

# Gemini Stock Analysis Report

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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.
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## 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.

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## 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:

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- **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.

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- **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)	<b>Bullish</b>	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.*

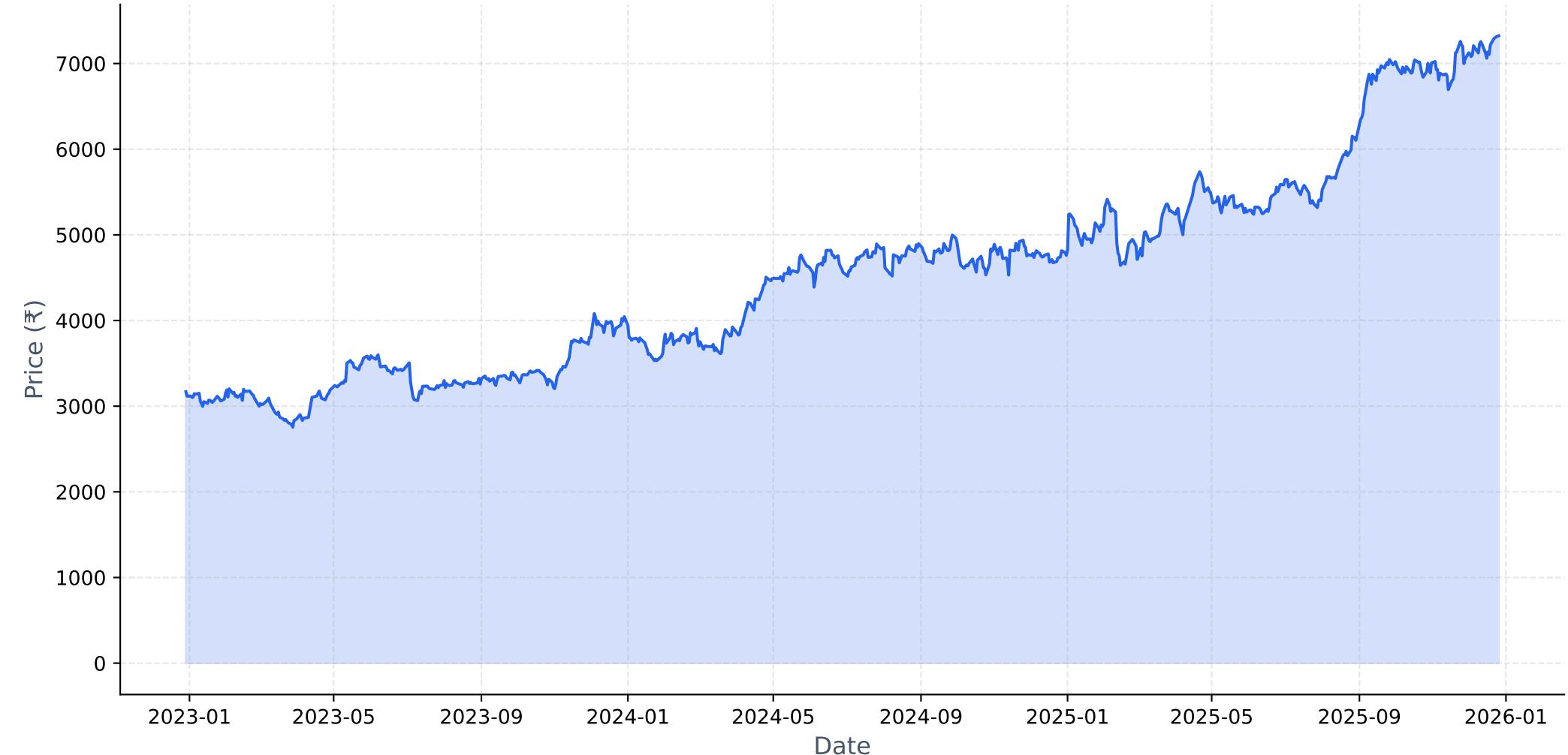
# Stock Detailed Analysis Report

**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:	<b>Weakening Leader</b>
RS Score:	54.2/100
:	

## == RS RATIOS ==:

1M RS:	<b>1.016 [Leader]</b>
3M RS:	<b>1.021 [Leader]</b>
6M RS:	<b>1.121 [Leader]</b>
1Y RS:	<b>1.292 [Strong]</b>
:	

