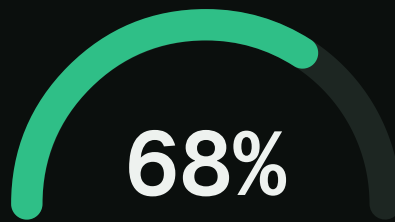


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# The Maiden Guide to Trading Sports Prediction Markets

Probability literacy for the college football fan: what a price means, how to grade a forecast, and why we publish every miss.

**No locks, no units, no deleted misses.**



Free edition · maiden.bet · Nothing in this book is betting advice.

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# Contents

- 1 What is a sports prediction market?**  
A price that is secretly a probability, and why that changes everything.
- 2 How sports prediction markets work: orders, spreads, settlement**  
The order book is just a queue of opinions with money attached.
- 3 What “68% to win” actually means**  
A 70% favorite loses three times in ten. That is the forecast working.
- 4 Calibration and Brier scores: a good forecast vs a lucky one**  
Anyone can be right once. Calibration is how you catch who's right on purpose.
- 5 Favorites, longshots, and the bias every beginner pays for**  
The 10¢ contract feels like a lottery ticket because it is one.
- 6 Can you beat the market? Our own numbers say: almost never**  
We built the model, ran five seasons, and it was a coin. Here's the receipt.
- 7 College football prediction markets: what makes CFB different**  
The market can't watch 130 teams. You only have to know three.
- 8 Risk management: sizing, limits, and staying in the game**  
Same forecasts, same results. One sizing rule thrives, the other visits zero.
- 9 Common beginner mistakes, and keeping score honestly**  
Every mistake in this chapter is the same mistake wearing different jerseys.

## What is a sports prediction market?

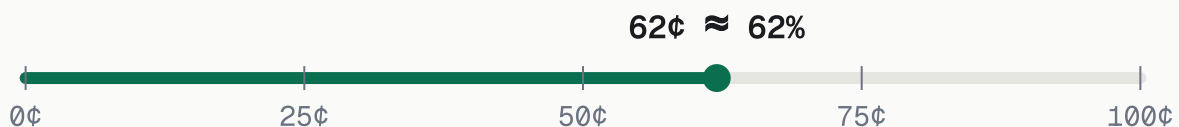
*A price that is secretly a probability, and why that changes everything.*

Every Saturday in the fall, millions of people have an opinion about who wins. A prediction market is where opinions like that get a price. Not a slogan, not a hot take with a percent sign. An actual price, set by people trading against each other, that moves the moment anyone knows anything new.

The instrument is almost embarrassingly simple. A contract asks one yes/no question (*will the Wildcats win on Saturday?*) and pays a fixed amount, call it 100¢, if the answer is yes. Zero if no. That's the whole machine. Everything else in this guide is about what happens between here and the final whistle.

### "Will the Wildcats win on Saturday?"

A YES contract pays 100¢ if they do, 0¢ if they don't.



They lose → worth 0¢

They win → worth 100¢

One contract, one question, one deadline. The price (illustrative here) is the market's live estimate of the probability. At the final whistle it can only become 100¢ or 0¢.

Here is the fact this entire book stands on: **the price is a probability**. If a yes contract trades at 62¢, the market is saying the Wildcats win about 62 times in 100. Pay 62¢ for something worth 100¢ exactly 62% of the time and, over a long life, you

break even before costs. Pay 62¢ for something that's really a 55% shot and you are quietly donating. Every skill in trading these markets reduces to one question: *is the probability in the price right?*

“

**Read cents as percent. That habit alone puts you ahead of most of the room.**

## Not a sportsbook

A sportsbook is a counterparty: it sets the odds, takes your ticket at a fixed price, and builds its margin into that price. The ticket is frozen. Whatever the world learns between Tuesday and kickoff, you hold what you bought.

A prediction market is an exchange. You trade with other people; the venue just matches orders and holds the collateral. Prices come from whoever is willing to trade, not from a risk desk. And here is the part that makes the word “trading” honest: you can *exit*. If your 62¢ contract is trading at 80¢ at halftime, you can sell it at 80¢ and never find out how the game ends. Chapter 2 is about how that machinery actually works.

## Why college football is the interesting case

This guide leans on college football for its examples because CFB is where probability thinking pays fastest: over a hundred teams, thirty-plus games on a Saturday, talent gaps wider than any professional league would allow, and a market that can't possibly watch everything at once. It is also the sport where our own desk publishes a **calibrated win probability for every game we cover** and **grades every one in public**, which means the examples in this book come with receipts attached.

#### WHAT TO KEEP

- ✓ A contract is one yes/no question that settles at 100¢ or 0¢.
- ✓ The price is the market's live probability. Read cents as percent.
- ✓ You trade against people, not a house, and you can exit before the end.
- ✓ The only question that matters: is the probability in the price right?

## Frequently asked questions

### What is a sports prediction market in simple terms?

It's an exchange where people trade yes/no contracts on sports outcomes, like "Will this team win on Saturday?" A contract pays a fixed amount if the answer turns out to be yes and nothing if it's no, so its price at any moment is the crowd's live estimate of the probability. You trade with other people, not against a bookmaker.

### How is a prediction market different from a sportsbook?

A sportsbook sells you a fixed ticket at the house's odds, and the house builds its margin into every price. On a prediction market you trade contracts with other participants at a price the crowd sets, and you can sell out of a position before the game ends. Structurally it works like a small stock exchange for outcomes.

### What does a contract price mean?

Read cents as percent. A yes contract trading at 62 cents means the market collectively puts the chance of yes at about 62%. If the event happens, the contract settles at 100 cents; if it doesn't, at zero. The price is the probability. That single fact is most of what this guide teaches.

## How sports prediction markets work: orders, spreads, settlement

*The order book is just a queue of opinions with money attached.*

Strip the jargon and an exchange is a queue. On one side, people saying “I’ll buy yes at 61¢ or less.” On the other, “I’ll sell yes at 64¢ or more.” The exchange lines them up, best price first, and waits. That waiting list is the order book.

