



KLA Corporation / KLAC

Equity | Generated Oct 28, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$165.04	+11.38 +7.41%	\$159.69/\$160.11	\$153.66

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 28, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 28, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
50.5 / 100	Balanced	high	68 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$155.00	\$170.00	\$145.50	62 / 100

Options stance	mixed
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 28, 2026 6:50 PM EDT

Key insight

KLAC: Earnings Catalyst Creates Uncertainty, Mixed Sentiment

Market read

KLAC's options market reflects uncertainty ahead of its Q1 FY2027 earnings release. The stock is trading near oversold levels after a recent selloff driven by AI data-center spending concerns. While some investors are optimistic about KLAC's leadership in process control and history of beating estimates, others point to valuation risk and the potential for disappointment. The term structure shows backwardation with higher implied volatility at shorter expirations, suggesting heightened expectations for price movement around the earnings event.

Strategy context

KLAC's options market is pricing in significant volatility around the upcoming earnings release. Traders are positioning for potential price swings in either direction.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 28, 2026 2:26 PM EDT

Short-term scenario

High-uncertainty wait-and-see into tonight's earnings. Do not treat this as a high-conviction pre-report entry. The levels below are illustrative only for a potential 1-3 week rebound if the post-earnings reaction holds support; a miss or weak guide could invalidate them immediately. Binary event risk dominates the next several sessions.

Three-month outlook

Moderately constructive only if results and guidance confirm accelerating wafer-fab equipment demand from AI infrastructure, high-bandwidth memory, and advanced packaging, which could support a recovery toward the \$180-200 zone and begin closing the gap to analyst targets near \$220+. Downside risk is material if AI capex concerns persist or guidance disappoints, with technical support near the recent \$145 area and valuation still elevated. Uncertainty is high and depends on tonight's print, the semiconductor cycle, and broader risk appetite. This is not investment advice.

Market sentiment

Discussion volume on X is light and mostly event-driven around tonight's earnings. Tone is mixed to cautiously constructive: some highlight process-control leadership in AI, HBM, and advanced packaging plus a history of beats and solid FCF growth, while others note the roughly 50% drawdown from highs, soft RSI, and valuation risk. No strong directional consensus; positioning looks tactical rather than conviction-based. Sentiment can flip quickly on the report.

Supporting evidence

KLAC's options market exhibits a steep backwardated term structure, indicating elevated implied volatility for near-term expirations. | The stock is trading near oversold levels after a recent selloff tied to AI data-center spending concerns. | Sentiment towards KLAC is mixed, with some investors highlighting process-control leadership and strong fundamentals while others express concern about valuation risk.

Risk watch

Earnings miss or weak guidance could trigger a sharp decline in KLAC's share price.



