EDISON

Wheaton Precious Metals

Honing Q126 forecasts

Q126 results preview

Metals and mining

23 April 2026

WPM's Q126 financial results are scheduled for release on 7 May. To date, production from Vale (pertaining to Salobo, Sudbury and Voisey's Bay) and from Artemis (pertaining to Blackwater) has been broadly in line with our expectations. However, metals prices have fallen by c 7% since our last note, driven by forced liquidations since the start of the Iran war, which has caused us to reduce our Q126 EPS forecast by a barely material 6.5% to US $1.234/share and our FY26 EPS forecast by 10.3% to US$5.029/share. In this respect, we observe that we are now at the more conservative end of the market range. Note that, if current metals prices prevail into next year, our FY27 EPS forecast rises from that shown below to US$6.46/share.

Year end	Revenue ($m)	PBT ($m)	EPS ($)	DPS ($)	P/E (x)	Yield (%)
12/24	1,284.6	752.5	1.41	0.62	101.2	0.4
12/25	2,314.6	1,605.8	3.02	0.66	47.2	0.5
12/26e	3,884.7	2,696.3	5.03	0.78	28.4	0.5
12/27e	3,185.4	1,764.1	3.33	0.82	42.8	0.6

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items. Note that small discrepancies with Exhibit 15 may occur as a result of short-term fluctuations in forex levels.

Jervois stream acquisition

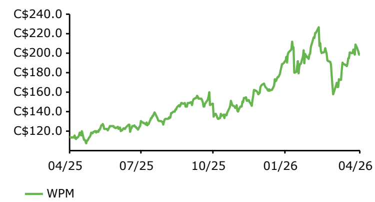
On 1 April, Wheaton announced that it had entered into a definitive precious metals purchase agreement with KGL Resources to acquire a portion of the gold and silver output at the Jervois project. Not only do we calculate that Jervois will earn WPM an internal rate of return (IRR) of 17.7% (at current metals' prices), but we also note that it is its first Australian stream, suggesting that the Australian mining industry may be opening up to alternative forms of finance.

Valuation: Still trending up

Using a capital asset pricing model-type method, whereby we discount cash flows at a nominal 9% per year, we calculate a virtually unchanged terminal valuation for WPM of US$90.19 (or C$122.19) per share in FY30, assuming zero long-term growth in real cash flows thereafter (which we think unlikely). If we instead assume 8.2% per year long-term growth in cash flows (ie the average CAGR in the price of gold from 1967 to 2025), our terminal value rises to US$616.80 (or C$842.49) per share and our current valuation to US$408.79 (or C$558.36) per share. At an implied growth rate of 6.8% per year therefore, WPM's share price currently appears to be discounting future compound annual average increases in cash flows per share from FY30, well below historical levels (+17.1% CAGR since FY05), especially given that production is expected to deliver 13.1% per year organic growth between now and FY30 alone. An alternative interpretation is that the market is assuming that current precious metals prices will prevail into FY30 with compound annual average increases in WPM's cash flows per share thereafter of just 3.7% per year. Otherwise, assuming no purchases of additional streams, we calculate a value per share of US$103.81 (or C$142.46, or £76.86) in FY27, based on a historical multiple of 31.1x contemporary earnings (albeit at a gold price of only US$2,239/oz and a silver price of only US$60.00/oz). At current prices, this value rises by 93.8% to US$201.15 (or C$276.05 per share, or £148.92) per share. In the meantime, WPM maintains a premium rating within the sector. However, this reverses into a material discount in the event that metals' prices remain at current levels into FY27.

Price	**C $195.12**
Market cap	**C $94,762m**
	C$1.3659/US$, US$1.3507/£
Net cash at end Q425 (excluding US$7.9m in lease liabilities)	$1,153.6m
Shares in issue	454.0m
Code	WPM
Primary exchange	TSX
Secondary exchange	LSE

Share price performance



%	1m	3m	12m
Abs	11.2	9.3	80.6
52-week high/low		C$226.3	C$104.6

Business description

Wheaton Precious Metals (WPM) is the world's pre-eminent precious metals streaming company, with over 40 high-quality precious metals streams and early deposit agreements over mines in Mexico, Canada, Brazil, Chile, the US, Argentina, Peru, Sweden, Greece, Portugal and Colombia among others.

Next events

Q126 results	7 May 2026
Q226 results	6 August 2026
Q326 results	5 November 2026

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Edison profile page

Wheaton Precious Metals is a research client of Edison Investment Research Limited

Updated Q126 and FY26 forecasts

WPM's Q126 financial results are being released on Thursday 7 May, after the bell in Toronto. Our last note on Wheaton was written on 13 March, before the recent liquidity-driven decline in the gold price. This note updates our forecasts for Q126 and FY26 in the light of subsequent movements in metals' prices as well as production numbers for Salobo and Blackwater for the quarter:

Exhibit 1: Updated WPM Q126e and FY26e underlying financial forecasts*, by quarter

