



Eli Lilly and Company / LLY

Equity | Generated Oct 29, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$1,380.00	+91.70 +7.12%	\$1,378.11/\$1,389.80	\$1,288.30

Market	NYSE
Industry	Pharmaceuticals
Market data as of	Oct 29, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 29, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
69.4 / 100	Constructive	high	22 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$1,335.00	\$1,425.00	\$1,285.00	50 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 29, 2026 7:50 PM EDT

Key insight

LLY Option Market Prices in Strong Earnings Beat and Raised Guidance

Market read

The LLY option market is pricing in a bullish outlook following strong Q3 earnings that beat expectations and raised full-year revenue guidance. Implied volatility is elevated, reflecting the excitement surrounding Mounjaro and Zepbound demand, but also potential for near-term profit-taking after a significant price surge.

Strategy context

LLY's recent earnings beat and raised guidance have created a bullish environment for option traders. The elevated implied volatility suggests potential for both significant gains and losses.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 29, 2026 2:13 PM EDT

Short-term scenario

Do not chase the earnings gap. For a 1-3 week horizon, only a pullback long near the gap/open zone is reasonable; if that fill does not occur, stand aside. Momentum can retest the record high, but profit-taking and mean reversion are material risks after a 6%+ spike. Levels are tactical estimates, not guarantees.

Three-month outlook

Bias is constructive but path-dependent. Sustained Mounjaro/Zepbound demand, the higher revenue guide, and pipeline optionality (including oral GLP-1 and retatrutide) can support higher prices if Street targets are revised up. Offsets are a rich multiple versus still-lagging consensus targets, the EPS-guide cut from deal charges, competition, pricing and policy risk, and likely consolidation after the spike. A pullback toward roughly \$1,290-\$1,320 would not by itself break the medium-term uptrend. Uncertainty is high: the base case is higher-with-volatility, not a straight-line continuation, and a failed hold of the earnings gap would delay upside. This is not investment advice.

Market sentiment

Same-day X discussion is mostly bullish and momentum-driven: posts highlight the roughly \$2B revenue beat, Mounjaro/Zepbound contribution, the \$91-92B guide, and new all-time highs, with some holders framing a path toward a larger market cap. A minority note mild quant caution or stock-split speculation. The sample is thin, low-engagement, and skewed to breakout accounts, so sentiment is positive but not a reliable positioning signal. Older valuation-skeptic posts are not the current tape.

Supporting evidence

LLY's stock price surged to a record high after exceeding Q3 earnings estimates and raising full-year revenue guidance. | Implied volatility is elevated, suggesting market participants anticipate continued volatility in LLY's share price. | The term structure of implied volatility shows a backwardation pattern, indicating that near-term options are more expensive than longer-term options. | Bullish sentiment is strong in the XAI analysis, driven by positive news surrounding Mounjaro and Zepbound demand.

