

Prop Firm Challenge Checklist

Five routines to run before, during and after an evaluation — so the drawdown rules decide the trade size, not your mood.

1. Before you buy the evaluation

- ☐ **Read the rules page in full** and write down the profit target, max drawdown, whether it trails (end of day or intraday), daily loss limit, consistency rule, minimum days and contract limit. Rules change — copy today's numbers, not last month's.
- ☐ **Know your drawdown type.** Trailing drawdowns rise with your best balance; static ones do not. Know exactly what balance ends the account right now.
- ☐ **Convert the rules into dollars per trade.** Pick a risk per trade, then divide the drawdown by it. That is the number of full losses in a row you can survive.
- ☐ **Check you have an edge on your own data.** Pull win rate, average win and average loss from at least 30–50 sim or live trades. If expectancy is negative, size does not fix it.
- ☐ **Run the numbers** in a pass-probability simulator with your real stats (not the stats you hope for) and note the result as an estimate, not a promise.
- ☐ **Fix your setups.** Choose one or two setups and the instrument(s) you will trade. Write the entry, stop and exit rules down.
- ☐ **Plan the logistics:** platform and data feed tested, trading hours chosen, stop-trading time chosen, evaluation fee and reset costs you can afford to lose.

2. Daily risk rules (set before the open)

Rule of thumb: risk per trade $\approx 1/6$ to $1/10$ of the drawdown or less, so 6–10 losses in a row still leaves you in the account. Smaller is always allowed.

Item	Write your number
Max risk per trade (\$)	
Max loss for the day (\$) — stop trading when hit	
Max trades per day	
Max contracts (micros first while learning)	
Profit at which you stop for the day (\$)	

- ☐ Stop distance converted into dollars **before** entering: ticks $\times$ tick value $\times$ contracts.
- ☐ No moving a stop further away. Stops only move toward profit.
- ☐ Check the account's floor (the balance that ends the attempt) at the start of the day and after every loss.
- ☐ Avoid trading right before major scheduled news unless it is part of your written plan.

3. Drawdown math you should be able to do in your head

Question	Formula	Example (\$50K, \$2,000 drawdown)
Losses in a row you can survive	$\text{drawdown} \div \text{risk per trade}$	$\$2,000 \div \$250 = 8$
Dollar value of a stop	$\text{ticks} \times \text{tick value} \times \text{contracts}$	$20 \text{ ticks} \times \$1.25 \times 4 \text{ MES} = \100
Trailing floor after a new high (end-of-day type)	$\text{highest close} - \text{drawdown}$	$\$51,200 - \$2,000 = \$49,200$
Room left today	$\text{balance} - \text{floor}$	$\$50,600 - \$49,200 = \$1,400$
Consistency check (if the firm has one)	$\text{best day} \div \text{total profit}$	$\$900 \div \$2,400 = 37.5\%$

The examples are illustrations only. Rules differ by firm: some trailing drawdowns update on the end-of-day balance, others on live (intraday) equity, and many stop trailing once they reach the starting balance. Confirm yours before relying on any formula.

- ☐ Know whether open profit counts toward the trailing high-water mark on your account.
- ☐ If the profit target and the drawdown are both close, decide in advance to cut size, not to chase.
- ☐ Track your best day so far against the consistency limit; do not “save” the challenge with one oversized day.

4. Tilt stop rules (decide them when you are calm)

Tilt is trading to get back a loss, to feel something, or to finish the challenge faster. These rules take the decision out of the moment.

- ☐ **Two-loss pause:** after two losses in a row, step away for 15 minutes. Write what happened before you place another order.
- ☐ **Three strikes:** three consecutive losses, or hitting your daily loss number, ends the day. Close the platform.
- ☐ **Size never goes up after a loss.** If you notice an urge to double size, that is your cue to stop.
- ☐ **Fast re-entry check:** if you are re-entering within a minute or two of a stop-out in the same direction, it is probably not a setup. Pass.
- ☐ **Body check:** racing heart, clenched jaw or “I have to make it back” = hands off the mouse.
- ☐ **No new evaluation on the same day** you blew one. Wait until the journal review is done.

5. Journal review routine

After every session (5 minutes):

- ☐ Log every trade: setup, entry, stop, exit, contracts, result in dollars and in R.
- ☐ Tag each one: followed the plan, or broke a rule (which one?). Be honest — nobody else reads it.
- ☐ Rate your mood before and after on a 1–5 scale. Patterns show up within a few weeks.
- ☐ Screenshot the chart for any trade you want to revisit.

Every week (20 minutes):

- ☐ Win rate, average win, average loss, expectancy and profit factor by setup. Cut or shrink the setups that lose money.

- ☐ Add up what rule-breaking cost you in dollars: trades outside your plan versus trades inside it.
- ☐ Re-check the firm's rules page for changes, then update your risk numbers if needed.
- ☐ Choose one thing to improve next week. Only one.

Make the routine automatic. LoggingTrades is a desktop trading journal for Windows and Mac: log a trade from a screenshot, replay it on a real chart, price your habits in dollars and track prop-firm drawdown. Free during beta at loggingtrades.com.

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