

# Gemini Stock Analysis Report

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Based on the detailed analysis of the attached stock report for **DRREDDY.NS** (Dr. Reddy's Laboratories), here is the assessment.

## Step 1: Audit the Data

- **Data Present:**

- **Price Action:** Daily (3-year), Weekly, and 15-minute candlestick charts.
- **Trend Indicators:** EMA (20, 50, 200), Supertrend, MACD.
- **Momentum/Volatility:** RSI, Bollinger Bands, Volatility Squeeze (ATR), Relative Strength (RS).
- **Fundamentals:** Long-term (4 years) and Short-term (6 quarters) revenue/earnings growth.
- **Analyst Estimates:** Price targets and consensus ratings.
- **Data Missing:**
  - **Volume Profile:** While volume bars are present, a specific Volume Profile (Fixed Range) to identify price shelves is not explicitly charted.
  - **Broad Market Context:** No chart for the NIFTY50 index to gauge general market sentiment beyond the Sector RS.
- **Confidence Level: High.** The report provides a comprehensive technical and fundamental picture, allowing for a high-conviction decision.

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## Step 2: Analyze the Setup

- **Price Structure (Bearish):** The stock is currently trading at **1210.10**, which is below the critical cluster of moving averages. The price has recently broken below the **200-day EMA (1250.39)**, a major red flag for intermediate-term bullish positions. The "Golden Cross" identified in late 2025 has failed, as price action has reversed sharply.
- **Trend Direction (Down):** The Supertrend (Daily and Weekly) is in a **Downtrend (Sell)** status. The moving averages (20, 50, 200) are beginning to compress and slope downward, indicating trending bearish momentum.
- **Momentum (Negative but Oversold):**
  - **MACD:** **Bearish** crossover with expanding negative histogram, confirming strengthening downside momentum.
  - **RSI:** Currently at **30.49**, bordering on oversold. While this often precedes a bounce, "oversold" can persist in a strong downtrend.
  - **Bollinger Bands:** Price is hugging/breaking the Lower Band (1218). The report notes a "Buy Signal" based on mean reversion logic, but attempting to catch a falling knife below the 200 EMA is high-risk.
  - **Volatility Squeeze:** Page 14 indicates an **ATR Contraction (Bearish Breakout)** on 2026-01-08, suggesting the current downward move has significant energy behind it.
- **Relative Strength (Weak):** With an RS Score of **46.5/100** and RS ratios below 1.0 across all timeframes, the stock is underperforming its sector (^CNXPHARMA).

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## Step 3: Formulate the Recommendation

**Recommendation: NO.** Do not enter this stock at the current market price.

**Rationale:** The stock is in a confirmed breakdown. It is trading below the 200-day EMA, implying that the long-term trend has shifted to neutral/bearish. The "**Bearish Breakout**" from the volatility squeeze suggests the path of least resistance is lower. Entering now is "fighting the tape." We need to see the stock reclaim key structural levels to validate a 1-4 month upside move.

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**Conditional Plan (Wait for Reversal):** Since the stock is approaching oversold territory (RSI ~30), a snap-back rally is possible, but it is not safe to trade until structural damage is repaired.

- **Condition to Buy:** The stock must close **Daily above 1266**. This is the critical "Confluence Resistance" level that clears the EMA 20, EMA 50, EMA 200, and the Daily Supertrend resistance.
- **Entry Price: 1270** (Enter on a confirmation candle following a close above the cluster).
- **Stop Loss: 1190** (Risk is placed below the recent swing low/consolidation zone).
- **Take Profit: 1385 - 1400** (Targeting the previous swing highs and upper Bollinger Band extension).

*Note: If the stock continues to drop without reclaiming 1266, remains on the watchlist but do not touch.*

## News & Analyst Targets

As a stock research analyst at an investment firm, I have gathered the latest information on Dr. Reddy's Laboratories (DRREDDY) for the week of **January 4-10, 2026**.

### 1) Latest News for DRREDDY This Week

- **Q3 FY26 Earnings Date Announced:** Dr. Reddy's confirmed on January 8, 2026, that it will release its financial results for the third quarter ended December 31, 2025, on **Wednesday, January 21, 2026**. The management team will host an earnings call the same evening at 7:30 PM IST.
- **Regulatory Overhang (USFDA):** The company continues to deal with the aftermath of a USFDA inspection at its Srikakulam facility (FTO 11). The inspection, concluded in mid-December 2025, resulted in **5 observations** (Form 483). While not "breaking" this exact week, this remains a critical dampener on sentiment as the market awaits the company's corrective action plan.
- **Technical Weakness:** Market analysis from January 9, 2026, indicates a shift in the stock's technical momentum from bullish to mildly bearish, with the stock trading below key moving averages and underperforming the broader Sensex/Nifty indices this week.

### 2) Upgrade or Downgrade from Brokerages

Activity this week has been mixed, with a notable bearish call from a major foreign brokerage contrasting with a positive domestic view.

- **Citi (Downgrade/Reiteration of Sell):** On **January 8, 2026**, Citi maintained its **SELL** rating. They expressed concerns regarding the generic Semaglutide opportunity (a key future growth driver). Citi cited Novo Nordisk's aggressive "dual-brand" strategy to defend its market share, which could significantly limit the revenue potential for generic players like Dr. Reddy's.
- **Choice Equity Broking (Positive/Buy):** On **January 7, 2026**, Choice Equity Broking issued a new recommendation with a positive outlook, seeing an upside potential of approximately 11% from the trading price at the time.

