Microsoft Corp / MSFT

Equity | Generated Sep 23, 2026 11:32 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$498.70	+0.70 +0.14%	$498.77/$499.02	$498.00

Market	**NYSE**
Industry	**Technology**
Market data as of	**Sep 23, 2026 11:32 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 23, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
69.9 / 100	Constructive	high	29 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$495.00	$518.00	$484.00	66 / 100

Options stance	**bullish**
Tail-risk safety	**32 / 100**
JW Rank data coverage / as of	**100.0% | Sep 23, 2026 7:50 PM EDT**

Key insight

Microsoft (MSFT) Shows Signs of Strength, Option Market Prices in Upside Potential

Market read

The market appears bullish on Microsoft (MSFT) following a recent upgrade from Stifel and news of significant cloud investments. While near-term uncertainty remains, the option market reflects optimism for continued upside potential.

Strategy context

The option market shows a slight preference for bullish strategies, with call options slightly more expensive than put options.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 23, 2026 1:44 PM EDT**

Short-term scenario

Cautious buy-on-weakness for a 1-3 week horizon rather than chasing strength. The upgrade and Azure narrative support a constructive bias, but price is consolidating near $500 with nearby resistance and mixed momentum, and the next earnings date sits outside this window. Prefer a pullback entry; if price does not reach the entry zone, standing aside is reasonable. Uncertainty is high because of macro tape, capex debate, and ordinary technical noise.

Three-month outlook

Moderately bullish base case with significant uncertainty. If Azure growth stays near the roughly 45% constant-currency pace guided for the current fiscal quarter and AI-related cloud and Copilot monetization continues to offset elevated spending, a grind toward the mid-$540s and, in a stronger case, toward consensus targets near $575 is plausible over three months, with late-October earnings as a catalyst. A weaker path, if free-cash-flow pressure, margin compression, or a tech rotation reasserts, could retest the mid-$450s to low-$480s. Key uncertainties include the timing of AI returns versus roughly $175 billion of discussed calendar-2026 spending, backlog concentration, litigation or regulatory headlines, and macro conditions. Analyst targets and technical levels are opinions and historical readings, not predictions.

Market sentiment

Recent X discussion is mildly constructive, not euphoric. Visible posts highlighted the Stifel upgrade as a notable shift from a previously cautious firm. Some options-focused accounts described selling cash-secured puts near $490 as a way to get paid to own the stock at a discount, which implies longer-term willingness to hold. Other commentary framed near-term upside tests toward the low $510s if support holds. Residual skepticism about heavy AI spending versus free-cash-flow conversion remains in the broader conversation, consistent with relatively modest year-to-date performance versus stronger gains over the prior three months. This is a small, non-representative sample of posts and is not a forecast.

