

Gemini Stock Analysis Report

Based on the detailed analysis report generated on 2026-01-24, here is my assessment of TCS.NS.

Step 1: Audit the Data

• Data Present:

- **Price Structure:** Daily and Weekly candlestick charts with EMA overlays (20, 50, 200).
- **Trend Indicators:** Supertrend (Daily/Weekly/15m), MACD, and Moving Average convergence/divergence.
- **Volatility:** Bollinger Bands (width and %B), ATR, and Volatility Squeeze analysis.
- **Relative Strength:** Comparison against ^CNXIT (IT Sector), RS score, and RS ratio trends.
- **Fundamentals:** 4-year historical view and recent quarterly comparisons (Revenue, Net Income, EPS).
- **Volume:** Volume moving averages, distribution/accumulation analysis.

• Data Missing:

- **Specific News Catalysts:** The report identifies "Distribution Days" and a drop in EPS (-16.5% QoQ), but does not specify the fundamental news driver (e.g., a specific contract loss or macro headwind).
 - **Confidence Level: High.** The technical report is exhaustive, covering momentum, trend, and volatility on multiple timeframes, allowing for a high-confidence technical determination.
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Step 2: Analyze the Setup

Price Structure & Trend:

- **Current Status:** The stock is in a **correction/consolidation phase**. It is trading at INR 3162.50.
- **Resistance:** The price is trapped below the critical **200-day EMA (INR 3204)** and the **Supertrend Resistance (INR 3267)**. This creates a significant "overhead supply" zone.
- **Support:** Immediate support is provided by the **50-day EMA (INR 3141)**. The stock is effectively compressing between the 50 EMA and 200 EMA.

Momentum & Volatility:

- **Bollinger Bands:** The bandwidth is very low (0.0418), and a **Volatility Squeeze** is active (Page 14). This usually precedes a violent move, but the direction is currently ambiguous.
- **MACD:** The Daily MACD is bearish (below signal line) with weakening momentum, though the histogram suggests the selling pressure might be stabilizing.
- **Volume:** The report notes "Buying Exhaustion" and recent "Distribution Days" (Page 18), which is a caution signal.

Relative Strength:

- TCS is showing signs of a "Turnaround" with the 1-month RS improving (1.002), but on a longer timeframe (1 year), it is still lagging the sector (0.893).

Fundamentals:

- The short-term fundamentals are a drag. A **-16.5% drop in EPS QoQ** explains the recent price weakness. However, analyst price targets (Avg INR 3617) suggest the stock is undervalued relative to long-term prospects.
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Step 3: Formulate the Recommendation

Gemini Stock Analysis Report

Recommendation: **NO**, do not enter at the current market price (INR 3162.50).

Reasoning: While the "Volatility Squeeze" suggests a big move is imminent, the trend is currently **down** on the Daily timeframe (Supertrend is Sell). Buying now implies betting against the dominant trend and substantial resistance at the 200-day EMA. The "Distribution Days" warning suggests institutions have been selling into recent rallies. You need the market to prove the reversal before risking capital.

Conditional Plan (The "Breakout" Setup): We will look to enter *only* if TCS reclaims its long-term trend line (200 EMA) and validates the reversal.

- **Condition to Buy: A Daily Close above INR 3,210.**

- *Why:* This clears the 200-day EMA (INR 3204) and breaks the psychological INR 3200 barrier, signaling the "Squeeze" is resolving to the upside.

- **Entry Price: INR 3,215 - INR 3,220** (Limit Order once condition is met).

- **Stop Loss: INR 3,090** (Hard Stop).

- *Why:* This is below the Lower Bollinger Band (INR 3101) and the psychological INR 3100 support. If it falls below this, the squeeze has resolved downward.

- **Take Profit: INR 3,550** (Target).

- *Why:* This offers roughly ~10% upside. It sits just below the analyst average target (INR 3617) and historical resistance zones seen in late 2024.

- **Risk/Reward Ratio:** Approximately **1 : 2.7**. (Risking ~3.8% to make ~10.4%).

News & Analyst Targets

Investment Research Report: Tata Consultancy Services (TCS) **Date:** January 25, 2026

Here is the latest research and analysis on Tata Consultancy Services (TCS) based on market developments this week and recent institutional activity.

1) Latest News for TCS This Week (Ending Jan 25, 2026)

The news cycle this week has been dominated by market reaction to recent Q3 earnings and technical market positioning.

- **Derivatives & Market Sentiment:** As of Friday, January 23, TCS stock witnessed robust call option activity at the **INR 3,200 strike price**, signaling that traders are positioning for a potential short-term breakout above this level. The stock has outperformed the broader IT sector slightly in the last few sessions of the week.
- **Hiring & Workforce Restructuring:** Reports confirmed this week that TCS has been in a significant restructuring phase. Data shows the company reduced its headcount by approximately **25,816 employees** in the first nine months of FY26. This contraction contrasts with peers like Infosys, who have been net hirers, highlighting TCS's focus on utilization and AI-driven productivity over volume hiring.
- **Dividend Record Date Passed:** The company recently went ex-dividend for an interim dividend of **INR 57 per share** (including a special dividend of INR 46). The record date was **January 17, 2026**, meaning current buyers are no longer eligible for this specific payout, which has now been factored into the stock price.

2) Brokerage Upgrades & Downgrades

Gemini Stock Analysis Report

Following the Q3 FY26 earnings announced earlier in January, the analyst community has largely retained a bullish to neutral stance, with several raising their price targets due to strong AI deal momentum.

