Broadcom Inc / AVGO

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

Current price	Daily move	Bid / Ask	Previous close
$362.37	**-7.31 -1.98%**	**$362.02/$362.43**	**$369.68**

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

JW Intelligence Report

Complete | 3 of 3 sections | Sep 2, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
61.7 / 100	**Balanced**	**high**	**50 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$360.00	**$400.00**	**$345.00**	**64 / 100**

Options stance	**mixed**
Tail-risk safety	**64 / 100**
JW Rank data coverage / as of	**100.0% | Sep 2, 2026 7:50 PM EDT**

Key insight

AVGO: Earnings Risk Weighs on Options, But Bullish Long-Term Potential Remains

Market read

The market is cautious ahead of AVGO's Q3 earnings release. Implied volatility is elevated, reflecting a potential 7.5-12% price swing post-earnings. While analysts remain bullish with targets above current levels, recent headlines and the stock's pullback from June highs suggest investor concerns about valuation and guidance. The technical picture is bearish in the short term, but the long-term outlook remains constructive if AI guidance is reaffirmed.

Strategy context

Elevated implied volatility suggests a potential for significant price movement following earnings.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 2, 2026 1:59 PM EDT**

Short-term scenario

High event-driven uncertainty around tonight's earnings (binary 7-12% implied move). Wait for the reaction rather than initiating new size; if holding or adding, consider a dip-buy only if AI guidance is reaffirmed and price holds key support. 1-3 week outcome is highly uncertain.

Three-month outlook

Constructive on the 3-month horizon if Q3/Q4 guidance and FY2027 AI commentary ($100B+ semiconductor revenue) hold, given multi-year hyperscaler contracts, custom XPU ramps, and analyst targets implying ~40% upside. However, substantial uncertainty remains around customer diversification (Google/MediaTek/Marvell reports), mix-driven gross-margin pressure, execution of the backlog into shipments, and broader AI/tech sentiment. A disappointing print or guidance could extend the drawdown toward the $340s; a clean beat-and-raise could drive a recovery toward $420-450. Position sizing should reflect the elevated risk.

Market sentiment

Cautious and mixed heading into earnings. Investors praise rising estimates, massive AI backlog, and $100B+ FY2027 AI semiconductor potential, with some adding on dips. However, many expect a possible sell-off even on a beat because the bar is high after last quarter's drop despite strong results; some are short into the print citing guidance risk, CoWoS constraints, and compressed but still-rich valuation (~21x forward). Overall tone is 'good numbers may not be enough.'

Supporting evidence

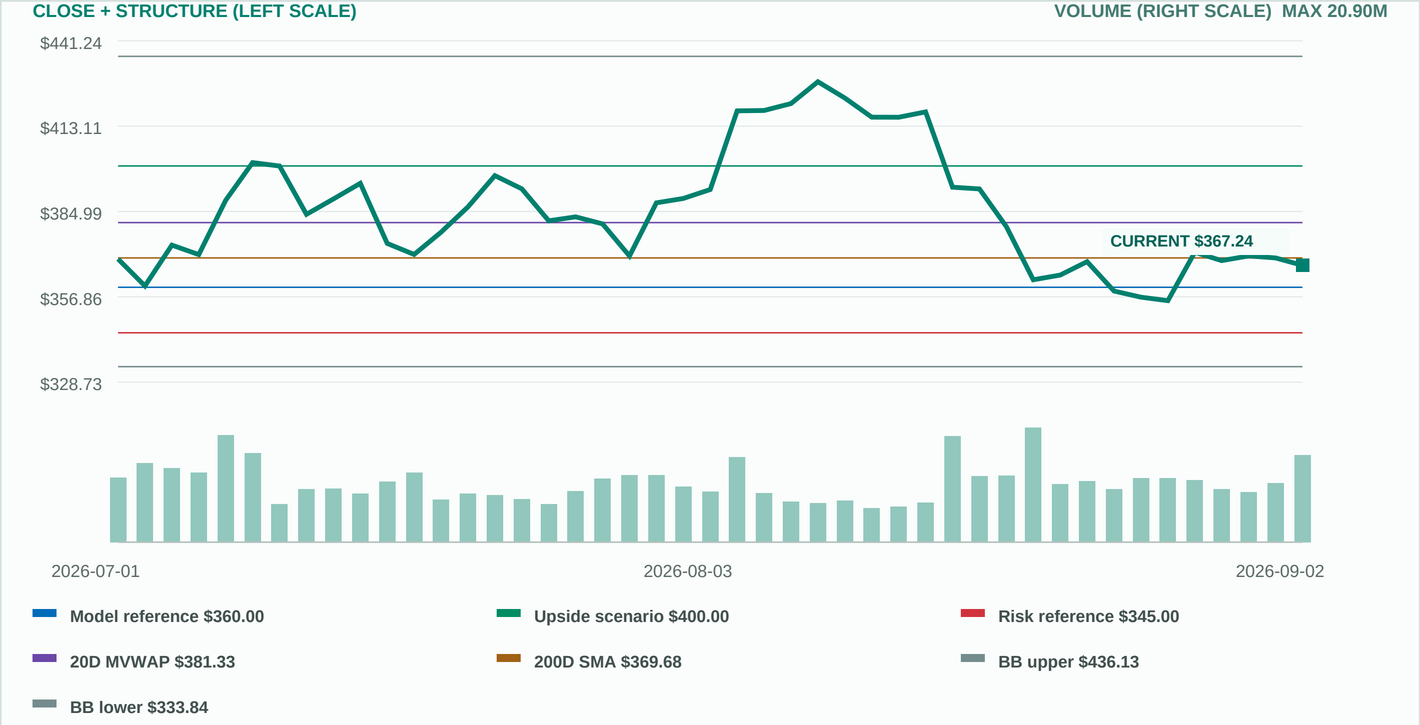
AVGO options imply a 7.5-12% post-earnings price swing. | Technical indicators are bearish in the short term, with price below key moving averages and RSI near oversold levels. | Analysts remain bullish with average 12-month targets around $510-516.

