

Why the market's excitement around uranium is justified

Published February 20, 2026

Mobeen Tahir

Director, Research

Key Takeaways

- The global nuclear renaissance is accelerating, but current capacity and investment plans remain well short of long-term targets.
- Uranium supply is already constrained and set to tighten further as mine depletion, long lead times and high incentive prices limit new production.
- This imbalance strengthens the long-term case for uranium and for producers positioned to benefit from rising prices and renewed investment.

Uranium is the fuel powering the nuclear renaissance, and recent market moves suggest investors are increasingly focused on its future prospects. At WisdomTree, we share this view given the strong fundamentals of this very energy-dense commodity.

This blog outlines why, despite strong advances over the past couple of years, the nuclear energy surge is only getting started and must go much further to meet global targets. It also presents the fundamental case for why uranium is emerging as such an attractive long-term investment.

How WisdomTree Uranium and Nuclear Energy UCITS ETF (NCLR) aims to capture the opportunity

The [WisdomTree Uranium and Nuclear Energy UCITS ETF](#) provides investors with access to the growth of uranium and nuclear energy.

Value chain approach:

The exchange-traded fund (ETF) targets the most value-accretive segments of the uranium and nuclear value chain, including those poised for growth as nuclear energy adoption accelerates. This value chain consists of:

- Upstream activities (60% weight): Uranium mining and the production of other raw materials for nuclear reactors.

- **Midstream activities (25% weight):** Companies involved in uranium conversion, enrichment, fuel fabrication, and storage, as well as those supplying critical infrastructure, equipment, and services to the nuclear industry.
- **Innovators (15% weight):** Developing advanced technologies such as small modular reactors and conducting research and development in fusion technology.

By investing across the nuclear value chain, investors gain exposure to established sectors like uranium mining and midstream companies that play a critical role in making uranium ready for reactors. The strategy also includes innovators driving next-generation nuclear technologies, such as small modular reactors and fusion research, both poised for significant growth.

Focus on purity:

Stock selection and weighting are based on revenue exposure to the uranium and nuclear energy value chain. Upstream companies must derive at least 50% of their revenue from the theme, while midstream companies require a minimum of 10%. This threshold accounts for their strategic role in the value chain while acknowledging their diversified business models. Weightings are adjusted in favour of companies with higher revenue exposure, subject to caps and liquidity requirements.

The nuclear renaissance has much further to go

Nuclear power is firmly back on the global energy agenda. Thirty-one countries have pledged to triple global nuclear capacity by 2050¹, while the United States has committed to quadrupling its capacity over the same period², reflecting the growing role of nuclear in energy security, decarbonisation and grid stability.

This push is increasingly reinforced by the private sector. Large technology companies with rapidly expanding data-centre footprints, including Microsoft, Google, Amazon and Meta, are striking long-term deals to secure nuclear power. These range from agreements linked to existing reactors to forward-looking commitments around small modular reactors, with deployments targeted for the early 2030s. For hyper-scalers, nuclear offers abundant, reliable baseload power with low emissions and long-term cost visibility, strengthening the structural case for sustained nuclear and uranium demand growth.

Figure 1: Total operable reactor net capacity (MWe)

