



BANK OF ENGLAND

News release

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Bank of England and The Times Interest Rate Challenge reaches area finals stage

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, which saw 293 teams - over 1,100 students - looking to win a place in one of the six area finals.

The first two of six area finals, to be held in Birmingham and London on 13 & 14 February respectively, will see 14 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 17 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, Mark Carney, said:
"This is the fourteenth year of the Interest Rate Challenge - my first as Governor of the Bank. The competition is an excellent opportunity for students to expand their economic knowledge by taking the role of the MPC and setting monetary policy in order to meet the Bank's 2.0% inflation target."

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 £500 for their school or college and the third-placed teams receive £250. The Bank of England in London is the venue for the exciting national final, to be held this year on 28 March, with the Challenge Trophy and a cheque for £10,000 at stake.