



MELBOURNE CUP STRATEGY

From the Desk of the Chief Economist

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Thief of Hearts

Economists generally have enough sense to know that they know nothing about horse races. There are people who do. They are called tipsters. Every Melbourne Cup Day, their tips are published in major newspapers.

Today we have taken the tips published in The Australian newspaper. There are five tipsters in all. From these tipsters we construct our most favoured rating. Every horse nominated to win gets 3 points. Every horse nominated to come second gets 2 points. Horses nominated to come third get 1 point.

Today the total points provided are: Voleuse De Coeurs 6, Sea Moon 6, Mount Athos 5, Fiorente 4, Verema 4, Brown Panther 3 and Foreteller 1.

In order to generate the value for each horse, we multiply these points by the odds. The odds in the electronic market at 7.30am this morning for these horses were: Voleuse De Coeurs \$18, Sea Moon \$16, Mount Athos \$10, Fiorente \$7, Verema \$15, Brown Panther \$21 and Foreteller \$34.

When we multiply the odds by the most favoured rating, we find that the highest value in the field is Voleuse De Coeurs. The results yield Voleuse De Coeurs 108 points, Sea Moon 96 points, Brown Panther 63, Verema 60 points, Mount Athos 50 points, Foreteller 34 points and Fiorente 28 points.

The most favoured rating, the odds and our calculation of value points is shown in Table 1 below.

Table 1

Horse	Most Favoured Rating	Odds Ratio	Value Points
Voleuse De Coeurs	6	18.0	108
Sea Moon	6	16.0	96
Mount Athos	5	10.0	50
Fiorente	4	7.00	28
Verema	4	15.0	60
Brown Panther	3	21.0	63
Foreteller	1	34.0	34

Our recommendation this year is for an each way bet on Voleuse De Coeurs. In English, the name of the horse means "Thief of Hearts". Remember our recommendation is for the best value bet rather than for the highest probability of winning.

QUEENSLAND

BRISBANE	(07) 3334 4888
BUNDABERG	(07) 4153 1050
CAIRNS	(07) 4222 0555
CALOUNDRA	(07) 5491 5422
CHERMESIDE	(07) 3350 9000
EDWARD STREET	(07) 3121 5677
EMERALD	(07) 4988 2777
GLADSTONE	(07) 4972 8000
GOLD COAST	(07) 5581 5777
IPSWICH/SPRINGFIELD	(07) 3202 3995
MACKAY	(07) 4957 3033
MILTON	(07) 3114 8600
MT GRAVATT/CAPALABA	(07) 3245 5466
NOOSA	(07) 5449 9511
REDCLIFFE	(07) 3897 3999
ROCKHAMPTON	(07) 4922 5855
SPRING HILL	(07) 3833 9333
SUNSHINE COAST	(07) 5479 2757
TOOWOOMBA	(07) 4639 1277
TOWNSVILLE	(07) 4725 5787
YEPPON	(07) 4939 3021

NEW SOUTH WALES

SYDNEY	(02) 8215 5055
ARMIDALE	(02) 6770 3300
BALLINA	(02) 6686 4144
BALMAIN	(02) 8755 3333
CHATSWOOD	(02) 8116 1700
COFFS HARBOUR	(02) 6651 5700
GOSFORD	(02) 4325 0884
HURSTVILLE	(02) 9570 5755
MERIMBULA	(02) 6495 2869
NEUTRAL BAY	(02) 8969 7500
NEWCASTLE	(02) 4926 4044
NEWPORT	(02) 9998 4200
ORANGE	(02) 6361 9166

PORT MACQUARIE	(02) 6583 1735
SCONE	(02) 6544 3144
SYDNEY – LEVEL 9	(02) 8215 5000
SYDNEY – LEVEL 33	(02) 8216 5111
SYDNEY – MACQUARIE STREET	(02) 9125 1788
SYDNEY – MACQUARIE STREET (Parramatta)	(02) 9615 4500
SYDNEY – REYNOLDS EQUITIES	(02) 9373 4452
WOLLONGONG	(02) 4227 3022

ACT

CANBERRA	(02) 6232 4999
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VICTORIA

MELBOURNE	(03) 9947 4111
BRIGHTON	(03) 9519 3555
CAMBERWELL	(03) 9813 2945
CARLTON	(03) 9066 3200
FARRER HOUSE	(03) 8644 5488
GEELONG	(03) 5222 5128
RICHMOND	(03) 9916 4000
SOUTH YARRA	(03) 9098 8511
TRARALGON	(03) 5176 6055
WARRNAMBOOL	(03) 5559 1500

WESTERN AUSTRALIA

PERTH	(08) 6462 1999
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SOUTH AUSTRALIA

ADELAIDE	(08) 8464 5000
NORWOOD	(08) 8461 2800

NORTHERN TERRITORY

DARWIN	(08) 8981 9555
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TASMANIA

HOBART	(03) 6236 9000
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