Strategic Trading Analysis

Based on the detailed PDF report provided, here is my analysis of **VEDL.NS (Vedanta Ltd)** from the perspective of a positional equity trader.

Important Note: The report indicates a generated date of **2026-02-07**. I will treat this date as "current" for the purpose of this analysis.

Step 1: Audit the Data

*   **Data Present:**
    *   **Price Action:** Daily (3-year), Weekly, and 15-min charts.
    *   **Trend Indicators:** EMA (20, 50, 200), Supertrend, MACD.
    *   **Volatility/Momentum:** Bollinger Bands, RSI, ATR.
    *   **Volume:** Volume moving averages, Distribution day analysis.
    *   **Fundamentals:** Revenue, Net Income, ROE (Long & Short term).
    *   **Relative Strength:** Comparison vs. CNXMETAL.
*   **Data Missing:**
    *   **Order Book/Market Depth:** Real-time liquidity data (not critical for positional analysis but helpful).
    *   **Specific Option Chain Data:** To identify open interest resistance/support levels (though implied volatility can be inferred from ATR/BB).
*   **Confidence Level:** **High**.
    *   The report is exhaustive, covering technicals, fundamentals, and quantitative signals. The conflict between long-term bullishness and short-term bearish signals is clearly visible in the data.

Step 2: Analyze the Setup

*   **Price Structure (Trend Conflict):**
    *   **Long-Term:** Bullish. The stock is in a confirmed uptrend on the Weekly timeframe (Page 22) and is trading well above its 200-day EMA (514.21).
    *   **Intermediate-Term:** Bearish/Corrective. The stock has recently broken down. It generated a **Supertrend Sell Signal** on 2026-01-30 (Page 10). The price (671) is falling toward the 50-day EMA (622).
*   **Momentum:**
    *   **MACD:** Bearish. The MACD line has crossed below the signal line, and the histogram is expanding downward (Page 13).
    *   **RSI:** Neutral/Weak (52.87). It is not yet oversold, suggesting there is room for further downside before a technical bounce.
    *   **Relative Strength:** The stock is classified as a "Weakening Leader" (Page 5) and is currently underperforming the Metal sector benchmark.
*   **Volume Analysis:**
    *   The report notes **Distribution Days** in late January 2026 (Page 18). This indicates institutional selling or profit-taking is currently active.
*   **Key Levels:**
    *   **Resistance:** 743 (Supertrend trailing stop) and 676 (20 SMA / Middle Bollinger Band).
    *   **Support:** The confluence of the **EMA 50 at ~622** and the **Lower Bollinger Band at ~608** is the primary area of interest.

Conclusion: The stock is undergoing a healthy correction within a larger bull market. However, the short-term knife is still falling. Buying at the current market price (671) is risky because momentum is negative, and the price is in "no man's land" between the short-term resistance (EMA 20) and intermediate support (EMA 50).

Step 3: Formulate the Recommendation

Recommendation: NO (Do not enter at current price).

The stock has just triggered a short-term sell signal (Supertrend) and volume distribution is active. Entering now has a poor risk-to-reward ratio as the price is likely to drift toward the 50-day EMA.

Conditional Plan (Buy the Dip Strategy):
Since the long-term fundamentals and trend are strong (Revenue/Net Income growing), we are looking to enter on a pullback to a high-value support zone.

*   **Condition to Buy:** Wait for the price to drop into the **620-630** zone (confluence of EMA 50 and previous breakout levels). Look for a daily candle to close green or show a long lower wick (rejection of lower prices) in this zone.
*   **Entry Price:** **INR 625 - INR 635** (Limit order in this zone).
*   **Stop Loss:** **INR 595** (Daily close below psychological 600 level and the Lower Bollinger Band).
*   **Take Profit:**
    *   **Target 1:** **INR 700** (Rebound to recent breakdown area).
    *   **Target 2:** **INR 760** (Test of recent highs/Analyst Estimates).

Rationale: This setup offers a Risk:Reward ratio of better than 1:3. You are risking ~INR 35 to make ~INR 130, aligning with the primary long-term trend while avoiding the current short-term volatility.

Candlestick Classification Analysis
Based on the **Candlestick Classification System** outlined in the report (Pages 20 and 21), here is my analysis of VEDL.NS as a seasoned price action trader.

Current Market State: Attempting Stabilization

1. Latest Signal: Buyer Control (+1)
The most recent trading session generated a **Buyer Control** signal.
*   **Interpretation based on your Algorithm:** This implies the candle likely had a moderate bullish body (0.8-1.5 ATR) or closed near its high. However, it lacked the "High Volume" multiplier (>1.3x avg) or the massive body size (>1.5 ATR) required to trigger a "Buyer **Strong** Control" (+2) signal.
*   **Trader's View:** The bulls have stepped in to defend the price, but they haven't shown "Institutional Conviction" (High Volume + Strong Close) yet. It is a tentative recovery, not a dominant breakout.

2. 10-Day Trend Score: 0.20 (Neutral/Weak Bullish)
*   **The Math:** A score of 0.20 is very close to zero.
*   **The Reality:** Over the last two weeks, the battle between buyers and sellers has been effectively a tie. The market is in a state of **Indecision/Consolidation**. We are likely seeing a mix of "No Control" (0) and minor +/- 1 signals, which flattens the trend score.

3. Chart Structure Analysis (Page 21 Visuals)
*   **The recent history:** The chart shows a violent rejection from the highs (top right). You can see consecutive **Dark Red (Seller Strong Control)** candles. These represent panic selling with high volume (Step 4 of your algorithm multiplying the bearish signal).
*   **The aftermath:** Following that drop, we see a cluster of **Grey (No Control)** candles. This indicates the selling pressure exhausted itself, and the market entered equilibrium.
*   **The Pivot:** The emergence of the latest **Light Green (Buyer Control)** candle suggests the "No Control" phase is shifting toward accumulation.

Prediction: Which side should the future price move?

Verdict: Short-Term Bullish Bounce within a Larger Consolidation

The price action suggests a **defensive buy setup**. The immediate momentum is shifting to the upside, but the lack of "Strong" control suggests this is a relief rally rather than a new parabolic run.

Detailed Forecast:

1. **Immediate Short Term (1-5 Days): UP/SIDEWAYS**
    *   Since the latest signal is **Buyer Control** coming out of a "No Control" zone, the probability favors a move higher to test immediate resistance.
    *   **Watch for:** The price to drift toward the **INR 700** level.
    *   **Invalidation:** If the next candle is a "Seller Control" (-1) or closes below the recent low of the "No Control" cluster (approx INR 640-650), the recovery has failed.

2. **Volume Warning (The "Step 4" Factor):**
    *   Looking at the volume bars on Page 21, the volume on this current green move is **lower** than the volume on the red drop.
    *   According to your algorithm, "Low volume (<0.8x avg) ? multiply by 0.6". If volume stays low, any bullish candles will be downgraded to weak signals.
    *   **Risk:** Without an injection of volume, this move is fragile. It is prone to being a "Dead Cat Bounce."

Strategy based on Classification:
*   **Bullish Confirmation:** You need to see a **Buyer Strong Control (+2)** candle (Large body + High Volume) to confirm the correction is truly over.
*   **Current Action:** The current "+1" signal is good for an aggressive swing trade with a tight stop loss at the recent lows, but it is not yet a safe "investor" entry signal given the low 10-day trend score (0.20).

