



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 9, 2026 11:32 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$453.30	-4.69 -1.03%	-/-	\$457.99

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 9, 2026 11:32 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 9, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
71.7 / 100	Constructive	high	4 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$446.00	\$470.00	\$432.00	58 / 100

Options stance	bullish
Tail-risk safety	56 / 100
JW Rank data coverage / as of	100.0% Oct 9, 2026 7:50 PM EDT

Key insight

TSM Option Market Prices in Strong Revenue, Cautious Ahead of Earnings

Market read

The TSM option market appears bullish despite a recent pullback in price. Implied volatility is elevated, reflecting uncertainty surrounding the upcoming earnings report on October 15th. The term structure is backwardated, suggesting traders expect volatility to decline after the event. While the stock declined following strong Q3 revenue reported on October 8th, the market seems to be pricing in continued growth and positive long-term prospects.

Strategy context

TSM's recent earnings report showed strong revenue growth, but the stock declined amid broader tech pressure. The upcoming earnings release on October 15th is likely to be a key driver of near-term price action.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 9, 2026 1:35 PM EDT

Short-term scenario

Cautious, small position or wait-and-see into the Oct 15 earnings; a dip toward support could be used for a bounce attempt, but event risk is high and a miss on margins or guidance could extend the pullback. Not a high-conviction 1-3 week trade. Uncertainty is significant because earnings can gap the stock well beyond technical levels.

Three-month outlook

Moderately bullish if the Oct 15 report confirms sustained AI-driven demand, gross margins near or above the prior 65-67% range, and constructive Q4/full-year guidance, which would support a path toward consensus targets in the low-to-mid \$500s. Tailwinds include dominant foundry share, 2nm ramp, and strong HPC/AI mix. Offsetting risks and uncertainty include margin pressure from overseas expansion, any slowdown in hyperscaler AI spending, geopolitical tensions around Taiwan, valuation sensitivity after a large run, and continued profit-taking. A reasonable 3-month range could be roughly \$420-520 depending on guidance and broader semiconductor sentiment; upside is more probable if the AI narrative holds, but near-term downside volatility remains material.

Market sentiment

Mixed and cautious near-term on X. Recent posts highlight the strong revenue print but note the stock failing to hold gains and trading lower (~\$451), with some weekly options flow leaning toward puts and dark-pool activity discussed. Isolated watchlists advise against buying short-term. Other posts reiterate strong-buy views based on AI exposure and relative valuation. Longer-horizon commentary remains constructive on monopoly-like foundry position and growth, but immediate tape reaction is not uniformly bullish. Sentiment shows clear uncertainty ahead of the Oct 15 report, focused on whether revenue strength converts into margins and guidance.

Supporting evidence

Strong Q3 revenue beat expectations by a significant margin. | Analysts remain optimistic with a Strong Buy consensus and price targets clustering around \$524-\$555. | The option market shows bullish sentiment with elevated implied volatility and a backwardated term structure.

