

Gaming

LV Strip GGR -14.4% in July; Statewide -8.0%; LV Locals +1.5%

This morning, the Nevada Gaming Control Board reported revenues for the month of July. Las Vegas Strip gross gaming revenue (GGR) decreased 14.4% year over year to \$511.4 million, while statewide (LV Strip, LV Locals, Reno, Tahoe, and other) gaming revenues decreased 8.0% to \$925.7 million in July. While the headline number was ugly for the Strip, we would point that the Strip played unlucky on Baccarat for the second straight month, holding 11.6% versus 16.1% in July 2012. YTD Strip GGR is 0.2%. With this report, there is no change to our expectation for a continued (but uneven), gradual recovery on the LV Strip.

- For the month, LV Strip slot revenues decreased 5.5% year over year to \$234 million, as slot handle decreased 0.9% year over year and slot hold decreased 40 bps. YTD slot handle is down 0.3% and win is down 0.2%.
- For the month, LV Strip table win was -21.1% year over year at \$269 million. Table drop decreased 8.2%, while table hold was down 200 bps year over year to 12.2%. YTD table drop is down 4.7% and win is down 0.1%.
- For the month, LV Strip table win excluding baccarat was +1.8% year over year, while table drop excluding baccarat was -0.9% year-over-year. YTD table drop excluding baccarat drop is down 4.6% and win is up 1.7%.
- For the month, LV Strip baccarat win was -39.4% year over year, while volumes were -15.9%. Baccarat hold decreased ~450 bps year over year (11.6% vs. 16.1% in July 2012). YTD baccarat win is down 2.8%.
- Excluding baccarat, monthly LV Strip revenues were -2.7% year over year to \$396 million, while drop was -0.9% year over year.
- For the month, the LV Locals market was +1.5% year-over-year to \$185.7 million, off of a +10.3% comparison. YTD LV locals GGR is down 1.5%.
- Read on for a detailed summary of July results and detailed charts.

Gaming

Joseph Greff AC

(1-212) 622-0548

joseph.greff@jpmorgan.com

Brian Mullan, CFA

(1-212) 622-8170

brian.mullan@jpmorgan.com

Jonathan Mohraz

(1-212) 622-1111

jonathan.mohraz@jpmorgan.com

J.P. Morgan Securities LLC

See page 9 for analyst certification and important disclosures.

J.P. Morgan does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Figure 1: Statewide Gaming Revenue – July 2013

\$ in millions

	July			YTD		
	2013	2012	% Chg.	2013	2012	% Chg.
Las Vegas Strip (all)	\$511.4	\$597.5	-14.4%	\$3,610.9	\$3,618.5	-0.2%
Las Vegas Downtown	39.4	41.2	-4.5%	295.4	304.3	-2.9%
Laughlin	39.0	37.1	5.0%	282.5	285.6	-1.1%
Reno	48.9	46.2	5.8%	321.4	305.9	5.1%
Boulder Strip	75.6	72.6	4.1%	479.2	488.0	-1.8%
North Las Vegas	23.9	27.1	-11.9%	156.6	172.4	-9.2%
Balance of Clark County	86.2	83.3	3.5%	619.7	613.8	1.0%
South Lake Tahoe	32.4	29.6	9.2%	119.7	118.3	1.1%
Elko	22.3	22.8	-2.5%	150.2	156.9	-4.3%
Carson Valley	8.5	8.7	-2.8%	56.8	57.4	-1.0%
Other	38.3	39.8	-3.8%	274.5	283.1	-3.0%
State Totals	\$925.7	\$1,005.9	-8.0%	\$6,367.0	\$6,404.4	-0.6%
LV Locals Total	\$159.3	\$148.4	7.3%	\$1,255.5	\$1,274.3	-1.5%

Source: Nevada Gaming Control Board

Figure 2: Statewide Gaming Revenue - 2013

(\$MM)	2013												YTD	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Las Vegas Strip (all)	507.0	696.1	507.6	448.6	505.4	434.7	511.4							\$3,610.9
yoy % chg.	(18.7%)	31.2%	13.1%	(2.4%)	6.4%	(10.1%)	(14.4%)							(0.2%)
Las Vegas Downtown	44.7	41.5	45.7	45.2	42.0	36.8	39.4							295.4
yoy % chg.	(4.9%)	(7.8%)	5.3%	(6.9%)	(7.4%)	9.3%	(4.5%)							(2.9%)
Laughlin	38.2	42.3	43.5	44.6	40.3	34.7	39.0							282.5
yoy % chg.	(6.7%)	(1.6%)	(12.7%)	11.5%	(4.3%)	6.3%	5.0%							(1.1%)
Reno	37.7	43.3	48.8	44.1	49.9	48.7	48.9							321.4
yoy % chg.	(0.7%)	(1.6%)	10.8%	15.4%	9.7%	(2.6%)	5.8%							5.1%
Boulder Strip	84.9	64.1	62.3	74.2	62.5	55.8	75.6							479.2
yoy % chg.	0.7%	(10.6%)	(0.8%)	5.8%	(17.9%)	10.3%	4.1%							(1.8%)
North Las Vegas	25.4	21.1	22.2	23.9	20.6	19.5	23.9							156.6
yoy % chg.	(11.9%)	(14.3%)	(1.2%)	(11.5%)	(19.7%)	16.1%	(11.9%)							(9.2%)
Balance of Clark County	92.4	81.4	94.0	89.2	92.4	84.0	86.2							619.7
yoy % chg.	2.2%	(5.5%)	0.6%	2.0%	0.4%	3.6%	3.5%							1.0%
South Lake Tahoe	16.8	16.3	11.3	15.7	14.6	12.5	32.4							119.7
yoy % chg.	(2.6%)	7.8%	(10.9%)	14.5%	9.7%	(24.4%)	9.2%							1.1%
Elko	17.5	21.1	26.1	21.6	21.2	20.4	22.3							150.2
yoy % chg.	(17.2%)	(9.2%)	8.1%	(3.9%)	(2.7%)	(4.1%)	(2.5%)							(4.3%)
Carson Valley	7.3	7.6	8.3	7.9	8.9	8.4	8.5							56.8
yoy % chg.	(5.7%)	(3.4%)	(2.0%)	(2.7%)	7.4%	2.0%	(2.8%)							(1.0%)
Other	37.2	38.5	44.9	39.2	39.5	37.0	38.3							274.5
Total Nevada	\$909.2	\$1,073.3	\$914.8	\$854.3	\$897.2	\$792.5	\$925.7							6,367.0
yoy % chg.	(12.4%)	15.1%	7.0%	(0.2%)	1.4%	(4.8%)	(8.0%)							(0.6%)
Las Vegas Locals	\$202.6	\$166.6	\$178.5	\$187.3	\$175.4	\$159.3	\$185.7							1,255.5
yoy % chg.	(0.4%)	(8.7%)	(0.1%)	1.5%	(9.4%)	7.3%	1.5%							(1.5%)