- **Upgrade / Target Raise:** Brokerages like **Motilal Oswal, JM Financial, and Emkay** raised their targets mid-January, citing the company's \$1.8 billion annualized AI revenue run-rate.
- **Rating Maintenance:** **JPMorgan and Jefferies** maintained their respective "Buy" and "Hold" ratings. JPMorgan remains optimistic about the long-term structural drivers, while Jefferies cites near-term valuation concerns.
- **Consensus View:** The general consensus is "**Buy**" to "**Accumulate**," with analysts looking past the one-time profit hit from labor code provisions, focusing instead on the strong deal pipeline (\$9.3 billion in Q3).

3) Other News Impacting TCS

- **Impact of New Labor Codes (Financial Impact):** A major talking point this month has been the "one-time" hit to TCS's bottom line. The company reported a **INR 2,128 crore impact** on Q3 profits due to provisions required by India's newly implemented labor codes (impacting gratuity and leave encashment calculations). While this dragged net profit down 14% YoY, the market views this as a non-recurring regulatory adjustment rather than an operational failure.
- **Budget 2026 Confusion (Clarification):** You may see news headlines regarding "TCS" in the context of the upcoming **Union Budget 2026**. Please note this refers to **Tax Collected at Source** on foreign remittances (LRS), *not* Tata Consultancy Services. Changes here impact investor sentiment regarding foreign investments but do not directly alter the company's fundamentals.
- **US/Global Demand:** Management commentary indicates that North American clients remain in "wait and watch" mode regarding discretionary spending, which continues to be a sector-wide headwind.

4) Latest Analyst Price Targets

The following table summarizes the most recent price targets issued by major brokerages post-Q3 earnings (Jan 2026).

Brokerage Firm	Rating	Target Price (INR)	Upside Potential*	Date of Report
Motilal Oswal	Buy	4,400	~39%	Jan 12, 2026
JPMorgan	Buy	4,100	~29%	Jan 12, 2026
Choice Equity	Buy	3,950	~25%	Jan 14, 2026
ICICI Direct	Buy	3,800	~20%	Jan 13, 2026
IDBI Capital	Buy	3,733	~18%	Jan 13, 2026
Elara Capital	Accumulate	3,600	~14%	Jan 13, 2026
Axis Direct	Buy	3,565	~12%	Jan 13, 2026
Jefferies	Hold	3,450	~9%	Jan 12, 2026

*Upside potential is estimated based on the approximate trading price of INR 3,162 as of Jan 23, 2026.

Analyst Summary: The street remains optimistic about TCS's ability to capture AI demand, with the majority of targets significantly above the current market price of ~INR 3,162.

