Strategic Trading Analysis

Based on the provided `Stock Detailed Analysis Report` for **TCS.NS**, here is the audit and positional trading analysis.

Step 1: Audit the Data

- **Data Present:**
  - **Price Action:** Daily, Weekly, and 15-minute candlestick charts with EMA overlays (20, 50, 200).
  - **Trend Indicators:** Supertrend, Moving Averages (EMA 20/50/200), MACD.
  - **Momentum/Oscillators:** RSI (14), Relative Strength (RS) comparative to Benchmark, Bollinger Bands.
  - **Volume:** Volume bars, Moving Averages, and Accumulation/Distribution analysis.
  - **Fundamentals:** Long-term (4 years) and Short-term (6 quarters) Revenue/EPS/ROE data.
  - **Forecasting:** Analyst estimates and price targets.
- **Data Missing:**
  - **Institutional Holdings Change:** While volume suggests institutional action, specific FII/DII ownership changes for the current quarter are not explicitly detailed in a table.
  - **Option Chain Data:** Open Interest (OI) data is not provided, which would be useful to identify immediate support/resistance based on derivative positioning.
- **Confidence Level: High**. The report is comprehensive, covering technical, fundamental, and quantitative metrics necessary for a robust positional analysis.

Step 2: Analyze the Setup

- **Price Structure & Trend:**
  - **Status: Strong Downtrend**. The stock has experienced a catastrophic breakdown, falling from ~INR 3,300 to INR 2,692 recently.
  - **Structure:** It is trading below all key Moving Averages (20 < 50 < 200), confirming a bearish phase. It has broken major multi-year support levels (visible on the Weekly chart, Page 23).
- **Momentum & Confluence:**
  - **RSI:** The RSI is at **24.91** (Page 16), which is deeply oversold. While this often signals a potential "snap-back" rally, in strong downtrends, RSI can remain oversold for extended periods.
  - **Bollinger Bands:** Price is trading well below the **Lower Bollinger Band (2756.19)** (Page 8). A `Current Price < Lower Band` scenario suggests an extreme deviation from the mean, statistically favoring a reversion to the mean (the 20 SMA) in the medium term.
  - **Volume:** There is massive volume expansion on the decline (11M vs. 4.4M average on Page 16). This indicates **capitulation** or panic selling, often seen near short-term bottoms, but it also implies a "broken" stock where overhead supply will be heavy.
- **Fundamental Context:**
  - The catalyst appears to be the **Short-term Fundamental deterioration** (Page 3). Net Income is down **-16.48% QoQ** and EPS is down **-16.50%**. The market is repricing the stock based on this earnings contraction.

Step 3: Formulate the Recommendation

Decision: NO. (Do not enter at the current market price of INR 2692.20).

Reasoning: The stock is effectively a "falling knife." While the RSI and Bollinger Bands suggest it is oversold, the "Strong Downtrend" status (Page 6) and the volume-backed breakdown indicate sellers are still in total control. Entering now is gambling on an immediate V-shaped reversal, which is low-probability without a stabilization base. The fundamentals justify the drop, so a "cheap" price is not enough reason to buy yet.

However, given the extreme oversold nature (RSI < 25), a **Mean Reversion** trade is a high-probability *potential* setup for the 5-15% upside target once stabilization occurs.

Conditional Plan (Mean Reversion / Relief Rally):

We will wait for the stock to stop falling and close back inside its statistical range.

- **Condition to Buy: Daily Close above the Lower Bollinger Band (> INR 2,760).**
  - *Rationale:* We need the price to prove it has found a floor. A close back inside the bands confirms the immediate selling climax is pausing.
- **Entry Price: INR 2,765 - INR 2,780** (On the day following the confirmation close).
- **Stop Loss: INR 2,590** (Hard Stop).
  - *Rationale:* Placing this below the psychological round number of INR 2,600 and the potential "wick" lows of the current crash to prevent shakeouts.
- **Take Profit: INR 3,050**.
  - *Rationale:* This aligns with the **20-day EMA** (currently ~3008 but falling) and the **Middle Bollinger Band (SMA 20)**. In a downtrend, the stock usually rallies back to touch the 20 EMA before deciding the next move. This offers approximately **10% upside**, fitting your criteria.

Candlestick Classification Analysis

Based on the **Candlestick Classification System** outlined in the report and the visual evidence from Page 20 and Page 21, here is my analysis as a seasoned Price Action Trader.

1. Current Classification Analysis

Latest Signal: Buyer Control (+1)

- **Interpretation:** The most recent daily candle (far right on Page 21) is green. Under the system logic, this indicates a moderate bullish candle where the close was likely in the upper half of the range, supported by decent volume (Volume on Page 21 shows the latest bar is significant, likely acting as a multiplier).
- **Price Action Context:** This candle appears immediately after a catastrophic "waterfall" decline where the price shed nearly 500 points in a very short period.

10-Day Trend Score: -0.50 (Bearish Lean)

- **Interpretation:** Despite today's "Buyer Control" signal, the rolling 10-day average is negative. This confirms that the dominant market psychology over the last two weeks has been defined by **Seller Control (-1)** and **Seller Strong Control (-2)**. A single +1 score does not erase a -0.50 average; it merely represents a pause or a counter-attack in a bear war.

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2. Visual Chart & Volume interpretation (Page 21)

- **The "Waterfall" Drop:** The chart displays a violent capitulation phase. We see a cluster of **Seller Strong Control (-2)** candles (massive red bodies, closing near lows) leading into the current price level. This indicates institutional distribution.
- **Volume Climax:** The volume bars corresponding to the sharpest part of the drop are the highest on the chart. This suggests "Panic Selling" or a "Selling Climax."
- **The Bounce (Current Candle):** The latest "Buyer Control" candle has printed on relatively high volume (though lower than the panic selling volume).
  - *System Logic Application:* High volume acts as a validator (Step 4 in your algorithm). The fact that price closed higher on high volume means **absorption** is taking place. "Smart money" or aggressive contrarians are stepping in to buy the panic dip.

3. Market Psychology & Prediction

The Setup: The market is extremely extended to the downside (Oversold). The distance between the current price (INR 2692) and the mean (EMA 20 is at INR 3008, per Page 6) is massive. Rubber bands that are stretched this far usually snap back.

The Prediction: I predict a **Short-Term Mean Reversion (Bounce) followed by Secondary Testing.**

Immediate Term (1-3 Days): Bullish/Neutral. The "Buyer Control" signal here is likely a **Relief Rally.** Sellers are exhausted after the heavy exertion, and short-sellers are covering their positions to lock in profits. Expect the price to float upward, potentially testing the **INR 2800 - INR 2850** zone.

- *Why?* The 15-min timeframe is already in an Uptrend (Page 22), supporting an immediate tactical bounce.

Medium Term (1-2 Weeks): Bearish Resumption. Do not mistake "Buyer Control" for a trend reversal yet. A classification of +1 is not strong enough to V-shape recover a -0.50 trend score.

- The "Buyer Control" candle will likely form a "Bear Flag" or get rejected once it hits the supply zone left by the previous "Seller Strong Control" candles.
- Unless we see a **Buyer Strong Control (+2)** candle (Large Green Body + Massive Volume closing at Highs) that engulfs the previous red candles, the path of least resistance remains **DOWN**.

