Costco Wholesale Corp / COST

Equity | Generated Oct 29, 2026 11:30 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$1,011.00	+28.27 +2.88%	$999.97/$1,011.97	$982.73

Market	NYSE
Industry	Retail
Market data as of	Oct 29, 2026 11:30 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 29, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
64.7 / 100	Balanced	high	5 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$978.00	$1,018.00	$958.00	67 / 100

Options stance	neutral
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% | Oct 29, 2026 6:50 PM EDT

Key insight

COST Option Market Implies Balanced Sentiment

Market read

The COST option market displays a balanced outlook, with neither strong bullish nor bearish signals. While implied volatility is elevated at 17.94%, reflecting potential for price movement, the term structure shows a slight flattening trend and neutral delta skew. Recent news includes positive sales figures and a defensive rotation into consumer staples, but also concerns about valuation and competition. The market seems to be awaiting further catalysts like upcoming earnings.

Strategy context

The current market environment suggests a neutral stance. While there are positive factors, such as strong sales and a defensive bid, concerns about valuation and competition warrant caution.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Oct 29, 2026 1:43 PM EDT**

Short-term scenario

Cautious hold, or buy only on a dip toward support over 1-3 weeks. Do not chase the bounce into $1,000. A defensive bid and constructive moving-average structure can support a retest of recent highs, but premium valuation, tomorrow's ex-dividend date, and nearby resistance cap the setup. This is a tactical view, not a recommendation to trade.

Three-month outlook

Base case is a modest grind toward the low-to-mid $1,040s if holiday comps stay firm and staples leadership holds, short of the roughly $1,067-$1,086 average analyst targets, which imply high-single-digit upside that may not arrive in three months. A downside case is a fade toward the mid-$900s if the multiple compresses, sales momentum cools, or the defensive rotation reverses. Supports: membership scale (about 84 million paid memberships, renewal rates near 90% worldwide and about 92% in the U.S./Canada), solid comps, and defensive characteristics. Risks: valuation already near 47-48x earnings, competition from Walmart and Amazon, non-recurrence of tariff-refund EPS, a possible restrictive Fed path, and the Dec 10, 2026 earnings print. Uncertainty is high; none of these levels are guaranteed, and position sizing should assume a several-percent swing in either direction.

Market sentiment

Oct 29, 2026 X discussion is mixed and low-engagement, not a strong consensus. Near-term posts treat COST as a defensive hold while tech is weak, and options-flow commentary flags $1,000 as a magnet into the Nov 20 expiry, with some interest above that. Valuation skeptics argue a roughly 48x multiple is well above the ten-year average and may be a 'safety premium' rather than a growth multiple. Longer-horizon posts lean toward extended consolidation and prefer lower accumulation zones. A congressional disclosure of a spouse sale was also circulated. Uncertainty: these posts are anecdotal, often promotional, and do not measure institutional positioning.

