

Gemini Stock Analysis Report

Based on the detailed analysis of the attached report for **Tech Mahindra (TECHM.NS)**, here is the positional trading assessment.

Note on Data: The report generated timestamp is **2026-01-03**. I will treat this as "Today" for the purpose of this analysis.

Step 1: Audit the Data

- **Data Present:**
 - **Price Structure:** 3-Year Daily Candle charts.
 - **Trend Indicators:** Moving Averages (EMA 20, 50, 200), Supertrend, Golden Cross status.
 - **Momentum/Volatility:** RSI, MACD, Bollinger Bands, Volatility Squeeze (ATR).
 - **Fundamentals:** Multi-year and quarterly growth metrics, Analyst estimates.
 - **Relative Strength:** Comparison vs. ^CNXIT (IT Sector).
 - **Data Missing:**
 - **Weekly/Monthly Timeframe Charts:** While the daily chart covers 3 years, specific weekly candle formations would help confirm the long-term trend strength.
 - **Order Flow/Delivery Volume:** Specific delivery percentages are not visible, only total volume bars.
 - **Confidence Level: High.** The report provides a comprehensive confluence of trend, momentum, and fundamental data sufficient for an intermediate-term positional trade.
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Step 2: Analyze the Setup

- 1. Trend & Structure (Bullish):** * **Golden Cross:** A "Golden Cross" (50 EMA crossing above 200 EMA) occurred on **2025-12-22**. This is a statistically significant signal for intermediate-term bullishness. * **EMA Alignment:** The stock is trading in a "Strong **Uptrend**" alignment (Price > 20 > 50 > 200). The price is currently testing the 20 EMA (~1591) as support, a classic entry zone in a trending market. * **Pattern:** The stock has recovered from a low of ~1200 and is forming a high-level consolidation (Bull Flag/Pennant) after reaching ~1670.
 - 2. Momentum & Volatility (Mixed to Bullish):** * **RSI:** At **61.10**, the RSI is in the bullish zone (40-80 range) without being overbought. It has reset from higher levels, allowing room for upside. * **MACD:** The MACD is currently **Bearish** (Histogram negative, line crossed below signal). This indicates the stock is in a short-term consolidation or "cooling off" phase. However, in a strong uptrend, this often marks a "buy the dip" opportunity rather than a reversal. * **Volatility:** The Bollinger Bands are tightening (squeeze detected), suggesting a potential expansion in price movement is imminent. The price is holding the "Upper Half" of the bands.
 - 3. Fundamentals & Relative Strength:** * **Turnaround Story:** While long-term revenue growth is flagged as "No," recent Net Income and EPS are accelerating (Green flags). This suggests margin expansion and operational efficiency-a strong driver for stock price re-rating. * **Relative Strength:** The stock is classified as an "Emerging Leader" with a 1-month RS > 1, indicating it is currently outperforming its sector benchmark (^CNXIT).
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Step 3: Formulate the Recommendation

Verdict: YES.

The setup aligns well with a 1-4 month horizon. The confluence of a recent Golden Cross, improving fundamentals (EPS growth), and the price holding above key moving averages overrides the short-term MACD weakness. The current consolidation offers a favorable risk-reward ratio.

- **Entry Price: INR 1612 - INR 1625**
 - *Rationale:* Enter at current market price (CMP). The stock is bouncing off the 20 EMA (~1591). Buying near this dynamic support is ideal.
- **Stop Loss: INR 1540** (Closing Basis)
 - *Rationale:* This places the risk below the 50 EMA (1547) and the Supertrend support (1561). A close below 1540 invalidates the immediate uptrend thesis.
 - *Risk:* Approx. 4.5%.
- **Take Profit: INR 1750 - INR 1780**
 - *Rationale:* The 3-year chart (Page 2) shows major resistance at the previous cycle highs around 1750.
 - *Upside:* Approx. 8.5% - 10.5%.

Risk Management Note: The analyst average target is INR 1615 (current levels), suggesting the stock is "fairly valued" by consensus. However, technical momentum often overshoots analyst estimates in the intermediate term. If the price fails to break INR 1650 within 2 weeks, consider tightening the stop loss to breakeven.

News & Analyst Targets

Based on the latest market data and news for **Tech Mahindra (TECHM)** as of **January 3, 2026**, here is the research report.

1) Latest News for TECHM This Week

- **Strategic Partnership with AT&T:** Tech Mahindra has announced a significant licensing agreement with AT&T. The firm will utilize AT&T's Automated Network Testing (ANT) and Open Tool platforms to enhance global testing and certification for LTE and 5G networks. This move strengthens TechM's capabilities in the telecom domain.
- **Noida International Airport Collaboration:** The company has been chosen as a key partner for Noida International Airport to manage its network and cybersecurity operations, further solidifying its presence in critical infrastructure projects.
- **Technical Breakout (Golden Cross):** On January 1, 2026, the stock witnessed a "Golden Cross" formation on its technical charts, a bullish signal where the short-term moving average crosses above the long-term moving average.
- **MarketsMojo Upgrade:** On January 2, 2026, the investment research platform MarketsMojo upgraded Tech Mahindra to a **"Buy"** rating, citing strong technical momentum and improving financial metrics.
- **Stock Performance:** The stock closed the week at **INR 1,611**, witnessing a marginal weekly decline of 0.14% but showing resilience with a late-week recovery supported by technical upgrades.

2) Brokerage Upgrades and Downgrades

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- **Upgrade (MarketsMojo):** Upgraded from 'Hold'/'Sell' to **BUY** on January 2, 2026, driven by the technical breakout and steady fundamentals.
- **Maintain Buy (Kotak Securities):** Kotak continues to hold a bullish view, having recently raised its target price to **INR 1,800** (late Dec 2025), citing improved growth outlook for CY26.
- **Maintain Sell (Emkay Global):** In contrast, Emkay Global retains a **SELL** rating, skeptical of the near-term valuation, with a target significantly below the current market price.
- **Preferred Pick (Motilal Oswal):** While not a direct rating change this week, Motilal Oswal has named Tech Mahindra as a **preferred pick** among large-cap IT stocks for a CY26 recovery, expecting AI-led demand to offset near-term seasonal weakness.

3) Other News Impacting TECHM

- **Q3 FY26 Earnings Preview:** Analysts expect a "seasonally soft" Q3 (October-December) for the entire IT sector due to furloughs. However, the market is looking past this to a strong recovery in Calendar Year 2026 (CY26).
- **AI Demand Surge:** Industry reports highlight that AI services demand is expected to bottom out the growth cycle in CY26, with Tech Mahindra positioned to benefit from its "Tech-First" transformation and AI investments.
- **Sector Outlook:** The Nifty IT index has shown volatility but remains in a structural uptrend. Analysts believe the valuation correction in the sector is largely over, setting the stage for growth in the coming quarters.

