

Template: Proprietary Trading Checklist

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Based on Article: "Proprietary Trading Fundamentals"

Website: <https://thetraderinyou.com>

A practical checklist to help traders navigate the essential components of proprietary trading.

Checklist Items:

- ☐ **1. Understand Proprietary Trading Basics**
Familiarize yourself with the concept of proprietary trading and how it differs from retail trading. Know the advantages such as using firm capital and accessing higher leverage.
Reference Section: What Is Proprietary Trading?
- ☐ **2. Explore Different Prop Trading Models**
Research and evaluate the different models of prop trading firms (salaried, profit-share, funded accounts, etc.) to determine which aligns with your trading style and financial goals.
Reference Section: How Prop Trading Firms Operate
- ☐ **3. Assess Your Risk Tolerance**
Identify your risk appetite and understand the risk management framework of potential prop firms, including drawdown limits and loss caps.
Reference Section: How Prop Trading Firms Operate
- ☐ **4. Choose the Right Broker**
Compare and select a broker that offers the best execution and latency for your trading style. Utilize resources like broker reviews and comparison sites.
Reference Section: Technology, Execution, and Infrastructure
- ☐ **5. Prepare a Solid Trading Strategy**
Develop and document a trading strategy that considers various market conditions and aligns with the resources and tools provided by the prop firm.
Reference Section: Trading Strategies Used in Prop Forex Desks
- ☐ **6. Gather Necessary Documentation**
Compile all necessary documents and records that prove your trading competence, such as trading history and performance metrics, particularly for profit-share or funded account applications.
Reference Section: Careers, Hiring, and Transitioning to a Prop Firm
- ☐ **7. Review Compensation Structures**
Understand the compensation model of the firm you are considering, whether it's salary, profit share, or a combination, to ensure it matches your financial expectations.
Reference Section: What Is Proprietary Trading?
- ☐ **8. Stay Informed About Regulations**
Educate yourself on the relevant regulations and compliance requirements associated with proprietary trading to avoid legal issues.
Reference Section: Regulation, Compliance, and Ethical Considerations

- ☐ **9. Network with Other Traders**
Build connections with other traders within the prop firm or industry, as this can provide insights and opportunities for collaboration and learning.
Reference Section: Careers, Hiring, and Transitioning to a Prop Firm