# Costco Wholesale Corp / COST

Equity | Generated Sep 8, 2026 11:30 PM EDT

| Current price | Daily move | Bid / Ask | Previous close |
|---|---|---|---|
| $910.20 | -5.54 -0.60% | $909.00/$911.00 | $915.74 |

| | |
|---|---|
| Market | **NYSE** |
| Industry | **Retail** |
| Market data as of | **Sep 8, 2026 11:30 PM EDT** |

## JW Intelligence Report

Complete | 3 of 3 sections | Sep 8, 2026 6:50 PM EDT

| JW Rank | Rank label | Confidence | IV percentile |
|---|---|---|---|
| 54.6 / 100 | Balanced | high | 74 / 100 |

| Model reference | Upside scenario | Risk reference | Wheel strategy fit |
|---|---|---|---|
| $905.00 | $945.00 | $885.00 | 72 / 100 |

| | |
|---|---|
| Options stance | **mixed** |
| Tail-risk safety | **32 / 100** |
| JW Rank data coverage / as of | **100.0% \| Sep 8, 2026 6:50 PM EDT** |

### Key insight

COST Option Market Shows Cautious Optimism Despite Recent Price Weakness

### Market read

The COST option market displays a mixed sentiment, reflecting both positive fundamental factors and recent price weakness. While implied volatility is elevated, suggesting uncertainty, the term structure shows a slight contango, indicating some expectation for future upside. The skew is balanced, with no significant directional bias. Recent analyst upgrades and strong sales figures contribute to cautious optimism, but concerns about valuation and potential macro headwinds keep the market on edge.

### Strategy context

COST's option market reflects a balance between positive fundamentals and recent price weakness. Elevated implied volatility suggests uncertainty, but the contango term structure hints at potential upside.

# JW AI conclusions

Short- and medium-term model interpretation

| | |
|---|---|
| AI context bias | **Bearish** |
| AI analysis updated | **Sep 8, 2026 2:21 PM EDT** |

### Short-term scenario

Hold/cautious dip-buy; high uncertainty from bearish technicals (below MAs, negative MACD) despite oversold RSI. Broader market/macro and premium valuation add risk of further downside or range-bound action in 1-3 weeks.

### Three-month outlook

Constructive but uncertain. Membership-driven model, consistent mid-to-high single-digit comps, and digital momentum support gradual recovery toward $950-1,000 if consumer spending holds. Analyst targets imply upside, yet 46x P/E, resistance at 50/200-day MAs, and potential macro/consumer slowdown create high risk of continued consolidation or 5-10% further pullback. Not a high-conviction short-term mover.

### Market sentiment

Cautiously mixed/optimistic. Posts emphasize strong sales growth, membership model reliability, and the Freedom Broker upgrade. Some note stock is 15% below 52-week high with high multiple vulnerable to any deceleration. Limited extreme bearish commentary; focus on fundamentals over technicals. Overall low-to-moderate engagement.

