Eli Lilly and Co / LLY

Equity | Generated Sep 22, 2026 11:32 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$1,173.39	**+8.50 +0.73%**	**$1,173.71/$1,175.60**	**$1,164.89**

Market	**NYSE**
Industry	**Pharmaceuticals**
Market data as of	**Sep 22, 2026 11:32 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 22, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
62.7 / 100	**Balanced**	**high**	**13 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$1,165.00	**$1,240.00**	**$1,125.00**	**60 / 100**

Options stance	**bullish**
Tail-risk safety	**32 / 100**
JW Rank data coverage / as of	**100.0% | Sep 22, 2026 7:51 PM EDT**

Key insight

LLY Option Market Implies Continued Upside Potential

Market read

The LLY option market suggests continued bullish sentiment, driven by positive news flow and strong fundamentals. Recent catalysts like the CEO's comments on GLP-1 growth and Medicare coverage, along with the company's manufacturing expansion plans, have bolstered investor confidence. While uncertainty remains around pricing pressure, competitive dynamics, and upcoming earnings, the overall market tone is cautiously optimistic.

Strategy context

LLY options offer opportunities for traders seeking to capitalize on potential upside momentum. However, investors should be aware of the elevated valuation and upcoming earnings event, which could introduce volatility.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 22, 2026 2:13 PM EDT**

Short-term scenario

Cautious tactical long bias over 1-3 weeks, preferably on dips rather than chasing strength. Positive GLP-1 volume and competitor news support a bounce attempt toward nearby resistance, but elevated valuation, neutral momentum, and the Oct 29 earnings event raise the odds of chop or a failed breakout. This is not a high-conviction trade. Uncertainty is significant: a negative pricing, supply, or competitive headline could invalidate the setup quickly. Not investment advice.

Three-month outlook

Moderately bullish base case toward the low-to-mid $1,200s to low $1,300s if Mounjaro/Zepbound volume, Foundayo ramp, and Medicare uptake continue and manufacturing headlines stay supportive, consistent with the lower half of the Street target range. Retatrutide and broader pipeline optionality help the medium-term story, while Novo’s weaker reception is a relative positive. Offsetting risks are real: rich valuation, U.S. pricing and access pressure, oral-launch execution, capacity timing, and competitive data (including from Novo and smaller obesity players). A pullback toward the $1,100-$1,150 area remains plausible on any guidance disappointment or risk-off rotation. Uncertainty is high; three-month outcomes depend heavily on Q3 results and incremental obesity-market data rather than a straight-line continuation of the multi-year rally.

Market sentiment

Recent X discussion is relatively thin and low-engagement rather than a clear consensus wave. Constructive notes focus on the CEO’s Foundayo and Medicare share comments (at least one trader covered a short on the update) and LLY’s edge versus Novo. A circulating Ken Langone clip reinforces multi-year bullishness. There is little high-conviction bearish flow in the latest posts, but older valuation skepticism still appears in the broader conversation and spam/noise is present. Net read: cautiously constructive to neutral among active traders, not euphoric. Uncertainty is high because sample size is small and social sentiment can reverse on a single headline or earnings print.

