



Taiwan Semiconductor Manufacturing Co Ltd / TSM

Equity | Generated Oct 13, 2026 11:31 PM EDT

Current price	Daily move	Bid / Ask	Previous close
\$447.88	+3.53 +0.79%	\$447.26/\$448.20	\$444.35

Market	NYSE
Industry	Semiconductors
Market data as of	Oct 13, 2026 11:31 PM EDT

JW Intelligence Report

Complete | 3 of 3 sections | Oct 13, 2026 7:50 PM EDT

JW Rank	Rank label	Confidence	IV percentile
63.3 / 100	Balanced	high	9 / 100

Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$435.00	\$470.00	\$420.00	45 / 100

Options stance	bullish
Tail-risk safety	32 / 100
JW Rank data coverage / as of	100.0% Oct 13, 2026 7:50 PM EDT

Key insight

TSM Option Market Prices in Strong Earnings Expectations and Potential Upside

Market read

The TSM option market reflects a bullish outlook, pricing in strong earnings expectations and potential upside. The implied volatility is elevated, driven by the upcoming earnings release on October 15th. Traders are positioning for a significant move in the stock price following the announcement.

Strategy context

The upcoming earnings release is a key catalyst for TSM. Positive results could drive the stock price higher, while disappointing news may lead to a pullback.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Mixed

AI analysis updated

Oct 13, 2026 1:34 PM EDT

Short-term scenario

Cautious accumulate on weakness rather than chase; high event risk into and immediately after the October 15 earnings. Prefer defined-risk entries near support if the broader tape cooperates, with the expectation of elevated volatility over the next 1-3 weeks. Not a high-conviction directional call until guidance is known.

Three-month outlook

Constructive if AI infrastructure spending remains robust and management raises or affirms strong growth expectations (some analysts look for full-year growth in the low-to-mid 40% range or better, with further upside possible into 2027). A path toward the mid-\$500s is plausible on continued revenue acceleration, pricing power, and sold-out leading-edge capacity, consistent with the bulk of Buy-rated analyst targets. Offsetting risks include a guidance disappointment or conservative tone, margin dilution from the 2nm ramp and overseas expansion, elevated capital spending, geopolitical tensions involving Taiwan, and multiple compression if the broader AI trade cools. Uncertainty is material: three-month outcomes depend heavily on the October 15 commentary and subsequent order trends, which are not yet known.

Market sentiment

Mixed and event-driven rather than euphoric. Substantive posts highlight the revenue beat, reiterated analyst Buy ratings, and the view that the pullback from highs could offer an entry if guidance confirms sustained AI demand, while others caution about sell-the-news risk, margin/capex debates, and historical earnings-week volatility. Promotional and low-quality noise is also present. Overall tone is cautiously constructive on fundamentals but wary near the October 15 report. Uncertainty: social samples are incomplete and skewed by bots/promotions; real positioning may differ.

Supporting evidence

Elevated implied volatility (32.7%) suggests market anticipation of a substantial price movement around the earnings release. | The term structure is in backwardation, with near-term options more expensive than longer-dated options, indicating bullish sentiment and expectations for continued upside. | High open interest and strong trading volume suggest active participation from both bulls and bears, further fueling market volatility.

