

Gemini Stock Analysis Report

As a seasoned positional equity trader, I have evaluated the provided report for **EICHERMOT.NS (Eicher Motors)**. Below is my analysis and recommendation based on an intermediate-term horizon (1-4 months).

Step 1: Audit the Data

- **Data Present:** Daily price charts, 3-year price history, 4-year fundamental trends (Revenue, EPS, ROE), Relative Strength (RS) score and ratios, EMA (20, 50, 200), Bollinger Bands, Supertrend, MACD with divergence detection, Volatility Squeeze analysis (BB Width/ATR), and RSI-Volume analysis.
 - **Data Missing:** Weekly/Monthly charts (critical for multi-month trend confirmation), volume profile/delivery data, and specific sector-peer comparison metrics.
 - **Confidence Level: High.** The report provides a comprehensive technical suite and foundational fundamental data, allowing for a high-conviction assessment of the current trend and momentum.
-

Step 2: Analyze the Setup

Trend and Structure: The stock is in a **strong primary uptrend**, trading significantly above its 200-day EMA (INR 6264). The "Golden Cross" occurred in April 2024, and the price has since formed a series of higher highs and higher lows. Currently, the price is consolidating in a tight range near its all-time highs.

Momentum and Relative Strength: * **The Bearish Divergence:** A significant warning signal is identified on Page 12. The MACD shows a bearish divergence as of 2025-12-26, suggesting that while the price is making new highs, the internal momentum is waning. * **Relative Strength:** While the 1Y RS ratio remains strong (1.292), the classification as a "**Weakening Leader**" and an RS Score of 54.2 indicate that Eicher is starting to underperform the broader auto sector (^CNXAUTO) in the short term. * **Volume:** Page 17 shows that recent price appreciation has occurred on **declining volume** (Current volume 157k vs. MA 20 of 416k). This is a classic sign of buyer exhaustion.

Volatility: The stock has recently triggered several **Bollinger Band Squeezes** (Page 14), indicating that volatility is coiled. This usually precedes a sharp move. However, the proximity to the Upper Bollinger Band (INR 7352) suggests limited immediate "room to run" without a breakout.

Step 3: Formulate the Recommendation

Should you enter now? NO.

Reasoning: Entering at the current price (INR 7324) represents a poor risk-to-reward ratio. The stock is trading at the top of its Bollinger Band, showing bearish MACD divergence, and rising on thinning volume. As a risk-averse trader, I prefer to wait for a volatility expansion (breakout) or a mean reversion to a key support level.

Conditional Plan (The "Buy" Setup)

The stock is fundamentally strong and in a primary uptrend; therefore, we remain interested if the following conditions are met:

Gemini Stock Analysis Report

- **Condition to Buy:** A decisive daily close above the current resistance level with a volume spike (at least 20% above the 20-day MA). Alternatively, a successful retest and bounce off the EMA 50.
- **Entry Price:** INR 7,355 (Buy on a confirmed breakout above the Upper Bollinger Band/Recent High).
- **Stop Loss:** INR 6,940 (Placed just below the Supertrend value and the EMA 50 to protect against a trend reversal).
- **Take Profit:** INR 8,250 (Approx. 12% upside, aligning with the measured move of the recent consolidation phase).

Summary Note: The "Weakening Leader" status is the primary reason for caution. We want to see Eicher reclaim its leadership within the Auto sector before committing fresh capital for a multi-month swing.

News & Analyst Targets

As a stock research analyst, I have synthesized the latest developments for **Eicher Motors (EICHERMOT)** for the week of December 22-28, 2025. The stock has seen significant momentum, hitting fresh record highs driven by strong sales data and aggressive product expansion.

1) Latest News for EICHERMOT (This Week)

- **New 52-Week High:** EICHERMOT hit an all-time high of **INR 7,350.05** on December 26, 2025, marking a five-day winning streak with a cumulative return of approximately 3.44%.
- **Robust December Sales:** Royal Enfield reported a **25% YoY jump** in total motorcycle sales for December, reaching 79,466 units. Domestic sales grew by 19%, while exports witnessed a massive **90% surge** (11,575 units).
- **Product Launches:**
 - **Bullet 250 & 500 (2025):** Launched on December 24-25, these models target the urban commuter and heritage touring segments respectively, featuring refined engines and modern tech like dual-channel ABS.
 - **Guerrilla 450 (2025):** Positioned as a modern roadster, this new-age liquid-cooled model was highlighted this week as a key driver for urban performance growth.
- **Commercial Vehicle Growth:** VE Commercial Vehicles (VECV), the JV with Volvo, reported a **3.7% increase** in December sales, totaling 8,324 units.
- **Strategic EV Moves:** The company's EV sub-brand, **Flying Flea**, is preparing for the launch of the C6 electric motorcycle in early 2026, with prototype testing currently intensifying in Chennai.

