



Reward Risk Ratio

The Open Secret of
Professional Traders

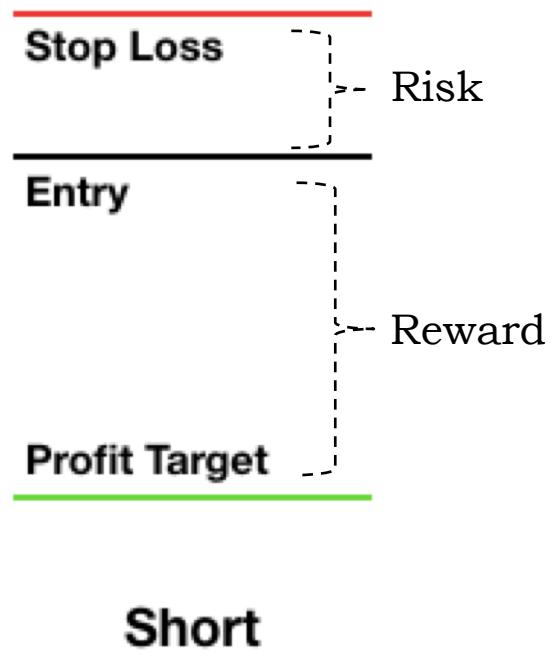
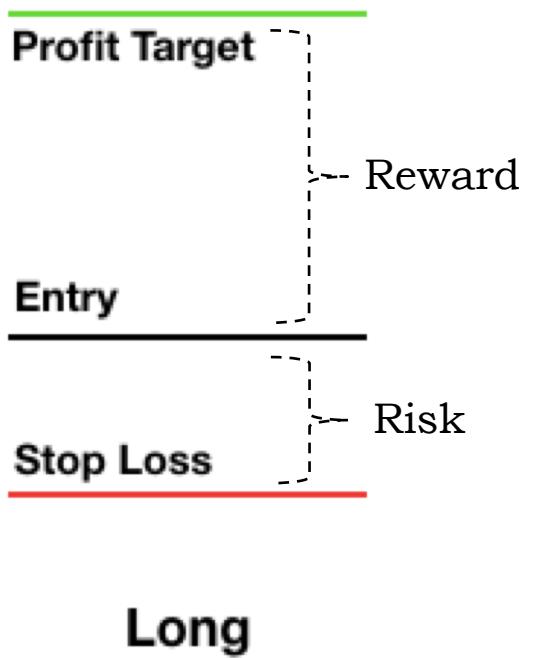
Rule 1 : Don't Lose Money

