



BANK OF ENGLAND

News release

Press Office

Threadneedle Street

London EC2R 8AH

T 020 7601 4411

F 020 7601 5460

press@bankofengland.co.uk

www.bankofengland.co.uk

23 March 2001

Target 2 Point 5 - Harry Carlton Comprehensive School Wins National Final

Harry Carlton Comprehensive School from Loughborough has won the first national final of the Bank of England/Times Interest Rate Challenge which took place today at the Bank of England in Threadneedle Street, London. Sir Edward George, the Governor of the Bank of England and Chairman of the Bank's Monetary Policy Committee, presented the winning team with the Interest Rate Challenge trophy and a prize of £10,000 for their school. Sir Edward said, "Today's final marks the successful culmination of the first Target 2 Point 5 Challenge, and has been a great day from our perspective. The initiative has formed an important part of the Bank's work over the past year. As well as providing students with the opportunity to deepen their understanding of the economy, this is part of a broader initiative on our part to increase public awareness of the importance of low and stable inflation for the well-being of the economy."

Each of the six teams in today's final took on the role of the Bank of England's Monetary Policy Committee, which sets the UK's interest rate, and made a presentation to a panel of judges chaired by Mervyn King, the Deputy Governor for Monetary Stability. Two other MPC members, Charlie Bean and DeAnne Julius, and Anatole Kaletsky of 'The Times' were on the judging panel. Each team of four students assessed economic conditions and the outlook for inflation, and decided what level of interest rates they would like to set to meet the Government's inflation target of 2.5%. The chairman of the judges, Mervyn King said, "We were greatly impressed by the high standard of the presentations we saw today, which must have involved each of the teams in a lot of hard work. I hope they all found taking part as valuable an experience as we did in listening to what they had to say."

The winning team recommended an interest rate of 5.75% compared with the Bank of England's official rate of 5.75%, set by the Monetary Policy Committee on 8 March 2001. The team from The Perse School in Cambridge were second. They recommended an interest rate of 6%. They received a prize of £5,000 for their school. The team from Wimbledon High School in Wimbledon were third. They recommended an interest rate of 5.5%. They received a prize of £2,000 for their school. The other schools participating in today's final were Queen Elizabeth's Grammar School, St Patrick's Grammar School and Torquay Boys' Grammar School.

Notes to Editors

If you are interested in taking a photograph of the team from your area, or in interviewing team members, please contact the Bank of England Press Office (020 7601 4411) for contact details. Photographs of the six teams will be available on www.newscast.co.uk after 6pm.

Further information is available on the Bank's website.