

Gemini Stock Analysis Report

As a seasoned positional equity trader, I have analyzed the comprehensive data provided for AUROPHARMA.NS. My objective is to determine the viability of an intermediate-term entry (1-4 months) with a target of 5%-15% upside.

Step 1: Audit the Data

- **Data Present:** Daily price charts (3-year), Long-term (4-year) and Short-term (6-quarter) fundamental metrics, Relative Strength (RS) analysis vs. ^CNXPHARMA, EMA Crossovers (20/50/200), Bollinger Bands, Supertrend, MACD, Volatility Squeeze analysis, and RSI-Volume Divergence.
 - **Data Missing:** Weekly/Monthly charts (necessary for confirmed long-term trend alignment) and Sector-wide peer comparison beyond the benchmark index.
 - **Confidence Level: High.** The report provides a deep confluence of technical indicators and fundamental trends, allowing for a highly objective assessment.
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Step 2: Analyze the Setup

Trend and Structure: The stock is in a "Strong **Uptrend**" technically, characterized by a recent Golden Cross (2025-11-27) and price trading above the EMA 20, 50, and 200. However, the price has been consolidating in a tight range since November 2025 after a massive correction from its mid-2024 peak.

Momentum and Volatility: * **The Squeeze:** This is the primary feature of the current chart. A "Volatility Squeeze" (Bollinger Band and ATR contraction) is currently active (Page 14-15). This suggests a significant move is imminent, but the direction is not yet confirmed. * **Weakening Strength:** MACD momentum is "Weakening" (Page 12), and the RS Score of 51.1 (Page 4) indicates the stock is currently a "Weakening Leader." It is essentially drifting sideways. * **Fundamentals:** Short-term fundamentals are a concern. Recent QoQ Revenue (-7.03%) and Net Income (-8.71%) are declining, which may act as a drag on any potential breakout.

Confluence: We have a technical uptrend fighting against weakening fundamental momentum and neutral relative strength. The "Squeeze" indicates a coil is ready to spring, but entering before the breakout is speculative rather than evidence-based.

Step 3: Formulate the Recommendation

Entry Advised: NO

Rationale: While the trend is technically "up," the stock lacks the immediate momentum and fundamental tailwinds required for a high-probability positional trade. The "Weakening Leader" status and the declining QoQ earnings suggest the stock could easily break *down* from the current volatility squeeze or continue to underperform the broader pharma sector.

Conditional Plan (The "Breakout" Setup): If the stock clears its recent consolidation resistance, it would signal that the Volatility Squeeze has resolved to the upside, likely targeting the next major resistance levels.

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- **Condition to Buy:** Daily close above **INR 1245** (This clears the upper Bollinger Band and the recent December swing highs).
- **Entry Price:** INR 1248.00 (Trigger on confirmation of breakout).
- **Stop Loss:** INR 1155.00 (Just below the EMA 200 and current Supertrend support, representing ~7.5% risk).
- **Take Profit:** INR 1375.00 (Approx. 10% upside, targeting the resistance area established in late 2024).

Risk Note: Maintain strict position sizing. The pharma sector can be volatile, and given the contraction in recent earnings, any failure to hold the EMA 50 (INR 1179) should be viewed as a signal to exit immediately.

News & Analyst Targets

As a stock research analyst, I have compiled the following report on **Aurobindo Pharma (AUROPHARMA)** based on market developments for the week of **December 22 - 28, 2025**.

1. Latest News for AUROPHARMA (This Week)

- **China JV Stake Expansion (Dec 23, 2025):** Aurobindo's subsidiary, *Helix Healthcare B.V.*, entered into a binding agreement to acquire an additional **20% stake** in its Chinese joint venture, *Luoxin Aurovitas Pharma*, for **\$5.125 million**. This increases its holding to 50%. The company also secured the right to acquire the remaining 50% by December 2029 for ~\$18.86 million. This move is aimed at scaling up the manufacturing of inhalation products.
- **Termination of Biosimilar Pact (Dec 27, 2025):** Subsidiary *CuraTeQ Biologics* mutually terminated its licensing agreement with US-based *BioFactura* for the development of **BFI-751** (a biosimilar to Stelara/Ustekinumab). The company cited "strategic portfolio prioritization" and clarified that this would not materially impact its broader biosimilars strategy.
- **Trading Window Closure:** The company announced that its trading window for insiders will be closed from **January 1, 2026**, until 48 hours after the declaration of Q3 financial results.