### Supporting evidence

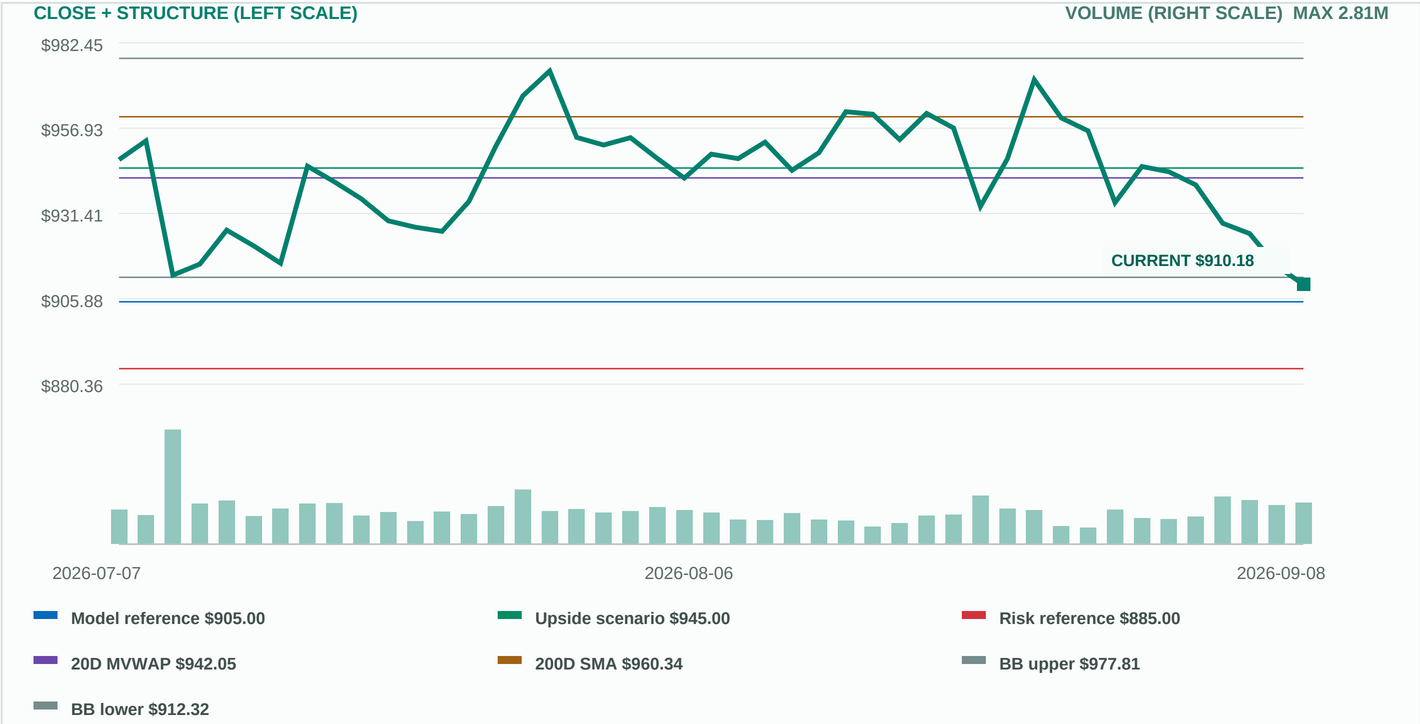
Implied volatility is elevated at 24.97%, suggesting uncertainty surrounding COST's future price movements. | The term structure shows a slight contango, with ATM IV increasing as expiration dates lengthen, hinting at potential upside expectations. | The balanced skew indicates no strong directional bias in the market, with both call and put options priced similarly. | Recent analyst upgrades from Freedom Broker and Bernstein, coupled with strong August sales figures, contribute to a cautiously optimistic outlook.

### Risk watch

Valuation concerns remain as COST trades at a premium compared to its retail peers. | Potential macro headwinds and consumer spending slowdown could negatively impact future sales growth.

## 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

| JW RANK FACTOR PROFILE | COVERAGE | 0 – 50 – 100 |
|---|---|---|
| **Liquidity** | 100.0% | 93.8 |
| **Strategy Fit** | 100.0% | 71.8 |
| **Technical Trend** | 100.0% | 21.2 |
| **Market Tail Risk** | 100.0% | 32.0 |
| **Fundamental Quality** | 100.0% | 51.5 |
| **Volatility Pressure** | 100.0% | 85.3 |

## 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) | **25.79 / 36.38 / 40.21** |
| RSI velocity | **-1.93** |
| MACD line / signal / histogram | **-7.71 / - / -3.14** |
| MACD acceleration | **-1.65** |
| Stochastic K / D | **7.81 / 12.44** |

## Institutional footprints

Volume-weighted cost, price location and flow

| | |
|---|---|
| Current read | **Below institutional MVWAP \| Distribution bias** |
| Institutional flow | **-2.07** |
| 20-day MVWAP | **$942.05** |
| Price vs 20-day MVWAP | **-3.38%** |
| Daily reference VWAP | **$910.47** |
| Price vs daily reference | **-0.03%** |
| Volume | **1.01M** |

## Structural context

Long-term trend and volatility boundaries

| | |
|---|---|
| Current read | **Below 200-day trend \| Negative macro velocity** |
| Macro velocity | **-1.64** |
| 20-day / 200-day SMA | **$945.06 / $960.34** |
| Bollinger range | **$912.32 - $977.81** |
| Bollinger position | **-0.033** |

