



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 6, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$482.20	-3.60 -0.74%	\$482.04/\$482.40	\$485.80

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 6, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 6, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
72.2 / 100	Constructive	high	3 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$476.50	\$498.00	\$465.00	58 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 6, 2026 7:50 PM EDT

Key insight

TSM Shows Bullish Signs Despite Recent Pullback

Market read

TSM's options market suggests a bullish outlook despite a recent dip in price. The stock is trading near its 50-day moving average, with strong support around \$475-478. While technical indicators are showing signs of overbought conditions, the underlying fundamentals remain positive, driven by robust demand for AI infrastructure and advanced chip manufacturing.

Strategy context

TSM's options market is showing signs of bullishness, with call options trading at a premium. This suggests that investors are expecting the stock price to rise in the near term.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 6, 2026 1:33 PM EDT

Short-term scenario

Do not chase the fresh high. For a 1-3 week horizon, prefer a pullback entry near support; hold only if already long and risk is defined. Bias is mildly bullish but overbought, so a failed breakout is a real risk. Not investment advice; levels are estimates.

Three-month outlook

Moderately bullish on fundamentals if AI infrastructure spending and advanced-node/packaging tightness persist: sell-side targets (Goldman NT\$3,300 locally; one ADR consensus near the mid-\$500s) imply further upside, and an Oct 15 conference could reinforce guidance. The path is unlikely to be straight. After a ~60% YTD rise and an overbought RSI, an 8-15% consolidation or pullback toward the 50-day area is plausible even in a positive scenario. Uncertainty is high and material: monthly sales and Oct 15 commentary could miss elevated expectations; Terafab and Texas plans may stay exploratory; hyperscaler capex, rates, and Taiwan geopolitical risk can reprice the multiple quickly. These levels are not forecasts or recommendations.

Market sentiment

Recent \$TSM posts are cautiously bullish, not uniformly euphoric. Accounts highlight AI foundry demand, strong margins, and a sub-1 PEG narrative, and map support near \$475-478, a base around \$482-485, resistance near \$487-490, and an extension zone around \$495-500. Several warn against chasing: RSI has been flagged as overheated, price is extended versus longer averages, and failure to hold ~\$480 raises rejection risk toward \$475-470 and possibly \$460. One note tied broader index exhaustion signals to semis. Spam and low-quality promo posts are also present and should be ignored. Sentiment can flip on the next sales print or guidance.

Supporting evidence

Strong bullish trend indicated by price action above rising moving averages | Positive sentiment from recent news regarding Terafab talks and TSMC expansion plans | Upward revisions to earnings estimates by analysts | Elevated implied volatility suggests market anticipation of future price movement