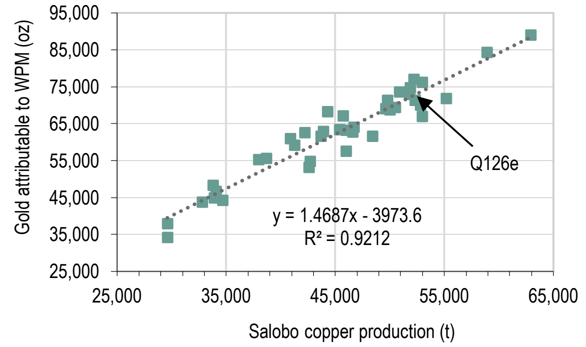
US$000s (unless otherwise stated)	Q126e (prior)	Q126e	Q226e (prior)	Q226e	Q326e (prior)	Q326e	Q426e (prior)	Q426e	FY26e	FY26e (prior)	Change (%)
Silver production (koz)	5,932	5,670	7,473	7,473	7,499	7,499	7,514	7,514	**28,156**	**28,418**	-0.9
Gold production (oz)	101,439	101,064	102,332	102,212	106,637	106,517	108,831	108,712	**418,504**	**419,239**	-0.2
Palladium production (oz)	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213	**16,852**	**16,852**	0.0
Cobalt production (klb)	506	527	529	561	529	561	529	561	**2,210**	**2,094**	5.5
Silver sales (koz)	4,978	4,755	6,321	6,329	6,344	6,351	7,296	7,296	**24,730**	**24,939**	-0.8
Gold sales (oz)	94,815	91,768	95,156	95,047	99,364	99,256	108,672	108,552	**394,624**	**398,007**	-0.9
Palladium sales (oz)	3,790	3,932	3,790	3,932	3,790	3,932	3,790	3,932	**15,729**	**15,161**	3.7
Cobalt sales (klb)	506	527	529	561	529	561	529	561	**2,210**	**2,094**	5.5
Avg realised Ag price (US$/oz)	85.91	83.71	84.12	76.39	84.12	76.49	84.12	76.49	**77.85**	**84.48**	-7.8
Avg realised Au price (US$/oz)	4,970	4,873	5,112	4,717	5,112	4,706	5,112	4,706	**4,747**	**5,078**	-6.5
Avg realised Pd price (US$/oz)	1,736	1,705	1,619	1,539	1,619	1,540	1,619	1,540	**1,581**	**1,648**	-4.1
Avg realised Co price (US$/lb)	25.29	25.30	25.33	25.33	25.33	25.33	25.33	25.33	**25.32**	**25.32**	0.0
Avg Ag cash cost (US$/oz)	10.55	10.70	11.79	11.12	11.79	11.14	11.81	11.15	**11.06**	**11.55**	-4.2
Avg Au cash cost (US$/oz)	525	522	537	527	528	519	536	525	**523**	**532**	-1.6
Avg Pd cash cost (US$/oz)	312	307	291	277	291	277	291	277	**285**	**297**	-4.1
Avg Co cash cost (US$/lb)**	4.55	4.55	4.56	4.56	4.56	4.56	4.56	4.56	**4.56**	**4.56**	0.0
Sales	918,820	865,719	1,038,884	953,196	1,062,860	974,885	1,190,495	1,090,862	**3,884,662**	**4,211,058**	-7.8
Cost of sales											
Cost of sales, excluding depletion	105,888	102,480	129,301	124,341	131,151	126,223	148,252	142,388	**495,431**	**514,592**	-3.7
Depletion	82,589	80,484	136,981	137,399	141,105	141,527	158,678	158,994	**518,404**	**519,353**	-0.2
Total cost of sales	188,477	182,964	266,282	261,740	272,255	267,750	306,929	301,382	**1,013,835**	**1,033,944**	-1.9
Earnings from operations	730,343	682,756	772,601	691,456	790,605	707,135	883,565	789,480	**2,870,827**	**3,177,114**	-9.6
Expenses and other income											
– General and administrative***	28,733	26,767	19,783	23,538	19,783	19,783	19,783	19,783	**89,871**	**88,083**	2.0
– Foreign exchange (gain)/loss	0	0	0	0	0	0	0	0	**0**	**0**	N/A
– Net interest paid/(received)	1,440	1,440	35,438	36,097	29,734	31,465	22,520	25,320	**94,322**	**89,132**	5.8
– Other (income)/expense	(9,714)	(9,714)	0	0	0	0	0	0	**(9,714)**	**(9,714)**	0.0
Total expenses and other income	20,459	18,493	55,221	59,635	49,517	51,248	42,304	45,103	**174,479**	**167,501**	4.2
Earnings before income taxes	709,884	664,263	717,380	631,821	741,087	655,887	841,261	744,377	**2,696,348**	**3,009,613**	-10.4
Income tax expense/(recovery)	111,013	104,049	108,948	94,991	113,697	99,925	130,189	114,468	**413,434**	**463,846**	-10.9
Marginal tax rate (%)	15.6	15.7	15.2	15.0	15.3	15.2	15.5	15.4	**15.3**	**15.4**	-0.5
Net earnings	598,871	560,214	608,433	536,830	627,391	555,962	711,073	629,909	**2,282,914**	**2,545,767**	-10.3
Average no. shares in issue (000s)	453,967	453,967	453,967	453,967	453,967	453,967	453,967	453,967	**453,967**	**453,967**	0.0
Basic EPS (US$)	1.319	1.234	1.340	1.183	1.382	1.225	1.566	1.388	**5.029**	**5.608**	-10.3
Diluted EPS (US$)	1.317	1.232	1.338	1.180	1.380	1.223	1.564	1.385	**5.020**	**5.598**	-10.3
DPS (US$)	0.195	0.195	0.195	0.195	0.195	0.195	0.195	0.195	**0.780**	**0.780**	0.0

Source: Edison Investment Research.
Note: *Excluding impairments, impairment reversals and exceptional items (unless otherwise indicated). **Cobalt inventory is held on WPM's balance sheet at the lower of cost and net realisable value; cash costs per pound of cobalt sold are, therefore, affected by changes in the valuation of inventory quarterly. ***Forecasts include stock-based compensation costs. Totals may not add up owing to rounding.

At the time of writing, primary production numbers are known for Sudbury, Salobo and Voisey's Bay (all announced by Vale on 16 April) and Blackwater (announced by Artemis on 9 April). As is typically the case, the most consequential of these was the 52,800t copper produced at Salobo (cf 62,900t in Q425 and our prior expectation was of c 50,000t.

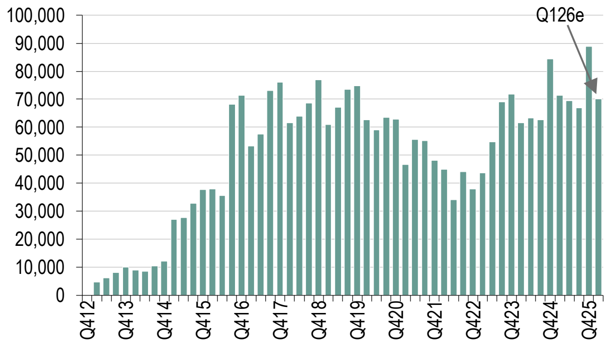
The relationship between copper output at Salobo and gold production attributable to Wheaton is extremely close (see Exhibit 3), and this enables us to predict associated gold production attributable to Wheaton from Salobo to be 73,756oz (±3,450oz) in Q1. Since this is very close to our prior forecast of 70,000oz, we have left this assumption unchanged (as depicted in Exhibits 2 and 3). However, given Vale's copper sales shortfall relative to production (91.2kt vs 102.3kt), we have increased the extent by which we expect sales to undershoot production at Salobo in Q1, from its long-term average rate of 7.0% to 10.9%.

Exhibit 2: Salobo copper production vs gold production attributable to WPM, Q316–Q425e



Source: Wheaton Precious Metals, Vale, Edison Investment Research

Exhibit 3: Gold production attributable to WPM from Salobo, Q412–Q425e



Source: Wheaton Precious Metals, Edison Investment Research

At the same time, we have reduced our estimate of gold production at Blackwater attributable to Wheaton to reflect the mine's total production during the quarter to 61,923oz. However, this was largely already anticipated in our previous note after Artemis (the operator) announced a mill outage on 11 March, which lasted until 18 March, and hence our Wheaton production estimate has reduced by only 326oz. Nevertheless, Artemis has maintained its production guidance of 265–290koz for the full year, with the result being that we have left our Q2–Q4 production forecasts unchanged.