Supporting evidence

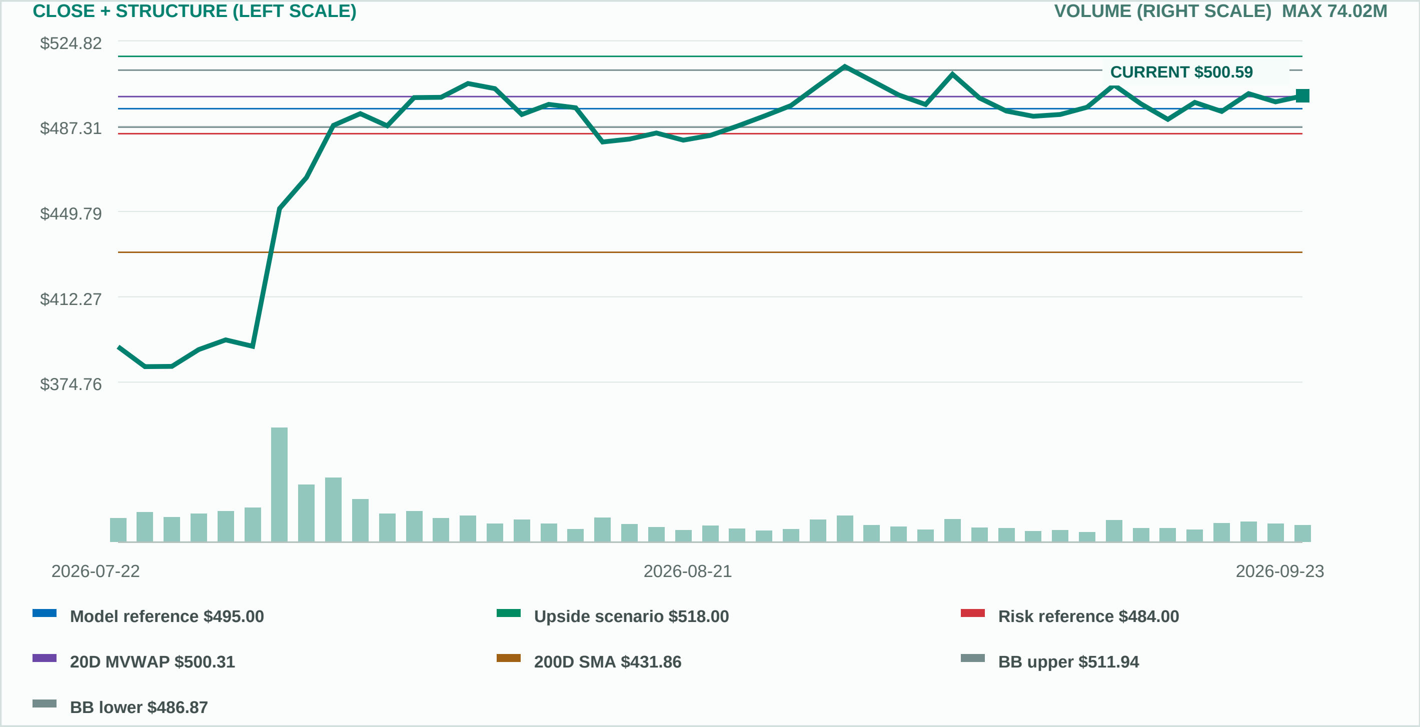
Stifel upgraded MSFT to Buy from Hold with a price target increase to $575. | Microsoft announced plans to invest over $10 billion in Middle Eastern cloud and AI infrastructure through 2030. | The company raised its quarterly dividend by 8% to $0.98. | Implied volatility is elevated, suggesting market participants anticipate potential price swings.

Risk watch

Uncertainty remains regarding the company's capital expenditure plans and their impact on free cash flow. | Litigation and regulatory headlines could negatively impact sentiment.

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	0 – 50 – 100
Liquidity	100.0%	96.8
Strategy Fit	100.0%	65.6
Technical Trend	100.0%	84.4
Market Tail Risk	100.0%	32.0
Fundamental Quality	100.0%	84.2
Volatility Pressure	100.0%	51.6

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
strong_bull	**Below MVWAP**	**Above 200D trend**	**medium**

Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	**STRONG BULL | neutral | MACD decelerating**
Trend signal	**STRONG BULL**
RSI signal	**neutral**
RSI (7 / 14 / 21)	**54.71 / 56.19 / 57.78**
RSI velocity	**1.02**
MACD line / signal / histogram	**6.17 / - / 8.25**
MACD acceleration	**-0.23**
Stochastic K / D	**47.44 / 41.95**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Below institutional MVWAP | Accumulation bias**
Institutional flow	**0.61**
20-day MVWAP	**$500.31**
Price vs 20-day MVWAP	**-0.32%**
Daily reference VWAP	**$501.97**
Price vs daily reference	**-0.65%**
Volume	**10.89M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**0.63**
20-day / 200-day SMA	**$499.41 / $431.86**
Bollinger range	**$486.87 - $511.94**
Bollinger position	**0.547**

Options and volatility intelligence

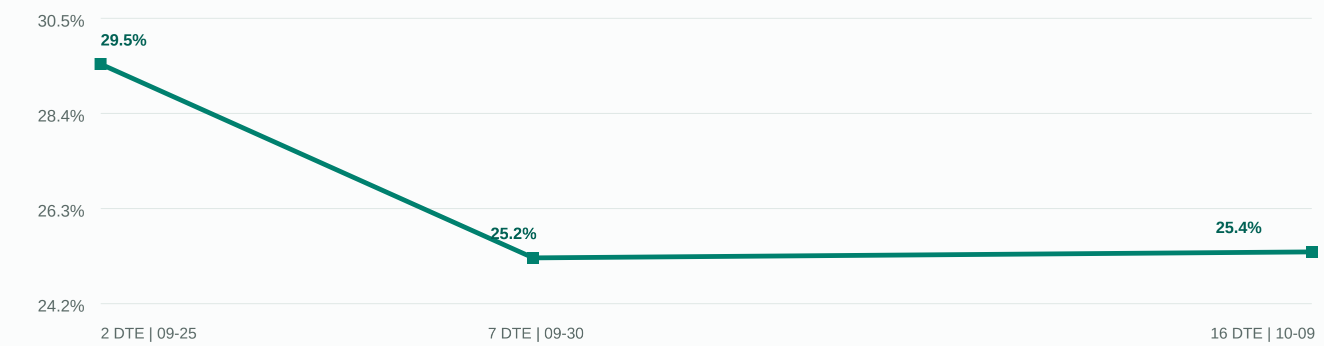
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
26 / 100	28 / 100	87.82	142.19

