



# MAFL Funds : Season 2007

Where Statistics Meets Leather and Grass

11 April 2007

Season 2007, Number 3

In this newsletter:

- Round 3 Game Details and Wagers
- Round 3 Tips
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## Games to Keep Even Chi Awake

 <p><b>Collingwood v Richmond</b> MCG 13<sup>th</sup> April, 7:40pm</p> <p><b>Head-to-Head</b> Col \$1.57 / Ric \$2.30</p> <p><b>Line Betting</b> Collingwood -8.5pts</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> Collingwood by 6</p> <p><b>Quila's Tip</b> Collingwood by 6</p>	 <p><b>Carlton v Essendon</b> MCG 14<sup>th</sup> April, 2:10pm</p> <p><b>Head-to-Head</b> Car \$3.00 / Ess \$1.35</p> <p><b>Line Betting</b> Carlton +18.5pts</p> <p><b>Heritage Fund Bet</b> 5.21% 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> Essendon by 11</p> <p><b>Quila's Tip</b> Essendon by 15</p>	 <p><b>Port Adelaide v Adelaide</b> Adelaide Football Park 14<sup>th</sup> April, 2:40pm</p> <p><b>Head-to-Head</b> PA \$1.90 / Adel \$1.83</p> <p><b>Line Betting</b> No market yet</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> Adelaide by 1</p> <p><b>Quila's Tip</b> Adelaide by 1</p>	 <p><b>St Kilda v Bulldogs</b> Telstra Dome 14<sup>th</sup> April, 7:10pm</p> <p><b>Head-to-Head</b> StK \$1.93 / Bul \$1.80</p> <p><b>Line Betting</b> No market yet</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> St Kilda by 2</p> <p><b>Quila's Tip</b> St Kilda by 10</p>
 <p><b>Fremantle v West Coast</b> Subiaco 14<sup>th</sup> April, 5:40pm</p> <p><b>Head-to-Head</b> Fre \$2.07 / WC \$1.70</p> <p><b>Line Betting</b> Fremantle +5.5pts</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> Fremantle by 1</p> <p><b>Quila's Tip</b> Fremantle by 1</p>	 <p><b>Sydney v Brisbane Lions</b> SCG 15<sup>th</sup> April, 1:10pm</p> <p><b>Head-to-Head</b> Syd \$1.42 / Bri \$2.75</p> <p><b>Line Betting</b> Sydney -13.5pts</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 12</p> <p><b>Quila's Tip</b> Sydney by 7</p>	 <p><b>Melbourne v Geelong</b> MCG 15<sup>th</sup> April, 2:10pm</p> <p><b>Head-to-Head</b> Mel \$3.10 / Gee \$1.34</p> <p><b>Line Betting</b> Melbourne +19.5pts</p> <p><b>Heritage Fund Bet</b> 6.30% on Melbourne</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 6</p> <p><b>Quila's Tip</b> Geelong by 12</p>	 <p><b>Kangaroos v Hawthorn</b> Telstra Dome 15<sup>th</sup> April, 5:10pm</p> <p><b>Head-to-Head</b> Kan \$2.35 / Haw \$1.55</p> <p><b>Line Betting</b> Kangaroos +10.5pts</p> <p><b>Heritage Fund Bet</b> 3.96% on Kangaroos</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> Kangaroos by 6</p> <p><b>Quila's Tip</b> Kangaroos by 6</p>

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- Only 3 Bets and a mere 15½% of the Heritage Fund at risk. Even if we lose them all, we'll still be in front for the season ...

- A Dees victory would be sweet, but even the Blues could make us happy

## Wanna Go Again?

Not quite the heady drama of last weekend, but 3 bets and just under 15½% of initial Heritage Funds at risk nonetheless. Here's what we've got staked:

- 5.21% on Carlton (over Essendon) at \$3.00 (Oh please, not *another* year of fruitless wagers on the Blues. I thought you told me that these Models learned.)
- 6.30% on Melbourne (over Geelong) at \$3.10
- 3.96% on the Roos (over Hawthorn) at \$2.35

There does appear to be some value in these wagers, especially the Melbourne tilt. I don't believe that the absence of one or two 'key' players has quite the impact on a team that footy fans believe and that, consequently, betting markets reflect; accordingly, I think Melbourne's over-priced.

