

Strategic Trading Analysis

Based on the provided Stock Detailed Analysis Report for **DIVISLAB.NS** (generated 2026-02-07), here is the assessment:

Step 1: Audit the Data

* **Data Present:***

- * Price Action: Daily, Weekly, and 15-minute charts.
- * Trend Indicators: EMAs (20, 50, 200), Supertrend, MACD.
- * Volatility: Bollinger Bands, ATR.
- * Momentum/Strength: RSI, Relative Strength (RS) vs. Benchmark (^CNXPHARMA).
- * Fundamentals: Long-term (4 years) and Short-term (6 quarters) metrics, PE Valuation.

* **Data Missing:***

* Institutional ownership changes (FII/DII flow specific to recent quarters is not detailed, though Volume analysis is present).

- * Specific recent news catalysts causing the Jan 2026 drop.

* **Confidence Level:** **High**. The technical data is comprehensive, covering multiple timeframes and indicator classes, allowing for a robust technical assessment.

Step 2: Analyze the Setup

* **Price Structure & Trend:** The stock is in a confirmed **Intermediate Downtrend**.

* **EMA Breakdown:** The current price (6024.50) is trading below the 20 EMA (6160), 50 EMA (6274), and critically, the **200 EMA (6220)**. Losing the 200-day moving average is a major red flag for positional longs.

* **Supertrend:** The daily Supertrend generated a **SELL** signal on 2026-01-16 (resistance at 6392.50).

- * **Multi-Timeframe:** The stock is bearish across Weekly, Daily, and 15-Min timeframes (Page 22).

* **Momentum:***

* **RSI:** Currently at 42.54. While not deeply oversold (<30), it is in the bearish regime (below 50) and struggling to gain traction.

* **MACD:** The MACD line is deep in negative territory (-87.98). While the histogram shows a minor tick up (diminishing bearish momentum), the trend remains bearish.

* **Relative Strength:***

- * **RS Score:** 47.6/100 (Neutral/Weak).

* **Performance:** The stock is currently underperforming the Pharma index (Page 5, bottom panel), indicated by the pink shading.

* **Support/Resistance:***

- * Immediate support appears to be the Lower Bollinger Band area (~5800).
- * Heavy overhead resistance exists between 6160 (20 EMA) and 6300 (50 EMA & Supertrend).

Step 3: Formulate the Recommendation

Decision: NO.

Reasoning:

Entering a long position now is historically low-probability. The stock is trading below its long-term average (200 EMA), relative strength is deteriorating, and there is significant overhead supply (resistance) that the price must chew through before an uptrend is re-established. Buying now is attempting to "catch a falling knife" rather than trading a confirmed trend.

Conditional Plan (Watchlist Protocol):

I would only consider entering this trade if the stock proves it has finished its correction by reclaiming key averages.

- * **Condition to Buy:** The price must close above the confluence of the **50 EMA** and the **200 EMA** on the daily chart. Ideally, it should also flip the Supertrend to Buy.
- * **Entry Price:** **Above INR 6,300**. (This confirms the price has cleared the 20, 50, and 200 EMAs).
- * **Stop Loss:** **INR 5,950**. (A hard stop below the recent swing lows/psychological support of 6000).
- * **Take Profit:** **INR 6,800 - INR 7,000**. (Targeting the previous swing highs established in late 2025).

Candlestick Classification Analysis

Based on the **Candlestick Classification Report (Pages 20 & 21)** for DIVISLAB.NS, here is my expert analysis of the price action and future direction.

1. Executive Summary: The Battle for Support

- * **Current Classification:** **Buyer Control (+1)**
- * **10-Day Trend Score:** **0.00 (Neutral)**
- * **Price Context:** The stock is attempting to stabilize around the **INR 6000** psychological level after a sharp correction from INR 6700.

2. Decoding the Price Action (Page 21 Chart)

As a candlestick trader, I look for transitions in control. The chart on Page 21 tells a clear story of **Downtrend Exhaustion**:

- * **The Descent (Seller Control):** Looking at the far right of the chart (Jan 2026 - Feb 2026), we see a cluster of Pink/Red candles ("Seller Control"). This was a period of high conviction selling where bears dominated, driving the price from 6700 down to 6000.
- * **The Stabilization (No Control):** Just prior to the current candle, we see Grey candles ("No Control"). According to your algorithm, these are candles with small bodies and long wicks. This indicates **indecision**. The bears tried to push lower, but failed (wicks), and bulls tried to push higher, but failed. This was the first sign that the selling momentum was dying.
- * **The Pivot (Buyer Control):** The latest candle is Green (**Buyer Control**).
 - * **Logic Interpretation:** This signifies a **+1 Score**. It likely had a moderate bullish body or a strong close but lacked the massive volume required for a "Strong Control (+2)" rating.
 - * **Significance:** Buyers have successfully defended the low. They absorbed the selling pressure and managed to close the price higher than the open.

3. The "0.00" Trend Score Signal

The **Recent Trend Score (10-day avg)** is exactly **0.00**.

- * In a strong uptrend, this score would be positive (e.g., +1.2).
- * In a crash, it would be negative (e.g., -1.5).
- * **A score of 0.00 after a downtrend is a bullish divergence signal.** It means the selling pressure has been fully neutralized over the last two weeks. The market has moved from **Bearish** to **Balanced**. This is the prerequisite for a reversal.

4. Volume Analysis (Validator)

Looking at the volume bars at the bottom of Page 21 corresponding to the recent green candle:

- * The volume is moderate (not a massive spike).
- * This aligns with the **Buyer Control (+1)** rating rather than **Strong Control (+2)**.
- * **Implication:** Institutional buyers are accumulating quietly ("nibbling") rather than aggressively chasing the price up yet. They are building a floor.

5. Prediction & Strategy

****Verdict:** **Bullish Reversal (accumulation Phase)****

The price action suggests that the ****INR 6000 level is acting as a hard floor.**** The transition from ***Seller Control* ? *No Control* ? *Buyer Control*** is the classic anatomy of a swing low formation.

****Future Price Movement Prediction:****

I expect the price to ****bounce upward**** in the short term as sellers cover their positions and value buyers step in.

* ****Immediate Target:**** The stock will likely test the recent resistance at ****INR 6200 - INR 6250****.

* ****The Trigger:**** Watch for a *****"Buyer Strong Control (+2)"**** candle in the next 1-2 days (a large green candle with high volume). If that appears, the reversal is confirmed.

* ****Risk (The "Invalidation" Point):**** If we see a *****"Seller Strong Control (-2)"**** candle that closes below ****INR 5950****, the support has failed, and the downtrend will resume aggressively.

****Trading Stance:****

Long positions are favored here, but with a stop-loss tight below the low of the current "Buyer Control" candle (likely around INR 5980-INR 6000). The risk-to-reward ratio at this inflection point is excellent.

News & Analyst Targets

****Current Date:**** Saturday, February 7, 2026

****Stock:**** Divi's Laboratories Ltd. (DIVISLAB)

****Current Price:**** ~INR 6,024.50 (as of Feb 6, 2026 close)

Here is the latest research and information regarding Divi's Laboratories for the week ending February 7, 2026.

1) Latest News for DIVISLAB This Week

* ****Upcoming Q3 Results:**** The most critical update is that the Board of Directors is scheduled to meet on ****Wednesday, February 11, 2026****, to approve and declare the unaudited financial results for the quarter and nine months ended December 31, 2025 (Q3 FY26).

* ****Stock Price Action:**** The stock closed at approximately ****INR 6,024.50**** on Friday, February 6, 2026, witnessing a decline of roughly ****1.8%**** to ****1.9%**** during the session. It is currently trading significantly below its 52-week high of INR 7,071.50.

* ****Trading Window Closure:**** The trading window for dealing in the company's securities has been closed since January 1, 2026, and will remain closed until 48 hours after the declaration of financial results on February 11.

