

Stock Analysis Report

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Strategic Trading Analysis

Based on the detailed PDF report provided for **TECHM.NS (Tech Mahindra)** generated on **2026-02-14**, here is my analysis and recommendation.

Step 1: Audit the Data

- **Data Present:**
 - **Price Action:** Daily and Weekly candlestick charts (up to 3-4 years).
 - **Trend Indicators:** Moving Averages (EMA 20, 50, 200), Supertrend, and MACD.
 - **Momentum/Oscillators:** RSI (Relative Strength Index), Bollinger Bands.
 - **Volume Analysis:** Volume bars, Buying/Selling Exhaustion, Distribution days.
 - **Fundamentals:** Revenue, Net Income, ROE, EPS growth trends (Short and Long term).
 - **Relative Strength:** Comparison against ^CNXIT (Nifty IT).
- **Data Missing:**
 - **Fibonacci Retracement Levels:** These would help pinpoint support levels below the current price, as the stock is in discovery mode downward.
 - **Institutional Activity (FII/DII):** While volume analysis is present, specific institutional flows are not explicitly detailed.
- **Confidence Level: High.** The report provides a comprehensive technical and fundamental picture, allowing for a robust assessment of the intermediate-term trend.

Step 2: Analyze the Setup

- **Price Structure & Trend:**
 - **Bearish Reversal:** The stock has dropped significantly from a high of ~INR 1750 to the current level of INR 1534.40.
 - **Broken Support:** The stock is currently trading **below** all key EMAs (20, 50, and crucially the 200-day EMA at INR 1542.81). A close below the 200 EMA is a major warning sign for intermediate-term bulls.
 - **Supertrend:** The daily Supertrend flipped to **SELL** on Feb 06, 2026, with a resistance level way up at INR 1680.74.
- **Momentum:**
 - **MACD:** Clearly **Bearish**. The MACD line is below the signal line and both are descending. Momentum is listed as "Strengthening" to the downside.
 - **RSI:** Currently at **33.21**. This is approaching oversold territory (<30), which often suggests a temporary bounce is due, but in a strong downtrend, RSI can stay oversold for weeks.
- **Volatility:**
 - **Bollinger Bands:** The price is hugging/breaking below the Lower Band. While the report flags a "Buy Signal" (Mean Reversion) on Feb 12/13, catching a falling knife during a volatility expansion (Band Width increasing) is dangerous for a positional hold.
- **Relative Strength:**
 - Rated as a "Weakening Leader" with an RS score of 57.8. It is underperforming the IT sector benchmark.

Step 3: Formulate the Recommendation

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Should you enter this stock now?NO.

Reasoning: While the fundamentals (Page 3) show growth, the technical picture is broken. The stock has just lost the 200-day EMA support. Entering now is "fighting the trend." For a probability of 5-15% upside, we need the stock to stop falling and prove that buyers have stepped back in. Currently, sellers are in total control (Candlestick classification: Buyer Control is stated in the summary, but the visual chart shows massive red candles and "Seller Strong Control" in recent days).

Conditional Plan (Watchlist Strategy)

Since the stock is fundamentally sound and oversold (RSI 33), a recovery is likely eventually. Do not buy until the following technical reclamation occurs:

- **Condition to Buy:** The stock must close **daily** back **above the 200-day EMA** (approx INR 1543) AND show a bullish reversal candle (like a Hammer or **Bullish** Engulfing) on elevated volume. We need to filter out a "dead cat bounce."
- **Entry Price:** **INR 1,560 - INR 1,570** (Wait for a confirmed close above the 200 EMA and the psychological 1550 level to confirm the "false breakdown").
- **Stop Loss:** **INR 1,480** (This allows for a swing low formation around the psychological INR 1500 level. If it breaks INR 1480, the trend is terminally damaged for the intermediate term).
- **Take Profit:**
 - **Target 1:** **INR 1,640** (Convergence of 20 EMA and 50 EMA resistance).
 - **Target 2:** **INR 1,750** (Retest of recent swing highs).

Summary for the Trader: Sit on your hands. The "Buy Signal" on the Bollinger Band report is a counter-trend scalp signal, not a positional trend signal. Wait for price stability above INR 1550 before deploying capital.

Candlestick Classification Analysis

Based on the **Candlestick Classification Report (Pages 20 & 21)** and the provided algorithmic logic, here is my analysis as a seasoned Price Action Trader.

1. Current Market State: The "Buyer Control" Signal

According to the classification summary on **Page 20**, the latest signal is **Buyer Control (+1)**.

- **Algorithmic Interpretation:** Based on your logic, this signifies a candle with a **Moderate Bullish Body (0.8 - 1.5 ATR)**.
- **Context:** Looking at the chart on **Page 21**, the stock (TECHM) has been in a sharp correction phase, dropping from highs near 1750 down to the current 1534 level. The appearance of a "Buyer Control" candle at the bottom of a swing suggests that **selling pressure is drying up and buyers are stepping in to defend value**.

2. Deep Dive Analysis (Chart & Logic)

A. The 10-Day Trend Score (-0.10) The 10-day average score is slightly negative (-0.10).* **Trader's View:** This indicates the market has been in a short-term downtrend or choppy consolidation. The bears have had the upper hand for the last two weeks, but the score is not deeply negative (like -1.5), which implies the

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selling has been "orderly" rather than a panic crash. This makes a reversal more likely than in a crash scenario.

B. Volume & Wick Analysis (Step 3 & 4 of Logic)* Visual Check (Page 21): The volume on the latest green candle (Right edge) is moderate-it is not a massive "Climax" volume spike (which would trigger Strong Control).* **Wick Analysis:** The candle appears to have a lower wick. In your Step 3 logic, a lower wick indicates that prices tried to go lower, but buyers rejected those levels. This "rejection of the lows" is a primary reversal signal.

C. The Battle at Key Support* Price vs. EMA: If you look at the general price level (1534), it is testing a major structural support zone established back in mid-2025.* **Reclaiming Control:** The shift from "Seller Strong Control" (Dark Red bars seen recently on the chart) to "Buyer Control" (Light Green) represents a change in character. The bears tried to push, but the bulls absorbed the supply.

3. Future Price Prediction

Direction: SHORT-TERM BULLISH (Bounce/Mean Reversion)

I predict the price will move **UPWARD** in the immediate short term (1-5 days), aiming for a relief rally.

Reasoning:1. **Exhaustion:** The sharp drop preceding this candle shows signs of seller exhaustion. The "Buyer Control" classification confirms that bears could not close the day at the lows.2. **Algorithm Signal:** A +1 Score (Buyer Control) after a series of negative scores is a classic "Mean Reversion" setup.3.

Risk/Reward: Buyers feel comfortable accumulating here (likely defending the 1500 psychological level).

Critical Levels to Watch:* **Target:** The price will likely bounce toward the **1600 - 1630** zone (previous breakdown level).* **Failure Condition:** If the next candle is a "No Control" (0) or "Seller Control" (-1) that closes below the low of this current green candle (approx 1500), the signal has failed, and the downtrend will resume.

Verdict: The "Buyer Control" classification is a **Buy Signal for a swing trade**, betting on a bounce back to equilibrium. The bleeding has stopped.

News & Analyst Targets

As a stock research analyst, I have gathered the latest information on **Tech Mahindra (TECHM)** for the week ending **February 14, 2026**.

1) Latest News for TECHM This Week (Feb 8 - 14, 2026)

- **Stock Under Pressure:** TECHM stock has faced selling pressure this week, declining approximately **5.5%** over the last few sessions. It closed the week trading around the **INR 1,535 - INR 1,550** level.
- **Sector-Wide Rout:** The fall is part of a broader "rout" in Indian IT stocks (including Infosys and TCS)

Stock Analysis Report

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triggered by renewed **"AI Disruption" fears**. Specifically, news of advanced AI coding capabilities (like Anthropic's latest models) has spooked investors regarding the future demand for traditional outsourcing services.