4) Latest Price Targets from Analysts

Brokerage / Analyst Firm	Rating / Stance	Target Price (INR)	Outlook Summary
Kotak Securities	BUY	1,800	Positive on growth outlook for CY26.
Choice Broking	BUY	1,730	Favorable view on large-cap IT recovery.
Consensus Estimate	HOLD/BUY	~1,718	Average of polled analyst targets.
BNP Paribas	NEUTRAL	1,485	Cautious on near-term upside.
Goldman Sachs	SELL	1,410	Raised target recently but concerns on industry growth rates persist.
Emkay Global	SELL	1,290	Valuation concerns; targets downside correction.

Disclaimer: This report is for informational purposes only and does not constitute financial advice. Stock market investments are subject to market risks.

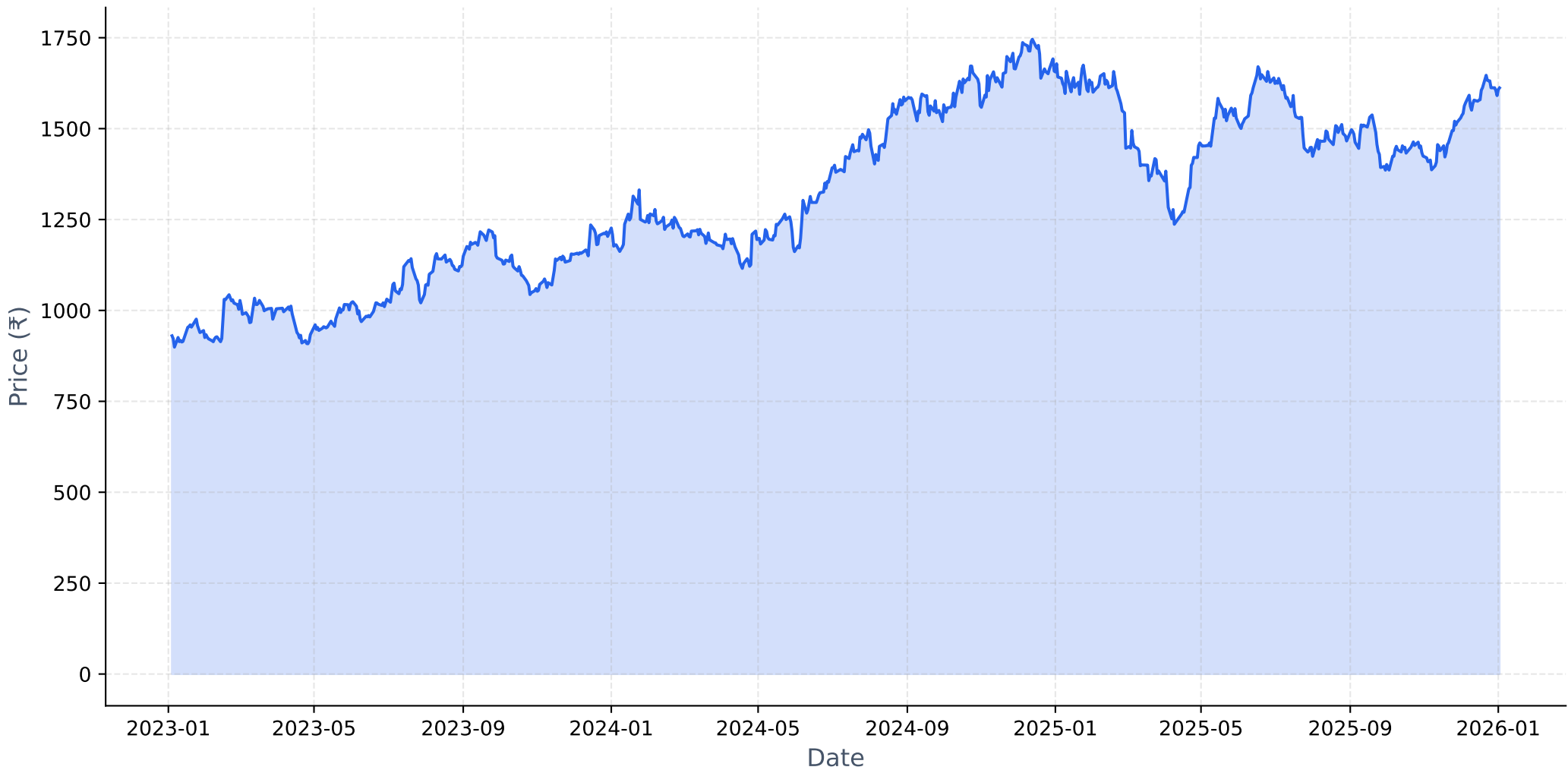
Stock Detailed Analysis Report

TECHM.NS

Current Price: ₹1612.00

Generated: 2026-01-03 12:43

TECHM.NS - 3 Year Daily Price Chart



Long-term Fundamental Analysis (4 Years)

Metric	Is Growing?	Accelerating?	1Y Growth	3Y CAGR
Revenue	Yes	No	1.91%	5.88%
Net Income	No	Yes	80.32%	-8.59%
ROE	No	Yes	75.76%	-9.12%
EPS	No	Yes	80.05%	-8.82%

Short-term Fundamental Analysis (6 Quarters)

Metric	Is Growing?	Recent QoQ	Avg QoQ
Revenue	Yes	-0.25%	0.66%
Net Income	Yes	-2.24%	10.47%
ROE	No	-9.79%	-9.79%
EPS	Yes	-21.39%	12.69%

TECHM.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Emerging Leader
RS Score:	50.3/100
:	

== RS RATIOS ==:

1M RS:	1.011 [Leader]
3M RS:	0.984 [Neutral]
6M RS:	0.987 [Neutral]
1Y RS:	1.078 [Leader]
:	

