

Based on the detailed PDF report provided, here is the analysis for a Positional Equity Trade on TCS.NS.

Step 1: Audit the Data

- * **Data Present:**
 - * Multi-timeframe price charts (Weekly, Daily, 15-min).
 - * Key Moving Averages (20, 50, 200 EMAs).
 - * Momentum Indicators (RSI, MACD, Relative Strength).
 - * Volatility Analysis (Bollinger Bands, Volatility Squeeze signals).
 - * Trend Indicators (Supertrend).
 - * Fundamental snapshot (Revenue, EPS growth, Forecaster ratings).
 - * Volume Analysis (Exhaustion signals).
- * **Data Missing:**
 - * Specific Fibonacci retracement levels from the all-time high.
 - * Derivatives data (Open Interest build-up/PCR) which is crucial for large-cap IT stocks.
- * **Confidence Level:** **High**. The technical report is robust, covering trend, momentum, and volatility comprehensively, allowing for a high-confidence technical assessment.

Step 2: Analyze the Setup

- * **Price Structure & Trend:**
 - * **The Conflict:** The stock is currently in a compression zone. It has successfully reclaimed the short-term averages (20 EMA @ 3177 and 50 EMA @ 3142), indicating short-term strength. However, it is facing immediate, critical resistance at the 200 EMA (3207.73) and the Daily Supertrend (3267.20).
 - * **Pattern:** The chart shows a "Volatility Squeeze" (Page 14/15) with extremely tight Bollinger Band width (0.05). This historically precedes a significant expansion or breakout move.
- * **Momentum:**
 - * **RSI:** At 54.30, RSI is in neutral-bullish territory with room to run.
 - * **MACD:** While the histogram is improving, the MACD line is technically still below the Signal line on the daily timeframe (Page 12), though converging.
 - * **Relative Strength:** The report detects a "Turnaround" in Relative Strength (Page 4), suggesting TCS is beginning to stop underperforming the benchmark (^CNXIT).
- * **Risk/Reward:**
 - * Entering exactly at 3206.70 is risky because the price is essentially touching the 200 EMA resistance. A rejection here could send it back to the 3100 levels. A breakout, however, opens the path to 3500+.

Step 3: Formulate the Recommendation

Should you enter this stock now?

NO.

Reasoning:

While the setup is promising due to the volatility squeeze and short-term trend improvement, the price is currently capped by the 200-day EMA (3207) and the Supertrend Sell signal (3267). As a risk-averse positional trader, you should not buy *into* major resistance. You need confirmation that the "Squeeze" creates an upward breakout rather than a rejection.

Conditional Plan (Wait for the Breakout):

- * **Condition to Buy:**
 - * The stock must register a **Daily Candle Close above INR 3,270**.
 - * *Why?* This level clears both the 200 EMA (Long-term trend filter) and flips the Supertrend to "Buy," confirming the volatility squeeze has resolved to the upside.
- * **Entry Price:**
 - * **INR 3,275 - INR 3,285** (Enter on the confirmation day or the retest of the breakout level).
 - * **Stop Loss:**
 - * **INR 3,135** (Closing Basis).
- * *Rationale:* This places the stop just below the 50 EMA (3142) and the 20 EMA (3177). If price falls back below these averages, the breakout has failed.
- * **Take Profit:**
 - * **Target 1: INR 3,615** (~10% Upside). This aligns with the "Forecaster" analyst target (Page 23) and previous swing resistance.
 - * **Target 2: INR 3,750** (~14.5% Upside). Upper boundary of the previous consolidation zone seen in mid-2024.

News & Analyst Targets

As a stock research analyst, I have compiled the latest research note on **Tata Consultancy Services (TCS)** for the week ending **January 17, 2026**.

1. Latest News for TCS (Week of Jan 11-17, 2026)

The week was dominated by the release of Q3 FY26 financial results and a significant corporate action regarding dividends.

- * **Q3 FY26 Earnings Release:** TCS reported its third-quarter earnings on January 12, 2026.
 - * **Revenue:** Consolidated revenue stood at **INR 67,087 crore**, up **5% YoY**.
 - * **Net Profit:** Reported net profit declined ~14% YoY to **INR 10,657 crore**. However, this was heavily impacted by a one-time provision of **INR 2,128 crore** related to new labor code liabilities.
 - * **Adjusted Profit:** Excluding exceptional items, the adjusted net profit was **INR 13,438 crore**, reflecting an **8.5% YoY growth**, signaling core operational stability.
- * **Mega Dividend Payout:** The Board declared a total dividend of **INR 57 per share**.
 - * This includes a third interim dividend of **INR 11** and a **Special Dividend of INR 46**.
 - * **Record Date:** Today, **Saturday, January 17, 2026**.
 - * **Payment Date:** February 3, 2026.
- * **Workforce Contraction:** TCS reported a headcount reduction of **11,151 employees** in Q3, bringing the total workforce to **582,163**. The management attributed this to ongoing restructuring and productivity gains from AI, with layoffs expected to continue into early 2026.
- * **Strategic AI Partnership:** On Jan 14, TCS announced a strategic collaboration with **AMD** to help enterprises scale AI adoption, modernizing legacy environments using AMD's high-performance computing and AI product portfolio.
- * **Recognition:** Newsweek named TCS as "America's Most Reliable IT Services Company" in its 2026 rankings.