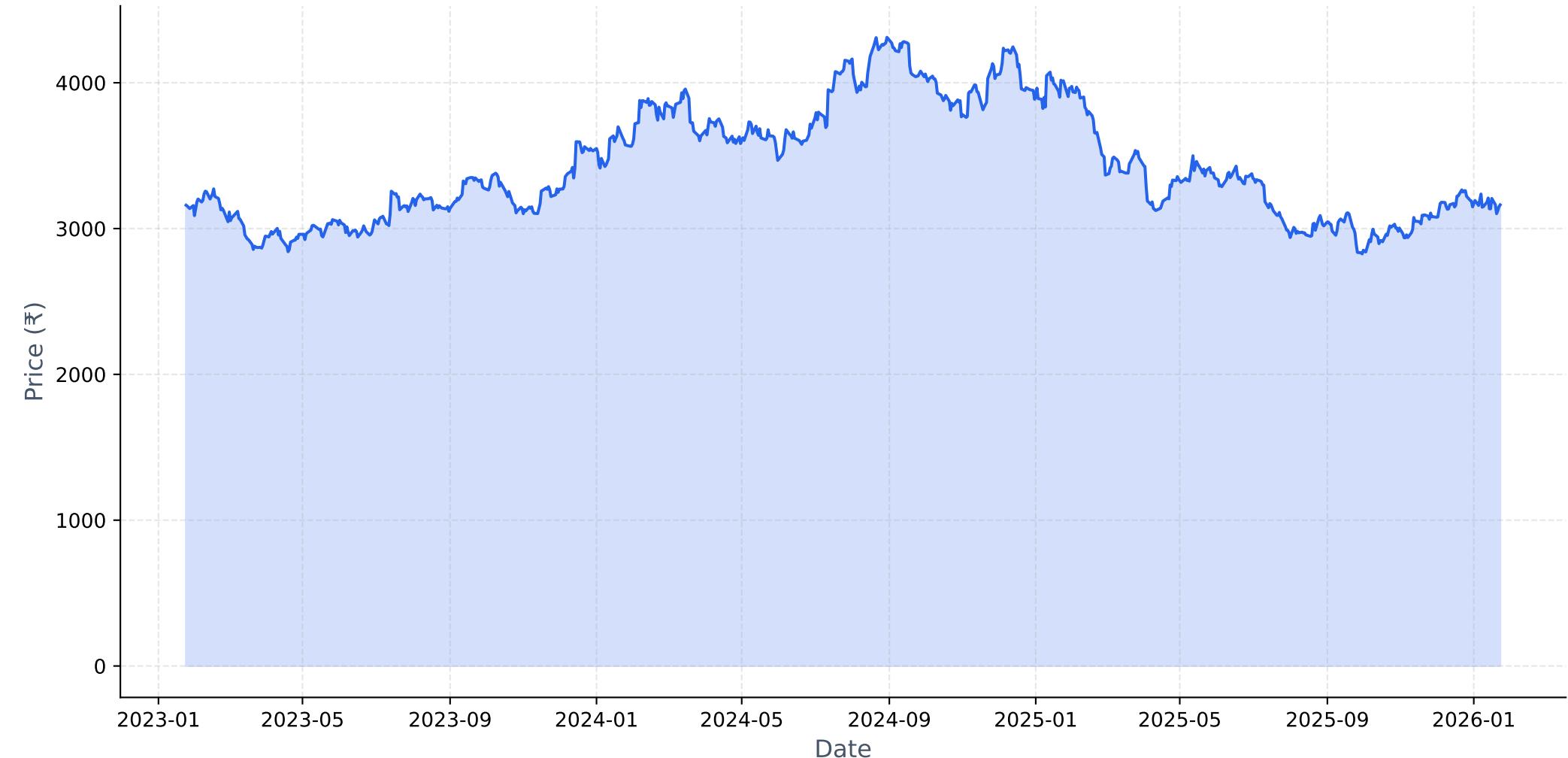
Stock Detailed Analysis Report

TCS.NS

Current Price: ₹3162.50

Generated: 2026-01-24 18:23

TCS.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	5.99%	10.01%
Net Income	Yes	No	5.76%	8.20%
ROE	Yes	No	1.00%	6.02%
EPS	Yes	No	6.60%	9.00%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	5.75%	1.12%
Net Income	No	-16.48%	-2.35%
ROE	Yes	1.02%	5.48%
EPS	No	-16.50%	-4.55%

TCS.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Emerging Leader
RS Score:	48.8/100
:	

== RS RATIOS ==:

1M RS:	1.002 [Leader]
3M RS:	0.972 [Neutral]
6M RS:	0.998 [Neutral]
1Y RS:	0.893 [Neutral]
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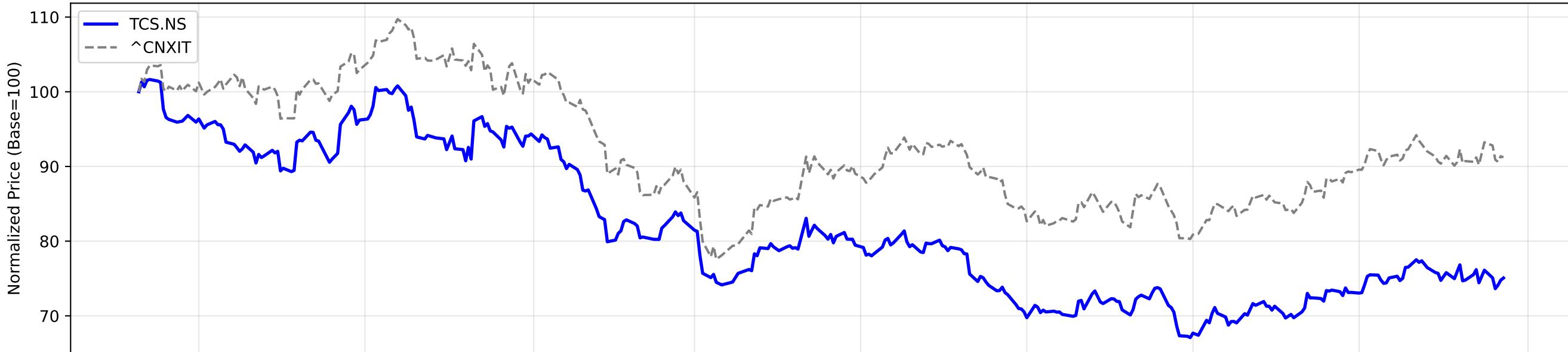
== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
:	

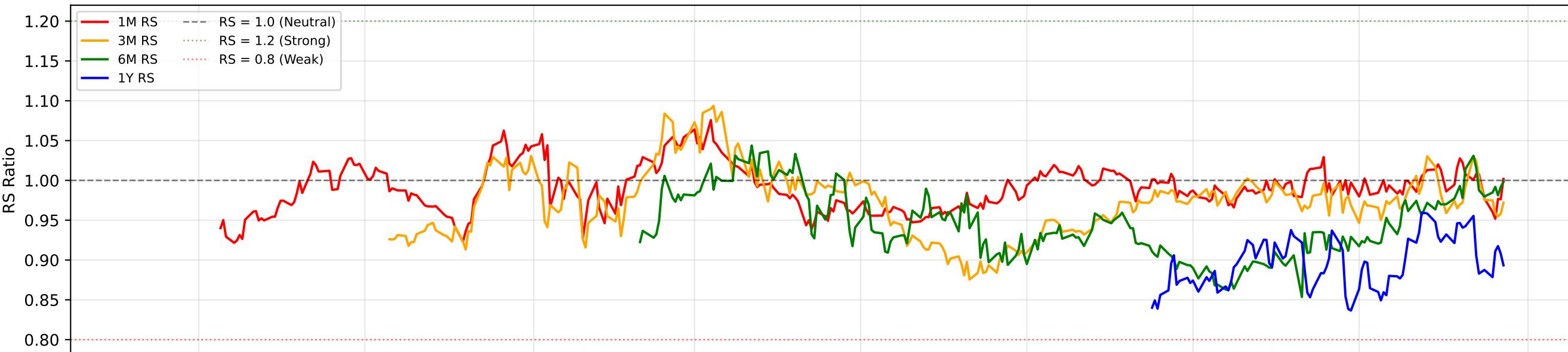
SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.002) > 3M (0.972)
✓ Medium-term Lagging:	6M=0.998, 1Y=0.893 (≤ 1.0)
✓ Performance Improving:	3M (+4.8%) > 6M (+2.3%)

