



Applied Materials Inc / AMAT

Equity | Generated Oct 2, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$540.01	+10.71 +2.02%	-/-	\$529.30

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 2, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 2, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
72.4 / 100	Constructive	high	38 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$528.00	\$560.00	\$508.00	70 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 2, 2026 7:51 PM EDT

Key insight

AMAT Shows Bullish Momentum Despite Recent Pullback

Market read

AMAT is showing strong bullish momentum despite a recent pullback. The stock price has risen significantly since late September, driven by positive news regarding AI packaging partnerships and strong earnings results. Technical indicators are stretched but remain positive, suggesting potential for further upside. However, uncertainty remains around the financial details of these partnerships and upcoming earnings expectations.

Strategy context

The stock's recent rally suggests potential for short-term upside, but caution is warranted due to stretched technical indicators and uncertainty surrounding upcoming earnings.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 2, 2026 2:08 PM EDT

Short-term scenario

Do not chase the current print. For a 1-3 week horizon, a selective long only on a pullback toward prior-close support is preferable to buying strength. Oscillators are stretched, nearby resistance sits around \$545-\$560, and the Oct 13 SEMICON West investor breakfast is a near-term catalyst that can cut either way. Uncertainty is high: a failed hold of \$526-\$529 would weaken the setup, and levels are scenarios, not forecasts. Not investment advice.

Three-month outlook

Moderately constructive fundamentals with wide uncertainty and limited margin for disappointment. AI-related wafer-fab equipment, DRAM, and advanced packaging support the raised Q4 outlook (about 51% year-over-year revenue growth at the midpoint) and management comments that fiscal Q1 2027 should grow sequentially, with another growth year expected in 2027 if clean-room capacity allows. Consensus targets near \$630 imply further upside, but Morgan Stanley's \$563 Equal Weight target is only modestly above the current price after a multiple cut, and the stock previously fell after a record beat when expectations were already high. Base case over three months is a choppy path into mid-November earnings, with upside toward the high \$500s or low \$600s if Oct 13 commentary and results confirm demand, and downside back toward roughly \$480-\$510 if guidance is tempered or the multiple compresses. Valuation near 45x trailing earnings is elevated versus through-cycle equipment multiples. Treat this as a scenario, not a forecast. Not investment advice.

Market sentiment

Near-term X tone is tactically bullish but cautious, and signal quality is low because promotional posts are heavy. Traders describe a strong follow-through, including roughly +17% since a recent wedge breakout and a push toward about \$550-\$560, with some short-dated call activity and profit-taking into strength. One widely noted view is that the stock has been on a sharp two-week rip toward \$550. Offsetting posts question whether the AI packaging headline has any disclosed economics and note the nearby \$563 Morgan Stanley target. Older commentary still frames post-earnings selling, despite a beat, as evidence that expectations are very high. Net: constructive on AI equipment demand, wary of chasing an extended move.

Supporting evidence

AMAT's stock price has risen over 17% since a recent wedge breakout in late September. | Positive news regarding AI packaging partnerships with Besi and KIOXIA has fueled investor optimism. | Strong Q3 FY2026 earnings results, beating consensus estimates, further support the bullish outlook. | Technical indicators like RSI and MACD are positive, suggesting continued upward momentum.

