



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Sep 1, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$412.74	-2.58 -0.62%	\$412.51/\$413.08	\$415.32

Market	NYSE
Industry	Semiconductors
Market data as of	Sep 1, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Sep 1, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
65.9 / 100	Constructive	high	2 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$410.00	\$430.00	\$398.00	69 / 100

Options stance	bullish
Tail-risk safety	64 / 100
JW Rank data coverage / as of	100.0% Sep 1, 2026 7:50 PM EDT

Key insight

TSM Option Market Prices in Strong AI Demand and Growth

Market read

The option market for TSM reflects a bullish outlook driven by strong demand for its AI chips. Despite recent weakness due to global bond selloff and rising yields, the implied volatility term structure is backwardated, suggesting expectations for continued growth. The reference spreads indicate potential upside opportunities.

Strategy context

The market anticipates continued growth for TSM driven by strong AI demand. However, near-term volatility is elevated due to global macroeconomic factors and geopolitical concerns.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bearish

AI analysis updated

Sep 1, 2026 2:09 PM EDT

Short-term scenario

Cautious buy/accumulate on dips. Strong AI fundamentals offset by short-term technical weakness, yield pressure, and high uncertainty from rates, geopolitics, and sector rotation over 1-3 weeks.

Three-month outlook

Constructive bias from accelerating AI demand, ~40% 2026 growth, and expansions, but elevated uncertainty from Taiwan geopolitics, US rates/inflation, 2nm ramp margin pressure, and valuation. Potential move toward 450-480 if narrative holds; downside risk to 380-400 on shocks. 12-month analyst targets imply ~25%+ upside.

Market sentiment

Cautiously optimistic with focus on TSM's AI manufacturing bottleneck role. Posts note Taiwan cash-market strength vs. US ADR weakness from yields/Fed comments, watching 424-427 reclaim. Some list it among core long-term AI/hold names. Overall mixed, acknowledging macro (rates, geopolitics) volatility rather than outright bearish.

Supporting evidence

TSM's option chain exhibits a backwardated term structure with higher implied volatilities for near-term expirations. | The market prices in strong AI demand and growth, reflected in TSMC's raised full-year revenue guidance to slightly above 40%. | Bull Put Spread reference spreads suggest potential upside opportunities. | Despite recent weakness, the overall sentiment towards TSM remains cautiously optimistic.