Exhibit 4 compares our updated EPS forecasts with those of the market in the light of the changes made:

Exhibit 4: Edison WPM FY26e EPS forecasts cf consensus, by quarter (US$/share)

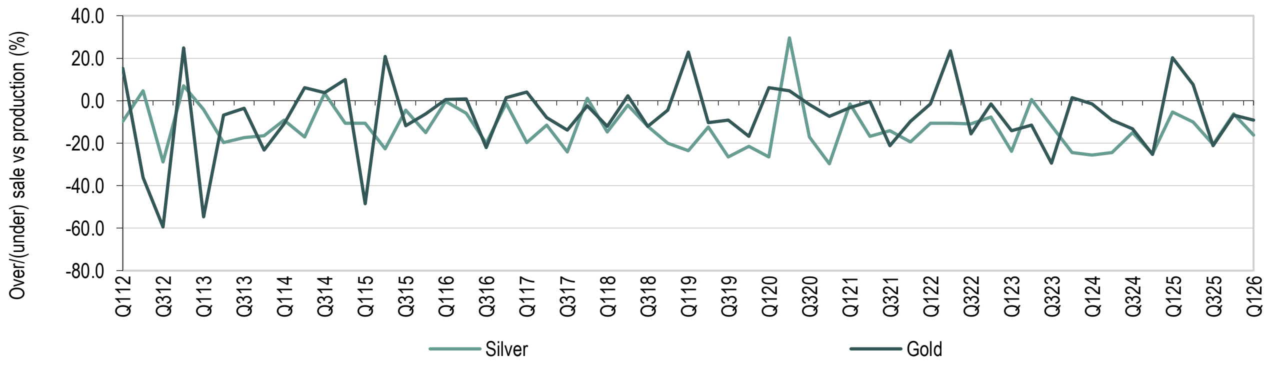
	Q126e	Q226e	Q326e	Q426e	Sum Q1–Q426e	FY26e
Edison forecasts	1.234	1.183	1.225	1.388	5.029	5.029
Mean consensus	1.220	1.321	1.494	1.622	5.657	5.184
High consensus	1.317	1.620	1.980	2.040	6.957	6.540
Low consensus	1.130	1.150	1.120	1.060	4.460	4.260

Source: LSEG Data & Analytics, Edison Investment Research. Note: Forecasts as at 21 April 2026.

Ounces produced but not yet delivered

From a relatively balanced position in Q425, we expect gold sales to be 9.2% (or 9,296oz) below production, which compares with a long-term average quarterly rate of under-sales of 7.0% (±17.1% standard deviation) since Q112. We expect silver sales to be 16.1% (or 915koz) below production, which compares with a long-term quarterly rate of under-sales of 12.7% (±10.8% standard deviation):

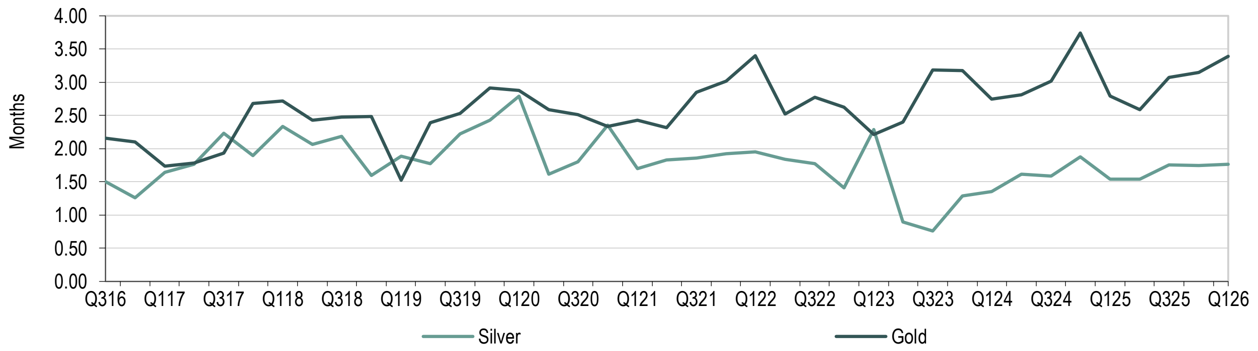
Exhibit 5: WPM over/(under) sale of silver and gold as a percentage of production, Q112–Q425e



Source: Edison Investment Research, Wheaton Precious Metals. Note: As reported.

Consequently, we estimate that gold ounces produced but not yet delivered (PBND) to Wheaton may have increased to c 118,186oz, or 3.4 months of estimated FY26 production, which compares with WPM's target levels of two to three months of PBND for gold and palladium production. We estimate that silver ounces PBND may have increased to c 4.142koz, or 1.8 months of estimated FY26 production, which compares with WPM's target level of two months for silver production.

Exhibit 6: WPM ounces produced but not yet delivered, Q316–Q425e (months of production)

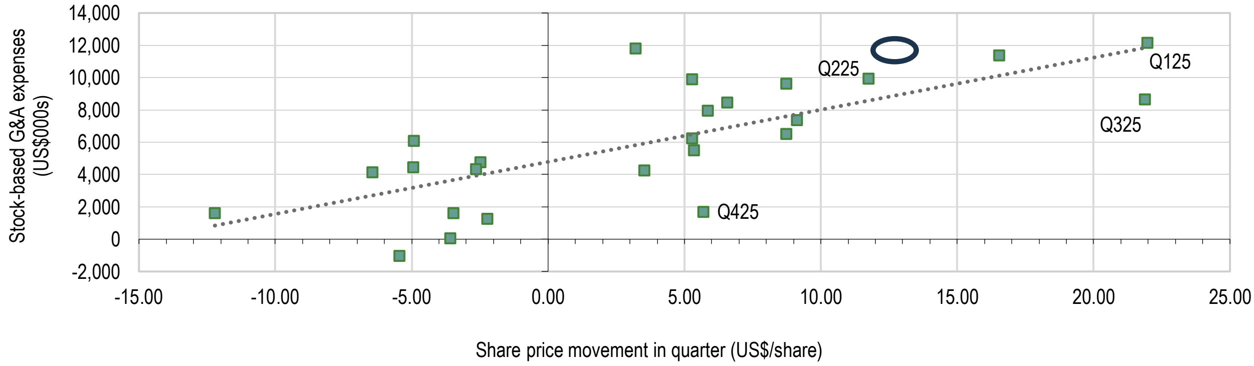


Source: Edison Investment Research, Wheaton Precious Metals. Note: As reported.

General and administrative expenses

Relative to guidance of US$50–55m (US$12.50–13.75m per quarter) for FY25, we are estimating non-stock G&A expenses at Wheaton for FY26 in the order of US$60m. Beyond that, stock-based G&A expenses broadly correlate with movements in WPM's share price (in US dollars) between quarters, and, given the movement in WPM's shares, we would ordinarily estimate these to be in the order of US$9.2m in Q126. However, given that stock payments are typically made in Q1, we expect these to be at the top of the range, at US$11.8m, for this quarter in particular (as shown by the oval in Exhibit 7, below):

Exhibit 7: Historical share price change (US$/share) versus stock-based G&A expenses (US$000s), quarterly, Q419-Q425e



Source: Edison Investment Research (underlying data: Bloomberg and Wheaton Precious Metals)

These two components result in a total G&A expense for the quarter of US$26.8m, of which the stock-based component would be 44.0%, which is slightly above the average of 33.2% since Q422 but attests to WPM's relatively strong share price performance during the three-month period.

