



Costco Wholesale Corp / COST

Equity | Generated Oct 9, 2026 11:31 PM EDT

|               |              |           |                |
|---------------|--------------|-----------|----------------|
| Current price | Daily move   | Bid / Ask | Previous close |
| \$947.00      | -0.92 -0.10% | -/-       | \$947.92       |

|                   |                          |
|-------------------|--------------------------|
| Market            | NYSE                     |
| Industry          | Retail                   |
| Market data as of | Oct 9, 2026 11:31 PM EDT |

JW Intelligence Report

Complete | 3 of 3 sections | Oct 9, 2026 6:50 PM EDT

|            |            |            |               |
|------------|------------|------------|---------------|
| JW Rank    | Rank label | Confidence | IV percentile |
| 59.0 / 100 | Balanced   | high       | 1 / 100       |

|                 |                 |                |                    |
|-----------------|-----------------|----------------|--------------------|
| Model reference | Upside scenario | Risk reference | Wheel strategy fit |
| \$938.00        | \$972.00        | \$922.00       | 67 / 100           |

|                               |                                  |
|-------------------------------|----------------------------------|
| Options stance                | mixed                            |
| Tail-risk safety              | 56 / 100                         |
| JW Rank data coverage / as of | 100.0%   Oct 9, 2026 6:50 PM EDT |

Key insight

COST Shows Mixed Signals with Strong Sales but Premium Valuation

Market read

Costco (COST) reported strong September sales, exceeding expectations and driving a short-term bullish sentiment. However, the stock's premium valuation and concerns about membership growth momentum create uncertainty for further upside. Technical indicators are mixed, with near-term support at \$930-\$940 and resistance around \$950-\$960.

Strategy context

COST's recent performance highlights the balancing act between strong sales and investor concerns about future growth. The stock's premium valuation leaves limited room for error.



## JW AI conclusions

Short- and medium-term model interpretation

AI context bias

**Bullish**

AI analysis updated

**Oct 9, 2026 1:43 PM EDT**

### Short-term scenario

Cautious hold or selective buy-on-dip only. Strong reported sales support stability over 1-3 weeks, but premium valuation, debate over sales quality (one-offs, margins), and resistance near the 200-day moving average limit conviction for aggressive upside. Prefer not to chase strength; uncertainty is elevated if comps or membership data soften.

### Three-month outlook

Moderately constructive base case with meaningful uncertainty. Street targets imply roughly 10-15% upside toward the mid-\$1,000s if adjusted comps stay in the mid-to-high single digits, digital growth continues, and membership metrics stabilize, supported by warehouse expansion and the recurring fee model. However, the ~45x trailing / ~42x forward multiple already prices in resilience and leaves limited margin for error; any slowdown in traffic, further membership deceleration, multiple compression, or macro consumer softness could keep the stock range-bound or push it back toward the low-\$900s. Reasonable 3-month range sketch \$910-\$1,030, skewed modestly higher only if execution remains clean. This is not a forecast; outcomes depend on upcoming monthly sales, broader market multiples, and inflation/consumer trends. Not investment advice.

### Market sentiment

Cautious to skeptical in recent posts. Multiple watchlist-style comments label COST as 'don't buy' or 'waiting for a better entry,' citing valuation. Broader social readings around the September sales release showed sentiment near 50% (below a higher daily average), with inflation-related criticism noted. Longer-running commentary highlights high P/E relative to growth as a risk for underperformance. Bullish fundamental defenses (membership model, loyalty) appear but are less dominant in the latest sampled posts. Sentiment is noisy, low-engagement in many cases, and not a reliable timing signal.

### Supporting evidence

September sales beat expectations, with comparable sales up 11.4% year-over-year. | Membership base grew but at a slower pace than in previous periods. | Analyst sentiment is mixed, with some expressing concerns about valuation and membership growth. | Technical indicators are mixed, with short-term bullish signals countered by longer-term neutral/bearish trends.

