

HTR Report
Thoroughbred Handicapping Newsletter
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Late News

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Commentary
Success in 2008

The year 2007 was a tremendous one for HTR on all fronts. Business-wise we reached new highs for subscriptions and we thank you for your loyalty and favorable word-of-mouth. Our tournament players had a record year as well with dozens competing at the championship events this month (see page-4). The software continues to evolve with the complexities of the game, including the new era that includes all-weather surfaces, racino purse inflation and hopefully a significant decrease in drug cheating.

As someone who is in contact with horseplayers every day, I can see some key attributes of our most successful users →

The willingness to read and listen and try new ideas is a common thread of winners. As most of you are aware from your horseplayer friends, they are often hopelessly stuck in a prior era in terms of their handicapping – the majority of them use the ideas they learned or read in the *handicapping renaissance* period that took place from 1975-1990. Those years were a high point with the release of outstanding books from authors such as William Quirin, Andy Beyer, Steve Davidowitz, Howard Sartin and James Quinn. As the game changed radically in the current decade, those methods are still modestly useful for finding winners – but definitely *not* for accumulating consistent profits.

Successful and professional players understand that they must evolve constantly with a dynamic game. Much has changed from the previous era including expanded data availability, the Internet, super trainers, all-weather surfaces, high value 2yr sales, slot purses, etc. etc. The old methods had their day for sure, but they have either become overly common knowledge or simply outdated to gain an edge.

Every winning bettor I know does homework and research. Your ability to out-work and out-smart the pari-mutuel competition is the single biggest edge you can potentially seize. HTR has always been about innovating and staying ahead of the public. We actually lose customers who complain that the program changes too much! Those who are unwilling to dig in and spend some time learning new material and assessing feedback are doomed to lose. The clear majority of horse bettors are *not* motivated to research because they want simple systematic solutions to a complex challenge – that's why they fail.

Hit a home run once in awhile. *Grinding it out* is no longer an option. The bettor that focuses on low priced horses will be disappointed (unless you can garner a generous rebate). We all need a big score every now and then to ignite confidence and implant the notion that serious money can be made. Choose an exotic wager that appeals to you (for me it is the pick-4) or play tournaments and go for big bucks without worrying about your bankroll. Spending long hours pouring over the PPs and speed figures looking for the surest winner is a waste of precious time. Trust HTR and the (K) rating for locating the contenders. Utilize those precious minutes for intangible factor analysis and doing some research.

Predictions / where the public may get baffled in 2008 →

- Pedigree and surface orientation. The era of the all-weather (Poly, etc.) surfaces has come upon us suddenly. Transitioning horses between: dirt -- turf -- artificial will continue to confuse the handicapping process and create disorder for bettors. Ratings such as our PED number and the FT, as well as expanded trainer stats will become essential for separation.
- Late speed. Closers don't win as often as early speed horses, but they pay better when they do. Study the trends at each track/distance/surface to find ideal situations for the late speed and become more aware of the velocity factors: Fr3, S/P, L/P and even F/X and VEL as they are the least understood by other bettors. The VEL rating in particular can have excellent profit cycles.
- Trainer specialty. The era of the super trainer has taken a turn. Trainers and owners are under more scrutiny for the illicit substances. They are changing tactics from blatant drug abuse to more intelligent breeding, purchasing, development and training. We can track their movements and look for positive signs with various trainer stats, equipment changes, the PED and Wk rating.

*Review 2007***The Best of HTR – 2007**

Here's our annual review of the best of HTR 2007. These results are for races with purse \$10,000+ and using PL-5.

Best performance by a K=1

The nominees for extreme value with a K=1 winner in 2007 are →

1. **MTH Race-9; August 18:** (K)=106, KLine 3.1, Won and paid \$34.40
2. **LAD Race-5; October 12:** (K)=107; KLine 2.0, Won and paid \$31.00
3. **DED Race-1; November 2:** (K)=103, KLine 3.0, Won and paid \$40.60
4. **SUN Race-8; February 9:** (K)=102; KLine 3.2, Won and paid \$49.80

And the winner is.....

