

# Macau Suspends Casino Operations as Typhoon Mangkhut Looms

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## Macau Casinos to Reopen After Brief, if Costly, Typhoon Shutdown

A general view shows Casino Lisboa (C) before the expected arrival of Super Typhoon Mangkhut in Macau on September 15, 2018. (Photo by ISAAC LAWRENCE / AFP) (Photo credit should read ISAAC LAWRENCE/AFP/Getty Images)

All bets are off in Macau -- for now.

The world's largest gambling hub suspended gaming operations at all its casinos as [Super Typhoon Mangkhut](#) approached, bringing business to a halt for operators including Sands China Ltd. and Wynn Macau Ltd.

The Macau government raised its Typhoon Signal to 10 on Sunday morning, warning citizens not to go outside and to stay away from exposed windows and doors.

Gaming employees said this is the first time Macau has shut down gambling operations since licenses for casinos were given out in 2002. The suspension took effect at 11 p.m. on Saturday, the government [said](#) in a statement, citing the safety risk. Gaming operations will resume following a review of conditions once the typhoon has passed.

More from Bloomberg.com: [Hong Kong On Lockdown as Typhoon Mangkhut Arrives](#)

The shutdown is the latest blow to Macau casino operators after a rebound for the industry that began more than two years ago. Investor [worries](#) are growing over a pullback in spending by big gamblers as China faces an economic slowdown and uncertainties tied to the trade war with the U.S.

“The closure will necessarily mean a downward revision in our previously projected year-over-year growth of about 10 percent for the month of September,” said Ben Lee, a Macau-based managing partner at Asian gaming consultancy IGamiX. He said the decision to shut the casinos was the right choice to ensure employees’ safety, and noted that the industry is “still in positive growth territory.”

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The Bloomberg Intelligence index for Macau casinos is down 34 percent since the end of May, with MGM China Holdings Ltd. tumbling 45 percent while Wynn Macau and Melco Resorts & Entertainment Ltd. are both down 36 percent.

## **Typhoon Hato**

Casinos in Macau have had 25 straight months of growth, boosted by high rollers and the opening of flashy new resorts on the Cotai peninsula. Operations were disrupted last summer by Typhoon Hato, which caused 10 deaths, according to [Xinhua](#) . While casinos continued to operate during that storm, the government [estimated](#) the economic loss to Macau amounted to 12.6 billion patacas (\$1.6 billion).

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Casino stocks tumbled on Tuesday after Deutsche Bank lowered its forecast for revenue growth in Macau. It [cut](#) its 2019 outlook by more than half, to 4 percent growth from 11 percent previously, citing concerns about the VIP segment and saying Macau is at the start of a downward earnings revision cycle.

Morgan Stanley, however, [wrote](#) on Thursday that casino shares may be poised for a 50 percent rebound. Based on the last cycle that ended in July 2012, shares are set to recover on the back of improving earnings, it wrote in a note, helping a two-day rebound in the benchmark casino gauge.

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