

# Stock Analysis Report

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## Strategic Trading Analysis

Based on the detailed analysis report for **VBL.NS (Varun Beverages Ltd)** generated on **2026-02-14**, here is my assessment.

### Step 1: Audit the Data

- **Data Present:**
  - **Price Action:** Daily (3-year), Weekly, and Intraday (15-min) charts.
  - **Trend Indicators:** moving Averages (EMAs 20, 50, 200), Supertrend, MACD.
  - **Momentum/Volatility:** RSI, Bollinger Bands, Volatility Squeeze, ATR.
  - **Volume:** Volume profile, Distribution days, Accumulation/Distribution analysis.
  - **Fundamentals:** Long-term and Short-term metrics (Revenue, Net Income, EPS).
  - **Relative Strength:** Comparison against ^CNXFMCG (Sector Index).
- **Data Missing:**
  - **Derivatives Data:** Option Chain Open Interest (OI) distribution is not provided, which would help identify invisible resistance/support levels.
  - **Institutional Activity:** While "Distribution Days" are noted, specific FII/DII daily flow data is absent.
- **Confidence Level: High.** The technical dossier is comprehensive, covering trend, momentum, volatility, and volume across multiple timeframes, allowing for a robust technical decision.

### Step 2: Analyze the Setup

- **Price Structure & Trend:** The stock is in a confirmed **Strong Downtrend** on the Daily and Weekly timeframes. The price (449.30) is trading below all key Daily EMAs (20 < 50 < 200).
  - *Critical Observation:* A **Death Cross** (50 EMA crossing below 200 EMA) appears to have recently occurred or is in progress (Page 7). This is a major bearish signal for intermediate-term trends.
- **Momentum:**
  - **RSI:** At 38.24, the stock is approaching oversold territory but is not yet at a capitulation point (<30) that typically triggers an immediate snap-back.
  - **MACD:** Remains bearish below the zero line, though momentum is "weakening," suggesting the selling pressure *might* be slowing, but buyers haven't stepped in.
- **Relative Strength:** The stock is a "Weakening Leader" (RS Score 48/100) and is underperforming its sector (FMCG). Buying a laggard in a defensive sector is generally a low-probability play.
- **Volume:** The presence of multiple "Distribution Days" in Jan/Feb 2026 indicates institutional unloading. There is no sign of a "stopping volume" or accumulation spike yet.
- **Support:** The Weekly chart (Page 23) suggests the stock is approaching its long-term 50-week or 100-week averages, but on the Daily chart, the next major psychological support is likely the 400-425 zone (previous consolidation base).

### Step 3: Formulate the Recommendation

**Recommendation: NO (DO NOT ENTER NOW)**

**Reasoning:** The setup is currently a "falling knife." The confluence of a Death Cross, weak Relative Strength, and recent Distribution Days makes the probability of a sustainable 5-15% upside low at this exact moment. The stock needs to prove that the selling has exhausted before a long entry is safe.

# Stock Analysis Report

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However, the stock is approaching oversold levels. If it stabilizes, a "Reversion to the Mean" trade targeting the 200 EMA is possible.

## Conditional Plan (Watchlist Strategy):

I will wait for a reversal of the short-term trend to confirm that a bottom is in place.

- **Condition to Buy:** The stock must register a **Daily Close above the 20 EMA** (currently ~463) accompanied by above-average volume. This would confirm that short-term momentum has shifted from bearish to neutral/bullish.
- **Entry Price: INR 465.00** (Trigger price upon confirmation of the condition).
- **Stop Loss: INR 438.00** (Below the recent swing low and psychological 440 support).
- **Take Profit: INR 500.00** (Targeting the 200 EMA and Upper Bollinger Band resistance).
  - *Risk/Reward Ratio: ~1:1.3* (Acceptable for a counter-trend swing).

*Alternative Conservative View:* If the stock continues to drop, remove the alert and wait for a test of the **INR 400-410** level (Weekly structural support) to look for long-term accumulation setups.

## Candlestick Classification Analysis

Based on the **Candlestick Classification Analysis** found on **Page 20 and Page 21** of the report, here is my professional assessment of VBL.NS (Varun Beverages Ltd) price action.

### 1. Current Classification Breakdown

- **Latest Classification: No Control (0)**
  - *Interpretation:* The most recent trading session ended with an indecisive candle. This typically means the body was small (<0.5 ATR), or there were long wicks on both sides, indicating a battle between bulls and bears that ended in a stalemate.
- **Recent Trend Score (10-day avg): -0.40 (Bearish Lean)**
  - *Interpretation:* While the current candle is neutral, the 10-day rolling average is negative. In this algorithm, a negative score indicates that over the last two weeks, sellers have held the statistical advantage. The market is "bleeding" rather than crashing, but the pressure is undeniably downward.
- **Distribution Stats:**
  - The overwhelming majority of candles (117) are "**No Control**." This characterizes VBL as a stock that spends a lot of time in choppy consolidation, punctuated by specific trend moves.
  - Crucially, **Seller Control (64)** outweighs **Buyer Control (41)**, confirming the broader downtrend structure.

### 2. Visual Chart Analysis (Page 21)

Looking at the detailed classification chart, several price action behaviors stand out:

- **Failed Recovery (Bull Trap):**
  - In late January/early February 2026, we see a cluster of **Light Green (Buyer Control)** candles attempting to push the price above the 500 level.
  - *Algorithm Logic:* These were likely moderate bullish bodies with decent volume.
  - *Outcome:* This rally failed. The subsequent candles turned **Light Red (Seller Control)** and **Gray (No**

# Stock Analysis Report

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**Control**), swiftly erasing those gains. This is a classic "Lower High" formation, which is bearish.

- **The "Bleed" Pattern:**

- The recent descent from 500 to 449 is characterized not by massive **Dark Red (Seller Strong Control)** candles, but by a consistent string of **Light Red** and **Gray** candles.
- *Algorithm Logic:* This suggests that while we aren't seeing panic selling (Body > 1.5 ATR + High Volume), we are seeing a complete lack of demand. Buyers are not stepping in to defend the price, allowing small amounts of selling pressure to drift the stock lower.

- **Volume Validation:**

- Looking at the volume bars below the chart, the selling waves (red volume spikes) consistently overpower the buying volume. The algorithm penalizes bullish setups if volume is low (<0.8x avg), which seems to be the case for any recent attempts to bounce.

### 3. The "No Control" Warning

As a candlestick trader, I view the current "No Control" status in the context of the prevailing trend.\* **In an Uptrend:** "No Control" candles often represent accumulation or flags (bullish).\* **In a Downtrend (Current Context):** "No Control" candles usually represent **lack of interest**. Price is pausing simply because sellers are reloading, not because aggressive buyers have arrived.

### 4. Prediction: **Bearish** Continuation

Based strictly on the provided Candlestick Classification logic:

**Direction: DOWN / Bearish**

**Rationale:**1. **Trend Score is Negative (-0.40):** The momentum is statistically with the sellers.2. **Absence of "Buyer Strong Control":** To reverse a downtrend like this, the algorithm requires a **+2 Signal** (Large Body > 1.5 ATR, closing near high, High Volume > 1.3x). This signal is completely absent from the recent chart. Until a "Dark Green" candle appears, the bottom is not in.3. **Price Action Structure:** The chart shows a rejection of higher prices (failed rally to 500). The current "No Control" candles at the lows suggest the price is drifting, likely seeking lower support levels to find liquidity.

**Trading Stance:**Do not catch the falling knife. The "No Control" classification implies it is dangerous to buy now, as there is no conviction (Body size is weak, or wicks show rejection). Wait for the Trend Score to cross back into positive territory or for a defined "Buyer Strong Control" candle to signal an institutional entry.

## News & Analyst Targets

Good morning. As an investment analyst tracking Varun Beverages Ltd (VBL), I have compiled the latest research note based on the most recent developments as of February 14, 2026.

### 1. Latest News for VBL This Week (Feb 8-14, 2026)

The most significant news this week follows the company's **Q4 CY25 earnings announcement** and subsequent analyst reactions.