*(Note: Some search results may surface a "Nuvama upgrade to Buy"; however, detailed verification shows this report dates back to January 2025. The current relevant major action this week is from Citi and Choice Equity.)*

### 3) Other News Impacting DRREDDY

- **Novo Nordisk's Defensive Strategy (Indirect Impact):** The competitive landscape for GLP-1 agonists (weight-loss drugs) is toughening. Reports this week highlight that Novo Nordisk is launching "authorized generics" or second brands of its own popular drugs (Wegovy/Ozempic) in markets like Canada. This

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directly impacts the addressable market for Dr. Reddy's upcoming generic launches, forcing analysts to cut revenue estimates for this segment for FY27-28.

- **Sector Sentiment:** The broader Pharma sector has faced mixed sentiment this week due to general market volatility. Dr. Reddy's has relatively underperformed its peers recently, weighing on the Nifty Pharma index.

## 4) Latest Analyst Price Targets

Below is the summary of the most recent price targets issued or reiterated by brokerages in early January 2026.

Brokerage Firm	Rating / Action	Target Price (INR)	Date Issued	Key Rationale
Choice Equity	Buy / Add	1,380	Jan 07, 2026	Technical upside; favorable risk-reward at current levels.
Market Consensus	Hold	~1,294	Jan 08, 2026	Average of broad analyst consensus; indicates limited upside from current ~1,210 levels.
Citi	Sell	990	Jan 08, 2026	Slashed revenue estimates for generic Semaglutide; sees ~28% downside risk.

**Analyst Note:** The divergence between the targets is significant. The bearish view (Citi) is fundamental, driven by fear of lost future revenue in the US/Canada markets, while the bullish view (Choice) appears more technical or valuation-based following the stock's recent correction. Investors should watch the **Jan 21st earnings call** closely for management commentary on the USFDA remediation and the Semaglutide launch timeline.

# Stock Detailed Analysis Report

**DRREDDY.NS**

Current Price: ₹1210.10

Generated: 2026-01-10 10:18

# DRREDDY.NS - 3 Year Daily Price Chart



## Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	Yes	16.61%	14.94%
Net Income	Yes	No	1.54%	33.87%
ROE	Yes	No	-14.55%	11.09%
EPS	Yes	No	1.25%	33.68%

## Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	3.04%	2.38%
Net Income	Yes	1.37%	3.92%
ROE	No	-1.02%	-0.16%
EPS	Yes	-10.88%	1.13%

# DRREDDY.NS - Relative Strength Analysis

## == OVERVIEW ==:

**Benchmark Index:** ^CNXPHARMA

**Sector:** Pharma

**Classification:** Neutral

**RS Score:** 46.5/100

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## == RS RATIOS ==:

**1M RS:** 0.940 [Neutral]

**3M RS:** 0.914 [Neutral]

**6M RS:** 0.939 [Neutral]

**1Y RS:** 0.919 [Neutral]

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## == TURNAROUND ANALYSIS ==:

**Turnaround Status:** !! DETECTED !!

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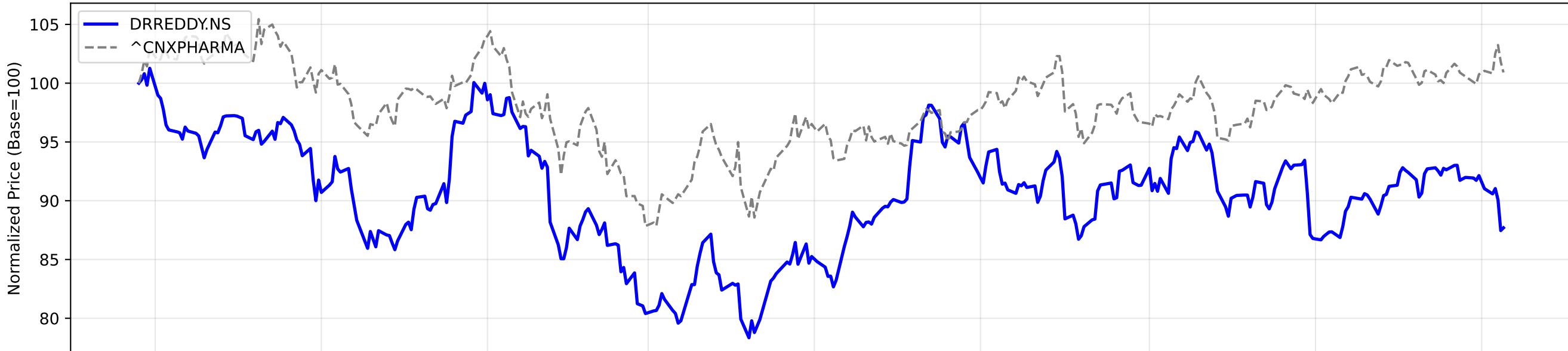
## SIGNAL CRITERIA::

✓ **Emerging RS:** 1M (0.940) > 3M (0.914)

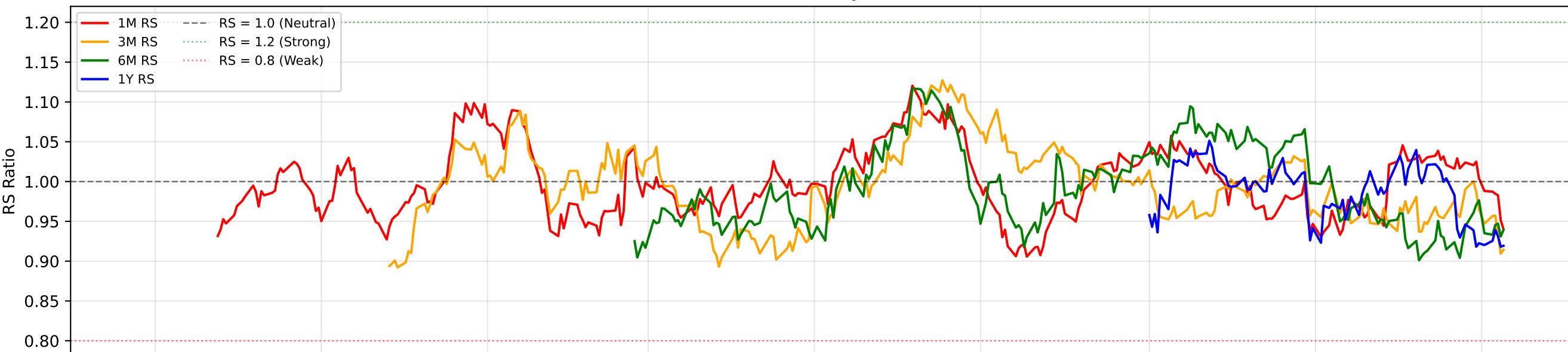
✓ **Medium-term Lagging:** 6M=0.939, 1Y=0.919 ( $\leq 1.0$ )

