

Let's get into how to get more money (profit) out of a series of horse bets.

Once your horse handicapping has reached the point of proficiency that assures some profits, **money and betting management becomes all important.**

In fact, that's really what separates the "pro" from the "dabbler" - a seriousness and savvy about horse race betting that translates into increased profits. There are a lot of good handicappers, but there are few professional bettors.

At the most basic level, there are only 3 approaches to betting horse racing;

- 1. Raise bets up when you win**
- 2. Raise bets up when you lose**
- 3. Keep bets at the same level**

The latter is just good old-fashioned "flat" betting.

If a player feels comfortable with \$20.00 bets but not \$30.00 bets - he'll fall into a groove of pretty much always betting \$15 to \$25. And that's okay. As we've said many times, the goals of some players might be just entertainment, or the handicapping challenge - etc..

**If, however, your goal for horse racing betting is maximized profits - then the serious player can't just stay on the same flat bet level** without regard to ROI percentage, winning race percentage, average payoff prices etc.. This will not allow optimal bankroll growth.

An improved tactic might be to raise flat bet levels by a given percentage on each doubling of the betting bankroll. We've discussed that in the "Professional Horse Betting Now!" e-book and won't get back into it here.

The second listed approach - that of raising bets on losses - is the most potentially dangerous approach. These kinds of "betting progressions" can and have been applied successfully, but they can also easily lead to loss of the betting bankroll. In a later article, we'll delve into this style of betting a bit.

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**The first listed approach - that of raising bets on a win - has by far the greatest potential to increase your betting profits. That is the method we'll discuss here.**

Betting a set percentage of the bankroll accomplishes this and is the most commonly used. Many of you are no doubt familiar with the Kelly formula: win percentage minus loss percentage divided by return to the dollar.

For a good many years this money management approach for horse betting was touted in racing circles as being the approach to profit optimization.

**The real problem with Kelly is that it escalates bet levels too rapidly while also allowing a relatively short losing streak to decimate or eliminate large profits accrued during a long series of profitable wagers.**

Most players who use Kelly use a "fractional Kelly" as a way of ameliorating this problem. It is usually far too radical to use more than 1/2 or even 1/4 Kelly.

If you do use Kelly - it is essential to take profits on any large "spike" in the bankroll. This will help the above mentioned volatility issue. That way when the inevitable losing streak comes - good profits will have already been withdrawn from the bankroll.

**Older handicapping wisdom has said never bet more than 2-5 percent of your bankroll** on any one wager - no matter what your perceived advantage. The astute player with a real advantage might push those parameters out a little - but not too much!

**Here's a suggested alternative to Kelly.**

A "**structured flow**" horse betting method - raising the bet on wins and lowering it on losses - is still a good and viable way of increasing profits, so how can we approach this in a way that is a bit less radical than the Kelly formula?

**Remember - dealing with streaks - both winning and losing - is all important to our bottom-line.**

The streaks will come - that is a given. The longer odds your average winner - the longer the potential losing streak. Conversely, it takes only a short winning streak at high odds payoffs to explode a bankroll upwards.

**If we use 4 percent of betting bankroll as a benchmark - and given that we will be willing to push the envelope a little bit - let's set **8% (double the 4) as a maximum, and use 2% (half the 4) as a minimum.****

At 16 to 20 percent winning races, we would expect to win 1 in 6 races - more or less.

What we want to accomplish is to have larger bets on the winners and smaller bets on the losers. We want to raise our bet after a winner enough so that 6 races later we'll still have at least a slightly larger bet than we had on the last winner - but - that if we go to 7 and 8 or more bets without a winner, we're going to have smaller bets on those than we had on the last winner.

What kind of a horse race betting approach would fit the bill?

**Raise bets 1.5 percent of bankroll on wins - and lower them .25 percent on losses.**

That's a 6-1 ratio and should fit the 16-20 percent winning races nicely. Of course, you can adjust this to whatever figures you have established in your own race betting.

Here's how it would work in a series of horse race wagers.

**This is an actual series of 5 successive days for Hawthorne issued to our subscribers.**

Let's assume a player started with an \$800 bankroll. His first bet would be  $.040 \times 800 = \$32.00$ . The wager will be on each horse that qualifies - sometimes one, sometimes two, rarely three horses per race.

bet percent	amt.	amt.	pays	bankroll
<b>Sat. 12/1</b>				<b>\$800</b>
4	32		x	\$768
3.75	29		x	\$739
3.5	26	26	\$25.20	\$1,014.6
5	51		x	\$963.6
4.75	46	46	\$24.40	\$1,432.8
<b>Sun. 12/2</b>				
6.25	90	90	x	\$1,252.8
6	75		x	\$1,177.8
5.75	68		x	\$1,109.8
5.5	61	61	\$24.20	\$1,725.8
7	121		x	\$1,604.9
<b>Wed. 12/5</b>				
6.75	108		x	\$1496.9
6.5	97		\$46.60	\$3,660

8	293	293	x	\$3,074
7.75	238		x	\$2,836
7.5	213		x	\$2,623
<b>Thu. 12/6</b>				
7.25	190		x	\$2,433
7	170		x	\$2,263
6.75	153	153	x	\$1,957
<b>Fri. 12/7</b>				
6.5	127		\$35.60	\$4,090.6
8	327		x	3,763.6
7.75	292		x	\$3,471.6
7.5	260		x	\$3,211.6
7.25	233		x	\$2,978.6
7	208		\$44.20	\$7,367.4

Which illustrates just how dramatically a horse betting bankroll can explode when you're betting high odds horses, and get on a good streak. Here we hit in 6 races of 24 - for a 25 percent clip - which is only slightly above our 16-20 percent projected percentage.

Jerry Samovitz has a good book you might want to read on this subject it's called: "Out of the Red and Into the Black" - We recommend it.

And, of course, we also recommend you get onto good paying winners like the ones you see above - and that requires a solid handicapping method that works.

We invite you to take the next step towards professional level race playing by reviewing the proven methods we offer: [our products](#)