Broadcom Inc / AVGO

Equity | Generated Sep 4, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$357.07	**-0.09 -0.03%**	**-/-**	**$357.16**

Market	**NYSE**
Industry	**Semiconductors**
Market data as of	**Sep 4, 2026 11:30 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 4, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
52.4 / 100	**Balanced**	**high**	**1 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$348.00	**$372.00**	**$338.00**	**55 / 100**

Options stance	**bullish**
Tail-risk safety	**64 / 100**
JW Rank data coverage / as of	**100.0% | Sep 4, 2026 6:50 PM EDT**

Key insight

AVGO: Option Market Prices in Continued AI Growth and Potential Overshoot

Market read

The option market for AVGO reflects a bullish outlook, despite recent price weakness following the company's Q3 earnings report. Elevated implied volatility suggests anticipation of significant price swings, potentially driven by upcoming events like Q4 earnings and continued AI demand. While short-term technical indicators point to potential oversold conditions, the long-term bullish sentiment is supported by strong fundamentals, including record revenue growth and a raised outlook for AI chip sales.

Strategy context

AVGO's recent earnings report highlighted strong AI revenue growth and a raised long-term outlook. However, the market reacted negatively to slightly light Q4 guidance, creating a potential buying opportunity for investors with a longer-term perspective.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Sep 4, 2026 2:06 PM EDT**

Short-term scenario

Cautious/speculative long on potential oversold bounce in 1-3 weeks, given technical weakness and post-earnings digestion; high uncertainty from guidance sensitivity and trend.

Three-month outlook

Constructive but highly uncertain: AI demand acceleration, raised multi-year guidance, and analyst average PT ~$516 (significant upside from current levels) support potential recovery toward $400+ if Q4 execution holds and technicals stabilize. Risks include further downside if 350 support fails, rich valuation (high P/S and P/E), custom-chip competition, client concentration, margin mix shifts, and broader market/macro factors. Recent earnings reaction highlights sensitivity to any shortfall versus lofty expectations.

Market sentiment

Mixed to cautiously disappointed short-term: sell-off after earnings viewed as overreaction to slightly light Q4 guide despite explosive AI growth; some traders note options gamma support 330-350 and 'buy the dip' given Strong Buy consensus. Longer-term bullish on AI custom chips and hyperscaler demand, but high expectations and valuation priced for perfection create volatility. Spam and watchlist mentions common.

Supporting evidence

Elevated implied volatility (IV) of 34.33% suggests market expectations for significant price movement in the coming weeks. | Call options are more expensive than put options, indicating a bullish bias reflected in the skew. | The term structure shows contango, with longer-dated options priced higher than near-term options, suggesting continued optimism about future growth. | Analysts remain largely bullish on AVGO, with price targets averaging around $500, representing significant upside potential.

Risk watch

Short-term technical indicators suggest potential downside risk if support levels around $330-$350 are breached.

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%	99.9
Strategy Fit	100.0%	54.7
Technical Trend	100.0%	23.8
Market Tail Risk	100.0%	63.8
Fundamental Quality	100.0%	90.0
Volatility Pressure	100.0%	31.3

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 decelerating**
Trend signal	**BEARISH WARNING**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**32.05 / 38.04 / 41.55**
RSI velocity	**-1.76**
MACD line / signal / histogram	**-8.81 / - / -7.42**
MACD acceleration	**-0.24**
Stochastic K / D	**29.77 / 27.70**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-3.82**
20-day MVWAP	**$372.58**
Price vs 20-day MVWAP	**-4.16%**
Daily reference VWAP	**$357.30**
Price vs daily reference	**-0.06%**
Volume	**20.55M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-3.07**
20-day / 200-day SMA	**$378.32 / $369.83**
Bollinger range	**$332.55 - $424.09**
Bollinger position	**0.277**

