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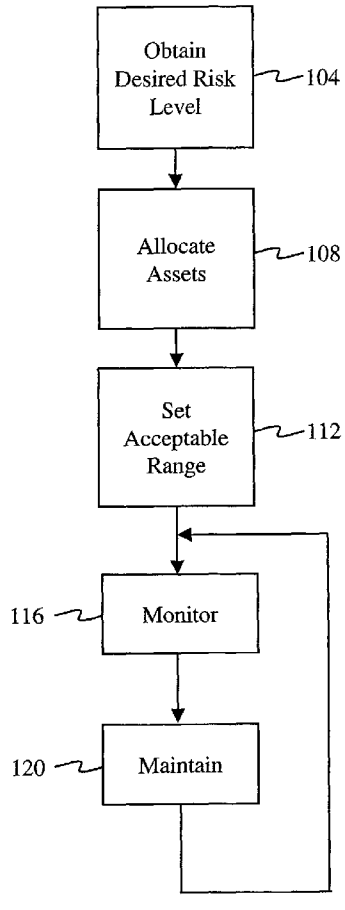
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(54) Title: CONSTANT VOLATILITY OR RISK INDICES




(57) Abstract: A technique for implementing a financial instruments index maintains the level of volatility or risk associated with the index at a specified level. Specifically, the technique includes establishing a level of risk (104) at which a risk associated with the index is to be maintained. In at least some embodiments, the level of risk may be quantified using one or more of RiskMetric Group's RiskGrade measure, standard deviation, variance, average shortfall, VAR, or any other similar or analogous measures. Once the desired level of risk (104) has been established, the technique monitors (116) the level of risk associated with the index for fluctuations. If detected, the technique rebalances the index by reallocating index components.

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