



**NEW LANDMARK IN MACAO**  
BOOK EARLY AND SAVE UP TO 25% OFF

**BOOK NOW**  
Terms and Conditions apply

THE PARISIAN  
MACAO

FOUNDER & PUBLISHER Kowie Goldenhuys

EDITOR-IN-CHIEF Paulo Coutinho

Macau, Wednesday, March 01, 2017

**DAILY EDITION**

3 HOURS AGO  
Wednesday, March 1, 2017 - edition no. 2753

**澳門廣播電視股份有限公司**  
TDM - TELEDIFUSÃO DE MACAU, S. A.

**EXTRA TIMES**

5 DAYS AGO  
It's the Oscars! already | In L.A. land

**OTHER ARTICLES**

- LAI CHI VUN RESIDENTS OPEN TO REVAMP THAT PRESERVES HERITAGE
- FAKE FASHION FUELS VAST ILLICIT PROFITS, SEA OF HUMAN MISERY
- DIPLOMATS SEEK KIM JONG NAM BODY
- PATIENT'S FAMILY ACCUSES CHCSJ OF MALPRACTICE
- LEGAL WISE BY MDME | EMPLOYMENT CONTRACTS: HOW DEEP IS THE BOND?

**LATEST COMMENTS**

- RICK on TRUMP SEEN WINNING SUPPORT TO DECLARE CHINA AS CURRENCY MANIPULATOR
- Rich Sar on HONG KONG | DISNEYLAND POSTS 2016 LOSS ON TOURISM SOFTNESS
- Richard Whitfield on MACAU MATTERS | A ROBOTIC MACAU GRAND PRIX
- Irene Janknegt on ANIMAL RIGHTS | GOV'T SUPPORT LAST HURDLE IN RACE TO SAVE GREYHOUNDS
- Irene Janknegt on ANIMAL RIGHTS | GOV'T SUPPORT LAST HURDLE IN RACE TO SAVE

Home | Macau | Macau lifted by Chinese high rollers flush from home prices

# MACAU LIFTED BY CHINESE HIGH ROLLERS FLUSH FROM HOME PRICES

TUESDAY, FEBRUARY 28, 2017 - 1 DAY AGO NO COMMENTS 1,165 VIEWS



Kwok Chi Chung

Chinese high rollers are pulling Macau out of its doldrums, helping reverse the gambling Mecca's two-year slump with cash created by soaring real-estate values and busy factory floors.

Revenue for some of the biggest junket operators – middle-men who extend credit to big spenders – has jumped more than 20 percent since the last quarter compared to a year ago, according to Kwok Chi Chung, president of the Association of Gaming & Entertainment Promoters of Macau.

"VIP room operators are very happy when we meet in the street or at the parties," Kwok said in an interview. "Six months ago, they would complain about the bad market for the whole day."

The windfall illustrates the close ties between the fortunes of the world's largest gambling hub and China's real estate market, in spite the government measures to curb capital outflows and a crackdown on efforts to attract the country's citizens to gamble overseas. February's gaming receipts probably rose 10 percent to about 21.5 billion patacas (USD2.7 billion), according to eight analysts surveyed by Bloomberg. With land prices, home values and industrial profits all increasing last year, some of that cash trickled down south to Macau.

Casino revenue from VIPs rose 13 percent last quarter, and their contribution to Macau's overall gambling revenue gained about six percentage points from July to January, according to data compiled by Bloomberg Intelligence.

GREYHOUNDS

**KTRANZ**  
TRANSLATIONS LIMITED

**We translate  
+10,000 words a day**

CONTACT Ms. Amy Yang  
EMAIL amy@ktranz.com.mo  
TEL +853 2871 6801/2 FAX +853 2871 6084

The Bloomberg Intelligence index of Macau casino stocks has rallied more than 20 percent in the past six months. Sell ratings on Galaxy Entertainment Group Ltd. and Sands China Ltd., the enclave's two largest casino operators, have disappeared. Galaxy rose as much as 1.8 percent yesterday in Hong Kong, set to extend gains to about 40 percent in the past six months. Wynn Macau rose as much as 1.9 percent Monday while the benchmark Hang Seng Index was little changed.

"There's a lot more confidence," Ian Michael Coughlan, president of Wynn Macau, said during a Jan. 27 conference call. "There appears to be more liquidity in the market, particularly with the junkets, and it's being sustained. The outlook is pretty promising."