## Options and volatility intelligence

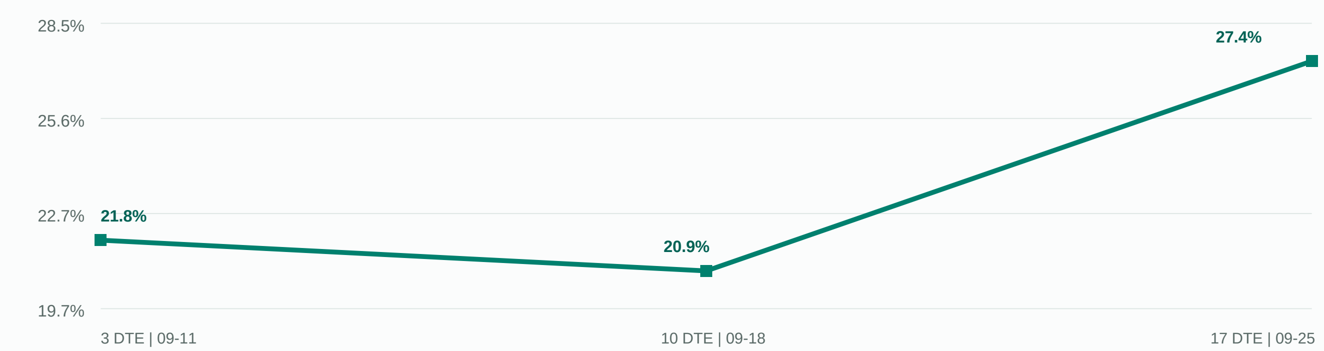
Structure, premium conditions and principal risks

| IV rank | IV percentile | VVIX | SKEW |
|---|---|---|---|
| **65 / 100** | **71 / 100** | **87.47** | **151.58** |

| | |
|---|---|
| Market regime | **DANGER ZONE** |
| Tail-risk regime | **NORMAL TAIL RISK** |
| Term structure | **contango** |
| Term slope | **+5.54 pts** |
| Skew read | **balanced** |
| Liquidity / quote coverage | **99.2%** |
| Options Snapshot IV sources | **ATM: option chain \| Rank/percentile: fundamentals** |
| Options Snapshot IV observed at | **Sep 8, 2026 2:42 PM EDT** |
| Options data quality | **Coverage 88.9%** |

## Option term structure

ATM implied-volatility curve by days to expiration




Upward-sloping ATM volatility term structure

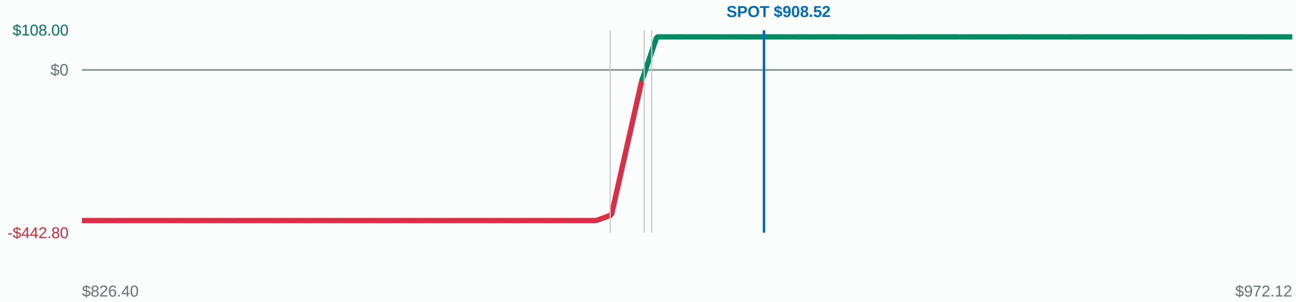
| EXPIRATION | DTE | ATM IV | STATE |
|---|---|---|---|
| **2026-09-11** | 3 | 21.8% | - |
| **2026-09-18** | 10 | 20.9% | - |
| **2026-09-25** | 17 | 27.4% | - |

