



Microsoft Corp / MSFT

Equity | Generated Oct 13, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$543.62	+2.47 +0.46%	\$543.53/\$544.09	\$541.15

Market	NYSE
Industry	Technology
Market data as of	Oct 13, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 13, 2026 7:51 PM EDT

JW Rank	Rank label	Confidence	IV percentile
77.9 / 100	Constructive	high	66 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$535.00	\$565.00	\$515.00	73 / 100

Options stance	bullish
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Oct 13, 2026 7:51 PM EDT

Key insight

MSFT Shows Strong Bullish Momentum, But Near-Term Caution Advised

Market read

Microsoft (MSFT) is showing strong bullish momentum with shares on pace for a potential record close. The stock has rallied over 50% from its June lows and reclaimed a \$4 trillion market cap. Recent news includes positive analyst commentary, a new AI accelerator announcement, and generally constructive sentiment. However, elevated RSI levels and proximity to recent highs suggest caution is warranted. A pullback entry may be preferable given the binary risk surrounding the upcoming earnings report.

Strategy context

MSFT's recent rally has attracted attention from both bulls and bears. While the stock shows strong momentum, some investors are cautious about chasing near-term highs.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 13, 2026 1:53 PM EDT

Short-term scenario

Cautiously bullish bias for 1-3 weeks, but avoid chasing near resistance. A pullback entry is preferable given elevated RSI, proximity to highs, and binary risk around the October 28 earnings report. Uncertainty is high; a breakout or sharp reversal are both plausible.

Three-month outlook

Moderately bullish over three months, with scope to move toward consensus targets in the \$580-\$600 area if Azure and Copilot trends hold and the late-October earnings report plus guidance ease concerns about AI investment returns. Custom silicon progress and Microsoft's enterprise distribution support the fundamental case. Material uncertainty remains around capital-expenditure intensity, competitive responses, regulatory or policy headlines, and broader mega-cap tech sentiment. A disappointing print or cautious outlook could produce a retracement toward the \$500 area. Outcomes are not assured.

Market sentiment

Recent X discussion is cautiously bullish but not euphoric. Posts highlighted the push toward a record close after the sharp recovery from June and noted that Wall Street is nearly uniformly constructive, with limited implied upside to average targets. Commentators continue to question whether Azure growth can sustainably outrun heavy AI infrastructure spending. Longer-term views emphasize Microsoft's enterprise AI, cloud, and security positioning, while several voices prefer building positions on pullbacks rather than chasing highs. Options mentions included put sweeps, and promotional or low-engagement posts add noise. Sample size and quality are limited, so sentiment confidence is moderate at best.

Supporting evidence

MSFT shares are on pace for a potential record close after a sharp recovery from June lows. | Barclays lifted its price target to \$600 from \$512 while keeping an overweight rating. | 68 of 72 analysts at buy with zero sells and an average target near \$584. | Strong bullish trend confirmed by price action above short-term, intermediate, and long-term moving averages. | RSI(14) is elevated in the roughly 69-72 zone, approaching overbought.

