



Caterpillar Inc / CAT

Equity | Generated Oct 2, 2026 11:31 PM EDT

|               |               |           |                |
|---------------|---------------|-----------|----------------|
| Current price | Daily move    | Bid / Ask | Previous close |
| \$846.88      | +20.53 +2.48% | -/-       | \$826.35       |

|                   |                          |
|-------------------|--------------------------|
| Market            | NYSE                     |
| Industry          | Machinery                |
| Market data as of | Oct 2, 2026 11:31 PM EDT |

JW Intelligence Report

Complete | 3 of 3 sections | Oct 2, 2026 6:50 PM EDT

|                 |                 |                |                    |
|-----------------|-----------------|----------------|--------------------|
| JW Rank         | Rank label      | Confidence     | IV percentile      |
| 79.1 / 100      | Constructive    | high           | 82 / 100           |
| Model reference | Upside scenario | Risk reference | Wheel strategy fit |
| \$835.00        | \$885.00        | \$808.00       | 82 / 100           |

|                               |                                  |
|-------------------------------|----------------------------------|
| Options stance                | bullish                          |
| Tail-risk safety              | 56 / 100                         |
| JW Rank data coverage / as of | 100.0%   Oct 2, 2026 6:50 PM EDT |

Key insight

Caterpillar Options Imply Optimism Despite Recent Pullback

Market read

CAT options suggest a bullish outlook despite recent price pullback. The stock is trading above its 50-day and 200-day moving averages, with positive momentum indicated by rising short-term moving averages and RSI divergence. While the stock remains below its 100-day moving average, strong demand for data center power generation equipment supports bullish sentiment. However, upcoming earnings on October 29th present event risk, and the stock's valuation may be a concern for some investors.

Strategy context

Bullish sentiment is supported by strong demand for CAT's products and positive technical signals. However, upcoming earnings present a risk to the upside.



## JW AI conclusions

Short- and medium-term model interpretation

AI context bias

**Bullish**

AI analysis updated

**Oct 2, 2026 1:45 PM EDT**

### Short-term scenario

Cautious buy on pullbacks only. Near-term momentum is positive after the gap higher, but the move looks extended and late-October earnings create event risk. Do not chase strength. Uncertainty is elevated around whether today's bounce holds into the print.

### Three-month outlook

Moderately constructive but uncertain. The large backlog and data-center generator orders support visibility, and consensus targets imply mid-teens upside if execution holds. Offsetting risks include an elevated valuation for a cyclical name, the stock still trading well below its 52-week high, possible cooling in AI-related capex, and binary reaction risk around the upcoming earnings report. A reasonable base-case range is roughly \$800 to \$950, with wider swings possible if demand or margins disappoint. This is not a forecast of guaranteed returns.

### Market sentiment

Sentiment is mixed and relatively thin. Some posts highlight short-term bullish technical signals such as RSI divergence and rising short-term moving averages, along with the AI data-center power narrative. Others question whether a high multiple is justified for a cyclical industrial and warn that the AI label may overstate underlying demand durability. Older discussion flagged valuation froth and insider selling when the stock was near its highs. Overall tone is cautiously constructive but skeptical.

### Supporting evidence

CAT options exhibit positive skew with higher implied volatility for calls compared to puts. | The term structure of implied volatility is in contango, suggesting expectations for future price increases. | Strong demand for data center power generation equipment drives bullish sentiment.

