



Wells Fargo & Co / WFC

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

Current price	Daily move	Bid / Ask	Previous close
\$80.15	-1.36 -1.67%	\$79.99/\$80.89	\$81.51

Market	NYSE
Industry	Banking
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
54.3 / 100	Balanced	high	71 / 100
Model reference	Upside scenario	Risk reference	Wheel strategy fit
\$79.25	\$83.50	\$77.50	71 / 100

Options stance	mixed
Tail-risk safety	56 / 100
JW Rank data coverage / as of	98.6% Oct 7, 2026 7:50 PM EDT

Key insight

WFC Option Market Implies Uncertainty Ahead of Earnings and Regulatory News

Market read

The WFC option market reflects a cautious outlook ahead of Q3 earnings on October 13th and potential regulatory scrutiny. While Morgan Stanley's recent upgrade to Overweight and \$102 target provide some bullish impetus, the implied volatility (IV) is elevated, suggesting heightened uncertainty surrounding the bank's performance and the HUD probe. The near-term price action is likely to be driven by these events, with potential for significant swings.

Strategy context

The WFC option market is showing signs of both bullish and bearish sentiment. The elevated IV suggests that investors are expecting significant price movement in the near term, while the recent upgrade from Morgan Stanley indicates that some analysts are optimistic about the bank's future prospects.



JW AI conclusions

Short- and medium-term model interpretation

AI context bias

Bullish

AI analysis updated

Oct 7, 2026 2:29 PM EDT

Short-term scenario

Small tactical long only, not a full position. The 1-3 week window is binary because of the Oct 13 earnings report and the unresolved HUD probe. Do not chase. Prefer a limit near support rather than the live quote. Target is a bounce into overhead supply, not Street targets near \$100. If 77.50 fails, the idea is invalid. Uncertainty is high: a miss, weak margin commentary, or probe escalation can gap through the stop.

Three-month outlook

Moderately constructive base case, with a wide and uncertain range. If Q3 shows stable credit, easing funding costs, and continued fee growth, and if the HUD matter stays limited, shares can partially close the year-to-date gap versus peers and trade toward the mid-to-high \$80s over three months. Morgan Stanley's \$102 and the roughly \$99-\$100 consensus are mainly 12-month views and are not a 3-month forecast. A weak print, renewed margin pressure, credit deterioration, or an adverse regulatory outcome would push the stock back toward the high \$70s or the low-\$70s support zone. A reasonable sketch is about \$74-\$92 over three months, with any path near \$84-\$88 dependent on earnings and the probe not disappointing. Rate path, deposit competition, and bank-sector risk appetite are external swing factors. This is an uncertain scenario, not a guarantee.

Market sentiment

X sentiment is thin, noisy, and not a reliable sample. Recent posts mostly recirculate the Morgan Stanley Overweight upgrade, the \$102 target, and a NIM-stabilization or catch-up thesis, with low engagement. A smaller set flagged the HUD probe headline. Promotional posts that merely tag \$WFC should be ignored. There is no high-conviction retail wave either bullish or bearish. Net read: cautiously constructive on the analyst upgrade, but today's price action is dominated by regulatory headline risk rather than social momentum. Sentiment can flip quickly around the Oct 13 print.

Supporting evidence

Elevated IV of 29.84% suggests market uncertainty about WFC's Q3 earnings and potential regulatory issues. | High event risk premium (5.07 points) indicates heightened sensitivity to the upcoming earnings report and HUD probe. | Bearish technical signals include price below both the 50-day and 200-day moving averages, with RSI near oversold levels. | Morgan Stanley's upgrade to Overweight and \$102 target provide some bullish support.

