Caterpillar Inc / CAT

Equity | Generated Sep 10, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$810.60	**-4.96 -0.61%**	**$805.00/$813.57**	**$815.56**

Market	**NYSE**
Industry	**Machinery**
Market data as of	**Sep 10, 2026 11:30 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 10, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
58.9 / 100	**Balanced**	**high**	**31 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$795.00	**$850.00**	**$775.00**	**72 / 100**

Options stance	**bullish**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 10, 2026 7:51 PM EDT**

Key insight

CAT Options Suggest Optimism Despite Recent Pullback

Market read

The market appears bullish on Caterpillar (CAT) despite a recent pullback in its share price. While the stock dipped below key moving averages, implied volatility remains elevated, suggesting anticipation of future price swings. The term structure is backwardated, indicating a preference for near-term upside potential. Bullish sentiment is further supported by strong earnings results and positive analyst commentary.

Strategy context

The market seems to be pricing in a potential rebound for CAT, despite recent weakness. The combination of elevated IV and backwardated term structure suggests traders are betting on near-term upside.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Sep 10, 2026 2:15 PM EDT**

Short-term scenario

Cautious / wait-and-see or scale-in on dip. Short-term technicals weak after extended rally and today's decline; high uncertainty from valuation, rates, tariffs and macro. Prefer confirmation of support hold or RSI bounce before aggressive entry. Not financial advice.

Three-month outlook

Constructive but uncertain. Record $72B backlog (visibility into 2027-2030), AI/data-center power demand, raised guidance and capacity expansion support further gains toward analyst targets ($870-994 range) if Q3 execution holds. Risks: rich valuation (P/E 35), potential cost/tariff/margin pressure, interest-rate sensitivity (beta 1.6), insider selling and post-rally mean-reversion. Possible 3-month range 750-950 depending on macro data, Fed path and industrial demand. Significant uncertainty remains.

Market sentiment

Sparse dedicated discussion. Positive notes on Freedom Broker upgrade (PT $980) and CAT as 2nd-best Dow performer YTD (+42%). Technical posts flag sell signals (H&S, below MAs). Mentions of industrials holding up vs. tech and potential rotation. Overall cautious/mixed amid the recent pullback; crypto-meme CAT noise dominates unrelated posts.

Supporting evidence

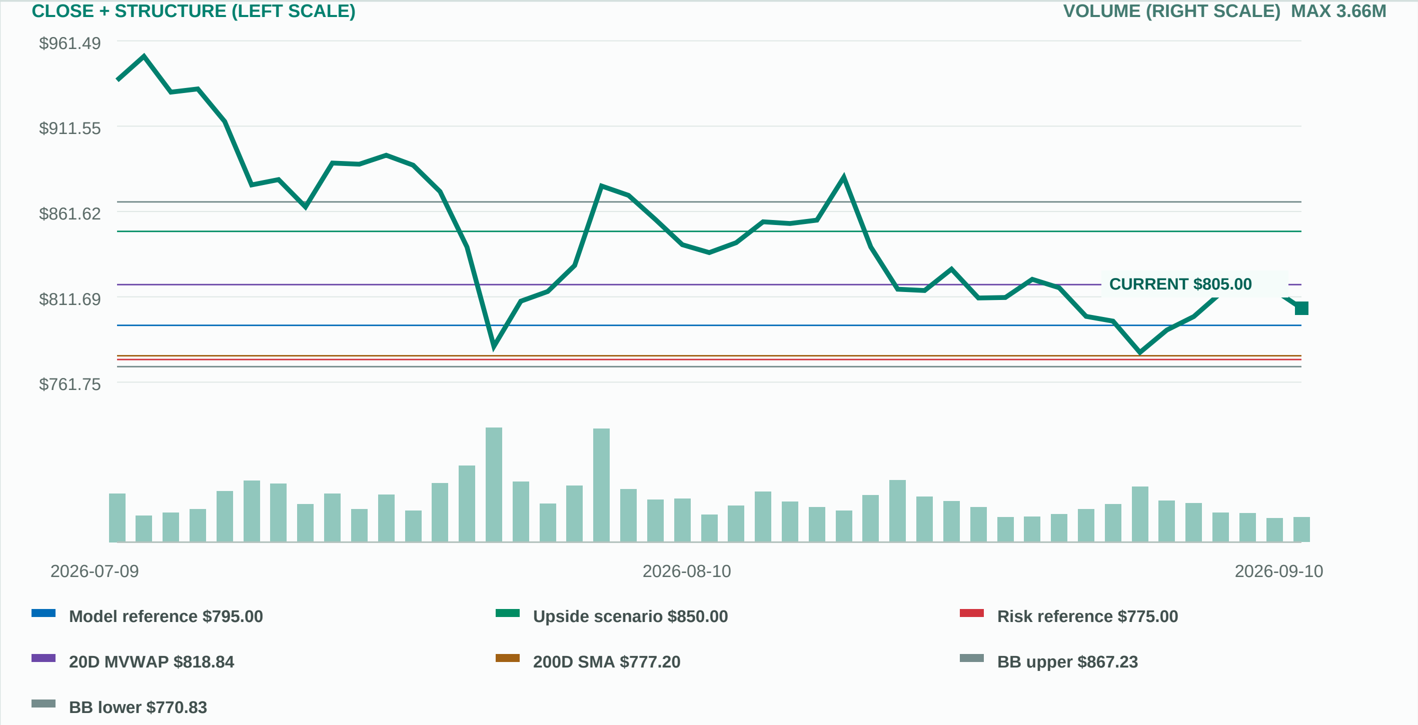
Implied volatility (IV) is above historical levels, suggesting market expectations for significant price movement in the near future. | The term structure of IV is backwardated, with shorter-dated options more expensive than longer-dated ones. This suggests a belief that CAT's price will move more significantly in the coming weeks. | Positive analyst commentary and upgrades from firms like Freedom Broker contribute to the bullish outlook. | Record backlog and strong earnings results point towards continued demand for CAT's products.

