



Horse Races Trader Bot

aka “Trader Bot”

- trading on any event with single winner -

- Updated on 16th May 2012 -



Contents

1. Strategy 3

2. Bot controls..... 5

3. Wallet controls..... 6

4. Bf Bot Manager V2 changes..... 8

5. Resources 16

1. Strategy


Horse races trader bot is used for automatic in running trading on UK horse races (version that is available with V2 version of software works with UK, US, AUS, RSA races and all other markets with single winner!). Main bot purpose is to place 2 bets (trade) when market goes in running so that you get equal profit if both bets get matched.

On image below we can see that bot has placed €4.00 Back bet at price 5.5, and €4.40 Lay bet at price 5.0 on runner “Silver By Nature”. Both bets are fully matched, and regardless who wins the race we win €0.40, which is 10% of stake.

Image 1

\\2m4f Hcap Chs\Silver By Nature	Matched	€4	5.5	Back		21-Feb 01:51 PM	7271203714
\\2m4f Hcap Chs\Silver By Nature	Matched	€4.4	5	Lay		21-Feb 01:51 PM	7271203715

Bet Status: The following bets were successfully matched			
Current Odds bets			
	Your Odds	Your Stake	Your Profit
Back			
Silver By Nature	5.5	€4.00	€18.00
Lay	Backer's Odds	Backer's Stake	<input type="radio"/> Payout <input checked="" type="radio"/> Liability
Silver By Nature	5	€4.40	€17.60

-  **Silver Sedge**
P. Aspell
€0.40
-  **Pasagai**
Tom Messenger
€0.40
-  **Jack The Blaster**
Timmy Murphy
€0.40
-  **Silver By Nature**
Peter Buchanan
€0.40
-  **Daldini**
Tjade Collier
€0.40

Amount of money that you can win from one trade depends on overruns that you specify and current offer on in running market. Bot will try to place bets only when market goes in running. On in running markets, prices are not as good as before in running and this is the key fact that this bot is trying to use. On image below we can see in running prices, and you can notice that overruns are not good as before in running:

Image 2

Fairy 21st Feb - 15:05 2m6f Beg Chs (+)

In-play Live Video Tote Matched: EUR 83,931

Back & Lay Market Depth Betfair Starting Price (SP) More options ▶

Selections: (18)	106%	Back	SP	Lay	77%
 Aggies Lad J. L. Cullen	4.6 €8	5.2 €241	5.3 €5	8.46	7 €4
 Orpheus Valley P. Carberry	4.8 €13	5 €495	5.2 €35	5.4	5.3 €79

In this situation bot will place 2 bets so that those 2 bets make best offer on market for our runner. If best Back price is 5.3 then bot will offer 5.4, and if best Lay price is 7.0 then bot will offer 6.9. By doing this we are giving better offer on market and improving chances that our bets get matched.

When placing 2 bets, Back and Lay, then one of our bets will surely be matched, but the other one might not get matched because market price might move in just one direction. In those situations bot will wait "N" seconds for both bets to get matched, and if both bets are not matched in "N" seconds from time they were placed then bot will Hedge bets so that we get equal profit or loss. By default "N" second's interval is set to 30 seconds.

Number of trades that bot can make on one market depends on price movements on market. If price on our runner goes up and down a lot, then it is very likely that our trades will be fully matched. But if price is not moving or it moves only up or down, then it is very likely that only one of our bets get matched. That is why we use Hedge functionality to stop and minimize our loss.

Bot can trade on any runner, and it is up to you to decide how you want to use bot. We suggest that you start by using bot to trade only on favorite, and later as you learn how bot works that you try using it on any runner.

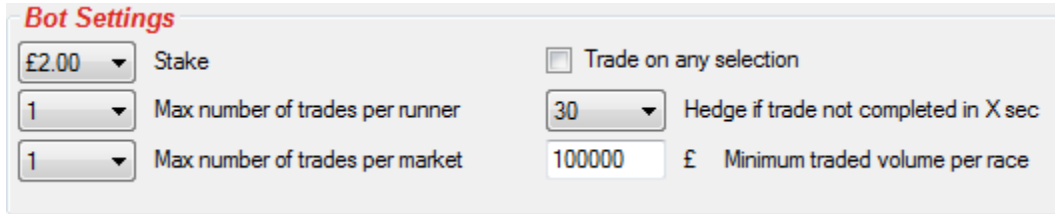
When trading in running you should be careful not to use too big amounts, because your bets might not be fully matched. Amounts up to £100 are all good, and everything above that is considered to be a big stake for in running trading.