News & Analyst Targets
As a stock research analyst, I have compiled the latest news, brokerage updates, and analyst targets for **Vedanta Limited (VEDL)** for the week ending February 7, 2026.

1) Latest News for VEDL This Week

*   **Record Q3 FY26 Results:** On January 29, Vedanta reported its highest-ever quarterly EBITDA of **INR 15,171 crore** (up 34% YoY) and a 60% jump in Net Profit (PAT) to **INR 7,807 crore**. Revenue rose 19% YoY to INR 45,899 crore, driven by robust commodity prices and operational efficiencies.
*   **Demerger Update:** The company has received approval from the National Company Law Tribunal (NCLT) for its demerger. The management has targeted **April 1, 2026**, as the effective date for the split into six independent listed entities, which analysts believe will unlock significant value.
*   **Viceroy Research Report Volatility:** The stock faced sharp intraday selling pressure (~4-5%) on February 5, 2026, following a report/note by short-seller **Viceroy Research**. The report raised concerns about the group's debt structure and governance, though the company has dismissed these allegations as baseless and "rehashed" from previous claims.
*   **Debt Reduction:** Vedanta reported an improvement in its Net Debt-to-EBITDA ratio to **1.23x** (down from 1.40x), signaling progress in its deleveraging efforts. The parent company, Vedanta Resources (VRL), has also released encumbrances on VEDL shares.

2) Upgrade or Downgrade from Brokerages

Brokerages have largely remained bullish following the strong Q3 results, with several raising their price targets due to earnings visibility and the impending demerger.

*   **ICICI Securities:** Downgraded rating from **Buy** to **Add**, citing limited upside after the recent rally, but **raised the target price** to **INR 850**.
*   **Nuvama:** Reaffirmed **Buy** rating and **raised** its target price significantly to **INR 899** (from ~INR 806), citing the demerger as a key value unlocking event.
*   **Kotak Institutional Equities:** Maintained **Buy** rating and **raised** target price to **INR 890** (from INR 780), highlighting the benefit of the metals rally.
*   **Citi:** Maintained **Buy** and **raised** target to **INR 900**, pointing to strong EBITDA growth.
*   **Motilal Oswal:** Maintained **Neutral** rating with a target of **INR 810**, advising caution despite the strong operational performance.

3) Other News Directly or Indirectly Impacting VEDL

*   **Silver Price Crash:** A sharp decline in global silver prices earlier this week negatively impacted Vedanta's subsidiary, **Hindustan Zinc (HZL)**, which contributes significantly to Vedanta's consolidated earnings. This dragged VEDL's stock down in sympathy.
*   **Hindustan Zinc Offer for Sale (OFS):** Supply pressure was created by the recent Offer for Sale (OFS) in Hindustan Zinc, where the promoter (Vedanta) sold a stake to raise funds for debt reduction.
*   **Global Metal Prices:** While silver was volatile, Aluminum prices (LME) remain favorable. Since Aluminum contributes nearly 50% of Vedanta's EBITDA, this provides a strong cushion against weakness in other commodities.

4) Latest Analyst Targets (February 2026)

The analyst community has revised targets upward following the Q3 earnings beat. Below is the summary of the latest targets:

Brokerage Firm	Rating	Target Price (INR)	Key Rationale
Citi	Buy	**900**	Strong EBITDA beat; improving leverage ratios.
Nuvama	Buy	**899**	Demerger value unlocking; FY27-28 growth visibility.
Kotak Inst. Equities	Buy	**890**	Benefits from metal rally; higher EBITDA estimates.
Emkay Global	Buy	**850**	Strong operational quarter; demerger completion in sight.
ICICI Securities	Add	**850**	Valuation rich after rally; target raised on earnings upgrade.
Motilal Oswal	Neutral	**810**	Good Q3 but near-term positives priced in.
Investec	Buy	**850+***	Cites demerger clarity and operational strength.
JPMorgan	Neutral	**680**	Cautious stance maintained post-results (Jan 29).

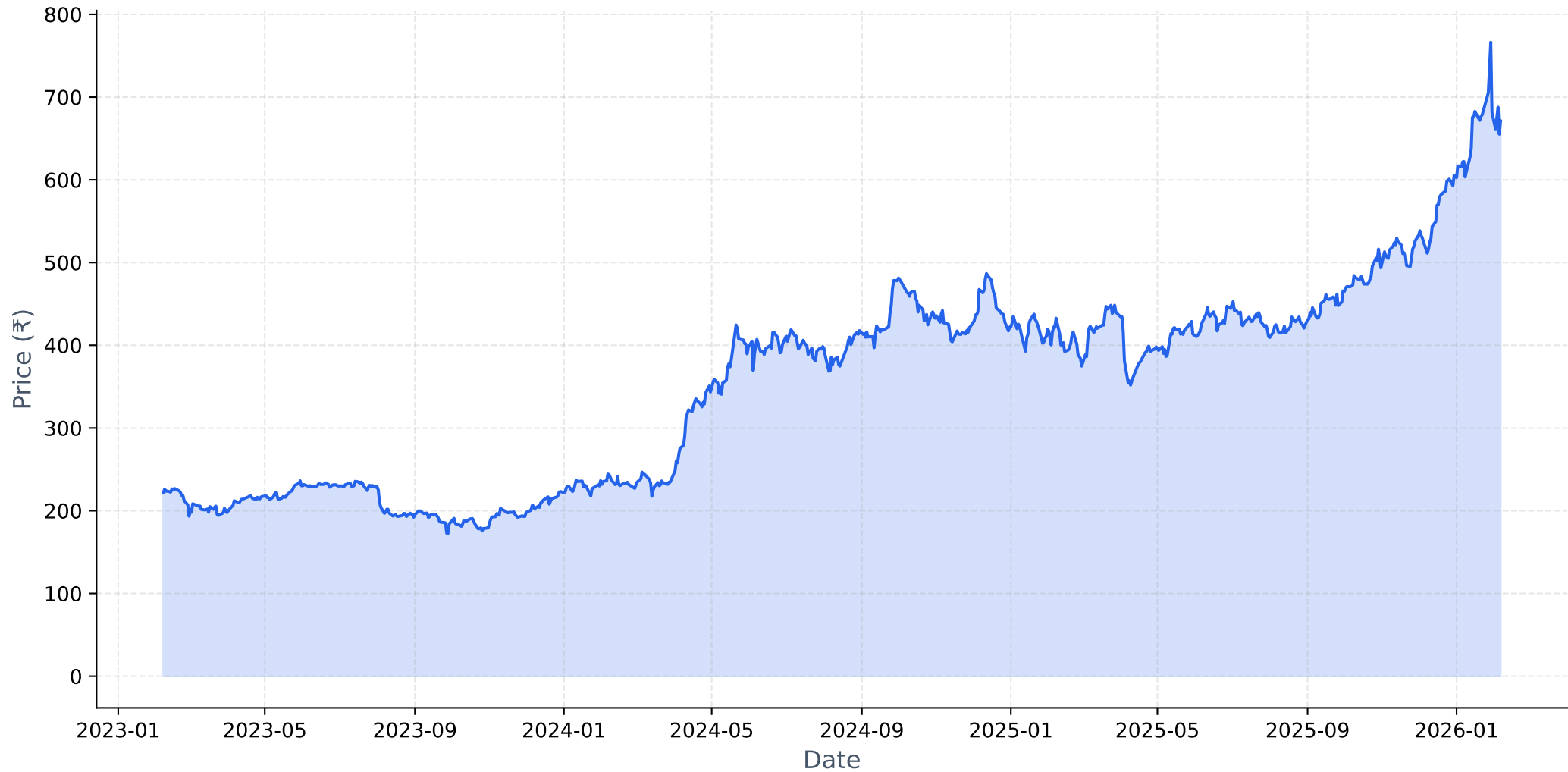**Note: Investec's target is part of a "850-930" range cited in broader brokerage summaries post-Q3.*

