Costco Wholesale Corp / COST

Equity | Generated Sep 25, 2026 12:02 AM EDT

Current price	Daily move	Bid / Ask	Previous close
$896.17	-0.31 -0.03%	$895.77/$898.00	$896.48

Market	**NYSE**
Industry	**Retail**
Market data as of	**Sep 25, 2026 12:02 AM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 24, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
51.2 / 100	Balanced	high	0 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$888.00	$922.00	$868.00	57 / 100

Options stance	**neutral**
Tail-risk safety	**32 / 100**
JW Rank data coverage / as of	**100.0% | Sep 24, 2026 6:50 PM EDT**

Key insight

COST Options Imply Volatility Ahead of Earnings

Market read

The market anticipates significant price movement for COST following its earnings release on September 24th. Implied volatility is elevated, suggesting uncertainty surrounding the company's performance and future outlook. While technical indicators show a bearish trend, options pricing reflects a potential for both upside and downside moves.

Strategy context

COST's earnings release on September 24th is driving heightened option activity and volatility.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 24, 2026 2:37 PM EDT**

Short-term scenario

Cautious hold / do not chase into tonight's earnings. Technicals are weak and options imply a roughly 3% gap risk in either direction. A tactical long only if price holds the $885-$890 support area after the print and membership/margin commentary is not worse than feared. Uncertainty is high: results are not out, renewal rates and margin guidance can override the known sales strength, and stops can be jumped on the open.

Three-month outlook

Base case is a choppy recovery rather than a straight re-rating. The membership model, ~10% sales growth, and warehouse expansion remain intact, and Street targets in the $1,050-$1,070 area still imply meaningful upside if renewal rates stabilize near or above ~92% and margins hold. Offsetting that, the stock already discounts a lot of quality at ~40x forward earnings, sits well below its 50- and 200-day averages, and has underperformed after the May peak near $1,097. A constructive path over three months is a grind toward the mid-$900s to around $1,000 if guidance supports ongoing high-single-digit comps and any special dividend is framed as incremental, not required. Downside toward the mid-$800s is plausible if renewal rates slip further, margins compress on price investment or costs, or the multiple compresses. Uncertainty is elevated until tonight's numbers and commentary are known; this is not a forecast of the earnings reaction.

Market sentiment

Near-term X sentiment is cautious to mildly bearish, not a strong bullish consensus. Common themes are the rich multiple (often framed near 40x forward earnings), trading below the 50-day average, and reluctance to buy ahead of earnings. Some traders describe a short bias toward the mid-$860s to high-$880s or note failure to reclaim the low-$920s. Others watch $885-$893 as a possible bounce zone into the catalyst. Retail posts also flag a possible small downside earnings reaction and compare COST unfavorably with cheaper growth names. Engagement on many posts is light; this is noisy and not a reliable positioning signal.

