# form labs

How to bet on Horse Racing

The Basics of Betting on Horse Racing

First and foremost, you need to know the different types of wagers that can be made when betting on horses. This varies from 'Win' (horse to win the race only), 'Each Way' (two separate bets – one to win only and the other for a place), 'Place' (horse to finish 1st, 2nd or 3rd but can extend to 4th, 5th etc), 'Forecast' (correctly predicting the finishing order of 1st & 2nd) and 'Tricast' (predicting horses to finish exactly 1st, 2nd & 3rd) bets. These are the building blocks which you should know inside out before you start to formulate a plan of making a profit on the sport, though the most common are certainly the former two markets.

Even punters that regularly bet sometimes overlook what the 'Each Way' market actually stands for and one of the most regular questions is what does each way betting actually mean? Indeed, as mentioned above it's two separate bets, but what we really want to know is how it actually works and when we should use it!

Example: Bet £5 EW at odds of 20/1 *[(1/5 1-2-3) – means fifth of the odds for place bet if comes 1st, 2nd or 3rd (see image)]*

EW (1/5, 3 places)
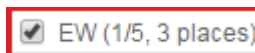
1. **Horse Finishes 1st**
   a. One £5 Bet @ 20/1 to Win - £105 return (£100 profit & £5 stake returned)
   b. One £5 Bet @ 1/5 of 20/1, ∴ 4/1 - £25 return (£20 profit & £5 stake returned)
   c. Total Winnings - £130 (£120 profit & £10 total stake returned)
2. **Horse Finishes 2nd or 3rd**
   a. One £5 Bet @ 20/1 to Win – Bet lost
   b. One £5 Bet @ 1/5 of 20/1, ∴ 4/1 - £25 return (£20 profit & £5 stake returned)
   c. Total Winnings - £25 (£15 profit & £5 stake returned)

Any finish outside the displayed places will result in you losing your total stake so in this case £5 EW would mean a £10 loss. An important note for each way betting though should be that if you were to place a bet at on the each way terms above, but this time on a horse of 5/1, you'd only get your money back if it was to place and so a general rule is to only use this method at horses priced at 5/1 or bigger or 4/1 or larger if a quarter of the odds is being taken for the place market.

Calculating Your Own Betting Tissue

The next phase in horse betting online is for you to start doing a bit of your own research and having a crack at pricing up your own race. The reason for doing this is to find the value in the market. If your tissue brings up a 5/1 shot and you can back the horse at 10/1, then you'd have found an advantage in the market and it doesn't take a genius to realise that if you can continually do this over a period of time then you're likely to make a substantial profit!

First of all, we need to head to one of the reliable sources for their race cards; Racexpert, Timeform or Proformracing to get the latest horse racing betting odds and figures – there are a number out there so have a look for yourself. In unison with these rating figures, we need to create an excel spreadsheet so we can identify which of the horses presents the value opportunity in a given race.

The below image has broken down the equations you'll need in order to create and use this spreadsheet:

Calculations:

% Chance: $\dfrac{Rating}{Sum\ of\ all\ ratings\ in\ the\ given\ race}$ *e.g = B2/(SUM(B:B))*

Implied Rating Odds: $\dfrac{1}{\%\ Chance}$ *e.g =1/C2*

% Value: $\dfrac{Current\ Odds}{Implied\ Rating\ Odds}$ *e.g =E2/D2*

Based on this model we tend to look for horses that have an 'Implied Rating Odds' shorter than 10/1 so that they're in with a fair chance of actually winning. As you can see, Seventeen Black, Charlie Wingnut, Chasma and See the Legend fall into that category and it's the latter that takes our interest. As a general rule of thumb, we're looking for horses with a '% Value' that's over 100% and that is exactly what this horse provides us with. Obviously, this is not an in-depth method to pricing up a tissue, but can be an extremely useful tool and effective quick way to kick off your horse racing betting.

It's important to note that your ratings when using this example are paramount to the accuracy of your results, as the rating itself provides an overview of all the positive and negative factors each horse may have into one rounded figure. Another top tip is to discard any horses below the median rating figure, as these horses by some way of accuracy generally don't tend to win and should be avoided. (Cadgers Hole I the cut off mark from the above example at 47). Going forward you can then fine tune this method and bring your own positive and negative points for each horse to tweak the ratings, whether that be for the ground going, class, distance, race course, trainer form or even running style.

Finishing Note

It's important that you don't blow your whole bank account on a single race or on one day's racing for that matter. A staking plan should be used based on your total bank balance and no more than 2-5% should be used on a single bet as each bet will vary depending on how confident you are on it. Now it's your turn to go have a go on the latest horse racing betting and work out the best horse to bet on today!