

Stock Analysis Report

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Strategic Trading Analysis

Here is the analysis of the HCLTECH.NS report based on your request for a positional trade setup (1-4 month horizon).

Step 1: Audit the Data

- **Data Present:**
 - **Price Action:** Daily and Weekly Candlestick charts (up to Feb 2026).
 - **Trend Indicators:** Moving Averages (EMA 20, 50, 200), Supertrend, MACD.
 - **Momentum/Oscillators:** RSI, Bollinger Bands, Volatility (ATR).
 - **Volume:** Volume Analysis, Delivery/Distribution days, On-Balance Volume context.
 - **Fundamentals:** Quarterly and Annual growth metrics.
 - **Relative Strength:** Comparison against ^CNXIT benchmark.
- **Data Missing:**
 - **Institutional Holdings:** Specific recent changes in FII/DII ownership (though implied by volume).
 - **Option Chain:** Open Interest data for immediate support/resistance validation.
- **Confidence Level: High.** The report provides a comprehensive technical and fundamental picture sufficient for positional trend analysis.

Step 2: Analyze the Setup

- **Trend Structure (Bearish):** The stock has suffered a significant breakdown. It is trading at **INR 1455**, which is below the critical **200-day EMA (INR 1579.51)**. The breaking of the 200 EMA is a major red flag for intermediate-term bulls. The Supertrend flipped to "Sell" on Feb 4, 2026.
- **Momentum (Extreme Oversold):** The **RSI is at 22.08**, indicating extreme oversold conditions. While this often leads to a "dead cat bounce," it confirms strong selling pressure rather than a healthy pullback. The MACD is bearish and accelerating downward.
- **Volume Analysis (Distribution):** The recent decline is accompanied by high volume (Page 19), and "Distribution Days" are dominating volume signals (Page 18). This indicates institutional exit.
- **Fundamentals (Weakening):** Short-term fundamentals are acting as a headwind, with Net Income dropping **-10.77% QoQ** (Page 3). This fundamental weakness validates the technical breakdown.
- **Relative Strength:** The stock is classified as a "Weakening Leader" and is underperforming its sector (Page 5).

Conclusion on Setup: The intermediate-term uptrend is broken. The stock is currently catching a "falling knife." While value may be emerging near INR 1400 (weekly support zones), the chart currently shows no evidence of a bottom.

Step 3: Formulate the Recommendation

Recommendation: NO (Do not enter current market price).

Rationale: Entering now violates the core principle of trend trading, as the stock is below the 200-day EMA with negative fundamentals and accelerating downside momentum. You would be betting on a reversal against the trend, which has a low probability of success over a 1-4 month timeframe without stabilization first.

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Conditional Plan (Wait for Trend Reclamation): To consider this a valid positional *long* setup, the stock must prove the breakdown was a "bear trap" by reclaiming key averages.

- **Condition to Buy:** The stock must close significantly above the **200-day EMA** on a Daily timeframe to confirm the long-term trend is saved.
- **Entry Price:** INR 1,585 - INR 1,590 (Wait for the close above INR 1580).
- **Stop Loss:** INR 1,480 (Hard stop below the reclamation zone and psychological support).
- **Take Profit:** INR 1,760 - INR 1,800 (Testing the previous swing highs and upper Bollinger Bands).

Note: If the stock continues to fall to INR 1350-1400, a different "reversal" setup may form, but based on the current data, the "Trend Reclamation" setup is the only safe path for a positional trader.

Candlestick Classification Analysis

Based on the **Candlestick Classification Report (Page 20)** and the **Chart Visuals (Page 21)**, here is my analysis as a seasoned Price Action Trader.

1. Current Market Condition: The Setup

- **Latest Classification:** Buyer Control (+1)
- **10-Day Trend Score:** -0.30 (Weak **Bearish**/Neutral)
- **Current Price:** INR 1455.20

The Narrative: HCLTECH.NS has been in a steep correction phase, evidenced by the cascade of red candles (Seller Control/Strong Seller Control) dropping from the INR 1750 highs down to the INR 1400s. However, the selling pressure is showing signs of exhaustion.

The **-0.30 trend score** is critical. It is negative, meaning sellers have dominated the last two weeks, but it is not an extreme negative (like -1.5). This indicates that the momentum of the drop is fading, and we are entering a zone of indecision or potential accumulation.

2. Deconstructing the Latest Candle (The Signal)

The most recent candle is classified as **"Buyer Control"**. Using the algorithm logic provided, here is what this price action tells us about the psychology of the market today:

- **Body Strength (Step 1):** The candle likely had a **Moderate Bullish Body (0.8 - 1.5 ATR)**. This isn't a massive institutional breakout yet, but it's a solid "green" day where the close was significantly higher than the open.
- **Conviction (Step 2):** The price likely closed near the high of the day. If it had closed low, the algorithm would have penalized the score. This shows buyers were comfortable holding positions overnight—a sign of shifting sentiment.
- **Rejection (Step 3):** Visually on the chart, the candle appears to have formed at a localized low. This suggests a **Lower Wick Rejection**—sellers tried to push lower, but "Smart Money" stepped in to defend the price, perceiving value at INR 1450.
- **Volume (Step 4):** Looking at the bottom pane of Page 21, the volume on this green candle is **moderate to average**. It is not a "High Volume" spike (which would have triggered a "Strong Buyer Control" +2 score). This indicates this is currently a **relief rally or short-covering bounce** rather than a full-blown trend reversal.

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3. The "No Control" Context

The distribution stats show 103 days of "No Control". This stock has a history of chop. The fact that we have moved from "Seller Strong Control" (the drop) directly into "Buyer Control" without a long period of "No Control" (indecision) suggests a **V-shaped recovery attempt** or a sharp reaction to a support level.

4. Future Price Prediction

Direction: Short-Term **Bullish** / Mean Reversion

The Rationale: The market has moved too far, too fast to the downside. The "Buyer Control" signal at the bottom of a steep decline is a classic "Stopping Volume" or "Anchor Candle" signal.

- **Immediate Term (1-3 Days):** I expect the price to push **Higher**. The bulls have seized temporary control. The immediate target is to retest the breakdown levels.
- **Price Targets:**
 - **Upside:** Look for a mean reversion towards the EMA bands (visible on Page 7/23). The first resistance will likely be around **INR 1500 - INR 1520** (psychological level and previous congestion).
 - **Downside:** If the low of this "Buyer Control" candle (approx INR 1430-1440) is broken, the signal has failed, and the downtrend will resume with high intensity.

Trading Strategy: * **Aggressive Entry:** Long positions can be taken here with a stop loss strictly below the low of the current "Buyer Control" candle. * **Conservative View:** The 10-day trend is still -0.30 (negative). This is a counter-trend trade. Wait for a second green candle or a "No Control" candle with a higher low to confirm a bottom before sizing in heavily.

Verdict: The bleeding has stopped. Buyers have stepped in to defend INR 1450. Expect a bounce, but treat it as a technical correction to the recent plunge until significant volume confirms a reversal.

News & Analyst Targets

Investment Research Note: HCL Technologies (HCLTECH) Date: February 14, 2026

Here is the latest research summary for HCL Technologies (HCLTECH) based on market developments for the week of February 8-14, 2026.

1) Latest News for HCLTECH (Week of Feb 8-14, 2026)

The stock has seen significant volatility and bearish sentiment this week, contrasting with some positive long-term fundamental views.

- **Stock Price Pressure:** HCLTECH shares have been under sustained selling pressure this week, shedding approximately **9-12%** over the last few sessions. The stock experienced a significant "gap down" opening on February 13, driven by broader sector weakness and technical selling.
- **"Top Conviction" Pick:** Despite the recent correction, **Axis Securities** named HCLTECH as one of its "Top Conviction Ideas" for February 2026 on February 14, citing "green shoots" in demand and an improving growth trajectory for the IT sector.

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- **Investor Engagement:** The company announced participation in several major investor conferences in Mumbai throughout February 2026 to engage with the investment community, including the Nuvama India Conference and Kotak's "Chasing Growth" conference.
- **Deal Wins:** HCLTECH continues to announce strategic wins, including a partnership with **Guardian Life Insurance** for AI-driven transformation and a deal with **Team Global Express** in Australia/New Zealand to manage their IT infrastructure.

