



# MAFL Funds : Season 2007

Where Statistics Meets Leather and Grass

2 August 2007

Season 2007, Number 18

In this Edition of the newsletter:

- Wagers and tips for Round 18
- A Better Tipster than even MM15
- Update on Sportsbet Markets

## The Cats: Bet \$1,000 & Make \$20

<p> <b>Bulldogs</b>  v <b>St Kilda</b> Telstra Dome 3<sup>rd</sup> August, 7:40pm</p> <p><b>Head-to-Head</b> WB \$3.50 / StK \$1.27 (West Coast 71-79%)</p> <p><b>Line Betting</b> Bulldogs +21½ pts</p> <p><b>Heritage Fund Bet</b> 11.12% (11.56%) on Bulldogs</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> St Kilda by 20</p> <p> <b>Quila's Tip</b> St Kilda by 19</p>	<p> <b>Carlton</b>  v <b>Collingwood</b> MCG 4<sup>th</sup> August, 2:10pm</p> <p><b>Head-to-Head</b> Car \$6.50 / Col \$1.09 (St Kilda 85-92%)</p> <p><b>Line Betting</b> Carlton +32½ pts</p> <p><b>Heritage Fund Bet</b> 9.79% (10.17%) on Carlton</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Collingwood by 13</p> <p> <b>Quila's Tip</b> Collingwood by 12</p>	<p> <b>Geelong</b>  v <b>Richmond</b> Kardinia Park 4<sup>th</sup> August, 2:10pm</p> <p><b>Head-to-Head</b> Gee \$1.02 / Ric \$11.00 (Geelong 91-98%)</p> <p><b>Line Betting</b> Geelong -50½ pts</p> <p><b>Heritage Fund Bet</b> -</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Geelong by 24</p> <p> <b>Quila's Tip</b> Geelong by 26</p>	<p> <b>Brisbane Lions</b>  v <b>Kangaroos</b> Gabba 4<sup>th</sup> August, 7:10pm</p> <p><b>Head-to-Head</b> Bri \$1.64 / Kan \$2.18 (Brisbane 54-61%)</p> <p><b>Line Betting</b> Brisbane -7½ pts</p> <p><b>Heritage Fund Bet</b> -</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Brisbane by 15</p> <p> <b>Quila's Tip</b> Brisbane by 16</p>
<p> <b>Adelaide</b>  v <b>Port Adelaide</b> Football Park 4<sup>th</sup> August, 7:10pm</p> <p><b>Head-to-Head</b> Ade \$2.48 / PA \$1.50 (Port Adelaide 60-67%)</p> <p><b>Line Betting</b> Adelaide +11½ pts</p> <p><b>Heritage Fund Bet</b> 1.80% (1.88%) on Adelaide</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> 3.24% (2.33%) on Adelaide</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Port Adelaide by 12</p> <p> <b>Quila's Tip</b> Port Adelaide by 9</p>	<p> <b>Melbourne</b>  v <b>Sydney</b> Manuka Oval 5<sup>th</sup> August, 1:10pm</p> <p><b>Head-to-Head</b> Mel \$7.25 / Syd \$1.07 (Sydney 86-94%)</p> <p><b>Line Betting</b> Melbourne +43½ pts</p> <p><b>Heritage Fund Bet</b> -</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Sydney by 8</p> <p> <b>Quila's Tip</b> Sydney by 3</p>	<p> <b>Hawthorn</b>  v <b>Essendon</b> MCG 5<sup>th</sup> August, 2:10pm</p> <p><b>Head-to-Head</b> Haw \$1.80 / Ess \$1.94 (Hawthorn 49-56%)</p> <p><b>Line Betting</b> Hawthorn -6½ pts</p> <p><b>Heritage Fund Bet</b> -</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> 2.00% (1.44%) on Hawthorn</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> Hawthorn by 12</p> <p> <b>Quila's Tip</b> Hawthorn by 21</p>	<p> <b>West Coast</b>  v <b>Fremantle</b> Subiaco 5<sup>th</sup> August, 2:40pm</p> <p><b>Head-to-Head</b> WC \$1.28 / Fre \$3.40 (West Coast 71-78%)</p> <p><b>Line Betting</b> West Coast -19½ pts</p> <p><b>Heritage Fund Bet</b> -</p> <p><b>Alpha Fund Bet</b> -</p> <p><b>Beta Fund Bet</b> -</p> <p><b>Line Fund Bet</b> -</p> <p> <b>Chi's Tip</b> West Coast by 3</p> <p> <b>Quila's Tip</b> West Coast by 4</p>

- Five bets on 4 teams across 4 games puts around 23% of (Notional Initial) Heritage Funds and 5¼ % of Beta Funds at risk

## Here We Go Again

Earlier this week, once I'd locked us into the weekend's wagers, I was wondering how I might "position" it all with MAFL Investors.

