

Gemini Stock Analysis Report

Based on the detailed analysis of the **DIVISLAB.NS** report provided (generated with a future date of 2026-01-17, which I will treat as "Current" for this analysis), here is the assessment.

Step 1: Audit the Data

• Data Present:

- Daily & Weekly Price Charts with key EMAs (20, 50, 200).
- Fundamental Snapshots (Revenue, Net Income, ROE).
- Relative Strength (RS) analysis against the Pharma index.
- Momentum Indicators (MACD, RSI, Bollinger Bands).
- Trend Indicators (Supertrend, Moving Average crossovers).
- Volume Analysis (Distribution days, Accumulation signals).

• Data Missing:

- Detailed Fibonacci retracement levels (helpful for finding support in this correction).
- Derivatives Data (Open Interest analysis to gauge sentiment, though implied in "snapshots").

• **Confidence Level: High.** The technical data is comprehensive enough to make a sound positional decision.

Step 2: Analyze the Setup

Price Structure & Trend: * **Trend Breakdown:** The stock is in a confirmed daily downtrend. It has broken below the **EMA 20 (6442)**, **EMA 50 (6435)**, and most critically, has closed below the **EMA 200 (6248)** at the current price of **6236**. Trading below the 200-day EMA is a major red flag for intermediate-term bulls. *

Supertrend: The daily Supertrend is currently in a **SELL** signal (triggered at 6755), confirming bearish dominance.

Momentum & Volume: * **Negative Momentum:** MACD is bearish with the histogram expanding downward (-18.71). * **Divergence (The Silver Lining):** Both MACD and RSI show "**Bullish** Divergence" detected recently. RSI is at 37.43, approaching oversold territory but not extreme. This suggests the selling momentum might be exhausting, but price has not confirmed a reversal yet. * **Distribution:** The volume analysis (Page 18) flags recent "Distribution Days" in late December and mid-January. This indicates institutional offloading rather than accumulation. * **Fundamentals:** Short-term fundamentals are deteriorating (Revenue -5.49% QoQ, Net Income -17.67% QoQ), which aligns with the recent price drop.

Confluence: * There is currently **negative confluence**. Price is below key averages, short-term fundamentals are weak, and relative strength (RS Score 49) shows it is lagging the sector. The only bullish factor is the divergence, which is a counter-trend signal, not a trend-following one.

Step 3: Formulate the Recommendation

Decision: NO Do not enter this stock at the current price of INR 6,236. The stock has just lost the support of its 200-day moving average. Entering now is trying to catch a falling knife in the face of institutional distribution.

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However, because of the detected **Bullish** Divergence and the proximity to the EMA 200 (which often acts as a pivot zone), this is a high-watch setup. We need the price to prove the breakdown was a "bear trap" before committing capital.

Conditional Plan (Wait for Reclaim):

- **Condition to Buy:** The stock must neutralize the immediate downtrend. Wait for a **Daily Close above the EMA 20 (approx. INR 6,442)**. This would simultaneously reclaim the EMA 200 and the EMA 50, putting the price back into a healthy zone.
- **Entry Price:** **INR 6,460** (Buying strength *after* the moving average cluster is reclaimed).
- **Stop Loss:** **INR 6,180** (Risk approx. 4.3%. Placed below the recent swing low and the lower Bollinger Band).
- **Take Profit:** **INR 7,000** (Target approx. 8.3%. Previous high and psychological resistance).

Note: If the price continues to drop and closes below INR 6,150, invalidate this setup entirely as it indicates a transition to a long-term bear market.

News & Analyst Targets

Based on the latest market data and news available for the week ending **January 17, 2026**, here is the research update on Divi's Laboratories (DIVISLAB).

1) Latest News for DIVISLAB (Week of Jan 12 - Jan 17, 2026)

- **Citi's "Turning Point" Report:** On **January 15, 2026**, global brokerage Citi released a major report terming 2026 as a "turning point" for Divi's Laboratories. They highlighted the company's entry into the GLP-1 (weight loss/diabetes) drug market as a massive revenue catalyst starting this year.
- **Stock Price Volatility:** The stock experienced significant volatility this week. On **January 12, 2026**, DIVISLAB shares hit an intraday low, dropping over 3% amid broader market weakness and profit booking. However, the stock saw recovery later in the week following the bullish Citi report.
- **Technical "Sell" Signal:** Technical analysis for the week ending **January 16, 2026**, indicated a stochastic crossover, which some analysts interpreted as a short-term "sell" or profit-booking signal following recent rallies.
- **Trading Window Closure:** The company is currently in its "silent period." The trading window for designated persons has been closed since **January 1, 2026**, and will remain closed until 48 hours after the declaration of the **Q3 FY26** financial results.

2) Brokerage Upgrades & Downgrades

- **Citi (Upgrade/Reiterate Buy):** Citi has maintained a strong **Buy** rating and issued a new high target price, citing the commercialization of custom synthesis projects and the normalization of the generic API business.
- **Sharekhan (Recent Upgrade):** Recently upgraded the stock to **Buy**, citing strong visibility for growth in FY26-28 driven by the custom synthesis (CS) pipeline and capacity expansion.
- **MarketsMojo (Downgrade):** In contrast to the major brokerages, the algo-based research firm MarketsMojo downgraded the stock to **Hold** earlier in the month, citing valuation concerns after the recent price run-up.

