

Looking at football  
from a different  
point of view

Fund Prices/Mvmts

Heritage Fund	65.2	▲ 8.1
Alpha Fund	66.4	Stdy
Beta Fund	52.0	Stdy
Chi Fund	88.8	▲ 25.6
Line Fund	103.9	Stdy

Rec'd Fund 72.1 ▲ 6.3

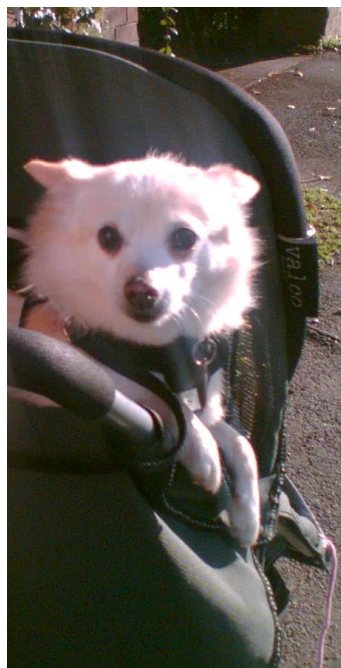
# MAFL 2008

28<sup>th</sup> September  
Round GF.1 2008

## Grand Final

Grand Final	
2 Correct	Hawthorn v Geelong (MCG, 27th September 2008)
Sportsbet	\$2.65      \$1.45 31% - 38%      62% - 69% Hawthorn +15½ pts (\$1.90/\$1.90)
Heritage	Won 8.09% (14.17%)
Alpha	-
Beta	-
Chi	Won 25.64% (40.61%)
Line	-
Chi	Hawthorn by 8
Quila	Hawthorn by 1
Shadow	Geelong
CTL	Geelong
MARS	Geelong
Result	Hawthorn 18.7 (115) def Geelong 11.23 (89)

GF Statistics		
Scoring	Winners	Losers
Goals	18	11
Behinds	7	23
Ave Score	115.0	89.0
Ave Marg	26.0	
Qtrs Won	Winners	Losers
1st	0	1
2nd	1	0
3rd	1	0
4th	1	0
Qtr Leads	Winners	Losers
End of 1st	0	1
End of 2nd	1	0
End 3rd	1	0



Tipping Statistics		
Tipster	This Week	Total
BKB	0	133 (71.9%)
CTL	0	128 (69.2%)
Shadow	0	128 (69.2%)
Chi	1	128 (69.2%)
Quila	1	127 (68.6%)
MARS	0	120 (64.9%)

*Chi spent a taxing week pondering and fretting over his Grand Final tip, unselfishly swapping his usual brisk walk for a leisurely stroller ride, the better to think more clearly.*

*Clearly it paid off.*

## Results in Review

### MAFL Funds

Vindication – of sorts – at last. The Cats were, indeed, as I've claimed all season, vulnerable. It just required a team that could maintain pressure for four-quarters, take their chances when they were offered, and stop the Cats from launching into one of their 5-goals-in-8-minutes scoring sprees. Oh, and it also needed the Cats to turn on an abysmal kicking performance.

The Hawks' victory improved the financial position of many Investors, but still leaves all of us dripping in red ink with losses ranging from 13% to a little under 41%. The details are in the table at right.

Investors should send me an e-mail advising what they'd like me to do with their remaining Funds. The options are that I can direct credit their account, send them a cheque or retain their Funds again for next season.

(By the way, had you invested \$1 in MAFL in 2006, reinvested the proceeds in 2007 taking the Recommended Portfolio, and then reinvested again in 2008 once again taking the Recommended Portfolio you'd now have about 97c. So, effectively, you'd have paid 1c per year per dollar invested.)

The table below comes from a pre-season newsletter in which I described what I expected each Fund would do this year.