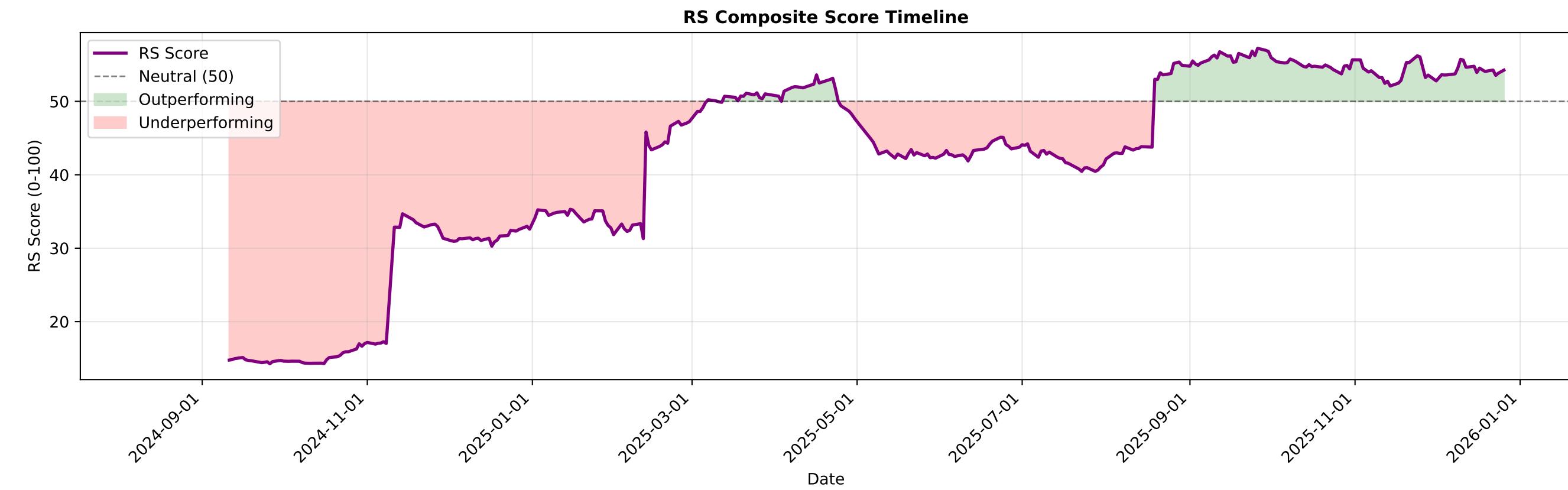
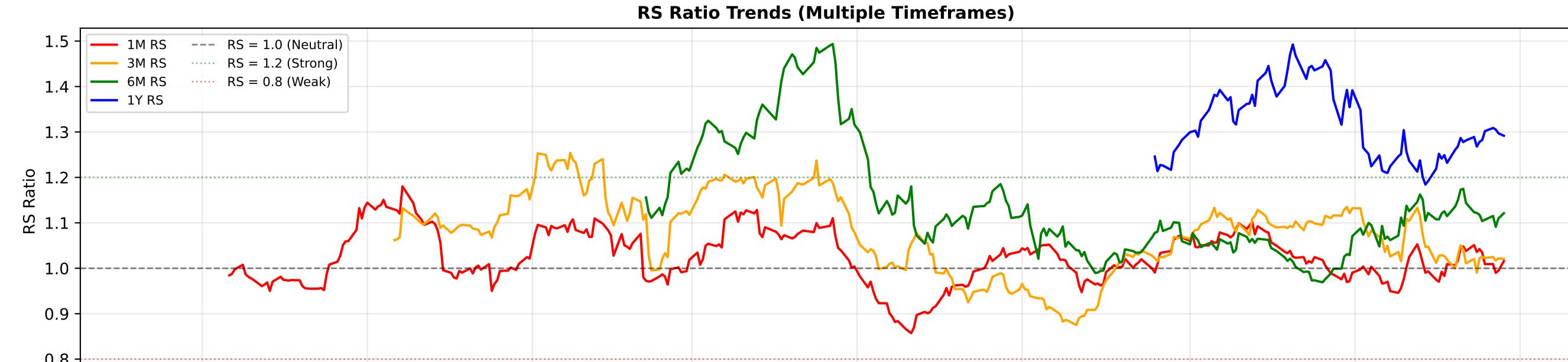
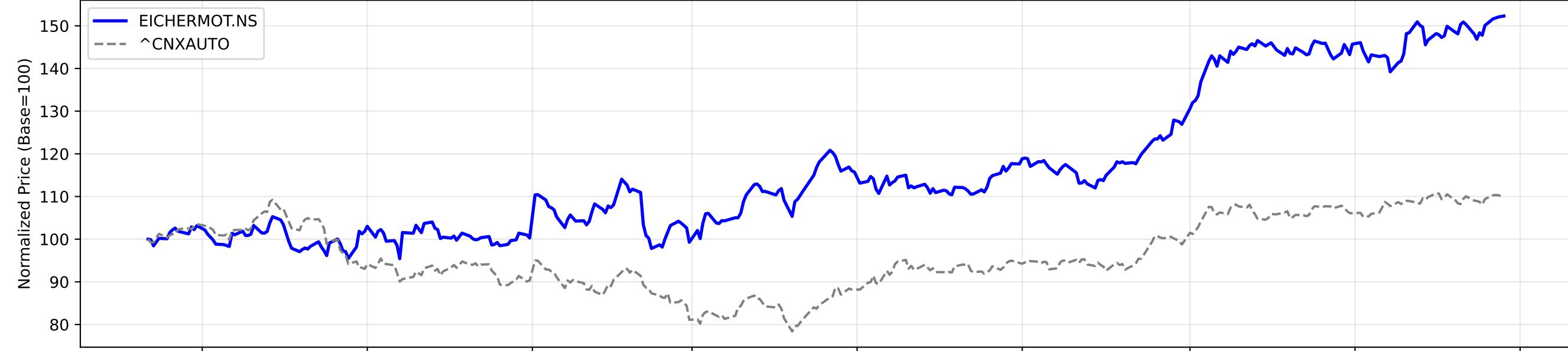
## == TURNAROUND ANALYSIS ==:

