

Gemini Stock Analysis Report

This analysis is conducted from the perspective of a positional equity trader, focusing on the provided technical and fundamental data for **CIPLA.NS** as of December 28, 2025.

Step 1: Audit the Data

- **Data Present:** Daily price charts (3-year), Fundamental growth metrics (4-year and 6-quarter), Relative Strength (RS) analysis against ^CNXPHARMA, EMA Crossovers (20, 50, 200), Bollinger Bands, Supertrend, MACD, Volatility Squeeze indicators, and RSI/Volume divergence.
- **Data Missing:** Weekly charts (essential for confirming the primary intermediate trend), specific sector-wide performance context (beyond the benchmark ticker), and valuation ratios (P/E or EV/EBITDA) to gauge if the stock is overextended fundamentally.
- **Confidence Level: High.** The report provides a comprehensive suite of technical indicators and momentum oscillators that align to create a clear picture of the current "coiling" phase.

Step 2: Analyze the Setup

Cipla is currently in a complex technical position characterized by **short-term weakness within a long-term consolidation.**

1. **Trend & Structure:** The stock is technically in a "Short-term **Downtrend**" (Page 6). It is trading at INR 1506, which is below the EMA 20, 50, and 200. The clustering of these EMAs (all between 1508 and 1519) indicates a lack of clear direction and heavy overhead resistance.
2. **Momentum:** The Supertrend is currently on a "Sell" signal (Level: 1553). However, the MACD (Page 12) is showing "Strengthening" bullish momentum, suggesting a bottoming process may be underway.
3. **Volatility Squeeze:** This is the most critical part of the setup. Page 14 confirms a **BB Squeeze + ATR Contraction** is active (as of Dec 26). This indicates that the stock is coiling for a significant expansion in volatility.
4. **Relative Strength:** While the overall RS Score is low (49.2), a "Turnaround" has been detected (Page 4), as 1-month performance is beginning to outpace 3-month performance.
5. **Fundamentals:** EPS growth remains robust (27.89% 1Y), providing a floor for the stock, though revenue acceleration has stalled.

Step 3: Formulate the Recommendation

Should you enter now? NO.

Reasoning: Entering now is "front-running" a move while the stock is still below all major moving averages and a bearish Supertrend. The high density of resistance between INR 1510 and INR 1555 makes the immediate upside difficult. A risk-averse trader should wait for price confirmation to ensure the "Volatility Squeeze" breaks to the upside rather than the downside.

Conditional Buy Plan (Trade Setup)

If the following conditions are met, Cipla becomes a high-probability candidate for a 5%-15% move:

- **Condition to Buy:** A daily close above the Supertrend level and the 50-day EMA to confirm a trend reversal.
- **Entry Price:** INR 1555.00 (Confirmation of breakout from the EMA cluster and Squeeze zone).
- **Stop Loss:** INR 1475.00 (Placed below the recent consolidation lows and the Lower Bollinger Band).
- **Take Profit:** INR 1710.00 (Approaching the psychological resistance of all-time highs, representing approx. 10% upside from entry).

Trader's Note: Monitor the volume on the breakout. A move above INR 1555 accompanied by volume higher

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than the 20-day MA (1.0M shares) would significantly increase the confidence in this setup.

News & Analyst Targets

As a stock research analyst, I have compiled the following report on **Cipla Limited** (NSE: CIPLA) based on the latest market activity for the week ending **December 28, 2025**.

1) Latest News for Cipla (Week of Dec 22-28, 2025)

- **Launch of AfreZZa (Inhaled Insulin):** On December 22, 2025, Cipla officially launched **AfreZZa** in the Indian market. This is a rapid-acting orally inhaled insulin, offering a needle-free alternative for the estimated 100 million adults living with diabetes in India. This move is seen as a major entry into the high-growth "lifestyle" and chronic disease segment.
- **Board Meeting Announcement:** On December 23, 2025, the company notified exchanges that its Board of Directors will meet on **January 23, 2026**, to consider and approve the unaudited financial results for the quarter and nine months ending December 31, 2025.
- **ESG Disclosure:** On December 22, 2025, Cipla provided a fresh disclosure regarding its **ESG (Environmental, Social, and Governance) ratings**, signaling its continued commitment to sustainability metrics which are increasingly influential for institutional investors.
- **Allotment of ESOPs:** The company completed the allotment of 585 equity shares under its Employee Stock Option Scheme on December 17, with administrative filings continuing into this week.

2) Brokerage Upgrades and Downgrades

- **PhillipCapital (Maintenance):** On **December 24, 2025**, PhillipCapital maintained its "**Hold**" rating on Cipla with a target price of **INR 1,420**. The firm remains cautious due to near-term valuation concerns and the competitive landscape in the US generics market.
- **Choice Broking (Bullish Outlook):** Earlier in December, Choice Broking highlighted a decisive breakout above INR 1,580, suggesting the stock could reach levels of **INR 1,770-INR 1,850** in the medium term, effectively acting as a positive outlook reiteration for the technical community.
- **Consensus Sentiment:** The broader analyst community remains "Overweight" to "Buy" on the stock, though several firms (like Goldman Sachs) have maintained a more bearish "Sell" stance due to perceived "peak earnings" in certain US generic portfolios.

