



Costco Wholesale Corp / COST

Equity | Generated Oct 7, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$940.26	+4.58 +0.49%	\$939.00/\$942.79	\$935.68

Market	NYSE
Industry	Retail
Market data as of	Oct 7, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 7, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
58.4 / 100	Balanced	high	4 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$932.00	\$980.00	\$912.00	68 / 100

Options stance	neutral
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 7, 2026 6:50 PM EDT

Key insight

COST Option Market Implies Balanced Outlook with Potential for Upside

Market read

The COST option market presents a neutral outlook, reflecting balanced sentiment and potential for upside movement. While implied volatility is elevated, the term structure shows a slight backwardation, suggesting some expectation of near-term price appreciation. The skew is balanced, indicating no strong directional bias. However, upcoming September sales figures could significantly impact the stock's direction.

Strategy context

COST's option chain shows a relatively active trading environment with moderate open interest across various strike prices. The presence of both bull put and bear call spreads indicates some hedging activity.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 7, 2026 1:43 PM EDT

Short-term scenario

Tactical hold; prefer buy-the-dip rather than chasing today's gain. A 1-3 week long only makes sense if September sales (due after the close) confirm solid comps and the stock holds above recent support. A soft print raises odds of a retest of the low-\$900s. Event risk is high and the setup is low-conviction until that data is known.

Three-month outlook

Base case is modestly constructive but not high-conviction: sticky membership, mid-to-high single-digit comps, and warehouse expansion can support a grind toward roughly \$1,000-\$1,050 if the premium multiple holds and holiday demand stays firm—consistent with the lower end of Street targets over a longer horizon. Upside is capped by a ~41-45x earnings multiple, slower membership-fee growth after the fee-increase anniversary, and management's tendency to reinvest savings into member value. Downside risk rises if comps decelerate, margins compress, or the multiple mean-reverts. Uncertainty is material over three months: September and subsequent monthly sales, consumer spending, tariffs, and any multiple compression are unresolved. This is not a forecast of guaranteed appreciation.

Market sentiment

Recent X discussion is mixed and noisy, leaning cautiously constructive on the near-term bounce but skeptical on valuation. Some traders highlight the earnings beat, digital growth, and membership model and cite continuation setups with targets in the \$1,050-\$1,135 area; a few noted long triggers on the recent rebound, with a swing-low near \$900 cited as invalidation. Offsetting posts argue the stock is still expensive relative to the broader market while growing more slowly and may keep underperforming. Substantive post volume and engagement are modest, and promotional spam is common, so sentiment is a weak timing signal. Uncertainty: the sample is small, biased toward active traders, and not representative of institutional positioning.

Supporting evidence

Implied volatility is currently at 18.89%, reflecting market uncertainty surrounding upcoming earnings and September sales data. | The term structure shows a slight backwardation, with near-term options slightly more expensive than longer-dated options, hinting at potential for price appreciation in the near future. | The balanced skew suggests that both bullish and bearish sentiment are present in the market, with no clear directional preference.