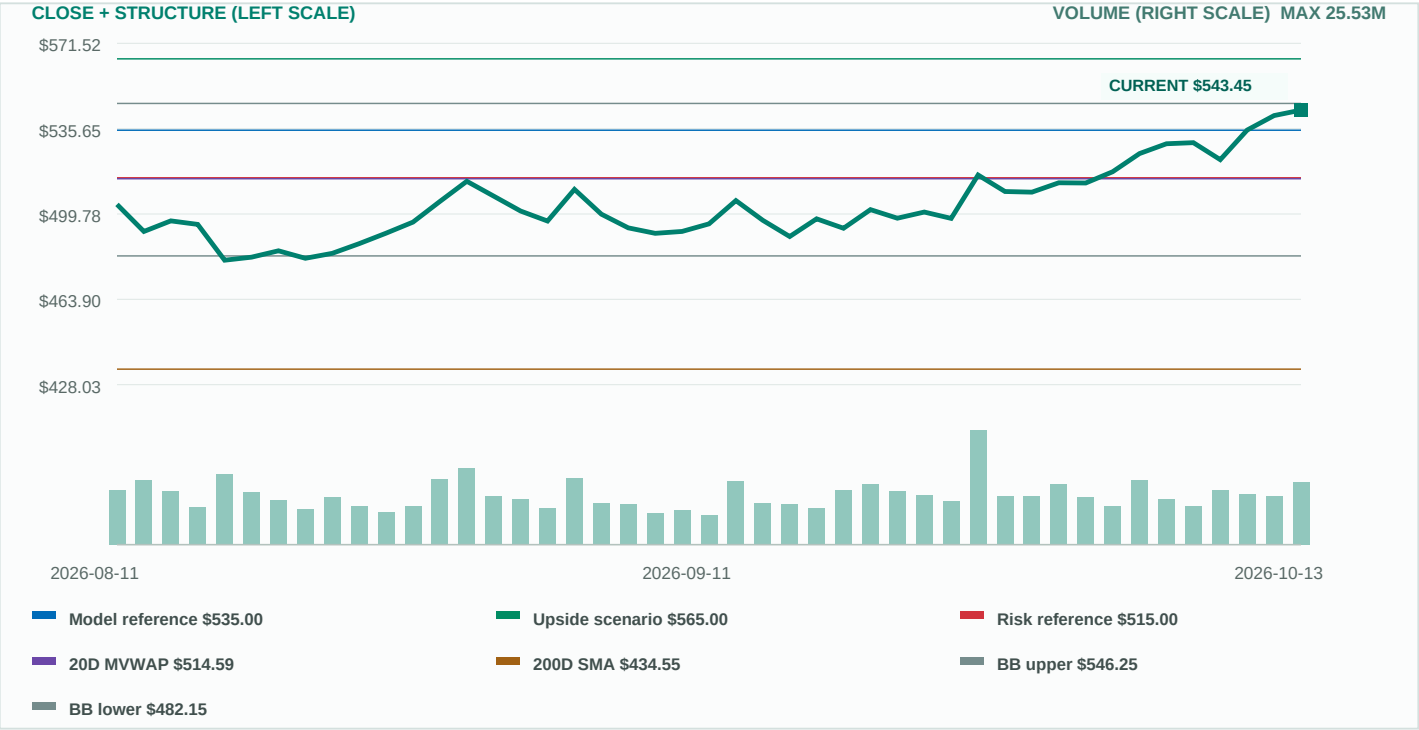
Risk watch

Elevated RSI levels suggest potential for a pullback. | Binary risk surrounding the upcoming earnings report on October 28th.



Enhanced price structure

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

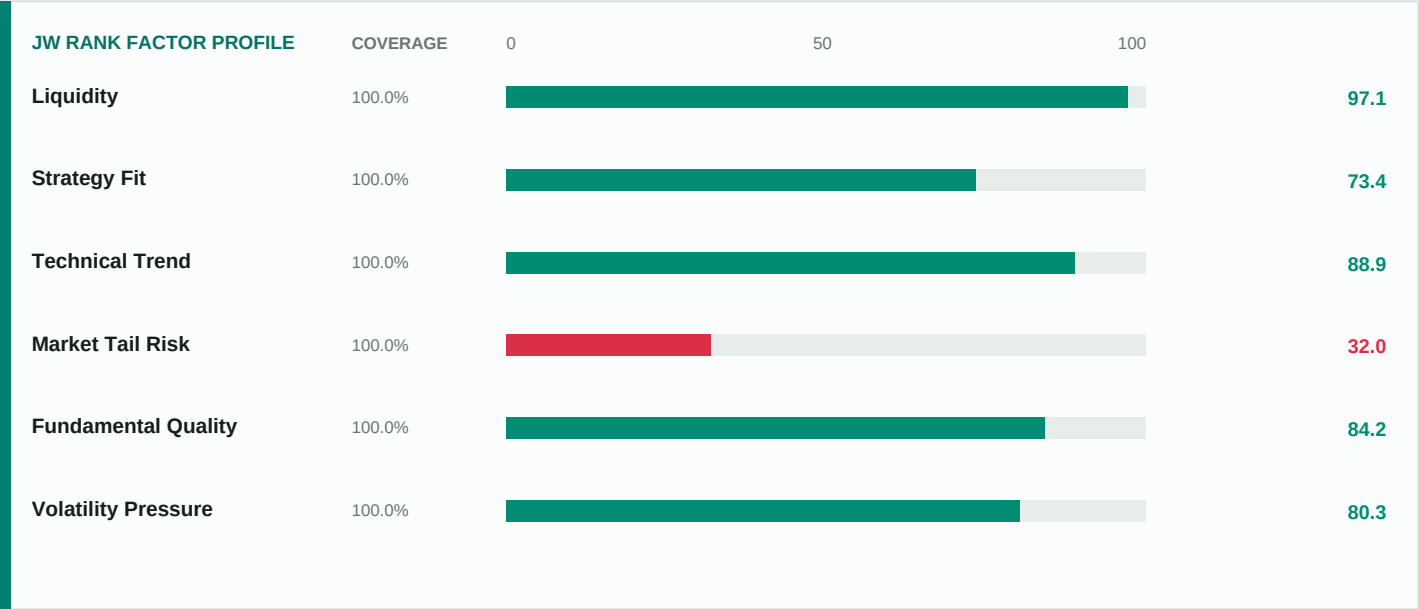


45 complete trading-session observations



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)	78.31 / 70.73 / 67.42
RSI velocity	3.01
MACD line / signal / histogram	12.35 / - / 10.17
MACD acceleration	0.81
Stochastic K / D	93.13 / 88.31

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.92
20-day MVWAP	\$514.59
Price vs 20-day MVWAP	+5.64%
Daily reference VWAP	\$545.89
Price vs daily reference	-0.42%
Volume	13.83M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.03
20-day / 200-day SMA	\$514.20 / \$434.55
Bollinger range	\$482.15 - \$546.25
Bollinger position	0.956



