

# Stock Analysis Report

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## Strategic Trading Analysis

Based on the detailed technical and fundamental report provided for **ZYDUSLIFE.NS** (Zydus Lifesciences), here is the analysis from the perspective of a positional trader.

*Note on Timeframe: The report indicates a generated date of February 14, 2026. I have conducted this analysis treating this date as "current" and all price action up to that point as the relevant historical data.*

### Step 1: Audit the Data

- **Data Present:**
  - **Price Structure:** Daily (3-year) and Weekly chart structures.
  - **Trend Indicators:** EMA (20, 50, 200), Supertrend, MACD.
  - **Volatility Tools:** Bollinger Bands, Volatility Squeeze indicators, ATR.
  - **Momentum/Oscillators:** RSI (with divergence analysis).
  - **Fundamental/Sentiment:** Revenue/Earnings trends, Analyst estimates, Forecaster ratings.
  - **Volume:** Distribution days, Moving averages of volume.
- **Data Missing:**
  - Real-time Order Book (Level 2 data) for precise intraday entry.
  - Specific Sectoral rotation context (though relative strength vs. CNXPHARMA is provided).
- **Confidence Level: High.** The report provides a comprehensive confluence of trend, momentum, and volatility metrics necessary for an intermediate-term decision.

### Step 2: Analyze the Setup

**Price Structure & Trend:** The stock is currently trading at **INR 904.70**. It is in a correction phase from its highs of ~INR 1300, stabilizing in a range between INR 850 and INR 920.\* **Bearish Factor:** The price is below the **50 EMA (INR 909)** and the **200 EMA (INR 939)**, indicating the long-term and medium-term trends are still technically down or capping upside.\* **Bullish Factor:** The Daily Supertrend generated a **BUY signal** on Feb 09, 2026, at INR 852.71. The stock is trying to base.

**Momentum & Volatility (The Critical Insight):**\* **Volatility Squeeze:** Page 14 and 15 highlight a significant **Volatility Squeeze** (BB Width 0.0665). The Bollinger Bands are extremely tight. Historically, periods of such low volatility are followed by explosive expansion. *The stock is coiled and preparing for a major move.\**  
**MACD:** The MACD has crossed bullishly (0.73 > -2.49), suggesting momentum is shifting to the buyers, although it is currently weak.\* **RSI:** RSI is at 51.26 (Neutral). It has reset and has room to run in either direction.

**Confluence Check:** We have a "Wait and Watch" scenario. The **Supertrend** and **MACD** say "Buy," but the **EMAs** (Dynamic Resistance) say "No." The **Volume Analysis** (Page 18) shows recent "Distribution Days," which is a red flag suggesting institutional selling into strength.

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However, the Analyst Target (Trendlyne, Page 25) average is **INR 999**, implying ~10% fundamental upside, which aligns with our technical resistance targets.

## Step 3: Formulate the Recommendation

**Verdict: NO, do not enter at the current market price (CMP 904.70).**

**Reasoning:** While the setup is promising due to the volatility squeeze, entering now is gambling against overhead resistance. The price is sandwiched directly below the 50-day EMA (909). A rejection here could send the stock back to 850. As a risk-averse positional trader, we need the "Squeeze" to fire upwards and clear resistance before committing capital.

**Conditional Plan (Buy Stop Strategy):** We will set a conditional order to enter only if the bulls prove they have absorbed the supply at the 50 EMA.

- **Condition to Buy: Daily Close above INR 916.**
  - **Why:** This clears the 50 EMA (909.27) and the immediate consolidation high. It confirms the "Squeeze" is expanding to the upside.
- **Entry Price: INR 916 - INR 920** (Buy on the breakout confirmation).
- **Stop Loss: INR 865** (Closing Basis).
  - **Why:** This is below the recent consolidation zone and the lower Bollinger Band. If it drops here, the breakout failed.
- **Take Profit 1: INR 990 - INR 1,000.**
  - **Why:** This aligns with the psychological resistance of 1000 and the average analyst target. (Approx 9% gain).
- **Take Profit 2: INR 1,050.**
  - **Why:** Major structural resistance from late 2024. (Approx 15% gain).

**Critical Note:** Be aware of the **200 EMA at INR 939**. If the trade triggers at 916, the stock *must* push through 939 with high volume. If it stalls at 939 for more than 3 days, tighten the **Stop Loss** to Breakeven.

## Candlestick Classification Analysis

Based on the **Candlestick Classification System** outlined in the report and the visual data from **Page 20** and **Page 21**, here is my analysis as a seasoned Candlestick Trader.

### 1. Current Classification Status

- **Latest Classification: No Control (0)**
- **Recent Trend Score (10-day avg): -0.20** (Slightly **Bearish**/Neutral)
- **Price Context:** The stock is currently trading at **INR 904.70**, sitting in a consolidation phase after a significant downtrend from the INR 1050 highs seen in late 2025.

### 2. Deep Dive: Chart & Pattern Interpretation (Page 21)

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Looking at the visual evolution of the candlesticks on Page 21, specifically the far right (Jan-Feb 2026):

- **Dominance of Sellers (Red/Pink):** The descent from INR 1050 to INR 860 was characterized by frequent "**Seller Control (-1)**" and occasional "**Seller Strong Control (-2)**" candles. This indicates wide-range bearish bodies where the close was near the low, often supported by volume. This established a strong bearish sentiment.
- **Weak Attempt at Recovery (Green):** In early February, we saw a bounce from the INR 860 level. However, notice the color coding. We see mostly "**Buyer Control (+1)**" (light green) rather than "**Buyer Strong Control (+2)**" (dark green).
  - *Logic Interpretation:* This implies that while price moved up, the *conviction* was lacking. Either the bodies were not large enough relative to ATR (volatility), or the volume was insufficient ( $>1.3x$  avg) to trigger the "Strong" classification. This suggests a "weak hand" bounce.
- **Current State - Indecision (Grey):** The most recent candles are predominantly Grey (**No Control**).
  - *Logic Interpretation:* These candles likely have bodies  $< 0.5$  ATR or long wicks on both sides. This signals that after the recent bounce to ~INR 930, buyers ran out of steam, but sellers haven't stepped back in with heavy volume yet. The market is pausing to digest the recent volatility.

## 3. Volume Analysis (Validator)

The volume bars at the bottom of Page 21 during the recent consolidation (the Grey/No Control phase) appear average to declining.\* According to the algorithm, low volume ( $<0.8x$  avg) acts as a multiplier of 0.6. This effectively dampens any potential signals, reinforcing the "No Control" status. There is no institutional footprint driving the price aggressively in either direction right now.

## 4. Prediction & Trade Setup

**Verdict:** **Bearish** Bias with Short-Term Neutrality

The price action suggests a **Bearish Flag or Consolidation pattern** within a broader downtrend.

- **Why?** The 10-day trend score is negative (-0.20). A "No Control" signal occurring *below* key moving averages (the chart shows price well below the recent swing highs) usually favors the prevailing trend, which is down. The buyers failed to print a "Buyer Strong Control (+2)" candle during the recent bounce, indicating a lack of institutional demand.

**Future Price Movement Prediction:** I expect the price to **drift sideways to slightly lower** in the immediate short term.\* **The Bearish Case (Likely):** If we see a return of a **Seller Control (-1)** candle (Moderate bearish body), price will likely re-test the recent support at **INR 860**. A break below INR 860 validates the downtrend continuation.\* **The Bullish Case (Unlikely currently):** To flip this view, we need a **Buyer Strong Control (+2)** candle. This would require a large green body ( $>1.5$  ATR) closing near the high with Volume  $>1.3x$  average to prove that big money has entered the stock. Until that specific signal appears, the path of least resistance is down.

**Summary for the Trader:** Stay cautious. The "No Control" classification is a trap here. It looks like stability, but without a +2 (Strong Buy) signal, it is likely just a pause before sellers regain control. Monitor the **INR 925** level as resistance and **INR 860** as critical support.

