



Arm Holdings PLC / ARM

Equity | Generated Oct 7, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$294.50	-8.06 -2.66%	\$294.51/\$295.74	\$302.56

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 7, 2026 11:30 PM EDT

JW Intelligence Report

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

JW Rank	Rank label	Confidence	IV percentile
74.6 / 100	Constructive	high	69 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$292.00	\$318.00	\$275.00	76 / 100

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

Key insight

ARM Option Market Shows Caution Amidst Legal Uncertainty and Valuation Concerns

Market read

The US option market for ARM displays a mixed outlook, reflecting both bullish sentiment driven by AI demand and cautiousness stemming from legal risks and high valuation. While implied volatility is elevated, call options are slightly more expensive than puts, suggesting a slight lean towards potential upside. However, the recent pullback in price and the ongoing Qualcomm trial create uncertainty.

Strategy context

The option market is pricing in potential upside but also reflects concerns about legal risks and valuation.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 7, 2026 9:36 AM EDT

Short-term scenario

Cautious scaled long on confirmed support hold near 290-295 amid the pullback; 1-3 week bounce toward resistance possible if legal headlines stabilize and AI momentum persists, but uncertainty is high from the Qualcomm trial, elevated volatility, and pre-earnings positioning. Not a high-conviction trade.

Three-month outlook

Moderately constructive on AI/data-center royalty growth and potential AGI CPU contribution, with analyst targets clustering near current levels to modest upside and strong recent revenue growth as supports. However, substantial uncertainty remains: trailing valuation is extreme and prices in aggressive expectations, the Qualcomm dispute could pressure royalties or sentiment, Nov 4 earnings may trigger sharp reactions, and high beta amplifies swings. A constructive path could retest \$340-360 if demand narrative strengthens and legal risks fade; a negative path risks a deeper correction toward \$250-280 support zones. Outcomes are highly path-dependent and not predictable with confidence.

Market sentiment

Mixed and cautious. Some traders see ~\$295 as a new floor and are lightly buying November calls for remaining upside tied to AI peers, watching for wedge recapture. Others flag possible support break on premarket action, advise against chasing, or highlight extreme valuation (high sales multiples) as the key risk with dangerous expectations. Broader mentions group ARM with NVDA/AMD AI beneficiaries but stress waiting for better entries. Sentiment leans short-term opportunistic on dips yet wary overall.

Supporting evidence

Implied volatility is elevated at 73.5%, indicating market expectations for significant price movement. | Call options are slightly more expensive than puts, suggesting a slight bullish bias. | The term structure shows backwardation, with near-term options more expensive than longer-dated options, potentially reflecting anticipation of short-term volatility. | Recent news regarding the Qualcomm lawsuit and upcoming earnings create uncertainty and may be contributing to the cautious market sentiment.