Source: Nevada Gaming Control Board

Figure 3: Statewide Gaming Revenue - 2012

(\$MM)	2012												YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Las Vegas Strip (all)	623.5	530.7	448.7	459.4	475.1	483.7	597.5	490.9	496.8	580.7	431.9	588.3	\$6,207.2
yoy % chg.	29.2%	3.3%	(14.9%)	7.5%	(18.1%)	(4.5%)	27.5%	(1.2%)	1.2%	3.6%	(12.8%)	13.5%	2.3%
Las Vegas Downtown	47.1	45.0	43.4	48.6	45.3	33.7	41.2	36.3	44.4	48.6	38.5	37.0	509.1
yoy % chg.	13.7%	13.7%	(11.9%)	25.0%	(2.1%)	(12.7%)	16.4%	(8.4%)	6.0%	0.8%	(17.3%)	19.6%	2.5%
Laughlin	41.0	43.0	49.8	40.0	42.1	32.6	37.1	33.5	35.0	37.0	37.8	33.2	462.1
yoy % chg.	6.3%	(0.2%)	(2.4%)	0.5%	20.1%	(20.3%)	(0.5%)	(2.3%)	(3.2%)	(0.9%)	(2.0%)	1.8%	(0.6%)
Reno	38.0	44.0	44.1	38.3	45.5	50.0	46.2	48.9	49.4	42.7	37.0	40.0	523.9
yoy % chg.	(8.6%)	8.2%	0.3%	(18.7%)	(6.2%)	9.4%	(9.5%)	4.7%	0.9%	(6.9%)	(3.3%)	(4.1%)	(3.0%)
Boulder Strip	84.3	71.7	62.8	70.2	76.1	50.5	72.6	55.6	67.3	74.5	52.7	58.4	796.7
yoy % chg.	8.7%	22.9%	(17.0%)	20.4%	9.2%	(22.8%)	17.3%	(17.7%)	24.2%	8.1%	(26.4%)	17.4%	2.3%
North Las Vegas	28.8	24.6	22.5	27.0	25.6	16.8	27.1	20.4	20.7	23.0	17.5	19.4	273.5
yoy % chg.	15.6%	8.5%	(17.8%)	42.3%	(1.8%)	(26.1%)	36.1%	(13.0%)	7.2%	0.7%	(24.2%)	14.2%	1.9%
Balance of Clark County	90.4	86.1	93.5	87.4	92.0	81.1	83.3	81.9	88.0	86.3	83.4	80.2	1,033.7
yoy % chg.	4.9%	5.9%	0.4%	(1.0%)	7.0%	(4.4%)	(0.9%)	(0.6%)	6.4%	(2.3%)	(3.9%)	(4.5%)	0.6%
South Lake Tahoe	17.2	15.1	12.7	13.7	13.3	16.6	29.6	22.0	18.0	15.9	17.7	21.0	212.9
yoy % chg.	2.1%	10.3%	(14.0%)	(4.4%)	(26.9%)	17.2%	(0.6%)	(19.4%)	5.0%	0.8%	26.6%	57.0%	1.6%
Elko	21.1	23.2	24.1	22.5	21.8	21.3	22.8	20.7	23.7	22.7	21.1	19.9	265.1
yoy % chg.	(2.2%)	1.8%	1.3%	(2.3%)	(7.1%)	1.1%	(0.5%)	(1.9%)	2.8%	(2.1%)	4.2%	(2.1%)	(0.6%)
Carson Valley	7.8	7.9	8.5	8.1	8.2	8.2	8.7	8.7	8.8	8.0	7.5	7.9	98.2
yoy % chg.	(3.7%)	3.5%	(2.0%)	(3.1%)	(10.0%)	1.1%	(0.2%)	(1.7%)	0.6%	(5.5%)	(3.5%)	(4.5%)	(2.5%)
Other	39.3	40.9	44.5	40.5	40.1	38.0	39.8	40.2	12.8	39.4	37.5	38.1	451.0
Total Nevada	\$1,038.4	\$932.2	\$854.6	\$855.7	\$885.1	\$832.5	\$1,005.9	\$859.2	\$892.7	\$978.8	\$782.6	\$943.3	10,861.1
yoy % chg.	18.4%	5.7%	(10.9%)	6.2%	(10.1%)	(6.0%)	17.0%	(3.1%)	3.3%	1.9%	(11.1%)	10.2%	1.5%
Las Vegas Locals	\$203.5	\$182.4	\$178.8	\$184.6	\$193.7	\$148.4	\$182.9	\$158.0	\$176.1	\$183.9	\$153.7	\$157.9	2,103.9
yoy % chg.	7.8%	12.4%	(8.9%)	11.5%	6.6%	(14.2%)	10.3%	(8.9%)	12.7%	2.1%	(15.4%)	4.8%	1.4%

