

Gemini Stock Analysis Report

Based on the "Stock Detailed Analysis Report" for **DIVISLAB.NS** (dated 2026-01-31), here is my analysis and recommendation.

Step 1: Audit the Data

- **Data Present:**

- Daily and Weekly Price Charts (Candlestick & Line).
- Moving Averages (EMA 20, 50, 200).
- Momentum Indicators (RSI, MACD, Supertrend).
- Volatility Indicators (Bollinger Bands, ATR).
- Volume Analysis (Distribution days, Volume MA).
- Fundamental Snapshots (Revenue, PE, Growth metrics).
- Relative Strength (RS) against the Pharma sector.

- **Data Missing:**

- Detailed Option Chain analysis (Open Interest build-up) to gauge immediate support/resistance sentiment.
- Fibonacci Retracement levels from the 2023 lows to 2025 highs (crucial for finding the "floor" of the current correction).

- **Confidence Level: High.**

- *Explanation:* The technical data provided is extensive and covers trend, momentum, and volatility comprehensively. The timeframes (Weekly/Daily) align perfectly with a positional trading horizon.
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Step 2: Analyze the Setup

Trend Structure (**Bearish**):

- **Price Action:** The stock is in a clear intermediate-term correction, having fallen from peaks near INR 7,000 to the current INR 6,051.
- **Moving Averages:** The price is trading **below** the EMA 20 (6214), EMA 50 (6318), and crucially, the **EMA 200 (6227)**. Trading below the 200-day EMA signifies a broken long-term trend.
- **Supertrend:** The daily Supertrend (Page 10) is in a **DOWNTREND (Sell)** signal with resistance way up at 6454.

Momentum (**Weak**):

- **MACD:** The MACD is bearish (below zero line) with negative histograms, indicating selling pressure is still dominant.
- **RSI:** At 38.44, the RSI is approaching oversold territory but has not yet shown a strong bullish divergence or a "V-shape" reversal.
- **Volume:** Page 18 indicates **Distribution Days** are active, suggesting institutional selling on up-moves.

Valuation & Fundamentals:

- The PE ratio is high at 64.6. In a correcting market, high-PE stocks often see deeper drawdowns.
- Short-term fundamentals (Page 3) show negative QoQ growth in Revenue (-5.49%) and Net Income (-17.67%), justifying the price drop.

Support Levels:

- Immediate support is visible at the Lower Bollinger Band (**INR 5,820**).
 - Major structural support sits around the INR 5,800-INR 6,000 zone (consolidation from mid-2024).
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Step 3: Formulate the Recommendation

Recommendation: NO (DO NOT ENTER NOW)

Reasoning: As a positional trader, our edge comes from riding established trends, not catching falling knives. DIVISLAB has violated its most critical intermediate support level (the 200 EMA). The stock is currently "guilty until proven innocent." There is no confluence of indicators suggesting a bottom is in; volume is distributive, and momentum is bearish.

However, since the stock is approaching a strong support cluster (INR 5,800) and is becoming oversold, it is a high-priority watchlist candidate for a reversal.

Conditional Plan (Wait for Strength): We require the price to reclaim key institutional averages to prove the correction is over.

- **Condition to Buy:** The stock must register a **Daily Close above the EMA 200**. This confirms the long-term trend is salvaged and traps the recent shorts.
- **Entry Price: INR 6,260** (This allows for a buffer above the EMA 200 at ~6227 and EMA 20 at ~6214).
- **Stop Loss: INR 5,950** (Strict closing basis. This places risk below the psychological INR 6,000 level and recent consolidations).

Take Profit: INR 6,750 (Targeting the Upper Bollinger Band and the liquidity gap left during the drop).

Risk/Reward Ratio: ~1.6 (Acceptable for a breakout confirmation trade).

News & Analyst Targets

Date: Saturday, January 31, 2026 **Subject:** Equity Research Update - Divi's Laboratories (DIVISLAB)

Here is the latest research and market intelligence for Divi's Laboratories as of the current week ending January 31, 2026.

1) Latest News for DIVISLAB (Week of Jan 26-31, 2026)

- **Q3 FY26 Earnings Scheduled (Feb 2, 2026):** The most critical upcoming event is the announcement of the financial results for the quarter ending December 31, 2025 (Q3 FY26). The company is scheduled to release earnings on **Monday, February 2, 2026**. The street is watching closely for sustained growth in the Custom Synthesis (CS) segment and margin expansion.
- **Stock Consolidation & Weekly Decline:** DIVISLAB shares have witnessed a consolidation phase this week, trading in the **INR 6,000 - INR 6,050** range. The stock saw a marginal weekly decline of approximately **0.5%**, closing the week around INR 6,041. Technical indicators suggest the stock is currently in a short-term correction phase ahead of the earnings release.
- **Kakinada Plant Ramp-up:** Focus remains on the Kakinada Unit-III facility (commercialized in Jan 2025). Investors are expecting management commentary regarding the capacity utilization levels and contribution to the top line for this quarter.

2) Brokerage Upgrades & Downgrades

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Activity has been high in January 2026 as analysts position themselves before the Q3 results:

- **Jefferies (Maintained Buy):** On **January 9, 2026**, Jefferies reiterated its **Buy** rating, maintaining a bullish stance with a target of **INR 8,000**. They continue to see upside from the ramp-up of contrast media and custom synthesis projects.
- **Citi (Maintained Buy):** On **January 6, 2026**, Citi maintained a **Buy** rating with a street-high target of **INR 9,140**, citing strong visibility in the GLP-1 (weight loss drug) supply chain and backward integration benefits.
- **Sharekhan (Upgrade):** In late **December 2025**, Sharekhan upgraded the stock to **Buy** (from Hold), citing accelerating momentum in the CS business and improved margin trends, setting a target of **INR 7,375**.