2) Brokerage Upgrades & Downgrades

Activity from brokerages this week has been mixed, reflecting a clash between strong fundamentals and technical/valuation concerns.

- **Downgrade (Feb 09, 2026):** **MarketsMojo** downgraded HCLTECH from "**Buy**" to "**Hold**". The firm cited technical indicators turning "sideways" and valuation concerns after the stock's recent rally, despite the company's strong quality profile.
- **Reiteration of Buy (Feb 14, 2026):** **Axis Securities** reiterated its **BUY** rating, maintaining it as a top pick for the month. They highlighted the company's defensive portfolio and AI capabilities as key drivers.
- **Previous Cycle Context (Mid-Jan 2026):** Following Q3 earnings in mid-January, most major brokerages (Nomura, Motilal Oswal) maintained or raised their targets, while some (CLSA, Kotak) remained cautious with "Hold" or "Reduce" ratings due to rich valuations.

3) Other News Impacting HCLTECH

- **AI Disruption Fears:** The entire Indian IT sector (NIFTY IT) has corrected sharply (down ~10% in 2026 so far) due to renewed global concerns that Generative AI could disrupt traditional IT services business models. This sentiment has triggered a sell-off in large-cap IT stocks like TCS, Infosys, and HCLTECH.
- **Sector "Green Shoots":** Analysts at Axis Securities noted that despite seasonal weakness, the IT services industry is seeing early signs of demand recovery ("green shoots"), driven by clients integrating AI into discretionary spending.
- **Global Macro Factors:** Persistent concerns over US interest rates and global tech spending have kept the sector volatile. However, HCLTECH's "all-weather" portfolio (strong in Engineering R&D and Software) is often viewed as a hedge against this volatility.

4) Latest Analyst & Brokerage Targets

The following table summarizes the most recent price targets and ratings issued by major brokerages.

Brokerage Firm	Rating	Target Price (INR)	Date / Note
Axis Securities	Buy	1,880	Feb 14, 2026 (Top Pick)
Motilal Oswal	Buy	2,200	Jan 13, 2026 (Post-Q3 Update)
Prabhudas Lilladher	Buy	1,910	Jan 12, 2026
Antique Stock Broking	Buy	1,825	Jan 13, 2026
Nomura	Buy	1,810	Jan 13, 2026
CLSA	Hold	1,692	Jan 02, 2026
Kotak Inst. Equities	Reduce	1,680	Jan 12, 2026
ICICI Securities	Hold	1,650	Jan 13, 2026
MarketsMojo	Hold	N/A	Feb 09, 2026 (Downgrade)

Analyst Consensus: The street is divided. While domestic brokerages like **Motilal Oswal** and **Axis** see

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significant upside (targets ~INR 1,900-INR 2,200) driven by AI and deal wins, international and cautious desks like **Kotak** and **CLSA** see the stock as fairly valued or expensive at current levels (targets ~INR 1,650-INR 1,690).

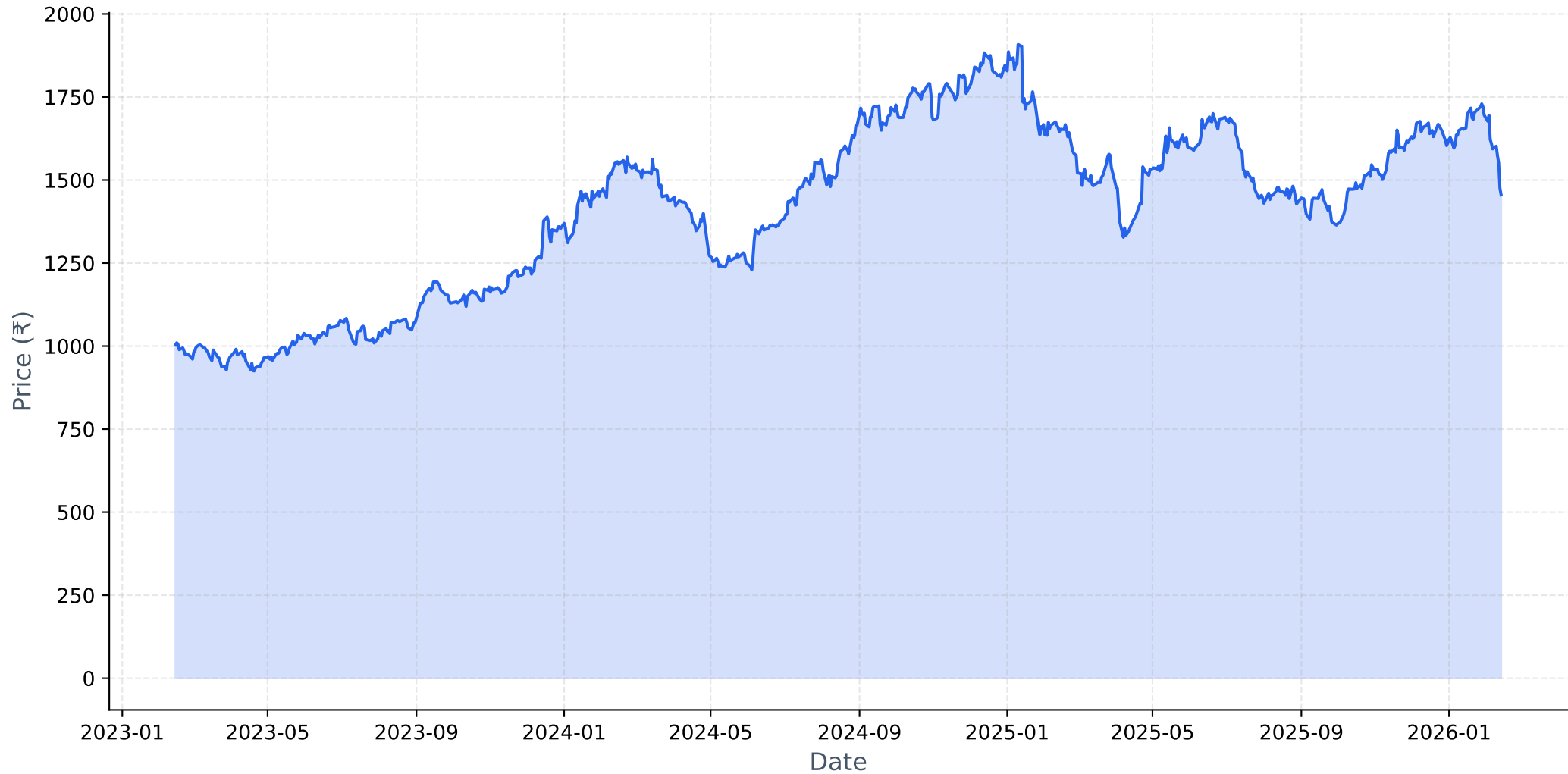
Stock Detailed Analysis Report

HCLTECH.NS

Current Price: ₹1455.20

Generated: 2026-02-14 10:08

HCLTECH.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	6.50%	10.97%
Net Income	Yes	Yes	10.75%	8.81%
ROE	Yes	Yes	8.54%	4.62%
EPS	Yes	Yes	10.64%	8.83%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	0.34%	1.70%
Net Income	No	-10.77%	-2.85%
ROE	Yes	0.56%	0.56%
EPS	Yes	8.45%	8.45%

HCLTECH.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Weakening Leader
RS Score:	52.5/100
:	

== RS RATIOS ==:

1M RS:	1.028 [Leader]
3M RS:	1.037 [Leader]
6M RS:	1.037 [Leader]
1Y RS:	1.146 [Leader]
:	

== TURNAROUND ANALYSIS ==:

Turnaround Status:	Not Detected
:	