Risk watch

Earnings miss or weak guidance could trigger further downside. | Valuation concerns and competition in the AI chip market pose risks.

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

JW RANK FACTOR PROFILE	COVERAGE	0 — 50 — 100
Liquidity	100.0%	98.2
Strategy Fit	100.0%	64.3
Technical Trend	100.0%	27.5
Market Tail Risk	100.0%	63.8
Fundamental Quality	100.0%	90.0
Volatility Pressure	100.0%	68.8

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bearish_warning	**Below MVWAP**	**Below 200D trend**	**medium**

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**BEARISH WARNING | neutral | MACD accelerating**
Trend signal	**BEARISH WARNING**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**40.97 / 42.13 / 44.19**
RSI velocity	**-0.20**
MACD line / signal / histogram	**-7.92 / - / -6.71**
MACD acceleration	**0.29**
Stochastic K / D	**26.75 / 26.04**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.12**
20-day MVWAP	**$381.33**
Price vs 20-day MVWAP	**-4.97%**
Daily reference VWAP	**$367.66**
Price vs daily reference	**-1.44%**
Volume	**15.91M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-2.02**
20-day / 200-day SMA	**$384.99 / $369.68**
Bollinger range	**$333.84 - $436.13**
Bollinger position	**0.327**

Options and volatility intelligence

Structure, premium conditions and principal risks

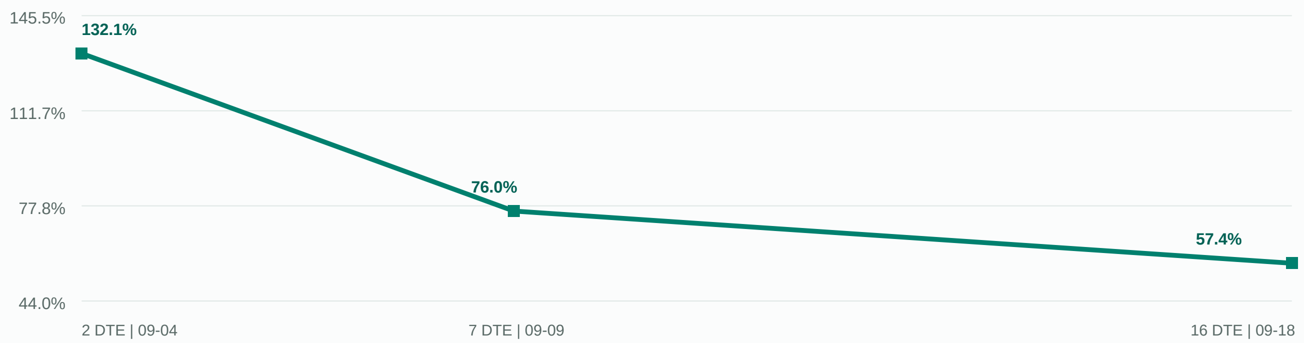
IV rank	IV percentile	VVIX	SKEW
45 / 100	**57 / 100**	**87.01**	**149.23**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-74.64 pts**
Skew read	**CALL DEMAND ELEVATED**
Liquidity / quote coverage	**100.0%**
Options observation	**Sep 2, 2026 4:27 PM EDT | Coverage 100.0%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

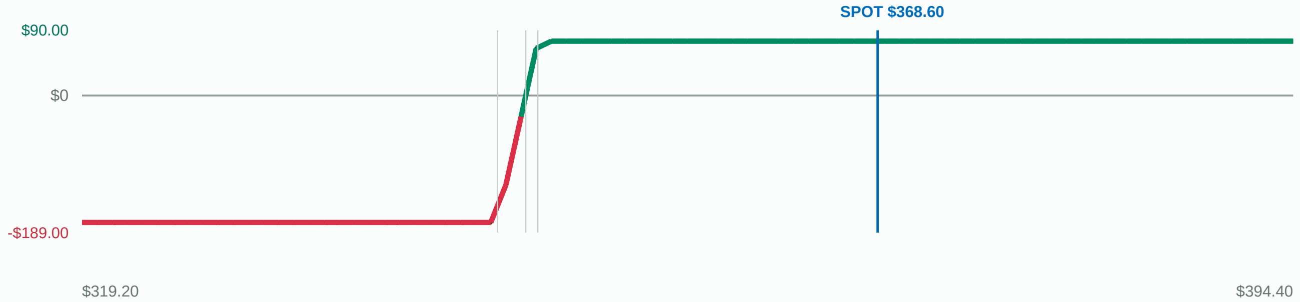
EXPIRATION	DTE	ATM IV	STATE
2026-09-04	2	132.1%	-
2026-09-09	7	76.0%	-
2026-09-18	16	57.4%	-

