Caterpillar Inc / CAT

Equity | Generated Nov 9, 2026 11:30 PM EST

Current price	Daily move	Bid / Ask	Previous close
$597.15	+38.52 +6.90%	$593.71/$601.73	$558.63

Market	**NYSE**
Industry	**Machinery**
Market data as of	**Nov 9, 2026 11:30 PM EST**

JW Intelligence Report

Complete | 3 of 3 sections | Nov 9, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
46.3 / 100	Cautious	high	69 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$575.00	$635.00	$548.00	55 / 100

Options stance	**mixed**
Tail-risk safety	**35 / 100**
JW Rank data coverage / as of	**100.0% | Nov 9, 2026 6:50 PM EST**

Key insight

CAT Option Market Shows Uncertainty After Earnings

Market read

The CAT option market reflects mixed sentiment following recent earnings. While implied volatility is elevated, suggesting uncertainty about future price movements, the term structure shows a slight backwardation, indicating some expectation for near-term stability. The skew is balanced, with both call and put options relatively priced similarly.

Strategy context

The option market is pricing in potential volatility around the upcoming earnings release. Traders are positioning for both upside and downside moves.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Nov 9, 2026 2:35 PM EST**

Short-term scenario

Tactical long only on a pullback over 1-3 weeks; do not chase the Nov. 9 spike into $597-$600 resistance. Idea is a bounce toward broken support, with a high chance the rally fails. Not a recommendation; levels can be invalidated quickly.

Three-month outlook

Base case is a choppy recovery, not a straight retest of 2026 highs, if backlog conversion and data-center power orders stay intact and tariff costs remain near the guided ~$2.2B. In that case a move into the mid-$600s to low-$700s is plausible over three months, still below many published targets near $750-$823. Downside case is a retest of about $537-$555 if AI capex fears, policy shifts, freight/tariff pressure, or capacity delays worsen. Uncertainty is high: the intermediate downtrend is not repaired, guidance was steady rather than raised, insider activity has been mixed, and social plus sell-side optimism can both be wrong. This is analysis, not a forecast or advice to buy or sell.

Market sentiment

Recent investor posts skew cautiously constructive on the dip rather than outright bullish. Traders cite the record backlog, roughly 18x forward earnings after a 35-45% slide from highs, oversold RSI, dividend history, a director purchase, and analyst targets implying large upside. Offsetting posts highlight CEO/insider selling at higher prices, nerves after the post-earnings drop, and the risk that an AI-infrastructure unwind plus election/policy shifts keeps pressure on industrial power names. Latest keyword flow also includes substantial promotional spam that should be ignored. Uncertainty: X sentiment is anecdotal and not a measure of institutional positioning.

