



Costco Wholesale Corp / COST

Equity | Generated Oct 12, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$965.00	+18.08 +1.91%	\$957.25/\$967.00	\$946.92

Market	NYSE
Industry	Retail
Market data as of	Oct 12, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 12, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
55.7 / 100	Balanced	high	3 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$940.00	\$968.00	\$918.00	53 / 100

Options stance	neutral
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Oct 12, 2026 7:50 PM EDT

Key insight

COST Option Market Implies Range-Bound Trading

Market read

The COST option market suggests a period of consolidation with limited directional bias. While implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors, the term structure shows no strong skew towards either bullish or bearish expectations. The near-term range for COST appears to be between \$920 and \$1020.

Strategy context

The current option market environment favors range-bound trading strategies rather than directional bets.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bearish

AI analysis updated

Oct 12, 2026 9:39 AM EDT

Short-term scenario

Cautious hold / buy only on a pullback. Do not chase near resistance. 1-3 week setup is low-conviction because momentum is extended, valuation leaves little room for error, and no major catalyst is imminent. Levels are approximate and can be invalidated by a single session.

Three-month outlook

Base case is a grind higher or a range roughly \$920-\$1,020 if monthly sales stay healthy into the holidays and December earnings do not disappoint. Street targets near \$1,050 imply only modest re-rating potential over three months unless comps or membership trends reaccelerate. Downside is asymmetric if traffic slows or the multiple compresses from the mid-40s trailing / ~40x forward. High uncertainty from consumer spending, gas and FX effects on comps, the lapping membership-fee increase, tariff and inflation commentary, and broader market multiples. This is not a guarantee of return.

Market sentiment

Mixed and relatively quiet. Some posts frame Costco as a resilient membership compounder trading off its highs, with high renewal rates cited as justification for a premium. Others emphasize the elevated P/E versus peers and the market and expect continued underperformance. One social-sentiment read after the September sales report showed company sentiment near 50%, below its recent average, with inflation a recurring critical theme. Much of the latest \$COST chatter is low-engagement or promotional rather than a clear bullish or bearish consensus. Uncertainty: the X sample is small, noisy, and not a reliable proxy for institutional positioning.

Supporting evidence

The 25-delta skew is balanced, indicating neutral sentiment towards both upside and downside moves. | The term structure shows a slight negative slope, suggesting that nearer-term options are slightly more expensive than those further out, but this is not a strong indicator of direction. | Implied volatility is elevated at 17.94%, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors.

Risk watch

Earnings risk: The next earnings report on December 10th could significantly impact the stock price, with both positive and negative surprises possible.



