

ModernGraham Valuation

Company Name:

Company Ticker SLW
Date of Analysis

Silver Wheaton Corp.
(USA)

2/2/2016



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$4,876,284,005	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.93	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	114.81%	Pass
6. Moderate PEmg Ratio	PEmg < 20	16.23	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.10	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	4.93	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	9.65	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.73
MG Growth Estimate	-0.36%
MG Value	\$5.64
MG Value based on 3% Growth	\$10.53
MG Value based on 0% Growth	\$6.17
Market Implied Growth Rate	3.86%

MG Opinion

Current Price	\$11.78
% of Intrinsic Value	208.71%
Opinion	Overvalued

Stage 3: Information for Further Research

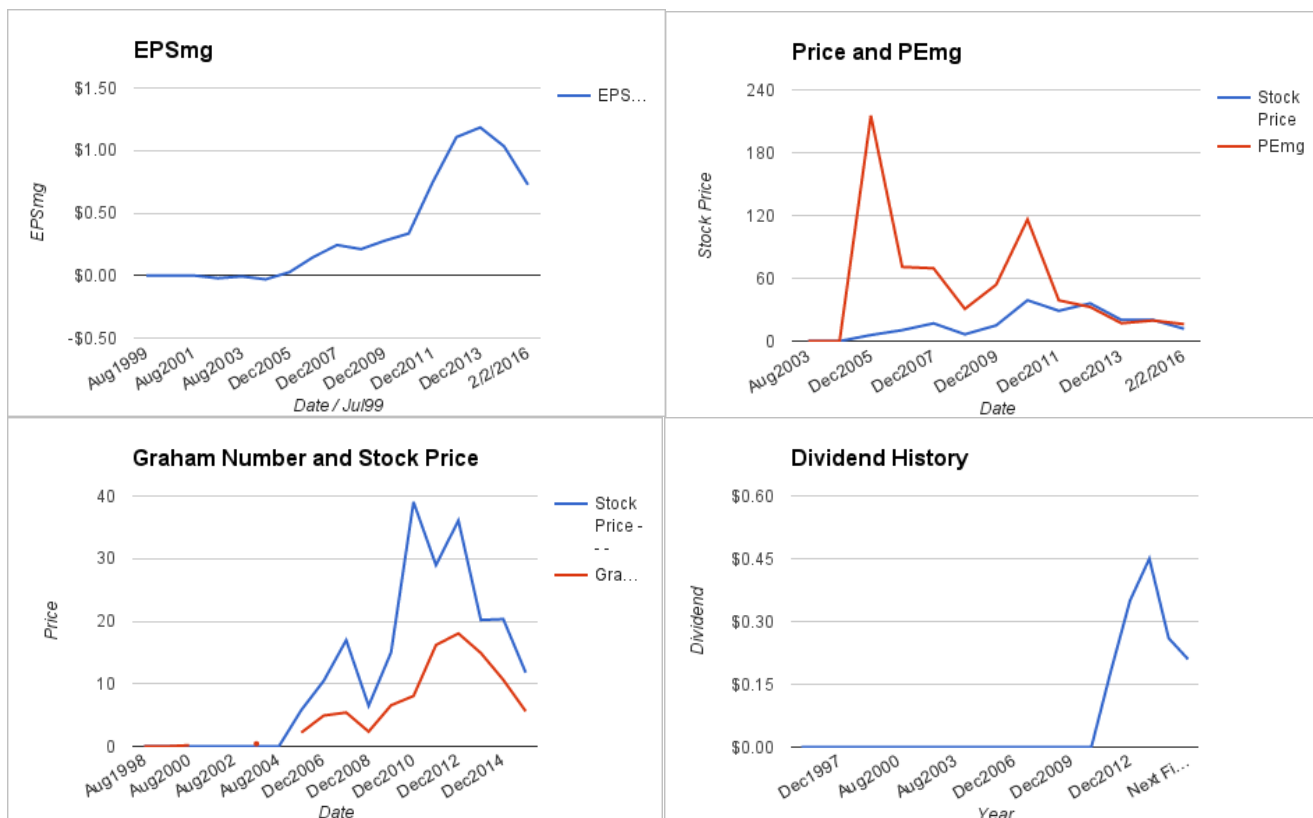
Net Current Asset Value (NCAV)	-\$1.44
Graham Number	\$5.60
PEmg	16.23
Current Ratio	4.93
PB Ratio	1.10
Dividend Yield	1.78%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.13	Next Fiscal Year Estimate	\$0.73
Dec2014	\$0.56	Dec2014	\$1.03
Dec2013	\$1.05	Dec2013	\$1.18
Dec2012	\$1.65	Dec2012	\$1.11
Dec2011	\$1.55	Dec2011	\$0.74
Dec2010	\$0.44	Dec2010	\$0.34
Dec2009	\$0.38	Dec2009	\$0.28
Dec2008	\$0.07	Dec2008	\$0.21
Dec2007	\$0.37	Dec2007	\$0.24
Dec2006	\$0.37	Dec2006	\$0.15
Dec2005	\$0.15	Dec2005	\$0.03
Aug2004	-\$0.08	Aug2004	-\$0.03
Aug2003	\$0.03	Aug2003	-\$0.01
Aug2002	-\$0.06	Aug2002	-\$0.02
Aug2001	\$0.00	Aug2001	\$0.00
Aug2000	\$0.00	Aug2000	\$0.00
Aug1999	\$0.00	Aug1999	\$0.00
Aug1998	\$0.00	Balance Sheet Information Sep2015 Total Current Assets \$84,083,000 Total Current Liabilities \$17,054,000 Long-Term Debt \$647,000,000 Total Assets \$5,009,177,000 Intangible Assets \$0 Total Liabilities \$666,356,000 Shares Outstanding (Diluted Average) 404,540,000	
Dec1997	\$0.00		
Dec1996	\$0.00		
Dec1995	\$0.00		





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

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ModernGraham
posts about the
company

[Silver Wheaton Corporation Valuation – October 2015 Update \\$SLW](#)
[Silver Wheaton Corporation Valuation – October 2015 Update \\$SLW](#)
[Silver Wheaton Corporation Valuation – Initial Coverage \\$SLW](#)

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[Silver Wheaton Corporation Valuation – October 2015 Update \\$SLW](#)
[Natural Resource Partners LP Analysis – October 2015 Update \\$NRP](#)
[Peabody Energy Corporation Analysis – September 2015 Update \\$BTU](#)
[Freeport-McMoRan Inc. Analysis – September 2015 Update \\$FCX](#)
[Alliance Resource Partners LP Analysis – Initial Coverage \\$ARLP](#)
[Goldcorp Inc. Analysis – Initial Coverage \\$GG](#)
[Silver Wheaton Corporation Valuation – Initial Coverage \\$SLW](#)
[Newmont Mining Corporation Annual Valuation – 2015 \\$NEM](#)
[Alcoa Inc. Annual Valuation – 2015 \\$AA](#)