



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Sep 21, 2026 11:33 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$441.00	+6.33 +1.46%	\$440.90/\$441.00	\$434.67

Market	NYSE
Industry	Semiconductors
Market data as of	Sep 21, 2026 11:33 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Sep 21, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
69.2 / 100	Constructive	high	7 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$430.00	\$465.00	\$410.00	57 / 100

Options stance	bullish
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Sep 21, 2026 7:50 PM EDT

Key insight

TSM Option Market Prices in Bullish Sentiment Despite Geopolitical Risks

Market read

The TSM option market displays a bullish outlook, driven by strong technicals, record revenue growth fueled by AI demand, and positive analyst sentiment. The stock is trading above key moving averages, with RSI indicating neutral to mildly bullish momentum. However, geopolitical risks related to Taiwan-China relations and potential slowdown in AI spending warrant caution. The term structure shows a slight negative slope, suggesting near-term volatility may be slightly higher than longer-term expectations.

Strategy context

The option market suggests a potential for upside movement in TSM, but geopolitical risks and valuation concerns warrant caution.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Sep 21, 2026 1:34 PM EDT

Short-term scenario

Cautious/wait for pullback or Hold existing; mild bullish bias from AI demand and technicals above key MAs, but price near short-term resistance with weak ADX. High uncertainty from geopolitics, AI capex sentiment, and valuation. Not a high-conviction 1-3 week momentum trade.

Three-month outlook

Constructive to bullish into year-end 2026, supported by persistent AI/HPC demand, 2nm production ramp, capacity expansions (including packaging), and strong monthly revenue trends suggesting Q3 beat potential. Analysts imply ~24% average upside to ~\$547. Earnings on Oct 15 could act as catalyst. However, clearly identify significant uncertainties: Taiwan-China geopolitical tensions (always a tail risk that can cause sharp derates), potential AI development slowdown or capex digestion, US-China trade/tariff shifts, high current valuation (trailing PE ~32 vs. historical median ~20-22, though forward more reasonable), and possible margin pressure from new nodes and overseas fabs. Base case grind higher toward \$470-500 if earnings compound and multiple holds; bear case toward \$330-400 on shock events. Position sizing should account for event risk.

Market sentiment

Generally constructive among investors highlighting TSM as a core AI/semiconductor bottleneck play with record revenues, 2nm ramp, CoWoS packaging tightness, and foundry dominance. Technical posts note recovery from pullbacks, watching \$430 breakout toward \$450-477 targets, with support at \$400-410. Caution expressed on adding into strength, potential margin pressure from 2nm/overseas fabs, Taiwan geopolitical risk always priced in, and not chasing momentum. Some mixed short-term views after recent AI-related selloffs, but overall bullish long-term infrastructure thesis. Limited high-engagement recent posts; sentiment leans positive but not euphoric.

Supporting evidence

TSM shares rose about 1.7% on September 21st, 2026, in a stronger market for chip stocks. | Record August revenue driven by AI chips and HPC (66% of sales). | Analysts remain bullish with recent initiations and target raises (e.g., Stifel Buy \$515). | Price trading above 20-day SMA (~\$422), 50-day SMA (~\$416-417), and 200-day SMA (~\$378) | RSI(14) in 56-60 range (neutral to mildly bullish, not overbought).