Exhibit 8: WPM G&A expenses, Q422-Q126e (US$000's)

Item	Q422	Q123	Q223	Q323	Q423	Q124	Q224	Q324	Q424	Q125	Q225	Q325	Q425	Q126e
G&A salaries excluding PSU and equity settled stock-based compensation	4,187	5,021	4,749	4,591	4,051	5,365	5,083	5,002	5,049	7,811	5,631	5,866	6,682	
Other (including depreciation, donations and professional fees)	7,112	6,456	7,407	5,751	7,401	6,669	5,861	6,838	9,759	8,407	7,759	5,964	9,383	
Non-stock-based G&A	**11,299**	**11,477**	**12,156**	**10,342**	**11,452**	**12,034**	**10,944**	**11,840**	**14,808**	**16,218**	**13,390**	**11,830**	**16,065**	**15,000**
Guidance	11,750–12,250	11,750–12,500	11,750–12,500	11,750–12,500	11,750–12,500	10,250–11,250	10,250–11,250	10,250–11,250	10,250–11,250	12,500–13,750	12,500–13,750	12,500–13,750	12,500–13,750	
PSU accrual	7,035	5,855	2,625	2,604	5,222	(317)	4,586	7,903	4,393	10,756	8,153	7,040	80	
Equity settled stock-based compensation	1,439	1,542	1,859	1,732	1,305	1,598	1,655	1,725	1,725	1,425	1,809	1,612	1,629	
Stock-based G&A	**8,474**	**7,397**	**4,484**	**4,336**	**6,527**	**1,281**	**6,241**	**9,628**	**6,118**	**12,181**	**9,962**	**8,652**	**1,709**	**11,767**
Total general & administrative	**19,773**	**18,874**	**16,640**	**14,678**	**17,979**	**13,315**	**17,185**	**21,468**	**20,926**	**28,399**	**23,352**	**20,482**	**17,774**	**26,767**
Non-stock as pct of total G&A (%)	**57.1**	**60.8**	**73.1**	**70.5**	**63.7**	**90.4**	**63.7**	**55.2**	**70.8**	**57.1**	**57.3**	**57.8**	**90.4**	**56.0**

Source: Wheaton Precious Metals, Edison Investment Research. Note: PSU, performance share units. Totals may not add up owing to rounding.

Jervois stream acquisition

On 1 April, Wheaton also announced that it had entered into a definitive precious metals purchase agreement (PMPA) with KGL Resources for a portion of the gold and silver produced at the Jervois project in Australia. The salient features of the transaction are summarised below:

- WPM will purchase 75% of the payable gold from Jervois until a total of 45koz has been delivered, at which point Wheaton will purchase 37.5% of the payable gold until an additional 15koz has been delivered and then 25% of the payable gold for the remainder of the mine's life.
- WPM will similarly purchase 75% of the payable silver from Jervois until a total of 4.3Moz has been delivered, at which point Wheaton will purchase 37.5% of the payable silver until an additional 1.7Moz has been delivered and then 25% of the payable silver for the remainder of the mine's life. Both gold and silver will be calculated using a fixed payability factor of 90%.
- WPM will pay KGL total upfront consideration of US$275m in three instalments – two of US$16m each anticipated in 2026, with the remaining US$243m to be paid in four equal instalments over the construction period as various conditions are satisfied.
- The acquisition is expected to add c 5.8koz gold and 0.77Moz silver per year to Wheaton's production profile for the first five years of production and c 5.3koz gold and 0.59Moz silver per year for the ten-year life of the mine – albeit with meaningful exploration potential to expand and extend the scope of operations. Note that, at initial rates of production, Jervois's gold reserves are sufficient to support production for c 16 years, with resources potentially supporting production for another six years thereafter.
- WPM will make ongoing payments for the gold and silver ounces delivered equal to 20% of the spot price of the metals to KGL.

Based on the above terms and conditions (and at current gold and silver prices), we calculate that the Jervois stream will earn Wheaton a 17.7% IRR over just its initial ten-year life.

Guidance for FY26 and beyond

On 16 February, WPM provided detailed production guidance for FY26 as well as FY30 and FY30–35. We assume that this excluded any contribution from Jervois, which was announced to the market on 1 April. This guidance is nevertheless reproduced below relative to Edison's updated forecasts for the equivalent periods of time:

Exhibit 9: WPM precious metals production - Edison forecasts cf guidance

	FY26e	FY30e (target)	FY31–35 (average)
Prior Edison forecast			
Silver production (Moz)	28		
Gold production (koz)	419		
Cobalt production (klb)	2,094		
Palladium production (koz)	17		
Gold equivalent (koz)	910	1,266	1,145
Current Edison forecast			
Silver production (Moz)	28		
Gold production (koz)	419		
Cobalt production (klb)	2,210		
Palladium production (koz)	17		
Gold equivalent (koz)	906	1,274	1,164
WPM guidance			
Silver production (Moz)	27-29		
Gold production (koz)	400-430		
Cobalt & palladium production (koz AuE)	19-21		
Gold equivalent (koz)	860-940	1,200	1,200

Source: Wheaton Precious Metals, Edison Investment Research.

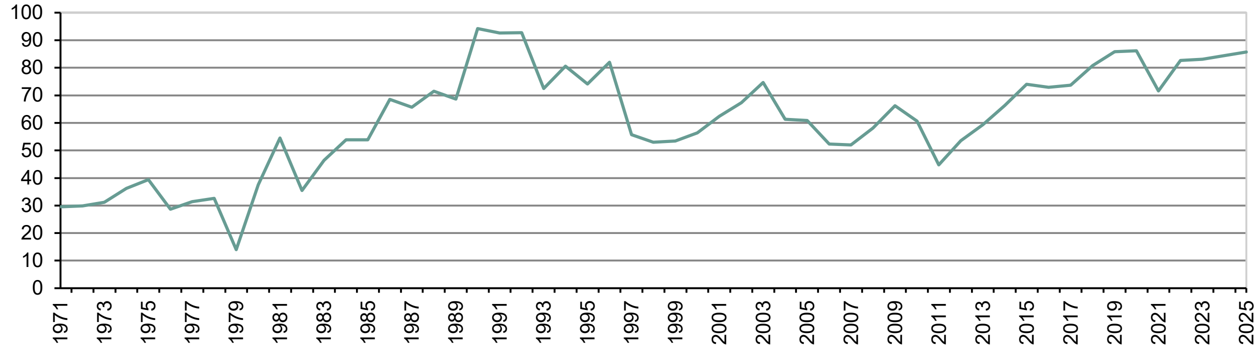
In the short term, increases in output will be driven by the newly acquired Antamina and Hemlo streams plus contributions from newly operating assets such as Blackwater, Mineral Park, Fenix, Goose and Platreef, partially offset by some moderation in output from Salobo as higher throughput levels are counteracted by modestly lower gold grades and Constancia following the depletion of the Pampacancha pit in late December 2025.

In the longer term, production is forecast to increase by approximately one-third from FY26 levels to 1,200,000 gold equivalent ounces (GEOs) by 2030, owing to growth from multiple operating assets including Antamina, Blackwater, Aljustrel, Marmato, Hemlo and Goose, development assets that are in construction and/or various stages of ramp-up including Koné, Fenix, Kurmuk, Platreef, Mineral Park and El Domo, and pre-development assets (all of which have received their major permits) including Spring Valley, Copper World and Santo Domingo.