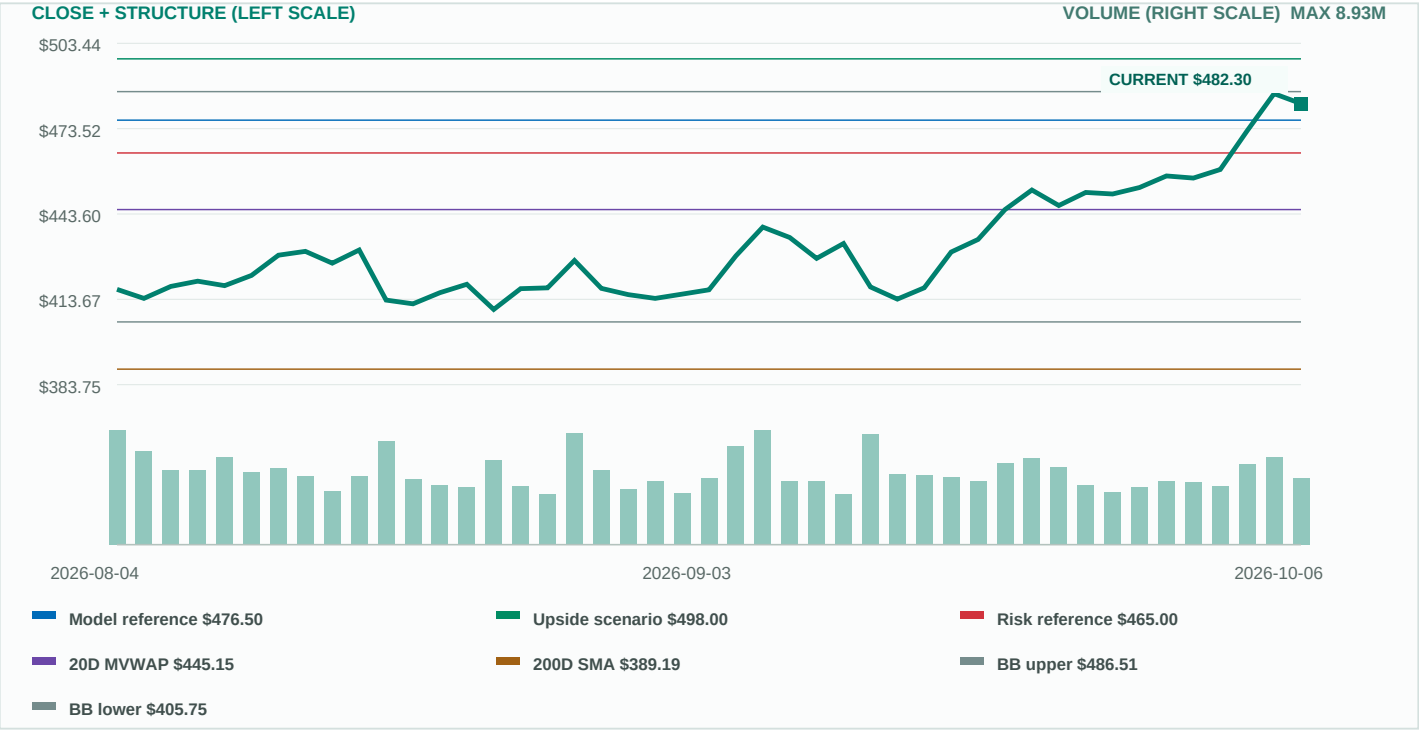
Risk watch

Overbought technical indicators may signal a short-term pullback | Uncertainty surrounding Terafab and Texas manufacturing plans | 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

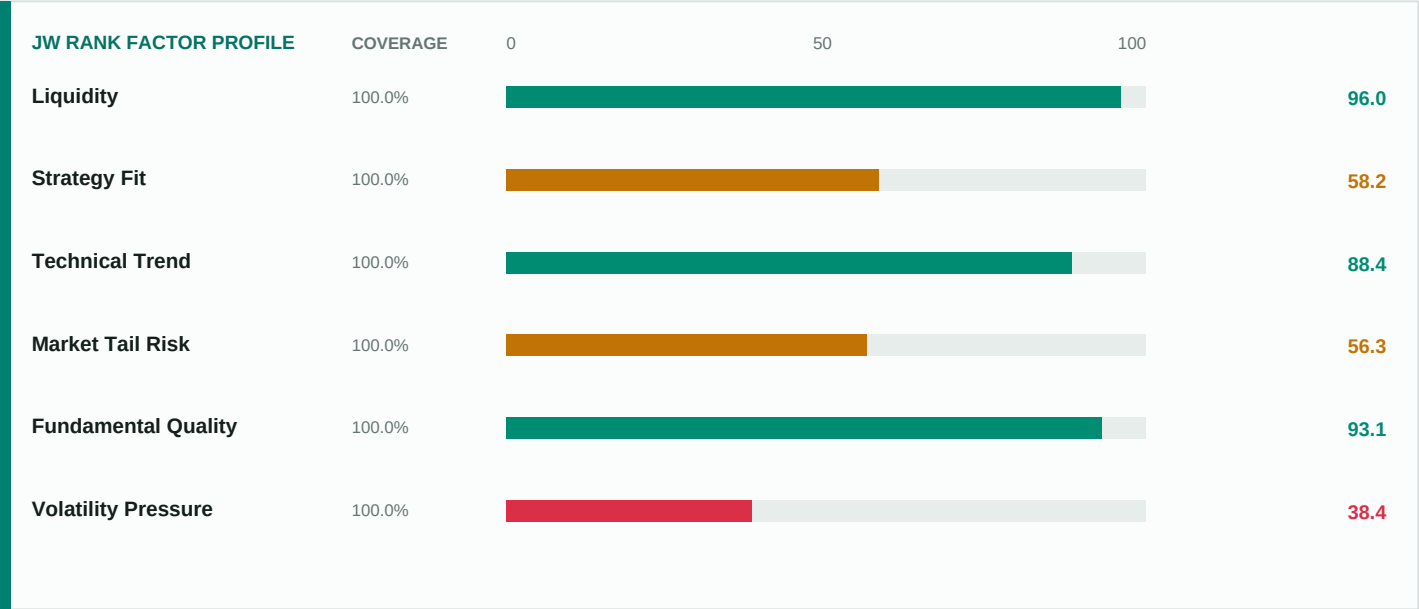


45 complete trading-session observations



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)	80.89 / 72.58 / 66.79
RSI velocity	2.25
MACD line / signal / histogram	13.95 / - / 10.03
MACD acceleration	1.44
Stochastic K / D	95.48 / 95.04

