

# Gemini Stock Analysis Report

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As a seasoned Positional Equity Trader, I have evaluated the DIVISLAB.NS technical and fundamental data. Here is my professional assessment.

## Step 1: Audit the Data

- **Data Present:** Daily price charts, multi-timeframe Moving Averages (EMA 20, 50, 200), Bollinger Bands, Supertrend, MACD (with divergence detection), Relative Strength (RS) vs. Benchmark (^CNXPHARMA), RSI-Volume analysis, and high-level 4-year/6-quarter fundamental metrics.
- **Data Missing:** Weekly/Monthly timeframes (essential for confirming intermediate-term structural support), volume delivery percentages, and specific industry tailwinds/catalysts.
- **Confidence Level: High.** The report provides a comprehensive confluence of technical indicators and fundamental trends, specifically highlighting the current volatility profile.

## Step 2: Analyze the Setup

DIVISLAB.NS is currently in a "coiling" phase within a long-term structural uptrend. \* **Price Structure:** The stock has been consolidating between INR 6,000 and INR 6,600 for several months. It is currently trading above its 50 and 200-day EMAs, which is bullish, but it is pinned below the EMA 20 (INR 6,431), indicating short-term stagnation. \* **Volatility Squeeze:** The Bollinger Band Width is very low (0.0452), and multiple "Squeeze" signals have been triggered throughout December. This suggests a powerful move is imminent, but direction is not yet confirmed. \* **Momentum & Trend:** The Supertrend is currently in "**Downtrend (Sell)**" mode (since Nov 18), and a **Bearish Divergence** was detected on the MACD on Dec 22. While RSI shows a minor bullish divergence, the "Weakening Leader" RS status suggests the stock is currently losing its performance edge relative to the Pharma sector. \* **Fundamentals:** Strong 1-year growth and accelerating short-term metrics provide a "safety net," suggesting that any breakout is more likely to be to the upside rather than a structural collapse.

## Step 3: Formulate the Recommendation

### Recommendation: NO (Wait for Confirmation)

The stock is currently "dead money" inside a volatility squeeze. Entering now carries the risk of a "fake-out" or continued sideways drift. The Supertrend Sell signal must be invalidated before a high-probability positional trade can be initiated.

### Conditional Plan (The "Breakout" Setup):

- **Condition to Buy:** A daily close above the Supertrend resistance and the recent swing high. This would confirm a volatility expansion to the upside.
- **Entry Price:** INR 6,625 (Triggered upon a decisive daily close above the Supertrend value of 6618).
- **Stop Loss:** INR 6,220 (Placed just below the EMA 200 and the lower Bollinger Band to protect against a trend reversal).
- **Take Profit:** INR 7,250 - INR 7,400 (Targeting a ~10-12% move, which aligns with the previous peak and the projected measured move from the current squeeze).

**Risk Note:** As a risk-averse trader, do not "anticipate" the breakout. The squeeze can resolve to the downside if the Pharma sector faces broader selling pressure. Wait for the price to prove the direction first.

## News & Analyst Targets

As a Stock Research Analyst at our firm, I have compiled the latest intelligence on **Divi's Laboratories (DIVISLAB)** for the current week of **December 22-28, 2025**.

Divi's continues to be a high-conviction play in the Indian CDMO (Contract Development and Manufacturing Organization) space, specifically benefiting from geopolitical shifts and emerging therapeutic areas like GLP-1 (obesity) drugs.

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### 1) Latest News for DIVISLAB (This Week)

- **Strong Export Momentum:** Early data for December indicates a robust recovery in export volumes. Analysts noted a significant uptick in dollar-denominated export values compared to the previous quarter, signaling a reversal of the temporary slump seen earlier in H1 FY26.
- **Block Trade Activity:** On December 19-23, 2025, a significant block trade valued at approximately **INR 60.77 crore** was executed on the NSE, involving over 100,000 shares. This indicates strong institutional interest at current price levels.
- **Stock Technical Breakout:** The stock broke out of a multi-month downward trendline this week, hitting record highs near **INR 6,580-INR 6,600**. Technical analysts are now eyeing the INR 7,000 psychological level for the next quarter.
- **Focus on Peptides:** Management recently highlighted the progress of their "Peptide Center of Excellence," with several customer validation projects moving into the commercialization phase for 2026.