3) Other Impacting News

- **GLP-1 Drug Opportunity:** The most critical indirect news impacting DIVISLAB is the accelerated rollout of

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GLP-1 agonists (like Tirzepatide and Orforglipron). Analysts expect Divi's to be a key beneficiary as a contract manufacturer (CDMO) for the peptide building blocks required for these drugs, with revenue contribution expected to ramp up significantly in H1 2026.

- **Kakinada Unit-III Operations:** The market is closely watching the ramp-up of the Kakinada Unit-III facility. Following its partial commercialization earlier, full operational efficiency is expected this year, which will alleviate capacity constraints and support the new custom synthesis orders.
- **Sector Trends:** While the US generics market continues to face pricing pressure, the **CDMO (Contract Development and Manufacturing Organization)** segment is showing resilience. Divi's shift in mix towards CDMO (now >50% of revenue) is shielding it from the worst of the generic API erosion.

4) Latest Analyst Price Targets

Below is the summary of the latest targets from major brokerages. Note that Citi has set a new "Street High" target this week.

Brokerage / Analyst	Rating	Target Price (INR)	Date / Status
Citi	Buy	9,140	Jan 15, 2026
Jefferies	Buy	8,000	Jan 08, 2026
Sharekhan	Buy	7,375	Dec 2025 (Active)
Morgan Stanley	Overweight	7,541	Dec 2025 (Active)
Consensus Average	Hold/Buy	~6,823	Jan 17, 2026
Kotak Inst. Equities	Sell	6,000	Nov 2025 (Active)

Analyst View: The consensus view has shifted to a more bullish stance in January 2026, largely driven by the "GLP-1 tailwind" narrative. While technical indicators suggest some short-term profit booking might occur, the fundamental long-term story remains anchored on the Custom Synthesis business scaling up this year.

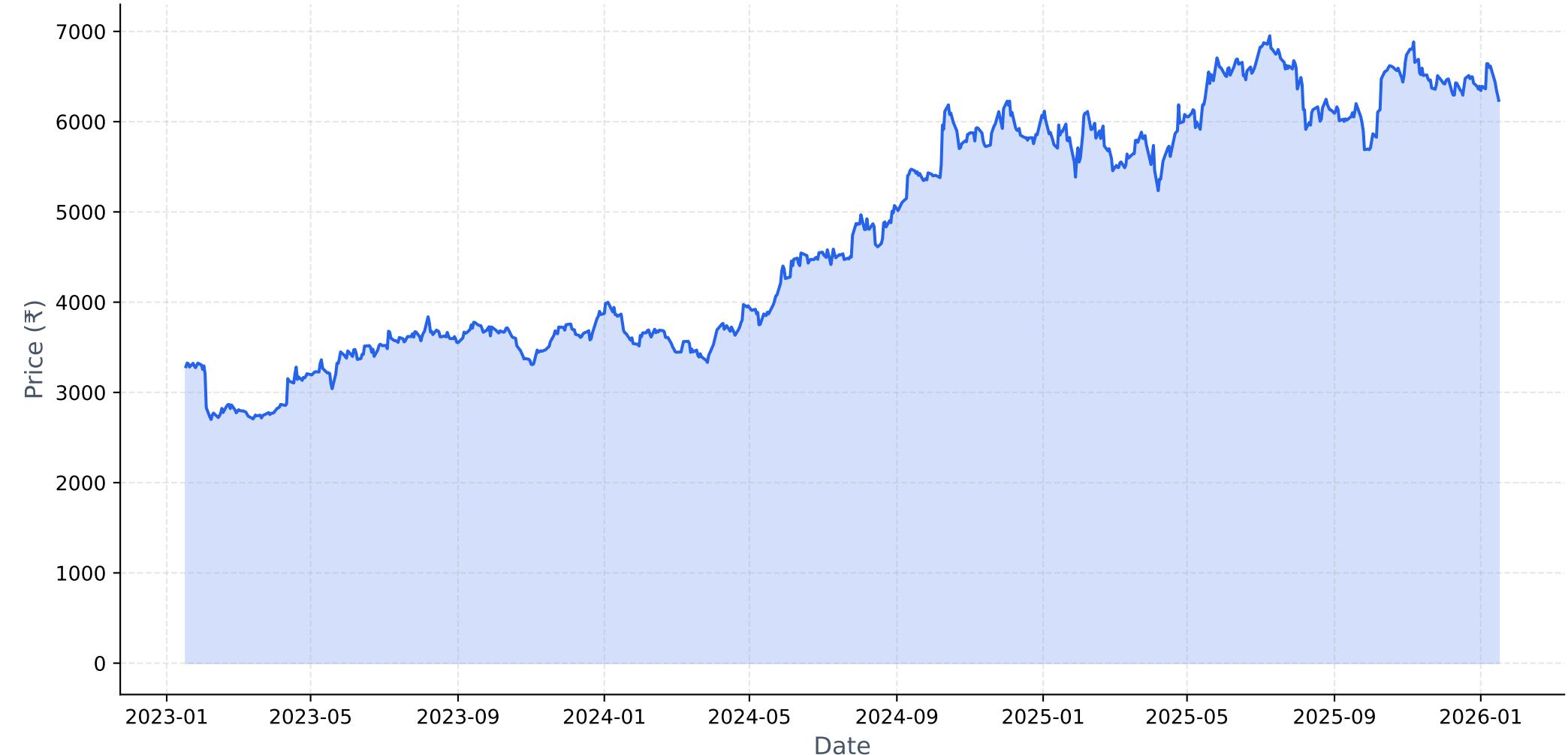
Stock Detailed Analysis Report

DIVISLAB.NS

Current Price: ₹6236.00

Generated: 2026-01-17 18:00

DIVISLAB.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	19.61%	1.95%
Net Income	No	Yes	36.94%	-9.55%
ROE	No	Yes	24.15%	-16.61%
EPS	No	Yes	36.93%	-9.55%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	-5.49%	3.51%
Net Income	Yes	-17.67%	7.20%
ROE	Yes	18.95%	18.95%
EPS	Yes	15.62%	17.07%

