

TRADEPRO Academy

NEW TRADER DEVELOPMENT PLAN

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Welcome to TRADEPRO Academy.

This learning plan is designed for the new trader. At the beginning it can feel very overwhelming and it can be confusing to know where and how to start your development.

This check list is a comprehensive trader development plan. Follow the instructions and complete each step before moving forward and you will provide yourself the best opportunity for success.

The truth is that there is no secret indicator, system or strategy that will work for you.

Success is the outcome of putting in the necessary work and taking control of your destiny.

Learning Development Plan

Step 1: Learn the Foundations

Step 2: Create Your Trading Plan

Step 3: Practice Trading in Demo

Step 4: Going Live!

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STEP 1: LEARN THE FOUNDATIONS

For optimal results, follow each step before continuing to the next, checking each one off as you complete it:

- Download and print the Foundations Course workbook**
- Get a blank journal for your personal notes**
- Watch Foundations Course Level 1, Lesson 1 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Create a free stock charting account at TradingView.com
 - Practice looking at different chart types on TradingView
- Watch Foundations Course Level 1, Lesson 2 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Practice identifying the three trend types in different stock companies
- Watch Foundations Course Level 1, Lesson 3 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Practice drawing supports, resistances and channels on TradingView
 - Practice drawing trendlines in uptrends, downtrends and ranges
- Watch Foundations Course Level 1, Lesson 4 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Draw Fibonacci retracements and extensions on your favorite stocks
 - Apply the suggested moving averages to your chart
- Watch Foundations Course Level 1, Lesson 5 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Sign up for a free options demo account at CBOE website
 - Practice looking at options chains
 - Options are tricky, re-take the video lesson and stay positive!

STEP 1: LEARN THE FOUNDATIONS

- Watch Foundations Course Level 1, Lesson 6 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Place practice trades using market and limit orders
 - Start placing demo trades in your CBOE account based on technicals
 - Log all of your trades in our trading journal or create your own in Excel

- Watch Foundations Course Level 1, Lesson 7 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Apply all of the technical analysis concepts to your demo trading

- Watch Foundations Course Level 1, Lesson 8 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Continue demo trading and tracking all of your trades in the journal
 - Congratulations, you completed level one. Celebrate your achievement!

Level Two Checklist

- Watch Foundations Course Level 2, Lesson 1 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Add volume to all your chart templates in Trading View
 - Identify the different types of volume patterns on your stock symbols

- Watch Foundations Course Level 2, Lesson 2 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Find at least 10 of each chart pattern on your stock symbols

STEP 1: LEARN THE FOUNDATIONS

- Watch Foundations Course Level 2, Lesson 3 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Find at least 10 of each chart pattern on your stock symbols

- Watch Foundations Course Level 2, Lesson 4 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Find at least 10 of each candle pattern on your stock symbols

- Watch Foundations Course Level 2, Lesson 5 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Find at least 10 of each candle pattern on your stock symbols

- Watch Foundations Course Level 2, Lesson 6 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Find at least 10 of each candle pattern on your stock symbols

- Watch Foundations Course Level 2, Lesson 7 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Apply all of the technical analysis concepts to your demo trading

- Watch Foundations Course Level 1, Lesson 8 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Analyze your trading journal results using the method in the video
 - Complete the simulation trading process suggested in video
 - Adjust your demo trading approach accordingly and keep trading
 - Congratulations, you completed level two. Celebrate your achievement!

STEP 1: LEARN THE FOUNDATIONS

Level Three Checklist

- Watch Foundations Course Level 3, Lesson 1 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Apply the indicators to a new template on Trading View
 - Start using these indicators in all your demo trades going forward

- Watch Foundations Course Level 3, Lesson 2 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Apply the indicators to a new template on Trading View
 - Start using these indicators in all your demo trades going forward

- Watch Foundations Course Level 3, Lesson 3 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Practice identifying the 3 different market phases on your stocks
 - Practice drawing Elliott Waves on your stock symbols