Stock Detailed Analysis Report

VEDL.NS

Current Price: ₹671.05

Generated: 2026-02-07 10:20

VEDL.NS - 3 Year Daily Price Chart

Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	6.30%	4.74%
Net Income	No	Yes	253.57%	-7.28%
ROE	Yes	Yes	183.62%	10.82%
EPS	No	Yes	241.24%	-8.42%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	-38.61%	9.54%
Net Income	Yes	79.28%	12.61%
ROE	No	-21.66%	-21.66%
EPS	Yes	79.39%	25.32%

VEDL.NS - Relative Strength Analysis

══ OVERVIEW ══:

Benchmark Index:	^CNXMETAL
Sector:	Metal
Classification:	**Weakening Leader**
RS Score:	56.1/100

:

══ RS RATIOS ══:

1M RS:	**1.041 [Leader]**
3M RS:	**1.145 [Leader]**
6M RS:	**1.209 [Strong]**
1Y RS:	**1.094 [Leader]**

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══ TURNAROUND ANALYSIS ══:

Turnaround Status: **Not Detected**

:

SIGNAL CRITERIA::

✗ **Emerging RS:**	**Not accelerating**
✗ **Medium-term Lagging:**	**Not lagging**
✗ **Performance Improving:**	**Not improving**

Relative Strength Analysis: VEDL.NS vs ^CNXMETAL
Classification: Weakening Leader

Price Performance Comparison (Normalized)
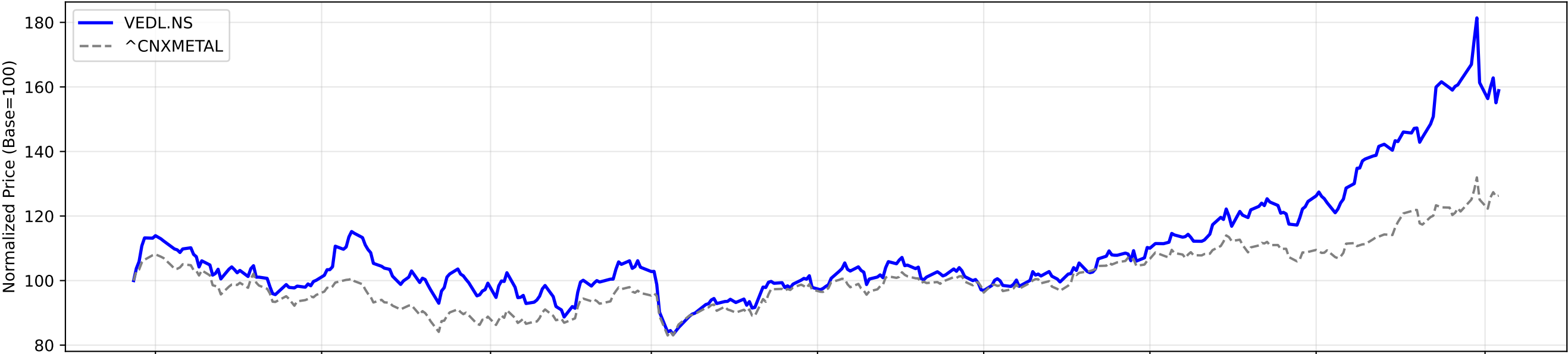
RS Ratio Trends (Multiple Timeframes)
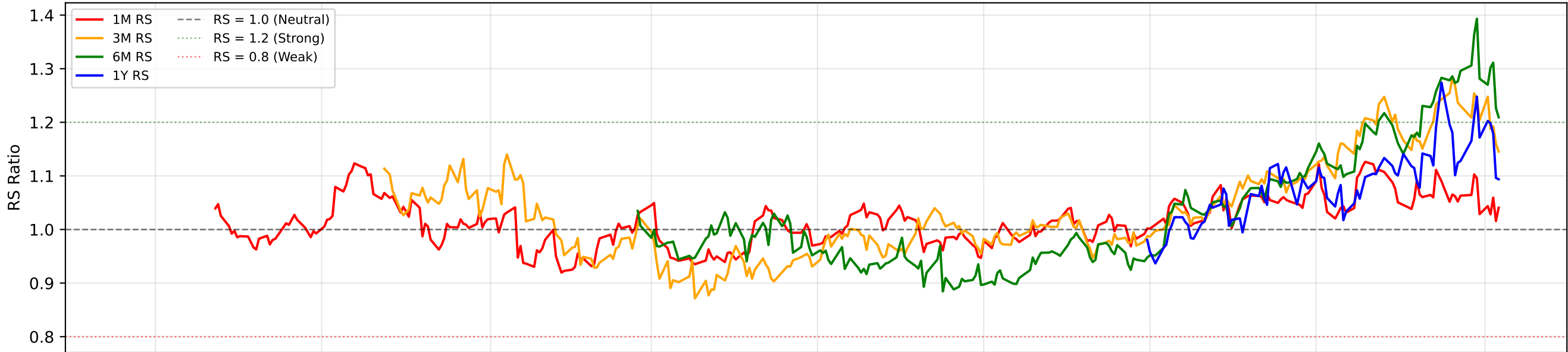
RS Composite Score Timeline
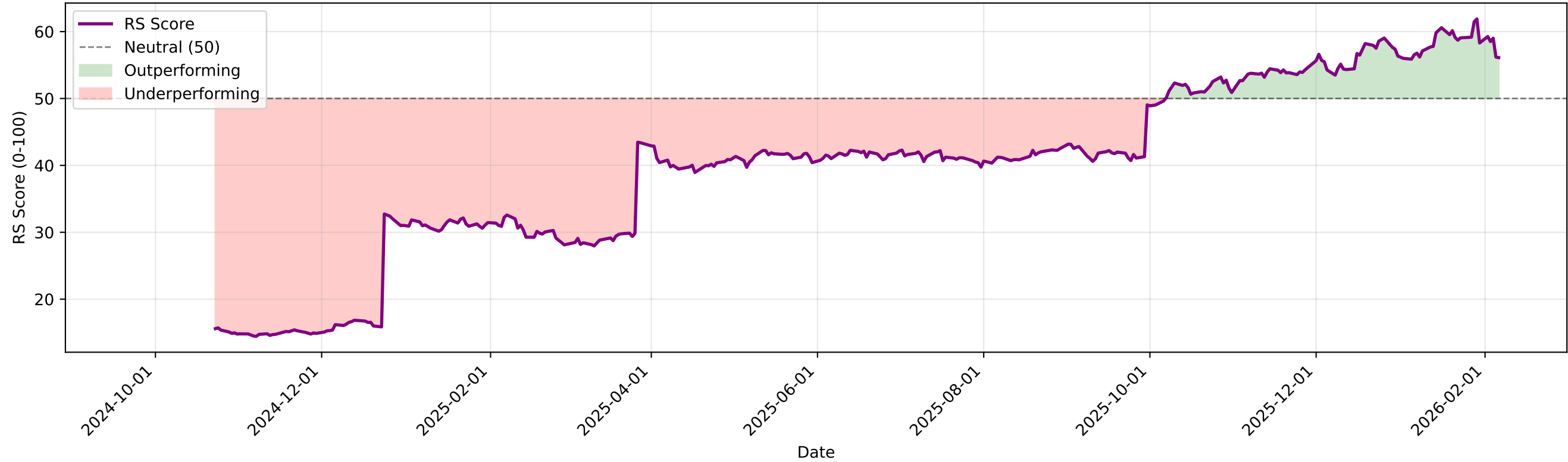
VEDL.NS - EMA Crossover Summary