Supporting evidence

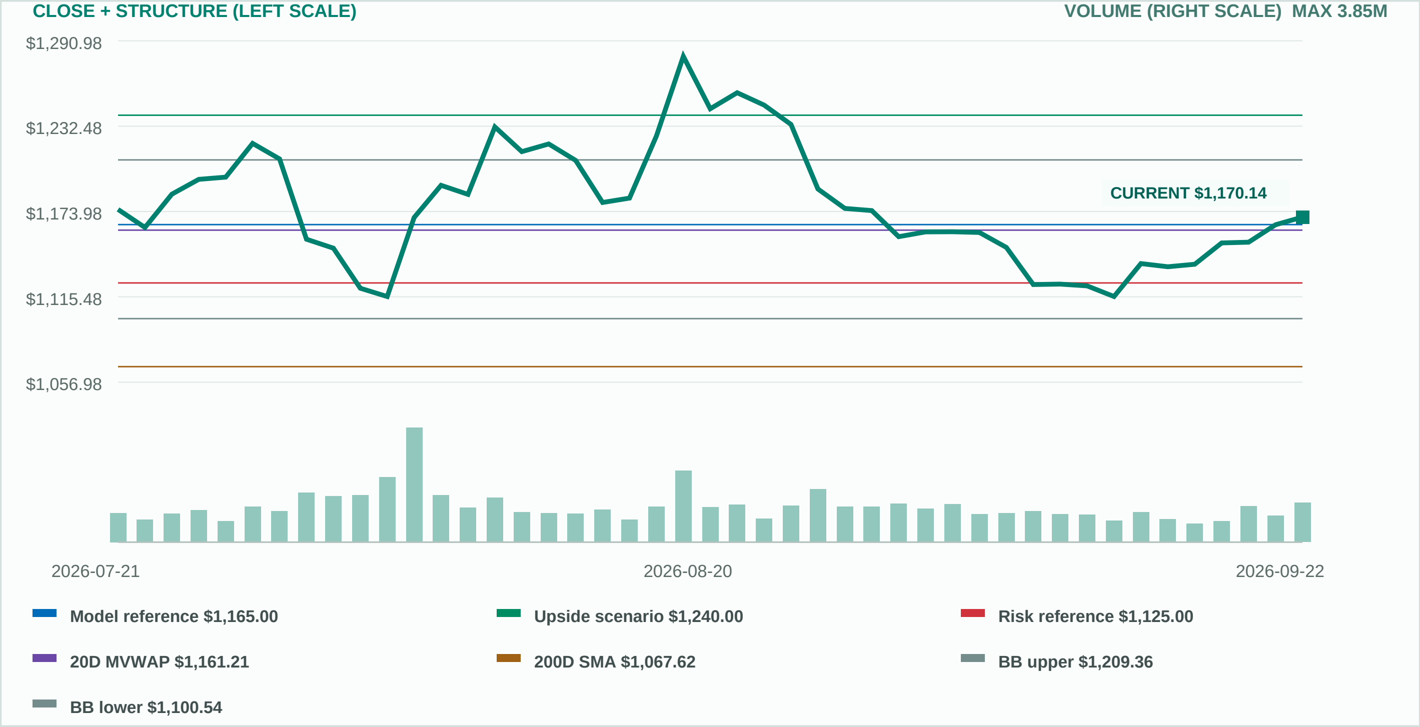
Implied volatility (IV) for LLY options is elevated at 30.95%, suggesting expectations for significant price movement in the near term. | The term structure of IV shows a backwardation pattern, with shorter-dated options more expensive than longer-dated ones, indicating a belief that the most significant price action will occur soon. | The skew is balanced, meaning there's no strong preference for calls or puts, suggesting a neutral outlook on directionality but anticipation of volatility. | Reference spreads indicate bullish sentiment with Bull Put Spreads and Bear Call Spreads both showing positive credit structures.

Risk watch

Earnings season is approaching, and any disappointment in guidance or results could trigger a significant price correction. | Competition in the GLP-1 market remains intense, with potential for new entrants to challenge LLY's market share. | Pricing pressure and access challenges could impact future revenue growth.

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%	89.3
Strategy Fit	100.0%	59.5
Technical Trend	100.0%	70.3
Market Tail Risk	100.0%	32.0
Fundamental Quality	100.0%	84.2
Volatility Pressure	100.0%	45.3

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
bullish_recovery	**Above 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)	**65.86 / 52.49 / 51.11**
RSI velocity	**1.80**
MACD line / signal / histogram	**-8.87 / - / -12.22**
MACD acceleration	**2.16**
Stochastic K / D	**65.95 / 56.51**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Distribution bias**
Institutional flow	**-4.91**
20-day MVWAP	**$1,161.21**
Price vs 20-day MVWAP	**+1.05%**
Daily reference VWAP	**$1,163.31**
Price vs daily reference	**+0.87%**
Volume	**1.32M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Negative macro velocity**
Macro velocity	**-4.31**
20-day / 200-day SMA	**$1,154.95 / $1,067.62**
Bollinger range	**$1,100.54 - $1,209.36**
Bollinger position	**0.640**