	Heritage Fund	Alpha and Beta Funds <sup>1</sup>	Chi Fund	Line Fund
Potential Performance				
- Number of Bets	55-65	10-20	35-45	25-30
- % winning	30-40%	55-65%	60-70%	55-65%
- Ave. Bet (% of Fund)	5-6%	7-8%	8-10%	12-15%
- Return on Bets	2%	4%	4%	3%
- Turn <sup>3</sup>	4½	1	3½	4
- Return On Fund <sup>4</sup>	9%	4%	14%	12%

Investor #	Profit/Loss (%)
001	(25.06%)
002	(34.78%)
003	(27.87%)
004	(27.87%)
005	(13.00%)
006	(27.87%)
007	(27.87%)
008	(27.87%)
009	(27.87%)
012	(27.87%)
013	(27.87%)
014	(27.87%)
015	(40.84%)
016	(27.87%)

Here's what actually happened:

#### HERITAGE FUND

Team Wagered On	Bets	Win	Lose	% Outlayed	% ROI	% RONF
Adelaide	1	-	1	7.8%	(100.0%)	(7.8%)
Brisbane Lions	1	-	1	8.6%	(100.0%)	(8.6%)
Carlton	6	1	5	48.5%	(11.4%)	(3.1%)
Collingwood	3	2	1	24.1%	126.8%	33.5%
Essendon	9	2	7	69.0%	(26.2%)	(22.1%)
Fremantle	3	1	2	16.8%	(0.4%)	(1.5%)
Geelong	-	-	-	-	-	-
Hawthorn	2	1	1	11.2%	8.1%	1.8%
Kangaroos	4	2	2	29.4%	11.9%	0.9%
Melbourne	11	3	8	97.5%	(24.8%)	(25.2%)
Port Adelaide	3	1	2	35.6%	72.8%	25.9%
Richmond	6	1	5	60.9%	(9.8%)	(9.8%)
St Kilda	5	2	3	41.4%	1.4%	(2.6%)
Sydney	3	-	3	26.7%	(100.0%)	(26.7%)
West Coast	8	3	5	69.4%	17.0%	10.6%
Western Bulldogs	3	2	1	29.2%	(1.5%)	(0.0%)
<b>Total</b>	<b>68</b>	<b>21</b>	<b>47</b>	<b>576.2%</b>	<b>(4.0%)</b>	<b>(34.8%)</b>

#### ALPHA FUND

Team Wagered On	Bets	Win	Lose	% Outlayed	% ROI	% RONF
Adelaide	1	1	-	5.1%	43.0%	2.2%
Brisbane Lions	1	1	-	5.4%	95.0%	5.1%
Carlton	1	-	1	2.0%	(100.0%)	(2.0%)
Collingwood	2	1	1	10.1%	(33.2%)	(3.4%)
Essendon	-	-	-	-	-	-
Fremantle	1	1	-	6.9%	48.0%	3.3%
Geelong	-	-	-	-	-	-
Hawthorn	1	-	1	7.8%	(100.0%)	(7.8%)
Kangaroos	-	-	-	-	-	-
Melbourne	1	-	1	7.5%	(100.0%)	(7.5%)
Port Adelaide	1	-	1	7.1%	(100.0%)	(7.1%)
Richmond	-	-	-	-	-	-
St Kilda	-	-	-	-	-	-
Sydney	3	-	3	16.4%	(100.0%)	(16.4%)
West Coast	-	-	-	-	-	-
Western Bulldogs	-	-	-	-	-	-
<b>Total</b>	<b>12</b>	<b>4</b>	<b>8</b>	<b>68.2%</b>	<b>(49.3%)</b>	<b>(33.6%)</b>

The Heritage Fund made 68 bets, just a few more than the expected maximum, and its win rate was 31%, at the low end of the expected range. Its average bet size, however, was almost 8½%, well above what was expected, and its ROI was well below expectations – a lethal combination.

The Alpha Fund made just 12 bets, a few more than the expected minimum, but its win rate was a paltry 33%, well below the expected rate. Its average bet size was about 5½%, a little below expectations. Also, as for the Heritage Fund, the ROI was well below what I'd hoped.



## BETA FUND

Team Wagered On	Bets	Win	Lose	% Outlayed	% ROI	% RONF
Adelaide	3	1	2	29.6%	(75.6%)	(22.4%)
Brisbane Lions	1	1	-	5.4%	95.0%	5.1%
Carlton	-	-	-	-	-	-
Collingwood	2	-	2	8.2%	(100.0%)	(8.2%)
Essendon	-	-	-	-	-	-
Fremantle	2	2	-	11.5%	45.6%	5.2%
Geelong	1	1	-	7.5%	50.0%	3.7%
Hawthorn	1	1	-	1.1%	35.0%	0.4%
Kangaroos	-	-	-	-	-	-
Melbourne	-	-	-	-	-	-
Port Adelaide	2	-	2	8.4%	(100.0%)	(8.4%)
Richmond	-	-	-	-	-	-
St Kilda	-	-	-	-	-	-
Sydney	2	-	2	19.7%	(100.0%)	(19.7%)
West Coast	1	-	1	3.9%	(100.0%)	(3.9%)
Western Bulldogs	-	-	-	-	-	-
<b>Total</b>	<b>15</b>	<b>6</b>	<b>9</b>	<b>95.2%</b>	<b>(50.5%)</b>	<b>(48.1%)</b>

