



MAFL Funds : Season 2007

Where Statistics Meets Leather and Grass

20 September 2007

Season 2007, Number 25 (Preliminary Finals)

In this Edition of the newsletter:

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- Fund Performance
- The Contenders
- Update on Sportsbet Markets

Cats Pies and Power Roos



PRELIM FINAL #1



Collingwood
v
Geelong
MCG
21st September, 7:50pm

Head-to-Head

Col \$3.65 / Gee \$1.27
(Geelong 73-79%)

Line Betting

Collingwood +23½ pts

Heritage Fund Bet

7.82% (5.95%) on Collingwood

Alpha Fund Bet

-

Beta Fund Bet

-

Line Fund Bet

-



Chi's Tip
Geelong by 7

Quila's Tip
Geelong by 9



PRELIM FINAL #2



Port Adelaide
v
Kangaroos
Football Park
22nd September, 4:30pm

Head-to-Head

PA \$1.30 / Kan \$3.40
(Port Adelaide 71-77%)

Line Betting

Port Adelaide -19½ pts

Heritage Fund Bet

-

Alpha Fund Bet

-

Beta Fund Bet

-

Line Fund Bet

-



Chi's Tip
Port Adelaide by 11

Quila's Tip
Port Adelaide by 6



This week, Chi and Quila are somewhat at odds with Sportsbet. While they both agree that the Cats and Port should be favourites, they don't expect the margins to be anything like what Sportsbet are suggesting. They expect both games to be decided by just a goal or two; Sportsbet expects 3 to 4 goal margins.

I don't have the data, but I suspect it's been a while since the two Prelim Finals were considered by the bookies to be as one-sided as this weekend's matches are expected to be. When you're playing to give your season, perhaps your existence, relevance, surely no team is only a 5/2 chance.

I guess we'll see.

- One bet on 1 team in 1 game with around 8% of (Notional Initial) Heritage Funds at risk.

As Predicted: Pies 'R Us

Last week it was the sole voice of the Line Fund. This week it's the voice of our other lone wolf: the Heritage Fund. And it's as we'd guessed: throwing money at the Pies.

Preliminary Finals Wagers

	Team Wagered On	Bet Size (Init) ¹	Bet Size (Cur) ²	Price Obtained	Points Start	Opponent
Heritage	Collingwood	7.82%	5.95%	\$3.65	-	Geelong

¹ Bets as a proportion of initial (notional) funds

² Bets as a proportion of current funds

So far this year the Heritage Fund is 4 and 19 on bets priced at \$3.00 or more, with an ROI of -27%. In contrast, for bets priced under \$3.00, the Fund is 22 and 20, with an ROI of +40%. It's tough to take much heart from those stats, isn't it? (Though, I do sense the makings of a Heritage Lite Fund for season 2008 – see below).

Again this week, I'll leave the Ready Reckoner as an exercise.

- Pies to win

Fund Performance by Price Range

Making that Heritage Fund calculation for the previous section of the newsletter got me to thinking about how our three head-to-head wagering Funds had fared this year on teams offering different prices.

We've all come to recognise the Heritage Fund as the Fund that loves the long-shots, so it came as a major surprise to me to do the calculations and see that almost one half of the money the Heritage Fund has wagered this year has been on teams priced in the \$2 to \$2.99 range. Even more arresting was the discovery that the ROI on these bets was a remarkable 49% and the RONF an astronomical 91%.

Sure the Heritage Fund also had a major success with the Tigers at \$6.25, which kicked up the ROI and RONF for the \$4 and over category, but you've gotta be more impressed with an RONF of 91% on 35 bets than one of 21% on just 6 bets, especially when just 1 of those bets was a winner.

I am sensing some off-season research into a variation of the Heritage Fund.

Heritage Fund

Price Obtained	No. of Bets		Total No. of Bets	Bet % of NIF	ROI	RONF
	Winning Bets	Losing Bets				
⊕ <\$2.00	2	5	7	17%	(51%)	(9%)
⊕ \$2.00 < \$2.50	14	10	24	111%	37%	41%
⊕ \$2.50 < \$3.00	6	5	11	76%	66%	50%
⊕ \$3.00 < \$3.50	2	10	12	87%	(55%)	(48%)
⊕ \$3.50 < \$4.00	1	4	5	44%	(56%)	(25%)
⊕ \$4.00 or more	1	5	6	63%	33%	21%
Grand Total	26	39	65	398%	8%	30%

The Alpha Fund has made so few bets this season – just 11 – I'm loathe to reach any conclusions from analysing its performance. I will say though that it's interesting to see how well the Alpha Fund has done on teams priced at under \$2 where it is currently 4 and 0 with a 66% ROI and a 13% RONF.