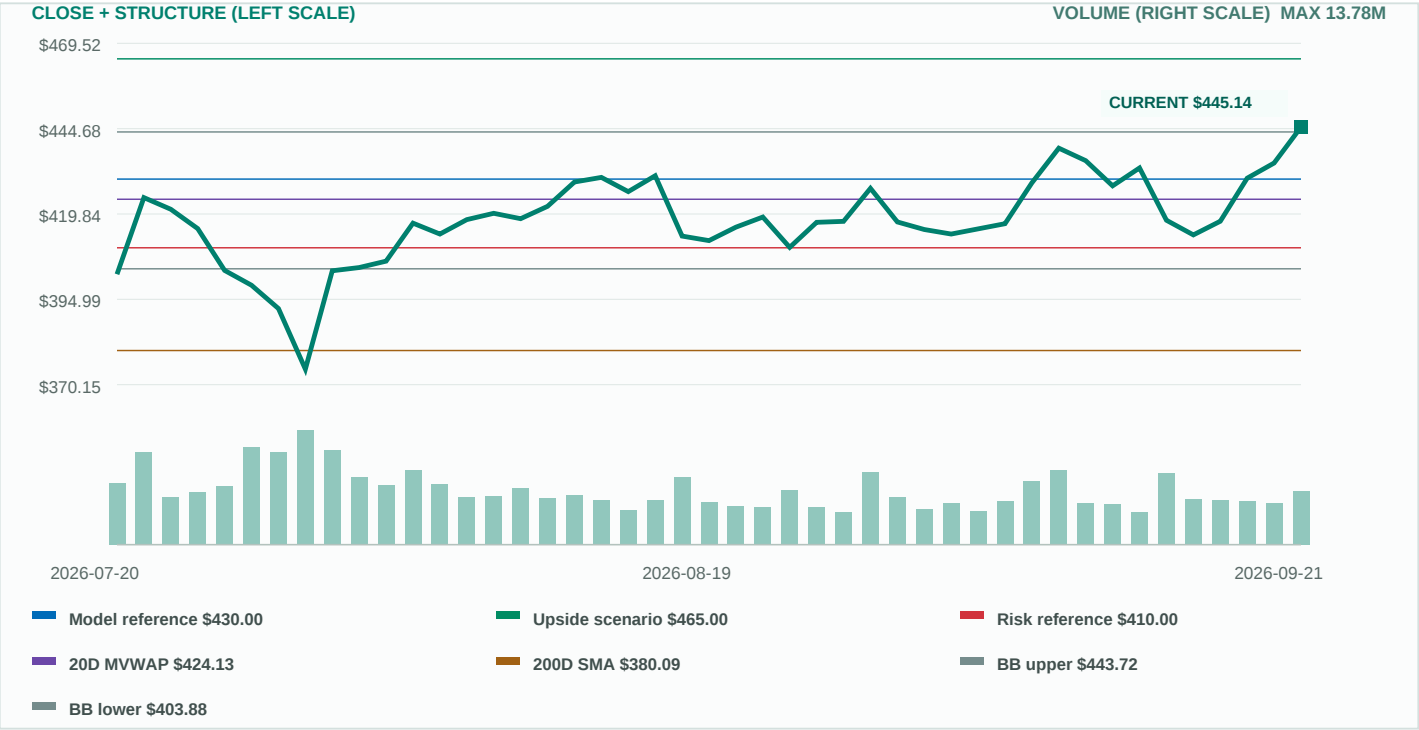
Risk watch

Geopolitical tensions between Taiwan and China remain a tail risk that could cause sharp derates. | Potential slowdown in AI development or capex digestion could impact TSM's growth trajectory. | High current valuation (trailing PE ~32 vs. historical median ~20-22) may limit upside potential.



