Risk controls explained

Bots & rules · https://rulemancer.com/blog/docs/risk-controls/

Risk settings are evaluated by the engine on every candle close, independently of your rule. They are the reason a bad rule cannot become a bad month.

The controls

Control	What it does
Take-profit	Closes the position after a set gain
Stop-loss	Closes the position after a set loss
Trailing stop	Follows the price up, closes on a set retracement
Max daily loss	Pauses trading for the day when reached
Max allocation	Caps the dollars a bot may commit
Max open positions	Stops three signals becoming one oversized bet
Max trades per day	Limits how often the rule may act
Cooldown	Minutes the bot must wait after a trade
Slippage tolerance	How far the fill may drift from the expected price
Emergency stop	Pauses every bot at once

Defaults are not recommendations

A new bot starts with a 4% stop, an 8% target, a $250 daily loss limit and a $1,000 allocation. They are placeholders that make a bot runnable, not values chosen for your account. Change them per bot, or set your own defaults under **Trading Settings**.

Order of evaluation

On each candle close the engine checks the open position first (take-profit, stop-loss, trailing stop), then the rule conditions, then the daily limits and cooldown. That order is why a stop-loss can close a position in the same candle that a new signal appears — and why a cooldown is worth setting.

Related reading

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