



Microsoft Corp / MSFT

Equity | Generated Oct 12, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$538.80	+3.73 +0.70%	\$538.36/\$538.70	\$535.07

Market	NYSE
Industry	Technology
Market data as of	Oct 12, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 12, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
77.5 / 100	Constructive	high	70 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$532.00	\$558.00	\$518.00	74 / 100

Options stance	bullish
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Oct 12, 2026 6:50 PM EDT

Key insight

MSFT Option Market Prices in Continued Azure Growth and AI Momentum

Market read

The market is pricing in continued strong growth for Microsoft (MSFT) driven by Azure cloud services and advancements in artificial intelligence. Implied volatility suggests anticipation of potential price swings around the upcoming earnings release on October 28th.

Strategy context

Bullish options traders are positioning for continued upside in MSFT, while some investors are hedging with puts ahead of the earnings release.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Mixed

AI analysis updated

Oct 12, 2026 1:55 PM EDT

Short-term scenario

Cautious dip-buy or hold, not a chase. Price is near highs with RSI elevated and earnings on Oct 28 inside this 1-3 week window, so gap risk both ways is high. Prefer entries on a pullback rather than at the intraday highs. This is not a recommendation; levels can fail if the Oct 28 report or guidance disappoints.

Three-month outlook

Moderately constructive, with a wide uncertainty band. If Azure growth stays near the recent 43% print and guided high-30s to mid-40s pace, and Copilot monetization (about 30 million paid seats at fiscal 2026 year-end) continues, a path toward the high-\$500s to around \$600 consensus area is plausible over three months. Offsetting risks are an already-rich multiple near \$4 trillion, AI capex and regulation headlines, competition in custom silicon, and a sharp de-rating if Oct 28 guidance undershoots. A miss or cautious outlook could pull the stock back toward the low-\$500s or the \$515 area cited by the outlier Hold. Base case is modest upside with elevated event risk; outcome depends heavily on the late-October print.

Market sentiment

Recent X discussion is mixed and low-conviction rather than euphoric. Some traders call MSFT a strong buy in roughly the \$510-\$545 zone with much higher targets, and note it is only a few percent from all-time highs. Others flag stubborn price action, profit-taking, and notable put interest (including a large \$MSFT put print). A same-day post highlighted the Maia 300 claim of higher tokens per megawatt, with MSFT up and Nvidia down. Older higher-engagement posts have been more constructive on Azure and enterprise trust, while also noting the stock can sell off even after beats. Sentiment does not show a clear one-sided extreme.

Supporting evidence

Strong upward trend in stock price, exceeding key moving averages. | Elevated implied volatility reflecting market expectations for a potentially volatile earnings report. | Positive sentiment from recent news coverage highlighting Azure momentum and AI initiatives.