# Stock Analysis Report

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- **Financial Performance (Q4 CY25):** VBL reported a solid set of numbers for the quarter ended December 31, 2025.
  - **Net Profit:** Rose **33% YoY** to **INR 260 crore**, up from INR 195.6 crore in the same quarter last year.
  - **Revenue:** Grew **13.5-14% YoY** to approx. **INR 4,204 crore**, driven by volume growth in both Indian and international markets.
  - **EBITDA:** Increased **10.2% YoY** to INR 639 crore, though margins saw slight pressure (15.2% vs 15.7% YoY) due to seasonal moderation.
- **Dividend Declared:** The Board recommended a final dividend of **INR 0.50 per share** (Face Value INR 2).
- **Rating Upgrade:** On February 9, 2026, **MarketsMOJO** upgraded VBL from "Sell" to "**Hold**," citing improved technical trends and steady fundamental strength.
- **Management Commentary:** The company maintained a positive outlook for CY26, guiding for double-digit volume growth provided weather conditions remain favorable. They also highlighted the stabilization of new capacities.

## 2. Brokerage Upgrades & Downgrades

The analyst community has shown mixed but generally positive reactions to the results, with some target price adjustments to reflect near-term headwinds.

- **MarketsMOJO: Upgrade to HOLD** (from Sell) on Feb 9, 2026.
- **Goldman Sachs: Downgraded Target Price** on Feb 4, 2026. While maintaining their rating, they cut the target price, likely pricing in the recent consumption slowdown and valuation concerns.
- **Jefferies: Maintained BUY** but **Cut Target Price to INR 550** (from INR 610). They cited "seasonality" and "near-term headwinds" but remain positive on the long-term growth story, specifically the "Camp" competition concerns easing.
- **Morgan Stanley: Maintained OVERWEIGHT** with a revised target of **INR 615** (up from INR 608), signaling continued confidence in VBL's execution capabilities.

## 3. Indirect & Other Impactful News

- **Expansion into South Africa (Twizza Acquisition):** VBL is aggressively expanding its African footprint. The acquisition of a **100% stake in Twizza (Pty) Limited** in South Africa is on track. This deal is expected to double VBL's market share in the region to ~20% by 2027 and unlock significant cost synergies.
- **Foray into Alcoholic Beverages:** The company confirmed plans to enter the alcoholic beverages segment through a partnership with **Carlsberg** in Africa. A greenfield plant is being set up, with operations expected to commence by the end of next year.
- **Health Portfolio Shift:** VBL reported that **low-sugar and no-sugar products** now contribute approximately **59%** of its total consolidated volumes (as of CY25 end), aligning with the growing consumer trend toward healthier beverages.
- **Festive Demand:** Domestic volumes in Q4 were supported by strong festive season demand, growing **10.5%** in India, which helped offset some of the seasonal weakness typical of the December quarter.

## 4. Latest Analyst Targets

Below is the summary of the latest price targets from major brokerage houses following the Q4 CY25 results.

Brokerage Firm	Rating	Target Price (INR )	Sentiment/Action
Morgan Stanley	Overweight	615	Bullish; Raised Target
Antique Stock Broking	Buy	610	Bullish; Expects improved CY26
Jefferies	Buy	550	Positive; Cut Target from INR 610
MarketsMOJO	Hold	N/A	Upgrade from Sell

# Stock Analysis Report

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Brokerage Firm	Rating	Target Price (INR )	Sentiment/Action
Goldman Sachs	Buy/Neutral	Target Cut	Cautious on near-term valuations

**Analyst Note:** The stock is currently trading in the **INR 440-INR 460** range. The consensus average target implies a potential upside of approximately **25-35%** from current levels, driven by the upcoming summer season (Q1/Q2 CY26) which is historically the strongest period for the company.

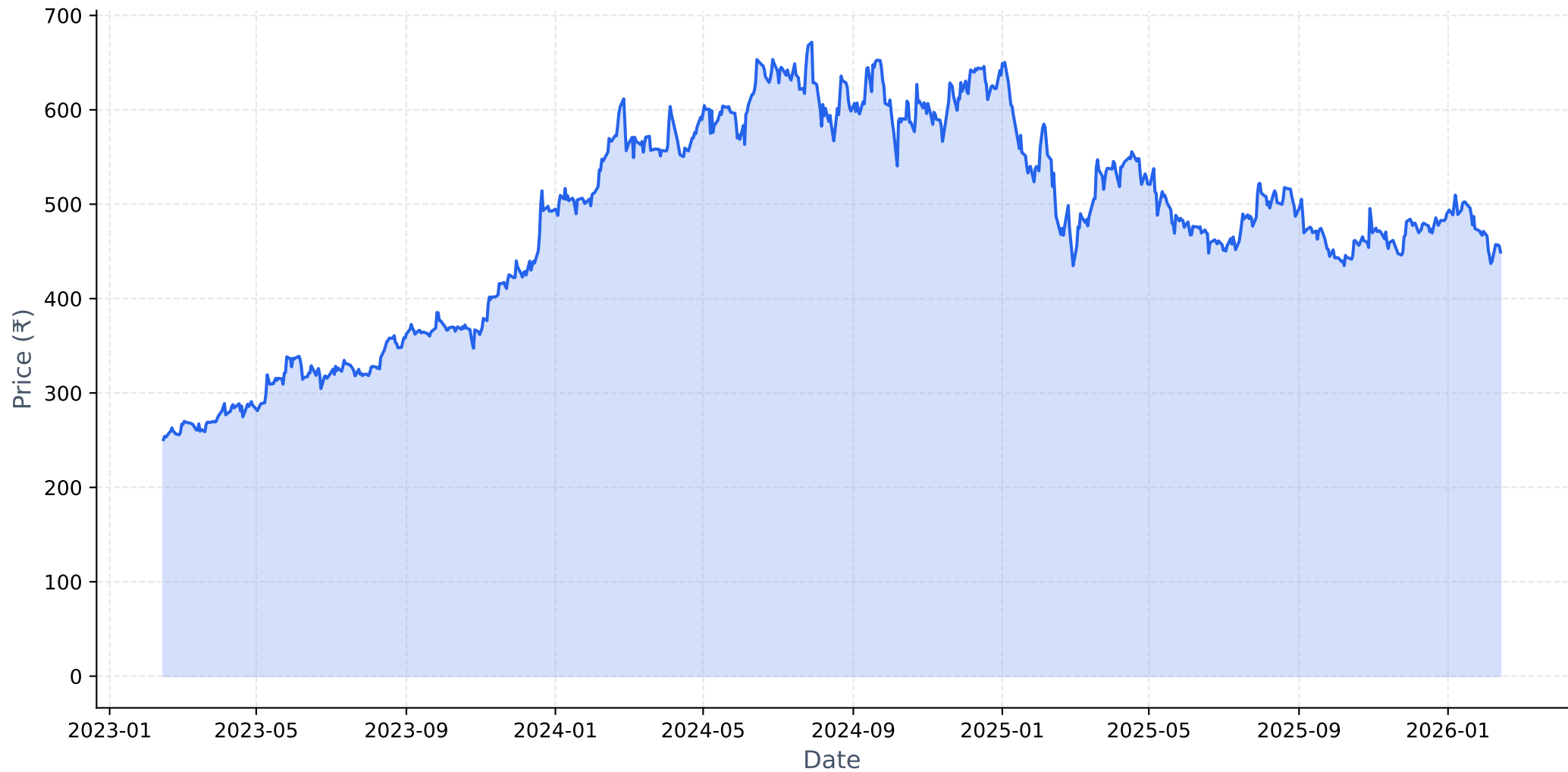
# Stock Detailed Analysis Report

**VBL.NS**

Current Price: ₹449.30

Generated: 2026-02-14 10:05

## VBL.NS - 3 Year Daily Price Chart



## Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	8.39%	18.84%
Net Income	Yes	No	17.03%	26.57%
ROE	No	Yes	-0.72%	-19.15%
EPS	Yes	No	25.59%	54.92%

## Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	-40.09%	3.41%
Net Income	Yes	-80.88%	55.67%
ROE	Yes	-82.07%	230.67%
EPS	Yes	-80.98%	53.30%



# VBL.NS - Relative Strength Analysis

## == OVERVIEW ==:

Benchmark Index:	^CNXFMCG
Sector:	FMCG
Classification:	<b>Weakening Leader</b>
RS Score:	48.3/100
:	

## == RS RATIOS ==:

1M RS:	<b>0.924 [Neutral]</b>
3M RS:	<b>1.067 [Leader]</b>
6M RS:	<b>0.942 [Neutral]</b>
1Y RS:	<b>0.892 [Neutral]</b>
:	

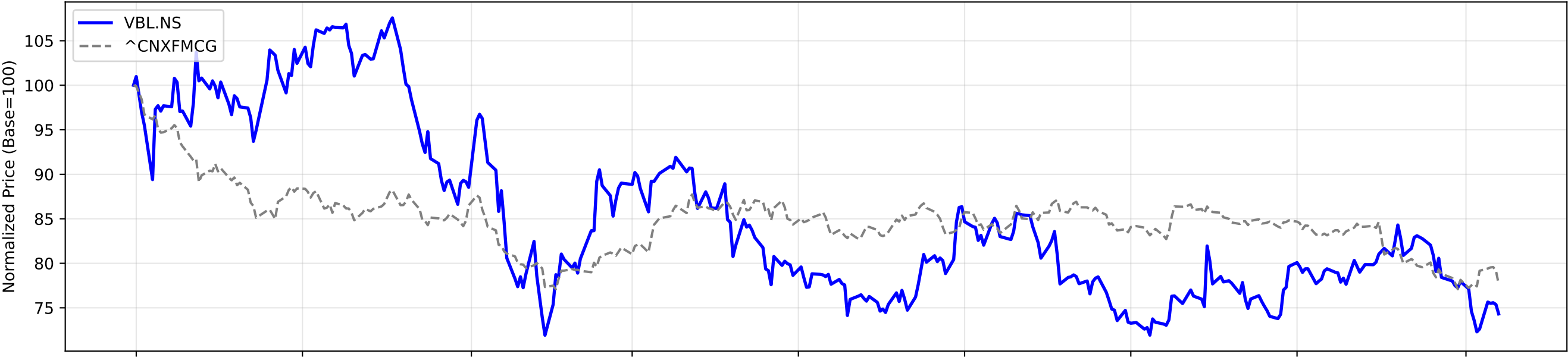
## == TURNAROUND ANALYSIS ==:

Turnaround Status:	<b>Not Detected</b>
:	

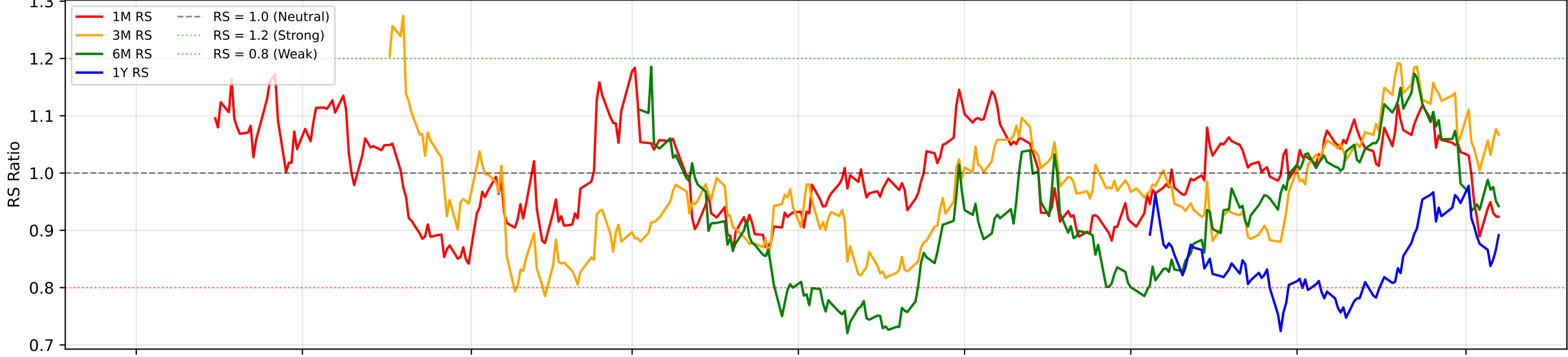
## SIGNAL CRITERIA::

✗ Emerging RS:	<b>Not accelerating</b>
✓ Medium-term Lagging:	6M=0.942, 1Y=0.892 ( $\leq 1.0$ )
✓ Performance Improving:	3M (-0.8%) > 6M (-12.0%)

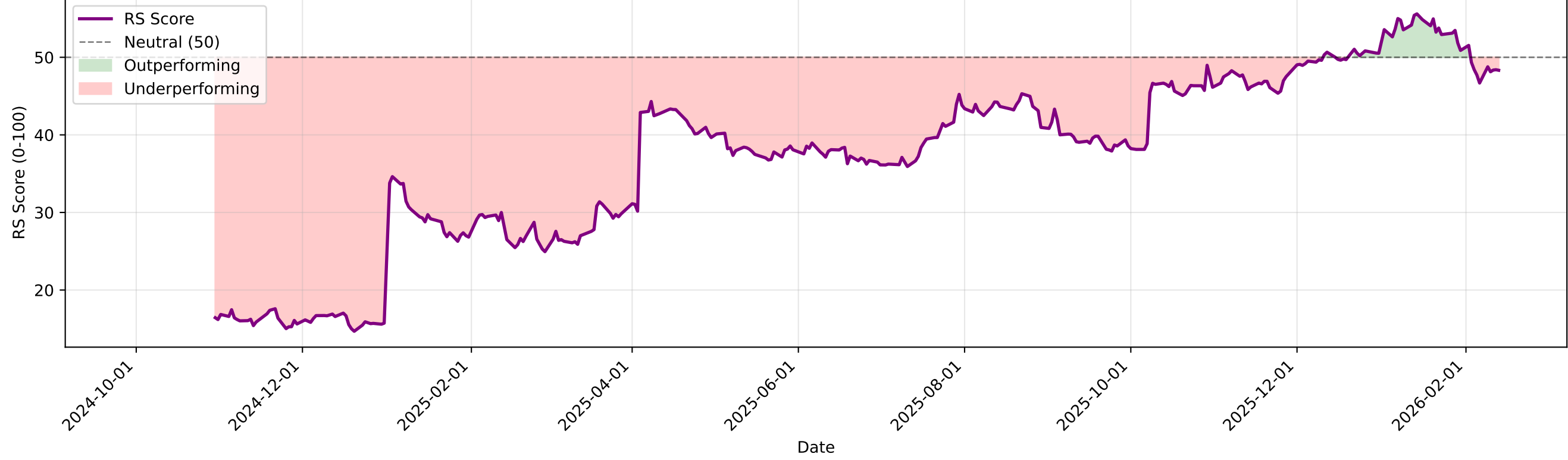
Relative Strength Analysis: VBL.NS vs ^CNXFMCG  
Classification: Weakening Leader  
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