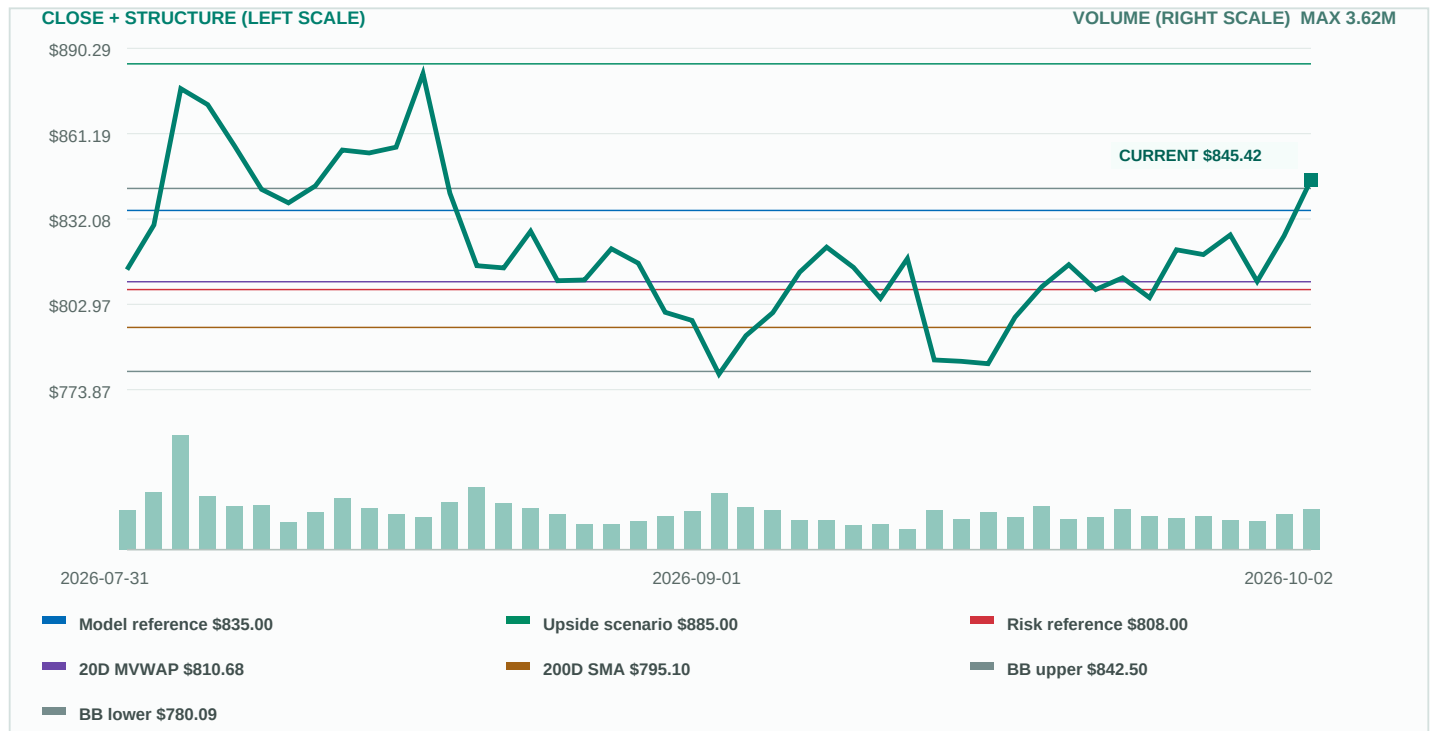
### Risk watch

Upcoming earnings on October 29th could trigger volatility. | The stock's valuation may be considered high by some investors.