Options and volatility intelligence

Structure, premium conditions and principal risks

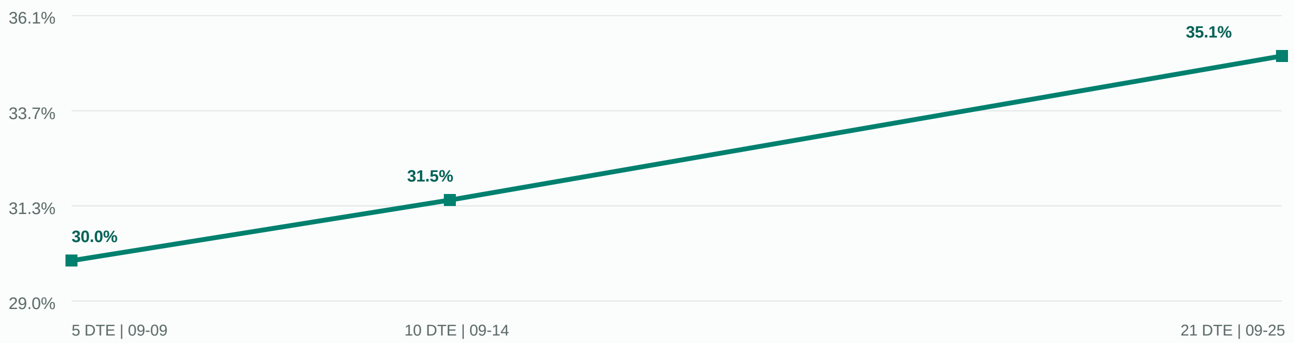
IV rank	IV percentile	VVIX	SKEW
0 / 100	0 / 100	82.43	150.63

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**contango**
Term slope	**+5.07 pts**
Skew read	**CALL DEMAND ELEVATED**
Liquidity / quote coverage	**100.0%**
Options observation	**Sep 4, 2026 4:27 PM EDT | Coverage 100.0%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Upward-sloping ATM volatility term structure

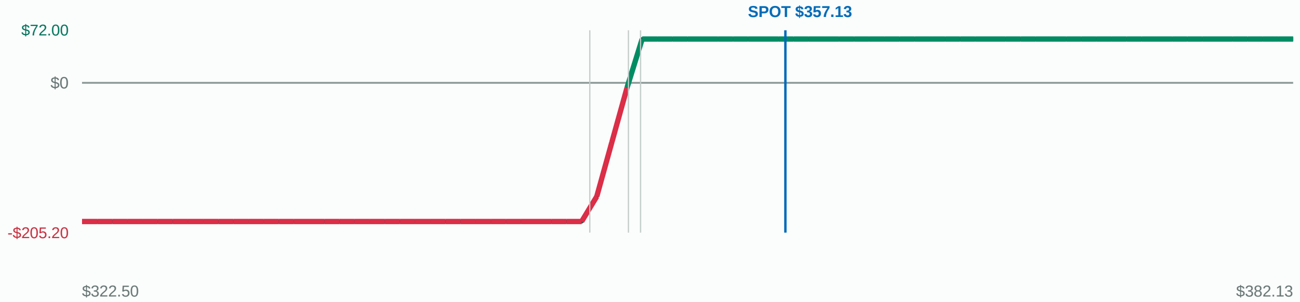
EXPIRATION	DTE	ATM IV	STATE
2026-09-09	5	30.0%	-
2026-09-14	10	31.5%	-
2026-09-25	21	35.1%	-

Reference spread payoff

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

Bull Put Spread reference

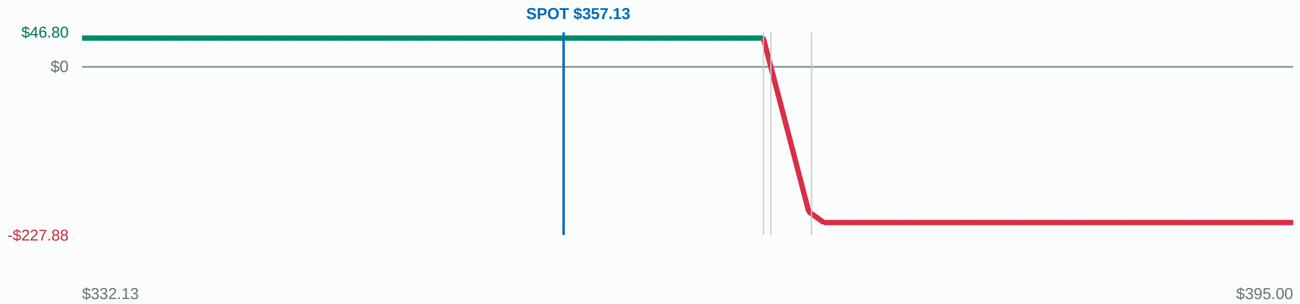
Short $350.00 | Long $347.50 | Width $2.50 | Net credit $0.60



