Applied Materials Inc / AMAT

Equity | Generated Sep 23, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$471.40	**-1.06 -0.22%**	**$471.16/$471.92**	**$472.46**

Market	**NYSE**
Industry	**Semiconductors**
Market data as of	**Sep 23, 2026 11:30 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 23, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
62.4 / 100	**Balanced**	**high**	**51 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$462.00	**$498.00**	**$440.00**	**64 / 100**

Options stance	**neutral**
Tail-risk safety	**32 / 100**
JW Rank data coverage / as of	**100.0% | Sep 23, 2026 6:50 PM EDT**

Key insight

AMAT: Market Sees Mixed Signals, Cautious on Near-Term Upside

Market read

The market appears to be cautiously optimistic about AMAT's long-term prospects, driven by strong Q3 earnings and a bullish outlook for AI-driven wafer fab demand. However, recent price action suggests some hesitation near current levels, with the stock pulling back from its September highs after a sharp rally following the India investment announcement. Analysts remain positive, but acknowledge elevated valuations and potential risks such as China export rules and broader market sentiment.

Strategy context

The current market context suggests a neutral stance. While long-term fundamentals are strong, near-term volatility and uncertainty warrant caution.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Sep 23, 2026 1:50 PM EDT**

Short-term scenario

Cautious buy-the-dip, not a chase. Over 1-3 weeks the setup is constructive only if $450-$455 holds; overhead supply sits into the 50-day average near $495. Prefer a pullback entry. If price never revisits the entry, do not force a fill. This is a scenario, not a guarantee; elevated ATR means the stop can be hit on noise.

Three-month outlook

Base case is modestly positive but uncertain: AI wafer-fab, DRAM, and advanced-packaging demand, plus Q4 guidance well above prior Street estimates, support another leg higher if the Nov 12 earnings confirm the guide and 2027 commentary stays firm. A reasonable 3-month path, if the sector stays bid and $440 holds, is a retest of the low-to-mid $500s (50-day and prior supply), not a return to the $700s. Analyst targets near $640-$700 are a longer-horizon story and should not be treated as a 3-month forecast. Uncertainty is high: the stock already sold off on a strong quarter when expectations were too high; trailing valuation is rich; China export rules and customer concentration remain live risks; the India plan is a multi-year diversification, not a near-term earnings driver; Fed/rates and broader semi multiple compression can overwhelm fundamentals. A miss or cautious guide in November could quickly retest the $410-$440 zone. Position sizing should assume a wide range, not a straight line.

Market sentiment

Moderately constructive but not euphoric, and noisy. Recent posts frame AMAT near ~24x 2027 earnings, mid-pack versus other semis, and reiterate Bernstein's $700 Buy target. Mid-September commentary tied the India $5B plan to the bounce and treated AI tool demand as the core bull case, while warning that valuation has to keep up with orders. Older August posts noted the stock was sold despite a beat because expectations were already high. A low-engagement options post claimed short-dated put selling; that flow is unverified and should not be overweighted. Promo and spam posts mentioning the ticker are common and are not useful sentiment. Net read: investors respect the AI equipment cycle but remain wary of a 'priced for perfection' reaction into the next print.

