

SPECIAL TECHNICAL REPORT

US TECH INDEX & NIFTY IT



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Correction from Peak: 31% (Weekly RSI 28)

Is the WORST over or how much PAIN still left ?



During the Covid, NASDAQ 100 corrected around 30% from its peak & the weekly RSI made low around 30 mark. Post the pandemic correction, the index gave a stellar return of more than 140%. In the current downtrend, NASDAQ 100 has corrected by more than 31% & the RSI is near 28 levels.

In weekly scale, the index has given breakdown below its support levels of 12200 levels (which is now the resistance on closing basis). Now the index is trading near 11770 levels, the next crucial support zone for the index in weekly scale is near 10750/10850 levels near to its 200 Weekly Moving Average. **One can start accumulating Motilal Oswal Nasdaq 100 ETF (Cmp 99) in this corrective downtrend as the index is near to its Covid oversold zone.**

* Investment in Securities are subject to market risk, read all the related documents carefully before investing.

Correction from Peak: 30% (Weekly RSI 28)

Is it the Right Time to Accumulate: High ROE, Debt Free IT names



During the Covid, NIFTY IT corrected around 35% from its peak & the weekly RSI made low around 25 mark. In the current downtrend, NIFTY IT has corrected around 30% from its peak & the RSI is near 28 levels.

In weekly scale, while the index has shown a steep correction since January 2022, it is nearing to its support area of 26900/27100 levels which earlier acted as resistance. **One can start accumulate quality IT names in Portfolio, if already invested then average your holdings given your conviction on the underlying business & management is high.**

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IT Basket	Accumulation Zone	Weekly RSI	Peak PE	TTM PE
TCS*	3100-3170	33.4	41x	30x
Infosys	1350-1410	30.8	38x	27x
HCL Technologies	920-980	32.5	32x	20x
Larsen & Toubro InfoTech*	3550-3850	24.4	60x	29x
Tata Elxsi	6800-7500	64.1	110x	92x
Coforge*	3150-3450	28.5	68x	32x
L&T Technology*	3050-3350	30.7	73x	37x
Wipro	415-445	25.9	33x	20x
Mastek	2200-2400	39.8	34x	22x
Zensar Tech	250-270	27.3	39x	15x
Newgen*	350-380	28.1	33x	17x
Tech Mahindra	990-1060	28.3	34x	19x
Persistent	3050-3150	38.0	66x	39x
Cyient	700-750	32.9	31x	16x
eClerx	1900-2000	43.4	28x	17x

Our Favored Picks in the IT Basket are TCS, LTI, LTTS, Coforge, and Newgen.

Over the last few decades, the global and Indian IT industry has witnessed decent growth as the businesses got intertwined with technology like never before. And with ever evolving technological advancement, constant evolution and innovation with increasing need for digitization of products and processes; global IT industry is all set to benefit from these newer growth opportunities.

Charts View: Gyan Ranjan Singh (Technical Research Analyst)

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