MARKET FOUNDATIONS

A Practical 15-Step Roadmap
for Beginning Traders



WELCOME

Hi, thank you for choosing

Before the Trade. Your preparation starts here.

We help beginning traders build knowledge, practice deliberately, and create a written plan before risking real money. Our guides connect clear explanations with visual lessons, practice questions, reflection, and practical tools.

YOUR TRADING-GOALS ROADMAP

01 Identify your trading goal
Choose the skill you want to strengthen first.

02 Learn the foundations
Build market vocabulary and risk awareness.

03 Practice trading questions
Turn knowledge into recall through explanations.

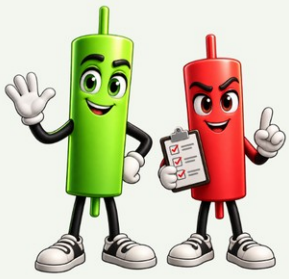
04 Recognize candles and structure
Read each pattern together with its context.

05 Strengthen psychology and discipline
Practice patience, limits, and deliberate decisions.

06 Review your progress
Find the areas that need another round.

07 Build your trading plan
Write the rules you intend to follow.

08 Earn your completion certificate
Complete the required educational milestones.



A certificate records educational completion; it does not establish trading proficiency or guarantee results.

HOW TO USE THIS GUIDE Read → Practice → Review → Repeat

CONTENTS 01

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Your 15-step roadmap

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CONTINUE THROUGH THE SERIES

All 15 chapters are included. Comic interludes appear on pages 25, 35, 48, 52, and 59. Explore all eight volumes on page 68. The black closing page appears on page 69.

CHAPTER 01 PURPOSE

What Is Your Why?

Define what trading should serve in your life.

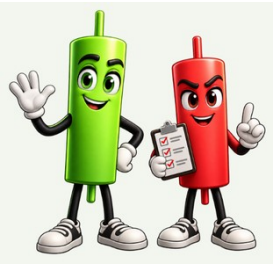
LEARNING OBJECTIVE

Write a personal reason for learning to trade, connect it to a realistic study routine, and set boundaries that protect your responsibilities.

A reason is a compass—not a profit promise.

Your “why” is the purpose behind the work: more flexibility, a challenging skill, long-term independence, or another goal that matters to you. It can guide your preparation. It cannot make a setup valid, remove uncertainty, or make the market owe you a result.

- **Go deeper than money:** What would additional flexibility let you do?
- **Name the trade-off:** What study time can you protect each week?
- **Separate urgency from purpose:** A bill due soon is not evidence that you are ready to trade.
- **Keep alternatives:** Continue a dependable income plan while learning.



CANDLE CHECK • Purpose before pressure

Green candle: “I want to build a skill I can practice consistently.”
Red candle: “I need the next trade to solve my finances.”
Choose the action: Return to your learning plan when urgency takes over.

CHAPTER 01 MAKE IT PRACTICAL

Turn purpose into a process

Translate a long-term aspiration into actions you control.

WORKED EXAMPLE

Jordan wants more control over evenings with family. Jordan can study four hours each week, but has never used a trading platform. A daily profit target would add pressure before the basic skills exist.

01 PURPOSE

“I want to explore trading as a skill that might support future flexibility.”

02 PROCESS

“For four weeks, I will study twice a week, practice in simulation once, and review my notes every Sunday.”

03 EVIDENCE

“I will track sessions completed, concepts I can explain, and whether I followed my practice rules.”



CANDLE CHECK • Measure the work

Green candle: “Did I complete the planned practice and document the lesson?”
Red candle: “Did I earn a particular amount today?”
Remember: Completing a study schedule alone does not establish readiness for live risk.

CHAPTER 01 YOUR WORKSHEET

Write your personal why

Complete this page before moving to market selection.

1. My purpose

I want to learn trading because…

2. The life connection

This matters to me because…

3. My realistic commitment

I can protect ___ hours each week on these days…

4. My protective boundaries

The money and responsibilities I will protect are…



CANDLE CHECK • Your commitment

Complete this sentence: “When I feel rushed to make money, I will pause and return to _____.”

Keep it visible: Place your written why beside your study plan, not beside a daily earnings demand.

CHAPTER 01 REVIEW

Check your understanding

Use your purpose to support deliberate decisions.

SCENARIO • WHAT WOULD YOU DO?

You planned a simulation session. A trader online posts a large win, and you feel tempted to deposit money immediately so you do not “fall behind.” What is the next planned action?

- A. Skip practice because another person’s result proves the opportunity.
- B. Follow your scheduled simulation practice and record what triggered the urge.
- C. Set a larger income target to catch up.

Answer: B. Another trader’s screenshot does not establish your skill, the full risk taken, or the results you should expect. The useful response is to follow your process and review the trigger.

BEFORE YOU CONTINUE

- I can explain why I want to learn without promising myself a payout.
- I have written a weekly study commitment and protective boundaries.
- I can name one action to take when urgency replaces patience.



CANDLE CHECK • Next step

Green candle: Keep your completed worksheet and use it during weekly reviews.
Red candle: Do not treat motivation as proof of readiness.
Next chapter: Understand the Trading Markets.

CHAPTER 02 UNDERSTAND THE TRADING MARKETS

Four markets, four structures

Learn the product before choosing a method.

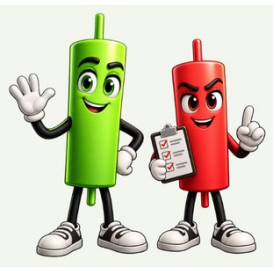
LEARNING OBJECTIVE

Explain what stocks, options, retail forex, and futures represent. Recognize that a familiar-looking chart can sit on top of very different rights, obligations, and risks.

Market	What the instrument represents	A question to ask
Stocks	An ownership share in a company.	What affects this company and its share price?
Options	A contract giving its buyer a right to buy or sell an underlying asset at a specified price within defined terms.	How do price, time, and volatility affect the contract?
Retail forex	A position in one currency relative to another, commonly through an over-the-counter dealer.	Which currency am I buying, and which am I selling?
Futures	A standardized exchange-traded contract linked to an underlying asset or reference value.	What exposure and obligations does one contract create?

KEEP THESE THREE IDEAS SEPARATE

The underlying is the asset or reference value. The instrument is the share or contract you trade. The platform is the tool used to view prices or send orders. A platform does not determine the instrument's risk.



CANDLE CHECK • Learn the structure

Green candle: Identify what the instrument represents before studying entries.
Red candle: Assume every rising chart creates the same kind of position.
Takeaway: Similar price movement can produce different obligations.

CHAPTER 02 STOCKS AND OPTIONS

Ownership and contract rights

A stock and an option on that stock are different instruments.

STOCKS • A SHARE OF OWNERSHIP

Buying a company's common stock gives you an ownership interest. Share prices can react to earnings, business developments, and wider market conditions. Some companies pay dividends, but payments are not guaranteed.

Illustrative example: buying 10 shares at $50 costs $500 before fees. A move to $48 reduces their market value to $480. Borrowing to buy shares or selling shares short adds risks beyond this fully paid purchase.

OPTIONS • A RIGHT FOR THE BUYER, AN OBLIGATION FOR THE SELLER

A call gives its buyer a right to buy; a put gives its buyer a right to sell, under the contract's terms. The strike is the specified transaction price. The premium is the option's price. Expiration limits the contract's life.

An option's value depends on more than the stock's direction: time remaining and expected volatility also matter. A buyer can lose the entire premium. Sellers face assignment obligations, and some uncovered positions can create very large or unlimited losses.

WHY THE DISTINCTION MATTERS

Owning a share is not the same as owning a time-limited right involving that share. A correct directional opinion alone does not guarantee that an option trade will profit.

Sources: Investor.gov Stocks and An Introduction to Options. Linked chapter resources on p. 12.



CANDLE CHECK • Know what you own

Green candle: Distinguish ownership from an expiring contractual right.
Red candle: Choose an option solely because its quoted price looks cheaper.
Takeaway: A lower upfront price does not mean a simpler product.

CHAPTER 02 FOREX EXPLAINED

Two currencies, one quote

Understand the relationship before interpreting the chart.

Forex means foreign exchange. Currencies are quoted in pairs because the value of one is expressed in units of another. In EUR/USD, EUR is the base currency and USD is the quote currency.

EUR	/	USD	1.1000
BASE CURRENCY		QUOTE CURRENCY	USD PER 1 EUR

Illustrative quote: EUR/USD at 1.1000 means one euro is worth 1.10 U.S. dollars. Buying the pair creates exposure to a stronger euro relative to the dollar; selling it creates the opposite exposure. A rise to 1.1100 means the euro buys more dollars. Costs and position size determine the account result.

- **Bid and ask:** the two quoted prices create a spread, a trading cost.
- **Retail OTC forex:** trading is generally with a dealer, without one centralized exchange price. Review the provider and agreement.
- **Currency futures:** also involve currency exposure, but use standardized exchange contracts with their own sizes and expirations.

Source: Investor.gov Foreign Currency Exchange for Individual Investors. Illustration is hypothetical.



CANDLE CHECK • Relative value

Green candle: Read both currencies and understand the quote convention.
Red candle: Treat “the dollar rose” as meaning every currency pair must rise.
Takeaway: Leverage can magnify forex losses beyond the initial deposit.

CHAPTER 02 FUTURES EXPLAINED

Standard terms, real exposure

The contract defines what a price change means.

Futures trade on exchanges under standardized specifications. Contracts can reference equity indexes, metals, energy, currencies, interest rates, or agricultural products. A contract month and settlement terms are part of the product; they are not decorative labels on the chart.

Term	Meaning for a beginner
Underlying	The commodity, financial asset, or reference index linked to the contract.
Multiplier	Converts a quoted price movement into money per contract. Different contracts have different multipliers.
Expiration / settlement	Describes when the contract ends and how obligations are settled. Some contracts use cash; others involve delivery.
Margin	Funds required to support a position. Futures margin is not the purchase price or a maximum-loss limit.

SMALLER CONTRACTS STILL USE LEVERAGE

For the S&P; 500, one Micro E-mini (MES) has a $5 point value, compared with $50 for one E-mini (ES). An adverse 10-point move is $50 versus $500 per contract before costs. Ten MES contracts restore the same point exposure as one ES. These are arithmetic examples, not suggested sizes.

Sources: CME Group Micro E-mini overview and Margin: Know What·s Needed. Links on p. 12.



CANDLE CHECK • Understand the exposure

Green candle: Check the exact contract and the money value of a move.
Red candle: Assume “micro” or a low margin requirement makes it harmless.
Takeaway: Position size and price movement determine exposure.

CHAPTER 02 PUT THE PIECES TOGETHER

One idea, different instruments

“The market may rise” is only the start of an explanation.

