



BANK OF ENGLAND

News release

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Target Two Point Zero - Economics Challenge for Students

This week marks the launch of the fifth year of the Challenge, a competition designed to give economics and business studies students across the UK the opportunity to take on the role of the Bank's Monetary Policy Committee (MPC).

The MPC meets each month to determine the official interest rate for the UK, in order to meet the Government's inflation target of 2.0%. The Challenge involves teams of 16 to 18-year-olds assessing a wide range of economic data and issues. The teams consider the outlook for the economy and inflation before deciding on the appropriate interest rate.

The competition continues to attract new schools and colleges; the most recent competition involved a record 236 teams. Mervyn King, the Bank's Governor, has supported the competition since its launch. 'I have been delighted with the response from students since the Challenge began in 2000. We designed the competition to give students a practical insight into how economics relates to the real world. Each year I have been so impressed with students' understanding of key economic issues and the application to policy.'

The regional heats will be held in November this year at venues across the UK, followed by the area finals in February 2005. At each stage the teams will face a panel of Bank of England judges assessing the teams' presentations, which have been developed from material provided by the Bank and supplemented with regular articles in *The Times*.

The national final in March 2005 will be hosted by the Governor at the Bank in London. The six finalists will be competing for both the Challenge Cup and a top prize of £10,000 for their school. The runners-up will receive £5,000 for their school, the third-placed team £2,000 and the other national finalists £1,000. The winners to date include: Harry Carlton Comprehensive School, Loughborough; The Blackpool Sixth Form College; St Paul's School, Barnes (London); and in the most recent final held earlier this year, Highgate School (London).

Note to Editors

We will be pleased to provide details of local entries over the next few months. General information about the Challenge can be found on the Bank's website.