## Enhanced price structure

45 trading days with volume, model levels and current technical reference bands

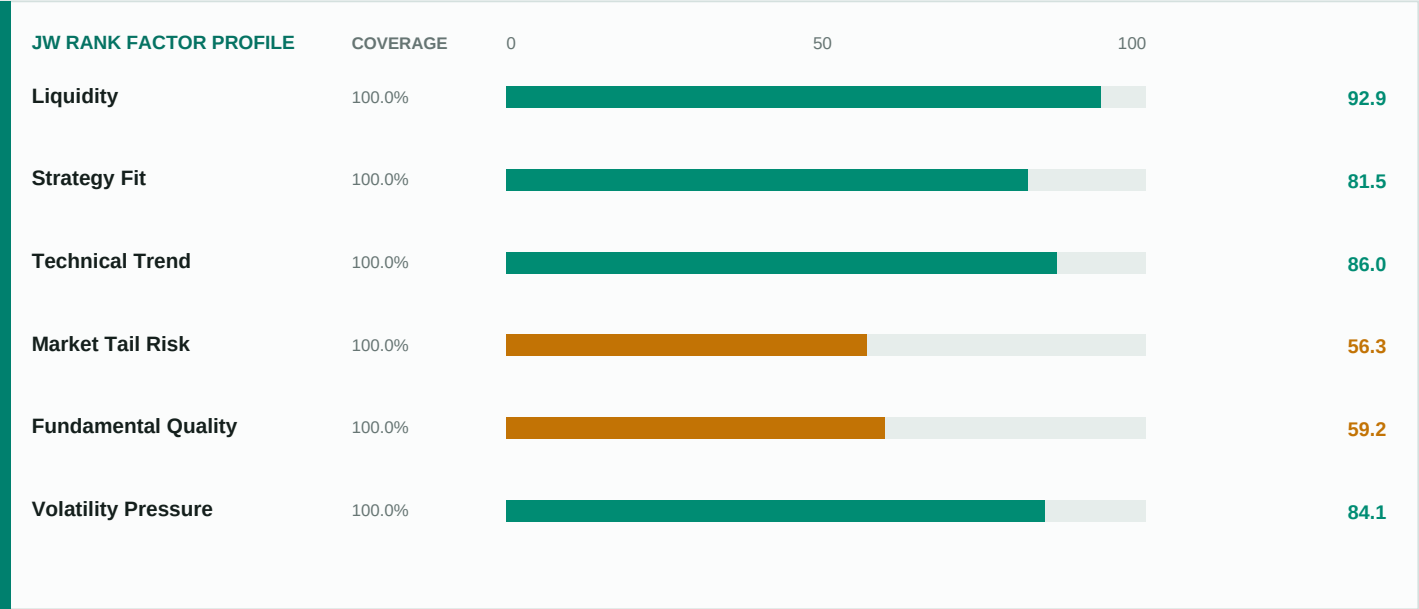


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

strong\_bull

Institutional flow

Above MVWAP

Structure

Above 200D trend

Volatility

medium



## Decision indicators

Detailed momentum, institutional and structural observations

### Momentum kinematics

Direction, velocity and oscillator state

|                                |                                                  |
|--------------------------------|--------------------------------------------------|
| Current read                   | <b>STRONG BULL   neutral   MACD accelerating</b> |
| Trend signal                   | <b>STRONG BULL</b>                               |
| RSI signal                     | <b>neutral</b>                                   |
| RSI (7 / 14 / 21)              | <b>69.06 / 58.82 / 53.89</b>                     |
| RSI velocity                   | <b>1.64</b>                                      |
| MACD line / signal / histogram | <b>1.04 / - / -4.50</b>                          |
| MACD acceleration              | <b>1.33</b>                                      |
| Stochastic K / D               | <b>78.76 / 80.80</b>                             |

### Institutional footprints

Volume-weighted cost, price location and flow

|                          |                                                      |
|--------------------------|------------------------------------------------------|
| Current read             | <b>Above institutional MVWAP   Accumulation bias</b> |
| Institutional flow       | <b>2.60</b>                                          |
| 20-day MVWAP             | <b>\$810.68</b>                                      |
| Price vs 20-day MVWAP    | <b>+4.47%</b>                                        |
| Daily reference VWAP     | <b>\$846.92</b>                                      |
| Price vs daily reference | <b>0.00%</b>                                         |
| Volume                   | <b>1.28M</b>                                         |

### Structural context

Long-term trend and volatility boundaries

|                      |                                                      |
|----------------------|------------------------------------------------------|
| Current read         | <b>Above 200-day trend   Positive macro velocity</b> |
| Macro velocity       | <b>1.85</b>                                          |
| 20-day / 200-day SMA | <b>\$811.29 / \$795.10</b>                           |
| Bollinger range      | <b>\$780.09 - \$842.50</b>                           |
| Bollinger position   | <b>1.047</b>                                         |