* ****GLP-1 Growth Drivers:**** Recent reports highlight 2026 as a potential "turning point" for Divi's Lab, driven by the commercialization of GLP-1 agonists (obesity/diabetes drugs like Tirzepatide and Orforglipron). Analysts expect significant revenue contributions from these molecules starting in H1 2026.

2) Upgrade or Downgrade from Brokerages

* ****Citi (Upgrade/Maintain Buy):**** In a major report released in mid-January 2026, ****Citi**** assigned a *****"Buy"***** rating with a bullish outlook, citing 2026 as a pivotal year for the company due to multiple catalysts aligning (specifically the GLP-1 opportunity).

* ****StockInvest.us (Technical Upgrade):**** As of February 6, 2026, technical analysis platforms have upgraded the stock's status from "Sell" to *****"Hold/Accumulate"*****, identifying a potential turnaround situation despite recent negative signals.

* ****Previous Recent Upgrades:****

* ****Sharekhan**** upgraded the stock to *****"Buy"***** in December 2025, citing strong visibility for FY26-28 growth.

* ****Jefferies**** maintained a positive stance, having upgraded the stock to *****"Buy"***** in late 2025.

3) Other News Impacting DIVISLAB

- * **Sectoral Tailwinds (GLP-1 & Custom Synthesis):** The pharmaceutical sector is closely watching the rollout of next-generation weight-loss drugs. Divi's Lab, being a key custom synthesis partner for global innovators, is expected to be a primary beneficiary of the "China Plus One" strategy and the ramp-up of these new molecules.
- * **Export Recovery:** Analysts note a recovery in the export of generic APIs, which had faced pricing pressures in previous years (2023-2024). The stabilization of pricing and volume growth in the custom synthesis (CS) segment are key indirect positives.
- * **Technical Breakout:** Earlier reports in January 2026 suggested the stock had broken out of a medium-term downward trendline, though it has seen some correction in the first week of February ahead of earnings.

4) Latest Analyst Targets (2026)

The following table summarizes the latest available price targets from major brokerage firms and consensus estimates.

Brokerage / Source	Rating	Target Price (INR)	Upside Potential*	Date of Report / Note
:--	:--	:--	:--	:--
Citi	Buy	9,140	~51%	Jan 15, 2026
Jefferies	Buy	7,850	~30%	Late 2025 / Jan 2026
Sharekhan	Buy	7,375	~22%	Dec 11, 2025
Consensus Mean	Neutral/Buy	6,823	~13%	Feb 2026 (Aggregated)
BofA Securities	Buy	4,025	N/A (Outdated)	Apr 2024 (Old Cycle)

Upside calculated based on the current market price of approx. INR 6,025.

Summary: The analyst community remains largely bullish on Divi's Laboratories for 2026, with Citi providing a "Street High" target of INR 9,140. The immediate focus is on the **February 11, 2026** earnings release, which will likely dictate the short-term trend.

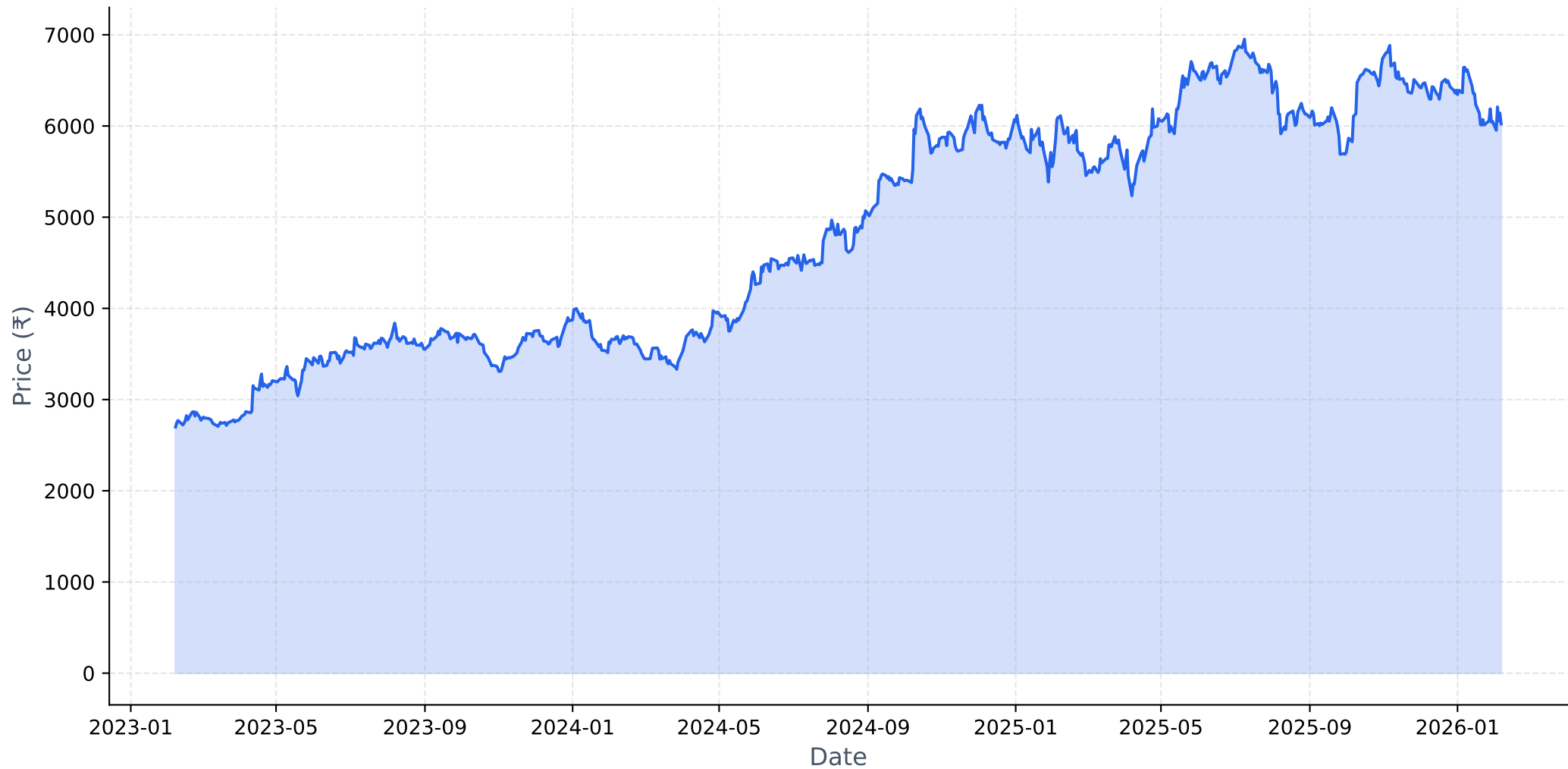
Stock Detailed Analysis Report

DIVISLAB.NS

Current Price: ₹6024.50

Generated: 2026-02-07 10:31

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:	47.6/100
:	

== RS RATIOS ==:

1M RS:	0.955 [Neutral]
3M RS:	0.920 [Neutral]
6M RS:	0.942 [Neutral]
1Y RS:	1.027 [Leader]
:	

== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

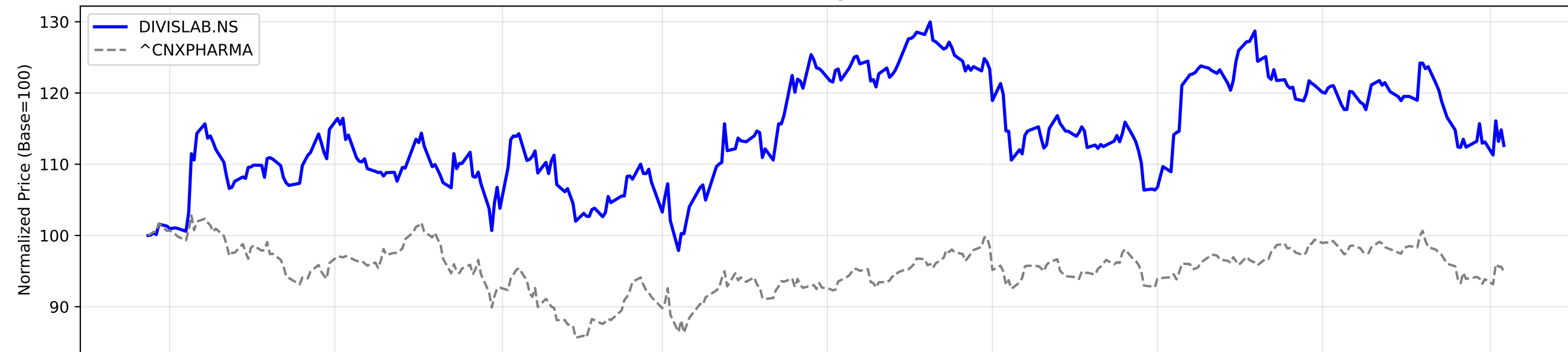
SIGNAL CRITERIA::

✓ Emerging RS:	1M (0.955) > 3M (0.920)
✓ Medium-term Lagging:	6M=0.942 (≤ 1.0)
✗ Performance Improving:	Not improving

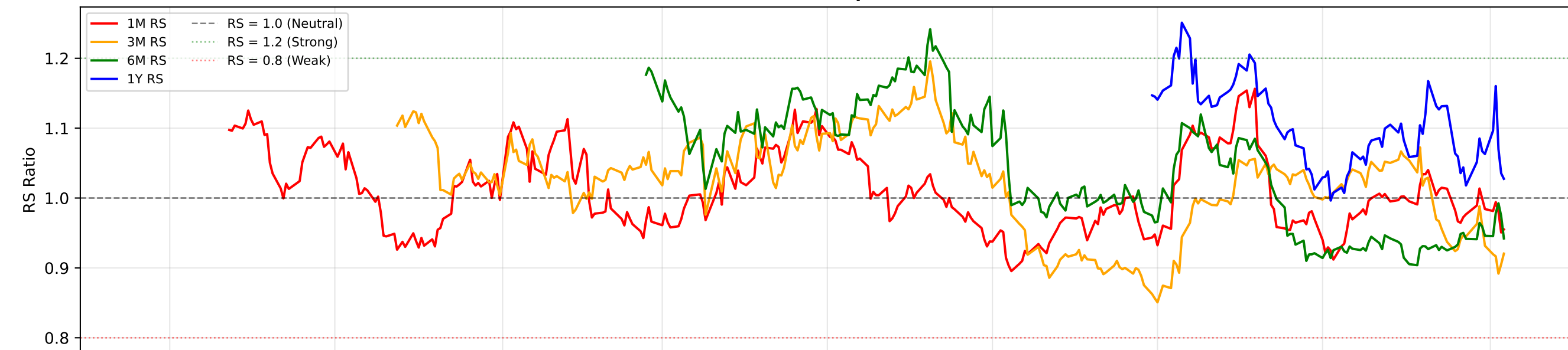
Relative Strength Analysis: DIVISLAB.NS vs ^CNXPHARMA

Classification: Neutral

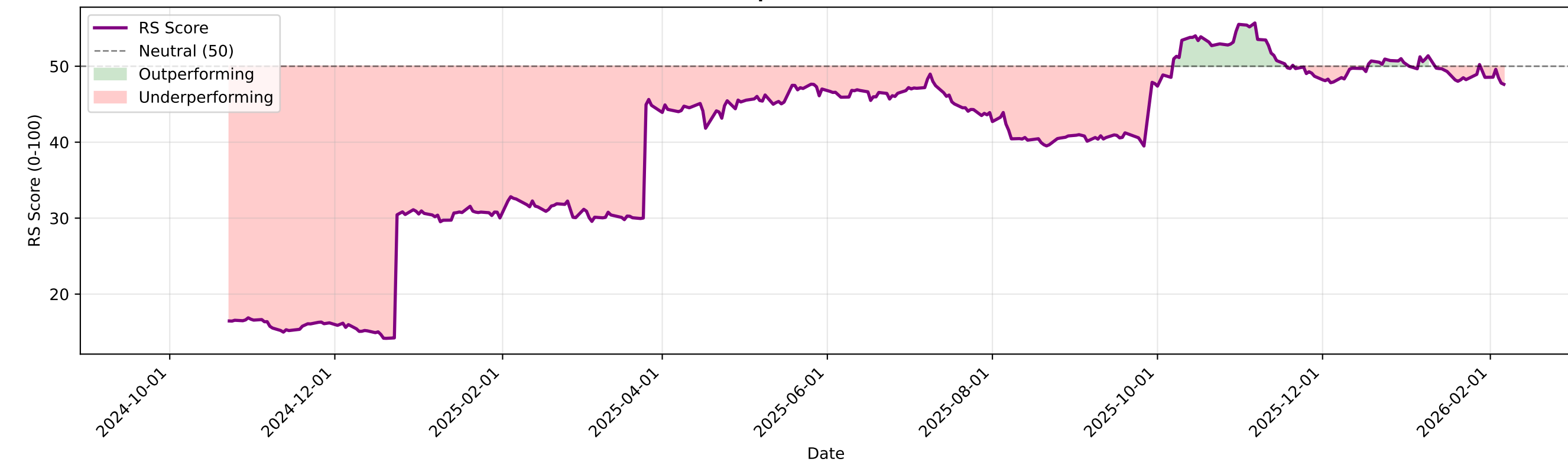
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



