What is claimed is:

1. A computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade to address at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, comprising:

receiving at memory of the electronic trading platform an identity of a first party, an identity of a first non-biased financial future, and a buy/sell request;

receiving at memory of the electronic trading platform an identity of a second party, an identity of a second non-biased financial future, and a sell/buy request;

by a processor in communication with memory of the electronic trading platform, electronically automatically determining if the first non-biased financial future matches the second non-biased financial future;

if the first non-biased financial future matches the second non-biased financial future, by a processor in communication with memory of the electronic trading platform electronically automatically determining if the buy/sell request matches the sell/buy request;

if the buy/sell request matches the sell/buy request, by a processor in communication with memory of the electronic trading platform, electronically automatically determining what a final settlement value of the non-biased financial future would be upon its stated expiration in accordance with;

net accumulated value of cash flow−total return on variation margin for the life of the non-biased financial future;

where,

the net accumulated value of cash flows is determined in accordance with:

$$\text{net accumulated value of cash flows} = \sum_{i=1}^{N} C_i B(t_{c,i}, T) - \sum_{i=1}^{M} L_i B(t_{l,i}, T)$$

where,

C_i is the amount of fixed leg payment payable at time $t_{c,i}$;

L_i is the amount of the floating leg payment payable at time $t_{l,i}$;

T is the expiration of the non-biased financial future; and

B(t,T) is the value of the money market account at time T with an initial deposit of 1 at time t and accumulated at the overnight rate;

total return on variation margin for the life of the non-biased financial future is the sum of the interest earned on the cumulative variation margin for each day reinvested at the overnight rate to expiration of the non-biased financial future; and

the overnight rate is the rate specified by the exchange or clearinghouse to reflect the short-term financing rate of market participants;

automatically electronically storing the final settlement value of the non-biased financial future upon its stated expiration in memory of the electronic central clearinghouse; and

by a processor in communication with memory of the electronic central clearinghouse, centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

2. A computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade to address at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, comprising:

receiving at memory of the electronic trading platform an identity of a first party, an identity of a first non-biased financial future, and a buy/sell request;

receiving at memory of the electronic trading platform an identity of a second party, an identity of a second non-biased financial future, and a sell/buy request;

by a processor in communication with memory of the electronic trading platform, electronically automatically determining if the first non-biased financial future matches the second non-biased financial future;

if the first non-biased financial future matches the second non-biased financial future, by a processor in communication with memory of the electronic trading platform, electronically automatically determining if the buy/sell request matches the sell/buy request;

if the buy/sell request matches the sell/buy request, by a processor in communication with memory of the electronic trading platform, electronically automatically determining what a final settlement value of the non-biased financial future would be upon its stated expiration in accordance with;

net accumulated value of cash flow−total return on variation margin;

where,

net accumulated value of cash flow is the accumulated value that a buyer or seller of a non-biased financial future receives minus the payments the buyer or seller makes, reinvested at the overnight rate from the date that the cash flow occurs to expiration of the non-biased financial future;

the total return on variation margin is determined in accordance with:

$$\text{total return on variation margin} = \sum_{t=1}^{T-1} P_t R_t B(t+1, T),$$

where

P_i is the settlement price of the non-biased financial future on day t,

R_t is the overnight interest rate on day t; and

B(t,T) is the value of the money market account at time T with an initial deposit of one at time t and accumulated at the overnight rate; and

the overnight rate is the rate specified by the exchange or clearinghouse to reflect the short-term financing rate of market participants;

automatically electronically storing the final settlement value of the non-biased financial future upon its stated expiration in memory of the electronic central clearinghouse; and

by a processor in communication with memory of the electronic central clearinghouse, centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

3. A computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade to address at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, comprising:

receiving at memory of the electronic trading platform an identity of a first party, an identity of a first non-biased financial future, and a buy/sell request;

receiving at memory of the electronic trading platform an identity of a second party, an identity of a second non-biased financial future, and a sell/buy request;

by a processor in communication with memory of the electronic trading platform, electronically automatically determining if the first non-biased financial future matches the second non-biased financial future;

if the first non-biased financial future matches the second non-biased financial future, by a processor in communication with memory of the electronic trading platform, electronically automatically determining if the buy/sell request matches the sell/buy request;

if the buy/sell request matches the sell/buy request, by a processor in communication with memory of the electronic trading platform, electronically automatically determining what a final settlement value of the financial future would be upon its stated expiration in accordance with:

net summation of cash flows−total return on modified variation margin,

where

$$\text{net summation of cash flows} = \sum_{i=1}^{N} C_i - \sum_{i=1}^{M} L_i; \text{ and}$$

$$\text{total return on modified variation margin} = \sum_{t=1}^{T-1} \left(P_t - \left(\sum_{i:(t_{c,i}<t)} C_i - \sum_{i:(t_{L,i}<t)} L_i \right) \right) R_t B(t+1, T)$$

further where

P_t is the settlement price of the future on day t;

