



Eli Lilly and Co / LLY

Equity | Generated Oct 8, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$1,167.00	-21.72 -1.83%	\$1,163.86/\$1,169.99	\$1,188.72

Market	NYSE
Industry	Pharmaceuticals
Market data as of	Oct 8, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 8, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
77.9 / 100	Constructive	high	81 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$1,142.00	\$1,208.00	\$1,109.00	87 / 100

Options stance	mixed
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 8, 2026 6:50 PM EDT

Key insight

LLY Option Market Implies Uncertainty Ahead of Earnings

Market read

The LLY option market shows mixed signals ahead of its Q3 earnings release on October 29th. While implied volatility is elevated, reflecting uncertainty surrounding the results, there are both bullish and bearish elements present.

Strategy context

The LLY option market is showing mixed signals ahead of earnings. Elevated implied volatility suggests uncertainty, but the term structure and reference spreads reveal both bullish and bearish positioning.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bearish

AI analysis updated

Oct 8, 2026 2:21 PM EDT

Short-term scenario

Cautious tactical long only on further weakness, not a chase of the \$1156 quote. Prefer a limit near support for a 1-3 week bounce attempt into the Oct 29 earnings window. Size for an earnings/volatility gap. Invalidated if support fails or rates keep compressing the multiple. This is a low-conviction setup; uncertainty around the print and macro is high.

Three-month outlook

Constructive but uneven. If Q3 shows Mounjaro/Zepbound volume and Foundayo adoption still more than offsetting net price and rebate pressure, a path back toward the low-to-mid \$1,200s and possibly the Street's low-\$1,300s is plausible over three months, with pipeline optionality (retatrutide data package aimed at a Q1 2027 filing, oncology, recent collaborations) as a secondary support. Downside case is a reset toward the 200-day moving average or the low \$1,100s if volume disappoints, competition tightens, or the premium multiple compresses. Uncertainty is material: H2 guidance already embeds slower growth than the Q2 run-rate, insider selling has been reported, and expectations are high enough that an in-line quarter may not re-rate the stock.

Market sentiment

Mixed and low-signal. Constructive posts highlight Cantor Fitzgerald's Overweight and \$1,440 target, citing underlying demand and Foundayo tailwinds offset by pricing headwinds and high expectations, plus some explicit dip-buying comments. Cautious posts flag fading upside momentum and downside sketches toward the low \$1,100s. A large share of \$LLY mentions is promotional spam rather than analysis. Net: sell-side tone remains positive, while trader tone into the Oct 8 decline is cautious ahead of Oct 29. Uncertainty: X volume is noisy and is not a reliable timing or positioning signal.

Supporting evidence

Implied volatility is currently at 40.32%, suggesting a high degree of market expectation for price movement around the earnings event. | The term structure of LLY options exhibits backwardation, with near-term options more expensive than longer-dated options. This suggests some traders are anticipating a potential post-earnings move. | Reference spreads indicate both bullish and bearish sentiment, with Bull Put Spreads suggesting potential downside protection while Bear Call Spreads point to possible upside limitations.