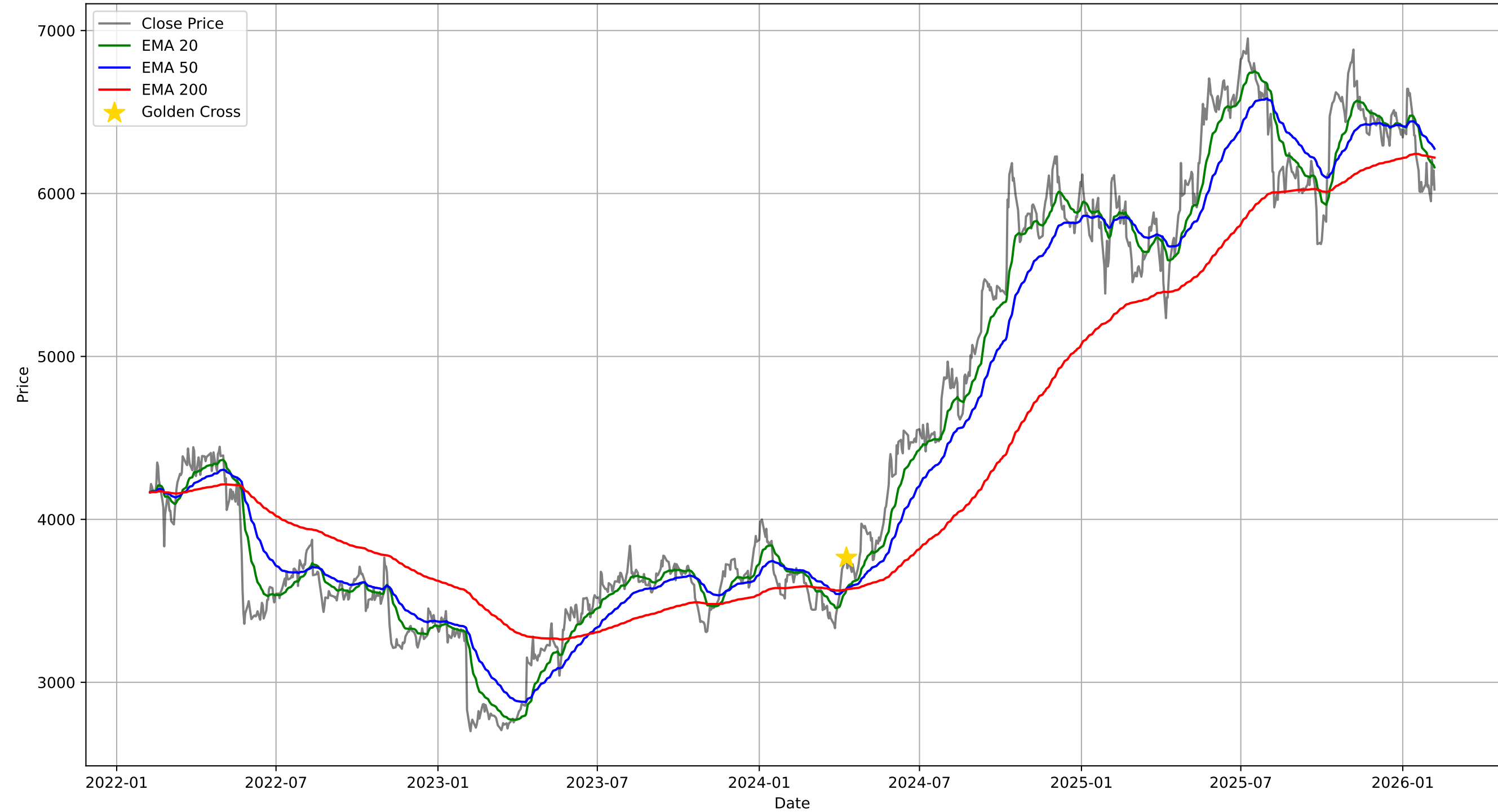
RS Composite Score Timeline



DIVISLAB.NS - EMA Crossover Summary

EMA 20:	6160.45
EMA 50:	6274.85
EMA 200:	6220.48
Trend Status:	Short-term Downtrend
Golden Cross Date:	2024-04-09 00:00:00+05:30
Golden Cross Price:	3764.60

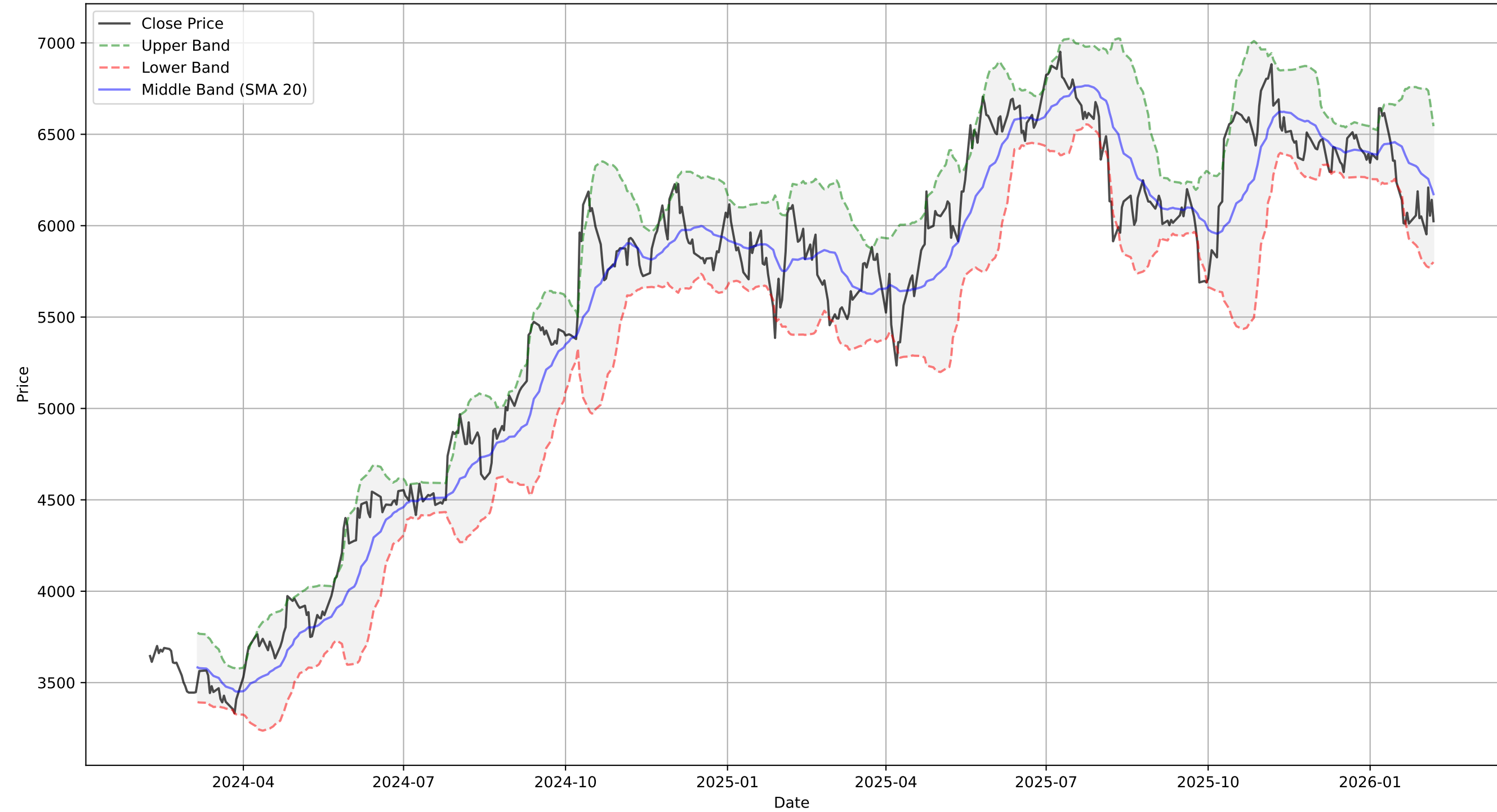
DIVISLAB.NS EMA Crossover Analysis



DIVISLAB.NS - Bollinger Bands Summary

Current Price:	6024.50
Upper Band:	6544.45
Middle Band (SMA 20):	6172.45
Lower Band:	5800.45
%B:	0.3011
Band Width:	0.1205
Status:	Lower Half
Signal:	None

