

As a seasoned Positional Equity Trader, I have analyzed the attached report for **HCLTECH.NS** (HCL Technologies) with a focus on an intermediate-term horizon (1-4 months).

Note: The report contains simulated or future-dated data (Current Date: Jan 17, 2026). I have treated the "Current Date" and "Current Price" in the report as the "Now" for this analysis.

Step 1: Audit the Data

- * **Data Present:**
 - * **Price Structure:** Daily charts (3-year), Candlestick patterns, and Moving Averages (EMA 20, 50, 200).
 - * **Momentum Indicators:** RSI, MACD (with histogram), and Relative Strength (RS) comparisons.
 - * **Volatility Tools:** Bollinger Bands and Volatility Squeeze indicators.
 - * **Trend Confirmation:** Supertrend and EMA crossover signals.
 - * **Volume:** Daily volume data, Volume Moving Averages, and accumulation/distribution signals.
 - * **Fundamentals:** High-level Snapshot (Revenue, Net Income, ROE) and Analyst Estimates.
- * **Data Missing:**
 - * **Fibonacci Retracements:** Specific extension levels for upside targets are not drawn.
 - * **Sector Breadth:** While RS against `^CNXIT` is provided, broader sector breadth (advancers/decliners) is absent.
- * **Confidence Level:** **High.** The technical deck is comprehensive, providing confluence across trend, momentum, and volume. The contradictory signals (**Bullish** trend vs. **Bearish** divergence) provide a realistic trading scenario to evaluate.

Step 2: Analyze the Setup

1. Trend Structure (Bullish**):**

- * **Alignment:** The stock is in a confirmed **Strong Uptrend**. Price (1698) > EMA 20 (1644) > EMA 50 (1617) > EMA 200 (1567). The "Golden Cross" occurred in Dec 2025, providing strong structural support.
- * **Supertrend:** The daily Supertrend (1589.54) is in a "Buy" status, acting as a trailing stop floor.

2. Momentum & Volatility (High Energy):

- * **Bollinger Bands:** The price (1698) has closed above the Upper Band (1693). This indicates a volatility breakout (confirmed by the "Squeeze" signals on Page 15). While bullish, trading *outside* the bands suggests the stock is temporarily overextended and may revert to the mean (the EMA 20) shortly.
- * **MACD:** The MACD is bullish with a rising histogram, indicating strengthening momentum.
- * **RSI:** At 66.80, RSI is bullish but entering the "caution" zone (70+). It has room for a final push but is not at a bargain level.
- * **Divergence Warning:** Page 12 notes a "**Bearish Divergence**" detected on 2026-01-16 (yesterday in report time). This suggests price made a new high while momentum did not, increasing the risk of a short-term pullback.

3. Volume & Relative Strength:

- * **Volume:** Current volume (3.09M) is notably higher than the 20-day average (2.27M), confirming institutional participation in the recent move.
- * **Relative Strength:** The RS Score is 52 (Weakening Leader), which is mediocre. However, the short-term RS (1M, 3M, 6M) are all marked as "Leader" (Green), indicating the stock has recently started outperforming the IT index.

Confluence:

The setup is a **Volatility Breakout in a Strong Uptrend**. The strong volume and EMA alignment outweigh the RS score. The primary risk is the "overextended" status (Price > Upper BB) and the

bearish divergence, which implies entry timing is critical.

Step 3: Formulate the Recommendation

Verdict: **YES**.

The structural trend is too strong to bet against. However, because the price is currently outside the upper Bollinger Band and showing a divergence warning, the entry strategy must allow for a slight pullback or use a wider stop to survive volatility.

Trade Plan:

* **Entry Price:** INR 1680 - INR 1698 (Current Market Price)**

* *Note:* Ideally, look for an intraday dip closer to INR 1680 to improve Risk:Reward, but the breakout momentum warrants an entry here to ensure you don't miss the run.

* **Stop Loss:** INR 1580 (Daily Close)**

* *Rationale:* This places the stop just below the Supertrend support (1589) and well below the EMA 50 (1617). If these levels break, the intermediate uptrend is invalidated. (Risk: ~6.9%).

* **Take Profit:** INR 1870 - INR 1950**

* *Rationale:*

* **Target 1 (INR 1870):** ~10% Upside. This captures the immediate breakout momentum.

* **Target 2 (INR 1950):** ~15% Upside. This assumes a trend continuation into blue-sky territory over the next 3-4 months.

Risk Management Note:

Since the stop loss is slightly wide (~7%), adjust position sizing accordingly. If the stock pulls back to the EMA 20 (INR 1644) immediately after entry, view this as a healthy retest rather than a failure, provided it does not close below the EMA 50.

News & Analyst Targets

Current market data and analyst reports from the week ending January 17, 2026, provide the following update on HCL Technologies (HCLTECH).

1) Latest News for HCLTECH This Week**

The primary news driver this week was the release of the company's Q3 FY26 financial results and subsequent strategic announcements.

* **Q3 FY26 Earnings:** HCLTech reported revenue of **\$3.79 billion**, up **4.8% YoY** in constant currency, crossing the **\$15 billion annualized revenue milestone**. However, net profit declined **~11% YoY** to INR 4,076 crore**, primarily due to a one-time impact (approx. INR 956 crore) related to provisions for new labor codes.

* **Guidance Raised:** The company raised its full-year services revenue growth guidance to **4.75% - 5.25%** in constant currency (up from the previous 3-5% range), signaling confidence in its business momentum.

* **Dividend Declared:** The board declared an interim dividend of **INR 12 per share**. The record date was set for January 16/17, 2026.

* **Strong Bookings:** New deal wins (TCV) were robust at **\$3 billion**, a **43% YoY increase**, driven largely by demand for AI-powered solutions and engineering services.

2) Brokerage Upgrades & Downgrades**

The analyst community is divided. While many raised their price targets acknowledging the revenue beat and strong guidance, several downgraded their *ratings* due to valuation concerns after the stock's recent rally.

* **Downgrades (Rating):**

* **CLSA:** Downgraded from 'Outperform' to **Hold** (Target: INR 1,692).

- * **Nirmal Bang:** Downgraded from 'Buy' to **Hold** (Target: INR 1,789).
 - * **Elara Securities:** Downgraded from 'Reduce' to **Sell** (Target: INR 1,500).
 - * **IDBI Capital:** Downgraded from 'Buy' to **Hold** (Target: INR 1,725).
 - * **Dolat Capital:** Downgraded to **Reduce**.
- * **Upgrades (Price Targets):**
 * Despite the rating downgrades, most brokerages **raised their price targets**. For instance, **Morgan Stanley**, **Citi**, **Kotak Institutional Equities**, and **Motilal Oswal** all increased their targets, citing improved visibility for FY27 and strong execution.