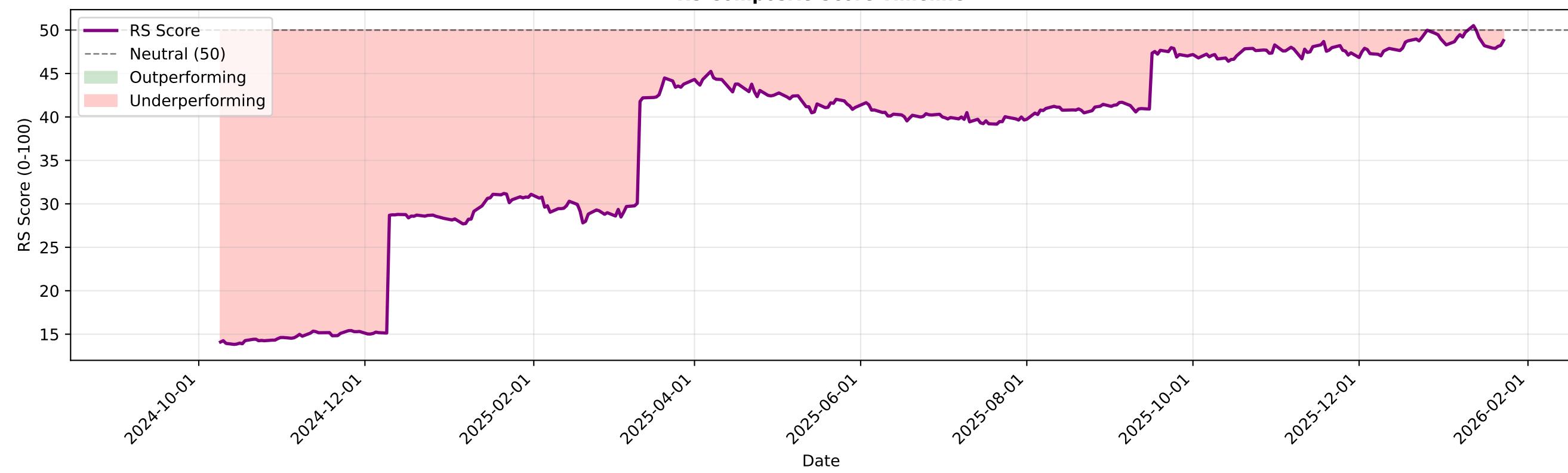
Relative Strength Analysis: TCS.NS vs ^CNXIT
Classification: Emerging Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



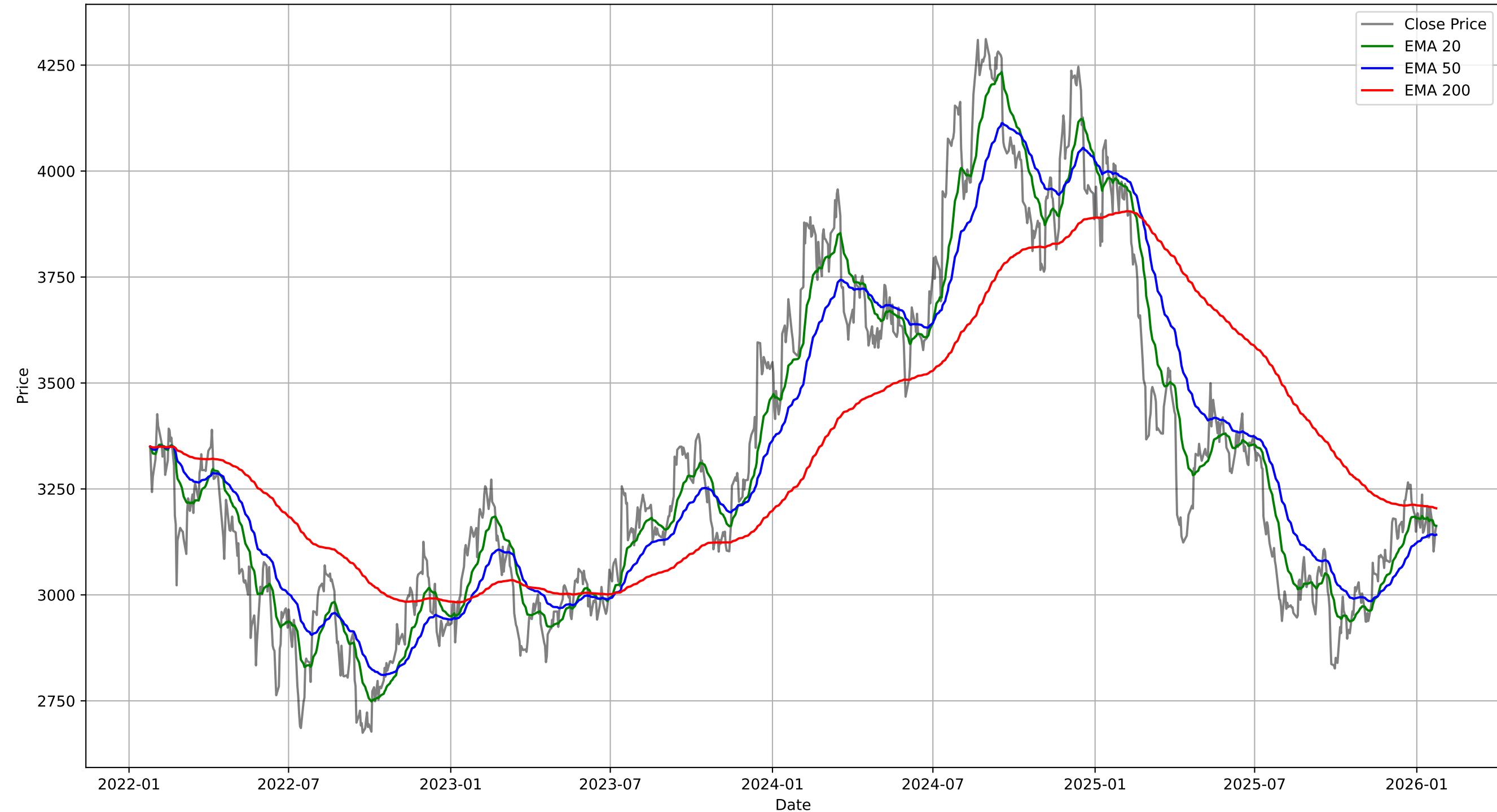
RS Composite Score Timeline



TCS.NS - EMA Crossover Summary

EMA 20:	3163.03
EMA 50:	3141.90
EMA 200:	3204.43
Trend Status:	Short-term Uptrend

