

# Template: Forex Trading Strategy Checklist

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Based on Article: "Building a Forex Trading Strategy: A Step-by-Step Guide"

A practical checklist to guide you through building a disciplined Forex trading strategy.

## Checklist Items:

### 1. Master Forex Fundamentals

Understand essential concepts such as pip, lot, leverage, and market mechanics to make informed trading decisions.

Reference Section: Forex fundamentals you must master

### 2. Define SMART Goals

Set specific, measurable, achievable, relevant, and time-bound financial trading goals to guide your strategy and performance.

Reference Section: Define goals, constraints and risk tolerance

### 3. Determine Risk Tolerance

Establish your acceptable maximum drawdown and risk per trade, typically between 0.5% to 2% of your account balance.

Reference Section: Define goals, constraints and risk tolerance

### 4. Choose Instruments and Timeframes

Select the currency pairs and trading timeframes that align with your personality and capital situation.

Reference Section: Choose instruments, timeframes and a broker

### 5. Develop Entry and Exit Rules

Create clear rules for when to enter and exit trades, including stop-loss and take-profit levels.

Reference Section: Build your edge: setups, indicators and rules

### 6. Backtest Your Strategy

Use historical data to test your trading strategy without risking real capital, ensuring it holds up under different market conditions.

Reference Section: Backtesting, forward testing and validation

### 7. Implement Risk Management Techniques

Apply strategies that protect your capital, such as using position sizing rules and daily loss stops.

Reference Section: Trade execution, risk management and continuous improvement

### 8. Use a Demo Account

Practice your execution and strategy on a demo account to understand your trading platform and build confidence.

Reference Section: Forex fundamentals you must master

### 9. Regularly Review and Adjust Strategy

Continuously monitor your trading performance and metrics, making adjustments as necessary to improve results.

Reference Section: Trade execution, risk management and continuous improvement