3) Other Impactful News**

- * **AI Focus at Davos:** HCLTech is showcasing its "Physical AI" and "AI Lounge" capabilities at the **World Economic Forum (WEF) 2026** in Davos this week, positioning itself as a leader in industrial AI applications.
- * **Talent Strategy:** Reports indicate HCLTech has hiked salaries for "elite" freshers with specialized AI and digital skills for its 2026 hiring cohort, contrasting with a broader industry trend of cautious hiring.
- * **Stock Performance:** Following the results, the stock saw mixed reactions, trading around the **INR 1,698** level as the market digested the profit miss against the revenue beat.

4) Analyst Targets for HCLTECH (January 2026)**

The following table summarizes the latest ratings and price targets from major brokerages following the Q3 FY26 results.

| Brokerage Firm | Rating | Target Price (INR) | Sentiment / Key Note |
|---|---|--------------------|----------------------|
| :--- :--- :--- :--- | | | |
| **Motilal Oswal** **Buy** **2,200** Bullish | on FY27 growth; top pick in large-cap IT. | | |
| **Prabhudas Lilladher** **Buy** **1,910** Raised target; sees strong execution continuing. | | | |
| **Jefferies** **Buy** **1,850** Remains positive on growth outlook. | | | |
| **HSBC** **Hold** **1,815** Maintained Hold; raised target slightly. | | | |
| **Nomura** **Buy** **1,810** Positive on guidance raise and deal wins. | | | |
| **Nirmal Bang** **Hold** **1,789** Downgraded rating on valuation concerns. | | | |
| **Morgan Stanley** **Equal Weight** **1,760** Raised target; initiated "Tactical Buy" in some notes. | | | |
| **IDBI Capital** **Hold** **1,725** Downgraded rating; sees limited near-term upside. | | | |
| **Citi** **Neutral** **1,700** Raised target; cautious on broader sector valuation. | | | |
| **CLSA** **Hold** **1,692** Downgraded rating; cites seasonal weakness in Q4. | | | |
| **Kotak Equities** **Reduce** **1,680** Raised target significantly but valuations remain rich. | | | |
| **Elara Securities** **Sell** **1,500** Downgraded rating; valuation seen as "full". | | | |

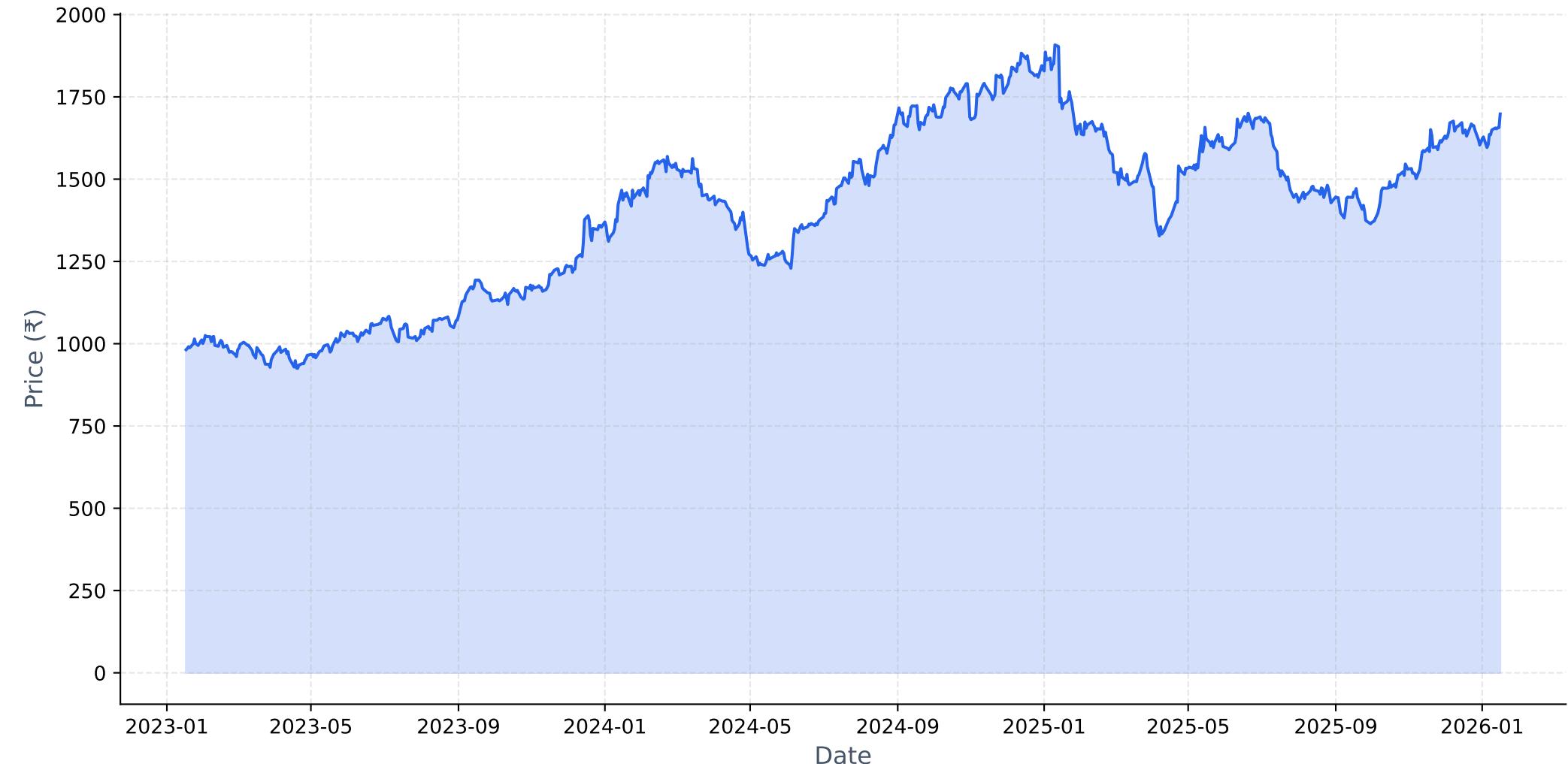
Stock Detailed Analysis Report

HCLTECH.NS

Current Price: ₹1698.00

Generated: 2026-01-17 17:58

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: | 52.0/100 |
| : | |

== RS RATIOS ==:

| | |
|--------|-----------------------|
| 1M RS: | 1.011 [Leader] |
| 3M RS: | 1.030 [Leader] |
| 6M RS: | 1.061 [Leader] |
| 1Y RS: | 1.086 [Leader] |
| : | |