A view about prices is not a complete trading decision. The instrument determines what you own, how gains and losses change, which costs apply, and what can happen if you continue holding the position.

Illustrative choice	What still needs to be understood
Buy company shares	Company-specific exposure, purchase cost, trading access, and gap risk.
Buy a call option	Premium, strike, expiration, volatility effects, and possible total premium loss.
Buy EUR/USD	Relative currency exposure, dealer terms, position size, leverage, and costs.
Buy index futures	Contract month, multiplier, margin, settlement, and liquidation rules.

OFFICIAL READING • CHECKED OCTOBER 20, 2026

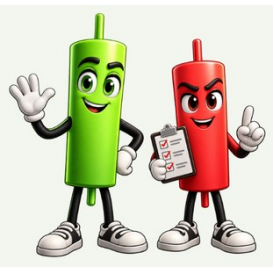
Investor.gov: Stocks

Investor.gov: An Introduction to Options

Investor.gov: Foreign Currency Exchange

CME Group: Micro E-mini product overview

CME Group: Margin - Know What’s Needed



CANDLE CHECK • Explain before selecting

Green candle: Explain the instrument’s structure and one important risk.
Red candle: Choose a product based only on someone else’s winning result.
Next: Choose the market that fits your learning needs.

CHAPTER 03 CHOOSE THE MARKET THAT FITS YOU

Why people choose each market

Compare the appeal with the learning responsibility.

LEARNING OBJECTIVE

Compare market choices using schedule, product complexity, costs, leverage, and learning resources. Explain a choice without claiming one market is best for everyone.

Market	What may appeal	What needs attention
Stocks	A connection to businesses; ownership can be easier to describe.	Company news, price gaps, trading access, and any borrowing or short-selling risks.
Options	Defined contractual rights and flexibility for different market views.	Expiration, changing premium values, strategy-specific risk, and assignment.
Retail forex	A focus on economic relationships and multiple regional sessions.	Dealer structure, leverage, spreads, financing, and quote conventions.
Futures	Standard specifications, centralized exchange trading, and smaller contract variants for some products.	Leverage, multipliers, contract months, margin, and settlement.

These are reasons to research a product, not reasons to skip practice. A market's attractive feature often creates a responsibility: more access requires boundaries; more leverage requires tighter control of exposure.



CANDLE CHECK • Benefits have conditions

Green candle: Pair each attractive feature with the skill it requires.
Red candle: Treat access, popularity, or leverage as proof of likely success.
Takeaway: The comparison supports a decision; it does not rank everyone.

CHAPTER 03 APPLY THE FIT TEST

Choose by fit

Use the same questions for every market.

The goal is a focused first learning cycle. You can study other markets later. Start with a product you can observe consistently and explain clearly, with a realistic way to practice without putting household money at risk.

Filter	What a useful answer includes
Schedule	A repeatable observation window, plus replay if live access does not fit.
Complexity	An explanation of the product's value, obligations, and key terms in plain language.
Risk and exposure	How movement translates into money, where leverage enters, and what losses are possible.
Full costs	Commissions, spread, data, platform charges, and applicable financing or account fees.
Liquidity / speed	Trading activity, spreads, and price speed in the exact window you can study.
Learning access	Official documentation, reliable data, simulation, and a way to review mistakes.

Liquidity describes the ability to trade near quoted prices without moving the market substantially. Volatility describes price fluctuation. Neither is a promise of a good fill or a profit.



CANDLE CHECK • Study your actual window

Green candle: Compare products during the time you can realistically study.
Red candle: Choose from an ideal schedule that you cannot maintain.
Takeaway: A consistent routine is more useful than constant switching.

CHAPTER 03 A BALANCED COMPARISON

Why some choose futures

Keep the appeal in context with the alternatives.

Some learners prefer futures because exchange specifications offer a clear reference for contract terms, several products provide extended electronic hours, and micro variants allow smaller increments of exposure. These features can support learning; they do not make profitability easier.

Other learners prefer company shares because they want to study businesses, or forex because they are interested in economic relationships between countries. Options may interest someone willing to study how price, time, and volatility interact. Each path requires its own foundation.

ILLUSTRATIVE CHOICE • SAME SCHEDULE, DIFFERENT INTERESTS

Learner	Possible study direction	Reason to keep comparing
Avery follows company earnings.	A focused stock watchlist, using replay when necessary.	Interest does not remove company-specific or gap risk.
Riley follows central-bank policy.	One major currency pair in a demo environment.	Pair direction and dealer terms still need study.
Morgan follows broad U.S. indexes.	One index futures product in simulation.	The smaller contract still uses leverage.



CANDLE CHECK • A reason, not a promotion

Green candle: Explain why the product matches the learner's interests and routine.
Red candle: Present futures as the default route for every beginner.
Takeaway: An informed choice can lead to different markets.

CHAPTER 03 COSTS AND EXPECTATIONS

Access is only the beginning

A low opening cost does not describe the full commitment.

THREE COSTS THAT ARE EASY TO MISS

- **Trading costs:** commissions and the bid-ask spread can accumulate when positions are opened and closed frequently.
- **Holding costs or obligations:** financing, expiration, assignment, or delivery considerations depend on the instrument and account.
- **Learning costs:** data, platform subscriptions, and time spent practicing belong in the comparison too.

ILLUSTRATIVE EXAMPLE • PRICE VERSUS TOTAL COST

A provider advertises a low entry requirement. The learner also finds data charges, trading fees, and rules governing when a position can be closed. The low opening amount answers only one question: what is required to enter. It does not answer what the position can lose.

THE CHOICE IS PROVISIONAL

Choose one primary product for a defined study period. Stay in simulation while learning its behavior and account rules. A month of observation can build familiarity; it is not a deadline for live trading or evidence that a method works.

Product explanations and risk references: official resources on p. 12. Provider costs and permissions vary.



CANDLE CHECK • Explain the choice

Green candle: Name the product, study window, main risks, costs, and resources.
Red candle: Use “it moves fast” as the complete reason for selecting it.
Next: Understand regional sessions and actual trading hours.

CHAPTER 03 PRACTICAL APPLICATION

Four amounts. Four meanings.

Separate the account, the position, the deposit, and the planned loss.

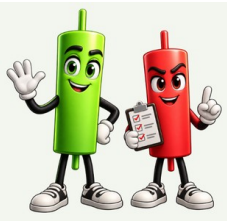
A small opening requirement can make a large position look affordable. Before comparing products, write down four different amounts. They answer different questions and should never substitute for one another.

Amount	What it tells you
Account equity	Your account value, including any unrealized result under the provider's calculation.
Notional exposure	The economic size controlled by the position. A futures contract's quoted price multiplied by its contract unit gives its notional value.
Margin requirement	Collateral required to hold the position. Requirements can change; this is not a personal loss budget.
Planned trade risk	Estimated loss from entry to the planned stop, plus an allowance for costs and execution differences.

Put the distinction to work

At an invented gold price of $3,000 per ounce, one 10-ounce Micro Gold contract represents $30,000 of notional exposure. A $4 adverse price move represents $40 per contract before costs. Neither amount tells you the current margin requirement. Check that separately with your provider.

Ask both questions: Can the account meet the requirement, and can I afford the planned risk within every active limit? A yes to the first does not answer the second.



CANDLE CHECK • PUT IT TO WORK

Green: Name all four amounts before choosing quantity.
Red: A small margin deposit is not a small maximum loss.

CHAPTER 04 TRADING SESSIONS AND HOURS

What is a trading session?

Separate regional activity from an official exchange schedule.

LEARNING OBJECTIVE

Read local and Eastern session times, identify an overlap, and distinguish a forex activity window from product-specific trading hours.

In forex education, a regional session describes a conventional business-day activity window centered on a financial hub. Retail OTC forex has no single worldwide opening bell. Providers may use slightly different session boundaries. Exchange-traded products have their own official schedules.

Session	What the name tells you
Sydney	An Australian business-day window, often discussed with AUD and NZD-related activity. It can begin on the previous evening in the Americas.
Tokyo / Asia	A Japanese business-day window within a wider Asian trading period. Asia also includes other financial centers; it is not just Tokyo.
London	A U.K. business-day window that overlaps portions of Asian and U.S. activity.
New York	A U.S. forex business-day window. Its conventional 8 a.m. start is different from the 9:30 a.m. NYSE stock opening.

Session labels describe context. They do not guarantee a direction, active conditions, or a trade opportunity.



CANDLE CHECK • Name the correct session

Green candle: Specify whether you mean forex, a stock exchange, or a futures product.
Red candle: Use “New York opens” without explaining which market.
Takeaway: Regional activity and product availability are different ideas.

CHAPTER 04 ACTUAL REGIONAL HOURS

Read the session clock

Local conventions, with dated Eastern Time conversions.

The table uses these common teaching conventions: Sydney 7 a.m.–4 p.m.; Tokyo 9 a.m.–6 p.m.; London and New York 8 a.m.–5 p.m., each in its own local time. These are regional activity windows, not guaranteed broker access hours.

Session	Local clock	ET: Jan. 15, 2026	ET: July 15, 2026
Sydney	7 a.m.–4 p.m.	3 p.m. previous day–midnight	5 p.m. previous day–2 a.m.
Tokyo	9 a.m.–6 p.m.	7 p.m. previous day–4 a.m.	8 p.m. previous day–5 a.m.
London	8 a.m.–5 p.m.	3 a.m.–noon	3 a.m.–noon
New York	8 a.m.–5 p.m.	8 a.m.–5 p.m.	8 a.m.–5 p.m.

HOW TO READ “PREVIOUS DAY”

Sydney’s Thursday, January 15 local session begins on Wednesday, January 14 at 3 p.m. in New York and ends at midnight starting Thursday. Date labels matter when comparing screenshots, reports, and journals.

January uses EST (UTC–5); July uses EDT (UTC–4). Sydney’s seasonal changes run opposite to New York’s. Neither column covers every transition week.

Sources: FOREX.com local Sydney/Tokyo/New York conventions; IG local London convention. ET conversions calculated with IANA timezones. Provider session definitions may differ. Links on p. 23.



CANDLE CHECK • The date belongs with the time

Green candle: Read the local timezone, Eastern timezone, and calendar date.
Red candle: Memorize one conversion as correct for the entire year.
Takeaway: Keep local hours stable and convert for the actual date.