Verdict for the Trader:

- **Direction: Sideways to Slightly Up (Short Term)**, then **Down**.
- **Action:**
  - **Aggressive:** Play the mean reversion bounce *long* targeting ~2800, placing a stop loss below the low of the current "Buyer Control" candle.
  - **Conservative:** Wait. This "Buyer Control" signal is currently trying to catch a falling knife. Wait for the bounce to fail and print a **Seller Control (-1)** candle at a lower high to initiate a fresh short position.

Summary: The "Buyer Control" is a sign of absorption, stopping the bleeding, but the patient is still in critical condition. Expect a bounce, but the sellers still own this chart.

News & Analyst Targets

TCS Stock Update: Week of February 9-14, 2026

As an investment research analyst, I have compiled the latest developments for Tata Consultancy Services (TCS). The stock is currently in the spotlight due to significant price corrections driven by sector-wide fears, despite continuing to secure key operational partnerships.

1) Latest News for TCS This Week

- **Market Cap Drops Below INR 10 Lakh Crore:** On February 12, 2026, TCS shares hit a **52-week low** (trading around INR 2,752), causing its market capitalization to slip below the critical INR 10 lakh crore mark for the first time since December 2020.
- **AI Disruption Fears Trigger Sell-off:** The primary driver for the stock's fall this week is renewed investor anxiety regarding "AI disruption." The market is repricing the risk that Generative AI could reduce billable hours for traditional IT service models. This sentiment triggered a broader sell-off across the Nifty IT index.
- **New Partnership with Honeywell (Feb 11):** Despite the stock rout, TCS announced a strategic partnership with Honeywell to deploy AI-driven autonomous operations for industrial buildings, combining TCS's cloud capabilities with Honeywell's operational technology (OT).
- **NCDEX Tech Partner Win (Feb 13):** The National Commodity & Derivatives Exchange (NCDEX) selected TCS as its strategic technology partner to power its entry into the equity and derivatives segments.
- **Athora Netherlands Deal:** TCS secured a multi-year deal to transform the business and IT operating model for Dutch insurer Athora Netherlands.

2) Brokerage Upgrades & Downgrades

The analyst community is currently divided, with a stark disconnect between fundamental deal wins and market sentiment.

- **Consensus Shift (Bearish):** While major brokerages held bullish targets in January, the sentiment shifted sharply this week. Reports from Feb 12 indicate the **consensus price target has dropped to ~INR 2,850**, reflecting the market's immediate repricing of AI risks.
- **MarketsMojo (Upgrade to Hold):** The research firm upgraded TCS from *Sell* to *Hold* (citing valuation comfort after the fall), though it notes the technical trend remains very weak.
- **Note on "Stifel" Downgrade:** You may see news regarding a downgrade by Stifel Nicolaus for ticker "TCS". **Please ignore this**; it refers to *Tecsys Inc.* (a Canadian supply chain company), not Tata Consultancy Services.

3) Indirect News Impacting TCS

- **Nifty IT Index Correction:** The broader IT index is down significantly (~11% YTD in 2026), dragging TCS down with it. The fall is correlated with a drop in the US **Nasdaq Composite**, which slid over 2% this week due to similar fears about AI's impact on software service margins.
- **ICICI Bank Overtakes TCS:** Due to the valuation drop, TCS has lost its rank as India's second or third most valuable firm, having been overtaken by ICICI Bank in market capitalization rankings this week.
- **Currency Volatility:** The USD/INR exchange rate remains a key monitorable. While a stronger dollar usually helps TCS, the current "AI fear" narrative is overshadowing traditional currency tailwinds.

4) Latest Analyst Price Targets

Stock Analysis Report

Most major updates were released in mid-January 2026 after Q3 results. While these targets are technically "standing," the current market price (INR 2,750 range) is significantly below these levels, suggesting analysts may revise these numbers downward soon.

Brokerage Firm	Rating	Target Price (INR)	Date of Report	Notes
Macquarie	Outperform	INR 4,810	Feb 2026	Maintains high conviction on long-term AI upside.
Motilal Oswal	Buy	INR 4,400	Jan 13, 2026	Cites strong deal pipeline and recovery visibility.
JM Financial	Buy	INR 3,810	Jan 13, 2026	Raised from INR 3,770; expects FY27 recovery.
ICICI Securities	Accumulate	INR 3,775	Dec 2025	Recommended entry range INR 3,120-3,220.
Elara Securities	Accumulate	INR 3,600	Jan 13, 2026	Conservative stance on discretionary spending.
Emkay Global	Add	INR 3,500	Jan 13, 2026	Sees "AI as a growth lever" despite near-term pain.
Market Consensus	Hold/Neutral	~INR 2,850	Feb 12, 2026	Real-time adjustment reflecting the current crash.

Analyst View Summary:* **Short Term:** High caution. The stock is in a "falling knife" scenario technically, having broken key supports.* **Long Term:** Most domestic brokerages (Motilal, ICICI) remain fundamentally bullish, viewing the "AI death" narrative as exaggerated and the current valuation as an attractive entry point for long-term investors.

2026-02-14 10:54:52

Stock Detailed Analysis Report

TCS.NS

Current Price: ₹2692.20

Generated: 2026-02-14 10:08

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: 48.6/100

:

══ RS RATIOS ══:

1M RS: **1.005 [Leader]**

3M RS: **0.995 [Neutral]**

6M RS: **0.954 [Neutral]**

1Y RS: **0.895 [Neutral]**

:

══ TURNAROUND ANALYSIS ══:

Turnaround Status: **Not Detected**

:

SIGNAL CRITERIA::

✓ **Emerging RS:** 1M (1.005) > 3M (0.995)

✓ **Medium-term Lagging:** 6M=0.954, 1Y=0.895 (≤1.0)
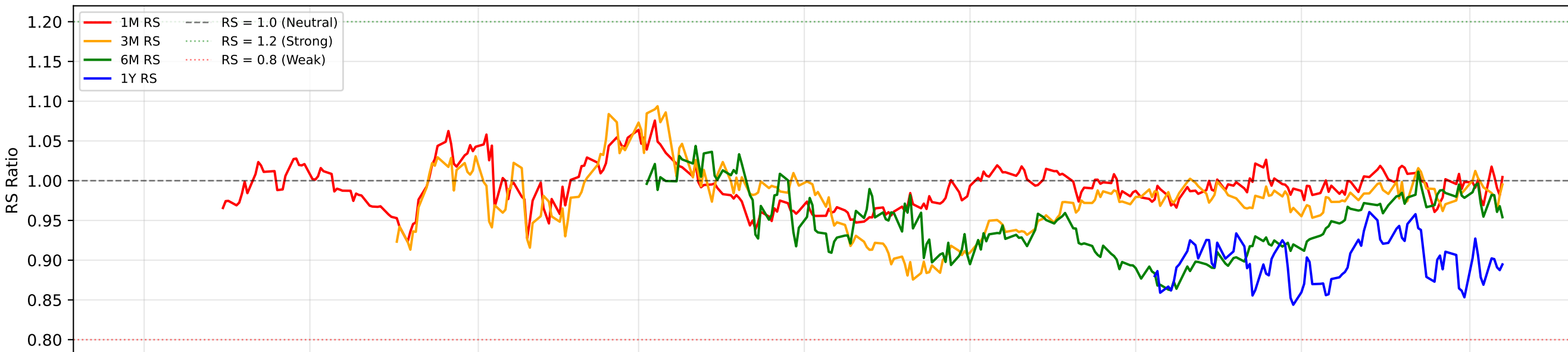
✗ **Performance Improving:** **Not improving**

