Costco Wholesale Corp / COST

Equity | Generated Sep 3, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$925.50	-2.98 -0.32%	$922.50/$928.58	$928.48

Market	**NYSE**
Industry	**Retail**
Market data as of	**Sep 3, 2026 11:30 PM EDT**

JW Intelligence Report

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

JW Rank	Rank label	Confidence	IV percentile
61.0 / 100	Balanced	high	61 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$920.00	$960.00	$900.00	86 / 100

Options stance	**mixed**
Tail-risk safety	**64 / 100**
JW Rank data coverage / as of	**100.0% | Sep 3, 2026 7:51 PM EDT**

Key insight

COST Option Market Shows Mixed Sentiment Ahead of Earnings

Market read

The COST option market displays a mixed sentiment ahead of its September 24th earnings release. While implied volatility is elevated at 23.61%, reflecting uncertainty surrounding the upcoming results, technical indicators point to a short-term downtrend with bearish momentum.

Strategy context

The market is positioned for potential volatility surrounding the upcoming earnings release. Traders are buying put options to hedge against downside risk, while call buyers are looking for upside potential.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Sep 3, 2026 2:17 PM EDT**

Short-term scenario

Cautious/wait for dip; technicals currently bearish and earnings (Sep 24) add high uncertainty. Existing holders may hold if support holds.

Three-month outlook

Moderately constructive with analyst consensus implying ~16% upside to ~$1,077, supported by consistent sales growth and membership model. However, significant uncertainty exists due to elevated valuation (P/E ~47), signs of slowing warehouse traffic, potential multiple compression, DOJ inquiry, and macro consumer-spending risks. Technical weakness could persist until post-earnings confirmation; realistic 3-month range $850-$1,050 depending on results and broader market.

Market sentiment

Mixed-to-cautious. Recent posts highlight valuation fatigue, high P/E, technical weakness and slight comps deceleration, with some traders watching for further pullback to $920. Others note resilient membership loyalty and customer service as long-term positives. Overall limited high-engagement discussion; sentiment leans wary of the premium multiple ahead of earnings rather than strongly directional.

Supporting evidence

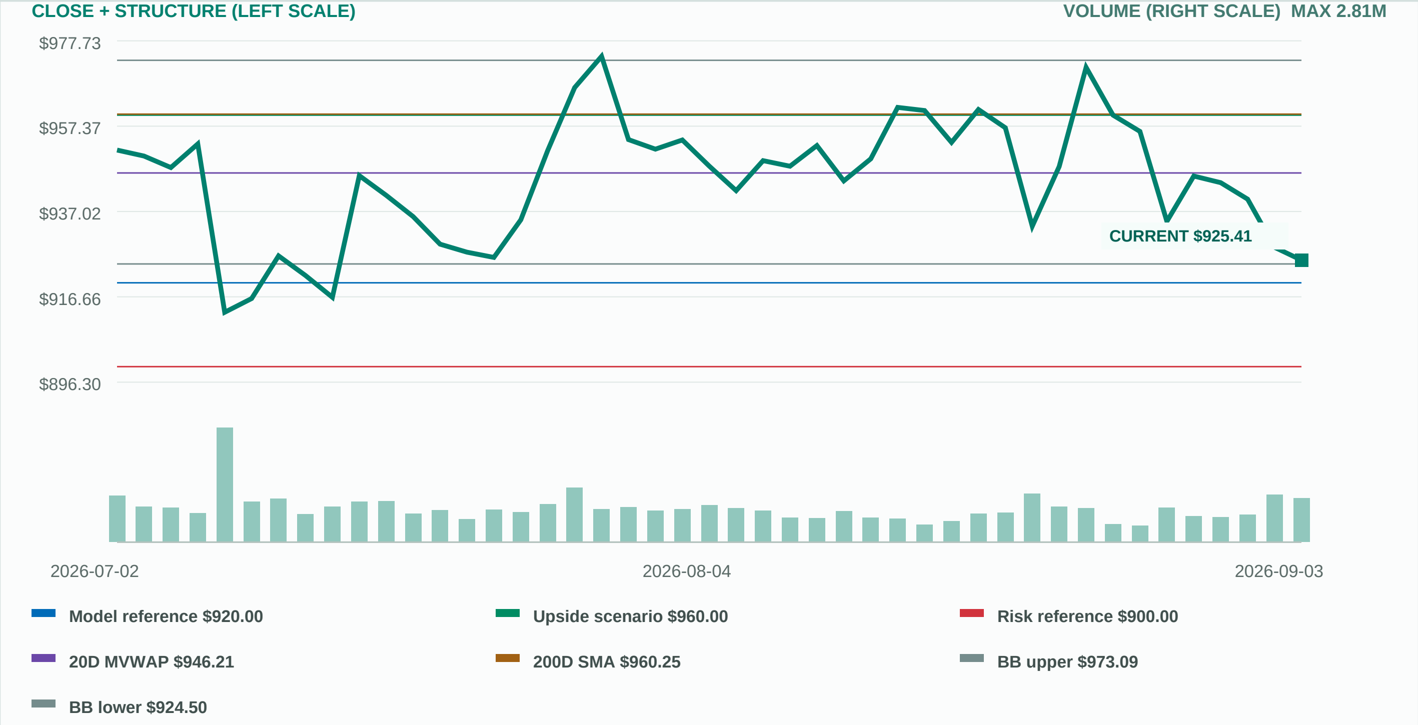
Implied volatility is above average at 23.61% indicating heightened market uncertainty ahead of earnings. | The term structure shows backwardation with near-term options more expensive than longer-dated options, suggesting traders are pricing in potential volatility around the earnings announcement. | Technical indicators like RSI and MACD signal a bearish short-term trend with price below key moving averages.

