FOREX FUNDAMENTALS — MODULE 5

A Simple Strategy Framework

One concrete trend-and-pullback setup to practice with, plus a four-question trading plan template for every trade.

MODULE 5 OF 7

A Simple Strategy Framework

This module isn't trying to hand you a holy grail — no strategy is. The goal is to give you one concrete, repeatable framework so you have something structured to practice, rather than reacting to charts with no plan at all.

Trend + Pullback

This is one of the most widely used beginner-friendly approaches, because it aligns with the principle from Module 3: trade with the trend, not against it.

1. Identify the trend	On a 4H or Daily chart, confirm price is making higher highs/higher lows (uptrend) or lower highs/lower lows (downtrend).
2. Wait for a pullback	Price temporarily retraces against the trend — this is normal, not a reversal.
3. Look for confirmation	Price finds support (in an uptrend) or resistance (in a downtrend) near the pullback zone and starts moving back in the trend direction.
4. Enter with a plan	Set your stop loss beyond the pullback zone, and your take profit at a level that gives at least a 1:2 R:R.

Why This Works as a Learning Framework

It forces you to practice every skill from the earlier modules in one place: reading trend, identifying support/resistance, setting a stop loss and take profit, and sizing the position correctly. It's not about this specific setup being magic — it's about building the habit of trading with a defined process instead of impulse.

A Trading Plan Template

Before every trade, be able to answer these in one sentence each:

- What is the trend on my anchor timeframe?
- Where exactly is my entry, stop loss, and take profit?
- What is my risk-to-reward ratio on this trade?
- What percentage of my account am I risking?

If you can't answer all four before entering, you're not executing a strategy — you're gambling with extra steps.

KEY TAKEAWAY

- Trend + pullback is a simple, repeatable framework to practice — not a guaranteed system.
- Every trade should have a defined entry, stop loss, take profit, and R:R before it's placed.
- The value of a framework is the discipline it forces, not the specific setup itself.

Next up: Module 6 — Trading Psychology & Discipline: the mental game behind every mechanical rule.