Eli Lilly and Co / LLY

Equity | Generated Aug 28, 2026 12:25 AM EDT

Current price	Daily move	Bid / Ask	Previous close
$1,175.75	**-0.35 -0.03%**	**$1,177.00/$1,179.00**	**$1,176.10**

Market	**NYSE**
Industry	**Pharmaceuticals**
Market data as of	**Aug 28, 2026 12:25 AM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Aug 27, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
64.5 / 100	**Balanced**	**high**	**26 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,175.00	**$1,245.00**	**$1,140.00**	**70 / 100**

Options stance	**bullish**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Aug 27, 2026 7:50 PM EDT**

Key insight

LLY Option Market Implies Continued Growth Potential Despite Recent Pullback

Market read

The US option market for LLY suggests a cautiously bullish outlook despite recent price weakness. While the stock has pulled back from its 52-week high, implied volatility remains elevated, indicating anticipation of continued volatility and potential upside. The term structure is in backwardation, with near-term options more expensive than longer-dated ones, suggesting market participants expect a move higher in the near future. The skew is balanced, implying neutral sentiment towards both bullish and bearish moves.

Strategy context

Recent news flow has been mixed, with positive developments in LLY's pipeline offset by concerns about competition and valuation. This uncertainty is reflected in the elevated implied volatility and choppy price action.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Aug 27, 2026 1:43 PM EDT**

Short-term scenario

Cautious Buy on support amid pullback (1-3 week horizon); high uncertainty from mixed technicals, recent volatility, and news flow (competitor developments, coverage). Not a high-conviction short-term trade.

Three-month outlook

Moderately bullish but with significant uncertainty. GLP-1 franchise (Mounjaro, Zepbound, oral Foundayo) and pipeline (retatrutide BLA 2027, oncology, Alzheimer's) support continued growth and analyst targets implying ~11-15%+ upside. Next earnings ~Oct 29 2026 is a catalyst. Risks include intense competition, reimbursement/pricing pressure (Medicare, employers dropping coverage), manufacturing bottlenecks, black-market issues, high valuation leaving little margin for error, and broader market volatility. Expect choppiness; longer-term thesis intact if execution holds, but 3-month path highly uncertain depending on data, policy, and competitor moves.

Market sentiment

Cautiously bullish overall with valuation caveats. Bulls emphasize GLP-1 market dominance, 48% growth, retatrutide pipeline, Alzheimer's progress, and long-term compounding (some Elliott Wave targets $1,571-$1,755). Recent options flow noted bullish calls. Bears/skeptics highlight premium valuation (PE~40), competition (Novo Nordisk weakness helping relatively), manufacturing risks, potential price caps/reimbursement issues, black market, and high institutional ownership. Mixed on recent dip (bounce setups vs. overbought concerns earlier). Sentiment positive on fundamentals but acknowledges execution/valuation risks; not uniformly euphoric.

