ECN1 EDUCATION

Risk and Order Planning

A repeatable checklist for defining an idea, measuring exposure, and reviewing how an order behaves.

Write down the trade idea

- What market condition are you observing?
- What would show that the idea is no longer valid?
- Which instrument and timeframe are you reviewing?
- What event, session, or liquidity change could affect the plan?

Understand exposure before entry

Position size, price movement, contract value, leverage, and currency conversion all affect potential gain or loss. Product specifications differ, so verify the calculation for the selected instrument and account.

Plan for uncertainty

- A stop instruction does not guarantee a fill at the trigger price.
- Fast markets, gaps, or low liquidity can change execution.
- Do not assume all open positions can be closed at the last displayed quote.
- Consider margin use and the effect of more than one correlated position.

Set personal boundaries

Choose your own maximum exposure and loss limits before placing an order. There is no single position size or risk limit that suits every person or account.

Review the outcome

- Record the plan and the order actually submitted.
- Note execution, costs, and any change made during the trade.
- Compare the result with the original plan, not only with the profit or loss.
- Update the process when you find a repeatable error.

Trading involves risk. This guide is general education, not investment advice, a recommendation, or a promise of results. Account terms, instrument access, pricing, and trading permissions are defined by the information shown for your ECN1 account.