



# FANTINI'S GAMING REPORT<sup>©</sup>

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Frank Fantini – *Publisher*

Ashley Diem – *Associate Publisher and Executive Editor*

Blake Weishaar – *Editor*

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## FANTINI'S GAMING SHOW

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ALLEN GLICK, RIP

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## **TOP STORIES**

### **ELECTRONIC TABLE GAMES ACCELERATING**

The number of installed electronic table games in the US and Canada should grow to 16,500 by year-end from 14,276 last year, Todd Eilers said in the new EILERS-FANTINI Electronic Table Game Database, the newest research product published by the firms.

Growth is being driven in part by COVID as electronic table games help increase social distancing and have lower staffing costs at a time where labor flexibility is desired, Eilers said.

Interblock is the market share leader with 8,000 units installed. Scientific Games ranks second at 3,876 games and IGT third with 2,164.

Interblock games lead all others in theoretical win, with roulette accounting for 18.5 percent of theoretical win, baccarat with 14.6 percent and the ETG Multigame accounting for 14.6 percent.

For overall cabinet rankings, Alfastreet's Lucky 8 game topped the list indexing at 1.64 times zone average and 1.68 times house average.

The database tracks 209 casinos operating 185,253 slots and 7,415 game themes.

The EILERS-FANTINI Electronic Table Game Database report is available from Cindy Konowitz at [CKonowitz@FantiniReserach.com](mailto:CKonowitz@FantiniReserach.com) or +1-302-730-3793.

### **SEMINOLE COMPACT APPROVED**

The Seminole Indians will be able to operate mobile sports betting statewide beginning October 15 under a 30-year compact with the state of Florida deemed approved by the US Interior Department.

Notice came from a letter from Deputy Assistant Secretary Bryan Newland to the state of Florida that the department did not take action on the compact, which by law means it is deemed approved. It will be official once it is published in the federal registry, perhaps as early as Monday.

The controversial compact is the first of its kind that enables the tribe to operate mobile sports betting statewide as tribal gaming through servers located at tribal casinos.

The state expects to get \$2.5 billion in shared revenues from the tribe over the first five years of the compact and as much as \$20 billion over 30 years.

Opponents have vowed to sue saying the federal laws governing tribal gaming do not cover online betting so mobile sports betting cannot be legalized as tribal gaming.

Others argue that legalizing statewide mobile sports betting should require a statewide referendum as Florida's constitution requires for any expansion of casino gaming.

Meanwhile DraftKings and FanDuel are backing an initiative for a 2022 referendum that would open the state's sports betting market beyond the Seminoles.

Compact details:

- Statewide online sports betting operated by the Seminoles through the platform Hard Rock Digital.
- Retail sports betting operated by the Seminoles at tribal casinos as well as at pari-mutuels and professional sports stadiums through revenue sharing agreements.
- The tribe would give the state 10 percent of pari-mutuel and pro sports venue revenues and a 13.75 percent of its own mobile sports betting revenues.
- Craps and roulette can be added at Seminole casinos.
- The Seminole could operate new casinos in Hollywood, Tampa and Brighton. They now have seven statewide.
- The tribe would drop its opposition to player-banked card games at pari-mutuels but would not agree with expansion beyond existing operations.
- The Seminoles would not object to a future casino in the Miami area if it is at least 15 miles away from their casinos.

## US GAMING VISITATION IMPROVES

Visitation to US casinos in July improved over June, according to analysts' updates.

Visitation in July is estimated to have grown 10 percent compared to June but fell 26 percent compared to 2019, David Katz of Jefferies said.

July's decline was consistent with June's 27 percent decline due to tougher comparisons for the summer months, he said.

Visitation:

Market	vs. June	vs. 2019
Las Vegas Strip	+15 percent	- 22 percent
Detroit	+10.7	- 53
Reno	+10	- 31
Kentucky	+ 4	+57

Las Vegas locals + 4 - 46

US Gaming revenue in July should have beat 2019 levels due to higher levels of spending per visit and a favorable calendar with 10 weekend days compared this year compared to eight in 2019, Carlo Santarelli of Deutsche Bank said.

That should help offset visitation in some markets, he said.

Santarelli's July revenue estimates:

	Market Revenue	vs. 2019
Las Vegas locals	\$288.3 million	+35.8 percent
Ohio	\$216.8	+33.6
Louisiana	\$252.3	+24.7
Indiana	\$223.1	+20
Missouri	\$166.8	+15.4
Las Vegas Strip	\$542.2	+ 0.1

## CHICAGO EXTENDS CASINO DEADLINE

Chicago, which has been having difficulty generating enthusiasm over the prospect of developing a casino in the Windy City, is extending the application deadline to October 29.

Mayor Lori Lightfoot has said several prospective developers have asked for more time to assess the market.

"Extending the deadline for interested bidders will allow the city to collect as many robust, impactful and transformative proposals as possible. I look forward to seeing these bids roll in," Lightfoot said.

However, the biggest casino companies appear to have removed Chicago from their lists, including Caesars and MGM and Wynn.

Chicago's effort to attract developers has been hampered by high taxes, more casino competition authorized in the suburbs and, perhaps, a general skepticism about the reliability of state government policies, which over the years has not been considered casino friendly.

One company thought to be interested is Rush Street Gaming, who's founder and chief owner, Neil Bluhm, is a renown Chicago real estate developer.

Rush Street co-owns Rivers Casino in suburban Des Plains with Churchill Downs and is an applicant for the license that is up for bid in suburban Waukegan.

## MACAU STOCKS DOWN ON RESTRICTIONS

Macau casino operator stocks have fallen to or near 52-week closing lows as a result of recent travel restrictions imposed because of COVID outbreaks.

Though bars and many entertainment venues in Macau have closed, casinos remain open as Chief Executive Ho Iat Seng said there are no plans now to close them.

