



BANK OF ENGLAND

News release

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Target 2 Point 5 - Students Test Bank's Interest Rate Process National Final - 21 March 2003

In a thrilling conclusion to the third year of the competition, six teams of the UK's keenest economics and business studies students will clash on 21 March in the closely-fought national final of the Bank of England/Times Interest Rate Challenge.

" We set out with this competition to help students see economics as relevant and exciting, so we have been delighted with the response of students and teachers alike," said Sir Edward George, the Governor of the Bank of England and Chairman of the Bank's Monetary Policy Committee. "Through following the process by which the Bank makes its own monthly interest rate decision to meet the Government's 2.5% inflation target, all the students who participate in the Challenge get a thorough and invaluable insight into the process of assessing the UK and global economies. The national final will be the culmination of a lot of effort and my best wishes go to all the teams."

Held at the Bank's headquarters in the heart of the City of London the occasion sees the six teams (of four students) again taking on the role of the Committee, presenting their assessments of the UK economy, the inflation outlook and their interest rate decision, to a panel of four judges. Charles Bean, the Bank's Chief Economist and a member of the Bank's Monetary Policy Committee itself, is chairing the panel, assisted by his deputy Nigel Jenkinson, another Committee member - Kate Barker, and Anatole Kaletsky of "The Times".

The teams in this year's final each fought their way through one of November's 40 regional heats, contested by 219 teams from across the UK, then winning one of the six regional finals. And at stake? For the winning team the Governor will be presenting the Interest Rate Challenge Trophy and £10,000 for their school or college, to the runner-up £5,000 and the third-placed team £2,000.

The winning team at the area final receives £1,000 for their school or college and the runner-up wins £500. The winners then go forward to compete for the Challenge trophy and the £10,000 prize at the national final held at the Bank of England in March. There they have the chance to make their views on the official interest rate known to some of the real decision-makers from the Monetary Policy Committee who will be on the judging panel.

Notes to Editors

If you wish to contact any of the teams, please contact the Bank of England Press Office on 020 7601 4411 or e-mail: press@bankofengland.co.uk

There will be an opportunity for photographs and interviews with the teams at the Bank of England on 21 March, although space is limited. If you are interested, please contact the Bank's Press Office on 020 7601 4411.

Photographs of the six teams in the final will be available on 21 March on <http://www.newscast.co.uk>.