



# Enrichment Market Outlook



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# Table of Contents

<b>Executive Summary</b>	<b>i</b>
<i>Market Trends and Latest Developments</i>	i
<i>Essay: Outlook for Urenco and Orano Capacity Expansions</i>	i
<i>Price and Contracting Review</i>	ii
<i>Supply and Demand Overview</i>	ii
<i>Price Indicator Technical Analysis</i>	iii
<i>Market Outlook and Price Forecast</i>	iv
<b>Introduction</b>	<b>6</b>
Conventions Used in the Report	6
<b>1 – Essay: Outlook for Urenco and Orano Capacity Expansions</b>	<b>7</b>
How Much New Capacity is Needed?	7
• Open Market Demand Scenarios	7
• Open Market Supply and Demand Outlook	9
Current Western Enrichment Operations	11
• Urenco	11
• Orano	13
The Road to New Capacity	14
• Enrichment Technology Company	14
• Urenco	16
Almelo	16
Gronau	17
Capenhurst	17
UUSA	17
Summary	17
• Orano	18
Conclusions	20
<b>2 – Enrichment Contracting and Price Review</b>	<b>23</b>
Spot Market Review	23
• Review of 2022 Spot Market Activity	23
• Review of 2023 Spot Market Activity	24
• Trends in Optimal Tails	25
Long-Term Contracting Review	27
• Review of 2022 Long-Term Contracting Activity	27
• Review of 2023 Long-Term Contracting Activity	28
• Trends in LT Contract Terms & Conditions	30
SWU Price Reporting	30
<b>3 – Requirements and Demand Outlook</b>	<b>31</b>
Key Reactor Developments by Region	32
Regional Highlights	33
• North America	33
• Western Europe	33
• Eastern Europe	34
• Asia & Oceania	34
• Africa & Middle East	35
• South America	35
Reactor Capacities Anticipated by 2040 by Country	36
Quarterly Changes to Base Case Nuclear Power Forecast	39
Alternative UxC Reactor Forecast Scenarios	40
Demand Forecast Scenarios	41
• Reactor Requirements vs. Market Demand	41
• UxC Enrichment Market Demand	42
UxC Requirements Model (URM)	42
Demand Updates	42
• Reviewing Uncovered Utility Requirements	44
Spot and Long-Term Demand Outlook	47

• Spot Demand in 2023-2024 .....	47
• Long-Term Demand Over Next 12 Months .....	49
<b>4 – Primary and Secondary Supply Outlook .....</b>	<b>52</b>
• Key Enricher Developments since the Last Report.....	52
UxC SWU Supply Forecast Comparisons .....	53
• Key Assumptions in Base Supply Case .....	53
• Key Changes to Base Supply Case since Last Quarter.....	53
• Key Assumptions in High Supply Case.....	55
• Key Changes to Base Supply Case since Last Quarter.....	55
• Key Assumptions in Low Supply Case.....	57
• Key Changes to Base Supply Case since Last Quarter.....	57
Orano .....	59
• 2022 Annual Results .....	59
• Public Consultation for GBII Expansion .....	60
Urenco.....	60
• 2022 Annual Results .....	60
• Improving Credit Rating .....	61
• Urenco USA to Supply USNC with EUP .....	61
• Urenco Ends U-Battery Support.....	62
TVEL/TENEX .....	63
• TVEL Summarizes 2022 Results .....	63
• TVEL Completes Shipments of CFR-600 Fuel to China .....	63
• TVEL Completes Fuel Shipments to Belarus.....	63
• TVEL Loses Fuel Supply Contract in Bulgaria.....	64
• TENEX Signs Fuel Supply Contract with Brazil’s INB.....	64
• Russian Suspension Agreement.....	64
China National Nuclear Corporation.....	65
• Current Capacity .....	65
• Emeishan CEP 3 Project.....	65
• Lanzhou CEP 4-II Project.....	66
• Future Supply Outlook .....	66
Centrus Energy .....	67
• Centrus Reports 2022 Results.....	67
• Centrus Completes HALEU Demonstration Cascade.....	69
Japan Nuclear Fuel Ltd. ....	71
Global Laser Enrichment.....	71
• GLE Accelerates 2023 Plans for SILEX Technology .....	71
• SILEX Completes Institutional Placement .....	72
• Cameco Highlights GLE’s 2022 Accomplishments .....	73
Okapi Resources Invests in Ubaryon .....	73
Secondary Supplies .....	74
• U.S. Department of Energy Inventories .....	74
• Russian Government Inventories.....	74
• Commercial Inventories .....	75
Utility Inventory Holdings.....	75
Enrichment Supplier Inventories .....	78
• International Fuel Banks .....	79
• MOX and RepU.....	80
EDF’s RepU Contract with TENEX Under Scrutiny.....	82
Conclusions on MOX & RepU.....	82
• Secondary Supplies Forecast & Analysis .....	83
Policy Issues Affecting the Market .....	84
U.S. Senate Holds Hearings on Domestic Nuclear Fuel Cycle .....	85
<b>5 – Enrichment Market Indicators .....</b>	<b>91</b>
Near-Term Technical Analysis .....	91
Near-Term SWU Price Indicators.....	92
Long-Term SWU Price Indicators.....	93

