Caterpillar Inc / CAT

Equity | Generated Sep 16, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$793.01	**+9.47 +1.21%**	**$784.77/$799.39**	**$783.54**

Market	**NYSE**
Industry	**Machinery**
Market data as of	**Sep 16, 2026 11:31 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 16, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
56.9 / 100	**Balanced**	**high**	**38 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$785.00	**$825.00**	**$770.00**	**69 / 100**

Options stance	**bullish**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 16, 2026 6:50 PM EDT**

Key insight

CAT Options Imply Optimism Despite Recent Pullback

Market read

The CAT options market appears bullish despite a recent pullback in the underlying price. The term structure shows backwardation, with near-term implied volatility (IV) higher than further out expirations. This suggests traders expect potential volatility around upcoming earnings on October 29th. Additionally, the skew is balanced, indicating neutral sentiment towards both upside and downside moves. The strong demand for call options, particularly at the $825 strike, points to bullish expectations for CAT's future price performance.

Strategy context

The recent pullback in CAT's price has created a potential buying opportunity for bullish traders. The strong fundamentals, record backlog, and positive analyst sentiment support this view.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Sep 16, 2026 2:17 PM EDT**

Short-term scenario

Cautious buy/accumulate on dips near support for potential 1-3 week oversold bounce, given RSI and record backlog, but high uncertainty from ongoing downtrend, bearish MACD, and valuation risks; not a high-conviction trade.

Three-month outlook

Constructive but volatile: record $72B backlog and AI/data-center demand (Power & Energy segment) provide visibility and support mid-teens 2026 growth, with analysts seeing ~24% upside to ~$975 avg PT. However, elevated PE (~34), recent 26% correction, possible construction slowdown, and macro/tariff/interest-rate risks create high uncertainty; stock could range $750-900 with further pullbacks if AI hype reverses or earnings miss. Not immune to cyclical downturns despite current tailwinds.

Market sentiment

Mixed/cautious. Positive notes on analyst upgrades (e.g., Freedom Broker to Buy PT $980, Citi reiterates Buy $1100) and AI tailwinds. Bearish/cautionary posts highlight parabolic valuation like a growth stock despite cyclical roots, insider selling (~$87M recently), and decline since June despite record quarter. Some see pullback to 200-day MA as buy opportunity. Overall cautious optimism with notable spam; uncertainty on whether hype fades.

Supporting evidence

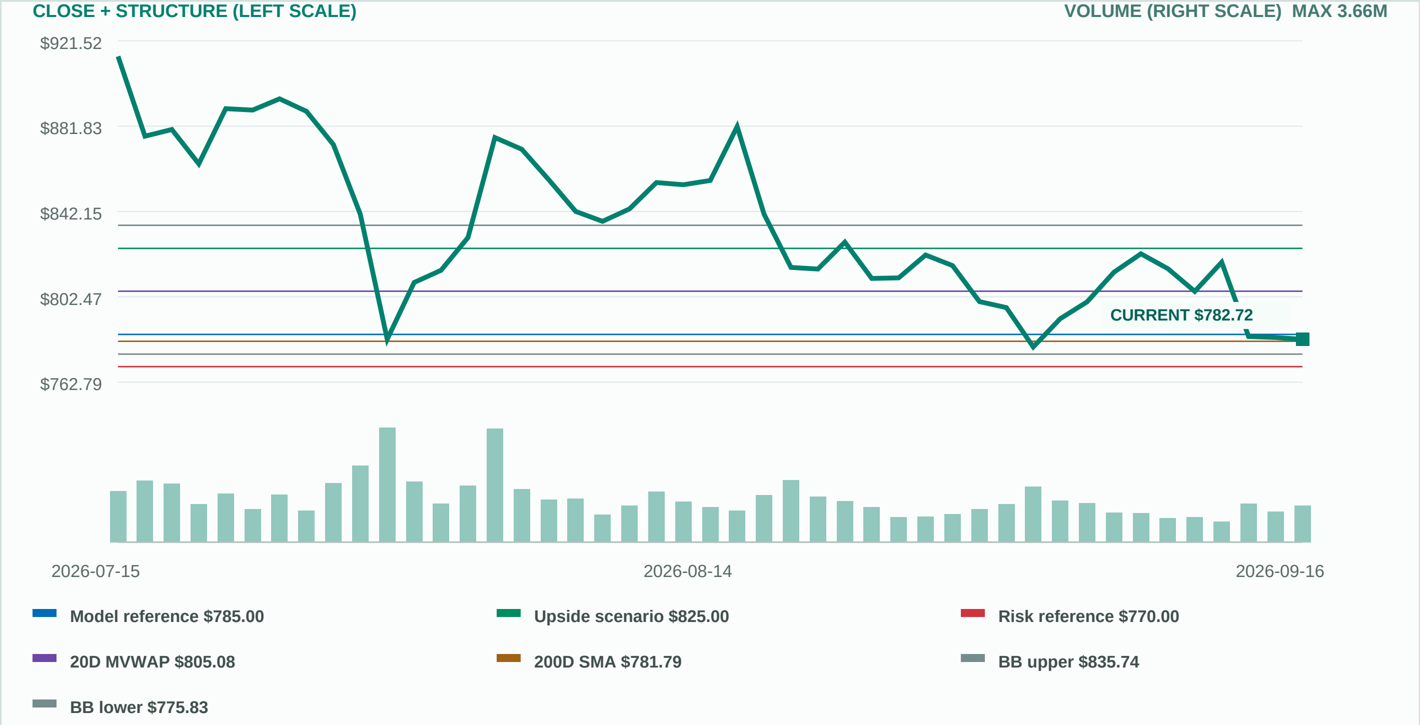
CAT options exhibit backwardation in the term structure, suggesting anticipation of volatility around upcoming earnings. | Balanced skew indicates neutral sentiment towards both upside and downside moves. | Strong demand for call options at the $825 strike suggests bullish expectations.