2. Brokerage Upgrades & Downgrades

The analyst community remains divided but largely leans towards a "Buy" on dips, citing the special dividend and AI traction as positives to counter the headline miss on profit.

- * **Upgrade/Bullish:**
 - * **Nuvama** maintained a BUY rating and **raised** its target price, citing that the profit miss was technical (one-off) and core margins remain resilient.
 - * **Investec** maintained BUY and **raised** its target, highlighting improved deal win confidence.
 - * **Morgan Stanley** maintained **Overweight** and **raised** its target, noting management's confidence in FY27 growth.
- * **Downgrade/Bearish:**
 - * **Citi** maintained its SELL rating and marginally **trimmed** its target,

expressing concern over muted international growth and the sustainability of core service momentum.

3. Indirect & Macro Impact

* **Sector-Wide Job Cuts:** The layoff trend is not unique to TCS; reports this week highlighted similar workforce reductions at **Ericsson** and **Meta**, signaling a broader industry pivot toward "AI-led efficiency" over headcount growth. This validates TCS's strategy but raises concerns about overall IT sector hiring sentiment.

* **New Labor Codes:** The significant one-time provision (INR 2,128 Cr) taken by TCS regarding labor codes has sparked discussions on whether other Indian IT peers (Infosys, Wipro) will need to take similar hits in their upcoming reports, potentially impacting sector sentiment.

4. Analyst Price Targets (January 2026)

Below is the summary of the latest price targets issued by major brokerages following the Q3 FY26 results.

Brokerage Firm	Rating	Old Target (INR)	New Target (INR)**	View / Commentary
:--- :--- :--- :--- :---				
Macquarie **Buy** N/A **4,810** *Street High.* Expects strong growth acceleration and PE re-rating in FY27.				
Nuvama **Buy** 3,650 **3,750** Raised target; views profit impact as one-off.				
Investec **Buy** 3,610 **3,700** Raised target; confident on deal wins & margin defense.				
Kotak Inst. Equities **Buy** N/A **3,675** Highlights strategic positioning in Cloud & AI.				
Goldman Sachs **Buy** 3,510 **3,590** Raised target; sees stable-to-improving demand environment.				
Morgan Stanley **Overweight** 3,430 **3,540** Raised target; positives in AI proof-of-concepts moving to production.				
Emkay **Add** N/A **3,500** Maintained Add; results largely in-line with expectations.				
Citi **Sell** N/A **3,020** * Bearish .* Trimmed target; concerned about soft international growth.				

***Disclaimer:** This report is for informational purposes only and does not constitute financial advice. Please consult a certified financial advisor before making investment decisions.*

