

Gemini Stock Analysis Report

Based on the attached Stock Detailed Analysis Report for **CIPLA.NS**, here is the positional trading assessment.

Note on Timeline: The report indicates a generation date of **2026-01-10**. The analysis below treats this as the current "Present Day" for the context of the recommendation.

Step 1: Audit the Data

- **Data Present:**
 - Multi-timeframe price charts (Weekly, Daily, 15-min) with Candlestick analysis.
 - Key Moving Averages (EMA 20, 50, 200) and Crossover status.
 - Momentum indicators (RSI, MACD) and Volatility metrics (Bollinger Bands, ATR).
 - Trend following indicators (Supertrend).
 - Fundamental snapshots (Revenue, Net Income, ROE) and Relative Strength (RS) analysis against the Sector.
- **Data Missing:**
 - **Volume Profile (VPVR):** While daily volume bars are present, a Volume Profile by price is missing, which would help identify high-volume nodes for support/resistance.
 - **Institutional Activity:** No specific data on FII/DII flow specific to this counter in the recent week.
- **Confidence Level: High.** The technical data is comprehensive, consistent across multiple indicators, and allows for a definitive trend assessment.

Step 2: Analyze the Setup

- **Price Structure & Trend:** The structure is **Bearish**.
 - The stock (1465.70) has broken below the critical **200-day EMA (1509.79)**. This is a significant violation of long-term support.
 - The stock is trading below the 20 and 50 EMAs, confirming a short-to-intermediate-term downtrend.
 - The Supertrend (Daily) is in a **Sell** mode with resistance trailing at 1525.71.
- **Momentum:**
 - **MACD:** The histogram is negative, and the MACD line is below the signal line (**Bearish**). The report explicitly states momentum is "Strengthening" to the downside.
 - **RSI:** At 38.71, the RSI is weak. It is approaching oversold territory but has not yet signaled a reversal or divergence.
- **Relative Strength:**
 - The stock has an RS Score of 47.5 (Neutral) and is lagging the Pharma benchmark (^CNXPHARMA). The RS line is trending down (Page 5), indicating capital is flowing out of this stock relative to the sector.
- **Confluence:**
 - The breakdown below the 200 EMA aligns with the lower half of the Bollinger Bands and a **Bearish** MACD.
 - **Warning Signal:** Page 14 notes a "**Bullish** Breakout" from a volatility squeeze on 2026-01-09. However, the price action on Page 19 shows the candle following that date was a sharp red drop. This suggests a **Failed Breakout (Bull Trap)**, which is often followed by a sharper decline.

Step 3: Formulate the Recommendation

Should you enter this stock now? NO.

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Reasoning: The stock is currently "catching a falling knife." It is trading below the defining intermediate-term support (200 EMA). Buying now violates the primary rule of positional trading: trade *with* the trend. The probability of a 5-15% upside is low until the structural damage (break of 1510 level) is repaired.

Conditional Plan (Watchlist Strategy)

Since the fundamentals are decent (Page 3 shows consistent long-term growth) and the stock is technically "Neutral" in the very long term, a recovery setup may emerge. You should only enter if the bulls prove they have regained control of the key moving averages.

- **Condition to Buy:** The stock must close **above the 200 EMA** on a Daily timeframe. This invalidates the current breakdown.
- **Entry Price: INR 1515 - INR 1520** (Wait for a daily candle close > INR 1510 to confirm the reclaim).
- **Stop Loss: INR 1450** (Daily closing basis). This places risk below the current swing lows. If 1450 breaks, the downtrend continues significantly.
- **Take Profit: INR 1650** (Targeting the recent swing highs and upper Bollinger Band).
 - *Risk/Reward Calculation:* Risk approx 4.5% / Reward approx 8.5%.

Summary: Stand aside. The path of least resistance is currently **down**. Wait for the reclaim of INR 1510 before deploying capital.

News & Analyst Targets

As a stock research analyst at your investment firm, I have compiled the latest research and developments for **Cipla Ltd (NSE: CIPLA)** for the week ending **January 10, 2026**.

1) Latest News for CIPLA (Week of Jan 4 - Jan 10, 2026)

- **USFDA Form 483 Issued to Key Supplier (Major Impact):** On January 7, 2026, the US FDA issued a Form 483 with **nine observations** to Pharmathen International SA, Cipla's strategic supply partner in Greece. Pharmathen manufactures **Lanreotide**, a key injectable drug for Cipla's US business. The observations cited issues with contamination control, sterile conditions, and data integrity. This news triggered a sharp sell-off, pushing the stock down ~4-5% mid-week.
- **Strong Traction for Weight-Loss Drug 'Yurpeak':** On January 9, 2026, data revealed that Cipla's newly launched anti-obesity drug, **Yurpeak** (Tirzepatide), recorded impressive sales of **INR 14 crore** in its first month (December 2025). It has captured early market share in Tier-2/3 cities, outperforming some competitors like Wegovy in initial volume.
- **Significant Block Trade:** A large block deal was executed on the NSE on January 9, involving approximately **1 lakh shares** at INR 1,460.80 per share, totaling ~INR 15.11 crore. This indicates active institutional churning at these lower levels.
- **Upcoming Q3 Earnings:** The company formally announced that its Board of Directors will meet on **January 23, 2026**, to approve and release the unaudited financial results for Q3 FY26.

2) Upgrade or Downgrade from Brokerages

- **MarketsMojo:** **Downgraded to SELL** (from Hold) on January 7, 2026. The firm cited deteriorating technical momentum following the FDA news and a "bearish" shift in indicators.
- **Morgan Stanley:** Maintained an **Overweight** stance on the broader sector but flagged **increased regulatory risk** for Cipla specifically due to the Pharmathen observations. They identified **Lanreotide** as

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the most "at-risk" product in Cipla's US portfolio but have not yet slashed their rating formally this week.

- **Domestic Brokerages:** Sentiment has turned cautious/neutral in the short term. While long-term fundamentals remain intact, the immediate overhang of the FDA issue has led to a "wait and watch" approach from desks like **Angel One** and **Geojit**.

3) Other News Directly or Indirectly Impacting CIPLA

- **Sector Volatility:** The Nifty Pharma index has been volatile this week, with investors rotating out of companies facing FDA headwinds. Competitor **Sun Pharma** also faced compliance scrutiny, which has soured sentiment for the entire Indian generic injectable space this week.
- **Gland Pharma Approval:** Conversely, competitor Gland Pharma received USFDA approval for a new ophthalmic solution this week. This highlights the divergence in regulatory fortunes-companies with clean compliance records are being rewarded, while those with observations (like Cipla's partner) are being punished.

4) Latest Price Targets from Analysts

The following table summarizes the most recent price targets and ratings active in the market as of January 10, 2026.