Turnaround Status:	<b>Not Detected</b>
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## SIGNAL CRITERIA::

✗ Emerging RS:	<b>Not accelerating</b>
✗ Medium-term Lagging:	<b>Not lagging</b>
✗ Performance Improving:	<b>Not improving</b>

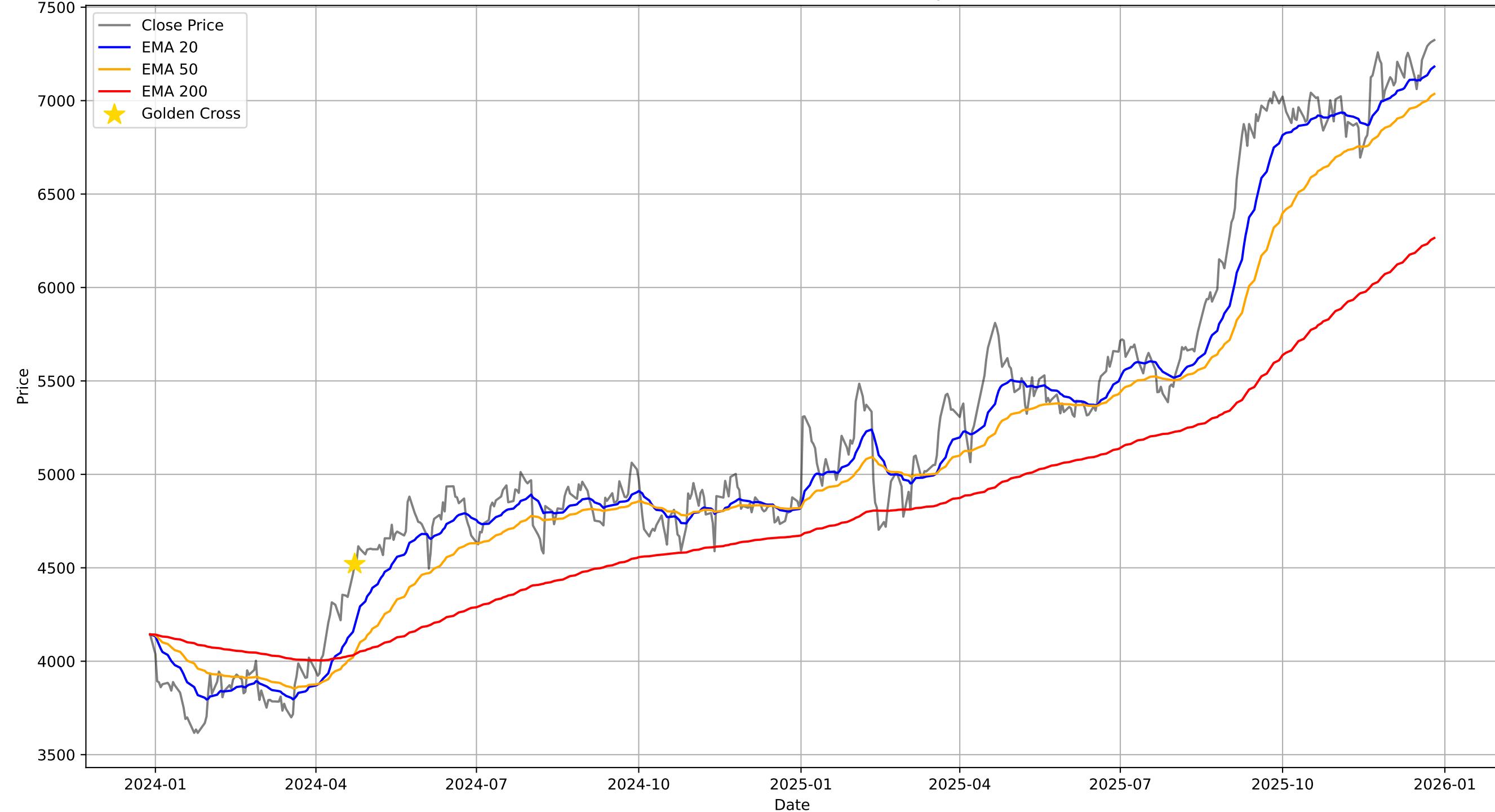
**Relative Strength Analysis: EICHERMOT.NS vs ^CNXAUTO**  
**Classification: Weakening Leader**  
**Price Performance Comparison (Normalized)**