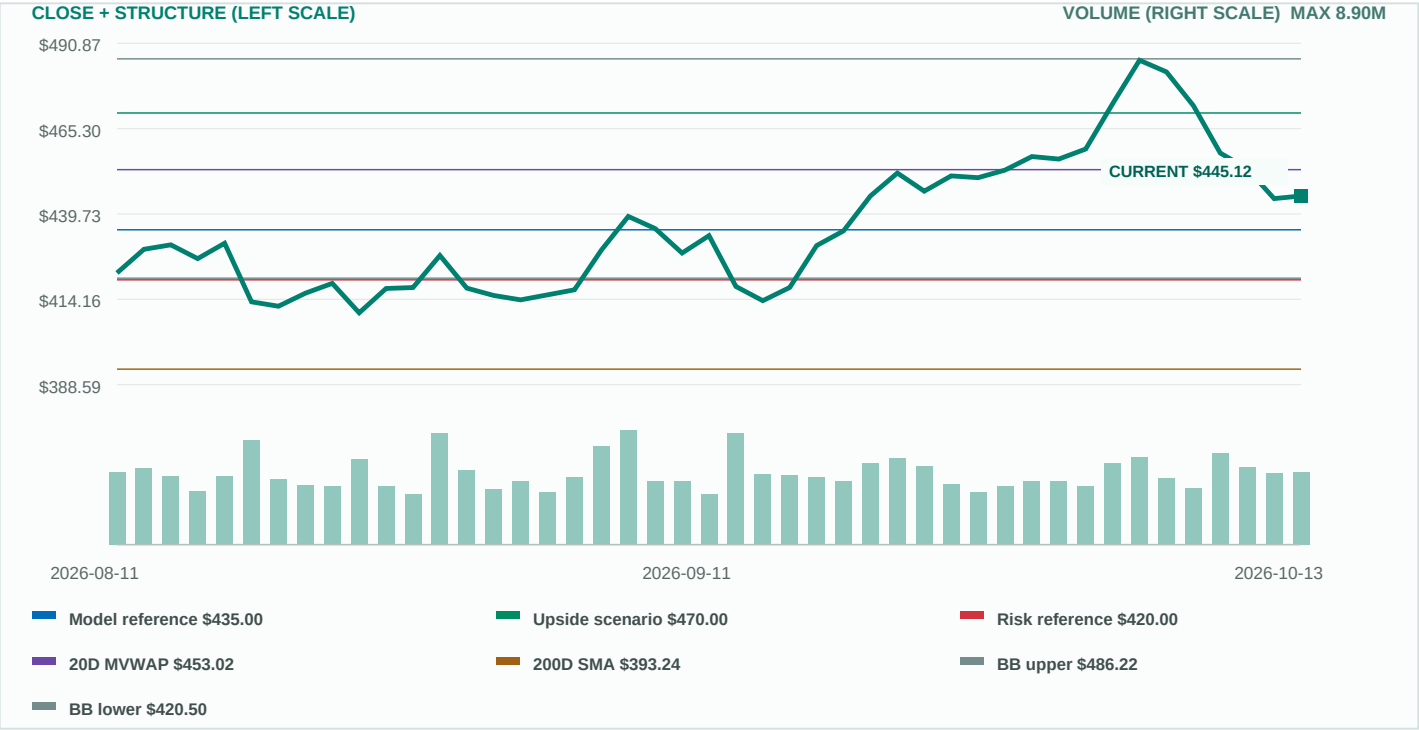
Risk watch

High event risk associated with the October 15th earnings announcement. | Potential for volatility spikes before and after the earnings release.