3) Other News Impacting Cipla (Direct/Indirect)

- **Pfizer Partnership (Strategic Growth):** On December 19, 2025, Cipla signed an exclusive deal with **Pfizer India** to market and distribute four major brands: Corex (cough syrup), Dolonex (NSAID), Neksium (PPI), and Dalacin C (antibiotic). This partnership is expected to boost Cipla's domestic revenue starting Q4 FY26 by leveraging its massive distribution reach.
- **Diabetes & Obesity Wave:** The recent launch of **Yurpeak** (for obesity and Type 2 diabetes) on Dec 10, combined with the new AfreZZa launch, positions Cipla to capture a significant share of the GLP-1 and innovative diabetes care market, which is currently a high-margin focus for Indian pharma.
- **Regulatory Environment:** Market attention remains on Cipla's manufacturing facilities. While no new major US FDA warnings were issued this week, ongoing compliance at their Goa and Patalganga sites remains a key risk factor monitored by analysts for future product approvals.

4) Latest Analyst Targets and Ratings

The following table summarizes the most recent price targets from the brokerage community as of late December 2025.

Brokerage / Analyst	Rating	Target Price (INR)	Date Reported
PhillipCapital	Hold	1,420	Dec 24, 2025

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Brokerage / Analyst	Rating	Target Price (INR)	Date Reported
Choice Broking	Buy / Technical	1,770 - 1,850	Dec 2025
Nomura	Buy	1,770	Nov 2025
HSBC	Buy	1,720	Oct 30, 2025
CLSA	Hold	1,580	Oct 30, 2025
Goldman Sachs	Sell	1,425	Oct 30, 2025
Citi	Buy	1,830	Oct 30, 2025
Market Consensus (Avg)	Outperform	1,680	Dec 2025

Analyst Summary: The current market price (CMP) is hovering around **INR 1,510-INR 1,515**. With an average consensus target of **INR 1,680**, there is a projected upside of approximately **11%**. The key triggers for the next quarter will be the revenue contribution from the new Pfizer partnership and the adoption rate of the AfreZZA inhaled insulin.

