Applied Materials Inc / AMAT

Equity | Generated Aug 28, 2026 12:24 AM EDT

Current price	Daily move	Bid / Ask	Previous close
$479.50	-2.86 -0.59%	$481.43/$483.30	$482.36

Market	**NYSE**
Industry	**Semiconductors**
Market data as of	**Aug 28, 2026 12:24 AM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Aug 27, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
58.8 / 100	Balanced	high	42 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$470.00	$510.00	$455.00	65 / 100

Options stance	**bullish**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Aug 27, 2026 7:50 PM EDT**

Key insight

AMAT Shows Bullish Signs Despite Recent Pullback

Market read

Despite a recent pullback following strong Q3 earnings, AMAT's option market pricing suggests continued bullish sentiment. The stock remains above its 200-day moving average and technical indicators show potential for rebound. Strong fundamentals driven by AI demand and positive analyst outlook support the bullish stance.

Strategy context

Bullish options traders may consider buying call spreads or long calls to capitalize on potential upside. Bearish traders could look at selling covered calls or put spreads if they believe the recent pullback will continue.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Aug 27, 2026 1:42 PM EDT**

Short-term scenario

Cautious accumulate on weakness (1-3 weeks). Fundamentals remain robust from AI demand but short-term technicals show selling pressure and high expectations create uncertainty; a dip-buy with defined risk may work if support holds, otherwise further consolidation possible.

Three-month outlook

Constructive yet highly uncertain. Q4 guidance and AI tailwinds (especially DRAM, packaging, foundry) point to continued growth into late 2026/2027, supporting analyst targets near $640. However, elevated valuation (trailing P/E ~41), recent post-earnings pullback, semiconductor cyclicality, potential China/export risks, and market sensitivity to any miss versus lofty expectations introduce significant downside volatility. Price could trade in a wide 450-550 range depending on broader tech sentiment and execution; not a low-risk setup.

Market sentiment

Mixed/cautious. Many posts note the strong earnings beat and Q4 guide but highlight the subsequent stock decline as a sign of extremely high AI-related expectations not fully satisfied (e.g., margins or growth pace). Some view the dip as a buying opportunity given infrastructure demand; others express concern over valuation and 'perfection pricing.' Overall tone watchful with underlying long-term optimism on semiconductor equipment.

Supporting evidence

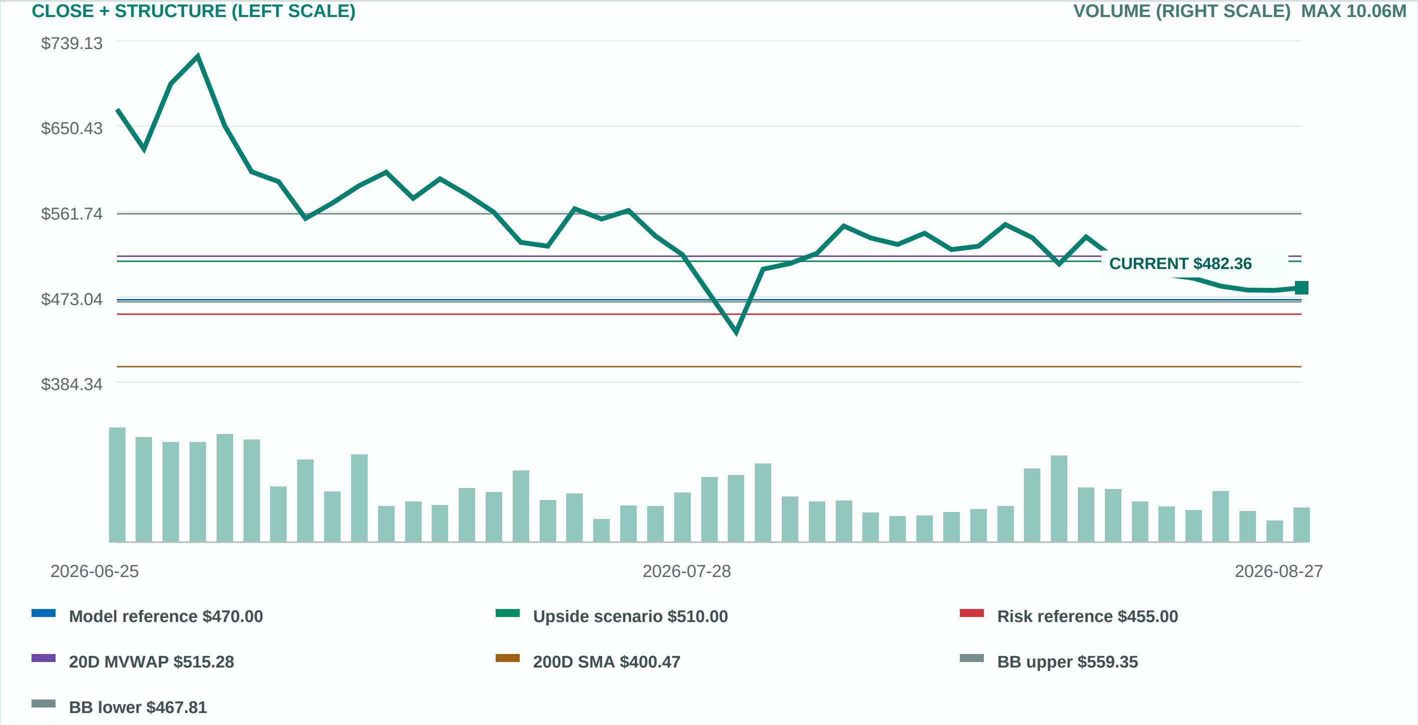
AMAT's implied volatility is elevated, suggesting expectations for significant price movement in the near term. | The stock's 25-delta skew is balanced, indicating a neutral view on potential upside and downside risk. | The term structure of implied volatility shows a slight flattening trend, suggesting less concern about future volatility. | Strong earnings results and positive Q4 guidance have fueled bullish sentiment among analysts.

