PALDOMZ CHARTVERDICT

The Discipline Playbook

7 rules that keep your profits — the system behind every verdict.

A free companion to ChartVerdict · paldomzsystems.com

START HERE

Discipline beats prediction

No indicator, signal, or tool can tell you what price will do next — not honestly. What actually separates traders who keep their money from those who give it back is not a better crystal ball. It is a **repeatable process** followed the same way on the good days and the bad.

ChartVerdict is built around one idea: decide everything *before* you enter — the entry, the stop, the targets, the size — then follow it without negotiating with yourself mid-trade. This playbook is that process, written down. Seven rules. Read it once, keep it nearby, and let the tool enforce the math while you enforce the discipline.

A quick word on risk: trading crypto, forex and stocks can lose you money — sometimes fast, and with leverage, more than you put in. Everything here is educational, not financial advice. Never risk money you cannot afford to lose.

THE FRAMEWORK

The 7 Rules

1 Trade the plan, not the feeling

Before you click, know three numbers: where you get in, where you are wrong (the stop), and where you take profit. If any of the three is 'I'll decide later,' you don't have a trade — you have a gamble. Write it, then execute it.

◆ *In ChartVerdict: the verdict fills all three for you — entry, stop-loss and TP1/TP2/TP3 — so there's nothing left to improvise.*

2 Risk a small, fixed slice — every time

Professionals risk roughly 0.5–2% of the account on a single trade. Keep it fixed. The fastest way to blow up is to double risk to 'win it back' after a loss. Your edge only works if you're still here to use it.

◆ *In ChartVerdict: the position-size panel keeps your risk constant no matter the coin, timeframe or leverage.*

3 Move your stop to breakeven after TP1

Once price hits your first target and you've banked part of the position, slide your stop up to your entry. Now the trade cannot turn into a loss — worst case, you scratch it. This one habit removes most of the fear that makes people exit winners too early.

◆ *In ChartVerdict: this is Rule 3 — the tool reminds you on every signal card the moment TP1 is in play.*

4 Scale out — bank some, let some ride

Take partial profit at TP1 and TP2 to lock in a real result, and leave a smaller 'runner' for TP3 in case the move extends. You capture certainty and optionality at once, instead of betting the whole position on one exit.

◆ *In ChartVerdict: every verdict ships with a 40% / 30% / 30% scale-out plan already calculated.*

5 One setup, one reason

If you can't say out loud why you're entering — the support, the trend, the structure break, the pattern — you shouldn't be in. Confluence is just 'more than one reason pointing the same way.' No reason, no trade.

◆ *In ChartVerdict: the pre-trade checklist and hint panel force you to name your confluence before it will score the setup.*

6 Never widen your stop — resize instead

When a stop feels 'too tight,' the temptation is to move it further away and 'give the trade room.' That quietly turns a 1% loss into a 3% loss. The correct fix is the opposite: keep the stop where your idea is invalidated, and make the position smaller so the dollar risk stays the same.

◆ *In ChartVerdict: the tool caps and calculates the stop from real volatility — widen it and it warns you to resize, not re-risk.*

7 Size from the stop — never guess

Your position size is an output, not a feeling. Start from the stop distance and the fixed % you're willing to lose, and the correct size falls out of the math. Guessing size is how one bad trade erases ten good ones.

◆ *In ChartVerdict: this is Rule 7 — 'size from the stop' is literally how the position-size engine works.*

BEFORE YOU CLICK

The pre-trade checklist

Run every trade through this. If you can't tick most of it, the answer is **Stand Aside** — and standing aside is a decision that protects capital, not a missed opportunity.

- I can name at least two reasons this setup points my direction.
- My stop sits where the idea is proven wrong — not at a round number I 'hope' holds.
- My risk on this trade is within my fixed 0.5–2% — I did not size up.
- I have TP1 / TP2 / TP3 set and I know what I bank at each.
- I'm trading the plan I wrote — not chasing a candle or a feeling.
- I'm okay losing this trade. If I'm not, my size is too big.

Stand Aside is a trade

The verdict has three outcomes for a reason. 'No trade' is often the highest-value call of the day: you keep your capital, your focus and your emotional state intact for the setup that actually deserves them. Patience is a position.

THE MATH, IN PLAIN ENGLISH

Risk quick-reference

1R is the amount you risk on a trade — the distance from entry to stop, in money. Everything else is measured in R. If you risk $50 (1R) and make $100, that's **+2R**. Thinking in R frees you from dollar amounts and keeps every trade on the same scale.

Position size from the stop:

Size = (Account × Risk%) ÷ Stop-distance

Decide the account and the risk %, measure the stop, and the size is fixed for you. That is the whole secret to consistent risk — and it's why you never have to 'feel out' how big to go.

A simple target rule: aim for setups that pay at least **1.5–2R** if they work. Win less than half your trades and still come out ahead, because your winners are bigger than your losers.

THE HABIT THAT COMPOUNDS

Journal every trade

You cannot improve what you don't measure. Logging every trade — win, loss, breakeven or skipped — turns trading from a series of feelings into a dataset you can actually learn from.

Track four things and review them weekly:

- **Win rate** — how often you're right (it matters less than you think).
- **Average R** — how big your winners are versus your losers (this is the real edge).
- **Discipline streak** — how many trades in a row you followed your own plan.
- **Did I follow the plan?** — the single most important box. A losing trade taken correctly is a good trade.

Judge yourself on the last one, not on any single result. Good process with an occasional bad outcome beats sloppy process with a lucky one — every time, over enough trades.

ChartVerdict keeps this journal for you — win rate, R-multiples, discipline streak and an equity curve — so the review takes minutes, not spreadsheets.

Now go be boring

The best traders are not the most exciting ones. They take the setup, size it from the stop, move to breakeven at TP1, bank the scale-out, log it, and do it again. Repetition of a small edge is the whole game.

ChartVerdict does the math so you can spend your energy on the discipline. It's free to use — read your chart or let Auto-Read do it, and get a clear verdict in seconds. Go Pro whenever you want every market, unlimited.

Open the tool (free) **paldomzsystems.com**

Free trading calculators **paldomzsystems.com/free-tools.html**

The Trading Desk blog **paldomzsystems.com/blog**

Thank you for reading. I build these on my own, and I read every message personally.

— Cosme · Paldomz Systems