3) Other News Impacting DIVISLAB

- **Union Budget 2026 (February 1):** The pharmaceutical sector is in focus ahead of the Union Budget to be presented tomorrow. Expectations are high for increased incentives for R&D and tax benefits for API manufacturing, which would directly benefit major players like Divi's.
- **GLP-1 Supply Chain Demand:** Global demand for GLP-1 agonists (obesity drugs) continues to drive sentiment. Divi's, being a key manufacturer of peptide building blocks, is seen as a major beneficiary of this structural trend.
- **Sector Rotation:** There has been a "risk-off" sentiment in the broader market this week, leading to some capital flow into defensive pharma stocks, though Divi's specifically faced slight selling pressure due to its premium valuation multiples.

4) Latest Analyst Targets (Consensus)

Below is the summary of the latest price targets and ratings from major brokerages as of January 2026.

Brokerage Firm	Rating	Price Target (INR)	Date / Status
Citi	Buy	9,140	Jan 06, 2026
Jefferies	Buy	8,000	Jan 09, 2026
Morgan Stanley	Buy	7,541	Dec 22, 2025
Sharekhan	Buy	7,375	Dec 11, 2025
PhillipCapital	Hold	6,450	Dec 25, 2025
Kotak Equities	Sell	6,000	Jan 2026 (Reiterate)
Consensus Mean	Neutral/Buy	~7,200	

Analyst View: The street is sharply divided on valuation. While **Citi** and **Jefferies** see massive upside (30-50%) driven by the "GLP-1 opportunity," domestic brokerages like **Kotak** remain cautious due to rich valuations (trading >60x P/E) and pricing pressures in the generic API segment.

Disclaimer: This report is for informational purposes only and does not constitute financial advice.

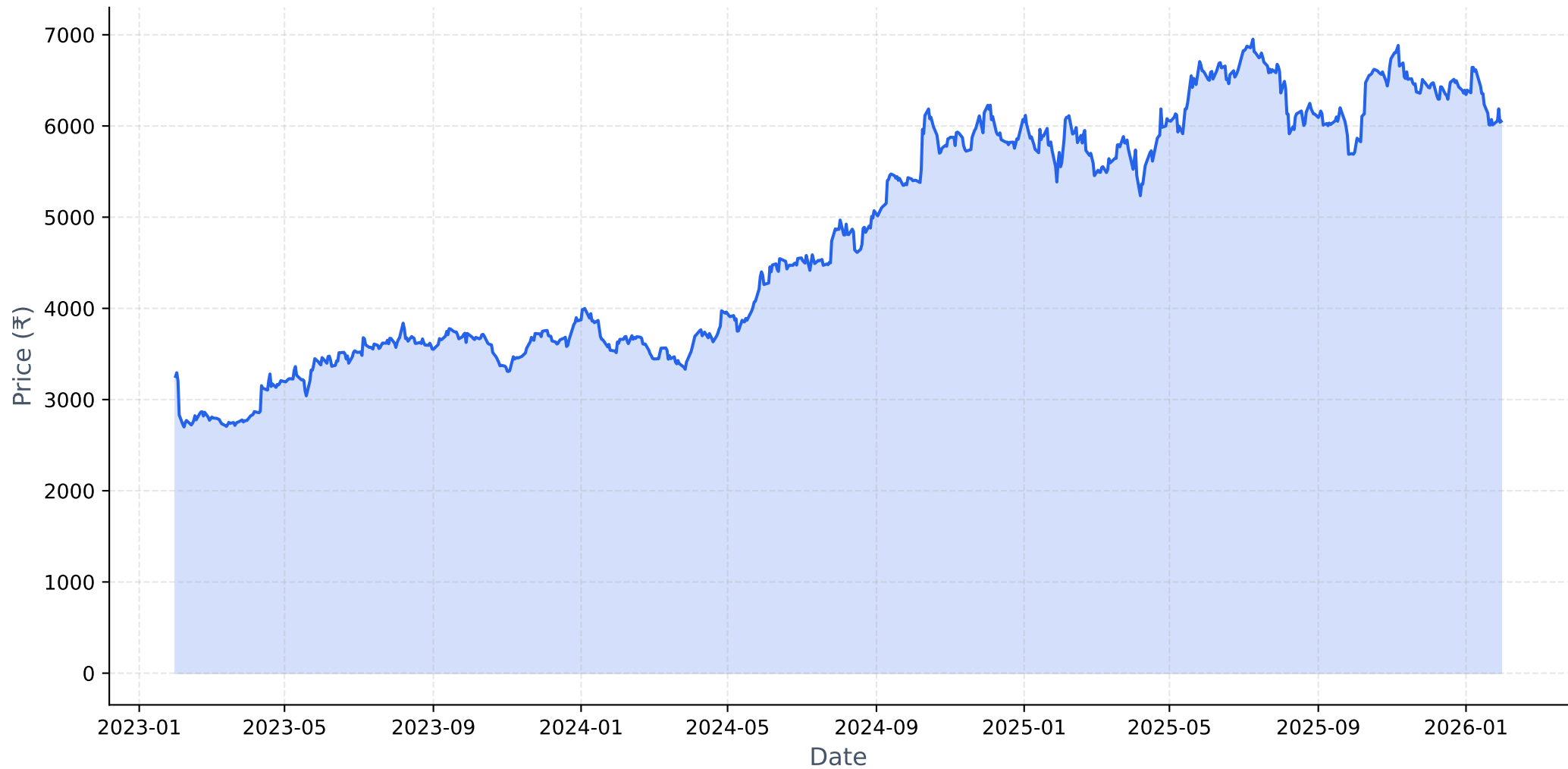
Stock Detailed Analysis Report

DIVISLAB.NS

Current Price: ₹6051.00

Generated: 2026-01-31 11:35

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:	48.5/100

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== RS RATIOS ==:

1M RS:	0.984 [Neutral]
3M RS:	0.932 [Neutral]
6M RS:	0.946 [Neutral]
1Y RS:	1.063 [Leader]