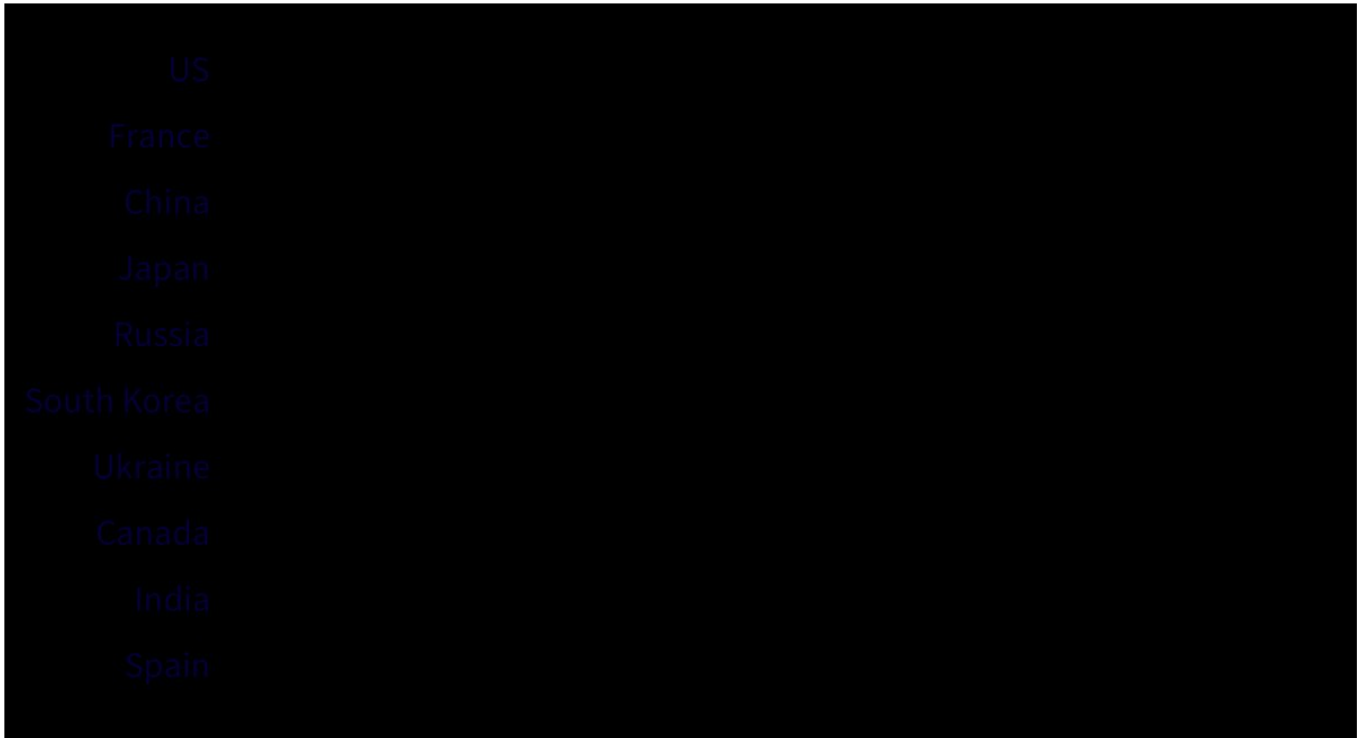
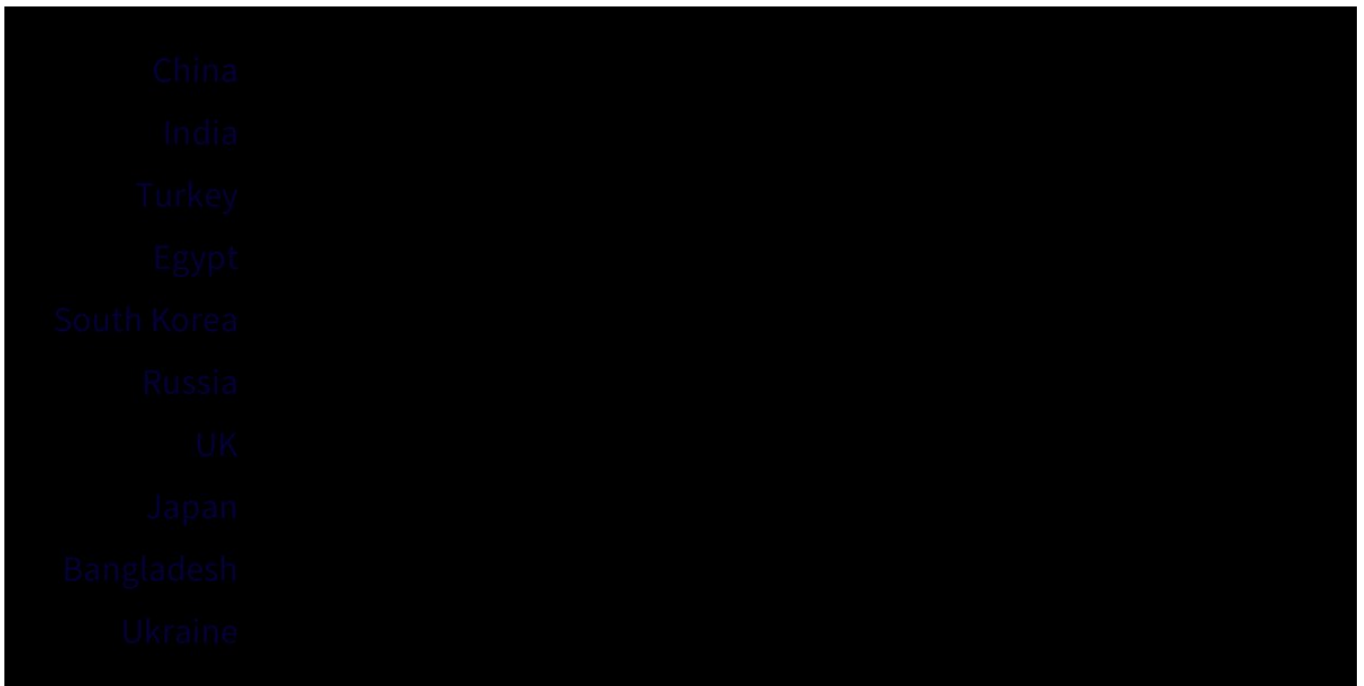


