



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 2, 2026 11:32 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$473.06	+13.86 +3.02%	-/-	\$459.20

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 2, 2026 11:32 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 2, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
71.9 / 100	Constructive	high	3 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$465.00	\$492.00	\$450.00	59 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 2, 2026 7:50 PM EDT

Key insight

TSM Option Market Prices in Strong Demand and Earnings Expectations

Market read

The TSM option market displays a bullish sentiment, reflecting strong demand for its advanced chips driven by AI adoption. Implied volatility is elevated, suggesting anticipation of significant price movement around the upcoming earnings release on October 15th. The term structure shows contango, with longer-dated options priced at a premium to shorter-dated ones, indicating continued optimism about future growth.

Strategy context

TSM's option market reflects optimism surrounding AI demand and the company's leading position in advanced chip manufacturing. The upcoming earnings release is a key catalyst for potential price movement.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 2, 2026 1:33 PM EDT

Short-term scenario

Cautiously constructive for the next 1-3 weeks but not an aggressive chase near highs. A modest pullback entry is preferable ahead of the October 15 earnings catalyst. Upside is possible on continued momentum or a positive reaction, yet event risk, stretched short-term readings, and valuation debate argue for defined risk. Uncertainty is elevated; this is not a high-conviction directional call.

Three-month outlook

Moderately bullish bias over three months if AI-related demand and capacity execution remain intact, supported by the company's leading-edge manufacturing position, ongoing U.S. and advanced-node investments, and analyst targets that imply further upside from current levels. Offsetting uncertainties include potential margin pressure from the 2nm ramp and overseas fabs, any deceleration in hyperscaler spending, geopolitical developments involving Taiwan, and a valuation that leaves limited room for disappointment. The October 15 report is a key near-term reset point. Outcomes can deviate materially from this base case; position size and ongoing demand monitoring matter more than the directional lean.

Market sentiment

Recent discussion is modest in volume but leans constructive. Posts emphasize TSMC's central role manufacturing a large share of advanced AI chips and its lack of dependence on any single design winner, along with structural demand from hyperscaler spending. Some technical commentary targets a move above \$500, and earlier September notes highlighted sizable insider purchases viewed as supportive. Cited analyst targets cluster near \$552. Offsetting comments flag risks from any AI-spending slowdown, export controls, and geopolitics. Overall tone is cautiously bullish into earnings rather than uniformly euphoric; low-quality promotional posts are also present.

Supporting evidence

Implied volatility is elevated at 32.23%, suggesting market expectations for significant price movement around the October 15th earnings release. | The term structure is in contango, with longer-dated options priced higher than shorter-dated ones, indicating bullish sentiment and expectations for continued growth. | The stock price is near its 52-week high and above major moving averages, suggesting a strong upward trend.