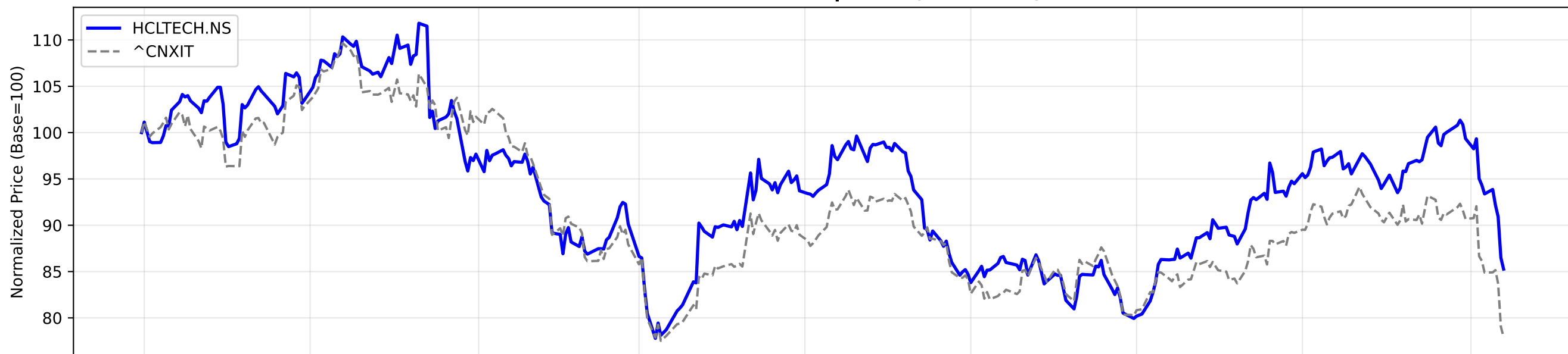
SIGNAL CRITERIA::

X Emerging RS:	Not accelerating
X Medium-term Lagging:	Not lagging
X Performance Improving:	Not improving

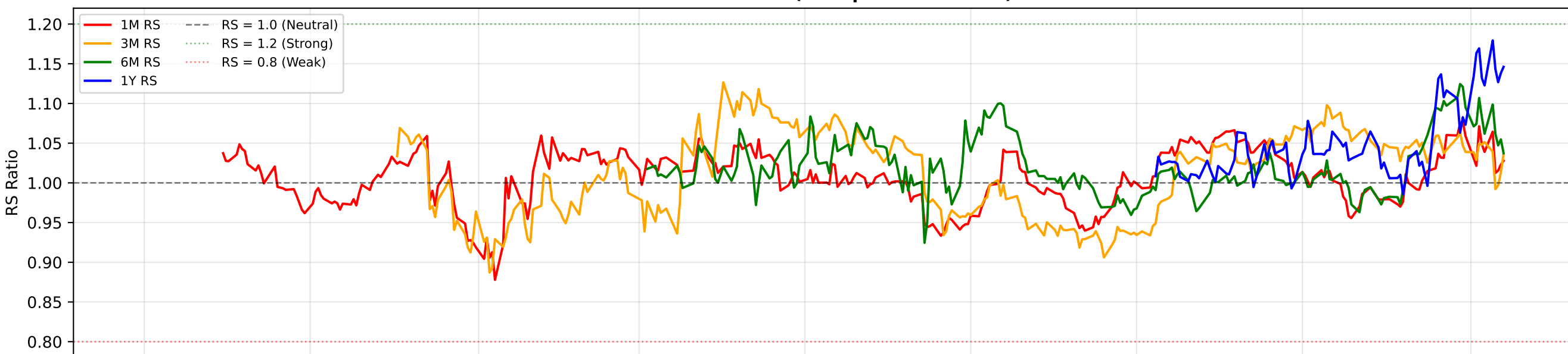
Relative Strength Analysis: HCLTECH.NS vs ^CNXIT

Classification: Weakening Leader

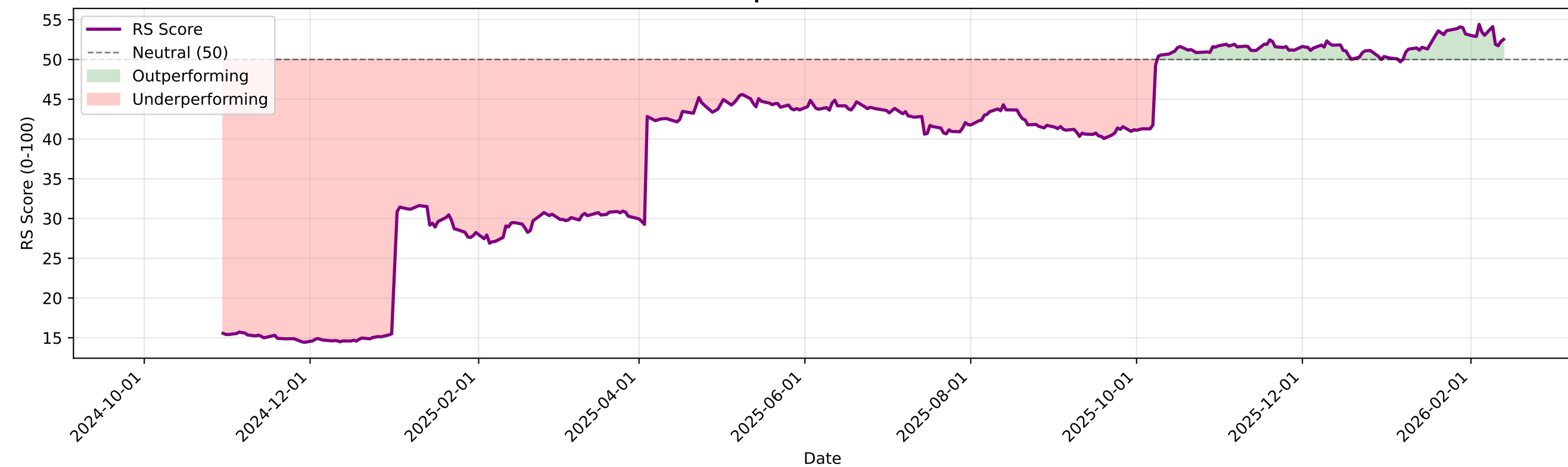
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



