



Costco Wholesale Corp / COST

Equity | Generated Oct 28, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$990.69	-1.44 -0.15%	\$991.00/\$1,000.23	\$992.13

Market	NYSE
Industry	Retail
Market data as of	Oct 28, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 28, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
67.4 / 100	Constructive	high	4 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$978.00	\$1,012.00	\$962.00	69 / 100

Options stance	neutral
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 28, 2026 7:50 PM EDT

Key insight

COST Option Market Implies Rangebound Trading Ahead of Earnings

Market read

The COST option market shows a neutral outlook, with implied volatility suggesting potential for sideways movement in the coming weeks. While technical indicators point to an overall bullish trend, recent price action has stalled near resistance levels and the upcoming ex-dividend date adds uncertainty. The market seems to be awaiting further catalysts, such as the December earnings report, before making significant directional moves.

Strategy context

COST options offer limited directional insight. The market appears rangebound with potential for volatility around the ex-dividend date and earnings release.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 28, 2026 1:43 PM EDT

Short-term scenario

Neutral; small long only on a dip, do not chase. A 1-3 week bounce toward recent highs is possible if about \$980 holds, but the Oct 30 ex-dividend, rich valuation, and no earnings catalyst until Dec 10 keep conviction low. Uncertainty is high and this is not a high-confidence setup.

Three-month outlook

Base case into late January 2027 is a choppy range near \$960-\$1,050, with only modest upside if holiday comps and the Dec 10 report stay healthy. Analyst targets imply high-single-digit upside over a longer window, not a sharp re-rating. Bull case needs another beat and a stable multiple toward the low \$1,100s. Bear case is multiple compression into the high \$800s or low \$900s if demand or membership growth slows. Uncertainty is material: the business can remain strong while the stock lags if the premium P/E compresses, and Walmart/Amazon competition plus consumer spending are unresolved risks. This is a scenario range, not a precise forecast.

Market sentiment

X volume on \$COST is light and split. Brand posts are affectionate, but valuation posts flag roughly 48x earnings and say to trim despite double-digit sales growth and high renewals. Some treat it as a defensive name that can still grind higher; others expect a long consolidation and prefer buying nearer \$850-\$900. A technical post is bullish only on a confirmed breakout. A congressional sale disclosure is a mild negative headline, not a broad sentiment shift. No strong consensus is visible.

Supporting evidence

Implied volatility is elevated at 18.1%, suggesting potential for increased price swings in the coming weeks. | The term structure of implied volatility is flat, indicating that near-term and longer-term expectations are similar. | Technical indicators show a bullish trend, but recent price action has stalled near resistance levels. | The upcoming ex-dividend date on October 30th could lead to short-term volatility as investors adjust their positions.

