



# What You Ought To Know To Make Serious Money with Horse Racing Picks

## Horse Racing – Beginner Guide

**Written by Anthony - professional full time sports investor and trader!**

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# Introduction

Although in itself, horse racing is one of the world's major sports, on Zcode it is one of the least popular and unknown sports. With the current Coronavirus crisis shutting down much of the world's sport and the need for us zCoders to find alternative investment outlets this book is designed as a primer for those that have not considered betting on horseracing before and would like some background on the sport.



# CHAPTER ONE

## Origins of horse racing

Horse racing is a sport where two or more specially bred horses are raced around a track across a predetermined distance for a prize. It has existed for thousands of years, virtually since horses were first tamed and ridden. Chariot racing, the forerunner of harness racing, was probably the earliest form of the sport and was particularly popular in Ancient Greece and Rome. The first recorded mounted races were run in Ancient Greece.

Modern horse racing originated in England during the 12th century with the importation of Arab stallions. These horses, valued for their speed and stamina, were bred with English mares to produce racehorses. For the aristocracy, racing horses was a popular pastime. Early races were matches (two-horse races) for private bets. The competitors would race across the country. Often church towers would be used as landmarks to denote the start and finish of a race. This led to the term steeplechase, which is still used today for jump races. In 1174 the Smithfield Track opened in London. Races were also held at fairs across the country.

Horse racing is known as the sport of kings. This title dates back to the time of King Charles II and stems from his interest in breeding and racing horses. This royal connection with horse racing continues today with Queen Elizabeth II who has a keen interest in the breeding and racing of horses.

During the 1700s racecourses opened all over England and transformed horse racing into a professional sport. In 1750 an organization called the Jockey Club was formed to control and administer English racing. The Jockey Club laid down the rules of racing and classified races. In 1814 five races considered to be the most challenging were designated the classics and survive to the present day. These are the Derby, the Oaks, the 1000 Guineas, the 2000 Guineas and the St Leger. Gradually the value of the purses (prizes) increased, making the racing and breeding of horses a profitable pastime.

Horse racing was introduced to America when the country was first settled. English immigrants brought thoroughbred horses with them and in 1665 a racetrack was established on Long Island. In common with England, races were designated as classics. Horse racing rose in popularity and by 1890 there were 314 racetracks. However, corruption was rife. To combat this the American Jockey Club was formed in 1894. It was modelled on the English Jockey Club and laid down rules to ensure that horse racing was fair. However, a ban on bookmaking resulted in the decline of horse racing and by 1908 only 25 tracks survived. The introduction of pari-mutuel betting for the Kentucky Derby in 1908 led to a revival. In return for a share of the profits from betting, more and more states legalized pari-mutuel betting. This system continues today.

## Thoroughbred horses

The Jockey Club allocated James Weatherby the task of tracing the pedigree of every racehorse in England. In 1791 he published the Introduction to the General Stud Book. To the present day, details of every thoroughbred foal born in England are recorded in the General Stud Book. By the early 1800s only horses listed in the General Stud Book were allowed to race. As horse racing developed around the world, other countries began their own stud books. The American Stud Book, recording the pedigree of all thoroughbred race horses foaled, was started in 1868.

Horses listed in the General Stud Book are called thoroughbreds. A thoroughbred is a horse descended from one of three stallions, the Darley Arabian (1724), the Godolphin Arabian (1724) and the Byerley Turk (1680). Thoroughbred horses compete in flat and national hunt/steeplechase racing. The date of birth of thoroughbreds is 1 January, regardless of when they were actually born. They begin their training as yearlings when they learn to accept a saddle, bridle and rider. They are then trained to go into the starting stalls and run around a track. They usually begin their racing careers as 2-year-olds. Although their peak racing age is 5 years, those with excellent winning records are often retired earlier to go to stud.

## Types of racing

### FLAT RACING

Flat racing refers to the fact that no jumping is involved. The actual racecourses are rarely flat as many tracks have uphill or downhill slopes. The races tend to be short with many sprints. The length of the races varies from short sprints of around 5 furlongs (1005 metres) to longer races of around 2 miles (3.2 km). In the United States, races tend to be shorter and are between 5 and 12 furlongs. Races take place on a variety of surfaces including turf, dirt, sand and fibre-sand, which is a manmade material.

Starting stalls are used to start flat races to ensure a fair outcome. The starting stalls is a mechanical device that ensures all the horses start the race at the same time. Each compartment of the stalls has doors at the front and the back. The horses are loaded into the back and the doors are closed behind them. When all the horses are loaded, the doors at the front open simultaneously at the off. A draw takes place to determine which stall each runner starts from.

