

***HTR Monthly Report***  
**Thoroughbred Handicapping Newsletter**  
**November 2004**

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*KM Software*  
Handicapping Technology and Research

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### Tournaments

#### Orleans October – News / Analyzing the Winners

Whether you attended the Orleans October 2004 or not, it is an interesting snapshot for an HTR handicapper to dissect the winners and gain some from feedback from a very intense weekend. A list of the highest point winners is listed below along with a synopsis of how they might have been selected in HTR2. I'll add some commentary on my own experience in partnership with Mike Mayo and Don Marconi and why we might have passed or played some of these on our entries.

First let's discuss some of the news from the tournament. They expected over 1000 entries but only about 840 actually sign up. More than 100 cancellations were reported and lots of players simply didn't come due to the premature announcement made by the *Orleans* that they would drop the "World Series" entry fee to \$1000, from \$2000. Many people had signed up for this tourney hoping to get a free qualifier to the "World Series" in January, or at least reduce their fee to \$1000 (from the expected \$2000) by participating in three *Coast* contests. Coast Resorts had promised that anyone entering 3 of their contests in 2004 would get a \$1000 reduction. With the lower fee at \$1000, the allure was gone for many and they decided to wait until January and just enter for \$1000, a better gamble with a potential \$500,000 first prize on the line. But that was just the first boner for Coast management.

During the tourney, the *Coast Resorts* released the incredible and complicated format details for the January \$1-million "World Series of Handicapping". The rule set was so odd and unexpected that it unleashed an immediate choir of protest from the players in Vegas. It is a format that completely favors playing the lowest priced horses. You can read the details of this strange proposal on our bbs (*Tournament* forum). There are rumors that the backlash is working and they will switch the format to the one used at the *Gold Coast*. If I get confirmation of this before this newsletter goes to press, I'll paste it on back-page-12 herein or on the HTR bulletin board. The Gold Coast format would be welcome for most players as it includes Win and Place and 15 selections that gives it an exciting wide-open feel and remains exciting to the end as the standings will change constantly and everyone has a fighting chance.

#### Results

The tournament was won by Kelly Phillips, who is Joe Hinson's step-daughter. Hinson is the undisputed king of the handicapping contest players. He did it again and was the only player to surpass the magical 10,000 barrier (final total = 10,732) and won \$140,000 including his opening day total which took the day money with 6,600 points. Two players later topped 7,000 in daily totals on Friday and Saturday - an amazing accomplishment and requires three cap winners (\$42+) and one additional score in 12 picks.

At least 15 HTR subscribers participated. Most of us finished somewhat disappointed this time. Below is a list of our players that received cash prizes. There were scattered good priced winners throughout the 3-day contest and many of them, especially those at KEE, were playable, but no one was able to connect the dots and get more than 4 of them on a single ticket. The Orleans has a \$500/entry fee.

- Steve Kovanich (38<sup>th</sup> place); \$1240 + "World Series" qualifier.
- Marsha / Mike Mayo (45<sup>th</sup> Place); \$1240 + "World Series" qualifier
- Don Marconi / Ken Massa (60<sup>th</sup> place); \$1240
- Janet / Bill Hogarth (79<sup>th</sup> place); \$880
- Alan Noring (Sunday "early bird" 3<sup>rd</sup> place tie); \$3,750 (*bingo!*)
- John Buckley (Sunday "early bird" 5<sup>th</sup> place); \$1,500 (*that will pay the tournament bills*)

Congratulations to those of you that cashed. Excellent try for new subscriber Steve K. and portends well for him in the future. We'll talk about some of the key horses on page-3. Let's start our analysis with the horse that Alan and John hit in the Sunday mini-contest (for early entries). It was the 5<sup>th</sup> at KEE on Sunday Oct 18.

## Tournaments

**Orleans October – Analyzing the Winners**

Before we look at the long prices that scored all the points during the Orleans October tourney, the question has to be answered: “what about the losers?” It is a legitimate point of contention to wonder how we would have played all these winners based on a few clues in HTR2 without having first lost all our money (or contest bullets) while betting on similar horses, the vast majority of whom were losers.

To determine if our HTR factors, spot plays or analysis have any credibility for real profits, we need to find out what works (winners) first and then follow up with research and real-time feedback. Pattern recognition starts with the positive. Find something that has an apparent impact and look deeper.