Brokerage / Analyst Firm	Rating	Price Target (INR)	Outlook / Note
Nomura / Instinet	Buy	1,770 - 1,810	Remains bullish on long-term US pipeline despite near-term noise.
HSBC	Buy	1,765	Recently raised target; sees value in India branded prescription business.
Consensus Estimate	Accumulate	1,697	Average of ~16 analyst reports; implies ~15% upside from CMP.
PhillipCapital	Hold	1,420	Cautious stance; valuation concerns cited in recent notes.
Geojit BNP Paribas	Hold	1,645	Maintained Hold; waiting for clarity on FDA remediation timelines.
MarketsMojo	Sell	N/A	Technical downgrade based on momentum loss and support breakdown.

Analyst Note:* The stock is currently trading near INR 1,465. The immediate support level to watch is INR 1,450*. If the FDA issue with Pharmathen escalates (e.g., Warning Letter), downside risks to the INR 1,380 levels could open up.

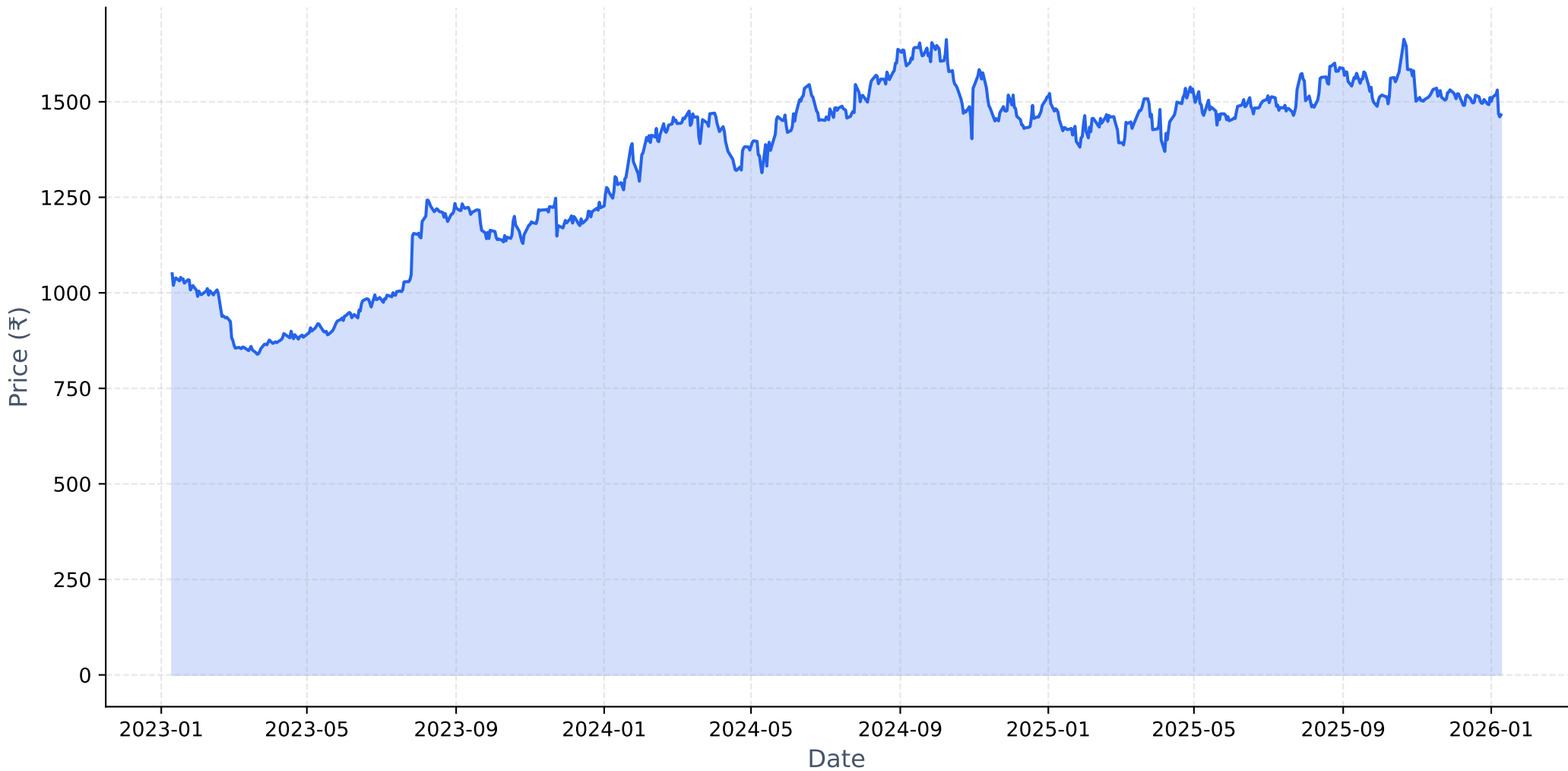
Stock Detailed Analysis Report

CIPLA.NS

Current Price: ₹1465.70

Generated: 2026-01-10 10:18

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:	47.5/100

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== RS RATIOS ==:

1M RS:	0.959 [Neutral]
3M RS:	0.894 [Neutral]
6M RS:	0.961 [Neutral]
1Y RS:	1.025 [Leader]

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== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
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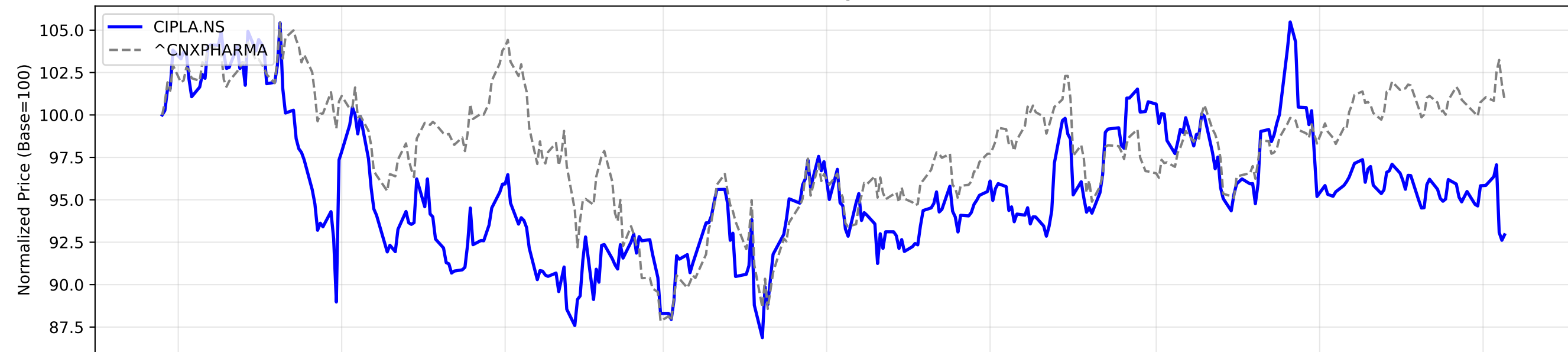
SIGNAL CRITERIA::

