Lam Research Corporation / LRCX

Equity | Generated Nov 5, 2026 11:31 PM EST

Current price	Daily move	Bid / Ask	Previous close
$197.95	-23.48 -10.60%	$196.88/$198.59	$221.43

Market	NYSE
Industry	Semiconductors
Market data as of	Nov 5, 2026 11:31 PM EST

JW Intelligence Report

Complete | 3 of 3 sections | Nov 5, 2026 6:50 PM EST

JW Rank	Rank label	Confidence	IV percentile
43.7 / 100	Cautious	high	13 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$188.00	$210.00	$175.00	52 / 100

Options stance	bearish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% | Nov 5, 2026 6:50 PM EST

Key insight

LRCX Option Market Implies Continued Downside Pressure

Market read

The LRCX option market is pricing in continued downside risk following a sharp decline in the underlying stock price. Elevated implied volatility and a backwardated term structure suggest heightened uncertainty and expectations for further price movement.

Strategy context

The recent selloff in LRCX is likely driven by broader concerns about data center spending and AI growth, coupled with disappointing results from other semiconductor companies.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Nov 5, 2026 2:06 PM EST**

Short-term scenario

Speculative tactical long only for a potential 1-3 week oversold bounce after the violent drop, sized small and scaled. High uncertainty: sector liquidation, political scrutiny of data-center spending, and failed bounces are real risks. Not a high-conviction core position; stand aside if price cannot stabilize above recent lows.

Three-month outlook

Cautiously constructive if evidence emerges that AI/memory equipment demand and 2027 WFE spending above $200B remain intact, which would support a partial recovery toward analyst targets well above current levels. Offsetting risks include further multiple compression, slower hyperscaler capex growth, China restrictions, and lingering supply constraints. Expect continued high volatility; the path depends on whether the Nov 5 repricing is an overshoot or the start of a longer derating. Uncertainty is elevated and a sustained breakdown below recent lows would weaken the medium-term case.

Market sentiment

Near-term X sentiment is predominantly risk-off. Posts flag LRCX's ~14% drop with AMD, MU, AMAT and other semis as part of an AI-capex growth repricing and data-center political overhang, not isolated company news. Earlier notes highlighted bearish signals and a large drawdown from the ~$438 June high. Some longer-term comments remain constructive on equipment backlogs if AI demand holds, but promotional noise is high and conviction is low. Sentiment can shift quickly and is not a reliable timing signal.

Supporting evidence

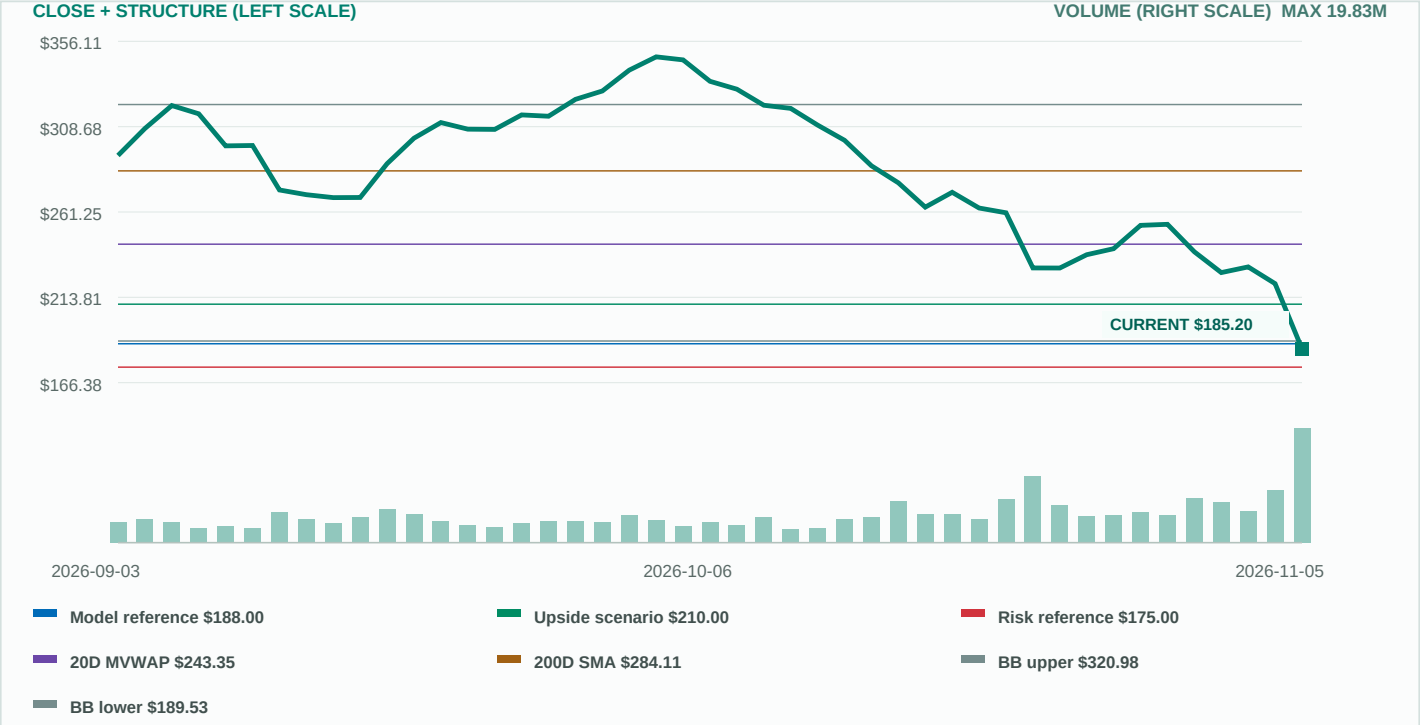
Implied volatility is significantly elevated at 60.16%, indicating high expected price swings. | The term structure of options shows a backwardation, with near-term options more expensive than longer-term options, suggesting market participants expect a decline in the underlying price soon. | Put options are in higher demand than call options, as evidenced by the elevated put skew, further indicating bearish sentiment.