## CHI FUND

Team Wagered On	Bets	Win	Lose	% Outlayed	% ROI	% RONF
Adelaide	2	2	-	5.3%	56.8%	3.0%
Brisbane Lions	1	1	-	11.5%	95.0%	11.0%
Carlton	1	-	1	10.1%	(100.0%)	(10.1%)
Collingwood	3	1	2	24.6%	(89.0%)	(21.9%)
Essendon	1	-	1	13.5%	(100.0%)	(13.5%)
Fremantle	1	1	-	9.8%	80.0%	7.8%
Geelong	1	1	-	3.0%	50.0%	1.5%
Hawthorn	2	2	-	17.4%	152.5%	26.5%
Kangaroos	1	1	-	13.2%	115.0%	15.1%
Melbourne	-	-	-	-	-	-
Port Adelaide	3	1	2	25.4%	(66.0%)	(16.8%)
Richmond	1	-	1	6.5%	(100.0%)	(6.5%)
St Kilda	3	3	-	19.2%	67.3%	12.9%
Sydney	1	-	1	2.3%	(100.0%)	(2.3%)
West Coast	1	-	1	18.0%	(100.0%)	(18.0%)
Western Bulldogs	-	-	-	-	-	-
<b>Total</b>	<b>22</b>	<b>13</b>	<b>9</b>	<b>179.7%</b>	<b>(6.2%)</b>	<b>(11.2%)</b>

The Beta Fund made 15 bets, roughly what was expected, but its win rate was also well below expectations at just 40%. Its average bet size was about 6½%, marginally below expectations. And, once again, the ROI was well below what I'd hoped.

The Chi Fund made only 22 bets, about two-thirds of what I expected, and its win rate was 59%, just below what I'd predicted. Average bet size was about 8%, which was at the low end of expectations, and ROI, yet again, was below what was hoped.

## LINE FUND

Team Wagered On	Bets	Win	Lose	% Outlayed	% ROI	% RONF
Adelaide	2	1	1	15.6%	(5.0%)	(0.8%)
Brisbane Lions	3	1	2	23.4%	(36.7%)	(8.6%)
Carlton	2	2	-	15.6%	90.0%	14.0%
Collingwood	2	1	1	15.6%	(5.0%)	(0.8%)
Essendon	3	1	2	23.4%	(36.7%)	(8.6%)
Fremantle	2	2	-	15.6%	90.0%	14.0%
Geelong	-	-	-	-	-	-
Hawthorn	-	-	-	-	-	-
Kangaroos	4	3	1	31.2%	42.5%	13.2%
Melbourne	1	-	1	7.8%	(100.0%)	(7.8%)
Port Adelaide	1	-	1	7.8%	(100.0%)	(7.8%)
Richmond	1	1	-	7.8%	90.0%	7.0%
St Kilda	4	2	2	31.2%	(5.0%)	(1.6%)
Sydney	2	-	2	15.6%	(100.0%)	(15.6%)
West Coast	-	-	-	-	-	-
Western Bulldogs	1	1	-	7.8%	90.0%	7.0%
<b>Total</b>	<b>28</b>	<b>15</b>	<b>13</b>	<b>218.2%</b>	<b>1.8%</b>	<b>3.9%</b>