Options and volatility intelligence

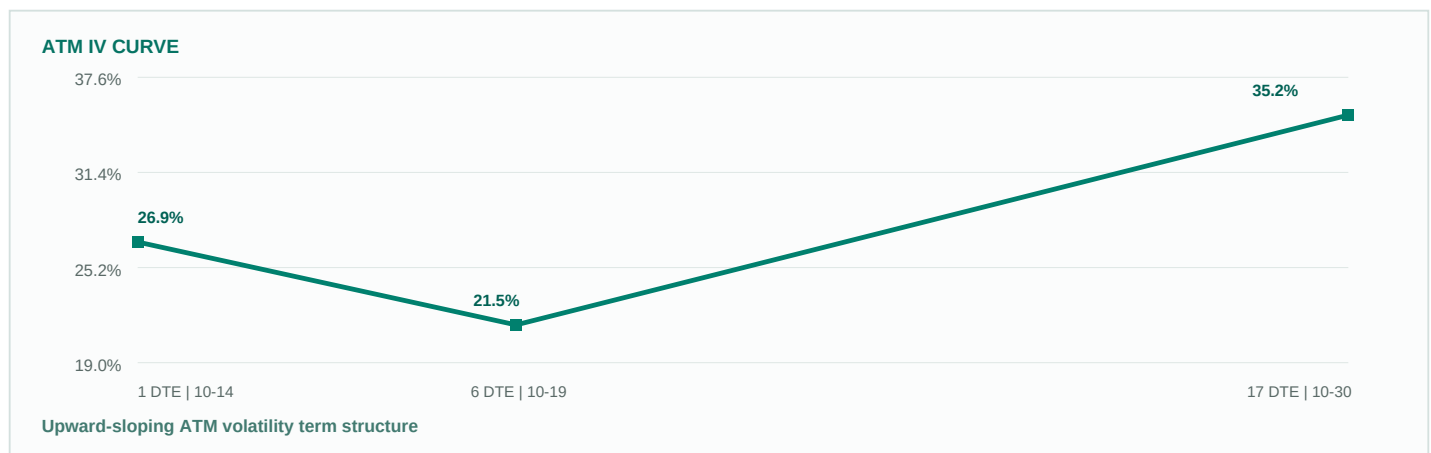
Structure, premium conditions and principal risks

IV rank 43 / 100	IV percentile 67 / 100	VVIX 85.87	SKEW 155.06
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Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+8.30 pts
Skew read	balanced
Liquidity / quote coverage	98.3%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 13, 2026 2:35 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	1	26.9%	-
2026-10-19	6	21.5%	-
2026-10-30	17	35.2%	-



Reference spread payoff

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



Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	2026-10-28
Earnings IV-crush risk	unknown
VIX	15.42
VVIX	85.87
SKEW index	155.06
Observation confidence	high
Option quote quality	reliable
Contracts observed	120



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	118

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

MSFT Shows Strong Bullish Momentum, But Near-Term Caution Advised

Wheel context

MSFT's recent rally has attracted attention from both bulls and bears. While the stock shows strong momentum, some investors are cautious about chasing near-term highs.

Observed evidence

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Principal risks to monitor

Elevated RSI levels suggest potential for a pullback. | Binary risk surrounding the upcoming earnings report on October 28th.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$4.02T	29.99
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 \$543.62 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	\$11.43
ATR as % of price	2.1%
Volatility environment	medium
Current IV	30.2%
IV rank	43 / 100
IV percentile	66 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 13, 2026 3:51 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	77 / 100
Trend health	92 / 100
Momentum health	72 / 100
Volatility health	79 / 100
Structure health	54 / 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)	\$514.20 / \$503.09 / \$434.55
EMA (9 / 21)	\$529.73 / \$517.76
Bollinger upper / middle / lower	\$546.25 / \$514.20 / \$482.15



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.956
True high / low	\$551.15 / \$541.15
5-day true high / low	\$551.15 / \$518.79

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.025	-
SMA50	1.441	-
MVWAP20	1.918	-
MACD	0.810	-
RSI	3.012	-
Volume	539375.330	-
ATR	-0.065	-
T1	-	11.57 / 512.13 / 542.74 / 535.07
T2	-	10.64 / 510.34 / 537.22 / 522.61
T3	-	9.92 / 508.84 / 533.51 / 518.79



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$546.49
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 13, 2026 2:35 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-14 1 DTE
Front at-the-money IV	26.9%
25-delta skew	1.92
Put / Call 25-delta	\$540.00 Delta -0.212 / \$552.50 Delta 0.227
Median option bid/ask spread	8.2%
Bid/ask spread	-
Contracts observed / quoted	120 / 118

Price context

Last Price: 546.49 | Bid: 546.46 | Ask: 546.52 | Previous Close: 541.15 | Change: 5.34 | Daily change: 0.99% | Update Time: 2026-10-13T14:35:03.055395-04:00 | Latest History Date: 2026-10-13 | Latest History Price: 546.50

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-21 | Latest Date: 2026-10-13 | Latest Price: 546.50 | Max Drawdown 60d Percent: -5.08%

Fundamental context

Current Iv Percent: 30.32% | Iv Rank: 43.26 | Iv Percentile: 66.53 | 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

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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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