Source: Nevada Gaming Control Board

Figure 4: Las Vegas Strip – Win Statistics - 2013

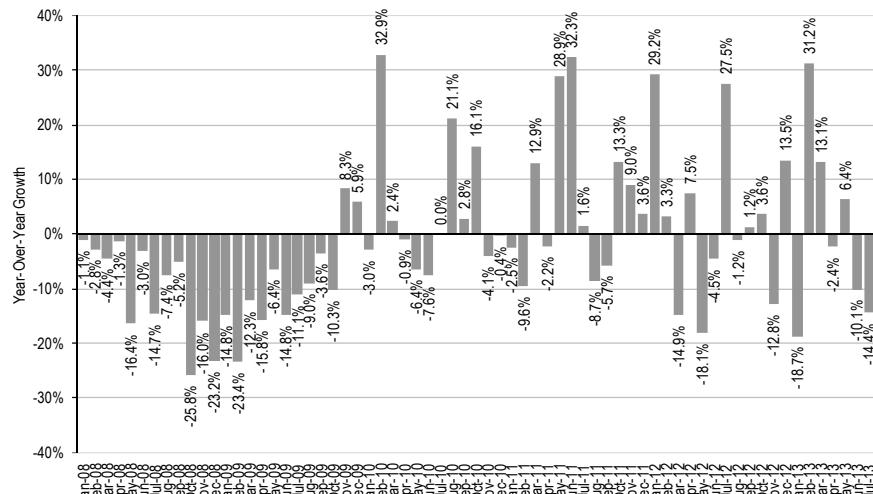
Period	Days	Total				Win w/o Baccarat				Table				Table w/o Baccarat				Slot				Baccarat								
		Drop	Win	Hold %	No of Pos.	Drop	Win	No. of Pos.	Win per day/pos	Drop	Win	Hold %	No. of Pos.	Win per day/pos	Drop	Win	No. of Pos.	Win per day/pos	Handle	Win	Hold %	No. of Pos.	Win per day/pos	Drop	Win	Hold %	No. of Pos.	Win per day/pos		
Jan	2013	31	4,969	507	10.2%	62,355	262	4,174	411	60,585	219	2,075	244	11.7%	2,741	2,867	1,280	148	2,446	1,953	2,894	258	8.9%	45,909	181	795	96	12.0%	295	10,446
Jan	2012	31	5,875	624	10.6%	64,630	311	4,319	429	62,830	220	2,910	359	12.3%	2,841	4,077	1,354	165	2,541	2,095	2,965	258	8.7%	47,584	175	1,556	194	12.5%	300	20,867
yoY % chg.			-15.4%	-18.7%	-0.4%	-3.5%	-15.7%	-3.4%	-4.2%	-3.6%	-0.6%	-28.7%	-32.2%	-0.6%	-3.5%	-29.7%	-5.4%	-10.3%	-3.7%	-6.8%	-2.4%	-0.2%	0.2%	-3.5%	3.5%	-48.9%	-50.8%	-0.5%	-1.7%	-49.9%
Feb	2013	28	6,080	696	11.4%	62,473	398	4,493	432	60,571	255	2,945	460	15.6%	2,770	5,934	1,357	196	2,453	2,854	3,136	230	7.4%	45,853	180	1,588	264	16.6%	317	29,765
Feb	2012	29	5,298	531	10.0%	64,420	284	4,505	417	62,836	229	2,113	288	13.6%	2,826	3,516	1,320	174	2,562	2,345	3,186	237	7.4%	47,464	172	793	114	14.4%	264	14,883
yoY % chg.			14.8%	31.2%	1.4%	-3.0%	40.1%	-0.3%	3.6%	-3.6%	11.4%	39.4%	59.7%	2.0%	-2.0%	68.7%	2.8%	12.5%	-4.3%	21.7%	-1.6%	-2.6%	-0.1%	-3.4%	4.4%	100.2%	131.9%	2.3%	20.1%	100.0%
Mar	2013	31	5,440	508	9.3%	61,462	266	4,753	431	59,752	233	2,060	243	11.8%	2,715	2,891	1,373	167	2,430	2,213	3,380	258	7.6%	45,172	184	687	77	11.2%	285	8,668
Mar	2012	31	5,420	449	8.3%	63,183	229	4,926	409	61,713	214	2,028	198	9.8%	2,759	2,314	1,535	158	2,514	2,031	3,392	244	7.2%	46,629	169	494	40	8.0%	245	5,226
yoY % chg.			0.4%	13.1%	1.1%	-2.7%	16.3%	-3.5%	5.4%	-3.2%	8.8%	1.6%	22.9%	2.1%	-1.6%	24.9%	-10.5%	5.3%	-3.3%	9.0%	-0.3%	5.8%	0.4%	-3.1%	9.2%	39.1%	92.9%	3.1%	16.3%	65.9%
Apr	2013	30	4,909	449	9.1%	61,805	242	4,370	384	60,089	213	1,646	197	12.0%	2,737	2,397	1,107	132	2,451	1,799	3,264	247	7.6%	45,383	181	539	65	12.0%	286	7,524
Apr	2012	30	4,907	459	9.4%	63,830	240	4,256	394	62,228	211	1,677	205	12.2%	2,804	2,439	1,027	139	2,537	1,831	3,229	249	7.7%	47,006	177	650	66	10.1%	267	8,208
yoY % chg.			0.1%	-2.4%	-0.2%	-3.2%	0.8%	2.7%	-2.4%	-3.4%	1.0%	-1.9%	-4.0%	-0.3%	-2.4%	-1.7%	7.8%	-5.1%	-3.4%	-1.8%	1.1%	-0.9%	-0.2%	-3.5%	2.6%	-17.1%	-1.8%	1.9%	7.1%	-8.3%
May	2013	31	5,279	505	9.6%	61,635	265	4,466	415	59,931	223	2,048	248	12.1%	2,742	2,922	1,235	158	2,458	2,072	3,231	251	7.8%	45,183	179	813	91	11.1%	284	10,283
May	2012	31	5,459	475	8.7%	62,664	245	4,547	401	61,080	212	2,281	216	9.5%	2,748	2,533	1,369	141	2,484	1,837	3,178	253	8.0%	46,176	177	912	74	8.2%	264	9,083
yoY % chg.			-3.3%	6.4%	0.9%	-1.6%	8.2%	-1.8%	3.5%	-1.9%	5.5%	-10.2%	15.1%	2.7%	-0.2%	15.4%	-9.8%	11.6%	-1.0%	12.8%	1.7%	-0.8%	-0.2%	-2.2%	1.4%	-10.9%	21.8%	3.0%	7.6%	13.2%
Jun	2013	30	4,942	435	8.8%	61,406	236	4,252	382	59,804	213	1,866	202	10.8%	2,738	2,462	1,176	150	2,471	2,018	3,077	221	7.2%	44,978	164	690	53	7.6%	267	6,573
Jun	2012	30	5,232	484	9.2%	62,494	258	4,402	381	61,030	208	2,162	259	12.0%	2,732	3,160	1,333	156	2,488	2,090	3,070	214	7.0%	46,102	155	829	103	12.4%	244	14,073
yoY % chg.			-5.5%	-10.1%	-0.4%	-1.7%	-8.5%	-3.4%	0.4%	-2.0%	2.4%	-13.7%	-21.9%	-1.1%	0.2%	-22.1%	-11.8%	-4.1%	-0.7%	-3.4%	0.2%	3.2%	0.2%	-2.4%	5.8%	-16.8%	-48.9%	-4.8%	9.4%	-53.3%
Jul	2013	31	5,389	511	9.5%	60,822	271	4,396	396	59,184	216	2,217	269	12.2%	2,721	3,193	1,224	154	2,448	2,033	3,172	234	7.4%	44,496	170	992	115	11.6%	273	13,589
Jul	2012	31	5,615	597	10.6%	62,232	\$310	4,436	408	60,714	\$217	2,415	\$342	14.1%	2,709	\$4,067	1,236	\$152	2,456	\$1,992	\$3,200	\$248	7.8%	45,978	\$174	\$1,179	\$190	16.1%	253	\$24,208
yoY % chg.			-4.0%	-14.4%	-1.1%	-2.3%	-12.4%	-0.9%	-2.7%	-2.5%	-0.2%	-8.2%	-21.1%	-2.0%	0.4%	-21.5%	-0.9%	1.8%	-0.3%	2.1%	-0.9%	-5.5%	-0.4%	-3.2%	-2.3%	-15.9%	-39.4%	-4.5%	7.9%	-43.9%
YTD	2013	212	\$37,008	\$3,611	9.8%	61,708	\$276	\$30,905	\$2,852	59,988	\$224	\$14,855	\$1,864	12.5%	2,738	\$3,211	\$8,752	\$1,105	2,451	\$2,126	\$22,153	\$1,700	7.7%	45,282	\$177	\$6,103	\$759	12.4%	287	\$12,488
YTD	2012	213	\$37,806	\$3,619	9.6%	63,350	\$268	\$31,392	\$2,838	61,776	\$216	\$15,586	\$1,867	12.0%	2,774	\$3,159	\$9,172	\$1,086	2,512	\$2,030	\$22,220	\$1,703	7.7%	46,706	\$171	\$6,414	\$781	12.2%	262	\$13,966
yoY % chg.			-2.1%	-0.2%	0.2%	-2.6%	2.9%	-1.6%	0.5%	-2.9%	4.0%	-4.7%	-0.1%	0.6%	-1.3%	1.7%	-4.6%	1.7%	-2.4%	4.7%	-0.3%	-0.2%	0.0%	-3.0%	3.4%	-4.8%	-2.8%	0.3%	9.3%	-10.6%