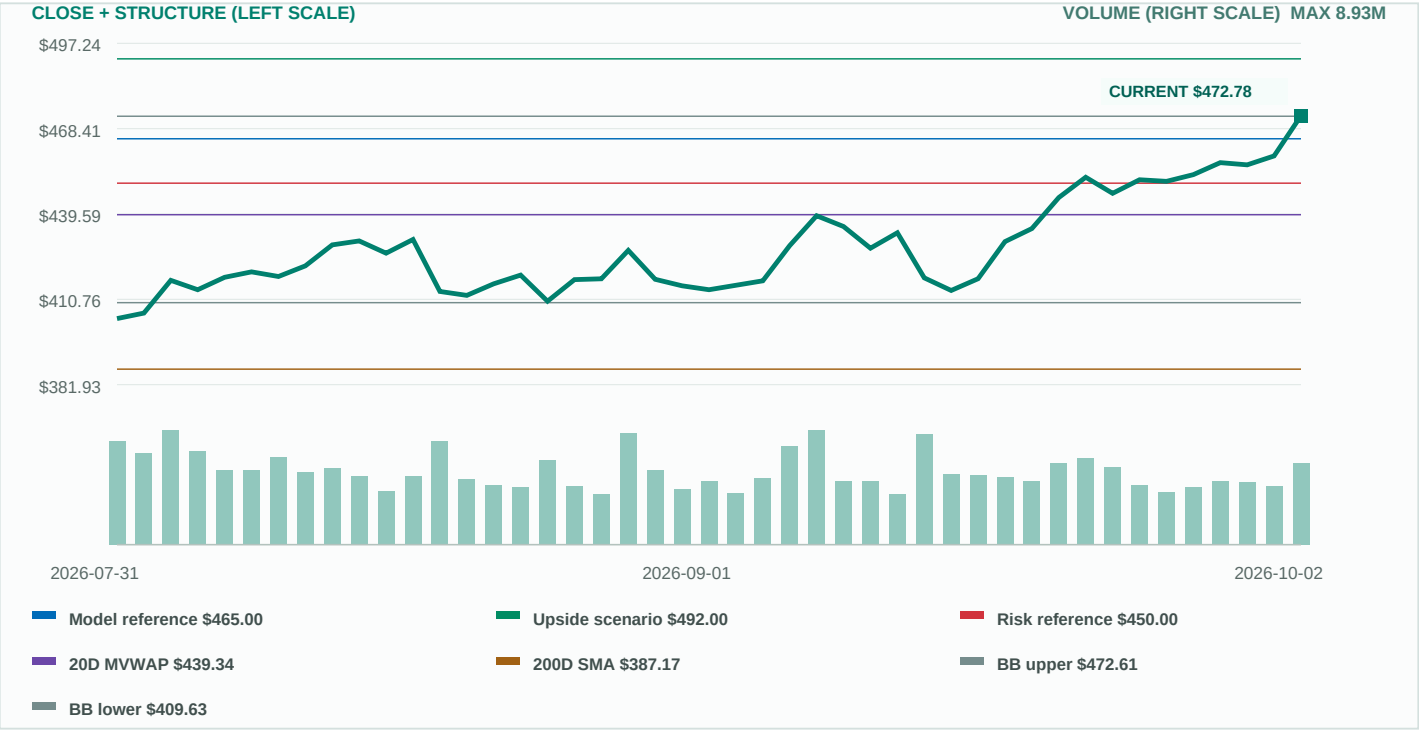
Risk watch

Valuation concerns remain, with some analysts viewing the stock as overvalued. | Geopolitical risks related to Taiwan could impact TSMC's operations.



Enhanced price structure

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

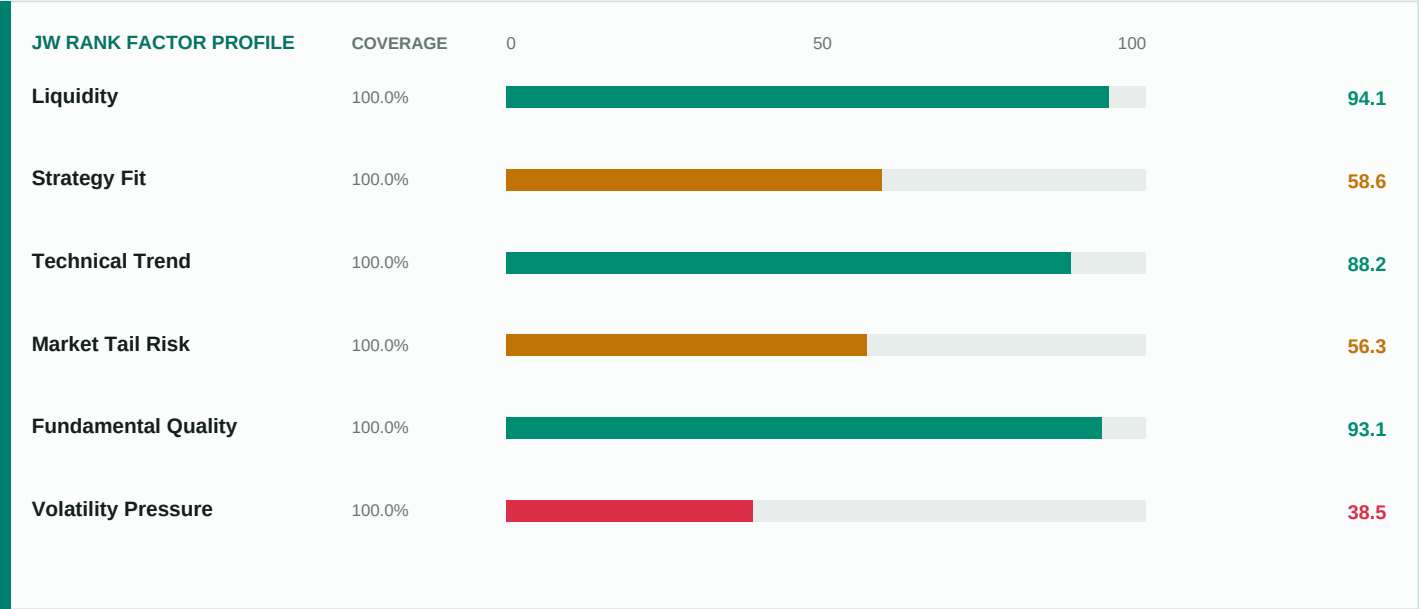


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

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)	83.31 / 71.49 / 65.30
RSI velocity	2.15
MACD line / signal / histogram	10.93 / - / 8.10
MACD acceleration	0.69
Stochastic K / D	93.28 / 92.79

