Applied Materials Inc / AMAT

Equity | Generated Nov 16, 2026 11:30 PM EST

Current price	Daily move	Bid / Ask	Previous close
$358.80	-11.70 -3.16%	$353.91/$355.82	$370.50

Market	**NYSE**
Industry	**Semiconductors**
Market data as of	**Nov 16, 2026 11:30 PM EST**

JW Intelligence Report

Complete | 3 of 3 sections | Nov 16, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
43.5 / 100	Cautious	high	80 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$347.00	$372.00	$335.00	52 / 100

Options stance	**bearish**
Tail-risk safety	**38 / 100**
JW Rank data coverage / as of	**100.0% | Nov 16, 2026 6:50 PM EST**

Key insight

AMAT Option Market Prices in Continued Weakness

Market read

The AMAT option market reflects a bearish outlook, driven by recent price weakness, negative technical signals, and concerns about sector multiple compression. While fundamentals remain strong, the near-term sentiment is cautious due to uncertainty surrounding China exposure, export rules, and demand conversion.

Strategy context

The term structure of AMAT options is in backwardation, with shorter-dated options more expensive than longer-dated ones. This suggests a belief that volatility will decline over time.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Nov 16, 2026 2:03 PM EST**

Short-term scenario

Low-conviction tactical bounce only, not a high-conviction 1-3 week long. Post-earnings momentum is negative and sector multiple compression can extend the decline. Prefer to act only if $346 holds; if that level fails, stand aside. This is a trade plan, not a forecast, and can be invalidated quickly by broader semiconductor selling.

Three-month outlook

Fundamentals still support a constructive medium-term case: AI infrastructure spending, DRAM/HBM, and advanced packaging are the stated growth drivers, management guided another growth year, and most analysts still rate the stock Buy even after target cuts. The stock is far below its June high near $740, so some of the valuation reset may already be in the price. Base case over three months is volatile stabilization and a partial recovery toward the low-to-mid $400s if the stock can reclaim $370-$400 and AI capex headlines do not deteriorate. A break under roughly $335-$317 would open a path toward the low $300s. Key uncertainties are further multiple compression if yields stay high, tighter China export limits, delayed fab installations, and whether customers can absorb tool deliveries as fast as orders imply. No straight-line rebound should be assumed.

Market sentiment

Recent X discussion is thin on high-engagement retail flow and more analytical than euphoric. Posts highlight record free cash flow, the beat-and-raise, and a roughly 50% drawdown from the June high near $740 as a possible valuation discount if 2027 equipment spending holds. Offsetting comments stress multiple compression, China risk, fab-room readiness delays, and the idea that strong results are no longer enough. One trader grouped AMAT with other chip names as statistically cheaper versus recent highs but did not call a bottom. Near-term tone is cautious to skeptical, not a clear capitulation or a coordinated buy-the-dip consensus. Uncertainty: X samples are incomplete and can over-represent promotional or low-engagement accounts.

Supporting evidence

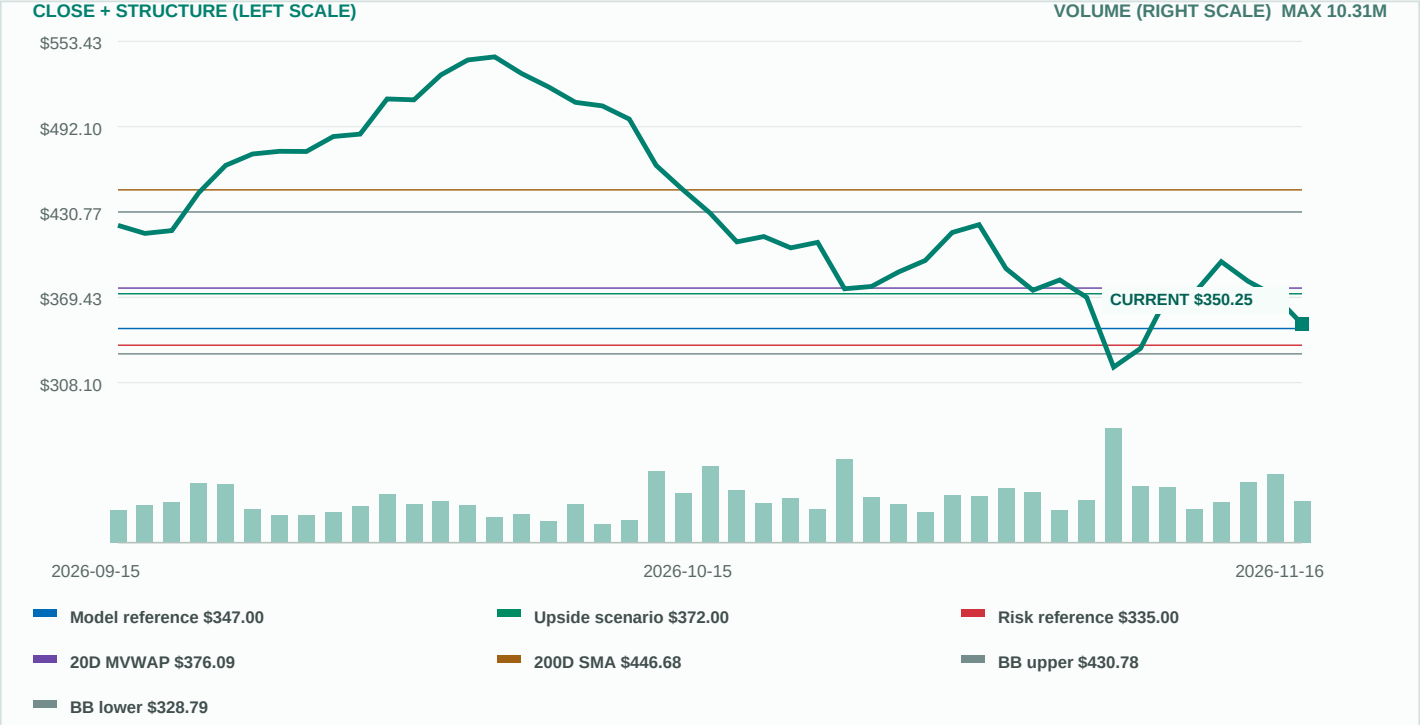
AMAT's price has fallen significantly from its June high, with a death cross formation on the charts indicating a bearish trend. | The implied volatility skew shows elevated put demand, suggesting investors are more concerned about downside risk. | Recent earnings results, while strong, were met with stock weakness and target price cuts by analysts. | XAI sentiment analysis indicates cautious to skeptical near-term tone on X, with concerns about valuation compression and China risks.

