Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Sep 28, 2026 11:33 PM EDT

Current price	Daily move	Bid / Ask	Previous close
$448.40	**-2.21 -0.49%**	**$448.23/$448.51**	**$450.61**

Market	**NYSE**
Industry	**Semiconductors**
Market data as of	**Sep 28, 2026 11:33 PM EDT**

JW Intelligence Report

Complete | 3 of 3 sections | Sep 28, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
75.5 / 100	**Constructive**	**high**	**17 / 100**

Model reference	Upside scenario	Risk reference	Wheel strategy fit
$448.00	**$470.00**	**$432.00**	**69 / 100**

Options stance	**bullish**
Tail-risk safety	**64 / 100**
JW Rank data coverage / as of	**100.0% | Sep 28, 2026 7:50 PM EDT**

Key insight

TSM Shows Bullish Signs Despite Recent Market Mutedness

Market read

TSM's options market displays a bullish bias despite recent price consolidation. Strong demand signals, positive earnings expectations, and a favorable technical picture contribute to this outlook. However, elevated valuation, geopolitical risks, and potential margin dilution warrant caution.

Strategy context

TSM's options market reflects optimism about future growth, driven by robust demand for its chips and a favorable industry outlook. However, investors are also mindful of potential risks such as valuation concerns and geopolitical uncertainties.

JW AI conclusions

Short- and medium-term model interpretation

AI context bias	**Bullish**
AI analysis updated	**Sep 28, 2026 1:34 PM EDT**

Short-term scenario

Cautious dip-buy / modest long bias for 1-3 weeks into mid-October earnings; prefer a pullback entry over chasing strength. Uncertainty is high because of earnings volatility, rate sensitivity, and the stock's recent failure to rally hard on good AI news.

Three-month outlook

Constructive but not high-conviction. Capacity tightness, leading-edge pricing power, and guided >40% 2026 USD revenue growth support a path toward the low-to-mid $500s if Q3 results and guidance hold and AI orders remain firm. Offsetting risks include an already-rich valuation, expected margin dilution from the 2nm ramp and overseas fabs, customer concentration, and geopolitical or export-control shocks that can produce sharp drawdowns. Base case is modest appreciation with elevated volatility rather than a straight-line move; a 10%+ pullback remains plausible if AI capex sentiment cools. Uncertainty is material on both the demand durability and the multiple the market will pay.

Market sentiment

Recent X discussion is moderately constructive rather than euphoric. Bullish options-flow mentions ranked TSM among higher net bullish premium names on Sep 28; longer-term holders cite the AI foundry role, trading below the $479 high, and Street targets near $552 implying meaningful upside. Counterposts emphasize valuation, customer concentration, and risks from any AI-spend pause or US-China/Taiwan tensions. Overall tone leans positive but cautious, matching the muted price response to strong demand news. Uncertainty: social sentiment is noisy, low-sample, and not a reliable timing signal.