Rule 2 : Don't Forget Rule 1

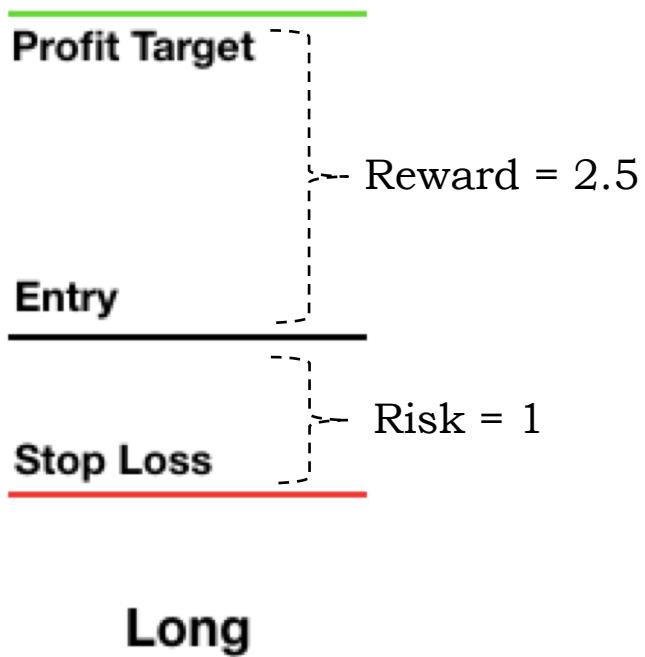
Warren Buffett

Chairman & CEO, Berkshire Hathaway

Reward to Risk Ratio



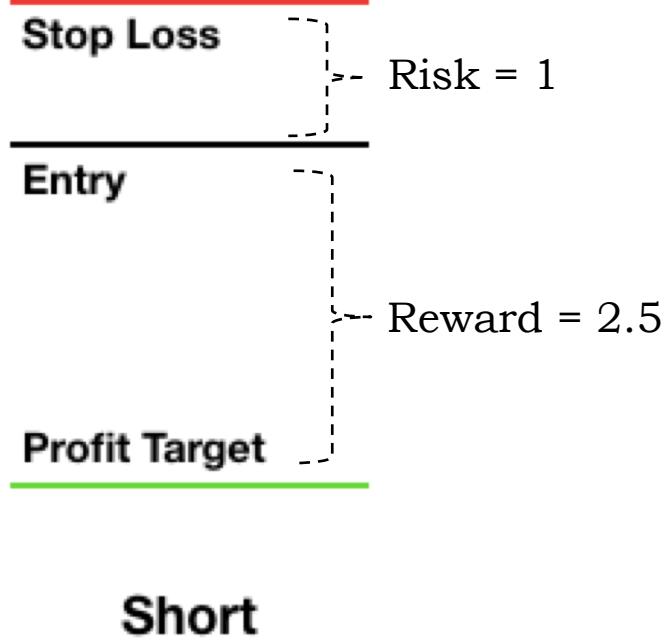
Reward to Risk Ratio



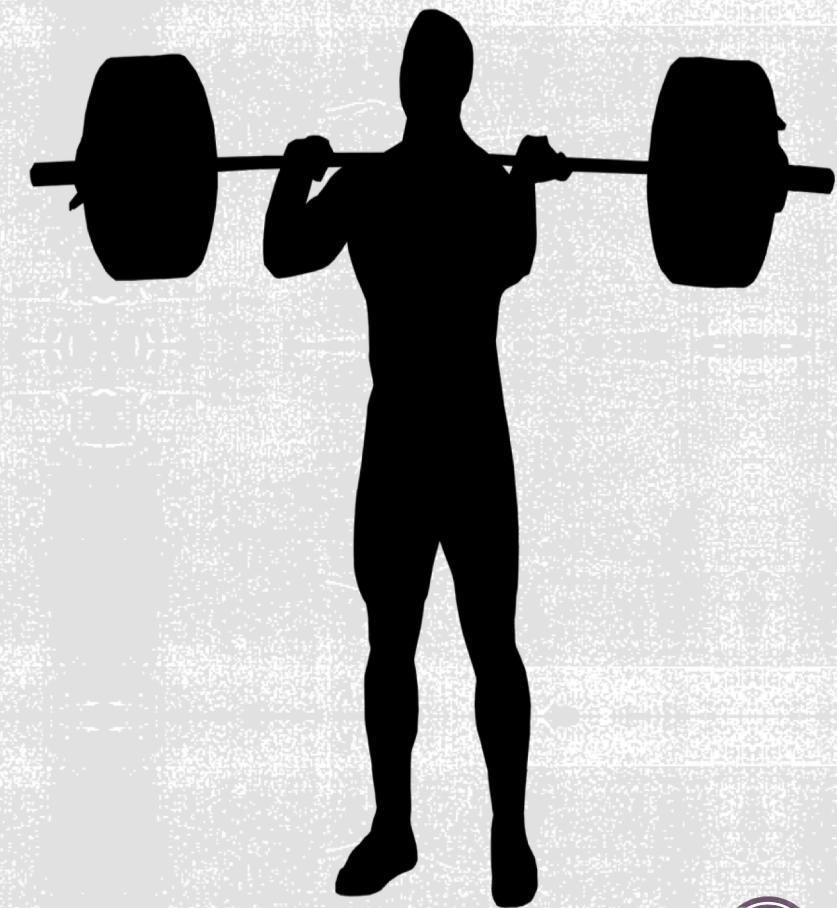
Reward : 2,500
Risk : 1,000

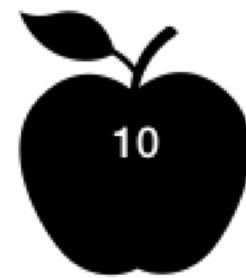
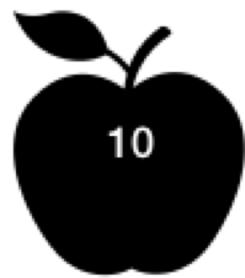
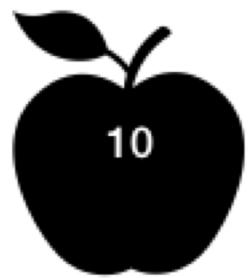
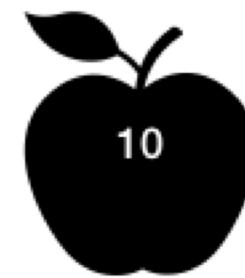
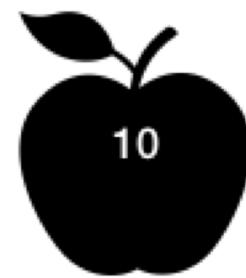
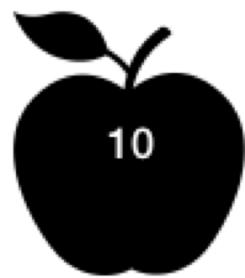
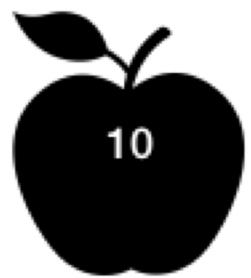


Reward : 2,500
Risk : 1,000



Reward to Risk Ratio

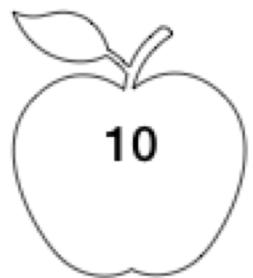
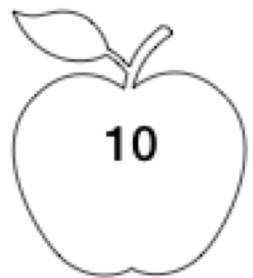