From 2031 to 2035, attributable production is forecast to be maintained at c 1,200,000 GEOs annually with additional incremental production from pre-development assets including Cangrejos, Kudz ze Kayah and Marathon, in addition to the Mt Todd and Black Pine royalties. Not included in Wheaton's long-term forecast, and instead classified as 'optionality', is potential future production from 11 other assets including El Alto, Navidad and Toroparu as well as the potential expansion of Salobo beyond the Salobo III mine expansion project and future stream purchases.

WPM's guidance for FY26 and beyond is based on standardised pricing assumptions of US$4,800/oz gold, US$80.00/oz silver, US$1,500/oz palladium, US$2,000/oz platinum and US$25.00/lb cobalt. Of note is the implied gold/silver ratio of 60.0x, which is closely in line with the 60.1x that this ratio has averaged since gold was demonetised in August 1971:

Exhibit 10: Gold/silver ratio, 1971–2025



Source: Edison Investment Research (underlying data: Bloomberg)

At the updated standardised prices indicated, Edison's production forecast of 906koz GEO (or AuE) for FY26 is close to the middle of Wheaton's guidance range of 860–940k GEOs. However, our sales forecast is slightly more conservative, at 824k GEOs (representing a sales shortfall of 9.0% relative to production, which is fractionally below the average annual under-sales rate of 10.1% (±4.8%) since Q121).

Within this context, readers will note that our longer-term production forecasts for FY30 and FY31-35 are within 6.2% of WPM's longer-term guidance.

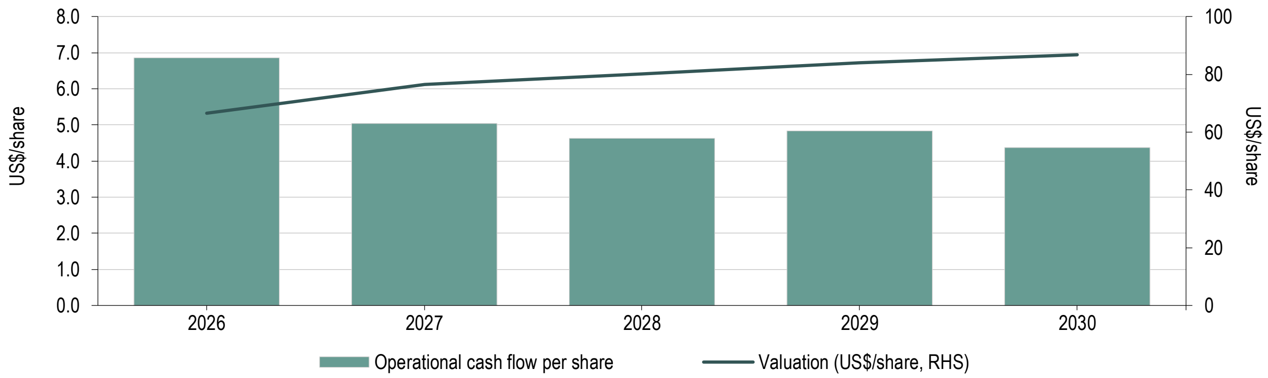
Valuation

Absolute valuation

WPM is a multi-asset company that has shown a willingness and desire to buy streams in the past to maintain production and maximise shareholder returns. As a result, rather than our customary method of discounting maximum potential dividends over the life of operations back to FY26, in the case of WPM, we discount forecast cash flows back over five years to the start of FY26 and then apply an ex-growth terminal multiple to forecast cash flows in that year (FY30) based on the appropriate discount rate.

In this case, our estimate of WPM's terminal cash flow in FY30 remains unchanged at US$4.36/share. Assuming 4.0% growth in nominal cash flows beyond FY30 (ie 0.0% growth in real cash flows) and applying a discount rate of 9% (being the expected long-term required nominal equity return), our terminal valuation of the company at end-FY30 is US$90.19, or C$122.19, per share. On this basis, our current valuation of the company would be US$66.53, or C$90.87, per share.

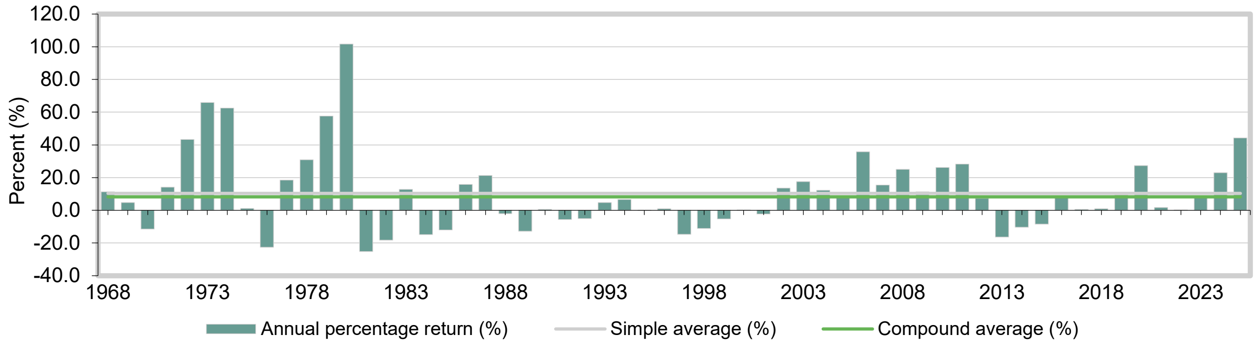
Exhibit 11: WPM operational cash flow and related valuation (US$/share), FY26–30



Source: Edison Investment Research. Note: Valuation line assumes cash flow per share growth rate of 4.0% per year post-FY30 in nominal terms, which equals the average US rate of CPI inflation since 1967 (ie 0.0% pa growth in real terms).

However, this valuation is inherently conservative in that it assumes (nominal) gold and silver prices of US$2,274/oz and US$35/oz, respectively, in FY30 and zero growth in (real) cash flows thereafter. This is inconsistent with the gold price, which has risen at a compound average annual growth rate of 8.2% per year from 1967 to 2025, a simple average annual growth rate of 10.4% per year (cf a compound average inflation rate over the same period of 4.0%) and a compound average real annual growth rate of 4.1% per year.

Exhibit 12: Gold price annual performance, 1968–2025



Source: Edison Investment Research (underlying data: US Bureau of Labor Statistics, Bloomberg, South African Chamber of Mines)

It is also inconsistent with WPM's longer-term historical performance, wherein operational cash flows have increased at a compound average annual growth rate of 23.1% per year for the 20 years between FY05 and FY25, while its operational cash flows per share have increased at a compound average annual growth rate of 17.1% per year over the same timeframe.

If we instead assume that cash flows per share increase at a compound average annual growth rate of 8.2% (ie the average compound average annual growth rate in the gold price from 1967 to 2025, cf 4.0% above), then our terminal valuation of WPM increases manyfold to US$616.80/share, or C$842.49/share, and our current valuation increases to US$408.79/share, or C$558.36/share.

