



BANK OF ENGLAND

News release

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19 March 2010

Target Two Point Zero - The Bank of England and The Times Interest Rate Challenge

Interest Rate Challenge Winner Announced Today

Six months of preparation and study paid off for Dulwich College as their team won the tenth national final of the Bank of England and The 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 "This year is the 10th anniversary of the Challenge. When the competition started in 2000 we did wonder how many entrants there would be. In fact, the competition has grown over the years: 167 teams participated in 2000 and this year 285 teams took part and it has now become a regular part of the school year."

The Challenge started with 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 monetary policy 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 Charles Bean, the Bank's Deputy Governor for monetary policy and member of the MPC; Paul Fisher, Executive Director for Markets and member of the MPC, David Miles, an external member of the MPC, and Anatole Kaletsky, Associate Editor of 'The Times'.

Announcing the winners, Charles Bean, who chaired the judging panel said, "We have enjoyed some excellent presentations today. The teams have shown an impressive grasp of the key economic issues facing the MPC and have presented the material in fresh and innovative ways, and with great enthusiasm."

The winners, **Dulwich College**, opted to maintain interest rates at 0.5% and to leave the amount of quantitative easing at £200bn. The team from **Royal Grammar School**, Newcastle upon Tyne were the runners-up, winning £5,000 for their school and the third-placed team was **North London Collegiate School**, Edgware, who received a cheque for £2,000. The other finalists were **King Edward's School**,

Birmingham, **The Blue Coat School**, Liverpool and **Peter Symonds College**, Winchester who each received £1,000.

Notes to Editors

If you would like to interview team members or take a photograph of the team from your area, please telephone the Bank of England Press Office on 0207 601 4411 for contact details. Further information on the Challenge can be found on the Target Two Point Zero pages.

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

A webcast of the final will be available at a later date.