



Arm Holdings PLC / ARM

Equity | Generated Oct 13, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$259.94	+4.70 +1.84%	\$259.29/\$260.00	\$255.24

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 13, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 13, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
54.4 / 100	Balanced	high	68 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$245.00	\$268.00	\$236.00	56 / 100

Options stance	bearish
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Oct 13, 2026 7:50 PM EDT

Key insight

ARM Faces Uncertainty After Qualcomm Ruling, Option Market Reflects Caution

Market read

The US option market for ARM appears cautious and bearish following a recent court ruling against the company. The implied volatility is elevated, reflecting uncertainty surrounding the potential impact of a suspended royalty payment from Qualcomm. Short-term options pricing suggests a high probability of continued downward pressure on the stock price in the near term.

Strategy context

The recent legal ruling against ARM adds significant uncertainty to the company's future revenue stream. The market is awaiting further developments regarding the potential royalty suspension, which could have a material impact on ARM's financial performance.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bearish

AI analysis updated

Oct 13, 2026 1:43 PM EDT

Short-term scenario

Cautious and selective only. Bearish momentum plus an unresolved royalty remedy argue against an aggressive 1-3 week long. A small tactical position could be considered only if price holds near support and legal headlines do not worsen; otherwise stay sidelined into the Nov 4 earnings window. Uncertainty is high and this is not a high-conviction trade.

Three-month outlook

Base case is a choppy path toward roughly \$280-\$300 if the court does not enforce a multi-year Qualcomm royalty suspension and if Nov 4 results confirm continued data-center royalty growth. Structural demand for Arm-based AI and agentic workloads, plus very high gross margins, supports the longer thesis, and Street targets cluster in that zone. However, the stock already prices in substantial growth at a forward multiple above 100x, so disappointment can compress the multiple quickly. A downside case (royalty holiday granted, weaker guidance, or further sector derating) could revisit the low \$200s or the 200-day average near \$220. Main uncertainties are the judge's remedy ruling, Q2 earnings and guidance, smartphone versus data-center mix, and valuation sensitivity. Not investment advice.

Market sentiment

Near-term X sentiment is cautious to negative and event-driven. Posts center on the Qualcomm jury finding and the risk of a multi-year royalty holiday, with ARM trading lower while Qualcomm rises. Several traders say the key variable is whether the judge allows royalty payments to be suspended; if that remedy is limited, a relief rally is possible, and a minority view the drop as a call-buying setup. Longer-horizon comments mix structural AI optimism with ongoing skepticism about the extreme valuation. Overall tone is uncertain rather than uniformly bullish or bearish.

Supporting evidence

Elevated implied volatility (72.39%) indicates market concern about future price swings. | The term structure is backwardated, with near-term options more expensive than longer-dated options, suggesting a higher probability of near-term downside risk. | Put options are in demand, as evidenced by the negative 25-delta skew, indicating a greater expectation for price declines. | Short-term technical indicators like RSI and MACD show bearish momentum.

