

News triggers turbulence, but fundamentals count in the long term



The importance of fundamentals is not only evident in precious metals, but also in more exotic commodities such as potash and uranium.

Fertilizer is an essential ingredient for agriculture, which is where potash comes into play. This is because potash helps plants to store water, among other things. In view of the increasing droughts expected, this is an aspect that should not be underestimated. According to one model, even limiting global warming to 1.5 degrees in the next 30 years would lead to potash demand being twice as high as in the last 30 years. According to BMO Capital Markets, the demand for potash is expected to grow to almost 77 million tons by 2026. Compared to 2021, this would be around five percent more. The extent to which potash companies will benefit from rising potash demand is inextricably linked to how much potash will still come from Russia and Belarus. The geopolitical uncertainties from Russia and Belarus are unlikely to be resolved in the foreseeable future. Around 30 percent of global potash production comes from Canada. If potash prices fall too much, these Canadian producers could cut back production, as has already happened in the past.

Millennial Potash - <https://www.commodity-tv.com/ondemand/companies/profil/millennial-potash-corp/> - is one of the most promising potash companies. Its potash project is located in Gabon, Africa. Mining friendliness prevails here.

The fundamentals for potash are not bad, also in view of the growing world population. In the case of uranium, the well-known research house Haywood assumes that a pound of uranium will cost around 110 US dollars in 2025 and 2026. In terms of supply and demand forecasts, Haywood predicts that demand will rise steadily until 2040,

while supply will fall. And the research house is certainly not alone in seeing the best fundamentals for uranium given the renewed attractiveness of nuclear energy.

Uranium Energy - <https://www.commodity-tv.com/ondemand/companies/profil/uranium-energy-corp/> - is one of the companies that Haywood recommends as a "buy". With uranium projects in Canada and the USA as well as various uranium holdings, Uranium Energy is ideally positioned. The company is currently restarting production at an approved and previously producing project in Wyoming.

Current company information and press releases from Millennial Potash (- <https://www.resource-capital.ch/en/companies/millennial-potash-corp/> -) and Uranium Energy (- <https://www.resource-capital.ch/en/companies/uranium-energy-corp/> -).

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