



Costco Wholesale Corp / COST

Equity | Generated Oct 13, 2026 11:30 PM EDT

|               |              |                   |                |
|---------------|--------------|-------------------|----------------|
| Current price | Daily move   | Bid / Ask         | Previous close |
| \$953.20      | -6.24 -0.65% | \$947.29/\$954.48 | \$959.44       |

|                   |                           |
|-------------------|---------------------------|
| Market            | NYSE                      |
| Industry          | Retail                    |
| Market data as of | Oct 13, 2026 11:30 PM EDT |

JW Intelligence Report

Complete | 3 of 3 sections | Oct 13, 2026 6:50 PM EDT

|                 |                 |                |                    |
|-----------------|-----------------|----------------|--------------------|
| JW Rank         | Rank label      | Confidence     | IV percentile      |
| 56.6 / 100      | Balanced        | high           | 4 / 100            |
| Model reference | Upside scenario | Risk reference | Wheel strategy fit |
| \$948.00        | \$980.00        | \$928.00       | 54 / 100           |

|                               |                                   |
|-------------------------------|-----------------------------------|
| Options stance                | neutral                           |
| Tail-risk safety              | 32 / 100                          |
| JW Rank data coverage / as of | 100.0%   Oct 13, 2026 6:50 PM EDT |

Key insight

COST Option Market Implies Balanced Outlook

Market read

The market for COST options suggests a neutral outlook. While recent sales figures and membership growth remain strong, concerns about valuation and slowing membership additions persist. The implied volatility is elevated but balanced, with no significant skew towards bullish or bearish sentiment.

Strategy context

COST's recent sales beat expectations, but membership growth has slowed. The market seems to be digesting these mixed signals.



## JW AI conclusions

Short- and medium-term model interpretation

AI context bias

**Bullish**

AI analysis updated

**Oct 13, 2026 1:45 PM EDT**

### Short-term scenario

Cautious hold; prefer a pullback entry rather than chasing near resistance. Short-term momentum is constructive but RSI is elevated, the 200-day average is overhead, and premium valuation reduces conviction for a 1-3 week long. Risk/reward improves only on a dip toward support.

### Three-month outlook

Modestly constructive but capped. Continued sales momentum, sticky renewals, Executive-member mix, and planned warehouse openings support the business and could allow a gradual move toward the low-1,000s if comps stay healthy through the holidays. Consensus targets imply only high-single to low-double-digit upside over a full year, so three-month gains are more likely in the mid-single digits under a base case. Offsetting risks are the elevated forward multiple (~42x), multi-quarter slowdown in membership growth, and the stock's recent underperformance; any soft monthly sales print could pressure the multiple. High uncertainty: outcome depends on unreleased holiday traffic and ticket data, broader consumer spending, and sentiment-driven multiple changes that are not predictable from current information.

### Market sentiment

Mixed and valuation-sensitive. Supportive comments highlight the membership annuity, sales beats, digital growth, and relative resilience. Skeptical posts emphasize the still-rich P/E (around 45x) versus slower growth and question whether current levels offer a good entry; one post-sales social reading showed sentiment near 50% versus a higher recent average, with inflation-related criticism noted. Overall tone is quality business but cautious on price. Uncertainty: public X sample is small, noisy, and includes low-quality posts; it does not fully represent institutional positioning.

### Supporting evidence

Implied volatility (IV) at 18.73% is above average but not extreme. | The term structure of IV shows a slight flattening, indicating uncertainty about future price movements. | Delta-25 skew is balanced, suggesting no strong directional bias in the market.

