

Stock Analysis Report

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Strategic Trading Analysis

Based on the detailed analysis report for **DIVISLAB.NS** (generated 2026-02-14), here is the assessment:

Step 1: Audit the Data

- **Data Present:**
 - **Price Action:** Daily and Weekly candlesticks (up to Feb 2026).
 - **Trend Indicators:** SMA/EMA (20, 50, 200), Supertrend, MACD, Bollinger Bands.
 - **Momentum/Oscillators:** RSI, Relative Strength (RS) vs Benchmark.
 - **Volume Analysis:** Volume moving averages, Distribution/Accumulation days.
 - **Fundamentals:** Revenue, Net Income, ROE trend snapshots.
 - **Analyst Estimates:** Trendlyne forecaster data.
- **Data Missing:**
 - Specific Option Chain data (Open Interest analysis) to confirm resistance levels, though the technical chart proxies this well.
- **Confidence Level: High.** The report provides a multi-dimensional view (Trend, Momentum, Volatility, and Fundamentals), allowing for a high-conviction technical assessment.

Step 2: Analyze the Setup

Trend Structure (**Bearish** to **Neutral**):

- **Price vs EMAs:** The stock is currently trading at **INR 6168.50**, which is **below** the 20 EMA (6179), 50 EMA (6262), and crucially, the **200 EMA (6219)**. Closing below the 200 EMA is a significant red flag for a positional long trade.
- **Supertrend:** The daily Supertrend is currently in a **DOWNTREND (Sell)** state with resistance at 6392.50.
- **Multi-Timeframe:** The weekly timeframe indicates a downtrend, while the daily shows a "No Control" consolidation phase.

Momentum & Strength:

- **Relative Strength:** The RS Score is 49.2 (Neutral) and the stock is underperforming the Pharma index (^CNXPHARMA). It is not a market leader.
- **MACD:** There is a slight bullish divergence (Histogram positive), but the MACD line is still deep in negative territory (-34.58), suggesting a relief rally rather than a trend reversal.
- **RSI:** At 48.68, RSI is in "no man's land"-neither oversold to justify a bounce nor overbought to show strength.

Volume & Volatility:

- **Distribution:** The volume analysis flags recent "Distribution Days" (Dec 29, Dec 30, Jan 14, Jan 23), indicating institutional selling into strength.
- **Squeeze:** A volatility squeeze is detected, but given the price is below the 200 EMA, downside expansion is a significant risk.

Confluence: The setup currently lacks confluence for a "Long" entry. The price is trapped beneath a heavy cluster of resistance (EMAs 20, 50, 200 and the Supertrend resistance) ranging from 6179 to 6400.

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Step 3: Formulate the Recommendation

Recommendation: NO (Do Not Enter Now)

The stock is currently a "falling knife" or, at best, a weak consolidation below major resistance. Entering now exposes you to the risk of rejection at the 6200-6250 zone (200 EMA & 50 EMA).

Conditional Plan (Watchlist for Reversal): You should only consider entering if the stock proves it has absorbed the supply and reclaimed the structural uptrend.

- **Condition to Buy:** The price must reclaim the **Daily Supertrend** and the **50 EMA**. Wait for a **Daily Close** above the resistance cluster.
- **Entry Price: INR 6,415** (This clears the Supertrend value of 6392 and the psychological 6400 level).
- **Stop Loss: INR 6,150** (Just below the 20 EMA and current consolidation zone; if it falls back below here, the breakout failed).
- **Take Profit: INR 6,950 - INR 7,000** (Testing the previous swing highs and upper Bollinger Band extensions).

Risk/Reward Ratio for Conditional Trade: ~1:2.2

Candlestick Classification Analysis

Based on the **Candlestick Classification Analysis** found on **Page 20 (Summary)** and **Page 21 (Chart)** of the report, here is my professional assessment of the price action for **DIVISLAB.NS**.

1. Current Market State: "Indecision in a Downtrend"

- **Latest Classification: No Control (0)**
- **10-Day Trend Score: -0.20 (Weak Bearish Bias)**

Interpretation of the "No Control" Signal: According to the classification logic provided, a "No Control" signal signifies that the most recent trading session ended with a **Body Size < 0.5 ATR** (Step 1 of the algorithm) or possessed **conflicting long wicks** (Step 3).

This indicates a **drying up of conviction**. Neither the bulls nor the bears could push the Close position significantly away from the Open. In the context of the classification algorithm: * **Volume:** Likely **< 0.8x average** (Step 4), failing to trigger the volume multiplier that would otherwise upgrade a weak move into a "Control" signal. * **Psychology:** The market is taking a "breather." After recent movements, participants are hesitant to commit to a direction overnight.

2. Trend Analysis (The 10-Day Score)

The **10-day average score of -0.20** is a critical piece of data. * A score of 0 would be perfectly neutral. * A negative score indicates that over the last two weeks, **Sellers (Red/Dark Red candles)** have had a slight

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statistical edge over Buyers.* Visually looking at Page 21, the recent candles show a prevalence of **Seller Control (-1)** (Red) and **No Control (0)** (Grey/Black) candles, with very few **Buyer Strong Control (+2)** (Dark Green) candles.

This suggests that while we aren't in a panic sell-off (which would show a score closer to -1.5 or -2.0), the stock is experiencing a **slow bleed**. Every time buyers attempt to lift the price, they lack the volume/conviction (Step 4) to sustain it, resulting in wicks or immediate reversals.

3. Visual Chart Analysis (Page 21)

Looking at the far right of the chart:* The stock has clearly rolled over from its highs (near 7000).* The candles have transitioned from a mix of Green/Red to predominantly Red/Grey.* The **"No Control"** candle at the very end of the chart appears at a local low.

The Price Action Logic:In a downtrend, a "No Control" candle usually represents a **Bearish Flag** or a **Continuation Pattern** rather than a reversal. A true reversal requires a "Buyer Strong Control (+2)" candle-one with a Large Body (>1.5 ATR), closing near the high, with High Volume (>1.3x). We do not see that here.

4. Prediction: **Bearish** Continuation

Direction: DOWN / SIDEWAYS-TO-DOWN

Reasoning:1. **Momentum is Negative:** The 10-day score (-0.20) shows the path of least resistance is down.2. **Lack of Buy Signal:** The algorithm has not detected a "Buyer Control" (+1) or "Buyer Strong Control" (+2) recently enough to shift the trend score positive.3. **The "No Control" Trap:** Traders often mistake "No Control" (Doji/Spinning Top) for a bottom. However, without a subsequent high-volume bullish confirmation, these candles simply indicate that buyers absorbed the *current* selling pressure but lacked the strength to push price higher. Once that passive buying is exhausted, sellers usually re-assert control.

Trade Scenario:* **Bearish Confirmation:** If the price breaks the low of the specific "No Control" candle, the downtrend will likely accelerate as the "No Control" classification shifts back to **Seller Control (-1)**.*

Invalidation: The bearish view is only invalidated if we see a **Buyer Strong Control (+2)** candle in the next 1-2 sessions (High volume, Close near High).

Verdict: The price is likely to **drift lower** toward the next support level. The "No Control" signal implies a temporary pause, but the underlying -0.20 trend score suggests the bears are still steering the ship.

News & Analyst Targets

As of February 14, 2026, the latest updates for Divi's Laboratories (DIVISLAB) primarily revolve around its Q3 FY26 earnings release, which has triggered mixed reactions from the market and brokerage community.