### NATIONAL HUNT OR STEEPLECHASES

National hunt races or steeplechases are particularly popular in Great Britain, Ireland and France. This type of racing originated from fox hunting. The races are held over obstacles such as brush fences, wooden rails, stone walls and water-filled ditches. The obstacles vary in size from hurdles of around 1 to 2 feet (30–60cm) to the enormous Grand National fences. Jumpers generally compete over hurdles before graduating to the larger obstacles. Hurdle races are for horses aged 3 years after 1 July. National hunt races are run over longer

distances than flat races and are usually started with a starting gate or by flag. The hurdle races start from 2 miles. Steeplechases can be as long as 4½ miles.

The horses taking part in steeplechases tend to be bigger and older than those competing in flat racing. They are specially bred to give a combination of size, speed and stamina. The horses start racing from the age of 4 years after 1 July. It is not unusual for the horses to continue racing until they are 10 or older. Red Rum, for example, was 12 years old when he won the Grand National for the third time.

There are also some races for national hunt horses that have no obstacles. They are called national hunt flat races and are run across national hunt courses. These races are for horses aged between 4 and 6 years old that have not raced in any other official races.

## HARNESS RACING

Modern harness racing originated in the United States during the 18th century when it was a popular pastime for individuals to race each other over country roads. The country's fairs became a major venue for organized races. The first race tracks were established at the beginning of the 19th century. In 1939 the United States Trotting Association was established. It is responsible for the registration of standardbreds (the horses) and keeping records of each horse's racing career. After 1900 harness racing declined mainly due to the introduction of the automobile. In 1940 Roosevelt Raceway in New York introduced floodlit harness racing with pari-mutuel betting which boosted the popularity of the sport. Nowadays harness racing is found all over the United States and is particularly popular in the Midwest and East. Harness racing is also found in continental Europe, Canada, Australia and New Zealand.

Harness racing is run on an oval-shaped dirt track. Most races are 1 mile long and are usually run anti-clockwise. The jockey, called a driver, sits in the harness called a sulky or racebike. The horses must trot and are disqualified if they break into a gallop for too long. If a horse breaks into a gallop, the driver must bring the horse back to its correct gait and lose ground to the other competitors.

## STANDARD BRED HORSES

Standardbred horses compete in harness racing. They are smaller than thoroughbreds and more muscular with a long body and bigger head. Standardbred horses originated in the 1780s from an English thoroughbred, Messenger, which was exported to the US. One of its descendants was Hambletonian 10, from which all standardbred horses are descended. These horses are so called because the early trotters had to reach a certain standard over the mile distance to gain registration as a standardbred. They start racing as 2- or 3-year-olds.

There are two types of standardbred – trotters and pacers. The difference between them is in the way they move. Pacers are faster than trotters and make up around 80 per cent of

harness racers. Often called sidewheelers, they move with the legs on one side of their body in unison (front right and back right together, and front left and back left together). Pacers are fitted with plastic loops called hobbles, which are an aid to maintaining the correct gait. If a horse runs without hobbles it is called free legged. Trotters move with a diagonal gait (front right and back left together, and front left and back right together).

Trotting races are usually started from a standing position. Pacing races are generally started with a moving start. A starting gate is attached to a vehicle. When the judge is satisfied that the horses are all level with the gate, the vehicle accelerates away.

## Grading of races

There is a hierarchy of races. The more prestigious a race, the higher its purse. In Great Britain, flat races are graded into seven classes with Class 1 being the highest and 7 the lowest.

The rating of a horse determines which class it races in. Its rating is calculated by a team of six handicappers appointed by the British Horse Racing Board. They assess the performance of each horse by watching races live and viewing the stewards' tapes of the races. They give each horse a rating on a scale of 0 to 140, the latter being the highest. The top horses are those with a rating over 110 and they compete in the best races.

Generally a horse needs to run in three races before it is given a rating. The ratings are published every Tuesday on the British Horse Racing Authority's website. An average rating for a horse competing in flat races is 60, for jumping it is about 95.

The classification of flat races has undergone a number of changes in recent years. After the 2004 season, the system was changed to incorporate seven classes as follows:

- Class 1: pattern and listed races (including those handicaps 96–110)
- Class 2: heritage handicaps, 91–105 and 86–100
- Class 3: 81–95, 76–90
- Class 4: 71–85, 66–80
- Class 5: 61–75, 56–70
- Class 6: 51–65, 46–60 and 46–55
- Class 7: regional racing.

The national hunt races are divided into grades as follows:

- Grades 1, 2, 3
- Grade 1 novice
- Grade 2 novice
- Grade 1 NHF (national hunt flat)
- Grade 2 NHF
- Grades B to H inclusive.

If a horse wins a race and runs again before its new rating has been calculated it will carry extra weight in its next race – 6 pounds for flat races and 8 pounds for jumps. This is called a penalty.

In the United States the stakes races are divided into groups. Group numbers are denoted by roman numerals. Group I races are the highest and Group III the lowest. With harness racing they are grouped as A, B and C with Group A races the highest and Group C the lowest. Other races are ungraded, and include claiming races where the horses competing in the race may be purchased by registered owners at a set price. Ownership of the horse changes as soon as the race is off. Allowance races are for apprentice jockeys where the jockeys are allowed to claim a weight allowance.

