



BANK OF ENGLAND

News release

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25 February 2011

Target Two Point Zero - Bank of England and The Times Interest Rate Challenge - 2010/11

Some of the keenest economics and business studies students from United Kingdom secondary schools are in the final days of preparation for the area finals of the Bank of England and The Times Interest Rate Challenge. These follow on from the closely-contested regional heats held in late November, which saw 289 teams - over 1,100 students - looking to win a place in one of the six area finals.

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The remaining five area finals - in Bristol, Farnham, Luton and Manchester (1 March) and London (2 March) - will see 36 teams demonstrating their knowledge of the UK economy including, of course, an awareness of the Chancellor's 2.0% inflation target for the Bank. The first area final, held in Derby on 17 February, was won by Dame Allan's Schools.

Taking on the role of the Bank's Monetary Policy Committee, each team of four students has 15 minutes to argue the case for their interest rate decision, and whether any other monetary policy measures might be needed, to achieve the 2.0% inflation target. They then answer questions from a panel of three judges comprising of MPC members and Bank staff. So the students not only need to show their understanding of the real economy and monetary policy, 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: "The effort and skills displayed by the entrants in this year's Interest Rate Challenge have once again been extremely impressive. I am sure those teams that have reached the area finals will rise to the occasion and deliver high-quality and stimulating presentations."

The enormous background effort by the students and their teachers does not go unrewarded: the six winning teams - which go on to the national final - each receive a trophy, whilst the 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.