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1) Latest News for DIVISLAB This Week

- **Q3 FY26 Earnings Release:** On February 11, 2026, Divi's Laboratories reported its financial results for the quarter ending December 31, 2025.
 - **Revenue:** grew by ~12% YoY to **INR 2,692 crore** (vs INR 2,401 crore last year).
 - **Net Profit:** declined marginally by ~1% YoY to **INR 583 crore** (vs INR 589 crore last year).
 - **EBITDA Margin:** Improved to **34.2%** (from 32% YoY), showing strong operational efficiency.
- **One-Time Impact:** The profit was impacted by a one-time exceptional loss of **INR 74 crore** due to the implementation of new labor codes. Without this, the profit would have been higher.
- **Stock Price Reaction:** The stock witnessed volatility, initially rising but then falling **3-4%** post-results as the reported profit missed some market estimates, despite the revenue growth and margin expansion.
- **Management Commentary:** Management remains optimistic about growth drivers, specifically citing opportunities in the **GLP-1 (weight loss drug)** segment and capacity expansion in **contrast media** agents.

2) Upgrades & Downgrades from Brokerages

Brokerage views are mixed, with a split between those focusing on the strong "China+1" opportunity and those concerned about rich valuations.

- **Systematix:** **Upgraded** the stock to **HOLD** (from a lower rating) with a target of **INR 6,564**, citing that the performance was largely in line with expectations.
- **Jefferies:** Maintained a bullish stance and **raised** its target price, highlighting the company's strong positioning in the Custom Synthesis (CS) segment.
- **Morgan Stanley:** Reportedly **reduced** its target price slightly, citing a subdued environment in the Generics business.
- **Elara Capital:** Reiterated a **SELL** rating, expressing concern over elevated valuations despite the growth narrative.

3) Other Impacting News

- **GLP-1 Opportunity (Indirect):** The rapid global rise of GLP-1 agonists (drugs for diabetes and obesity like Ozempic/Wegovy) continues to be a major indirect news driver. Analysts see Divi's as a key beneficiary for supplying peptides and intermediates for these drugs.
- **Regulatory Changes:** The "one-time labor cost" charge taken this quarter signals compliance with new labor laws, which is a regulatory headwind that has now been accounted for.
- **Sector Trends:** The "China+1" strategy remains a central theme, with brokerages like Motilal Oswal noting that Divi's is strengthening relationships with innovators, which insulates it somewhat from generic pricing pressures.

4) Latest Analyst Targets (Post-Q3 FY26 Results)

Brokerage Firm	Rating	Target Price (INR)	Sentiment
Citi	Buy	9,140	Bullish
Jefferies	Buy	8,100	Bullish
HSBC	Buy	7,800	Bullish
HDFC Securities	Buy	7,630	Bullish
JPMorgan	Buy	7,300	Bullish
Motilal Oswal	Neutral / Hold	6,925	Neutral
Systematix	Hold	6,564	Neutral
Axis Capital	Sell	6,660	Bearish
Kotak Institutional	Sell	5,500	Bearish

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Brokerage Firm	Rating	Target Price (INR)	Sentiment
Elara Capital	Sell	4,486	Bearish

Note: Targets are sourced from reports released around the earnings announcement on Feb 11-13, 2026.

"Sentiment" is an inferred summary of the rating.

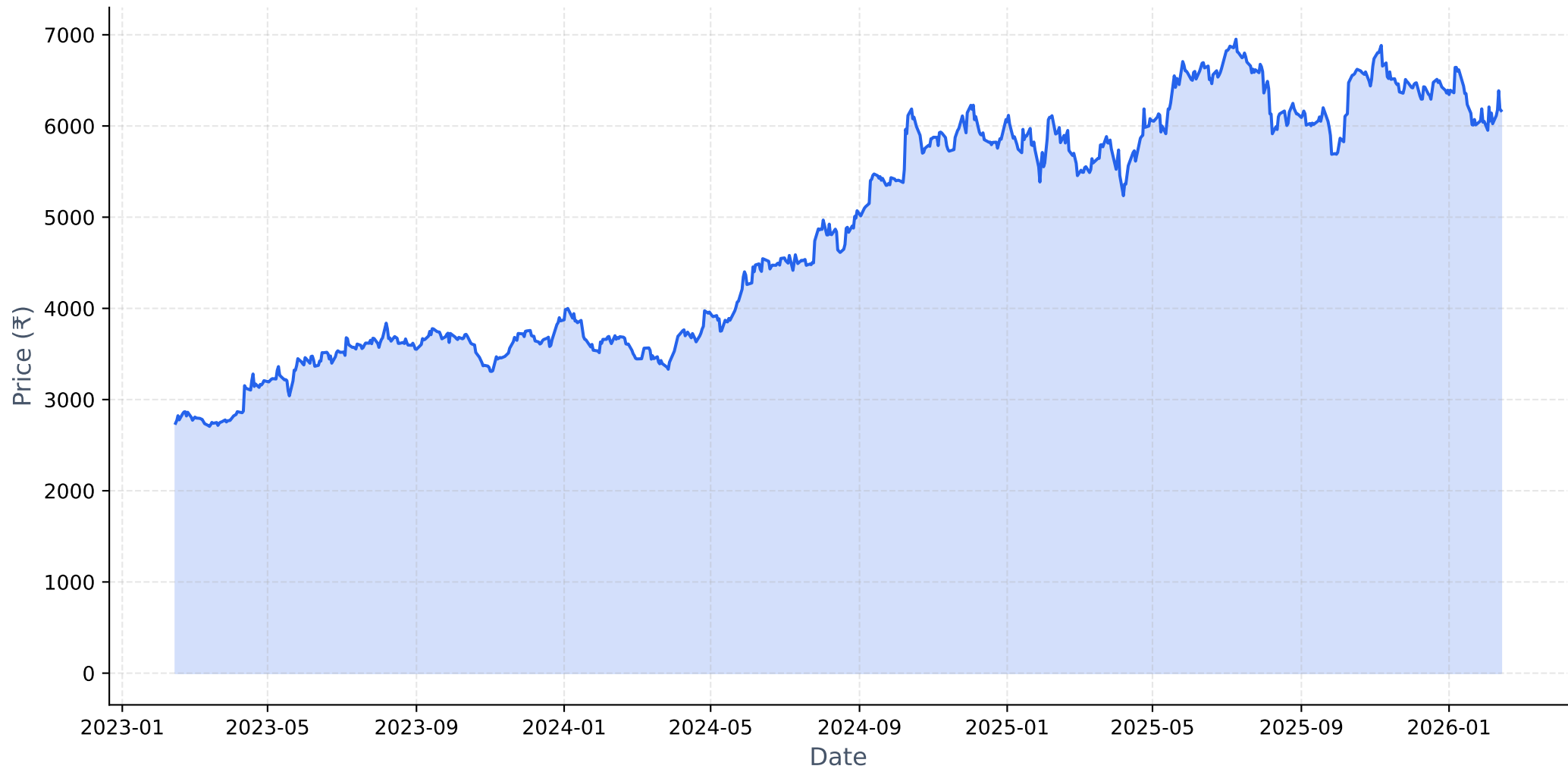
Stock Detailed Analysis Report

DIVISLAB.NS

Current Price: ₹6168.50

Generated: 2026-02-14 10:11

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	8.05%	2.93%
Net Income	Yes	6.97%	4.30%
ROE	Yes	18.95%	18.95%
EPS	Yes	7.27%	13.81%

DIVISLAB.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index: ^CNXPHARMA

Sector: Pharma

Classification: **Neutral**

RS Score: 49.2/100

:

== RS RATIOS ==:

1M RS: **0.987 [Neutral]**

3M RS: **0.964 [Neutral]**

6M RS: **0.998 [Neutral]**

1Y RS: **0.992 [Neutral]**

:

== TURNAROUND ANALYSIS ==:

Turnaround Status: **Not Detected**

:

SIGNAL CRITERIA::