TCS.NS EMA Crossover Analysis



TCS.NS - Bollinger Bands Summary

Current Price:	3162.50
Upper Band:	3233.87
Middle Band (SMA 20):	3167.73
Lower Band:	3101.58
%B:	0.4605
Band Width:	0.0418
Status:	Lower Half
Signal:	None

TCS.NS Bollinger Bands (20, 2) Analysis



TCS.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	3267.20
Signal Identified On:	2026-01-14

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



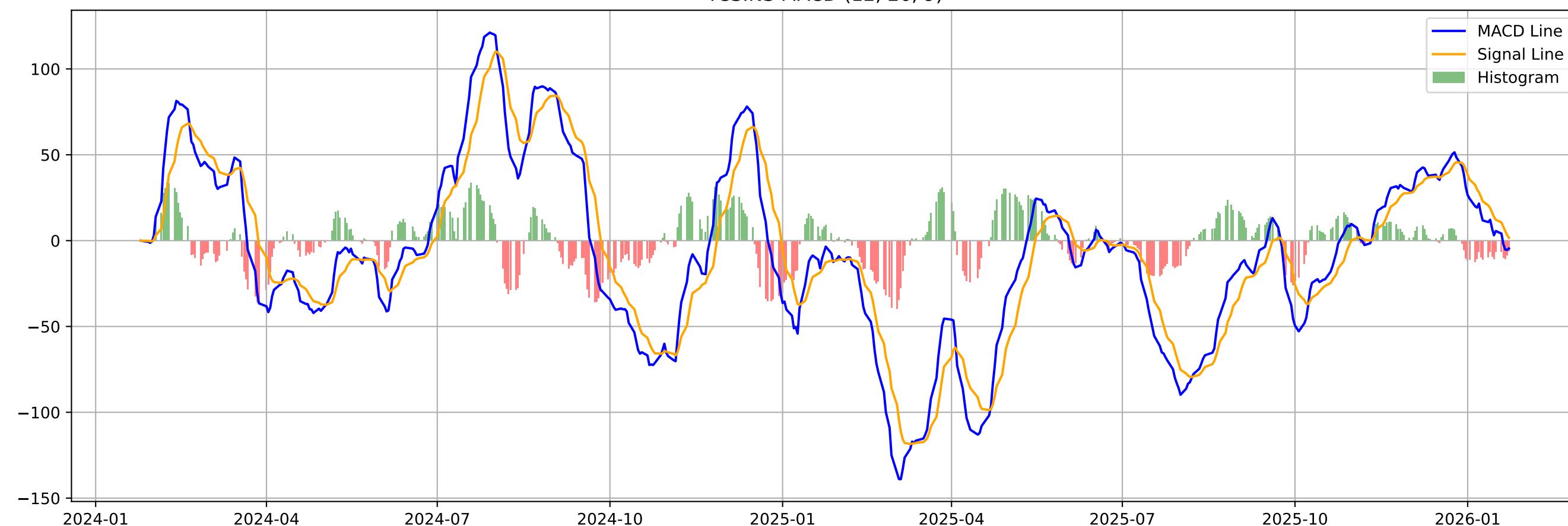
TCS.NS - MACD Summary

MACD Line:	-4.56
Signal Line:	1.66
Histogram:	-6.23
Trend:	Bearish
Momentum:	Weakening
Signal:	None