C_i is the amount of fixed leg payment payable at time $t_{c,i}$;

L_i is the amount of the floating leg payment payable at time $t_{l,j}$;

T is the expiration of the future;

R_t is the overnight interest rate on day t; and

B(t,T) is the value of the money market account at time T with an initial deposit of 1 at time t and accumulated at the overnight rate;

automatically electronically storing the final settlement value of the non-biased financial future upon its stated expiration in memory of the electronic central clearinghouse; and

by a processor in communication with memory of the electronic central clearinghouse, centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

4. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising selecting the non-biased financial future from the group consisting of interest-rate swap futures, credit default swap futures, and other interest-rate futures.

5. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising exchange trading the non-biased financial future.

6. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising not exchange trading the non-biased financial future.

7. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising having a correlation between the value of the non-biased financial future and interest rates.

8. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising having a constant added or subtracted to the price or rate applicable to the non-biased financial future.

9. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising having an expiration date being the maturity date of the non-biased financial future.

10. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising cash settling the non-biased financial future.

11. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising physically settling the non-biased financial future.

12. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising denominating the non-biased financial future in United States dollars.

13. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising trading the non-biased financial future on ERIS EXCHANGE®.

14. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **3** further comprising settling the non-biased financial future at a value equal to a sum of present value of remaining asset flows, plus accumulated value of past asset flows, minus accumulated return on variation margin.

15. In a computer-implemented futures back-office system used for creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of the type having memory of the electronic trading platform that receives an identity of a first party, an identity of a first financial future, and a buy/sell request; memory of the electronic trading platform that

receives an identity of a second party, an identity of a second financial future, and a sell/buy request; a processor in communication with memory of the electronic trading platform electronically that automatically determines if the first financial future matches the second financial future; if the first financial future matches the second financial future, then a processor in communication with memory of the electronic trading platform electronically automatically determines if the buy/sell request matches the sell/buy request; and if the buy/sell request matches the sell/buy request the created, centrally cleared, and settled financial future contains at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, the improvement comprising:

if the buy/sell request matches the sell/buy request, a processor in communication with memory of the electronic trading platform electronically automatically determines what a final settlement value of the swap would be upon its stated expiration in accordance with;

net accumulated value of cash flow−total return on variation margin for the life of a non-biased financial future;

where

the net accumulated value of cash flow is determined in accordance with:

$$\text{net accumulated value of cash flows} = \sum_{i=1}^{N} C_i B(t_{c,i}, T) - \sum_{i=1}^{M} L_i B(t_{l,i}, T)$$

where,

C_i is the amount of fixed leg payment payable at time $t_{c,i}$;

L_i is the amount of the floating leg payment payable at time $t_{l,i}$;

T is the expiration of the non-biased financial future; and

B(t,T) is the value of the money market account at time T with an initial deposit of 1 at time t and accumulated at overnight rate;

the total return on variation margin for the life of the non-biased financial future is the sum of the interest earned on the cumulative variation margin for each day reinvested at the overnight rate to expiration of the non-biased financial future; and

the overnight rate is the rate specified by the exchange or clearinghouse to reflect the short-term financing rate of market participants;

memory of the electronic central clearinghouse automatically electronically storing the final settlement value of the non-biased financial future upon its stated expiration; and

a processor in communication with memory of the electronic central clearinghouse centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