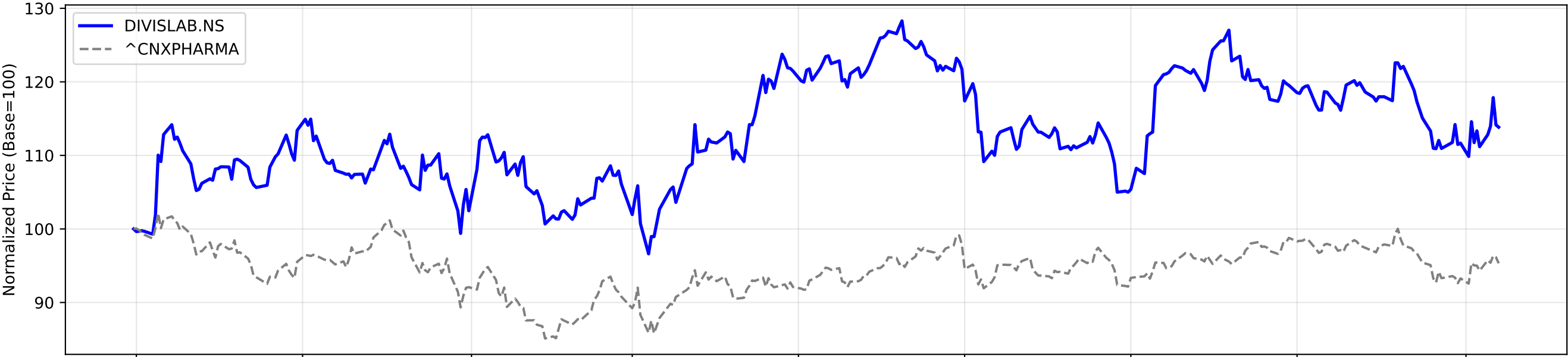
✓ **Emerging RS:** 1M (0.987) > 3M (0.964)

✓ **Medium-term Lagging:** 6M=0.998, 1Y=0.992 (≤ 1.0)

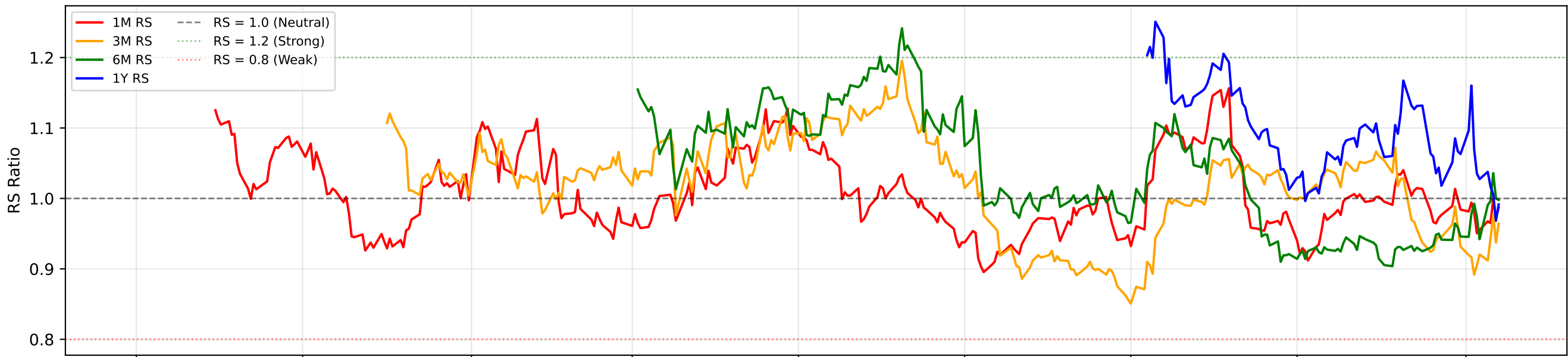
✗ **Performance Improving:** **Not improving**

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

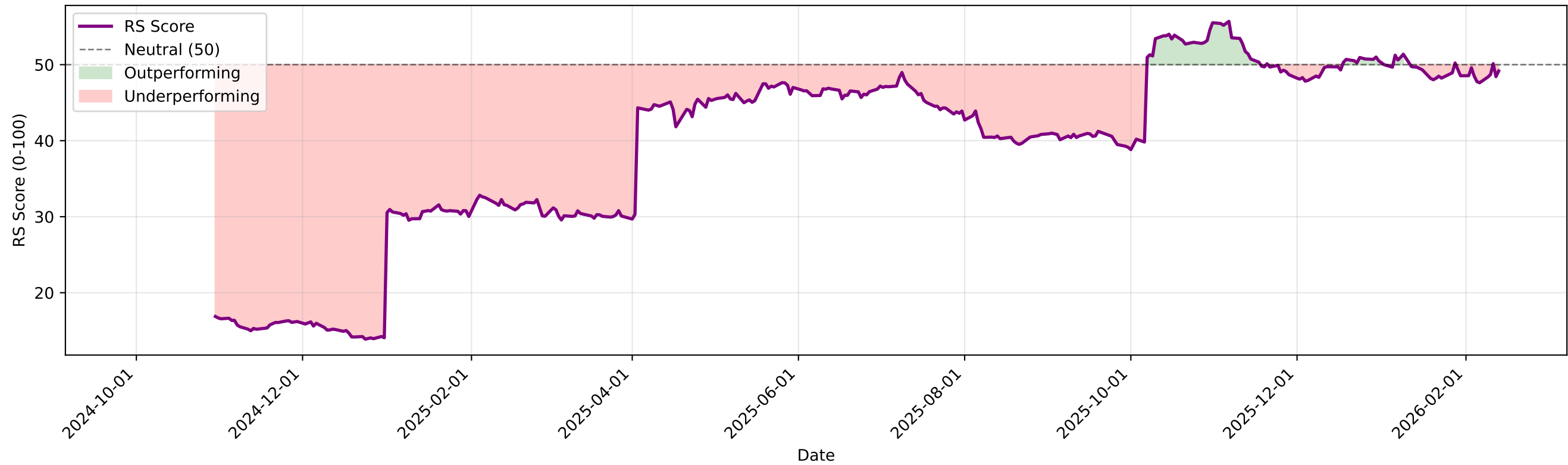
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