## Handicaps

A handicap is a race where the chances of all the competitors winning are evened out by handicapping them with extra weight. If the handicapper does his job correctly all the horses should cross the line at the same time. The horses that are deemed to have the best chances of winning are required to carry the greatest amount of weight. The weight is added by means of lead bars that are inserted into the saddle. The jockeys are weighed with their saddles both before and after the race to ensure that they are carrying the correct weight. Occasionally these weights can fall off in the course of the race. This leads to disqualification of the horse.

Handicap races enable slower horses to compete in races with faster horses. Suppose one horse is rated 120 and another rated 110. In a handicap race the horse rated 120 would carry 10 pounds in weight to give the other horse an equal chance of winning the race.

## Conditional races

For many races there are conditions placed on entry. There may be age restrictions, for example, races for 2-year-old or 3-year-old horses. Others may be for apprentice jockeys or women jockeys or amateur riders. Races may be for maidens – horses that have never won before. In Great Britain, there are selling races where the winner is auctioned after the race.

## Racing around the world

### GREAT BRITAIN

The British Horse Racing Board governs racing in Great Britain. There are 59 racecourses, which are all different. Most races take place on turf. Three racecourses have fibre-sand

tracks, which allow racing to go ahead in adverse weather conditions. These are Lingfield Park, Southwell and Wolverhampton. On average, there are three to four race meetings taking place daily. Flat racing dominates in spring and summer, with national hunt racing during autumn and winter. There is no harness racing except for a few novelty events. Racing takes place all year round with the exception of Christmas Day and Good Friday.



Britain has legal independent on-course bookmakers and tote betting. There are also on-course betting shops where it is also possible to bet on races at other meetings. In addition, there are 8500 off-course betting shops, which show live racing via satellite on television screens. The off-course shops take bets on the average odds offered by the on-course bookmakers, tote bets and offer telephone-betting facilities in the form of deposit and credit accounts.

### **Main events of the racing calendar**

The most important races are the classics for 3-year-olds – 2000 Guineas, 1000 Guineas, the Derby, Oaks and St Leger. The 2000 Guineas and 1000 Guineas are run over the Rowley Mile Course at Newmarket in May. The Derby and the Oaks are staged at Epsom Downs. The Derby, which was first run in 1780, attracts the best horses from around the world. It is a 1½ mile race for 3-year-old colts with over £1 million in prize money. The Oaks is the Derby's counterpart for fillies. The St Leger is the world's oldest classic and is held at Doncaster in September. A horse that wins the 2000 Guineas, Derby and St Leger in the same year gains the Triple Crown title.

Other major flat races include the Gold Cup and the Spring Double. The Gold Cup, a race over 2½ miles, is the premier race of the Royal Ascot meeting. First held in 1807, it is run on the third day of the meeting. The Spring Double is the name given to the Lincolnshire and the Grand National. The Autumn Double is the Cesarewitch and the Cambridgeshire. The Cesarewitch is a handicap held in late October at Newmarket. The race dates from 1839 and was named to honour the state visit of Russian prince, Alexander II. (Tzarevich is the Russian word for heir to the throne.)

The most famous national hunt race is the Grand National, which is a steeplechase handicap run at Aintree in April. The race, first run in 1839, is a true test of endurance with the horses competing over a distance of 4 miles and 856 yards. Just completing the course without falling is a huge challenge. In 1928, only two horses managed to finish. There are 30 fences to be jumped, all of which are notoriously difficult, especially Beecher's Brook and Valentine's Brook, which are water jumps. The Grand National holds the record for the most runners in a race – in 1929, 66 horses competed.

Other major national hunt races include the Cheltenham Festival and the King George VI & Queen Elizabeth Diamond Stakes. The Cheltenham festival is the premier national hunt meeting and is held in March. It features the Champion Hurdle and the Cheltenham Gold Cup. Kempton Park hosts the King George VI & Queen Elizabeth Diamond Stakes on Boxing Day (26 December).

## **IRELAND**

The Irish Turf Club, established in 1790, controls racing in Ireland. A new body created in 1994, the Irish Horse Racing Authority, is responsible for administering government grants to the industry. Ireland has a thriving stud farm industry and is world renowned for the breeding of horses.

There are 27 major racecourses. All are turf except for Laytown where races are run on the sandy beach. A mixture of flat and jump meetings are held. Racing takes place 7 days a week.

There is on-course betting with bookmakers, which is tax free, as well as tote betting. There are also 900 off-course betting shops with betting on both Irish and British racing, which is televised via satellite.

The Curragh is the headquarters of flat racing, staging all five classic races: the Irish Derby, the Irish 1000 and 2000 Guineas, the Irish Oaks and the Irish St Leger.