A good example of this line of thought is the HTR2 workout rating (Wk). Many longshot winners display work ratings at or above the benchmark = 80. Ample testing shows we will lose big if we bet them all. However, if we isolate the winning Wk horses and look deeper, we can find profitable situations and great spot plays on live horses at big prices. A work rating of 83 or higher has impressive results when the MLO >= 4/1 for example and the horse has shown some early speed (Fr1 = 1,2) or has a solid K rating, especially if the most recent workout occurred after the most recent start. That takes some digging, but winning horseplayers dig deeper than their opponents.

We have to start somewhere. Everything we research in horse racing is a *back fit*. There is no other method that wires the brain to success better than recording the positive and remembering why something worked. The best information we have is to study past winners. I used PL-5 in all cases here.

=====  
**Sunday Oct 17, KEE-5<sup>th</sup> #8 \$47.60 8.0 Turf Vi=24**

**Key HTR2 Factors: Wk=88+; Wk=1; E/P=2; \$\$; Jky=424+; Jky=1; Trn=398; Trn=1; TJ=38%; Ev(Fr1)=2; [K=9];** This winner was part of the Sunday *early bird* contest and not the regular event. But I include it here because it was an amazing overlay considering the leading rider was aboard. This was the key horse used by John B. and Alan N. to cash a getaway check.

=====

**Friday Oct 15, KEE-1st #8 \$125.60 8.5 Wet Vi=27**

**Key HTR2 Factors: Wk=2; [K=9];** Not a lot to like about this horse in HTR or any other source. Likely the muddy surface moved him up. Only 3 of the 840 players dinged it.

**Saturday Oct 16, KEE-9th #5 \$100.40 6.5 Dirt Vi=24**

**Key HTR2 Factors: Ev(Fr1)=2; \$; PED=453; [K=9];** Here is a bomb I tossed in on a *dead* (zero points) ticket on Saturday because it was an “E-2.” If you have to *shoot for the moon*, Fr1=1,2 is the ammo. Take flyers with horses than can get into the body of the race early.

**Saturday Oct 16, SA-7TH #11 \$100.40 6.5 Turf Vi=21**

**Key HTR2 Factors: Jky=424+; Jky=1; PED=790; [K=8];** This is a race we ‘shot - gunned’ due to the low Vi and obvious wide-open contention and got lucky. Individually, the horse was tough to bet with confidence, yet jockey Russell Baze doesn’t ride too many 50/1 shots! The horse was one of many long balls in this race that could have prevailed in the 14-horse cavalry charge down the hill.

Let’s stop for a minute and talk about these three \$100 winners as they were the only ones that paid over 32/1 during this tournament. Were they flukes? Sure – they were all K=9’s and two of them may have run better due to the slick track condition at KEE. But all of these aces had low Vi ratings – keep that in mind as we go through the rest of the longshot winners. The next highest priced horse during the entire tournament paid \$65. Did the tournament champion have any of above three horses on the winning ticket? Surprisingly no. Very few players used them, as they were obviously risky stabs.

## Tournaments

**Orleans October – Analyzing the Winners**

**Thursday Oct 14, BM-5th #5 \$63.80 5.0 Turf Vi=30**

**Key HTR2 Factors:** Wk=82; Wk=1; Ev=2; [K=8] Another “E-2” with a good workout, excellent spot play for longshots.

**Friday Oct 15, SA-1st #5 \$63.80 5.5 Dirt Vi=35**

**Key HTR2 Factors:** Wk= 82; Wk=2; \$; [K=6]; Second time starter was hard to like on paper in this field of six, but he did have that Wk rating as a clue. Second timers are often excellent price bets if they have run a bad one in the first outing, yet retain a good Wk or have solid Trn or Ped ratings.

**Saturday Oct 16, KEE-3<sup>rd</sup> #7 \$58.20 9.0 Wet Vi=33**

**Key HTR2 Factors:** None; [K=7]; No key positives here, nothing stood out. Kline = 16/1, maybe the horse was an overlay in competitive field and liked the slop.

**Friday Oct 15, LAD-7th #8 \$53.20 8.0 Turf Vi=28**

**Key HTR2 Factors:** Wk=93+; Wk=1; Ev=2; bx; \$\$; [K=8]; Boom - a lot of HTR players hit this standout price play, can't miss out on these. Easily our best bet of the tourney. Note again, the E2 + Wk combo. Blinkers off is also an alarm bell.