You should bet reasonably, with amounts that you can afford to lose. We suggest that you start using bot with smallest bet size available for your Betfair account currency, and if you are satisfied with the way how bot works then increase stake step by step to your desired amount.

2. Bot controls

Main bot controls are displayed on image below.

Image 3



The screenshot shows a 'Bot Settings' window with the following controls:

£2.00	Stake	<input type="checkbox"/>	Trade on any selection
1	Max number of trades per runner	30	Hedge if trade not completed in X sec
1	Max number of trades per market	100000	£ Minimum traded volume per race

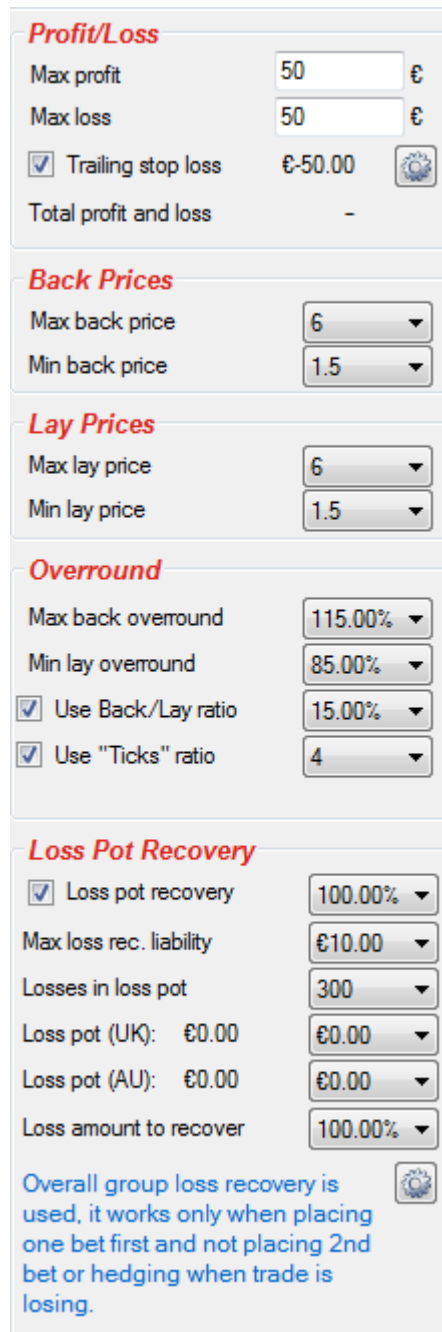
Bot controls:


- Stake combo box - this is the stake that bot will use for trade, it is not liability. Your liability depends from Max Lay price that you have set and this stake size. You should make sure that you have enough funds in your Betfair account to cover bet at max Lay price that you set with stake you selected
- Number of trades per runner - this is max number of trades that bot will try to place for each runner. For each runner trades are placed one by one. When first trade is completed then bot will try to place second trade, and so on. We have limited this number to 3, as we find that 3 trades per market in running are enough.
- Number of trades per market - this is max number of trades that bot can try to place on market while in running. Trades can be placed on one runner or on different runners, but total number of trades placed on market will not be above this value.
- Hedge after "N" seconds - time for trade to expire. If trade is not matched within "N" seconds then unmatched bets will be cancelled and matched amounts will be hedged so that you get equal profit or loss regardless who wins the race. This is actually stopping or minimizing of your loss in cases when one of the bets is not fully matched and price started moving in opposite direction. Once the bets are hedged, bot will try to place next trade if all other rules are satisfied.
- Trade on any runner - if this is checked then bot will try to trade on any runner on market which satisfies rules of Min/Max Back/Lay prices.
- Minimum traded volume per race – minimum total matched amount per race before bot places any bets. This ensures that market is popular and that bets will be matched.

3. Wallet controls

On image below we can see standard controls for market, and now we shall give explanation how they are used by this bot.