Risk watch

Recent insider selling could signal some caution regarding the stock's future performance. | High valuation multiples (P/E) may make CAT susceptible to a pullback if market sentiment deteriorates.

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%	90.1
Strategy Fit	100.0%	72.2
Technical Trend	100.0%	42.1
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	59.2
Volatility Pressure	100.0%	55.7

Decision summary

Primary model reads before the detailed indicator appendix

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

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**BULLISH RECOVERY | neutral | MACD accelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**44.60 / 43.37 / 43.82**
RSI velocity	**-0.69**
MACD line / signal / histogram	**-14.61 / - / -17.64**
MACD acceleration	**1.50**
Stochastic K / D	**63.07 / 56.41**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-1.79**
20-day MVWAP	**$818.84**
Price vs 20-day MVWAP	**-1.01%**
Daily reference VWAP	**$804.82**
Price vs daily reference	**+0.72%**
Volume	**794.33K**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-1.56**
20-day / 200-day SMA	**$819.03 / $777.20**
Bollinger range	**$770.83 - $867.23**
Bollinger position	**0.354**

Options and volatility intelligence

Structure, premium conditions and principal risks

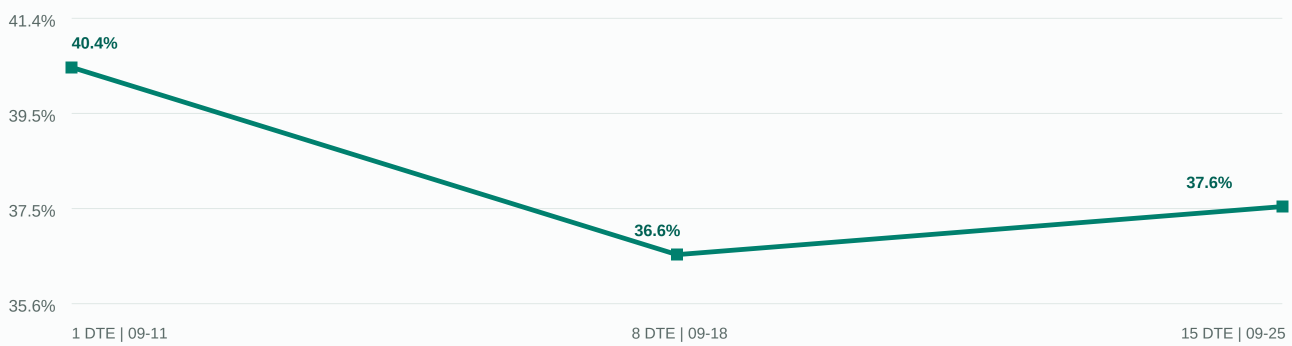
IV rank	IV percentile	VVIX	SKEW
40 / 100	**41 / 100**	**100.96**	**149.25**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-2.84 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 10, 2026 2:46 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