2) Brokerage Upgrades and Downgrades

- **Upgrade (Jefferies):** Maintained a **'Buy'** rating and raised the price target to **INR 8,000** (Dec 23). They upgraded EPS estimates by 3-8% for FY26-28, citing Royal Enfield's dominance in the premiumization trend.
- **Upgrade (Nomura):** Upgraded the stock to **'Neutral'** from 'Underperform' with a target of **INR 6,581** (Dec 25). The firm noted that volume growth potential has exceeded earlier estimates.
- **Downgrade/Caution (UBS):** While not from this exact week, earlier sentiment remains 'Neutral' due to concerns over high marketing spends and margin pressures despite strong volumes.
- **Maintain 'Sell' (Motilal Oswal):** Continues to hold a **'Sell'** rating with a target of **INR 5,846**, arguing that current valuations are too steep given the expected moderation in earnings growth.

3) Other News Impacting EICHERMOT (Direct & Indirect)

- **Competitor GST Pressure:** Direct rivals like Bajaj (Triumph) and Hero (Harley-Davidson) are facing higher GST rates on their >350cc models. This creates a pricing advantage for Royal Enfield's 350cc portfolio (Classic/Bullet/Hunter), which remains the bulk of their sales.

Gemini Stock Analysis Report

- **Institutional Activity:** There has been a notable surge in **Put Option activity** at the **7000 strike price** for the Dec 30 expiry. This suggests that large institutional players are hedging their positions near these all-time highs.
- **Global Expansion:** Royal Enfield began operations at its new assembly plant in **Thailand** this month, aimed at boosting presence in the ASEAN market.

4) Latest Analyst Targets and Recommendations

Brokerage / Source	Recommendation	Target Price (INR)	Date (Dec 2025)
Jefferies	Buy	8,000	Dec 23, 2025
Trendlyne Consensus	Buy / Accumulate	7,023	Dec 27, 2025
Nomura Research	Neutral	6,581	Dec 25, 2025
BP Wealth	Buy	6,695	Nov 14, 2025
Dailybulls (Technical)	Bullish	6,844	Dec 23, 2025
Motilal Oswal	Sell	5,846	Dec 25, 2025
MarketsMojo	Buy	Technical High	Dec 26, 2025

Disclaimer: This information is for research purposes only and does not constitute financial advice. Stock market investments are subject to market risks.