EMA 20:	669.21
EMA 50:	622.39
EMA 200:	514.21
Trend Status:	**Strong Uptrend**
Golden Cross Date:	2024-01-01 00:00:00+05:30
Golden Cross Price:	222.01

VEDL.NS EMA Crossover Analysis
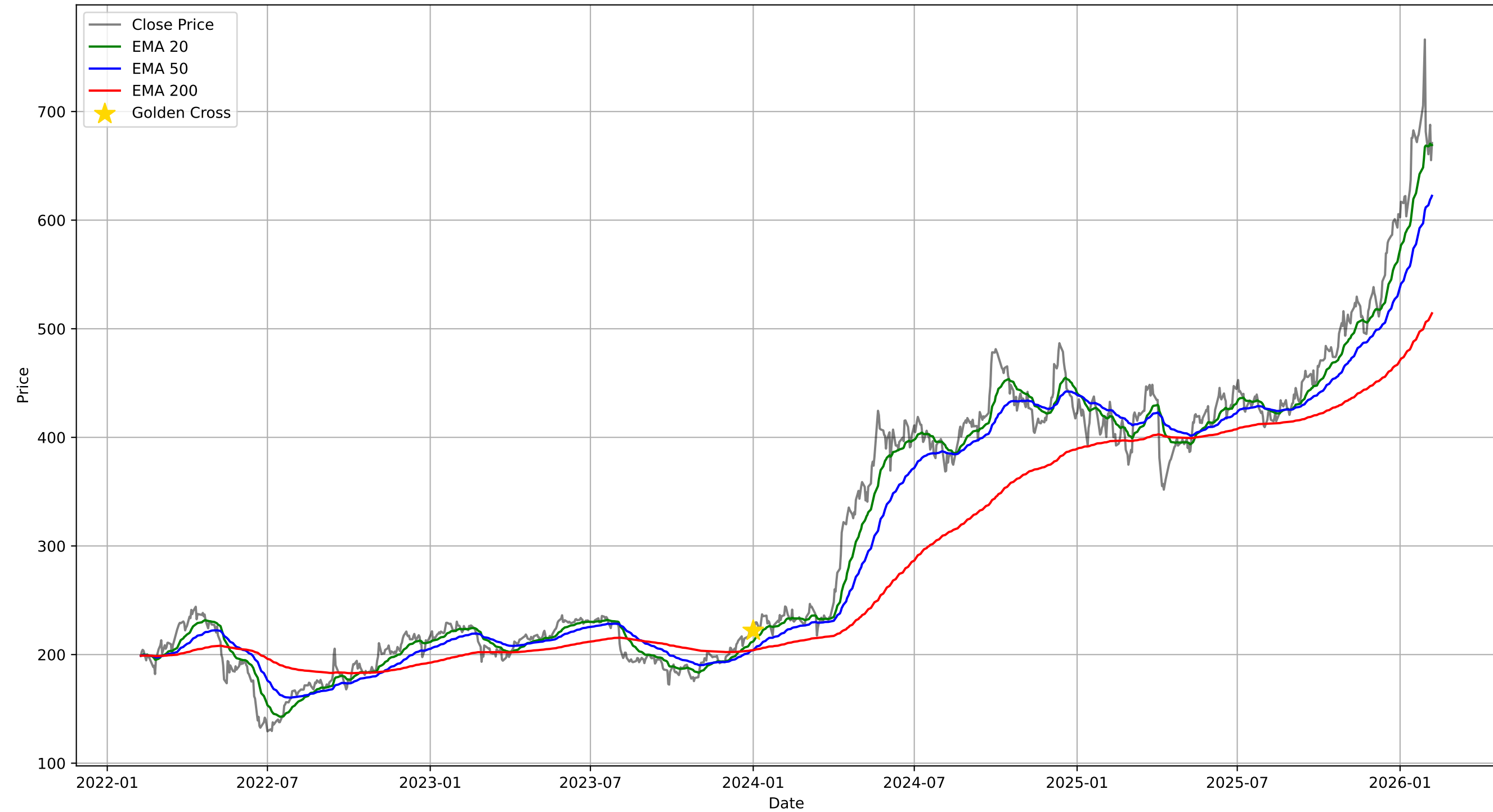
VEDL.NS - Bollinger Bands Summary

Current Price:	671.05
Upper Band:	744.83
Middle Band (SMA 20):	676.77
Lower Band:	608.72
%B:	0.4580
Band Width:	0.2011
Status:	Lower Half
Signal:	None
Recent Signal 1:	**Sell Signal at 2026-01-19 00:00:00+05:30**