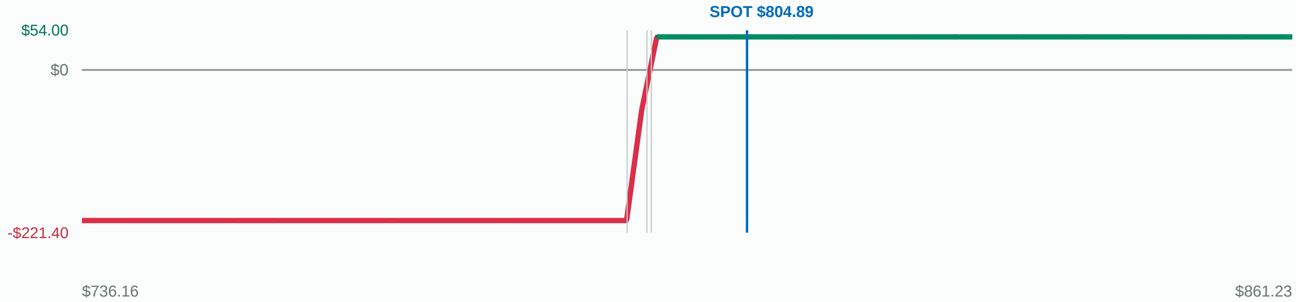
EXPIRATION	DTE	ATM IV	STATE
2026-09-11	1	40.4%	-
2026-09-18	8	36.6%	-
2026-09-25	15	37.6%	-

Reference spread payoff

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

Bull Put Spread reference

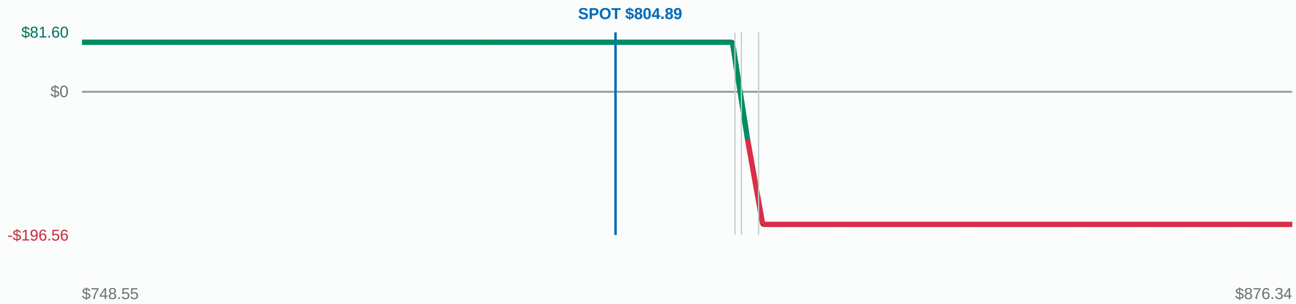
Short $795.00 | Long $792.50 | Width $2.50 | Net credit $0.45



Max profit $45.00 | Max loss -$205.00 | Break-even $794.55 | Per contract at expiry

Bear Call Spread reference

Short $817.50 | Long $820.00 | Width $2.50 | Net credit $0.68



Max profit $68.00 | Max loss -$182.00 | Break-even $818.18 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-10-29**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**17.76**
VVIX	**100.96**
SKEW index	**149.25**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**91**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**91**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market appears bullish on Caterpillar (CAT) despite a recent pullback in its share price. While the stock dipped below key moving averages, implied volatility remains elevated, suggesting anticipation of future price swings. The term structure is backwardated, indicating a preference for near-term upside potential. Bullish sentiment is further supported by strong earnings results and positive analyst commentary.