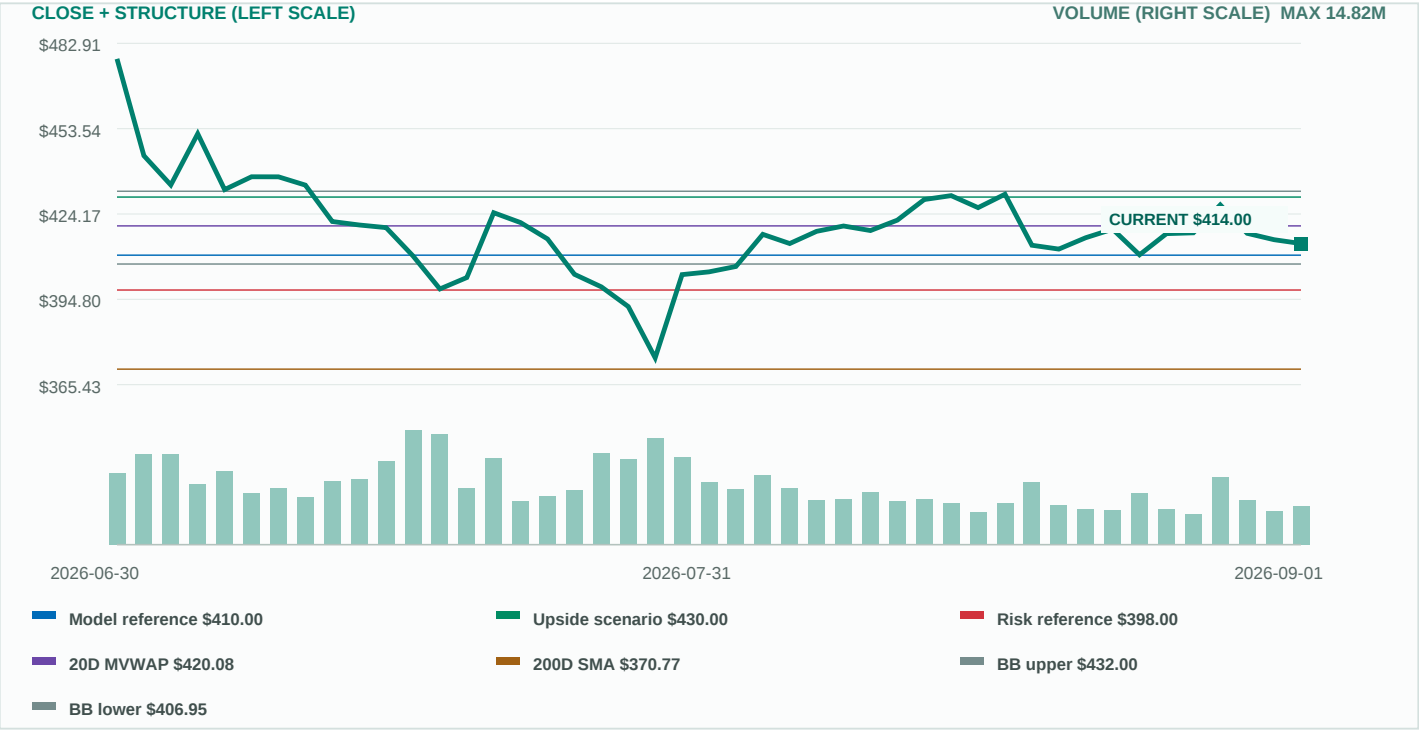
Risk watch

Geopolitical tensions surrounding Taiwan could negatively impact TSM's operations.



