



# MAFL Funds : Season 2007

Where Statistics Meets Leather and Grass

16 August 2007

Season 2007, Number 20

In this Edition of the newsletter:

- Wagers and tips for Round 20
- Revising the Draft
- Update on Sportsbet Markets

## Potential Cliffhangers Abound

 **Collingwood**  
v  
**Melbourne**  
MCG  
17<sup>th</sup> August, 7:40pm

**Head-to-Head**  
Col \$1.57 / Mel \$2.30  
(Collingwood 57-64%)

**Line Betting**  
Collingwood -8½ pts


**Heritage Fund Bet**  
-

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
-

 **Chi's Tip**  
Collingwood by 9

 **Quila's Tip**  
Collingwood by 10

 **St Kilda**  
v  
**Fremantle**  
Telstra Dome  
18<sup>th</sup> August, 2:10pm

**Head-to-Head**  
StK \$1.65 / Fre \$2.15  
(St Kilda 54-61%)

**Line Betting**  
St Kilda -7½ pts


**Heritage Fund Bet**  
-

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
7.78% (6.78%) on Frem'tle

 **Chi's Tip**  
St Kilda by 5

 **Quila's Tip**  
St Kilda by 1

 **Carlton**  
v  
**Essendon**  
MCG  
18<sup>th</sup> August, 2:10pm

**Head-to-Head**  
Car \$2.45 / Ess \$1.50  
(Essendon 59-67%)

**Line Betting**  
Carlton +13½ pts

**Heritage Fund Bet**  
7.97% (4.75%) on Carlton

**Alpha Fund Bet**  
3.11% (2.88%) on Carlton

**Beta Fund Bet**  
-

**Line Fund Bet**  
-

 **Chi's Tip**  
Carlton by 2

 **Quila's Tip**  
Carlton by 5

 **Brisbane Lions**  
v  
**Sydney**  
Gabba  
18<sup>th</sup> August, 7:10pm

**Head-to-Head**  
Bri \$2.05 / Syd \$1.70  
(Sydney 51-59%)

**Line Betting**  
Brisbane +5½ pts

**Heritage Fund Bet**  
-

**Alpha Fund Bet**  
0.48% (0.44%) on Brisbane

**Beta Fund Bet**  
4.38% (5.59%) on Brisbane

**Line Fund Bet**  
-

 **Chi's Tip**  
Brisbane by 3

 **Quila's Tip**  
Brisbane by 8

 **West Coast**  
v  
**Richmond**  
Subiaco  
18<sup>th</sup> August, 5:40pm

**Head-to-Head**  
WC \$1.09 / Ric \$6.50  
(West Coast 85-92%)

**Line Betting**  
West Coast -39½ pts

**Heritage Fund Bet**  
-

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
-

 **Chi's Tip**  
West Coast by 21

 **Quila's Tip**  
West Coast by 21

 **Hawthorn**  
v  
**Port Adelaide**  
Aurora Stadium  
19<sup>th</sup> August, 1:10pm

**Head-to-Head**  
Haw \$1.55 / PA \$2.35  
(Hawthorn 57-65%)

**Line Betting**  
Hawthorn -10½ pts

**Heritage Fund Bet**  
2.96% (1.76%) on Pt Adel

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
-

 **Chi's Tip**  
Hawthorn by 2

 **Quila's Tip**  
Port Adelaide by 10

 **Kangaroos**  
v  
**Geelong**  
Telstra Dome  
19<sup>th</sup> August, 2:10pm

**Head-to-Head**  
Kan \$3.60 / Gee \$1.26  
(Geelong 72-79%)

**Line Betting**  
Kangaroos +22½ pts


**Heritage Fund Bet**  
8.52% (5.08%) on Kangaroos

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
-

 **Chi's Tip**  
Geelong by 10

 **Quila's Tip**  
Geelong by 13

 **Adelaide**  
v  
**Bulldogs**  
Football Park  
19<sup>th</sup> August, 4:10pm

**Head-to-Head**  
Ade \$1.20 / WB \$4.25  
(Adelaide 77-83%)

**Line Betting**  
Adelaide -25½ pts


**Heritage Fund Bet**  
-

**Alpha Fund Bet**  
-

**Beta Fund Bet**  
-

**Line Fund Bet**  
7.78% (6.78%) on Bulldogs

 **Chi's Tip**  
Adelaide by 18

 **Quila's Tip**  
Adelaide by 2

- Eight bets on 6 teams across 6 games with around 19½% of (Notional Initial) Heritage Funds [again!], 3½% of Alpha Funds, 4½% of Beta Funds and 15½% of Line Funds at risk

# The Family's Back Together

Suddenly, everybody wants to bet.