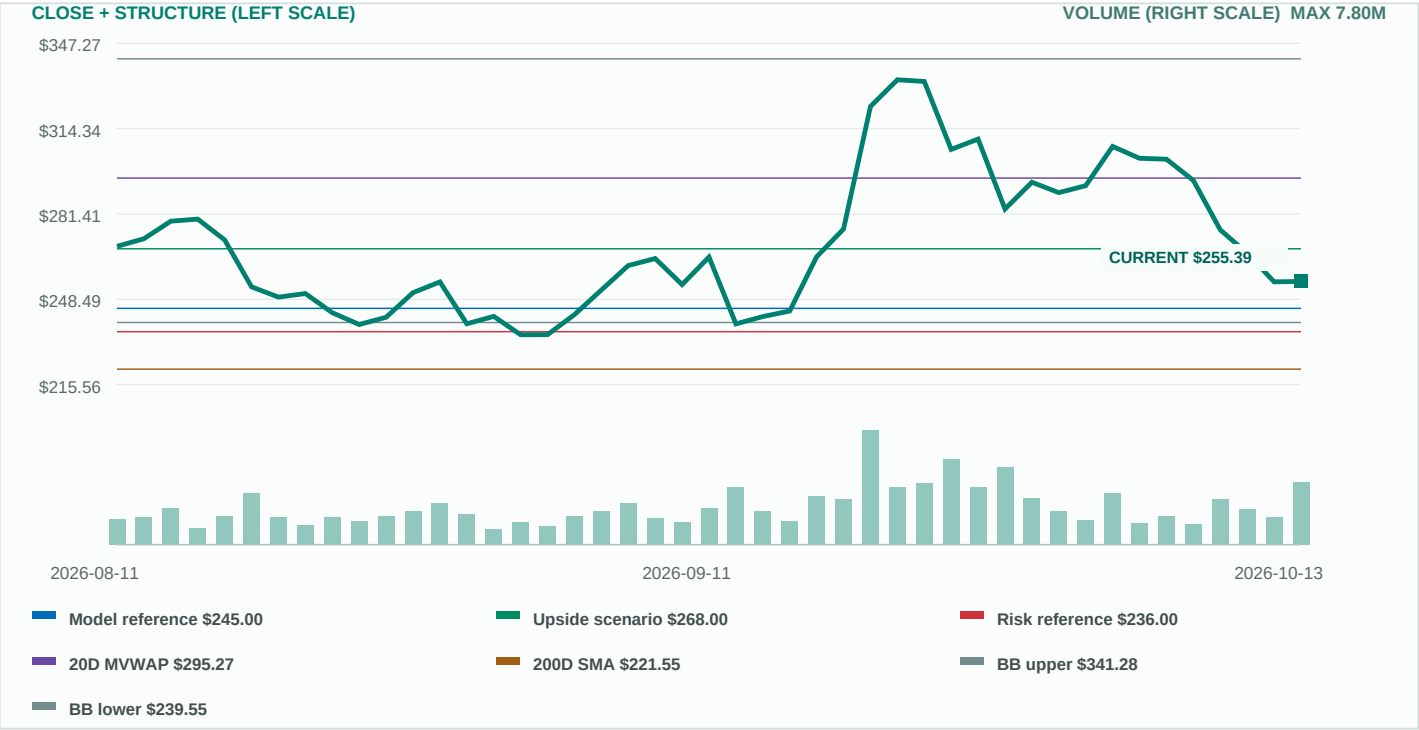
Risk watch

Potential for a multi-year royalty holiday from Qualcomm, estimated at \$1.5 billion annually. | Disappointment in upcoming earnings reports could lead to further downward pressure on the stock price.



