Caterpillar Inc / CAT

Equity | Generated Nov 13, 2026 11:31 PM EST

Current price	Daily move	Bid / Ask	Previous close
$596.12	-9.16 -1.51%	-/-	$605.28

Market	NYSE
Industry	Machinery
Market data as of	Nov 13, 2026 11:31 PM EST

JW Intelligence Report

Complete | 3 of 3 sections | Nov 13, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
46.7 / 100	Cautious	high	64 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$590.00	$625.00	$572.00	66 / 100

Options stance	mixed
Tail-risk safety	45 / 100
JW Rank data coverage / as of	100.0% | Nov 13, 2026 6:50 PM EST

Key insight

CAT Options Imply Uncertainty Amidst Mixed Signals

Market read

The market for CAT options reflects a cautious outlook, with implied volatility suggesting heightened uncertainty surrounding the stock's future direction. While recent earnings results exceeded expectations and the company boasts a record backlog, concerns about macro headwinds, tariff pressures, and technical weakness contribute to a mixed sentiment. The term structure is in backwardation, indicating near-term pessimism.

Strategy context

CAT's options market presents opportunities for both bullish and bearish strategies. However, the current uncertainty warrants caution.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Nov 13, 2026 2:30 PM EST**

Short-term scenario

Cautious tactical long for a potential 1-3 week relief bounce only, with high uncertainty. Bearish momentum and lack of reversal confirmation argue against aggressive positioning; treat as a high-risk mean-reversion idea rather than a trend trade.

Three-month outlook

Fundamentals provide a constructive base: record backlog offers multi-quarter revenue visibility and management still expects mid-to-high teens 2026 growth, which could support a recovery toward the $700 area or higher if sentiment toward AI-linked power demand and infrastructure spending stabilizes and capacity constraints ease. However, uncertainty is elevated. Tariff costs, construction dealer inventory destocking, possible moderation in data-center orders, and the entrenched technical downtrend create meaningful downside risk of further weakness or prolonged consolidation before any sustained rebound. Base case is volatile range-bound to modestly higher price action rather than a clean V-shaped recovery; outcomes depend heavily on macro and order trends that are not yet clear.

Market sentiment

Sparse but mixed-to-cautiously opportunistic. Recent posts note the sharp selloff (roughly 30%+ over the past month) as potentially overdone given the record backlog, strong earnings, and unchanged growth guidance, with some calling the stock oversold and a candidate for a bounce or longer-term recovery if AI/power demand stabilizes. Others highlight lingering downside risk from elevated valuation versus historical norms, tariff/cost pressures, macro uncertainty, and the absence of a technical reversal. Engagement is low; sentiment does not show strong consensus conviction.

