

# **TECHNICAL PICK OF THE WEEK**

## **TECH MAHINDRA LIMITED**

### **JUNE 08, 2021**

June 08, 2021

TECHNICAL PICK

TECH MAHINDRA LTD

BUY

CMP: Rs1050

TARGET PRICE:Rs1145 & Rs1240

TIME : 3-6 months

**Overview:** Tech Mahindra is an Indian multinational company that provides information technology (IT) and business process outsourcing (BPO) services. A subsidiary of the Mahindra Group, the company is headquartered in Pune and has its registered office in Mumbai. Mahindra & Mahindra started joint venture with British Telecom in 1986 as a technology outsourcing firm. British Telecom initially had around 30 percent stake in the Tech Mahindra company. In December 2010, British Telecom sold 5.5 per cent of its stake in Tech Mahindra to Mahindra & Mahindra for Rs 451 crore.

SNAPSHOT	
Market Cap (Cr)	1,02,002
52 week H / L (Rs)	1081.35 / 528.40
BSE Code	532755
NSE Code	TECHM



**Investment Rationale:**

- Tech Mahindra Ltd has given a breakout from a continuation formation **Symmetrical Triangle Pattern**.
- RSI has given a trendline breakout way ahead of price breakout.
- Stochastic Oscillator has given a positive crossover.
- Reading of 20 in ADX, indicates starting of a trend which is an uptrend.
- **IT sector** has also given a breakout (Lower Panel).

**Recommendation:** We recommend a BUY at current market price of Rs1050 with a closing stop loss of Rs980 for a target of Rs1145 & Rs1240 with a horizon of 3–6months.

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