Risk watch

Uncertainty around tariff impacts and macro demand could weigh 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

JW RANK FACTOR PROFILE	COVERAGE	0 – 50 – 100
Liquidity	100.0%	93.9
Strategy Fit	100.0%	69.1
Technical Trend	100.0%	35.9
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	59.2
Volatility Pressure	100.0%	53.7

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 decelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**35.21 / 39.18 / 41.19**
RSI velocity	**-2.83**
MACD line / signal / histogram	**-15.74 / - / -15.94**
MACD acceleration	**-0.93**
Stochastic K / D	**19.37 / 35.64**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-3.89**
20-day MVWAP	**$805.08**
Price vs 20-day MVWAP	**-1.50%**
Daily reference VWAP	**$785.19**
Price vs daily reference	**+1.00%**
Volume	**1.17M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-3.81**
20-day / 200-day SMA	**$805.79 / $781.79**
Bollinger range	**$775.83 - $835.74**
Bollinger position	**0.115**

Options and volatility intelligence

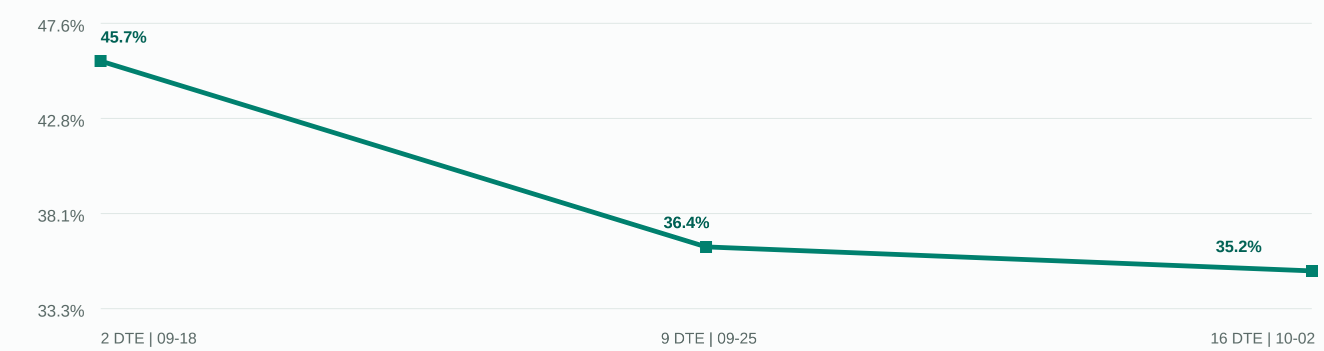
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
34 / 100	**28 / 100**	**96.09**	**146.61**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-10.49 pts**
Skew read	**balanced**
Liquidity / quote coverage	**97.5%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 16, 2026 2:45 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

