

International Business Machines Corporation (IBM) - ANALYST REPORT

Executive Summary with Comprehensive Analysis

\$234.32 **-\$2.82 (-1.19%)** AS OF 2026-08-14

Strategy: No Active Position

■ QUICK DECISION

Action: BUY | Confidence: MEDIUM | Signal Strength: 5/7 (last fired 2026-07-16, 29d ago)

EXECUTIVE SUMMARY - Essential Metrics

TECHNICAL METRICS	VALUE	FUNDAMENTAL METRICS	VALUE
Current Price	\$234.32	Market Cap	\$220.8B
Past Win Rate (Backtest)	33.3%	Forward P/E	17.8x
Past Total Return	+14.7%	Analyst Target	\$244.16
RSI / Trend Strength	49 / 16	Upside to Target	+4.2%
MACD Signal	Bearish	Revenue Growth	+1.1%
Profit Factor	2.63	Institutional Own.	66.8%
Open Position	No open position	Analyst Ratings	12 Buy / 7 Hold / 2 Sell

■ TECHNICAL ANALYSIS SUMMARY

Indicator	Value	Signal
EMA 20	\$233.82	Bullish
EMA 50	\$241.84	Bearish
RSI (14)	48.6	Neutral range
Trend Strength (ADX)	16.2	Weak/No trend (<20)

■ CONSENSUS HUD

BUY +4.2% to \$244.16 on a 0.55:1 reward-to-risk, 6-12 month horizon

SIGNAL STRENGTH 5/7 fired 29d ago	WIN RATE 33% 24 backtested trades	STREET 12/21 analysts rate buy	UPSIDE +4.2% to analyst target	RISK / REWARD 0.55:1 vs. 2x ATR stop
Technical Confluence	5/7 (fired 29d ago)	Backtest	33.3% win rate, +14.7% total return	
Analyst Consensus	12 buy / 7 hold / 2 sell	Target Price	\$244.16 (+4.2%)	
Market Volatility	Beta 0.70	Valuation	17.8x forward P/E	
Revenue Growth	+1.1%	Institutional Own.	66.8%	
Position	Flat — no position risk	News Sentiment	Slightly Bullish (+3.8/10)	

Action Plan: Strong confluence signal (5/7). Enter with 3-5% position size, stop loss below support.

■ KEY INSIGHT

The chandelier strategy has proven effective (Win Rate: 33.3%, Avg Return: +1.2%), but patience is critical. Only enter on confirmed signals with proper risk management. Current technical confluence of 5 meets entry criteria - consider initiating position. Fundamental backdrop shows -2% earnings growth with 67% institutional ownership, indicating strong conviction from professional investors.

■ INTELLIGENT STOP LOSS STRATEGY

METRIC	VALUE	DETAILS
Current Price	\$234.32	Latest market price
Buy Stop Loss	\$216.42	Conservative 2.0x ATR (7.6% distance)
Position Stop Loss	\$216.42	Adaptive 2.00x ATR (7.6% distance)
ATR (14-day)	\$8.95	Volatility: 3.8% of price
ADX Strength	16.2	Weak/No Trend

Status: New position - Standard stop loss levels
ADX: 20-25 = Emerging trend | 25-50 = Strong trend | 50+ = Very strong

■ Strategy Comparison: Conservative vs Adaptive

METRIC	CONSERVATIVE (2.0x ATR)	ADAPTIVE (Dynamic)
Past Win Rate	33%	36%
Past Total Return	+14.7%	+24.2%
Max Drawdown	-33.1%	-33.1%
Total Trades	24	25
Position	NONE	NONE

Both strategies analyzed independently. Conservative uses fixed 2.0x ATR stops. Adaptive adjusts stops based on position profit.

For the latest stock analysis, support, resistance and interactive charts, visit [Ultra Stock Analysis Pro](#)

■ ANALYST RATING CHANGES - COMPLETE HISTORY

All recent upgrades, downgrades, and price target changes (last 90 days)

Firm	Action	From → To	Date
RBC Capital	REITERATED	Outperform → Outperform	Jul 23, 2026
Baird	INITIATED	Neutral	Jul 22, 2026
HSBC	DOWNGRADE	Hold → Reduce	Jul 14, 2026
Oppenheimer	REITERATED	Outperform → Outperform	Jul 14, 2026
Susquehanna	INITIATED	Neutral	Jul 10, 2026
JP Morgan	UPGRADE	Neutral → Overweight	Jun 23, 2026
Barclays	INITIATED	Overweight	Jun 01, 2026
Wedbush	REITERATED	Outperform → Outperform	May 29, 2026

Analyst Price Targets

Average Target: \$244.16 (+4.2% from current)

High Target: \$350.00 (+49.4%)

Low Target: \$174.00 (-25.7%)

Current Price: \$234.32

RISK HUD - Deep Dive Assessment

Five risk axes scored LOW / MODERATE / HIGH, then the mitigation that follows from them.