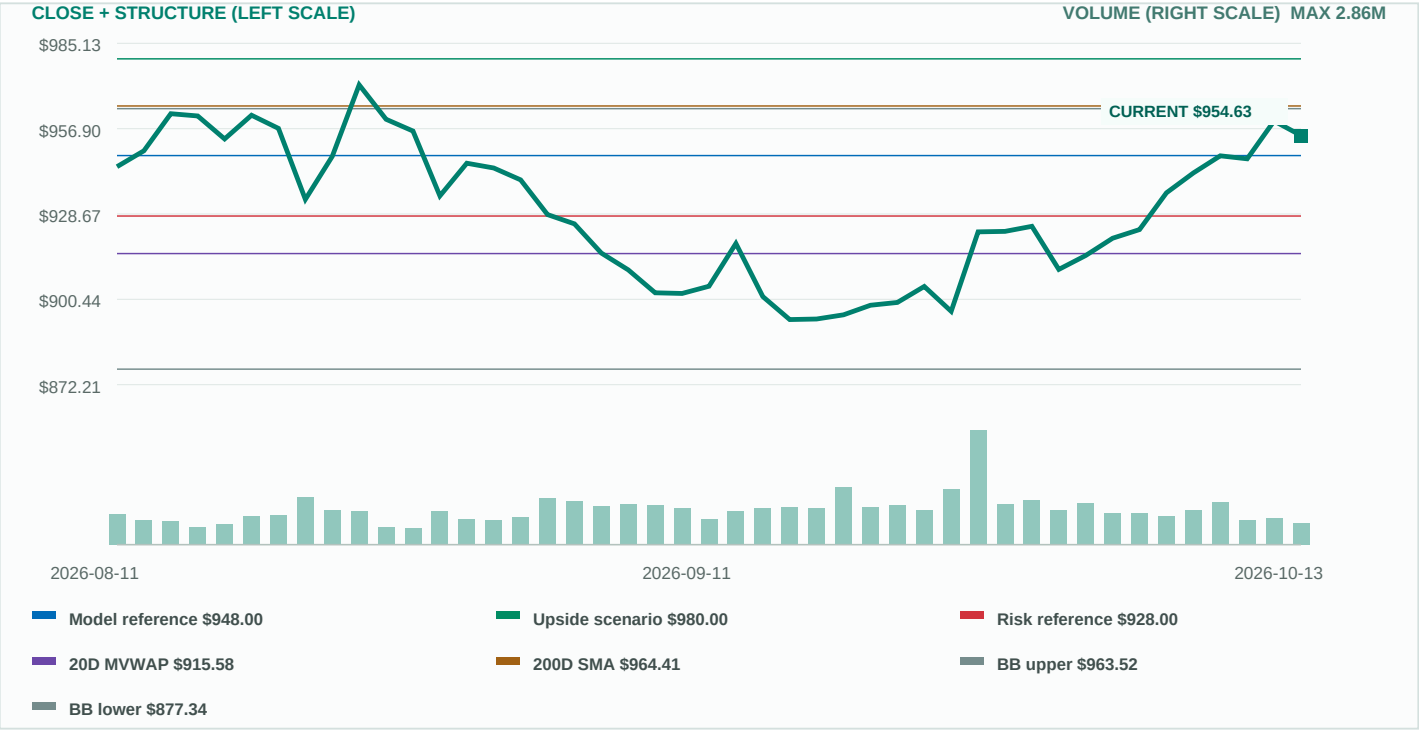
### Risk watch

Elevated valuation (P/E ~46) could limit upside potential. | Slowing membership growth may raise concerns about future revenue.



