

Gemini Stock Analysis Report

Based on the detailed analysis report for **DIVISLAB.NS** (generated date: 2026-01-24), here is the assessment from the perspective of a risk-averse positional trader.

Step 1: Audit the Data

- **Data Present:**
 - **Price Action:** High-quality Daily, Weekly, and 15-min charts (Candlestick & Line).
 - **Trend Indicators:** Moving Averages (EMA 20, 50, 200), Supertrend, MACD.
 - **Oscillators:** RSI (Relative Strength Index), Bollinger Bands.
 - **Fundamentals:** 4-year long-term view and 6-quarter short-term view.
 - **Volume:** Volume bars with moving averages and distribution day analysis.
 - **Relative Strength:** RS Score and comparison vs. Benchmark (^CNXPHARMA).
 - **Data Missing:**
 - **Specific News Context:** While price action reflects sentiment, the report does not specify the fundamental catalyst for the recent sharp drop (e.g., FDA observation, earnings miss).
 - **Sector Breadth:** Broader Pharma sector health is implied but not explicitly detailed beyond the RS comparison.
 - **Confidence Level: High.** The technical data is comprehensive enough to make a sound decision based on price structure and trend.
-

Step 2: Analyze the Setup

- **Price Structure (Bearish):** The stock has suffered a significant breakdown. As seen on **Page 7**, the price (6011) is trading below the **EMA 200 (6239)**, **EMA 50 (6362)**, and **EMA 20 (6280)**.
- **Trend Direction (Negative):**
 - **Moving Averages:** A "Death Cross" scenario is unfolding where short-term averages (20/50) are crossing below the long-term average (200).
 - **Supertrend:** Page 10 confirms a **DOWNTREND (Sell)** signal active since 2026-01-16 with trailing resistance at 6454.
 - **Multi-Timeframe:** Page 20 confirms the stock is in a downtrend on Weekly, Daily, and 15-min timeframes.
- **Momentum (Weak):**
 - **RSI:** At **31.12** (Page 16), the stock is oversold. While this often invites a bounce, in a strong downtrend, "oversold" can persist for extended periods.
 - **MACD:** The MACD is bearish, below the signal line, and momentum is weakening.
- **Fundamentals (Deteriorating):** Page 3 indicates recent Quarter-over-Quarter weakness, with Revenue down -5.49% and Net Income down -17.67%. This fundamental weakness aligns with the technical breakdown.

Confluence Check: There is currently **zero confluence** for a long position. The trend, momentum, relative strength (RS Score 48.8), and fundamentals are all aligned to the downside.

Step 3: Formulate the Recommendation

Recommendation: NO / AVOID

Reasoning: Entering a long position now would be "catching a falling knife." The stock is in a **Stage 4** decline (markdown phase). It is trading below the 200-day moving average, has heavy institutional distribution

Gemini Stock Analysis Report

(selling), and has broken key support levels. The probability of a sustainable 5-15% upside move is low until the structural damage is repaired.

Conditional Plan (Watchlist for Reversal)

We require the stock to stop making lower lows and reclaim key institutional levels before considering an entry.

- **Condition to Buy:** The stock must close significantly above the **Supertrend Resistance** and the **EMA 50** to prove the downtrend is broken.
- **Entry Price: INR 6,460** (Daily Close basis).
 - *Logic:* This level clears the current Supertrend sell signal (6454) and the EMA 50 (6362), putting the price back above the crucial EMA 200 zone.
- **Stop Loss: INR 6,150** (Hard Stop).
 - *Logic:* If it breaks back below the EMA 200/EMA 20 zone after breakout, the setup has failed.
- **Take Profit: INR 6,950 - INR 7,000.**
 - *Logic:* This targets the previous swing highs and liquidity zone established in late 2025.

Current Action: Remove from active trade list. Set an alert at **INR 6,250** to begin monitoring for a potential bottoming formation.

News & Analyst Targets

As a stock research analyst, I have compiled the latest news, brokerage views, and market intelligence for **Divi's Laboratories (DIVISLAB)** for the week ending **January 25, 2026**.

1) Latest News for DIVISLAB (Week of Jan 19-25, 2026)

- **Significant Surge in Open Interest:** On **January 22, 2026**, the stock witnessed a sharp **12.5% increase in Open Interest (OI)** in the derivatives segment. This huge spike, accompanied by high volumes, indicates that large positions are being built ahead of the upcoming earnings, signaling potential volatility.
- **Price Under Pressure:** The stock has been technically weak this week, trading below key moving averages (20, 50, and 200-day). It closed the week on a negative note, down approximately **3.6%**, reflecting caution among traders.
- **Earnings Date & Trading Window:** The company has confirmed that the **trading window remains closed** effective January 1, 2026. The Q3 FY26 earnings results are tentatively expected to be announced around **February 4, 2026**.
- **Technical Downgrade:** On **January 16, 2026**, research firm **MarketsMojo** downgraded the stock from "Hold" to "**Sell**", citing deteriorating technical indicators and valuation concerns.

2) Brokerage Upgrades & Downgrades

The analyst community is currently divided, with foreign brokerages generally more bullish on the long-term "China Plus One" story, while some domestic firms remain cautious due to valuation.

- **Citi (Bullish):** In a note dated **January 6, 2026**, Citi maintained a "**Buy**" rating with a street-high target of **INR 9,140**. They remain positive on Divi's strong custom synthesis pipeline and potential gains from GLP-1 (weight loss drug) intermediates.
- **Jefferies (Bullish):** Continues to hold a "**Buy**" rating (reiterated late 2025) with a target of **INR 7,850**, driven by the recovery in the custom synthesis segment and new project commercialization.
- **ICICI Securities (Bearish):** Maintains a "**Sell**" rating with a significantly lower target of **INR 4,500**, citing

Gemini Stock Analysis Report

rich valuations that may already price in near-term growth recovery.

- **MarketsMojo (Bearish):** Downgraded to "**Sell**" this week due to negative technical momentum.

3) Other News Impacting DIVISLAB (Indirect & Sectoral)

- **US Biosecure Act (Positive Structural Tailwind):** The US Senate's recent moves to advance the **Biosecure Act** (aimed at restricting US federal contracts with certain Chinese biotech firms) is a major positive. As a leading CDMO (Contract Development and Manufacturing Organization), Divi's Lab is a primary beneficiary as global pharma giants look to diversify supply chains away from China.
- **Regulatory Environment (Neutral/Caution):** The US FDA remains active in India. This week, competitor **Zydus Lifesciences** completed an inspection with 3 observations, while **Cipla** faced supply issues due to FDA observations at a partner's site. This highlights the continued need for strict compliance, though Divi's has historically had a clean track record.
- **GLP-1 "Weight Loss" Drug Boom:** Competitors like **Sun Pharma** and **Dr. Reddy's** made headlines this week for advancing their generic Semaglutide (weight loss drug) plans. This is relevant for Divi's because it is a key supplier of **peptide building blocks** used in these drugs. The aggressive expansion of this market is a direct revenue driver for Divi's custom synthesis business.

