identified On:	2025-10-14

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



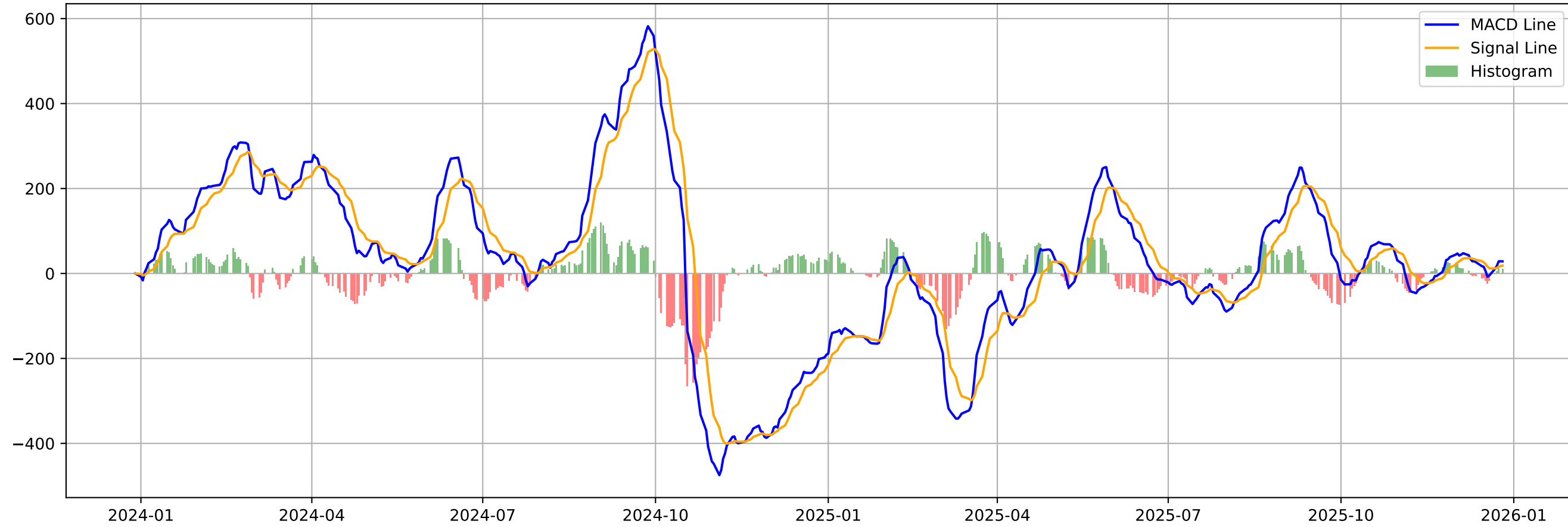
BAJAJ-AUTO.NS - MACD Summary

MACD Line:	28.46
Signal Line:	18.60
Histogram:	9.86
Trend:	Bullish
Momentum:	Weakening
Signal:	None
Divergences Detected:	1
└ Bearish Divergence:	Date: 2025-12-24 00:00:00, Price: 9170.00

