

What's Hot Today:

► Macau gaming - Operators reported mixed bag results

MGM China, Galaxy Entertainment and Wynn Macau reported their 1Q25 results last week. The total GGR of the whole industry in 1Q25 was up 1% YoY, broadly in-line with consensus estimates. The YoY growth was led by the mass segment, while VIP market remained stable. Among the three operators, Galaxy Entertainment bucked the trend with growth, while MGM China and Wynn Macau both saw decline. The market share of MGM China returned to 15.7%, with both Wynn Macau losing grounds to Galaxy Entertainment which gained 2.5% market share YoY.

MGM China (2282 HK, HK\$11.26, HK\$42bn) 1Q25 results in line with higher-than-expected EBITDA

Total revenue experienced a 3% YoY drop to HK\$8.0bn in 1Q25. While property EBITDA amounted to HK\$2.4bn, down 5.5% YoY, 10% above consensus on lower non-gaming cost. Total GGR dropped by 7.2% YoY to HK\$ 8.8bn in 1Q25. This was the first YoY drop post-pandemic, mainly due to the high base in VIP business last year. VIP GGR was down 23% YoY to HK\$1.2bn, accounting for 13% of total. Mass GGR declined slightly by 4.4% YoY to HK\$7.1bn, while slot GGR was down 1.2% YoY to HK\$517mn, suffering a win rate of 3.2% in 1Q25 vs. 3.78% in 1Q24.

Galaxy Entertainment (27 HK, HK\$30.70, HK\$134bn) 1Q25 performance inline, beat the industry

Galaxy's revenue and EBITDA grew by 6% and 16% YoY to HK\$11.2bn and HK\$3.3bn, respectively, in line with the forecast. Non-gaming business remained stable, while gaming revenue increased by 16% YoY, with all gaming segments showing growth. Total GGR amounted to HK\$10.9bn, up 14%. VIP GGR recorded the largest growth, surging by 52% YoY, thanks to 21% increase in turnover and a higher-than-normal VIP win rate of 4.3%. Slot GGR rose 22% and mass segment also achieved low-double-digit growth.

China & HK Indices	CLOSE	1D	YTD
HSI	22,867	0.4%	14.0%
HSCEI	8,308	0.1%	14.0%
HSCCI	3,782	-0.3%	0.0%
CSI300	3,846	-0.2%	-2.3%
Shanghai A	3,503	-0.3%	-2.7%
Shanghai B	260	-0.0%	-2.7%
Shenzhen A	2,061	-0.9%	0.7%
Shenzhen B	1,184	-0.2%	-2.3%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	41,249	-0.3%	-3.0%
S&P 500	5,659	-0.1%	-3.8%
Nasdaq	17,928	0.0%	-7.2%
Nikkei Index	37,679	0.5%	-5.6%
FTSE Index	8,554	0.3%	4.7%
CAC Index	7,743	0.6%	4.9%
DA-X Index	23,499	0.6%	18.0%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	3,324	0.6%	25.0%
STEEL (US\$/oz.)	1,855	0.0%	3.9%
SILVER (US\$/oz.)	32	0.8%	13.0%
CRUDE OIL (US\$/bbl)	61	1.9%	-14.9%
COPPER (US\$/oz.)	9,445	0.3%	7.7%
ALUMINIUM (US\$/oz.)	2,417	1.5%	-5.3%
PLATINUM (US\$/oz)	1,001	1.7%	10.2%
ZINC (US\$/oz.)	2,653	1.4%	-10.9%
WHEAT (US\$/bu)	505	-2.4%	-8.3%
CORN (US\$/bu)	449	0.5%	-4.2%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,051	0.6%	2.2%
PVC (US\$/t.)	N/A	N/A	-6.8%
CRB	295	1.9%	3.0%
BDI		-5.5%	30.3%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.778	0.889	145.370	0.831	7.238
HKD	0.129		0.114	18.688	10.690	0.931
EUR	1.125	8.750		163.530	1.069	8.149
JPY	0.007	5.351	0.612		0.572	0.050
CHF	1.203	9.354	1.069	174.835		8.704
RMB	0.138	1.075	0.123	20.069	0.115	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	21	-3.4%

Source: Bloomberg

Wynn Macau (1128 HK, HK\$5.48, HK\$28bn) 1Q25 missed on VIP unfavorable win rate

Wynn Macau reported the lower-than-expected EBITDA and revenue in 1Q25, due to a drop in win rate. Total GGR dropped by 12% YoY to US\$885mn. VIP GGR declined by 34% YoY, as the win rate contracted 1.12ppts YoY to 2.21% despite rolling chip volume maintained at US\$5.4bn. While both slot and mass segment recorded mid-single-digit decreases.