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== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
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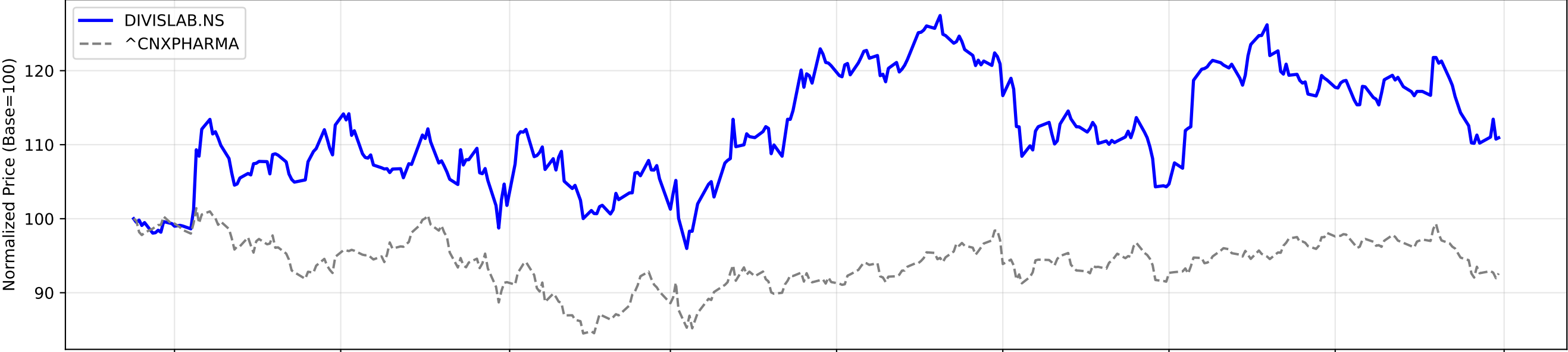
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SIGNAL CRITERIA::

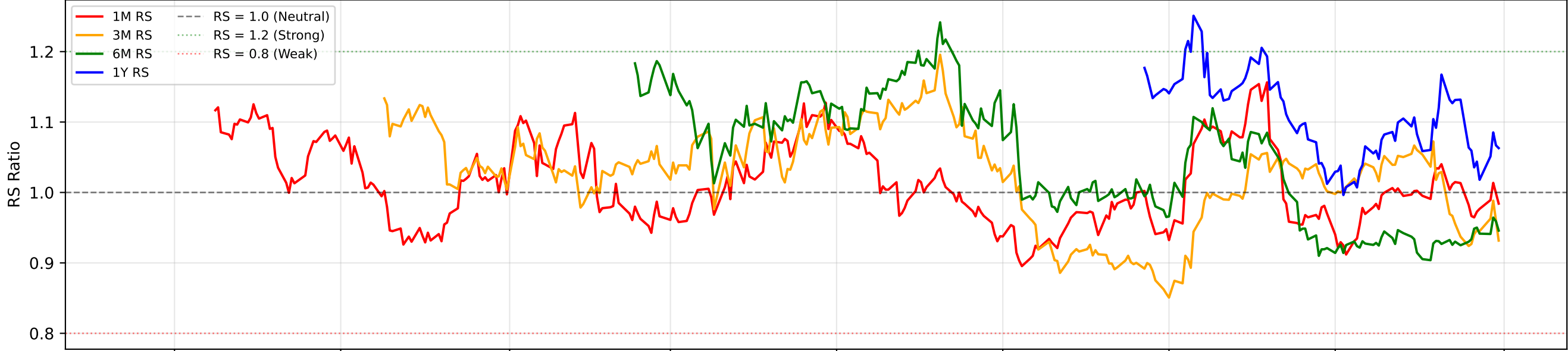
✓ Emerging RS:	1M (0.984) > 3M (0.932)
✓ Medium-term Lagging:	6M=0.946 (≤ 1.0)
✓ Performance Improving:	3M (-7.1%) > 6M (-8.1%)

Relative Strength Analysis: DIVISLAB.NS vs ^CNXPBARMA
Classification: Neutral

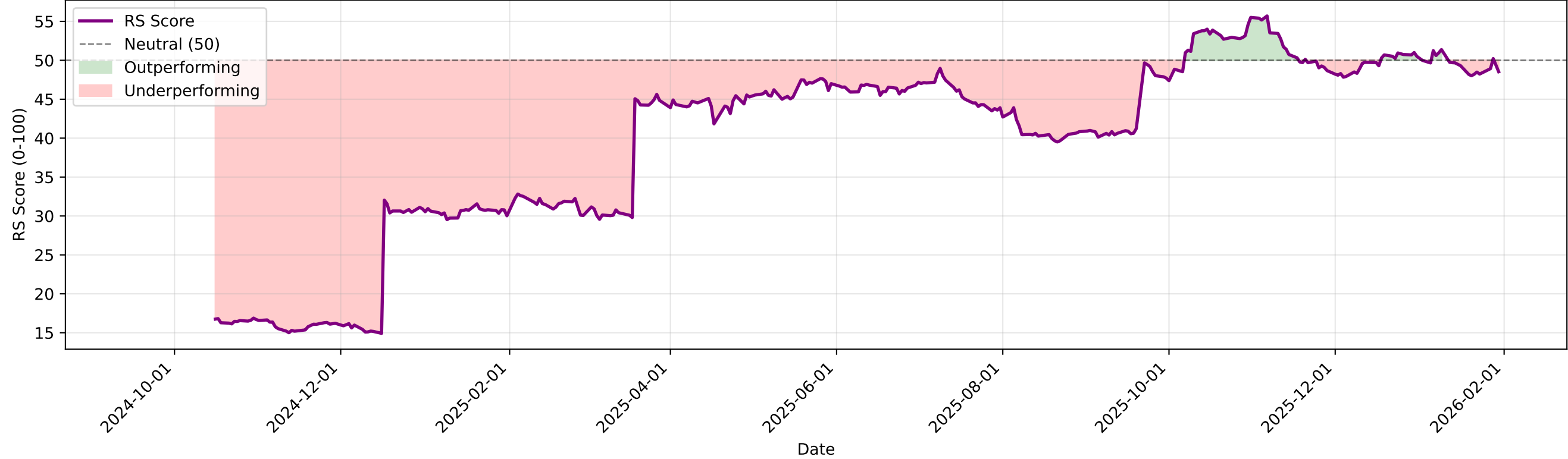
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