TCS.NS Price



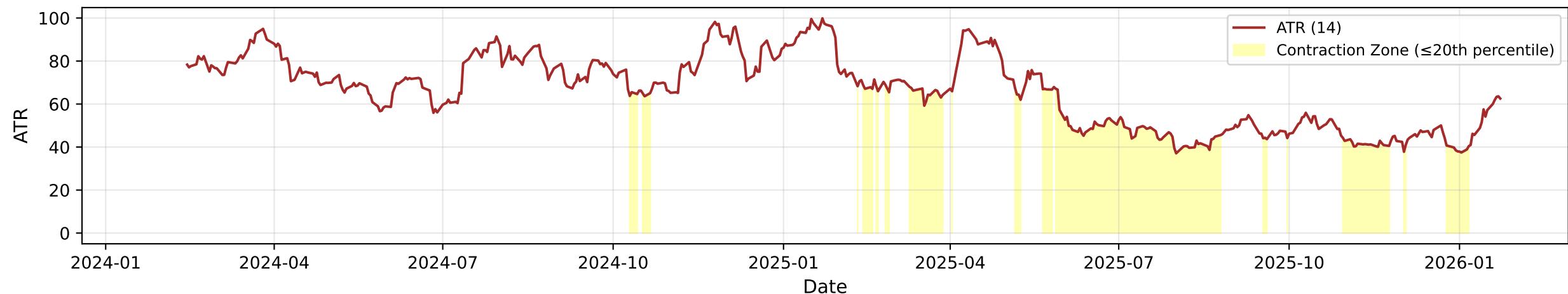
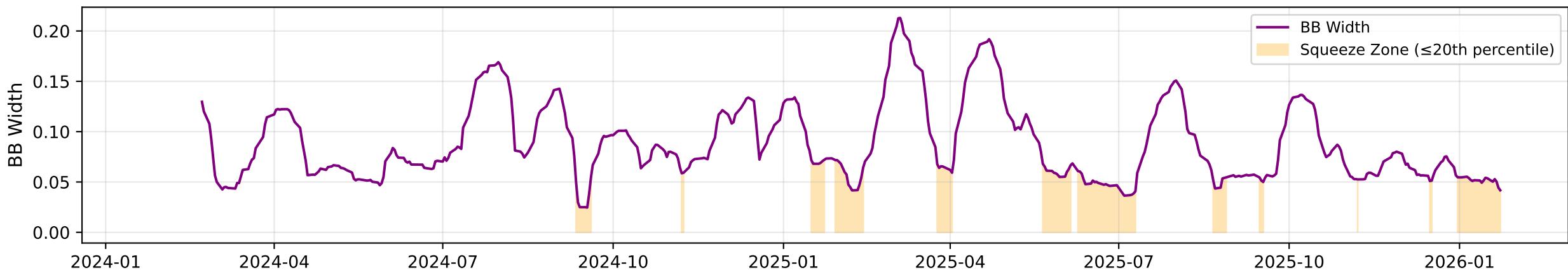
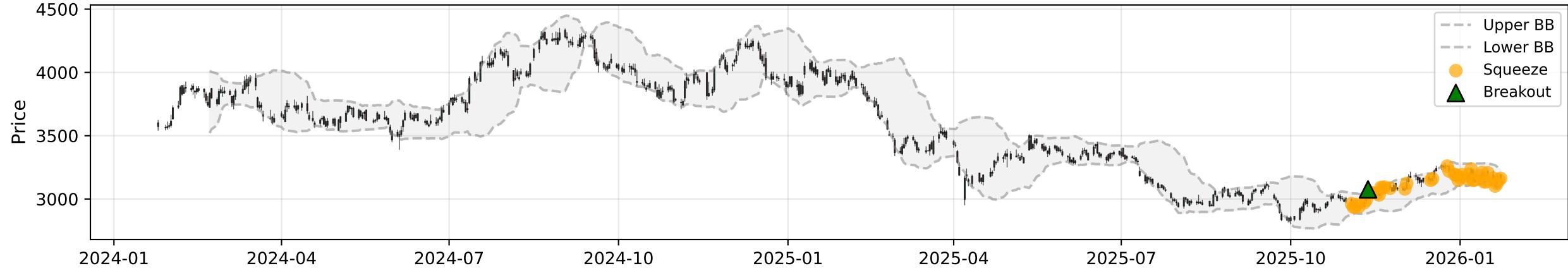
TCS.NS MACD (12, 26, 9)



TCS.NS - Volatility Squeeze Summary

BB Width:	0.0418
ATR:	62.5653
Total Signals:	42
Signal 1:	BB Squeeze at 2026-01-19 00:00:00+05:30 (Price: 3163.60)
Signal 2:	BB Squeeze at 2026-01-20 00:00:00+05:30 (Price: 3102.30)
Signal 3:	BB Squeeze at 2026-01-21 00:00:00+05:30 (Price: 3122.60)
Signal 4:	BB Squeeze at 2026-01-22 00:00:00+05:30 (Price: 3150.40)
Signal 5:	BB Squeeze at 2026-01-23 00:00:00+05:30 (Price: 3162.50)