I have to give the nod to the LAD race, even though it was the lowest payoff of the four. This is because the (K)=107 and KLine = 2.0 gave the impression that this horse was a standout in its field – the next highest (K) in the race was just 097. The 14/1 odds were an amazing overlay for a top (K) with that much separation. The other winners shown above were obvious 'gifts' and it is extraordinary for a K=1 to pay more than \$40 as two of these did. There were dozens of other K=1 that paid \$20 or more in 2007 and the tally is much higher than it was in 2006.

Best performance by a \$\$ horse in 2007

There were hundreds of high-priced \$\$ (double-strength longshot) winners in 2007, but my criteria for this award was strict and I demanded that the horse be the ONLY \$\$ in its field as well as at least a K=4.

CRC-10; September 15: The winner, # 6 Fen; FR1=1 play, faced a small field of just 6 other horses, but paid a whopping \$77.00! As is typical with many of these fat payoffs the public hammered the favorite(s) and allowed a reasonable contender to drift up. This might be the most extreme example of a standout solo \$\$ play, although I found many others that paid more than \$40.

Most veteran HTR users are aware that FR1 plays were once the backbone of longshot identification in our software. It is no longer the bomb king (see PED below) due to the drop in the number of high priced winners as the public caught on. Yet as this example proves, the occasional big fish can still be caught with FR1 (a.k.a. E=1).

Best performance by a standout Wk and PED play in 2007

LRL-3; November 3: with a 90+ Wk rating (14 points higher than the next highest rank) and a \$\$ designation, this horse (#10 Class Bopper) would catch the attention of any HTR user looking for a bomb. But the 99/1 odds might have dissuaded a bet because at that price even the owners weren't giving this 2yr a prayer! But he proved the Wk rating correct and wired the field in a shocker paying \$203 to win.

DMR-3; August 16: First time starter # 3 Check this Topper had a whopping PED = 627+ that was more than 200 points higher than any of the other entrants. He won and paid \$64.20. The sire Old Topper had a decent sample size for artificial ("A") surfaces, so this was no fluke of the numbers. I chose this race to highlight the PED rating as a consistent producer of longshot winners (the best factor for high priced winners in all of HTR), as well as the possibility that our separation of PED statistics on the "A" tracks may hold plenty of promise. The sire and broodmare-sire stats on the "A" surfaces were a bit shallow in the beginning when we made the transition from dirt statistics last summer, but they are beginning to pile up now and should help you hunt down some jump-up winners.

*Tournaments***Championship Tournaments 2008**

NHC = National Handicapping Championship; Red Rock Hotel, Las Vegas, Jan 25-26, 2008

HWS = Horseplayer World Series; Orleans Hotel, Las Vegas, Jan 24-26, 2008.

Late January means only one thing for HTR tournament players = championships and big money. Our contingent will be very large and formidable again, perhaps as many as 20 NHC entries total including subscribers and surrogates. We'll have at least that many competing at the HWS. Browse the archived newsletters from early months of 2007 and 2006 for details on those who cashed and qualified in the last two years and how they did it in terms of points and strategy.

Choosing a Strategy

Last year at the NHC not a single player was able to exceed 200 points for the first time. This happened because the first day of the tournament and the first half of the second day, produced nearly all low-priced winners and most of the mandatory races were won by the favorite. Those players that held bullets until late in the final day benefited the most from this sequence of events simply because they had more ammo left to catch a price. The 'late' strategy did work in the 2007 event, but it doesn't always. Let's focus on tracks and timing and see how you might devise your plan of attack. While this discussion relates directly to the NHC, the same tracks and flow of the contest will be happening at the HWS.

Track Selection

Most tournament players tend to gravitate toward the circuits they are most familiar with. Focusing on a few tracks has the added benefit of increased concentration and smart allocation of time and resources. The drawback is that it is a "do or die" strategy - if the key tracks utilized are running chalky (all low priced winners) the player is *dead in the water*.