Leopardstown is the major national hunt venue. It also hosts flat meetings and in September it stages the Champion Stakes. The course is also host to the Irish Gold Cup in February.

Ireland has five major festivals of racing – Galway, Listowel, Tralee, Killarney and the Derby Festival at the Curragh. At the festival meetings, racing takes place for between 3 and 7 days. Galway is the most famous, lasting for 7 days. In addition to the racing, there are lots of other entertainment activities including live music, exhibitions, fairs and competitions.

## UNITED STATES OF AMERICA

In the United States racing is controlled by state racing commissions. They are responsible for the issuing of licences and approving racing fixtures. Together with the Jockey Club, they appoint racing officials and ensure racing rules are adhered to. Racing takes place all year round. Meetings often last for over ten weeks. There are over 500 racetracks, which vary little – all tend to be oval-shaped dirt tracks with left-hand bends. The emphasis is on speed, with lots of short races. The US Trotting Association promotes harness racing, which is more popular than thoroughbred racing with more tracks and more races each year. National hunt racing is only found at a few meetings. It is regulated by the National Steeplechase and Hunt Association.

On-course betting is via the pari-mutuel system, although it is estimated that betting with illegal bookmakers far exceeds betting on the tote. In some states, there is legal off-course betting. These include Arizona, Connecticut, Illinois, Louisiana, Nebraska, Nevada, New York, North Dakota, Oregon, Pennsylvania, Washington State and Wyoming.

### **Main events of the racing calendar**

The US classics are the Belmont Stakes, the Preakness Stakes and the Kentucky Derby. Each race makes up one leg of the Triple Crown. The Kentucky Derby, first run in 1875, is held at Churchill Downs near Louisville, Kentucky. It runs over 1¼ miles on the first Saturday of May. This race forms the first leg of the Triple Crown. The Preakness Stakes dates from 1873. It is held at Pimlico and is run over 1 3/16th miles. The Belmont Stakes was first run in 1867. Throughout its history the race was run over various distances. It is now run over 1½ miles. It takes place five weeks after the Kentucky Derby at Belmont Park in Belmont, New York.

Other major races include the Breeders' Cup Classic and Turf and the Arlington Million. The Breeders' Cup races are held at Churchill Downs in Louisville, Kentucky during late October or early November. The Breeders' Cup Turf is run over 1½ miles with a \$2 million prize. The Breeders' Cup Classic is over 1¼ miles for a prize of \$4 million. The Arlington Million, which is held at Arlington Park in Chicago, was the first race to offer a \$1 million prize. The race over 1¼ miles on turf is now worth \$2 million.

The Breeders' Cup Steeplechase is held at Far Hills, New Jersey. Horses of 4 years and up compete over 2 miles for the country's largest steeplechase prize. Three of the country's oldest steeplechase races are still run today: the Maryland Cup (1894), the American Grand National (1899) and the National Hunt Cup (1909).

In harness racing, the richest race is the Hambletonian. The race for 3-year-olds is held at Meadowlands Racetrack in East Rutherford, New Jersey. It has a purse of over \$1 million. The race takes its name from the stallion, Hambletonian, which was born in Orange County, New York, on 5 May 1849. As a 3-year-old it trotted a mile in 2 minutes 48½ seconds. It was put to stud and sired 1331 foals, including Dexter, which became a world champion trotter in 1867. The Hambletonian, Yonkers' Trot and the Kentucky Futurity make up the trotting Triple Crown. The pacers Triple Crown is the Little Brown Jug, the Messenger Stakes and the Cane Pace.

## CONTINENTAL EUROPE

There is horse racing across most of continental Europe dominated by harness racing. In eastern Europe, the Netherlands and Belgium, the introduction of satellite technology has resulted in a large amount of betting taking place on foreign racing (mostly British and Irish). In eastern Europe, betting is via casinos and cafes on the tote. Belgium has on-course bookmakers, tote and off-course betting shops. Italy has off-course betting shops, which allow betting on the tote. In Scandinavian countries, betting is via the tote. European operators have also innovated a system of commingling tote pools, which creates potentially bigger payouts.

## FRANCE

France has a state-run horse racing industry controlled by the National Federation of French Racing. There are 260 racecourses with a mixture of flat, steeplechase and harness racing. Bookmakers are illegal so betting is on the state-run tote (the PMU or pari-mutuel). Bets may be placed on-course or in betting shops and cafes. A recent change has been the innovation of off-course race-by-race betting. The trifecta and superfecta bets are particularly popular.

The French classics are the Prix du Jockey Club (1836), the Grand Prix du Paris (1863) and the Prix de l'Arc de Triomphe (1920). Longchamp, just outside Paris, plays host to the Prix de l'Arc de Triomphe, which is Europe's richest race with a prize of 2.25 million (roughly \$1.5 million).