✓ Emerging RS:	1M (0.959) > 3M (0.894)
✓ Medium-term Lagging:	6M=0.961 (≤ 1.0)
✗ Performance Improving:	Not improving

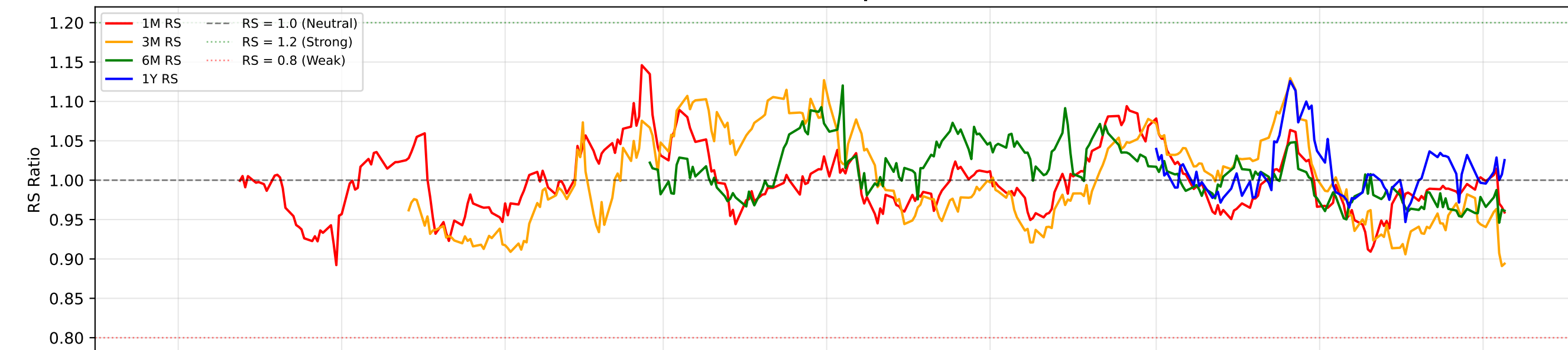
Relative Strength Analysis: CIPLA.NS vs ^CNXPHARMA

Classification: Neutral

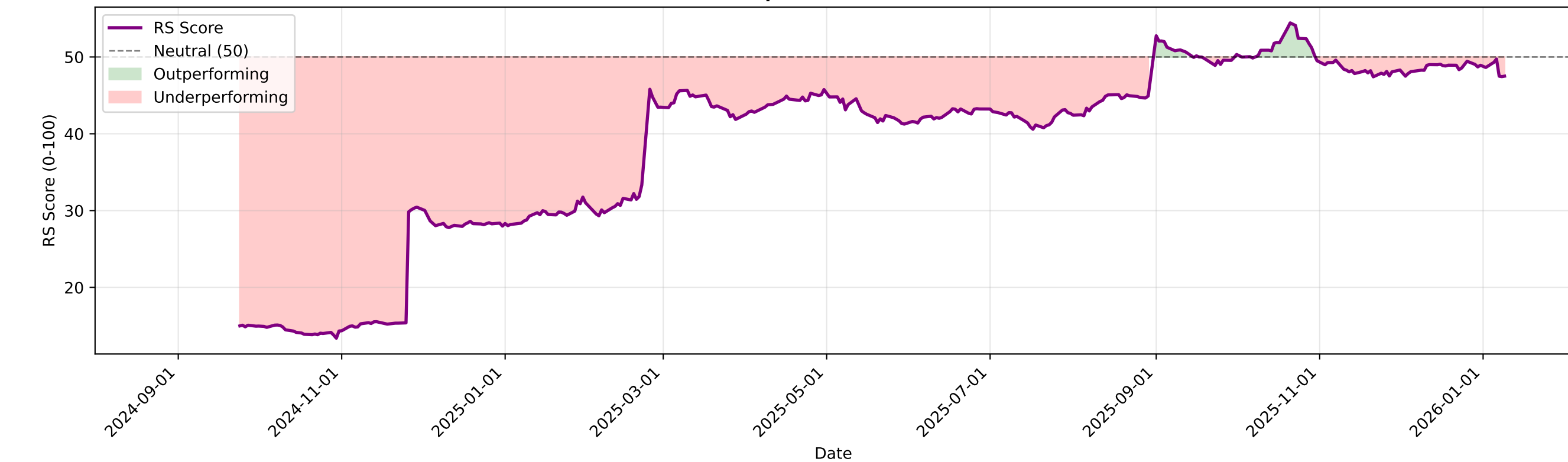
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