Alpha Fund

Price Obtained <input type="button" value="v"/>	No. of Bets		Total No. of Bets	Bet % of NIF	ROI	RONF
	Winning Bets	Losing Bets				
⊕ < \$2.00	4		4	20%	66%	13%
⊕ \$2.00 < \$2.50	3	2	5	8%	(36%)	(3%)
⊕ \$2.50 < \$3.00	1		1	5%	190%	9%
⊕ \$3.00 < \$3.50		1	1	5%	(100%)	(5%)
Grand Total	8	3	11	38%	38%	14%

The Beta Fund has also been pretty quiet this year, although some late-season activity has seen it reach this point of the season having made 17 bets. It's also fared well on the shorter-priced teams, in particular on those priced between \$2 and \$2.49 where it has a 3 and 1 record with a 97% ROI and a 22% RONF.

Beta Fund

Price Obtained <input type="button" value="v"/>	No. of Bets		Total No. of Bets	Bet % of NIF	ROI	RONF
	Winning Bets	Losing Bets				
⊕ < \$2.00	5	6	11	44%	(16%)	(7%)
⊕ \$2.00 < \$2.50	3	1	4	23%	97%	22%
⊕ \$2.50 < \$3.00		1	1	4%	(100%)	(4%)
⊕ \$3.50 < \$4.00		1	1	6%	(100%)	(6%)
Grand Total	8	9	17	77%	7%	6%

I think we'll need another season or two of real-world Alpha and Beta Fund experience before we can think about changing their base strategies. Any takers?

The Contenders

Here, once again, are the previous results of games involving teams in the Final 8:

		Away Team (notional if *)							
		Geelong	Port Adel	West Coast	Kangaroos	Hawthorn	Collingwood	Sydney	Adelaide
Home Team (notional if *)	Geelong		PA by 5 (R21)	GEE by 39 (R7)	KAN by 16 (R5)		GEE by 16 (R15)*	GEE by 18 (R13)	GEE by 33 (R19)
	Port Adelaide	GEE by 56 (R9)		PA by 91 (R15)	PA by 18 (R2)	HAW by 34 (R10)			ADE by 24 (R3)
	West Coast				WC by 66 (R10)		WC by 12 (R2)	WC by 12 (R16)	
	Kangaroos	GEE by 27 (R20)		WC by 17 (R19)		HAW by 21 (R3)	COL by 3 (R1)*	KAN by 16 (R6)	ADE by 46 (R12)*
	Hawthorn	HAW by 4 (R4)*	PA by 5 (R20)*	HAW by 35 (R9)*	KAN by 37 (R17)*			SYD by 9 (R11)	
	Collingwood		PA by 18 (R4)			HAW by 8 (R13)*		COL by 25 (R21)	ADE by 19 (R22)*
	Sydney		SYD by 31 (R8)	WC by 1 (R1)		SYD by 72 (R22)	COL by 19 (R12)		
	Adelaide	GEE by 7 (R11)	ADE by 8 (R18)	WC by 21 (R13)		ADE by 71 (R14)	COL by 24 (R6)	ADE by 17 (R4)	

* notional home game (except for Carlton and Sydney, only 1 home ground recognised for each team)

And, in summary form:

	Won	Lost	Has Beaten	Lost To
Geelong	7	3	Adelaide (2), Port Adelaide, West Coast, Kangaroos, Collingwood, Sydney	Port Adelaide, Hawthorn, Kangaroos
Port Adelaide	5	5	Geelong, West Coast, Kangaroos, Hawthorn, Collingwood	Adelaide (2), Geelong, Hawthorn, Sydney
West Coast	6	3	Kangaroos (2), Sydney (2), Collingwood, Adelaide	Geelong, Port Adelaide, Hawthorn
Kangaroos	3	7	Geelong, Hawthorn, Sydney	Hawthorn (2), Geelong, Port Adelaide, West Coast, Collingwood, Adelaide
Hawthorn	5	5	Geelong, Port Adelaide, West Coast, Kangaroos, Collingwood	Sydney (2), Port Adelaide, Kangaroos, Adelaide
Collingwood	4	5	Sydney (2), Kangaroos, Adelaide	Geelong, Port Adelaide, West Coast, Hawthorn, Adelaide
Sydney	3	7	Hawthorn (2), Port Adelaide	West Coast (2), Collingwood (2), Geelong, Kangaroos, Adelaide
Adelaide	6	4	Port Adelaide (2), Kangaroos, Hawthorn, Collingwood, Sydney	Geelong (2), West Coast, Collingwood

So, turning to this weekend's games:

- Geelong beat Collingwood the only time they met this season: by 16 points in Round 15 at the MCG.
- Port Adelaide defeated the Roos in their only previous matchup this season: by 18 points way back in Round 2 at Football Park.