16. In a computer-implemented futures back-office system used for creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of the type having memory of the electronic trading platform that receives an identity of a first party, an identity of a first financial future, and a buy/sell request; memory of the electronic trading platform that receives an identity of a second party, an identity of a second financial future, and a sell/buy request; a processor in communication with memory of the electronic trading platform electronically that automatically determines if the first financial future matches the second financial future; if the first financial future matches the second financial future, then a processor in communication with memory of the electronic trading platform electronically automatically determines if the buy/sell request matches the sell/buy request; and if the buy/sell request matches the sell/buy request the created, centrally cleared, and settled financial future contains at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, the improvement comprising:

if the buy/sell request matches the sell/buy request, a processor in communication with memory of the electronic trading platform electronically automatically determines what a final settlement value of the swap would be upon its stated expiration in accordance with;

net accumulated value of cash flow−total return on variation margin;

where,

net accumulated value of cash flow is the accumulated value that a buyer or seller of a non-biased financial future receives minus the payments the buyer or seller makes, reinvested at the overnight rate from the date that the cash flow occurs to expiration of the non-biased financial future;

the total return on variation margin is determined as:

$$\text{total return on variation margin} = \sum_{t=1}^{T-1} P_t R_t B(t+1, T),$$

where

P_t is the settlement price of the non-biased financial future on day t, and

R_t is the overnight interest rate on day t; and

B(t,T) is the value of the money market account at time T with an initial deposit of 1 at time t and accumulated at the overnight rate; and

the overnight rate is the rate specified by the exchange or clearinghouse to reflect the short-term financing rate of market participants;

memory of the electronic central clearinghouse automatically electronically storing the final settlement value of the non-biased financial future upon its stated expiration; and

a processor in communication with memory of the electronic central clearinghouse centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

17. In a computer-implemented futures back-office system used for creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of the type having memory of the electronic trading platform that receives an identity of a first party, an identity of a first financial future, and a buy/sell request; memory of the electronic trading platform that receives an identity of a second party, an identity of a second financial future, and a sell/buy request; a processor in communication with memory of the electronic trading platform electronically that automatically determines if the first financial future matches the second financial future; if the first financial future matches the second financial future, then a processor in communication with memory of the electronic trading platform electronically automatically determines if the buy/sell request matches the sell/buy request; and if the buy/sell request matches the sell/buy request the created, centrally cleared, and settled financial future contains at least one of two effects that result from the difference between variation margin on a cleared financial future and collateral posted in an uncleared financial future, the first effect being a systematic advantage of being short the financial future when there is a correlation between the value of the financial future and interest rates, referred to as a convexity bias, and the second effect being a distortion in the financial future when an underlying asset value of the financial future changes, referred to as a net present value (NPV) effect, the improvement comprising:

if the buy/sell request matches the sell/buy request, a processor in communication with memory of the electronic trading platform electronically automatically determines what a final settlement value of the swap would be upon its stated expiration in accordance with:

net summation of cash flows−total return on modified variation margin,

where

$$\text{net summation of cash flows} = \sum_{i=1}^{N} C_i - \sum_{i=1}^{M} L_i; \text{ and}$$

total return on modified variation margin =

$$\sum_{t=1}^{T-1}\left(P_t - \left(\sum_{i:(t_{c,i}<t)} C_i - \sum_{i:(t_{L,i}<t)} L_i\right)\right)R_t B(t+1, T)$$

further where

P_t is the settlement price of the future on day t,

C_i is the amount of fixed leg payment payable at time $t_{c,i}$;

L_i is the amount of the floating leg payment payable at time $t_{l,i}$;

T is the expiration of the swap; and

R_t is the overnight interest rate on day t; and

B(t,T) is the value of the money market account at time T with an initial deposit of 1 at time t and accumulated at the overnight rate;

memory of the electronic central clearinghouse automatically electronically storing the final settlement value of a non-biased financial future upon its stated expiration; and

a processor in communication with memory of the electronic central clearinghouse centrally clearing and settling the non-biased financial future by automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the first party and automatically electronically associating the centrally cleared and settled non-biased financial future with a trading account associated with the second party;

whereby the final settlement value of the non-biased financial future upon its expiration offsets co-movement of variation margin and investment return on the variation margin to address at least one of the convexity bias and the net present value (NPV) effect.

18. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **1** further wherein the non-biased financial future is selected from the group consisting of interest-rate swap futures, credit default swap futures, and other interest-rate futures.

19. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **2** further comprising selecting the non-biased financial future from the group consisting of interest-rate swap futures, credit default swap futures, and other interest-rate futures.

20. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **1** further comprising settling the non-biased financial future at a value equal to a sum of present value of remaining asset flows, plus accumulated value of past asset flows, minus accumulated return on variation margin.

21. The computer-implemented futures back-office method of creating, centrally clearing, and settling a financial future through an electronic trading platform and an electronic central clearinghouse to effectuate payments between parties to a trade of claim **2** further comprising settling the non-biased financial future at a value equal to a

sum of present value of remaining asset flows, plus accumulated value of past asset flows, minus accumulated return on variation margin.