Supporting evidence

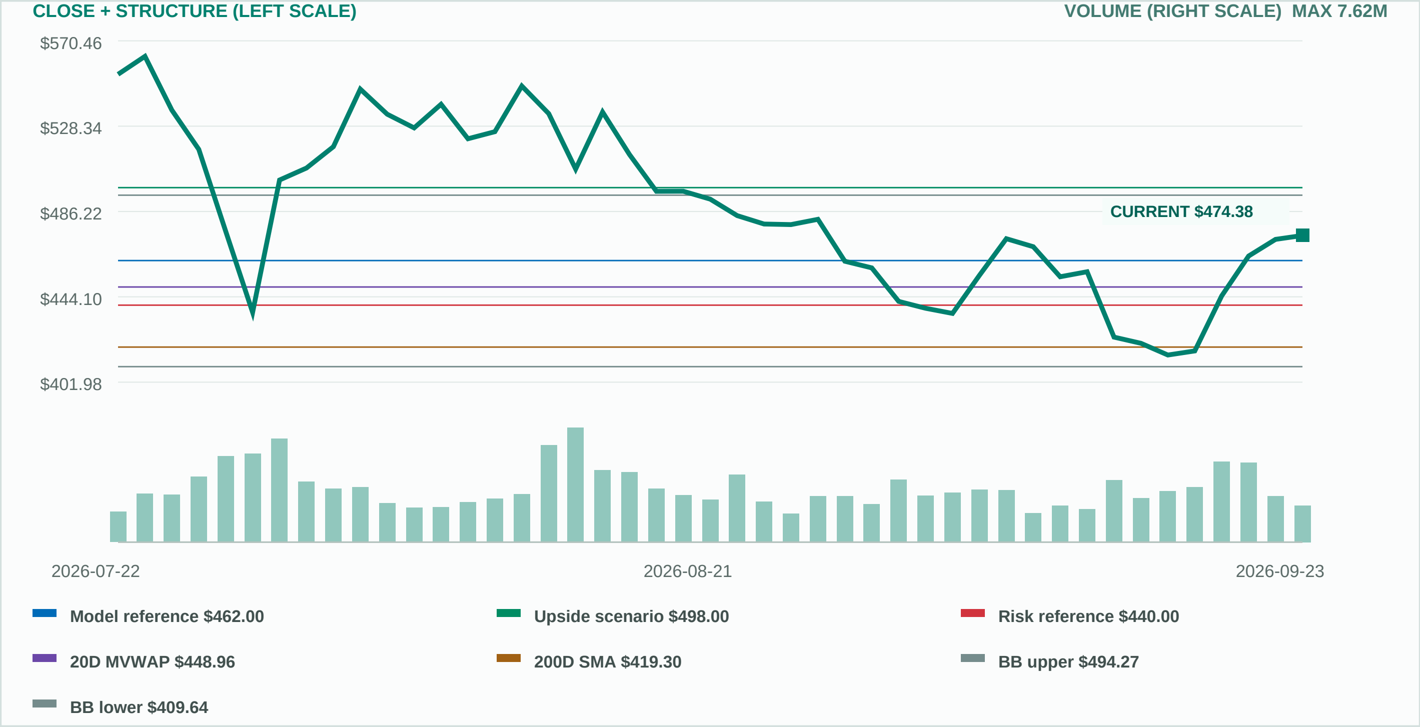
AMAT's Q3 earnings beat expectations, with record revenue and EPS growth fueled by AI demand. | The company provided strong guidance for Q4 and FY2027, exceeding Street estimates. | Recent news of a $5 billion investment in India over 10 years has boosted investor confidence. | Analyst consensus remains bullish, with price targets clustered near $640-$666. | However, the stock pulled back from recent highs after a sharp rally following the India announcement.

Risk watch

Elevated valuations may make AMAT susceptible to profit-taking or broader market weakness. | China export rules and geopolitical tensions could impact demand for semiconductor equipment.

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%	92.8
Strategy Fit	100.0%	64.2
Technical Trend	100.0%	64.7
Market Tail Risk	100.0%	32.0
Fundamental Quality	100.0%	75.7
Volatility Pressure	100.0%	51.5

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bullish_recovery	**Above 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 accelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**65.56 / 52.52 / 49.31**
RSI velocity	**2.91**
MACD line / signal / histogram	**-11.72 / - / -17.91**
MACD acceleration	**3.29**
Stochastic K / D	**93.66 / 73.52**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Distribution bias**
Institutional flow	**-1.02**
20-day MVWAP	**$448.96**
Price vs 20-day MVWAP	**+5.00%**
Daily reference VWAP	**$470.09**
Price vs daily reference	**+0.28%**
Volume	**2.43M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-0.76**
20-day / 200-day SMA	**$451.95 / $419.30**
Bollinger range	**$409.64 - $494.27**
Bollinger position	**0.765**