Sellers of YES (asking more)



the spread: no trade until someone crosses it



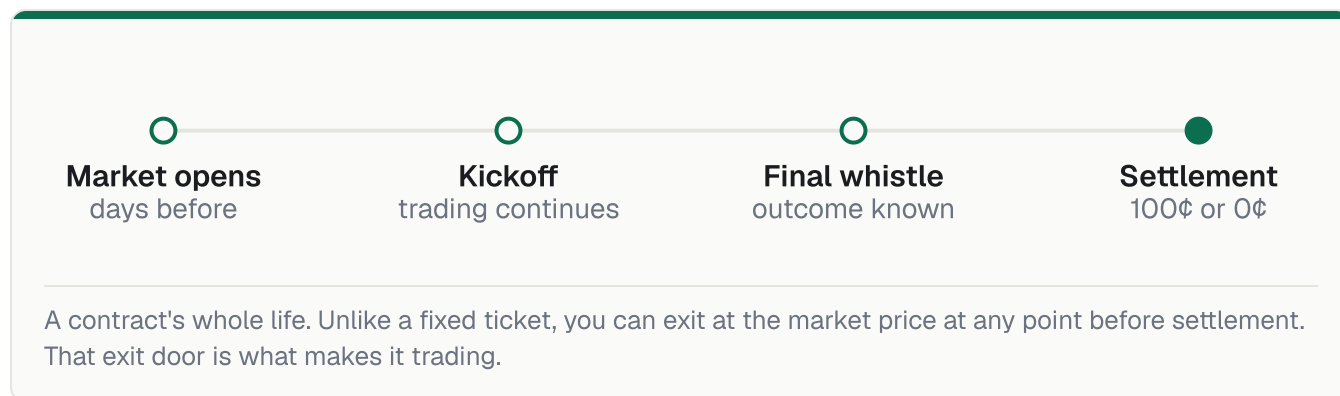
Buyers of YES (offering less)

The book is just resting intentions: people willing to sell YES above, people willing to buy it below. The gap between the best of each (the spread) is where the market admits it isn't sure. Illustrative numbers.

The gap in the middle (best buyer at 61¢, best seller at 64¢) is the **spread**, and it is the market being honest about its own uncertainty. Nobody currently disagrees strongly enough to trade. You have two moves against a spread: post your own order inside it and wait for someone to come to you, or cross it and pay the resting price for the privilege of trading *right now*. Beginners cross constantly, out of impatience. Each cross costs a cent or three, and cents are percents. Patience is the first edge anyone develops, and it is free.

## Settlement: the game is the referee

When the result is official, the market settles. Yes contracts pay out in full if the thing happened; they expire worthless if it didn't. No negotiation, no judgment call, no house deciding. The scoreboard is the oracle. This is why contract questions are written with lawyerly precision (*this team, this game, this date*): at settlement there is no room for “well, what we meant was.”



## The exit door

Between open and settlement, the price never stops moving. Injuries, weather, lineups, the actual game unfolding play by play. Because you can sell at any moment, you are never married to your Tuesday opinion on Saturday. Bought at 62¢ and it's 80¢ at the half? You can take the 18¢ and watch the fourth quarter as a civilian. Down to 40¢ because the quarterback is in street clothes? You can cut it and keep the 40 rather than ride to zero. A fixed ticket offers neither mercy.

“

**The exit door is the product. Everything else is a queue with better marketing.**

One habit to build immediately: before you ever place an order, write down the probability *you* believe, then look at the price. If you can't name your own number first, the market will happily name it for you. Chapter 3 is about learning to speak that language fluently.

#### WHAT TO KEEP

- ✓ The order book is resting intentions; the spread is priced-in uncertainty.
- ✓ Crossing the spread buys immediacy and costs cents, and cents are percents.
- ✓ Settlement is mechanical: the official result pays winners in full, automatically.
- ✓ You can exit any position before settlement at the market price.

## Frequently asked questions

### How does an order book work on a prediction market?

Buyers post the most they'll pay for a yes contract and sellers post the least they'll accept. The gap between the best of each is the spread. A trade happens when someone crosses it, accepting a resting price instead of posting their own. Thin markets have wide spreads; busy ones have tight spreads.

### What happens when a sports contract settles?

When the outcome is official, every yes contract pays its full value if the event happened and nothing if it didn't, straight to whoever holds it at that moment. Nobody has to agree or approve anything. The game itself is the referee.

### Can you sell a prediction market position before the game ends?

Yes, and that's the defining difference from a fixed ticket. Positions can be sold at the current market price any time before settlement, which means you can take a profit, cut a mistake, or exit when news changes the picture. The exit door is what makes it trading rather than holding.

## What “68% to win” actually means

*A 70% favorite loses three times in ten. That is the forecast working.*

Here is the sentence that separates traders from fans, and it fits on an index card: **a probability is a promise about frequency, not a prediction about Saturday.**



When our desk publishes “68% to win,” it is not saying the team will win. It is saying: put this exact situation on the schedule a hundred times, and this side comes out ahead in about 68 of them. The other 32 are not fine print. They are the forecast.



7 of 10, which is what “70%” means

Ten games, each called at 70%. Seven land, three don't, and the three are not the model failing. A 70% that never lost would be a mispriced 100%.

Sit with that strip for a second, because your instincts will fight it for months. When a 70% call loses, every part of your brain files it as *wrong*. But a 70% caller who never loses is the one you should run from: their 70% was really a 100%, which means their numbers are decoration. The three red boxes are what honesty looks like at 70%.

“One result can never grade a probability. Only a hundred results can.

## The Saturday multiplication

Now scale it. A college football Saturday runs thirty-plus games. Suppose the favorite in every single one is a genuine 80% shot, a strong number. Thirty games times a 20% miss rate is *six upsets, every week, when nothing is wrong*. The feed will call each one madness. The arithmetic called it in advance.

This is why “upsets happen” is a useless observation but *how often* upsets happen is a tradable one. If 80% favorites are losing 20% of the time, the world is in order and there is nothing to do. If they’re losing 35% of the time, someone’s 80s are fake, and chapter 4 gives you the tools to find out whose.

## Your own number first

The discipline this chapter is really teaching: never look at the market before you’ve named your own probability. Watch the game, weigh the injuries, then commit to a number (*I think this is 65%*) and only then compare. If the market says 75%, one of you is wrong, and finding out which one, carefully, over many games, is the entire craft. Numbers like our [published college football probabilities](#) exist precisely to be a second opinion you can check against a [public record](#), not an oracle to obey.

