



Football Trading Handbook

www.goalprofits.co.uk

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I've put this free e-book together for educational purposes only; it's not a guarantee that you will make a profit from football. Traders who have the correct mindset can make a very good living from football, but trading decisions must be made with a view to long-term profits and steady bank growth rather than a hope to "get rich quick". In this book I am sharing a trading strategy which can be highly successful, but if you decide to trade using the ideas contained in this manual you are taking full responsibility for your own actions. I cannot guarantee your success or income level.

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If you think you may have a problem with gambling, there is plenty of help out there for you. All of these websites offer advice and assistance:-

<http://www.gamcare.org.uk/>

<http://www.gambleaware.co.uk/>

<http://www.gamblingtherapy.org/>

<http://www.gamblersanonymous.org.uk/>

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Welcome

Thank you for requesting your copy of the Football Trading Handbook.

Whether you're an absolute beginner or an experienced trader, I hope that you find some useful information in the following pages.

There are countless trading strategies in existence, some of which are very profitable. Others manage to break even and there are many which lose money hand over fist. I currently employ a number of strategies when trading and overall manage to make a decent living from it, but it didn't happen from day one.

It took a large number of losses for the trading mentality to kick in. I had to banish thoughts of gambling and become a trader. It's not easy, but it can be done with hard work and by rigidly sticking to a solid strategy.

One thing's for sure. If you can become a trader, it's a great lifestyle.

Good luck on your journey!

What is Trading?

There are a number of ways to define trading. I found this one online, "The act or process of buying, selling, or exchanging commodities". You've probably also heard the saying, "buy low, sell high".

Perhaps the simplest trade to understand is in the retail sector. Your local supermarket will buy cans of beans from a supplier and then offer them for sale at a higher price. The difference is their profit.

Another common trade occurs at the stock market. An investor will buy a share in a company and then when that company releases some good news or results, the value of the share goes up. The investor can then sell the share at a higher price and the difference is profit.

With football trading, the commodities are goals and time. Each game lasts 90 minutes and in that time, the market prices will be constantly changing. This allows traders to buy and sell positions in a large number of markets in the hope that they can exit those positions later in the game for a profit.

The biggest factor which influences prices is goals. The markets will move depending on which team scored the goal, the time of the goal, etc. Goals are essential and the more there are, the easier it is to trade for a profit.

Trading or Gambling?

There are a number of differences between trading and gambling; perhaps the most obvious is the mindset of the individual.

When trading any sporting event on a betting exchange, the ultimate aim is to “green up”. A trader will open a position either before or during the event, then look to reduce the liability attached to that position given certain events in-play. Those events may be goals, cards, market movements, time, etc. Once every outcome of that event will generate a profit, the trader can sit back and relax. A profit on a betting exchange is shown as a green figure, which is where “greening up” comes from.

If the sporting event does not go to plan, a trader will accept a managed loss rather than chase a profit. The loss will be smaller than if the position is left to run with no action taken, often far smaller. Being disciplined enough to accept these small losses is perhaps the most difficult skill to learn. A trader will approach a football match with a strategy in mind and the very second that that strategy is abandoned in the hope of ‘just one more goal’, the trader becomes a gambler. Sometimes that goal will be scored, but often it won’t be and the loss will be considerably more. It’s all about managing risk.

A farmer who grows crops will hope for a good harvest so that he can sell his produce for a profit. However, his crop could be damaged by weather or infestation, the market price of the crop may fall or any number of other events may cause a loss. As a last resort, the farmer will have insurance to cover some of his loss. If the worst happens, the farmer knows that the next year’s harvest will likely be profitable again.

It’s exactly the same with football trading. The match might go precisely to plan and a healthy profit is secured. It might be that the match goes somewhat to plan and the profit is still good, but not as good as hoped. Maybe the match goes against the formbook and the safest option is to trade out with a very small loss. As a last resort, there is insurance and this will be explained later. Just like the farmer, a trader accepts a risk and manages it the best he or she can. If one football match doesn’t go to plan, the trader knows that the next one probably will.

A trader will very happily accept a number of small profits in order to grow his or her trading bank. A gambler, by being very aggressive and taking extra risks, might grow the bank faster but the losses, when they occur, will be bigger and more damaging. A gambler tends to go for big wins much more often and will accept huge risks in order to chase that elusive bookie-bashing blockbuster.

In football, as with life, there is no such thing as a certainty. Yes, Manchester United win most of their home games but they don’t win all of them. Rather than gamble by backing Manchester United at a ridiculously short price, the game can be traded in order to produce a profit no matter what the final result. All that’s needed is goals.