4) Analyst Price Targets (January 2026)

Below is a summary of the latest available targets from major brokerage houses and consensus data.

Brokerage / Firm	Rating	Target Price (INR)	Upside/Downside*	View / Rationale
Citi	Buy	9,140	+52%	Top pick for CDMO recovery & GLP-1 opportunities.
Jefferies	Buy	7,850	+30%	Strong custom synthesis growth & margin expansion.
Sharekhan	Buy	7,100	+18%	Long-term export growth visibility.
Trendlyne Consensus	Hold	6,823	+13%	Average of all active analyst coverage.
Motilal Oswal	Neutral	6,320	+5%	Valuation is fair; waiting for consistent earnings beat.
ICICI Securities	Sell	4,500	-25%	Valuations are expensive; risk-reward is unfavorable.

*Upside/Downside calculated based on the approximate closing price of INR 6,011 as of Jan 23, 2026.

Analyst Summary: The stock is currently trading in a "tug-of-war" zone. While the **long-term structural story** (China Plus One, GLP-1 opportunity) keeps foreign analysts highly bullish (targets >INR 7,500), **short-term technicals and valuation concerns** have led to caution from some domestic desks. The upcoming Q3 earnings in early February will likely be the decisive trigger for the next major move.

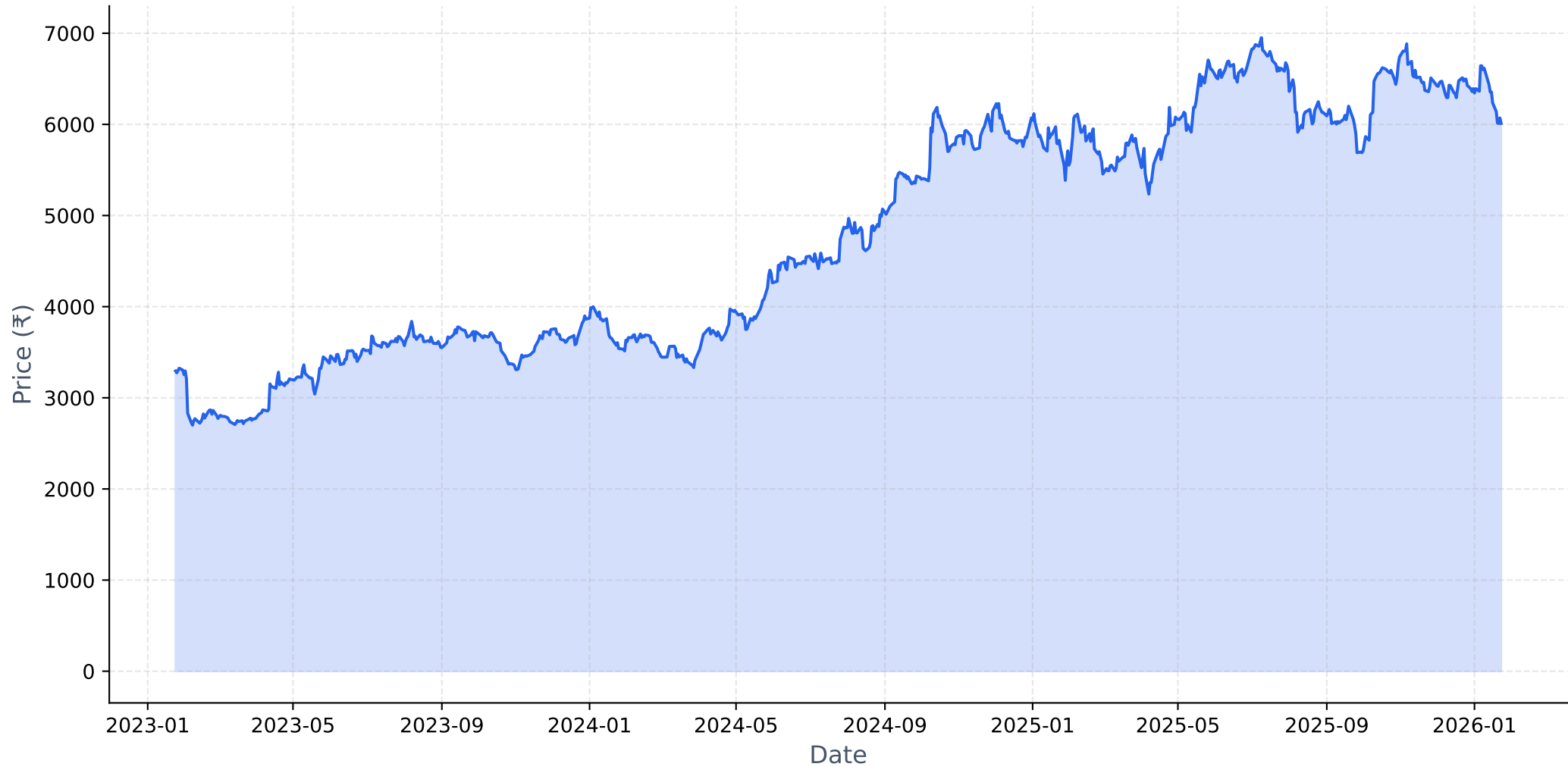
Stock Detailed Analysis Report

DIVISLAB.NS

Current Price: ₹6011.50

Generated: 2026-01-24 18:27

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:	Neutral
RS Score:	48.8/100

:

== RS RATIOS ==:

1M RS:	0.977 [Neutral]
3M RS:	0.968 [Neutral]
6M RS:	0.942 [Neutral]
1Y RS:	1.051 [Leader]

:

== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
--------------------	-----------------------

:

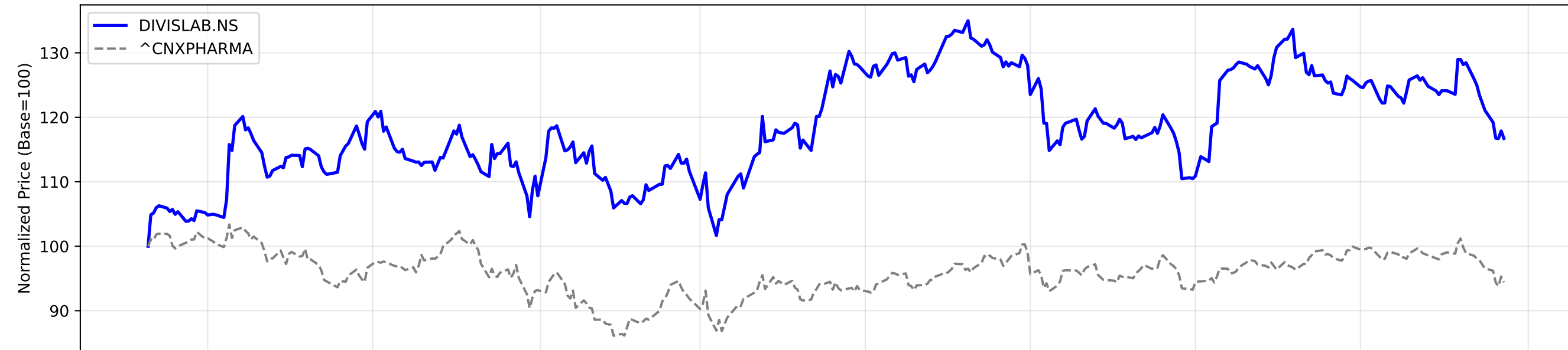
SIGNAL CRITERIA::

