

# The world in brief

Catch up quickly on the global stories that matter

President **Donald Trump** lashed out at **Volodymyr Zelensky**, his Ukrainian counterpart, accusing him of undermining peace negotiations. On Thursday Russian air strikes killed at least nine people and injured more than 70 in Kyiv—the biggest attack on Ukraine’s capital in months. Earlier Mr Zelensky called for an “unconditional [ceasefire](#)”, rejecting an American proposal that would recognise Russia’s annexation of Crimea and bar Ukraine from NATO membership.

Stockmarkets rallied after the Trump administration signalled it would soften its approaches towards the **Federal Reserve** and **tariffs on China**. Scott Bessent, America’s treasury secretary, said that there was an opportunity for a “big deal” with China if it were “serious” about reducing its dependence on manufacturing exports. Earlier Mr Trump said he would not fire [Jerome Powell](#), the Fed’s chair.

**India** closed its main border with **Pakistan** and expelled several Pakistani diplomats. The moves come after gunmen killed 26 people in Indian administered Kashmir on Tuesday. Although the perpetrators of [the attack](#) have not been confirmed, suspicion has fallen on Lashkar-e-Taiba, a Pakistan-based Islamist group. Pakistan’s government denies involvement. The fear now is of military escalation between the two nuclear powers.

**South Korea’s** economy shrank by 0.2% during the first three months of 2025, and by 0.1% year on year. Consumers seem to have been spooked by a political crisis that began when [Yoon Suk Yeol](#), the now-ousted president, tried to impose martial law. Exports also fell—and could fall further if America imposes a 25%

tariff. On Thursday ministers will talk trade with the Trump administration.

Mahmoud Abbas, the president of the Palestinian Authority, called on **Hamas** to release all remaining hostages and cede control of **Gaza**. He said that Hamas had given Israel “excuses to commit its crimes”. Meanwhile Israel’s finance minister, Bezalel Smotrich, said he would refuse to sanction any plan to resume aid to Gaza. In March Israel cut off [aid](#) to the strip.

**Eli Lilly** sued four telehealth companies, accusing them of selling untested imitations of its [weight-loss and diabetes drugs](#). The American drugmaker has sent cease-and-desist letters to scores of other firms. Amid a shortage of brand-name GLP-1 drugs, American authorities [allowed pharmacies](#) to produce cheaper and less-regulated replicas. They recently declared the shortage over and ordered production to stop.

Gamers hoping to get their hands on the **Nintendo Switch 2** may have to twiddle their thumbs. Furukawa Shuntaro, Nintendo’s president, reported that 2.2m people in Japan alone had applied to pre-order [the console](#)—a number that “far exceeds” how many can be delivered on its launch day of June 5th. This month Nintendo delayed its American pre-order date until Thursday, citing uncertainty over tariffs.

**Figure of the day:** 86%, the probability of Canada’s Liberals taking the most seats in the election, according to our model. [Read the full story](#).



Photograph: Getty Images

## Asia's messy trade deals

On Thursday South Korean and Malaysian trade negotiators hope to ink trade deals with America to avert Donald Trump's punishing "reciprocal" [tariffs](#). They are not the first from Asia to try. Results have been [measly](#). And still, Mr Trump's unilateralism may not shock Asia into regional integration.

Although Asia's economies are more closely bound to each other than they were, progress has slowed in recent years. Intra-Asian trade has fallen since 2020. A thicket of intra-Asia trade agreements has led to a "noodle-bowl effect"—complexity that confuses firms. On average deals in other regions raise trade flows by 20%; in Asia the boost is a mere 3%. Untangling the mess would require a shift away from gimmickry like non-binding provisions and trade-inhibiting domestic rules. For now, America remains the only game in town.



Photograph: Getty Images

## Can Alphabet shrug off the tariffs?

On Thursday Alphabet, [Google's](#) parent company, will report quarterly results. Investors will watch closely for signs of the effects of President Donald Trump's tariffs.

At first blush Alphabet may appear insulated. Most of its sales come from digital services (online advertising and cloud computing) rather than goods, and its presence in China is tiny. However, it faces risks. In the last two years Chinese e-commerce firms such as [Temu](#) and Shein used Alphabet's platforms to splurge on marketing to American shoppers. These firms are now cutting ad spending because of tariffs on their exports to America. And economic uncertainty is making companies hesitant to commit to long-term contracts for cloud-computing services.

