

Trading Plan

This template will guide you creating your personalized trading plan.

My Forex Trading Plan

Trader Name: [Your Name]

Date Created: [Date]

Date Last Reviewed/Updated: [Date]

1. Trading Goals & Objectives

- **Long-Term Goal (e.g., 1 year+):**
 - *Example: Achieve consistent profitability of 5% per month.*
 - *Example: Grow trading account to \$X by [Date].*
- **Short-Term Goal (e.g., 1-3 months):**
 - *Example: Consistently follow all strategy rules.*
 - *Example: Reduce emotional trading errors.*

2. Market & Timeframe Selection

- **Currency Pairs Traded:**
 - *Example: EUR/USD, GBP/JPY, AUD/USD*
- **Primary Trading Timeframe (for entries):**
 - *Example: H1 (1-Hour Chart)*
- **Higher Timeframe for Trend Confirmation (Optional, but Recommended):**
 - *Example: H4 (4-Hour Chart) to confirm 200 EMA trend.*
- **Preferred Trading Sessions:**
 - *Example: London and New York overlaps (Specific hours in your local time).*

3. Trading Strategy: 200 EMA Trendline Breakout

- **Core Strategy Overview:** *Briefly describe the 200 EMA Trendline Breakout (e.g., Trend-following strategy, buy above 200 EMA on downtrend line breakout, sell below 200 EMA on uptrend line breakdown).*
- **Entry Criteria (Detailed):**
 - **BUY:**
 - Price is **above** 200 EMA.
 - Identify a valid **downtrend line** (min. 2 touches).
 - Price decisively **breaks out and closes above** the downtrend line.
 - Entry on candle close.
 - **SELL:**
 - Price is **below** 200 EMA.
 - Identify a valid **uptrend line** (min. 2 touches).
 - Price decisively **breaks down and closes below** the uptrend line.
 - Entry on candle close.
- **Stop Loss Placement:**
 - **BUY:** Recent swing low preceding the breakout.
 - **SELL:** Recent swing high preceding the breakdown.
- **Take Profit Strategy:**
 - **Initial Target:** Minimum 1:1 Risk-to-Reward ratio.
 - **Trailing Stop Method (after 1:1):**
 - *Example: Trailing to breakeven + 5 pips.*
 - *Example: Trailing using subsequent swing lows/highs.*
 - *Example: Trailing using the 20 EMA.*
 - **Partial Profits (Optional):**
 - *Example: Take 50% off at 1:1, let remaining run with trailing stop.*
- **Invalidation Rules (When NOT to Trade):**
 - *Example: During major news announcements (NFP, CPI).*
 - *Example: During extremely low volatility periods.*
 - *Example: If 200 EMA is flat/choppy.*
 - *Example: If no clear trendline can be drawn.*

4. Risk Management Rules

- **Risk Per Trade:**
 - *Maximum Percentage of Account Risked Per Trade: [e.g., 1% or 2%]*

- *Maximum Fixed Dollar Amount Risked Per Trade (for smaller accounts): [e.g., \$20]*
- **Position Sizing Calculation:** Always calculate based on Stop Loss distance to ensure fixed risk %.
- **Maximum Daily Loss:** [e.g., 4% of account, or 2 consecutive losing trades]
- **Maximum Weekly Loss:** [e.g., 8% of account]
- **Maximum Drawdown Tolerance:** [e.g., 15% before taking a break]
- **Never trade without a Stop Loss.**

5. Trade Management Rules

- **Pre-Trade Checklist:** Always use the "200 EMA Trendline Breakout Strategy Checklist" before every trade.
- **Order of Operations:**
 - Identify Setup.
 - Calculate Risk & Position Size.
 - Place Entry, Stop Loss, and Initial Take Profit orders simultaneously.
 - Monitor trade according to plan.
- **Trade Adjustments:**
 - *Only adjust Stop Loss to trail profits, never widen it.*
 - *Only adjust Take Profit to scale out, never move closer unless pre-defined.*
- **News Management:** Avoid opening new trades 30 minutes before and after high-impact news. Consider closing existing trades or moving SL to breakeven before major news.

6. Trading Psychology & Discipline

- **Emotional Control:** How will you manage fear, greed, revenge trading?
 - *Example: Step away from charts for 30 mins after a loss.*
 - *Example: Stick to plan, don't chase trades.*
- **Discipline:** Commitment to following the plan consistently.
- **Patience:** Waiting for high-probability setups.
- **Journaling:** Commit to journaling every trade.

7. Review & Improvement

- **Daily Review:**
 - *Review all trades taken for the day.*
 - *Identify emotional errors or rule violations.*
- **Weekly Review:**
 - *Analyze overall performance (win rate, R:R, profitability).*
 - *Review trading journal entries.*
 - *Identify areas for improvement in strategy or psychology.*
- **Monthly/Quarterly Review:**
 - *Assess progress towards long-term goals.*
 - *Consider minor adjustments to the plan based on consistent data, not emotions.*

8. Important Notes & Reminders

- *"Consistency over profitability in the beginning."*
- *"Never risk more than 2% per trade."*
- *"Trust the process, not the outcome of one trade."*