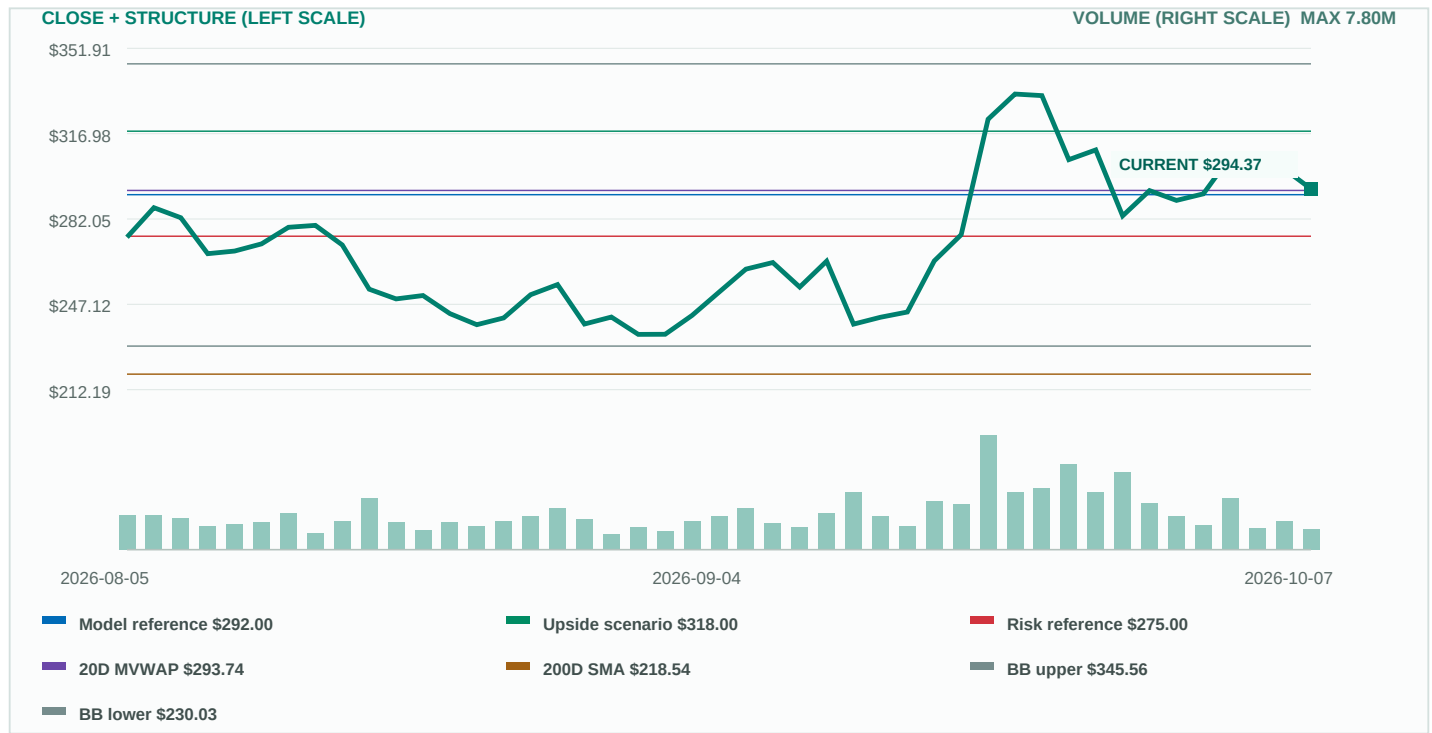
Risk watch

The ongoing Qualcomm trial poses a significant risk to ARM's future royalties and could negatively impact investor sentiment. | ARM's high valuation, with a trailing P/E ratio of over 300x, raises concerns about potential downside if growth expectations are not met.