### WHAT TO KEEP

- ✓ A probability is a frequency promise: 68% means 68 in 100, not “yes.”
- ✓ A 70% caller who never loses is hiding something worse than losses.
- ✓ Thirty games a week makes upsets a certainty of arithmetic, not chaos.
- ✓ Name your own number before you look at the price. Always.

## Frequently asked questions

### What does it mean when a team is 68% to win?

It means that across many games exactly like this one, the team wins about 68 of every 100. It is not a prediction that they will win; it's a statement about frequency. A 68% call that never lost would actually be a bad forecast, because it was really a 100% dressed down.

### If a 70% favorite loses, was the forecast wrong?

Not by itself. A 70% forecast promises three losses in every ten; the losses are part of the promise. A single result can never grade a probability. Only a long run of results can. What you can check is whether all of a forecaster's 70% calls, taken together, won about 70% of the time.

### Why do upsets happen so often in college football?

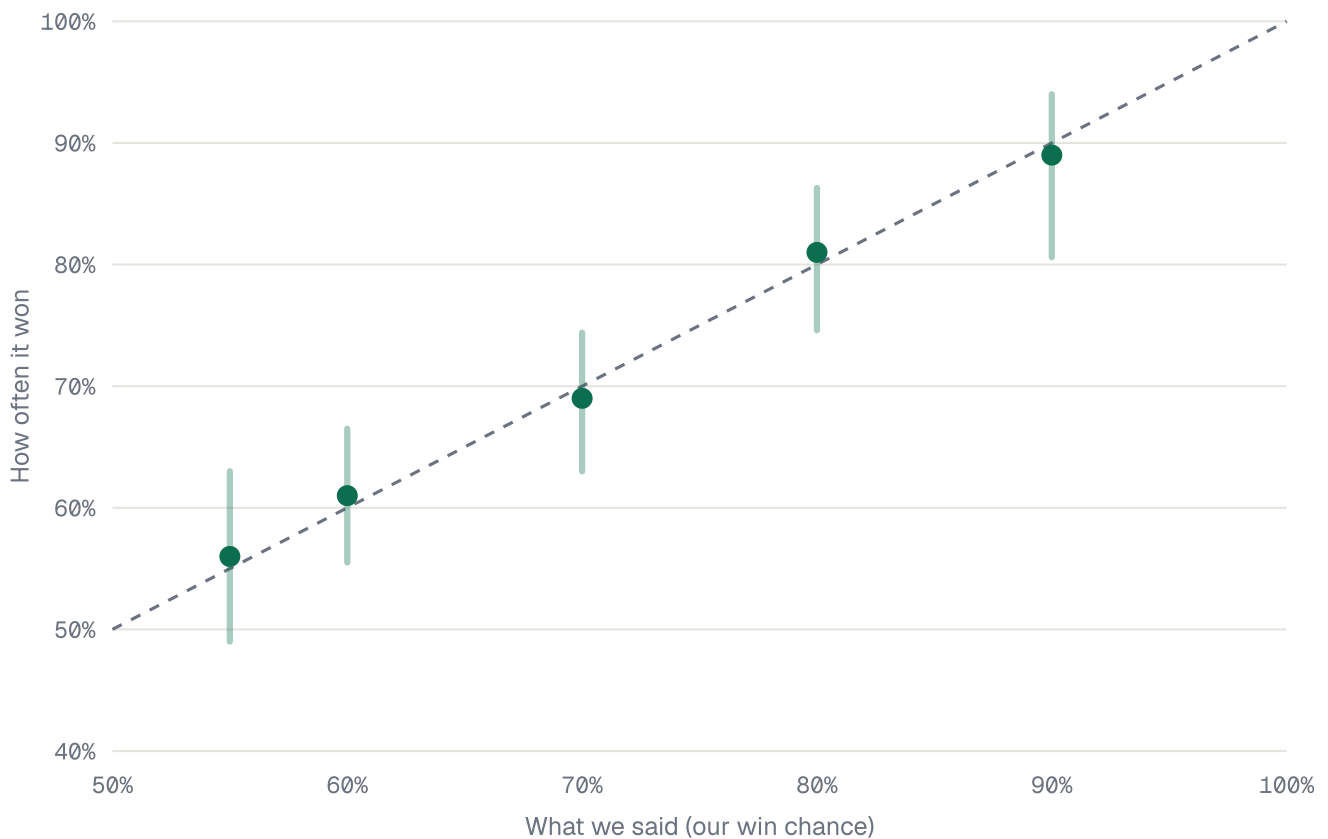
Because there are so many games. With thirty-plus games on a Saturday, even if every favorite were a true 80% shot, you'd expect around six of them to lose every single week. Upsets aren't the system breaking. At that volume they are a mathematical certainty.

## Calibration and Brier scores: a good forecast vs a lucky one

*Anyone can be right once. Calibration is how you catch who's right on purpose.*

Chapter 3 left you with a problem. If one result can't grade a probability, how do you ever know whether a forecaster (a model, a friend, a desk like ours) is any good? You can't check one number against one game. You *can* check a hundred numbers against a hundred games. That check has a name: calibration.

The procedure fits in a sentence: gather every call someone stamped "70%," and count how many won. About 70? Calibrated; their words mean things. Ninety? They're sandbagging. Fifty-five? Their 70 is costume jewelry. Repeat for every bucket, plot it, done:

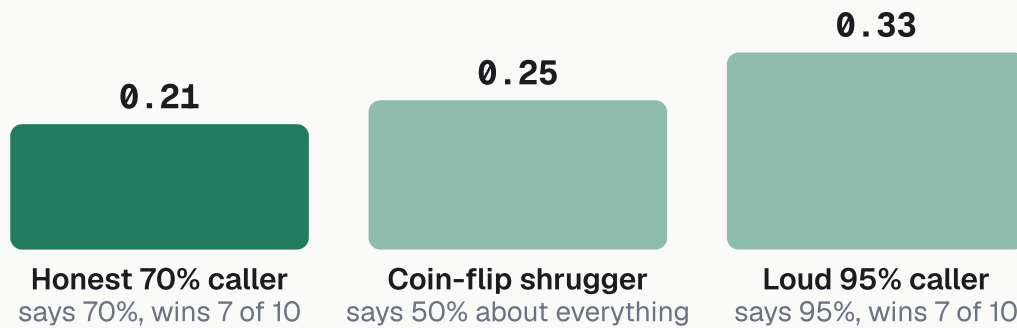


Dots on the dashed line mean our stated chances matched reality. Whiskers show the likely range, wider where we have fewer matches.