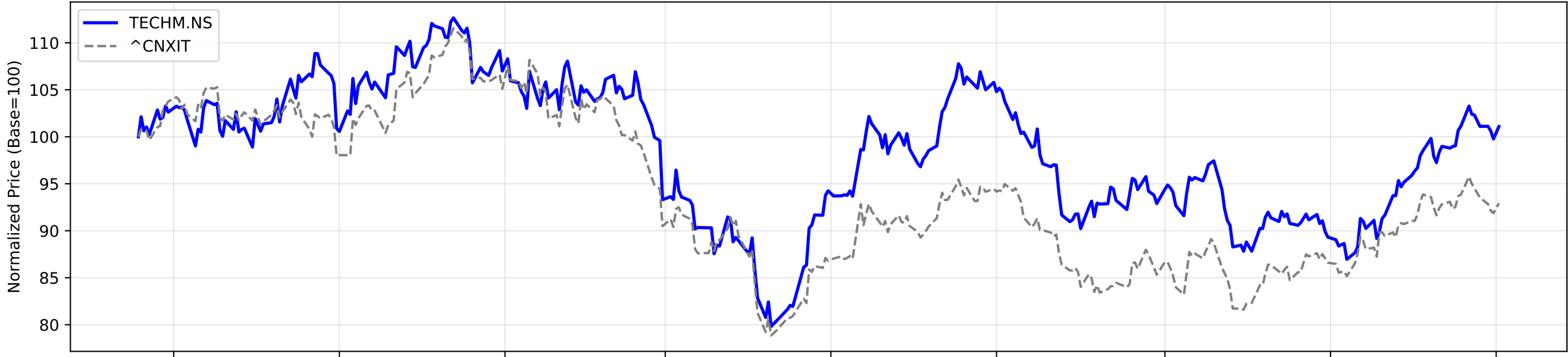
== TURNAROUND ANALYSIS ==:

Turnaround Status:	!! DETECTED !!
:	

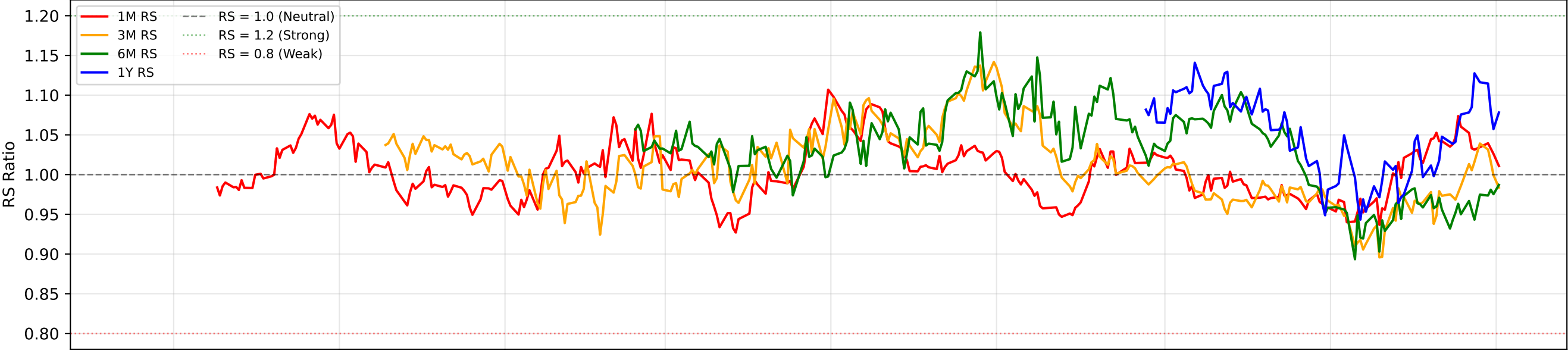
SIGNAL CRITERIA::

✓ Emerging RS:	1M (1.011) > 3M (0.984)
✓ Medium-term Lagging:	6M=0.987 (≤ 1.0)
✓ Performance Improving:	3M (+13.8%) > 6M (-3.9%)

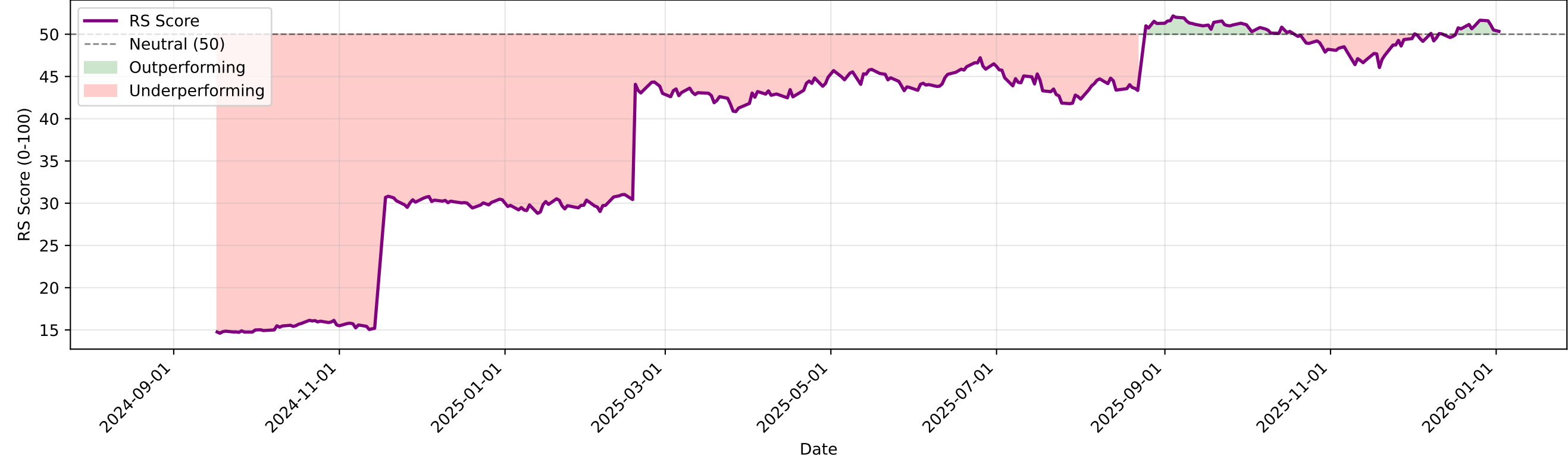
Relative Strength Analysis: TECHM.NS vs ^CNXIT
Classification: Emerging Leader
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



