Applied Materials Inc / AMAT

Equity | Generated Sep 3, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$435.91	-2.55 -0.58%	-/-	$438.46

Market	NYSE
Industry	Semiconductors
Market data as of	Sep 3, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Sep 3, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
55.4 / 100	Balanced	high	28 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$430.00	$465.00	$415.00	57 / 100

Options stance	bullish
Tail-risk safety	64 / 100
JW Rank data coverage / as of	100.0% | Sep 3, 2026 6:50 PM EDT

Key insight

AMAT Option Market Implies Upside Potential Despite Recent Pullback

Market read

The AMAT option market shows a bullish bias despite recent price weakness. While the stock has pulled back from its 52-week high, implied volatility remains elevated, suggesting expectations for continued volatility and potential upside movement. The term structure is relatively flat, indicating balanced sentiment towards near-term and longer-term price direction.

Strategy context

The current market environment presents opportunities for option traders to capitalize on potential volatility and price swings in AMAT.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Sep 3, 2026 1:47 PM EDT**

Short-term scenario

Cautious/speculative long for 1-3 week oversold bounce attempt given RSI extremes and strong underlying AI demand/fundamentals, but high uncertainty from persistent downtrend, below key MAs, and semiconductor volatility. Prefer waiting for confirmation (e.g., hold above 430-435 or RSI turn). Not financial advice; position sizing critical.

Three-month outlook

Constructive but highly uncertain. Strong Q4 guidance, accelerating AI/semiconductor capex (foundry-logic, DRAM/HBM, advanced packaging), record results, margin expansion, and customer visibility into 2027/2030 plus analyst PTs $640+ support potential recovery toward $500-550+ (15-25%+). However, stock has already given back much of 2026 gains; risks include further multiple compression, China exposure (~24% recently), cyclical digestion, high valuation (trailing PE 38x), macro/tech selloff, or if Q4/actuals disappoint high bars. Could trade 400-550 range. Identify uncertainty: semiconductor equipment is cyclical/volatile; recent post-earnings weakness and technical breakdown increase near-term downside risk despite long-term AI positioning. Monitor TSMC/others capex, next earnings (Nov), and broader market.

Market sentiment

Mixed/cautiously constructive after sharp pullback. Posts highlight 40% discount to ATH as potential value given AI/TSMC capex tailwinds and high analyst PTs ($650-695); some call oversold RSI a bounce setup or note options opportunities. Others remain on sidelines citing valuation, recent institutional selling/weakness, insider distribution, and 'perfection priced in' after YTD 72%+ run. Positive TSMC news seen as supportive for AMAT/ASML/LRCX. Short-term traders noting weakness; longer-term AI equipment narrative intact but execution/multiple risk flagged. Overall not euphoric, more wait-and-see or opportunistic.