Enhanced price structure

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

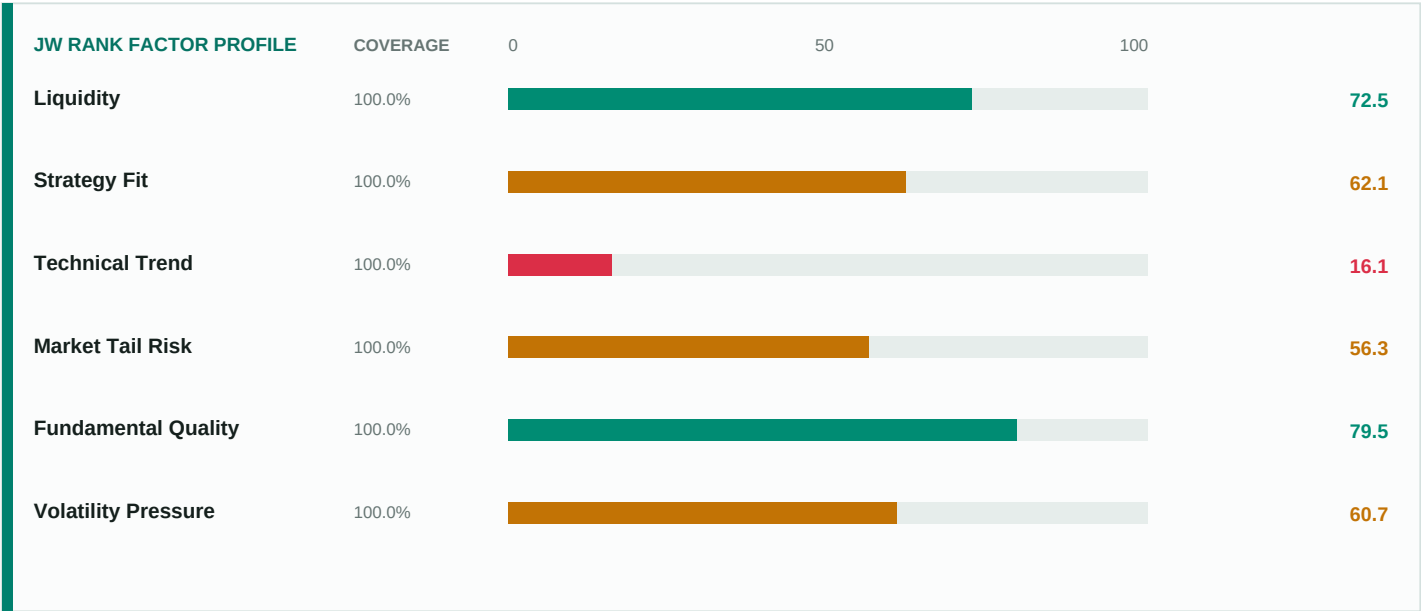


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

strong_bear

Institutional flow

Below MVWAP

Structure

Below 200D trend

Volatility

high



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	STRONG BEAR neutral MACD decelerating
Trend signal	STRONG BEAR
RSI signal	neutral
RSI (7 / 14 / 21)	41.58 / 38.11 / 39.67
RSI velocity	4.95
MACD line / signal / histogram	-9.77 / - / -7.05
MACD acceleration	-0.20
Stochastic K / D	15.86 / 9.21

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Below institutional MVWAP Distribution bias
Institutional flow	-1.76
20-day MVWAP	\$173.14
Price vs 20-day MVWAP	-4.68%
Daily reference VWAP	\$158.31
Price vs daily reference	+4.25%
Volume	6.84M

Structural context

Long-term trend and volatility boundaries

Current read	Below 200-day trend Negative macro velocity
Macro velocity	-1.98
20-day / 200-day SMA	\$177.02 / \$181.87
Bollinger range	\$135.35 - \$218.69
Bollinger position	0.281



Options and volatility intelligence

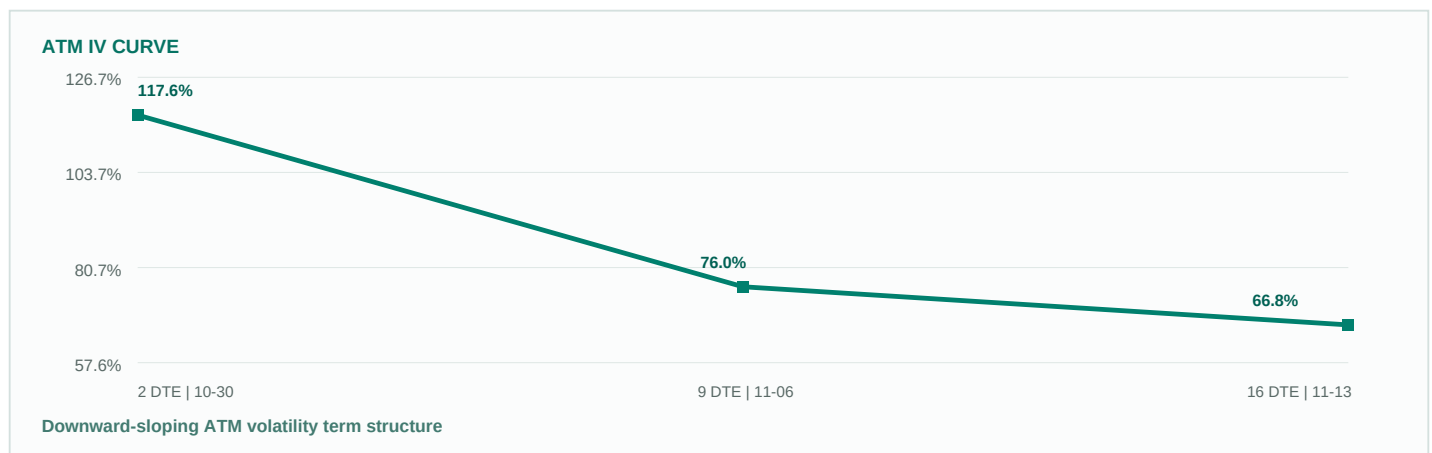
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
33 / 100	66 / 100	96.85	149.22