Enhanced price structure

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

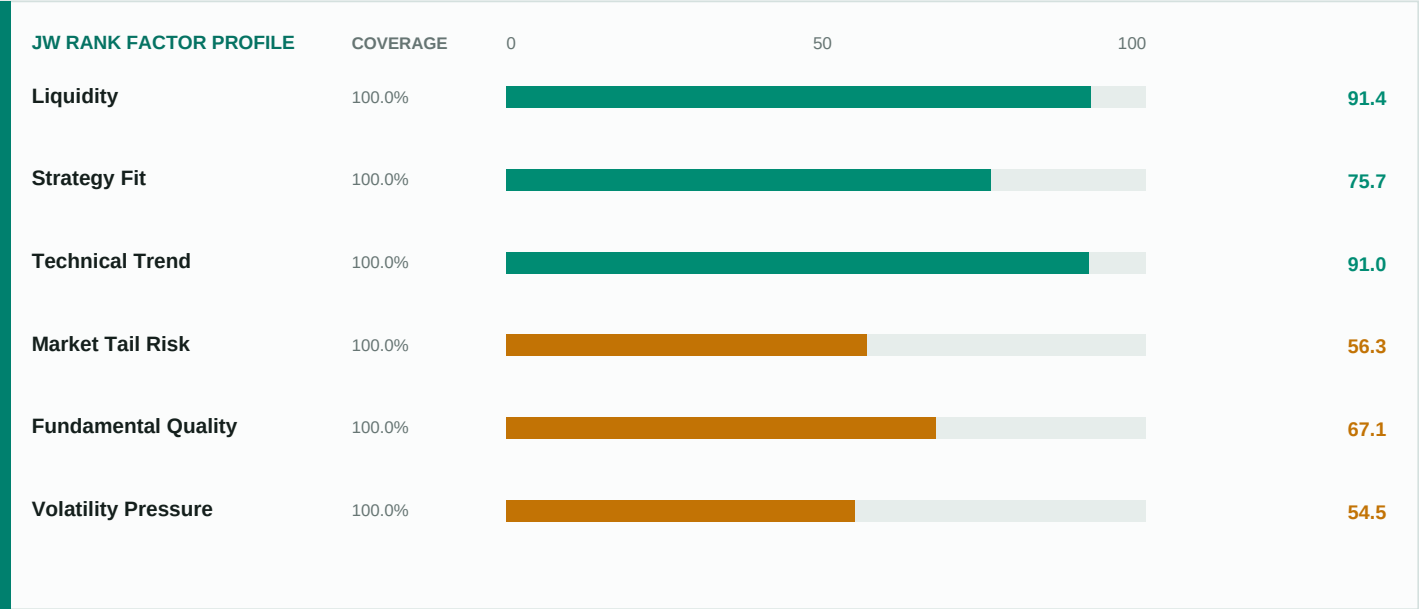


45 complete trading-session observations



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

high



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	STRONG BULL neutral MACD decelerating
Trend signal	STRONG BULL
RSI signal	neutral
RSI (7 / 14 / 21)	49.43 / 53.40 / 53.12
RSI velocity	-1.71
MACD line / signal / histogram	9.92 / - / 10.20
MACD acceleration	-0.40
Stochastic K / D	55.21 / 60.70

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.37
20-day MVWAP	\$293.74
Price vs 20-day MVWAP	+0.26%
Daily reference VWAP	\$295.16
Price vs daily reference	-0.22%
Volume	1.39M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.03
20-day / 200-day SMA	\$287.80 / \$218.54
Bollinger range	\$230.03 - \$345.56
Bollinger position	0.557



Options and volatility intelligence

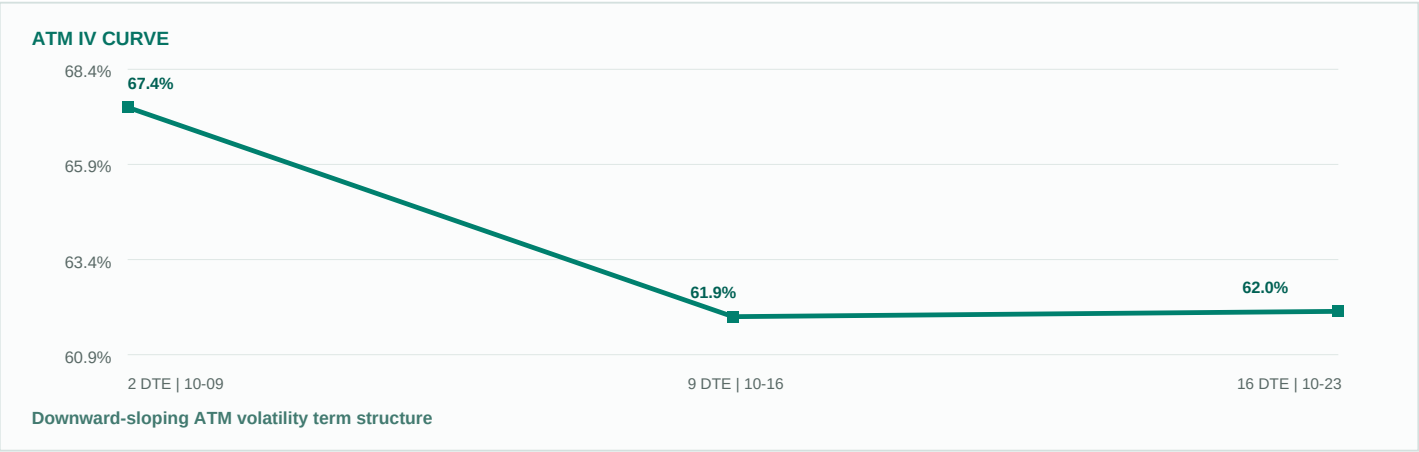
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
44 / 100	71 / 100	84.24	141.21

