

WORK BOOK

11

THE

STAVROS

FACTOR

# **THE STAVROS FACTOR**

## **A Professional Punter's Guide to Winning at the Races in the 21<sup>st</sup> Century**

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## INTRODUCTION

Over the past 35 years I have been involved in many forms of gambling with my first true passion being horse racing. I have played cards, dice, roulette, two up, bet on trots, dogs but I always come back to horse racing as being the only medium that has consistently provided me with a positive outcome.

I was as many of us were as young men, full of enthusiasm and with the feeling that I was “Bullet Proof” and untouchable with anything that I chose to do. What a rude awakening I was in for. It was not uncommon to go to the races on Saturday afternoon, follow that with either the trots or dogs and if that wasn’t enough, go and play cards until the

morning. It took me many years to work out that I was winning at the races and the other vices were eating up the profits.

### Why Am I Writing This Book?

The idea of this book is to hopefully help others that share my passion for horse racing get to a better place without having to experience all the “pain and misery” that I endured whilst doing my punting apprenticeship. There were several people that helped me in the early years and that continue to be there for me whenever I need any guidance or assistance and I will forever be thankful and grateful for all their help over many years.

There have been many changes during that time and now with the latest technology and gaming options that are available, our Industry has seen a gradual decline in numbers over the last 10 years.

With that in mind, the aim is to look at all aspects of the gaming section of the thoroughbred racing industry.

My intentions are two fold. Firstly to give newcomers an opportunity to get a better understanding of what is available to them when deciding to get involved in the “punting game” and secondly, to give those of us that have been involved in the racing industry for many years an opportunity to look at the latest options that are available.

As has been written many times in the past, it’s the punters that drive our industry and unfortunately very little is done to encourage new clients. Over the last 12 months or so I have been involved with many newcomers and what was clearly evident to me was the lack of knowledge and understanding of what is actually available in the market place in the following categories:

- Form Analysis Software
- Form Providers
- Ratings Services
- Tipping Services
- Corporate Betting Agencies/Betting Exchanges
- TAB Services

Most people simply don’t know where to start other than the basics of knowing what a bet is. The feedback that I have received from many is “that’s its all too hard” so they don’t get involved and look to easier options such as pokies and casino’s plus online gaming options. These people are lost to our industry.

My hope is that by providing a step by step approach that has the most current information available (rather than reading old books that are well out dated in respect to what is available nowadays), those people that are interested will have that interest stimulated and get involved in our industry.

When I first became interested in the horse racing game I was merely 17 years old, not even allowed to bet but that did not stop me. I pursued my interest and was very fortunate to have a “mentor”, Anthony H who had an abundance of knowledge of the industry and was happy to show me the ropes, it was here that I was introduced to doing form analysis and analyzing races looking for the best chances based on a series of factors rather than following the markets and betting the favorite simply because it was the favorite

One of the first things I learned and it has remained with me all these years, when you think that a horse can win a race, you need to back that up with “logical reasons”

We used to get together on Friday morning to do the form; this was in the days when most racing was on Saturday with meetings on Wednesdays and Thursday with the occasional Sunday. Its a far cry from the 7 days a week we can bet nowadays plus international racing and in the very early days, no computers, all the work was done using a card system with the data being recorded in that format.

The one thing that Anthony always demanded was” don’t tell me a horse can win” “tell me why it can win” and the same applied to any horse that I felt couldn’t win. It was a simple rule that took years to understand and apply. If I made a statement either way regarding a horse’s chance in my opinion, I had to support it with 4 reasons either way, sounds easy, many times it is, sometimes it is not that easy to find 4 logical reasons to include or exclude a horse when considering chances in a race.

Now, 35 years later, still using the same rule albeit with the latest technology and software analysis tools, this task has been made far easier.

It is this type of knowledge and hopefully wisdom that I have acquired over all those years that I feel I should share and pass on to a new generation of punters that are coming through the ranks and even to some of the punters that like me have been around for quite sometime, we are always learning everyday and keeping an open mind and making one’s self available to change is what keeps us alive in this most difficult of professions to master.

I hope that this book will provide both entertainment and knowledge that will assist you in the future.

## Gambling

Many people enjoy gambling, whether it is horses, dogs, cards, casino games, poker machines, lotto, on-line poker or any other online games.

The common denominator for all of us that get involved with any of these forms of betting, WE ALL WANT TO WIN. There is that rare breed that likes to play for “fun”, I don’t know anyone that fits into that category and if they do, a couple of good wins or losses will soon take the fun out of it.

The diversity of gambling is extensive and that leads to the “pitfall” of spreading yourself too thin by playing in too many options, this is what I did for many years to my detriment

in those early years. That does not mean that you should not play anything else if you are involved in horse racing; simply don't use the same bank for everything. If you must play something else then set up individual banks for each form of betting that you wish to involve yourself in and that way you will maximize your profits where you are winning.

## Chapter 1                      GETTING STARTED

Before anyone can think about betting there are some very important set up procedures that in my opinion are vital when looking at being consistent and successful in the punting game. These procedures individually may seem to carry less significance but collectively will have a direct bearing on the overall performance in the punting game and I strongly recommend that each person take considerable time when looking at their initial set up and ensure that you are completely comfortable in the understanding of what you are about to do.

### 1.1     Setting up the bank"

This will be the most difficult decision that will need to be made. Many factors come into determining the "where's what's and why's" of betting and my advise would be to take plenty of time considering all options available to you and not to blindly jump in and just start betting.

One of the first and possibly the most important considerations is the "BANK". How much can you afford to set aside as a starting bank? This is not the same question as how much can I afford to bet each day? Far from it, answering these questions correctly will either give you the opportunity to win or alternatively lead to "pain and misery"

By setting aside a "Bank" to be used specifically for betting you will eliminate much of the pressure associated with using money that should be earmarked for other things in the household. This is generally what causes many the most grief.

You need to determine the size of the bank and this in turn will determine the size of the bet. At ALL TIMES you must bet WITHIN YOUR MEANS

### 1.2     What am I going to bet on?

Secondly, how are you going to bet? You need to select a betting method, are you going to be straight out or are you going to bet exotic styles, quadrella, trifecta, and pick 4, exacta or quinella. You can bet a combination of all or any of these but again, a separate bank should be set up for whatever you choose to do. For many punters the exotic methods available give the "Illusion" that for small investment big things can be achieved. Yes, in some cases this will be true but in the long term it is very difficult to sustain therefore a combination of strategies may be of greater benefit. Accurate betting records need to be kept. (This will be discussed in more detail in a later chapter) This is critical for 2 reasons.

It will give you an accurate assessment of your betting when recording all transactions and will help maximize profits in the betting sector that is producing the best results rather than using the good results to offset the losses associated with your other methods of betting.

### 1.3 How much should the bank be?

Each person will have a different response to this question and it will depend on individual circumstances. The size of the bank is not the be all and end all, simply having a big bank does not guarantee that you will win. It's the betting strategy that will determine that and a small bank can be built up albeit more slowly than perhaps with a big bank, ultimately it's proportionate to investment.

### 1.4 How much should I bet?

Every person has a different "Comfort Threshold" and when people get out of that comfort zone is when things can and generally "Go Wrong"

The most common case is when a losing run is in play and as is with most conventional staking methods, your bets get larger following losing bets and you effectively go into "chasing mode". This is when mistakes get made; opportunities get missed due to the extra pressure that has been exerted "trying to get square".

### 1.5 The Comfort Zone

The "Comfort Zone" for each punter is going to vary drastically and you must bet amounts that always allow you to be comfortable and to "enjoy" your betting otherwise you will pressure yourself into errors. There is little point betting that much that you are stressed and under duress, simply be honest with yourself and bet what you are comfortable with. It is not a competition amongst punters and NEVER concern yourself with what someone else may be doing, just concern yourself with what YOU have put in place and remain focused on that.

### 1.6 The Psychology of Punting

Whilst there are many factors that can influence a punter's success, the key element in achieving Goals and Success is directly linked the "Psychology" of Investing on horses.

There are many punters that deal with losing as a "normal" part of betting on horses and can always find reasons why they lost, "it looked a tough day on paper and panned out that way", "I was a little unlucky in race 6" so on and so on, there are a million reasons we can find.

I believe that if you are in the right frame of mind, pressure free, have the tools that will afford you every opportunity to win, then success is "YOURS FOR THE TAKING"

We cannot win every day” and if you can come to grips with that simple fact then you are well on the way to success. It sounds simple but in reality many punters have a very difficult time accepting this “simple fact” and in many cases this leads to their eventual downfall.

When the losing run comes and it will come, the “chasing mode” is the last thing you should be considering; it is patience and consolidation that is required and essential in the long term view. How many times have we heard the story “ I went broke one race too early and then all my selections won after that” It is a very common story that has happened to each and every one of us at some stage during our betting life, it is “whether we have learned anything from it” , that is the key.