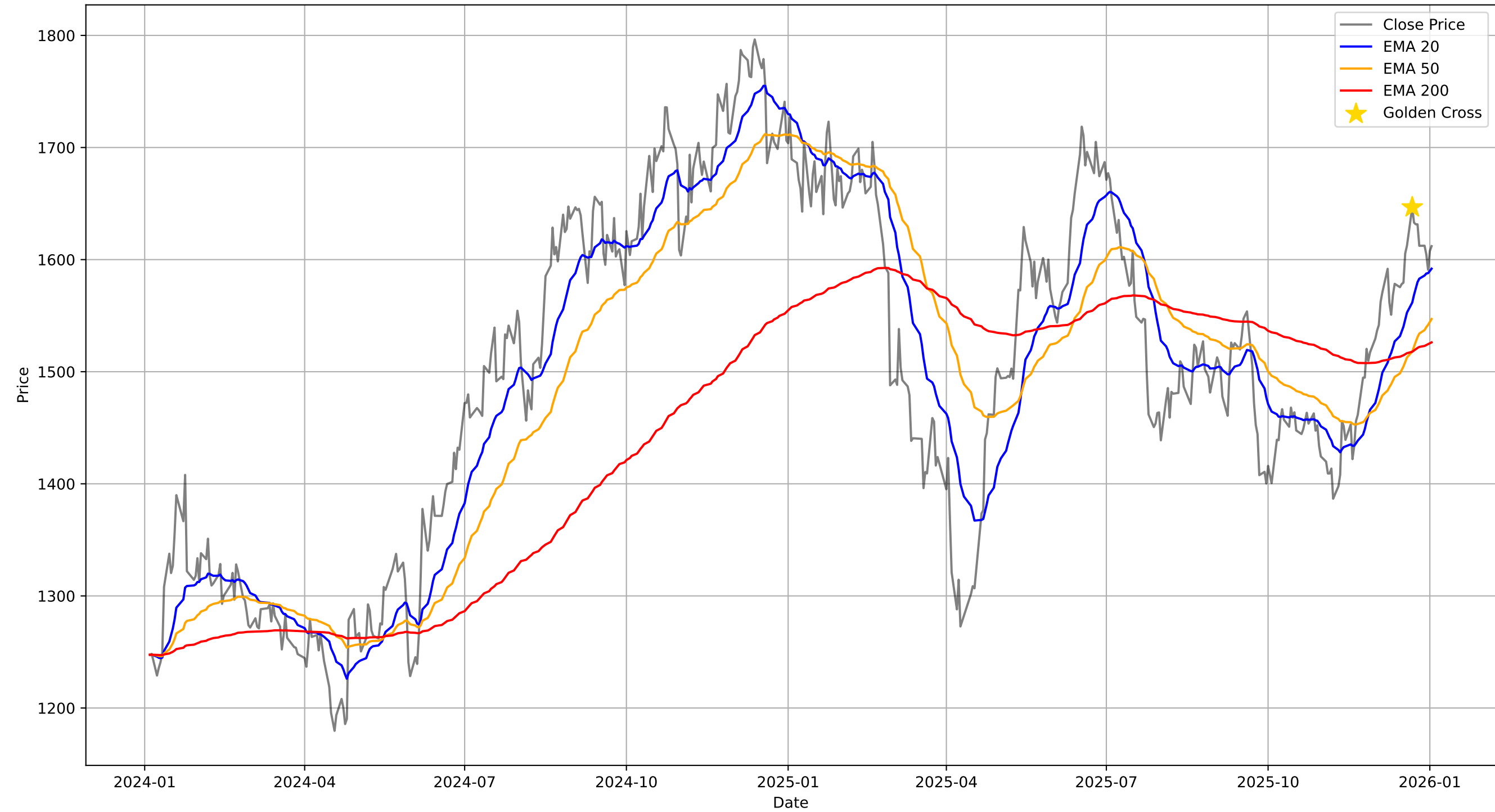
RS Composite Score Timeline



TECHM.NS - EMA Crossover Summary

EMA 20:	1591.90
EMA 50:	1547.00
EMA 200:	1526.16
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-12-22 00:00:00
Golden Cross Price:	1646.70

