



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 7, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$473.56	-8.74 -1.81%	\$473.55/\$473.79	\$482.30

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 7, 2026 11:31 PM EDT

JW Intelligence Report

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

JW Rank	Rank label	Confidence	IV percentile
73.2 / 100	Constructive	high	4 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$465.00	\$502.00	\$448.00	62 / 100

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

Key insight

TSM Option Market Prices in Continued Bullishness Despite Recent Pullback

Market read

The TSM option market displays a bullish outlook despite a recent pullback in price. Implied volatility is elevated, reflecting anticipation for the upcoming earnings release on October 15th. The term structure shows contango, with near-term options more expensive than longer-dated options, suggesting continued upward pressure on the stock price. The skew is balanced, indicating neutral sentiment towards potential upside and downside moves.

Strategy context

The recent pullback in TSM's price presents an opportunity for investors seeking long-term exposure to the company's growth prospects.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 7, 2026 1:33 PM EDT

Short-term scenario

Hold, or buy only on a further dip; do not chase into the Oct. 8 sales print and Oct. 15 earnings. These levels assume a constructive but not euphoric reaction and can fail if guidance disappoints. This is an analytical scenario, not a guarantee.

Three-month outlook

Base case is moderately constructive over three months if AI accelerator and advanced-packaging demand stay firm and Oct. 15 guidance does not reset growth expectations. Street targets near \$555 and commentary pointing to another year of strong AI-led growth support that path, but the stock already prices a strong outcome after a large year-to-date rally. Downside risks include 2nm and overseas-fab margin dilution, any pause in AI orders, geopolitical tension, and a sell-the-news reaction. Uncertainty is high: this is not a forecast of returns, and the path depends on data not yet released.

Market sentiment

Recent posts are mixed to constructive. Some holders treat TSM as a core AI foundry position and note a Strong Buy skew with average targets above the market. Others are not adding near highs, citing a guided margin step-down from the 2nm ramp and overseas fabs, and prefer a lower entry. Oct. 15 earnings (consensus EPS near \$4.40-\$4.46) dominate the discussion. Unrelated 'TSM' mentions add noise. Uncertainty: social posts are anecdotal, not a representative sample.

Supporting evidence

Elevated implied volatility (31.75%) suggests market anticipation for significant price movement around the upcoming earnings release. | Contango term structure with near-term options more expensive than longer-dated options points to bullish expectations. | Balanced skew indicates neutral sentiment towards potential upside and downside moves.

