



BANK OF ENGLAND

News release

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Target Two Point Zero - Inflation, Monetary Policy and the Economy: the Challenge for Schools and Colleges

Inflation, Monetary Policy and the Economy: the Challenge for Schools and Colleges

This week marks the launch of the tenth Interest Rate Challenge, the 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 monetary policy 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 in order to consider the outlook for the economy and inflation before deciding on the appropriate monetary policy.

Launching the 2009/2010 competition, Bank of England Governor Mervyn King said 'The Interest Rate Challenge has gone from strength to strength over the past nine years and remains the exciting opportunity for Year 12 & 13 students to demonstrate to the Bank their understanding of the key issues that affect the UK economy and the actions required to keep inflation on target. These actions might be changes in Bank Rate but could also extend to unconventional policy actions such as changing the amount of money in the economy through the purchase, or sale, of financial assets. The competition also requires students to tackle new challenges such as making presentations in public and answering questions under pressure, as well as encouraging teamwork. Our Target Two Point Zero team looks forward to receiving entries from schools and colleges across the United Kingdom for this, the tenth year of the Challenge.'

Last year the competition attracted 296 teams and the winner of the national final was Peter Symonds College, Winchester. This year, the regional heats will be held in November at venues across the UK, followed by area finals in February 2010. 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 2010 will be held at the Bank of England in London, with the six finalists competing for both the Challenge Trophy and a top prize of £10,000 for their school, which will be presented by the Governor.

Notes to 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

<http://www.bankofengland.co.uk/education/Pages/targettwopointzero/default.aspx>