Figure 2: Reactor capacity under construction (MWe)



Source: World Nuclear Association, January 2026.

Having said that, the current pipeline of new nuclear capacity remains far short of what is required to meet global targets. The world currently has 436 operable reactors, with just 74 under construction, 38 of which are in China³. The charts above compare existing nuclear capacity with capacity under construction.

At WisdomTree, we believe these ambitious nuclear capacity targets are only just beginning to translate into real commercial commitments, and markets have yet to fully price in what this implies for uranium and the broader nuclear value chain. A clear example came on 27 October 2025, when the US government, Brookfield and Cameco announced a strategic partnership centred on Westinghouse reactor technology. The agreement envisages at least \$80 billion of new nuclear build across the United States, positioning nuclear as a core pillar of both energy security and artificial intelligence (AI) infrastructure.

What stood out was the market reaction. Cameco's share price rose by nearly 24% the following day⁴, a reminder that large, credible nuclear developments can still catch investors by surprise. Similar dynamics were evident in early January 2026, when Centrus Energy rallied following US government support for the domestic uranium fuel supply chain. Together, these examples highlight how policy ambition can rapidly translate into earnings-relevant outcomes for companies exposed to critical parts of the nuclear ecosystem.

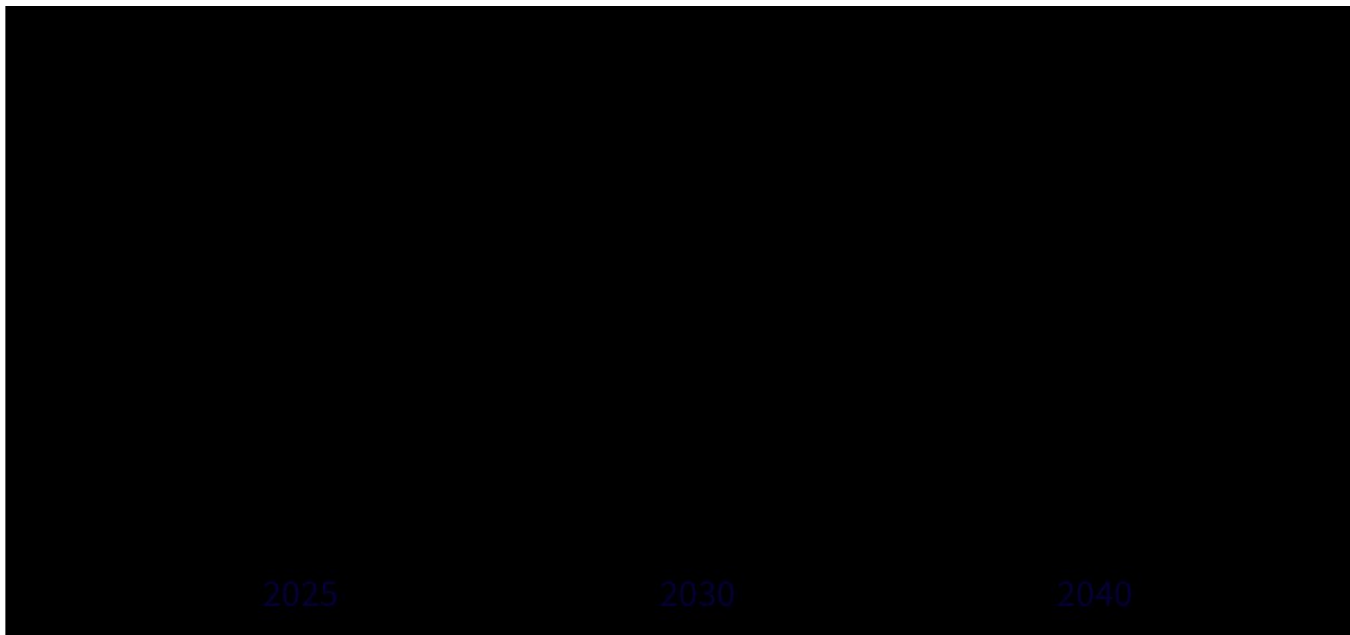
Uranium is expected to be undersupplied meaningfully