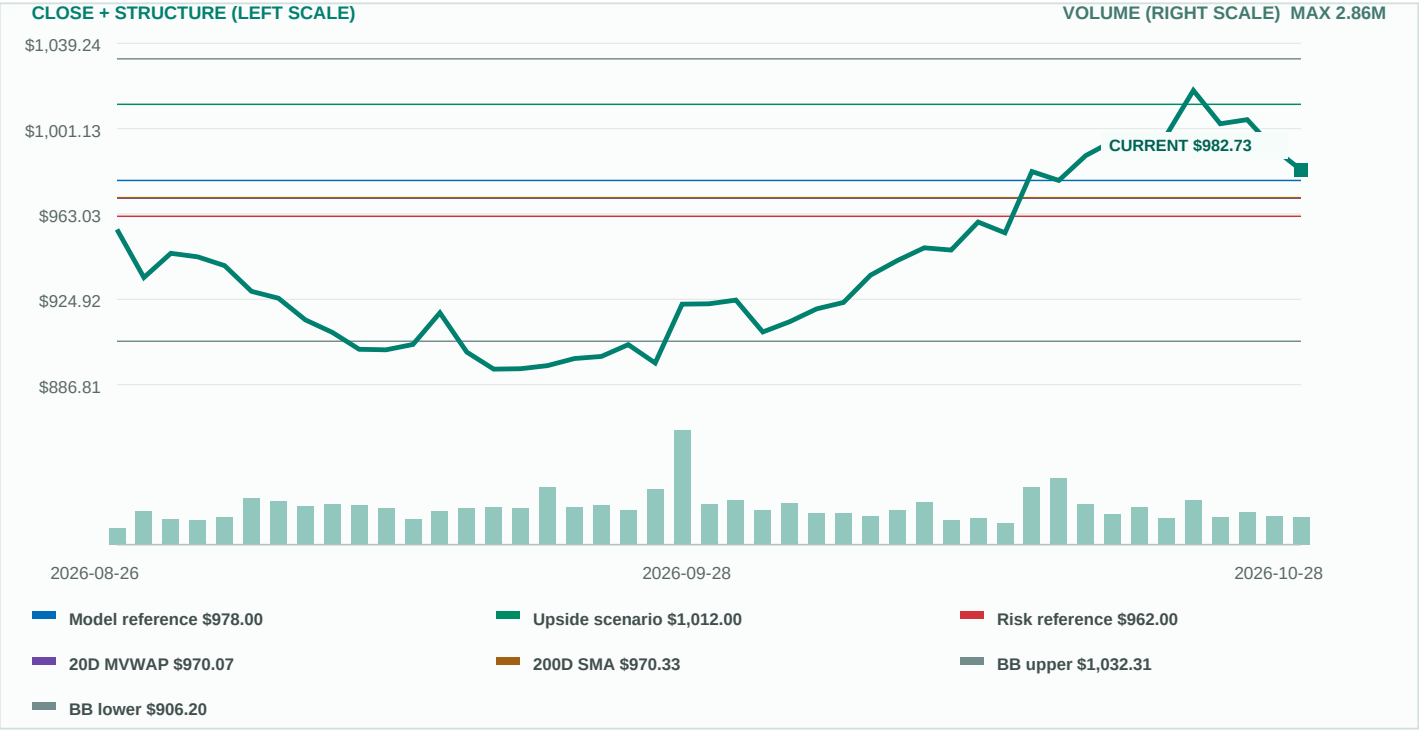
Risk watch

Elevated implied volatility suggests increased risk of price swings in either direction.