Image 4




Profit/Loss	
Max profit	50 €
Max loss	50 €
<input checked="" type="checkbox"/> Trailing stop loss	€-50.00 
Total profit and loss	-

Back Prices	
Max back price	6
Min back price	1.5

Lay Prices	
Max lay price	6
Min lay price	1.5

Overround	
Max back overround	115.00%
Min lay overround	85.00%
<input checked="" type="checkbox"/> Use Back/Lay ratio	15.00%
<input checked="" type="checkbox"/> Use "Ticks" ratio	4

Loss Pot Recovery	
<input checked="" type="checkbox"/> Loss pot recovery	100.00%
Max loss rec. liability	€10.00
Losses in loss pot	300
Loss pot (UK): €0.00	€0.00
Loss pot (AU): €0.00	€0.00
Loss amount to recover	100.00%

Overall group loss recovery is  used, it works only when placing one bet first and not placing 2nd bet or hedging when trade is losing.

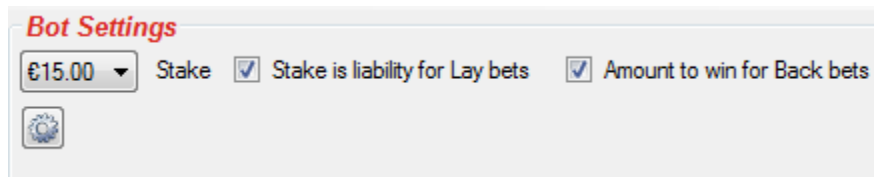
- Max Loss - bot will automatically be stopped when loss from settled bets reaches this value

- Max Profit - bot will automatically be stopped when profit from settled bets reaches this value
- Max Back Overround - bot will try to place trade when market Back overround is better than the one specified in those settings. Value that you set here has effect on prices that bot will ask when placing bets. If you set high value for Back overround (e.g. 150%) then bot will be allowed to place bets when Back overround is 150% or less. This means that if bot places bets at Back overround of 145%, that someone else will easily give better offer which will leave your bet unmatched. We suggest setting Back overround to 110%.
- Min Lay Overround - bot will try to place trade when market Lay overround is better than the one specified in those settings. Value that you set here has effect on prices that bot will ask when placing bets. If you set low value for Lay overround (e.g. 50%) then bot will be allowed to place bets when Lay overround is 50% or more. This means that if bot places bets at Lay overround of 55%, that someone else will easily give better offer which will leave your bet unmatched. We suggest setting Lay overround to 90%
- Use Back/Lay ratio – You can optionally use ratio between Back and Lay price. For example, if you set this to 5% then difference between Back and Lay price must not be greater than 5% for bot to try to place bet. Overrounds will still be used, but if you do not want to use them then set overrounds to 200% and 0%
- Use Ticks ratio – max difference in ticks between Back and Lay price by using Betfair prices ladder
- Min Back Price - minimum value for available Back price at market that must be satisfied before bot tries to place trade.
- Max Back Price - maximum value for available Back price at market that must be satisfied before bot tries to place trade.
- Min Lay Price - minimum value for available Lay price at market that must be satisfied before bot tries to place trade.
- Max Lay Price - maximum value for available Lay price at market that must be satisfied before bot tries to place trade. By setting this price you control your maximum liability per trade.
- Overall loss pot recovery can be used; it is useful when placing one bet first and second bet only if trade is losing. If placing both bets at same time then loss recovery will not work.

4. Bf Bot Manager V2 changes

From Bf Bot Manager version 2 there are more options to this bot and the layout has been changed. On Image 5 we can see that “Bot Settings” group box only has options for stake, while all other options can be accessed by clicking on options button below stake.

