

The world in brief

Catch up quickly on the global stories that matter



Photograph: EPA

Israel's cabinet will soon meet to vote on the ceasefire agreement with **Hamas**. They are expected to ratify the deal, even if some right-wing ministers vote against it. [The breakthrough](#) means Israeli troops will withdraw from the enclave, and 20 living Israeli hostages still held in Gaza should be set free in the coming days. Israel will release as many as 2,000 Palestinian prisoners.

Binyamin Netanyahu, Israel's prime minister, hailed a "great day" for his country and the [agreement's](#) "sacred mission of releasing our hostages". Hamas said that Gazans had "demonstrated unmatched courage" during the war and that America and other states backing the deal must guarantee the ceasefire. Mr Trump wrote on social media that the Middle East had taken the "first steps toward a Strong, Durable, and Everlasting Peace".

Shares in **Ferrari** tumbled by more than 16% after it revealed an underwhelming profit forecast to 2030. The fall put a €13.5bn (\$15.7bn) dent in the luxury carmaker's market capitalisation. The Italian firm also halved its goal to make 40% of its models [electric by 2030](#), as other European carmakers also temper electric ambitions amid weak demand.

China announced new powers for the state to control **rare-earth metals** exports, putting pressure on America ahead of upcoming trade talks. The controls let China's government curb sales of rare earths to arms companies and advanced chipmakers outside the country, and restrict foreign access to processing technology. China supplies [over 90%](#) of the world's refined rare earths; restrictions imposed in April created global supply-chain shortages.

[Sébastien Lecornu](#), France's outgoing prime minister, said he expects **Emmanuel Macron** to name his replacement within 48 hours. The French president had instructed Mr Lecornu, who resigned on Monday, to try to persuade parties in parliament to back a new government. Mr Lecornu said that the "prospect of dissolving parliament" and holding a snap election "was receding".

TSMC, a [Taiwanese chipmaking giant](#), reported a 30% rise in third-quarter revenue from a year earlier, beating analysts' expectations. Growth was driven by demand related to artificial intelligence. The firm produces 90% of the world's most advanced chips—a concentration that many see as a risk, given tensions between the island and China.

Laszlo Krasznahorkai won the Nobel prize for literature. Born in Hungary in 1954, he is the author of bleak novels that have been compared to the works of Samuel Beckett. "Satantango", his debut novel of 1985, is a melancholy tale set in an isolated village. He collaborates with Bela Tarr, a director, who adapted "Satantango" into a seven-hour black-and-white film in 1994.

Figure of the day: 79%, the share of Americans who say immigration is a good thing for the country as a whole. [Read the full story.](#)



Photograph: eyevine

Levi's are back in fashion

Levi Strauss & Co, the [American clothing company](#) that created blue jeans in 1873, will report quarterly results on Thursday for the period ending on August 31st. The firm's stock price underscores its recent revival. Its shares have soared over 40% this year, more than three times the rise in the S&P 500 Apparel Retail index.

New collections, which include 1990s-style loose jeans and longer shorts, have refreshed the brand's image. A campaign featuring [Beyoncé](#), a pop singer—and a namecheck on her latest album—has broadened its reach among young consumers. Levi's has also expanded its direct-to-consumer arm. The division now accounts for nearly half of revenues and delivers higher margins than wholesale.

Levi's is less exposed to Donald Trump's harshest tariffs. China supplies only 1% of its product. No country supplies more than a third of its products. Overseas sales now make up about three-fifths of revenue. Investors will hope Levi's can stay a boot-cut above the rest.

Stonewash success

Share prices, January 1st 2025=100



Source: LSEG Workspace



Illustration: David Simons

German carmaking car-crash

On Thursday Friedrich Merz, [Germany's chancellor](#), is hosting bosses at a car summit in Berlin. The aim is to address the deepening crisis in Germany's biggest industry, which employs roughly 750,000 people. Carmaking has shed 50,000 jobs in a year, around 6% of the total. It is forecast to lose another 140,000 by 2035, according to VDA, the car-industry federation.

The main reasons for the job losses are the transition to electric vehicles, which require less manpower to build, and [competition from China](#). The European Union's goal to reach climate neutrality by 2050 is an additional burden for the struggling industry. In the run-up to today's summit Mr Merz, a Christian Democrat, said that the EU's plan to ban new cars with internal-combustion engines from 2035 was "wrong" and he wants it to be dropped. But the Social Democrats, his coalition partners, want to keep the ban. After Mr Merz's pep rally with the carmakers, expect a robust debate at the chancellery.



Photograph: Reuters

British Jews rally outside Downing Street

On Thursday British Jews will gather outside Downing Street to protest against a surge in antisemitic hate. The rally, called by the Campaign Against Antisemitism, follows last week's attack on a synagogue in Manchester, where two worshippers were killed on Yom Kippur, the holiest day in the Jewish calendar. More than 1,500 [antisemitic hate crimes](#) were reported in the first half of this year, three times more than during the equivalent period in 2015.

Organisers are urging ministers to do more to protect British Jews. They want them to ban “extremist” protests. The government has already given the police powers to restrict repeated demonstrations. In July it proscribed [Palestine Action](#), an activist group that targets property, as a terrorist organisation. Such measures are understandable, yet risk blurring the line between antisemitism—a hate crime—and legitimate criticism of Israel and its war in Gaza, which many Jews condemn. The government faces the delicate task of making Jewish communities feel safe while safeguarding freedom of expression.



Photograph: Getty Images

A turn-up for the books

In 1901 the first Nobel prize in literature caused conniptions. Literary buffs were perplexed when the judges failed to give the award to Leo Tolstoy and offered it to Sully Prudhomme, a lesser-known French [poet](#), instead. Famous writers including Rudyard Kipling, Ernest Hemingway and Annie Ernaux have won. Yet many other esteemed authors were never even nominated: James Joyce, Marcel Proust and Virginia Woolf among them.

The Nobel committee's shortlist will be embargoed for 50 years. Bookmakers reckoned that Gerald Murnane, an Australian [novelist](#), and Can Xue, a Chinese writer, had the best chance of winning the prize, which comes with a bonus of SKr11m (\$1.2m). But in the end, the judges plumped for Laszlo Krasznahorkai, a Hungarian novelist (pictured). Describing him as "a great epic writer in the central European tradition", the Nobel committee offered praise for his bleak, absurdist novels and distinctive prose. He is perhaps best known for his debut novel of 1985, "Satantango", a mysterious tale of life in a Hungarian village.



Illustration: The Economist

Daily quiz

We will serve you a new question each day this week. On Friday your challenge is to give us all five answers and, as important, tell us the connecting theme. Email your responses (and include mention of your home city and country) by 1700 BST on Friday to [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

Thursday: At which Greenwich Village site in 1969 did a protest against police harassment spark a broader movement for gay rights?

Wednesday: Chris Owen played which character in the American Pie film series?

*The fact that somebody is
displeased is no evidence that we
are wrong.*

Mary Ann Shadd