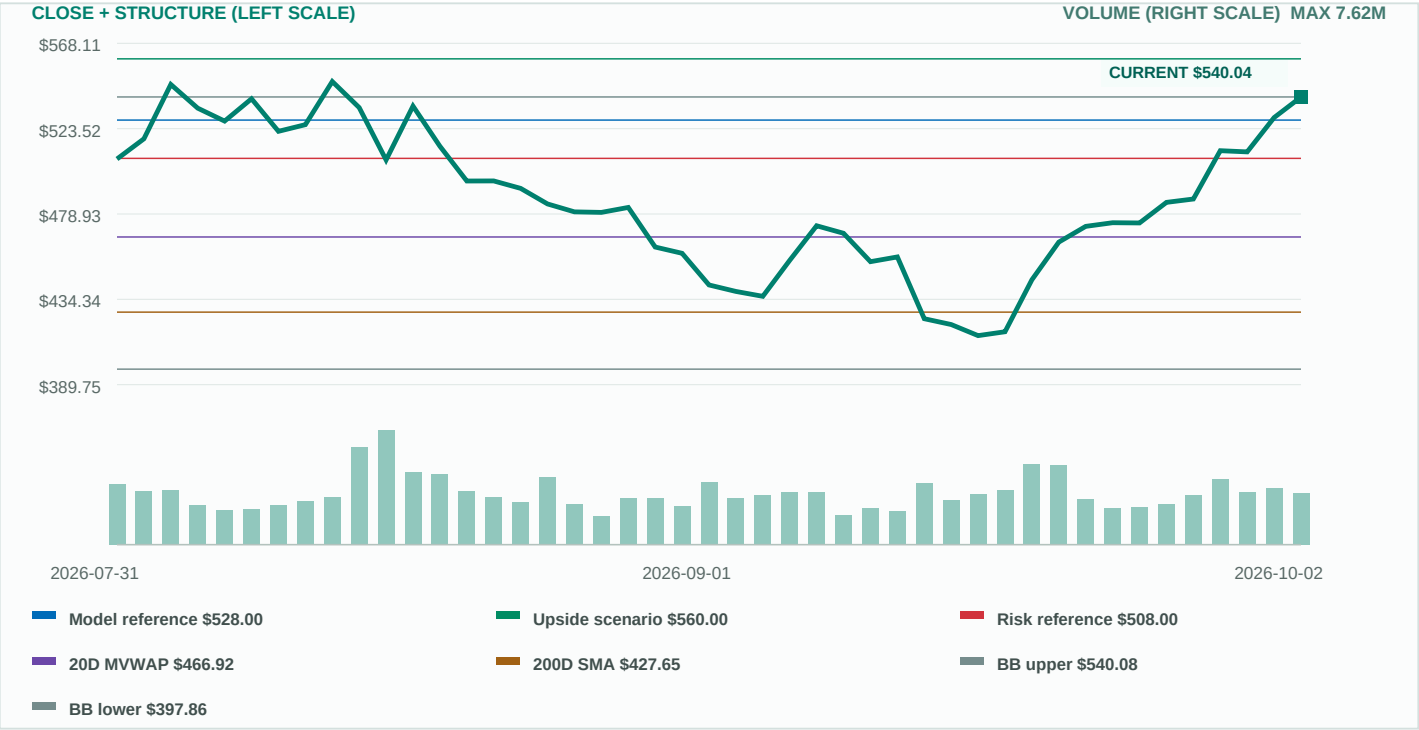
Risk watch

Technical indicators are approaching overbought levels, increasing the risk of a pullback. | Upcoming SEMICON West investor breakfast on October 13th could provide further clarity on demand and future guidance, potentially impacting the stock price.



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



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

strong_bull

Institutional flow

Above MVWAP

Structure

Above 200D trend

Volatility

medium



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	STRONG BULL neutral MACD accelerating
Trend signal	STRONG BULL
RSI signal	neutral
RSI (7 / 14 / 21)	87.28 / 69.18 / 60.58
RSI velocity	2.06
MACD line / signal / histogram	10.94 / - / -1.17
MACD acceleration	3.56
Stochastic K / D	95.69 / 96.87

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	4.57
20-day MVWAP	\$466.92
Price vs 20-day MVWAP	+15.65%
Daily reference VWAP	\$540.80
Price vs daily reference	-0.15%
Volume	3.40M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	4.41
20-day / 200-day SMA	\$468.97 / \$427.65
Bollinger range	\$397.86 - \$540.08
Bollinger position	1.000