That chart (illustrative data; the live version of ours sits on the [track record](#), updating with every graded slate) is the entire test. Dots on the diagonal: the forecaster's numbers are a language. Dots below it: every stated probability was flattery, and you now know by how much to discount them.

## One number for the whole record

Charts convince humans; sometimes you want one number for comparing. The **Brier score** takes every forecast, measures (probability minus outcome) squared, and averages. An outcome is 1 if it happened, 0 if it didn't. Perfect certainty, perfectly placed, scores 0. Saying "50%" about everything forever scores exactly 0.25, the score of a shrug. Beating 0.25 means you know *something*.



Brier score:  $(\text{forecast} - \text{outcome})^2$ , averaged. 0 is perfect; 0.25 is what saying "50%" forever earns.

Same ten games, three ways to talk about them. The Brier score punishes confidence you didn't earn far harder than it rewards confidence you did. Lower is better.

Study the third bar, because it's the one with your name on it. The loud caller and the honest caller *won the same seven games*. The loud one scored catastrophically worse, because the two misses they'd called at 95% cost  $(0.95)^2$  each. The score's square makes unearned confidence the most expensive habit in forecasting. Our own CFB model's walk-forward Brier is 0.187 across five seasons. Under the shrug line, meaningfully; miles from perfect; published anyway. That's the posture this book keeps trying to teach.

“

**Confidence is a cost you pay when wrong, not a flavor you add when sure.**

Why should a *trader* care? Because a calibrated source (any calibrated source, including your own journal once chapter 9 makes you keep one) turns prices into decisions. If you know a forecaster's 70s are real 70s, then their 70 against a market's 60 is information. If you don't know that, it's two strangers shouting numbers.

#### WHAT TO KEEP

- ✓ Calibration: bucket every stated probability, check each bucket against reality.
- ✓ Brier score: one number, 0 is perfect, 0.25 is a shrug. Under 0.25 means signal.
- ✓ The squared penalty makes fake confidence ruinous and honest hedging cheap.
- ✓ No complete record, no verdict. Highlight reels can't be calibrated.

## Frequently asked questions

### What is calibration in sports forecasting?

A forecaster is calibrated when their stated probabilities match reality bucket by bucket: their 60% calls win about 60% of the time, their 80% calls about 80%. Calibration doesn't ask whether individual picks won. It asks whether the numbers meant what they said across many picks.

### What is a Brier score and what is a good one?

The Brier score averages (forecast minus outcome) squared across every pick. Zero is perfect, and always saying 50% scores 0.25, so anything meaningfully under 0.25 beats a shrug. For context, our own college football model graded 0.187 across five walk-forward seasons. The score's teeth: it punishes unearned confidence far harder than earned confidence gains.

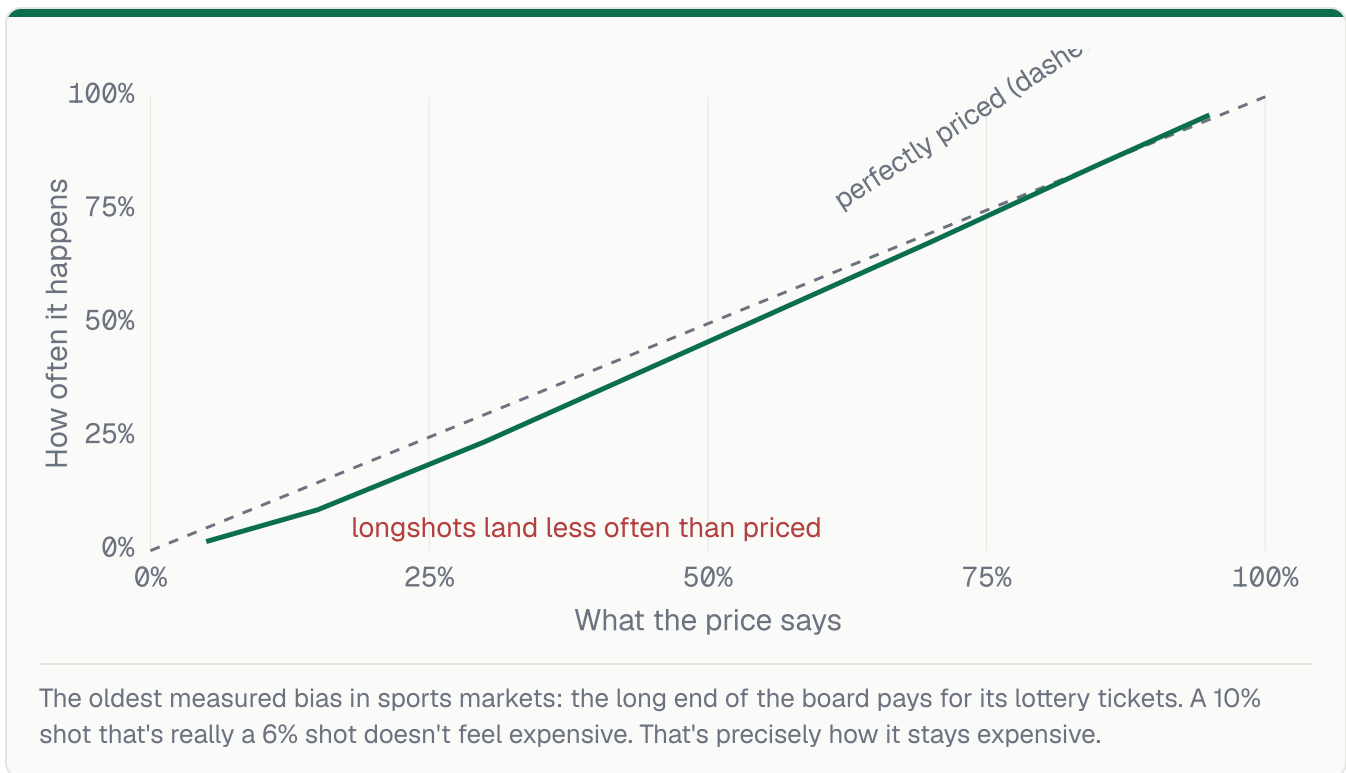
### How do I check if a sports forecaster is actually good?