This week, for the first time since Round 9, all the Funds are active, which is going to make for an exhausting weekend for Investors since only two games have none of our money riding on them.

Key bets are on Carlton and the Roos, especially Carlton since it's the target of Heritage Fund and Alpha Fund (remember the Alpha Fund?) wagers.

Here's what we have:

## Round 20 Wagers

	Team Wagered On	Bet Size (Init) <sup>1</sup>	Bet Size (Cur) <sup>2</sup>	Price Obtained	Points Start	Opponent
Heritage	Carlton	7.97%	4.75%	\$2.45	-	Essendon
	Port Adelaide	2.96%	1.76%	\$2.35	-	Hawthorn
	Kangaroos	8.52%	5.08%	\$3.60	-	Geelong
Alpha	Carlton	3.11%	2.88%	\$2.45	-	Essendon
	Brisbane	0.48%	0.44%	\$2.05	-	Sydney
Beta	Brisbane	4.38%	5.59%	\$2.05	-	Sydney
	Fremantle	7.78%	6.78%	\$1.90	7½	St Kilda
Line	Bulldogs	7.78%	6.78%	\$1.90	25½	Adelaide

1 Bets as a proportion of initial (notional) funds

2 Bets as a proportion of current funds

- Roos and Blues the key.

It's interesting to note that although none of the head-to-head bets are on favourites, only one of them is at a price in excess of \$2.50. So, no Richmond-like returns this week, though a Roos win would still bring a broad smile.

With bets covering three-quarters of the weekend's action, the Ready Reckoner is large and fairly brimming with possibilities.


## Round 20 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	Fremantle		+0.70%	-0.78%
	Carlton	+3.89%		-2.68%
	Brisbane	+1.79%		-1.70%
	Port Adelaide	+0.80%		-0.59%
	Kangaroos	+4.43%		-1.70%
	Bulldogs		+0.70%	-0.78%
Strategy B	Fremantle		+1.75%	-1.95%
	Carlton	+4.02%		-2.77%
	Brisbane	+1.28%		-1.22%
	Port Adelaide	+1.00%		-0.74%
	Kangaroos	+5.54%		-2.13%
	Bulldogs		+1.75%	-1.95%
Strategy C	Fremantle		+1.40%	-1.56%
	Carlton	+7.38%		-5.09%
	Brisbane	+0.51%		-0.49%
	Port Adelaide	+2.40%		-1.78%
	Kangaroos	+13.29%		-5.11%
	Bulldogs		+1.40%	-1.56%
Strategy D	Fremantle		+7.00%	-7.78%
	Carlton	+0.00%		+0.00%
	Brisbane	+0.00%		+0.00%
	Port Adelaide	+0.00%		+0.00%
	Kangaroos	+0.00%		+0.00%
	Bulldogs		+7.00%	-7.78%
Strategy E	Fremantle		+1.40%	-1.56%
	Carlton	+3.66%		-2.53%
	Brisbane	+1.53%		-1.46%
	Port Adelaide	+0.80%		-0.59%
	Kangaroos	+4.43%		-1.70%
	Bulldogs		+1.40%	-1.56%

It's too complex to state simply what's required for profitability this weekend, but one obvious path to wealth for many Investors is a Roos win coupled with a win of any other Head-to-Head bet, preferably those on Carlton.

Just before we move on from last weekend's triumph, I have to share with you the "Betting Wrap" for the Tigers v Pies game from the domebet website at [www.onthepunt.com.au](http://www.onthepunt.com.au).

**BETTING WRAP** from 

**ROUND 19**  
 This round we saw 6 favourites win and 5 of them cover the line. The two outsiders that won (Richmond and Melbourne) were both well supported in the market and shortened during the week. Port Adelaide was the only favourite not to cover the line. It looks like Mark Harvey and Brett Ratten have secured the coaching jobs at Fremantle and Carlton for next year and Geelong has confirmed it's the side to beat for the 2007 Premiership. West Coast looks to be vulnerable with Judd carrying an injury and Embley doing a hamstring in the game against the Kangaroos.

