Costco Wholesale Corp / COST

Equity | Generated Sep 14, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$917.00	+12.23 +1.35%	-/-	$904.77

Market	**NYSE**
Industry	**Retail**
Market data as of	**Sep 14, 2026 11:31 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 14, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
58.6 / 100	Balanced	high	61 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$910.00	$945.00	$885.00	79 / 100

Options stance	**mixed**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 14, 2026 7:50 PM EDT**

Key insight

COST Option Market Implies Uncertainty Ahead of Earnings

Market read

The COST option market shows mixed signals ahead of its September 24th earnings release. While implied volatility is elevated, reflecting anticipated volatility around the event, the term structure suggests a slight preference for near-term upside over longer-term calls. The skew is balanced, indicating no strong directional bias. However, the underlying stock price is trading below both its 50 and 200 day moving averages, suggesting a bearish technical trend.

Strategy context

COST's upcoming earnings release is likely driving current option activity. Traders are positioning for potential volatility, but there isn't a clear consensus on direction.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Sep 14, 2026 2:27 PM EDT**

Short-term scenario

Cautious wait-and-see or limited bounce attempt from oversold RSI; high uncertainty from downtrend, premium valuation, and Sep 24 earnings. Avoid aggressive new longs.

Three-month outlook

Moderately constructive on membership-driven moat, consistent comps, digital momentum, and warehouse expansion, with Street PTs averaging ~$1072-1087 (~17% upside). However, elevated P/E (well above historical), cooling consumer spending, and regulatory/macro risks create substantial uncertainty. Earnings catalyst on Sep 24 could drive volatility in either direction; valuation compression remains a key downside risk if growth disappoints.

Market sentiment

Mixed-to-cautious. Posts highlight fortress-quality business but extreme valuation (P/E 47x, PEG 338x) vs ~14% EPS growth, calling for HOLD and waiting on earnings. Positive mentions of sales beats and upgrades (e.g., Freedom Broker). Recurring concerns over unsustainable multiples, potential grocery-sector weakness, and overvaluation similar to past peaks. Limited high-engagement bullish chatter.

Supporting evidence

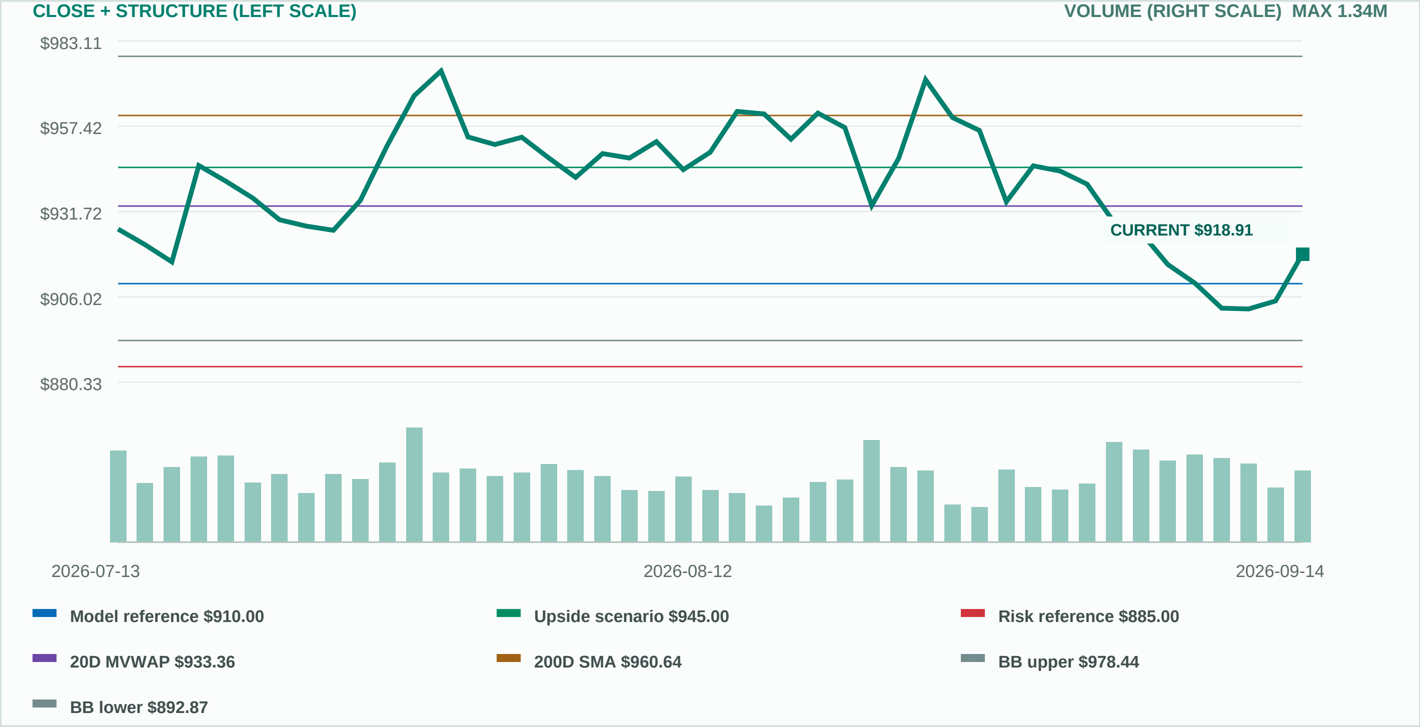
Implied volatility is elevated at 23.12%, reflecting market anticipation of potential price swings around earnings. | The term structure shows a slight preference for near-term upside with higher implied volatilities for shorter dated options. | The balanced delta skew suggests no strong directional bias in the market.

