

The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

Donald Trump threatened to impose a 100% tariff on **semiconductor** imports, but said companies that invested in America could be exempt. The president unveiled the plan after a meeting with **Tim Cook**, Apple's boss, who said his firm would invest a further \$100bn in America in the coming years. The tech giant manufactures many of its products in China and is highly exposed to trade disruption.

The **Bank of England** cut interest rates by a quarter of a percentage point to 4%, their lowest level in more than two years. The cut, which was expected, comes after inflation spiked in June. The bank's monetary-policy committee said it expects annual inflation to peak at 4% in September, before moving closer to its target rate of 2%. It added that trade uncertainty had "diminished somewhat".

Mr Trump called on Lip-Bu Tan, the chief executive of **Intel**, to resign. The president said the **new boss of the beleaguered chipmaker** was "highly CONFLICTED", but did not elaborate. Earlier this week, one of Mr Tan's previous companies admitted violating American chip-export controls by selling chip designs to a

Chinese university. Intel's shares fell more than 3% following Mr Trump's comments.

American and **Russian** officials said Mr Trump could meet [Mr Putin](#) in the next few days. Mr Trump also reportedly said that he would arrange follow-up talks between himself, Mr Putin and Volodymyr Zelensky, Ukraine's president. Earlier Steve Witkoff, America's special envoy, met Mr Putin in Moscow. Mr Trump claimed "great progress was made" towards ending the war in Ukraine.

Shares in **Rheinmetall**, Germany's biggest armsmaker, fell by more than 7% after the firm posted lower-than-expected results for the first half of the year. The company said it made €475m (\$555m) profit since January, 18% higher than the same period last year. But widely expected orders [from Germany's government](#) failed to materialise because of wrangling over the country's budget.

The companies that run Leviathan, **Israel's** biggest natural-gas field, agreed to export natural gas worth \$35bn to **Egypt** over the next 15 years. Egypt, which was once a fuel exporter itself, has steadily become reliant on imports as domestic gas production declined in recent years. The country has [struggled](#) with rolling blackouts as energy providers attempt to manage demand.

French firefighters battled the country's biggest **wildfire** since 1949. The blaze in Aude, a region in southern France, has destroyed over 15,000 hectares and killed at least one person. Other parts of Europe are also experiencing wildfires as the region grapples with an ongoing heatwave. In Portugal 42,000 hectares have burned, eight times more than last year.

Figure of the day: 900, the number of immigrants being housed in Alligator Alcatraz, Florida's newest immigration detention facility. [Read the full story.](#)



Illustration: David Simonds

China dodges Trump's new tariffs (for now)

The “reciprocal” tariffs that Donald Trump [unveiled last week](#) will impede trade with dozens of America's trading partners. But China, for now, has mostly been spared. The 10% rate it negotiated in May will probably be renewed on August 12th for another 90 days. This tariff truce has been a boon to China's exporters. Trade data released on Thursday showed that its exports to the world grew by more than 7% year on year in July.

But although the new levies do not apply to China directly, they could [affect it indirectly](#). For example, higher tariffs on Asian economies such as Vietnam and Thailand could weaken demand for both their finished goods and the Chinese-made components they contain. Mr Trump has also threatened 40% tariffs on “transshipments” through Vietnam from places like China (without defining the term). In bilateral talks, China's tough negotiating tactics have kept America in check. But it cannot avoid the fallout entirely.



Photograph: EPA

Will SoftBank's AI gamble pay off?

SoftBank, a Japanese investment giant, reported a net profit of \$2.9bn for the first quarter on Thursday. To investors those gains signal that Masayoshi Son, its billionaire founder and chief executive, is making progress on his push into artificial intelligence.

Last quarter the group posted a \$3.5bn profit, its strongest in five years, thanks to a rebound in telecoms stocks and rising valuations for private tech holdings. Since then, Mr Son has ramped up his bets on [AI firms](#). SoftBank has invested billions in Nvidia, TSMC and Oracle, and agreed to buy Ampere, an American firm specialising in AI chips, for \$6.5bn. He is also co-leading “Project Stargate”, a \$500bn plan to build [AI data centres](#) in America. Analysts want to know how the project will be financed, given high borrowing costs and setbacks over power providers and site selection. Meanwhile the Ampere deal is under national-security review by regulators. Mr Son may be driving the vision—but the obstacles ahead aren't entirely his to control.



Photograph: Alamy

An opening at the Federal Reserve

A vacancy appeared at the Federal Reserve last week when Adriana Kugler, a governor, resigned five months early. Donald Trump has said that he plans to fill it within the next few days, drawing speculation about whom he might be mulling to succeed [Jerome Powell](#), the chair. Mr Trump has sharply criticised Mr Powell and urged the Fed to cut interest rates. Mr Powell's term ends in May 2026.

By law, the Fed's chair must be a sitting governor. Barring another unexpected vacancy, Ms Kugler's seat is the only one that will become available before May. Several of the candidates that Mr Trump is reportedly considering to succeed Mr Powell are from outside the Fed, including Kevin Warsh, a former governor, and Kevin Hassett, the director of the National Economic Council. Christopher Waller, another contender, is already a Fed governor. On August 5th Mr Trump ruled out Scott Bessent, the treasury secretary, for the role of chair, saying "he wants to stay where he is".



Photograph: Getty Images

Cambodia and Thailand hold tense border talks

On Thursday defence ministers from Cambodia and Thailand met in Kuala Lumpur, Malaysia's capital, to discuss how to defuse tensions over their [disputed border](#). Last month, the two countries engaged in five days of fighting—including artillery shelling and air strikes—that left at least 43 people dead and displaced 300,000. Cambodia is incensed that Thailand is yet to release 18 soldiers that it detained, an issue that is expected to dominate the talks.

The clashes took place near a stretch of frontier dotted with ancient Hindu temples perched on cliffs, which both countries claim as part of their cultural heritage. But it is not clear who fired the first shot, or why the fighting escalated so quickly. Both Cambodia and Thailand have accused the other of violating the ceasefire, and of making preparations to renew hostilities. A return to war cannot be ruled out.





Photograph: Jeremy Deputat

Inside Eminem's loyal army of "stans"

In 2017 the word "stan" was added to the Oxford English Dictionary. Coined by Eminem, an American rapper, the term describes "an overzealous or obsessive fan". In his song "Stan" (2000), an imagined devotee called Stanley Mitchell writes tormented, increasingly angry letters to Eminem and winds up killing himself and his pregnant girlfriend.

"Stans", a documentary released in selected cinemas on Thursday, showcases Eminem's real superfans. Luckily they are less enraged than eccentric. One woman has Slim Shady's face tattooed on her body 22 times; another fan took three months off school to grieve the death of DeShaun Dupree Holton, Eminem's best friend, in 2006. The film provides a fascinating look at the culture of fandom and the parasocial relationships people form with celebrities. (The stans speak about Eminem as if they personally know him, and can reel off every detail of his life.) Perhaps unsurprisingly, the tone of the documentary is cringingly fawning. The stans will no doubt be pleased.



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: Which film concerns the Muppets' attempt to conquer Broadway?

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

A mind all logic is like a knife all blade. It makes the hand bleed that uses it.

Rabindranath Tagore