

# 3 Effective Stop Loss Strategies

## (Video Summary)

Hello trader, thank you for downloading this PDF template of the abstract of the video on **3 Effective Stop Loss Trading Strategies**.

Below, you will have all the main graphics of the examples I showed in the video lesson. I hope this pdf template will help you to understand the video concept really well and improve your trading experience.

If you want to rewind the concept of the video again in the future, then please visit my YouTube channel to watch the video.

To learn more about my trading strategies,

Please visit: <https://www.TheSyedRahman.com>

To get the RevCan Trend Entry Indicator for MT4 and MT5 platforms,

Please visit: <https://www.RevCan.co.uk>

My YouTube Channel: <https://www.youtube.com/SyedRahmanTheSR>

Wish you all the best

**Syed Rahman**

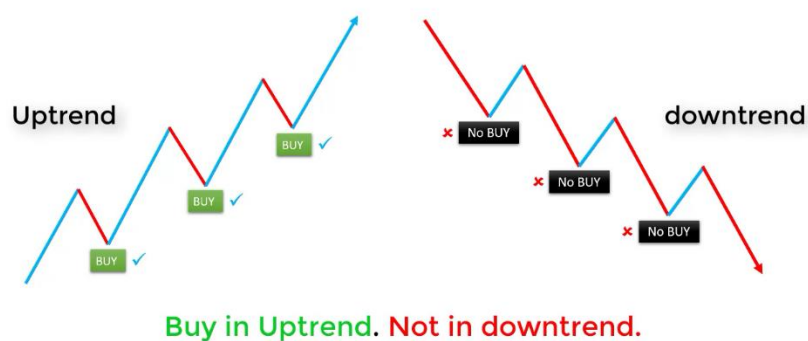
## 2 Pre-conditions for Effectice Stop Loss

1. Trade towards the general market trend  
eg. Buy on Uptrend. Sell on Downtrend
2. Respect key market structures  
eg. Support/Resistance/Trendline/Price patterns, etc.

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## 2 Pre-conditions for Effectice Stop Loss

1. Trade towards the general market trend

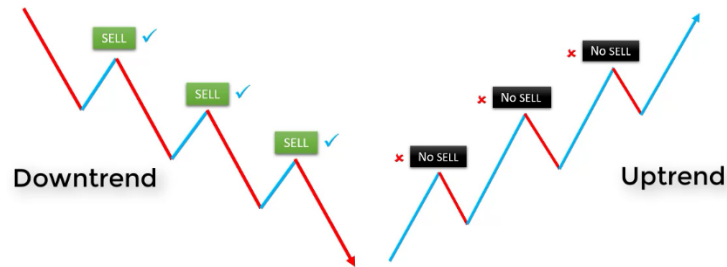


Buy trades in uptrend has more win ratio than the buy trades in downtrends.

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## 2 Pre-conditions for Effective Stop Loss

### 1. Trade towards the general market trend



Sell in Downtrends. Not in uptrends.

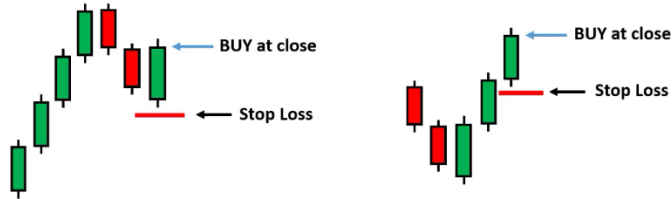
Sell trades in downtrend has more win ratio than the sell trades in uptrends.