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	2.91
20-day MVWAP	\$445.15
Price vs 20-day MVWAP	+8.32%
Daily reference VWAP	\$483.26
Price vs daily reference	-0.22%
Volume	5.19M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.60
20-day / 200-day SMA	\$446.13 / \$389.19
Bollinger range	\$405.75 - \$486.51
Bollinger position	0.948



Options and volatility intelligence

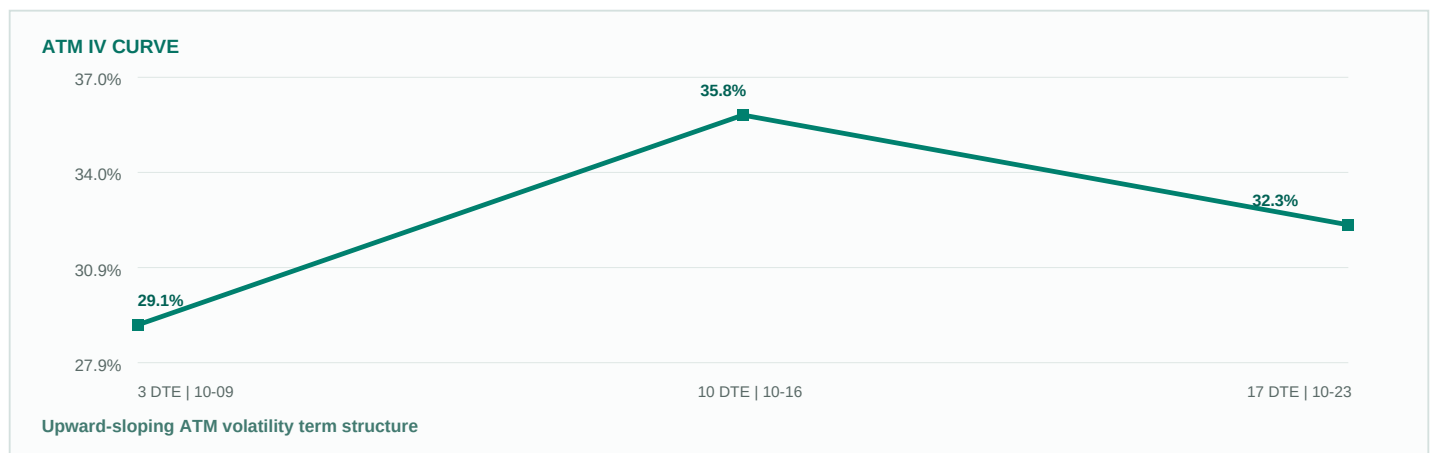
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
4 / 100	2 / 100	82.24	143.04

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+3.20 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 6, 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	3	29.1%	-
2026-10-16	10	35.8%	-
2026-10-23	17	32.3%	-