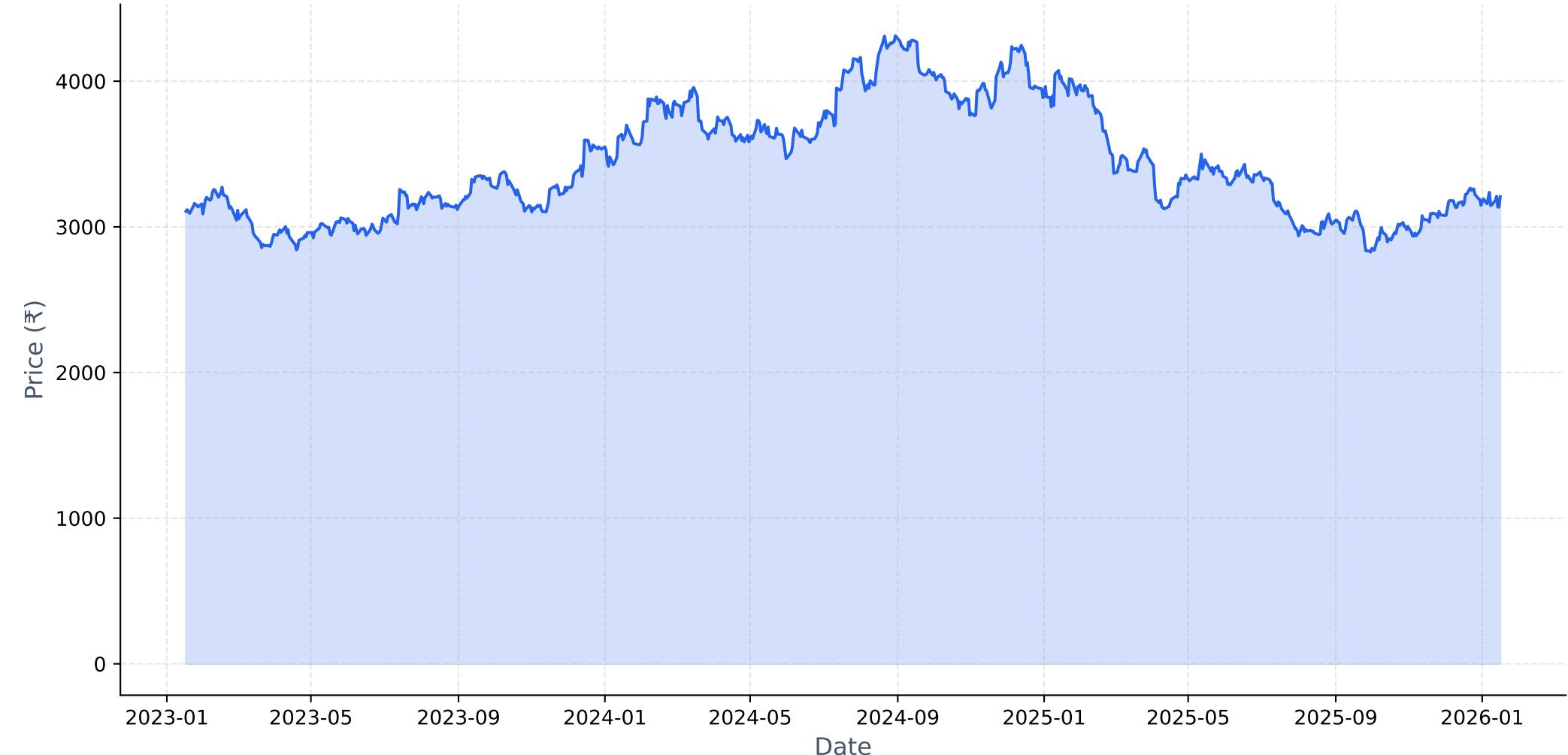
Stock Detailed Analysis Report

TCS.NS

Current Price: ₹3206.70

Generated: 2026-01-17 17:57

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:	Neutral
RS Score:	48.2/100
:	

== RS RATIOS ==:

1M RS:	0.977 [Neutral]
3M RS:	0.976 [Neutral]
6M RS:	0.980 [Neutral]
1Y RS:	0.888 [Neutral]
:	

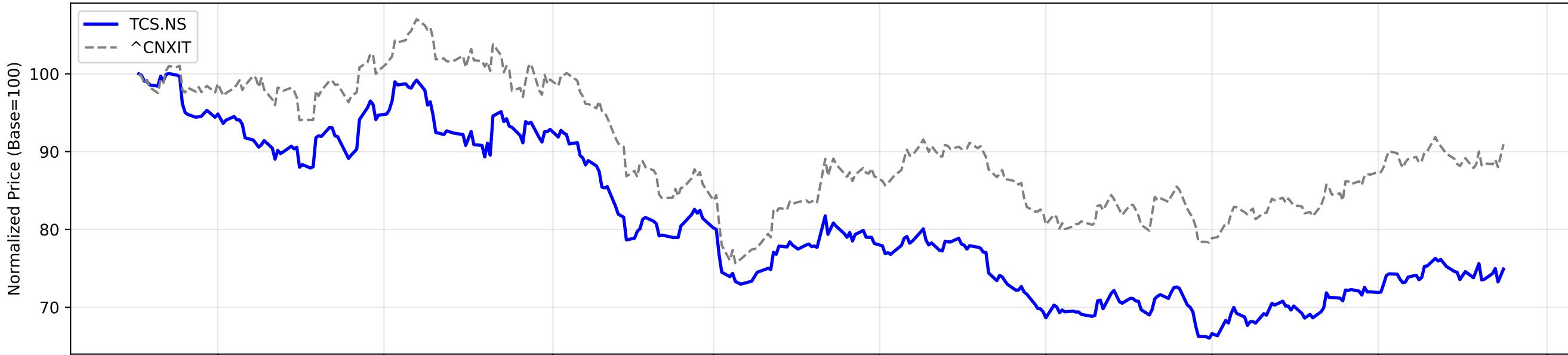
== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
:	

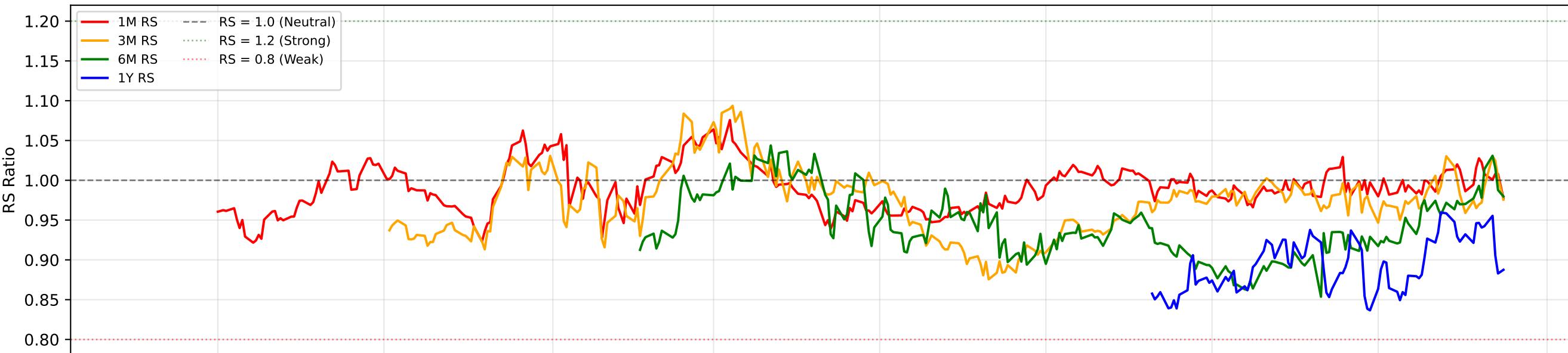
SIGNAL CRITERIA::

✓ Emerging RS:	1M (0.977) > 3M (0.976)
✓ Medium-term Lagging:	6M=0.980, 1Y=0.888 (≤ 1.0)
✓ Performance Improving:	3M (+9.9%) > 6M (+1.1%)