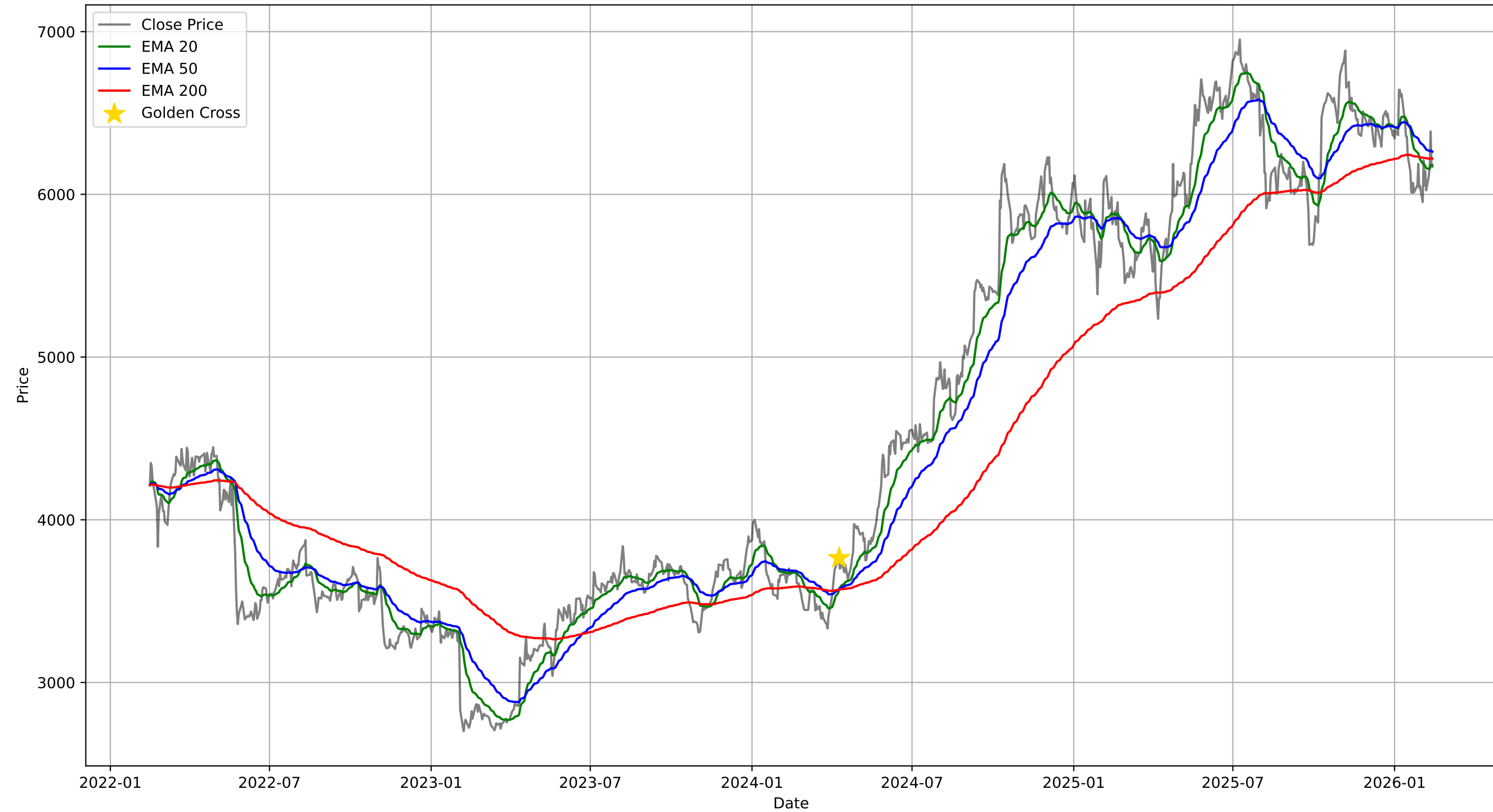
RS Composite Score Timeline



DIVISLAB.NS - EMA Crossover Summary

EMA 20:	6179.02
EMA 50:	6262.49
EMA 200:	6219.78
Trend Status:	Short-term Downtrend
Golden Cross Date:	2024-04-09 00:00:00+05:30
Golden Cross Price:	3764.60

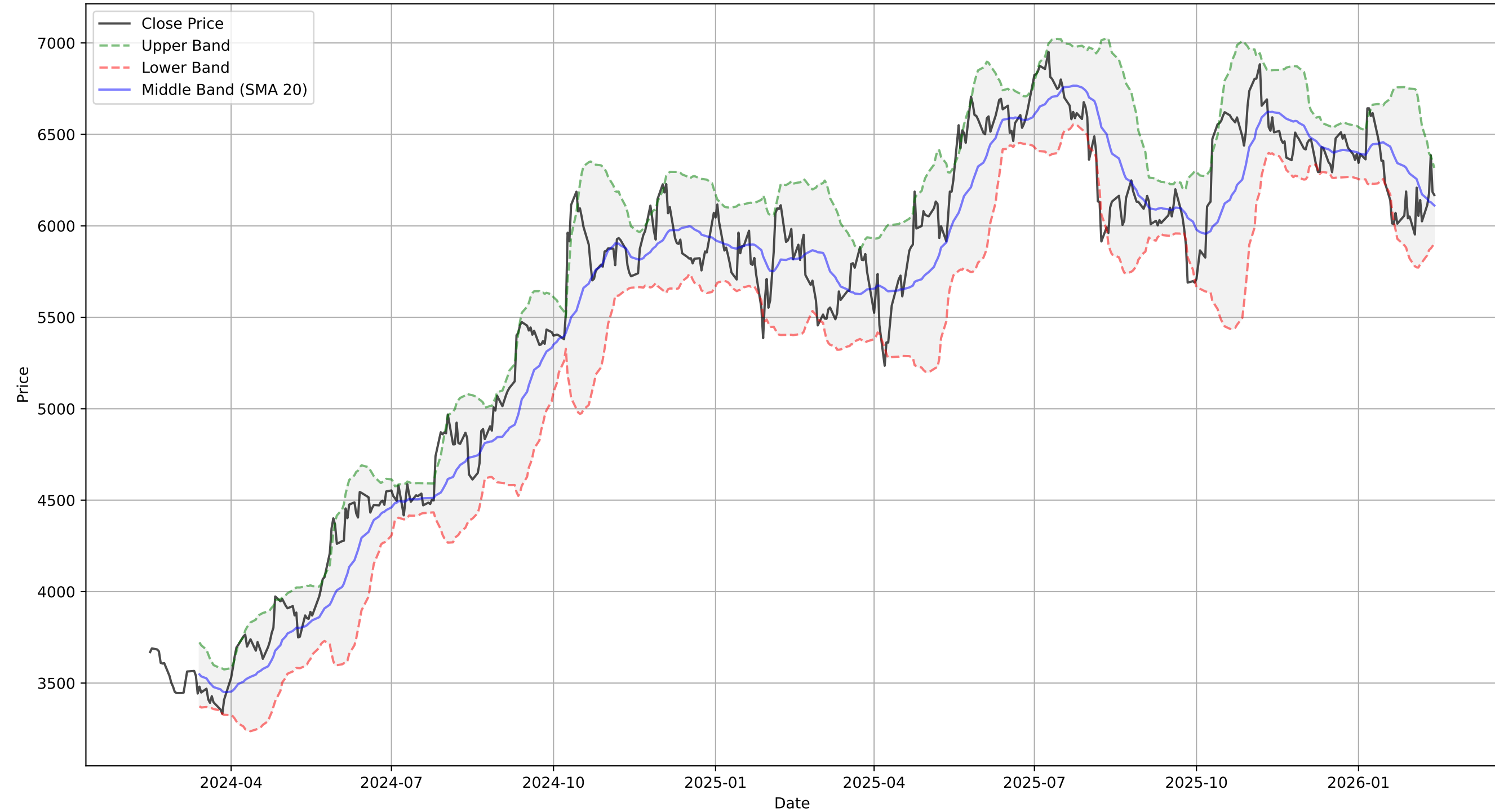
DIVISLAB.NS EMA Crossover Analysis



DIVISLAB.NS - Bollinger Bands Summary

Current Price:	6168.50
Upper Band:	6316.83
Middle Band (SMA 20):	6111.43
Lower Band:	5906.02
%B:	0.6389
Band Width:	0.0672
Status:	Upper Half
Signal:	None