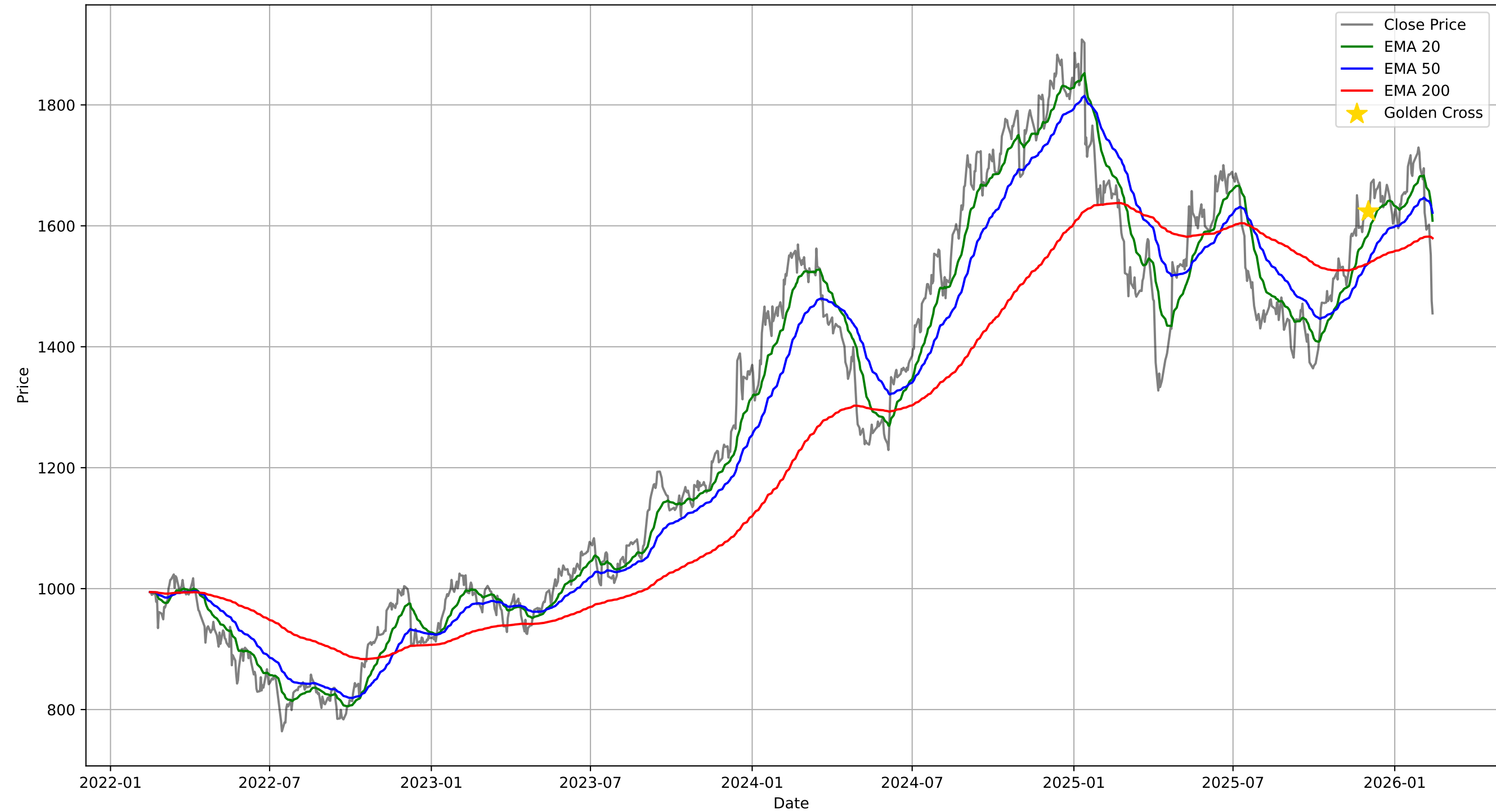
RS Composite Score Timeline



HCLTECH.NS - EMA Crossover Summary

EMA 20:	1608.49
EMA 50:	1621.64
EMA 200:	1579.51
Trend Status:	Short-term Downtrend
Golden Cross Date:	2025-12-02 00:00:00+05:30
Golden Cross Price:	1623.74

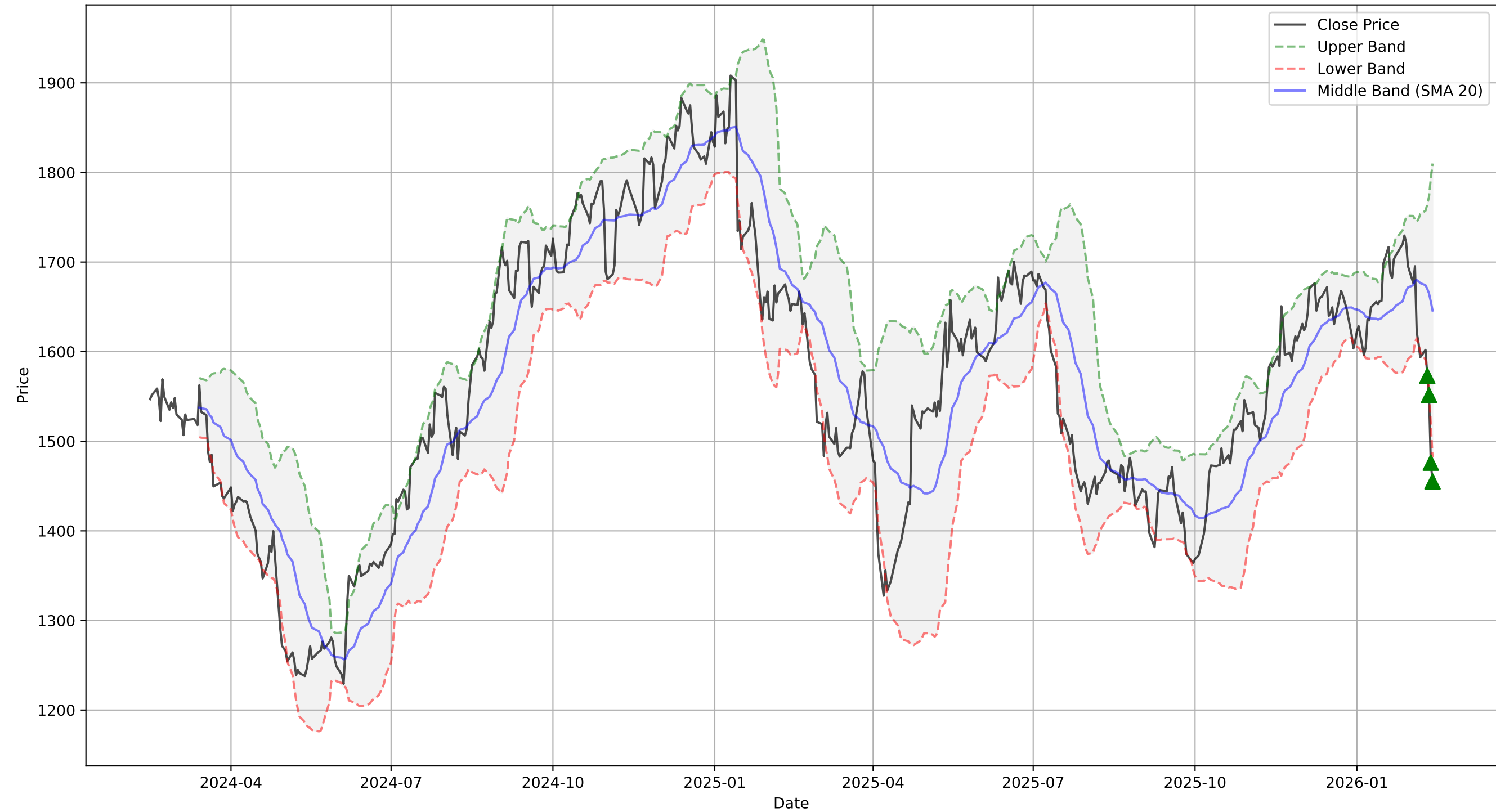
HCLTECH.NS EMA Crossover Analysis



HCLTECH.NS - Bollinger Bands Summary

Current Price:	1455.20
Upper Band:	1809.92
Middle Band (SMA 20):	1645.86
Lower Band:	1481.81
%B:	-0.0811
Band Width:	0.1993
Status:	Below Lower Band
Signal:	Buy Signal
Recent Signal 1:	Buy Signal at 2026-02-11 00:00:00+05:30
Recent Signal 2:	Buy Signal at 2026-02-12 00:00:00+05:30
Recent Signal 3:	Buy Signal at 2026-02-13 00:00:00+05:30