✓ **Performance Improving:** 3M (-2.9%) > 6M (-4.1%)

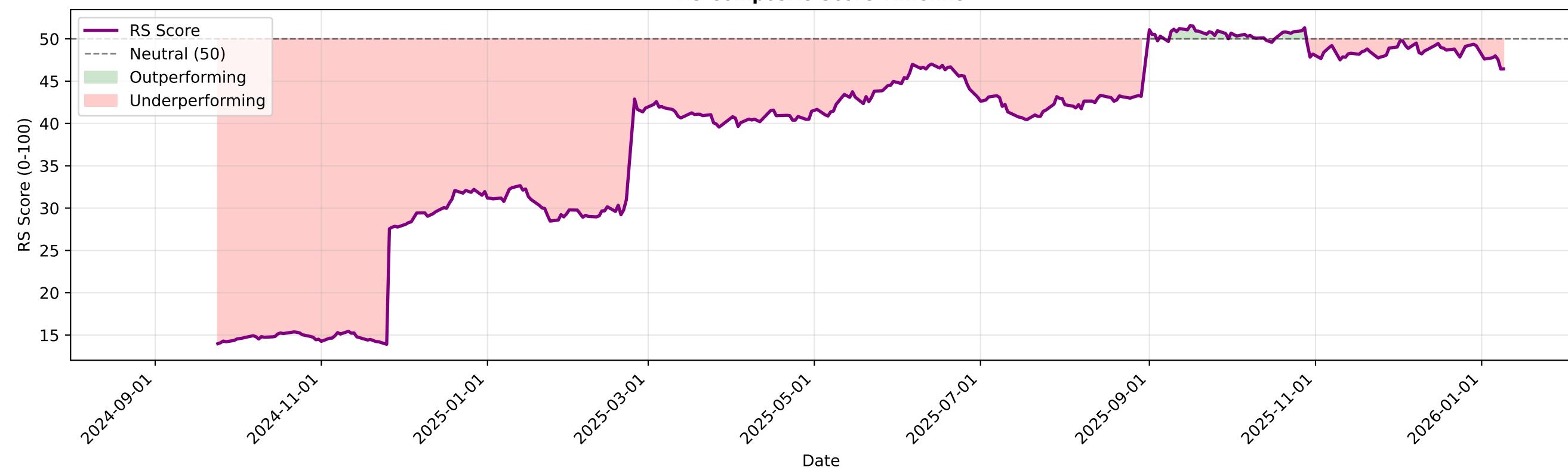
**Relative Strength Analysis: DRREDDY.NS vs ^CNXPHARMA**  
**Classification: Neutral**  
**Price Performance Comparison (Normalized)**