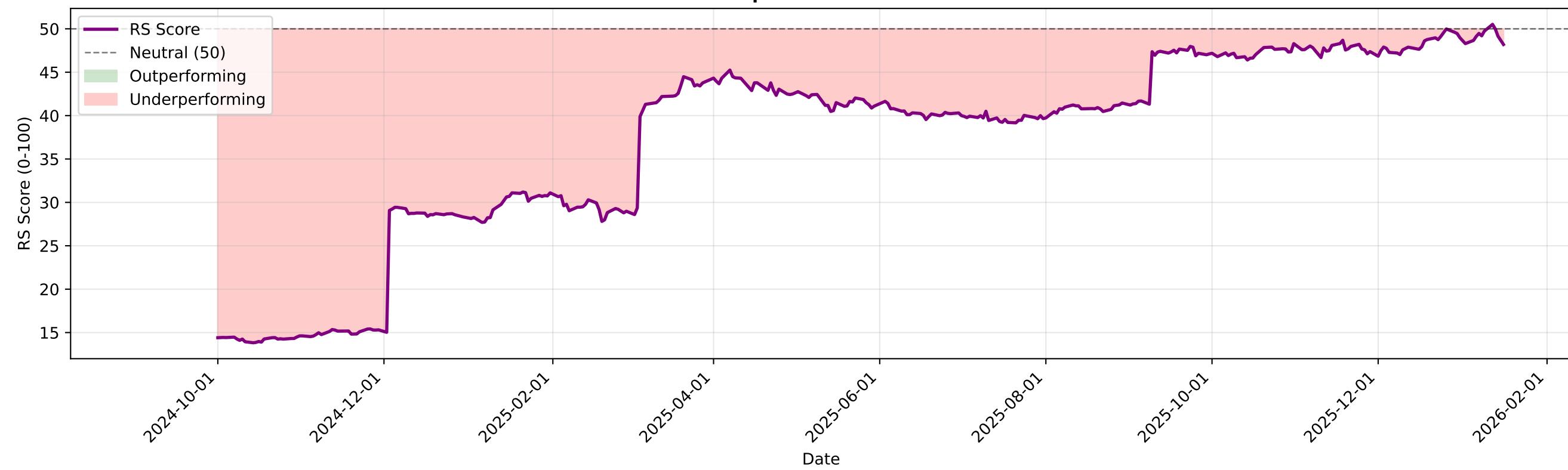
Relative Strength Analysis: TCS.NS vs ^CNXIT
Classification: Neutral
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



RS Composite Score Timeline



TCS.NS - EMA Crossover Summary

EMA 20:	3177.12
EMA 50:	3142.17
EMA 200:	3207.73
Trend Status:	Short-term Uptrend

TCS.NS EMA Crossover Analysis



TCS.NS - Bollinger Bands Summary

Current Price:	3206.70
Upper Band:	3281.32
Middle Band (SMA 20):	3195.52
Lower Band:	3109.72
%B:	0.5651
Band Width:	0.0537
Status:	Upper Half
Signal:	None