### 3 STOP LOSS STRATGIES

**Strategy 1:** Stop Loss at High or Low of the previous closed candle

Stop Loss Strategy - 1

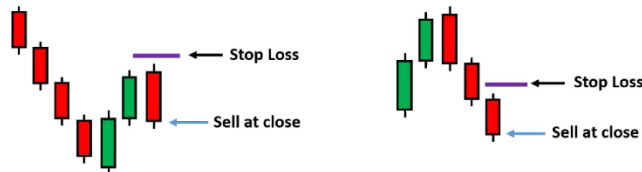


Buy Trade SL = Few pips/points below the low of the recent closed candle

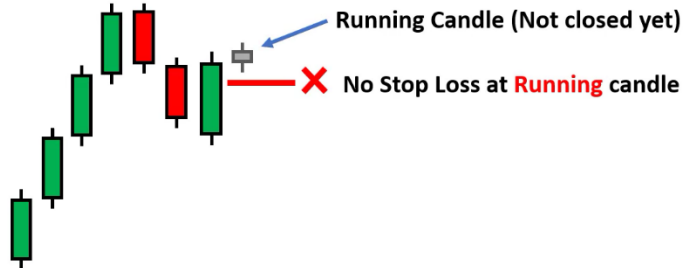
### 3 STOP LOSS STRATGIES

#### Strategy 1: Stop Loss at High or Low of the previous closed candle

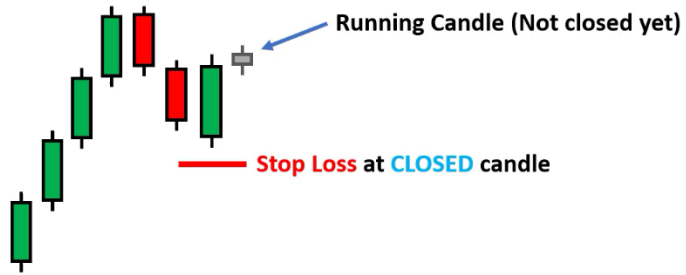
Stop Loss Strategy - 1



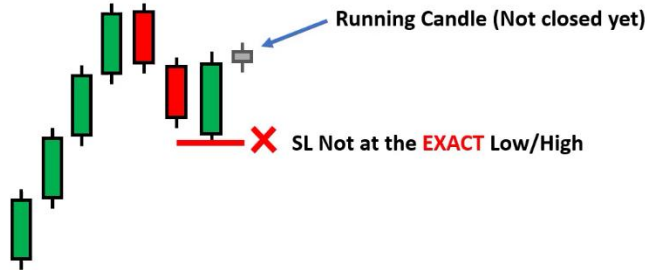
Sell Trade SL = Few pips/points below the High of the recent closed candle



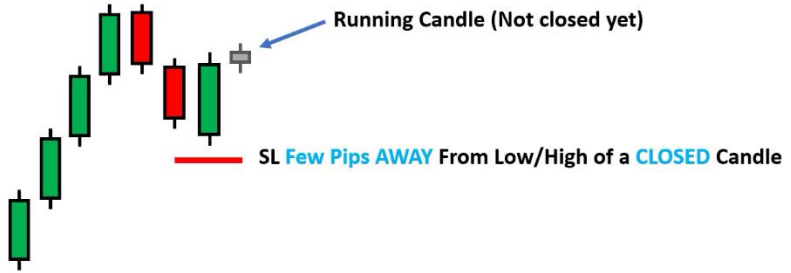
Stop Loss only at a closed candle's High/Low



Stop Loss only at a closed candle's High/Low



Stop Loss Should Be Extended For Few Extra Pips/Points

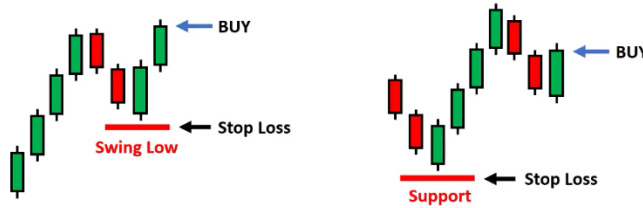


Stop Loss Should Be **Extended** For Few Extra Pips/Points

### 3 STOP LOSS STRATEGIES

**Strategy 2:** Stop Loss at the previous Swing low/Support(for Buy), and Previous Swing high/Resistance level( for Sell)

Stop Loss Strategy - 2



Buy Trade SL = Few pips/points below the low of the near **Swing Low/Support** level

### 3 STOP LOSS STRATGIES

**Strategy 2:** Stop Loss at the previous Swing low/Support(for Buy), and Previous Swing high/Resistance level( for Sell)

Stop Loss Strategy - 2



**Sell** Trade SL = Few pips/points above the High of the recent **Swing high/Resistance level**

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### 3 STOP LOSS STRATGIES

**Strategy 3:** Stop loss at/ or near a strong rounded price figure (Psychological levels)

**Round Numbers:** 0, 10, 20, 30, 40, 50, 60, 70, 80, 90, 100

**Example:** USDJPY = 139.00, 139.50, 140.00, 140.30, etc.

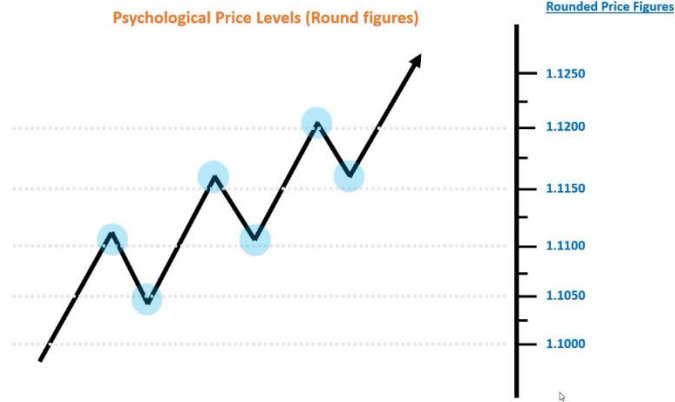
EURUSD = 1.0100, 1.0130, 1.0180, 1.0200, etc.