“Greed” is our enemy and if you can avoid that situation you are well on the road to winning.

Never allow “EGO” to play any part in your strategies.

IF you have answered ALL these questions and have come to a comfortable understanding of what is required to set yourself up to consider having a bet, THEN and ONLY THEN do you move on to the next step.

## Chapter 2 WHAT DO I USE?

Once you have the fundamentals in place in relation to the questions asked in chapter one, the next question that you need to ask yourself is how am I going to decide what races I am going to bet on.

Thirty five years ago this was not as difficult a question and the options were very limited in comparison to today’s abundance of options. Back then there were only a handful of ratings services, very limited form analysis options other than the manual approach. In those days we did everything manually using The Sportsman and a card system for keeping all the form data, this was then manually assessed and all runners were compared and a theoretical market was calculated based on all the manual assumptions that were addressed. What a long way we have come since then. Today there are many ratings services, a selection of form analysis tools and software that can do what used to take many hours in a matter of minutes. We have television coverage on a daily basis of most meetings, trial form can be viewed, data and information at our fingertips to be used whenever we choose so it begs the question, WHAT do I use??

The most important question you need to ask yourself is “HOW MUCH TIME DO I HAVE TO DEVOTE TO THIS”. This simple question will help you determine what may well be the possible option for you.

If you have considerable time at your disposal and feel that you have a reasonable understanding of the racing game then my advice would be to look at the various form analysis software packages that are available in the market place, select the one that most suits the format that you wish your analysis to take and use that to do your own analysis.

If you are “new” to the racing game, have time and wish to learn all aspects of form analysis, then form analysis software is definitely a positive option.

On the other hand, if your time is limited or you only bet on the weekends for example, then a ratings service may be of more benefit to you given the limited time frame you are working with.

Firstly, there is a considerable difference between a ratings service and a tipping service. A ratings service will cover a majority of races on any given race day obviously based on what criteria they use to assess races, for example, any race that has un-raced runners in it can not possibly be accurately assessed as the un-raced runners have no data that can be compared against the raced runners, these races will most likely be omitted. The races that are rated will give you all the runners rated position, possibly with a rated price but certainly in rated order, you as the subscriber can then use those ratings as you see fit.

A tipping service will give you limited selection in a few races on any given day; my experience with many of these types of services is that most of them will give you selections that will be the favorite in the race, possibly a high strike rate with a very low average dividend. Many of these services give you a single selection with no options.

When you are assessing what method may suit you the best, COST will always be a major factor in the final decision.

## 2.1 What is it going to cost?

The form analysis software packages will vary from approximately \$1500.00 to \$5000.00 depending on what you decide on. This is the upfront cost of the software. You must also consider on-going costs, data downloads, possibly data base maintenance, possible upgrades to the modules. These costs can run into several hundred's of dollars each year but are required to maintain the performance of the software.

The advantages of using these types of packages is that you are in control of what criteria is used when assessing races and as a user, you can implement, test and change these to suit your own thoughts and ideas.

Ratings services are in general considerably cheaper with a small upfront outlay being required. Basically you can buy months subscription and if you don't like it, change to another service.

There are many such services available and it's a matter of looking and reviewing past performances to see if the service suits your needs.

ONE piece of advice, stay WELL CLEAR of services that turn \$10 into \$10,000 in a week with limited selections, give no past information other than listing a few big price winners that they supposedly selected. Look for a service that has been around for sometime, website is easily accessible, someone can be contact by phone (not a 1300 or 1800 number) post results daily that you can view after the days races have ended without having to subscribe, are being produced by reputable people that are known in the industry, can provide statistical data breakdown on selection performance if requested and possibly one of the more important aspects, give you the opportunity for bet runners at "Value" prices. The word "value" has been bandied about for many years, what one person may consider value, others do not. I have over the years seem many come and go calling at 6/4 Fav value because it should be odds on, this in my opinion is not value but in the long term, a certain recipe for disaster.

I can relate one such "Value" bet many years ago in Perth that will possibly put it in some context. An excellent sprinter named Warian was in a race, prohibitive odds straight out 1/4, the "value" was the 1/8 available concession (money back if it runs second or third) a safe bet for sure in a field of very ordinary runners, not only should it win but the worst case scenario is that in the unlikely event that something was to go wrong, it will still run 2<sup>nd</sup>, nothing lost but can pinch something. A \$40,000 bet to win \$5,000, over 20yrs ago, a substantial wager in anyone's language, it ran an unlucky 4<sup>th</sup> and the bank was decimated. I acknowledge that value is in the eye of the beholder but in my humble opinion, there is NO value betting at the very short end of the market (Odds On). A lesson well learned in the early days that stood me in very good stead ever since, never bet odds on in any scenario.

"Don't count your winnings day by day", that may be a distorted figure. It is better to look at the overall 12 month performance that allows for highs and lows, in reality it is what you finish with at the end of the year that matters. The best way to achieve this is to think long term and bet value selections. Obviously you won't back every winner but if your strategy is sound, you will end up winning. Winning is the long-term goal.

Depending on what format you decide to use, either form analysis software or ratings services, you need to know how using each method could impact on you.

## 2.2 Form Analysis Software

Many punters have the delusional belief that by simply purchasing a computer and software that all the form will somehow be completed with the simple push of a button. Nothing could be further from the truth. The application of software when doing analysis is merely a "crunching tool" that quickly gets through the tedious work of data analyzing, something that may have taken many hours manually is now completed in a fraction of the time. The advantage of this is now you have sufficient time to further analyze the data and fine tune your selection procedures based on your own specific selection criteria. All the basic analysis relating to weight, form, track conditions, class, jockeys, times are

applied equally to all runners based on the selected parameters with no emotional input of any kind, and it's simply a numbers exercise. Once this function has been completed, that is when the "analysis skills" of the operator come into play and this is where there are no short cuts, substitute for hard work or knowledge. All these factors come into play and this is what will separate the "men from the boys". (More will be discussed in other chapters)

There are generally two trains of thought when punters apply form analysis techniques.

Firstly, and this is my personal method, the analysis procedures dissect all components of each runner in a race, apply all bonuses and penalties, apply manual adjustments to factor in additional information that may be available and come up with a final set of ratings which in turn are then used to make final betting selections based on betting strategies that each user has elected to apply. (More on this in a later chapter)

Secondly, after completing the analysis procedures using the form analysis software, the user then applies to the rated order of runners in a race a set of rules in the form of a system, thus fine tuning the selection procedure using specific criteria. These rules can be in many forms and can be used to either select or eliminate a rated runners based on the specific criteria set.

There is merit in both forms of analysis and there has been much written about the merits for and against either format. It will be something that each individual punter will determine based on their own thoughts and ideas on what are relevant in their chosen procedures.

### 2.3 Ratings Service

Those selecting this format have the luxury of having all the hard work done for them by the services' racing form analyst. Basically you ready to go, all you need to do is determine what betting strategy you are going to apply, what staking method will be used and which days you choose to bet on. You can of course use your selected ratings and apply personal filters to the rated runners to either select or eliminate a selection. As an example, you may elect to only support the top rated selection if it's drawn barrier 1 to 8 and ridden by a top 10 ranked jockey and must be between \$3.00 and \$6.00 in the market. These types of specific selection criteria can only be applied manually to the rated order but can be used effectively to streamline the number of selections if one chooses to do so.

## Chapter 3 BETTING

Nowadays there are many options available to punters. The key is to find the method that best suits your needs. The method you select will be an individual preference.

This decision will be based on several factors including

Size of bank

Time restraints

Whether you will apply one betting strategy or a combination of strategies

Most punters that use either form analysis software or ratings services tend to favor the win betting option as the backbone of their betting strategies.

Win betting-for most it is the simplest to maintain, the selections are generally clear cut and recording is a simple procedure. The staking of the bets in this form of betting is also not complex.

By applying Dutch betting-win betting multiple selections in race punters can provide a built in safety net by allowing more chances for a collect but staking becomes critical.

Place betting gives the illusion of safety but in reality needs to be supported by a very high strike rate given that the average dividend associate with the high strike tends to lean towards backing the favorite or second favorite with a low dividend return. The TAB takeout with rounding is about 20% and here lies the problem. It is more difficult to shop around for best place dividends. A problem arises when a mini losing run occurs it can be difficult to get back into the game.

Each way betting falls into the same category and I personally believe that this form of betting provides very little value mainly due to the place component which in many cases the TAB's paid is less than the  $\frac{1}{4}$  for place calculation.

The various form of exotic betting listed below give punters varying degrees of value when building a bank but are difficult to sustain over a period of time with extended run of outs being common.

The introduction of flexi betting (see below) has made some forms of exotic betting appear reasonably attractive in so far that for a smaller investment punters can try "their luck". That is the catch phrase and what you are trying to avoid, punting for luck. I have found that many punters tend to invest in races that they may not considered originally because it doesn't cost much, you will be stunned as to how much that will cost you in the long run.