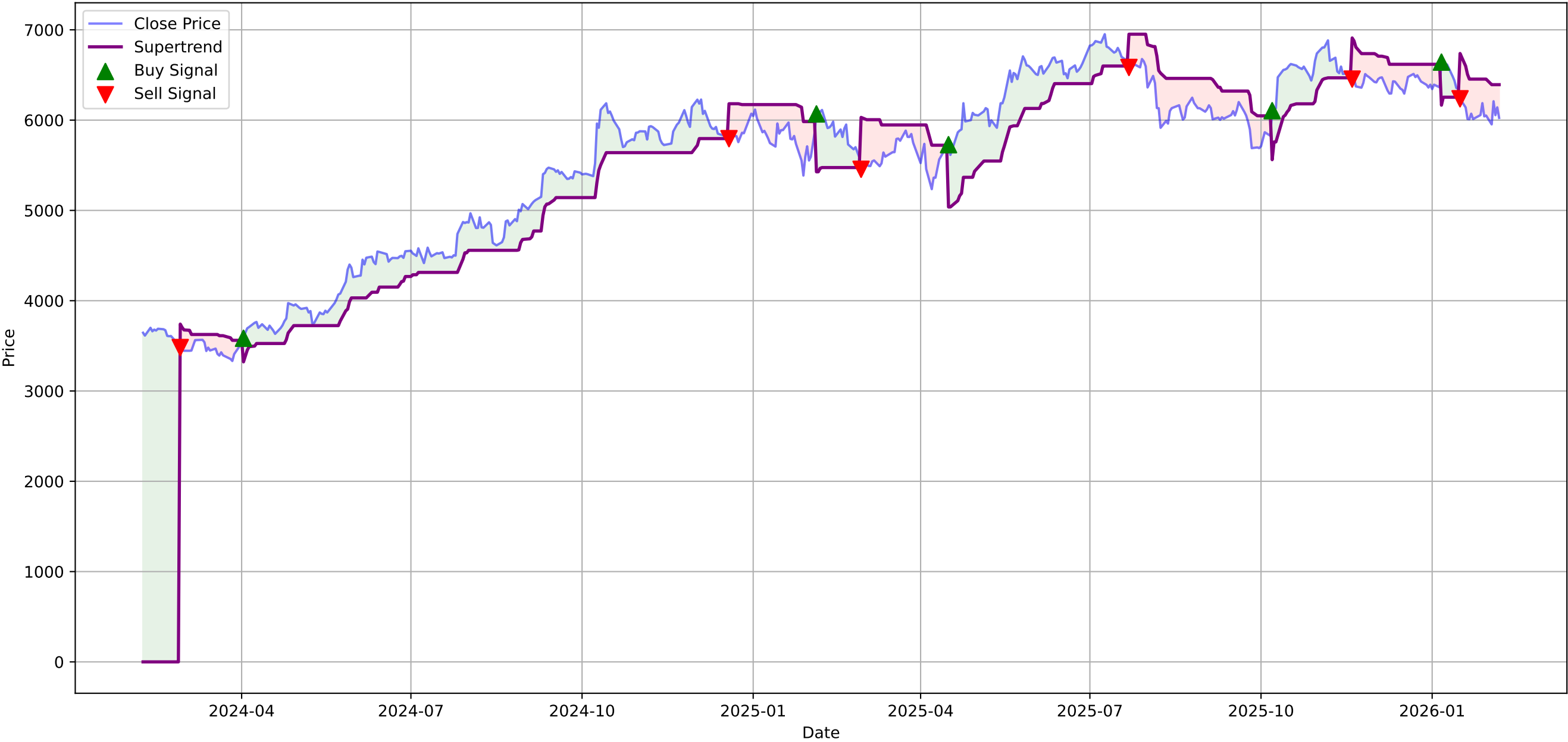
DIVISLAB.NS Bollinger Bands (20, 2) Analysis



DIVISLAB.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	6392.50
Signal Identified On:	2026-01-16

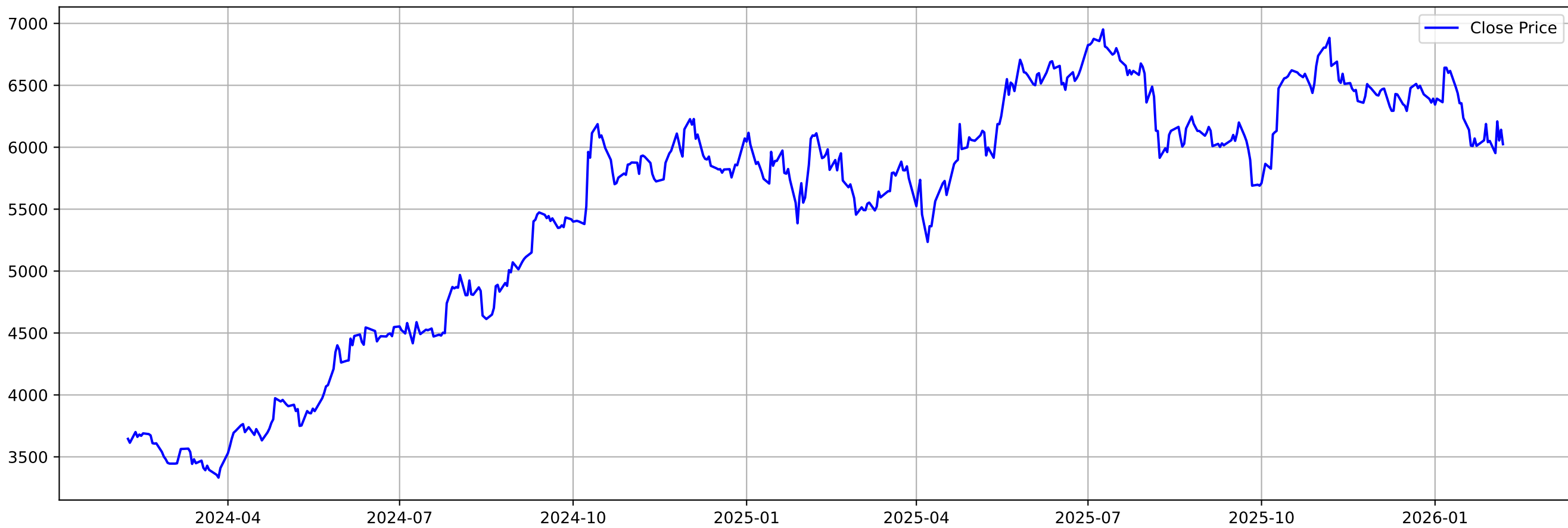
Supertrend Analysis for DIVISLAB.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



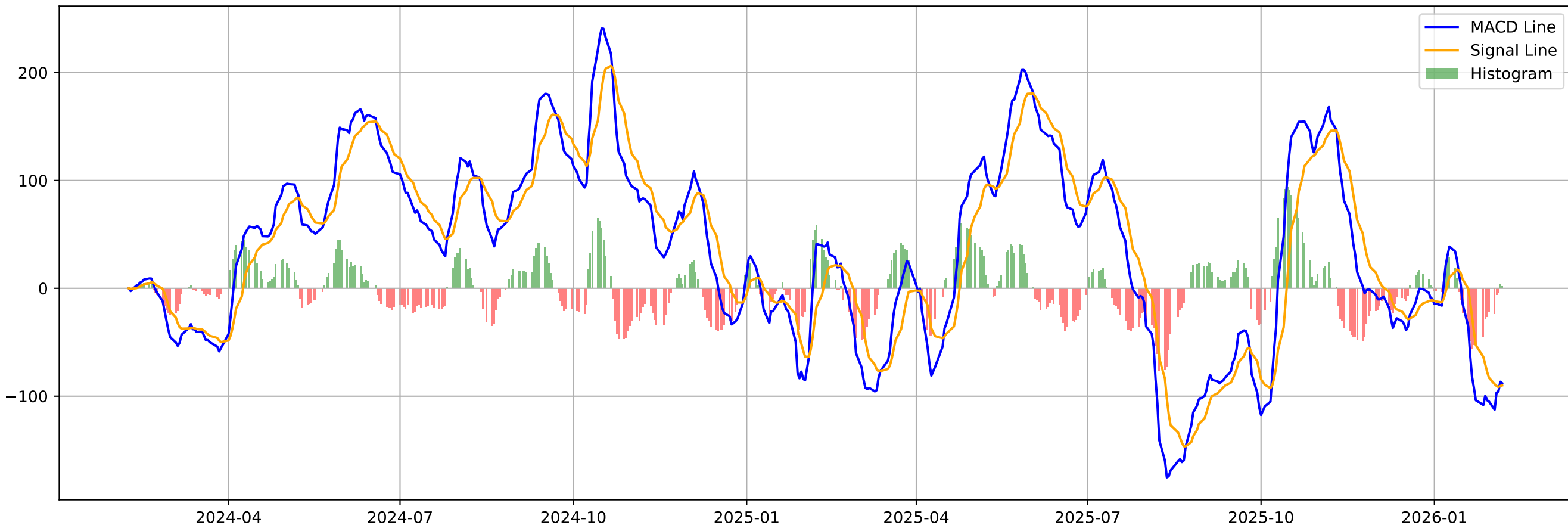
DIVISLAB.NS - MACD Summary

MACD Line:	-87.98
Signal Line:	-90.01
Histogram:	2.02
Trend:	Bullish
Momentum:	Weakening
Signal:	None