Risk watch

Continued weakness in the semiconductor sector could further pressure LRCX shares.

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	Institutional flow	Structure	Volatility
bearish_warning	Below MVWAP	Below 200D trend	high

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**BEARISH WARNING | oversold | MACD decelerating**
Trend signal	**BEARISH WARNING**
RSI signal	**oversold**
RSI (7 / 14 / 21)	**15.07 / 22.61 / 28.06**
RSI velocity	**-2.69**
MACD line / signal / histogram	**-23.52 / - / -18.74**
MACD acceleration	**-1.41**
Stochastic K / D	**5.59 / 7.74**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Distribution bias**
Institutional flow	**-6.89**
20-day MVWAP	**$243.35**
Price vs 20-day MVWAP	**-18.66%**
Daily reference VWAP	**$193.17**
Price vs daily reference	**+2.47%**
Volume	**19.83M**

Structural context

Long-term trend and volatility boundaries

Current read	**Below 200-day trend | Negative macro velocity**
Macro velocity	**-5.78**
20-day / 200-day SMA	**$255.26 / $284.11**
Bollinger range	**$189.53 - $320.98**
Bollinger position	**-0.033**

Options and volatility intelligence

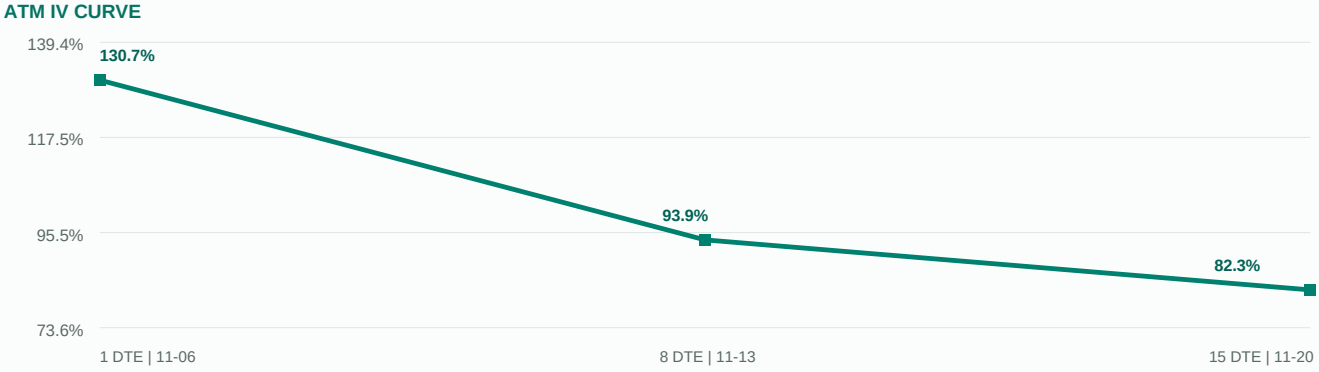
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
32 / 100	39 / 100	124.07	150.90