Image 5



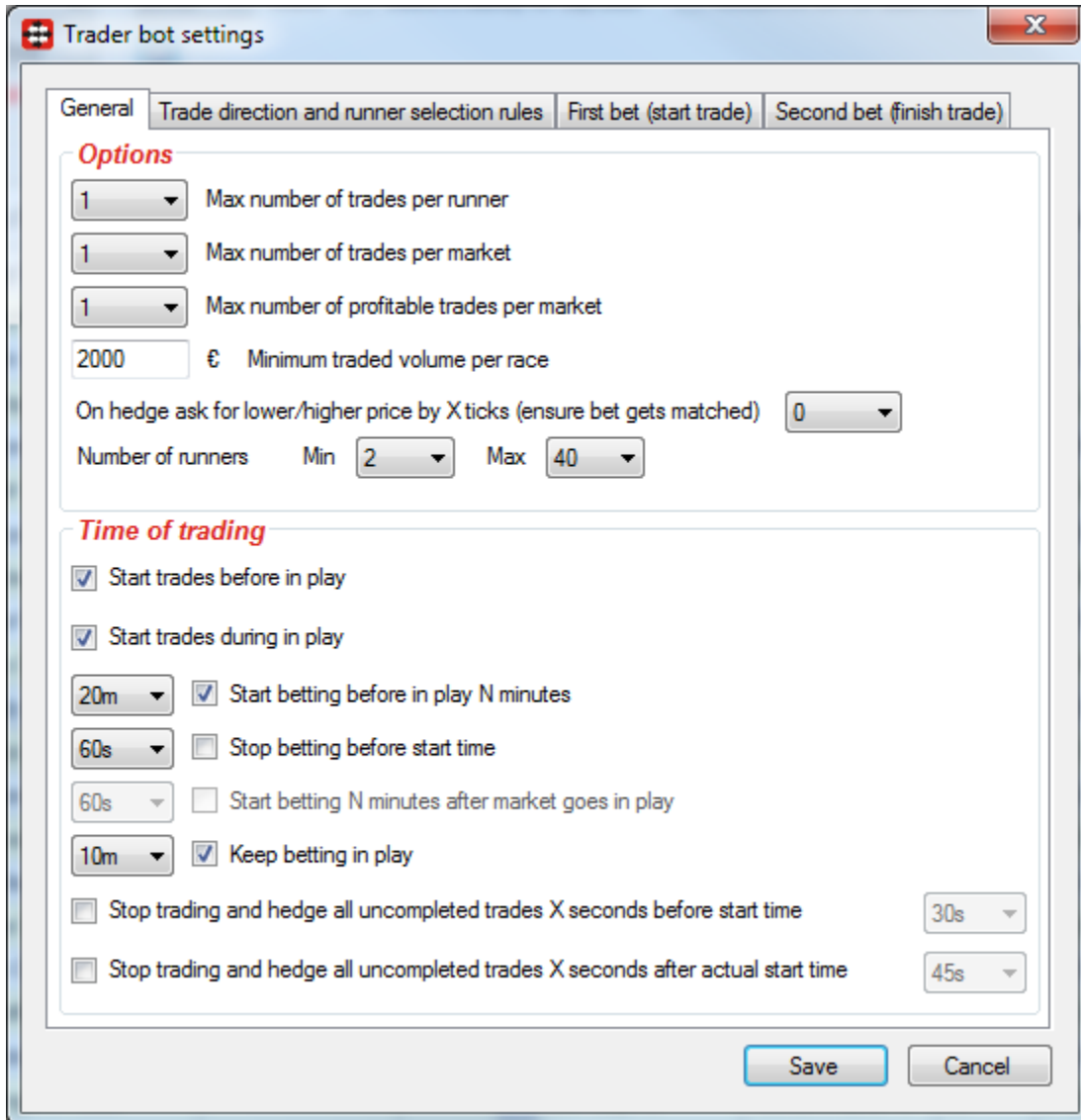
Optionally you can tick that your selected stake is liability (for Lay bets) or amount that you want to win (for Back bets) but you should be aware that ticking one of those options could result in bets below Betfair minimum size and placement of such bets can last 4+ seconds during in play for horse races or even 24+ for football matches during in play. It is advised that you always trade with stakes above Betfair minimum stake for best results.

Options for max number of trades per runner and market, and minimum traded volume per race are moved to new “Horse races trader settings” form.

On Image 6 we can see options that are new in V2 and those are:

- Max number of profitable trades – it prevents bot from making new trades ones the bot has made specified number of trades that made any profit
- On hedge ask for lower/higher price by X ticks – this option should ensure that your hedge function when triggered places bet that will be matched immediately. However, setting this to more than zero ticks will result in unequal profit/loss amount if hedge bet gets matched at better price than requested. Hedge amount of money is calculated by using worse price by X ticks that you set but Betfair will match your bet at best possible odds. This causes in some cases that you win more money if selections wins.
- Number of runners – min and max number of runners on markets on which bot can bet and trade

Image 6



Time of trade has several different options and those are:

- Start before in play – if selected then bot will start placing trades before market goes in play. Bets will have persistence “Keep” which means that once market goes in play that bets will not be cancelled.
- Start trades during in play – if selected then bot will be allowed to start placing new trades after market goes in play.
- Start betting before in play N minutes – time when bot should start trying to place bets on favorites
- Stop betting before start time – bot will stop starting new trades X minutes before in play, but this will not prevent bot from starting trades during in play if other settings allow betting during in play