- Watch Foundations Course Level 3, Lesson 4 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Practice identifying the different gap types discussed in the video
 - Demo trade some gap opportunities and track in your journal

- Watch Foundations Course Level 3, Lesson 5 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Demo trade covered call strategy on CBOE virtual account

STEP 1: LEARN THE FOUNDATIONS

- Watch Foundations Course Level 3, Lesson 6 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Start implementing stop losses to all of your demo trades
 - Implement a risk management strategy in all your demo trades
- Watch Foundations Course Level 3, Lesson 7 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Apply all of the technical analysis concepts to your demo trading
- Watch Foundations Course Level 3, Lesson 8 Video**
 - Take the quiz until you achieve 80%+ (review video before retakes)
 - Understand how behavioral finance affects you as a trader
 - Understand the ideal trading zone and ensure you stay in it
- Review and Brush Up Your Skills!**
 - Re-watch lessons and improve your skills (be honest with yourself)
- Print and sign the TRADEPRO Pledge!**
 - Follow the rules outlined in the pledge

You did it - congratulations!

You finished the Foundations Course!

Go out and celebrate your achievements, but
come back because we still have to create
your very own trading plan!

STEP 2: CREATE YOUR TRADING PLAN

There is a saying in trading, "failing to plan is planning to fail".

In this step of your development plan you will create a trading plan that will lay out all the rules of how you will trade.

This trading plan will keep you disciplined, focused and on the path to financial freedom.

It is VERY important to follow your plan consistently so you can evaluate your results and make tweaks. If you are not following your plan you are gambling, not trading, and it will be impossible to be successful.

Now that you know the importance of a plan, let's talk about what is included in every good trading plan.

Trading Plan Components

- 1. Entry Criteria**
- 2. Money Management Strategy**
- 3. Exit Criteria**
- 4. Maximum Drawdown**

STEP 2: CREATE YOUR TRADING PLAN

ENTRY CRITERIA

This part of your trading plan is responsible for identifying when you will enter into a new trade.

When designing your entry criteria you will want to pull from your trading journal, and find out what scenarios created the most profitable trades according to your own experience.

You may want to print a copy of your trading journal analysis and results as you go through the rest of this plan.

Answer the following questions in a quantifiable way:

What criteria will you need to see before you execute a trade?

1: _____ 2: _____ 3: _____ 4: _____

What type of trends will you be trading?

1: _____ 2: _____ 3: _____ 4: _____

What analysis will you use to confirm your trading setup?

1: _____ 2: _____ 3: _____ 4: _____

What qualifiers will you use to trigger your trading entry?

1: _____ 2: _____ 3: _____ 4: _____

What dis qualifiers will you use to prevent you from getting into a trade?

1: _____ 2: _____ 3: _____ 4: _____

NOTE: You do not need to have 4 criteria for each question, this is only a guideline.

STEP 2: CREATE YOUR TRADING PLAN

MONEY MANAGEMENT STRATEGY

This is the most important section of your entire plan. True trading professionals know that by limiting and managing risk they are giving themselves the best chance of long term success.

By controlling and limiting your losses you will set yourself up for a long and profitable career.

Answer the following questions in a quantifiable way:

How much of your account capital will you risk on each trade?

_____ % (maximum recommended is 3%)

What is your reward to risk ratio, that is, for every \$1 you risk how much is the minimum you need to target on each trade?

_____ (recommended at least 2:1)

NOTE: Be realistic with this number and base it on your current results from your trading journal. If your average win per trade is \$200 and you risk \$100 on each one you are at a 2:1 ratio. The more you increase your expected profit, the lower your win percentage will become in most scenarios. Trade targets are based on technicals, not how much you want to make.

When will you trail your stop loss to break even, and when will you trail above that level? (be specific)

What will be your maximum allowable daily, weekly and monthly loss?

Daily: \$_____ Weekly: \$_____ Monthly: \$_____

STEP 2: CREATE YOUR TRADING PLAN

EXIT STRATEGY

Pop quiz, if you are up \$1,000 on a trade and you still hold the position how much have you made? \$0. Profit is only realized once you exit a position, until that has occurred you have open trade risk and nothing more. "Ya can't pay the bills with unrealized gains." - George.