That is not to say that it is not a viable betting option, it can be with the right selection method and strict control especially when used as part of an overall betting portfolio.

One of the best forms of exotic betting is the quadrella. It is not an easy method as you need to select the winner of four specified races at a meeting but with multiple selections in the legs plus the option to apply flexi betting; it is an attractive option for many punters.

Betting trifecta and pick 4 is also a very common option but can be difficult to sustain profitability over a period of time basically due to the extensive run of outs that can occur.

The options to bet quinella and exacta are in my opinion the least attractive basically due to the size of the pools. Over the years these forms of betting have seen a gradual decline in interest with the introduction of pick 4 and quadrella betting and any substantial

investment will virtually guarantee a major reduction in the dividend. The same can be said of running doubles and to a lesser extend daily doubles. Whilst these forms of betting were popular 10-15 years ago, they have lost much of that popularity nowadays and again offer very little in the way of value.

Many of the betting options discussed above are available with most TABS' and corporate bookmakers also offer some options. If you are considering betting any of these options with the corporate bookmakers make sure you read all the terms and conditions and check to see what dividend you are going to be paid plus if there is a maximum limit on the payout amount.

## Chapter 4 I AM READY TO START

After reading the first few chapters and using the guidelines set out you have established the format that you are going to apply in your punting career, many may think that they are ready to "rock 'n roll" NOT QUITE!!

### 4.1 Setting up Accounts

Having reached this point, the next subject that needs scrutinizing is where to bet. In days gone by this was an easy question to answer, you had a choice of TAB or bookmakers on course. This of course has gone ahead in leaps and bounds over the last 10 years to the point that we are saturated with options. The key is to determine which options best suit your needs.

First, eliminate betting on ONE TAB. Betting in this format will in the long term have a detrimental affect on your profit margins. In the old days we had no choice and most punters bet on the TAB in their State, as time went on, multiple accounts were opened to bet on all the TABS.

Nowadays, most corporate betting agencies will as a minimum offer the "Best of Two Totes" on all provincial and country meetings and "Best of Three Totes" for most metropolitan meetings. This will give you the opportunity to at the very least get the best Tote prices but there are other options available to compliment that option. Many of the bigger corporate betting agencies will offer top fluctuation (usually qualified by having to place your bets well before jump time) fixed odds are also available on better quality provincial meetings and all metropolitan meetings.

The prices will change based on investment and can vary between betting agencies. With this in mind, you should consider operating more than one of these types of account. Many of these corporate betting agencies also offer exotic betting options. You should be VERY WARY and make sure that you READ ALL THE CONDITIONS associated with this type of betting. In most cases there are maximum payout restrictions and you may also find that you are limited to one TAB site for all dividends. As a very minimum, two accounts should be operating.

Before deciding where to open a account, spend some time reviewing as many sites as you possibly can, reading all the terms and conditions so that you have a complete understanding of what is involved

Many of the Corporate betting agencies also offer “SIGN UP BONUUSES” Take particular notice of what is being offered, some will give you are deposit bonus of up to 25% on your initial deposit.

The conditions under which this bonus is paid will be in the terms and conditions. In most cases it’s fairly straight forward. The bonus is paid once you have either turned over the initial deposit in bets or simply added to your deposit in the form of free bets. The free bets will vary from bookmaker to bookmaker, some will allow the free bets to be applied to any races the punter chooses, others will allow the free bets to be applied on selected races, others will restrict the free bets to Sports Betting (usually on very short priced markets therefore limiting the exposure to risk with the free bets) It is a very competitive market and my advice is to shop around and get the best possible deal for yourself. My preference is to look for those bookmakers that are offering a deposit bonus with free bets that can be placed as you choose with no restrictions on the event. Please note that this is not free money, the stake is deducted from any winning bets and only the net profit on the bet will be added to your account. Example if you have \$200 to win at \$5.00, the total collect is \$1,000, the amount credited for the win will be \$800.00

Most sign-up bonuses will possibly have a turnover rule. What this means is you will be required to turnover your deposit before you can withdraw money if you redeem the bonus. Turnover simply means you need to bet the value of money you deposited, but you can bet it in any denomination e.g. Deposit \$500 / you have to bet \$500 before you can withdraw funds. The turnover rule will apply with any winnings you earn from your bonus. E.g. win \$100 from a free bet / you have to bet \$100 before you can withdraw funds.

Now turnover is not a scary thing. But do be careful to check the terms of the turnover rule before you choose your betting agency – some betting agencies may make you turnover up to 5-times! E.g. Deposit or win \$500 / you have to bet up to \$2,500 before you can make a withdrawal.

Typically, the bigger the carrot (i.e. bonus offer), the more times you will need to turnover funds. Choose wisely!”

“How to Beat the Turnover Rule”

Many punters are often unhappy when they learn they have to turnover money in their account before being allowed to make a withdrawal. But it is easy to beat!

Let’s assume you have won \$500 on a Free Bet. Instead of turning this over in small bets and risking a large amount of your bank roll, what you do is arbitrage and play two sides of a line in a sports bet.

Here is an example:

Team A is \$1.32 and Team B is \$3.30 for the win. If you bet \$357 on the \$1.32 odds your collect (incl stake returned) is \$471.24 and if you bet \$1.43 on the \$3.30 odds your collect (incl stake returned) is \$471.90. This means no matter which team wins, you will still be ahead at least \$470 and can now make a withdrawal, thus minimizing the risk of losing most of the \$500 you have to turn over.

Knowing this means it's evermore important you understand what the turnover rule is when you join a betting agency and claim a Bonus! For example, Sportsbet has a once only turnover rule on its first deposit bonus and its free bet winnings bonus".

In addition to the corporate bookmakers we now have the option of using betting exchanges. Betfair adds another dimension to the wagering options. Punters now have the choice of betting or "laying" the runners. By laying, punters are in effect bookmaking and are acting as a bookmaker in the transaction. During the betting cycle punters can both bet and lay runners. The bets are between punters and a commission is paid on the net result of the betting for each race. The amount of the commission will vary based on your turnover.

Having monitored the betting transactions for some time at Betfair, the odds offered will be better than what is achievable with "best of three totes" with significantly better prices being offered on the longer priced runners in many cases.

For those that may be considering using Betfair, you need to be aware that the amount of the investments will have an impact on the transactions. The amount that can be placed will vary significantly from day to day especially on the country and lesser provincial meetings. It is perhaps less of an issue with Saturday and better midweek meetings but large bets may be difficult to place as one bet and you may need to make several investments to get the total matched.

Few punters realize it, but if you are serious about being a successful long-term punter then the ability to get the best available odds is just as important as being able to select winners.

The TAB percentage takeout is approximately 15% in the win pools and closer to 25% in the exotic betting pools. By availing yourself of all the options you can reduce this margin and bet into markets that are between 100-108%, it may seem insignificant but 10% at the end of the year is the difference between a winning year and a possible losing year, it's definitely worth the initial effort in setting up.

(Betting account options discussed in later Chapter)

Listed below are some of the better options available.

#### 4.2 Top Fluctuation

You are guaranteed the official on-course top fluctuation irrespective of whether the horse drifts or tightens in the market during betting. The top fluc option is offered by most bookmakers and in many cases a better option to TAB prices for horses under 7/1 (\$8.00) Most bookmakers require the bet to be placed at least 30 minutes prior to the advertised starting time of the race.

#### 4.3 Best Tote

All corporate bookmakers offer variations of this service. Most offer the best of three totes for all metropolitan racing with some also offering the SP price as well, in effect given punters the best of four options. Middle tote is generally offered for provincial and

country racing. There are several that offer best of three across all meetings with a bet payout limit in some cases for best tote price with the balance payable at the home state tote. The best tote product across all three TAB's normally offers a market around 108-110%.

#### 4.4 Betfair

Exchange betting is the fastest growing sector of the industry. The advantages are that You can request whatever odds you like and often bet into a market that is close to 100% (Less any commission payable on the net result of your transactions on that race, usually between 2%-5%). The disadvantage is that you do need to be online monitoring your betting to ensure that your bet has been matched. If your bet remains unmatched close to the start time you can consider lowering your requested odds or on many of the meetings you have the option to take SP (starting price) if your bet is not matched at the close of betting.

At the end of the year, how and where you set up your betting accounts will have a direct bearing on your bottom line; take advantage of best odds available as often as you can. This leads us to the next question of how do I get the best price?

In order to give yourself the opportunity to get the best odds available whether they be with the bookmakers or with Betfair, you need to constantly monitor the day's activities. This approach does not suit everyone and it is a very time consuming exercise but for those that are genuinely interested in showing a profit at the end of the year, this approach will go a long way towards achieving that goal. That is not to say that you MUST do this to show a profit but this approach may sway the odds in your favor to do so.