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	2.16
20-day MVWAP	\$439.34
Price vs 20-day MVWAP	+7.68%
Daily reference VWAP	\$470.56
Price vs daily reference	+0.53%
Volume	6.31M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.36
20-day / 200-day SMA	\$441.12 / \$387.17
Bollinger range	\$409.63 - \$472.61
Bollinger position	1.003



Options and volatility intelligence

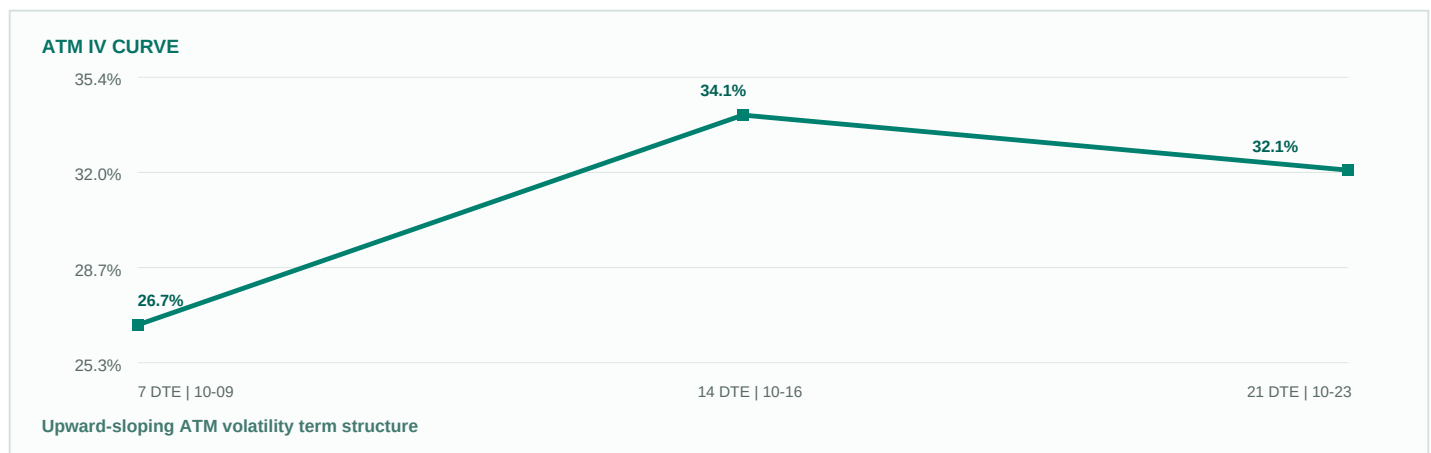
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
8 / 100	5 / 100	88.65	142.77

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+5.45 pts
Skew read	balanced
Liquidity / quote coverage	100.0%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 2, 2026 2:31 PM EDT
Options data quality	Coverage 100.0%