### 2) Brokerage Upgrades and Downgrades

- **Morgan Stanley (Maintained Overweight):** Reconfirmed their "Overweight" rating this week (Dec 22), citing the company's superior operational resilience and export recovery.
- **Sharekhan (Upgraded to BUY):** Upgraded the stock earlier this month to "BUY" (Dec 11), pointing toward strong visibility for FY26-28 driven by the custom synthesis pipeline.
- **ICICI Securities (Maintained SELL/REDUCE):** Remains an outlier with a "SELL" rating due to what they describe as "expensive valuations" (trading at over 40x FY27E earnings), maintaining a target of INR 5,400.
- **Geojit (Downgrade to Reduce):** Maintains a cautious stance due to pricing pressures in the generics business, though they acknowledge long-term CDMO strength.

### 3) Indirect News Impacting DIVISLAB

- **US Biosecure Act Progress:** The US Senate's continued push on the Biosecure Act remains a major tailwind. As global "Big Pharma" companies actively seek to de-risk their supply chains away from Chinese CDMOs (like WuXi AppTec), Divi's is being positioned as a primary beneficiary for large-scale API manufacturing.
  - **GLP-1 Market Expansion:** The launch of affordable generic versions of blockbuster obesity drugs (like semaglutide) starting in early 2026 is expected to create a massive API demand. Divi's is actively expanding its peptide manufacturing capacity to capture this "Trillion-Dollar" global opportunity.
  - **Regulatory Status:** The successful completion of the **USFDA inspection at Unit-I (Yadadri Bhuvanagiri)** with zero observations in November provides a "clean slate" for exports heading into the new year.
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### 4) Latest Analyst Targets & Recommendations

Below is the consensus and brokerage-specific target data as of the final week of December 2025.

# Gemini Stock Analysis Report

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Brokerage / Firm	Recommendation	Target Price (INR)	Date
Citi Research	BUY	INR 9,140	Dec 2025
Morgan Stanley	Overweight	INR 7,541	Dec 22, 2025
Sharekhan	BUY	INR 7,300	Dec 11, 2025
Jefferies	BUY	INR 7,150	Late 2025
Consensus Average	Neutral/Hold	INR 6,785	Dec 27, 2025
Axis Capital	SELL	INR 6,720	Nov 2025
Kotak Securities	SELL	INR 6,000	Nov 2025
ICICI Securities	SELL	INR 5,400	Nov 2025

**Analyst Summary:** The community is currently "split." Aggressive growth-oriented brokerages (Citi, MS) are betting on a massive rerating due to the US Biosecure Act and GLP-1 drugs, while valuation-sensitive firms (ICICI, Kotak) believe the stock's current price already prices in this optimism. Current market price (CMP) is hovering around **INR 6,510-INR 6,540**.