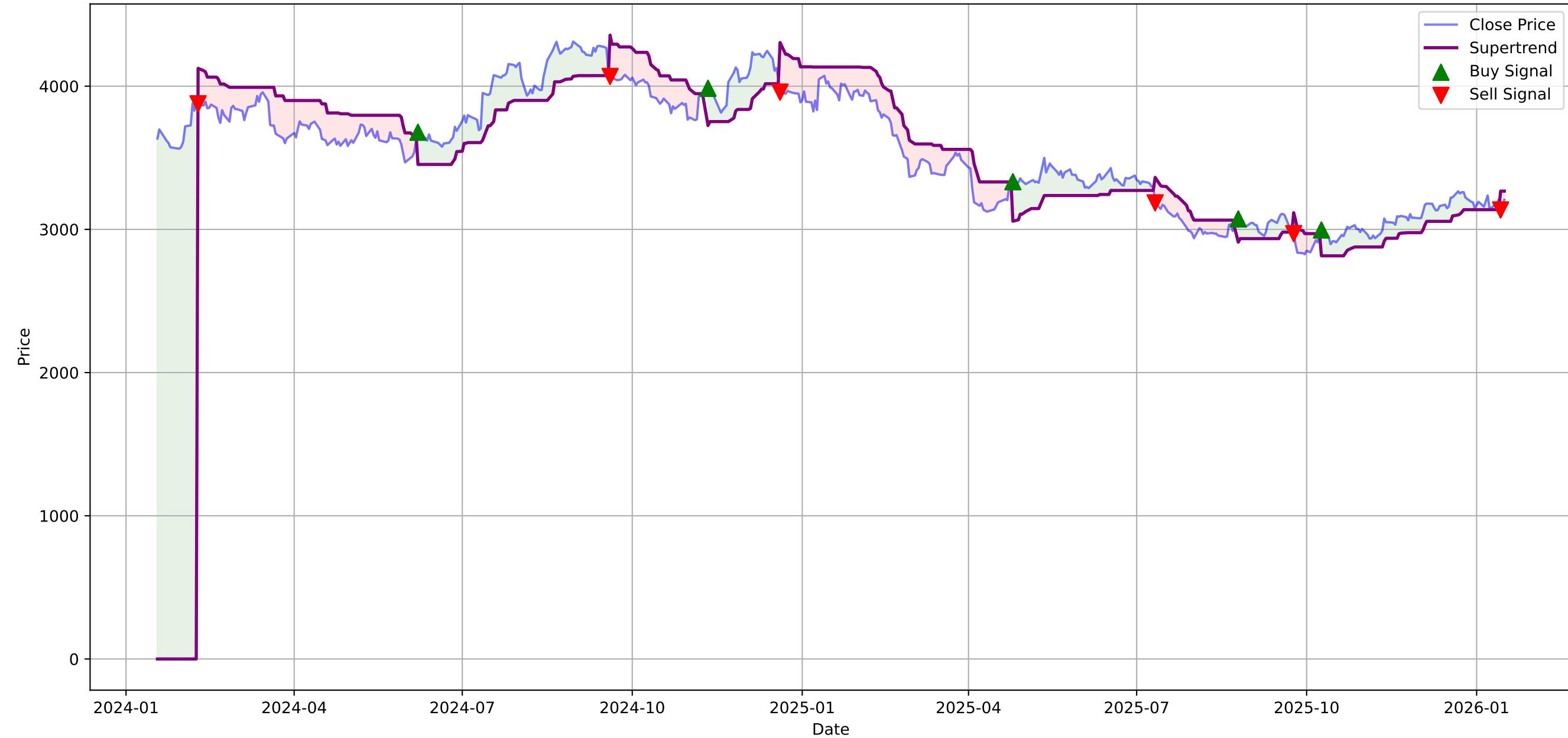
TCS.NS Bollinger Bands (20, 2) Analysis



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)



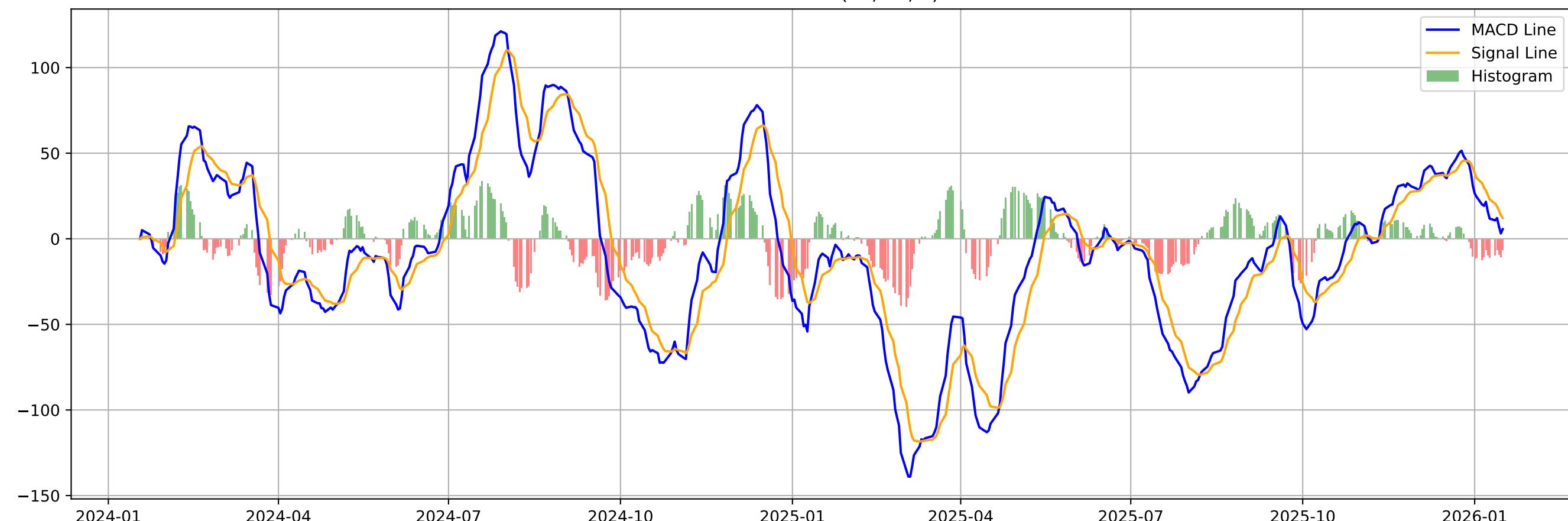
TCS.NS - MACD Summary

MACD Line:	5.62
Signal Line:	12.18
Histogram:	-6.55
Trend:	Bearish
Momentum:	Weakening
Signal:	None

