DTR TRADER RESEARCH LIBRARY

The DTR Stop-Loss Map

Put the stop where the idea is wrong, not where the loss starts to hurt.

PURPOSE

Traders who place stops based on pain instead of invalidation.

FORMAT

Research note, protocol, and field worksheet.

USE

Print before the session. Mark up after execution.

Why random stops create emotional trading

A random stop gives you nothing to trust when price gets close. That is why traders move it.

An invalidation-based stop is different. It says: if this condition happens, my idea is wrong, so exiting is discipline, not fear.

The stop map

Name the trade idea. Name what confirms it. Name what invalidates it.

Then check whether the stop distance fits your max risk. If the risk is too large, the answer is smaller size or no trade, not a fake stop.

The no-debate rule

Write the stop rule before entry: if price does X, my idea is invalid and I exit.

No debate. No hope. No moving the line because the loss feels inconvenient.

Worked example

A trader wants to buy a reclaim. The idea is valid only if the reclaim level holds.

The stop goes below the failed reclaim, not at a dollar amount chosen because it feels acceptable.

Operating note

A brief only matters if it changes the next decision under pressure.

Keep this document close enough to use before the trade, not after the damage is already visible in the account.

The standard is simple: fewer explanations, cleaner rules, and written evidence that your behavior is becoming more repeatable.

Field Notes

I am long or short because:

The setup is valid only if:

The idea is invalid if:

My stop belongs at:

If the stop distance is too large, I will:

References behind this framework

- **Day trading survival math.** Barber, Lee, Liu, Odean, and Zhang find that aggregate day-trader performance is negative and estimate that 97% of day traders are likely to lose money in the future.

  Learning Fast or Slow? SSRN
- **Loss aversion under pressure.** Prospect theory explains why losses often change behavior more than equivalent gains. That is the psychological root of revenge trading, stop-moving, and payout fear.

  Kahneman and Tversky, Prospect Theory
- **Trader self-coaching.** Brett Steenbarger's work frames trading performance as a process of structured self-observation, concrete goals, and daily behavioral change.

  Wiley, The Daily Trading Coach
- **Mental-game execution.** Jared Tendler's trading psychology work treats tilt, fear, revenge, and confidence as repeatable performance leaks that need correction systems, not motivation.

  Jared Tendler, The Mental Game of Trading
- **Prop-firm benchmark reality.** Public prop-firm estimates vary widely. Some industry roundups cite 5-10% pass rates and about 7% receiving payouts; harsher payout-rate estimates are far lower. The honest move is to cite the benchmark used.

  QuantVPS prop firm statistics
- **DTF internal launch-to-date snapshot.** Production data checked May 17, 2026: DTF's launch-to-date approved-or-better payout account rate benchmarks roughly 3x above the low-end public prop-firm payout estimate. The useful proof is the rate, not raw volume.

  DTF production data snapshot