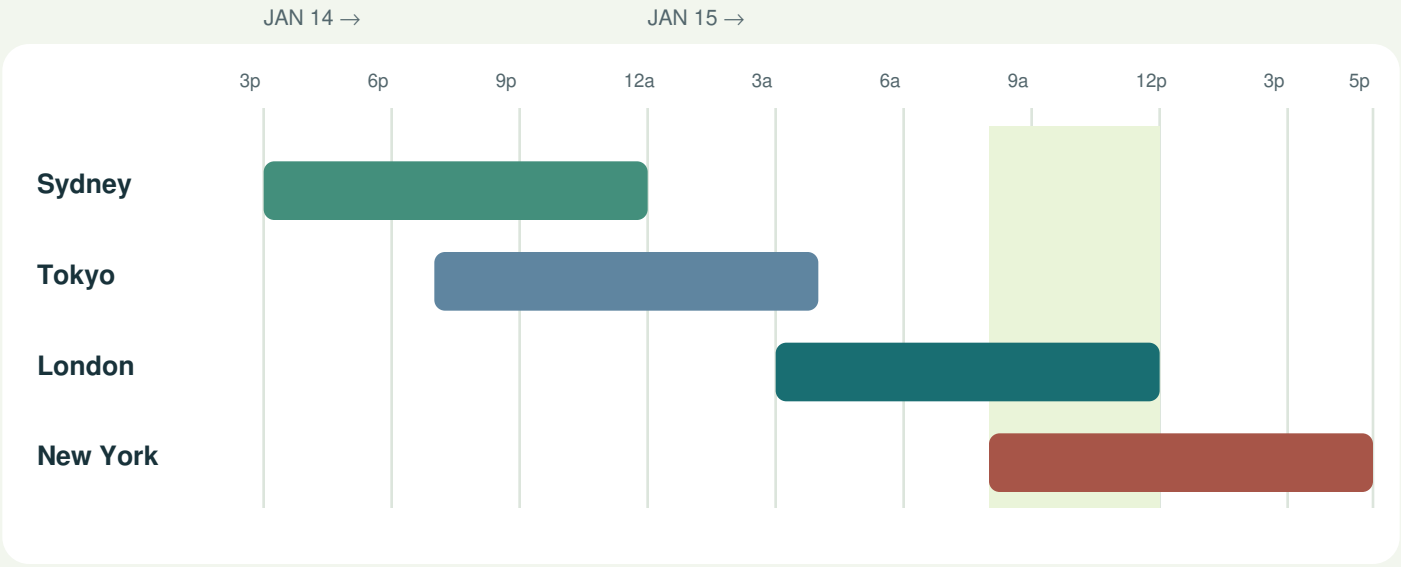
CHAPTER 04 VISUAL SESSION GUIDE

See the overlap

One connected forex day, shown in Eastern Standard Time.

REFERENCE EXAMPLE • LOCAL SESSIONS OF JANUARY 15, 2026

The axis runs from the previous afternoon to the current afternoon in New York. Bars use the same session conventions as page 19. This is a schedule illustration, not a forecast of liquidity or returns.



LONDON + NEW YORK: 8 A.M.–NOON EST

An overlap means both regional windows are active at once. Participation can increase, but news can also create fast moves, slippage, and reversals. A busier period is not automatically a suitable period for every method.



CANDLE CHECK • Interpret the picture

Green candle: Use the overlap to plan observation and compare conditions.
Red candle: Treat the shaded period as a buy signal or a “safe” trading time.
Takeaway: A clock describes when; your tested rules address whether.

CHAPTER 04 PRODUCT AVAILABILITY

Actual market access hours

Regional session clocks do not replace product schedules.

These examples show why “the market is open” needs a product name. All times below are Eastern Time and describe regular schedules. Holiday changes, special halts, broker restrictions, and contract expiration can alter access.

Product / setting	Regular schedule example	What to verify
NYSE stocks: core session	Monday–Friday, 9:30 a.m.–4 p.m.	Exchange holidays and early closes. Extended access varies by venue and broker.
NYSE listed options	Generally 9:30 a.m.–4 p.m.; eligible products may trade until 4:15 p.m.	Exact option class, venue, and expiration-day rules.
Retail forex: general week	Broadly Sunday evening–Friday evening, around 5 p.m. New York time.	Provider-specific start/end times, rollover pauses, holidays, and pair exceptions.
OANDA U.S.: most FX pairs	Sunday 5:05 p.m.–Friday 4:59 p.m.; daily pause 4:59–5:05 p.m.	Pair exceptions and updated provider notices. This is one provider, not a universal rule.
CME MES futures: broad electronic window	Sunday 6 p.m.–Friday 5 p.m.; daily maintenance 5–6 p.m.	Additional product halts, holiday schedules, and expiring-contract hours.

Availability is separate from activity. A product can be open while spreads widen or participation changes. Check its current exchange and broker information before using the schedule.



CANDLE CHECK • Check the exact product

Green candle: Confirm current hours and any maintenance or special notice.
Red candle: Apply a forex session graphic to every stock or futures contract.
Takeaway: A provider example is not an industry-wide promise.

CHAPTER 04 DAYLIGHT-SAVING CHANGES

Keep the clocks aligned

The same London opening can occur at a different Eastern hour.

ET means Eastern Time, which follows seasonal clock changes. EST is UTC–5; EDT is UTC–4. London and New York do not always change clocks on the same weekend. Sydney follows a different seasonal calendar, while Tokyo does not observe daylight saving.

A REAL DATE COMPARISON • LONDON 8 A.M.–5 P.M.

Local session date	London local window	Eastern conversion
October 20, 2026	8 a.m.–5 p.m. BST	3 a.m.–noon EDT
October 27, 2026	8 a.m.–5 p.m. GMT	4 a.m.–1 p.m. EDT

London’s local window is unchanged. Its Eastern conversion shifts because the U.K. has changed clocks while New York has not yet changed. During the second example, the London–New York overlap under these conventions is 8 a.m.–1 p.m. EDT.

ALIGN THESE FOUR PLACES

- Your chart’s displayed timezone.
- Your economic calendar’s displayed timezone.
- Your platform’s session and contract settings.
- The timezone and date written in your notes.



CANDLE CHECK • Convert, then confirm

Green candle: Use a timezone-aware clock and verify the displayed event time.
Red candle: Treat “London = 3 a.m. ET” as a year-round rule.
Takeaway: Recheck conversions around seasonal clock changes.

CHAPTER 04 BUILD YOUR ROUTINE

Choose one study window

Observe consistently without watching the market all day.

Illustrative example: a learner studies one currency pair during the London–New York overlap. Before each session, the learner confirms the date's overlap, checks the economic calendar, and observes in a demo environment. A different learner may use replay because this window conflicts with work.

Before	During	After
Confirm product availability, timezone, data status, and scheduled news.	Compare price speed and spreads with earlier sessions. Watching does not require an order.	Review what changed. Do not judge the window using only one exciting day.

SCHEDULE REFERENCES • CHECKED OCTOBER 20, 2026

FOREX.com: local forex-session conventions

IG: London session convention

NYSE: stock and options hours; holidays

OANDA U.S.: provider-specific forex access hours

CME Group: Micro E-mini hours and product details

CME Group: current holiday and product schedules

The regional charts are original illustrations using the stated conventions. They show clock relationships, not measured trading volume or a recommended trading schedule.



CANDLE CHECK • A window is a boundary

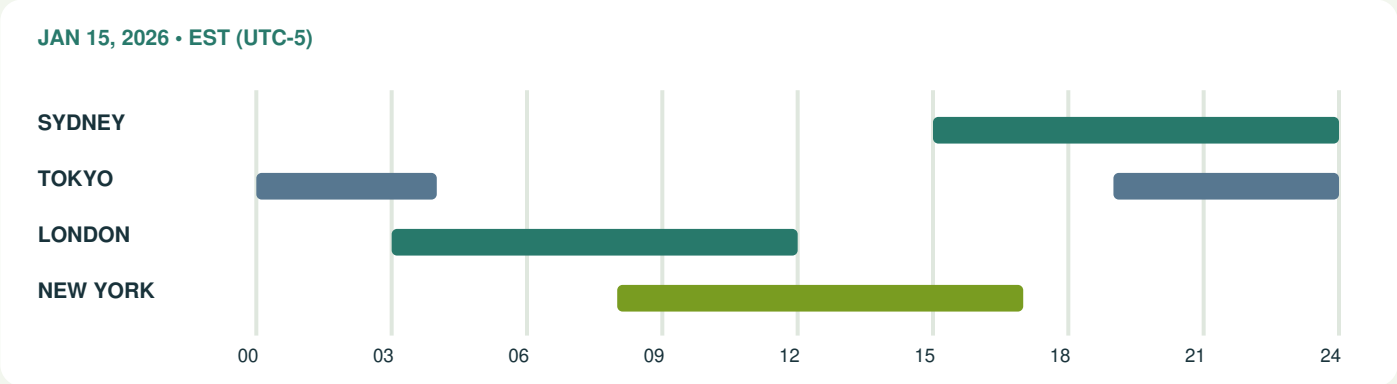
Green candle: Plan when to study, observe deliberately, and stop on schedule.
Red candle: Stay at the screen until the market produces the result you want.
Next: Build Your Trading Learning Space.

CHAPTER 04 PRACTICAL APPLICATION

See the regional trading day

Use a dated clock, then check your product schedule.

Start with the city and its local activity window. Convert that window for the date you intend to observe. The timeline below uses January 15, 2026 and the same conventions as the session table: Sydney 07:00-16:00, Tokyo 09:00-18:00, London and New York 08:00-17:00 local time.



- Overlapping bars mean regional activity windows coincide; they do not promise a setup or a particular direction.
- Tokyo is one center within Asia. Sydney follows an Australian clock with different seasonal changes.
- Forex activity, the U.S. stock opening, and a futures contract's access hours are separate schedules.

For your journal, record the date, America/New_York time, product, and event times. During daylight-saving transition weeks, recalculate rather than copying a familiar opening time. Use the local-hour table and source links in this chapter.



CANDLE CHECK • PUT IT TO WORK

Green: My session note includes a date and timezone.
Red: "London time" alone does not identify the conversion.

CANDLE COACHES • COMIC 01

Right session. Wrong clock.

The candle coaches discover that a time needs a timezone.



GREEN

“I am early! Or late. One of those.”



RED

“Which timezone are you using?”



GREEN

“Apparently... all of them.”



RED

“One labeled timezone. Correct date. Then check the schedule.”

THE TAKEAWAY Confirm the session, date, and timezone. Recheck conversions when clocks change.

CHAPTER 05 BUILD YOUR TRADING LEARNING SPACE

Your learning space

Start with reliable equipment and a place to concentrate.

LEARNING OBJECTIVE

Explain the essentials of a practical study setup and distinguish an organized practice environment from an expensive-looking trading desk.

You do not need a wall of monitors. Begin with a computer that runs your chosen platform reliably, a readable screen, stable internet, and a place for notes. Check the platform's current requirements before buying or upgrading equipment.

Essential	What it should help you do
Computer and screen	Read candles and labels without crowding; move between a chart, calendar, and notes. One screen can work.
Internet and power	Keep data and the platform usable. Know when the connection is interrupted instead of treating stale quotes as current.
Desk, chair, and lighting	Sit comfortably, reduce glare, and place frequently used items within easy reach.
Focused surroundings	Silence unrelated alerts, close social feeds, and keep the TV from competing with the lesson.