- **Contrarian "Buy" Calls:** Despite the negative sentiment, top analysts have picked TECHM as a key investment idea this week.
 - **Axis Securities** listed TECHM as a "Top Conviction Idea" for February 2026.
 - **Choice Broking** selected TECHM as a "Valentine Day Pick," citing strong technical structures and a "buy-on-dips" opportunity.
- **Recent Financial Context:** The company recently reported strong Q3 FY26 results (announced mid-Jan), with **Profit up 14% YoY** to INR 1,122 Crore and **EBIT margins expanding to 13.1%**, which continues to support analyst confidence despite the current dip.

2) Brokerage Upgrades & Downgrades

- **Axis Securities (Upgrade/Maintain Buy):** On Feb 14, 2026, Axis Securities reiterated a **BUY** rating, emphasizing that the long-term structural story remains intact despite short-term AI fears.
- **MarketsMOJO (Upgrade):** Upgraded TECHM from *Hold* to **BUY** on **Feb 11, 2026**, citing improved fundamentals and positive technical indicators, though they had briefly downgraded it earlier in the week.
- **JPMorgan (Standing Upgrade):** Remains **Overweight** after upgrading the stock in late January, citing strong deal wins and margin recovery visibility for FY27.

3) Indirect News Impacting TECHM

- **The "Anthropic Shock":** The release of new AI tools capable of autonomous coding has reignited fears that Indian IT service firms will see volume compression. This narrative was the primary driver of the IT index's underperformance this week.
- **US Fed Rate Cut Delays:** Stronger-than-expected US economic data has dampened hopes for an early interest rate cut by the Federal Reserve. Since US clients are the biggest revenue source for TECHM, this macro headwind is weighing on the stock.
- **Mahindra Group Stability:** While the IT arm is volatile, the broader Mahindra Group (Auto & Farm) reported solid Q3 results this week, providing some group-level stability, though IT sentiment remains decoupled.

4) Latest Analyst & Brokerage Targets (Feb 2026)

The analyst community remains largely bullish, viewing the recent price drop as an accumulation opportunity.

Brokerage Firm	Rating	Target Price (INR)	Date / Status
Motilal Oswal	BUY	INR 2,350	Maintained (Jan 21, 2026)
JPMorgan	Overweight	INR 2,100	Maintained (Jan 19, 2026)
Choice Broking	BUY	INR 1,890	Fresh Pick (Feb 13, 2026)
Axis Securities	BUY	INR 1,870	Top Pick (Feb 14, 2026)
Trendlyne Consensus	Buy	INR 1,855	Average of 12 Analysts
Kotak Inst. Equities	BUY	INR 1,800	Maintained (Dec/Jan)
Current Market Price	--	~INR 1,535	As of Feb 14, 2026

Analyst Summary: The current market price offers a potential **upside of ~17% to 50%** based on these targets, suggesting that the "AI panic" selling may be overdone relative to the company's actual growth fundamentals.

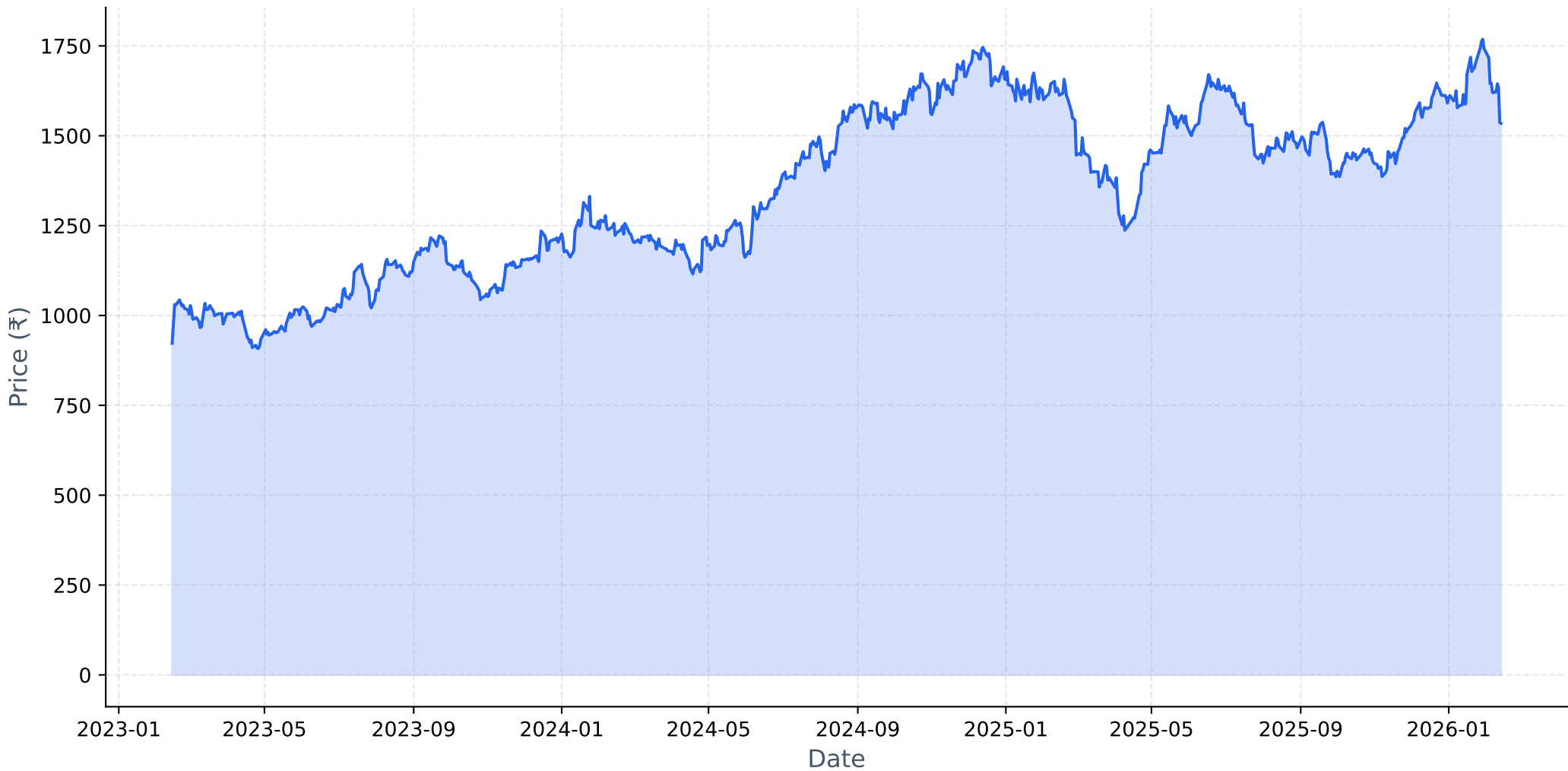
Stock Detailed Analysis Report

TECHM.NS

Current Price: ₹1534.40

Generated: 2026-02-14 10:09

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	7.80%	2.02%
Net Income	No	-1.63%	-1.64%
ROE	No	-9.79%	-9.79%
EPS	Yes	-1.63%	7.92%

TECHM.NS - Relative Strength Analysis

== OVERVIEW ==:

Benchmark Index:	^CNXIT
Sector:	IT
Classification:	Weakening Leader
RS Score:	57.8/100
:	

== RS RATIOS ==:

1M RS:	1.130 [Leader]
3M RS:	1.202 [Strong]
6M RS:	1.081 [Leader]
1Y RS:	1.240 [Strong]
:	

== TURNAROUND ANALYSIS ==:

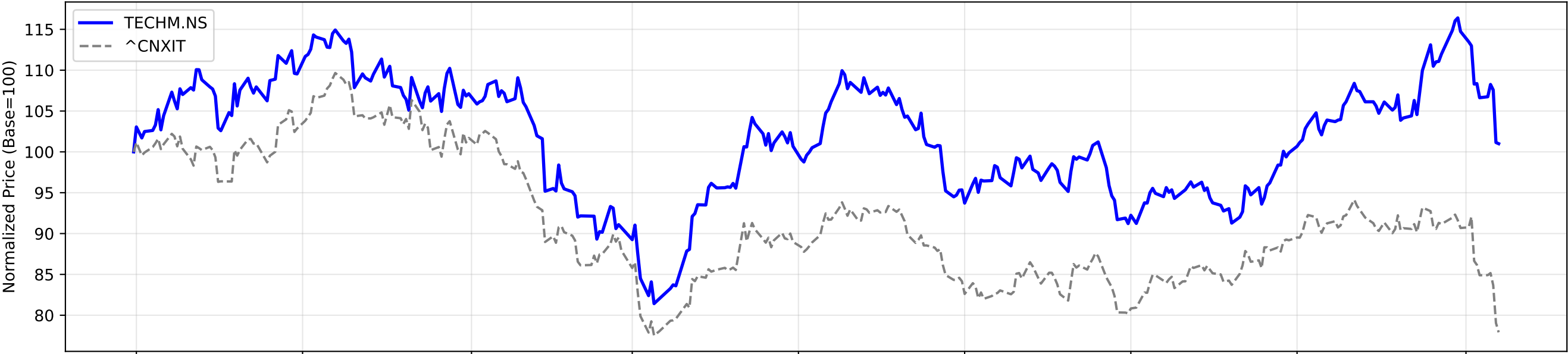
Turnaround Status:	Not Detected
:	

SIGNAL CRITERIA::

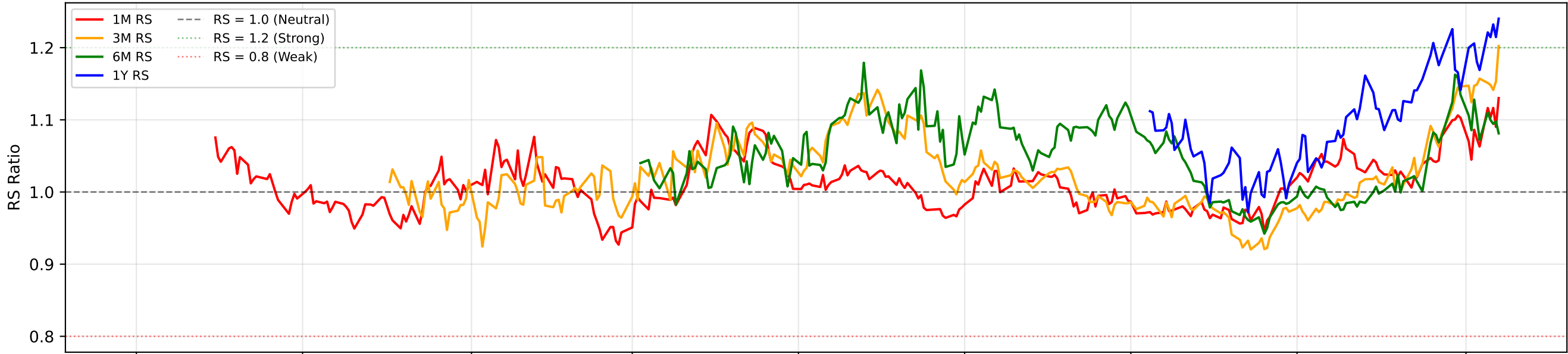
✗ Emerging RS:	Not accelerating
✗ Medium-term Lagging:	Not lagging
✓ Performance Improving:	3M (+5.7%) > 6M (+4.7%)

Relative Strength Analysis: TECHM.NS vs ^CNXIT
Classification: Weakening Leader

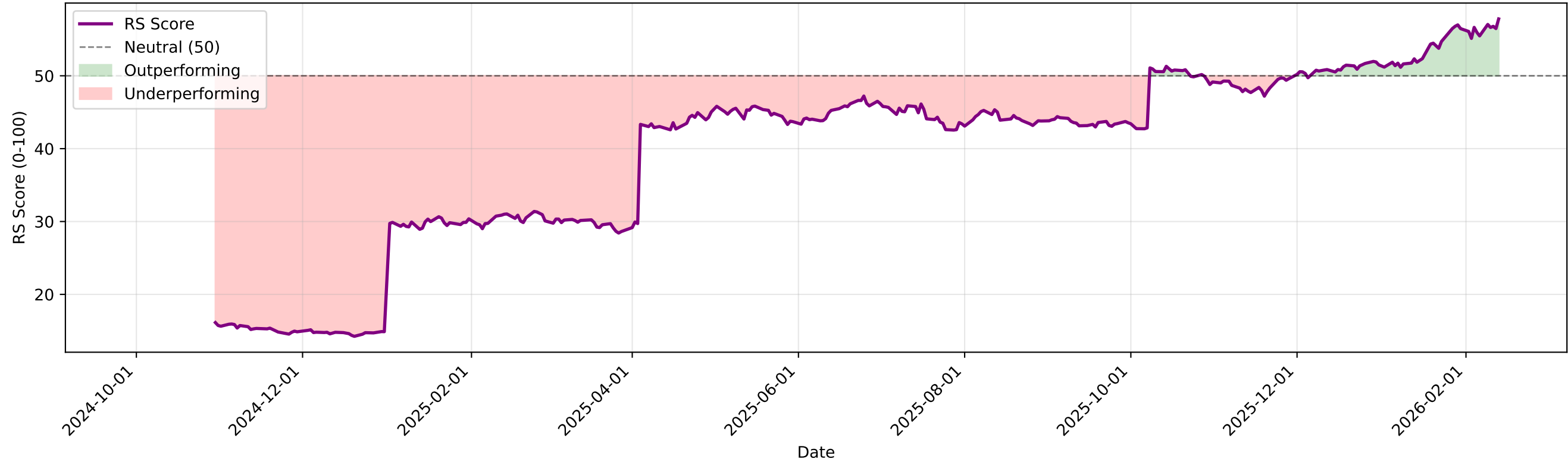
Price Performance Comparison (Normalized)



RS Ratio Trends (Multiple Timeframes)