Enhanced price structure

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

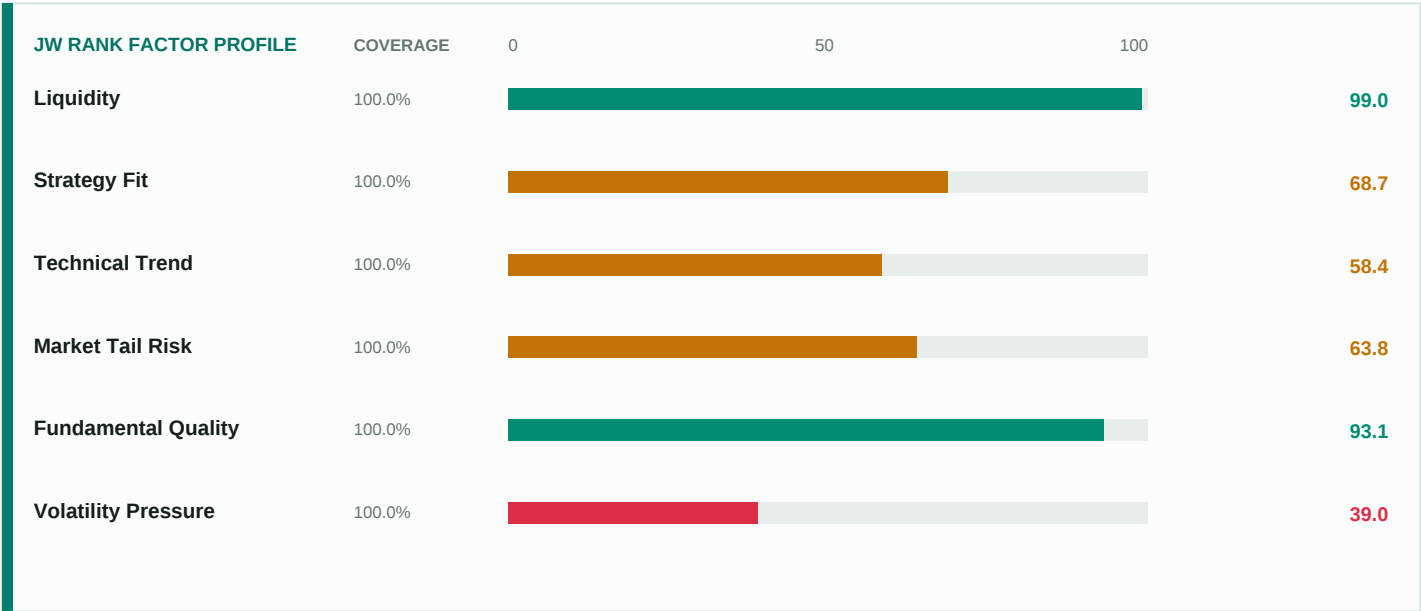


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

bullish_recovery

Institutional flow

Below MVWAP

Structure

Above 200D trend

Volatility

medium



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	BULLISH RECOVERY neutral MACD decelerating
Trend signal	BULLISH RECOVERY
RSI signal	neutral
RSI (7 / 14 / 21)	44.34 / 47.66 / 48.65
RSI velocity	-2.51
MACD line / signal / histogram	-0.21 / - / 0.01
MACD acceleration	-0.26
Stochastic K / D	33.87 / 44.29

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Below institutional MVWAP Accumulation bias
Institutional flow	0.60
20-day MVWAP	\$420.08
Price vs 20-day MVWAP	-1.75%
Daily reference VWAP	\$414.89
Price vs daily reference	-0.52%
Volume	4.95M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	0.32
20-day / 200-day SMA	\$419.48 / \$370.77
Bollinger range	\$406.95 - \$432.00
Bollinger position	0.281



Options and volatility intelligence

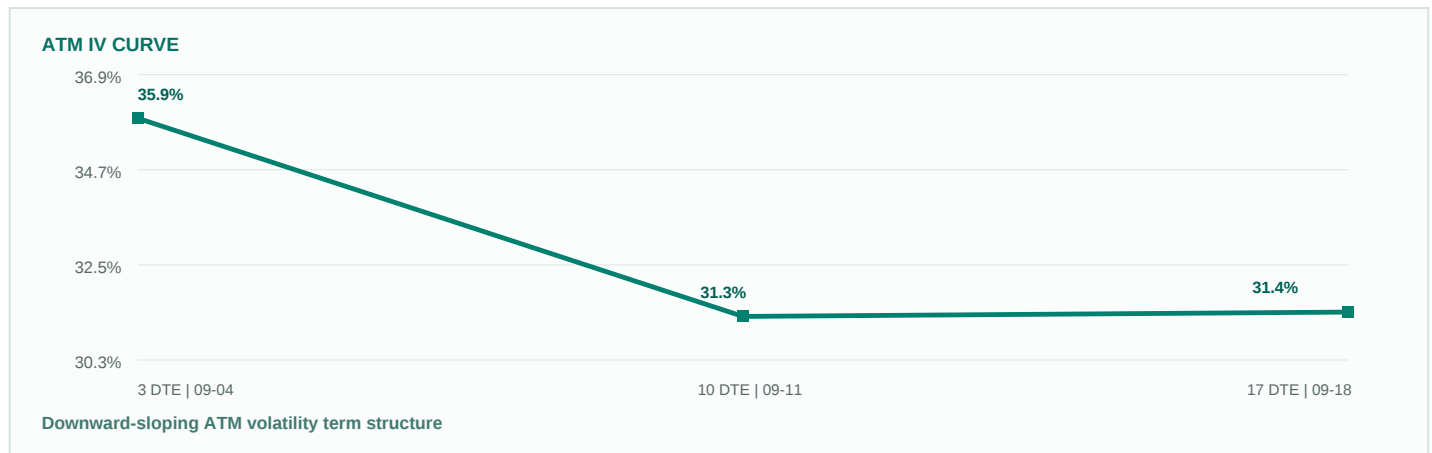
Structure, premium conditions and principal risks