- Start betting N minutes after market goes in play – time after market goes in play for bot to start trying to place bets on favorites
- Keep betting in play – if bot should keep trying to place bets on favorites when market goes in play if bet was not placed before in play
- Stop trading and hedge all uncompleted trades X seconds before start time – this is very useful when you are trading on markets that will not go in play and want to trade out before market gets suspended. This does not prevent bot from betting during in play if other settings allow bot to bet during in play, it only hedges your trades (green up/red up) X seconds before official start time
- Stop trading and hedge all uncompleted trades X seconds after start time – this is very useful when you are trading during in play and you want to stop trading after X minutes/seconds e.g. trade only for first 30 seconds during in play on horse races so that you avoid any trades at the end of race when market prices go up/down fast

In V2 trade can start in 3 different ways and those are:

- First place Back bet – bot will first place Back bet, wait for that bet to be fully matched and then place Lay hedge bet
- First place Lay bet – bot will first place Lay bet, wait for that bet to be fully matched and then place Back hedge bet
- Place Back & Lay bets at same time – bot will place both bets at same time and wait for them to be fully matched before it starts new trade on that market

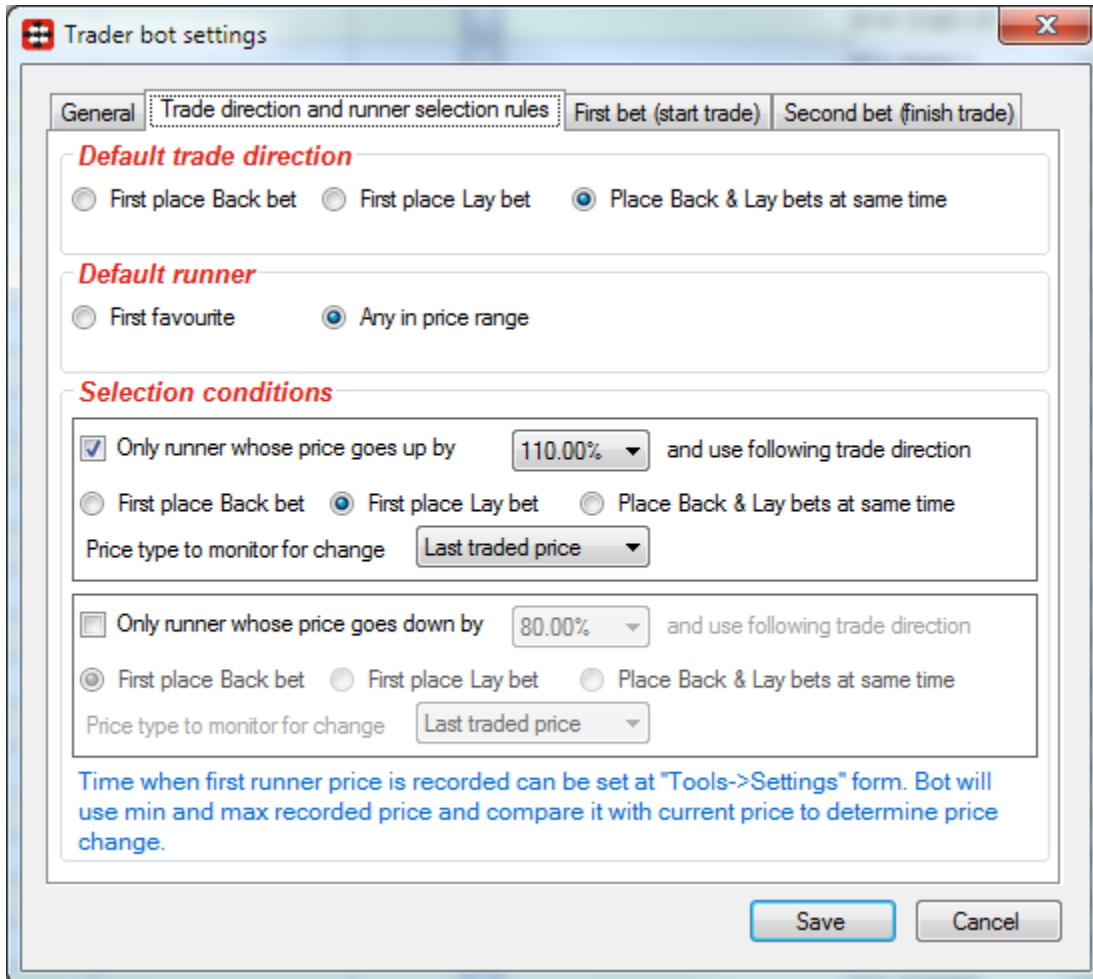
You can also set to trade on first favourite only or on any favourite that is within min/max price range.