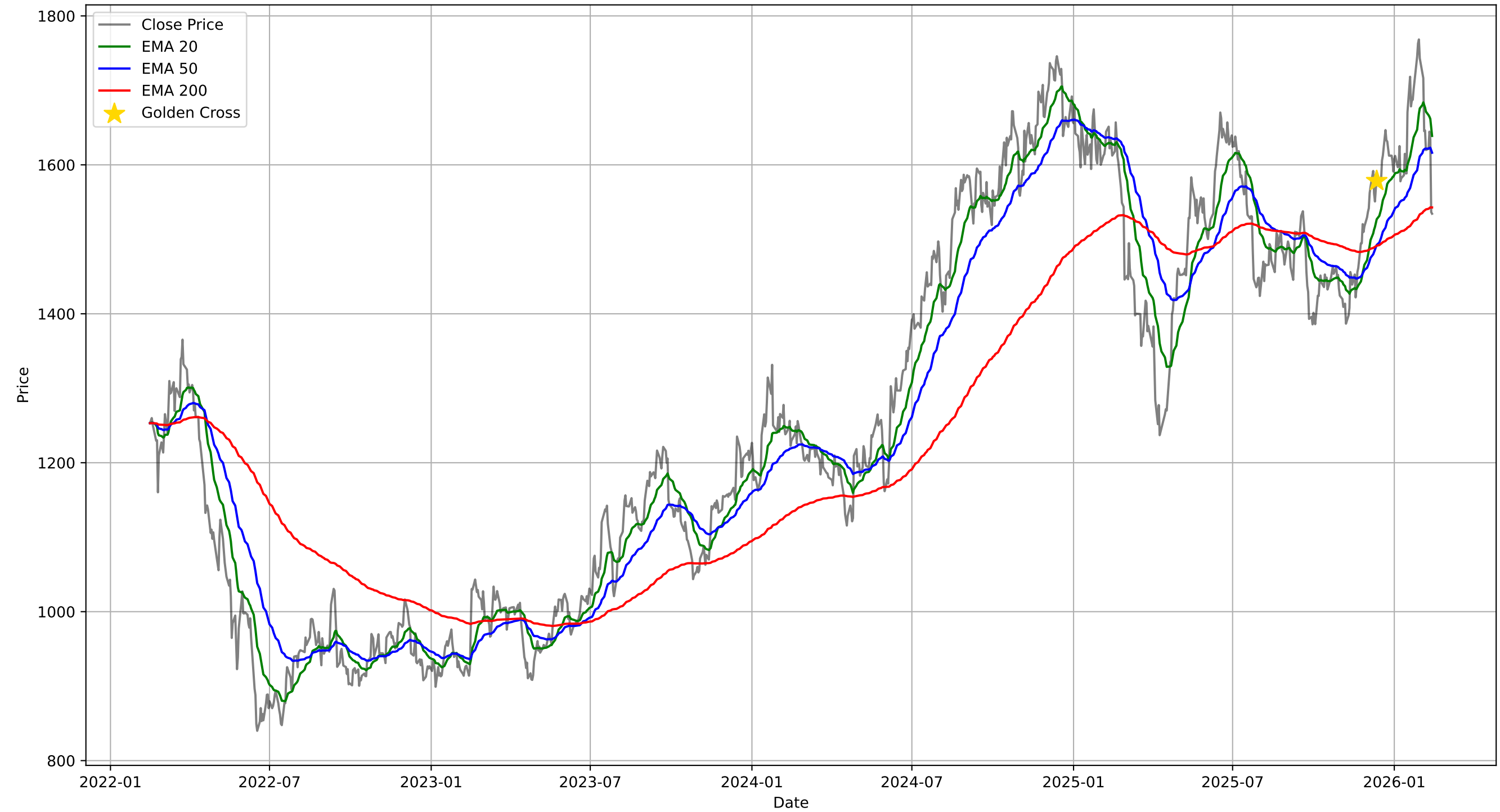
RS Composite Score Timeline



TECHM.NS - EMA Crossover Summary

EMA 20:	1638.85
EMA 50:	1616.30
EMA 200:	1542.81
Trend Status:	Strong Uptrend
Golden Cross Date:	2025-12-12 00:00:00+05:30
Golden Cross Price:	1578.40

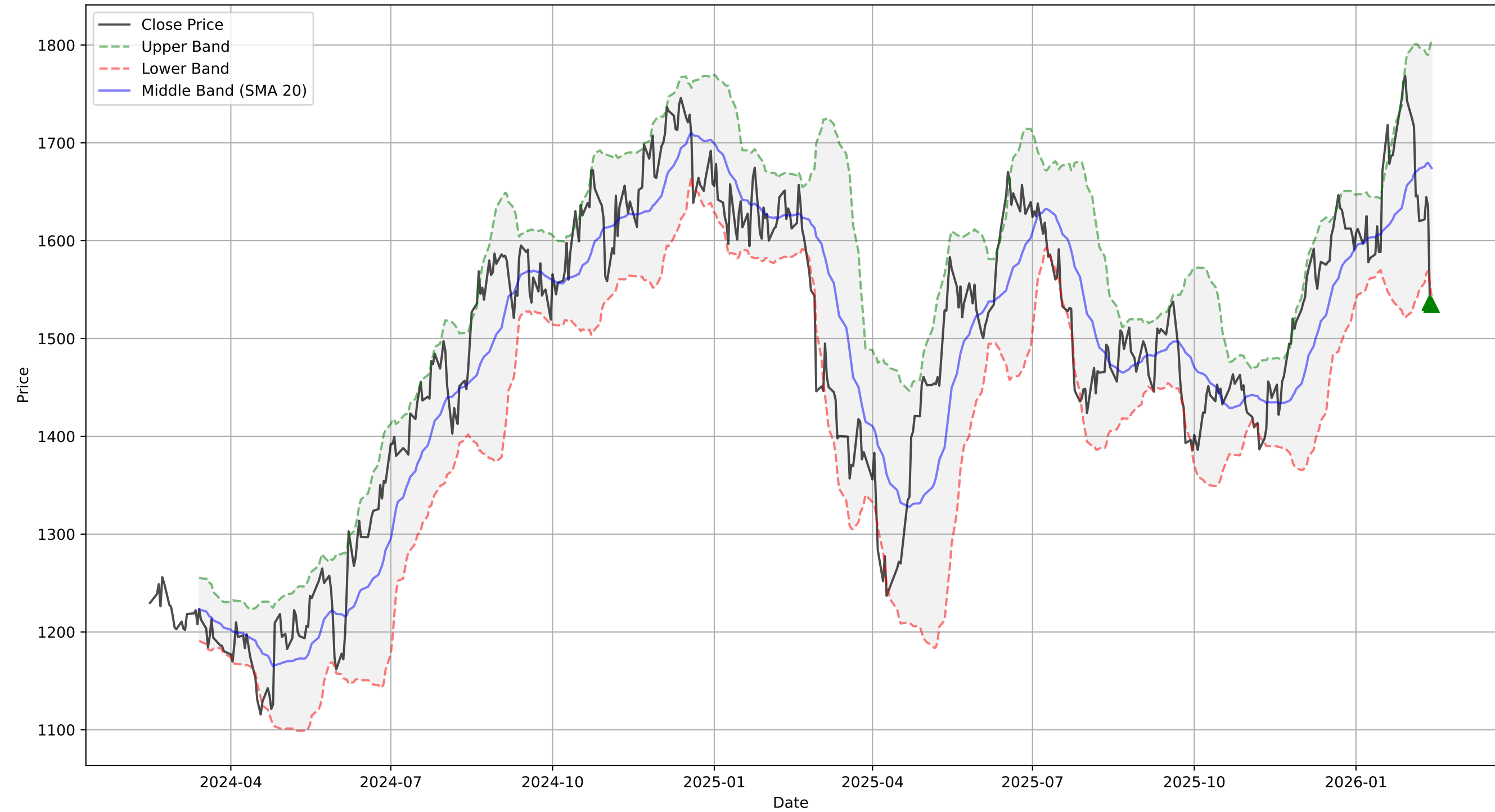
TECHM.NS EMA Crossover Analysis



TECHM.NS - Bollinger Bands Summary

Current Price:	1534.40
Upper Band:	1805.73
Middle Band (SMA 20):	1674.28
Lower Band:	1542.83
%B:	-0.0321
Band Width:	0.1570
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

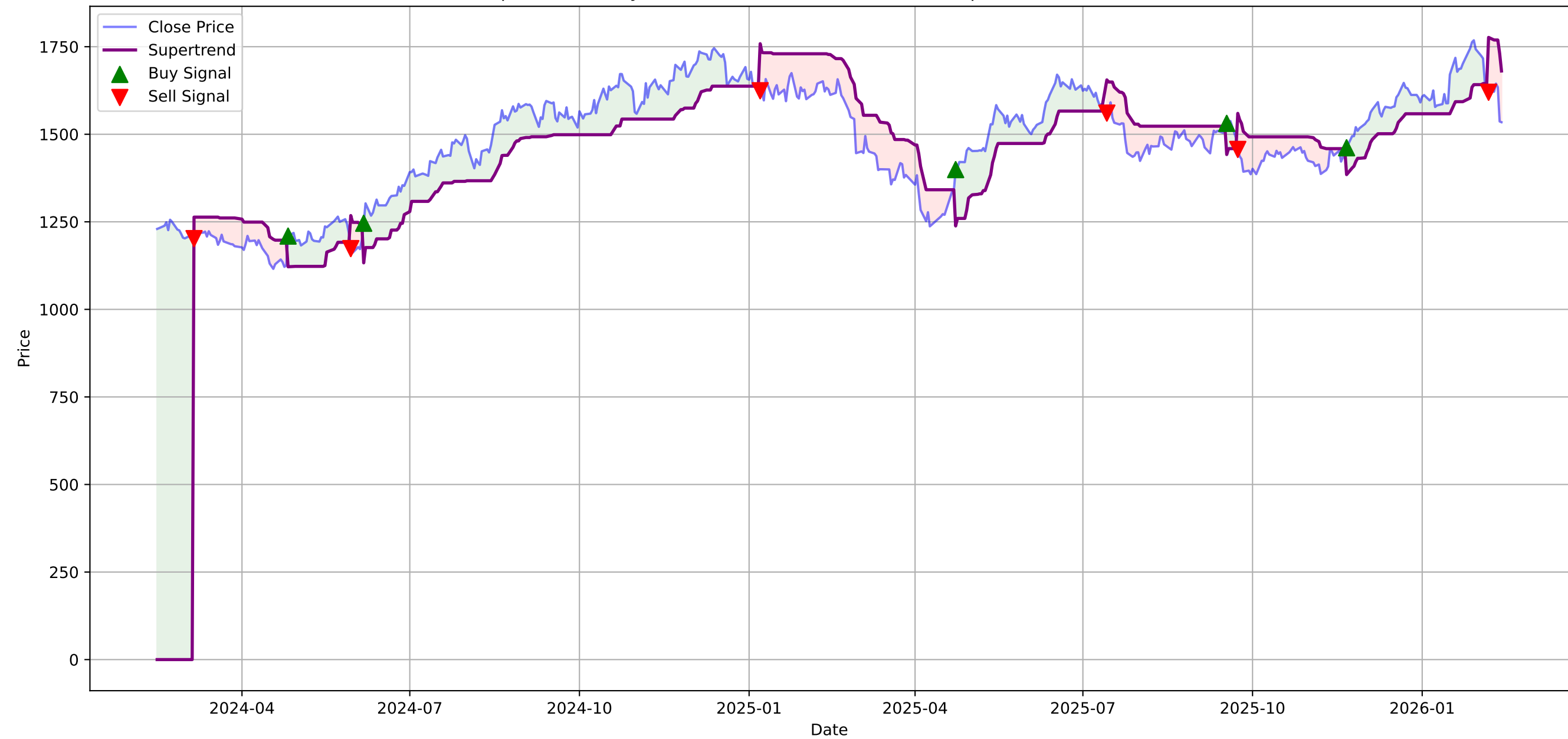
TECHM.NS Bollinger Bands (20, 2) Analysis