Enhanced price structure

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

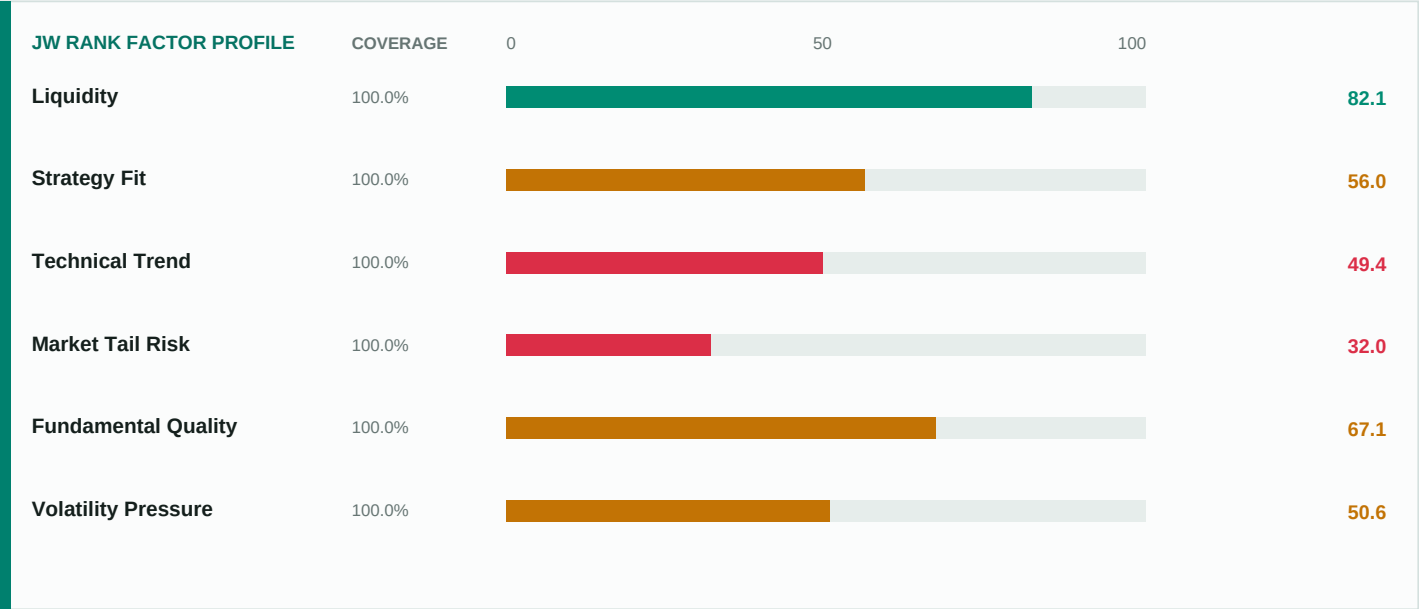


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

bullish_recovery

Institutional flow

Below MVWAP

Structure

Above 200D trend

Volatility

high



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	BULLISH RECOVERY neutral MACD decelerating
Trend signal	BULLISH RECOVERY
RSI signal	neutral
RSI (7 / 14 / 21)	27.55 / 40.68 / 44.52
RSI velocity	-1.99
MACD line / signal / histogram	-0.51 / - / 5.77
MACD acceleration	-2.69
Stochastic K / D	5.84 / 8.91

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Below institutional MVWAP Accumulation bias
Institutional flow	0.47
20-day MVWAP	\$295.27
Price vs 20-day MVWAP	-11.97%
Daily reference VWAP	\$253.05
Price vs daily reference	+2.72%
Volume	4.27M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	0.52
20-day / 200-day SMA	\$290.42 / \$221.55
Bollinger range	\$239.55 - \$341.28
Bollinger position	0.156



Options and volatility intelligence

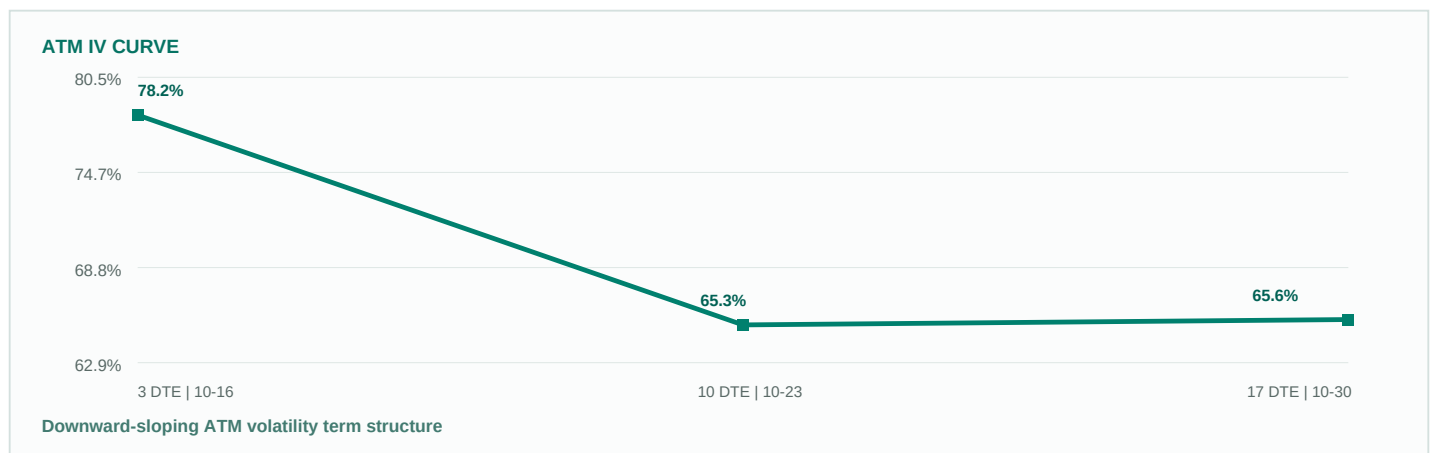
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
42 / 100	69 / 100	85.83	155.06

Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-12.62 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 13, 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
2026-10-16	3	78.2%	-
2026-10-23	10	65.3%	-
2026-10-30	17	65.6%	-

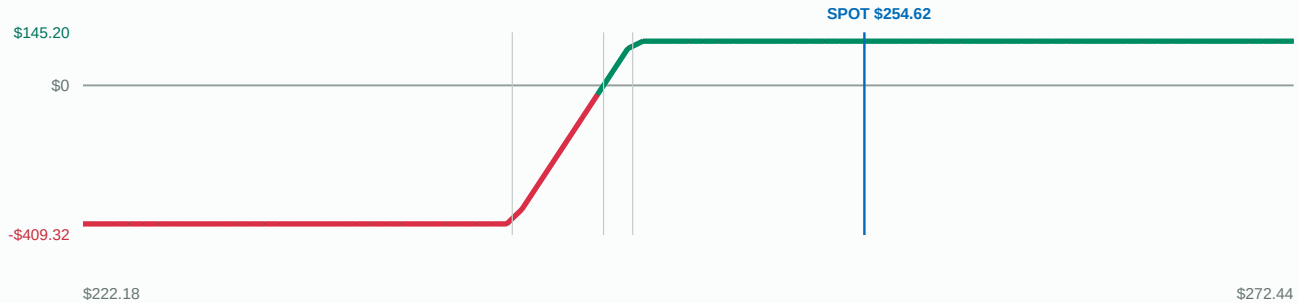


Reference spread payoff

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

Bull Put Spread reference

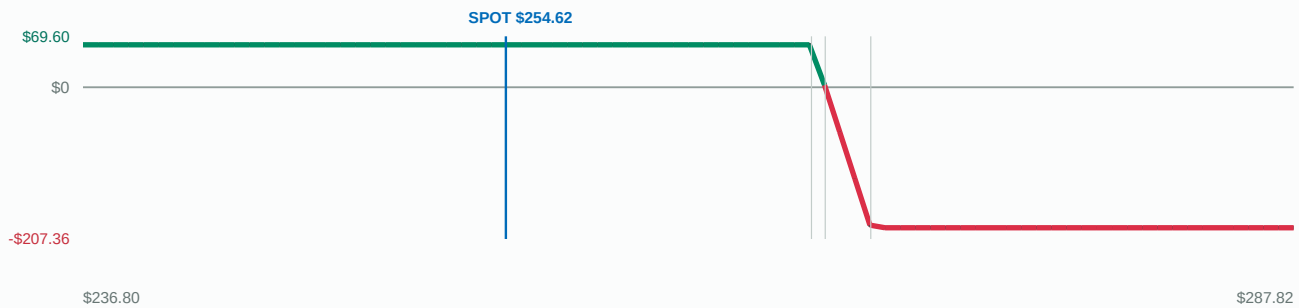
Short \$245.00 | Long \$240.00 | Width \$5.00 | Net credit \$1.21