# Stock Analysis Report

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## News & Analyst Targets

### Stock Research Report: Zydus Lifesciences (ZYDUSLIFE)

**Date:** February 14, 2026 **Subject:** Weekly Update & Analyst Views

#### 1. Latest News for ZYDUSLIFE (Feb 8 - Feb 14, 2026)

The week has been action-packed for Zydus Lifesciences, dominated by its Q3 earnings release and a major legal settlement.

- **Q3 FY26 Earnings (Feb 9):** Zydus reported a strong **30-32% YoY growth in revenue** (approx. INR 6,865 crore), driven by robust US and India sales. However, net profit was flat or showed only modest growth (adjusted PAT up ~9% to INR 1,110 crore) due to one-time exceptional expenses related to the implementation of new labor codes.
- **Legal Settlement with Astellas (Feb 12):** The company settled a patent dispute with Astellas Pharma regarding the overactive bladder drug *Mirabegron*. Zydus agreed to pay **\$120 million** (approx. INR 1,000 crore) to resolve the litigation. This allows Zydus to continue selling the generic version in the US but will impact near-term cash reserves.
- **Supreme Court Win (Biosimilars):** The Supreme Court of India dismissed a plea by Bristol Myers Squibb (BMS) attempting to restrain Zydus from launching its biosimilar cancer drug, *Nivolumab*. This clears the path for Zydus to market this life-saving drug, though some patent mapping was ordered.
- **USFDA Approvals:**
  - **Final Approval:** Ammonium Lactate Cream (12%) for skin conditions.
  - **Tentative Approval:** Dapagliflozin Tablets (generic *Farxiga*) for diabetes.
  - **Orphan Drug Designation:** Granted to its drug *Desidustat* for the treatment of Sickle Cell Disease.

#### 2. Upgrade / Downgrade from Brokerages

Brokerage reaction to the Q3 results and the Astellas settlement has been mixed, with a trend of target price cuts despite some retained "Buy" ratings.

- **Downgrades / Target Cuts:**
  - **Jefferies** maintained a **BUY** rating but **cut its target price** to **INR 1,100** (from INR 1,130), citing valuation and near-term headwinds.
  - **JPMorgan** maintained a **NEUTRAL** rating but lowered its target to **INR 1,000** (from INR 1,140).
  - **BNP Paribas Exane** maintained a **NEUTRAL** rating but cut its target to **INR 996** (from INR 1,068).
- **Upgrades / Bullish Views:**
  - **Systematix** (late Jan) upgraded the stock to **BUY** with a target of **INR 1,038**, focusing on the potential of its rare disease portfolio (*Zycubo*).

#### 3. Other News Impacting ZYDUSLIFE

- **Sector Peer Settlements:** The settlement with Astellas follows a similar move by peer **Lupin**, which settled for \$90 million. This indicates a broader industry move to "pay-for-certainty" in the US generics market, removing litigation overhangs but at a high financial cost.
- **Regulatory Environment:** The Supreme Court's refusal to block the biosimilar launch is a positive signal for Indian pharma companies fighting patent linkage battles against global majors, potentially speeding up domestic launches of complex biosimilars.

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## 4. Latest Analyst Targets (Post-Q3 FY26)

Brokerage / Firm	Rating	Target Price (INR )	Outlook / Comments
Jefferies	BUY	1,100	Target cut from INR 1,130; sees value in US pipeline despite near-term costs.
Systematix	BUY	1,038	Bullish on rare disease portfolio & US specialty business turnaround.
Moneycontrol	ACCUMULATE	1,020	Positive on base business stability; sees mild erosion in US sales.
JPMorgan	NEUTRAL	1,000	Target cut from INR 1,140; cautious on US generic pricing pressure.
BNP Paribas	NEUTRAL	996	Target cut from INR 1,068; highlights margin pressures.
Trendlyne Consensus	HOLD	~1,041	Average of multiple analysts; implies ~15% upside from current levels.
UBS	SELL	850	Remains bearish; sees downside risks to US revenue sustainability.

*Note: Targets are current as of mid-February 2026 following Q3 earnings.*

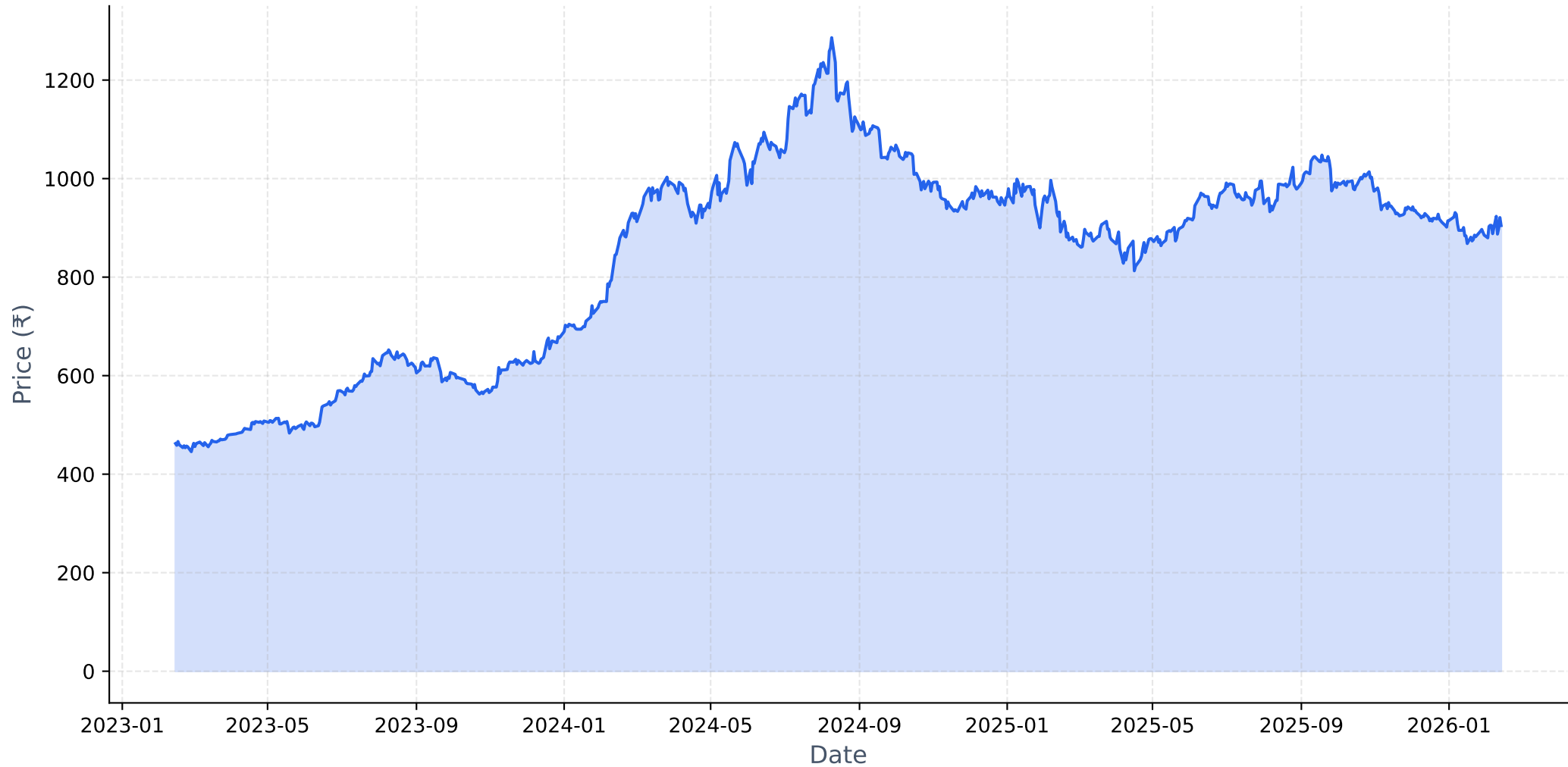
# Stock Detailed Analysis Report

**ZYDUSLIFE.NS**

Current Price: ₹904.70

Generated: 2026-02-14 10:11

# ZYDUSLIFE.NS - 3 Year Daily Price Chart



# Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	18.68%	15.04%
Net Income	Yes	Yes	17.26%	0.28%
ROE	No	Yes	-2.93%	-10.55%
EPS	Yes	Yes	17.91%	0.86%

# Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	4.85%	7.66%
Net Income	Yes	-28.95%	5.76%
ROE	Yes	17.08%	17.08%
EPS	No	-28.94%	-17.49%

# ZYDUSLIFE.NS - Relative Strength Analysis

## == OVERVIEW ==:

Benchmark Index:	^CNXPHARMA
Sector:	Pharma
Classification:	Emerging Leader
RS Score:	48.3/100
:	

## == RS RATIOS ==:

1M RS:	1.041 [Leader]
3M RS:	0.975 [Neutral]
6M RS:	0.913 [Neutral]
1Y RS:	0.889 [Neutral]
:	

## == TURNAROUND ANALYSIS ==:

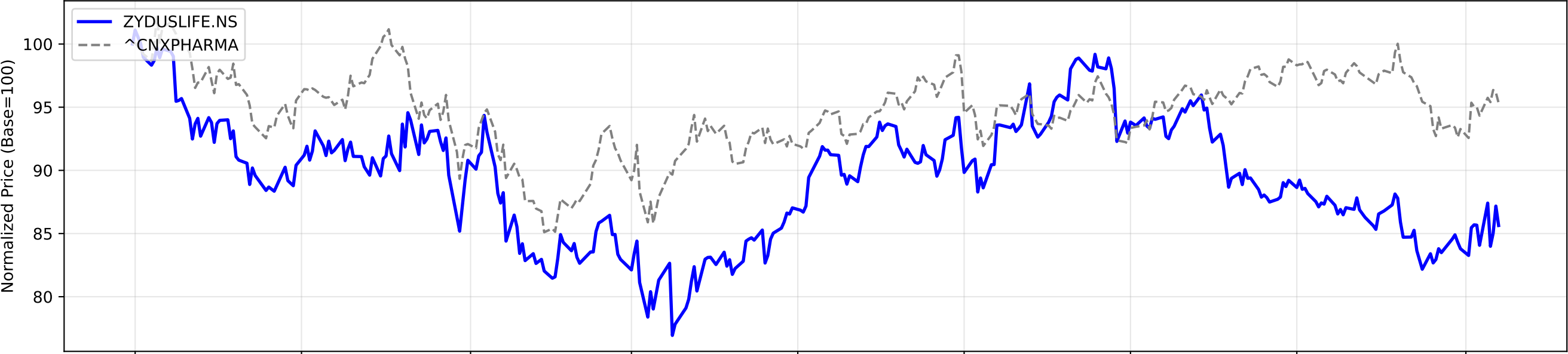
Turnaround Status:	!! DETECTED !!
:	

## SIGNAL CRITERIA::

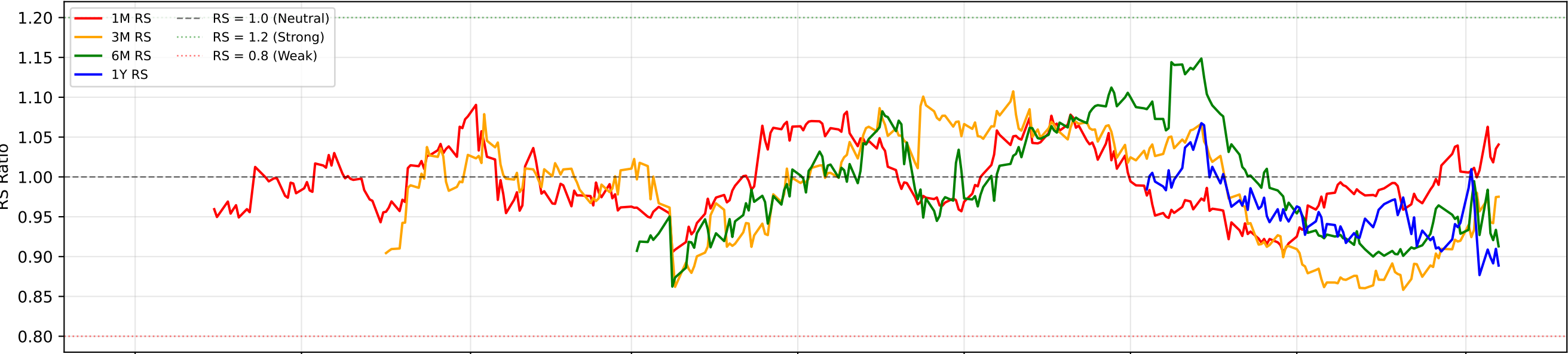
✓ Emerging RS:	1M (1.041) > 3M (0.975)
✓ Medium-term Lagging:	6M=0.913, 1Y=0.889 ( $\leq 1.0$ )
✓ Performance Improving:	3M (-4.2%) > 6M (-5.3%)

Relative Strength Analysis: ZYDUSLIFE.NS vs ^CNXPHARMA  
Classification: Emerging Leader

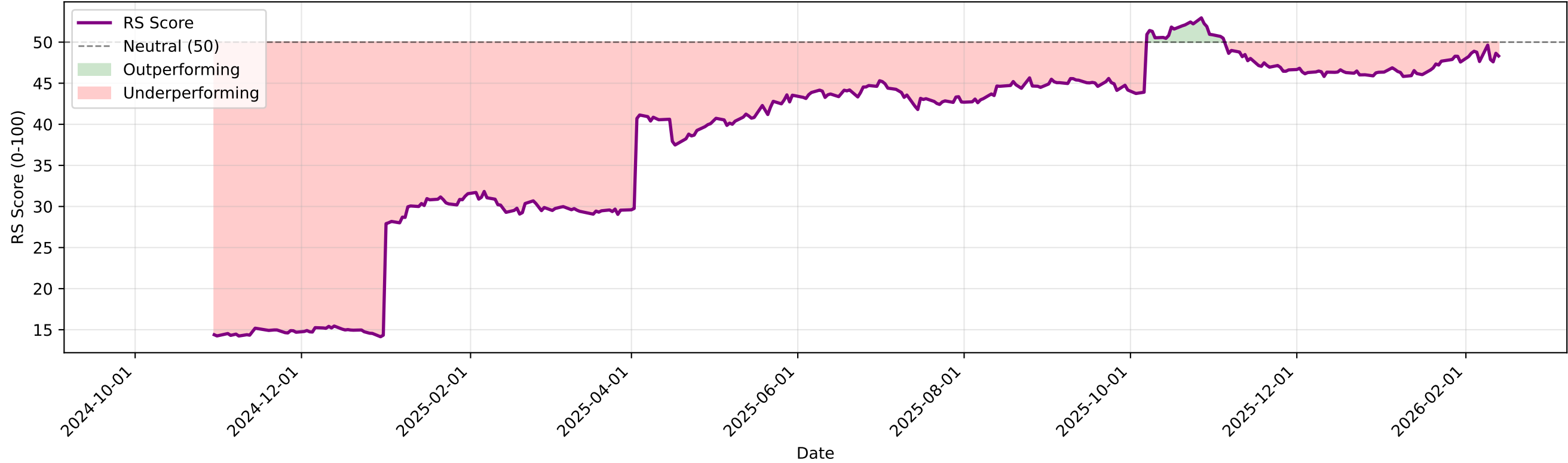
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



