



Eli Lilly and Co / LLY

Equity | Generated Oct 7, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$1,188.00	+30.51 +2.64%	\$1,186.00/\$1,189.18	\$1,157.49

Market	NYSE
Industry	Pharmaceuticals
Market data as of	Oct 7, 2026 11:31 PM EDT

JW Intelligence Report

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

JW Rank	Rank label	Confidence	IV percentile
81.7 / 100	Strong setup	high	80 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$1,175.00	\$1,240.00	\$1,140.00	84 / 100

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

Key insight

LLY Option Market Prices in Continued Upside Potential

Market read

The LLY option market displays bullish sentiment, pricing in continued upside potential for the stock. This is supported by several factors: a strong upward trend, positive analyst commentary, and elevated implied volatility reflecting investor expectations of significant price movement.

Strategy context

The term structure of LLY options exhibits backwardation, with near-term options more expensive than those further out. This suggests market participants expect the stock price to rise in the near future.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 7, 2026 2:23 PM EDT

Short-term scenario

Cautious long only on a pullback; do not chase the +3.4% session. Mildly constructive if support holds over 1-3 weeks, but Oct 29 earnings create event risk and the move looks extended.

Three-month outlook

Cautiously constructive with material uncertainty. If the Oct 29 print shows volume still offsetting realized-price pressure in Mounjaro and Zepbound and pipeline updates stay supportive, a drift toward roughly \$1,250-1,350 is plausible and overlaps parts of the published analyst range. Offsetting risks include faster price erosion, competitive obesity/diabetes data, clinical or regulatory setbacks, multiple compression, product concentration, and reported insider selling. A base case of modest appreciation assumes execution holds; it does not assume the high end of targets. Levels and outcomes can change quickly with new data; this is not a recommendation.

Market sentiment

Mixed and thin. Recent posts include options sellers closing profitable put spreads as the stock rallied, and comments framing LLY as relatively defensive. Chart notes are split (unconfirmed double-bottom talk versus separate downside projections near \$1,100). Broader commentary cites growth, pipeline data, and mid-teens average-target upside while warning on a high earnings multiple, GLP-1 competition, and a preference to buy dips rather than chase ahead of the Oct 29 report. Engagement on fresh posts is low, so sentiment is not a strong signal.

Supporting evidence

LLY's underlying price has surged over 3% today, reaching new highs. | Implied volatility is elevated at 40.32%, suggesting market participants anticipate substantial price swings in the near term. | Analyst sentiment remains positive with a majority rating LLY as Buy or Strong Buy and target prices clustered around \$1,310-1,330. | The stock's recent performance has been strong, surpassing both its 50-day and 200-day moving averages, indicating a bullish trend.

