# Costco Wholesale Corp / COST

Equity | Generated Nov 16, 2026 11:30 PM EST

| Current price | Daily move | Bid / Ask | Previous close |
|---|---|---|---|
| $1,113.00 | +6.79 +0.61% | $1,108.10/$1,119.00 | $1,106.21 |

| | |
|---|---|
| Market | **NYSE** |
| Industry | **Retail** |
| Market data as of | **Nov 16, 2026 11:30 PM EST** |

## JW Intelligence Report

Complete | 3 of 3 sections | Nov 16, 2026 6:50 PM EST

| JW Rank | Rank label | Confidence | IV percentile |
|---|---|---|---|
| 71.9 / 100 | Constructive | high | 92 / 100 |

| Model reference | Upside scenario | Risk reference | Wheel strategy fit |
|---|---|---|---|
| $1,080.00 | $1,140.00 | $1,045.00 | 63 / 100 |

| | |
|---|---|
| Options stance | **neutral** |
| Tail-risk safety | **38 / 100** |
| JW Rank data coverage / as of | **100.0% \| Nov 16, 2026 6:50 PM EST** |

### Key insight

COST Option Market Implies Range-Bound Price Action

### Market read

The COST option market suggests a neutral to cautious outlook over the next few weeks. While the underlying price is near record highs and technical indicators are bullish, implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and the impact of a recent special dividend.

### Strategy context

The current option market structure favors range-bound price action with potential for both upside and downside moves. Traders may consider strategies like straddles or strangles to capitalize on anticipated volatility.

# JW AI conclusions

Short- and medium-term model interpretation

| | |
|---|---|
| AI context bias | **Bearish** |
| AI analysis updated | **Nov 16, 2026 1:51 PM EST** |

## Short-term scenario

Neutral to cautious over 1-3 weeks: do not chase all-time highs. RSI is overbought, a valuation downgrade landed today, and the expected Nov. 24 ex-dividend for the $30 special should reduce the quoted price by roughly that amount (holders of record receive the cash; the chart gap alone is not an economic loss). Levels below are pre-adjustment reference prices and should be shifted by about $30 after the ex-date. Prefer no new long unless price pulls back toward support or stabilizes after the adjustment. Dec. 10 earnings add event risk inside this window. Not investment advice; the path is uncertain.

## Three-month outlook

Base case is range-bound to only modestly higher if comps stay healthy and the Dec. 10 report is clean, because consensus targets already sit near or below the current price and the forward multiple is elevated versus Costco's own history. The business (traffic, membership fees, and cash returns) remains a support, but the special dividend is a one-time distribution, not a higher ongoing yield, and slower membership growth is a watch item. Downside case is multiple compression if comps cool or staples de-rate. Uncertainty is high: the ex-dividend reset, the Dec. 10 print, and whether the market keeps paying a scarcity premium can dominate the next quarter.

## Market sentiment

Recent X discussion is thin and mixed, and much of the latest $COST traffic is low-quality promotion rather than analysis. Constructive posts cite record highs, membership loyalty, cash generation, and the $30 special dividend. Cautious posts argue the multiple is rich versus slower revenue growth and that mean reversion is a risk. No high-engagement consensus is visible. Uncertainty: this sample is noisy, easily skewed by bots and promos, and is not a read on institutional positioning.

