



# 5 Trading Mistakes 90% Beginners Make (And How to Avoid Them)

A Practical Beginner's Guide  
By **Doon Trading Academy**





**Trading in stock, forex, crypto, or derivatives involves risk. This PDF is created purely for educational purposes. Doon Trading Academy does not guarantee profits or returns. Past performance is not indicative of future results. Readers are responsible for their own trading decisions.**

Educational purpose only | Not financial advice



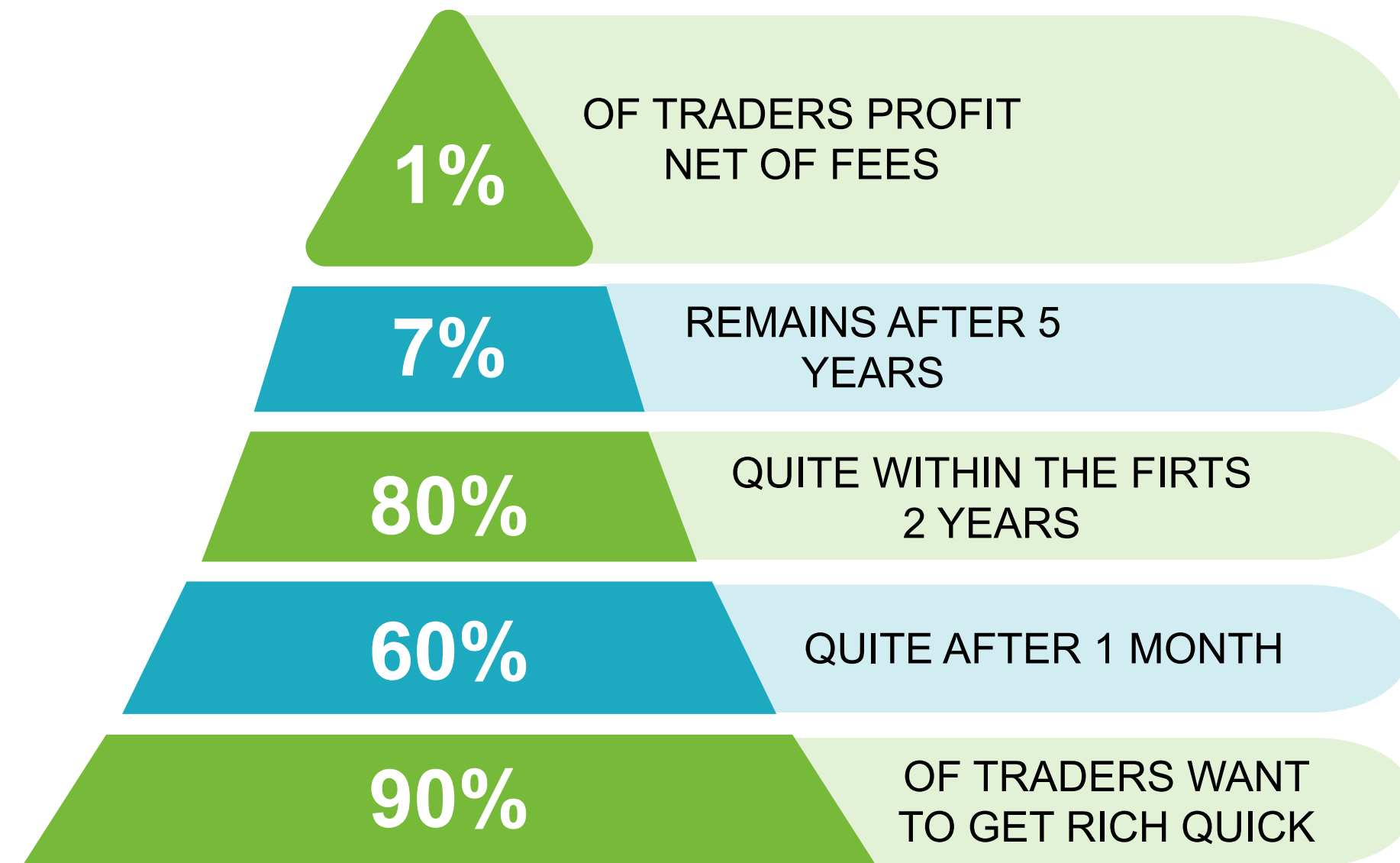


# Why Most Traders Lose?

Every day, thousands of people enter the market with big dreams. Unfortunately, most exit within months with losses. The reason is not luck it is lack of structure, discipline, and realistic expectations.

This guide explains the most common mistakes beginners make and how you can avoid them.

**90% OF TRADERS FAIL**



**REALITY**

# Trading Reality VS Social Media



- **Social Media shows profits, not losses**
- **You see screenshots, not drawdowns**
- **Real trading is boring, slow, and disciplined**
- **Understanding reality is the first step to survival**



# Mistake - 1

## Trading Without a Plan



Most beginners enter trades randomly based on tips, emotions, or guess work.

**A trading plan must answer:**

Why am I entering?

Where is my stop-loss?

Where is my target?

How much am I risking?



**No plan = GAMBLING.**



# How to Fix Mistake #1



## Create a simple written trading plan:

One setup only

Fixed risk per trade

Fixed trading time



**Consistency beats complexity.**



# Overtrading Mistake #2



## Overtrading happens when:

You trade every market move

You chase missed entries

You try to recover losses quickly



**This leads to emotional exhaustion and capital erosion.**



# How to Fix Overtrading



- Limit trades per day (1–3 max)
- Trade only high-quality setups
- Accept that missing trades is normal



**Professional traders wait more than they trade.**



# Mistake #3

## No Risk Management



**Many beginners focus only on profits, not losses.**

Common errors:

No stop-loss

Big lot sizes

Risking too much on one trade



# The 1% Risk Rule



**Never risk more than 1–2% of your capital on a single trade.  
This keeps you in the game even after multiple losses.  
Survival > Profit.**





# Soft Reality Check (Important)

If you are blowing accounts, the problem is not the market.

It is:

Poor structure

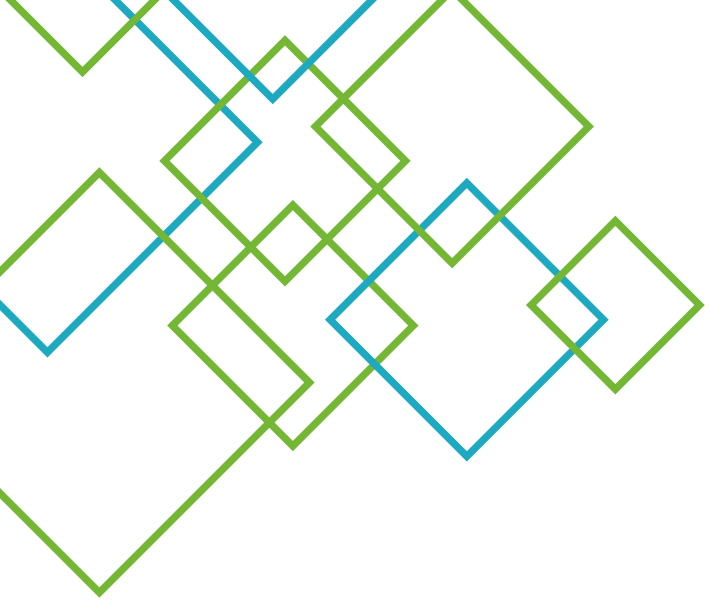
No risk control

Emotional decisions



This can be fixed with the right process.





# Mistake #4

## Indicator Overload



Using too many indicators causes:

Confusion

Late entries

Analysis paralysis



Indicators should support price, not replace it.