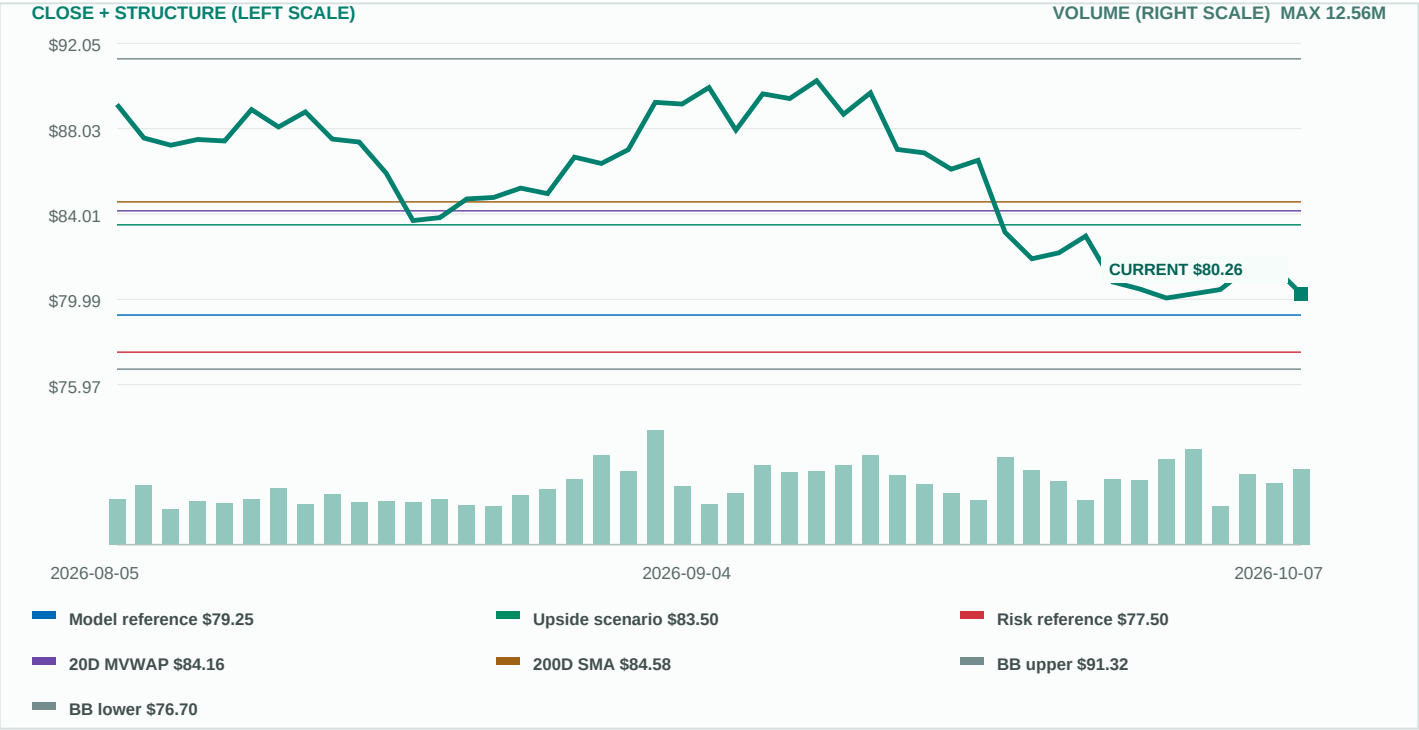
Risk watch

Potential for a negative earnings surprise could lead to a sharp decline in share price.



