THE DOPEST TRADERS

TDT TRAINING GUIDE

The Simplified Path from Zero to Trader

Forex basics • Psychology • Risk management

Price action • Technical analysis • Journaling

TRADE WITH DISCIPLINE. TRADE WITH TDT.

What's Inside

Welcome to TheDopestTraders — start here — the mindset behind this guide

The TDT Trader's Code — 20 rules every TDT trader lives by

Lesson 1 — What Is Forex? — the market, the players, the language, the styles

Lesson 2 — Fundamentals — what actually moves currencies

Lesson 3 — Psychology — master your mind before you master the market

Lesson 4 — Mistakes & Traps — how most traders lose — and how you won't

Lesson 5 — Risk Management — the math that keeps you in the game

The Art of Technical Analysis — 8 phases: price action, levels, MAs, trendlines, Fibonacci, candles, patterns, checklist

Journaling — your edge, on paper

Your Move — where you go from here

Welcome to TheDopestTraders

This guide exists for one reason: to take you from curious beginner to disciplined trader, step by step, with zero fluff. Everything in here is the stuff that actually matters — the market, the mindset, the risk rules, and the chart skills. No filler, no hype, just the work.

Here is the truth up front: most people who try trading lose money. Not because the market is rigged against them, but because they show up unprepared — no plan, no risk rules, emotions running the show. This guide is your shortcut past all of that. Read it, apply it, and you walk in with an edge most beginners never get.

Trading will test you. It will expose your impatience, your greed, your fear — and then it will reward you for mastering them. Every professional trader you admire was once exactly where you are now: at page one. The difference is they did the work. Your turn.

> **TDT RULE:** You don't need to be a genius to trade well. You need a simple plan, strict risk rules, and the discipline to follow them every single day.

The TDT Trader's Code

Read these before every session. Tape them to your wall. These 20 lines are the difference between a trader and a gambler:

1. I am a disciplined trader. My edge is my process, not my predictions.
2. I trade to make profit — calmly, consistently, without forcing it.
3. I honor the standard I set for myself, especially when no one is watching.
4. I never stop learning how the market works.
5. I trade one simple method: a clear entry, a stop that protects me, and a target that pays me.
6. My stop loss always fits my risk rules — I am comfortable with it before I click buy or sell.
7. My rules are simple, I understand them, and I obey them. Every time.
8. I trade for pips, not for money. Pips are the scoreboard; money follows.
9. I trade without emotion. I don't stare at floating profit and loss.
10. I never enter a trade without a protective stop. No exceptions.
11. Every trade starts as a plan. I trade my plan — I don't improvise.
12. If a pair doesn't meet my criteria, I move on. The market always offers another setup.
13. If there is no setup, I wait. Patience is a position. Every trade ends in profit or in a lesson.
14. I stay positive. One loss is tuition, not failure.
15. I remove "should" from my vocabulary. I say "will" and "must."
16. I never take a loss personally. The market isn't attacking me.
17. I never assume. I wait for confirmation.
18. I speak about my trading in positive, precise words.
19. I persist. Consistency beats intensity.
20. I always do my best. When I make a mistake, I own it, learn from it, and move on.

Lesson 1 — What Is Forex?

Forex (foreign exchange) is where currencies are bought and sold. It is the largest financial market on earth — trillions of dollars change hands every single day, dwarfing the stock market.

The market in plain English

- **Open almost all week.** Trading runs 24 hours a day, 5 days a week — from Sunday evening to Friday evening. No opening bell, no closing bell.
- **Currencies trade in pairs.** You always buy one currency and sell another at the same time. EUR/USD, GBP/JPY, USD/CAD — the first is the base, the second is the quote.
- **You profit both ways.** If you think the base currency will rise, you buy. If you think it will fall, you sell. Up or down, there is opportunity.
- **No central exchange.** Trading happens "over the counter" through your broker, who quotes you the price and fills your order.

> **TDT RULE:** The trend is your friend. Never fight the direction of the market — trade with it.

Forex vs. stocks — the quick version

Stocks mean picking through thousands of companies, each of which can surprise you overnight. Forex means focusing on a handful of currency pairs with deep liquidity, low costs, and round-the-clock movement. Fewer choices, cleaner charts, and you can start with a small account. The trade-off: leverage makes forex powerful and dangerous in equal measure — which is exactly why Lesson 5 exists.

Who actually moves the market

- **Banks.** The giants — Barclays, HSBC, JPMorgan and friends — handle the biggest share of daily volume, trading with each other in the interbank market.
- **Hedge funds & investors.** Big pools of capital speculating on currency moves for profit.
- **Central banks.** They set interest rates and occasionally intervene to steady their currency. When they speak, the market listens.
- **Companies.** Multinationals constantly swap currencies to do business across borders.
- **Retail traders — that's you.** A small slice of total volume, but growing fast thanks to online brokers. Your edge isn't size — it's discipline.