Our view: During the Labor Day holiday, these three operators saw positive performances. Galaxy Entertainment has outperformed the market level, and it is expected to gain market share in 2Q25. MGM China saw strong performance pre-holiday. Meanwhile, mass turnover of Wynn Macau rose YoY, and the hotels were fully occupied. The growth pace of Macau's gaming industry has largely been normalized, with a softer competitive environment compared to 2024 as the reinvestment rate stabilized. However, as Galaxy Entertainment and Sands China will complete their renovations in Q2-Q3 2025, the other four operators are expected to have pressure going forward. MGM China, Galaxy Entertainment and Wynn Macau are trading at 9.3x, 15.3x, 9.0x FY25E P/E, respectively. (Ensley LIU)

Fig.1: MGM China financial summary (HK mn)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
VIP segment									
VIP turnover	18,698	32,450	24,711	37,048	65,151	31,933	22,714	28,990	32,511
VIP win rate	3.99%	3.45%	3.93%	3.02%	2.30%	2.75%	3.20%	3.26%	3.54%
VIP GGR	747	1,118	970	1,120	1,499	878	727	944	1,151
Mass segment									
Mass table drop	17,067	22,518	25,843	29,396	29,891	29,978	26,851	27,845	28,220
Mass win rate	24.04%	21.80%	21.46%	23.32%	24.86%	24.48%	24.93%	25.64%	25.18%
Mass GGR	4,103	4,908	5,545	6,855	7,431	7,340	6,694	7,139	7,105
Slot segment									
Slot machine handle	8,194	10,879	12,144	14,095	13,834	14,701	14,611	16,124	16,113
Slot machine win rate	4.25%	3.73%	3.39%	3.70%	3.78%	3.91%	3.40%	3.89%	3.21%
Slot GGR	348	406	412	521	523	575	497	628	517
Total GGR	5,198	6,432	6,927	8,496	9,453	8,792	7,918	8,711	8,773

Source: Company Data, Sunwah Kingsway Research

Fig.2: Galaxy Entertainment financial summary (HK mn)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
VIP segment									
VIP turnover	21,548	29,054	32,459	34,599	38,457	46,155	44,459	51,808	46,375
VIP win rate	3.70%	3.20%	2.50%	2.63%	3.38%	3.01%	2.50%	3.00%	4.30%
VIP GGR	794	931	813	909	1299	1,391	1,100	1539	1978
Mass segment									
Mass table drop	20,675	26,254	29,906	30,696	31,471	32,370	31,726	32,256	32,190
Mass win rate	23.90%	23.90%	24.90%	25.50%	24.56%	25.61%	26.40%	27.00%	25.60%
Mass GGR	4934	6285	7441	7,826	7,728	8,291	8,386	8,707	8,230
Slot segment									
Slot machine handle	8,576	11,627	14,298	16,383	19,043	22,370	26,503	27,464	25,562
Slot machine win rate	3.90%	3.80%	3.40%	3.10%	3.15%	2.94%	2.50%	2.80%	2.90%
Slot GGR	337	443	492	508	600	658	666	780	729
Total GGR	6,065	7,659	8,746	9,243	9,627	10,340	10,152	11,026	10,937