APPLE = 156.50, 157.00, 157,40, 157.80, etc.

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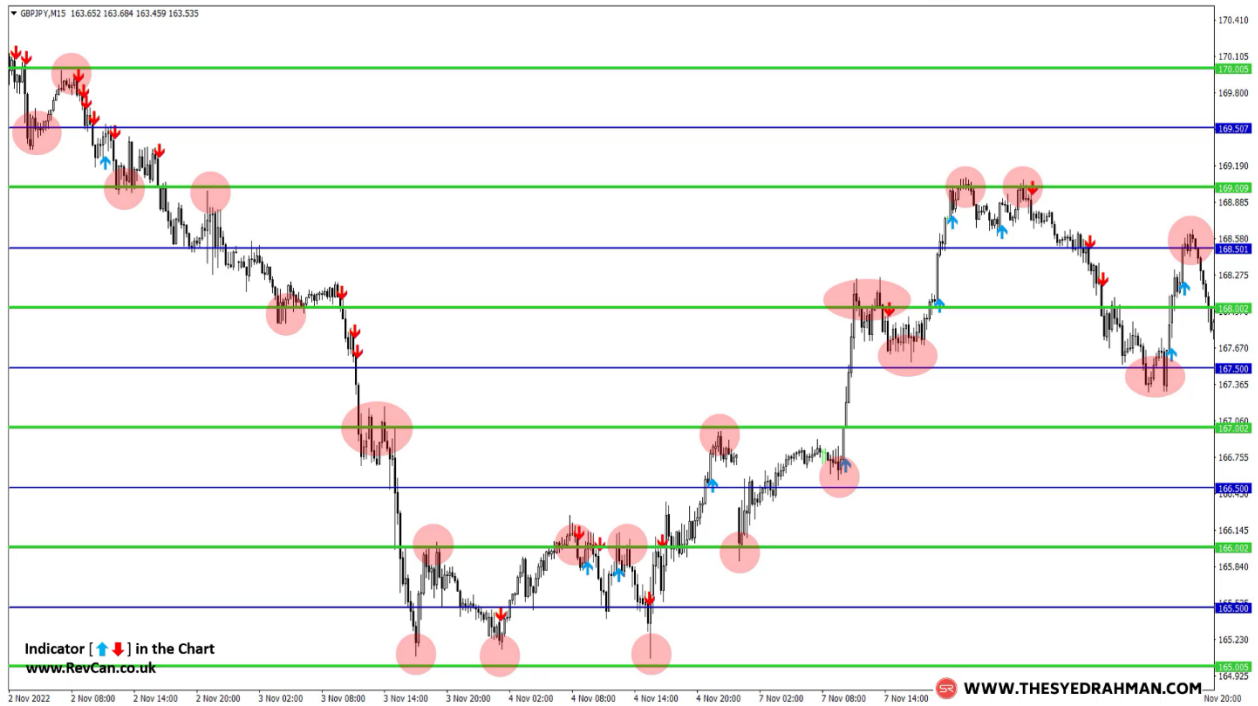
# 3 STOP LOSS STRATEGIES

## Strategy 3: Stop loss at/ or near a strong rounded price figure (Psychological levels)



Market tends to bounce at and from the round/whole numbers(ex. 1.1200, 1.1250, etc.), as these price levels act as the entry and exit zones for traders, thus forms support and resistance levels

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### Stop Loss at Round Figure – For BUY Trades



For **Buy** Trade **Stop Loss**: Place the stop loss at the nearest ROUND FIGURE below the Last Closed candle/ or Swing Low / or Support level

### Stop Loss at Round Figure – For Sell Trades



For **Sell** Trade **Stop Loss**: Place the stop loss at the nearest ROUND FIGURE below the Last Closed candle/ or Swing Low / or Support level



And that is all.

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Wish you all the best

**Syed Rahman**