Costco Wholesale Corp / COST

Equity | Generated Sep 10, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$902.40	**-0.20 -0.02%**	**$902.50/$905.00**	**$902.60**

Market	**NYSE**
Industry	**Retail**
Market data as of	**Sep 10, 2026 11:30 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 10, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
57.7 / 100	**Balanced**	**high**	**67 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$895.00	**$940.00**	**$875.00**	**76 / 100**

Options stance	**mixed**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 10, 2026 6:50 PM EDT**

Key insight

COST Option Market Shows Mixed Sentiment Amid Earnings Approach

Market read

The COST option market displays a mixed sentiment as it approaches its September 24th earnings date. While implied volatility is elevated at 24.89%, reflecting uncertainty surrounding the upcoming results, the term structure shows a slight contango with higher IV for further-dated expirations. Near-term options suggest potential for a bounce due to oversold conditions indicated by the RSI, but the stock remains below key moving averages and faces resistance near $910-935. The market appears cautious, awaiting clarity on consumer spending trends and COST's ability to maintain growth momentum.

Strategy context

The COST option market is showing mixed signals. While there are signs of potential for a bounce due to oversold conditions, the overall trend remains bearish.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bearish**
AI analysis updated	**Sep 10, 2026 2:21 PM EDT**

Short-term scenario

Cautious buy/hold on oversold bounce potential over 1-3 weeks given RSI, but downtrend below key moving averages and high valuation increase risk. Uncertainty is elevated ahead of September 24 earnings and due to broader market/retail weakness; confirmation above $910 preferred.

Three-month outlook

Moderately constructive on continued mid-to-high single-digit comparable sales growth, membership fee resilience, digital expansion, and new warehouse openings supporting roughly 10% EPS growth. Premium 45x P/E leaves limited margin of safety. Key uncertainties include consumer spending trends, potential earnings miss or guidance, gas/FX impacts, and whether technical downtrend reverses. Possible range $850-1,000 depending on execution and macro; valuation and upcoming results introduce significant downside risk if growth slows.

Market sentiment

Mixed and relatively quiet. Recent posts highlight the Freedom Broker upgrade and solid sales figures, while others note the ongoing price correction toward support and historical concerns about premium valuation. Some traders mention waiting for further pullbacks. High-engagement discussion is limited and often mixed with unrelated tags. Overall tone cautious/neutral with no strong consensus bullish or bearish momentum.