# Simple Alternative – Price First



## Focus on:

Market structure

Support & resistance

Candlestick behavior



**Clean charts = clear decisions.**



# Mistake #5

## Emotional Trading



**Fear and greed destroy discipline.**

Emotional signs:

Revenge trading

Breaking rules

Increasing lot size after loss



# How to Control Emotions



## Emotional Trading

Pre-defined rules

Trading journal

Fixed routine



**Emotion control comes from process, not motivation.**



# Importance of Journaling



## **A trading journal helps you:**

- Identify repeated mistakes
- Improve decision-making
- Track emotional patterns

## **What to record:**

- Entry reason
- Stop-loss & target
- Emotion before and after trade

**Data beats emotions.**





# Self-Diagnosis

## How Many Mistakes Are YOU Making?

### Tick honestly:

- I trade without a written plan
- I skip stop-loss sometimes
- I increase quantity after losses
- I take trades out of boredom
- I expect daily profits
- I break rules after 1–2 losses

**If you ticked 3 or more:  
You are trading emotionally, not professionally.**



**Awareness is the first step toward improvement.**



# Beginner's Mindset



**Trading is a skill, not a shortcut.**

Focus on:

Learning

Practice

Process



**Money follows skill**



# Realistic Expectations

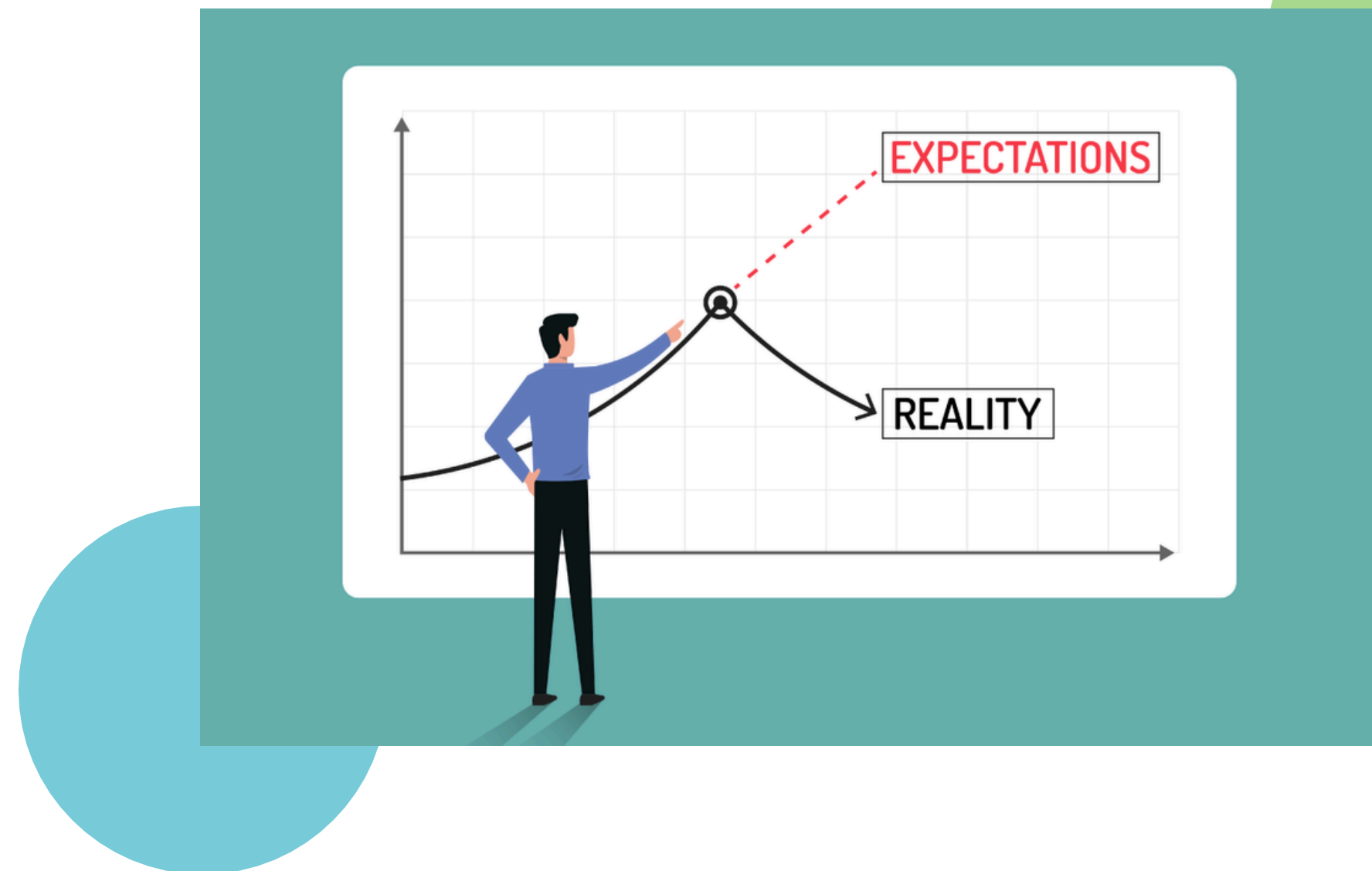


## Avoid these myths:

Daily profits guaranteed

Zero-loss strategy

Fast money



**Aim for consistency, not perfection.**



# Daily Trading Routine (Sample)



Market analysis (15 min)

Trading window (1–2 hours)

Journal update

Review mistakes



**Routine builds discipline**



# Learning Path for Beginners



1. Basics of market
2. One strategy
3. Risk management
4. Psychology
5. Mentorship



**Avoid random learning.**



# What Successful Traders Do Differently



Follow rules strictly

Protect capital

Think long-term



**They survive first, earn later.**



# What To Do After Reading This PDF



- Step 1:** Stop random & tip-based trading
- Step 2:** Learn ONE structured trading method
- Step 3:** Practice with guidance, not guesswork
- Step 4:** Focus on risk & psychology before profits



**This is where most beginners need proper direction, not more information.**



# Technical Foundations Every Trader Must Understand



Before choosing any advanced method, you must understand the core language of the market. These concepts are used in both discretionary and professional trading.



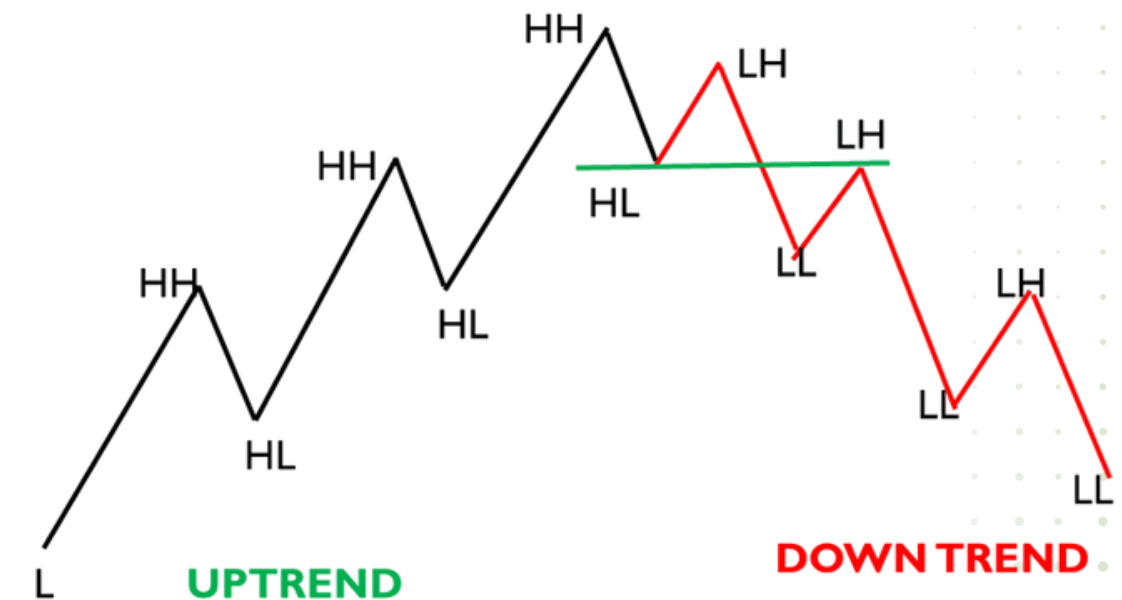
# Understanding Market Structure



Market structure tells you who is in control — buyers or sellers.