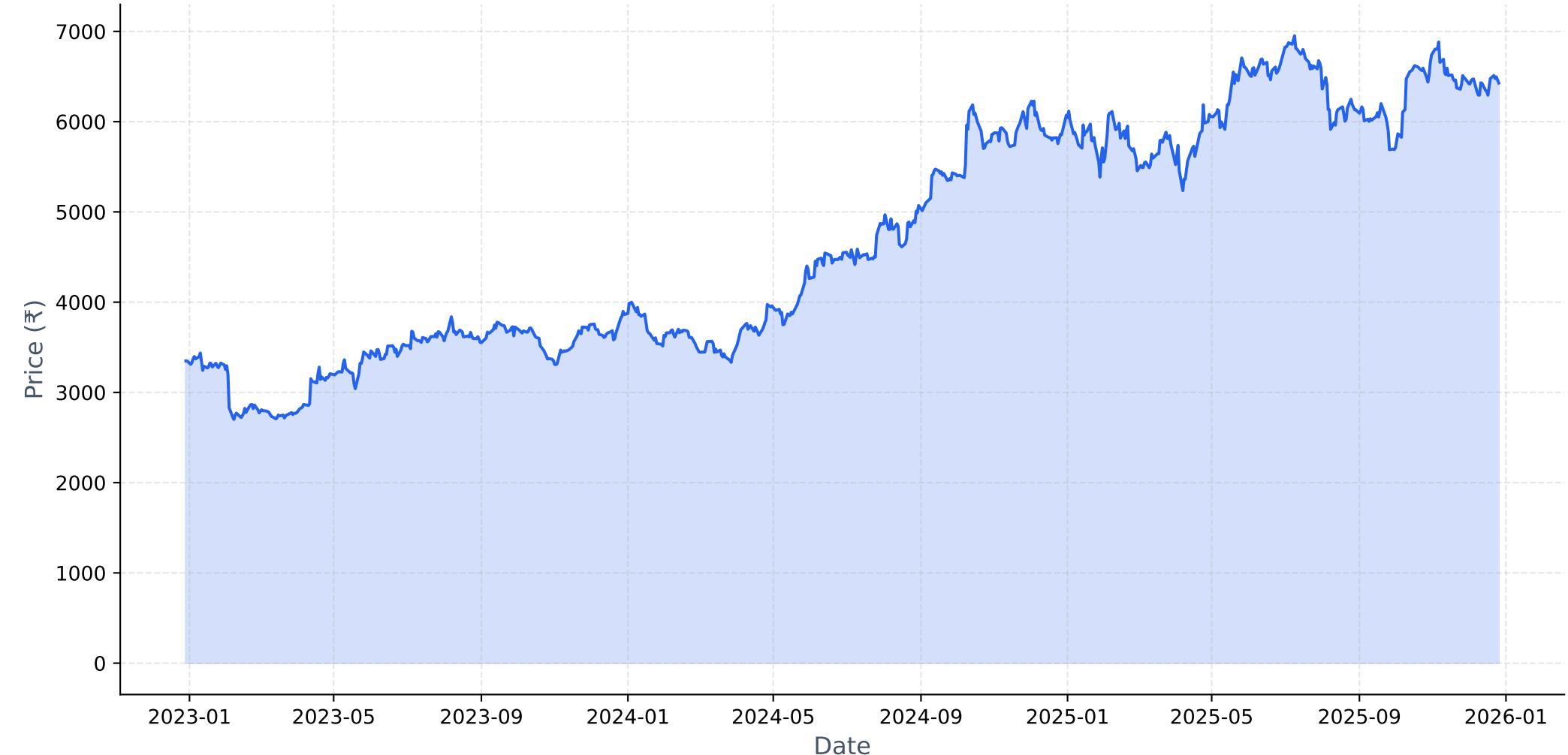
# Stock Detailed Analysis Report

**DIVISLAB.NS**

Current Price: ₹6427.50

Generated: 2025-12-28 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:	<b>Weakening Leader</b>
RS Score:	50.8/100
:	

## == RS RATIOS ==:

1M RS:	<b>0.995 [Neutral]</b>
3M RS:	<b>1.066 [Leader]</b>
6M RS:	<b>0.934 [Neutral]</b>
1Y RS:	<b>1.099 [Leader]</b>
:	