2. Brokerage Upgrades/Downgrades

- **Elara Capital (Dec 24, 2025):** Reiterated its **"Buy"** rating. The brokerage remains upbeat on Aurobindo's valuation and growth triggers in the inhalation and biosimilars space, despite the recent termination of the BioFactura pact.
- **MarketsMojo (Dec 28, 2025):** Adjusted its technical evaluation from **"Bearish"** to **"Mildly Bearish."** While the technical outlook is cautious due to recent underperformance, the firm highlighted the stock's attractive valuation and low debt-to-equity ratio.
- **CLSA (Late 2025):** Maintains an **"Outperform"** rating (upgraded earlier from Hold). They recently tempered their target slightly to reflect conservative earnings forecasts for FY27 but remain positive on the Pen-G plant commercialization.

3. Other News Impacting AUROPHARMA

- **Regulatory Inspections (Direct Impact):** In the week prior (mid-December), the USFDA issued **Form 483 with 5 observations** for Unit-IV (APL Healthcare) in Andhra Pradesh. Earlier in the month, Unit-V (Apitoria Pharma) also received 3 observations. The company has classified these as "procedural" and is in the process of responding.
- **China Turnaround Strategy:** Management recently indicated that the China facility, currently incurring a loss of ~\$1M per quarter, is expected to **break even by Q4 FY26**. The increased stake in the JV is a direct step toward this goal.
- **Sector Headwinds (Indirect Impact):** The broader Indian pharma sector is facing volatility due to technical sentiment and concerns over potential US trade policy shifts (tariffs) under the new administration.

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4. Latest Analyst Targets & Ratings

The following table summarizes the most recent projections from the analyst community:

Brokerage/Firm	Rating	Target Price (INR)	Date Reported	Potential Upside
Elara Capital	Buy	1,568	Dec 24, 2025	~28%
Motilal Oswal	Buy	1,430	Dec 04, 2025	~18%
Axis Capital	Buy	1,260	Nov 06, 2025	~4%
HSBC	Buy	1,300	Oct 13, 2025	~7%
CLSA	Outperform	1,400	Nov 06, 2025	~15%
Kotak Securities	Sell	1,115	Nov 06, 2025	-8% (Downside)
Consensus Average	Buy	1,298	Dec 2025	~8%

Analyst Summary: The outlook remains largely positive among domestic brokerages (Elara, Motilal Oswal), who see the current price as a buying opportunity following a year of underperformance. However, global firms like Kotak remain cautious due to regulatory overhangs and US pricing pressures.

