**Trade Plan Template**

**Please complete this document with your personal trading rules.**

**Examples have been given in each section to guide you – please remove these examples and replace them with your own trade plan details**

**Name:**

**Broad Objectives**

Explain what you are aiming to achieve by trading and developing your strategy?

Examples:

* The ability to stick to a structured trading process
* Control over emotions
* 2-5% monthly return generated from short/medium/long term trades
* To generate a primary/secondary source of income
* You can employ more than one strategy if you wish (e.g. Long term, short term, etc.)

**Risk Management**

Alphachain Risk Management Rules:

* Assessment Target: 6%
* Weekly Target: 1.5%
* Weekly Risk: 1.0%
* Daily Target: 0.6%
* Daily Risk: 0.3% (3 Trades min)
* Max Per Trade Risk: 0.1%

Other assessment guidelines:

* Always have Stop loss and target
* RRR: Minimum 1:1
* Max Exposure at one time: 0.50 Lots
* Minimum of 20 Active Trading Days
* Minimum of 40 Trades
* Hard Stop Drawdown: 4%
* Drawdown Risk is based on highest value watermark
* No positions held over the weekend

**Markets Traded**

Outline the assets you trade.

E.g. USDJPY, AUDUSD, EURUSD, FTSE100, DAX, Dow Jones, Gold, US Oil, etc.

**Timeframes**

What is your average/target holding period for successful trades?

E.g. 2-6 hours, 1-3 days, etc.

What timeframe charts do you use?

E.g. 15-minute, Hourly, Daily, etc.

**Data Sources**

Where do you source your news and macro data?

E.g. Forex Factory, FX Street, Bloomberg, Twitter, etc.

**Indicators Used**

Be precise when explaining the indicators you use (see examples below).

Examples:

* Support and Resistance e.g. D1, H1, minimum 3 touches, wick/close to wick/close etc.
* Trend lines e.g. outer/inner/counter trend lines for confirmation or execution etc.
* RSI e.g. H1, 14 period, looking for divergences and momentum etc.
* EMA’s e.g. 8, 21, 50, 200 on D1 & H1 charts, looking for confirmation via crossovers etc.
* Fibonacci retracements e.g. D1, identify buy/sell zones from previous trends
* Pivot Points e.g. pivot point bounce system

It’s a good idea to give marks out of 10 to indicate the importance of each indicator.

E.g. Price Patterns 8/10, Support/Resistance 7/10, Fibonacci 4/10, Pivot Points 5/10, etc.

**Trade Setup (If you have more than one trading strategy, then explain each one separately)**

Explain your step-by-step process to identify new trades (including timeframe, indicators, etc.)

Examples:

* Identify significant support and resistance levels on hourly/daily chart, looking for potential breakouts through key levels…
* Draw trend lines to confirm the direction of your major trend, looking for potential breakouts or continuations…
* Look for recognisable price patterns… wait for the breakout to trade…
* Hourly Fibs going with short term trend – setting targets…
* Pivot points – identify potential short term support and resistance levels…
* Support and resistance – highlighting any daily levels to watch out for…
* Direction of longer-term Moving Average(s) to confirm trend direction…
* Oscillators to gauge trend momentum, provide buy/sell signals or indicate bullish or bearish divergence…
* Etc…

**Trigger:**

Examples:

* Counter-trend line breakout on a 5/15-minute chart
* Price pattern breakouts
* Support/resistance line breakouts
* Pivot point triggers
* Holy Grail triggers

**Execution:**

Examples:

* Time filters – e.g. wait for 15-minute candle to close…
* Price filters – e.g. wait for a 5 or 10 pip breakout through your line/level…
* Impulsive candle breakout – e.g. long candle with a close at the extreme high/low… give details to define what you consider to be “impulsive”

**Target placement**:

* Where do you set your price target(s) and why?
* Do you have more than one target for each trade?

**Stop loss placement**:

* Where do you place your stop loss and why?

**Trade Management**

* What do you do as your trade progresses and why?
  + How do you close out positions?
  + Do you use Trailing Stops?
  + When do you use Manual Exits?
    - E.g. Close out all or part of your position, either in profit or in loss
  + Do you add new positions to existing winning positions?
  + What action do you take before big news events?
  + How do you protect overnight risk?

**Pros and Cons**

Have a think about what you find easy/useful about your trade strategy so far, plus any issues that you find difficult to manage.

E.g. Pros:

* Your fixed rules are easy to follow
* You get in & out of trades quickly, so less stress
* Etc…

E.g. Cons:

* Stop losses tend to be too tight & keep getting hit
* Holding positions overnight may be stressful
* You need to watch the markets all of the time so as not to miss any trade signals
* Etc…