Max profit $60.00 | Max loss -$190.00 | Break-even $349.40 | Per contract at expiry

Bear Call Spread reference

Short $367.50 | Long $370.00 | Width $2.50 | Net credit $0.39



Max profit $39.00 | Max loss -$211.00 | Break-even $367.89 | 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	**moderate**
Event IV premium	**-1.50**
VIX	**14.02**
VVIX	**82.43**
SKEW index	**150.63**
Observation confidence	**high**
Option quote quality	**reliable**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	**93**
Contracts with quotes	**93**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

AVGO: Option Market Prices in Continued AI Growth and Potential Overshoot

Wheel context

AVGO's recent earnings report highlighted strong AI revenue growth and a raised long-term outlook. However, the market reacted negatively to slightly light Q4 guidance, creating a potential buying opportunity for investors with a longer-term perspective.

Observed evidence

Elevated implied volatility (IV) of 34.33% suggests market expectations for significant price movement in the coming weeks. | Call options are more expensive than put options, indicating a bullish bias reflected in the skew. | The term structure shows contango, with longer-dated options priced higher than near-term options, suggesting continued optimism about future growth. | Analysts remain largely bullish on AVGO, with price targets averaging around $500, representing significant upside potential.

Principal risks to monitor

Short-term technical indicators suggest potential downside risk if support levels around $330-$350 are breached.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.70T**	P/E (TTM) **44.05**
ROE **43.9%**	Revenue growth **24.4%**
EPS growth **20.6%**	Operating margin **48.0%**
Net profit margin **42.9%**	Gross margin **-**
Free cash flow CAGR **18.3%**	Debt / equity **0.80**
Dividend yield **1.9%**	Beta **1.48**
52-week range **$289.96 - $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 **16.7%**
Book value per share **$20.95**	Revenue per share **$18.23**

Website	**broadcom.com**

Latest strategy observation

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

AVGO Covered Call signal

Sep 4, 2026 9:34 AM EDT

Covered Call | 2026-09-09

At signal $358.29 | Current $357.07

SHORT **Option $357.50 B $6.00 / A $6.60**

High turnover | CR $6.30

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$13.04**
ATR as % of price	**3.6%**
Volatility environment	**medium**
Current IV	**35.8%**
IV rank	**0 / 100**
IV percentile	**1 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**57 / 100**
Trend health	**38 / 100**
Momentum health	**69 / 100**
Volatility health	**55 / 100**
Structure health	**78 / 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)	**$378.32 / $383.66 / $369.83**
EMA (9 / 21)	**$365.27 / $374.12**
Bollinger upper / middle / lower	**$424.09 / $378.32 / $332.55**
Bollinger %B	**0.277**
True high / low	**$360.30 / $353.70**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$372.75 / $342.33**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-3.072	**-**
SMA50	-0.392	**-**
MVWAP20	-3.818	**-**
MACD	-0.241	**-**
RSI	-1.762	**-**
Volume	3262448.000	**-**
ATR	-0.033	**-**
T1	-	**-8.50 / 375.33 / 367.24 / 342.33**
T2	-	**-7.92 / 381.33 / 371.09 / 364.65**
T3	-	**-8.08 / 384.04 / 371.40 / 362.00**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$357.13**
Options intelligence as of	**Sep 4, 2026 4:27 PM EDT**
Options data coverage	**100.0%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-09 | 5 DTE**
Front at-the-money IV	**30.0%**
25-delta skew	**-2.11**
Put / Call 25-delta	**$350.00 Delta -0.268 / $367.50 Delta 0.233**
Median option bid/ask spread	**9.9%**
Bid/ask spread	**-**
Contracts observed / quoted	**93 / 93**

Price context

Last Price: 357.13 | Bid: 357.08 | Ask: 357.19 | Previous Close: 357.16 | Change: -0.03 | Daily change: -0.01% | Update Time: 2026-09-04T14:47:43.682667-04:00 | Latest History Date: 2026-09-04 | Latest History Price: 357.12

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-11 | Latest Date: 2026-09-04 | Latest Price: 357.12 | Max Drawdown 60d Percent: -16.87%

Fundamental context

Current Iv Percent: 34.33% | Iv Rank: 0.00 | Iv Percentile: 0.00 | Next Earnings Date: 2026-09-02 | Ex Dividend Date: 2026-09-20 | Dividend Yield: 73.00

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.

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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.

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.

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Reference documents

Official product terms and standardized options disclosure

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