## AUSTRALIA

In Australia, there is racing all year round. Australia has over 360 racecourses that are mostly turf. There is a mixture of racing including flat racing, which is called gallops, and steeplechase races. Harness racing is particularly popular and is generally referred to as the trots.

Betting is with on-course bookmakers and tote betting. Tote bets can also be placed at off-course betting shops, pubs, casinos and over the telephone. Popular bets are the quinella (reversed forecast), place and the tierce or trifecta (tricast). The quinella place is selecting any two of the first three placed horses in any order.

The Melbourne Cup is a race that dates back from 1861. It is traditionally held on the first Tuesday in November at Flemington Race Course. It is Australia's richest race with a purse of AU\$8 million (roughly US\$4.5 million). The Cox Plate is held in October at Moonee Valley, Melbourne.

## NEW ZEALAND

Horse Racing in New Zealand is governed by the Racing Industry Board and operated by individual clubs. There is thoroughbred racing on turf and harness racing on mostly all-weather surfaces (around 10% of harness racing is on turf). Betting is controlled by the TAB and is available both on and off course on either the tote or fixed odds. The TAB also operate telephone betting and an internet site.

## SOUTH AFRICA

Race tracks in South Africa are operated by clubs. Betting is with the tote, on-course bookmakers and off-course tote outlets. There is also telephone betting.

Major races include the Summer Handicap and the July. The Summer Handicap is the country's richest. It is held in November at Turffontein Race Course in Johannesburg. The July race dating back from 1897, takes place at Greyville racetrack in Durban, it is run on the first Saturday in July over a distance of 2200 metres.

## CANADA

Horse racing in Canada is governed by the Canadian Pari-Mutuel Association. Each province has a racing commission, which is responsible for ensuring the rules of racing are adhered to. Canada has both thoroughbred and harness racing and betting is via the pari-mutuel and includes betting on US racing.

The Canadian International, is held at Woodbine Racetrack in October. Other major races include the Molson Mile, the Queen's Plate, the Western Canada Derby Series and the Gold Cup and Saucer.

## JAPAN

Japan has 25 racecourses with tote betting, off-course betting outlets and telephone betting facilities. The races are organised by the JRA and local government. The top horses are registered with the JRA, which organises races at ten courses across Japan. The Japan Cup, is held at Tokyo Race Course in November.

## HONG KONG

Hong Kong has two racecourses - Sha Tin and Happy Valley. Happy Valley dates from 1846 and hosts a programme of races from September to June. Sha Tin is the venue for international events including the Hong Kong Cup which takes place in December.



# Chapter Two

## Betting On Horseracing

Bookmaking (in its original form) is a system of betting on fixed odds or prices. Bookmakers are organisations or a person that accepts and pays off bets on sporting and other events at agreed-upon (fixed) odds. They offer a range of different bet types, these initially will be the basic to win and each way bets, but nearer the race start time will offer additional bet types such as place only betting.

Depending on the bookmaker, they may also offer access to other markets, such as the tote and pari-mutuel betting markets.

### The Tote

Tote betting is short for totalisator, which is a betting system where the total of the bets on a particular outcome of a race are pooled and are divided among those betting on the winner of that pool. A deduction is made for tax, money returned to racing and running costs. The amount deducted varies from country to country.

The most common bet types are:

Win: the selection to win

Place: the number of places depends on the number of runners

EachWay: a bet on the horse to win and a bet on the horse to place

Exacta: predicting which horses will be first and second in the correct order

Quiniela: predicting which horses will be first and second in any order

Trifecta: predicting which horses will be first, second and third in the correct order

Quadpot: predicting which horses will be placed in the four quadpot races (usually races 3 to 6)

Jackpot: predicting which horses will win in each race of a meeting (usually the first six races)

Placepot: predicting which horses will be placed in each race of a meeting (usually the first six races)

Scoop 6: selecting the winners in six nominated televised races

Multibets: like doubles, trebles, accumulator can also be played

For place bets, the number of places that count are as follows:

1-4 runners: win only

5-7 runners: first and second

8+ runners: first, second and third

16+ (handicap races only): first, second, third and fourth

## Pari-mutuel

Pari-mutuel is basically a system similar to tote betting with slightly different rules. The money for each selection/outcome is also pooled and divided between the winners after deductions, the main differences are that on the tote, place betting is one pool, as opposed to Win (first place), Place (2nd place) and Show (3rd place) on the pari-mutuel. The other main difference is the way that horses from the same stable are treated. If for example, horses A and B from the same stable are running, they are coupled. This means that a bet for horse A to win is also a bet for horse B to win. The coupling only applies to win bets and not to place, show or exotic bets.

Pari-mutuel betting is found in the United States and continental Europe. The most common bet types are:

Win: the selection to win

Place: the selection must finish first or second

Show: the selection must finish first, second or third

Exacta/Perfecta: predicting first and second in the correct order

Trifecta: predicting first, second and third in the correct order

Daily Double: predicting the winner in the first two races of the day

Bets other than Win, Place and Show are called exotics.