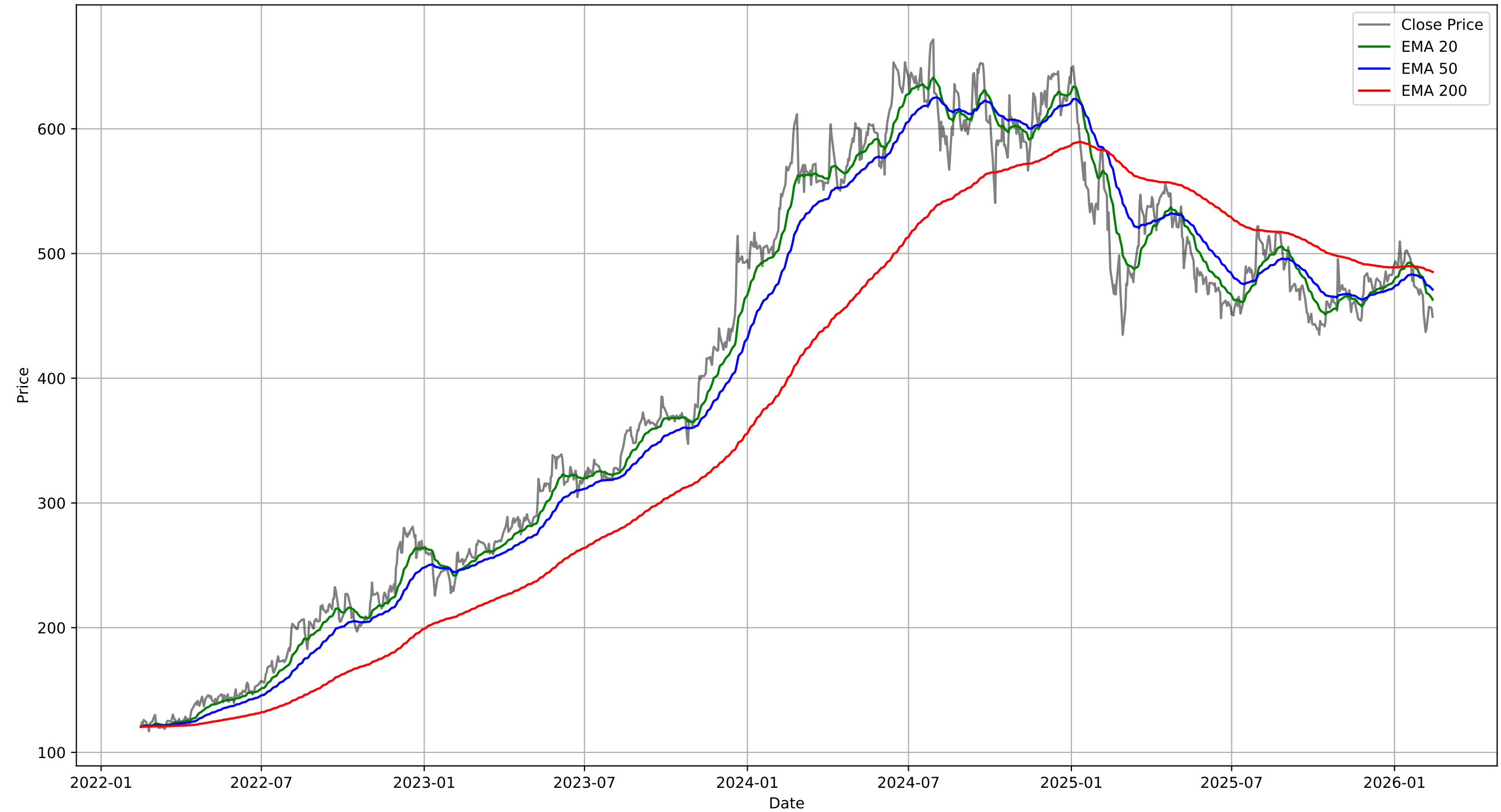
RS Composite Score Timeline



## VBL.NS - EMA Crossover Summary

EMA 20:	463.02
EMA 50:	471.17
EMA 200:	485.29
Trend Status:	<b>Strong Downtrend</b>

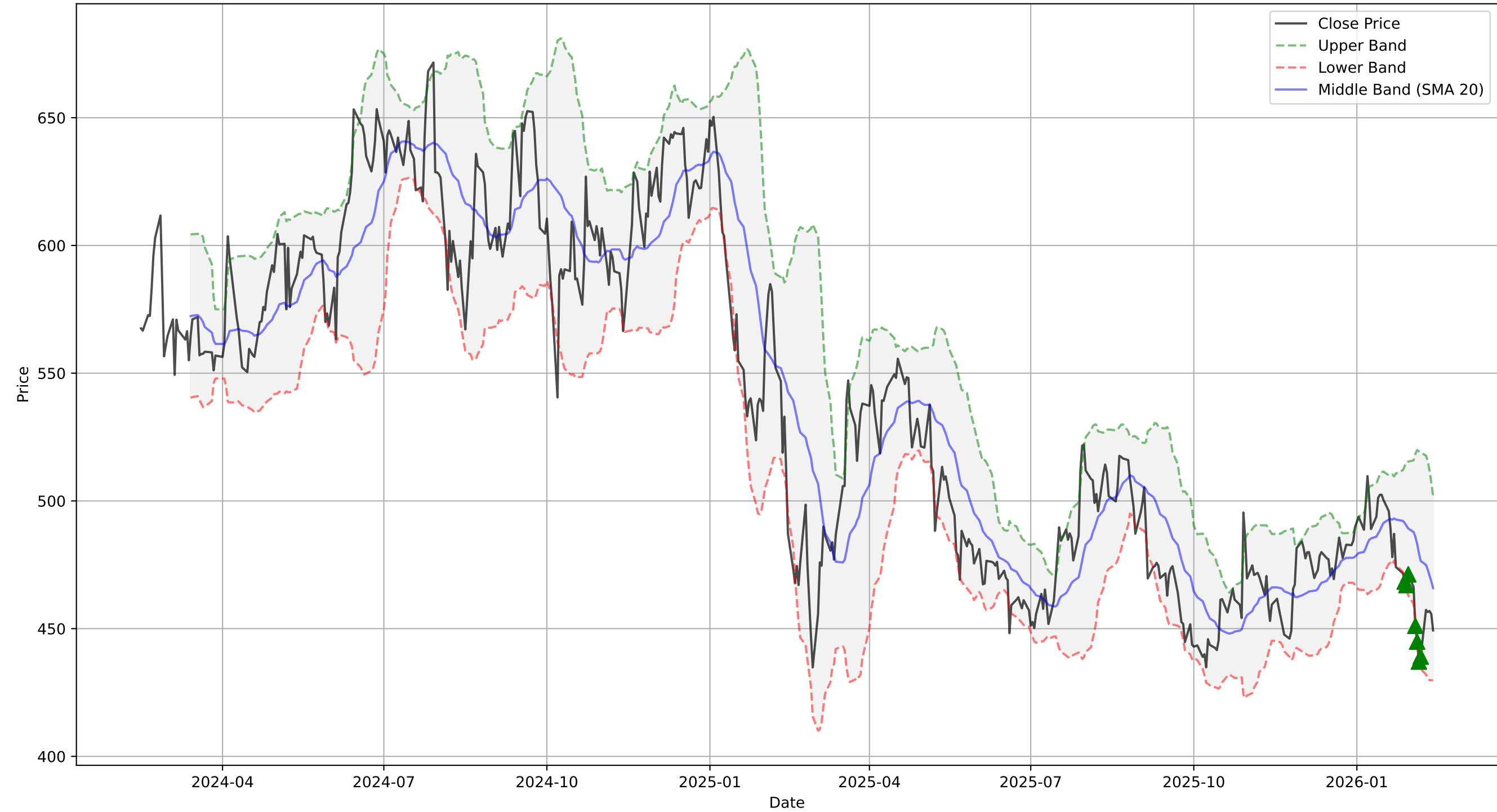
VBL.NS EMA Crossover Analysis



## VBL.NS - Bollinger Bands Summary

<b>Current Price:</b>	449.30
<b>Upper Band:</b>	501.99
<b>Middle Band (SMA 20):</b>	465.86
<b>Lower Band:</b>	429.74
<b>%B:</b>	0.2708
<b>Band Width:</b>	0.1551
<b>Status:</b>	Lower Half
<b>Signal:</b>	None
<b>Recent Signal 1:</b>	<b>Buy Signal at 2026-02-04 00:00:00+05:30</b>
<b>Recent Signal 2:</b>	<b>Buy Signal at 2026-02-05 00:00:00+05:30</b>
<b>Recent Signal 3:</b>	<b>Buy Signal at 2026-02-06 00:00:00+05:30</b>