Supporting evidence

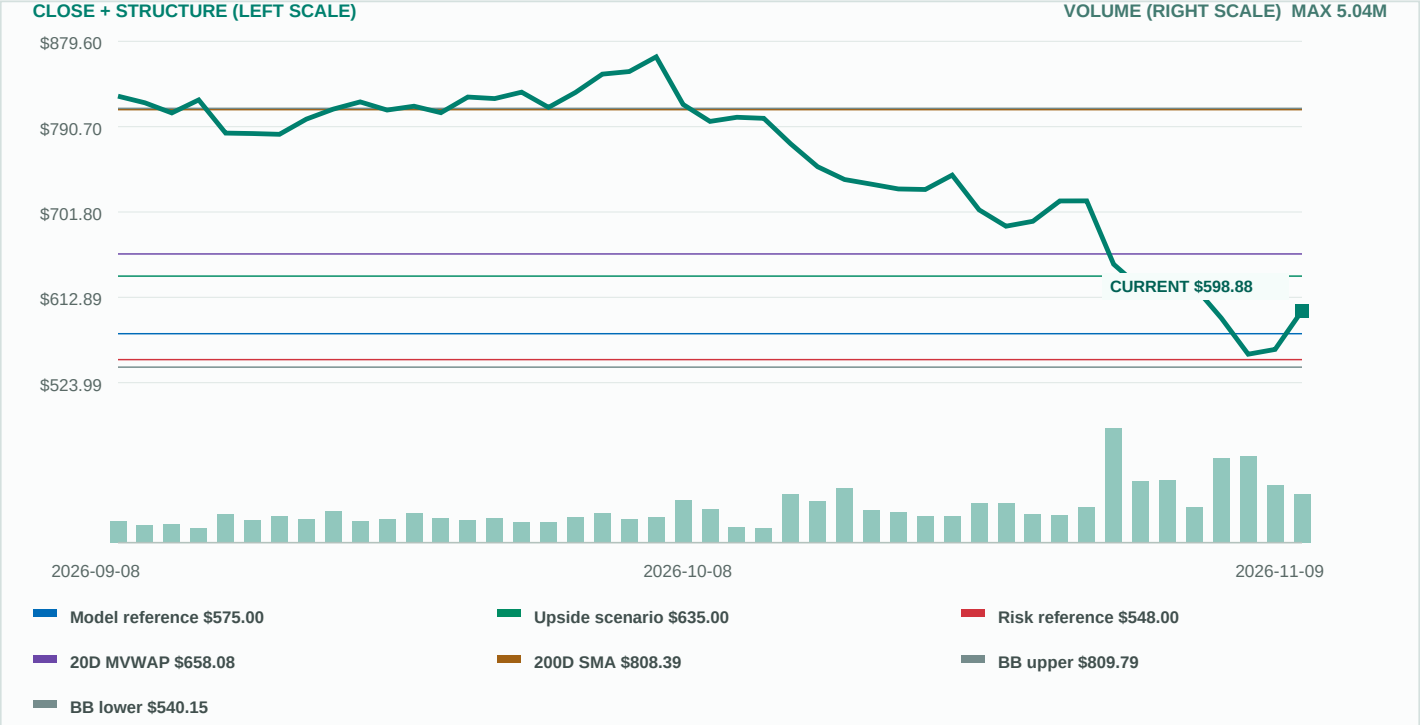
Implied volatility at 42.54% suggests market uncertainty after recent earnings. | Term structure slightly backwardated, implying a slight expectation for near-term stability. | Balanced delta skew indicates balanced expectations for both upside and downside price movement.

Risk watch

Earnings risk remains elevated as investors assess the company's growth outlook and margin pressures.

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 | neutral | MACD decelerating**
Trend signal	**STRONG BEAR**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**37.36 / 32.65 / 33.16**
RSI velocity	**3.32**
MACD line / signal / histogram	**-55.69 / - / -46.37**
MACD acceleration	**-2.32**
Stochastic K / D	**10.08 / 6.49**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-10.18**
20-day MVWAP	**$658.08**
Price vs 20-day MVWAP	**-9.26%**
Daily reference VWAP	**$590.24**
Price vs daily reference	**+1.17%**
Volume	**2.15M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-11.41**
20-day / 200-day SMA	**$674.97 / $808.39**
Bollinger range	**$540.15 - $809.79**
Bollinger position	**0.218**

