

A complete guide for building your

# Trading Plan

The **5%**ers

## **A complete guide for building your Trading Plan**

The common problem that most forex traders deal with when first starting out is the lack of a proper trading plan.

Diving into forex trading without a clear plan is like riding a bicycle without training wheels.

Few traders realize the importance of a well-defined strategy and trading routine.

A trading plan provides you with clear steps and actions to implement. Reduces improvisation and stress since you will know exactly what to do for every scenario.

We are happy to present you with this guide for building your complete trading plan. We have done our part, now is your turn to commit to following this guide so you create your own trading plan.

**let's start!**

## Trading Objectives

Why do I trade? What are my goals?

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I'm currently trading:    Full Time /    Part Time /    For Fun /    For Curiosity/    Other

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Why do I love trading?

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What are my expectations from trading?

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When does trading fulfill me?

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When does trading distress me?

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Name 5 strengths of you and how can they be used in trading?

1. 

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2. 

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3. 

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4. 

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5. 

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Name 5 weaknesses and how could you bypass them while trading:

1. 

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2. 

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3. 

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4. 

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5. 

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Key skills I still need to acquire:

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Write down a statement for good trading days:

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Write down a motivational statement for bad trading days:

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## Building Your Strategy

Strategy Name: \_\_\_\_\_

Strategy Objectives: (describe your strategy)

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Strategy Context: (when does this strategy works better)

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### 1. Filters:

Pairs \_\_\_\_\_

Time Frames \_\_\_\_\_

Indicators \_\_\_\_\_

Scripts/EA \_\_\_\_\_

### 2. Setup

What are you looking for in the charts

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What variations you know for this setup

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### 3. Trigger

When will you enter a trade (entry signal)

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What is a high quality signal

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What is a low quality signal

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How will you enter the trade (type order)

Market order      Limit order      Stop order

When you should not trade the setup

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### 4. Stop

When will you exit the trade, where is your stop loss placed

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### 5. Target

Where is your take profit? Why there?

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What is a high quality TP level

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## 6. Trade Management

How will you manage the trade if it goes in your favor

Scale in    Scale out    Trailing Stop

Describe

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How will you manage the trade if it goes against you

Scale in    Scale out    Hedge

Describe

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When will you stop trading?

Daily Target

Daily Loss

Time limit

The 5%ers

## Daily Checkup

### Self Evaluation

Before taking a trade ask yourself the following:

Is my environment set up for the trading session?

Yes, all in place

No, let's start with that

Do I feel mentally ready for this session?

Yes, let's go!

No, so I have to be more cautious or consider not to trade

Do I feel emotionally ready for this session?

Yes, onward!

No, I need to be aware of that when trading or consider not to trade

I know what I want to achieve in this trading session?

Yes, describe \_\_\_\_\_

No, so why am I trading today?

### Trade Checklist

**Before taking a trade ask yourself the following:**

Does this trade meet all my trading parameters?

Setup

Correct lot size

Correct stop loss

Correct take profit

Is this a:

high-quality signal

low-quality signal



## Session Recap

### After a trading session ask yourself

Despite the outcome, did I take the trades I needed to take according to my strategy?

Yes

No, why?

Was my lot size the correct one?

Yes

No

Did I get emotional during the trading session?

Yes

No

How do I feel now?

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What do I need to do in order to feel good after the next trading session?

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Documenting your progress in forex trading will help you avoid repeating costly mistakes and improve your strategic ideas. So, if you want to find success in forex trading, a winning trading plan is the best way to go about it. All traders must have their plan, which should account for personal trading goals and styles.

In times of trouble and in times of prosperity, your trading plan will keep you afloat and able to navigate the constantly changing dynamics of the market. So take your time, test, tweak, and most importantly, believe in your trading plan.

## High 5!