Supporting evidence

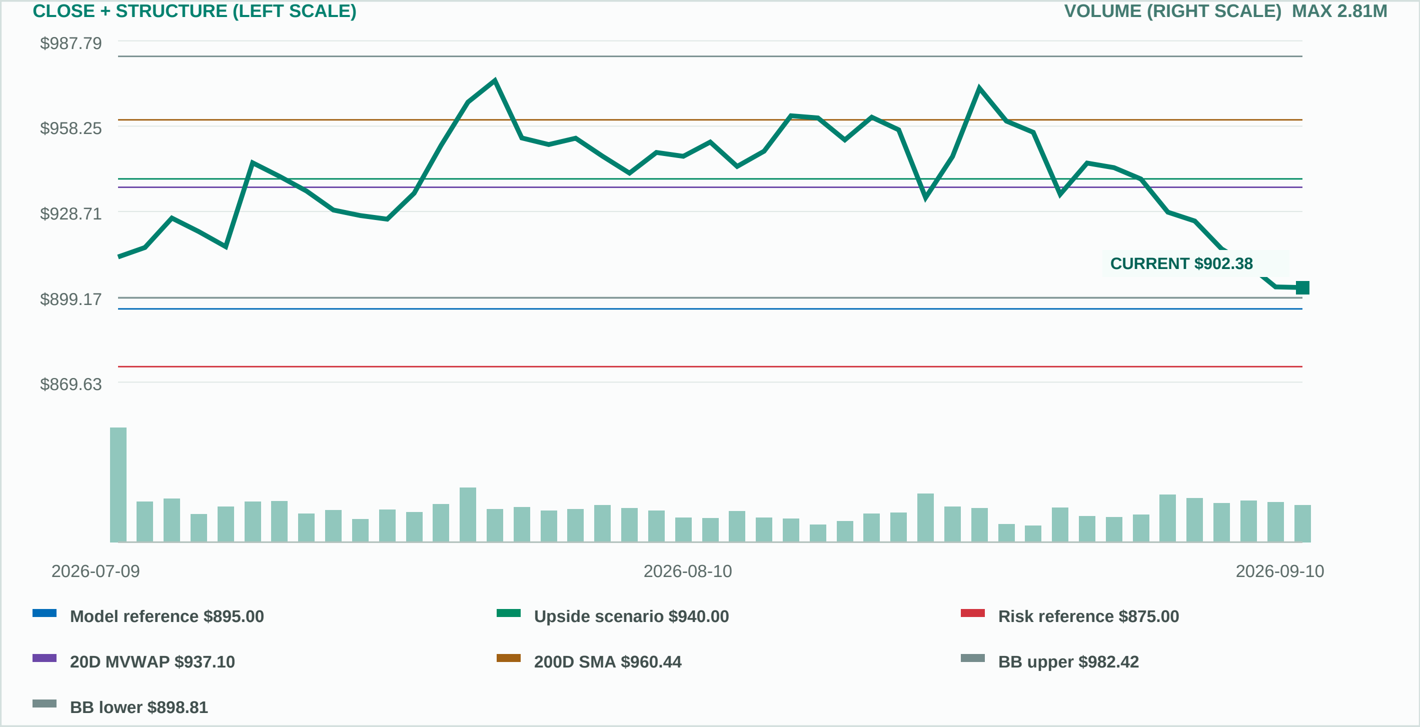
Implied volatility is elevated at 24.89%, suggesting uncertainty surrounding the upcoming earnings report. | The term structure shows a slight contango with higher IV for further-dated expirations, indicating potential for increased volatility post-earnings. | Near-term options suggest potential for a bounce due to oversold conditions indicated by the RSI. | However, the stock remains below key moving averages and faces resistance near $910-935, suggesting continued downward pressure.

Risk watch

Earnings risk: The upcoming earnings report on September 24th could significantly impact the stock price. | Macroeconomic uncertainty: Broader market weakness and concerns about consumer spending could weigh on COST's performance.

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%	94.1
Strategy Fit	100.0%	75.7
Technical Trend	100.0%	18.1
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	51.5
Volatility Pressure	100.0%	84.9

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)	**22.34 / 34.09 / 38.56**
RSI velocity	**-1.33**
MACD line / signal / histogram	**-11.04 / - / -5.76**
MACD acceleration	**-1.70**
Stochastic K / D	**5.43 / 5.85**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.47**
20-day MVWAP	**$937.10**
Price vs 20-day MVWAP	**-3.70%**
Daily reference VWAP	**$904.49**
Price vs daily reference	**-0.23%**
Volume	**911.87K**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-2.19**
20-day / 200-day SMA	**$940.62 / $960.44**
Bollinger range	**$898.81 - $982.42**
Bollinger position	**0.043**

Options and volatility intelligence

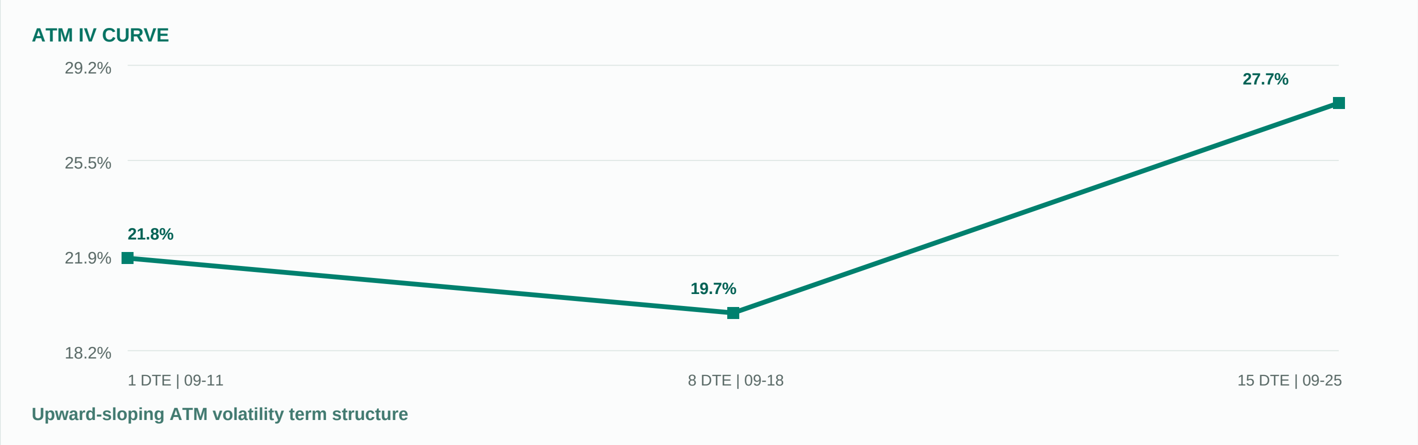
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
64 / 100	71 / 100	100.96	149.25