Options and volatility intelligence

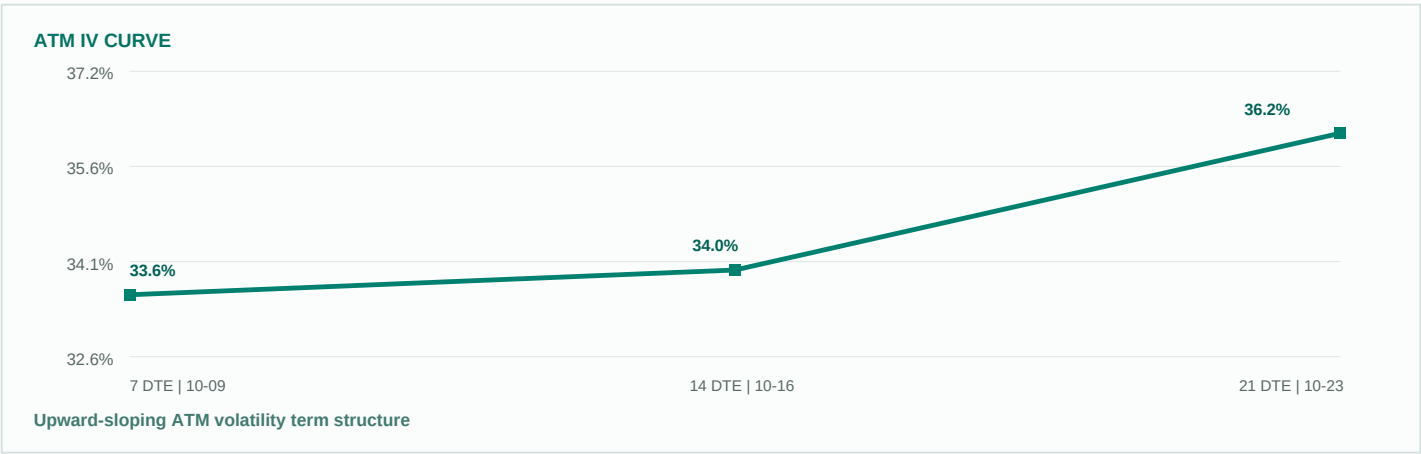
Structure, premium conditions and principal risks

|          |               |       |        |
|----------|---------------|-------|--------|
| IV rank  | IV percentile | VVIX  | SKEW   |
| 59 / 100 | 85 / 100      | 88.65 | 142.77 |

|                                 |                                                   |
|---------------------------------|---------------------------------------------------|
| Market regime                   | Calm                                              |
| Tail-risk regime                | NORMAL TAIL RISK                                  |
| Term structure                  | contango                                          |
| Term slope                      | +2.61 pts                                         |
| Skew read                       | balanced                                          |
| Liquidity / quote coverage      | 100.0%                                            |
| Options Snapshot IV sources     | ATM: option chain   Rank/percentile: fundamentals |
| Options Snapshot IV observed at | Oct 2, 2026 2:46 PM EDT                           |
| Options data quality            | Coverage 88.9%                                    |

Option term structure

ATM implied-volatility curve by days to expiration



| EXPIRATION | DTE | ATM IV | STATE |
|------------|-----|--------|-------|
| 2026-10-09 | 7   | 33.6%  | -     |
| 2026-10-16 | 14  | 34.0%  | -     |
| 2026-10-23 | 21  | 36.2%  | -     |