Supporting evidence

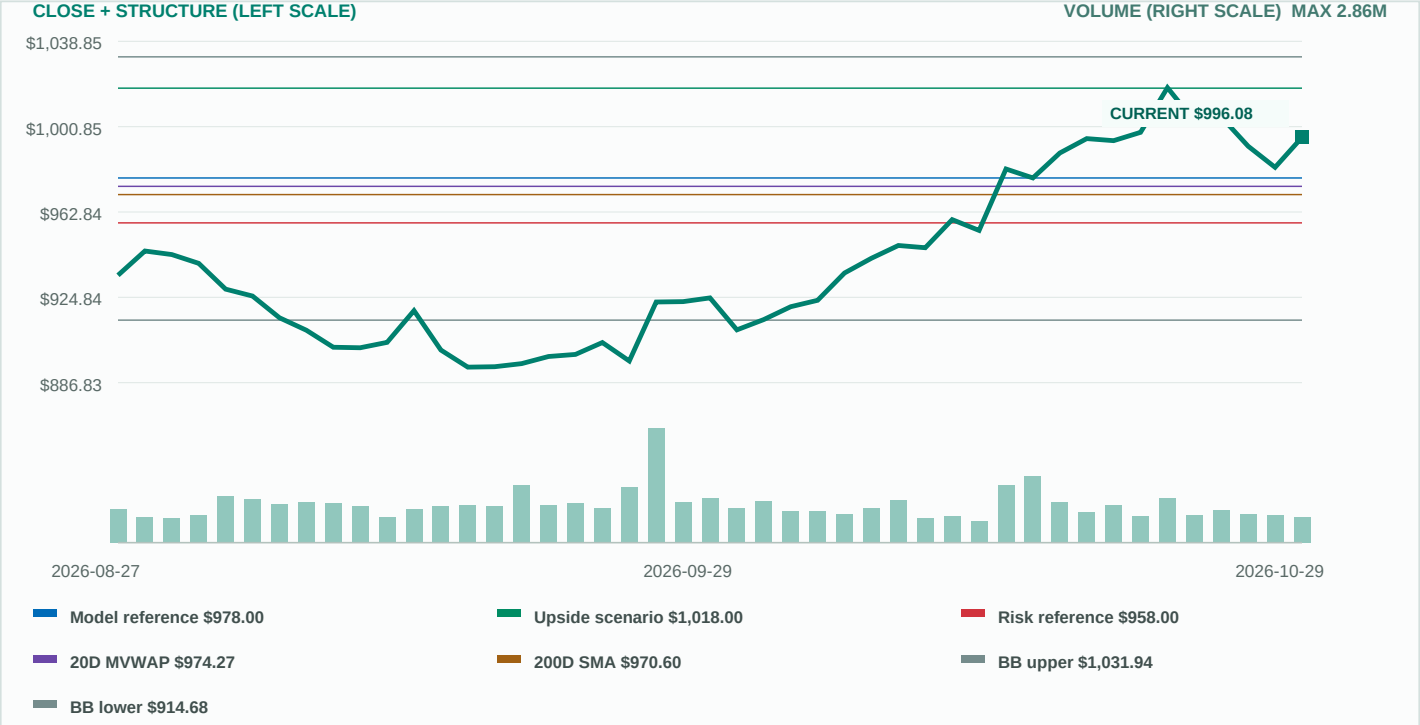
Implied volatility is at 17.94%, suggesting potential for price movement in either direction. | Delta skew is neutral, indicating balanced call and put option pricing. | Term structure shows a slight flattening trend, implying less expectation of significant near-term volatility. | Recent news includes strong September sales figures and a defensive rotation into consumer staples. | Concerns remain about valuation at 47-48x earnings and competition from Walmart and Amazon.

Risk watch

Valuation at 47-48x earnings may be a concern for some investors.

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	Institutional flow	Structure	Volatility
bullish_recovery	Above MVWAP	Above 200D trend	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)	**58.29 / 61.88 / 60.59**
RSI velocity	**-2.60**
MACD line / signal / histogram	**18.61 / - / 18.36**
MACD acceleration	**-1.23**
Stochastic K / D	**60.39 / 67.10**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Accumulation bias**
Institutional flow	**3.75**
20-day MVWAP	**$974.27**
Price vs 20-day MVWAP	**+3.77%**
Daily reference VWAP	**$992.35**
Price vs daily reference	**+1.88%**
Volume	**625.13K**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**3.68**
20-day / 200-day SMA	**$973.31 / $970.60**
Bollinger range	**$914.68 - $1,031.94**
Bollinger position	**0.694**