**Thursday Oct 14, KEE-7th #6 \$50.20 6.0 Wet Vi=30**

**Key HTR2 Factors:** VEL=2; Lv=1; Fr3=1; S/P=1; PED= 452; \$\$; [K=9]; Definitely live late runner may have been another that liked the off going at KEE and jumped forward.

**Friday Oct 15, LAD-6th #4 \$50.20 8.3 Dirt Vi=31**

**Key HTR2 Factors:** Fr2=1; Lv=2; [K=6]; Nothing significant enough to pick out this winner from a field of maiden claimers. The race had several other good price opportunities, including a 50/1 workout play that finished second (#8) that we used on one of our tickets.

**Friday Oct 15, PIM-7th #1 \$48.60 8.5 Dirt Mcl Vi=32**

**Key HTR2 Factors:** Ev=2; \$; [K=6]; Another “E2” winner, but this one was hard to like because it was an RS=“R” (Rear running style) and had shown zero early speed prior.

**Saturday Oct 16, PIM-3rd #12 \$47.60 6.0 Dirt Mcl Vi=21**

**Key HTR2 Factors:** None; [K=9]; No way to select this horse. It is unusual for Pimlico or Calder to produce any significant bombs during these tournaments. Only 1 or 2 players in the room hit it.

**Thursday Oct 14, KEE-5th #5 \$47.40 6.0 Wet Vi=25**

**Key HTR2 Factors:** PED=490; [K=7]; Barely a blip on the HTR radar for this one; mud lark?

**Saturday Oct 16, LAD-6th #10 \$47.20 8.0 Turf Mcl Vi=25**

**Key HTR2 Factors:** None; [K=8]; Nada.

**Saturday Oct 16, SA-8th #10 \$43.20 9.0 Dirt Vi=31**

**Key HTR2 Factors:** Jky=387; PED=658; [K=9]; The PED and JKY ratings were not going to persuade me to use this horse as several others were better. The race was full of live longshots, but this winner was not among the obvious overlays.

**Thursday Oct 14, LAD-7th #10 \$37.60 8.0 Turf Vi=26**

**Key HTR2 Factors:** Fr1=1; E/P=1; Wk=80; Wk=1; \$; TJ=38%; [K=7]; This one got us on the board on Thursday and many other players in the tourney hit this obvious front runner at a nice price. Winner was worth 1880-points at the Orleans.

## Tournaments

**Orleans October – Analyzing the Winners**

Nearly all the horses we have listed so far were ‘cap’ horses (paying \$42+ or 2100+ points). It is essential to hit at least 3 of the winners above (on the same entry) during the tournament to win. At least two of them must be hit in order to cash a check. For those you who are qualified to the *NTRA NHC* or *Coast World Series* tournaments in January, this is a good reminder to prepare yourself to hit one or more of the ‘cap’ horses to remain competitive.

This contest was much more difficult than usual for HTR players as only a few of the bombs above were really playable. Our identification with the long winners is typically more consistent. One reason is that many of the “\$\$” plays finished second at long odds. Tough beans, that’s the way it goes. The most frustrating for our group was the #10 losing the 5<sup>th</sup> at LAD on Saturday (Oct 16) at 30/1.

Next group of winners listed below produced good contest scores between 1500 and 1700 points (paying \$30+) and at least one was a necessary hit for any player cashing a check this time.

**Saturday Oct 16, BEL-8th #8 \$34.00 12.0T Turf GR3 Vi=35**

**Key HTR2 Factors:** Lv=1; Fr2=1; Wk=83; Wk=1; [K=7]; Best price winner at Belmont during the tournament was playable with late speed in the marathon grass route.

**Saturday Oct 16, BM-4th #3 \$33.20 6.0 Dirt Vi=38**

**Key HTR2 Factors:** Ev(Fr1)=2; [K=6]; Small field and high Vi made this race unplayable unless you were reaching for that ‘E2’ play!

**Friday Oct 15, KEE-5th #8 \$33.00 8.5 Turf Vi=23**

**Key HTR2 Factors:** Wk=86; Wk=2; \$; [K=7]; Wide-open grass race for 2yr was very playable and had just one other logical longshot (a \$\$ “E2”) and it finished 2nd. We played the Place horse and missed the higher odds winner.