Options and volatility intelligence

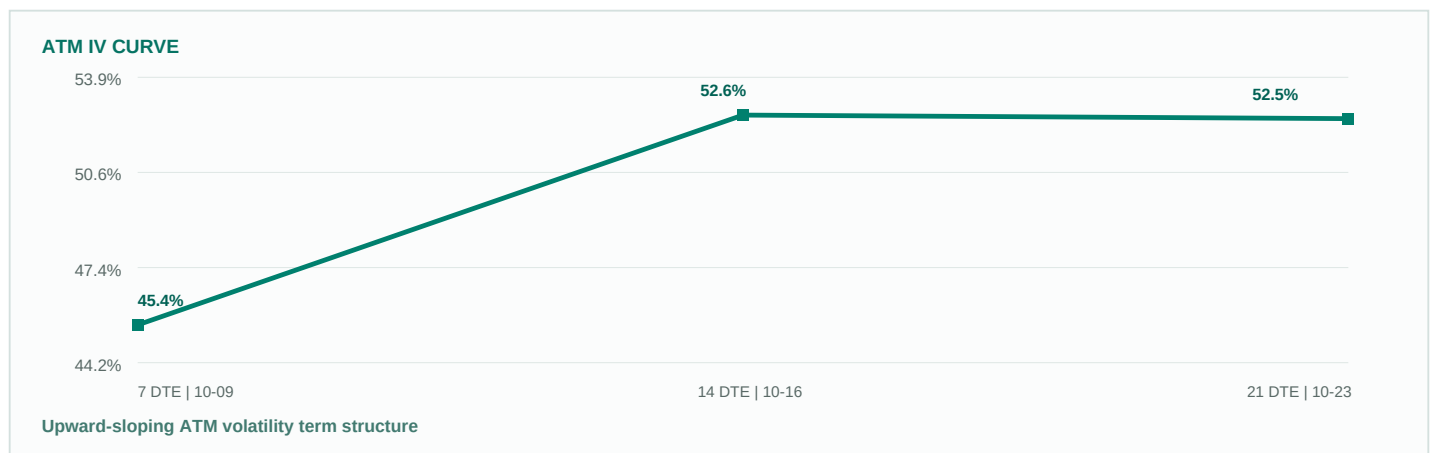
Structure, premium conditions and principal risks

IV rank 27 / 100	IV percentile 38 / 100	VVIX 88.65	SKEW 142.77
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Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+7.01 pts
Skew read	balanced
Liquidity / quote coverage	100.0%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 2, 2026 2:42 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-09	7	45.4%	-
2026-10-16	14	52.6%	-
2026-10-23	21	52.5%	-

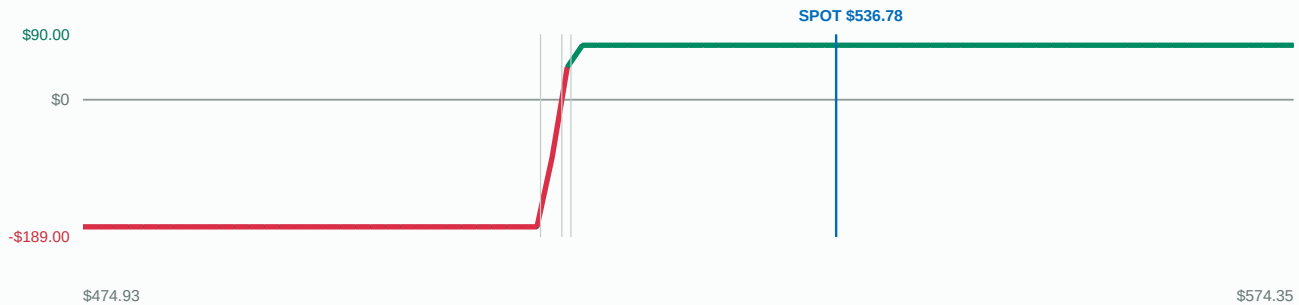


Reference spread payoff

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

Bull Put Spread reference

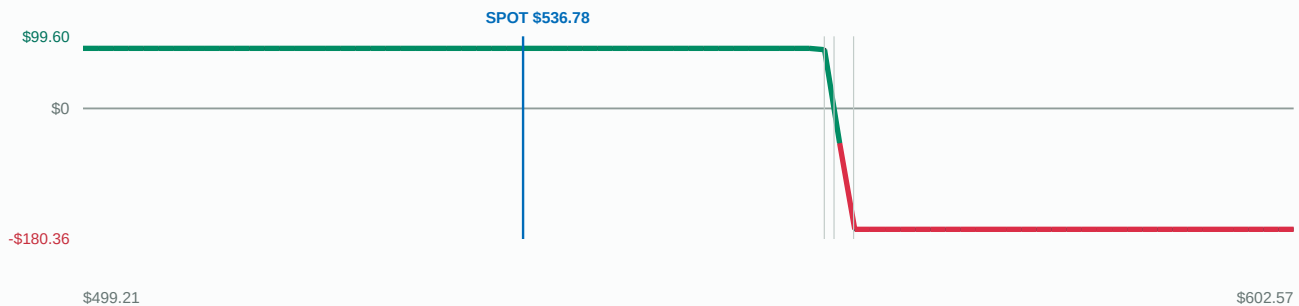
Short \$515.00 | Long \$512.50 | Width \$2.50 | Net credit \$0.75



Max profit \$75.00 | Max loss -\$175.00 | Break-even \$514.25 | Per contract at expiry

Bear Call Spread reference

Short \$562.50 | Long \$565.00 | Width \$2.50 | Net credit \$0.83



Max profit \$83.00 | Max loss -\$167.00 | Break-even \$563.33 | 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	15.59
VVIX	88.65
SKEW index	142.77
Observation confidence	high
Option quote quality	reliable
Contracts observed	86



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	86

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

AMAT is showing strong bullish momentum despite a recent pullback. The stock price has risen significantly since late September, driven by positive news regarding AI packaging partnerships and strong earnings results. Technical indicators are stretched but remain positive, suggesting potential for further upside. However, uncertainty remains around the financial details of these partnerships and upcoming earnings expectations.