## Supporting evidence

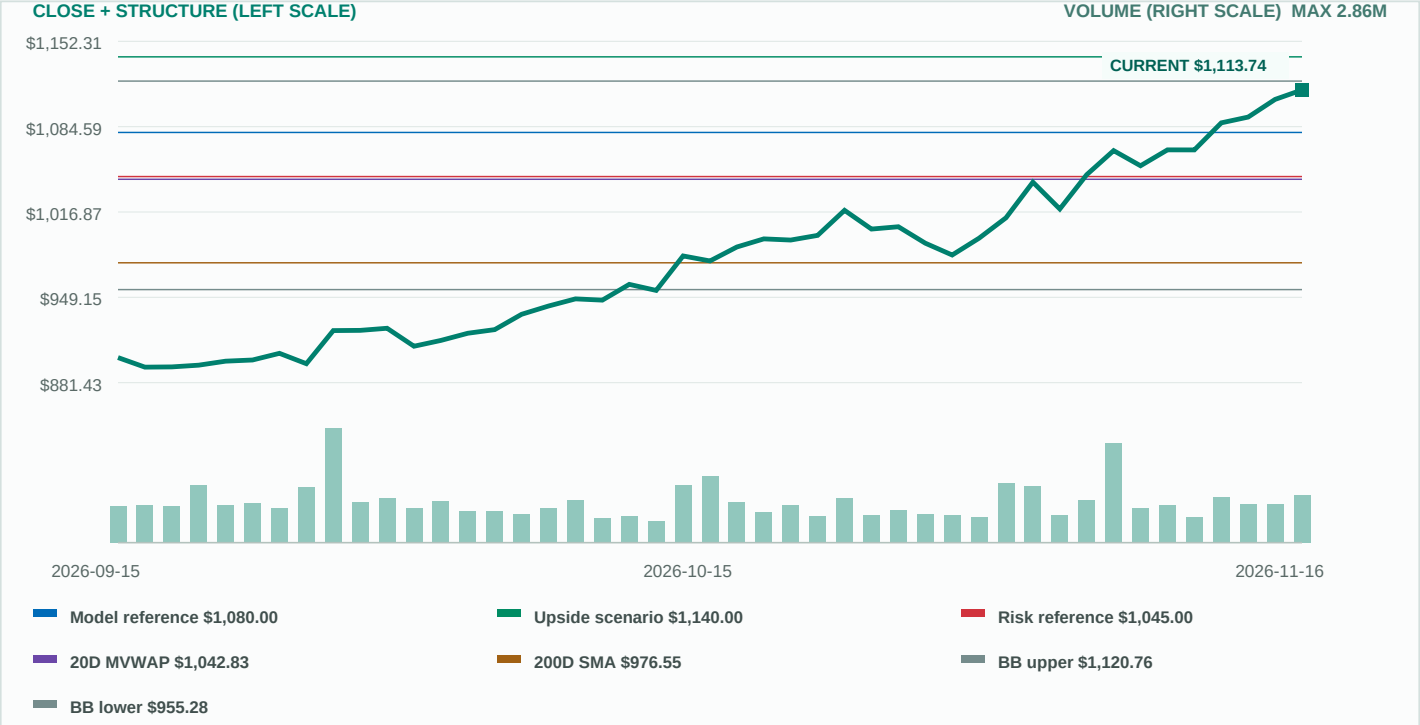
Implied volatility is high at 25.88%, suggesting market participants anticipate significant price swings in the coming weeks. | The term structure of options shows a backwardation pattern with near-term options more expensive than longer-dated options, indicating a potential for short-term volatility. | Recent analyst downgrades and mixed sentiment surrounding the company's valuation contribute to the cautious outlook.

## Risk watch

Earnings risk is elevated as the next report is due on December 10th, 2026. A miss could trigger a significant price decline. | The ex-dividend date for the $30 special dividend is November 24th, 2026. This event may create temporary volatility and price adjustments.