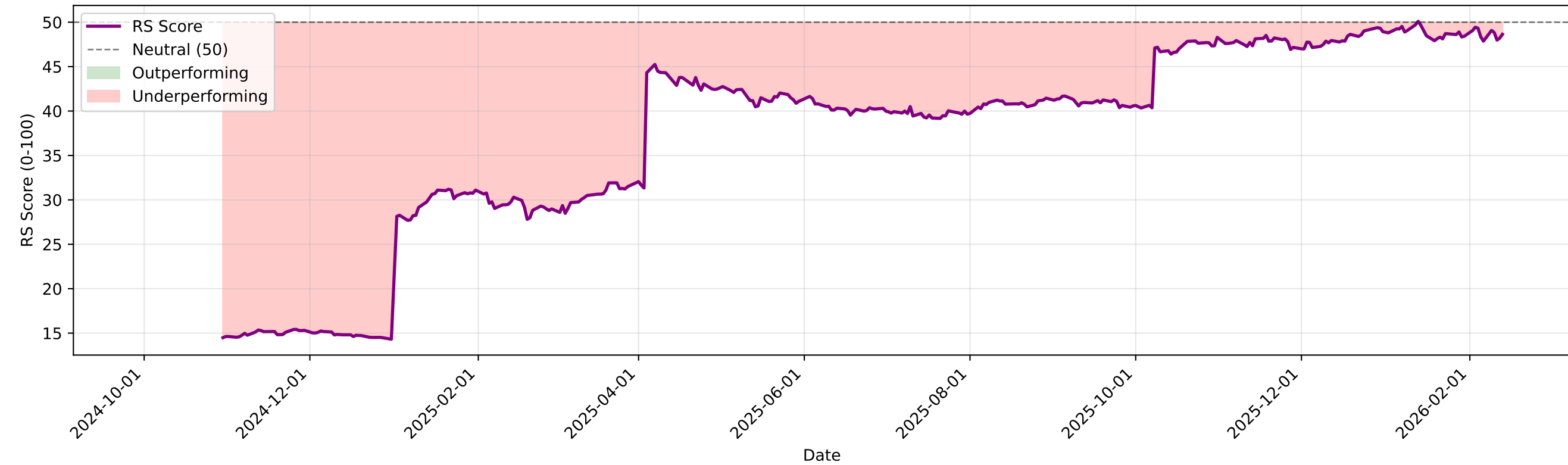**Relative Strength Analysis: TCS.NS vs ^CNXIT**
Classification: Emerging Leader

Price Performance Comparison (Normalized)
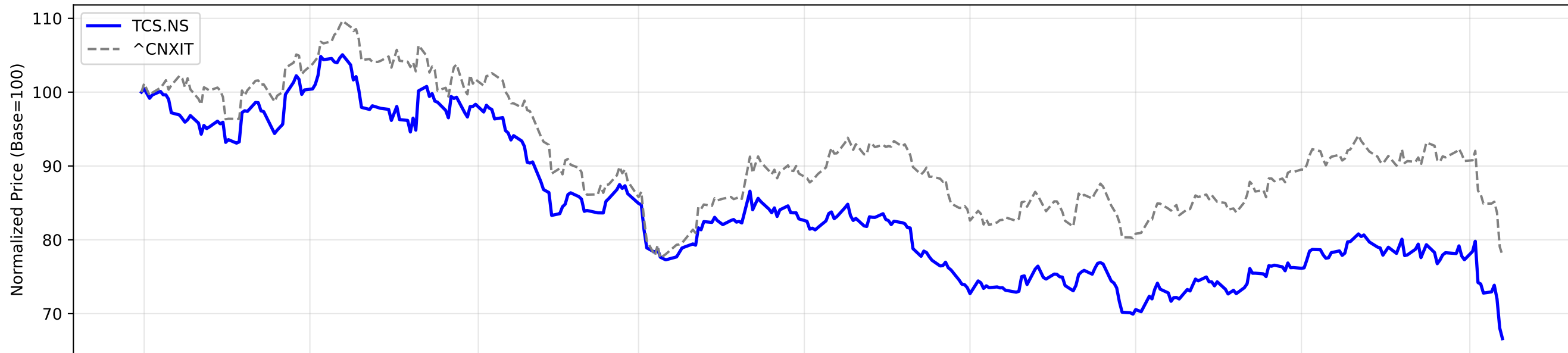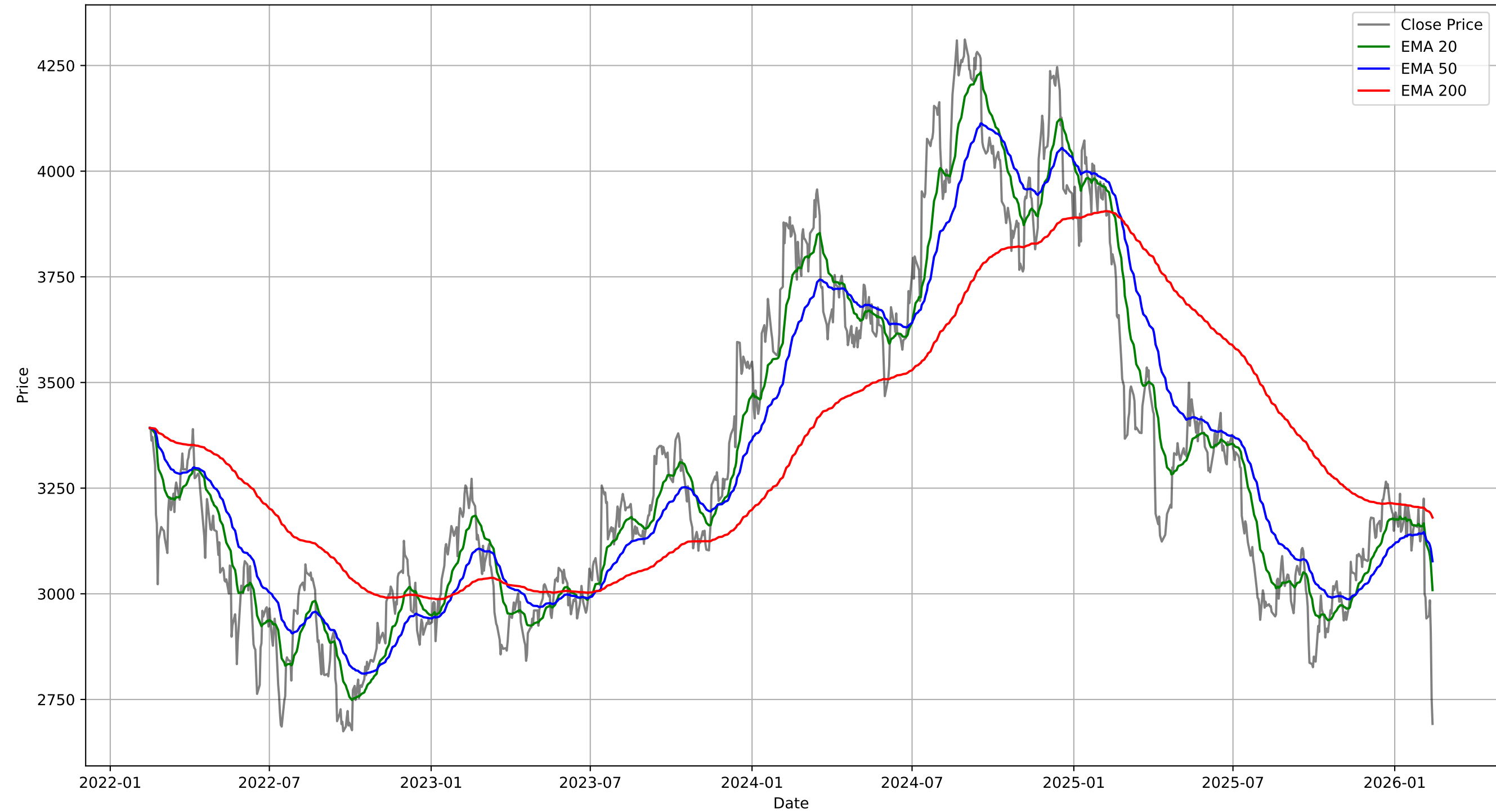
RS Ratio Trends (Multiple Timeframes)