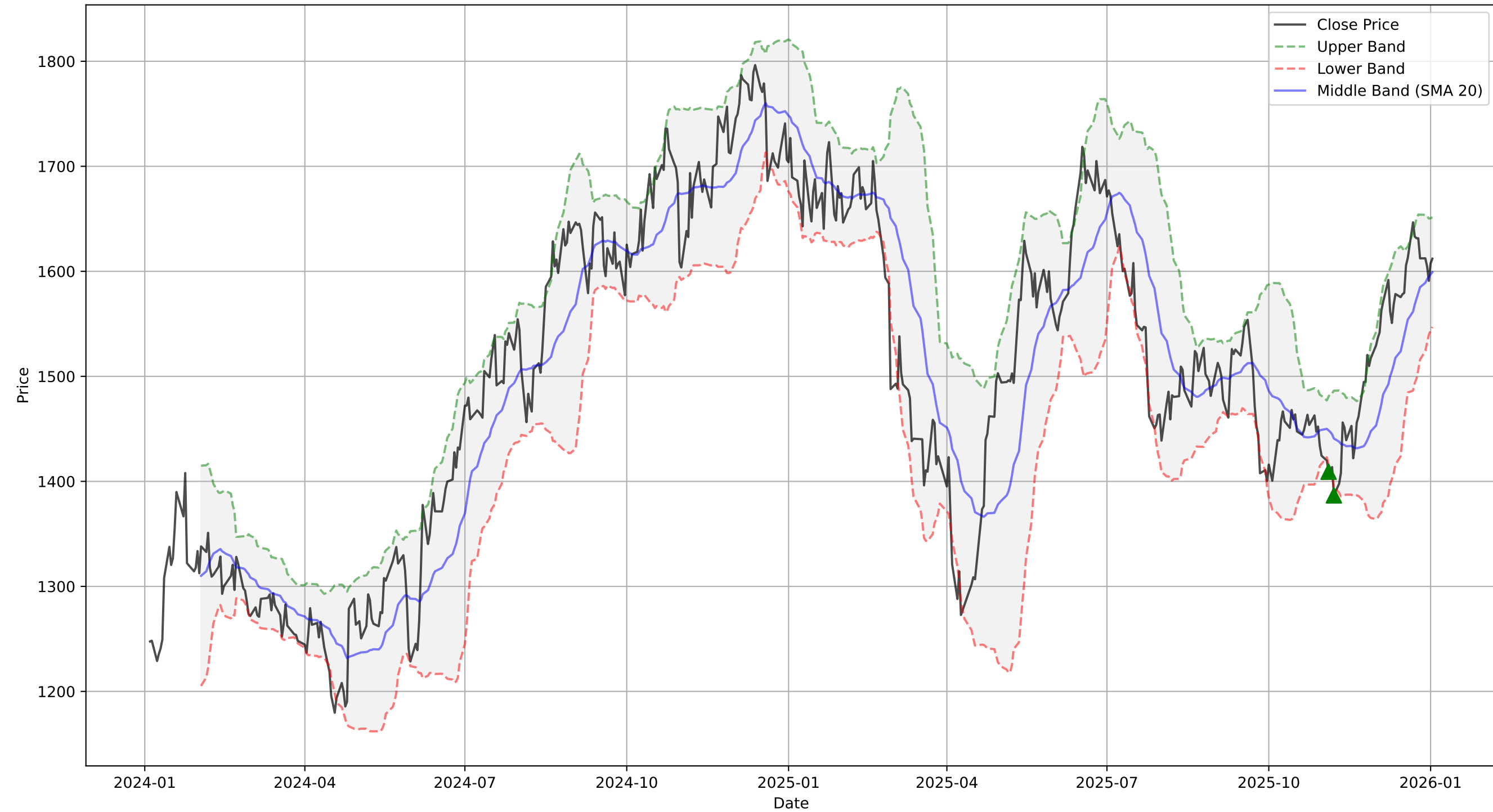
TECHM.NS EMA Crossover Analysis



TECHM.NS - Bollinger Bands Summary

Current Price:	1612.00
Upper Band:	1651.51
Middle Band (SMA 20):	1599.22
Lower Band:	1546.94
%B:	0.6222
Band Width:	0.0654
Status:	Upper Half
Signal:	None
Recent Signal 1:	Buy Signal at 2025-11-04 00:00:00
Recent Signal 2:	Buy Signal at 2025-11-07 00:00:00

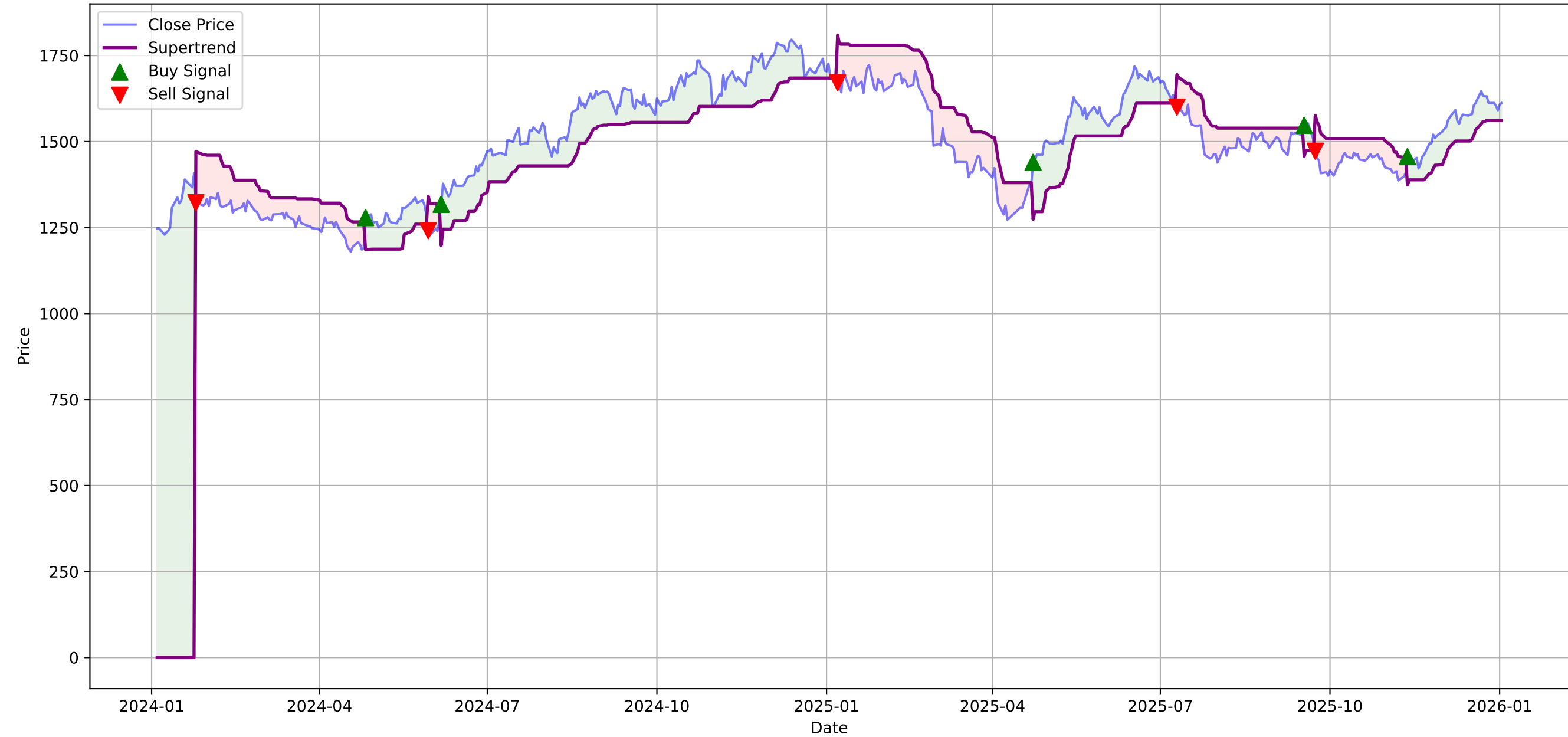
TECHM.NS Bollinger Bands (20, 2) Analysis



TECHM.NS - Supertrend Summary

Status:	UPTREND (Buy)
Supertrend Value:	1561.34
Signal Identified On:	2025-11-12

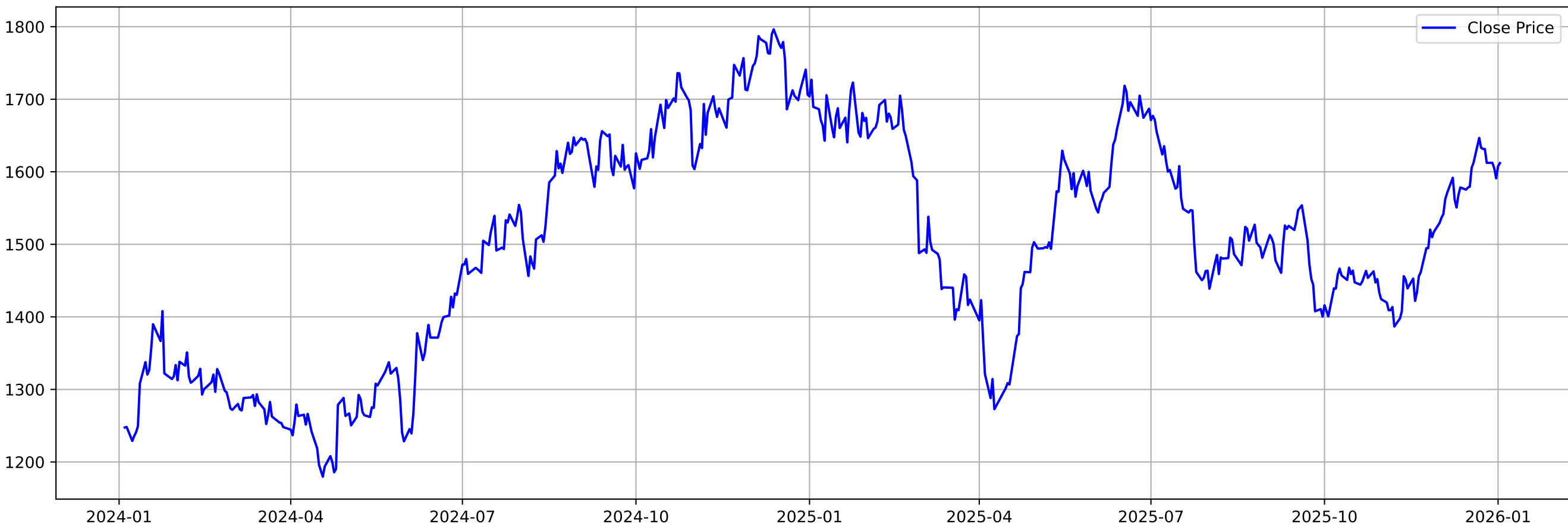
Supertrend Analysis for TECHM.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