At “Selection conditions” group box (see Image 7) it is possible to set to trade only on selections whose price changes by X%. Time when to start recording min/max/last traded prices can be set from main menu at Tools->Settings form and there we can also set if prices should be recorded only before in play or also during in play. Once you set that setting to record early price then recorded price will be compared with current selection price at Betfair and if price movement is satisfied then bot will start trade on that selection.

Price that is required to change by X% can be set in combo box and we can select Back, Lay or Last traded price.

Selections form can be used to view recorded min/max prices for each selection.

Image 7



Trader bot settings

General Trade direction and runner selection rules First bet (start trade) Second bet (finish trade)

Default trade direction

First place Back bet First place Lay bet Place Back & Lay bets at same time

Default runner

First favourite Any in price range

Selection conditions

Only runner whose price goes up by and use following trade direction

First place Back bet First place Lay bet Place Back & Lay bets at same time

Price type to monitor for change

Only runner whose price goes down by and use following trade direction

First place Back bet First place Lay bet Place Back & Lay bets at same time

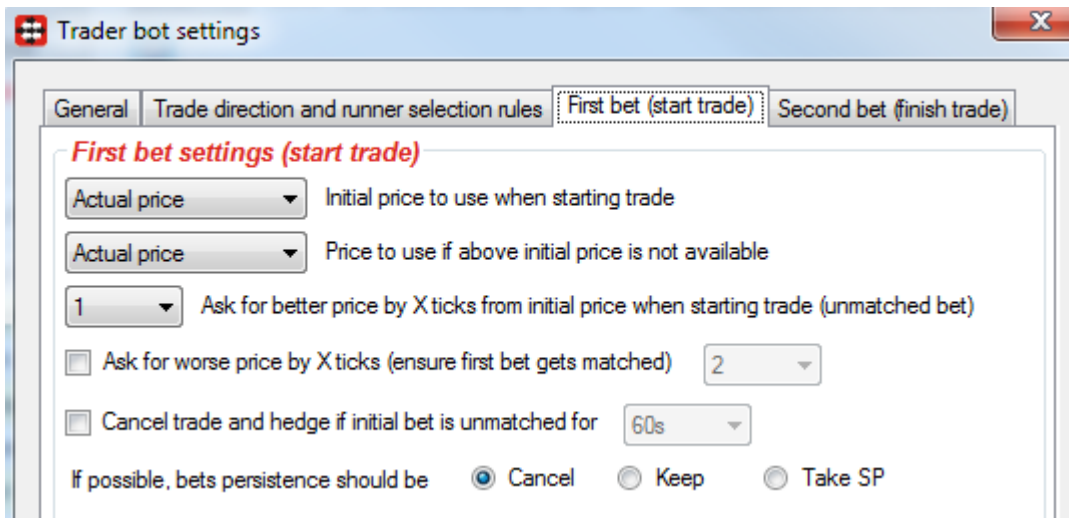
Price type to monitor for change

Time when first runner price is recorded can be set at "Tools->Settings" form. Bot will use min and max recorded price and compare it with current price to determine price change.

Save Cancel

Settings for first bet that is starting trade are displayed on following image.

Image 8



When starting trade with first bet bot needs to ask for certain price. First combo box for initial price type determines if your bet will be matched or unmatched. Second combo box for price type is used if first price type is not available in the moment of bet placement e.g. if you set start price and bet is being placed before the market is in play then start price will not be available because it is only available during the market. Type of price can be one of the following:

- Actual price (Default setting) – for Back bet this is Back price, for Lay bet this is Lay price
- Back price – Back price is used for any bet regardless of bet type, Back or Lay
- Lay price – Lay price is used for any bet, regardless of bet type, Back or Lay
- Last traded price – last price that was matched on runner in the moment when bet is placed
- Opposite price – Back price is used for Lay bets, Lay price is used for Back bets
- Start price – this is actual Betfair Start Price and it is available only after the market goes in play for some markets e.g. UK/Irish horse races
- Near price - A prediction of the eventual starting price. The Near Price is based on money currently on the site at SP as well as unmatched money on the same selection in the exchange.
- Far price - A prediction of the eventual starting price. The Far Price, which only takes into account the SP bets that have been made. The Far Price is not as complicated but not as accurate and only accounts for money on the exchange at SP.