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-48.36 pts**
Skew read	**PUT DEMAND ELEVATED**
Liquidity / quote coverage	**98.1%**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 5, 2026 2:42 PM EST**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

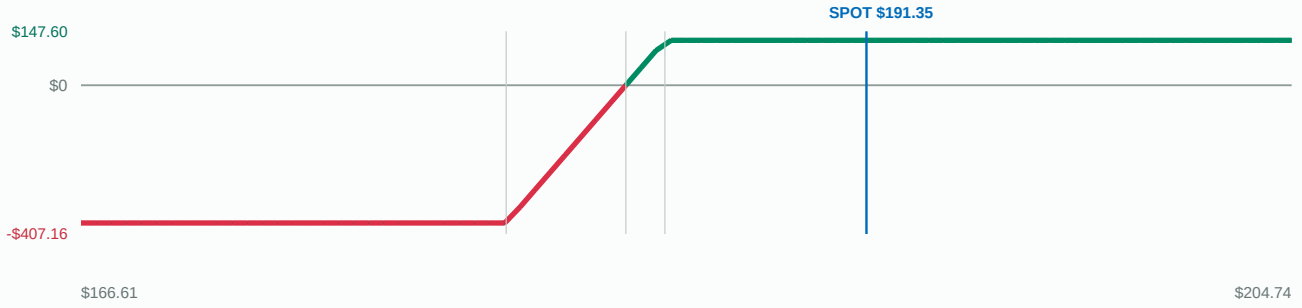
EXPIRATION	DTE	ATM IV	STATE
2026-11-06	1	130.7%	-
2026-11-13	8	93.9%	-
2026-11-20	15	82.3%	-

Reference spread payoff

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

Bull Put Spread reference

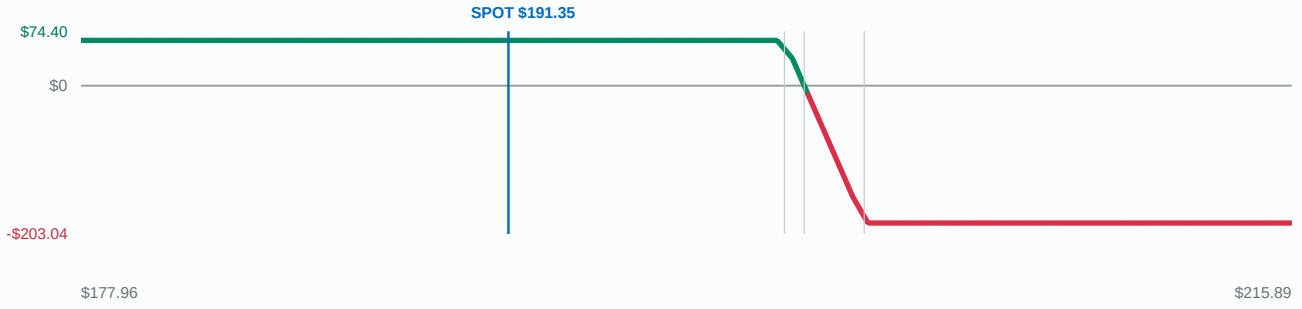
Short $185.00 | Long $180.00 | Width $5.00 | Net credit $1.23



Max profit $123.00 | Max loss -$377.00 | Break-even $183.77 | Per contract at expiry

Bear Call Spread reference

Short $200.00 | Long $202.50 | Width $2.50 | Net credit $0.62



Max profit $62.00 | Max loss -$188.00 | Break-even $200.62 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2027-01-27**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**26.33**
VVIX	**124.07**
SKEW index	**150.90**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**106**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**104**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The LRCX option market is pricing in continued downside risk following a sharp decline in the underlying stock price. Elevated implied volatility and a backwardated term structure suggest heightened uncertainty and expectations for further price movement.

