Eli Lilly and Co / LLY

Equity | Generated Sep 3, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$1,159.50	-0.58 -0.05%	$1,159.91/$1,163.57	$1,160.08

Market	**NYSE**
Industry	**Pharmaceuticals**
Market data as of	**Sep 3, 2026 11:31 PM EDT**

JW Intelligence Report

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

JW Rank	Rank label	Confidence	IV percentile
61.2 / 100	Balanced	high	16 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,150.00	$1,220.00	$1,115.00	66 / 100

Options stance	**bullish**
Tail-risk safety	**64 / 100**
JW Rank data coverage / as of	**100.0% | Sep 3, 2026 6:50 PM EDT**

Key insight

LLY Option Market Implies Upside Potential Despite Recent Pullback

Market read

The LLY option market suggests a bullish outlook despite a recent pullback in the underlying price. While the stock has declined ~7.9% over the past six sessions, implied volatility remains elevated, indicating potential for upside movement. The term structure is backwardated, with near-term options more expensive than longer-dated options, suggesting a belief that LLY will experience significant price movement in the near future.

Strategy context

The recent pullback in LLY may present an opportunity for bullish traders to buy calls or sell puts, betting on a rebound towards the analyst consensus target price of $1,315.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 3, 2026 1:48 PM EDT**

Short-term scenario

Cautious accumulation on further dip or stabilization; high uncertainty from mixed technicals, recent acquisition news, and potential volatility around conference. Not a high-conviction short-term trade.

Three-month outlook

Constructive but uncertain. GLP-1 franchise (Mounjaro/Zepbound) plus pipeline (retatrutide, immunology/oncology expansions) and raised guidance support potential move toward $1,250-1,315 if momentum resumes. Risks include elevated valuation (PE ~39), competition, integration of acquisitions, and broader market/interest-rate sensitivity. Possible 8-15% upside with pullback risk of 5-8%; monitor Q3 earnings (late Oct) and conference commentary.

Market sentiment

Mixed-to-cautiously optimistic. Recent 6-session decline of ~7.9% viewed as healthy pullback (still +57% YTD) with oversold bounce potential (historical median +6.2% over 10 days, 65% win rate). BMO Capital upgraded to Buy. Some note high valuation and acquisition dilution. Niche interest in peptides-related tokens tied to LLY. Overall focus on long-term GLP-1 strength vs. near-term execution risks.

Supporting evidence

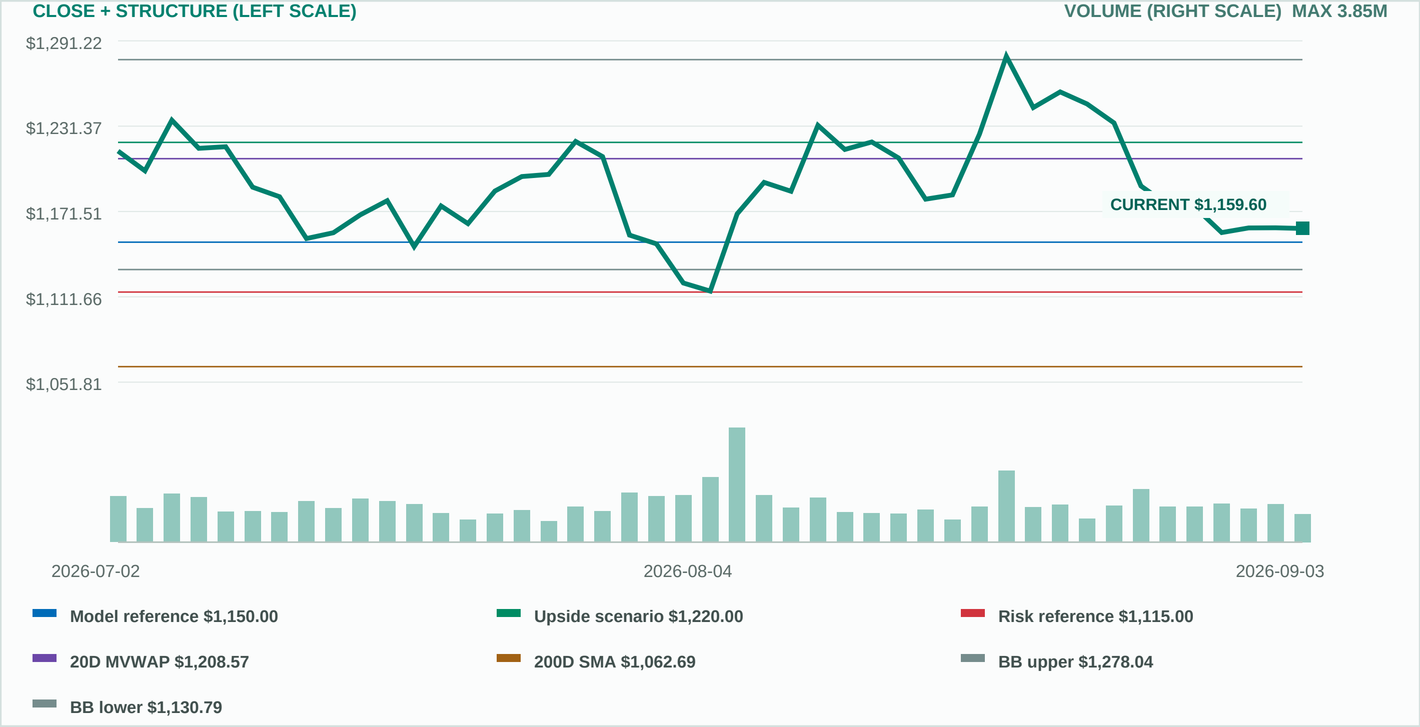
Implied volatility is currently 30.49%, ranking in the 15.87th percentile historically. | The term structure of implied volatility is backwardated, with near-term options more expensive than longer-dated options. | The market price of LLY's front-month call options suggests a potential upside move exceeding the current stock price.