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**contango**
Term slope	**+5.95 pts**
Skew read	**balanced**
Liquidity / quote coverage	**98.1%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 10, 2026 2:44 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



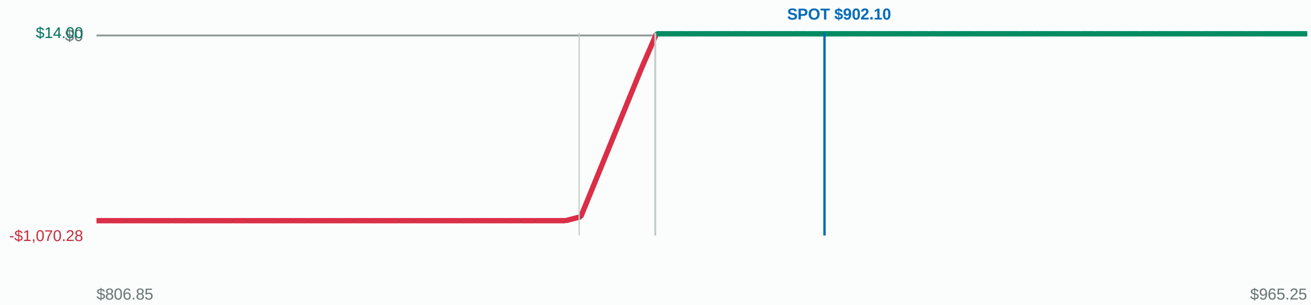
EXPIRATION	DTE	ATM IV	STATE
2026-09-11	1	21.8%	-
2026-09-18	8	19.7%	-
2026-09-25	15	27.7%	-

Reference spread payoff

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

Bull Put Spread reference

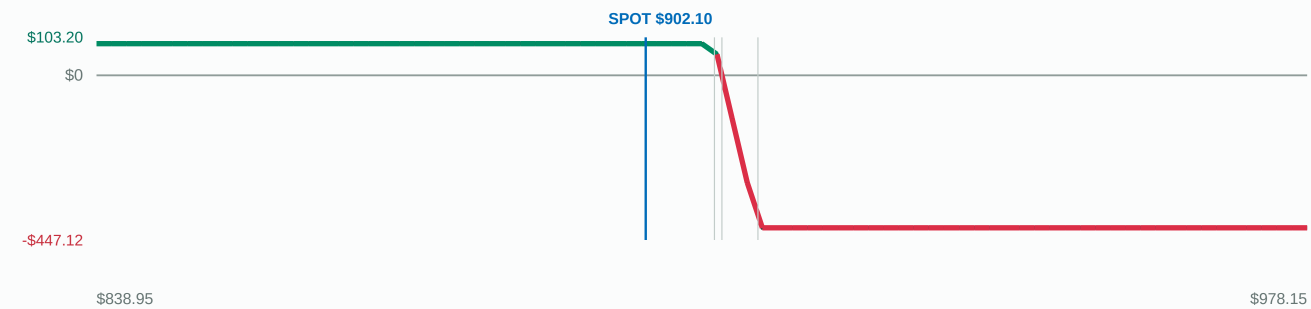
Short $880.00 | Long $870.00 | Width $10.00 | Net credit $0.09



Max profit $9.00 | Max loss -$991.00 | Break-even $879.91 | Per contract at expiry

