Costco Wholesale Corp / COST

Equity | Generated Nov 11, 2026 11:30 PM EST

Current price	Daily move	Bid / Ask	Previous close
$1,088.99	+22.85 +2.14%	$1,090.50/$1,096.82	$1,066.14

Market	**NYSE**
Industry	**Retail**
Market data as of	**Nov 11, 2026 11:30 PM EST**

JW Intelligence Report

Complete | 3 of 3 sections | Nov 11, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
75.0 / 100	Constructive	high	34 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,060.00	$1,090.00	$1,038.00	78 / 100

Options stance	**neutral**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Nov 11, 2026 6:50 PM EST**

Key insight

COST Option Market Implies Balanced Outlook

Market read

The COST option market presents a neutral outlook, with implied volatility reflecting balanced expectations for future price movement. While recent news regarding the special dividend and analyst target revisions suggests potential upside, the stock is trading near its 52-week high, raising concerns about overvaluation. The term structure of options shows a slight backwardation, indicating that shorter-term options are slightly more expensive than longer-term options.

Strategy context

COST's recent special dividend announcement and analyst target revisions suggest potential upside. However, the stock is trading near its 52-week high, raising concerns about overvaluation.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Nov 11, 2026 1:46 PM EST**

Short-term scenario

Cautious hold; do not chase near highs. Prefer a pullback entry. Interest around the Nov. 24 record date may support the stock over the next 1-2 weeks, but a roughly $30 ex-dividend adjustment is a clear headwind inside a 1-3 week window, and RSI near 70 plus proximity to the 52-week high raise pullback risk. This is not a high-conviction new long. Uncertainty is high on exact ex-date timing, profit-taking after the announcement, and whether momentum holds.

Three-month outlook

The membership model, solid comparable sales, strong cash generation, and warehouse expansion still support the quality-compounder case. At roughly 51x trailing earnings and trading near highs, three-month upside looks limited and the setup is asymmetric if growth cools or the multiple compresses. Analyst targets imply roughly flat to modest upside, with mixed recent actions. The special dividend returns excess cash but does not change the growth path. Uncertainty is material around consumer spending, competition, and whether the premium valuation holds over the next quarter.

Market sentiment

Recent posts treat the special dividend as evidence of surplus cash from the membership model rather than a shortage of places to invest, with comments highlighting a durable retail moat. Higher-engagement discussion also asks how much investors should pay for that quality at a premium multiple. One aggregator cited about 80% bullish reads, but organic volume is modest and includes valuation skepticism. Uncertainty: X sentiment is noisy, thinly sampled, and not a reliable price signal.