Reference spread payoff

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

Bull Put Spread reference

Short $347.50 | Long $345.00 | Width $2.50 | Net credit $0.75



Max profit $75.00 | Max loss -$175.00 | Break-even $346.75 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-09-02**
Earnings IV-crush risk	**high**
Event IV premium	**56.08**
VIX	**15.21**
VVIX	**87.01**
SKEW index	**149.23**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**138**
Contracts with quotes	**138**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

AVGO: Earnings Risk Weighs on Options, But Bullish Long-Term Potential Remains

Wheel context

Elevated implied volatility suggests a potential for significant price movement following earnings.

Observed evidence

AVGO options imply a 7.5-12% post-earnings price swing. | Technical indicators are bearish in the short term, with price below key moving averages and RSI near oversold levels. | Analysts remain bullish with average 12-month targets around $510-516.

Principal risks to monitor

Earnings miss or weak guidance could trigger further downside. | Valuation concerns and competition in the AI chip market pose risks.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.76T**	P/E (TTM) **68.35**
ROE **36.4%**	Revenue growth **24.4%**
EPS growth **20.6%**	Operating margin **43.4%**
Net profit margin **38.9%**	Gross margin **-**
Free cash flow CAGR **18.3%**	Debt / equity **0.80**
Dividend yield **1.9%**	Beta **1.48**
52-week range **$287.17 - $495.00**	

Company or fund profile

Issuer identity and classification

Name **Broadcom Inc**	Market **NYSE**
Industry **Semiconductors**	Country **US**
Currency **USD**	IPO date **2009-08-06**
Shares outstanding **4.76B**	52-week return **24.0%**
Book value per share **$18.52**	Revenue per share **$15.48**

Website	**broadcom.com**

Latest strategy observation

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

AVGO Covered Call signal

Sep 2, 2026 9:38 AM EDT

Covered Call | 2026-09-04

At signal $365.16 | Current $362.37

SHORT **Option $365.00 B $15.15 / A $15.45**

High turnover | CR $15.30

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$12.66**
ATR as % of price	**3.5%**
Volatility environment	**medium**
Current IV	**48.4%**
IV rank	**42 / 100**
IV percentile	**50 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**61 / 100**
Trend health	**38 / 100**
Momentum health	**77 / 100**
Volatility health	**58 / 100**
Structure health	**83 / 100**
Earnings risk / date	**unknown | 2026-09-02**
Macro risk	**unknown**
Volatility risk	**medium**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$384.99 / $384.58 / $369.68**
EMA (9 / 21)	**$369.60 / $377.61**
Bollinger upper / middle / lower	**$436.13 / $384.99 / $333.84**
Bollinger %B	**0.327**
True high / low	**$371.09 / $364.65**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$376.59 / $355.59**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.024	-
SMA50	-0.509	-
MVWAP20	-2.120	-
MACD	0.295	-
RSI	-0.204	-
Volume	2085971.000	-
ATR	-0.434	-
T1	-	**-8.08 / 384.04 / 371.40 / 362.00**
T2	-	**-8.42 / 386.98 / 372.75 / 366.30**
T3	-	**-8.80 / 387.69 / 376.59 / 365.35**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$368.60**
Options intelligence as of	**Sep 2, 2026 4:27 PM EDT**
Options data coverage	**100.0%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-04 | 2 DTE**
Front at-the-money IV	**132.1%**
25-delta skew	**-7.71**
Put / Call 25-delta	**$347.50 Delta -0.253 / $397.50 Delta 0.243**
Median option bid/ask spread	**3.0%**
Bid/ask spread	**-**
Contracts observed / quoted	**138 / 138**

Price context

Last Price: 368.60 | Bid: 368.56 | Ask: 368.62 | Previous Close: 369.68 | Change: -1.08 | Daily change: -0.29% | Update Time: 2026-09-02T14:45:23.193770-04:00 | Latest History Date: 2026-09-02 | Latest History Price: 368.53

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-09 | Latest Date: 2026-09-02 | Latest Price: 368.53 | Max Drawdown 60d Percent: -16.87%

Fundamental context

Current Iv Percent: 49.11% | Iv Rank: 44.90 | Iv Percentile: 56.75 | Next Earnings Date: 2026-09-02 | Ex Dividend Date: 2026-06-21 | Dividend Yield: 70.00

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

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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.

Reference documents

Official product terms and standardized options disclosure

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