Why trade forex — the honest version

- Massive liquidity: you can enter and exit instantly, even with size.
- Trade on your schedule: sessions run around the clock, five days a week.
- Low barrier: start with a few hundred dollars and trade from a laptop anywhere.
- Fewer instruments to master: a handful of pairs beats thousands of stocks.
- And the warning label: leverage amplifies losses exactly as fast as gains. Respect it, or it will humble you.

How traders play it — pick your style

- **Technical trading.** Reading price charts — trends, levels, patterns, candles — to time entries. This guide's specialty.
- **Fundamental trading.** Trading off economic news and data releases. Powerful, but news can whip price both ways.

- **Swing trading.** Holding trades for days to weeks, riding the bigger moves. Fewer trades, wider stops, more patience. Great if you have a job.
- **Day trading & scalping.** In and out within the day (scalpers: within minutes). Fast, intense, and a burnout machine for beginners who overtrade.

> **TDT RULE:** Master ONE style before you touch the others. Jumping between styles is how beginners stay beginners.

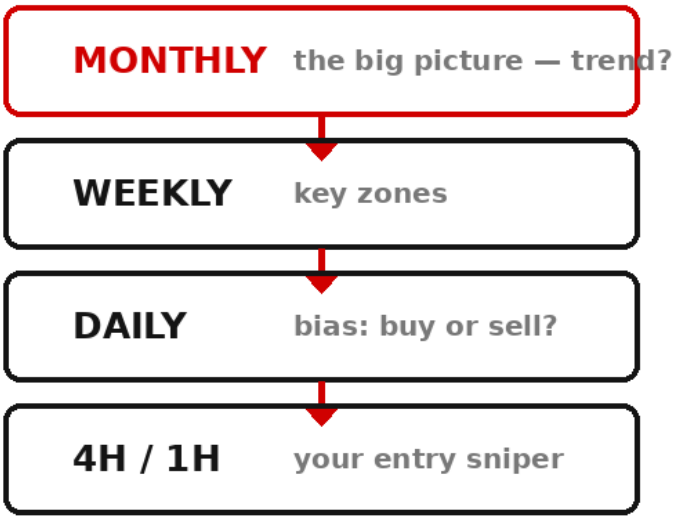
Speak the language

TERM	WHAT IT MEANS
Pip	The smallest standard price move. For most pairs, 0.0001. Pips are how you keep score.
Point	100 pips. If EUR/USD moves from 1.3700 to 1.3800, that's one point.
Lot	Your position size. 1.00 standard lot = 100,000 units of the base currency. 0.01 (a micro lot) = 1,000 units.
Spread	The broker's cut — the gap between the buy price (ask) and sell price (bid). You start every trade slightly negative.
Leverage	Borrowed buying power, e.g. 100:1 lets you control $100,000 with $1,000. Magnifies wins AND losses.
Margin	The deposit your broker locks up to hold a position open. Not a fee — collateral.
Bid / Ask	Bid = the price you sell at. Ask = the price you buy at. Ask is always a touch higher.
Base / Quote	In EUR/USD, EUR is the base, USD is the quote. Buying the pair = buying base, selling quote.
Long / Short	Long = buy, betting price rises. Short = sell, betting price falls.
Majors	The most-traded pairs: EUR/USD, GBP/USD, USD/JPY, USD/CHF, USD/CAD, AUD/USD. Tightest spreads, cleanest moves.

Reading the chart — timeframes

A chart looks different on every timeframe, and each one has a job. The golden rule: higher timeframes set the direction, lower timeframes time the entry. Never take a buy on the 5-minute chart when the daily chart is screaming downtrend.

TOP-DOWN ANALYSIS



Big picture first. Entries last.

Lesson 2 — Fundamentals: What Moves Currencies

Fundamental analysis is the study of the economic forces behind price moves: interest rates, inflation, jobs data, central bank decisions. When a country's economy strengthens, its currency usually follows.

The only fundamentals a beginner needs

- **Interest rates rule everything.** Higher rates attract global money chasing yield, which pushes the currency up. Central bank meetings are the biggest events on the calendar.
- **Follow the economic calendar.** Know when high-impact news drops (NFP, CPI, rate decisions). Never open a new trade in the seconds before a red-folder event — spreads widen and price whipsaws.
- **News explains, charts time.** Fundamentals tell you WHY a currency is strong or weak. Technicals tell you WHERE and WHEN to enter. Use both, but let the chart pull the trigger.

> **TDT RULE:** Pro move: check the calendar every morning before you trade. If big news hits your pair today, either stand aside or cut your size in half.

The manipulation reality check

Sometimes strong data comes out and price barely moves — or moves the "wrong" way. Big players often use news releases as liquidity events: the spike shakes out weak hands before the real move begins. This is why you trade the chart's reaction, not the headline. If price doesn't confirm your bias after the news, walk away.

Lesson 3 — Psychology: The Real Battlefield

Trading is roughly 10% strategy and 90% mindset. Your charts don't have emotions — you do. Every blown account in history was blown by a psychological mistake, not a bad indicator.

