



## China and India: the Biggest Future for Cameco Corporation

### Description

The two largest countries in population, China and India, have been very bullish on growing their nuclear power generation. Due to this need for increased energy production without the release of ridiculous amounts of pollutants into the air, both countries are expected to grow their nuclear power aggressively over the coming years.

In India, there are currently 21 operational reactors. By 2017, there will be another six brought online. These 27 reactors will have a capacity of 10,300 megawatts. The thing is, India plans on getting to 45,000 megawatts by 2032, so it has a lot of growing to do. China, on the other hand, already has 26 nuclear reactors, and it has a further 24 planned or in construction.

It makes sense why these two countries would be so hungry for uranium. Combined, there are close to 2.3 billion people. That means that the demands for electricity are going to be significantly greater than in other parts of the world. And, in my opinion, nuclear power is the best way to achieve the numbers they need.

This is all really great news for **Cameco Corporation** ([TSX:CCO](#))([NYSE:CCJ](#)). Back in April, Cameco announced a deal with India's Department of Atomic Energy to sell 7.1 million pounds of uranium to the country over the next five years. While this is incredible news, consider the fact that the company intends to increase its nuclear power by four times over the next 17 years. Suddenly, 7.1 million pounds doesn't sound like all that much.

China is the same. China is notorious for having a wide variety of resources available to it to grow its country. But the one resource it has zero access to is uranium. Despite its size, it just doesn't have uranium mines. That puts Cameco in a great position because it can be one of the primary suppliers to the country.

But it gets way better.

The U.S. Energy Information Administration estimates that China gets about 2% of its power from nuclear power. At 2%, it is considered to be one of the top six countries that uses nuclear power. The plan for China is to increase its nuclear power generation to 30% by 2030. And once again, where is

China going to go for uranium? Cameco.

The reality is this: Japan restarting nuclear reactors is great for nuclear power. Other countries around the world are increasing their nuclear power because they know they need to. Cameco predicts global demand to increase to 240 million pounds from 170 million pounds over the next 10 years. The reality is, in the short term uranium may not be doing so hot, but as demand increases, the price only has one place to go: up.

So, my recommendation for investors is to start buying Cameco now. As this demand increases, the stock is going to rise. Getting in when the price is as low as it currently is will make your portfolio stronger as China and India continue developing their uranium capabilities. I am bullish on uranium and I think others should be as well.

## CATEGORY

1. Investing
2. Metals and Mining Stocks

## POST TAG

1. Editor's Choice

## TICKERS GLOBAL

1. NYSE:CCJ (Cameco Corporation)
2. TSX:CCO (Cameco Corporation)

## Category

1. Investing
2. Metals and Mining Stocks

## Tags

1. Editor's Choice

## Date

2025/07/28

## Date Created

2015/09/18

## Author

jaycodon

default watermark