Caterpillar Inc / CAT

Equity | Generated Nov 3, 2026 11:30 PM EST

Current price	Daily move	Bid / Ask	Previous close
$611.00	-2.62 -0.43%	$607.44/$618.00	$613.62

Market	**NYSE**
Industry	**Machinery**
Market data as of	**Nov 3, 2026 11:30 PM EST**

JW Intelligence Report

Complete | 3 of 3 sections | Nov 3, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
49.1 / 100	Cautious	high	68 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$615.00	$650.00	$592.00	72 / 100

Options stance	**mixed**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Nov 3, 2026 6:50 PM EST**

Key insight

CAT Shows Mixed Signals with Oversold Conditions and Uncertain Outlook

Market read

Caterpillar (CAT) exhibits mixed signals. While recent price action has pushed the stock into oversold territory, technical indicators suggest a continued downtrend. The post-earnings selloff, driven by concerns over growth moderation and tariff costs, casts a shadow on the near-term outlook. However, record backlog and strong demand in key sectors like power & energy provide fundamental support. The market remains cautious, with analysts revising targets downwards.

Strategy context

The current market environment presents both opportunities and risks for option traders. Oversold conditions could lead to a short-term bounce, but the broader downtrend warrants caution. Bullish strategies may find support at key technical levels, while bearish options could benefit from continued weakness.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Nov 3, 2026 2:28 PM EST**

Short-term scenario

Cautious tactical long only for a potential 1-3 week oversold bounce; not a high-conviction trend trade. High uncertainty because the broader technical downtrend and post-earnings skepticism remain intact.

Three-month outlook

Record backlog and data-center/infrastructure demand provide fundamental support that could allow a partial recovery toward the lower end of revised analyst targets if capacity expands and cost/tariff pressures stabilize. Offsetting risks include the established downtrend below major moving averages, recent target cuts, growth moderation, and capacity bottlenecks. A hold above roughly $580-600 could support a relief move; a break risks a retest toward the 52-week low area near $537. Path over three months is highly uncertain and depends on execution, AI-related power demand durability, tariffs, and broader industrial conditions. This is analysis, not investment advice.

Market sentiment

Recent high-quality posts are limited. Post-earnings commentary emphasized the selloff on guidance that failed to exceed expectations, moderating near-term growth, and tariff costs, with one note flagging ~$627 as a level of interest. A Nov 3 post observed the stock down more than 25% and described valuation as starting to look attractive for further research. Older posts had warned of froth when the stock traded much higher on AI power demand, including insider-selling concerns. Overall tone is cautious rather than strongly bullish or bearish; spam volume is high, so sentiment signal quality is low. Uncertainty is elevated.

