

Create Your Own Odds

A step by step guide to
compiling odds for
Horse Racing



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Introduction

Hi everyone, and thanks for downloading my guide to creating your own odds for Horse Racing.

When people think of creating 'Tissue odds' as they are widely called by bookies and punters, the general consensus is that compiling odds is a long and complex process.

While it is true that in Horse Racing there are a broad spectrum of factors that can affect a horse's performance in any given race, it isn't necessary (or often even possible) to take into account every single factor when attempting to create your own odds.

Throughout this manual I'm going to show you a straightforward and less time consuming method of odds creation. It involves firstly choosing a set of factors from the spectrum that we think are likely to affect a horse's performance, then weighing up and rating each horse in a race based on these factors.

I will then shown you how to convert these ratings into odds, and compare our odds with the odds available for each horse in the race. This will allow us to identify whether we can obtain value by placing a bet on one or more horses in that race.

Factors that affect performance

As already mentioned, there are a huge range of factors that can be taken into consideration when analysing a given race. This includes but is not limited to the following:

Race Type

Racecourse

Distance

Trainer Form

Sex

Official Rating

Pace

Character

Position in Market

Jockeyship

Going

Number of Runners

Class

Age

Weight

Fitness

Stamina

Temperament

Equipment / Headgear

Greenness

The list goes on - I am not going to go into more detail on each factor or we will be here for days on end! Instead I'm going to choose a set of factors which in my opinion are important to consider when analysing a given race. The more factors we choose, the more accurate our odds will become, however the process will also become more time consuming.

To begin with, choosing 5 or 6 factors will be sufficient. Through practise and testing we can then begin to add more factors, or take away those which we deem less important.

Applying points to a factor

I will be using an example to demonstrate the process we go through when creating our odds. For my example I have chosen a set of 6 factors, which are:

- 1. Going**
- 2. Racecourse**
- 3. Distance**
- 4. Class**
- 5. Fitness**
- 6. Weight**

Firstly we are going to use a point scoring system to rate our horses for each of the above factors. To do this I score a horse higher or lower depending on how well I deem it to have previously performed for that particular factor.

I make a set of criteria for each factor, and the amount of points a horse is given depends on the criteria it passes, for example:

Going

- won on same going - 5 points
- good run on same going - 4 points
- won on similar going - 3 points
- good run on similar going - 2 points
- never ran on going before - 1 point
- only bad runs on same/similar going - 0 points

Going notes

A good run is classed as a race in which the horse finished within $\frac{1}{2}$ a length per furlong of the winner i.e in an 8 furlong race, the horse must have finished within 4 lengths of the winner, in a 20 furlong race with 10 lengths of the winner etc.

Similar going is classed as being one category away in either direction of the current race i.e good to firm and good to soft are both similar to good, soft is similar to heavy etc.

I need to make a set of criteria for each factor, which does take a little time but we only have to do this once and these criteria can then be used for each race we create odds for.

So for my remaining five factors:

Racecourse

won at racecourse - 5 points

good run at racecourse - 3 points

never ran at racecourse before - 1 point

Only bad runs at racecourse - 0 points

Distance

won at same distance - 5 points

good run at same distance - 4 points

won within 2f of distance - 3 points

good run within 2f of distance - 2 points

won or good run within 3f of distance - 1 point

no good runs within 3f of distance - 0 points

Distance notes

f = furlong

Class

won at higher class - 5 points

good run at higher class - 4 points

won at same class - 4 points
good run at same class - 2 points
won at lower class - 1 point
good run at lower class or worse - 0 points

Class notes

A win at the same class and good run at a higher class is deemed similar, and is therefore merited with the same number of points.

Fitness

won within 20 days - 5 points
good run within 20 days - 4 points
won within 40 days - 3 points
good run within 40 days - 2 points
good run within 60 days - 1 point
no good runs within 60 days - 0 points

Weight

won at >6lb heavier - 5 points
good run at >6lb heavier - 4 points
won within 6lb of current weight - 3 points
good run within 6lb of current weight - 2 points
won at >6lb lighter - 1 point
good run at >6lb lighter or worse - 0 points

Weight notes

> = more than

Top Tip

When making your own criteria I would keep it as short and sweet as possible - huge lists of criteria for each factor will make the whole process more complex and time consuming.

If you are an experienced punter, I'm sure you already have some ideas for the sets of criteria you would use for different factors.

If you are a beginner or are otherwise unsure how to create your own criteria, stick to using the above factors to begin with. There is of course a learning curve here, but after rating a few races using this method you will start to think of ideas for your own criteria, and over time you can develop and tweak these as you see fit.