<b>6 – Market Outlook and Price Forecasts</b>	<b>96</b>
Short-Term Outlook and Primary Market Factors	96
• Demand Developments	97
• Trade Policies	98
• Uranium and Conversion Prices	99
• Interest and Exchange Rates	99
• Short-Term Price Outlook	99
Longer Term Market Fundamentals	100
• Supply and Demand Fundamentals	100
• Uranium and Conversion Prices	102
• Financial Market Conditions	102
UxC SWU Term Price Forecasts	104
• SWU Price Formation: Key Factors	106
• Mid Price Scenario	107
• High Price Scenario	109
• Low Price Scenario	111
• Summary and Composite Term Price Scenario	113
<b>Appendix A – Indicator System Methodologies</b>	<b>116</b>
Long-Term Price Indicator System Methodology	116
• Near-Term Indicator Methodology	116
• Long-Term Indicator Methodology	118
<b>Appendix B – Statistical Review</b>	<b>120</b>
Historical Review	120
• UxC-Numerco Forward Price Curve for SWU	125
Future Outlook and Forecasts	128

## List of Figures

Figure E-1. Open Market w/ Western Expansions	i
Figure E-2. Ux SWU Prices	ii
Figure E-3. Spot Volume and Ux SWU Price	ii
Figure E-4. Utility LTC Activity	ii
Figure E-5. Uncovered SWU Demand	iii
Figure E-6. Base Case SWU Supply/Demand Balance	iii
Figure E-7. Long-Term Market Indicators vs. SWU Price	iv
Figure E-8. Composite SWU Price Forecast	iv
Figure 1. Open Market SWU Demand Scenarios, 2022-2040	8
Figure 2. Regional Demand in Open Market Base Case, 2022-2040	8
Figure 3. Open Market Supply vs. Demand without New Western Capacity	10
Figure 4. Overview of Urenco Operations	11
Figure 5. Urenco Capacity Dropoff with 25-Year Average Centrifuge Lifetimes	12
Figure 6. Urenco SWU Expansion Challenges due to Legacy Capacities	12
Figure 7. Urenco, Orano, and ETC Relationships	14
Figure 8. Urenco Almelo Site Expansion Location	16
Figure 9. Orano GBII North Plant Extension Diagram	18
Figure 10. Orano Tricastin Site	19
Figure 11. Open Market Supply vs. Demand with New Urenco & Orano Capacity	20
Figure 12. Annual Spot Volume, 1990-2023	23
Figure 13. Spot Volume by Form, 2015-2023	23
Figure 14. Spot Volume by Method, 2015-2023	23
Figure 15. Recent Ux SWU Prices	24
Figure 16. Optimal Tails Assays Based on Spot Prices	25
Figure 17. Monthly Spot SWU Purchases by Form vs. Spot Price, 1994-2023	26
Figure 18. LTC Activity, 1994-2023	27
Figure 19. LTC Activity by Buyer, 2022	27
Figure 20. LTC Activity by Buyer, 2023	28

