1. Before moving to actual charts, we need to spend a few minutes with an important topic which all professional traders use which is **Reward to Risk Ratio**?
2. Whenever we trade, there is a risk involved so we have to control and manage the risk.
3. So, for that, we have this Reward to Risk Ratio which is the open secrete of professional traders.  
   **Open secret** means many of us knows but most of us are not able to implement correctly.
4. A grey background with white text

   Description automatically generated
5. **Stop Loss**: The price at which we want to get out of the market because the position is going against me.  
   We cut our losses short.
6. Mentor’s coach 🡺 Steven Nissen suggested the ratio Reward : Risk = 2:1 but Mentor personally prefers 2.5:1
7. To understand the following slide, keep on reading slide with apples.
8. A diagram of a barbell

   Description automatically generated
9. **Example**:
   1. A black apple with red text

      Description automatically generated with medium confidence
   2. A black and white image of apples

      Description automatically generated
10. **Very Important NOTE**: The Reward to risk must be constant throughout the trade.
11. **Japanese Candlesticks** are great tool to help us to identify the trades which give us higher reward to risk ratio. We will learn when learning patterns.