J. Quiambao's

FUTURES TRADING GUIDE

A Complete Flash Beginner's Manual for Futures Trading

SECTION 1: WHAT IS FUTURES TRADING?

Before you touch a chart, you need to understand what you're actually trading. Futures are not stocks. They are not crypto. They are contracts.

1.1 The Basics

A futures contract is a legally binding agreement to buy or sell an asset at a predetermined price on a specific date in the future. When you trade ES or NQ, you are NOT buying shares of a company. You are trading a contract that tracks the price of an index.

Think of it like this:

Let’s say you and I agree today that I’ll buy your PS5 for $500 next month. Even if the price goes up to $600, I still get it for $500. And if it drops to $400, you still have to sell it to me for $500. That agreement we made is like a “futures contract.”

In trading, instead of PS5s, people use futures for things like oil, gold, or stock indexes (like the market).

Traders don’t actually want the product most of the time, they’re just trying to make money from price going up or down.

The cool part is:

You can make money if price goes UP (buy/long) or DOWN (sell/short).

But the risky part is:

Futures use leverage, meaning you control a big amount of money with a small amount(margin). So you can make money fast, but also lose it fast.

So in simple terms:

Futures = betting on where price will go, using contracts, with higher risk and higher reward.

Alright so for ES (S&P 500 futures), think of it like this:

ES is basically a way to trade the overall stock market without buying actual stocks.

Instead of buying shares, you’re trading a contract that tracks the S&P 500 (top 500 companies in the U.S.).

Example:

If ES is at 5000 and you think the market is going up, you “buy” (go long).

If it goes to 5010, you make money.

If you think it’s going down, you “sell” first (go short).

If it drops to 4990, you make money.

Why traders like ES:

Moves clean (good for price action like I trade)

Open almost 24 hours

You can go long or short easily

KEY INSIGHT: Leverage is a double-edged sword. It amplifies your wins AND your losses equally. A 1% move in the market can mean a 10-20% swing in your account if you are oversized. Always respect leverage.

1.2 Why Futures Over Stocks?

Feature	Futures	Stocks
Trading Hours	Nearly 24 hours/day	6.5 hours/day
Short Selling	Easy - no uptick rule	Restrictions apply
Leverage	High (built in)	Limited (margin acct)
Tax Treatment	60/40 rule - favorable	Standard cap gains
Liquidity	Extremely high	Varies by stock

1.3 The Instruments You'll Trade

Symbol	Name	Tracks	Tick Value	Point Value
ES	E-mini S&P 500	S&P 500	$12.50	$50.00
NQ	E-mini Nasdaq 100	Nasdaq 100	$5.00	$20.00
YM	E-mini Dow	Dow Jones	$5.00	$5.00
RTY	E-mini Russell 2000	Russell 2000	$5.00	$50.00
GC / GOLD	Gold Futures	Gold Price	$10.00	$100.00
MES	Micro E-mini S&P	S&P 500	$1.25	$5.00
MNQ	Micro E-mini NQ	Nasdaq 100	$0.50	$2.00

TOPSTEP NOTE: Your 50K Combine will limit your contracts. Always check your max position size in the TopStep dashboard before entering. Start with 1 contract only until you're consistent.

SECTION 2: WHEN MARKETS ARE OPEN

Futures trade nearly 24 hours a day, 5 days a week. But NOT all hours are equal. Knowing when volume and volatility peak is one of the most important edges you can have as a beginner.

