

Template: Forex Trading Risk Management Checklist

Generated: 7/7/2026

Based on Article: "Risk Management Strategies for Different Trading Styles in Forex"

Website: <https://nairafx.ng>

A practical checklist for managing risk based on different Forex trading styles.

Checklist Items:

- ☐ **1. Determine Position Size**
Risk a small, fixed amount per trade. Adjust size down when stops are wider to avoid significant losses.
Reference Section: How should we manage risk in scalping and day trading?
- ☐ **2. Set Stop-Loss Appropriately**
Place the stop where the trade idea becomes invalid and do not move it further away afterward. This prevents turning controlled losses into larger losses.
Reference Section: How should we manage risk in scalping and day trading?
- ☐ **3. Limit Trade Frequency**
Only engage in the best setups and avoid overtrading, especially during volatile market conditions. This helps manage fees and reduces emotional trading mistakes.
Reference Section: How should we manage risk in scalping and day trading?
- ☐ **4. Monitor News Exposure**
Stand aside from trading before major news releases unless your strategy is specifically designed to capitalize on volatility. This minimizes the risk of slippage.
Reference Section: How should we manage risk in scalping and day trading?
- ☐ **5. Establish a Daily Loss Cap**
Set a limit on daily losses and stop trading once it has been reached. Avoid trying to recover losses with additional trades to prevent revenge trading.
Reference Section: How should we manage risk in scalping and day trading?
- ☐ **6. Adapt Stop Placement for Longer Trades**
For swing and position trading, place stops beyond recent swing highs/lows or outside key support and resistance levels to account for volatility.
Reference Section: What risk management works best for swing traders and position traders?
- ☐ **7. Emphasize Calm Decision Making**
Maintain a calm mindset as trades last longer, and avoid emotional decision-making that can lead to poor risk control.
Reference Section: What risk management works best for swing traders and position traders?
- ☐ **8. Evaluate Trade Environment**
Assess market conditions, liquidity, and broker factors that may influence execution and risk exposure, especially for traders in varying environments.
Reference Section: What changes when we apply risk management to different Forex trading styles?