## 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) | **83.11 / 77.11 / 73.43** |
| RSI velocity | **1.30** |
| MACD line / signal / histogram | **36.70 / - / 30.64** |
| MACD acceleration | **1.76** |
| Stochastic K / D | **95.46 / 93.73** |

## Institutional footprints

Volume-weighted cost, price location and flow

| | |
|---|---|
| Current read | **Above institutional MVWAP \| Accumulation bias** |
| Institutional flow | **6.10** |
| 20-day MVWAP | **$1,042.83** |
| Price vs 20-day MVWAP | **+6.73%** |
| Daily reference VWAP | **$1,111.87** |
| Price vs daily reference | **+0.10%** |
| Volume | **1.18M** |

## Structural context

Long-term trend and volatility boundaries

| | |
|---|---|
| Current read | **Above 200-day trend \| Positive macro velocity** |
| Macro velocity | **5.83** |
| 20-day / 200-day SMA | **$1,038.02 / $976.55** |
| Bollinger range | **$955.28 - $1,120.76** |
| Bollinger position | **0.958** |

## Options and volatility intelligence

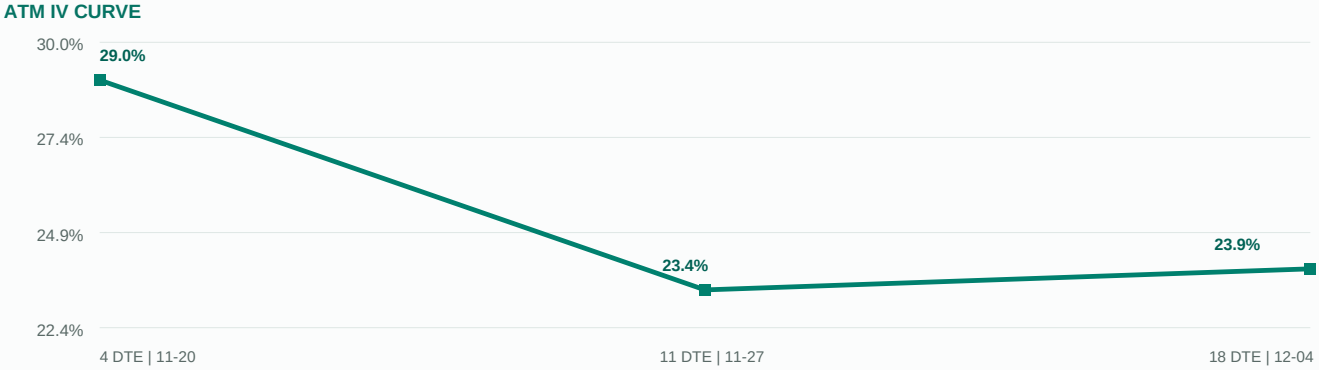
Structure, premium conditions and principal risks

| IV rank | IV percentile | VVIX | SKEW |
|---|---|---|---|
| 72 / 100 | 84 / 100 | 111.88 | 147.14 |

| | |
|---|---|
| Market regime | **DANGER ZONE** |
| Tail-risk regime | **LOW TAIL RISK** |
| Term structure | **backwardation** |
| Term slope | **-5.02 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 16, 2026 2:47 PM EST** |
| Options data quality | **Coverage 88.9%** |

## Option term structure

ATM implied-volatility curve by days to expiration




**Downward-sloping ATM volatility term structure**

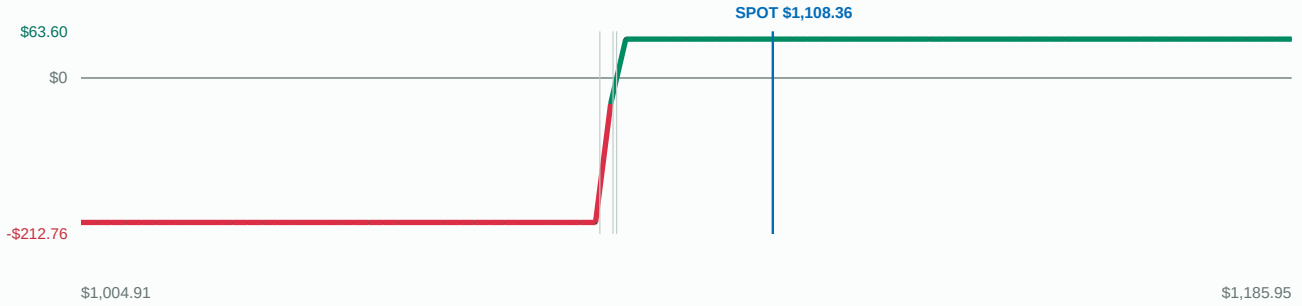
| EXPIRATION | DTE | ATM IV | STATE |
|---|---|---|---|
| **2026-11-20** | 4 | 29.0% | - |
| **2026-11-27** | 11 | 23.4% | - |
| **2026-12-04** | 18 | 23.9% | - |