TCS.NS Price



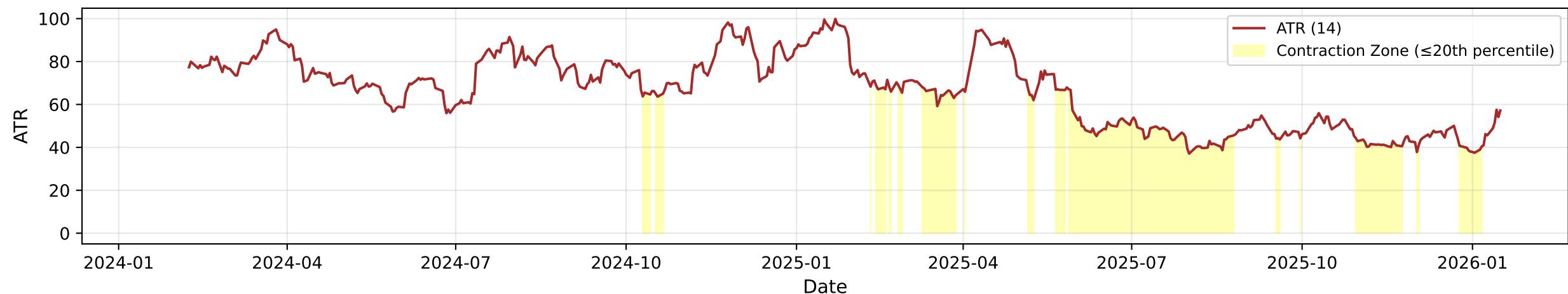
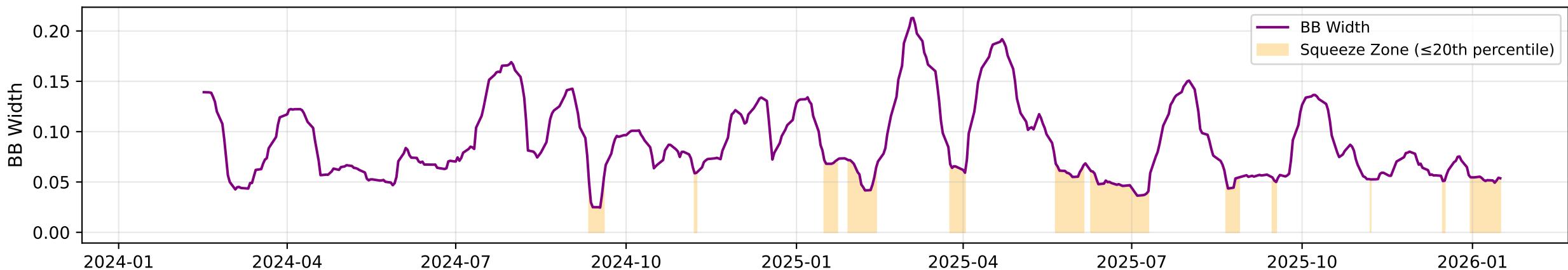
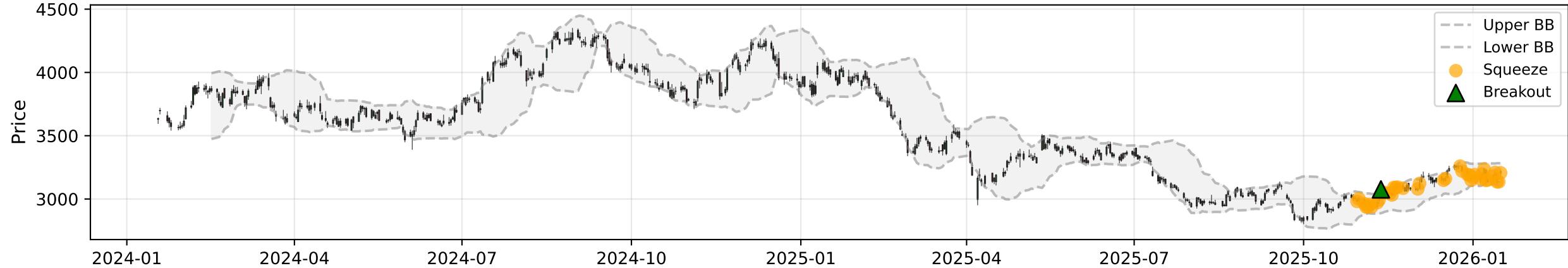
TCS.NS MACD (12, 26, 9)



TCS.NS - Volatility Squeeze Summary

BB Width:	0.0537
ATR:	57.1589
Total Signals:	39
Signal 1:	BB Squeeze at 2026-01-12 00:00:00+05:30 (Price: 3181.76)
Signal 2:	BB Squeeze at 2026-01-13 00:00:00+05:30 (Price: 3209.65)
Signal 3:	BB Squeeze at 2026-01-14 00:00:00+05:30 (Price: 3135.50)
Signal 4:	BB Squeeze at 2026-01-15 00:00:00+05:30 (Price: 3135.50)
Signal 5:	BB Squeeze at 2026-01-16 00:00:00+05:30 (Price: 3206.70)