Reward : Risk = 2.5 : 1

Success Rate = 30%

P&L = $3 \times 25 - 7 \times 10 = +5$



Reward : Risk = 1 : 2.5

Success Rate = 70%

P&L = $7 \times 10 - 3 \times 25 = \underline{-5}$

Trading Risk Management

All Professional Traders Manage Their Risk Diligently

Reward : 2,500
Risk : 1,000



Risk Management



Reward : 2,500
Risk : 1,000



Reward : 2,500
Risk : 1,000



Risk Management



Reward : 2,500
Risk : 1,000



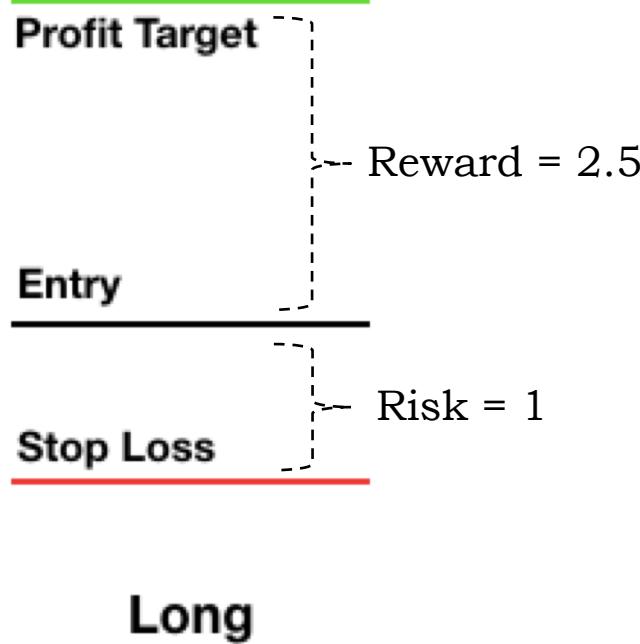
Reward : 1.25%
Risk : 0.5%



Risk Management

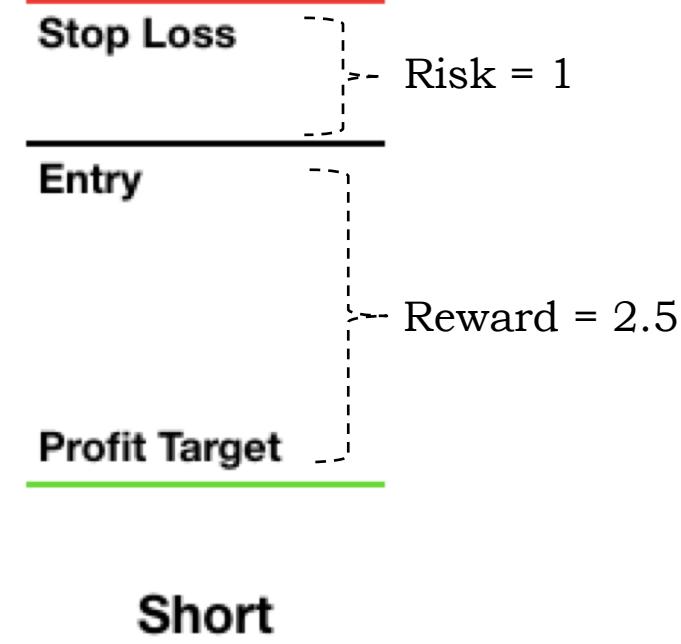


Reward : 2,500
Risk : 1,000



Reward : 1.25%
Risk : 0.5%

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Risk : 1,000



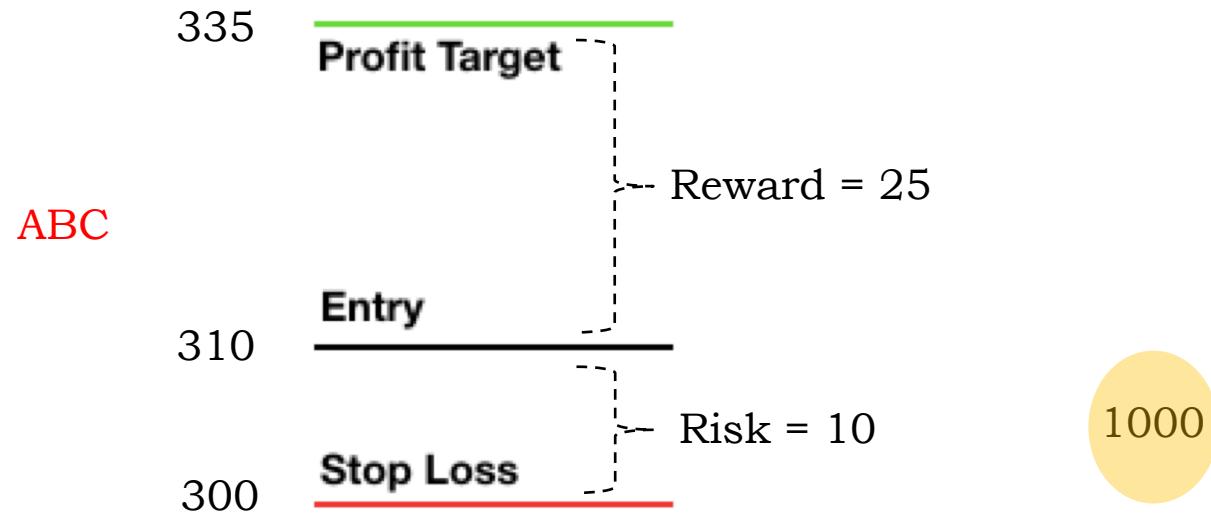
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Risk Management