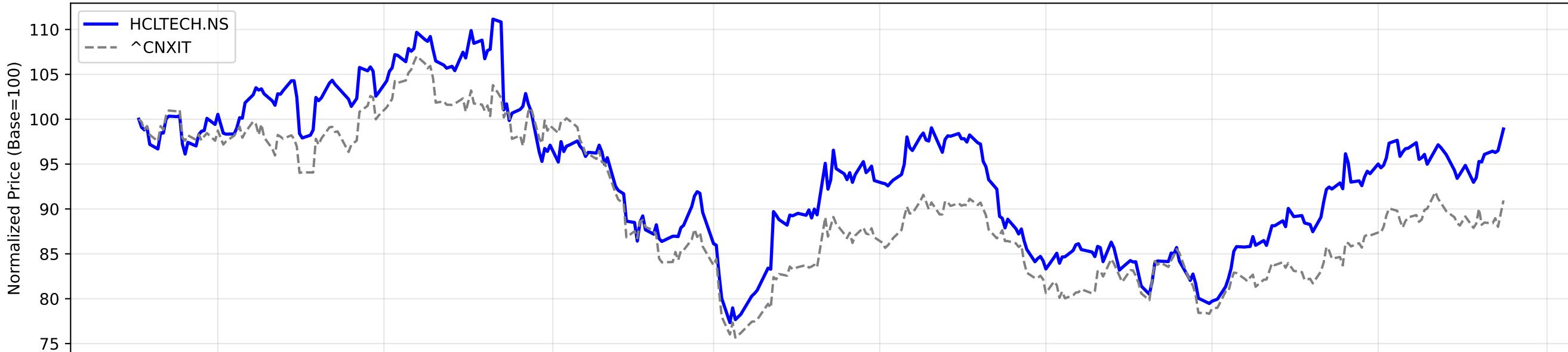
== TURNAROUND ANALYSIS ==:

| | |
|--------------------|---------------------|
| Turnaround Status: | Not Detected |
| : | |

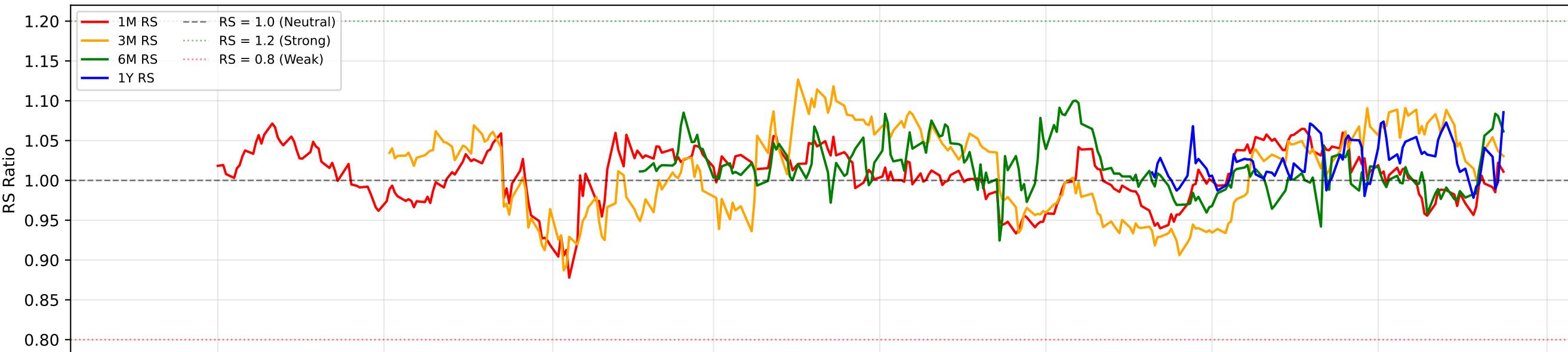
SIGNAL CRITERIA::

| | |
|--------------------------|---------------------------|
| ✗ Emerging RS: | Not accelerating |
| ✗ Medium-term Lagging: | Not lagging |
| ✓ Performance Improving: | 3M (+15.3%) > 6M (+10.9%) |

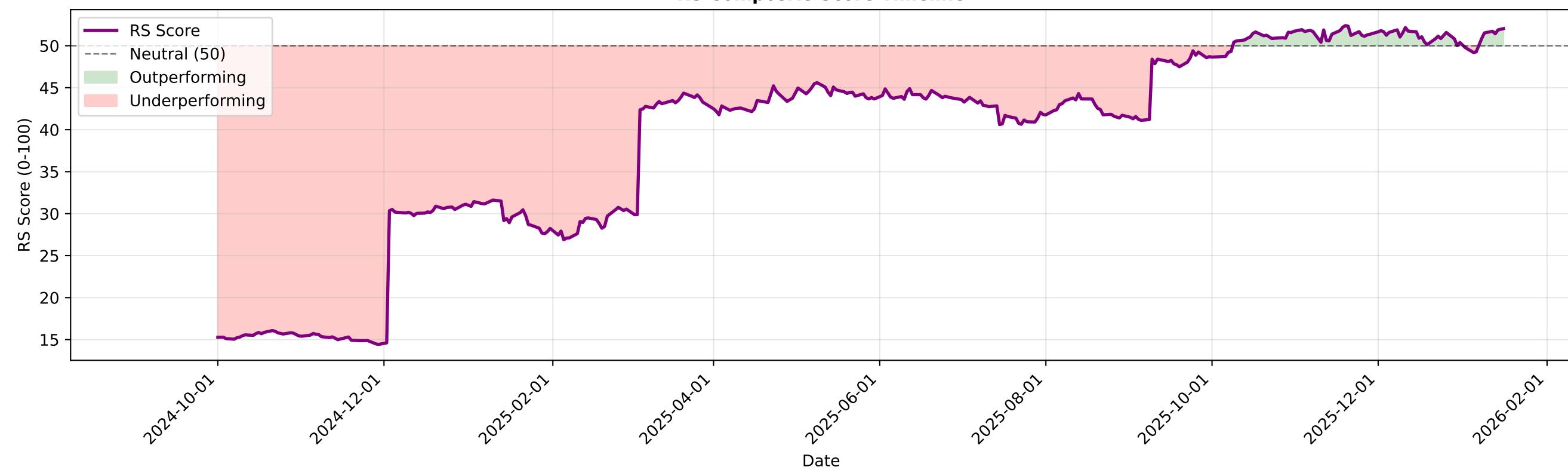
Relative Strength Analysis: HCLTECH.NS vs ^CNXIT
Classification: Weakening Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