RS Composite Score Timeline



DIVISLAB.NS - EMA Crossover Summary

EMA 20:	6214.37
EMA 50:	6318.68
EMA 200:	6227.85
Trend Status:	Short-term Downtrend
Golden Cross Date:	2024-04-09 00:00:00+05:30
Golden Cross Price:	3764.60

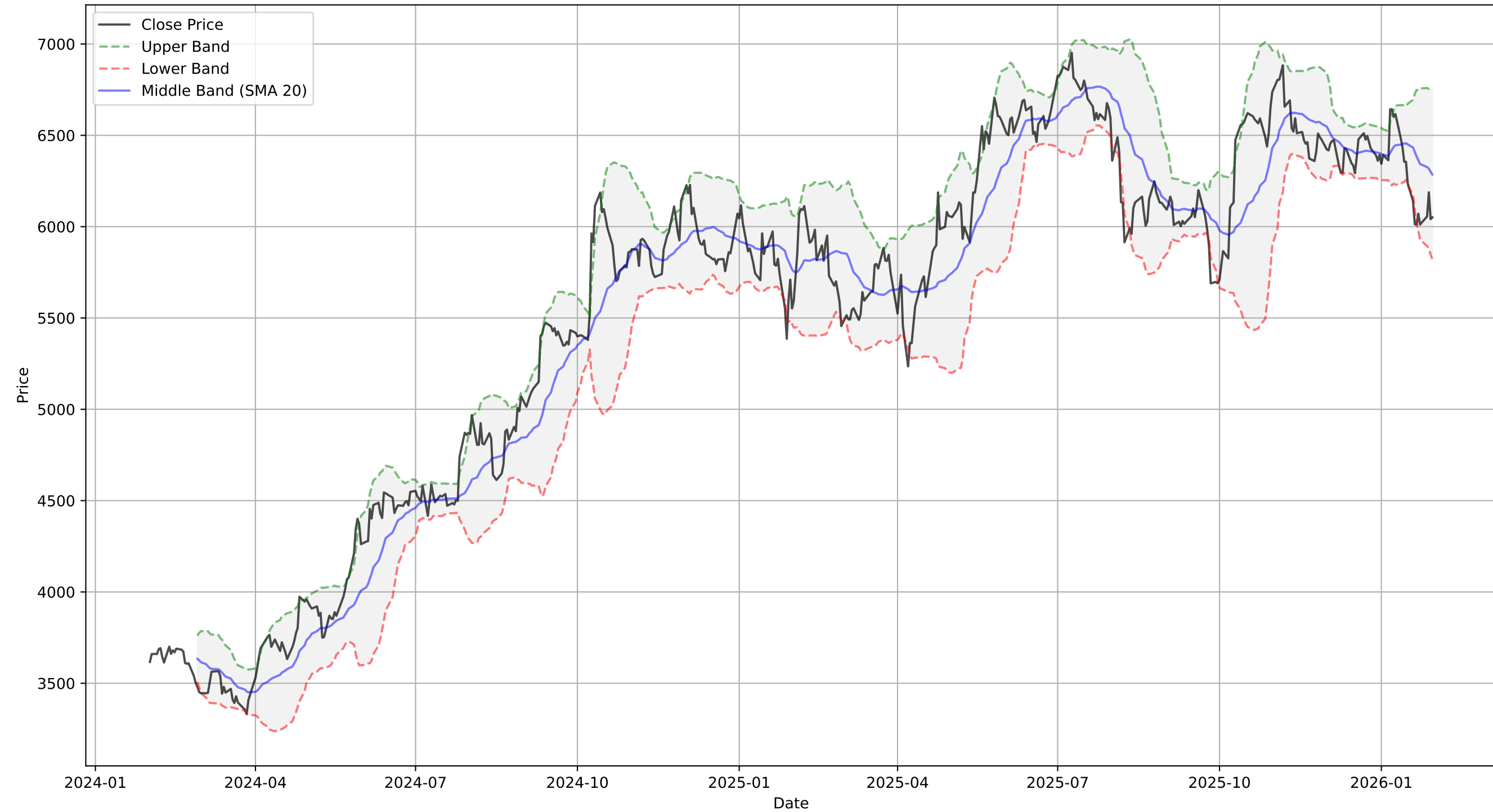
DIVISLAB.NS EMA Crossover Analysis



DIVISLAB.NS - Bollinger Bands Summary

Current Price:	6051.00
Upper Band:	6750.10
Middle Band (SMA 20):	6285.43
Lower Band:	5820.75
%B:	0.2478
Band Width:	0.1479
Status:	Lower Half
Signal:	None