Ask for their whole record, then bucket it: collect every pick they called 70%, and check whether about 70% of that bucket won. Repeat per bucket. No complete record, no verdict. A highlight reel cannot be calibrated, only curated. That's why our record, misses included, is public.

## Favorites, longshots, and the bias every beginner pays for

*The 10¢ contract feels like a lottery ticket because it is one.*

Some biases are subtle. This one has been measured for seventy years, in every market anyone has bothered to check, and it has survived every one of those measurements: **the crowd systematically overpays for longshots.**



Read the gap at the left end. Contracts priced like 10% shots that come in 6% of the time. Priced like 5%, arrive at 2. Meanwhile the favorite end hugs the diagonal: the boring chalk is priced roughly right. The market, taken as a whole, is a machine that slightly flatters underdogs and gets the giants about correct.

## Why the bias won't die

Because it's fun, and fun is load-bearing. A 10¢ contract is a ten-bagger if it hits, a rounding error if it doesn't, and a story either way. The pain of a longshot missing is so small that its lesson never gets learned; the memory of the one that hit is permanent. Nobody tells the story of the 92% favorite that won by three scores, even though holding it was the better trade. Every fall Saturday mints new believers, and the long end of the board stays exactly where it is.

“

**The market pays you to be boring, and charges admission for excitement.**

## What our desk does about it

This bias is written into our own publication rules. Our college football model refuses to publish a call above a 0.97 probability. Not because the model can't print a bigger number, but because games that lopsided are so rare that the number could never be checked against enough outcomes to be graded honestly. At the other extreme, when our futures board names a **longshot for the national championship**, it is named as exactly that: a longshot, a word, a tier. Never dressed up as value with a percentage of flattery on it.

Your takeaway as a beginner is almost insultingly simple: when your eye is drawn to the cheap end of the board (and it will be, weekly), assume the price is *against* you until you have specific, checkable reasons to believe otherwise. “It feels live” is the bias talking. “Their backup quarterback beat this exact defensive scheme twice already” is at least the start of a reason. Most weeks you won't have one, and the correct number of longshot trades will be zero.

#### WHAT TO KEEP

- ✓ Longshots come in less often than their price implies. Measured, replicated, durable.
- ✓ The bias survives because tiny losses teach nothing and rare wins teach everything.
- ✓ The favorite end of the board is priced roughly fair. Boring is not mispriced.
- ✓ Default stance on cheap contracts: the price is against you until proven otherwise.

## Frequently asked questions

### What is the favorite-longshot bias?

The most consistently measured mispricing in sports markets: longshots come in less often than their prices imply, while heavy favorites do about as well as or slightly better than theirs. In contract terms, the cheap end of the board tends to be expensive per point of real probability, and the dear end fair.

### Why do people overpay for longshots?

Because the trade feels wonderful: a small outlay, a huge payoff, a story if it hits. Loss when it misses is tiny and instantly forgotten, so the lesson never lands. Multiply that psychology across every participant and the long end of the board stays permanently overpriced.

### Are heavy favorites a better deal than longshots?

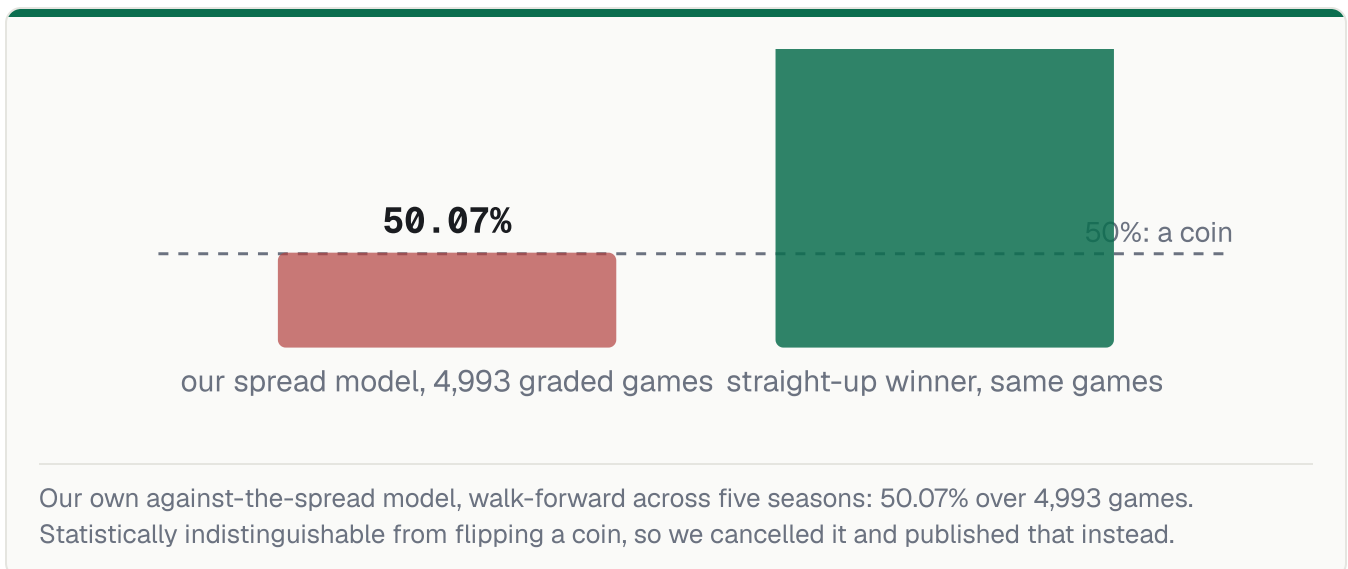
Historically the pricing at the favorite end has been closer to fair; that's the other half of the bias. But a fair price is not a guaranteed win: a 90% favorite still loses one time in ten, and chapter 8's sizing discipline matters more at high probabilities, not less, because the losses arrive rarely and land hard.

## Can you beat the market? Our own numbers say: almost never

*We built the model, ran five seasons, and it was a coin. Here's the receipt.*

Every guide like this one arrives at the same fork. Down one path: “and with these secrets, the market is yours.” Down the other: the truth. We’re taking the second path, and we brought our own corpse as evidence.

