



Applied Materials Inc / AMAT

Equity | Generated Oct 6, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$525.42	-16.86 -3.11%	\$524.80/\$526.00	\$542.28

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 6, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 6, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
73.2 / 100	Constructive	high	32 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$526.00	\$556.00	\$509.00	69 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 6, 2026 7:50 PM EDT

Key insight

AMAT Shows Strong Fundamentals and AI Demand, But Valuation Concerns Remain

Market read

AMAT's recent earnings report highlighted strong revenue growth driven by AI-related wafer-fab equipment demand. The company also guided for continued growth in fiscal Q4. However, the stock is trading at a premium valuation compared to its peers and has seen some profit-taking after a significant year-to-date gain. Technical indicators suggest a potential pullback before further upside.

Strategy context

AMAT's strong fundamentals and growth prospects support a bullish outlook. However, the stock's valuation may limit upside in the short term.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 6, 2026 1:56 PM EDT

Short-term scenario

Cautious dip-buy only, not a chase. For a 1-3 week horizon, prefer a limit near support rather than the current print. A bounce toward the high-\$540s to mid-\$550s is possible if \$519-\$529 holds, but failure there favors a deeper retracement. Uncertainty is high: the trend is intact, yet valuation, elevated momentum, and profit-taking after a very large year-to-date gain can override the AI narrative in the short run. Not investment advice.

Three-month outlook

Base case is constructive but choppy, not a straight line to analyst targets. AI-related leading-edge logic, DRAM/HBM, and advanced packaging still support above-trend equipment and services growth into early fiscal 2027, and the roughly \$640 consensus target implies about 20% upside from \$532 if the premium multiple holds. A more plausible three-month path is consolidation or an 8-15% pullback toward intermediate moving averages before any sustained retest of highs, because the stock is already up sharply year to date, trades at a large sales premium, and margins are guided roughly flat. Watch the mid-October company commentary and peer wafer-fab equipment results. Downside risks include China restrictions, cleanroom bottlenecks limiting 2027 shipments, and any slowdown in AI capex. Upside requires both delivery on the Q4 guide and continued willingness to pay a rich multiple. Price targets, technical levels, and social posts are incomplete and can be wrong; this is scenario analysis, not a forecast.

Market sentiment

Mixed and low-quality. Longer-horizon posts are constructive on AI equipment spending and cite Street targets near the mid-\$600s, with some holders wanting a deeper cool-off in AMAT and peers before adding. Near-term traders describe the name as extended and prefer confirmation rather than chasing; one recent level set treated strength only above roughly \$544 and another framed a buy zone around \$520-\$535. Valuation skeptics call trailing multiples rich versus typical equipment peers. Much of the latest \$AMAT post flow is promotional spam, so social sentiment is a weak signal.

Supporting evidence

AMAT's Q3 earnings beat expectations with record revenue and strong EPS growth. | The company expects continued growth in fiscal Q4, driven by AI demand and advanced packaging. | Analysts remain bullish on AMAT with a Moderate Buy rating and an average price target near \$640.