The four emotions that steal your money

- **Fear.** Freezes you out of good setups and makes you exit winners too early. The fix: risk so little per trade that no single loss can scare you.
- **Greed.** Makes you oversize after a win and chase trades that aren't there. The fix: fixed position sizing, no exceptions, ever.
- **Doubt.** Makes you second-guess a proven plan mid-trade. The fix: trust the backtested plan, not the moment.
- **FOMO.** The fear of missing out — entering late, at the worst price, because price is running without you. The fix: missed trade = saved money. There is always another setup.

The disciplined trader's operating system

- Decide your risk BEFORE you enter. Once you're in, the decision is already made.
- Turn off the profit/loss display while in a trade. Watch price, not money.
- One setup, one plan, one outcome at a time. No revenge trades — ever.
- After a trade closes — win or lose — step away from the charts. Come back clear-headed.
- Journal every trade (more in the Journaling chapter). Your patterns are hiding in your history.

> **TDT RULE:** Emotions are data, not orders. Feel them, note them, then follow the plan anyway.

Lesson 4 — Mistakes & Traps

Almost every losing trader loses in the same handful of ways. Memorize this list — it is a map of every pothole on the road:

- **Over-trading.** Taking trades because you're bored, not because there's a setup. Fewer, better trades beat constant action every time.
- **No game plan.** Entering without a defined entry, stop, and target is gambling with extra steps. Plan the trade, trade the plan.
- **Chasing money, not pips.** Thinking in dollars makes you oversize and panic. Think in pips and percentages — the money follows process.
- **Rushing in (FOMO).** Jumping in late after the move already happened. If you missed it, you missed it. Wait for the next one.
- **Chart-hopping.** Switching strategies and timeframes every week. Pick one method and give it 100 trades before judging it.
- **Skipping demo.** Going live before you can prove consistency on demo is paying tuition you didn't need to pay. Earn the right to risk real money.
- **Moving your stop.** Widening a stop because "it'll come back" turns a small planned loss into an account killer. Set it and respect it.
- **Revenge trading.** Trying to win back a loss immediately. The market doesn't owe you anything — cool off first.

> **TDT RULE:** If you catch yourself breaking a rule, close the trade and close the laptop. Protecting capital IS the job.

Lesson 5 — Risk Management: The Math That Keeps You Alive

This is the most important lesson in the entire guide. A mediocre strategy with great risk management makes money. A great strategy with no risk management blows up. Every professional agrees on this.

The 1–2% rule

Never risk more than 1–2% of your account on a single trade. On a $1,000 account, that's $10–$20 max per trade. This one rule alone makes you nearly unkillable: you can lose 10 trades in a row and still have over 80% of your account intact.

Position sizing — the actual formula

Your lot size is not a guess. It comes from three numbers:

- Account risk in dollars = account balance × risk % (e.g. $1,000 × 2% = $20)
- Stop loss in pips = the distance from entry to your stop (e.g. 40 pips)
- Value per pip for 1.00 lot on your pair (your broker/platform shows this)

Then: lots = account risk ÷ (stop pips × pip value per lot). Example: $20 risk ÷ (40 pips × $10/pip) = 0.05 lots. Set your size from the math, not from gut feel.

Risk-to-reward: only take trades worth taking

Risk-to-reward (RR) compares what you can win vs. what you risk. A 50-pip stop with a 100-pip target = 1:2. Never take less than 1:1.5, and aim for 1:2 or better. Here's why the math favors you:

TERM	WHAT IT MEANS
1:2 RR, 40% win rate	4 wins × 2R = +8R, 6 losses × 1R = −6R → net +2R. You profit while losing most trades.
1:1 RR, 40% win rate	4 × 1R = +4R, 6 × 1R = −6R → net −2R. You lose. The ratio is everything.
1:3 RR, 30% win rate	3 × 3R = +9R, 7 × 1R = −7R → net +2R. Small win rate, still profitable.

Losing streaks are normal — plan for them

Any strategy will hit 5–8 losers in a row eventually. It means nothing about you. With 1–2% risk, a streak is a bad week, not a blown account. Never "stack" (adding to a loser) and never double size to recover. Flat, boring, consistent sizing wins.