Stated alternatively, WPM's current share price of C$195.12 appears to be discounting future compound annual average increases in cash flow per share of just 6.8% per year from FY30, which is only modestly higher than the long-term average rate of US inflation of 4.0% per year from 1967 to 2025 (inclusive).

A summary of these valuations with respect to their cash flow growth rate assumptions is as follows:

Exhibit 13: WPM valuation with respect to long-term cash flow growth rate assumptions, post-FY30

Long-term cash flow growth rate assumption (%)	Comment	WPM valuation (US$/share)	WPM valuation (C$/share)
4.0	Zero real growth rate (ie rate equals compound average US inflation rate, 1967–2025)	66.53	90.87
6.8	Implied cash flow per share growth rate required to justify current share price	142.85	195.12
8.2	Gold price compound average annual growth rate, 1967–2025	408.79	558.36

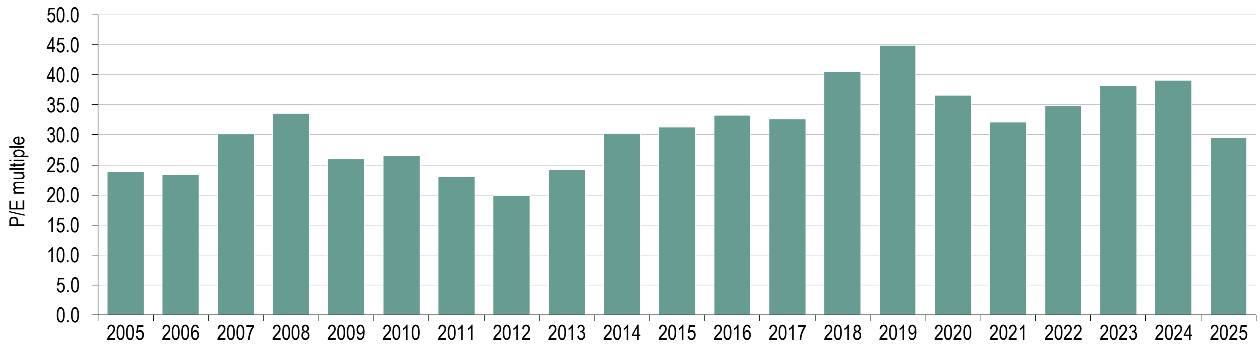
Source: Edison Investment Research.

An alternative interpretation is that the market is assuming currently prevailing precious metals prices up to and including FY30, in which case WPM's share price of C$195.12 could be interpreted as discounting compound annual average increases in cash flows per share of just 3.7% per year thereafter.

Historical valuation

Excluding FY04 (part-year), WPM's shares have historically traded on an average P/E multiple of 31.1x current year basic underlying EPS, excluding impairments (cf 28.4x Edison and 28.8x LSEG Data & Analytics consensus FY26e currently, see Exhibit 15).

Exhibit 14: WPM's average historical current year P/E multiples, 2005–25



Source: Average share price data Bloomberg, Edison Investment Research calculations

Applying this 31.2x multiple to our broadly unchanged EPS forecast of US$3.33 in FY27 (cf US$3.43/share previously) implies a potential value per share for WPM of US$103.81 or C$142.46 in that year. However, it is also notable that Edison's forecast metals prices in that year are only US$2,239/oz Au and US$60.00/oz Ag. At current prices, our EPS forecast of US$3.33/share in FY27 instead rises to US$6.46/share, in which case our equivalent valuation rises to US$201.15, or C$276.05, per share (or WPM's P/E would fall to 22.1x – see Exhibit 15, below). Moreover, as can be observed from the graph above, during periods of precious metal price appreciation, WPM can command current year P/E multiples that average 38.0x (eg between 2018 and 2024) and can rise as high as 45.0x (eg 2019).

Relative valuation

WPM is maintaining its premium rating relative to its peers. However, it appears good value if current metals prices continue for at least three years (the WPM (Edison at spot prices) row in Exhibit 15), in which case it is then cheaper than its peers on 66% of valuation measures (18 out of 27 measures in the table below) and five out of nine average measures.

Exhibit 15: WPM comparative valuation versus a sample of royalty/streaming companies

	P/E (x)			Yield (%)			P/CF (x)		
	Yr1	Yr2	Yr3	Yr1	Yr2	Yr3	Yr1	Yr2	Yr3
Royalty companies									
Franco-Nevada	29.4	25.2	26.6	0.7	0.7	0.8	24.7	22.2	24.6
Royal Gold	21.4	21.8	20.9	0.7	0.8	0.8	15.6	15.1	14.7
OR Royalties	31.5	28.3	22.4	0.5	0.5	0.5	26.9	24.6	24.8
Average	**27.4**	**25.1**	**23.3**	**0.7**	**0.7**	**0.7**	**22.4**	**20.6**	**21.4**
WPM (Edison forecasts)	**28.4**	**42.9**	**44.9**	**0.5**	**0.6**	**1.0**	**20.8**	**28.3**	**30.8**
WPM (Edison at spot prices)	**28.4**	**22.1**	**20.7**	**0.5**	**0.6**	**1.9**	**20.8**	**16.5**	**16.0**
WPM (consensus)	**28.8**	**28.7**	**28.8**	**0.5**	**0.6**	**0.9**	**22.2**	**21.4**	**22.6**

Source: LSEG Data & Analytics, Edison Investment Research. Note: Peers and WPM (consensus) priced on 21 April 2026.

Readers will note our relatively high year 2 and year 3 P/E ratios, which arises from our relatively low precious metals forecasts of US$2,239/oz Au and US$60.00/oz Ag and US$2,098/oz Au and US$55.00/oz Ag, respectively. As noted previously, if metals prices remain at current levels, our FY27 and FY28 EPS estimate rise to US$6.46/share and US$6.89/share, respectively, in which case the corresponding P/E ratios drop to 22.1x and 20.7x, which is at a notable discount to both consensus and its peer group. In the meantime, the similarity between year 2 and year 3 consensus P/E ratios for Wheaton suggests that the market is anticipating precious metals prices will fall in FY28 but only to such an extent as to approximately offset production growth. If precious metals prices remain flat (or increase) and production grows as expected by management, WPM also appears inexpensive relative to historical multiples.

Financials: US$1,145.7m in net cash at end Q4

As at 31 December, WPM had US$1,153.6m in cash on its balance sheet and no debt outstanding under its US$2bn revolving credit facility. Including a modest US$7.9m in lease liabilities, it therefore had US$1,145.7m in net cash after generating US$746.3m in operating cash flow, disbursing a net US$676.9m in investing activities and paying out US$74.2m in dividends.

