

Moody's predicts slight improvement for gaming industry in 2011

By Steve Green, Las Vegas Sun

Analysts at Moody's Investors Service are a bit more optimistic about the U.S. gaming industry, issuing a report Wednesday projecting gaming revenue will grow 1-2 percent and casino operator profits will increase 2-4 percent in 2011.

This is an upward revision from Moody's previous estimate for 2011 gaming revenue to come in flat – between a decline of 1 percent and increase of 1 percent. The previous estimate for industry operating profits was that they would decline by as much as 2 percent or grow by as much as 2 percent.

Sustained increases in gaming revenue would signal a turnaround for the industry, which endured declines in 2008, 2009 and most of 2010.

Moody's made headlines in June by upgrading its gaming industry outlook to stable from negative, signaling the casino industry decline may have bottomed out.

Moody's on Wednesday updated the outlook, maintaining the stable outlook but saying "our outlook has a positive bias."

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