CONTAINED RISK no single axis reads high

MARKET LOW beta 0.70	VOLATILITY MODERATE ATR 3.8% of price	VALUATION LOW fwd P/E 17.8x	EVENT LOW earnings in 68d	TECHNICAL LOW RSI 49
Mitigation - Stop	2-3x ATR = \$17.90 - \$26.84 below entry (7.6% at 2x)	Mitigation - Sizing	standard position size is supportable	
52-Week Range	\$199.19 - \$332.46, now \$234.32	Next Earnings	Oct 21, 2026 (68d away)	
Short Interest	2.6% of float - normal short activity	Sector Exposure	Technology - cycle and regulatory risk specific to the group	
Backtest Edge	33.3% win rate (8W / 16L), 2.63x profit factor	Win vs. Loss Size	avg win 14.9% vs. avg loss -5.7%	
Current Setup	5/7 (fired 29d ago) - high conviction	Company-Specific	Competition, Market conditions, Regulatory changes	

BUY-SIDE HUD - Portfolio Management

How much to own, what the historical edge is, and whether the position can be traded at size.

MARKET WEIGHT +4.2% to the \$244.16 analyst target against a 7.6% stop - unfavorable risk-adjusted return

UPSIDE +4.2% to analyst target	RISK / REWARD 0.55:1 vs. 2x ATR stop	WIN RATE 33% 24 backtested trades	PROFIT FACTOR 2.63x avg trade +1.2%	POSITION FLAT no open position
Signal Strength	5/7 (fired 29d ago) - high conviction setup	RSI / ADX	49 / 16.2 - weak/no trend (<20)	
Stop Zone (2-3x ATR)	\$17.90 - \$26.84 below entry	Next Catalyst	Oct 21, 2026 earnings	
Avg Volume	11.3M/day - moderately liquid	Execution Risk	Low at institutional size	
Market Cap	\$220.8B - large cap	Beta	0.70 - below-market volatility	
Institutional Own.	66.8% - largest: Blackrock Inc.	Short Interest	2.6% of float - moderate	

SELL-SIDE HUD - Investment Research

International Business Machines Corporation - Technology / Information Technology Services. What the business is worth and where the Street stands.

NEUTRAL mixed signals - execution and margin recovery are the swing factors

FORWARD P/E 17.8x reasonable multiple	PEG 2.40 growth-adjusted P/E	REVENUE GROWTH +1% year over year	EPS GROWTH +17% next fiscal year	OPERATING MARGIN 17% profitability
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Analyst Consensus	Strong Buy - 12B / 7H / 2S across 21 analysts	Target Range	\$174.00 - \$350.00, avg \$244.16 (+4.2%)
Trailing P/E	20.8x	Price / Sales	3.20x - premium
Price / Book	6.41x	Enterprise Value	\$278.0B (4.02x revenue)
Revenue (TTM)	\$69.1B	Free Cash Flow	\$12.0B
Earnings Growth	-1.8%	Institutional Own.	66.8% - strong backing
Key Competitors	Various industry players	Market Share	0% US / 0% global - competitive player
Moat	Market position, Technology, Brand	Key Products	Core products and services

■ 7-DAY NEWS SENTIMENT ANALYSIS

Market Sentiment from Recent Financial News

METRIC	VALUE	ANALYSIS
Overall Score	+3.8 / 10	Slightly Bullish
Articles Analyzed	5	Last 7 days (top 5 shown per category)
Bullish Articles	3 (60%)	Positive sentiment
Bearish Articles	0 (0%)	Negative sentiment
Neutral Articles	2 (40%)	Mixed/Neutral tone

■ TOP BULLISH HEADLINES

1. AST SpaceMobile vs. IBM: Which Tech Stock is the Better Buy Now? (Zacks, Aug 14)

IBM's steadier earnings outlook and cheaper valuation outweigh ASTS' stronger stock gains, making it the relatively better investment option now....