## WEIGHTED BY RECOMMENDED PORTFOLIO WEIGHTINGS

Team Wagered On	Bets	Win	Loss	% Outlayed	% ROI	% RONF
Adelaide	9	5	4	12.4%	(48.8%)	(6.0%)
Brisbane Lions	7	4	3	10.0%	(1.9%)	(0.2%)
Carlton	10	3	7	18.8%	(4.0%)	(0.7%)
Collingwood	12	5	7	16.9%	25.8%	4.4%
Essendon	13	3	10	26.2%	(37.9%)	(9.9%)
Fremantle	9	7	2	12.5%	36.3%	4.5%
Geelong	2	2	-	2.0%	50.0%	1.0%
Hawthorn	6	4	2	7.8%	38.8%	3.0%
Kangaroos	9	6	3	15.5%	29.3%	4.5%
Melbourne	13	3	10	31.9%	(32.0%)	(10.2%)
Port Adelaide	10	2	8	18.8%	5.3%	1.0%
Richmond	8	2	6	20.4%	(14.0%)	(2.9%)
St Kilda	12	7	5	20.0%	4.6%	0.9%
Sydney	11	-	11	17.9%	(100.0%)	(17.9%)
West Coast	10	3	7	24.3%	(1.3%)	(0.3%)
Western Bulldogs	4	3	1	9.9%	10.5%	1.0%
<b>Total</b>	<b>145</b>	<b>59</b>	<b>86</b>	<b>265.2%</b>	<b>(10.5%)</b>	<b>(27.9%)</b>

Finally, the Line Fund made 28 bets, as per expectations, winning 53½%, a little below expectations. The average bet size for this Fund was also less than what we expected.

Unlike the other Funds, however, its ROI was positive and so it made a profit.

## A LITTLE HISTORY

Hawthorn's margin of victory in this year's Grand Final was 26 points, which is only the second time that this margin has been recorded. The previous occasion was when the Lions beat the Dons 108-82 in 2001.

Geelong's score of 89 was the 12<sup>th</sup> highest losing score of all time and the highest losing score since St Kilda's 94 against Adelaide in 1997.

Geelong's 23 behinds is a record for Grand Finals.

Geelong's 34 scoring shots is the 2<sup>nd</sup>-highest number of scoring shots for a losing team (behind Richmond's 40 in 1972 in losing 28.9 to 22.18 to Carlton)

## Final Team Ratings

The Cats dropped 3.3 Ratings points this week but still finished the season well ahead of the Hawks, who finished in a comfortable second position and wound up as the team registering most incremental ratings points across the season.

So, the Cats fail to reach the Essendon record, but do finish with the 2<sup>nd</sup>-best all-time end-of-season record.

Team	Initial	End R22	Δ Wk1	Δ Wk2	Δ Wk3	Δ Wk4	End Wk4	Season Δ
Geelong	1,027.4	1,065.8	+3.0	-	+0.6	-3.3	1,066.0	+38.6
Hawthorn	1,002.9	1,033.5	+3.5	-	+3.6	+3.3	1,043.9	+40.9
Western Bulldogs	988.4	1,014.6	-3.5	+3.6	-0.6	-	1,014.0	+25.6
Sydney	1,010.7	1,013.4	+2.5	-3.6	-	-	1,012.3	+1.6
Collingwood	1,004.0	1,011.1	+3.2	-3.3	-	-	1,010.9	+6.9
St Kilda	1,001.0	1,013.3	-3.0	+3.3	-3.6	-	1,010.0	+9.0
Adelaide	1,008.4	1,012.3	-3.2	-	-	-	1,009.2	+0.8
Kangaroos	1,000.7	1,000.0	-2.5	-	-	-	997.6	-3.1
Port Adelaide	1,007.4	998.3	-	-	-	-	998.3	-9.1
Fremantle	1,004.0	995.1	-	-	-	-	995.1	-8.9
Brisbane Lions	999.6	992.6	-	-	-	-	992.6	-7.0
Richmond	986.3	992.1	-	-	-	-	992.1	+5.8
Carlton	975.2	982.8	-	-	-	-	982.8	+7.5
Essendon	990.0	971.3	-	-	-	-	971.3	-18.7
West Coast	1,006.6	959.2	-	-	-	-	959.2	-47.4
Melbourne	987.2	944.7	-	-	-	-	944.7	-42.5

Speaking of end-of-season records, I've been wondering if there's another way to measure each team's performance across the entire season and have come up with the MARS Season-Stable Rating (MARS<sup>3</sup>R). The set of MARS<sup>3</sup>R for a season is defined as that set of team ratings which, had each team started with its respective MARS<sup>3</sup>R, each would also have finished with that same MARS<sup>3</sup>R.

Here are the MARS<sup>3</sup>R for seasons 1999 to 2008.