**Friday Oct 15, BEL-9th #4 \$32.00 8.0 Wet Vi=33**

**Key HTR2 Factors:** Wk=83; Wk=1; PED=543+; PED=1; bx; \$; [K=7]; Another blinkers off play and combined with a solid work pattern.

**Saturday Oct 16, HAW-6th #2 \$30.60 8.5 Dirt Vi=30**

**Key HTR2 Factors:** Wk=85+; Wk=1; Fr3=2; Lv=2; S/P=2; [K=9]; Playable late runner with the top workout score. This horse was the highest paying winner from HAW during the 3-day tourney, which as a bit surprising as Hawthorne is usually a better producer of longshots.

**Final notes and thoughts on the Orleans 2004**

Key observations were the continuing strength of the HTR2 workout score for finding bombs, the E=2 and the (bx) blinkers off had some good ones too. The \$ and \$\$ hit a fair share, but many of them also finished second at high odds – tough luck. Vi ratings are critical for weeding out the playable races. Any three-day period, particularly the weekend, are going to produce a similar variety of high-priced winners at the major tracks, but the wet surfaces can throw a monkey wrench into things with greater numbers of scratches and races removed from grass. Calder was disappointing as usual and it is rare to find a worthwhile pick at a high price there. Bay Meadows and Pimlico usually have similar weak results but produced more than expected this time. Kentucky tracks are always great for bombs. HAW and LAD are usually good too. SA and BEL are best when the fields are large and competitive, as they tend to be on Saturday. To compete effectively in this tournament it is necessary to pick spots and ignore certain tracks and unplayable, low Vi races. Trying to deal with every race is overload. Playing multiple horses in the same race can improve the chances if you have more than one bullet to spend. We’ll try it again in January at the *Orleans*.

*Handicapping with HTR2*  
**Critical Factor Analysis – E2**

Looking over the results from the tournament we saw some nice priced winners that combined =

- **Fr1 (Ev) = 2** (rank 2, not 1)
- **Significant Wk rating**

In the last year or so, I have been hearing good reports from HTR subscribers that are focusing on **Fr1=2**. (note: **Ev=2** is the same thing). In the vernacular of HTR we'll refer to it as *E2*. Why would *E2* become a profitable alternative to **Fr1=1**, which used to be the key source of longshots with this software? The easy answer is that **Fr1=1** is over bet by the public these days due to greater awareness of early pace. Bettors that can make a significant dent in the pari-mutuels are not one-dimensional handicappers. They use a variety of source material including software and pace figures. This has depleted the Fr1=1 longshots and the profits from longshots that used to be so lucrative. The win rate for Fr1=1 has remained at 19% for a decade, but the ROI has dropped nearly 10 cents!

**Fr1=2**, or *E2* has a typical win rate of 16%. Not that far from the top rank (19%). The key to profits with *E2* is that the public tends to focus heavily on the horse they believe can get the lead and go wire to wire, usually an obvious Fr1=1 and typically ignoring a vital *E2* that might inherit the lead through circumstances or rate right behind the leader and get a great trip. This is good common sense handicapping and a clever way to out-flank the public. Yet there is a monkey wrench in this enlightened scenario →

The low 16% win rate for *E2* runners overall cannot easily produce positive returns on its own. No question that there are abundant longshot plays with *E2* by itself, but you'll have to suffer for them with long run outs. We need to combine these *E2* horses with another factor that can promote its overlay characteristics without increasing public awareness. Any combination of *E2* with final time speed figures, trainer stats or overall methods such as the (K), immediately increases the win rate, but slaughters the ROI. The HTR2's workout rating is the answer to our search for the perfect tandem factor.

The public cannot now, nor will they ever be able to duplicate the power of the Wk rating because of its extremely complicated algorithm and indecipherable methodology. In fact, even the name is deceptive; as most of you know, the rating should have been titled "fitness/activity score". The sharp horseplayers eventually caught up surprisingly well with the Fr1 power train around the year 2000. But have no fear of such an onslaught with the Wk rating. They can study workouts and activity patterns until the sun burns out but will not be able to quantify it as neatly as we do.

The workout rating is a tremendous tool to forecast live runners. Combine it with a clever angle such as *E2* and we should have a winner. Let's test it and find out where it produces the best results.