Supporting evidence

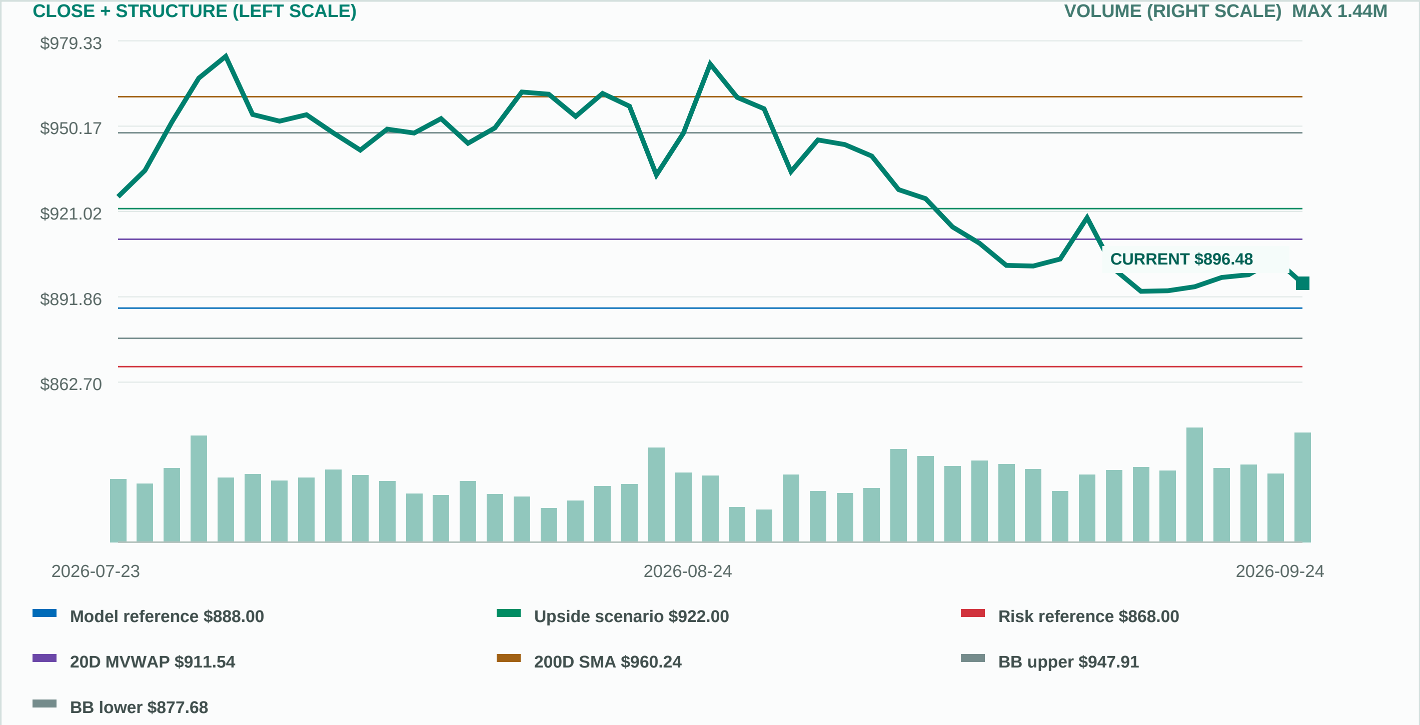
Options markets imply a ±3% to ±3.4% move by week's end. | The market is cautious with near-term X sentiment being described as cautious to mildly bearish.

Risk watch

Earnings results could trigger a significant price move in either direction.

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	Score
Liquidity	100.0%		92.3
Strategy Fit	100.0%		57.4
Technical Trend	100.0%		19.3
Market Tail Risk	100.0%		32.0
Fundamental Quality	100.0%		51.5
Volatility Pressure	100.0%		79.4

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 accelerating**
Trend signal	**STRONG BEAR**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**37.24 / 38.36 / 40.29**
RSI velocity	**0.15**
MACD line / signal / histogram	**-12.31 / - / -12.11**
MACD acceleration	**0.48**
Stochastic K / D	**31.43 / 26.57**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-2.38**
20-day MVWAP	**$911.54**
Price vs 20-day MVWAP	**-1.69%**
Daily reference VWAP	**$900.39**
Price vs daily reference	**-0.47%**
Volume	**1.38M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-3.12**
20-day / 200-day SMA	**$912.79 / $960.24**
Bollinger range	**$877.68 - $947.91**
Bollinger position	**0.268**