### Risk watch

Durability of traffic and ticket gains remains uncertain. | Membership momentum slowdown could impact future revenue growth.



Enhanced price structure

45 trading days with volume, model levels and current technical reference bands

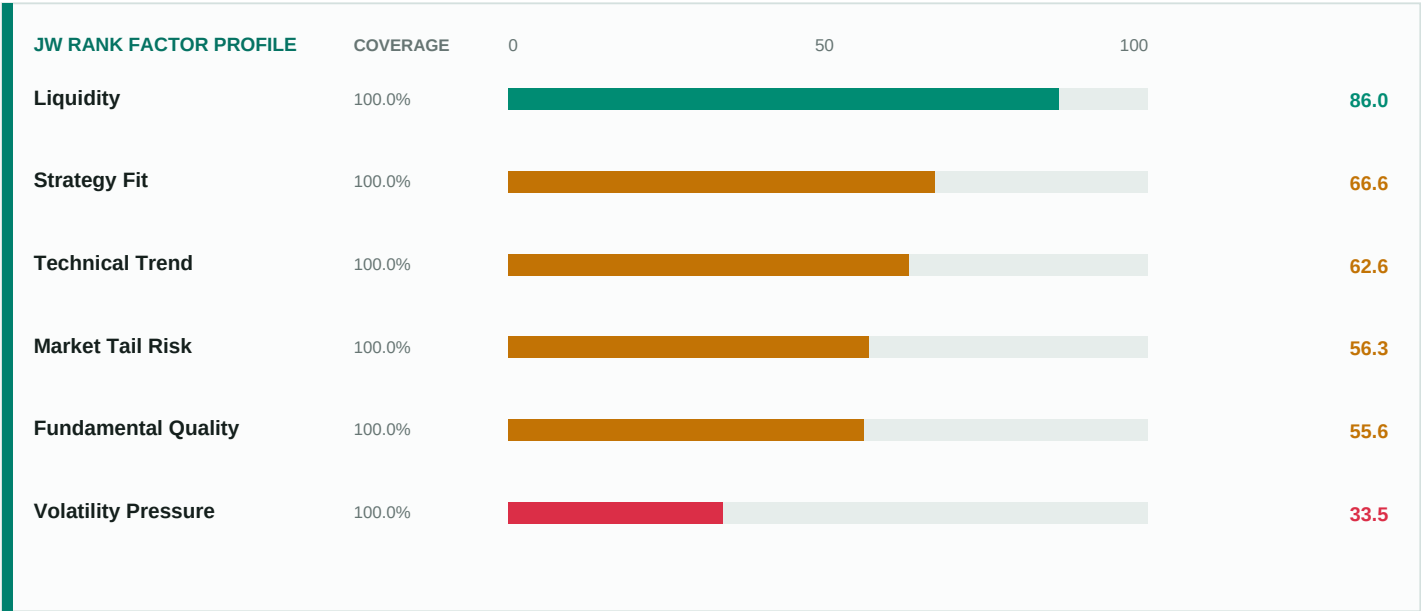


45 complete trading-session observations



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)              | 75.41 / 62.43 / 56.63                         |
| RSI velocity                   | 1.39                                          |
| MACD line / signal / histogram | 4.35 / - / -1.37                              |
| MACD acceleration              | 1.82                                          |
| Stochastic K / D               | 91.12 / 91.67                                 |

### Institutional footprints

Volume-weighted cost, price location and flow

|                          |                                               |
|--------------------------|-----------------------------------------------|
| Current read             | Above institutional MVWAP   Accumulation bias |
| Institutional flow       | 1.69                                          |
| 20-day MVWAP             | \$912.89                                      |
| Price vs 20-day MVWAP    | +3.74%                                        |
| Daily reference VWAP     | \$946.91                                      |
| Price vs daily reference | +0.01%                                        |
| Volume                   | 616.35K                                       |

