



Why Fission Uranium Stock Surged 10% Yesterday

Description

Fission Uranium ([TSX:FCU](#)) was founded in 2013 and is headquartered in Kelowna, British Columbia. At \$0.97 per share at writing, the small-cap uranium stock almost hit a market cap of \$638 million.

Ross McElroy leads the company as president, CEO, and chief geologist. He is a professional geologist with 35 years of mining industry experience. He has held positions at **BHP Billiton**, Cogema Canada, and **Cameco**. Notably, he was also a member of the early-stage discovery team of the MacArthur River uranium deposit.

What happened?

Fission Uranium stock surged as much as 14.8% yesterday but ended the day with an appreciation of 10.2%, which was still impressive. As discussed in a *Bloomberg* [article](#), there were protests in Kazakhstan, the world's number one [uranium producer](#). The event could usher uranium prices higher, which is why the uranium stock rallied.

However, do note that commodity and small-cap stocks can be especially volatile. Fission Uranium is both. Yahoo Finance indicates that the energy stock's recent beta was 2.97. This means the stock would go up or down almost 3% when the market moved 1%. As recent as December, the stock was just 22% lower from current levels!

Also, note that Fission Uranium hasn't exactly generated any revenues yet. This makes the energy stock a candidate for traders to make quick profits when the opportunity arises.

So what?

Because Fission Uranium hasn't started production yet, when it does, it'll make a huge impact. The company's PLS project involves a Triple R deposit — the region's largest high-grade deposit at shallow depth!

The *WNA Fuel Report* in 2019 described there was a bear market of more than 10 years, resulting in underinvestment in the uranium production space. The *World Nuclear Fuel Report* followed in September 2021 that there will be a supply deficit beginning in 2027 that will widen through 2040. This improves the long-term outlook of Fission Uranium.

Let's not forget that uranium is a clean energy source. Some pundits believe that other clean energy sources such as renewable energy won't be enough to replace fossil fuels in time. Therefore, to achieve the net-zero carbon deadline, many countries will need to utilize nuclear power.

Now what?

Fission Uranium stock's consensus analyst price target has moved higher over the last 12 months. It's also gaining wider coverage with about three analysts following the stock right now. Currently, they have an average 12-month price target that suggests upside potential of almost 62% over the near term. The uranium stock is also a multi-bagger candidate for long-term investors.

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