Costco Wholesale Corp / COST

Equity | Generated Sep 11, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$905.00	**+2.62 +0.29%**	**-/-**	**$902.38**

Market	**NYSE**
Industry	**Retail**
Market data as of	**Sep 11, 2026 11:31 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 11, 2026 7:40 PM EDT

JW Rank	Rank label	Confidence	IV percentile
56.6 / 100	**Balanced**	**high**	**63 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$900.00	**$935.00**	**$880.00**	**77 / 100**

Options stance	**mixed**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 11, 2026 7:40 PM EDT**

Key insight

COST Option Market Implies Uncertainty Amidst Recent Weakness

Market read

The COST option market reflects a mixed outlook, with both bullish and bearish signals present. While recent analyst upgrades and positive earnings expectations suggest upside potential, the stock's decline below key moving averages and elevated valuation raise concerns. The term structure is in contango, indicating higher implied volatility for longer-dated options.

Strategy context

Implied volatility is elevated, suggesting market participants anticipate significant price swings in the coming weeks. The term structure is in contango, with higher implied volatility for longer-dated options.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Sep 11, 2026 2:19 PM EDT**

Short-term scenario

Neutral/cautious with possible oversold bounce in 1-3 weeks but high uncertainty from persistent downtrend, upcoming earnings (Sep 24), and technical weakness. Avoid aggressive new longs; wait for confirmation above 920 or post-earnings. Not financial advice.

Three-month outlook

Moderately constructive on fundamentals (membership growth, digital expansion, new stores, resilient sales) with analyst consensus implying ~17-18% upside, but significant uncertainty from elevated valuation (P/E ~45), recent technical breakdown below moving averages, potential consumer/macro pressures, and the Sep 24 earnings catalyst. Could see 850-1000 range depending on results and broader market; quality name but not immune to further correction.

Market sentiment

Mixed to cautious/neutral. Recent posts highlight the analyst upgrade positively and Costco's membership/hot-dog psychology as a strength, with some traders watching for bounce or calls. Limited high-engagement discussion; older posts criticize high valuation. Overall retail sentiment not strongly bullish amid the recent price decline.

Supporting evidence

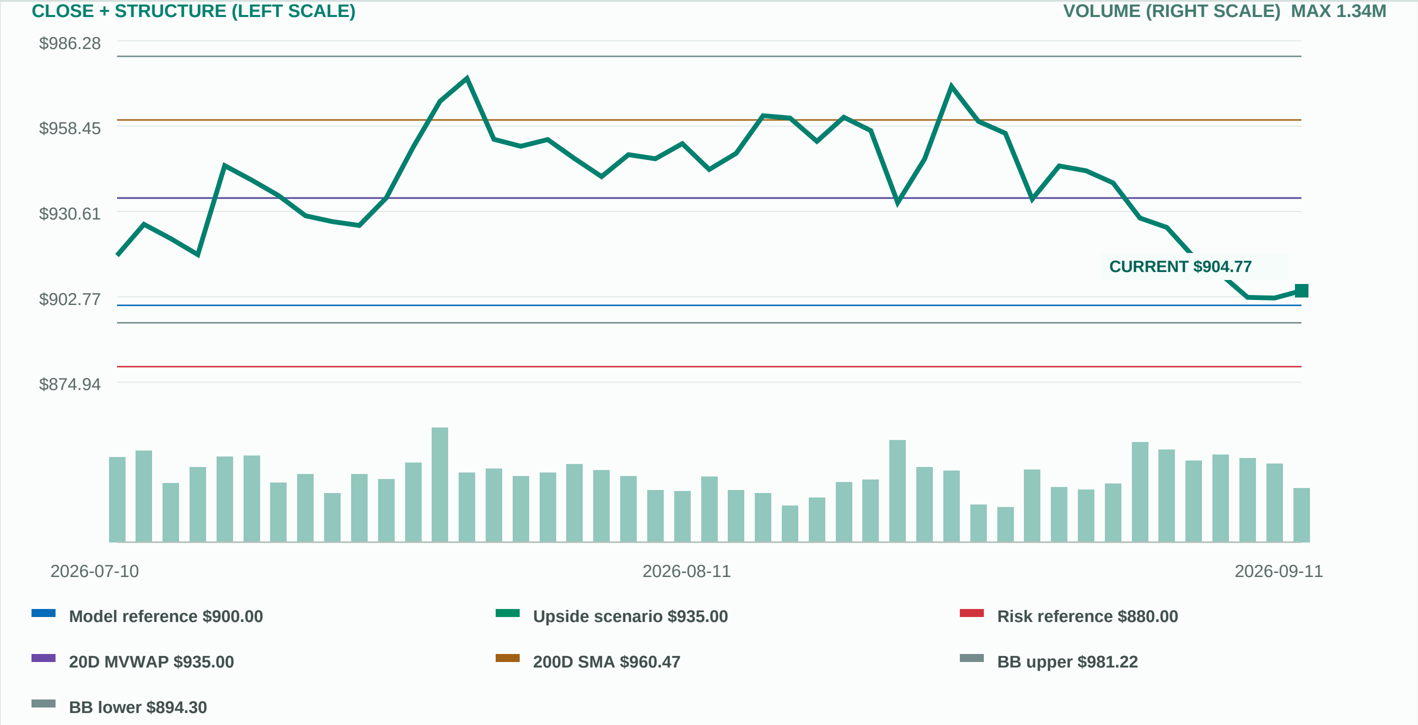
Analyst upgrades and a positive outlook on membership growth and digital expansion contribute to bullish sentiment. | The stock's recent decline below key moving averages and the formation of a death cross signal bearish momentum. | Elevated valuation (P/E ~45) and potential consumer/macro pressures create uncertainty for future price direction.