## Reference spread payoff

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

### Bull Put Spread reference

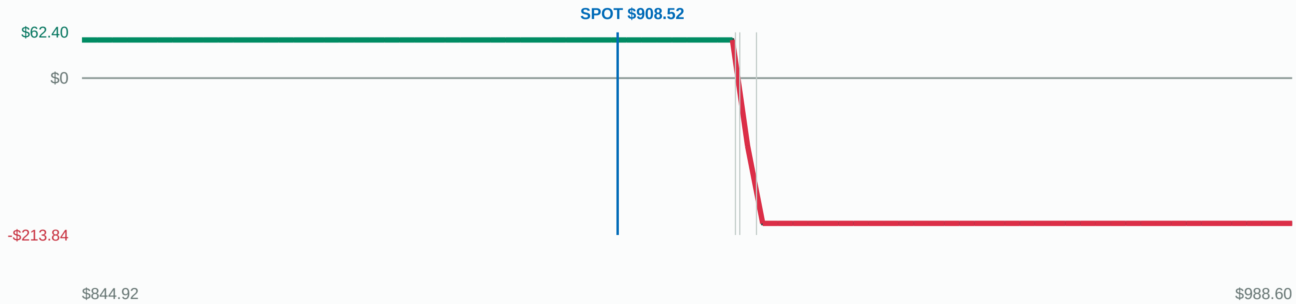
Short $895.00 | Long $890.00 | Width $5.00 | Net credit $0.90




**Max profit $90.00 | Max loss -$410.00 | Break-even $894.10 | Per contract at expiry**

### Bear Call Spread reference

Short $922.50 | Long $925.00 | Width $2.50 | Net credit $0.52




**Max profit $52.00 | Max loss -$198.00 | Break-even $923.02 | 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 | **unknown** |
| VIX | **15.29** |
| VVIX | **87.47** |
| SKEW index | **151.58** |
| Observation confidence | **high** |
| Option quote quality | **reliable** |
| Contracts observed | **124** |

## Event and tail-risk context (continued)

Known event windows and broad volatility conditions

| FIELD | VALUE |
|---|---|
| Contracts with quotes | **123** |

# Strategy fit

Generalized structure fit; not a personalized recommendation

### Market structure

The COST option market displays a mixed sentiment, reflecting both positive fundamental factors and recent price weakness. While implied volatility is elevated, suggesting uncertainty, the term structure shows a slight contango, indicating some expectation for future upside. The skew is balanced, with no significant directional bias. Recent analyst upgrades and strong sales figures contribute to cautious optimism, but concerns about valuation and potential macro headwinds keep the market on edge.

### Options context

COST Option Market Shows Cautious Optimism Despite Recent Price Weakness

### Wheel context

COST's option market reflects a balance between positive fundamentals and recent price weakness. Elevated implied volatility suggests uncertainty, but the contango term structure hints at potential upside.

### Observed evidence

Implied volatility is elevated at 24.97%, suggesting uncertainty surrounding COST's future price movements. | The term structure shows a slight contango, with ATM IV increasing as expiration dates lengthen, hinting at potential upside expectations. | The balanced skew indicates no strong directional bias in the market, with both call and put options priced similarly. | Recent analyst upgrades from Freedom Broker and Bernstein, coupled with strong August sales figures, contribute to a cautiously optimistic outlook.

### Principal risks to monitor

Valuation concerns remain as COST trades at a premium compared to its retail peers. | Potential macro headwinds and consumer spending slowdown could negatively impact future sales growth.

## Fundamentals and events

Business quality, valuation and upcoming event context

| | |
|---|---|
| Market capitalization<br>**$406.11B** | P/E (TTM)<br>**45.95** |
| ROE<br>**28.3%** | Revenue growth<br>**6.6%** |
| EPS growth<br>**11.5%** | Operating margin<br>**3.8%** |
| Net profit margin<br>**3.0%** | Gross margin<br>**-** |
| Free cash flow CAGR<br>**5.3%** | Debt / equity<br>**0.25** |
| Dividend yield<br>**0.7%** | Beta<br>**0.86** |
| 52-week range<br>**$844.06 - $1,096.50** | |

## Company or fund profile

Issuer identity and classification

| | |
|---|---|
| Name<br>**Costco Wholesale Corp** | Market<br>**NYSE** |
| Industry<br>**Retail** | Country<br>**US** |
| Currency<br>**USD** | IPO date<br>**1985-12-05** |
| Shares outstanding<br>**443.48M** | 52-week return<br>**-5.0%** |
| Book value per share<br>**$75.55** | Revenue per share<br>**$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 8, 2026 3:12 PM EDT