Market regime	**DANGER ZONE**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**backwardation**
Term slope	**-4.10 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 23, 2026 2:36 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



Downward-sloping ATM volatility term structure

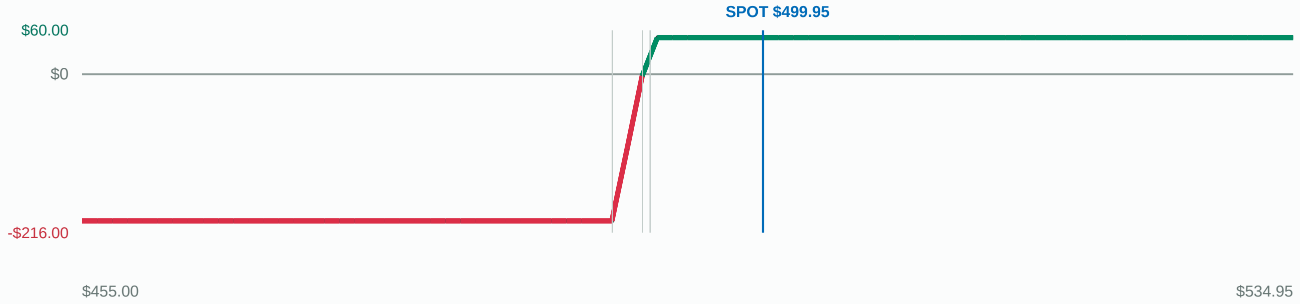
EXPIRATION	DTE	ATM IV	STATE
2026-09-25	2	29.5%	-
2026-09-30	7	25.2%	-
2026-10-09	16	25.4%	-

Reference spread payoff

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

Bull Put Spread reference

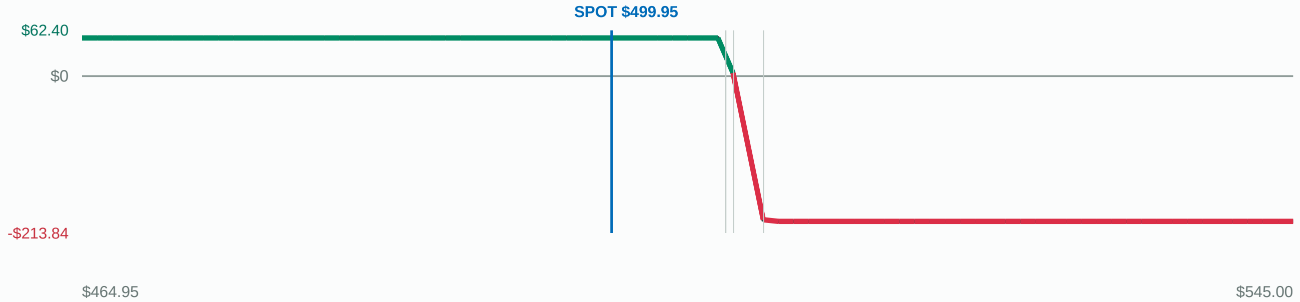
Short $492.50 | Long $490.00 | Width $2.50 | Net credit $0.50



Max profit $50.00 | Max loss -$200.00 | Break-even $492.00 | Per contract at expiry

Bear Call Spread reference

Short $507.50 | Long $510.00 | Width $2.50 | Net credit $0.52



Max profit $52.00 | Max loss -$198.00 | Break-even $508.02 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	**2026-10-28**
Earnings IV-crush risk	**NOT MEASURED**
VIX	**14.94**
VVIX	**87.82**
SKEW index	**142.19**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**139**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**139**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The market appears bullish on Microsoft (MSFT) following a recent upgrade from Stifel and news of significant cloud investments. While near-term uncertainty remains, the option market reflects optimism for continued upside potential.