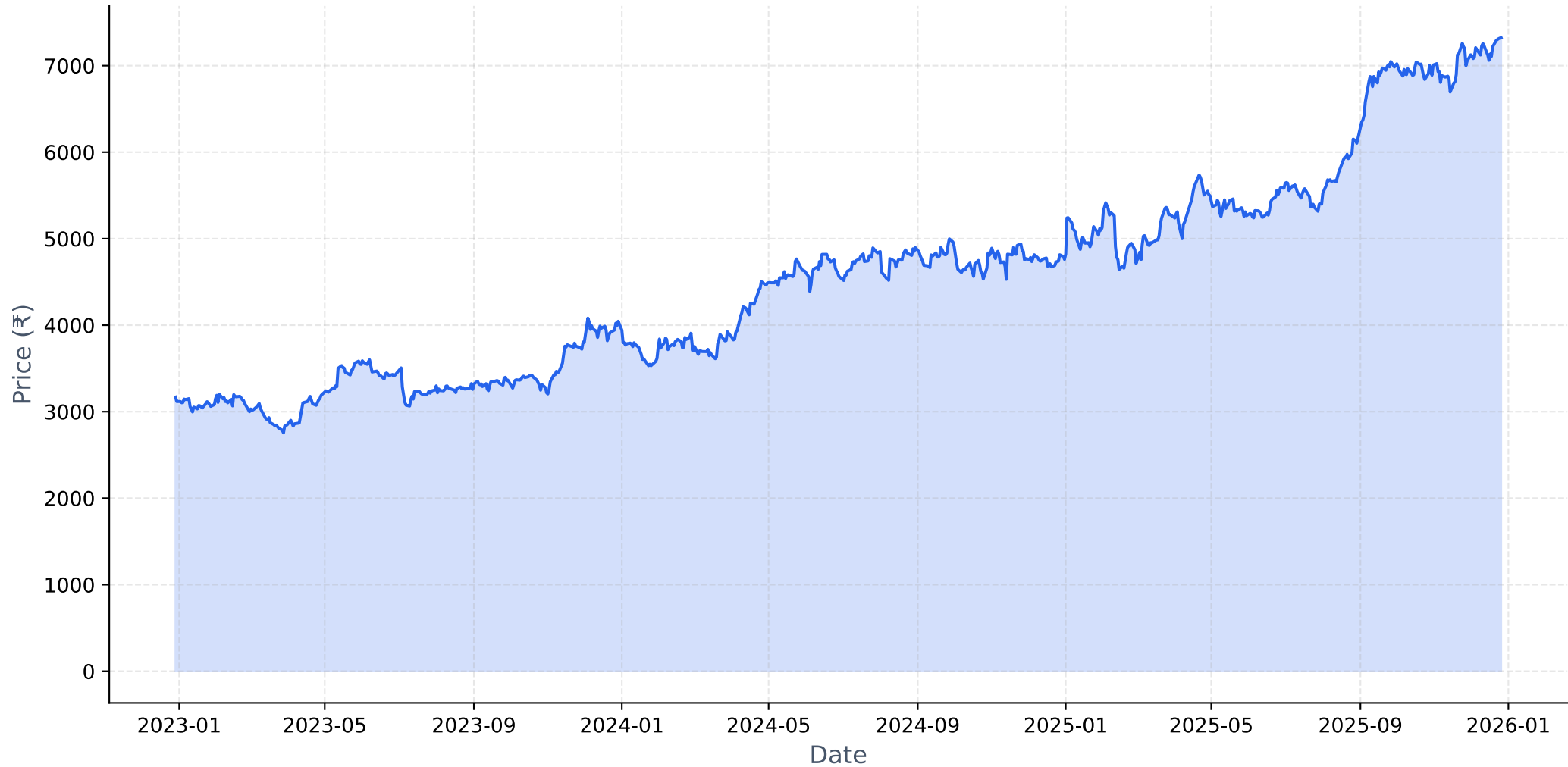
Stock Detailed Analysis Report

EICHERMOT.NS

Current Price: ₹7324.00

Generated: 2025-12-28 10:32

EICHERMOT.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	14.19%	22.33%
Net Income	Yes	No	18.33%	41.34%
ROE	Yes	No	0.27%	18.68%
EPS	Yes	No	18.18%	41.23%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	22.76%	10.23%
Net Income	Yes	13.63%	6.21%
ROE	Yes	-3.06%	3.63%
EPS	Yes	13.61%	6.60%

EICHERMOT.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXAUTO
Sector:	Auto
Classification:	Weakening Leader
RS Score:	54.2/100
:	

== RS RATIOS ==:

1M RS:	1.016 [Leader]
3M RS:	1.021 [Leader]
6M RS:	1.121 [Leader]
1Y RS:	1.292 [Strong]
:	

== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

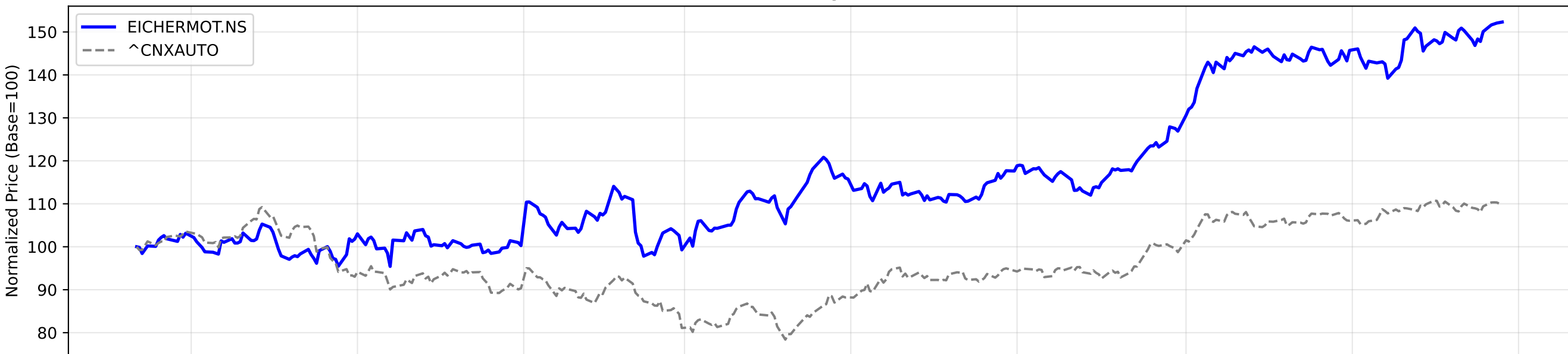
SIGNAL CRITERIA::