Investors are concerned. In the past three months Alphabet's share price has fallen by 23%, more than the S&P 500 index. The new data will provide a useful indication of the health of the business.



Photograph: Getty Images

## Searching for a new post-Brexit relationship

The British prime minister, Sir Keir Starmer, is due to meet the president of the European Commission, Ursula von der Leyen, on Thursday. This comes ahead of an EU-Britain summit on May 19th that should kick off a much-advertised reset of the post-Brexit relationship. Starting with the easy bit, both sides will seek to raise defence spending so as to rely less on America. Sir Keir has been [prominent](#) in urging more support for Ukraine's resistance to Vladimir Putin's invasion.

But it may prove harder to rebuild the broader relationship. Sir Keir has set out red lines of no single market, no customs union and no free movement of people, limiting how far any reset can go. And the EU is reasonably happy with the agreement negotiated in December 2020, which gives European makers of most goods free access to Britain. The most likely outcome will be a new food-trade deal. But it will take time even to agree to this.





Photograph: Eyevine

## Rebooting Intel

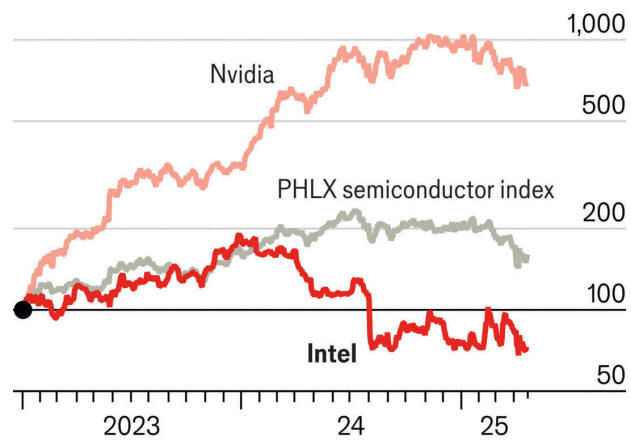
Intel will report quarterly earnings on Thursday, its first under new boss Lip-Bu Tan. He took over in December, and inherited a firm in [deep trouble](#). Once the world's top chipmaker, Intel is struggling with falling sales of chips for personal computers and servers. In the fast-growing market for AI chips, it barely registers. At the same time, Intel is spending \$100bn to increase its manufacturing capacity.

Mr Tan wants to shake up the American company's culture. He has vowed to cut bureaucracy and run Intel like "a big startup". Some early pruning is under way. Intel will offload a majority stake in Altera, its programmable-chip arm, and the firm is expected to lay off 21,000 employees. Intel's foundry business (as the contract manufacturing of chips is known) lags far behind Taiwan's TSMC, and in AI [Nvidia](#)—the world's most valuable chip firm—is leagues ahead. Mr Tan's challenge is to close both gaps.

## Declining Intel

Share prices, January 3rd 2023=100

Log scale



Source: Bloomberg



Photograph: David Simonds

## **A piano marathon in London**

When Erik Satie, a French composer, finished “Vexations” sometime in the 1890s, he jotted a line on the sheet music suggesting that the performer could repeat the composition 840 times. On Thursday at the Southbank Centre in London, starting at 10am, Igor Levit, a German pianist, will do just that.

Satie’s note advises the musician first to prepare for the repeated pattern of slow, harmonically unsettling music “in the deepest silence, through serious immobilities”. Mr Levit had better do so. Sitting hunched at a grand piano for at least 16 hours with just occasional breaks (his seat can turn into a bed) will take a toll. The concert, directed by Marina Abramovic, a Serbian conceptual artist, will also test the audience’s stamina. Tickets for a one-hour slot cost £32 (\$42). Braver spectators can pay four times that much to hear the whole performance, which will end after midnight. And “Vexations” is no lullaby; ticketholders will have to stave off the urge to wince, let alone sleep.





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 GMT on Friday to [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Thursday:** James Galway is a famous soloist on which instrument?

**Wednesday:** Alonso Quijano is better known as the title character of which famous novel?

*Tomorrow is always fresh, with no mistakes in it.*

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***Lucy Maud Montgomery***