Costco Wholesale Corp / COST

Equity | Generated Nov 20, 2026 11:31 PM EST

Current price	Daily move	Bid / Ask	Previous close
$1,102.85	+9.02 +0.82%	-/-	$1,093.83

Market	**NYSE**
Industry	**Retail**
Market data as of	**Nov 20, 2026 11:31 PM EST**

JW Intelligence Report

Complete | 3 of 3 sections | Nov 20, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
67.4 / 100	Constructive	high	100 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,060.00	$1,115.00	$1,030.00	57 / 100

Options stance	**bullish**
Tail-risk safety	**23 / 100**
JW Rank data coverage / as of	**100.0% | Nov 20, 2026 6:50 PM EST**

Key insight

COST Options Imply Continued Upside Potential

Market read

The market is pricing in continued upside for COST, with implied volatility suggesting potential for further price appreciation. Recent strong earnings and positive news flow, including a special dividend declaration and share buybacks, are contributing to the bullish sentiment.

Strategy context

The current market environment favors bullish strategies on COST. Bullish options spreads like call spreads or straddles could be considered for capturing potential upside.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Nov 20, 2026 1:43 PM EST**

Short-term scenario

Do not chase. For a 1-3 week horizon, wait for the Nov. 24 ex-dividend adjustment rather than buy $1,112. A special dividend of $30 should mechanically lower the quoted price by roughly that amount and can false-trigger a tight stop; Dec. 10 earnings add event risk inside the window. Contingent plan only: a tactical long if post-ex-dividend price stabilizes near the adjusted support zone below. Uncertainty is high on the exact gap, whether buyers absorb it, and whether November comps hold. Not investment advice.

Three-month outlook

Base case is sideways to modestly higher, not a multiple re-rating. The operating story remains solid: about 10% revenue growth, healthy comps, warehouse expansion, renewal rates still around 90-92%, and large capital returns via the special dividend and buyback. Offsets are a premium valuation (trailing P/E about 54, forward about 49), average analyst targets at or below the current price, slower paid-membership growth (about 3.8% in the latest quarter), and the chance that outage-driven stocking fades. A clean Dec. 10 beat could support a move toward $1,150-$1,200; a comps or margin miss could pull the stock toward $1,000-$1,050 as the multiple compresses. Uncertainty is material on both valuation and the durability of recent sales strength. Not investment advice.

Market sentiment

Mixed and valuation-led rather than uniformly bullish. Holders highlight the special dividend, high renewal rates and defensive strength while much of the market is weak, with the stock noted near $1,113 and its 52-week high. Skeptics call a P/E near 54 expensive for a low-margin retailer and describe the chart as extended, including downgrade commentary after Northcoast moved to Neutral. Dividend-capture interest is elevated into the Nov. 24 ex-date. Net read: the business is respected, the entry price is disputed. Sentiment sample is thin and not a reliable trading signal.