Higher High (HH) & Higher Low (HL) → Uptrend

Lower High (LH) & Lower Low (LL) → Downtrend



**Trading against structure is one of the biggest reasons beginners lose.**



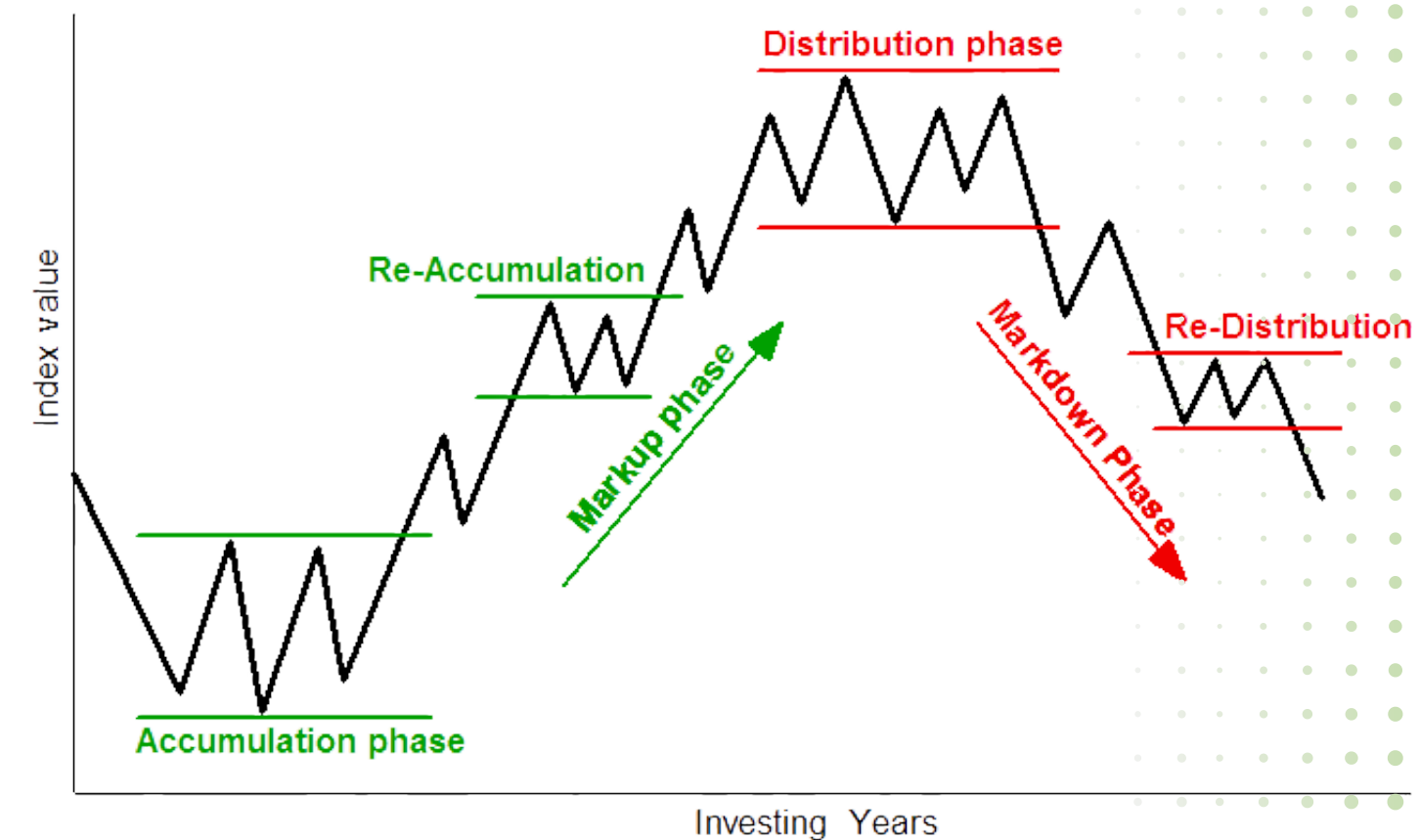


# Trend vs Range – Trade What the Market Gives

**Markets do not trend all the time.**

Trending market → patience & pullbacks

Ranging market → false breakouts & traps



**Trading against structure is one of the biggest reasons beginners lose.**



# Liquidity

## Why Price Moves the Way It Does

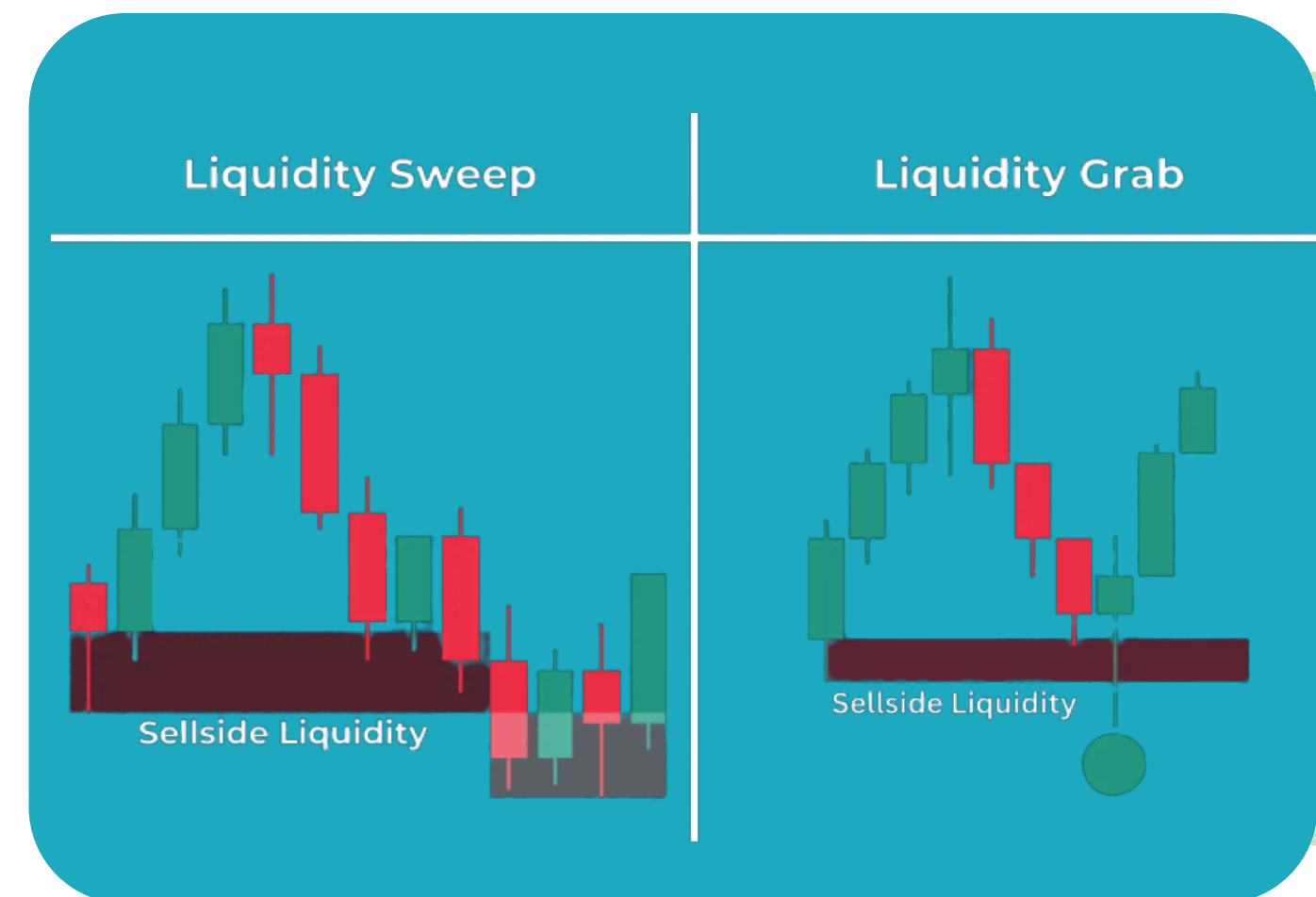


Price moves toward areas where orders exist.