RS Composite Score Timeline

TCS.NS - EMA Crossover Summary

EMA 20:   3008.71

EMA 50:   3076.98

EMA 200:   3180.43

Trend Status: **Strong Downtrend**

TCS.NS EMA Crossover Analysis

TCS.NS - Bollinger Bands Summary

Current Price:	2692.20
Upper Band:	3358.46
Middle Band (SMA 20):	3057.33
Lower Band:	2756.19
%B:	-0.1062
Band Width:	0.1970
Status:	Below Lower Band
Signal:	**Buy Signal**
Recent Signal 1:	**Buy Signal at 2026-02-12 00:00:00+05:30**
Recent Signal 2:	**Buy Signal at 2026-02-13 00:00:00+05:30**

TCS.NS Bollinger Bands (20, 2) Analysis
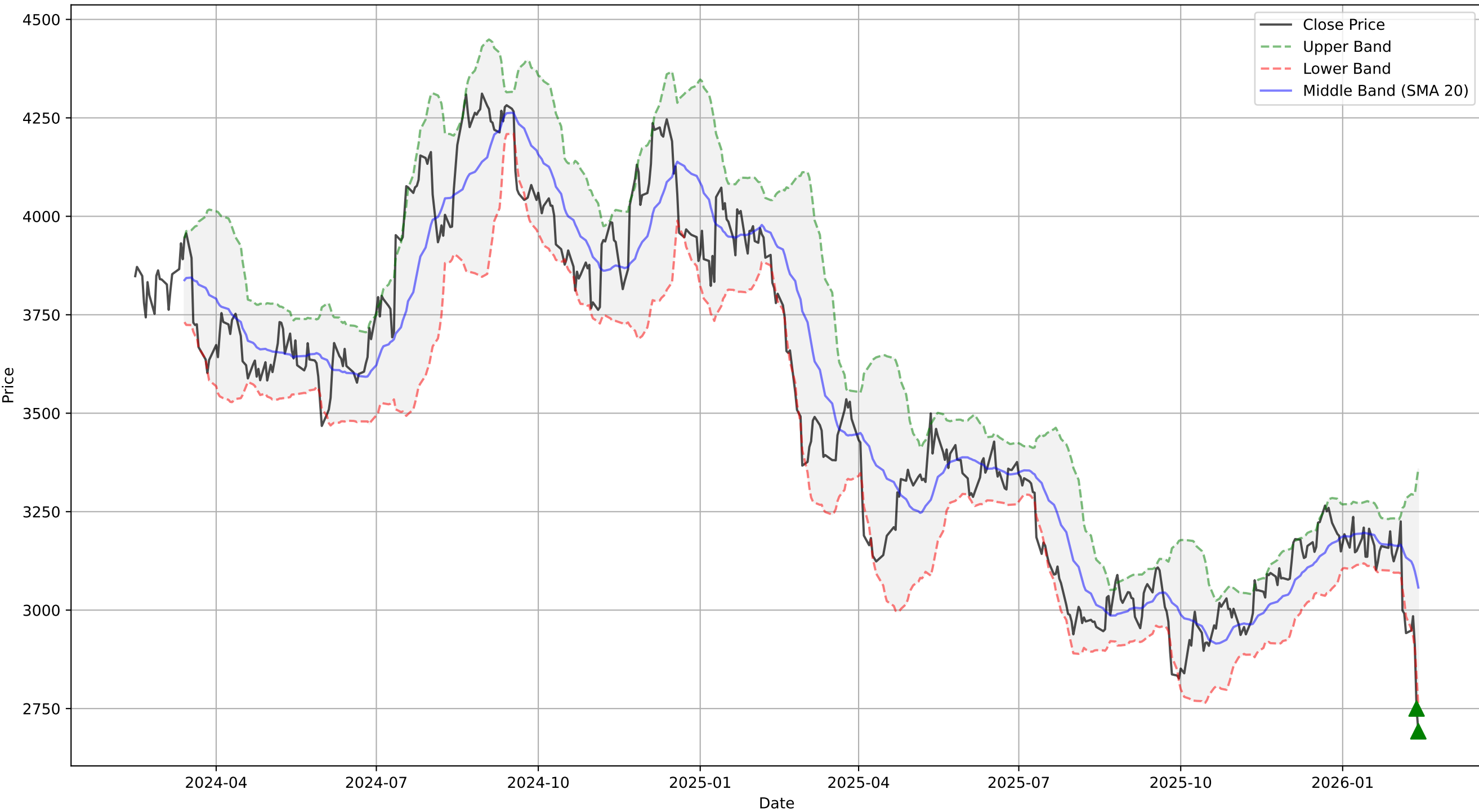
TCS.NS - Supertrend Summary