In 2026 our desk built a college football model to pick against the point spread, the market’s own line, the number every sharp in the country argues with. We fit power ratings to more than a decade of games and replayed five seasons walk-forward, exactly as if trading them live, no peeking. Verdict, across 4,993 graded games: **50.07%**.



A coin. A well-engineered, honestly-tested, statistically indistinguishable coin. And when we measured how much our model’s opinion deserved to be blended with the closing market’s, the fitted weight came back  $0.002$ , the polite mathematical

way of saying *the market already knew everything we knew*. So we cancelled the product. The same ratings pick straight-up winners at 71.0%, a genuinely strong, useful number, and that is what we publish instead. Not because it beats anyone, but because it is honest about what it is.

“

The market's price is not an opinion. It is the graveyard of everyone else's.

## Why the close knows so much

By kickoff, a liquid market price has digested every public model, every injury report, every weather map, and (the part beginners underestimate) every *disagreement*. Anyone who thought the price was wrong had hours to say so with money, and their saying so moved it. What survives to the close is the number nobody left standing was willing to argue with. Beating that consistently means knowing something the entire motivated crowd doesn't, week after week. Almost nobody does. Anyone selling you certainty that they do has failed to show you a graded record, every time.

## So what's the honest game?

Three things survive contact with this chapter, and they are worth the whole book. **Calibration:** even a market-matching forecast teaches you what real probabilities feel like, if it grades itself in public. **Selectivity:** your edge, if you ever have one, will be tiny and local. A conference you genuinely know, a bias like chapter 5's, a slow Tuesday price before news lands. Never the whole board. **And the pass:** the trade you skip because you have no reason to believe the price is wrong costs nothing and outperforms most trades beginners make. Our desk publishes “no call” on most of every Saturday's slate for exactly this reason. No call is a call.

#### WHAT TO KEEP

- ✓ Our spread model: 50.07% over 4,993 games. We cancelled it and said so.
- ✓ Blend weight 0.002: the market already contained everything our model knew.
- ✓ The closing price is the crowd's argument, settled with money, minutes ago.
- ✓ Realistic goals: calibration, small local edges, and the discipline to pass.

## Frequently asked questions

### Can you consistently beat sports prediction markets?

Almost nobody does. The closing price aggregates everything every motivated participant knows, and beating it consistently requires information or speed the crowd lacks. Our own against-the-spread college football model graded 50.07% across 4,993 walk-forward games, statistically a coin flip, which is why we cancelled it rather than sell it.

### Why is the closing price so hard to beat?

Because it isn't one opinion. It's the residue of every opinion with money behind it. Public models, injury news, weather, sharp disagreement: anything knowable gets traded in within minutes. What's left un-priced is mostly what nobody knows yet, and no model sees the future.

### If the market is so hard to beat, what's the point of a model?

Calibration, not conquest. An honest model gives you a second opinion you can verify against a public record, teaches you what a real 70% feels like, and, most practically, tells you when you have no edge, which is most of the time. Knowing when not to trade is the most bankable skill in this book.

## College football prediction markets: what makes CFB different

*The market can't watch 130 teams. You only have to know three.*

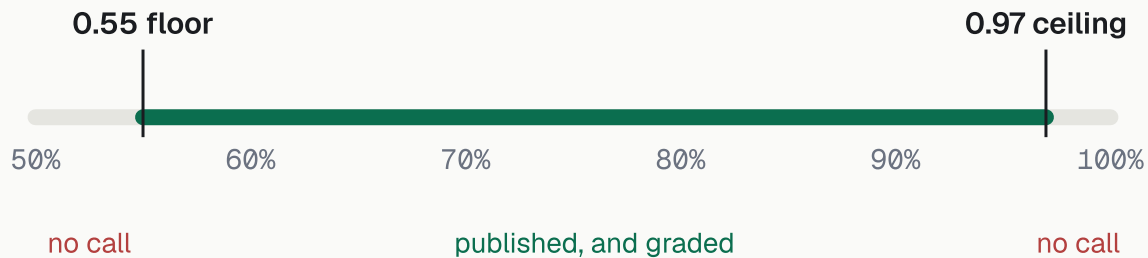
Everything to this point applies to any sports market. This chapter is about why this book keeps using college football: the sport's structure changes what the market can and cannot know, in ways a trader can actually use.

### Too big to watch

The top division alone runs over 130 teams. On a full Saturday, thirty-plus games kick off inside twelve hours. No analyst, no desk, no crowd watches all of it. Attention is the scarce resource, and it pools where the cameras are. The marquee night game gets priced by everyone with an opinion in America. The 11am conference game between two unranked programs gets priced by fewer. Thin attention is where homework still has a chance to matter, which is precisely why chapter 6's honesty matters here: *a chance*, at the margins, in places you genuinely know. Not a license.

### Talent gaps a draft would never allow

Professional leagues are engineered toward parity. College football is engineered toward dynasties, and the schedule guarantees collisions between programs that recruit different planets. Probabilities that would be freakish in the NFL are routine Saturdays here, which means CFB markets live at the extreme ends of the price scale: exactly where chapter 3's frequency discipline and chapter 5's longshot bias do their loudest work. It is the best classroom in sports for learning what 90% actually means, because it shows you 90% forty times a season.



The band we'll actually publish in. Below 55%, our own testing can't separate the model from a coin. Above 97%, so few games exist that the number can't be checked. Both refusals are part of the product.

## How our desk trades that structure for honesty

The band above is our own college football publication rule, and each edge of it encodes a lesson from this book. The **0.55 floor**: below it, our testing can't distinguish the model from a coin, so we don't publish. A coin flip sold as conviction is noise at best. The **0.97 ceiling**: above it, so few real games exist that the number could never be honestly graded. We also publish our own projected margin and total as *context*, *never picks* (only the win probability is graded), and when our number sits far from the market consensus, we usually withhold the call, because our own history says those are the ones we're most likely getting wrong.

The result is a shorter board than anyone else's, on purpose: **every game we cover** carries one number we're prepared to be graded on, and the **grading is public**. Your board should be shorter than you want, too. A conference you truly follow, a reference number you trust, and the patience to pass on the other twenty-five games. In a sport this size, knowing three teams deeply beats knowing a hundred and thirty by reputation.