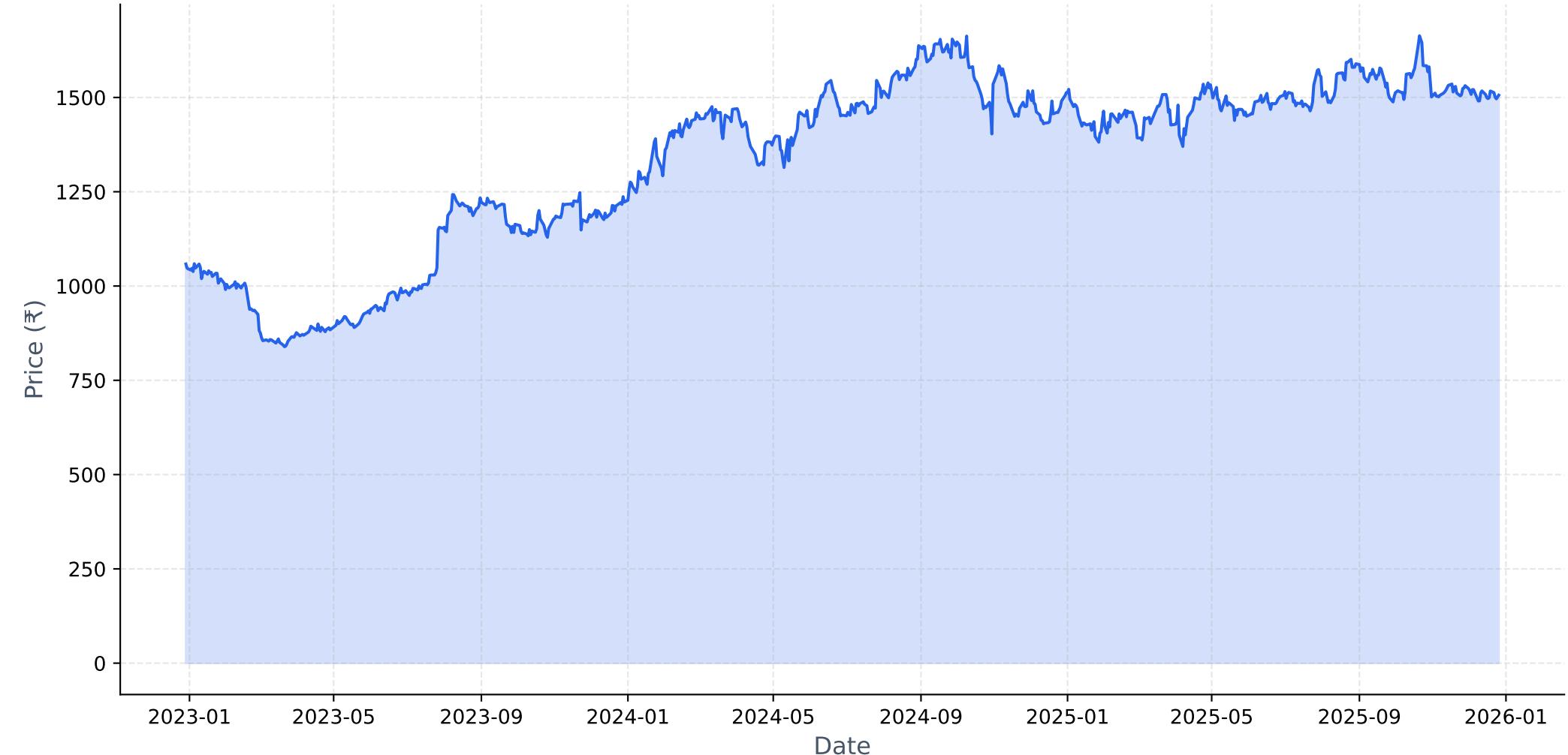
Stock Detailed Analysis Report

CIPLA.NS

Current Price: ₹1506.00

Generated: 2025-12-28 10:30

CIPLA.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	6.68%	7.88%
Net Income	Yes	No	27.93%	27.96%
ROE	Yes	No	9.52%	11.86%
EPS	Yes	No	27.89%	27.91%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	3.63%	0.87%
Net Income	Yes	6.20%	3.79%
ROE	No	-14.71%	-14.71%
EPS	Yes	20.58%	15.61%

CIPLA.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index: ^CNXPHARMA

Sector: Pharma

Classification: Neutral

RS Score: 49.2/100

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== RS RATIOS ==:

1M RS: 0.996 [Neutral]

3M RS: 0.975 [Neutral]

6M RS: 0.956 [Neutral]

1Y RS: 1.021 [Leader]

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== TURNAROUND ANALYSIS ==:

Turnaround Status: !! DETECTED !!

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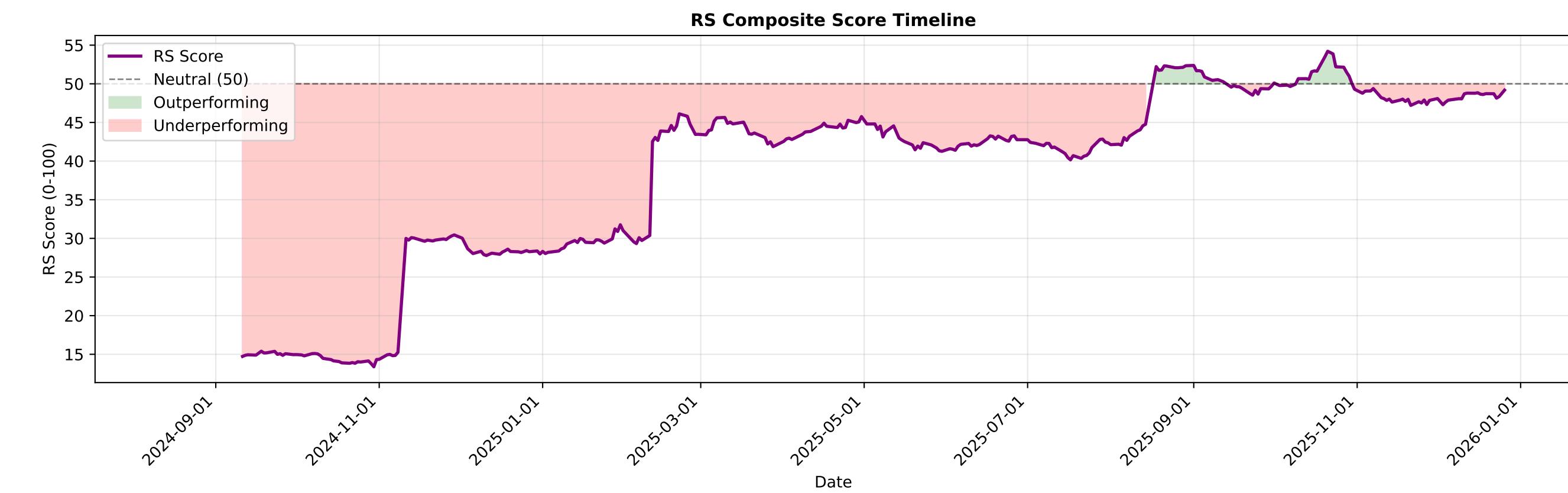
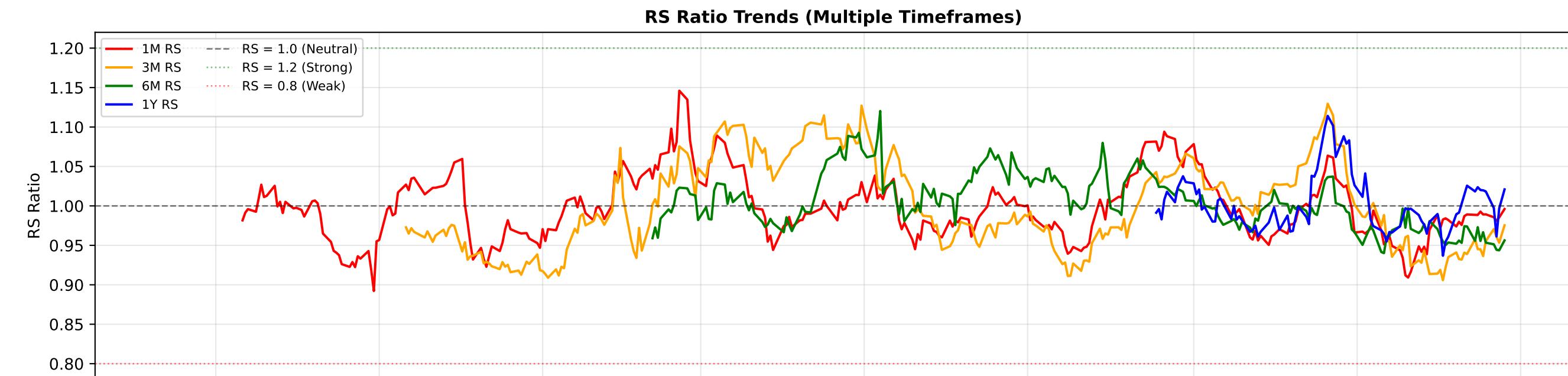
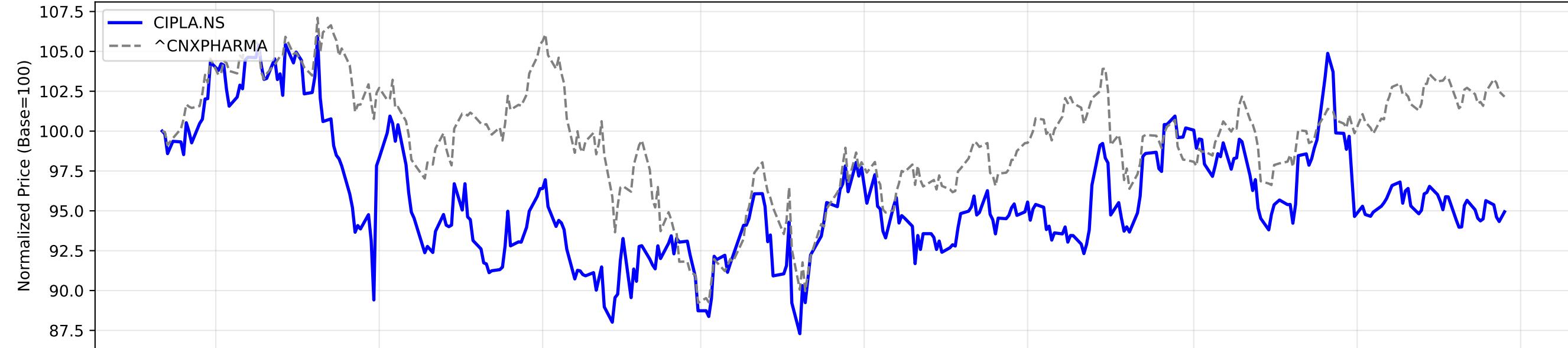
SIGNAL CRITERIA::

