



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Sep 18, 2026 11:33 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$433.34	+3.08 +0.72%	-/-	\$430.26

Market	NYSE
Industry	Semiconductors
Market data as of	Sep 18, 2026 11:33 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Sep 18, 2026 6:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
74.1 / 100	Constructive	high	3 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$430.00	\$450.00	\$415.00	70 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Sep 18, 2026 6:50 PM EDT

Key insight

TSM Option Market Implies Continued Upside Potential

Market read

The TSM option market suggests continued upside potential for the stock. Implied volatility is elevated, reflecting investor anticipation of upcoming earnings and broader market uncertainty. The term structure shows a slight contango, with near-term options slightly more expensive than longer-dated options. Bullish sentiment is supported by strong technical indicators, including a positive MACD crossover and price trading above both the 50-day and 200-day moving averages. However, geopolitical risks and execution challenges remain potential headwinds.

Strategy context

The market is pricing in potential for both upside and downside movement, with a slight skew towards the upside.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Sep 18, 2026 9:45 AM EDT

Short-term scenario

Cautiously bullish 1-3 weeks if holds/breaks 430; consider long on dip toward support amid high uncertainty from macro (Fed), geopolitics, and execution. Not a high-conviction trade given mixed techs and risks.

Three-month outlook

Constructive/bullish targeting 470-500+ on 2nm ramp, Q3 guidance (\$44.6-45.8B), sustained AI/HPC demand (can't keep pace despite expansion), and record revenues, but HIGH UNCERTAINTY from Taiwan-China tensions, US policy/rates, capex intensity/margin dilution, talent shortages, and potential demand slowdown. Geopolitics and execution are key unquantifiable risks.

Market sentiment

Constructive/bullish on AI leadership and 2nm/advanced nodes, with traders watching 430 hold/breakout to 450-477; reports of heavy insider buying; some caution on volatility spike, crowded semiconductor trade, need for volume confirmation, and unpriced Taiwan geopolitical risk. Mixed near-term views with patience advised over prediction.

Supporting evidence

Elevated implied volatility suggests market anticipation of significant price movement around upcoming earnings. | Slight contango in the term structure indicates a belief that future volatility will be higher than current levels. | Strong technical indicators like a positive MACD crossover and price above key moving averages support bullish sentiment.