Options and volatility intelligence

Structure, premium conditions and principal risks

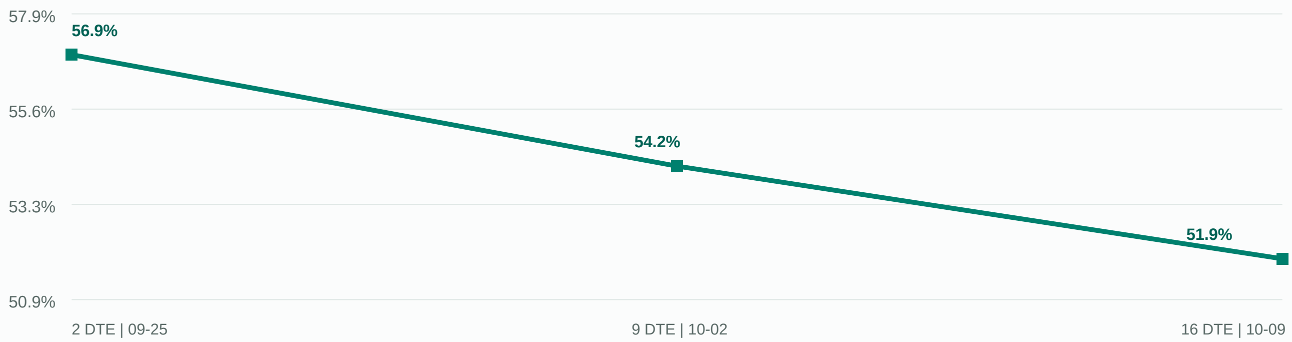
IV rank	IV percentile	VVIX	SKEW
30 / 100	47 / 100	88.11	142.19

Market regime	**DANGER ZONE**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-5.00 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 23, 2026 2:43 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

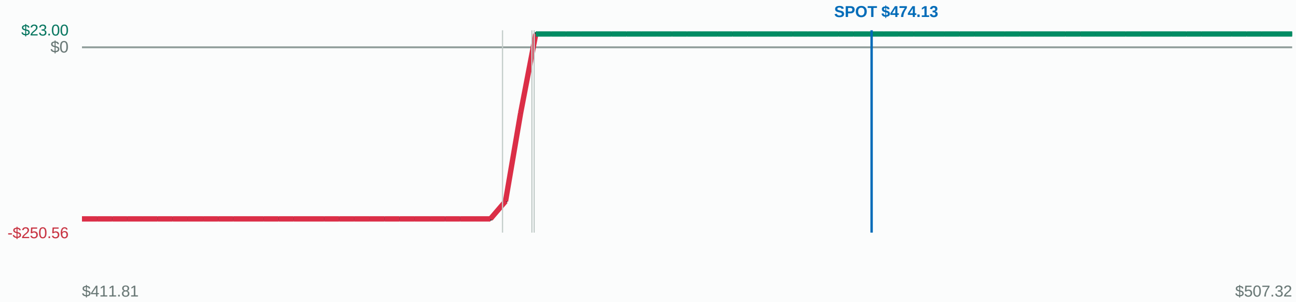
EXPIRATION	DTE	ATM IV	STATE
2026-09-25	2	56.9%	-
2026-10-02	9	54.2%	-
2026-10-09	16	51.9%	-

Reference spread payoff

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

Bull Put Spread reference

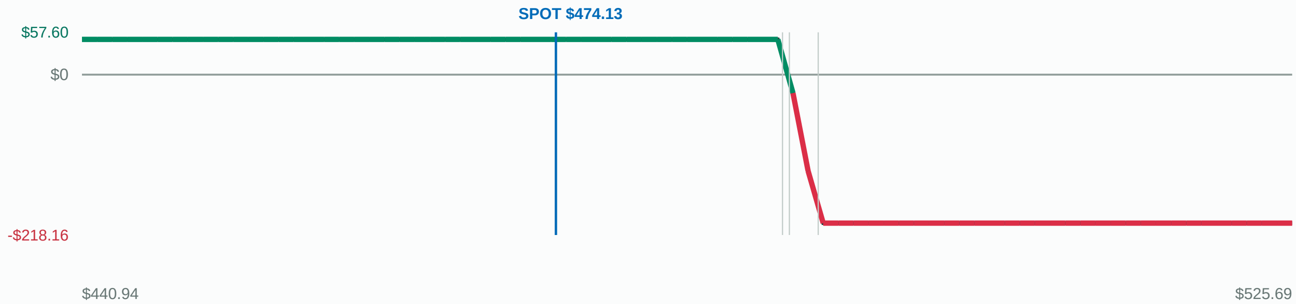
Short $447.50 | Long $445.00 | Width $2.50 | Net credit $0.18