Risk watch

Earnings disappointment could lead to significant downside price movement. | Elevated valuation multiples (P/E 46.16) make COST susceptible to multiple compression if growth disappoints.

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%		91.8
Strategy Fit	100.0%		79.3
Technical Trend	100.0%		27.4
Market Tail Risk	100.0%		56.3
Fundamental Quality	100.0%		51.5
Volatility Pressure	100.0%		75.5

Decision summary

Primary model reads before the detailed indicator appendix

- Momentum: **strong_bear**
- Institutional flow: **Below MVWAP**
- Structure: **Below 200D trend**
- Volatility: **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)	**46.02 / 43.41 / 44.13**
RSI velocity	**3.09**
MACD line / signal / histogram	**-11.18 / - / -7.81**
MACD acceleration	**-0.52**
Stochastic K / D	**14.18 / 8.65**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.00**
20-day MVWAP	**$933.36**
Price vs 20-day MVWAP	**-1.75%**
Daily reference VWAP	**$917.23**
Price vs daily reference	**-0.03%**
Volume	**835.26K**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-2.44**
20-day / 200-day SMA	**$935.65 / $960.64**
Bollinger range	**$892.87 - $978.44**
Bollinger position	**0.304**

Options and volatility intelligence

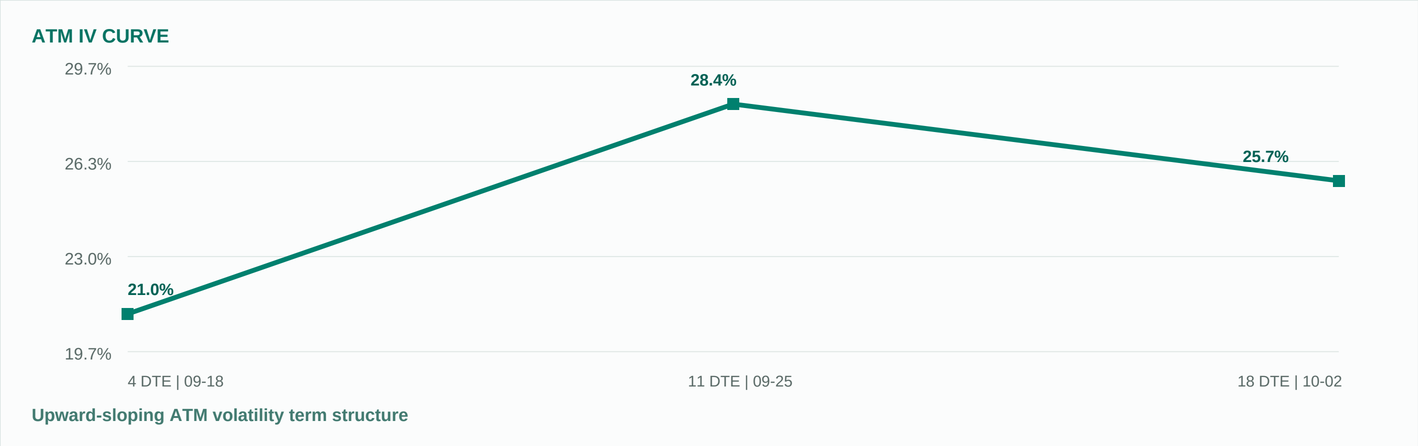
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
49 / 100	61 / 100	94.17	154.49

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**contango**
Term slope	**+4.67 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 14, 2026 2:45 PM EDT**
Options data quality	**Coverage 100.0%**