A second screen can separate notes from the chart once that solves a real problem. Extra hardware is optional; clear visibility and reliable operation come first.



CANDLE CHECK • Useful before impressive

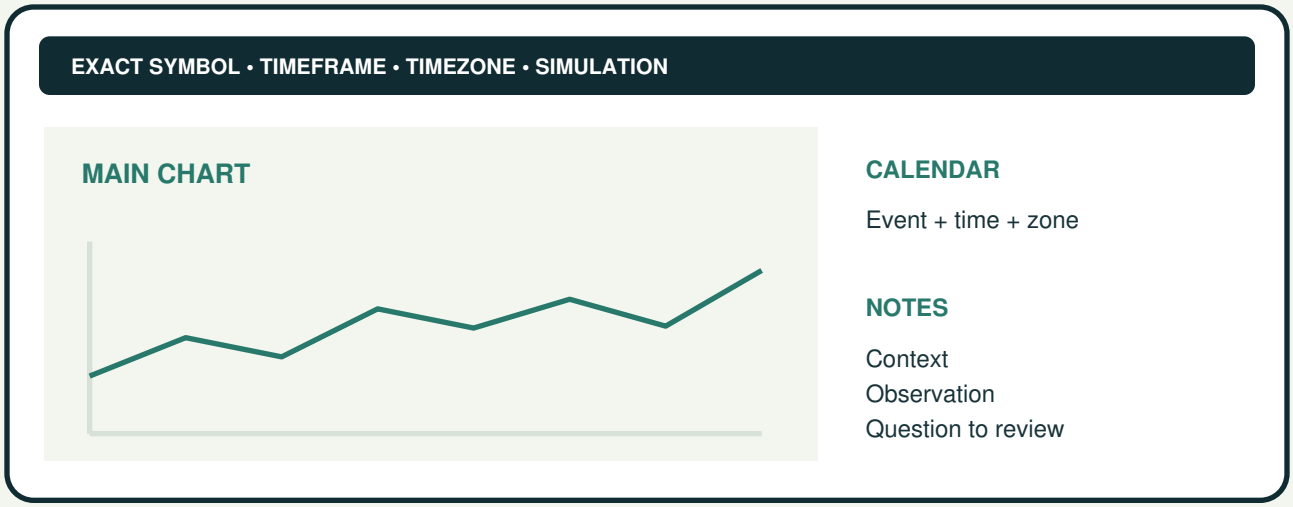
Green candle: Build a setup that makes one lesson easy to follow.
Red candle: Assume more monitors create better decisions.
Takeaway: Add equipment to solve a specific limitation.

CHAPTER 05 ORGANIZE THE SCREEN

Give the screen a purpose

A clean layout makes it easier to notice the important details.

Keep the chart as the main work area. Use a second pane or a separate window for the calendar and notes. If one screen becomes cramped, switch deliberately between tools rather than shrinking everything until labels become unreadable.



Conceptual learning layout; not a screenshot or performance example.

SET THE ATMOSPHERE

Choose a quiet space or low-volume background music if it helps you focus. Have your notes and a drink ready. Protect a defined study block, then take a break. Comfort should support attention, not keep you at the screen indefinitely.



CANDLE CHECK • See what matters

Green candle: Keep the lesson's chart, calendar, and notes easy to find.
Red candle: Hide price under social feeds, chats, and unrelated indicators.
Takeaway: Screen space should reflect the task you are learning.

CHAPTER 05 SEPARATE PRACTICE AND LIVE RISK

Make practice unmistakable

Check the environment before practicing any order procedure.

A SHORT STARTUP CHECK

- Confirm the platform is responsive and the connection is working.
- Check the exact symbol, data status, timeframe, and timezone.
- Verify that the selected account is simulation or demo. If uncertain, stop.
- Know how to cancel a practice order and locate the practice positions list.
- Prepare a dated place to save screenshots and notes.

KEEP YOUR RECORDS FINDABLE

Use a simple folder structure: Lessons, Screenshots, Simulation, and Reviews. A useful filename includes the date, instrument, timezone or session, and topic. For example: 2026-10-20_EURUSD_London_context.png. Keep a backup of work you need for review.

Use unique passwords and multifactor authentication where available. Download platforms through official sources, protect recovery details, and remove account identifiers from screenshots before sharing.

Account-security reference: CISA Secure Our World



CANDLE CHECK • Verify the account

Green candle: Confirm simulation before every practice order.
Red candle: Rely on memory when the platform can access a live account.
Next: Build a small set of tools with clearly defined jobs.

CHAPTER 06 BUILD YOUR BEGINNER TOOL STACK

Give every tool a job

Choose tools for preparation, practice, and review.

LEARNING OBJECTIVE

Explain the purpose of the chart, calendar, simulator, journal, and official reference sources without assuming that paid subscriptions are required to begin.

Tool or function	Question it answers	Simple starting point
Charting	What has price done, and where?	One clean chart with a known symbol and data source.
Economic calendar	What information is scheduled?	A calendar in a clearly labeled timezone.
Simulation / demo	Can I operate the platform and follow the lesson?	A practice environment for the instrument you are studying.
Journal	What did I observe, decide, and learn?	A notebook or basic spreadsheet.
Official references	What are the actual product and platform rules?	Exchange, broker, platform, and release-agency documentation.

One application may cover several functions. A charting tool and an account provider are still different roles, even when they appear inside the same interface.



CANDLE CHECK • Purpose before features

Green candle: State the question each tool answers.
Red candle: Add a service because its dashboard looks professional.
Takeaway: A small, understandable stack is easier to maintain.

CHAPTER 06 CONNECT THE TOOLS

A simple learning workflow

Turn separate apps into one repeatable process.

Begin with the calendar, then prepare the chart, practice the current lesson, and preserve the evidence for review. This sequence keeps an exciting chart from replacing preparation.

1 CALENDAR

Confirm the date, timezone, relevant releases, and planned observation window.

2 CHART

Identify the market condition and a small number of meaningful areas.

3 PRACTICE

Observe, use historical replay, or use the appropriate simulator for the lesson.

4 JOURNAL

Save what you saw, what you did, and one question or improvement.

Illustrative sequence: this organizes study; it is not an order-entry strategy.



CANDLE CHECK • Make the handoff clear

Green candle: Carry the same instrument, date, and timezone through the workflow.
Red candle: Compare a chart and a journal entry that refer to different sessions.
Takeaway: Consistent labels make later review possible.

CHAPTER 06 ADD TOOLS DELIBERATELY

Avoid tool collecting

A new feature should solve a problem you can name.

WHEN AN ADDITION MAY HELP

Need	Potential response	What to check first
You cannot read the layout.	Simplify it or add a second screen.	Can removing clutter solve it?
You need historical practice.	Use a replay-capable tool.	Does it support the symbol, interval, and history required?
You need deeper review.	Consider journal analytics.	Are your setup names and records consistent?
Your lesson requires current quotes.	Verify data permissions.	Does the chart, order panel, and simulator use current or delayed data?

Evaluate subscriptions by the problem they solve, not by the pressure to “get serious.” Compare the full cost and cancel tools that duplicate the same function without improving the process.

AN EXAMPLE OF THE WRONG ORDER

A learner buys advanced journal analytics but labels similar trades in five different ways. The reports cannot answer a clear question. Standardizing the records is the first improvement; another subscription is not.



CANDLE CHECK • Use what you understand

Green candle: Keep a tool when you can explain its settings and limitations.
Red candle: Add indicators instead of practicing the same basic process.
Next: Learn TradingView in manageable layers.

CHAPTER 07 LEARN TRADINGVIEW WITHOUT OVERWHELM

Learn the chart in layers

Start with the instrument, the clock, and the view.

LEARNING OBJECTIVE

Identify the correct chart, navigate it, add a few purposeful drawings, and distinguish ordinary Paper Trading from historical Replay Trading. Interface labels and access can vary by device and plan.

Layer	What to understand before adding more
1 Symbol and source	Read the description and exchange or provider. Similar symbols may represent different instruments or price feeds.
2 Chart interval	A 5-minute candle summarizes five minutes. Changing the interval changes the detail, not the underlying instrument.
3 Time and data	Confirm the chart timezone and whether quotes are real-time or delayed. A paid platform plan does not automatically include every exchange feed.
4 Navigation	Practice moving through history, zooming, and returning to the latest bars without accidentally changing settings.

A continuous futures symbol can help with analysis across contracts. It is different from a specific expiring contract that can be traded. Verify the contract intended for the lesson rather than assuming the first search result is correct.



CANDLE CHECK • Know which chart is open

Green candle: Read the symbol, source, interval, timezone, and data status.
Red candle: Assume a familiar name guarantees the intended instrument.
Takeaway: Correct identification comes before chart interpretation.

CHAPTER 07 DRAW WITH A PURPOSE

Keep the chart readable

Each drawing should answer one clear question.

Learn a few tools before adding indicators. Drawings organize observations; they do not create a valid trade on their own. Use a clean layout so the current price and surrounding structure remain visible.

Tool	Useful purpose	Common mistake
Horizontal line	Mark a prior high, low, or reference price.	Marking so many levels that every price looks important.
Rectangle	Represent an area of prior reaction.	Treating a broad zone as an exact guaranteed turning price.
Trend line	Connect related swing points to describe direction.	Forcing a line through unrelated touches.
Measurement tool	Inspect price distance or elapsed time.	Confusing a price distance with account risk before checking the instrument.
Text label / alert	Preserve the reason for an area or notify you when a condition is met.	Treating an alert as a complete trading decision.

Save a clean study layout if your plan supports it. Keep experiments separate from the layout you use for repeatable observation. Learn how to hide or remove drawings so an old idea does not control the next lesson.



CANDLE CHECK • Explain every mark

Green candle: Keep a drawing when its purpose can be stated in one sentence.
Red candle: Add lines until the chart appears to confirm your opinion.
Takeaway: A clearer chart can be more useful than a busier chart.

CHAPTER 07 PAPER, REPLAY, AND LIVE

Know the practice mode

Historical charts and ordinary paper orders are not the same thing.

Mode	What it is for	Important distinction
Ordinary Paper Trading	Practice using current market data and simulated funds.	It is not a live-money account. Check data status and the selected account.
Bar Replay	Reveal historical bars from a chosen point.	Ordinary Paper Trading or broker orders are not automatically moved back in time with the chart.
Replay Trading	TradingView's separate historical trading mode used with replay.	Use the dedicated replay controls; verify available history and features.
Live broker connection	Access an actual brokerage account through supported integration.	An order can involve real money. Do not confuse it with simulation.