Enhanced price structure

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

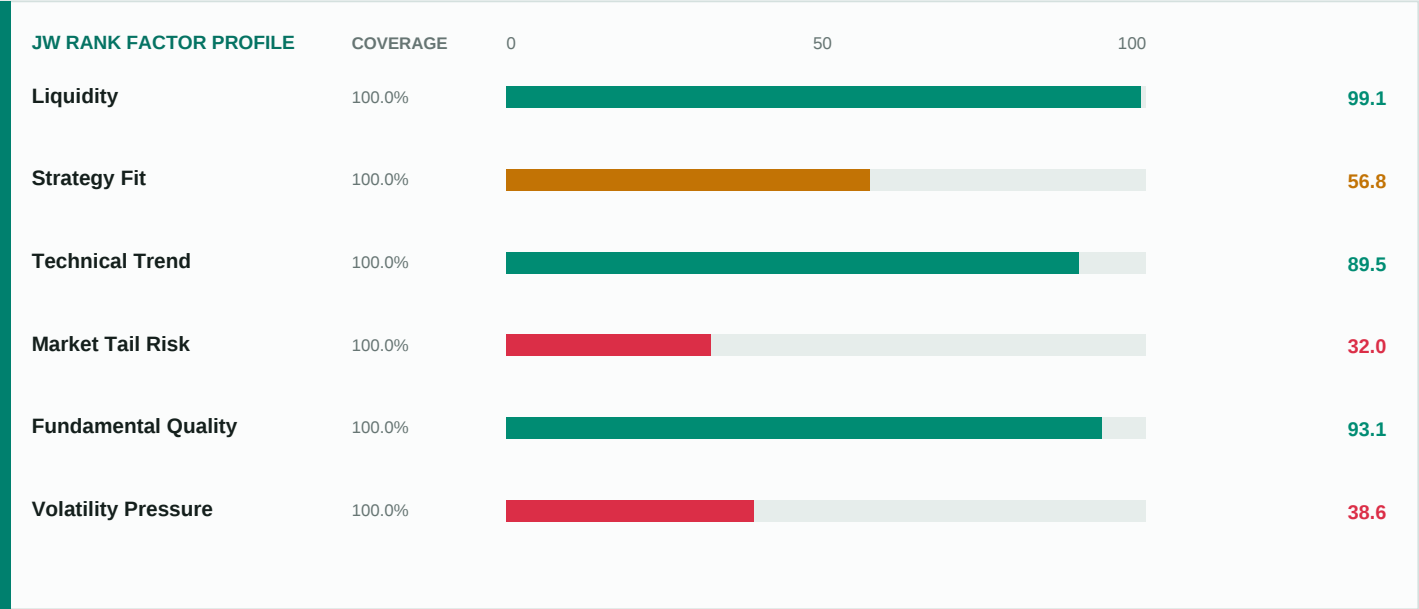


45 complete trading-session observations



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)	69.60 / 61.55 / 57.91
RSI velocity	4.53
MACD line / signal / histogram	3.81 / - / 2.26
MACD acceleration	0.91
Stochastic K / D	77.88 / 55.66

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	0.90
20-day MVWAP	\$424.13
Price vs 20-day MVWAP	+3.98%
Daily reference VWAP	\$442.64
Price vs daily reference	-0.37%
Volume	6.41M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.05
20-day / 200-day SMA	\$423.80 / \$380.09
Bollinger range	\$403.88 - \$443.72
Bollinger position	1.036



Options and volatility intelligence

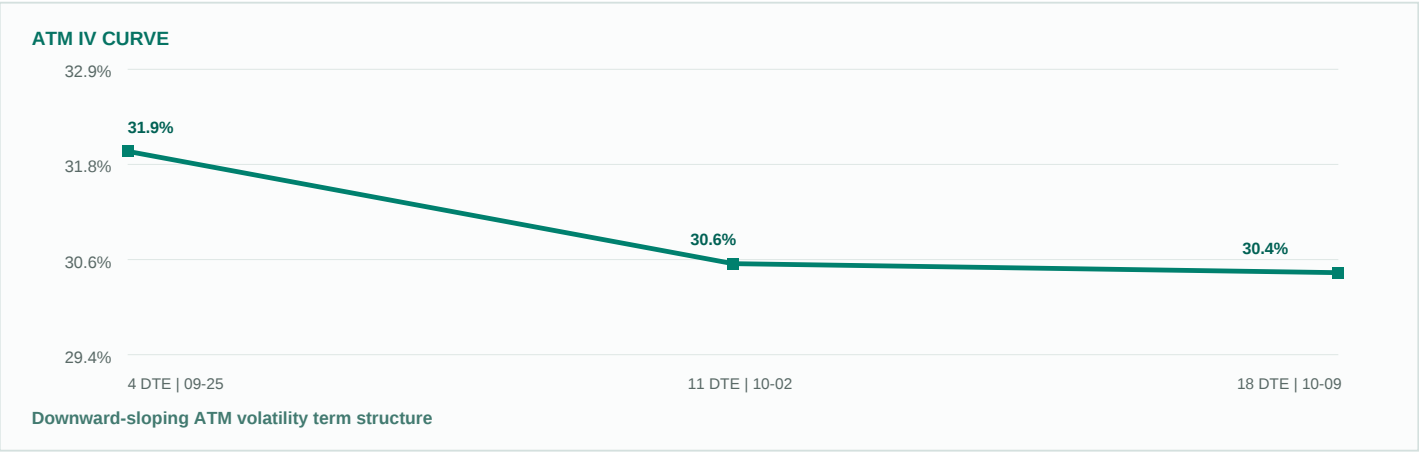
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
9 / 100	6 / 100	86.00	148.10

Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	flat
Term slope	-1.48 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 21, 2026 2:31 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	4	31.9%	-
2026-10-02	11	30.6%	-
2026-10-09	18	30.4%	-



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	15.04
VVIX	86.00
SKEW index	148.10
Observation confidence	high
Option quote quality	reliable
Contracts observed	135



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	135

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

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Options context

TSM Option Market Prices in Bullish Sentiment Despite Geopolitical Risks

Wheel context

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Observed evidence

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Principal risks to monitor

Geopolitical tensions between Taiwan and China remain a tail risk that could cause sharp derates. | Potential slowdown in AI development or capex digestion could impact TSM's growth trajectory. | High current valuation (trailing PE ~32 vs. historical median ~20-22) may limit upside potential.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$63.79T	28.15
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	
\$1,260.00 - \$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 \$438.65 | Current \$441.00

SHORT Option \$437.50 B \$6.65 / A \$6.85

High turnover | Conservative | CR \$6.75

Sep 21, 2026 10:01 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	\$10.83
ATR as % of price	2.4%
Volatility environment	medium
Current IV	32.6%
IV rank	10 / 100
IV percentile	7 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Sep 21, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	78 / 100
Trend health	92 / 100
Momentum health	88 / 100
Volatility health	74 / 100
Structure health	46 / 100
Earnings risk / date	low 2026-10-15
Macro risk	unknown
Volatility risk	medium
Structure risk	high

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$423.80 / \$417.59 / \$380.09
EMA (9 / 21)	\$429.80 / \$425.44
Bollinger upper / middle / lower	\$443.72 / \$423.80 / \$403.88



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.036
True high / low	\$445.72 / \$434.67
5-day true high / low	\$445.72 / \$412.55

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.051	-
SMA50	0.014	-
MVWAP20	0.898	-
MACD	0.914	-
RSI	4.535	-
Volume	344086.000	-
ATR	-0.081	-
T1	-	2.40 / 422.92 / 434.82 / 428.98
T2	-	1.62 / 422.11 / 430.53 / 417.72
T3	-	1.07 / 421.43 / 419.85 / 413.75



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$442.91
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Sep 21, 2026 2:31 PM EDT
Options data coverage	88.9%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FALLING
Front expiration / DTE	2026-09-25 4 DTE
Front at-the-money IV	31.9%
25-delta skew	0.36
Put / Call 25-delta	\$432.50 Delta -0.234 / \$452.50 Delta 0.275
Median option bid/ask spread	2.7%
Bid/ask spread	-
Contracts observed / quoted	135 / 135

Price context

Last Price: 442.91 | Bid: 442.89 | Ask: 442.97 | Previous Close: 434.67 | Change: 8.24 | Daily change: 1.90% | Update Time: 2026-09-21T14:31:41.099081-04:00 | Latest History Date: 2026-09-21 | Latest History Price: 442.94

Historical context

Trading-day sample: 60 sessions | First Date: 2026-06-26 | Latest Date: 2026-09-21 | Latest Price: 442.94 | Max Drawdown 60d Percent: -21.55%

Fundamental context

Current Iv Percent: 32.41% | Iv Rank: 8.80 | Iv Percentile: 5.98 | 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.

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.

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Reference documents

Official product terms and standardized options disclosure

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