Gulfstream Park has traditionally been the darling of the contest crowd in the winter championships. This made sense a few years ago with GP attracting quality horses from the best eastern barns. Large fields and a plethora of longshots made it the ideal location for tournament specialists. But things have changed in the last two years as owner Magna has hit hard times. The overall quality of the racing program has dipped a bit. I would venture that it would retain its place at the top of the list for most players this year, but with Tampa Bay on the menu it will not be quite as popular.

Tampa Bay Downs was added by both the HWS and NHC the last two years. The track has gained a reputation for competitive large fields and lots of prices. The horses are cheaper and less predictable than Gulfstream and that adds a lot of volatility to the outcome. If you are able to tag a big price at TAM with one of your optional plays, there will be far fewer other players that will have it as compared to a similar winner at GP. The risk is higher but the reward is greater. Conventional approaches don't work well for picking prices at TAM. Use the Robot or do some research and locate obscure angles and factors that are producing longshots. You cannot be patient in Vegas with Tampa however, most of the card will be over by 1pm and you'll have to use up bullets early to catch one here.

Aqueduct is the only track chosen from the northeast for good reason. The winter "inner" racing is cold and dull and all of the top barns have gone south or west, particularly if they have turf runners. A sizeable percentage of tournament players were raised on New York tracks. Even those that now live in Las Vegas or California have a strong love/hate relationship with the NYRA circuit and they know it best. Aside from GP, that features many NY barns, these contestants feel less comfortable betting on tracks in the south and west and they will use their bullets on AQU. This type of player will use most of their ammo early (before 2pm PT) and are 'out of gas' by late afternoon if nothing comes in.

The Fairgrounds is a frustrating track for contest pros because the win pool is so light until the final minute or two. The odds can vary tremendously in the late flashes including after the bell rings. A 6/1 shot that is dismissed with 3 minutes to post can win and pay \$23, or a tempting 8/1 overlay can end up 9/2 after the race is in progress. It's a risky choice and most tournament players tend to stay away due to this volatility. Hooking a bomb here will put you in rare company as most people are not paying attention to the tote board in the final flashes.

*Tournaments***Championship Tournaments 2008**

Oaklawn Park is a solid tournament track and gets a lot of deserved attention. The races are all run on dirt and at familiar distances. This permits confident pattern detection. Researching the short meet and watching OP prior to the tournament is a major benefit for the player as biases are common and sometimes extreme. This is not necessarily referring to running style. Use the Robot and run the data from last year first. Then compare with the opening week results (the meet starts Jan 18). Patterns are consistent and tend to repeat during the rest of the meeting. Most of the races take place during the favorable afternoon hours in Vegas, giving you time to assess the standings and your scoring needs.

Santa Anita is the track most likely to decide the outcome of the tournament at the end. This is because the Saturday card is usually high quality with full fields, many of them competitive grass races. After 2pm on Saturday, it becomes critical for virtually every player to find a winner here else they will fail to move up in the standings. Do not deplete all your bullets before 3pm. SA on Saturday afternoon is usually the “passing lane” on the leader board; if you are to be the *last man standing*, you’ll need some ammo to stay in the fight until the bitter end.

The new Santa Anita cushion track offers a different dimension than in previous years. This is the first time it has been used during the winter meeting and larger more diverse fields are expected. As of this writing early in the meet, the races at SA have been ripe for prices and that figures to continue if the weather is sunny and competitive turf racing is prevalent. Wet weather would put a big monkey wrench into all of this - SA has had problems with drainage on their cushion track and may cancel.

Golden Gate is the weak sister to Santa Anita in every respect. However, it is the track least utilized by tournament players and is ignored completely by many unless they have to play it late in the day with a final unused bullet or because it is a mandatory race. For this reason, a big price hit at GG will set you apart from almost everyone else. In the past, GG has been derided for short fields, lack of longshots and predictable outcomes with the same barns and jockeys winning every race. But now the artificial track has been installed and things are changing. It could prove to be the wildcard this year and perhaps decisive for some players as it was for me in 2007.