✓ Emerging RS:	1M (0.977) > 3M (0.968)
✓ Medium-term Lagging:	6M=0.942 (≤ 1.0)
✓ Performance Improving:	3M (-8.4%) > 6M (-8.7%)

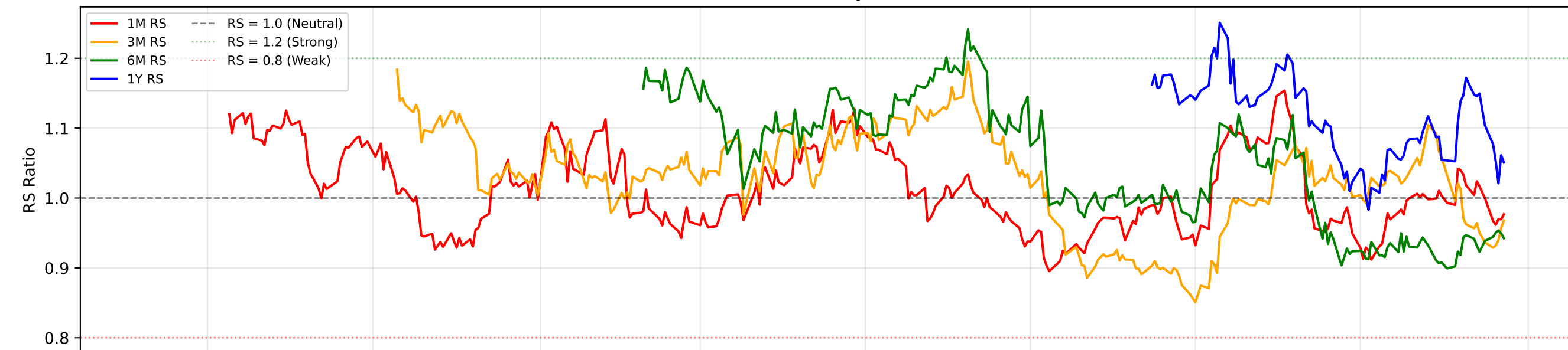
Relative Strength Analysis: DIVISLAB.NS vs ^CNXPHARMA

Classification: Neutral

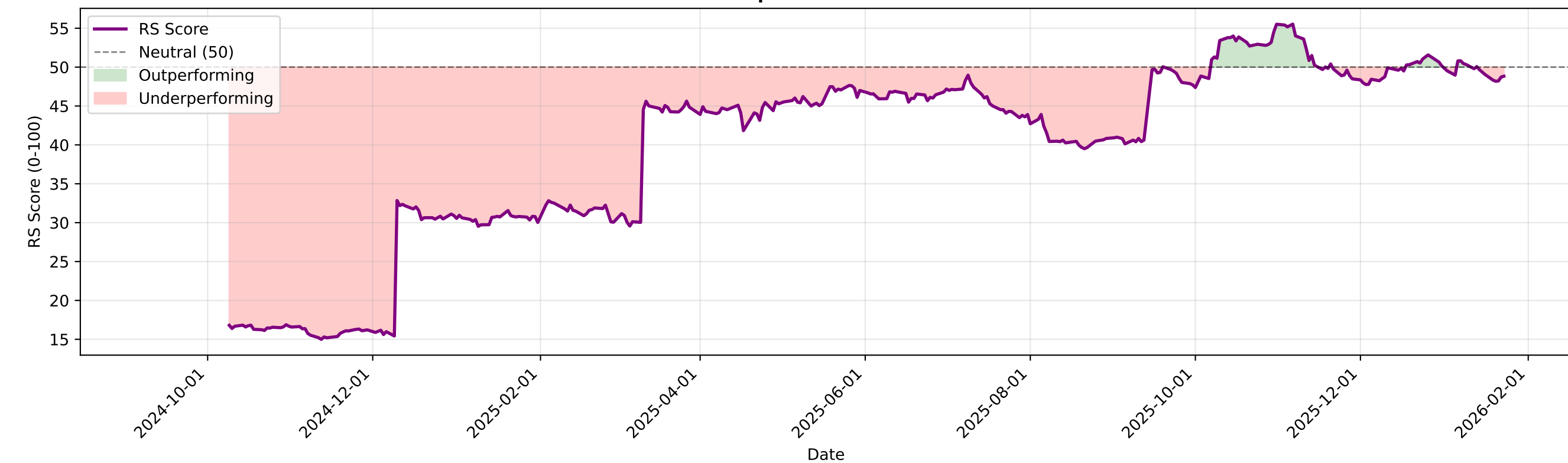
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