Enhanced price structure

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

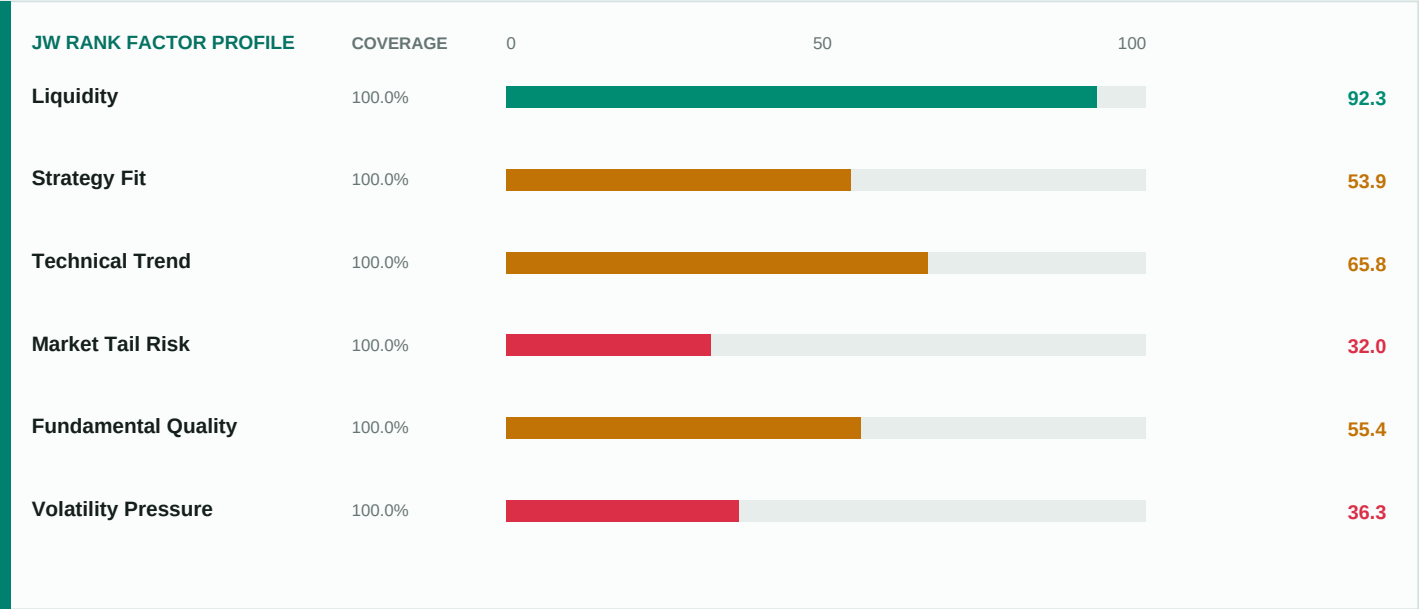


45 complete trading-session observations



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)              | 73.30 / 63.81 / 58.20                         |
| RSI velocity                   | 0.24                                          |
| MACD line / signal / histogram | 7.63 / - / 1.68                               |
| MACD acceleration              | 1.58                                          |
| Stochastic K / D               | 91.84 / 92.28                                 |

Institutional footprints

Volume-weighted cost, price location and flow

|                          |                                               |
|--------------------------|-----------------------------------------------|
| Current read             | Above institutional MVWAP   Accumulation bias |
| Institutional flow       | 1.32                                          |
| 20-day MVWAP             | \$915.58                                      |
| Price vs 20-day MVWAP    | +4.11%                                        |
| Daily reference VWAP     | \$958.14                                      |
| Price vs daily reference | -0.52%                                        |
| Volume                   | 525.22K                                       |

Structural context

Long-term trend and volatility boundaries

|                      |                                               |
|----------------------|-----------------------------------------------|
| Current read         | Below 200-day trend   Positive macro velocity |
| Macro velocity       | 2.27                                          |
| 20-day / 200-day SMA | \$920.43 / \$964.41                           |
| Bollinger range      | \$877.34 - \$963.52                           |
| Bollinger position   | 0.897                                         |



Options and volatility intelligence

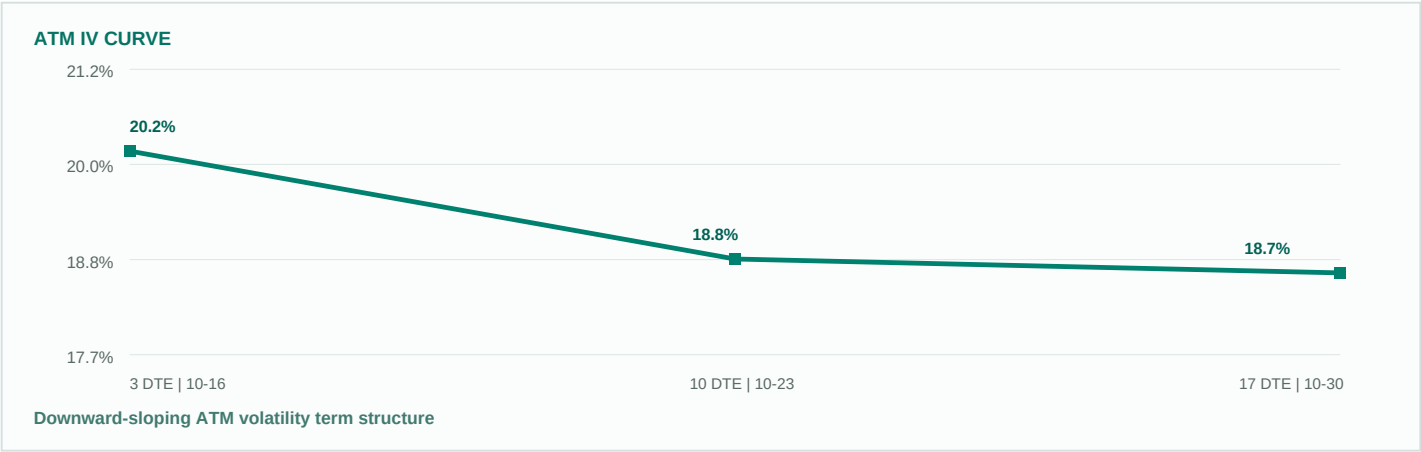
Structure, premium conditions and principal risks

|          |               |       |        |
|----------|---------------|-------|--------|
| IV rank  | IV percentile | VVIX  | SKEW   |
| 12 / 100 | 6 / 100       | 85.87 | 155.06 |

|                                 |                                                   |
|---------------------------------|---------------------------------------------------|
| Market regime                   | DANGER ZONE                                       |
| Tail-risk regime                | NORMAL TAIL RISK                                  |
| Term structure                  | flat                                              |
| Term slope                      | -1.49 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 13, 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 | 3   | 20.2%  | -     |
| 2026-10-23 | 10  | 18.8%  | -     |
| 2026-10-30 | 17  | 18.7%  | -     |