Supporting evidence

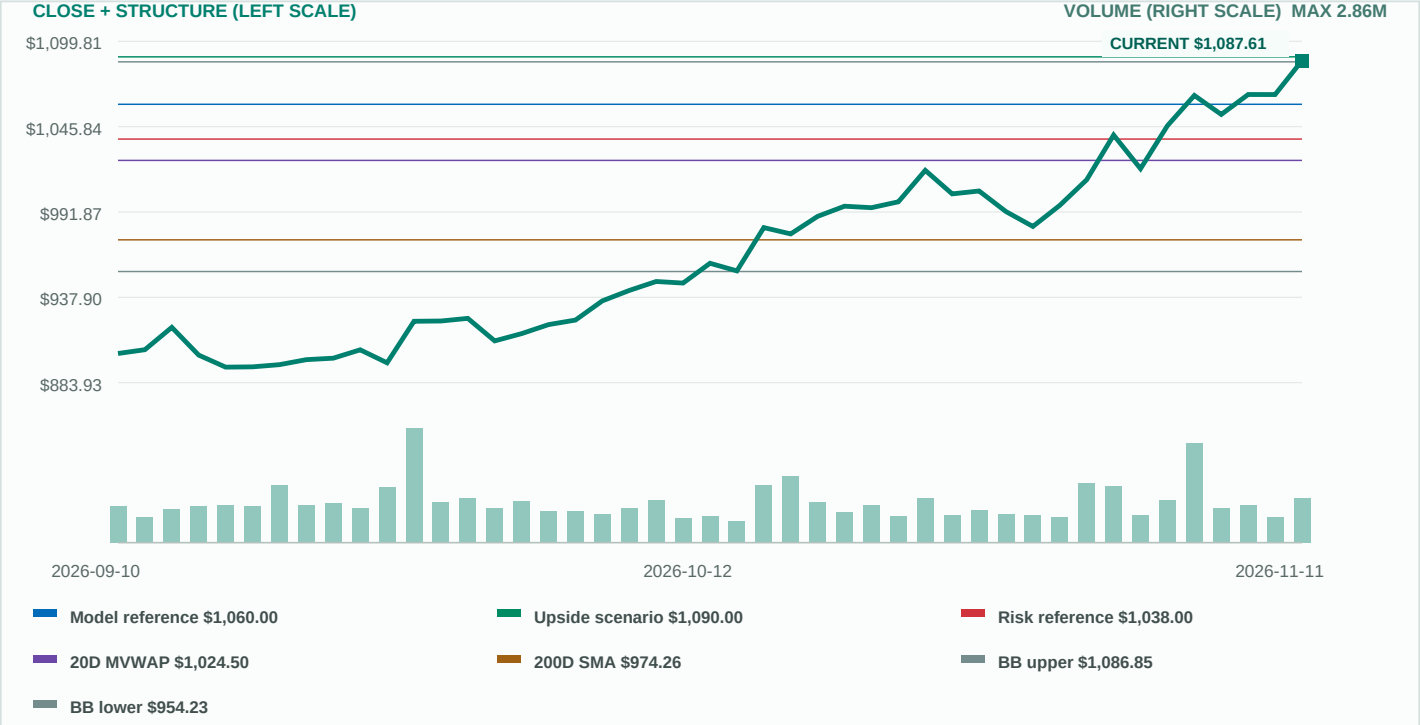
The current IV percentile for COST is 51.39, suggesting average volatility compared to historical levels. | Skew is balanced, with no significant directional bias in implied volatility between call and put options. | The term structure of options shows a slight backwardation, indicating that shorter-term options are slightly more expensive than longer-term options.

Risk watch

The ex-dividend date on December 4th could lead to a price drop of roughly $30.

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 | overbought | MACD accelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**overbought**
RSI (7 / 14 / 21)	**77.05 / 73.21 / 70.30**
RSI velocity	**1.96**
MACD line / signal / histogram	**31.44 / - / 26.33**
MACD acceleration	**1.39**
Stochastic K / D	**88.58 / 83.23**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Accumulation bias**
Institutional flow	**4.53**
20-day MVWAP	**$1,024.50**
Price vs 20-day MVWAP	**+6.29%**
Daily reference VWAP	**$1,083.62**
Price vs daily reference	**+0.50%**
Volume	**1.11M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**5.40**
20-day / 200-day SMA	**$1,020.54 / $974.26**
Bollinger range	**$954.23 - $1,086.85**
Bollinger position	**1.006**