Global uranium demand is rising as nuclear capacity expands, while supply dynamics are becoming increasingly constrained. Reactor demand is projected to grow steadily through the next decade, yet current production already falls short.

In 2025, global uranium production is estimated at around 60,000 tonnes⁵, below current reactor requirements. Looking ahead, supply pressures intensify as production from existing mines is expected to decline materially between 2030 and 2040 due to depletion of mature assets, with some estimates suggesting output could halve without new investment.

New supply is slow to respond. Uranium mines can take up to 16 years to bring into production⁶, and incentive prices required to unlock new projects are believed to be well above current levels. While estimates vary, some place the incentive price in the \$125–\$150 per pound range⁷. Uranium is trading at around \$87 per pound following a dip, as of 05 February 2026⁸, highlighting the gap between current pricing and the level needed to meaningfully expand supply.

Figure 3: Global reactor demand for uranium (tonnes)



Source: World Nuclear Association Nuclear Fuel Report 2025. **Forecasts are not an indicator of future performance and any investments are subject to risks and uncertainties.**

Why this matters

Uranium is the essential fuel underpinning nuclear energy, a sector seeing renewed and accelerating demand from both governments and the private sector. With global nuclear capacity set to expand meaningfully over the coming decades, uranium demand is rising at a time when supply is already constrained and expected to tighten further.

This structural imbalance points to a market likely to remain in undersupply, increasing the probability of higher incentive prices over time. For uranium producers, rising prices can translate into improving margins, stronger cash flows and increased earnings visibility as new investment is required to bring supply online. In this environment, long-term fundamentals support the strategic case for exposure not only to uranium itself, but also to miners positioned across the nuclear fuel cycle to benefit from a sustained supply response.

- 1 At the United Nations Climate Change Conference (COP) in 2024.
- 2 President Trump's executive orders of May 2025.
- 3 World Nuclear Association, February 2026.
- 4 Bloomberg, October 2025.
- 5 Uranium Insider, 2025.
- 6 Yellow Cake, 2025.
- 7 Nucnet.org, Financial Times, 2025.
- 8 Trading Economics.

Important Risks Related to this Article

IMPORTANT INFORMATION

Marketing communications issued in the European Economic Area (“EEA”): This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

Marketing communications issued in jurisdictions outside of the EEA: This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as “WisdomTree” (as applicable). Our Conflicts of Interest Policy and Inventory are available on request.

This marketing communication has been prepared for professional investors, but the WisdomTree products set out in this document may be available in some jurisdictions to any investors, subject to applicable laws and regulations. As the product may not be authorised or its offering may be restricted in your jurisdiction, it is the responsibility of every person or entity to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction. Prior to any application investors are advised to take all necessary legal, regulatory, tax and investment advice on the suitability and consequences of an investment in the products. Past performance is not a reliable indicator of future performance. Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. The value of any investment may be affected by exchange rate movements. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. These products may not be available in your market or suitable for you. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment.