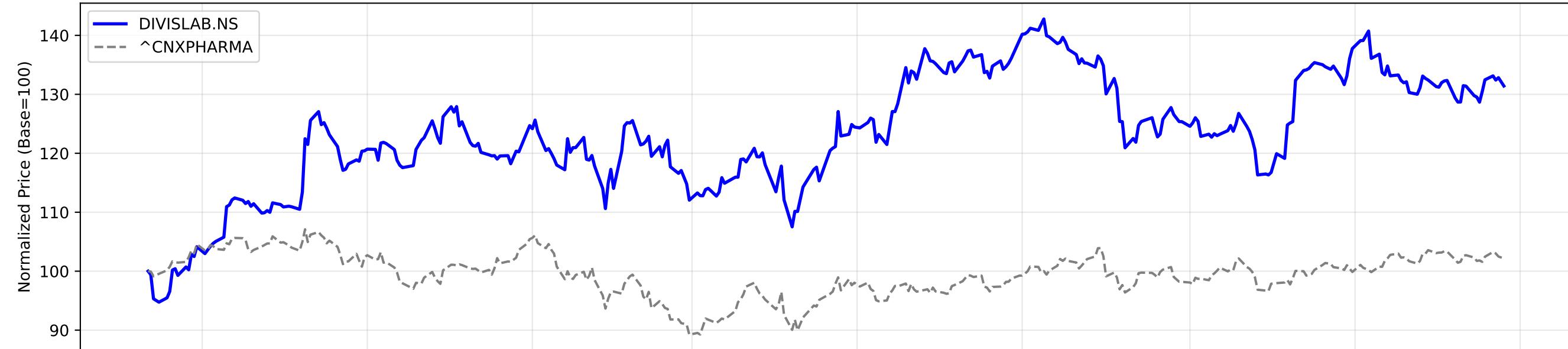
## == TURNAROUND ANALYSIS ==:

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

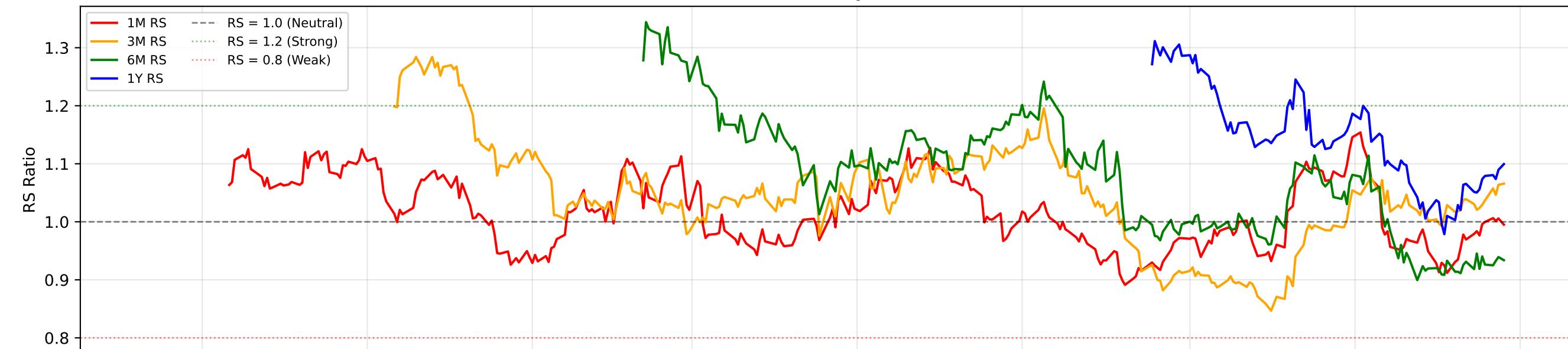
## SIGNAL CRITERIA::

✗ Emerging RS:	<b>Not accelerating</b>
✓ Medium-term Lagging:	6M=0.934 ( $\leq 1.0$ )
✓ Performance Improving:	3M (+9.0%) > 6M (-2.8%)