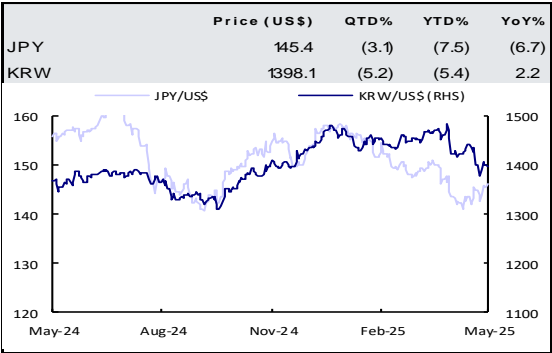
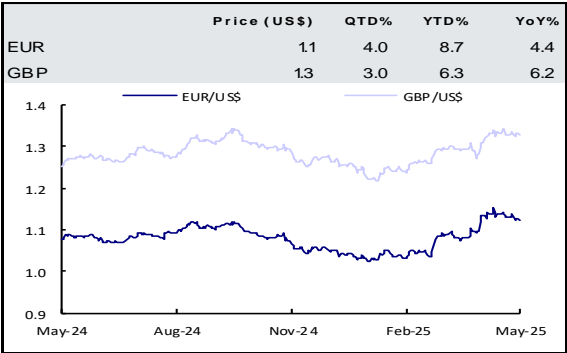
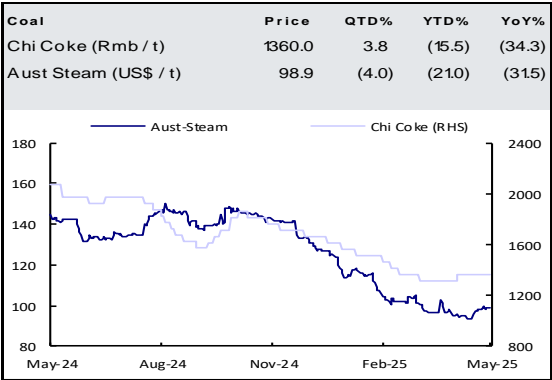
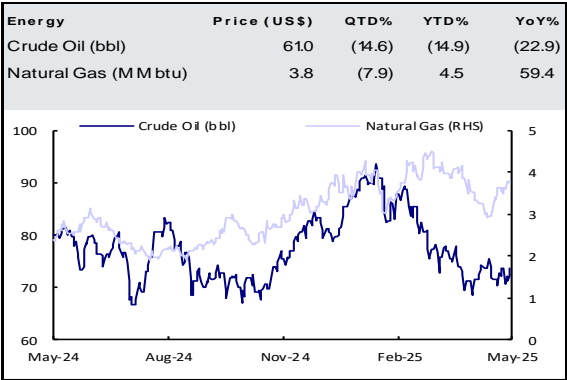
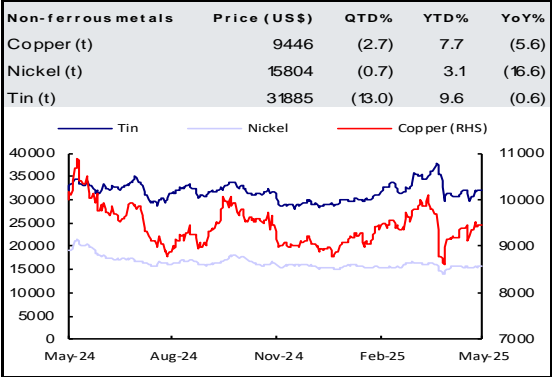
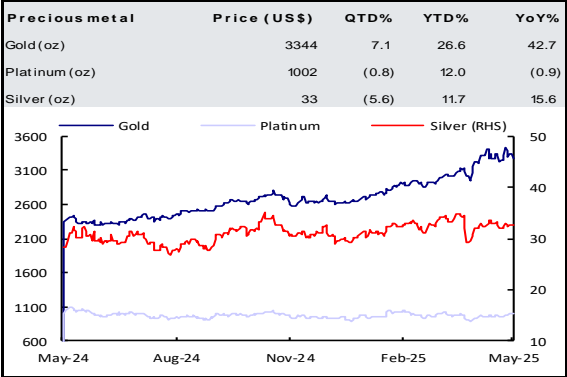
Source: Company Data, Sunwah Kingsway Research

Fig.3: Wynn Macau financial summary (US\$ mn)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
VIP segment									
VIP turnover	3,438	4,433	4,059	4,567	5,511	3,974	4,401	4,154	5,442
VIP win rate	2.71%	4.22%	3.45%	3.40%	3.33%	3.54%	3.20%	3.90%	2.21%
VIP GGR	93	187	140	155	183	141	141	162	120
Mass segment									
Mass table drop	2,172	2,730	3,110	3,270	3,465	3,341	3,210	3,221	3,247
Mass win rate	19.76%	19.13%	20.28%	21.47%	22.04%	20.66%	21.32%	22.11%	21.89%
Mass GGR	429	522	631	702	764	690	684	712	711
Slot segment									
Slot machine handle	1,016	1,099	1,204	1,277	1,326	1,445	1,393	1,490	1,588
Slot machine win rate	4.10%	3.91%	3.19%	3.79%	4.31%	3.57%	3.71%	3.50%	3.38%
Slot GGR	42	43	38	48	57	52	52	52	54
Total GGR	564	752	809	906	1,004	883	877	927	885

Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
CPI	MoM		13-May-25
Initial Jobless Claims	WoW		15-May-25
PPI	MoM		15-May-25
Business Inventories	MoM		15-May-25
Retail Sales	MoM		15-May-25
Industrial Production	MoM		15-May-25
Housing Starts / Building Permits	MoM		16-May-25
Existing Home Sales	MoM		22-May-25
New home Sales	MoM		23-May-25
Durable Goods Orders	MoM		27-May-25
Consumer Confidence	MoM		27-May-25
GDP	QoQ		29-May-25
Wholesale Inventories	MoM		30-May-25
Personal Income & Spending	MoM		30-May-25
ISM Manufacturing PMI	MoM		2-Jun-25
Factory Orders	MoM		3-Jun-25
Trade Balance	MoM		5-Jun-25
Employment Report	MoM		6-Jun-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		11-May-25
Retail Sales	MoM		19-May-25
Industrial Production	MoM		19-May-25
PMI Manufacturing	MoM		31-May-25
Foreign Exchange Reserves	QoQ		7-Jun-25
Trade Balance	MoM		9-Jun-25
PPI	MoM		9-Jun-25
CPI	MoM		9-Jun-25
GDP	YoY		15-Jul-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
GDP	QoQ		16-May-25
Unemployment Rate	MoM		20-May-25
CPI	MoM		22-May-25
Trade Balance	MoM		26-May-25
Money Supply - M2	MoM		30-May-25
Retail Sales	MoM		2-Jun-25
PMI	MoM		4-Jun-25
Foreign Currency Reserve	MoM		6-Jun-25
Producer Prices Index	QoQ		12-Jun-25
Industrial Production	QoQ		12-Jun-25
Composite Interest Rate	MoM		

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