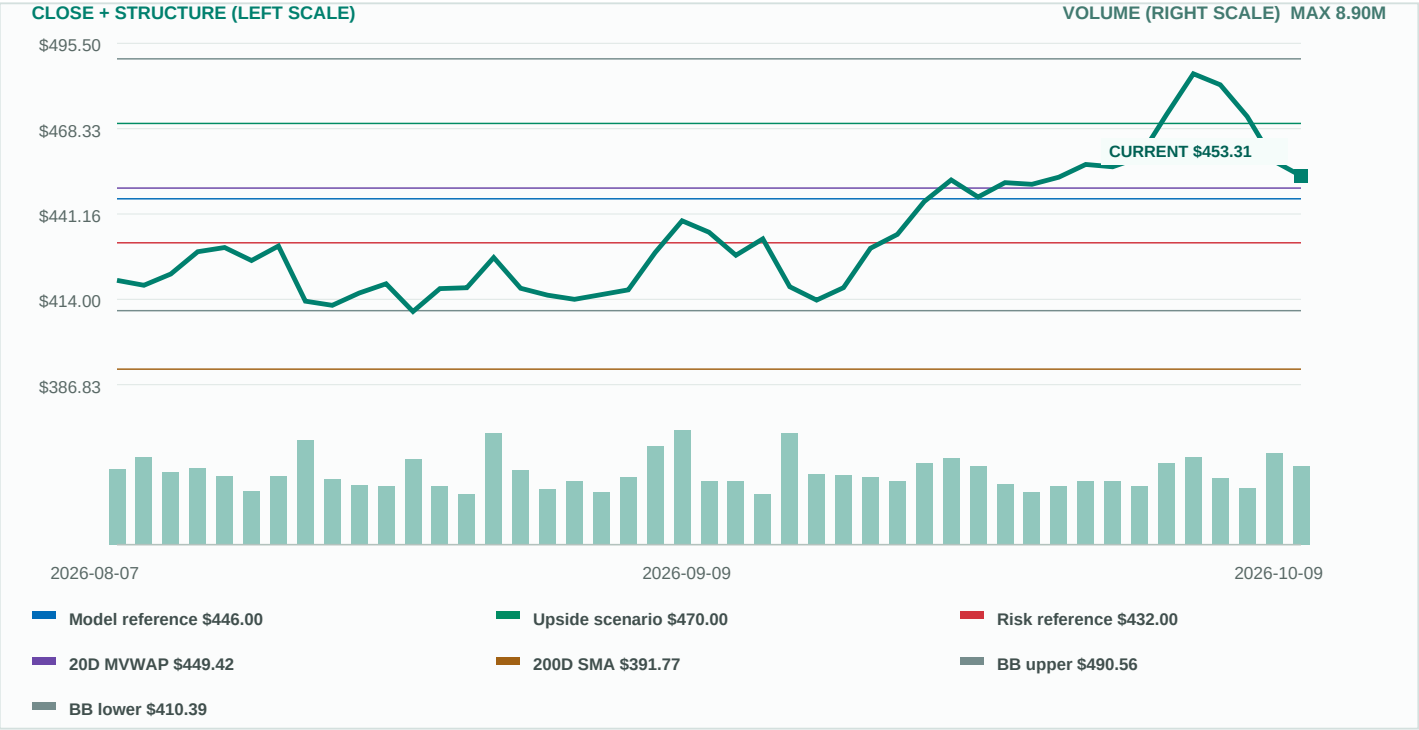
Risk watch

Earnings miss or weak guidance could lead to a significant pullback in price.



Enhanced price structure

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

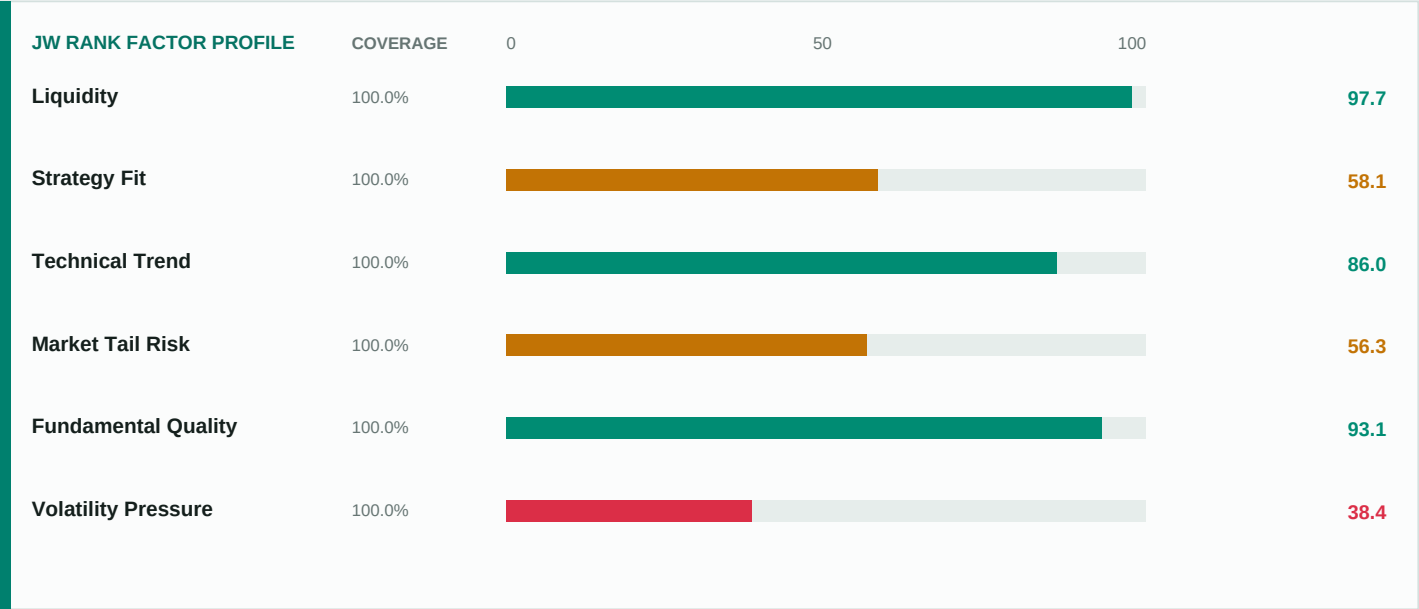


45 complete trading-session observations



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)	42.88 / 52.44 / 54.10
RSI velocity	-6.72
MACD line / signal / histogram	10.86 / - / 11.07
MACD acceleration	-1.03
Stochastic K / D	47.51 / 68.16