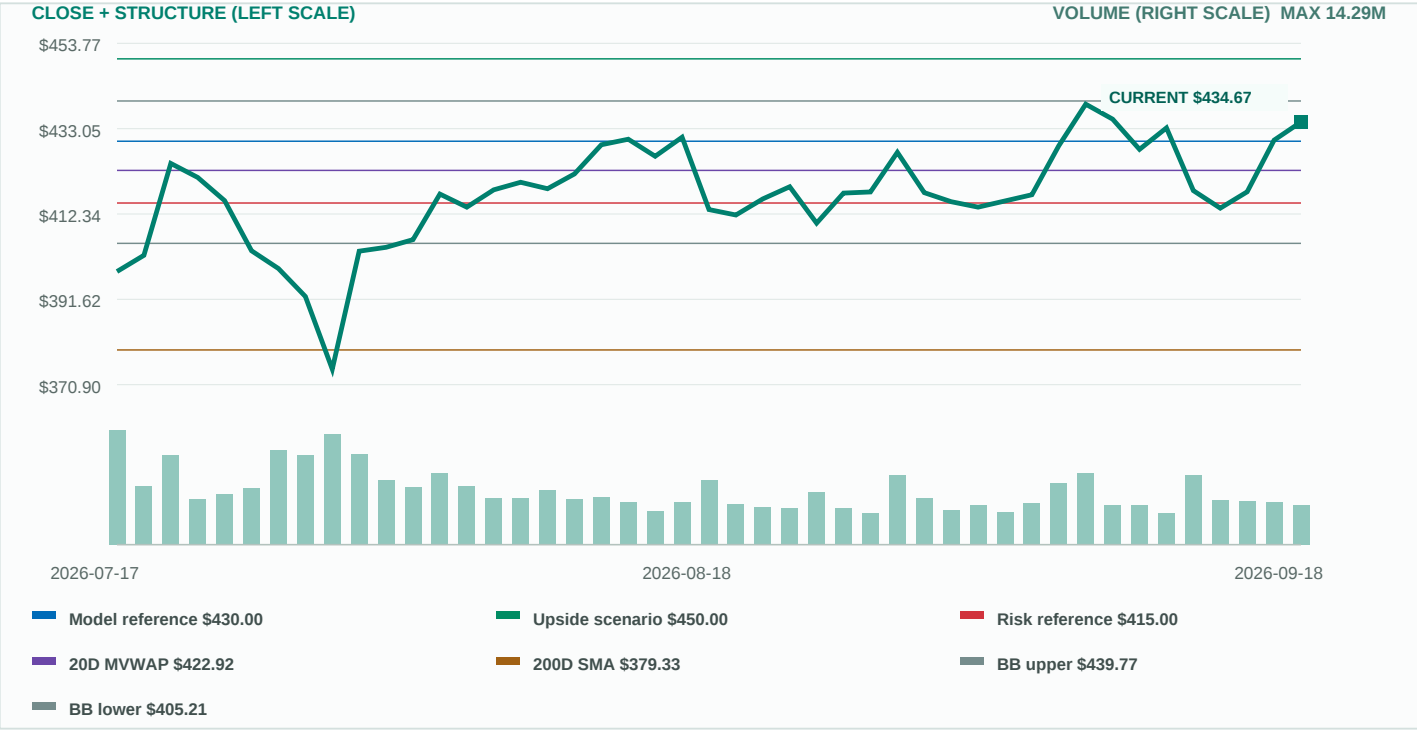
Risk watch

Geopolitical tensions between Taiwan and China could negatively impact TSM's operations and profitability. | Execution challenges related to capacity expansion and meeting surging demand for advanced chips pose risks.