Risk watch

Further multiple compression if interest rates remain elevated.

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	Institutional flow	Structure	Volatility
strong_bear	Below MVWAP	Below 200D trend	high

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**STRONG BEAR | neutral | MACD accelerating**
Trend signal	**STRONG BEAR**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**38.13 / 38.78 / 39.44**
RSI velocity	**-2.94**
MACD line / signal / histogram	**-22.41 / - / -24.53**
MACD acceleration	**0.80**
Stochastic K / D	**45.89 / 55.19**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.84**
20-day MVWAP	**$376.09**
Price vs 20-day MVWAP	**-4.60%**
Daily reference VWAP	**$351.60**
Price vs daily reference	**+2.05%**
Volume	**3.76M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-2.51**
20-day / 200-day SMA	**$379.78 / $446.68**
Bollinger range	**$328.79 - $430.78**
Bollinger position	**0.210**

Options and volatility intelligence

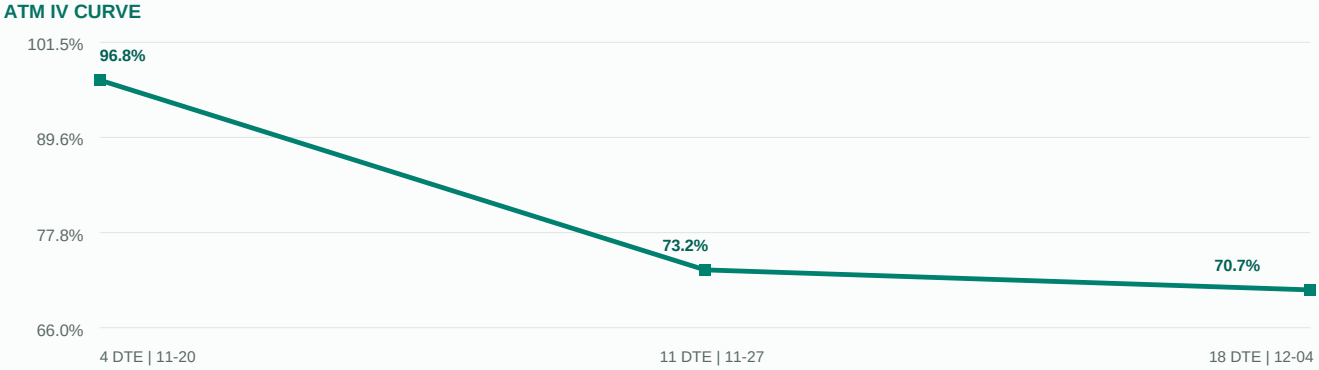
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
48 / 100	79 / 100	111.88	147.14

Market regime	**DANGER ZONE**
Tail-risk regime	**LOW TAIL RISK**
Term structure	**backwardation**
Term slope	**-26.10 pts**
Skew read	**PUT DEMAND ELEVATED**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 16, 2026 2:44 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