=====  
 The *E2* filter option now appears separately in the HTR2 "robot". You can test either **Fr1=1**, **Fr1=2**, or check them both off to test together.  
 =====

Here is the general stat for *E2* [Fr1(Ev)=2] by itself, all races →

**All Races Test**

<b>Factor</b>	<b>WinP</b>	<b>ROI</b>	<b>WP%</b>	<b>Long%</b>	<b>High</b>
<i>E2</i>	16%	0.84	31%	11%	\$222

Analysis

The win percentage is too low and we need to combine with other factors or parameters to make any money with *E2*. See page-7 for some ideas.

*Handicapping with HTR2***Critical Factor Analysis – E2 + Wk and more**

The next test is also an “all burger” but matches the E2 with three categories of the workout rating and displays the best results from other factors →

**All Races Test**

<b>Factor</b>	<b>WinP</b>	<b>ROI</b>	<b>WP%</b>	<b>Long%</b>	<b>High</b>
<b>E2 + Wk=1</b>	20%	0.93	36%	10%	\$113
<b>E2 + Wk&gt;=80</b>	18%	0.91	34%	11%	\$134
<b>E2 + Wk&gt;=85</b>	20%	0.96	36%	09%	\$113
<i>Best of the rest</i>					
<b>E2 + A/P=1</b>	26%	0.92	45%	04%	\$115
<b>E2 + VEL=1</b>	27%	0.92	46%	04%	\$158
<b>E2 + HTR=1</b>	29%	0.93	49%	02%	\$115

Analysis

No question, this is a huge improvement over the solo E2 test on page-6. Two of the Wk categories did prove to be the strongest performers with E2, but HTR = 1 was a nice surprise despite a very low rate of longshots. E2 is clearly a factor that depends on price to make money. Let's re-run this same test with a minimum MLO of 5/1 →

**All Races Test MLO 5/1 or more**

<b>Factor</b>	<b>WinP</b>	<b>ROI</b>	<b>WP%</b>	<b>Long%</b>	<b>High</b>
<b>E2 + Wk=1</b>	11%	0.99	23%	32%	\$113
<b>E2 + Wk&gt;=80</b>	11%	0.96	22%	29%	\$134
<b>E2 + Wk&gt;=85</b>	11%	1.02	23%	33%	\$113
<i>Best of the rest</i>					
<b>E2 + A/P=1</b>	14%	0.97	28%	20%	\$115
<b>E2 + VEL=1</b>	14%	0.99	29%	21%	\$158
<b>E2 + HTR=1</b>	17%	1.06	33%	15%	\$115

Analysis

The HTR=1 combination is a nice surprise with a 17% win rate and a positive ROI. The sample size for the [E2 + HTR=1] was 3,759 plays, which makes this a highly significant find in such a large sample. The workout ratings improve the ROI but the win rate drops way down - but this is where the big bombs are hit. A positive ROI from an 11% win rate means the average mutual is about \$20 using the Wk and MLO 5/1 odds and up and a good chunk of the winners paid over \$35. You won't get many huge prices with the HTR=1, but it is far more consistent in the \$10 - \$19 winner range than the Wk.

I separated Grass Routes, Dirt Routes and Dirt Sprints in other E2 tests (without the MLO restriction) and found the Wk rating holding in the high 0.90's on the ROI in all cases. Dirt Routes turned in the best result matching the E2 + Wk and it is shown below. Analysis follows on the next page.

**All Fast Dirt Routes (15,277 races)**

<b>Factor</b>	<b>WinP</b>	<b>ROI</b>	<b>WP%</b>	<b>Long%</b>	<b>High</b>
<b>E2 + Wk=1</b>	21%	1.02	38%	11%	\$113
<b>E2 + Wk&gt;=80</b>	19%	0.98	36%	10%	\$113
<b>E2 + Wk&gt;=85</b>	21%	1.00	38%	08%	\$113
<b>E2 + HTR=1</b>	29%	0.93	48%	02%	\$115

*Handicapping with HTR2*  
**Spot Play Construction w/ E2**

From what we have learned on the previous pages we can put together a couple of solid spot plays. For longshot players the combination of *E2* + *Wk* ≥ 85 looks like a great opportunity. I tested various distance/surface combinations and came up with Fast Dirt 7.0f – 9.5f as the most profitable. Note that MLO 5/1 restriction which lowers the win rate to nearly unacceptable.

