Eli Lilly and Co / LLY

Equity | Generated Sep 16, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$1,138.00	**+1.89 +0.17%**	**$1,138.15/$1,141.74**	**$1,136.11**

Market	**NYSE**
Industry	**Pharmaceuticals**
Market data as of	**Sep 16, 2026 11:31 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 16, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
61.1 / 100	**Balanced**	**high**	**26 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,135.00	**$1,220.00**	**$1,095.00**	**72 / 100**

Options stance	**bullish**
Tail-risk safety	**56 / 100**
JW Rank data coverage / as of	**100.0% | Sep 16, 2026 7:51 PM EDT**

Key insight

LLY Option Market Implies Upside Potential Despite Recent Pullback

Market read

The LLY option market suggests bullish sentiment despite a recent pullback in price. The implied volatility is elevated, indicating expectations for increased price movement. The term structure of implied volatility shows a backwardation pattern, with near-term options more expensive than longer-term options, suggesting a belief that the stock will move soon. The reference spread data indicates potential upside risk.

Strategy context

LLY options are showing signs of bullish sentiment despite recent price weakness. The elevated implied volatility and backwardated term structure suggest traders expect a move in the near term.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Mixed**
AI analysis updated	**Sep 16, 2026 2:04 PM EDT**

Short-term scenario

Cautious/speculative long on dip toward support given upgrade catalyst and obesity leadership, but high uncertainty from mixed technicals (short-term weakness), elevated valuation, and ~6 weeks to earnings. Prefer confirmation of bounce above $1,150; not a high-conviction trade. Risk of further pullback if support fails.

Three-month outlook

Constructive but uncertain: GLP-1 franchise (Mounjaro/Zepbound/Foundayo) and pipeline (retatrutide filings 2027, acquisitions) support growth into Q3 earnings (late Oct) and beyond, with analyst PTs suggesting 12-25% upside. However, high PE (~38x trailing), competition (NVO), pricing/access risks, potential guidance misses, and broader market/sector volatility could cap gains or cause drawdowns. Long-term uptrend intact above $1,065 SMA200, but near-term chop likely. Not financial advice; high uncertainty around execution and macros.

Market sentiment

Cautiously positive to mixed. Recent posts (Sep 2026) bullish on Berenberg upgrade, Foundayo traction, and retatrutide potentially larger than tirzepatide. Technical traders note testing key support ~$1,100-1,121 with bounce potential if holds (bull flag). Some older skepticism on high PE and institutional ownership, plus isolated short calls. Overall news-driven optimism amid pullback.

Supporting evidence

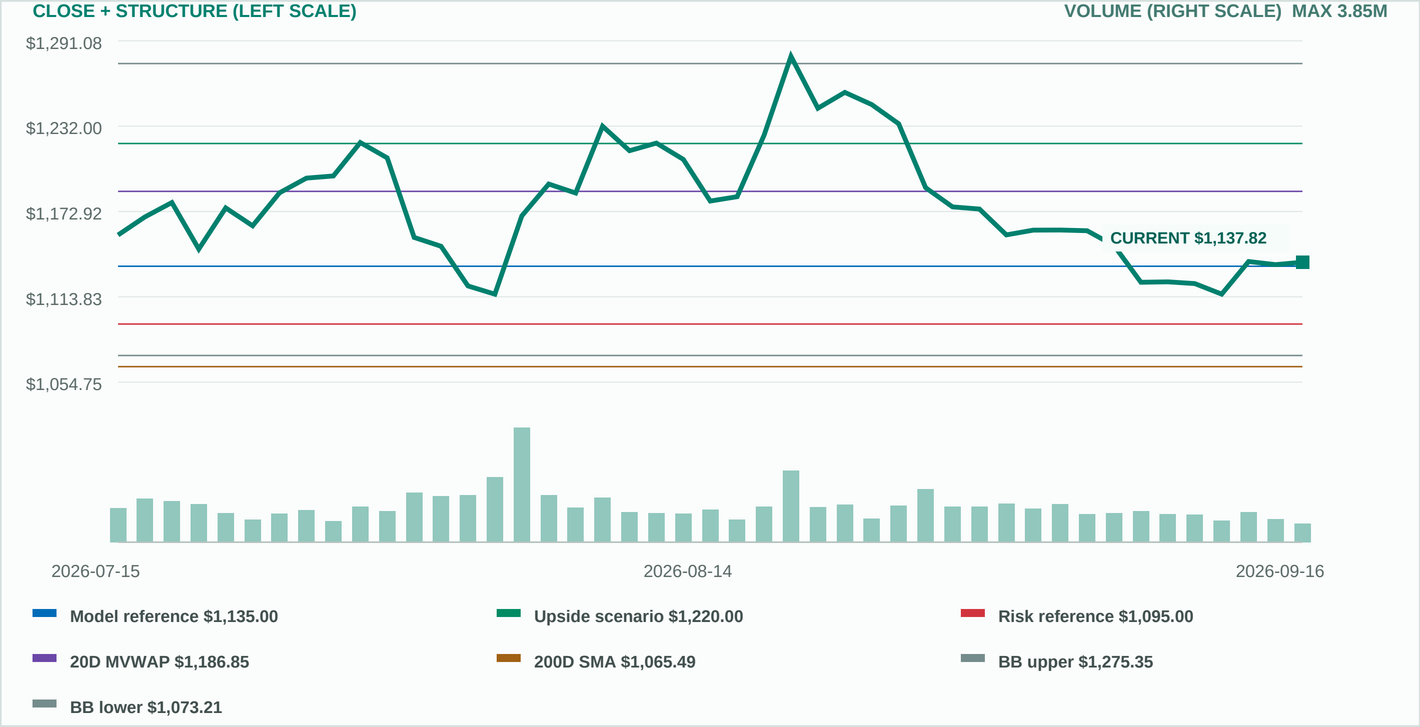
Elevated implied volatility (31.68%) suggests market expectations for significant price movement in LLY. | Backwardation in the term structure of implied volatility implies a belief that LLY's price will move soon. | Berenberg upgraded LLY to Buy with a raised price target, citing strong sales growth and potential upside from new products. | The reference spread data suggests potential for upside movement.