You'd not rule out upsets in either game on the strength of that information, but you'd want at least 10/1 about both games producing an upset.

Briefly, on an historical note, the last time that a team finishing 6th made the Grand Final, was back in 1999 when 6th-placed Carlton met and lost to the 2nd-placed Roos by 35 points. Earlier, Carlton had lost in the 1st week of the Finals, to Brisbane, but under the McIntyre system that was then in place were reprieved as the 7th and 8th-placed teams also both lost. They had to beat 5th placed Eagles and the minor premiers, Essendon (by 1 point) to get as far as the Granny.

Only one team has ever won the Flag from 6th place: Melbourne, way back in 1900 (when there was only 8 teams and the regular season of 14 rounds served only to split the teams into two groups that then played an all-plays-all round-robin series to choose two finalists who met in week 1 of the finals, the winner of which won the right to play the minor premiers for the Flag).

Update on TAB Sportsbet Prices

Geelong remain firm \$1.55 favourites for the Flag. Port have blown just a smidge to \$4.50, and last weekend's winners, Collingwood and the Roos have, as you'd expect, both firmed considerably into \$5.50 and \$13 respectively. In probability terms, assuming equal vig on each team, those prices equate to chances of roughly 57%, 20%, 16% and 7%. Hard to believe that, with just four teams left, one is considered 8 times more likely to grab the Flag than another, but there it is.

TAB Sportsbet Prices : 18th September 2007

	Bookmaker's Prices Flag	
	18-Sep	11-Sep
Geelong	1.55	1.55
Port Adelaide	4.50 L	4.40
Collingwood	5.50 S	10.00
Kangaroos	13.00 S	31.00

S Odds have shortened
L Odds have lengthened

The GF Quinella market still has the Geelong v Port matchup on the first line of betting. Next follows the Geelong v Roos (\$4.35) and Collingwood v Port (\$4.60) pairings, with the Roos v Pies matchup considered most unlikely and priced at \$12.10.

Once again assuming equal vig on each of these prices, they equate to roughly 53%, 20%, 19% and 7% chances.

GF Quinella Prices : 18th September 2007

	Geelong	Port Adelaide	Kangaroos	Collingwood
Geelong		\$1.66 (\$1.60)	\$4.35 (\$9.00)	
Port Adelaide	\$1.66 (\$1.60)			\$4.60 (\$8.50)
Kangaroos	\$4.35 (\$9.00)			\$12.10 (\$41.00)
Collingwood		\$4.60 (\$8.50)	\$12.10 (\$41.00)	

LEGEND
Price Now: \$x.xx
Price Last Week: (\$x.xx)

Our remaining 'value' quinellas are now at these prices:

- Collingwood v Kangaroos \$12.10 (in from \$41)
- Geelong v Kangaroos \$4.35 (in from \$9) - \$44 when we first noted it

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"It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood, who strives valiantly; who errs and comes short again and again; because there is not effort without error and shortcomings; but who does actually strive to do the deed; who knows the great enthusiasm, the great devotion, who spends himself in a worthy cause, who at the best knows in the end the triumph of high achievement and who at the worst, if he fails, at least he fails while daring greatly. So that his place shall never be with those cold and timid souls who know neither victory nor defeat."

Theodore Roosevelt

C'arn the Pies ...

Tony

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Appendix

Notional Initial Funds

For reasons that are somewhat technical (I'm happy to provide details to anyone who's interested but, broadly, it allows me to describe bets in terms of a common percentage for all Investors and still maintain the same share price for all Investors), I need to calculate what I call "Notional Initial Funds". It's calculated separately for each Fund.

For original Investors, the definition is straightforward:

Notional Initial Funds = Actual Funds Invested

For Investors who join the Fund post Round 1:

Notional Initial Funds = Actual Funds Invested / Share Price at the time of investing

(in other words, it's the notional amount that would need to have been invested at the start of the season in order to have returned an amount equal to the amount actually invested).

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