Supporting evidence

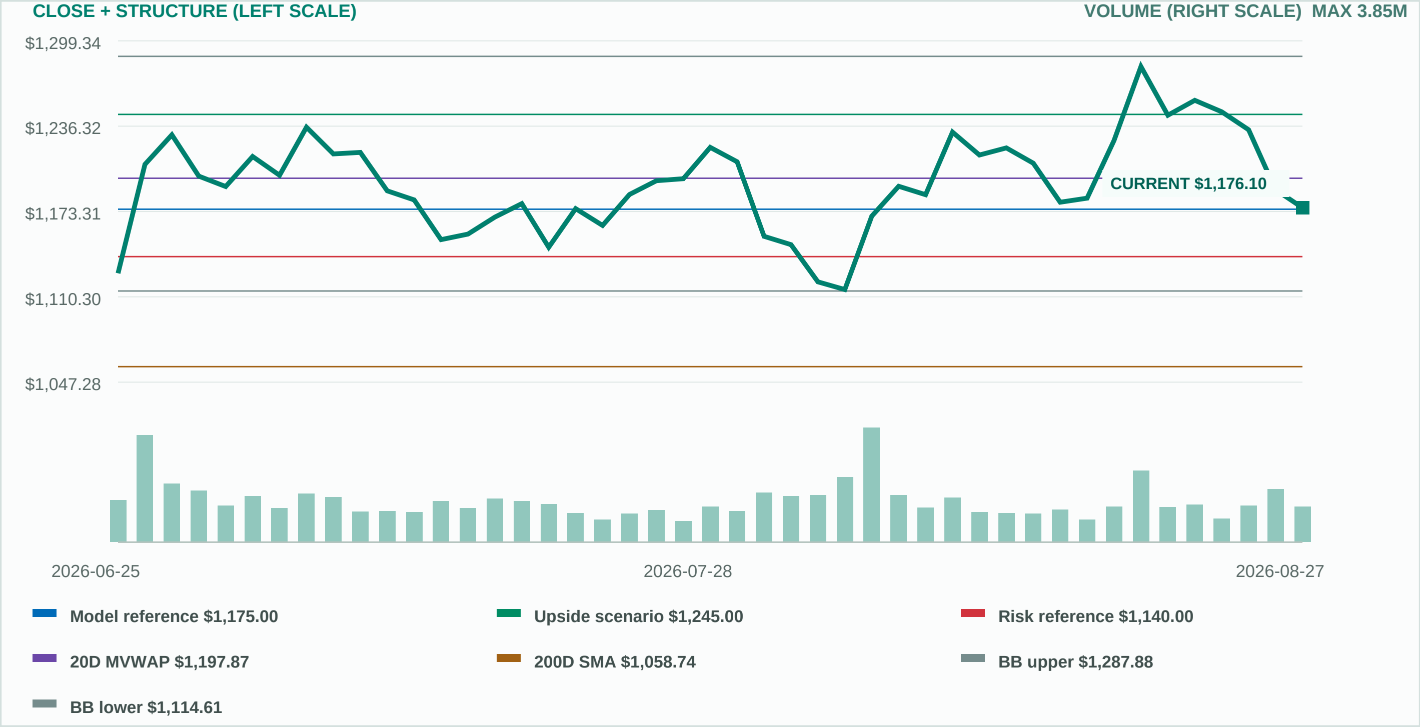
Implied volatility for LLY is currently 30.9%, indicating expectations of significant price movement in the coming weeks. | The term structure of options is in backwardation, with near-term options more expensive than longer-dated ones, suggesting a belief that the stock will move higher soon. | The balanced skew indicates neutral sentiment towards both bullish and bearish moves.

Risk watch

Competition from other GLP-1 manufacturers could pressure LLY's market share and growth prospects.

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

JW RANK FACTOR PROFILE	COVERAGE	0 – 50 – 100
Liquidity	100.0%	98.4
Strategy Fit	100.0%	70.0
Technical Trend	100.0%	58.2
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	84.2
Volatility Pressure	100.0%	42.2

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bullish_recovery	**Below MVWAP**	**Above 200D trend**	**medium**

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)	**36.73 / 45.69 / 48.84**
RSI velocity	**-4.04**
MACD line / signal / histogram	**11.34 / - / 15.54**
MACD acceleration	**-3.34**
Stochastic K / D	**28.78 / 48.69**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Accumulation bias**
Institutional flow	**0.59**
20-day MVWAP	**$1,197.87**
Price vs 20-day MVWAP	**-1.85%**
Daily reference VWAP	**$1,179.31**
Price vs daily reference	**-0.30%**
Volume	**1.19M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**0.23**
20-day / 200-day SMA	**$1,201.25 / $1,058.74**
Bollinger range	**$1,114.61 - $1,287.88**
Bollinger position	**0.355**