Odds and Ends

First time starters (FTS) longshot winners have become a pivotal part of the championship tournaments. Most of the top players in major tourneys these days are able to capture critical points with a high-priced debut runner. There is an imbalance in the tournament scoring when a FTS wins, as most contestants are unwilling to risk a bullet on a FTS. This is one of the reasons why the PED and Wk ratings are so essential in these contests. Tournament play is all about risk and reward. To win it you’ll have to take a shot with a horse that most of the other players are unwilling to spend ammo on.

Winning second time starters (2TS) that ran poorly in their debut have a similar value in tournaments. A second dose of lasix (L2), a bit of experience, a strong PAC figure, new equipment and perhaps a drop in class often produce dramatic improvement. Most tournament players rely on speed ratings for their selections. A FTS or a 2TS that ran poorly in its debut, have no figures to go on and they are more likely to be ignored by the majority of tourney players who prefer to bet “the known element” with their precious bullets.

During the tournament the rumors and trash talk are rampant: “the guy in the corner hit three bombs in a row” or “Joe Blow had the \$90 horse at Tampa on both of his entries”. It can be demoralizing to watch people whooping and slapping high-fives after a big winner, especially if they are sitting at your table. Take heart in knowing that the blowhards rarely ever win and rumors are 99% bull. It makes no difference anyway, you know the point totals necessary to get the money, concentrate on that goal and ignore the ‘noise’ as if it was a barking dog.

Keep posted on our special discussion forum titled *Championship Tournaments* for news and comments direct from the venues from our players. Here’s hoping you have a big weekend at the finals!

Statistics & Research
Effective Data Analysis

This month we'll go through the process of discovery with horse racing statistics. You can duplicate all my information below by using the HTR *Robot*. I tested horses coming from races with purse \geq \$10,000 and used the default PL-5 for anything related to line selection (such as velocity numbers). We'll start with something simple and analyze the output in detail. We will also learn to *interpolate* the data – a fancy word for 'reading between the lines' – and attempt to learn more than face value with the numbers on the chart. Finally, we'll formulate a profitable spot play from what we have learned.

It is my impression that most handicappers do not see further than the raw numbers on the stat tables. There is much to be learned about the realities of horse racing that goes beyond win%. The data can also be used to make educated observations about important aspects about the game including understanding the betting habits of the public and what motivates them to bet.

Start with Something Simple

Let's start with an easy stat table based on the five running style designations in HTR

F Front - probably needs the lead to win if an older horse; younger 'F' horses can still learn to rate.

E Early - sits close to the lead or can take the lead, but there is some evidence that the horse can be rated.

P Presser - runs best from front-half of the pack early, usually within 2 to 5 lengths of the leader.

S Sustained - typically sits in the rear-half of the field early and must have a good late kick to win.

R Rear - wants to race in dead last or at the back of the field, must pass all other horses to win.

Inspect this chart below that displays the results of these five HTR running-style designations. Keep in mind that there is no separation between distance/surface/class here - it is an "all-burger" result.

HTR Running Style - All 2007 Races - Purse \$10,000 up

RS	Horses	Win%	WROI	AvgWin	I.V.	High
F	14068	16%	0.73	\$ 9.10	1.33	\$ 95
E	74133	16%	0.81	\$10.40	1.33	\$203
P	87800	13%	0.80	\$12.00	1.15	\$266
S	86205	10%	0.73	\$14.80	0.85	\$311
R	19814	07%	0.61	\$16.61	0.64	\$158

Analysis

Before we look over the chart, a quick word about *AvgWin* (average win payoff) column. Currently the North American average payoff for all races = \$12.40. When I first began studying similar statistics in the mid 1990's the average winner paid \$13.60. Over time we can see a depletion of the win payoffs. This may be related to a reduction in field size more than any other factor. As you compare tables of various stats keep an eye on that column and remember that average of \$12.40.