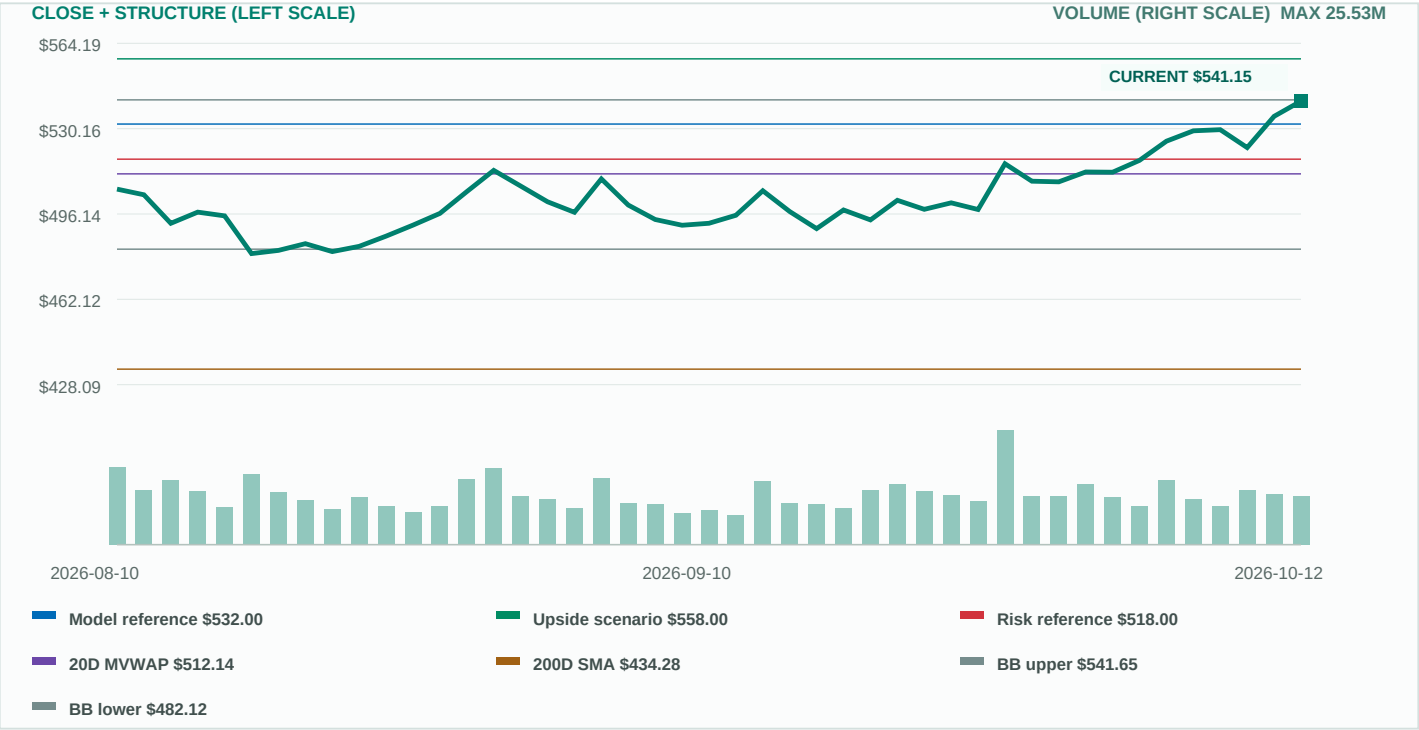
Risk watch

Earnings report on October 28th could trigger significant price swings, both positive and negative.



Enhanced price structure

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

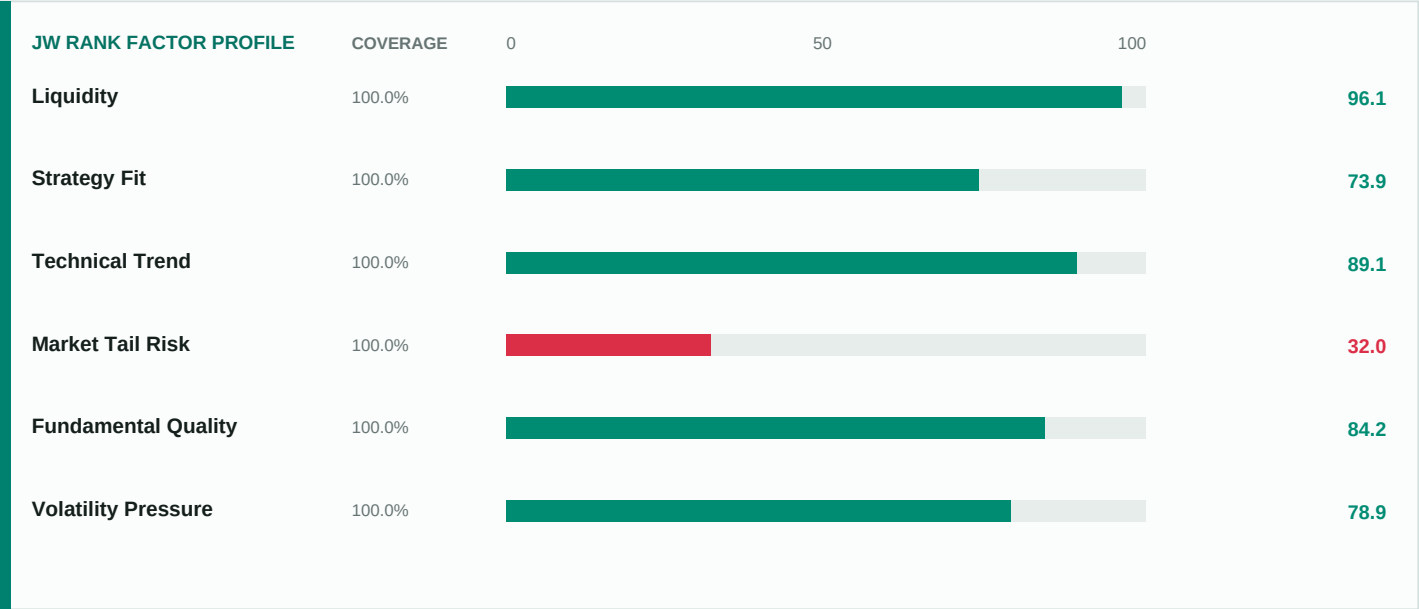


45 complete trading-session observations



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)	76.91 / 69.86 / 66.81
RSI velocity	0.57
MACD line / signal / histogram	11.57 / - / 9.62
MACD acceleration	0.48
Stochastic K / D	87.61 / 84.27

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.59
20-day MVWAP	\$512.14
Price vs 20-day MVWAP	+5.21%
Daily reference VWAP	\$539.86
Price vs daily reference	-0.20%
Volume	10.82M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.76
20-day / 200-day SMA	\$511.89 / \$434.28
Bollinger range	\$482.12 - \$541.65
Bollinger position	0.992



