

Macau December Casino Sales Rise 66% on Increasing Chinese Tourist Visits - Bloomberg

Written by Administrator

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[Casino revenue](#) in Macau, the world's largest casino hub, surged 66 percent to 18.9 billion patacas (\$2.36 billion) in December as an increasing number of Chinese gamblers visited the city.

Sales for casinos in Macau, the

only place in China where they're legal, surged 58 percent to 188.3 billion patacas last year, according to data from Macau's [Gaming Inspection and Coordination Bureau](#). China, which contributes more than half the number of tourists to Macau, may grow 10 percent in 2010, according to the median forecast of 18 economists surveyed by Bloomberg.

Macau's visitor arrivals rose 15 percent to 22.7 million in the first eleven months, with more than 80 percent coming from mainland China and [Hong Kong](#), the city's [tourism agency](#) said. Tourists from mainland

[China](#)

increased 20.5 percent in the first 11 months, according to the agency's data.

"The key driver was the higher average spend by an increasing number of mainland tourists," Aaron Fischer, a Hong Kong-based analyst for CLSA Ltd., said today. "What surprised us was how strong the growth remained in the second part of December."

[Wynn Macau Ltd](#)., the Hong Kong-listed casino unit of [Wynn Resorts Ltd](#)., climbed 5.7 percent, the most in more than two months, to HK\$18.40, the highest since it started trading in October 2009.

SJM, Galaxy

Billionaire Stanley Ho's [SJM Holdings Ltd](#) . rose 3.4 percent to HK\$12.76, [Sands China Ltd](#) . gained 1.6 percent to HK\$17.36 and [Galaxy Entertainment Group Ltd](#) . surged 5.6 percent to HK\$9.29.

[Melco International Development Ltd](#)

., which has a joint venture with with Australian billionaire James Packer's Crown Ltd., advanced 5.9 percent to HK\$4.70.

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“We believe gaming revenues will remain extremely robust in 2011 and increase by at least 20 percent during the year,” CLSA’s Fischer said. “We also expect another 25 percent growth next year as 2012 benefits from a full year of two new large scale resorts being opened.”

Galaxy is building a \$1.9 billion casino resort, which it plans to open this year, on the Cotai Strip, where Sands China operates the Venetian Macau and [Melco Crown Entertainment Ltd](#) . has its City of Dreams.

Sands China is building St. Regis, Shangri-La, Sheraton and Traders resorts on sites 5 and 6 of the Cotai Strip. Billionaire Sheldon Adelson, [Las Vegas Sands Corp](#) .’s chief executive officer, has said he plans to recreate the Las Vegas Strip on Macau’s 1.8-mile length of reclaimed land between Macau’s Coloane and Taipa Islands to boost the non-gambling portion of casino operators’ earnings.

Market Share

SJM had the biggest market share among the former Portuguese colony’s six casino operators, with 30.6 percent in December, said Huei Suen Ng, a Hong Kong-based analyst for CLSA. Wynn Macau had 16.9 percent, followed by Sands China at 16.4 percent and Melco Crown with 14.2 percent, the analyst said.

MGM Grand Paradise SA, a venture between the Las Vegas Strip’s biggest casino operator and Stanley Ho’s daughter Pansy Ho, had 11.6 percent, according to CLSA’s estimates while Galaxy had 10.3 percent.

Macau surpassed the Las Vegas Strip as the world’s biggest gambling hub in 2006, after the government ended Stanley Ho’s four-decade gambling monopoly and allowed the entry of foreign operators.

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