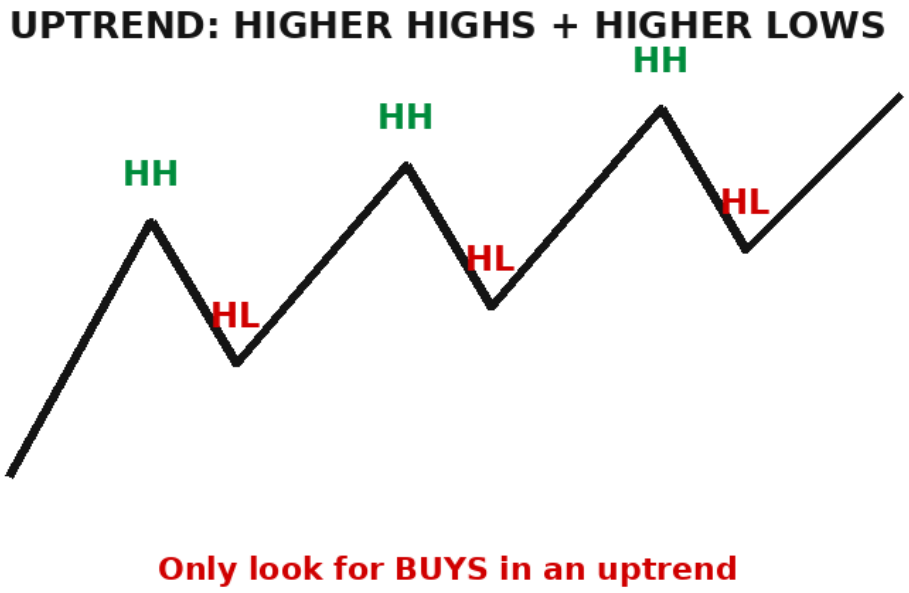
> **TDT RULE:** Capital preservation first, profit second. You can't compound an account you blew up.

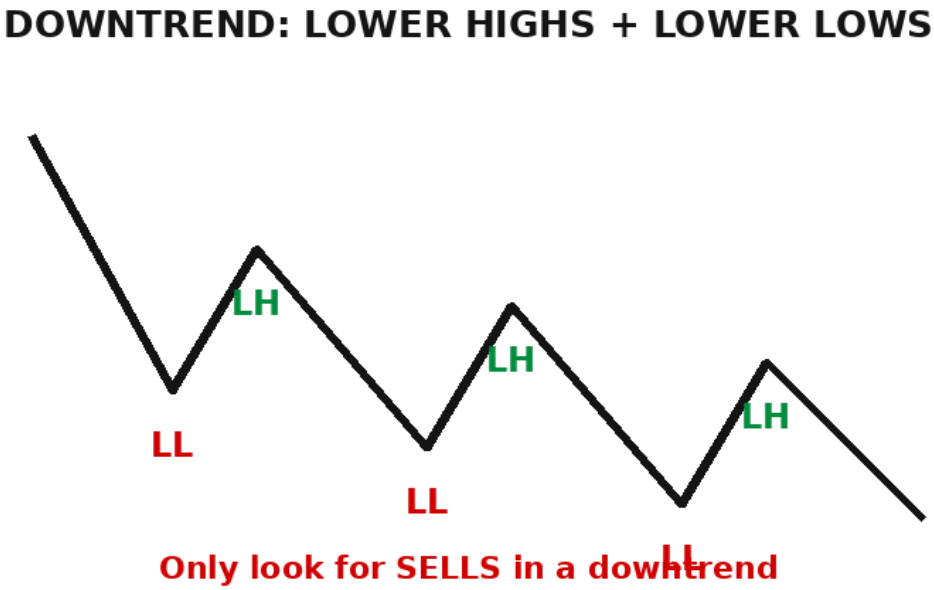
The Art of Technical Analysis

Technical analysis is reading the story price tells on the chart. Everything you need to know about supply, demand, fear and greed is already printed there in candles and levels. These 8 phases build your chart-reading skill from the ground up — in order.

Phase 1 — Price Action & Top-Down Analysis

Price action is the raw movement of price — no indicators needed. Markets move in three ways: up, down, or sideways. Your first job is simply to name the trend correctly.



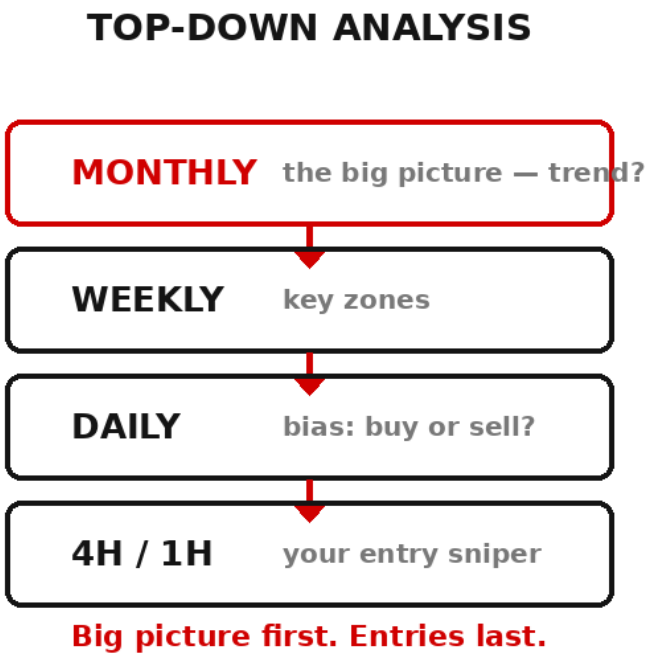


Reading trend structure

- **Uptrend = higher highs (HH) + higher lows (HL).** Buyers are in control. Look for buying opportunities only.
- **Downtrend = lower highs (LH) + lower lows (LL).** Sellers are in control. Look for selling opportunities only.
- **Range = sideways chop between two levels.** Buy low, sell high — or stand aside until it breaks.
- **Trend change signal:** an uptrend ends when price makes a lower high AND breaks below the last higher low. Don't anticipate — wait for the break.