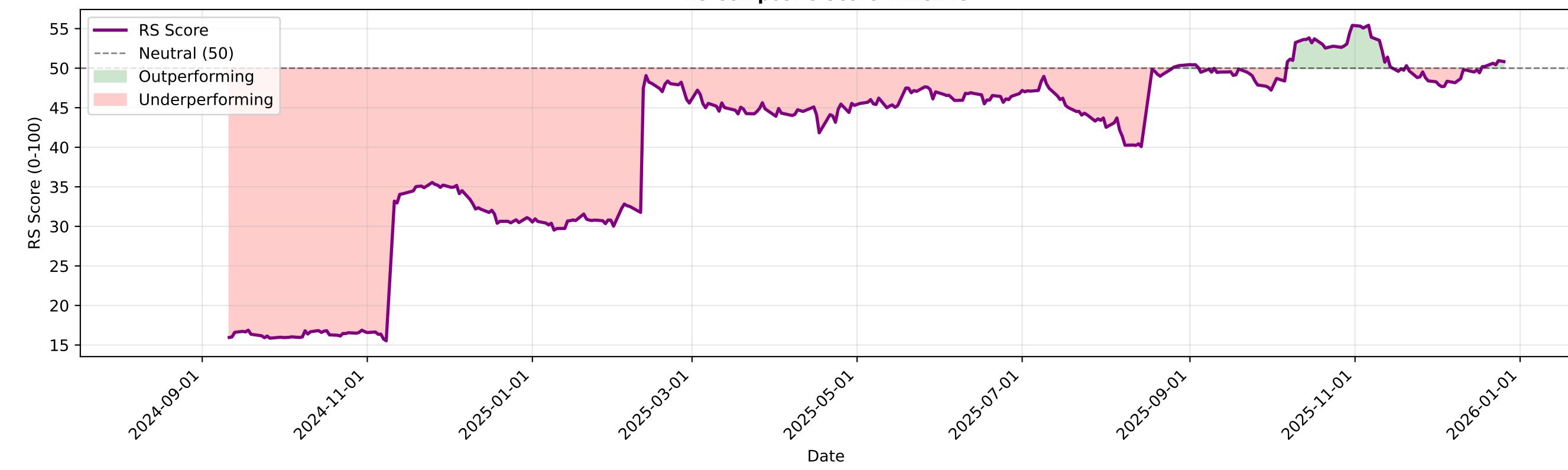
**Relative Strength Analysis: DIVISLAB.NS vs ^CNXPHARMA**  
**Classification: Weakening Leader**  
**Price Performance Comparison (Normalized)**



**RS Ratio Trends (Multiple Timeframes)**



**RS Composite Score Timeline**



## DIVISLAB.NS - EMA Crossover Summary

<b>EMA 20:</b>	6431.11
<b>EMA 50:</b>	6424.54
<b>EMA 200:</b>	6228.65
<b>Trend Status:</b>	<b>Strong Uptrend</b>
<b>Golden Cross Date:</b>	2024-05-22 00:00:00
<b>Golden Cross Price:</b>	4058.55

# DIVISLAB.NS EMA Crossover Analysis



## DIVISLAB.NS - Bollinger Bands Summary

<b>Current Price:</b>	6427.50
<b>Upper Band:</b>	6556.49
<b>Middle Band (SMA 20):</b>	6411.73
<b>Lower Band:</b>	6266.96
<b>%B:</b>	0.5545
<b>Band Width:</b>	0.0452
<b>Status:</b>	Upper Half
<b>Signal:</b>	None