Weighing up our chosen factors

One final thing to consider before starting to rate our horses is whether or not to add weight to the factors we consider to be the most important in our set.

For example, if I thought the going was more important than the other factors in my set, I could choose to add weight to this factor by increasing the number of points given in my criteria:

Going

won on same going - 10 points

good run on same going - 8 points

won on similar going - 6 points

good run on similar going - 4 points

never ran on going before - 2 points

only bad runs on same/similar going - 0 points

Of course, weighing up factors is only an option and if you prefer all factors to weigh evenly, simply make the criteria points for each factor the same.




For my example I'm going to weigh each of my factors evenly.

Rating horses

Now that we've done all the preparation, let's get down to rating some horses. The information we need will depend on our chosen factors, but for the vast majority we can get the info from The Racing Post website at www.racingpost.com.

I'm going to use today's 4.20 Ayr race for my example. Loading this race up we will be presented with a race card like this:

« 4:20 » **Ayr**
THURSDAY, 20 FEBRUARY 2014

[SPREAD BETTING](#) 
[VIEW IN ORGANISER](#) 
[PRINT OUTS](#) 

IMPERIAL FLYER HANDICAP CHASE (CLASS 4) (5yo+ 0-120)

Winner: **£4,549** Runners: **5** Distance: **3m1f** Going: **Soft** Channel: **RUK**





£7,000 guaranteed For 5yo+ Rated 0-120 Weight raised 2 Minimum weight 10-0 Penalties after February 8th, each chase won 7lb Knockgraffon King's Handicap Mark 118 Entries 16 pay £ 35
Penalty value 1st £4,548.60 2nd £1,335.60 3rd £667.80 4th £333.90

Standard

At-a-Glance

Compare Odds

Latest Shows

NO.	HORSE	AGE	WGT	TRAINER	RTF%	JOCKEY	OR	TS	RPR
1	3P9-51 Knockgraffon King ⁴⁷ b1	9	11-12	Donald McCain ⁴⁰		Jason Maguire	118	90	131
2	F-3313 The Friary ⁶⁷ tp 	7	11-8	Lucinda Russell ¹⁹		Derek Fox ⁵	114	85	123
3	1U/8P9 Outlaw Tom ⁵² p 	10	11-1	Lucinda Russell ¹⁹		Peter Buchanan	107	—	—
4	1-P464 Mister Philson ¹⁵ p 	9	11-1	S R B Crawford ⁶⁷		Ger Fox ⁷	107	92	129
5	55P31 Oil Burner ²⁴ 	9	10-13	William Amos ⁵⁰		James Reveley	105	110	129

Betting forecast:
13/8 Oil Burner, 2/1 Knockgraffon King, 9/2 The Friary, 5/1 Mister Philson, 16/1 Outlaw Tom.

I've circled the relevant information for our factors in red. I've also made myself a spreadsheet to record my ratings, like this:

	going	racecourse	distance	class	fitness	weight	total
Knockgraffon King							
Oil Burner							
Mister Philson							
The Friary							
Outlaw Tom							
total							

I'll run through rating the favourite, which is Knockgraffon King. For the **going** we can see this race is 'soft' from the above card. We will need to go into the previous race details to get the info we need; to do this click on the horses name.

Top Tip

When Looking at a horses race history, the further we go back the less relevant the data becomes. I therefore recommend only using the past 1 year of race data for your ratings.

KNOCKGRAFFON KING (IRE) ↕

9-y-o (17Mar05 ch g)
Beneficial (14.4f) — Kilternan Gale (IRE) (Good Thyme (USA) (14.1f))
Trainer **Donald McCain**
Owner **Hollyville Partnership**
Breeder **Patrick Boyle**

+ ADD TO MY HORSE TRACKER

RACE RECORD

PEDIGREE

MY NOTES

PHOTOS

Jumps placings 2/1/213/U5443P9-51

LIFETIME RECORD	STARTS	WINS	2NDS	3RDS	WINNINGS	EARNINGS	BEST TS	BEST RPR	OR†
NHF	2	1	1	0	£4,759	£6,104	87	127	—
Hurdle	4	1	1	1	£5,750	£9,117	74	131	—
Chase	8	1	0	1	£6,963	£8,695	88	129	118
Rules Races	14	3	2	2	£17,472	£23,916	—	—	—