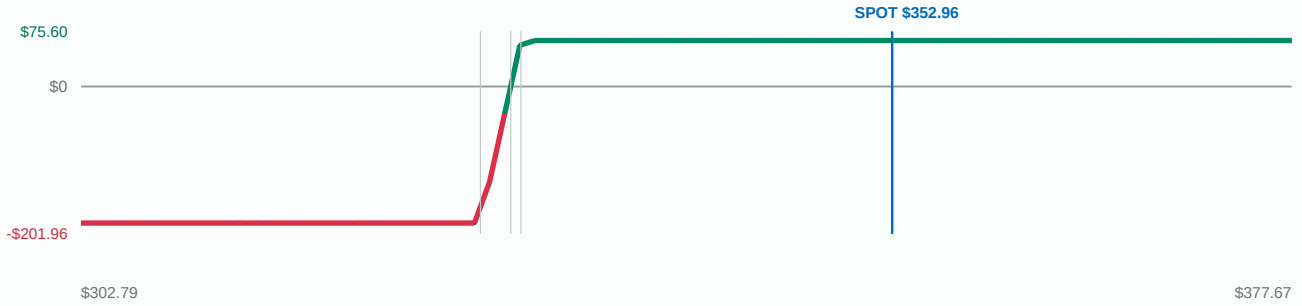
EXPIRATION	DTE	ATM IV	STATE
2026-11-20	4	96.8%	-
2026-11-27	11	73.2%	-
2026-12-04	18	70.7%	-

Reference spread payoff

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

Bull Put Spread reference

Short $330.00 | Long $327.50 | Width $2.50 | Net credit $0.63



Max profit $63.00 | Max loss -$187.00 | Break-even $329.37 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2027-02-11**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**23.50**
VVIX	**111.88**
SKEW index	**147.14**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**120**
Contracts with quotes	**120**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

AMAT Option Market Prices in Continued Weakness

Wheel context

The term structure of AMAT options is in backwardation, with shorter-dated options more expensive than longer-dated ones. This suggests a belief that volatility will decline over time.

Observed evidence

AMAT's price has fallen significantly from its June high, with a death cross formation on the charts indicating a bearish trend. | The implied volatility skew shows elevated put demand, suggesting investors are more concerned about downside risk. | Recent earnings results, while strong, were met with stock weakness and target price cuts by analysts. | XAI sentiment analysis indicates cautious to skeptical near-term tone on X, with concerns about valuation compression and China risks.

Principal risks to monitor

Further multiple compression if interest rates remain elevated.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$294.03B	**29.15**
ROE	Revenue growth
41.4%	**9.1%**
EPS growth	Operating margin
15.9%	**32.2%**
Net profit margin	Gross margin
29.3%	**-**
Free cash flow CAGR	Debt / equity
5.4%	**0.25**
Dividend yield	Beta
0.9%	**1.67**

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
793.60M	**66.0%**
Book value per share	Revenue per share
$32.90	**$43.17**

Website	**appliedmaterials.com**

Latest strategy observation

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

AMAT Covered Call signal

Nov 4, 2026 9:49 AM EST

Covered Call | 2026-11-06

At signal $380.97 | Current $358.80

SHORT **Option $382.50 B $7.70 / A $8.05**

Conservative | CR $7.88

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$24.95**
ATR as % of price	**7.1%**
Volatility environment	**high**
Current IV	**65.2%**
IV rank	**49 / 100**
IV percentile	**80 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 16, 2026 6:30 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**41 / 100**
Trend health	**25 / 100**
Momentum health	**71 / 100**
Volatility health	**3 / 100**
Structure health	**71 / 100**
Earnings risk / date	**low | 2027-02-11**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$379.78 / $435.82 / $446.68**
EMA (9 / 21)	**$369.85 / $388.22**
Bollinger upper / middle / lower	**$430.78 / $379.78 / $328.79**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.210**
True high / low	**$370.50 / $346.01**
5-day true high / low	**$404.71 / $346.01**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.512	**-**
SMA50	-1.516	**-**
MVWAP20	-2.844	**-**
MACD	0.796	**-**
RSI	-2.944	**-**
Volume	29867.000	**-**
ATR	0.004	**-**
T1	-	**-21.82 / 378.70 / 381.37 / 352.23**
T2	-	**-22.80 / 381.32 / 397.20 / 376.09**
T3	-	**-24.80 / 384.62 / 404.71 / 372.53**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$352.96**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 16, 2026 2:44 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-11-20 | 4 DTE**
Front at-the-money IV	**96.8%**
25-delta skew	**6.83**
Put / Call 25-delta	**$330.00 Delta -0.250 / $365.00 Delta 0.385**
Median option bid/ask spread	**10.5%**
Bid/ask spread	**-**
Contracts observed / quoted	**120 / 120**

Price context

Last Price: 352.96 | Bid: 352.89 | Ask: 353.04 | Previous Close: 370.51 | Change: -17.55 | Daily change: -4.74% | Update Time: 2026-11-16T14:44:18.689515-05:00 | Latest History Date: 2026-11-16 | Latest History Price: 352.94

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-24 | Latest Date: 2026-11-16 | Latest Price: 352.94 | Max Drawdown 60d Percent: -41.13%

Fundamental context

Current Iv Percent: 64.61% | Iv Rank: 48.00 | Iv Percentile: 79.28 | Next Earnings Date: 2027-02-11 | 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

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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

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