Supporting evidence

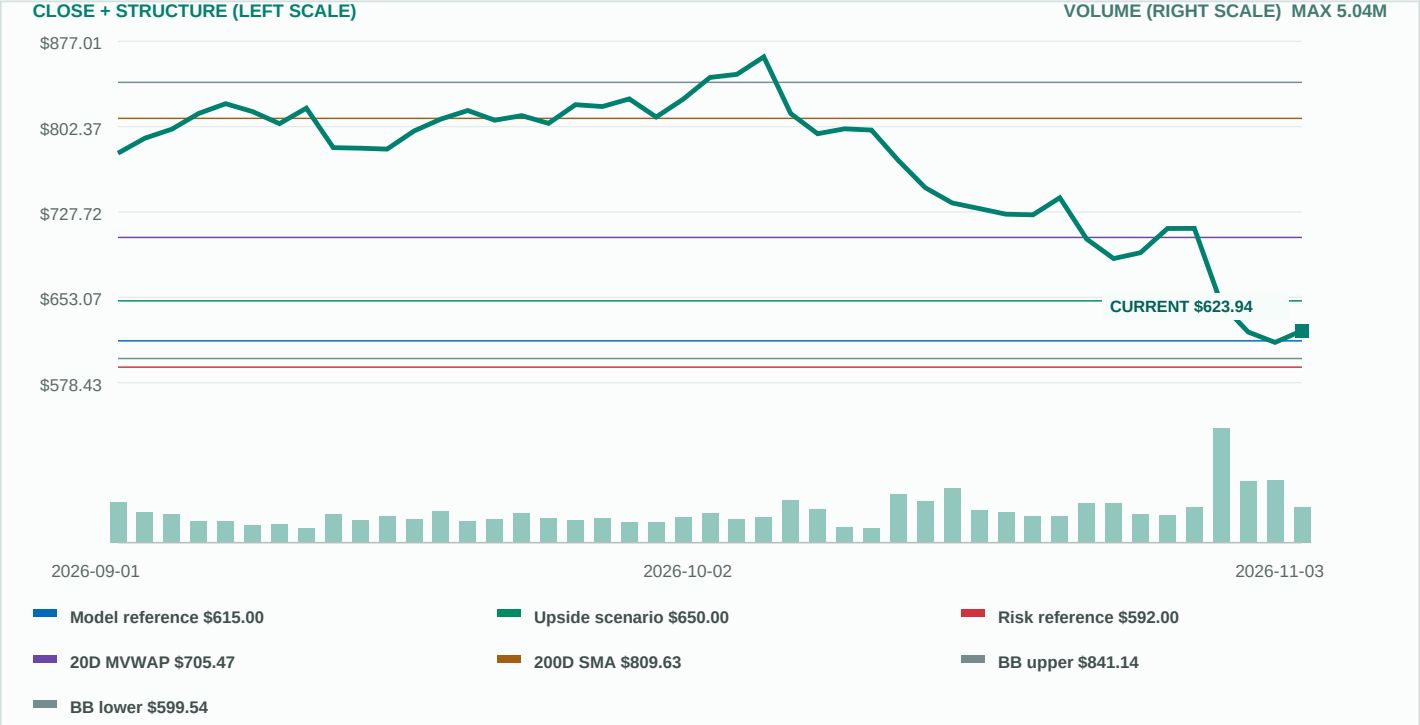
CAT is trading at oversold levels based on RSI(14), Stochastic, and Williams %R. | Technical indicators point to a bearish trend with price below both the 50-day and 200-day moving averages. | Post-earnings weakness stems from concerns about growth deceleration, tariff costs, and capacity constraints. | Record backlog and strong demand in data centers and infrastructure suggest underlying strength.

Risk watch

Execution on capacity expansion and tariff recovery remain key variables for CAT's future performance. | Elevated uncertainty surrounding growth prospects and macroeconomic conditions.

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	Institutional flow	Structure	Volatility
strong_bear	Below MVWAP	Below 200D trend	high

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**STRONG BEAR | oversold | MACD decelerating**
Trend signal	**STRONG BEAR**
RSI signal	**oversold**
RSI (7 / 14 / 21)	**22.90 / 26.15 / 29.70**
RSI velocity	**-0.03**
MACD line / signal / histogram	**-45.13 / - / -34.65**
MACD acceleration	**-3.66**
Stochastic K / D	**5.39 / 7.68**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-11.21**
20-day MVWAP	**$705.47**
Price vs 20-day MVWAP	**-13.39%**
Daily reference VWAP	**$623.08**
Price vs daily reference	**-1.94%**
Volume	**1.58M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-11.61**
20-day / 200-day SMA	**$720.34 / $809.63**
Bollinger range	**$599.54 - $841.14**
Bollinger position	**0.101**

Options and volatility intelligence

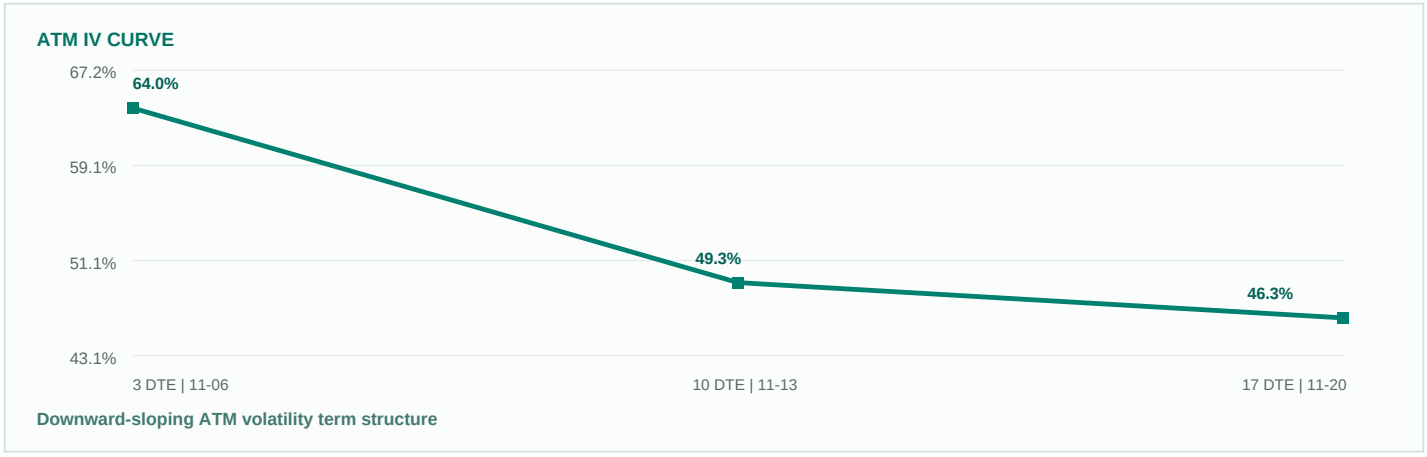
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
50 / 100	**69 / 100**	**107.06**	**152.78**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-17.71 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 3, 2026 2:48 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



