Caterpillar Inc / CAT

Equity | Generated Sep 24, 2026 11:59 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$804.94	**-0.31 -0.04%**	**$806.02/$808.59**	**$805.25**

Market	**NYSE**
Industry	**Machinery**
Market data as of	**Sep 24, 2026 11:59 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 24, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
56.9 / 100	**Balanced**	**high**	**28 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$800.00	**$840.00**	**$772.00**	**62 / 100**

Options stance	**neutral**
Tail-risk safety	**32 / 100**
JW Rank data coverage / as of	**100.0% | Sep 24, 2026 7:51 PM EDT**

Key insight

CAT Option Market Implies Range-Bound Movement

Market read

The CAT option market suggests a period of consolidation with potential for both upside and downside movement. While implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors, the term structure indicates a slight backwardation, hinting at a preference for near-term stability.

Strategy context

CAT's recent earnings beat and record backlog support bullish sentiment. However, elevated valuation and tariff concerns create headwinds.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 24, 2026 2:30 PM EDT**

Short-term scenario

Cautious tactical long only near support, not a high-conviction swing. Prefer a dip entry rather than chasing. Uncertainty is high because technicals are mixed, valuation is elevated, and tariff and demand risks can move the stock quickly over 1-3 weeks. This is not investment advice.

Three-month outlook

Moderately constructive but uncertain. The raised mid-to-high teens 2026 sales outlook, record backlog near $72B, and data-center power demand support a volatile recovery attempt toward the $900 area into and after the late-October earnings report if orders stay firm. Analyst averages near $976-$994 imply substantial upside from about $805, but those targets assume no demand or margin disappointment. Offsetting risks are material: expected tariff costs near $2.2B, a mid-30s trailing P/E that leaves less room for error, heavy recent insider selling (including the CEO option-related sale), cyclical construction and mining exposure, and a chart that has already corrected sharply from above $1,000. A sustained break below roughly $770 would weaken the three-month bull case and open a deeper retracement. Base case is choppy stabilization with upside bias, not a straight rebound. Outcomes depend on macro conditions, tariff policy, and whether data-center and equipment orders hold; those factors are not knowable with confidence today.

Market sentiment

Recent X discussion is mixed and thin, so the read is uncertain. Some traders treat the pullback into the high-$700s to low-$800s as a test of longer-term support and a potential buy if price holds roughly $780-$800 and reclaims about $830, with recovery ideas toward $900 and eventually prior highs. Others flag valuation stretch after the data-center-driven run and earlier insider selling. Constructive posts cite the record backlog, the strong quarter, and a Citi positive 90-day catalyst watch after the pullback. Overall tone is cautiously constructive on fundamentals with technical caution; it is not a clear consensus buy or sell.