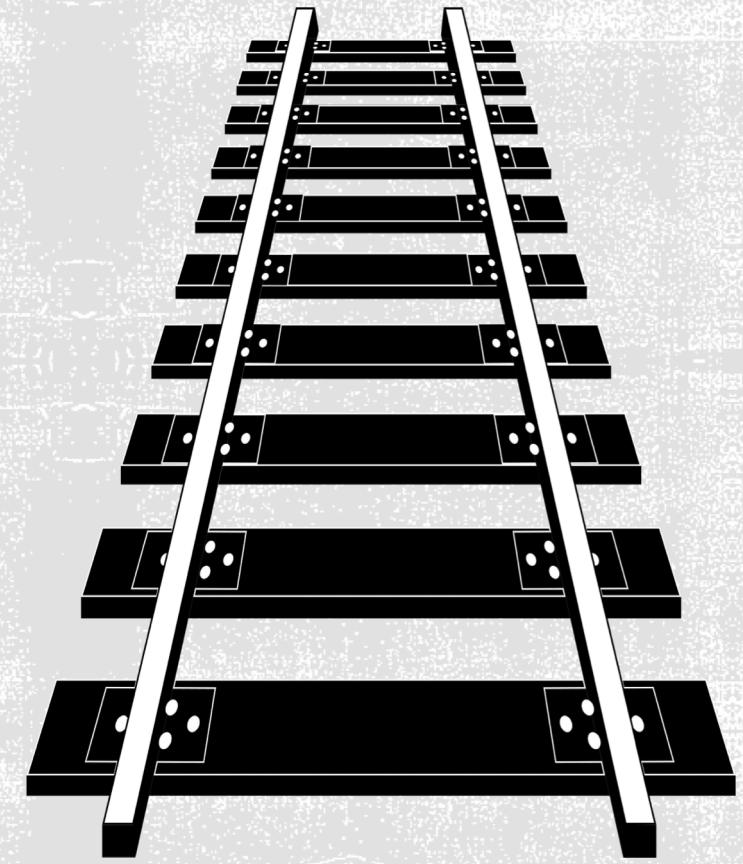


Position Sizing

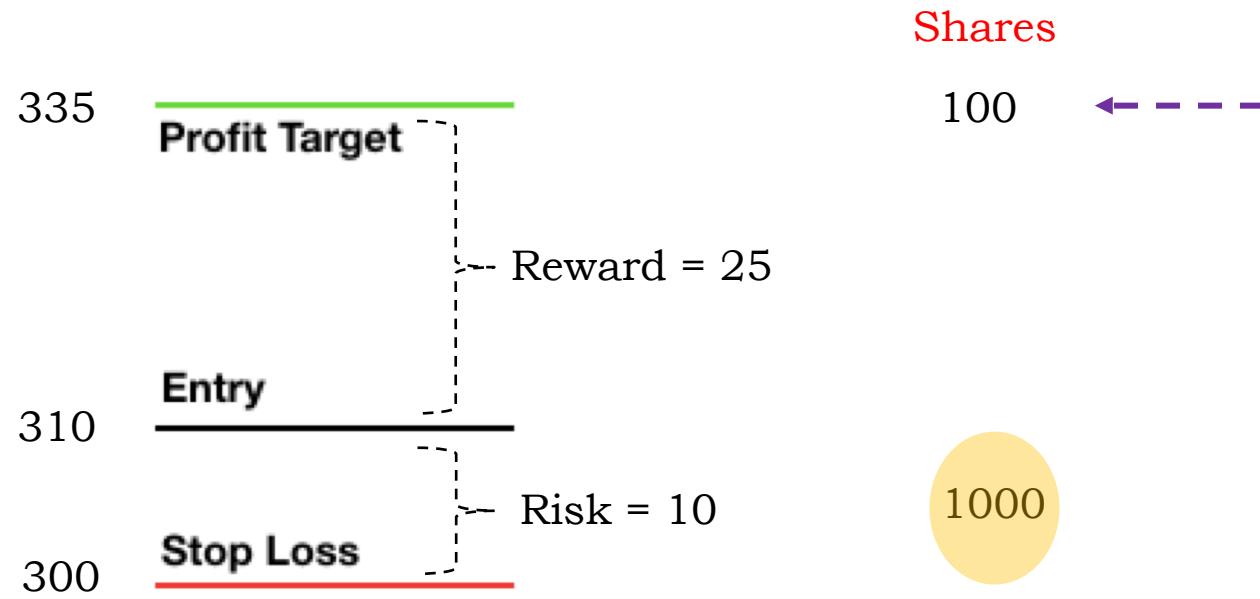
All Professional Traders calculate their Position Size
Before Taking a Trade