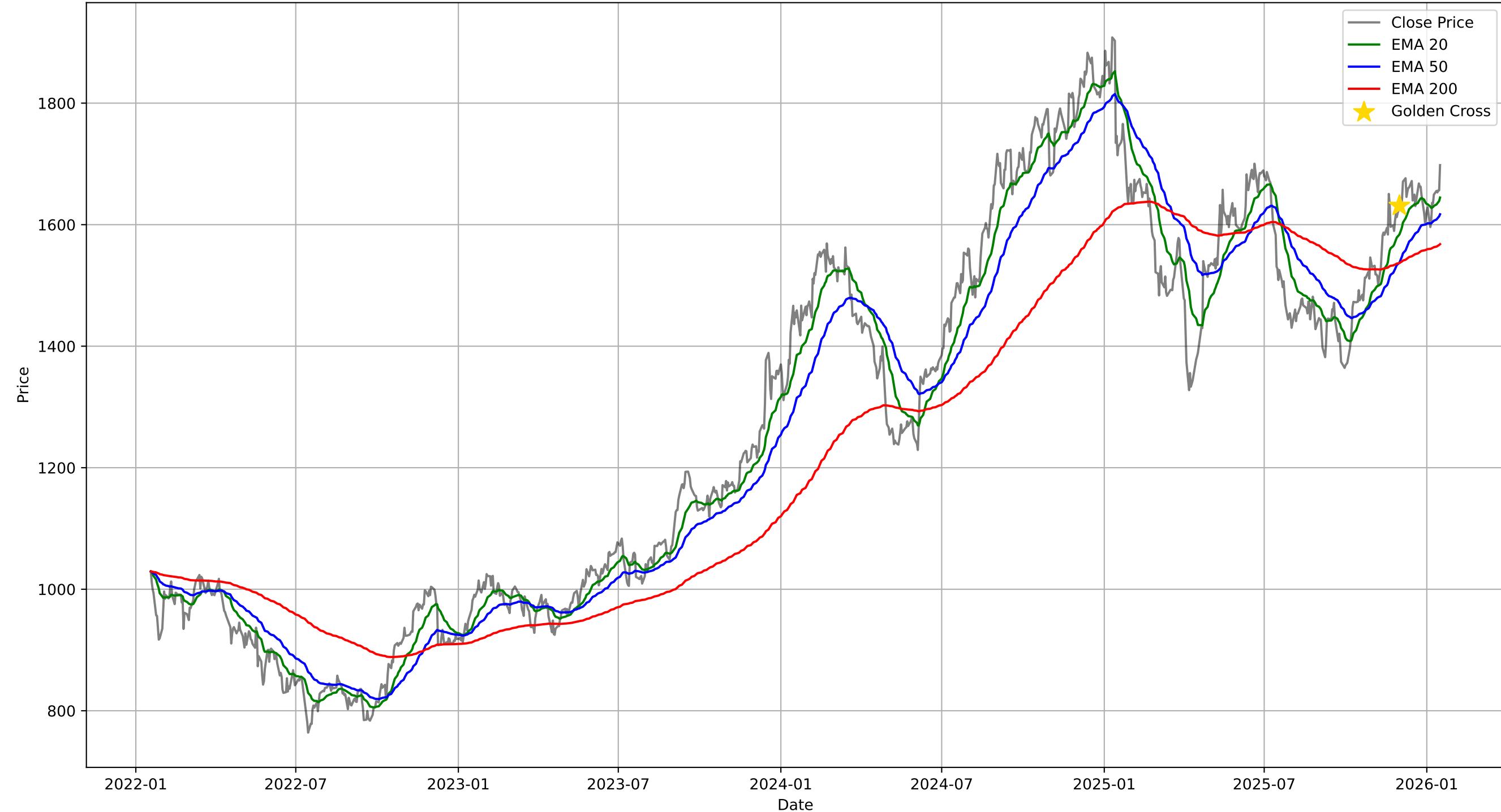
RS Composite Score Timeline



HCLTECH.NS - EMA Crossover Summary

| | |
|----------------------------|---------------------------|
| EMA 20: | 1644.63 |
| EMA 50: | 1617.07 |
| EMA 200: | 1567.88 |
| Trend Status: | Strong Uptrend |
| Golden Cross Date: | 2025-12-01 00:00:00+05:30 |
| Golden Cross Price: | 1631.08 |