Options and volatility intelligence

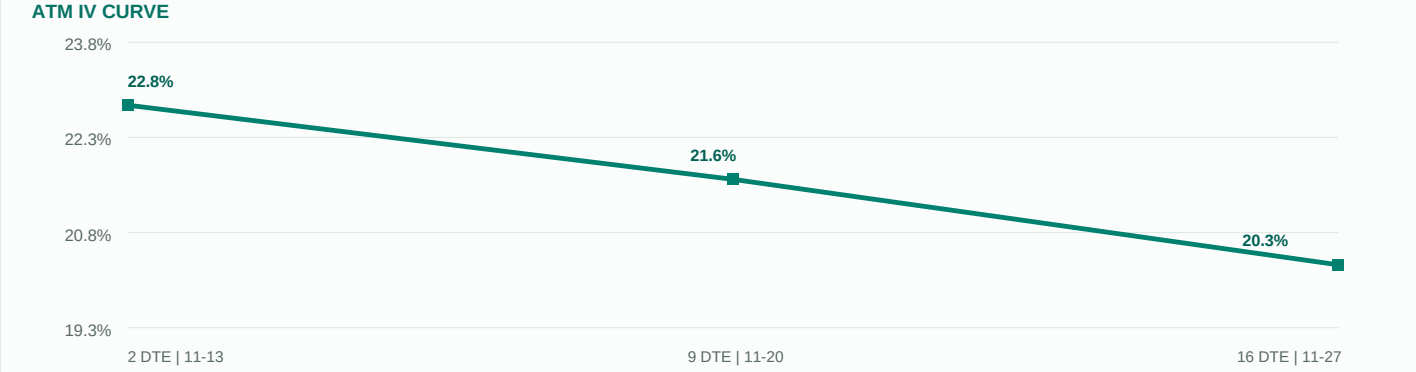
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
44 / 100	51 / 100	91.91	151.12

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-2.54 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 11, 2026 2:47 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



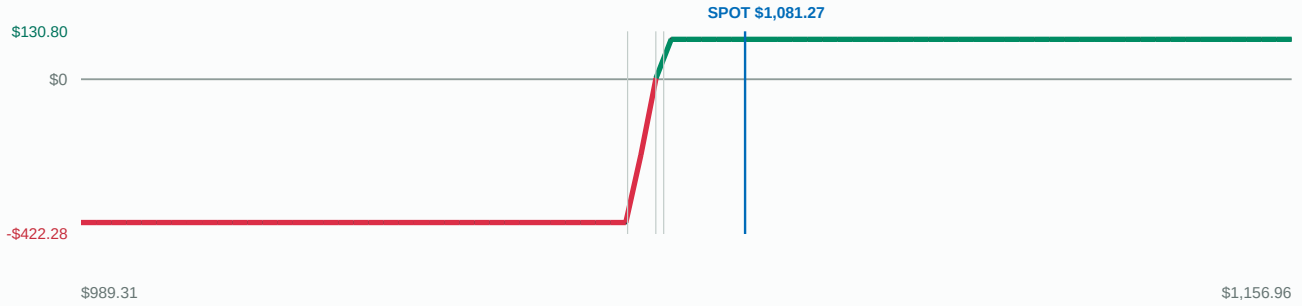
EXPIRATION	DTE	ATM IV	STATE
2026-11-13	2	22.8%	-
2026-11-20	9	21.6%	-
2026-11-27	16	20.3%	-

Reference spread payoff

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

Bull Put Spread reference

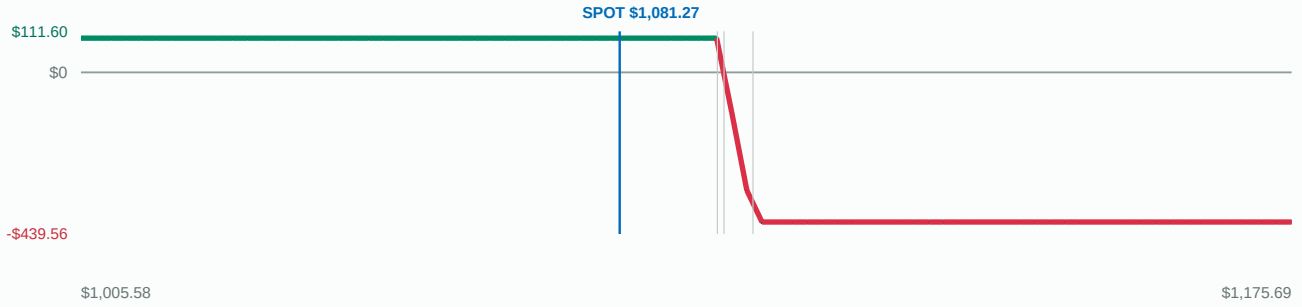
Short $1,070.00 | Long $1,065.00 | Width $5.00 | Net credit $1.09



