



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 8, 2026 11:32 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$460.51	-11.69 -2.48%	\$460.50/\$461.03	\$472.20

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 8, 2026 11:32 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 8, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
73.4 / 100	Constructive	high	16 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$450.00	\$480.00	\$434.00	58 / 100

Options stance	neutral
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 8, 2026 7:50 PM EDT

Key insight

TSM Option Market Shows Balanced Sentiment Ahead of Earnings

Market read

The TSM option market appears balanced ahead of its earnings release on October 15th. While recent news regarding record Q3 revenue and strong AI demand is generally positive, the stock has pulled back due to concerns about macro headwinds and a potential shift in Tesla's manufacturing strategy. The implied volatility reflects this uncertainty, with elevated levels for the upcoming expiration dates.

Strategy context

Option traders are positioning for potential volatility around the October 15th earnings event. Bull put spreads and bear call spreads offer limited risk/reward strategies.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 8, 2026 1:33 PM EDT

Short-term scenario

Cautious tactical long only on stabilization near support, not a chase. Prefer a 1-3 week bounce attempt into/through the Oct 15 earnings print with small size. Uncertainty is high: guidance, margins, yields, and further sell-the-news can invalidate levels quickly. This is analysis, not personalized advice.

Three-month outlook

Base case is modestly constructive if Oct 15 confirms sustained AI/HPC demand, gross margins near the high end of the prior 65-67% guide, and capex that remains funded by growth rather than margin collapse. That path could work back toward the roughly \$525 consensus area over three months, with more bullish published targets in the \$550-665 range if 2027 AI revenue upgrades stick. Uncertainty is material and can dominate the path: valuation is elevated after a large year-to-date rally, higher yields can compress multiples even if fundamentals hold, customer concentration and Taiwan geopolitics remain structural risks, and overseas-fab dilution plus a guidance miss could retest \$430-440 or the 50-day average. A clean beat-and-raise is not assured just because September sales were strong.

Market sentiment

Mixed and cautious into earnings, not a collapse in the AI-demand narrative. Posts highlight the record Q3/September sales and constrained advanced capacity as structurally bullish, while the tape is being blamed on macro (10-year yields cited near 5.3% and oil above \$100), sell-the-news after the revenue beat, and a broader semi selloff linked to softer-than-rumored OpenAI revenue figures. Traders flag Oct 15 as the next sentiment pivot and warn that good sales do not remove event risk. Engagement is uneven; higher-visibility posts lean macro-driven rather than company-specific panic. Uncertainty: X is noisy, often low-sample, and can reverse within a session.

Supporting evidence

TSM's recent earnings beat expectations but the stock sold off on broader market weakness and concerns about future demand. | The October 15th earnings call is a key event risk, with potential for both upside and downside movement based on guidance and outlook. | Implied volatility is elevated for near-term expirations, suggesting heightened uncertainty surrounding the upcoming earnings release.