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

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

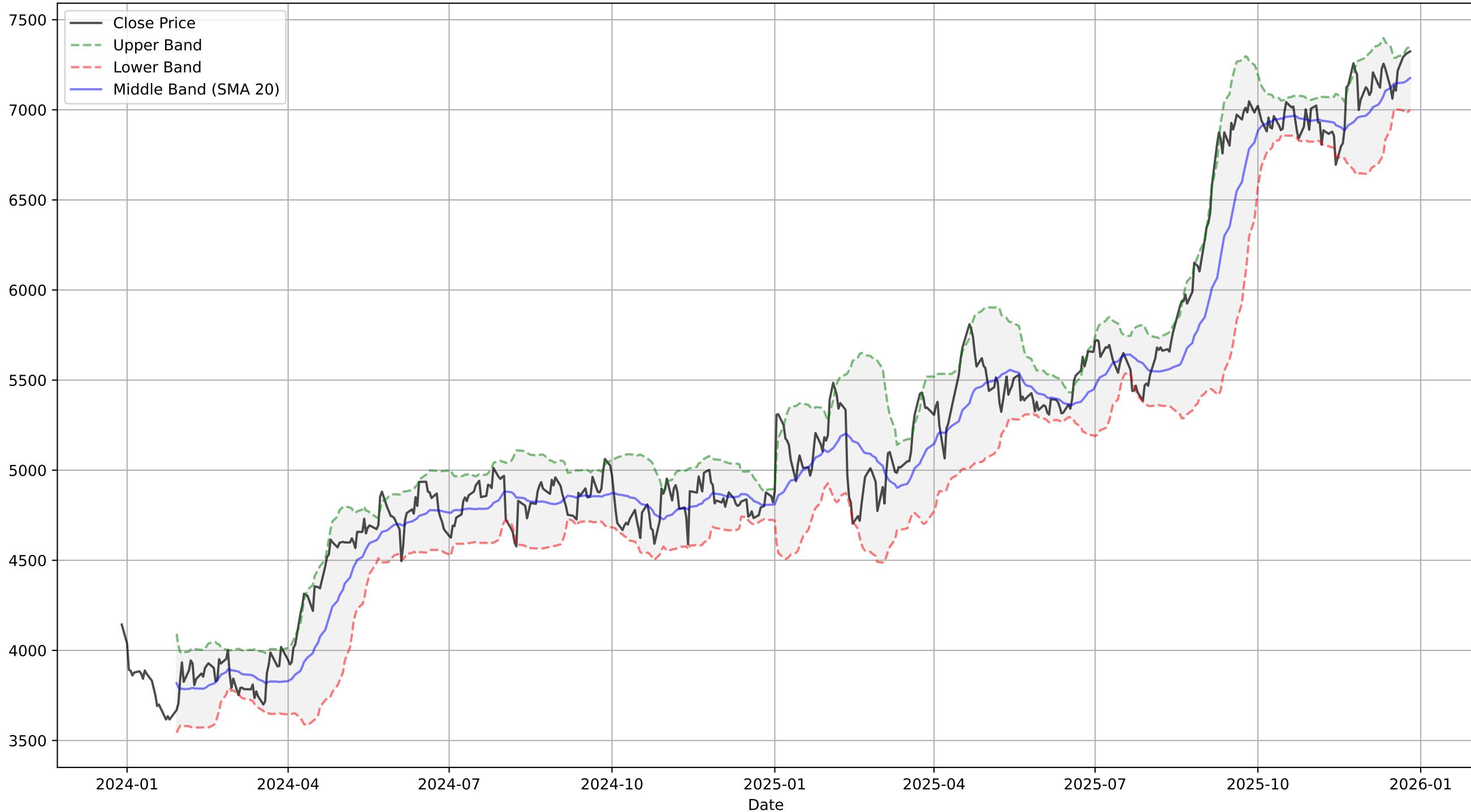
# EICHERMOT.NS EMA Crossover Analysis



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