✓ **Emerging RS:** 1M (0.996) > 3M (0.975)

✓ **Medium-term Lagging:** 6M=0.956 (≤ 1.0)

✓ **Performance Improving:** 3M (-0.2%) > 6M (-0.5%)

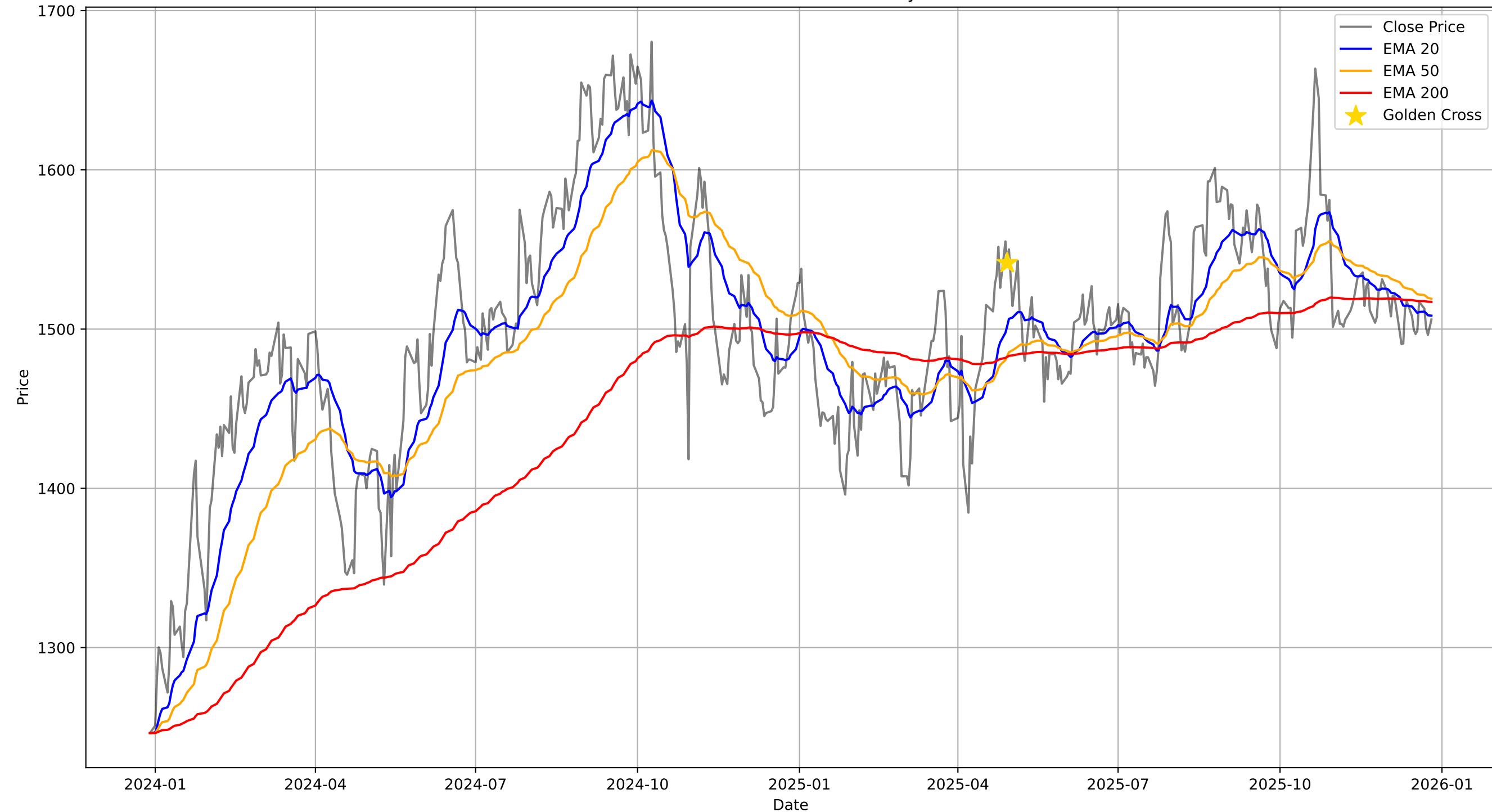
Relative Strength Analysis: CIPLA.NS vs ^CNXPHARMA
Classification: Neutral
Price Performance Comparison (Normalized)