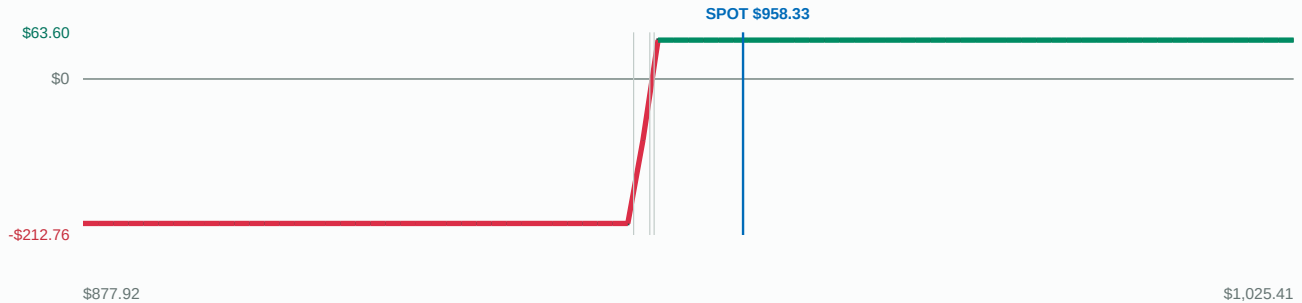


## Reference spread payoff

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

### Bull Put Spread reference

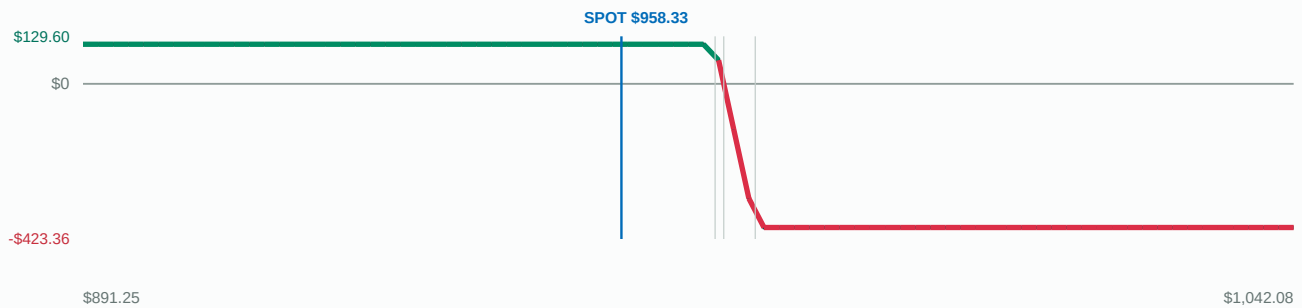
Short \$947.50 | Long \$945.00 | Width \$2.50 | Net credit \$0.53



Max profit \$53.00 | Max loss -\$197.00 | Break-even \$946.97 | Per contract at expiry

### Bear Call Spread reference

Short \$970.00 | Long \$975.00 | Width \$5.00 | Net credit \$1.08



Max profit \$108.00 | Max loss -\$392.00 | Break-even \$971.08 | Per contract at expiry

## 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                    | 15.42        |
| VVIX                   | 85.87        |
| SKEW index             | 155.06       |
| 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 market for COST options suggests a neutral outlook. While recent sales figures and membership growth remain strong, concerns about valuation and slowing membership additions persist. The implied volatility is elevated but balanced, with no significant skew towards bullish or bearish sentiment.

Options context

COST Option Market Implies Balanced Outlook

Wheel context

COST's recent sales beat expectations, but membership growth has slowed. The market seems to be digesting these mixed signals.

Observed evidence

Implied volatility (IV) at 18.73% is above average but not extreme. | The term structure of IV shows a slight flattening, indicating uncertainty about future price movements. | Delta-25 skew is balanced, suggesting no strong directional bias in the market.