Supporting evidence

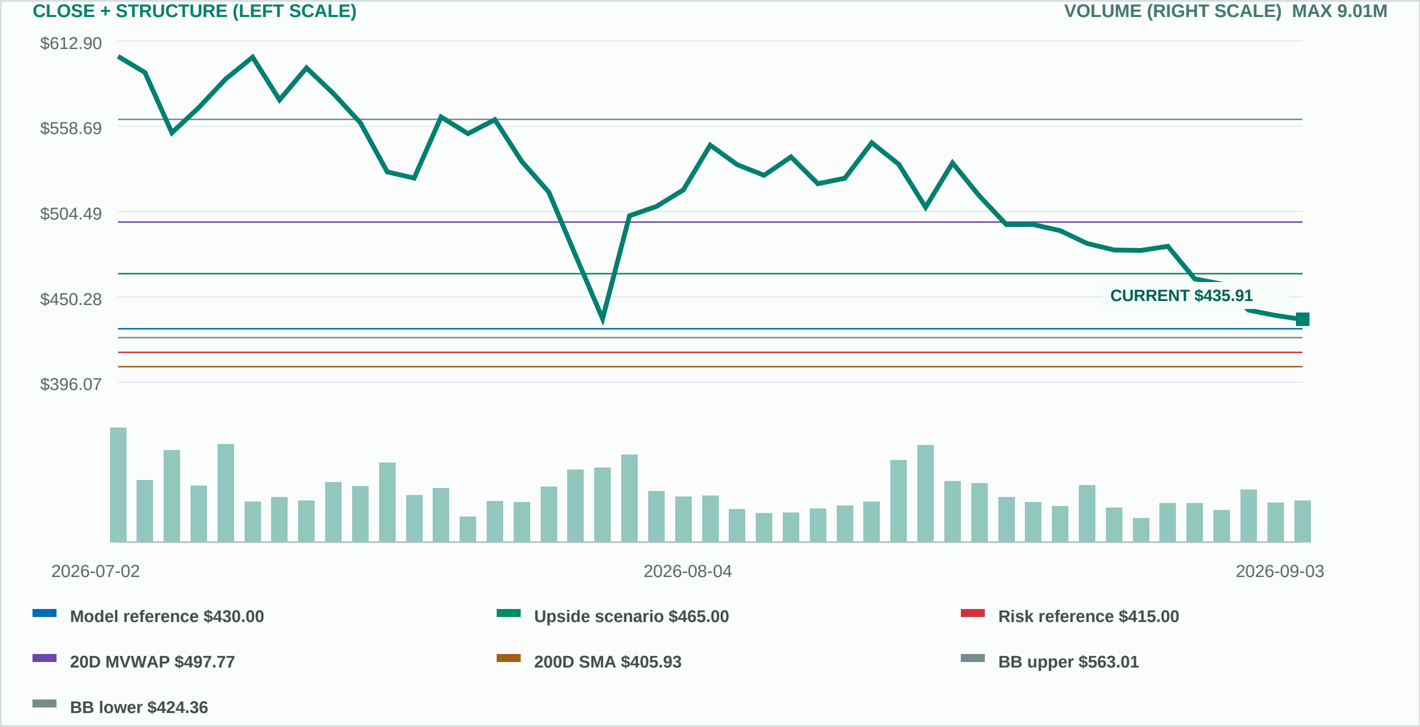
Implied volatility (IV) of 46.87% suggests market participants anticipate significant price swings in the coming weeks. | The skew is balanced with a slight put bias, implying potential for both upside and downside movement. | Strong analyst sentiment with an average PT of $641-$658 reflects optimism about AMAT's long-term growth prospects driven by AI demand.

Risk watch

Recent institutional selling and insider distribution raise concerns about near-term momentum. | Valuation remains high, with a trailing P/E of 37.8, making the stock susceptible to multiple compression.

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%	88.0
Strategy Fit	100.0%	56.9
Technical Trend	100.0%	40.7
Market Tail Risk	100.0%	63.8
Fundamental Quality	100.0%	75.7
Volatility Pressure	100.0%	35.6

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)	**18.00 / 32.94 / 38.95**
RSI velocity	**-1.36**
MACD line / signal / histogram	**-24.16 / - / -18.64**
MACD acceleration	**-1.78**
Stochastic K / D	**5.21 / 3.82**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-4.55**
20-day MVWAP	**$497.77**
Price vs 20-day MVWAP	**-12.43%**
Daily reference VWAP	**$433.06**
Price vs daily reference	**+0.66%**
Volume	**3.28M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-4.87**
20-day / 200-day SMA	**$493.69 / $405.93**
Bollinger range	**$424.36 - $563.01**
Bollinger position	**0.083**