VEDL.NS Bollinger Bands (20, 2) Analysis
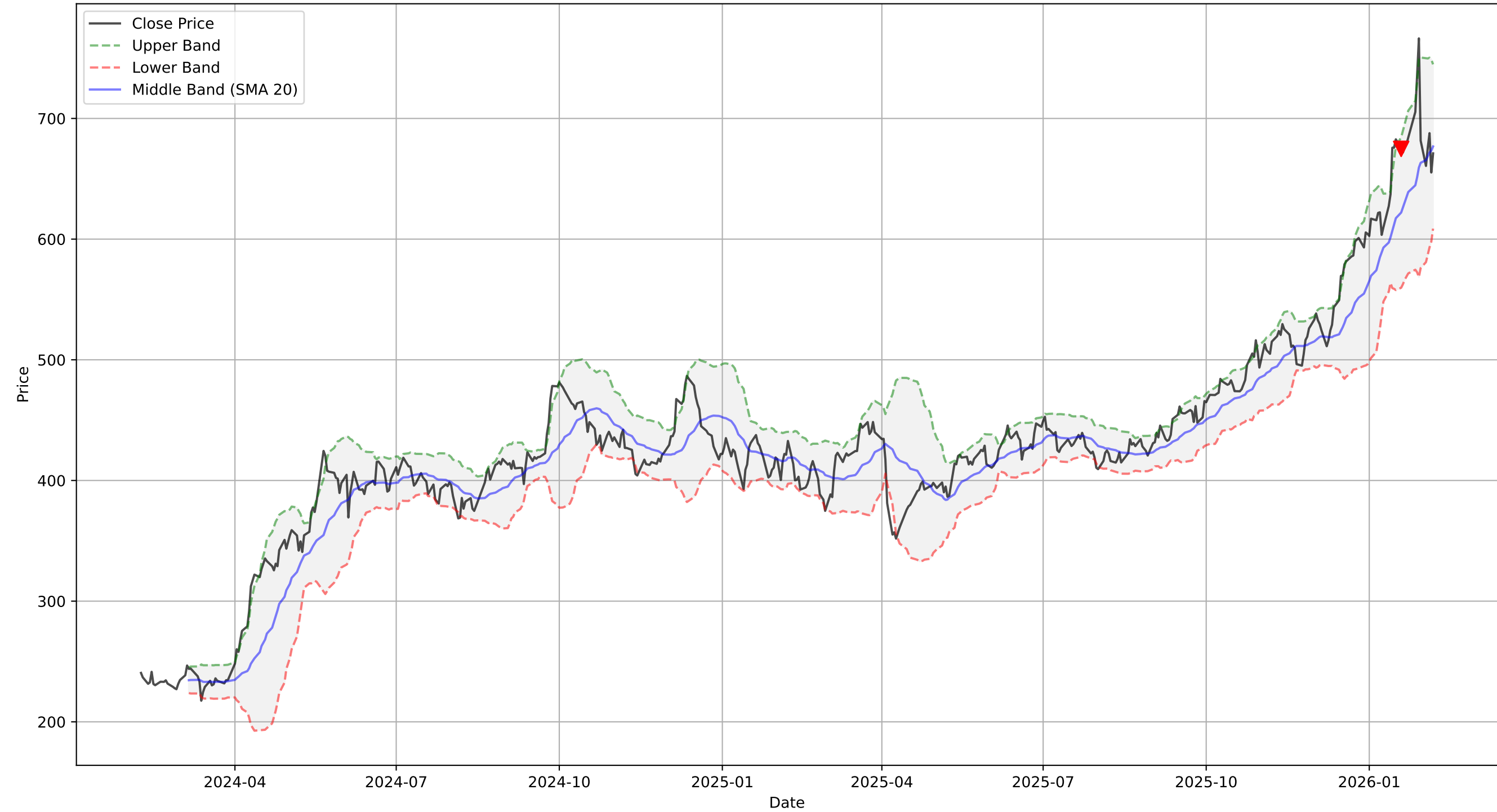
VEDL.NS - Supertrend Summary

Status: **DOWNTREND (Sell)**

Supertrend Value: 743.69

Signal Identified On: 2026-01-30

Supertrend Analysis for VEDL.NS (Period: 14, Multiplier: 3.0, Interval: 1d)
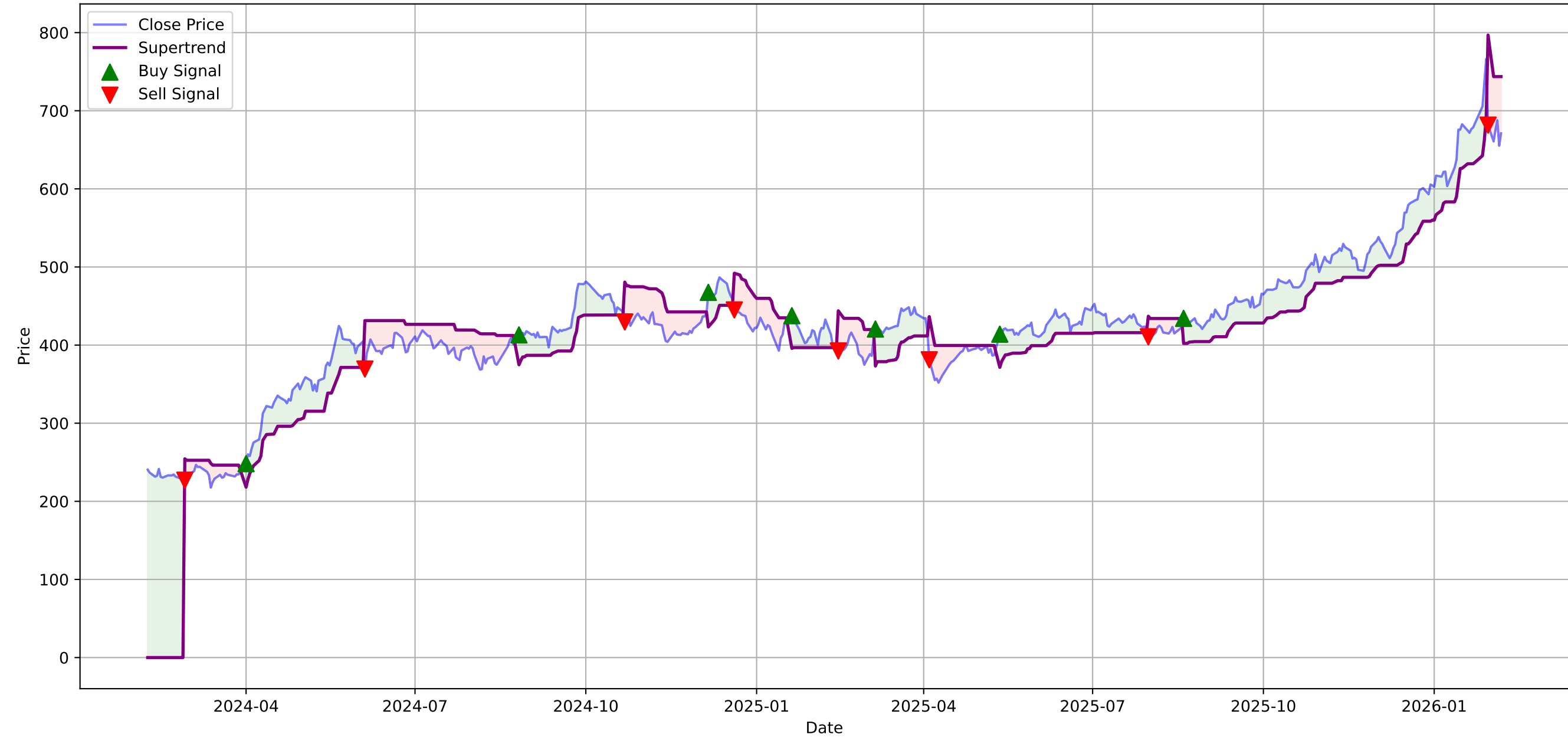
VEDL.NS - MACD Summary

MACD Line:	19.26
Signal Line:	26.79
Histogram:	-7.53
Trend:	**Bearish**
Momentum:	**Strengthening**
Signal:	None