## How prices are determined

A bookmaker uses an expert called a handicapper to assess the chances of each runner in the race. The handicapper will consider a number of factors to determine the chances of each horse. Things like pedigree, recent performance, the jockey, weight carried and the condition of the ground will be taken into account. A book of prices is then made depending on the assessment. The runner that he thinks is most likely to win will have the lowest price and is called the favourite. Occasionally two runners are deemed to have an equal chance of winning. They will have the same price and be called joint favourites. If several runners have the same lowest price they are called co-favourites.

The initial prices offered are called tissue prices. This is just a preliminary indication of the prices and they tend to be a conservative estimate of a horse's chance of winning. Once bets are made the prices are said to have been laid. This means a betting market has been made. The prices then change depending on how much money is bet. The prices do not show the chances that a horse has of winning. Instead, they reflect how much money has been bet on them. The price of a horse can drastically change between its tissue price and its starting price.

Even though you may have taken a price, the odds at which your bet is settled may be adjusted if certain conditions apply.

## NON-RUNNERS

A non-runner is a horse that does not take part in a race. A horse may be withdrawn any time up to the off. If you bet on a non-runner on the day of the race, your stake will be returned.

If a horse comes under starter's orders in a race but refuses to run, it is not considered a non-runner. It is important to check the results because a horse can be withdrawn right up to the last minute. You may see it set off for the start, but it may be withdrawn because it refuses to go into the starting stalls.

## WITHDRAWN HORSES

After a book has been made on a race, a horse may be withdrawn. This will mean that the prices offered on the race will be incorrect, as they would have been worked out including the withdrawn horse. The bookmakers are therefore allowed to make adjustments to the prices. The deduction applies to both winning and placed horses. Only the winnings are affected and not your stake. The deductions are to a fixed formula based on the odds of the horse.

If there is sufficient time before the off, a new book will be made. In this case, the deduction will apply only to prices taken before the time that the new book was made.

## STARTING PRICES

Usually abbreviated to SP, the starting prices are an average of the prices that a sample of on-course bookmakers are offering at the start of a race. Starting price returners make a note of prices offered in the betting ring for all horses in each race, just before the off. An average of these prices is used to calculate the starting price.

When the results of the races are published, the starting prices will be quoted. If you have taken a price then your bet will be settled at the odds taken. If you do not take any of the prices offered by the bookie the price will be settled at the starting price.

## BETTING ON FOREIGN RACES

It is now common for coverage to be given to overseas racing. Depending on the bookmaker you use you may be given the choice of fixed betting, or, if the country uses the tote system or pari-mutuel system, of betting on them. It is not possible to predict what is better, but at least if you take a price you know in advance what your winnings will be.



# Chapter Three

## What is value?

The only way you can make money from betting in the long term is to take value. But what does taking value really mean?

Taking value means betting on a selection whose odds are priced greater than the true chance of that selection winning.

A common misconception a lot of people have when it comes to value is that they think high odds equals value. This couldn't be further from the truth. An odds on favourite could be considered a value bet if the low odds were still a little bit higher than they ought to be. And a 30/1 outsider might not be a value bet if odds of 30/1 are still lower than they ought to be.

Here's a short and often used example to explain

Take a coin flip. The true chance of a coin landing on either heads or tails is 50% and therefore the true odds for this bet would be 2.0 (1/1 or evens).

If you were to bet on either heads or tails at odds of 2.0 for an extended period of time, let's say 1,000 bets, you might hit a few winning runs or losing runs, but you would likely end up close to breaking even.

In this example your bets would have zero expected value meaning you would not expect to gain or lose any money from these bets over the long term.

But let's say the odds on offer did not reflect the true chance of the coin landing on heads or tails. And that the odds for heads were 2.5 (6/4), and the odds for tails were 1.5 (1/2).

If you were to bet on heads at odds of 2.5 for 1,000 bets, you won't win every bet, but you would very likely walk away with a profit. This is because betting on the flip of a coin at odds greater than 2.0 has a positive expected value.

The opposite is true if you were betting on tails at odds of 1.5 for those 1,000 bets. In that case you would most likely walk away with a loss after the 1,000 bets. This is because betting on the flip of a coin at odds less than 2.0 has a negative expected value.

This is a very simple example of how value works. Albeit not a very realistic one, as I have never been lucky enough to come across anyone offering such good odds on the toss of a coin. However, the same principles of value shown in this example still hold true when betting on the horses.

The chances of a horse winning a race is far much more complicated to work out compared to the odds of a coin toss.

This however can actually work to our advantage, and is in fact, the sole reason why it is possible to make a profit from betting on the horses, and sports betting in general.

Since it is impossible to precisely calculate the true chances of any one horse winning a race, the odds that the bookmakers offer the public to bet on are based on educated guesses as to what the chance of a horse winning might be.