Supporting evidence

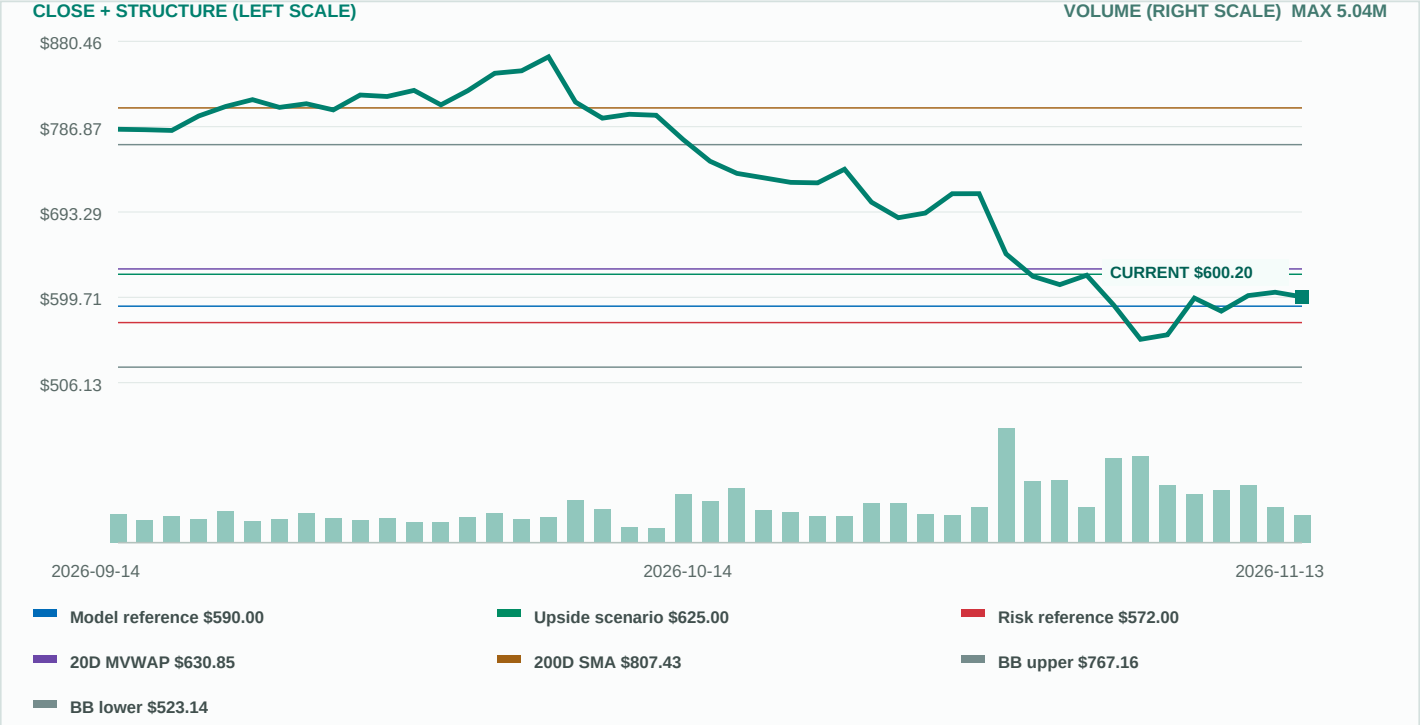
CAT's options market displays elevated implied volatility (41.91%), suggesting heightened uncertainty about future price movements. | The stock's recent decline and trading below key moving averages point to a bearish technical bias. | Despite the record backlog and strong earnings, analysts have recently lowered price targets, reflecting concerns about macro uncertainties and valuation. | The term structure is in backwardation, with near-term options more expensive than longer-term options, suggesting a higher probability of short-term volatility.

Risk watch

Macroeconomic headwinds and potential moderation in data center demand pose risks to CAT's growth outlook. | Elevated tariff costs and construction dealer inventory destocking could impact profitability.

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 accelerating**
Trend signal	**STRONG BEAR**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**41.26 / 35.49 / 35.14**
RSI velocity	**1.53**
MACD line / signal / histogram	**-47.43 / - / -48.83**
MACD acceleration	**2.55**
Stochastic K / D	**28.34 / 25.85**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-5.82**
20-day MVWAP	**$630.85**
Price vs 20-day MVWAP	**-5.51%**
Daily reference VWAP	**$600.80**
Price vs daily reference	**-0.78%**
Volume	**1.22M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-6.80**
20-day / 200-day SMA	**$645.15 / $807.43**
Bollinger range	**$523.14 - $767.16**
Bollinger position	**0.316**