Options and volatility intelligence

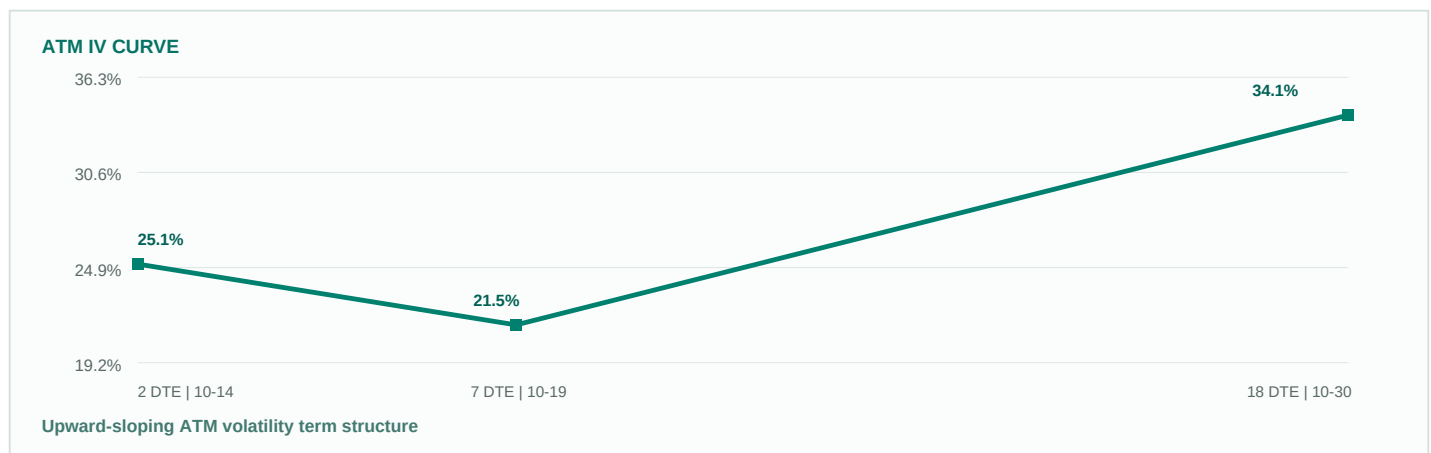
Structure, premium conditions and principal risks

IV rank 42 / 100	IV percentile 66 / 100	VVIX 86.75	SKEW 154.34
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Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+8.94 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 12, 2026 2:34 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-14	2	25.1%	-
2026-10-19	7	21.5%	-
2026-10-30	18	34.1%	-

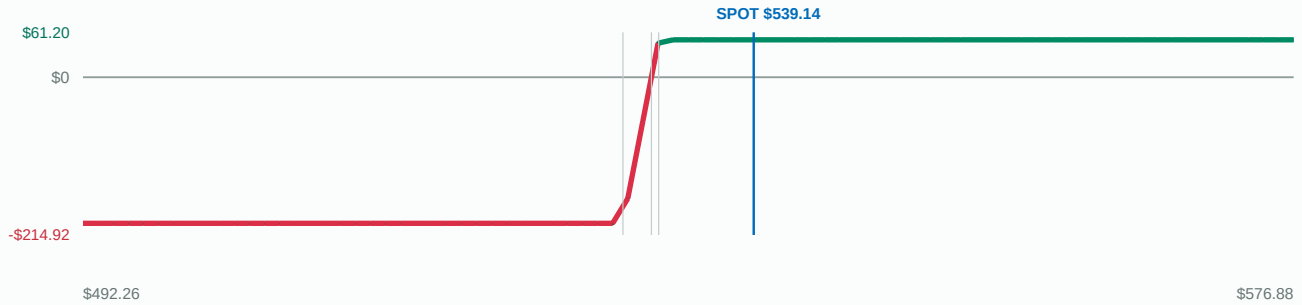


Reference spread payoff

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

Bull Put Spread reference

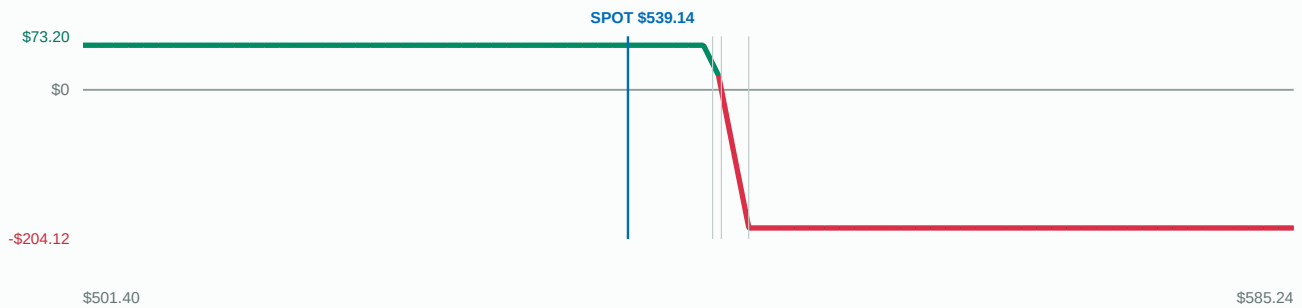
Short \$532.50 | Long \$530.00 | Width \$2.50 | Net credit \$0.51