### Structural context

Long-term trend and volatility boundaries

|                      |                                               |
|----------------------|-----------------------------------------------|
| Current read         | Below 200-day trend   Positive macro velocity |
| Macro velocity       | 2.12                                          |
| 20-day / 200-day SMA | \$915.74 / \$963.47                           |
| Bollinger range      | \$880.04 - \$951.44                           |
| Bollinger position   | 0.937                                         |



Options and volatility intelligence

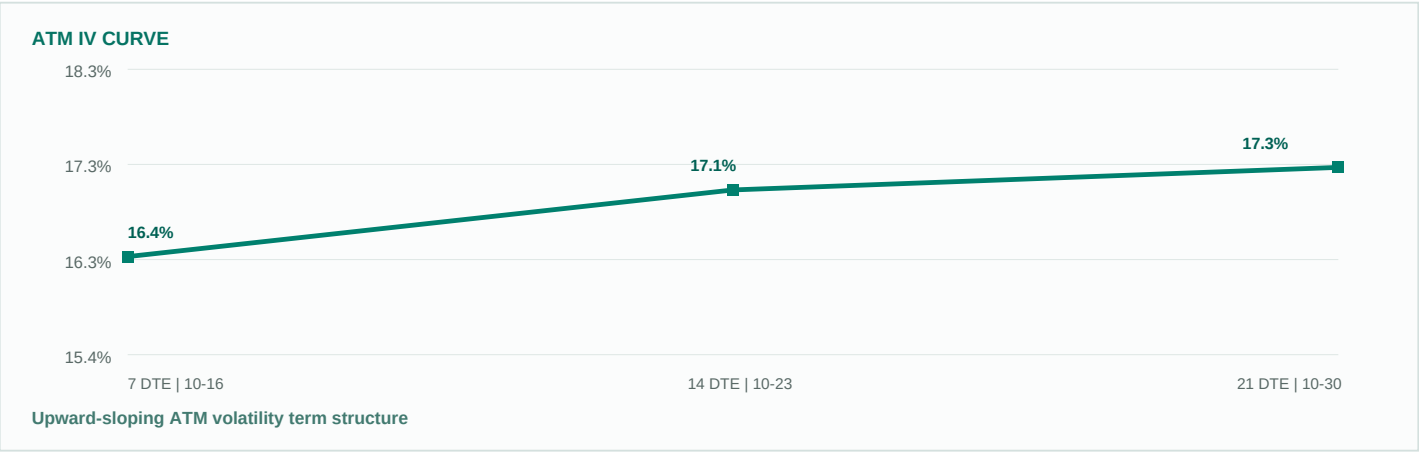
Structure, premium conditions and principal risks

|         |               |       |        |
|---------|---------------|-------|--------|
| IV rank | IV percentile | VVIX  | SKEW   |
| 3 / 100 | 1 / 100       | 86.00 | 149.19 |

|                                 |                                                   |
|---------------------------------|---------------------------------------------------|
| Market regime                   | Calm                                              |
| Tail-risk regime                | NORMAL TAIL RISK                                  |
| Term structure                  | flat                                              |
| Term slope                      | +0.91 pts                                         |
| Skew read                       | balanced                                          |
| Liquidity / quote coverage      | 100.0%                                            |
| Options Snapshot IV sources     | ATM: option chain   Rank/percentile: fundamentals |
| Options Snapshot IV observed at | Oct 9, 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 |
|------------|-----|--------|-------|
| 2026-10-16 | 7   | 16.4%  | -     |
| 2026-10-23 | 14  | 17.1%  | -     |
| 2026-10-30 | 21  | 17.3%  | -     |



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                    | 14.87        |
| VVIX                   | 86.00        |
| SKEW index             | 149.19       |
| Observation confidence | high         |
| Option quote quality   | reliable     |
| Contracts observed     | 124          |



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

| FIELD                 | VALUE |
|-----------------------|-------|
| Contracts with quotes | 124   |

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

Costco (COST) reported strong September sales, exceeding expectations and driving a short-term bullish sentiment. However, the stock's premium valuation and concerns about membership growth momentum create uncertainty for further upside. Technical indicators are mixed, with near-term support at \$930-\$940 and resistance around \$950-\$960.