FORM

WINS

MY RATINGS

STATISTICS

ENTRIES

RELATIVES

SALES

QUOTES

	DATE	RACE CONDITIONS	WGt	RACE OUTCOME	JOCKEY	OR	TS	RPR
	04Jan14	Ncs 24Hy C3Hc Ch 6K	10-13	1/6 (2½L Rolecarr 11-5) 7/2J	Jason Maguire	112	*	*
	11Dec13	Hex 23Sft C4HcCh 3K	11-12	5/10 (42L Sun Cloud 11-10) 8/1	Henry Brooke	115	*	*
	25Apr13	Pun 20Hy H 11K	11-12	9/10 (99L Rye Martini 11-12) t 33/1	P Carberry	—	*	*
	18Mar13	Nav 24Hy NwHcCh 26K	10-10	PU/16 (Panther Claw 11-6) p 16/1	Niall P Madden	113	*	*
	02Mar13	Nav 24Sft HcCh 8K	11-5	3/14 (8¾L Wise Oscar 10-8) p 10/1	P Carberry	112	*	*
	01Jan13	Fai 21Hy Ch 6K	11-12	4/6 (41L Western Leader 11-12) p 7/1	P Carberry	112	*	*

Again i've circled the information that's relevant to us. The going is notated after the course and distance - see the 'Sft' circled in red. As we can see, knockgraffon king has raced twice on soft ground without a win, but one is classed as a good run (finished within ½ a length per furlong of the winner), so that counts for 4 points.

Racecourse - We are racing at Ayr today, a course which our horse has never previously raced at, so we only give 1 point as per our criteria.

Distance - The Race card shows that this race is 25 furlongs long, and looking above at the previous race data we find race distances after the course name.

The previous race was 24 furlongs which is the longest distance Knockgraffon King has ran, so he gets 3 points here.

Class - Today's race is a class 4. Our horse's last race was a class 3, and a winning run so he scores the maximum 5 points.

Fitness - For this we need to look at the dates. Today's date is the 20th Feb (I know, it's not but let's pretend) and our horse's last race was on the 4th Jan. This falls within the 60 day point bracket but no higher so just the 1 point awarded.

Weight - Knockgraffon King is carrying a hefty 11-12 today, and previously the best he has done is carry 10-13 to victory, so another 1 point for weight.

So we enter our points in the table, rinse and repeat with each horse until we have a completed table like this:

	going	racecourse	distance	class	fitness	weight	total
Knockgraffon King	4	1	3	5	1	1	15
Oil Burner	3	5	5	4	3	5	25
Mister Philson	3	1	5	4	0	3	16
The Friary	5	1	5	4	0	3	18
Outlaw Tom	0	1	0	0	0	0	1
total							75

Turning ratings into odds

To create our odds we need to firstly divide the rating of each horse by the combined total of all the ratings in the race, like so:

Knockgraffon King: $15 / 75 = 0.2$

Oil Burner: $25 / 75 = 0.3333$

Mister Philson: $16 / 75 = 0.2133$

The Friary: $18 / 75 = 0.24$

Outlaw Tom: $1 / 75 = 0.0133$

These numbers show the percentage chance each horse has of winning according to our ratings, expressed as a decimal.

To get the odds figure for each horse, we perform the calculation $1 / x$, where x is our decimal figure above:

Knockgraffon King: $1 / 0.2 = 5$

Oil Burner: $1 / 0.3333 = 3$

Mister Philson: $1 / 0.2133 = 4.69$

The Friary: $1 / 0.24 = 4.17$

Outlaw Tom: $1 / 0.0133 = 75.19$

Congratulations, you have created your own decimal odds for each horse in the race!

Comparing to find value

Now that we have our odds we need to take a look at what the current market odds are. The best place to get this information is Betfair at www.betfair.com.

Loading up our race, we will see an odds market like this:



	Back	BSP	Lay
1  Knockgraffon King Jason Maguire	2.76 £151	2.78 £79	2.8 £6
5  Oil Burner James Reveley	2.96 £51	2.98 £27	3 £49
4  Mister Philson G. N. Fox	6.2 £38	6.4 £101	6.6 £8
2  The Friary Derek Fox	6 £46	6.4 £50	6.6 £15
3  Outlaw Tom Peter Buchanan	21 £7	22 £4	26 £9

We want to compare our own odds to those currently available on Betfair, which are the odds shown in the blue boxes above.

	our odds	betfair odds
Knockgraffon King	5	2.8
Oil Burner	3	3
Mister Philson	4.69	6.6
The Friary	4.17	6.6
Outlaw Tom	75.19	26

We are looking for horses where the Betfair odds on offer are higher than our own odds - possible 'value'.

Odds Lines

These are something we create to allow a margin of error - our odds may not be all that accurate. To do this, choose how much higher the available odds have to be before we are confident it's a value bet.

Top Tip

To start off with I recommend putting an odds line 20% higher than our own odds. This is because at the outset our factors or rating criteria are likely to create less accurate odds than those of someone more experienced.