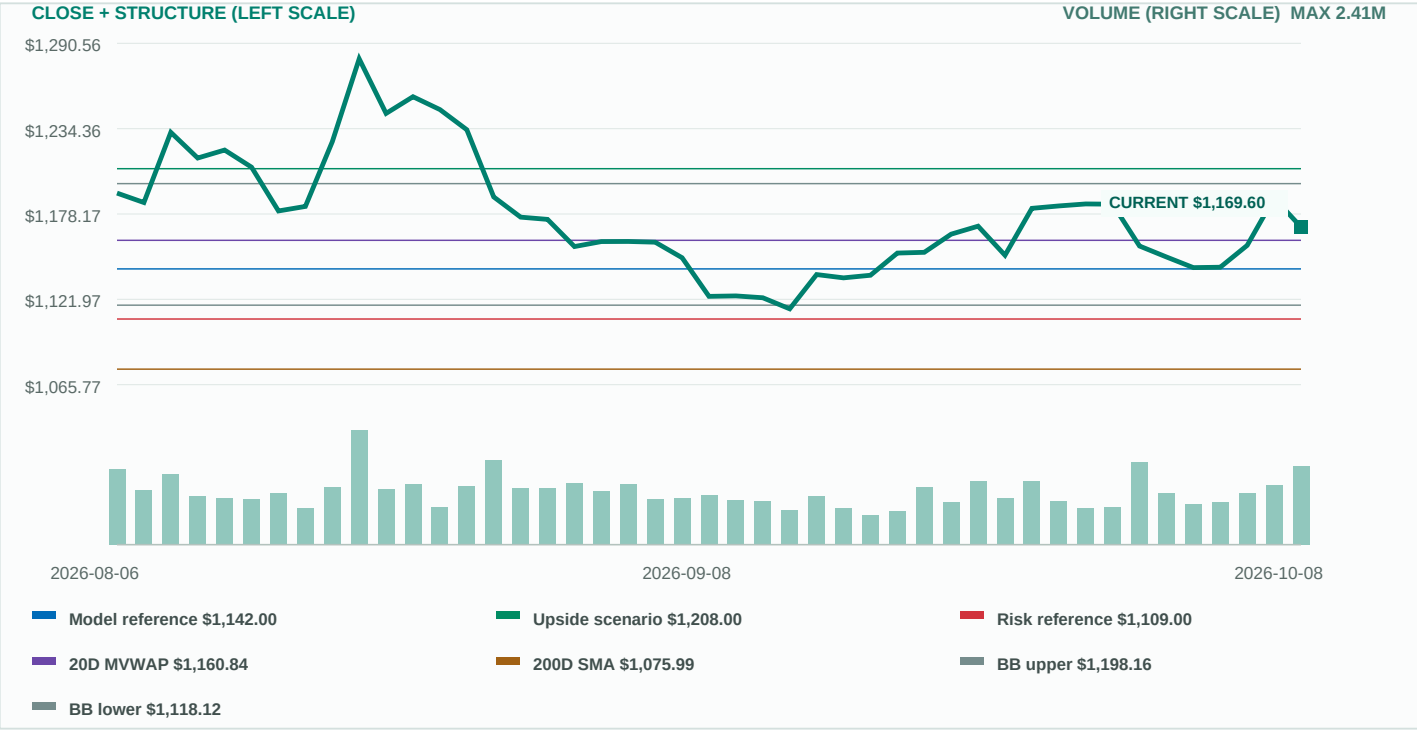
Risk watch

Earnings results could significantly impact LLY's share price, with both upside and downside potential. | Macroeconomic factors, such as rising Treasury yields, could also influence LLY's performance.



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

bullish_recovery

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	BULLISH RECOVERY neutral MACD accelerating
Trend signal	BULLISH RECOVERY
RSI signal	neutral
RSI (7 / 14 / 21)	53.77 / 51.57 / 50.88
RSI velocity	2.82
MACD line / signal / histogram	-0.52 / - / -2.76
MACD acceleration	1.23
Stochastic K / D	47.28 / 33.94

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	2.30
20-day MVWAP	\$1,160.84
Price vs 20-day MVWAP	+0.53%
Daily reference VWAP	\$1,162.30
Price vs daily reference	+0.40%
Volume	1.64M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.41
20-day / 200-day SMA	\$1,158.14 / \$1,075.99
Bollinger range	\$1,118.12 - \$1,198.16
Bollinger position	0.643