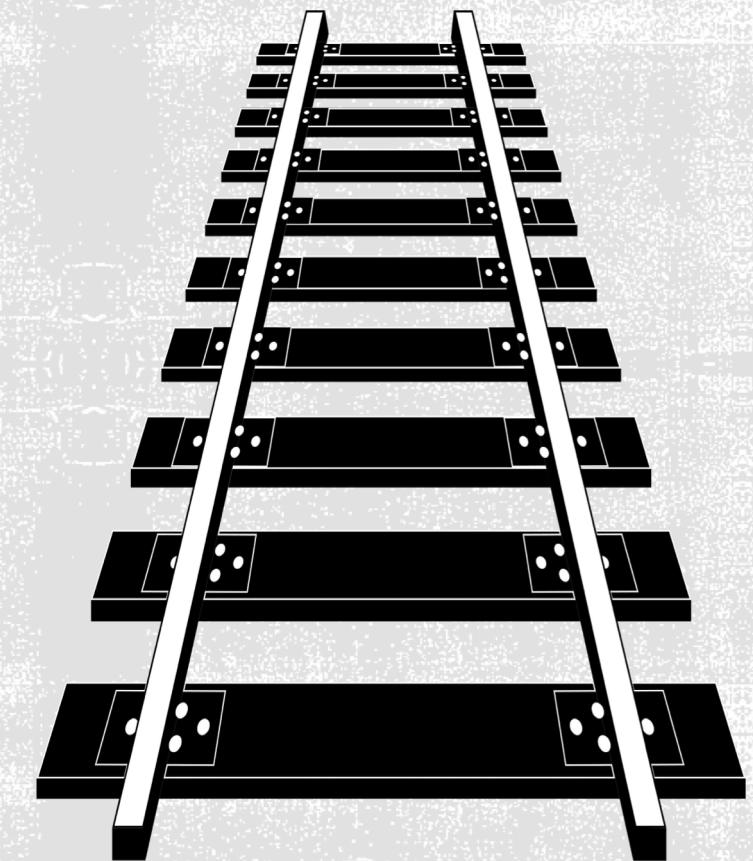
Position Sizing



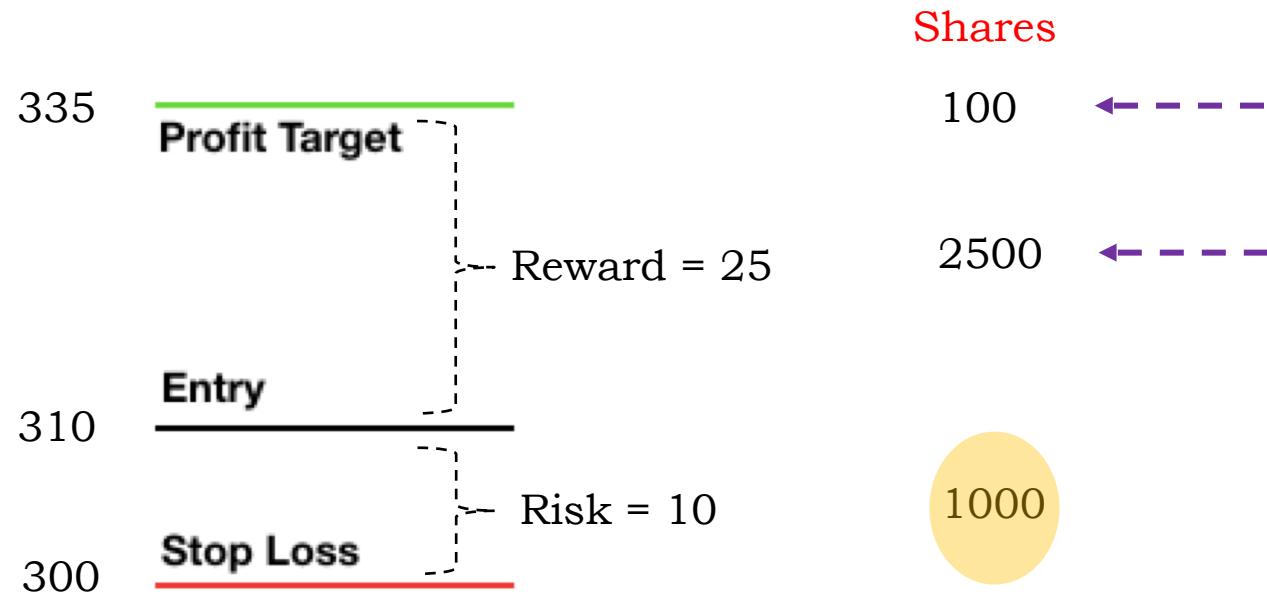
ABC



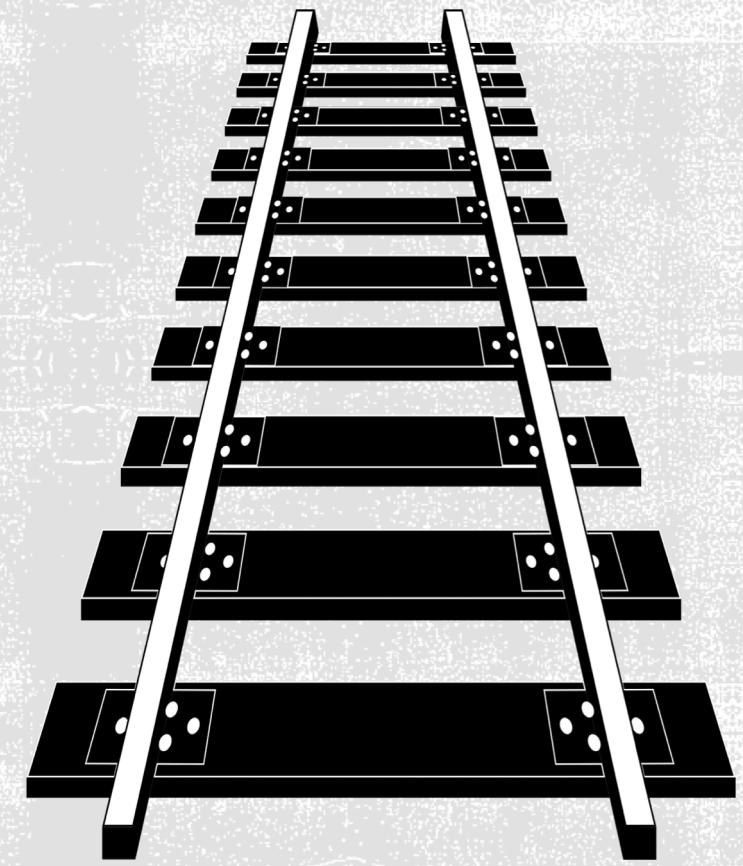
Position Sizing



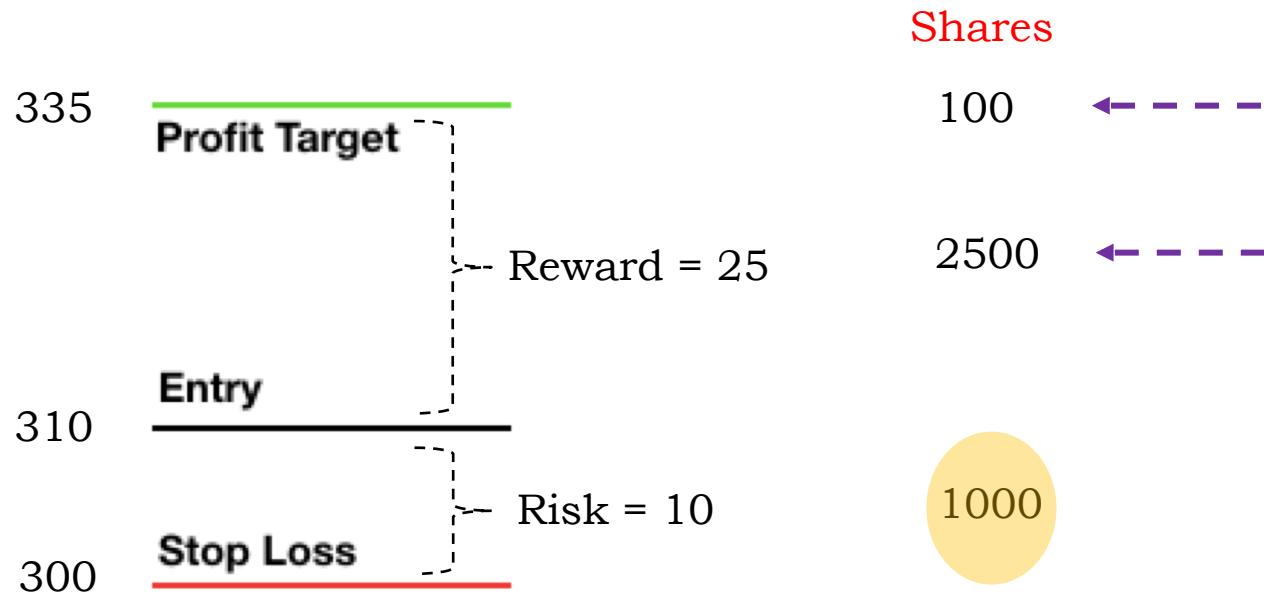