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Above institutional MVWAP Accumulation bias
Institutional flow	1.43
20-day MVWAP	\$449.42
Price vs 20-day MVWAP	+0.86%
Daily reference VWAP	\$455.96
Price vs daily reference	-0.58%
Volume	6.09M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.45
20-day / 200-day SMA	\$450.47 / \$391.77
Bollinger range	\$410.39 - \$490.56
Bollinger position	0.535



Options and volatility intelligence

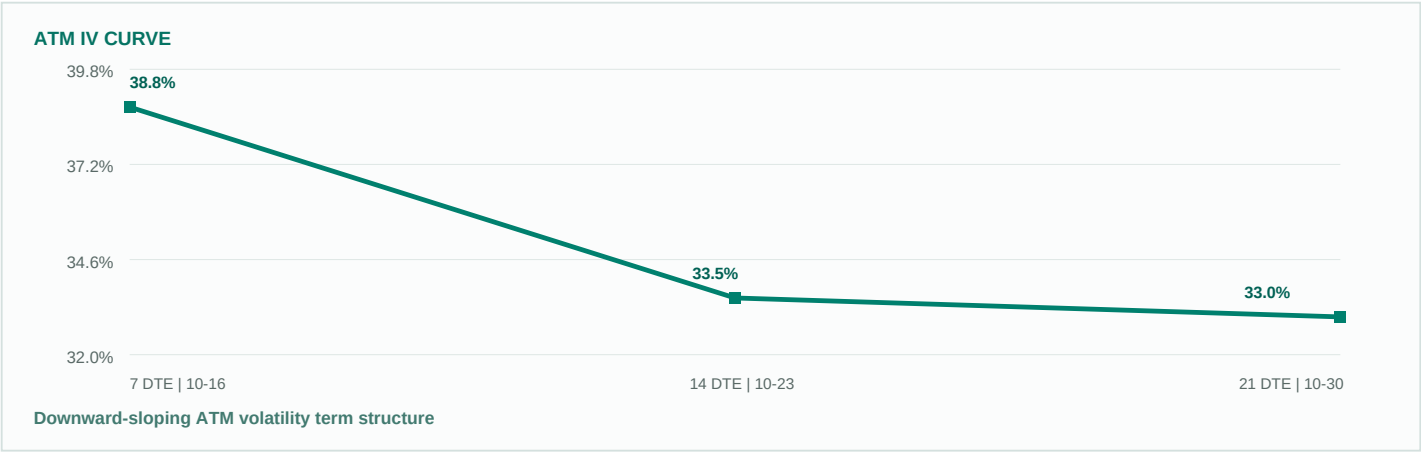
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
7 / 100	6 / 100	86.00	149.19

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-5.76 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 9, 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
2026-10-16	7	38.8%	-
2026-10-23	14	33.5%	-
2026-10-30	21	33.0%	-

