

# Gemini Stock Analysis Report

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This analysis is conducted from the perspective of a positional trader looking for a 1-4 month holding period.

## Step 1: Audit the Data

- **Data Present:** Daily price charts (3-year and 1-year), Long-term (4Y) and Short-term (6Q) fundamentals, Relative Strength (RS) scoring and ratios vs. ^CNXPHARMA, EMA Crossovers (20, 50, 200), Bollinger Bands, Supertrend, MACD, Volatility Squeeze indicators, and RSI-Volume Divergence analysis.
  - **Data Missing:** Weekly/Monthly timeframe charts (useful for identifying major structural levels), Peer comparison (valuation/performance vs. other large-cap Pharma), and an Institutional Ownership trend.
  - **Confidence Level: High.** The report provides a comprehensive multi-factor technical suite (Trend, Momentum, Volatility, and Relative Strength) alongside core fundamental health metrics.
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## Step 2: Analyze the Setup

- **Price Structure & Trend:** DRREDDY.NS is in a "Strong Uptrend" (Page 6), with the price (INR 1269.30) currently trading above its 20, 50, and 200-day EMAs. A "Golden Cross" was recently identified on 2025-12-11. The stock has spent several months consolidating between INR 1200 and INR 1300, forming a base for a potential breakout.
  - **Momentum:**
    - **RS Analysis:** Classified as an "Emerging Leader." While the 1Y RS is neutral (0.947), the 1M RS is leading (1.025), indicating a rotation of capital back into this name.
    - **MACD:** Currently bearish (Line < Signal), but the histogram is "Strengthening" (Page 12), suggesting the downward momentum is exhausting.
    - **RSI:** Neutral at 52.05. However, a bearish divergence was noted on Dec 23, which explains the recent sideways chop.
  - **Volatility/Confluence:** The most compelling signal is the **Volatility Squeeze** (Page 14-15). The Bollinger Band width is extremely narrow (0.0335), and price has been in a squeeze for five consecutive days. Squeezes often precede explosive moves. Combined with a "Supertrend Buy" signal (Page 10), the bias is toward an upside resolution.
  - **Fundamentals:** Revenue is growing and accelerating (16.6% 1Y growth). While ROE growth has dipped, the overall growth in EPS and Net Income provides a stable floor for a positional move.
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## Step 3: Formulate the Recommendation

Should you enter now? NO.

**Reasoning:** The stock is currently in the "Lower Half" of its Bollinger Bands and just below its 20-day SMA (INR 1271.68). Furthermore, the MACD has not yet staged a bullish crossover. Entering during a squeeze is risky because the direction is not yet confirmed. We want to enter on the **start of the expansion** to ensure capital efficiency.

### Conditional Trading Plan:

- **Condition to Buy:** A daily close above the Middle Bollinger Band (SMA 20) and the recent swing high, accompanied by a bullish MACD histogram tick (or crossover).
- **Entry Price:** INR 1285.00 (This confirms a breakout from the current 5-day squeeze and clears the EMA 20/SMA 20 resistance).
- **Stop Loss:** INR 1235.00 (Placed below the EMA 200 and the recent volatility support level; represents approx. 3.9% risk).
- **Take Profit:** INR 1400.00 (Targeting the 3-year high/psychological resistance; represents approx. 9% upside).

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**Trader's Note:** This setup offers a favorable Risk/Reward ratio of approximately 1:2.3. If the stock breaks below INR 1240 before triggering the entry, the "Squeeze" has likely resolved to the downside, and the setup is invalidated.

## News & Analyst Targets

As a stock research analyst, I have compiled the latest intelligence and market sentiment for **Dr. Reddy's Laboratories Ltd. (DRREDDY)** for the week ending December 28, 2025.

### 1) Latest News for DRREDDY This Week

- **Q3 Earnings Announcement Scheduled:** Dr. Reddy's has officially scheduled its Board Meeting for **January 21, 2026**, to review and approve the unaudited financial results for the quarter ended December 31, 2025 (Q3 FY26).
- **Trading Window Closure:** In compliance with insider trading regulations, the company announced that its trading window for dealing in securities is closed from **December 25, 2025**, through **January 23, 2026**.
- **Semaglutide Legal Victory (Delhi HC):** In a significant development on December 23, the **Delhi High Court** refused to grant Novo Nordisk an interim injunction against Dr. Reddy's. The court permitted the company to continue manufacturing and exporting Semaglutide (generic Ozempic/Wegovy) to jurisdictions where no patent protection exists, provided it is not sold in India. This is a key win for the company's GLP-1 strategy.
- **Market Performance:** The stock has shown signs of consolidation this week, trading around the INR 1,260-INR 1,275 range, recovering slightly from previous lows but still underperforming the broader Nifty 50 on a year-to-date basis.

