

The world in brief

Catch up quickly on the global stories that matter



Photograph: AP

Donald Trump said he would extend the deadline for **Mexico** and **America** to reach a trade deal by 90 days, following a “very successful” conversation with Claudia Sheinbaum, Mexico’s president. The president’s postponed “**Liberation Day**” tariffs are due to come into effect on Friday. The Trump administration said it would contact countries without a trade deal by the deadline.

Apple reported much stronger quarterly results than expected, with revenue rising 10% year on year. The tech giant attributed some of its growth to tariffs, as consumers rushed to make purchases ahead of levies coming into effect; iPhone sales were up 13.5% year on year. **Amazon**, Microsoft and Meta also reported bumper quarterly profits.

The White House said Mr Trump will approve an aid plan for **Gaza** on Friday, after Steve Witkoff, **America’s** special envoy to the Middle East, visits a food-distribution site in the enclave. On Thursday Mr Witkoff met Binyamin Netanyahu, Israel’s prime minister, in Jerusalem. Separately America imposed sanctions against figures from two Palestinian groups, the Palestinian Authority and the Palestine Liberation Organisation.

A **Russian** aerial attack killed at least 16 people and wounded 155 in **Kyiv**, according to Ukrainian officials. Ukraine is [struggling to cope](#) with Russian bombardments, which have escalated in recent months. Meanwhile, Russia's defence ministry said its forces captured Chasiv Yar, a strategically important town in eastern Ukraine, after more than a year of fighting.

Police in **Macau**, an autonomous region of **China**, made their first arrest under the city's national-security law. The legislation, implemented in 2009 and expanded in 2023, mirrors [measures imposed](#) on neighbouring Hong Kong in 2020 that tightened the control of the Chinese government. The person arrested is thought to be Au Kam San, a pro-democracy former legislator.

A group of Western countries, including America and Britain, condemned **Iran's** intelligence services for attempting to "kill, kidnap and harass" people in their territories. In a joint statement the 14 countries said that Iran was increasingly working with international crime organisations to target exiled dissidents and other figures in Europe and America. The countries said the attacks violated their sovereignty.

Shell posted adjusted profits of \$4.3bn in the second quarter, 32% lower than the previous year, as low oil and gas prices narrowed margins. Despite the slowdown the oil major's shares rose slightly. The firm had warned investors of declining profits in early July. Investors were buoyed by its commitment to continue buying back \$3.5bn in shares each quarter.

Figure of the day: 11%, the share of Harvard's operating budget constituted by federal funds. [Read the full story.](#)



Photograph: Reuters

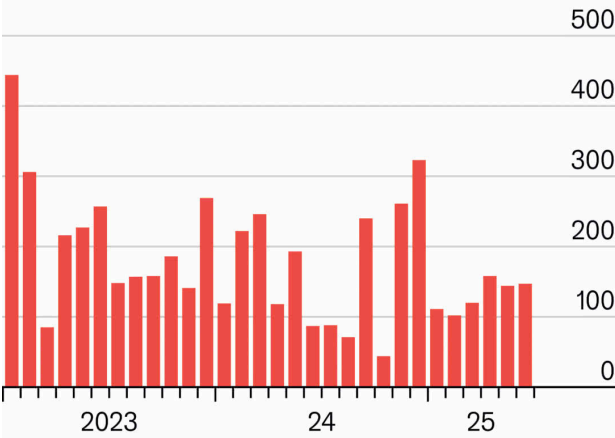
How strong is America's labour market?

For months, every scrap of economic data in America has been scrutinised for signs of the impact of tariffs. Next up are July's jobs figures, due on Friday. June's report was peculiar. The headline payrolls number was strong, but that mainly reflected a big rise in government hiring, mostly of teachers. Private-sector job growth was well below expectations. Doves on the Federal Reserve's board of governors, including Christopher Waller, argue that this slump justifies faster interest-rate cuts. Mr Waller [dissented](#) from the Fed's decision to hold rates on Wednesday, voting for a quarter-point cut.

This time, forecasters expect a fairly solid report. The consensus is for 110,000 new jobs on payrolls, and for unemployment to tick up from 4.1% to 4.2%, still fairly low in historical terms. Wage growth will also be closely watched for clues to whether the rise in goods prices in June's inflation data is starting to feed into the broader economy.

Waller worries

United States, non-farm payrolls,
increase on previous month, '000



Source: Bureau of Labour Statistics



Photograph: Getty Images

Another liberation day

Donald Trump has postponed his deadlines for introducing higher tariffs twice before. On Friday he looks set to go through with most of them—Mexico got a 90-day extension on July 31st. America has threatened countries around the world with tariff rates of 25% or more. India faces tariffs of 25% on its goods, as well as an unspecified “penalty” for importing Russian oil and weapons. Brazil faces rates of 50%.

Others have sealed deals that mean they will avoid the full brunt of the tariff onslaught. Lots of goods from Japan and South Korea will face a 15% tariff. Goods from the [European Union](#) will face the same rate. British exports will face baseline duties of a mere 10%. China, which saw tariffs on its goods soar to 145% this spring amid tit-for-tat escalation, faces tariffs of 30%. It is still in talks with America. America’s effective tariff rate is now the highest since the 1930s. But many governments will console themselves that things are better than they could have been.



Photograph: EPA

Japanese politics in flux

Japanese members of parliament will gather for an extraordinary session on Friday, following an [upper-house election](#) on July 20th in which the ruling centre-right Liberal Democratic Party lost its majority. The result was bruising for Ishiba Shigeru, the prime minister. The balance of power will be felt in the divvying-up of posts. Opposition parties are set to gain important appointments to committees in the upper house. Sanseito, a hard-right outfit that surged in the recent vote, will probably secure a committee chair for the first time.