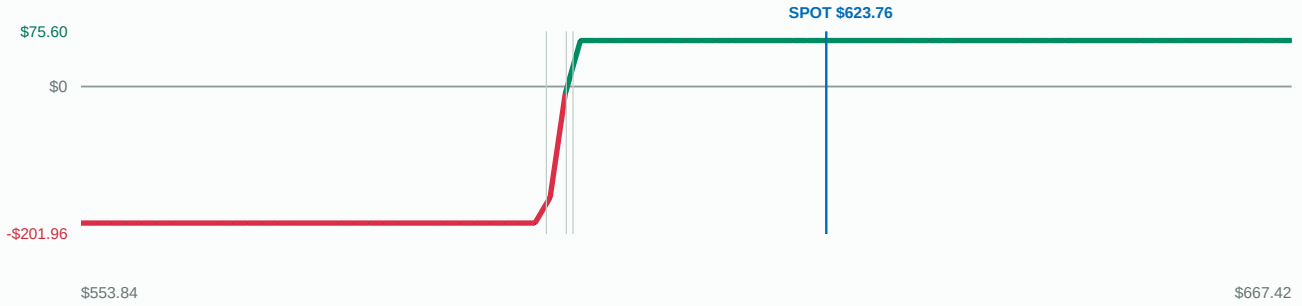
EXPIRATION	DTE	ATM IV	STATE
2026-11-06	3	64.0%	-
2026-11-13	10	49.3%	-
2026-11-20	17	46.3%	-

Reference spread payoff

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

Bull Put Spread reference

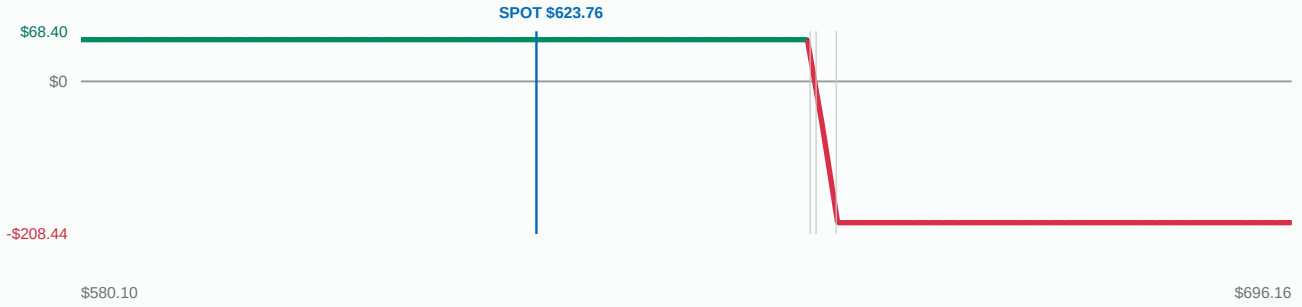
Short $600.00 | Long $597.50 | Width $2.50 | Net credit $0.63



Max profit $63.00 | Max loss -$187.00 | Break-even $599.37 | Per contract at expiry

Bear Call Spread reference

Short $650.00 | Long $652.50 | Width $2.50 | Net credit $0.57



Max profit $57.00 | Max loss -$193.00 | Break-even $650.57 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2027-01-28**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**20.63**
VVIX	**107.06**
SKEW index	**152.78**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**111**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**111**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

Caterpillar (CAT) exhibits mixed signals. While recent price action has pushed the stock into oversold territory, technical indicators suggest a continued downtrend. The post-earnings selloff, driven by concerns over growth moderation and tariff costs, casts a shadow on the near-term outlook. However, record backlog and strong demand in key sectors like power & energy provide fundamental support. The market remains cautious, with analysts revising targets downwards.