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

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



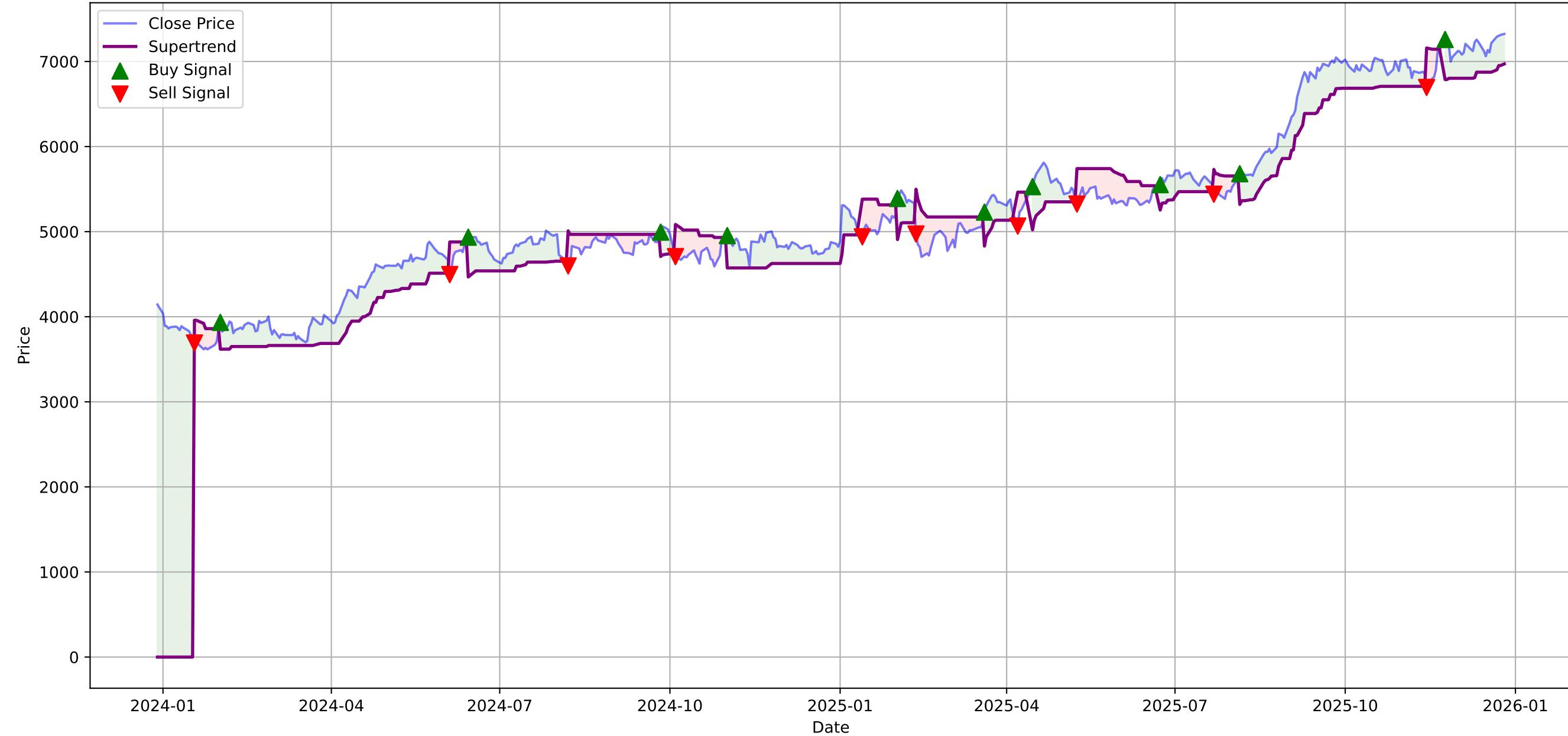
## **EICHERMOT.NS - Supertrend Summary**