TECHM.NS - Supertrend Summary

Status:	DOWNTREND (Sell)
Supertrend Value:	1680.74
Signal Identified On:	2026-02-06

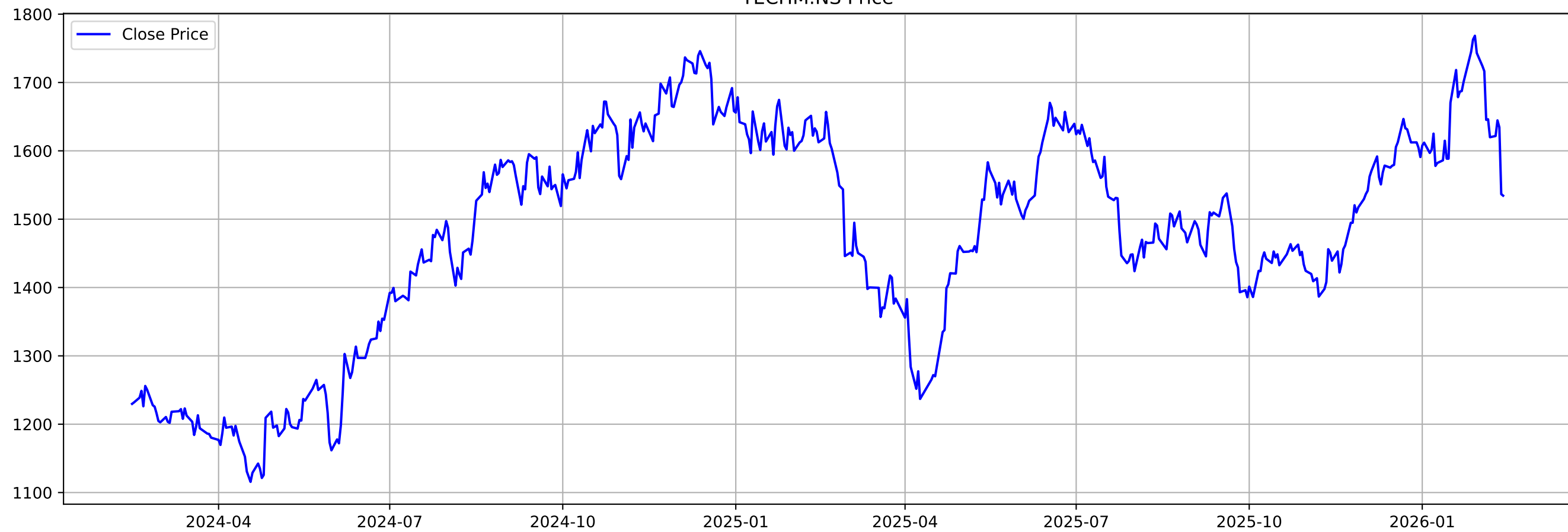
Supertrend Analysis for TECHM.NS (Period: 14, Multiplier: 3.0, Interval: 1d)



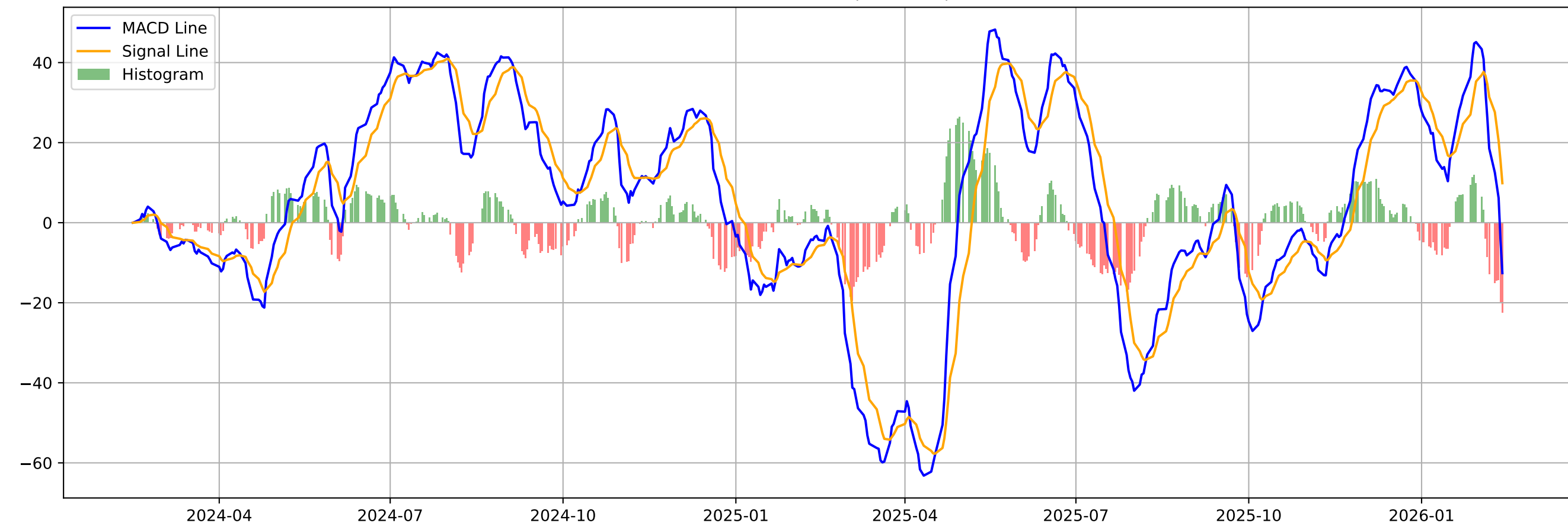
TECHM.NS - MACD Summary

MACD Line:	-12.59
Signal Line:	9.87
Histogram:	-22.46
Trend:	Bearish
Momentum:	Strengthening
Signal:	None