Supporting evidence

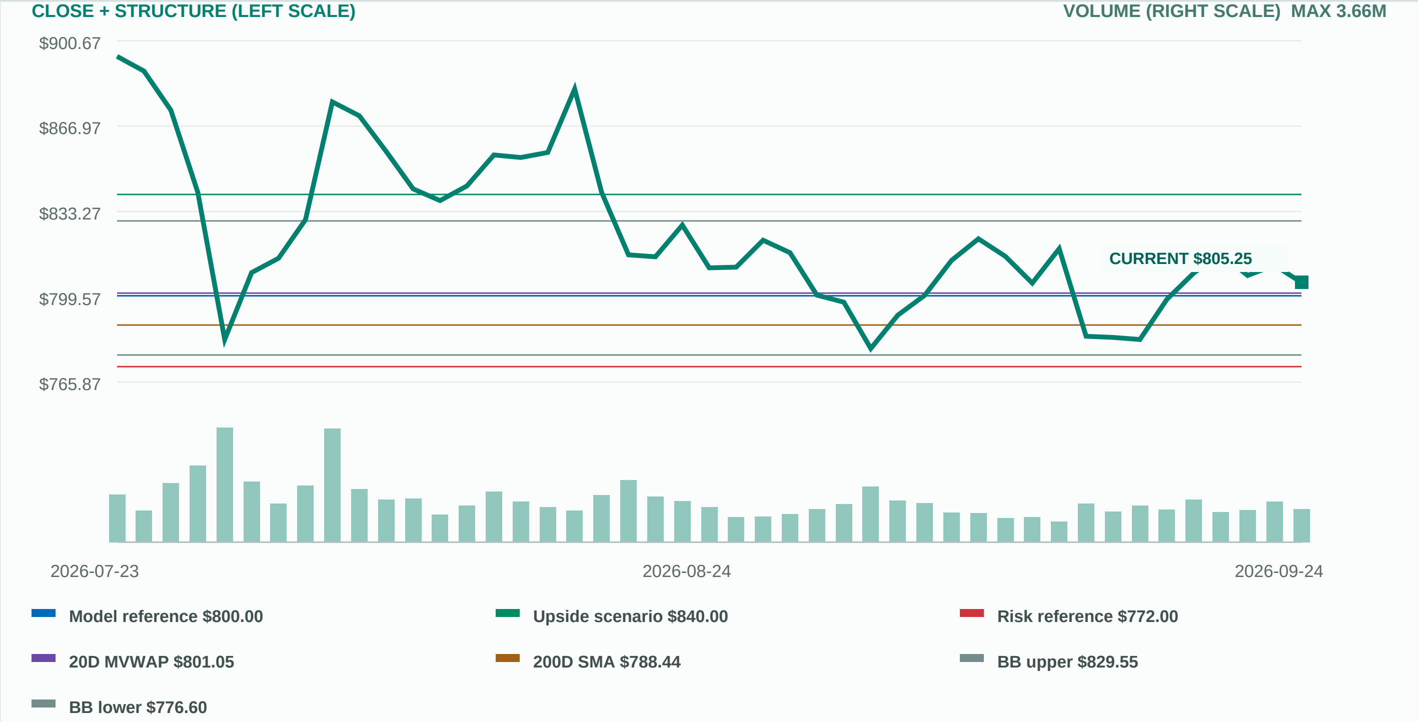
Implied volatility (IV) stands at 36%, suggesting market participants anticipate significant price swings in the coming weeks. | The term structure exhibits a slight backwardation, with shorter-dated options priced slightly higher than longer-dated options. This suggests a belief that near-term volatility will be higher than further out. | The skew is call-demand elevated, indicating a greater demand for call options compared to put options, potentially reflecting optimism about future price appreciation.

Risk watch

Upcoming earnings on October 29th could trigger significant volatility as investors assess the company's performance and outlook.

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%	89.6
Strategy Fit	100.0%	61.8
Technical Trend	100.0%	51.8
Market Tail Risk	100.0%	32.0
Fundamental Quality	100.0%	59.2
Volatility Pressure	100.0%	55.1

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bullish_recovery	**Above 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)	**49.38 / 46.80 / 45.90**
RSI velocity	**-1.13**
MACD line / signal / histogram	**-7.86 / - / -11.49**
MACD acceleration	**1.00**
Stochastic K / D	**62.03 / 66.02**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Distribution bias**
Institutional flow	**-0.37**
20-day MVWAP	**$801.05**
Price vs 20-day MVWAP	**+0.49%**
Daily reference VWAP	**$802.86**
Price vs daily reference	**+0.26%**
Volume	**1.06M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-0.32**
20-day / 200-day SMA	**$803.07 / $788.44**
Bollinger range	**$776.60 - $829.55**
Bollinger position	**0.541**