Enhanced price structure

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

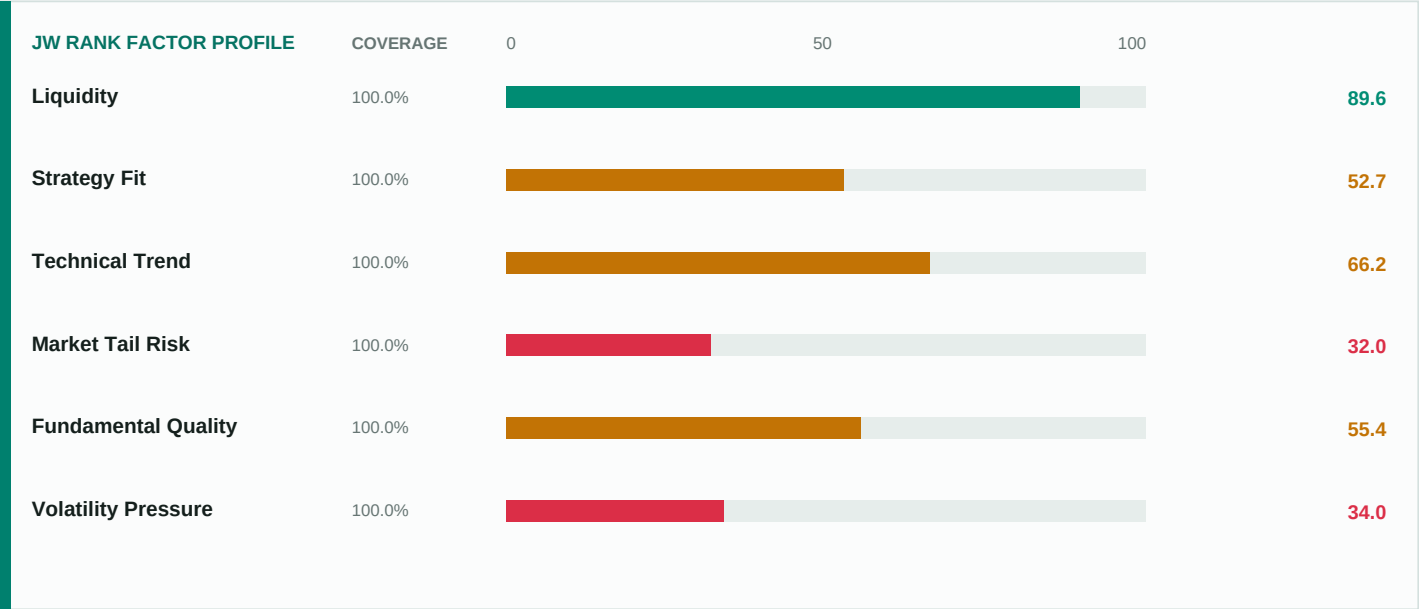


45 complete trading-session observations



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

Above 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)	81.66 / 67.07 / 60.05
RSI velocity	2.05
MACD line / signal / histogram	6.45 / - / 0.19
MACD acceleration	1.86
Stochastic K / D	93.87 / 92.76

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.53
20-day MVWAP	\$914.08
Price vs 20-day MVWAP	+5.57%
Daily reference VWAP	\$955.62
Price vs daily reference	+0.98%
Volume	661.31K

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.14
20-day / 200-day SMA	\$917.77 / \$963.99
Bollinger range	\$877.06 - \$958.47
Bollinger position	1.012



Options and volatility intelligence

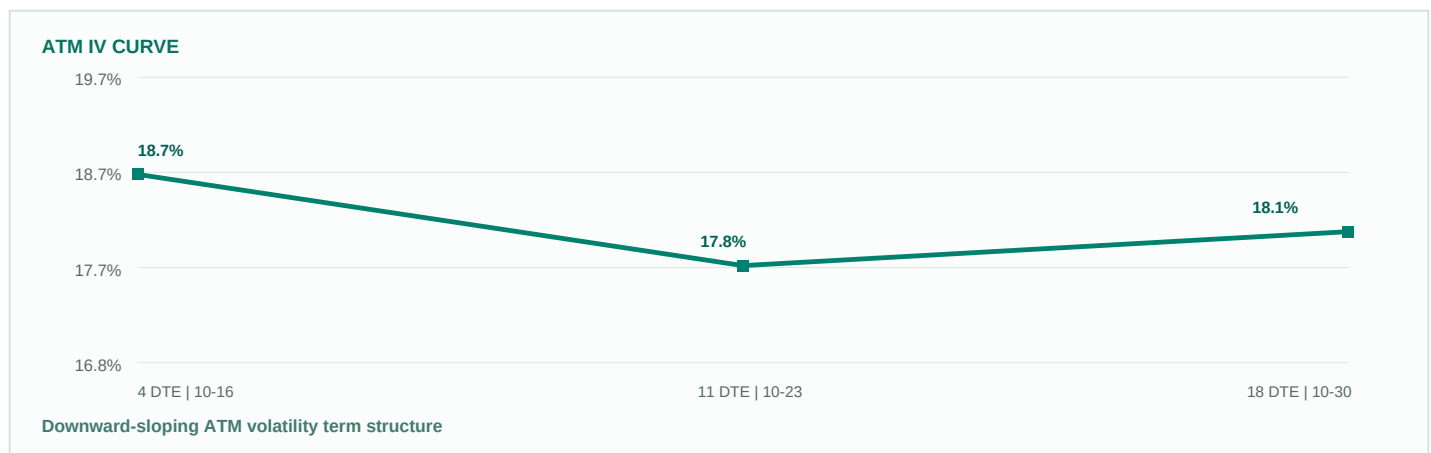
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
5 / 100	3 / 100	86.99	154.34

Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	flat
Term slope	-0.59 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 12, 2026 2:44 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration

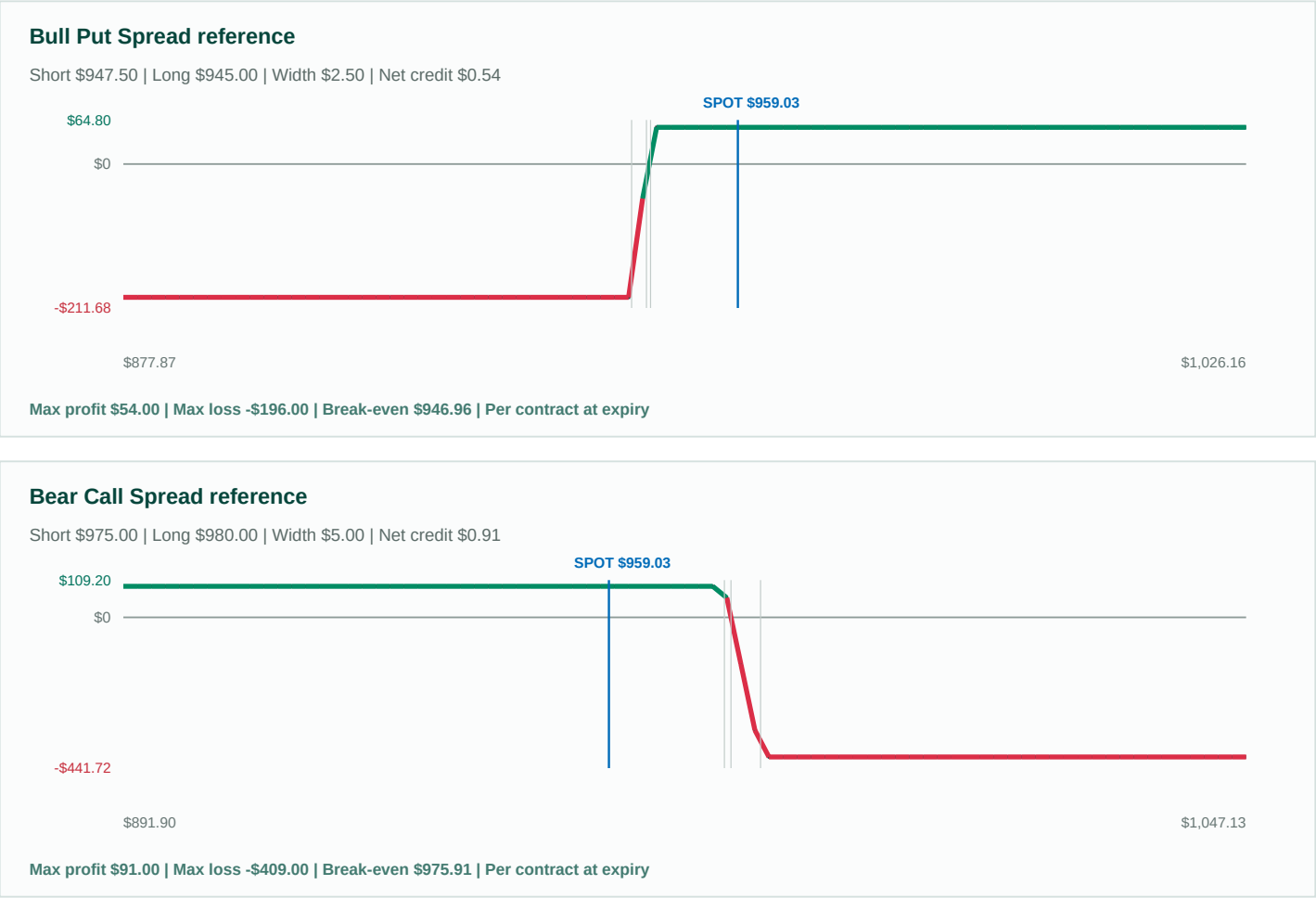


EXPIRATION	DTE	ATM IV	STATE
2026-10-16	4	18.7%	-
2026-10-23	11	17.8%	-
2026-10-30	18	18.1%	-



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	15.25
VVIX	86.99
SKEW index	154.34
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	150

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market suggests a period of consolidation with limited directional bias. While implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors, the term structure shows no strong skew towards either bullish or bearish expectations. The near-term range for COST appears to be between \$920 and \$1020.

Options context

COST Option Market Implies Range-Bound Trading

Wheel context

The current option market environment favors range-bound trading strategies rather than directional bets.

Observed evidence

The 25-delta skew is balanced, indicating neutral sentiment towards both upside and downside moves. | The term structure shows a slight negative slope, suggesting that nearer-term options are slightly more expensive than those further out, but this is not a strong indicator of direction. | Implied volatility is elevated at 17.94%, reflecting uncertainty surrounding upcoming earnings and macroeconomic factors.

Principal risks to monitor

Earnings risk: The next earnings report on December 10th could significantly impact the stock price, with both positive and negative surprises possible.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$419.61B	45.48
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%	0.21
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	0.4%
Book value per share	Revenue per share
\$80.77	\$682.25
Website	costco.com



Latest strategy observation

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

COST Covered Call signal	Oct 12, 2026 10:05 AM EDT