Options and volatility intelligence

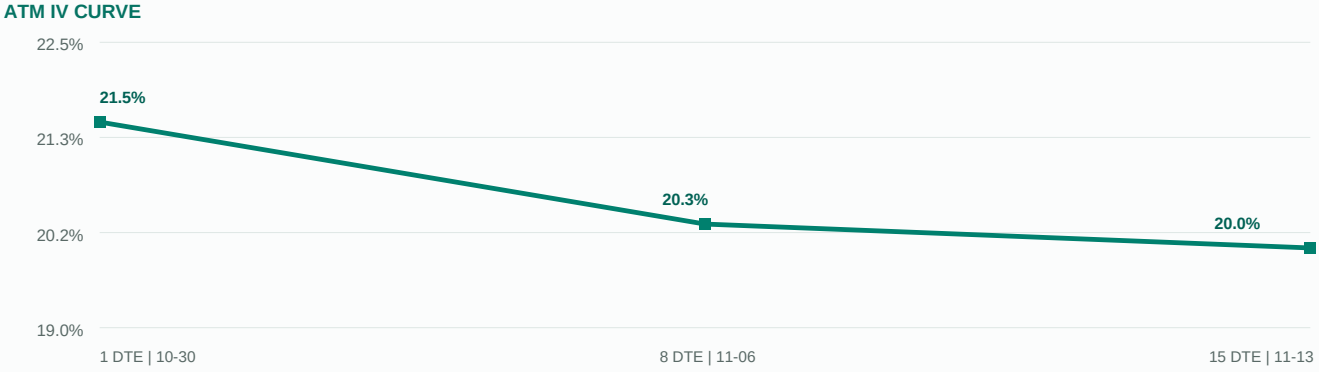
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
5 / 100	**3 / 100**	**95.19**	**148.74**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**flat**
Term slope	**-1.58 pts**
Skew read	**balanced**
Liquidity / quote coverage	**98.6%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Oct 29, 2026 2:44 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

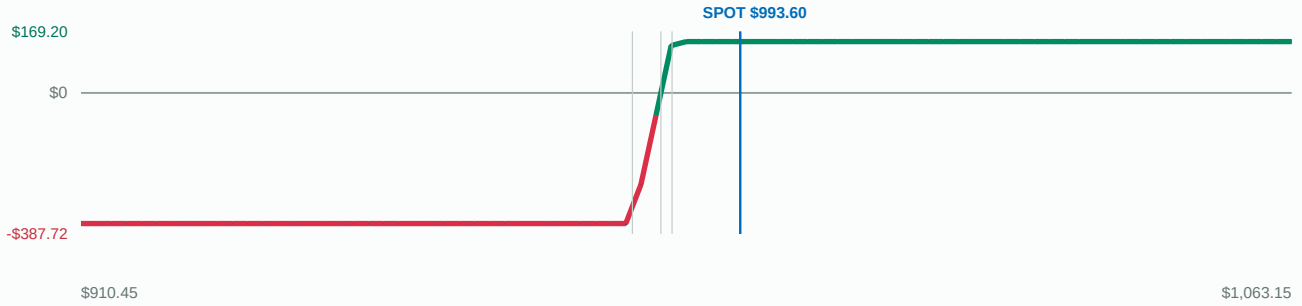
EXPIRATION	DTE	ATM IV	STATE
2026-10-30	1	21.5%	-
2026-11-06	8	20.3%	-
2026-11-13	15	20.0%	-

Reference spread payoff

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

Bull Put Spread reference

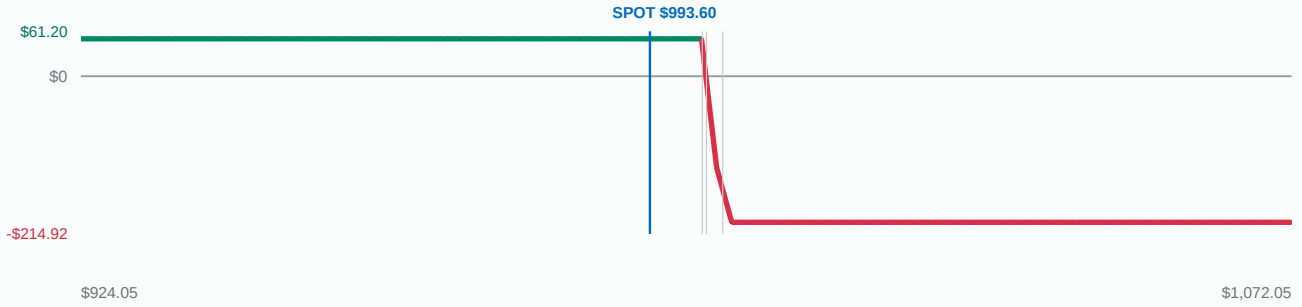
Short $985.00 | Long $980.00 | Width $5.00 | Net credit $1.41



Max profit $141.00 | Max loss -$359.00 | Break-even $983.59 | Per contract at expiry

