



BANK OF ENGLAND

News release

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Target Two Point Zero - Interest Rate Challenge Winner Announced Today

Six months of preparation and study paid off for Tonbridge School as their team won the sixth national final of the Bank of England/Times Interest Rate Challenge, held today at the Bank's headquarters in Threadneedle Street, London. Their efforts were rewarded as the Governor of the Bank of England, Mervyn King, presented them with the Challenge Trophy and a cheque for £10,000 for the school.

Speaking at the presentation the Governor said, "All the students who have participated in the competition this year have impressed the judges with their commitment and enthusiasm. Their teachers also deserve praise for the support they have given their students and we trust that the benefits the students gain from participating in Target Two Point Zero will continue to encourage schools and colleges to enter the competition."

The Challenge started with 269 teams from across the United Kingdom competing in regional heats and area finals, which produced today's six finalists. At each stage the teams had to imitate the Monetary Policy Committee (MPC) process, assessing the UK and global economic conditions to determine the most appropriate interest rate to achieve the Government's 2.0% inflation target. The teams, each of four students, then presented their decision to a panel of judges. For today's national final the judging panel comprised of Rachel Lomax, Deputy Governor for monetary stability, external MPC member David Walton, former external MPC member Richard Lambert, and Anatole Kaletsky, Associate Editor at "The Times".

Rachel Lomax, who chaired the judging panel, said "The judges have thoroughly enjoyed all today's presentations. Once again the standard was very high. The teams were enthusiastic and inventive and their grasp of the issues was impressive: monetary policy was never less boring."

The winners opted to reduce interest rates to 4.25%. The team from **Haberdashers' Aske's School for Boys, Elstree, Hertfordshire** was the runner-up, winning £5,000 for their school. They recommended 4.5%. The third-placed team, **Nottingham High School for Girls**, which received a cheque for £2,000 for their school, also recommended 4.25%. The other finalists were **Leeds Grammar School**, **The Blackpool Sixth Form College** and **Wilson's School, Wallington**, which each received £1,000.