Quick-fire Betting Profits

BACK & LAY GUIDE

Andrew David
Andrew David's QUICK-FIRE BACK & LAY GUIDE

The advent of betting exchanges in particular Betfair in May 1999 brought about a unique concept in betting and trading for the punter.

For the years previous punters were only able to BACK a selection to win with traditional Bookmakers such as the big three William Hills, Ladbrokes and Corals.

When Betfair arrived on the scene it offered punters the option to act like a bookmaker in a small way, and that was been able to LAY a bet to lose as opposed to backing them to Win.

Betfair is what they call a Betting Exchange whereby punters play against one another. Those that think a given selection will win then request a price they want to back at, and likewise those that feel a selection will lose will offer a price they are prepared to Lay at.

When this money is placed into the market by the punter whether he wants to Back or Lay, it then goes into a pool and there it will stay until it gets matched (accepted by other punters).

Betfair and other exchanges make their money from winning bets only. They charge this in the form of a commission charge that is set in Betfair's case at 5%. This commission is reduced on a sliding scale downwards depending on the volume of your bets. The higher the turnover of bets the lower the commission rate.

They also have what is called a Premium Charge (PC) for punters who's account is in profit and only if the total charges generated since joining Betfair are less than 20% of their gross profits. This premium charge is significantly higher than the standard 5% but only affects 0.5% of total Betfair members.

Since then further exchanges have appeared on the scene such as; BetDaq, Smarkets and even traditional bookies such as Ladbrokes have incorporated Exchanges into their Betting sites. However the biggest of all is Betfair due to been first on the scene with this concept and as such has built up a huge database of customers and with it the largest amount of liquidity in each market offered.

So lets look under the bonnet of how the Backing and Laying principle works on the exchanges.
Laying A Selection On The Exchanges

We first go to the market we want to Lay in. So once you arrive on the Betfair homepage you will see a list of markets to choose from on the left hand menu. Its just a matter of clicking on your sport and then the market event you want to Lay in.

With Laying a selection we are betting ‘against’ an outcome happening.

For example; If you feel a horse in a race has no chance of winning then as mentioned earlier you can now choose to Bet ‘against’ it winning. You then have the other selections in the race running for you. We Lay a bet by clicking on the PINK column as shown below.

In this case our Layed selection ‘Beau Phil’ lost so we win £10 minus commission. Eg. If your commission is 5% your net gain would be £9.50.
Let’s take another example with Football

Here we will Lay Liverpool (Meaning we think Liverpool won’t win for £10 for a liability of £25.00.

We therefore have the Draw and the other team (Chelsea) on our side as below.

Here we have Layed ‘Liverpool’ for £10. We would Lose £25.00 if Liverpool go onto win, and would Win £10 minus Betfair commission if the match ends in a Draw or Chelsea win.
Backing A Selection On The Exchanges

To back a Selection on Betfair we simply click on the Blue Box and enter the price we want or take the price already on offer as below.

The advantage of ‘Backing’ using Betfair over traditional Bookies are the better prices on offer despite the commission deduction. Although this is subject to the money available to Back at any given time.

In-Play Trading – Football

With exchanges we can also bet after the event has started in many of the markets offered, known as In-play trading. This is where we cross over from simply betting an outcome pre-event into the Trading arena.

Here’s a classic example from the Football markets where we LAY-THE-DRAW pre-match and look to ‘BACK’ the DRAW for higher odds when there is a goal to either side. If used with research ‘Laying-The-Draw’ can be profitable long term although not as profitable as when Betfair first launched when the draw odds used to rise generously after a goal. Nowadays with more and more following the strategy this edge has been somewhat eroded and a different approach is needed. More in depth research and the confidence to stay in a trade to gain the maximum edge in order to cover losing trades is the only way to go these days.
So here I have Layed the Draw in the Hull V Arsenal game.

We now wait for a goal hopefully to the favourite (Arsenal) in order to see the draw odds rise and thus trade out for a guaranteed profit no matter what the outcome of the match. Known in trading terms as a ‘Green Screen’.