Source: Nevada Gaming Control Board

Figure 5: Las Vegas Strip – Win Statistics - 2012

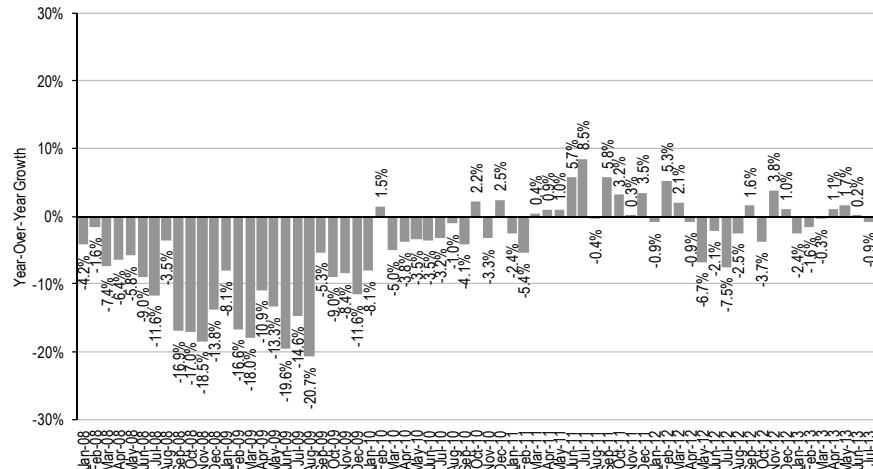
Period	Days	Total				Win w/o Baccarat				Table				Table w/o Baccarat				Slot				Baccarat								
		Drop	Win	Hold %	No. of Pos.	Win per day/pos	Drop	Win	No. of Pos.	Win per day/pos	Drop	Win	Hold %	No. of Pos.	Win per day/pos	Drop	Win	No. of Pos.	Win per day/pos	Handle	Win	Hold %	No. of Pos.	Win per day/pos	Drop	Win	Hold %	No. of Pos.	Win per day/pos	
Jan 2012	31	5,875	624	10.6%	64,630	311	4,319	429	62,830	220	2,910	359	12.3%	2,841	4,077	1,354	165	2,541	2,095	2,965	258	8.7%	47,584	175	1,556	194	12.5%	300	20,867	
Jan 2011	31	4,807	483	10.0%	66,897	233	4,216	418	65,379	206	1,815	217	12.0%	2,825	2,480	1,224	152	2,572	1,911	2,992	259	8.7%	49,947	168	591	65	11.0%	253	8,266	
yoY % chg.		22.2%	29.2%	0.6%	-3.4%	33.7%	2.4%	2.8%	-3.9%	6.9%	60.3%	65.3%	0.4%	0.6%	64.4%	10.6%	8.3%	-1.2%	9.6%	-0.8%	-0.4%	0.0%	-4.7%	4.5%	163.3%	199.3%	1.5%	18.6%	152.4%	
Feb 2012	29	5,298	531	10.0%	64,420	284	4,505	417	62,836	229	2,113	288	13.6%	2,826	3,516	1,320	174	2,562	2,345	3,186	237	7.4%	47,464	172	793	114	14.4%	264	14,883	
Feb 2011	28	5,532	514	9.3%	66,934	274	4,332	373	65,296	204	2,506	293	11.7%	2,828	3,706	1,306	153	2,555	2,138	3,026	215	7.1%	49,966	153	1,200	141	11.7%	273	18,381	
yoY % chg.		-4.2%	3.3%	0.7%	-3.8%	3.6%	4.0%	11.7%	-3.8%	12.0%	-15.7%	-1.8%	1.9%	-0.1%	-5.1%	1.0%	13.9%	0.3%	9.7%	5.3%	10.3%	0.3%	-5.0%	12.1%	-33.9%	-18.9%	2.7%	-3.3%	-19.0%	
Mar 2012	31	5,420	449	8.3%	63,183	229	4,926	409	61,713	214	2,028	198	9.8%	2,759	2,314	1,535	158	2,514	2,031	3,392	244	7.2%	46,629	169	494	40	8.0%	245	5,226	
Mar 2011	31	5,491	527	9.6%	66,192	257	4,782	445	64,788	222	2,167	261	12.0%	2,812	2,969	1,459	179	2,578	2,236	3,323	260	7.8%	49,320	170	709	82	11.5%	234	11,277	
yoY % chg.		-1.3%	-14.9%	-1.3%	-4.5%	-10.9%	3.0%	-8.2%	-4.7%	-3.6%	-6.4%	-24.0%	-2.3%	-1.9%	-22.6%	5.2%	-11.4%	-2.5%	-9.2%	2.1%	-6.2%	-0.6%	-5.5%	-0.7%	-30.4%	-51.5%	-3.5%	4.7%	-53.7%	
Apr 2012	30	4,907	459	9.4%	63,830	240	4,256	394	62,228	211	1,677	205	12.2%	2,804	2,439	1,027	139	2,537	1,831	3,229	249	7.7%	47,006	177	650	66	10.1%	267	8,208	
Apr 2011	30	4,806	428	8.9%	66,699	214	4,316	371	65,247	189	1,548	199	12.9%	2,845	2,337	1,058	143	2,603	1,827	3,258	222	6.8%	49,629	149	490	57	11.6%	242	7,822	
yoY % chg.		2.1%	7.5%	0.5%	-4.3%	12.3%	-1.4%	6.2%	-4.6%	11.3%	8.3%	2.9%	-0.6%	-1.4%	4.4%	-2.9%	-2.3%	-2.5%	0.3%	-0.9%	12.1%	0.9%	-5.3%	18.3%	32.6%	15.8%	-1.5%	10.3%	4.9%	
May 2012	31	5,459	475	8.7%	62,664	245	4,547	401	61,080	212	2,281	216	9.5%	2,748	2,533	1,369	141	2,484	1,837	3,178	253	8.0%	46,176	177	912	74	8.2%	264	9,083	
May 2011	31	5,911	580	9.8%	66,237	283	4,746	441	64,863	219	2,503	313	12.5%	2,840	3,551	1,339	173	2,611	2,138	3,408	261	7.7%	49,197	171	1,164	140	12.0%	229	19,663	
yoY % chg.		-7.6%	-18.1%	-1.1%	-5.4%	-13.5%	-4.2%	-9.1%	-5.8%	-3.5%	-8.9%	-31.0%	-3.0%	-3.2%	-28.7%	2.3%	-18.2%	-4.9%	-14.1%	-6.7%	-3.1%	0.3%	-6.1%	3.3%	-21.7%	-46.7%	-3.8%	15.3%	-53.8%	
Jun 2012	30	5,232	484	9.2%	62,494	258	4,402	381	61,030	208	2,162	259	12.0%	2,732	3,160	1,333	156	2,488	2,090	3,070	214	7.0%	46,102	155	829	103	12.4%	244	14,073	
Jun 2011	30	5,051	507	10.0%	65,393	258	4,367	402	63,983	206	1,915	263	13.8%	2,820	3,114	1,230	156	2,585	2,015	3,137	231	7.4%	48,473	159	685	107	15.7%	235	15,205	
yoY % chg.		3.6%	-4.5%	-0.8%	-4.4%	-0.1%	0.8%	-4.7%	-4.6%	-0.1%	12.9%	-1.7%	-1.8%	-3.1%	1.5%	8.3%	-0.2%	-3.8%	3.7%	-2.1%	-7.6%	-0.4%	-4.9%	-2.8%	21.2%	-3.9%	-3.2%	3.8%	-7.4%	