**Covered Call | 2026-09-18**

At signal $910.27 | Current $910.20

**SHORT** **Option $910.00 B $13.00 / A $14.30**

**High turnover | CR $13.65**

## Complete technical details

Full supporting indicator set used by the symbol detail experience

## Volatility and options market

Price movement and premium conditions

| | |
|---|---|
| ATR | **$16.68** |
| ATR as % of price | **1.8%** |
| Volatility environment | **low** |
| Current IV | **25.2%** |
| IV rank | **66 / 100** |
| IV percentile | **74 / 100** |
| Technical Snapshot IV source | **Private fundamentals snapshot** |
| Technical Snapshot IV observed at | **Sep 8, 2026 7:31 PM EDT** |

## Technical health and risk radar

Derived indicator health and event context

| | |
|---|---|
| Overall health | **51 / 100** |
| Trend health | **25 / 100** |
| Momentum health | **66 / 100** |
| Volatility health | **83 / 100** |
| Structure health | **47 / 100** |
| Earnings risk / date | **medium \| 2026-09-24** |
| Macro risk | **unknown** |
| Volatility risk | **low** |
| Structure risk | **high** |

## Structural indicator levels

Moving averages, volatility bands and observed trading ranges

| | |
|---|---|
| SMA (20 / 50 / 200) | **$945.06 / $942.73 / $960.34** |
| EMA (9 / 21) | **$930.06 / $939.68** |
| Bollinger upper / middle / lower | **$977.81 / $945.06 / $912.32** |

## Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

| FIELD | VALUE |
| --- | --- |
| Bollinger %B | **-0.033** |
| True high / low | **$915.74 / $906.10** |
| 5-day true high / low | **$952.10 / $906.10** |

## Three-day indicator history

Short-horizon change and the underlying three-session observations

| INDICATOR | 3-DAY CHANGE | SESSION 1 / 2 / 3 |
| --- | --- | --- |
| **SMA20** | -1.640 | **-** |
| **SMA50** | -0.697 | **-** |
| **MVWAP20** | -2.074 | **-** |
| **MACD** | -1.654 | **-** |
| **RSI** | -1.931 | **-** |
| **Volume** | -50427.000 | **-** |
| **ATR** | -0.328 | **-** |
| **T1** | - | **-5.92 / 944.51 / 928.04 / 914.54** |
| **T2** | - | **-4.12 / 946.20 / 930.76 / 915.31** |
| **T3** | - | **-2.75 / 948.27 / 939.96 / 920.31** |

## Detailed options evidence

Supporting option-chain, execution and data-quality observations

| | |
|---|---|
| Underlying price at observation | **$908.52** |
| Options Snapshot IV sources | **ATM: option chain \| Rank/percentile: fundamentals** |
| Options Snapshot IV observed at | **Sep 8, 2026 2:42 PM EDT** |
| Options data coverage | **88.9%** |
| SKEW regime | **HIGH TAIL RISK SKEW** |
| VVIX regime | **VVIX FLAT** |
| Front expiration / DTE | **2026-09-11 \| 3 DTE** |
| Front at-the-money IV | **21.8%** |
| 25-delta skew | **-0.94** |
| Put / Call 25-delta | **$895.00 Delta -0.219 / $922.50 Delta 0.236** |
| Median option bid/ask spread | **12.5%** |
| Bid/ask spread | **-** |
| Contracts observed / quoted | **124 / 123** |

### Price context

Last Price: 908.52 | Bid: 908.24 | Ask: 908.52 | Previous Close: 915.74 | Change: -7.22 | Daily change: -0.79% | Update Time: 2026-09-08T14:42:03.600752-04:00 | Latest History Date: 2026-09-08 | Latest History Price: 908.32

### Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-12 | Latest Date: 2026-09-08 | Latest Price: 908.32 | Max Drawdown 60d Percent: -7.94%

### Fundamental context

Current Iv Percent: 24.97% | Iv Rank: 64.59 | Iv Percentile: 70.52 | Next Earnings Date: 2026-09-24 | Ex Dividend Date: 2026-07-23

# 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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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** |
| Terms of Use | **jasonwheel.com / Terms** |
| Privacy Policy | **jasonwheel.com / Privacy** |
| Options Disclosure Document | **theocc.com / Options Disclosure Document** |