<b><u>E2</u></b>	<b><u>Wk ≥ 85</u></b>	<b><u>Fast Dirt</u></b>	<b><u>7.0f-9.5f</u></b>	<b><u>MLO 5/1 or higher</u></b>	
<b><u>Plays</u></b>	<b><u>Win%</u></b>	<b><u>ROI</u></b>	<b><u>WP%</u></b>	<b><u>Long%</u></b>	<b><u>High\$</u></b>
<b>00739</b>	<b>13%</b>	<b>1.12</b>	<b>26%</b>	<b>40%</b>	<b>\$113</b>

Analysis

A good result, but obviously requires some big prices to get the ROI into +12 percent profit. This is a high volatility play and any short-term results will be a roller coaster ride. This is because the win rate is only 13%. So restrict your play to horses with odds greater 10/1. The more important point is your awareness as price shopper or tournament player with the *E2* + *Wk* combination. If you haven't reviewed the *Orleans* results on page-3, you'll read about a few of these winners at big prices that weekend to give you some idea of how they look in real time.

I urge the reader to try variations of this spot play, perhaps separating class levels, and other distance/surface combinations. Look over the results on the robot printout and seek out the highest performing factors; perhaps adding another item to the mix to get a stronger win rate.

The problem with the spot play above is the paltry win percentage and that causes some consternation as to the future results that are so dependent on bombs. The nice surprise with *E2* was HTR=1 in tandem. I couldn't really improve on the "all burger" with MLO ≥ 5/1, so why mess with a good thing that offers such a large sample size. The ROI did rise with the exclusion of Turf races so I restricted this test to Dirt Wet and Fast. Here the win rate was 18%, not exactly a high-confidence situation either, but a bit less volatility than the workout combination.

<b><u>E2</u></b>	<b><u>HTR=1</u></b>	<b><u>Dirt Wet &amp; Fast</u></b>	<b><u>MLO 5/1+</u></b>		
<b><u>Plays</u></b>	<b><u>Win%</u></b>	<b><u>ROI</u></b>	<b><u>WP%</u></b>	<b><u>Long%</u></b>	<b><u>High\$</u></b>
<b>03459</b>	<b>18%</b>	<b>1.09</b>	<b>33%</b>	<b>24%</b>	<b>\$115</b>

Analysis

I tried a few separations of this play but did not find anything radically different from the standard result above that simply excludes the Turf races. There is some real latitude here though for your research since the sample play count was so large (3,459). Consider breaking it down by class and various distance surface combinations. You will get a higher win rate by excluding the lowest K ranks but that may be where all the prices come from.

It's not shown in any of the test results above, but the Place ROI was generally a big loser in all cases with the *E2*. These horses are best used as high-odds Win bets or exotic-includes only. Results like these that reveal a positive Win ROI with a low win%, yet have a weak Place ROI, are a warning flag for the timid not to tread as bombs are lurking, but so are long losing streaks.

*Handicapping with HTR2***Dissecting the K Top-2**

This month we are going to sum the top-2 ranked (K) horses and determine if there is any relevance to the total. Review the example below so you understand where the total comes from →

	(K)
HorseA	108
HorseB	106
HorseC	104
HorseD	099

The sum of the top two rated (K) horses = 108 + 106 = 214.

The normal win rate for the top-2 (K) is 50%. That result is practically written in stone for any reasonable sample size, regardless of conditions. Our examination this month will determine the threshold point where the percentage increases or decreases from that 50% benchmark. There are dozens of possible wagering uses for this information →

- What is the numerical confidence level for playing the two-horse exacta box or quinella for a high percentage / low risk bet using just the K Top-2?
- When can we be fairly certain of using a “deuce” in the pick-3,4,6? Using just two horses.
- At what point should we confidently use the top-2 on top in our exacta, trifecta or superfecta?
- If one of the two horses is hammered to low odds, is the other one a good overlay?

Let's begin by looking at the master chart for the top two (K) using a two years of data. The **K1** and **K2** columns display the win percentage for those individual ranks. The most important column is the **K1+K2** which reveals how often one of the two horses will win the race. Finally the Quin column displays the rate at which these two horses will finish 1<sup>st</sup> and 2<sup>nd</sup> (either way) and complete the exacta box or quinella.