Trading with reasoned, manageable risk can produce consistent profits over many years and that’s what this book is all about.

Betting Exchanges

A traditional bookmaker offers ‘back’ bets. A punter can pick out a football match and back a certain event to occur, such as Chelsea to win. However, what if the punter thinks that Chelsea *won't* win?

A betting exchange offers both ‘back’ and ‘lay’ bets. The punter can now back Chelsea to win or *lay* Chelsea. As long as Chelsea fail to win, the lay bet produces a profit. In effect, a betting exchange allows anyone to act as a bookmaker.

Betting exchanges match backers and layers, with the winner of that match paying a commission (typically 5%). Every customer is completely anonymous and a £10 back bet may well be matched with more than one layer.

Here is an example of a typical betting exchange market.

Betfair Football » Barclays Premier League » Chelsea v Arsenal						
Chelsea v Arsenal						Matched: GBP 135,984 Refresh
<input type="checkbox"/> Going in-play <input checked="" type="checkbox"/> Live Scores <input type="checkbox"/> Form Stats						
<input checked="" type="checkbox"/> Back & Lay <input checked="" type="checkbox"/> Market Depth						
Selections: (3)	100.0%	Back		Lay		00.0%
Chelsea	1.64 £50	1.65 £4254	1.66 £844	1.67 £5395	1.68 £2533	1.69 £2916
Arsenal	5.9 £1238	6 £2425	6.2 £323	6.4 £147	6.6 £591	6.8 £657
The Draw	3.95 £98	4 £4254	4.1 £316	4.2 £1420	4.3 £1310	4.4 £1018

You can see that Chelsea, the home team, are favourites to win the match against Arsenal. They are available to back at 1.66 and lay at 1.67. You can also see that there is a total of £844 available to back at 1.66. In the top right of the screen is the “matched” amount which tells us that £135,984 worth of bets have already been matched on this market.

If a punter asks to back Chelsea for £10 at 1.66, the exchange will take that £10 from the backer’s account and match it to a layer who was prepared to offer those odds. This happens in a fraction of a second. The layer’s liability is £6.60 (£10 x 1.66 – less the original £10 stake) and this amount is taken from the layer’s exchange account. The exchange now holds £16.60 pending the outcome of the match.

If Chelsea win, the backer will have the original stake of £10 returned plus a profit of £6.60 less commission. If Chelsea do not win, the layer will receive the original liability of £6.60 back plus £10 less commission.

If the punter wanted to back Chelsea for £1,000 at 1.66, the £844 available would be matched and then the remaining £156 would show in pink, waiting for a layer willing to meet those odds. The £156 may or may not be matched, depending on movement in the market. It may be that Chelsea’s star striker is injured in training and the price drifts to 1.86. Or perhaps news breaks that Arsenal’s first choice goalkeeper will miss the game in which case a layer will be only too glad to accept the 1.66 requested.

Betting exchanges generally offer higher odds than traditional bookmakers which is great news for backers. Also, as far as I know, no-one has ever had their account closed for winning too much. Betting exchanges are very happy with their commission on each winning matched bet and it doesn’t matter to them which side wins.

Getting Started

What do you need to start trading football?

- 1) A computer with internet connection
- 2) A funded betting exchange account
- 3) Some spare time
- 4) A strategy

And that's pretty much it.

You'll need a computer with internet connection in order to trade at a betting exchange. You'll also need to research fixtures or sign up to a match selection service. You don't need a state of the art computer which cost a fortune, just one that's reliable.

Pretty obviously, you'll need a betting exchange account. The biggest exchange at the time of writing is Betfair and if you click on the image below, they'll give you a fantastic new account bonus.



There's no minimum amount that you need to start with in your exchange account, though it should be an amount you're comfortable with losing if everything should go wrong from day one. The amount in your exchange account will determine the level at which you should trade at and I recommend a liability of no more than 5%. For example, a bank of £1,000 would allow a liability of £50 which would allow you to learn the ropes without risking a fortune and grow your bank slowly and steadily. This is the key to trading. There's nothing to stop you raising your liability once you're more experienced with trading, but it really is important to start out steadily and make your mistakes at low levels. And we all make mistakes, I made plenty!

You don't need hours upon hours to trade football, but you do need some time to set aside. If you research your own matches to trade then you'll need more time than someone who signs up to a match selection service, it really depends on individual circumstances. Football matches are in-play somewhere in the world virtually non-stop, so trading can fit around most lifestyles. Not all matches are suitable for trading due to a number of factors and some flexibility certainly helps. I often sit with my laptop on my knees and trade matches while watching movies. It's easy to pause the movie for a couple of minutes should a goal go in or if I need to take other action with my trade.