### 2) Brokerage Upgrades and Downgrades

- **Choice Equity Broking (Dec 24):** Issued a fresh "**Add**" rating with a target price of **INR 1,380**, citing a 9.27% potential upside from the current market price.
- **ICICI Direct (Dec 19):** Recently adjusted its outlook with a target of **INR 1,315.60**, reflecting a mildly bullish stance despite near-term headwinds in the US market.
- **Motilal Oswal (Dec 12):** Maintained a "**Neutral**" rating with a target of **INR 1,250**, noting that while emerging markets are strong, "soft g-Revlimid sales and high expenses" continue to dent overall earnings growth.

### 3) Other Impacting News (Direct and Indirect)

- **US Tariff Threats:** Sentiment in the Indian pharma sector, including DRREDDY, remains cautious following Donald Trump's announcements regarding potential **100% tariffs** on pharmaceutical imports. Given Dr. Reddy's significant exposure to the US market, any actual policy implementation could impact margins by as much as 20-30% in a worst-case scenario.
- **Regulatory Watch (Health Canada):** The company is still working to resolve a "Notice of Non-Compliance" from the Pharmaceutical Drugs Directorate in Canada regarding its Semaglutide filing. Analysts believe a resolution by mid-2026 is critical for the next growth leg.
- **Management Transition:** Investors are monitoring the upcoming resignation of **Jayanth Sridhar** (Global Head of Biologics), effective January 31, 2026, as the company pivots heavily toward its biosimilar pipeline.

### 4) Latest Targets from Analyst Community & Brokerages

Brokerage / Source	Date	Recommendation	Target Price (INR )
Consensus (Trendlyne)	Dec 27, 2025	Hold	1,294.36

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Brokerage / Source	Date	Recommendation	Target Price (INR )
Choice Equity Broking	Dec 24, 2025	Add / Buy	1,380.00
ICICI Direct	Dec 19, 2025	Hold / Buy	1,315.60
Motilal Oswal	Dec 12, 2025	Neutral	1,250.00
Axis Direct	Oct 27, 2025	Hold	1,340.00
Nuvama	Oct 27, 2025	Buy	1,475.00
Nomura	Oct 2025	Buy	1,650.00
Citi Research	June 2025	Sell	990.00

**Analyst Summary:** The current market outlook for DRREDDY is "**Neutral to Mildly Bullish.**" While the court victory for Semaglutide exports provides a short-term sentiment boost, the stock's performance in early 2026 will heavily depend on the Q3 earnings quality and the management's commentary on navigating potential US trade barriers and the post-Revlimid erosion era.

# Stock Detailed Analysis Report

**DRREDDY.NS**

Current Price: ₹1269.30

Generated: 2025-12-28 10:30

# DRREDDY.NS - 3 Year Daily Price Chart



## Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	16.61%	14.94%
Net Income	Yes	No	1.54%	33.87%
ROE	Yes	No	-14.55%	11.09%
EPS	Yes	No	1.25%	33.68%

## Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	3.04%	2.38%
Net Income	Yes	1.37%	3.92%
ROE	No	-1.02%	-0.16%
EPS	Yes	-10.88%	1.13%

# DRREDDY.NS - Relative Strength Analysis

## == OVERVIEW ==:

Benchmark Index:	^CNXPHARMA
Sector:	Pharma
Classification:	Emerging Leader
RS Score:	48.6/100
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## == RS RATIOS ==:

1M RS:	1.025 [Leader]
3M RS:	0.973 [Neutral]
6M RS:	0.923 [Neutral]
1Y RS:	0.947 [Neutral]
:	