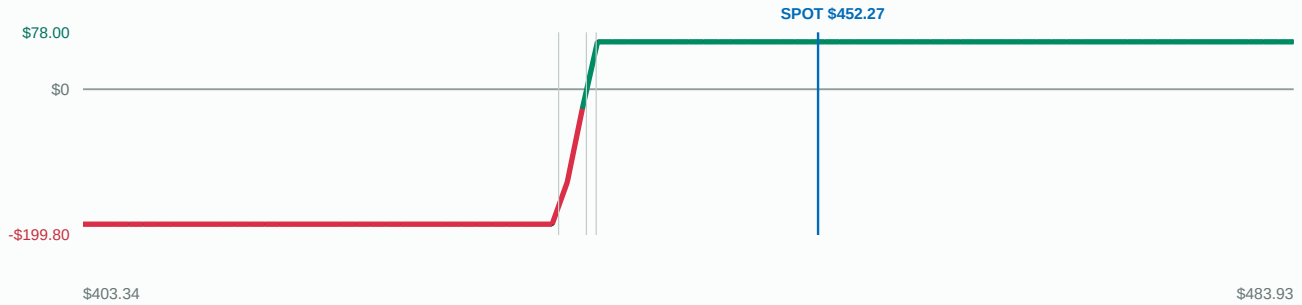


Reference spread payoff

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

Bull Put Spread reference

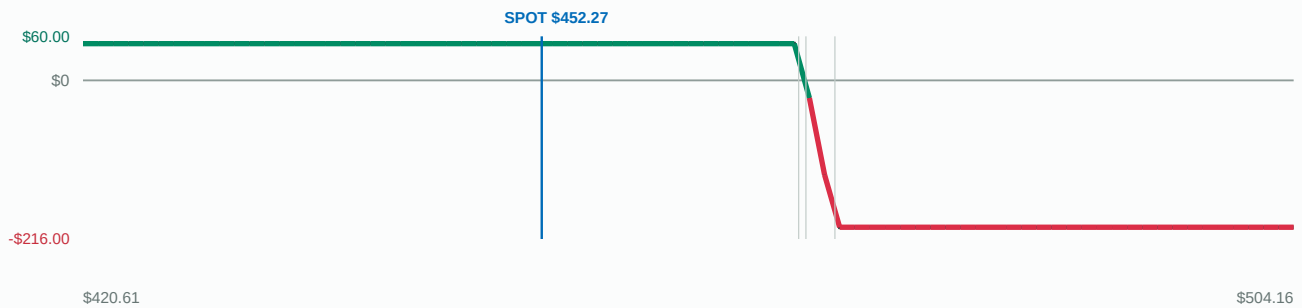
Short \$437.50 | Long \$435.00 | Width \$2.50 | Net credit \$0.65



Max profit \$65.00 | Max loss -\$185.00 | Break-even \$436.85 | Per contract at expiry

Bear Call Spread reference

Short \$470.00 | Long \$472.50 | Width \$2.50 | Net credit \$0.50



Max profit \$50.00 | Max loss -\$200.00 | Break-even \$470.50 | 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	high
Event IV premium	5.24
VIX	14.87
VVIX	86.00
SKEW index	149.19
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	118
Contracts with quotes	118

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market appears bullish despite a recent pullback in price. Implied volatility is elevated, reflecting uncertainty surrounding the upcoming earnings report on October 15th. The term structure is backwardated, suggesting traders expect volatility to decline after the event. While the stock declined following strong Q3 revenue reported on October 8th, the market seems to be pricing in continued growth and positive long-term prospects.

Options context

TSM Option Market Prices in Strong Revenue, Cautious Ahead of Earnings

Wheel context

TSM's recent earnings report showed strong revenue growth, but the stock declined amid broader tech pressure. The upcoming earnings release on October 15th is likely to be a key driver of near-term price action.

Observed evidence

Strong Q3 revenue beat expectations by a significant margin. | Analysts remain optimistic with a Strong Buy consensus and price targets clustering around \$524-\$555. | The option market shows bullish sentiment with elevated implied volatility and a backwardated term structure.

Principal risks to monitor

Earnings miss or weak guidance could lead to a significant pullback in price.



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	
\$1,365.00 - \$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 \$453.30

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	\$11.40
ATR as % of price	2.5%
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 9, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	90 / 100
Trend health	92 / 100
Momentum health	95 / 100
Volatility health	72 / 100
Structure health	96 / 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)	\$450.47 / \$432.47 / \$391.77
EMA (9 / 21)	\$462.69 / \$453.05
Bollinger upper / middle / lower	\$490.56 / \$450.47 / \$410.39



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.535
True high / low	\$464.83 / \$449.75
5-day true high / low	\$487.47 / \$449.75

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.448	-
SMA50	1.421	-
MVWAP20	1.425	-
MACD	-1.030	-
RSI	-6.716	-
Volume	298815.000	-
ATR	0.318	-
T1	-	12.45 / 448.46 / 472.20 / 452.88
T2	-	13.83 / 446.73 / 482.30 / 471.30
T3	-	13.95 / 445.15 / 486.00 / 481.48



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$452.27
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 9, 2026 2:31 PM EDT
Options data coverage	100.0%
SKEW regime	HIGH TAIL RISK SKEW
VVIX regime	VVIX FLAT
Front expiration / DTE	2026-10-16 7 DTE
Front at-the-money IV	38.8%
25-delta skew	0.05
Put / Call 25-delta	\$437.50 Delta -0.258 / \$470.00 Delta 0.254
Median option bid/ask spread	4.0%
Bid/ask spread	-
Contracts observed / quoted	118 / 118

Price context

Last Price: 452.27 | Bid: 452.23 | Ask: 452.30 | Previous Close: 458.00 | Change: -5.73 | Daily change: -1.25% | Update Time: 2026-10-09T14:31:31.627118-04:00 | Latest History Date: 2026-10-09 | Latest History Price: 452.27

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-17 | Latest Date: 2026-10-09 | Latest Price: 452.27 | Max Drawdown 60d Percent: -11.76%

Fundamental context

Current Iv Percent: 32.07% | Iv Rank: 7.23 | Iv Percentile: 5.58 | 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 9, 2026 11:32 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