Options and volatility intelligence

Structure, premium conditions and principal risks

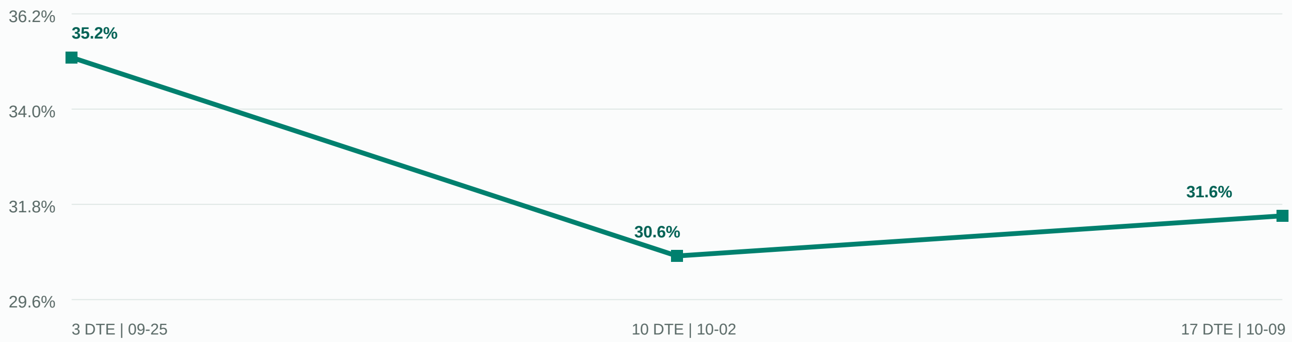
IV rank	IV percentile	VVIX	SKEW
18 / 100	16 / 100	81.95	142.19

Market regime	**DANGER ZONE**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-3.63 pts**
Skew read	**balanced**
Liquidity / quote coverage	**100.0%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 22, 2026 2:55 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration

ATM IV CURVE



Downward-sloping ATM volatility term structure

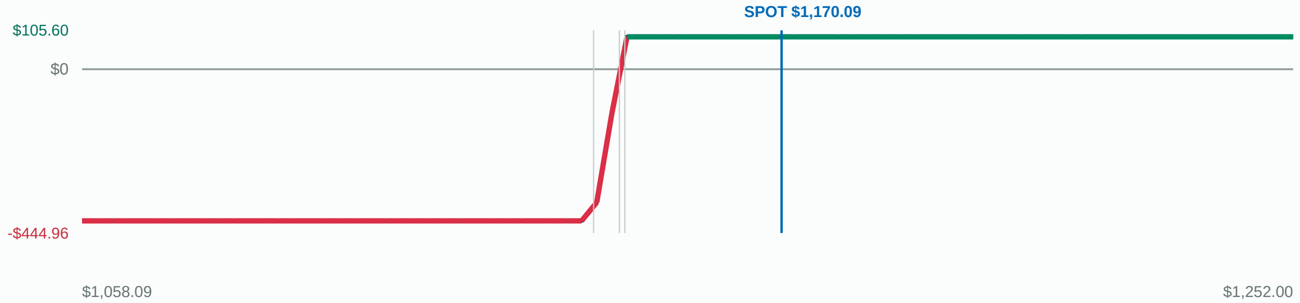
EXPIRATION	DTE	ATM IV	STATE
2026-09-25	3	35.2%	-
2026-10-02	10	30.6%	-
2026-10-09	17	31.6%	-

Reference spread payoff

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

Bull Put Spread reference

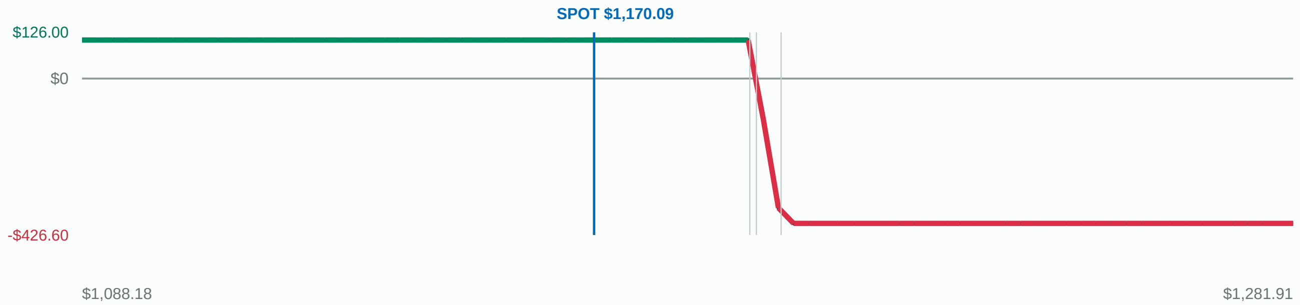
Short $1,145.00 | Long $1,140.00 | Width $5.00 | Net credit $0.88