Supporting evidence

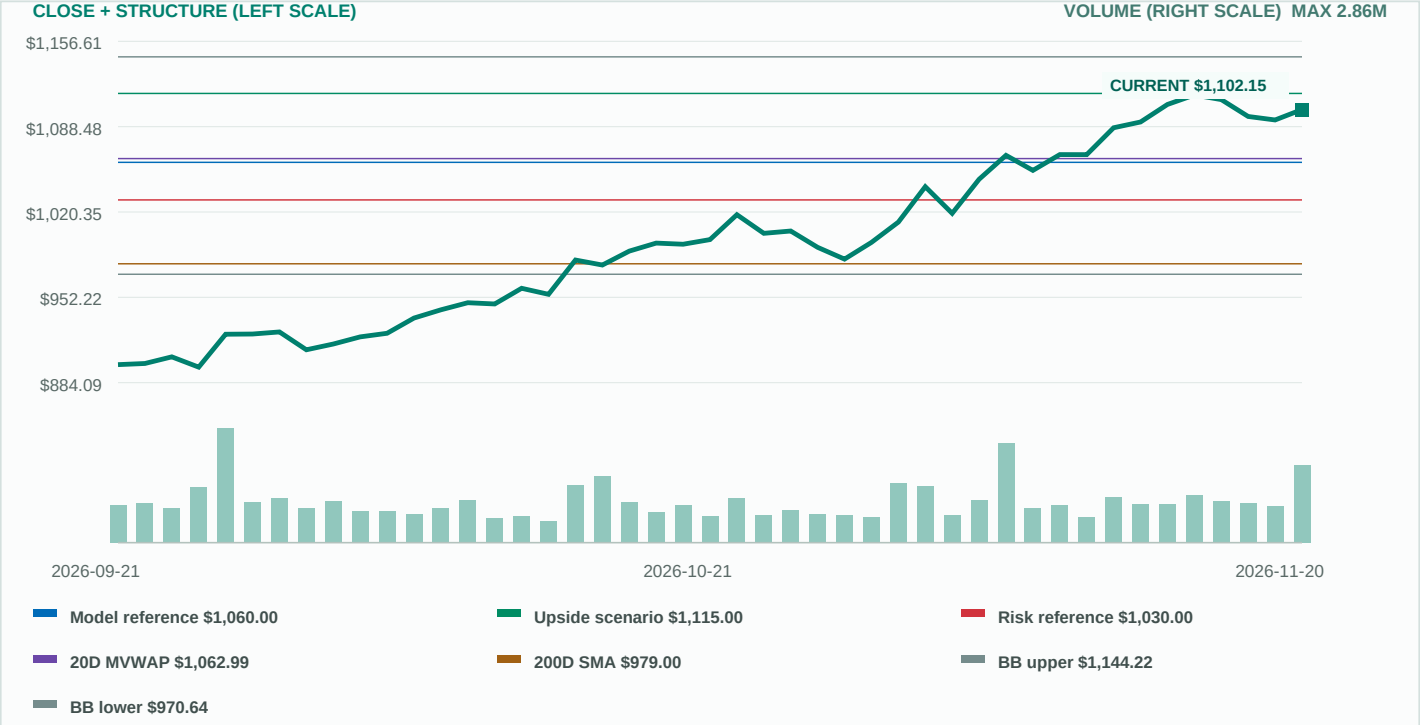
COST's options chain shows elevated implied volatility (27.46%), indicating expectations of significant price movement in the coming weeks. | The stock recently reported strong Q4 FY2026 earnings, beating expectations and driving share price gains. | Recent news includes a special dividend declaration and share buyback authorization, which are generally viewed positively by investors. | Technical indicators suggest a strong bullish trend, with the stock trading above key moving averages and RSI showing momentum.

Risk watch

Earnings season volatility can create significant price swings, so investors should be prepared for potential downside risk around the December 10th earnings release.

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
strong_bull	Above MVWAP	Above 200D trend	low

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**STRONG BULL | neutral | MACD decelerating**
Trend signal	**STRONG BULL**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**67.74 / 69.60 / 68.46**
RSI velocity	**-1.92**
MACD line / signal / histogram	**34.12 / - / 33.45**
MACD acceleration	**-1.08**
Stochastic K / D	**76.35 / 81.51**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Accumulation bias**
Institutional flow	**4.77**
20-day MVWAP	**$1,062.99**
Price vs 20-day MVWAP	**+3.75%**
Daily reference VWAP	**$1,107.82**
Price vs daily reference	**-0.45%**
Volume	**1.93M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**4.55**
20-day / 200-day SMA	**$1,057.43 / $979.00**
Bollinger range	**$970.64 - $1,144.22**
Bollinger position	**0.758**