Equal highs/lows attract price

Stop-loss orders become liquidity

Institutions need liquidity to enter & exit



**Liquidity is context, not a direct entry signal.**



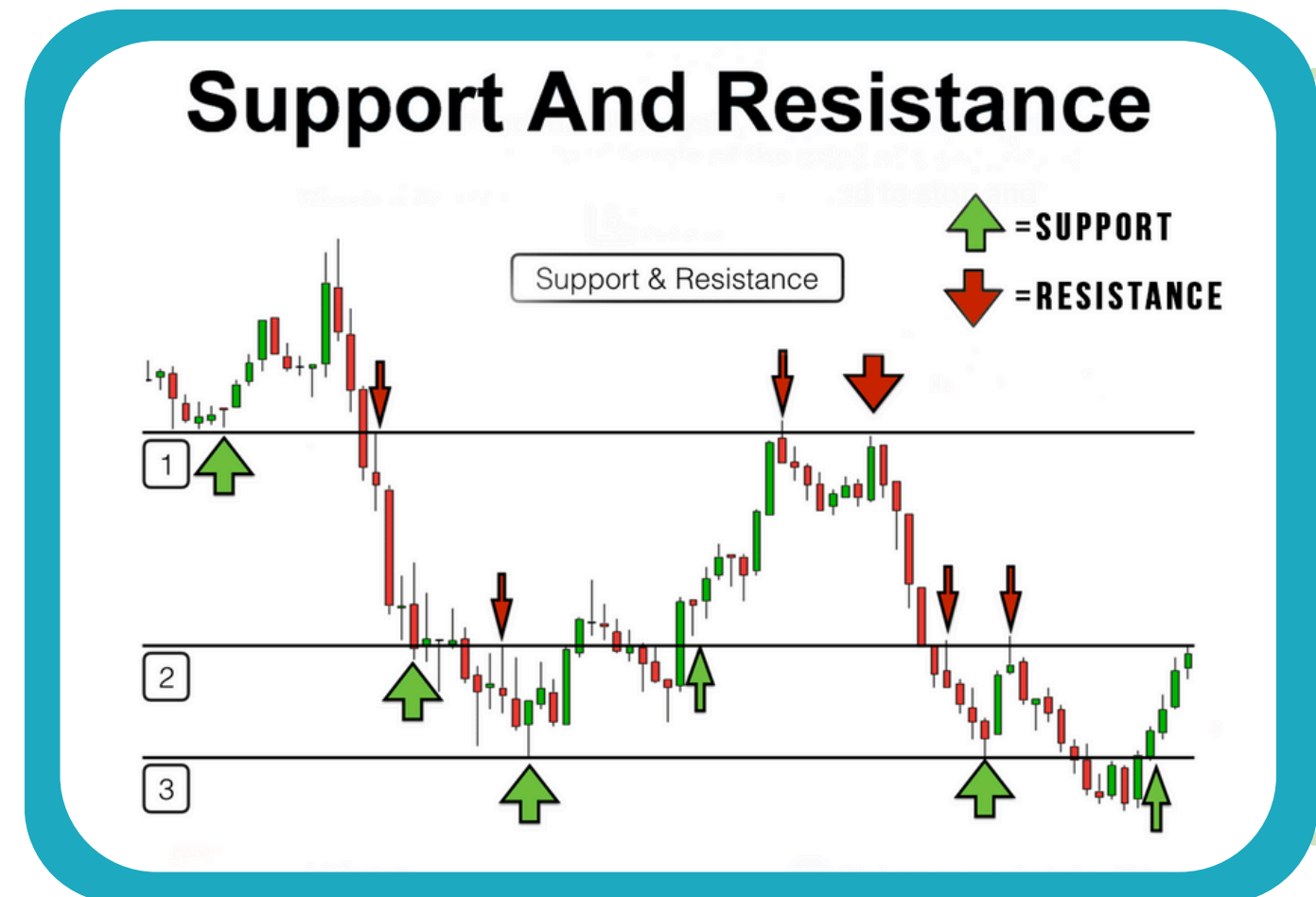


# Support & Resistance – Zones, Not Lines

Support and resistance are areas of interest, not exact prices.

Strong reactions happen in zones

Break & retest reflects order flow



**Drawing too many lines creates confusion.**



# Candlesticks – Reading Intent, Not Patterns

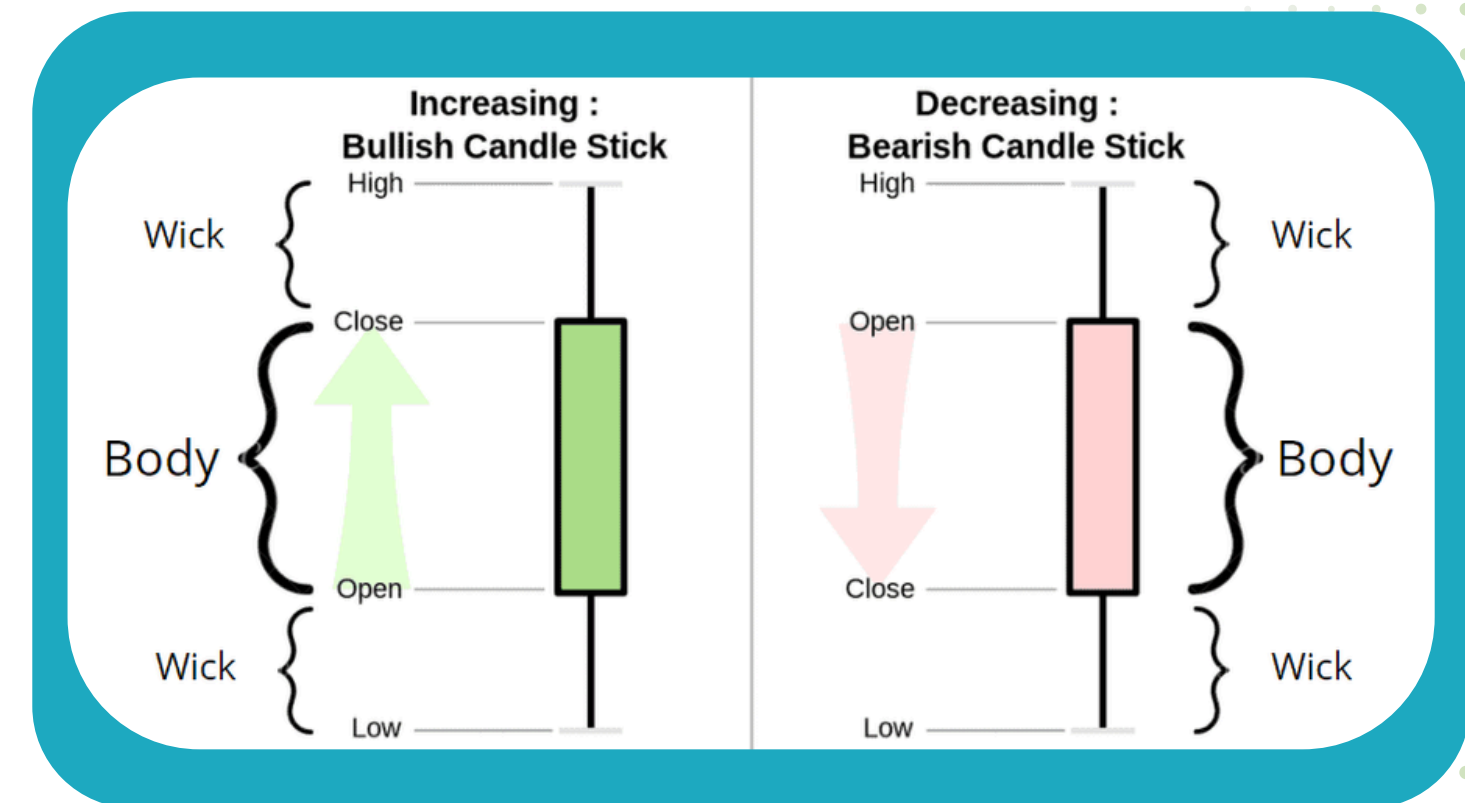


**Candles show participation and rejection.**

Strong body → conviction

Long wicks → rejection

Small candles → indecision



**Candlesticks should confirm context, not predict alone.**



# Risk–Reward – The Real Edge in Trading



You don't need high accuracy to succeed.

Controlled losses

Logical targets

Consistent risk



Risk management keeps traders alive long enough to improve.



# Structured Learning Paths We Offer



Not everyone is at the same level in trading.  
That's why learning must be stage-based, not random.