With the technology available nowadays the need to actually attend the race meetings is a thing of the past. The costs involved in attending race meetings are one of the reasons I believe has led to the drastic decline in attendances in recent years. This along with the advantages of sitting in the comfort of our homes with races "beamed in" via sky channel and TVN, corporate bookmakers, TAB's and betting exchange access at our fingertips, why would anyone consider attending the race meetings other than for a social day out.

Punters can now sit at home, get the best prices available by virtue of the wagering options available, bet to jump time, have access to latest information from the tracks, market movers and a wealth of other information throughout the day.

In the early years when I first started in this game, you did your form based on the expected track conditions and went to the track. If those track conditions changed throughout the day you had two choices, don't bet or "take a punt" that the ratings hold up despite the track condition change. Let me assure you, that in the long run, they didn't and many times went home losing in this scenario. Now of course we are kept informed throughout the day of any changes to track conditions and the form can be re-assessed very quickly and a new set of ratings generated to reflect those changes. The punters are

well “armed” in this on going battle in comparison to what we had to work with 20 years ago and all in the comfortable surroundings at home.

Take advantage of all these factors and I believe that this will have a very positive impact on your punting.

There are many punters that simply do not have the luxury of spending all day sitting in front of the computer following all the races and shopping for the best prices available. There are automated betting programs available that the user can set the criteria for the price range required and bets will be placed automatically when that range is reached. Alternatively bets can be placed with the various corporate bookmakers that will give the punter the choice of best tote or top fluctuations, either of which is acceptable and far better than simply betting one tote as in the TAB. In many cases you will get the best or very close to the best price without sitting and monitoring all day but those extra few points that can be achieved can make a significant difference at the end of the year. The other downside is that if you apply minimum acceptable prices as part of your criteria then by placing the bets on early you are effectively betting “blind” and may well invest on runners that if you were monitoring races you may well not have bet on.

## Chapter 5 BETTING STRATEGIES

Much has been written over the years on this subject and it has taken on many forms and guises as to which method is the best.

You must ask yourself the question, Can I hold my nerve if things are not going well? The answer to this simple question will go a long way towards determining how you bet. Many punters can’t withstand long losing runs and this in turn compels them to start changing the methods they have put in place originally “because: its not working” This is a recipe for disaster. If the method you decide on is sound, it will over a period of time hold up and show a positive result. Patience is the key and as has been mentioned previously, we can’t win every day.

By diversifying your betting options, you can minimize your risk exposure. In all forms of investment, risk management will go a long way towards a profitable outcome, betting on races is no different. I encourage everyone to explore all the betting options available with the aim of developing a combination of the best for your betting portfolio. Once in place, this portfolio can be re-assessed on an ongoing basis to review the performance of each strategy.

There are many in the punting world that believes that a high strike rate will ensure profit. This is not always the case. Whilst the strike rate is relevant, it is no more important than the average dividend achieved.

There is a sound case for foregoing strike rate to achieve a higher average dividend, the down side is that you may suffer long losing run of outs that will in turn put you under

pressure. This will in many cases cause doubt to creep into the equation. Once this occurs, mistakes can come thick and fast with disastrous results.

## 5.1 Planning is the Key

By establishing a sound methodology in your approach to punting you will go a long way towards achieving the goals you set for yourself.

Over the years we have seen and heard tales of “bad luck” from many punters that would “curl your hair” but is it bad luck or bad planning. We have all experienced bad luck in racing but when I consider the issue of bad luck, it is in relation to the running of a race and performance of a runner. Is it “bad luck” that you just missed getting that bet on and it won? Is it “bad luck” that you went broke the race before that big winner?

I have seen it many times, go into any TAB, there will be punters everywhere with a lift out form guide out of the local newspaper hanging out of their back pocket, a list of tips they heard on the radio, reading the form two minutes before a race and then having a bet on that “informed assessment”. Many of these people will spend the day in the TAB and go home broke most of the time and LUCK has nothing to do with it.

You can not start betting without a strategy in place otherwise you run the risk of joining the other “desperadoes” hanging around the TAB’s with hard luck stories to tell. Many go into a days betting with no conceivable idea of what they are going to do, usually will go with the flow and depending on what collects or losses they have, adjust their betting accordingly. They will have the odd good day and have great tales of victory to tell everyone impressing how smart they are but most times you won’t hear a peep from them other than grumblings of again having no luck.

Many will start off betting small so to ensure the safety of the bank and at least last to mid afternoon but as the day deteriorates, the betting becomes wayward and disproportionate until the bank is gone and this is usually when the next opportunity to “tell us about their bad luck” will come, just after they went broke.

## 5.2 Planning your Approach

When commencing, be prepared to do extensive research into the various betting strategies available, in the long term, it WILL BE TIME WELL SPENT. After all, it hard earned cash that is at risk and no room for short cuts

There are many racing forums on the internet and it will be prudent to take some time to look at as many as possible. This will give you a feel for what is available, how it may perform, how others apply strategies, all this information can be used in your final assessment.

How many strategies should be applied will be very much an individual choice and dependant on your betting philosophy. The more strategies you apply to more likely your

risk management will be effective but the maintenance of your betting portfolio may become over complex.

Many punters have a “knee jerk” reaction to poor performance when reviewing betting strategies and want to discard them as non profitable and substitute them for something else. All strategies, no matter how effective they may be in the long term will suffer a short term losing periods, this is a fact of racing and one that we all need to understand and accept. What time frame can be considered acceptable when assessing a methods poor performance will vary from punter to punter but in general terms, IF a method have shown a loss for a period over 3 consecutive months, it will require very serious consideration as to whether this a losing variance or the method is not viable.

**THIS IS A CRITICAL FACTOR-AVOID THE TEMPTATION TO START BETTING ANY METHOD** without first testing its validity.

This will involve “paper trading” the selected methods for at least a period of 12 months prior.

You need to know what the longest run of outs is for all methods; this will give you an indication whether your bank will withstand such a losing run. It is advisable when calculating to allow for a longer run of outs than has been recorded, possible add in 20% EG if the longest run of outs is 20; calculate using 24 as run of outs.

In summary, you should develop a portfolio of betting strategies that have proven track record of profitability over a minimum of 12 months, longer if possible. The combination of different strategies will help minimize your exposure to risk in the fluctuating punting game.

Irrespective of what form of betting you choose to adopt, you **MUST KEEP RECORDS.**

This is the part of the punting game that most punters detest. It is a tedious procedure that raises different emotions when it’s being performed. Joy and euphoria when recording the results of a winning day but many punters don’t like to be reminded of losing days and its very difficult having to re live the day again through the recording of the losses but its this that will in the long term help you to improve and hone your punting skills. We learn very little from winning days but our learning comes from analyzing losing days and finding out WHY and WHERE it happened.

By recording all bets with as much information as possible, future reviews and analysis may show you the shortfalls and this can lead to change that may benefit you considerably.

If you are betting using different formats such as a combination of straight out and exotic betting, it is imperative that you keep accurate records for future analysis. After a period of time you can review these statistics and it may highlight that a particular format is not performing as expected and that by deleting that format your bottom line will improve considerably. This information is critical to your success in the future, you can’t do

anything about what may have occurred in the past whilst this data was being accumulated but you can do something about NOT repeating those occurrences.

Plan your selections, follow your procedures and bet accordingly.

Have a daily routine that you adhere to when getting ready for the day's activities. Do not allow yourself to be distracted from that routine and most definitely, **NEVER TAKE SHORTCUTS.**

Set yourself up in an appropriate environment where you can work without distraction or interruptions.

Never have a bet for the sake of having a bet because others around you are doing so. You have a sound selection strategy in place, stick to that and don't fall into the trap of following "the money" or the "market shorteners" that get bandied about before jump time by the various "racing experts" If you have had a good collect don't just have a bet in the next race because you are in front. The reason you are in front is that you have bet in the races you were supposed to, not random betting without any method.

Set yourself realistic targets rather than "pie in the sky dreams" It is much easier to achieve a realistic goal and this helps to build confidence which in turn will help you set increased goals that when all is completed you may be closer to that "pie in the sky dream" that you may have imagined.

You will have losses, this has to be EXPECTED. No one can win every day, day in day out; it is not a realistic approach. The key is not to dwell on losing days, its happened and its time to move on. Most certainly review the day but don't make knee jerk reactions part of your approach. A bad day or a few bad days does not warrant wholesale changes to your approach, this is why you keep accurate records so that you can review periods of time rather than individual days.

One of the most important things to remember, SELF CONTROL is vital. If you are in a losing run, don't panic. Simply review your betting sheets to see if there is a pattern that may have affected your run, you may well find that there is absolutely nothing wrong with what you are doing, its just a "dirty run" that we all get from time to time. Keep a cool head and don't let a run of losers unduly influence what you are doing. At all times maintain rationality when assessing your betting performance.

