

The Consistency Key: A Full Risk Management Model for Forex & Futures

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What Does Risk Management Really Mean?

It's The amount of Risk the Trader is willing to assume. It should be limited to 1% of total equity or less. To calculate the Risk per trade use the following formula...

- **Account balance** : 10000\$
- **Percentage Risk** : 1%


The Formula

$$(10000\$ * 1\%) = 10000 * 0.01 = 100\$$$

Here's an example of bad risk Management with a 8 losses in a row - If you think this not going to happen to you... you're going to be very disappointed friend.

Equity	Risk 10%	
\$10,000.00	\$1,000.00	Loss 1
\$9,000.00	\$900.00	Loss 2
\$8,100.00	\$810.00	Loss 3
\$7,290.00	\$729.00	Loss 4
\$6,561.00	\$656.10	Loss 5
\$5,904.90	\$590.49	Loss 6
\$5,314.41	\$531.44	Loss 7
\$4,782.97	\$478.30	Loss 8

Do you think you could deal with this drawdown and feel confident you'd recover from it?



Equity Drawdown Of **\$5,217.03**
Percentage Drawdown **52.17%**

Question

Do you think you could deal with this drawdown and feel confident and you'd recover from it ?

→ Why Sound Money Management Is Crucial ...

	Scenario A (1% Risk)	Scenario B (5% Risk)
Equity - Start	\$10.000	\$10.000
Losing Trade #1	\$9,900.00	\$9,500
Losing Trade #2	\$9,801.00	\$9,025
Losing Trade #3	\$9,702.00	\$8,574
Losing Trade #4	\$9,604.00	\$8,145
Losing Trade #5	\$9,507.00	\$7,738
Cumulative Loss - \$	(\$493)	(\$2,262)
Cumulative Loss - %	-4.93%	22.62%

0.1 Position Sizing

0.2 What Separates Professional Traders From You?

Combinations of — [Win/Loss Over 10 Trades]
With 1:1 Risk To Reward

WINS	LOSSES	WIN RATE
10000	NYKZN	08:40AM

— With this rules we can make our self in the right way for been consistent in the market.

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