Jul 2012	31	5,615	597	10.6%	62,232	310	4,436	408	60,714	217	2,415	342	14.1%	2,709	4,067	1,236	152	2,456	1,992	3,200	248	7.8%	45,978	174	1,179	190	16.1%	253	24,208	
Jul 2011	31	5,797	469	8.1%	65,448	231	4,883	380	64,032	191	2,339	236	10.1%	2,816	2,698	1,424	147	2,580	1,833	3,458	224	6.5%	48,552	149	915	89	9.7%	236	12,151	
yoY % chg.		-3.1%	27.5%	2.6%	-4.9%	34.1%	-9.1%	7.4%	-5.2%	13.2%	3.3%	45.0%	4.1%	-3.8%	50.7%	-13.2%	3.4%	-4.8%	8.6%	-7.5%	10.7%	1.3%	-5.3%	16.9%	28.9%	113.6%	6.4%	7.2%	99.2%	
Aug 2012	31	5,159	491	9.5%	62,084	255	4,121	367	60,524	195	2,088	255	12.2%	2,725	3,018	1,050	131	2,465	1,708	3,071	231	7.5%	45,734	163	1,038	124	12.0%	260	15,435	
Aug 2011	31	5,050	497	9.8%	65,237	246	4,253	402	63,833	203	1,901	237	12.5%	2,828	2,703	1,103	142	2,594	1,772	3,149	254	8.1%	48,269	170	797	95	11.9%	234	13,032	
yoY % chg.		2.2%	-1.2%	-0.3%	-4.8%	3.8%	-3.1%	-8.9%	-5.2%	-3.9%	9.9%	7.6%	-0.3%	-3.6%	11.6%	-4.9%	-8.4%	-5.0%	-3.6%	-2.5%	-9.1%	-0.5%	-5.3%	-4.1%	30.3%	31.6%	0.1%	11.1%	18.4%	
Sept 2012	30	5,417	497	9.2%	62,152	266	4,734	419	60,544	231	2,000	244	12.2%	2,743	2,969	1,317	167	2,475	2,248	3,417	247	7.2%	45,694	180	682	77	11.4%	268	9,634	
Sept 2011	30	5,335	491	9.2%	65,076	251	4,692	410	63,588	215	1,972	241	12.2%	2,831	2,842	1,328	160	2,583	2,065	3,364	244	7.3%	48,090	169	643	81	12.6%	248	10,932	
yoY % chg.		1.5%	1.2%	0.0%	-4.5%	6.0%	0.9%	2.4%	-4.8%	7.5%	1.4%	1.3%	0.0%	-3.1%	4.5%	-0.8%	4.3%	-4.2%	8.9%	1.6%	1.4%	0.0%	-5.0%	6.8%	6.1%	-4.8%	-1.3%	8.1%	-11.9%	
Oct 2012	31	5,618	581	10.3%	62,369	300	4,737	451	60,719	240	2,255	302	13.4%	2,732	3,563	1,374	172	2,457	2,261	3,363	274	8.1%	45,977	192	881	130	14.7%	275	15,196	
Oct 2011	31	5,679	561	9.9%	64,599	280	4,841	401	63,147	205	2,187	309	14.1%	2,813	3,543	1,348	150	2,571	1,878	3,493	246	7.0%	47,721	166	839	159	19.0%	242	21,241	
yoY % chg.		-1.1%	3.6%	0.5%	-3.5%	7.3%	-2.1%	12.5%	-3.8%	17.0%	3.1%	-2.3%	-0.8%	0.5%	1.9%	15.1%	-4.4%	20.4%	-3.7%	11.3%	1.1%	-3.7%	15.6%	5.1%	-18.7%	-4.3%	13.6%	-28.5%		
Nov 2012	30	5,023	432	8.6%	62,315	231	4,477	365	60,677	201	1,799	192	10.7%	2,719	2,358	1,253	126	2,446	1,716	3,224	234	7.3%	46,001	170	546	66	12.2%	273	8,108	
Nov 2011	30	4,952	495	10.0%	64,441	256	4,299	406	63,001	215	1,847	229	12.4%	2,810	2,711	1,194	139	2,570	1,809	3,105	261	8.4%	47,581	183	653	89	13.6%	240	12,364	
yoY % chg.		1.4%	-12.8%	-1.4%	-3.3%	-9.8%	4.1%	-10.0%	-3.7%	-6.6%	-2.6%	-15.8%	-1.7%	-3.2%	-13.0%	4.9%	-9.7%	-4.8%	-5.2%	3.8%	-10.3%	-1.1%	-3.3%	-7.2%	-16.4%	-25.4%	-1.5%	13.8%	-34.4%	
Dec 2012	31	6,775	588	8.7%	62,378	304	5,090	404	60,662	215	3,115	363	11.7%	2,727	4,297	1,430	179	2,441	2,360	3,660	219	6.0%	46,016	154	1,685	185	11.0%	286	20,834	
Dec 2011	31	6,271	518	8.3%	64,503	259	4,905	368	62,865	189	2,648	301	11.4%	2,805	3,466	1,282	151	2,532	1,920	3,623	211	5.8%	47,673	143	1,366	151	11.0%	273	17,808	
yoY % chg.		8.0%	13.5%	0.4%	-3.3%	17.4%	3.8%	9.8%	-3.5%	13.8%	17.6%	20.5%	0.3%	-2.8%	24.0%	11.5%	18.5%	-3.6%	22.9%	1.0%	4.0%	0.2%	-3.5%	7.7%	23.3%	22.6%	-0.1%	4.8%	17.0%	
QTD 2012	92	\$17,416	\$1,601	9.2%	62,354	\$279	\$14,304	\$1,220	60,686	\$219	\$7,170	\$857	12.0%	2,726	\$3,418	\$4,057	\$477	2,448	\$2,116	\$10,247	\$727	7.1%	45,998	\$172	\$3,113	\$381	12.2%	278	\$14,884	
QTD 2011	92	\$16,903	\$1,574	9.3%	64,514	\$265	\$14,045	\$1,175	63,004	\$203	\$6,683	\$839	12.6%	2,809</																