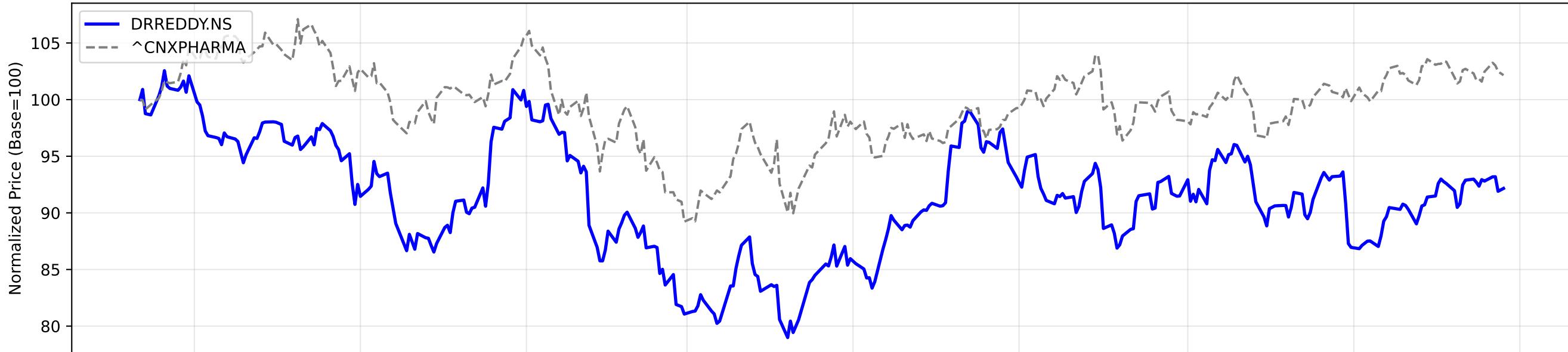
## == TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
:	

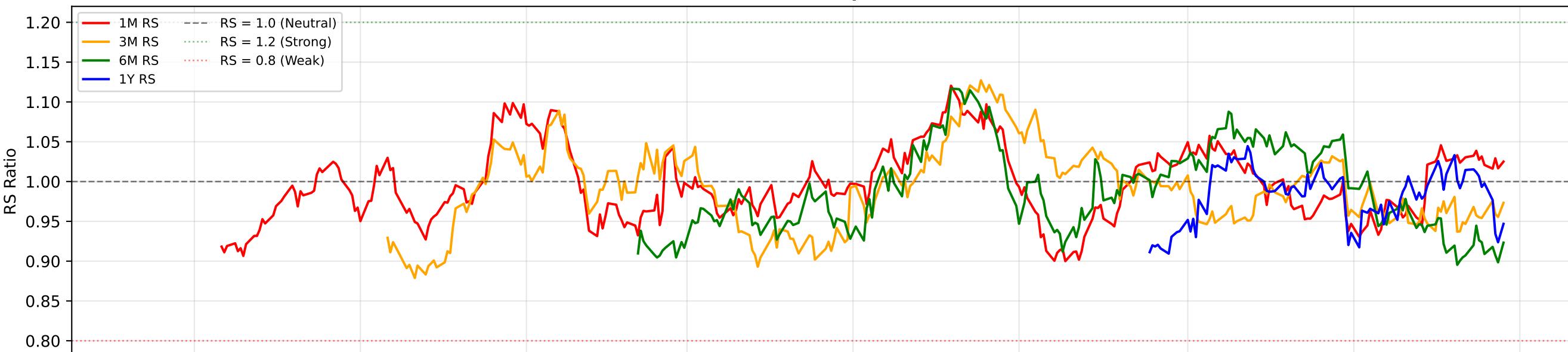
## SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.025) > 3M (0.973)
✓ Medium-term Lagging:	6M=0.923, 1Y=0.947 ( $\leq 1.0$ )
✓ Performance Improving:	3M (-0.5%) > 6M (-4.0%)

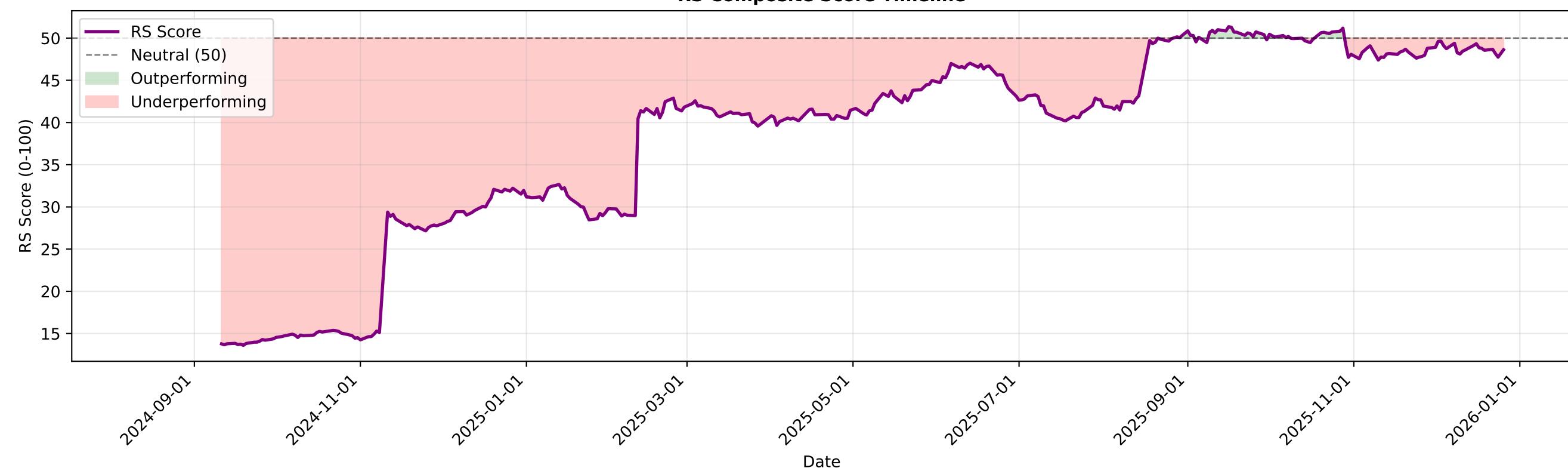
**Relative Strength Analysis: DRREDDY.NS vs ^CNXPHARMA**  
**Classification: Emerging Leader**  
**Price Performance Comparison (Normalized)**



