

The 3-Step Checklist I Use Before Buying a Pullback

Intro:

When a trade looks perfect, most traders jump in too early. I've been there. Over time, I developed a simple checklist that filters out the setups that look good but are likely to fail.

Step 1: Confirm Support Holds

- Look at the previous day's low or key support level.
- If price barely touches support or moves sharply through it, pause.
- Wait for a clean bounce or confirmation candle.

Step 2: Watch for Confirmation

- Check volume and momentum: is the bounce backed by real participation?
- Don't rely on a single spike—look for consistency in the price action.

Step 3: Avoid Late-Day Entries

- Most traps happen in the last hour of trading.
- If you're buying into a late-day pullback, consider waiting for morning confirmation.

Quick Example:

Yesterday's gold pullback hit support. The bounce looked good—but it lacked proper confirmation. Waiting for the signals above would have kept me out of a false move.

Closing

This checklist is my first line of defense against costly mistakes. Apply it consistently, and you'll see setups more clearly—and act with confidence.