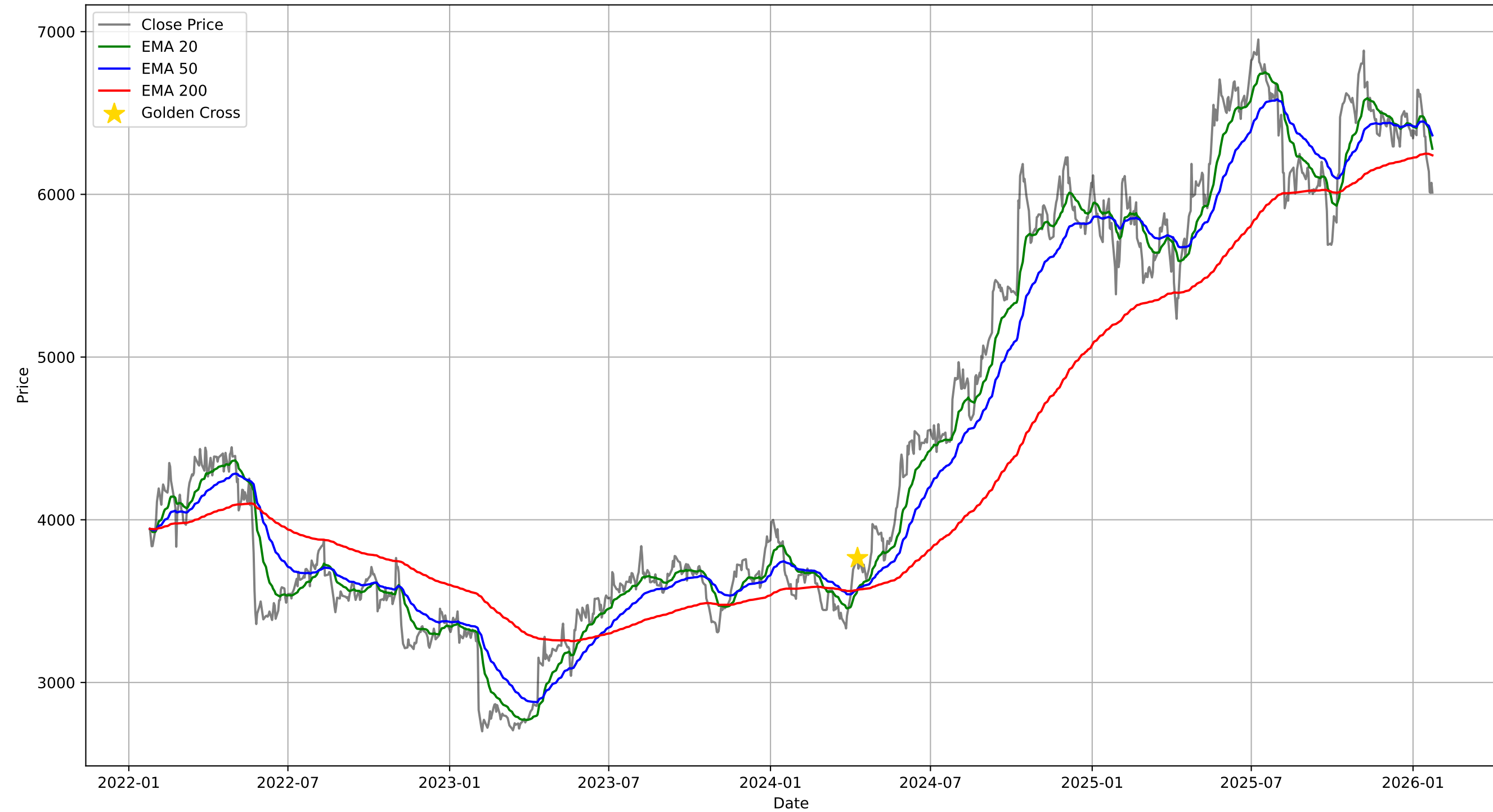
RS Composite Score Timeline



DIVISLAB.NS - EMA Crossover Summary

EMA 20:	6280.48
EMA 50:	6362.66
EMA 200:	6239.98
Trend Status:	Short-term Downtrend
Golden Cross Date:	2024-04-09 00:00:00+05:30
Golden Cross Price:	3764.60

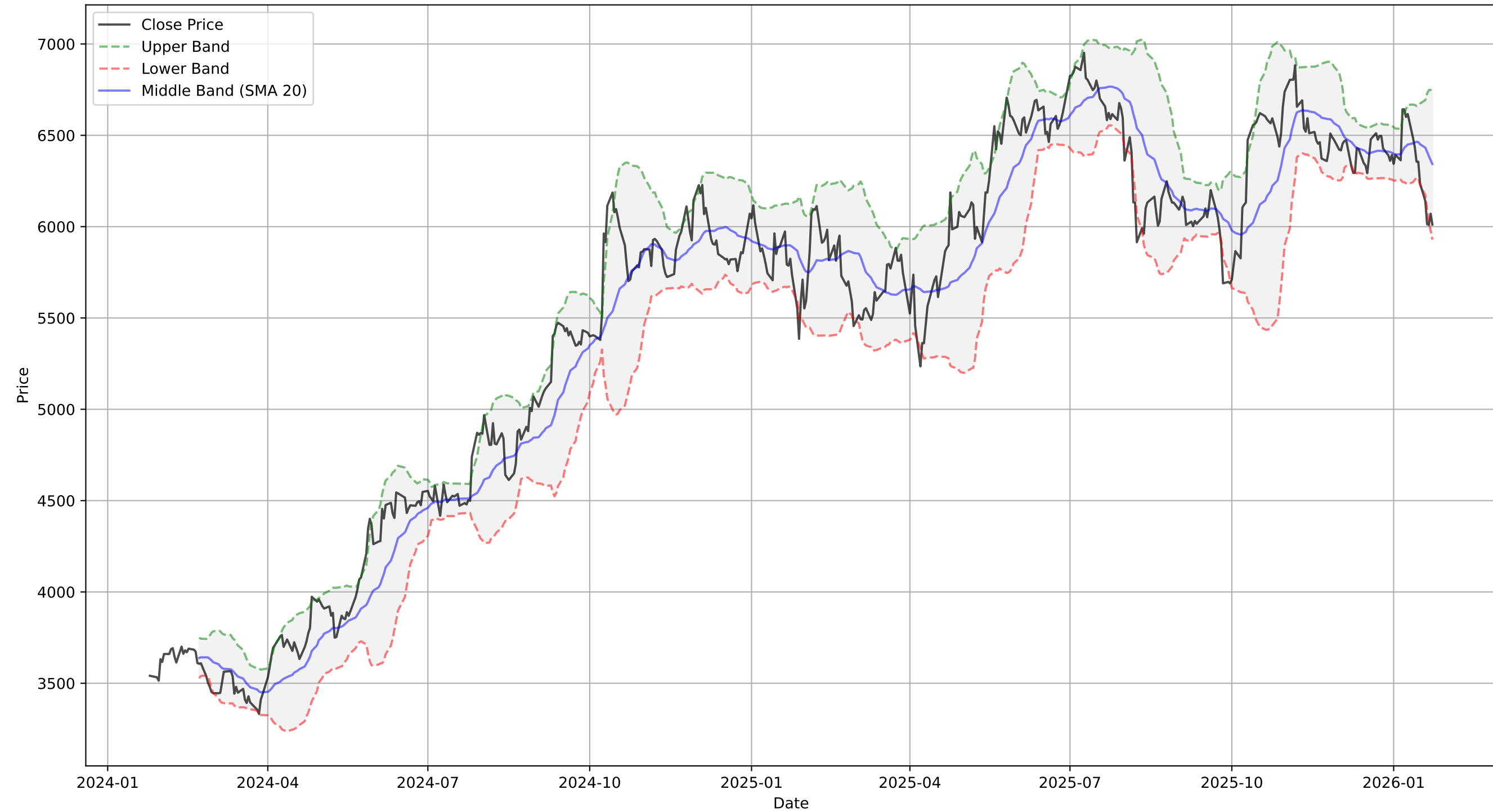
DIVISLAB.NS EMA Crossover Analysis



DIVISLAB.NS - Bollinger Bands Summary

Current Price:	6011.50
Upper Band:	6756.99
Middle Band (SMA 20):	6343.00
Lower Band:	5929.01
%B:	0.0996
Band Width:	0.1305
Status:	Lower Half
Signal:	None