2.1 The Three Major Sessions (All times EST)

Session	Time (EST)	Instruments	Character
Asian	6:00 PM – 2:00 AM	Gold, Nikkei	Low volume, slow, range-bound
London	2:00 AM – 8:00 AM	Gold, ES, NQ	Picks up — first real moves of day
New York	8:00 AM – 5:00 PM	ES, NQ, Gold, ALL	Highest volume — where the money moves

2.2 Key Times to Know Every Day

- **6:00 PM EST:** Futures reopen after daily close. CME Globex session begins. Usually quiet overnight.
- **2:00 AM EST:** London session opens. Gold and European indices begin moving. Watch for first liquidity sweeps.
- **8:00 AM EST:** Pre-market gets serious. Economic data often drops at 8:30 AM. Mark the 8:00 AM candle high and low; this is your 8AM ORB setup.
- **8:30 AM EST:** Major economic releases; CPI, NFP, PPI, Jobless Claims. Can cause 50-100+ point moves in seconds.
- **9:30 AM EST:** NYSE opens. RTH (Regular Trading Hours) begins. HIGHEST volume of the day. First 30-60 minutes are the most volatile.
- **10:00 AM EST:** Second wave of data sometimes drops. Volatility can spike again.
- **12:00-1:00 PM EST:** Lunch hour. Volume drops significantly. Choppy, range-bound. AVOID trading this window as a beginner.
- **2:00-3:00 PM EST:** London session closing. Can cause a reversal or continuation move.
- **2:30-4:00 PM EST:** Power Hour. Institutions rebalance positions. Volume surges again. Strong directional moves.
- **4:00 PM EST:** NYSE closes. Regular Trading Hours end. Volume drops sharply.
- **5:00 PM EST:** CME daily settlement. Futures pause briefly (5:00-6:00 PM).

BEGINNER RULE: As a new trader, only trade during 8:00 AM - 11:00 AM EST and 2:30 PM – 4:00 PM EST. These windows have the best volume, cleanest setups, and most predictable moves. The rest of the day will eat your account.

2.3 How Sessions Affect Each Other

Each session leaves clues for the next. This is called previous session context and it's critical for your analysis:

- **Asian Range:** The high and low created overnight becomes a magnet. Price loves to sweep above or below the Asian range in the London session before reversing.
- **Previous Day High (PDH) & Previous Day Low (PDL):** These are the most watched levels by institutions. A break above PDH signals bullish strength. A break below PDL signals bearish pressure.
- **Opening Gaps:** When futures gap up or down from the previous 4 PM close, that gap tends to get filled 60-70% of the time on ES. Watch for gap fills in the first hour of RTH.
- **Overnight High & Low:** Mark these every morning before the open. Price frequently sweeps one side of the overnight range before making its real directional move at the NY open.

SECTION 3: MARKET STRUCTURE

Market structure is the foundation of everything. Before you look at any indicator, any setup, or any strategy - you need to read the structure of the market. This is how price communicates its direction.

3.1 Highs and Lows - The Language of Price

Price never moves in a straight line. It moves in waves -pushing in one direction, pulling back, then continuing. These waves create highs and lows that tell you who is in control.

Types of Highs

- **Swing High:** A candle with a higher high on both sides. This is a significant turning point where buyers ran out of steam and sellers stepped in.
- **Equal Highs (EQH):** Two or more highs at nearly the same level. This is a liquidity magnet - stop losses from short sellers are stacked here. Price is drawn to sweep these before reversing.
- **Lower High (LH):** A new high that is below the previous high. This is the first sign that a bull trend may be weakening.

Types of Lows

- **Swing Low:** A candle with a lower low on both sides. A significant turning point where sellers ran out and buyers stepped in.
- **Equal Lows (EQL):** Two or more lows at the same level. Stop losses from long traders are stacked here. Price is drawn to sweep these.
- **Higher Low (HL):** A new low that is above the previous low. Sign of a healthy bull trend.

3.2 Trend Identification

Trend	Structure	What it means
Uptrend (Bullish)	Higher Highs + Higher Lows	Buyers in control. Look for longs on pullbacks.
Downtrend (Bearish)	Lower Highs + Lower Lows	Sellers in control. Look for shorts on rallies.
Ranging / Choppy	Equal Highs + Equal Lows	No clear direction. Avoid trading until breakout.