IV rank 6 / 100	IV percentile 3 / 100	VVIX 90.87	SKEW 148.53
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Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-4.45 pts
Skew read	balanced
Liquidity / quote coverage	100.0%
Options observation	Sep 1, 2026 4:36 PM EDT Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-09-04	3	35.9%	-
2026-09-11	10	31.3%	-
2026-09-18	17	31.4%	-

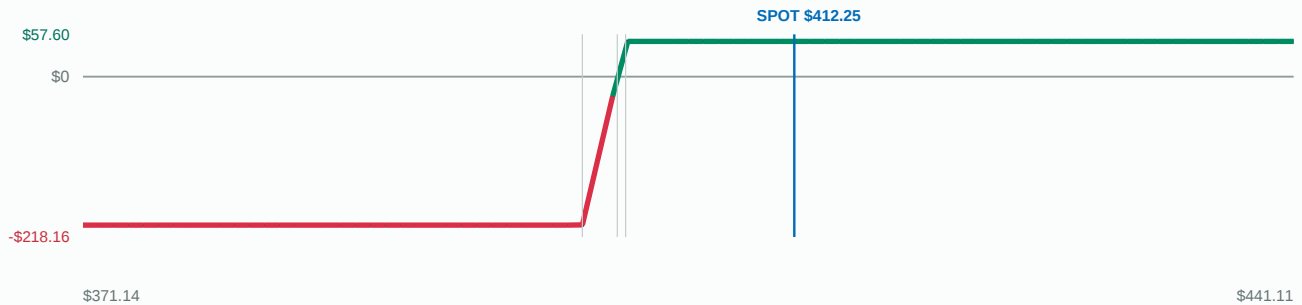


Reference spread payoff

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

Bull Put Spread reference

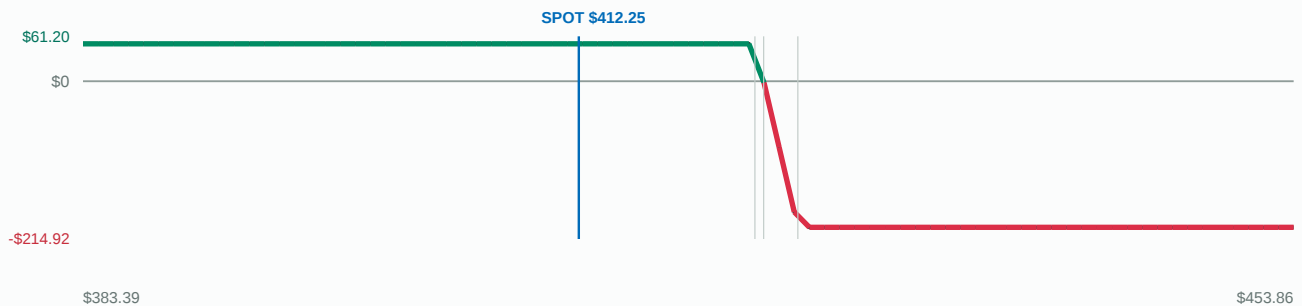
Short \$402.50 | Long \$400.00 | Width \$2.50 | Net credit \$0.48



Max profit \$48.00 | Max loss -\$202.00 | Break-even \$402.02 | Per contract at expiry

Bear Call Spread reference

Short \$422.50 | Long \$425.00 | Width \$2.50 | Net credit \$0.51



Max profit \$51.00 | Max loss -\$199.00 | Break-even \$423.01 | Per contract at expiry

Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	2026-10-15
Earnings IV-crush risk	NOT MEASURED
VIX	16.20
VVIX	90.87
SKEW index	148.53
Observation confidence	high
Option quote quality	reliable
Contracts observed	130



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	130

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The option market for TSM reflects a bullish outlook driven by strong demand for its AI chips. Despite recent weakness due to global bond selloff and rising yields, the implied volatility term structure is backwardated, suggesting expectations for continued growth. The reference spreads indicate potential upside opportunities.