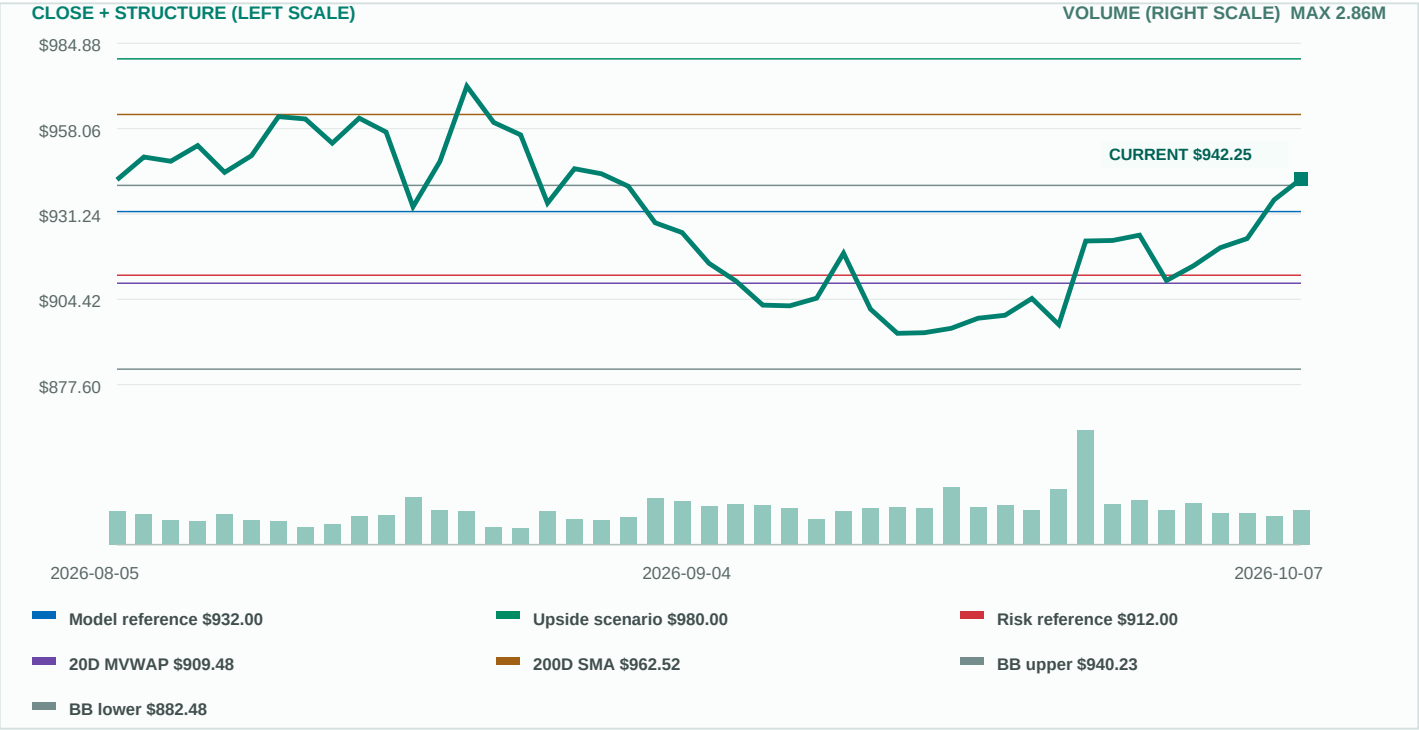
Risk watch

September sales figures, due after the close on October 7th, are a key risk event that could significantly impact the stock price.



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



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

bearish_warning

Institutional flow

Above MVWAP

Structure

Below 200D trend

Volatility

low



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	BEARISH WARNING neutral MACD accelerating
Trend signal	BEARISH WARNING
RSI signal	neutral
RSI (7 / 14 / 21)	74.21 / 60.91 / 55.42
RSI velocity	3.18
MACD line / signal / histogram	0.88 / - / -4.22
MACD acceleration	1.66
Stochastic K / D	90.59 / 84.50

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	0.75
20-day MVWAP	\$909.48
Price vs 20-day MVWAP	+3.38%
Daily reference VWAP	\$942.87
Price vs daily reference	-0.28%
Volume	852.01K

Structural context

Long-term trend and volatility boundaries

Current read	Below 200-day trend Positive macro velocity
Macro velocity	1.22
20-day / 200-day SMA	\$911.36 / \$962.52
Bollinger range	\$882.48 - \$940.23
Bollinger position	1.035



Options and volatility intelligence

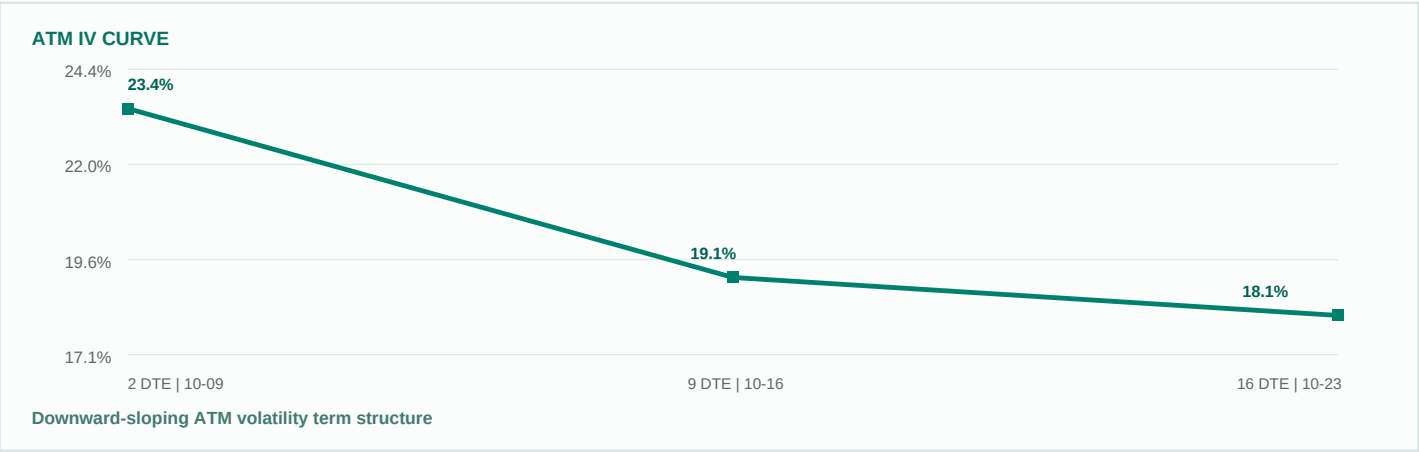
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
13 / 100	5 / 100	84.24	141.21