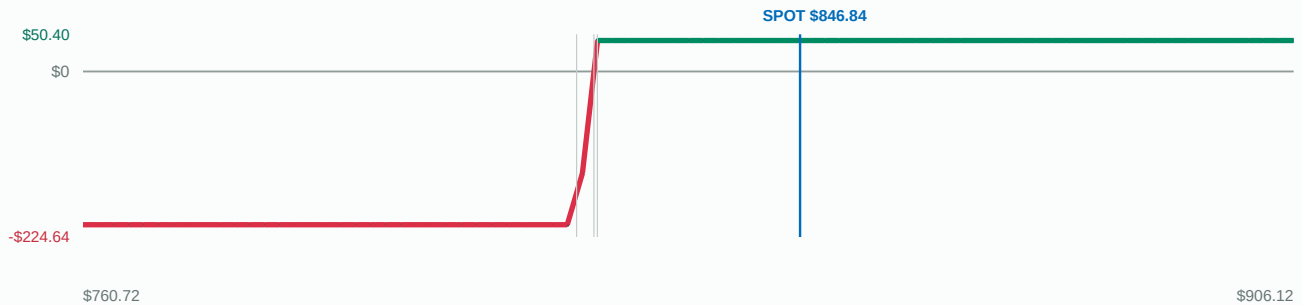


## Reference spread payoff

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

### Bull Put Spread reference

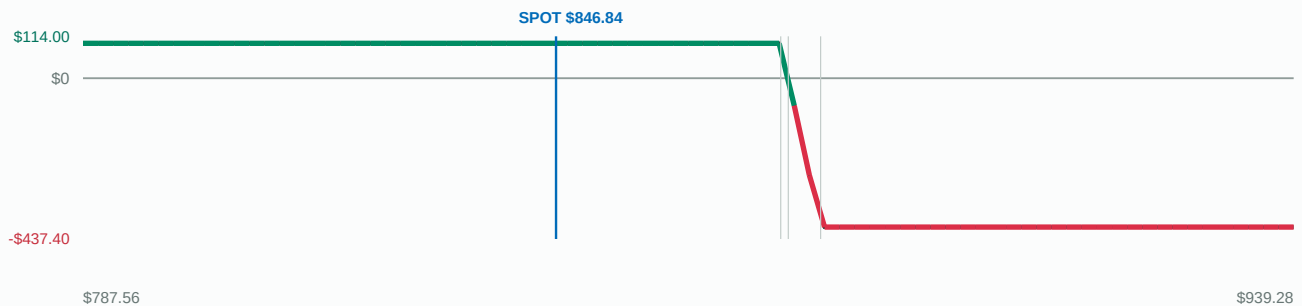
Short \$822.50 | Long \$820.00 | Width \$2.50 | Net credit \$0.42



Max profit \$42.00 | Max loss -\$208.00 | Break-even \$822.08 | Per contract at expiry

### Bear Call Spread reference

Short \$875.00 | Long \$880.00 | Width \$5.00 | Net credit \$0.95



Max profit \$95.00 | Max loss -\$405.00 | Break-even \$875.95 | 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                    | 15.56        |
| VVIX                   | 88.65        |
| SKEW index             | 142.77       |
| Observation confidence | high         |
| Option quote quality   | reliable     |
| Contracts observed     | 128          |



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

| FIELD                 | VALUE |
|-----------------------|-------|
| Contracts with quotes | 128   |

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

CAT options suggest a bullish outlook despite recent price pullback. The stock is trading above its 50-day and 200-day moving averages, with positive momentum indicated by rising short-term moving averages and RSI divergence. While the stock remains below its 100-day moving average, strong demand for data center power generation equipment supports bullish sentiment. However, upcoming earnings on October 29th present event risk, and the stock's valuation may be a concern for some investors.

Options context

Caterpillar Options Imply Optimism Despite Recent Pullback

Wheel context

Bullish sentiment is supported by strong demand for CAT's products and positive technical signals. However, upcoming earnings present a risk to the upside.

Observed evidence

CAT options exhibit positive skew with higher implied volatility for calls compared to puts. | The term structure of implied volatility is in contango, suggesting expectations for future price increases. | Strong demand for data center power generation equipment drives bullish sentiment.

Principal risks to monitor

Upcoming earnings on October 29th could trigger volatility. | The stock's valuation may be considered high by some investors.



## Fundamentals and events

Business quality, valuation and upcoming event context

|                              |                  |
|------------------------------|------------------|
| Market capitalization        | P/E (TTM)        |
| <b>\$379.85B</b>             | <b>35.09</b>     |
| ROE                          | Revenue growth   |
| <b>54.2%</b>                 | <b>4.4%</b>      |
| EPS growth                   | Operating margin |
| <b>14.2%</b>                 | <b>17.5%</b>     |
| Net profit margin            | Gross margin     |
| <b>14.5%</b>                 | -                |
| Free cash flow CAGR          | Debt / equity    |
| <b>12.1%</b>                 | <b>2.03</b>      |
| Dividend yield               | Beta             |
| <b>2.1%</b>                  | <b>1.60</b>      |
| 52-week range                |                  |
| <b>\$470.24 - \$1,073.46</b> |                  |

## Company or fund profile

Issuer identity and classification

|                        |                                                      |
|------------------------|------------------------------------------------------|
| Name                   | Market                                               |
| <b>Caterpillar Inc</b> | <b>NYSE</b>                                          |
| Industry               | Country                                              |
| <b>Machinery</b>       | <b>US</b>                                            |
| Currency               | IPO date                                             |
| <b>USD</b>             | <b>1929-12-02</b>                                    |
| Shares outstanding     | 52-week return                                       |
| <b>460.59M</b>         | <b>69.9%</b>                                         |
| Book value per share   | Revenue per share                                    |
| <b>\$42.11</b>         | <b>\$161.58</b>                                      |
| Website                | <a href="http://caterpillar.com">caterpillar.com</a> |



Latest strategy observation

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

**CAT Covered Call signal**  
**Covered Call | 2026-10-09**  
At signal \$844.24 | Current \$846.88  
**SHORT     Option \$850.00 B \$12.75 / A \$14.75**  
**Conservative | CR \$13.75**