Bear Call Spread reference

Short $1,000.00 | Long $1,002.50 | Width $2.50 | Net credit $0.51



Max profit $51.00 | Max loss -$199.00 | Break-even $1,000.51 | 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	**16.89**
VVIX	**95.19**
SKEW index	**148.74**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**142**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**140**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market displays a balanced outlook, with neither strong bullish nor bearish signals. While implied volatility is elevated at 17.94%, reflecting potential for price movement, the term structure shows a slight flattening trend and neutral delta skew. Recent news includes positive sales figures and a defensive rotation into consumer staples, but also concerns about valuation and competition. The market seems to be awaiting further catalysts like upcoming earnings.

Options context

COST Option Market Implies Balanced Sentiment

Wheel context

The current market environment suggests a neutral stance. While there are positive factors, such as strong sales and a defensive bid, concerns about valuation and competition warrant caution.

Observed evidence

Implied volatility is at 17.94%, suggesting potential for price movement in either direction. | Delta skew is neutral, indicating balanced call and put option pricing. | Term structure shows a slight flattening trend, implying less expectation of significant near-term volatility. | Recent news includes strong September sales figures and a defensive rotation into consumer staples. | Concerns remain about valuation at 47-48x earnings and competition from Walmart and Amazon.

Principal risks to monitor

Valuation at 47-48x earnings may be a concern for some investors.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$435.48B**	P/E (TTM) **47.17**
ROE **28.0%**	Revenue growth **7.8%**
EPS growth **13.6%**	Operating margin **3.9%**
Net profit margin **3.0%**	Gross margin **-**
Free cash flow CAGR **11.8%**	Debt / equity **0.21**
Dividend yield **0.7%**	Beta **0.88**
52-week range **$844.06 - $1,096.50**	

Company or fund profile

Issuer identity and classification

Name **Costco Wholesale Corp**	Market **NYSE**
Industry **Retail**	Country **US**
Currency **USD**	IPO date **1985-12-05**
Shares outstanding **443.13M**	52-week return **6.3%**
Book value per share **$80.77**	Revenue per share **$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 $1,011.00

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	**$15.71**
ATR as % of price	**1.6%**
Volatility environment	**low**
Current IV	**18.4%**
IV rank	**9 / 100**
IV percentile	**5 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Oct 29, 2026 7:30 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**83 / 100**
Trend health	**78 / 100**
Momentum health	**88 / 100**
Volatility health	**86 / 100**
Structure health	**81 / 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)	**$973.31 / $941.73 / $970.60**
EMA (9 / 21)	**$991.87 / $974.77**
Bollinger upper / middle / lower	**$1,031.94 / $973.31 / $914.68**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.694**
True high / low	**$996.42 / $982.73**
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	3.685	**-**
SMA50	0.661	**-**
MVWAP20	3.746	**-**
MACD	-1.234	**-**
RSI	-2.601	**-**
Volume	-61418.670	**-**
ATR	-0.157	**-**
T1	-	**19.25 / 970.08 / 992.13 / 980.31**
T2	-	**21.15 / 966.93 / 1005.16 / 989.04**
T3	-	**22.31 / 963.04 / 1015.15 / 999.08**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$993.60**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Oct 29, 2026 2:44 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-10-30 | 1 DTE**
Front at-the-money IV	**21.5%**
25-delta skew	**0.29**
Put / Call 25-delta	**$985.00 Delta -0.275 / $1,000.00 Delta 0.255**
Median option bid/ask spread	**19.7%**
Bid/ask spread	**-**
Contracts observed / quoted	**142 / 140**

Price context

Last Price: 993.60 | Bid: 993.49 | Ask: 993.71 | Previous Close: 982.73 | Change: 10.87 | Daily change: 1.11% | Update Time: 2026-10-29T14:44:21.535508-04:00 | Latest History Date: 2026-10-29 | Latest History Price: 993.60

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-06 | Latest Date: 2026-10-29 | Latest Price: 993.60 | Max Drawdown 60d Percent: -7.99%

Fundamental context

Current Iv Percent: 17.94% | Iv Rank: 5.33 | Iv Percentile: 3.19 | 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

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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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