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-5.37 pts
Skew read	CALL DEMAND ELEVATED
Liquidity / quote coverage	100.0%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:55 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	2	67.4%	-
2026-10-16	9	61.9%	-
2026-10-23	16	62.0%	-

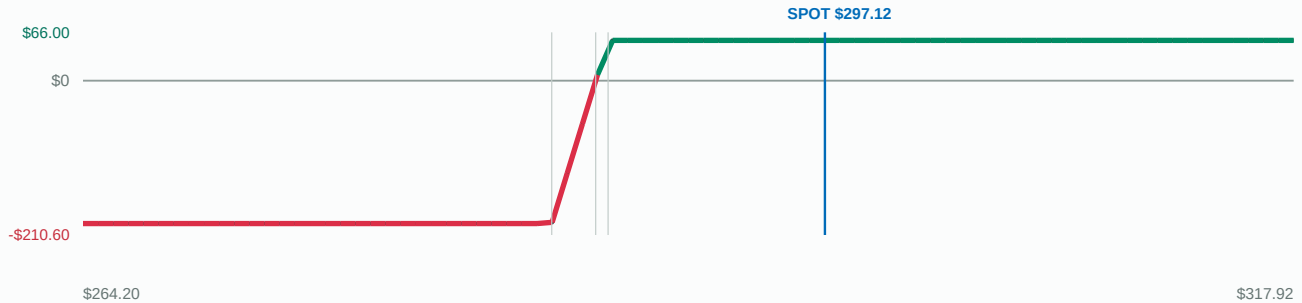


Reference spread payoff

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

Bull Put Spread reference

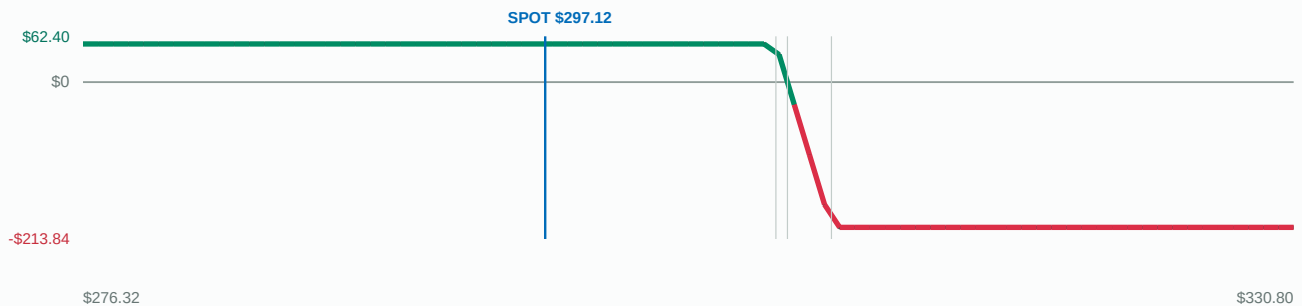
Short \$287.50 | Long \$285.00 | Width \$2.50 | Net credit \$0.55



Max profit \$55.00 | Max loss -\$195.00 | Break-even \$286.95 | Per contract at expiry

Bear Call Spread reference

Short \$307.50 | Long \$310.00 | Width \$2.50 | Net credit \$0.52



Max profit \$52.00 | Max loss -\$198.00 | Break-even \$308.02 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	2026-11-04
Earnings IV-crush risk	NOT MEASURED
VIX	15.14
VVIX	84.24
SKEW index	141.21
Observation confidence	high
Option quote quality	reliable
Contracts observed	136



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	136

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The US option market for ARM displays a mixed outlook, reflecting both bullish sentiment driven by AI demand and cautiousness stemming from legal risks and high valuation. While implied volatility is elevated, call options are slightly more expensive than puts, suggesting a slight lean towards potential upside. However, the recent pullback in price and the ongoing Qualcomm trial create uncertainty.