The bookmakers then add in their over-round to the odds which is usually anywhere between 5% and 15% (sometimes more). The over-round is the bookies margin for error and is what ensures that they make a profit on every race.

The bookies base their original odds on educated guesses, these odds are then altered up to the time of the race depending on the amount of money bet by the public as the bookie tries to balance its book. It is possible for a punter to make a more informed guess at a horse's chances and possibly spot a vital piece of information that the bookies and the public at large may have missed.

If the punters suspect a horse's chances of winning a race is greater than the bookies odds suggest then there could be value in backing that horse to win.

Of course, finding enough value to beat the over-round (the bookies margin for error) is no mean feat, but it is still possible.

## Analysing Races

If you want to be able to pick your own profitable selections, you first need to be able to analyse a race. The better you can understand how a race is likely to play out, the more able you will be to make better betting decisions.

The process of analysing a race can be broken down into 3 steps.

### Step 1: Identify Possible Contenders

At this stage you want to look at each horse's case for winning the race.

Some of the factors you will want to look at are the horse's form, the class of the race, the class of the horse's previous race, the going, the weight the horse is carrying, the distance of the race, the course, the jockey, the draw bias, how the horse typically runs (i.e. is the horse a front runner?) etc.

All of these factors (and the countless other factors I haven't mentioned here) will have an impact on how the horse is likely to run in a race.

Factors such as a horse's form are considered by almost everyone when trying to determine a horse's chances of winning a race. And for that reason, form study alone is usually not enough to give you an edge over the betting markets. The real value will be found by taking

into consideration the large number of other factors that will affect how a horse is likely to run.

How much of weighting each of those factors has will be determined by what kind of race the horse is running in. For example, a factor such as draw bias will have a greater effect over shorter races than it will over longer races.

You would also do well to watch the previous races of all of the horses running to see if you can spot anything that isn't so obvious when just looking at the race card. For example, maybe you will notice that a horse only performed poorly in its last race because it was slow getting out of the stalls. If you then went back and looked at other races this horse has ran in and found that the horse typically doesn't have a problem getting away from the stalls you could potentially write off the horse's poor form in its previous race as bad luck, and give it less consideration when evaluating the horse's chances in the current race.

Noticing a piece of information like this is crucial as a horse's previous form has a large effect on the odds that will be available for that horse in its next race. So if you can find a good reason to ignore that horse's poor form in the previous race, you will often be getting value by backing that horse the next time it races.

#### Step 2: Eliminate The Horses You Think Have No Chance Of Winning

Once you have considered each horse's case for winning the race you will find that some horses make a stronger case than others. At this stage you should eliminate any horses that you think have no chance or a very slim chance of winning the race.

Although the key to making a profit from betting is to bet on the horse whose odds offer the most value, and not necessarily the horse who has the greatest chance of winning, betting on horses that only have a very slim chance of winning a race is a good way to guarantee you'll have lots of long losing runs. You ideally want to bet on a horse that has a reasonably good chance of winning and whose odds also offer good value.

#### Step 3: Evaluate The Remaining Horses' Chances Of Winning

Finally, you should once again consider the remaining horses' cases for winning the race and express your opinions of each horse's chances of winning as a percentage.

You can convert this percentage into decimal odds and you will then have what is called a tissue price for each of the horses you think has a chance of winning the race. It is also good practice to price up the horses you have eliminated in the previous step as well that you believe have a slim chance of winning, even though you will not be betting on these horses. The total of all the horse's chances of winning the race should come to a total of 100% once you have assigned a value to each horse. You can use the tissue price tool at: [www.WinnersOdds.com/Tissue-Price-Tool](http://www.WinnersOdds.com/Tissue-Price-Tool)

to assist you with creating odds lines. Once you've completed this process you will have a tissue price for every horse in the race and you will have identified the horses that you think

have a good chance of winning the race. At this stage you can compare your tissue prices to the odds available at bookmakers. If you notice that the bookies have priced a horse that you think has a good chance of winning at higher odds than you have priced it you have found a possible value bet. I wouldn't recommend betting with actual

I wouldn't recommend betting with actual money straight away though. You should paper trade your selections for a few months first to see whether or not they are actually profitable. Paper trading simply means you will not place the bet, but you will record the results of the bets you would have placed, either on paper or in a spreadsheet, so you can see how those bets would have performed.

Many view creating tissue prices as a bit of a dark art, but the truth is that it is a skill that you can develop over time. And like most things that take skill, when you start off you likely won't be all that great, hence why I recommend paper trading your selections. Don't be put off by this, because with practice and time your ability to analyse races and create tissue prices will greatly improve, hopefully to the point where you can price up races with enough accuracy to identify true value bets.

Of course, developing that level of skill will take time, practice and commitment. But there are ways of making things easier for yourself that will greatly reduce the time required to get to that level. The main way being to choose to specialise in a specific area of racing.