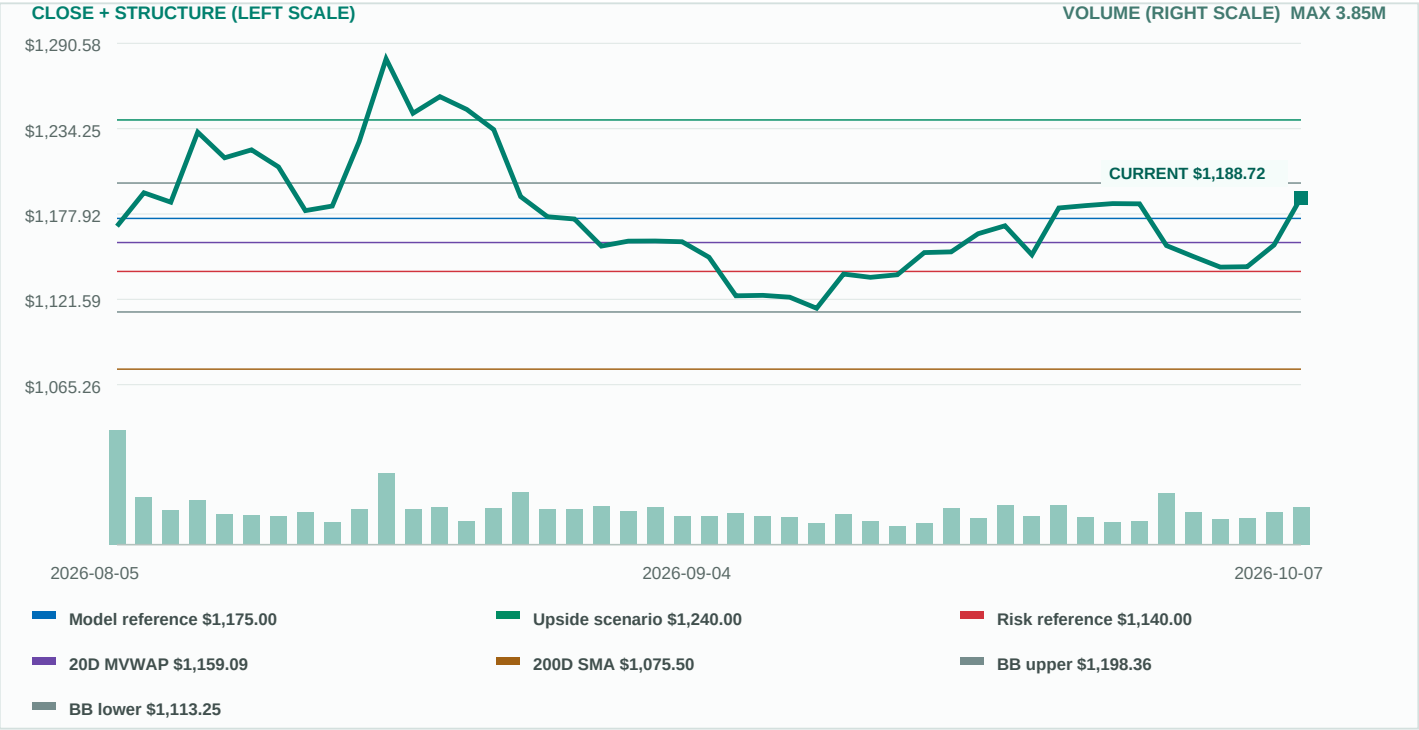
Risk watch

Earnings are scheduled for October 29th and could significantly impact the stock price. | Competition in the diabetes and obesity markets remains intense, posing a risk to LLY's growth prospects.