**RS Ratio Trends (Multiple Timeframes)**



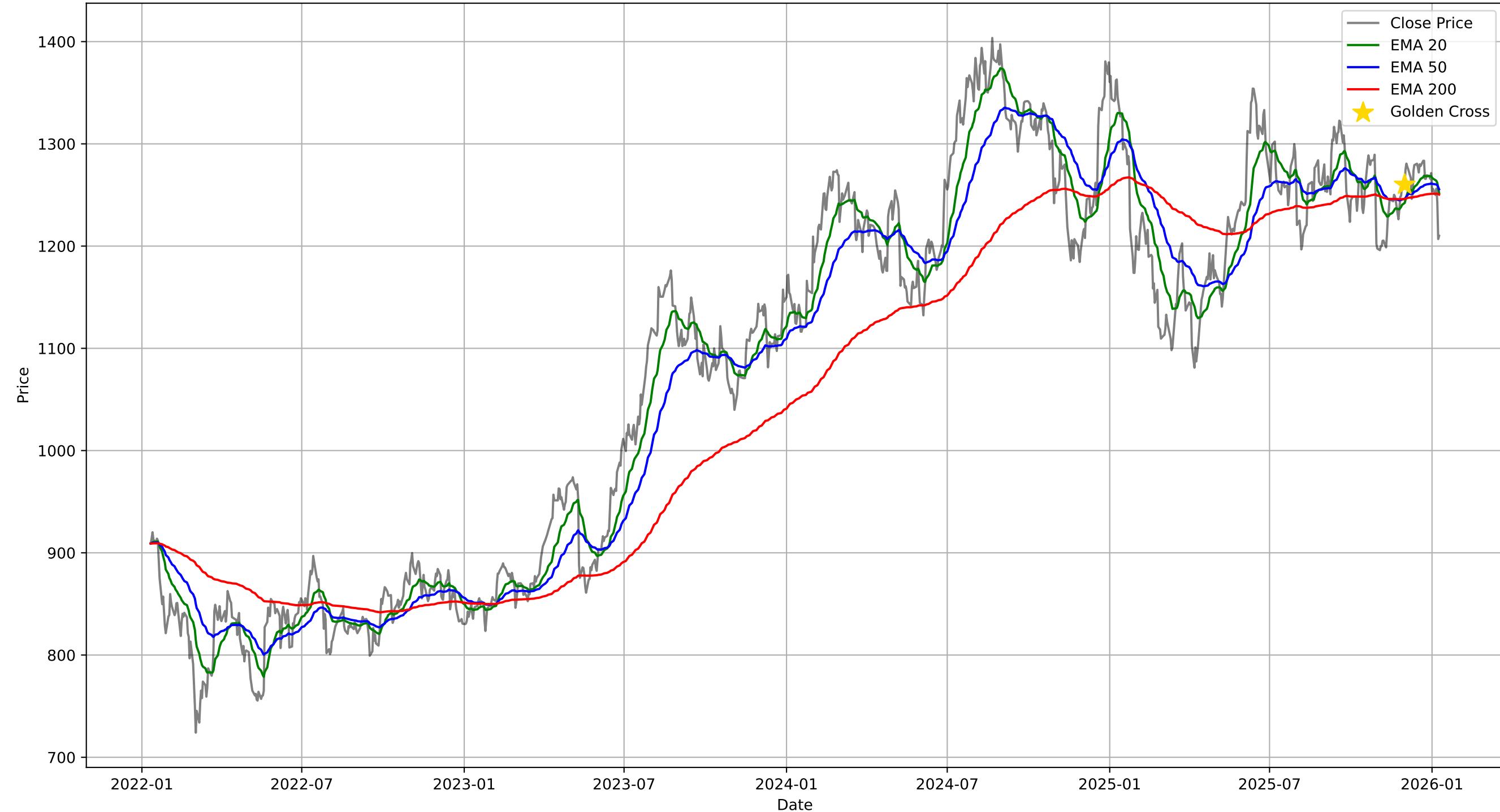
**RS Composite Score Timeline**



## **DRREDDY.NS - EMA Crossover Summary**

<b>EMA 20:</b>	1252.06
<b>EMA 50:</b>	1255.61
<b>EMA 200:</b>	1250.39
<b>Trend Status:</b>	<b>Short-term Downtrend</b>
<b>Golden Cross Date:</b>	2025-12-01 00:00:00+05:30
<b>Golden Cross Price:</b>	1260.10