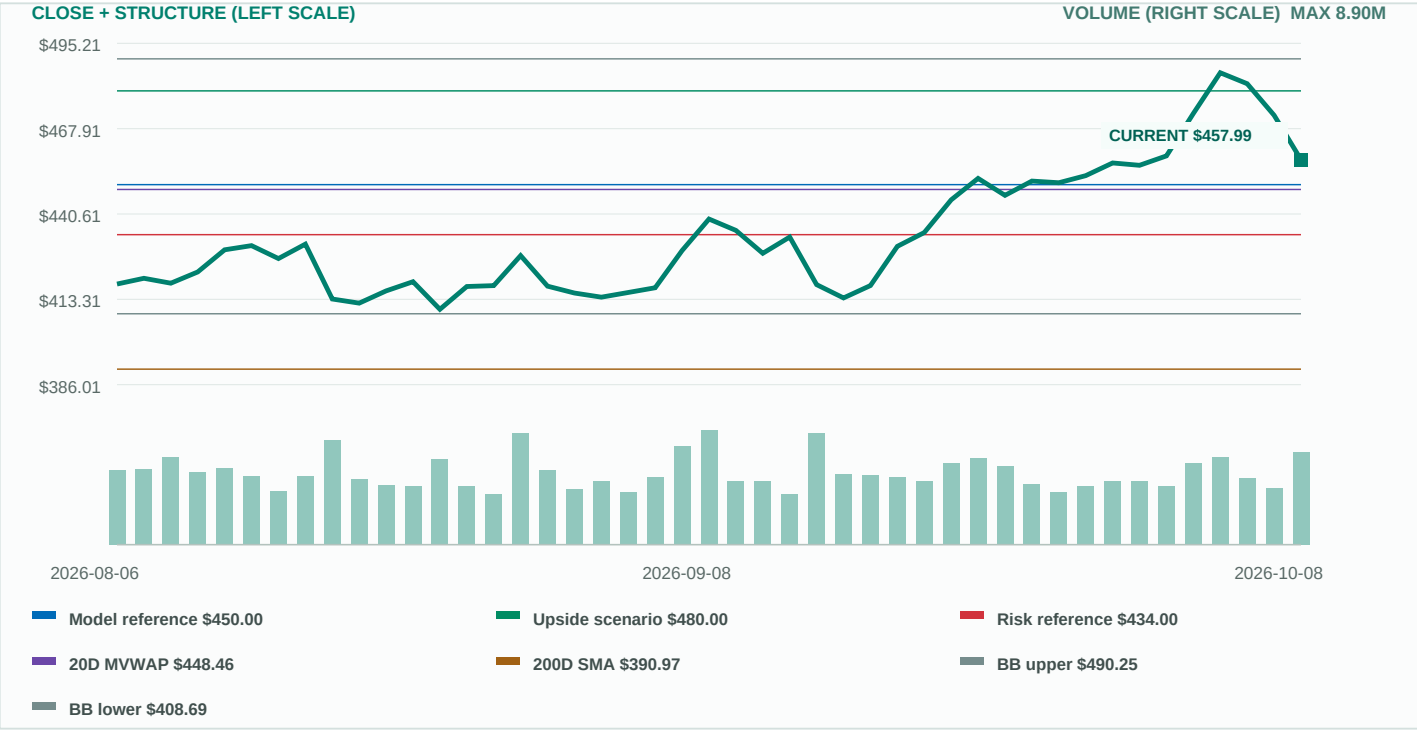
Risk watch

Macroeconomic headwinds, including rising interest rates and inflation, could negatively impact TSM's performance.



Enhanced price structure

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

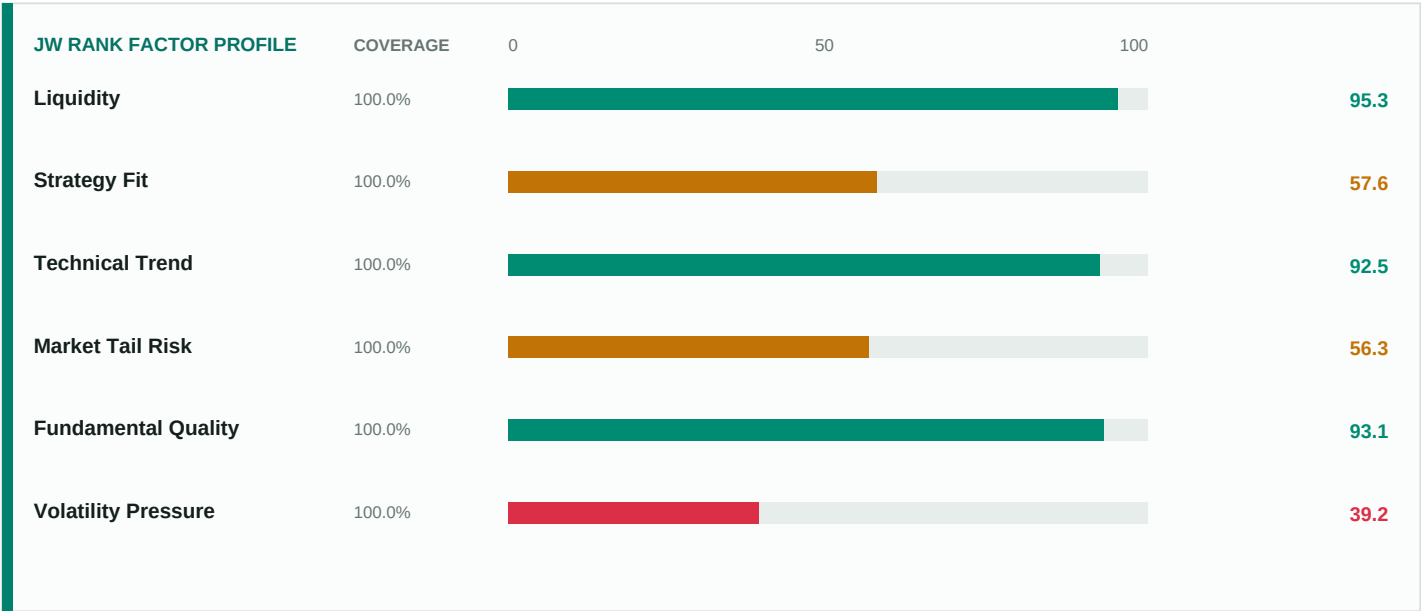


45 complete trading-session observations



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 decelerating
Trend signal	STRONG BULL
RSI signal	neutral
RSI (7 / 14 / 21)	47.15 / 55.13 / 55.91
RSI velocity	-6.84
MACD line / signal / histogram	12.45 / - / 11.13
MACD acceleration	-0.14
Stochastic K / D	69.11 / 84.15