Risk watch

High valuation (trailing P/E ~38) could limit upside potential.

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	SCORE (0–100)
Liquidity	100.0%	89.6
Strategy Fit	100.0%	72.0
Technical Trend	100.0%	45.5
Market Tail Risk	100.0%	56.3
Fundamental Quality	100.0%	84.2
Volatility Pressure	100.0%	49.5

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 accelerating**
Trend signal	**BULLISH RECOVERY**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**41.60 / 42.53 / 45.47**
RSI velocity	**2.37**
MACD line / signal / histogram	**-17.19 / - / -12.98**
MACD acceleration	**0.44**
Stochastic K / D	**22.35 / 14.21**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-1.96**
20-day MVWAP	**$1,186.85**
Price vs 20-day MVWAP	**-4.12%**
Daily reference VWAP	**$1,140.56**
Price vs daily reference	**-0.22%**
Volume	**626.25K**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-2.95**
20-day / 200-day SMA	**$1,174.28 / $1,065.49**
Bollinger range	**$1,073.21 - $1,275.35**
Bollinger position	**0.320**

Options and volatility intelligence

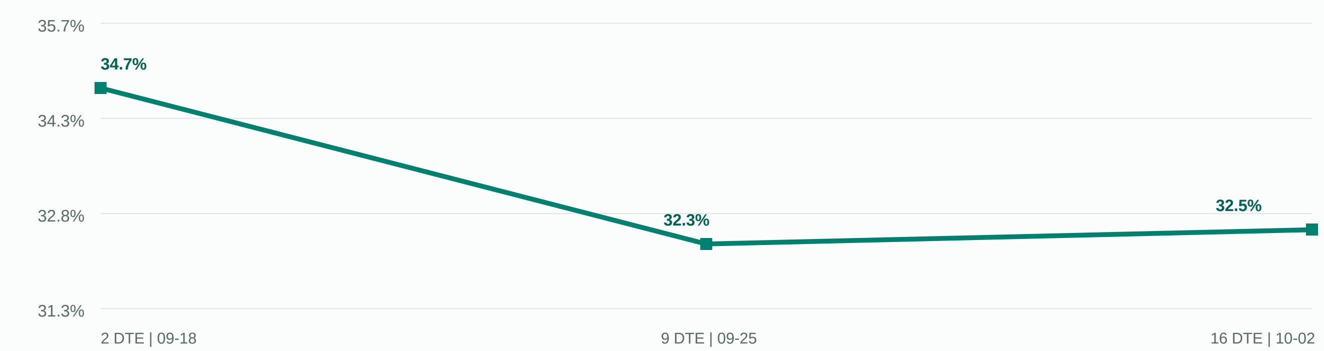
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
22 / 100	21 / 100	96.09	146.61

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-2.19 pts**
Skew read	**unavailable**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 16, 2026 2:52 PM EDT**
Options data quality	**Coverage 77.8%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

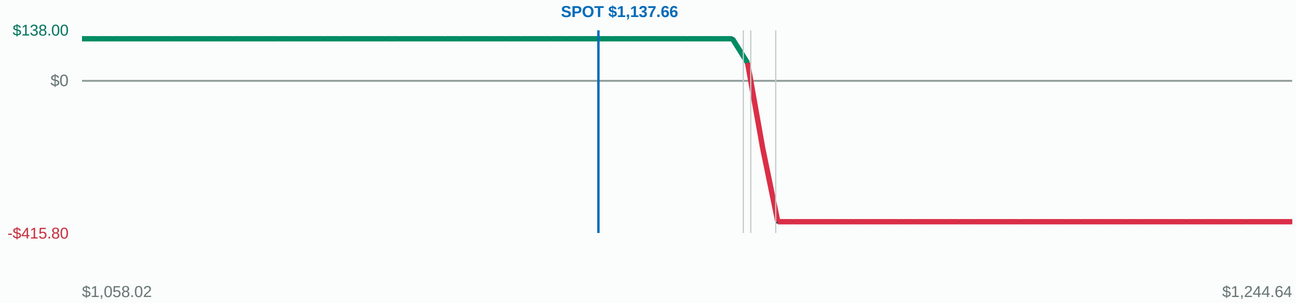
EXPIRATION	DTE	ATM IV	STATE
2026-09-18	2	34.7%	-
2026-09-25	9	32.3%	-
2026-10-02	16	32.5%	-