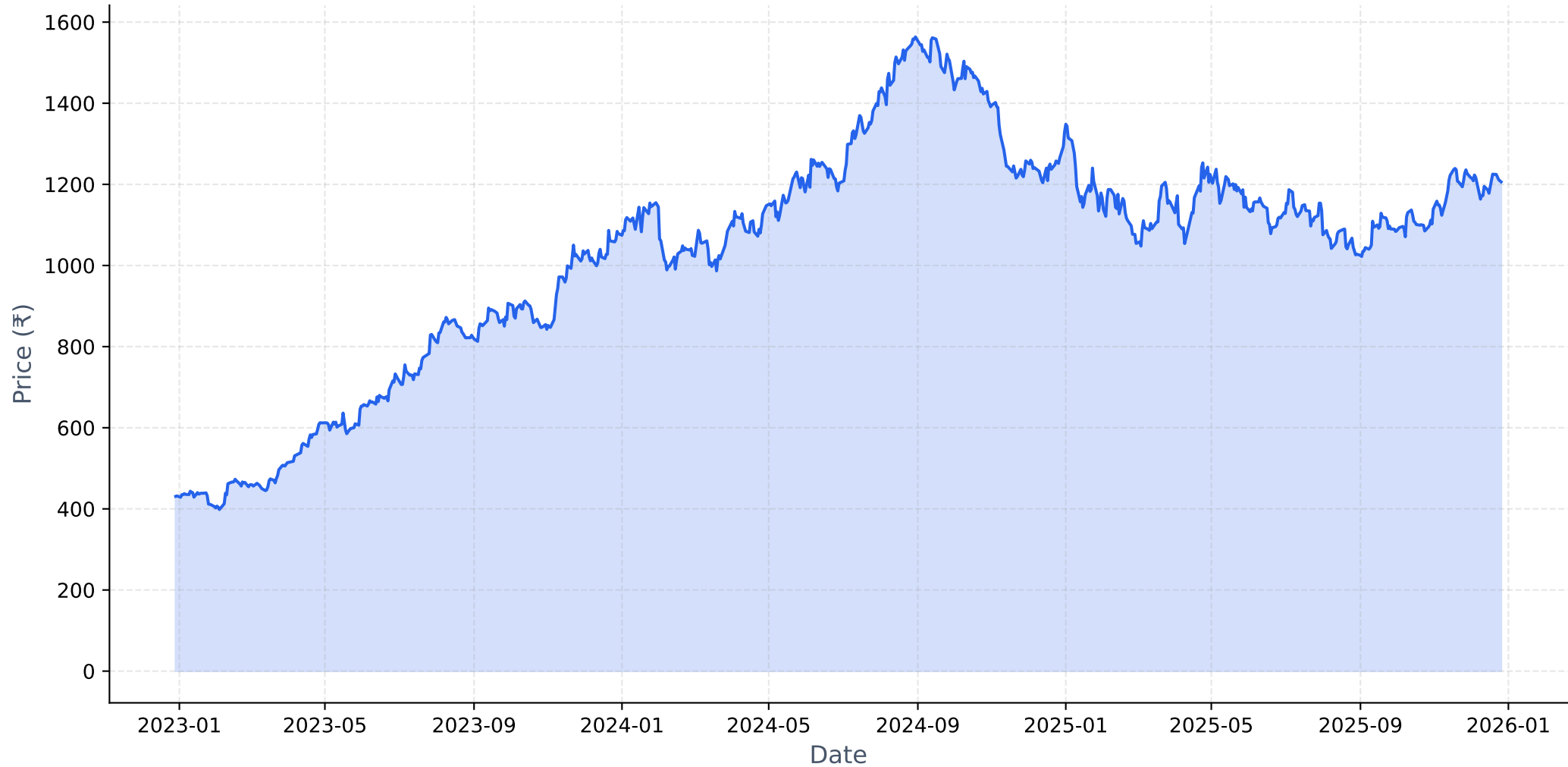
Stock Detailed Analysis Report

AUROPHARMA.NS

Current Price: ₹1206.20

Generated: 2025-12-28 10:31

AUROPHARMA.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	9.31%	10.33%
Net Income	Yes	Yes	9.86%	9.59%
ROE	No	Yes	0.41%	-0.31%
EPS	Yes	Yes	10.43%	9.79%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	-7.03%	1.23%
Net Income	No	-8.71%	-2.37%
ROE	Yes	4.52%	4.52%
EPS	No	4.00%	-3.39%

AUROPHARMA.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXPHARMA
Sector:	Pharma
Classification:	Weakening Leader
RS Score:	51.1/100
:	

== RS RATIOS ==:

1M RS:	0.990 [Neutral]
3M RS:	1.075 [Leader]
6M RS:	1.032 [Leader]
1Y RS:	0.963 [Neutral]
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== TURNAROUND ANALYSIS ==:

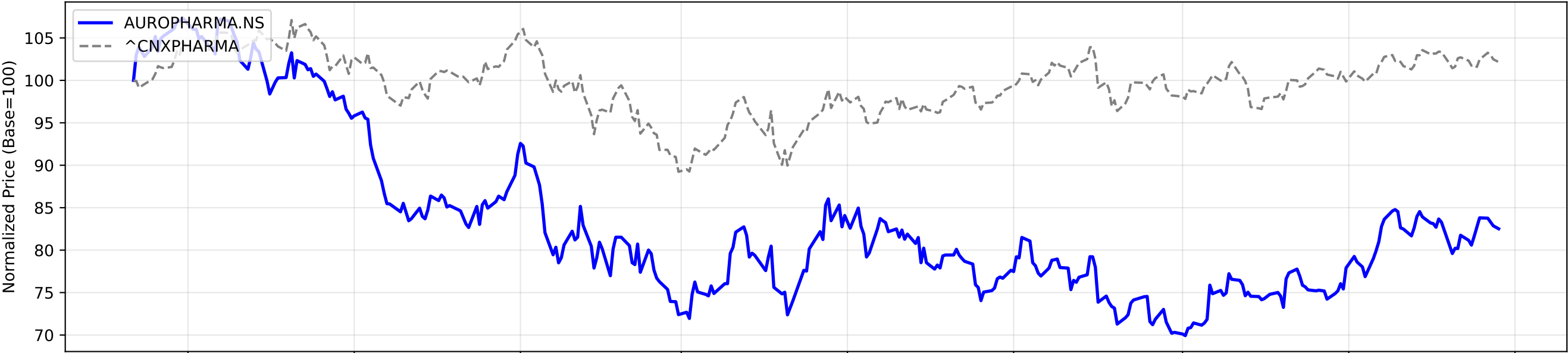
Turnaround Status:	Not Detected
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SIGNAL CRITERIA::