At first glance the stats seem to indicate that "F" and "E" horses win the most races – confirmation of the built-in early speed bias present in North American racing. Many people are content with that finding alone and dismiss the data as useless. But there is much more to think about →

- The 'bookends' ("F" and "R") have considerably smaller sample sizes than the other three running style designations. This was by design when I originally formulated the running style labels. By keeping these two categories smaller than the others, they would tend to stand out when visually appraising a race or looking at statistics.
- The "F" running style has several disappointing stats. The most obvious is the average win price of just \$9.10 is easily the lowest of all categories. Also notice the comparatively weak "High" for the "F" category of just \$95. This is an entire year of data and it is remarkable that not a single one of them paid more than \$100.

Continue discussion on next page →

Statistics & Research
Effective Data Analysis

Running Style “F” – Bad News

The weak *AvgWin* of just \$9.10 and the surprisingly anemic *High* payoff of just \$95 reveal some unsettling conclusions. Foremost, the public is obviously over-betting the “F” horses. The overall ROI is just 0.73; a bet on every one of them will result in losing 27% despite the fact that “F” runners are always contenders with their natural early speed. Longshot activity is relatively low and underlays are the norm. Just 178 of the 14,068 “F” entrants won and paid more than \$20. Ouch, that is an incredible decline in productivity for this running style. Ten years ago the FR1 and “F” runners were our key price play categories.

Running Style “R”

The “R” category has a wide dichotomy. While it can boast the highest average win prices (average \$16.60) it also has the lowest ROI and impact win rate by far. These horses are even more overbet than the “F” runners as the ROI drops into a flatline. The returns are so low (-39%) that there is virtually no way to work with them as a bettor. The best scenario with an “R” is to hope that the public over bets them and play against them.

Where is the sweet spot?

When you peruse a table of stats, try to connect multiple columns for the link between consistency and profits. In this case we have established that the “F” and “R” categories do not provide much of either. While the “F” horses do win at the highest rates, they pay way too low and seldom provide a longshot. The “R” runners will return much higher prices, but they rarely ever get to the wire as the winner.

This leaves the “E”, “P” and “S” for the “best running style” finalist award.

Breakdown the various statistical categories →

Win Percentage - “E” takes it hands down

ITM Rate - “E” wins with 42%

Win ROI - “E” with the “P” a close second; (“E” also had the best Place ROI of the five RS)

AvgWin - “S” easily wins this round

Impact Value - “E” is the obvious choice

And the winner → “E” running style. Although the “S” group had a higher average payoff, it fared very poorly in all other categories. The “P” was a close second but did not beat the “E” in any category.

It’s not much of a revelation that “E” horses (Early) do so well. The “E” can either take the lead if the pace is slow or sit close up and wait on a tiring leader. The nature of oval track horse racing helps the “E” runners in many other respects including the fact they tend to be less trouble prone. The “E” is a close cousin to the “F”, but they do not seem to be as obvious or popular with the bettors and tend to rate better.

Expanding the data for “E”

So far we have found evidence that “E” may be our most productive running-style category. Now we’ll focus on those horses exclusively and break down the data further to find strength and weakness. Our first chart looks at basic distance/surface groups. The stats are on the next page.

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As everyone reading this is aware, running-style identification is part of the larger context of the race-shape analysis. For example, if the race is full of “F” and “E” types, the handicapper may believe a closer is likely to win. Or if the race has no genuine early speed, a horse able to secure position near the front will have an edge in a slow paced race. Unfortunately, years and years of statistical research by others and myself has failed to prove there is any profitability in identifying a favorable race setup. There is a myriad of reasons why the race does not unfold as expected, including jockey awareness, changes to the running style due to training, even racing luck. But the main reason for lack of return is public awareness – if everyone else is counting on the same scenario to unfold, they all will bet on it and ruin the ROI.