Options context

ARM Option Market Shows Caution Amidst Legal Uncertainty and Valuation Concerns

Wheel context

The option market is pricing in potential upside but also reflects concerns about legal risks and valuation.

Observed evidence

Implied volatility is elevated at 73.5%, indicating market expectations for significant price movement. | Call options are slightly more expensive than puts, suggesting a slight bullish bias. | The term structure shows backwardation, with near-term options more expensive than longer-dated options, potentially reflecting anticipation of short-term volatility. | Recent news regarding the Qualcomm lawsuit and upcoming earnings create uncertainty and may be contributing to the cautious market sentiment.

Principal risks to monitor

The ongoing Qualcomm trial poses a significant risk to ARM's future royalties and could negatively impact investor sentiment. | ARM's high valuation, with a trailing P/E ratio of over 300x, raises concerns about potential downside if growth expectations are not met.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$323.50B	309.86
ROE	Revenue growth
13.0%	22.5%
EPS growth	Operating margin
18.3%	17.0%
Net profit margin	Gross margin
20.3%	-
Free cash flow CAGR	Debt / equity
-2.3%	0.00
Dividend yield	Beta
-	3.79
52-week range	
\$100.02 - \$452.70	

Company or fund profile

Issuer identity and classification

Name	Market
Arm Holdings PLC	NYSE
Industry	Country
Semiconductors	GB
Currency	IPO date
USD	2023-09-14
Shares outstanding	52-week return
1.07B	98.4%
Book value per share	Revenue per share
\$8.08	\$4.78
Website	arm.com



Latest strategy observation

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

ARM Covered Call signal	Oct 6, 2026 9:59 AM EDT
Covered Call 2026-10-09	
At signal \$305.18 Current \$294.50	
SHORT Option \$307.50 B \$7.10 / A \$7.35	
Conservative CR \$7.23	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$17.28
ATR as % of price	5.9%
Volatility environment	high
Current IV	72.4%
IV rank	42 / 100
IV percentile	69 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 7, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	80 / 100
Trend health	92 / 100
Momentum health	97 / 100
Volatility health	22 / 100
Structure health	94 / 100
Earnings risk / date	low 2026-11-04
Macro risk	unknown
Volatility risk	high
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$287.80 / \$268.36 / \$218.54
EMA (9 / 21)	\$297.79 / \$288.79
Bollinger upper / middle / lower	\$345.56 / \$287.80 / \$230.03



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.557
True high / low	\$302.56 / \$290.50
5-day true high / low	\$318.37 / \$287.50

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.033	-
SMA50	0.858	-
MVWAP20	1.366	-
MACD	-0.404	-
RSI	-1.707	-
Volume	-692638.670	-
ATR	-0.583	-
T1	-	10.86 / 292.95 / 308.50 / 301.07
T2	-	11.07 / 291.28 / 311.00 / 299.80
T3	-	11.14 / 289.64 / 318.37 / 292.34



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$297.12
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:55 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-09 2 DTE
Front at-the-money IV	67.4%
25-delta skew	-3.93
Put / Call 25-delta	\$287.50 Delta -0.246 / \$307.50 Delta 0.272
Median option bid/ask spread	8.2%
Bid/ask spread	-
Contracts observed / quoted	136 / 136

Price context

Last Price: 297.12 | Bid: 296.91 | Ask: 297.39 | Previous Close: 302.56 | Change: -5.44 | Daily change: -1.80% | Update Time: 2026-10-07T14:55:35.758802-04:00 | Latest History Date: 2026-10-07 | Latest History Price: 297.06

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-15 | Latest Date: 2026-10-07 | Latest Price: 297.06 | Max Drawdown 60d Percent: -22.38%

Fundamental context

Current Iv Percent: 73.50% | Iv Rank: 43.55 | Iv Percentile: 70.52 | Next Earnings Date: 2026-11-04 | Ex Dividend Date: N/A



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.

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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 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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