Top-down: always start big

Never analyze a single timeframe in isolation. Start monthly for the big picture, drop to weekly and daily for your bias, then use the 4H/1H to time entries. When all timeframes agree, you have a high-probability setup. When they fight, you wait.



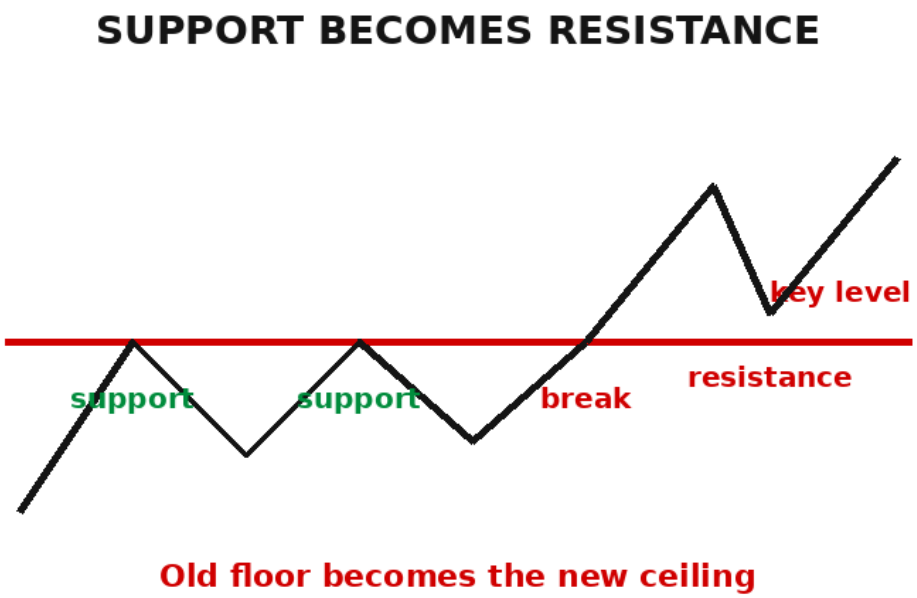
> **TDT RULE:** Trade with the higher timeframe trend. The lower timeframe is for entries, not for arguing with the daily chart.

Phase 2 — Key Level Placement

Support and resistance are the most important lines on any chart. They are the price zones where buyers or sellers have repeatedly stepped in — and where they will likely step in again.

Placing levels like a pro

- Mark the obvious: swing highs and lows where price reversed hard. If a level jumps out at you, it jumps out at everyone — that's what makes it work.
- Zones, not lines: draw a small box around the area, not a razor-thin line. Price is messy; give it room.
- More touches = stronger level. A level that held 4 times matters more than one that held once.
- Round numbers (1.1000, 1.20000) act as magnets — the whole market watches them.
- Flip rule: once support breaks, it becomes resistance. Once resistance breaks, it becomes support.



> **TDT RULE:** Don't clutter your chart. 3–5 clean key levels beat 20 random lines every time.

Phase 3 — Moving Average Theory

A moving average (MA) smooths out price noise and shows you the trend's true direction at a glance. The two that matter most: the 50 and the 200.

- **Trend filter:** price above the MA = bullish bias, below = bearish bias. Simple, effective.
- **Dynamic support/resistance:** in a strong trend, price often bounces off the 50 MA like a floor (uptrend) or ceiling (downtrend).
- **The golden cross / death cross:** 50 crossing above 200 = long-term bullish shift; crossing below = bearish. Slow but significant.
- **Keep it clean:** one or two MAs max. A chart buried in indicators is a chart you can't read.