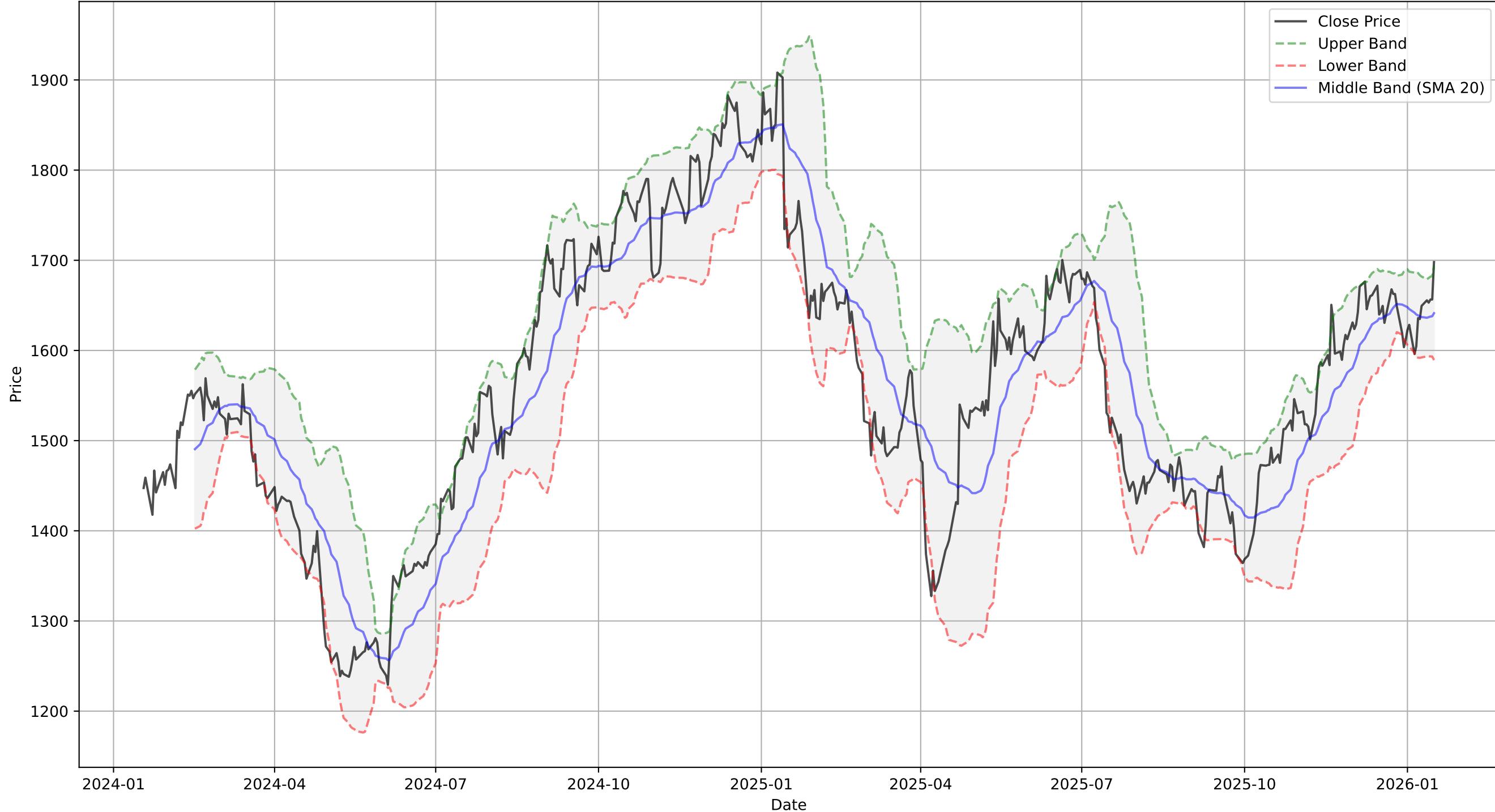
HCLTECH.NS EMA Crossover Analysis



HCLTECH.NS - Bollinger Bands Summary

| | |
|------------------------------|------------------|
| Current Price: | 1698.00 |
| Upper Band: | 1693.26 |
| Middle Band (SMA 20): | 1641.32 |
| Lower Band: | 1589.37 |
| %B: | 1.0456 |
| Band Width: | 0.0633 |
| Status: | Above Upper Band |
| Signal: | None |

HCLTECH.NS Bollinger Bands (20, 2) Analysis



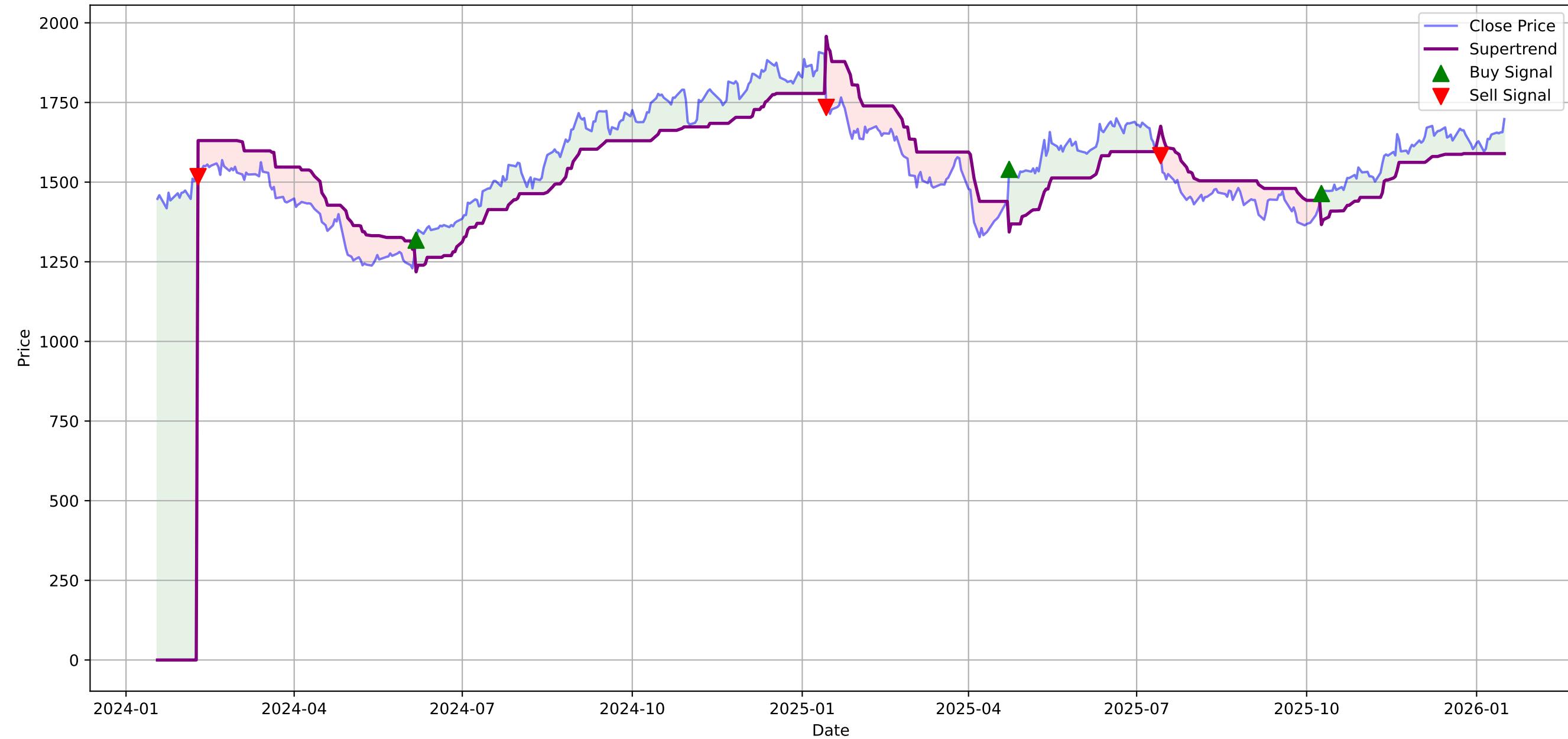
HCLTECH.NS - Supertrend Summary

Status: UPTREND (Buy)

Supertrend Value: 1589.54

Signal Identified On: 2025-10-09

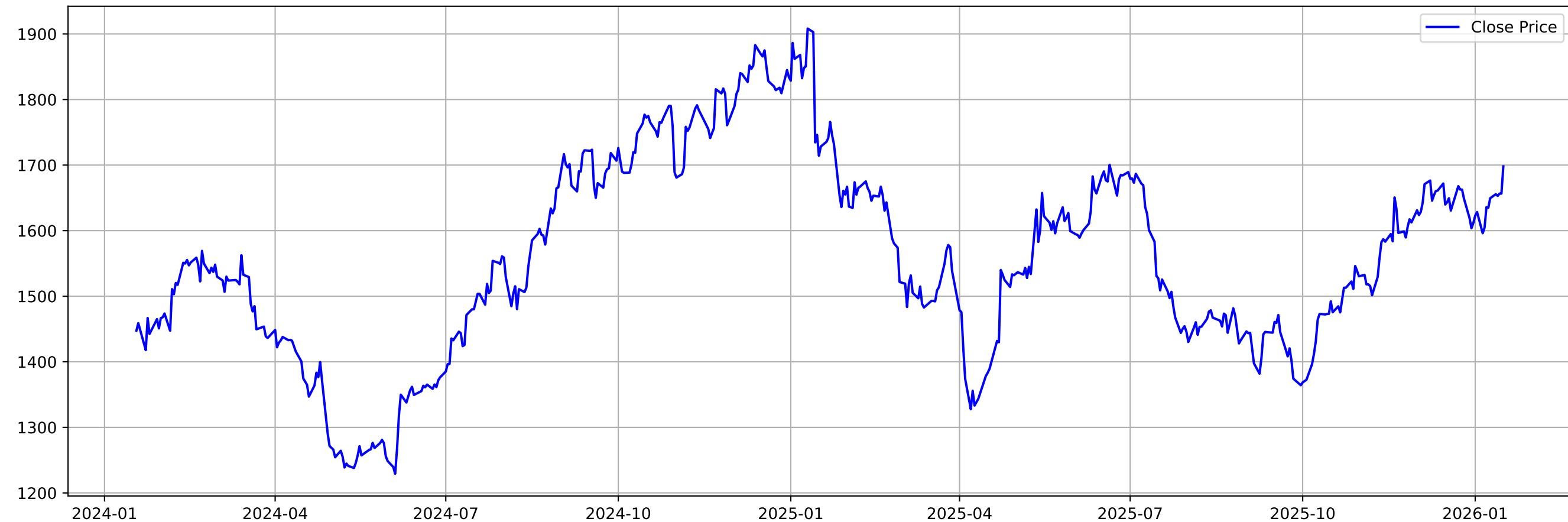
SuperTrend Analysis for HCLTECH.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