DIVISLAB.NS Price



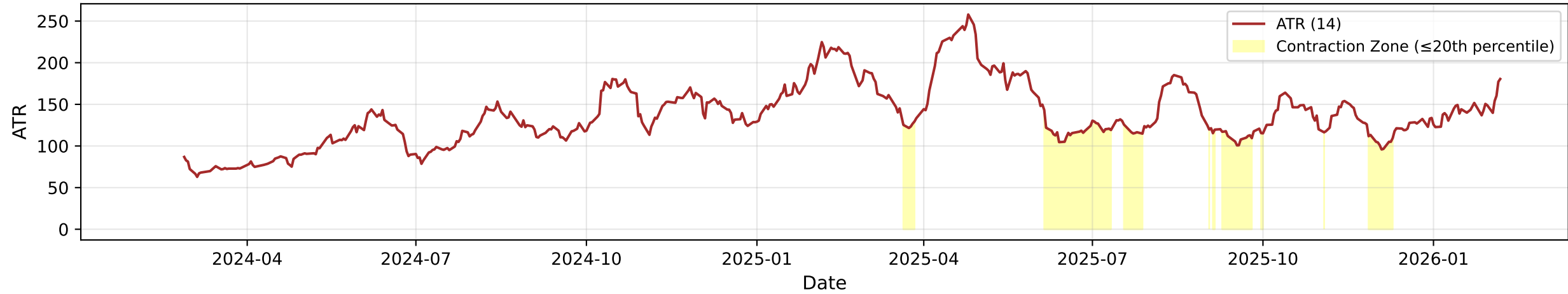
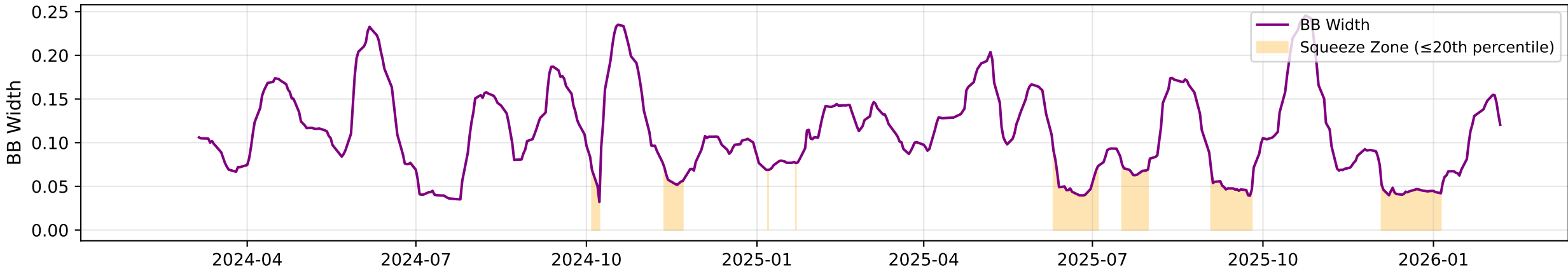
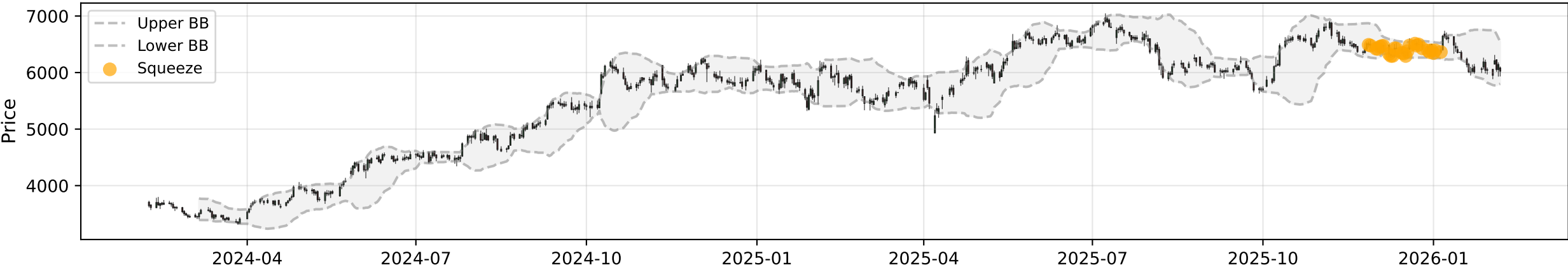
DIVISLAB.NS MACD (12, 26, 9)



DIVISLAB.NS - Volatility Squeeze Summary

BB Width:	0.1205
ATR:	180.4643
Total Signals:	27
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)

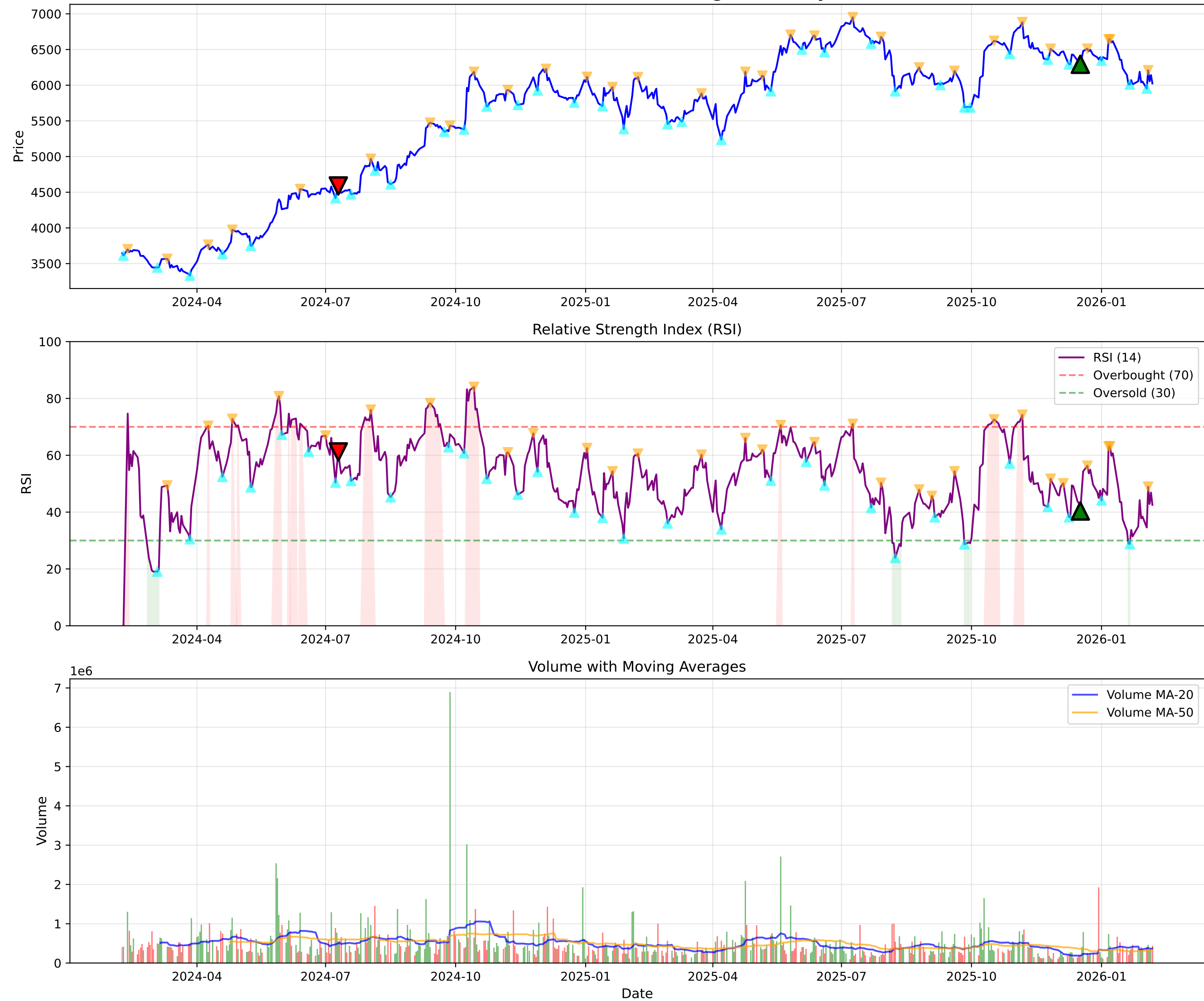
DIVISLAB.NS - Volatility Squeeze Analysis



