

NEW YORK

An analyst cut his rating on casino operator Wynn Resorts Ltd. on Wednesday, citing new Macau competition and Las Vegas concerns.

In a note to clients, David Bain of Sterne Agee & Leach said Wynn will have to deal with the opening of the Galaxy Cotai and some new

developments from Las Vegas Sands Corp. within the next two years.

Bain said he is skeptical about whether the Las Vegas gaming market has bottomed and noted that Wynn management "did not give clarity on its belief for a true recovery."

"With a still-struggling consumer environment and the \$3.9 billion Cosmopolitan opening at the end of this year on the Strip . we do not want to bet on Las Vegas as a catalyst for Wynn at this point," the analyst wrote.

Bain lowered Wynn Resorts to "Neutral" from "Buy" but raised his price target on the stock to \$109 from \$108, partly on its Las Vegas and Macau divisions.

On Tuesday the casino operator reported a third-quarter loss but said its revenue soared to \$1 billion. The company also declared a special \$8-per-share dividend.

Shares of Las Vegas-based Wynn Resorts fell \$2.06 to \$110.51 in afternoon trading.

Analyst lowers Wynn Resorts, citing competition - BusinessWeek

Written by Administrator

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