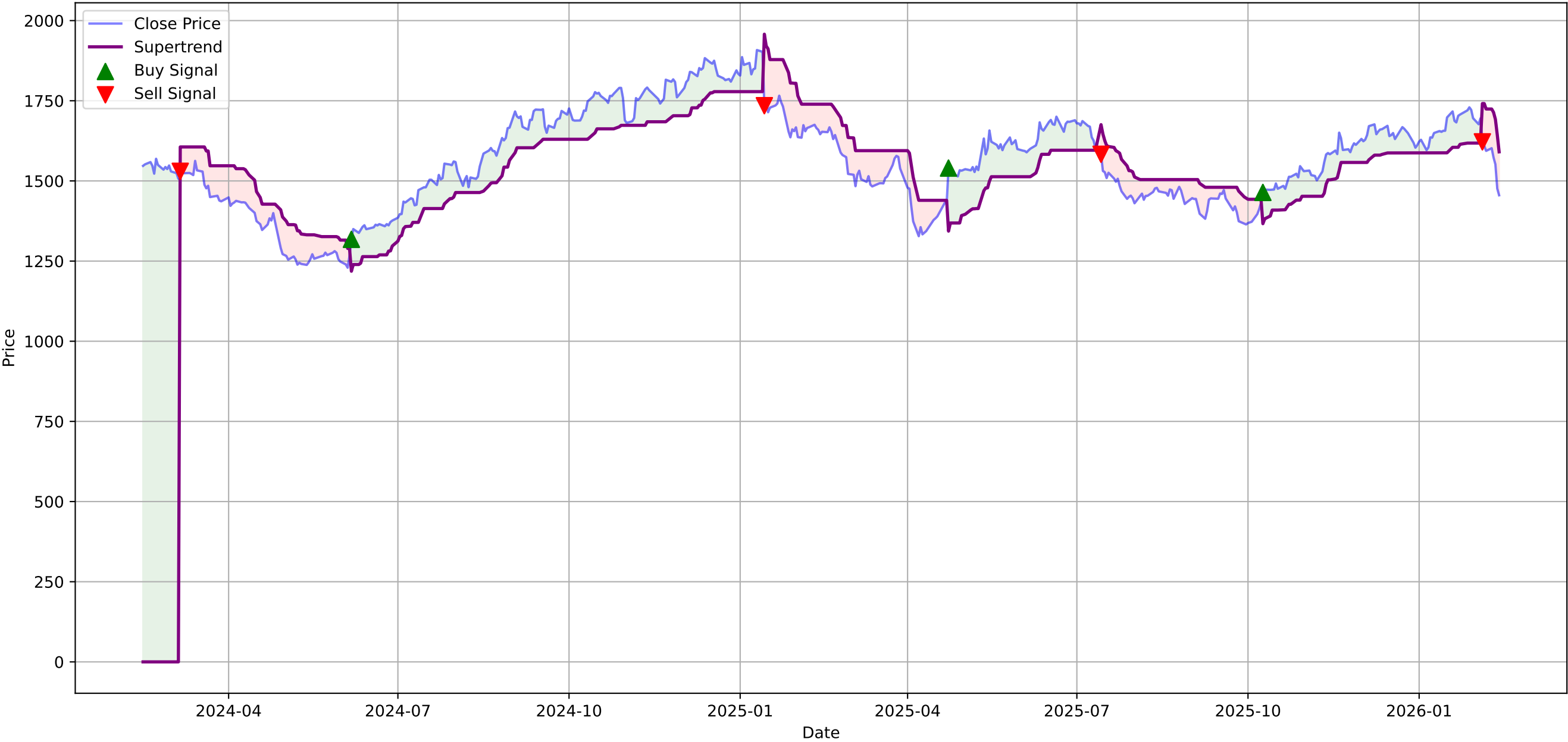
HCLTECH.NS Bollinger Bands (20, 2) Analysis



HCLTECH.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	1590.75
Signal Identified On:	2026-02-04

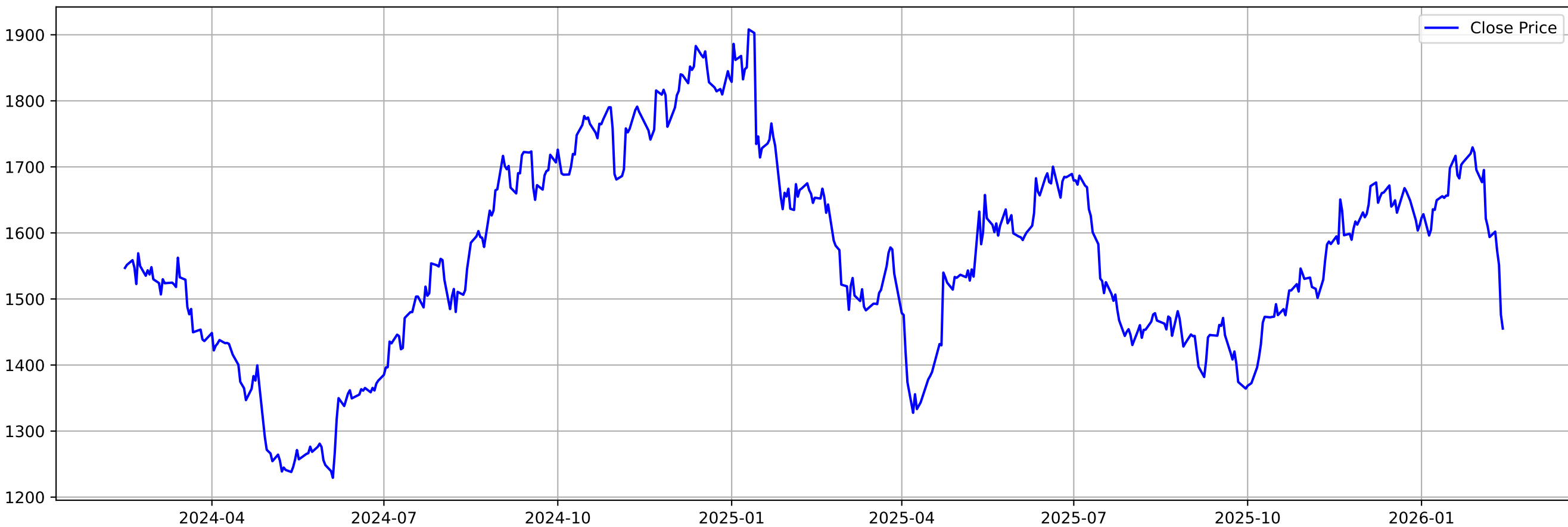
Supertrend Analysis for HCLTECH.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



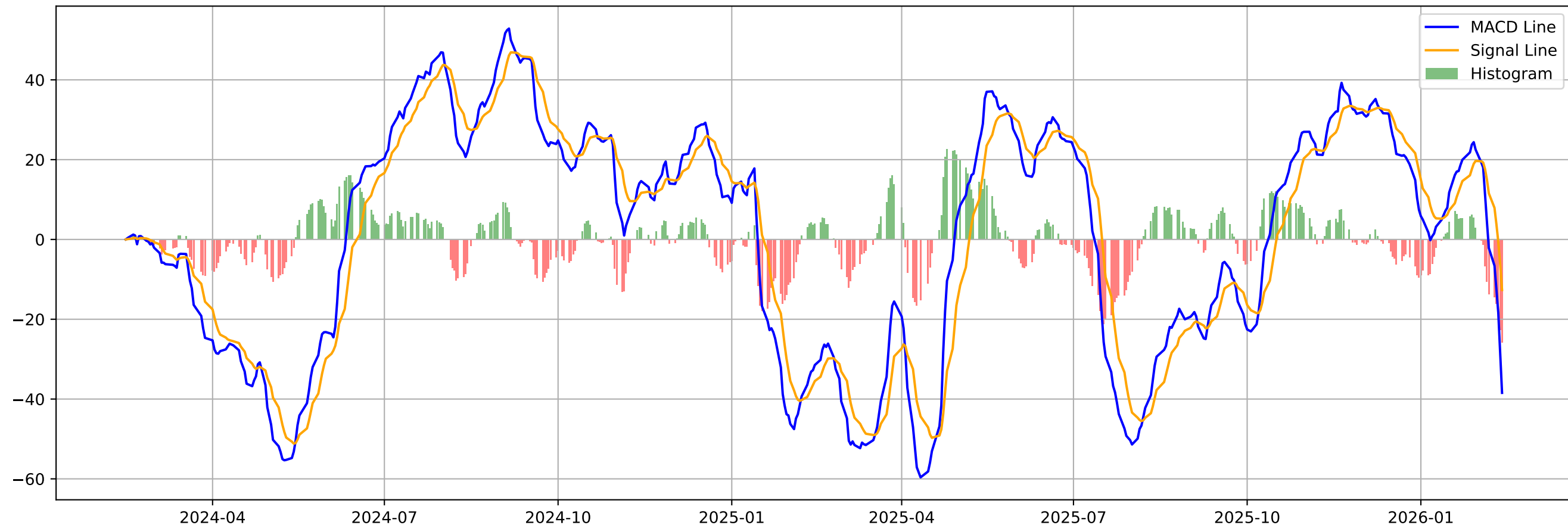
HCLTECH.NS - MACD Summary

MACD Line:	-38.45
Signal Line:	-12.66
Histogram:	-25.79
Trend:	Bearish
Momentum:	Strengthening
Signal:	None