Options context

AMAT Shows Bullish Momentum Despite Recent Pullback

Wheel context

The stock's recent rally suggests potential for short-term upside, but caution is warranted due to stretched technical indicators and uncertainty surrounding upcoming earnings.

Observed evidence

AMAT's stock price has risen over 17% since a recent wedge breakout in late September. | Positive news regarding AI packaging partnerships with Besi and KIOXIA has fueled investor optimism. | Strong Q3 FY2026 earnings results, beating consensus estimates, further support the bullish outlook. | Technical indicators like RSI and MACD are positive, suggesting continued upward momentum.

Principal risks to monitor

Technical indicators are approaching overbought levels, increasing the risk of a pullback. | Upcoming SEMICON West investor breakfast on October 13th could provide further clarity on demand and future guidance, potentially impacting the stock price.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$420.05B	45.10
ROE	Revenue growth
40.4%	3.2%
EPS growth	Operating margin
5.2%	29.6%
Net profit margin	Gross margin
30.1%	-
Free cash flow CAGR	Debt / equity
11.0%	0.32
Dividend yield	Beta
0.9%	1.62
52-week range	
\$202.87 - \$739.67	

Company or fund profile

Issuer identity and classification

Name	Market
Applied Materials Inc	NYSE
Industry	Country
Semiconductors	US
Currency	IPO date
USD	1972-10-05
Shares outstanding	52-week return
793.96M	149.8%
Book value per share	Revenue per share
\$32.29	\$38.55
Website	appliedmaterials.com



Latest strategy observation

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

AMAT Covered Call signal	Oct 2, 2026 10:20 AM EDT
Covered Call 2026-10-09	
At signal \$542.60 Current \$540.01	
SHORT Option \$555.00 B \$8.70 / A \$9.95	
Conservative CR \$9.33	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$19.53
ATR as % of price	3.6%
Volatility environment	medium
Current IV	51.3%
IV rank	27 / 100
IV percentile	38 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 2, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	72 / 100
Trend health	92 / 100
Momentum health	74 / 100
Volatility health	56 / 100
Structure health	50 / 100
Earnings risk / date	low 2026-11-12
Macro risk	unknown
Volatility risk	medium
Structure risk	medium

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$468.97 / \$487.10 / \$427.65
EMA (9 / 21)	\$502.31 / \$484.36
Bollinger upper / middle / lower	\$540.08 / \$468.97 / \$397.86



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.000
True high / low	\$547.25 / \$529.30
5-day true high / low	\$547.25 / \$471.38

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	4.408	-
SMA50	-0.670	-
MVWAP20	4.573	-
MACD	3.561	-
RSI	2.057	-
Volume	-327272.670	-
ATR	-0.245	-
T1	-	7.17 / 461.52 / 533.88 / 511.38
T2	-	3.35 / 456.79 / 515.42 / 506.78
T3	-	0.25 / 453.20 / 513.28 / 486.76



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$536.78
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 2, 2026 2:42 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-09 7 DTE
Front at-the-money IV	45.4%
25-delta skew	-0.88
Put / Call 25-delta	\$515.00 Delta -0.242 / \$562.50 Delta 0.248
Median option bid/ask spread	17.5%
Bid/ask spread	-
Contracts observed / quoted	86 / 86

Price context

Last Price: 536.78 | Bid: 536.64 | Ask: 536.90 | Previous Close: 529.30 | Change: 7.48 | Daily change: 1.41% | Update Time: 2026-10-02T14:42:17.766531-04:00 | Latest History Date: 2026-10-02 | Latest History Price: 537.01

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-10 | Latest Date: 2026-10-02 | Latest Price: 537.01 | Max Drawdown 60d Percent: -31.06%

Fundamental context

Current Iv Percent: 51.27% | Iv Rank: 27.00 | Iv Percentile: 38.25 | 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.

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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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