**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)



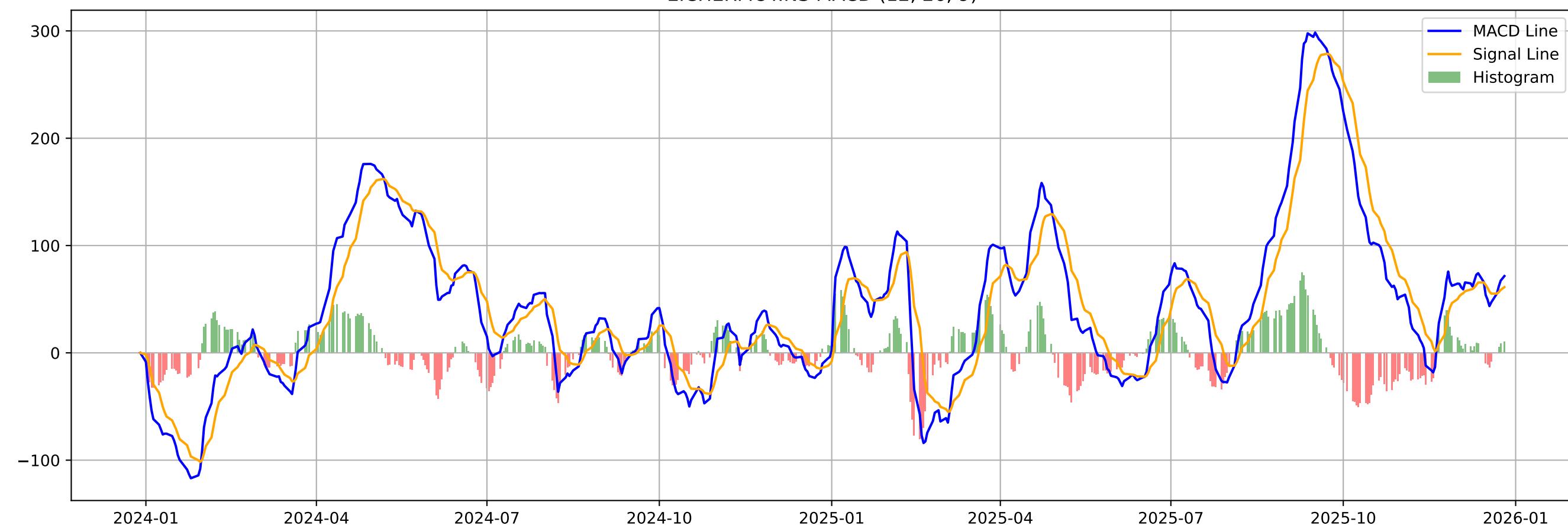
## EICHERMOT.NS - MACD Summary

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

### EICHERMOT.NS Price



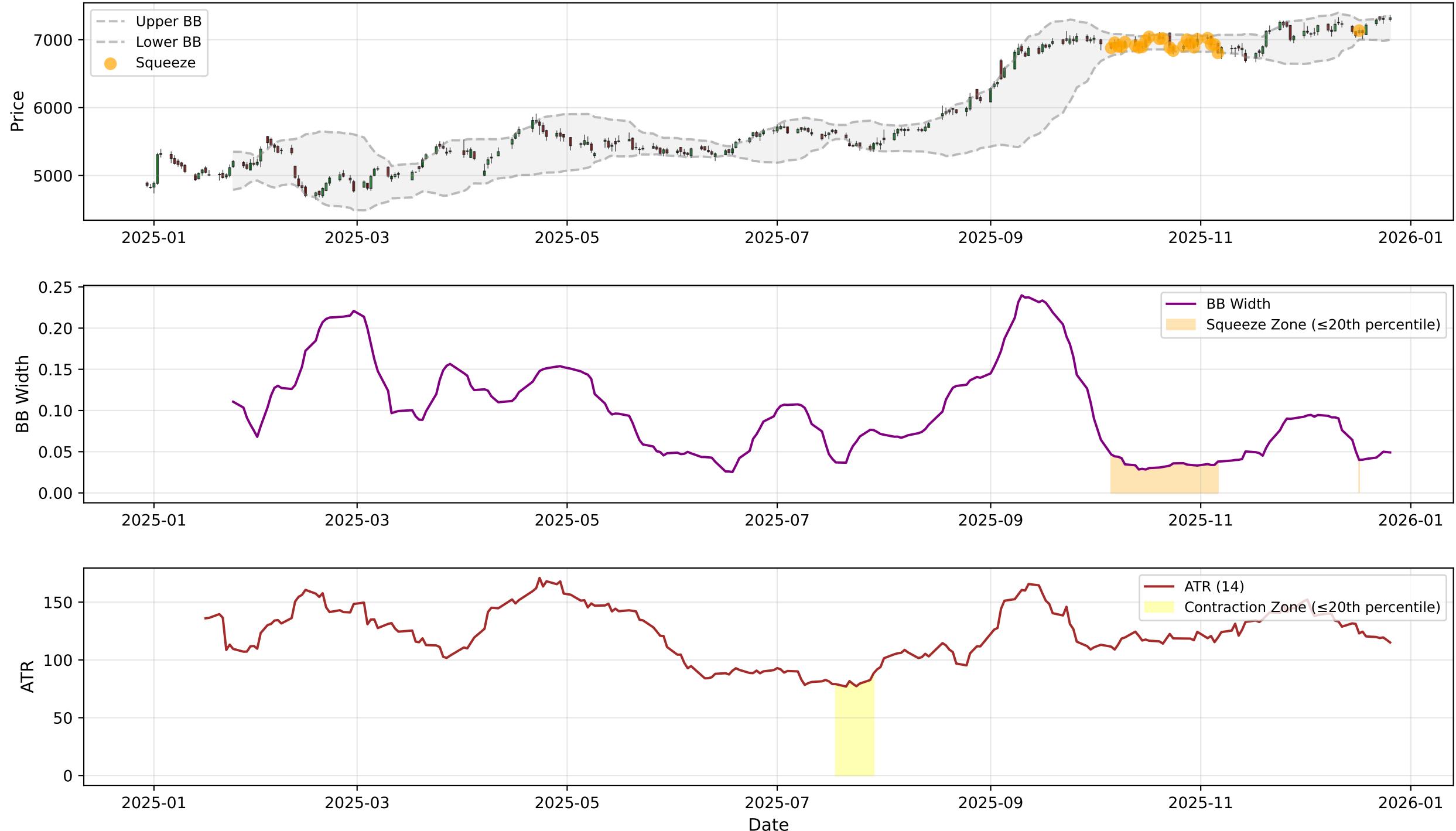
### EICHERMOT.NS MACD (12, 26, 9)



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

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

# EICHERMOT.NS - Volatility Squeeze Analysis



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

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

# EICHERMOT.NS RSI-Volume Divergence Analysis