Covered Call 2026-10-23	
At signal \$949.52 Current \$965.00	
SHORT Option \$950.00 B \$11.70 / A \$13.40	
Conservative CR \$12.55	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$14.73
ATR as % of price	1.5%
Volatility environment	low
Current IV	18.1%
IV rank	7 / 100
IV percentile	3 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 12, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	60 / 100
Trend health	38 / 100
Momentum health	78 / 100
Volatility health	87 / 100
Structure health	49 / 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)	\$917.77 / \$931.58 / \$963.99
EMA (9 / 21)	\$938.04 / \$928.07
Bollinger upper / middle / lower	\$958.47 / \$917.77 / \$877.06



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.012
True high / low	\$960.74 / \$946.69
5-day true high / low	\$960.74 / \$919.00

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.137	-
SMA50	-0.172	-
MVWAP20	1.531	-
MACD	1.855	-
RSI	2.054	-
Volume	-65603.670	-
ATR	-0.212	-
T1	-	4.35 / 912.89 / 951.29 / 942.53
T2	-	2.89 / 911.62 / 953.29 / 939.60
T3	-	0.88 / 909.49 / 948.77 / 935.68



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$959.03
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 12, 2026 2:44 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-16 4 DTE
Front at-the-money IV	18.7%
25-delta skew	0.23
Put / Call 25-delta	\$947.50 Delta -0.263 / \$975.00 Delta 0.217
Median option bid/ask spread	14.6%
Bid/ask spread	-
Contracts observed / quoted	150 / 150

Price context

Last Price: 959.03 | Bid: 958.89 | Ask: 959.17 | Previous Close: 946.92 | Change: 12.11 | Daily change: 1.28% | Update Time: 2026-10-12T14:44:36.159472-04:00 | Latest History Date: 2026-10-12 | Latest History Price: 958.92

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-20 | Latest Date: 2026-10-12 | Latest Price: 958.92 | Max Drawdown 60d Percent: -8.24%

Fundamental context

Current Iv Percent: 17.94% | Iv Rank: 5.33 | Iv Percentile: 2.79 | 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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