TECHM.NS Price



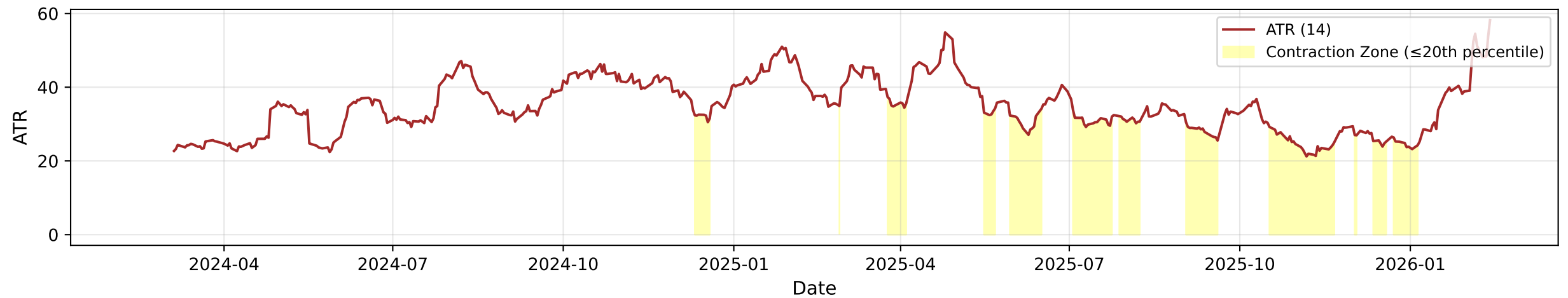
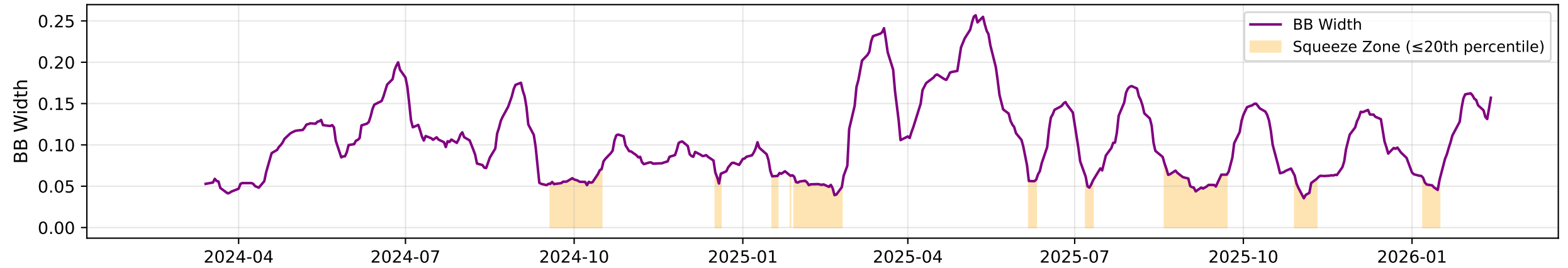
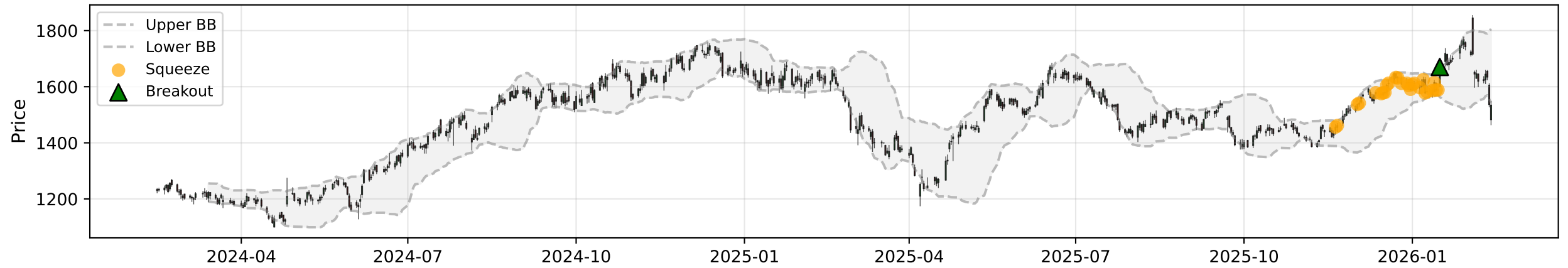
TECHM.NS MACD (12, 26, 9)



TECHM.NS - Volatility Squeeze Summary

BB Width:	0.1570
ATR:	58.1786
Total Signals:	27
Signal 1:	BB Squeeze at 2026-01-12 00:00:00+05:30 (Price: 1586.10)
Signal 2:	BB Squeeze at 2026-01-13 00:00:00+05:30 (Price: 1614.80)
Signal 3:	BB Squeeze at 2026-01-14 00:00:00+05:30 (Price: 1588.50)
Signal 4:	BB Squeeze at 2026-01-15 00:00:00+05:30 (Price: 1588.50)
Signal 5:	BB Squeeze (Bullish Breakout) at 2026-01-16 00:00:00+05:30

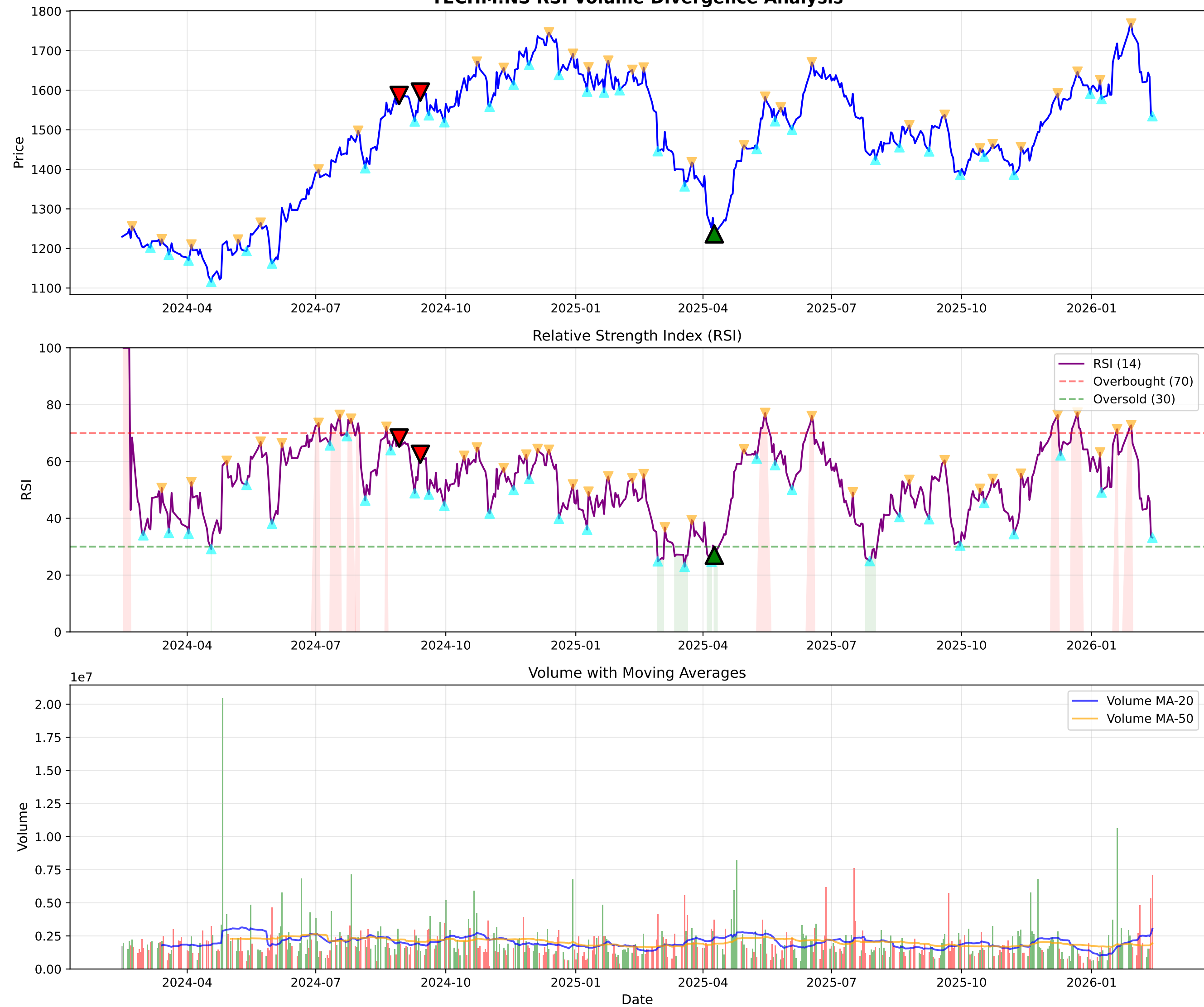
TECHM.NS - Volatility Squeeze Analysis



TECHM.NS - RSI-Volume Summary

Current RSI:	33.21
Current Volume:	7058376
Volume MA 20:	3029842
Bullish Divergences:	1
Bearish Divergences:	2
Bullish Div 1:	Date: 2025-04-09 00:00:00+05:30, Price: 1236.96
Bearish Div 1:	Date: 2024-08-29 00:00:00+05:30, Price: 1586.77
Bearish Div 2:	Date: 2024-09-13 00:00:00+05:30, Price: 1595.15