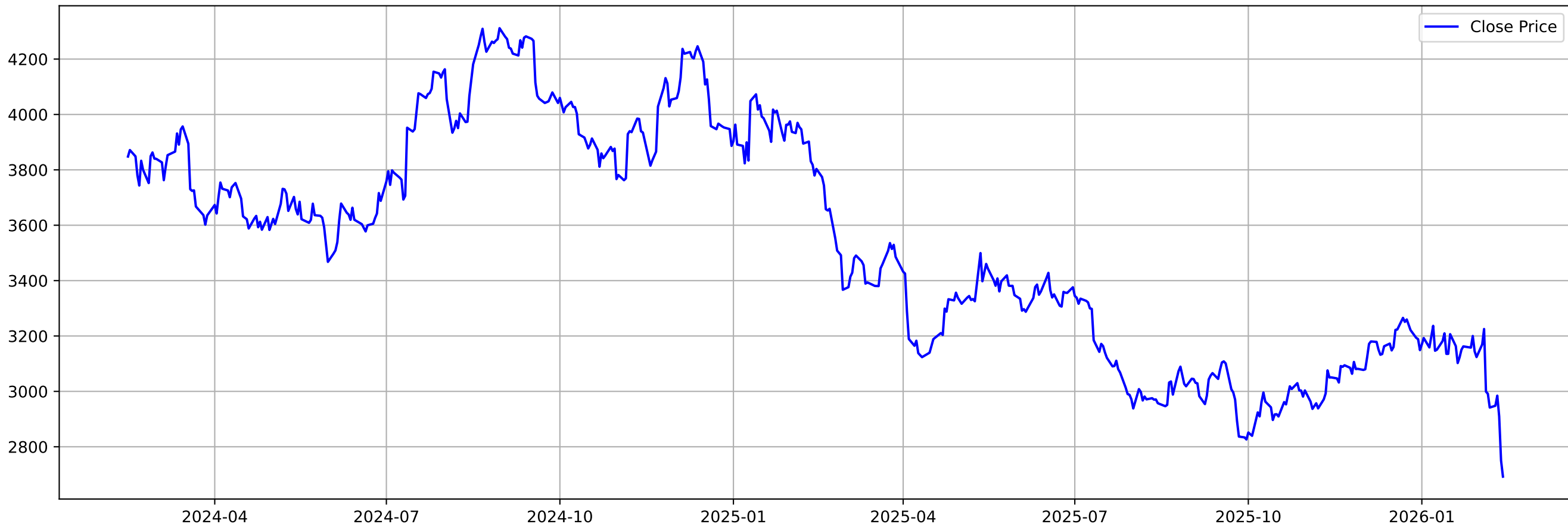|	
Status:	**DOWNTREND (Sell)**
Supertrend Value:	2945.16
Signal Identified On:	2026-01-20

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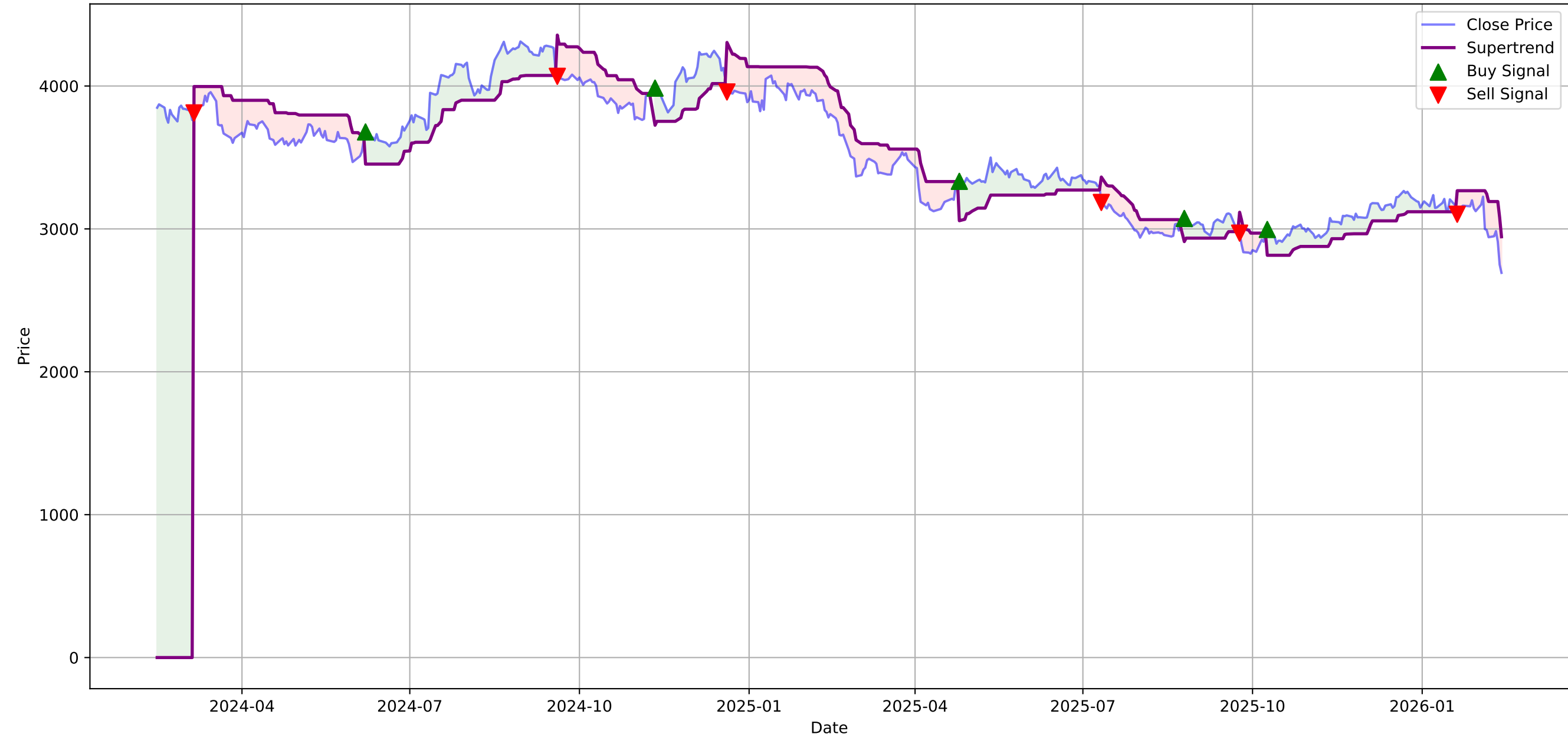
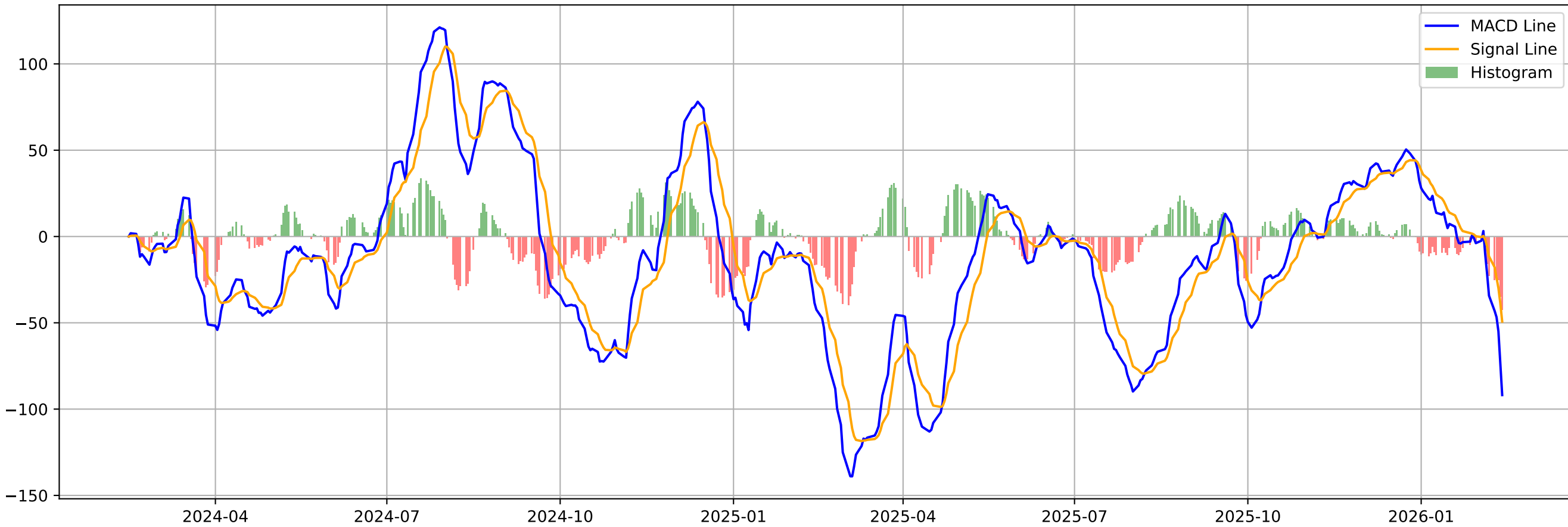# TCS.NS - MACD Summary