Risk watch

High valuation and market sensitivity to any miss versus lofty expectations introduce significant downside volatility.

Enhanced price structure

45 trading days with volume, model levels and current technical reference bands



45 complete trading-session observations

JW Rank factors

Score, source coverage and interpretation for each decision factor

JW RANK FACTOR PROFILE	COVERAGE	0 – 50 – 100
Liquidity	100.0%	91.6
Strategy Fit	100.0%	64.6
Technical Trend	100.0%	45.4
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	75.7
Volatility Pressure	100.0%	44.7

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bullish_recovery	**Below MVWAP**	**Above 200D trend**	**high**

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**BULLISH RECOVERY | neutral | MACD decelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**35.45 / 41.67 / 44.59**
RSI velocity	**-0.01**
MACD line / signal / histogram	**-15.66 / - / -12.54**
MACD acceleration	**-0.88**
Stochastic K / D	**9.12 / 9.37**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Accumulation bias**
Institutional flow	**1.84**
20-day MVWAP	**$515.28**
Price vs 20-day MVWAP	**-6.94%**
Daily reference VWAP	**$479.45**
Price vs daily reference	**+0.01%**
Volume	**3.06M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**0.46**
20-day / 200-day SMA	**$513.58 / $400.47**
Bollinger range	**$467.81 - $559.35**
Bollinger position	**0.159**

Options and volatility intelligence

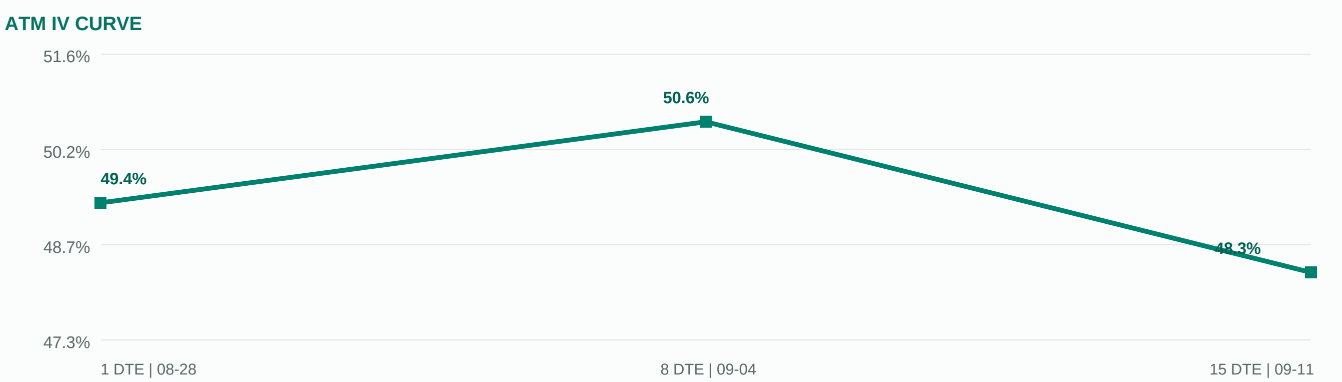
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
34 / 100	**42 / 100**	**83.51**	**142.96**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**flat**
Term slope	**-1.03 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options observation	**Aug 27, 2026 4:45 PM EDT | Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