#### WHAT TO KEEP

- ✓ CFB's scale thins the market's attention; the margins are where homework lives.
- ✓ Extreme talent gaps make CFB the best classroom for high-probability discipline.
- ✓ Our band: nothing below 0.55, nothing above 0.97, margin and total never graded.
- ✓ Trade narrow. Three teams known deeply beat 130 known by ranking.

## Frequently asked questions

### Why are college football markets different from NFL markets?

Scale and spread. College football has over 130 top-division teams playing thirty-plus games a Saturday, with talent gaps a professional draft would never allow, so attention per game is thin and probabilities run to extremes. The NFL is thirty-two rosters under a microscope; CFB is a sprawl where genuine homework can still be rare.

### What should a beginner actually trade in college football?

Less than they want to, and narrower: the correct beginner's board is a handful of games in a conference they genuinely follow, held against a calibrated reference number. The worst beginner's board is every ranked game on the slate. Depth beats breadth for as long as you're learning, which is longer than anyone thinks.

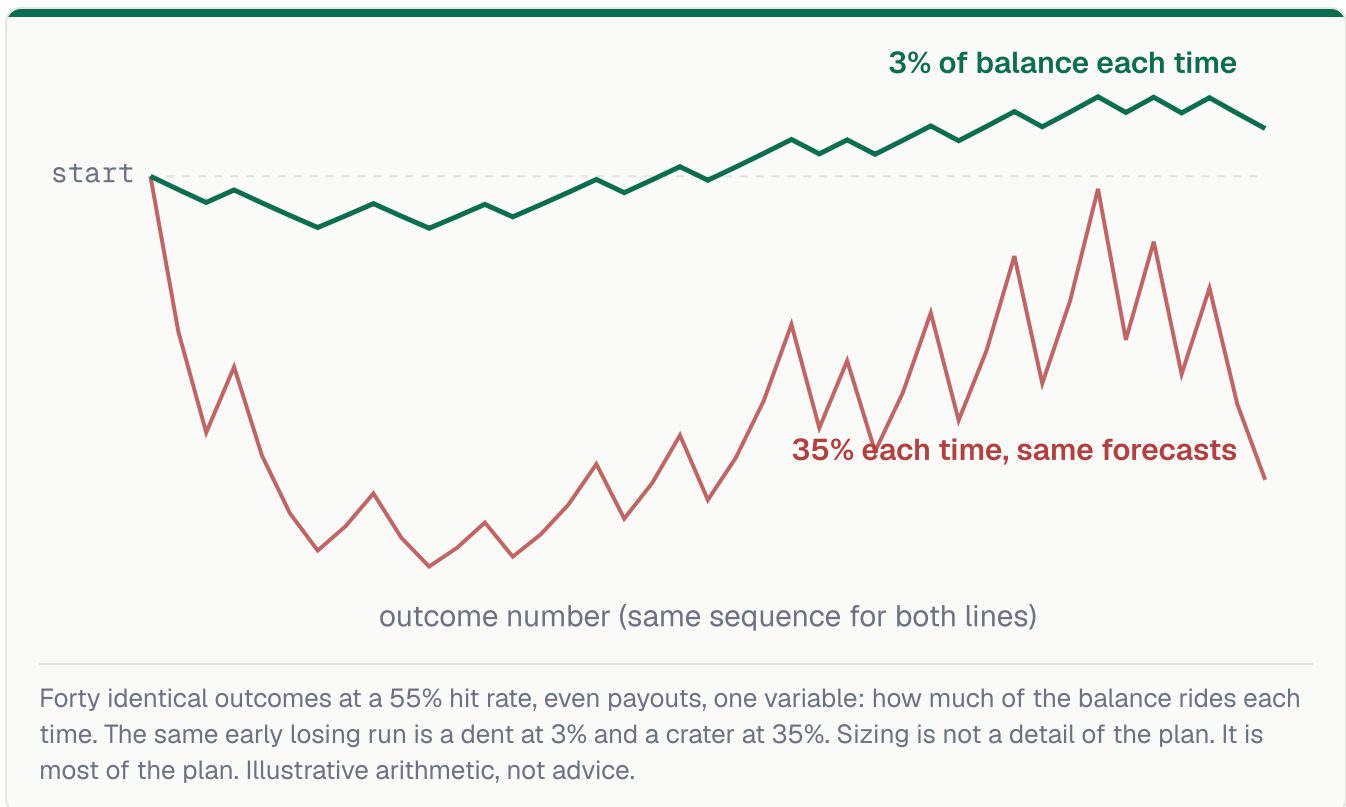
### What does Maiden publish for college football?

A calibrated straight-up win probability for every game our model has a real call on, published before kickoff, graded in public after, misses kept up. We publish nothing below a 55% confidence floor, our projected margin and total are context rather than graded picks, and no market price ever appears on the site.

## Risk management: sizing, limits, and staying in the game

*Same forecasts, same results. One sizing rule thrives, the other visits zero.*

A confession about everything you've read so far: chapters 1 through 7 were about being right, and being right is the junior half of trading. The senior half is arranging your affairs so that being wrong (which will happen constantly, on schedule, per chapter 3) never removes you from the game.



Look at what that figure is *not* showing. Not two forecasters: one sequence of outcomes, a 55% hit rate either way. Not luck: the same results in the same order. The only difference between the calm line and the catastrophe is the fraction of the

balance that rode on each position. Skill identical, outcomes identical, and one of these people quit in week three convinced the market was rigged.

## The asymmetry that runs the whole show

Percentages lie to your intuition in one direction. Lose 20% and you need 25% to get home. Lose 50% and you need 100%. The ladder down is shorter than the ladder up at every rung, which is why the game's first rule is not "win more" but **never take the big fall**. Small fixed fractions are how: risking a few percent of the balance per position means even the ugly streak (and a 55% trader will see six straight losses often enough to budget for it) dents the curve instead of ending it.

“

You cannot compound what you do not keep.

## Limits are decisions made while sane

Every limit in trading is the same trick: moving a decision from the moment you're worst equipped to make it to the moment you're best equipped. Tuesday-you, calm, decides what a Saturday is allowed to cost. Saturday-you, three results deep and vibrating, merely obeys. Written down, before the first order, while none of it is emotional: the total amount whose loss changes nothing in your life, the per-position fraction, the stopping rule for the day. Then the hard part, which is all of it: obeying Tuesday.