Visitation to Macau fell 46.1 percent on Tuesday from Monday and then dropped 86.1 percent on Wednesday from Tuesday.

Operator closing stocks Friday compared to 52-week closing highs in March, with figures shown in Hong Kong dollars except Melco:

Company	Price	Change
Wynn Macau	\$9	- 43.47 percent
MGM China	\$8.29	- 41.45
SJM	\$6.39	- 40.83
Melco Resorts	US\$13.16	- 39.94
Galaxy Ent	\$47.80	- 35.01
Sands China	\$26.10	- 33.92

#### MOHEGAN PARTNER QUILTS JAPAN BID

Mohegan Gaming casino development partner Oshidori has dropped out of the competition for a resort in Nagasaki in a statement hinting at irregularities in the application process.

“The restrictive and unreasonable rules imposed by the Nagasaki Prefecture make it impossible for Oshidori to conduct business in a prudent and efficient manner. In addition, Oshidori has encountered several incidents that make it question whether there have been serious ethical irregularities in the [Request for Proposal] process, and it is only interested in participating in a process that has the highest integrity, and that is professional, transparent, and based on merit,” Oshidori said in a statement.

That leaves Mohegan and Casinos Austria as the lone prospective developers in Nagasaki, which would still need national government approval.

#### COVID-19

##### COMPANIES: CWN, LVS

- CROWN RESORTS closed Crown Melbourne through August 12 in accordance with the state of Victoria’s seven-day lockdown requirement.

The hotel will remain open.

- LAS VEGAS SANDS reopened Marina Bay Sands in Singapore after closing on

July 22 due to a rise in COVID cases.

Table games will be limited to two players per table, down from four.

US: CT

- CONNECTICUT. Foxwoods is requiring all employees to wear masks.

## **INVESTORS**

### **EARNINGS US: CNTY, DKNG, MGP**

• CENTURY CASINOS generated record EBITDA and EBITDA margins as the company continues to show strong results and momentum with all properties now open, co-CEOs Erwin Haitzmann and Peter Hoetzinger said.

Poland's casinos reopened on May 28 and Canadian properties reopened on June 10.

US casinos have been open since June last year but have been under COVID-related restrictions.

Full report:

[https://www.cnty.com/fileadmin/Content/corporate/pr/pdf/Exhibit\\_99.1\\_Earnings\\_Release\\_Q2\\_2021.pdf](https://www.cnty.com/fileadmin/Content/corporate/pr/pdf/Exhibit_99.1_Earnings_Release_Q2_2021.pdf).

### **SECOND QUARTER HIGHLIGHTS:**

Diluted earnings per share: 22 cents vs. (43 cents) vs. 3 cents consensus

Net operating revenue: \$92.185 million vs. \$36.103 million

Adjusted EBITDA: \$25.238 million vs. (\$1.762 million)

By segment:

US: \$28.247 million vs. \$2.806 million

Canada: \$ 0.639 (\$0.001)

Poland: (\$ 1.042) (\$1.466)

Corporate: (\$ 2.606) (\$2.381)

Diluted shares: 30.935 million vs. 29.576 million

Balance sheet: Cash: \$80.2 million vs. \$63.4 million as of December 31

Debt: \$183.9 million vs. \$184.6 million

### **YEAR-TO-DATE HIGHLIGHTS:**

Diluted earnings per share: 18 cents vs. (\$1.98)  
Net operating revenue: \$164.599 million vs. \$123.760 million  
Adjusted EBITDA: \$39.983 million vs. \$7.822 million

• DRAFTKINGS raised revenue guidance for this year to \$1.21 billion to \$1.29 billion from \$1.05 billion to \$1.15 billion reflecting what it called strong second quarter results and customer retention, engagement and acquisition.

Revenue guidance represents growth of 88 to 100 percent over last year.

Monthly unique payers rose 281 percent with average revenue per payer rising 26 percent to \$80.

The migration to DKNNG's in-house sports betting platform provided by subsidiary SBTech is nearly complete with one state to go, CEO Jason Robins said. The migration is expected to be completed by the end of the quarter.

DKNNG launched Same Game Parlays as a result of the migration and plans to launch DraftKings Marketplace, allowing users to buy, sell and trade digital collectibles for sports, entertainment and culture.

Full report: <https://draftkings.gcs-web.com/sec-filings/sec-filing/10-q/0001772757-21-000011>.

#### SECOND QUARTER HIGHLIGHTS:

Diluted earnings per share: (76 cents) vs. (\$1.80) vs. (52 cents) consensus  
Revenue: \$297.605 million vs. \$70.931 million  
Adjusted EBITDA: (\$95.302 million) vs. (\$57.495 million)

By segment:

B2C: (\$92.259 million) vs. (\$53.973 million)  
B2B: (\$ 3.043) (\$ 3.522)

Diluted shares: 401.447 million vs. 291.992 million

Balance sheet: Cash: \$2.647 billion vs. \$1.817 billion as of December 31  
Long-term Debt: \$1.2 billion

#### YEAR-TO-DATE HIGHLIGHTS:

Diluted earnings per share: (\$1.63) vs. (\$2.49)  
Revenue: \$609.881 million vs. \$159.473 million  
Adjusted EBITDA: (\$234.564 million) vs. (\$106.956 million)

- MGM GROWTH PROPERTIES has nearly doubled annual revenue from \$550 million at its IPO to \$1 billion currently, while annualized dividends have increased 44 percent and total shareholder returns have more than doubled, CEO James Stewart said.

MGP is being acquired by VICI Properties for \$17.2 billion including debt.

Full report: <https://www.mgmgrowthproperties.com/news-releases/news-release-details/2021/MGM-Growth-Properties-Reports-Second-Quarter-Financial-Results/default.aspx>.