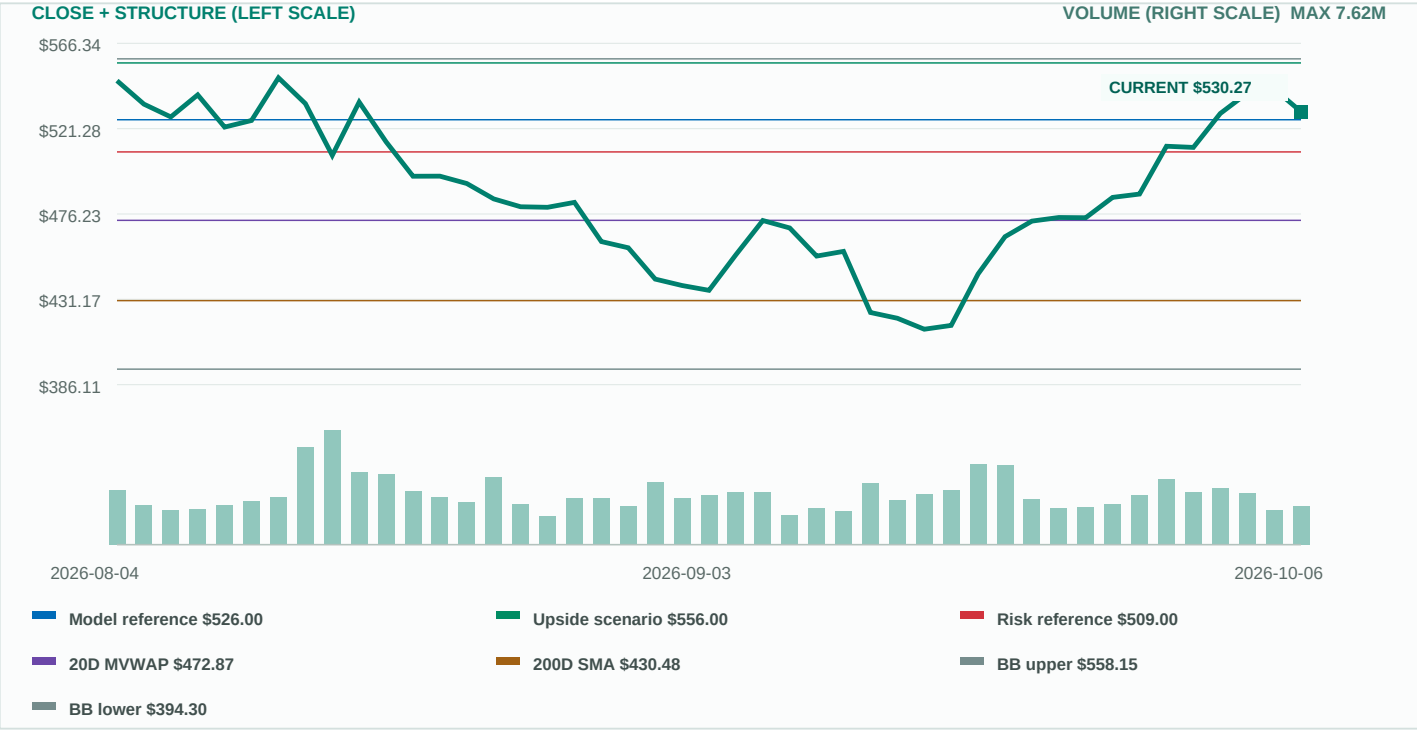
Risk watch

China export restrictions could impact AMAT's business. | Cleanroom capacity constraints may limit future shipments.



Enhanced price structure

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

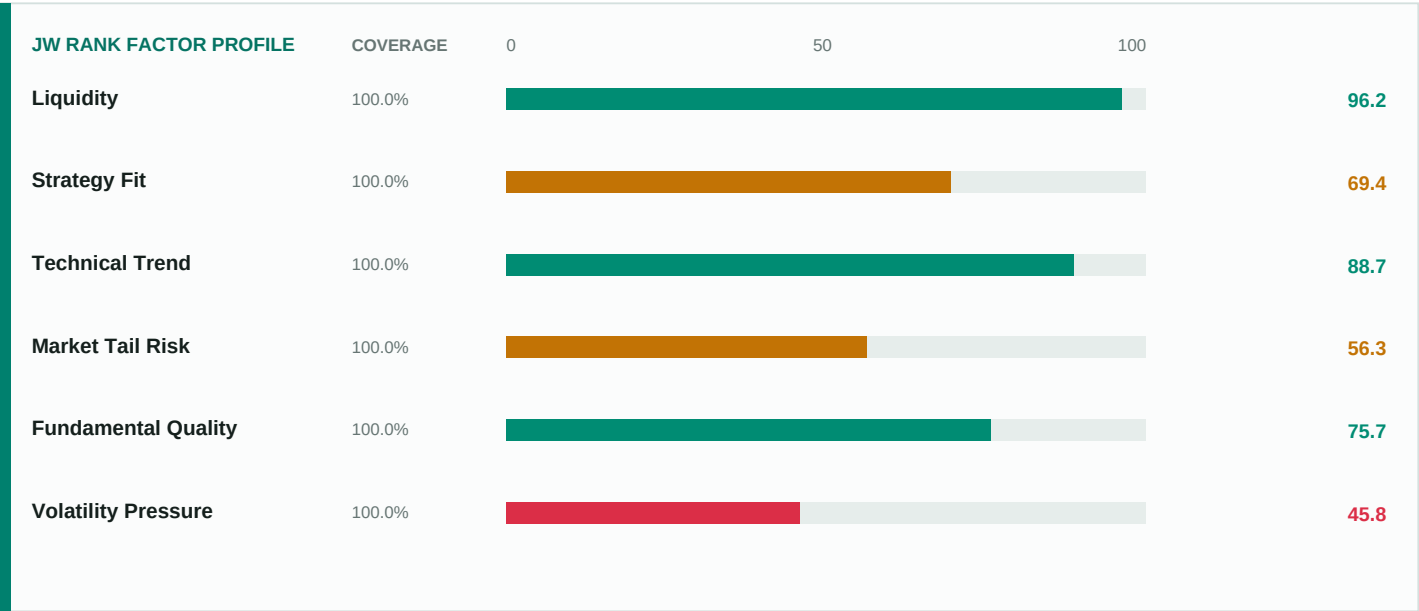


45 complete trading-session observations



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)	72.36 / 64.10 / 58.05
RSI velocity	-0.95
MACD line / signal / histogram	15.18 / - / 4.52
MACD acceleration	2.67
Stochastic K / D	92.78 / 94.74