Option term structure

ATM implied-volatility curve by days to expiration



EXPIRATION	DTE	ATM IV	STATE
2026-10-09	7	26.7%	-
2026-10-16	14	34.1%	-
2026-10-23	21	32.1%	-

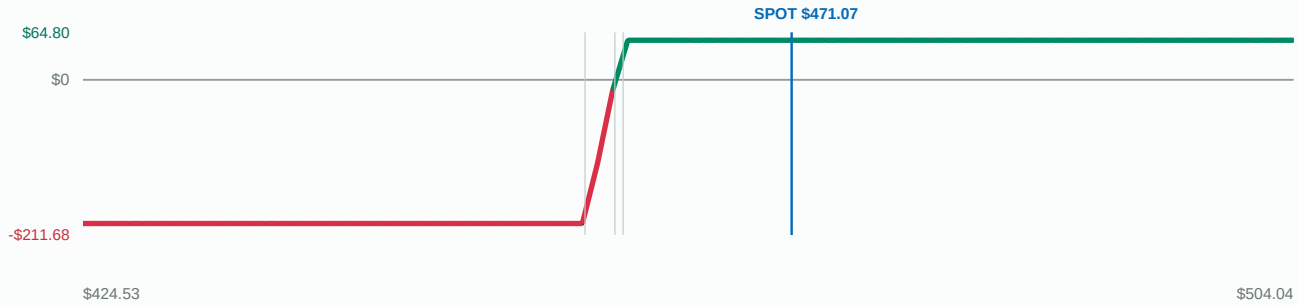


Reference spread payoff

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

Bull Put Spread reference

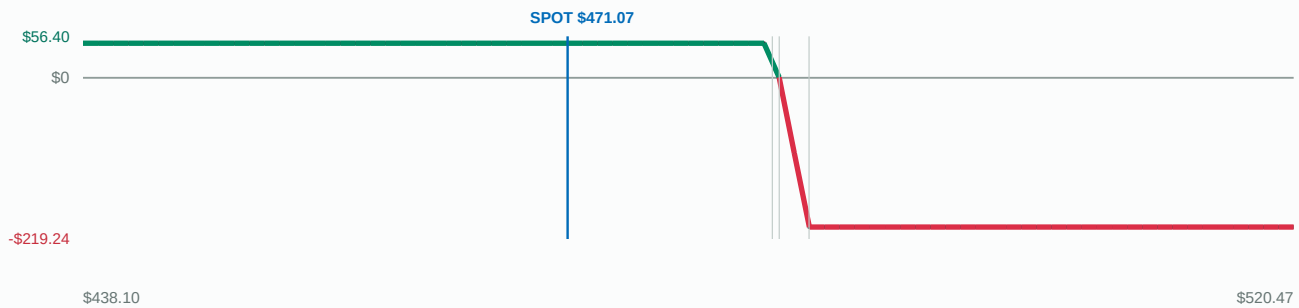
Short \$460.00 | Long \$457.50 | Width \$2.50 | Net credit \$0.54



Max profit \$54.00 | Max loss -\$196.00 | Break-even \$459.46 | Per contract at expiry

Bear Call Spread reference

Short \$485.00 | Long \$487.50 | Width \$2.50 | Net credit \$0.47



Max profit \$47.00 | Max loss -\$203.00 | Break-even \$485.47 | 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	moderate
Event IV premium	1.94
VIX	15.59
VVIX	88.65
SKEW index	142.77
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	113
Contracts with quotes	113

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market displays a bullish sentiment, reflecting strong demand for its advanced chips driven by AI adoption. Implied volatility is elevated, suggesting anticipation of significant price movement around the upcoming earnings release on October 15th. The term structure shows contango, with longer-dated options priced at a premium to shorter-dated ones, indicating continued optimism about future growth.

Options context

TSM Option Market Prices in Strong Demand and Earnings Expectations

Wheel context

TSM's option market reflects optimism surrounding AI demand and the company's leading position in advanced chip manufacturing. The upcoming earnings release is a key catalyst for potential price movement.

Observed evidence

Implied volatility is elevated at 32.23%, suggesting market expectations for significant price movement around the October 15th earnings release. | The term structure is in contango, with longer-dated options priced higher than shorter-dated ones, indicating bullish sentiment and expectations for continued growth. | The stock price is near its 52-week high and above major moving averages, suggesting a strong upward trend.

Principal risks to monitor

Valuation concerns remain, with some analysts viewing the stock as overvalued. | Geopolitical risks related to Taiwan could impact TSMC's operations.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$64.31T	28.38
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	
\$1,295.00 - \$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 | 2026-10-02
At signal \$455.30 | Current \$473.06
SHORT Option \$437.50 B \$17.95 / A \$20.80
High turnover | CR \$19.38

Sep 30, 2026 9:30 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	\$10.61
ATR as % of price	2.2%
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	Oct 2, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	75 / 100
Trend health	92 / 100
Momentum health	70 / 100
Volatility health	76 / 100
Structure health	50 / 100
Earnings risk / date	medium 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)	\$441.12 / \$424.90 / \$387.17
EMA (9 / 21)	\$455.08 / \$443.55
Bollinger upper / middle / lower	\$472.61 / \$441.12 / \$409.63



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	1.003
True high / low	\$474.79 / \$459.20
5-day true high / low	\$474.79 / \$443.11

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.361	-
SMA50	0.845	-
MVWAP20	2.163	-
MACD	0.689	-
RSI	2.153	-
Volume	462949.670	-
ATR	-0.046	-
T1	-	9.63 / 436.40 / 460.42 / 453.46
T2	-	9.22 / 434.73 / 461.87 / 454.90
T3	-	8.86 / 432.85 / 459.43 / 447.07



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$471.07
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 2, 2026 2:31 PM EDT
Options data coverage	100.0%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-09 7 DTE
Front at-the-money IV	26.7%
25-delta skew	0.17
Put / Call 25-delta	\$460.00 Delta -0.251 / \$485.00 Delta 0.231
Median option bid/ask spread	3.7%
Bid/ask spread	-
Contracts observed / quoted	113 / 113

Price context

Last Price: 471.07 | Bid: 471.02 | Ask: 471.11 | Previous Close: 459.20 | Change: 11.87 | Daily change: 2.58% | Update Time: 2026-10-02T14:31:45.632646-04:00 | Latest History Date: 2026-10-02 | Latest History Price: 471.06

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-10 | Latest Date: 2026-10-02 | Latest Price: 471.06 | Max Drawdown 60d Percent: -13.69%

Fundamental context

Current Iv Percent: 32.23% | Iv Rank: 7.83 | Iv Percentile: 5.18 | 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.

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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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