Supporting evidence

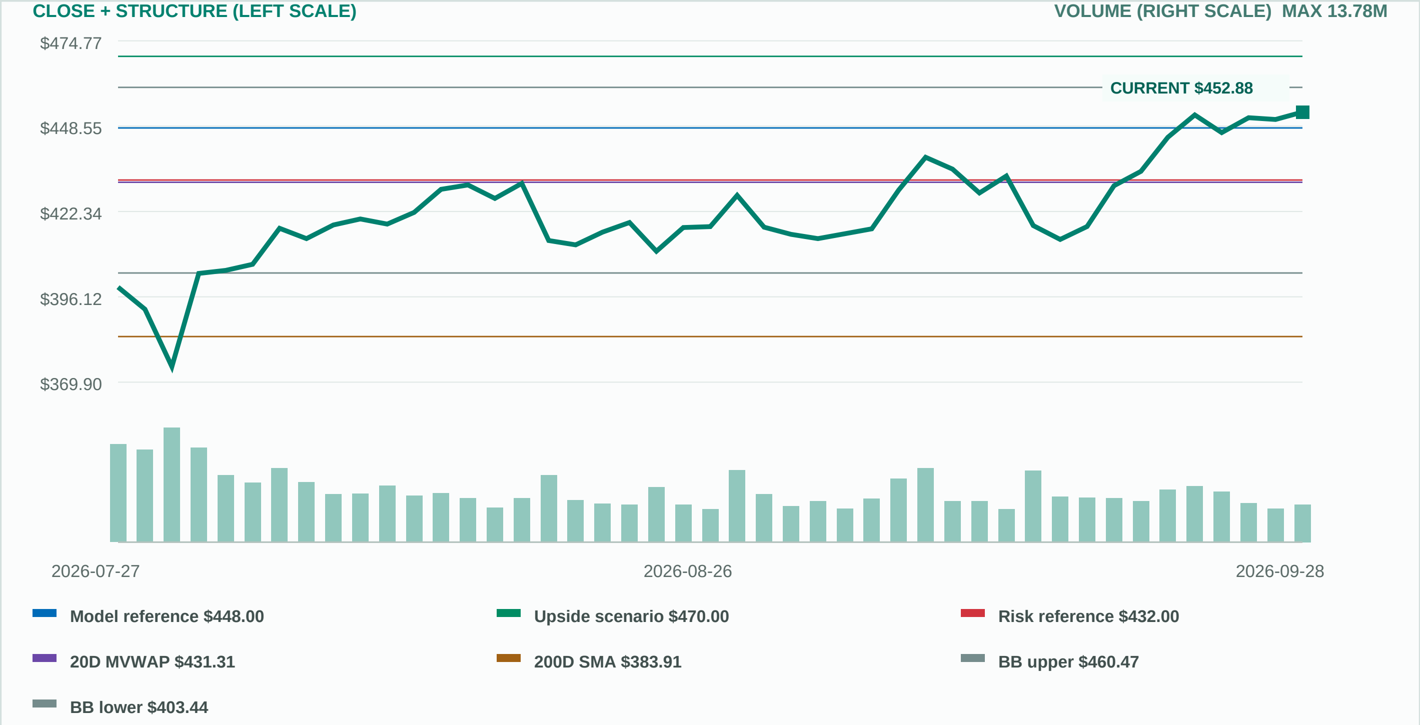
Strong implied volatility suggests anticipation of significant price movement around the upcoming earnings release. | The term structure is in contango, indicating bullish sentiment as longer-dated options are priced at a premium to shorter-dated ones. | Bullish put spreads and bear call spreads with positive net credit suggest investors are betting on continued upside potential. | Technical indicators like the rising moving averages and positive MACD signal a strong upward trend.

Risk watch

Elevated valuation multiples may limit further upside potential. | Geopolitical tensions and export controls pose a risk to TSM's business 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

JW RANK FACTOR PROFILE	COVERAGE	0 — 50 — 100
Liquidity	100.0%	94.4
Strategy Fit	100.0%	69.3
Technical Trend	100.0%	90.5
Market Tail Risk	100.0%	63.8
Fundamental Quality	100.0%	93.1
Volatility Pressure	100.0%	41.8

Decision summary

Primary model reads before the detailed indicator appendix

Momentum	Institutional flow	Structure	Volatility
strong_bull	**Above MVWAP**	**Above 200D trend**	**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)	**69.97 / 63.19 / 59.44**
RSI velocity	**0.86**
MACD line / signal / histogram	**8.20 / - / 5.59**
MACD acceleration	**0.67**
Stochastic K / D	**93.23 / 92.31**

Institutional footprints

Volume-weighted cost, price location and flow

Current read	**Above institutional MVWAP | Accumulation bias**
Institutional flow	**1.17**
20-day MVWAP	**$431.31**
Price vs 20-day MVWAP	**+3.96%**
Daily reference VWAP	**$450.42**
Price vs daily reference	**-0.45%**
Volume	**4.51M**

Structural context

Long-term trend and volatility boundaries

Current read	**Above 200-day trend | Positive macro velocity**
Macro velocity	**1.54**
20-day / 200-day SMA	**$431.96 / $383.91**
Bollinger range	**$403.44 - $460.47**
Bollinger position	**0.867**

Options and volatility intelligence

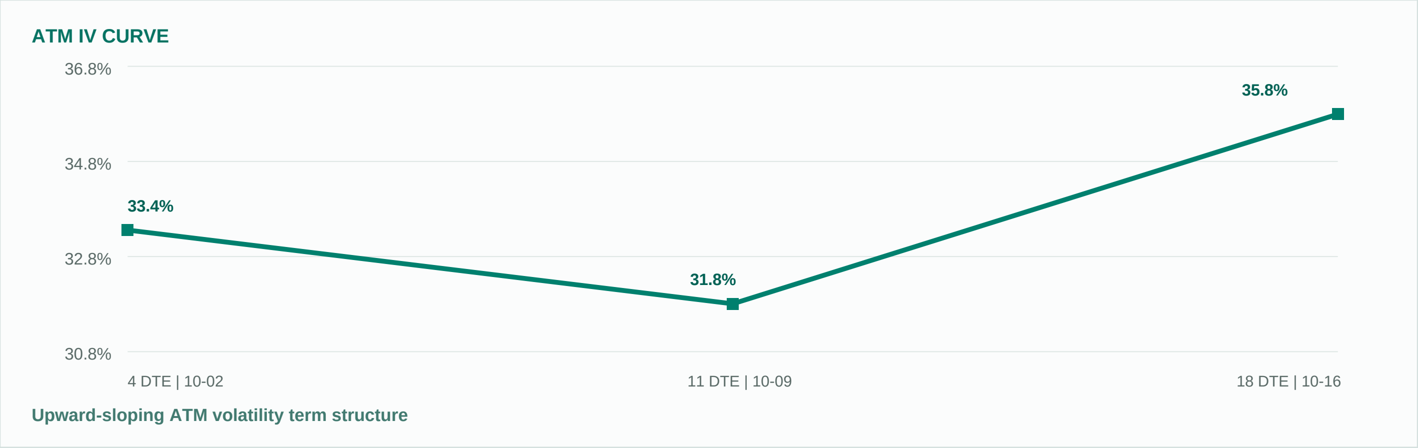
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
14 / 100	**18 / 100**	**90.44**	**144.91**