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

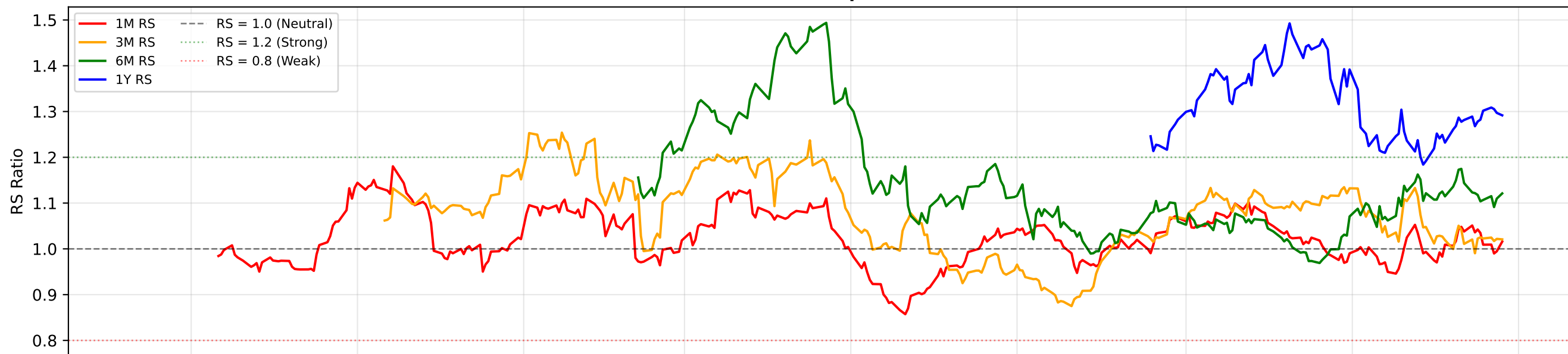
Relative Strength Analysis: EICHERMOT.NS vs ^CNXAUTO

Classification: Weakening Leader

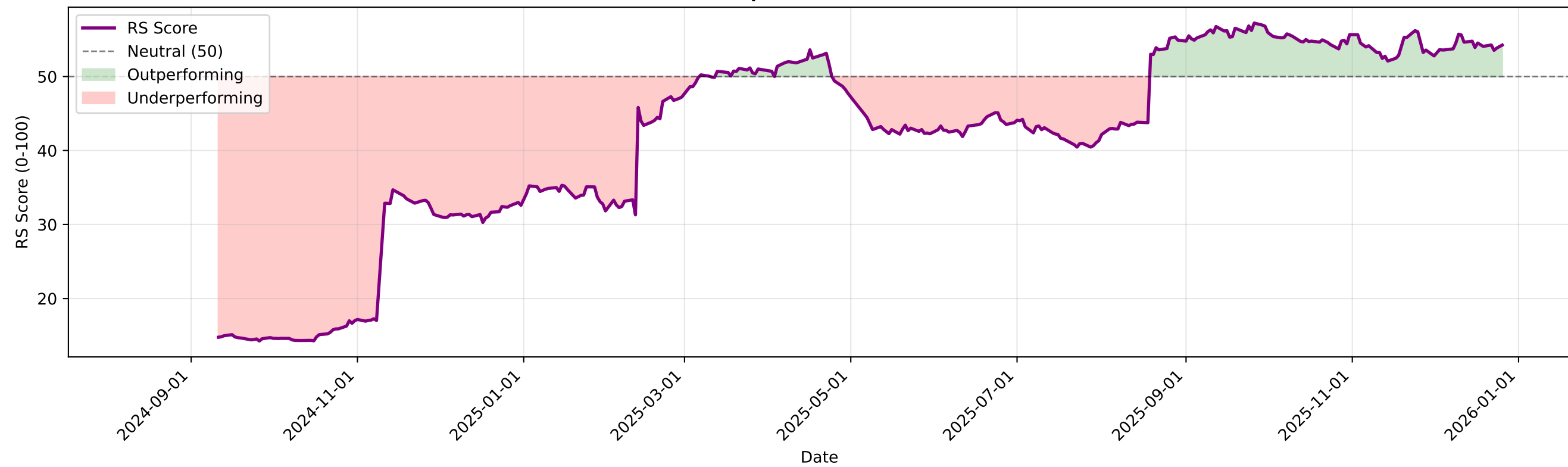
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