Enhanced price structure

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

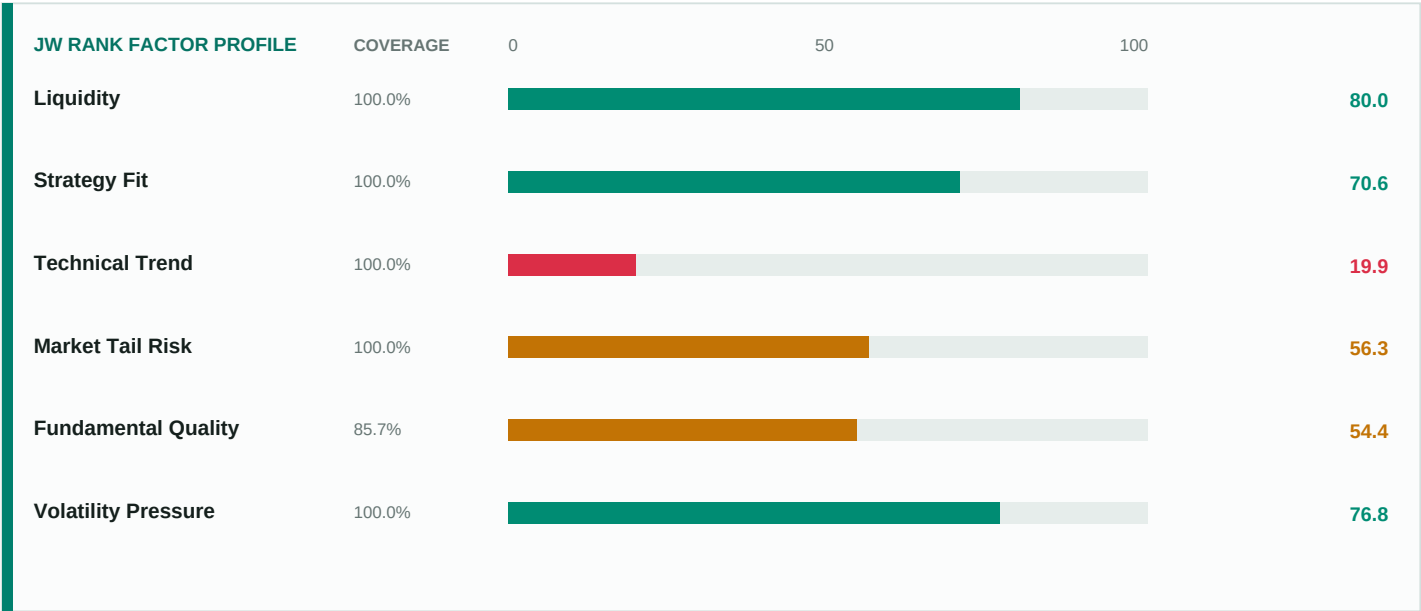


45 complete trading-session observations



JW Rank factors

Score, source coverage and interpretation for each decision factor



Decision summary

Primary model reads before the detailed indicator appendix

Momentum

bearish_warning

Institutional flow

Below MVWAP

Structure

Below 200D trend

Volatility

medium



Decision indicators

Detailed momentum, institutional and structural observations

Momentum kinematics

Direction, velocity and oscillator state

Current read	BEARISH WARNING neutral MACD accelerating
Trend signal	BEARISH WARNING
RSI signal	neutral
RSI (7 / 14 / 21)	31.32 / 35.12 / 38.80
RSI velocity	0.50
MACD line / signal / histogram	-1.77 / - / -1.49
MACD acceleration	0.03
Stochastic K / D	29.85 / 26.09

Institutional footprints

Volume-weighted cost, price location and flow

Current read	Below institutional MVWAP Distribution bias
Institutional flow	-0.37
20-day MVWAP	\$84.16
Price vs 20-day MVWAP	-4.76%
Daily reference VWAP	\$80.05
Price vs daily reference	+0.12%
Volume	8.28M

Structural context

Long-term trend and volatility boundaries

Current read	Below 200-day trend Negative macro velocity
Macro velocity	-0.41
20-day / 200-day SMA	\$84.01 / \$84.58
Bollinger range	\$76.70 - \$91.32
Bollinger position	0.243



Options and volatility intelligence

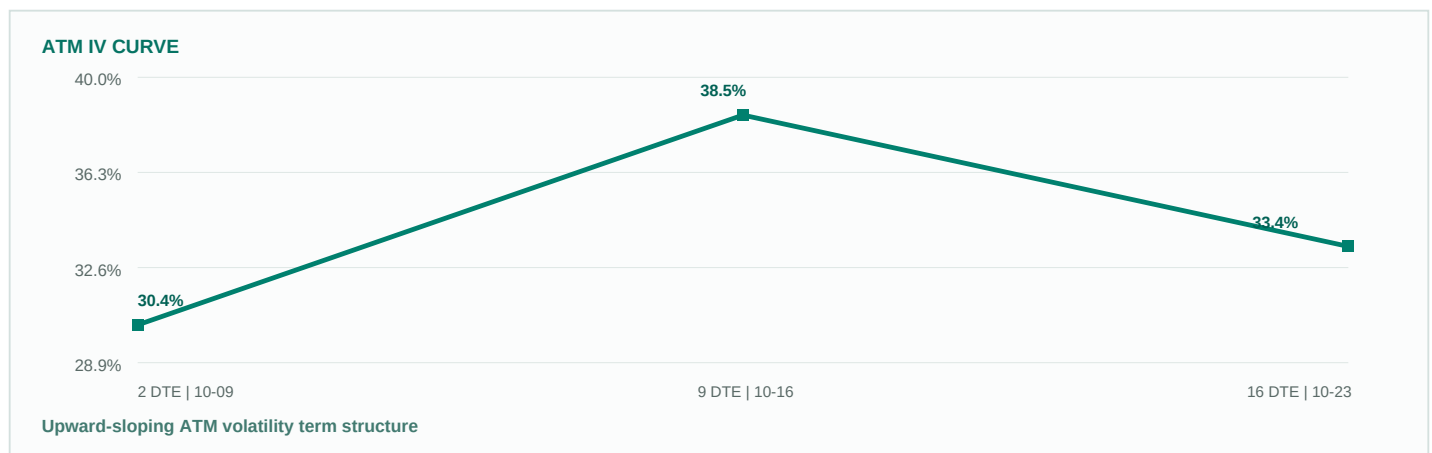
Structure, premium conditions and principal risks