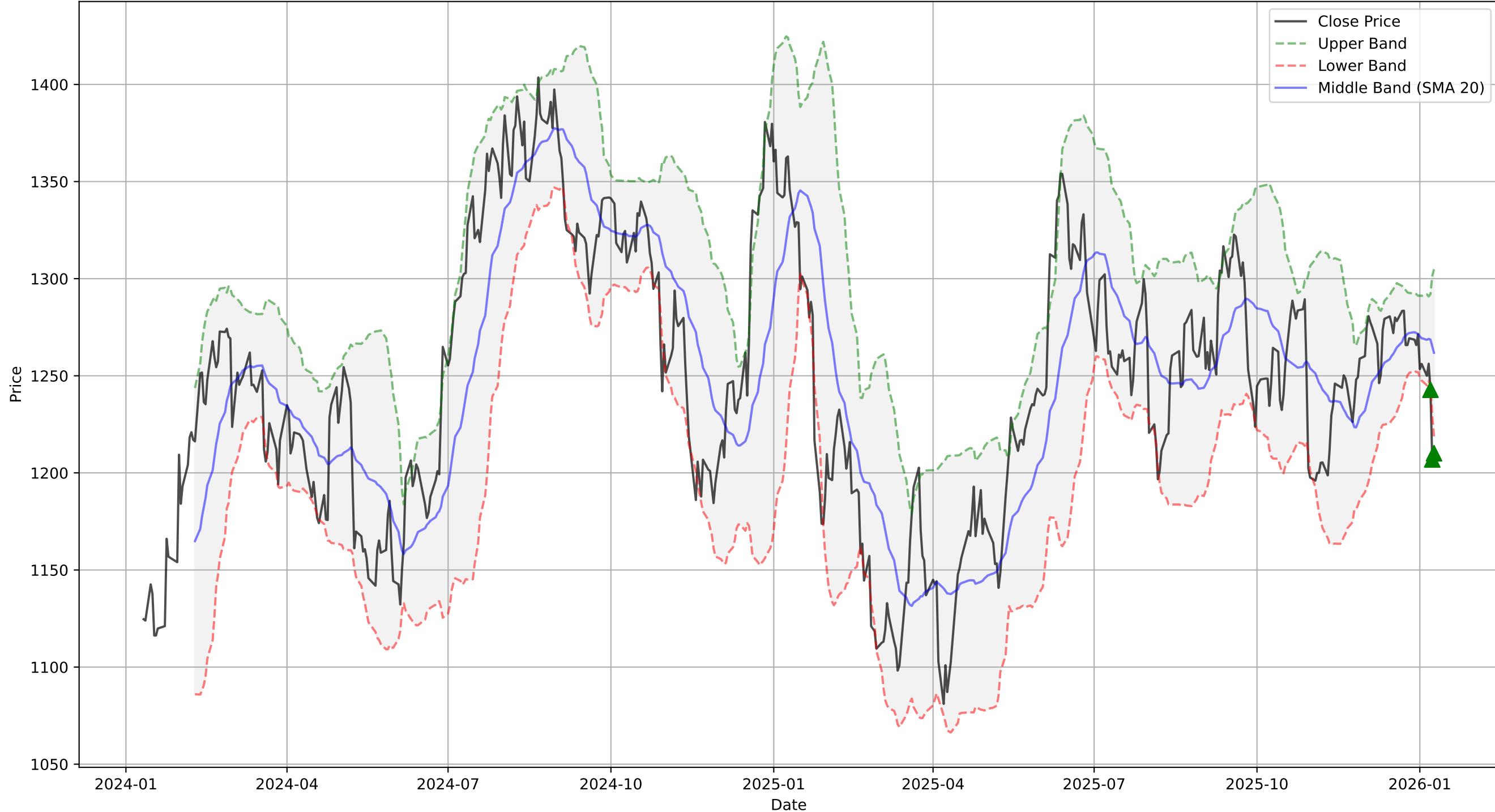
## DRREDDY.NS EMA Crossover Analysis



## **DRREDDY.NS - Bollinger Bands Summary**

<b>Current Price:</b>	1210.10
<b>Upper Band:</b>	1304.85
<b>Middle Band (SMA 20):</b>	1261.84
<b>Lower Band:</b>	1218.83
<b>%B:</b>	-0.1015
<b>Band Width:</b>	0.0682
<b>Status:</b>	Below Lower Band
<b>Signal:</b>	<b>Buy Signal</b>
<b>Recent Signal 1:</b>	<b>Buy Signal at 2026-01-07 00:00:00+05:30</b>
<b>Recent Signal 2:</b>	<b>Buy Signal at 2026-01-08 00:00:00+05:30</b>
<b>Recent Signal 3:</b>	<b>Buy Signal at 2026-01-09 00:00:00+05:30</b>

