

Based on the detailed analysis of the **ASHOKLEY.NS** report provided (dated January 2026 per the report generation timestamp), here is my assessment as a Positional Equity Trader.

Step 1: Audit the Data

- * **Data Present:**
 - * **Price Action:** Daily, Weekly, and 15-minute charts with candlestick patterns.
 - * **Trend Indicators:** Moving Averages (EMA 20, 50, 200), Supertrend, and MACD.
 - * **Momentum/Volatility:** RSI, Bollinger Bands, Volatility Squeeze, and Relative Strength (RS) metrics.
 - * **Fundamentals:** Revenue/EPS growth, PE valuation, and Analyst estimates.
- * **Data Missing:**
 - * **Volume Profile:** While daily volume bars are present, "Volume at Price" is missing, which helps identify liquidity shelves.
 - * **Fibonacci Retracements:** Not explicitly drawn to project specific extension targets beyond ATH.
- * **Confidence Level:** **High**. The report provides a comprehensive technical and fundamental view. *Note: The report displays a future generation date of 2026-01-10. I am analyzing the charts and data as "current" relative to the context provided in the PDF.*

Step 2: Analyze the Setup

- * **Price Structure** (**Bullish**): The stock is in a confirmed, strong uptrend. Price (187.76) is stacked above all key EMAs (20 > 50 > 200), indicating strong alignment across timeframes. It has recently cleared previous highs, placing it in "blue sky" territory.
- * **Momentum (Overextended):** The RSI is currently at **74.59** (Page 16). While this confirms strength, an RSI above 70 often precedes a consolidation or minor pullback in intermediate trends.
- * **Divergence Warning:** The report notes **6 Bearish Divergences** (Page 16) and the MACD Histogram is flattening (0.01) despite price rising. The "Momentum" status is listed as "Weakening" (Page 12), suggesting buyers are becoming exhausted at these levels.
- * **Fundamental Confluence:** Short-term fundamentals are explosive (EPS up 148% QoQ), which supports the technical breakout. However, the stock is currently trading above analyst targets (169 INR) and valuation metrics flag it as "Overvalued" (Page 20).
- * **Relative Strength:** The stock has an RS Score of 64 but is classified as a "Weakening Leader." It is performing well but losing slight momentum compared to the broader Auto sector index.

Step 3: Formulate the Recommendation

Should you enter this stock now?

NO.

Reasoning: While the trend is undeniably bullish, entering a positional trade when the RSI is 74 and price is tagging the Upper Bollinger Band (192.73) creates an unfavorable Risk:Reward ratio. The probability of a mean reversion to the 20-day average is high. Chasing "Weakening Leaders" at All-Time Highs is a common trap for intermediate traders. We want to buy the dip in this strong trend, not the extension.

Conditional Plan (Buy the Pullback):

- * **Condition to Buy:** Wait for the price to retrace and test the **EMA 20** or the **Supertrend Support** level. Look for a bullish candlestick reversal (hammer or engulfing) near these zones.
- * **Entry Price:** **INR 178.00 - INR 180.00** (This zone aligns with the EMA 20 and previous breakout structure).
- * **Stop Loss:** **INR 169.00** (Daily Close).
 - * **Logic:** This places the stop below the Supertrend value (176.65) and the 50-day EMA (165.29), allowing for volatility without getting stopped out prematurely.
- * **Take Profit:** **INR 205.00 - INR 210.00**.

* *Logic:* This targets a ~15% extension from the entry, capitalizing on the "Blue Sky" breakout potential once momentum resets.

Summary: The stock is a "Hold" if you are already long. For new entries, patience is required to let the overbought conditions (RSI > 70) cool off before deploying capital.

News & Analyst Targets

As a stock research analyst at an investment firm, I have compiled the latest research note on **Ashok Leyland (ASHOKLEY)** for the week ending **January 10, 2026**.

1) Latest News for ASHOKLEY (Week of Jan 4 - Jan 10, 2026)

- * **Inauguration of Lucknow EV Plant (Jan 9, 2026):** Ashok Leyland inaugurated its first manufacturing facility in Uttar Pradesh. The greenfield plant in Lucknow, set up with an investment of **INR 1,000 crore**, will focus on electric buses and has an initial capacity of **5,000 vehicles per annum**. The event was attended by Defence Minister Rajnath Singh and UP Chief Minister Yogi Adityanath.
- * **Record High Stock Price (Jan 5, 2026):** Driven by strong December sales numbers, the stock hit a **record high of INR 191.80** earlier this week. It is currently trading near these highs (approx. INR 188), bucking the broader market trend.
- * **Strong December Sales Data (Jan 1, 2026):** The company reported robust sales for December 2025. Total sales stood at **21,533 units**, registering a growth of **27% YoY**. Domestic sales jumped **26%** to 19,855 units, indicating a strong recovery in the commercial vehicle (CV) cycle.
- * **Global Ambitions:** During the plant inauguration, Chairman Dheeraj Hinduja stated the company's ambition to become one of the **top 10 commercial vehicle manufacturers globally**.

2) Brokerage Upgrades/Downgrades

- * **HSBC (Jan 6, 2026):** Maintained a **HOLD** rating but raised its target price to **INR 183** (from INR 160). The brokerage acknowledges the volume recovery but sees the current valuation as fully pricing in the positives.
- * **Consensus View:** The stock is currently trading **above** the average consensus target of ~INR 160-INR 170 set by major brokerages in late 2025, leading to a cautious stance from value-focused analysts despite the strong momentum.
- * **Goldman Sachs (Sep 2025 Context):** Investors should note that Goldman Sachs had downgraded the stock to 'Neutral' in late 2025 with a target of INR 140, citing that the CV upcycle was priced in. The stock has since defied this call, rallying over 30%.

3) Indirect News & Impact

- * **CV Cycle Upturn:** Recent industry data suggests the Indian Commercial Vehicle sector is entering a new upcycle, driven by infrastructure spending and fleet replacement demand. Ashok Leyland, with its high exposure to the M&HCV segment, is a primary beneficiary.
- * **EV & Green Mobility Policy:** The UP government's strong support for the new EV plant aligns with national goals for green mobility. This facility positions Ashok Leyland to capture a larger share of the electric bus market in Northern India.
- * **Steel Prices:** Stability in steel prices (a key raw material) in early 2026 is helping sustain operating margins (EBITDA margins reported around 12% in recent quarters).