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Statistics & Research
Effective Data Analysis

The next chart studies on the “E” entrants and separates by distance and surface →

Run Style “E” Only - All 2007 Races - Purse \$10,000+						
Dist/Surf	Horses	Win%	WROI	AvgWin	I.V.	High
Dirt Sprint	33716	16%	0.79	\$ 9.70	1.36	\$171
Dirt Route	11234	16%	0.79	\$10.00	1.24	\$155
Turf Sprint	4789	14%	0.83	\$11.80	1.28	\$131
Turf Route	6833	13%	0.90	\$13.30	1.27	\$203
Artif Sprint	6550	14%	0.89	\$12.50	1.33	\$141
Artif Route	2467	13%	0.84	\$12.70	1.14	\$ 87
Wet Sprint	5915	17%	0.78	\$ 9.10	1.41	\$ 84
Wet Route	2319	17%	0.83	\$ 9.50	1.34	\$162

Analysis

There is a lot on this chart that would take most horseplayers right out of their comfort zone. If we were to take a poll prior to running the data, surely the majority would have expected Wet Sprints or Dirt Sprints to have the most impact with “E” running style. In one respect they would have been correct; those two categories did produce the best impact values (I.V.) and win% – but they returned the least amount of money.

The public perception is exactly the point here. Turf Routes have the highest ROI and best winning payoffs with the “E” runners because most bettors believe that late speed is king on the grass. To make money at the track you must take the road less traveled.

Next chart should really drive this point home. FR1 = 1 and FR3 = 1. Before you look at the data, which of the two would you expect to shine with an “E” running style?

Run Style “E” Only - All 2007 Races - Purse \$10,000+						
Factor	Horses	Win%	WROI	AvgWin	I.V.	High
FR1 = 1	17969	20%	0.89	\$ 9.10	1.61	\$121
FR3 = 1	5860	25%	0.96	\$ 7.60	2.22	\$ 87

Analysis

It’s an odd dichotomy that the “E” runners with the strongest final fraction (FR3) have a greater impact than those with FR1. Even more surprising is that the FR3 group has a pitiful average win payout of under \$8.00, but the 25% hit rate is so high that they nearly produce a profit.

The “E-1” horses (“E” + FR1=1) have very good stats and strong impact value. The solid 20% win rate has not dropped over the years, but the ROI has been depleted from flat bet profits we could attain in the 1990s. How could that happen? As horse racing declined in popularity the remaining core of bettors have become well educated and aware of statistical trends. They read and study and accept statistical conclusions. To make money we have to bet the illogical.

As it turns out the public over bets the FR1 = 1 and slightly under bets the FR3 = 1. The game is all about who can turn a profit -- it is not about picking winners. When you look at your stats your first instinct should be to interpolate the data based on public betting patterns. Most of the common factors in handicapping do not suffer win-rate declines over time. Win percentages remain remarkably consistent for decades and any changes are generally due to field size reduction. But the money making elements of ROI, Average Win price and longshot ratios do change dramatically, often within the course of a year. This is why I strongly caution against using data more than two years old in your research.

Statistics & Research
Effective Data Analysis – On to a Spot Play

Putting It All Together and Making a Spot Play

Let's combine our most powerful co-factor finding: FR3=1, with the "E" running style and re-run the distance/surface list.

1. Running Style = "E"
2. FR3=1

<u>Run Style "E" Only</u>	<u>FR3= 1</u>	<u>PURSE \$10,000+</u>	<u>All 2007 Races</u>			
<u>Dist/Surf</u>	<u>Horses</u>	<u>Win%</u>	<u>WROI</u>	<u>AvgWin</u>	<u>I.V.</u>	<u>High</u>
Dirt Sprint	2715	26%	0.95	\$ 7.30	2.02	\$ 77
Dirt Route	901	25%	0.93	\$ 7.60	1.81	\$ 71
Turf Sprint	315	21%	0.85	\$ 8.00	1.84	\$ 68
Turf Route	455	29%	1.14	\$ 7.90	2.57	\$ 41
Artif Sprint	529	22%	1.06	\$ 9.40	1.95	\$ 44
Artif Route	183	21%	1.24	\$11.60	1.70	\$ 87
Wet Sprint	529	27%	0.92	\$ 6.70	2.09	\$ 68
Wet Route	204	30%	1.16	\$ 7.80	2.19	\$ 73

Analysis

Results are very promising with this tandem. High win rates and some upward ROI movement in several categories as compared with our initial test with "E" run style. What conclusions can we draw about this data other than the obvious positive results?