Enhanced price structure

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

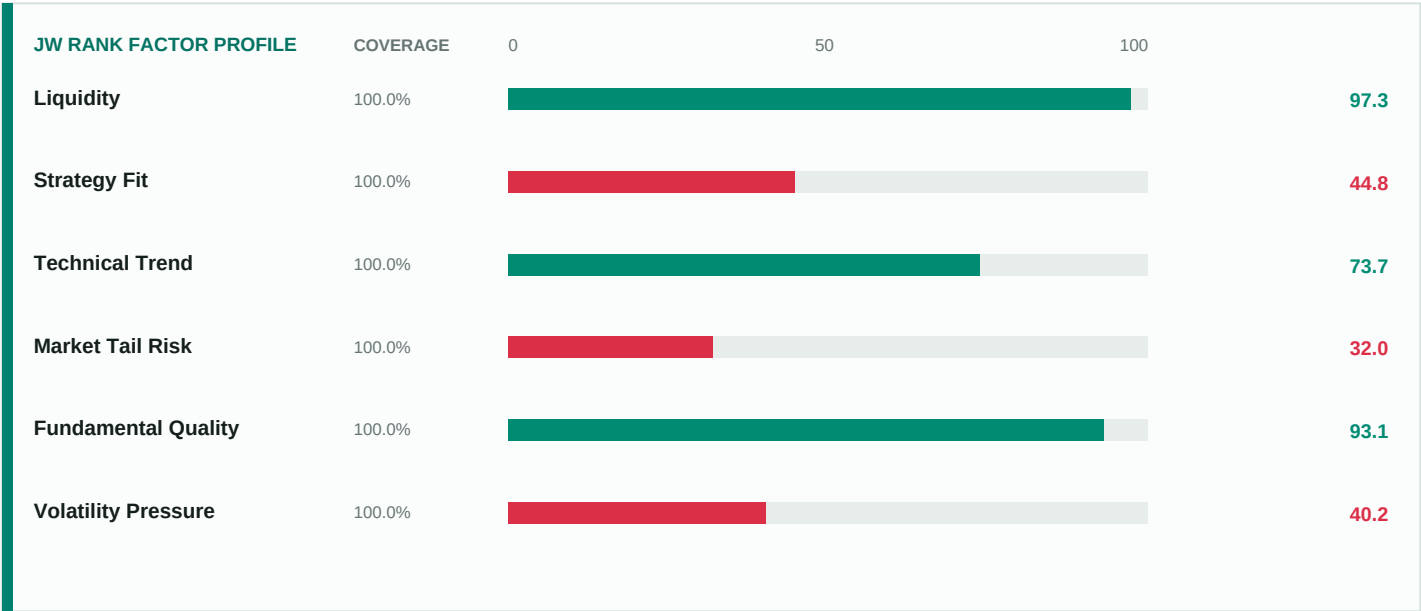


45 complete trading-session observations



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

Below 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)	36.73 / 48.08 / 51.05
RSI velocity	-2.35
MACD line / signal / histogram	7.09 / - / 9.91
MACD acceleration	-1.79
Stochastic K / D	16.85 / 29.97

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Below institutional MVWAP Accumulation bias
Institutional flow	1.52
20-day MVWAP	\$453.02
Price vs 20-day MVWAP	-1.13%
Daily reference VWAP	\$442.67
Price vs daily reference	+1.18%
Volume	5.66M

Structural context

Long-term trend and volatility boundaries

Current read	Above 200-day trend Positive macro velocity
Macro velocity	1.30
20-day / 200-day SMA	\$453.36 / \$393.24
Bollinger range	\$420.50 - \$486.22
Bollinger position	0.375



Options and volatility intelligence

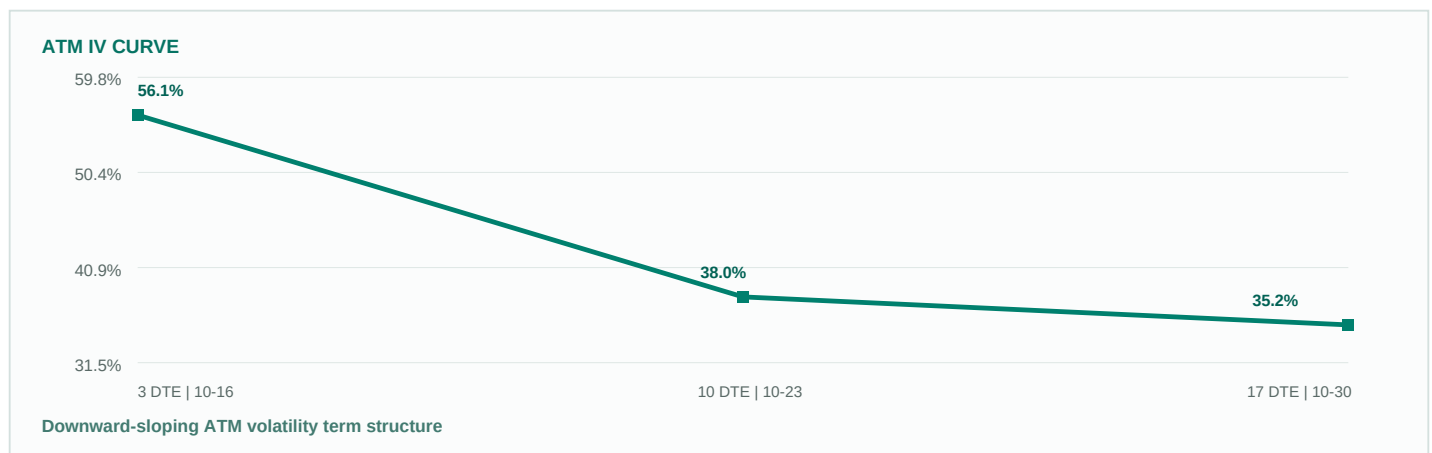
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
10 / 100	11 / 100	85.87	155.06