Practice sequence: identify the symbol and interval, choose the correct practice mode, move slowly through the tool, and save an observation. Learn order procedures in simulation before using a live connection. Simulation does not reproduce every live fill, cost, or emotional response.

OFFICIAL PLATFORM HELP • CHECKED OCTOBER 20, 2026

TradingView: Paper Trading functionality

TradingView: turning Bar Replay on and its limitations

TradingView: separate historical Replay Trading mode



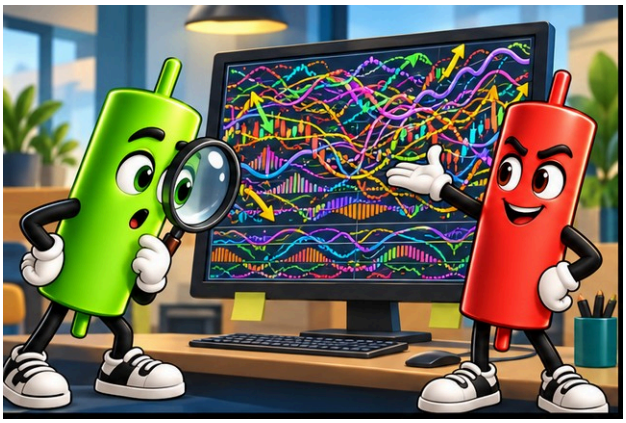
CANDLE CHECK • The mode matters

Green candle: Verify which environment will receive an order.
Red candle: Assume a historical chart makes every connected order historical.
Next: Add fundamental context before interpreting price movement.

CANDLE COACHES • COMIC 02

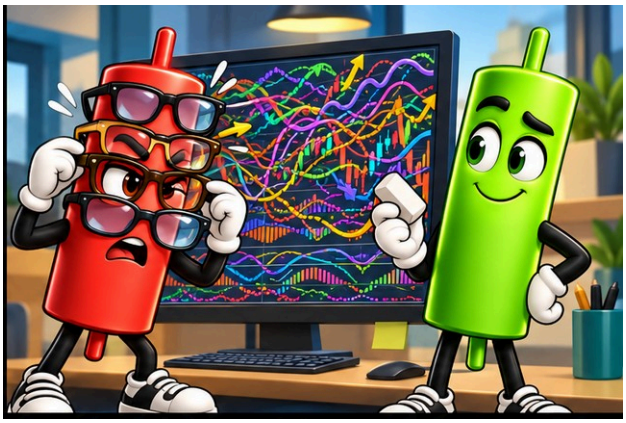
More lines. Less clue.

An impressive screen is not always an understandable screen.



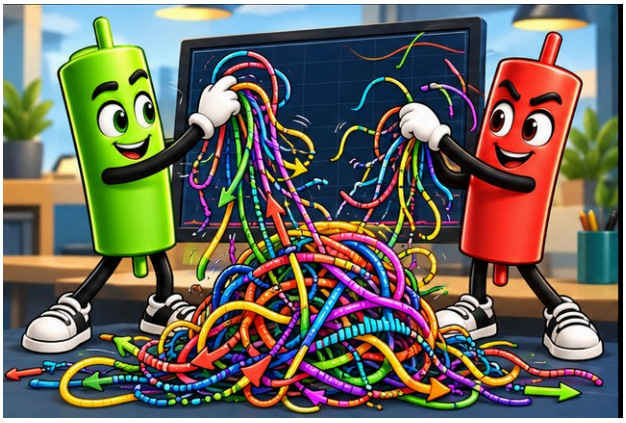
RED

“I added every indicator. Now I know everything!”



GREEN

“Excellent. Where is the price?”



RED

“Under the spaghetti, apparently.”



GREEN

“Keep the tools you can explain. Lose the clutter.”

THE TAKEAWAY Each tool needs a job. More indicators do not automatically provide independent evidence.

CHAPTER 08 ADD FUNDAMENTAL ANALYSIS

What may move price?

Understand expectations as well as the headline.

LEARNING OBJECTIVE

Explain how economic, policy, company, and supply-demand information can affect expectations. Identify relevant scheduled information without turning it into an automatic buy or sell rule.

Market	Examples of context to monitor
Company shares / options	Earnings, business announcements, outlook changes, and broad market conditions. Options also respond to changing volatility expectations.
Currency pairs	Relative economic conditions, central-bank decisions, inflation, and employment information for the two currencies.
Equity-index futures	Broad earnings expectations, economic growth, inflation, and interest-rate expectations.
Metals / energy futures	Demand, supply, inventories, currency conditions, and geopolitical developments; relevance varies by product.

TECHNICAL AND FUNDAMENTAL QUESTIONS

Fundamental context asks what information may change expectations. Technical observation asks what price and market structure are doing. Neither gives certainty. A technical learner still needs to know when major information is scheduled.



CANDLE CHECK • Context is not a command

Green candle: Notice what information matters for the specific instrument.
Red candle: Convert a positive-sounding headline directly into a buy order.
Takeaway: Price reacts to information relative to expectations.

CHAPTER 08 READ THE CALENDAR

Prepare for scheduled news

The calendar tells you when to pay attention, not which way to trade.

Release / source	What it addresses	Timing lesson
Employment Situation / BLS	U.S. employment and labor-market conditions.	Use the official dated release calendar; commonly 8:30 a.m. ET.
Consumer Price Index / BLS	Changes in consumer prices.	Verify the release date and time; commonly 8:30 a.m. ET.
FOMC / Federal Reserve	Monetary-policy decisions and communications.	Check the meeting and announcement details; do not assume every day follows one schedule.
Weekly Petroleum Status Report / EIA	Petroleum inventories and related supply information.	Normally Wednesday at 10:30 a.m. ET; holidays can change the schedule.

Read the event name, reference period, release time, and timezone. A third-party calendar's impact label is an estimate, not a guarantee of the size of a move. Unscheduled news can arrive outside the calendar.

OFFICIAL CALENDARS • CHECKED OCTOBER 20, 2026

BLS: release schedule

Federal Reserve: FOMC calendar and statements

EIA: petroleum report release schedule and exceptions



CANDLE CHECK • Verify the event time

Green candle: Check the dated source and align the calendar timezone.
Red candle: Rely on a remembered weekday when a holiday may change it.
Takeaway: Preparation uses the current calendar, not an old graphic.

CHAPTER 08 EXPECTATIONS AND REACTIONS

A surprise is relative

The number alone does not explain the whole response.

Many calendars show a previous figure, a forecast, and the new actual figure. A forecast summarizes an expectation; it is not an official promise. Prior figures can also be revised. The full release can contain details that change the first interpretation.

ILLUSTRATIVE RELEASE • NOT AN ACTUAL ECONOMIC REPORT

Forecast: 2.5% | Actual: 2.8% | Previous: 2.7%
The result is above the forecast but only slightly above the previous figure. Those comparisons answer different questions.

WHY PRICE MAY STILL SURPRISE YOU

- Participants may already have positioned for a different result.
- Details or revisions may matter more than the headline.
- The first reaction can reverse as the information is interpreted.
- Fast movement can change spreads, slippage, and execution conditions.

For an early lesson, observe the release without attempting a trade. A future plan should define how it handles news conditions based on tested evidence; this chapter does not prescribe a universal waiting



CANDLE CHECK • Observe before concluding

Green candle: Compare the information, expectations, and visible response.
Red candle: Decide that one number must cause one direction.
Next: Describe the chart's structure and location before looking for a setup.

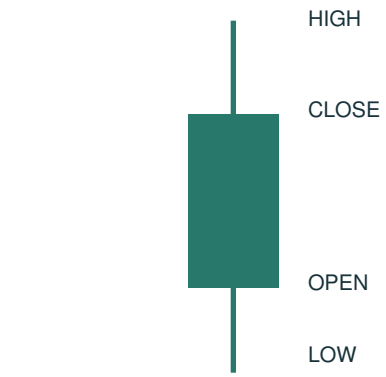
CHAPTER 09 READ CHARTS AS CONTEXT

Read the candle first

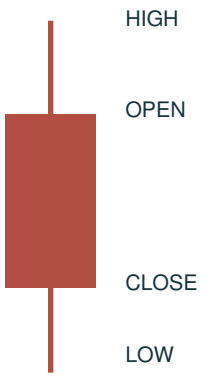
A standard candle summarizes one time interval.

LEARNING OBJECTIVE

Identify open, high, low, and close; describe trend or range on a named timeframe; and explain why location changes the meaning of a pattern.



Close above open



Close below open

The body spans the open and close. The upper wick reaches the high; the lower wick reaches the low. The entire high-to-low distance is the candle's range. Colors can be customized, so check the chart's settings rather than assuming a color convention.

A developing candle can change until the interval ends. Start with standard candles: transformed charts such as Heikin Ashi use calculated values and should not be mistaken for a direct record of every traded price.



CANDLE CHECK • Anatomy before interpretation

Green candle: Read the candle's values, interval, and chart type.
Red candle: Assume a green candle guarantees the next candle will rise.
Takeaway: A candle describes a period; context gives it meaning.

CHAPTER 09 MARKET STRUCTURE

Describe the condition

Use meaningful highs and lows, not a prediction.

Structure describes the relationship among price swings. The diagrams are simplified teaching examples. They omit actual prices and do not represent tested strategies or real market results.

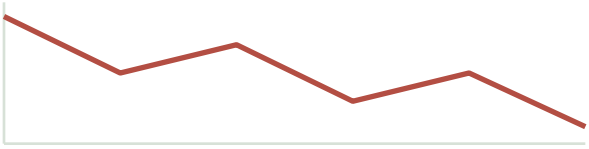
UPWARD STRUCTURE

Higher highs and higher lows



DOWNWARD STRUCTURE

Lower highs and lower lows



RANGE

Repeated rotation between boundaries



If swings conflict or the condition is changing, “mixed,” “transition,” or “unclear” is a valid description. A label depends on the timeframe and the portion of the chart being studied.



CANDLE CHECK • Description before prediction

Green candle: Support a label with visible highs, lows, and boundaries.
Red candle: Label every pause a reversal or every rise a lasting trend.
Takeaway: Describe what is visible before discussing what may happen.

CHAPTER 09 LOCATION AND TIMEFRAME

The same candle, new context

Ask where it formed and which timeframe you are reading.

Context question	Why it matters
Where is price?	A response at a well-observed boundary differs from a candle in the middle of a wide range.
What happened there before?	Support and resistance are reference areas from past behavior; they can fail and can shift roles.
What lies nearby?	An opposing area close overhead or below can change how much room a scenario has.
Which timeframe?	A short decline can occur within a larger advance. The descriptions can both be correct.

GIVE EACH TIMEFRAME A ROLE

Illustrative study sequence: use a 4-hour chart for the broader condition, a 1-hour chart to refine areas, and a 5-minute chart to observe detail. These are teaching choices, not required trading intervals. Keep the roles stable rather than switching until a chart agrees with your opinion.