## Path 1: Stock Market Basics (Foundation Level)

### Who this is for:

- How markets work
- Trading vs investing
- Basic charts & concepts
- Risk awareness



**This path builds clarity and confidence before real trading.**





## Path 2: Advanced Trading (SMC + ICT Concepts)

### Who this is for:

Traders who already know the basics  
Learners serious about professional-style trading

### What this path combines:

Smart Money Concepts (SMC)  
ICT-based market structure  
Liquidity & institutional behaviour  
Precision-based execution  
Advanced risk & trade management



**This path teaches how institutions think and execute.**

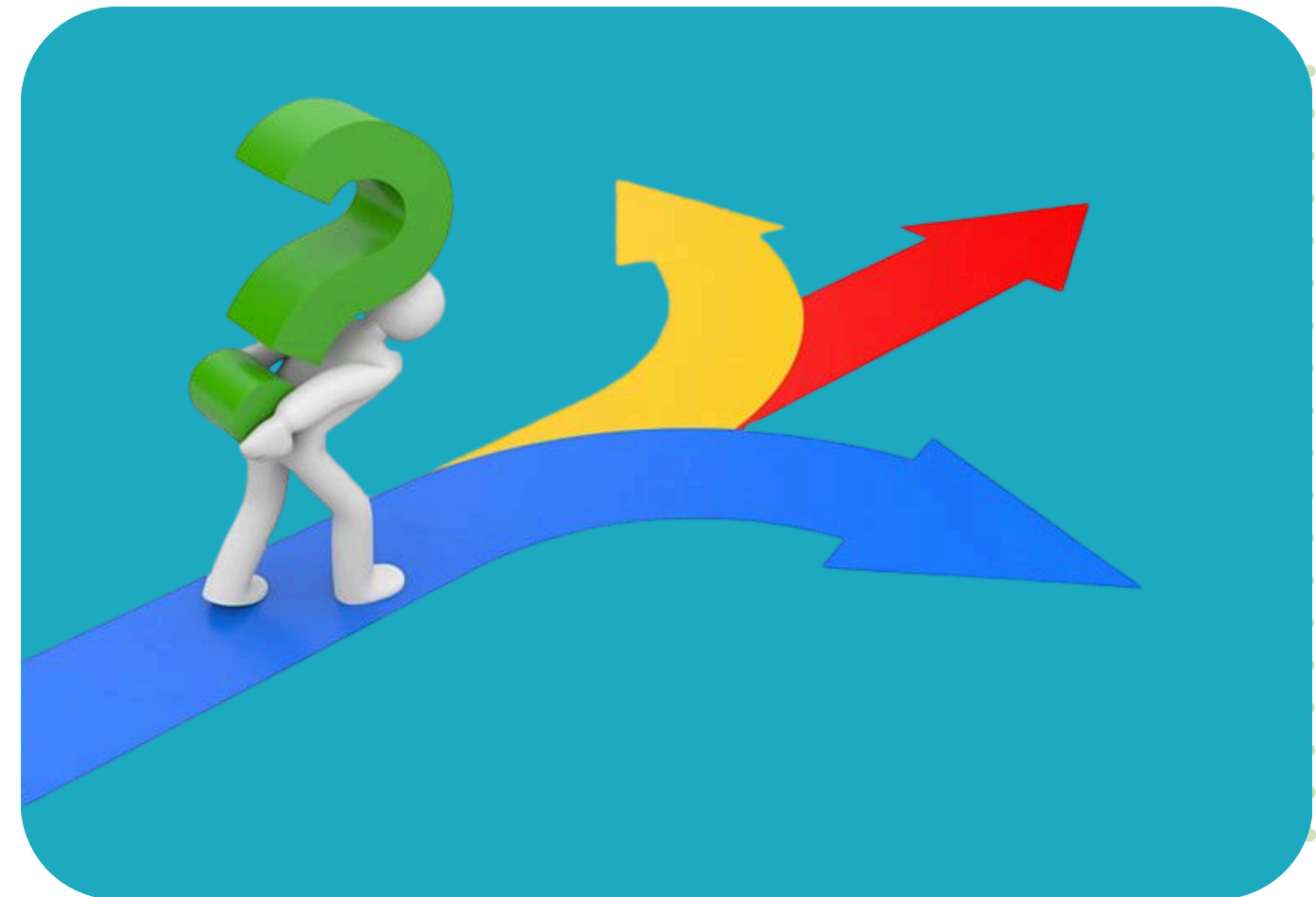




# Not Sure Which Path Is Right for You?

Choosing the wrong learning path causes confusion, losses, and frustration.

That's why we offer free guidance to help you decide logically — not emotionally.





## ABOUT US

Doon Trading Academy, with over 10 years of stock market experience, offers high-quality and affordable stock market education.





# OUR MISSION & VISION

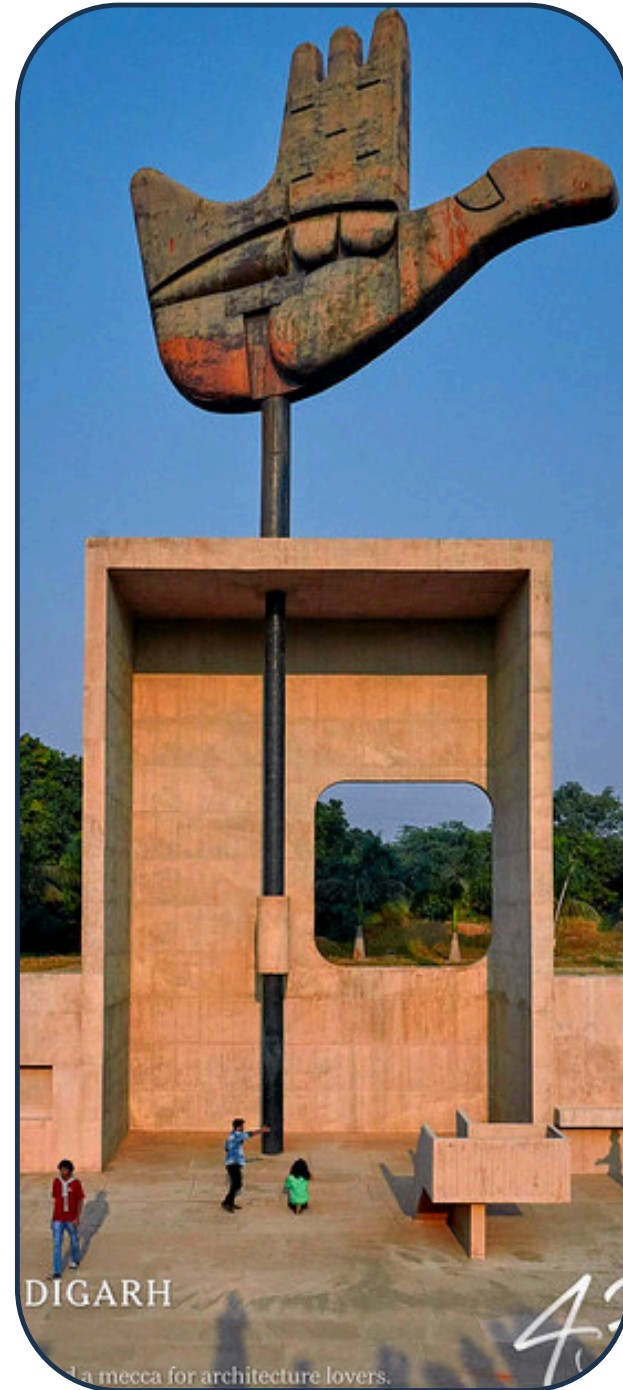
Our mission is to make everyone financially aware and skilled in forex trading. We aim to create a community of successful forex traders who drive growth and innovation.