**Richmond v Collingwood**  
 The Tigers opened Round 19 with their 2nd win of the year. Richmond opened at 7.00 and there was smart money around for them all week that saw them start at 6.00. Collingwood drifted from 1.12 to 1.18 at game time. The biggest losing bet on Collingwood was 15k @ 1.18; this was offset with a 10k on Richmond @ +33.5 @ 1.92. Most of the bigger multiples included Collingwood so a Richmond win got the Bookies off to a winning start on Friday night.

I just love the "smart money" designation, but I sense that it can only be applied to wagers in hindsight. Had the Tigers done as expected and fallen in a heap last Friday night then I'm sure there'd have been a very different assessment of our wager's IQ. Anyway, it's nice that we were "smart" investors for one game at least.

## A Tough Round To Tip

- BKB and MM16 differ on 2 tips, as do BKB and Chi. Chi and MM16 differ on 4 tips.

There are significant levels of disagreement this week across the tipsters, especially about the Saints v Freo, Lions v Swans, Hawks v Port, and Crows v Bulldogs matchups.

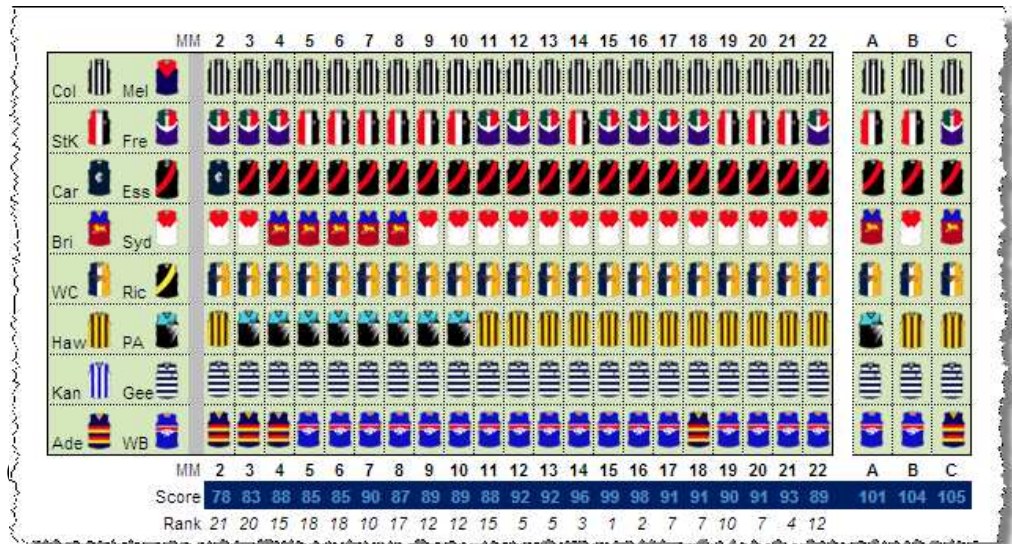
Amongst the better-performed tipsters there's dissent about these four games as well as about the Blues v Dons clash. All told, BKB and MM16 differ on 2 tips, BKB and Chi also differ on 2 tips, and MM16 and Chi differ on 4.

Here's the detail:

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

Matchup	Head to Head				Line	
	Chi	Quila	BKB	CTL	Chi	Quila
Col v Mel	9	10	8%			
StK v Fre	5	1	7%			
Car v Ess	2	5	13%			
Bri v Syd	3	8	5%			
WC v Ric	21	21	39%			
Haw v PA	2	10	10%			
Kan v Gee	10	13	22%			
Ade v WB	10	2	25%			
Score	94	84	100	86	67	63

And, for all the MM Strategies, including the recently introduced A, B and C, we have:



As you can see, there's quite a bit of dissention there too, so expect some extremes of performance this weekend.

Speaking of performance, in League order, here's where all the various tipsters are currently at:

### Cumulative Tipping Results

	Cum	% Correct	Avg Pred Err
BKB	100	65.8%	29.03
MM15	99	65.1%	-
MM16	98	64.5%	-
MM14	96	63.2%	-
CTM	94	61.8%	30.42
MM21	93	61.2%	-
MM12	92	60.5%	-
MM13	92	60.5%	-
MM17	91	59.9%	-
MM18	91	59.9%	-
MM20	91	59.9%	-
MM7	90	59.2%	-
MM19	90	59.2%	-
MM9	89	58.6%	-
MM10	89	58.6%	-
MM22	89	58.6%	-
MM4	88	57.9%	-
MM11	88	57.9%	-
NIT	87	57.2%	-
MM8	87	57.2%	-
CTL	86	56.6%	-
MM5	85	55.9%	-
MM6	85	55.9%	-
QTM	84	55.3%	32.03
MM3	83	54.6%	-
MM2	78	51.3%	-

Looking at this table it's hard to believe that Quila's strategy had, before this season, tipped only one fewer correct tips than Chi's over the course of the past seven seasons.