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Geelong	1,087.8	1,091.0	998.6	1,024.5	1,031.2	983.3	985.0	984.0	985.3	987.0
Hawthorn	1,050.1	1,016.0	972.7	958.9	933.3	1,003.7	985.8	1,013.0	1,004.6	989.3
Western Bulldogs	1,029.5	960.5	1,006.1	1,008.6	949.4	928.5	1,012.3	985.8	1,007.8	1,031.2
Collingwood	1,021.6	1,010.8	1,019.9	952.0	984.5	1,046.4	1,014.1	1,010.1	971.6	973.0
Adelaide	1,016.9	1,020.9	1,055.4	1,054.1	1,002.8	1,035.9	1,020.7	1,002.3	987.0	970.2
St Kilda	1,015.8	994.7	1,025.5	1,051.2	1,038.7	990.7	965.5	930.6	925.1	995.5
Sydney	1,014.8	1,026.0	1,042.6	1,042.2	1,016.7	1,026.6	1,015.6	1,013.5	999.8	1,002.0
Kangaroos	1,001.3	1,011.2	965.5	990.7	996.4	992.9	993.3	992.9	1,002.5	1,047.0
Carlton	996.0	927.2	936.6	931.5	970.6	921.5	946.4	1,048.2	1,068.6	1,012.7
Richmond	995.0	958.5	982.7	976.9	924.1	972.9	967.2	1,009.9	988.9	980.3
Port Adelaide	988.1	1,028.8	983.2	1,006.9	1,064.9	1,041.9	1,043.3	1,040.0	982.4	977.2
Brisbane Lions	987.6	1,009.1	955.3	1,003.4	1,058.2	1,059.2	1,076.4	1,071.1	1,030.5	1,067.7
Fremantle	987.0	1,009.7	1,029.5	994.0	997.0	1,000.6	972.9	934.5	941.2	961.2
Essendon	959.7	971.7	959.0	982.6	1,009.0	1,026.0	1,007.6	1,060.8	1,107.3	1,051.7
West Coast	928.9	1,012.4	1,048.1	1,037.6	1,016.3	1,015.2	992.6	925.3	959.7	1,000.5
Melbourne	919.7	951.4	1,019.5	984.9	1,007.1	954.5	1,001.3	978.1	1,037.7	953.5
Predictive Accuracy	70.8%	65.1%	69.7%	68.4%	69.7%	72.2%	66.5%	68.1%	67.6%	66.2%

What this table tells us is that, had Geelong started this season with a MARS Rating of 1,087.8 (and had all other teams started this season with the Ratings as shown) then, given all the season's results, they would also have finished with a MARS Rating of 1,087.8. The same can be said of Hawthorn, the Bulldogs and every other team.

In some sense then these ratings encapsulate each team's true performance this season, and the same can be said of the MARS<sup>3</sup>R for all previous seasons.

Looking across the 10 years we find:

- Essendon have the highest MARS<sup>3</sup>R of any team – 1,107.3 in 2000
- Geelong have the next two highest MARS<sup>3</sup>Rs – 1,091.0 in 2007 and 1,087.8 in 2008
- Melbourne have the lowest MARS<sup>3</sup>R of any team – 919.7 in 2008
- Next lowest is Carlton – 921.5 in 2003

So, no matter how you cut it, this year's Geelong wasn't as good as last year's and neither was as good as the Bombers of 2000. And, this year's Melbourne was truly, demonstrably awful.

(The Predictive Accuracy is the proportion of games that would have been correctly predicted had each team started with its MARS<sup>3</sup>R.)

Here's the last update of the table showing how teams finishing in various ladder positions have ultimately fared in the finals series since 2000.

