



October 4, 2022

RBC Uranium Watch: Week 40

Uranium equities move higher; spot market quiet

Our view: Uranium equities rebounded in line with the positive movement in the equity markets while spot market activity remains slow without participation from Sprott. UxC released their surveyed spot price expectations for the end of 2022 with the participant average coming out to \$52. However, a wide range of answers from \$38-\$60 demonstrates the uncertainty in the market.

Uranium Dashboard & Industry News

	12-Sep	19-Sep	26-Sep	03-Oct	% Change			
U ₃ O ₈ Spot Price (US\$/lb)					1 Wk	1 Yr	3 Yr	
Ux Price	\$52.00	\$47.50	\$48.50	\$48.25	-1%	17%	88%	
TradeTech Price	\$52.00	\$47.50	\$48.50	\$48.25	-1%	17%	88%	
<p>The Ux uranium spot price decreased -1% w/w while spot activity remained thin. According to UxC, only two spot transactions were completed this week with both buyers and sellers remaining on the sidelines. SPUT activity could return as the trust shares appreciated closer to par with NAV which would allow incremental buying.</p>								
U ₃ O ₈ LT Price (US\$/lb)					1 Wk	1 Yr	3 Yr	
Ux Price	\$50.00	\$50.00	\$49.00	\$49.00	0%	23%	53%	
TradeTech Price	\$53.00	\$53.00	\$53.00	\$53.00	0%	18%	88%	
<p>Term market activity was quiet this past week with no new demand or contract awards reported. A U.S. utility requesting 1.8Mlbs U3O8 with delivery in 2024-2029 is finalizing selections of suppliers this week (UxC)</p>								
Sprott Physical Uranium Trust (SPUT)					1 Wk	1 Yr	3 Yr	
U.UN share price	\$16.56	\$15.89	\$14.84	\$16.07	8%	13%	89%	
U ₃ O ₈ Held (Mlbs)	58.6	58.6	58.6	58.6	0%	98%	284%	
NAV per share	\$16.97	\$15.86	\$16.78	\$16.56	-1%	54%	147%	
Implied U ₃ O ₈ (US\$/lb)	\$50.68	\$47.52	\$43.06	\$47.01	9%	4%	92%	
Prem./Disc. to NAV	-2.4%	0.2%	-11.6%	-3.0%	-	-	-	
<p>SPUT shares were up 8% w/w as equity markets rebounded this week. Based on information from Sprott disclosures, the shares have narrowed their discount to NAV to 3.0% from -11.6%.</p>								
Cameco					1 Wk	1 Yr	3 Yr	
CCO Share Price	\$39.35	\$37.51	\$34.51	\$37.53	9%	36%	198%	
Implied U ₃ O ₈ (US\$/lb)	\$96.02	\$82.63	\$68.07	\$78.14	-	-	-	
<p>Cameco shares increased 9% w/w to \$37.53/share as the equity markets reversed their downward trajectory and moved higher this week. The implied uranium price increased to \$78</p>								

Source: UxC, TradeTech, Bloomberg, Company reports, RBC Capital Markets estimates



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