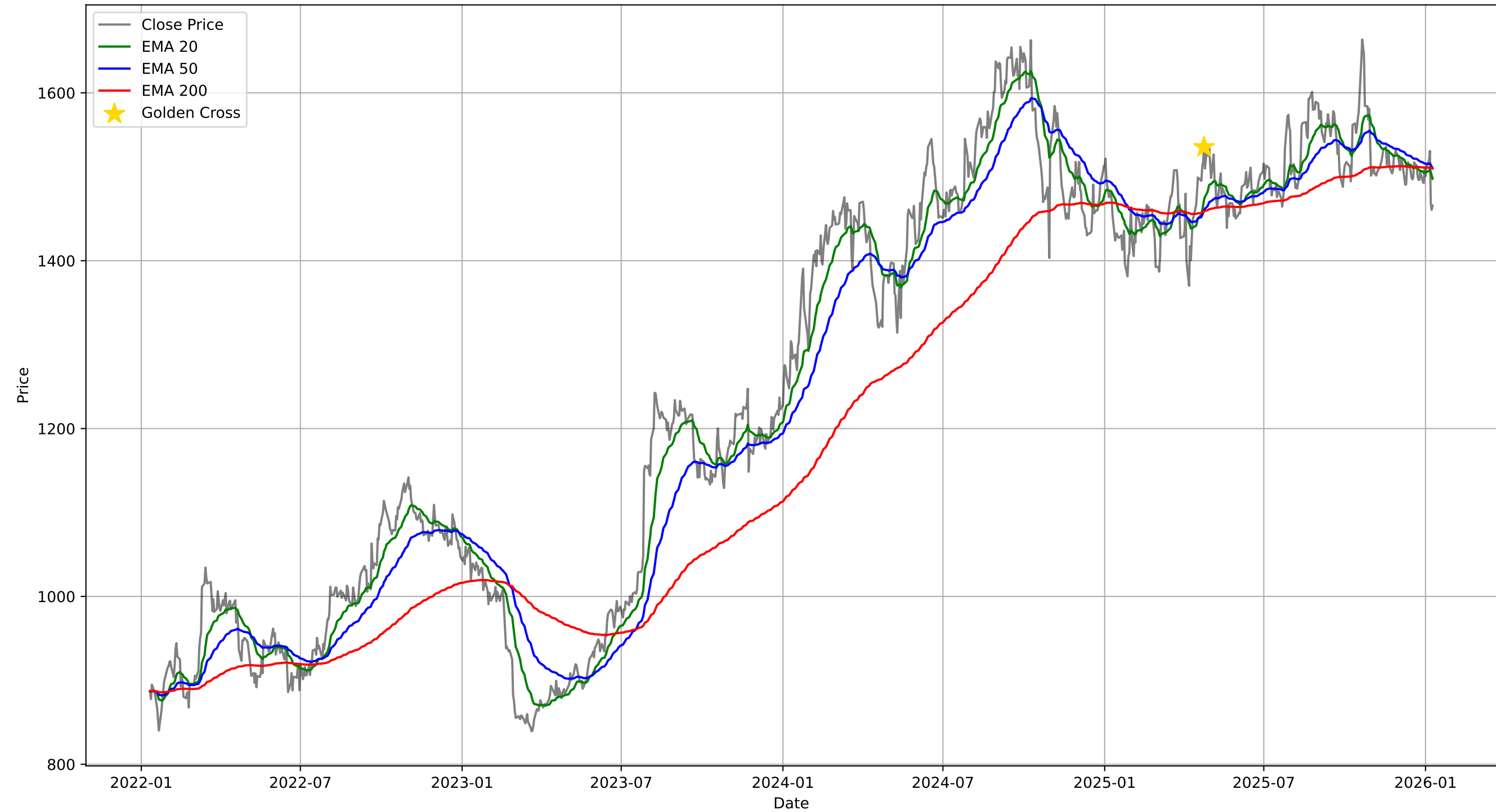
RS Composite Score Timeline



CIPLA.NS - EMA Crossover Summary

EMA 20:	1497.68
EMA 50:	1510.24
EMA 200:	1509.79
Trend Status:	Short-term Downtrend
Golden Cross Date:	2025-04-24 00:00:00+05:30
Golden Cross Price:	1535.30

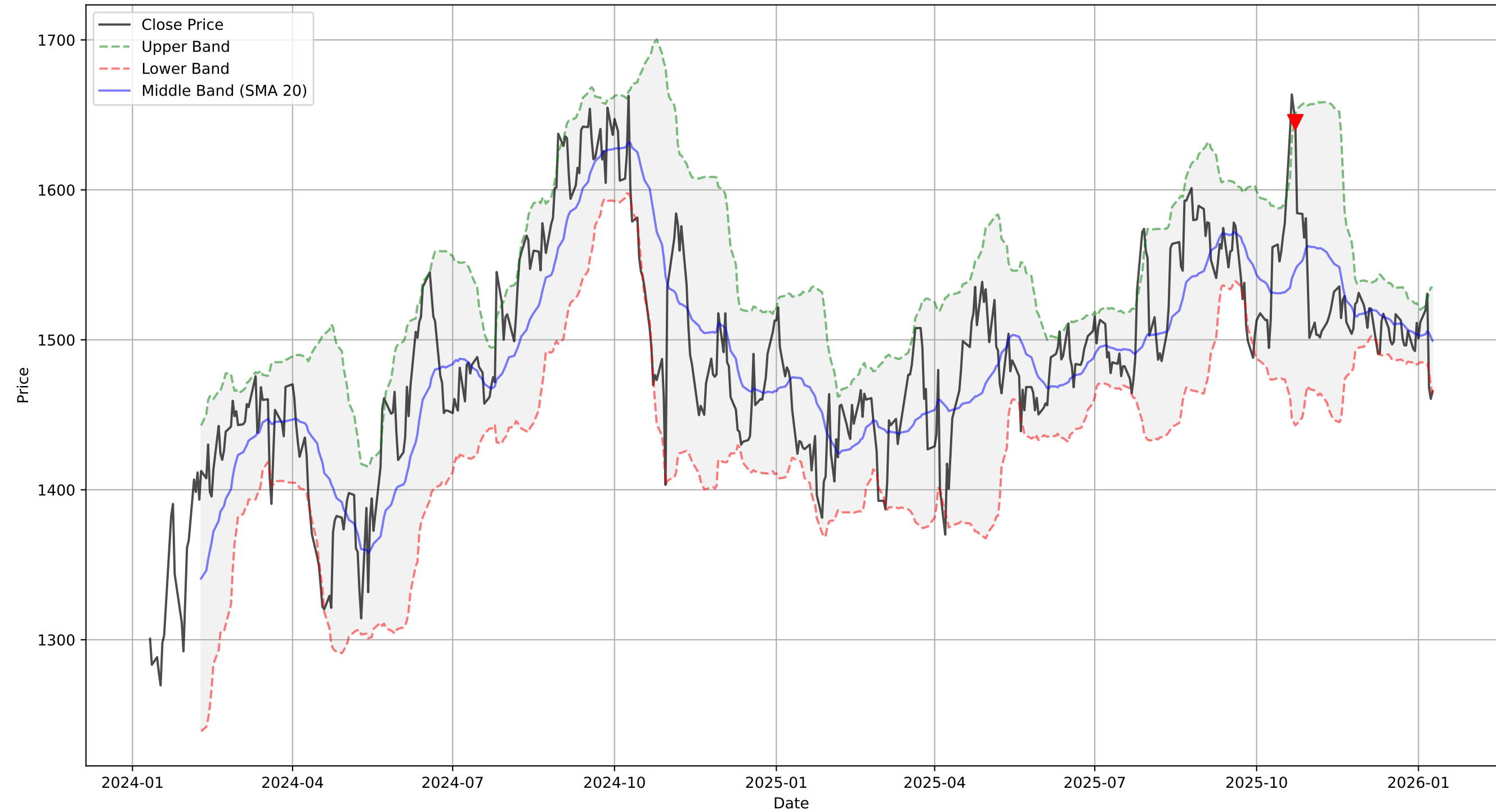
CIPLA.NS EMA Crossover Analysis



CIPLA.NS - Bollinger Bands Summary

Current Price:	1465.70
Upper Band:	1535.07
Middle Band (SMA 20):	1499.39
Lower Band:	1463.71
%B:	0.0278
Band Width:	0.0476
Status:	Lower Half
Signal:	None
Recent Signal 1:	Sell Signal at 2025-10-23 00:00:00+05:30