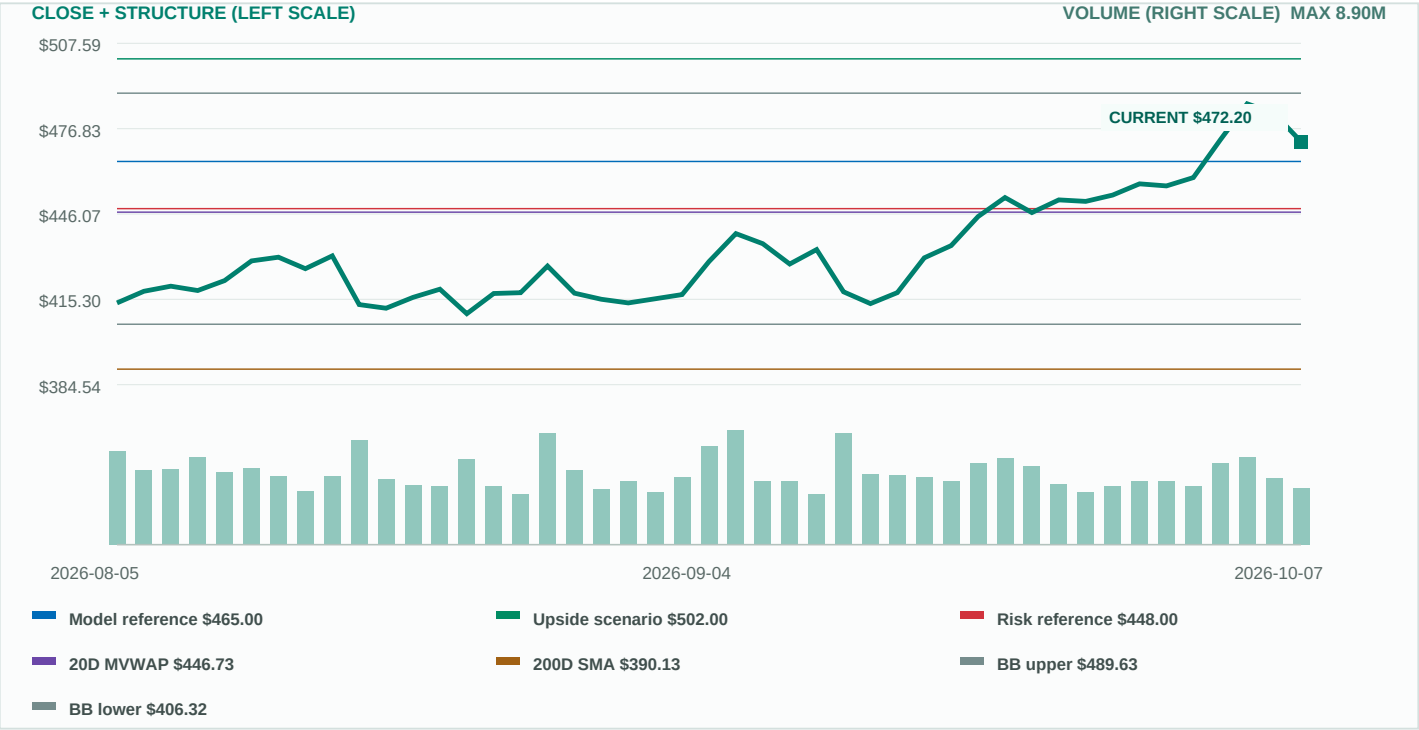
Risk watch

Earnings release on October 15th could trigger significant volatility, with both positive and negative surprises possible.



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)	63.65 / 64.47 / 61.93
RSI velocity	-2.34
MACD line / signal / histogram	13.83 / - / 10.79
MACD acceleration	0.97
Stochastic K / D	87.85 / 93.23

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	2.47
20-day MVWAP	\$446.73
Price vs 20-day MVWAP	+6.01%
Daily reference VWAP	\$473.10
Price vs daily reference	+0.10%
Volume	4.42M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	2.28
20-day / 200-day SMA	\$447.97 / \$390.13
Bollinger range	\$406.32 - \$489.63
Bollinger position	0.791



Options and volatility intelligence

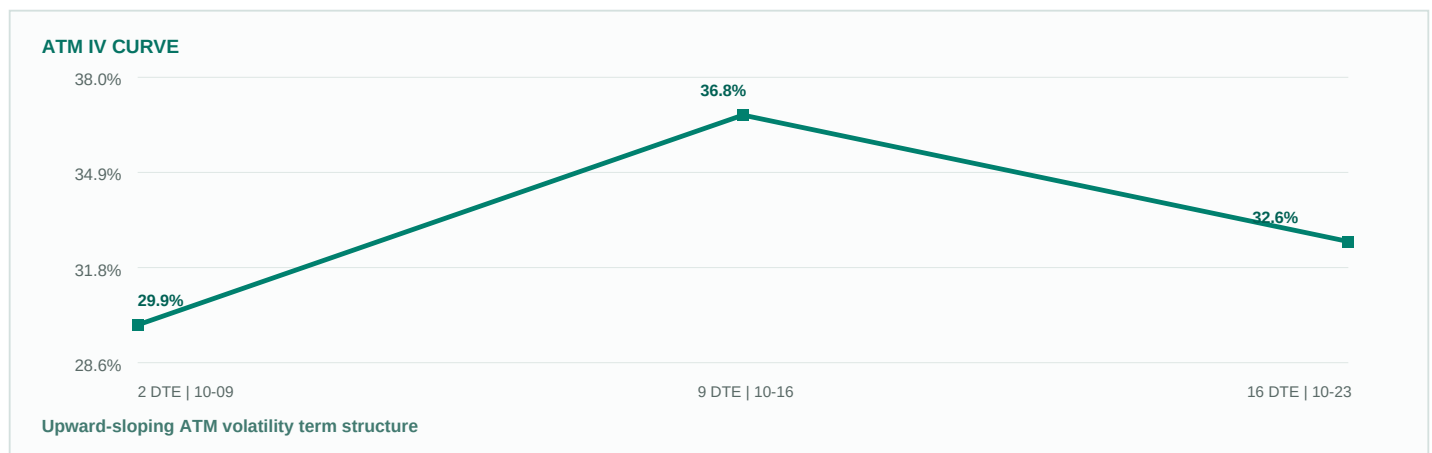
Structure, premium conditions and principal risks