Options context

COST Shows Mixed Signals with Strong Sales but Premium Valuation

Wheel context

COST's recent performance highlights the balancing act between strong sales and investor concerns about future growth. The stock's premium valuation leaves limited room for error.

Observed evidence

September sales beat expectations, with comparable sales up 11.4% year-over-year. | Membership base grew but at a slower pace than in previous periods. | Analyst sentiment is mixed, with some expressing concerns about valuation and membership growth. | Technical indicators are mixed, with short-term bullish signals countered by longer-term neutral/bearish trends.

Principal risks to monitor

Durability of traffic and ticket gains remains uncertain. | Membership momentum slowdown could impact future revenue growth.



## Fundamentals and events

Business quality, valuation and upcoming event context

|                              |                  |
|------------------------------|------------------|
| Market capitalization        | P/E (TTM)        |
| <b>\$420.18B</b>             | <b>45.27</b>     |
| ROE                          | Revenue growth   |
| <b>28.0%</b>                 | <b>7.8%</b>      |
| EPS growth                   | Operating margin |
| <b>13.6%</b>                 | <b>3.9%</b>      |
| Net profit margin            | Gross margin     |
| <b>3.0%</b>                  | -                |
| Free cash flow CAGR          | Debt / equity    |
| <b>11.8%</b>                 | <b>0.17</b>      |
| Dividend yield               | Beta             |
| <b>0.7%</b>                  | <b>0.88</b>      |
| 52-week range                |                  |
| <b>\$844.06 - \$1,096.50</b> |                  |

## Company or fund profile

Issuer identity and classification

|                              |                                                 |
|------------------------------|-------------------------------------------------|
| Name                         | Market                                          |
| <b>Costco Wholesale Corp</b> | <b>NYSE</b>                                     |
| Industry                     | Country                                         |
| <b>Retail</b>                | <b>US</b>                                       |
| Currency                     | IPO date                                        |
| <b>USD</b>                   | <b>1985-12-05</b>                               |
| Shares outstanding           | 52-week return                                  |
| <b>443.48M</b>               | <b>2.7%</b>                                     |
| Book value per share         | Revenue per share                               |
| <b>\$80.77</b>               | <b>\$682.22</b>                                 |
| Website                      | <a href="https://www.costco.com">costco.com</a> |



## Latest strategy observation

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

|                                                      |                          |
|------------------------------------------------------|--------------------------|
| <b>COST Covered Call signal</b>                      | Oct 9, 2026 11:26 AM EDT |
| <b>Covered Call   2026-10-23</b>                     |                          |
| At signal \$944.20   Current \$947.00                |                          |
| <b>SHORT     Option \$955.00 B \$7.85 / A \$8.95</b> |                          |
| <b>Conservative   CR \$8.40</b>                      |                          |



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

|                                   |                               |
|-----------------------------------|-------------------------------|
| ATR                               | \$14.78                       |
| ATR as % of price                 | 1.6%                          |
| Volatility environment            | low                           |
| Current IV                        | 17.6%                         |
| IV rank                           | 3 / 100                       |
| IV percentile                     | 1 / 100                       |
| Technical Snapshot IV source      | Private fundamentals snapshot |
| Technical Snapshot IV observed at | Oct 9, 2026 7:31 PM EDT       |

Technical health and risk radar

Derived indicator health and event context

|                      |                  |
|----------------------|------------------|
| Overall health       | 64 / 100         |
| Trend health         | 38 / 100         |
| Momentum health      | 87 / 100         |
| Volatility health    | 87 / 100         |
| Structure health     | 56 / 100         |
| Earnings risk / date | low   2026-12-10 |
| Macro risk           | unknown          |
| Volatility risk      | low              |
| Structure risk       | medium           |