VEDL.NS Price
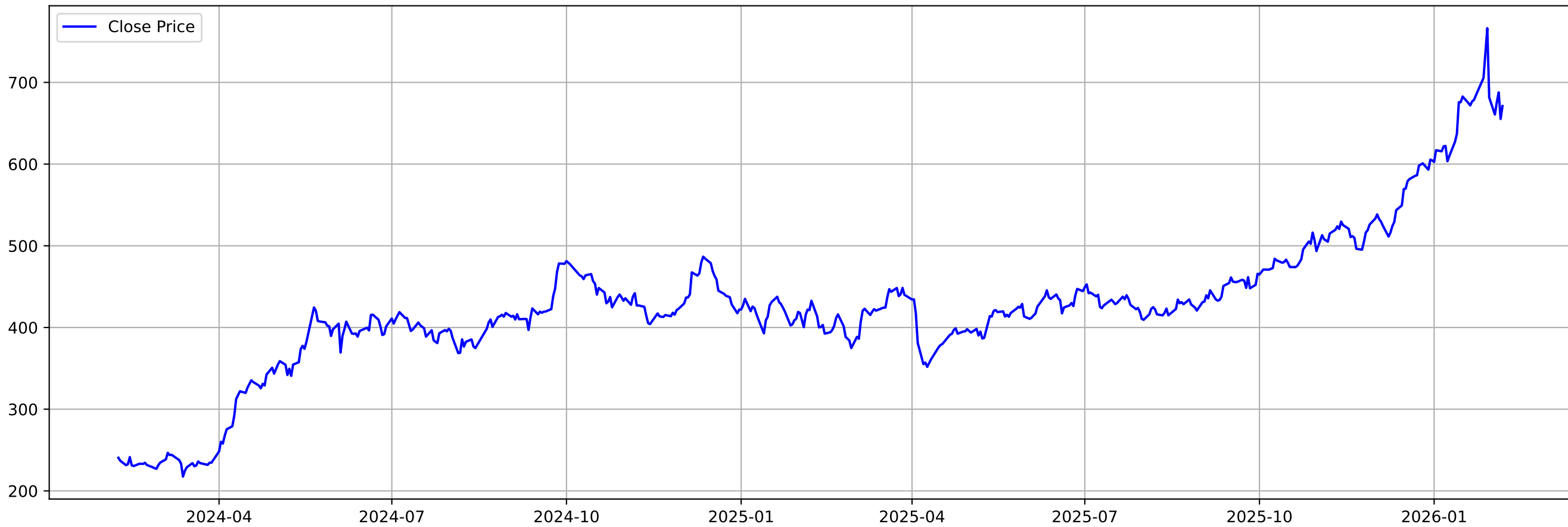
VEDL.NS MACD (12, 26, 9)
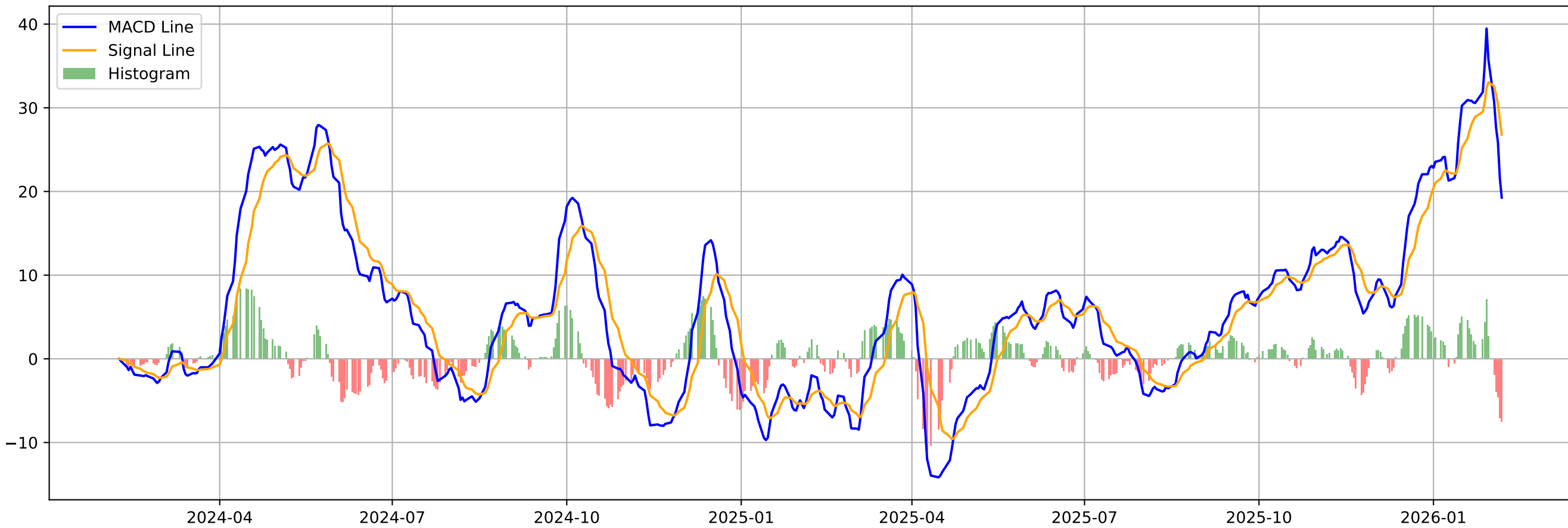
VEDL.NS - Volatility Squeeze Summary

BB Width: 0.2011

ATR: 33.4214

Total Signals: 0

VEDL.NS - Volatility Squeeze Analysis
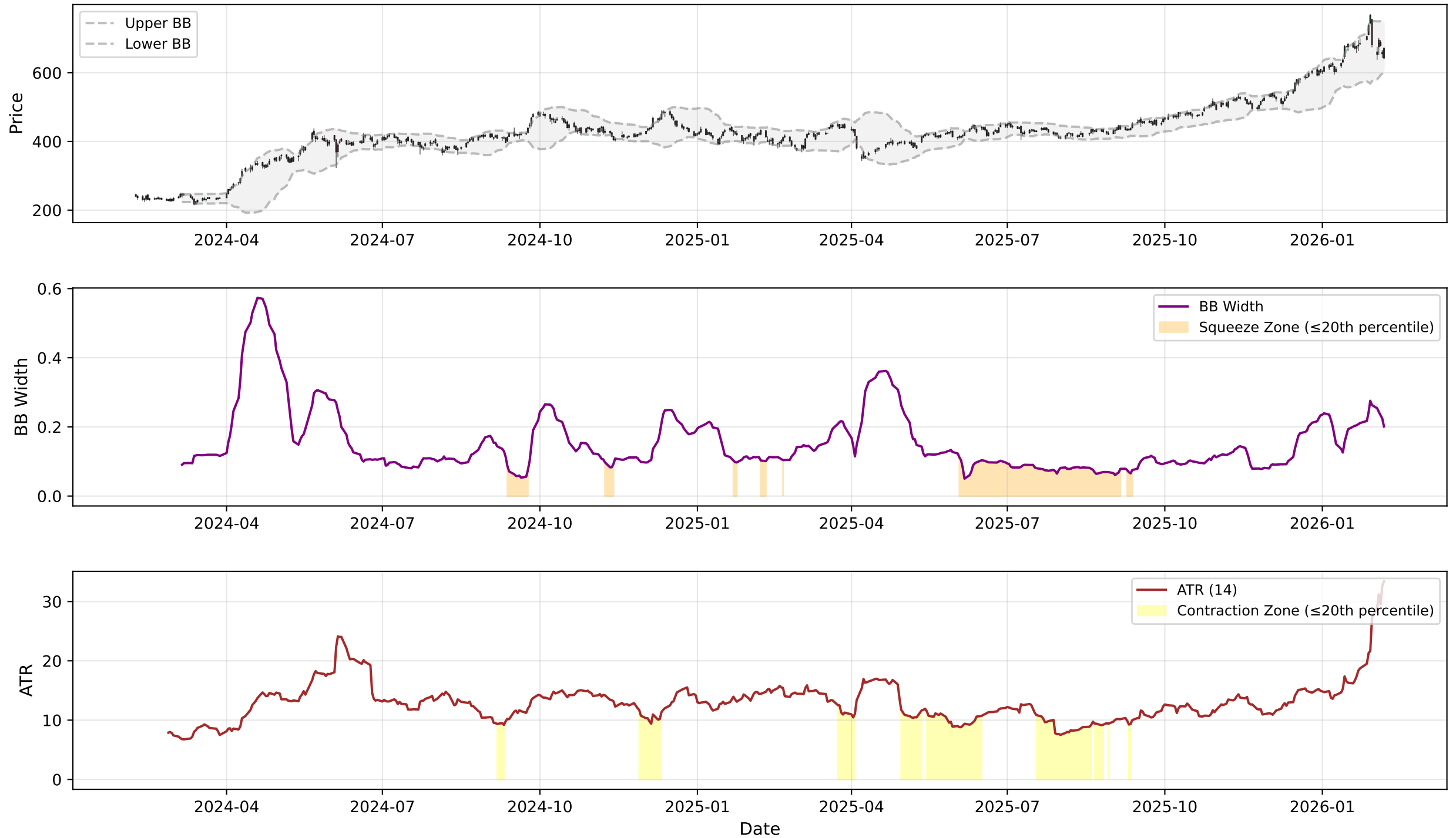
VEDL.NS - RSI-Volume Summary