Figure 6: Las Vegas Strip – Revenue Growth (2008–2013)



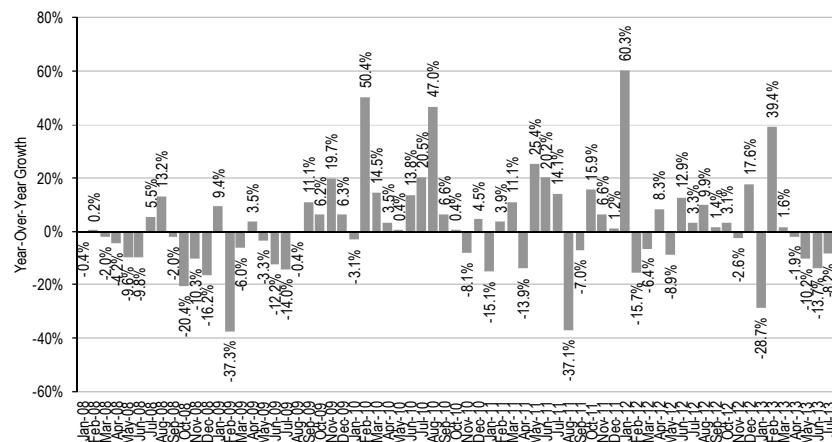
Source: Nevada Gaming Control Board

Figure 7: Las Vegas Strip – Slot Handle Growth (2008 – 2013)



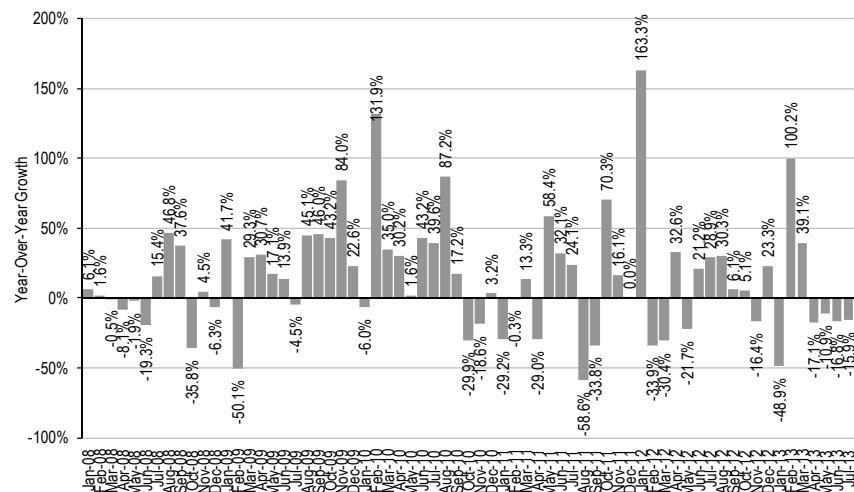
Source: Nevada Gaming Control Board

Figure 8: Las Vegas Strip – Table Drop Growth (2008 – 2013)



Source: Nevada Gaming Control Board

Figure 9: Las Vegas Strip – Baccarat Drop Growth (2008 – 2013)



Source: Nevada Gaming Control Board

Figure 10: 2013 vs. 2012 Calendar

	2012 NV Growth	Weekdays		Weekend days		2013 Calendar Comment	2013 NV Growth
		2012	2013	2012	2013		
Jan	18.4%	23	23	8	8	Neutral	(12.4%)
Feb	5.7%	21	20	8	8	Neutral	15.1%
Mar	(10.9%)	21	21	10	10	Neutral	7.0%
Apr	6.2%	22	22	8	8	Neutral	(0.2%)
May	(10.1%)	23	22	8	9	Favorable	1.4%
Jun	(6.0%)	20	21	10	9	Unfavorable	(4.8%)
Jul	17.0%	23	23	8	8	Neutral	(8.0%)
Aug	(3.1%)	22	21	9	10	Favorable	
Sep	3.3%	21	22	9	8	Unfavorable	
Oct	1.9%	23	23	8	8	Neutral	
Nov	(11.1%)	21	20	9	10	Favorable	
Dec	10.2%	22	23	9	8	Unfavorable	

Source: Nevada Gaming Control Board

Analyst Certification: The research analyst(s) denoted by an “AC” on the cover of this report certifies (or, where multiple research analysts are primarily responsible for this report, the research analyst denoted by an “AC” on the cover or within the document individually certifies, with respect to each security or issuer that the research analyst covers in this research) that: (1) all of the views expressed in this report accurately reflect his or her personal views about any and all of the subject securities or issuers; and (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report.