One priority is fiscal policy. Most opposition parties now support scrapping the country's 10% consumption tax, applied to most goods and services. Getting rid of it was once solely the cause of the left, who opposed it because it is regressive. Such pledges have [rattled bond markets](#), already uneasy about Japan's mounting public debt. Mr Ishiba, a fiscal hawk, has criticised such proposals as reckless. Even so, his government has agreed to scrap a longstanding petrol tax.

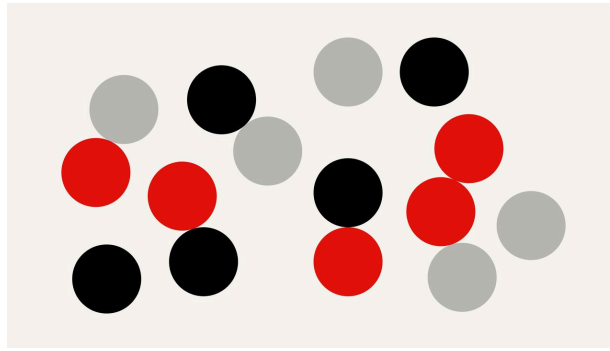


Photograph: Getty Images

Why leopard seals sing nursery rhymes

Humans are not the only species to sing. Coyotes are crooners. Tree frogs are shrill songsters. Birds have varied chirps. Now, give it up for leopard seals. The male of the species, found in the [Antarctic](#), sings for up to 13 hours a day during mating season. A study published in *Scientific Reports*, a journal, finds that their songs are similar to nursery rhymes.

Scientists at the University of New South Wales compared the songs of 26 male leopard seals with those of other animals and a range of human music, from Baroque to The Beatles. They found that the information entropy (the measure of how predictable or random a sequence is) of leopard seals' songs was close to that of nursery rhymes. But unlike humans, the seals do not sing for their young. The researchers reckon that their music's main purpose is to attract a mate and defend territory. The simple structure helps their tunes carry far and wide.



Data bite: Where will be the Detroit of EVs?

Different parts of China are battling for electric-carmaking supremacy. Thanks largely to BYD, an electric-carmaking giant, in the city of Shenzhen, Guangdong province dominates (see map below); it produced 5.7m cars last year. Chongqing, a city, and Anhui, a province, made around 2.5m and 2.6m cars last year, respectively. Competition is fierce between local governments: the Communist Party believes a push into high-end manufacturing will spur the country's economic growth.

Read the [full story](#) on the race for EV production in China.

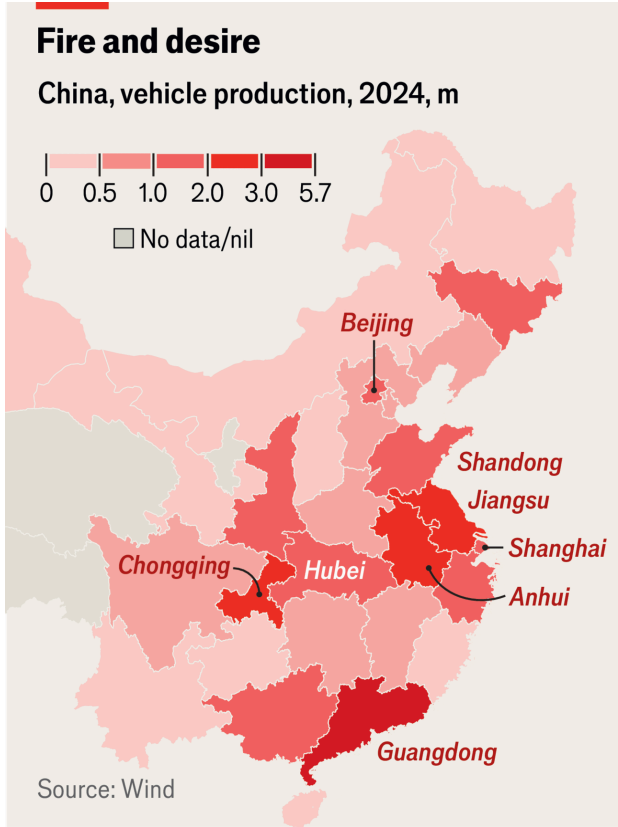


Image: The Economist



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.

Friday: What is the name of the airport in Santa Ana, California?

Thursday: In the original “Terminator” movie, which character returns from the future to protect Sarah Connor?

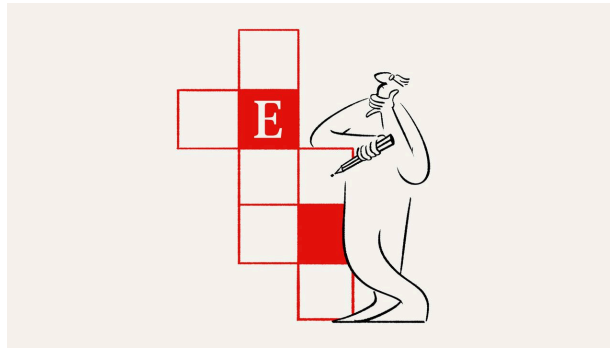


Illustration: The Economist

The winners of this week's crossword

Thank you to everyone who took part in our weekly crossword, published in the weekend edition of Espresso. The winners, chosen at random, were:

Martyn Abbott, Heckington, England

Orly Mashal, Montreal, Canada

Makarand Desai, Mumbai, India

They all gave the correct answers of garlic, Seoul, Newton and [Genghis Khan](#).

*It is not down on any map; true
places never are.*

Herman Melville