



BANK OF ENGLAND

News release

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Target Two Point Zero - Bank of England/The Times Interest Rate Challenge reaches final stages



Some of the keenest economics and business studies students from UK 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 November and early December, which saw 284 teams - over 1,100 students - looking to win a place in one of the six area finals.

The six area finals - in London (23 February), Farnham (27 February), Cheshunt, Manchester and Sheffield (28 February) and Worcester (29 February) - will see 43 teams demonstrating their knowledge of the UK economy including, of course, an awareness of the Chancellor's 2.0% inflation target for the Bank.

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 MPC members and Bank staff. 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.

Bank of England Governor and Chairman of the Monetary Policy Committee, Mervyn King, said: "Each year I am extremely impressed by the effort and skills displayed by the entrants in the Interest Rate Challenge. The quality of the presentations this year has again been excellent and I have high hopes for an exciting and stimulating round of area finals."

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 15 March, with the Challenge Trophy and a cheque for £10,000 at stake.

Note for Editors

If you would like to interview and/or photograph any teams please contact the Bank of England Press Office on 020 7601 4411.