<b>K Top-2</b>	<b>K1</b>	<b>K2</b>	<b>K1+K2</b>	<b>Quin</b>	<b>Longs (\$19+)</b>
200 or less	22%	14%	36%	11%	18%
201	22%	16%	38%	11%	18%
202	24%	16%	40%	12%	17%
203	23%	17%	40%	13%	17%
204	24%	17%	41%	14%	17%
205	24%	18%	42%	13%	17%
206	25%	18%	43%	14%	17%
207	26%	18%	44%	15%	16%
208	27%	18%	45%	14%	16%
209	27%	19%	46%	15%	16%
210	29%	20%	49%	16%	16%
211	29%	20%	49%	15%	16%
212	30%	20%	50%	16%	16%
213	32%	21%	53%	18%	16%
214	34%	21%	55%	17%	16%
215	34%	22%	56%	19%	15%
216	35%	23%	58%	22%	15%
217	36%	23%	59%	21%	15%
218	37%	24%	61%	24%	15%
219	38%	25%	63%	25%	15%
220 or higher	40%	26%	66%	27%	14%

*Handicapping with HTR2***Dissecting the K Top-2**

Looking at the chart above, the normal range is highlighted at 212. This is the approximate level of the top-2 K that produces the normal 50% winners and has the highest population numbers in terms of the data distribution. As the numbers move up, so does the win rate among the top-2. At about 217 - 218, the rate moves to around 60% and that it is a high impact range to keep in mind. The 220-level raises the bar again and finds the win percentage at an incredible two-thirds (66%).

The first skeptical question that pops into my mind is how does field size affect these numbers? It is more likely to find two highly rated K runners in a small field. But my follow-up tests show little distinction between the rate of winners in large vs. small fields. The addition of the top-2 K is the clear variable that determines the outcomes, not the field size. The field size is a determinant variable that produces higher K totals among the top-2 as the size of field decreases, but has no impact on actual outcomes in terms of those K numbers. For example; the win percentage in 10-horse fields was actually higher than 6-horse fields for the 220-level. Think about the dynamic there. A 10-horse field would need two extreme standouts to get 220 points for the top two, but a 6-horse field might be more contentious with one or two others clustered near the top with ratings above 105 (K) who have a great shot to win.

Next question – does the rate of longshots significantly decline when the sum of the top-2 (K) reaches a certain number, say 215. Interestingly it had only a small impact. The normal range for \$19+ winners is 16% of all winning horses. As the top-2 K numbers shoot up, the rate of longshots only decreases a point or two downward, and hits 14% at the 220-level. Why would that happen if the rate of the top-2 K is increasing? This is because those two top K horses probably garner most of the betting dollars, and that in turn produces additional longshots in the mix, many of them now overlays that are K-3 or 4.

Cold Exacta – what about using the highest levels to corner a two-horse exacta box or cold quinella? The numbers are shown under the “Quin” column and are impressive at the highest levels. With the top-2 at the 220+ level, you’ll get these two horses home 1-2 or 2-1 some 27% of the time. That’s valuable information for a potential quinella play or exacta box. With that win rate, you’ll need a return of 3/1 or \$8 quinella, \$16 exacta (\$2 wagers) on average to show a profit. Can this be achieved? I don’t have sufficient track quinella information to make a judgment, but the “house quinella” (win price x ½ place price) does turn a profit if you can bet it offshore. I’ll study the exacta box for later analysis; it requires knowledge of the \$1/\$2 base price from each track before running the statistics. In the age of the \$1 wager, the public has largely abandoned the ‘cold’ two-horse play and the investment could be profitable.

Two-horse ‘single’ – how about a solid “deuce” (two horses) in the pick-3, 4, 5, 6? Almost all of you can relate horror stories about how you missed out on a big pick-x payoff due to a heavily bet single failing to win after hitting one or more bombs on the rest of the ticket. Consider using two horses in place of that solo and don’t allow a one-horse gamble on a favorite to stress your investment. When the K-top-2 sum exceeds 215, you are in strong territory to take a “deuce” and relieve the nightmare of depending on a singleton to bring home the money. The pick-3,4,5,6 is all about amassing probability in your favor, reducing risk and getting some longshots into the sequence. A logical two-horse shot in one race will double the ticket cost vs. a single, but if strategically used, can get you over the hump and prevent the frustration of coming up one winner short.