- Separating by distance and surface is critical. Turf and Artificial Routes are the keys. Good results can also be achieved with "A" Sprints as well.
- This is not a longshot method. How do we know that? The average winner pays about 3/1 odds and the "High" categories have low payoffs. This indicates there are very few big hits.
- Strong Impact Values (I.V.) and high win percentage represent a very low volatility spot play. On one hand it means there is high confidence that the results will carry forward in terms of win rates. But low volatility plays are the ones most often picked up by the public and that means the ROI is susceptible to dropping. My experience is that a 10% decline in ROI is typical after uncovering this type of spot play.

Regarding that last statement. How can the public pick up on this so quickly? These ratings "E" and FR3=1 are unique to HTR2 and not available in standard past-performances that the average bettor would notice. Doesn't that provide some protection for the ROI? You would think so, but I am constantly amazed at how quickly the profits disappear on the higher percentage plays.

There are thousands of horseplayers pounding away on the same data everyday. The sample sizes above are very modest and the number of winners is just a few hundred in number. That is a narrow focus group in terms of data management and there may be several common links to these profitable winners that are easy to uncover with other methods.

On the other hand, the profits in this one come with Turf and Artificial surfaces. That is a definite advantage that may hold up because the play seems to defy conventional wisdom on those surfaces normally dominated by closers. So I would give this one a better shot at holding its ROI going forward. If the profits were on dirt for an "E" method it would be a certainty that the returns would drop in the future.

Statistical Studies
Trainer in a Slump

This text refers to the Trainer's 30-day stats found on the [T+J] screen in HTR2: "Last 30-days" column. If the trainer has not won a race in the last month he'll show a zero. Examples from HTR2 →

0/15 - 00% has lost at least 15 straight races and no winners in last thirty days.

0/28 - 00% trainer in a major slump, has lost at least 28 in a row and not won for at least the last 30-days.

Notice the phrase "at least" is used in the sentence to indicate that the trainer may have lost more consecutive races than the shown number. The "30-day" stat only retrieves the one-month period, which is rotated and updated daily in our race files.

As a handicapper you have no doubt had a similar slump, losing many consecutive bets. Did you think it would go on forever? It never does. You'll get one eventually no matter how bad your luck may seem at the time. A trainer stuck in a losing streak is well aware of the ramifications of being tagged a 'chronic loser' or 'cold trainer'. Owners and jockey agents will stay away and the barn employees become discouraged. Even the horses seem to be lethargic during a bad run. But they'll win one eventually.

Every trainer will eventually suffer a slump. The good ones never break a sweat over it and it may just be a run of lousy luck with many runners finishing close 2nd or 3rd. Other trainers may panic during a slide and drop their horses into lower class races in a desperate attempt to get a win. Our study this month will attempt to find out two things: 1) when does the slump actually affect the probability of winning? 2) Does the public seem to notice this negative trend and does it affect the odds accordingly?

Loss Streak = number of consecutive losers in last 30days for any trainer.

Prob of Win = the % chance that the trainer will win today; normal is about 11%.

W-ROI = return if betting \$1 on every horse in the category. The ROI helps understand how much we are likely to lose by betting on a trainer with a losing streak this long. Normal ROI random trainer = 0.80.

<u>Loss Streak</u>	<u>Prob of Win</u>	<u>W-ROI</u>
0/8	9%	0.79
0/9	9%	0.76
0/10	8%	0.74
0/11	9%	0.66
0/12	7%	0.63
0/13	8%	0.69
0/14	7%	0.45
0/15	7%	0.37
0/16	8%	0.68
0/17	8%	0.80
0/18	5%	0.50
0/19	6%	0.94
0/20	10%	0.71
0/21	7%	0.43
0/22	4%	0.24
0/23	6%	0.40
0/24	5%	0.91
0/25	8%	0.83
0/26	3%	0.31
0/27	10%	1.09
0/28	4%	0.27
0/29	5%	0.11
0/30 or more	3%	0.23

Analysis

Trainers that have lost less than 15 in a row have only a slightly lower win rate than normal expectation, so most of them break out of it before hitting a severe slump over 20 straight losers. But as the losing continues, the public does not seem to be informed. The ROI drops to anemic levels in most cases (there are spikes in the ROI chart to due to huge payoffs). The low ROI seem to indicate that other bettors are not aware of this information. Trainers mired in a slump of 20 or more straight losses are excellent bet-against if the odds are low.