DIVISLAB.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXPHARMA
Sector:	Pharma
Classification:	Emerging Leader
RS Score:	49.0/100
:	

== RS RATIOS ==:

1M RS:	1.013 [Leader]
3M RS:	0.934 [Neutral]
6M RS:	0.931 [Neutral]
1Y RS:	1.083 [Leader]
:	

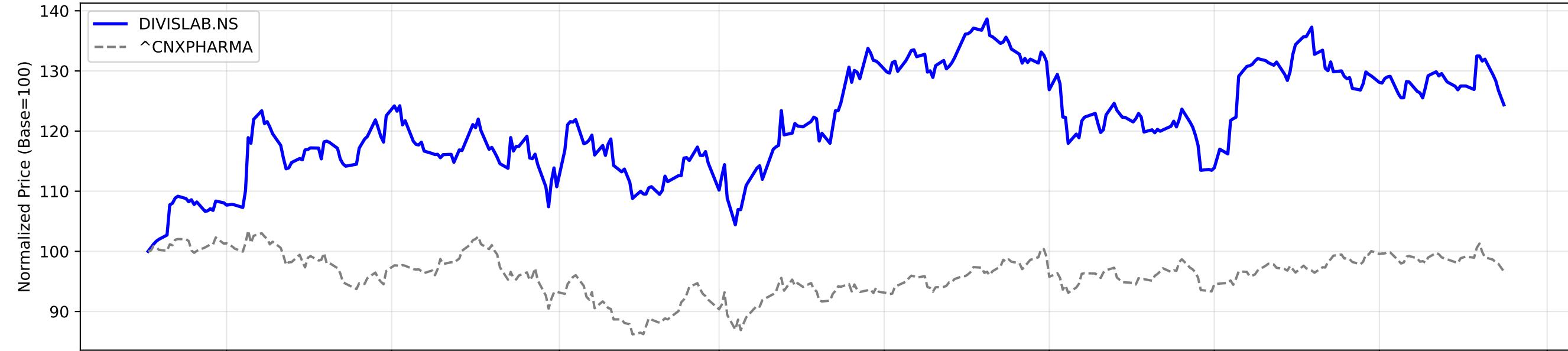
== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
:	

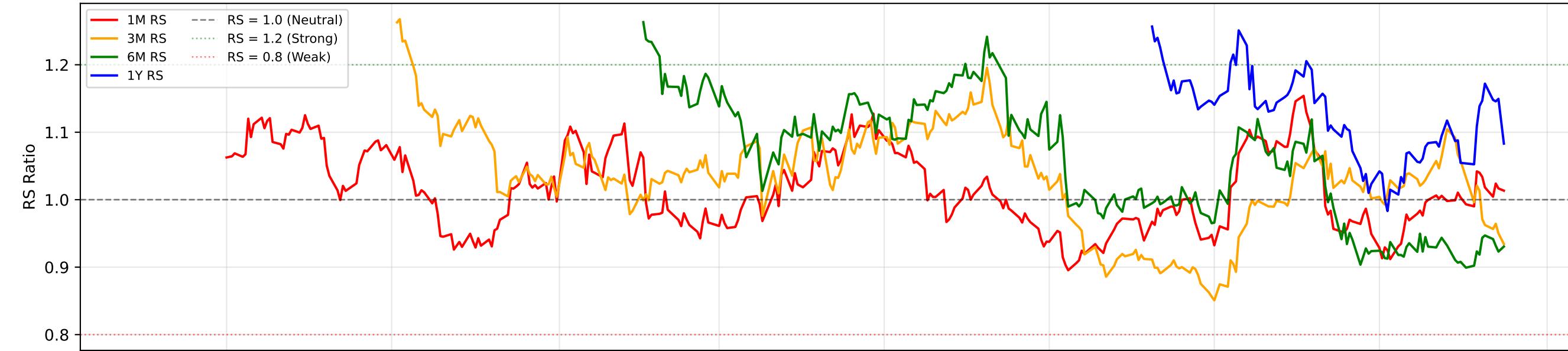
SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.013) > 3M (0.934)
✓ Medium-term Lagging:	6M=0.931 (≤ 1.0)
✓ Performance Improving:	3M (-5.1%) > 6M (-7.7%)