Then I realised: it can hardly be surprising to anyone who's been following these newsletters that the weekend's fortunes rest largely in the hands (yet again) of the Dogs and the Blues.

And so it is:

### Round 18 Wagers

	Team Wagered On	Bet Size (Init) <sup>1</sup>	Bet Size (Cur) <sup>2</sup>	Price Obtained	Points Start	Opponent
Heritage	Bulldogs	11.12%	11.56%	\$3.50	-	St Kilda
	Carlton	9.79%	10.17%	\$6.50	-	Collingwood
	Adelaide	1.80%	1.88%	\$2.48	-	Port Adelaide
Beta	Adelaide	3.24%	2.33%	\$2.48	-	Port Adelaide
	Hawthorn	2.00%	1.44%	\$1.80	-	Essendon

1 Bets as a proportion of initial (notional) funds

2 Bets as a proportion of current funds

Which, once again, puts some double digits in the Ready Reckoner:

### Round 18 Ready Reckoner

(all returns are as a % of Total Notional Initial Funds)

		Win	Lose by less than the Spread	Lose by more than the Spread
Strategy A	Bulldogs	+5.56%		-2.22%
	Carlton	+10.77%		-1.96%
	Adelaide	+2.21%		-1.50%
	Hawthorn	+0.56%		-0.70%
Strategy B	Bulldogs	+6.95%		-2.78%
	Carlton	+13.46%		-2.45%
	Adelaide	+1.87%		-1.26%
	Hawthorn	+0.40%		-0.50%
Strategy C+	Bulldogs	+16.68%		-6.67%
	Carlton	+32.30%		-5.87%
	Adelaide	+2.08%		-1.41%
	Hawthorn	+0.16%		-0.20%
Strategy D	Bulldogs	+0.00%		+0.00%
	Carlton	+0.00%		+0.00%
	Adelaide	+0.00%		+0.00%
	Hawthorn	+0.00%		+0.00%
Strategy E	Bulldogs	+5.56%		-2.22%
	Carlton	+10.77%		-1.96%
	Adelaide	+1.97%		-1.33%
	Hawthorn	+0.48%		-0.60%

So, it's very simple: Dogs or Carlton to win for Strategy A, B, C+ and E Investors to make a profit.

Strategy D Investors can take the weekend off, safe in the knowledge that they're up 7.7% no matter what happens.

- Dogs or Blues is all we need

- For the third weekend running, Chi and MM16 differ on 1 tip and Chi and BKB differ on none

# The Only Question: Roos or Lions?

Unprecedentedly high levels of agreement this weekend see the TAI at 93.4% and only one game producing more than a single dissenter: the Roos v Lions game, where the independently-minded tipsters have it 6-5 to the Roos.

Indeed, this is the only game that has produced disagreement amongst our top three tipsters, with Chi and BKB favouring Brisbane and MM16 opting for the Roos.

Here's the detail:

## Tips from all the Tipping Models (see Appendix for each Model's strategy)

Tipping								
	WB v StK	Car v Col	Gee v Ric	Bri v Kan	Ade v PA	Mel v Syd	Haw v Ess	WC v Fre
CTM	StK by 20	Col by 13	Gee by 24	Bri by 15	PA by 12	Syd by 8	Haw by 12	WC by 3
QTM	StK by 19	Col by 12	Gee by 26	Bri by 16	PA by 9	Syd by 3	Haw by 21	WC by 4
BKB	StK by 21½	Col by 32½	Gee by 50½	Bri by 7½	PA by 11½	Syd by 43½	Haw by 6½	WC by 19½
CTL	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
MM2	St Kilda	Collingwood	Geelong	Brisbane Lions	Port Adelaide	Sydney	Essendon	West Coast
MM4	St Kilda	Collingwood	Geelong	Brisbane Lions	Port Adelaide	Sydney	Hawthorn	West Coast
MM6	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
MM8	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
MM11	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
MM16	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
MM22	St Kilda	Collingwood	Geelong	Kangaroos	Port Adelaide	Sydney	Hawthorn	West Coast
NIT	St Kilda (11-0)	Collingwood (11-0)	Geelong (11-0)	Kangaroos (6-5)	Port Adelaide (11-0)	Sydney (11-0)	Hawthorn (10-1)	West Coast (11-0)