HTR Software Updates
HTR2 – 2008 Upgrade

Added several new features to the HTR2 software as well as the usual yearly adjustment to energy pars, EPR and track class ratings. One particular set of adjustments now separates the All-weather “A” surfaces (Poly, etc.) for the PAC ratings. I have upgraded PID (Presque Isle Downs) to a “B” track, it is certainly in range of a DEL, BM or MTH in its initial meeting.

- The tagging of “AE” (Also-Eligible) and “MTO” (Main Track Only) horses has been expanded. The Scratch screen displays these horses with a different color for their name and the (M) or (A) appears with the text.
- The Also-Eligible is now designated in the HX4 export as well, **Field 179; nAE**
1= AE 2=MTO
- The Download Screen was slightly expanded to include more dates and the 1yr Track Profile.
- Various bugs repaired such as the “Dirt Life” record and “Best at D/S” figure in the PPs.
- Robot bug that was not saving PL-6 and PL-7 has been fixed and you can save spot plays with those PL modes now. This transition will hopefully be seamless and all your current spot-plays should work as expected. To accommodate the new PL modes into the Robot I had to change the file naming slightly in this new version. Contact me if you have conflicts with the old and new versions or need the specifications on the new Robot file naming. If you have a custom program, continue to save your spot plays in PL modes 1-5 only.

FYI

PL6 -- Selects best effort at today’s exact surface within the last 365-days.

PL7 – Selects every and all applicable lines up to last 10.

Seminar Preview

Our seminar is scheduled for Wednesday July 23, 2008 in Las Vegas. Each year we use the event for a major enhancement to the software and a chance to discuss new ideas and advanced handicapping techniques and learn new strategies for research. We are grateful that Donnie Nadermann and Mel Moser have again agreed to participate as instructors.

One of my goals this year will be to enable a greater understanding of the human connections. Thankfully we have begun to leave behind the era of the super (drug) trainer due to greater scrutiny and penalties. The new realm of handicapping will concentrate on the development and management of racehorses. Sudden improvement that produces longshot winners can be understood. Surface switching and transitioning to other challenges with track/distance/class, etc. are more common with the advent of artificial surfaces and purse inflation at casino tracks.

Race conditions are growing more complicated as well. We need to focus on how this affects class distinctions in a typical field – particularly since the majority of races are written for young developing horses. My experience with handicappers, including the good ones, is that they lack fundamental instincts for the raw talent (class) of a racehorse. They rely on the past-performances and speed figures as the basis for determining potential. This is a major mistake. Racehorses at age 2yr and 3yr are like teenagers. They mature quickly and improvement is often dramatic --- but is usually not unexpected.

Late Announcements and Reminders

HTR2 Upgrade

Download the new version "January 8, 2008" as soon as you read this.

Vegas Championships Meeting?

We are planning a meeting at the Orleans on Wed Jan 23 in the quiet lounge near the poker tables in the rear section of the main casino floor. We'll have more details on this on our bbs before we leave for the event. Hope you can stop by and say hello. We'll meet around 7pm Wed evening for an hour or two.

HTR Software

Voicemail: 714-366-1HTR

Fax: 714-693-3399

Email: kmssoft@earthlink.net

HTR website (software updates): www.htr2.com
www.homebased2.com/km

HTR Report is an on-line newsletter and is published bi-monthly, then placed on the HTR member (download) web site around the 5th of the month. Monthly subscribers to HTR can view the current newsletter for no charge on-line, Adobe Reader software (free) required. Past issues are available in our web-site archive library.

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