Market regime	DANGER ZONE
Tail-risk regime	NORMAL TAIL RISK
Term structure	backwardation
Term slope	-20.84 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 13, 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	3	56.1%	-
2026-10-23	10	38.0%	-
2026-10-30	17	35.2%	-

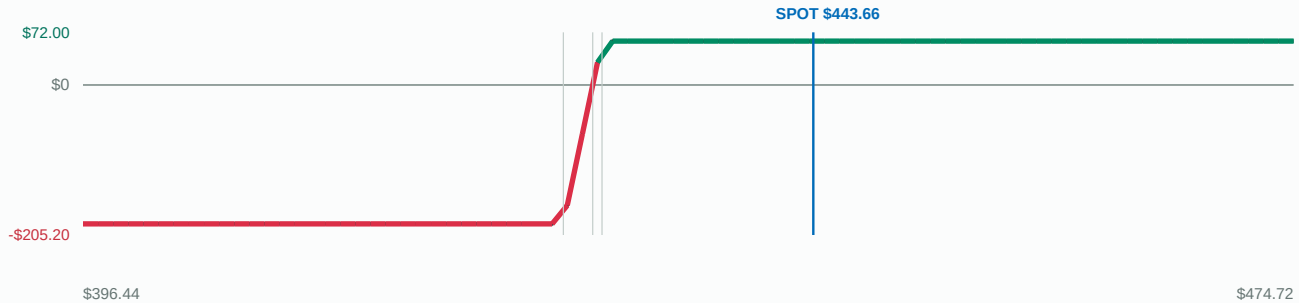


Reference spread payoff

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

Bull Put Spread reference

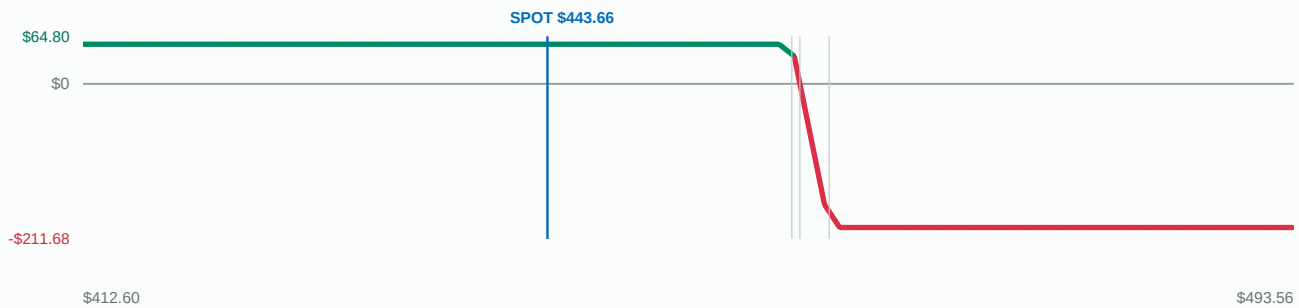
Short \$430.00 | Long \$427.50 | Width \$2.50 | Net credit \$0.60