HCLTECH.NS Price



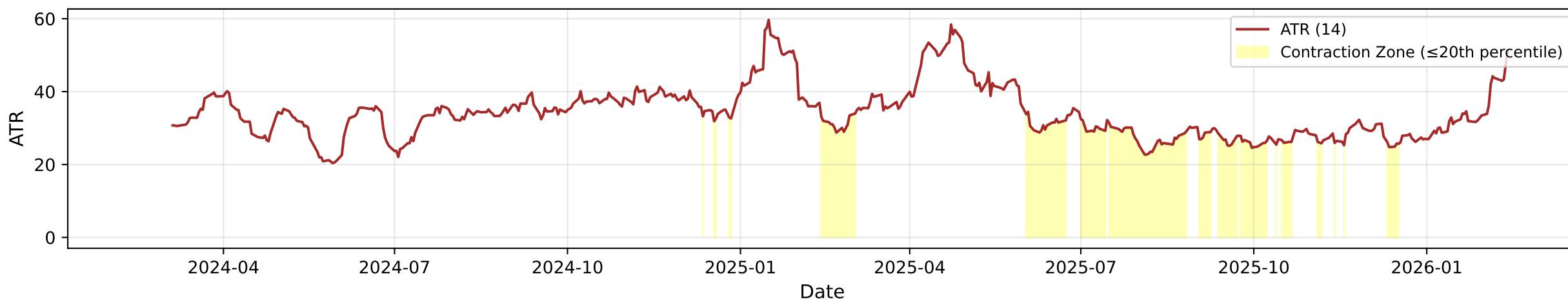
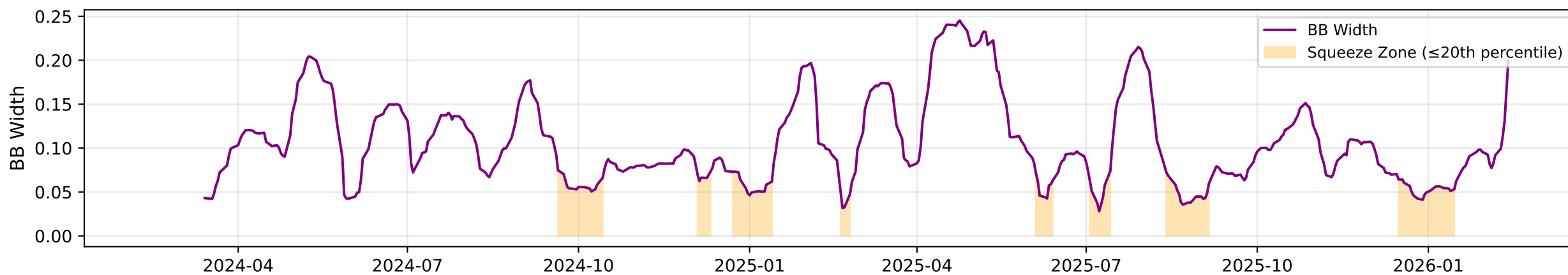
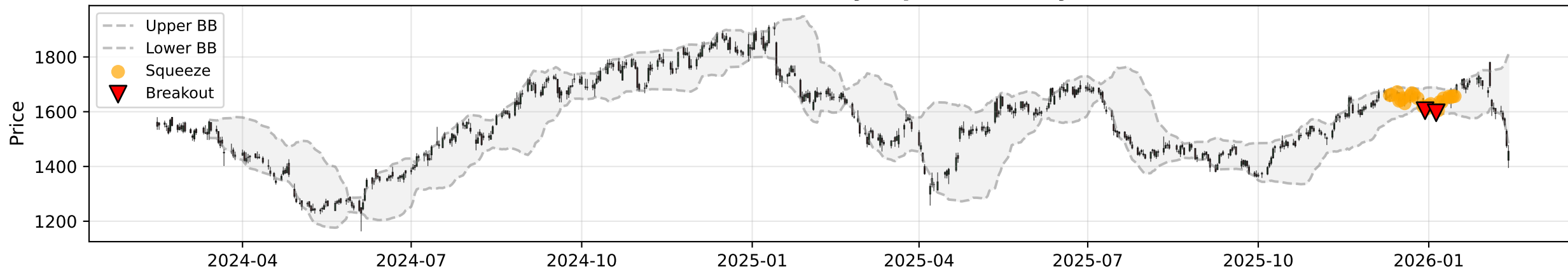
HCLTECH.NS MACD (12, 26, 9)



HCLTECH.NS - Volatility Squeeze Summary

BB Width:	0.1993
ATR:	51.4500
Total Signals:	25
Signal 1:	BB Squeeze at 2026-01-09 00:00:00+05:30 (Price: 1649.45)
Signal 2:	BB Squeeze at 2026-01-12 00:00:00+05:30 (Price: 1655.61)
Signal 3:	BB Squeeze at 2026-01-13 00:00:00+05:30 (Price: 1653.03)
Signal 4:	BB Squeeze at 2026-01-14 00:00:00+05:30 (Price: 1656.50)
Signal 5:	BB Squeeze at 2026-01-15 00:00:00+05:30 (Price: 1656.50)

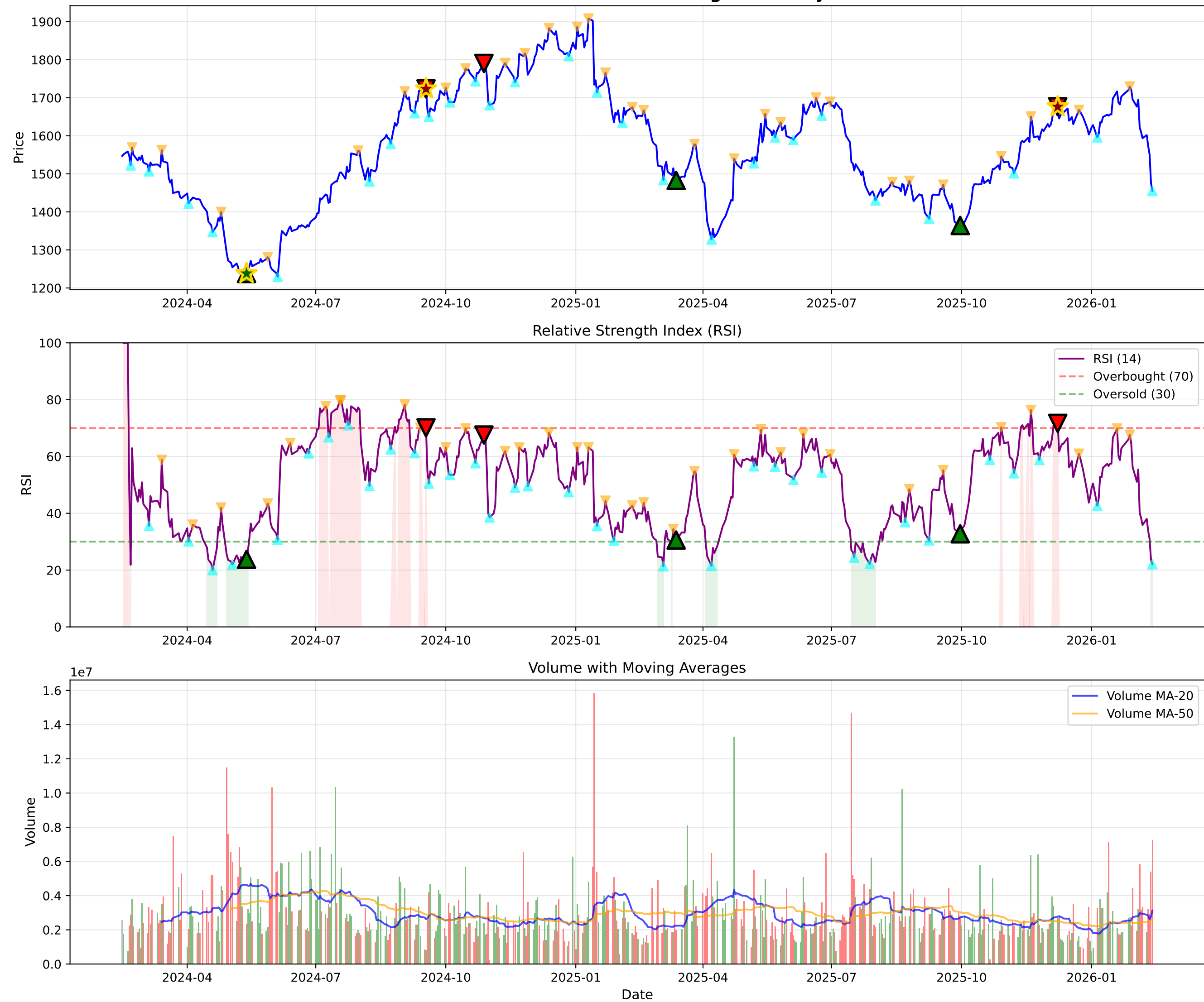
HCLTECH.NS - Volatility Squeeze Analysis