Oct 2, 2026 10:51 AM EDT



## Complete technical details

Full supporting indicator set used by the symbol detail experience

## Volatility and options market

Price movement and premium conditions

|                                   |                               |
|-----------------------------------|-------------------------------|
| ATR                               | \$23.31                       |
| ATR as % of price                 | 2.8%                          |
| Volatility environment            | medium                        |
| Current IV                        | 43.3%                         |
| IV rank                           | 56 / 100                      |
| IV percentile                     | 82 / 100                      |
| Technical Snapshot IV source      | Private fundamentals snapshot |
| Technical Snapshot IV observed at | Oct 2, 2026 7:31 PM EDT       |

## Technical health and risk radar

Derived indicator health and event context

|                      |                  |
|----------------------|------------------|
| Overall health       | 78 / 100         |
| Trend health         | 92 / 100         |
| Momentum health      | 93 / 100         |
| Volatility health    | 69 / 100         |
| Structure health     | 45 / 100         |
| Earnings risk / date | low   2026-10-29 |
| Macro risk           | unknown          |
| Volatility risk      | medium           |
| Structure risk       | high             |

## Structural indicator levels

Moving averages, volatility bands and observed trading ranges

|                                  |                                |
|----------------------------------|--------------------------------|
| SMA (20 / 50 / 200)              | \$811.29 / \$823.45 / \$795.10 |
| EMA (9 / 21)                     | \$821.96 / \$816.93            |
| Bollinger upper / middle / lower | \$842.50 / \$811.29 / \$780.09 |



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

| FIELD                 | VALUE               |
|-----------------------|---------------------|
| Bollinger %B          | 1.047               |
| True high / low       | \$858.87 / \$826.35 |
| 5-day true high / low | \$858.87 / \$802.44 |

Three-day indicator history

Short-horizon change and the underlying three-session observations

| INDICATOR | 3-DAY CHANGE | SESSION 1 / 2 / 3                |
|-----------|--------------|----------------------------------|
| SMA20     | 1.850        | -                                |
| SMA50     | -1.275       | -                                |
| MVWAP20   | 2.597        | -                                |
| MACD      | 1.333        | -                                |
| RSI       | 1.644        | -                                |
| Volume    | 119307.330   | -                                |
| ATR       | 0.455        | -                                |
| T1        | -            | -1.55 / 807.48 / 833.62 / 802.44 |
| T2        | -            | -2.88 / 805.37 / 831.96 / 810.07 |
| T3        | -            | -2.96 / 802.89 / 829.74 / 815.50 |



## Detailed options evidence

Supporting option-chain, execution and data-quality observations

|                                 |                                                          |
|---------------------------------|----------------------------------------------------------|
| Underlying price at observation | <b>\$846.84</b>                                          |
| Options Snapshot IV sources     | <b>ATM: option chain   Rank/percentile: fundamentals</b> |
| Options Snapshot IV observed at | <b>Oct 2, 2026 2:46 PM EDT</b>                           |
| Options data coverage           | <b>88.9%</b>                                             |
| SKEW regime                     | <b>HIGH TAIL RISK SKEW</b>                               |
| VVIX regime                     | <b>VVIX FLAT</b>                                         |
| Front expiration / DTE          | <b>2026-10-09   7 DTE</b>                                |
| Front at-the-money IV           | <b>33.6%</b>                                             |
| 25-delta skew                   | <b>-0.55</b>                                             |
| Put / Call 25-delta             | <b>\$822.50 Delta -0.252 / \$875.00 Delta 0.258</b>      |
| Median option bid/ask spread    | <b>17.0%</b>                                             |
| Bid/ask spread                  | <b>-</b>                                                 |
| Contracts observed / quoted     | <b>128 / 128</b>                                         |

### Price context

Last Price: 846.84 | Bid: 846.70 | Ask: 847.00 | Previous Close: 826.35 | Change: 20.49 | Daily change: 2.48% | Update Time: 2026-10-02T14:46:53.850922-04:00 | Latest History Date: 2026-10-02 | Latest History Price: 846.84

### Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-10 | Latest Date: 2026-10-02 | Latest Price: 846.84 | Max Drawdown 60d Percent: -18.19%

### Fundamental context

Current Iv Percent: 44.29% | Iv Rank: 59.20 | Iv Percentile: 85.26 | 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.

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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](http://theocc.com).

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## Reference documents

Official product terms and standardized options disclosure

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|-----------------------------|--------------------------------------------------------------------------------------------------------|
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