Options and volatility intelligence

Structure, premium conditions and principal risks

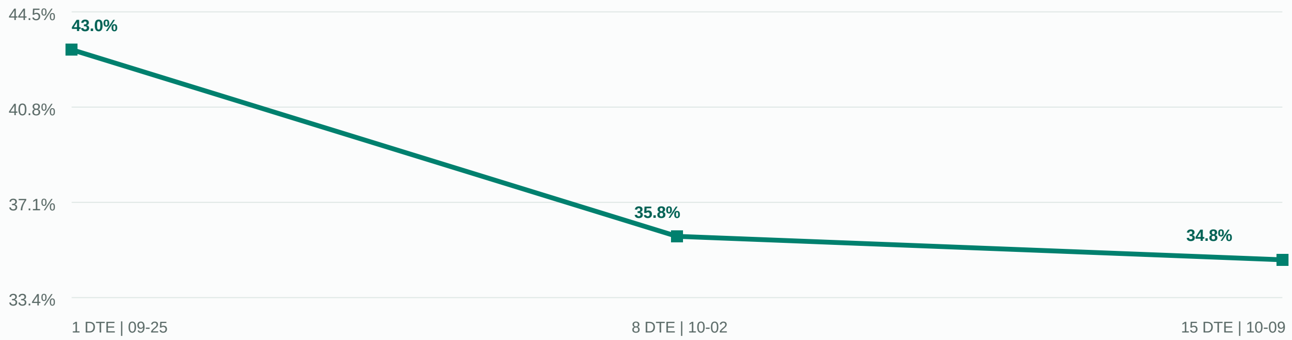
IV rank	IV percentile	VVIX	SKEW
32 / 100	**32 / 100**	**90.21**	**146.15**

Market regime	**DANGER ZONE**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-8.16 pts**
Skew read	**CALL DEMAND ELEVATED**
Liquidity / quote coverage	**99.3%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 24, 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

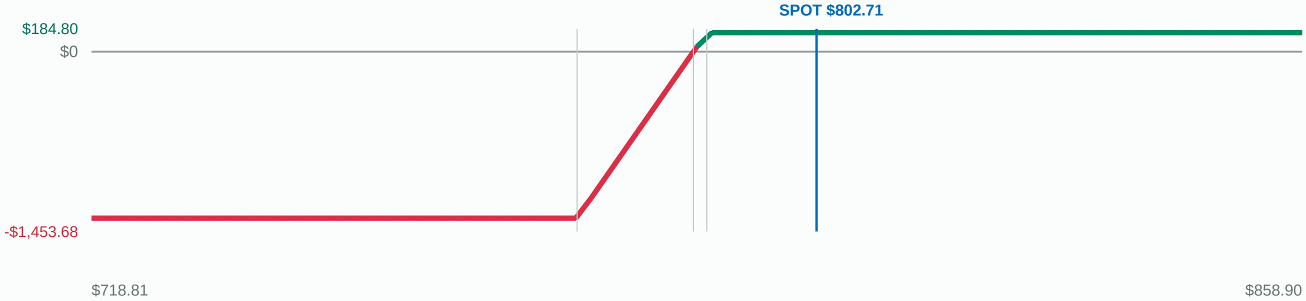
EXPIRATION	DTE	ATM IV	STATE
2026-09-25	1	43.0%	-
2026-10-02	8	35.8%	-
2026-10-09	15	34.8%	-

Reference spread payoff

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

Bull Put Spread reference

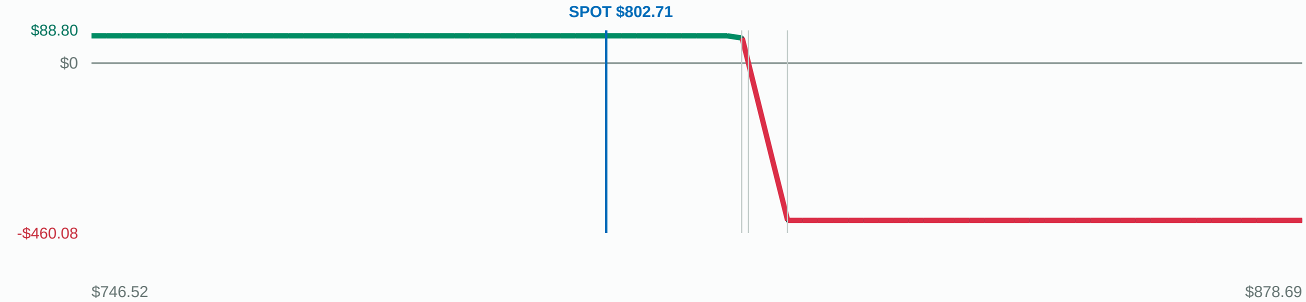
Short $790.00 | Long $775.00 | Width $15.00 | Net credit $1.54