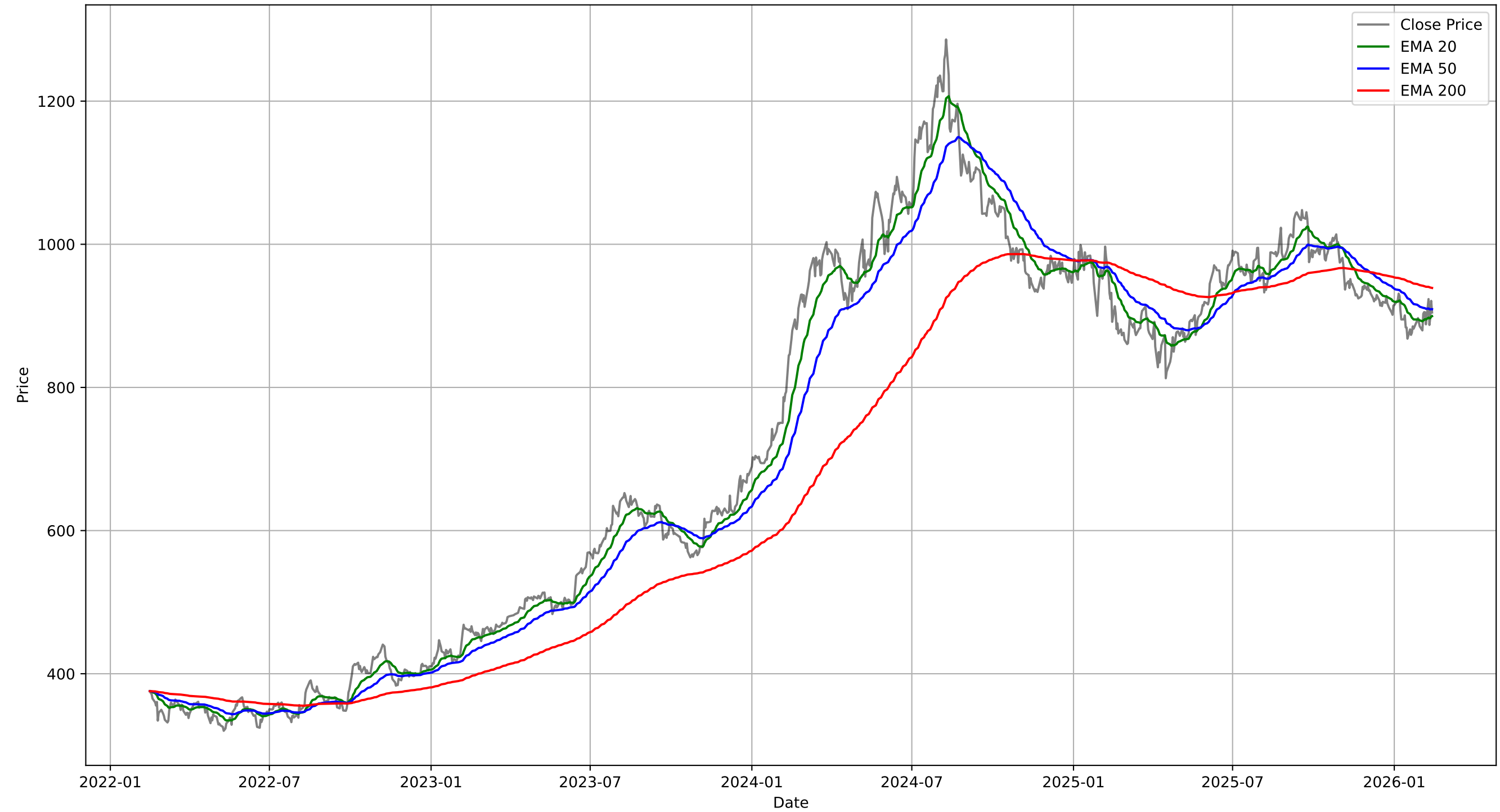
RS Composite Score Timeline



## ZYDUSLIFE.NS - EMA Crossover Summary

EMA 20:	899.58
EMA 50:	909.27
EMA 200:	939.02
Trend Status:	<b>Strong Downtrend</b>

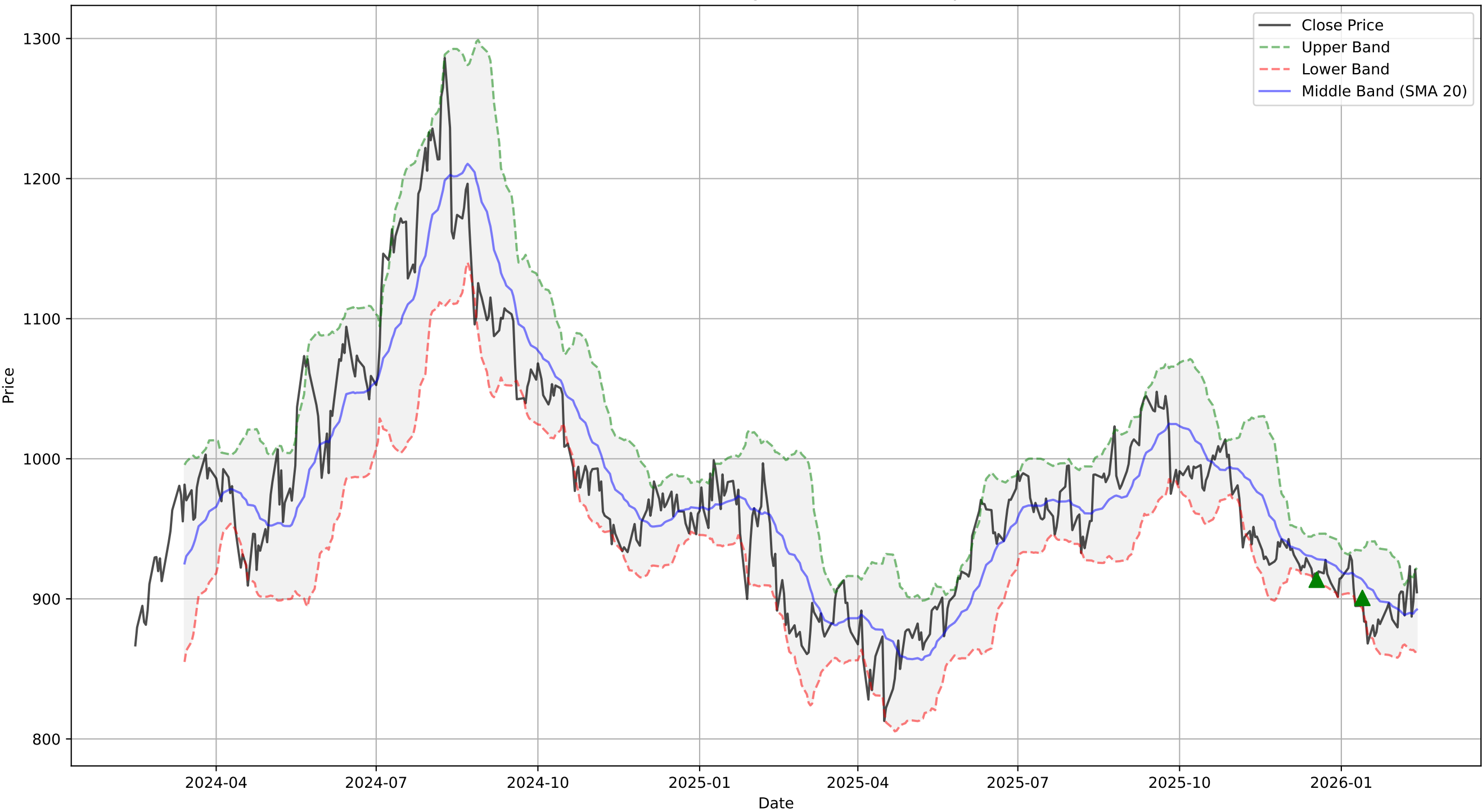
ZYDUSLIFE.NS EMA Crossover Analysis



## ZYDUSLIFE.NS - Bollinger Bands Summary

<b>Current Price:</b>	904.70
<b>Upper Band:</b>	922.06
<b>Middle Band (SMA 20):</b>	892.40
<b>Lower Band:</b>	862.74
<b>%B:</b>	0.7073
<b>Band Width:</b>	0.0665
<b>Status:</b>	Upper Half
<b>Signal:</b>	None
<b>Recent Signal 1:</b>	<b>Buy Signal at 2025-12-18 00:00:00+05:30</b>
<b>Recent Signal 2:</b>	<b>Buy Signal at 2026-01-13 00:00:00+05:30</b>