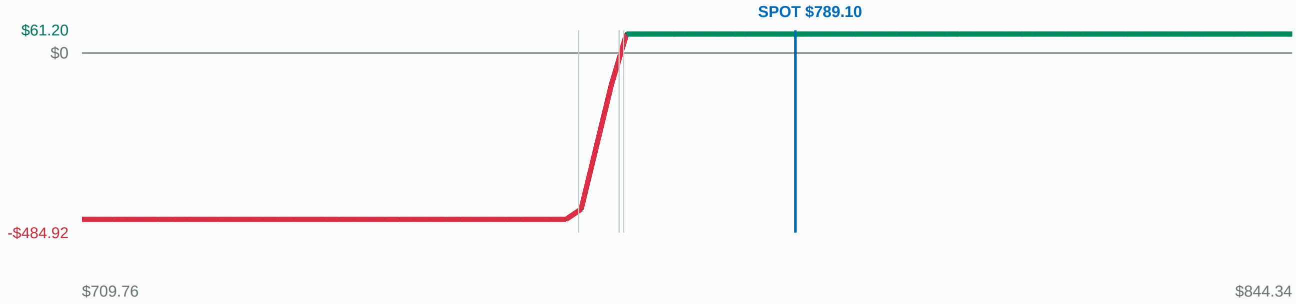
EXPIRATION	DTE	ATM IV	STATE
2026-09-18	2	45.7%	-
2026-09-25	9	36.4%	-
2026-10-02	16	35.2%	-

Reference spread payoff

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

Bull Put Spread reference

Short $770.00 | Long $765.00 | Width $5.00 | Net credit $0.51



Max profit $51.00 | Max loss -$449.00 | Break-even $769.49 | 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	**17.07**
VVIX	**96.09**
SKEW index	**146.61**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**120**
Contracts with quotes	**117**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The CAT options market appears bullish despite a recent pullback in the underlying price. The term structure shows backwardation, with near-term implied volatility (IV) higher than further out expirations. This suggests traders expect potential volatility around upcoming earnings on October 29th. Additionally, the skew is balanced, indicating neutral sentiment towards both upside and downside moves. The strong demand for call options, particularly at the $825 strike, points to bullish expectations for CAT's future price performance.

Options context

CAT Options Imply Optimism Despite Recent Pullback

Wheel context

The recent pullback in CAT's price has created a potential buying opportunity for bullish traders. The strong fundamentals, record backlog, and positive analyst sentiment support this view.

Observed evidence

CAT options exhibit backwardation in the term structure, suggesting anticipation of volatility around upcoming earnings. | Balanced skew indicates neutral sentiment towards both upside and downside moves. | Strong demand for call options at the $825 strike suggests bullish expectations.

Principal risks to monitor

Uncertainty around tariff impacts and macro demand could weigh on the stock price.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$360.17B**	P/E (TTM) **33.31**
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 **1.61**
52-week range **$430.61 - $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 **79.7%**
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 16, 2026 2:20 PM EDT

Covered Call | 2026-09-25

At signal $789.50 | Current $793.01

SHORT **Option $740.00 B $50.10 / A $58.20**

High turnover | CR $54.15

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$25.61**
ATR as % of price	**3.3%**
Volatility environment	**medium**
Current IV	**36.5%**
IV rank	**38 / 100**
IV percentile	**38 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 16, 2026 7:31 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**70 / 100**
Trend health	**78 / 100**
Momentum health	**72 / 100**
Volatility health	**61 / 100**
Structure health	**61 / 100**
Earnings risk / date	**low | 2026-10-29**
Macro risk	**unknown**
Volatility risk	**medium**
Structure risk	**medium**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$805.79 / $845.72 / $781.79**
EMA (9 / 21)	**$797.64 / $810.87**
Bollinger upper / middle / lower	**$835.74 / $805.79 / $775.83**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.115**
True high / low	**$798.39 / $774.47**
5-day true high / low	**$826.00 / $772.86**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-3.814	**-**
SMA50	-3.489	**-**
MVWAP20	-3.889	**-**
MACD	-0.931	**-**
RSI	-2.826	**-**
Volume	171210.330	**-**
ATR	0.164	**-**
T1	-	**-15.14 / 808.84 / 791.20 / 776.50**
T2	-	**-14.25 / 812.90 / 818.57 / 772.86**
T3	-	**-12.94 / 816.75 / 826.00 / 805.00**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$789.10**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 16, 2026 2:45 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-18 | 2 DTE**
Front at-the-money IV	**45.7%**
25-delta skew	**4.08**
Put / Call 25-delta	**$770.00 Delta -0.243 / $825.00**
Median option bid/ask spread	**24.8%**
Bid/ask spread	**-**
Contracts observed / quoted	**120 / 117**

Price context

Last Price: 789.10 | Bid: 788.54 | Ask: 789.46 | Previous Close: 783.54 | Change: 5.56 | Daily change: 0.71% | Update Time: 2026-09-16T14:45:03.679651-04:00 | Latest History Date: 2026-09-16 | Latest History Price: 789.65

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-23 | Latest Date: 2026-09-16 | Latest Price: 789.65 | Max Drawdown 60d Percent: -26.83%

Fundamental context

Current Iv Percent: 35.34% | Iv Rank: 33.75 | Iv Percentile: 28.29 | 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

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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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