4) Analyst Targets & Ratings (Latest Available)

Below is the summary of the most recent targets from the analyst community. Note that the stock price is currently trading around **INR 188**.

| Brokerage Firm | Rating | Target Price (INR) | Report Date | Sentiment |

| :--- | :--- | :--- | :--- | :--- |
| ****HSBC**** | ****HOLD**** | ****183**** | ****Jan 06, 2026**** | Cautious on Valuation |
| ****CLSA**** | Outperform | 180 | Nov 13, 2025 | Bullish on CV Cycle |
| ****LKP Research**** | BUY | 268 | May 26, 2025 | Long-term Bullish |
| ****Nomura**** | Buy | 174 | Dec 11, 2025 | Positive |
| ****Axis Capital**** | Buy | 165 | Dec 11, 2025 | Moderate |
| ****ICICI Securities**** | Buy | 160 | Dec 11, 2025 | Conservative |
| ****JP Morgan**** | Hold | 155 | Dec 11, 2025 | Bearish/Cautious |

****Analyst Note:**** While the "Buy" ratings dominate the landscape, the current market price (INR 188) has surpassed many of the targets set in late 2025. Investors are awaiting Q3 FY26 results for potential target revisions.

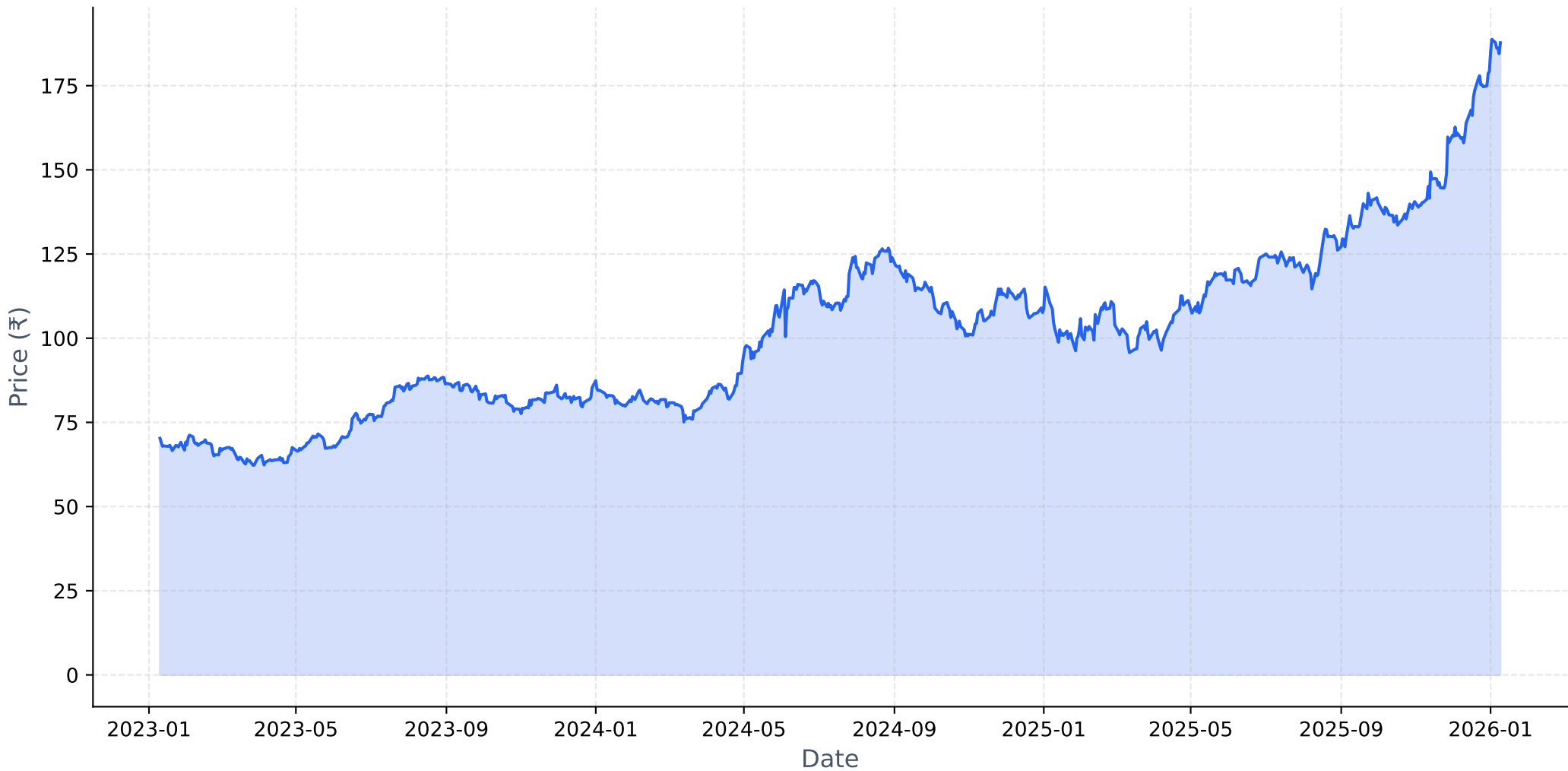
Stock Detailed Analysis Report

ASHOKLEY.NS

Current Price: ₹187.76

Generated: 2026-01-10 10:07

ASHOKLEY.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	6.21%	22.79%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	7.39%	4.28%
Net Income	Yes	23.68%	8.51%
ROE	Yes	-34.99%	0.01%
EPS	Yes	148.08%	110.62%

ASHOKLEY.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXAUTO
Sector:	Auto
Classification:	Weakening Leader
RS Score:	64.0/100
:	

== RS RATIOS ==:

1M RS:	1.142 [Leader]
3M RS:	1.299 [Strong]
6M RS:	1.304 [Strong]
1Y RS:	1.477 [Strong]
:	

== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

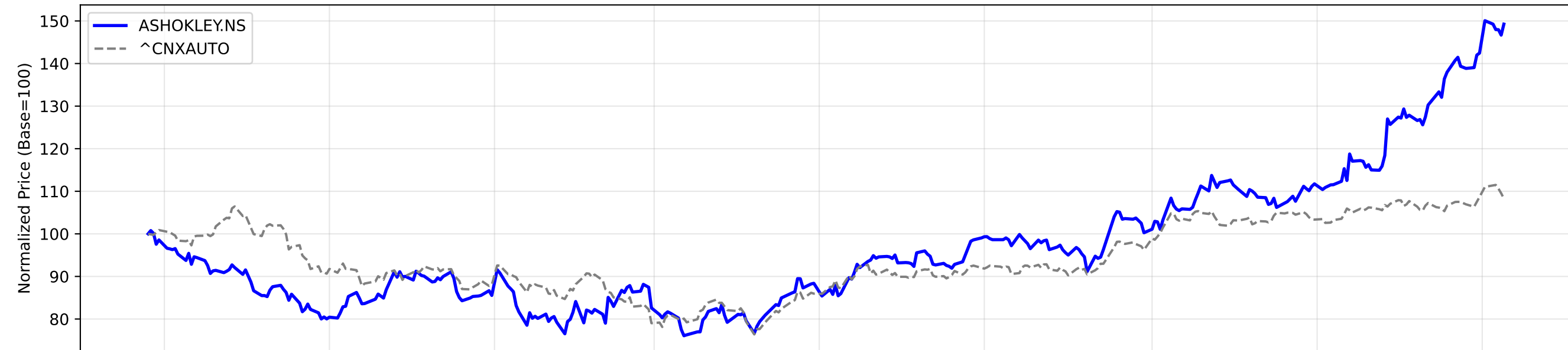
SIGNAL CRITERIA::

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

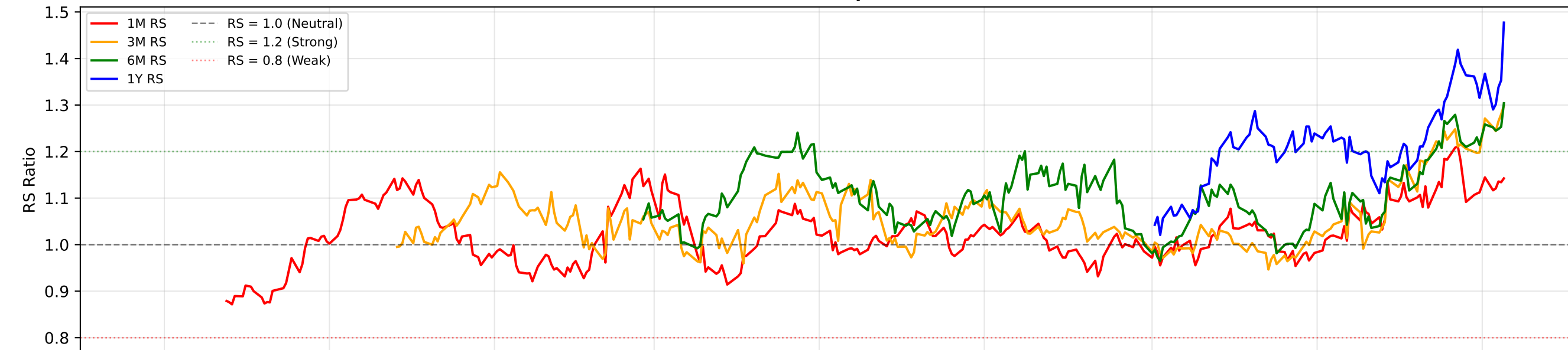
Relative Strength Analysis: ASHOKLEY.NS vs ^CNXAUTO

Classification: Weakening Leader

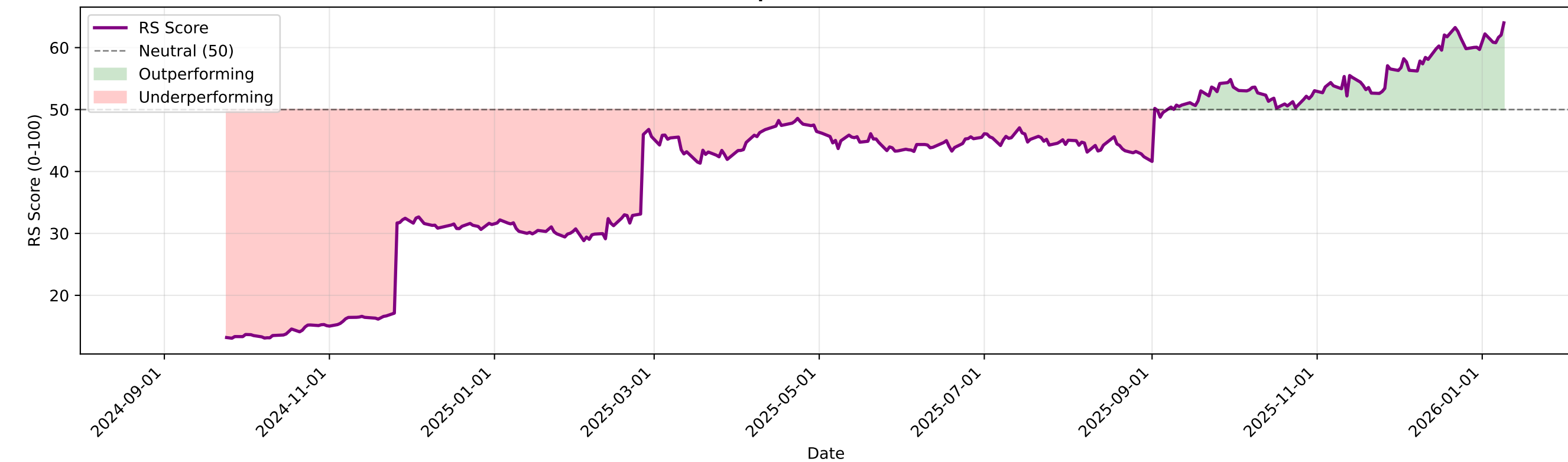
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