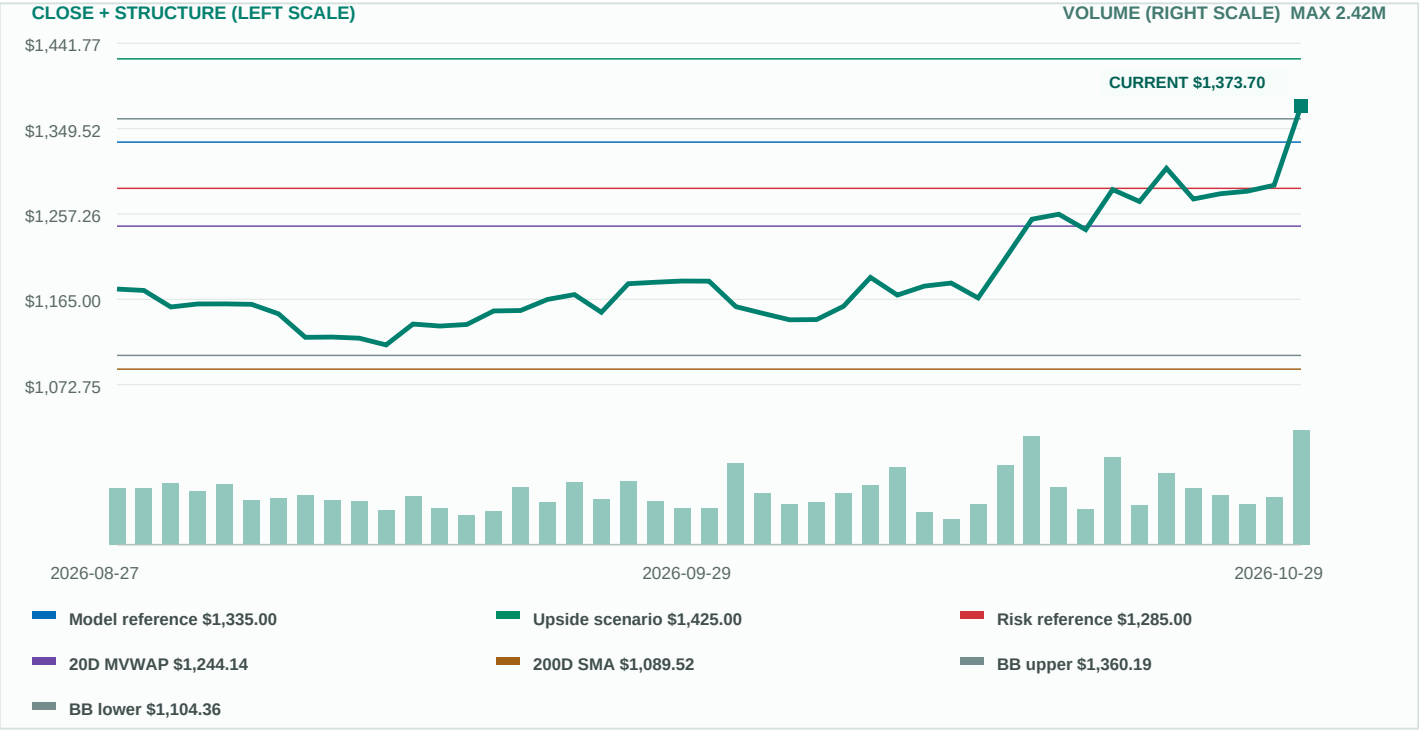
Risk watch

Profit-taking could lead to a pullback in LLY's share price after the recent surge. | Competition in the obesity and diabetes market could pose a risk to Mounjaro and Zepbound's continued success.