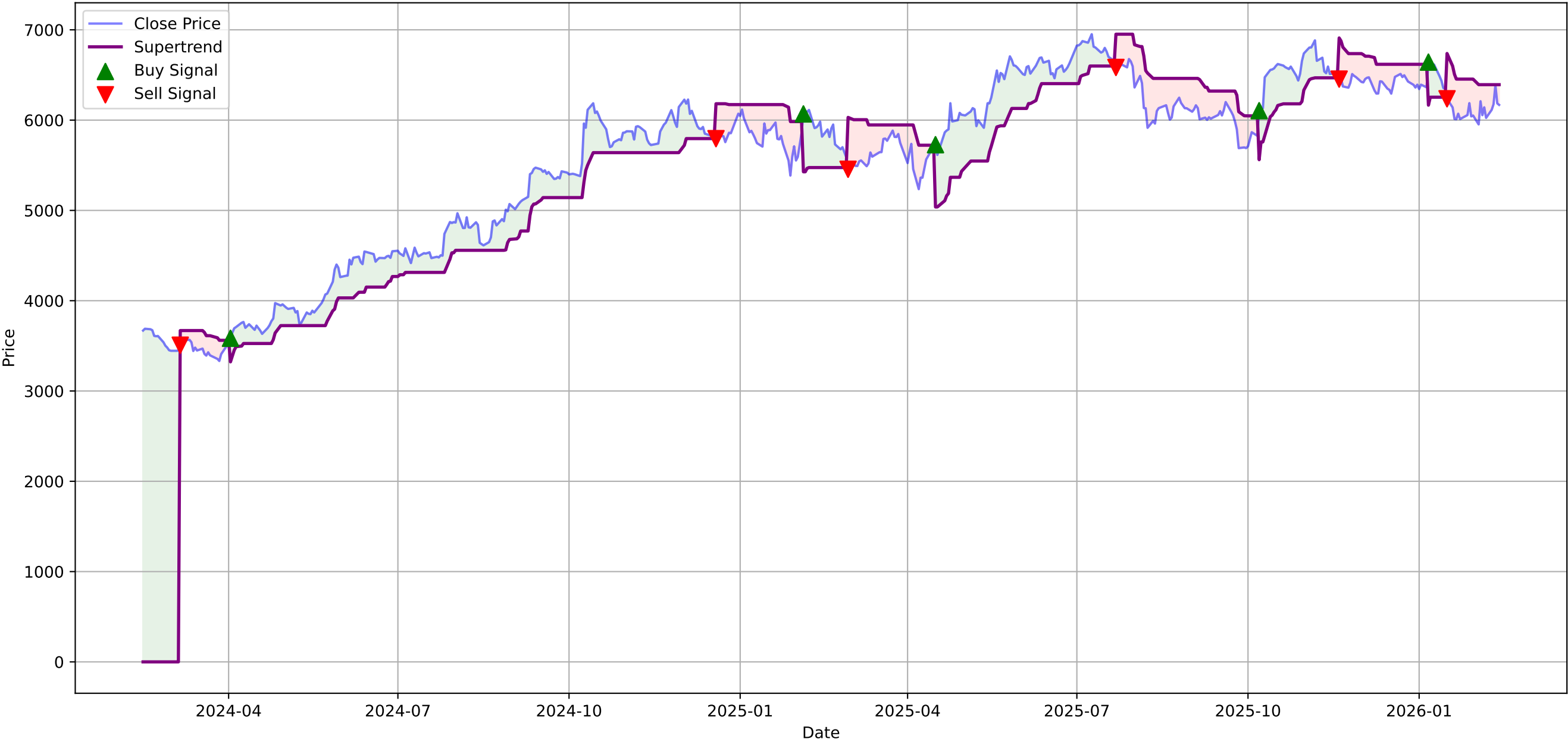
DIVISLAB.NS Bollinger Bands (20, 2) Analysis



DIVISLAB.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	6392.50
Signal Identified On:	2026-01-16

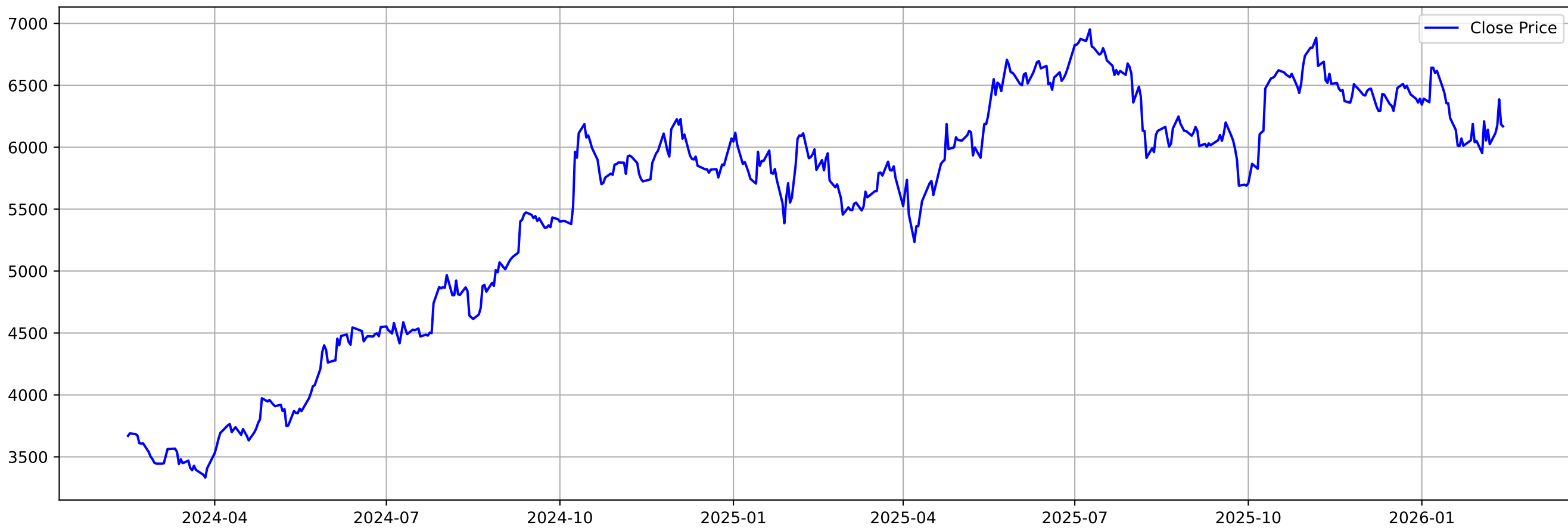
Supertrend Analysis for DIVISLAB.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



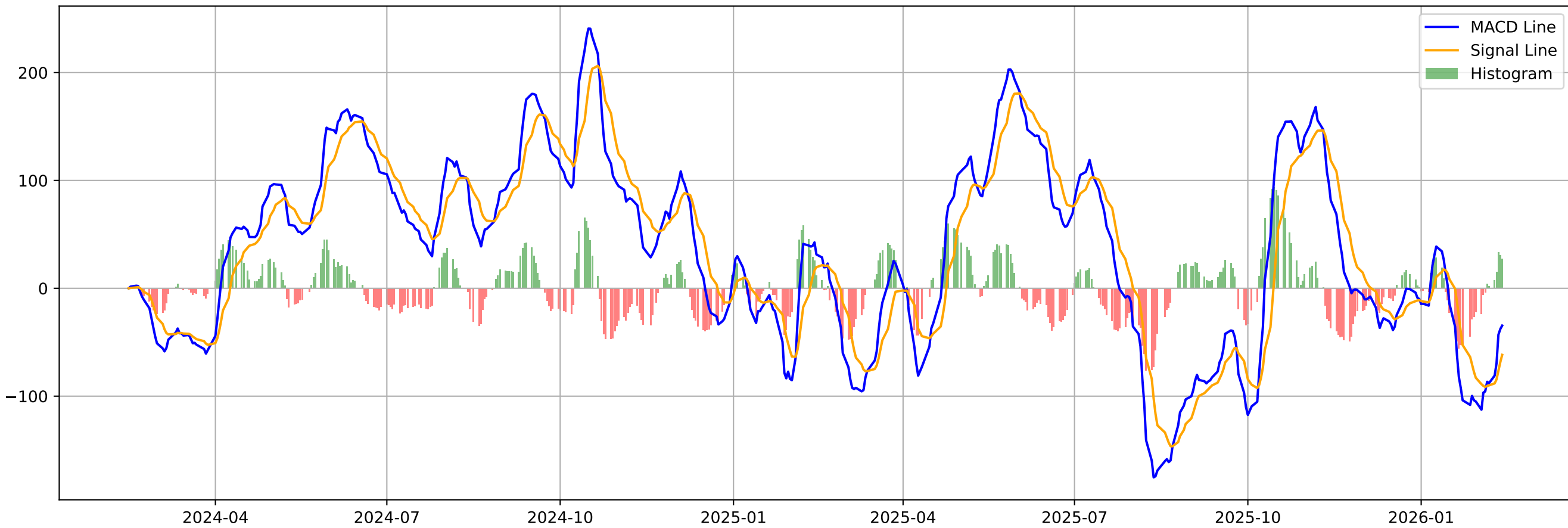
DIVISLAB.NS - MACD Summary

MACD Line:	-34.58
Signal Line:	-61.71
Histogram:	27.13
Trend:	Bullish
Momentum:	Weakening
Signal:	None