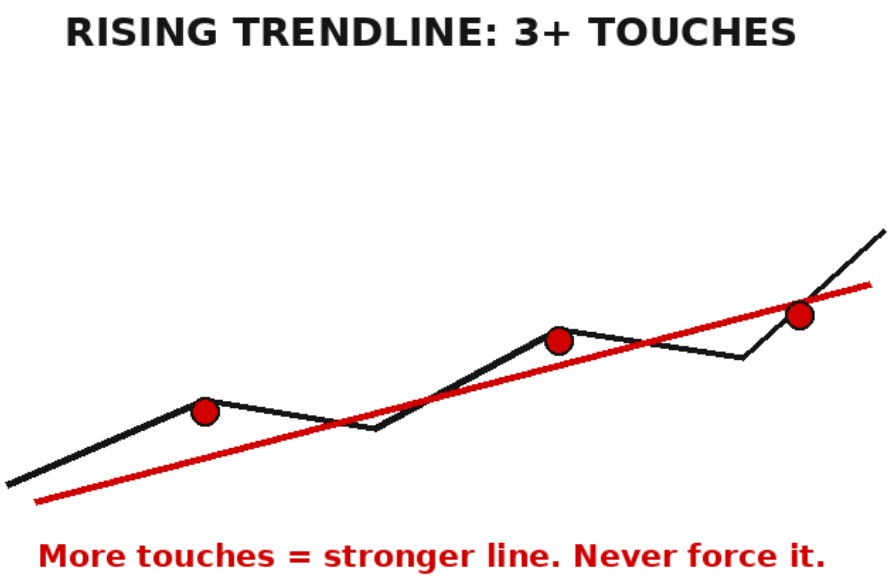
> **TDT RULE:** MAs confirm trend — they don't predict it. They lag price by design. Use them as a filter, not a signal.

Phase 4 — Trendline Application

A trendline connects swing points to visualize trend and spot entries. Rising trendline = connect the higher lows. Falling trendline = connect the lower highs.

Drawing rules that actually work

- You need at least 2 touches to draw it, 3+ to trust it.
- Never force a line to fit — if it doesn't connect cleanly, it isn't a real trendline.
- The best entries come at the 3rd, 4th touch — with confirmation, not blindly.
- A clean break + retest of a trendline often signals the trend is exhausted.
- Steeper isn't better: near-vertical trendlines break fast. Healthy trends climb at a sustainable angle.



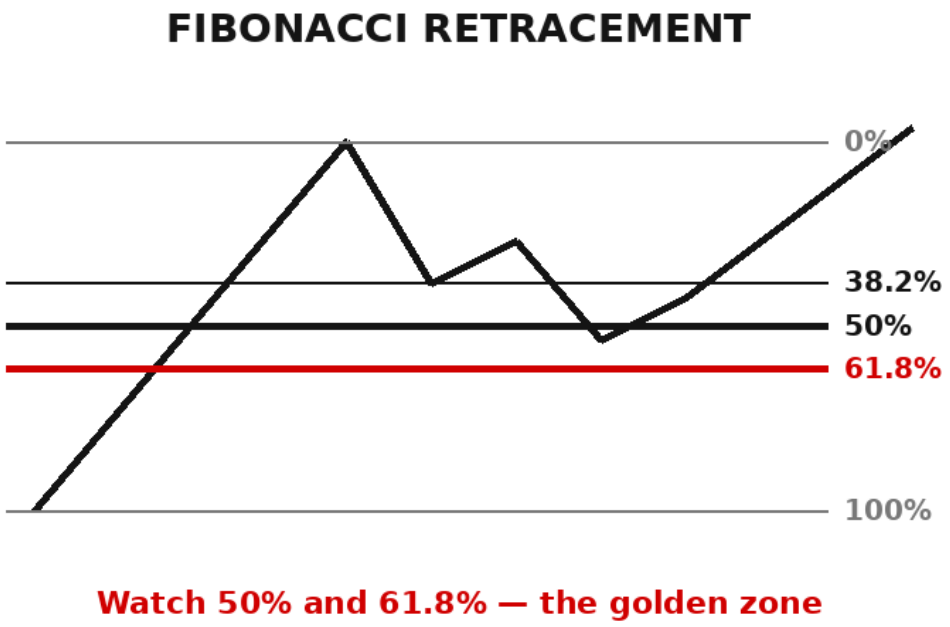
> **TDT RULE:** Confluence wins: a trendline + a key level + a candle signal at the same spot = a setup worth taking.

Phase 5 — Fibonacci Play

Fibonacci retracement marks the pullback zones where a trending move is likely to resume. The levels the whole market watches: 38.2%, 50%, and 61.8% — the "golden zone" is 50–61.8%.

How to draw it (takes 10 seconds)