Enhanced price structure

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

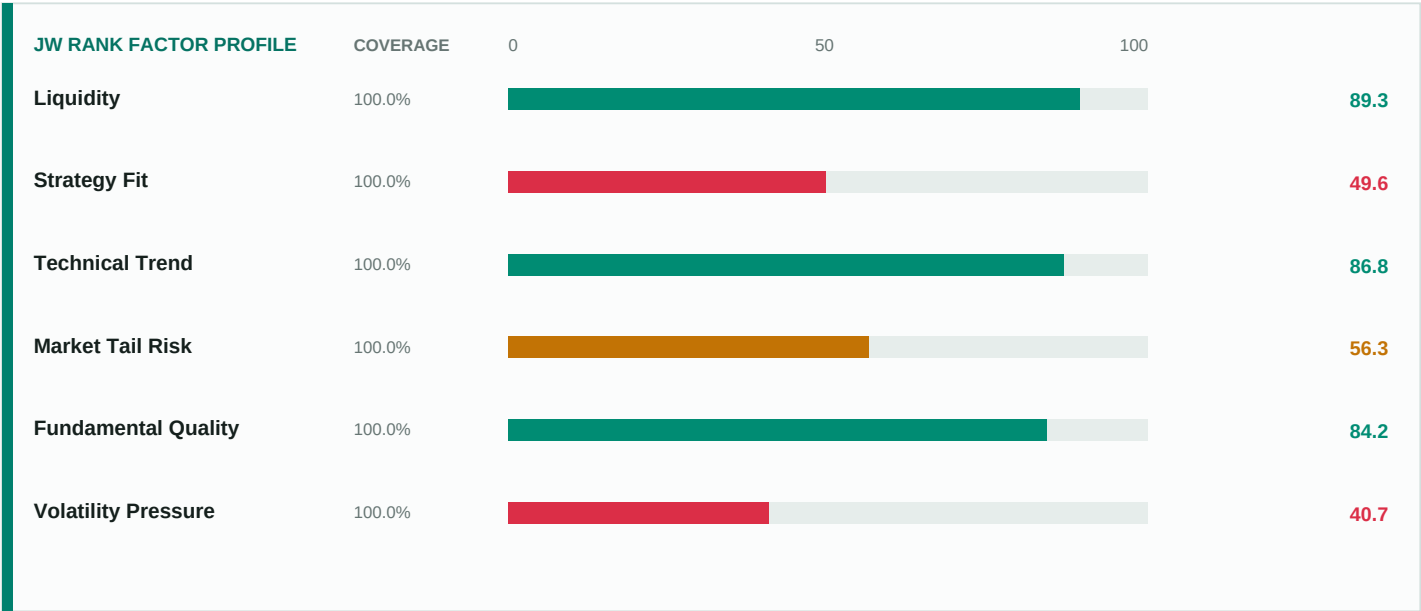


45 complete trading-session observations



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 overbought MACD accelerating
Trend signal	STRONG BULL
RSI signal	overbought
RSI (7 / 14 / 21)	81.44 / 74.44 / 69.84
RSI velocity	3.80
MACD line / signal / histogram	38.96 / - / 28.29
MACD acceleration	2.52
Stochastic K / D	82.01 / 79.54

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	9.08
20-day MVWAP	\$1,244.14
Price vs 20-day MVWAP	+10.92%
Daily reference VWAP	\$1,370.69
Price vs daily reference	+0.68%
Volume	2.42M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	7.54
20-day / 200-day SMA	\$1,232.28 / \$1,089.52
Bollinger range	\$1,104.36 - \$1,360.19
Bollinger position	1.053



Options and volatility intelligence

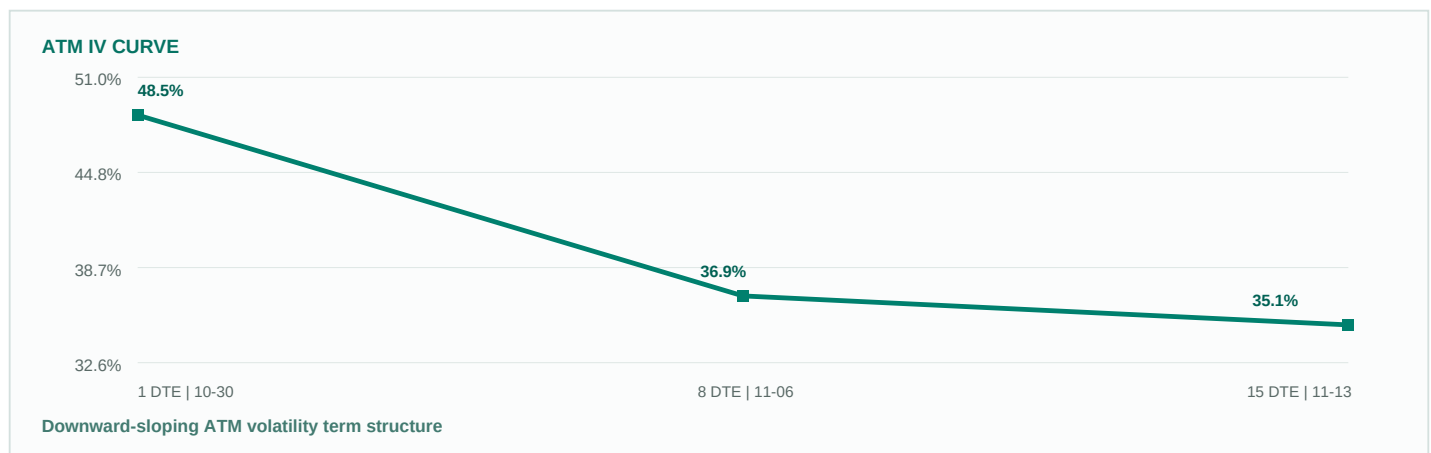
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
24 / 100	24 / 100	96.82	148.74