Options and volatility intelligence

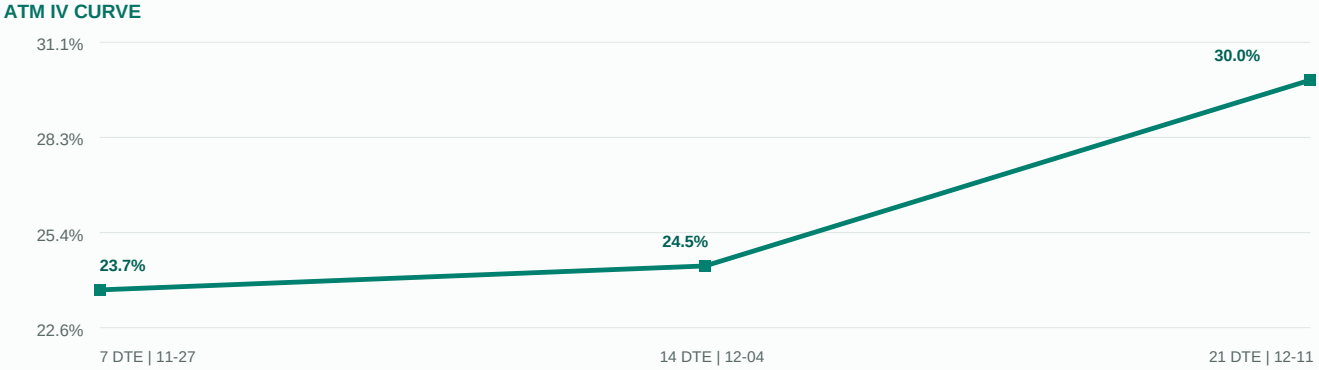
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
93 / 100	**98 / 100**	**134.54**	**140.86**

Market regime	**CRASH RISK**
Tail-risk regime	**HIGH TAIL RISK**
Term structure	**contango**
Term slope	**+6.22 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 20, 2026 2:46 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Upward-sloping ATM volatility term structure

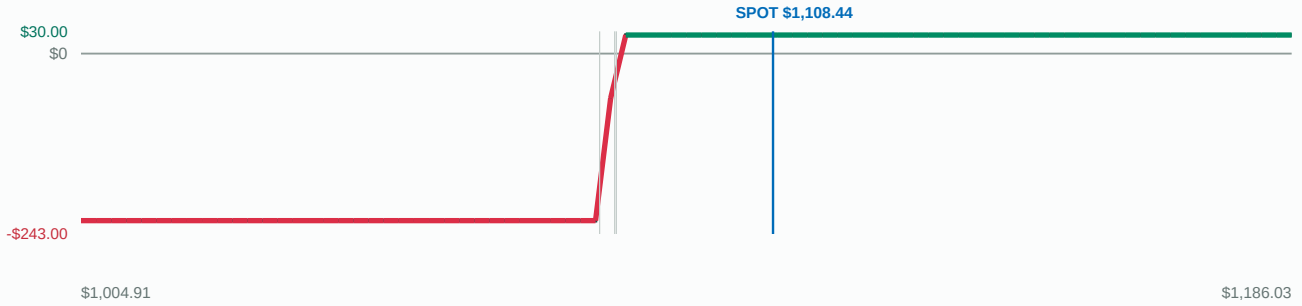
EXPIRATION	DTE	ATM IV	STATE
2026-11-27	7	23.7%	-
2026-12-04	14	24.5%	-
2026-12-11	21	30.0%	-

Reference spread payoff

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

Bull Put Spread reference

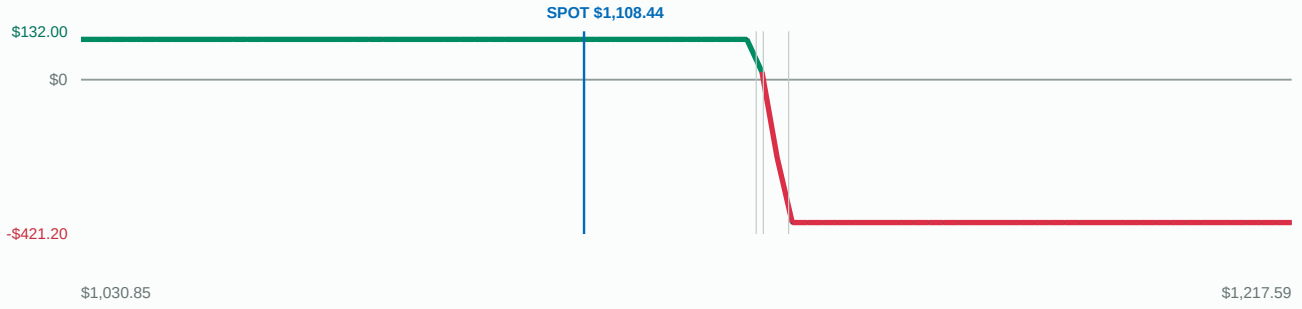
Short $1,085.00 | Long $1,082.50 | Width $2.50 | Net credit $0.25