Max profit $109.00 | Max loss -$391.00 | Break-even $1,068.91 | Per contract at expiry

Bear Call Spread reference

Short $1,095.00 | Long $1,100.00 | Width $5.00 | Net credit $0.93



Max profit $93.00 | Max loss -$407.00 | Break-even $1,095.93 | 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	**17.49**
VVIX	**91.91**
SKEW index	**151.12**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**146**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**146**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The COST option market presents a neutral outlook, with implied volatility reflecting balanced expectations for future price movement. While recent news regarding the special dividend and analyst target revisions suggests potential upside, the stock is trading near its 52-week high, raising concerns about overvaluation. The term structure of options shows a slight backwardation, indicating that shorter-term options are slightly more expensive than longer-term options.

Options context

COST Option Market Implies Balanced Outlook

Wheel context

COST's recent special dividend announcement and analyst target revisions suggest potential upside. However, the stock is trading near its 52-week high, raising concerns about overvaluation.

Observed evidence

The current IV percentile for COST is 51.39, suggesting average volatility compared to historical levels. | Skew is balanced, with no significant directional bias in implied volatility between call and put options. | The term structure of options shows a slight backwardation, indicating that shorter-term options are slightly more expensive than longer-term options.

Principal risks to monitor

The ex-dividend date on December 4th could lead to a price drop of roughly $30.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$472.44B	**51.21**
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%	**0.85**

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	**14.1%**
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

Nov 10, 2026 10:47 AM EST

Covered Call | 2026-11-13

At signal $1,064.85 | Current $1,088.99

SHORT **Option $1,075.00 B $5.30 / A $6.05**

Conservative | CR $5.68

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$20.11**
ATR as % of price	**1.9%**
Volatility environment	**low**
Current IV	**21.3%**
IV rank	**33 / 100**
IV percentile	**34 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 11, 2026 6:30 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**70 / 100**
Trend health	**78 / 100**
Momentum health	**67 / 100**
Volatility health	**82 / 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)	**$1,020.54 / $960.23 / $974.26**
EMA (9 / 21)	**$1,052.51 / $1,021.46**
Bollinger upper / middle / lower	**$1,086.85 / $1,020.54 / $954.23**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**1.006**
True high / low	**$1,091.92 / $1,066.14**
5-day true high / low	**$1,091.92 / $1,043.00**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	5.398	**-**
SMA50	2.604	**-**
MVWAP20	4.534	**-**
MACD	1.387	**-**
RSI	1.960	**-**
Volume	81756.000	**-**
ATR	-0.033	**-**
T1	-	**29.46 / 1017.89 / 1068.67 / 1057.38**
T2	-	**28.68 / 1014.91 / 1067.49 / 1045.73**
T3	-	**27.28 / 1010.90 / 1065.59 / 1043.00**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,081.27**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 11, 2026 2:47 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-11-13 | 2 DTE**
Front at-the-money IV	**22.8%**
25-delta skew	**0.86**
Put / Call 25-delta	**$1,070.00 Delta -0.263 / $1,095.00 Delta 0.237**
Median option bid/ask spread	**8.5%**
Bid/ask spread	**-**
Contracts observed / quoted	**146 / 146**

Price context

Last Price: 1,081.27 | Bid: 1,081.08 | Ask: 1,081.85 | Previous Close: 1,066.14 | Change: 15.13 | Daily change: 1.42% | Update Time: 2026-11-11T14:47:28.776033-05:00 | Latest History Date: 2026-11-11 | Latest History Price: 1,081.82

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-19 | Latest Date: 2026-11-11 | Latest Price: 1,081.82 | Max Drawdown 60d Percent: -7.99%

Fundamental context

Current Iv Percent: 22.54% | Iv Rank: 44.00 | Iv Percentile: 51.39 | Next Earnings Date: 2026-12-10 | Ex Dividend Date: 2026-10-29

Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

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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

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