Reference spread payoff

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

Bear Call Spread reference

Short $1,160.00 | Long $1,165.00 | Width $5.00 | Net credit $1.15



Max profit $115.00 | Max loss -$385.00 | Break-even $1,161.15 | 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	**17.07**
VVIX	**96.09**
SKEW index	**146.61**
Observation confidence	**medium**
Option quote quality	**reliable**
Contracts observed	**116**
Contracts with quotes	**116**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LLY option market suggests bullish sentiment despite a recent pullback in price. The implied volatility is elevated, indicating expectations for increased price movement. The term structure of implied volatility shows a backwardation pattern, with near-term options more expensive than longer-term options, suggesting a belief that the stock will move soon. The reference spread data indicates potential upside risk.

Options context

LLY Option Market Implies Upside Potential Despite Recent Pullback

Wheel context

LLY options are showing signs of bullish sentiment despite recent price weakness. The elevated implied volatility and backwardated term structure suggest traders expect a move in the near term.

Observed evidence

Elevated implied volatility (31.68%) suggests market expectations for significant price movement in LLY. | Backwardation in the term structure of implied volatility implies a belief that LLY's price will move soon. | Berenberg upgraded LLY to Buy with a raised price target, citing strong sales growth and potential upside from new products. | The reference spread data suggests potential for upside movement.

Principal risks to monitor

High valuation (trailing P/E ~38) could limit upside potential.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.07T**	P/E (TTM) **39.90**
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 **50.7%**
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 16, 2026 12:55 PM EDT

Covered Call | 2026-09-18

At signal $1,140.62 | Current $1,138.00

SHORT **Option $1,120.00 B $24.80 / A $28.70**

High turnover | CR $26.75

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$31.10**
ATR as % of price	**2.7%**
Volatility environment	**medium**
Current IV	**32.3%**
IV rank	**24 / 100**
IV percentile	**26 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 16, 2026 3:51 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**77 / 100**
Trend health	**78 / 100**
Momentum health	**78 / 100**
Volatility health	**69 / 100**
Structure health	**82 / 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)	**$1,174.28 / $1,179.91 / $1,065.49**
EMA (9 / 21)	**$1,139.82 / $1,158.55**
Bollinger upper / middle / lower	**$1,275.35 / $1,174.28 / $1,073.21**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.320**
True high / low	**$1,151.23 / $1,132.63**
5-day true high / low	**$1,161.00 / $1,113.29**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-2.947	**-**
SMA50	-1.582	**-**
MVWAP20	-1.959	**-**
MACD	0.440	**-**
RSI	2.365	**-**
Volume	-34931.670	**-**
ATR	-0.235	**-**
T1	-	**-17.79 / 1189.61 / 1161.00 / 1131.59**
T2	-	**-18.12 / 1190.90 / 1153.95 / 1115.70**
T3	-	**-18.51 / 1192.73 / 1131.44 / 1113.29**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,137.66**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 16, 2026 2:52 PM EDT**
Options data coverage	**77.8%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-09-18 | 2 DTE**
Front at-the-money IV	**34.7%**
Put / Call 25-delta	**/ $1,160.00 Delta 0.238**
Median option bid/ask spread	**34.6%**
Bid/ask spread	**-**
Contracts observed / quoted	**116 / 116**

Price context

Last Price: 1,137.66 | Bid: 1,137.20 | Ask: 1,137.67 | Previous Close: 1,136.11 | Change: 1.55 | Daily change: 0.14% | Update Time: 2026-09-16T14:52:19.012842-04:00 | Latest History Date: 2026-09-16 | Latest History Price: 1,137.58

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-23 | Latest Date: 2026-09-16 | Latest Price: 1,137.58 | Max Drawdown 60d Percent: -12.86%

Fundamental context

Current Iv Percent: 31.68% | Iv Rank: 21.59 | Iv Percentile: 21.12 | Next Earnings Date: 2026-10-29 | Ex Dividend Date: 2026-08-13

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.

Reference documents

Official product terms and standardized options disclosure

Jason Wheel	**jasonwheel.com**
Terms of Use	**jasonwheel.com / Terms**
Privacy Policy	**jasonwheel.com / Privacy**
Options Disclosure Document	**theocc.com / Options Disclosure Document**