Current RSI:	52.87
Current Volume:	16866400
Volume MA 20:	22168452
Bullish Divergences:	0
Bearish Divergences:	5
Bearish Div 1:	Date: 2025-11-13 00:00:00+05:30, Price: 529.60
Bearish Div 2:	Date: 2025-12-02 00:00:00+05:30, Price: 538.40

VEDL.NS RSI-Volume Divergence Analysis
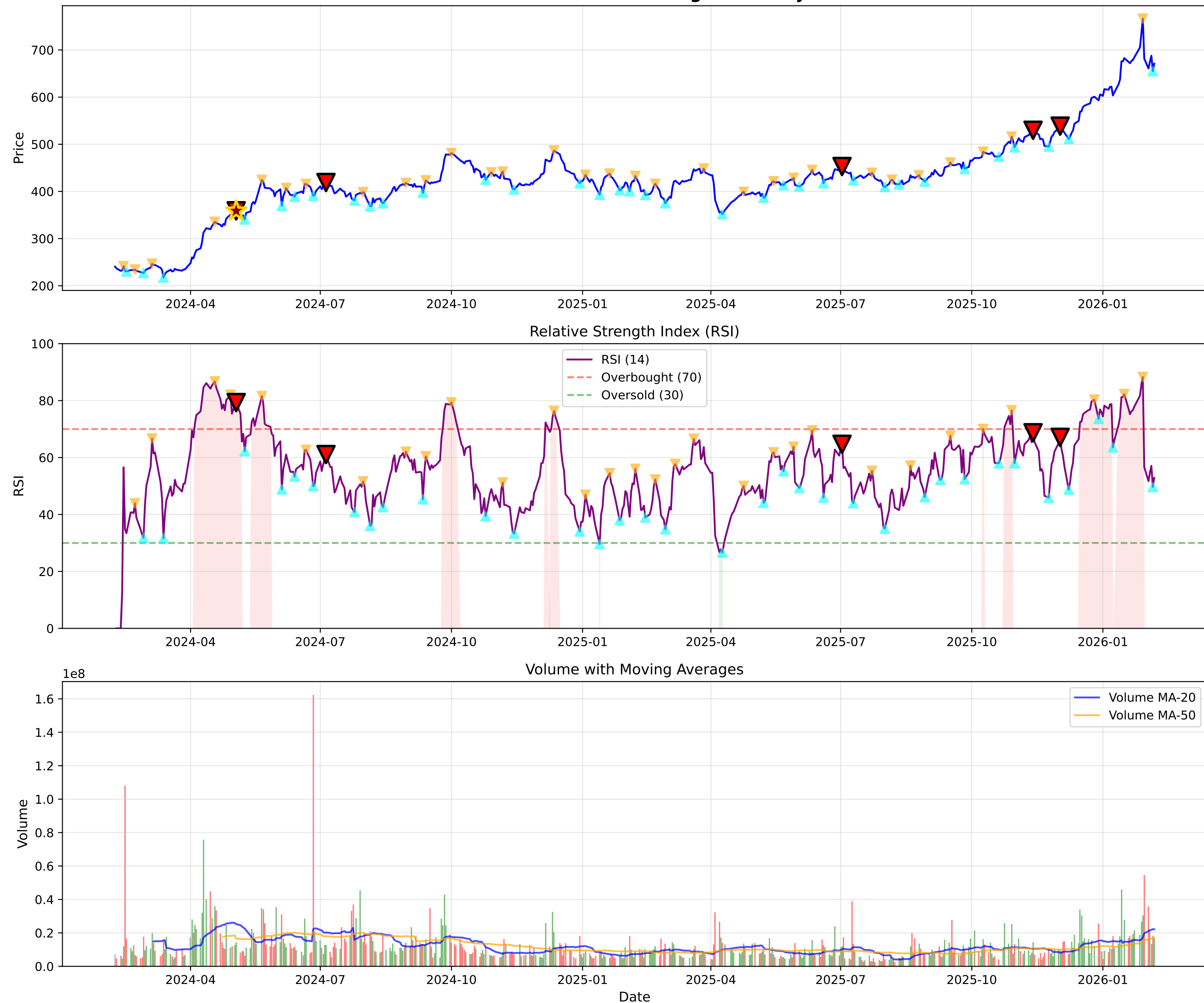
VEDL.NS - Volume Analysis

══ VOLUME ANALYSIS ══:

Status:	**28 Signals Detected**
:	
2025-12-04 [-]:	Distribution Day
2025-12-05 [-]:	Distribution Day
2025-12-29 [-]:	Distribution Day
2026-01-19 [-]:	Distribution Day
2026-01-20 [-]:	Distribution Day
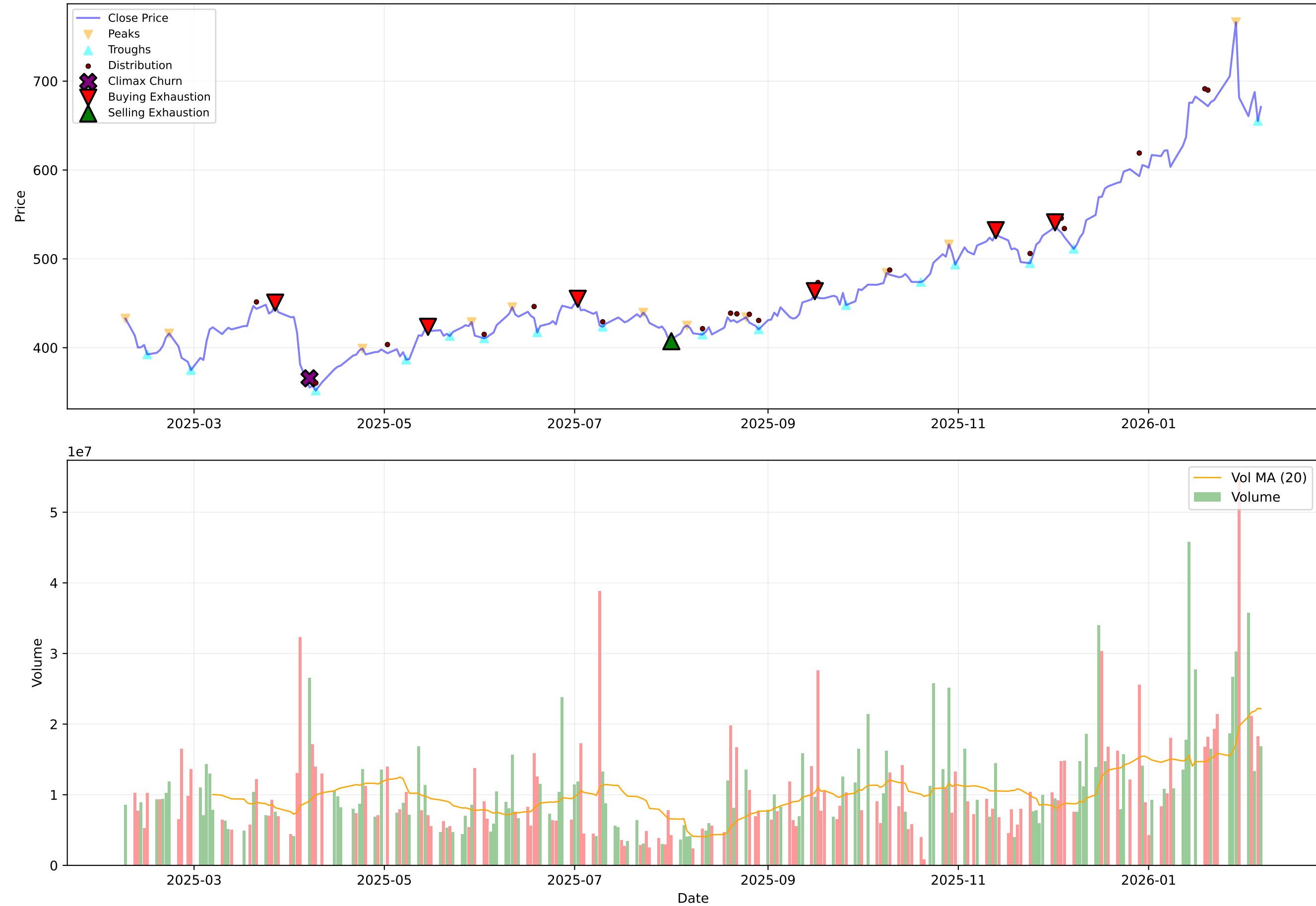
VEDL.NS - Candlestick Classification Summary

══ **CANDLESTICK CLASSIFICATION** ══:

Latest Classification: **Buyer Control**

Recent Trend Score (10-day avg):   0.20

:

Distribution:

  No Control: 107

  Buyer Control: 62

  Seller Control: 52

  Seller Strong Control: 5

  Buyer Strong Control: 2

VEDL.NS - Candlestick Classification

Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	**UPTREND (Buy)**	595.07	671.05	2025-06-23
1 Day	**DOWNTREND (Sell)**	743.69	671.05	2026-01-30
15 Min	**UPTREND (Buy)**	661.23	671.05	2026-02-06

Multi-Timeframe MACD Analysis

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

VEDL.NS - 1 Week (Candlestick + EMAs)

VEDL.NS - 1 Day (Candlestick + EMAs)

VEDL.NS - 15 Min (Candlestick + EMAs)

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Vedanta Ltd. ⓘ

NSE: VEDL | BSE: 500295

Vedanta Live Share Price Today, Share Analysis and Chart

🟩🟨🟩 Strong Performer, Getting Expensive ⓘ   ◯ In 9 Starfolio Baskets

ABOUT Incorporated in 1975, Vedanta, a subsidiary of Vedanta Resources, is a global natural resources and technology conglomerate operating in India, South Africa, Liberia, and Namibia. The company is diversified across various sectors, including Oil & Gas... Read More

671.05 15.85 (2.42%)
↑ 84.86% Gain from 52W Low

18.0M NSE+BSE Volume
NSE 06 Feb, 2026 3:31 PM (IST)

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Durability score ⓘ **85.0** /100
High Financial Strength

Valuation Score ⓘ **49.7** /100
Mid Valuation

Momentum Score ⓘ **64.3** /100
Technically Moderately Bullish

Analyst Price Target 👍 FORECASTER
764
1Yr Price target upside is 14%

Strong Performer, Getting Expensive | These stocks are strong in quality and technicals but have medium valuation. At somewhat expensive v...   View Similar   🟩🟨🟩 Embed DVM </>

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- Documents
- Corporate actions
- Company Profile ✕

SWOT:
| 21 | S | W | 6 |
| 5 | O | T | 3 |

🔲 **SWOT Analysis** </>

Check Before You Buy

High rank **15** Positive • **8** Negative   VIEW FULL CHECKLIST

65.2% Pass in checklist

| 0 | 45 | 55 | 100 |

PE Valuation Check

Right Now ⓘ
Overvalued **-12.8%**

1 Year Forward ⓘ
Undervalued **26.8%**

INSIGHT Vedanta is overvalued at current PE, but undervalued on future earnings estim...

Vedanta Key Metrics

Preset Metrics ⌄

| ROE Ann. % ⟩ | **36.4** | Broker Average Target ⟩ | **663.6** | Market Capitalization ⟩ | **262,406.6** | Price to Book ⟩ |
| High in industry | | -1.11% downside | | Market Leader | | High in industry |

Trendlyne Snapshot - VEDL_forecaster

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MARKETS / SECTOR : METALS & MINING / INDUSTRY : ALUMINIUM AND ALUMINIUM PRODUCTS / VEDANTA LTD.

Vedanta Ltd. ⓘ

NSE: VEDL | BSE: 500295

■ ■ ■ Strong Performer, Getting Expensive ⓘ   ◎ In 9 Starfolio Baskets

Download real time **STOCK REPORT**

671.05 15.85 (2.42%)

↑ 84.86% Gain from 52W Low

18.0M NSE+BSE Volume

NSE 06 Feb, 2026 3:31 PM (IST)

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Vedanta - VEDL - stock price prediction, stock forecast, target price, analyst ratings from 13 analysts

Vedanta has a share price target of Rs 764, revenue growth forecast of 10.5%, and profit growth estimate of 33.7% for FY26, based on top 13 analyst calls.

Vedanta FORECASTER - Analyst Estimates ⓘ

FORECASTER DASHBOARD →

SHARE PRICE TARGET FORECAST
12 MONTH ESTIMATE

CURRENT PRICE
671.1

LOW ESTIMATE
480

AVG. ESTIMATE
763.9

HIGH ESTIMATE
930

● CURRENT PRICE ● AVG. ESTIMATE

in Rs

↑ HIT   Vedanta's share price target is above the current price, with an upside of 13.8%

EPS FORECAST
QUARTER | ANNUAL

100

50

0

Mar '23 Mar '24 Mar '25 Mar '26 Mar '27

○ ACTUAL EPS ○ AVG. ESTIMATE

in Rs

↓ MISS   Vedanta's EPS was lower than average estimate 2 times in past 3 years

CONSENSUS RECOMMENDATION
13 ANALYST Recommendations

8	1	4	1	Sep '25
7	1	4		Oct '25
7	2	4		Nov '25
8	1	4		Dec '25
7	2	4		Jan '26
7	2	4		Feb '26

BUY

● STRONG BUY ● BUY ● HOLD ● SELL

The consensus recommendation from 13 analysts for Vedanta is BUY