VettaFi

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Investment Case for Nuclear Power

As the world needs more electricity, nuclear energy has an important role to play given its superior reliability and zero-emission power generation.

Russia's invasion of Ukraine has reinforced the importance of energy security, making nuclear power strategic to many nations. After being essentially flat for more than two decades, global nuclear capacity is expected to increase by at least one-third to 2035 according to the International Energy Agency. While in their early stages today, Small Modular Reactors (SMRs) represent an exciting opportunity and can contribute to that growth as well.

An introduction to the VettaFi Nuclear Renaissance Index

The VettaFi Nuclear Renaissance Index (NUKZX) was designed to capture the global growth in nuclear power, while minimizing exposure to the idiosyncratic risks of uranium miners. NUKZX has 44 constituents across 10 countries. The index caps each segment as follows: Construction & Services (35%), Advanced Reactors (30%), Utilities (30%), and Fuel (20%). Pre-revenue and pure-play securities are capped at 10%, while diversified securities are capped at 3%. The diversification of NUKZX can be an advantage given the execution risk associated with new technologies, particularly around Advanced Reactors.

NUKZX provides exposure to key players in nuclear power

Fuel	Cameco Corp Lightbridge Corp Centrus Energy Corp Silex Systems Ltd Honeywell International Inc ASP Isotopes Inc
Construction & services	BWX Technologies Inc Fluor Corp Mirion Technologies Inc Samsung C&T Corp Doosan Corp Samsung Heavy Industries Co Ltd Kepco Engineering & Construction Co Inc Shanghai Electric Group Co Ltd Flowserve Corp Aecon Group Inc Graham Corp Emerson Electric Co Quanta Services Inc Mastec Inc Hitachi Ltd Fugi Electric Co Ltd Mitsubishi Heavy Industries Ltd Jacobs Solutions Inc Atkinsrealis Group Inc Curtiss-Wright Corp Amentum
Advanced reactors	NuScale Power Corp Lockheed Martin Corp Rolls Royce Holdings Plc Oklo Inc GE Vernova Nano Nuclear Energy Inc
Utilities	Constellation Energy Corp Duke Energy Corp Tokyo Electric Power Co Holdings Inc Endesa Sa Dominion Energy Inc Vistra Corp Cez As Fortum Oyj Korea Electric Power Corp PG&E Corp Talen Energy Corp

Why invest in nuclear power?

Energy security is national security

Energy security encompasses the availability and affordability of energy supplies. Both were compromised after Russia's invasion of Ukraine as it weaponized its natural gas. The resulting energy crisis put a finer point on the importance of energy security. Countries do not want to be overly reliant on one type of power or one fuel supplier. With nuclear plants, over a year of fuel can be stored on site, limiting the impact from uranium price fluctuations or supply disruptions. Uranium can be sourced from geographically diverse regions (Canada, Australia, Kazakhstan).

The world needs reliable, clean power

Electricity demand is growing globally with the rise of electrification, data centers for artificial intelligence, and increased usage of air conditioning. At the same time, countries and companies have sustainability targets, which can be at odds with some energy sources. Nuclear provides emission-free power generation and unparalleled reliability, while solar and wind continue to be plagued by intermittency. Nuclear power has a capacity factor over 90%, which means nuclear plants are operating at maximum power over 90% of the time. Nuclear power plants also have long useful lives, with some reactors in the US approved to operate for 80 years.

Nuclear technology is unlocking new opportunities

The development of small modular reactors (SMRs) is in relatively early stages but represents an exciting opportunity with distinct advantages. SMRs can be produced in a factory setting or replicated many times, driving down costs and increasing efficiencies. In addition to having better safety features, SMRs offer smaller footprints, shorter build times, and relatively lower costs. SMRs can be cited at retired coal plants or potentially put underground to mitigate risks from attack or natural disasters. Given their size, years of fuel could be stored on site, alleviating concerns around uranium supplies. Technology companies have been interested in SMRs for powering data centers, but they could also have significant applications in developing countries.

Nuclear power is strategic for many countries

Since the COP 28 climate conference in 2023, over 30 countries have signed a declaration to triple nuclear energy by 2050. This includes the US, UK, France, Japan, South Korea, and the Netherlands. In the US, nuclear enjoys unique bipartisan support in Washington.

Summary of the nuclear power opportunity

- **At the intersection of electrification and climate objectives**. Emission-free nuclear power has an important role to play as electricity demand grows globally, while countries and companies advance climate and sustainability goals.
- **SMRs represent exciting potential**. While in the early stages of commercial development, SMRs represent exciting potential given their unique advantages. These include increased safety features, shorter build times, and smaller footprints. New technologies also come with execution risk, which reinforces the importance of the diversification within NUKZX.
- **Supports energy security.** Nuclear offers distinct advantages as countries look to improve their energy security following Russia's invasion of Ukraine and seek to diversify energy sources. SMRs could benefit developing countries that are energy insecure.

VettaFi Nuclear Renaissance Index (NUKZX) price performance

Source: Bloomberg as of 1/14/2026.

About VettaFi

NUKZX is the underlying index for the Range Nuclear Renaissance ETF (NUKZ).

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