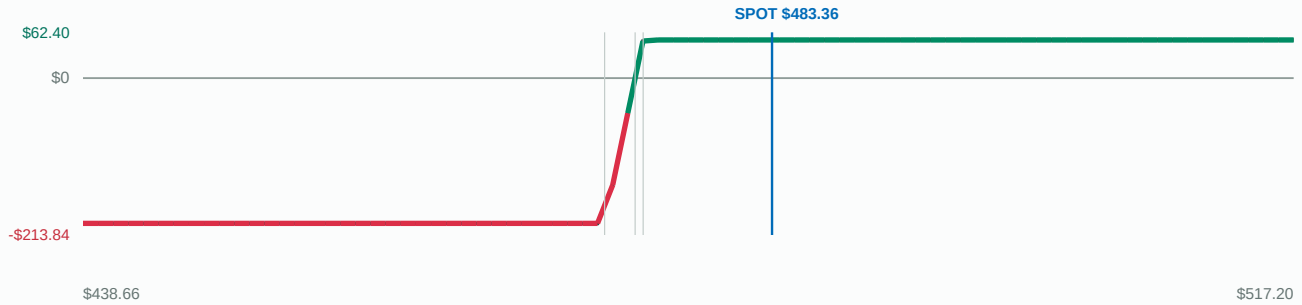


Reference spread payoff

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

Bull Put Spread reference

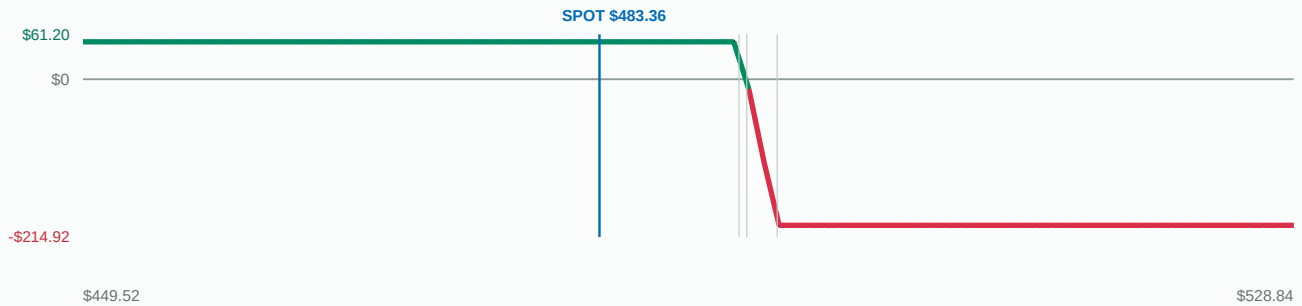
Short \$475.00 | Long \$472.50 | Width \$2.50 | Net credit \$0.52



Max profit \$52.00 | Max loss -\$198.00 | Break-even \$474.48 | Per contract at expiry

Bear Call Spread reference

Short \$492.50 | Long \$495.00 | Width \$2.50 | Net credit \$0.51



Max profit \$51.00 | Max loss -\$199.00 | Break-even \$493.01 | 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	elevated
Event IV premium	3.51
VIX	15.08
VVIX	82.24
SKEW index	143.04
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	134
Contracts with quotes	134

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

TSM's options market suggests a bullish outlook despite a recent dip in price. The stock is trading near its 50-day moving average, with strong support around \$475-478. While technical indicators are showing signs of overbought conditions, the underlying fundamentals remain positive, driven by robust demand for AI infrastructure and advanced chip manufacturing.

Options context

TSM Shows Bullish Signs Despite Recent Pullback

Wheel context

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Observed evidence

Strong bullish trend indicated by price action above rising moving averages | Positive sentiment from recent news regarding Terafab talks and TSMC expansion plans | Upward revisions to earnings estimates by analysts | Elevated implied volatility suggests market anticipation of future price movement

Principal risks to monitor

Overbought technical indicators may signal a short-term pullback | Uncertainty surrounding Terafab and Texas manufacturing plans | 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)
\$64.83T	28.61
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	
\$1,305.00 - \$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 | 2026-10-09

At signal \$478.15 | Current \$482.20

SHORT Option \$485.00 B \$3.95 / A \$4.10

Conservative | CR \$4.03

Oct 5, 2026 9:55 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	\$10.45
ATR as % of price	2.2%
Volatility environment	medium
Current IV	31.6%
IV rank	5 / 100
IV percentile	3 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 6, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	76 / 100
Trend health	92 / 100
Momentum health	68 / 100
Volatility health	77 / 100
Structure health	55 / 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)	\$446.13 / \$428.21 / \$389.19
EMA (9 / 21)	\$465.44 / \$450.57
Bollinger upper / middle / lower	\$486.51 / \$446.13 / \$405.75



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.948
True high / low	\$486.00 / \$481.48
5-day true high / low	\$487.47 / \$453.46

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	2.599	-
SMA50	1.485	-
MVWAP20	2.915	-
MACD	1.438	-
RSI	2.247	-
Volume	203237.330	-
ATR	0.073	-
T1	-	12.86 / 442.90 / 487.47 / 472.78
T2	-	10.93 / 439.34 / 474.79 / 459.20
T3	-	9.63 / 436.40 / 460.42 / 453.46



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$483.36
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 6, 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 3 DTE
Front at-the-money IV	29.1%
25-delta skew	0.03
Put / Call 25-delta	\$475.00 Delta -0.250 / \$492.50 Delta 0.257
Median option bid/ask spread	4.2%
Bid/ask spread	-
Contracts observed / quoted	134 / 134

Price context

Last Price: 483.36 | Bid: 483.36 | Ask: 483.40 | Previous Close: 485.80 | Change: -2.44 | Daily change: -0.50% | Update Time: 2026-10-06T14:31:29.274854-04:00 | Latest History Date: 2026-10-06 | Latest History Price: 483.51

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-14 | Latest Date: 2026-10-06 | Latest Price: 483.51 | Max Drawdown 60d Percent: -11.76%

Fundamental context

Current Iv Percent: 31.11% | Iv Rank: 3.61 | Iv Percentile: 2.39 | 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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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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