3.3 Break of Structure (BOS) & Change of Character (CHoCH)

These are the two most important concepts for knowing when a trend is continuing or reversing.

- **Break of Structure (BOS):** When price breaks ABOVE the most recent swing high in a bullish trend, or BELOW the most recent swing low in a bearish trend. This confirms the trend is CONTINUING. You can stay in your trade or look for continuation entries.
- **Change of Character (CHoCH):** When price breaks structure in the OPPOSITE direction of the trend for the first time. Example: In a downtrend, price suddenly breaks ABOVE a previous

swing high. This is your early warning signal that the trend may be reversing. Do NOT immediately trade the reversal - wait for confirmation.

REAL EXAMPLE from your MES chart: Price was making lower highs and lower lows from February highs at 7,080 all the way down to 6,440. Every swing high that got broken to the downside was a BOS - confirming the bears were in control. Until price breaks ABOVE a significant swing high with conviction, you stay bearish.

3.4 Support & Resistance

Support and resistance are price levels where the market has previously reversed. They exist because institutional orders cluster at these levels.

- **Support:** A level where price has bounced UP from multiple times. Buyers are defending this zone. The more times price tests it, the stronger it is - until it breaks.
- **Resistance:** A level where price has been rejected DOWN from multiple times. Sellers are defending this zone.
- **Support/Resistance Flip:** When a support level gets broken, it becomes resistance. When resistance gets broken, it becomes support. This is called a S/R flip and is one of the highest probability setups in trading.
- **Key Levels to Mark Every Day:** Previous Day High (PDH), Previous Day Low (PDL), Previous Week High, Previous Week Low, Overnight High, Overnight Low, Round numbers (6,600 / 6,650 / 6,700 etc.)

SECTION 4: LIQUIDITY & IMBALANCES

This is where most beginners get wrecked. They don't understand WHY price moves where it does. The answer is almost always: liquidity.

4.1 What is Liquidity?

Liquidity refers to clusters of stop loss orders sitting above and below price. Big institutions — banks, hedge funds, market makers — cannot just buy or sell millions of dollars at one price without moving the market against themselves. So they need counterparty orders to fill against.

Your stop loss order is liquidity for them. When price sweeps a key level and immediately reverses, that is an institution triggering retail stop losses to fill their own position in the opposite direction.

> *MINDSET SHIFT: Stop thinking like retail. Start asking: 'Where are the stop losses stacked? Where is the liquidity?' Price is a predator hunting stops before making its real move.*

4.2 Types of Liquidity

- **Buy-Side Liquidity (BSL):** Stop losses from SHORT sellers sitting ABOVE swing highs and equal highs. Price sweeps above these to trigger stops and fill institutional SELL orders at a premium.
- **Sell-Side Liquidity (SSL):** Stop losses from LONG traders sitting BELOW swing lows and equal lows. Price sweeps below these to trigger stops and fill institutional BUY orders at a discount.mes
- **Liquidity Sweep:** When price briefly pierces a key level, triggers the stops, then immediately reverses. This is NOT a breakout. The tell is a long wick with a close back inside the range.
- **Inducement:** A smaller liquidity pool that price sweeps before making its real move to the major target. Think of it as a fake-out before the real move.

4.3 Fair Value Gaps (FVG) & Imbalances

A Fair Value Gap is a gap in price where the market moved so fast that trading was one-sided — there was no fair two-way auction. These gaps act like magnets because price tends to return to fill them.

How to identify an FVG: Look for three consecutive candles where the wick of the first candle and the wick of the third candle do NOT overlap. The space between them is the FVG.

- **Bullish FVG:** Created during a strong upward move. The gap is below current price. Price tends to return to fill it before continuing up. Can be used as a buy zone.
- **Bearish FVG:** Created during a strong downward move. The gap is above current price. Price tends to return to fill it before continuing down. Can be used as a short zone.
- **Imbalance:** Same concept as FVG — used interchangeably. Any area on the chart where price moved aggressively with no two-way trading.

