

Economics students take part in Bank of England competition

Four year 13 economics students took part in the Bank of England Target Two Point Zero competition on Friday 24th November. The students were Tom Blennerhassett, Sarah Brown, Robert Loraine and Daniel Murphy.

Target Two Point Zero invites teams of 16-18 year olds to take on the role of the Bank of England's Monetary Policy Committee. Each team has to assess the state of the economy and the outlook for inflation, and then set the interest rate to meet the government's target. The team then has to present its analysis and its decision to a panel of Bank of England judges.

Our students prepared an outstanding presentation using PowerPoint. They looked at the world economy, costs and prices, demand, and the impact of debt and the present rapid growth in the housing market on the money supply and potential inflation. Their decision was that interest rates should be kept as they are, particularly in the light of the fact that the Monetary Policy Committee had just raised interest rates in November and the impact of this rise has still to be seen. At the end of their presentation the team faced a round of testing questions from the Bank of England judges.

The team was up against six other schools from the north-east – all private schools! Unfortunately, despite the very high standard of their presentation, the team did not win – the Royal Grammar School was the winner!

However, the research and preparation for the competition will prove invaluable for the students' understanding of economics. It has also been a boost to their confidence and their presentation skills.

Well done!

John Hill

29th November