Options context

Microsoft (MSFT) Shows Signs of Strength, Option Market Prices in Upside Potential

Wheel context

The option market shows a slight preference for bullish strategies, with call options slightly more expensive than put options.

Observed evidence

Stifel upgraded MSFT to Buy from Hold with a price target increase to $575. | Microsoft announced plans to invest over $10 billion in Middle Eastern cloud and AI infrastructure through 2030. | The company raised its quarterly dividend by 8% to $0.98. | Implied volatility is elevated, suggesting market participants anticipate potential price swings.

Principal risks to monitor

Uncertainty remains regarding the company's capital expenditure plans and their impact on free cash flow. | Litigation and regulatory headlines could negatively impact sentiment.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$3.70T**	P/E (TTM) **27.66**
ROE **33.2%**	Revenue growth **16.1%**
EPS growth **22.8%**	Operating margin **46.7%**
Net profit margin **40.3%**	Gross margin **-**
Free cash flow CAGR **3.6%**	Debt / equity **0.24**
Dividend yield **0.8%**	Beta **1.06**
52-week range **$349.20 - $553.72**	

Company or fund profile

Issuer identity and classification

Name **Microsoft Corp**	Market **NYSE**
Industry **Technology**	Country **US**
Currency **USD**	IPO date **1986-03-13**
Shares outstanding **7.43B**	52-week return **-3.2%**
Book value per share **$59.56**	Revenue per share **$44.60**

Website	**microsoft.com / En In**

Latest strategy observation

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

MSFT Covered Call signal

Sep 23, 2026 9:59 AM EDT

Covered Call | 2026-09-25

At signal $504.42 | Current $498.70

SHORT **Option $505.00 B $4.85 / A $5.05**

High turnover | CR $4.95

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$11.10**
ATR as % of price	**2.2%**
Volatility environment	**medium**
Current IV	**25.8%**
IV rank	**27 / 100**
IV percentile	**29 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 23, 2026 3:50 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**91 / 100**
Trend health	**92 / 100**
Momentum health	**98 / 100**
Volatility health	**77 / 100**
Structure health	**95 / 100**
Earnings risk / date	**low | 2026-10-28**
Macro risk	**unknown**
Volatility risk	**medium**
Structure risk	**low**

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	**$499.41 / $471.46 / $431.86**
EMA (9 / 21)	**$498.03 / $494.52**
Bollinger upper / middle / lower	**$511.94 / $499.41 / $486.87**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.547**
True high / low	**$509.44 / $495.88**
5-day true high / low	**$509.44 / $490.30**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.632	**-**
SMA50	2.261	**-**
MVWAP20	0.610	**-**
MACD	-0.228	**-**
RSI	1.018	**-**
Volume	-424115.000	**-**
ATR	0.162	**-**
T1	-	**6.36 / 499.85 / 508.50 / 493.65**
T2	-	**6.78 / 499.28 / 501.87 / 491.33**
T3	-	**6.85 / 498.48 / 498.65 / 491.10**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$499.95**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 23, 2026 2:36 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FALLING**
Front expiration / DTE	**2026-09-25 | 2 DTE**
Front at-the-money IV	**29.5%**
25-delta skew	**-0.27**
Put / Call 25-delta	**$492.50 Delta -0.249 / $507.50 Delta 0.260**
Median option bid/ask spread	**7.6%**
Bid/ask spread	**-**
Contracts observed / quoted	**139 / 139**

Price context

Last Price: 499.95 | Bid: 499.86 | Ask: 499.95 | Previous Close: 498.00 | Change: 1.95 | Daily change: 0.39% | Update Time: 2026-09-23T14:36:41.893915-04:00 | Latest History Date: 2026-09-23 | Latest History Price: 499.93

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-30 | Latest Date: 2026-09-23 | Latest Price: 499.93 | Max Drawdown 60d Percent: -5.15%

Fundamental context

Current Iv Percent: 25.48% | Iv Rank: 26.12 | Iv Percentile: 27.89 | Next Earnings Date: 2026-10-28 | Ex Dividend Date: 2026-11-18

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**
Terms of Use	**jasonwheel.com / Terms**
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Options Disclosure Document	**theocc.com / Options Disclosure Document**