Strategy Evaluation Checklist

Criterion	Status	Notes
Believable Core Logic	✅	Advocates empirical observation, live-market execution testing, and establishing baseline control groups rather than relying on abstract theory.
Sustainable Research Principles	✅	Emphasizes testing with micro-stakes (£2) to establish a baseline (break-even minus exchange commission) before applying structural filters.
Mathematically Sound (Staking & EV)	✅	Explains why level-stakes distort research data across varying odds bands; mandates backing to target profit or laying to liability to equalize risk.
Robustness Against Overfitting / Data Mining	⚠️	Warns against academic curve-fitting, though post-hoc filtering (striking out loss categories after observing early results) risks selection bias if not validated out-of-sample.
Sound Risk Management & Variance Context	✅	Explicitly instructs traders to begin at minimum stakes, treat early drawdowns as empirical benchmarking costs, and isolate true execution fill rates.
Practical Market Execution	✅	Identifies critical real-world friction: historical backtesting datasets cannot capture queue matching speed, fill probability, or spread slippage.

BS Factor Rating: 91 / 100

(100 = Sound, mathematically robust, and achievable; 0 = Totally unbelievable, unsustainable, and guaranteed to fail)

Summary & Score Justification

This video by Peter Webb (*Bet Angel*) provides a **pragmatic, highly authentic guide to empirical strategy design and market experimentation on betting exchanges.**

Key Educational Breakdown:

1. **The Empirical "Stonehenge" Methodology:**
    - Uses the construction of Stonehenge (observing the solstices over iterative cycles without advanced astrophysics) to illustrate that active, live observation often discovers structural market behavior faster than abstract academic data mining.
    - Highlights the fundamental flaw of relying purely on historical static databases: **historical data cannot replicate order queue priority, matching latency, or partial fill friction.**
2. **Benchmarking Against Random Baselines:**
    - Demonstrates the necessity of establishing a control baseline (executing a raw, unfiltered rule set at minimum stakes).
    - A valid baseline in an efficient exchange market should produce a slow, steady downward drift matching the exchange commission rate ($\approx 2\%$). Once this baseline is established, applying a logical hypothesis must demonstrably pivot the P&L upward against the control.
3. **Staking Mathematics:**
    - Reiterates a core quantitative principle: **level staking introduces artificial volatility and noise across price ranges.** Staking to a fixed target profit (variable back stake) or laying to liability normalizes payoff distributions and produces clean statistical data.

Deductions (-9 pts):

- **Post-Hoc Elimination Risk:** The presenter describes turning an initial downward baseline into a profit by *"striking out the markets where it didn't work"* (e.g., eliminating short-priced maidens/novices). While this reflects real-world market segmentation, amateur traders risk falling into **post-hoc data snooping / survivorship bias** if they filter past losses without validating the new parameters on a fresh out-of-sample dataset.