Options context

LRCX Option Market Implies Continued Downside Pressure

Wheel context

The recent selloff in LRCX is likely driven by broader concerns about data center spending and AI growth, coupled with disappointing results from other semiconductor companies.

Observed evidence

Implied volatility is significantly elevated at 60.16%, indicating high expected price swings. | The term structure of options shows a backwardation, with near-term options more expensive than longer-term options, suggesting market participants expect a decline in the underlying price soon. | Put options are in higher demand than call options, as evidenced by the elevated put skew, further indicating bearish sentiment.

Principal risks to monitor

Continued weakness in the semiconductor sector could further pressure LRCX shares.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
$276.60B	**32.73**
ROE	Revenue growth
71.8%	**10.1%**
EPS growth	Operating margin
20.2%	**37.0%**
Net profit margin	Gross margin
32.3%	**-**
Free cash flow CAGR	Debt / equity
8.6%	**0.30**
Dividend yield	Beta
1.1%	**2.02**

52-week range

$135.50 - $438.50

Company or fund profile

Issuer identity and classification

Name	Market
Lam Research Corporation	**NYSE**
Industry	Country
Semiconductors	**US**
Currency	IPO date
USD	**1984-05-11**
Shares outstanding	52-week return
1.25B	**42.1%**
Book value per share	Revenue per share
$11.13	**$20.81**

Website	**lamresearch.com**

Latest strategy observation

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

LRCX Covered Call signal

Nov 4, 2026 10:06 AM EST

Covered Call | 2026-11-13

At signal $230.68 | Current $197.95

SHORT **Option $260.00 B $1.47 / A $1.68**

Conservative | CR $1.58

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$16.11**
ATR as % of price	**8.7%**
Volatility environment	**high**
Current IV	**51.9%**
IV rank	**18 / 100**
IV percentile	**13 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Nov 5, 2026 6:31 PM EST**

Technical health and risk radar

Derived indicator health and event context

Overall health	**33 / 100**
Trend health	**38 / 100**
Momentum health	**42 / 100**
Volatility health	**0 / 100**
Structure health	**47 / 100**
Earnings risk / date	**low | 2027-01-27**
Macro risk	**unknown**
Volatility risk	**high**
Structure risk	**high**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$255.26 / $286.73 / $284.11**
EMA (9 / 21)	**$228.21 / $252.21**
Bollinger upper / middle / lower	**$320.98 / $255.26 / $189.53**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**-0.033**
True high / low	**$221.43 / $184.24**
5-day true high / low	**$254.39 / $184.24**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-5.777	**-**
SMA50	-2.002	**-**
MVWAP20	-6.889	**-**
MACD	-1.412	**-**
RSI	-2.685	**-**
Volume	4266665.670	**-**
ATR	0.420	**-**
T1	-	**-20.29 / 255.30 / 233.05 / 218.50**
T2	-	**-19.56 / 259.96 / 237.28 / 227.56**
T3	-	**-19.29 / 264.02 / 243.56 / 224.58**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$191.35**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Nov 5, 2026 2:42 PM EST**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX RISING**
Front expiration / DTE	**2026-11-06 | 1 DTE**
Front at-the-money IV	**130.7%**
25-delta skew	**7.57**
Put / Call 25-delta	**$185.00 Delta -0.306 / $200.00 Delta 0.272**
Median option bid/ask spread	**11.1%**
Bid/ask spread	**-**
Contracts observed / quoted	**106 / 104**

Price context

Last Price: 191.35 | Bid: 191.35 | Ask: 191.56 | Previous Close: 221.43 | Change: -30.08 | Daily change: -13.58% | Update Time: 2026-11-05T14:42:18.093620-05:00 | Latest History Date: 2026-11-05 | Latest History Price: 191.35

Historical context

Trading-day sample: 60 sessions | First Date: 2026-08-13 | Latest Date: 2026-11-05 | Latest Price: 191.35 | Max Drawdown 60d Percent: -44.93%

Fundamental context

Current Iv Percent: 60.16% | Iv Rank: 32.09 | Iv Percentile: 39.04 | Next Earnings Date: 2027-01-27 | Ex Dividend Date: 2026-09-22

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 Nov 5, 2026 11:31 PM EST. 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**