



**BANK OF ENGLAND**

# News release

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11 June 2001

## **Target 2 Point 5 - The Bank of England/Times Interest Rate Challenge, Schools Invited to Challenge Bank**

The Bank of England and The Times today launch this year's 'Interest Rate Challenge', and invite 16 to 18 year old students across the UK to take on the role of the Monetary Policy Committee, to assess economic conditions and the outlook for inflation, and set an interest rate to achieve the inflation target of 2.5%.

The 'Challenge' gives students a chance to get to grips with the economy, and learn how interest rates affect inflation, employment and growth. It also enables students to develop and demonstrate key skills such as team-working, communication, interpreting data and using IT - all now part of the curriculum. The winning team will receive £10,000 for their school, the runners-up £5,000, and third-placed team £2,000. Last year's Challenge was won by Harry Carlton Comprehensive School, Loughborough.

Supported by information and data provided by the Bank and regular features in The Times, teams will be asked to make a live presentation to a panel of Bank of England judges. The presentations will be organised in three rounds - regional heats this November, area finals in February 2002, and a national final in March 2002 at the Bank of England in London, hosted by the Governor, Sir Edward George.

The Governor, Sir Edward George said: "Following the success of the first year of the 'Challenge' we hope that even more schools and colleges will take part this year. This is your chance to become a policy-maker. Tell us what interest rate your team would set to control inflation."

We hope that local and regional media will take a keen interest in teams from their respective areas. Further material about the 'Challenge' is available on the Bank of England website.