

## Catch up: Gautam Adani's American indictment; Nvidia's booming revenue



**Gautam Adani**—[India's second-richest man](#)—and seven other Indian businessmen were charged by American prosecutors with securities and wire fraud in connection to a solar-energy project. Prosecutors allege that he and his associates bribed Indian officials to the tune of \$250m to secure contracts for the project, then raised capital from American investors “on the basis of false statements about bribery and corruption”. Shares in Adani Group fell by as much as 20% when Indian markets opened on Thursday.

**Nvidia's** revenue hit \$35.1bn in the third quarter of 2024, nearly double the figure from the same period last year. It said that it expected even higher revenue for the coming quarter. Even so, the firm's share price dropped, possibly because investors' expectations are sky high. The firm—currently the world's most valuable listed company—[dominates](#) the production of chips for artificial intelligence.

**Ukraine** reportedly fired British-made Storm Shadow cruise missiles at **Russia** for the first time. The launch comes days after

America lifted restrictions on Ukraine firing its long-range [ATACMS missiles](#). On Wednesday America also agreed to supply Ukraine with anti-personnel landmines to slow the advance of Russian ground troops. America had previously provided only mines that target armed vehicles.

America's House congressional ethics panel said it was still unwilling to release a report into alleged sexual misconduct by **Matt Gaetz**, Donald Trump's nominee for attorney-general. On Wednesday ABC News reported that Mr Gaetz paid two women, now witnesses in the probe, more than \$10,000; some payments were apparently for sex. Mr Gaetz, whose appointment [could be blocked by the Senate](#), has repeatedly denied the allegations.

Bill Hwang was sentenced to 18 years in an American prison for the fraud he perpetrated at his fund, **Archegos Capital Management**. In July Mr Hwang was convicted in New York of deceiving banks into lending him billions of dollars. The [implosion of Archegos](#) contributed to the collapse of Credit Suisse.

A UN resolution calling for a ceasefire between **Israel** and **Hamas** was vetoed by America because it did not include the release of Israeli hostages as a precondition. Khalil al-Hayya, [Hamas's](#) acting chief in Gaza, said there would be no hostage deal with Israel "without an end to the war". Meanwhile American officials said that ceasefire negotiations between [Israel and Hizbullah](#) were progressing.

**Australia's** government proposed a bill in parliament that would ban **social media** for children under 16. The law would hold social-media companies responsible for enforcing the age limit and fine them if rules were violated. [Children](#) would still be allowed to use messaging apps and play online games. The government plans to implement an age-verification system, possibly using biometrics.

**Figure of the day:** \$50bn, Shein's forecast global revenue this year. But how Chinese is the fast-fashion giant? [Read the full story](#).

## American firms in Mexico in the crosshairs



Deere, an American farm-equipment manufacturer, reports quarterly earnings for August-October on Thursday. Net income fell due to slowing sales during the previous three months. Donald Trump's re-election has further dimmed its prospects. The president-elect, unhappy at Deere's plans to build a factory in Mexico, has threatened to apply tariffs of 200% on any of its Mexican-made goods exported to America.

Mr Trump's threats could well come to nothing. During his first presidency he threatened many tariffs that never came to pass. And [Mexico is an important partner](#) in America's trade war with China because it provides an alternate location for American companies to build factories.

Still, companies and Mexico's government are worried. Tariffs would lead to higher costs; the threat of them causes uncertainty. Some American companies are pausing plans to invest south of the border. Deere, however, says it will proceed. Who will blink first?

# Italy's migration quagmire

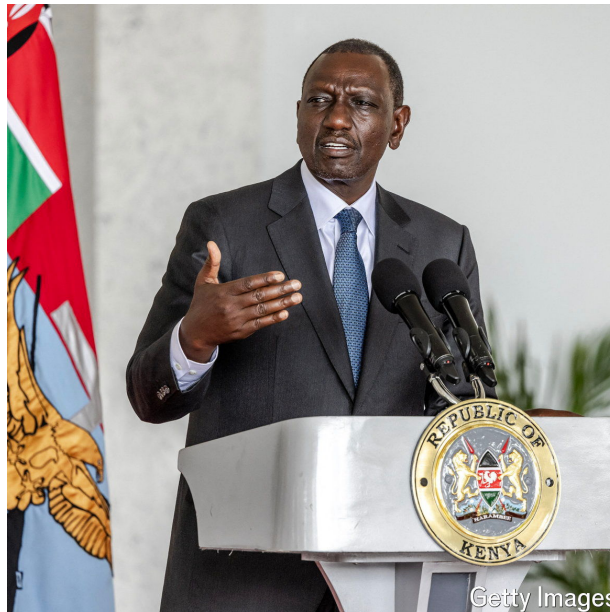


On Thursday Italy's lower house will discuss a proposal by Giorgia Meloni's conservative government to tackle judicial roadblocks to its plan to send asylum seekers to Albania. The discussion follows a ruling last week by judges in Rome—upholding a previous decision—that [migrants sent to Albania](#), a non-EU country, must be returned to Italy.