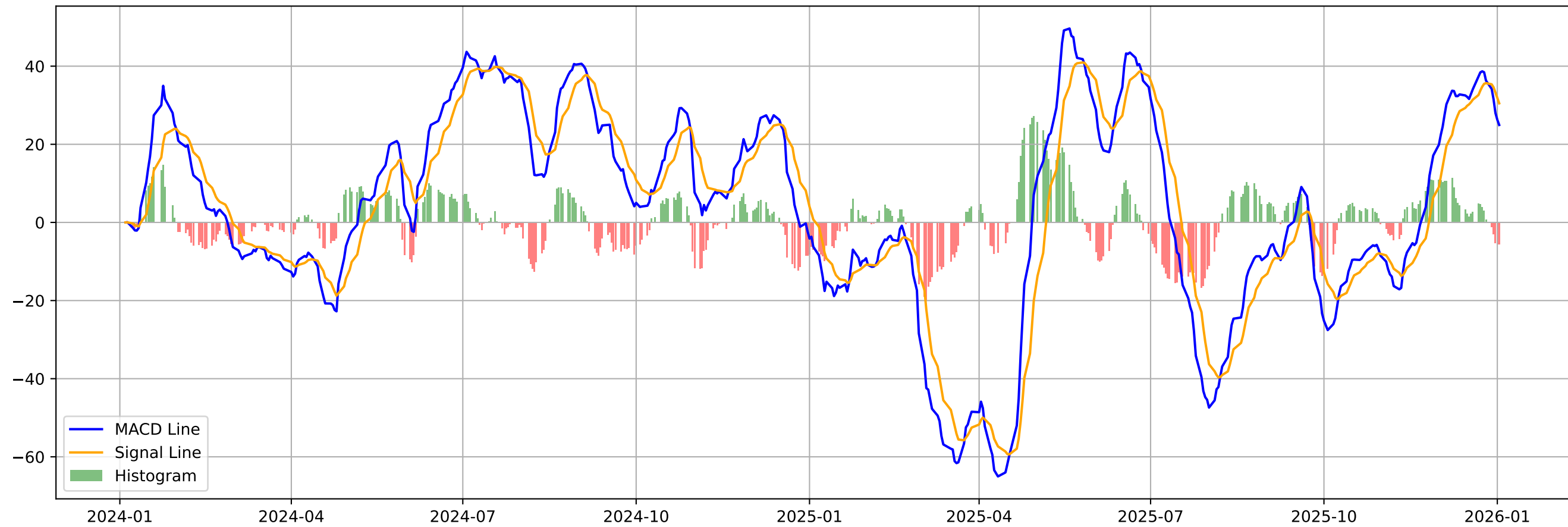
TECHM.NS - MACD Summary

MACD Line:	24.95
Signal Line:	30.49
Histogram:	-5.55
Trend:	Bearish
Momentum:	Weakening
Signal:	None

TECHM.NS Price



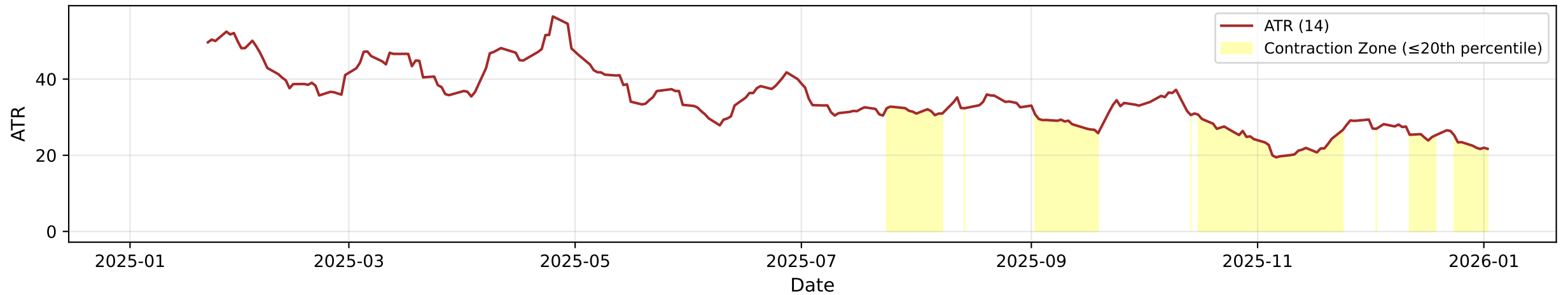
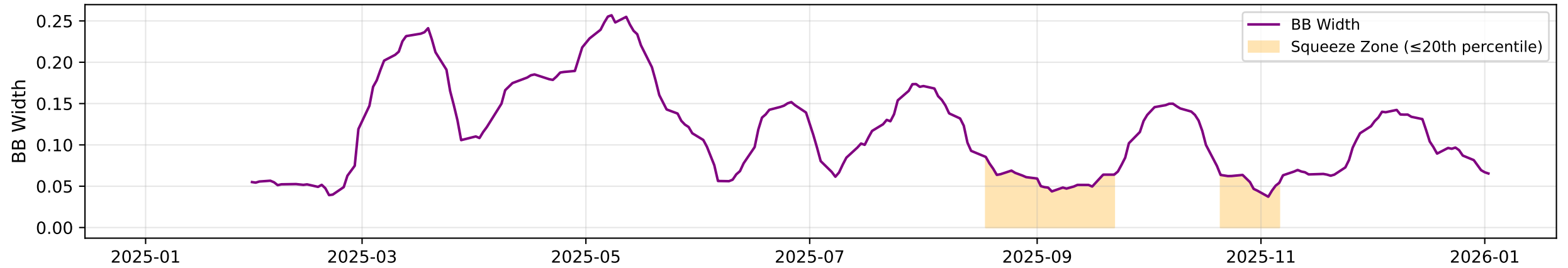
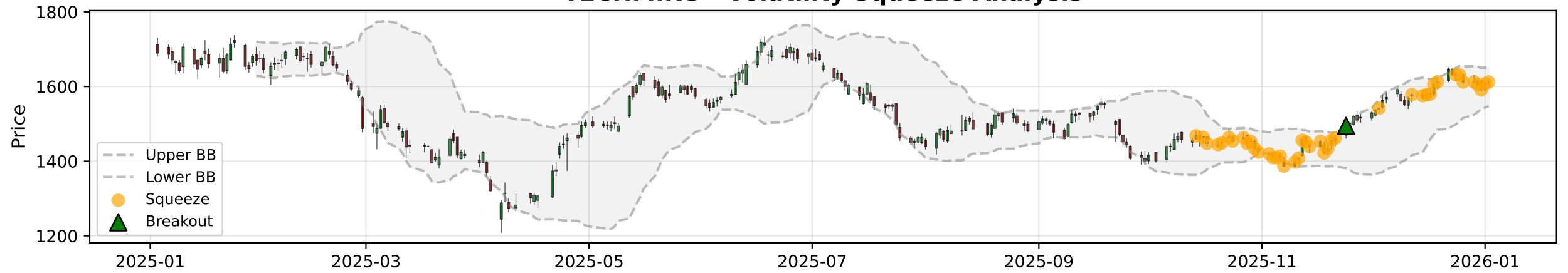
TECHM.NS MACD (12, 26, 9)