## Chapter 6 STAKING

Staking is crucial to the overall success of any method that you use or apply. As punters we like to think that we can win all the time, unfortunately nothing can be further from the truth. In general terms and this can vary from punter to punter, when analyzing betting performance over a 12 month period; you will find that you will win a majority of your profit in 8-10 weeks, another 20-25 weeks you will win a small amount or break even and the other 15-20 weeks you will lose. Unfortunately this is a fact of life in the

punting game and don't let anyone fool you into believing otherwise thus setting impossible goals to achieve.

There are three major factors that will determine the success level of any punter.

- (1) Form analysis and selection.
- (2) Betting
- (3) Staking.

The first two factors will be discussed in greater detail in other chapters. We now get to the “crux of betting” and something that has been discussed and debated for many years and no doubt will continue to do so for many years to come. The staking applied to your betting strategy.

There are many software programs available that will automatically generate the value of your bets based on the criteria you set. It is that criteria that we will examine in some depth.

The strike rate you achieve will have a direct bearing on the performance of your staking plan. The table below shows the different equations for achieving a profit target over a series of 100 bets. The figures across the top of the table indicate the profit level you are trying to achieve.

The left hand vertical column shows the strike rate over 100 bets. This will determine the average dividend per horse required to achieve your target.

Strike Rate	25%	50%	75%	100%
33%	\$2.80	\$4.50	\$5.30	\$6.00
25%	\$5.00	\$6.00	\$7.00	\$8.00
20%	\$6.30	\$7.50	\$8.80	\$10.00
16%	\$7.50	\$9.00	\$10.50	\$12.00
12.5%	\$10.00	\$12.00	\$14.00	\$16.00
10%	\$12.50	\$15.00	\$17.30	\$20.00

Example: If the strike rate of winners is 25%, the average price of the winners to achieve a 25% profit at level stakes over 100 bets will need to be \$5.00, that is, you will have 25 winners that will return you \$125 in total.

When assessing your strike rate you need to be brutally realistic and it's advisable to err on the side of caution and set a lower strike rate that you may in reality achieve.

### 6.1 Level Staking

The most common is flat stake or level stake betting. That is, all bets are placed with the same value. There has long been an understanding that when testing or comparing any betting strategy, if it performs at flat stake betting then any aggressive method applied should see those positives increased. This is true to some extent and it always far easier to improve the bottom line if that figure is a positive rather than a negative. The flat stake betting method does have some safety factor built into it and that is what attracts many to that type of bet. A reasonable strike rate and average dividend will see the bank increase over a period of time. Given that we are aware that winners can come in runs, it is sensible to apply a small natural progression as the bank increases to take advantage of that run. When using level stakes betting the bet size will be a percentage of the bank. In general terms, 2% as a starting point is acceptable, this can be increased as bank targets are achieved, perhaps ½ % at a time. As an example, if the bank was \$5,000 with a 2% starting value, the bet would be \$100.00. When the bank reaches \$7500 (50% increases) the bet can rise to 2.5% and the bet size would rise from \$150 to \$187.50. It may seem an insignificant increase but can prove to be most lucrative in the long term. It is ESSENTIAL that you bet level stakes where the strike rate is low; this will ensure that you will withstand the losing runs. An option would be to bet level stakes, increasing your original stake by 10% at the conclusion of a winning day, once the new level of investment has been set, it remains at that level until the next winning day. This is reasonably conservative approach that will see a gradual increase in the bank based on performance without undue pressure being exerted on the bank.

### 6.2 Progressive Staking

Progressive staking is slightly more aggressive and is usually applied over a number of bets in a sequence range. At the end of the sequence irrespective of whether there is a positive or negative, the sequence recommences. The downside of this that you may strike a winner after a losing run of bets and the sequence has recommenced, your bet will be far less that perhaps your previous bets. The advantage is that each sequence has a pre determined value attached to it and only that amount is at risk in any sequence. A typical progressive sequence is 1,1,1,1,2,2,2,3,3,3,4,4,5,5,6,7  
The sequence contains 16 bets and the maximum loss is 50 units in the sequence.

There are progressive staking plans that have a far more aggressive approach and this requires a strike rate that will see the bets develop without undue pressure of long losing runs. One of these methods uses 2, 3, 5,7,12,20,33,55 8 bets for 137 units. As is clear, early winners will perhaps not generate an acceptable profit level should it be then followed by a losing run that requires the use of the last 3 bets in the sequence. On the other hand, little damage is done early in the sequence and a positive result can be

achieved if you strike a winner in the last 3 bets of the sequence. Again, at the end of the sequence you return to the opening bet. Progressive staking is a very powerful but simple to use tool, available to any financial investor or punter.

The greatest concern with any progressive method is that it is based on increasing the value of the bets following losing bets; basically it goes into “chasing mode” until you get a winner or the sequence ends and the recommences with the bet at the low end of the sequence.

The strike rate possibly has a greater bearing in this type of betting and my experience has shown me that many that use this method tend to bet the shorter priced runners with the higher strike rate.

### 6.3 Percentage Staking

Percentage of the bank is another very common and popular method of staking. You simply set the parameters within the software, value of bank, % value that you wish to bet. The most common is 2% of the bank, therefore with a \$5,000 bank the bet will be \$100.00. As the bank increases or decreases so will the amount of the bet. The downside is that if you suffer a losing run and the bank drops below the starting point of \$5,000 your bets will be below the \$100.00 opening bet. This can have an effect on how long it may take to return the bank into a positive. As an alternative you can set a minimum bet of 2% starting bet and irrespective of what may occur. The bet never reduces below the minimum opening bet.

Percentage of the highest point of the bank is another variation on this method of staking. As the bank increases so does the value of your bet. However if the bank then decreases the bet remains at the level of the highest point of the bank. As an example, if the bank was \$5,000.00 with an opening bet of \$100.00 and the bank progresses to \$6500.00 with a bet of \$130.00, should the bank then suffer losses and reduce to \$5,000.00 again, the bet would remain at \$130.00 until a new HIGH POINT has been achieved and the bet level would then increase.

### 6.4 Sequential Betting Staking

There is another sequential betting Staker that applies an aggressive method which sees the level of bets increase substantially following a sequence of winning bets. It's a snowball effect. The basic principle is that after a winning bet, the net profit of that bet is then divided over the sequence of bets as determined in the parameters chosen by the user and then added to the base bet. The number of bets in the sequence can be set as long or short as the user prefers, obviously a longer sequence has a built in safety that does not see the profits lost in a short sequence should a winner not be struck

The user selects the value of the bank which in turn determines the value of the base bet. This aggressive approach can see a bank fluctuate significantly. As an added safety and because the bet value can jump remarkably quickly, should the users comfort level be reached, simply rule off and start again after taking a level of profit. Whilst this method can have substantial swings, by setting the spread over a greater number of selections, any losing run can be turned around very quickly. This method is also excellent for anyone that chooses to “Dutch Bet” by betting more than one selection per race. Within

the variables, a percentage of the total bet can be allocated to each ranked position proportionately as the user determines.

### 6.5 Regressive Staking

A regressive staking plan has the opposite effect and reduces the size of the bet when target levels have been reached. This is a very conservative approach that will protect profits but not maximize that profit level when a run of winners is struck.

### 6.6 Kelly Criterion Staking

The Kelly criterion method focuses on varying your bet size according to the amount of value in relation to the probability of the selection winning.

Of course punters will have varying opinions as to what the true probability is and that is what separates a profitable gambler from a losing gambler. The Kelly criteria works on betting large amounts for favorites and smaller amounts for outsiders. It also suggests larger bets when you have a greater advantage over the bookmaker's odds. If you thought that your selection had a 70% chance of winning, then according to the Kelly criteria you would bet more than if you thought they were a 60% chance of winning. The Kelly criteria also work off a moving bank, so this means that the more money you have the more money you bet. There are several variants of the Kelly method of bankroll management. Staking Plans have been around for as long as there has been betting and much has been discussed over many years as to the merit, advantages and disadvantages of the various staking options. Many believe that a good staking plan can turn a losing method into a winning one, this may be in a very small percentage of cases, most of the time it will not. Foremost you need a sound and logical method, the staking plan you adopt will maximize that methods betting performance. The vast majority of punters bet too much relative to the size of their available betting bank.

### 6.7 The Fibonacci Progression

Fibonacci. was a mathematician who discovered that there is a natural numerical sequence that grows by the sum of the previous two figures. What that means is that if you follow the progression:

1 1 2 3 5 8 13 21 34 55 89 144 233 377 610 987 1597

At any time you strike a winner at better than 2/1 (\$3.00) you end up in front. As you can see from the above example though, if you strike a losing sequence of just 13 your next bet is 377 units and then continues to rise dramatically. It is very aggressive and can provide big windfalls when the winner is better than the minimum 2/1 (\$3.00) but it is not for the faint hearted and a better than average strike is a preferable option when considering this method. A sequence of 17 bets will require 4180 units.

When considering staking plan options ensure that a thorough examination of each staking method is performed before making a final decision. The following factors must be considered:

- (1) Winning percentage – based on your long-term record (12 month minimum) of PAST performance
- (2) Number of consecutive losses – what is your longest run of outs during the testing period?
- (3) Betting approach – are you an aggressive, conservative or risk-averse?