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-5.28 pts
Skew read	balanced
Liquidity / quote coverage	99.3%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:45 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-09	2	23.4%	-
2026-10-16	9	19.1%	-
2026-10-23	16	18.1%	-



Reference spread payoff

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



Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	2026-12-10
Earnings IV-crush risk	NOT MEASURED
VIX	15.14
VVIX	84.24
SKEW index	141.21
Observation confidence	high
Option quote quality	reliable
Contracts observed	150



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	149

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market presents a neutral outlook, reflecting balanced sentiment and potential for upside movement. While implied volatility is elevated, the term structure shows a slight backwardation, suggesting some expectation of near-term price appreciation. The skew is balanced, indicating no strong directional bias. However, upcoming September sales figures could significantly impact the stock's direction.

Options context

COST Option Market Implies Balanced Outlook with Potential for Upside

Wheel context

COST's option chain shows a relatively active trading environment with moderate open interest across various strike prices. The presence of both bull put and bear call spreads indicates some hedging activity.

Observed evidence

Implied volatility is currently at 18.89%, reflecting market uncertainty surrounding upcoming earnings and September sales data. | The term structure shows a slight backwardation, with near-term options slightly more expensive than longer-dated options, hinting at potential for price appreciation in the near future. | The balanced skew suggests that both bullish and bearish sentiment are present in the market, with no clear directional preference.

Principal risks to monitor

September sales figures, due after the close on October 7th, are a key risk event that could significantly impact the stock price.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$414.76B	44.37
ROE	Revenue growth
28.0%	7.8%
EPS growth	Operating margin
13.6%	3.9%
Net profit margin	Gross margin
3.0%	-
Free cash flow CAGR	Debt / equity
11.8%	0.17
Dividend yield	Beta
0.7%	0.88
52-week range	
\$844.06 - \$1,096.50	

Company or fund profile

Issuer identity and classification

Name	Market
Costco Wholesale Corp	NYSE
Industry	Country
Retail	US
Currency	IPO date
USD	1985-12-05
Shares outstanding	52-week return
443.48M	0.9%
Book value per share	Revenue per share
\$80.77	\$682.22
Website	costco.com



Latest strategy observation

Most recent shared general market signal available when this report was generated

COST Covered Call signal	Oct 7, 2026 12:39 PM EDT
Covered Call 2026-10-09	
At signal \$946.98 Current \$940.26	
SHORT Option \$950.00 B \$5.05 / A \$5.40	
Conservative CR \$5.23	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$15.37
ATR as % of price	1.6%
Volatility environment	low
Current IV	18.7%
IV rank	12 / 100
IV percentile	4 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 7, 2026 7:30 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	62 / 100
Trend health	38 / 100
Momentum health	89 / 100
Volatility health	86 / 100
Structure health	47 / 100
Earnings risk / date	low 2026-12-10
Macro risk	unknown
Volatility risk	low
Structure risk	high

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$911.36 / \$932.09 / \$962.52
EMA (9 / 21)	\$924.43 / \$920.21
Bollinger upper / middle / lower	\$940.23 / \$911.36 / \$882.48



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.035
True high / low	\$948.77 / \$935.68
5-day true high / low	\$948.77 / \$903.77

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.216	-
SMA50	-0.345	-
MVWAP20	0.749	-
MACD	1.657	-
RSI	3.183	-
Volume	22131.000	-
ATR	-0.116	-
T1	-	-1.12 / 907.83 / 937.04 / 919.00
T2	-	-2.99 / 907.20 / 925.34 / 914.75
T3	-	-4.09 / 907.23 / 921.18 / 909.66



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$945.37
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:45 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-09 2 DTE
Front at-the-money IV	23.4%
25-delta skew	-0.39
Put / Call 25-delta	\$935.00 Delta -0.257 / \$955.00 Delta 0.297
Median option bid/ask spread	16.4%
Bid/ask spread	-
Contracts observed / quoted	150 / 149

Price context

Last Price: 945.37 | Bid: 945.28 | Ask: 945.54 | Previous Close: 935.68 | Change: 9.69 | Daily change: 1.04% | Update Time: 2026-10-07T14:45:43.295508-04:00 | Latest History Date: 2026-10-07 | Latest History Price: 945.46

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-15 | Latest Date: 2026-10-07 | Latest Price: 945.46 | Max Drawdown 60d Percent: -8.24%

Fundamental context

Current Iv Percent: 18.89% | Iv Rank: 13.33 | Iv Percentile: 5.18 | Next Earnings Date: 2026-12-10 | Ex Dividend Date: 2026-07-23



Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

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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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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.

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Reference documents

Official product terms and standardized options disclosure

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