4.4 Order Blocks

An order block is the last opposing candle before a significant impulse move. It represents where institutions placed their original orders and is often retested before price continues.

- **Bullish Order Block:** The last RED candle before a strong bullish move upward. Price often returns to this zone to fill institutional buy orders before continuing higher.
- **Bearish Order Block:** The last GREEN candle before a strong bearish move downward. Price often returns to this zone to fill institutional sell orders before continuing lower.

PRO TIP: The strongest setups happen when an order block, FVG, and a key level all align at the same price zone. That triple confluence is your highest probability entry zone.

SECTION 5: ESSENTIAL TRADING TERMINOLOGY

You need to speak the language before you can trade it. Here is every term you'll hear in a live session:

5.1 Order Types

Term	Definition
Market Order	Executes immediately at the best available price. Fast but can get a bad fill in volatile markets.
Limit Order	Executes only at your specified price or better. You control your entry but it may not fill if price doesn't reach your level.
Stop Order	Triggers a market order when price hits a specific level. Used to enter on breakouts or to protect losses.
Stop Limit	Triggers a limit order when price hits a level. More control but may not fill if price blows through quickly.
OCO	One Cancels the Other. Sets both a take profit and a stop loss. When one triggers, the other is automatically cancelled.
Bracket Order	Enters a position and automatically places both a stop loss and take profit simultaneously. Best for beginners.

5.2 Position Terminology

Term	Definition
Long	You bought the contract. You profit when price goes UP.
Short	You sold the contract. You profit when price goes DOWN. You don't need to own it first - futures allow you to sell first and buy back later.
Entry	The price at which you entered the trade.
Exit / Flatten	Closing your position. Going flat means you have no open trades.
Stop Loss (SL)	The price where your trade automatically closes at a loss to protect your account. NON-NEGOTIABLE. Always have one.
Take Profit (TP)	The price target where you close your trade at a profit.
Runner	Leaving a portion of your position open after hitting TP1 to capture more upside/downside. Remove stop to breakeven first.
Breakeven (BE)	Moving your stop loss to your entry price so you cannot lose money on the trade. Do this after TP1 is hit.
Drawdown	The reduction in your account from its peak. TopStep measures this. Know your max daily drawdown limit.
PnL	Profit and Loss. Your real-time gain or loss on open and closed trades.

5.3 Market Terminology

Term	Definition
RTH	Regular Trading Hours - 9:30 AM to 4:00 PM EST. Highest volume period.
Globex / ETH	Extended Trading Hours -futures trading outside of RTH. Lower volume but still moves.
Tick	The smallest increment price can move. On ES and NQ, 1 tick = 0.25 points.
Point	One full unit of price movement. On ES, 1 point = $50. On NQ, 1 point = $20.
Spread	The difference between the bid and ask price. You pay this on every trade.
Slippage	The difference between your expected fill price and your actual fill. Common in fast markets.
Contract Rollover	Futures expire quarterly. You must switch to the new contract (front month) before expiration or your position closes.
HTF	Higher Time Frame. Daily, 4H, 1H charts. Used for directional bias.
LTF	Lower Time Frame. 15m, 5m, 1m charts. Used for entries and exits.
PDH / PDL	Previous Day High / Previous Day Low. Critical levels that institutions watch closely.
VWAP	Volume Weighted Average Price. The average price weighted by volume. Acts as dynamic support/resistance.
R:R	Risk to Reward ratio. A 1:2 R:R means you risk $100 to make $200. Never take trades below 1.5:1 as a beginner.
R-Multiple	How many times your initial risk you made or lost. +2R means you made 2x your risk. -1R means you lost your full stop.

SECTION 6: THE PLATFORM & DOM

The Depth of Market (DOM) is one of the most powerful tools in futures trading. Most beginners ignore it. Learning to read it gives you an edge most retail traders don't have.

