

Risk Management Checklist

Use this before and during trading to keep exposure, drawdown and decision quality visible.



TRADING ARTIST

Before the trade

- ☐ Define the maximum account risk you are willing to accept on the trade.
- ☐ Calculate position size from the stop distance rather than choosing lot size first.
- ☐ Check total risk across correlated or similar positions, not only the new trade in isolation.
- ☐ Know where the trade idea becomes invalid before placing the order.

During the trade

- ☐ Do not increase risk simply because the position is losing.
- ☐ Avoid moving a protective stop farther away only to avoid taking a planned loss.
- ☐ If market conditions change materially, reassess the original thesis rather than defending it emotionally.

Across a sequence of trades

- ☐ Track drawdown and reduce exposure if your process or market conditions are deteriorating.
- ☐ Review losing streaks as a normal statistical possibility rather than evidence that the next trade must win.
- ☐ Separate process quality from individual trade outcome.
- ☐ Protect the ability to continue trading; survival comes before maximising return.