Options and volatility intelligence

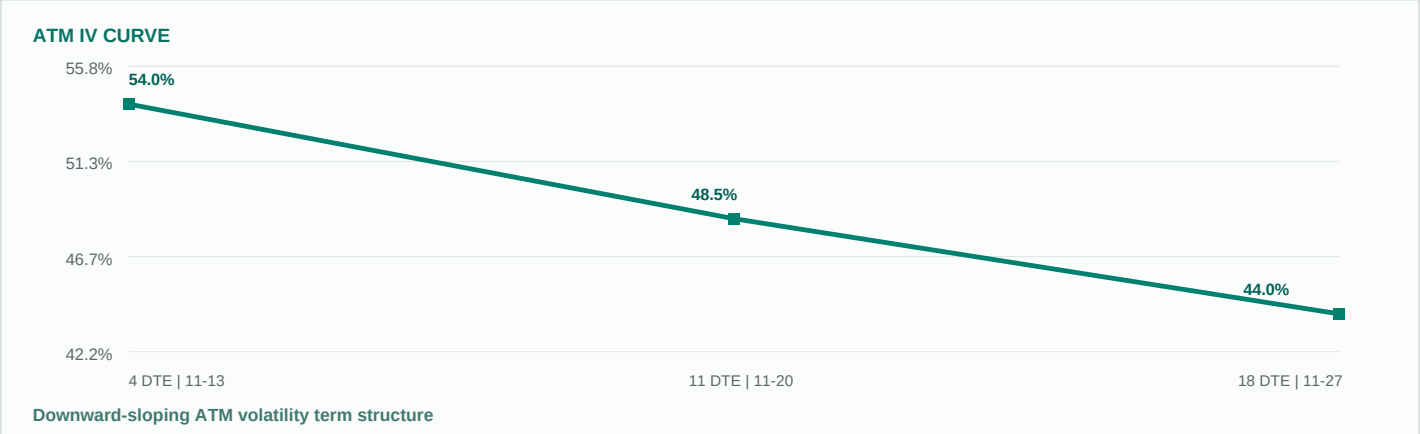
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
53 / 100	**71 / 100**	**101.11**	**153.55**

Market regime	**CRASH RISK**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-10.05 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 9, 2026 2:47 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



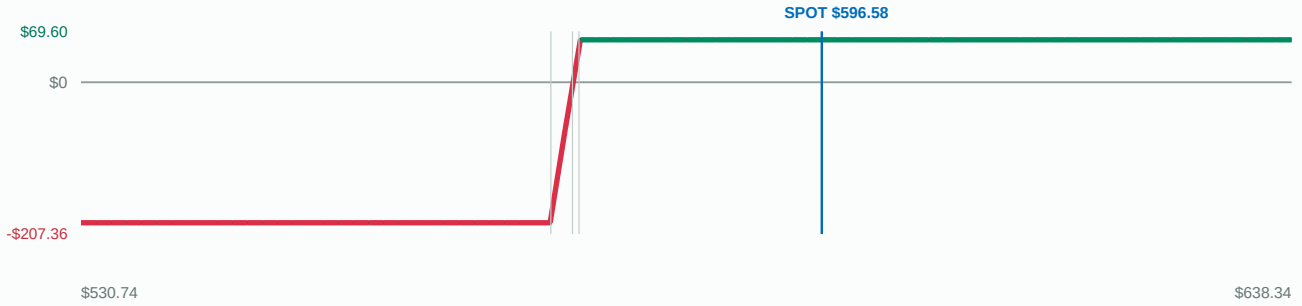
EXPIRATION	DTE	ATM IV	STATE
2026-11-13	4	54.0%	-
2026-11-20	11	48.5%	-
2026-11-27	18	44.0%	-

Reference spread payoff

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

Bull Put Spread reference

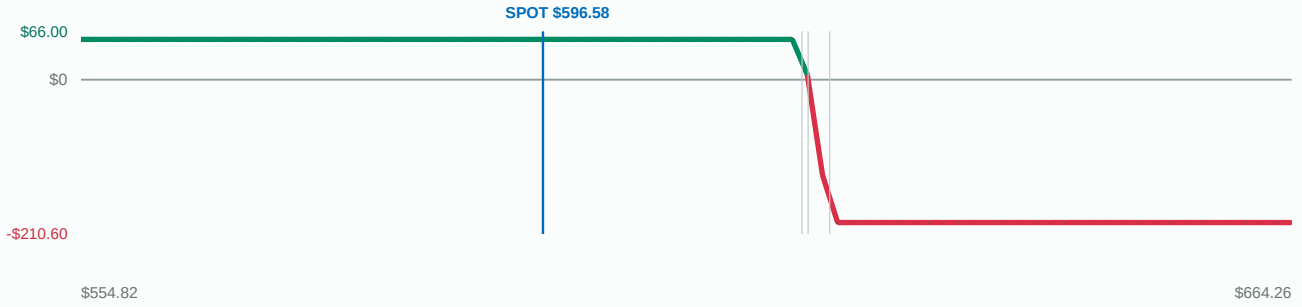
Short $575.00 | Long $572.50 | Width $2.50 | Net credit $0.58