Support is an area where buying previously resisted a decline. Resistance is an area where selling previously resisted an advance. They describe prior behavior; neither guarantees the next response. Mark areas clearly and avoid pretending every reaction occurs at one exact price.



CANDLE CHECK • Include the timeframe

Green candle: “The 5-minute chart is declining inside a 4-hour advance.”
Red candle: Announce a full reversal from a small pullback alone.
Takeaway: Structure, location, and timeframe belong in the same description.

CHAPTER 09 MAKE THE DESCRIPTION USEFUL

Write what you can see

Use conditional language and keep uncertainty visible.

A CLEAR DESCRIPTION HAS FOUR PARTS

Part	Illustrative wording
Instrument + timeframe	“On this instrument’s 1-hour chart…”
Visible condition	“…price is rotating between two boundaries…”
Current location	“…and is now near the middle of the range.”
Conditional next observation	“I will observe whether a boundary is reached; the middle does not match the area I planned to study.”

A useful description can conclude with a wait. It does not need to contain a directional prediction. Save the chart before revealing later bars so the observation is not rewritten using future information.

BE CAREFUL WITH PATTERNS

Names such as hammer or doji describe candle shapes. Later lessons can explain these patterns with accurate diagrams. A memorable name or character does not establish an entry, stop, target, or profitable edge by itself.

CME Group: technical-analysis and candle education

TradingView: calculated Heikin Ashi candle values



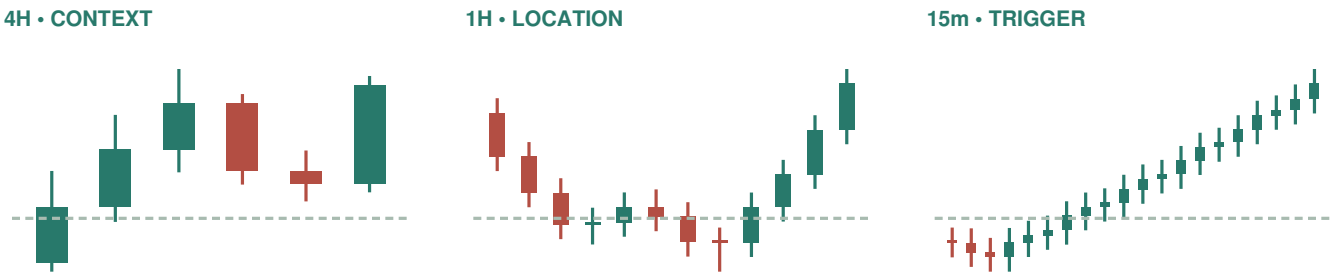
CANDLE CHECK • Waiting is a real observation

Green candle: Preserve the original context and compare it with what followed.
Red candle: Rewrite the first idea so it appears to have predicted the outcome.
Next: Combine your tools and observations in a simple daily routine.

CHAPTER 09 PRACTICAL APPLICATION

Read one move in three views

Context, location, and trigger are different questions.



Same illustrative move • progressively closer views • not historical market data

The higher view shows an upward sequence approaching a prior resistance area. The middle view shows a pullback toward a marked level. The lower view shows the detail of the response. A small bullish candle can therefore form inside a larger pullback and close to a higher-view obstacle.

- Context: Is the broader condition trending, ranging, compressing, or changing?
- Location: Where is price relative to a level identified before the reaction?
- Trigger: What completed event would qualify under the chosen method?

Example: "The broader move is up, but price is below prior resistance. I will observe the pullback at support. I will not call a small upward candle an entry until the written trigger appears and the risk calculation fits."

The illustrated intervals are examples, not mandatory settings. Keep the same selection during practice so you can compare decisions honestly. Time-based candles summarize intervals; other chart types can form bars using different rules.



CANDLE CHECK • PUT IT TO WORK

Green: Explain the job of each view.
Red: Changing timeframes until a trade looks attractive changes the question.

CHAPTER 10 CREATE A SIMPLE DAILY ROUTINE

Prepare before the window

Use a short sequence you can repeat.

LEARNING OBJECTIVE

Explain a before-during-after routine that connects environment, calendar awareness, chart context, observation, and review. The time allocations below are illustrative, not requirements.

Before the session	What to confirm
Environment and focus	Clear distractions, open the lesson, and have your notes ready.
Product and account	Confirm the symbol, data source, timezone, and simulation status.
Calendar	Identify relevant scheduled information inside or near the observation window.
Chart context	Describe the higher-timeframe condition and mark only a few meaningful areas.
Conditional scenarios	Explain what you will observe in upward, downward, or neutral conditions.
Session boundary	Decide when observation ends and what conditions require pausing.

Allow roughly 10–15 minutes for preparation if that is enough to complete it calmly. If you are late or the technology is not ready, shorten or skip the session. The clock should not pressure you into improvising.



CANDLE CHECK • Arrive with a process

Green candle: Finish preparation before reacting to the first fast move.
Red candle: Treat opening the chart as a complete plan.
Takeaway: Preparation makes waiting purposeful.

CHAPTER 10 DURING THE SESSION

Observe the scenario

A prepared condition is different from a prediction.

A scenario describes what you will watch for if a condition develops. It does not require the market to follow that path. In this foundations stage, the response can be observation rather than an order.

Scenario	Illustrative observation plan
Upward continuation	If price approaches the upper boundary, observe whether it remains above it or returns into the range.
Downward continuation	If price approaches the lower boundary, observe whether it remains below it or returns into the range.
Neutral / no condition	If price stays in the middle or the picture is unclear, remain an observer and record the uncertainty.

KEEP THE PROCESS STABLE

- Use only the chart interval and tools needed for the current lesson.
- Capture a before image that preserves the original context.
- Do not add a new rule merely because price begins moving.
- Pause if the connection, data, account, or your attention becomes uncertain.
- If using simulation, follow the practice rules already established for that task.



CANDLE CHECK • Let the condition develop

Green candle: Observe whether the planned condition actually appears.
Red candle: Change the scenario repeatedly to justify participation.
Takeaway: No order can still be a complete, useful learning session.

CHAPTER 10 AFTER THE SESSION

Review and close the loop

Separate what the market did from what you did.

A FIVE-MINUTE REVIEW

Review question	A useful answer contains
What happened?	A brief description of the condition and how it changed.
What did I do?	Observation, waiting, or simulated actions, with the reason.
Did I follow the process?	Evidence from preparation, screenshots, and the session boundary.
What needs improvement?	One specific adjustment that can be checked next time.

Illustrative example: the market never reaches the area the learner planned to study. The learner remains flat, saves the chart, and ends on schedule. The process was followed even without an order or a simulated profit.

ONE CHANGE AT A TIME

Choose one improvement, such as checking the calendar earlier or using clearer chart labels. Changing many settings, markets, and rules together makes it difficult to know what helped. Review the routine weekly and remove steps that do not support a decision or a useful record.



CANDLE CHECK • Measure the process

Green candle: End with one evidence-based improvement and the next study time.
Red candle: Judge the session only by profit or loss.
Next: Backtest a Trading Idea in Chapter 11.

CHAPTER 10 PRACTICAL APPLICATION

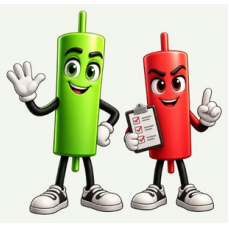
Build a routine around your life

Preparation should fit the attention your trading style requires.

Stage	Intraday example	Swing example
Before	Check calendar, session, limits, account and chart map before the entry window.	Review open exposure, scheduled company or macro events, and higher-view conditions.
During	Monitor the planned setup and manage open risk with reliable access to controls.	Use planned alerts and checks appropriate to the holding period; maintain protection.
After	Verify positions and orders, save evidence, and review decisions.	Record changes to the thesis, orders, exposure and the next planned check.

A weekly preparation session can narrow the watchlist. A daily check asks what changed. Neither routine needs a compulsory number of trades. "Nothing meets my criteria" is a complete observation.

- Protect a realistic study window rather than copying someone else's schedule.
- If you cannot monitor the method as required, change the study approach or remain out.
- Record one specific improvement, such as checking the saved order quantity, rather than "be more disciplined."



CANDLE CHECK • PUT IT TO WORK

Green: My routine has an observation window and an ending.
Red: Screen time alone is not useful practice.

CANDLE COACHES • COMIC 03

Wait! My trade is leaving!

The candle coaches meet the fear of missing out.



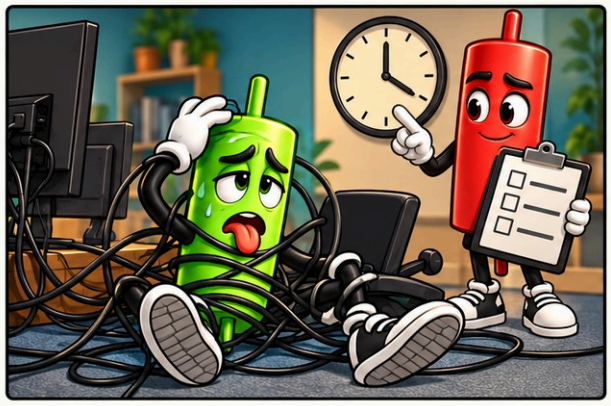
GREEN

“The chart moved! I must catch it!”



RED

“Did your setup appear—or just your panic?”



GREEN

“So... running faster is not confirmation?”



RED

“Correct. Missed moves are allowed. Invented setups are not.”

THE TAKEAWAY Follow your written conditions. A missed move does not create permission to trade.

CHAPTER 11 BACKTEST A TRADING IDEA

Turn an idea into a test

Make the rules clear before examining the outcome.

LEARNING OBJECTIVE

Explain how a historical test is defined, what should be recorded, and why a favorable backtest is evidence to investigate rather than a promise of future performance.

Backtesting applies fixed rules to historical information. A useful test asks a specific question: did a defined condition appear, and what happened under the stated entry, exit, and cost assumptions? “Buy when it looks strong” is too vague to reproduce.

Define first	What must stay consistent
Instrument and data	Exact product, contract or feed, chart type, and historical period.
Time and context	Timeframe, session, timezone, and any condition filter.
Qualifying condition	Observable criteria that identify an example without knowing what follows.
Planned response	Entry assumption, invalidation, exit rule, position size, and treatment of costs.
Exceptions	Rules for ambiguous bars, gaps, missing data, and unfilled orders.

Write a rule version before starting. When a definition changes, label the revision and test it separately. Do not quietly alter earlier examples to improve the result.



CANDLE CHECK • Define before you rewind

Green candle: Use rules another person could apply to the same chart.
Red candle: Decide what the setup was after seeing the winning move.
Takeaway: A historical test needs reproducible assumptions.