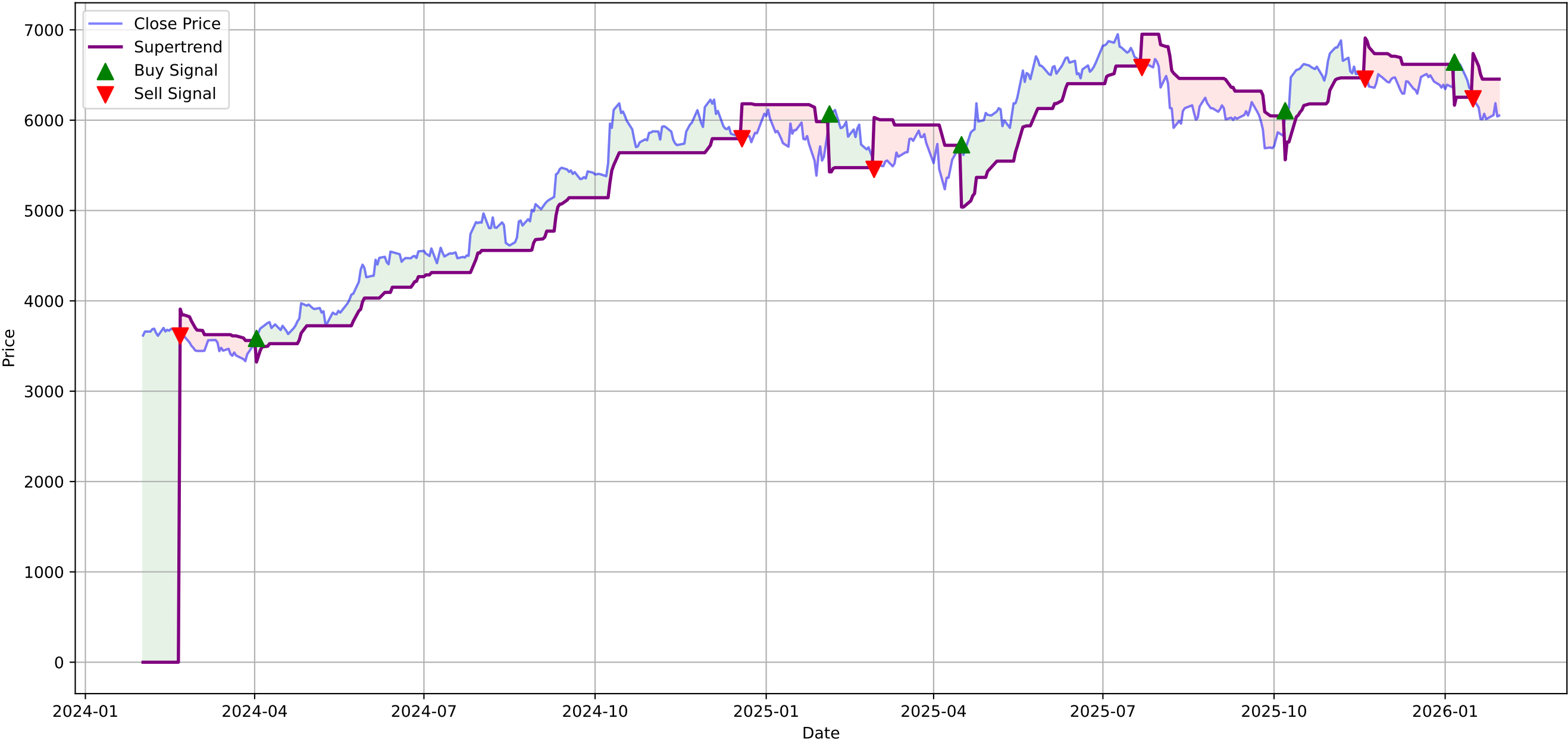
DIVISLAB.NS Bollinger Bands (20, 2) Analysis



DIVISLAB.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	6454.11
Signal Identified On:	2026-01-16