6.1 What is the DOM?

The DOM (also called the Order Book or Ladder) shows you all the pending buy and sell orders sitting at every price level in real time. It shows you exactly where supply and demand exist before price gets there.

Side	Order Type	What it means
ASK (top, red)	Sell Limit Orders	Sellers waiting at this price. Price must absorb these to go higher.
BID (bottom, blue)	Buy Limit Orders	Buyers waiting at this price. Price must absorb these to go lower.
Last Traded	Market Orders	Trades happening right now. These are the aggressive buyers/sellers.

6.2 Reading the DOM

- **Large Bid Stack:** A huge number of buy orders sitting at a price level below. This can act as a support floor - price often rejects from these. BUT institutions can pull them instantly, so don't rely solely on large orders.
- **Large Ask Stack:** A huge number of sell orders sitting above. Acts as resistance ceiling.
- **Order Absorption:** When price pushes against a large order stack but the stack doesn't move and price reverses. The large orders absorbed the aggression. Strong signal of institutional defense.
- **Iceberg Orders:** Large orders hidden behind small displayed sizes that keep refilling. You'll notice price barely moves even with large trades printing - that's an iceberg.
- **Pulling Orders:** When a large order disappears suddenly. Often a sign that a fake wall was placed to trick retail traders. Be cautious of this.

6.3 How to Place Orders on Your Platform (Topstep / Tradovate)

Market Order

Use this when you need to enter or exit IMMEDIATELY and price action is moving fast.

- **Select your instrument and number of contracts**
- **Click BUY MKT (long) or SELL MKT (short)**
- **Order fills instantly at best available price**

- **In fast markets your fill can be multiple ticks away from where you clicked. Always check your actual fill price.**

Limit Order

Use this when you have a specific entry price in mind and can wait for it. This is the professional way to enter.

- **Select contracts and price level**
- **Click BUY LIMIT (long) or SELL LIMIT (short)**
- **Order sits in the book waiting for price to come to you**
- **If price doesn't reach your level, the order does not fill - cancel it**
- **Place limit orders slightly inside the zone, not at the exact level. If your target is 6,680, place the limit at 6,682 to ensure a fill.**

Setting Stop Loss & Take Profit

- **After your entry fills, immediately set your stop loss BEFORE anything else**
- **Use a bracket order to set both SL and TP simultaneously**
- **Double check the numbers - a misplaced stop loss is one of the most costly beginner mistakes**
- **When TP1 hits, move stop to breakeven immediately**

GOLDEN RULE: Never enter a trade without a stop loss already placed. Not one time. Not even for a scalp. The one time you skip it will be the trade that blows your combine.

SECTION 7: RISK MANAGEMENT

Risk management is not the exciting part of trading. It is THE part of trading. More careers have been saved by risk management than by any strategy ever invented.

7.1 The TopStep 50K Combine Rules

Rule	Details
Profit Target	$3,000 to pass the combine
Daily Loss Limit	$1,000 max loss in a single day - HIT THIS AND YOU ARE DONE FOR THE DAY
Max Trailing Drawdown	$2,000 - tracks from your highest equity point. Never let this get close.
Minimum Trading Days	10 days minimum before you can pass
Position Limits	Check your specific plan - usually 5-10 contracts max on ES/NQ

CRITICAL: The trailing drawdown is what kills most TopStep traders. If you start at $50,000 and run up to $52,000 - your floor is now $50,000. You cannot lose more than $2,000 from that $52,000 peak. Be very aware of this at all times.

7.2 Position Sizing

As a beginner on a 50K combine, follow this simple rule: NEVER risk more than 1% of your account on a single trade. On a 50K account that is $500 maximum risk per trade.