I’ll finish this article by suggesting that you become aware of the top-2 (K) total in every race. Understand how it effects the probability of outcomes and use it in tandem with the Vi rating to identify the fields that project very positively for the top-2 and when it will be hard to beat both of them. The reverse is find races with low K top-2 and low Vi and expect a wide-open scramble and your best shot for hitting a bomb. Sensible ‘race awareness’ is rapid with HTR2 and a key development that keeps us ahead of the public and removes the extreme time necessities that other horseplayers must bear if using paper methods.

*HTR2 Software Upgrade***November Update – Bug Fixes / Program Screen**

This final HTR2 update for 2004 includes a nice revision with the Program Screen and some repairs to the robot and the Scratch screen. Thanks to users for pointing out the bugs and helping me repair these errors

- The Fr1(Ev) = 2 is now an option on its own on the robot filter section. You can still select the Fr1 (Ev) = 1 separately as before. If you want to run both items together, check both boxes.
- Fixed additional problems in the robot with races at 1-mile 40 and 1-mile 70 yards. The correct decimal distances were 8.18 furlongs and 8.32 furlongs respectively. I had coded these so that the distances rounded to 8.2 and 8.3 and they weren't picked up with "Get My Plays". This is a good example of how intricate the coding of horse racing data can become. Although the program code was willfully written to include these races, it wasn't happening in the robot due to the minor decimal detail.
- Fixed the problem with the robot "Trainer Switch" that was including First Time Starters (FTS) in the result. A FTS is not making a trainer switch, so this was a critical calculation error. You may want to run your stats again in this new version if you were filtering the "Trainer Switch" in maiden races. (Note: the "Trainer Switch" flag is correct in the HX Export outputs).
- Fixed a problem in the Scratch screen when changing surfaces (such as from Turf to "wet"). In some cases, the change in surface was carried over to other races and caused some unexpected calculation changes. Now, only the single desired race gets the surface change algorithm. The bug was tricky to catch because it would only occur when one race on the card was switched to a new surface. Unaffected was the "all" option to change every race on the card to a new surface.

**Program Screen Revision**

Made some nice additions to the default program screen [PRG]. Nothing was removed from the previous, but I did reformat the screen for a better visual and printout. Here are the highlights →

- Prints in Font=8 now for a larger and easier to read printout.
- Added a tic (apostrophe) to the Wk column if the horse has had at least one workout since its last start. This should strengthen your opinion of a strong workout pattern.
- The Trainer + Jockey win% has been added with its own column (T+J) but it will be blank unless the combo has at least 10 starts in the last 365-days.
- Displayed the Kline decimal for more accuracy and perfect sort of the (K).
- The \$ and \$\$ are shown clearly on the far right next to the program numbers for instant ID.
- The [HELP] button found on the bottom left of the main screen, has been updated to describe all the items on the Program Screen in case you need a refresher.
- The "K-Rating Picks" and "Price Play" remain on the display after the results are added.

There are no changes to the Export functions this month.

**Demo/Full Installation Being Updated**

The new Demo and Full Install will contain the latest (Nov 2004) version of HTR2 with updated sample races from the Breeders Cup weekend. We are working on the installation routine as this is written, and we should have it available soon. You can download and run the new DEMO (Setup.exe) to get up and running quickly on that new notebook computer you will receive for Christmas!

### **Late News / HTR Names in the News**

Congratulations to Glen Love (TX) for finishing 3rd at the LAD tournament and qualifying for the NTRA finals in January. Same kudos for Cliff Hartnitt (TX) who also qualifies for the NHC, he finished 3<sup>rd</sup> in the *publichandicapper.com* contest. At an obscure tournament in Oklahoma, Alan Noring (CO) won his way to the Handicapping *World Series* at the Orleans. Nice going guys! We now have 5 HTR qualifiers to the NTRA-NHC (3 from the Dallas area) and at least a dozen have 'qualified' - saving the \$1000 entry fee - to the *Handicapper's World Series* at the Orleans. Read our bbs tournament forum for more details.

Get that update to HTR2.exe and check out the updated Program Screen. The new version, "Nov 5, 2004" should be available by the time you read this.

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