#### SECOND QUARTER HIGHLIGHTS:

Diluted adjusted funds from operating partnership unit: 65 cents vs. 56 cents

Diluted earnings per share: 28 cents vs. 30 cents

Revenue: \$194.342 million vs. \$194.342 million

Adjusted funds from operations: \$171.794 million vs. \$177.725 million

Adjusted EBITDA: \$244.346 million vs. \$240.348 million

Diluted operating partnership units: 265.920 million vs. 319.299 million

Diluted shares: 154.547 million vs. 131.637 million

Balance sheet: Net debt: \$4.163 billion as of June 30

#### EARNINGS INTERNATIONAL: UNIVERSAL

- UNIVERSAL ENTERTAINMENT reported a \$4.1 million loss due to the COVID-related impact of casino operations at Okada Manila in the Philippines.

The casino was closed in April and a part of May, with capacity being limited to 30 percent during the second half of the second quarter.

The number of visitors to Okada Manila was halved to 572,451 in the second quarter from the first.

Full report: [https://ssl4.eir-parts.net/doc/6425/ir\\_material\\_for\\_fiscal\\_ym6/104367/00.pdf](https://ssl4.eir-parts.net/doc/6425/ir_material_for_fiscal_ym6/104367/00.pdf).

Results are in Japanese yen, which trade around 110 to one US dollar.

#### FIRST HALF HIGHLIGHTS:

Earnings per share: (218.47) vs. 43.87

Revenue: 28.618 billion vs. 65.647 billion

Operating profit: (8.763 billion) vs. 12.666 billion

Shares outstanding: 80.195 million vs. 80.195 million

Balance sheet: Cash: 25.547 billion vs. 40.376 billion as of December 31

Borrowings: 11.503 billion vs. 7.141 billion



## JULY REVENUE REPORTS: IL, IA

Combined property revenue for Illinois and Iowa:

Caesars	\$74.873 million	+11.60 percent
Boyd	\$22.428	+10.09

• ILLINOIS gaming revenue rose 3.81 percent to \$120.164 million in July vs. the same month in 2019 after casinos removed COVID-related capacity restrictions.

Year-over-year, revenue rose 45.44 percent after casinos were allowed to reopen on July 1 last year at less than 50 percent capacity.

### TOTAL GAMING

Rivers-Des Plaines (CHDN/Rush Street)	\$47.410 million	+28.28 percent
Grand Victoria Elgin (CZR)	\$14.145	+ 9.79
Aurora Hollywood (PENN)	\$ 9.745	+ 1.29
Joliet Harrah's (CZR)	\$14.352	- 1.31
Alton Belle (PENN)	\$ 3.382	- 7.92
Par-a-dice East Peoria (BYD)	\$ 5.959	- 8.60
DraftKings at Casino Queen	\$ 7.249	- 11.58
Metropolis (CZR)	\$ 5.443	- 19.25
Joliet Hollywood (PENN)	\$ 8.365	- 20.07
Jumer's Rock Island (Del North)	\$ 4.114	- 33.10
Total	\$120.164 million	+3.81 percent

### MULTIPLE PROPERTIES

Caesars	\$33.940 million	- 0.66 percent
Penn National	\$21.492	- 9.54

### MARKETS

CHICAGOLAND (Joliet Hollywood, Joliet Harrah's, Aurora Hollywood, Grand Victoria, Rivers-Des Plaines)

Chicagoland Total	\$94.016 million	+11.30 percent
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ST. LOUIS (DKNG at Casino Queen, Alton Belle)

St. Louis Total	\$10.631 million	- 10.45 percent
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\*NOTE: Illinois began reporting revenue net of promotional credits this year therefore comparisons are not necessarily exact.

Full report: <http://www.igb.illinois.gov/CasinoReports.aspx>.

• IOWA's gaming revenue rose 31.57 percent to \$164.537 million in July vs. the same month in 2019.

Results are compared to 2019 except for sports betting, which is compared to July last year. Sports betting launched in August 2019.

#### ALL-SOURCES REVENUE

		Percent Change vs. 2019
Wild Rose - Jefferson	\$ 4.363 million	+81.73 percent
Rhythm City (Elite)	\$10.382	+59.87
Grand Falls (Elite)	\$ 8.159	+56.10
Wild Rose - Clinton	\$ 3.753	+48.80
Catfish Bend	\$ 4.581	+45.18
Hard Rock	\$ 9.109	+40.55
Diamond Jo Worth (BYD)	\$10.441	+39.25
Riverside (Elite)	\$11.144	+37.51
Wild Rose - Emmetsburg	\$ 3.362	+36.64
Diamond Jo Dubuque (BYD)	\$ 8.447	+32.94
Isle Waterloo (CZR)	\$ 8.789	+29.97
Horseshoe (CZR)	\$18.440	+27.96
Isle Bettendorf (CZR)	\$ 7.119	+27.94
Ameristar (PENN)	\$16.400	+23.25
Prairie Meadows	\$21.354	+21.38
Terrible's Lakeside (Affinity)	\$ 5.254	+20.49
Q casino	\$ 4.705	+12.29
Harrah's (CZR)	\$ 6.762	+ 9.32
Casino Queen Marquette	\$ 1.971	- 0.61
Total	\$164.537 million	+31.57 percent
Total, excluding sports betting	\$157.439	+25.90

#### MULTIPLE PROPERTIES

Elite	\$29.402 million	+48.31 percent
Caesars	\$40.933	+24.33
Wild Rose	\$ 8.844	+19.79
Boyd	\$16.469	+18.89

#### REVENUE

Operators		Percent Change vs. 2020	
Diamond Jo Dubuque (BYD)	\$1.476 million	+1,506	FLTR
Wild Rose - Emmetsburg	\$0.681	+1,006	CZR
Wild Rose - Clinton	\$0.750	+ 803.95	CZR