Season	1st	2nd	3rd	4th	5th	6th	7th	8th
<b>Season 2000</b>	Essendon (QF1, PF1, GF)	Carlton (QF2, SF2, PF1)	Melbourne (QF2, PF2, GF)	Kangaroos (QF1, SF1, PF2)	Geelong (EF1)	Brisbane (EF2, SF2)	Bulldogs (EF2)	Hawthorn (EF1, SF1)
<b>Season 2001</b>	Essendon (QF1, PF1, GF)	Brisbane (QF2, PF2, GF)	Pt Adelaide (QF2, SF2)	Richmond (QF1, SF1, PF2)	Carlton (EF1, SF1)	Hawthorn (EF2, SF2, PF1)	Sydney (EF2)	Adelaide (EF1)
<b>Season 2002</b>	Pt Adelaide (QF1, SF1, PF2)	Brisbane (QF2, PF2, GF)	Adelaide (QF2, SF2, PF1)	Collingwood (QF1, PF1, GF)	Essendon (EF1, SF1)	Melbourne (EF2, SF2)	Kangaroos (EF2)	West Coast (EF1)
<b>Season 2003</b>	Pt Adelaide (QF1, SF1, PF2)	Collingwood (QF2, PF2, GF)	Brisbane (QF2, SF2, PF1, GF)	Sydney (QF1, PF1)	Fremantle (EF1)	Adelaide (EF2, SF2)	West Coast (EF2)	Essendon (EF1, SF1)
<b>Season 2004</b>	Pt Adelaide (QF1, PF1, GF)	Brisbane (QF2, PF2, GF)	St Kilda (QF2, SF1, PF1)	Geelong (QF1, SF2, PF2)	Melbourne (EF1)	Sydney (EF2, SF1)	West Coast (EF2)	Essendon (EF1, SF2)
<b>Season 2005</b>	Adelaide (QF1, SF1, PF2)	West Coast (QF2, PF2, GF)	Sydney (QF2, SF2, PF1, GF)	St Kilda (QF1, PF1)	Kangaroos (EF1)	Geelong (EF2, SF2)	Melbourne (EF2)	Pt Adelaide (EF1, SF1)
<b>Season 2006</b>	West Coast (QF1, SF1, PF2, GF)	Adelaide (QF2, PF2)	Fremantle (QF2, SF2, PF1)	Sydney (QF1, PF1, GF)	Collingwood (EF1)	St Kilda (EF2)	Melbourne (EF2, SF2)	Bulldogs (EF1, SF1)
<b>Season 2007</b>	Geelong (QF1, PF1, GF)	Pt Adelaide (QF2, PF2, GF)	West Coast (QF2, SF2)	Kangaroos (QF1, SF1, PF2)	Hawthorn (EF1, SF1)	Collingwood (EF2, SF2, PF1)	Sydney (EF2)	Adelaide (EF1)
<b>Season 2008</b>	Geelong (QF1, PF1, GF)	Hawthorn (QF2, PF2, GF)	W Bulldogs (QF2, SF2, PF1)	St Kilda (QF1, SF1, PF2)	Adelaide (EF1)	Sydney (EF2, SF2)	Kangaroos (EF2)	Collingwood (EF1, SF1)

**Legend**  
 Winning Team  
 Losing Team

The table at right gives the aggregate finals statistics for each ladder position for the years 2000 to 2008.

Teams finishing 1<sup>st</sup> now have a 19 and 9 aggregate finals record, compared with 19 and 7 for teams finishing 2<sup>nd</sup>.

Looking just at the last 2 weeks of the finals campaigns, teams finishing 1<sup>st</sup> are 10 and 5 while teams finishing 2<sup>nd</sup> are 10 and 6.

Team Finishing	QFEF	SF	PF	GF	Total
1st	5-4	4-0	6-3	4-2	19-9
2nd	8-1	1-0	7-2	3-4	19-7
3rd	1-8	6-2	3-4	2-1	12-15
4th	4-5	5-0	2-7	0-2	11-14
5th	3-6	0-3	0-0	0-0	3-9
6th	8-1	2-6	0-2	0-0	10-9
7th	1-8	0-1	0-0	0-0	1-9
8th	6-3	0-6	0-0	0-0	6-9

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Once again, despite the repeated indignities of reality refusing to deliver against well-crafted predictive models, I've enjoyed this season and especially enjoyed writing this newsletter. I hope you've enjoyed reading at least some of it sometimes.

For Investors, I wish, of course, that we'd seen a few more upsets over the course of the year and that I could have continued our run of profitable investing, but regrettably that proved to be too difficult this year. If only the Cats' vulnerability had been exposed once or twice more often. Anyway, here's to a topsy-turvy 2009.

In the off-season I'll again be tinkering with the models, though this year I suspect that 'tinkering' won't do justice to the amount of work that I'll end up doing. As usual, please let me know if you'd like to receive off-season newsletters, if you'd rather wait until the pre-season, or if you'd prefer never to have another newsletter enspam your mail inbox.

And so, like the supporters of 15 of the 16 teams, let me say to all Investors: 'Next year will be different'.

Tony

28 September 2008