Important Disclosures

Company-Specific Disclosures: Important disclosures, including price charts, are available for compendium reports and all J.P. Morgan-covered companies by visiting <https://mm.jpmorgan.com/disclosures/company>, calling 1-800-477-0406, or e-mailing research.disclosure.inquiries@jpmorgan.com with your request. J.P. Morgan's Strategy, Technical, and Quantitative Research teams may screen companies not covered by J.P. Morgan. For important disclosures for these companies, please call 1-800-477-0406 or e-mail research.disclosure.inquiries@jpmorgan.com.

Explanation of Equity Research Ratings, Designations and Analyst(s) Coverage Universe:

J.P. Morgan uses the following rating system: Overweight [Over the next six to twelve months, we expect this stock will outperform the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Neutral [Over the next six to twelve months, we expect this stock will perform in line with the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Underweight [Over the next six to twelve months, we expect this stock will underperform the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Not Rated (NR): J.P. Morgan has removed the rating and, if applicable, the price target, for this stock because of either a lack of a sufficient fundamental basis or for legal, regulatory or policy reasons. The previous rating and, if applicable, the price target, no longer should be relied upon. An NR designation is not a recommendation or a rating. In our Asia (ex-Australia) and U.K. small- and mid-cap equity research, each stock's expected total return is compared to the expected total return of a benchmark country market index, not to those analysts' coverage universe. If it does not appear in the Important Disclosures section of this report, the certifying analyst's coverage universe can be found on J.P. Morgan's research website, www.jpmorganmarkets.com.

Coverage Universe: Greff, Joseph: Bally Technologies, Inc. (BYI), Boyd Gaming Group (BYD), Chesapeake Lodging Trust (CHSP), Choice Hotels International (CHH), Diamond Resorts International (DRII), FelCor Lodging Trust (FCH), Host Hotels & Resorts Inc. (HST), Hyatt Hotels Corporation (H), International Game Technology (IGT), LaSalle Hotel Properties (LHO), Las Vegas Sands Corp. (LVS), MGM Resorts International (MGM), Marriott International (MAR), Melco Crown Entertainment (MPEL), Orient-Express Hotels (OEH), Penn National (PENN), Pinnacle Entertainment (PNK), SHFL entertainment (SHFL), Starwood Hotels & Resorts Worldwide (HOT), Sunstone Hotel Investors Inc. (SHO), WMS Industries (WMS), Wyndham Worldwide (WYN), Wynn Resorts (WYNN)

J.P. Morgan Equity Research Ratings Distribution, as of June 28, 2013

	Overweight (buy)	Neutral (hold)	Underweight (sell)
J.P. Morgan Global Equity Research Coverage	44%	44%	12%
IB clients*	56%	50%	40%
JPMS Equity Research Coverage	42%	50%	8%
IB clients*	76%	66%	55%

*Percentage of investment banking clients in each rating category.

For purposes only of FINRA/NYSE ratings distribution rules, our Overweight rating falls into a buy rating category; our Neutral rating falls into a hold rating category; and our Underweight rating falls into a sell rating category. Please note that stocks with an NR designation are not included in the table above.

Equity Valuation and Risks: For valuation methodology and risks associated with covered companies or price targets for covered companies, please see the most recent company-specific research report at <http://www.jpmorganmarkets.com>, contact the primary analyst or your J.P. Morgan representative, or email research.disclosure.inquiries@jpmorgan.com.

Equity Analysts' Compensation: The equity research analysts responsible for the preparation of this report receive compensation based upon various factors, including the quality and accuracy of research, client feedback, competitive factors, and overall firm revenues.

Other Disclosures

J.P. Morgan ("JPM") is the global brand name for J.P. Morgan Securities LLC ("JPMS") and its affiliates worldwide. J.P. Morgan Cazenove is a marketing name for the U.K. investment banking businesses and EMEA cash equities and equity research businesses of JPMorgan Chase & Co. and its subsidiaries.

All research reports made available to clients are simultaneously available on our client website, J.P. Morgan Markets. Not all research content is redistributed, e-mailed or made available to third-party aggregators. For all research reports available on a particular stock, please contact your sales representative.

Options related research: If the information contained herein regards options related research, such information is available only to persons who have received the proper option risk disclosure documents. For a copy of the Option Clearing Corporation's Characteristics and Risks of Standardized Options, please contact your J.P. Morgan Representative or visit the OCC's website at <http://www.optionsclearing.com/publications/risks/riskstoc.pdf>

Legal Entities Disclosures

U.S.: JPMS is a member of NYSE, FINRA, SIPC and the NFA. JPMorgan Chase Bank, N.A. is a member of FDIC and is authorized and regulated in the UK by the Financial Services Authority. **U.K.:** J.P. Morgan Securities plc (JPMS plc) is a member of the London Stock Exchange and is authorized and regulated by the Financial Services Authority. Registered in England & Wales No. 2711006. Registered Office 25 Bank Street, London, E14 5JP. **South Africa:** J.P. Morgan Equities South Africa Proprietary Limited is a member of the Johannesburg Securities Exchange and is regulated by the Financial Services Board. **Hong Kong:** J.P. Morgan Securities (Asia Pacific) Limited (CE number AAJ321) is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission in Hong Kong. **Korea:** J.P. Morgan Securities (Far East) Ltd, Seoul Branch, is regulated by the Korea Financial Supervisory Service. **Australia:** J.P. Morgan Australia Limited (JPMAL) (ABN 52 002 888 011/AFS Licence No: 238188) is regulated by ASIC and J.P. Morgan Securities Australia Limited (JPMSAL) (ABN 61 003 245 234/AFS Licence No: 238066) is regulated by ASIC and is a Market, Clearing and Settlement Participant of ASX Limited and CHI-X. **Taiwan:** J.P. Morgan Securities (Taiwan) Limited is a participant of the Taiwan Stock Exchange (company-type) and regulated by the Taiwan Securities and Futures Bureau. **India:** J.P. Morgan India Private Limited, having its registered office at J.P. Morgan Tower, Off. C.S.T. Road, Kalina, Santacruz East, Mumbai - 400098, is a member of the National Stock Exchange of India Limited (SEBI Registration Number - INB 230675231/INF 230675231/INE 230675231) and Bombay Stock Exchange Limited (SEBI Registration Number - INB 010675237/INF 010675237) and is regulated by Securities and Exchange Board of India. **Thailand:** JPMorgan Securities (Thailand) Limited is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Indonesia:** PT J.P. Morgan Securities Indonesia is a member of the Indonesia Stock Exchange and is regulated by the BAPEPAM LK. **Philippines:** J.P. Morgan Securities Philippines Inc. is a Trading Participant of the Philippine Stock Exchange and a member of the Securities Clearing Corporation of the Philippines and the Securities Investor Protection Fund. It is regulated by the Securities and Exchange Commission. **Brazil:** Banco J.P. Morgan S.A. is regulated by the Comissao de Valores Mobiliarios (CVM) and by the Central Bank of Brazil. **Mexico:** J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero is a member of the Mexican Stock Exchange and authorized to act as a broker dealer by the National Banking and Securities Exchange Commission. **Singapore:** This material is issued and distributed in Singapore by J.P. Morgan Securities Singapore Private Limited (JPMSS) [MIC (P) 049/04/2013 and Co. Reg. No.: 199405335R] which is a member of the Singapore Exchange Securities Trading Limited and is regulated by the Monetary Authority of Singapore (MAS) and/or JPMorgan Chase Bank, N.A., Singapore branch (JPMCB Singapore) which is regulated by the MAS. **Japan:** JPMorgan Securities Japan Co., Ltd. is regulated by the Financial Services Agency in Japan. **Malaysia:** This material is issued and distributed in Malaysia by JPMorgan Securities (Malaysia) Sdn Bhd (18146-X) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets Services License issued by the Securities Commission in Malaysia. **Pakistan:** J. P. Morgan Pakistan Broking (Pvt.) Ltd is a member of the Karachi Stock Exchange and regulated by the Securities and Exchange Commission of Pakistan. **Saudi Arabia:** J.P. Morgan Saudi Arabia Ltd. is authorized by the Capital Market Authority of the Kingdom of Saudi Arabia (CMA) to carry out dealing as an agent, arranging, advising and custody, with respect to securities business under licence number 35-07079 and its registered address is at 8th Floor, Al-Faisaliyah Tower, King Fahad Road, P.O. Box 51907, Riyadh 11553, Kingdom of Saudi Arabia. **Dubai:** JPMorgan Chase Bank, N.A., Dubai Branch is regulated by the Dubai Financial Services Authority (DFSA) and its registered address is Dubai International Financial Centre - Building 3, Level 7, PO Box 506551, Dubai, UAE.