Actually, we almost had 4 bets this week. Earlier in the week, St Kilda were at \$1.95 and the Heritage Fund Model fancied a smallish (1.50%) flutter on them too, but it turned and walked away the instant the Saints shortened to \$1.93. That's what I call a fine judgment (I'll tell you in which sense of the word I mean 'fine' come Monday).

Anyway, for the wagers we do have, here's the weekend's ready reckoner.

### Heritage Fund Wager Ready Reckoner

Carlton v Essendon	Melbourne v Geelong	Kangaroos v Hawthorn	Total Return	Approx Odds to 1 (based on bookie's implied probabilities)	
5.21% on Carl	6.30% on Melb	3.96% on Kang		Shortest	Longest
Carlton	Melbourne	Kangaroos	29.0%	22	43
Carlton	Melbourne	Hawthorn	19.7%	14	26
Carlton	Geelong	Kangaroos	9.5%	9	16
Carlton	Geelong	Hawthorn	0.2%	6	10
Essendon	Melbourne	Kangaroos	13.4%	10	17
Essendon	Melbourne	Hawthorn	4.1%	6	10
Essendon	Geelong	Kangaroos	(6.2%)	4	6
Essendon	Geelong	Hawthorn	(15.5%)	3	4

Well look at that - 8 outcomes, and 6 of them profitable. Now if only they were all equally likely ...

So the profitability equation is pretty simple this weekend: Melbourne or Carlton need to win for us to lift the Heritage Fund share price. That said, a lone Carlton win would lift the share price by just 0.2c, so it'd be somewhat hollow to claim that as a genuine victory - a profit that's mathematically different from zero, but practically so much in the neighbourhood that it might as well be treated as residing at the same address.

Had the Alpha and Beta Funds been trading this week, the Alpha Fund would have had 0.65% on Fremantle, 6.48% on Sydney and 2.59% on the Roos; and the Beta Fund would have had 6.48% on Sydney and 5.24% on Melbourne. And if that's not enough action for one weekend, had the Line Fund been trading, we'd have had 7.78% of the Fund on each of Port Adelaide (any start), St Kilda (any start), Fremantle (+5.5) and Brisbane (+13.5). In total then we'd have had just under 14% of the entire Fund at play; gives you pause for thought, doesn't it?

- Identical tips yet again for Chi and Quila, this week including the underdog Saints, Dockers and Roos.

## 'N'Sync Again

Once more, the doggie duo have opted for three underdogs:

- St Kilda – at home to the Bulldogs at the Dome on Saturday
- Fremantle (narrowly) – at home, albeit jointly, against West Coast at Subiaco, also on Saturday
- The Roos – at home at the Dome against the Hawks on Sunday

With eight identical Chi and Quila tips once again this weekend, there's no "Key Game". Also, with Chi tipping another round of close finishes (his maximum tipped margin is just 2 goals), there's no "Frankly, I'd Rather Be Sleeping Game".

In fact, Chi sees 6 of the games being decided by just the odd goal, so we're set for one seriously tired pooch come Monday.

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

Tipping	Col v Ric	Car v Ess	PA v Adel	StK v WB	Fre v WC	Syd v BL	Mel v Gee	Kan v Haw
CTM	Col by 6	Ess by 11	Ade by 1	StK by 2	Fre by 1	Syd by 12	Gee by 6	Kan by 6
QTM	Col by 6	Ess by 15	Ade by 1	StK by 10	Fre by 1	Syd by 7	Gee by 12	Kan by 6
BKB	Col by 8.5	Ess by 18.5	Adel by TBA	WB by TBA	WC by 5.5	Syd by 13.5	Gee by 19.5	Haw by 10.5
CTL	Collingwood	Essendon	Port Adelaide	W Bulldogs	West Coast	Brisbane Lions	Geelong	Hawthorn
MM2	Collingwood	Essendon	Adelaide	St Kilda	West Coast	Sydney	Melbourne	Hawthorn
MM4	Collingwood	Essendon	Adelaide	St Kilda	West Coast	Sydney	Melbourne	Hawthorn
MM6	Collingwood	Essendon	Adelaide	St Kilda	Fremantle	Sydney	Geelong	Hawthorn
MM8	Collingwood	Essendon	Port Adelaide	St Kilda	West Coast	Sydney	Geelong	Hawthorn
MM11	Collingwood	Essendon	Port Adelaide	St Kilda	West Coast	Sydney	Geelong	Hawthorn
MM16	Collingwood	Essendon	Port Adelaide	St Kilda	West Coast	Sydney	Geelong	Hawthorn
MM22	Collingwood	Essendon	Port Adelaide	W Bulldogs	West Coast	Brisbane Lions	Geelong	Hawthorn
NIT	Collingwood (11-0)	Essendon (11-0)	Adelaide (6-5)	St Kilda (8-3)	West Coast (8-3)	Sydney (9-2)	Geelong (9-2)	Hawthorn (9-2)