### Line Betting

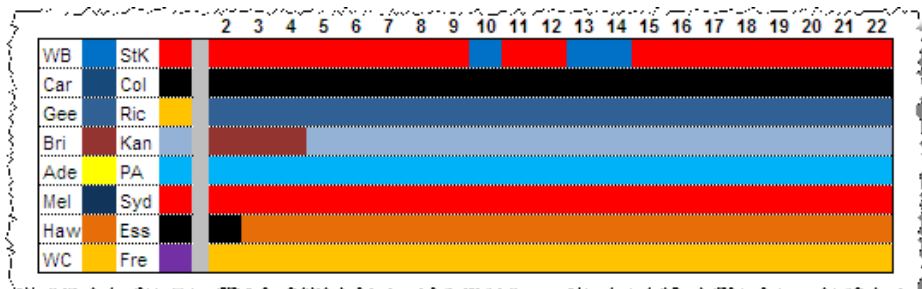
Chi	Western Bulldogs	Carlton	Richmond	Brisbane Lions	Port Adelaide	Melbourne	Hawthorn	Fremantle
Quila	Western Bulldogs	Carlton	Richmond	Brisbane Lions	Adelaide	Melbourne	Hawthorn	Fremantle

Chi and Quila continue to provide valuable (albeit unintentional) guidance into the Line Betting market, their recent record now standing at 12 wins and 30 losses. Cumulatively, here's where the various tipsters are at on head-to-head tipping:

## Cumulative Tipping Results

	Cum	% Correct	Av Pred Err
BKB	88.5	65.1%	29.42
MM16	88.5	65.1%	-
CTM	82.5	60.7%	30.74
MM4	80.5	59.2%	-
MM8	79.5	58.5%	-
MM11	79.5	58.5%	-
CTL	77.5	57.0%	-
MM22	77.5	57.0%	-
NIT	77.5	57.0%	-
MM6	76.5	56.3%	-
QTM	73.5	54.0%	32.38
MM2	68.5	50.4%	-

For anyone who's interested, here are the various MM tips for this weekend:



Last week we found that MM15 was one tip ahead of MM16. This week we'll look at a bunch of even better tipping strategies ...

## A Better Tipster Than MM15

This past week I've been fiddling with the MM strategies, looking for ways to combine them to produce 'metastrategies' with strong and robust tipping performances. To do this, I've fitted various linear combinations of the MM strategies to the results for the first 11 rounds and then determined how well these fitted models have performed over the next 6 rounds.

Having done this, I've come up with 3 new strategies, each a linear combination of the 21 underlying MM strategies:

- Strategy A, which correctly tipped 57½ from 88 (65%) in the first 11 rounds, then 35 from 48 (73%) in the 'holdout' period from rounds 12 to 17. Its overall record is 92½ from 136 (68%).
- Strategy B, which did better in the fitting period, correctly tipping 60½ from 88 (69%) in the first 11 rounds, but a little worse in the holdout period, tipping 34 from 48 (71%) in rounds 12 to 17. Its overall record is 94½ from 136 (69%).
- Strategy C, which did best in the fitting period, correctly tipping 62½ from 88 (71%) in the first 11 rounds, but managed only 32 from 48 (67%) in the 'holdout' period from rounds 12 to 17. Its overall record is also 94½ from 136 (69%).

Here are these three strategies' tips for the weekend:

Strategy A	Strategy B	Strategy C
St Kilda	Western Bulldogs	Western Bulldogs
Collingwood	Collingwood	Collingwood
Geelong	Geelong	Geelong
Kangaroos	Kangaroos	Brisbane Lions
Port Adelaide	Port Adelaide	Port Adelaide
Sydney	Sydney	Sydney
Hawthorn	Hawthorn	Hawthorn
West Coast	Fremantle	West Coast

So, as for our regular tipsters, the Roos v Lions game generates contention amongst the three new strategies, but so too do the Saints v Bulldogs and Eagles v Dockers matchups.