DIVISLAB.NS Price



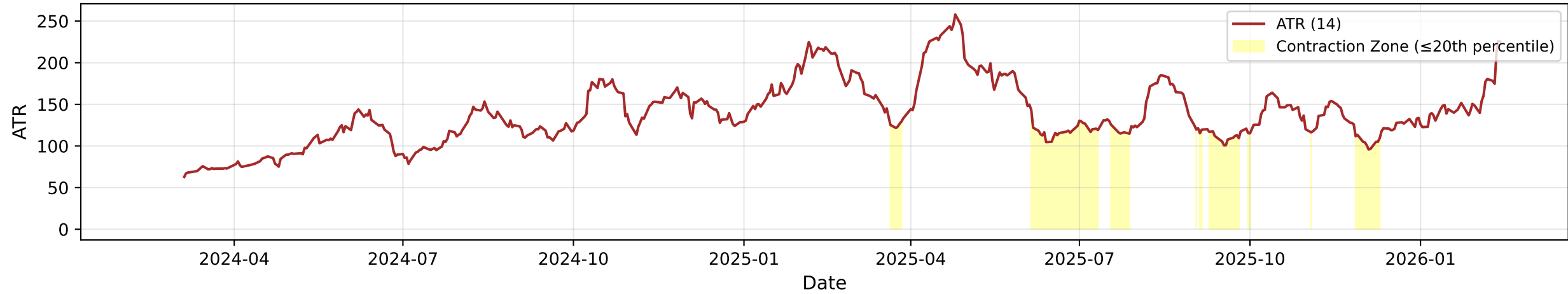
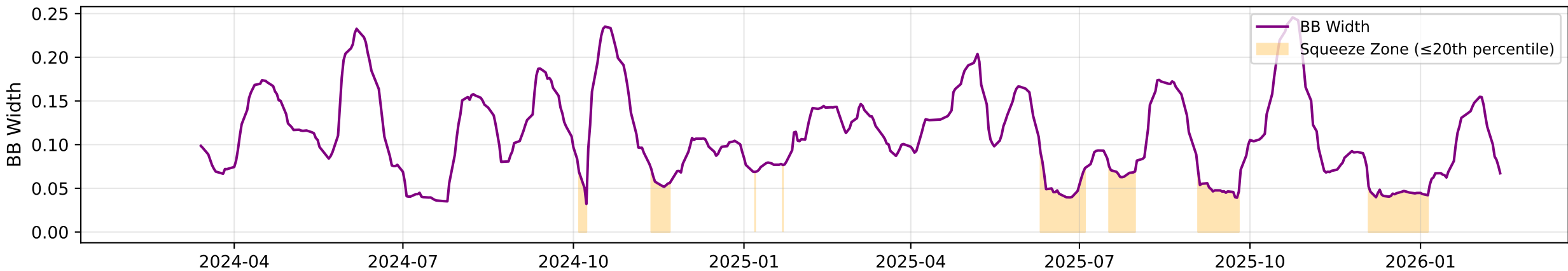
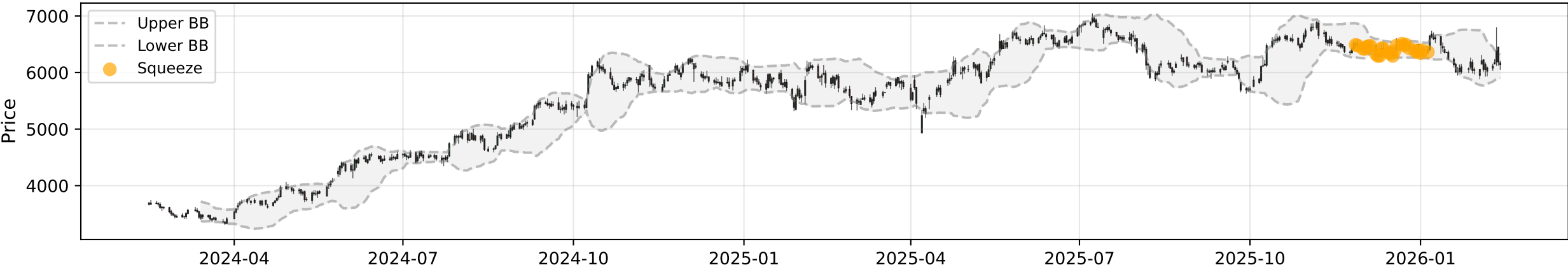
DIVISLAB.NS MACD (12, 26, 9)



DIVISLAB.NS - Volatility Squeeze Summary

BB Width:	0.0672
ATR:	225.3214
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)

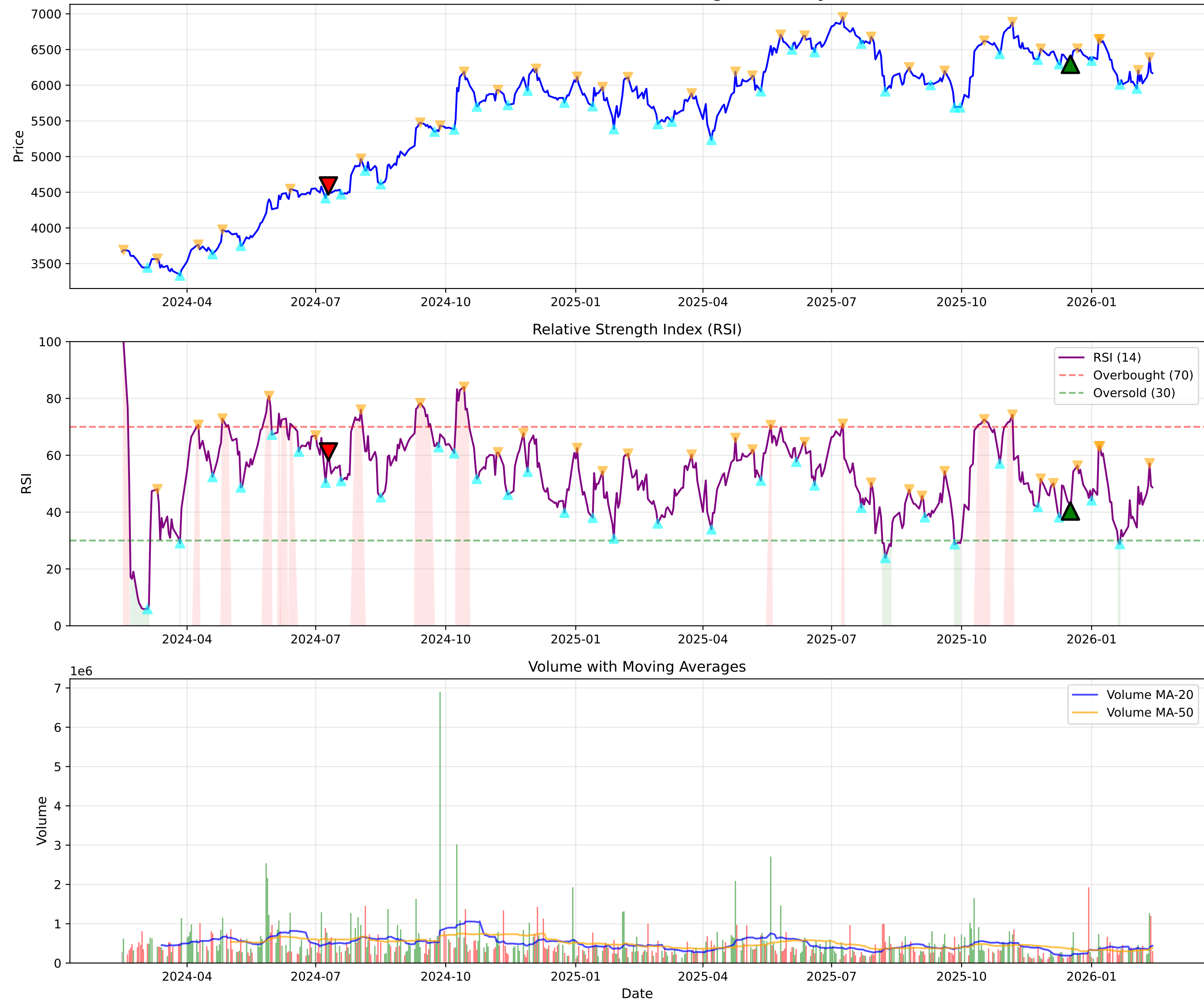
DIVISLAB.NS - Volatility Squeeze Analysis