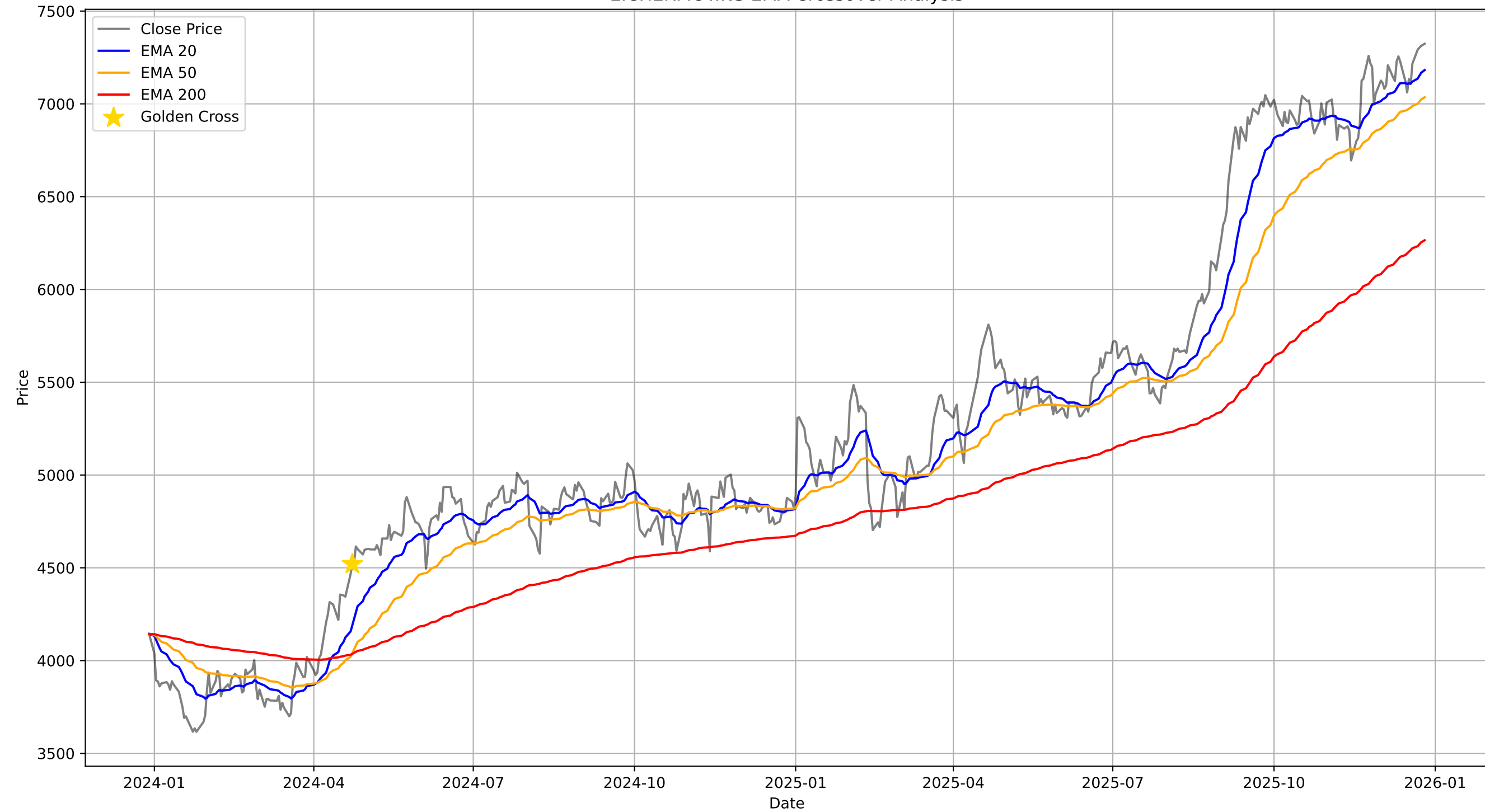
RS Composite Score Timeline



EICHERMOT.NS - EMA Crossover Summary

EMA 20:	7182.30
EMA 50:	7035.82
EMA 200:	6264.94
Trend Status:	Strong Uptrend
Golden Cross Date:	2024-04-23 00:00:00
Golden Cross Price:	4520.15