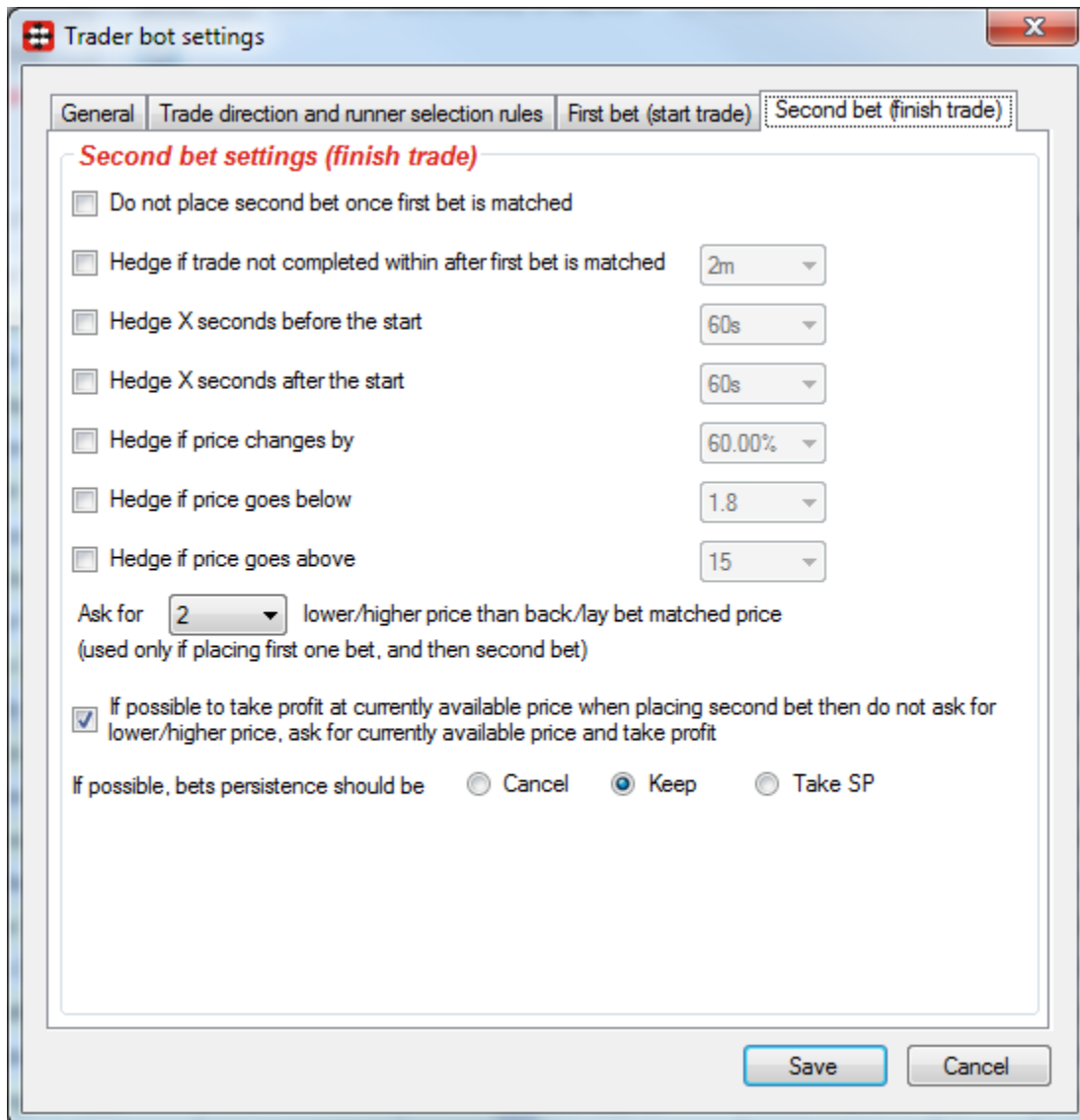
Once an initial price is found it will be modified by X ticks set in the combo box "Ask for better price by X ticks from initial price when starting trade". For Back bets this means to ask for a higher price by X ticks, and for Lay bets this means to ask for a lower price by X ticks, this will result in the placement of an unmatched bet. Alternatively, you may turn on the option to ask for a worse price by X ticks, and in this case the bet should be matched instantly when placed.