This is why it is very important to very clearly identify when you will exit each trade.

Answer the following questions in a quantifiable way:

When will you exit your profitable trades?

Will it be only when your profit target is reached?

Will it be when your trade entry qualifiers are no longer present?

Will it be when momentum begins to fade and diverge?

Will you take partial profit and move your stop loss to let the rest of the position earn more?

These answers will depend on your trading journal and current results. Answers will also very depending on what you are trading and on what time frame. The only rule here is to NEVER let a big profit evaporate because it didn't hit your target. Also, never move your stop to increase trade risk, always move it to decrease risk!

Spell out your exit rules here:

STEP 2: CREATE YOUR TRADING PLAN

MAXIMUM DRAWDOWN

No one buys car insurance hoping to crash and realize the benefit of the policy. However, car crashes happen all the time.

As traders, we don't get into the business planning to lose money. But markets change, and so do we. Sometimes we hit a rough patch in our trading, which is unavoidable.

If you get to a bad start and lose a few trades, as long as you are within your money management parameters, that's okay. Keep focusing on risk management and you will bounce back.

In this section however, we need to identify our maximum drawdown. In the event that we string together more severe losses, when will we stop trading the strategy and go back to the drawing board?

This can be seen as your stop loss for your entire account, not just one trade.

Answer the following questions in a quantifiable way:

How much percentage of your account will you lose before you stop trading and re-evaluate?

_____ %

What will be your next steps before starting to trade live again?

NOTE: Will you go back to demo trading until you hit a certain milestone? This can be a win percentage, cumulative gains, etc. At the very least you will need to analyze your strategy results and tweak your approach. Another option is to start fresh and create a new strategy to take into account a market that may have changed. We recommend having a few strategies, but starting out with only one at first.

STEP 3: PRACTICE TRADING IN DEMO

Now that you have created your very own trading plan, it is time to put it through the paces.

It is very important at this stage NOT to rush into trading with real capital. The emotional stress is very real when you start trading with real money.

Most new traders fail because they try to fight too many battles at once while they are still learning.

Imagine looking for entries, managing risk, staying disciplined, managing emotions, dealing with stress, over trading and coping with fear all at the same time? This is why traders fail, because they bite off more than they can chew.

It is highly advised to start demo trading your plan from step two and achieve some milestones before considering going live.

This will give you comfort and confidence, and prepare you for live trading in a safe environment.

Once you master the trading process, you will be prepared to deal with the mental and emotional aspect of live trading far more efficiently.

Demo Trading Milestones

Keep demo trading until you check all of the below.

- Complete 100 demo trades**
- Demo trade for at least 3 months**
- Achieve a win rate of 60% or more**
- Achieve a 1.5 to 1 reward to risk ratio**

STEP 4: GOING LIVE

First, I want to tell you that I am incredibly proud of your achievement.

If you made it this far, you have already put in more work and dedication to the process than 99% of the traders out there. Coincidentally, this is also why only 1% of traders are successful. It is always easier to take the easy route. But you did not. **You are the 1%!**

Going live with your trading is a big milestone. The truth is, the majority of traders that have failed did so because they jumped in to the ocean before they learned how to swim.

If you have completed all of the steps in this checklist, you are ready to start trading live! If you always follow your plan and never compromise on your risk management, you will thrive and succeed.

You are stepping into the battle field with preparation and discipline, and I believe in you and believe you will win.

Here is the truth about transitioning to live trading - there are no tips or secrets, you just perk your chest out, keep your chin up and start swinging!

You will always be learning, innovating, tweaking and adjusting to the market conditions as a trader. The learning will never stop.

I wish you the very best in your journey and I can't wait to see you shine in our community. I am rooting for you, and I believe you can achieve your wildest dreams and ambitions.

Make your dreams come true.

Prosper.

Live a free and fulfilling life.

Sincerely,

George Papazov

Founder, TRADEPRO Academy