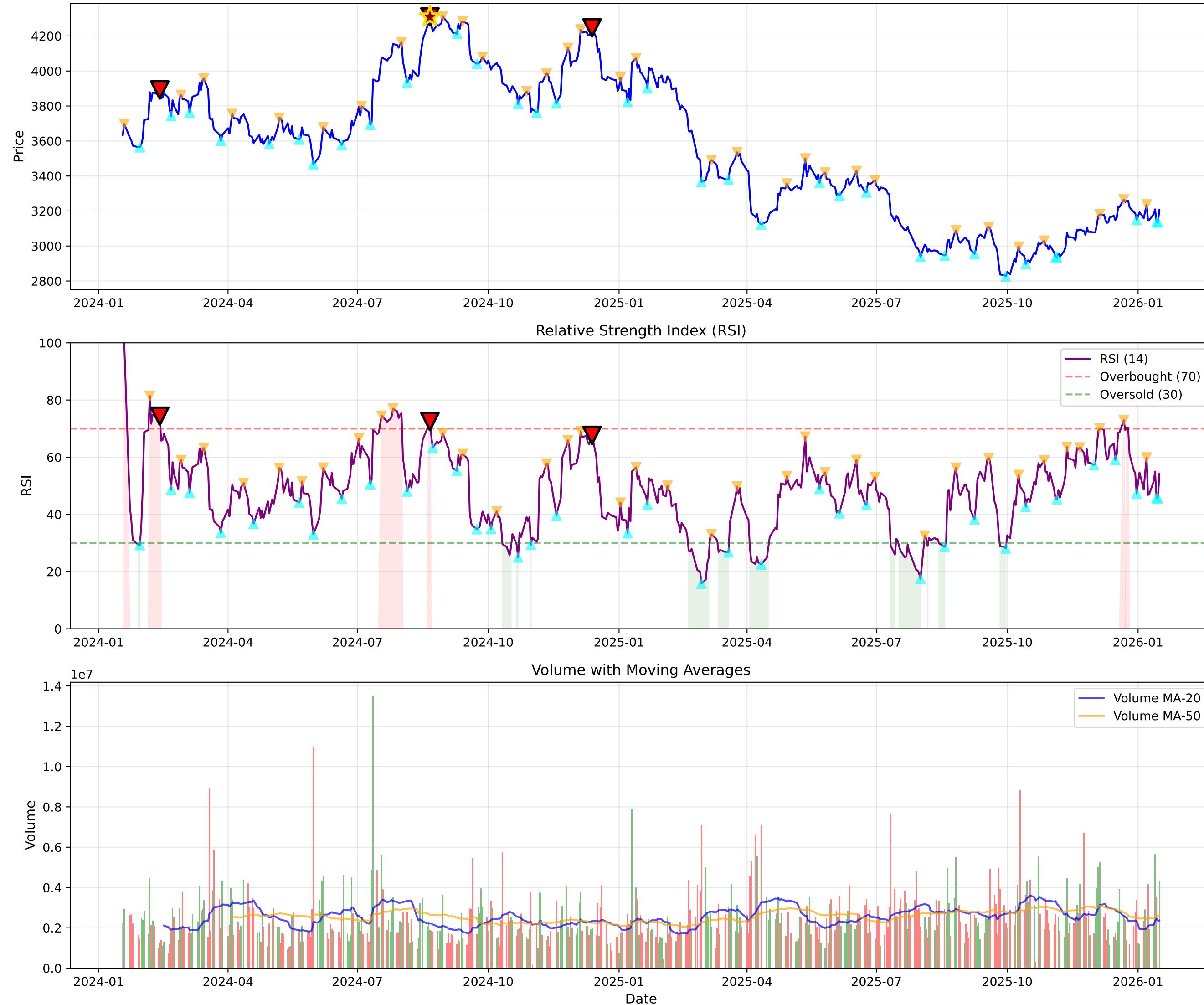
TCS.NS - Volatility Squeeze Analysis



TCS.NS - RSI-Volume Summary

Current RSI:	54.30
Current Volume:	4293470
Volume MA 20:	2364026
Bullish Divergences:	0
Bearish Divergences:	3
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