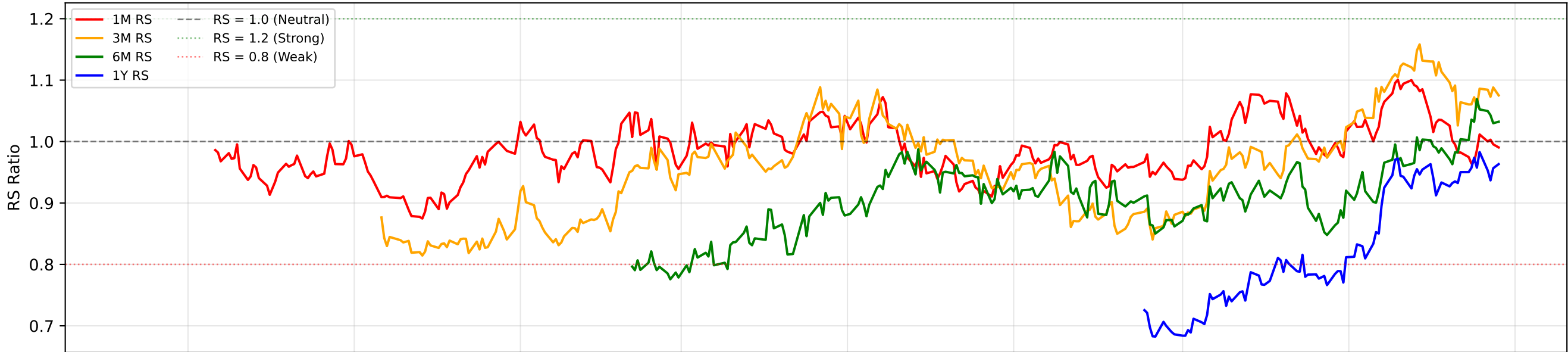
✗ Emerging RS:	Not accelerating
✓ Medium-term Lagging:	1Y=0.963 (≤ 1.0)
✓ Performance Improving:	3M (+10.0%) > 6M (+7.4%)

Relative Strength Analysis: AUOPHARMA.NS vs ^CNXPHARMA
Classification: Weakening Leader

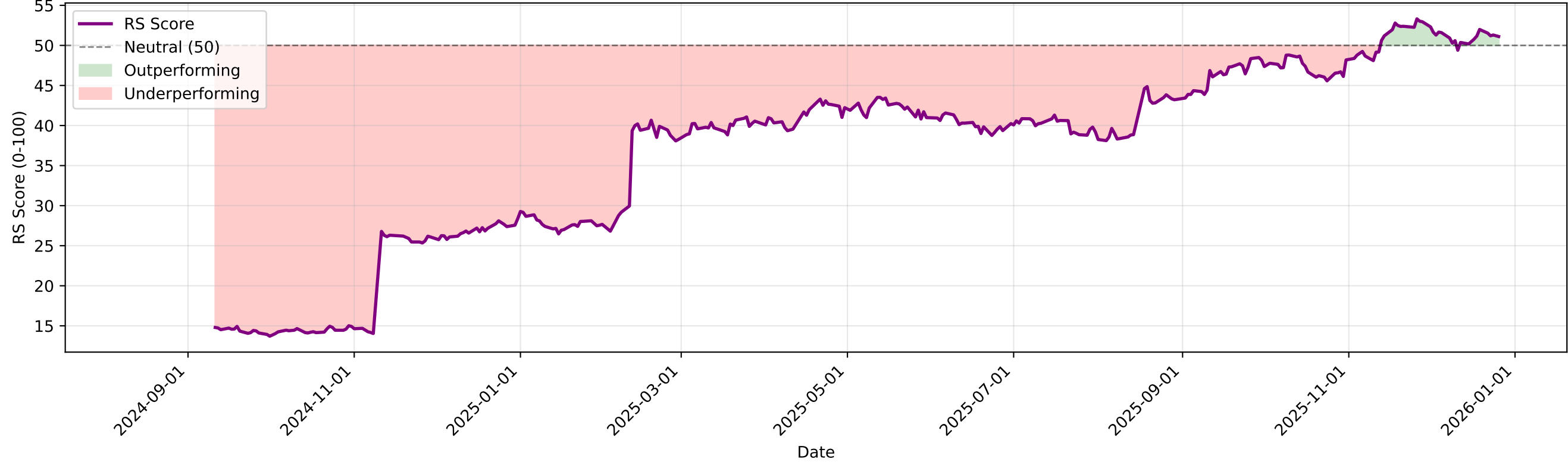
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