Enhanced price structure

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

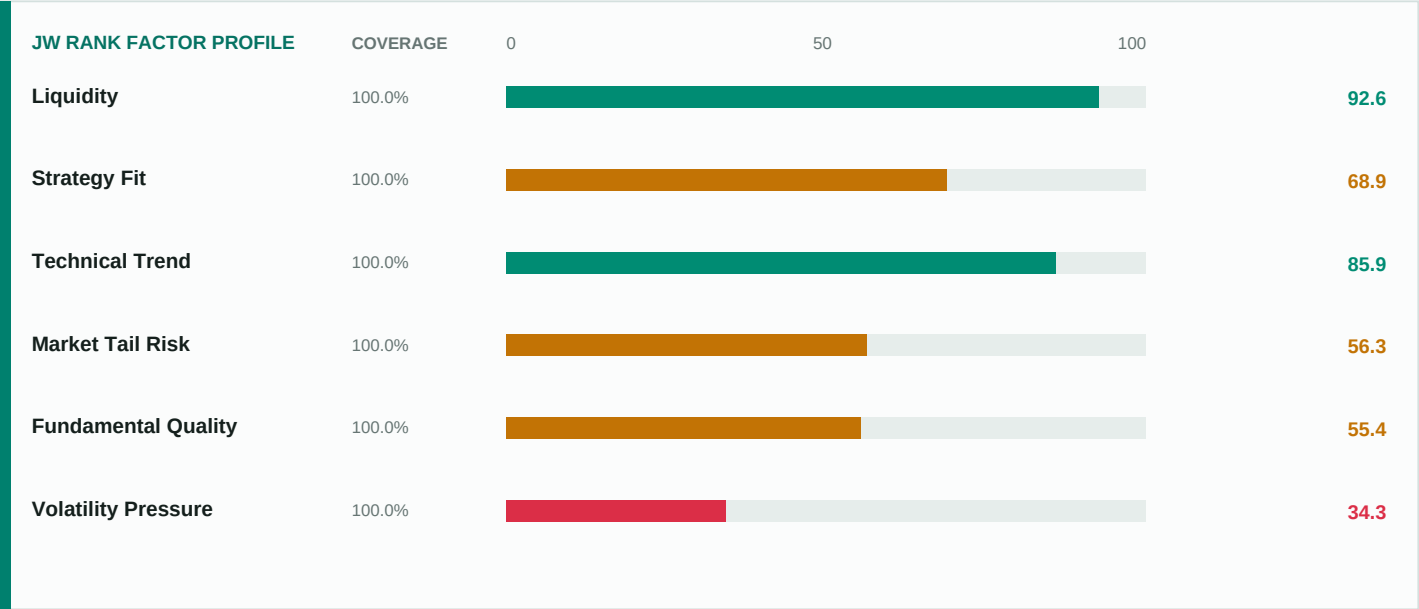


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

bullish_recovery

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	BULLISH RECOVERY neutral MACD decelerating
Trend signal	BULLISH RECOVERY
RSI signal	neutral
RSI (7 / 14 / 21)	48.30 / 57.38 / 57.50
RSI velocity	-3.94
MACD line / signal / histogram	19.25 / - / 18.30
MACD acceleration	-0.96
Stochastic K / D	65.23 / 76.11

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	3.73
20-day MVWAP	\$970.07
Price vs 20-day MVWAP	+2.13%
Daily reference VWAP	\$983.95
Price vs daily reference	+0.68%
Volume	676.29K

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	3.70
20-day / 200-day SMA	\$969.25 / \$970.33
Bollinger range	\$906.20 - \$1,032.31
Bollinger position	0.607



Options and volatility intelligence

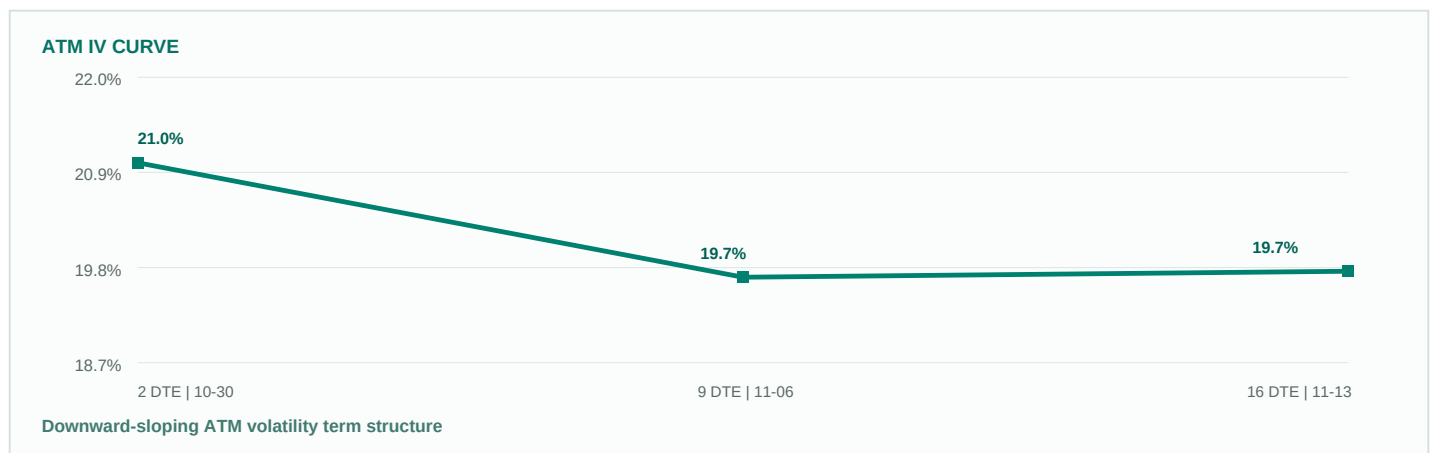
Structure, premium conditions and principal risks