CIPLA.NS - EMA Crossover Summary

EMA 20:	1508.43
EMA 50:	1519.09
EMA 200:	1517.09
Trend Status:	Short-term Downtrend
Golden Cross Date:	2025-04-29 00:00:00
Golden Cross Price:	1541.50

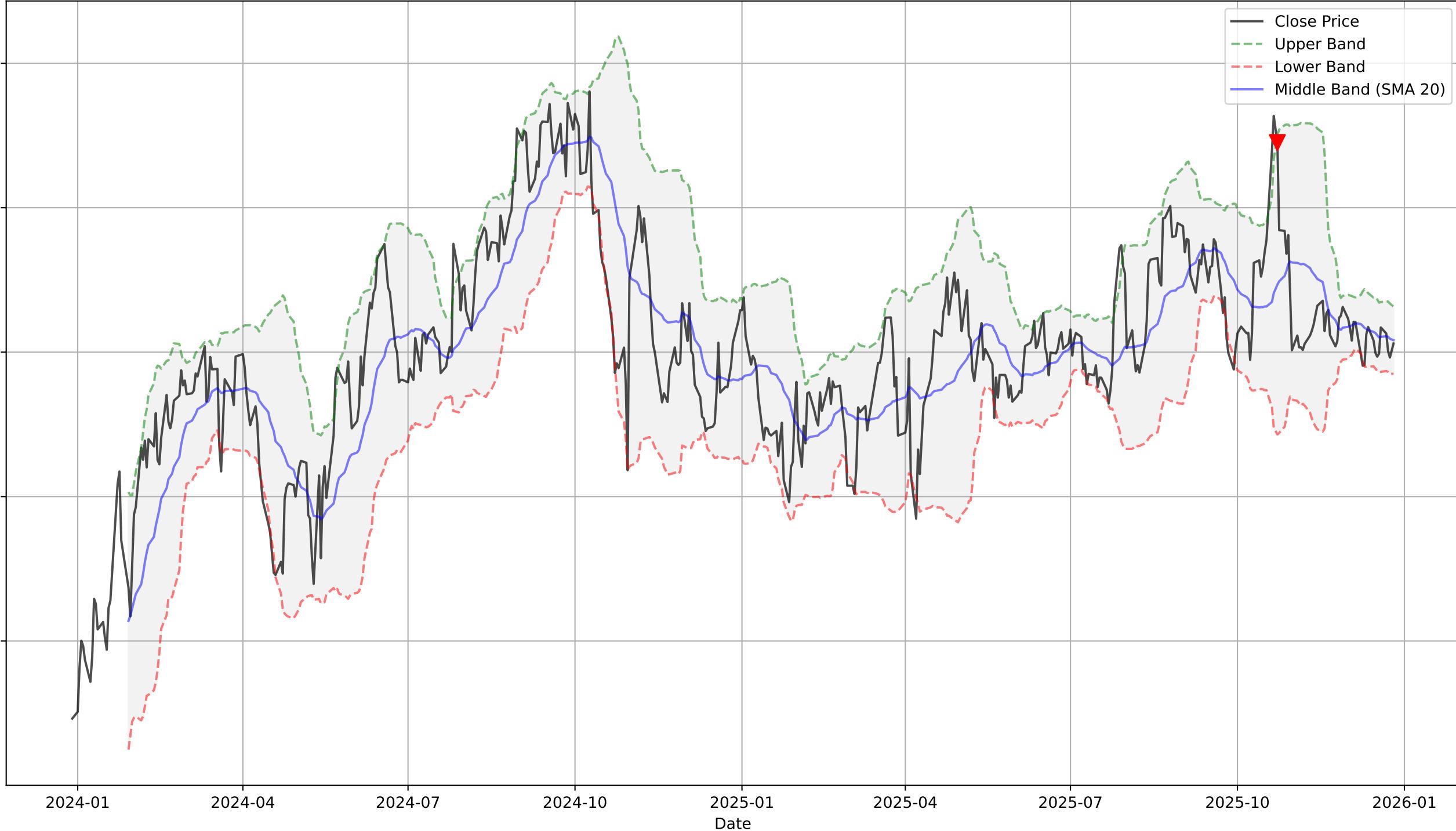
CIPLA.NS EMA Crossover Analysis



CIPLA.NS - Bollinger Bands Summary

Current Price:	1506.00
Upper Band:	1531.53
Middle Band (SMA 20):	1508.30
Lower Band:	1485.07
%B:	0.4505
Band Width:	0.0308
Status:	Lower Half
Signal:	None
Recent Signal 1:	Sell Signal at 2025-10-23 00:00:00