**RS Ratio Trends (Multiple Timeframes)**



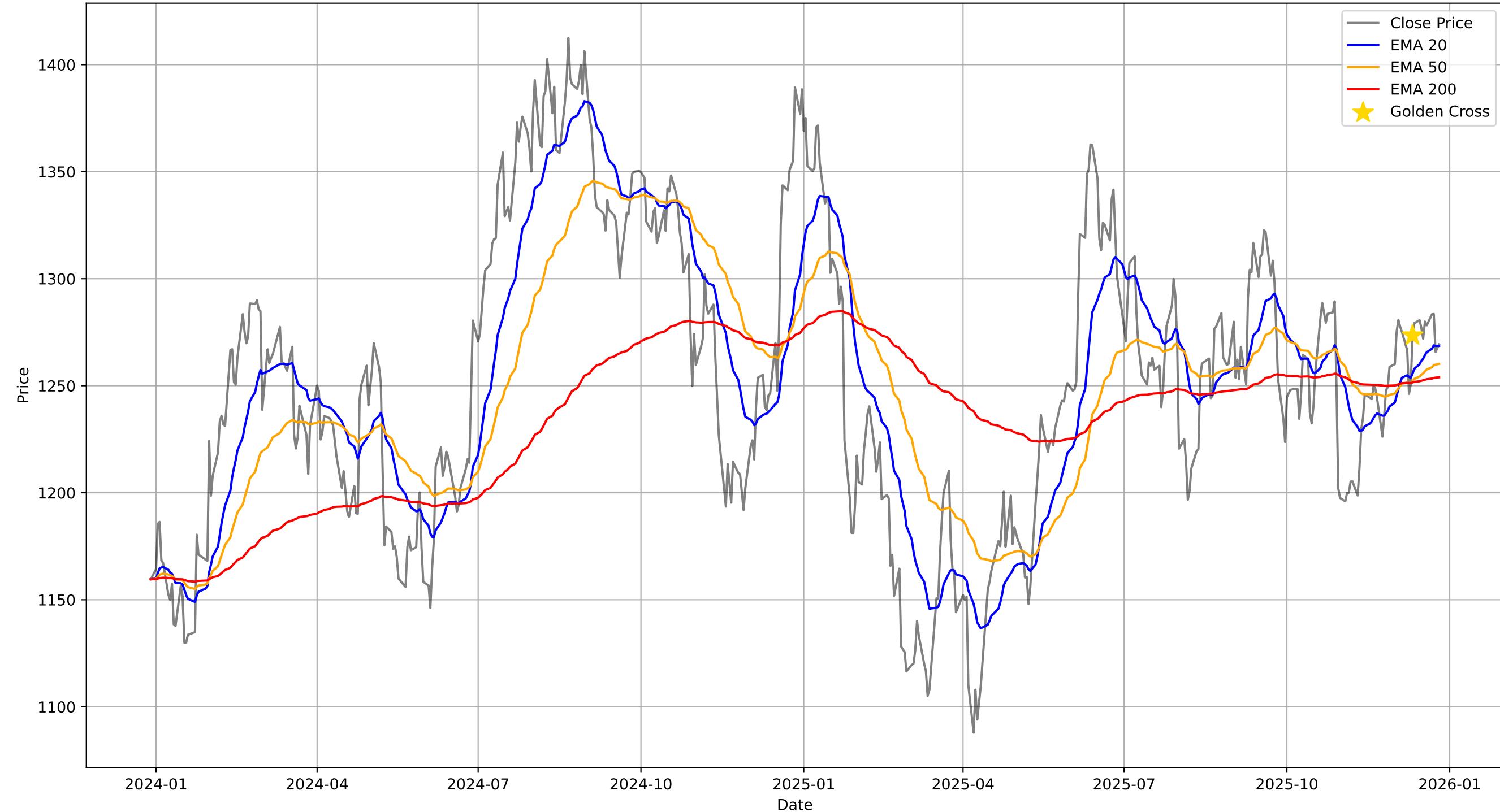
**RS Composite Score Timeline**



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

<b>EMA 20:</b>	1268.64
<b>EMA 50:</b>	1260.21
<b>EMA 200:</b>	1253.92
<b>Trend Status:</b>	<b>Strong Uptrend</b>
<b>Golden Cross Date:</b>	2025-12-11 00:00:00
<b>Golden Cross Price:</b>	1273.50