Risk watch

Upcoming earnings on September 24th could significantly impact the stock price and option premiums.

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%	93.1
Strategy Fit	100.0%	76.8
Technical Trend	100.0%	18.6
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	51.5
Volatility Pressure	100.0%	79.0

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)	**26.43 / 35.53 / 39.40**
RSI velocity	**-0.28**
MACD line / signal / histogram	**-11.83 / - / -6.97**
MACD acceleration	**-1.37**
Stochastic K / D	**6.34 / 5.36**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.34**
20-day MVWAP	**$935.00**
Price vs 20-day MVWAP	**-3.21%**
Daily reference VWAP	**$904.29**
Price vs daily reference	**+0.08%**
Volume	**632.05K**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-2.43**
20-day / 200-day SMA	**$937.76 / $960.47**
Bollinger range	**$894.30 - $981.22**
Bollinger position	**0.120**

Options and volatility intelligence

Structure, premium conditions and principal risks

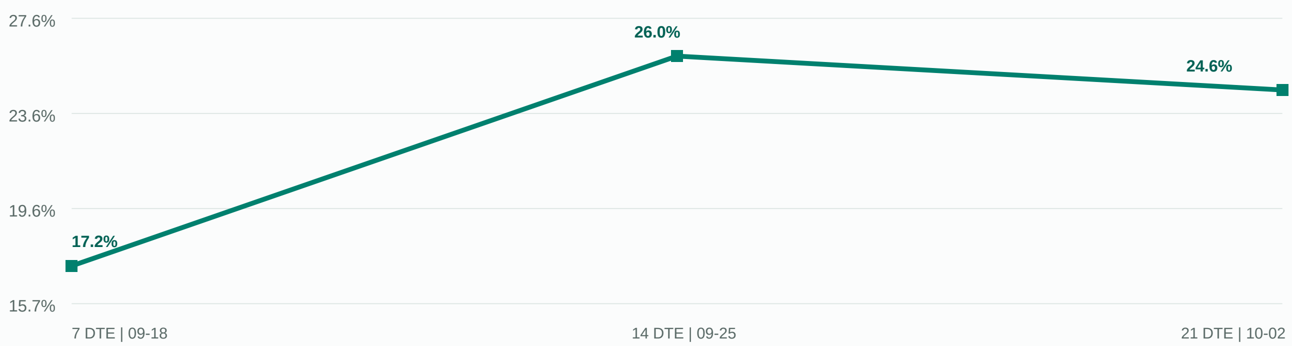
IV rank	IV percentile	VVIX	SKEW
52 / 100	63 / 100	91.86	147.02

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**contango**
Term slope	**+7.37 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 11, 2026 2:44 PM EDT**
Options data quality	**Coverage 100.0%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Upward-sloping ATM volatility term structure