# WE ARE LOCATED AT:



DEHRADUN



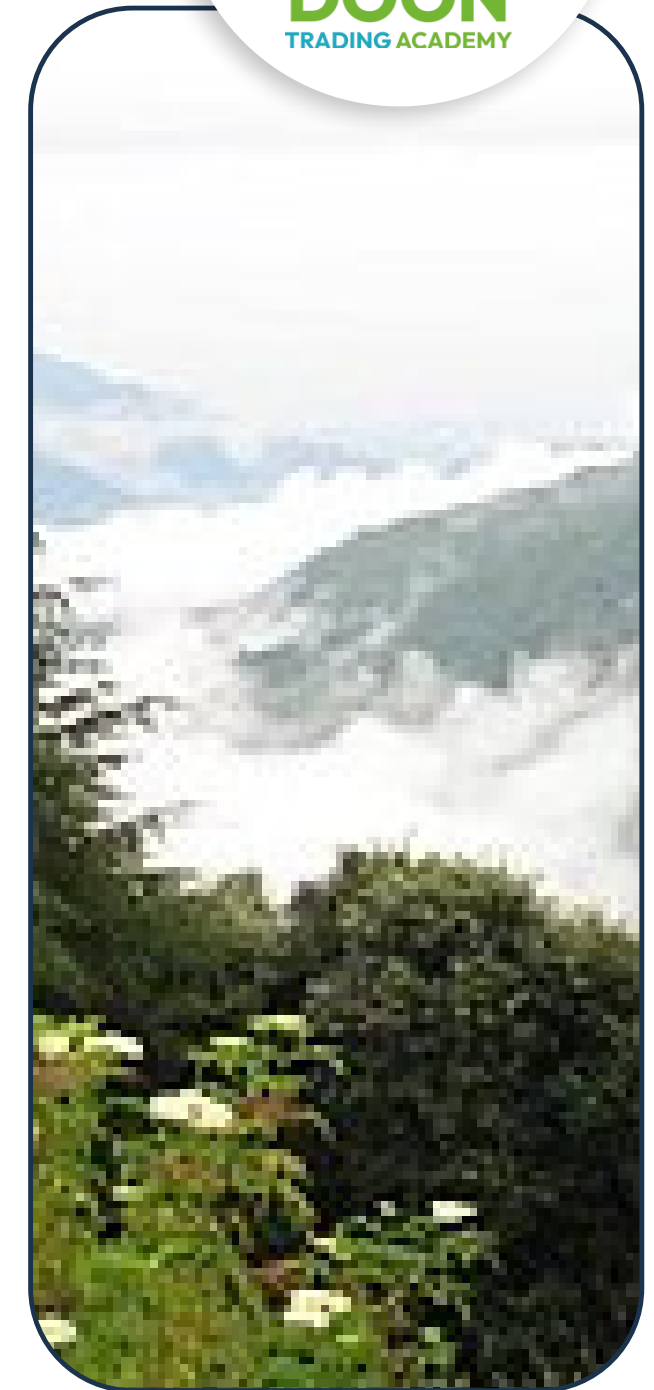
CHANDIGARH



HARIDWAR



MORADABAD



SOLAN



# WHY CHOOSE US?



**Advanced  
Traning Center**



**Execution  
Support**



**Lifetime  
Handholding**





# OUR PARTNERS



**Angel One**  
Channel Partners



**IIFL Securities**  
Channel Partners



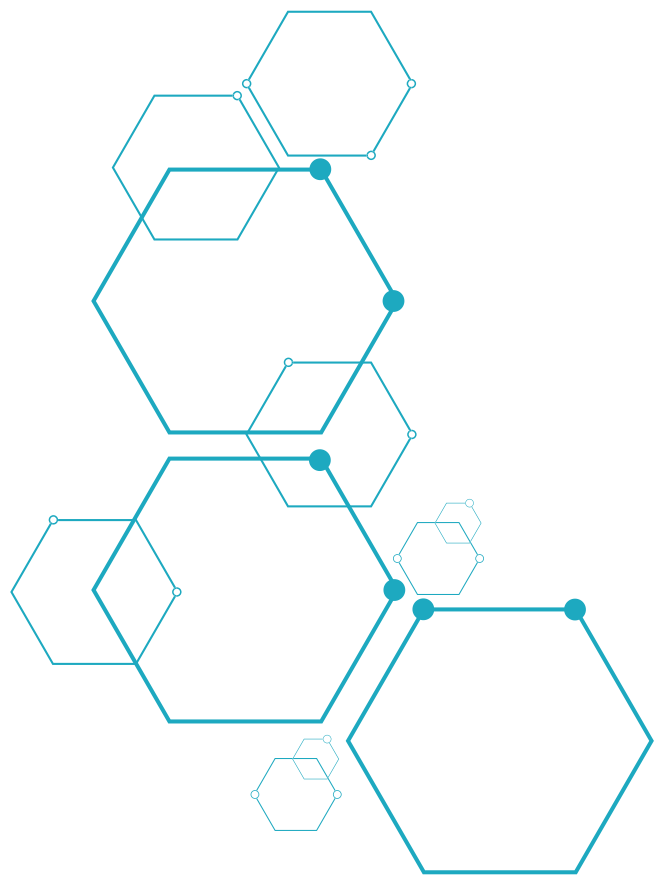
**HDFC Securities**  
Insurance Partners



**ICICI Prudential Life**  
Insurance Partners



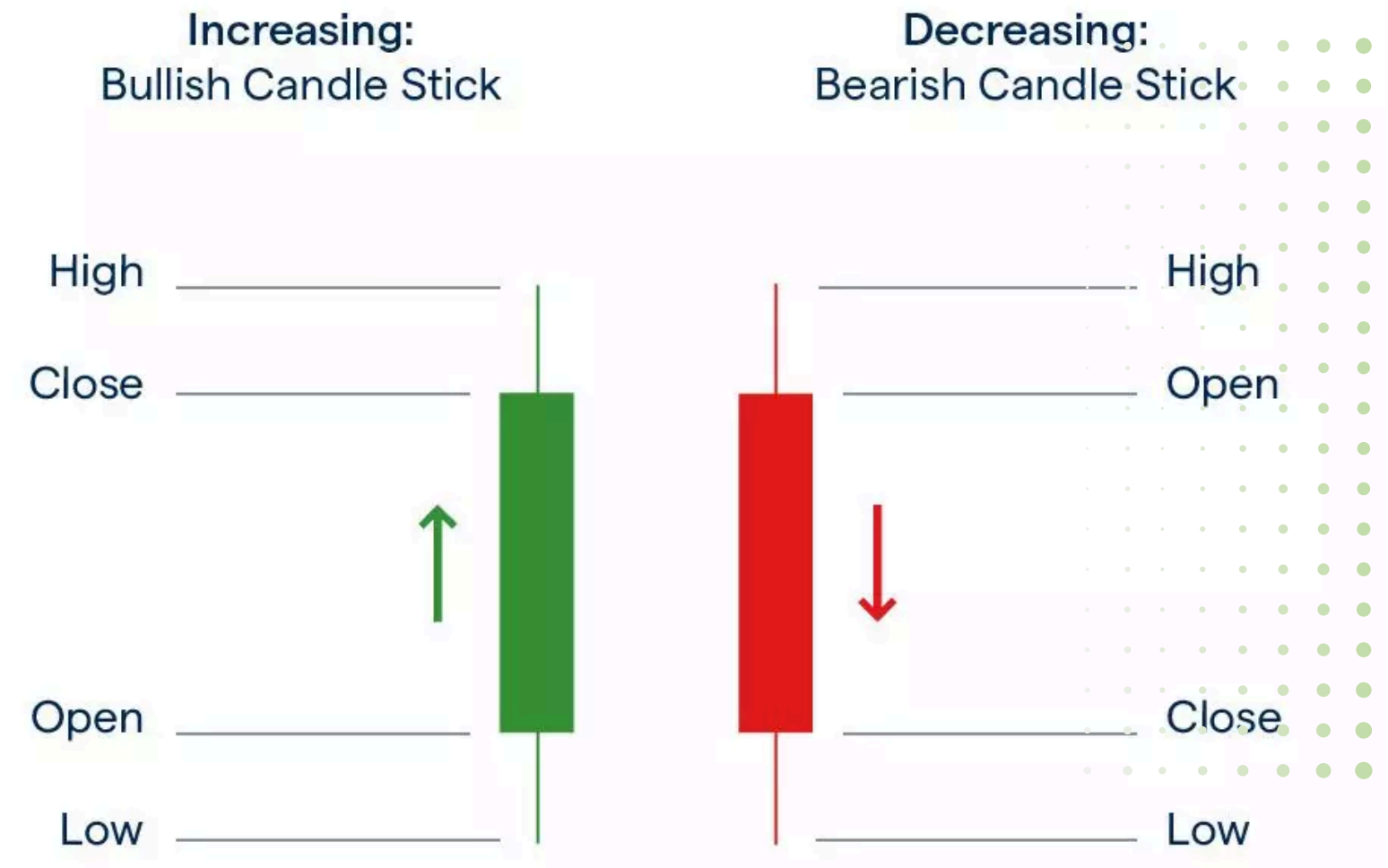
# BONUS





# UNDERSTANDING CANDLESTICKS AND CHARTS

**Introduction:** Candlesticks display price movements within a specific period, offering insights into market sentiment.