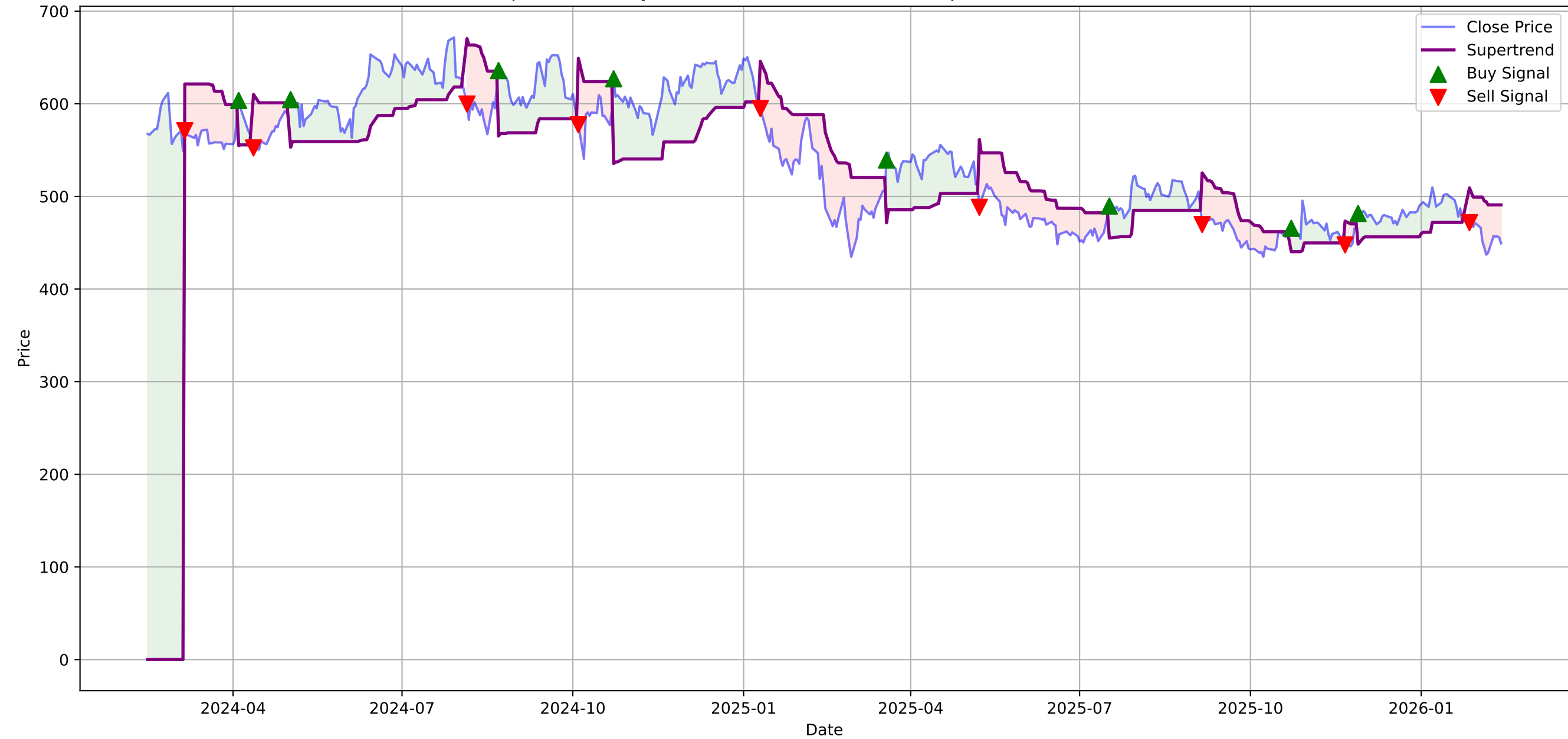
VBL.NS Bollinger Bands (20, 2) Analysis



## VBL.NS - Supertrend Summary

Status:	<b>DOWNTREND (Sell)</b>
Supertrend Value:	490.81
Signal Identified On:	2026-01-27