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	3.78
20-day MVWAP	\$472.87
Price vs 20-day MVWAP	+11.11%
Daily reference VWAP	\$534.26
Price vs daily reference	-1.65%
Volume	2.57M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	4.15
20-day / 200-day SMA	\$476.22 / \$430.48
Bollinger range	\$394.30 - \$558.15
Bollinger position	0.830



Options and volatility intelligence

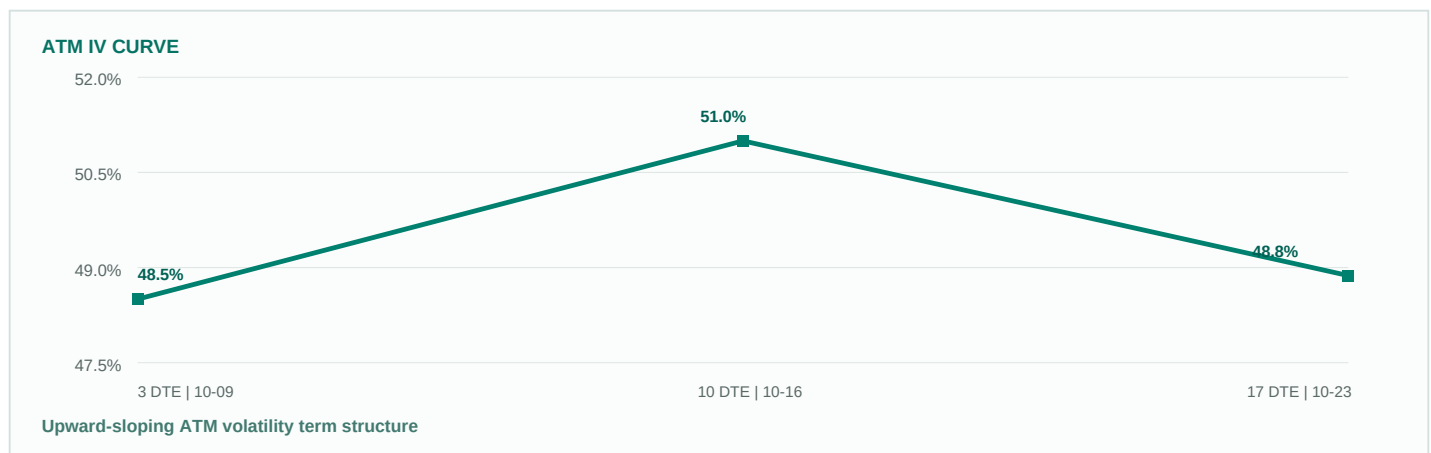
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
25 / 100	33 / 100	82.09	143.04

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	flat
Term slope	+0.37 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 6, 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	3	48.5%	-
2026-10-16	10	51.0%	-
2026-10-23	17	48.8%	-