# What are Charts?



A visual tool that represents price data over time.



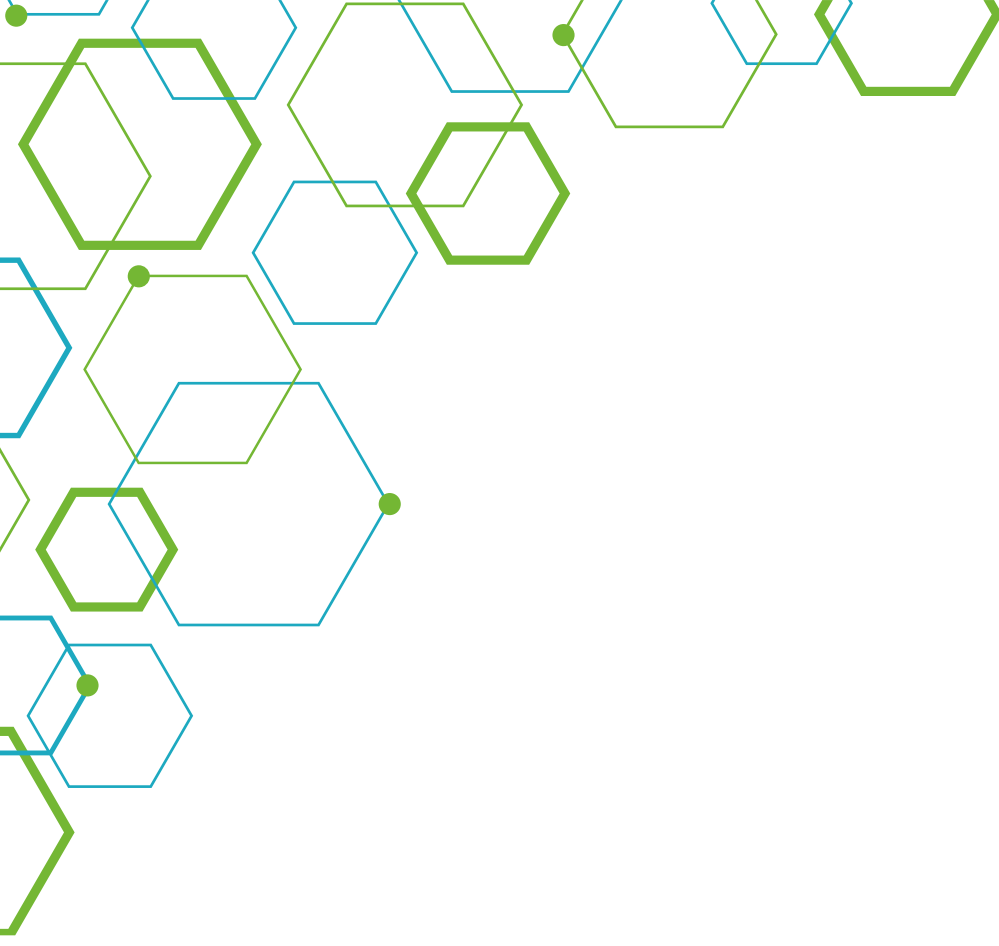


# TYPES OF CHARTS



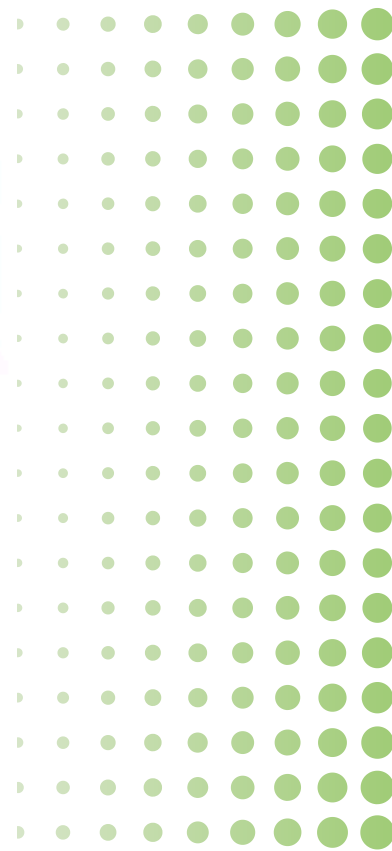
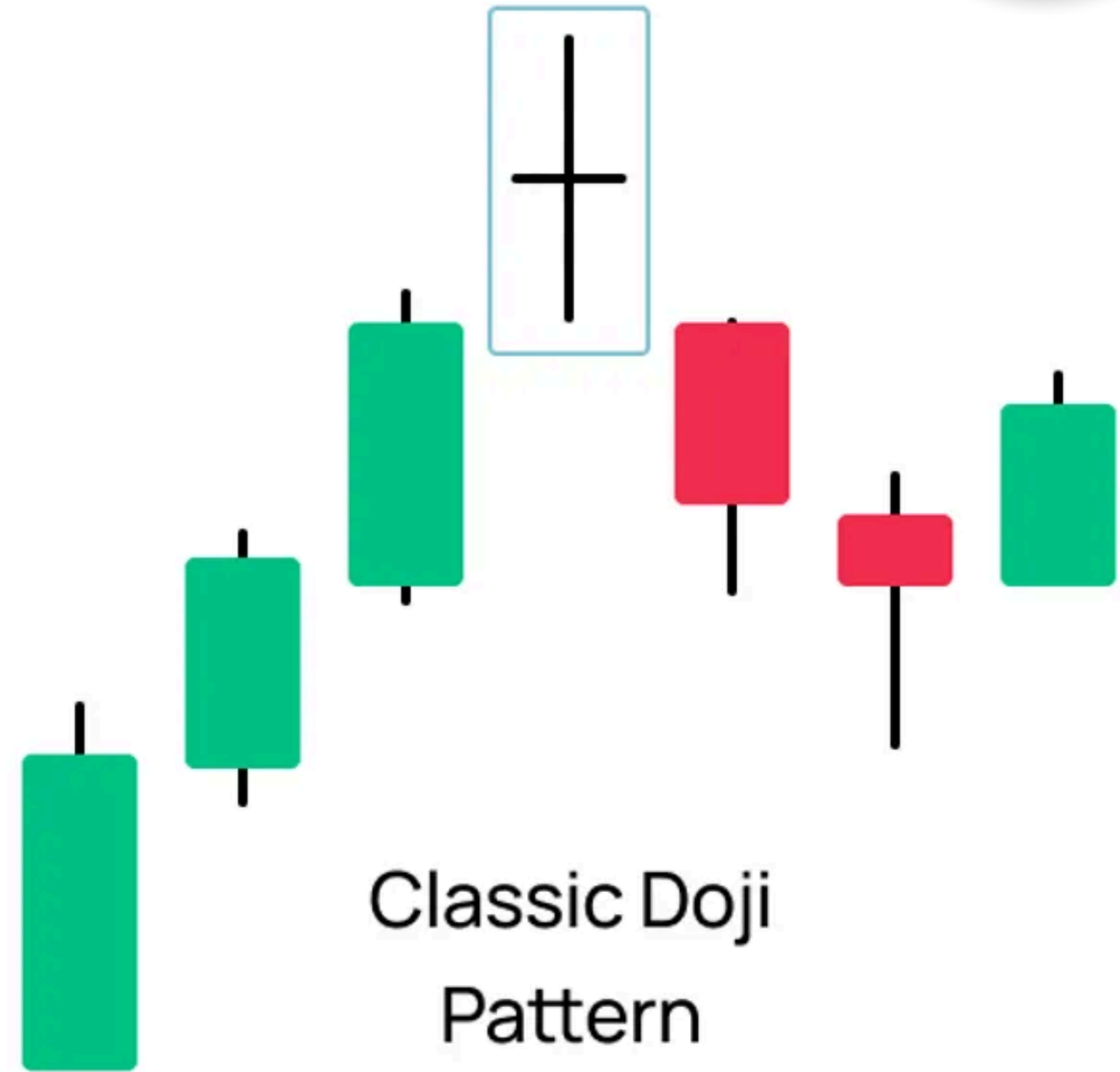
- **Line Chart**
- **Bar Chart**
- **Candlestick Chart**
- **Heikin Ashi**
- **Renko**





# DOJI

- **Doji:** Indicates indecision in the market.