HCLTECH.NS - RSI-Volume Summary

Current RSI:	22.08
Current Volume:	7214938
Volume MA 20:	3129294
Bullish Divergences:	3
Bearish Divergences:	3
Bullish Div 1:	Date: 2025-03-13 00:00:00+05:30, Price: 1482.79
Bullish Div 2:	Date: 2025-09-30 00:00:00+05:30, Price: 1364.25
Bearish Div 1:	Date: 2024-10-28 00:00:00+05:30, Price: 1790.21
Bearish Div 2:	Date: 2025-12-08 00:00:00+05:30, Price: 1676.46

HCLTECH.NS RSI-Volume Divergence Analysis



HCLTECH.NS - Volume Analysis

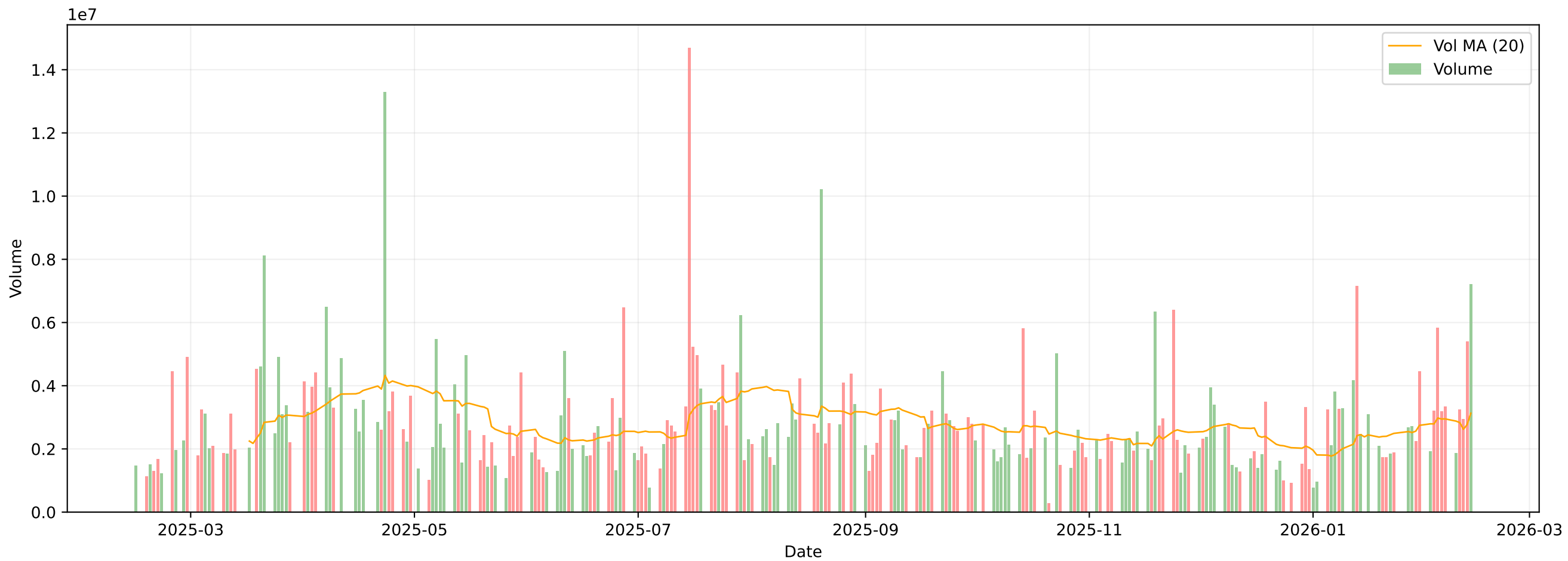
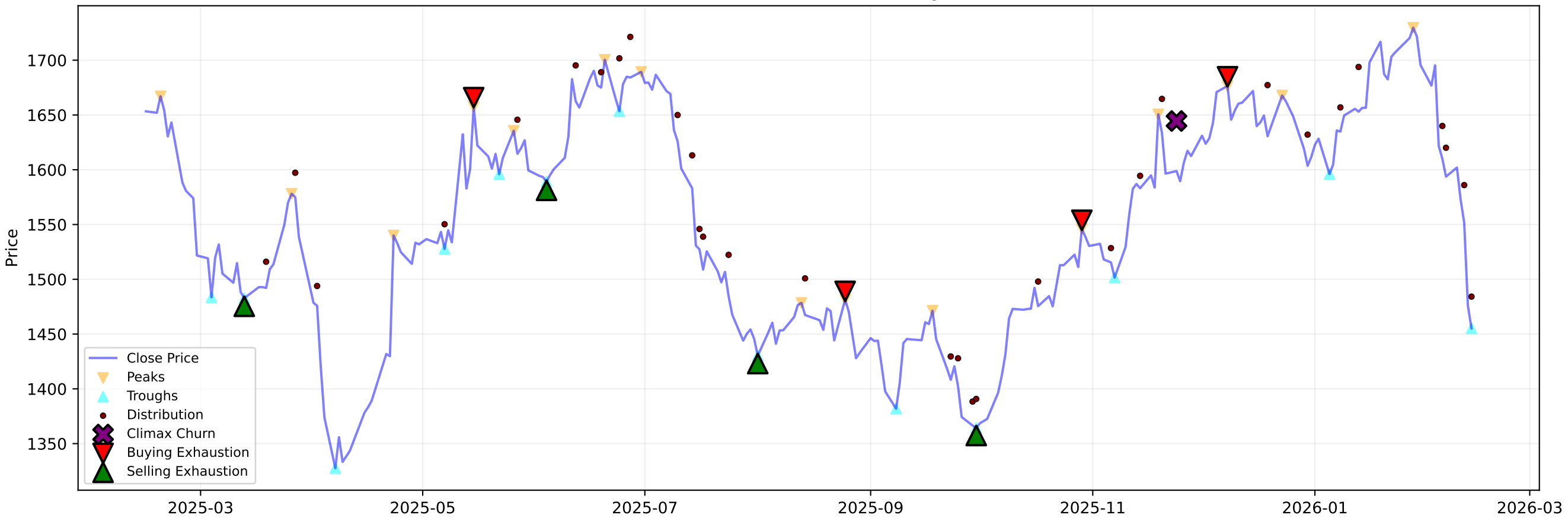
== VOLUME ANALYSIS ==:

Status: **41 Signals Detected**

:

2026-01-13 [-]:	Distribution Day
2026-02-05 [-]:	Distribution Day
2026-02-06 [-]:	Distribution Day
2026-02-11 [-]:	Distribution Day
2026-02-13 [-]:	Distribution Day

HCLTECH.NS - Volume Analysis



HCLTECH.NS - Candlestick Classification Summary

== CANDLESTICK CLASSIFICATION ==:

Latest Classification: **Buyer Control**

Recent Trend Score (10-day avg): -0.30

:

Distribution:

No Control: 103

Seller Control: 64

Buyer Control: 58

Buyer Strong Control: 2

Seller Strong Control: 1

HCLTECH.NS - Candlestick Classification



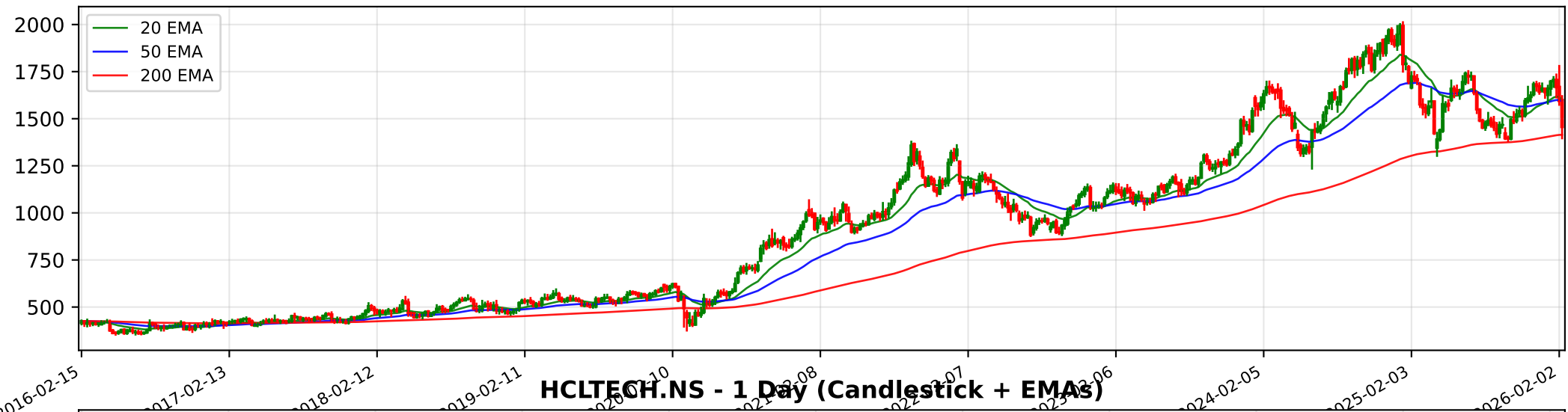
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	1743.06	1455.2	2026-02-09
1 Day	DOWNTREND (Sell)	1590.75	1455.2	2026-02-04
15 Min	UPTREND (Buy)	1430.64	1458.0	2026-02-13

Multi-Timeframe MACD Analysis

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

HCLTECH.NS - 1 Week (Candlestick + EMAs)



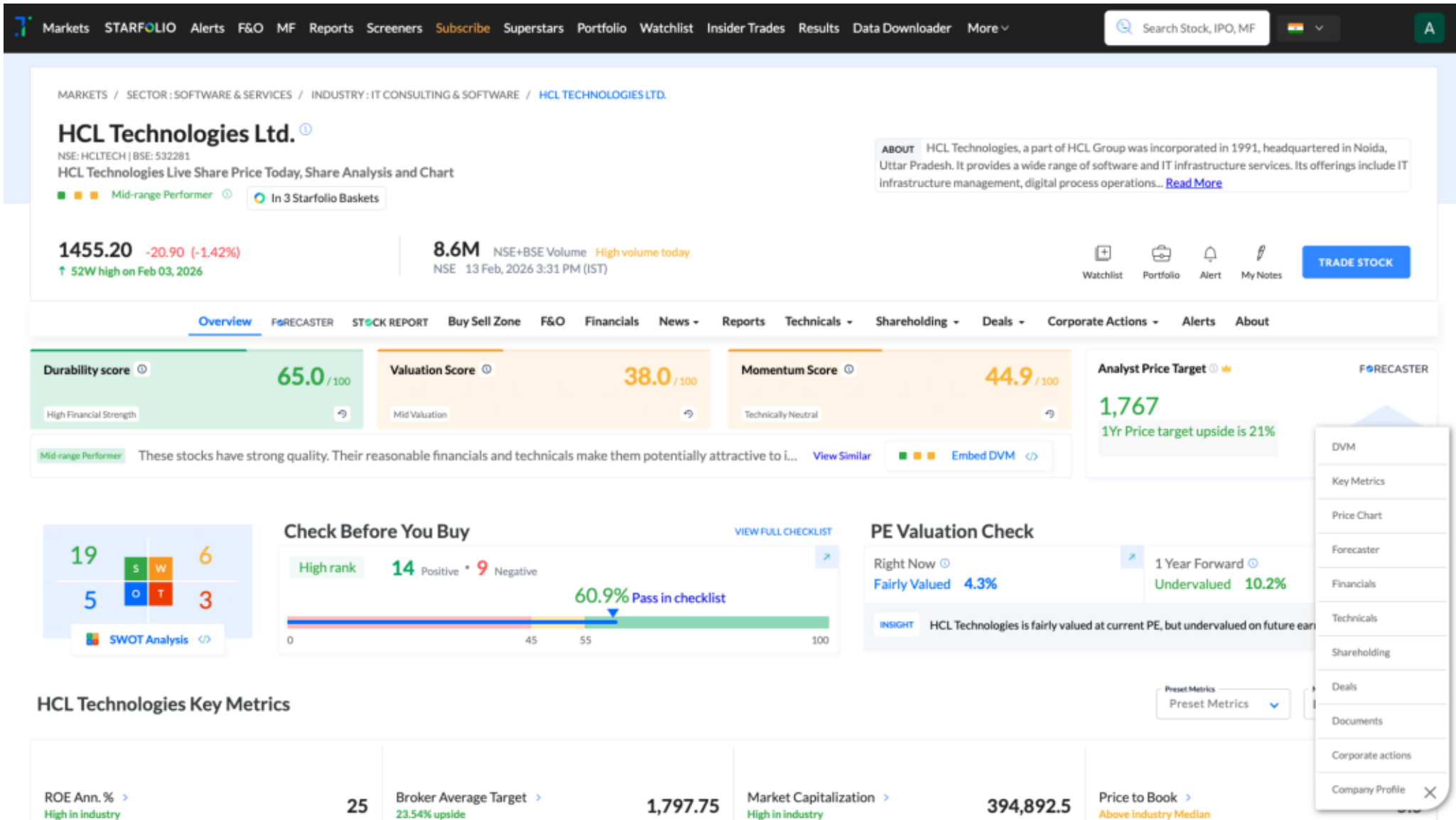
HCLTECH.NS - 1 Day (Candlestick + EMAs)



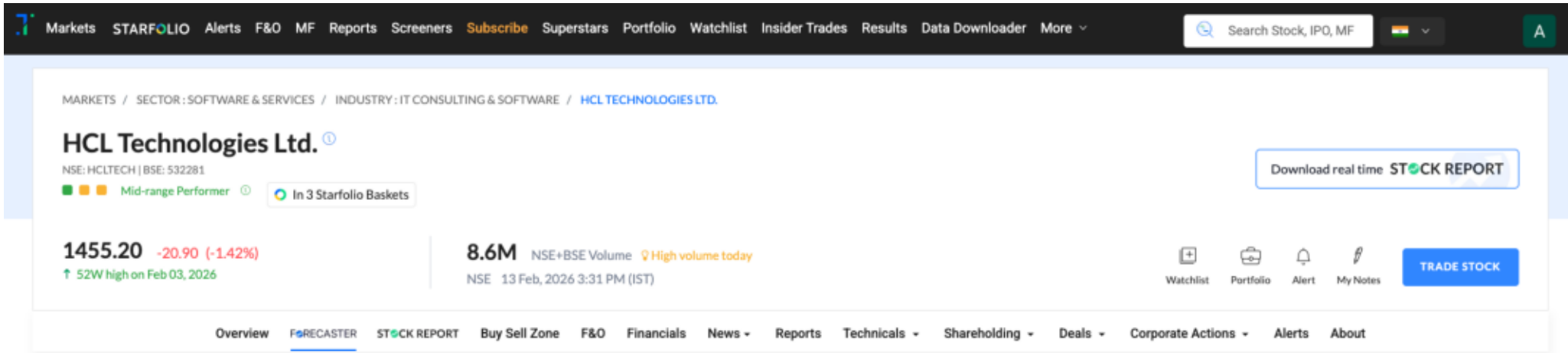
HCLTECH.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - HCLTECH_main



Trendlyne Snapshot - HCLTECH_forecaster



HCL Technologies - HCLTECH - stock price prediction, stock forecast, target price, analyst ratings from 44 analysts

HCL Technologies has a share price target of Rs 1766, revenue growth forecast of 10.5%, and profit growth estimate of -1.8% for FY26, based on top 44 analyst calls.

HCL Technologies **FORECASTER** - Analyst Estimates ^{NEW} ⓘ

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