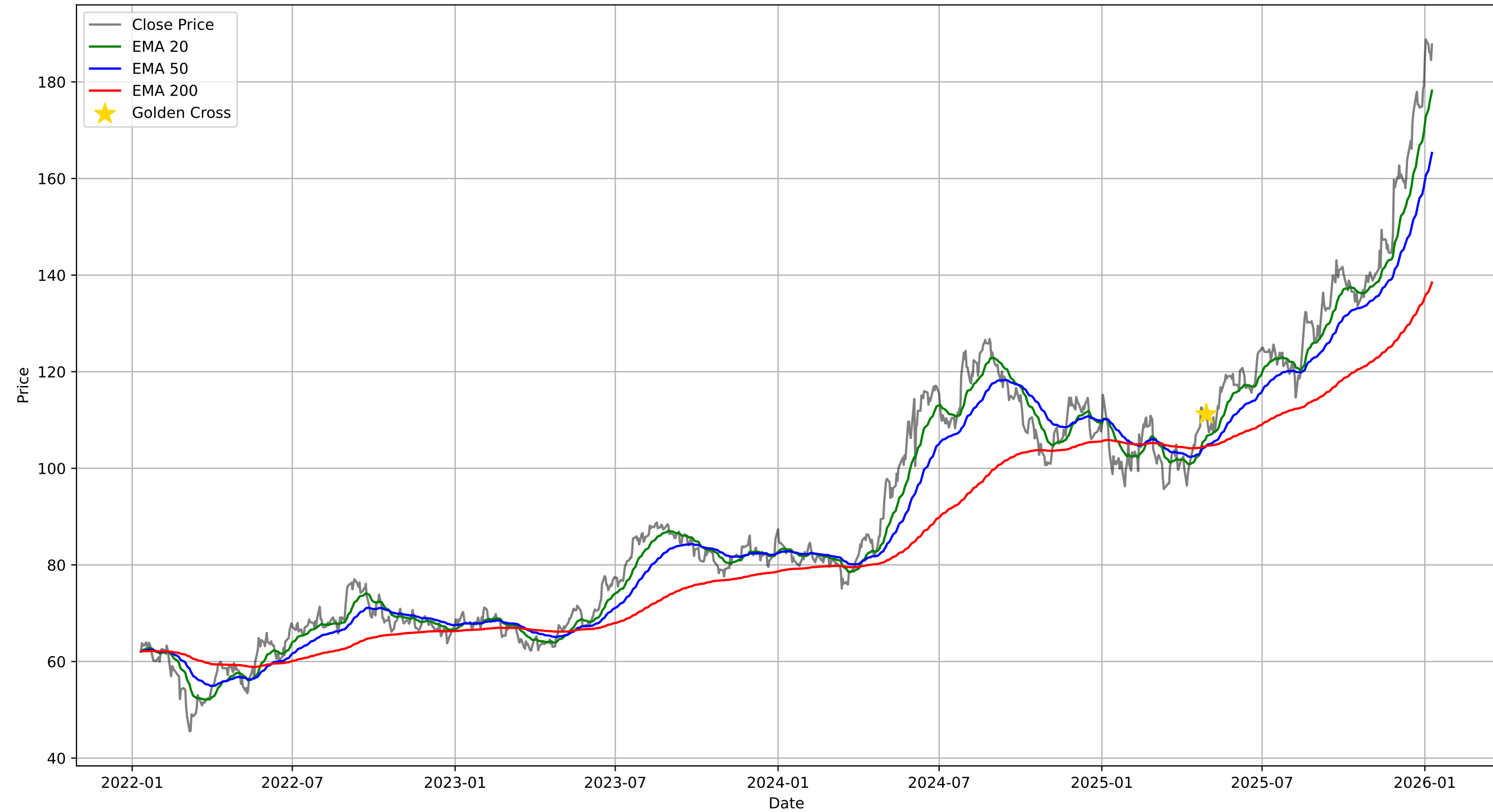
RS Composite Score Timeline



ASHOKLEY.NS - EMA Crossover Summary

EMA 20:	178.18
EMA 50:	165.29
EMA 200:	138.44
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-04-29 00:00:00+05:30
Golden Cross Price:	111.20

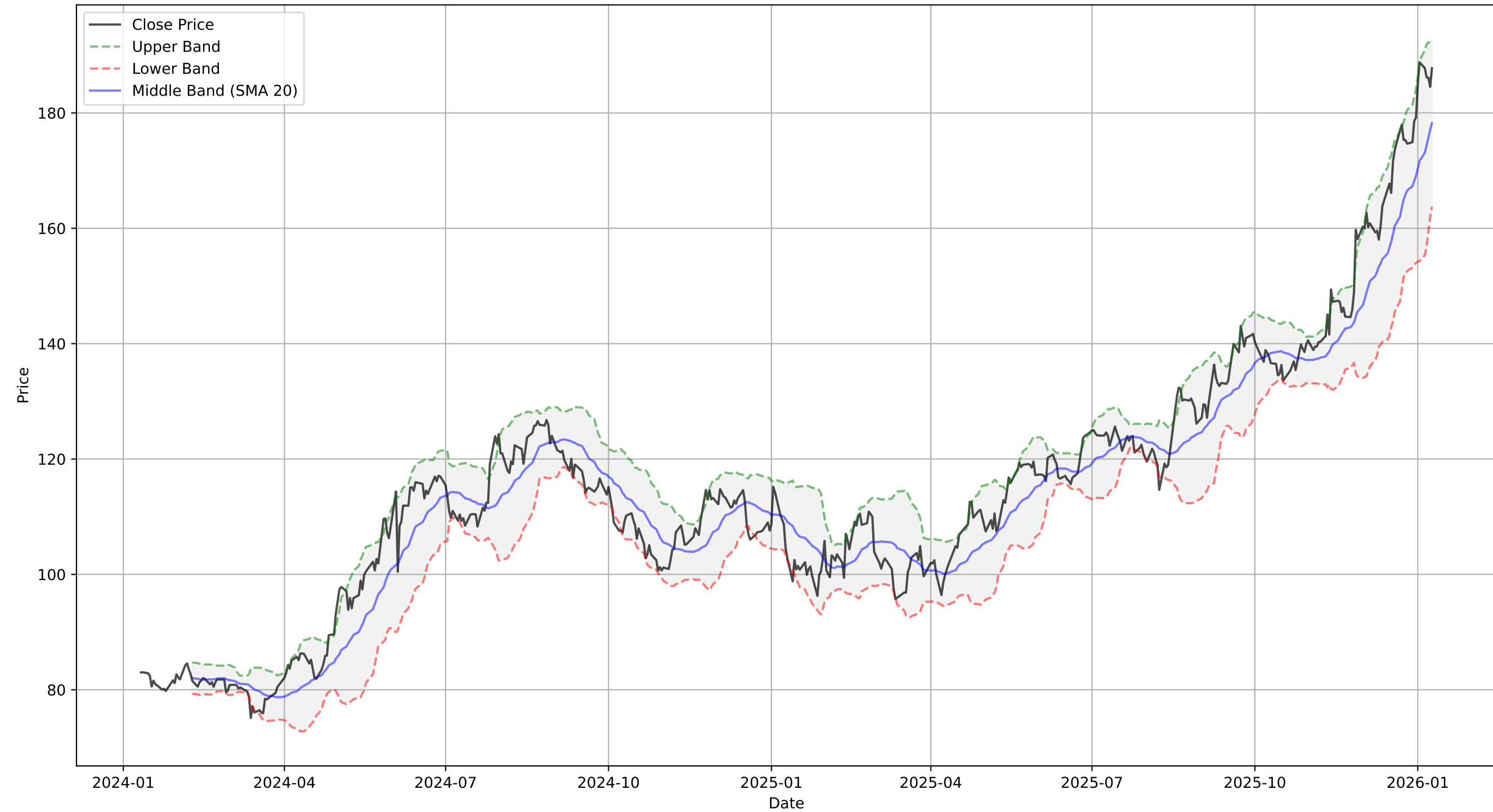
ASHOKLEY.NS EMA Crossover Analysis



ASHOKLEY.NS - Bollinger Bands Summary

Current Price:	187.76
Upper Band:	192.73
Middle Band (SMA 20):	178.24
Lower Band:	163.75
%B:	0.8284
Band Width:	0.1626
Status:	Upper Half
Signal:	None