MACD Line:	-91.86
Signal Line:	-49.27
Histogram:	-42.60
Trend:	**Bearish**
Momentum:	**Strengthening**
Signal:	None

TCS.NS Price

TCS.NS MACD (12, 26, 9)

TCS.NS - Volatility Squeeze Summary

BB Width: 0.1970

ATR: 98.7214

Total Signals: 33

Signal 1:   BB Squeeze at 2026-01-28 00:00:00+05:30 (Price: 3200.10)

Signal 2:   BB Squeeze at 2026-01-29 00:00:00+05:30 (Price: 3144.40)

Signal 3:   BB Squeeze at 2026-01-30 00:00:00+05:30 (Price: 3123.90)

Signal 4:   BB Squeeze at 2026-02-02 00:00:00+05:30 (Price: 3169.60)

Signal 5:   BB Squeeze at 2026-02-03 00:00:00+05:30 (Price: 3225.30)

TCS.NS - Volatility Squeeze Analysis
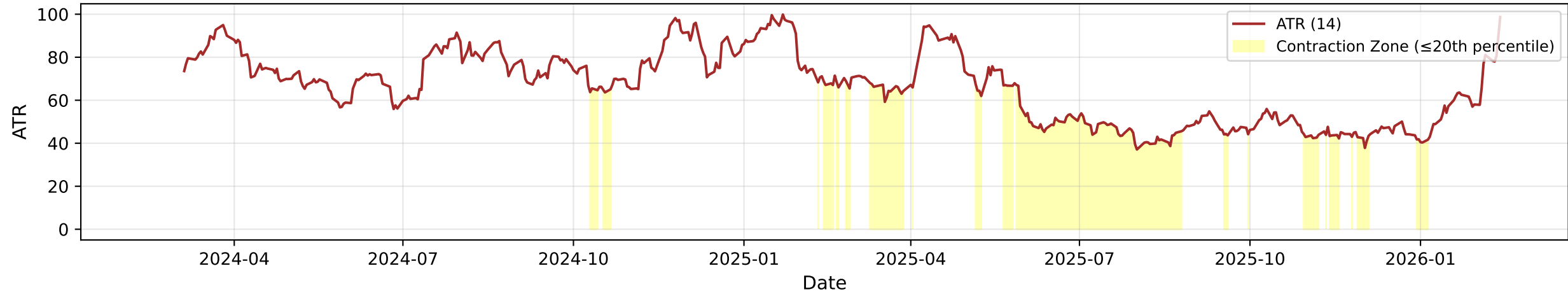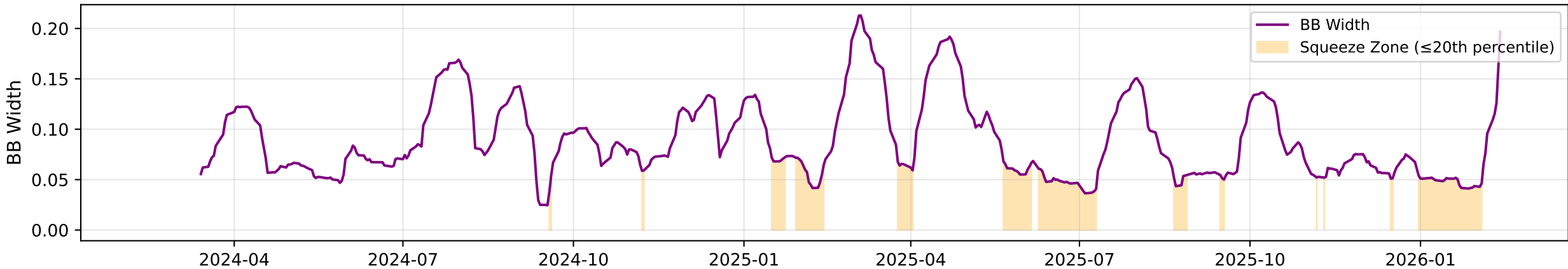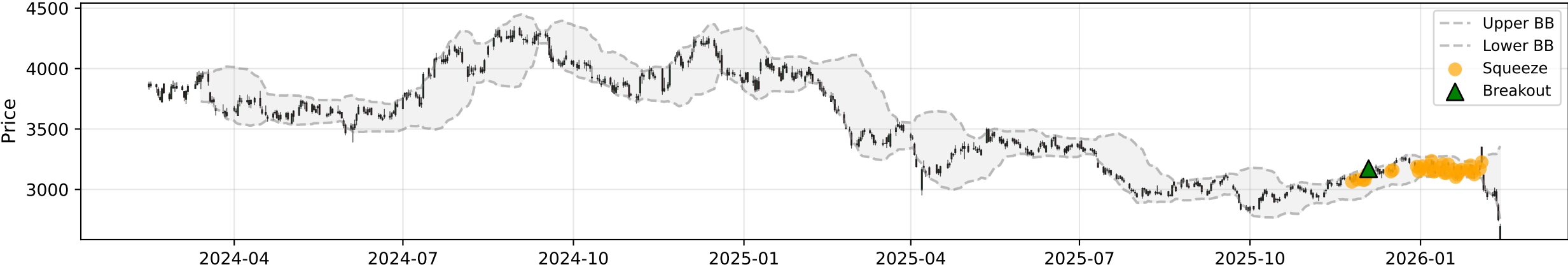
TCS.NS - RSI-Volume Summary