Exhibit 16: WPM cash, net cash and operating cash flow, by quarter, Q420-Q425

(US$m)	Q420	Q121	Q221	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223	Q323	Q423	Q124	Q224	Q324	Q424	Q125	Q225	Q325	Q425
Cash/(debt)	192.7	191.2	235.4	372.5	226.0	376.2	448.6	494.6	696.1	799.7	828.8	833.9	546.5	306.1	540.2	694.1	818.2	1,085.6	1,005.9	1,157.7	1,153.6
Net cash/(debt)	6.0	187.7	232.1	369.4	223.2	373.5	446.2	492.5	694.1	797.9	822.3	827.7	540.3	300.2	534.5	688.4	813.0	1,077.5	997.6	1,149.7	1,145.7
Operating cash flow	208.0	232.2	216.3	201.3	195.3	210.5	206.4	154.5	172.0	135.1	202.4	171.1	242.2	219.4	234.4	254.3	319.5	360.8	415.0	383.0	746.3

Source: Wheaton Precious Metals, Edison Investment Research.

In Q126, we estimate that WPM will have generated c US$640.7m in operating cash flows, before disbursing a relatively modest c US$90.0m in investing activities (for Spring Valley and Marmato). Note that the US$4.3bn consideration for the Antamina stream to BHP will be paid in Q226.

In FY26 as a whole, we estimate that WPM will generate US$3,115m from operating activities (cf US$1,905m in FY25), before consuming a net US$4,919m (cf US$1,239m in FY25) in net investing activities and paying out an increased US $354m in forecast dividends (cf US$296m in FY25) under the influence of its new, progressive dividend policy. However, readers should be aware that the timing of PMPA payments is uncertain to the extent that investments may be advanced or delayed (especially relating to Marmato, El Como, Spring Valley, Koné and/or Jervois), and it is possible that WPM could register either a larger or smaller net cash position on its balance sheet by the year-end than that forecast.

A note on the gold price

The average gold price in CY25 was US$3,445/oz (source: Bloomberg). Consistent with our general policy, our gold price forecast for CY26 now assumes that the current spot price of US$4,500/oz will prevail for the remainder of the calendar year, before reverting to our long-term levels as follows:

Exhibit 17: Edison forecast gold price, real and nominal (US$/oz)

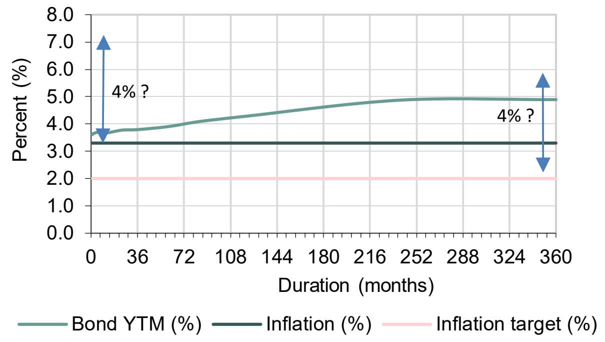
Calendar year	2027	2028	2029	2030
Real price (US$/oz)	2,068	1,863	1,727	*1,866
Nominal price (US$/oz)	2,239	2,098	2,023	2,274

Source: Edison Investment Research. Note: *Long-term price. Real US dollars are expressed in late CY25 terms.

The gold prices in Exhibit 17 are derived with respect to historical precedent. However, almost the only modern precedent to today's market is that of 1970–81 when gold rose from its post-war currency peg of US$35/oz to a peak of US$850/oz in January 1980 before falling by more than 60% in the following two years. The analysis above implicitly assumes a repeat of the same pattern, with 2026 being an analogue to 1980 and 2027 being an analogue to 1981. However, there are material differences between the two periods of time. The most significant is that, in 1980, the US was still the world's largest creditor nation, and what suddenly reversed gold's fortunes was the policy adopted by the then-new Federal Reserve chairman, Paul Volcker, to 'defend the value of the US dollar.' That entailed sharply raising real interest rates from near zero to around 4% (among other things, causing a sharp recession in the US and most other western countries in the early 1980s) where they remained for almost the next two decades. However, now, the US is the world's largest debtor nation and no one in either the US administration or the Federal Reserve (not even Kevin Warsh) is talking about the defence of the dollar. In fact, quite the opposite: what is being talked about is allowing the dollar to find a level at which US exports can compete on world markets and stimulating the domestic economy with real interest rates as low as possible. Hence, all the forces that have pushed gold to its recent peak over US$5,000/oz are still pushing it in the same direction (ie upwards).

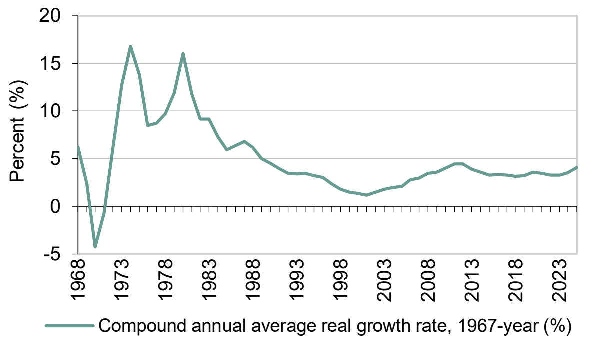
President Trump's nomination for the next chairman of the Federal Reserve, Kevin Warsh, appeared to the be catalyst for the start of gold's sell-off from its recent record highs last month. He is reported to be in alignment with Mr Trump in wanting to shrink the Fed's balance sheet at the same time as cutting short-term rates dramatically, thus effectively steepening the yield curve. In themselves, neither a steepening of the yield curve nor cuts to the Fed's balance sheet are traditionally positive harbingers for gold. While management of the long-end of the yield curve by means of a relaxation of the Supplementary Leverage Ratio could limit the degree of steepening, it remains to be seen whether cuts to short-term interest rates under a new Treasury-Fed accord can be achieved without reigniting inflation. In the meantime, both short-term real interest rates of 0.325% (a Fed Funds rate of 3.5–3.75% minus inflation of 3.3%) and long-term real interest rates of 1.591% remain uncompetitive relative to gold's compound average annual growth rate of 4.1% in real terms since 1967 (Exhibit 19).

US yield curve vs US CPI inflation rate (%)



Source: Bloomberg, US Department of Labor, Bureau of Labor Statistics, Edison Investment Research.

Exhibit 18: Gold compound average annual growth rate, 1967-year (%)



Source: Edison Investment Research (underlying data: Bloomberg, South African Chamber of Mines, US Department of Labor, Bureau of Labor Statistics)

While it is tempting to look at recent graphs of the gold price and attempt to call a 'top', investors should beware as many of the forces that drive it are often self-reinforcing, especially the fact that above ground stocks of gold of c 216,000t dwarf newly mined supply of c 3,700t per year. Hence, traditional supply-and-demand analysis often fails in the case of gold, where price discovery tends to occur among existing holders, rather than new buyers and sellers. This means, while the price has appreciated substantially in the past 25 years, in the absence of a fundamental shift in macroeconomic policy, there is no reason to suppose that it cannot continue. The following demonstrates the extent to which this is possible:

- The gold price required to cover the total US monetary base is US$21,421/oz. This is analogous to the classical gold standard, according to which the Federal Reserve was required to hold enough gold to redeem all of its liabilities (ie US dollars) that could be in circulation. Although President Nixon formally closed this dollar window in August 1971, in the era of a floating gold price, US gold reserves were nevertheless still able to cover the US total monetary base as recently as 1980.
- The gold price required to cover the US net international investment position is US$102,917/oz. While this number appears very large, it would theoretically enable the US to cover all of its accumulated deficits since c 1979.
- The gold price required to cover the US net international investment position and to cover its monetary base is US $124,345/oz.