Risk watch

Earnings announcement on September 24th could trigger significant price swings.

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**	**low**

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)	**33.66 / 41.17 / 43.56**
RSI velocity	**-2.11**
MACD line / signal / histogram	**-4.12 / - / -1.02**
MACD acceleration	**-1.20**
Stochastic K / D	**18.91 / 25.56**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-1.17**
20-day MVWAP	**$946.21**
Price vs 20-day MVWAP	**-2.19%**
Daily reference VWAP	**$923.83**
Price vs daily reference	**+0.18%**
Volume	**1.08M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-0.75**
20-day / 200-day SMA	**$948.80 / $960.25**
Bollinger range	**$924.50 - $973.09**
Bollinger position	**0.019**

Options and volatility intelligence

Structure, premium conditions and principal risks

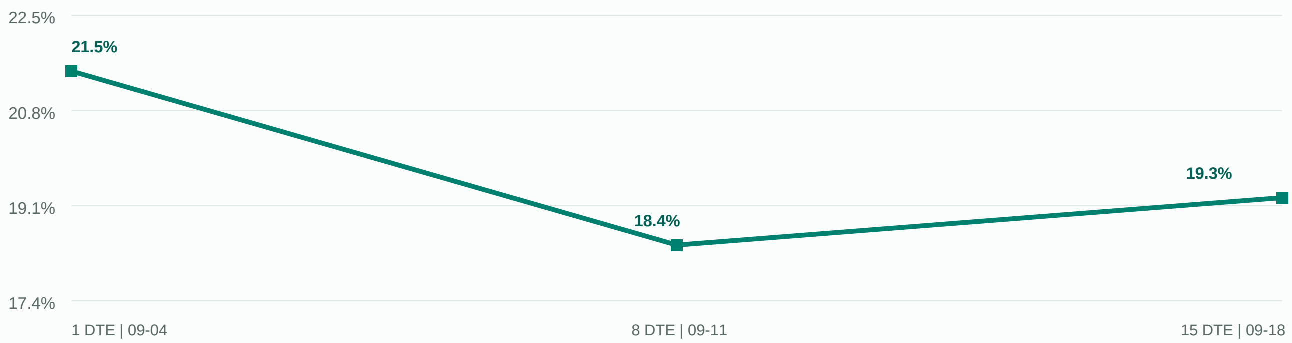
IV rank	IV percentile	VVIX	SKEW
53 / 100	**62 / 100**	**85.08**	**144.12**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-2.27 pts**
Skew read	**CALL DEMAND ELEVATED**
Liquidity / quote coverage	**99.1%**
Options observation	**Sep 3, 2026 4:50 PM EDT | Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

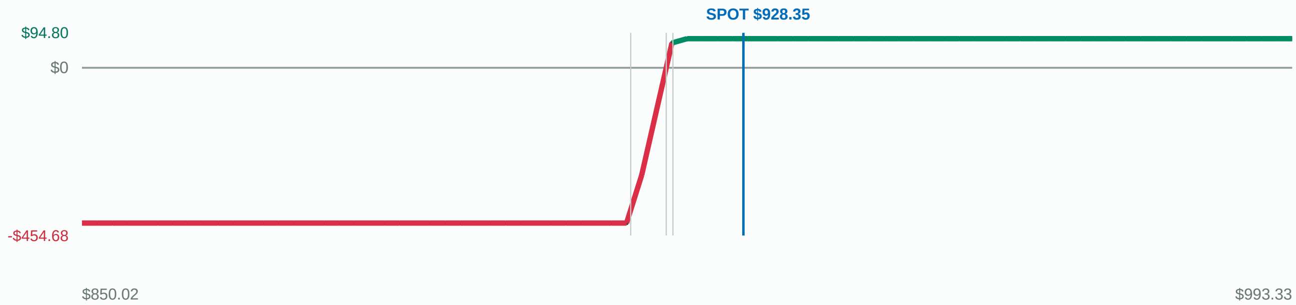
EXPIRATION	DTE	ATM IV	STATE
2026-09-04	1	21.5%	-
2026-09-11	8	18.4%	-
2026-09-18	15	19.3%	-