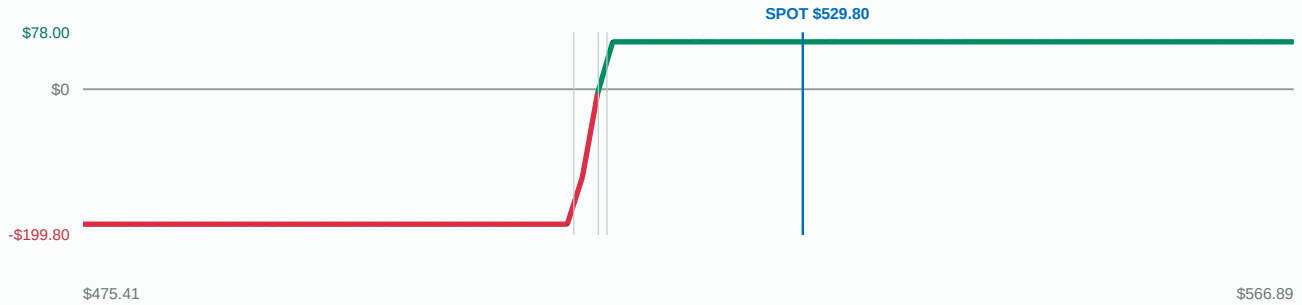


Reference spread payoff

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

Bull Put Spread reference

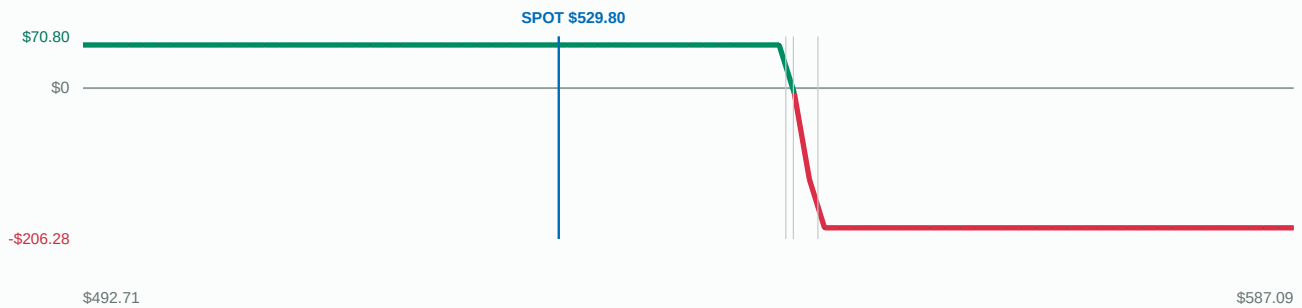
Short \$515.00 | Long \$512.50 | Width \$2.50 | Net credit \$0.65



Max profit \$65.00 | Max loss -\$185.00 | Break-even \$514.35 | Per contract at expiry

Bear Call Spread reference

Short \$547.50 | Long \$550.00 | Width \$2.50 | Net credit \$0.59



Max profit \$59.00 | Max loss -\$191.00 | Break-even \$548.09 | 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	15.03
VVIX	82.09
SKEW index	143.04
Observation confidence	high
Option quote quality	reliable
Contracts observed	138



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	138

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

AMAT's recent earnings report highlighted strong revenue growth driven by AI-related wafer-fab equipment demand. The company also guided for continued growth in fiscal Q4. However, the stock is trading at a premium valuation compared to its peers and has seen some profit-taking after a significant year-to-date gain. Technical indicators suggest a potential pullback before further upside.

Options context

AMAT Shows Strong Fundamentals and AI Demand, But Valuation Concerns Remain

Wheel context

AMAT's strong fundamentals and growth prospects support a bullish outlook. However, the stock's valuation may limit upside in the short term.

Observed evidence

AMAT's Q3 earnings beat expectations with record revenue and strong EPS growth. | The company expects continued growth in fiscal Q4, driven by AI demand and advanced packaging. | Analysts remain bullish on AMAT with a Moderate Buy rating and an average price target near \$640.

Principal risks to monitor

China export restrictions could impact AMAT's business. | Cleanroom capacity constraints may limit future shipments.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$430.35B	46.07
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%	1.63
52-week range	
\$203.40 - \$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	141.5%
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 \$525.42	
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	\$19.05
ATR as % of price	3.6%
Volatility environment	medium
Current IV	49.9%
IV rank	25 / 100
IV percentile	32 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 6, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	78 / 100
Trend health	92 / 100
Momentum health	84 / 100
Volatility health	56 / 100
Structure health	67 / 100
Earnings risk / date	low 2026-11-12
Macro risk	unknown
Volatility risk	medium
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$476.22 / \$487.49 / \$430.48
EMA (9 / 21)	\$514.30 / \$493.32
Bollinger upper / middle / lower	\$558.15 / \$476.22 / \$394.30



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.830
True high / low	\$546.00 / \$526.52
5-day true high / low	\$547.25 / \$506.78

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	4.153	-
SMA50	-0.022	-
MVWAP20	3.784	-
MACD	2.670	-
RSI	-0.948	-
Volume	-390534.000	-
ATR	-0.203	-
T1	-	13.94 / 470.22 / 545.82 / 533.59
T2	-	10.94 / 466.93 / 547.25 / 529.30
T3	-	7.17 / 461.52 / 533.88 / 511.38



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$529.80
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 6, 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 3 DTE
Front at-the-money IV	48.5%
25-delta skew	-1.53
Put / Call 25-delta	\$515.00 Delta -0.248 / \$547.50 Delta 0.246
Median option bid/ask spread	16.6%
Bid/ask spread	-
Contracts observed / quoted	138 / 138

Price context

Last Price: 529.80 | Bid: 529.80 | Ask: 529.95 | Previous Close: 542.28 | Change: -12.48 | Daily change: -2.30% | Update Time: 2026-10-06T14:42:37.032756-04:00 | Latest History Date: 2026-10-06 | Latest History Price: 529.76

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-14 | Latest Date: 2026-10-06 | Latest Price: 529.76 | Max Drawdown 60d Percent: -30.27%

Fundamental context

Current Iv Percent: 50.00% | Iv Rank: 25.00 | Iv Percentile: 32.67 | 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.

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Reference documents

Official product terms and standardized options disclosure

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