

The Top Way to Trade the Uranium Bull Market

Uranium stocks could be some of the top “must own” stocks of 2021.

For one, we’re seeing bigger demand for nuclear energy, as global uranium supply falls into a record supply deficit. In fact, analysts at Canaccord Genuity, as noted by FN Arena, says the deficit could continue, as demand for uranium increases 45% by 2035.

Two, the U.S. Senate Committee on Environment and Public Works just approved a bill that could establish a U.S. national strategic reserve of uranium.

That’s big news with a great deal of uranium imported.

According to The Deep Dive, “Uranium is imported into the U.S. primarily by producers in Canada, Kazakhstan, Australia, and Russia. Uranium producers in Australia and Canada are not state subsidized, but those in Kazakhstan and Russia are generally thought to be. Almost no uranium is currently produced in the U.S.; this represents a sharp contrast to the fairly robust domestic mining industry as recently as five years ago.”

Three, Cameco Corp. recently temporarily suspended production at its Cigar Lake mine in Canada with pandemic concerns. And four, as part of the \$900 billion stimulus package, \$75 million will be provided to begin a national uranium reserve.

According to a Seeking Alpha report:

The bill calls for establishing the reserve, “including the purchase, conversion, and sale of uranium; a 10-year implementation plan of the activities for establishment and operations of a uranium reserve; and a 10-year cost estimate.”

“Any funds used through a Department of Energy program to purchase uranium from the White Mesa Mill can have a ‘multiplier effect’, by not only supporting the domestic uranium mining industry, but also by advancing other important clean energy priorities, including rare earth production,” says Energy Fuels President and CEO Mark Chalmers.

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While we can always trade those catalysts with Cameco (CCJ), Energy Fuels (UUUU), Uranium Energy (UEC), and UR-Energy Inc. (URG), one of my favorite ways is to use an ETF such as the Global X Uranium (URA).



After all, one of the best ways to diversify your portfolio is with an ETF, such as URA. Not only does this ETF give investors exposure to uranium, such as Cameco Corp., Nextgen Energy Ltd., Energy Fuels Inc., Denison Mines Corp., Paladin Energy Ltd., it does so at less cost. For example, if you were to buy 10 shares of every listed stock, it would cost thousands of dollars. But with this ETF you can gain exposure at just \$15.20 a share.