Stop Size	ES Contracts	NQ Contracts	Max Risk
5 points	1 contract ($250)	2 contracts ($200)	Under $500
10 points	1 contract ($500)	1 contract ($200)	$500 or under
20 points	DO NOT TRADE	1 contract ($400)	Reduce size

7.3 The R:R Rule

Never take a trade with less than 1.5:1 Risk to Reward. Ideally you want 2:1 or better. Here is why this matters:

- **Win Rate 40%, R:R 2:1:** You lose 6 trades, win 4 trades on 10 trades. Net result: +2R. You are PROFITABLE even losing 60% of the time.
- **Win Rate 60%, R:R 1:1:** You win 6, lose 4. Net result: +2R. Same profitability but requires higher win rate.
- **Win Rate 60%, R:R 0.5:1:** You win 6 (-3R losses) and make 3R on wins. Net result: 0. BREAKEVEN. This is where most beginners live - taking quick profits and letting losses run.

THE CARDINAL SIN OF BEGINNERS: Moving your stop loss further away when a trade goes against you. This turns a -1R loss into a -3R catastrophe. Your stop is your line in the sand. Respect it.

SECTION 8: TRADING PSYCHOLOGY

You can have the best strategy in the world and still blow your account. Why? Because the hardest part of trading is not the analysis. It is managing your own mind in real time while real money is at risk.

8.1 The Six Mental Enemies

1. FOMO - Fear of Missing Out

You see a setup but hesitate. Price takes off without you. You chase it at a terrible entry and get stopped out at the top. FOMO is responsible for more bad trades than any other emotion.

THE FIX: Remind yourself - there will always be another setup. Missing a trade costs you nothing. Chasing a trade can cost you your combine. There is always another bus.

2. Revenge Trading

You take a loss and immediately jump into another trade to 'make it back.' This is emotional trading, not strategic trading. Revenge trades are almost always losers because you are reacting to your PnL, not to price action.

THE FIX: After a loss, step away for 5-10 minutes. Breathe. Review what happened. Only re-enter when you see a genuinely clean setup - not because you want your money back.

3. Overtrading

Taking too many trades because you're bored, anxious, or trying to hit a daily profit goal. Quality over quantity. Two A+ setups per day beats ten mediocre ones every time.

THE FIX: Set a maximum trade limit for the day. 3-5 trades maximum as a beginner. When you hit your limit, close the platform. Done.

4. Moving Your Stop

The trade goes against you. You tell yourself 'it'll come back' and widen your stop. Sometimes it does come back. More often it doesn't, and a -$200 loss becomes a -$800 loss.

THE FIX: Before entering, decide your stop and your max loss. Those numbers are locked. They do not change after you're in the trade. Period.

5. Cutting Winners Too Early

You're up $300 and start getting nervous. You close the trade early. Then price runs another $700 to your original target without you. This is caused by fear of giving back profits.

THE FIX: Take TP1, move stop to breakeven, let the runner ride to TP2. Your risk is zero once you're at breakeven. Let the market do its work.

6. Overconfidence After Winning

You hit three winners in a row and feel invincible. You size up, take riskier trades, break your rules. Then one bad trade wipes out the previous three. This is called euphoria and it is just as dangerous as panic.

THE FIX: Your rules apply equally after wins and losses. Consistency is the goal, not excitement.

8.2 Building the Right Mindset

- **Think in probabilities:** No single trade defines you. Even a 65% win rate means you lose 35 out of every 100 trades. Losses are part of the business.
- **Focus on process, not PnL:** Did you follow your rules? Did you wait for your setup? Did you manage risk correctly? If yes - that was a good trade regardless of the outcome.
- **Rate your sessions:** After every session, rate yourself 1-10 on discipline. Not on profit. A disciplined -$100 day is better than a lucky +$500 day where you broke every rule.
- **Keep your journal:** Log every trade. Review weekly. The data will show you patterns in your behavior that you cannot see in the moment.
- **Pre-session routine:** Before every session, check the economic calendar, mark your key levels, confirm your bias, set your max daily loss, and check your mental state. If you're anxious, tired, emotional, or distracted - do not trade.