IV rank 6 / 100	IV percentile 3 / 100	VVIX 84.45	SKEW 141.21
---------------------------	---------------------------------	----------------------	-----------------------

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+2.75 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 7, 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	2	29.9%	-
2026-10-16	9	36.8%	-
2026-10-23	16	32.6%	-

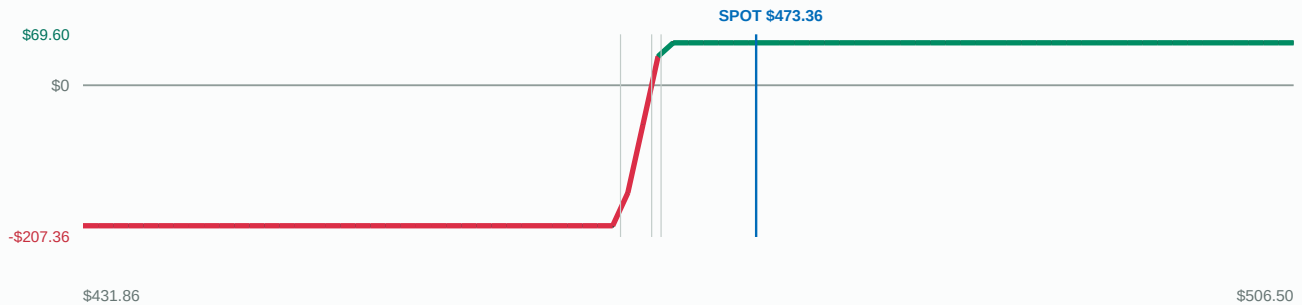


Reference spread payoff

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

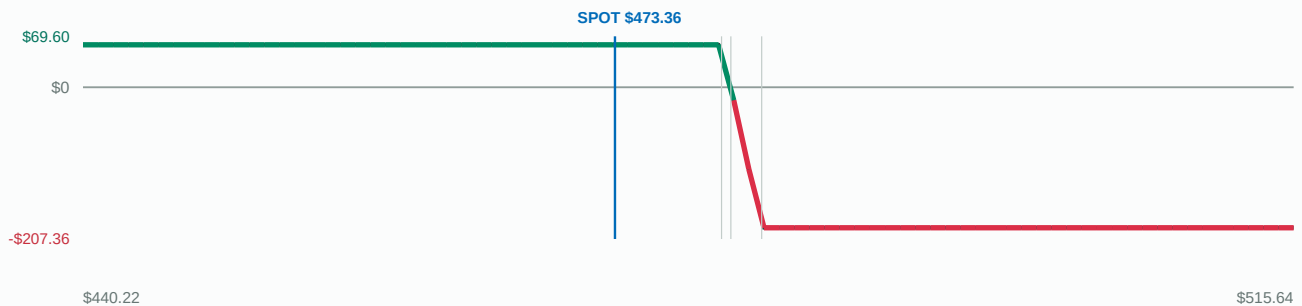
Bull Put Spread reference

Short \$467.50 | Long \$465.00 | Width \$2.50 | Net credit \$0.58



Bear Call Spread reference

Short \$480.00 | Long \$482.50 | Width \$2.50 | Net credit \$0.58



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	4.17
VIX	15.13
VVIX	84.45
SKEW index	141.21
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	144
Contracts with quotes	144