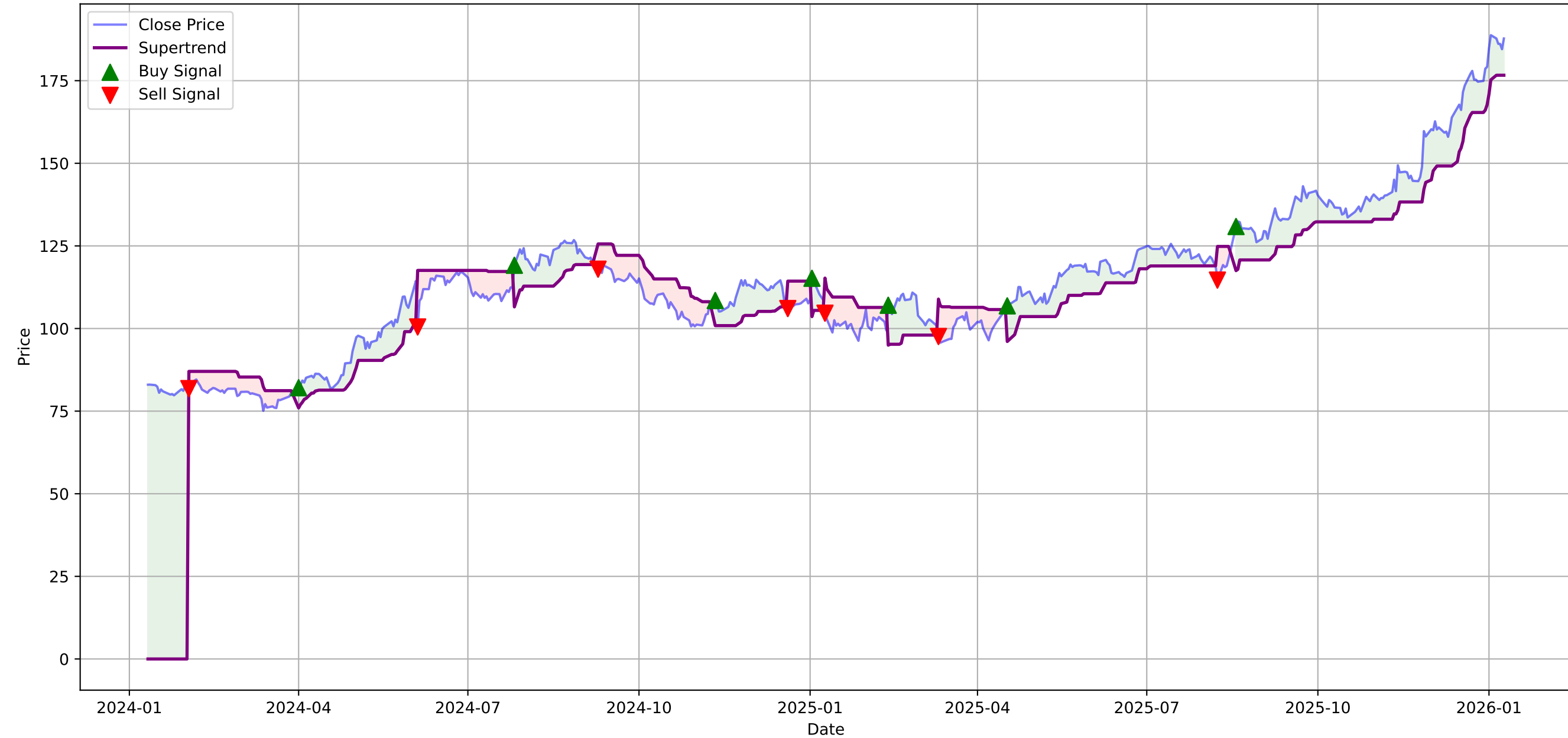
ASHOKLEY.NS Bollinger Bands (20, 2) Analysis



ASHOKLEY.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	176.65
Signal Identified On:	2025-08-18

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



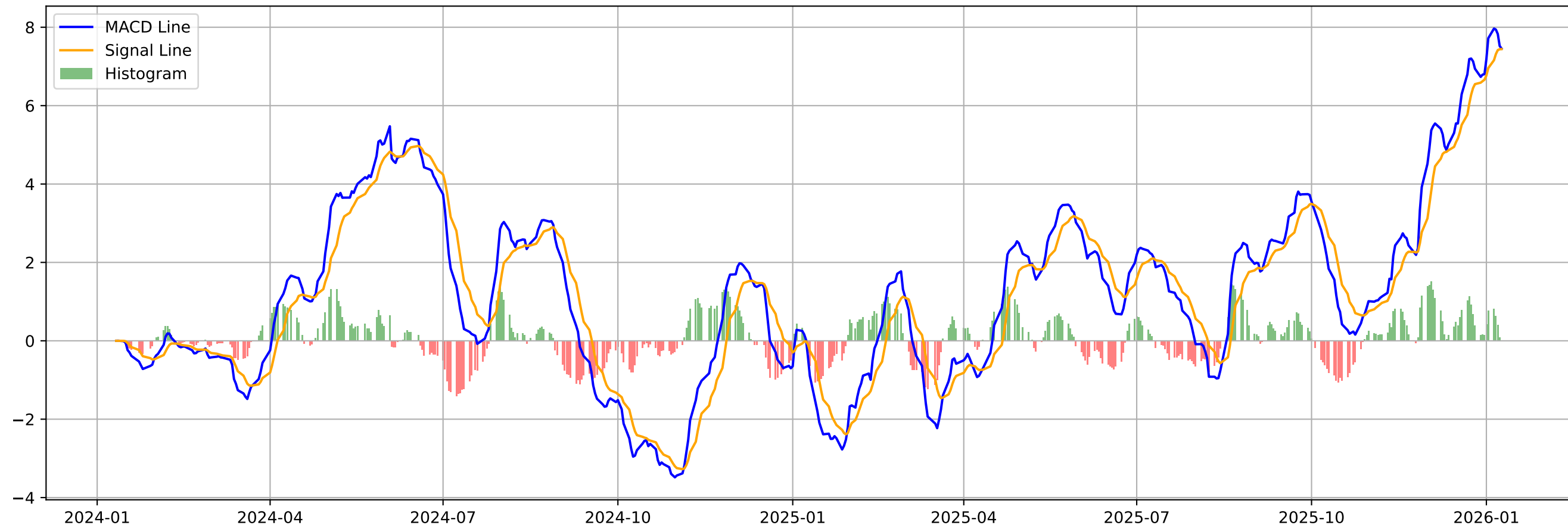
ASHOKLEY.NS - MACD Summary

MACD Line:	7.46
Signal Line:	7.44
Histogram:	0.01
Trend:	Bullish
Momentum:	Weakening
Signal:	None