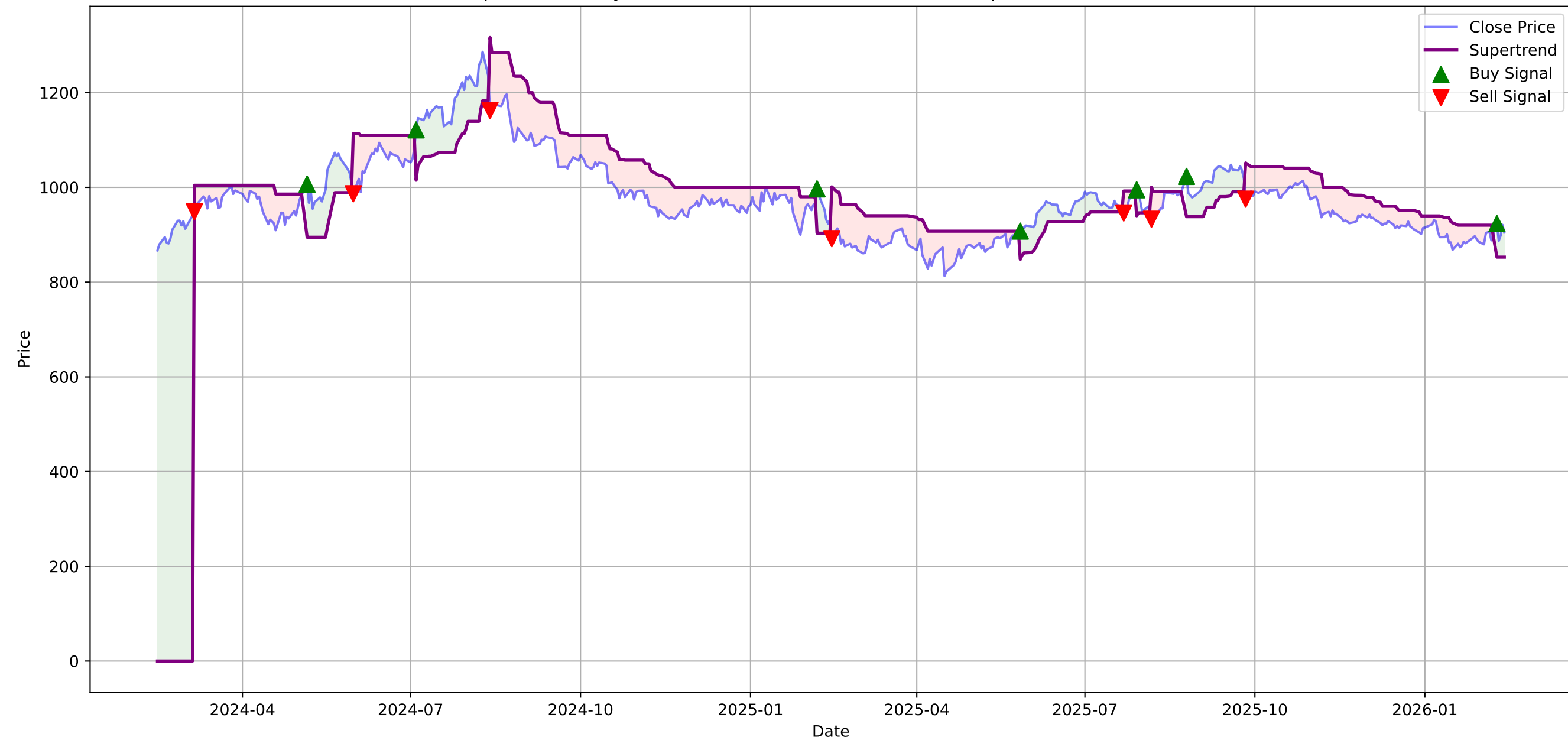
ZYDUSLIFE.NS Bollinger Bands (20, 2) Analysis



## ZYDUSLIFE.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	852.71
Signal Identified On:	2026-02-09

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



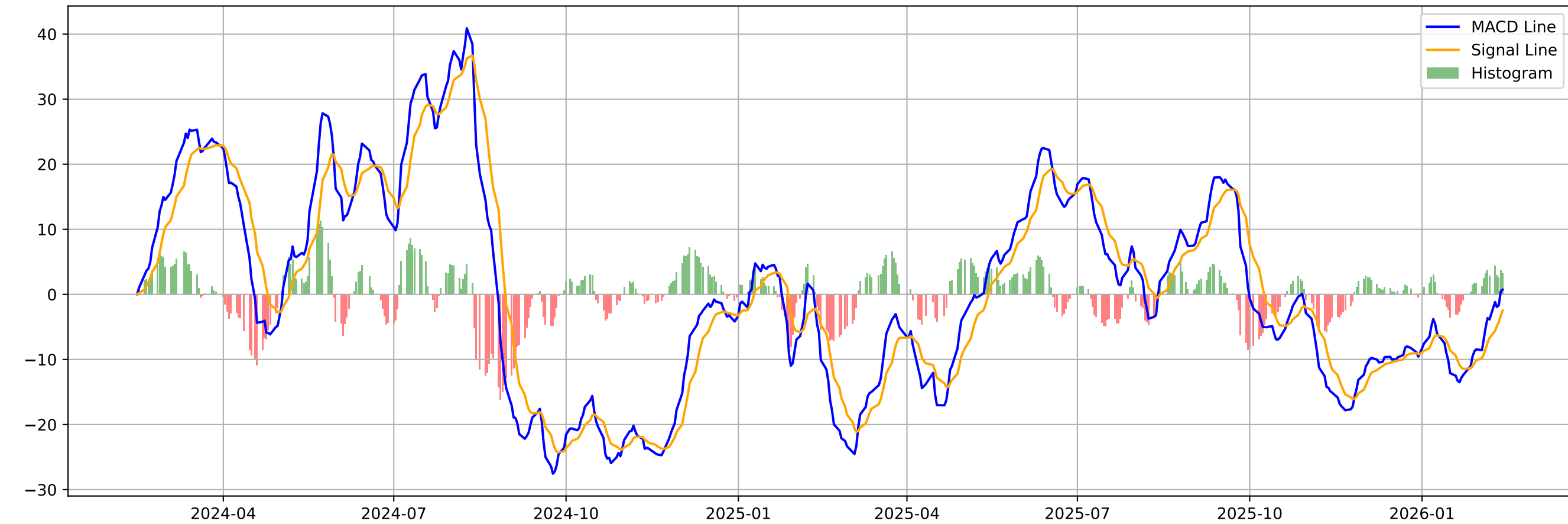
## ZYDUSLIFE.NS - MACD Summary

MACD Line:	0.73
Signal Line:	-2.49
Histogram:	3.22
Trend:	<b>Bullish</b>
Momentum:	<b>Weakening</b>
Signal:	None