Having a trading strategy is absolutely vital. It's all very well deciding to open a position in a match, but if you don't base that decision on sound reasoning you're doing no more than gambling. You must have a set of criteria that you use to identify matches for trading and then you must keep accurate records of your trading activity so that you're able to refine your strategy constantly. It's also useful to know if you're making a profit or not!

Laying the Draw

Laying the draw (LTD) has become a very popular trading strategy in recent years and it's the one which [Goal Profits](#) focuses on.

Let's say that Liverpool are at home to Wolves and your view is that Liverpool will win. With a traditional bookmaker, you can back Liverpool to win and that's pretty much it. There are many markets which determine how Liverpool will win, for example Liverpool to win and not concede any goals or Liverpool to win by more than one goal, but essentially all you can do is back Liverpool. The price for the home win might not be particularly attractive as the expectation will be that Liverpool as favourites will win the game.

With a betting exchange you have the option of laying as well as backing. With this game you could lay Wolves, taking a view that Wolves won't win. You could also lay the draw. The big advantage to laying the draw rather than laying Wolves is that your liability is far less and can be limited even further.

Early in the 2011/12 English Premiership season, Wolves travelled to Anfield and Bet365 priced up the game as follows:

Liverpool	1.36
Draw	4.50
Wolves	10.00

Betting exchange prices are generally higher, but for this example we'll use the same as Bet365.

Taking the view that the game will end in a home win, your options for this game were:

Back Liverpool at 1.36	Risk £10 to win £3.60 (£10 x 1.36 - £10 stake)
Lay the draw	Risk £35 to win £10 (£10 x 4.50 - £10 stake)
Lay Wolves	Risk £90 to win £10 (£10 x 10.00 - £10 stake)

Now comes the really clever bit and the reason why football trading can be so profitable. If you lay the draw at 4.50 your risk is £35 if you do nothing in-play. But a trader is going to keep his or her money as safe as possible.

If the game hits the 65 minute mark and the score is level, the draw odds will have dropped to 2.00 or so because time is running out and the market feels that a draw is becoming more likely. At that point you can *back* the draw at 2.00 for £22.50 and this will leave an equal loss across all three outcomes of £12.50. Suddenly, your liability has been cut dramatically.

If I bear that strategy in mind, my options for the game now are:

Back Liverpool at 1.36	Risk £10 to win £3.60
Lay the draw	Risk £12.50 to win £10
Lay Wolves	Risk £90 to win £10

One option stands out by a mile, lay the draw.

If Liverpool are ahead at any point in the game you can take a profit as the market will think that Liverpool will go on to win. The draw odds will rise because the chance of a draw will be deemed less likely with the favourite ahead. You can back the draw at those higher odds in order to cover your liability and leave an equal profit on all three outcomes – win, lose or draw.

The more goals that Liverpool lead by, the higher the draw odds will rise. A one goal lead will typically secure a profit of 35% or so. Two goals up will usually leave an 80% or so profit in this sort of game, three goals up and the profit will be 98% or thereabouts.

But what if Wolves go ahead? If the underdog goes ahead in a game such as this one, the draw odds will move depending on when the goal is scored. If Wolves go ahead in the first half then the draw odds will typically drop to 3.50 or so. At this point you have three options:

- 1) You can leave your position as it is and hope that either Wolves go on to win or Liverpool stage a comeback.
- 2) You can back the draw for your original stake of £10 which leaves a liability on the draw of £10. The advantage of this is that if either team wins, you end up with a "scratch" or "zero" trade, i.e. no profit or loss and the draw liability is far less than the original £35.
- 3) You can back the draw for £12.80 and leave a liability on each outcome of approximately £3. Much lower than the £35 liability you started with.

Typically in this situation, you'd stay in the game and see what happens. If Wolves go two goals up then you can take a small profit and if Liverpool equalise then it is business as usual.

The difficulty comes at the 65 minute mark when the underdog is leading. A conservative trader will back the draw at that point, either leaving all the liability on the draw or splitting it between all three outcomes. A more aggressive trader might stay in longer and hope that the underdog can hang on until late in the game when the draw odds have risen enough to allow a scratch trade. The risk here is that the favourite equalises and there's not enough time to find a winner. In that case, the trader is staring at a full loss of £35.

There are many other strategies for dealing with games where the underdog is ahead, but the basic decision is whether to stay in or trade out and accept a smaller loss than if the game ends in a draw. I would strongly advise a conservative approach to begin with as being too aggressive can lead to large losses.