An investment in exchange-traded products (“ETPs”) is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. ETPs involve numerous risks including among others, general market risks relating to the relevant underlying index, credit risks on the provider of index swaps utilised in the ETP, exchange rate risks, interest rate risks, inflationary risks, liquidity risks and legal and regulatory risks.

The information contained in this document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the issuers or their products are authorised or registered for distribution and where no prospectus of any of the issuers has been filed with any securities commission or regulatory authority. No document or information in this document should be taken, transmitted or

distributed (directly or indirectly) into the United States. None of the issuers, nor any securities issued by them, have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes.

This document may contain independent market commentary prepared by WisdomTree based on publicly available information. Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Any third party data providers used to source the information in this document make no warranties or representation of any kind relating to such data. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements.

WisdomTree Issuer ICAV

The products discussed in this document are issued by WisdomTree Issuer ICAV ("WT Issuer"). WT Issuer is an umbrella investment company with variable capital having segregated liability between its funds organised under the laws of Ireland as an Irish Collective Asset-management Vehicle and authorised by the Central Bank of Ireland ("CBI"). WT Issuer is organised as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under the laws of Ireland and shall issue a separate class of shares ("Shares") representing each fund.

The Fund is described in a Key Information Document (KID) or Key Investor Information Document (KIID) for UK investors, and the prospectus of WT Issuer ("WT Prospectus"). A copy of the WT Prospectus and the KID / KIID is available, for EEA/UK only, in English at www.wisdomtree.eu. Where required under national rules, the KID will also be available in the local language of the [relevant EEA Member State](#). [Investors should read the WT Prospectus before investing and should refer to the section of the WT Prospectus entitled »Risk Factors¼ for further details of risks associated with an investment in the Shares.](#)

The [summary of investor rights](#) associated with an investment in the fund is available in English on WisdomTree Europe's [website](#). [WisdomTree Management Limited may decide to terminate the arrangements made for the marketing of its collective investment undertakings](#). In such circumstances, shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the fund free of any charges or deductions for at least 30 working days from the date of such notification.

For Investors in Switzerland:

This document constitutes an advertisement of the financial product(s) mentioned herein.

The prospectus (in English only) and the key investor information documents (KID) (in German, French and Italian) are available from WisdomTree's website <https://www.wisdomtree.eu/en-ch/resource-library/prospectus-and-regulatory-reports>

For WisdomTree UCITS products only: the representative and paying agent of the ETPs in Switzerland is Société Générale Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich, Switzerland. The prospectus, the key investor information documents (KIID), the articles of association and the annual and semi-annual reports of the sub-funds are available free of charge from the representative and paying agent. As regards distribution in Switzerland, the place of jurisdiction and performance is at the registered seat of the representative and paying agent. Some of the sub-funds referred to in this document may not have been registered with the Swiss Financial Market Supervisory Authority ("FINMA"). In Switzerland, such sub-funds that have not been registered with FINMA may only be available to Qualified Investors.

For Investors in France:

The information in this document is intended exclusively for professional investors (as defined under the MiFID) investing for their own account and this material may not in any way be distributed to the public. The distribution of the Prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law. WT Issuer is a UCITS governed by Irish legislation, and approved by the Financial Regulatory as UCITS compliant with European regulations although may not have to comply with the same rules as those applicable to a similar product approved in France. The Fund has been registered for marketing in France by the Financial Markets Authority (Autorité des Marchés Financiers) and may be distributed to investors in France. Copies of all documents (i.e. the Prospectus, the Key Investor Information Document, any supplements or addenda thereto, the latest annual reports and the memorandum of incorporation and articles of association) are available in France, free of charge at the French centralizing agent, Societe Generale at 29, Boulevard Haussmann, 75009, Paris, France. Any subscription for Shares of the Fund will be made on the basis of the terms of the prospectus and any supplements or addenda thereto.

For Investors in Malta: This document does not constitute or form part of any offer or invitation to the public to subscribe for or purchase shares in the Fund and shall not be construed as such and no person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase shares in the Fund. Shares in the

Fund will not in any event be marketed to the public in Malta without the prior authorisation of the Maltese Financial Services Authority.