



FANTINI'S GAMING REPORT[©]

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Special Reporting Service

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Fantini's COVID-19 Gaming Daily

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This is the first edition of Fantini's COVID-19 Gaming Daily in which we consolidate all developments about the virus that have business and investment implications for the gaming industry.

We welcome all news and developments that companies and investors want to submit for this report. Send to Editor@FantiniResearch.com. In addition, you may reach Editor Blake Weishaar at BWeishaar@FantiniResearch.com or by phone at +1 302 730 3793.

MGM TERMINATES OFFER

MGM Resorts terminated the \$1.25 billion share buyback due to what the company called unforeseen and unprecedented volatility in the financial markets due to the virus.

The company has a strong enough balance sheet to weather the uncertainties facing the market and the virus should not have a material impact on operations in the long term, CEO Jim Murren said.

NIGA POSTPONED

The National Indian Gaming Association has postponed its annual trade show in San Diego that was scheduled for March 24 - 27.

The show is being postponed to a yet-to-be-decided date in keeping with Gov. Newsom's request that no events be held that would be attended by more than 250 persons.

ERI ENDS INTERNATIONAL TRAVEL

Eldorado Resorts has announced that it is ending international travel during the COVID-19 crisis.

The announcement came in a news release in which ERI also discussed measures it is taking on a property level, such as more cleaning and disinfecting and establishing protocols to get medical help to patrons who need it.

LAS VEGAS

- Room rates for the NFL Draft in April have declined as much as 86 percent when compared to when Las Vegas announced it would host the draft last May.

Room rates as of:

Hotel	March 2020	May 2019
Mirage	\$ 99	\$499
Oyo	\$135	\$999
Venetian	\$389	\$412
Wynn Las Vegas	\$593	\$699

Visitation for the draft is expected to be limited in order to further prevent the spread of the virus.

Raiders Owner Mark Davis previously estimated the draft would draw 750,000 attendees.

- Conventions and expos continue to cancel with the latest being CinemaCon, scheduled for March 30 - April 2 at Caesars Palace.

In total, Las Vegas has now lost out on an estimated 261,900 attendees from the convention cancellations.

- Sports betting revenues can certainly be expected to be nonexistent in March after the NBA, NHL and MLS suspended their seasons indefinitely and the NCAA basketball tournament was canceled.

T-Mobile Arena lost a big attraction as the Pac-12 collegiate basketball tournament was canceled. It was to have taken place Thursday.

That joins other special sporting event cancellations including the Nevada Junior Cup and Players Showcase soccer tournaments and the postponement of the Las Vegas Polo Classic.

- Entertainment. Band Pop 40 canceled performances at the Cromwell through March.

That follows the cancelation of Cirque du Soleil's annual charity production One Night for One Drop at Luxor and Zac Brown Band's show at T-Mobile Arena March 27.

LAS VEGAS II: NOT A GHOST TOWN

On his company's conference call, Golden Entertainment CEO Blake Sartini spoke forcefully about life in Las Vegas operating with what he called "some form of normalcy."

He cited crowded casinos and restaurants. "Our properties are not ghost towns," he said.

"We aren't seeing any impact on our business that is remotely related to the loss of equity value," said CFO Charles Protell.

MACAU

Macau gaming revenue could fall 40 percent this year if recovery from COVID-19 is slower than expected, Vitaly Umansky of Bernstein said.

The decline will depend on the resumption of visa issuance and transportation.

Revenue would decline only 15 percent if flights and travel return to normal levels, he said.

Visitation to Macau is around 10 percent of normal as visas from China remain suspended.

However, the government is considering easing entry restrictions for visitors from Mainland China as the spread of the virus is beginning to slow, GGRAsia reported.

The number of infections in several Chinese provinces has been stable for a number of days, according to Michael Shackelford of the Wizard of Odds.

The number of new confirmed cases in China has declined to nearly zero from a peak of 3,887 in early February, he noted.

Meanwhile, Macau has been virus-free for several weeks.