Options and volatility intelligence

Structure, premium conditions and principal risks

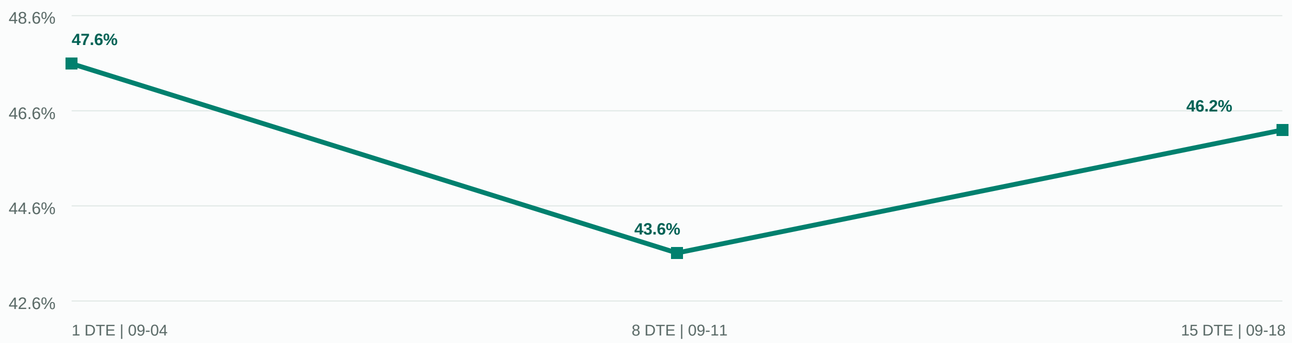
IV rank	IV percentile	VVIX	SKEW
26 / 100	29 / 100	85.08	144.12

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**flat**
Term slope	**-1.38 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options observation	**Sep 3, 2026 4:15 PM EDT | Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

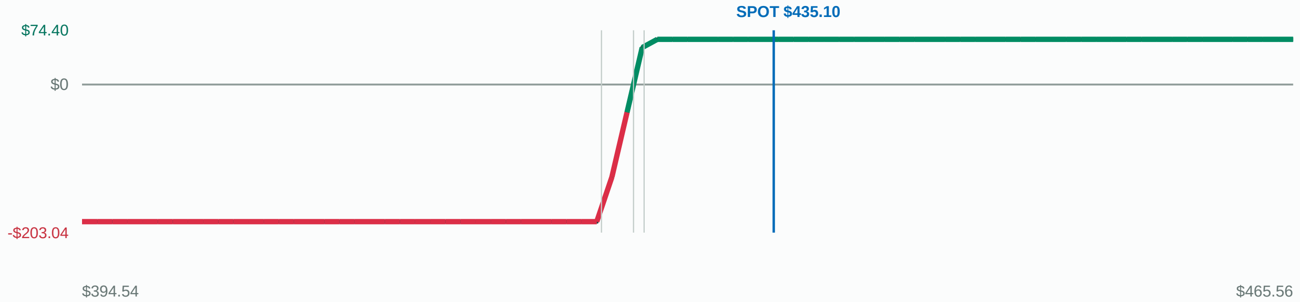
EXPIRATION	DTE	ATM IV	STATE
2026-09-04	1	47.6%	-
2026-09-11	8	43.6%	-
2026-09-18	15	46.2%	-

Reference spread payoff

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

Bull Put Spread reference

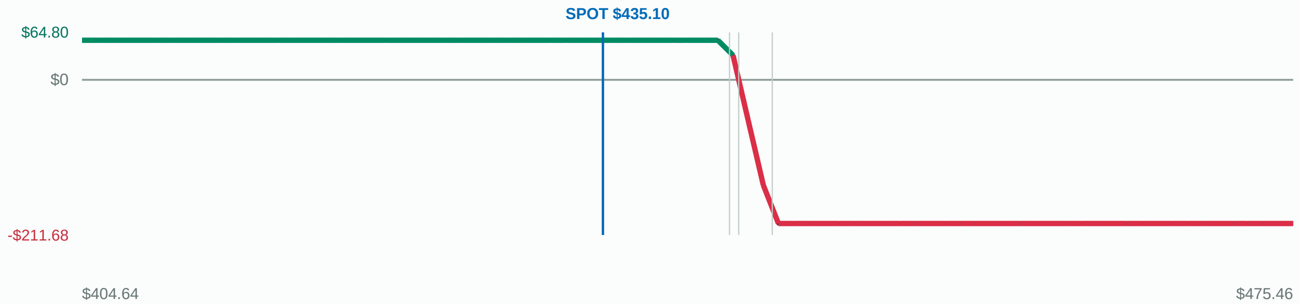
Short $427.50 | Long $425.00 | Width $2.50 | Net credit $0.62