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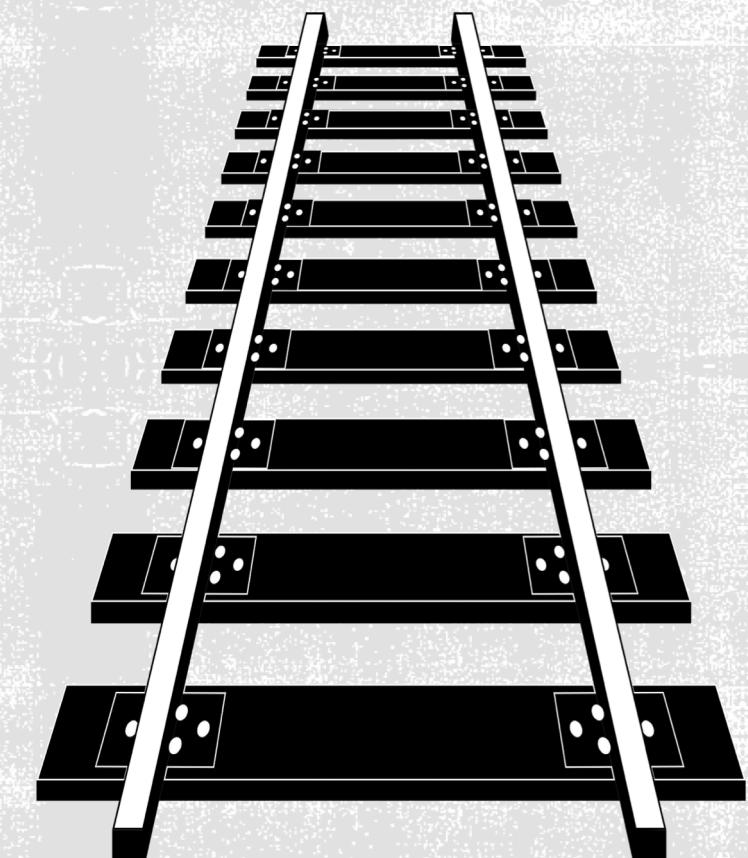
Position Sizing



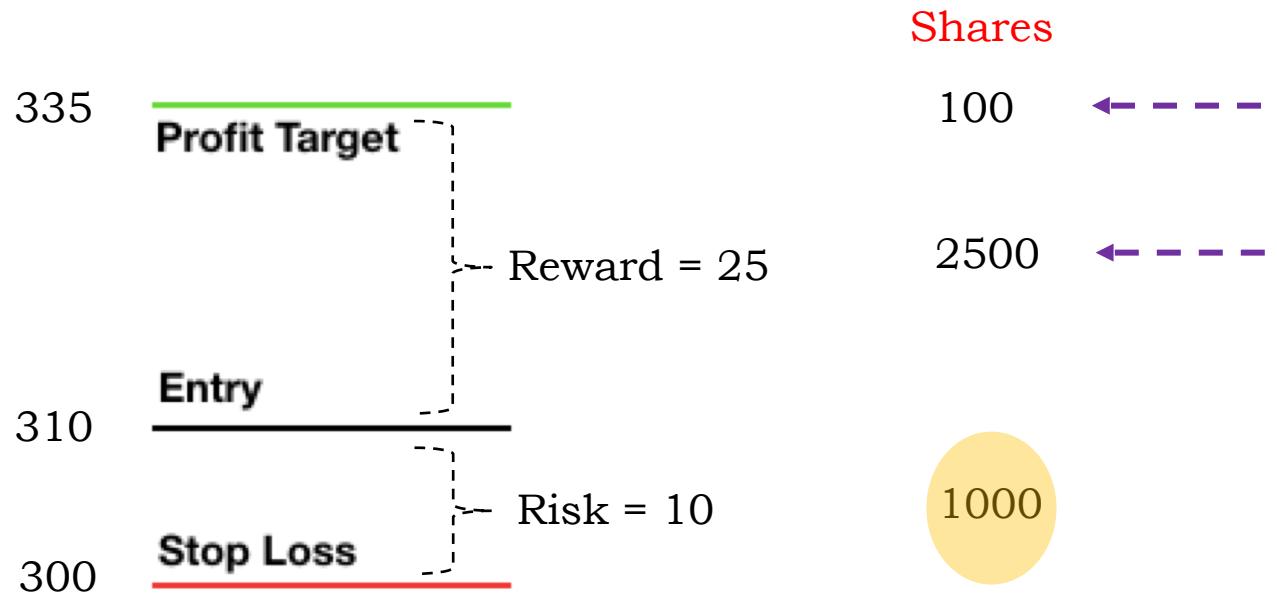
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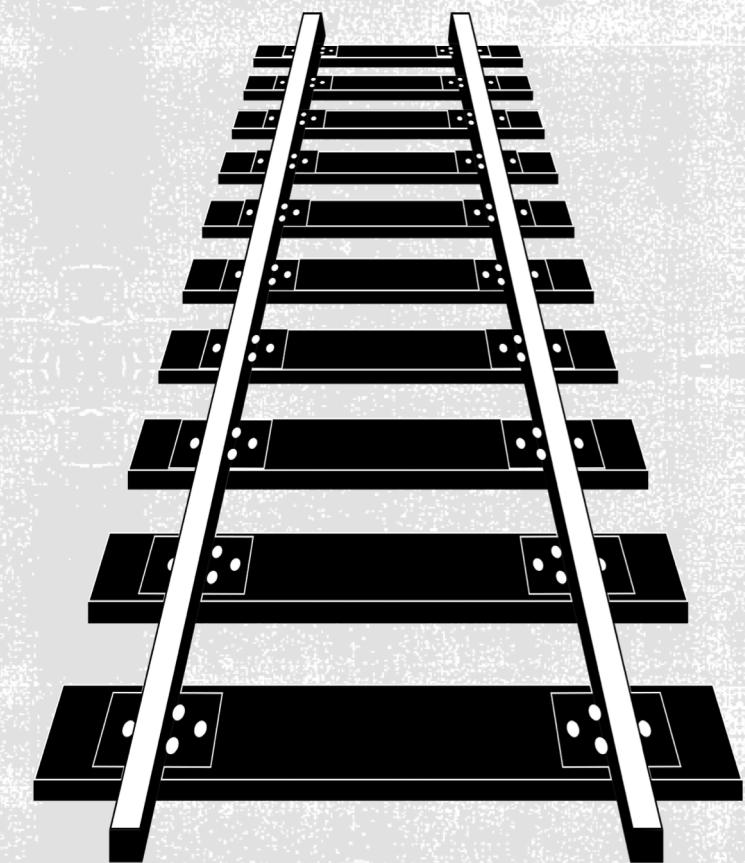
Position Sizing