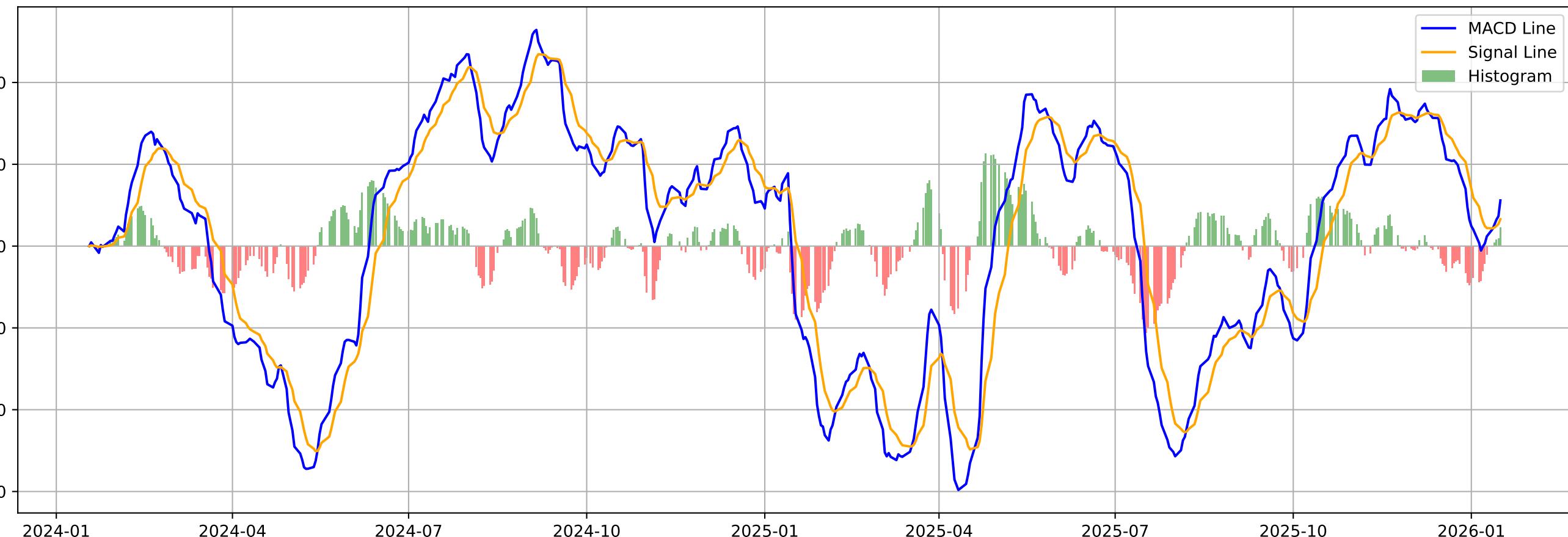
HCLTECH.NS - MACD Summary

| | |
|------------------------------|---|
| MACD Line: | 11.16 |
| Signal Line: | 6.56 |
| Histogram: | 4.60 |
| Trend: | Bullish |
| Momentum: | Strengthening |
| Signal: | None |
| Divergences Detected: | 1 |
| └ Bearish Divergence: | Date: 2026-01-16 00:00:00+05:30, Price: 1698.00 |

HCLTECH.NS Price



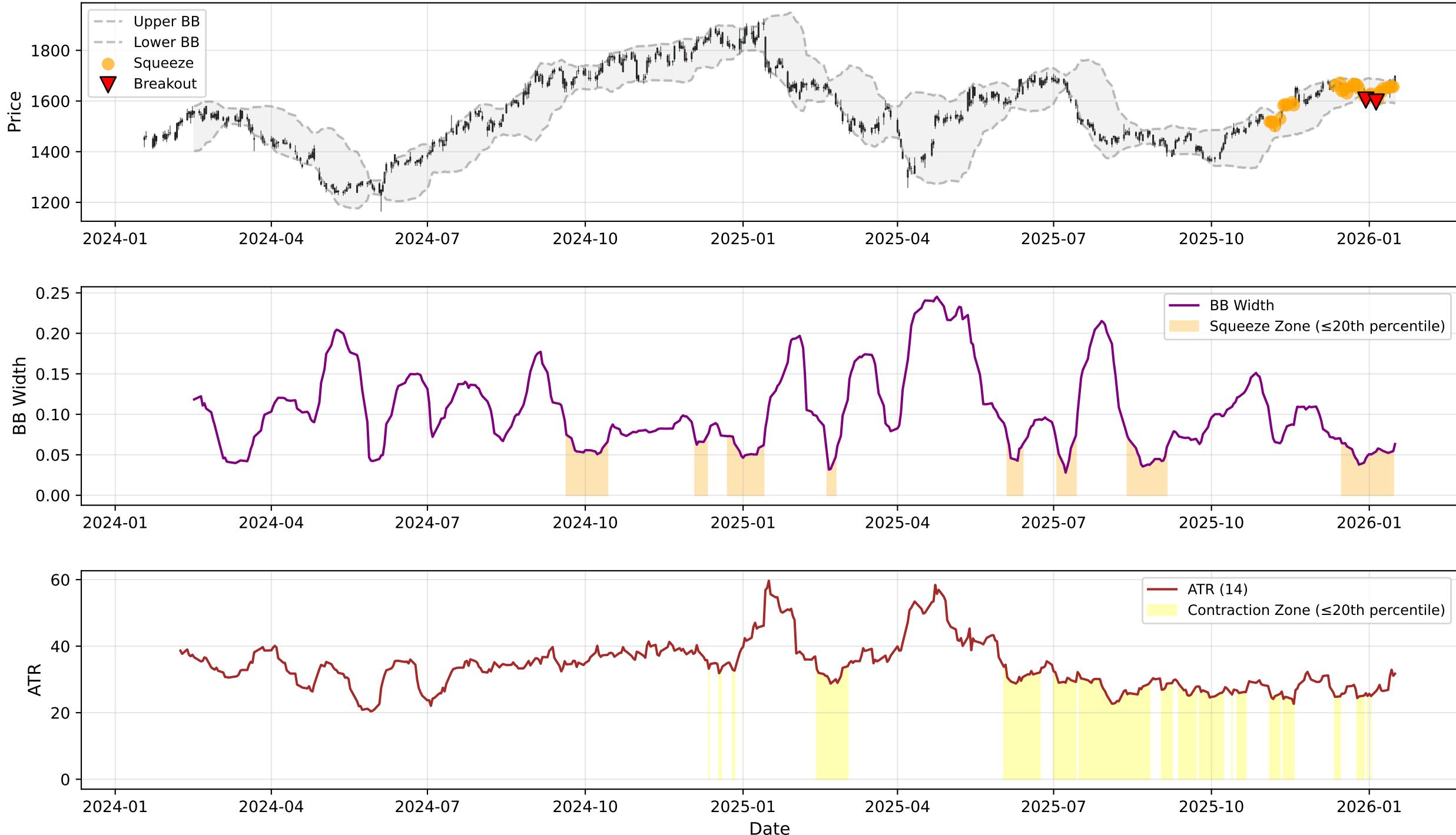
HCLTECH.NS MACD (12, 26, 9)



