

Lesson 5

TRADE JOURNAL

Before you begin to trade, be sure to have a trade journal where you record all your binary options trades. Doesn't matter if you trade on paper or real account. Discipline and precision plays a very important role in trading, that's why a trade journal will help you to be more organized.

A huge advantage of having a journal is that you can analyze your results and draw conclusions. What assets you can predict more accurately and on what timeframes. You will gather a lot of useful information that will be useful for your future trading. At the same time you will know what was your trading forecast based on, and how confident you were executing the trade.

What to write in the journal:

- The asset you are trading
- Date and time of option expiry
- The trade size
- The time of buying an option
- The level of buying an option
- The level of option expiry
- Your forecast (Call or Put)
- The result (Profit/Loss amount)
- What your forecast was based on

That's basically all the points that must be noted. You can customize this list as you prefer. Most importantly do not be lazy.

TRADE JOURNAL											
Analysis	Date	Expiry time	Trade size	Time of entry	Level of entry	Direction forecast	Expiry level	Result (+/-)	Profit/Loss amount	Reason for entry	Confidence
EURUSD	06. Jan	10:00-11:00	25	10:35	1.3591	UP	1.3612	+	42.5	Pinocchio Pattern...	High
GBPJPY	06. Jan	14:00-15:00	25	14:08	172.44	DOWN	172.06	+	42.5	Support level...	Medium

NOTEBOOK FOR STRATEGIES

In order to trade successfully you must develop your strategy. Below there are some strategies that you have to test and adjust for yourself.

In order not to get lost in a variety, get yourself a notebook where you will write down strategies, indicators, and shapes you have used for analysis: for example Pinocchio - looks like reversal pattern. After the formation, buying an option in the opposite direction of the long shadow... and so on.

Whenever you start trading, in front of your eyes must be clear rules like: if the price approaches the upper Bollinger Band, then I buy a put option with an expiry time at the close of the next candle. Such approach will help you avoid additional psychological stress. You will be more confident and accurate, which is very important for successful trading.

Assignment:

1. *Start your own trade journal and a notebook for strategies.*
2. *Define clear rules for entering the trade.*