BAJAJ-AUTO.NS Price



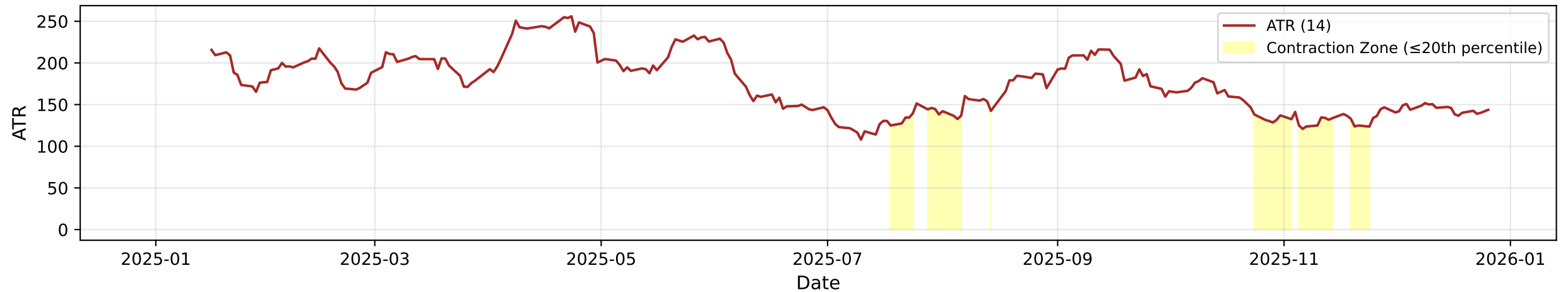
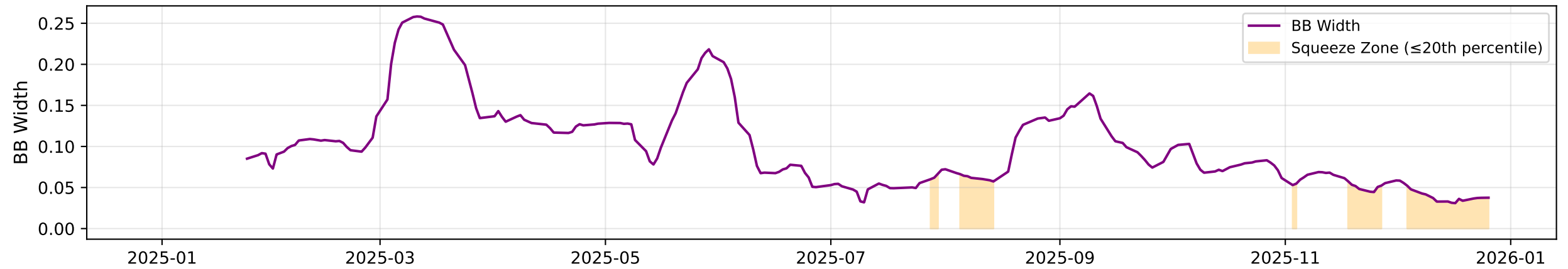
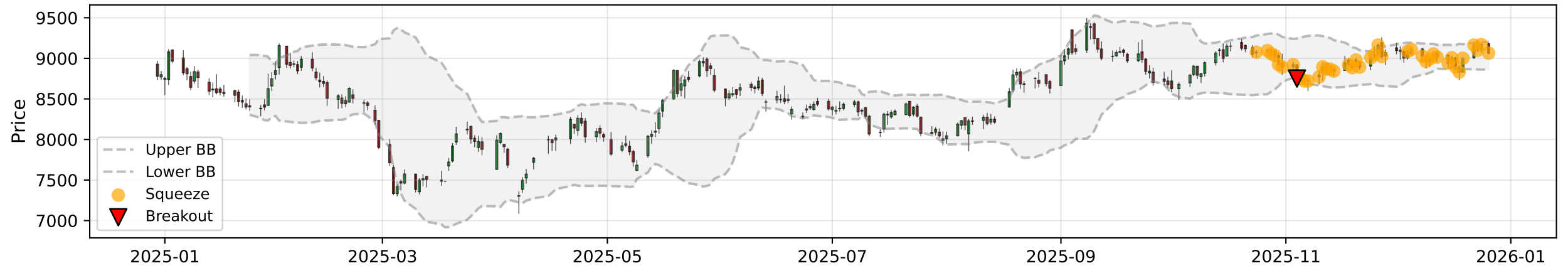
BAJAJ-AUTO.NS MACD (12, 26, 9)



BAJAJ-AUTO.NS - Volatility Squeeze Summary

BB Width:	0.0376
ATR:	143.6786
Total Signals:	40
Signal 1:	BB Squeeze at 2025-12-19 00:00:00 (Price: 9002.00)
Signal 2:	BB Squeeze at 2025-12-22 00:00:00 (Price: 9164.00)
Signal 3:	BB Squeeze at 2025-12-23 00:00:00 (Price: 9099.00)
Signal 4:	BB Squeeze at 2025-12-24 00:00:00 (Price: 9170.00)
Signal 5:	BB Squeeze at 2025-12-26 00:00:00 (Price: 9064.50)

BAJAJ-AUTO.NS - Volatility Squeeze Analysis



BAJAJ-AUTO.NS - RSI-Volume Summary

Current RSI:	52.43
Current Volume:	105815
Volume MA 20:	305229
Bullish Divergences:	5
Bearish Divergences:	2
Bullish Div 1:	Date: 2025-04-07 00:00:00, Price: 7306.80
Bullish Div 2:	Date: 2025-07-31 00:00:00, Price: 8008.00
Bearish Div 1:	Date: 2024-04-02 00:00:00, Price: 9276.10
Bearish Div 2:	Date: 2024-09-27 00:00:00, Price: 12666.40

BAJAJ-AUTO.NS RSI-Volume Divergence Analysis