Terrible's Lakeside (Affinity Gaming)	\$0.124	+ 670.19	Betfred
Wild Rose - Jefferson	\$1.203	+ 631.06	CZR
Catfish Bend	\$0.323	+ 470.82	FLTR/MGM/ENT
Diamond Jo Worth (BYD)	\$0.943	+ 332.52	DKNG/RSI
Grand Falls (Elite)	\$0.112	+ 164.78	Elite
Hard Rock	\$0.099	+ 63.27	Elite
Prairie Meadows	\$0.698	+ 31.87	CZR
Ameristar (PENN)	\$0.311	+ 29.27	PBH
Rhythm City (Elite)	\$0.065	- 8.39	DKNG
Horseshoe (CZR)	\$0.083	- 31.6	
Riverside	\$0.107	- 36.67	
Isle Waterloo (CZR)	\$0.069	- 54.46	CZR
Q casino	\$0.029	- 68.62	CZR
Isle Bettendorf (CZR)	(\$0.006)	- 106.66	DKNG/RSI
Harrah's (CZR)	\$0.032		SCR
Total Revenue	\$7.098 million	+ 216.30	
HANDLE			
Total	\$88.936 million	+ 289.05	

#### MARKETS

Percent Change  
vs. 2019

#### QUAD CITIES (Rhythm City, Isle Bettendorf, Jumer's)

Quad Cities Total\* \$21.616 million +18.72

#### COUNCIL BLUFFS - OMAHA (Horseshoe, Ameristar, Harrah's)

Council Bluffs - Omaha Total \$41.602 million +22.71

\*Includes Illinois casino Jumer's Rock Island.

Full report: <https://irgc.iowa.gov/sites/default/files/documents/2021/08/July2021.pdf>.

#### **ANALYSTS:** ACEL, AGS, CNTY, DKNG, GDEN, MGP, PENN

• ACCEL. Steve Pizzella of Deutsche Bank raised earnings estimates to account for the strong slot route trends and ACEL's guidance.

However, he maintains his \$14 target saying the stock is in line with historical valuation at 7.5 times 2023 EBITDA.

Pizzella said he would like to see more evidence that recent revenue trends are sustainable for raising his rating.

He forecasts EBITDA of \$135.4 million this year, \$141.5 million next year and \$167.8 million in 2023 with earnings per share of 63, 78 and 97 cents.

- AGS. Analysts left estimates mostly unchanged despite AGS' second quarter beat.

Barry Jonas of Truist maintains his \$13 target and buy rating saying earnings beats reported by AGS, Everi and IGT are positive signs for all suppliers.

Chad Beynon of Macquarie says AGS should return to 2019 EBITDA levels by 2023 based on growing market share and win-per-day.

He raised estimates to account for momentum in premium games and strong regional gaming trends.

David Katz of Jefferies raised his target to \$9.50 based on the progress in slot performance and strong overall operating environment.

The company's balance sheet should continue to strengthen in the coming quarters, he said.

Katz maintains his hold rating as the stock is near his target.

Analyst outlooks:

Firm/ Analyst	Target	Rating	-----EPS-----		
			2021	2022	2023
B Riley Dave Bain	\$21	Buy	\$1.32	\$1.54	\$1.72
Deutsche Bank Carlo Santarelli	\$12	Hold	(\$0.54)	(\$0.35)	\$0.24
Jefferies David Katz	\$ 9.50	Hold	(\$0.91)	(\$0.99)	(\$0.82)
Macquarie Chad Beynon	\$13	Outperform	(\$0.53)	\$0.08	\$0.33
Stifel Steve Wieczynski	\$12	Buy	(\$0.59)	(\$0.11)	\$0.25
Truist Barry Jonas	\$13	Buy	(\$0.79)	(\$0.13)	\$0.37

Firm/ Analyst	----- EBITDA (in millions) -----		
	2021	2022	2023
B Riley Dave Bain	\$113.1	\$133	\$152.6
Deutsche Bank Carlo Santarelli	\$117.5	\$125	\$136.1
Jefferies David Katz	\$110.8	\$131.9	\$135.9
Macquarie Chad Beynon	\$113.9	\$134	\$150.3
Stifel Steve Wieczynski	\$114.8	\$130.8	\$144.6
Truist Barry Jonas	\$109.8	\$134.8	\$153.2

- CENTURY CASINOS. Jeff Stantial of Stifel raised earnings estimates to reflect the prolonged strength of regional properties and higher margins.

However, Stantial maintained his \$19 target by lowering his valuation on US operations at eight times 2023 EBITDA from 8.5 times.

He maintained his buy rating citing the upcoming sale of Polish operations, US acquisitions and converting its Caruthersville, Missouri, casino to land based.

Stantial forecasts EBITDAR of \$92.2 million this year, \$105.9 million next year and \$110.5 million in 2023 with earnings per share of 56, 78 and 89 cents.

Chad Beynon of Macquarie raised estimates expecting strong growth over the next two years aided by Colorado where bet limits have been removed and new table games allowed such as baccarat.

He maintained his \$20 target and outperform rating.

He forecasts EBITDA of \$92.5 million this year, \$124.2 million next year and \$133.1 million in 2023 with earnings per share of 73 cents, \$1.58 and \$1.83.

- DRAFTKINGS. Joe Greff of JP Morgan raised EBITDA estimates to account for the better than expected second quarter and DKNK's expectations of strong player retention, engagement and acquisition.

He maintains his \$54 target and neutral rating saying he is awaiting a lower stock price or more confidence toward profitability before considering a higher rating.

Carlo Santarelli of Deutsche Bank raised his target to \$51 on higher 2023 earnings forecasts.

Santarelli maintains his hold rating as the stock levels is higher than his target.

He also expects a more competitive online sports betting market as Wynn and Caesars plan to invest heavily into digital.

Thomas Allen of Morgan Stanley raised his target to \$61 on raised earnings.

DKNG's transition to SBTech's platform will provide cost benefits and help increase sports betting share, Allen said.