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-13.47 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 29, 2026 2:50 PM EDT
Options data quality	Coverage 100.0%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-30	1	48.5%	-
2026-11-06	8	36.9%	-
2026-11-13	15	35.1%	-

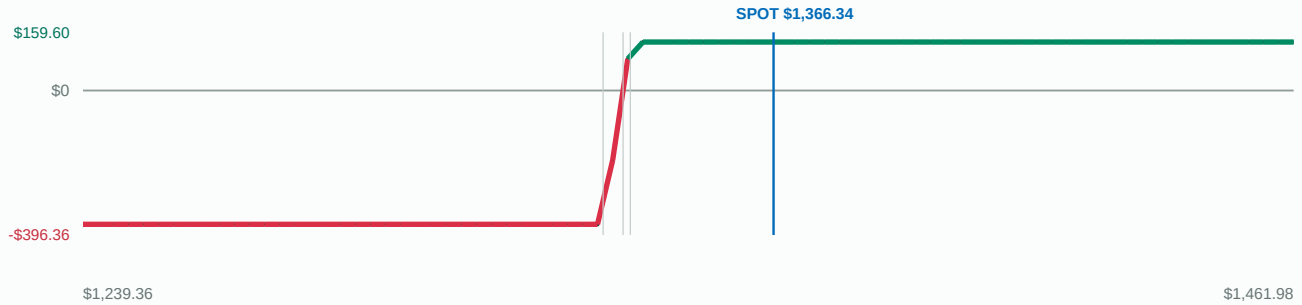


Reference spread payoff

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

Bull Put Spread reference

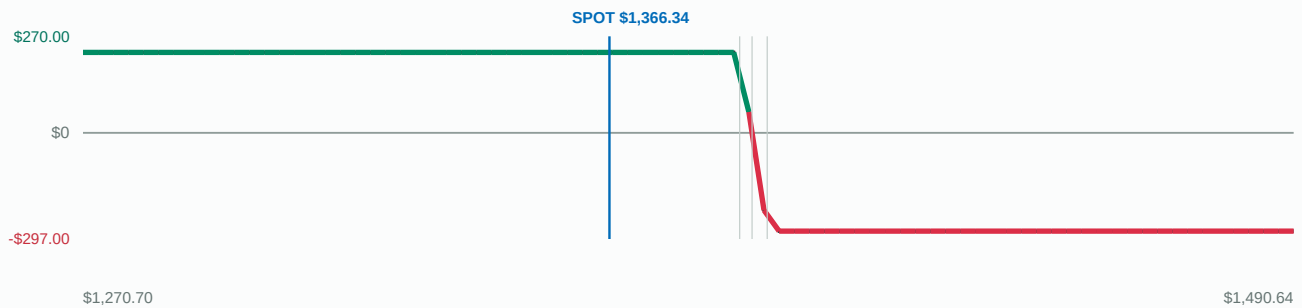
Short \$1,340.00 | Long \$1,335.00 | Width \$5.00 | Net credit \$1.33



Max profit \$133.00 | Max loss -\$367.00 | Break-even \$1,338.67 | Per contract at expiry

Bear Call Spread reference

Short \$1,390.00 | Long \$1,395.00 | Width \$5.00 | Net credit \$2.25



Max profit \$225.00 | Max loss -\$275.00 | Break-even \$1,392.25 | 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	high
Event IV premium	11.61
VIX	17.01
VVIX	96.82
SKEW index	148.74
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	150
Contracts with quotes	150

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LLY option market is pricing in a bullish outlook following strong Q3 earnings that beat expectations and raised full-year revenue guidance. Implied volatility is elevated, reflecting the excitement surrounding Mounjaro and Zepbound demand, but also potential for near-term profit-taking after a significant price surge.