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



DIVISLAB.NS - MACD Summary

MACD Line: -104.96

Signal Line: -82.97

Histogram: -21.99

Trend: **Bearish**

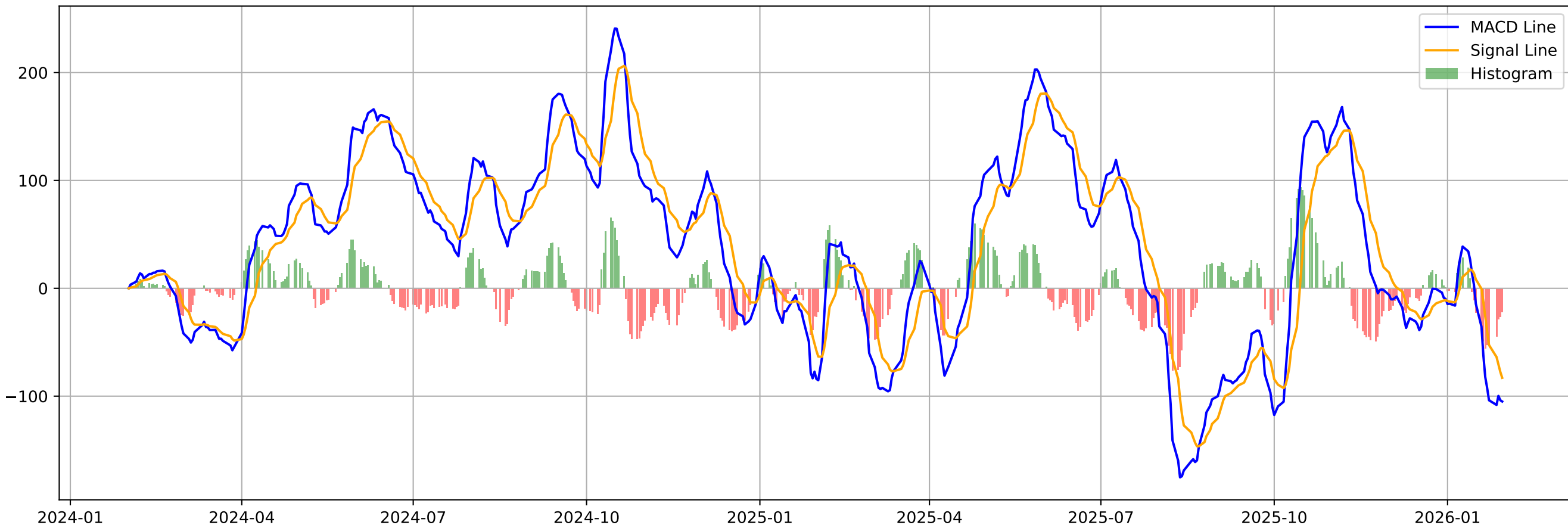
Momentum: **Weakening**

Signal: None

DIVISLAB.NS Price



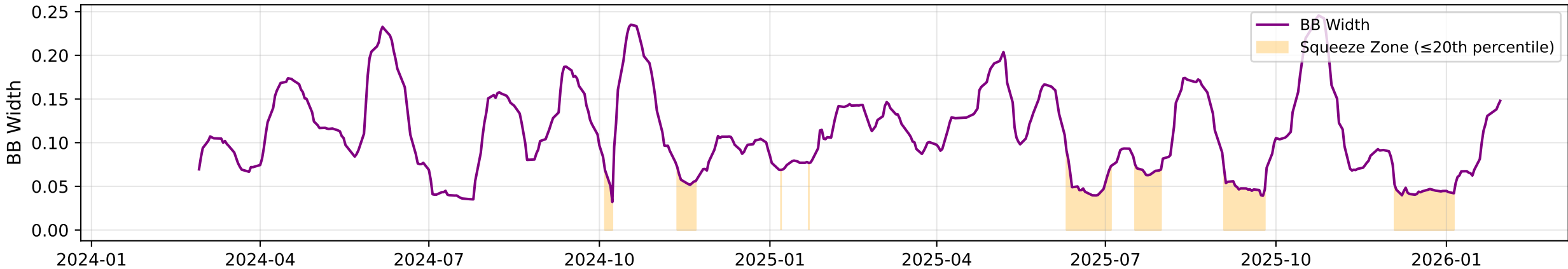
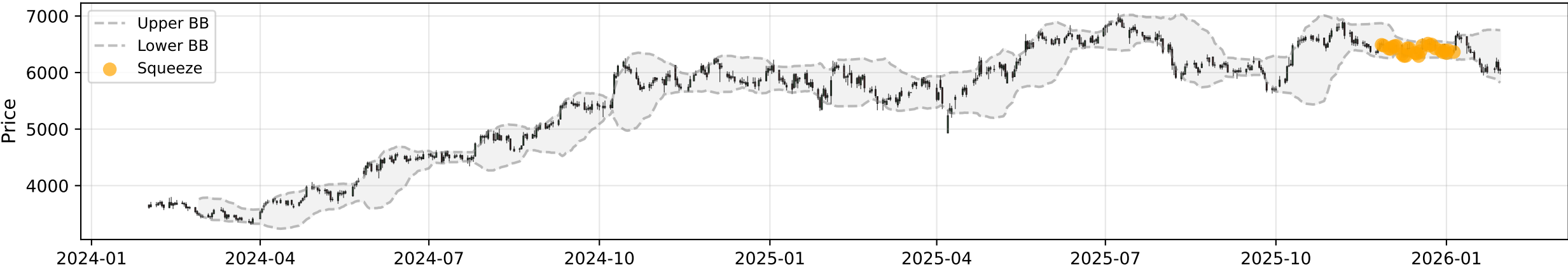
DIVISLAB.NS MACD (12, 26, 9)



DIVISLAB.NS - Volatility Squeeze Summary

BB Width:	0.1479
ATR:	148.9643
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)

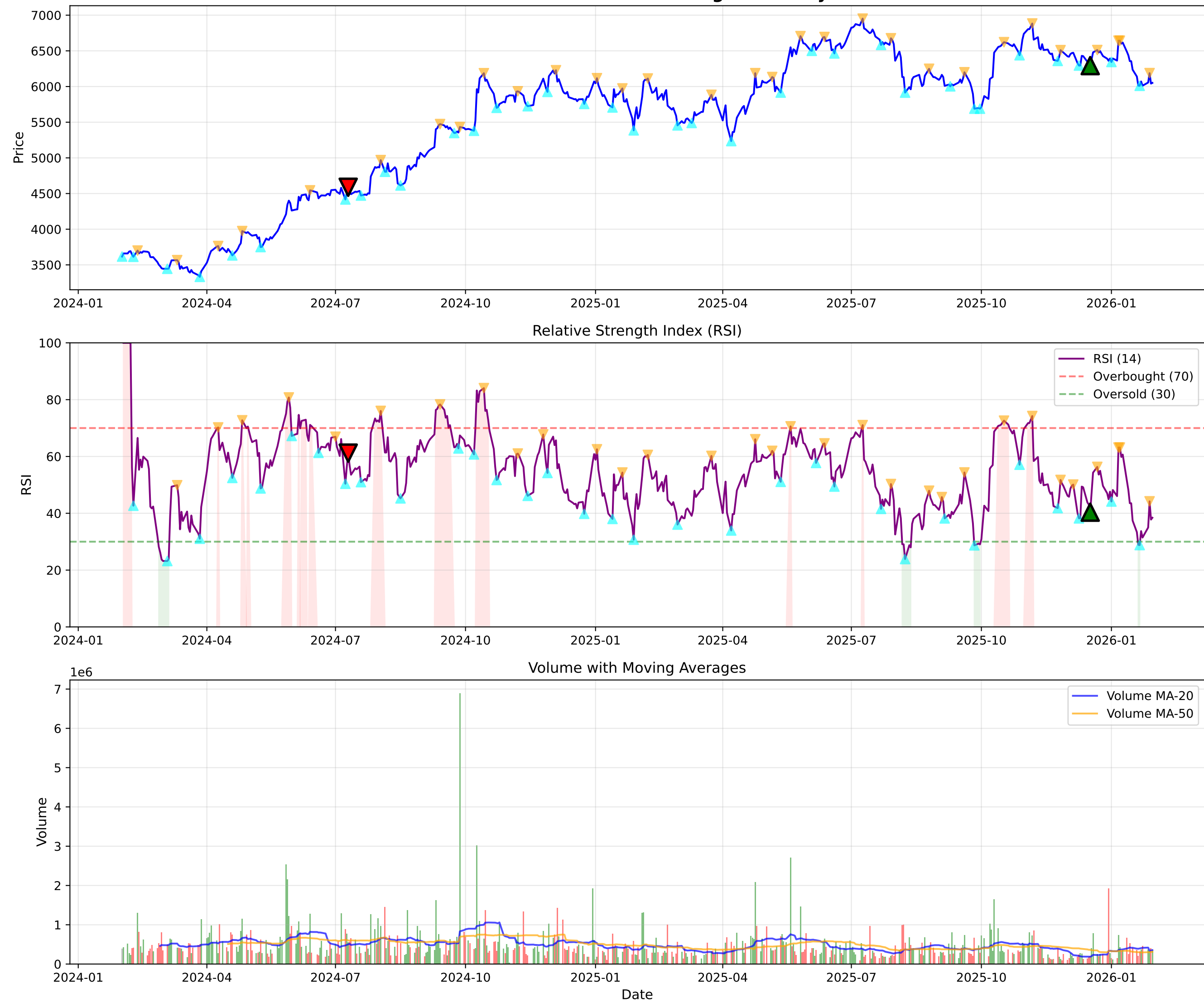
DIVISLAB.NS - Volatility Squeeze Analysis