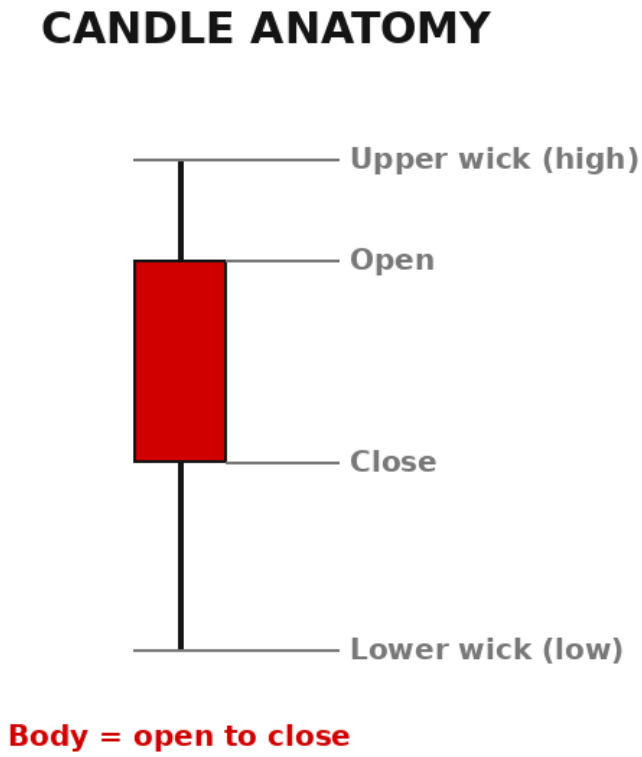
- In an uptrend: anchor at the swing LOW, drag to the swing HIGH.
- In a downtrend: anchor at the swing HIGH, drag to the swing LOW.
- Wait for price to pull back INTO the zone — then look for your entry signal (a candle pattern, a lower-timeframe shift).
- Never buy/sell the level blind. Fib gives you the WHERE; price action gives you the WHEN.



> **TDT RULE:** Fibonacci works because everyone watches it — it's a self-fulfilling map. Trade the reaction at the level, not the level itself.

Phase 6 — Japanese Candlesticks

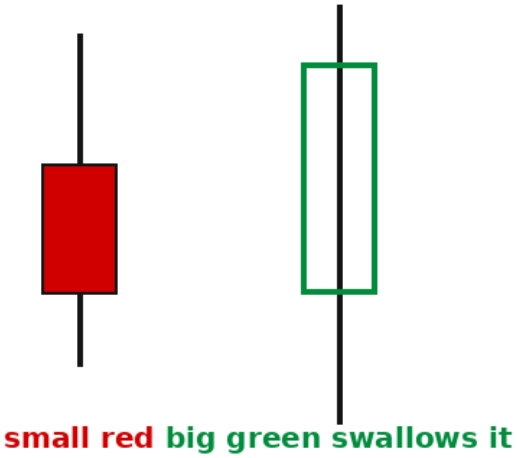
Candlesticks are the language of the chart. Each candle shows open, high, low, close for its timeframe. Green (or hollow) = buyers won the period. Red (or filled) = sellers won.



The patterns that pay

TERM	WHAT IT MEANS
Bullish engulfing	A big green candle completely swallows the prior red one. Buyers just took over — bullish.
Bearish engulfing	A big red candle swallows the prior green one. Sellers took over — bearish.
Hammer / pin bar	Long lower wick, small body on top. Price rejected lower prices — bullish reversal signal.
Shooting star	Long upper wick, small body at the bottom. Price rejected higher prices — bearish reversal signal.
Doji	Open ≈ close. Total indecision. At a key level, it warns a reversal may be brewing.