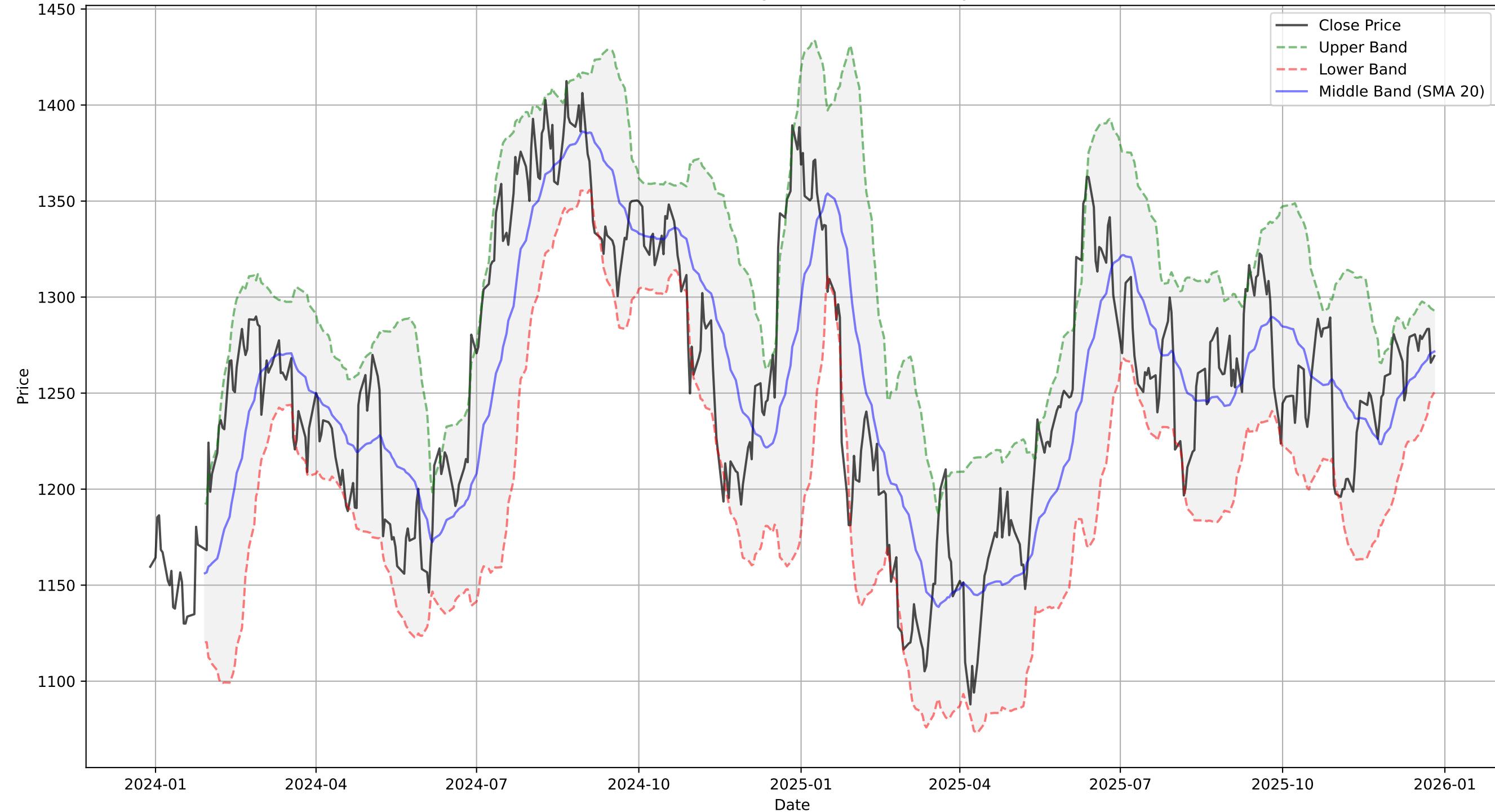
## DRREDDY.NS EMA Crossover Analysis



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

<b>Current Price:</b>	1269.30
<b>Upper Band:</b>	1292.96
<b>Middle Band (SMA 20):</b>	1271.68
<b>Lower Band:</b>	1250.40
<b>%B:</b>	0.4441
<b>Band Width:</b>	0.0335
<b>Status:</b>	Lower Half
<b>Signal:</b>	None