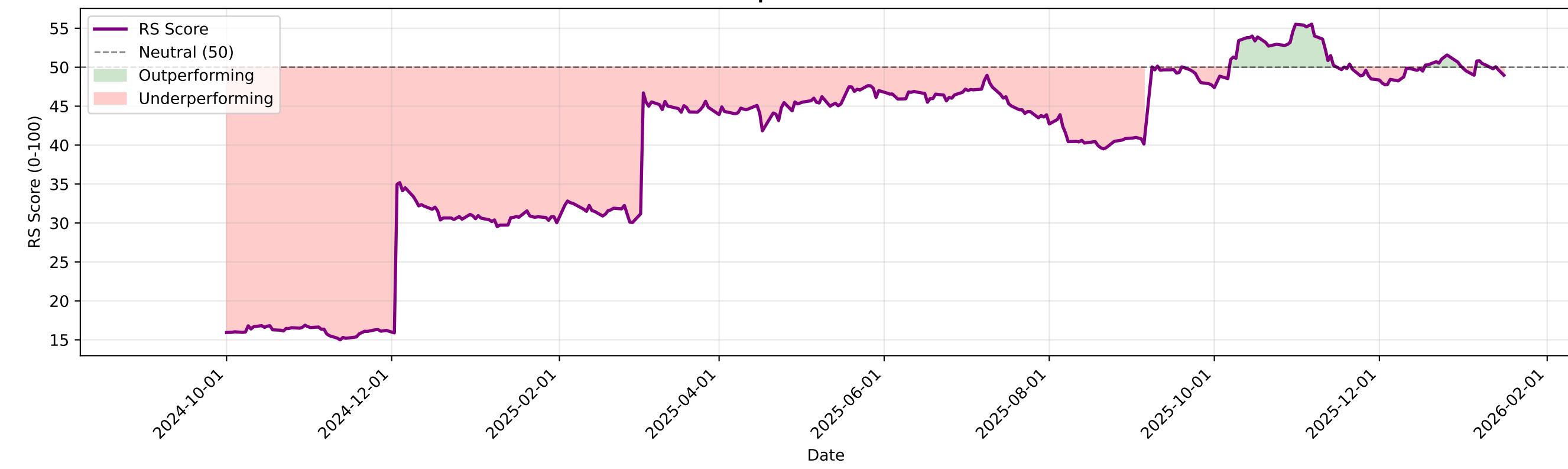
Relative Strength Analysis: DIVISLAB.NS vs ^CNXPHARMA
Classification: Emerging Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



RS Composite Score Timeline



DIVISLAB.NS - EMA Crossover Summary

EMA 20:	6442.56
EMA 50:	6435.77
EMA 200:	6248.76
Trend Status:	Strong Uptrend
Golden Cross Date:	2024-04-09 00:00:00+05:30
Golden Cross Price:	3764.60

DIVISLAB.NS EMA Crossover Analysis



DIVISLAB.NS - Bollinger Bands Summary

Current Price:	6236.00
Upper Band:	6675.71
Middle Band (SMA 20):	6457.30
Lower Band:	6238.89
%B:	-0.0066
Band Width:	0.0676
Status:	Below Lower Band
Signal:	None