Source: <https://finance.yahoo.com/markets/stocks/articles/ast-spacemobile-vs-ibm-tech-15>

2. Arista Networks vs. International Business Machines: Which Technology Stock Is a Better Buy in 2026? (Motley Fool, Aug 15)

Arista trades at a steep premium to IBM, but their growth trajectories and risk profiles tell very different stories for 2026 investors....

Source: <https://www.fool.com/coverage/better-buy/2026/08/14/arista-networks-vs-internati>

3. Kyndryl's Q2 Earnings Call: Our Top 5 Analyst Questions (StockStory, Aug 14)

Kyndryl's second quarter results saw a negative market reaction, as sales declined and missed Wall Street's revenue expectations. Management attribute...

Source: <https://finance.yahoo.com/markets/stocks/articles/kyndryl-q2-earnings-call-top-1>

■ SENTIMENT INTERPRETATION

The news sentiment is **moderately bullish**, showing generally positive coverage with some caution. Market perception appears favorable but not overwhelmingly positive. This neutral-to-positive sentiment suggests steady conditions without extreme optimism.

REFERENCE: APPENDIX A - Complete Technical Indicators

Comprehensive Technical Data for Quantitative Analysis

Indicator	Value	Interpretation
Current Price	\$234.32	as of 2026-08-14
Volume	4.5M	avg 11.3M/day
EMA 20	\$233.82	Short-term trend
EMA 50	\$241.84	Medium-term trend
EMA 200	\$253.16	Long-term trend
Relative Strength	48.6	Neutral range
MACD	-2.64	Bearish
MACD Signal	-5.63	Signal line
MACD Histogram	2.99	Bullish
Volatility (ATR 14)	\$8.95	3.8% of price
Trend Strength (ADX)	16.2	Weak/No trend (<20)
+DI	27.0	Positive directional movement
-DI	27.2	Negative directional movement
Stochastic %K	80.3	Overbought
Stochastic %D	85.2	Overbought
Bollinger Upper	\$247.67	Upper volatility band
Bollinger Middle	\$224.61	Moving average
Bollinger Lower	\$201.56	Lower volatility band
Band Position	71.0%	0% = lower band, 100% = upper
VWAP	\$235.73	Volume-weighted average

REFERENCE: APPENDIX B - Complete Fundamental Metrics

Comprehensive Fundamental Data for Financial Analysis

Category	Metric	Value	Interpretation
Valuation	Market Cap	\$220.8B	Total market value
Valuation	Enterprise Value	\$278.0B	Total company value
Valuation	Forward P/E	17.8x	Price to forward earnings
Valuation	Trailing P/E	20.8x	Price to trailing earnings
Valuation	PEG Ratio	2.40	P/E relative to growth
Valuation	Price/Sales	3.20x	Market cap to revenue
Valuation	Price/Book	6.41x	Price to book value
Valuation	EV/Revenue	4.02x	Enterprise value to revenue
Valuation	EV/EBITDA	16.9x	Enterprise value to EBITDA
Performance	Revenue (TTM)	\$69.1B	Trailing 12-month revenue
Performance	Revenue Growth	+1.1%	Year-over-year growth
Performance	Earnings Growth	-1.8%	Earnings growth rate
Performance	EPS Growth (Next Yr)	+16.9%	Forward EPS growth estimate
Performance	Gross Profit	\$40.1B	Revenue minus COGS
Performance	Operating Income	\$14.9B	EBIT
Performance	Net Income	\$10.7B	Bottom line profit
Performance	Free Cash Flow	\$12.0B	Cash after capex
Performance	Operating Cash Flow	\$14.9B	Cash from operations
Profitability	Gross Margin	58.1%	Gross profit margin
Profitability	Operating Margin	16.5%	Operating efficiency
Profitability	Profit Margin	15.5%	Net margin
Profitability	ROE	34.5%	Return on equity
Profitability	ROA	5.3%	Return on assets
Profitability	ROIC	N/A	Return on invested capital
Balance Sheet	Total Assets	\$0.0B	Total assets
Balance Sheet	Total Liabilities	\$0.0B	Total liabilities
Balance Sheet	Total Debt	\$65.3B	Total debt outstanding
Balance Sheet	Cash & Equivalents	\$8.1B	Liquid assets
Balance Sheet	Book Value/Share	\$36.57	Net worth per share
Balance Sheet	Current Ratio	0.79	Current assets/liabilities
Balance Sheet	Quick Ratio	0.61	Liquid assets/liabilities
Balance Sheet	Debt/Equity	1.89	Leverage ratio
Market	Beta	0.70	Market correlation
Market	52-Week High	\$332.46	Annual high
Market	52-Week Low	\$199.19	Annual low