TECHM.NS - Volatility Squeeze Summary

BB Width:	0.0654
ATR:	21.7000
Total Signals:	43
Signal 1:	ATR Contraction at 2025-12-29 00:00:00 (Price: 1612.40)
Signal 2:	ATR Contraction at 2025-12-30 00:00:00 (Price: 1604.60)
Signal 3:	ATR Contraction at 2025-12-31 00:00:00 (Price: 1590.90)
Signal 4:	ATR Contraction at 2026-01-01 00:00:00 (Price: 1607.70)
Signal 5:	ATR Contraction at 2026-01-02 00:00:00 (Price: 1612.00)

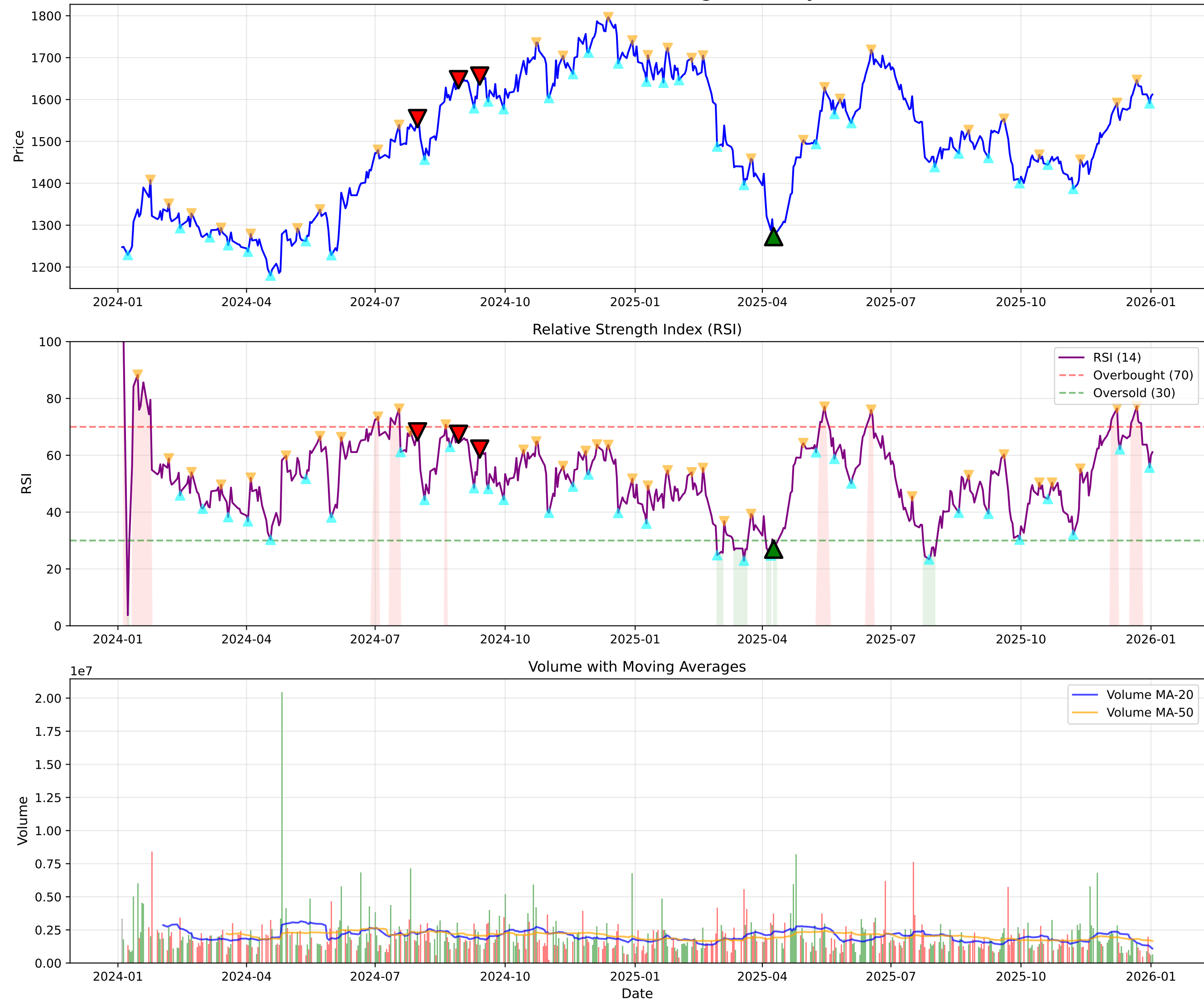
TECHM.NS - Volatility Squeeze Analysis



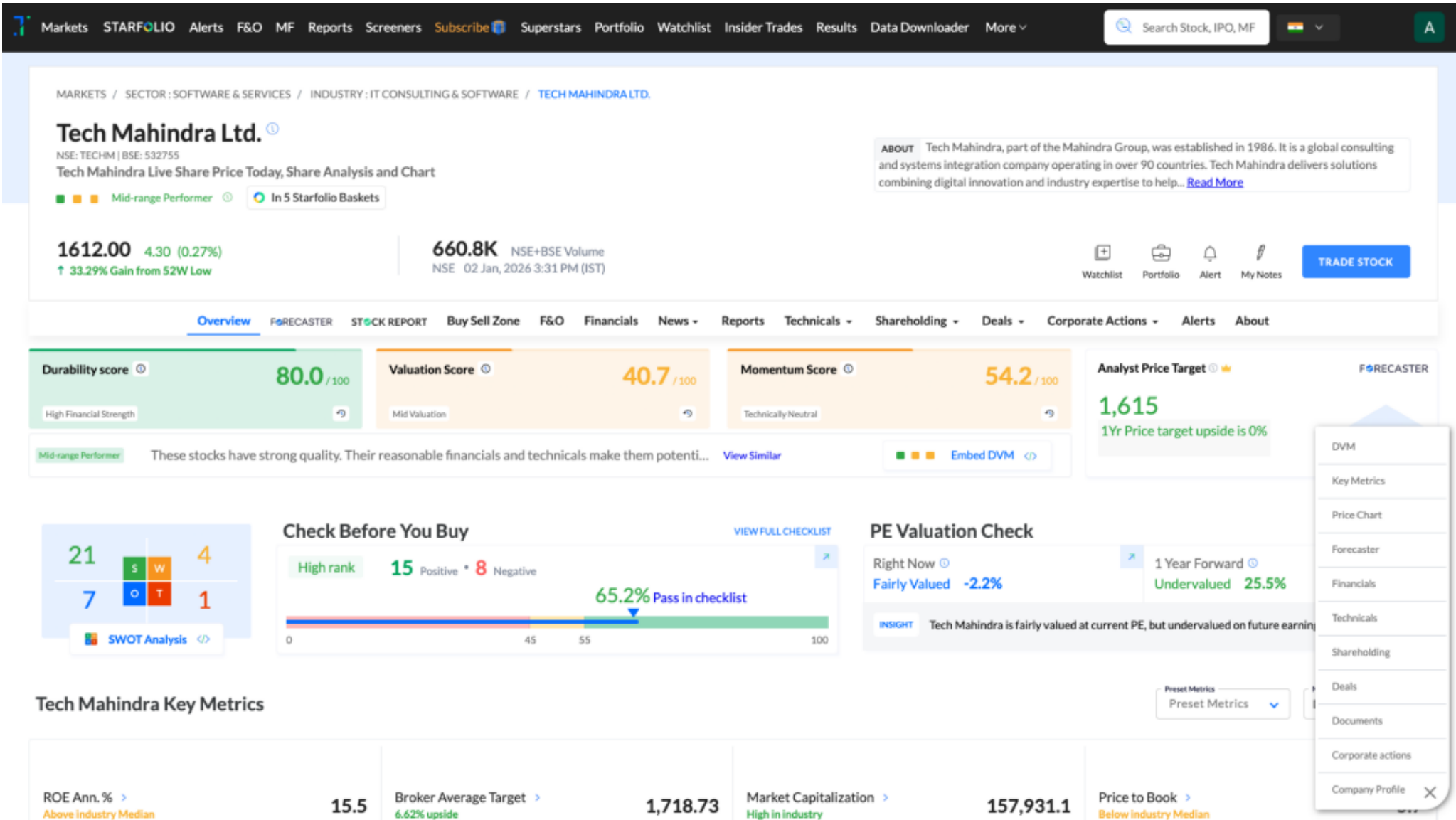
TECHM.NS - RSI-Volume Summary

Current RSI:	61.10
Current Volume:	637080
Volume MA 20:	1093254
Bullish Divergences:	1
Bearish Divergences:	3