Max profit \$51.00 | Max loss -\$199.00 | Break-even \$531.99 | Per contract at expiry

Bear Call Spread reference

Short \$545.00 | Long \$547.50 | Width \$2.50 | Net credit \$0.61



Max profit \$61.00 | Max loss -\$189.00 | Break-even \$545.61 | 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	unknown
VIX	15.23
VVIX	86.75
SKEW index	154.34
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 market is pricing in continued strong growth for Microsoft (MSFT) driven by Azure cloud services and advancements in artificial intelligence. Implied volatility suggests anticipation of potential price swings around the upcoming earnings release on October 28th.

Options context

MSFT Option Market Prices in Continued Azure Growth and AI Momentum

Wheel context

Bullish options traders are positioning for continued upside in MSFT, while some investors are hedging with puts ahead of the earnings release.

Observed evidence

Strong upward trend in stock price, exceeding key moving averages. | Elevated implied volatility reflecting market expectations for a potentially volatile earnings report. | Positive sentiment from recent news coverage highlighting Azure momentum and AI initiatives.

Principal risks to monitor

Earnings report on October 28th could trigger significant price swings, both positive and negative.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$3.97T	29.71
ROE	Revenue growth
33.2%	16.1%
EPS growth	Operating margin
22.8%	46.7%
Net profit margin	Gross margin
40.3%	-
Free cash flow CAGR	Debt / equity
3.6%	0.24
Dividend yield	Beta
0.8%	1.06
52-week range	
\$349.20 - \$553.72	

Company or fund profile

Issuer identity and classification

Name	Market
Microsoft Corp	NYSE
Industry	Country
Technology	US
Currency	IPO date
USD	1986-03-13
Shares outstanding	52-week return
7.43B	2.4%
Book value per share	Revenue per share
\$59.56	\$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 Covered Call 2026-10-07 At signal \$528.00 Current \$538.80 SHORT Option \$530.00 B \$3.90 / A \$4.15 Conservative CR \$4.03 Oct 5, 2026 9:57 AM EDT
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Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$11.54
ATR as % of price	2.1%
Volatility environment	medium
Current IV	30.6%
IV rank	44 / 100
IV percentile	70 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 12, 2026 7:31 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	76 / 100
Trend health	92 / 100
Momentum health	73 / 100
Volatility health	78 / 100
Structure health	51 / 100
Earnings risk / date	medium 2026-10-28
Macro risk	unknown
Volatility risk	medium
Structure risk	medium

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$511.89 / \$501.98 / \$434.28
EMA (9 / 21)	\$526.30 / \$515.19
Bollinger upper / middle / lower	\$541.65 / \$511.89 / \$482.12



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.992
True high / low	\$542.74 / \$535.07
5-day true high / low	\$542.74 / \$518.79

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.756	-
SMA50	1.950	-
MVWAP20	1.593	-
MACD	0.483	-
RSI	0.573	-
Volume	781693.000	-
ATR	0.051	-
T1	-	10.64 / 510.34 / 537.22 / 522.61
T2	-	9.92 / 508.84 / 533.51 / 518.79
T3	-	10.12 / 507.36 / 531.73 / 524.69



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$539.14
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 12, 2026 2:34 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-14 2 DTE
Front at-the-money IV	25.1%
25-delta skew	1.01
Put / Call 25-delta	\$532.50 Delta -0.253 / \$545.00 Delta 0.285
Median option bid/ask spread	9.5%
Bid/ask spread	-
Contracts observed / quoted	140 / 140

Price context

Last Price: 539.14 | Bid: 539.12 | Ask: 539.16 | Previous Close: 535.07 | Change: 4.07 | Daily change: 0.76% | Update Time: 2026-10-12T14:34:56.817764-04:00 | Latest History Date: 2026-10-12 | Latest History Price: 539.15

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-20 | Latest Date: 2026-10-12 | Latest Price: 539.15 | Max Drawdown 60d Percent: -5.15%

Fundamental context

Current Iv Percent: 30.00% | Iv Rank: 42.13 | Iv Percentile: 65.74 | 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.

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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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Options Disclosure Document	theocc.com / Options Disclosure Document