Lay System Split test

NOTE: This report was created on the 17/06/2014 and included results up until
the end of racing on the 16/06/2014.

Hi

Lay systems…

<u>Love them or hate them</u> they are fascinating because in theory they should be the best way there is of making money form sports betting there is.

I mean…how hard can it be to find just one losing horse in a race?

Well if you have tried it you know it's not as simple as it would first seem.

But there is more to it than just picking a loser….

…It's the price of the loser that really affects the outcome of a lay system.

I have worked on lay systems for years and had some success but not as much as I would have hoped.

One of the things I have promoted over the last few years is using liability type staking.

This gives you a better chance of finding losers because you can pick just about your horse from a race.

There are a couple of problems with this idea…

1. **To bet at any liability you need to use a (liability) stake of at least £10 if not more.**
2. **At high prices your return is so low it can take a while to cover losers.**

When you choose a liability based system you really need to consider the system over long periods, because a losing run will take a long time to recover from.

The alternative to liability staking is to use a fixed stake (or a % of bank stake).

The problem is that you are going to have to be very careful with the maximum price you bet at.

You can't go putting a £10 stake on a 40/1 outsider because that could cost you 400 smackers.

I know the chances of it winning are slim…but we know it will!

We will come back to price in a second.

Although I am always suggesting when developing a system you should be very specific about the race type and runners you take on…

…With lay betting I think it is handy to have a higher quantity of runners so that losses can be made up quickly.

That doesn't mean just picking runners without any thought.

Instead it means getting away from the one-a-day idea and looking for 2 or more if possible.

There is no doubt that any system is affected by the average price of the runners that you take on.

And there is no doubt in my mind that the more people who follow a system the more likely it is the prices will change.

The question is "how many people?" or how much extra money into the market will cause such a change the system will no longer make a profit?

Although we have some ideas to the number of people this could be we can never be sure because it all down to the amount of money each of those people actually add into the market.

And I think that will depend a lot on the type of system being followed.

Anyway I decided to try a new experiment.

I have been following this lay system for a little while…

It is actually different to any lay system I have tried before and so far the results are quite interesting.

Check out the results [here](http://greyhorsebot.co.uk/artview.asp?pnum=86):
http://greyhorsebot.co.uk/artview.asp?pnum=86

This is the first time in a while I have created a fixed stake lay system in fact I am using 1% of my current bank but I would probably suggest fixed stake.

Because of that I am limiting my maximum price to BSP 8.00 (7.0 minus the 1) .

I am also only using BSP 1st or 2nd ranked runners (first or second favourite according to BSP ranking).

This is the interesting part…

I have always had an issue with sites that show their results based on BSP and then expect their system users to bet before the off.

We all know from experience that ranking before the off can change when BSP or SP ranking is announced.

The times I have seen people complain that their results are different to what they achieved and my own testing has shown this can happen as much as 10% of the time!

To be honest I think it would be better to miss a bet because you couldn't get matched than to be on the wrong selection altogether.

Today I want to record a couple of very important pieces of information…

Average losing odds: 2.68
Strike Rate: 80.53

These figures are accurate up to end of racing 16/06/2014 and by recording them we can then monitor the live results to see if anything changes.

Now of course I am not suggesting for one moment that you use these selections (in fact I don't really want you to) I am just asking you keep an eye on them just to see how they perform.

We have a bot running at the moment testing the system but as always with lay betting it is never straight forward.

Let me explain…

When Betfair announce BSP just as the market goes in running the bot checks the selections against the ranking and the BSP price.

If they match in then proceeds to place a bet into the market at the BSP price hoping to get matched close to this price.

But here is the problem with this…

As you probably know Betfair will match a price lower than what you asked for when it comes to lay bets…but not higher.

By the time the Betfair market goes in running and the bot checks everything the race is already running and there is every chance our runner has gone above the BSP announced price.

So we could easily miss out on a selection.

In the Grey Horse Bot we have a feature called "Widen odds".

What this does is adds up to 10 ticks (this is adjustable by the user) to the bet we place into the market.

So if the BSP was 8.0 the bet would go in at 10.00 which is 10 ticks higher.

NOTE: Remember with higher prices comes extra liability for losers.

Your first thought is probably going to be…

"S*urely that breaks the system rules if we get matched higher than 8.0*"

Yes and No…

Firstly the bot will not bet on any selection that had a higher than 8.00 BSP so in that respect we are still on the correct selection.

But it does mean you will get matched above 8.0 on some selections.

But really the only time being on the wrong price matters is when we lose.

I am just hoping that my own average losing price will not be affected to badly by this technique..

That is what testing is all about…finding out what happens in real life

Although I said earlier "*I would rather not be matched than be on the wrong runner*"…

…I think I would rather be matched on the right runner even if it cost me a little more.

I started of the report by saying that laying to liability doesn't always seem to work very well.

But in this case the average price is going to be reasonably low, so it would be a good idea to test both techniques side by side to see what happens.

We started the initial test a few days ago but today we have also started a new test based on liability.

You can see how the results look here.
http://greyhorsebot.co.uk/artview.asp?pnum=86

I will do a video in a few days to show you how my own testing is going and maybe even get a better idea about average losing odds.

Until then…

Thank you as always for reading I really do appreciate it.

Malcolm

[The Grey horse Bot and the SPB System Builder.](#)
"What else do you need?..."

READ THIS - IT'S IMPORTANT:

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight.

In addition, hypothetical betting does not involve financial risk, and no hypothetical betting record can completely account for the impact of financial risk in actual betting.

For example, the ability to withstand losses or to adhere to a particular betting program in spite of betting losses are material points which can also adversely affect betting results.

There are numerous other factors related to the markets in general or to the implementation of any specific betting program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual betting results.

HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS.

UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL BETTING.

ALSO, SINCE THE BETS HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY.

SIMULATED BETTING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT.

NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.
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