Market	Avg Volume	11.3M	Average daily volume
Market	Shares Outstanding	0.9B	Total shares
Market	Float	0.9B	Tradeable shares
Market	Short Interest	2.6%	Shares sold short
Market	Institutional Own.	66.8%	Institution held
Analysts	Coverage Count	23	Number of analysts
Analysts	Average Rating	2.1	1=Strong Buy, 5=Sell
Analysts	Buy/Hold/Sell	12/7/2	Rating distribution
Analysts	Target Price	\$244.16	Average price target
Analysts	Target High	\$350.00	Highest target
Analysts	Target Low	\$174.00	Lowest target
Other	Next Earnings	Oct 21, 2026	Earnings report date
Other	Dividend Yield	2.88%	Annual dividend rate
Other	Ex-Dividend Date	1786320000	Next ex-div date

REFERENCE: APPENDIX C - Complete Trade History

Detailed Backtesting Results and Trade Log

Entry	Exit	Type	Entry \$	Exit \$	Past P&L %	Past P&L \$
2019-07-18	2019-08-02	GOLDEN_CROSS	\$105.79	\$104.11	-1.6%	\$-108
2019-09-10	2019-10-21	CONFLUENCE	\$103.76	\$94.84	-8.6%	\$-428
2020-02-05	2020-02-28	CONFLUENCE	\$113.15	\$95.19	-15.9%	\$-755
2020-02-28	2020-03-05	CONFLUENCE	\$95.19	\$94.75	-0.5%	\$-14
2020-07-23	2020-09-22	GOLDEN_CROSS	\$94.37	\$90.49	-4.1%	\$-140
2020-10-09	2020-10-21	GOLDEN_CROSS	\$95.95	\$86.40	-10.0%	\$-315
2020-11-27	2021-02-03	GOLDEN_CROSS	\$94.72	\$90.74	-4.2%	\$-151
2021-04-20	2021-04-29	CONFLUENCE	\$106.65	\$111.34	+4.4%	\$+197
2021-08-06	2021-08-24	GOLDEN_CROSS	\$112.47	\$110.41	-1.8%	\$-103
2021-10-06	2021-10-22	GOLDEN_CROSS	\$112.40	\$100.97	-10.2%	\$-480
2021-12-22	2022-02-24	GOLDEN_CROSS	\$108.59	\$103.31	-4.9%	\$-190
2022-03-28	2022-04-18	GOLDEN_CROSS	\$111.35	\$106.86	-4.0%	\$-162
2022-04-20	2022-07-22	CONFLUENCE	\$117.15	\$109.94	-6.2%	\$-209
2022-08-18	2022-08-30	GOLDEN_CROSS	\$120.72	\$112.48	-6.8%	\$-288
2022-10-20	2023-01-30	CONFLUENCE	\$111.37	\$118.85	+6.7%	\$+179
2023-06-01	2023-10-17	GOLDEN_CROSS	\$117.01	\$127.93	+9.3%	\$+426
2023-10-26	2024-04-25	CONFLUENCE	\$131.06	\$157.16	+19.9%	\$+861
2024-07-05	2024-10-15	GOLDEN_CROSS	\$165.40	\$220.82	+33.5%	\$+1607
2024-10-30	2025-02-20	CONFLUENCE	\$194.22	\$254.60	+31.1%	\$+1389
2025-05-07	2025-08-01	GOLDEN_CROSS	\$243.67	\$242.08	-0.7%	\$-24
2025-09-19	2026-02-05	CONFLUENCE	\$259.65	\$284.10	+9.4%	\$+538
2026-05-21	2026-05-28	CONFLUENCE	\$251.17	\$262.34	+4.5%	\$+156
2026-05-29	2026-06-16	CONFLUENCE	\$295.68	\$268.88	-9.1%	\$-295
2026-07-14	2026-07-17	CONFLUENCE	\$215.52	\$211.16	-2.0%	\$-26

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Next Earnings: Oct 21, 2026

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