What actually happened with this game was that Liverpool took a 2-0 lead into half time and I traded out with a profit of around 80%. Wolves pulled a goal back in the second half and the game ended 2-1. Whichever strategy I had used to trade this game I would have made a profit as the favourite was always ahead. If I'd simply backed Liverpool to win then my profit would have been just 36%.

Goal Profits

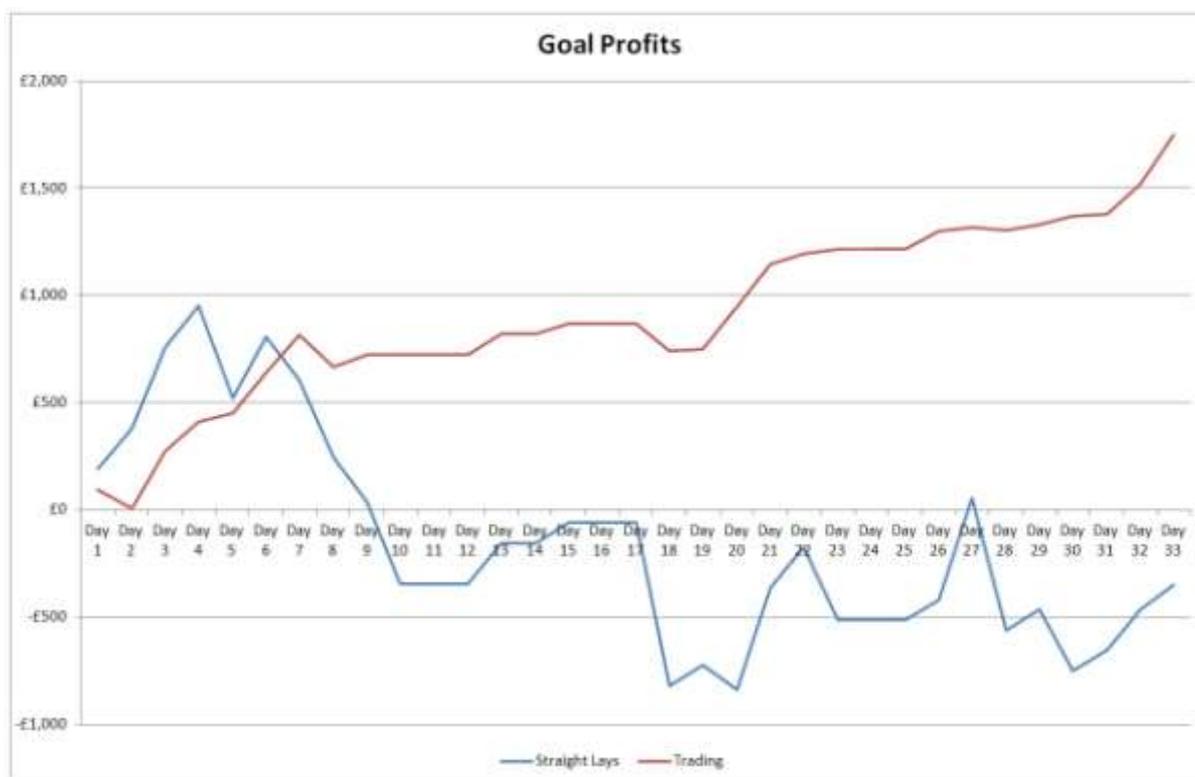
Goal Profits is a football trading service which focuses on the “lay the draw” strategy. It is run by Steve Brown who is a professional trader and who offers trading advice and coaching as part of the service. Everyone is catered for, from the complete beginner to the experienced trader.

Every morning, subscribers receive an email with their selections for the day and then they’re able to open their positions with Betfair or another exchange. The email contains the reasoning behind the match selections as well as other potential trades for the day ahead.

Steve is on Twitter most days (@GoalProfits) where he guides subscribers through the trades as well as identifying further in-play opportunities. Each evening, subscribers receive a further email containing an in-depth summary of the trading day.

The first 60 matches traded with Goal Profits have produced a 28.2% return on investment. At a stake of just £20 per match subscribers made a profit of £338.80. That’s an excellent return by anyone’s standards.

The chart below shows those first 60 matches traded using £100 stakes each time. There's no science behind the £100 stake used in this example, other than it's a nice, round number. As you can see, the trading produced far more profit than simply laying the draw and leaving the game to run until the end, also known as a "straight lay". In fact, the straight lay method ended up with a loss of £445 in that time while trading the very same matches at the same stake secured a profit of £1,694.