DIVISLAB.NS Bollinger Bands (20, 2) Analysis



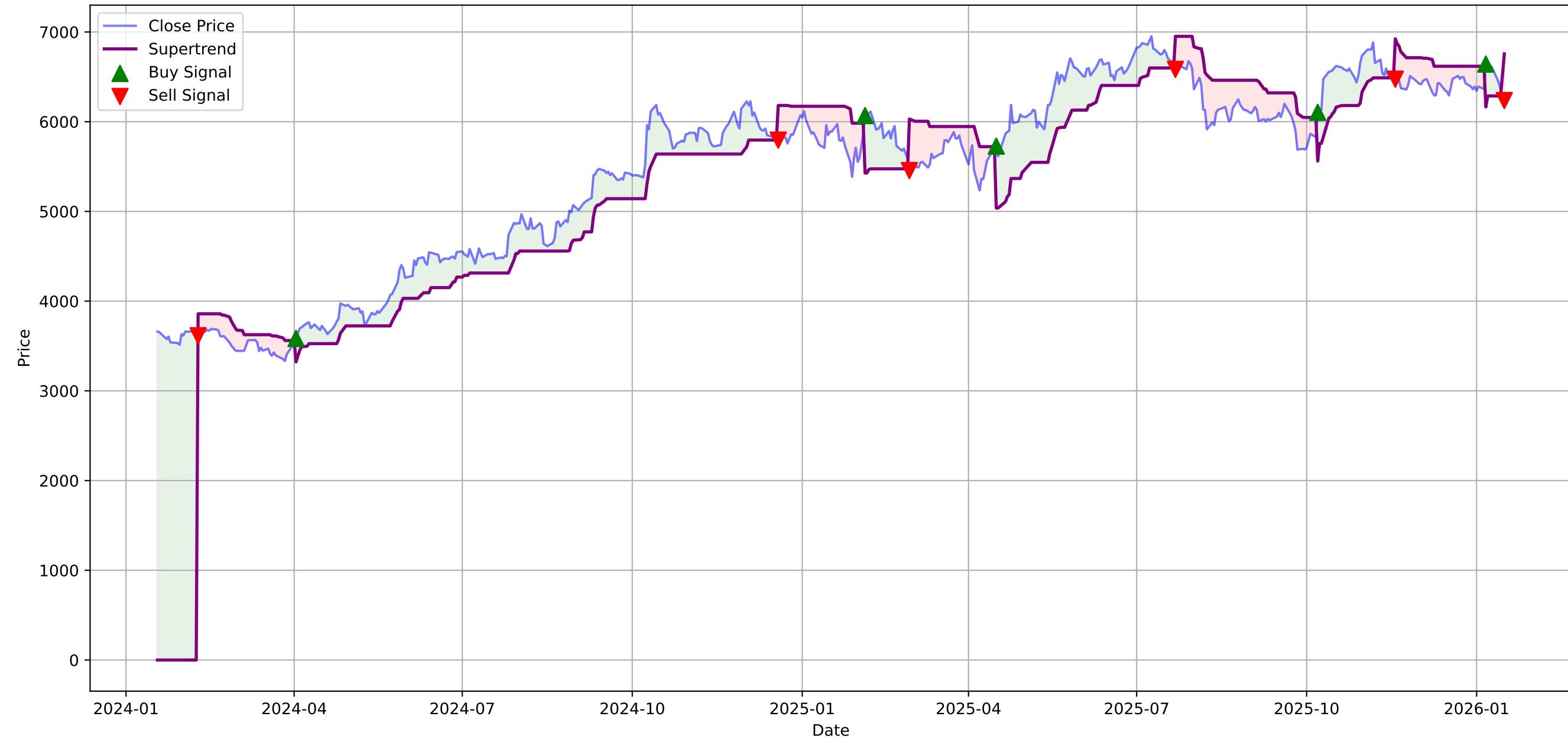
DIVISLAB.NS - Supertrend Summary

Status: DOWNTREND (Sell)

Supertrend Value: 6755.96

Signal Identified On: 2026-01-16

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



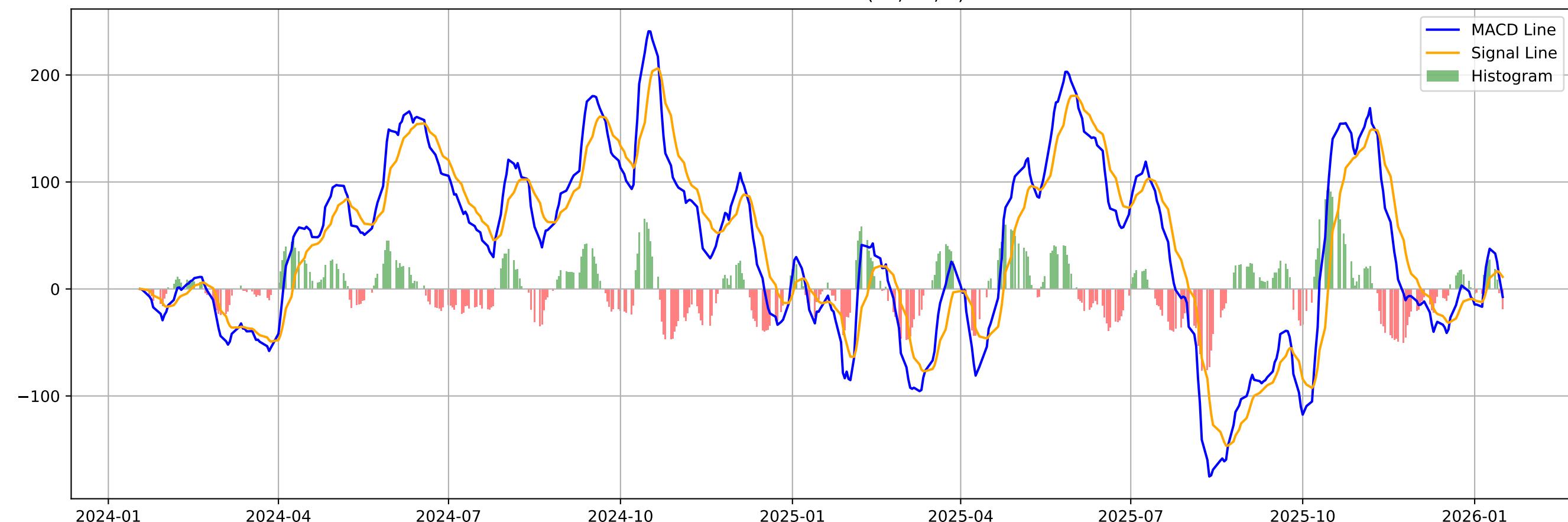
DIVISLAB.NS - MACD Summary

MACD Line:	-7.43
Signal Line:	11.29
Histogram:	-18.71
Trend:	Bearish
Momentum:	Strengthening
Signal:	None
Divergences Detected:	1
└ Bullish Divergence:	Date: 2026-01-16 00:00:00+05:30, Price: 6236.00