Options and volatility intelligence

Structure, premium conditions and principal risks

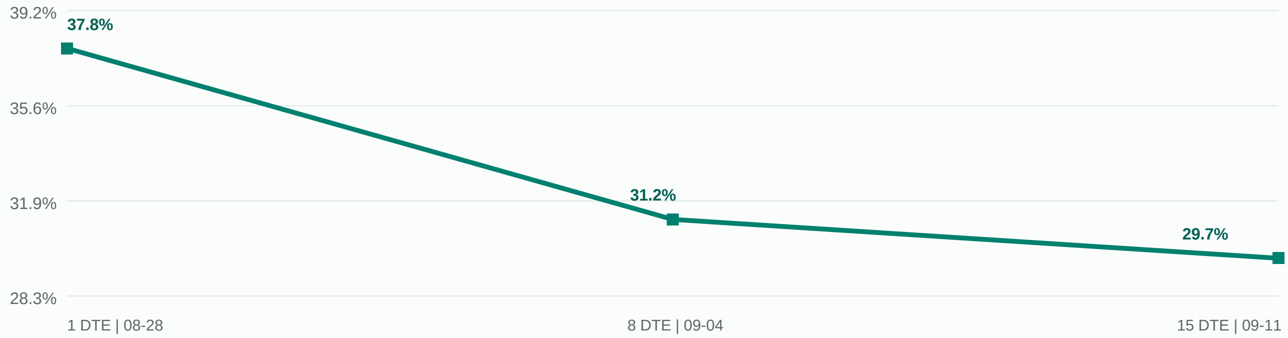
IV rank	IV percentile	VVIX	SKEW
23 / 100	**20 / 100**	**83.51**	**142.96**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-8.05 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options observation	**Aug 27, 2026 4:33 PM EDT | Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

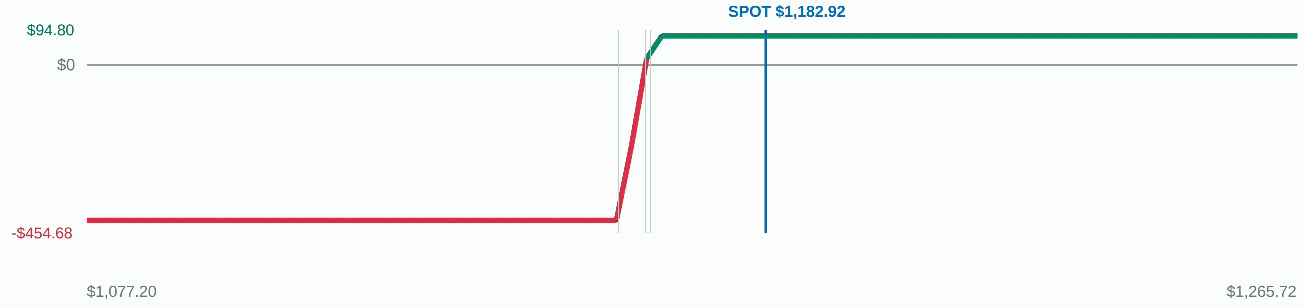
EXPIRATION	DTE	ATM IV	STATE
2026-08-28	1	37.8%	-
2026-09-04	8	31.2%	-
2026-09-11	15	29.7%	-

Reference spread payoff

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

Bull Put Spread reference

Short $1,165.00 | Long $1,160.00 | Width $5.00 | Net credit $0.79



Max profit $79.00 | Max loss -$421.00 | Break-even $1,164.21 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-10-29**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**14.74**
VVIX	**83.51**
SKEW index	**142.96**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**131**
Contracts with quotes	**131**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

LLY Option Market Implies Continued Growth Potential Despite Recent Pullback

Wheel context

Recent news flow has been mixed, with positive developments in LLY's pipeline offset by concerns about competition and valuation. This uncertainty is reflected in the elevated implied volatility and choppy price action.