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



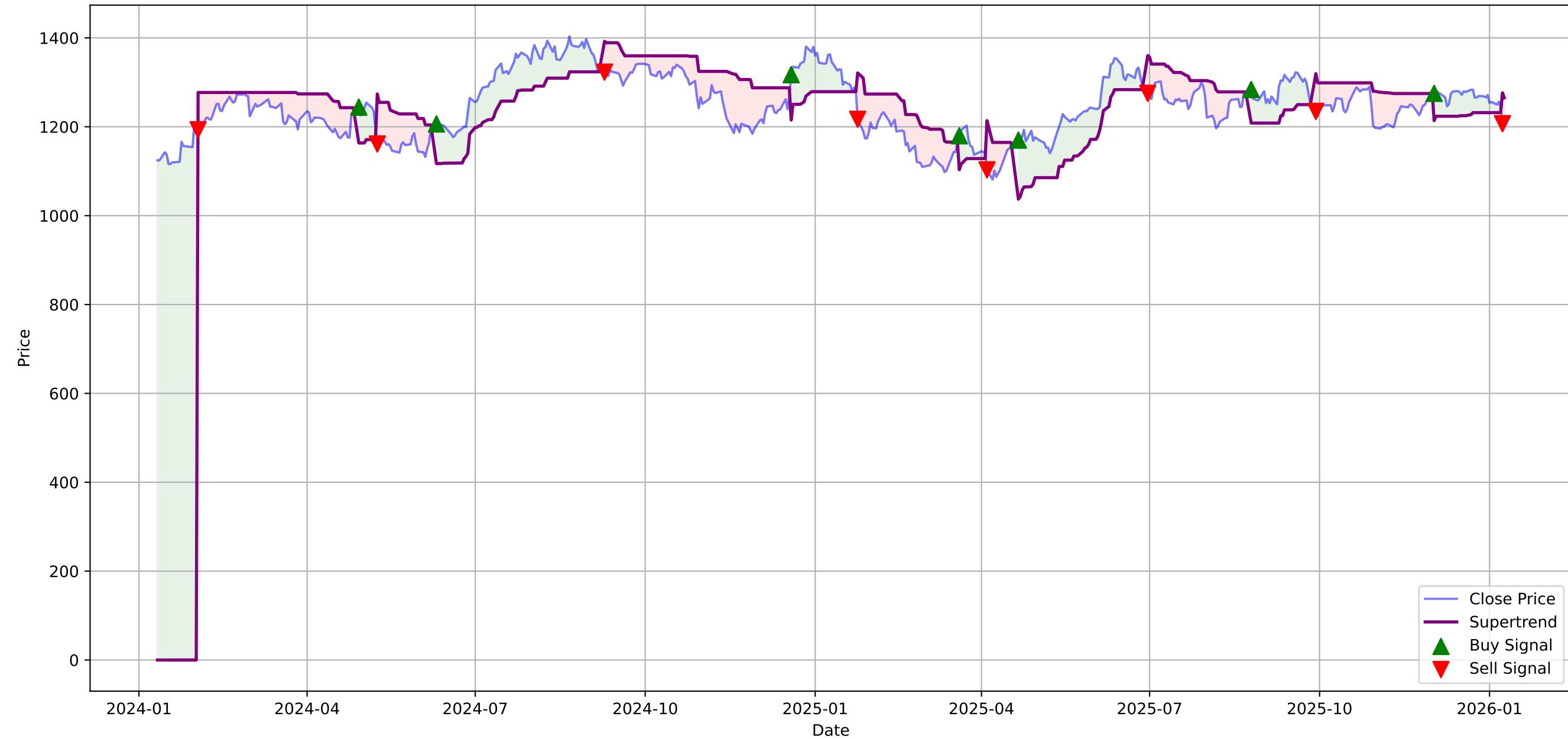
## **DRREDDY.NS - Supertrend Summary**

**Status:** DOWNTREND (Sell)

**Supertrend Value:** 1265.22

**Signal Identified On:** 2026-01-08

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



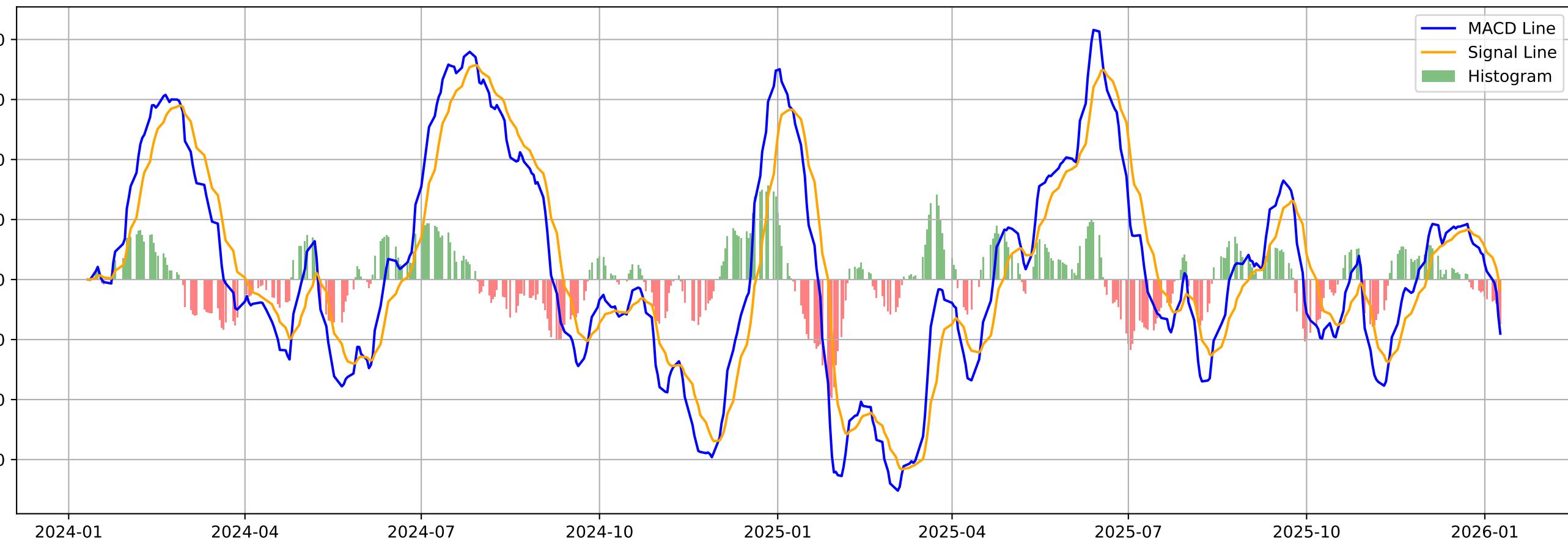
## **DRREDDY.NS - MACD Summary**

<b>MACD Line:</b>	-9.01
<b>Signal Line:</b>	-1.63
<b>Histogram:</b>	-7.38
<b>Trend:</b>	<b>Bearish</b>
<b>Momentum:</b>	<b>Strengthening</b>
<b>Signal:</b>	None

## DRREDDY.NS Price



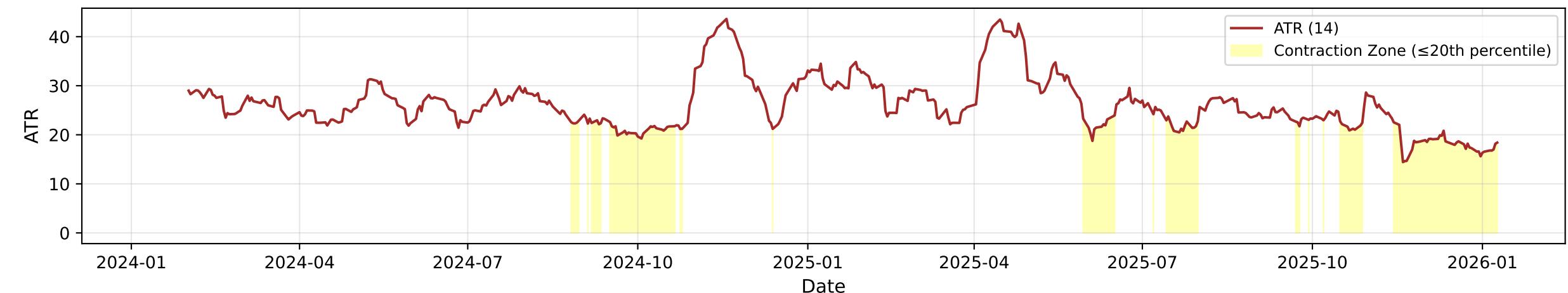
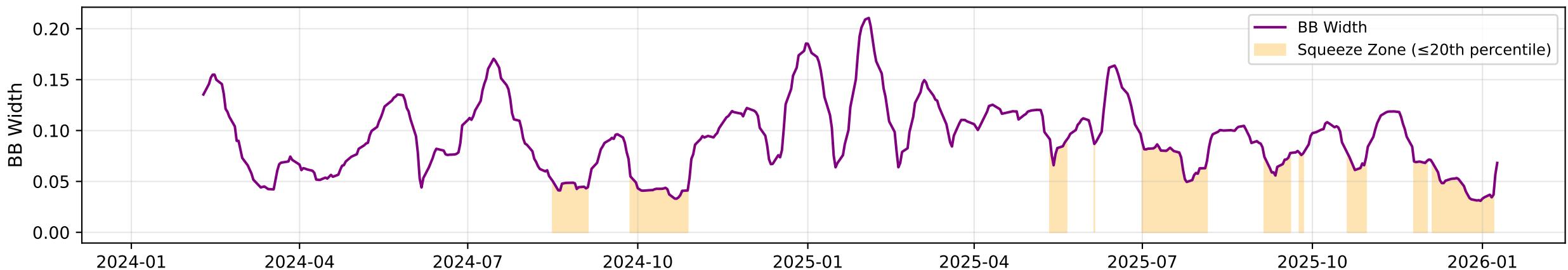
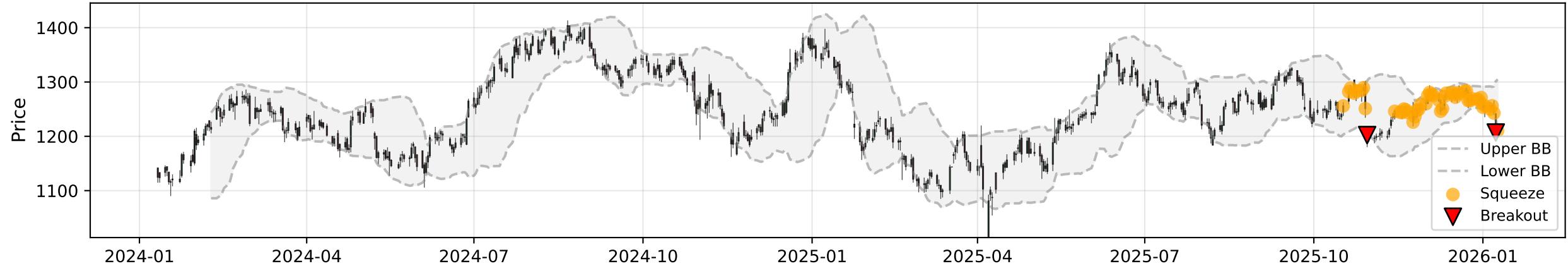
## DRREDDY.NS MACD (12, 26, 9)