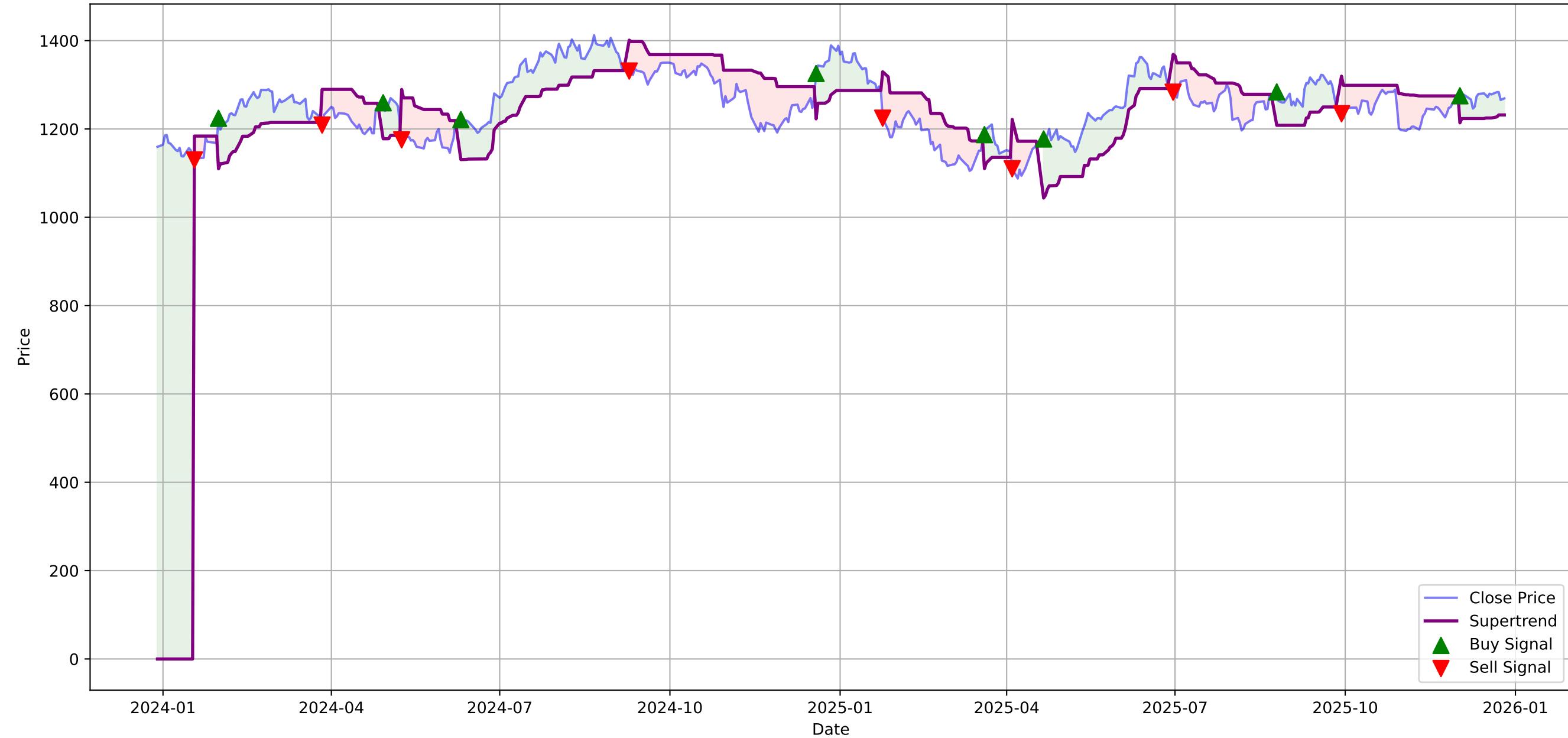
# DRREDDY.NS Bollinger Bands (20, 2) Analysis