CHAPTER 11 PROTECT THE EVIDENCE

Collect every qualifying example

Do not let hindsight select your sample.

Use replay or hide future bars where possible. Record the decision before revealing the outcome. Include qualifying losses, unclear cases, and setups that did not fill under your assumptions. A chart that already shows the result makes judgment feel easier than it was.

Record	Why it matters
Date, instrument, session	Makes each example traceable to its source.
Rule version and condition	Separates one test definition from another.
Planned and assumed fills	Shows what prices and costs produced the hypothetical result.
Result and excursion	Tracks the outcome plus the largest favorable and adverse movement during the example.
Before / after images	Preserves what was visible and what developed later.

CONTROL THE TEMPTATION TO IMPROVE THE PAST

Do not remove an example because the day felt unusual after it lost. If excluding a condition seems reasonable, define that filter using information available at the time, then assess it on a separate sample. Keep an untouched period for a later check when practical.

For bar-based tests, the order of price touches within one candle may be unknown. If a target and stop both appear touched, apply a predefined conservative rule or examine finer data; do not automatically count the favorable result.



CANDLE CHECK • Keep the disappointing examples

Green candle: Retain all examples and document assumptions honestly.
Red candle: Change a rule until the same historical sample looks impressive.
Takeaway: Improving a backtest can be overfitting rather than improvement.

CHAPTER 11 READ THE RESULTS

Win rate is only one measure

Review gains, losses, costs, and the conditions behind them.

Measure	What it helps you understand
Win rate	How often an example finished as a win under the rules.
Average win / loss	Whether winning and losing outcomes differ in size.
Drawdown / losing sequence	How far performance declined and how losses clustered.
Frequency and context	How often the condition appeared, and where results changed.
Costs and execution	Whether commissions, spread, slippage, or difficult fills alter the picture.

ARITHMETIC EXAMPLE • NOT A STRATEGY RESULT

Suppose 10 hypothetical examples include four wins of +2R and six losses of −1R. Total: +8R − 6R = +2R, or +0.2R per example before costs. Here 1R means the initial planned loss amount. Actual losses can exceed planned risk.

A 40% win rate can therefore coexist with a positive gross average in this illustration. Ten examples do not establish reliability. A few large outcomes, unrealistic fills, or modest costs can change the conclusion. Continue across varied days and use an independent check.

Reference: NFA discussion of hypothetical-performance limitations



CANDLE CHECK • Evidence, not a verdict

Green candle: Review the distribution, assumptions, and weak conditions.
Red candle: Declare a method dependable from a short winning sample.
Next: Observe the same rules as new data arrives.

CANDLE COACHES • COMIC 04

One chart. World champion?

One winning example does not make a tested method.



GREEN

“One winner! Where do I collect my crown?”



RED

“After the examples you did not frame.”



GREEN

“You mean the losing ones count too?”



RED

“Especially those. Keep the rules. Keep the evidence.”

THE TAKEAWAY Include every qualifying example. A memorable winner is not a reliable sample.

CHAPTER 12 FORWARD TEST IN REAL TIME

Test without the future visible

Observe the same rules as new market data develops.

LEARNING OBJECTIVE

Distinguish historical testing from forward observation, and explain how real-time recognition can differ from recognizing a completed chart.

Historical backtest	Forward observation
Uses past data under fixed assumptions.	Uses new data as it arrives.
Can reveal hindsight and selection problems if handled carelessly.	Reveals waiting, hesitation, missed conditions, and schedule conflicts.
Can review many examples efficiently.	Requires patience until qualifying conditions actually appear.
Produces hypothetical results that depend on the assumptions.	Still does not require live money; use observation or simulation.

Carry the same instrument, session, definitions, and rule version forward. Choose the observation period or sample rule in advance. A fixed study block is more informative than ending whenever a favorable result appears.

Illustrative example: a learner plans ten observation sessions. Only three qualifying conditions appear. The learner records three, not ten invented opportunities. Ten sessions is a scheduling example, not a sufficient proof of reliability.



CANDLE CHECK • Let the sample arrive

Green candle: Wait for the written condition and preserve the record.
Red candle: Loosen the definition because the market is taking too long.
Takeaway: Real-time testing includes the discipline of waiting.

CHAPTER 12 RECORD THE WHOLE PICTURE

Taken, missed, or skipped

Separate whether the condition appeared from what you did.

A forward log should include valid appearances even when no simulated order was placed. Otherwise you may accidentally measure only the examples you liked or noticed quickly enough.

Label	What it means	What to record
Recognized	The condition was identified in time.	Timestamp, visible evidence, and planned response.
Missed / late	The condition appeared but was not recognized in time.	Whether attention, an alert, unclear wording, or a platform issue contributed.
Skipped	A condition appeared, but the response was deliberately not taken.	A reason grounded in the rules rather than a rewritten explanation.
Invalid	One or more required criteria were absent.	Which criterion was missing; do not mix it into qualifying trade results.

ILLUSTRATIVE FINDING

The historical rule says “wait for a candle close,” but the learner repeatedly anticipates it in real time. That is an execution or wording problem to address; it is not automatically evidence that the original setup failed. Preserve the planned response separately from the action taken.



CANDLE CHECK • Record what was available

Green candle: Save evidence at the moment the decision was made.
Red candle: Omit a missed setup because it was inconvenient to notice.
Takeaway: Honest observation includes the decisions you did not take.

CHAPTER 12 COMPARE THE SAMPLES

Explain the difference first

A weaker forward sample can have more than one cause.

Possible cause	Question to investigate
Sampling variation	Is the new sample too small to support a strong conclusion?
Different conditions	Did session activity, volatility, or the market condition change?
Different assumptions	Were fills, costs, data, and setup definitions truly comparable?
Execution differences	Were entries early, late, skipped, or handled outside the rule?
Overfitting	Was the historical rule tuned too closely to the original examples?

A CONTROLLED REVIEW

First verify the records. Then separate the setup's hypothetical behavior from the learner's actual practice behavior. If a rule needs clarification, create a new version and begin a distinct sample. Rewriting every variable makes comparison impossible.

Forward observation can remain entirely order-free. Once the condition is recognized consistently, simulation can add account checks, order handling, management, and review. Neither stage removes the limitations of hypothetical performance.



CANDLE CHECK • Diagnose before changing

Green candle: Investigate the gap and test one clearly defined revision.
Red candle: Abandon or reinvent the method after one frustrating session.
Next: Use simulation to practice the whole process realistically.

CHAPTER 13 USE SIMULATED TRADING CORRECTLY

Practice the whole process

The entry is only one part of a realistic session.

LEARNING OBJECTIVE

Explain how to make simulation useful, how to separate process quality from outcome, and what simulated results cannot establish about live trading.

Stage	What realistic practice includes
Prepare	Calendar, product, data, timezone, account verification, and chart context.
Qualify	A written condition, invalidation, risk assumptions, and planned response.
Operate	Correct practice account, intended quantity, and verified platform response.
Manage	Follow the planned rules rather than improvising because the outcome is uncomfortable.
Close and review	Check positions and working practice orders, save evidence, and assess compliance.

Use account balance, size, costs, and session limits that resemble the learning conditions being studied, where the platform permits. Record limitations instead of pretending the simulator reproduces a real account exactly.

Volume Two develops order types, protective orders, contract calculations, and execution mechanics. Do not guess at those procedures. Learn them deliberately in the relevant practice environment.



CANDLE CHECK • Rehearse useful habits

Green candle: Practice preparation, verification, and review along with entries.
Red candle: Use unlimited size or constant resets to create impressive results.
Takeaway: The habits rehearsed matter as much as the simulated outcome.

CHAPTER 13 PROCESS AND OUTCOME

A win can still be a mistake

Grade the behavior separately from the financial result.

An outcome describes what happened financially under the simulator's rules. Process quality describes whether the plan was followed. Mixing the two can reward an impulsive action simply because it happened to win.

	Positive outcome	Negative outcome
Plan followed	Document the execution and keep assessing the method across a sample.	A planned loss may still reflect sound execution; review the broader evidence.
Plan violated	Identify the violation even if the trade made simulated money.	Separate the rule breach from the market loss; correct the behavior.

ILLUSTRATIVE SESSION

A learner finishes ahead after entering early and doubling the planned size. The result is positive; compliance is poor. Calling it a successful process would encourage the same behavior when the next outcome may be unfavorable.

A second learner waits because the required condition is absent. No order is placed. If preparation, observation, and review were completed, the session still produced useful learning evidence.



CANDLE CHECK • Reward the right behavior

Green candle: Recognize a correct wait or a well-executed planned loss.
Red candle: Excuse rule-breaking because it happened to make money.
Takeaway: Profit and process are separate review questions.

CHAPTER 13 UNDERSTAND THE LIMITATIONS

Simulation has blind spots

Practice can build skill without reproducing every live condition.

Limitation	What to keep in mind
Fills and liquidity	Simulated fills may not match live queue position, partial fills, spread, or slippage.
Costs and assumptions	Verify which fees and trading conditions are actually included.
Financial pressure	No simulated record fully recreates the experience of losing real funds.
Technology and accounts	A practice interface may differ from live permissions, behavior, and restrictions.
Small samples	A short profitable period can occur without a repeatable advantage.

KEEP THE EVIDENCE INTACT

Do not erase an unfavorable sequence with an undocumented reset. If a reset is needed for a new lesson, preserve the earlier record and label the new exercise. Review process errors and unresolved questions before increasing complexity.

Completing this guide or a simulation period does not automatically establish readiness for live risk. Continue practicing when rule recognition, platform operation, costs, or limits remain unclear.

Reference: NFA hypothetical-performance limitations



CANDLE CHECK • State the limitation

Green candle: Describe what the simulator measured and what it did not.
Red candle: Treat a simulated balance as evidence of guaranteed future income.
Next: Compare account paths, costs, and rules without urgency.

CANDLE COACHES • COMIC 05

The trophy needs a checklist

A lucky simulated win does not erase a broken rule.



RED

“I broke the plan... but I won!”



GREEN

“Great outcome. Shall we inspect the process?”



RED

“So the trophy does not erase the mistakes?”



GREEN

“No. But it makes an excellent pencil holder.”

THE TAKEAWAY Grade process separately from profit. A rule-breaking win is still a process error.

CHAPTER 14 COMPARE ACCOUNT PATHS

Two paths, different obligations

Understand the arrangement before paying for access.

LEARNING OBJECTIVE

Distinguish personal brokerage capital from retail evaluation programs, and identify the costs, risk limits, and terms that control each arrangement.