ZYDUSLIFE.NS Price



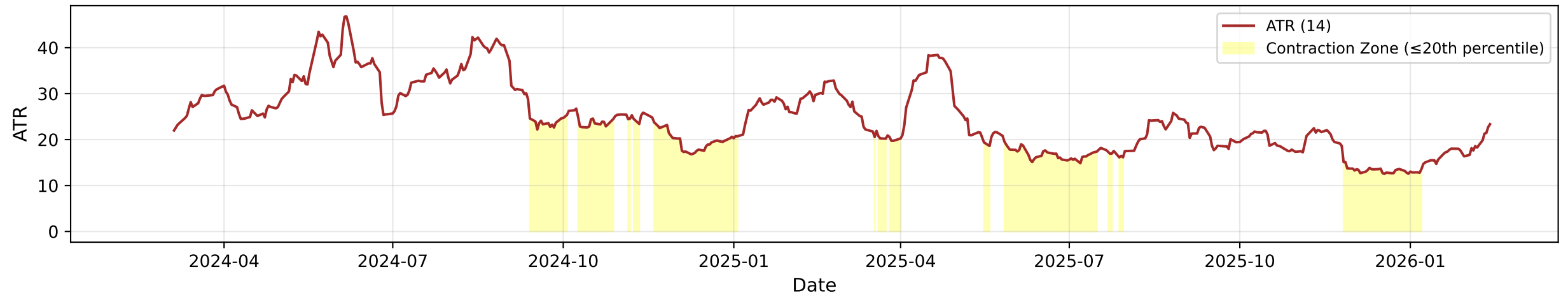
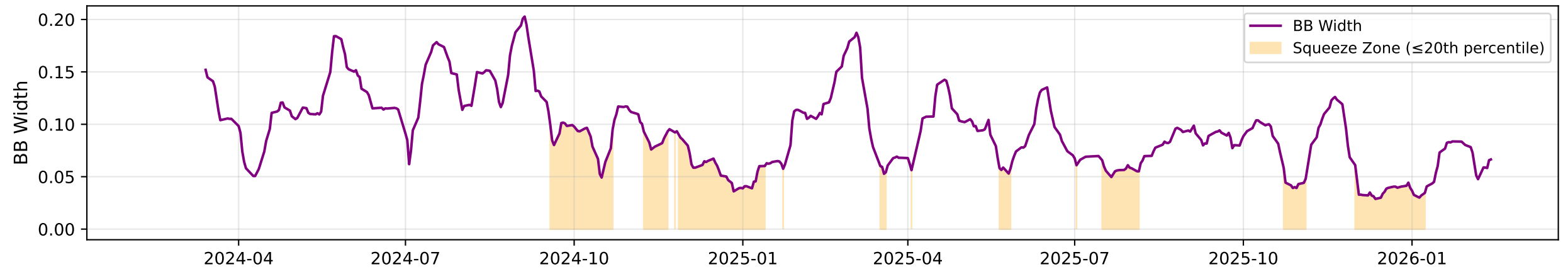
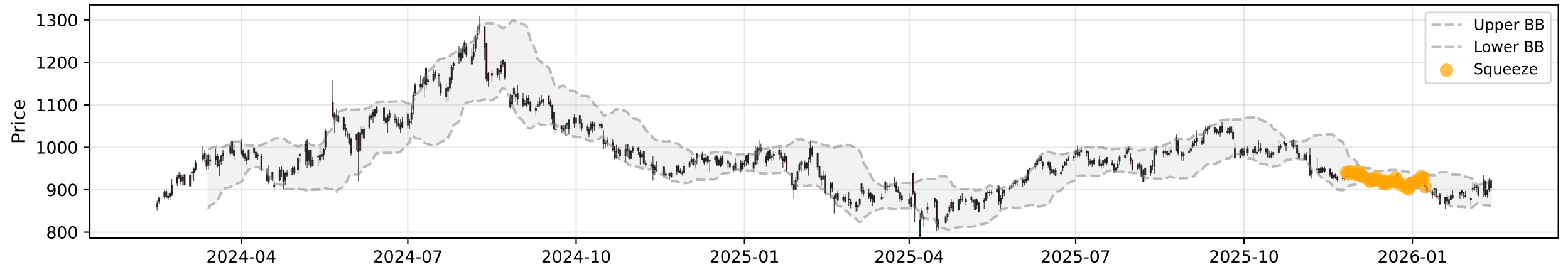
ZYDUSLIFE.NS MACD (12, 26, 9)



# ZYDUSLIFE.NS - Volatility Squeeze Summary

BB Width:	0.0665
ATR:	23.3500
Total Signals:	31
Signal 1:	BB Squeeze + ATR Contraction at 2026-01-02 00:00:00+05:30 (Pr
Signal 2:	BB Squeeze + ATR Contraction at 2026-01-05 00:00:00+05:30 (Pr
Signal 3:	BB Squeeze + ATR Contraction at 2026-01-06 00:00:00+05:30 (Pr
Signal 4:	BB Squeeze + ATR Contraction at 2026-01-07 00:00:00+05:30 (Pr
Signal 5:	BB Squeeze at 2026-01-08 00:00:00+05:30 (Price: 907.55)

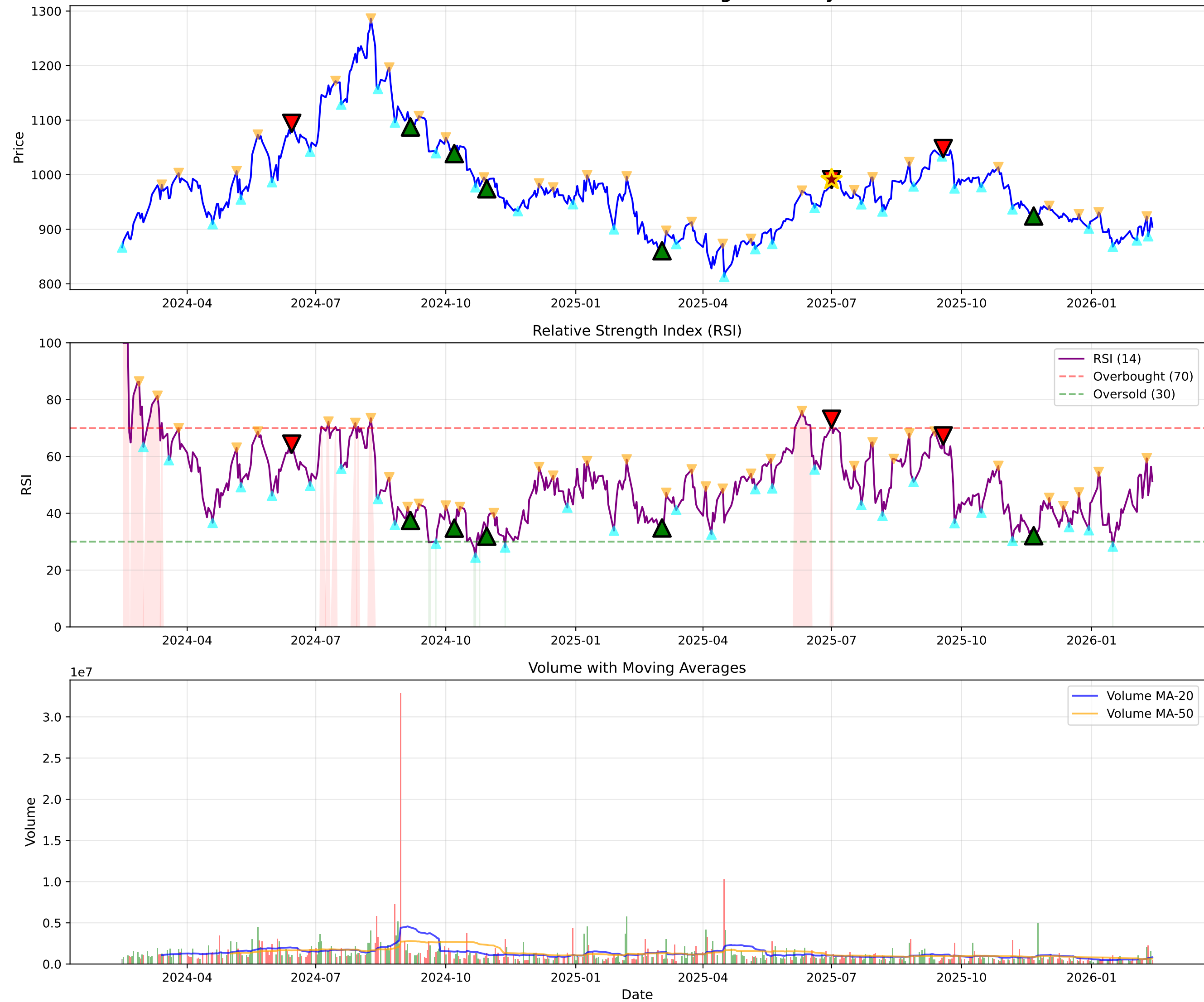
# ZYDUSLIFE.NS - Volatility Squeeze Analysis