Analyst outlooks:

Firm/ Analyst	Target	Change	Rating	----- EPS -----		
				2021	2022	2023
Deutsche Bank Carlo Santarelli	\$51	+\$1	Hold	(\$3.21)	(\$2.85)	(\$2.26)
Joe Greff JP Morgan	\$54	Unchanged	Neutral	(\$1.58)	(\$0.83)	(\$0.74)
Macquarie Chad Beynon	\$72	Unchanged	Outperform	(\$3.21)	(\$3.13)	(\$2.44)
Morgan Stanley Thomas Allen	\$61	+\$1	Overweight	(\$3.21)	(\$2.25)	(\$0.87)
Truist Barry Jonas	\$55	+\$1	Hold	(\$3.32)	(\$2.80)	(\$2.58)

Firm/ Analyst	----- EBITDA (in millions) -----		
	2021	2022	2023
Deutsche Bank Carlo Santarelli	(\$552.2)	(\$399)	(\$152.9)
Joe Greff JP Morgan	(\$576)	(\$301)	(\$264)
Macquarie Chad Beynon	(\$566.3)	(\$475.3)	(\$186.6)
Morgan Stanley Thomas Allen	(\$591)	(\$651)	\$14

Truist  
Barry Jonas (\$586) (\$445.2) (\$313.3)

- GOLDEN ENTERTAINMENT. Analysts raised targets and forecasts to account for the company's second quarter beat and strong Las Vegas locals trends.

Dave Bain of B Riley raised his target to \$70 based on higher earnings estimates which he says could prove conservative. He thinks the stock can reach \$90.

He reiterated his buy rating saying GDEN shares are severely undervalued.

Bain expects GDEN to clarify plans by year end on starting to return capital to shareholders given balance sheet improvement and strong free cash flow.

Carlo Santarelli of Deutsche Bank raised his target to \$56, raised earnings and reiterated his buy citing continued strength in business trends, valuation, potential return of capital to shareholders and potential expansion of legalized slot routes into additional states.

David Katz of Jefferies raised his target to \$58 and reiterated his buy rating saying there is further upside in sustaining high margins and building business at the STRAT.

Barring further COVID disruptions, GDEN should reach its debt-to-EBITDA target of three to four times in the near term, he said.

Analyst outlooks:

Firm/ Analyst	Target	Change	Rating	----- EPS -----		
				2021	2022	2023
B Riley Dave Bain	\$70	+\$10	Buy	\$4.39	\$1.96	\$2.58
Deutsche Bank Carlo Santarelli	\$56	+\$14	Buy	\$4.99	\$2.77	\$2.64
Jefferies David Katz	\$58	+\$ 7	Buy	\$4.87	\$2.72	\$2.80
Macquarie Chad Beynon	\$62	+\$ 5	Outperform	\$5.10	\$3.29	\$4.03

Firm/ Analyst	----- EBITDA (in millions) -----		
	2021	2022	2023
B Riley Dave Bain	\$273.106	\$259.077	\$278.632

Deutsche Bank Carlo Santarelli	\$248.8	\$262	\$252.6
Jefferies David Katz	\$284	\$274.6	\$278.4
Macquarie Chad Beynon	\$287	\$280.5	\$299.3

- **MGM GROWTH PROPERTIES.** Carlo Santarelli of Deutsche Bank raised his target to \$43, VICI's price to buy MGP.

Santarelli said he sees upside in MGP shares until the close of the acquisition with little to no risk of the transaction coming apart.

He forecasts EBITDA of \$975 million this year, \$1.021 billion next year and \$1.038 billion in 2023 with adjusted funds from operations per share of \$2.53, \$2.71 and \$2.77.

Barry Jonas of Truist downgraded his rating to hold and maintained his \$43 target.

However, he is keeping his buy rating on the pro-forma VICI.

Jonas forecasts EBITDA of \$975.1 million this year, \$1.020 billion next year and \$1.037 billion in 2023 with adjusted funds from operations per share of \$2.53, \$2.70 and \$2.78.

- **PENN NATIONAL.** Analysts were bullish on PENN's announced acquisition of Score Media and first quarter earnings.

Steve Wieczynski of Stifel raised his target to \$112 factoring in \$71 from legacy operations and \$41 for sports betting and iGaming.

He reiterated his buy rating saying PENN checked off the missing component of its own technology platform in buying SCR.

That is on top of what Wieczynski said he sees as an attractive near-to-mid term outlook for PENN's land-based casinos with strong consumer trends showing no signs of slowing.

He forecasts EBITDAR of \$2.083 billion this year, \$2.149 billion next year and \$2.179 billion in 2023 with earnings per share of \$3.15, \$3.20 and \$3.32.

Chad Beynon of Macquarie lowered his target to \$100 and maintained his neutral rating despite issuing a bullish report.

Beynon said he is becoming more constructive on PENN given the recent decline in the stock price, calling debt-to-EBITDA attractive at 3.6 times next year.



He raised estimates, forecasting EBITDAR of \$2.048 billion this year, \$2.044 billion next year and \$2.251 billion in 2023 and earnings per share of \$3.37, \$3.10 and \$3.88.

David Katz of Jefferies maintained his \$81 target saying the acquisition points PENN in the strategic direction towards a more complete digital enterprise.

PENN can achieve its market share and return on investment goals over time, though Katz said his estimates suggest near-term value added from the acquisition could be modest given the price paid.

He reiterated his hold rating for that reason.

He forecasts EBITDAR of \$2.020 billion this year, \$1.932 billion next year and \$1.954 billion in 2023 with earnings per share of \$2.88, 1.98 and \$2.19.

## MARKETS

North American gamers were generally up as advancers beat decliners 27 to 17 but international and interactive gamers underperformed as evidenced by Fantini's indices.

Golden Entertainment and Century Casinos surged to record closing highs of \$51.50 and \$13.69 following blow out earnings and bullish outlooks.