## Gain an Edge by Specialising

If you want to stand a chance of beating the bookmakers by picking your own selections, you will need to specialise.

Bookmakers have to offer odds on every horse in every race meaning the odds compilers at the bookmakers don't have the time to spend analysing every race in great detail. So if you choose to study and specialise in a specific type of racing, and you only have to analyse one or two races at most per day, then you can give yourself a huge advantage over the bookies.

There is a massive number of ways you can specialise in horse racing. You might choose to focus on races of a certain distance and on a certain surface. E.g. Races between 5 furlongs and 7 furlongs on all-weather tracks. You might then specialise even further by narrowing it down to a specific race course.

If short races on the all-weather aren't your cup of tea you could choose to specialise in any number of other areas. Chases, hurdles, handicaps, non-handicaps, certain classes of races, horses of certain ages, maidens, specific trainers and jockeys... the list goes on.

You could pick any number or a combination of those factors to focus on. The more specific your chosen niche is, the easier it will be to become an expert in analysing those races. The main thing is that you pick a type of racing that interests you, because if you are going to become an expert within your chosen niche, you're going to have to spend quite some time analysing those specific types of races.

Once you have chosen the niche area of racing you are going to start focusing on, you should make a point to watch every single race within your chosen niche. If you can't watch the races live you can watch the replays online and make notes on the races.

You should be looking at every piece of information you can find relating to your chosen niche of racing, aiming to know all there is to know about it, and creating tissue prices for each race within your chosen niche. If you commit yourself to doing all of this, you will start to realize which factors play a major role in determining a horse's chances of winning in the specific type of races you are focused on, and your skills in analysing and pricing up those specific races will develop rapidly.

That might sound like a lot of hard work, and that's because it is. But you can make it more manageable by choosing a very specific niche where you may only be analysing one or two races per week. Depending on how much time and effort you can commit to it, and how specific your chosen niche is, you could potentially go from a complete beginner to being able to show a profit in your paper trading within a few months.

Once you start to get fairly good at analysing your chosen niche of races, you might then decide to spend some time also focusing on a different niche of racing, or slightly expanding the niche of racing you were originally focusing on allowing you to build upon your existing knowledge.

Specialisation is just about the only, and most certainly the easiest way to develop a deep enough understanding of racing to be able to pick selections which will yield profitable results over the long term. In racing, a deep pool of knowledge that is only the size of a puddle will serve you a whole lot better than a shallow knowledge that is as wide as an ocean.

## Picking winners

There are hundreds of different things to consider when trying to pick the winner of a horse race. Here are six key attributes to consider when looking for winners.

- Going
- Distance
- Pedigree
- Connections
- Course Form
- Handicap Mark

### Going

Especially in the winter months, the going is a huge part of picking a winner. Plenty of horses will only run the best races on certain surfaces, with much of this due to their action. Some horses can only show their best on better ground, while others love a test in the mud.

Checking through a horse's previous results on the day's ground, especially if it's testing, can yield very favourable results.

#### Distance

One of the more obvious factors, looking into the distances is an essential part of deducing winners. On both the flat and over obstacles, most horses will tend to have a limit to how far they can go before their stamina gives out. Especially when the ground is testing, choosing a horse with proven stamina can reap benefits.

#### Pedigree

A big factor on the flat, a horse's pedigree has a massive bearing on multiple factors. Especially for first time starters, a horse's pedigree can tell you plenty, including their stamina and how quickly they'll reach their peak. Taking a look over a horse's breeding, especially in maidens, can give you plenty of long and short term clues. Our pedigree guide explains this in detail and is on site now.

#### Connections

Certain trainer, jockey and owner combinations have great success and the form of those twosomes and threesomes can yield quite a return. Certain trainer and jockey combinations will target different venues and races, and the same can be said for certain owners.

#### Course Form

Certain horses will give their best running at different racecourses, so it pays to check the racecards for previous course winners. Each course has unique characteristics, so it's very common for a horse to improve a few pounds coming back to their favourite venue.

#### Handicap Mark

Once a horse has reached their peak in handicaps, they tend to struggle to get competitive against better weighted horses. Their mark will slowly decrease over time and with that, they will slowly become more competitive. Looking at a horse's rating versus their last winning one, is crucial in handicap races. Our handicap guide explains this in detail and is on site now.

# Resources

## Racing Form

Worldwide - <https://www.racingandsports.com/form-guide>

Australia - <https://www.racenet.com.au/racing-form-guide>

North America - <http://www.equibase.com/static/entry/index.html?SAP=TN>

UK - <https://www.racingpost.com/>

## Horse Racing Terms Glossary

<https://www.unibet.co.uk/racing/guides/horse-racing-terms-terminology-learn-the-betting-terms-at-unibet-1.1373635>



Join [ZcodeSystem.com now](https://zcodesystem.com) and get started with Horse Racing picks!