IV rank	IV percentile	VVIX	SKEW
41 / 100	70 / 100	84.24	141.21

Market regime	Calm
Tail-risk regime	NORMAL TAIL RISK
Term structure	contango
Term slope	+3.03 pts
Skew read	balanced
Liquidity / quote coverage	91.8%
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:49 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	30.4%	-
2026-10-16	9	38.5%	-
2026-10-23	16	33.4%	-

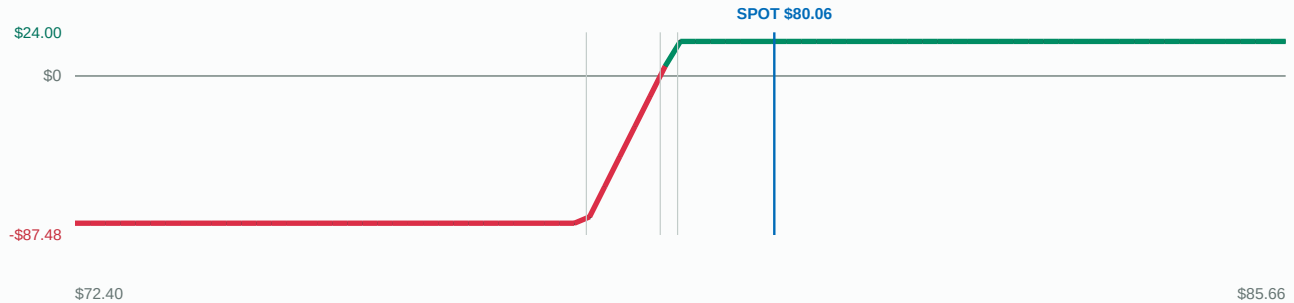


Reference spread payoff

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

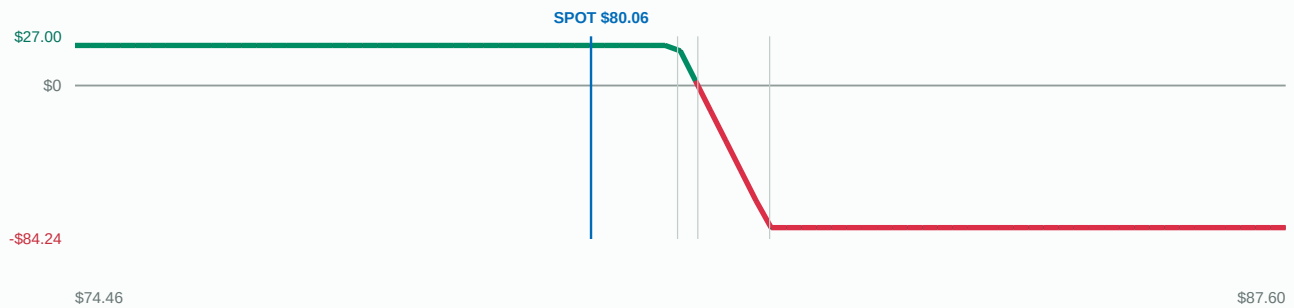
Bull Put Spread reference

Short \$79.00 | Long \$78.00 | Width \$1.00 | Net credit \$0.19



Bear Call Spread reference

Short \$81.00 | Long \$82.00 | Width \$1.00 | Net credit \$0.22



Event and tail-risk context

Known event windows and broad volatility conditions

Next earnings date	2026-10-13
Earnings IV-crush risk	high
Event IV premium	5.07
VIX	15.14
VVIX	84.24
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	134
Contracts with quotes	123

Strategy fit

Generalized structure fit; not a personalized recommendation

Market structure

The WFC option market reflects a cautious outlook ahead of Q3 earnings on October 13th and potential regulatory scrutiny. While Morgan Stanley's recent upgrade to Overweight and \$102 target provide some bullish impetus, the implied volatility (IV) is elevated, suggesting heightened uncertainty surrounding the bank's performance and the HUD probe. The near-term price action is likely to be driven by these events, with potential for significant swings.

Options context

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Wheel context

The WFC option market is showing signs of both bullish and bearish sentiment. The elevated IV suggests that investors are expecting significant price movement in the near term, while the recent upgrade from Morgan Stanley indicates that some analysts are optimistic about the bank's future prospects.