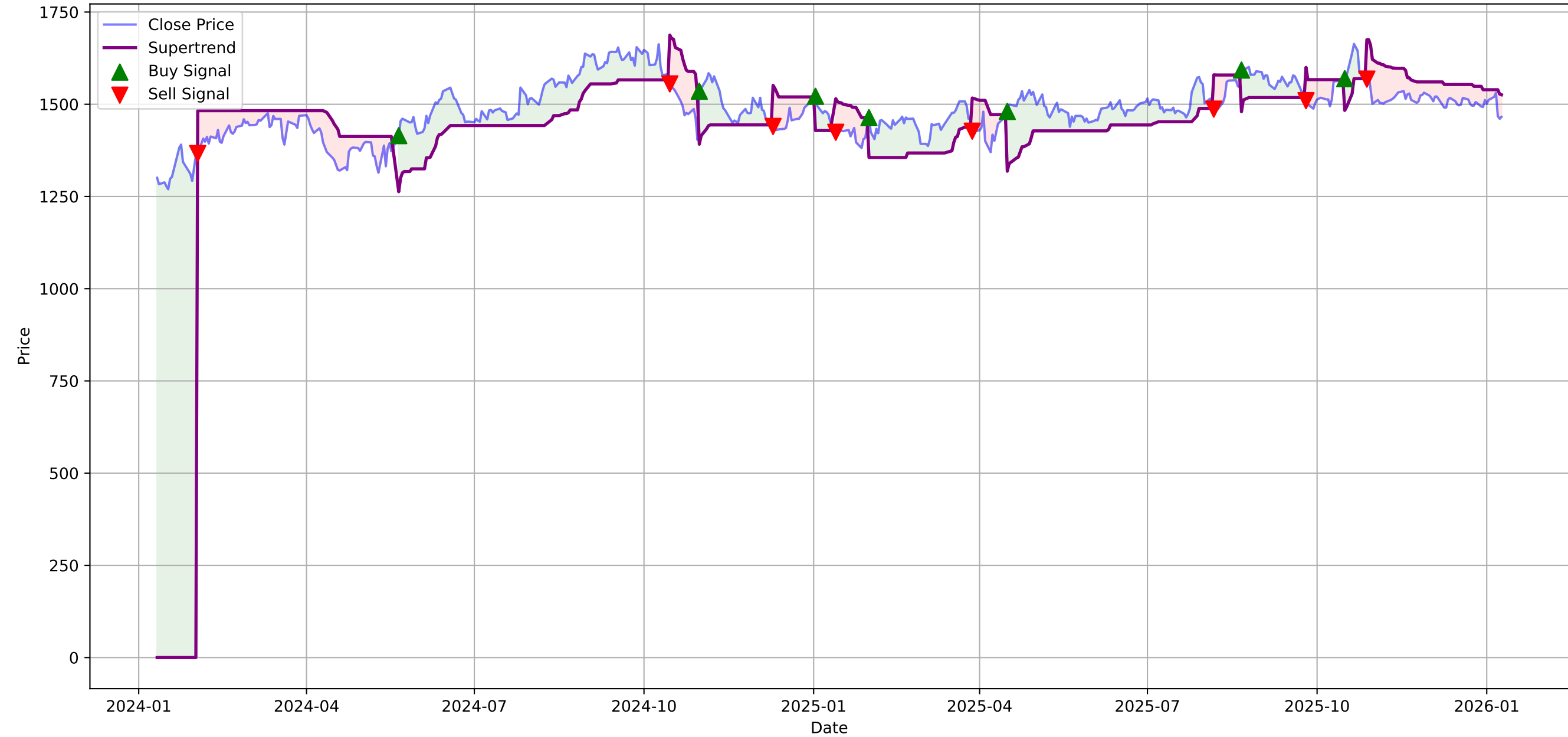
CIPLA.NS Bollinger Bands (20, 2) Analysis



CIPLA.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	1525.71
Signal Identified On:	2025-10-28

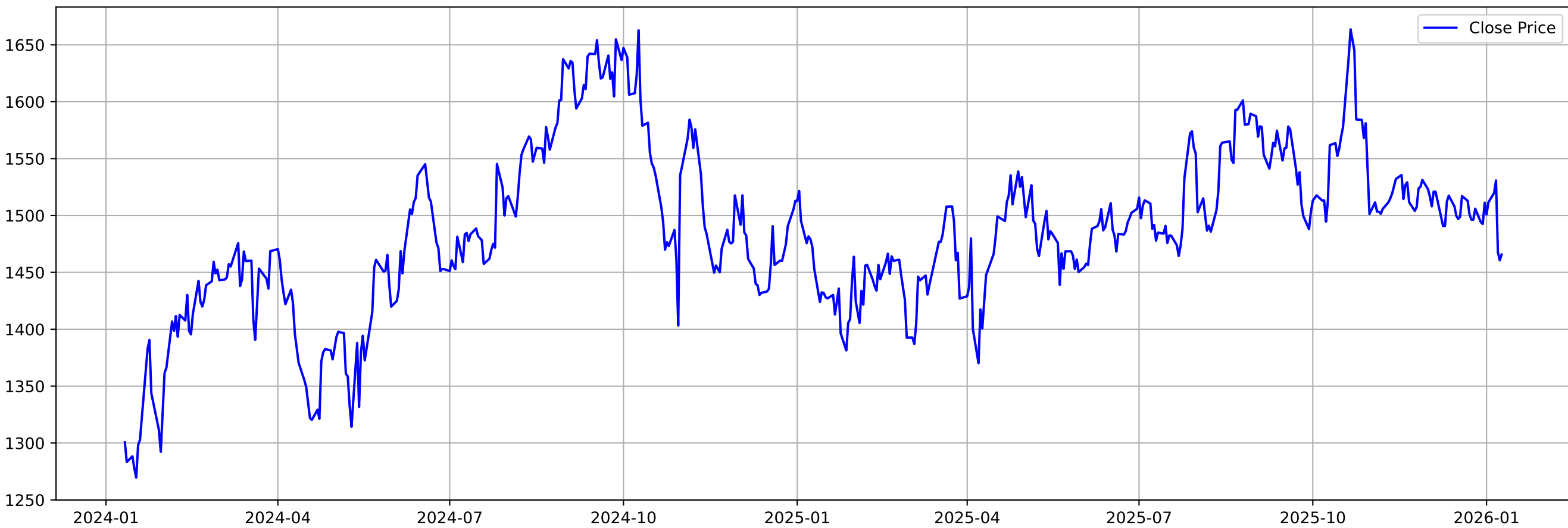
Supertrend Analysis for CIPLA.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