Enhanced price structure

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

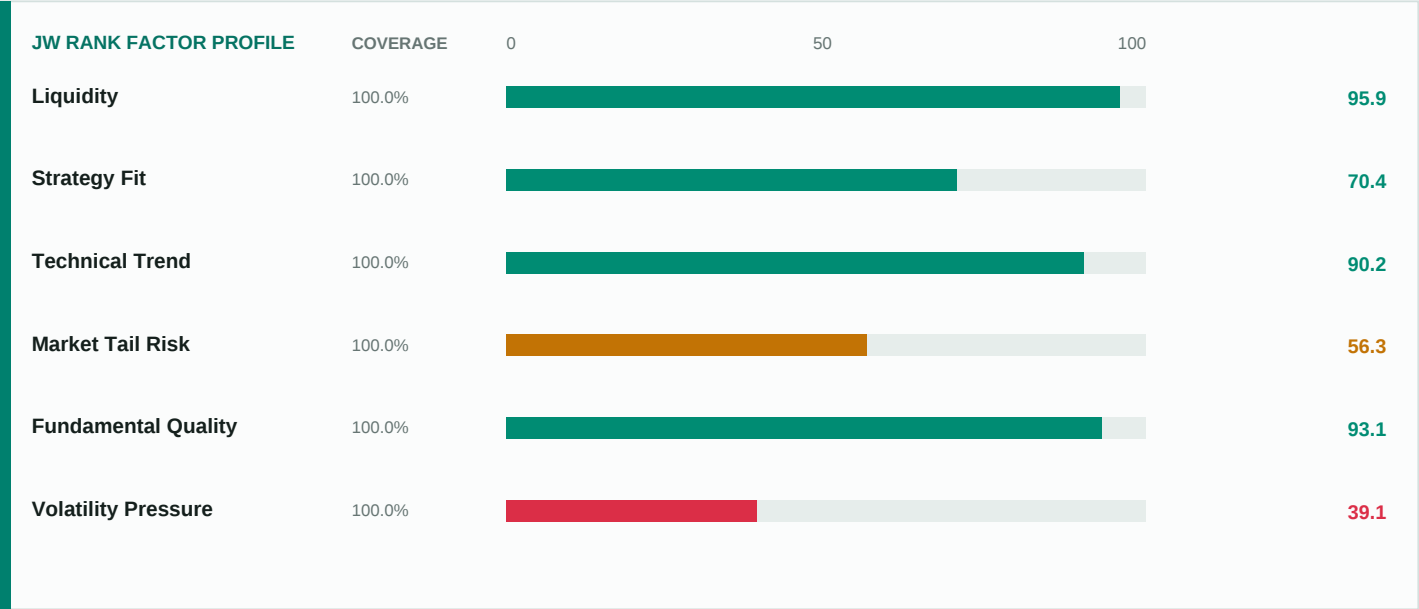


45 complete trading-session observations



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)	61.83 / 56.90 / 54.74
RSI velocity	3.79
MACD line / signal / histogram	2.40 / - / 1.87
MACD acceleration	0.26
Stochastic K / D	54.11 / 37.64

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	0.59
20-day MVWAP	\$422.92
Price vs 20-day MVWAP	+2.46%
Daily reference VWAP	\$432.82
Price vs daily reference	+0.12%
Volume	4.96M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	0.69
20-day / 200-day SMA	\$422.49 / \$379.33
Bollinger range	\$405.21 - \$439.77
Bollinger position	0.853



Options and volatility intelligence

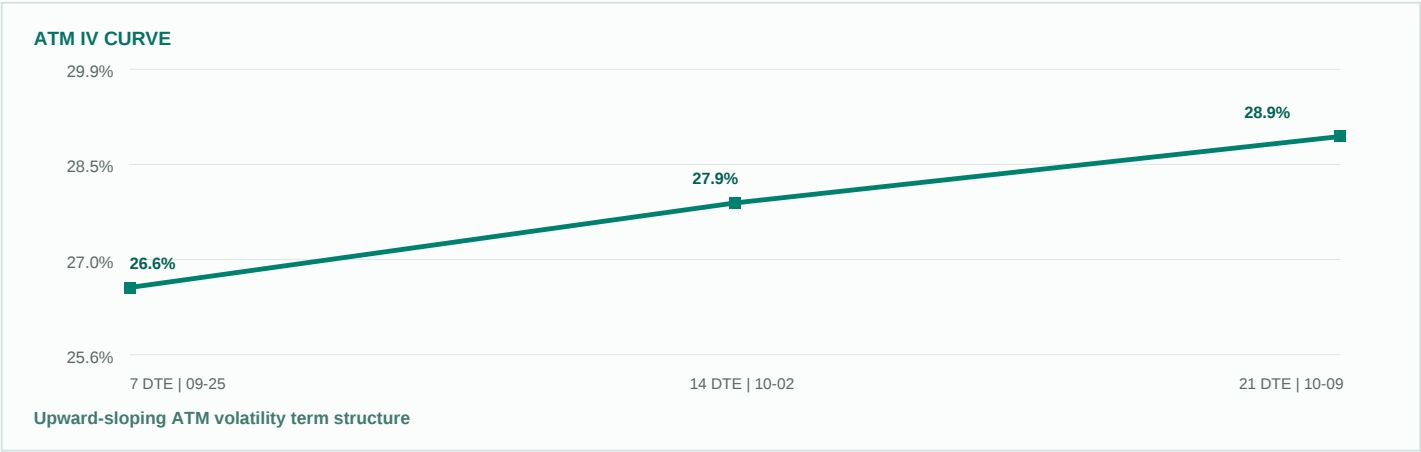
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
7 / 100	3 / 100	87.93	145.70