Question	Self-funded brokerage	Retail evaluation / prop program
Whose money is at risk?	Personal deposits support the trading account; losses and other liabilities depend on the product and terms.	Fees are paid under program terms; a later account may be simulated or live. Verify the stage.
What controls access?	Broker permissions, margin, product rules, and account requirements.	Evaluation objectives and contractual rules may govern access and continued eligibility.
What is the outcome?	Account gains or losses after applicable costs.	Payout eligibility and any share depend on the exact agreement.
Does it establish an edge?	No. Personal funding does not validate a method.	No. Qualification or an account label does not validate a method.

Retail evaluation programs are not identical to employment at a traditional proprietary trading firm. Do not assume the label “funded” means a personal cash balance or a live brokerage account.



CANDLE CHECK • Read the actual arrangement

Green candle: Confirm the legal provider, account stage, and applicable terms.
Red candle: Treat the advertised account size as spendable money.
Takeaway: The label is less informative than the agreement.

CHAPTER 14 RULES AND LOSS CAPACITY

Account size is not loss room

Find the limit that actually controls the account.

An advertised balance and a permitted loss limit answer different questions. A trailing drawdown threshold may move as performance changes. Its calculation can depend on intraday or end-of-day values and on realized or unrealized gains. Verify the exact definition.

Compare	What to find in the current terms
Loss rules	Daily limits, total loss threshold, trailing behavior, and breach consequences.
Trading permissions	Products, position limits, session restrictions, news rules, and prohibited practices.
All fees	Evaluation, recurring subscription, reset, activation, data, platform, and withdrawal-related charges where applicable.
Payout access	Eligibility, timing, minimums, caps, retained buffers, and reasons a request may be denied.
Account stage	Whether orders are simulated or live and what changes after qualification.

Illustrative loss-room example: an account advertised as “$50,000” with a $2,000 permitted loss allowance does not offer $50,000 of usable drawdown. This simplified example is not a current offer, and the permitted threshold may move under the agreement.



CANDLE CHECK • Find the controlling number

Green candle: Explain how the loss threshold is calculated and when it changes.
Red candle: Size positions from the headline balance alone.
Takeaway: Rules can end access before a displayed balance reaches zero.

CHAPTER 14 COMPARE WITHOUT PRESSURE

Choose without urgency

Continuing simulation is a valid third option.

Compare the full commitment with money you can afford to lose without affecting essential obligations. Repeated evaluation attempts can accumulate costs. A sale countdown is not evidence that you are ready or that the terms fit your process.

ILLUSTRATIVE COST CHECK • NOT A CURRENT OFFER

Four evaluation attempts at $50 each plus a $100 activation charge total $300 before other applicable costs. That arithmetic alone does not show value. Compare the full cost, restrictions, provider risk, and alternative of saving while continuing practice.

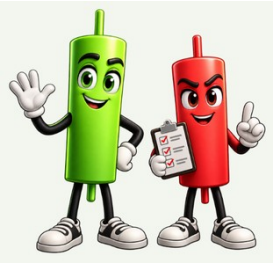
VERIFY THE PROVIDER AND THE PRODUCT

Use official terms for the exact plan and save the date reviewed. For brokerage or advisory services that require registration, check the relevant regulator and background records. Registration requirements depend on the activity; do not assume every retail evaluation provider is a regulated broker or offers the same protections.

Provider example: Topstep describes its Trading Combine and Express Funded Account as simulated environments and distinguishes them from Live Funded Accounts. This illustrates why the account stage matters; it is not a recommendation or comparison of current offers.

CFTC: registration and background checks

Topstep: simulated and live account distinctions • checked October 20, 2026



CANDLE CHECK • Capital is not readiness

Green candle: Compare costs, contractual limits, and the ability to absorb loss.
Red candle: Pay for access to resolve pressure about needing income now.
Next: Organize the first month around demonstrated skills.

CHAPTER 15 FOLLOW YOUR FIRST THIRTY-DAY PLAN

Your first month of learning

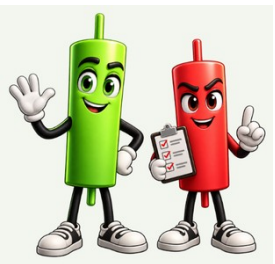
A sequence for practice, not a countdown to live trading.

LEARNING OBJECTIVE

Explain how to build foundational skills in stages and use evidence to decide which stage needs repeating. The schedule below is illustrative; extend it to fit the time and practice you need.

Study block	Focus	Evidence of progress
Days 1–7	Purpose, market choices, sessions, and learning space.	Explain one instrument, its main risks, and the observation window.
Days 8–14	Tools, TradingView, calendar awareness, and chart context.	Navigate a clean chart and describe what is visible without guessing.
Days 15–21	Daily routine and a defined historical test.	Preserve fixed rules and a traceable record of qualifying examples.
Days 22–28	Forward observation and realistic simulation.	Recognize conditions as they arrive and distinguish behavior from outcome.
Days 29–30	Review and choose the next learning step.	Identify supported strengths, unresolved questions, and one improvement.

Keep one primary product and a repeatable study window where practical. The sample collected in a month may be too small for meaningful conclusions. The calendar organizes study; evidence determines whether to progress.



CANDLE CHECK • Repeat when needed

Green candle: Extend a stage when the skill cannot yet be demonstrated.
Red candle: Advance simply because the calendar reached day 30.
Takeaway: Repetition is part of learning, not a sign of failure.

CHAPTER 15 REVIEW THE EVIDENCE

What can you demonstrate?

Use your records instead of relying on a feeling of confidence.

Skill	Evidence to look for	If it remains unclear
Market literacy	An accurate product explanation and the main risks.	Revisit Chapters 2–3.
Session awareness	Correct hours, dates, timezones, and calendar checks.	Revisit Chapters 4 and 8.
Platform operation	A clean layout and verified practice environment.	Revisit Chapters 5–7.
Chart context	Descriptions with timeframe, structure, and location.	Revisit Chapter 9.
Consistent routine	Before-and-after evidence and a short review.	Revisit Chapter 10.
Testing discipline	Stable rules and complete records, including unfavorable examples.	Revisit Chapters 11–13.
Capital understanding	A factual comparison of costs, risks, and account terms.	Revisit Chapter 14.

A learning record can include dated screenshots, notes, rule versions, test examples, and weekly summaries. Keep records that show how a conclusion was reached, not just screenshots of a favorable result.



CANDLE CHECK • Confidence needs evidence

Green candle: Name the skill you can demonstrate and the one to repeat.
Red candle: Confuse finishing a book with being ready to trade live.
Takeaway: A useful review can conclude that more practice is needed.

CHAPTER 15 FINISH WITH A NEXT STEP

Build on the foundation

Carry the learning process into the rest of the series.

WHAT THIS VOLUME HAS ESTABLISHED

- A reason for learning and a deliberate market choice.
- A practical environment, a small tool stack, and basic platform literacy.
- Awareness of sessions, scheduled information, and chart context.
- A routine for historical testing, forward observation, simulation, and review.
- A way to assess account choices without urgency.

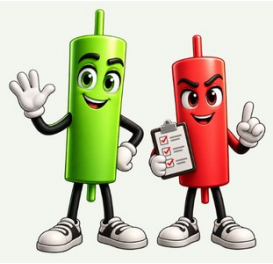
WHAT COMES NEXT

Volume Two, Setup and Execution Playbook, develops trade mechanics and execution education. Study the relevant product's contract terms, price increments, orders, protective plan, and platform responses in simulation rather than filling knowledge gaps with guesses.

The rest of the library supports risk, psychology, patterns, vocabulary, a written plan, and full-process practice. Use the eight-volume overview on the next page to locate the lesson you need. You can return to earlier material whenever a later task exposes a gap.

YOUR CONTINUING STANDARD

Learn the concept. Recognize it on the chart. Practice the process. Review the decision. Educational completion and any associated certificate do not certify profitability or suitability for live risk.



CANDLE CHECK • Keep learning deliberately

Green candle: Take the next lesson with a clear question and a practice plan.
Red candle: Treat completion as permission to skip uncertainty or risk controls.
Next page: Explore the eight connected Before the Trade volumes.

CHAPTER 15 PRACTICAL APPLICATION

Progress is a learning loop

Use evidence of skills, with room to pause and revisit.



A learning path includes unfamiliar controls, missed conditions, setbacks and revised explanations. Use the notebook and the return path: identify the gap, review evidence, and revisit the relevant lesson.

- Understand the product and risk; specify one method.
- Test complete examples, including costs and failures.
- Rehearse the whole procedure; review before choosing the next step.

Risk management and psychology belong throughout this loop. No fixed week count, trade count or certificate automatically establishes readiness. Continued practice or a pause can be the appropriate next step.



CANDLE CHECK • PUT IT TO WORK

Green: A return to practice is progress when it addresses a named gap.
Red: Finishing the path does not guarantee income.

REFERENCE + PRACTICAL APPLICATION

Sources for the expanded lessons

Read alongside the official references already included in this volume.

These sources support product units, order behavior and measurement definitions. The setup parameters, budgets, tables and sequences are original constructed teaching examples, not historical trade records or validated strategies.

CME Group: Micro Gold contract units

CME Group: futures margin

Investor.gov: stop and stop-limit orders

Product and platform mechanics were checked October 22, 2026. Existing reference pages retain their stated review dates. Verify current account rules, provider controls and data feeds before use. Regional session conventions and dated conversions are explained with source links in Volume One.



CANDLE CHECK • PUT IT TO WORK

Green: Verify the mechanics at the source.
Red: An illustration explains a process; it does not prove future returns.

THE COMPLETE LEARNING LIBRARY

Eight volumes. One process.

Build knowledge, practice decisions, and return to the lesson you need.

01 Market Foundations

Choose a market; learn sessions, tools, chart context, testing, and a repeatable study process.

YOU ARE HERE

02 Setup and Execution Playbook

Learn trade mechanics, order procedures, structure, and simulated execution.

03 Risk Discipline and Payout Readiness

Connect setup rules, exposure controls, journaling, and readiness standards.

04 Trading Psychology and Discipline

Recognize emotional pressure and build a process for wins, losses, and uncertainty.

05 Candlesticks and Chart Patterns

Read candle and pattern information through context, confirmation, and invalidation.

06 Complete Trading Glossary

Use plain-language definitions to connect terminology throughout the series.

07 Build Your Trading Plan

Write your rules using planning prompts, a template, and a completed educational example.

08 Putting It All Together

Use the practical trading-day guide to prepare, trade, manage, and review.

THE SERIES METHOD

Learn the concept. Recognize it on the chart.
Practice the process. Review the decision.

“Preparation comes first. Confidence grows through practice and honest review.”

FROM MARKET FOUNDATIONS

See the setup.

Master the moment.

www.BeforeTheTrade.org

Trading education built around preparation, recognition, psychology, and discipline.

Educational use only; not personalized investment advice or a trading signal. Trading involves substantial risk, and leveraged losses may exceed deposited funds. Hypothetical and simulated results do not guarantee live outcomes. Educational completion does not certify profitability.

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