Current RSI:	24.91
Current Volume:	11168735
Volume MA 20:	4409065
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
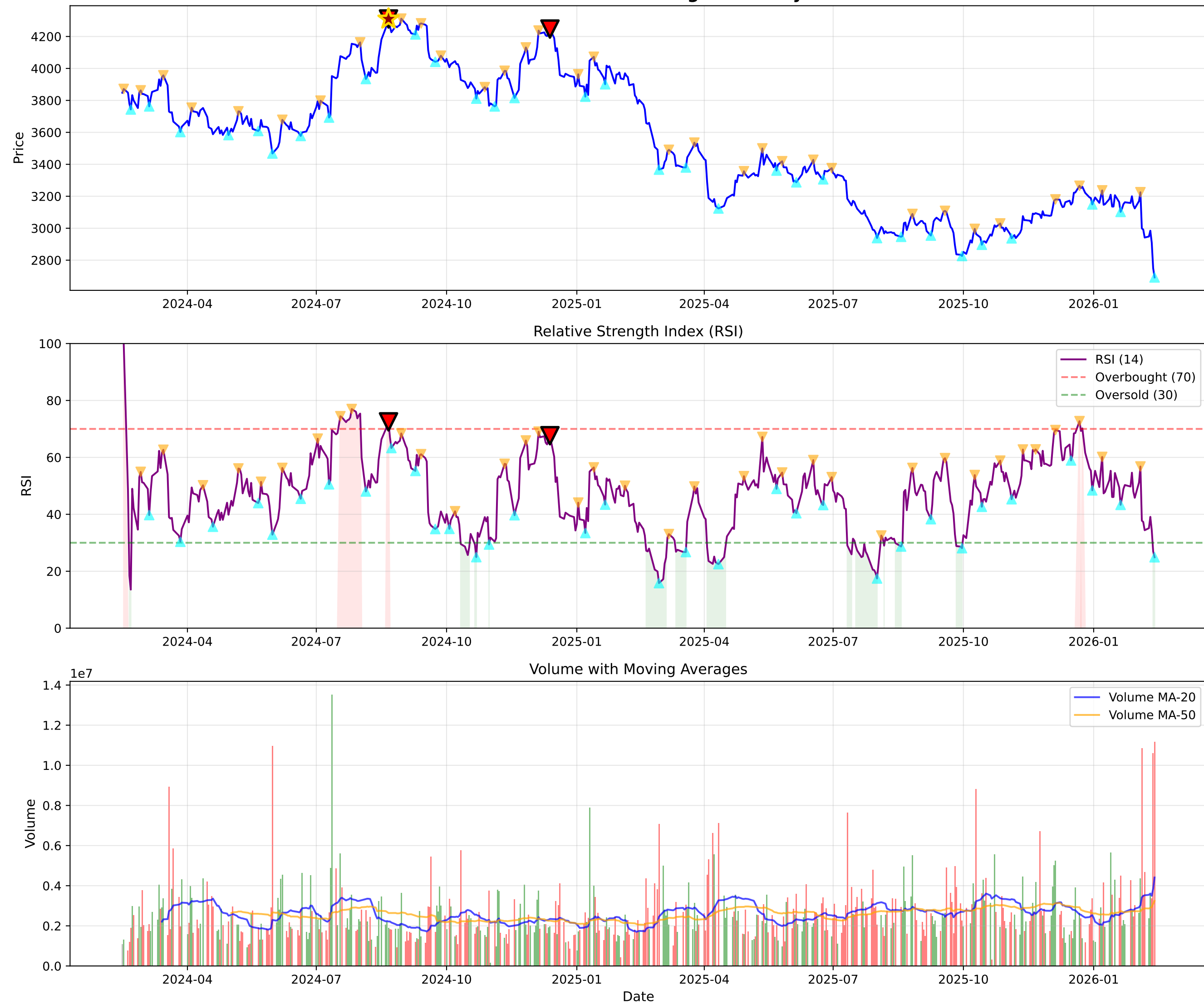
TCS.NS - Volume Analysis

═══ VOLUME ANALYSIS ═══:

Status:	**49 Signals Detected**
:	
2026-01-05 [-]:	Distribution Day
2026-01-19 [-]:	Distribution Day
2026-01-27 [-]:	Distribution Day
2026-01-30 [-]:	Distribution Day
2026-02-05 [-]:	Distribution Day

TCS.NS - Volume Analysis
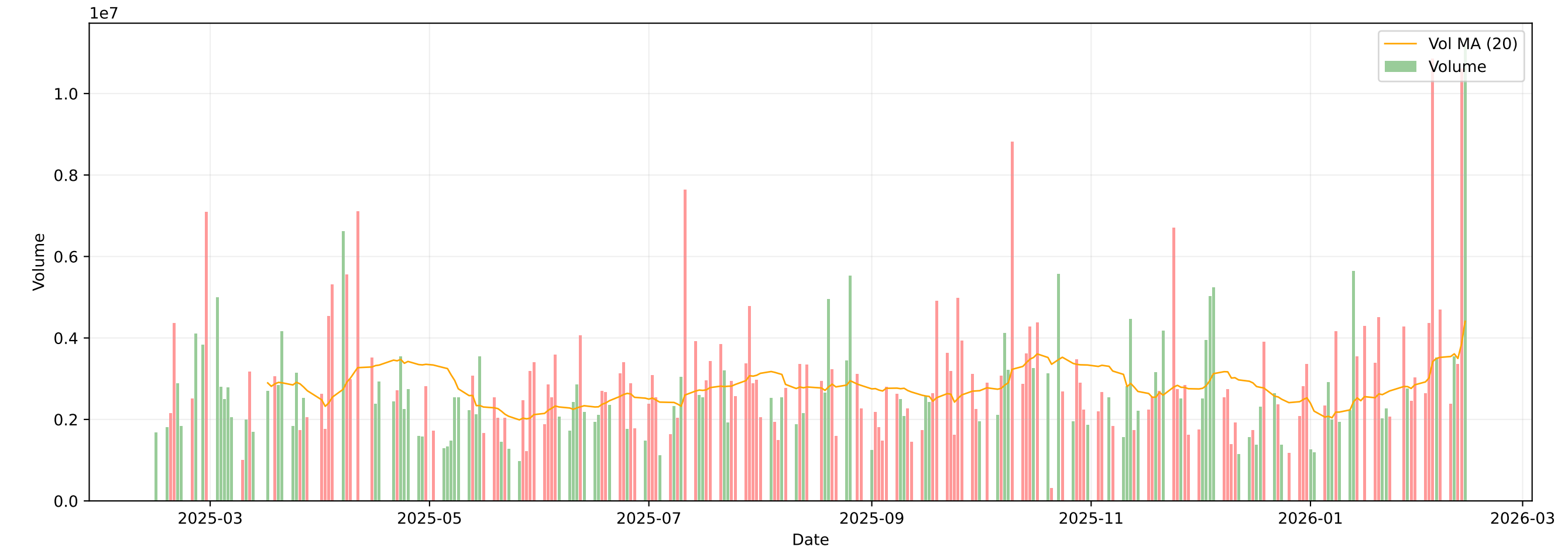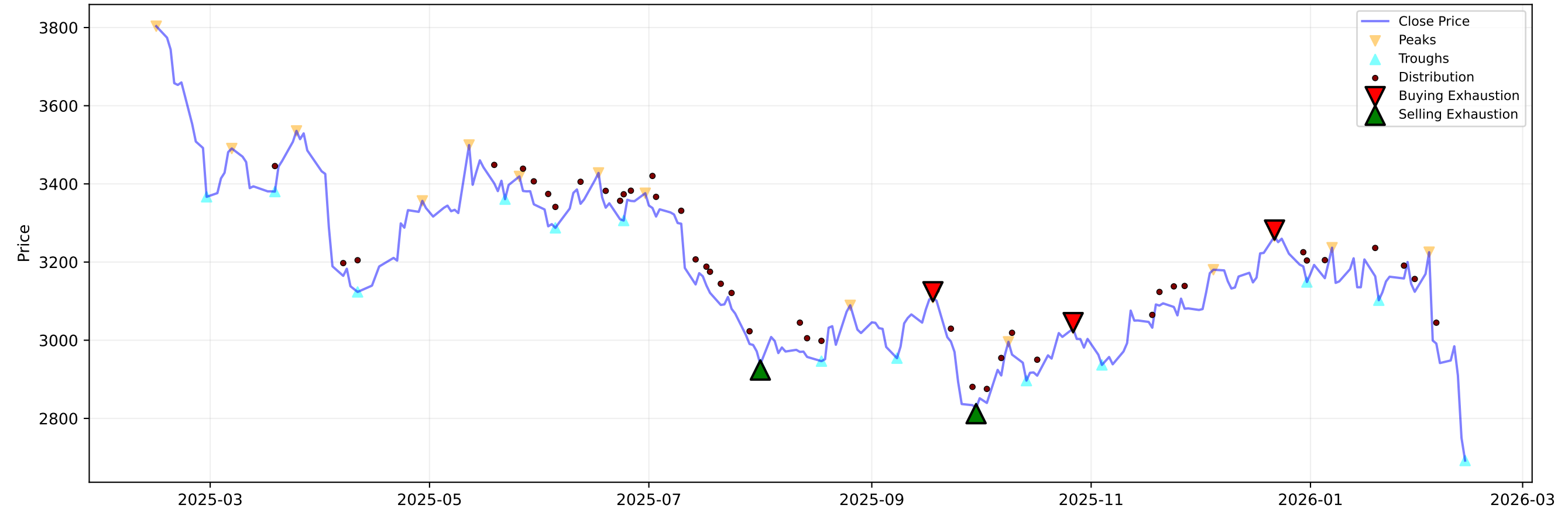
TCS.NS - Candlestick Classification Summary

