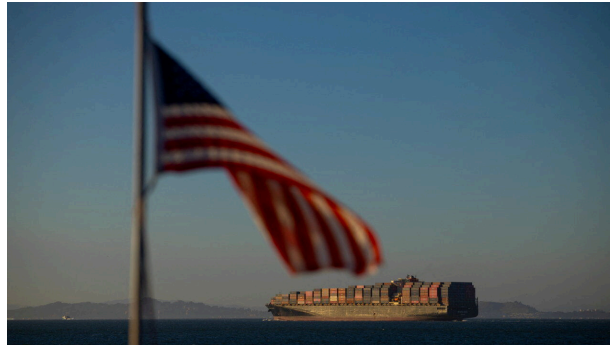


# The world in brief

Catch up quickly on the global stories that matter



Photograph: Reuters

**America's** trade deficit fell by 16% year on year in June to \$60.2bn, its lowest level in nearly two years, as imports of consumer goods dropped sharply. The gap with China shrank by a third to \$9.5bn, its narrowest since 2004. America's average [tariff rate](#) has surged to 18%, the highest since 1934. Donald Trump said that a new deal with China was "very close".

Mr Trump accused **Bank of America** and **JPMorgan Chase** of spurning right-wing customers for political reasons. He claimed, without disclosing evidence, that the banks had refused his deposits after his first term in office. JPMorgan said it doesn't "close accounts for political reasons", but urged the White House to lower compliance requirements. The Trump administration is reportedly considering how to crack down on ["debanking"](#).

**OpenAI** released its first open artificial-intelligence models in six years. The company said that the "open-weight" models would be free to use and "deeply customisable". The move is a big shift for the American firm, which has largely focused on developing closed models. It comes [six months after DeepSeek](#), a Chinese company, caused a stir by releasing an impressive open-source model.

**Glencore** will maintain its listing on the **London Stock Exchange**, abandoning plans to move to New York. The decision will be a relief to the LSE, which has suffered a [string of exits](#). The Anglo-Swiss mining giant unveiled a \$1bn cost-cutting plan and reported losses of \$655m during the first half of 2025, due to falling coal prices and lower copper production.

**Disney** and America's **National Football League** announced a blockbuster deal that will see the media giant own and operate most of the NFL's television channels. In return, the NFL will get a 10% stake in ESPN, a [sports network](#) that Disney owns. The deal is expected to be worth billions of dollars and will be finalised next year.

**Norway's** government told the country's sovereign-wealth fund to review its investments in Israeli firms because of public anger over its links to companies involved in [the war in Gaza](#). This week a Norwegian newspaper reported that the \$1.9trn fund had raised its investment in a firm that services Israeli warplanes. Norway's prime minister, Jonas Gahr Store, said he was "very worried" by the report.

**Ion Iliescu**, a divisive former president of Romania, died aged 95. Following a bloody revolution in 1989, he became the country's first post-communist leader and set it on a path to join the EU. But he also [faced charges](#) for crimes against humanity allegedly committed during the revolution, and for violently suppressing protests in the 1990s. He was never convicted and will receive a state funeral.

**Figure of the day:** \$12.5bn, the value of America's imports of gold from Switzerland last year. [Read the full story](#).



Photograph: Reuters

## Putin's war machine grinds on

Donald Trump's special envoy, Steve Witkoff, arrived in Moscow on Wednesday to press Vladimir Putin for a ceasefire in Ukraine. But the chances of the Russian president agreeing are slim. Russia is increasing its [drone and missile attacks](#) on Ukrainian cities and focusing on a slow, grinding attempt to encircle Pokrovsk, a logistics hub that has withstood months of assault. Ukraine is ramping up production of interceptor drones in response. It is striking deeper into Russia, targeting railways, refineries and drone bases.

Frustrated by the lack of progress, [Mr Trump](#) is turning up the pressure on Russia's trading partners. On Monday he said he would "substantially" raise tariffs on Indian goods over the country's continued purchases of Russian oil. India now imports around 45% of its crude from Russia. Mr Trump accuses the country of reselling the oil for profit. Indian officials say they will keep buying regardless.