Elon Musk, the American billionaire now best friends with Donald Trump, wrote on X that the judges “need to go”. The government now proposes to bypass them. Dubbed the “Musk amendment” by the Italian opposition, the new measure would divert legal challenges from lower courts to the appeals court. Appeals judges say they will be overburdened; the government disagrees.

The controversy highlights the challenges of balancing national sovereignty and international migration law. Similar struggles have entangled other European leaders, including Rishi Sunak when he was Britain's prime minister. Whether Ms Meloni's government can avoid a legal quagmire remains to be seen. For now, expect sparks to fly.

## Kenya's embattled president walks a tightrope

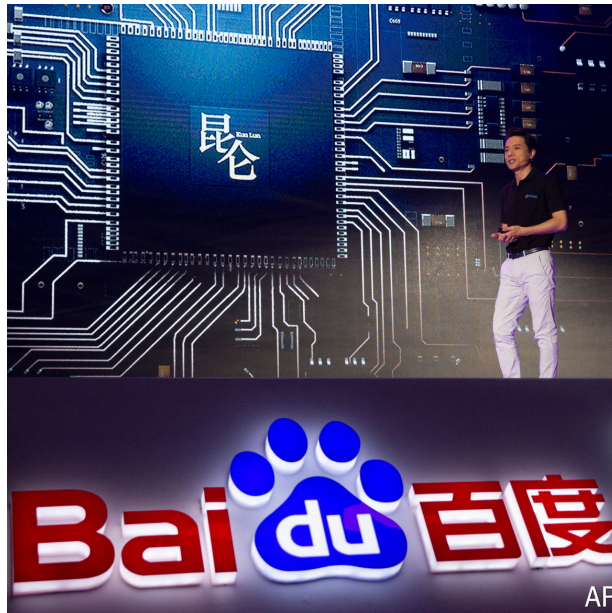


Kenya's president, William Ruto, will deliver his annual state of the nation address to parliament on Thursday. Despite his unpopularity, his position has been bolstered by recent events. Mass protests, which began over the summer as a revolt against tax rises, and quickly morphed into a [campaign to oust him](#), have quietened. By giving cabinet jobs to several opposition members, including allies of Raila Odinga, his main rival, he has mollified some of his more powerful critics. And last month the IMF approved a \$606m loan tranche, which will help ease fiscal pressures.

But the risk of a default on Kenya's \$80bn public debt—equivalent to 68% of GDP—has been delayed, not resolved. To fill the fiscal hole, Mr Ruto needs to raise taxes. Thus, elements of the [controversial finance bill](#) which sparked the protests (and was subsequently scrapped) will inevitably return to parliament. Mr Ruto's already low approval ratings may fall further still.



# Baidu's rollout of AI



Baidu, a Chinese internet giant, will announce third-quarter earnings on Thursday. Robin Li, its boss, hopes that its newly unveiled “smart glasses” will help investors see the company in a new light. Baidu is betting that they will do better than their rival, Meta’s smart glasses, released in 2021. The big difference is that Baidu’s glasses are infused with artificial intelligence. They are equipped with cameras and linked to the company’s generative AI platform, [Ernie](#), allowing users to give voice commands.

The new smart glasses showcase Mr Li’s determination to unlock any potential AI application. In recent years, Baidu has struggled to transition from China’s leading search engine to a frontrunner in AI. Ernie is heavily constrained by China’s strict censorship laws, limiting its potential. Meanwhile, its [driverless taxi service](#) has seen only modest success. Whether the smart glasses can succeed where other projects have stumbled will be a key test of Baidu’s AI ambitions—and investors’ faith in its future.

## No quick vins in wine country



Fireworks, music and festivals will welcome France's first wines of the season—known as *Beaujolais nouveau*—on Thursday. The early-ferment offers a glimpse of this year's harvest. It may be a disappointing one. The soggiest September in 25 years has hit France's prized wine regions of [Champagne](#), Beaujolais and neighbouring Burgundy particularly hard. Germany and Portugal will also see a slump, which will not be offset by higher yields from the continent's two largest producers, Italy and Spain. Europe will make 3% less wine this year than in 2023, according to Copa Cogeca, a farm lobby.

Supply chain disruptions and high energy costs have pushed up prices and hurt sales, especially in export markets. And high prices have dampened sales. Last year global [wine consumption fell](#) to its lowest level since 1996, according to the International Organisation for Vine and Wine. The World Spirits Alliance predicts that spirit sales could overtake wine in 2024 as drinkers favour fewer, if [fancier, drinks](#).



## Daily quiz



*The Economist*

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 [QuizEspresso@economist.com](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Thursday:** Which hit song by Pharrell Williams came from the soundtrack of the film “Despicable Me 2”?

**Wednesday:** Which novel by Alice Sebold is narrated by a 14-year-old girl who is murdered in the first chapter?

**Fame is something which must be won;  
honour is something which must not be  
lost.**

*Arthur Schopenhauer*