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

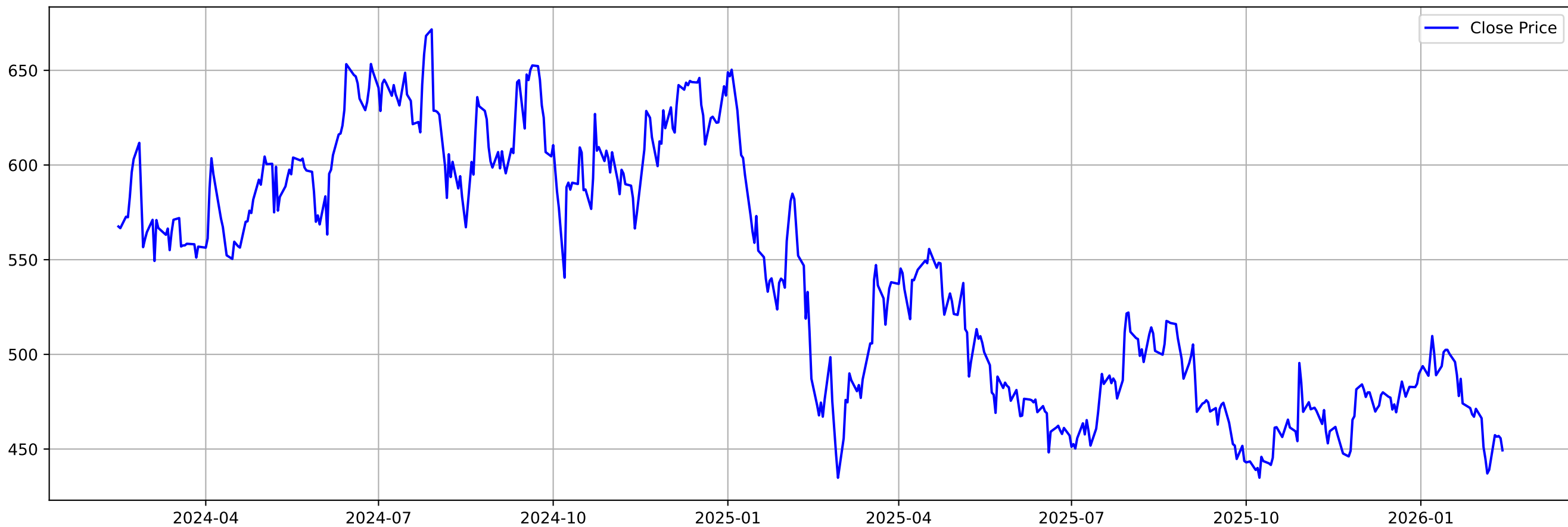




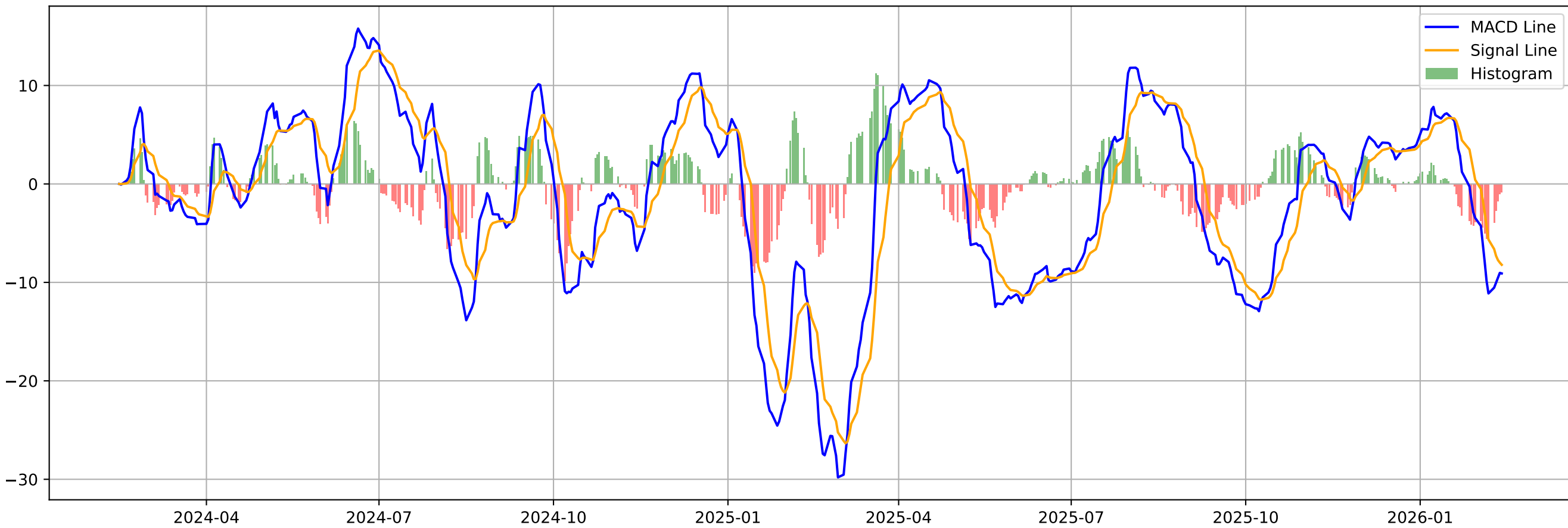
## VBL.NS - MACD Summary

MACD Line:	-9.09
Signal Line:	-8.21
Histogram:	-0.88
Trend:	<b>Bearish</b>
Momentum:	<b>Weakening</b>
Signal:	None

VBL.NS Price



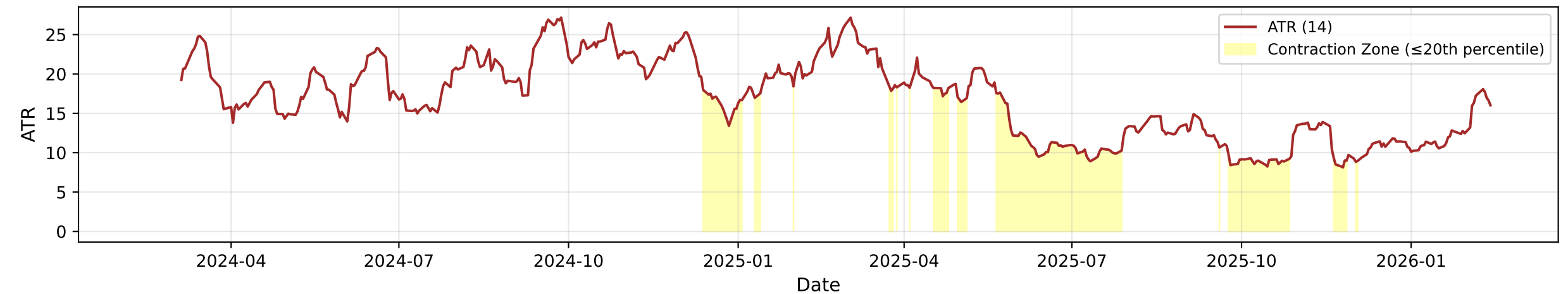
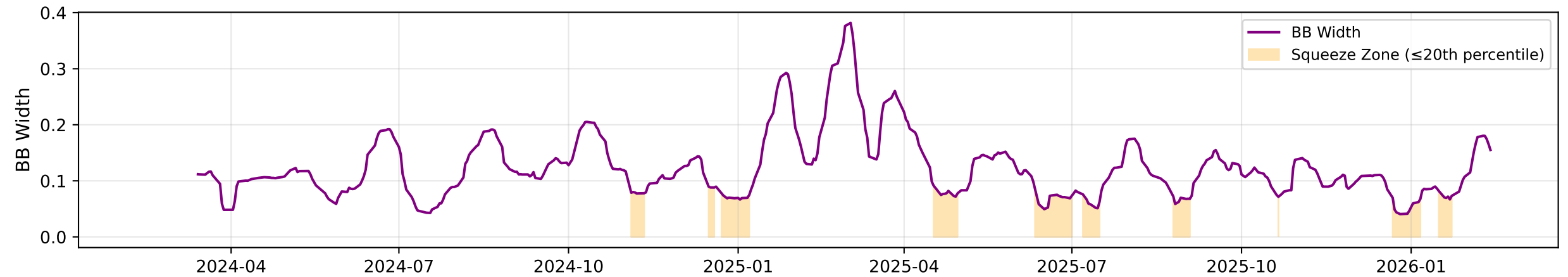
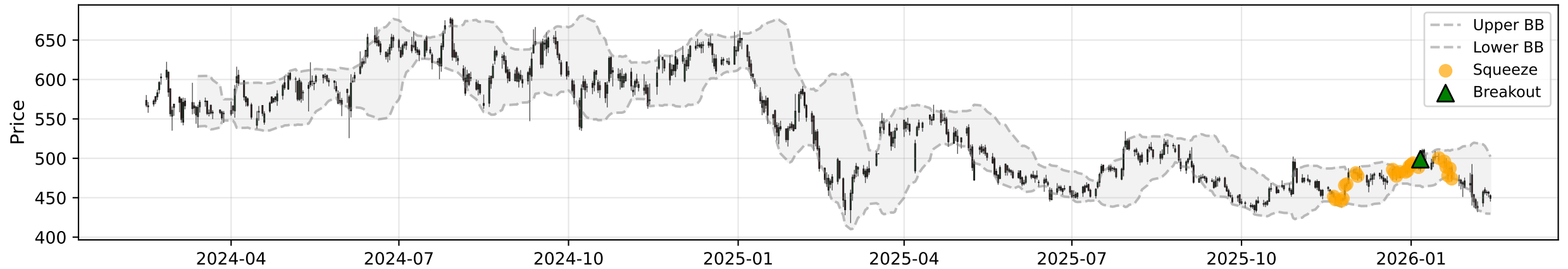
VBL.NS MACD (12, 26, 9)



## VBL.NS - Volatility Squeeze Summary

<b>BB Width:</b>	0.1551
<b>ATR:</b>	16.0214
<b>Total Signals:</b>	25
<b>Signal 1:</b>	BB Squeeze at 2026-01-19 00:00:00+05:30 (Price: 496.00)
<b>Signal 2:</b>	BB Squeeze at 2026-01-20 00:00:00+05:30 (Price: 489.10)
<b>Signal 3:</b>	BB Squeeze at 2026-01-21 00:00:00+05:30 (Price: 478.00)
<b>Signal 4:</b>	BB Squeeze at 2026-01-22 00:00:00+05:30 (Price: 487.10)
<b>Signal 5:</b>	BB Squeeze at 2026-01-23 00:00:00+05:30 (Price: 474.10)

# VBL.NS - Volatility Squeeze Analysis



## VBL.NS - RSI-Volume Summary

<b>Current RSI:</b>	38.24
<b>Current Volume:</b>	3080721
<b>Volume MA 20:</b>	6875234
<b>Bullish Divergences:</b>	1
<b>Bearish Divergences:</b>	3
<b>Bullish Div 1:</b>	Date: 2025-06-04 00:00:00+05:30, Price: 467.35
<b>Bearish Div 1:</b>	Date: 2024-06-27 00:00:00+05:30, Price: 653.37
<b>Bearish Div 2:</b>	Date: 2025-01-03 00:00:00+05:30, Price: 650.34