Bullish Div 1:	Date: 2025-04-09 00:00:00, Price: 1272.75
Bearish Div 1:	Date: 2024-08-29 00:00:00, Price: 1647.35
Bearish Div 2:	Date: 2024-09-13 00:00:00, Price: 1656.05

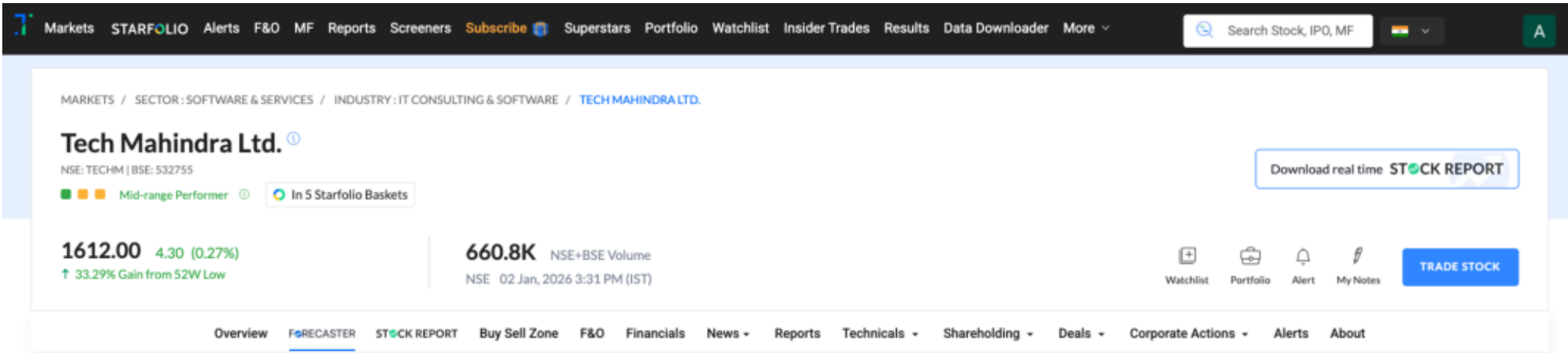
TECHM.NS RSI-Volume Divergence Analysis



Trendlyne Snapshot - TECHM_main



Trendlyne Snapshot - TECHM_forecaster



Tech Mahindra - TECHM - stock price prediction, stock forecast, target price, analyst ratings from 42 analysts

Tech Mahindra has a share price target of Rs 1615, revenue growth forecast of 5.4%, and profit growth estimate of 22.0% for FY26, based on top 42 analyst calls.

Tech Mahindra FORECASTER - Analyst Estimates ¹

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