



TCS (CMP: 3007)

Weekly Chart



Source: Trading View

Rationale:

- ❖ TCS has experienced a substantial decline, having fallen nearly 25 percent in the current calendar year, and is currently situated near a significant historical support zone, indicating a favorable risk-reward ratio.
- ❖ The daily chart reveals a bullish divergence between the price action and the 14-period Relative Strength Index (RSI), which suggests an initial indication of a potential counter-trend.
- ❖ Additionally, the MACD histogram has reached historically low levels, representing extreme oversold conditions that may signal the potential for a significant reversal.
- ❖ Moreover, TCS has underperformed in comparison to its respective index, showcasing a deviation that may present an opportunity for a relief rally in the forthcoming period.
- ❖ **Hence, we recommend a BUY in TCS around 3000-2950 with a Stop Loss of ₹2700 and a Target of ₹3500-3600.**