Max profit $88.00 | Max loss -$412.00 | Break-even $1,144.12 | Per contract at expiry

Bear Call Spread reference

Short $1,195.00 | Long $1,200.00 | Width $5.00 | Net credit $1.05



Max profit $105.00 | Max loss -$395.00 | Break-even $1,196.05 | 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	**14.26**
VVIX	**81.95**
SKEW index	**142.19**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**137**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**137**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LLY option market suggests continued bullish sentiment, driven by positive news flow and strong fundamentals. Recent catalysts like the CEO's comments on GLP-1 growth and Medicare coverage, along with the company's manufacturing expansion plans, have bolstered investor confidence. While uncertainty remains around pricing pressure, competitive dynamics, and upcoming earnings, the overall market tone is cautiously optimistic.

Options context

LLY Option Market Implies Continued Upside Potential

Wheel context

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Observed evidence

Implied volatility (IV) for LLY options is elevated at 30.95%, suggesting expectations for significant price movement in the near term. | The term structure of IV shows a backwardation pattern, with shorter-dated options more expensive than longer-dated ones, indicating a belief that the most significant price action will occur soon. | The skew is balanced, meaning there's no strong preference for calls or puts, suggesting a neutral outlook on directionality but anticipation of volatility. | Reference spreads indicate bullish sentiment with Bull Put Spreads and Bear Call Spreads both showing positive credit structures.

Principal risks to monitor

Earnings season is approaching, and any disappointment in guidance or results could trigger a significant price correction. | Competition in the GLP-1 market remains intense, with potential for new entrants to challenge LLY's market share. | Pricing pressure and access challenges could impact future revenue growth.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$1.10T**	P/E (TTM) **41.02**
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 **51.1%**
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 22, 2026 1:05 PM EDT

Covered Call | 2026-10-02

At signal $1,169.24 | Current $1,173.39

SHORT **Option $1,160.00 B $29.00 / A $33.20**

High turnover | CR $31.10

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$30.81**
ATR as % of price	**2.6%**
Volatility environment	**medium**
Current IV	**30.7%**
IV rank	**17 / 100**
IV percentile	**13 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 22, 2026 3:51 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**82 / 100**
Trend health	**78 / 100**
Momentum health	**95 / 100**
Volatility health	**71 / 100**
Structure health	**86 / 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)	**$1,154.95 / $1,176.65 / $1,067.62**
EMA (9 / 21)	**$1,152.86 / $1,159.29**
Bollinger upper / middle / lower	**$1,209.36 / $1,154.95 / $1,100.54**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.640**
True high / low	**$1,180.53 / $1,139.26**
5-day true high / low	**$1,180.53 / $1,132.63**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-4.313	**-**
SMA50	-0.663	**-**
MVWAP20	-4.906	**-**
MACD	2.162	**-**
RSI	1.801	**-**
Volume	205014.670	**-**
ATR	0.122	**-**
T1	-	**-11.30 / 1164.34 / 1170.90 / 1134.41**
T2	-	**-13.70 / 1169.97 / 1157.60 / 1140.27**
T3	-	**-15.35 / 1175.93 / 1159.75 / 1137.82**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$1,170.09**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 22, 2026 2:55 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-09-25 | 3 DTE**
Front at-the-money IV	**35.2%**
25-delta skew	**-0.06**
Put / Call 25-delta	**$1,145.00 Delta -0.243 / $1,195.00 Delta 0.269**
Median option bid/ask spread	**18.7%**
Bid/ask spread	**-**
Contracts observed / quoted	**137 / 137**

Price context

Last Price: 1,170.09 | Bid: 1,170.00 | Ask: 1,170.74 | Previous Close: 1,164.89 | Change: 5.20 | Daily change: 0.45% | Update Time: 2026-09-22T14:55:03.770151-04:00 | Latest History Date: 2026-09-22 | Latest History Price: 1,170.09

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-29 | Latest Date: 2026-09-22 | Latest Price: 1,170.09 | Max Drawdown 60d Percent: -12.86%

Fundamental context

Current Iv Percent: 30.95% | Iv Rank: 17.97 | Iv Percentile: 16.33 | 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**
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Options Disclosure Document	**theocc.com / Options Disclosure Document**