



The implications for nuclear fuel markets of uncertainty over demand side growth, continue to challenge the development of robust business strategies by buyers and sellers alike, not least because of ongoing difficulties in financial markets. NAC International provides vital market clarity in its 2010 edition of ***Nuclear Fuel Market Issues & Insights***.

**A meaningful forecast of nuclear new build** is fundamental to analysis of future nuclear fuel markets. The evolution of commitments to nuclear new build and plans for increased fuel supply both have been affected by the continuing difficulties and uncertainties in financial markets. Country balance sheets are at risk, let alone those of companies.

China, India, Russia and South Korea are still planning large increases in their respective nuclear generating capacities and newcomers, like the United Arab Emirates, appear to be serious about building nuclear plants. For companies that raise capital through traditional debt and equity financing, the timing of new build, if not the ultimate decision, is uncertain.

### ***NAC's 2010 NFMI&I report includes critical and careful analysis of the prospects for new build.***

In the nuclear fuel cycle supply chain, important issues have arisen and evolved in all sectors. Generic issues include the evolution of **Russia's presence** in front end markets and the **emergence of South Korea as an international reactor and fuel vendor**. How China will meet its growing nuclear fuel needs also is of major importance.

U<sub>3</sub>O<sub>8</sub> producers are having more difficulty raising capital to fund capacity additions/expansions. In the markets **the U<sub>3</sub>O<sub>8</sub> spot price has receded close to the level forecast by NAC** in previous **NFMI&I** reports – far below the level predicted by some commentators.

UF<sub>6</sub> converters remain cautious, if not afraid, about investing in new capacity that will be needed. **Is there potential for a disconnect between market efficiency and future demand growth in the conversion sector?**

In the enrichment sector uncertainty about USEC's ACP project hangs over the market and still there is little visible information about the prognosis for GE-Hitachi's laser enrichment technology. Meanwhile Urenco forges ahead in the United States and in Europe. Based on recent statements by its CEO, AREVA's plans in this sector seem to be somewhat fragile. Will the Eagle Rock project proceed as planned? Supply is reasonably assured **but what will the future competitive situation be in the enrichment sector?**

In the fuel fabrication sector **new build orders will continue to influence the vendors' fabrication sector presence**. Western vendors have new technology products poised to enter the market and Russia retains the desire to become a PWR fuel supplier in western markets.

Longer-term strategic planning is now more important than ever. Nuclear fuel buyers and producers need timely information that will help them understand how ongoing issues will evolve and affect their operations.

### ***NAC International's Nuclear Fuel Market Issues and Insights (NFMI&I) 2010 is written to provide needed answers.***



Nuclear Fuel  
Market Issues &  
Insights

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NAC maintains ongoing contact with buyers and sellers in the worldwide nuclear fuel markets through its corporate headquarters in Atlanta and offices in London, Tokyo, and Moscow. NAC maintains this first-hand market data and intelligence in a comprehensive nuclear fuel cycle database it has operated since 1970.

Concise yet thorough, it focuses on issues and develops conclusions that are vital to your company. Written in a sharp, no-nonsense style, it presents NAC's expert opinion of where the markets are heading and why.

**NFMI&I 2010** evaluates the worldwide markets for  $U_3O_8$ , conversion services and enrichment services and, including reviews and status of major suppliers. Price trends for  $U_3O_8$ , conversion and enrichment through 2025 are presented and discussed, including the relative sensitivity of the price forecasts to increased supply or decreased demand. Key developments that could affect prices are highlighted.

**NFMI&I 2010** also analyzes the light water reactor fuel fabrication market, including the implications of trends in supply for new reactors. Expected trends in both BWR and PWR prices are discussed in the context of the competitive situation in each fuel market segment.

NAC is always working to develop new approaches and new techniques to analyze markets and **NFMI&I 2010** will be prepared in this spirit.

**For an overall impression of what NFMI&I 2010 will provide, the table of contents from our 2009 report is provided below as an illustration.**

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