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ABSTRACT OF THE DISCLOSURE

Methods and apparatus which deal with the management of risk relating to specified, yet unknown, future events are disclosed.

5 'Sponsor' stakeholders (12) specify a particular product relating to an event or phenomenon for which there is a range of possible future outcomes.

 'Ordering' stakeholders (13) then offer contracts relating to the predetermined phenomenon and corresponding range of outcomes. The
10 offered contracts specify an entitlement or (pay-off) at the future time of maturity for each outcome, and a consideration (or premium) payable, in exchange, to a 'counter-party' stakeholder (14).

 Independently of the offered contracts, the 'counter-party' stakeholders (14) input data as to their view of the likelihood of
15 occurrence of each outcome in the predetermined range into the future, or specifically at the predetermined date of maturity.

 Each offered contract is priced by the processing units (20) by calculating counter-party premiums from the registered data, and a match attempted by a comparison of the offered premium with the
20 calculated premiums.

 Matched contracts can be further traded until maturity, and at-maturity processing handles the exchange of entitlement as between the matched parties to the contract.

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