## **DRREDDY.NS - Supertrend Summary**

<b>Status:</b>	<b>UPTREND (Buy)</b>
<b>Supertrend Value:</b>	1231.81
<b>Signal Identified On:</b>	2025-12-02

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



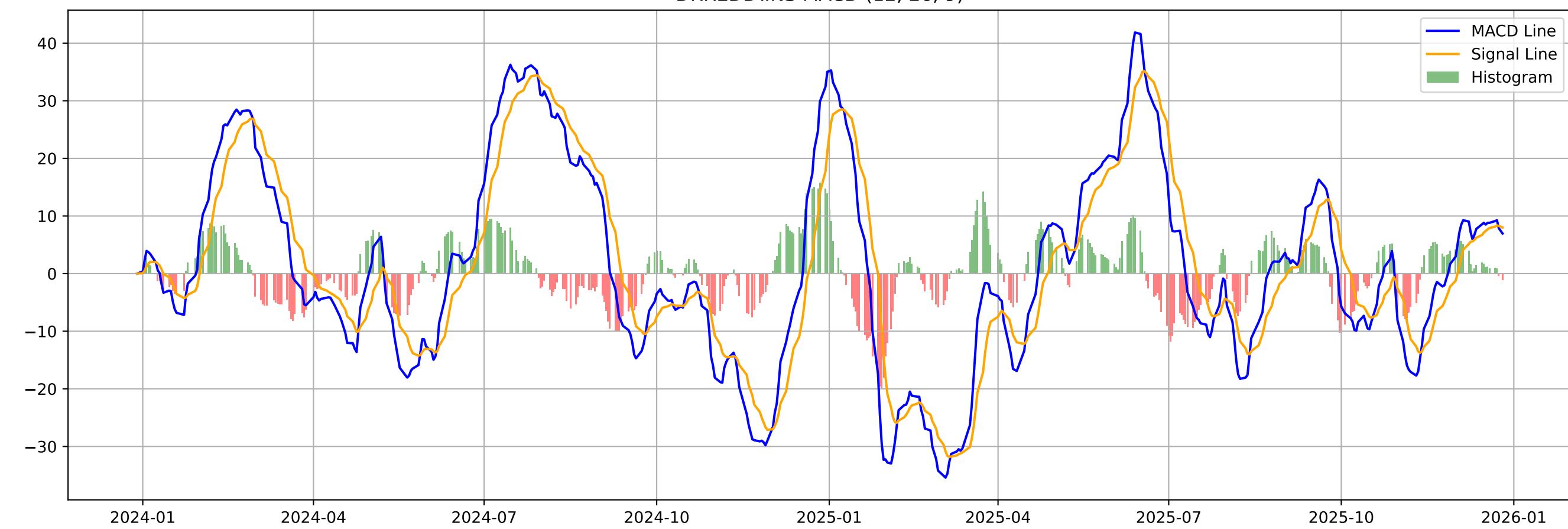
## **DRREDDY.NS - MACD Summary**

<b>MACD Line:</b>	6.96
<b>Signal Line:</b>	8.01
<b>Histogram:</b>	-1.05
<b>Trend:</b>	<b>Bearish</b>
<b>Momentum:</b>	<b>Strengthening</b>
<b>Signal:</b>	None