Once you have selected your Staking Plan, “paper trade” the testing period to confirm the performance. .

It is critical to the long term success that you have the foresight to accept the fact that a run of losses is a key part of sticking with your plan. Depending on your strike rate, the run of outs is inevitable and can come in extensive groups, this is the testing time for most punters and how it is dealt with will have a great bearing on your overall performance.

## Chapter 7      FORM ANALYSIS

You have now reached the point where you have put in place all the guidelines based on your personal criteria in relation to Bet Type, Betting Strategies, Staking, Betting Accounts, and Selection Method.

We will now take a closer look at some of the criteria used when doing form analysis. Depending on what form analysis software package you have elected to use, some variables may differ but the basic concept will be similar.

I personally use Bet Selector combined with Professional Punters Form Analysis (PPFA) to do all my analysis. The raw data is provided by Best Form (includes New Zealand and Hong Kong form). The combination of these products provides an extensive analysis of the form for all runners in a race.

Irrespective of what software you choose to use, the basic calculations will be very similar and weight, class, distance, margin and times will feature in the creation of a base rating figure which is used to generate a theoretical market.

Many punters that use software tend to fall into the trap of believing that the software is foolproof and whatever ratings are created are absolutely correct. This belief is ill founded. Whilst the software is an excellent tool and a vast majority of its application is exceptional, there are areas that require further “hands on” evaluation. There is information available that cannot be accurately assessed by software, information that has

an intangible application and a general overview of the race when looking at the big picture.

So what should you be looking for? Consider these suggestions -

### 7.1 Barrier Trials

We now have access to watch many barrier trials via Sky racing, TVN, Big Pond and Hong Kong Jockey Club.

Whilst the form may record barrier trials; they are not included in any analysis procedure other than display. Taking the time to review these barrier trials can highlight a runner's level of fitness and give some indication of an expected up coming run. Don't fall in the trap of looking at trial results to see where a runner has finished, in most cases this is the least relevant piece of information. When reviewing the replays, look at the run in 200m or 400m or 600m sections. Trainers have a tendency to send the runner out to do a specific piece of work and then will ease down, the trial will show it finishes 7<sup>th</sup> beaten 8L but the trial was very good. It may have run the middle 400m in 45.5sec and then eased right down the last 200m, this is very good work and should be taken into account. A manual adjustment can then be applied to that runner based on that information if you believe it's warranted.

### 7.2 Trackwork

This information is available each week in several publications and is generally not recorded in a runner's form. Most horses do "easy work" early in the week and sharpen up on Thursday. This can be a very good guide to how the runner is placed for the next run which will generally be within the next few days. When considering this information it is prudent to look at the likely distance range the runner is likely to perform at, if it's in a sprint race to 1400m, the relevant good work will in most cases be over 600m or 800m. Over longer distances, this can go to 800m to 1000m. Given that even time is 12 seconds per 200m and using this as a general guide, runners that are sharpening up will run close to or better than even time and this can be a reasonable guide to an upcoming good performance. A manual adjustment can then be applied to that runner based on that information if you believe it's warranted

### 7.3 Race times

In days gone by the Times were of little concern when developing weight and class ratings as per the late doyen of racing, Don Scott. He believed that they had very little bearing on a runner's performance and therefore had very little impact in the creation of his ratings. How things have changed in the last 20 years.

The ability to assess a race by times and comparing runners performances when they are coming from various tracks can lead to major windfalls as many of the software packages give little or no additional rating for that form other than in the creation of the Base Rating. All tracks have different characteristics and this gives us variances in times run

for the same distance at different tracks. Many programs use generic times for distances and apply them universally across all runners in the race. Perhaps in the past this was acceptable, nowadays with technology and availability, this can be fine tuned to track specific times and this has a major impact on the rating created.

Access to this information can provide windfalls that may well be missed otherwise. Users of the Bet Selector combined with Professional Punters Form Analysis (PPFA) software have access to this information

#### 7.4 Sectionals

Most form guides provide Race sectionals but not individual runner sectionals. This can be achieved by reviewing all the race replays and putting a stop watch on each runner from the 600m, a tedious job but an accurate assessment is achievable. The relevance is the issue. The pace of the race will have a bearing on what happens, was the runner finishing that quick or were they stopping in front. If the tempo was slow and the back marker still made ground, then there is merit in the run but if it was a hectic speed, the leaders have in most likelihood compounded and the run was not as good as it may appear. It is interesting to note that many times runners that produced exceptional finishing runs fail to produce at their next start

#### 7.5 Position in Running

Most form guides display position in running (PIR) for metropolitan, provincial and some country venues.

When looking at a race and a runners likely PIR, it is essential that you compare relative distances. If today's race distance is 1600m, there is little value looking at the runners last 2-3 runs that may have been 1000m,1200m or even 1400m. It is of more benefit to look at the runners performances at a similar distance range of 1500-1800m. The tempo of this range will be considerably different than in the shorter races and where it may settle well back in the shorter races, it may settle far handier in this distance range.

By assessing each runner's likely PIR an overview of the race may identify a lack of speed which can lead to a stop/start tempo or if several front runners are present, then a genuine tempo is more likely. This information can be used when looking at the PIR of your rated selections and influence any investments in the race.

During the day a track bias may become evident; the PIR can assist when assessing your rated runners PIR in comparison to what has occurred. On rain affected tracks there tends to be a leader bias in many cases. If you selection is a back marker and there is a bias to on pace, you can now review your betting and adjust if you choose based on the latest information.

A manual adjustment can then be applied to that runner based on that information if you believe it's warranted

#### 7.6 Video Analysis

This is one of the most important tools we have available to us nowadays that were not available unless you subscribed to race replays 10-15yrs ago. There is no short cut in the

procedure and valuable information can be extracted. The in running occurrences can pinpoint unlucky runners, runners that were flattered by the tempo, interference that impacted on a runner's performance. The value attributed to this will vary from punter to punter but as long as the same principles are applied equally in all cases, it will balance out. Any video analysis of interference should be done in conjunction with steward's reports so that runners of interest can be easily identified. Where that interference occurred will have a significant bearing on that runner's recorded performance. If it was blocked from the 400-100m its chances of winning have been diminished as it has lost all momentum and will in many cases go to the line with plenty in reserve. This will require an appropriate bonus for the run. If the interference is in the early stages of the race, runners have the opportunity to recover momentum unless the interference was severe. Users of the Bet Selector combined with Professional Punters Form Analysis (PPFA) software have access to this information

### 7.7 Strength of Race

Most software applications use class in the calculation of past run ratings to be used to create the base rating for today's race.

There can be significant differences of the same class level on different day's racing and from state to state. A class 4 in NSW on a Monday at a country track will be different to a class 4 at a provincial or city track on Monday and even more significantly, different from day to day. It may race in a Class 2 one day, race a Class 2 another and be going up or down in strength of race. The Class is the same; the strength of race is not.

Users of the Bet Selector combined with Professional Punters Form Analysis (PPFA) software have access to this information

### 7.8 Betting on Wet Tracks

Wet tracks seem to hold great trepidation for many punters. Depending on what software you are using and how the wet track form is analyzed, my experience has shown this as a most profitable form of betting with outstanding results achieved during the winter months for many years now. With the introduction of NZ racing into the form (using Best Form) that has further been enhanced with excellent results being achieved in NZ.

Users of the Bet Selector combined with Professional Punters Form Analysis (PPFA) software have access to this information.

## Chapter 8 PAR TIMES

Over the last few years much has been written and discussed regarding the application of track par times when assessing form.

How many times have we heard the old cliché "the fastest horse will win the race" Yes, in many cases given equal running and other factors in the running of a race this will be the case, BUT which is the fastest runner. Others say that class will outweigh times, I beg to differ. A horse that runs 69.0sec for a 1200m in a maiden doesn't know it's a maiden,

it can just run the time. Providing it reproduces that run it can run in a race at a higher level and win if the time holds up.

## 8.1 What is a Par Time?

Each track has its own characteristics and this will be reflected in the times that are recorded for the various distances. Many software programs designed in years gone by have used a generic time for distance ranges to generate a run rating, how accurate is this time now becomes an issue in our current environment. Over the last 10-15 years the times recorded in races has continued to be lowered. This can be attributed to several factors, track layout changes, training method changes, quality of horses. There are many factors that can contribute to this but undeniably, the times have become quicker. With the initial development of most Form Analysis software commencing some 15-20years ago, many of these initial times used have now become irrelevant and in fact can give a completely inaccurate assessment of the horse's performance in relation to its actual performance given that one of the key factors in creating the past form run rating is time. What may have been accurate 10 years ago will in many cases not be so today.