# VBL.NS RSI-Volume Divergence Analysis



# VBL.NS - Volume Analysis

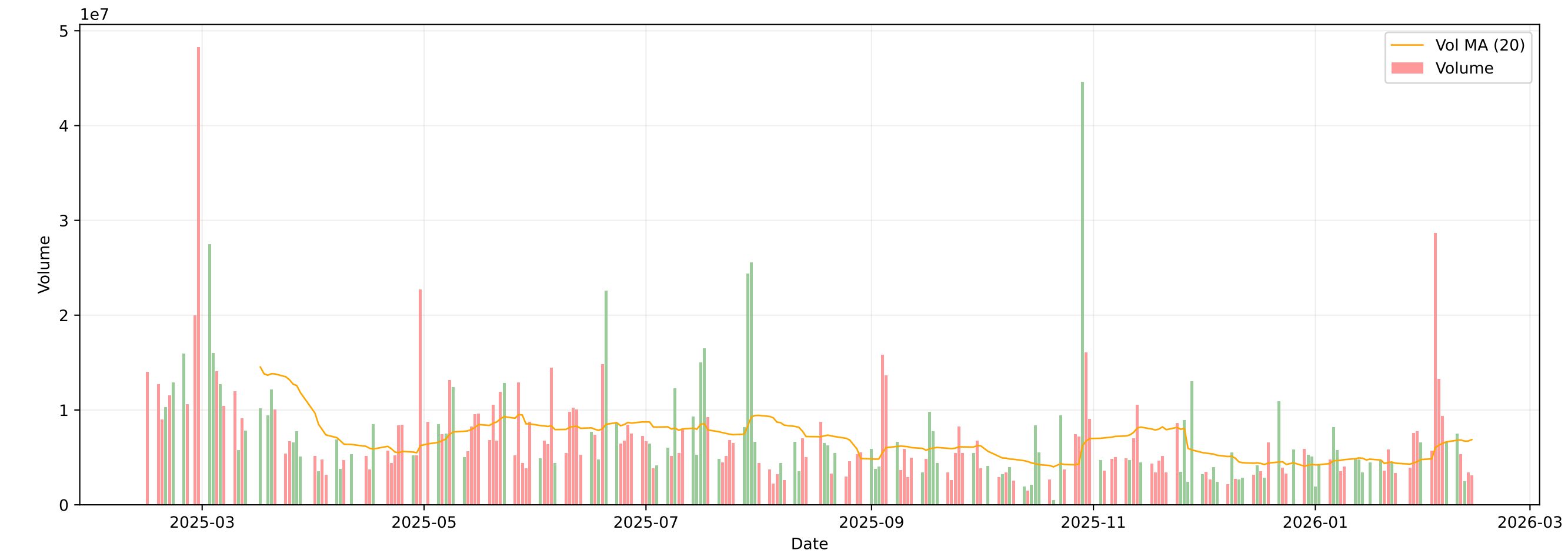
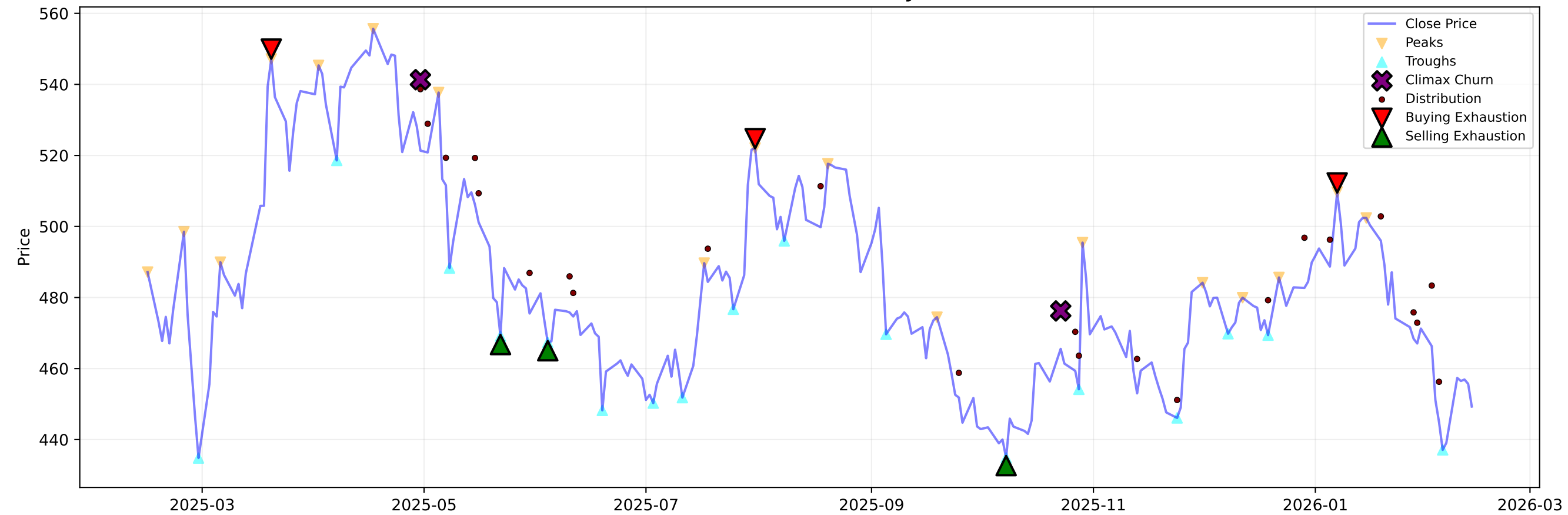
== VOLUME ANALYSIS ==:

Status: 31 Signals Detected

:

2026-01-19 [-]:	Distribution Day
2026-01-28 [-]:	Distribution Day
2026-01-29 [-]:	Distribution Day
2026-02-02 [-]:	Distribution Day
2026-02-04 [-]:	Distribution Day

# VBL.NS - Volume Analysis





# VBL.NS - Candlestick Classification Summary

## == CANDLESTICK CLASSIFICATION ==:

**Latest Classification:** **No Control**

**Recent Trend Score (10-day avg):** -0.40

:

### **Distribution:**

**No Control:** 117

**Seller Control:** 64

**Buyer Control:** 41

**Buyer Strong Control:** 5

**Seller Strong Control:** 1

# VBL.NS - Candlestick Classification



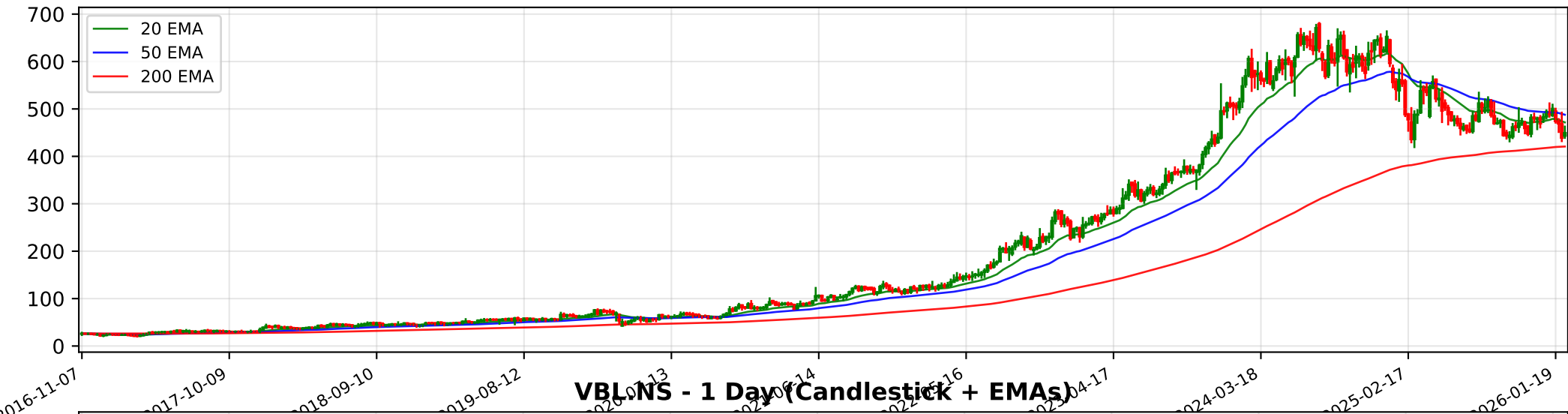
## Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	510.34	449.3	2026-02-02
1 Day	DOWNTREND (Sell)	490.81	449.3	2026-01-27
15 Min	UPTREND (Buy)	445.82	448.45	2026-02-13