Figure 21. Recent Ux SWU Prices .....	30
Figure 22. Map of UxC Nuclear Regions.....	32
Figure 23. Nuclear Generating Capacity Percentages by Region, 2020, 2030, 2035, & 2040.....	36
Figure 24. UxC Nuclear Generating Capacity Forecast, 2008-2040.....	37
Figure 25. UxC Base, High, and Low Case Nuclear Capacity Forecasts, 2008-2050.....	40
Figure 26. URM Enrichment Market Demand Comparison, 2008-2040 .....	42
Figure 27. UxC Uncovered Enrichment Requirements Comparison, 2005-2040 .....	45
Figure 28. UxC Uncovered Enrichment Requirements Estimate, 2023-2040.....	45
Figure 29. Quarterly Spot Purchases by Buyer Group, 1994-2023 .....	48
Figure 30. Quarterly Spot Purchases by Seller Group, 1994-2023.....	48
Figure 31. Long-Term Enrichment Contracting Activity, 1994-2023 .....	49
Figure 32. Recent and Potential Enrichment LTC SWU Activity .....	50
Figure 33. Base Case Expected Enrichment Supply/Demand Levels, 2008-2040 .....	54
Figure 34. High Case Expected Enrichment Supply/Demand Levels, 2008-2040.....	56
Figure 35. Low Case Expected Enrichment Supply/Demand Levels, 2008-2040 .....	58
Figure 36. Geographic Distribution of Centrus' 2022 Revenue.....	68
Figure 37. Centrus December 31, 2022 Inventories .....	68
Figure 38. GLE/Silex Technology Commercialization Timelines .....	72
Figure 39. U.S. Commercial & Government Inventories, 1983-2021.....	76
Figure 40. Total Inventories Owned by EU Utilities, 2017-2021 .....	77
Figure 41. Base Case Secondary SWU Supplies Disposition, 2018-2040 .....	83
Figure 42. Spot SWU Prices, 1986-2023 .....	91
Figure 43. Net Changes in the SWU Spot Price by Month, 1986-2023 .....	91
Figure 44. Ux Price vs. Six-month Moving Avg. ....	91
Figure 45. Near-Term SWU Net Indicator Value vs. SWU Prices, 1991-2023 .....	92
Figure 46. Long-Term SWU Net Indicator Value vs. SWU Prices, 1991-2023 .....	93
Figure 47. Base Case Expected Enrichment Supply/Demand Levels, 2008-2040.....	100
Figure 48. Enrichment Capacity Utilization: Impact of SWU Excess Supply .....	101
Figure 49. Mid Projection, Current vs. Constant \$ .....	108
Figure 50. UxC Mid Term Price Projection Range, 2004-2040.....	108
Figure 51. High Projection, Current vs. Constant \$.....	110
Figure 52. UxC High Term Price Projection Range, 2004-2040 .....	110
Figure 53. Low Projection, Current vs. Constant \$.....	112
Figure 54. UxC Low Term Price Projection Range, 2004-2040 .....	112
Figure 55. UxC Price Forecast Comparison.....	113
Figure 56. Composite, Current vs. Constant \$ .....	114
Figure 57. UxC Composite Term SWU Price Projection Range, 2004-2040.....	115
Figure 58. UxC Mid-Point Term SWU Price Projection Comparison, 2004-2040 .....	115
Figure A-1. Historical Near-Term Spot Enrichment Indicators vs. SWU Prices, 1991-2023 .....	117
Figure A-2. Historical Long-Term Spot Enrichment Indicators vs. SWU Prices, 1991-2023 .....	118
Figure B-1. Monthly Spot SWU Volume by Form vs. Price, 1994-2023.....	120
Figure B-2. Long-Term Enrichment Contracting Volumes, 1994-2023.....	121
Figure B-3. Ux SWU Prices, 2004-2023.....	123
Figure B-4. Ux SWU Prices, 1994-2023.....	123
Figure B-5. Historical Enrichment Contract Prices, 1985-2010.....	124
Figure B-6. Historical Enrichment Contract Prices, 1965-1992.....	124
Figure B-7. UxC-NL SWU Forward Price Curve, 2013-2038 .....	125
Figure B-8. Base Case Expected Enrichment Supply/Demand Levels, 2008-2040 .....	128
Figure B-9. High Case Expected Enrichment Supply/Demand Levels, 2008-2040 .....	129
Figure B-10. Low Case Expected Enrichment Supply/Demand Levels, 2008-2040.....	130
Figure B-11. URM Enrichment Market Demand Comparison, 2008-2040.....	131
Figure B-12. UxC Uncovered Utility Enrichment Requirements Estimate, 2023-2040 .....	132
Figure B-13. WNA 2019 & 2021 World Enrichment Requirements Forecast, 2018-2040 .....	133
Figure B-14. UxC Composite and Mid SWU Term Price Projections, Current vs. Constant \$ .....	134
Figure B-15. UxC High and Low SWU Term Price Projections, Current vs. Constant \$ .....	134
Figure B-16. UxC Mid-Point SWU Term Price Projection Comparison, 2004-2040 .....	135