To make a 20% odds line simply take the odds we have created and multiply by 1.2. For a 10% odds line multiply by 1.1, and for 30% 1.3 and so on. Our new odds show what the Betfair odds need to be above for us to consider this a value bet.

	our odds	after 20% odds line	betfair odds
Knockgraffon King	5	6	2.8
Oil Burner	3	3.6	3
Mister Philson	4.69	5.63	6.6
The Friary	4.17	5	6.6
Outlaw Tom	75.19	90.23	26

So both Mister Philson and The Friary have higher available odds on Betfair than the odds we created, even after adding a 20% odds line.

Always test before betting

The Betfair odds may be higher than our own after applying an odds line, but this doesn't mean we should jump straight into the betting.

When using new factors and criteria we should always test before betting. This is a process made easy thanks to Betfair.

As you may or may not already know, Betfair Start Price (BSP) offers the closest measurement to the true odds of a given horse that we can hope to find. I'm not going to discuss this subject in detail here as it's a lengthy one, but if you want more info. take a look at this article:

<http://www.probabilitytheory.info/content/item/15-the-efficiency-of-the-betting-exchange-markets>

Suffice it to say that as long as the odds we have taken are higher than the BSP, we can call it a value bet.

For the purpose of testing whether or not we have found value we paper trade at first, making sure to note the current Betfair odds for our potential bets.

We then compare the price we took to BSP once the race is finished. I use Timeform for this as The Racing Post doesn't record BSP in its results - go to <http://form.horseracing.betfair.com/daypage>.

Here are the results from our example:

◀ 16:20 ▶ Ayr

PDF Meeting Card

Imperial 2014-02-20 16:20 (4)

Going: Heavy | Distance: 3m1f | Age: 5yo+ | Total prize money: £7000 | Runners: 5 | Race Type: Chase

FULL RESULT

Pos (Draw)	Dist	Horse	Age	Wgt (OR)	Eq	Jockey Trainer	In-play High/Low	BSP/ISP (+/-)	Place
1 -		The Friary	7	11-8 (114)	tcp	Derek Fox (5) Lucinda Russell	1 / -	7.29 / 6 (19%)	2.75
2 -	hd	Mister Philson	9	11-1 (107)	cp	G. N. Fox (7) Stuart Crawford, Ireland	- / 1,001	6.8 / 6 (10%)	2.64
3 -	20	Oil Burner	9	10-13 (105)	-	James Reveley William Amos	- / 1,001	2.62 / 2.5 (2%)	1.62
4 -	34	Outlaw Tom	10	11-1 (107)	cp	Peter Buchanan Lucinda Russell	- / 1,001	23.51 / 19 (19%)	9
pu -		Knockgraffon King	9	11-12 (118)	b	Jason Maguire Donald McCain	- / 1,001	3.53 / 3.5 (-4%)	2.02

So a mixed bag of results. “Mixed bag, you say? But our two horses came first and second!”

While that may well be the case, the BSP of both horses, 7.29 and 6.8, are both higher than the odds available earlier - 6.6 for both horses. So although it was a great result, unless the odds we created turned out to be more accurate than BSP (The likelihood of this is slim at best) we didn’t get value on these bets.

More testing will need to be done to see whether or not we are picking winners consistently, and whether the early price beats BSP more often than not.

If the early odds are higher than BSP, we have a 'value' bet. As long as we are placing value bets the majority of the time, we cannot fail to earn profits from this method of betting.

Top Tip

Wherever you choose to place your bets, taking an early price is essential to getting value. The nearer we get to the start of a race, the closer the market price gets to the 'true odds'. I therefore recommend taking an early to mid-morning price with a BOG (best odds guaranteed) bookie.

Conclusion

Creating your own odds using this process can indeed allow us to find value bets, which inevitably leads to profits. Of course, it's not a flawless system (if there is such a thing!) - it has it's pros and cons:

Pros

It can reduce the time taken to compile odds from hours to minutes.

It allows us to extend our betting knowledge each time we create odds.

Flexibility - different punters have different betting niches. This method allows us to choose our own specific factors from the spectrum.

No complex algorithms - you don't have to be a maths genius to follow this method.

Cons

Still time consuming - a race can take 10-30 minutes to price up depending on how many factors we use, and the number of horses in a race.

The more accurate we want our odds to be, the more complicated the process becomes.

Trial and error - we might not create accurate odds from the word go, patience is needed to improve this over time.

I hope you have enjoyed reading my guide to creating your own odds. Please feel free to share it with anyone you think might find it useful.

All the Best,
Michael Carr