Max profit \$121.00 | Max loss -\$379.00 | Break-even \$243.79 | Per contract at expiry

Bear Call Spread reference

Short \$267.50 | Long \$270.00 | Width \$2.50 | Net credit \$0.58



Max profit \$58.00 | Max loss -\$192.00 | Break-even \$268.08 | 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	15.51
VVIX	85.83
SKEW index	155.06
Observation confidence	high
Option quote quality	reliable
Contracts observed	150



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	150

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The US option market for ARM appears cautious and bearish following a recent court ruling against the company. The implied volatility is elevated, reflecting uncertainty surrounding the potential impact of a suspended royalty payment from Qualcomm. Short-term options pricing suggests a high probability of continued downward pressure on the stock price in the near term.

Options context

ARM Faces Uncertainty After Qualcomm Ruling, Option Market Reflects Caution

Wheel context

The recent legal ruling against ARM adds significant uncertainty to the company’s future revenue stream. The market is awaiting further developments regarding the potential royalty suspension, which could have a material impact on ARM’s financial performance.

Observed evidence

Elevated implied volatility (72.39%) indicates market concern about future price swings. | The term structure is backwardated, with near-term options more expensive than longer-dated options, suggesting a higher probability of near-term downside risk. | Put options are in demand, as evidenced by the negative 25-delta skew, indicating a greater expectation for price declines. | Short-term technical indicators like RSI and MACD show bearish momentum.

Principal risks to monitor

Potential for a multi-year royalty holiday from Qualcomm, estimated at \$1.5 billion annually. | Disappointment in upcoming earnings reports could lead to further downward pressure on the stock price.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$284.39B	272.40
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
-	3.77
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	56.0%
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 13, 2026 12:06 PM EDT
Covered Call 2026-10-16	
At signal \$256.50 Current \$259.94	
SHORT Option \$257.50 B \$6.55 / A \$7.05	
Conservative CR \$6.80	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$17.24
ATR as % of price	6.8%
Volatility environment	high
Current IV	72.2%
IV rank	42 / 100
IV percentile	68 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 13, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	61 / 100
Trend health	78 / 100
Momentum health	74 / 100
Volatility health	9 / 100
Structure health	66 / 100
Earnings risk / date	medium 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)	\$290.42 / \$270.50 / \$221.55
EMA (9 / 21)	\$276.17 / \$280.37
Bollinger upper / middle / lower	\$341.28 / \$290.42 / \$239.55



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.156
True high / low	\$260.15 / \$243.60
5-day true high / low	\$302.56 / \$243.60

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.521	-
SMA50	0.378	-
MVWAP20	0.468	-
MACD	-2.687	-
RSI	-1.993	-
Volume	394682.330	-
ATR	-0.174	-
T1	-	1.87 / 296.32 / 266.28 / 253.34
T2	-	4.89 / 294.24 / 281.50 / 265.60
T3	-	7.55 / 293.87 / 294.37 / 270.26



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$254.62
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 13, 2026 2:55 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-16 3 DTE
Front at-the-money IV	78.2%
25-delta skew	-4.18
Put / Call 25-delta	\$245.00 Delta -0.278 / \$267.50 Delta 0.265
Median option bid/ask spread	9.3%
Bid/ask spread	-
Contracts observed / quoted	150 / 150

Price context

Last Price: 254.62 | Bid: 254.43 | Ask: 254.81 | Previous Close: 255.24 | Change: -0.62 | Daily change: -0.24% | Update Time: 2026-10-13T14:55:04.255133-04:00 | Latest History Date: 2026-10-13 | Latest History Price: 254.62

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-21 | Latest Date: 2026-10-13 | Latest Price: 254.62 | Max Drawdown 60d Percent: -23.58%

Fundamental context

Current Iv Percent: 72.39% | Iv Rank: 42.14 | Iv Percentile: 68.92 | 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.

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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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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