Reference spread payoff

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

Bull Put Spread reference

Short $920.00 | Long $915.00 | Width $5.00 | Net credit $0.79



Max profit $79.00 | Max loss -$421.00 | Break-even $919.21 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-09-24**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**14.53**
VVIX	**85.08**
SKEW index	**144.12**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**107**
Contracts with quotes	**106**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

COST Option Market Shows Mixed Sentiment Ahead of Earnings

Wheel context

The market is positioned for potential volatility surrounding the upcoming earnings release. Traders are buying put options to hedge against downside risk, while call buyers are looking for upside potential.

Observed evidence

Implied volatility is above average at 23.61% indicating heightened market uncertainty ahead of earnings. | The term structure shows backwardation with near-term options more expensive than longer-dated options, suggesting traders are pricing in potential volatility around the earnings announcement. | Technical indicators like RSI and MACD signal a bearish short-term trend with price below key moving averages.

Principal risks to monitor

Earnings announcement on September 24th could trigger significant price swings.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$410.40B**	P/E (TTM) **46.59**
ROE **28.3%**	Revenue growth **6.6%**
EPS growth **11.5%**	Operating margin **3.8%**
Net profit margin **3.0%**	Gross margin **-**
Free cash flow CAGR **5.3%**	Debt / equity **0.25**
Dividend yield **0.7%**	Beta **0.86**
52-week range **$844.06 - $1,096.50**	

Company or fund profile

Issuer identity and classification

Name **Costco Wholesale Corp**	Market **NYSE**
Industry **Retail**	Country **US**
Currency **USD**	IPO date **1985-12-05**
Shares outstanding **443.48M**	52-week return **-2.2%**
Book value per share **$75.55**	Revenue per share **$660.59**

Website	costco.com

Latest strategy observation

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

COST Covered Call signal

Sep 3, 2026 10:07 AM EDT

Covered Call | 2026-09-04

At signal $919.71 | Current $925.50

SHORT **Option $930.00 B $1.70 / A $1.94**

High turnover | CR $1.82

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$17.50**
ATR as % of price	**1.9%**
Volatility environment	**low**
Current IV	**23.1%**
IV rank	**49 / 100**
IV percentile	**61 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**54 / 100**
Trend health	**25 / 100**
Momentum health	**75 / 100**
Volatility health	**82 / 100**
Structure health	**52 / 100**
Earnings risk / date	**medium | 2026-09-24**
Macro risk	**unknown**
Volatility risk	**low**
Structure risk	**medium**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$948.80 / $944.10 / $960.25**
EMA (9 / 21)	**$939.85 / $945.31**
Bollinger upper / middle / lower	**$973.09 / $948.80 / $924.50**
Bollinger %B	**0.019**
True high / low	**$930.76 / $915.31**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$953.73 / $915.31**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-0.752	**-**
SMA50	-0.509	**-**
MVWAP20	-1.175	**-**
MACD	-1.199	**-**
RSI	-2.114	**-**
Volume	153403.670	**-**
ATR	-0.036	**-**
T1	-	**-2.75 / 948.27 / 939.96 / 920.31**
T2	-	**-1.27 / 949.68 / 952.10 / 935.92**
T3	-	**-0.53 / 949.74 / 949.30 / 940.71**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$928.35**
Options intelligence as of	**Sep 3, 2026 4:50 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-04 | 1 DTE**
Front at-the-money IV	**21.5%**
25-delta skew	**-5.94**
Put / Call 25-delta	**$920.00 Delta -0.205 / $955.00**
Median option bid/ask spread	**18.4%**
Bid/ask spread	**-**
Contracts observed / quoted	**107 / 106**

Price context

Last Price: 928.35 | Bid: 928.00 | Ask: 928.71 | Previous Close: 928.48 | Change: -0.13 | Daily change: -0.01% | Update Time: 2026-09-03T14:32:38.064358-04:00 | Latest History Date: 2026-09-03 | Latest History Price: 928.36

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-10 | Latest Date: 2026-09-03 | Latest Price: 928.36 | Max Drawdown 60d Percent: -7.47%

Fundamental context

Current Iv Percent: 23.61% | Iv Rank: 53.23 | Iv Percentile: 61.90 | Next Earnings Date: 2026-09-24 | Ex Dividend Date: 2026-07-23 | Dividend Yield: 63.00

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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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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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

Jason Wheel	**jasonwheel.com**
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