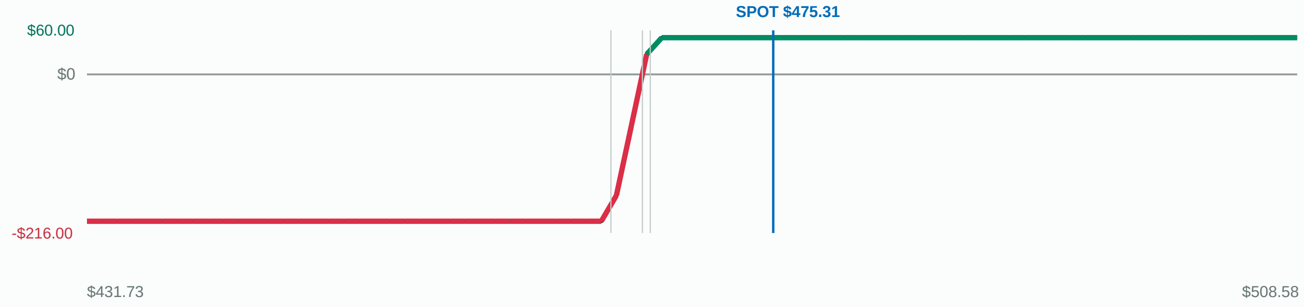
EXPIRATION	DTE	ATM IV	STATE
2026-08-28	1	49.4%	-
2026-09-04	8	50.6%	-
2026-09-11	15	48.3%	-

Reference spread payoff

Illustrative expiry profit/loss per one-lot structure, including quoted net credit

Bull Put Spread reference

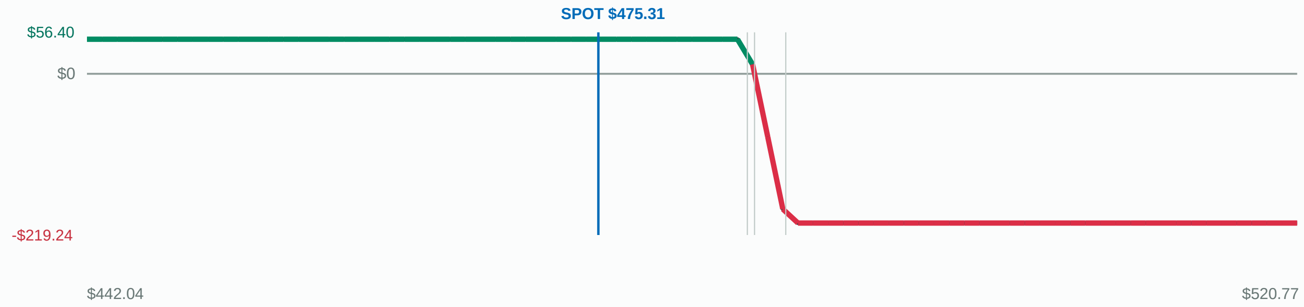
Short $467.50 | Long $465.00 | Width $2.50 | Net credit $0.50



Max profit $50.00 | Max loss -$200.00 | Break-even $467.00 | Per contract at expiry

Bear Call Spread reference

Short $485.00 | Long $487.50 | Width $2.50 | Net credit $0.47



Max profit $47.00 | Max loss -$203.00 | Break-even $485.47 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-11-12**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**14.74**
VVIX	**83.51**
SKEW index	**142.96**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**143**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**143**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

Despite a recent pullback following strong Q3 earnings, AMAT's option market pricing suggests continued bullish sentiment. The stock remains above its 200-day moving average and technical indicators show potential for rebound. Strong fundamentals driven by AI demand and positive analyst outlook support the bullish stance.