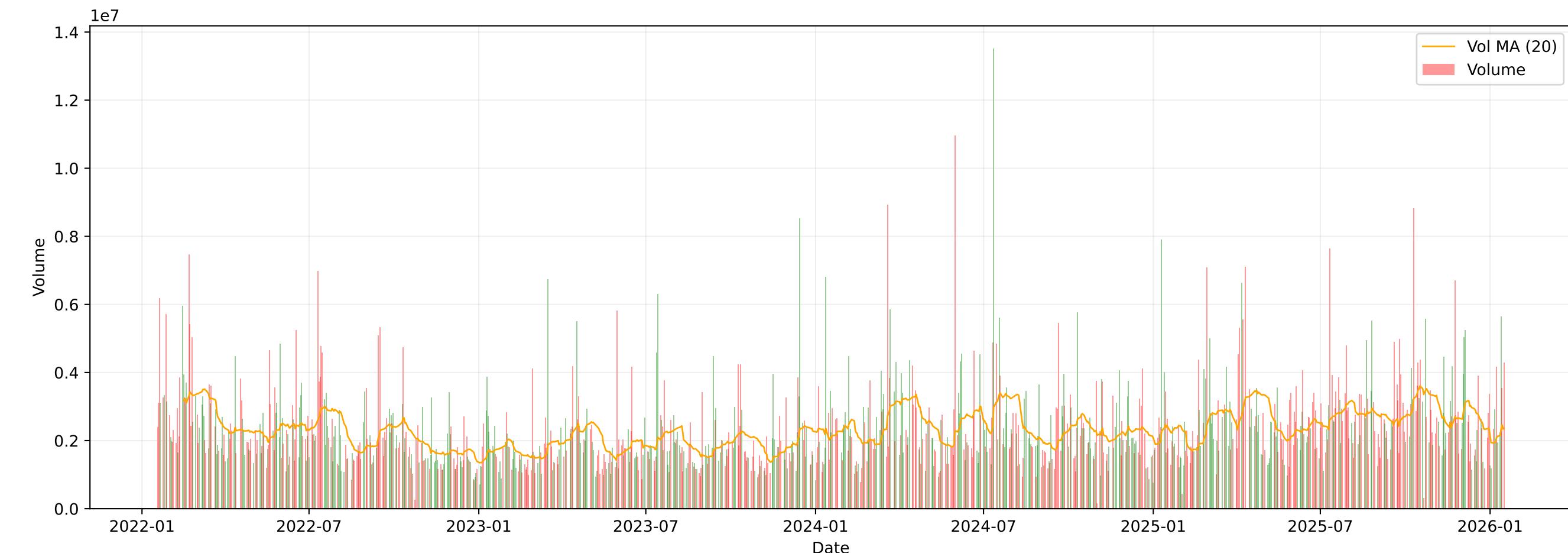
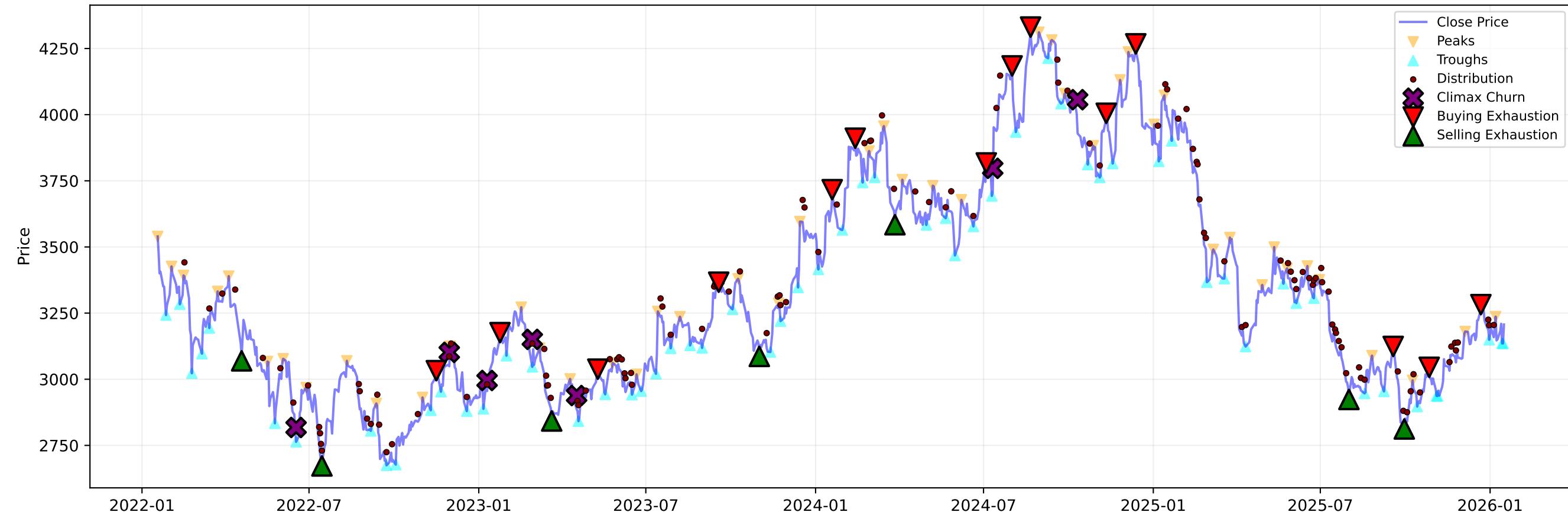


TCS.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status:	159 Signals Detected
:	
2025-11-27 [-]:	Distribution Day
2025-12-22 [+]:	Buying Exhaustion (Bearish Div)
2025-12-30 [-]:	Distribution Day
2025-12-31 [-]:	Distribution Day
2026-01-05 [-]:	Distribution Day

TCS.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	UPTREND (Buy)	3087.86	3206.7	2025-12-01
1 Day	DOWNTREND (Sell)	3326.59	3206.7	2026-01-14
15 Min	UPTREND (Buy)	3187.2	3208.0	2026-01-16

Multi-Timeframe MACD Analysis

Timeframe	Trend	Momentum	Signal
1 Week	Bullish	Weakening	No Signal
1 Day	Bearish	Weakening	No Signal
15 Min	Bullish	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
TCS Live Share Price Today, Share Analysis and Chart

Mid-range Performer [\(1\)](#) In 2 Starfolio Baskets

3206.70 14.20 (0.44%)

4.4M NSE+BSE Volume
NSE 16 Jan, 2026 3:31 PM (IST)

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[Dividend](#) TCS last dividend of ₹46.00 per share was given on 16 Jan 2026 [See details](#)

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Durability score [\(1\)](#) **65.0** /100 High Financial Strength

Valuation Score [\(1\)](#) **35.5** /100 Mid Valuation

Momentum Score [\(1\)](#) **49.9** /100 Technically Neutral

Analyst Price Target [\(1\)](#) **3,612** 1Yr Price target upside is 13%

FORECASTER

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

SWOT Analysis [\(1\)](#)

Check Before You Buy [VIEW FULL CHECKLIST](#)
High rank **14** Positive * **9** Negative

PE Valuation Check
Right Now [\(1\)](#) Undervalued **30.3%**
1 Year Forward [\(1\)](#) Undervalued **40.7%**

INSIGHT TCS is undervalued at both current PE and future earnings estimates.

TCS Key Metrics

Preset Metrics [Preset Metrics](#)

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- DVM
- Key Metrics
- Price Chart
- Forecaster
- Financials
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Trendlyne Snapshot - TCS_forecaster

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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 3612, revenue growth forecast of 3.6%, and profit growth estimate of 4.4% for FY26, based on top 46 analyst calls.

TCS FORECASTER - Analyst Estimates [①](#)

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