# BULLISH HARAMI

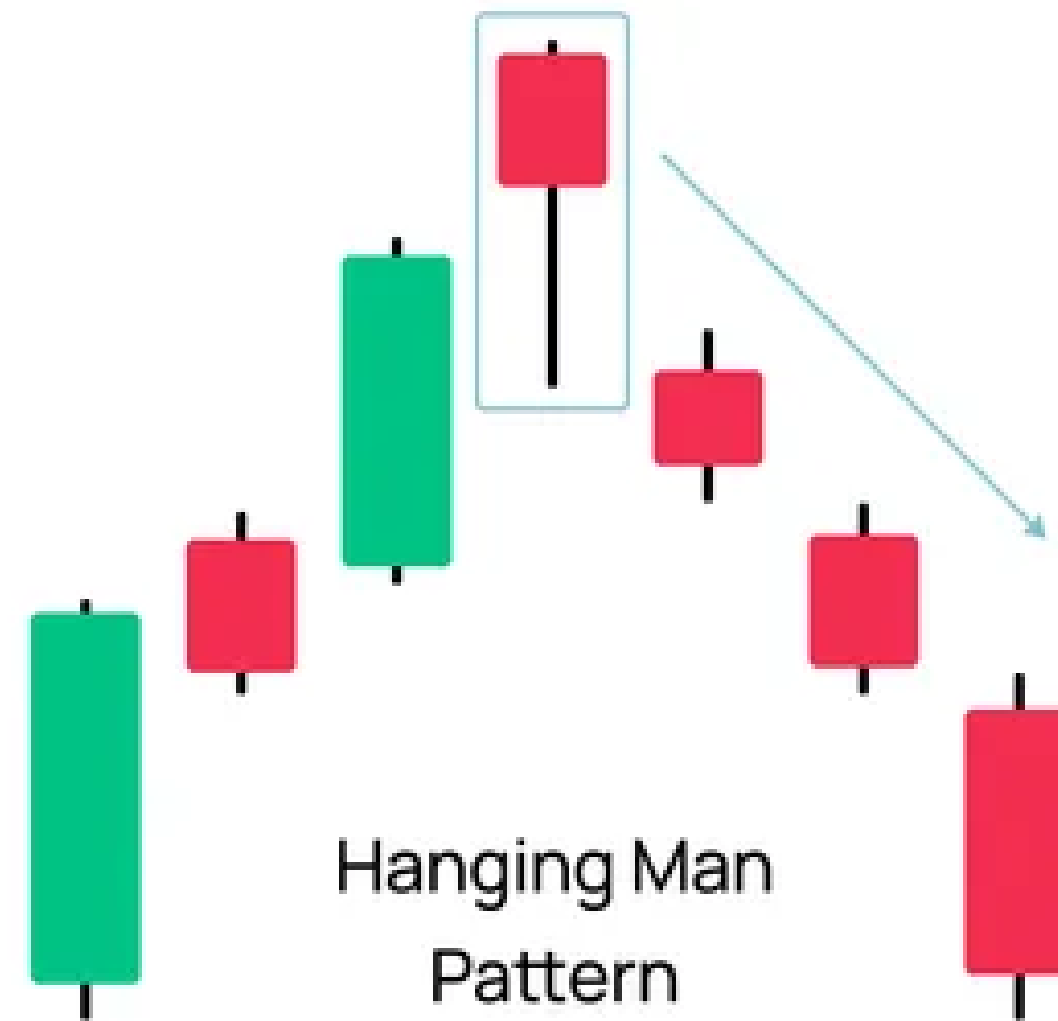
**Bullish Harami-** A bullish harami is a candlestick chart pattern that indicates a potential reversal in a bear market trend.



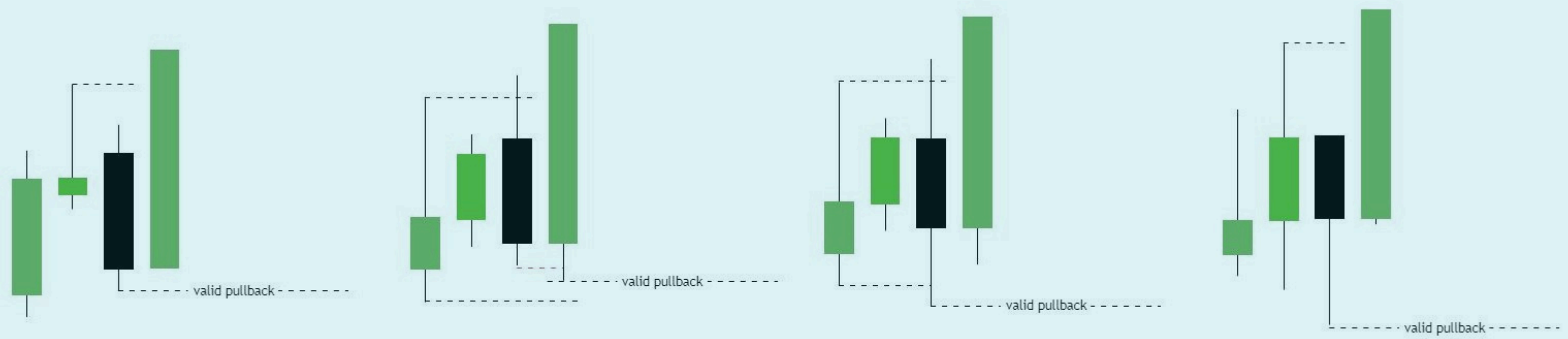
# UNDERSTANDING CANDLESTICKS AND CHARTS



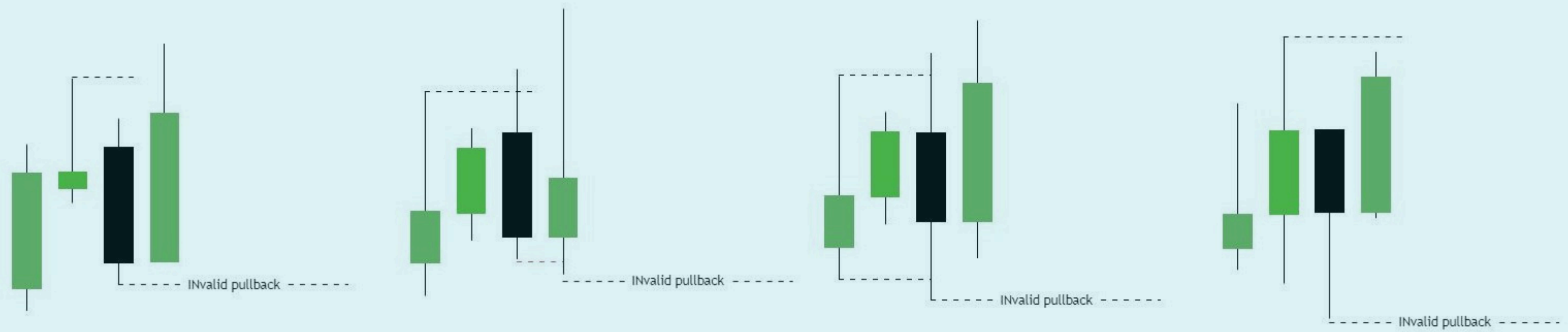
**Hanging Man:** Suggests potential reversal at the top of uptrends.



## VALID PULLBACK






## INVALID PULLBACK



# THANK YOU !

Thank you for taking the time to read.  
Markets reward patience, preparation, and disciplined thinking.  
This guide was designed to build clarity —  
progress comes from applying it responsibly.

 [www.doontradingacademy.in](http://www.doontradingacademy.in)  
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