Options and volatility intelligence

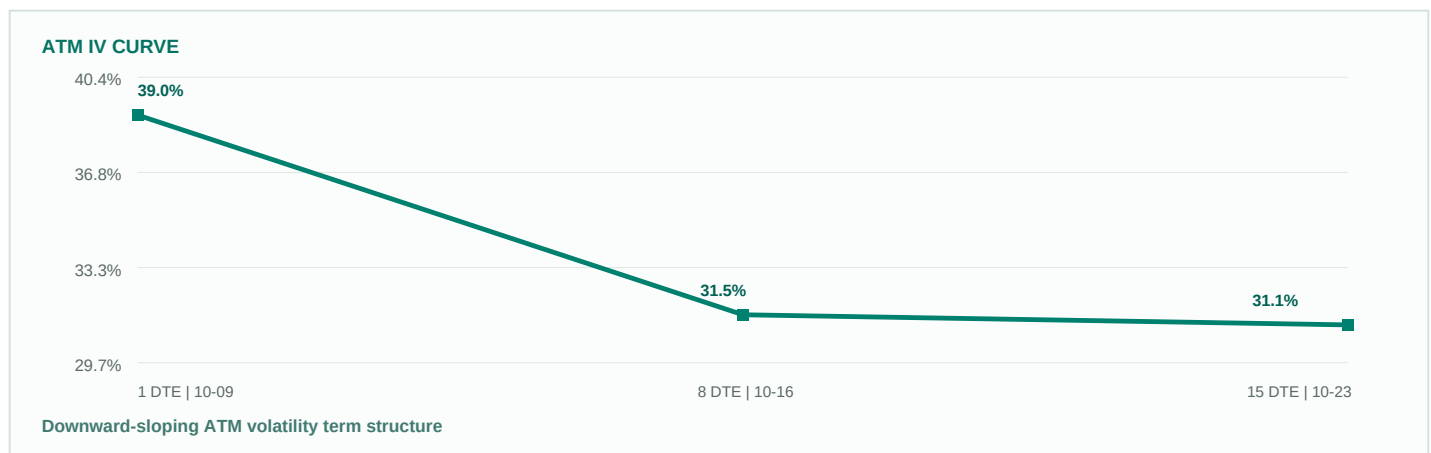
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
65 / 100	75 / 100	88.65	141.84

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-7.87 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 8, 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	1	39.0%	-
2026-10-16	8	31.5%	-
2026-10-23	15	31.1%	-

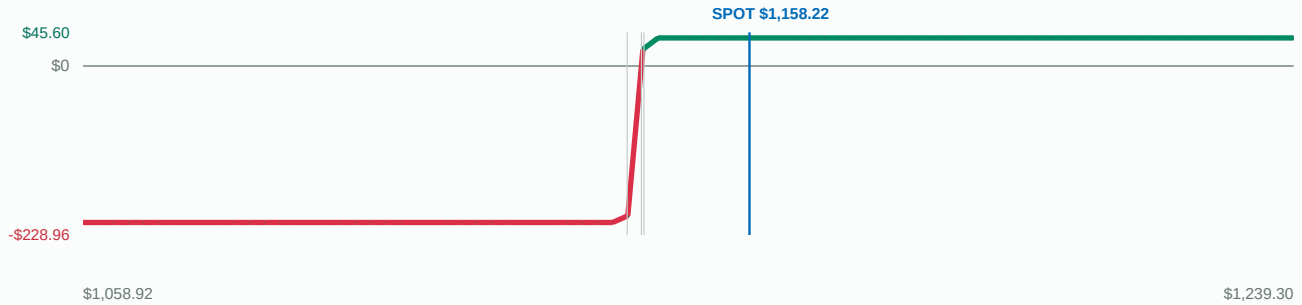


Reference spread payoff

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

Bull Put Spread reference

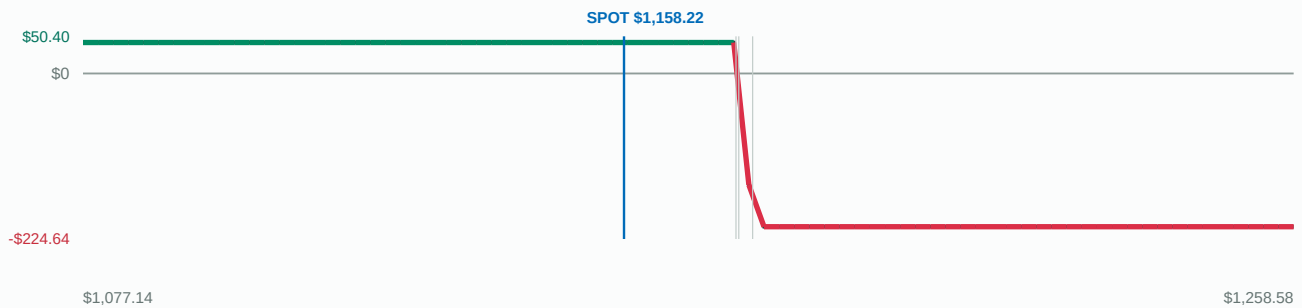
Short \$1,142.50 | Long \$1,140.00 | Width \$2.50 | Net credit \$0.38