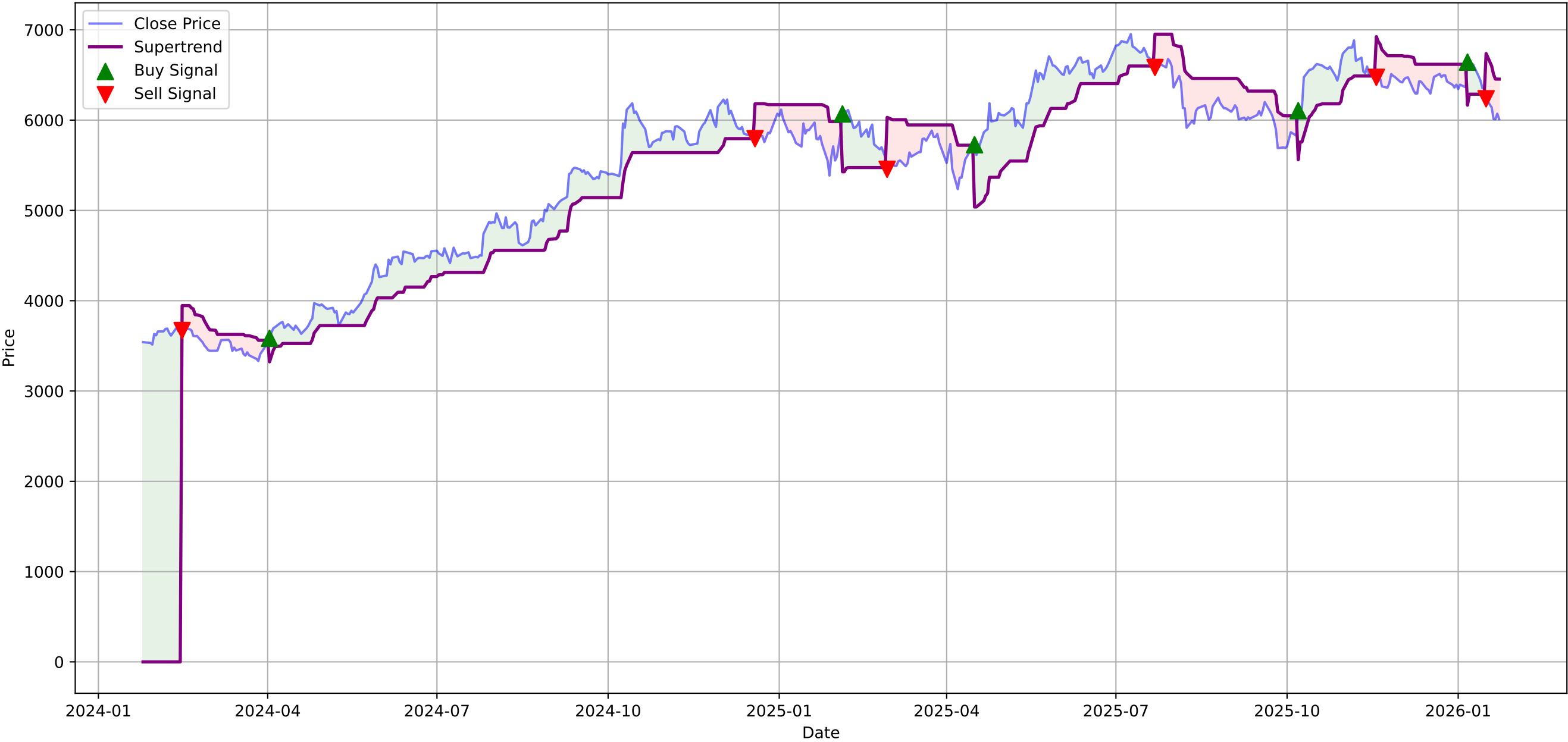
DIVISLAB.NS Bollinger Bands (20, 2) Analysis



DIVISLAB.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	6454.14
Signal Identified On:	2026-01-16

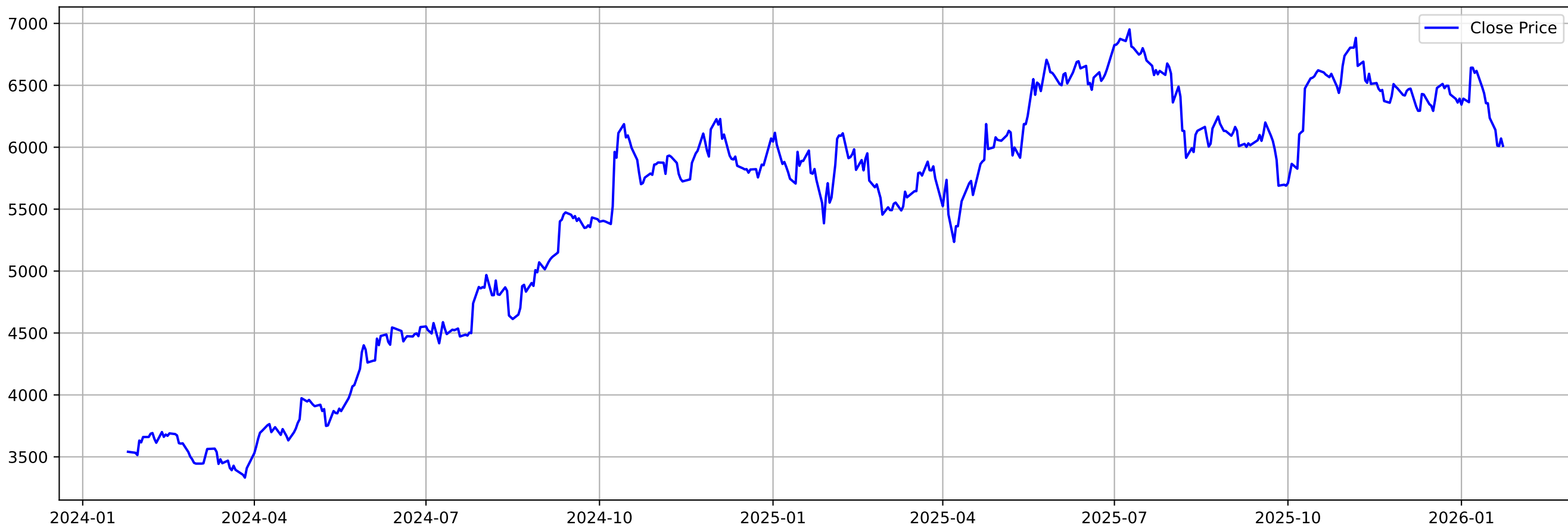
Supertrend Analysis for DIVISLAB.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