Options context

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Wheel context

The current market environment presents both opportunities and risks for option traders. Oversold conditions could lead to a short-term bounce, but the broader downtrend warrants caution. Bullish strategies may find support at key technical levels, while bearish options could benefit from continued weakness.

Observed evidence

CAT is trading at oversold levels based on RSI(14), Stochastic, and Williams %R. | Technical indicators point to a bearish trend with price below both the 50-day and 200-day moving averages. | Post-earnings weakness stems from concerns about growth deceleration, tariff costs, and capacity constraints. | Record backlog and strong demand in data centers and infrastructure suggest underlying strength.

Principal risks to monitor

Execution on capacity expansion and tariff recovery remain key variables for CAT's future performance. | Elevated uncertainty surrounding growth prospects and macroeconomic conditions.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$282.07B	**24.08**
ROE	Revenue growth
58.5%	**4.4%**
EPS growth	Operating margin
14.2%	**18.3%**
Net profit margin	Gross margin
15.2%	**-**
Free cash flow CAGR	Debt / equity
12.1%	**2.03**
Dividend yield	Beta
2.1%	**1.64**

52-week range

$537.08 - $1,073.46

Company or fund profile

Issuer identity and classification

Name	Market
Caterpillar Inc	**NYSE**
Industry	Country
Machinery	**US**
Currency	IPO date
USD	**1929-12-02**
Shares outstanding	52-week return
459.67M	**6.3%**
Book value per share	Revenue per share
$46.74	**$168.74**

Website	**caterpillar.com**

Latest strategy observation

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

CAT Covered Call signal

Nov 3, 2026 9:39 AM EST

Covered Call | 2026-11-06

At signal $620.40 | Current $611.00

SHORT **Option $622.50 B $13.75 / A $14.80**

Conservative | CR $14.28

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$28.69**
ATR as % of price	**4.6%**
Volatility environment	**high**
Current IV	**41.4%**
IV rank	**49 / 100**
IV percentile	**68 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 3, 2026 6:30 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**41 / 100**
Trend health	**25 / 100**
Momentum health	**48 / 100**
Volatility health	**41 / 100**
Structure health	**60 / 100**
Earnings risk / date	**low | 2027-01-28**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**medium**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$720.34 / $775.28 / $809.63**
EMA (9 / 21)	**$663.90 / $710.57**
Bollinger upper / middle / lower	**$841.14 / $720.34 / $599.54**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.101**
True high / low	**$628.30 / $613.62**
5-day true high / low	**$732.73 / $609.89**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-11.612	**-**
SMA50	-3.960	**-**
MVWAP20	-11.212	**-**
MACD	-3.664	**-**
RSI	-0.027	**-**
Volume	-1154407.330	**-**
ATR	-0.546	**-**
T1	-	**-43.20 / 714.13 / 632.00 / 609.89**
T2	-	**-39.06 / 725.92 / 647.39 / 616.66**
T3	-	**-34.14 / 739.11 / 713.38 / 631.01**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$623.76**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 3, 2026 2:48 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-11-06 | 3 DTE**
Front at-the-money IV	**64.0%**
25-delta skew	**3.47**
Put / Call 25-delta	**$600.00 Delta -0.250 / $650.00 Delta 0.244**
Median option bid/ask spread	**7.8%**
Bid/ask spread	**-**
Contracts observed / quoted	**111 / 111**

Price context

Last Price: 623.76 | Bid: 623.62 | Ask: 623.91 | Previous Close: 613.63 | Change: 10.13 | Daily change: 1.65% | Update Time: 2026-11-03T14:48:26.310364-05:00 | Latest History Date: 2026-11-03 | Latest History Price: 623.75

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-11 | Latest Date: 2026-11-03 | Latest Price: 623.75 | Max Drawdown 60d Percent: -30.40%

Fundamental context

Current Iv Percent: 41.75% | Iv Rank: 50.00 | Iv Percentile: 68.53 | Next Earnings Date: 2027-01-28 | Ex Dividend Date: 2026-10-25

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.

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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 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.

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Reference documents

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