

The cessation of synthetic US dollar LIBOR

Following the cessation of panel bank US dollar LIBOR on 30 June 2023, the FCA required LIBOR's administrator, ICE Benchmark Administration Limited (IBA), to continue the publication of the one, three and six-month US dollar LIBOR settings until 30 September 2024 for legacy English law-governed US dollar LIBOR transactions, using an unrepresentative synthetic methodology. On 5 September, the FCA [confirmed](#) that it would not use its powers to compel IBA to continue to publish these settings *beyond* this date.

As noted in the article on *Lessons from LIBOR Transition in the Bond Market under English Law* in the [ICMA Quarterly Report Second Quarter 2024](#), the FCA was clear that synthetic US dollar LIBOR was intended as a temporary bridge to risk-free rates, stating: “Market participants need to ensure they are prepared for the final synthetic US dollar LIBOR settings to cease at end-September 2024.”

The cessation of these final LIBOR settings on 30 September 2024 marks the completion of the transition away from LIBOR. With this objective achieved, and with the agreement of the groups concerned, the Bank of England, the FCA and the Risk-Free Reference Rates Working Group published on 1 October a joint statement on [The End of LIBOR](#), and announced the closure of the Risk-Free Reference Rates Working Group, including the Bond Market Sub-Group which was chaired by ICMA.

If ICMA member firms have questions following the cessation of US dollar LIBOR settings, they are encouraged to use their established communication channels with the Bank of England and the FCA.



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