ASHOKLEY.NS Price



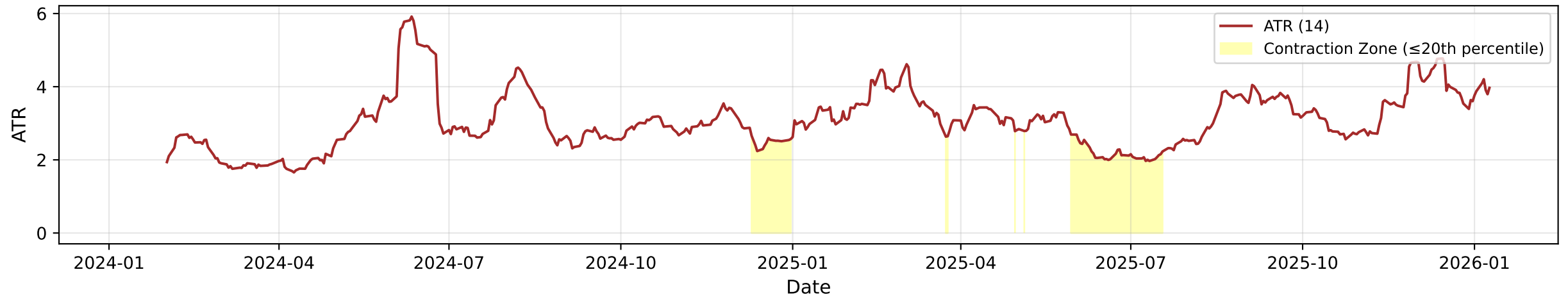
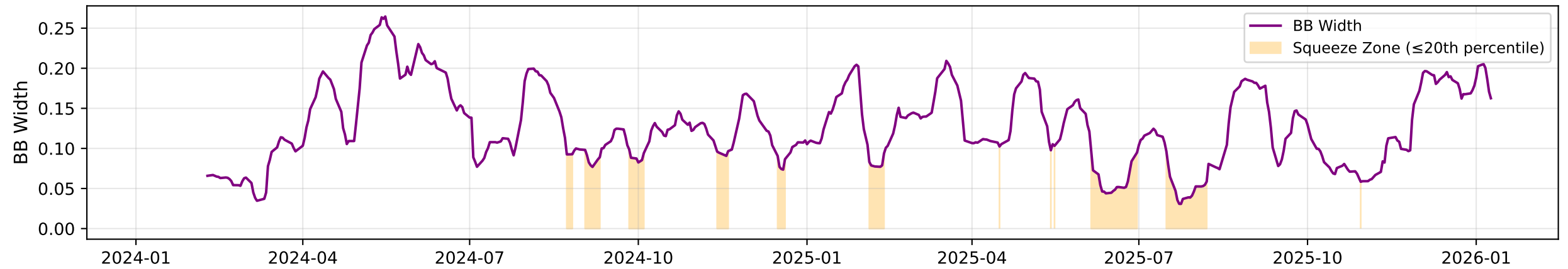
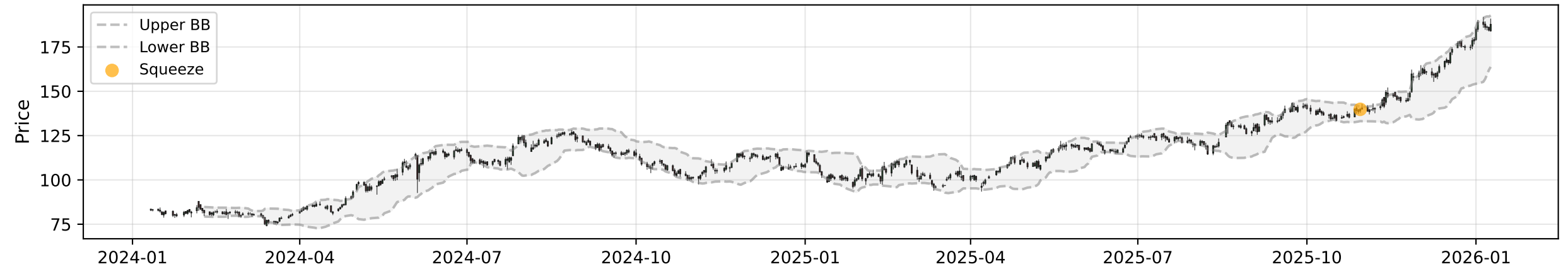
ASHOKLEY.NS MACD (12, 26, 9)



ASHOKLEY.NS - Volatility Squeeze Summary

BB Width:	0.1626
ATR:	3.9679
Total Signals:	1
Signal 1:	BB Squeeze at 2025-10-30 00:00:00+05:30 (Price: 139.82)