SECTION 9: TOP-DOWN ANALYSIS - HOW TO READ A CHART

Every session should start the same way. Top-down analysis means you start from the highest timeframe and work your way down. You never look at a 5-minute chart before you know what the daily and 4H are telling you.

9.1 The Daily Routine - Before Every Session

Step	Action	What you're looking for
1	Check Economic Calendar	Any data at 8:30 AM? Fed speakers? FOMC? Mark high-impact events.
2	Daily Chart	Overall trend direction. Major support/resistance. Above or below key moving averages.
3	4H Chart	Intermediate trend. Order blocks. FVGs. Supply/demand zones still in play.
4	1H Chart	Refine key levels. Identify liquidity pools above and below current price.
5	Mark Key Levels	PDH, PDL, Overnight High/Low, Round numbers, Major S/R zones.
6	Establish Bias	Are you bullish or bearish today? Write it down. This is your directional filter.
7	15m / 5m Chart	Only now do you look for entry setups. NOT before steps 1-6.

9.2 The Trade Entry Checklist

Before pulling the trigger on ANY trade, run through this checklist:

- **Bias confirmed on HTF (Daily/4H)?**
- **Price at a meaningful level (S/R, order block, FVG, liquidity zone)?**
- **Confirmation candle on entry timeframe (15m or 5m)?**
- **Stop loss placement makes sense structurally?**
- **R:R is at least 1.5:1?**
- **Not a news event in the next 15 minutes?**
- **Not already at my daily trade limit?**
- **My mental state is calm and focused?**

If any answer is NO — do not take the trade. Wait for a better setup.

> *REMEMBER: The best traders don't make money by trading more. They make money by trading LESS but choosing their spots with extreme precision. Your job is to wait for the A+ setup, not to be in the market constantly.*

SECTION 10: TOPSTEP COMBINE - HOW TO PASS

The combine is not the same as real trading. It has specific rules that require a specific approach. Here is how to think about it.

10.1 The Combine Mindset

Most traders fail the combine not because they can't trade - but because they treat it like a video game instead of a real funded account. The rules are real. The drawdown is real. Treat every dollar like it is your own money.

10.2 Daily Game Plan for the Combine

- **Goal per day:** $200-$400 profit target. Slow and consistent beats fast and reckless.
- **Max loss per day:** $500 self-imposed (TopStep allows $1,000 but protect yourself with a tighter personal limit).
- **Max trades per day:** 3-5 setups maximum. Quality over quantity.
- **Stop trading when:** You hit your daily profit goal OR you hit $400 loss for the day. Walk away.
- **Best days to trade:** Tuesday, Wednesday, Thursday tend to have the cleanest setups. Monday can be choppy. Friday can be erratic before the weekend.

10.3 What Kills Most Combines

- **One catastrophic loss:** Removing stop losses, overtrading during news, sizing up after a win streak. One bad day can end everything.
- **Death by a thousand cuts:** Small losses every day from overtrading choppy sessions. The daily loss limit hits before you even realize it.
- **Not knowing the rules:** Missing a news event blackout, trading during restricted hours, exceeding contract limits. Read the TopStep rulebook once a week.
- **Trading scared:** Going too small because you're afraid, missing A+ setups, then chasing bad setups out of frustration.

10.4 The Path to Funded

Phase	Focus
Days 1-5	Learn the platform. Trade 1 contract only. Focus on not losing. Even breaking even is a win.
Days 6-10	Find 1-2 setups that work consistently. Master those. Do not try to trade every setup in this guide.
Days 11-20	Stay consistent. Hit your daily target and STOP. Build the habit of protecting gains.
Days 20+	If PnL is on track, stay the course. Don't get greedy near the target. One bad session can set you back weeks.

This flash guide is for educational purposes only. Not financial advice.

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