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.85
20-day MVWAP	\$448.46
Price vs 20-day MVWAP	+2.69%
Daily reference VWAP	\$460.69
Price vs daily reference	-0.04%
Volume	7.16M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.84
20-day / 200-day SMA	\$449.47 / \$390.97
Bollinger range	\$408.69 - \$490.25
Bollinger position	0.605



Options and volatility intelligence

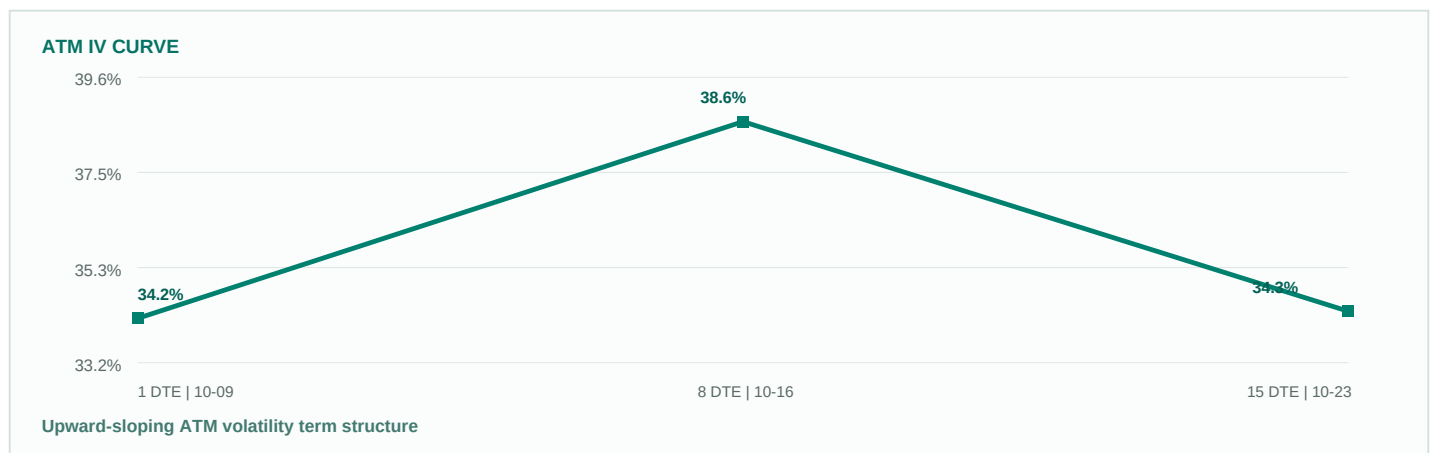
Structure, premium conditions and principal risks

IV rank 7 / 100	IV percentile 4 / 100	VVIX 89.18	SKEW 141.84
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Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	flat
Term slope	+0.16 pts
Skew read	balanced
Liquidity / quote coverage	99.3%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 8, 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	1	34.2%	-
2026-10-16	8	38.6%	-
2026-10-23	15	34.3%	-

