



FANTINI'S GAMING REPORT®

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Special Reporting Service

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Fantini's COVID-19 Gaming Daily

NOTE: Fantini's COVID-19 Gaming Daily reports are being released free of charge during the pandemic outbreak. We hope you are finding them of value as we help to keep you informed of this specific news that is happening during these trying times.

To follow along with more news within the industry, consider purchasing a subscription to Fantini's Gaming Report. These daily reports will be sent via email directly to you each night with a synopsis of the day's events.

For rates and information contact Alex Capitle at ACapitle@FantiniResearch.com or +1 302 730 3793. Mention that you are receiving these special COVID-19 reports and receive a special discount of 20 percent off.

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JEFFERIES CUTS TARGETS

David Katz of Jefferies cut targets on the three Las Vegas-Macau casino operators on the assumption that normal levels of business will take longer to return to normal.

He expects full-year gaming revenue for Macau to fall 64 percent this year and 7.8 percent next year from 2019.

The current 95 percent decline in revenue and visitation will continue through at least early August, he said.

In Las Vegas, EBITDA could fall 15 to 20 percent this year despite the gradual return of groups and events, Katz said.

Company	Target	Change	Rating	----- EPS -----	
				2020	2021
Las Vegas Sands	\$59	-\$ 2	Buy	\$0.08	\$2.86
MGM	\$16	-\$ 1	Buy	(\$2.20)	(\$1.16)
Wynn	\$94	-\$14	Hold	(\$9.37)	\$3.35

	----- EBITDA -----	
	2020	2021
Las Vegas Sands	\$1.802 billion	\$4.169 billion
MGM	\$25.9 million	\$2.375 billion
Wynn	\$176.7 million	\$1.727 billion

DB: CASINO TRAFFIC STABLE

Casinos continue to see stable trends since reopening with early demand continuing, Carlo Santarelli of Deutsche Bank said.

Traffic will remain down considerably but lower costs in regional casinos should create healthy EBITDAR, he said.

Santarelli estimates Las Vegas Strip casino foot traffic for the week ended July 4 declined 64 percent, which is actually an improvement, he said.

The next few weeks will be notable for Strip traffic as COVID cases grow in California and Arizona, he said.

Locals foot traffic for June 8 to July 5 declined an estimated 52 percent, Santarelli said.

Locals regional spend-per-customer will likely taper off in the medium term, he said.

MS: GAMING COULD MAKE UP DEFICITS

Legalizing sports betting and iGaming could make up 30 percent of state budget shortfalls caused by COVID, Thomas Allen of Morgan Stanley said.

Sports betting and iGaming legislation has been widely expected to accelerate in order to fill said budget deficits.

Thirty-eight states are expected to legalize sports betting by 2025 while 11 are expected to legalize iGaming by then.

Sports betting could make up 12 percent of budget deficits while iGaming could make up 17 percent, he said.

US OPENINGS: CZR, CA

- CAESARS will reopen Bally's Las Vegas on the 23rd meaning all of its Strip properties except Planet Hollywood will have reopened.

With hotel capacities limited, reopening Bally's made more sense than lifting capacity caps, CEO Tony Rodio said.

Elsewhere:

- CZR is requiring all employees at Las Vegas properties to get tested for COVID this month, the Las Vegas Review-Journal reported.

Failure to do so by next Friday will result in removal from the work schedule. Four employees have tested positive and one died since reopening.

- Harrah's Southern California turned its buffet into a Che Bello Italian restaurant because of COVID.

The new eatery is intended to be a long-term replacement for the buffet.

- CALIFORNIA. Blue Lake Casino in northern California will reopen Monday.

INTERNATIONAL OPENINGS: NAGACORP

- NAGACORP. Visitors had a positive response to the reopening of NagaWorld in Cambodia on Wednesday, GGRAsia quoted Chairman Tim McNally.

The casino reopened with socially distanced slots and VIP gaming tables.

STEPS BACK: AMERICA RACING, KEWADIN, MACAU GOLDEN, NV

- AMERICAN RACING AND ENTERTAINMENT closed hotels at Tioga Downs and Vernon Downs in New York following Gov. Andrew Cuomo's announcement that casinos will remain closed indefinitely.

They had reopened June 26.

- KEWADIN CASINOS. A customer who visited the Sault Ste. Marie casino in Michigan near the border with Ontario tested positive for COVID-19, 9&10 News quoted Kewadin.

- MACAU GOLDEN GROUP. The Macau junket operator will cease operations at SJM's Casino Lisboa due to low business volumes, GGRAsia reported.

The means Casino Lisboa will have no VIP rooms and Macau Golden will be down to five rooms in SJM's Casino Grand Lisboa.

- NEVADA. Don Laughlin's Riverside casino in Riverside closed table games due to an increased number of COVID cases in the state.

FANTINI'S VIRTUAL TRADE SHOW

No G2E? Don't let the cancellations of trade shows stop you from getting your products seen. Now is the time to turn to our virtual show where you can display and advertise all your products, video demos and news events too. Become an exhibitor today by contacting Dee Wild-Shyver at DWild@FantiniResearch.com.

Visit the trade show at www.FantinisGamingShow.com.

CONVENTIONS, TRADE SHOWS, CONFERENCES, EXPOS

Shows and conferences have been canceled or postponed, due to the coronavirus outbreak. As new dates become available or for those that transition to online, they will be listed in our calendar at <https://www.fantiniresearch.com/conventions.html>.

ABOUT THIS REPORT:

In Fantini's COVID-19 Gaming Daily report we consolidate all developments about the virus that have business and investment implications for the gaming industry. We will post them on our website until further notice. Fantini's COVID-19 Gaming Daily is a Special Report that is included with all levels of Fantini's Gaming Report subscriptions.

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