



BANK OF ENGLAND

News release

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Target Two Point Zero - Interest Rates, Inflation and the Economy: The Challenge for Schools and Colleges

This week marks the launch of the eighth year of the Interest Rate Challenge, a competition designed to give 16 to 18-year old students across the UK the opportunity to take on the role of the Bank's Monetary Policy Committee (MPC) and set the official interest rate for the UK to meet the inflation target of 2.0%. The Challenge involves teams of four students assessing a wide range of economic data and issues to consider the outlook for the economy and inflation before deciding on the appropriate interest rate.

Launching the competition for 2008, Bank of England Governor Mervyn King said 'The Interest Rate Challenge continues to be the opportunity for sixth form students to demonstrate their understanding of the key issues that affect the UK economy and the action necessary to keep inflation on target. The competition encourages teamwork and exposes students to new skills such as making presentations and answering questions under pressure. The Target Two Point Zero team at the Bank once again look forward to receiving entries from schools and colleges from across the United Kingdom.'

The competition attracted 265 teams last year and the winner of the national final was Leeds Grammar School. This year, the regional heats will be held in November at venues across the UK, followed by area finals in February 2008. At each stage the teams will face a panel of Bank of England judges assessing the teams' presentations, developed from material provided by the Bank and from other sources, supplemented with regular articles published in The Times.

The national final in March 2008 will be hosted by the Governor at the Bank in London and the six finalists will be competing for both the Challenge Trophy and a top prize of £10,000 for their school, which will be presented by the Governor.

Note for Editors

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