## List of Tables

Table 1. Countries in Open Market Scenario .....	7
Table 2. Regional Demand in Open Market Base Case, 2022-2040 .....	9
Table 3. Open Market SWU Supply vs. Demand without New Western Capacity, 2022-2040 .....	10
Table 4. Open Market SWU Supply vs. Demand with New Urenco & Orano Capacity, 2022-2040 .....	20
Table 5. Spot Market Transactions, 2022-2023 .....	25
Table 6. Spot Market Summary Statistics, 2021-2022 .....	26
Table 7. 2022 Utility Long-Term Enrichment Contracting Activity .....	28
Table 8. 2023 Utility Long-Term Enrichment Contracting Activity .....	29
Table 9. Trends in LT Contract Terms & Conditions .....	30
Table 10. List of NPO Countries by Region.....	32
Table 11. Reactor Units & Nuclear Capacities Anticipated by Country by 2040 .....	37
Table 12. Quarterly Changes to Base Case Forecast by Region/Country .....	39
Table 13. UxC Base, High, and Low Case Nuclear Reactor and Capacity Forecasts, 2022-2040 .....	40
Table 14. UxC Market Demand Forecasts, 2022-2040 .....	43
Table 15. UxC Total Enrichment Requirements Volume Estimate, 2023-2040 .....	46
Table 16. UxC Uncovered Enrichment Requirements Volume Estimate, 2023-2040 .....	46
Table 17. UxC Uncovered Enrichment Requirements Percentage Estimate, 2023-2040 .....	46
Table 18. Potential Spot Purchases .....	47
Table 19. Potential Utility Long-Term SWU Contracting Activity Over Next 12 Months.....	51
Table 20. Base Case Enrichment Facility Nameplate Capacities and Production, 2022-2040 .....	54
Table 21. High Case Enrichment Facility Nameplate Capacities and Production, 2022-2040 .....	56
Table 22. Low Case Enrichment Facility Nameplate Capacities and Production, 2022-2040 .....	58
Table 23. China's Current and Near-Term Enrichment Capacities .....	65
Table 24. Japan's Plutonium Utilization Plan .....	81
Table 25. Long-Term SWU Indicators as of Q1 2023 .....	95
Table 26. Arguments for 2024-2026 Price Movements .....	103
Table 27. Key Assumptions Used to Develop Term SWU Price Scenarios .....	106
Table 28. Key Assumptions Used to Develop Mid Price Scenario .....	107
Table 29. UxC Annual LT SWU Contract Price Projections – Mid Price Scenario, 2023-2040 .....	108
Table 30. Key Assumptions Used to Develop High Price Scenario .....	109
Table 31. UxC Annual LT SWU Contract Price Projections – High Price Scenario, 2023-2040 .....	110
Table 32. Key Assumptions Used to Develop Low Price Scenario .....	111
Table 33. UxC Annual LT SWU Contract Price Projections – Low Price Scenario, 2023-2040 .....	112
Table 34. Probabilities for Periods of Increasing, Stable, and Declining SWU Term Prices .....	113
Table 35. UxC Annual LT SWU Contract Price Projections – Composite Price, 2023-2040 .....	114
Table 36. UxC Composite Term Price Weightings, 2023-2040.....	114
Table A-1. Historical Near-Term SWU Indicators, 2021-2023 .....	117
Table A-2. Historical Long-Term SWU Indicators, 2018-2023 .....	119
Table B-1. Spot Market Statistics, 2018-2022 .....	120
Table B-2. Utility Long-Term Contracts Summary, 2019-2023 .....	121
Table B-3. Ux SWU Price, Ux LT SWU Price, and Ux RU SWU Price, 1994-2023 .....	122
Table B-4. UxC-NL SWU Forward Price Curve, 2023-2027 .....	125
Table B-5. U.S. Utility Deliveries of Uranium Feed by Enrichment Country, 2019-2021 .....	126
Table B-6. U.S. Utility Deliveries of Uranium Feed for Enrichment by Origin Country, 2019-2021 .....	126
Table B-7. U.S. Utility Uranium Feed Shipments to Domestic and Foreign Enrichment Suppliers, 2021-2030 ....	127
Table B-8. U.S. Utility Purchases of Enrichment Services by Country, 2008-2021 .....	127
Table B-9. U.S. Utility Purchases of Enrichment Services by Contract Type for Delivery in 2021 .....	127
Table B-10. Base Case Enrichment Facility Nameplate Capacities and Production, 2022-2040 .....	128
Table B-11. High Case Enrichment Facility Nameplate Capacities and Production, 2022-2040.....	129
Table B-12. Low Case Enrichment Facility Nameplate Capacities and Production, 2022-2040 .....	130
Table B-13. UxC Market Demand Forecasts, 2022-2040 .....	131
Table B-14. UxC Uncovered Enrichment Requirements Volume Estimate, 2023-2040 .....	132
Table B-15. WNA World Enrichment Requirements Forecast, 2022-2040 .....	133
Table B-16. UxC Annual SWU Term Price Projections, 2023-2040.....	135