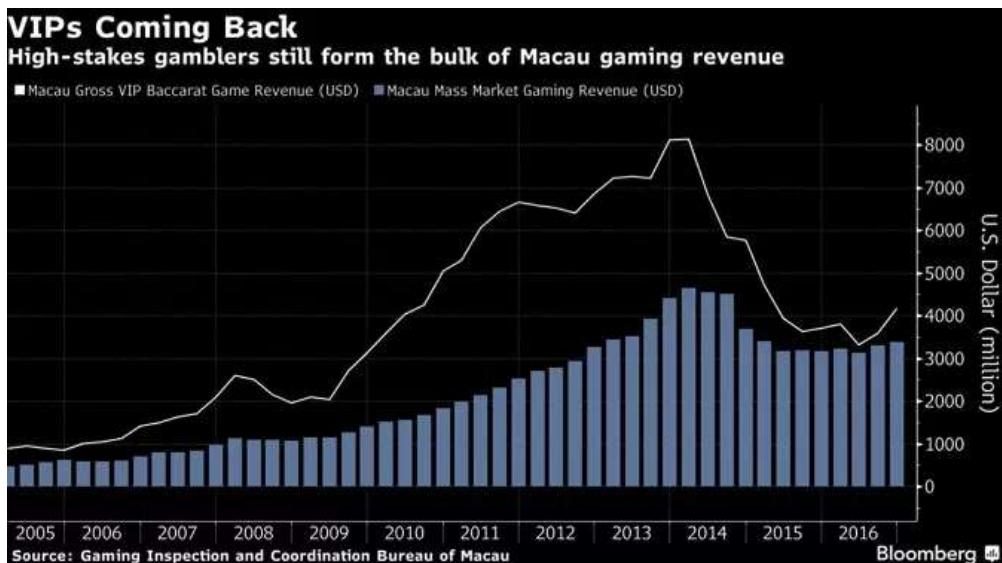
The junket revival comes after President Xi Jinping's campaign against corruption caused VIP revenue to plunge for two years beginning in 2014 before bottoming out last year. That led to the shutdown of about half of the junket operators, leaving about 120 such companies currently in business, according to the Macau government.

The largest junket operators have boosted liquidity in recent months because of the consolidation, giving them more money to attract high-stake gamblers, said Ben Lee, managing partner at consultant IGamiX.

"Only the VIPs can drive a significant recovery in the gaming industry here in Macau," Lee said. "The VIP segment has always been growth on steroids in good times, and it looks like this is what's happening now."

Still, casino operators say their long-term focus is on bringing in more tourists and leisure gamblers, in line with Xi's order for Macau to diversify its economy. Las Vegas Sands Corp. reported its Parisian casino with an Eiffel Tower replica posted adjusted earnings of \$95 million in its first full quarter of operation.

**MDT MACAU GRAND PRIX SPECIAL**



Melco Crown Entertainment Ltd.'s \$3.2 billion Studio City resort opened in late 2015 targeting mass market gamblers, before adding its first VIP rooms in August.

"I think VIP has surprised in terms of its recovery," Melco Chief Executive Officer Lawrence Ho told analysts on a conference call Feb. 16. "But at the same time, ultimately, the future of Macau is going to be pinned on the growth of the mass market."

There are also signs the wave may be cresting soon for the VIP revival, with China expanding curbs on home purchases and imposing tighter restrictions on property lending in an attempt to ward off a housing bubble. New-home prices increased in January in only 45 of 70 cities tracked by the government – the fewest in a year.

China's foreign-exchange regulator also announced measures last month to curb capital outflows, while the government's detention of Crown Resorts Ltd. employees in October initially sparked concerns of a broader crackdown on luring mainland gamblers to Macau's baccarat tables. Crown is still reeling, as turnover from its VIP program dropped 45 percent in the six months ended Dec. 31.

In the meantime, Kwok's junket compatriots are enjoying the winning streak while they can. Property developers, coal-mine owners and other businessmen not only have money to pay back previous gambling debts, they also have more money to play again, Kwok said.

During the Lunar New Year holiday this month, some mid- and small-sized junket operators even had difficulty booking hotel rooms for their clients, he said.

"In the good times, hotel rooms were always full during holidays," Kwok said. "Now we've started to see this again. We haven't seen that for a long time." **Daniela Wei**, Bloomberg

SHARE THIS:



RELATED

Gaming | Hidden VIP-room earpieces show local money laundering risks  
June 3, 2016  
In "Headlines"

Junkets squeezed by China's delinquent debtors  
December 4, 2015  
In "Macau"

Gaming | Slot machines in VIP rooms show desperation of casinos  
February 3, 2016  
In "Macau"

CATEGORIES HEADLINES MACAU

SHARE THIS POST



Related Posts



LAI CHI VUN RESIDENTS OPEN TO REVAMP THAT PRESERVES HERITAGE



FAKE FASHION FUELS VAST ILLICIT PROFITS, SEA OF HUMAN MISERY



DIPLOMATS SEEK KIM JONG NAM BODY



EU-MACAU REPORT OUTLINES KEY CHALLENGES AHEAD OF 2020

NO COMMENTS

Enter Message Here

Enter Name

Enter Email

Enter URL

POST REPLY

- Notify me of follow-up comments by email.
- Notify me of new posts by email.