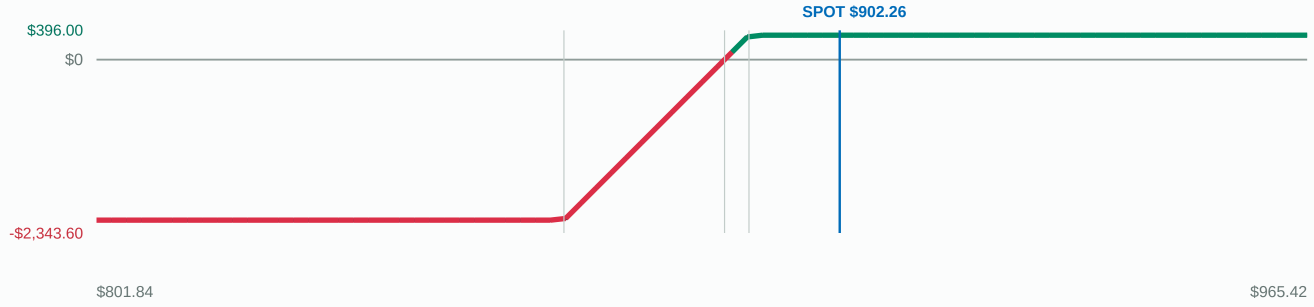
EXPIRATION	DTE	ATM IV	STATE
2026-09-18	7	17.2%	-
2026-09-25	14	26.0%	-
2026-10-02	21	24.6%	-

Reference spread payoff

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

Bull Put Spread reference

Short $890.00 | Long $865.00 | Width $25.00 | Net credit $3.30



Max profit $330.00 | Max loss -$2,170.00 | Break-even $886.70 | 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	**moderate**
Event IV premium	**1.42**
VIX	**15.66**
VVIX	**91.86**
SKEW index	**147.02**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**89**
Contracts with quotes	**89**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

COST Option Market Implies Uncertainty Amidst Recent Weakness

Wheel context

Implied volatility is elevated, suggesting market participants anticipate significant price swings in the coming weeks. The term structure is in contango, with higher implied volatility for longer-dated options.

Observed evidence

Analyst upgrades and a positive outlook on membership growth and digital expansion contribute to bullish sentiment. | The stock's recent decline below key moving averages and the formation of a death cross signal bearish momentum. | Elevated valuation (P/E ~45) and potential consumer/macro pressures create uncertainty for future price direction.

Principal risks to monitor

Upcoming earnings on September 24th could significantly impact the stock price and option premiums.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$400.19B**	P/E (TTM) **45.61**
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 **0.87**
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 **-7.8%**
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 11, 2026 11:53 AM EDT

Covered Call | 2026-09-18

At signal $903.32 | Current $905.00

SHORT **Option $915.00 B $4.40 / A $5.00**

Conservative | CR $4.70

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$15.42**
ATR as % of price	**1.7%**
Volatility environment	**low**
Current IV	**23.6%**
IV rank	**53 / 100**
IV percentile	**63 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 11, 2026 7:31 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**54 / 100**
Trend health	**25 / 100**
Momentum health	**65 / 100**
Volatility health	**85 / 100**
Structure health	**62 / 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)	**$937.76 / $940.79 / $960.47**
EMA (9 / 21)	**$917.06 / $930.64**
Bollinger upper / middle / lower	**$981.22 / $937.76 / $894.30**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.120**
True high / low	**$907.35 / $900.75**
5-day true high / low	**$928.04 / $898.43**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.433	**-**
SMA50	-0.647	**-**
MVWAP20	-2.345	**-**
MACD	-1.372	**-**
RSI	-0.284	**-**
Volume	-129524.000	**-**
ATR	-0.420	**-**
T1	-	**-11.04 / 937.10 / 912.10 / 899.00**
T2	-	**-9.63 / 939.37 / 910.18 / 898.43**
T3	-	**-7.71 / 942.04 / 915.74 / 906.10**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$902.26**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 11, 2026 2:44 PM EDT**
Options data coverage	**100.0%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-09-18 | 7 DTE**
Front at-the-money IV	**17.2%**
25-delta skew	**-1.34**
Put / Call 25-delta	**$890.00 Delta -0.274 / $930.00**
Median option bid/ask spread	**10.1%**
Bid/ask spread	**-**
Contracts observed / quoted	**89 / 89**

Price context

Last Price: 902.26 | Bid: 902.12 | Ask: 902.39 | Previous Close: 902.38 | Change: -0.12 | Daily change: -0.01% | Update Time: 2026-09-11T14:44:46.190597-04:00 | Latest History Date: 2026-09-11 | Latest History Price: 902.26

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-17 | Latest Date: 2026-09-11 | Latest Price: 902.26 | Max Drawdown 60d Percent: -7.37%

Fundamental context

Current Iv Percent: 23.41% | Iv Rank: 51.55 | Iv Percentile: 62.55 | 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.

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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.

Reference documents

Official product terms and standardized options disclosure

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