RS Composite Score Timeline



AUROPHARMA.NS - EMA Crossover Summary

EMA 20:	1201.94
EMA 50:	1179.62
EMA 200:	1159.87
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-11-27 00:00:00
Golden Cross Price:	1235.80

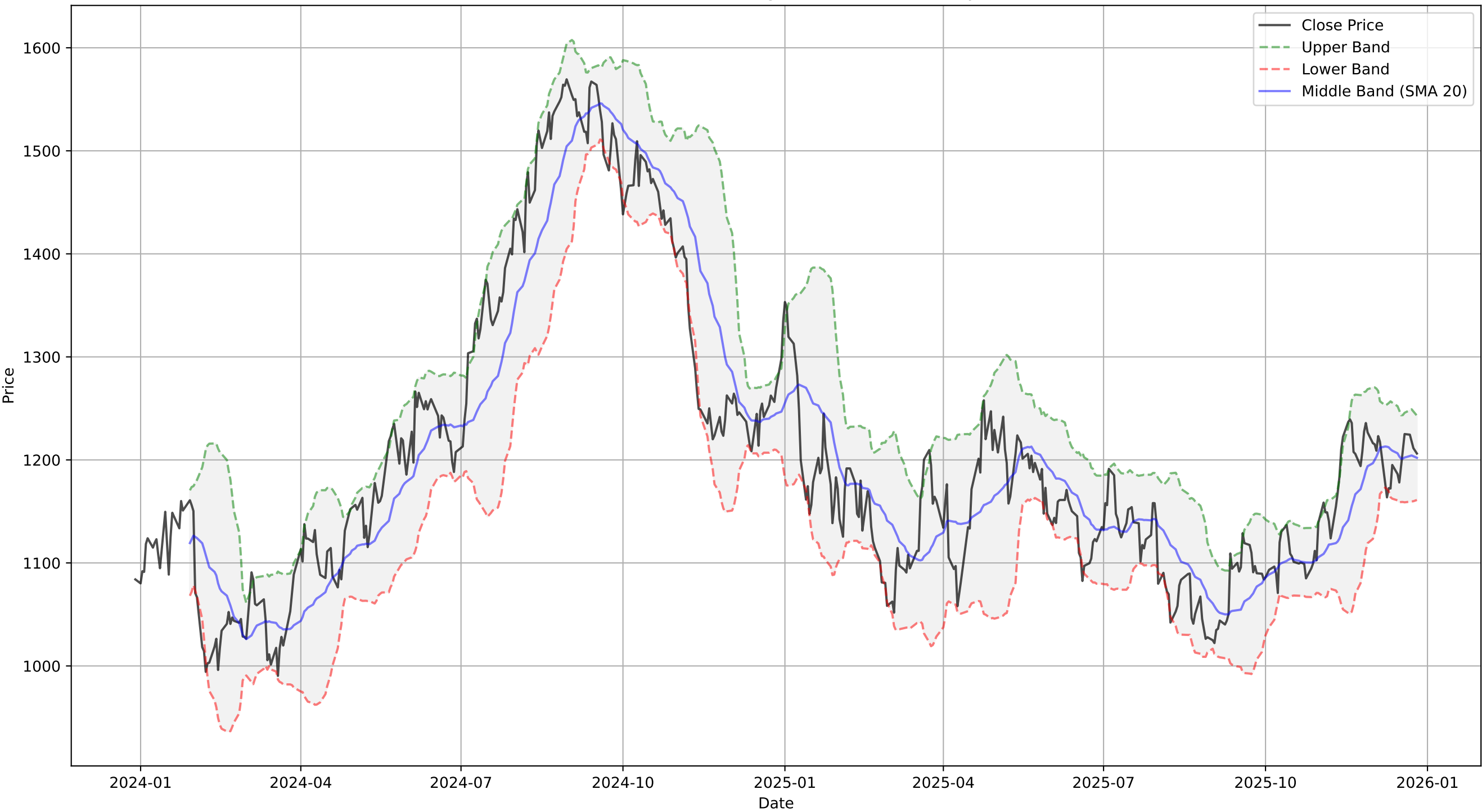
AUROPHARMA.NS EMA Crossover Analysis



AUROPHARMA.NS - Bollinger Bands Summary

Current Price:	1206.20
Upper Band:	1242.95
Middle Band (SMA 20):	1202.02
Lower Band:	1161.10
%B:	0.5510
Band Width:	0.0681
Status:	Upper Half
Signal:	None

