



2 Stocks That Could Move the Market

Description

Both **Cameco** ([TSX:CCO](#))([NYSE:CCJ](#)) and **Methanex** ([TSX:MX](#))([NASDAQ:MEOH](#)) have one thing in common, aside from both being material stocks: they're enormous.

If you think either methanol or uranium is going to go gangbusters, then these are the two stocks you want to have in your portfolio before that happens.

But there are a few things going on that could prevent that from happening in the extreme short term and a few other things that could see investors seriously rewarded for their patience.

Cameco

A while back, I had recommended Cameco as the one company you needed in your portfolio going forward. But recently, things have [changed a bit](#). While Cameco remains in the same position it always has as the largest uranium producer, China-U.S. trade tensions have seriously hurt this stock's short-term potential.

With China looking to build a substantial number of reactors, uranium — and investors along with it — could be in for a rare growth opportunity. But stock performance relies on the builds put forward by China, as the other reactors in India, South Korea, and Russia just won't create that push.

But if all things go well, then a deficit could emerge in uranium by 2023, causing surging uranium prices. This will be great news for a company like Cameco, which has the ability to increase its uranium production substantially over several years as soon as its secondary uranium stockpiles become depleted.

If things go well for Cameco, other uranium producers are likely to hop on board too, but they don't have the mines readily available like this company does. However, as long as things go well, Cameco

might prove that uranium is the next growth story waiting to happen.

Methanex

Another undervalued stock that could be in for a huge boost is Methanex. This stock, like Cameco, is enormous as the [world's largest supplier of methanol](#). Its reach spreads through North America and over to Europe, the Asia Pacific, and South America.

Unlike Cameco, it's seen super-high share prices even in the last year, reaching \$106 last October before coming down again to where it sits at the time of writing at \$65 per share. And that creates a prime opportunity for investors.

Don't get me wrong; like Cameco, this is a volatile stock that could see slumps before it sees jumps. Some analysts believe it could drop to \$40 per share in the next 12 months, while others believe it could rise to \$80. But if you're in it for the long haul, this shouldn't matter. After all, this company is well protected by its operating cash flow to handle the level of debt that seems to be increasing due to negative past earnings in the last five years.

The company already believes it's in the process of a turnaround, specifically through its Geismar 1 facility achieving a daily production record from the plant. The company continues to make strategic investments to strengthen its asset base and increase its global production, so when methanol is finally on the rebound, this company can jump to production.

And again, like Cameco, if that should happen, other methanol companies are sure to follow suit, providing yet another opportunity to get in on one of the next big booms.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NASDAQ:MEOH (Methanex Corporation)
2. NYSE:CCJ (Cameco Corporation)
3. TSX:CCO (Cameco Corporation)
4. TSX:MX (Methanex Corporation)

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