BULLISH ENGULFING



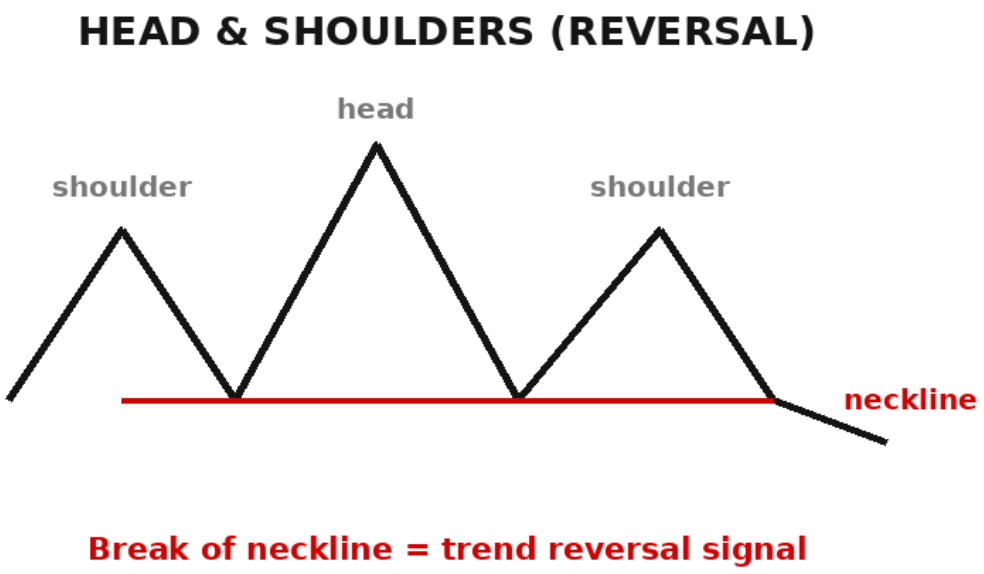
small red big green swallows it

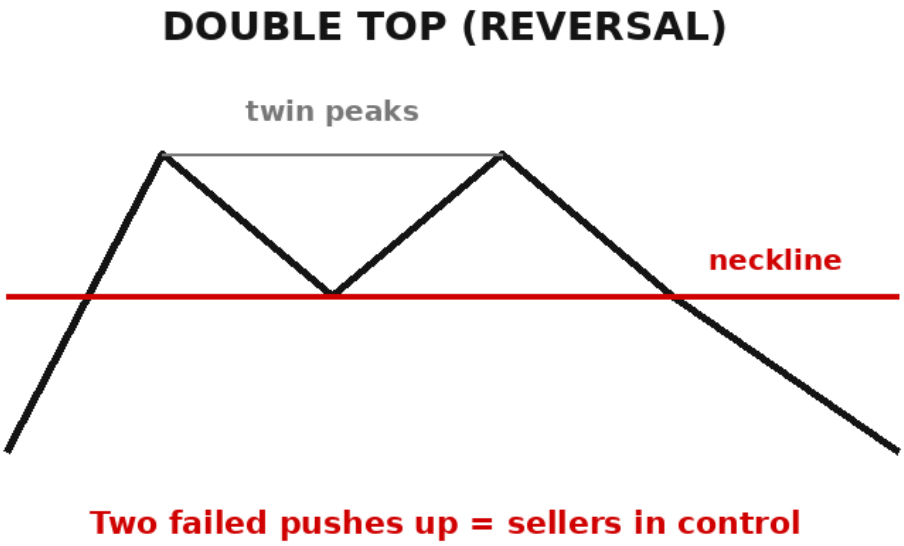
TDT RULE: One candle is a hint, not a trade. Candle signals only count AT key levels, trendlines, or Fib zones — context is everything.

Phase 7 — Chart Patterns

Patterns are just crowd psychology drawn on a chart. They repeat because human fear and greed repeat. Learn the big four first:

TERM	WHAT IT MEANS
Head & shoulders	Three peaks, middle tallest. Neckline break = uptrend likely over. Inverse version flips it for downtrends.
Double top / double bottom	Two failed pushes at the same level (M shape / W shape). The level held twice — reversal odds rise.
Triangles & pennants	Price coiling tighter and tighter = energy building. The breakout direction is your trade.
Flags	A sharp move, a small sideways pause, then continuation. The pause is the market catching its breath.





Trading patterns the safe way

- Wait for the BREAK of the pattern's boundary (neckline, trendline) — don't guess it early.
- The classic entry: break → pullback to the broken line → continuation. Patience pays.
- Measure the pattern's height and project it from the break for a rough target.
- If the break fails and price snaps back inside, exit. Failed patterns fail fast — don't marry the idea.

Phase 8 — The Pre-Trade Checklist

Professionals don't wing it. Run every setup through this checklist BEFORE you click. If any box is unchecked, you wait:

- Trend identified? (HH/HL up, LH/LL down — or a clean range)
- Higher timeframe agrees with my direction?
- Key level / trendline / Fib zone marked — is price AT it?
- Entry signal present? (candle pattern, break + retest)
- Stop loss placement clear — and it fits my 1–2% risk?
- Target gives me at least 1:2 risk-to-reward?
- Any high-impact news on my pair in the next hour?
- Am I calm, or am I revenge-trading / FOMO-ing? (Be honest.)

> **TDT RULE:** A checklist followed 100 times beats a genius idea followed once. Boring consistency is the whole game.

Journaling — Your Edge, On Paper

Your trading journal is where losses turn into tuition and tuition turns into skill. Every professional journals. Amateurs rely on memory; memory lies.

Log every trade — the 60-second version

- Pair, direction, entry, stop, target, lot size, date/time.
- WHY you took it (setup name: "H&S neckline retest", "Fib 61.8 + engulfing"...).
- Screenshot of the chart at entry AND at exit.
- Result in pips and R (e.g. +2R, −1R).
- One line on your emotional state: calm? rushed? revenge? Be brutally honest.

Review weekly — this is where growth lives

- Win rate and average R per setup — which setups actually pay YOU?
- Are your losses mostly from breaking rules? (Usually yes. Fix the top offender first.)
- One improvement for next week. Just one. Stack them.

> **TDT RULE:** You can't fix what you don't track. The journal shows you the trader you actually are — then you build the one you want to be.

Your Move

You now hold the complete foundation: how the market works, how to protect your money, how to read a chart, and how to master the person in the mirror. That's more than 90% of beginners ever learn.

But reading isn't trading. Here's your path from here:

- **Demo first.** Prove you can follow the code and the checklist for 50–100 trades before risking a dollar.
- **One setup.** Pick ONE pattern + ONE confirmation and master it. Depth beats breadth.
- **Journal everything.** Your review sessions are your real education.
- **Go live small.** When demo is consistently green, start live with tiny risk. Real money brings real emotions — earn your size.

The market will be here tomorrow, next month, next year. There's no rush — only process. Stay disciplined, protect your capital, and let the pips come to you.

TRADE WITH DISCIPLINE. TRADE WITH TDT.

TheDopestTraders