Risk watch

High valuation with a trailing PE ratio of 38.94 and forward PE of 28.44. | Competition in the GLP-1 market from other pharmaceutical companies.

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%	93.1
Strategy Fit	100.0%	66.3
Technical Trend	100.0%	51.3
Market Tail Risk	100.0%	63.8
Fundamental Quality	100.0%	84.2
Volatility Pressure	100.0%	36.2

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)	**33.35 / 43.27 / 47.03**
RSI velocity	**0.21**
MACD line / signal / histogram	**-5.28 / - / 4.34**
MACD acceleration	**-2.69**
Stochastic K / D	**10.72 / 9.04**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Accumulation bias**
Institutional flow	**2.23**
20-day MVWAP	**$1,208.57**
Price vs 20-day MVWAP	**-4.06%**
Daily reference VWAP	**$1,156.25**
Price vs daily reference	**+0.28%**
Volume	**949.59K**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**0.04**
20-day / 200-day SMA	**$1,204.41 / $1,062.69**
Bollinger range	**$1,130.79 - $1,278.04**
Bollinger position	**0.196**

Options and volatility intelligence

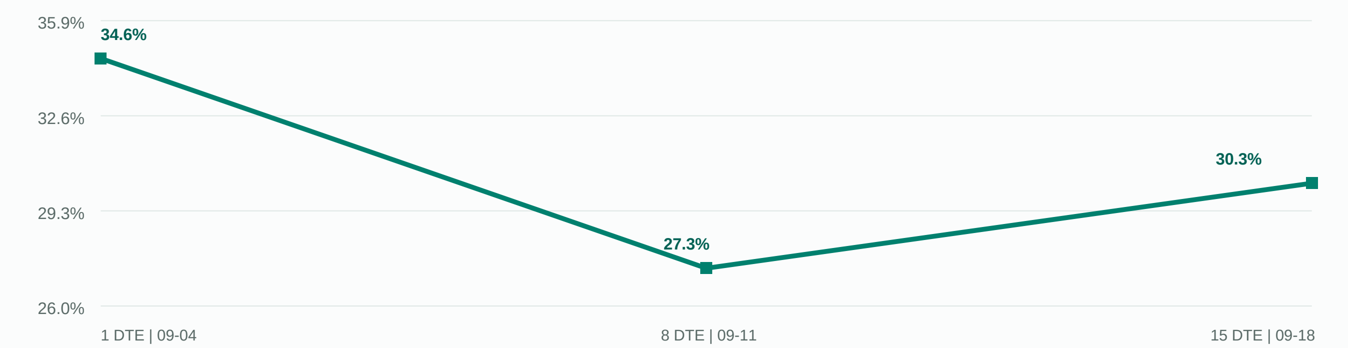
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
20 / 100	**16 / 100**	**85.08**	**144.12**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-4.36 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options observation	**Sep 3, 2026 4:38 PM EDT | Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