## DRREDDY.NS - Volatility Squeeze Summary

<b>BB Width:</b>	0.0682
<b>ATR:</b>	18.4072
<b>Total Signals:</b>	50
<b>Signal 1:</b>	BB Squeeze + ATR Contraction at 2026-01-05 00:00:00+05:30 (Price: 1210.10)
<b>Signal 2:</b>	BB Squeeze + ATR Contraction at 2026-01-06 00:00:00+05:30 (Price: 1210.10)
<b>Signal 3:</b>	BB Squeeze + ATR Contraction at 2026-01-07 00:00:00+05:30 (Price: 1210.10)
<b>Signal 4:</b>	<b>ATR Contraction (Bearish Breakout) at 2026-01-08 00:00:00+05:30 (Price: 1210.10)</b>
<b>Signal 5:</b>	ATR Contraction at 2026-01-09 00:00:00+05:30 (Price: 1210.10)

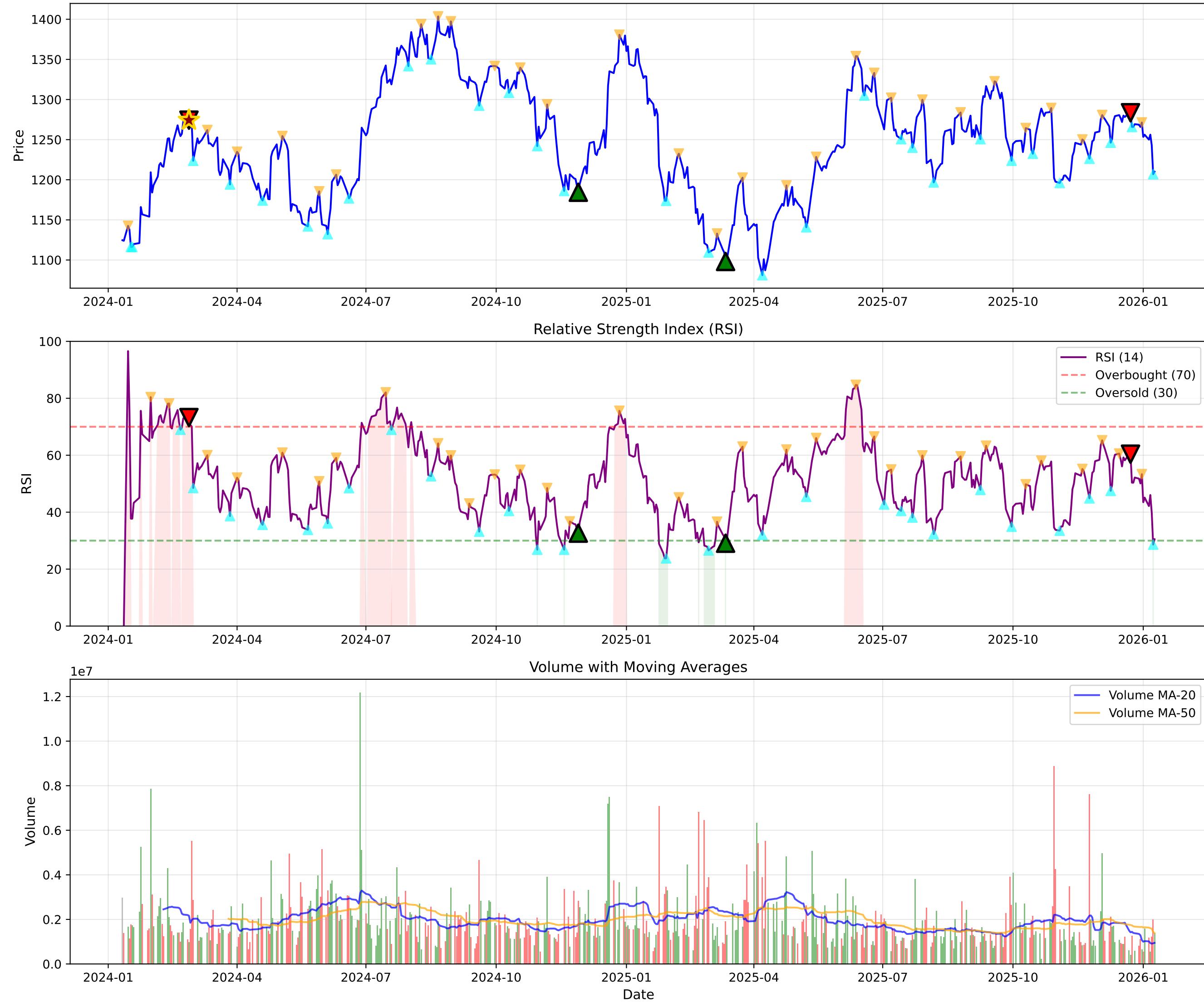
## DRREDDY.NS - Volatility Squeeze Analysis