Observed evidence

Implied volatility for LLY is currently 30.9%, indicating expectations of significant price movement in the coming weeks. | The term structure of options is in backwardation, with near-term options more expensive than longer-dated ones, suggesting a belief that the stock will move higher soon. | The balanced skew indicates neutral sentiment towards both bullish and bearish moves.

Principal risks to monitor

Competition from other GLP-1 manufacturers could pressure LLY's market share and growth prospects.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.11T**	P/E (TTM) **43.17**
ROE **92.6%**	Revenue growth **31.7%**
EPS growth **49.3%**	Operating margin **42.2%**
Net profit margin **33.5%**	Gross margin **-**
Free cash flow CAGR **5.9%**	Debt / equity **1.60**
Dividend yield **0.8%**	Beta **0.45**
52-week range **$712.05 - $1,292.65**	

Company or fund profile

Issuer identity and classification

Name **Eli Lilly and Co**	Market **NYSE**
Industry **Pharmaceuticals**	Country **US**
Currency **USD**	IPO date **1970-07-09**
Shares outstanding **941.74M**	52-week return **61.6%**
Book value per share **$35.98**	Revenue per share **$89.14**

Website	**lilly.com**

Latest strategy observation

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

LLY Covered Call signal

Aug 27, 2026 10:34 AM EDT

Covered Call | 2026-09-04

At signal $1,184.15 | Current $1,175.75

SHORT **Option $1,180.00 B $24.60 / A $28.05**

High turnover | CR $26.33

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$40.11**
ATR as % of price	**3.4%**
Volatility environment	**medium**
Current IV	**32.0%**
IV rank	**28 / 100**
IV percentile	**26 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**77 / 100**
Trend health	**78 / 100**
Momentum health	**83 / 100**
Volatility health	**59 / 100**
Structure health	**85 / 100**
Earnings risk / date	**low | 2026-10-29**
Macro risk	**unknown**
Volatility risk	**medium**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$1,201.25 / $1,185.59 / $1,058.74**
EMA (9 / 21)	**$1,214.06 / $1,206.80**
Bollinger upper / middle / lower	**$1,287.88 / $1,201.25 / $1,114.61**
Bollinger %B	**0.355**
True high / low	**$1,190.11 / $1,171.71**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$1,271.22 / $1,171.71**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.225	**-**
SMA50	1.429	**-**
MVWAP20	0.591	**-**
MACD	-3.337	**-**
RSI	-4.045	**-**
Volume	133377.670	**-**
ATR	-0.345	**-**
T1	-	**16.06 / 1196.77 / 1235.78 / 1180.01**
T2	-	**20.49 / 1197.11 / 1264.73 / 1229.79**
T3	-	**21.35 / 1196.10 / 1262.14 / 1230.95**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,182.92**
Options intelligence as of	**Aug 27, 2026 4:33 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-08-28 | 1 DTE**
Front at-the-money IV	**37.8%**
25-delta skew	**0.77**
Put / Call 25-delta	**$1,165.00 Delta -0.238 / $1,200.00 Delta 0.232**
Median option bid/ask spread	**34.8%**
Bid/ask spread	**-**
Contracts observed / quoted	**131 / 131**

Price context

Last Price: 1,182.92 | Bid: 1,181.50 | Ask: 1,182.45 | Previous Close: 1,189.41 | Change: -6.49 | Daily change: -0.55% | Update Time: 2026-08-27T14:44:15.904539-04:00 | Latest History Date: 2026-08-27 | Latest History Price: 1,182.92

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-03 | Latest Date: 2026-08-27 | Latest Price: 1,182.92 | Max Drawdown 60d Percent: -9.70%

Fundamental context

Current Iv Percent: 30.90% | Iv Rank: 22.55 | Iv Percentile: 20.32 | Next Earnings Date: 2026-10-29 | Ex Dividend Date: 2026-08-13 | Dividend Yield: 58.00

Important disclosures

Scope, limitations, risk and permitted interpretation

General market information only

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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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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.

Reference documents

Official product terms and standardized options disclosure

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