Option "Cancel initial bet if unmatched for X seconds" means that if the first bet in trade is unmatched for X seconds then the trade and bet will be canceled.

Settings for second bet that completes one trade are displayed on Image 9.

- Do not place second bet – this is used when bot places one bet first (Back or Lay) and then needs to place second bet to complete trade. If this is ticked then bot will not place that second bet. This option is useful with one of hedge functions, so that if your trade starts losing bot hedges your bet and minimizes losses.
- Hedge if trade not completed within X minutes/seconds – bot will cancel second bet if it is unmatched and place new bet that should be matched instantly if trade is not completed for X seconds
- Hedge X seconds before the start – bot will hedge your uncompleted trade X seconds before start time
- Hedge X seconds after the start – bot will hedge your uncompleted trade X seconds after market goes in play
- Hedge if price changes by – bot will hedge your trade if price changes in wrong direction (trade is losing)
- Hedge if price goes below – bot will hedge your trade if price goes below specified price
- Hedge if price goes above – bot will hedge your trade if price goes above specified price
- Drop down for number of steps higher or lower price to ask for, e.g. if bot placed Back bet at price 4.8 then it will place Lay bet at price lower by X steps than 4.8, and this bet will be at first unmatched. If you set this value to 1 then bot will ask for price 4.7, if you set it to 2 then bot will ask for 4.6 and so on.
- If possible to take profit at currently available price when placing second bet then do not ask for lower/higher price, ask for currently available price and take profit – if first bet is matched and price moves so that we can make profit instantly at new price then bot will take that profit if this option is checked, if this option is not checked then bot will place second bet at price lower/higher by X ticks

Image 9



Clicking on button in column “SI.” will open selections form with list of all market runners. If you tick checkbox in column “Fav.” then you will tell the bot to trade only on that runner. At Image 10 we can see that “Ella Woodcock” is set as our own favorite, and bot will place trades only on this runner. This is especially useful if you are using option to place second bet only if trade is losing!

Image 10

R.	S.	Start time	Market Name	S.	1st Favorite	Winner
X	<input checked="" type="checkbox"/>	04-Jan 14:55	Wolv/1m Hcap	A	Ella Woodcock	
X	<input checked="" type="checkbox"/>	04-Jan 15:30	Wolv/6f Sell Stks	A	Peninsular War	
X	<input checked="" type="checkbox"/>	04-Jan 16:05	Wolv/1m Mdn Stks	A	High Constable	
X	<input checked="" type="checkbox"/>	04-Jan 16:35	Wolv/1m4f Claim Stks	A	Fujin Dancer	
X	<input checked="" type="checkbox"/>	04-Jan 17:05	Wolv/1m1f Hcap	A	Danger Mulally	
X	<input checked="" type="checkbox"/>	04-Jan 17:35	Wolv/1m Hcap	A	Shake On It	
X	<input checked="" type="checkbox"/>	04-Jan 18:05	Wolv/7f Hcap	A	Blue Lyric	
X	<input checked="" type="checkbox"/>	04-Jan 18:55	14:55 Wolv - 1m Hcap			

Fav.	(Event) Market, Selection
<input type="checkbox"/>	14:55 Wolv/1m Hcap/Quick Release
<input type="checkbox"/>	14:55 Wolv/1m Hcap/Bawaardi
<input checked="" type="checkbox"/>	14:55 Wolv/1m Hcap/Ella Woodcock
<input type="checkbox"/>	14:55 Wolv/1m Hcap/Forward Feline

From version 2.3.2 overall market loss pot recovery is available. This loss recovery is same as in Multiple Favorite bot when using overall market loss pot recovery. Loss pot recovery can only be used when placing first one bet and later once first bet is matched then another bet (hedge bet or regular bet).



5. Resources

FAQ page at Bf Bot Manager web site

<http://www.bfbotmanager.com/cgi-bin/faq.pl>

Bots page at Bf Bot Manager web site

<http://www.bfbotmanager.com/cgi-bin/bots.pl>