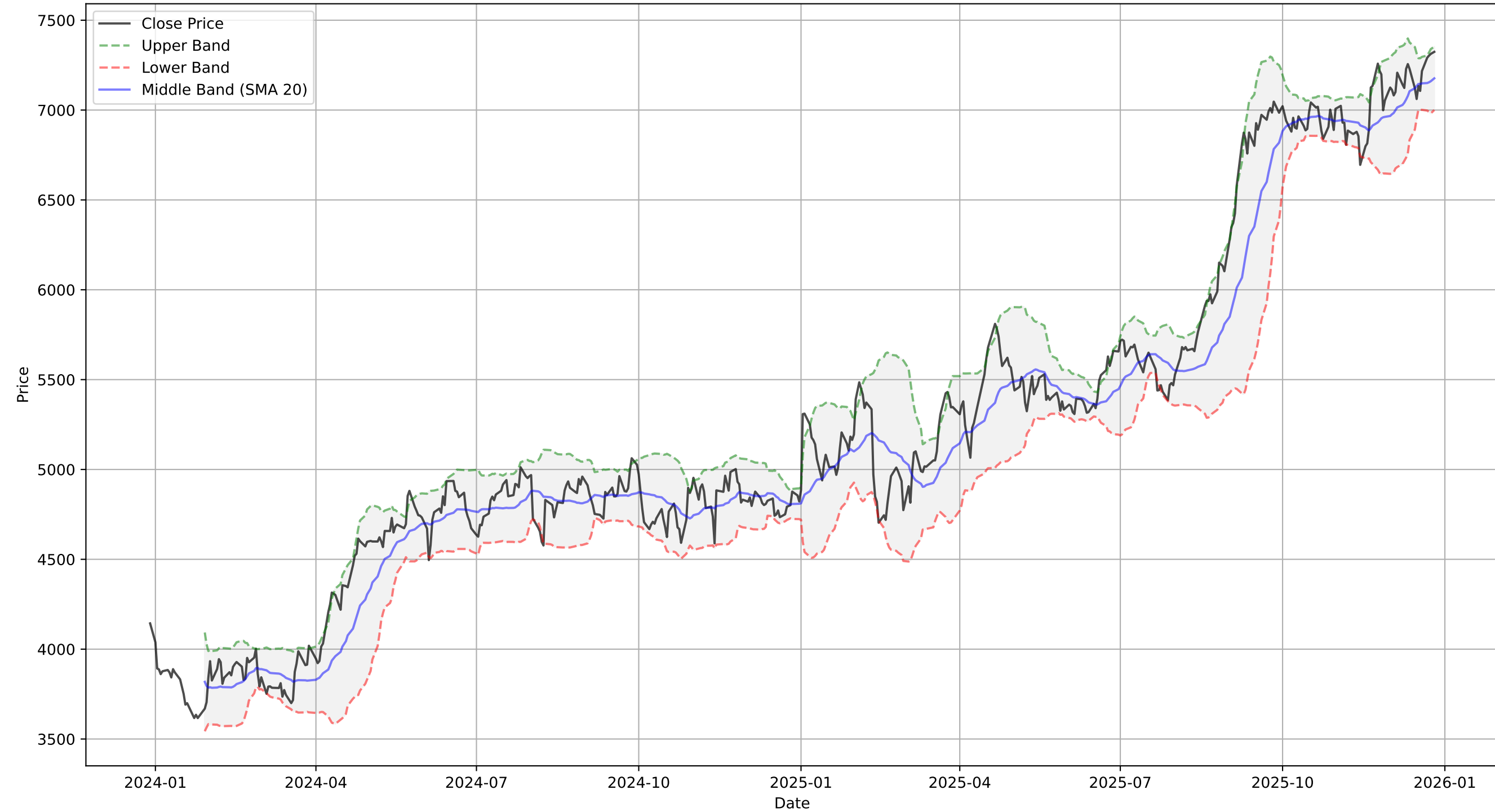
EICHERMOT.NS EMA Crossover Analysis



EICHERMOT.NS - Bollinger Bands Summary

Current Price:	7324.00
Upper Band:	7352.83
Middle Band (SMA 20):	7176.57
Lower Band:	7000.32
%B:	0.9182
Band Width:	0.0491
Status:	Upper Half
Signal:	None

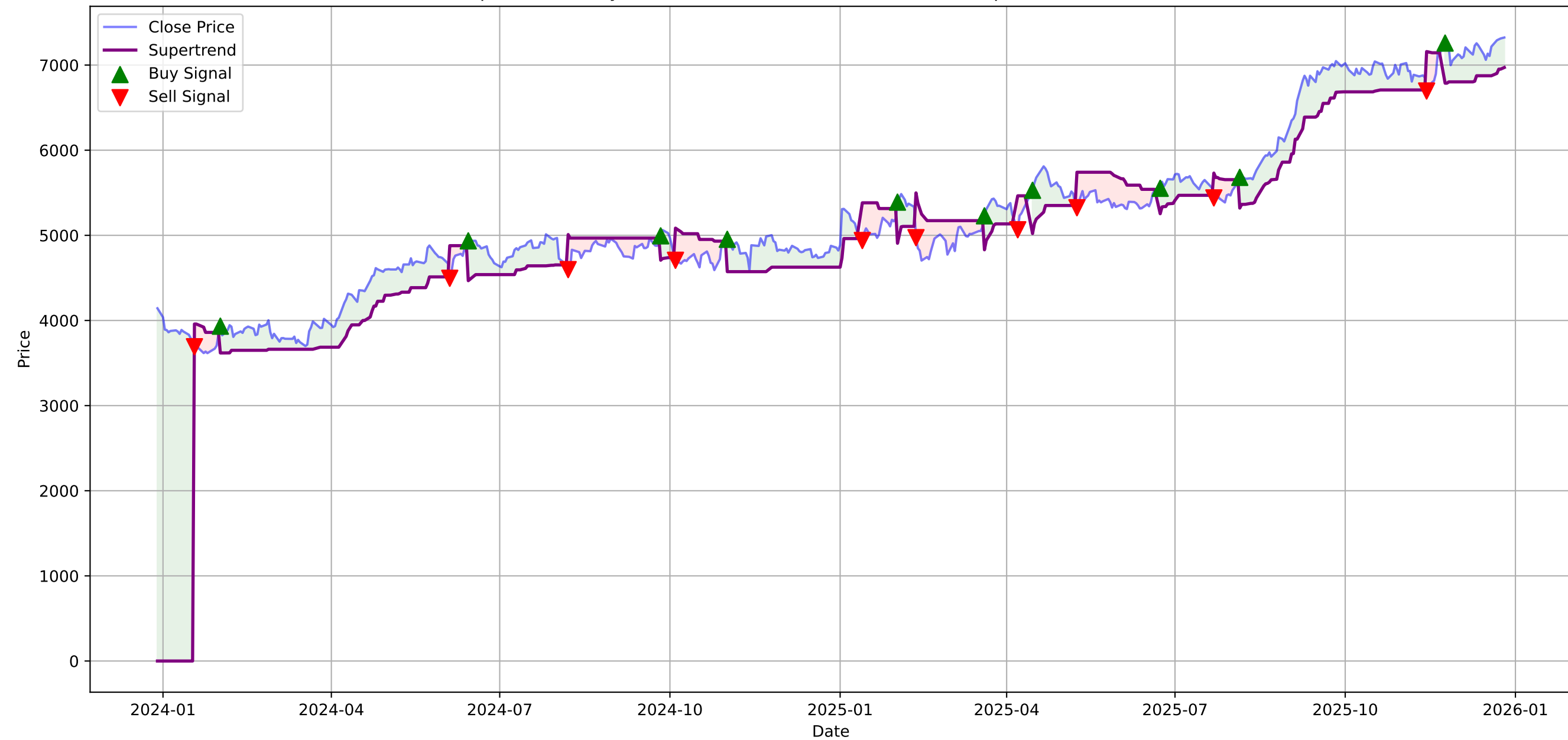
EICHERMOT.NS Bollinger Bands (20, 2) Analysis