The par time can be assessed in two forms, overall and by class. In my opinion, the overall par time is the best guide to a runner's performance. As stated above, the horse does not know what class it is therefore only the time it runs is of interest. If you compare a maiden class par time against an open class par time, the open class time should be better but this is not always the case. By using the overall par time it will give us the best time on average for the track condition and distance irrespective of class level, therefore when comparing a runners time against that, we get a more accurate assessment of its performance. This avoids the situation where a horse runs a "quick time" in a class 2 race, goes into a stronger race with a apparently good time performance based on the class 2 par time but in actual fact may well be well outside the overall par time for that track and distance and then not surprisingly performs below expectations.

## 8.2 Examples

Using 1400m as the distance range, you will note from the table below that the 6 tracks listed have different "par times" (Source PPFPA Race Par times used in conjunction with Bet Selector Software)

In theory, if 6 horses won running 83.50sec at each of these tracks carry identical weights, the runner from Bunbury is the only one to have run better than par in recording that win. When assessing the chances, unless the individual track par times are being considered, this variance will not be factored in.

Good Track

Kembla Grange	82.12	approx 8L outside par
Newcastle	82.38	approx 6.5L outside par
Bunbury	84.78	approx 7.5L better than par
Albury	83.21	approx 1.8L outside par

Mt Gambier	83.37	approx 1/2L outside par
Grafton	82.80	approx 4.5L outside par

Using this as a guide, the track par times order will be:

Bunbury  
 Mt Gambier  
 Albury  
 Grafton  
 Newcastle  
 Kembla Grange

Therefore, the form from Bunbury will be stronger given the theoretical situation that every other variable is equal. We are all well aware that this is not the case and many other factors are involved in the calculation but it does highlight the impact the par times can have on the construction of the base rating.

When assessing this data, weight, distance and track conditions are all important factors. The par times for rain affected going are particularly important as the variances can be even more significant as is displayed below when looking at a heavy track par time.

Heavy Track

Kembla Grange	86.71	up 4.59sec on good track
Newcastle	85.97	up 3.59sec on good track
Bunbury	88.94	up 4.16sec on good track
Albury	87.31	up 4.10sec on good track
Mt Gambier	87.00	up 3.63sec on good track
Grafton	85.83	up 3.03sec on good track

Many software applications use the good track par time with a mathematical adjustment for track condition variances, this highlights that this can be fraught with danger and create “false ratings” on dead, slow and heavy tracks which will have an impact on your final rating assessments.

It clearly shows that the variances are not EQUAL therefore applying an equal equation to all times will create a false rating.

**WHEN ASSESSING OPTIONS IN RELATION TO WHAT SOFTWARE PROGRAM YOU ARE GOING TO USE GIVE VERY SERIOUS CONSIDERATION TO THE RACE PAR TIME FACTOR AND WHETHER THE PROGRAM YOU ARE CONSIDERING ADDRESSES THIS ISSUE.**

**IT WILL HAVE A SIGNIFICANT IMPACT ON YOUR BETTING PORTFOLIO PERFORMANCE AND ULTIMATELY YOU’RE PROFIT.**

## Chapter 9 THE USE OF SYSTEMS

As has been mentioned in earlier chapters, when assessing form, systems can be used to eliminate or select horses based on the specific criteria. The criteria and rules that can be implemented is almost endless and each variable can be adjusted which can create a different set of ratings. A system can be as simple or as complex as the software program utilizes the wide range of rules, filters and data analysis available. There are a number of ways to measure a system's success, the most common criteria generally revolves around profit on turnover, strike-rate and average dividend.

The subject has been raised on many forums (see appendix) and always creates lively feedback on both sides of the discussion. Some punters are avid systems followers, while others are convinced that no system will be profitable over any extensive period of time. For a system to be successful, it must have logical rules and be proven to be profitable on an ongoing basis for at least a period of eighteen months. Obviously it will not win every month but unless the winning month ratio is above 75%, my feeling is that in the long term, this system will fall over. When assessing a systems performance, look at the past to establish the base criteria and put those rules in place based on the findings, generally 12 months (past). Now using that criteria run the system for the next 6 months (future) with no adjustments to the original set of rules, if it holds up you then have the basis for a successful method. If however it requires additional adjustments to maintain profitability then my advice would be to discard the system. As is evident here, system development is not a short term operation; it can take many months of development and testing to establish bona fide criteria before additional future testing confirms the findings. As with most testing, "paper testing" will protect your capital. Patience is the key.

### 9.1 Positives

We will look at positives and how that can impact on your betting strategies. There is merit in systems that are designed and based on sound racing principles.

If you choose to go down that path there are several issues that need to be addressed.

One of the most important questions that needs to be answered is- How and what is the system going to be used for?

Is it a substitute for form analysis and therefore have extensive criteria applied? Or is it to compliment form analysis to fine tune the final selections based on limited criteria?

These are two completely separate methods.

If the system will be used to eliminate horses based on variables associated with weight, form, track conditions, barrier position, class and distance then this type of system is form based and can be substituted in some ways for extensive analysis.

On the other hand, if the criteria centers on average prize money ranking (API), win percentage ranking, place percentage ranking, starting price ranking, predicted margin, predicted odds, field size and days of the week, then this system is designed to address the rated order after all the analysis has been completed and therefore is a process that can be applied to “fine tune” the selections for betting purposes.

The use of systems allows the punter to be flexible and continue to adjust and manipulate the variables to fit the thoughts and ideas that each individual has in relation to how each reviews analysis.

## 9.2 Negatives

There are many publications that promote systems of all shapes and sizes, some stating massive profit on turnover (POT) with equally impressive strike rates (S/R) that are almost foolproof if you believe the hype that goes in the ad. Don't be fooled by all this, many of them work on paper until you start betting then suddenly no massive POT or S/R. Many of these systems that are being promoted have been hashed and re hashed many times over the last 15 years in various guises but the fact remains that very few of them actually work in real life.

It is very simple to develop a system based on past data and produce terrific results. All that needs to be done is to continue to run tests and fine tune as many losing selections out as is possible until you have the desired result. By doing this some of the system rules are open to interpretation so that all the big priced winners have been included while eliminating a high percentage of the losing selections. This known as “back fitting” and will in most cases be reflected by high POT and S/R that are not realistically achievable. These rules can then be applied by someone else that is using the same software and will show similar results given that it is being run over similar data and then the hype begins about what a great system it is. It is even more relevant when looking at the performance of the ratings when used for exotic betting. What generally occurs is that despite a low S/R the POT is very good but on closer inspection of the results, much of the profit has been achieved with a few very large collects. This is all very well if you happen to be fortunate enough to have commenced on the day that this very big dividend has been achieved, I have yet to meet anyone that has been that fortunate. What are more common are very long runs of outs that generally put unbearable pressure on the punter to the point that the bank has been lost, usually just before the big one arrives.

## 9.3 Review

Once you have determined which method will be applied, research needs to be done to isolate the criteria to apply a number of logical and objective rules that will be effective in the long term. When investigating the various elements, ensure that close scrutiny is applied before any lasting decisions are made. As with most systems, the rules will be subjective and back fitted in the development stage but once the final determination has been made, “paper test” your findings on future races without any additional adjustments to the criteria in place. This will go a long way towards validating the system. At a

minimum I would suggest a period of no less than 6 months and it must be profitable in at least 4 of those months without a single adjustment being applied. If it fits those criteria then the basis for the system has been established.

One thing that must always be remembered, as with any form of pre-conceived rules applied to punting, losing runs will occur and may be far worse than anything displayed in previous testing periods. In the event that this occurs, close scrutiny of the areas where the method has faltered may shed some insight as to the reason.

As with many aspects of punting, there is no substitute for hard work whether you are using systems or performing extensive form analysis, the old saying, “the harder I work, the luckier I get” has never been more true than in the punting game

## Chapter 10                      Betting Approaches

There are several approaches that can be adopted when betting in a race. The most obvious is flat bet which can be effective if it's a single selection or two selections assuming the price allows it to be profitable but what do we do if we wish to spread the investment over what we consider to be the best 3, 4 or 5 chances in the race and make a profit irrespective of what wins.

### 10.1    Dutch Betting

Dutch win betting or "Dutching" is a gambling term to mean structuring your bets (on two or more betting interests) in a manner that will realize an equal profit regardless of which one wins. Dutching is a powerful tool used to cover several horses in the same race and guarantee the maximum possible return.

Using your selections whether they are produced using form analysis software, from a ratings service or tipping service; you can structure your betting around the selections. There are several free software tools that can do this automatically for you by simply entering the number of the runners and the current market, this will then calculate the amount of investment on each runner based on the criteria you have selected. The three most common options are outlay, return and profit and based on your choice, the investment will be structured to reflect that.

In years gone by, the “overlay” method was a very popular methodology. It was designed on the theory that once you have analyzed a race and determined what the price of each runner should be based on the selected criteria applied, you would invest on all the runners that were at a greater price than the pre-determined rated price you allocated. The late Don Scott was very successful using this method before over betting caused a down turn in the prices available and little value was attainable. In those days there were two legitimate avenues to bet with, the TAB and the on course bookmakers. Nowadays with the introduction of corporate bookmakers, multiple totes, on course bookmakers and Betfair the opportunity to invest on overlays has returned with the competitive options available.