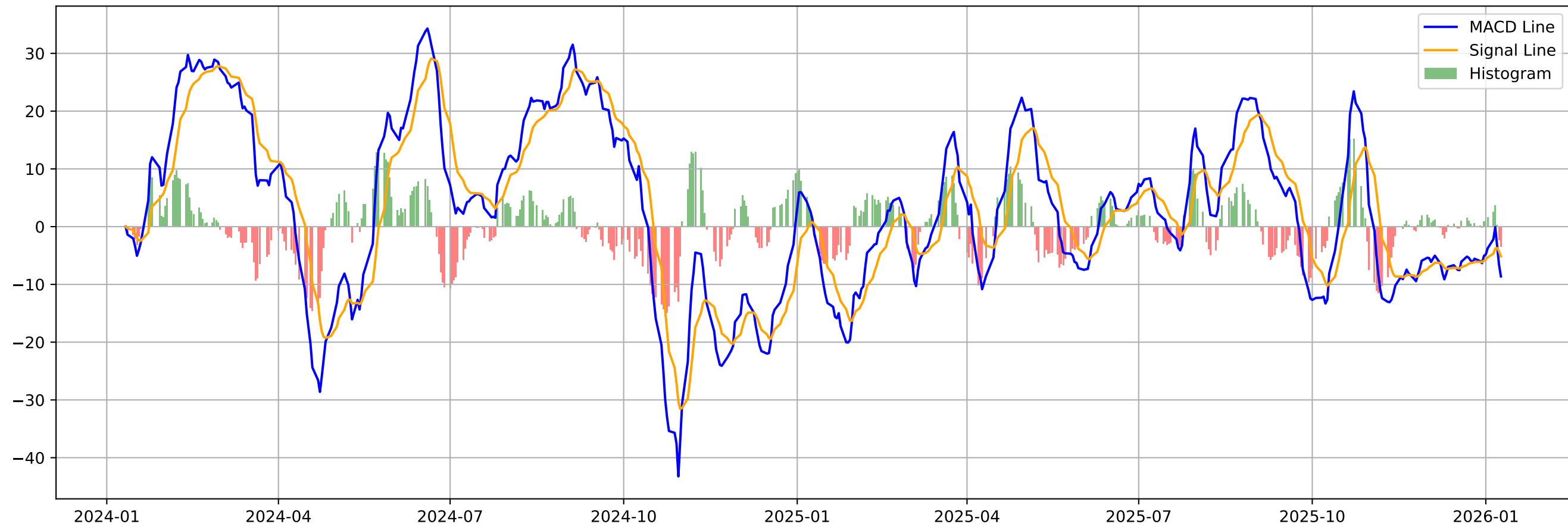
CIPLA.NS - MACD Summary

MACD Line:	-8.62
Signal Line:	-5.15
Histogram:	-3.47
Trend:	Bearish
Momentum:	Strengthening
Signal:	None

CIPLA.NS Price



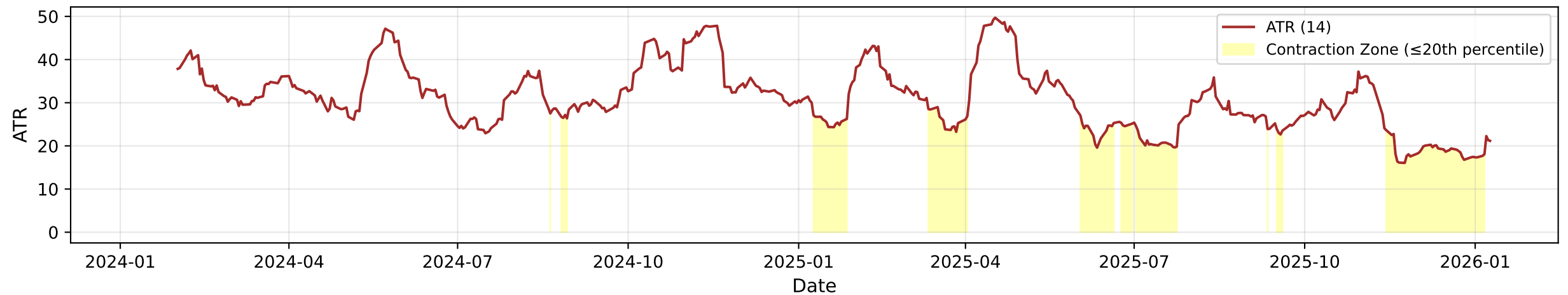
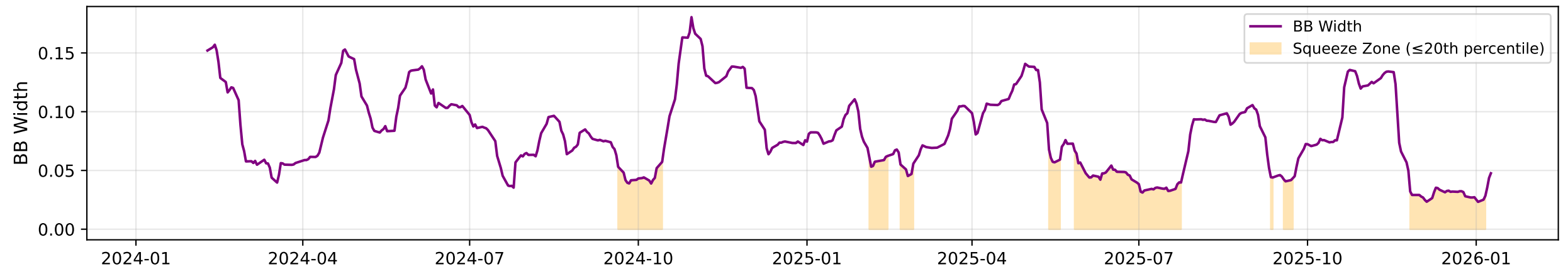
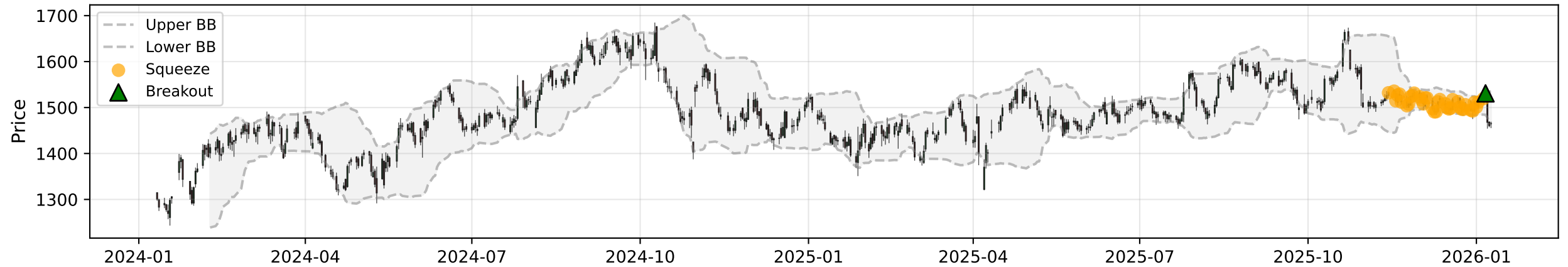
CIPLA.NS MACD (12, 26, 9)