EICHERMOT.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	6971.68
Signal Identified On:	2025-11-24

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



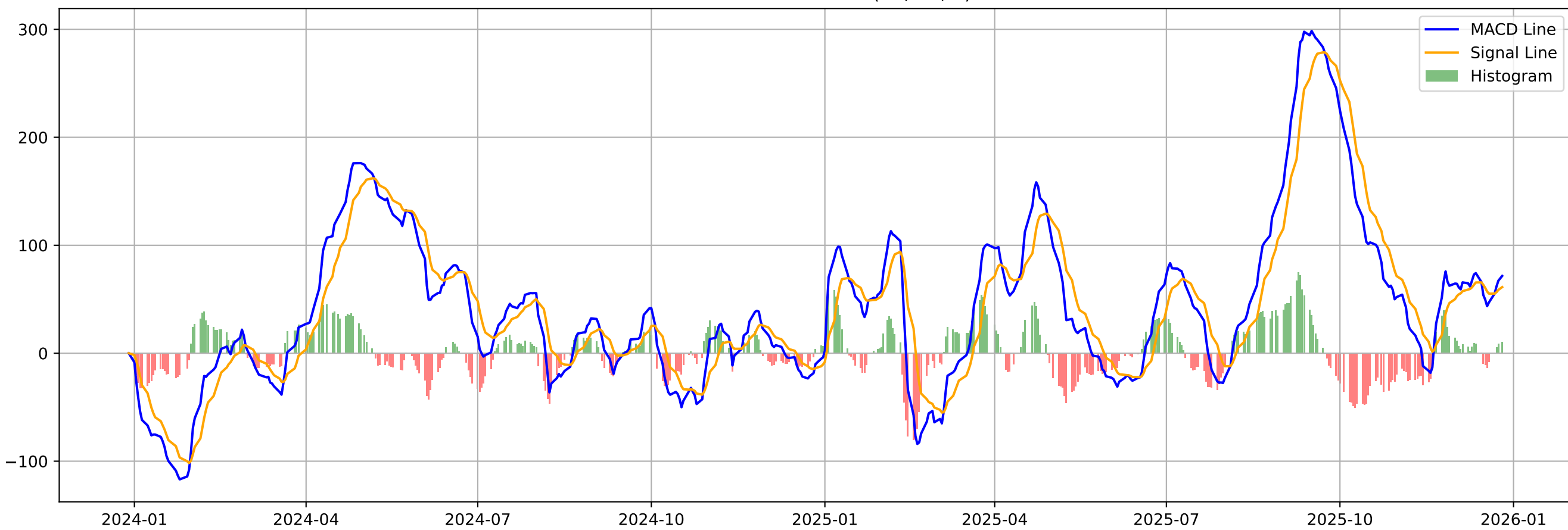
EICHERMOT.NS - MACD Summary

MACD Line:	71.56
Signal Line:	61.26
Histogram:	10.31
Trend:	Bullish
Momentum:	Strengthening
Signal:	None
Divergences Detected:	1
└ Bearish Divergence:	Date: 2025-12-26 00:00:00, Price: 7324.00