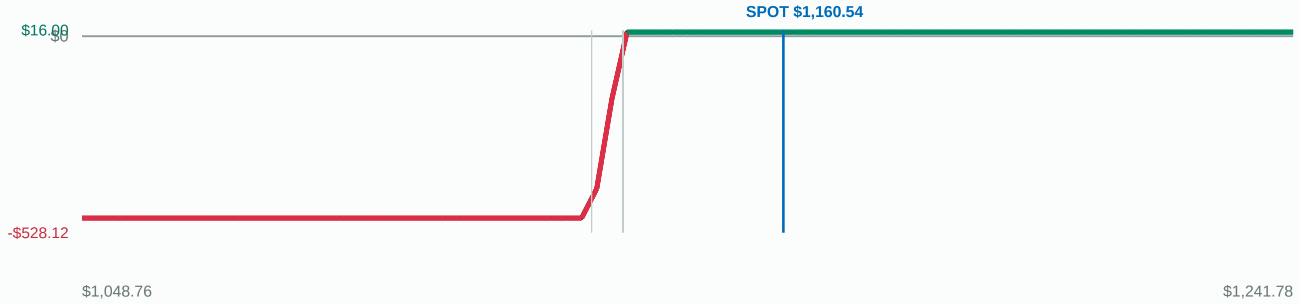
EXPIRATION	DTE	ATM IV	STATE
2026-09-04	1	34.6%	-
2026-09-11	8	27.3%	-
2026-09-18	15	30.3%	-

Reference spread payoff

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

Bull Put Spread reference

Short $1,135.00 | Long $1,130.00 | Width $5.00 | Net credit $0.11



Max profit $11.00 | Max loss -$489.00 | Break-even $1,134.89 | 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	**14.53**
VVIX	**85.08**
SKEW index	**144.12**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**105**
Contracts with quotes	**105**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

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Wheel context

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Observed evidence

Implied volatility is currently 30.49%, ranking in the 15.87th percentile historically. | The term structure of implied volatility is backwardated, with near-term options more expensive than longer-dated options. | The market price of LLY's front-month call options suggests a potential upside move exceeding the current stock price.

Principal risks to monitor

High valuation with a trailing PE ratio of 38.94 and forward PE of 28.44. | Competition in the GLP-1 market from other pharmaceutical companies.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.09T**	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 **0.43**
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 **57.8%**
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

Sep 3, 2026 12:05 PM EDT

Covered Call | 2026-09-04

At signal $1,156.90 | Current $1,159.50

SHORT **Option $1,170.00 B $4.00 / A $4.50**

High turnover | Conservative | CR $4.25

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$36.54**
ATR as % of price	**3.2%**
Volatility environment	**medium**
Current IV	**30.5%**
IV rank	**20 / 100**
IV percentile	**16 / 100**

Technical health and risk radar

Derived indicator health and event context

Overall health	**74 / 100**
Trend health	**78 / 100**
Momentum health	**79 / 100**
Volatility health	**63 / 100**
Structure health	**70 / 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)	**$1,204.41 / $1,191.07 / $1,062.69**
EMA (9 / 21)	**$1,178.51 / $1,189.71**
Bollinger upper / middle / lower	**$1,278.04 / $1,204.41 / $1,130.79**
Bollinger %B	**0.196**
True high / low	**$1,171.66 / $1,137.50**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	**$1,188.33 / $1,137.50**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.037	**-**
SMA50	1.022	**-**
MVWAP20	2.232	**-**
MACD	-2.691	**-**
RSI	0.206	**-**
Volume	-115035.670	**-**
ATR	-0.383	**-**
T1	-	**-3.22 / 1209.94 / 1187.83 / 1158.00**
T2	-	**-0.59 / 1207.00 / 1188.33 / 1156.73**
T3	-	**2.79 / 1201.88 / 1174.61 / 1147.00**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,160.54**
Options intelligence as of	**Sep 3, 2026 4:38 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-04 | 1 DTE**
Front at-the-money IV	**34.6%**
25-delta skew	**-0.02**
Put / Call 25-delta	**$1,135.00 / $1,175.00 Delta 0.258**
Median option bid/ask spread	**27.3%**
Bid/ask spread	**-**
Contracts observed / quoted	**105 / 105**

Price context

Last Price: 1,160.54 | Bid: 1,160.11 | Ask: 1,160.97 | Previous Close: 1,160.08 | Change: 0.46 | Daily change: 0.04% | Update Time: 2026-09-03T14:47:51.816852-04:00 | Latest History Date: 2026-09-03 | Latest History Price: 1,160.54

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-10 | Latest Date: 2026-09-03 | Latest Price: 1,160.54 | Max Drawdown 60d Percent: -9.70%

Fundamental context

Current Iv Percent: 30.49% | Iv Rank: 20.26 | Iv Percentile: 15.87 | Next Earnings Date: 2026-10-29 | Ex Dividend Date: 2026-08-13 | Dividend Yield: 60.00

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.

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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.

Reference documents

Official product terms and standardized options disclosure

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