ModernGraham Valuation

Company Name:

Silver Wheaton Corp. (USA)



\$12,763,517,141 Pass

Company Ticker
Date of Analysis

8/4/2016

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

SLW

2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.64 Pass
3. Earnings Stability	Positive EPS for 10 years prior	Fail
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	-23.17% Fail
6. Moderate PEmg Ratio	PEmg < 20	70.76 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.83 Fail

Market Cap > \$2Bil

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	2.64 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	24.46 Fail
3. Earnings Stability	Positive EPS for 5 years prior	Fail
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

MG Opinion

Defensive No Enterprising No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.41
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$5.98
MG Value based on 0% Growth	\$3.51
Market Implied Growth Rate	31.13%
Current Price	\$29.20
% of Intrinsic Value	N/A

Overvalued

Stage 3: Information for Further Research

Opinion

MG Grade

Net Current Asset Value (NCAV)	-\$3.27
Graham Number	\$10.57
PEmg	70.76
Current Ratio	2.64
PB Ratio	2.83
Current Dividend	\$0.20
Dividend Yield	0.68%
Number of Consecutive Years of Dividend Growth	0

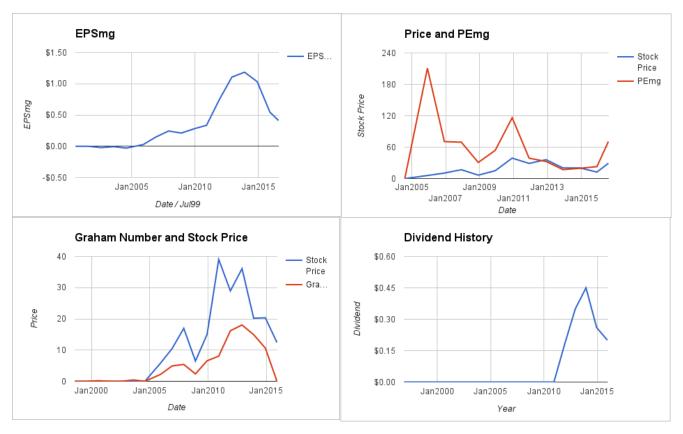
Useful Links: ModernGraham tagged articles

Google Finance
Yahoo Finance
GuruFocus
Se

Morningstar
MSN Money
Seeking Alpha
SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.48	Next Fiscal Year Estimate	\$0.41
Dec2015	-\$0.41	Dec2015	\$0.55
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	Balance Sheet Information	3/1/2016
Aug1998	\$0.00	Total Current Assets	\$90,302,000
Dec1997	\$0.00	Total Current Liabilities	\$34,260,000
Dec1996	\$0.00	Long-Term Debt	\$1,371,000,000
		Total Assets	\$5,563,144,000
		Intangible Assets	\$0
		Total Liabilities	\$1,406,757,000
		Shares Outstanding (Diluted Average)	403,125,000





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:

Other ModernGraham posts about the company

Silver Wheaton Corporation – February 2016 Update \$SLW
Silver Wheaton Corporation Valuation – October 2015 Update \$SLW
Silver Wheaton Corporation Valuation – October 2015 Update \$SLW
Silver Wheaton Corporation Valuation – Initial Coverage \$SLW

Other ModernGraham posts about related companies

Alcoa Inc Valuation – July 2016 \$AA

Newmont Mining Corp Valuation – June 2016 \$NEM

Silver Wheaton Corporation - February 2016 Update \$SLW

Consol Energy Inc Valuation - November 2015 Update \$CNX

Consol Energy Inc Valuation – November 2015 Update \$CNX

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