Country and Region Specific Disclosures

U.K. and European Economic Area (EEA): Unless specified to the contrary, issued and approved for distribution in the U.K. and the EEA by JPMS plc. Investment research issued by JPMS plc has been prepared in accordance with JPMS plc's policies for managing conflicts of interest arising as a result of publication and distribution of investment research. Many European regulators require a firm to establish, implement and maintain such a policy. This report has been issued in the U.K. only to persons of a kind described in Article 19 (5), 38, 47 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is only available to relevant persons and will be engaged in only with relevant persons. In other EEA countries, the report has been issued to persons regarded as professional investors (or equivalent) in their home jurisdiction. **Australia:** This material is issued and distributed by JPMSAL in Australia to "wholesale clients" only. This material does not take into account the specific investment objectives, financial situation or particular needs of the recipient. The recipient of this material must not distribute it to any third party or outside Australia without the prior written consent of JPMSAL. For the purposes of this paragraph the term "wholesale client" has the meaning given in section 761G of the Corporations Act 2001. **Germany:** This material is distributed in Germany by J.P. Morgan Securities plc, Frankfurt Branch and J.P. Morgan Chase Bank, N.A., Frankfurt Branch which are regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht. **Hong Kong:** The 1% ownership disclosure as of the previous month end satisfies the requirements under Paragraph 16.5(a) of the Hong Kong Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission. (For research published within the first ten days of the month, the disclosure may be based on the month end data from two months prior.) J.P. Morgan Broking (Hong Kong) Limited is the liquidity provider/market maker for derivative warrants, callable bull bear contracts and stock options listed on the Stock Exchange of Hong Kong Limited. An updated list can be found on HKEx website: <http://www.hkex.com.hk>. **Japan:** There is a risk that a loss may occur due to a change in the price of the shares in the case of share trading, and that a loss may occur due to the exchange rate in the case of foreign share trading. In the case of share trading, JPMorgan Securities Japan Co., Ltd., will be receiving a brokerage fee and consumption tax (shouhizei) calculated by multiplying the executed price by the commission rate which was individually agreed between JPMorgan Securities Japan Co., Ltd., and the customer in advance. Financial Instruments Firms: JPMorgan Securities Japan Co., Ltd., Kanto Local Finance Bureau (kinsho) No. 82 Participating Association / Japan Securities Dealers Association, The Financial Futures Association of Japan, Type II Financial Instruments Firms Association and Japan Investment Advisers Association. **Korea:** This report may have been edited or contributed to from time to time by affiliates of J.P. Morgan Securities (Far East) Ltd, Seoul Branch. **Singapore:** JPMSS and/or its affiliates may have a holding in any of the securities discussed in this report; for securities where the holding is 1% or greater, the specific holding is disclosed in the Important Disclosures section above. **India:** For private circulation only, not for sale. **Pakistan:** For private circulation only, not for sale. **New Zealand:** This material is issued and distributed by JPMSAL in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money. JPMSAL does not issue or distribute this material to members of "the public" as determined in

accordance with section 3 of the Securities Act 1978. The recipient of this material must not distribute it to any third party or outside New Zealand without the prior written consent of JPMSAL. **Canada:** The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, or solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. The information contained herein is under no circumstances to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed judgment upon these materials, the information contained herein or the merits of the securities described herein, and any representation to the contrary is an offence. **Dubai:** This report has been issued to persons regarded as professional clients as defined under the DFSA rules. **Brazil:** Ombudsman J.P. Morgan: 0800-7700847 / ouvidoria.jp.morgan@jpmorgan.com.

General: Additional information is available upon request. Information has been obtained from sources believed to be reliable but JPMorgan Chase & Co. or its affiliates and/or subsidiaries (collectively J.P. Morgan) do not warrant its completeness or accuracy except with respect to any disclosures relative to JPMS and/or its affiliates and the analyst's involvement with the issuer that is the subject of the research. All pricing is as of the close of market for the securities discussed, unless otherwise stated. Opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The opinions and recommendations herein do not take into account individual client circumstances, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies to particular clients. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein. JPMS distributes in the U.S. research published by non-U.S. affiliates and accepts responsibility for its contents. Periodic updates may be provided on companies/industries based on company specific developments or announcements, market conditions or any other publicly available information. Clients should contact analysts and execute transactions through a J.P. Morgan subsidiary or affiliate in their home jurisdiction unless governing law permits otherwise.

"Other Disclosures" last revised May 4, 2013.

Copyright 2013 JPMorgan Chase & Co. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the written consent of J.P. Morgan.