The government plans to increase restrictions on visitors coming from Europe, where cases of the virus are rising.

Macau considers France, Germany, Italy, Japan, South Korea and Spain high-risk areas.

SINGAPORE OFFERS AID

COVID-19 might have a worse impact on tourism than expected according to Minister for Communications and Information S Iswaran.

Singapore is losing 18,000 to 20,000 tourists per day and is preparing to offer businesses more aid.

The government pledged US\$4.6 billion in support.

AROUND THE COUNTRY: AC, CT, IL, MA, MS, MO, NV, PA, DC, WA

- ATLANTIC CITY is seeing canceled events and fewer casino patrons.

Ocean County retirement community van driver Russ Wheeler says customer counts going to Atlantic City casinos are way down. He usually brings over a dozen people from retirement homes, but this week trips have canceled or very few patrons have attended, WCAU-TV reported.

Atlantic City casinos rely on a lot of senior citizens and retirees and those are the people most vulnerable by the coronavirus, Stockton University Professor of Finance Michael Busler told the channel.

Many casinos are temporarily allowing guests to reschedule or cancel hotel stays without incurring extra fees.

Canceled events include the St. Patrick's Day parade and Adam Sandler's show at Hard Rock.

- CONNECTICUT. Adam Sandler also canceled his show at Mohegan Sun.

The Mashantucket Pequot said they have had no cancellations at Foxwoods.

• ILLINOIS. The state's sports betting launch got off to a rough start with the cancellation of NCAA basketball tournaments and the suspension of sports league seasons.

A majority of Illinois' casinos planned to launch sports betting by March Madness, the NCAA basketball tournament.

- MASSACHUSETTS Gaming Commission has created an internal team to monitor the situation and preparedness. Updates can be found at <https://massgaming.com/news-events/covid19/>.

- MISSISSIPPI officials are recommending, but not requiring, cancelation of conventions or gatherings of over 200, the Biloxi Sun-Herald reported.

The Mississippi Coast Coliseum canceled all events and concerts. Treasure Bay is the closest casino to the Coliseum.

A ribbon-cutting for the promotion of the \$200 million Rock & Brews casino was postponed until further notice.

Members from rock band KISS were to take part in the ceremony as the Rock & Brews brand is based on the band.

- MISSOURI. Kansas City has banned all public events with more than 1,000 people.

A casting call for CBS' Big Brother at Argosy Casino was canceled.

- NEVADA. The Reno Jazz Festival, which was expected to attract more than 10,000 attendees, was canceled.

- PENNSYLVANIA. Boyd's Valley Forge near Philadelphia may be forced to close after Gov. Tom Wolf ordered the closure of entertainment venues for 14 days in Montgomery County.

Whether Valley Forge falls under the entertainment venue category is unclear, though the casino is the county.

The closure was implemented as the county accounted for the bulk of the state's 22 confirmed virus cases.

Philadelphia is discouraging gatherings of more than 5,000 people and has canceled a St. Patrick's Day parade.

- WASHINGTON D.C. The American Gaming Association's Sports Betting Summit scheduled for March 16 – 17 at MGM National Harbor was postponed until further notice.

- WASHINGTON state Gov. Jay Inslee has banned large gatherings of over 250 people in highly populated Seattle areas, including sports events. Health officials are in discussions with tribal officials over how to handle casinos.

ANALYSTS: MCRI, TAH

- Monarch Casino. Analysts lowered targets on the COVID-19 outlook but say the company remains strong.

Chad Beynon of Macquarie lowered his target to \$48 on lower earnings estimates through 2022.

David Katz of Jefferies reduced his target to \$54 on lower estimates but maintained his buy rating.

- Tabcorp. The suspension of US sports seasons could hurt sports betting companies as those are major US sports leagues currently in season, Larry Gandler of Credit Suisse said.

For instance, basketball represents 23 percent of Tabcorp's sports betting handle while sports betting accounts for 10 percent of TAH's revenue.

Therefore, betting on NBA games represents 1 percent of TAH's revenue.

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