### Line Betting

Chi	Richmond	Carlton	TBA	St Kilda	Fremantle	Brisbane	Melbourne	Kangaroos
Quila	Richmond	Carlton	TBA	St Kilda	Fremantle	Brisbane	Melbourne	Kangaroos

Current tipping competition leader, MM16, has once again opted for just one underdog this weekend. This time it's St Kilda, a team which also finds favour with the furry forecasters, but it's only one of five tips that they have in common.

Here's a reminder of the current cumulative tipping performance of each strategy:

### Cumulative Tipping Performance

	Cum	Av Pred Err
MM16	10	-
CTM	9	27.3
MM6	9	-
MM22	9	-
QTM	8	28.8
BKB	8	31.3
CTL	8	-
NIT	8	-
MM2	7	-
MM4	7	-
MM8	7	-
MM11	6	-

So, with only five of Chi's tips matching MM16's, this will be an important week in the race for tipping supremacy.

Notwithstanding the differences in Chi's and MM16's tips, generally this weekend sees broad agreement amongst tipsters for most games. Which makes, some would say, for an interesting exercise ...

- **Newsflash: Tipster agreement is measurable (okay, so it's not up there with the Theory of Relativity)**

## A Tipster Agreement Index

I've often thought about coming up with an index that measured the degree to which a set of  $n$  tipsters agreed or disagreed based on their individual tips across  $m$  games. (Yes, I know, I'm seriously deranged ... we've had this conversation before.)

Such a measure, if we had a large number of tipsters, each tipping independently and on different bases, could be used as an indicator of how difficult tipping was for that particular round. Whilst this criterion is only partly met by the tips in this newsletter, it still strikes me as an interesting exercise to consider even for our somewhat correlated tipsters.

The best definition I've come up with for an agreement index - call it AI - is as follows:

*"The probability of two tipsters selected at random having the same tips for a game also selected at random"*

This is actually a pretty easy measure to implement at the game level and at the round level. For a given game,  $g$ , with  $n$  tipsters,  $a$  of whom agree, the  $AI_g$  for that game is given by:

- If  $a=n$  (ie all the tipsters agree),  $AI_g=1$
- Otherwise,  $AI_g = (2a(a-n)+n^2)/[n(n-1)]$

So, to calculate the AI across all games, we just average the  $AI_g$  for each game.

This week, ignoring the go-with-the-flow NIT model, the AI across our 11 tipsters and 8 games 77.5%. So, this week, if we picked a pair of tipsters at random (ignoring NIT) and a game at random, the probability is 77.5% that the tipsters we picked would have the same tips for the selected game.

In Round 2, AI was 76.0%, and in Round 1 it was 79.3%, so this week sits somewhere in the middle.

The minimum possible AI is 55.5%, which would occur if the tips were split 6-5 for every game, and the maximum is 100%, which would occur if all tipsters agreed on every game. Clearly we're a long way from either of those extremes this week.

We'll keep an eye on this measure each week to see if it's any good.

In the meantime, any suggestions for alternate Agreement Indexes would be very much appreciated.

**11 April 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)	<p>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).</p> <p>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).</p> <p>This year we'll track the performance of MM2, MM4, MM6, MM8, MM11, MM16 and MM22.</p>
No Independent Thought (NIT)	Tips the team that is most popular amongst all other strategies.

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