Enhanced price structure

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

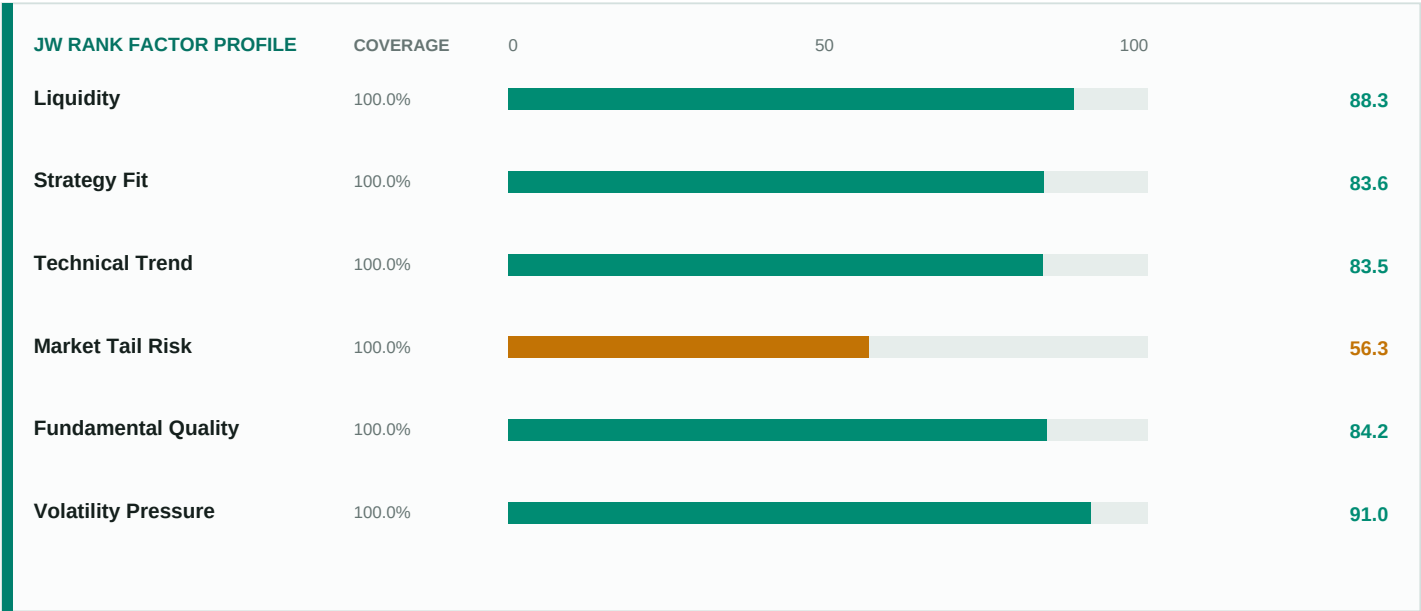


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

strong_bull

Institutional flow

Above MVWAP

Structure

Above 200D trend

Volatility

medium



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	STRONG BULL neutral MACD accelerating
Trend signal	STRONG BULL
RSI signal	neutral
RSI (7 / 14 / 21)	67.29 / 57.67 / 54.53
RSI velocity	4.88
MACD line / signal / histogram	-1.17 / - / -3.32
MACD acceleration	0.62
Stochastic K / D	36.25 / 23.64

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.74
20-day MVWAP	\$1,159.09
Price vs 20-day MVWAP	+2.49%
Daily reference VWAP	\$1,187.12
Price vs daily reference	+0.07%
Volume	1.26M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.53
20-day / 200-day SMA	\$1,155.81 / \$1,075.50
Bollinger range	\$1,113.25 - \$1,198.36
Bollinger position	0.887



Options and volatility intelligence

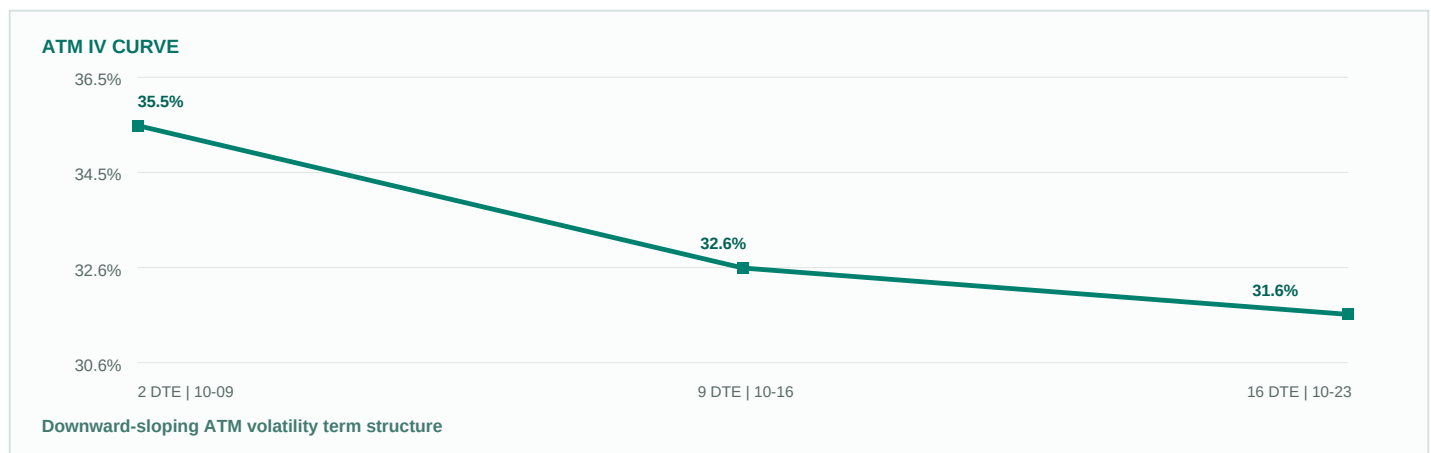
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
65 / 100	76 / 100	84.24	141.21