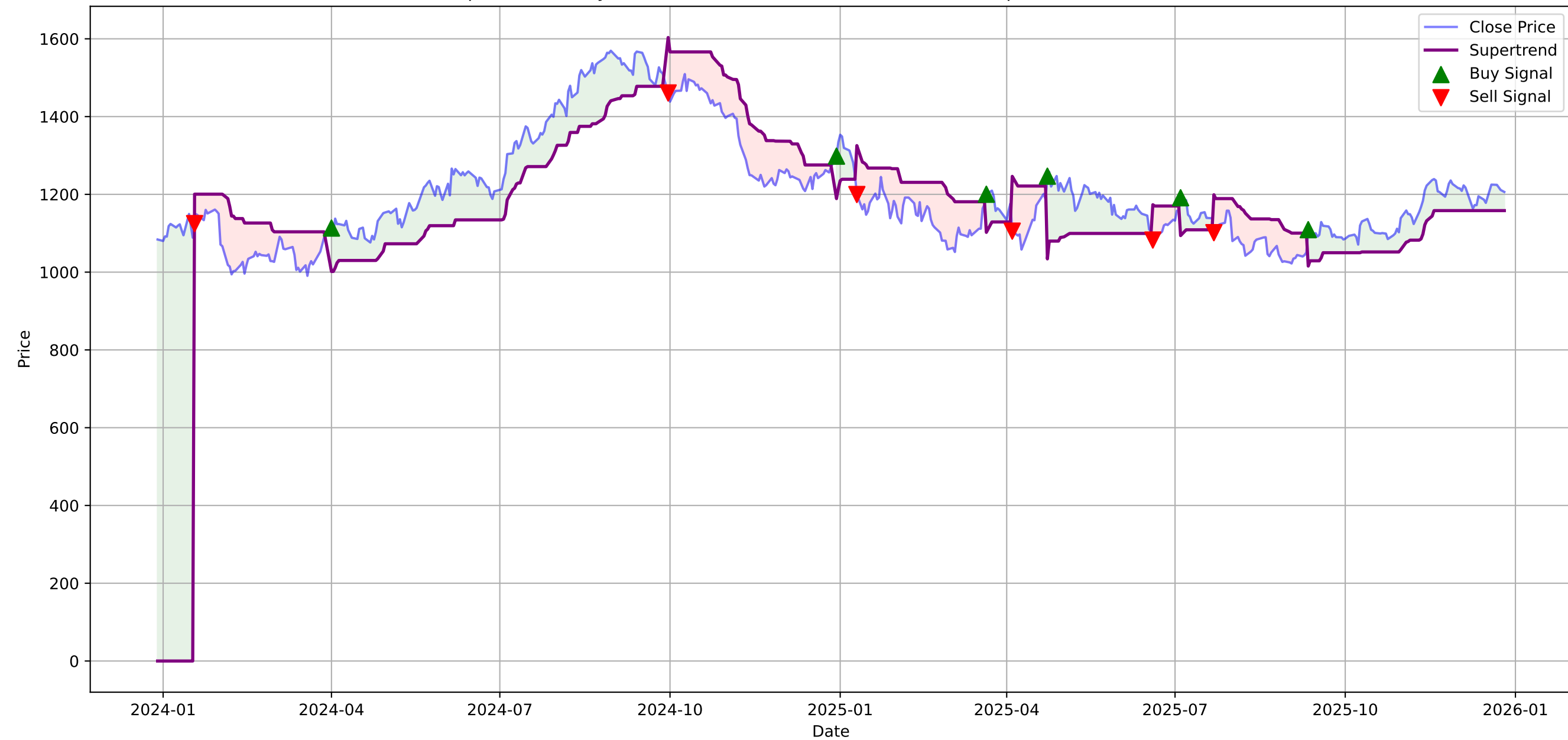
AUROPHARMA.NS Bollinger Bands (20, 2) Analysis



AUROPHARMA.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	1158.19
Signal Identified On:	2025-09-11