HCLTECH.NS - Volatility Squeeze Summary

| | |
|-----------------------|--|
| BB Width: | 0.0633 |
| ATR: | 31.7359 |
| Total Signals: | 35 |
| 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) |

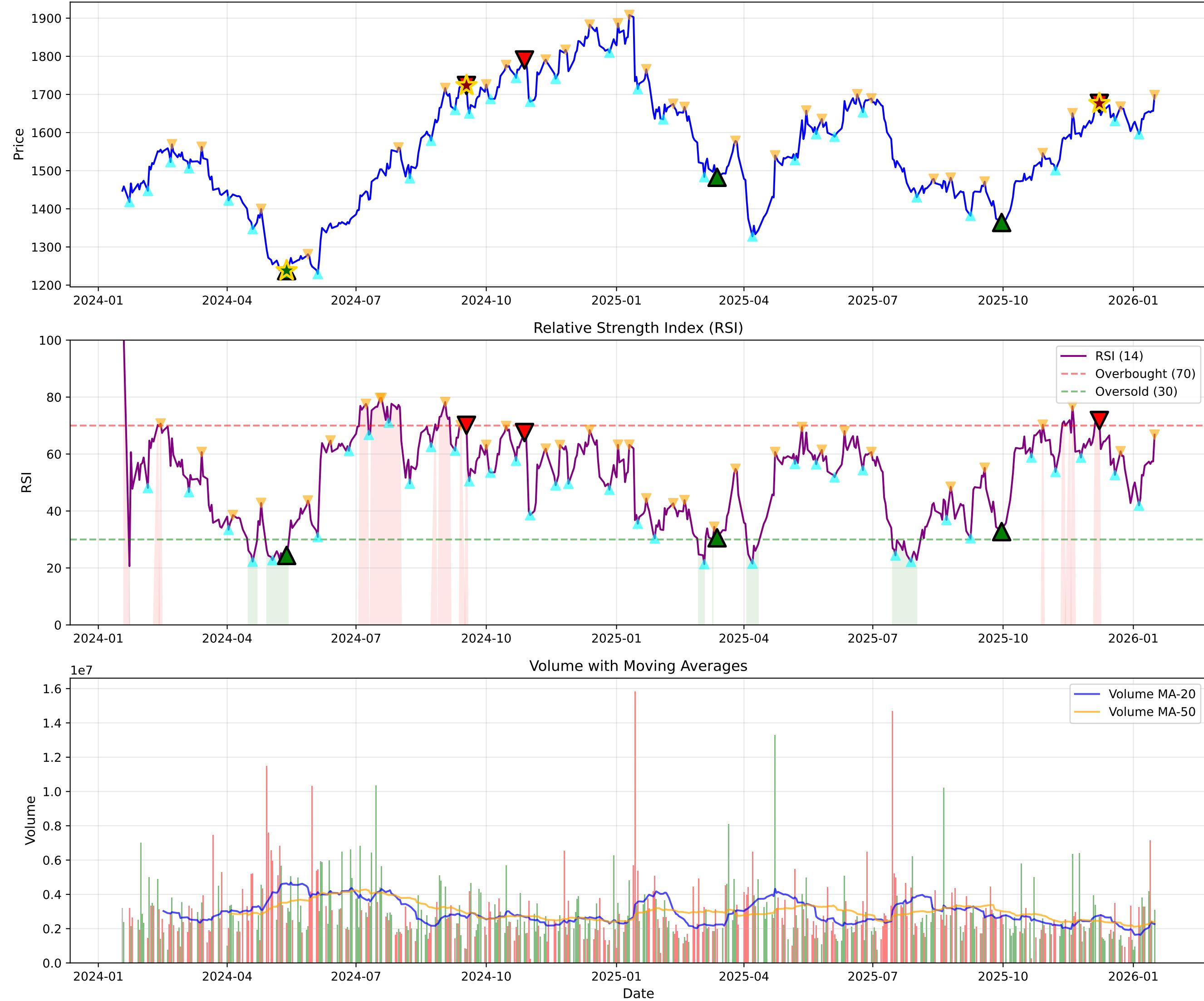
HCLTECH.NS - Volatility Squeeze Analysis



HCLTECH.NS - RSI-Volume Summary

| | |
|-----------------------------|---|
| Current RSI: | 66.80 |
| Current Volume: | 3098089 |
| Volume MA 20: | 2270235 |
| 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: 140 Signals Detected

:

2025-12-30 [-]: Distribution Day

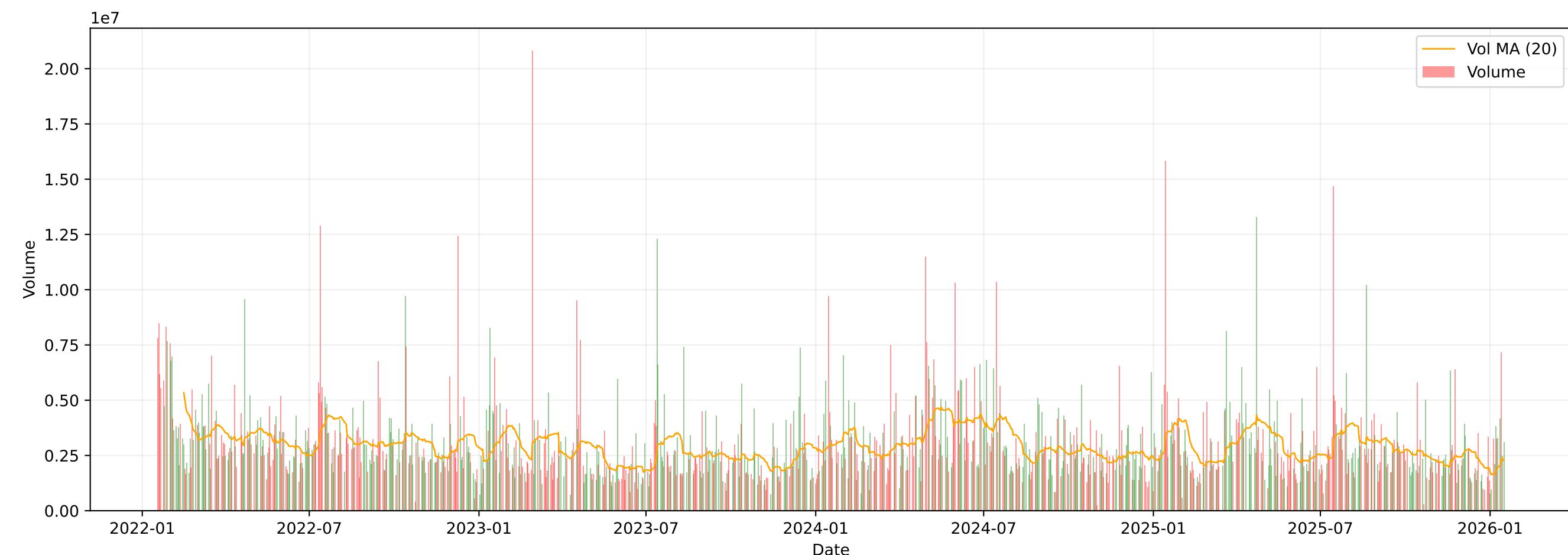
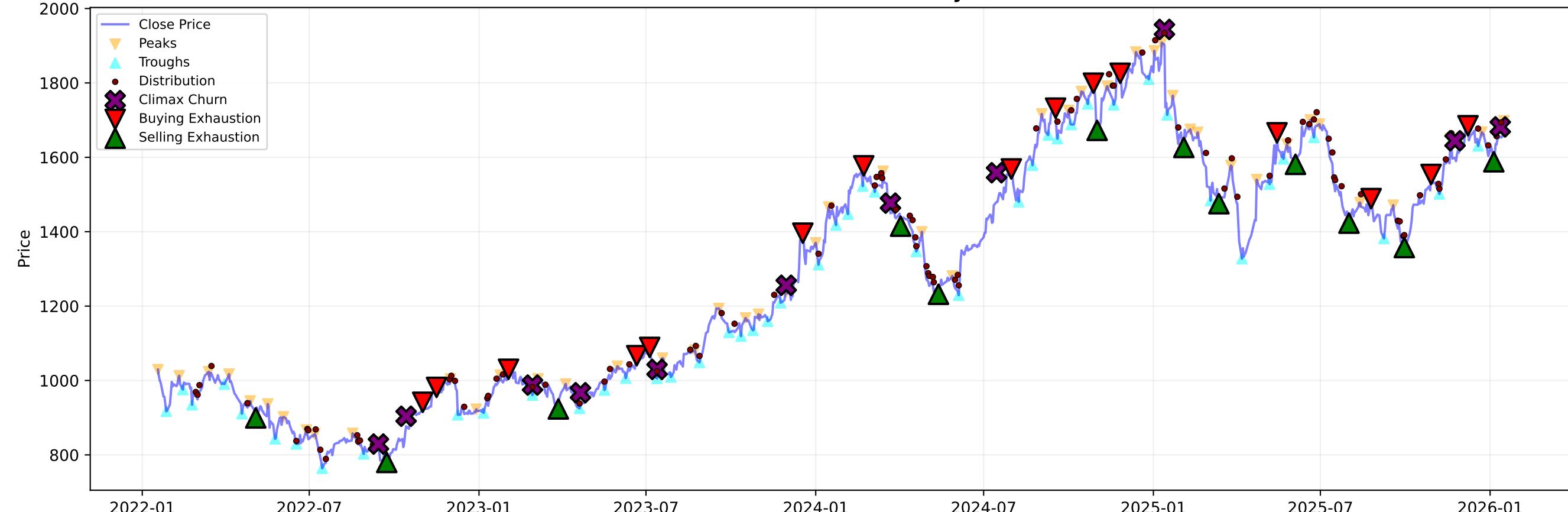
2026-01-05 [+]: Selling Exhaustion (Bullish Div)

2026-01-08 [-]: Distribution Day

2026-01-12 [-]: Climax Volume (Churning)

2026-01-13 [-]: Distribution Day

HCLTECH.NS - Volume Analysis



Multi-Timeframe Supertrend Analysis

| Timeframe | Status | Value | Last Price | Signal Date |
|-----------|---------------|---------|------------|-------------|
| 1 Week | UPTREND (Buy) | 1544.91 | 1698.0 | 2025-10-20 |
| 1 Day | UPTREND (Buy) | 1601.05 | 1698.0 | 2025-10-09 |
| 15 Min | UPTREND (Buy) | 1681.94 | 1698.0 | 2026-01-13 |

Multi-Timeframe MACD Analysis

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

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HCL Technologies Ltd. [①](#)

NSE: HCLTECH | BSE: 532281
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 Strong Performer, Getting Expensive [②](#) In 2 Starfolio Baskets

1698.00 29.50 (1.77%) **3.3M** NSE+BSE Volume
↑ 30.34% Gain from 52W Low NSE 16 Jan, 2026 3:31 PM (IST)

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Dividend HCL Technologies last dividend of ₹12.00 per share was given on 16 Jan 2026 [See details](#)

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Durability score [③](#) **65.0** /100 Valuation Score [④](#) **36.2** /100 Momentum Score [⑤](#) **61.0** /100 Analyst Price Target [⑥](#) **1,762**
High Financial Strength Mid Valuation Technically Moderately Bullish 1Yr Price target upside is 4%

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PE Valuation Check
Right Now [⑦](#) Overvalued -10.7% 1 Year Forward [⑧](#) Overvalued -5.3%
INSIGHT HCL Technologies is overvalued at both current PE and future earnings estima

HCL Technologies Key Metrics

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

HCL Technologies has a share price target of Rs 1762, revenue growth forecast of 10.5%, and profit growth estimate of -1.6% for FY26, based on top 44 analyst calls.

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