Max profit \$60.00 | Max loss -\$190.00 | Break-even \$429.40 | Per contract at expiry

Bear Call Spread reference

Short \$460.00 | Long \$462.50 | Width \$2.50 | Net credit \$0.54



Max profit \$54.00 | Max loss -\$196.00 | Break-even \$460.54 | 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	18.06
VIX	15.42
VVIX	85.87
SKEW index	155.06
Observation confidence	high
Option quote quality	reliable



Event and tail-risk context (continued)

Known event windows and broad volatility conditions

FIELD	VALUE
Contracts observed	122
Contracts with quotes	122

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The TSM option market reflects a bullish outlook, pricing in strong earnings expectations and potential upside. The implied volatility is elevated, driven by the upcoming earnings release on October 15th. Traders are positioning for a significant move in the stock price following the announcement.

Options context

TSM Option Market Prices in Strong Earnings Expectations and Potential Upside

Wheel context

The upcoming earnings release is a key catalyst for TSM. Positive results could drive the stock price higher, while disappointing news may lead to a pullback.

Observed evidence

Elevated implied volatility (32.7%) suggests market anticipation of a substantial price movement around the earnings release. | The term structure is in backwardation, with near-term options more expensive than longer-dated options, indicating bullish sentiment and expectations for continued upside. | High open interest and strong trading volume suggest active participation from both bulls and bears, further fueling market volatility.

Principal risks to monitor

High event risk associated with the October 15th earnings announcement. | Potential for volatility spikes before and after the earnings release.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$66.13T	29.18
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	
\$1,375.00 - \$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 \$447.88

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	\$11.07
ATR as % of price	2.5%
Volatility environment	medium
Current IV	32.5%
IV rank	9 / 100
IV percentile	9 / 100
Technical Snapshot IV source	Private fundamentals snapshot
Technical Snapshot IV observed at	Oct 13, 2026 3:50 PM EDT

Technical health and risk radar

Derived indicator health and event context

Overall health	86 / 100
Trend health	92 / 100
Momentum health	88 / 100
Volatility health	73 / 100
Structure health	87 / 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)	\$453.36 / \$434.05 / \$393.24
EMA (9 / 21)	\$456.24 / \$451.61
Bollinger upper / middle / lower	\$486.22 / \$453.36 / \$420.50



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.375
True high / low	\$445.50 / \$437.40
5-day true high / low	\$482.30 / \$437.40

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	1.296	-
SMA50	0.861	-
MVWAP20	1.520	-
MACD	-1.787	-
RSI	-2.351	-
Volume	-491553.670	-
ATR	-0.014	-
T1	-	8.77 / 451.69 / 454.40 / 444.35
T2	-	10.86 / 449.42 / 464.83 / 449.75
T3	-	12.45 / 448.46 / 472.20 / 452.88



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$443.66
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 13, 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 3 DTE
Front at-the-money IV	56.1%
25-delta skew	-0.20
Put / Call 25-delta	\$430.00 Delta -0.262 / \$460.00 Delta 0.253
Median option bid/ask spread	4.0%
Bid/ask spread	-
Contracts observed / quoted	122 / 122

Price context

Last Price: 443.66 | Bid: 443.57 | Ask: 443.70 | Previous Close: 444.35 | Change: -0.69 | Daily change: -0.15% | Update Time: 2026-10-13T14:31:31.788713-04:00 | Latest History Date: 2026-10-13 | Latest History Price: 443.87

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-21 | Latest Date: 2026-10-13 | Latest Price: 443.87 | Max Drawdown 60d Percent: -11.76%

Fundamental context

Current Iv Percent: 32.70% | Iv Rank: 9.64 | Iv Percentile: 10.76 | 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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