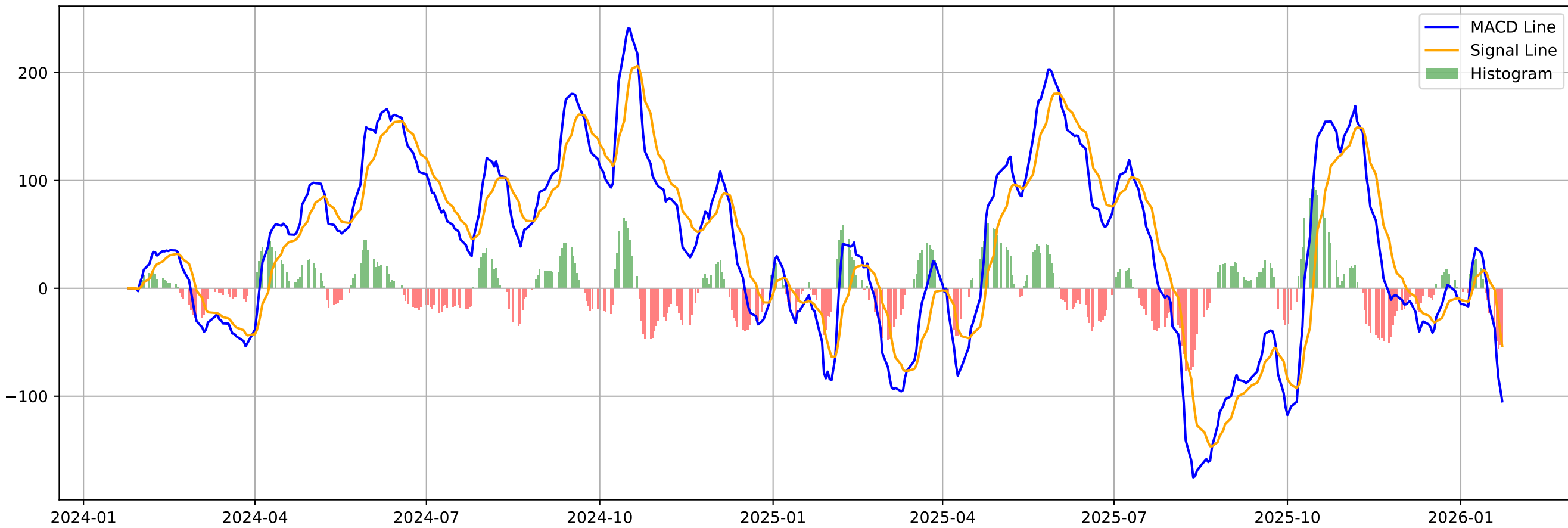
DIVISLAB.NS - MACD Summary

MACD Line:	-104.77
Signal Line:	-53.56
Histogram:	-51.21
Trend:	Bearish
Momentum:	Weakening
Signal:	None

DIVISLAB.NS Price



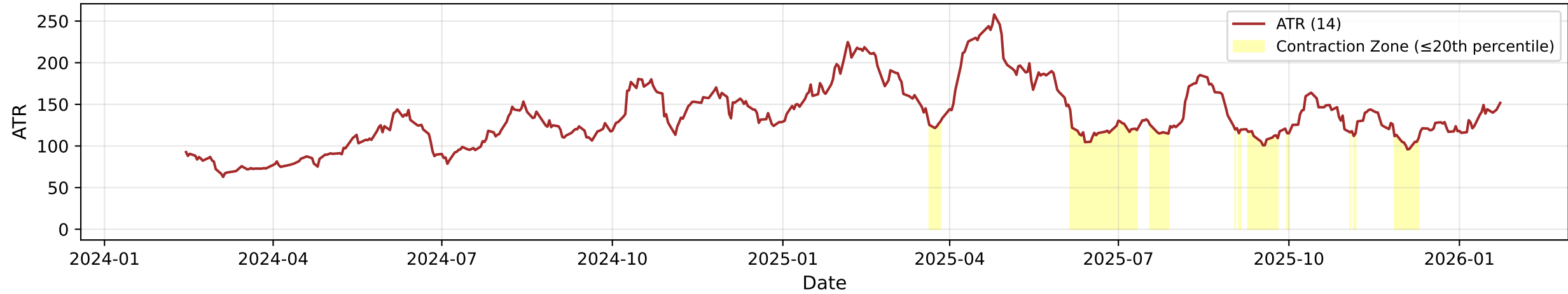
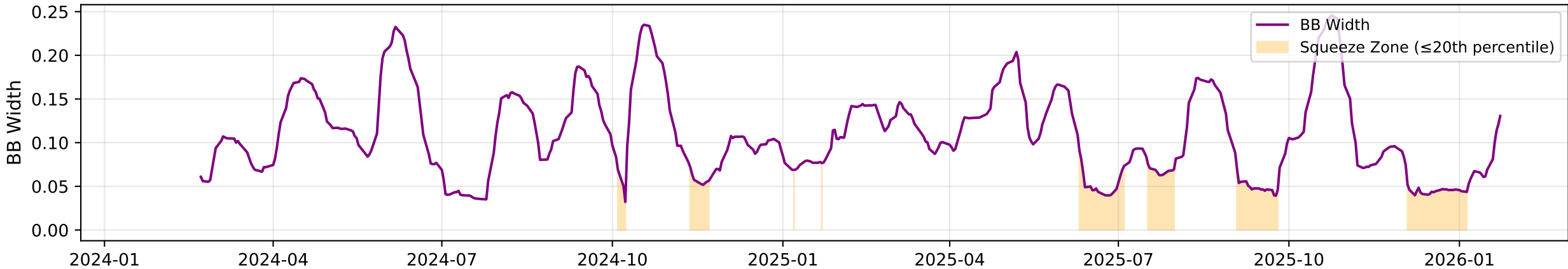
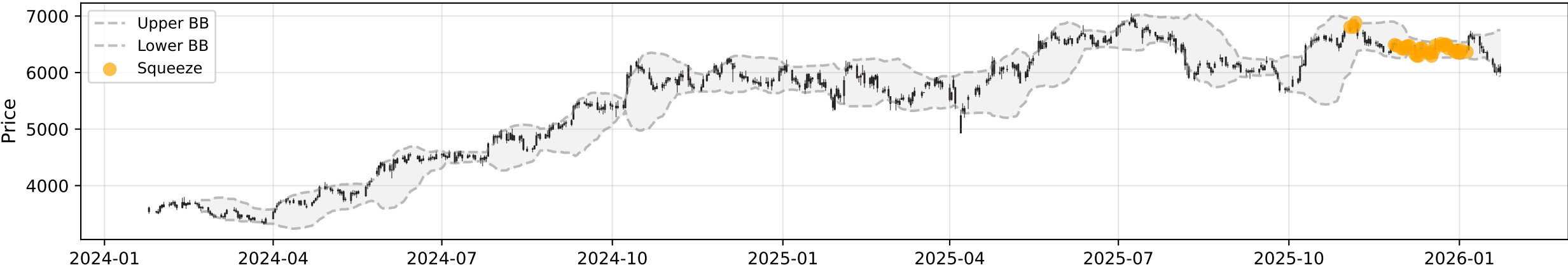
DIVISLAB.NS MACD (12, 26, 9)