Market regime	**Calm**
Tail-risk regime	**NORMAL TAIL RISK**
Term structure	**contango**
Term slope	**+2.42 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 28, 2026 2:31 PM EDT**
Options data quality	**Coverage 88.9%**

Option term structure

ATM implied-volatility curve by days to expiration



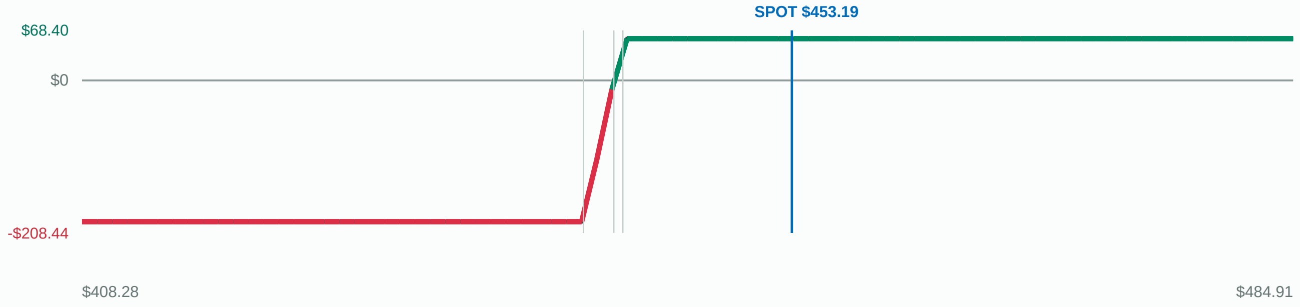
EXPIRATION	DTE	ATM IV	STATE
2026-10-02	4	33.4%	-
2026-10-09	11	31.8%	-
2026-10-16	18	35.8%	-

Reference spread payoff

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

Bull Put Spread reference

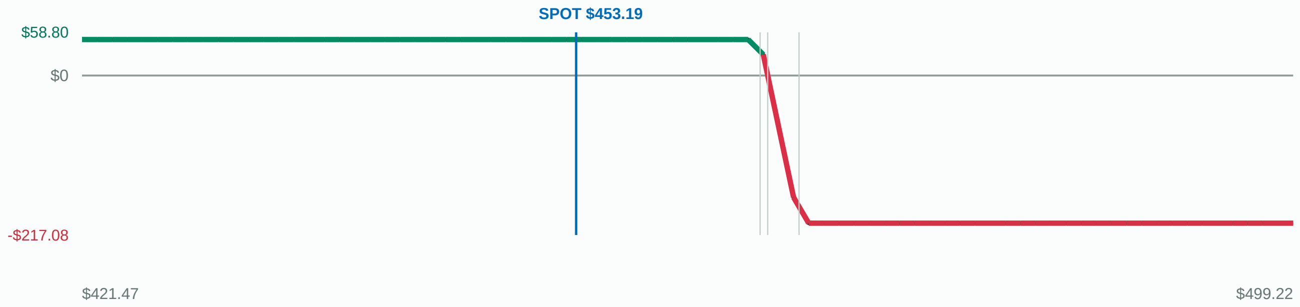
Short $442.50 | Long $440.00 | Width $2.50 | Net credit $0.57



Max profit $57.00 | Max loss -$193.00 | Break-even $441.93 | Per contract at expiry

Bear Call Spread reference

Short $465.00 | Long $467.50 | Width $2.50 | Net credit $0.49



Max profit $49.00 | Max loss -$201.00 | Break-even $465.49 | 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	**unknown**
VIX	**15.90**
VVIX	**90.44**
SKEW index	**144.91**
Observation confidence	**high**
Option quote quality	**reliable**
Contracts observed	**127**

Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts with quotes	**127**

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

TSM's options market displays a bullish bias despite recent price consolidation. Strong demand signals, positive earnings expectations, and a favorable technical picture contribute to this outlook. However, elevated valuation, geopolitical risks, and potential margin dilution warrant caution.