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-3.91 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 7, 2026 2:52 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-09	2	35.5%	-
2026-10-16	9	32.6%	-
2026-10-23	16	31.6%	-

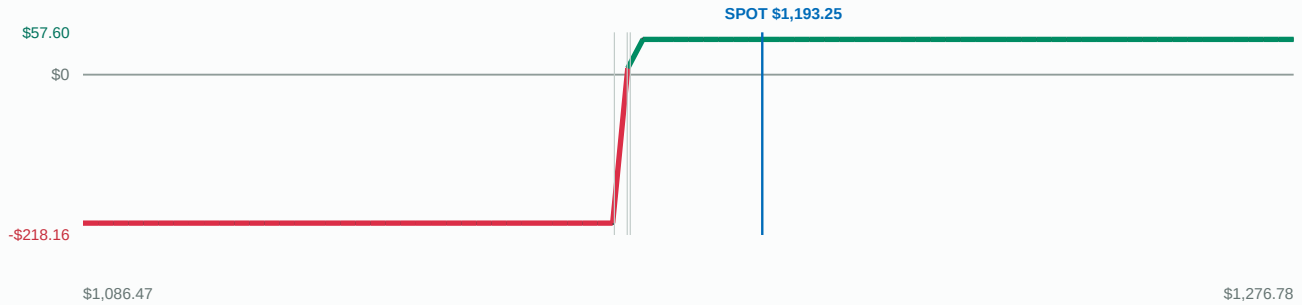


Reference spread payoff

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

Bull Put Spread reference

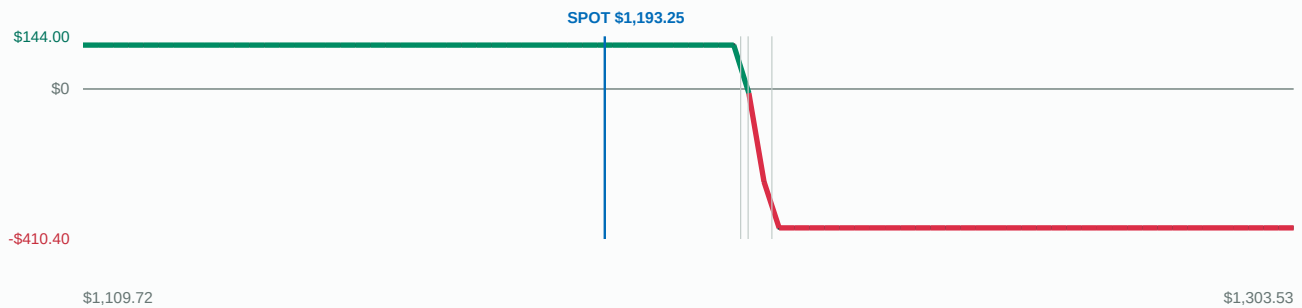
Short \$1,172.50 | Long \$1,170.00 | Width \$2.50 | Net credit \$0.48



Max profit \$48.00 | Max loss -\$202.00 | Break-even \$1,172.02 | Per contract at expiry

Bear Call Spread reference

Short \$1,215.00 | Long \$1,220.00 | Width \$5.00 | Net credit \$1.20



Max profit \$120.00 | Max loss -\$380.00 | Break-even \$1,216.20 | 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	15.14
VVIX	84.24
SKEW index	141.21
Observation confidence	high
Option quote quality	reliable
Contracts observed	142



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	142

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LLY option market displays bullish sentiment, pricing in continued upside potential for the stock. This is supported by several factors: a strong upward trend, positive analyst commentary, and elevated implied volatility reflecting investor expectations of significant price movement.

Options context

LLY Option Market Prices in Continued Upside Potential

Wheel context

The term structure of LLY options exhibits backwardation, with near-term options more expensive than those further out. This suggests market participants expect the stock price to rise in the near future.

