



## Gaming and Lodging Outlook

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In this section of the report, we present our 2018 fundamental outlook for all of the gaming markets we cover. Here we provide our short-term and long-term views based on our current expectations.

### Regional Markets: Positive Outlook for 2018

Over the last twelve months, gross gaming revenue at regional markets increased \$743 million to \$29.3 billion (+2.6% versus \$28.5 billion) owing primarily to the incremental contribution from new supply in Maryland (National Harbor) and New York (del Lago, Rivers and Jake's 58).

Exhibit 1: Regional Gross Gaming Revenue (\$ Millions)

	2010	2011	2012	2013	2014	2015	2016	LTM
Colorado	\$760	\$750	\$766	\$749	\$746	\$790	\$811	\$819
New Mexico	247	249	241	241	258	266	242	238
<b>Western Market</b>	<b>\$1,007</b>	<b>\$999</b>	<b>\$1,008</b>	<b>\$990</b>	<b>\$1,004</b>	<b>\$1,056</b>	<b>\$1,053</b>	<b>\$1,056</b>
% change	2.9%	-0.8%	0.9%	-1.8%	1.4%	5.2%	-0.3%	0.9%
Illinois	\$1,374	\$1,477	\$1,639	\$1,552	\$1,465	\$1,439	\$1,414	\$1,406
Indiana	2,794	2,721	2,614	2,412	2,228	2,216	2,216	2,227
Iowa	1,368	1,424	1,467	1,417	1,396	1,424	1,445	1,453
Kansas	38	48	341	365	354	337	364	381
Michigan	1,378	1,424	1,417	1,350	1,333	1,376	1,386	1,400
Missouri	1,788	1,805	1,768	1,707	1,660	1,702	1,715	1,727
Ohio			430	1,071	1,458	1,644	1,692	1,756
Oklahoma	100	106	113	113	113	111	113	120
South Dakota	106	101	107	103	101	102	102	101
<b>Midwest Market</b>	<b>\$8,946</b>	<b>\$9,107</b>	<b>\$9,895</b>	<b>\$10,089</b>	<b>\$10,107</b>	<b>\$10,350</b>	<b>\$10,447</b>	<b>\$10,571</b>
% change	0.7%	1.8%	8.7%	2.0%	0.2%	2.4%	0.9%	1.0%
New Jersey	\$3,564	\$3,316	\$3,051	\$2,862	\$2,619	\$2,414	\$2,406	\$2,411
Connecticut	1,385	1,346	1,230	1,145	1,067	1,044	1,054	1,062
Delaware	571	548	521	432	404	405	399	404
Maine	62	59	99	126	127	130	133	135
Maryland	28	156	378	749	931	1,098	1,203	1,568
New York	1,088	1,260	1,802	1,926	1,898	1,951	2,018	2,288
Massachusetts	0	0	0	0	0	88	155	164
Pennsylvania	2,486	3,025	3,158	3,114	3,069	3,174	3,213	3,217
Rhode Island	477	513	528	558	611	616	619	626
West Virginia	872	954	943	809	717	685	662	619
<b>Northeast Market</b>	<b>\$10,533</b>	<b>\$11,176</b>	<b>\$11,710</b>	<b>\$11,721</b>	<b>\$11,444</b>	<b>\$11,606</b>	<b>\$11,862</b>	<b>\$12,493</b>
% change	1.7%	6.1%	4.8%	0.1%	-2.4%	1.4%	2.2%	5.5%
Mississippi	\$2,391	\$2,235	\$2,251	\$2,147	\$2,068	\$2,097	\$2,122	\$2,066
Florida	329	381	428	468	507	531	546	543
Louisiana	2,374	2,374	2,404	2,443	2,473	2,649	2,538	2,557
<b>Southern Market</b>	<b>\$5,094</b>	<b>\$4,990</b>	<b>\$5,083</b>	<b>\$5,058</b>	<b>\$5,048</b>	<b>\$5,276</b>	<b>\$5,206</b>	<b>\$5,166</b>
% change	-0.8%	-2.0%	1.9%	-0.5%	-0.2%	4.5%	-1.3%	-0.6%

Source: State gaming agencies and Deutsche Bank