52-week closing highs:

Golden Entertainment +8.99 percent to \$51.50

52-week closing lows:

MGM China - 0.48 percent to HK\$8.29  
Angler Gaming - 3.39 15.40 Swedish kronor

Five percent movers:

Century Casinos +17.51 percent  
Golden Entertainment + 8.99  
Konami + 7.41  
Genius Sports + 6.90  
Paysafe + 5.54  
  
Kambi - 6.79 percent

Fantini's Gaming Indices:

North American 103.11 +0.23  
Global Top 30 117.39 - 0.52  
Interactive 207.20 - 0.45

Sports Betting      232.87      +0.77

Details are at <https://www.fantiniresearch.com/indices-home-page.html>.

## **COMPANIES**

### **US, CANADA LISTED: BALY, BRAG, IGT**

- BALLY'S priced \$750 million in 5.625 percent senior notes due 2029 and \$750 million in 5.875 percent senior notes due 2031 to fund the acquisition of Gamesys.

BALY also received obtained commitments for new credit facilities which are expected to consist of a revolver of up to \$620 million and term loan of \$1.945 billion.

- BRAGG GAMING's recently acquired games studio Wild Streak is developing four land-based casino games for IGT following the development of 10 previous titles.

"The current portfolio of Wild Streak games has been a solid performer...", IGT SVP of Global Product Management Domenico Pastia said.

### **INTERNATIONAL: SPO**

- SPORTECH is proposing a £35.5 million share repurchase, offering to buy back up to 88.751 million shares or 47 percent of shares outstanding.

The buyback will be set at 40 pence each.

### **INTERACTIVE: ASPIRE, CALETA, FANS, NETMARBLE, SPINX, WYN GLOBAL**

- CALETA. The Latin American online casino games provider is supplying its games to ASPIRE GLOBAL's Pariplay.

- FANSUNITE. The Canadian sports betting technology developer received B2B supplier and B2C operator licenses in the UK.

- NETMARBLE has agreed to buy Hong Kong social casino game company SPINX Games for \$2.19 billion in a deal that the South Korean says will allow it to expand globally by adding a new genre of games.

- WYN GLOBAL MEDIA. The Asian iGaming marketing company received an undisclosed strategic investment from JKR Investment to fuel mergers and acquisitions.

The investment allows Wyn to become a leading marketing company in Asia, founder Mark-Anthony Sifontes said.

## **LEGISLATIVE UPDATE:** NJ

Legislation in this report can be tracked by Public Policy Review subscribers at <http://bit.ly/legtrack> with the username and password published in the most recent PPR. For information or to subscribe, contact Cindy Konowitz at [CKonowitz@FantiniResearch.com](mailto:CKonowitz@FantiniResearch.com) or +1 302 730 3793.

- NEW JERSEY has become the first state to legalize fixed odds betting on horse racing as Gov. Phil Murphy signed A 4909 into law.

BetMakers has a 10-year agreement to offer fixed-odds betting at Monmouth Park.

## **JURISDICTIONS AND MARKETS**

### **US: LV**

- LAS VEGAS. The median price of single-family homes in July rose 22.7 percent year-over-year to a record \$405,000, Las Vegas REALTORS said.

The median price of condos and townhomes increased 14.4 percent to \$196,000.

### **TRIBAL: IN**

- INDIANA. Blackjack, roulette and other Class III games opened at the Pokagon Band's Four Winds casino in South Bend.

The tribe recently signed a compact with the state allowing Class III games in exchange for 8 percent of revenue share.

### **INTERACTIVE: GLOBAL**

- GLOBAL. The average number of online poker players per day as of August 6 vs. July 23, as reported by Pokerscout:

International:

GGPoker	5,200	5,200
PokerStars (FLTR)	5,200	5,200
IDNPoker	4,800	4,600
Winamax France	1,150	1,050
PaiWangLuo	1,000	1,000
PokerStars Europe (FLTR)	900	950
Winning Poker	900	900
iPoker	850	850
888poker (888)	850	800
PartyPoker (ENT)	850	650

US averages:

WSOP NV/NJ/All American (888, CZR)	280	vs.	190
PokerStars PA (FLTR)	220		220
PokerStars MI (FLTR)	140		190
PartyPoker NJ (ENT)	90		85
PokerStars NJ (FLTR)	75		90
BetMGM MI (ENT/MGM)	60		75
BetMGM PA (ENT/MGM)	26		30

Totals from 80 online sites:

Players Online	361,101	vs.	338,507
Total Cash Players	35,456		31,132

### **FANTINI'S GAMING SHOW**

Fantini's Gaming Show is a virtual tradeshow and newsroom where you have full access to display and advertise all your product lines, demos, videos and news events on your own e-Booth at <http://www.FantinisGamingShow.com>. Contact Dee Wild-Shyver at [DWild@FantiniResearch.com](mailto:DWild@FantiniResearch.com) for information and how to become an exhibitor.

### **ET AL**

ALLEN GLICK, RIP

Allen Glick, who was said to be part of the mob controlling much of Las Vegas in the 1970s and who was portrayed in the movie Casino, has died at the age of 79.

At one time he controlled the Stardust, Hacienda, Fremont and Marina casinos.

### **EVENTS**

#### **WEBINARS AND VIRTUAL CONFERENCES:**

August 17 – 18: Q3 VIRTUAL INVESTOR SUMMIT, (formerly MicroCap Conference)  
[www.investorsummitgroup.com](http://www.investorsummitgroup.com)

#### **CONFERENCE CALLS AND WEBCASTS:**

• SCIENTIFIC GAMES. August 9, 8:00 am ET. Phone: 1 877 842 4249 US/Canada, +1 412 317 5420 international, passcode: Scientific Games Corp Investor Call, and at <https://www.scientificgames.com/investors/events-presentations/>. Replay through August 16 at 1 877 344 7529 US/Canada, +1 412 317 0088 international, passcode: 101591149 and on the website.