## ZYDUSLIFE.NS - RSI-Volume Summary

<b>Current RSI:</b>	51.26
<b>Current Volume:</b>	474515
<b>Volume MA 20:</b>	820588
<b>Bullish Divergences:</b>	5
<b>Bearish Divergences:</b>	3
<b>Bullish Div 1:</b>	Date: 2025-03-03 00:00:00+05:30, Price: 860.59
<b>Bullish Div 2:</b>	Date: 2025-11-21 00:00:00+05:30, Price: 924.30
<b>Bearish Div 1:</b>	Date: 2025-07-01 00:00:00+05:30, Price: 991.15
<b>Bearish Div 2:</b>	Date: 2025-09-18 00:00:00+05:30, Price: 1047.85

# ZYDUSLIFE.NS RSI-Volume Divergence Analysis



# ZYDUSLIFE.NS - Volume Analysis

## == VOLUME ANALYSIS ==:

Status:

**28 Signals Detected**

:

**2025-12-30 [-]:**

Distribution Day

**2026-01-07 [-]:**

Distribution Day

**2026-01-09 [-]:**

Distribution Day

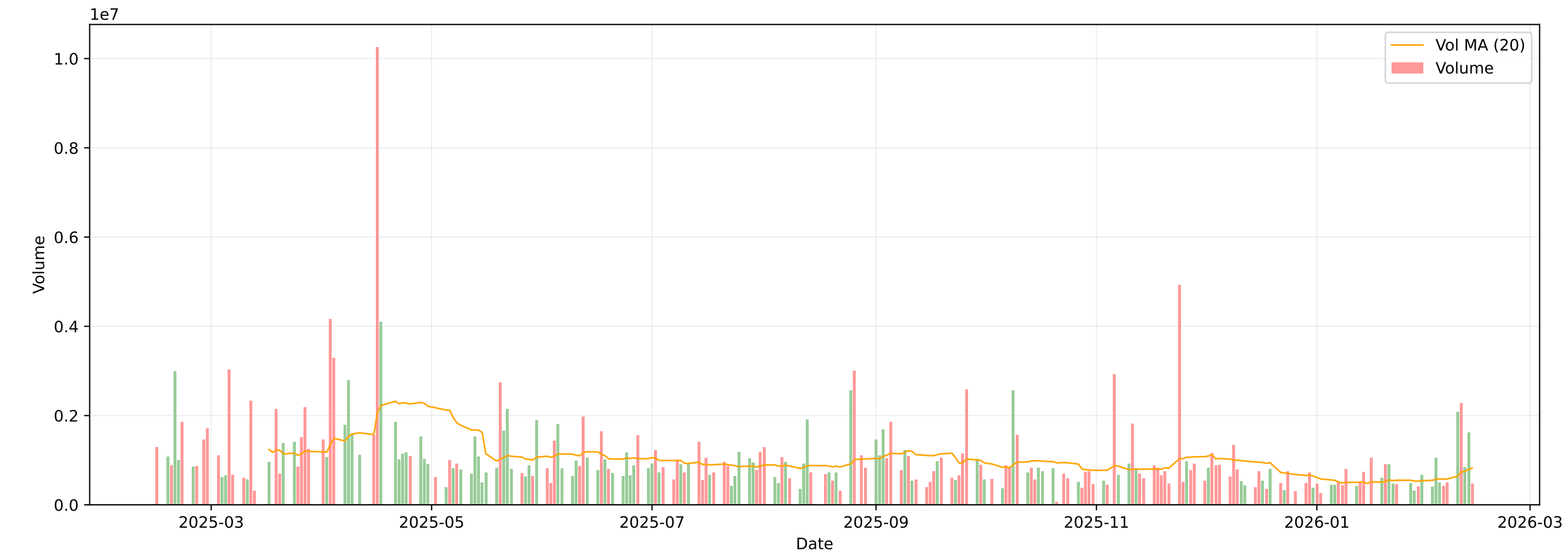
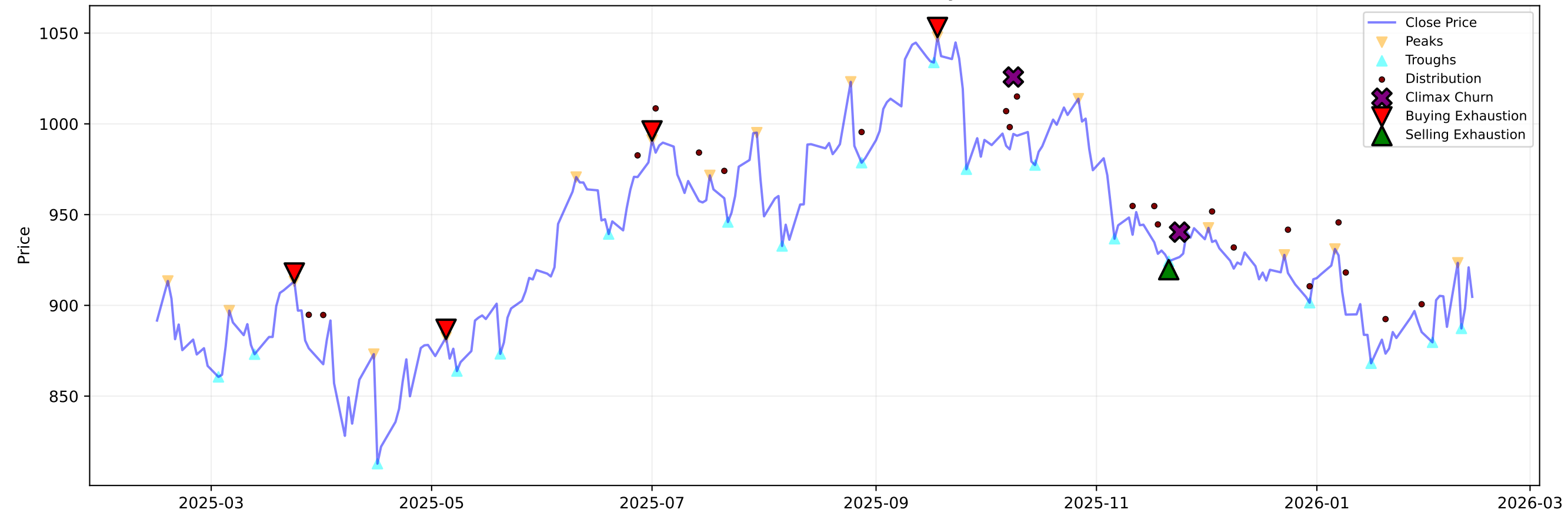
**2026-01-20 [-]:**

Distribution Day

**2026-01-30 [-]:**

Distribution Day

# ZYDUSLIFE.NS - Volume Analysis



# ZYDUSLIFE.NS - Candlestick Classification Summary

## == CANDLESTICK CLASSIFICATION ==:

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

**Recent Trend Score (10-day avg):** -0.20

:

### **Distribution:**

**No Control:** 115

**Seller Control:** 64

**Buyer Control:** 44

**Seller Strong Control:** 5

# ZYDUSLIFE.NS - Candlestick Classification



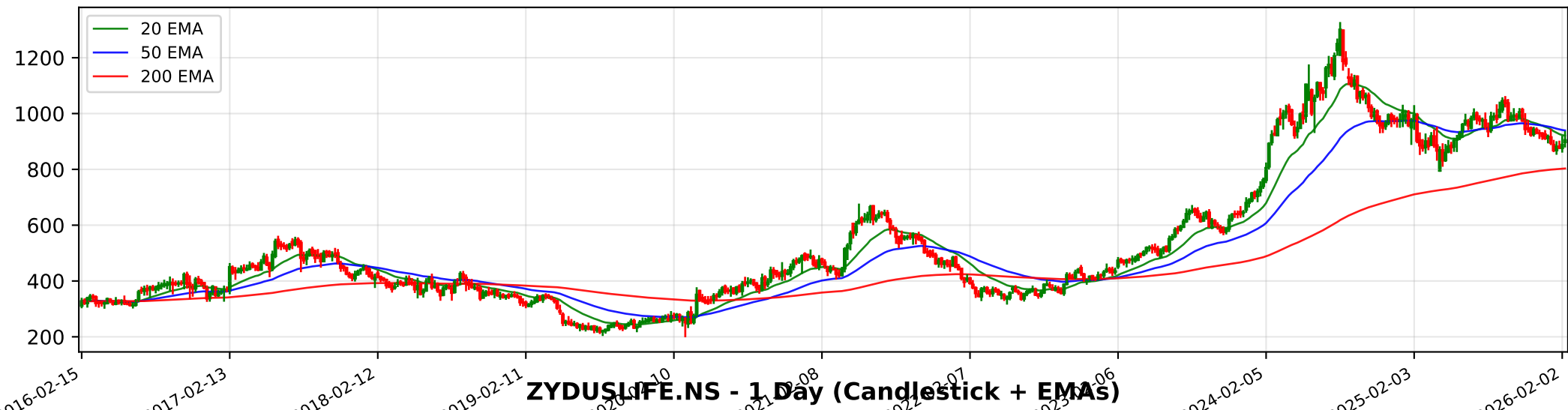
## Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	<b>DOWNTREND (Sell)</b>	941.44	904.7	2025-11-03
1 Day	<b>UPTREND (Buy)</b>	852.71	904.7	2026-02-09
15 Min	<b>UPTREND (Buy)</b>	900.2	906.0	2026-02-13

## Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	<b>Bearish</b>	Weakening	No Signal
1 Day	<b>Bullish</b>	Weakening	No Signal
15 Min	<b>Bearish</b>	Weakening	No Signal

ZYDUSLIFE.NS - 1 Week (Candlestick + EMAs)



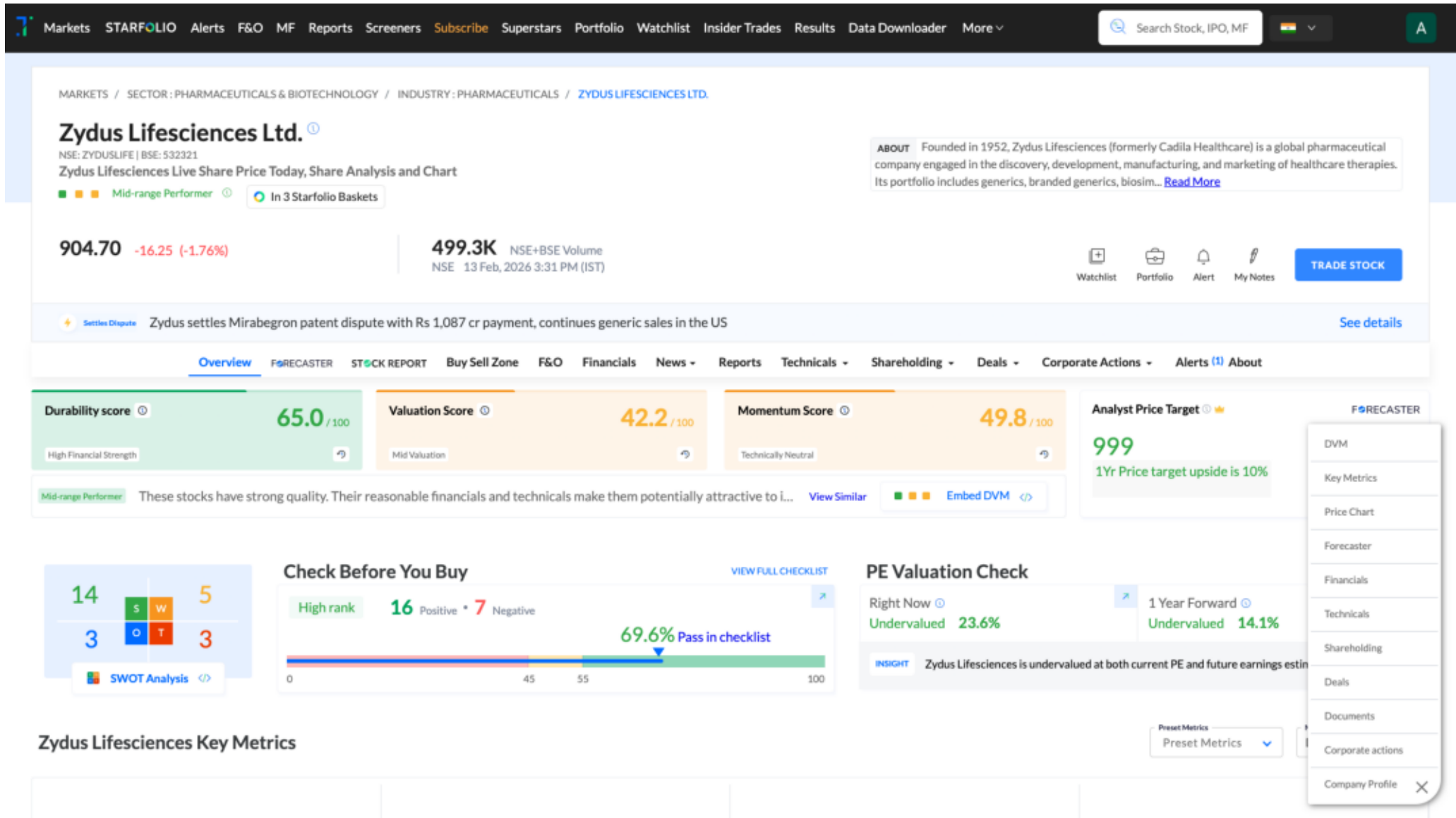
ZYDUSLIFE.NS - 1 Day (Candlestick + EMAs)



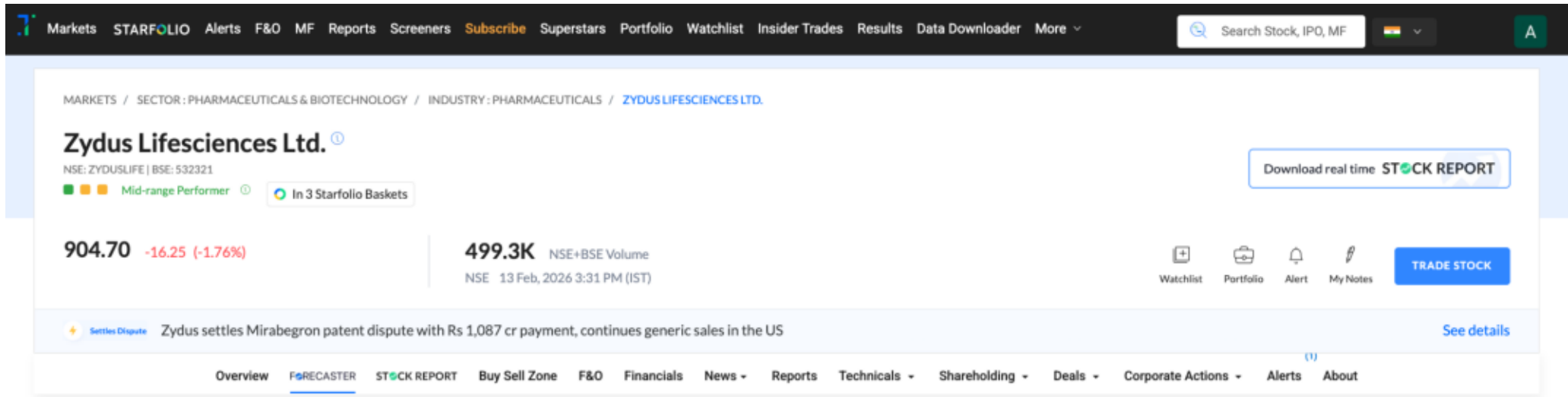
ZYDUSLIFE.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - ZYDUSLIFE\_main



Trendlyne Snapshot - ZYDUSLIFE\_forecaster



Zydu Lifesciences - ZYDUSLIFE - stock price prediction, stock forecast, target price, analyst ratings from 30 analysts

Zydu Lifesciences has a share price target of Rs 999, revenue growth forecast of 14.0%, and profit growth estimate of 2.7% for FY26, based on top 30 analyst calls.

Zydu Lifesciences **FORECASTER** - Analyst Estimates ⓘ

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