Options context

TSM Option Market Prices in Strong AI Demand and Growth

Wheel context

The market anticipates continued growth for TSM driven by strong AI demand. However, near-term volatility is elevated due to global macroeconomic factors and geopolitical concerns.

Observed evidence

TSM's option chain exhibits a backwardated term structure with higher implied volatilities for near-term expirations. | The market prices in strong AI demand and growth, reflected in TSMC's raised full-year revenue guidance to slightly above 40%. | Bull Put Spread reference spreads suggest potential upside opportunities. | Despite recent weakness, the overall sentiment towards TSM remains cautiously optimistic.

Principal risks to monitor

Geopolitical tensions surrounding Taiwan could negatively impact TSM's operations.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$62.37T	27.87
ROE	Revenue growth
39.9%	18.9%
EPS growth	Operating margin
19.1%	56.4%
Net profit margin	Gross margin
50.7%	-
Free cash flow CAGR	Debt / equity
26.5%	0.20
Dividend yield	Beta
2.0%	0.98
52-week range	
\$1,145.00 - \$2,535.00	

Company or fund profile

Issuer identity and classification

Name	Market
Taiwan Semiconductor Manufacturing ...	NYSE
Industry	Country
Semiconductors	TW
Currency	IPO date
TWD	1994-09-05
Shares outstanding	52-week return
25.93B	17.5%
Book value per share	Revenue per share
\$248.05	\$172.35
Website	tsmc.com



Latest strategy observation

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

TSM Covered Call signal

Covered Call | 2026-09-04

At signal \$414.67 | Current \$412.74

SHORT Option \$415.00 B \$5.35 / A \$6.00

High turnover | CR \$5.68

Sep 1, 2026 9:57 AM EDT



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$12.06
ATR as % of price	2.9%
Volatility environment	medium
Current IV	30.8%
IV rank	5 / 100
IV percentile	2 / 100

Technical health and risk radar

Derived indicator health and event context

Overall health	78 / 100
Trend health	78 / 100
Momentum health	87 / 100
Volatility health	66 / 100
Structure health	78 / 100
Earnings risk / date	low 2026-10-15
Macro risk	unknown
Volatility risk	medium
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$419.48 / \$421.42 / \$370.77
EMA (9 / 21)	\$417.36 / \$417.59
Bollinger upper / middle / lower	\$432.00 / \$419.48 / \$406.95
Bollinger %B	0.281
True high / low	\$418.62 / \$412.06



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
5-day true high / low	\$429.64 / \$412.06

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.322	-
SMA50	-0.767	-
MVWAP20	0.597	-
MACD	-0.263	-
RSI	-2.508	-
Volume	-1239832.000	-
ATR	-0.249	-
T1	-	0.13 / 420.03 / 423.80 / 414.60
T2	-	0.43 / 419.14 / 429.12 / 417.32
T3	-	0.58 / 418.29 / 429.64 / 417.69



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$412.25
Options intelligence as of	Sep 1, 2026 4:36 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-09-04 3 DTE
Front at-the-money IV	35.9%
25-delta skew	0.37
Put / Call 25-delta	\$402.50 Delta -0.224 / \$422.50 Delta 0.239
Median option bid/ask spread	7.7%
Bid/ask spread	-
Contracts observed / quoted	130 / 130

Price context

Last Price: 412.25 | Bid: 412.15 | Ask: 412.36 | Previous Close: 415.32 | Change: -3.07 | Daily change: -0.74% | Update Time: 2026-09-01T14:48:44.077610-04:00 | Latest History Date: 2026-09-01 | Latest History Price: 412.27

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-08 | Latest Date: 2026-09-01 | Latest Price: 412.27 | Max Drawdown 60d Percent: -21.55%

Fundamental context

Current Iv Percent: 31.04% | Iv Rank: 6.31 | Iv Percentile: 2.78 | Next Earnings Date: 2026-10-15 | Ex Dividend Date: 2026-09-15 | Dividend Yield: 104.00



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.

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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