• BALLY'S. August 9, 10:00 am ET. Phone: 1 866 342 8591 US, passcode: BALYQ22021. Webcast and replay at <https://investors.ballys.com>.

• GAMESYS. August 10, 8:00 am ET (1:00 pm BST). Phone: 1 866 966 5335 US, 1 866 378 3566 Canada, 0808 109 0700 UK, +44 (0) 33 0551 0200 international, passcode: Gamesys. Replay through August 17 at 1 866 583 1035 US, +44 (0) 20 3451 9993 international, passcode: 5896372#.

• MOHEGAN GAMING & ENTERTAINMENT. August 10, 11:00 am ET. Phone: 1 866 901 1124 US/Canada, +1 918 922 6131 international, passcode: 3381717. Replay through August 24 at 1 855 859 2056 US/Canada, +1 404 537 3406 international, passcode: 3381717.

• FULL HOUSE RESORTS. August 10, 4:30 pm ET. Phone: 1 800 430 8332 or +1 323 347 3277 international and at <https://investors.fullhouserescorts.com/>. Replay through August 24 at 1 844 512 2921 US, +1 412 317 6671 international, passcode: 6767582 and on the website.

• LEOVEGAS. August 12, 3:00 am ET (9:00 am CET). Phone: +1 631 510 7495 US, +46 (0) 8 50 69 21 80 SE, +44 (0) 20 71 92 80 00 UK, passcode: 3027387, and at <https://edge.media-server.com/mmc/p/7fj95577>. Replay and presentation at <https://leovegasgroup.com/en/investor-relations/quarterly-reports-and-presentations/>.

• ACROUD. August 12, 4:00 am ET (10:00 am CET). Phone: 1 646 722 4903 US, +46 8 56 64 26 95 SE, +44 33 330 09 270 UK, and at <https://tv.streamfabriken.com/acroud-q2-2021>. Replay at <https://www.acroud.com/en/investor-relations/financial-presentations/>.

• INSPIRED ENTERTAINMENT. August 12, 8:00 am ET, (1:00 pm UK). Phone: 1 844 746 0725 US/Canada, +1 412 317 5264 international and at [www.inseinc.com](http://www.inseinc.com). Replay through August 19 at 1 877 344 7529 US/Canada, +1 412 317 0088 international, passcode: 10159096, and on the website.

• NEOGAMES. August 12, 8:30 am ET. Phone: 1 833 301 1152 US/Canada, +1 914 987 7393 international, passcode: 8593557. Webcast and replay at <https://ir.neogames.com/news-and-events/events-and-presentations>.

• RUSH STREET INTERACTIVE. August 12, 5:00 pm ET. Phone: 1 844 200 6205 US/Canada, +1 44 208 0682 558 international, passcode: 828144. Webcast and replay at <https://ir.rushstreetinteractive.com/events-and-presentations/events-calendar/default.aspx>.

• PLAYMAKER. August 16, 8:00 am ET. Phone: +1 647 558 0588, passcode: 929 9759 6106. Replay through August 31 at [www.playmaker.fans/investors](http://www.playmaker.fans/investors).

• GAN. August 16, 4:30 pm ET. Phone: 1 877 407 0989 US/Canada, +1 201 389 0921 international. Webcast and replay at <https://www.webcast-egs.com/register/GAN20210816/en>.

- ASPIRE GLOBAL. August 19, 4:00 am ET (10:00 am CEST). Phone: 1 646722 4956 US, +46 8 5664 2695 Sweden, +44 3333 009 273 UK and at <https://tv.streamfabriken.com/aspire-global-q2-2021>. Replay and presentation at <https://www.aspireglobal.com/investors/>.

- RAKETECH. August 27, 3:00 am ET (9:00 am CET). Phone:+46 8 5055 8368 Sweden, +44 3333 009 260 UK, and at <https://tv.streamfabriken.com/raketech-q2-2021>. Replay on the website.

- GENIUS SPORTS. September 8, 8:00 am ET. Webcast and replay at <https://investors.geniussports.com/events-and-presentations/default.aspx>.

## **REPLAYS - CONFERENCE CALLS, WEBCASTS, PRESENTATIONS:**

- ACCEL ENTERTAINMENT: <https://ir.accelentertainment.com/overview/default.aspx>

- AGS: <http://investors.playags.com/events-and-presentations/events-calendar/default.aspx>.

- BOYD GAMING: <https://boydgaming.investorroom.com/webcasts>

- CAESARS: <https://investor.caesars.com/>

- CENTURY CASINOS: <https://www.cnty.com/investor/financials/financial-results/>.

- CHURCHILL DOWNS: <http://ir.churchilldownsincorporated.com/events.cfm>.

- DRAFTKINGS: through September 14 at <https://draftkings.gcs-web.com/>.

- EVERI: through August 11 at +1 412 317 6671, passcode: 13721158 and at <https://www.everi.com/investor-relations/events-contact/>

- GAMING AND LEISURE PROPERTIES: <https://investors.glpropinc.com/index.php/events-and-presentations#ir-section>

- GOLDEN ENTERTAINMENT: at <https://www.goldenent.com/investors.html>

- IGT: through August 10 at 1 800 585 8367 US/Canada, +1 416 621 4642 international, passcode: 8589154, and on the website and at <https://ir.igt.com/events-and-presentations/events-calendar/default.aspx>.