TECHM.NS RSI-Volume Divergence Analysis

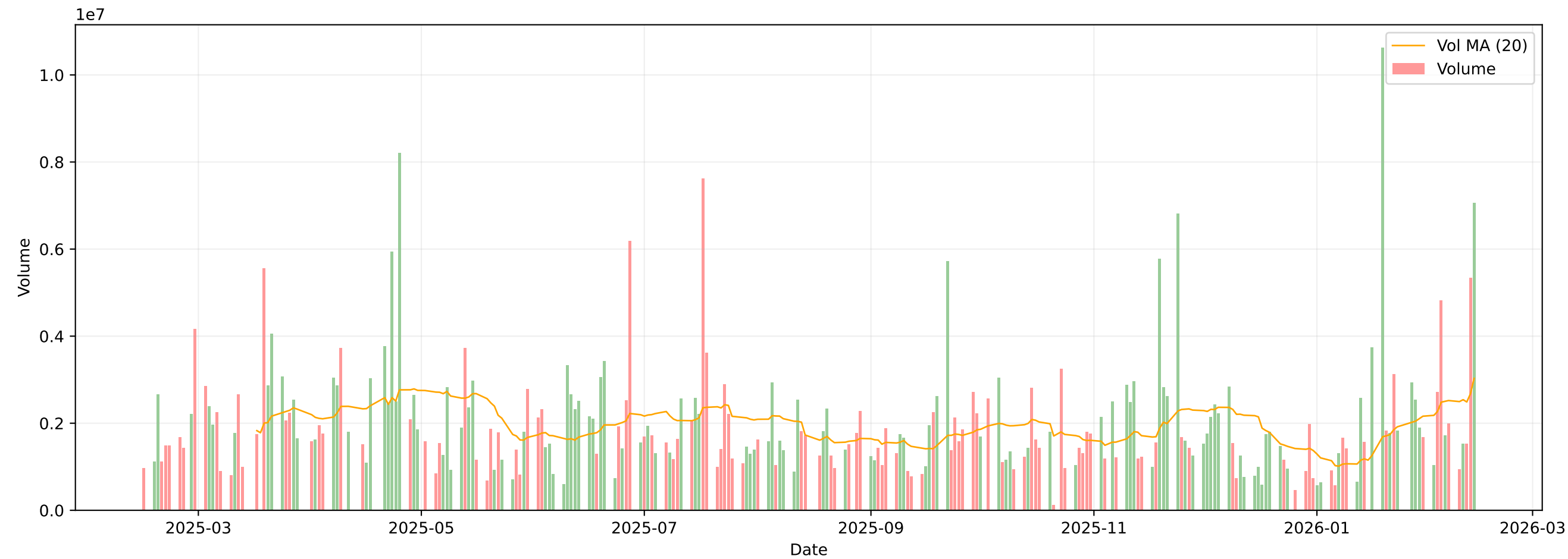
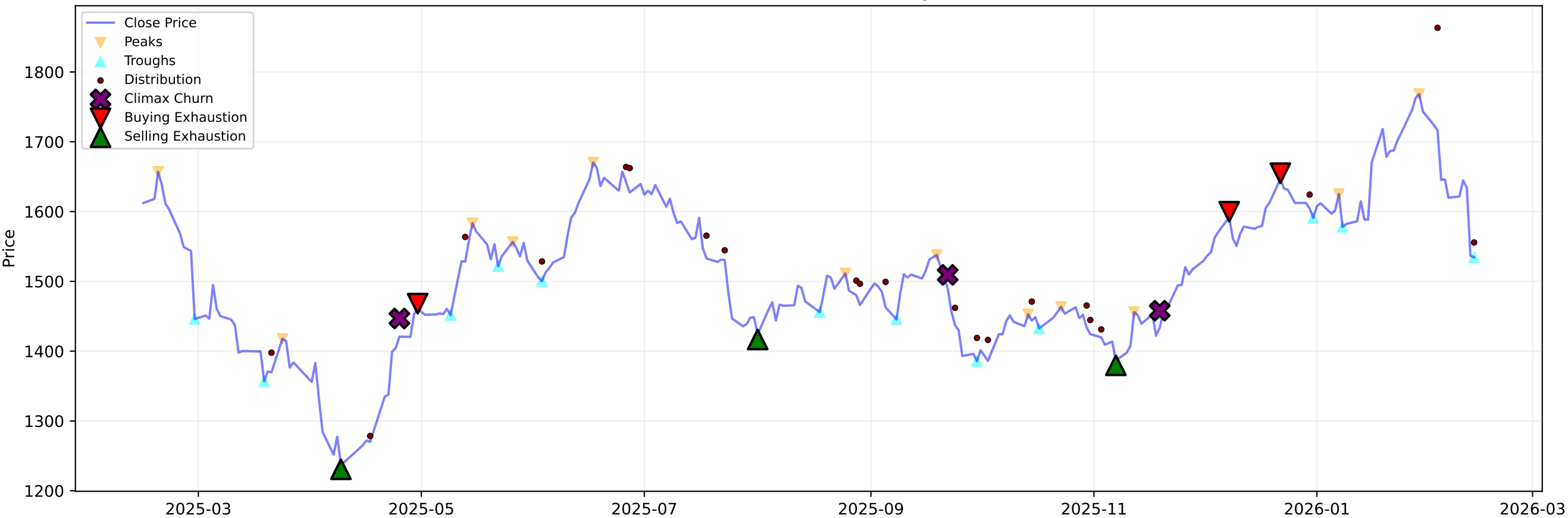


TECHM.NS - Volume Analysis

== VOLUME ANALYSIS ==:

Status:	30 Signals Detected
:	
2025-12-08 [+]:	Buying Exhaustion (Bearish Div)
2025-12-22 [+]:	Buying Exhaustion (Bearish Div)
2025-12-30 [-]:	Distribution Day
2026-02-03 [-]:	Distribution Day
2026-02-13 [-]:	Distribution Day

TECHM.NS - Volume Analysis



TECHM.NS - Candlestick Classification Summary

== CANDLESTICK CLASSIFICATION ==:

Latest Classification: **Buyer Control**

Recent Trend Score (10-day avg): -0.10

:

Distribution:

No Control: 125

Buyer Control: 51

Seller Control: 45

Buyer Strong Control: 4

Seller Strong Control: 3

TECHM.NS - Candlestick Classification



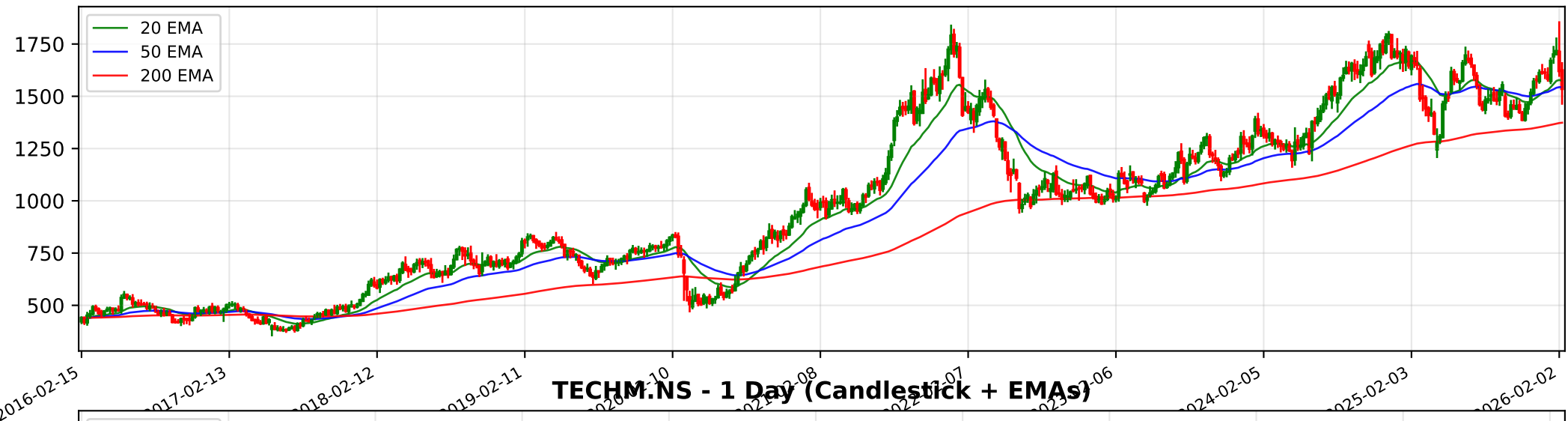
Multi-Timeframe Supertrend Analysis

Timeframe	Status	Value	Last Price	Signal Date
1 Week	DOWNTREND (Sell)	1796.45	1534.4	2026-02-09
1 Day	DOWNTREND (Sell)	1680.74	1534.4	2026-02-06
15 Min	UPTREND (Buy)	1503.86	1534.4	2026-02-13

Multi-Timeframe MACD Analysis

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

TECHM.NS - 1 Week (Candlestick + EMAs)



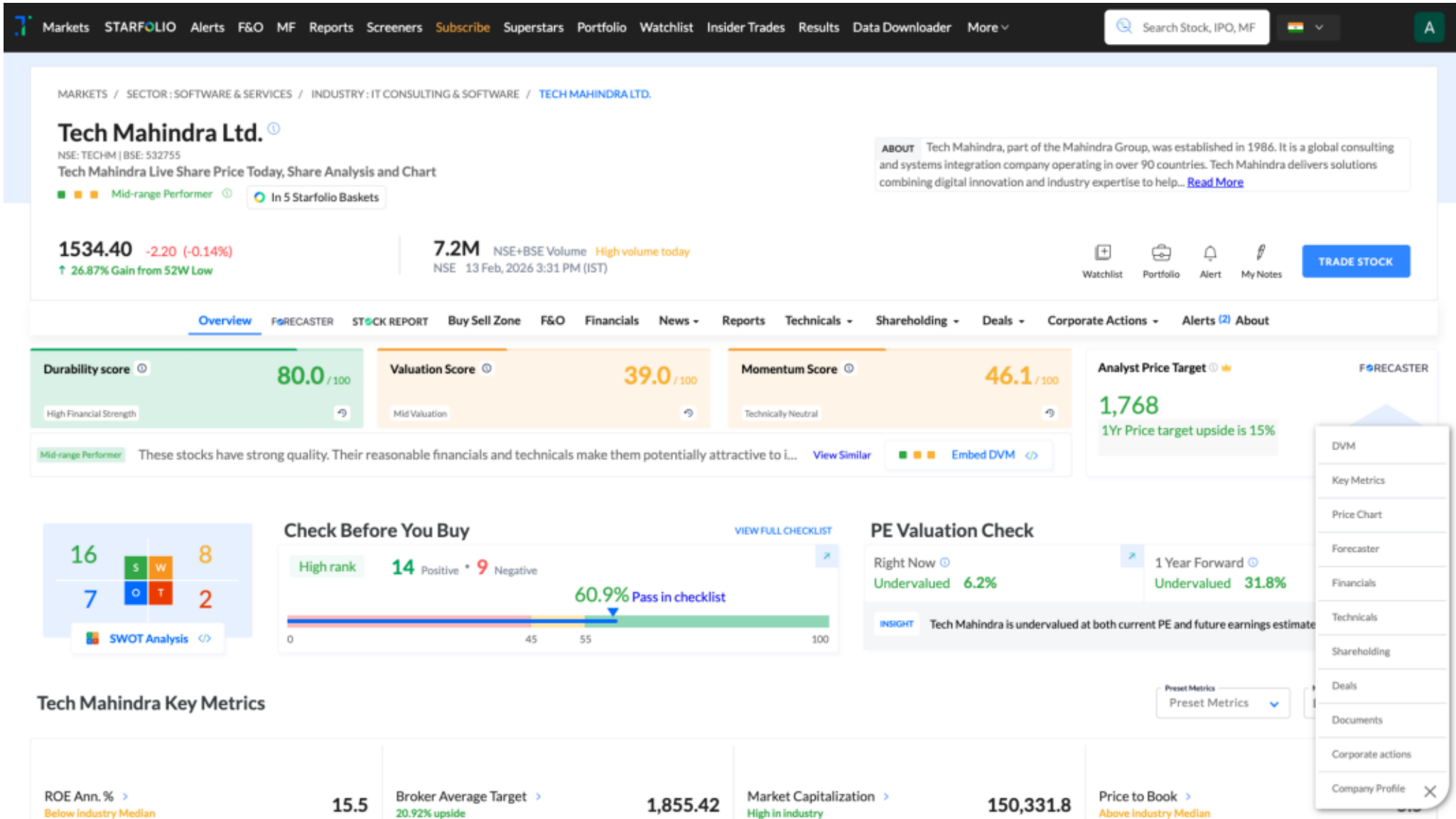
TECHM.NS - 1 Day (Candlestick + EMAs)



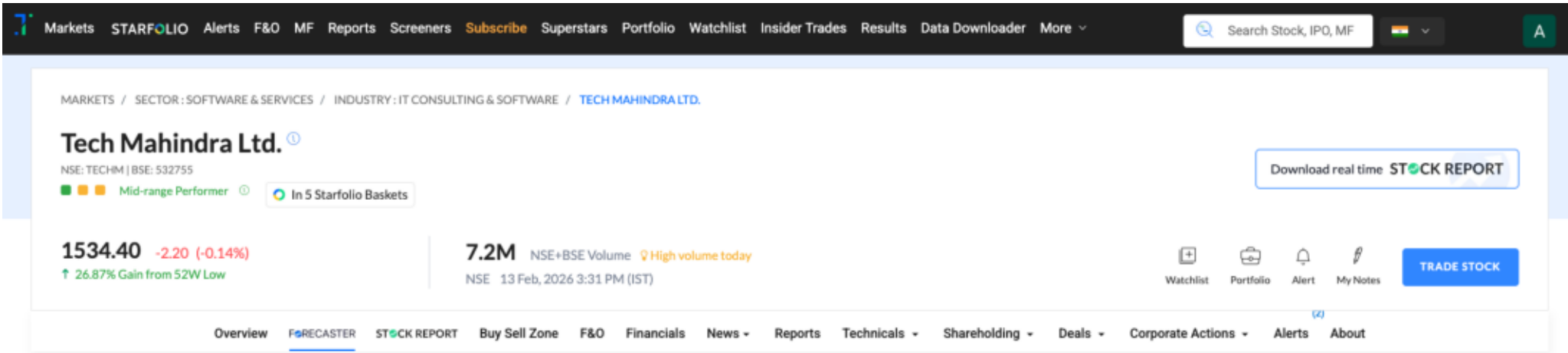
TECHM.NS - 15 Min (Candlestick + EMAs)



Trendlyne Snapshot - TECHM_main



Trendlyne Snapshot - TECHM_forecaster



Tech Mahindra - TECHM - stock price prediction, stock forecast, target price, analyst ratings from 41 analysts

Tech Mahindra has a share price target of Rs 1768, revenue growth forecast of 6.3%, and profit growth estimate of 18.9% for FY26, based on top 41 analyst calls.

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