Bear Call Spread reference

Short $910.00 | Long $915.00 | Width $5.00 | Net credit $0.86



Max profit $86.00 | Max loss -$414.00 | Break-even $910.86 | 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	**17.76**
VVIX	**100.96**
SKEW index	**149.25**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**107**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**105**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market displays a mixed sentiment as it approaches its September 24th earnings date. While implied volatility is elevated at 24.89%, reflecting uncertainty surrounding the upcoming results, the term structure shows a slight contango with higher IV for further-dated expirations. Near-term options suggest potential for a bounce due to oversold conditions indicated by the RSI, but the stock remains below key moving averages and faces resistance near $910-935. The market appears cautious, awaiting clarity on consumer spending trends and COST's ability to maintain growth momentum.

Options context

COST Option Market Shows Mixed Sentiment Amid Earnings Approach

Wheel context

The COST option market is showing mixed signals. While there are signs of potential for a bounce due to oversold conditions, the overall trend remains bearish.

Observed evidence

Implied volatility is elevated at 24.89%, suggesting uncertainty surrounding the upcoming earnings report. | The term structure shows a slight contango with higher IV for further-dated expirations, indicating potential for increased volatility post-earnings. | Near-term options suggest potential for a bounce due to oversold conditions indicated by the RSI. | However, the stock remains below key moving averages and faces resistance near $910-935, suggesting continued downward pressure.

Principal risks to monitor

Earnings risk: The upcoming earnings report on September 24th could significantly impact the stock price. | Macroeconomic uncertainty: Broader market weakness and concerns about consumer spending could weigh on COST's performance.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$400.28B**	P/E (TTM) **45.36**
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 **-6.3%**
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 10, 2026 10:27 AM EDT

Covered Call | 2026-09-11

At signal $903.05 | Current $902.40

SHORT **Option $895.00 B $10.20 / A $11.70**

High turnover | CR $10.95

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$16.09**
ATR as % of price	**1.8%**
Volatility environment	**low**
Current IV	**24.7%**
IV rank	**62 / 100**
IV percentile	**67 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 10, 2026 7:31 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**52 / 100**
Trend health	**25 / 100**
Momentum health	**62 / 100**
Volatility health	**83 / 100**
Structure health	**54 / 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)	**$940.62 / $941.18 / $960.44**
EMA (9 / 21)	**$920.13 / $933.22**
Bollinger upper / middle / lower	**$982.42 / $940.62 / $898.81**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.043**
True high / low	**$912.10 / $899.00**
5-day true high / low	**$930.76 / $898.43**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.192	**-**
SMA50	-0.797	**-**
MVWAP20	-2.470	**-**
MACD	-1.705	**-**
RSI	-1.328	**-**
Volume	-13488.330	**-**
ATR	-0.374	**-**
T1	-	**-9.63 / 939.37 / 910.18 / 898.43**
T2	-	**-7.71 / 942.04 / 915.74 / 906.10**
T3	-	**-5.92 / 944.51 / 928.04 / 914.54**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$902.10**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 10, 2026 2:44 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-09-11 | 1 DTE**
Front at-the-money IV	**21.8%**
25-delta skew	**1.87**
Put / Call 25-delta	**$880.00 / $910.00 Delta 0.246**
Median option bid/ask spread	**11.9%**
Bid/ask spread	**-**
Contracts observed / quoted	**107 / 105**

Price context

Last Price: 902.10 | Bid: 901.76 | Ask: 902.09 | Previous Close: 902.60 | Change: -0.50 | Daily change: -0.06% | Update Time: 2026-09-10T14:44:42.287506-04:00 | Latest History Date: 2026-09-10 | Latest History Price: 902.10

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-16 | Latest Date: 2026-09-10 | Latest Price: 902.10 | Max Drawdown 60d Percent: -8.57%

Fundamental context

Current Iv Percent: 24.89% | Iv Rank: 63.98 | 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.

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.

Performance and scenario limitations

Past, hypothetical, back-tested, simulated and model-derived results are not indicative of future results. Strategy statistics may exclude commissions, fees, taxes, slippage, early assignment, execution constraints and other costs unless expressly stated. Actual outcomes may differ materially.

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.

Reference documents

Official product terms and standardized options disclosure

Jason Wheel	**jasonwheel.com**
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