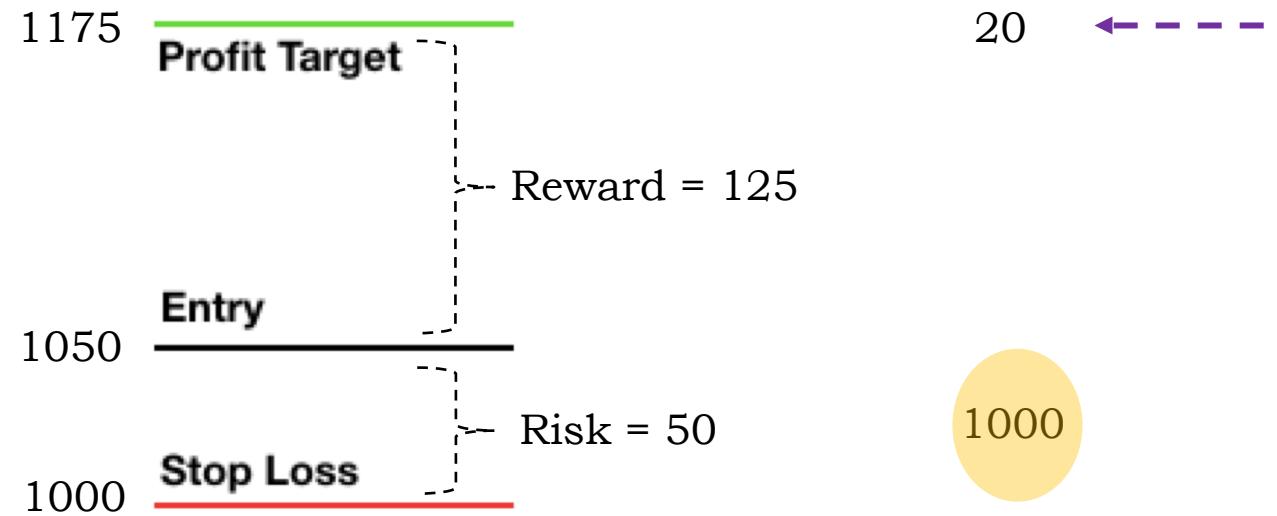
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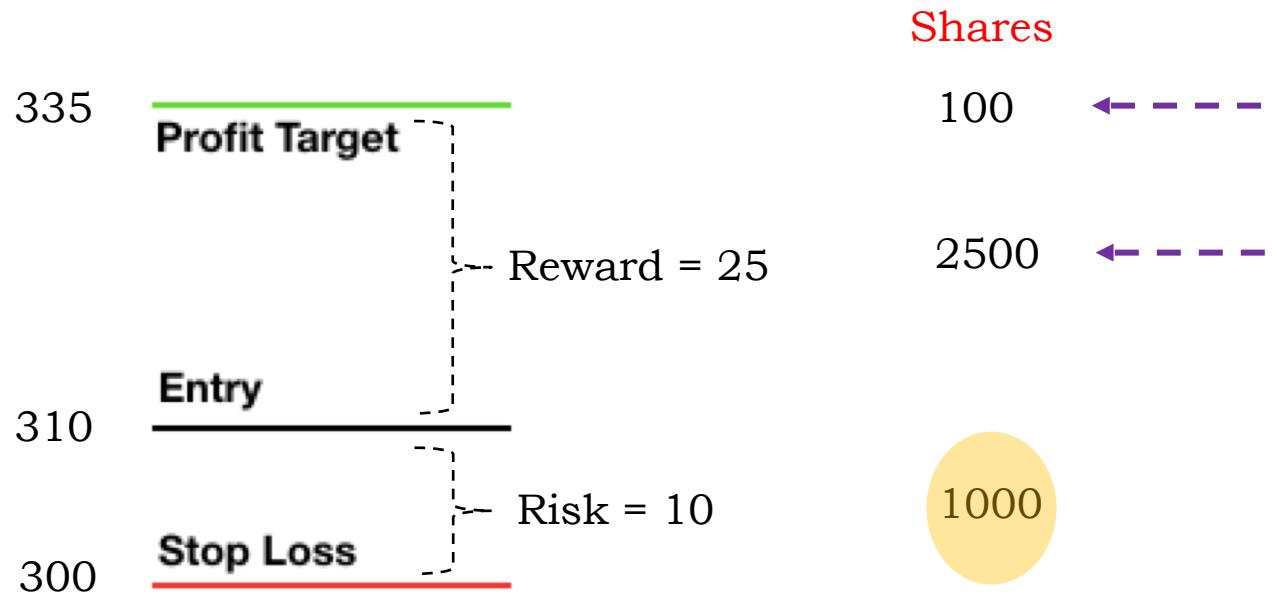
Position Sizing