## **DRREDDY.NS - RSI-Volume Summary**

<b>Current RSI:</b>	30.49
<b>Current Volume:</b>	1390935
<b>Volume MA 20:</b>	947716
<b>Bullish Divergences:</b>	2
<b>Bearish Divergences:</b>	2
<b>Bullish Div 1:</b>	Date: 2024-11-28 00:00:00+05:30, Price: 1184.44
<b>Bullish Div 2:</b>	Date: 2025-03-12 00:00:00+05:30, Price: 1098.19
<b>Bearish Div 1:</b>	Date: 2024-02-27 00:00:00+05:30, Price: 1274.24
<b>Bearish Div 2:</b>	Date: 2025-12-23 00:00:00+05:30, Price: 1283.50

## DRREDDY.NS RSI-Volume Divergence Analysis



## Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	1313.3	1210.1	2025-10-27
1 Day	DOWNTREND (Sell)	1265.22	1210.1	2026-01-08
15 Min	DOWNTREND (Sell)	1216.67	1212.9	2026-01-07

## Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bearish	Strengthening	Bearish Crossover (Sell)
1 Day	Bearish	Strengthening	No Signal
15 Min	Bullish	Strengthening	No Signal

### DRREDDY.NS - 1 Week (Candlestick + EMAs)



### DRREDDY.NS - 1 Day (Candlestick + EMAs)



### DRREDDY.NS - 15 Min (Candlestick + EMAs)



## Trendlyne Snapshot - DRREDDY\_main

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MARKETS / SECTOR: PHARMACEUTICALS & BIOTECHNOLOGY / INDUSTRY: PHARMACEUTICALS / [DR. REDDY'S LABORATORIES LTD.](#)

### Dr. Reddy's Laboratories Ltd.

NSE: DRREDDY | BSE: 500124  
Dr. Reddy's Labs Live Share Price Today, Share Analysis and Chart

■ ■ ■ Mid-range Performer In 3 Starfolio Baskets

**1210.10** 3.20 (0.27%) **1.5M** NSE+BSE Volume  
NSE 09 Jan, 2026 3:31 PM (IST)

ABOUT Founded in 1984, Dr. Reddy's Labs operates research and development centres, manufacturing facilities, and a global commercial presence, serving over half a billion patients worldwide. The company works to accelerate access to affordable and innovative... [Read More](#)

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Durability score **50.0 /100** Valuation Score **42.7 /100** Momentum Score **44.0 /100** Analyst Price Target **1,294** FORECASTER  
Medium Financial Strength Mid Valuation Technically Neutral  
Mid-range Performer These stocks have average quality, financial and technical momentum, indicating a mid range performer [View Similar](#) Embed DVM

12 8  
4 4 SWOT Analysis

**Check Before You Buy** [VIEW FULL CHECKLIST](#)  
High rank 15 Positive \* 8 Negative 65.2% Pass in checklist  
0 45 55 100

**PE Valuation Check**  
Right Now Undervalued 52.9% 1 Year Forward Undervalued 37.8%  
INSIGHT Dr. Reddy's Labs is undervalued at both current PE and future earnings estimates

Dr. Reddy's Labs Key Metrics

ROE Ann. % > 16.8 Broker Average Target > 5.93% upside 1,281.89 Market Capitalization > High in Industry 100,998.6 Price to Book > Above Industry Median

DVM  
Key Metrics  
Price Chart  
Forecaster  
Financials  
Technicals  
Shareholding  
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Company Profile X

## Trendlyne Snapshot - DRREDDY\_forecaster

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**Dr. Reddy's Laboratories Ltd. [ⓘ](#)**

NSE: DRREDDY | BSE: 500124

Mid-range Performer [ⓘ](#) In 3 Starfolio Baskets

**1210.10 3.20 (0.27%)** **1.5M NSE+BSE Volume** **NSE 09 Jan, 2026 3:31 PM (IST)**

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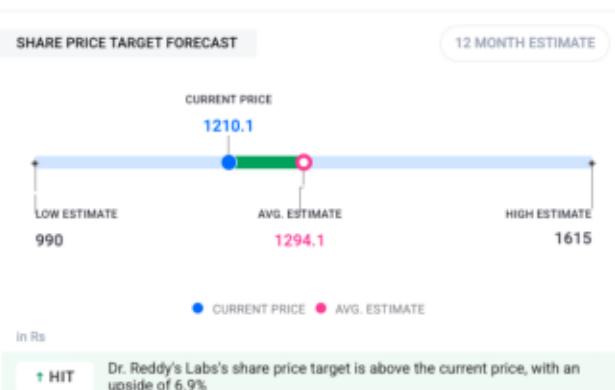
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### Dr. Reddy's Labs - DRREDDY - stock price prediction, stock forecast, target price, analyst ratings from 39 analysts

Dr. Reddy's Labs has a share price target of Rs 1294, revenue growth forecast of 5.1%, and profit growth estimate of -8.3% for FY26, based on top 39 analyst calls.

### Dr. Reddy's Labs FORECASTER - Analyst Estimates [ⓘ](#)

FORECASTER DASHBOARD [→](#)



CONSENSUS RECOMMENDATION

39 ANALYST Recommendations

Rating	Count	Aug '25	Sep '25	Oct '25	Nov '25	Dec '25	Jan '26
STRONG BUY	10	3	10	9	7	9	7
BUY	9	3	11	9	7	9	7
HOLD	9	4	11	8	7	8	7
SELL	9	4	11	8	7	8	7
STRONG SELL	9	4	11	8	7	8	7

The consensus recommendation from 39 analysts for Dr. Reddy's Labs is HOLD

Legend: ● STRONG BUY ● BUY ● HOLD ● SELL ● STRONG SELL