For a very reasonable monthly subscription, Goal Profits subscribers receive the following:

- Official match selections every morning
- Suggestions for additional matches to trade
- Ideas for other trading strategies
- Some value backing opportunities
- Guidance in-play via Twitter
- An in-depth summary of each trading day

Goal Profits represents an excellent opportunity to make consistent profits at a betting exchange as well as learning safe and reliable trading strategies, following a professional's personal tips.

To find out more, about Goal Profits subscriptions click [here](#).

Some Other Things to Consider...

As you become more serious with your trading, you'll need to think about a back-up plan for when things go wrong beyond your control. For example, what if your internet connection goes down?

In these modern times, internet connections are much more stable but they still run into problems now and again. There are many ways to get online and it's worth having a back-up plan should you be in a trade when the connection drops. You may have a dongle which allows you to connect from anywhere or perhaps there's a café nearby which offers wireless internet to its customers. Many people have smart phones with the Betfair application installed and this could allow you to keep on top of your trades.

Similarly, your computer might run into problems and it's worth considering what you would do if it suddenly stopped working. Do you or a family member have a laptop which you could switch to? Is there an internet café in the area? Do you have a smart phone with the Betfair application installed?

If there should be a power cut, do you have a laptop or smart phone available with enough battery life to see you through your trades?

And what if Betfair itself should fail? There are technical glitches now and again when the site is unavailable and if you're in the middle of a trade it can prove extremely expensive. There are other alternatives to Betfair, though few can match the liquidity and range of matches on offer.

Probably the best of the rest is Betdaq and it's a very good idea to have an account open in case you need it. Because you'll likely be backing out of a lay trade, you won't need your Betdaq account to be fully funded, just enough to cover your liability. Having said that, Betdaq commissions are lower than Betfair and for some of the bigger matches, such as English Premier League, you may save yourself some money by trading through Betdaq instead.

If you click on the banner below it'll take you directly to Betdaq and a fantastic bonus offer for new accounts.



Useful Links

Research

There are lots of stats websites out there and I've tried dozens of them, but in my opinion the most comprehensive and easiest to use is [Soccerway](#). There are not many leagues worldwide which the site doesn't cover and it is updated very regularly. If the stat you want isn't on [Soccerway](#), then it's probably not that important.

Are you wondering why a price is drifting or why the price on a certain team looks wrong? Maybe there's some big team news which you've missed. [Newsnow](#) searches thousands of websites constantly and will more often than not have the news you've been looking for. Team news is particularly important for cup games where certain players may be rested in favour of league games.

You've done your research and you're ready to back a team to win, a correct score or maybe the over/under 2.5 goals market has caught your attention. [Oddschecker](#) is the place to go in order to find out quickly and easily which bookmaker is offering the best odds. You may only find a price that's slightly better than your regular bookmaker, but over a season a little extra on each bet can really boost your profits.

In-Play Scores

You've placed your back or lay bet and you need to keep track of what's happening in the game. To a trader, fast information is absolutely vital and a number of sites offer in-play updates. I recommend [Flashscores](#) for speed, accuracy and ease. Every morning once I've picked out the games I'm interested in, I find them in [Flashscores](#) and click on the little + sign to the right of the fixture. This adds it to "My Games" where I can easily keep track of the score and, just as importantly, red cards. The site also offers a number of in-play stats for many top level games worldwide. Even better, there's an audible alert when a goal is scored in any of my games so if I'm checking an email, Tweeting or even watching TV I won't miss that all important goal going in.

The only criticism I have of [Flashscores](#) is that the game clock is very often inaccurate. I have found, however, that the in-play screen on [Bet365](#) is accurate almost to the second and they cover just about every game worldwide. [Bet365](#) also has an audible goal alert, but only for the game you've selected in the main screen at the time. Another bonus is that [Bet365](#) tracks corners which can give you an indication as to which team is on top. As if that wasn't enough, you can watch a number of games online for free. You don't even have to place a bet on the game to watch them, but you do need at least a penny in your account. [Bet365](#) shows many German Bundesliga, Italian Serie A and French Ligue 1 games as well as lots more from around the world. The new customer offers are always very, very good at [Bet365](#) and it's worth signing up for those alone.

Imagine a game is 1-0 and you're desperate for the final whistle. The clock ticks over to 90 minutes and into injury time. How long is left? I've found that the [William Hill](#) in-play screen will let you know how much injury time has been added to most games. I often pop over to check on the injury time and knowing that will help me decide whether I can hang on for 2 minutes or whether I think that 5 minutes added on is too much, prompting me to trade out with my profit. It's small details of information like this that can help save you from an expensive late goal. If you sign up [here](#) you'll even receive a free bet.