Observed evidence

Elevated IV of 29.84% suggests market uncertainty about WFC's Q3 earnings and potential regulatory issues. | High event risk premium (5.07 points) indicates heightened sensitivity to the upcoming earnings report and HUD probe. | Bearish technical signals include price below both the 50-day and 200-day moving averages, with RSI near oversold levels. | Morgan Stanley's upgrade to Overweight and \$102 target provide some bullish support.

Principal risks to monitor

Potential for a negative earnings surprise could lead to a sharp decline in share price.



Fundamentals and events

Business quality, valuation and upcoming event context

Market capitalization	P/E (TTM)
\$258.34B	10.72
ROE	Revenue growth
12.6%	-6.5%
EPS growth	Operating margin
22.7%	25.3%
Net profit margin	Gross margin
22.2%	-
Free cash flow CAGR	Debt / equity
-	2.35
Dividend yield	Beta
2.3%	0.95
52-week range	
\$72.78 - \$97.76	

Company or fund profile

Issuer identity and classification

Name	Market
Wells Fargo & Co	NYSE
Industry	Country
Banking	US
Currency	IPO date
USD	1962-12-10
Shares outstanding	52-week return
3.02B	1.0%
Book value per share	Revenue per share
\$59.50	\$21.73
Website	wellsfargo.com



Latest strategy observation

Most recent shared general market signal available when this report was generated

WFC Covered Call signal	Oct 6, 2026 11:42 AM EDT
Covered Call 2026-10-09	
At signal \$81.66 Current \$80.15	
SHORT Option \$82.00 B \$0.63 / A \$0.73	
Conservative CR \$0.68	



Complete technical details

Full supporting indicator set used by the symbol detail experience

Volatility and options market

Price movement and premium conditions

ATR	\$1.83
ATR as % of price	2.3%
Volatility environment	medium
Current IV	30.0%
IV rank	42 / 100
IV percentile	71 / 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	59 / 100
Trend health	38 / 100
Momentum health	64 / 100
Volatility health	76 / 100
Structure health	74 / 100
Earnings risk / date	high 2026-10-13
Macro risk	unknown
Volatility risk	medium
Structure risk	low

Structural indicator levels

Moving averages, volatility bands and observed trading ranges

SMA (20 / 50 / 200)	\$84.01 / \$85.83 / \$84.58
EMA (9 / 21)	\$81.38 / \$83.17
Bollinger upper / middle / lower	\$91.32 / \$84.01 / \$76.70



Structural indicator levels (continued)

Moving averages, volatility bands and observed trading ranges

FIELD	VALUE
Bollinger %B	0.243
True high / low	\$81.51 / \$79.07
5-day true high / low	\$82.22 / \$78.00

Three-day indicator history

Short-horizon change and the underlying three-session observations

INDICATOR	3-DAY CHANGE	SESSION 1 / 2 / 3
SMA20	-0.407	-
SMA50	-0.115	-
MVWAP20	-0.372	-
MACD	0.035	-
RSI	0.503	-
Volume	1361060.670	-
ATR	-0.009	-
T1	-	-1.74 / 84.66 / 81.98 / 81.07
T2	-	-1.82 / 84.95 / 82.22 / 80.45
T3	-	-1.87 / 85.28 / 80.74 / 79.81



Detailed options evidence

Supporting option-chain, execution and data-quality observations

Underlying price at observation	\$80.06
Options Snapshot IV sources	ATM: option chain Rank/percentile: fundamentals
Options Snapshot IV observed at	Oct 7, 2026 2:49 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	30.4%
25-delta skew	1.13
Put / Call 25-delta	\$79.00 Delta -0.276 / \$81.00 Delta 0.308
Median option bid/ask spread	21.0%
Bid/ask spread	-
Contracts observed / quoted	134 / 123

Price context

Last Price: 80.06 | Bid: 80.05 | Ask: 80.06 | Previous Close: 81.51 | Change: -1.45 | Daily change: -1.78% | Update Time: 2026-10-07T14:49:22.931896-04:00 | Latest History Date: 2026-10-07 | Latest History Price: 80.06

Historical context

Trading-day sample: 60 sessions | First Date: 2026-07-15 | Latest Date: 2026-10-07 | Latest Price: 80.06 | Max Drawdown 60d Percent: -11.34%

Fundamental context

Current Iv Percent: 29.84% | Iv Rank: 41.30 | Iv Percentile: 69.72 | Next Earnings Date: 2026-10-13 | Ex Dividend Date: 2026-08-06



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

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