## Reference spread payoff

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

### Bull Put Spread reference

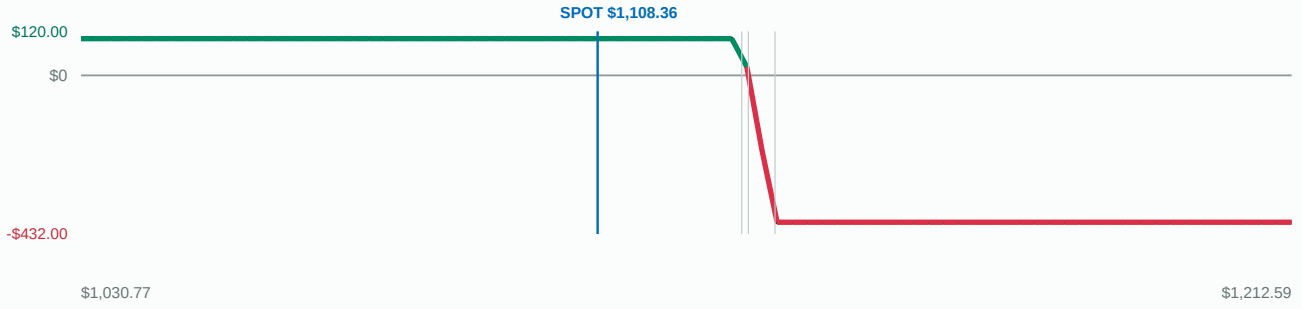
Short $1,085.00 | Long $1,082.50 | Width $2.50 | Net credit $0.53




**Max profit $53.00 | Max loss -$197.00 | Break-even $1,084.47 | Per contract at expiry**

### Bear Call Spread reference

Short $1,130.00 | Long $1,135.00 | Width $5.00 | Net credit $1.00




**Max profit $100.00 | Max loss -$400.00 | Break-even $1,131.00 | 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 | **23.50** |
| VVIX | **111.88** |
| SKEW index | **147.14** |
| Observation confidence | **high** |
| Option quote quality | **reliable** |
| Contracts observed | **136** |

## Event and tail-risk context (continued)

Known event windows and broad volatility conditions

| FIELD | VALUE |
|---|---|
| Contracts with quotes | **136** |

# Strategy fit

Generalized structure fit; not a personalized recommendation

### Market structure

The COST option market suggests a neutral to cautious outlook over the next few weeks. While the underlying price is near record highs and technical indicators are bullish, implied volatility is elevated, reflecting uncertainty surrounding upcoming earnings and the impact of a recent special dividend.

### Options context

COST Option Market Implies Range-Bound Price Action

### Wheel context

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### Observed evidence

Implied volatility is high at 25.88%, suggesting market participants anticipate significant price swings in the coming weeks. | The term structure of options shows a backwardation pattern with near-term options more expensive than longer-dated options, indicating a potential for short-term volatility. | Recent analyst downgrades and mixed sentiment surrounding the company's valuation contribute to the cautious outlook.

### Principal risks to monitor

Earnings risk is elevated as the next report is due on December 10th, 2026. A miss could trigger a significant price decline. | The ex-dividend date for the $30 special dividend is November 24th, 2026. This event may create temporary volatility and price adjustments.