CIPLA.NS Bollinger Bands (20, 2) Analysis



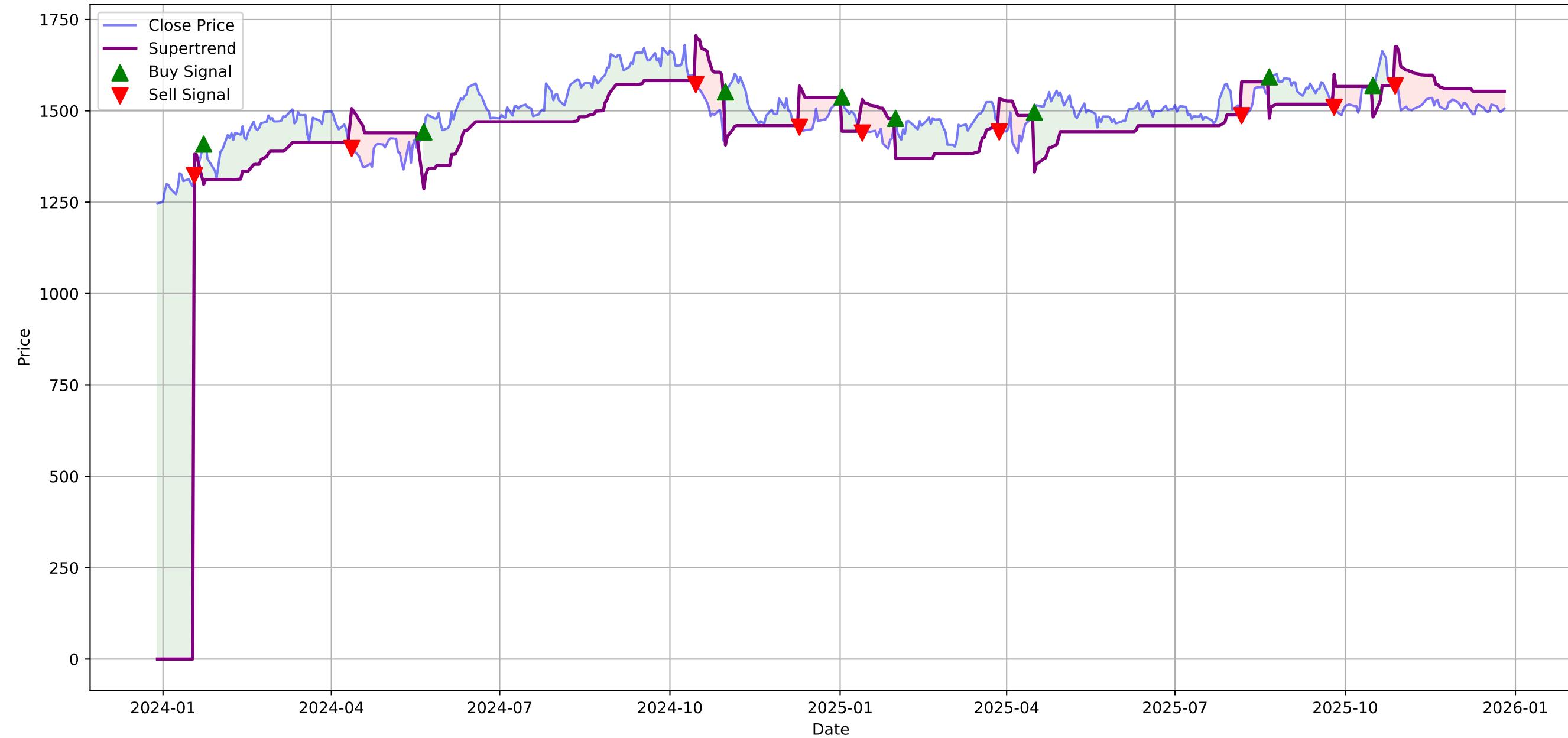
CIPLA.NS - Supertrend Summary

Status: DOWNTREND (Sell)