DIVISLAB.NS Price



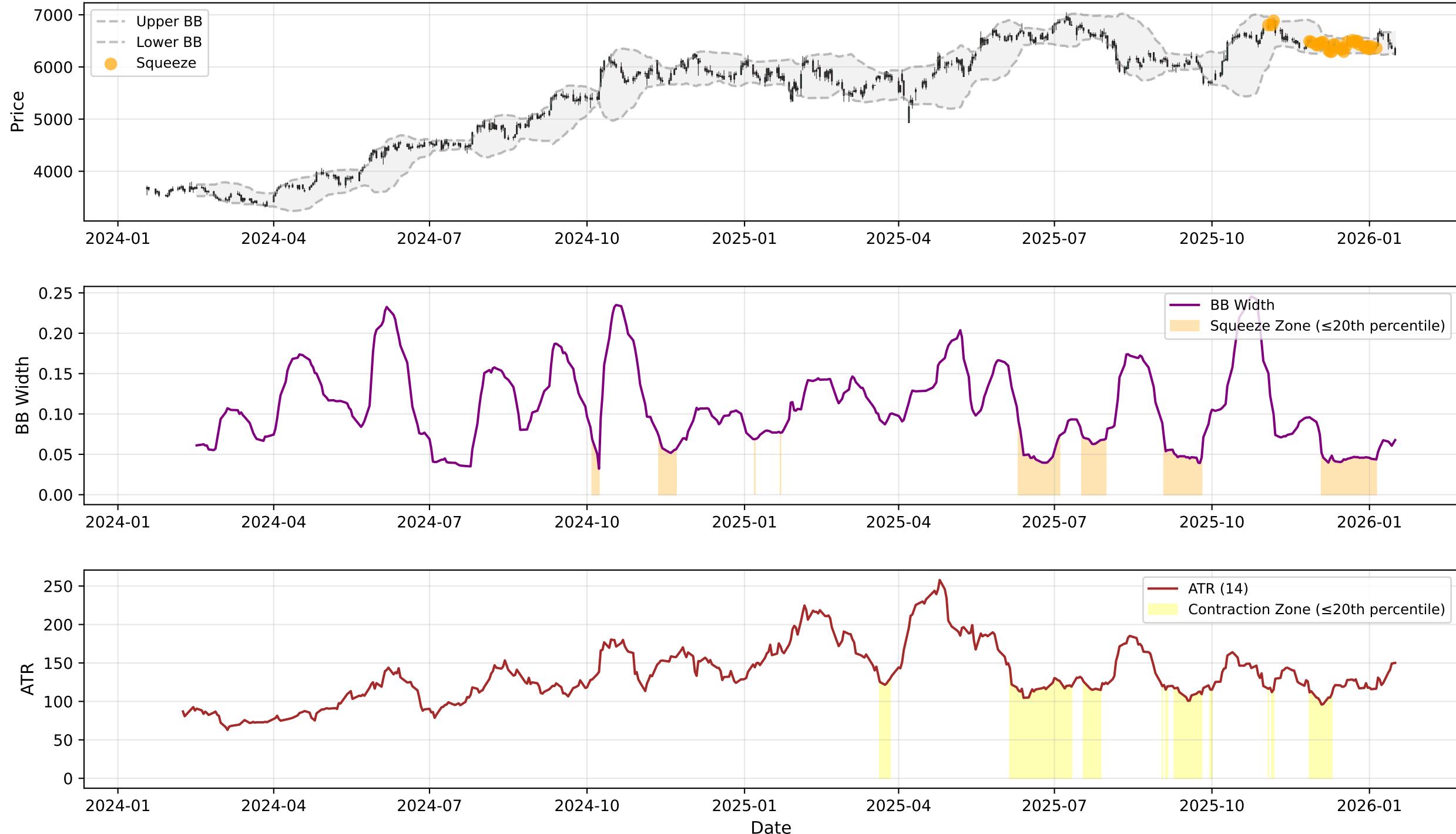
DIVISLAB.NS MACD (12, 26, 9)



DIVISLAB.NS - Volatility Squeeze Summary

BB Width:	0.0676
ATR:	150.0714
Total Signals:	31
Signal 1:	BB Squeeze at 2025-12-30 00:00:00+05:30 (Price: 6360.50)
Signal 2:	BB Squeeze at 2025-12-31 00:00:00+05:30 (Price: 6392.50)
Signal 3:	BB Squeeze at 2026-01-01 00:00:00+05:30 (Price: 6344.00)
Signal 4:	BB Squeeze at 2026-01-02 00:00:00+05:30 (Price: 6392.50)
Signal 5:	BB Squeeze at 2026-01-05 00:00:00+05:30 (Price: 6363.50)

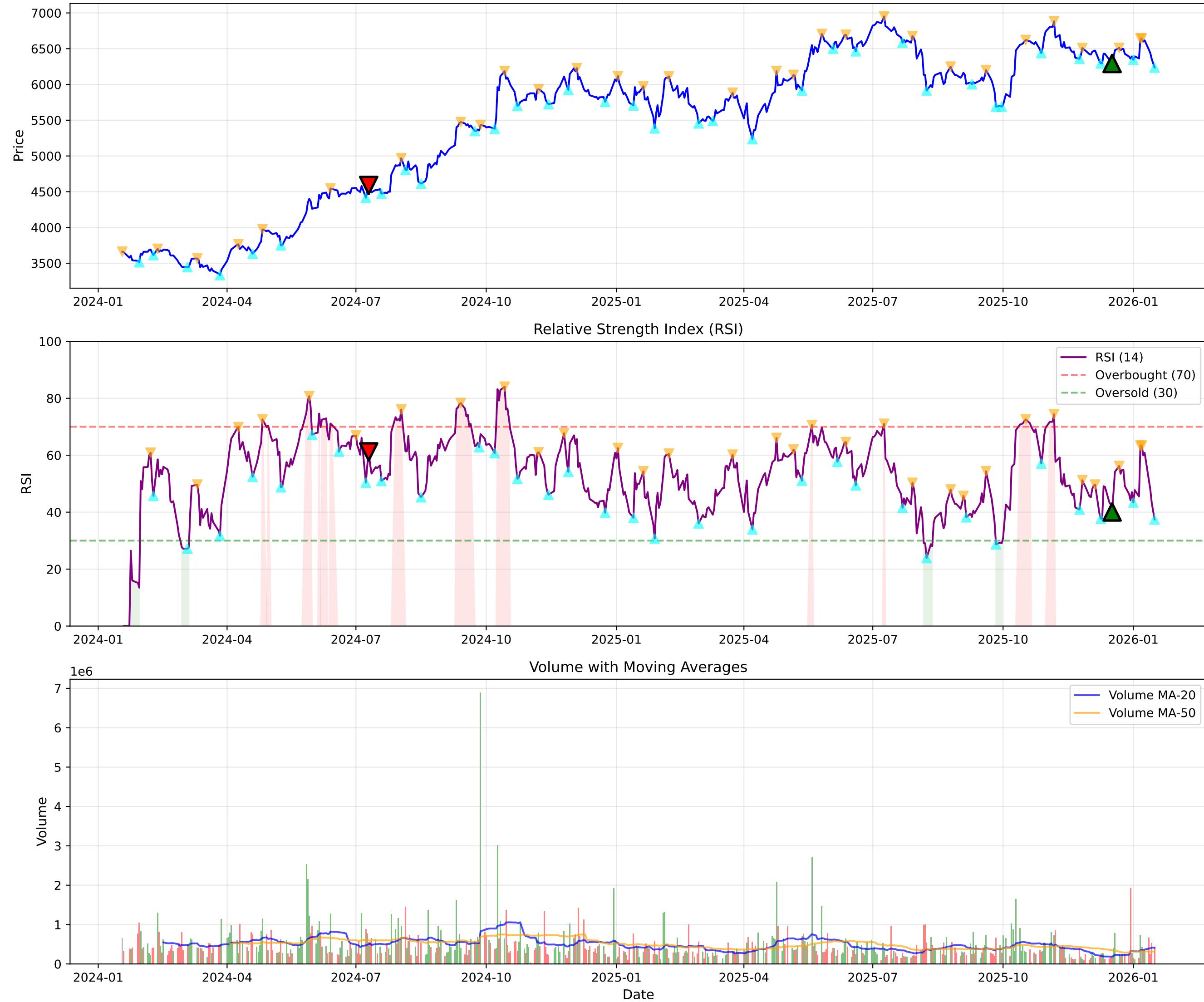
DIVISLAB.NS - Volatility Squeeze Analysis