IV rank 7 / 100	IV percentile 4 / 100	VVIX 96.85	SKEW 149.22
---------------------------	---------------------------------	----------------------	-----------------------

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	flat
Term slope	-1.27 pts
Skew read	balanced
Liquidity / quote coverage	97.8%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 28, 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
2026-10-30	2	21.0%	-
2026-11-06	9	19.7%	-
2026-11-13	16	19.7%	-



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	17.18
VVIX	96.85
SKEW index	149.22
Observation confidence	high
Option quote quality	reliable
Contracts observed	134



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	131

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market shows a neutral outlook, with implied volatility suggesting potential for sideways movement in the coming weeks. While technical indicators point to an overall bullish trend, recent price action has stalled near resistance levels and the upcoming ex-dividend date adds uncertainty. The market seems to be awaiting further catalysts, such as the December earnings report, before making significant directional moves.

Options context

COST Option Market Implies Rangebound Trading Ahead of Earnings

Wheel context

COST options offer limited directional insight. The market appears rangebound with potential for volatility around the ex-dividend date and earnings release.

Observed evidence

Implied volatility is elevated at 18.1%, suggesting potential for increased price swings in the coming weeks. | The term structure of implied volatility is flat, indicating that near-term and longer-term expectations are similar. | Technical indicators show a bullish trend, but recent price action has stalled near resistance levels. | The upcoming ex-dividend date on October 30th could lead to short-term volatility as investors adjust their positions.

Principal risks to monitor

Elevated implied volatility suggests increased risk of price swings in either direction.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$439.64B	47.94
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
443.13M	7.8%
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 20, 2026 10:09 AM EDT
Covered Call 2026-10-23	
At signal \$997.28 Current \$990.69	
SHORT Option \$970.00 B \$26.65 / A \$30.50	
High turnover CR \$28.58	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$15.86
ATR as % of price	1.6%
Volatility environment	low
Current IV	18.3%
IV rank	8 / 100
IV percentile	4 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 28, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	86 / 100
Trend health	78 / 100
Momentum health	96 / 100
Volatility health	86 / 100
Structure health	89 / 100
Earnings risk / date	low 2026-12-10
Macro risk	unknown
Volatility risk	low
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$969.25 / \$940.95 / \$970.33
EMA (9 / 21)	\$990.82 / \$972.64
Bollinger upper / middle / lower	\$1,032.31 / \$969.25 / \$906.20



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.607
True high / low	\$992.13 / \$980.31
5-day true high / low	\$1,021.45 / \$980.31

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	3.703	-
SMA50	0.694	-
MVWAP20	3.732	-
MACD	-0.963	-
RSI	-3.939	-
Volume	-207.000	-
ATR	-0.108	-
T1	-	21.15 / 966.93 / 1005.16 / 989.04
T2	-	22.31 / 963.04 / 1015.15 / 999.08
T3	-	22.14 / 958.88 / 1021.45 / 1002.68



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$982.09
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 28, 2026 2:44 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-30 2 DTE
Front at-the-money IV	21.0%
25-delta skew	0.77
Put / Call 25-delta	\$970.00 Delta -0.226 / \$992.50 Delta 0.241
Median option bid/ask spread	20.9%
Bid/ask spread	-
Contracts observed / quoted	134 / 131

Price context

Last Price: 982.09 | Bid: 981.88 | Ask: 982.32 | Previous Close: 992.13 | Change: -10.04 | Daily change: -1.01% | Update Time: 2026-10-28T14:44:25.228538-04:00 | Latest History Date: 2026-10-28 | Latest History Price: 982.09

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-05 | Latest Date: 2026-10-28 | Latest Price: 982.09 | Max Drawdown 60d Percent: -7.99%

Fundamental context

Current Iv Percent: 18.10% | Iv Rank: 6.67 | Iv Percentile: 3.59 | Next Earnings Date: 2026-12-10 | Ex Dividend Date: 2026-10-29



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.

Generated Oct 28, 2026 11:30 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	jasonwheel.com
Terms of Use	jasonwheel.com / Terms
Privacy Policy	jasonwheel.com / Privacy
Options Disclosure Document	theocc.com / Options Disclosure Document