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## Update on TAB Sportsbet Prices

Geelong continue to head Flag betting this week, having eased a little to \$3.20, while the Eagles have shortened to \$3.25. Port Adelaide and Sydney make up the 3<sup>rd</sup> and 4<sup>th</sup> lines of Flag betting respectively. The Roos sit on the 6<sup>th</sup> line of betting, and must surely be considered value at \$13.

In Final 8 betting, the West Coast and Kangaroos have both now achieved "No quote" status, while Port Adelaide and Collingwood are now considered near certainties and priced at \$1.01 and \$1.04 respectively.

Fremantle have blown dramatically in both markets and are now at \$14 for the Final 8 and \$201 for the Flag.

## TAB Sportsbet Prices : 1<sup>st</sup> August 2007

	Bookmaker's Prices (1st August)		Bookmaker's Prices (24th July)	
	Final 8	Flag	Final 8	Flag
Geelong	No quote	3.20 L	No quote	3.10
West Coast	No quote S	3.25 S	1.03	3.70
Kangaroos	No quote S	13.00 S	1.02	14.00
Port Adelaide	1.01 S	9.50 S	1.08	15.00
Collingwood	1.04 L	12.00 L	1.02	7.50
Sydney	1.15 S	10.00 S	1.28	12.00
Hawthorn	1.25 L	18.00 L	1.06	13.00
St Kilda	1.85 S	18.00 L	1.90	15.00
Brisbane	2.35 S	21.00 S	7.50	101.00
Essendon	2.50 S	35.00 S	12.00	251.00
Adelaide	3.25 L	35.00 L	1.60	17.00
Western Bulldogs	5.50 L	126.00 L	2.30	61.00
Fremantle	14.00 L	201.00 L	5.00	71.00
Carlton	No quote	No quote	No quote	No quote
Melbourne	No quote	No quote	No quote	No quote
Richmond	No quote	No quote	No quote	No quote

S Odds have shortened  
L Odds have lengthened

In Spoon betting ... there is no betting. With five rounds still to play, Sportsbet are no longer taking bets on this market, and who can blame them?

On GF Quinella betting, the only market for which the price remains sub-\$10 is for a West Coast v Geelong GF, a matchup which is priced, absurdly in my opinion, at \$3.25.

Three matchups are at exactly \$10: Geelong v Port Adelaide, Port Adelaide v West Coast, and Sydney v West Coast.

Our 'value' quinellas have moved to the following prices:

- Collingwood v Kangaroos \$60 (eased from \$43)
- Hawthorn v Kangaroos \$91 (out from \$72)
- West Coast v Kangaroos \$15 (in from \$18)
- Collingwood v Hawthorn \$84 (out from \$40)
- Geelong v Kangaroos \$14 (out from \$13)

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I have always believed, and I still believe, that whatever good or bad fortune may come our way we can always give it meaning and transform it into something of value

**Hermann Hesse**

Tony

2 August 2007

# Appendix

## Tipping Model Strategies

Strategy Name	Basis for Tips
Chi Tipping Model (CTM)	Complex statistical model incorporating a range of factors.
Quila Tipping Model (QTM)	Uses an approach similar to that used for the CTM.
Bookies Know Best (BKB)	For each game, tips the TAB Sportsbet favourite. In the case of equal favourites, it tips the true home team or, if there's no true home team, tips the team with the higher ladder position (ties are broken using percentage then for-and-against margin).
Consult The Ladder (CTL)	Tips the team with the higher ladder position (ties are broken using percentage then for-and-against margin). For the first round of the season, use the ladder position at the end of the previous regular season.
Momentum Matters (MMx)	A series of strategies that involve building competition ladders based only on the results of the most recent x rounds of regular season games (drawing on games from the previous season if required).  The MM2 strategy considers only the last 2 regular season rounds, the MM4 strategy only the last 4 rounds, and so on. Once a ladder has been built for a strategy, the selected team is that with the superior ladder position (as per CTL above).  This year we'll track the performance of MM2, MM4, MM6, MM8, MM11, MM16 and MM22.
No Independent Thought (NIT)	Tips the team that is most popular amongst all other strategies.

## 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:

$$\text{Notional Initial Funds} = \text{Actual Funds Invested}$$

For Investors who join the Fund post Round 1:

$$\text{Notional Initial Funds} = \text{Actual Funds Invested} / \text{Share Price at the time of investing}$$

(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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