Options context

LLY Option Market Prices in Strong Earnings Beat and Raised Guidance

Wheel context

LLY's recent earnings beat and raised guidance have created a bullish environment for option traders. The elevated implied volatility suggests potential for both significant gains and losses.

Observed evidence

LLY's stock price surged to a record high after exceeding Q3 earnings estimates and raising full-year revenue guidance. | Implied volatility is elevated, suggesting market participants anticipate continued volatility in LLY's share price. | The term structure of implied volatility shows a backwardation pattern, indicating that near-term options are more expensive than longer-term options. | Bullish sentiment is strong in the XAI analysis, driven by positive news surrounding Mounjaro and Zepbound demand.

Principal risks to monitor

Profit-taking could lead to a pullback in LLY's share price after the recent surge. | Competition in the obesity and diabetes market could pose a risk to Mounjaro and Zepbound's continued success.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$1.21T	45.39
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	
\$809.63 - \$1,321.21	

Company or fund profile

Issuer identity and classification

Name	Market
Eli Lilly and Company	NYSE
Industry	Country
Pharmaceuticals	US
Currency	IPO date
USD	1970-07-09
Shares outstanding	52-week return
941.36M	57.1%
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	Oct 21, 2026 12:54 PM EDT
Covered Call 2026-10-23	
At signal \$1,270.54 Current \$1,380.00	
SHORT Option \$1,280.00 B \$8.95 / A \$10.20	
Conservative CR \$9.58	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$42.52
ATR as % of price	3.1%
Volatility environment	medium
Current IV	31.9%
IV rank	23 / 100
IV percentile	22 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 29, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	70 / 100
Trend health	92 / 100
Momentum health	65 / 100
Volatility health	64 / 100
Structure health	45 / 100
Earnings risk / date	unknown 2026-10-29
Macro risk	unknown
Volatility risk	medium
Structure risk	high

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$1,232.28 / \$1,193.68 / \$1,089.52
EMA (9 / 21)	\$1,289.75 / \$1,248.09
Bollinger upper / middle / lower	\$1,360.19 / \$1,232.28 / \$1,104.36



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.053
True high / low	\$1,408.38 / \$1,288.30
5-day true high / low	\$1,408.38 / \$1,257.62

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	7.539	-
SMA50	1.698	-
MVWAP20	9.076	-
MACD	2.515	-
RSI	3.800	-
Volume	457288.670	-
ATR	1.784	-
T1	-	32.19 / 1226.45 / 1299.43 / 1260.34
T2	-	31.77 / 1220.43 / 1297.92 / 1272.07
T3	-	31.42 / 1216.91 / 1296.90 / 1273.46



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$1,366.34
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 29, 2026 2:50 PM EDT
Options data coverage	100.0%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FALLING
Front expiration / DTE	2026-10-30 1 DTE
Front at-the-money IV	48.5%
25-delta skew	-0.13
Put / Call 25-delta	\$1,340.00 Delta -0.230 / \$1,390.00 Delta 0.264
Median option bid/ask spread	22.9%
Bid/ask spread	-
Contracts observed / quoted	150 / 150

Price context

Last Price: 1,366.34 | Bid: 1,365.67 | Ask: 1,367.00 | Previous Close: 1,288.30 | Change: 78.04 |
Daily change: 6.06% | Update Time: 2026-10-29T14:50:43.513067-04:00 | Latest History Date: 2026-10-29
| Latest History Price: 1,366.33

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-06 | Latest Date: 2026-10-29 | Latest Price:
1,366.33 | Max Drawdown 60d Percent: -12.86%

Fundamental context

Current Iv Percent: 32.07% | Iv Rank: 23.62 | Iv Percentile: 23.51 | Next Earnings Date: 2026-10-29 |
Ex Dividend Date: 2026-11-12



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.

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Reference documents

Official product terms and standardized options disclosure

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