Option term structure

ATM implied-volatility curve by days to expiration



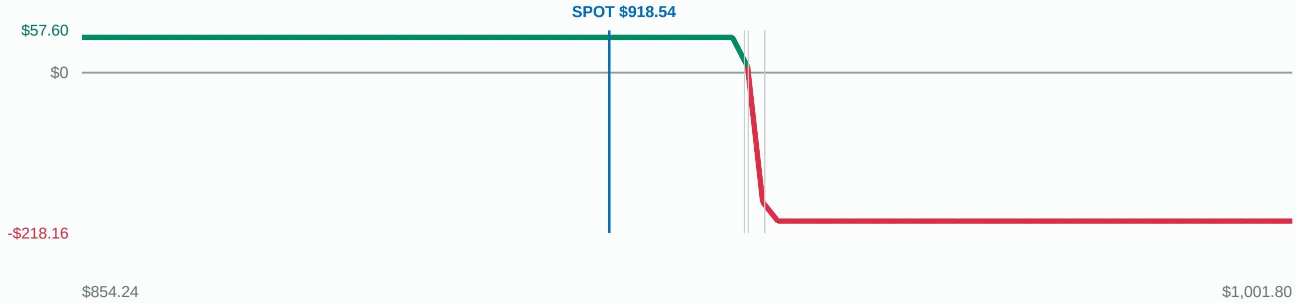
EXPIRATION	DTE	ATM IV	STATE
2026-09-18	4	21.0%	-
2026-09-25	11	28.4%	-
2026-10-02	18	25.7%	-

Reference spread payoff

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

Bear Call Spread reference

Short $935.00 | Long $937.50 | Width $2.50 | Net credit $0.48



Max profit $48.00 | Max loss -$202.00 | Break-even $935.48 | 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	**elevated**
Event IV premium	**2.69**
VIX	**16.71**
VVIX	**94.17**
SKEW index	**154.49**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**90**
Contracts with quotes	**90**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

COST Option Market Implies Uncertainty Ahead of Earnings

Wheel context

COST's upcoming earnings release is likely driving current option activity. Traders are positioning for potential volatility, but there isn't a clear consensus on direction.

Observed evidence

Implied volatility is elevated at 23.12%, reflecting market anticipation of potential price swings around earnings. | The term structure shows a slight preference for near-term upside with higher implied volatilities for shorter dated options. | The balanced delta skew suggests no strong directional bias in the market.

Principal risks to monitor

Earnings disappointment could lead to significant downside price movement. | Elevated valuation multiples (P/E 46.16) make COST susceptible to multiple compression if growth disappoints.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$401.25B**	P/E (TTM) **45.40**
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 **-6.2%**
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 14, 2026 10:10 AM EDT

Covered Call | 2026-09-18

At signal $912.92 | Current $917.00

SHORT **Option $915.00 B $7.60 / A $8.45**

High turnover | CR $8.03

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$15.54**
ATR as % of price	**1.7%**
Volatility environment	**low**
Current IV	**23.1%**
IV rank	**49 / 100**
IV percentile	**61 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 14, 2026 3:50 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**62 / 100**
Trend health	**25 / 100**
Momentum health	**79 / 100**
Volatility health	**85 / 100**
Structure health	**80 / 100**
Earnings risk / date	**medium | 2026-09-24**
Macro risk	**unknown**
Volatility risk	**low**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$935.65 / $940.13 / $960.64**
EMA (9 / 21)	**$917.43 / $929.57**
Bollinger upper / middle / lower	**$978.44 / $935.65 / $892.87**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.304**
True high / low	**$921.99 / $904.77**
5-day true high / low	**$921.99 / $898.43**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.441	**-**
SMA50	-0.572	**-**
MVWAP20	-2.003	**-**
MACD	-0.518	**-**
RSI	3.086	**-**
Volume	-48165.000	**-**
ATR	-0.260	**-**
T1	-	**-11.83 / 934.99 / 907.36 / 900.75**
T2	-	**-11.04 / 937.10 / 912.10 / 899.00**
T3	-	**-9.63 / 939.37 / 910.18 / 898.43**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$918.54**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 14, 2026 2:45 PM EDT**
Options data coverage	**100.0%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-09-18 | 4 DTE**
Front at-the-money IV	**21.0%**
25-delta skew	**0.02**
Put / Call 25-delta	**$905.00 Delta -0.244 / $935.00 Delta 0.225**
Median option bid/ask spread	**9.4%**
Bid/ask spread	**-**
Contracts observed / quoted	**90 / 90**

Price context

Last Price: 918.54 | Bid: 918.45 | Ask: 918.73 | Previous Close: 904.77 | Change: 13.77 | Daily change: 1.52% | Update Time: 2026-09-14T14:45:06.594719-04:00 | Latest History Date: 2026-09-14 | Latest History Price: 918.54

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-18 | Latest Date: 2026-09-14 | Latest Price: 918.54 | Max Drawdown 60d Percent: -7.36%

Fundamental context

Current Iv Percent: 23.12% | Iv Rank: 49.09 | Iv Percentile: 61.35 | Next Earnings Date: 2026-09-24 | Ex Dividend Date: 2026-07-23

Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

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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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