DIVISLAB.NS - RSI-Volume Summary

Current RSI:	42.54
Current Volume:	433945
Volume MA 20:	368021
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:

30 Signals Detected

:

2025-12-29 [-]:

Distribution Day

2025-12-30 [-]:

Distribution Day

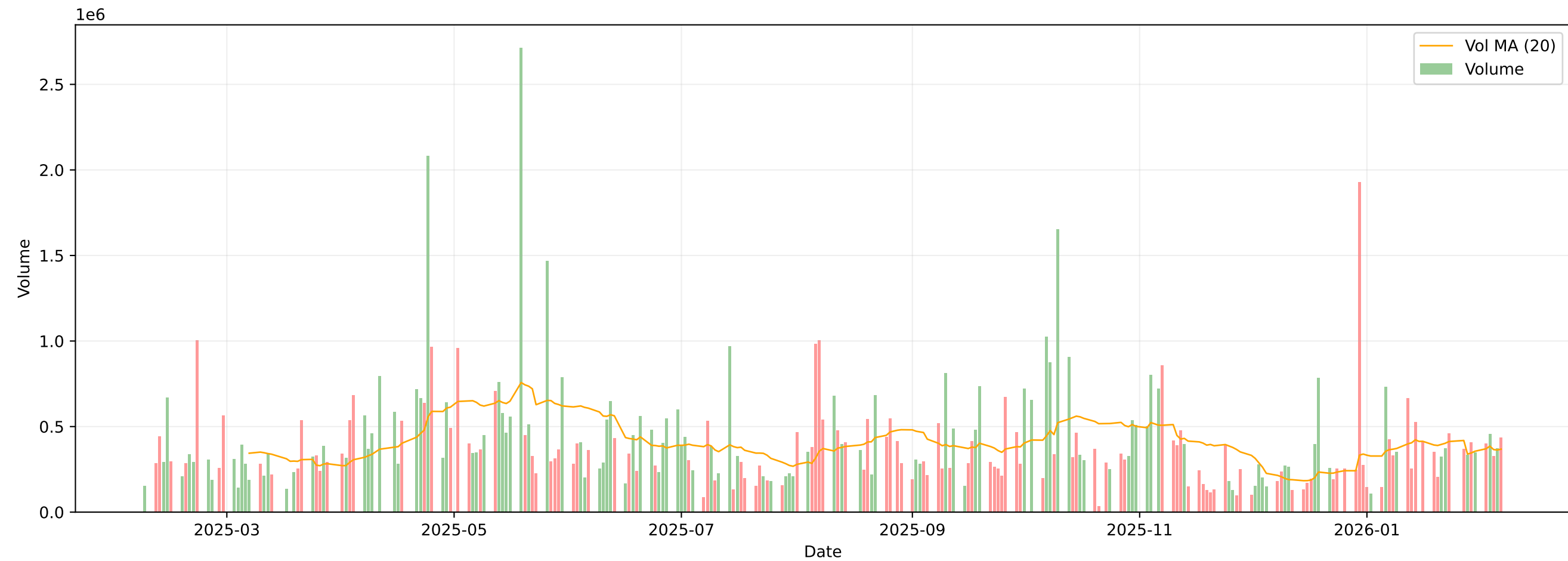
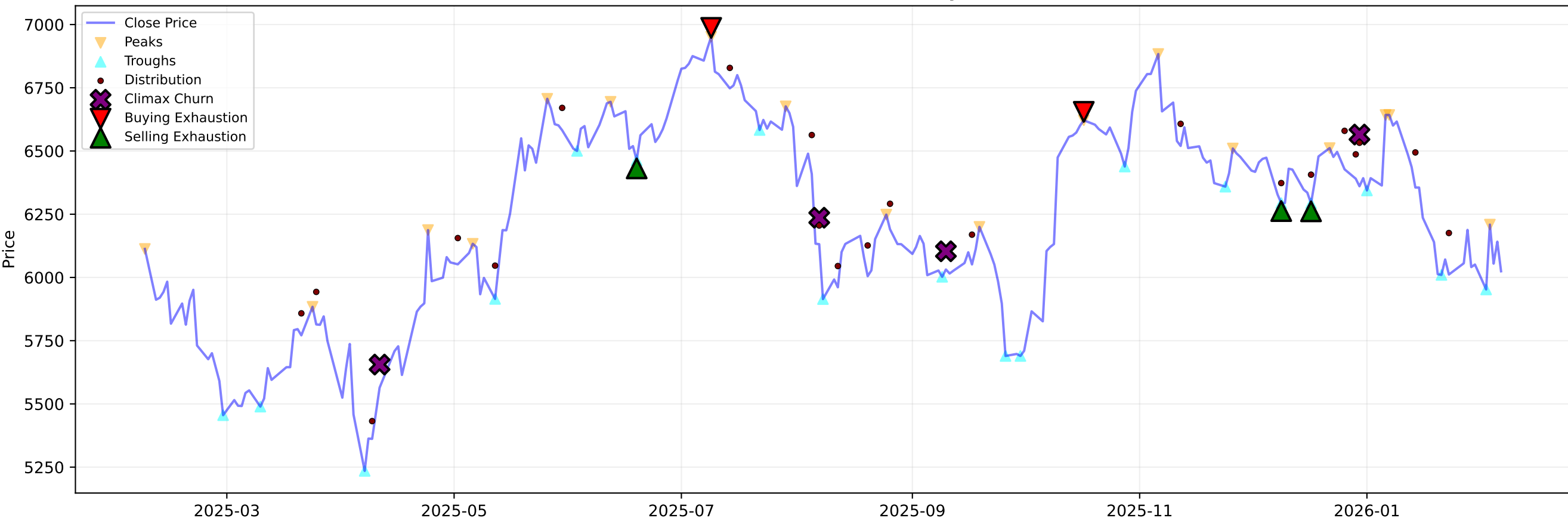
2026-01-14 [-]:

Distribution Day

2026-01-23 [-]:

Distribution Day

DIVISLAB.NS - Volume Analysis



DIVISLAB.NS - Candlestick Classification Summary

== CANDLESTICK CLASSIFICATION ==:

Latest Classification: **Buyer Control**

Recent Trend Score (10-day avg): 0.00

:

Distribution:

No Control: 111

Seller Control: 55

Buyer Control: 54

Seller Strong Control: 4

Buyer Strong Control: 4

DIVISLAB.NS - Candlestick Classification



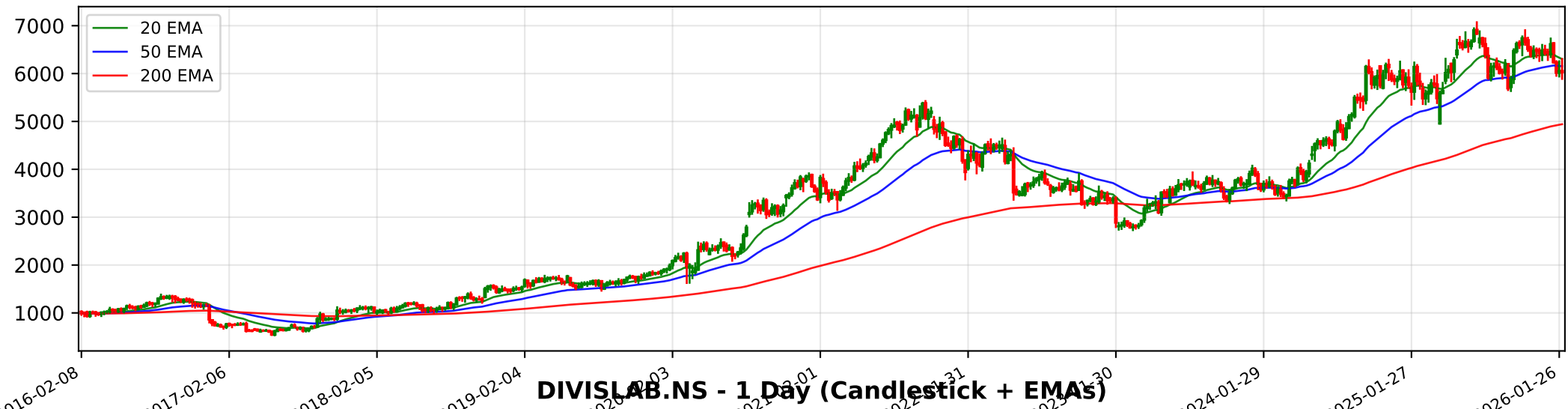
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	6695.25	6024.5	2026-01-19
1 Day	DOWNTREND (Sell)	6392.5	6024.5	2026-01-16
15 Min	DOWNTREND (Sell)	6025.46	6024.5	2026-02-06

Multi-Timeframe MACD Analysis

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

DIVISLAB.NS - 1 Week (Candlestick + EMAs)



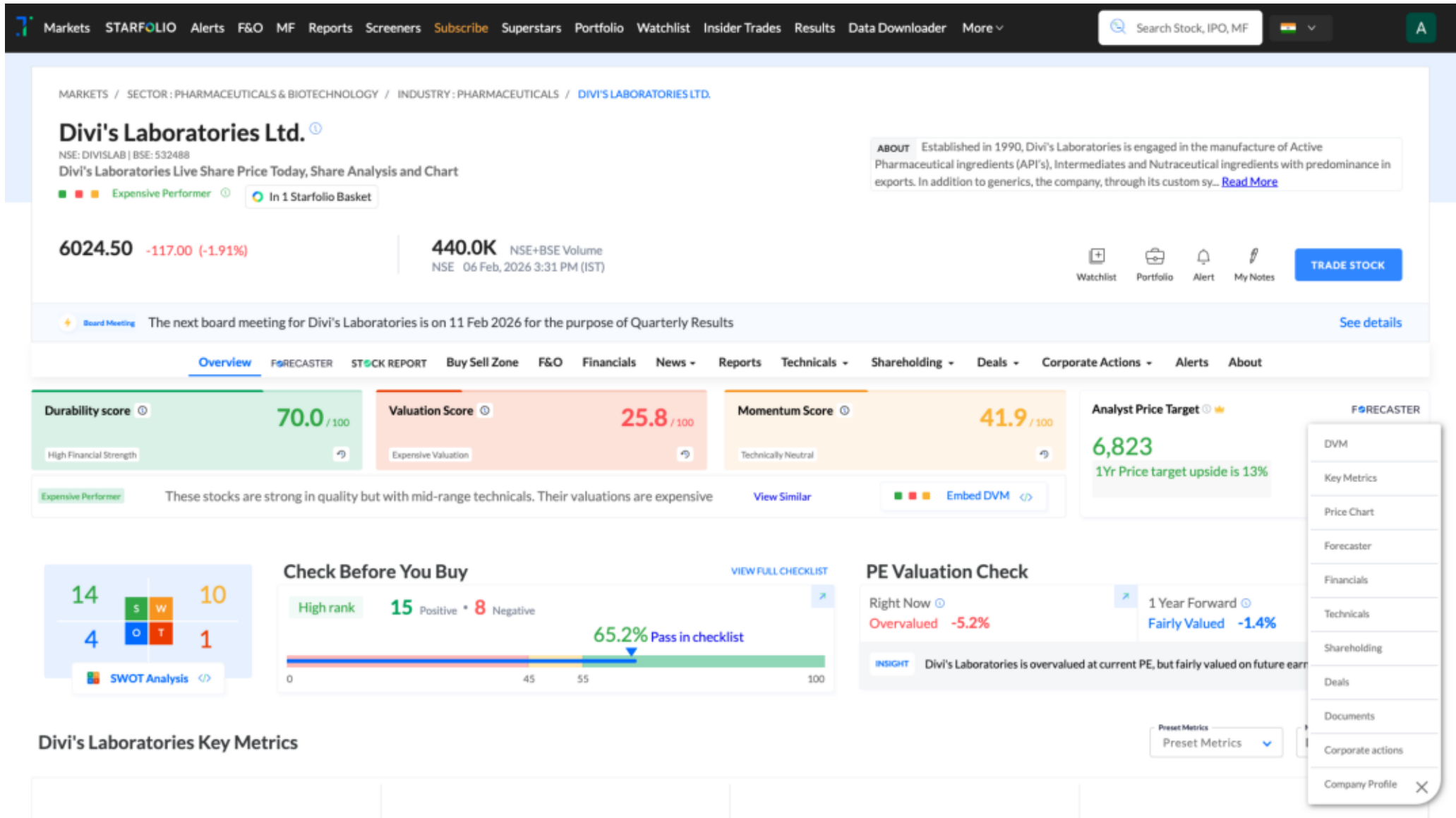
DIVISLAB.NS - 1 Day (Candlestick + EMAs)



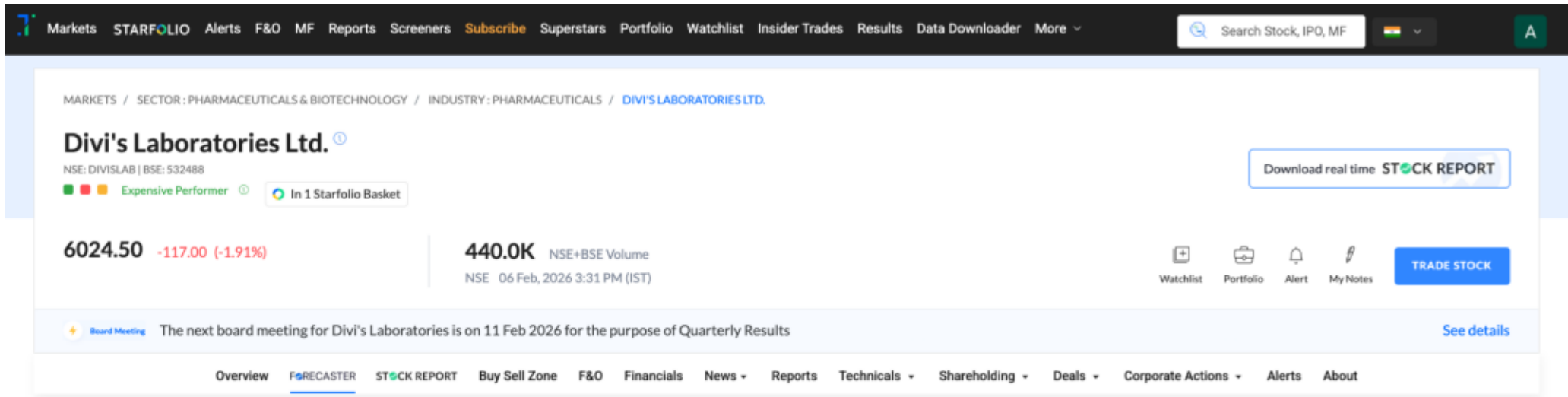
DIVISLAB.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - DIVISLAB_main



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 ⓘ

FORECASTER DASHBOARD →