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+2.25 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 18, 2026 2:43 PM EDT
Options data quality	Coverage 88.9%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-09-25	7	26.6%	-
2026-10-02	14	27.9%	-
2026-10-09	21	28.9%	-



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	2026-10-15
Earnings IV-crush risk	NOT MEASURED
VIX	15.13
VVIX	87.93
SKEW index	145.70
Observation confidence	high
Option quote quality	reliable
Contracts observed	122



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	122

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market suggests continued upside potential for the stock. Implied volatility is elevated, reflecting investor anticipation of upcoming earnings and broader market uncertainty. The term structure shows a slight contango, with near-term options slightly more expensive than longer-dated options. Bullish sentiment is supported by strong technical indicators, including a positive MACD crossover and price trading above both the 50-day and 200-day moving averages. However, geopolitical risks and execution challenges remain potential headwinds.

Options context

TSM Option Market Implies Continued Upside Potential

Wheel context

The market is pricing in potential for both upside and downside movement, with a slight skew towards the upside.

Observed evidence

Elevated implied volatility suggests market anticipation of significant price movement around upcoming earnings. | Slight contango in the term structure indicates a belief that future volatility will be higher than current levels. | Strong technical indicators like a positive MACD crossover and price above key moving averages support bullish sentiment.

Principal risks to monitor

Geopolitical tensions between Taiwan and China could negatively impact TSM's operations and profitability. | Execution challenges related to capacity expansion and meeting surging demand for advanced chips pose risks.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$61.72T	27.24
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%	0.97
52-week range	
\$1,250.00 - \$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 | 2026-09-25

At signal \$431.65 | Current \$433.34

SHORT Option \$432.50 B \$6.50 / A \$7.00

High turnover | Conservative | CR \$6.75

Sep 18, 2026 9:31 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	\$10.82
ATR as % of price	2.5%
Volatility environment	medium
Current IV	31.8%
IV rank	6 / 100
IV percentile	3 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Sep 18, 2026 7:33 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	84 / 100
Trend health	92 / 100
Momentum health	97 / 100
Volatility health	73 / 100
Structure health	65 / 100
Earnings risk / date	low 2026-10-15
Macro risk	unknown
Volatility risk	medium
Structure risk	medium

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$422.49 / \$417.37 / \$379.33
EMA (9 / 21)	\$425.97 / \$423.47
Bollinger upper / middle / lower	\$439.77 / \$422.49 / \$405.21



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.853
True high / low	\$434.82 / \$428.98
5-day true high / low	\$434.82 / \$412.55

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	0.686	-
SMA50	-0.159	-
MVWAP20	0.591	-
MACD	0.261	-
RSI	3.791	-
Volume	-181557.000	-
ATR	-0.214	-
T1	-	1.62 / 422.11 / 430.53 / 417.72
T2	-	1.07 / 421.43 / 419.85 / 413.75
T3	-	1.61 / 421.15 / 421.94 / 412.55



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$429.89
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Sep 18, 2026 2:43 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-09-25 7 DTE
Front at-the-money IV	26.6%
25-delta skew	0.60
Put / Call 25-delta	\$422.50 Delta -0.310 / \$442.50 Delta 0.228
Median option bid/ask spread	4.9%
Bid/ask spread	-
Contracts observed / quoted	122 / 122

Price context

Last Price: 429.89 | Bid: 429.86 | Ask: 429.93 | Previous Close: 430.26 | Change: -0.37 | Daily change: -0.09% | Update Time: 2026-09-18T14:43:26.972802-04:00 | Latest History Date: 2026-09-18 | Latest History Price: 429.93

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-25 | Latest Date: 2026-09-18 | Latest Price: 429.93 | Max Drawdown 60d Percent: -21.55%

Fundamental context

Current Iv Percent: 31.84% | Iv Rank: 6.65 | Iv Percentile: 2.79 | Next Earnings Date: 2026-10-15 | Ex Dividend Date: 2026-12-09



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 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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