DIVISLAB.NS - RSI-Volume Summary

Current RSI:	38.44
Current Volume:	347131
Volume MA 20:	355782
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:

31 Signals Detected

:

2025-12-29 [-]:

Distribution Day

2025-12-30 [-]:

Distribution Day

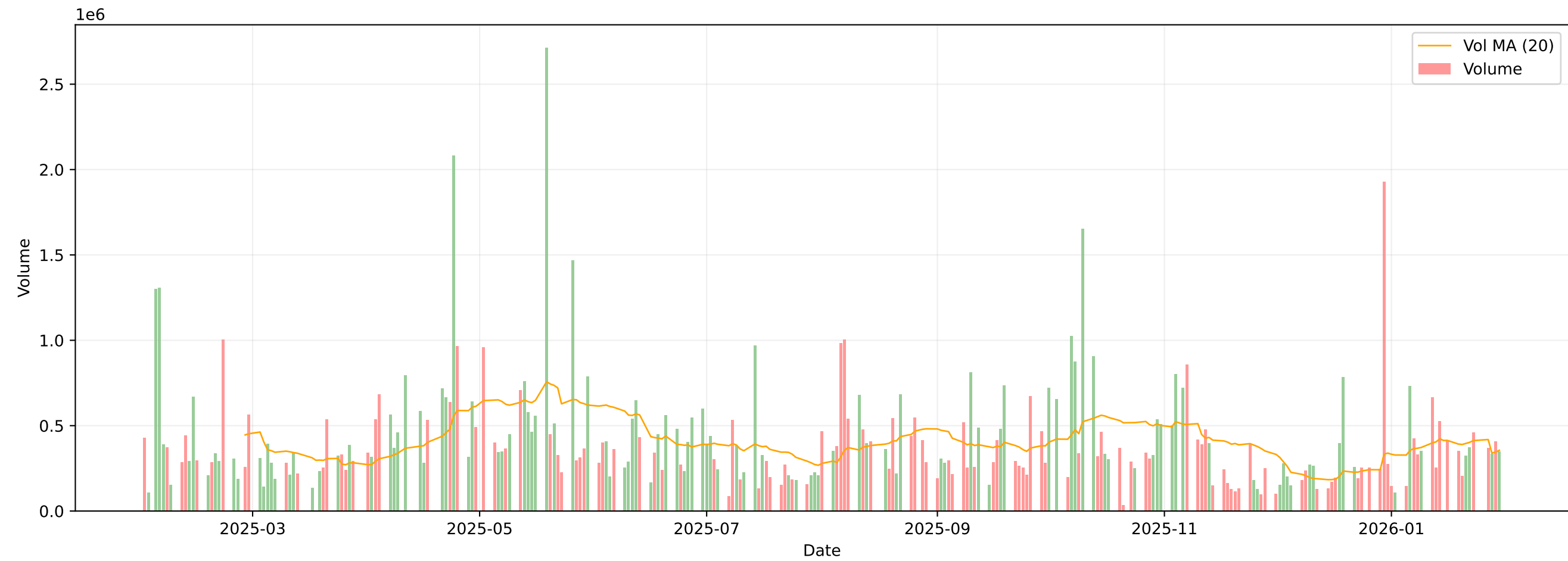
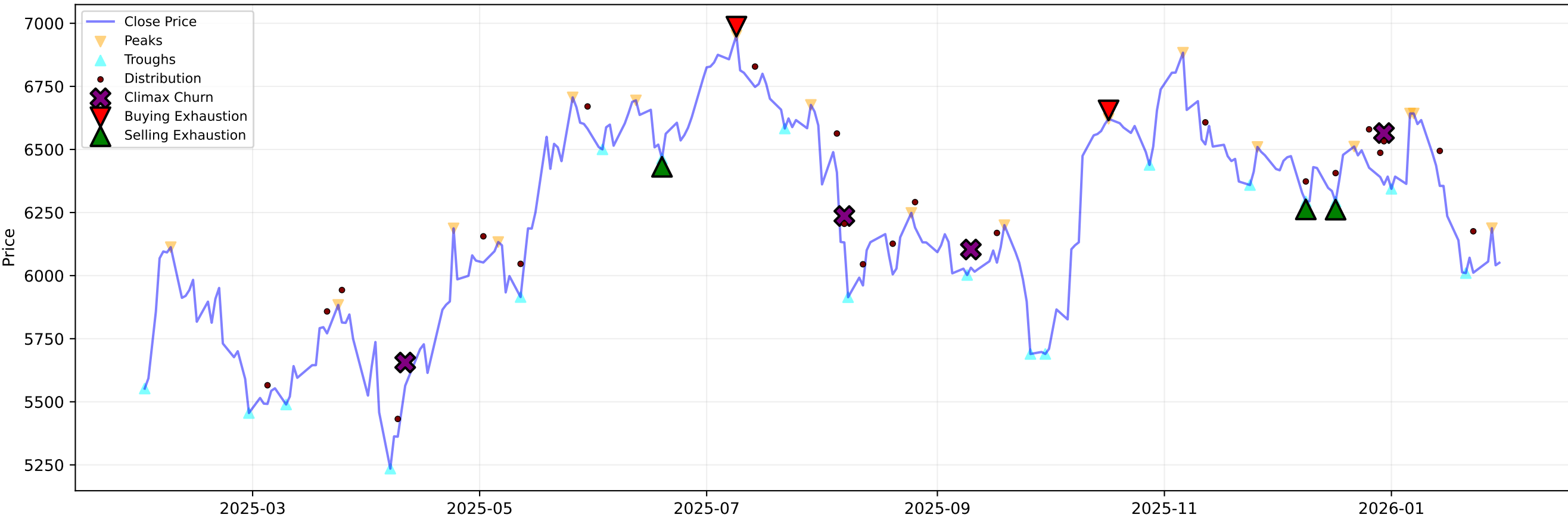
2026-01-14 [-]:

Distribution Day

2026-01-23 [-]:

Distribution Day

DIVISLAB.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	6695.25	6051.0	2026-01-19
1 Day	DOWNTREND (Sell)	6454.11	6051.0	2026-01-16
15 Min	DOWNTREND (Sell)	6060.0	6051.0	2026-01-29