CIPLA.NS - Volatility Squeeze Summary

BB Width:	0.0476
ATR:	21.1714
Total Signals:	38
Signal 1:	BB Squeeze + ATR Contraction at 2025-12-31 00:00:00+05:30 (Pr
Signal 2:	BB Squeeze + ATR Contraction at 2026-01-01 00:00:00+05:30 (Pr
Signal 3:	BB Squeeze + ATR Contraction at 2026-01-02 00:00:00+05:30 (Pr
Signal 4:	BB Squeeze + ATR Contraction at 2026-01-05 00:00:00+05:30 (Pr
Signal 5:	BB Squeeze + ATR Contraction (Bullish Breakout) at 2026-0

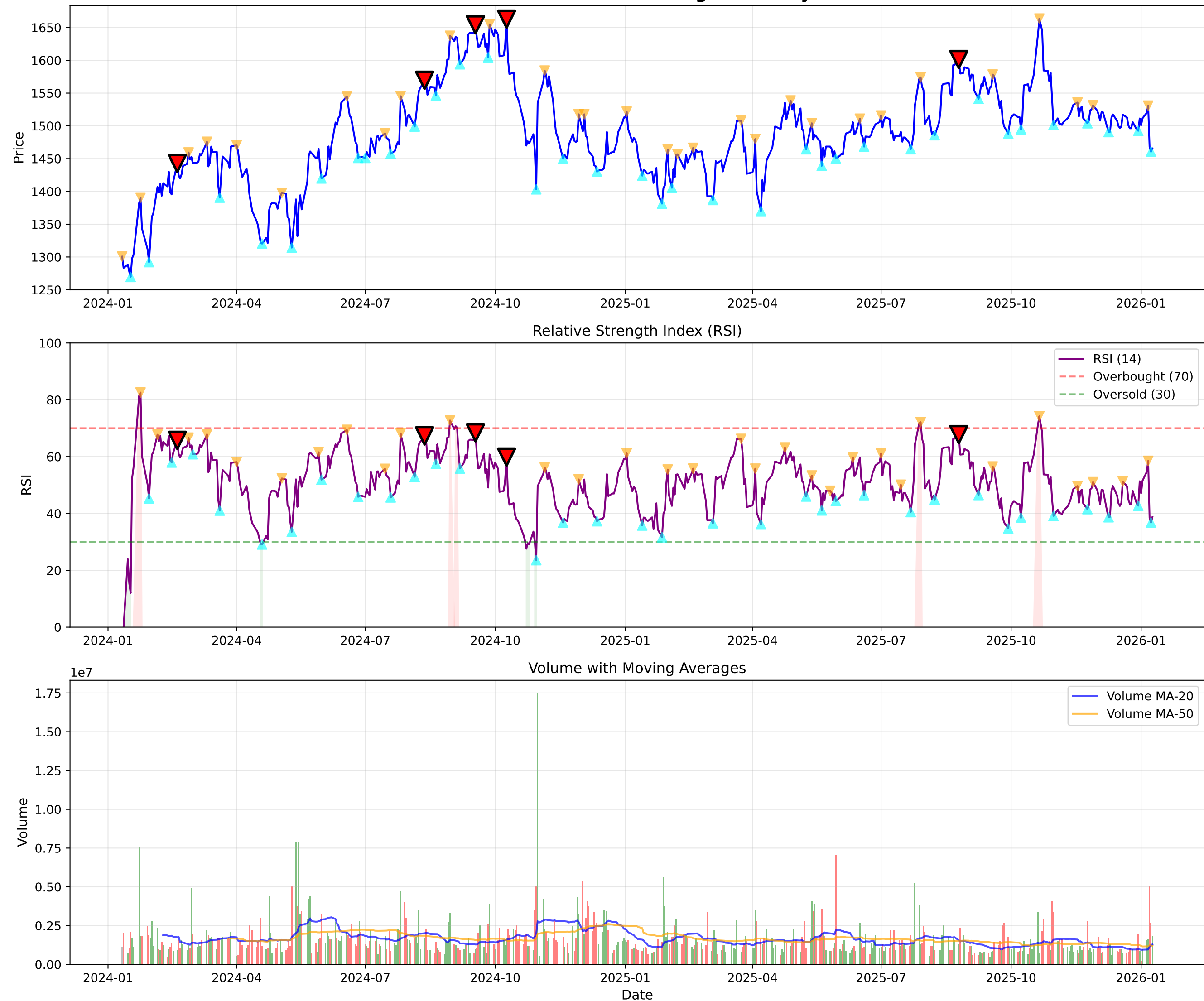
CIPLA.NS - Volatility Squeeze Analysis



CIPLA.NS - RSI-Volume Summary

Current RSI:	38.71
Current Volume:	1804271
Volume MA 20:	1288665
Bullish Divergences:	0
Bearish Divergences:	5
Bearish Div 1:	Date: 2024-10-09 00:00:00+05:30, Price: 1662.74
Bearish Div 2:	Date: 2025-08-25 00:00:00+05:30, Price: 1601.20

CIPLA.NS RSI-Volume Divergence Analysis



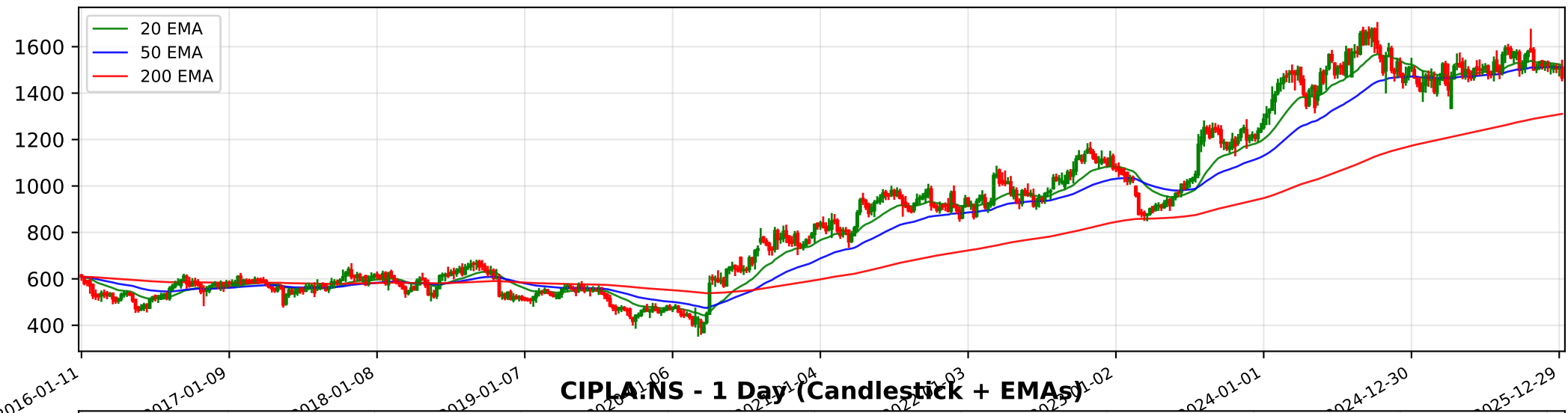
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	1569.19	1465.7	2026-01-05
1 Day	DOWNTREND (Sell)	1525.71	1465.7	2025-10-28
15 Min	DOWNTREND (Sell)	1466.61	1465.7	2026-01-07