EICHERMOT.NS Price



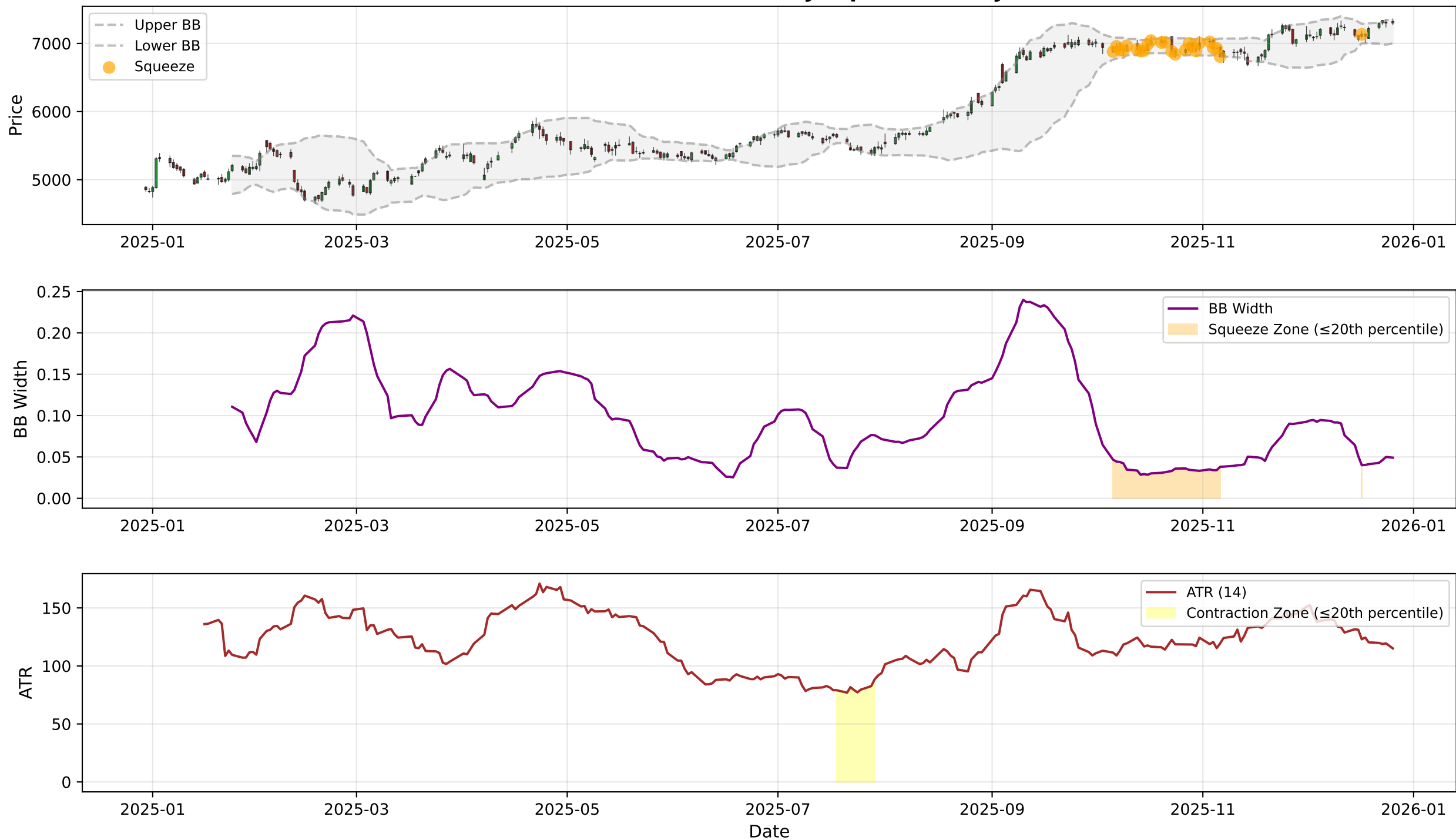
EICHERMOT.NS MACD (12, 26, 9)



EICHERMOT.NS - Volatility Squeeze Summary

BB Width:	0.0491
ATR:	115.1071
Total Signals:	24
Signal 1:	BB Squeeze at 2025-11-03 00:00:00 (Price: 7023.50)
Signal 2:	BB Squeeze at 2025-11-04 00:00:00 (Price: 6930.00)
Signal 3:	BB Squeeze at 2025-11-05 00:00:00 (Price: 6930.00)
Signal 4:	BB Squeeze at 2025-11-06 00:00:00 (Price: 6806.50)
Signal 5:	BB Squeeze at 2025-12-17 00:00:00 (Price: 7134.50)

EICHERMOT.NS - Volatility Squeeze Analysis



EICHERMOT.NS - RSI-Volume Summary

Current RSI:	62.23
Current Volume:	157706
Volume MA 20:	416225
Bullish Divergences:	1
Bearish Divergences:	1
Bullish Div 1:	Date: 2024-10-25 00:00:00, Price: 4591.60
Bearish Div 1:	Date: 2024-05-14 00:00:00, Price: 4730.55

EICHERMOT.NS RSI-Volume Divergence Analysis