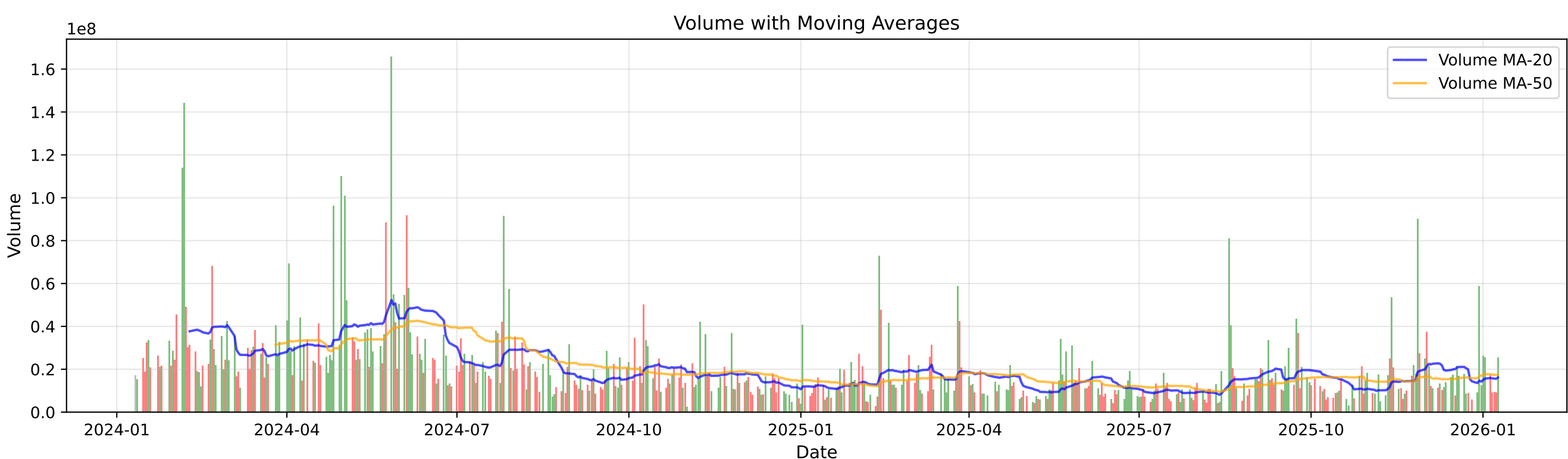
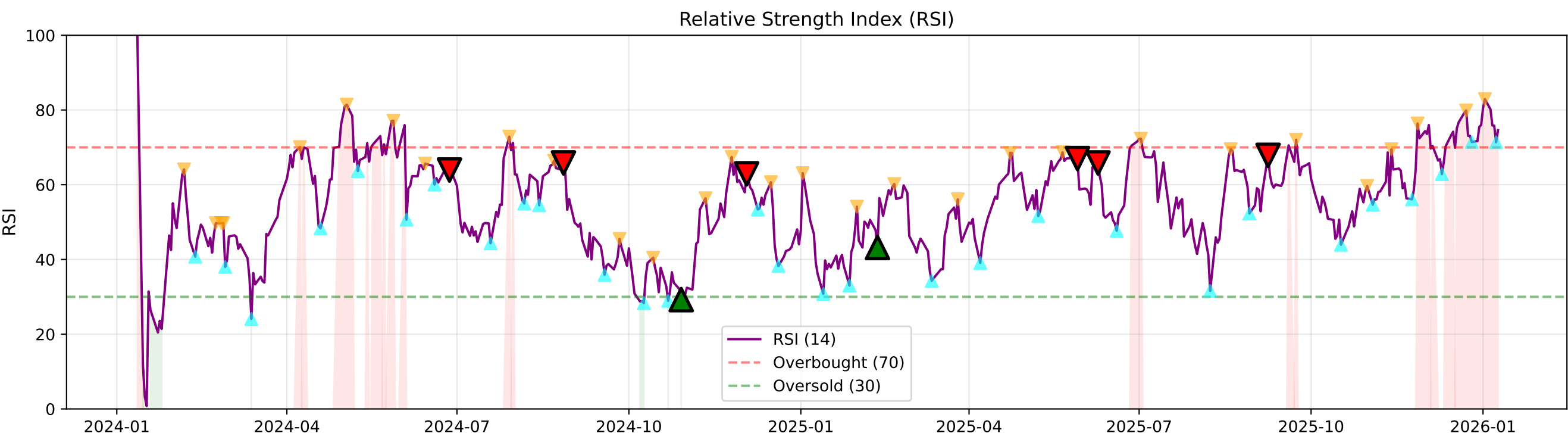
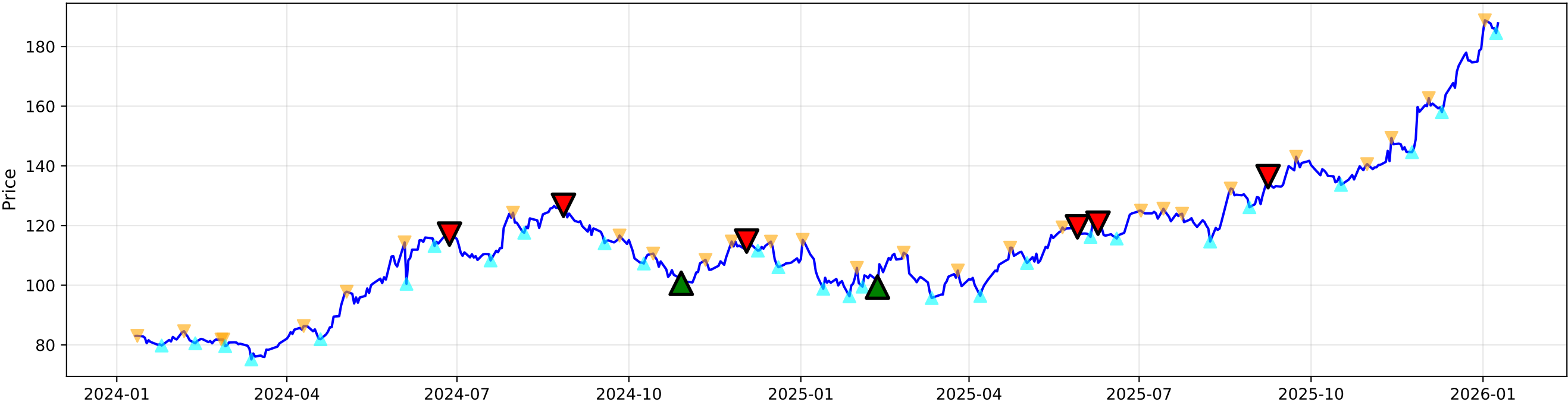
ASHOKLEY.NS - Volatility Squeeze Analysis



ASHOKLEY.NS - RSI-Volume Summary

Current RSI:	74.59
Current Volume:	25410790
Volume MA 20:	16145311
Bullish Divergences:	2
Bearish Divergences:	6
Bullish Div 1:	Date: 2024-10-29 00:00:00+05:30, Price: 100.66
Bullish Div 2:	Date: 2025-02-11 00:00:00+05:30, Price: 99.41
Bearish Div 1:	Date: 2025-06-09 00:00:00+05:30, Price: 120.77
Bearish Div 2:	Date: 2025-09-08 00:00:00+05:30, Price: 136.37

ASHOKLEY.NS RSI-Volume Divergence Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	165.88	187.76	2025-05-12
1 Day	UPTREND (Buy)	176.65	187.76	2025-08-18
15 Min	UPTREND (Buy)	187.5	187.76	2026-01-09

Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bullish	Strengthening	No Signal
1 Day	Bullish	Weakening	No Signal
15 Min	Bearish	Weakening	No Signal

ASHOKLEY.NS - 1 Week (Candlestick + EMAs)



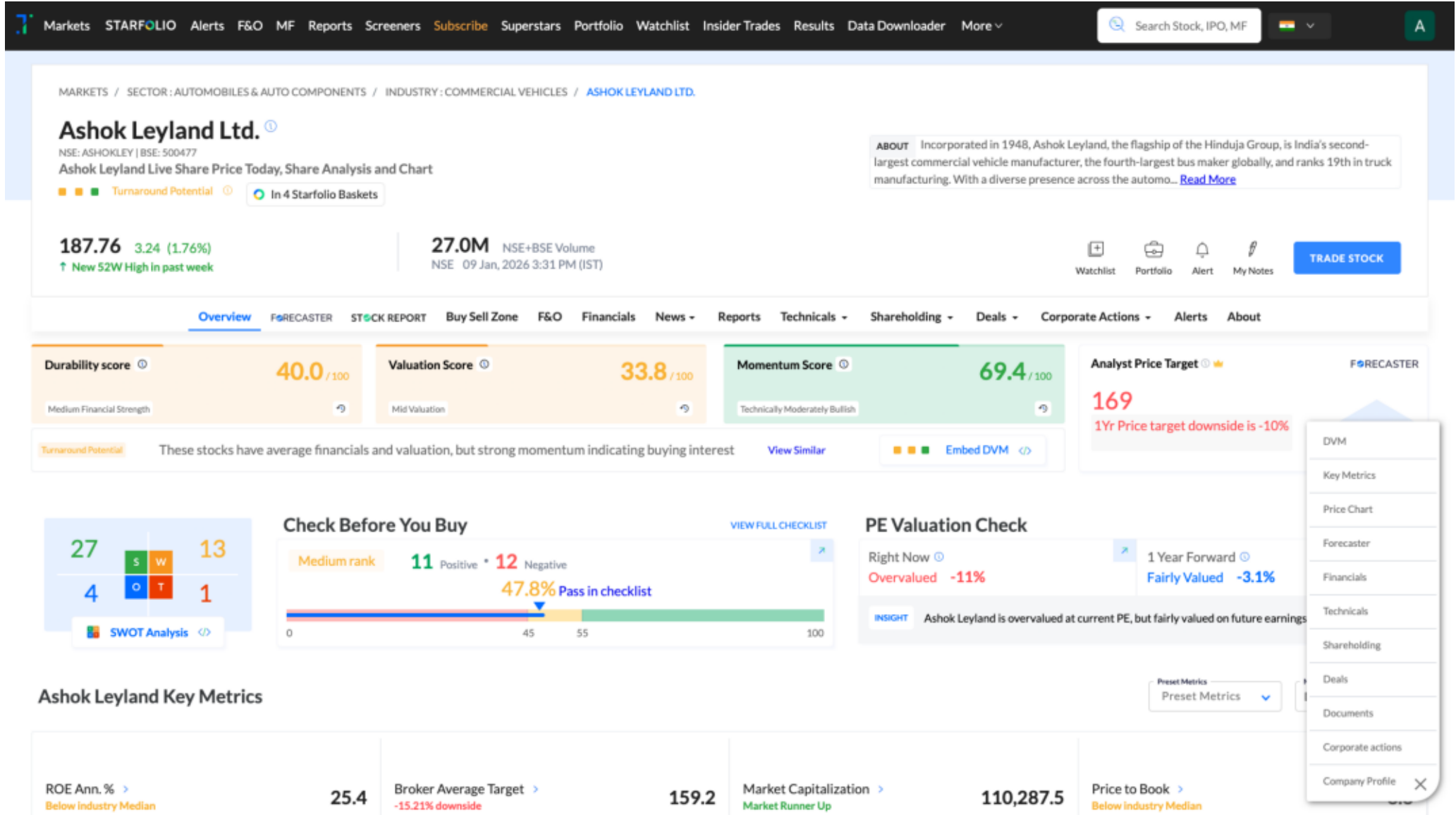
ASHOKLEY.NS - 1 Day (Candlestick + EMAs)



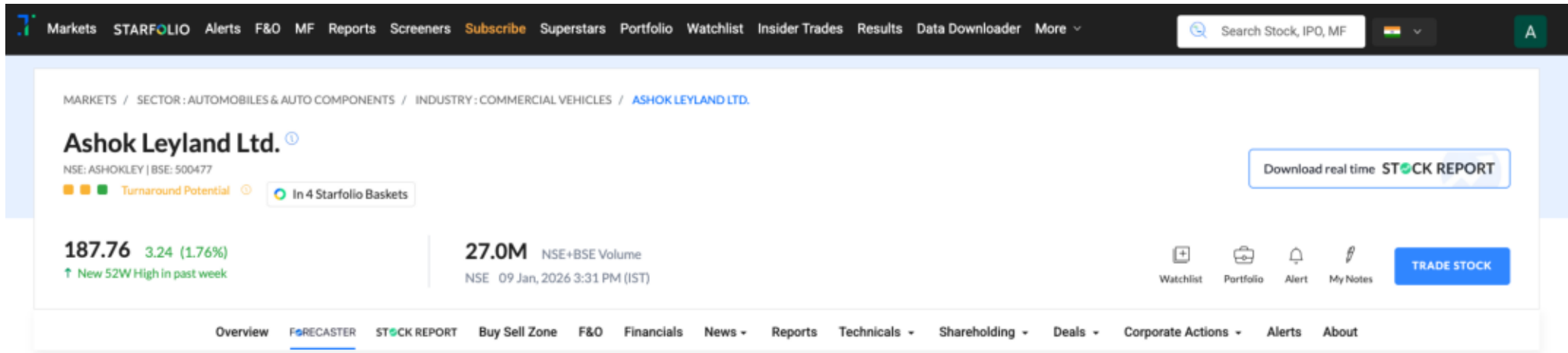
ASHOKLEY.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - ASHOKLEY_main



Trendlyne Snapshot - ASHOKLEY_forecaster



Ashok Leyland - ASHOKLEY - stock price prediction, stock forecast, target price, analyst ratings from 37 analysts

Ashok Leyland has a share price target of Rs 169, revenue growth forecast of 8.6%, and profit growth estimate of 8.3% for FY26, based on top 37 analyst calls.

Ashok Leyland FORECASTER - Analyst Estimates ^{NEW} ⓘ

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