Supertrend Value: 1553.49

Signal Identified On: 2025-10-28

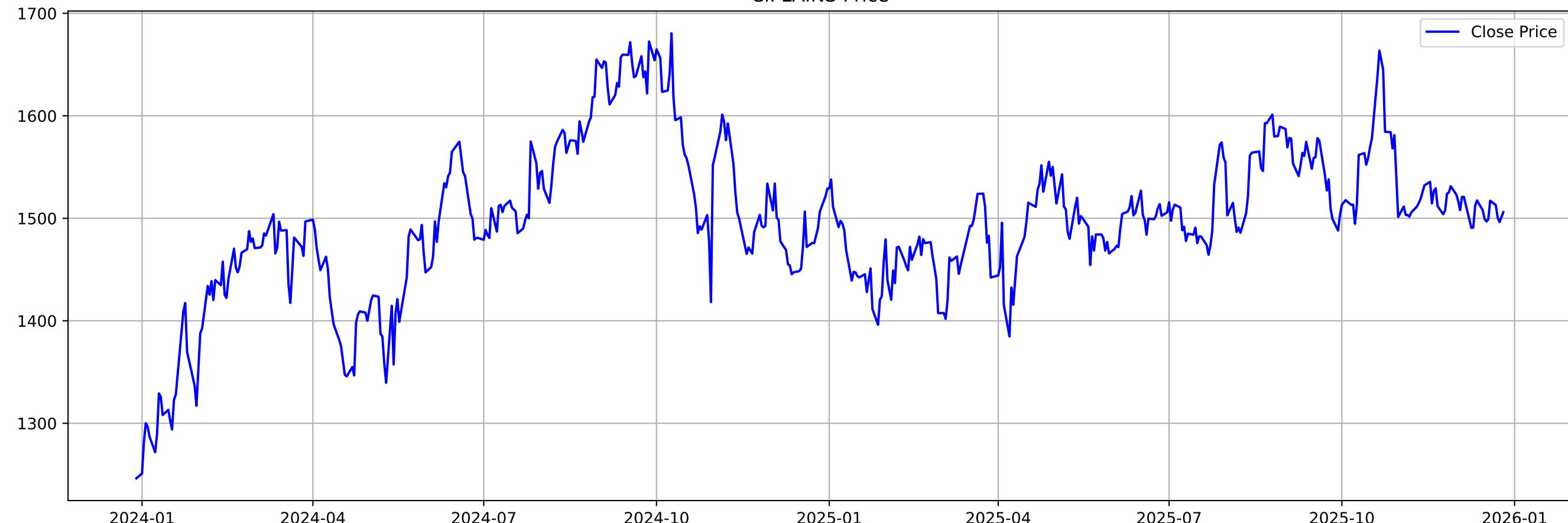
Supertrend Analysis for CIPLA.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



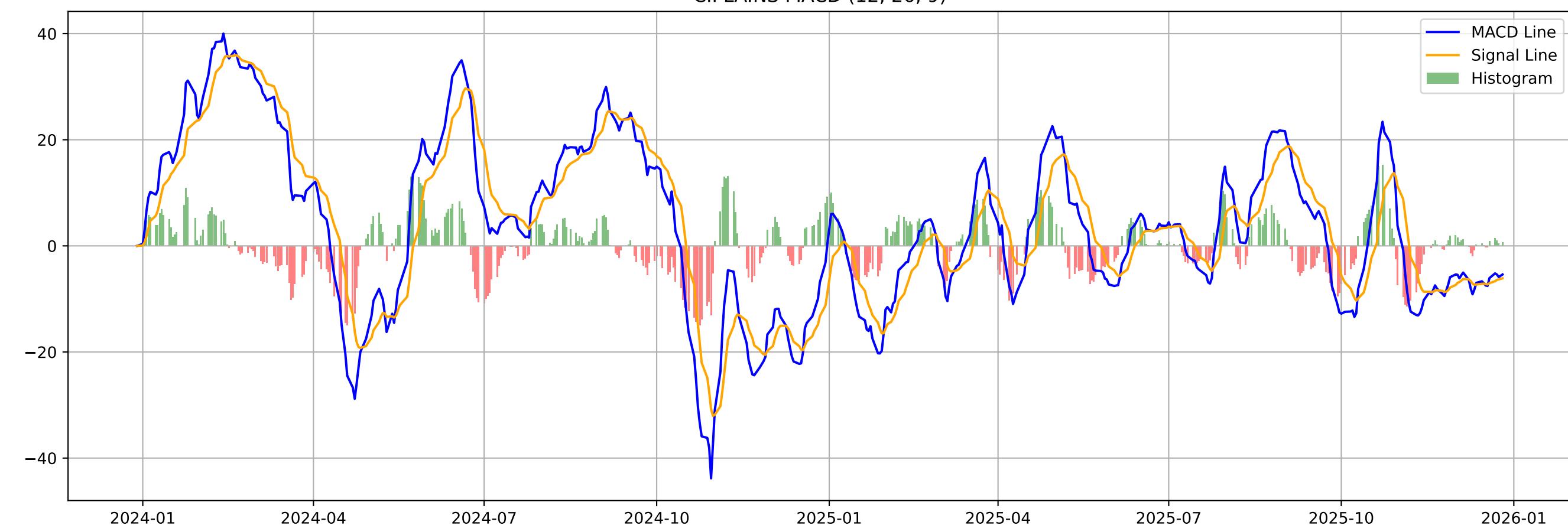
CIPLA.NS - MACD Summary

MACD Line:	-5.39
Signal Line:	-6.12
Histogram:	0.73
Trend:	Bullish
Momentum:	Strengthening
Signal:	None