Multi-Timeframe MACD Analysis

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

CIPLA.NS - 1 Week (Candlestick + EMAs)



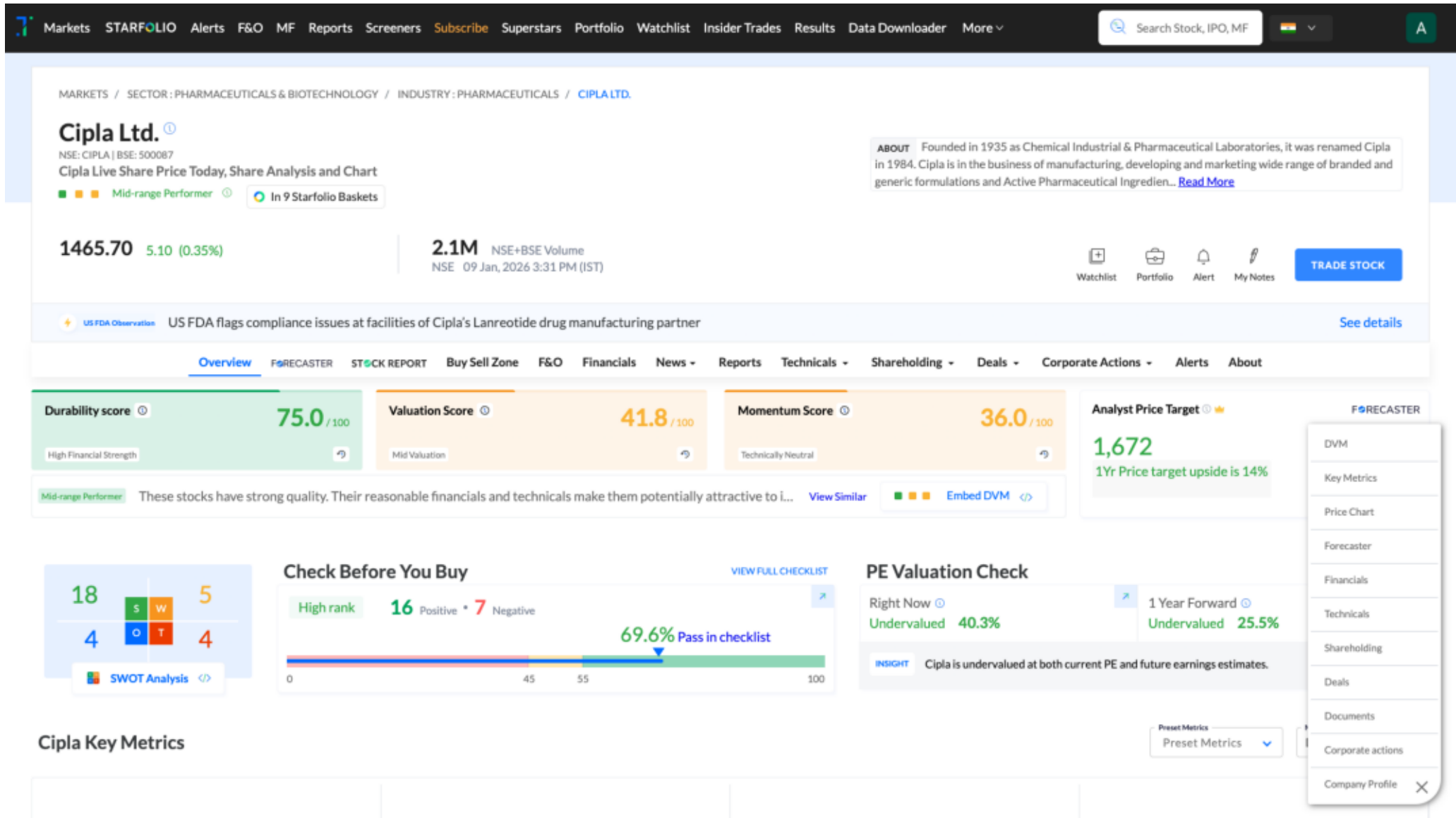
CIPLA.NS - 1 Day (Candlestick + EMAs)



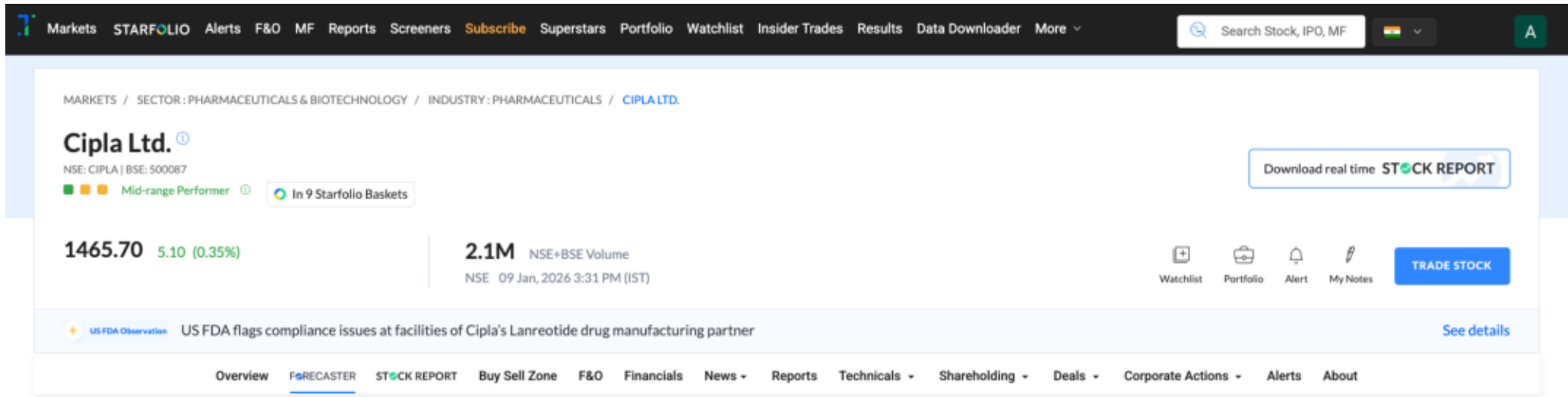
CIPLA.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - CIPLA_main



Trendlyne Snapshot - CIPLA_forecaster



Cipla - CIPLA - stock price prediction, stock forecast, target price, analyst ratings from 36 analysts

Cipla has a share price target of Rs 1672, revenue growth forecast of 6.3%, and profit growth estimate of -7.0% for FY26, based on top 36 analyst calls.

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