DIVISLAB.NS - RSI-Volume Summary

Current RSI:	48.68
Current Volume:	299364
Volume MA 20:	439289
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:

30 Signals Detected

:

2025-12-29 [-]:

Distribution Day

2025-12-30 [-]:

Distribution Day

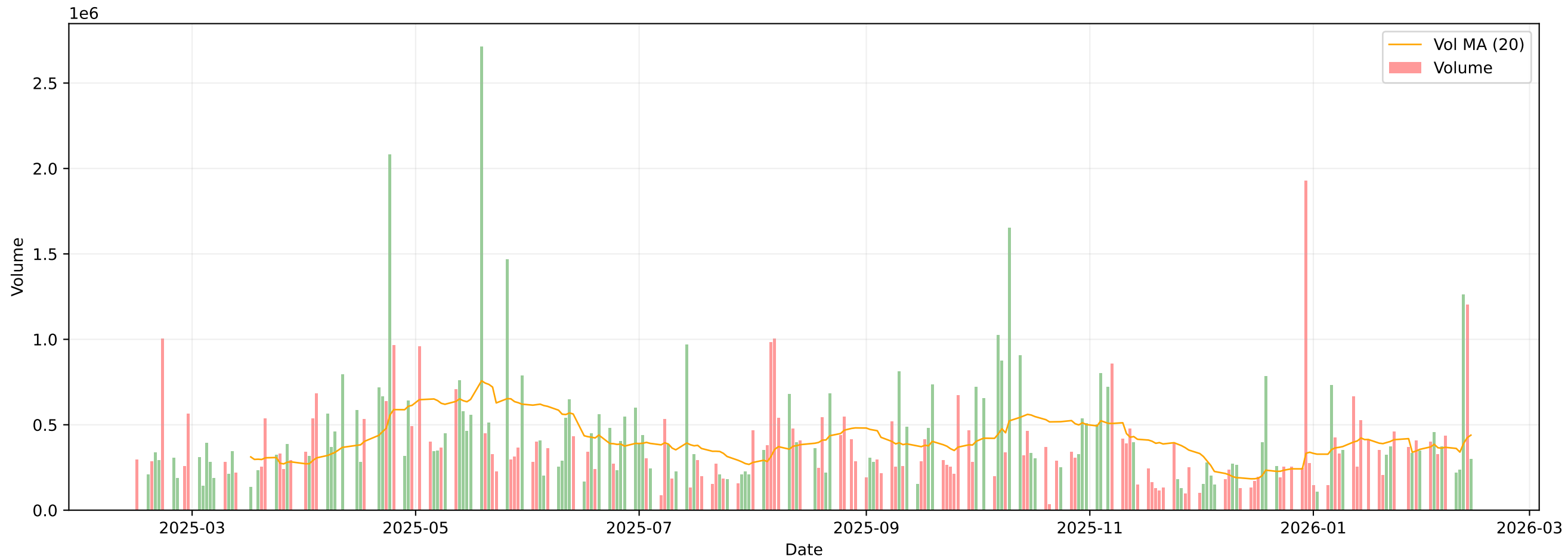
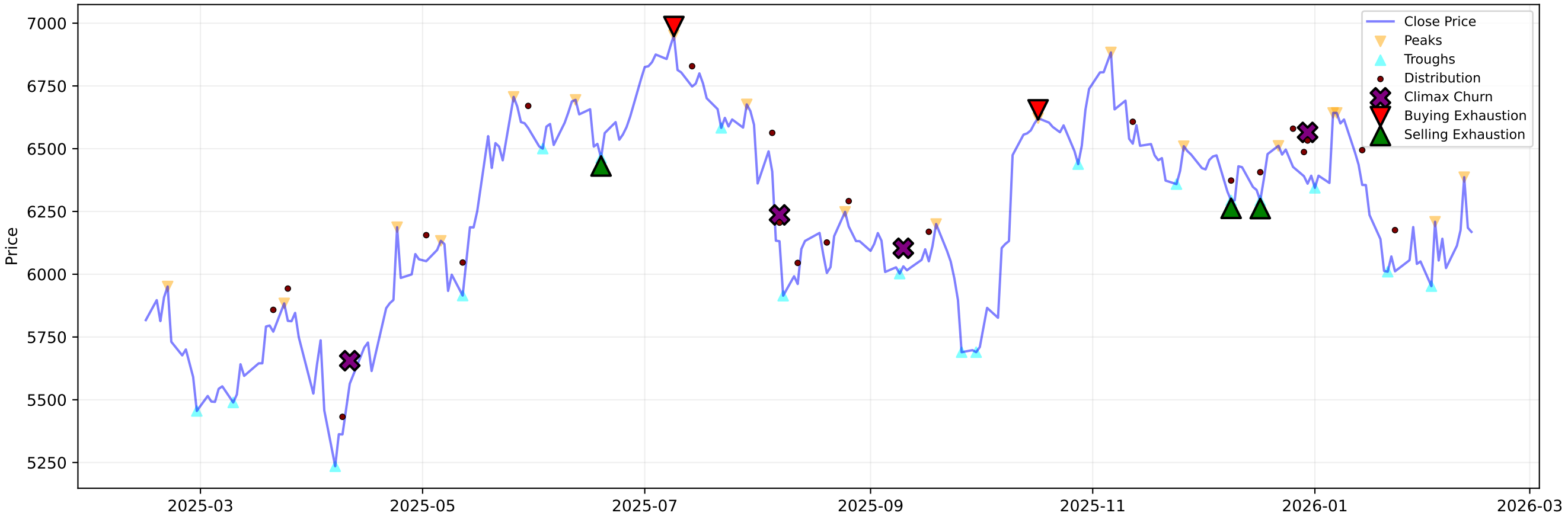
2026-01-14 [-]:

Distribution Day

2026-01-23 [-]:

Distribution Day

DIVISLAB.NS - Volume Analysis



DIVISLAB.NS - Candlestick Classification Summary

== CANDLESTICK CLASSIFICATION ==:

Latest Classification: **No Control**

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

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Distribution:

No Control: 111

Seller Control: 56

Buyer Control: 53

Seller Strong Control: 4

Buyer Strong Control: 4

DIVISLAB.NS - Candlestick Classification



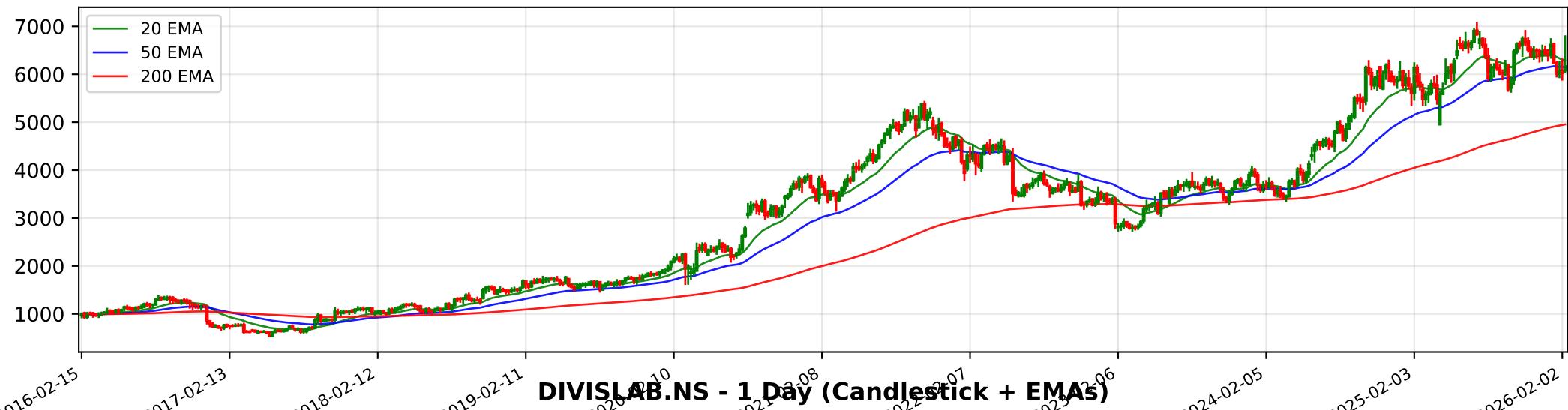
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	6695.25	6168.5	2026-01-19
1 Day	DOWNTREND (Sell)	6392.5	6168.5	2026-01-16
15 Min	DOWNTREND (Sell)	6194.57	6168.5	2026-02-12

Multi-Timeframe MACD Analysis

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

DIVISLAB.NS - 1 Week (Candlestick + EMAs)



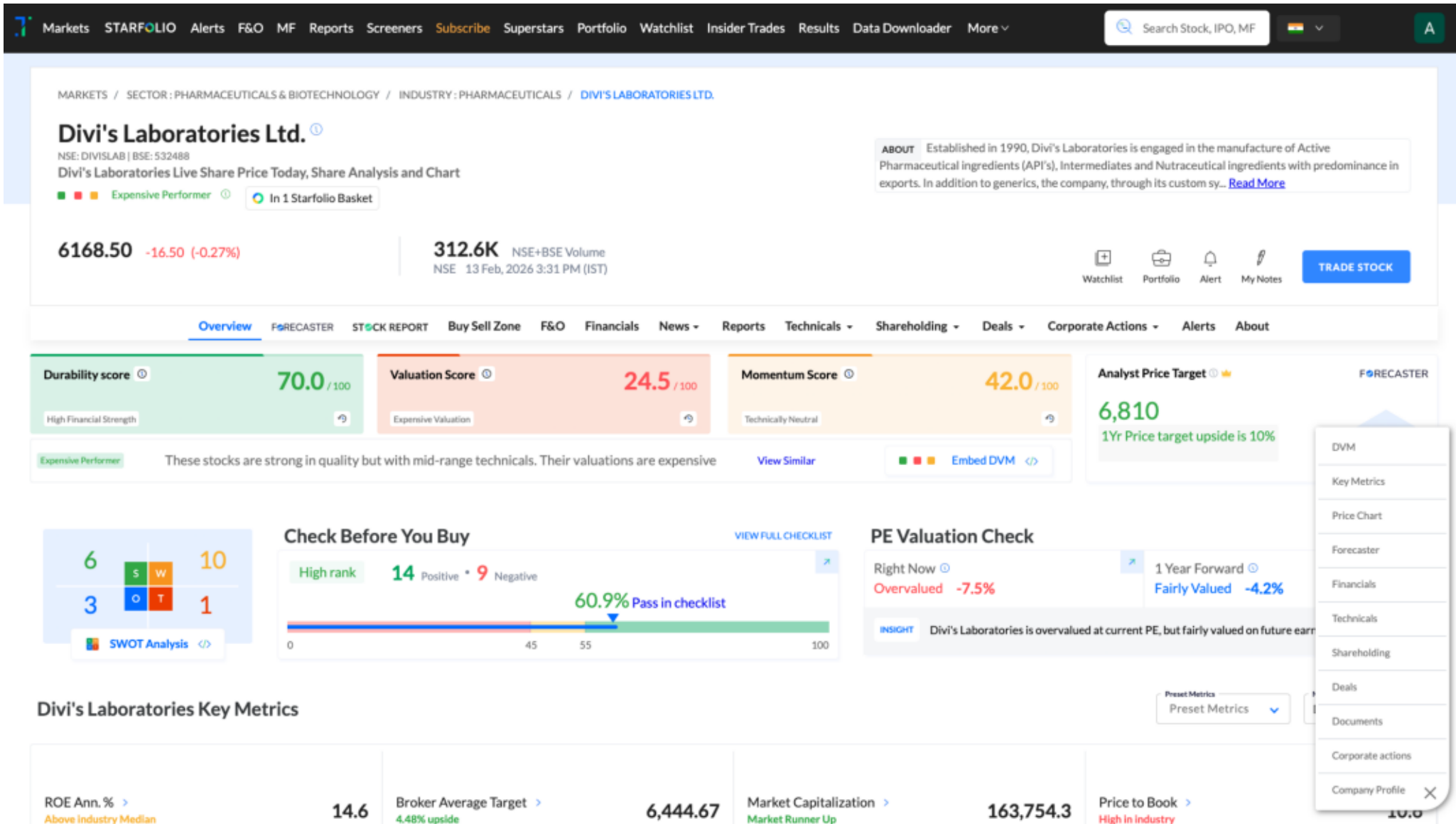
DIVISLAB.NS - 1 Day (Candlestick + EMAs)



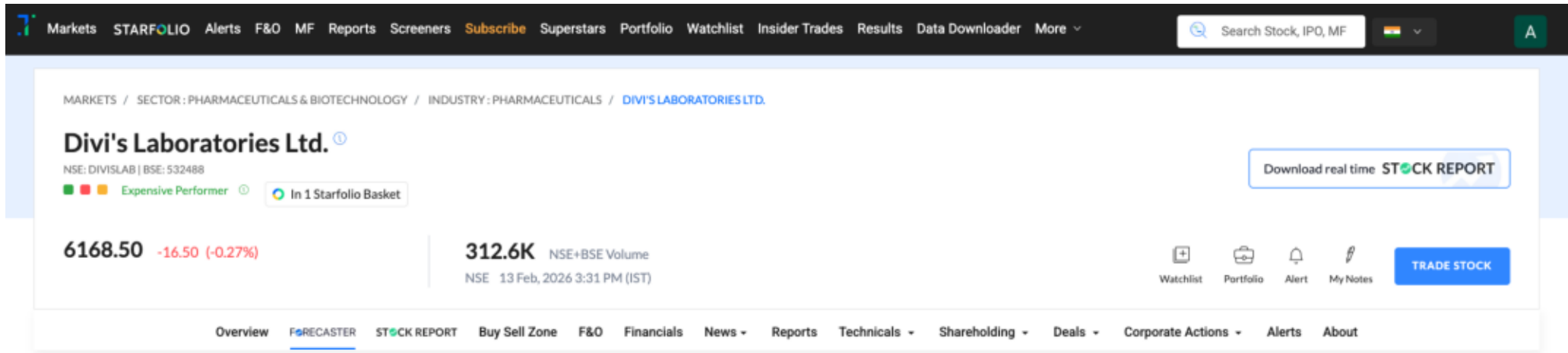
DIVISLAB.NS - 15 Min (Candlestick + EMAs)



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 6810, revenue growth forecast of 13.6%, and profit growth estimate of 17.1% for FY26, based on top 31 analyst calls.

Divi's Laboratories FORECASTER - Analyst Estimates ⓘ

FORECASTER DASHBOARD →