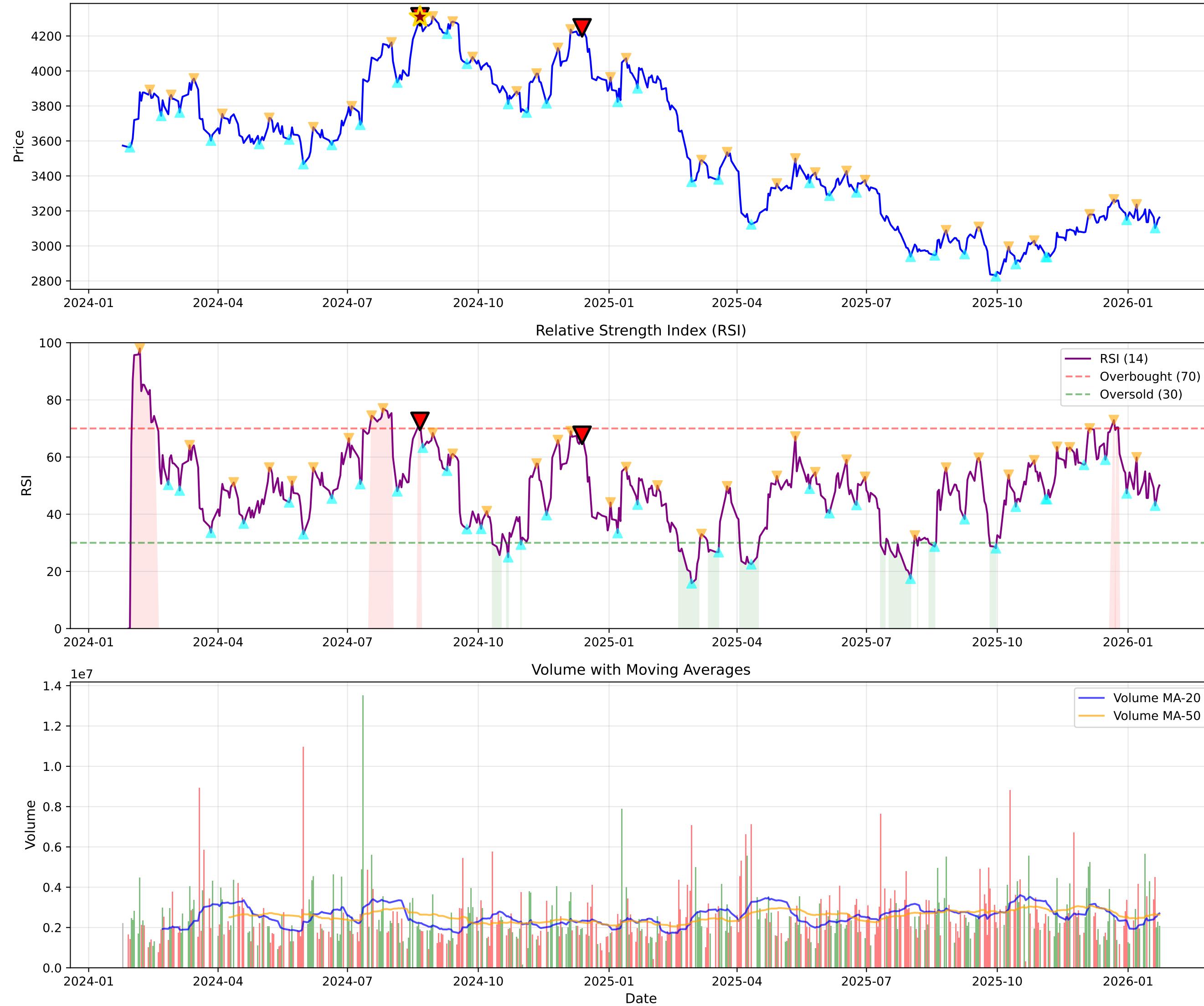
TCS.NS - Volatility Squeeze Analysis



TCS.NS - RSI-Volume Summary

Current RSI:	50.10
Current Volume:	2068857
Volume MA 20:	2698929
Bullish Divergences:	0
Bearish Divergences:	2
Bearish Div 1:	Date: 2024-08-21 00:00:00+05:30, Price: 4309.46
Bearish Div 2:	Date: 2024-12-13 00:00:00+05:30, Price: 4246.32

TCS.NS RSI-Volume Divergence Analysis



TCS.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status: 50 Signals Detected

:

2025-12-22 [+]: Buying Exhaustion (Bearish Div)

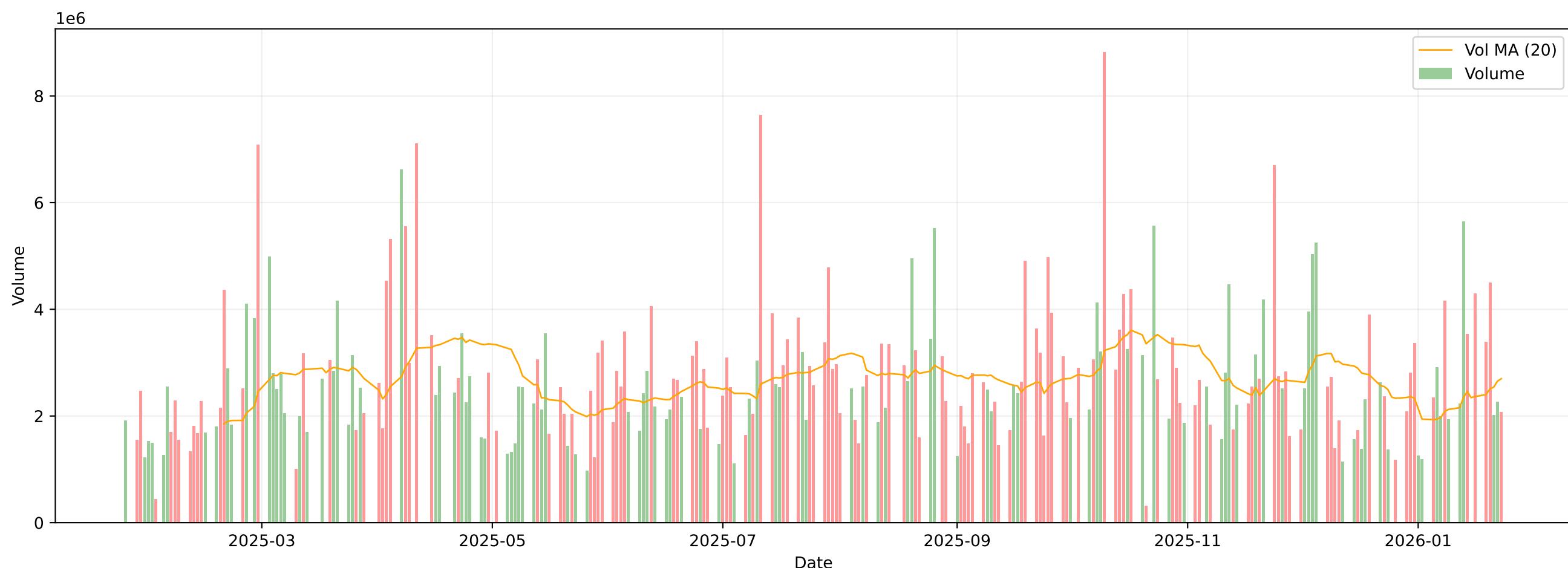
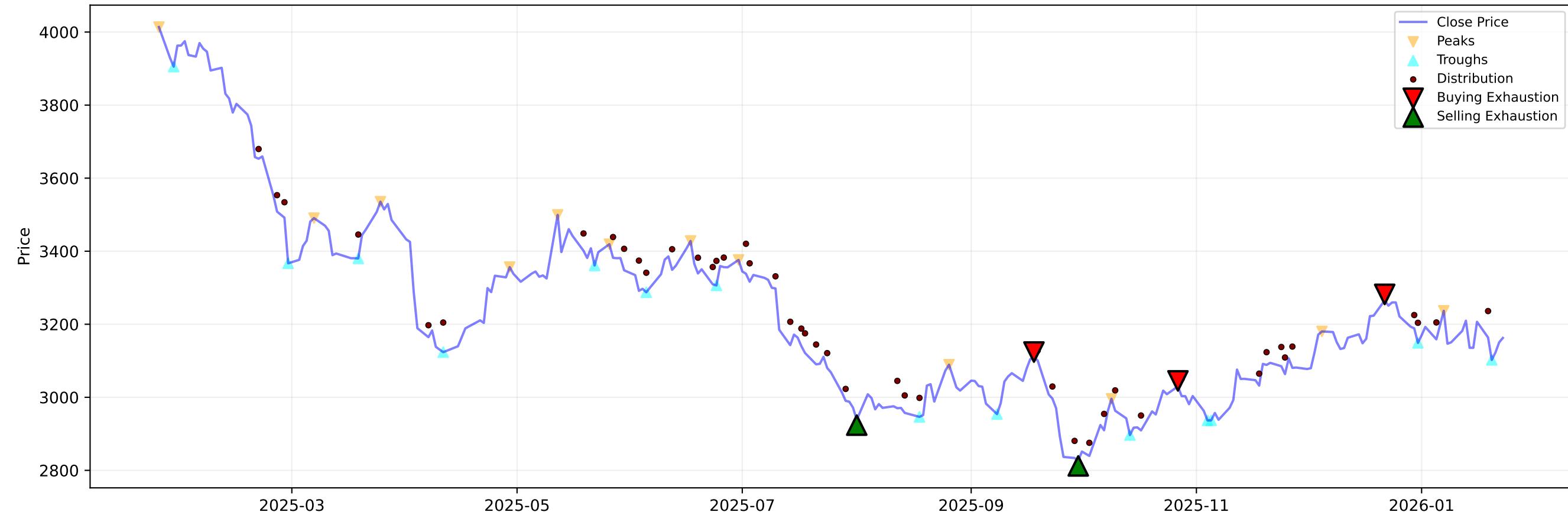
2025-12-30 [-]: Distribution Day