## DRREDDY.NS Price



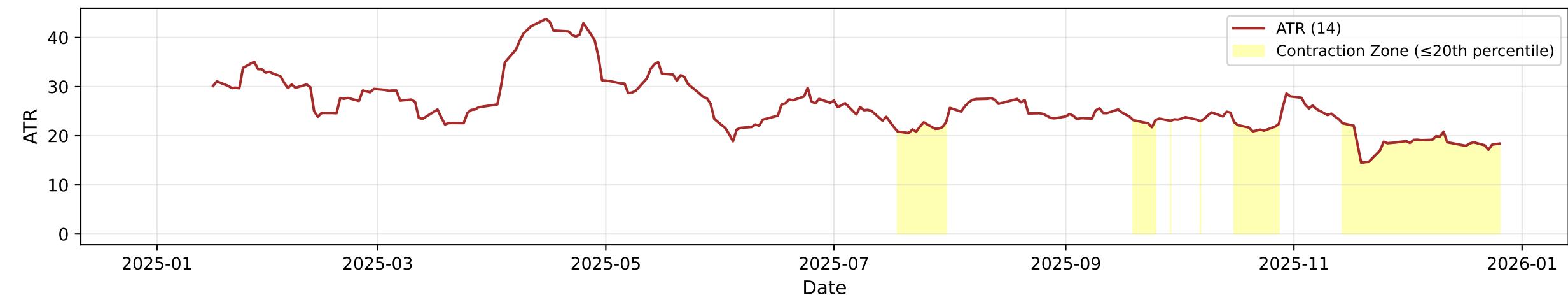
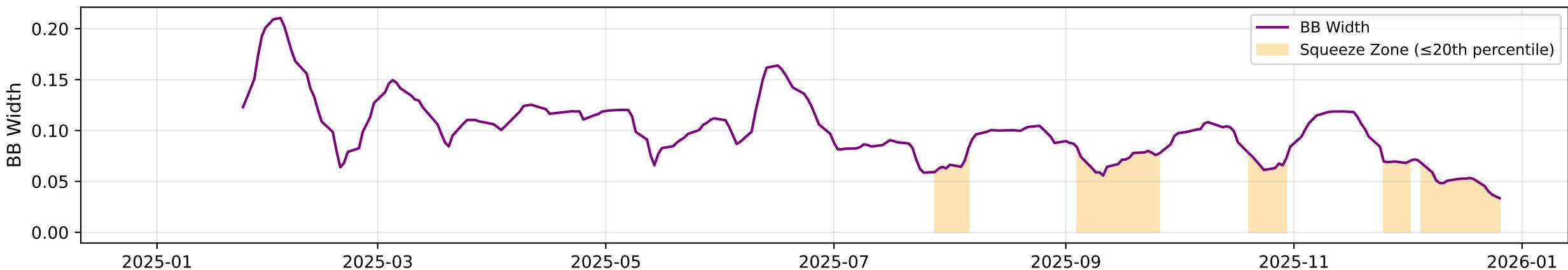
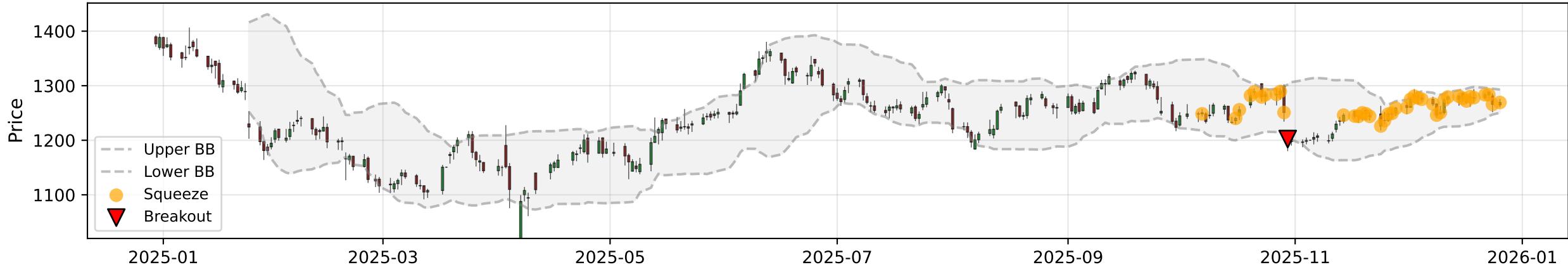
## DRREDDY.NS MACD (12, 26, 9)



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

<b>BB Width:</b>	0.0335
<b>ATR:</b>	18.3929
<b>Total Signals:</b>	41
<b>Signal 1:</b>	BB Squeeze + ATR Contraction at 2025-12-19 00:00:00 (Price: 127.00)
<b>Signal 2:</b>	BB Squeeze + ATR Contraction at 2025-12-22 00:00:00 (Price: 128.00)
<b>Signal 3:</b>	BB Squeeze + ATR Contraction at 2025-12-23 00:00:00 (Price: 128.00)
<b>Signal 4:</b>	BB Squeeze + ATR Contraction at 2025-12-24 00:00:00 (Price: 128.00)
<b>Signal 5:</b>	BB Squeeze + ATR Contraction at 2025-12-26 00:00:00 (Price: 128.00)

## DRREDDY.NS - Volatility Squeeze Analysis



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

<b>Current RSI:</b>	52.05
<b>Current Volume:</b>	594744
<b>Volume MA 20:</b>	1420579
<b>Bullish Divergences:</b>	2
<b>Bearish Divergences:</b>	2
<b>Bullish Div 1:</b>	Date: 2024-11-28 00:00:00, Price: 1191.95
<b>Bullish Div 2:</b>	Date: 2025-03-12 00:00:00, Price: 1105.15
<b>Bearish Div 1:</b>	Date: 2024-02-27 00:00:00, Price: 1289.92
<b>Bearish Div 2:</b>	Date: 2025-12-23 00:00:00, Price: 1283.50

## DRREDDY.NS RSI-Volume Divergence Analysis