Options and volatility intelligence

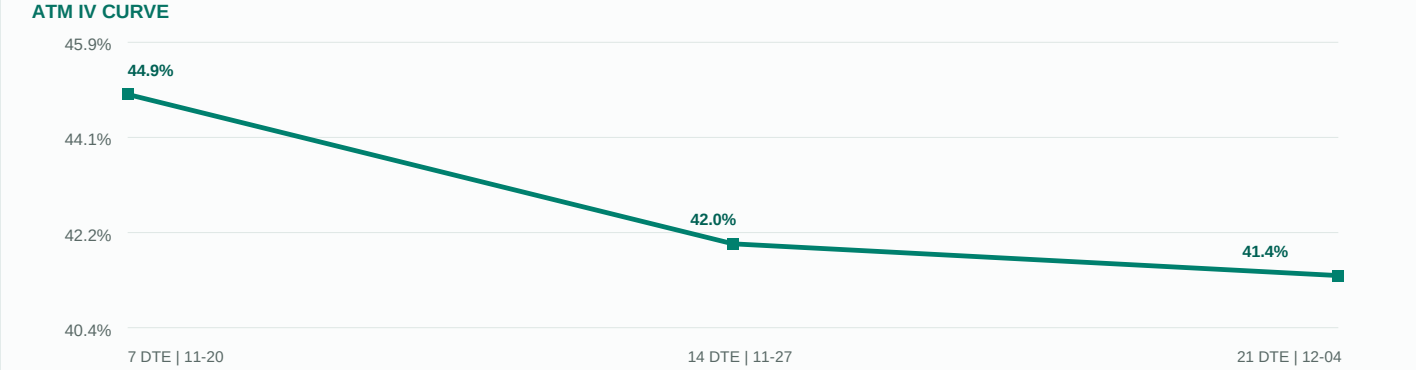
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
51 / 100	**68 / 100**	**102.62**	**150.16**

Market regime	**COMPRESSION RISK**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-3.48 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 13, 2026 2:49 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



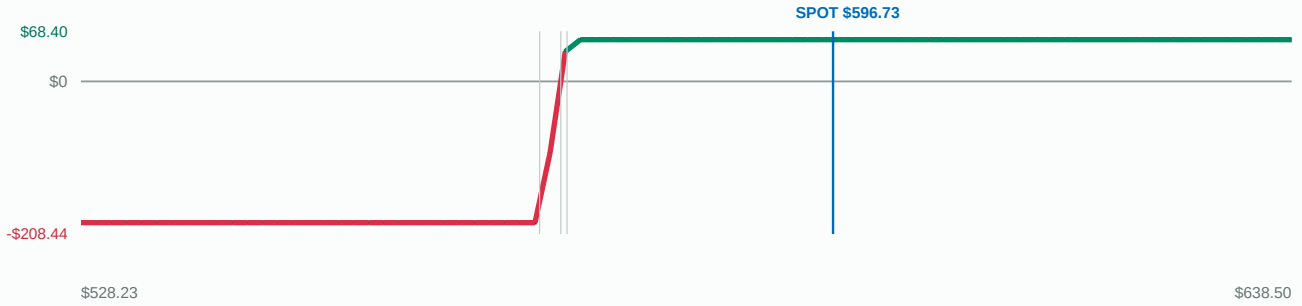
EXPIRATION	DTE	ATM IV	STATE
2026-11-20	7	44.9%	-
2026-11-27	14	42.0%	-
2026-12-04	21	41.4%	-

Reference spread payoff

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

Bull Put Spread reference

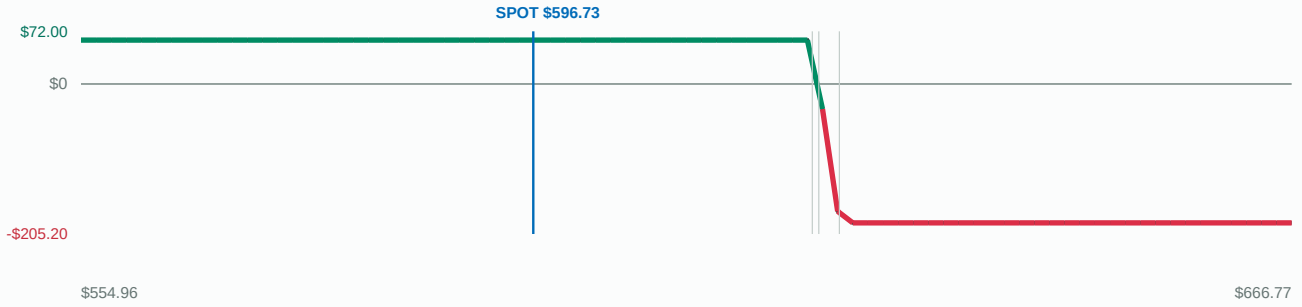
Short $572.50 | Long $570.00 | Width $2.50 | Net credit $0.57