Max profit $62.00 | Max loss -$188.00 | Break-even $426.88 | Per contract at expiry

Bear Call Spread reference

Short $442.50 | Long $445.00 | Width $2.50 | Net credit $0.54



Max profit $54.00 | Max loss -$196.00 | Break-even $443.04 | 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	**14.53**
VVIX	**85.08**
SKEW index	**144.12**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**109**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**109**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The AMAT option market shows a bullish bias despite recent price weakness. While the stock has pulled back from its 52-week high, implied volatility remains elevated, suggesting expectations for continued volatility and potential upside movement. The term structure is relatively flat, indicating balanced sentiment towards near-term and longer-term price direction.

Options context

AMAT Option Market Implies Upside Potential Despite Recent Pullback

Wheel context

The current market environment presents opportunities for option traders to capitalize on potential volatility and price swings in AMAT.

Observed evidence

Implied volatility (IV) of 46.87% suggests market participants anticipate significant price swings in the coming weeks. | The skew is balanced with a slight put bias, implying potential for both upside and downside movement. | Strong analyst sentiment with an average PT of $641-$658 reflects optimism about AMAT's long-term growth prospects driven by AI demand.

Principal risks to monitor

Recent institutional selling and insider distribution raise concerns about near-term momentum. | Valuation remains high, with a trailing P/E of 37.8, making the stock susceptible to multiple compression.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$345.94B**	P/E (TTM) **37.55**
ROE **40.4%**	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 **1.64**
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 **180.6%**
Book value per share **$32.29**	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

Sep 3, 2026 2:33 PM EDT

Covered Call | 2026-09-04

At signal $435.67 | Current $435.91

SHORT **Option $450.00 B $0.70 / A $0.80**

High turnover | CR $0.75

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$23.74**
ATR as % of price	**5.5%**
Volatility environment	**high**
Current IV	**46.7%**
IV rank	**26 / 100**
IV percentile	**28 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**60 / 100**
Trend health	**78 / 100**
Momentum health	**60 / 100**
Volatility health	**28 / 100**
Structure health	**58 / 100**
Earnings risk / date	**low | 2026-11-12**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**medium**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$493.69 / $537.98 / $405.93**
EMA (9 / 21)	**$460.29 / $485.24**
Bollinger upper / middle / lower	**$563.01 / $493.69 / $424.36**
Bollinger %B	**0.083**
True high / low	**$438.46 / $426.13**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$482.36 / $426.13**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-4.869	**-**
SMA50	-3.325	**-**
MVWAP20	-4.549	**-**
MACD	-1.777	**-**
RSI	-1.359	**-**
Volume	249018.000	**-**
ATR	-0.828	**-**
T1	-	**-22.83 / 501.65 / 443.50 / 433.57**
T2	-	**-21.06 / 505.80 / 458.39 / 438.83**
T3	-	**-18.83 / 511.41 / 465.90 / 453.91**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$435.10**
Options intelligence as of	**Sep 3, 2026 4:15 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-04 | 1 DTE**
Front at-the-money IV	**47.6%**
25-delta skew	**-1.79**
Put / Call 25-delta	**$427.50 Delta -0.239 / $442.50 Delta 0.265**
Median option bid/ask spread	**22.8%**
Bid/ask spread	**-**
Contracts observed / quoted	**109 / 109**

Price context

Last Price: 435.10 | Bid: 434.99 | Ask: 435.21 | Previous Close: 438.46 | Change: -3.36 | Daily change: -0.77% | Update Time: 2026-09-03T14:45:25.883698-04:00 | Latest History Date: 2026-09-03 | Latest History Price: 435.09

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-10 | Latest Date: 2026-09-03 | Latest Price: 435.09 | Max Drawdown 60d Percent: -39.82%

Fundamental context

Current Iv Percent: 46.87% | Iv Rank: 26.10 | Iv Percentile: 28.57 | Next Earnings Date: 2026-11-12 | Ex Dividend Date: 2026-08-19 | Dividend Yield: 48.00

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.

Reference documents

Official product terms and standardized options disclosure

Jason Wheel	**jasonwheel.com**
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