Options context

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Wheel context

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Observed evidence

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Principal risks to monitor

High valuation and market sensitivity to any miss versus lofty expectations introduce significant downside volatility.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$382.80B**	P/E (TTM) **45.80**
ROE **39.8%**	Revenue growth **3.2%**
EPS growth **5.2%**	Operating margin **29.6%**
Net profit margin **30.1%**	Gross margin **-**
Free cash flow CAGR **11.0%**	Debt / equity **0.32**
Dividend yield **0.9%**	Beta **1.61**
52-week range **$154.47 - $739.67**	

Company or fund profile

Issuer identity and classification

Name **Applied Materials Inc**	Market **NYSE**
Industry **Semiconductors**	Country **US**
Currency **USD**	IPO date **1972-10-05**
Shares outstanding **793.96M**	52-week return **191.6%**
Book value per share **$30.13**	Revenue per share **$38.55**

Website	**appliedmaterials.com**

Latest strategy observation

Most recent shared general market signal available when this report was generated

AMAT Covered Call signal

Aug 27, 2026 11:31 AM EDT

Covered Call | 2026-08-28

At signal $474.16 | Current $479.50

SHORT **Option $455.00 B $19.00 / A $22.00**

High turnover | CR $20.50

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$27.74**
ATR as % of price	**5.8%**
Volatility environment	**high**
Current IV	**50.6%**
IV rank	**33 / 100**
IV percentile	**42 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**64 / 100**
Trend health	**78 / 100**
Momentum health	**76 / 100**
Volatility health	**24 / 100**
Structure health	**66 / 100**
Earnings risk / date	**low | 2026-11-12**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$513.58 / $553.76 / $400.47**
EMA (9 / 21)	**$493.30 / $509.24**
Bollinger upper / middle / lower	**$559.35 / $513.58 / $467.81**
Bollinger %B	**0.159**
True high / low	**$484.98 / $471.00**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$503.85 / $471.00**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.458	**-**
SMA50	-1.861	**-**
MVWAP20	1.842	**-**
MACD	-0.882	**-**
RSI	-0.014	**-**
Volume	-477312.000	**-**
ATR	-1.237	**-**
T1	-	**-15.31 / 514.93 / 480.67 / 472.40**
T2	-	**-14.38 / 511.00 / 492.30 / 475.88**
T3	-	**-13.01 / 509.76 / 492.32 / 473.67**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$475.31**
Options intelligence as of	**Aug 27, 2026 4:45 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-08-28 | 1 DTE**
Front at-the-money IV	**49.4%**
25-delta skew	**2.15**
Put / Call 25-delta	**$467.50 Delta -0.271 / $485.00 Delta 0.231**
Median option bid/ask spread	**22.1%**
Bid/ask spread	**-**
Contracts observed / quoted	**143 / 143**

Price context

Last Price: 475.31 | Bid: 475.15 | Ask: 475.48 | Previous Close: 479.76 | Change: -4.45 | Daily change: -0.93% | Update Time: 2026-08-27T14:40:23.404486-04:00 | Latest History Date: 2026-08-27 | Latest History Price: 475.31

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-03 | Latest Date: 2026-08-27 | Latest Price: 475.31 | Max Drawdown 60d Percent: -39.63%

Fundamental context

Current Iv Percent: 51.19% | Iv Rank: 33.98 | Iv Percentile: 42.23 | Next Earnings Date: 2026-11-12 | Ex Dividend Date: 2026-08-19 | Dividend Yield: 44.00

Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

This report is general quantitative research and market commentary. It is not investment, legal, tax or accounting advice; it is not an offer, solicitation, order, recommendation or promise of performance. It does not consider any reader's holdings, objectives, financial circumstances, risk tolerance or suitability.

Model observations - not instructions

JW Rank, strategy fit, model reference, upside scenario and risk reference levels are model observations. They are not entries, price targets, stops, position sizes or instructions to buy, sell, open, close or hold a security or option. A higher score does not imply lower risk or a guaranteed favorable outcome.

Data, AI and model limitations

Prices, volumes, fundamentals, options data, news-derived context and model outputs reflect the timestamps shown and may be delayed, incomplete, revised or inaccurate. AI-generated explanations can omit context or produce errors. Models can fail when volatility, liquidity, correlations or market regimes change.

Performance and scenario limitations

Past, hypothetical, back-tested, simulated and model-derived results are not indicative of future results. Strategy statistics may exclude commissions, fees, taxes, slippage, early assignment, execution constraints and other costs unless expressly stated. Actual outcomes may differ materially.

Options risk

Options are complex and are not suitable for all investors. They may involve total or substantial loss, assignment, early exercise, margin calls, liquidity and spread risk, volatility and Greek exposure, event risk, regime shifts and expiration risk. Multi-leg positions may not execute or close at modeled prices.

Investor responsibility and ODD

Use current market information, assess suitability independently and consult qualified professionals when appropriate. Before trading listed options, read Characteristics and Risks of Standardized Options (ODD) available from the Options Clearing Corporation at theocc.com.

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Reference documents

Official product terms and standardized options disclosure

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