While gold would need to increase c 28 times to get from its level now to US$124,345/oz, it is perhaps worth noting that it has already gone up by 129 times to get from its level of US$35/oz in 1967 to its current price. The main impediment to the last two scenarios will be the reaction of other (creditor nation) central banks. The world's largest three creditor nations are Germany, Japan and China. While Germany and Japan already have currencies that freely float against the US dollar, China does not. With the US facing the possibility of a material decline in the purchasing power of the dollar, in continuing to maintain its currency peg, China will subject its citizens to a similar decline at a time when this is perhaps not their expectation. Therefore, at some point along this trajectory, it is likely that the People's Bank of China will abandon this currency peg to preserve its citizens' wealth and manage the transition of China's workers from global producers to global consumers, albeit at the cost of accepting a much more competitive US dollar. Inevitably, few guarantees can be made regarding the future evolution of the world economy. However, the numbers calculated demonstrate the extent to which the world has financialised since 1971 to the detriment of real assets, such as gold (a process that now appears to be reversing). Concurrently, it demonstrates that, in the absence of a major policy change from either China or the US, in particular, the bull market for gold may be very far from over.

Exhibit 19: Financial summary

$000s	2020	2021	2022	2023	2024	2025	2026e	2027e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS								
Revenue	1,096,224	1,201,665	1,065,053	1,016,045	1,284,639	2,314,600	3,884,662	3,185,377
Cost of Sales	(266,763)	(287,947)	(267,621)	(228,171)	(235,108)	(339,063)	(495,431)	(558,286)
Gross Profit	829,461	913,718	797,432	787,874	1,049,531	1,975,537	3,389,231	2,627,091
EBITDA	763,763	852,733	735,245	719,704	976,637	1,885,530	3,299,360	2,537,220
Operating profit (before amort. and excepts.)	519,874	597,940	503,293	505,270	729,693	1,581,641	2,780,956	1,794,327
Intangible Amortisation	0	0	0	0	0	0	0	0
Exceptionals	4,469	162,806	164,214	4,593	(111,030)	98,858	0	0
Other	387	190	7,680	33,658	28,373	29,908	9,714	122
Operating Profit	524,730	760,936	675,187	543,521	647,036	1,710,407	2,790,670	1,794,449
Net Interest	(16,715)	(5,817)	(5,586)	(5,510)	(5,549)	(5,760)	(94,322)	(30,367)
Profit Before Tax (norm)	503,546	592,313	505,387	533,418	752,517	1,605,789	2,696,348	1,764,082
Profit Before Tax (FRS 3)	508,015	755,119	669,601	538,011	641,487	1,704,647	2,696,348	1,764,082
Tax	(211)	(234)	(475)	(367)	(112,347)	(232,927)	(413,434)	(250,853)
Profit After Tax (norm)	503,335	592,079	504,912	533,051	640,170	1,372,862	2,282,914	1,513,229
Profit After Tax (FRS 3)	507,804	754,885	669,126	537,644	529,140	1,471,720	2,282,914	1,513,229
Average Number of Shares Outstanding (m)	449	450	452	453	453	454	454	454
EPS - normalised (c)	112	132	112	118	141	302	503	333
EPS - normalised and fully diluted (c)	112	131	112	118	141	302	502	333
EPS - (IFRS) (c)	113	168	148	119	117	324	503	333
Dividend per share (c)	42	57	60	60	62	66	78	82
Gross Margin (%)	75.7	76.0	74.9	77.5	81.7	85.4	87.2	82.5
EBITDA Margin (%)	69.7	71.0	69.0	70.8	76.0	81.5	84.9	79.7
Operating Margin (before GW and except.) (%)	47.4	49.8	47.3	49.7	56.8	68.3	71.6	56.3
BALANCE SHEET								
Fixed Assets	5,755,441	6,046,427	6,039,813	6,463,774	6,596,377	7,921,612	12,322,187	12,375,617
Intangible Assets	5,521,632	5,940,538	5,753,111	6,169,534	6,426,674	7,444,243	11,844,818	11,898,248
Tangible Assets	33,931	44,412	30,607	47,562	70,728	66,874	66,874	66,874
Investments	199,878	61,477	256,095	246,678	98,975	410,495	410,495	410,495
Current Assets	201,831	249,724	720,093	567,411	828,080	1,204,169	31,409	141,679
Stocks	3,265	12,102	13,817	10,806	3,697	3,853	10,123	8,301
Debtors	5,883	11,577	10,187	10,078	6,217	46,723	21,286	17,454
Cash	192,683	226,045	696,089	546,527	818,166	1,153,593	0	115,924
Other	0	0	0	0	0	0	0	0
Current Liabilities	(31,169)	(29,691)	(30,717)	(26,075)	(29,504)	(154,687)	(1,160,690)	(158,897)
Creditors	(30,396)	(28,878)	(29,899)	(25,471)	(29,242)	(154,112)	(155,309)	(158,322)
Short-term borrowings	(773)	(813)	(818)	(604)	(262)	(575)	(1,005,381)	(575)
Long-term liabilities	(211,532)	(16,343)	(11,514)	(19,594)	(135,574)	(280,586)	(573,578)	(598,095)
Long-term borrowings	(197,864)	(2,060)	(1,152)	(5,625)	(4,909)	(7,330)	(7,330)	(7,330)
Other long-term liabilities	(13,668)	(14,283)	(10,362)	(13,969)	(130,665)	(273,256)	(566,248)	(590,765)
Net Assets	5,714,571	6,250,117	6,717,675	6,985,516	7,259,379	8,690,508	10,619,328	11,760,304
CASH FLOW								
Operating Cash Flow	779,156	845,832	737,821	725,548	997,762	1,874,598	3,329,437	2,546,010
Net Interest	(13,763)	(187)	6,227	33,770	23,491	35,079	(94,322)	(30,367)
Tax	49	(279)	(171)	(6,192)	8,516	(3,645)	(120,441)	(226,337)
Capex	149,648	(404,437)	(44,750)	(648,963)	(490,491)	(1,280,194)	(4,918,979)	(796,324)
Acquisitions/disposals	0	0	0	0	0	0	0	0
Financing	22,396	7,992	10,171	12,934	12,942	7,416	0	0
Dividends	(167,212)	(218,052)	(237,097)	(265,109)	(279,050)	(296,367)	(354,094)	(372,253)
Net Cash Flow	770,274	230,869	472,201	(148,012)	273,170	336,887	(2,158,399)	1,120,730
Opening net debt/(cash)	774,766	5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,145,688)	1,012,711
HP finance leases initiated	0	0	0	0	0	0	0	0
Other	(1,462)	(1,743)	(1,254)	(5,809)	(473)	(4,194)	0	0
Closing net debt/(cash)	5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,145,688)	1,012,711	(108,019)

Source: Wheaton Precious Metals, Edison Investment Research

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