Photograph: Alamy

## **Novo's slimming prospects**

On Wednesday Novo Nordisk, a Danish drugmaker, reported second-quarter earnings up by 13% year on year to 76.86bn kroner (\$11.9bn). But Maziar Mike Doustdar, who was appointed as its boss last week, faces a [daunting task](#). On the same day as it announced his appointment, Novo cut its profit forecast for the second time this year because of weaker demand amid competition from cheaper rivals. It repeated that guidance on Wednesday.

Novo was the first drugmaker to launch a new class of weight-loss drugs, known as GLP-1s. In June 2024 it was Europe's most valuable company, worth \$640bn. But its market value has fallen by more than two thirds since then. Investors fear it is losing ground to Eli Lilly, a bigger American rival. Novo's version of weight-loss drugs sold directly to patients, bypassing insurers, has also failed to take off. It is under pressure from Donald Trump, too. On July 31st he sent letters to 17 drugmakers, including Novo, urging them to slash prices. Investors will be watching to see whether Mr Doustdar can steady the ship.

## Yo-yo diet

Novo Nordisk share price, Jan 2nd 2023=100



Source: LSEG Workspace



Photograph: Avalon

## Poland's populists eye a comeback

Karol Nawrocki, a historian backed by the opposition Law and Justice (pis) party, was sworn in as [Poland's](#) president on Wednesday. His inauguration sets the stage for an institutional clash with Donald Tusk, the prime minister. Mr Tusk's centrist coalition, in power since late 2023, has struggled to deliver on its promises. It was hampered by resistance from the outgoing president, Andrzej Duda, another pis ally.

Things may now get harder. As president, Mr Nawrocki holds veto power and is expected to block the coalition's agenda. He hopes this will boost pis ahead of a parliamentary election in 2027. His victory has already had political implications. On July 23rd Mr Tusk reshuffled his cabinet, replacing his justice, interior and health ministers, among others. The move may have earned his Civic Coalition a small bump in the polls. But Mr Tusk and his allies still have ground to make up. With three years to go, pis and Mr Nawrocki smell blood.



Photograph: Getty Images

## McNuggets of gold

American consumer sentiment is up from springtime lows. Americans' appetite for fast food isn't. Chipotle recently reported fewer takers for their burritos; Shake Shack's earnings failed to impress investors. And on Tuesday the results of Yum! Brands, which owns KFC, Pizza Hut and Taco Bell, came in leaner than expected. Can McDonald's fare better?

After a weak first quarter, the burger behemoth has doubled down on value for money, promoting offers like its \$5 meal deals. Its operating margin of 46% leaves room to absorb tariff shocks. But some franchise operators, who run 95% of the 13,500 golden arches in America, gripe that the value meals will eat into their own slimmer margins, especially if inflation picks up. Raising prices to offset higher costs risks putting diners off. This would hurt McDonald's revenues, which are tied to franchisees' sales. For now, though, investors are lovin' it. The company's market value of \$214bn is over 10% fatter than a year ago.





Photograph: Alamy

## Hiroshima's 80th anniversary

Wednesday marks [80 years](#) since the *Enola Gay*, an American B-29 bomber, dropped an atomic bomb on Hiroshima. The attack resulted in the deaths of 140,000 people and obliterated the city. Three days later America detonated a second bomb over Nagasaki. The bombings hastened Japan's surrender in the second world war. Survivors and dignitaries from across the world gathered in Hiroshima to mark the grim anniversary.

It comes at a worrying time. The arms-control architecture built up during the [cold war](#) is crumbling. This week Russia announced it would formally withdraw from the Intermediate-Range Nuclear Forces Treaty, which America left in 2019. Nuclear powers are [building up](#) their arsenals. More countries are considering joining the club. And the sabre-rattling is becoming more aggressive. Donald Trump recently repositioned two nuclear submarines in response to Russian threats.

Fewer than 100,000 survivors of the bombing of Hiroshima and Nagasaki remain alive. As memories fade, the danger of forgetting grows.





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.

**Wednesday:** What term is generally used for Picasso's artistic style in the years 1901-04?

**Tuesday:** Which song by Jennifer Lopez, from the "This is Me... Then" album, is about her desire to remain true to her roots in the Bronx?

*There was never a great genius  
without a touch of madness.*

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***Ben Jonson***