Observed evidence

LLY's underlying price has surged over 3% today, reaching new highs. | Implied volatility is elevated at 40.32%, suggesting market participants anticipate substantial price swings in the near term. | Analyst sentiment remains positive with a majority rating LLY as Buy or Strong Buy and target prices clustered around \$1,310-1,330. | The stock's recent performance has been strong, surpassing both its 50-day and 200-day moving averages, indicating a bullish trend.

Principal risks to monitor

Earnings are scheduled for October 29th and could significantly impact the stock price. | Competition in the diabetes and obesity markets remains intense, posing a risk to LLY's growth prospects.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$1.09T	41.09
ROE	Revenue growth
92.6%	31.7%
EPS growth	Operating margin
49.3%	42.2%
Net profit margin	Gross margin
33.5%	-
Free cash flow CAGR	Debt / equity
5.9%	1.60
Dividend yield	Beta
0.8%	0.42
52-week range	
\$783.85 - \$1,292.65	

Company or fund profile

Issuer identity and classification

Name	Market
Eli Lilly and Co	NYSE
Industry	Country
Pharmaceuticals	US
Currency	IPO date
USD	1970-07-09
Shares outstanding	52-week return
941.74M	36.1%
Book value per share	Revenue per share
\$35.98	\$89.14
Website	lilly.com



Latest strategy observation

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

LLY Covered Call signal
Covered Call | 2026-10-09
At signal \$1,205.00 | Current \$1,188.00
SHORT Option \$1,200.00 B \$14.80 / A \$16.75
Conservative | CR \$15.78

Oct 7, 2026 12:28 PM EDT



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$33.15
ATR as % of price	2.8%
Volatility environment	medium
Current IV	41.0%
IV rank	68 / 100
IV percentile	80 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 7, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	82 / 100
Trend health	92 / 100
Momentum health	95 / 100
Volatility health	68 / 100
Structure health	61 / 100
Earnings risk / date	medium 2026-10-29
Macro risk	unknown
Volatility risk	medium
Structure risk	medium

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$1,155.81 / \$1,174.29 / \$1,075.50
EMA (9 / 21)	\$1,163.30 / \$1,162.86
Bollinger upper / middle / lower	\$1,198.36 / \$1,155.81 / \$1,113.25



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.887
True high / low	\$1,206.63 / \$1,157.49
5-day true high / low	\$1,206.63 / \$1,136.66

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.531	-
SMA50	-0.833	-
MVWAP20	1.739	-
MACD	0.623	-
RSI	4.885	-
Volume	134696.330	-
ATR	0.407	-
T1	-	-3.92 / 1155.76 / 1177.07 / 1139.98
T2	-	-4.20 / 1153.93 / 1165.73 / 1139.49
T3	-	-3.04 / 1153.87 / 1164.92 / 1136.66



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$1,193.25
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:52 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-09 2 DTE
Front at-the-money IV	35.5%
25-delta skew	0.12
Put / Call 25-delta	\$1,172.50 Delta -0.251 / \$1,215.00 Delta 0.264
Median option bid/ask spread	21.3%
Bid/ask spread	-
Contracts observed / quoted	142 / 142

Price context

Last Price: 1,193.25 | Bid: 1,193.25 | Ask: 1,194.25 | Previous Close: 1,157.49 | Change: 35.76 |
Daily change: 3.09% | Update Time: 2026-10-07T14:52:44.436434-04:00 | Latest History Date: 2026-10-07
| Latest History Price: 1,193.25

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-15 | Latest Date: 2026-10-07 | Latest Price:
1,193.25 | Max Drawdown 60d Percent: -12.86%

Fundamental context

Current Iv Percent: 40.32% | Iv Rank: 64.57 | Iv Percentile: 75.70 | 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.

Generated Oct 7, 2026 11:31 PM EDT. Jason Wheel Terms of Use and Privacy Policy apply. Copyright Jason Wheel Research LLC. All rights reserved.

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