CIPLA.NS Price



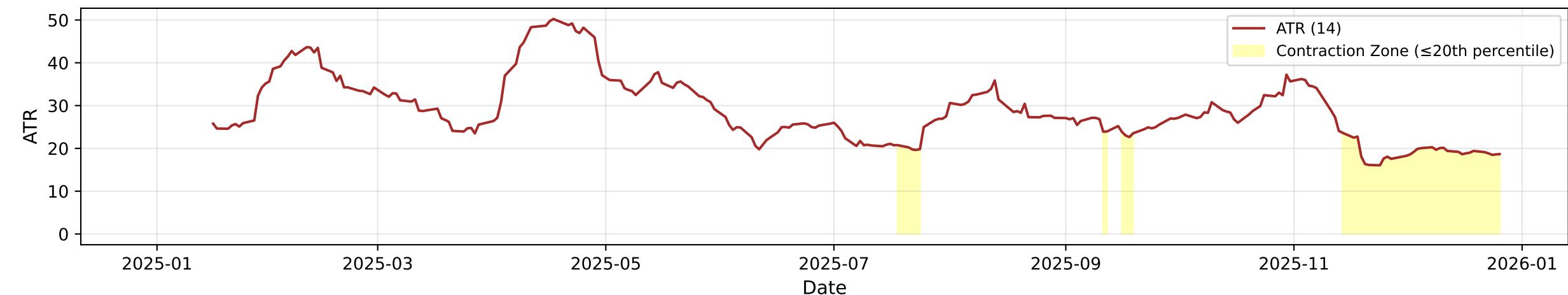
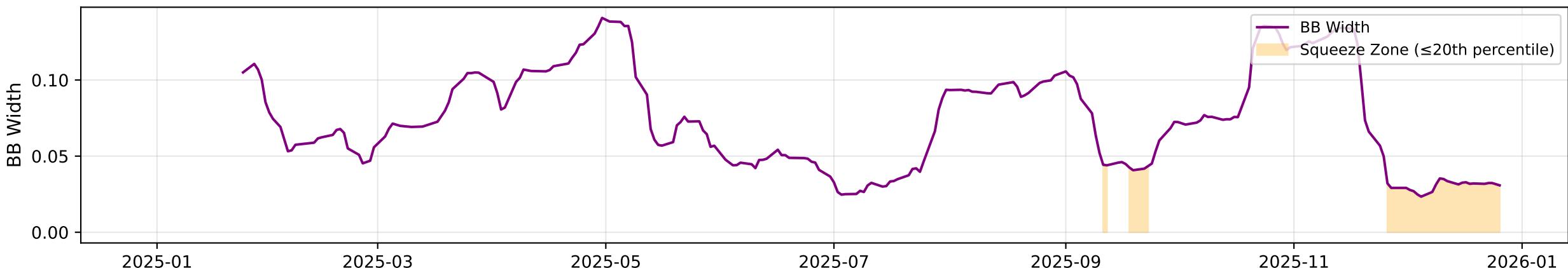
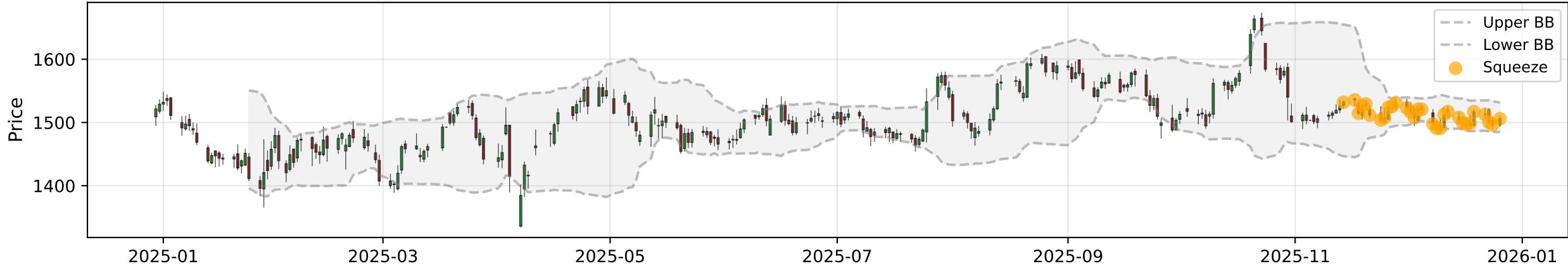
CIPLA.NS MACD (12, 26, 9)



CIPLA.NS - Volatility Squeeze Summary

BB Width:	0.0308
ATR:	18.6714
Total Signals:	30
Signal 1:	BB Squeeze + ATR Contraction at 2025-12-19 00:00:00 (Price: 15)
Signal 2:	BB Squeeze + ATR Contraction at 2025-12-22 00:00:00 (Price: 15)
Signal 3:	BB Squeeze + ATR Contraction at 2025-12-23 00:00:00 (Price: 15)
Signal 4:	BB Squeeze + ATR Contraction at 2025-12-24 00:00:00 (Price: 14)
Signal 5:	BB Squeeze + ATR Contraction at 2025-12-26 00:00:00 (Price: 15)

CIPLA.NS - Volatility Squeeze Analysis



CIPLA.NS - RSI-Volume Summary

Current RSI:	47.73
Current Volume:	951555
Volume MA 20:	1008521
Bullish Divergences:	0
Bearish Divergences:	5
Bearish Div 1:	Date: 2024-10-09 00:00:00, Price: 1680.50
Bearish Div 2:	Date: 2025-08-25 00:00:00, Price: 1601.20

CIPLA.NS RSI-Volume Divergence Analysis