This is also where honesty about scale belongs. Prediction-market contracts settle binary (100¢ or nothing), so variance is the loud kind. The arithmetic in this chapter describes survival for someone treating this as a priced entertainment with money they have fully written off. It is arithmetic, not advice: nothing in this book tells you what to do with your money, and chapter 9 says the quiet part in full.

#### WHAT TO KEEP

- ✓ Sizing, not accuracy, decided the fates in this chapter's figure.
- ✓ Drawdown asymmetry: down 50% needs up 100%. Never take the big fall.
- ✓ A 55% hit rate contains six-loss streaks. Budget for them or be surprised by them.
- ✓ Set every limit before the week starts, in writing, and obey the calm version of you.

## Frequently asked questions

### How much of a balance do experienced traders risk on one position?

The durable pattern across every trading discipline is small single-digit percentages of total balance per position, commonly a few percent, so that no single result, or realistic losing streak, can knock the trader out of the game. This is descriptive arithmetic about survival, not advice about your money.

### What is a drawdown and why does it matter so much?

A drawdown is the fall from a balance's peak to its subsequent low. It matters because losses are asymmetric: a 50% fall needs a 100% climb just to get home. Oversized positions turn ordinary losing streaks, which probability guarantees will happen, into holes that arithmetic makes brutally hard to climb out of.

### What limits should someone set before trading a prediction market?

Before the first trade, in writing: the total amount whose complete loss changes nothing about your life, a per-position fraction of it, and a stopping rule for the week. Decided calmly in advance, followed mechanically on Saturday. Decisions moved from the emotional moment to the rational one. If setting limits feels unnecessary, that is itself information.

## Common beginner mistakes, and keeping score honestly

*Every mistake in this chapter is the same mistake wearing different jerseys.*

Nine chapters in, you know more theory than most people trading this weekend. So here is where beginners actually lose, and it's rarely the theory. It's the same mistake, over and over, in different jerseys: **grading yourself on results instead of process, one game at a time.**

### The jerseys it wears

**Results-worship.** Your 70% call misses and you tear up the model; your 30% flyer hits and you're a genius. Chapter 3 already dismantled this (a single result grades nothing), but knowing it and feeling it are different educations, and only the journal below closes the gap. **The revenge trade.** Down on the early games, you size up the night game to "get it back." Chapter 8's Tuesday-you never approved that trade; the person placing it is the one worst equipped to. **The hot streak.** Five straight and you feel bulletproof, right when a 55% trader's arithmetic says a streak proves nothing and the sizing creep it inspires costs everything. **Everything, everywhere.** An opinion on all thirty games, because having no opinion feels like losing. Chapter 6 already gave the verdict: the pass is a position, and it's free.

### “We’re on fire” 🔥

the screenshots that survived



### The graded record

every call, in public, forever



4-0. Where are the other calls?

14-6: checkable, misses included

Left: what a feed shows you. Right: what a record looks like when deleting isn't an option. Fourteen of twenty is a real number you can plan around; four of four is a story.

## The fix is a notebook

Every jersey comes off with one habit: **write it down before, grade it after, keep the misses.** Before each position: the probability you believe, the price, one sentence of why. After: what happened, no edits. In a month you have what memory will never give you, an honest sample. Bucket it like chapter 4 taught: are your 70s real 70s? Is the long end of your own board leaking, chapter-5 style? You are running calibration on yourself, which is the whole reason the habit works.

“

**Memory is a highlight reel. A journal is a track record. Trust the one that can't edit itself.**

This is, not coincidentally, how our own desk operates. Every number published before the event, **graded in public after**, misses kept up with a red mark. Not as a flex: as the only known cure for the disease this chapter describes. A desk that could delete its misses would, eventually. So we built one that can't.

## The quiet part, in full

These markets are entertainment with arithmetic, and this book's only promises are about honesty, not outcomes. So, plainly: trade only money you have already written off. If it stops feeling like entertainment (chasing to get even, hiding the scale of it, trading money that matters), stop, and talk to someone. The National Council on Problem Gambling's helpline is 1-800-GAMBLER, and our [responsible-play page](#) lists more resources. Under 18 (21 in many US states), none of this is for you yet. The market will still be there.

That's the book. Read prices as probabilities, name your number first, demand calibration from anyone selling you certainty (including us), size like someone planning to be here next season, and keep a record that can't flatter you. It's not a system for beating anything. It's the equipment for not being beaten by yourself. Welcome to Saturday.

### WHAT TO KEEP

- ✓ Every classic mistake is results-worship in a different jersey.
- ✓ The journal: number and reason before, grade after, misses kept. Non-negotiable.
- ✓ Run chapter 4's calibration check on yourself monthly.
- ✓ Written-off money only, limits set while calm, and stopping is always available.

## Frequently asked questions

### What is the most common mistake beginners make in prediction markets?

Grading decisions by single results: celebrating a bad trade that got lucky, abandoning a sound process after one loss. A 70% call that misses was still, most of the time, a fine decision; a 30% call that hits was still, most of the time, a donation that got refunded. Process grades over many results; one Saturday grades nothing.

### **How should I track my prediction market results?**

Write every position down before the outcome: the probability you believed, the price you traded, one line of reasoning. Grade everything after, keep the misses, and bucket your stated probabilities exactly like chapter 4's calibration check. A month of honest entries teaches more than a year of remembered ones. Memory is the most creative editor there is.

### **How do I know if sports trading is becoming a problem?**

Honest tells: trading money whose loss would matter, chasing losses to get even, hiding activity or its scale, and it no longer feeling like entertainment. If any of those ring true, stop and talk to someone. The National Council on Problem Gambling's helpline is 1-800-GAMBLER. Under 18 (21 in many US states), none of this is for you at all.

## About Maiden

Maiden publishes calibrated win probabilities for college football, tennis, UFC, and cricket. Every pick is posted before the event and graded in public at [maiden.bet/track-record](https://maiden.bet/track-record), misses included. The daily desk email brings the card to your inbox each morning.

Everything in this book is probabilities and mechanics, for information and entertainment: nothing here is betting advice, financial advice, or a promise of profit. If it stops being entertainment, stop. The National Council on Problem Gambling's helpline is 1-800-GAMBLER, and [maiden.bet/responsible-gambling](https://maiden.bet/responsible-gambling) lists more resources. Under 18 (21 in many US states), none of this is for you yet.

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