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-50.80 pts
Skew read	balanced
Liquidity / quote coverage	100.0%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 28, 2026 2:45 PM EDT
Options data quality	Coverage 100.0%

Option term structure

ATM implied-volatility curve by days to expiration

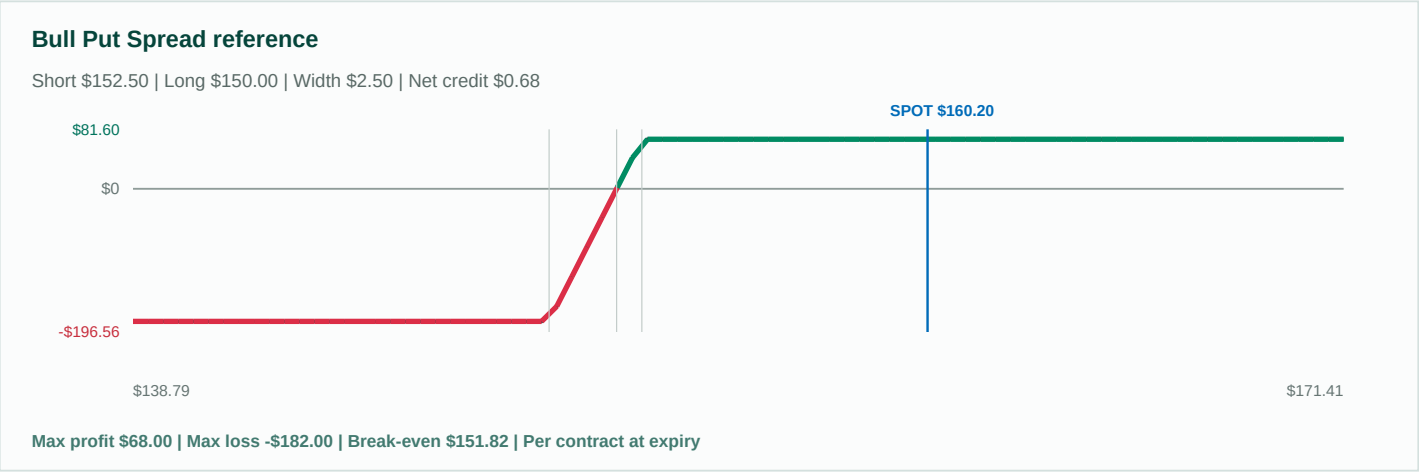


EXPIRATION	DTE	ATM IV	STATE
2026-10-30	2	117.6%	-
2026-11-06	9	76.0%	-
2026-11-13	16	66.8%	-



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	2026-10-28
Earnings IV-crush risk	high
Event IV premium	41.57
VIX	17.18
VVIX	96.85
SKEW index	149.22
Observation confidence	high
Option quote quality	reliable
Contracts observed	78
Contracts with quotes	78

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

KLAC's options market reflects uncertainty ahead of its Q1 FY2027 earnings release. The stock is trading near oversold levels after a recent selloff driven by AI data-center spending concerns. While some investors are optimistic about KLAC's leadership in process control and history of beating estimates, others point to valuation risk and the potential for disappointment. The term structure shows backwardation with higher implied volatility at shorter expirations, suggesting heightened expectations for price movement around the earnings event.