## DIVISLAB.NS Bollinger Bands (20, 2) Analysis



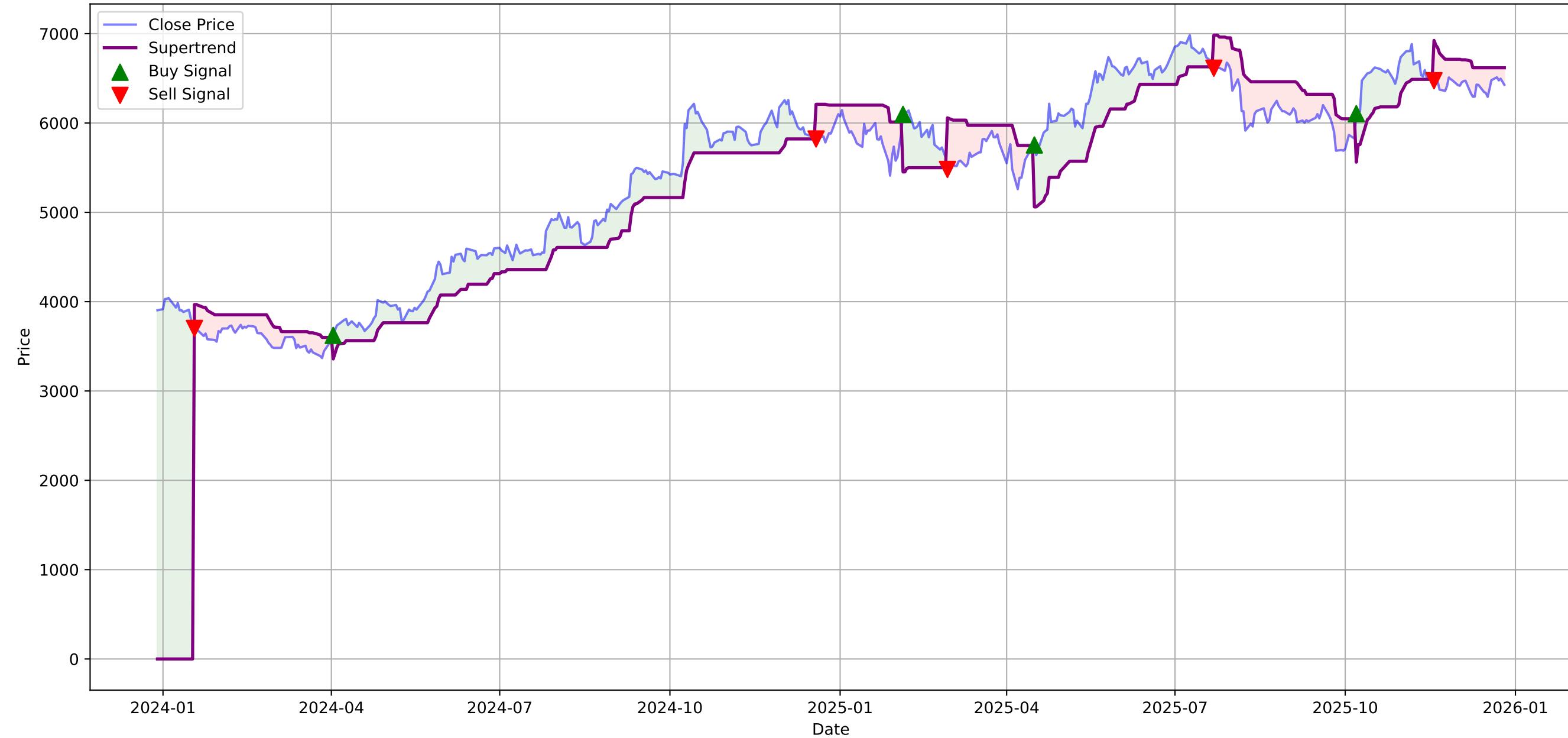
## **DIVISLAB.NS - Supertrend Summary**

**Status:** DOWNTREND (Sell)

**Supertrend Value:** 6618.14

**Signal Identified On:** 2025-11-18

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



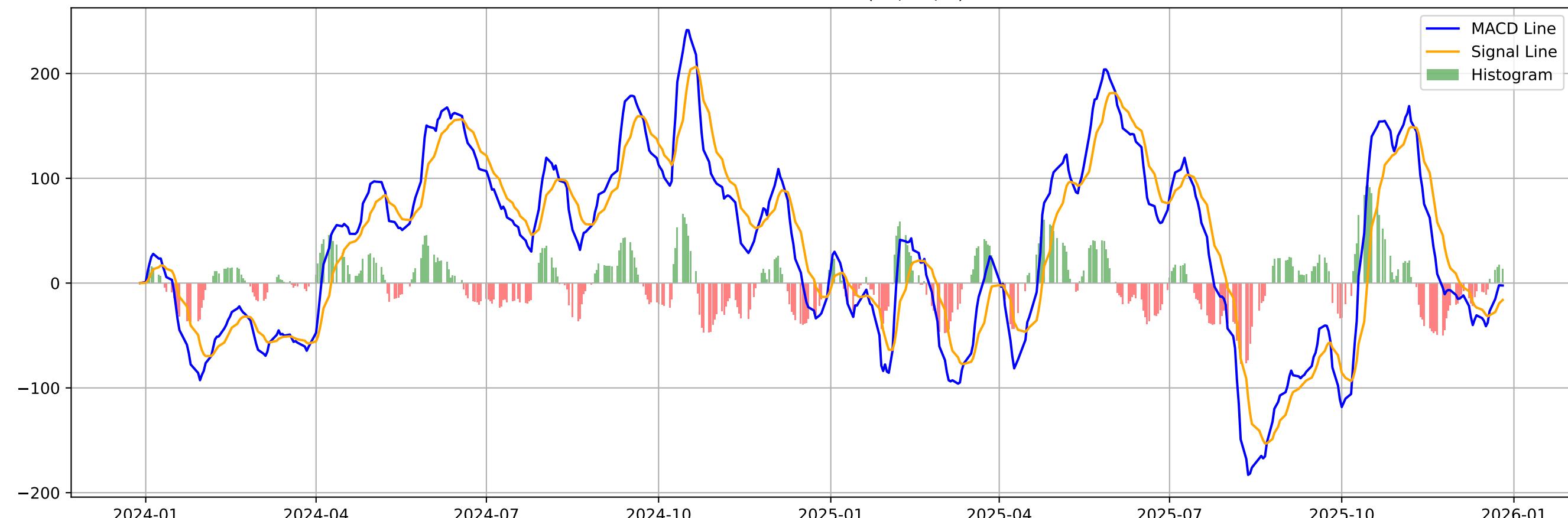
## DIVISLAB.NS - MACD Summary

<b>MACD Line:</b>	-2.30
<b>Signal Line:</b>	-16.07
<b>Histogram:</b>	13.78
<b>Trend:</b>	<b>Bullish</b>
<b>Momentum:</b>	<b>Weakening</b>
<b>Signal:</b>	None
<b>Divergences Detected:</b>	1
└ <b>Bearish Divergence:</b>	Date: 2025-12-22 00:00:00, Price: 6511.50