Arsenal Scored!
As you can see above I can now ‘Back’ the draw for a higher price at 7.0 than I Layed it pre-match for at 4.3. In this case I used the Betfair’s ‘Cash-Out’ button to work out the stakes for me and automatically ‘green up’ the screen to give me the same amount of profit no what the outcome.

Please note:

This is not the Golden ticket to untold riches. It does involve some diligent pre-match research in order to find the matches where goals are likely to happen in order for us to trade out. Ideally with the first goal been scored by the favourite.

Even with lengthy pre-match research the match could still end scoreless, which is the outcome all Lay-The-Draw traders fear most. However as ever research is all about reducing the risk of this happening.

I show plenty of tweaks for the main ‘Lay-The-Draw’ strategy in my Quick-Fire Betting Profits package. These tweaks have been adapted to today’s Betfair markets and prove profitable long term.

In-Play Trading – Horse Racing

You can also bet in-play or ‘In-running’ as its know in the Horse racing markets.

Here you can either ‘BACK’ a selection pre-race and look to ‘LAY’ lower during the race.

Below I have backed a horse pre-race and will look to Lay it lower in price In-running.

Here I have Backed ‘Musawaat’ for £10 at 4.8 by clicking on the BLUE Back column and entering my stake.
I will now put a request in to Lay this selection Lower as below.

Here i have placed a pre-race request price of 3.85 to LAY. Around 'I' point below what i backed for, and for the same stake of £10.

I have also checked the 'Keep' button. This will ensure that my bet will be taken 'In-Play' if my request is not matched pre-race.

You then click on 'UPDATE'.

After I have clicked on 'Update' you will see this screen below.

Having clicked on 'Update' that request for a lower price has now been confirmed and will be taken 'In-Play' to see if it gets matched.
Musawaat went onto Win giving £9.50 profit. You could actually work your stakes out in order that if you do get matched you will make a small profit no matter who wins the race. Maybe set your lay unit stake at 25% higher than your Back stake. In this case Lay at £12.50 Lay at 3.85 instead of £10.

There are Betfair interface applications such as Bet Angel and Fairbot that can do all this for you, enabling a ‘one click’ function to obtain a green screen on all runners during the race.

You can also Back and Lay both bets while the race is In-Running but this can be fast and frantic stuff especially in races over 5 furlongs. So for beginner it’s maybe wise to place the ‘Back’ bet pre-race and then set an In-Running Lay bet to see if it gets matched.

Again this is not a Golden ticket, and is another area that requires pre-race research. Maybe looking for horses that are known front runners that will ensure you are more than likely to get your lower Lay price matched in-play is one avenue to explore.

I go into profitable strategies for all the above Back & Lay options in my Quick-Fire Betting Profit’s package.
Conclusion

Laying for the punter is certainly here to stay, and is the popular choice of many. However it does come with a warning, in that when you have more outcomes running for you in any given event that’s reflected in the price you have Layed at. Therefore if you Lay at big prices, on many occasions you will collect. On the flip side when the selection you Layed goes onto win you will lose a lot more than your unit Lay stake. Therefore, it’s imperative not see Laying as the golden goose like many thought in the early days of Betfair.

For example; when Betfair arrived many thought they could act like a bookmaker by laying several horses in a race and simply collect a profit each time they did so. Not so, bookmakers Lay many horses in a race and adjust prices depending on the liabilities they have on each runner. They then adjust prices on other horses in or out to balance their books. They also don’t have the commission charge to contend with either.

In short, if you are to consider Laying then like backing its important to carry out further in-depth research or to follow tried and tested trading strategies to keep you on the right side of the Profit/Loss graph. Laying can be very profitable if approached in the right way but for the beginner its best to exercise caution until you are fully familiar with the process.

If you want to try laying with stakes as low as 10p then do look in on my video on how to Back & Lay below Betfair’s £2.00 minimum.

All the best,

Andrew David