Once you have determined your rated prices and isolated the horses you consider to be the best winning chances in the race, the prices on offer will determine if any investments will be made. This method can be very successfully used in conjunction with Dutch betting.

### 10.3 Examples

As an example, if in the race we determine that there are 5 winning chances with the following rated prices

Horse 1	\$3.00
Horse 2	\$4.50
Horse 3	\$5.50
Horse 4	\$13.00
Horse 5	\$17.00

Depending on what criteria was applied; no runner will be invested on unless at least the rated priced price was available. There are many that apply an overlay percentage that will determine the minimum acceptable price. The common factor is that NO RUNNER is backed if the minimum rated priced is not achieved.

In the case above, if the best price available on the runners is:

Horse 1	\$3.90
Horse 2	\$4.20
Horse 3	\$9.00
Horse 4	\$11.90
Horse 5	\$23.40

Then the only runners to be considered will be

Horse 1	\$3.90
Horse 3	\$9.00
Horse 5	\$23.40

The amount of the investment can be structured in several ways. For the purpose of the example, a total investment of \$300.00 on the race will be used. Dutch betting can be applied.

Flat Bet	Invest	Price	Return	Profits
Horse 1	\$100	\$3.90	\$390	\$90
Horse 3	\$100	\$9.00	\$600	\$600
Horse 5	\$100	\$23.40	\$2340	\$2040

Greater profit when the best priced runner wins.

Outlay Set Amount	Invest	Price	Return	Profits
Horse 1	\$187.50	\$3.90	\$731.25	\$431.25
Horse 3	\$81.25	\$9.00	\$731.25	\$431.25
Horse 5	\$31.25	\$23.40	\$731.25	\$431.25

Equal amount of profit irrespective of which runner wins

### Percentage Bet

Invest a pre determined percentage of the investment amount on the rated position to 5 rated chances.

1	30%	Invest	90.00
2	25%	Invest	75.00
3	20%	Invest	60.00
4	15%	Invest	45.00
5	10%	Invest	30.00

Percentage Outlay	Invest	Price	Return	Profits
Horse 1	\$90	\$3.90	\$351	Profits \$171
Horse 3	\$60	\$9.00	\$540	Profits \$360
Horse 5	\$30	\$23.40	\$702	Profits \$522

As you can see, the investment is reduced as not all 5 runners qualified as overlays. The profit amount is staggered and the investment is reduced.

By “Dutch betting” the selections, the race is a value betting race as three selections will return a net profit.

As has been mentioned in an earlier chapter, the word “value” has been bandied about for many years and to a certain extent can be in the eye of the beholder. By framing your own markets you are pitting your skill against the rank and file punters who will go a long way towards determining what prices are available. Many of these punters follow “street corner tips”, newspaper, TV or radio tips or any other barely useful piece of information that may be available and armed with that information invest their hard earned money and hence we have an opening market. Given that a great percentage of these punters are less than adequately informed, they are supporting the “professional punters” by building the pools with “mug money”. Don’t get me wrong, we have all at some stage of our punting careers qualified in that group and never forget that its that section of the punting community that contributes the bulk of the investments. Never stray from your strategy and follow the money, there will be times that it will win but that will be more than outweighed by the number of times that they don’t. You have the advantage of only betting those selections that by your reckoning have available a price that exceeds its true winning chances and that will be the difference between being a successful punter or one of the “mugs” in the long term.

When using computer software generated markets situations arise whereby the markets are headed by a runner rated at prohibitive odds or when there are several runners rated very close together. This presents an overlay issue as it may not be a realistic market. This can occur as the markets created are percentage based.

### Example 1

Horse 1	\$1.40
Horse 2	\$8.50
Horse 3	\$17.00
Horse 4	\$21.00



possibility of loss whereas betting at the shorter end of the market see the same risk being applied for far less return, both in their own right have shortfalls. The key is to find the medium between the two options.

There will always be a fine line between the need to achieve a higher profit level and control risk. This is gambling.

Over the years there have been many high risk takers that enjoy plenty of success in the short term but their overall performance is surpassed by those that apply a reduced risk option and settle for a lower level of profit and growth. It's the long term picture that must be kept in mind.

When setting up your betting bank, my advice is to divide the bank into two sections.

The first bank is the current operating bank (COB) and the secondary bank is the reserve. Basically don't put all your eggs in the one basket.

The idea is to use the COB on a daily basis and at designated position review the performance and adjust as required.

## 11.2 Examples

For the purpose of the example we will use a bank of \$10,000 (this is not a pre-requisite, just an example)

Bank is \$10,000 to be divided

COB	\$5,000
Reserve	\$5,000

I suggest that you review your performance on a weekly basis. Week commences on a Saturday and closes Friday evening.

1: Set a daily figure that if reached will mean that you rule off and start betting sequence again, taking a percentage of the profit. EG If you target \$500.00 and you reach that for the day, take out your pre determined percentage( 20% for example) which would be \$100.00, add the balance to the opening bank, re calculate the bet value and continue for the day.

2: Set a weekly figure (effective when betting closes for the week) that if reached will mean that you rule off and start betting sequence again, taking a percentage of the profit. . EG If you target \$2000 and you reach that for the week, take out your pre determined percentage (20% wages, 20% to reserve bank 60% bank increase for example) which would be \$400.00 wages, \$400.00 transferred to reserve bank and the COB increases by \$1200.00 which is added to the balance to the opening bank, re calculate you bet value and re commence for the next week. If it's a winning week but the target has NOT been reached then only transfer to reserve bank allocation (20%)

The object of this is to reward you for the success, build up a safety net to cover losing runs and to continue to build the bank.

3: In the event that you have a losing week, transfer the amount of the loss from the reserve bank to the COB and start the new week with the same bank level as you commenced the losing week. This is why you must always transfer a percentage each winning week to the reserve bank; you may need it at some stage in the future.

By applying this method of protecting your bank in conjunction with your sound betting strategy, you will be reducing the level of risk to an acceptable level.

That is only one of obviously many money management options, simply find the one that suits your needs the best and gives you peace of mind with risk management.

### 10.3 Risk Control Options

Some of the more common strategies including:

Winning a set amount and then stop betting for the day

When the bet reaches a certain level, stop and return to starting point level and continue betting

When a winner is struck, stop betting for the day.

When a set number of consecutive losses have been reached, stop betting for the day.

All of these have merit and can be incorporated into your money management rules.

## CHAPTER 12 SUMMARIES

The setting up of the “FINAL BETTING STRATEGY” will determine your long term viability in the “PUNTING GAME”

If you are completely honest with yourself throughout the setting up procedure then you will make the correct decisions based on that information and will give yourself every possible opportunity to win!!

Over the last 3 yrs I have enhanced my approach by adding in additional betting options that suit the methodology that I apply, this may not suit all others but works very well for me and the betting approach that I wish to apply.

I have found that by adding several forms of exotic betting this has improved the bottom line and increased the “value for investment” ratio considerably. I have also approached the win betting in a different manner by adding in “Parlay Betting” and a form of All Up betting from race to race using the PPFA Staker; this again has made a considerable difference when looking at maximizing the return to investment.

All of us need to look at ways to maximize profits when we get the “winning run” and by applying several different approaches, this gives us the flexibility to do that.

In the “Punting game” its pointless sticking to old approaches that grind results out IF everything goes right, we need to always keep an open mind and be very flexible when investing our money. This is NOT applied to the way we determine our selections for betting, that needs to be VERY STABLE AT ALL TIMES WITH NO KNEE REACTIONS IF THINGS ARE NOT GOING WELL, just the way we can bet them to get the best possible value IF WE ARE RIGHT IN OUR ASSESSMENT OF THE RACE.

I have found that this is where most punters tend to “fall down” and struggle to be profitable over the year (always look at the annual figure, never concern yourself with the day to day situation) Most will put a strategy in place and then start switching and changing as soon as things go badly, starting looking for alternative approaches without really given anything a chance to be effective. There are two reasons for this: One, the initial approach was not correct in the first place and was never really a viable option because insufficient analysis was done but was put into play because “it seemed to work” or two, the punter has been unable to “hold his nerve” when things are not going well even though extensive research was done and confidence was high when it was implemented. Both are critical decisions that will ultimately send you broke.

There are NO SHORTCUTS when setting up BETTING STRATEGIES. It takes time and patience and if this is diligently applied and the approach is sound in method then IN THE LONG TERM THIS WILL BE PROFITABLE.

The best advice I can offer is to be PATIENT, DILIGENT AND TOTALLY HONEST WITH YOURSELF IN REGARDS TO WHAT YOUR BETTING COMFORT LEVEL REALLY IS, if this is done, YOU WILL SUCCEED.