## Revising the Draft

With the Tigers and the Dees winning last week, I guess many would feel that the “tanking” issue has been cast aside for yet another season. Up to a point, that’s probably a fair assessment, although only a win by the Blues could truly muffle all the critics.

Regardless, as I said last week, it’s unfair to leave any of the teams in a position where they could even be suspected of putting in anything other than a 100% effort.

I have two suggestions for changes to the draft that would broadly preserve its intent but that would also go a long way to removing much of the contention that currently exists.

(1) Randomise the draft to some extent. Sure, give teams further down the ladder a strong chance of getting early draft picks, but don’t make ladder position completely determine the pick order. One way to achieve this would be to place balls in an urn with the number of balls increasing as ladder position increased. So, for example, the team that finished 9<sup>th</sup> might get 5 balls in the urn; 10<sup>th</sup> might get 6 balls, and so on. Then, draw from this urn to determine the order of draft picks.

Actually, although it’s not strictly in keeping with the current spirit of the draft, I’d like to see this system used in such a way that marginally more balls are placed in the urn for teams higher up the ladder to ensure that all teams are still striving for victory all the way to Round 22.

(2) Base draft picks on ladder position at the end of Round 11, not Round 22.

Sides that are poor performers generally don’t need 22 rounds to prove it; 11 rounds should be more than enough. What’s more, I reckon that it’s far less likely that a team would even consider tanking say rounds 9, 10 and 11 when there’s still so much of the season to go that a spot in the Finals is not totally out of the question. With this approach I’d be happy to stick with the current notion that 1<sup>st</sup> draft pick accrues to the team at the foot of the ladder.

Under either of these new draft regimes, the notion of Priority Picks has to go. Let’s compensate for underperformance but not lavish it with silken opportunity. Feel free to e-mail me if you’ve a different view.

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## Update on TAB Sportsbet Prices

We now have 8 teams on Sportsbet who are “No quotes” for a spot in the Final 8 – five teams are “No quotes” because they’re considered certainties, three teams are quoteless because it vaguely rhymes with hopeless.

In Flag betting, the Cats have shortened further still, as have West Coast and Sydney. These three are the only teams with single digit prices. Hawthorn and Port Adelaide are the only two other teams that are apparently considered genuine contenders.

Spoon betting, which looked likely to reopen after the Tigers’ win last Friday night, remains closed due to Melbourne’s surprise victory later in the weekend.

Remarkably, given the lateness of the season, 78 GF Quinellas are still open for betting. Three remain at a sub-\$10 price: West Coast v Geelong \$2.70 (in from \$3.40), Geelong v Sydney \$4.50 (in from \$6.50), and Sydney v West Coast \$6.50 (in from \$8.00).

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

- Collingwood v Kangaroos \$220 (eased from \$79)
- Hawthorn v Kangaroos \$110 (out from \$105)
- West Coast v Kangaroos \$28 (out from \$25)
- Collingwood v Hawthorn \$135 (out from \$61)
- Geelong v Kangaroos \$17 (no change)

### TAB Sportsbet Prices : 14<sup>th</sup> August 2007

	Bookmaker's Prices (14th August)		Bookmaker's Prices (7th August)	
	Final 8	Flag	Final 8	Flag
Geelong	No quote	2.45 S	No quote	2.70
West Coast	No quote	3.75 S	No quote	4.00
Hawthorn	No quote S	13.00 S	1.10	15.00
Port Adelaide	No quote S	15.00 S	1.01	16.00
Collingwood	No quote	26.00 L	No quote	11.00
Kangaroos	1.01 S	21.00 L	1.03	18.00
Sydney	1.02 S	6.00 S	1.10	7.50
Adelaide	2.25 S	31.00 L	3.50	26.00
St Kilda	2.80 L	35.00 L	2.75	28.00
Fremantle	3.00 S	31.00 S	3.25	51.00
Brisbane	3.15 L	35.00 L	2.00	16.00
Essendon	10.00	151.00	10.00	151.00
Western Bulldogs	13.00 L	251.00 L	3.50	101.00
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

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“The art is not in making money, but in keeping it”

**Proverb – Anon.**

# 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).

16 August 2007