Max profit $25.00 | Max loss -$225.00 | Break-even $1,084.75 | Per contract at expiry

Bear Call Spread reference

Short $1,135.00 | Long $1,140.00 | Width $5.00 | Net credit $1.10



Max profit $110.00 | Max loss -$390.00 | Break-even $1,136.10 | 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	**unknown**
VIX	**33.73**
VVIX	**134.54**
SKEW index	**140.86**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**138**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**138**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market is pricing in continued upside for COST, with implied volatility suggesting potential for further price appreciation. Recent strong earnings and positive news flow, including a special dividend declaration and share buybacks, are contributing to the bullish sentiment.

Options context

COST Options Imply Continued Upside Potential

Wheel context

The current market environment favors bullish strategies on COST. Bullish options spreads like call spreads or straddles could be considered for capturing potential upside.

Observed evidence

COST's options chain shows elevated implied volatility (27.46%), indicating expectations of significant price movement in the coming weeks. | The stock recently reported strong Q4 FY2026 earnings, beating expectations and driving share price gains. | Recent news includes a special dividend declaration and share buyback authorization, which are generally viewed positively by investors. | Technical indicators suggest a strong bullish trend, with the stock trading above key moving averages and RSI showing momentum.

Principal risks to monitor

Earnings season volatility can create significant price swings, so investors should be prepared for potential downside risk around the December 10th earnings release.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$484.71B	**52.67**
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%	**0.82**

52-week range

$844.06 - $1,123.67

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	**21.6%**
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 $1,102.85

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	**$19.08**
ATR as % of price	**1.7%**
Volatility environment	**low**
Current IV	**29.7%**
IV rank	**100 / 100**
IV percentile	**100 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 20, 2026 6:31 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**82 / 100**
Trend health	**92 / 100**
Momentum health	**74 / 100**
Volatility health	**84 / 100**
Structure health	**74 / 100**
Earnings risk / date	**medium | 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)	**$1,057.43 / $986.73 / $979.00**
EMA (9 / 21)	**$1,091.21 / $1,060.62**
Bollinger upper / middle / lower	**$1,144.22 / $1,057.43 / $970.64**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.758**
True high / low	**$1,122.81 / $1,093.83**
5-day true high / low	**$1,123.67 / $1,083.15**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	4.546	**-**
SMA50	3.886	**-**
MVWAP20	4.774	**-**
MACD	-1.079	**-**
RSI	-1.916	**-**
Volume	302522.330	**-**
ATR	0.107	**-**
T1	-	**34.96 / 1056.91 / 1096.62 / 1083.15**
T2	-	**36.37 / 1052.99 / 1113.81 / 1096.01**
T3	-	**37.36 / 1048.67 / 1123.67 / 1108.68**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,108.44**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 20, 2026 2:46 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-11-27 | 7 DTE**
Front at-the-money IV	**23.7%**
25-delta skew	**2.03**
Put / Call 25-delta	**$1,085.00 Delta -0.253 / $1,135.00 Delta 0.240**
Median option bid/ask spread	**16.7%**
Bid/ask spread	**-**
Contracts observed / quoted	**138 / 138**

Price context

Last Price: 1,108.44 | Bid: 1,108.24 | Ask: 1,108.64 | Previous Close: 1,093.83 | Change: 14.61 | Daily change: 1.34% | Update Time: 2026-11-20T14:46:31.450674-05:00 | Latest History Date: 2026-11-20 | Latest History Price: 1,108.44

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-28 | Latest Date: 2026-11-20 | Latest Price: 1,108.44 | Max Drawdown 60d Percent: -5.47%

Fundamental context

Current Iv Percent: 27.46% | Iv Rank: 92.75 | Iv Percentile: 97.61 | 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.

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.

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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.

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Reference documents

Official product terms and standardized options disclosure

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