

# BREAKOUT TRADING CHEAT SHEET (DAILY USE)

## 1. Market Condition (First Check)

- Price is ranging / consolidating
- Clear support & resistance levels
- Range getting tighter (pressure building)
- Skip messy or random trending charts

## 2. Draw Your Levels

- Mark resistance (top of range)
- Mark support (bottom of range)
- More touches = stronger level

## 3. Valid Breakout Checklist

- Strong candle close outside level
- Clear momentum (not weak or slow)
- Break is obvious
- Avoid small candles or wick-only breaks

## 4. Entry Rules

- Best: Wait for retest and confirmation
- Aggressive: Enter on breakout with strong momentum

## 5. Stop Loss Rules

- Buy: below breakout zone
- Sell: above breakout zone
- Exit if price returns inside range

## 6. Take Profit Rules

- Use next support/resistance level
- Minimum risk:reward = 1:3

## 7. Trade Management

- Move stop to break-even after price moves in your favor
- Let winners run
- Do not exit early due to fear

## 8. Common Scenarios

- No retest: enter if price pauses sideways
- Fake breakout: exit immediately
- Strong trend: trade in trend direction only

## 9. High-Probability Setups

- Tight consolidation
- Wedge patterns
- Inside day candles
- Long sideways ranges

## 10. Risk Management

- Risk 1–2% per trade
- Do not overtrade
- One big win can cover multiple losses

## DAILY CHECKLIST

- Is market ranging?
- Are levels clear?
- Is breakout strong?
- Do I have confirmation?
- Is risk/reward at least 1:3?
- Did I set stop loss?

## **Mindset Rules**

- You get paid for waiting
- Most breakouts fail — accept losses
- Do not chase price
- Boring = profitable

Summary: Wait for range → trade breakout → manage risk → let winners run.