Max profit $57.00 | Max loss -$193.00 | Break-even $571.93 | Per contract at expiry

Bear Call Spread reference

Short $622.50 | Long $625.00 | Width $2.50 | Net credit $0.60



Max profit $60.00 | Max loss -$190.00 | Break-even $623.10 | 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	**18.90**
VVIX	**102.62**
SKEW index	**150.16**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**116**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**116**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market for CAT options reflects a cautious outlook, with implied volatility suggesting heightened uncertainty surrounding the stock's future direction. While recent earnings results exceeded expectations and the company boasts a record backlog, concerns about macro headwinds, tariff pressures, and technical weakness contribute to a mixed sentiment. The term structure is in backwardation, indicating near-term pessimism.

Options context

CAT Options Imply Uncertainty Amidst Mixed Signals

Wheel context

CAT's options market presents opportunities for both bullish and bearish strategies. However, the current uncertainty warrants caution.

Observed evidence

CAT's options market displays elevated implied volatility (41.91%), suggesting heightened uncertainty about future price movements. | The stock's recent decline and trading below key moving averages point to a bearish technical bias. | Despite the record backlog and strong earnings, analysts have recently lowered price targets, reflecting concerns about macro uncertainties and valuation. | The term structure is in backwardation, with near-term options more expensive than longer-term options, suggesting a higher probability of short-term volatility.

Principal risks to monitor

Macroeconomic headwinds and potential moderation in data center demand pose risks to CAT's growth outlook. | Elevated tariff costs and construction dealer inventory destocking could impact profitability.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$271.23B	**23.58**
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	**5.6%**
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 13, 2026 9:31 AM EST

Covered Call | 2026-11-20

At signal $608.86 | Current $596.12

SHORT **Option $610.00 B $14.15 / A $16.25**

Conservative | CR $15.20

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$29.10**
ATR as % of price	**4.9%**
Volatility environment	**high**
Current IV	**41.1%**
IV rank	**48 / 100**
IV percentile	**64 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 13, 2026 6:31 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**49 / 100**
Trend health	**25 / 100**
Momentum health	**65 / 100**
Volatility health	**37 / 100**
Structure health	**82 / 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)	**$645.15 / $740.77 / $807.43**
EMA (9 / 21)	**$604.63 / $645.91**
Bollinger upper / middle / lower	**$767.16 / $645.15 / $523.14**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.316**
True high / low	**$611.93 / $590.26**
5-day true high / low	**$613.57 / $558.63**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-6.805	**-**
SMA50	-3.763	**-**
MVWAP20	-5.825	**-**
MACD	2.552	**-**
RSI	1.527	**-**
Volume	-354906.330	**-**
ATR	-0.474	**-**
T1	-	**-49.80 / 635.14 / 613.57 / 590.69**
T2	-	**-52.63 / 641.24 / 610.50 / 584.57**
T3	-	**-55.09 / 648.32 / 598.88 / 566.12**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$596.73**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 13, 2026 2:49 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-11-20 | 7 DTE**
Front at-the-money IV	**44.9%**
25-delta skew	**1.89**
Put / Call 25-delta	**$572.50 Delta -0.245 / $622.50 Delta 0.260**
Median option bid/ask spread	**13.1%**
Bid/ask spread	**-**
Contracts observed / quoted	**116 / 116**

Price context

Last Price: 596.73 | Bid: 596.61 | Ask: 596.91 | Previous Close: 605.28 | Change: -8.55 | Daily change: -1.41% | Update Time: 2026-11-13T14:49:16.456563-05:00 | Latest History Date: 2026-11-13 | Latest History Price: 596.89

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-21 | Latest Date: 2026-11-13 | Latest Price: 596.89 | Max Drawdown 60d Percent: -35.88%

Fundamental context

Current Iv Percent: 41.91% | Iv Rank: 50.57 | Iv Percentile: 67.73 | Next Earnings Date: 2027-01-28 | Ex Dividend Date: 2026-10-25

Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

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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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