FOREX FUNDAMENTALS — MODULE 7

Intro to Prop Trading & FDR

How Flagship's challenges work, what the Flagship Discipline Rating measures, and how everything you've learned maps onto it.

MODULE 7 OF 7

Intro to Prop Trading & FDR

Everything in this course builds toward a practical question: once you can trade with discipline, how do you scale beyond your own capital? This is what proprietary trading firms exist to solve.

What Is Prop Trading?

A proprietary trading firm allows traders to manage the firm's capital instead of only their own, typically after proving their skill and discipline through an evaluation process. In exchange, the trader keeps a share of the profits generated — without personally risking the full account size.

How a Challenge Works

Flagship Funded offers a range of evaluation paths, so traders can choose the structure that fits how they trade:

Vanguard	Instant funding — no evaluation phase required.
Rudder / Anchor / Helm	1-step evaluation challenges.
Starboard / Port	2-step evaluation challenges.

Each path leads to the same outcome: a funded account, managing Flagship's capital under a defined set of rules.

What Is FDR?

The Flagship Discipline Rating (FDR) is what makes Flagship's model different from a flat profit split. Instead of every trader earning the same percentage regardless of how they trade, FDR scores trading behavior across four weighted factors:

Sharpe Ratio — 40%	Risk-adjusted returns: are your profits earned with controlled risk?
Profit Factor — 30%	Gross profit relative to gross loss.
Trade Size Consistency — 15%	Are your position sizes disciplined and repeatable?
Daily Trade Consistency — 15%	Is your trading activity steady, not erratic?

Your FDR score places you into one of 11 tiers, scaling your profit split from 50% up to 100%. In short: the more disciplined and consistent your trading, the more of your profits you keep.

Why This Course Leads Here

Every module before this one — order mechanics, risk management, strategy structure, psychology — maps directly onto what FDR measures. This isn't a coincidence. The traits that make someone a good trader are the same traits FDR is designed to identify and reward with a better split.

KEY TAKEAWAY

- Prop trading lets skilled, disciplined traders manage real capital without risking their own.
- Flagship offers instant funding (Vanguard) and 1-step/2-step evaluation paths (Rudder, Anchor, Helm, Starboard, Port) to fit different trading styles.
- FDR scores discipline — not just profit — across Sharpe Ratio, Profit Factor, and consistency, scaling your split from 50% to 100% across 11 tiers.
- Everything you learned in Modules 1–6 is directly what determines your FDR tier.

Ready to put it into practice? Explore the full challenge suite at flagshipfunded.com and see where your FDR score lands you.