Max profit $58.00 | Max loss -$192.00 | Break-even $574.42 | Per contract at expiry

Bear Call Spread reference

Short $620.00 | Long $622.50 | Width $2.50 | Net credit $0.55



Max profit $55.00 | Max loss -$195.00 | Break-even $620.55 | 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	**20.24**
VVIX	**101.11**
SKEW index	**153.55**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**114**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**114**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The CAT option market reflects mixed sentiment following recent earnings. While implied volatility is elevated, suggesting uncertainty about future price movements, the term structure shows a slight backwardation, indicating some expectation for near-term stability. The skew is balanced, with both call and put options relatively priced similarly.

Options context

CAT Option Market Shows Uncertainty After Earnings

Wheel context

The option market is pricing in potential volatility around the upcoming earnings release. Traders are positioning for both upside and downside moves.

Observed evidence

Implied volatility at 42.54% suggests market uncertainty after recent earnings. | Term structure slightly backwardated, implying a slight expectation for near-term stability. | Balanced delta skew indicates balanced expectations for both upside and downside price movement.

Principal risks to monitor

Earnings risk remains elevated as investors assess the company's growth outlook and margin pressures.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$256.79B	**21.61**
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%	**1.66**

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	**-2.0%**
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 9, 2026 9:44 AM EST

Covered Call | 2026-11-13

At signal $583.49 | Current $597.15

SHORT **Option $575.00 B $18.40 / A $19.70**

Conservative | CR $19.05

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$30.35**
ATR as % of price	**5.1%**
Volatility environment	**high**
Current IV	**41.9%**
IV rank	**51 / 100**
IV percentile	**69 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 9, 2026 6:30 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**45 / 100**
Trend health	**25 / 100**
Momentum health	**60 / 100**
Volatility health	**34 / 100**
Structure health	**72 / 100**
Earnings risk / date	**low | 2027-01-28**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$674.97 / $756.32 / $808.39**
EMA (9 / 21)	**$612.50 / $667.92**
Bollinger upper / middle / lower	**$809.79 / $674.97 / $540.15**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.218**
True high / low	**$599.78 / $558.63**
5-day true high / low	**$628.30 / $550.81**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-11.415	**-**
SMA50	-4.854	**-**
MVWAP20	-10.183	**-**
MACD	-2.321	**-**
RSI	3.320	**-**
Volume	-529124.000	**-**
ATR	0.250	**-**
T1	-	**-57.12 / 663.75 / 572.00 / 553.64**
T2	-	**-54.00 / 672.47 / 591.30 / 550.81**
T3	-	**-48.73 / 688.63 / 623.94 / 582.51**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$596.58**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 9, 2026 2:47 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-11-13 | 4 DTE**
Front at-the-money IV	**54.0%**
25-delta skew	**4.25**
Put / Call 25-delta	**$575.00 Delta -0.251 / $620.00 Delta 0.260**
Median option bid/ask spread	**6.7%**
Bid/ask spread	**-**
Contracts observed / quoted	**114 / 114**

Price context

Last Price: 596.58 | Bid: 596.33 | Ask: 596.75 | Previous Close: 558.63 | Change: 37.95 | Daily change: 6.79% | Update Time: 2026-11-09T14:47:12.570271-05:00 | Latest History Date: 2026-11-09 | Latest History Price: 596.54

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-17 | Latest Date: 2026-11-09 | Latest Price: 596.54 | Max Drawdown 60d Percent: -37.20%

Fundamental context

Current Iv Percent: 42.54% | Iv Rank: 52.87 | Iv Percentile: 70.92 | 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.

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.

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Reference documents

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