Max profit \$38.00 | Max loss -\$212.00 | Break-even \$1,142.12 | Per contract at expiry

Bear Call Spread reference

Short \$1,175.00 | Long \$1,177.50 | Width \$2.50 | Net credit \$0.42



Max profit \$42.00 | Max loss -\$208.00 | Break-even \$1,175.42 | 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	15.70
VVIX	88.65
SKEW index	141.84
Observation confidence	high
Option quote quality	reliable
Contracts observed	140



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	140

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LLY option market shows mixed signals ahead of its Q3 earnings release on October 29th. While implied volatility is elevated, reflecting uncertainty surrounding the results, there are both bullish and bearish elements present.

Options context

LLY Option Market Implies Uncertainty Ahead of Earnings

Wheel context

The LLY option market is showing mixed signals ahead of earnings. Elevated implied volatility suggests uncertainty, but the term structure and reference spreads reveal both bullish and bearish positioning.

Observed evidence

Implied volatility is currently at 40.32%, suggesting a high degree of market expectation for price movement around the earnings event. | The term structure of LLY options exhibits backwardation, with near-term options more expensive than longer-dated options. This suggests some traders are anticipating a potential post-earnings move. | Reference spreads indicate both bullish and bearish sentiment, with Bull Put Spreads suggesting potential downside protection while Bear Call Spreads point to possible upside limitations.

Principal risks to monitor

Earnings results could significantly impact LLY's share price, with both upside and downside potential. | Macroeconomic factors, such as rising Treasury yields, could also influence LLY's performance.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$1.12T	41.51
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	37.0%
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 \$1,167.00

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	\$34.89
ATR as % of price	3.0%
Volatility environment	medium
Current IV	41.6%
IV rank	71 / 100
IV percentile	81 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 8, 2026 7:31 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	81 / 100
Trend health	78 / 100
Momentum health	94 / 100
Volatility health	65 / 100
Structure health	86 / 100
Earnings risk / date	medium 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)	\$1,158.14 / \$1,173.48 / \$1,075.99
EMA (9 / 21)	\$1,164.56 / \$1,163.47
Bollinger upper / middle / lower	\$1,198.16 / \$1,158.14 / \$1,118.12



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.643
True high / low	\$1,188.72 / \$1,131.21
5-day true high / low	\$1,206.63 / \$1,131.21

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.412	-
SMA50	-0.749	-
MVWAP20	2.303	-
MACD	1.228	-
RSI	2.819	-
Volume	247343.670	-
ATR	1.123	-
T1	-	-1.17 / 1159.09 / 1206.63 / 1157.49
T2	-	-3.92 / 1155.76 / 1177.07 / 1139.98
T3	-	-4.20 / 1153.93 / 1165.73 / 1139.49



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$1,158.22
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 8, 2026 2:52 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FALLING
Front expiration / DTE	2026-10-09 1 DTE
Front at-the-money IV	39.0%
25-delta skew	1.43
Put / Call 25-delta	\$1,142.50 Delta -0.251 / \$1,175.00 Delta 0.253
Median option bid/ask spread	24.5%
Bid/ask spread	-
Contracts observed / quoted	140 / 140

Price context

Last Price: 1,158.22 | Bid: 1,158.00 | Ask: 1,159.03 | Previous Close: 1,188.73 | Change: -30.51 |
Daily change: -2.57% | Update Time: 2026-10-08T14:52:26.192208-04:00 | Latest History Date: 2026-10-08
| Latest History Price: 1,158.22

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-16 | Latest Date: 2026-10-08 | Latest Price:
1,158.22 | Max Drawdown 60d Percent: -12.86%

Fundamental context

Current Iv Percent: 40.32% | Iv Rank: 64.57 | Iv Percentile: 75.30 | 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.

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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 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.

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Reference documents

Official product terms and standardized options disclosure

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