A ‘Very Large’ Battery Metal Producer Focuses on the Critical Material that starts with ‘N’…

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There’s money to be made in metals, of course. Gold and silver, and platinum and palladium, copper and many more. It’s a long list when you think about it. Well, today I’ll give you a name for one-stop shopping to do just that.

Just to lay a foundation, though, by now you’ve surely heard stories about how the electric vehicle (EV) revolution is happening. Even a casual news reader knows that auto, truck and bus companies are making massive transitions from internal combustion to battery-electric power trains. And to make it work, they need all manner of so-called “battery metals.”

One battery metal, growing in importance, is nickel, which is used in the cathodes for the lithium-ion batteries currently used in cars, trucks, and buses with the longest range. Unlike cobalt, with which it is mixed in those cathodes, nickel is today produced in large quantities from primary ore deposits. The 2020 global production of nickel was 2.5 million metric tons, almost all of which is, at this time, used for making stainless steel. Cobalt production was 120,000 metric tons, and all of it was produced as a byproduct of copper or nickel mining. Global nickel reserves are estimated at 95 million metric tons, while cobalt reserves are less than 10 million metric tons. It is planned to use nickel as much as possible in long-range battery cathodes, so as to not depend on limited cobalt reserves.

There are forecasts of eye-popping increases in demand for a list of battery metals that are already in short supply. Prices for these substances are high and heading higher. Nickel is already in high demand for stainless steel and the addition of high demand for battery cathodes can be met but only with higher prices.

As things unfold, much of the money from those upward price moves will flow to the bottom line of miners and metal refiners.

And everybody has a story, right? If you follow the metals sector even a little bit, you know that junior companies are springing up like mushrooms after a rainstorm. They promote projects from here to Timbuktu, all across the globe in search of the next big discovery. You hear plenty of promises, and in fact with a lot of good fortune some of them might actually pan out over time. All well and good.

But what if I told you that there’s already an up and running company that’s a world leader in producing numerous of these critical metals, particularly nickel but also platinum and palladium, as well as manganese, copper and much more, including even gold and silver? It’s that one-stop shopping I mentioned above.

It’s a big company, to be sure, with a market cap of about $48 billion. Yet despite its size, it’s still growing and offers solid capital gain potential. Not moonshots perhaps, but likely a steady, sturdy lift over the next few years.

While we’re at it, this company is fast becoming “green” within the mining space. That is, its CO2 emissions are enviably low, certainly for a miner and even compared with emissions from many other industries. In this sense, the shares are becoming more and more attractive to ESG-oriented investment funds.

All this, and the company is immensely profitable. Shares deliver a nice dividend that currently yields over 7%. And those shares also offer a form of currency play in the event of a dollar slide over time.

The name? It’s a Russian company called **Norilsk (OTC: NILSY)**, which trades in ADRs under the ticker **NILSY**.

The parent company was founded in the 1930s as a state mining enterprise in the former Soviet Union. The purpose was to exploit the massive mineral resources of the Kola Peninsula in the northern regions of Russia, adjacent to Norway and Finland.

There’s plenty of history about this mining complex from the 1930s under Stalin, and during World War II and all through the Cold War. It was a key asset of the Soviet state, to be sure.

Then after the USSR fell apart, this former industrial pillar of Communism transformed into a globally competitive mining company whose governing processes are not unfamiliar to Western investors. There’s transparency in operations, with corporate behavior that conforms with international standards.

And Norilsk delivers. It’s among the world’s largest producers of nickel, as well as palladium and platinum. Its metallurgical offerings include about 30 other materials that come from its extensive mining and refining operations, including gold, silver, copper, cobalt, manganese and more.

In many respects, Norilsk is almost a “battery metal” company in its own right, although it doesn’t pursue the downstream manufacture of storage and power systems. Norilsk just sticks to its strong suite, which is mines, metals and making money.

You might be wondering, how clean and green is a Russian mining complex? Well, there’s data available showing where Norilsk

stands in its CO_2 intensity for nickel output relative to other producers across the world. It is the lowest producer of CO_2 per kg of nickel delivered of any company in the world.

Okay, I know… Many stock market players are looking for tiny, low market cap juniors in the 10-cent and 20-cent range, with hopes of hitting it big via 100-bagger moves. And yes, sometimes Santa Claus really does come down the chimney.

But if you're alright with a large, well-established mining giant with massive reserves and resources, decades of technical experience, currently working well in the battery metals space, making strong earnings, delivering enviable dividend yield, and even a "green" play… Well, go with Norilsk.

That's all for now… Thank you for reading.