



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

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Target Two Point Zero - The UK Economy: A Challenge For Students

Some of the keenest economics and business studies students are now in the final days of preparation leading up to the area finals of the Bank of England/Times Interest Rate Challenge. These follow on from the closely-contested regional heats held in November last year, which had 244 teams of four students from across the United Kingdom battling for a place in the upcoming second round.

These six area finals - in Dorking on 23 February; Coventry, Manchester and Sheffield on 24 February, and in London and Bristol on 28 February - will see 42 teams demonstrating their knowledge of the UK economy including, of course, an awareness of the Chancellor's 2.0% inflation target for the Bank.

Each team, taking on the role of the Bank's Monetary Policy Committee, has 15 minutes to argue the case for the interest rate that they think will achieve the 2.0% inflation target, and then answers questions from a panel of 3 judges comprising MPC members and Bank staff. So they not only need to show their understanding of the real economy but their presentation techniques and teamwork are also put to the test. Past participants have said how useful this wider aspect of the Challenge has been for developing such skills.

Bank of England Governor and Chairman of the Monetary Policy Committee, Mervyn King, said "We continue to be delighted by the enthusiastic response of both students and teachers across the country to the Target 2.0 Challenge, and I know the judges of the area finals are looking forward to hearing some high-quality presentations of the students' interest rate decisions."

Of course the enormous amount of effort involved, by students and teachers alike, does not go unrewarded. The six winning teams - which go on to the national final - each receive a trophy, while runner-up teams are awarded a cheque for £650 for their school or college and the third-placed teams receive £350. The Bank of England in London is the venue for the exciting national final, to be held this year on 18 March, with the Challenge Trophy and a cheque for £10,000 at stake.

Note to Editors

If you would like to interview and/or photograph any teams please contact the Bank of England Press Office on 020 7601 4411. For further Challenge information see the Target Two Point Zero pages.