Multi-Timeframe MACD Analysis

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

DIVISLAB.NS - 1 Week (Candlestick + EMAs)



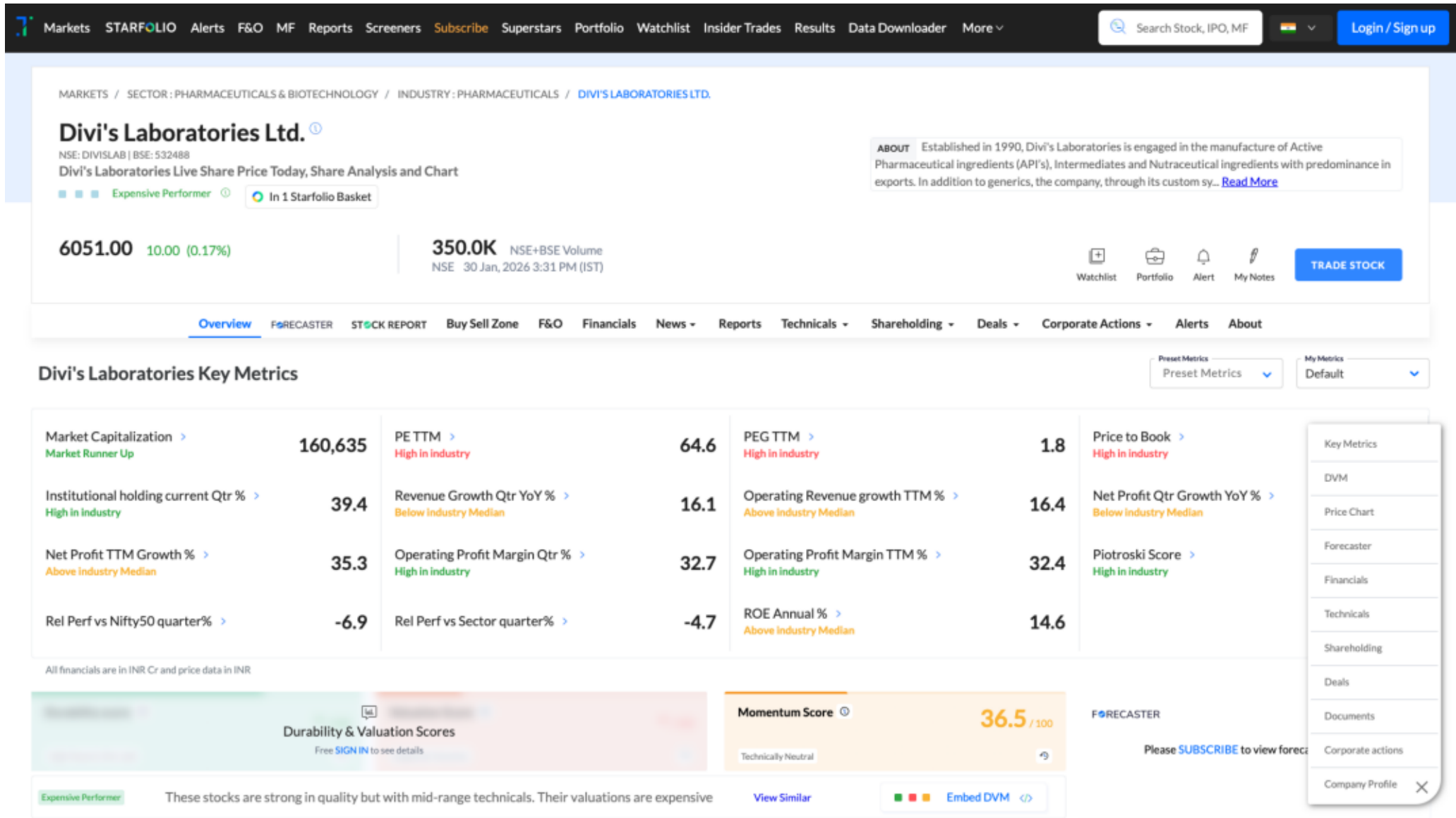
DIVISLAB.NS - 1 Day (Candlestick + EMAs)



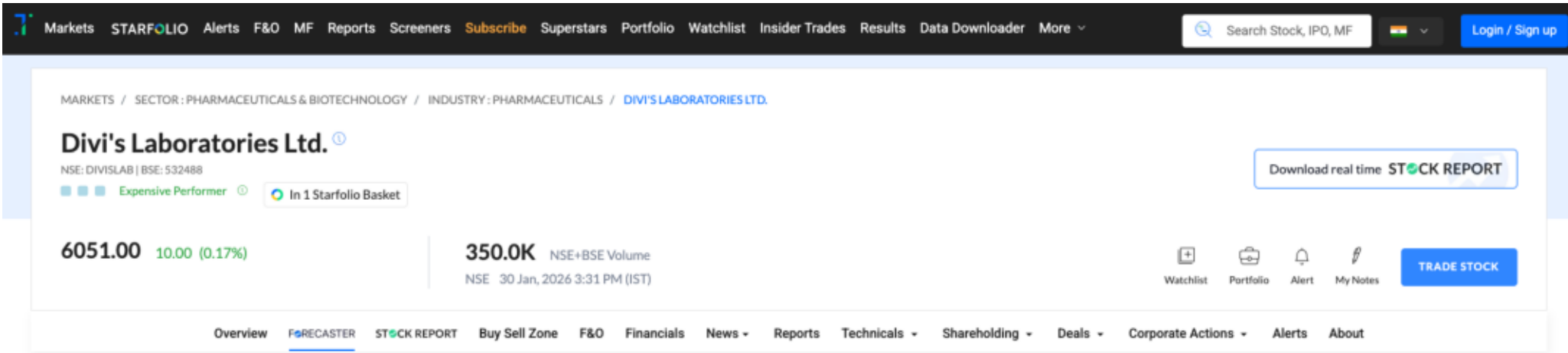
DIVISLAB.NS - 15 Min (Candlestick + EMAs)



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.



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SAMPLE DATA BELOW