═══ CANDLESTICK CLASSIFICATION ═══:

Latest Classification:	**Buyer Control**
Recent Trend Score (10-day avg):	-0.50
:	
Distribution:	
No Control:	100
Seller Control:	66
Buyer Control:	55
Buyer Strong Control:	4
Seller Strong Control:	3

TCS.NS - Candlestick Classification

Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	**DOWNTREND (Sell)**	3214.87	2692.2	2026-02-02
1 Day	**DOWNTREND (Sell)**	2945.16	2692.2	2026-01-19
15 Min	**UPTREND (Buy)**	2645.51	2692.2	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

TCS.NS - 1 Week (Candlestick + EMAs)

TCS.NS - 1 Day (Candlestick + EMAs)

TCS.NS - 15 Min (Candlestick + EMAs)

Search Stock, IPO, MF
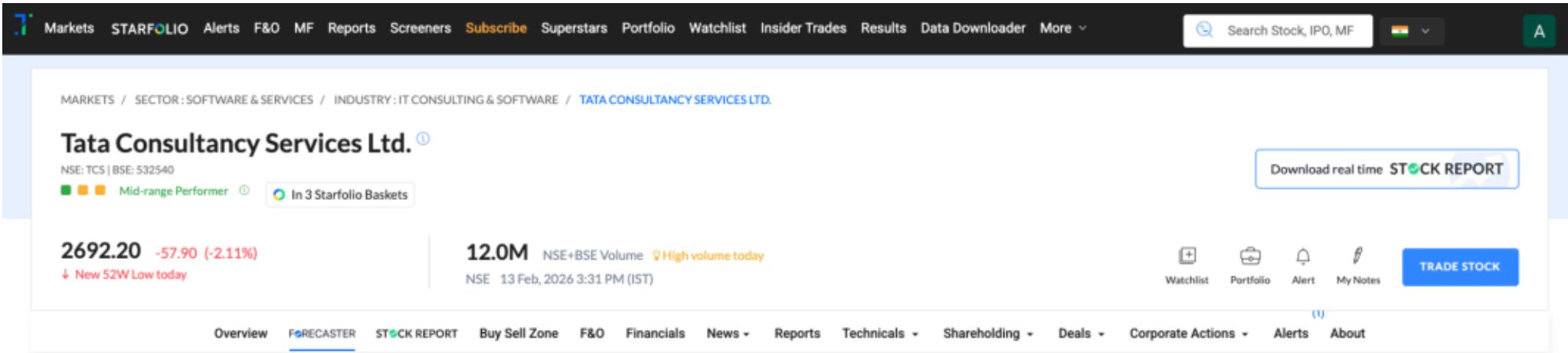
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MARKETS / SECTOR : SOFTWARE & SERVICES / INDUSTRY : IT CONSULTING & SOFTWARE / **TATA CONSULTANCY SERVICES LTD.**

Tata Consultancy Services Ltd. ⓘ

NSE: TCS | BSE: 532540
TCS Live Share Price Today, Share Analysis and Chart

🟩 🟧 🟧 Mid-range Performer ⓘ   🔵 In 3 Starfolio Baskets

ABOUT Founded in 1968, Tata Consultancy Services (TCS) provides IT services, consulting and business solutions and has been partnering with many of the world's largest businesses in their transformation journeys. The company offers a consulting-led, cognit... Read More

2692.20   -57.90 (-2.11%)
↓ New 52W Low today

12.0M NSE+BSE Volume High volume today
NSE 13 Feb, 2026 3:31 PM (IST)

Watchlist   Portfolio   Alert   My Notes   **TRADE STOCK**

Overview   FORECASTER   STOCK REPORT   Buy Sell Zone   F&O   Financials   News ⌄   Reports   Technicals ⌄   Shareholding ⌄   Deals ⌄   Corporate Actions ⌄   Alerts (1)   About

Durability score ⓘ   **65.0** /100
High Financial Strength

Valuation Score ⓘ   **37.2** /100
Mid Valuation

Momentum Score ⓘ   **35.4** /100
Technically Neutral

Analyst Price Target 👍   FORECASTER
3,618
1Yr Price target upside is 34%

Mid-range Performer   These stocks have strong quality. Their reasonable financials and technicals make them potentially attractive to i...   View Similar   🟩 🟧 🟧   Embed DVM </>

DVM
Key Metrics
Price Chart
Forecaster
Financials
Technicals
Shareholding
Deals
Documents
Corporate actions
Company Profile ✕

SWOT
13 | 11
6 | 3
S W O T
🔲 SWOT Analysis </>

Check Before You Buy   VIEW FULL CHECKLIST

High rank   **14** Positive • **9** Negative

60.9% Pass in checklist

0   45   55   100

PE Valuation Check

Right Now ⓘ
Undervalued **54.6%**

1 Year Forward ⓘ
Undervalued **67%**

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

TCS Key Metrics

Preset Metrics ⌄

ROE Ann. % ⓘ ›	**51.2**	Broker Average Target ›	**3,743**	Market Capitalization ›	**974,061.5**
High in industry		39.03% upside		Market Leader	

Price to Book ›
High in industry

Trendlyne Snapshot - TCS_forecaster