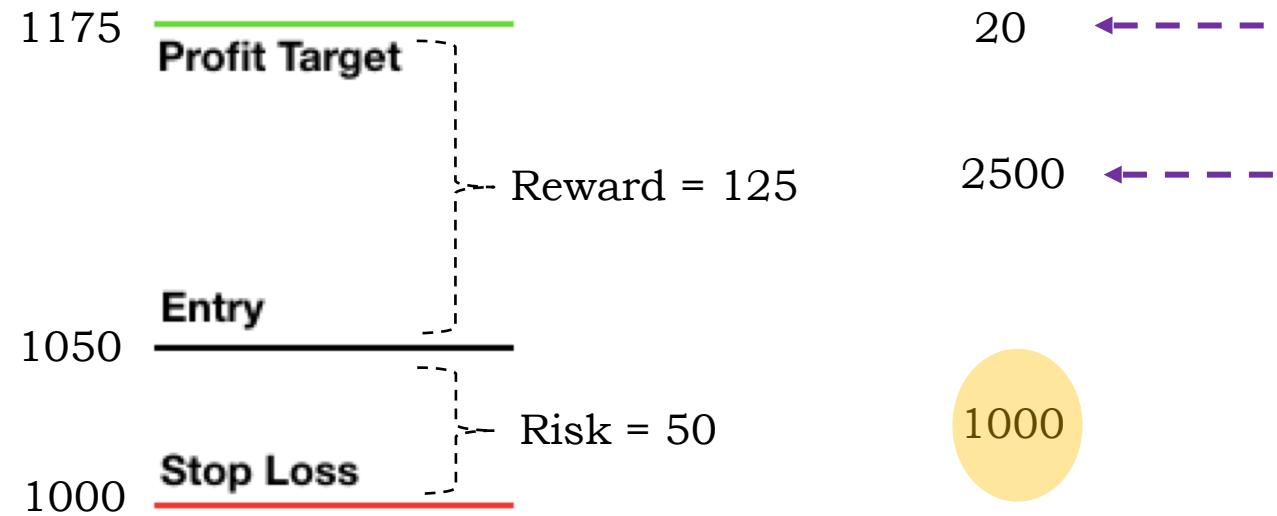
XYZ



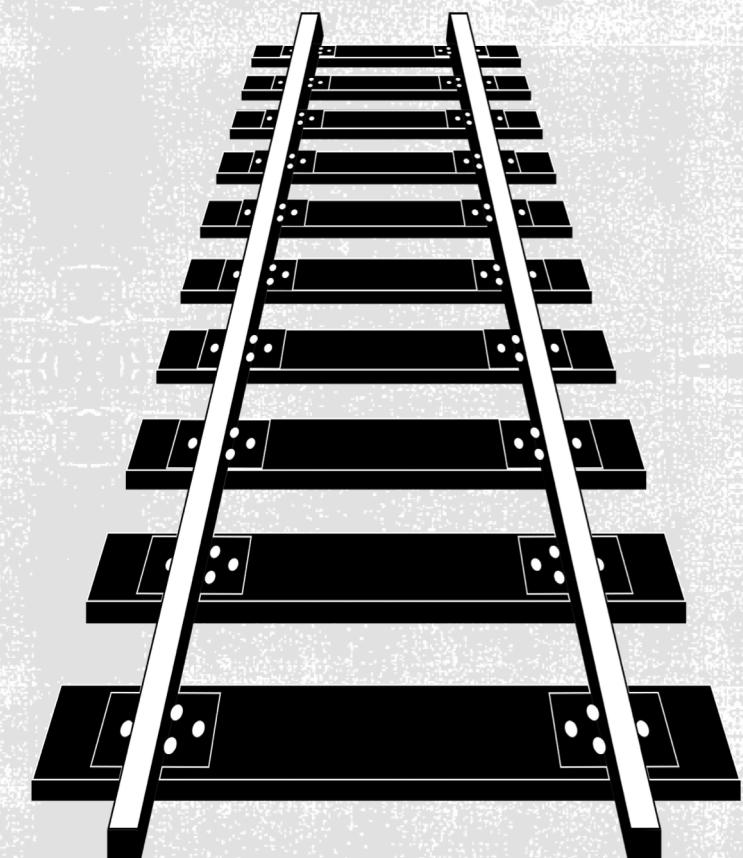
ABC



XYZ



Position Sizing





Thank You

All the Best with Your Candlesticks Trading Journey

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