DIVISLAB.NS - RSI-Volume Summary

Current RSI:	37.43
Current Volume:	409423
Volume MA 20:	413871
Bullish Divergences:	1
Bearish Divergences:	1
Bullish Div 1:	Date: 2025-12-17 00:00:00+05:30, Price: 6293.00
Bearish Div 1:	Date: 2024-07-10 00:00:00+05:30, Price: 4587.77

DIVISLAB.NS RSI-Volume Divergence Analysis



DIVISLAB.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status: 121 Signals Detected

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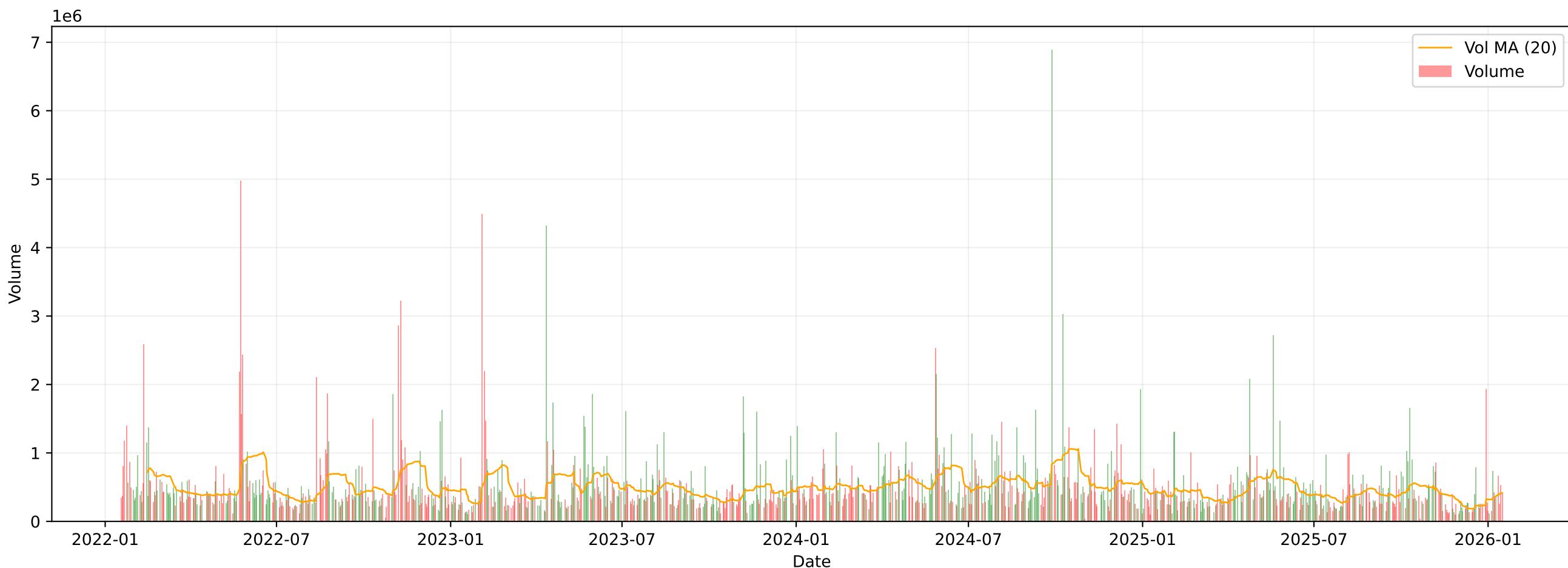
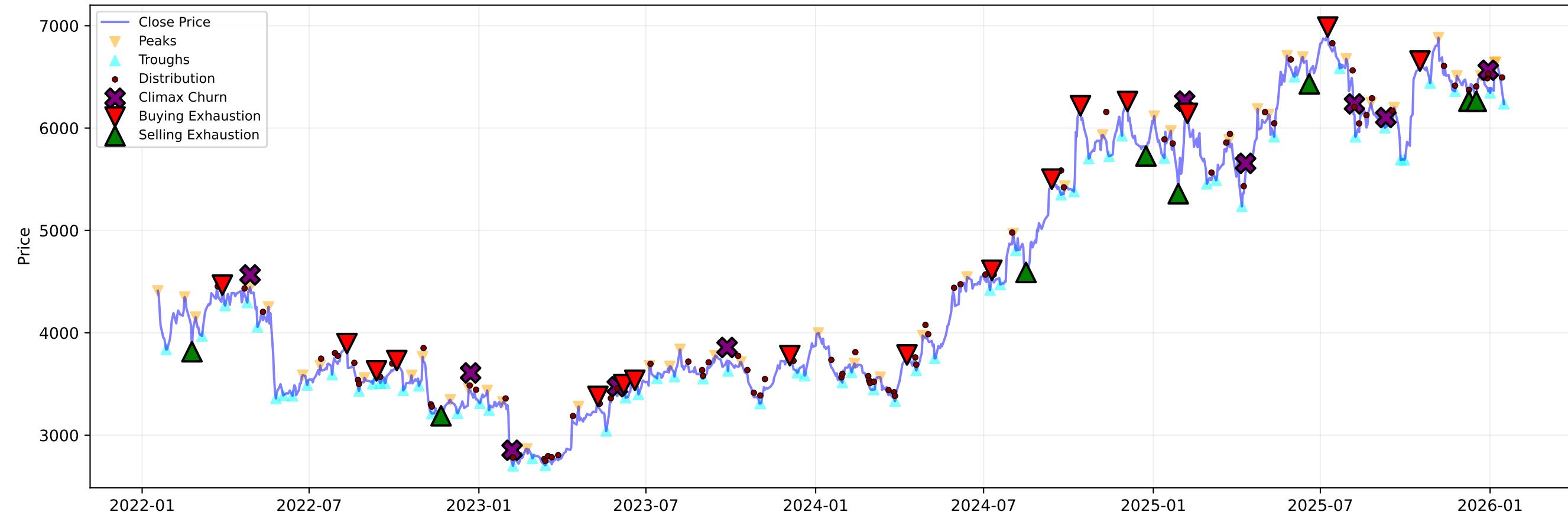
2025-12-26 [-]: Distribution Day