Options context

CAT Options Suggest Optimism Despite Recent Pullback

Wheel context

The market seems to be pricing in a potential rebound for CAT, despite recent weakness. The combination of elevated IV and backwardated term structure suggests traders are betting on near-term upside.

Observed evidence

Implied volatility (IV) is above historical levels, suggesting market expectations for significant price movement in the near future. | The term structure of IV is backwardated, with shorter-dated options more expensive than longer-dated ones. This suggests a belief that CAT's price will move more significantly in the coming weeks. | Positive analyst commentary and upgrades from firms like Freedom Broker contribute to the bullish outlook. | Record backlog and strong earnings results point towards continued demand for CAT's products.

Principal risks to monitor

Recent insider selling could signal some caution regarding the stock's future performance. | High valuation multiples (P/E) may make CAT susceptible to a pullback if market sentiment deteriorates.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$374.89B**	P/E (TTM) **34.62**
ROE **54.2%**	Revenue growth **4.4%**
EPS growth **14.2%**	Operating margin **17.5%**
Net profit margin **14.5%**	Gross margin **-**
Free cash flow CAGR **12.1%**	Debt / equity **2.03**
Dividend yield **2.1%**	Beta **1.60**
52-week range **$416.44 - $1,073.46**	

Company or fund profile

Issuer identity and classification

Name **Caterpillar Inc**	Market **NYSE**
Industry **Machinery**	Country **US**
Currency **USD**	IPO date **1929-12-02**
Shares outstanding **460.59M**	52-week return **94.5%**
Book value per share **$42.11**	Revenue per share **$161.58**

Website	caterpillar.com

Latest strategy observation

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

CAT Covered Call signal

Sep 10, 2026 9:49 AM EDT

Covered Call | 2026-09-18

At signal $804.47 | Current $810.60

SHORT **Option $780.00 B $32.20 / A $36.85**

High turnover | CR $34.53

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$25.44**
ATR as % of price	**3.2%**
Volatility environment	**medium**
Current IV	**35.7%**
IV rank	**37 / 100**
IV percentile	**31 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 10, 2026 3:51 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**77 / 100**
Trend health	**78 / 100**
Momentum health	**79 / 100**
Volatility health	**63 / 100**
Structure health	**85 / 100**
Earnings risk / date	**low | 2026-10-29**
Macro risk	**unknown**
Volatility risk	**medium**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$819.03 / $859.64 / $777.20**
EMA (9 / 21)	**$809.47 / $820.11**
Bollinger upper / middle / lower	**$867.23 / $819.03 / $770.83**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.354**
True high / low	**$815.56 / $797.50**
5-day true high / low	**$830.50 / $781.49**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-1.559	**-**
SMA50	-4.350	**-**
MVWAP20	-1.788	**-**
MACD	1.500	**-**
RSI	-0.692	**-**
Volume	-51222.000	**-**
ATR	-0.750	**-**
T1	-	**-15.15 / 822.08 / 827.96 / 813.50**
T2	-	**-16.69 / 823.50 / 830.50 / 813.94**
T3	-	**-19.11 / 824.20 / 821.00 / 800.14**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$804.89**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 10, 2026 2:46 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-09-11 | 1 DTE**
Front at-the-money IV	**40.4%**
25-delta skew	**1.56**
Put / Call 25-delta	**$795.00 Delta -0.269 / $817.50 Delta 0.227**
Median option bid/ask spread	**23.8%**
Bid/ask spread	**-**
Contracts observed / quoted	**91 / 91**

Price context

Last Price: 804.89 | Bid: 804.78 | Ask: 805.01 | Previous Close: 815.56 | Change: -10.67 | Daily change: -1.31% | Update Time: 2026-09-10T14:46:13.580482-04:00 | Latest History Date: 2026-09-10 | Latest History Price: 804.89

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-16 | Latest Date: 2026-09-10 | Latest Price: 804.89 | Max Drawdown 60d Percent: -26.83%

Fundamental context

Current Iv Percent: 36.64% | Iv Rank: 39.64 | Iv Percentile: 40.64 | Next Earnings Date: 2026-10-29 | Ex Dividend Date: 2026-07-19

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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