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

|                                  |                                |
|----------------------------------|--------------------------------|
| SMA (20 / 50 / 200)              | \$915.74 / \$931.43 / \$963.47 |
| EMA (9 / 21)                     | \$932.68 / \$924.93            |
| Bollinger upper / middle / lower | \$951.44 / \$915.74 / \$880.04 |



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

| FIELD                 | VALUE               |
|-----------------------|---------------------|
| Bollinger %B          | 0.937               |
| True high / low       | \$951.29 / \$942.53 |
| 5-day true high / low | \$953.29 / \$914.75 |

Three-day indicator history

Short-horizon change and the underlying three-session observations

| INDICATOR | 3-DAY CHANGE | SESSION 1 / 2 / 3                |
|-----------|--------------|----------------------------------|
| SMA20     | 2.122        | -                                |
| SMA50     | -0.385       | -                                |
| MVWAP20   | 1.687        | -                                |
| MACD      | 1.824        | -                                |
| RSI       | 1.388        | -                                |
| Volume    | -28385.000   | -                                |
| ATR       | -0.253       | -                                |
| T1        | -            | 2.89 / 911.62 / 953.29 / 939.60  |
| T2        | -            | 0.88 / 909.49 / 948.77 / 935.68  |
| T3        | -            | -1.12 / 907.83 / 937.04 / 919.00 |



## Detailed options evidence

Supporting option-chain, execution and data-quality observations

|                                 |                                                          |
|---------------------------------|----------------------------------------------------------|
| Underlying price at observation | <b>\$946.59</b>                                          |
| Options Snapshot IV sources     | <b>ATM: option chain   Rank/percentile: fundamentals</b> |
| Options Snapshot IV observed at | <b>Oct 9, 2026 2:45 PM EDT</b>                           |
| Options data coverage           | <b>88.9%</b>                                             |
| SKEW regime                     | <b>HIGH TAIL RISK SKEW</b>                               |
| VVIX regime                     | <b>VVIX FLAT</b>                                         |
| Front expiration / DTE          | <b>2026-10-16   7 DTE</b>                                |
| Front at-the-money IV           | <b>16.4%</b>                                             |
| 25-delta skew                   | <b>0.78</b>                                              |
| Put / Call 25-delta             | <b>\$935.00 Delta -0.284 / \$960.00 Delta 0.279</b>      |
| Median option bid/ask spread    | <b>14.0%</b>                                             |
| Bid/ask spread                  | <b>-</b>                                                 |
| Contracts observed / quoted     | <b>124 / 124</b>                                         |

### Price context

Last Price: 946.59 | Bid: 946.41 | Ask: 946.76 | Previous Close: 947.92 | Change: -1.33 | Daily change: -0.14% | Update Time: 2026-10-09T14:45:28.365651-04:00 | Latest History Date: 2026-10-09 | Latest History Price: 946.34

### Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-17 | Latest Date: 2026-10-09 | Latest Price: 946.34 | Max Drawdown 60d Percent: -8.24%

### Fundamental context

Current Iv Percent: 17.62% | Iv Rank: 2.67 | Iv Percentile: 0.80 | Next Earnings Date: 2026-12-10 | 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](http://theocc.com).

Generated Oct 9, 2026 11:31 PM EDT. Jason Wheel Terms of Use and Privacy Policy apply. Copyright Jason Wheel Research LLC. All rights reserved.

## Reference documents

Official product terms and standardized options disclosure

|                             |                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------|
| Jason Wheel                 | <a href="http://jasonwheel.com">jasonwheel.com</a>                                                     |
| Terms of Use                | <a href="http://jasonwheel.com / Terms">jasonwheel.com / Terms</a>                                     |
| Privacy Policy              | <a href="http://jasonwheel.com / Privacy">jasonwheel.com / Privacy</a>                                 |
| Options Disclosure Document | <a href="http://theocc.com / Options Disclosure Document">theocc.com / Options Disclosure Document</a> |