Principal risks to monitor

Elevated valuation (P/E ~46) could limit upside potential. | Slowing membership growth may raise concerns about future revenue.



## Fundamentals and events

Business quality, valuation and upcoming event context

|                              |                  |
|------------------------------|------------------|
| Market capitalization        | P/E (TTM)        |
| <b>\$425.16B</b>             | <b>45.48</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>0.21</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>0.4%</b>                                |
| Book value per share         | Revenue per share                          |
| <b>\$80.77</b>               | <b>\$682.25</b>                            |
| Website                      | <a href="http://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 12, 2026 10:05 AM EDT |
| <b>Covered Call   2026-10-23</b>                       |                           |
| At signal \$949.52   Current \$953.20                  |                           |
| <b>SHORT     Option \$950.00 B \$11.70 / A \$13.40</b> |                           |
| <b>Conservative   CR \$12.55</b>                       |                           |



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

|                                   |                               |
|-----------------------------------|-------------------------------|
| ATR                               | \$14.55                       |
| ATR as % of price                 | 1.5%                          |
| Volatility environment            | low                           |
| Current IV                        | 18.4%                         |
| IV rank                           | 9 / 100                       |
| IV percentile                     | 4 / 100                       |
| Technical Snapshot IV source      | Private fundamentals snapshot |
| Technical Snapshot IV observed at | Oct 13, 2026 7:30 PM EDT      |

Technical health and risk radar

Derived indicator health and event context

|                      |                  |
|----------------------|------------------|
| Overall health       | 64 / 100         |
| Trend health         | 38 / 100         |
| Momentum health      | 84 / 100         |
| Volatility health    | 87 / 100         |
| Structure health     | 60 / 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)              | \$920.43 / \$931.59 / \$964.41 |
| EMA (9 / 21)                     | \$941.35 / \$930.48            |
| Bollinger upper / middle / lower | \$963.52 / \$920.43 / \$877.34 |



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

| FIELD                 | VALUE               |
|-----------------------|---------------------|
| Bollinger %B          | 0.897               |
| True high / low       | \$966.00 / \$953.78 |
| 5-day true high / low | \$966.00 / \$935.68 |

Three-day indicator history

Short-horizon change and the underlying three-session observations

| INDICATOR | 3-DAY CHANGE | SESSION 1 / 2 / 3               |
|-----------|--------------|---------------------------------|
| SMA20     | 2.266        | -                               |
| SMA50     | 0.006        | -                               |
| MVWAP20   | 1.319        | -                               |
| MACD      | 1.580        | -                               |
| RSI       | 0.241        | -                               |
| Volume    | -179759.330  | -                               |
| ATR       | -0.232       | -                               |
| T1        | -            | 6.45 / 914.08 / 960.74 / 946.69 |
| T2        | -            | 4.35 / 912.89 / 951.29 / 942.53 |
| T3        | -            | 2.89 / 911.62 / 953.29 / 939.60 |



## Detailed options evidence

Supporting option-chain, execution and data-quality observations

|                                 |                                                          |
|---------------------------------|----------------------------------------------------------|
| Underlying price at observation | <b>\$958.33</b>                                          |
| Options Snapshot IV sources     | <b>ATM: option chain   Rank/percentile: fundamentals</b> |
| Options Snapshot IV observed at | <b>Oct 13, 2026 2:44 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   3 DTE</b>                                |
| Front at-the-money IV           | <b>20.2%</b>                                             |
| 25-delta skew                   | <b>0.53</b>                                              |
| Put / Call 25-delta             | <b>\$947.50 Delta -0.265 / \$970.00 Delta 0.261</b>      |
| Median option bid/ask spread    | <b>15.2%</b>                                             |
| Bid/ask spread                  | <b>-</b>                                                 |
| Contracts observed / quoted     | <b>150 / 150</b>                                         |

### Price context

Last Price: 958.33 | Bid: 958.15 | Ask: 958.33 | Previous Close: 959.44 | Change: -1.11 | Daily change: -0.12% | Update Time: 2026-10-13T14:44:36.274415-04:00 | Latest History Date: 2026-10-13 | Latest History Price: 958.33

### Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-21 | Latest Date: 2026-10-13 | Latest Price: 958.33 | Max Drawdown 60d Percent: -8.24%

### Fundamental context

Current Iv Percent: 18.73% | Iv Rank: 12.00 | Iv Percentile: 5.58 | 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.

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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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## Reference documents

Official product terms and standardized options disclosure

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