Options and volatility intelligence

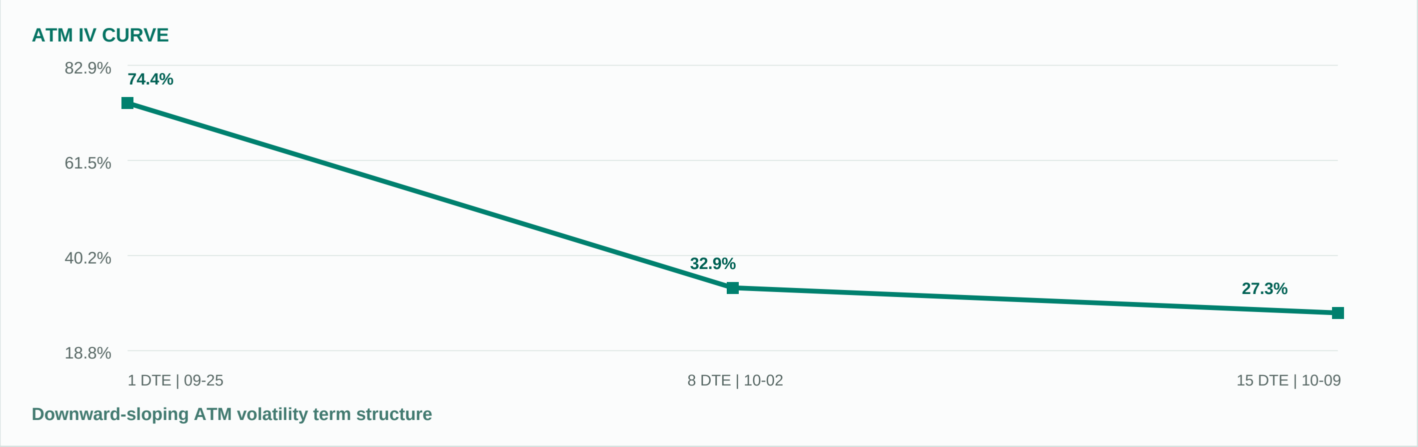
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
48 / 100	61 / 100	90.21	146.15

Market regime	**DANGER ZONE**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-47.15 pts**
Skew read	**CALL DEMAND ELEVATED**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 24, 2026 2:45 PM EDT**
Options data quality	**Coverage 100.0%**

Option term structure

ATM implied-volatility curve by days to expiration



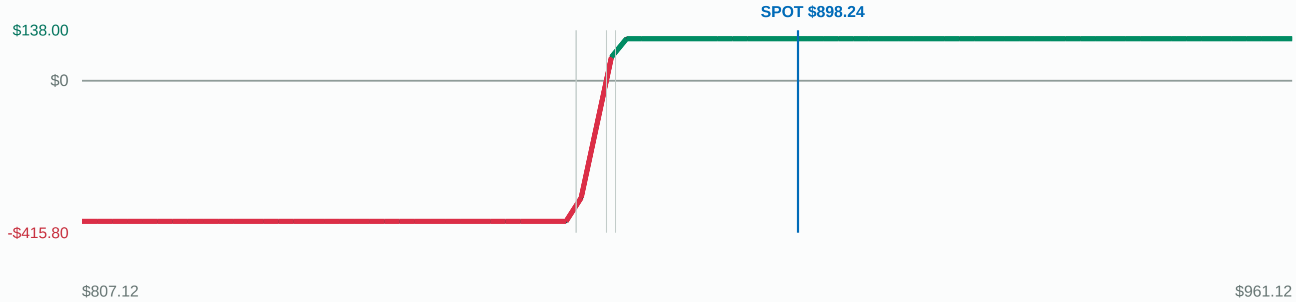
EXPIRATION	DTE	ATM IV	STATE
2026-09-25	1	74.4%	-
2026-10-02	8	32.9%	-
2026-10-09	15	27.3%	-

Reference spread payoff

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

Bull Put Spread reference

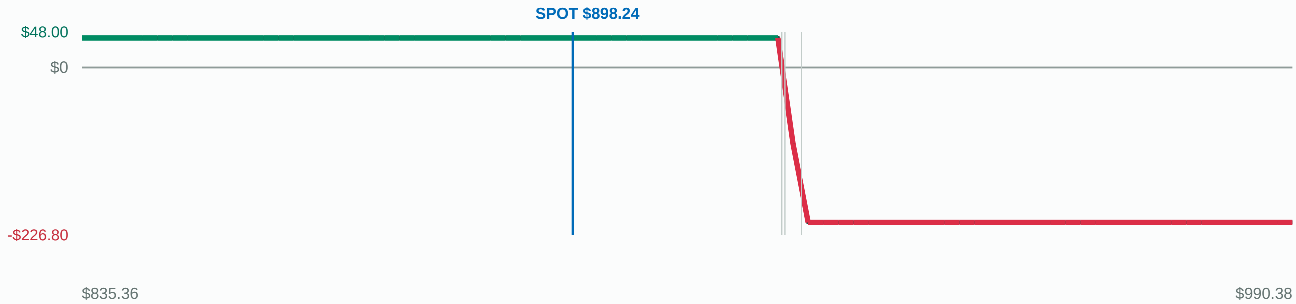
Short $875.00 | Long $870.00 | Width $5.00 | Net credit $1.15