Options context

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Wheel context

TSM's options market reflects optimism about future growth, driven by robust demand for its chips and a favorable industry outlook. However, investors are also mindful of potential risks such as valuation concerns and geopolitical uncertainties.

Observed evidence

Strong implied volatility suggests anticipation of significant price movement around the upcoming earnings release. | The term structure is in contango, indicating bullish sentiment as longer-dated options are priced at a premium to shorter-dated ones. | Bullish put spreads and bear call spreads with positive net credit suggest investors are betting on continued upside potential. | Technical indicators like the rising moving averages and positive MACD signal a strong upward trend.

Principal risks to monitor

Elevated valuation multiples may limit further upside potential. | Geopolitical tensions and export controls pose a risk to TSM's business operations.

Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization **$64.18T**	P/E (TTM) **28.32**
ROE **39.9%**	Revenue growth **18.9%**
EPS growth **19.1%**	Operating margin **56.4%**
Net profit margin **50.7%**	Gross margin **-**
Free cash flow CAGR **26.5%**	Debt / equity **0.20**
Dividend yield **2.0%**	Beta **0.97**
52-week range **$1,295.00 - $2,535.00**	

Company or fund profile

Issuer identity and classification

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

Website	**tsmc.com**

Latest strategy observation

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

TSM Covered Call signal

Sep 28, 2026 9:32 AM EDT

Covered Call | 2026-10-02

At signal $448.00 | Current $448.40

SHORT **Option $447.50 B $6.80 / A $7.45**

High turnover | CR $7.13

Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	**$10.63**
ATR as % of price	**2.4%**
Volatility environment	**medium**
Current IV	**33.6%**
IV rank	**13 / 100**
IV percentile	**17 / 100**
Technical Snapshot IV source	**Private fundamentals snapshot**
Technical Snapshot IV observed at	**Sep 28, 2026 3:50 PM EDT**

Technical health and risk radar

Derived indicator health and event context

Overall health	**81 / 100**
Trend health	**92 / 100**
Momentum health	**85 / 100**
Volatility health	**75 / 100**
Structure health	**63 / 100**
Earnings risk / date	**medium | 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)	**$431.96 / $421.27 / $383.91**
EMA (9 / 21)	**$444.01 / $435.04**
Bollinger upper / middle / lower	**$460.47 / $431.96 / $403.44**

Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	**0.867**
True high / low	**$455.28 / $443.11**
5-day true high / low	**$455.28 / $440.60**

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.536	**-**
SMA50	0.847	**-**
MVWAP20	1.166	**-**
MACD	0.673	**-**
RSI	0.860	**-**
Volume	-516622.670	**-**
ATR	-0.047	**-**
T1	-	**7.66 / 430.02 / 455.03 / 449.01**
T2	-	**7.08 / 428.97 / 452.56 / 440.60**
T3	-	**6.18 / 427.81 / 452.00 / 442.87**

Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	**$453.19**
Options Snapshot IV sources	**ATM: option chain | Rank/percentile: fundamentals**
Options Snapshot IV observed at	**Sep 28, 2026 2:31 PM EDT**
Options data coverage	**88.9%**
SKEW regime	**HIGH TAIL RISK SKEW**
VVIX regime	**VVIX FLAT**
Front expiration / DTE	**2026-10-02 | 4 DTE**
Front at-the-money IV	**33.4%**
25-delta skew	**0.12**
Put / Call 25-delta	**$442.50 Delta -0.241 / $465.00 Delta 0.249**
Median option bid/ask spread	**3.4%**
Bid/ask spread	**-**
Contracts observed / quoted	**127 / 127**

Price context

Last Price: 453.19 | Bid: 453.10 | Ask: 453.19 | Previous Close: 450.61 | Change: 2.58 | Daily change: 0.57% | Update Time: 2026-09-28T14:31:41.747011-04:00 | Latest History Date: 2026-09-28 | Latest History Price: 453.15

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-06 | Latest Date: 2026-09-28 | Latest Price: 453.15 | Max Drawdown 60d Percent: -17.07%

Fundamental context

Current Iv Percent: 33.77% | Iv Rank: 13.94 | Iv Percentile: 17.93 | 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.

Reference documents

Official product terms and standardized options disclosure

Jason Wheel	**jasonwheel.com**
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