2025-12-29 [-]: Distribution Day

2025-12-30 [-]: Distribution Day

2026-01-14 [-]: Distribution Day

DIVISLAB.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	6029.96	6236.0	2025-10-06
1 Day	DOWNTREND (Sell)	6755.96	6236.0	2026-01-16
15 Min	DOWNTREND (Sell)	6288.43	6237.0	2026-01-08

Multi-Timeframe MACD Analysis

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

DIVISLAB.NS - 1 Week (Candlestick + EMAs)



DIVISLAB.NS - 1 Day (Candlestick + EMAs)



DIVISLAB.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - DIVISLAB_main

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Divi's Laboratories Ltd. [ⓘ](#)

NSE: DIVISLAB | BSE: 532488
Divi's Laboratories Live Share Price Today, Share Analysis and Chart

■ ■ ■ Expensive Performer [ⓘ](#) ○ In 1 Starfolio Basket

6236.00 -119.50 (-1.88%)
↑ 25.85% Gain from 52W Low

417.1K NSE+BSE Volume
NSE 16 Jan, 2026 3:31 PM (IST)

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Durability score ⓘ 70.0 /100 High Financial Strength	Valuation Score ⓘ 26.2 /100 Expensive Valuation	Momentum Score ⓘ 44.6 /100 Technically Neutral	Analyst Price Target ⓘ 6,823 1Yr Price target upside is 9%
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Expensive Performer These stocks are strong in quality but with mid-range technicals. Their valuations are expensive

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High rank 15 Positive * 8 Negative 65.2% Pass in checklist

PE Valuation Check
Right Now [ⓘ](#) 1 Year Forward [ⓘ](#)
Overvalued -8.6% Fairly Valued -5%

IN INSIGHT Divi's Laboratories is overvalued at current PE, but fairly valued on future earnings

Divi's Laboratories Key Metrics

ROE Ann.% ⓘ Above industry Median	Broker Average Target ⓘ 0.55% upside	Market Capitalization ⓘ Market Runner Up	Price to Book ⓘ High in industry
14.6	6,270	165,546.2	

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Divi's Laboratories Ltd. [ⓘ](#)

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Expensive Performer [ⓘ](#) In 1 Starfolio Basket

6236.00 **-119.50 (-1.88%)**
↑ 25.85% Gain from 52W Low

417.1K NSE+BSE Volume
NSE 16 Jan, 2026 3:31 PM (IST)

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Divi's Laboratories - DIVISLAB - stock price prediction, stock forecast, target price, analyst ratings from 31 analysts

Divi's Laboratories has a share price target of Rs 6823, revenue growth forecast of 14.5%, and profit growth estimate of 18.2% for FY26, based on top 31 analyst calls.

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