Options context

KLAC: Earnings Catalyst Creates Uncertainty, Mixed Sentiment

Wheel context

KLAC's options market is pricing in significant volatility around the upcoming earnings release. Traders are positioning for potential price swings in either direction.

Observed evidence

KLAC's options market exhibits a steep backwardated term structure, indicating elevated implied volatility for near-term expirations. | The stock is trading near oversold levels after a recent selloff tied to AI data-center spending concerns. | Sentiment towards KLAC is mixed, with some investors highlighting process-control leadership and strong fundamentals while others express concern about valuation risk.

Principal risks to monitor

Earnings miss or weak guidance could trigger a sharp decline in KLAC's share price.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$207.09B	41.49
ROE	Revenue growth
85.4%	9.0%
EPS growth	Operating margin
14.9%	41.8%
Net profit margin	Gross margin
35.6%	-
Free cash flow CAGR	Debt / equity
14.0%	0.93
Dividend yield	Beta
1.0%	1.46
52-week range	
\$107.20 - \$307.37	

Company or fund profile

Issuer identity and classification

Name	Market
KLA Corporation	NYSE
Industry	Country
Semiconductors	US
Currency	IPO date
USD	1980-10-08
Shares outstanding	52-week return
1.31B	26.5%
Book value per share	Revenue per share
\$4.86	\$10.36
Website	kla.com



Latest strategy observation

Most recent shared general market signal available when this report was generated

KLAC Covered Call signal
Covered Call | 2026-10-23
At signal \$163.50 | Current \$165.04
SHORT Option \$165.00 B \$2.80 / A \$3.20
Conservative | CR \$3.00

Oct 21, 2026 10:59 AM EDT



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$7.67
ATR as % of price	4.8%
Volatility environment	high
Current IV	58.7%
IV rank	34 / 100
IV percentile	68 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 28, 2026 7:31 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	49 / 100
Trend health	25 / 100
Momentum health	70 / 100
Volatility health	38 / 100
Structure health	78 / 100
Earnings risk / date	unknown 2026-10-28
Macro risk	unknown
Volatility risk	high
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$177.02 / \$179.57 / \$181.87
EMA (9 / 21)	\$159.29 / \$169.79
Bollinger upper / middle / lower	\$218.69 / \$177.02 / \$135.35



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.281
True high / low	\$160.96 / \$153.66
5-day true high / low	\$163.43 / \$144.82

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-1.983	-
SMA50	-0.951	-
MVWAP20	-1.765	-
MACD	-0.199	-
RSI	4.951	-
Volume	-14889.000	-
ATR	-0.130	-
T1	-	-10.16 / 174.60 / 153.85 / 149.00
T2	-	-9.99 / 176.45 / 151.69 / 145.61
T3	-	-9.18 / 178.44 / 149.84 / 144.82



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$160.20
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 28, 2026 2:45 PM EDT
Options data coverage	100.0%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-30 2 DTE
Front at-the-money IV	117.6%
25-delta skew	3.65
Put / Call 25-delta	\$152.50 Delta -0.277 / \$170.00 Delta 0.259
Median option bid/ask spread	26.5%
Bid/ask spread	-
Contracts observed / quoted	78 / 78

Price context

Last Price: 160.20 | Bid: 160.16 | Ask: 160.22 | Previous Close: 153.66 | Change: 6.54 | Daily change: 4.26% | Update Time: 2026-10-28T14:45:08.229102-04:00 | Latest History Date: 2026-10-28 | Latest History Price: 160.26

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-05 | Latest Date: 2026-10-28 | Latest Price: 160.26 | Max Drawdown 60d Percent: -30.45%

Fundamental context

Current Iv Percent: 58.26% | Iv Rank: 33.16 | Iv Percentile: 66.14 | Next Earnings Date: 2026-10-28 | Ex Dividend Date: 2026-08-16



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.

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Reference documents

Official product terms and standardized options disclosure

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Options Disclosure Document	theocc.com / Options Disclosure Document