- LOTTOMATICA: <https://www.lottomaticagroup.com/investor-relations/dettagli-call>

- MELCO RESORTS: 1 855 452 5696 US, 1 646 254 3697 US and international, 800 963 17 or 852 3051 2780 Hong Kong, 012 095 9034 or 81 3 4580 6717 Japan, 1 800 1612 0166 Philippines; passcode: 3969836 and at <https://ir.melco-resorts.com/conference-calls>

- MGM GROWTH PROPERTIES: through August 13 at 1 877 344 7529 US/Canada, +1 412 317 0088 international, passcode: 10158492 and at <https://www.webcaster4.com/Webcast/Page/1564/42078>.
- MGM RESORTS: through August 11 at 1 877 344 7529 US/Canada, +1 412 317 0088 international, passcode: 10157792 and at <https://investors.mgmresorts.com/investors/events-and-presentations/>.
- PENN NATIONAL: <https://pennnationalgaming.gcs-web.com/events/upcoming-events>
- PLAYTIKA: <https://investors.playtika.com/news-and-events/events-and-presentations>.
- RED ROCK RESORTS: <http://redrockresorts.investorroom.com/events>
- SKILLZ: through August 10 at 1 929 458 6194 US/Canada, +44 204 525 0658 international, passcode: 68073 and at <https://investors.skillz.com/overview/default.aspx>
- TRANSACT TECHNOLOGIES: through August 17 at 1 844 512 2921, passcode: 8684634 and at <https://transacttech.gcs-web.com/events-presentations>.
- VICI PROPERTIES: <https://investors.viciproperties.com/events-and-presentations/default.aspx>
- VICI PROPERTIES – MGM GROWTH PROPERTIES Special Acquisition Call, through August 11 at 1 929 4586194 US/Canada, +1 44 204 525 0658 international, passcode: 840028, and at <https://investors.viciproperties.com/events-and-presentations/events/event-details/2021/-VICI-Properties-Strategic-Acquisition-of-MGM-Growth-Properties-LLC/default.aspx>.
- WYNN RESORTS: through September 4 at 1 800 839 9317 US/Canada, +1 203 369 3605 international, passcode: 3983556 and at <https://wynnresortslimited.gcs-web.com/presentations-and-webcasts>

## **CONVENTIONS, TRADE SHOWS, VIRTUAL CONFERENCES:**

Upcoming shows will be listed here in the daily report up to two months in advance and a full schedule will be updated on our online calendar with new dates as they become available: <https://www.fantiniresearch.com/conventions.html>.

**NOTE:** FANTINI RESEARCH IS A MEDIA SPONSOR OF SHOWS WITH AN ASTERISK.\*

## **AUGUST**

August 5 – 6: [Sports Betting West Africa+](#)  
Lagos, Nigeria

August 16 – 17: [The Racing and Gaming Conference at Saratoga](#)  
Saratoga Race Course, Saratoga Springs, NY, USA

**\*August 17 - 19: [Global Gaming Expo \(G2E\) Asia 2021](#)  
The Venetian Macau Cotai Expo, Macau**

August 19 – 20: [Gaming Expo Francophone Africa \(GEFA\) 2021](#)  
Casablanca, Morocco

August 23 – 24: [Betting & iGaming \(BiG\) Africa Summit](#)  
Emperors Palace, Johannesburg, South Africa

## SEPTEMBER

September 2 – 3: [Fantasy eSports Summit](#)  
Amsterdam, Netherlands

September 9 - 10: [Scandinavian Gaming Show](#)  
Stockholm, Sweden

**\* September 12 – 17: [International Masters of Gaming Law \(IMGL\) 2021 Autumn Conference](#)  
Marriott Copley, Boston, Massachusetts, USA**

## OCTOBER

**\* October 4 – 7: [Global Gaming Expo \(G2E\) 2021](#)  
Sands Expo Convention Center, Las Vegas, Nevada, USA**

## STAFF/CONTACT US:

Frank Fantini, publisher. [FFantini@FantiniResearch.com](mailto:FFantini@FantiniResearch.com)

Ashley Diem, associate publisher and executive editor. [ADiem@FantiniResearch.com](mailto:ADiem@FantiniResearch.com)

Blake Weishaar, editor. [BWeishaar@FantiniResearch.com](mailto:BWeishaar@FantiniResearch.com)

Dee Wild-Shyver, associate editor and VP of Virtual Trade Show. [DWild@FantiniResearch.com](mailto:DWild@FantiniResearch.com)

Hannah Wilmarth, writer. [HWilmarth@FantiniResearch.com](mailto:HWilmarth@FantiniResearch.com)

Laura Briggs, director of public policy. [LBriggs@FantiniResearch.com](mailto:LBriggs@FantiniResearch.com)

Patrick Zerkle, writer. [PZerkle@FantiniResearch.com](mailto:PZerkle@FantiniResearch.com)

Cindy Konowitz, business manager. [CKonowitz@FantiniResearch.com](mailto:CKonowitz@FantiniResearch.com)

Stephanie Creech, administrative and marketing assistant. [SCreech@FantiniResearch.com](mailto:SCreech@FantiniResearch.com)



Subscription inquiries: [Subscriptions@FantiniResearch.com](mailto:Subscriptions@FantiniResearch.com)  
Analyst notes: [Analysts@FantiniResearch.com](mailto:Analysts@FantiniResearch.com)  
News releases: [Editor@FantiniResearch.com](mailto:Editor@FantiniResearch.com)

Websites: [www.FantiniResearch.com](http://www.FantiniResearch.com) and [www.FantinisGamingShow.com](http://www.FantinisGamingShow.com)  
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Morning Report Research Inc.  
Fantini Research and Fantini's Gaming Report  
P. O. Box 1676 \* Dover, DE, USA 19903-1676  
32 W. Lookerman Street \* Suite 101-A \* Dover, DE, USA 19904  
Phone: +1 302 730 3793 \* Fax: +1 302 730 3743

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<https://www.fantiniresearch.com/gaming.html>

### **FIFTH THIRD BANK**

Fantini Research and Fifth Third Bank publish a quarterly Distributed Gaming Report on performance and trends in the US distributed gaming industry as well as a monthly report that focuses on Illinois in detail.

<https://www.fantiniresearch.com/products/catalog/product/view/id/203/>

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