### DIVISLAB.NS Price



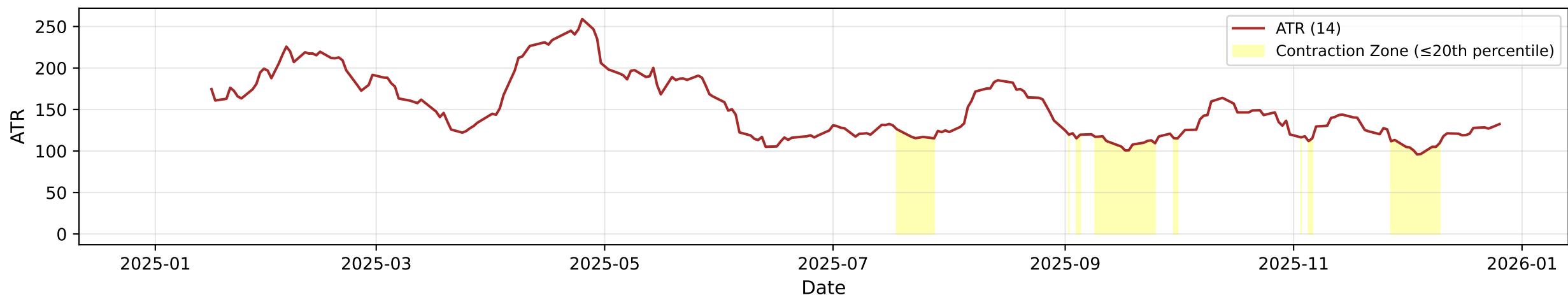
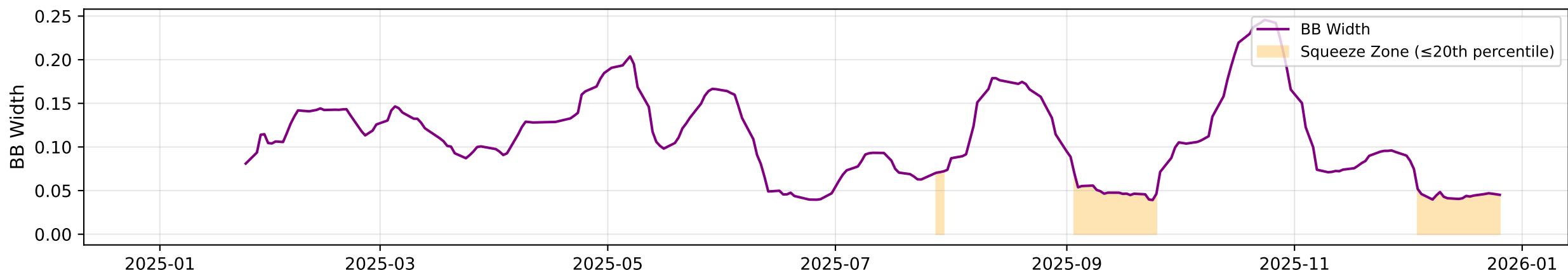
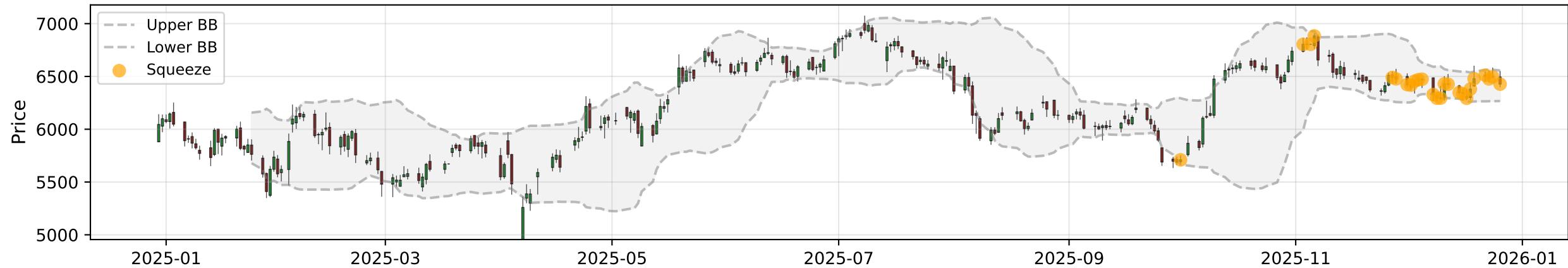
### DIVISLAB.NS MACD (12, 26, 9)



## DIVISLAB.NS - Volatility Squeeze Summary

<b>BB Width:</b>	0.0452
<b>ATR:</b>	132.4643
<b>Total Signals:</b>	25
<b>Signal 1:</b>	BB Squeeze at 2025-12-19 00:00:00 (Price: 6478.50)
<b>Signal 2:</b>	BB Squeeze at 2025-12-22 00:00:00 (Price: 6511.50)
<b>Signal 3:</b>	BB Squeeze at 2025-12-23 00:00:00 (Price: 6476.50)
<b>Signal 4:</b>	BB Squeeze at 2025-12-24 00:00:00 (Price: 6496.50)
<b>Signal 5:</b>	BB Squeeze at 2025-12-26 00:00:00 (Price: 6427.50)

# DIVISLAB.NS - Volatility Squeeze Analysis



## DIVISLAB.NS - RSI-Volume Summary

<b>Current RSI:</b>	49.51
<b>Current Volume:</b>	252704
<b>Volume MA 20:</b>	242081
<b>Bullish Divergences:</b>	1
<b>Bearish Divergences:</b>	1
<b>Bullish Div 1:</b>	Date: 2025-12-17 00:00:00, Price: 6293.00
<b>Bearish Div 1:</b>	Date: 2024-07-10 00:00:00, Price: 4636.95

# DIVISLAB.NS RSI-Volume Divergence Analysis