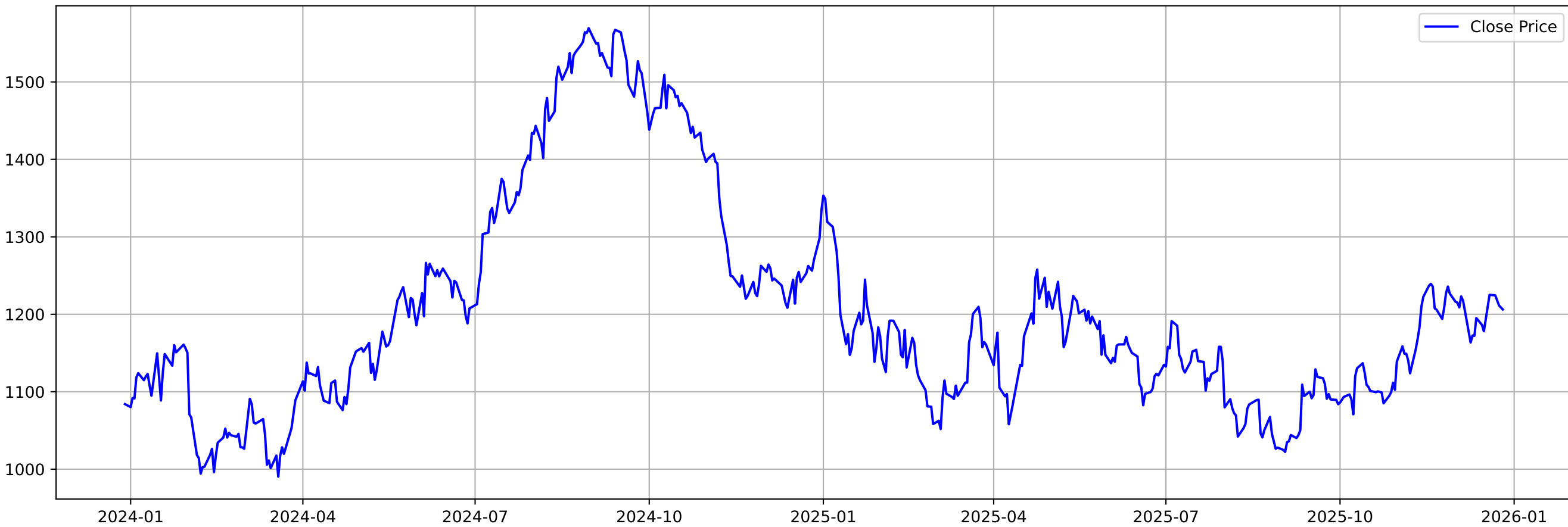
Supertrend Analysis for AUROPHARMA.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



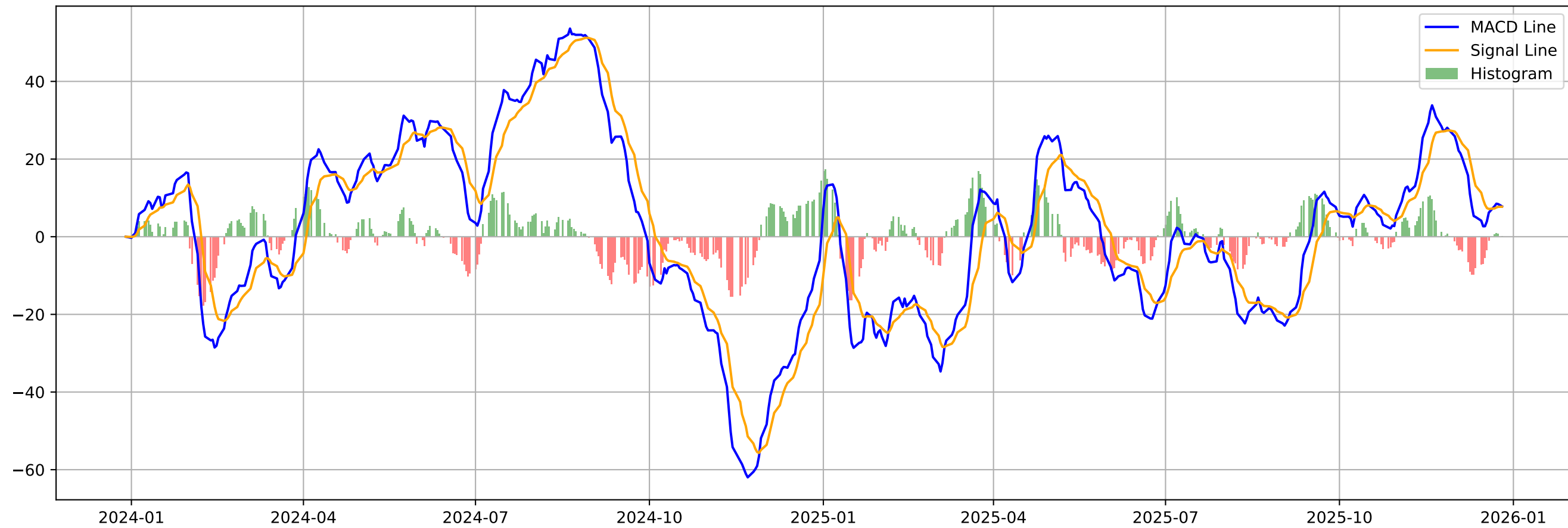
AUROPHARMA.NS - MACD Summary

MACD Line:	7.81
Signal Line:	7.72
Histogram:	0.09
Trend:	Bullish
Momentum:	Weakening
Signal:	None