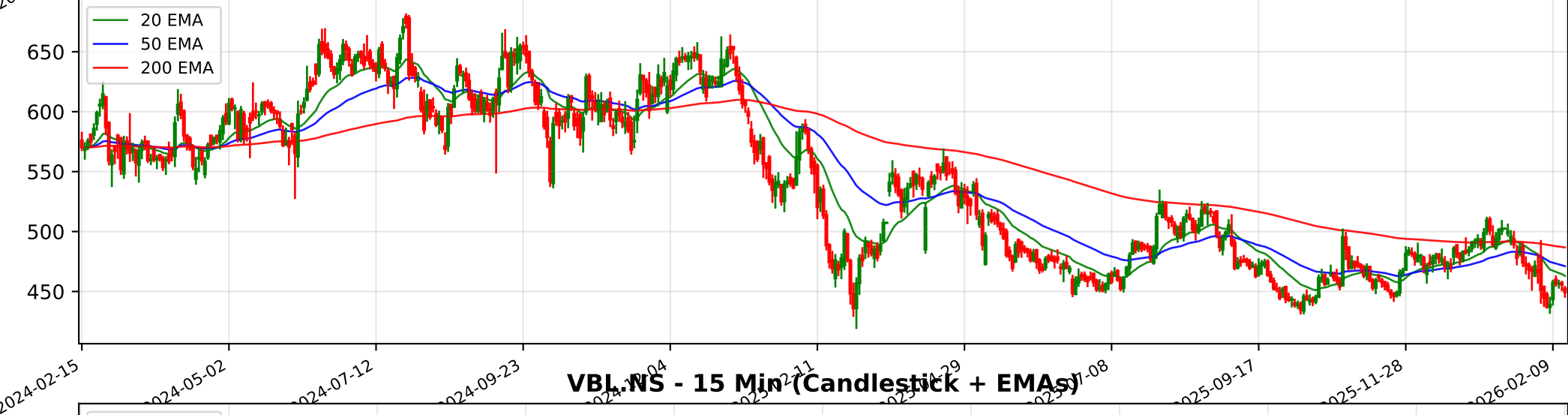
## Multi-Timeframe MACD Analysis

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

VBL.NS - 1 Week (Candlestick + EMAs)



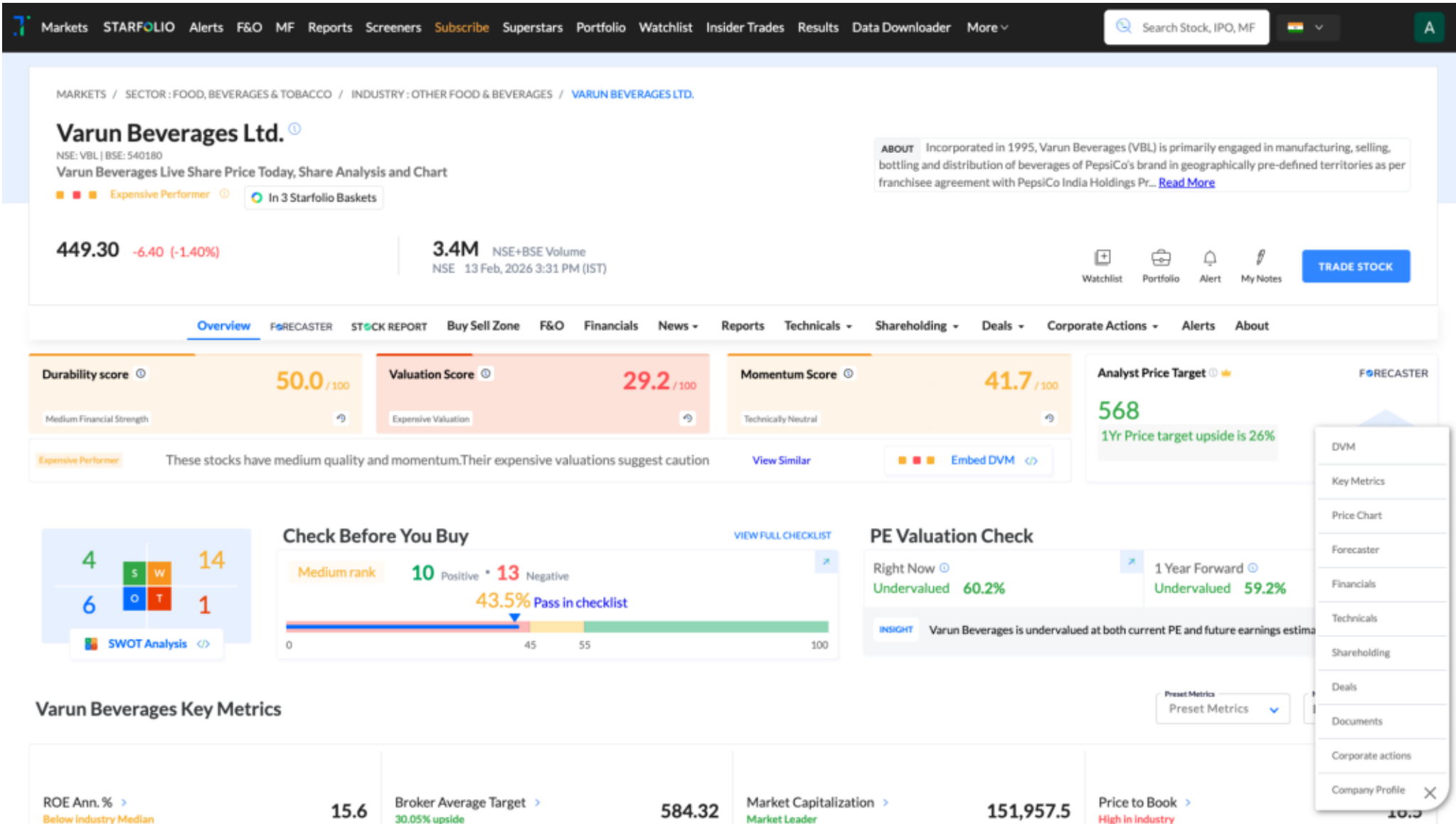
VBL.NS - 1 Day (Candlestick + EMAs)



VBL.NS - 15 Min (Candlestick + EMAs)



## Trendlyne Snapshot - VBL\_main



Durability score50.0/100

Medium Financial Strength

Valuation Score29.2/100

Expensive Valuation

Momentum Score41.7/100

Technically Neutral

Expensive Performer

These stocks have medium quality and momentum. Their expensive valuations suggest caution

View Similar

Embed DVM

Analyst Price Target568

1Yr Price target upside is 26%

FORECASTER

414

SWOT Analysis

#### Check Before You Buy

VIEW FULL CHECKLIST

Medium rank 10 Positive \* 13 Negative

43.5% Pass in checklist

0 45 55 100

#### PE Valuation Check

Right Now Undervalued 60.2%

1 Year Forward Undervalued 59.2%

INSIGHT Varun Beverages is undervalued at both current PE and future earnings estima

### Varun Beverages Key Metrics

ROE Ann. %  
Below Industry Median

15.6

Broker Average Target  
30.05% upside

584.32

Market Capitalization  
Market Leader

151,957.5

Price to Book  
High in Industry

10.3

DVM

Key Metrics

Price Chart

Forecaster

Financials

Technicals

Shareholding

Deals

Documents

Corporate actions

Company Profile

## Trendlyne Snapshot - VBL\_forecaster

Markets

STARFOLIO

Alerts

F&O

MF

Reports

Screeners

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Superstars

Portfolio

Watchlist

Insider Trades

Results

Data Downloader

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A

MARKETS / SECTOR : FOOD, BEVERAGES & TOBACCO / INDUSTRY : OTHER FOOD & BEVERAGES / [VARUN BEVERAGES LTD.](#)

# Varun Beverages Ltd.

NSE: VBL | BSE: 540180

Expensive Performer

In 3 Starfolio Baskets

449.30

-6.40 (-1.40%)

3.4M

NSE+BSE Volume

NSE 13 Feb, 2026 3:31 PM (IST)

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About

### Varun Beverages - VBL - stock price prediction, stock forecast, target price, analyst ratings from 26 analysts

Varun Beverages has a share price target of Rs 568, revenue growth forecast of 7.7%, and profit growth estimate of 14.7% for FY25, based on top 26 analyst calls.

## Varun Beverages FORECASTER - Analyst Estimates

[FORECASTER DASHBOARD](#)