Max profit $115.00 | Max loss -$385.00 | Break-even $873.85 | Per contract at expiry

Bear Call Spread reference

Short $925.00 | Long $927.50 | Width $2.50 | Net credit $0.40



Max profit $40.00 | Max loss -$210.00 | Break-even $925.40 | 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	**high**
Event IV premium	**41.50**
VIX	**15.58**
VVIX	**90.21**
SKEW index	**146.15**
Observation confidence	**high**
Option quote quality	**reliable**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	**130**
Contracts with quotes	**130**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market anticipates significant price movement for COST following its earnings release on September 24th. Implied volatility is elevated, suggesting uncertainty surrounding the company's performance and future outlook. While technical indicators show a bearish trend, options pricing reflects a potential for both upside and downside moves.

Options context

COST Options Imply Volatility Ahead of Earnings

Wheel context

COST's earnings release on September 24th is driving heightened option activity and volatility.

Observed evidence

Options markets imply a ±3% to ±3.4% move by week’s end. | The market is cautious with near-term X sentiment being described as cautious to mildly bearish.

Principal risks to monitor

Earnings results could trigger a significant price move in either direction.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$401.22B**	P/E (TTM) **45.13**
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 **-4.6%**
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 24, 2026 9:40 AM EDT

Covered Call | 2026-09-25

At signal $906.81 | Current $896.17

SHORT **Option $907.50 B $13.60 / A $15.70**

High turnover | CR $14.65

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$13.72**
ATR as % of price	**1.5%**
Volatility environment	**low**
Current IV	**0.0%**
IV rank	**0 / 100**
IV percentile	**0 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 24, 2026 8:03 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**59 / 100**
Trend health	**25 / 100**
Momentum health	**70 / 100**
Volatility health	**87 / 100**
Structure health	**77 / 100**
Earnings risk / date	**unknown | 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)	**$912.79 / $934.90 / $960.24**
EMA (9 / 21)	**$901.69 / $912.82**
Bollinger upper / middle / lower	**$947.91 / $912.79 / $877.68**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.268**
True high / low	**$909.43 / $895.26**
5-day true high / low	**$909.43 / $885.50**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-3.116	**-**
SMA50	-0.428	**-**
MVWAP20	-2.381	**-**
MACD	0.483	**-**
RSI	0.149	**-**
Volume	150462.330	**-**
ATR	-0.186	**-**
T1	-	**-12.48 / 913.49 / 905.59 / 893.36**
T2	-	**-13.37 / 915.35 / 903.40 / 895.84**
T3	-	**-13.76 / 918.69 / 899.44 / 885.50**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$898.24**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 24, 2026 2:45 PM EDT**
Options data coverage	**100.0%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-25 | 1 DTE**
Front at-the-money IV	**74.4%**
25-delta skew	**-3.65**
Put / Call 25-delta	**$875.00 Delta -0.239 / $925.00 Delta 0.244**
Median option bid/ask spread	**10.3%**
Bid/ask spread	**-**
Contracts observed / quoted	**130 / 130**

Price context

Last Price: 898.24 | Bid: 898.23 | Ask: 898.38 | Previous Close: 904.70 | Change: -6.46 | Daily change: -0.71% | Update Time: 2026-09-24T14:45:23.447314-04:00 | Latest History Date: 2026-09-24 | Latest History Price: 898.31

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-01 | Latest Date: 2026-09-24 | Latest Price: 898.31 | Max Drawdown 60d Percent: -8.24%

Fundamental context

Current Iv Percent: 22.99% | Iv Rank: 47.96 | Iv Percentile: 60.56 | 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.

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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

Jason Wheel	**jasonwheel.com**
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