AUROPHARMA.NS Price



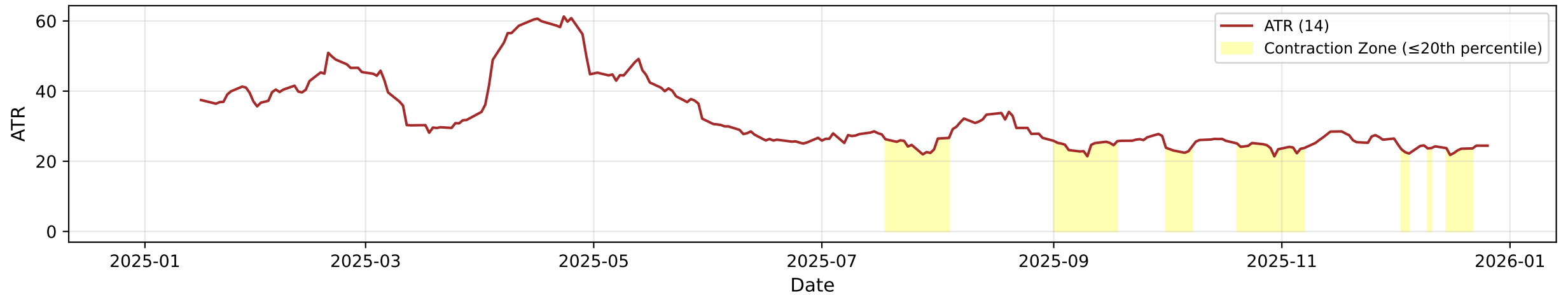
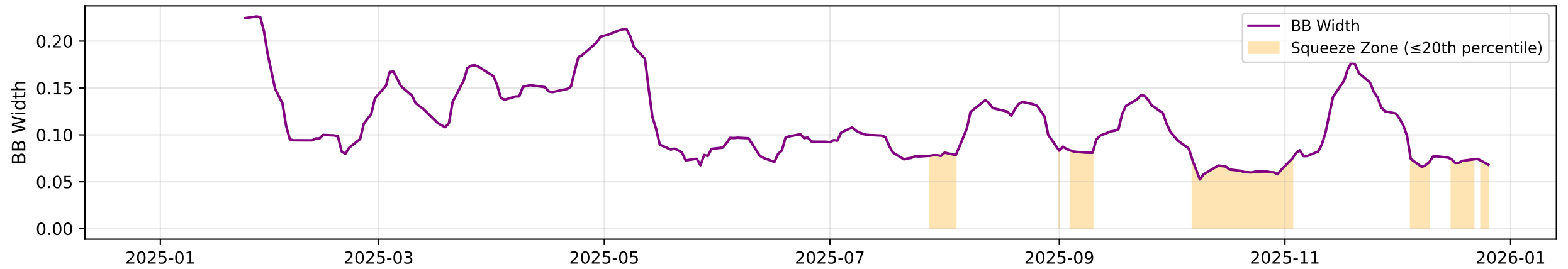
AUROPHARMA.NS MACD (12, 26, 9)



AUROPHARMA.NS - Volatility Squeeze Summary

BB Width:	0.0681
ATR:	24.4500
Total Signals:	41
Signal 1:	BB Squeeze + ATR Contraction at 2025-12-18 00:00:00 (Price: 1206.20)
Signal 2:	BB Squeeze + ATR Contraction at 2025-12-19 00:00:00 (Price: 1206.20)
Signal 3:	BB Squeeze + ATR Contraction at 2025-12-22 00:00:00 (Price: 1206.20)
Signal 4:	BB Squeeze at 2025-12-24 00:00:00 (Price: 1211.40)
Signal 5:	BB Squeeze at 2025-12-26 00:00:00 (Price: 1206.20)

AUROPHARMA.NS - Volatility Squeeze Analysis



AUROPHARMA.NS - RSI-Volume Summary

Current RSI:	53.16
Current Volume:	310348
Volume MA 20:	634375
Bullish Divergences:	1
Bearish Divergences:	3
Bullish Div 1:	Date: 2025-02-03 00:00:00, Price: 1125.40
Bearish Div 1:	Date: 2024-08-30 00:00:00, Price: 1569.40
Bearish Div 2:	Date: 2025-10-13 00:00:00, Price: 1136.80

AUROPHARMA.NS RSI-Volume Divergence Analysis