Max profit $154.00 | Max loss -$1,346.00 | Break-even $788.46 | Per contract at expiry

Bear Call Spread reference

Short $817.50 | Long $822.50 | Width $5.00 | Net credit $0.74



Max profit $74.00 | Max loss -$426.00 | Break-even $818.24 | 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	**15.58**
VVIX	**90.21**
SKEW index	**146.15**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**135**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**134**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The CAT option market suggests a period of consolidation with potential for both upside and downside movement. While implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors, the term structure indicates a slight backwardation, hinting at a preference for near-term stability.

Options context

CAT Option Market Implies Range-Bound Movement

Wheel context

CAT's recent earnings beat and record backlog support bullish sentiment. However, elevated valuation and tariff concerns create headwinds.

Observed evidence

Implied volatility (IV) stands at 36%, suggesting market participants anticipate significant price swings in the coming weeks. | The term structure exhibits a slight backwardation, with shorter-dated options priced slightly higher than longer-dated options. This suggests a belief that near-term volatility will be higher than further out. | The skew is call-demand elevated, indicating a greater demand for call options compared to put options, potentially reflecting optimism about future price appreciation.

Principal risks to monitor

Upcoming earnings on October 29th could trigger significant volatility as investors assess the company's performance and outlook.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$373.27B**	P/E (TTM) **34.36**
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 **$459.58 - $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 **71.2%**
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 24, 2026 9:50 AM EDT

Covered Call | 2026-10-02

At signal $801.66 | Current $804.94

SHORT **Option $815.00 B $11.50 / A $13.15**

High turnover | CR $12.33

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$23.17**
ATR as % of price	**2.9%**
Volatility environment	**medium**
Current IV	**35.4%**
IV rank	**30 / 100**
IV percentile	**28 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 24, 2026 3:51 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**81 / 100**
Trend health	**78 / 100**
Momentum health	**85 / 100**
Volatility health	**67 / 100**
Structure health	**96 / 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)	**$803.07 / $830.35 / $788.44**
EMA (9 / 21)	**$805.71 / $809.81**
Bollinger upper / middle / lower	**$829.55 / $803.07 / $776.60**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.541**
True high / low	**$812.02 / $794.20**
5-day true high / low	**$827.81 / $794.20**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-0.316	**-**
SMA50	-2.359	**-**
MVWAP20	-0.365	**-**
MACD	1.000	**-**
RSI	-1.126	**-**
Volume	31462.000	**-**
ATR	-0.533	**-**
T1	-	**-8.44 / 801.67 / 816.76 / 798.53**
T2	-	**-9.74 / 801.79 / 816.50 / 802.61**
T3	-	**-10.86 / 802.14 / 827.81 / 805.24**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$802.71**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 24, 2026 2:46 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-25 | 1 DTE**
Front at-the-money IV	**43.0%**
25-delta skew	**-2.77**
Put / Call 25-delta	**$790.00 Delta -0.235 / $817.50 Delta 0.237**
Median option bid/ask spread	**25.1%**
Bid/ask spread	**-**
Contracts observed / quoted	**135 / 134**

Price context

Last Price: 802.71 | Bid: 802.71 | Ask: 803.22 | Previous Close: 812.02 | Change: -9.31 | Daily change: -1.15% | Update Time: 2026-09-24T14:46:55.692225-04:00 | Latest History Date: 2026-09-24 | Latest History Price: 802.71

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-01 | Latest Date: 2026-09-24 | Latest Price: 802.71 | Max Drawdown 60d Percent: -21.41%

Fundamental context

Current Iv Percent: 36.00% | Iv Rank: 32.41 | Iv Percentile: 32.27 | 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.

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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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