DIVISLAB.NS - Volatility Squeeze Summary

BB Width:	0.1305
ATR:	151.7143
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)

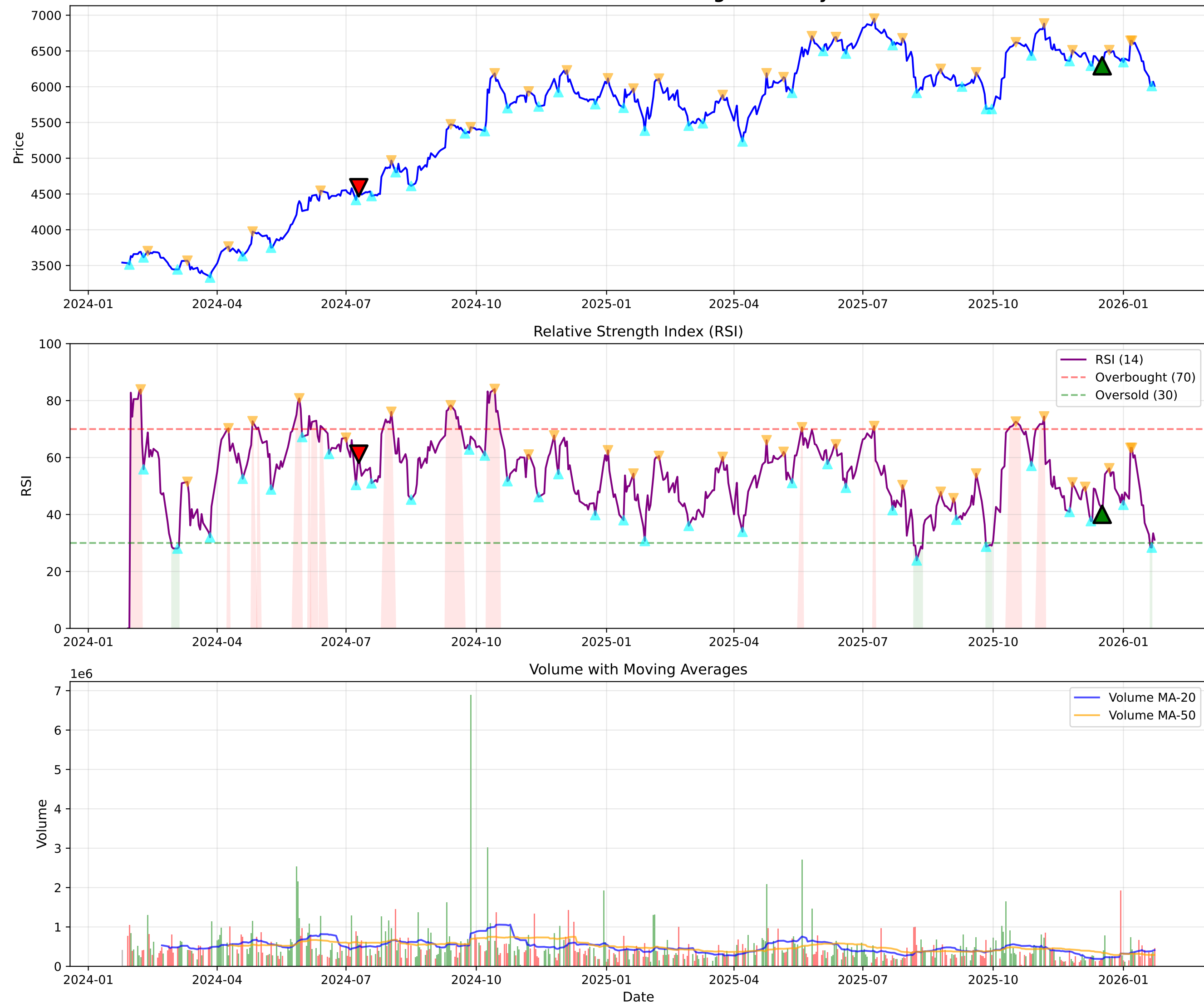
DIVISLAB.NS - Volatility Squeeze Analysis



DIVISLAB.NS - RSI-Volume Summary

Current RSI:	31.12
Current Volume:	460503
Volume MA 20:	412605
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:

33 Signals Detected

:

2025-12-29 [-]:

Distribution Day

2025-12-30 [-]:

Distribution Day

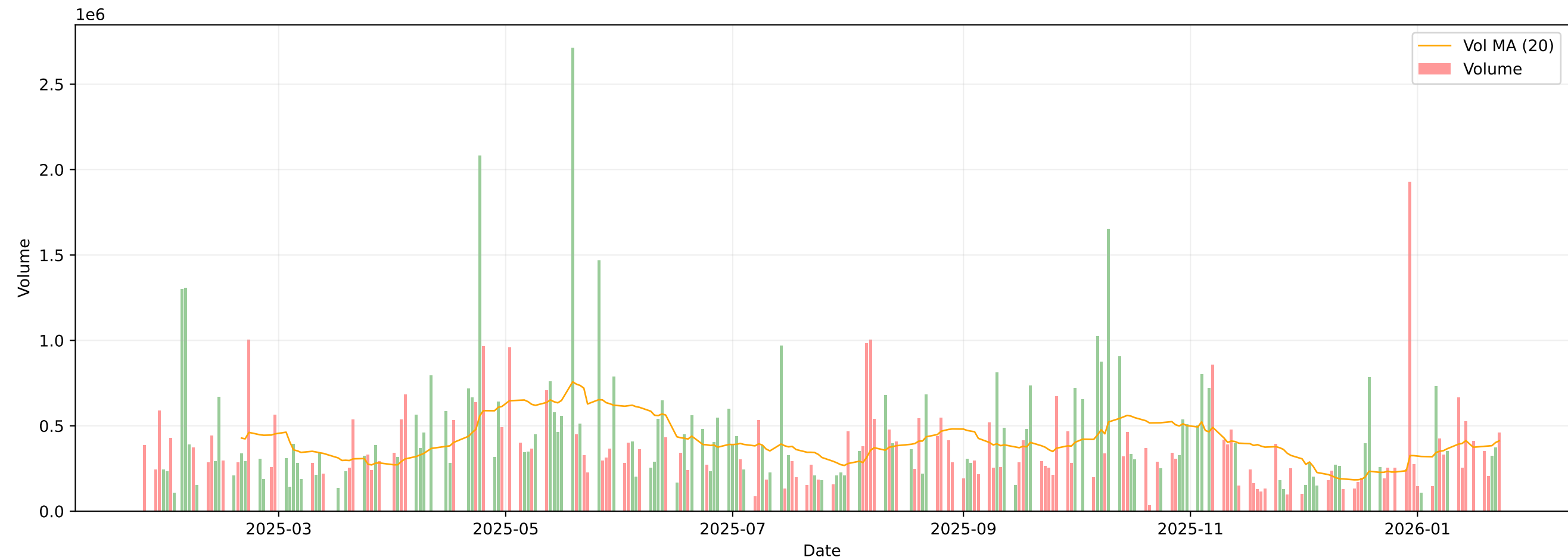
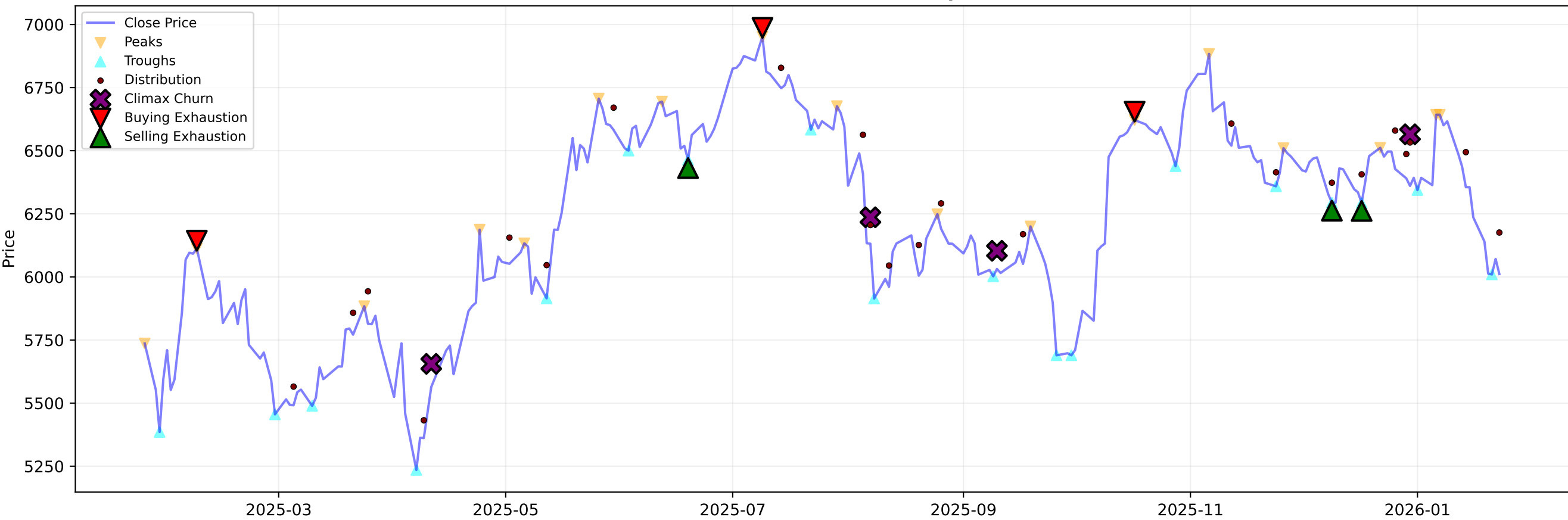
2026-01-14 [-]:

Distribution Day

2026-01-23 [-]:

Distribution Day

DIVISLAB.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	6695.25	6011.5	2026-01-19
1 Day	DOWNTREND (Sell)	6454.14	6011.5	2026-01-16
15 Min	DOWNTREND (Sell)	6069.43	6011.5	2026-01-23

Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bearish	Strengthening	No Signal
1 Day	Bearish	Weakening	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)



Divi's Laboratories Ltd. 

Expensive Performer ⓘ In 1 Starfolio Basket

 Watchlist
  Portfolio
  Alert
  My Notes

[Overview](#) [FORECASTER](#) [STOCK REPORT](#) [Buy Sell Zone](#) [F&O](#) [Financials](#) [News ▾](#) [Reports](#) [Technicals ▾](#) [Shareholding ▾](#) [Deals ▾](#) [Corporate Actions ▾](#) [Alerts](#) [About](#)

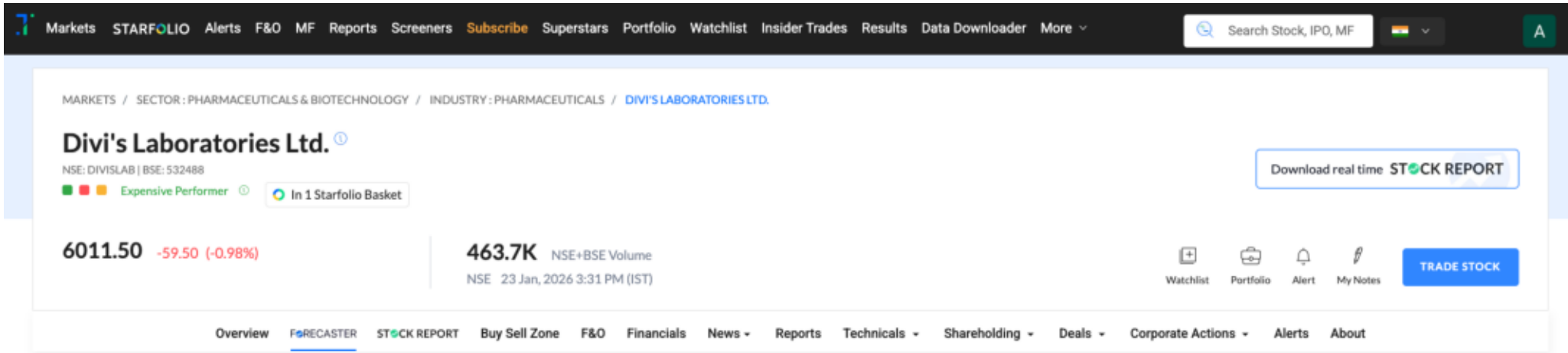
FORECASTER

Embed DVM



- DVM
- Key Metrics
- Price Chart
- Forecaster
- Financials
- Technicals
- Shareholding
- Deals
- Documents
- Corporate actions
- Company Profile

Trendlyne Snapshot - DIVISLAB_forecaster



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.

Divi's Laboratories FORECASTER - Analyst Estimates ^{NEW} ¹

[FORECASTER DASHBOARD](#) →