## Fundamentals and events

Business quality, valuation and upcoming event context

| | |
|---|---|
| Market capitalization | P/E (TTM) |
| **$490.19B** | **53.13** |
| 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 - $1,102.84**

## 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** | **19.5%** |
| 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 13, 2026 9:30 AM EST

**Covered Call | 2026-11-20**

At signal $1,095.10 | Current $1,113.00

SHORT **Option $1,095.00 B $13.75 / A $14.85**

**Conservative | CR $14.30**

## Complete technical details

Full supporting indicator set used by the symbol detail experience

## Volatility and options market

Price movement and premium conditions

| | |
|---|---|
| ATR | **$19.05** |
| ATR as % of price | **1.7%** |
| Volatility environment | **low** |
| Current IV | **26.8%** |
| IV rank | **80 / 100** |
| IV percentile | **92 / 100** |
| Technical Snapshot IV source | **Private fundamentals snapshot** |
| Technical Snapshot IV observed at | **Nov 16, 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 | **60 / 100** |
| Volatility health | **84 / 100** |
| Structure health | **54 / 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) | **$1,038.02 / $971.08 / $976.55** |
| EMA (9 / 21) | **$1,078.43 / $1,042.17** |
| Bollinger upper / middle / lower | **$1,120.76 / $1,038.02 / $955.28** |

## Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

| FIELD | VALUE |
|---|---|
| Bollinger %B | **0.958** |
| True high / low | **$1,117.00 / $1,104.88** |
| 5-day true high / low | **$1,117.00 / $1,057.38** |

## Three-day indicator history

Short-horizon change and the underlying three-session observations

| INDICATOR | 3-DAY CHANGE | SESSION 1 / 2 / 3 |
|---|---|---|
| **SMA20** | 5.825 | **-** |
| **SMA50** | 3.617 | **-** |
| **MVWAP20** | 6.097 | **-** |
| **MACD** | 1.755 | **-** |
| **RSI** | 1.302 | **-** |
| **Volume** | 16863.000 | **-** |
| **ATR** | -0.353 | **-** |
| **T1** | - | **34.96 / 1036.77 / 1109.50 / 1092.21** |
| **T2** | - | **33.00 / 1031.01 / 1102.84 / 1087.61** |
| **T3** | - | **31.44 / 1024.54 / 1091.92 / 1066.14** |

# Detailed options evidence

Supporting option-chain, execution and data-quality observations

| | |
|---|---|
| Underlying price at observation | **$1,108.36** |
| Options Snapshot IV sources | **ATM: option chain \| Rank/percentile: fundamentals** |
| Options Snapshot IV observed at | **Nov 16, 2026 2:47 PM EST** |
| Options data coverage | **88.9%** |
| SKEW regime | **HIGH TAIL RISK SKEW** |
| VVIX regime | **VVIX FALLING** |
| Front expiration / DTE | **2026-11-20 \| 4 DTE** |
| Front at-the-money IV | **29.0%** |
| 25-delta skew | **1.10** |
| Put / Call 25-delta | **$1,085.00 Delta -0.239 / $1,130.00 Delta 0.270** |
| Median option bid/ask spread | **12.1%** |
| Bid/ask spread | **-** |
| Contracts observed / quoted | **136 / 136** |

## Price context

Last Price: 1,108.36 | Bid: 1,108.12 | Ask: 1,108.73 | Previous Close: 1,106.21 | Change: 2.15 | Daily change: 0.19% | Update Time: 2026-11-16T14:47:56.490961-05:00 | Latest History Date: 2026-11-16 | Latest History Price: 1,108.36

## Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-24 | Latest Date: 2026-11-16 | Latest Price: 1,108.36 | Max Drawdown 60d Percent: -7.99%

## Fundamental context

Current Iv Percent: 25.88% | Iv Rank: 72.00 | Iv Percentile: 84.46 | Next Earnings Date: 2026-12-10 | Ex Dividend Date: 2026-11-23

# 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.

### 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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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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