## Introduction

The *Enrichment Market Outlook* (EMO) is divided into six chapters. **Chapter 1** is a topical essay that focuses on important developments and trends in the enrichment market. This quarter's essay, "**Outlook for Urenco and Orano Capacity Expansions**" examines the supply gap that is projected to result from the reduction of Russian imports in the open market. The essay then analyzes the prospects for Urenco and Orano – the two main western suppliers – to fill this gap by expanding capacities in the coming decade.

**Chapter 2** reviews recent contracting activity in both the spot and long-term enrichment markets and describes some of the key developments and trends based on recent transaction activity. **Chapter 3** updates world reactor demand projections and changes to SWU requirements on a regional basis. Demand is then further examined and an estimate of unfilled enrichment requirements over the next decade is discussed. The spot and long-term demand picture for the near term is also analyzed.

**Chapter 4** examines the current state and future outlook for SWU supply, including an overview of each of the primary enrichment suppliers and the most significant secondary or inventory supplies of SWU and EUP. This chapter also reviews important policy issues affecting the market.

**Chapter 5** presents a technical analysis of near-term price movements and a detailed update of the Long-Term SWU Price Indicator system.

**Chapter 6** discusses near-term and long-term market fundamentals and the broader market outlook, provides bullish and bearish arguments as to where market prices could move over the next three years, looks at the longer-term market forces, and presents three scenarios of forecasts for base prices under long-term contracts.

The report contains two appendices. **Appendix A – Indicator System Methodology** details the methodologies used in this report related to SWU market indicators. **Appendix B – Statistical Review** contains expanded tables and figures in addition to those presented throughout the report. It is designed to be used as a standard reference source; providing both historical and current market data.

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## Conventions Used in the Report

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Where annual quantities are given in tables, the years are shown on a calendar year basis as opposed to a fiscal year basis. Unless otherwise noted, quantities are expressed in terms of thousands of SWU and prices in terms of US\$/SWU. Price forecasts are presented in current (year-of-delivery) dollars.