Max profit $18.00 | Max loss -$232.00 | Break-even $447.32 | Per contract at expiry

Bear Call Spread reference

Short $490.00 | Long $492.50 | Width $2.50 | Net credit $0.48



Max profit $48.00 | Max loss -$202.00 | Break-even $490.48 | 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	**15.09**
VVIX	**88.11**
SKEW index	**142.19**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**126**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**126**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market appears to be cautiously optimistic about AMAT's long-term prospects, driven by strong Q3 earnings and a bullish outlook for AI-driven wafer fab demand. However, recent price action suggests some hesitation near current levels, with the stock pulling back from its September highs after a sharp rally following the India investment announcement. Analysts remain positive, but acknowledge elevated valuations and potential risks such as China export rules and broader market sentiment.

Options context

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Wheel context

The current market context suggests a neutral stance. While long-term fundamentals are strong, near-term volatility and uncertainty warrant caution.

Observed evidence

AMAT's Q3 earnings beat expectations, with record revenue and EPS growth fueled by AI demand. | The company provided strong guidance for Q4 and FY2027, exceeding Street estimates. | Recent news of a $5 billion investment in India over 10 years has boosted investor confidence. | Analyst consensus remains bullish, with price targets clustered near $640-$666. | However, the stock pulled back from recent highs after a sharp rally following the India announcement.

Principal risks to monitor

Elevated valuations may make AMAT susceptible to profit-taking or broader market weakness. | China export rules and geopolitical tensions could impact demand for semiconductor equipment.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$374.94B**	P/E (TTM) **39.55**
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 **1.63**
52-week range **$192.43 - $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 **135.6%**
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 23, 2026 9:55 AM EDT

Covered Call | 2026-09-25

At signal $462.98 | Current $471.40

SHORT **Option $462.50 B $8.30 / A $8.80**

High turnover | CR $8.55

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$21.07**
ATR as % of price	**4.4%**
Volatility environment	**high**
Current IV	**53.8%**
IV rank	**31 / 100**
IV percentile	**51 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 23, 2026 7:30 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**75 / 100**
Trend health	**78 / 100**
Momentum health	**96 / 100**
Volatility health	**43 / 100**
Structure health	**74 / 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)	**$451.95 / $493.87 / $419.30**
EMA (9 / 21)	**$453.96 / $460.27**
Bollinger upper / middle / lower	**$494.27 / $451.95 / $409.64**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.765**
True high / low	**$474.90 / $461.00**
5-day true high / low	**$474.90 / $413.56**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-0.758	**-**
SMA50	-2.417	**-**
MVWAP20	-1.019	**-**
MACD	3.290	**-**
RSI	2.910	**-**
Volume	-970439.000	**-**
ATR	-0.193	**-**
T1	-	**-14.77 / 449.58 / 472.49 / 453.34**
T2	-	**-18.25 / 451.04 / 468.51 / 444.57**
T3	-	**-21.59 / 452.02 / 445.00 / 417.40**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$474.13**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 23, 2026 2:43 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-09-25 | 2 DTE**
Front at-the-money IV	**56.9%**
25-delta skew	**1.31**
Put / Call 25-delta	**$447.50 / $490.00 Delta 0.234**
Median option bid/ask spread	**8.9%**
Bid/ask spread	**-**
Contracts observed / quoted	**126 / 126**

Price context

Last Price: 474.13 | Bid: 474.02 | Ask: 474.25 | Previous Close: 472.46 | Change: 1.67 | Daily change: 0.35% | Update Time: 2026-09-23T14:43:55.035576-04:00 | Latest History Date: 2026-09-23 | Latest History Price: 474.13

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-30 | Latest Date: 2026-09-23 | Latest Price: 474.13 | Max Drawdown 60d Percent: -42.55%

Fundamental context

Current Iv Percent: 53.01% | Iv Rank: 29.77 | Iv Percentile: 46.61 | Next Earnings Date: 2026-11-12 | Ex Dividend Date: 2026-11-18

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

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