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market displays a bullish outlook despite a recent pullback in price. Implied volatility is elevated, reflecting anticipation for the upcoming earnings release on October 15th. The term structure shows contango, with near-term options more expensive than longer-dated options, suggesting continued upward pressure on the stock price. The skew is balanced, indicating neutral sentiment towards potential upside and downside moves.

Options context

TSM Option Market Prices in Continued Bullishness Despite Recent Pullback

Wheel context

The recent pullback in TSM's price presents an opportunity for investors seeking long-term exposure to the company's growth prospects.

Observed evidence

Elevated implied volatility (31.75%) suggests market anticipation for significant price movement around the upcoming earnings release. | Contango term structure with near-term options more expensive than longer-dated options points to bullish expectations. | Balanced skew indicates neutral sentiment towards potential upside and downside moves.

Principal risks to monitor

Earnings release on October 15th could trigger significant volatility, with both positive and negative surprises possible.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$66.78T	29.47
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	
\$1,325.00 - \$2,580.00	

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 \$473.56

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	\$10.49
ATR as % of price	2.2%
Volatility environment	medium
Current IV	31.9%
IV rank	7 / 100
IV percentile	4 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 7, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	83 / 100
Trend health	92 / 100
Momentum health	83 / 100
Volatility health	77 / 100
Structure health	71 / 100
Earnings risk / date	high 2026-10-15
Macro risk	unknown
Volatility risk	medium
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$447.97 / \$429.81 / \$390.13
EMA (9 / 21)	\$466.79 / \$452.53
Bollinger upper / middle / lower	\$489.63 / \$447.97 / \$406.32



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.791
True high / low	\$482.30 / \$471.30
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	2.284	-
SMA50	1.637	-
MVWAP20	2.465	-
MACD	0.968	-
RSI	-2.341	-
Volume	-626393.330	-
ATR	-0.042	-
T1	-	13.95 / 445.15 / 486.00 / 481.48
T2	-	12.86 / 442.90 / 487.47 / 472.78
T3	-	10.93 / 439.34 / 474.79 / 459.20



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$473.36
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 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 2 DTE
Front at-the-money IV	29.9%
25-delta skew	-0.62
Put / Call 25-delta	\$467.50 Delta -0.282 / \$480.00 Delta 0.280
Median option bid/ask spread	3.5%
Bid/ask spread	-
Contracts observed / quoted	144 / 144

Price context

Last Price: 473.36 | Bid: 473.29 | Ask: 473.43 | Previous Close: 482.30 | Change: -8.94 | Daily change: -1.85% | Update Time: 2026-10-07T14:31:38.623485-04:00 | Latest History Date: 2026-10-07 | Latest History Price: 473.35

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-15 | Latest Date: 2026-10-07 | Latest Price: 473.35 | Max Drawdown 60d Percent: -11.76%

Fundamental context

Current Iv Percent: 31.75% | Iv Rank: 6.02 | Iv Percentile: 3.19 | 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.

Generated Oct 7, 2026 11:31 PM EDT. Jason Wheel Terms of Use and Privacy Policy apply. Copyright Jason Wheel Research LLC. All rights reserved.

Reference documents

Official product terms and standardized options disclosure

Jason Wheel	jasonwheel.com
Terms of Use	jasonwheel.com / Terms
Privacy Policy	jasonwheel.com / Privacy
Options Disclosure Document	theocc.com / Options Disclosure Document