

"Lay-Betting"

Lay Betting definition: Betting against a horse, i.e. betting a horse will lose (laying the odds - fading another bettor).

Lay betting is a fairly new concept in horse race betting. The pari-mutuel system of horse race betting in America has created a "best horse" mindset, and trying to figure out who will win a race is almost every player's primary concern.

The traditional (and legal) book-making system in the UK and elsewhere has given them a slightly different point-of-view, so lay betting has become well-established there.

And no wonder - the advantages to the player are substantial.

Over three years ago in our e-book, "**Racing Exchange Gold**," we predicted that the betting exchanges (where lay-betting is offered) would be the future of horse racing betting. That future has been somewhat slow to come to North America, though it has taken the rest of the world by storm. The liquidity (amount of money offered to back and lay horses in U.S. races) has grown steadily - even dramatically at some exchanges - during that time.

What are the advantages of lay-betting?

Think about it: If you have no solid opinion about who has a good chance to win the race, but because of the pace situation, conditions of the race, conditioning cycle (or whatever) - you feel that a particular horse has an extremely poor chance of winning the race - you can bet that horse will lose . . .

[This allows you the opportunity to make value wagers in races that you previously had to pass.](#)

Or the other side of the coin, say you feel strongly that a certain solid contender will win - you can now bet him to win, and one or two other over-bet horses to lose. . . .

[This increases your leverage in a "strong opinion" race.](#)

Best of all: Say you bet a horse \$20 to win at 4/1 (at the exchanges, you "lock in" your odds at the moment you bet) early in the betting, then that horse drops to 2/1 near post. You can now bet against him - lay bet - at 2/1 for \$20. If he wins and pays \$10 - you make \$60 profit (your 4/1 \$80 minus the \$20 lay bet). If he loses, you break even (your \$20 lay bet covers your \$20 win loss) . . .

This creates a hedge that protects your win bet and essentially creates a "no-lose" situation.

Another important aspect of lay-betting has to do with the player's psyche.

As we've discussed many times in past writings, the mental attitude of the horse race bettor is all-important. Nothing improves a bettor's attitude more than cashing tickets! [If a horse player always feels that he has a big shot to cash a ticket in the next race, optimism is there and the attitude stays positive.](#)

Favorites win at only about a 34% clip. Betting on selected favorites, a win percentage of 38-39% would be good.

But that still means losing 62 out of every 100 races - hardly conducive to maintaining confidence that the next race will be a winner. The sub-conscious of the bettor will start reinforcing the idea that almost 2 of every 3 wagers will lose.

Since what we think creates our reality, that race player has now created a "losing reality" - and if he doesn't have the fortitude of his convictions - his bottom-line will become even worse than it would/should have been.

Now - what would lay-betting do for that player's mental attitude?

It is the mirror image of the above - only better. The bettor could now win 66 out of every 100 wagers simply by betting against all the favorites! That approach still wouldn't be profitable used in such a generalized manner.

But - by using a different logic and not searching for the best "win pick" - but rather by betting against selected weak runners - it is very easy to immediately get the strike rate up near the 75% level.

At that point, the sub-conscious notes that 3 of every 4 tickets are now being cashed and it begins to expect to cash the next wager because this is predominantly true.

A new "winning reality" emerges. As this new horse betting reality manifests, the hit rate will continue to rise a bit as the positive mental attitude of the bettor solidifies. It is then fairly easy to get the strike rate into the 80% + range.

When you bet on one horse in a race to lose - you have every other horse in that race running for you!

Racing luck - which plays such a large part in regular horse race betting - become essentially a non-factor when lay-betting.

Rather than so often seeming to work against you - it now usually helps you! If the horse that you have bet against misses the break, or gets bottled up in deep stretch, or gets bumped or carried out on the turn - whatever - well, good!

Lay-betting really does kind of turn the whole game on its head . . .

- Rather than cheering on one horse - you are cheering on all but one horse.

- Instead of fearing trouble happening to your "pick" - you are not concerned with troublesome racing luck at all.

- Unlike handicapping for all the nuances of pace, class, conditioning, etc. for each horse in the race, you are only looking for one or two horses that will likely be much less competitive (for whatever reason) than their odds will indicate - i.e. horses likely to lose.

It all becomes so much simpler; however, you do have to "put on another hat," and re-arrange your thinking a bit.

For instance: if you bet against all 30/1 shots, it would be common to have long winning streaks (that is - these horses will most often lose - thus you are cashing your lay-bet tickets) of 20 and more in-a-row. But - when one of these guys wins - you really get bit in the butt - and hard! Remember that in lay-betting, your winning wagers get you even money, while your losing wagers require paying out at whatever odds the horse was at when you bet it (odds are "locked in" at the moment you make the wager at the exchanges).

In the above example: Say you bet \$20 in every race and hit 25 races in-a-row without a losing bet. You would have collected \$500 (minus the approximate 3% exchange commission fees). Now - say that on the 26th bet the 30/1 shot won the race and paid \$62. You would now have to pay out \$620 - negating all your 25 race win streak - and more!

We recommend never lay-betting a horse at higher than 5/1 (5/2 if you are the conservative type).

But - if you bet against only low-odds favorites, while never being stung badly, your strike rate will be somewhat low because the favorites will win more often than other, higher odds runners. Even if your weak favorites only win at a 27% clip (7% worse than the average) - you can

only have a 73% strike rate.

If you allow for just a bit more risk and wager against some 3/1 to 5/1 types, your hit percentage will rise accordingly.

In the past, we have always been careful to maintain that horse race betting is not an "investment." Other less-than-scrupulous "system sellers" and "method peddlers" have used the term loosely - claiming that by using their approach it would make betting at the races like investing (b.s. !!).

Race betting has always been inherently risky - but when lay-betting select weak contenders, it can become a very low-risk situation - to which the word "investment" might actually apply.

"False favorite" handicapping techniques have been presented in various of our articles and e-books, so we won't rehash those ideas here. However . . .

To acquire profitable unique method/s for any and all parts of your portfolio of horse betting approaches - go here: [our products](#)