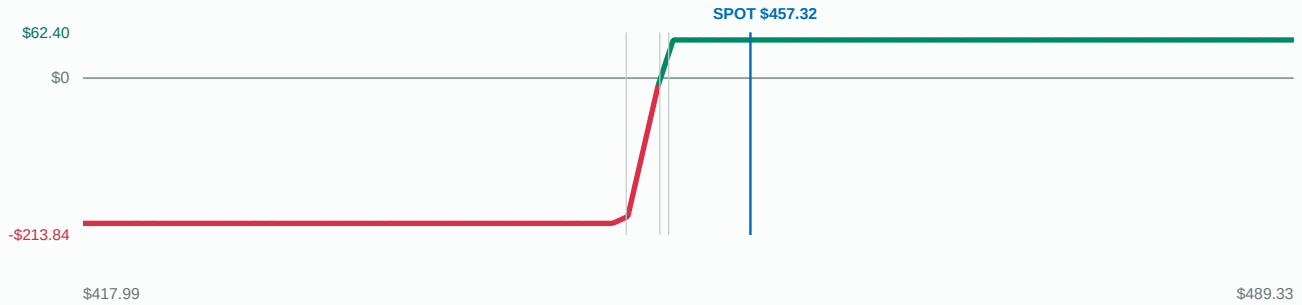


Reference spread payoff

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

Bull Put Spread reference

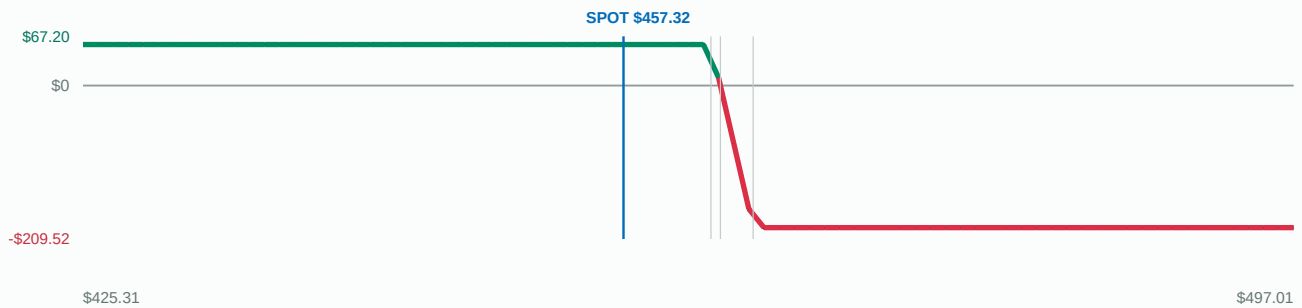
Short \$452.50 | Long \$450.00 | Width \$2.50 | Net credit \$0.52



Max profit \$52.00 | Max loss -\$198.00 | Break-even \$451.98 | Per contract at expiry

Bear Call Spread reference

Short \$462.50 | Long \$465.00 | Width \$2.50 | Net credit \$0.56



Max profit \$56.00 | Max loss -\$194.00 | Break-even \$463.06 | 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	4.28
VIX	15.62
VVIX	89.18
SKEW index	141.84
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	146
Contracts with quotes	145

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market appears balanced ahead of its earnings release on October 15th. While recent news regarding record Q3 revenue and strong AI demand is generally positive, the stock has pulled back due to concerns about macro headwinds and a potential shift in Tesla's manufacturing strategy. The implied volatility reflects this uncertainty, with elevated levels for the upcoming expiration dates.

Options context

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Wheel context

Option traders are positioning for potential volatility around the October 15th earnings event. Bull put spreads and bear call spreads offer limited risk/reward strategies.

Observed evidence

TSM's recent earnings beat expectations but the stock sold off on broader market weakness and concerns about future demand. | The October 15th earnings call is a key event risk, with potential for both upside and downside movement based on guidance and outlook. | Implied volatility is elevated for near-term expirations, suggesting heightened uncertainty surrounding the upcoming earnings release.

Principal risks to monitor

Macroeconomic headwinds, including rising interest rates and inflation, could negatively impact TSM's performance.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$67.04T	29.58
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%	0.95
52-week range	
\$1,355.00 - \$2,590.00	

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 \$460.51

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	\$11.12
ATR as % of price	2.4%
Volatility environment	medium
Current IV	33.3%
IV rank	12 / 100
IV percentile	16 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 8, 2026 7:32 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	90 / 100
Trend health	92 / 100
Momentum health	100 / 100
Volatility health	74 / 100
Structure health	90 / 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)	\$449.47 / \$431.47 / \$390.97
EMA (9 / 21)	\$465.03 / \$453.03
Bollinger upper / middle / lower	\$490.25 / \$449.47 / \$408.69



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.605
True high / low	\$472.20 / \$452.88
5-day true high / low	\$487.47 / \$452.88

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.835	-
SMA50	1.643	-
MVWAP20	1.853	-
MACD	-0.135	-
RSI	-6.840	-
Volume	114892.330	-
ATR	0.072	-
T1	-	13.83 / 446.73 / 482.30 / 471.30
T2	-	13.95 / 445.15 / 486.00 / 481.48
T3	-	12.86 / 442.90 / 487.47 / 472.78



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$457.32
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 8, 2026 2:31 PM EDT
Options data coverage	100.0%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FALLING
Front expiration / DTE	2026-10-09 1 DTE
Front at-the-money IV	34.2%
25-delta skew	0.76
Put / Call 25-delta	\$452.50 Delta -0.281 / \$462.50 Delta 0.267
Median option bid/ask spread	6.6%
Bid/ask spread	-
Contracts observed / quoted	146 / 145

Price context

Last Price: 457.32 | Bid: 457.25 | Ask: 457.36 | Previous Close: 472.20 | Change: -14.88 | Daily change: -3.15% | Update Time: 2026-10-08T14:31:37.518545-04:00 | Latest History Date: 2026-10-08 | Latest History Price: 457.41

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-16 | Latest Date: 2026-10-08 | Latest Price: 457.41 | Max Drawdown 60d Percent: -11.76%

Fundamental context

Current Iv Percent: 31.91% | Iv Rank: 6.63 | Iv Percentile: 3.98 | 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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