2025-12-31 [-]: Distribution Day

2026-01-05 [-]: Distribution Day

2026-01-19 [-]: Distribution Day

TCS.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	3087.86	3162.5	2025-12-01
1 Day	DOWNTREND (Sell)	3295.05	3162.5	2026-01-14
15 Min	DOWNTREND (Sell)	3182.84	3162.5	2026-01-23

Multi-Timeframe MACD Analysis

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

TCS.NS - 1 Week (Candlestick + EMAs)



TCS.NS - 1 Day (Candlestick + EMAs)



TCS.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - TCS_main

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Tata Consultancy Services Ltd. [①](#)

NSE: TCS | BSE: 532540
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Mid-range Performer [①](#) In 2 Starfolio Baskets

3162.50 12.10 (0.38%) **2.2M** NSE+BSE Volume NSE 23 Jan, 2026 3:31 PM (IST)

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Durability score [①](#) **65.0** /100 [Valuation Score](#) [①](#) **34.8** /100 [Momentum Score](#) [①](#) **40.4** /100 [Analyst Price Target](#) [①](#) **3,618** [FORECASTER](#)

High Financial Strength Mid Valuation Technically Neutral

Mid-range Performer These stocks have strong quality. Their reasonable financials and technicals make them potentially attractive to i... [View Similar](#) Embed DVM [①](#)

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High rank 13 Positive * 10 Negative 56.5% Pass in checklist

PE Valuation Check
Right Now [①](#) Undervalued 32.1% [1 Year Forward](#) [①](#) Undervalued 42.6% [INSIGHT](#) TCS is undervalued at both current PE and future earnings estimates.

TCS Key Metrics

ROE Ann. % ① High in industry	51.2 Broker Average Target ① 18.12% upside	3,735.7 Market Capitalization ① Market Leader	1,144,220.2 Price to Book ① High in industry	10.0 Company Profile X
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3162.50 12.10 (0.38%) **2.2M** NSE+BSE Volume [NSE](#) 23 Jan, 2026 3:31 PM (IST)

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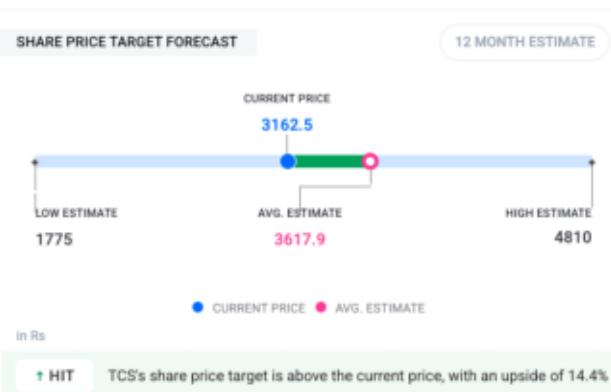
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TCS - TCS - stock price prediction, stock forecast, target price, analyst ratings from 46 analysts

TCS has a share price target of Rs 3618, revenue growth forecast of 3.6%, and profit growth estimate of 4.7% for FY26, based on top 46 analyst calls.

TCS FORECASTER - Analyst Estimates [ⓘ](#)

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BUY

CONSENSUS RECOMMENDATION

46 ANALYST Recommendations

RECOMMENDATION	NUMBER OF ANALYSTS	PERCENTAGE	DATE
STRONG BUY	20	11	Aug '25
BUY	19	11	Sep '25
HOLD	21	11	Oct '25
SELL	21	11	Nov '25
STRONG SELL	21	11	Dec '25
STRONG BUY	20	12	Jan '26

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

The consensus recommendation from 46 analysts for TCS is BUY