

The world in brief

Catch up quickly on the global stories that matter



Photograph: Reuters

American stocks had a mixed close after the **Federal Reserve** [reduced interest rates](#) by a quarter of a percentage point. The Dow Jones Industrial Average saw a slight gain, while the S&P 500 and Nasdaq slipped. Jerome Powell, the Fed's chair, had been under political pressure to lower rates. Meanwhile the Bank of England left interest rates on hold at 4%.

Donald Trump arrived at Chequers, the British prime minister's country estate, to meet **Sir Keir Starmer** on the second day of the American president's state visit. The talks between the two leaders follow a banquet hosted by the [royal family](#) at Windsor Castle on Wednesday. American firms also announced £150bn (\$205bn) of investment into British industry, including in sectors such as green energy and life sciences.

Nvidia, a chipmaker, announced plans to invest \$5bn in **Intel**, its [struggling rival](#). The deal will make Nvidia one of Intel's largest shareholders, with more than 4% of the company's shares. Intel's shares rose by more than 30% in pre-market trading on Thursday; Nvidia's stock was up by more than 3%. In August America's government and SoftBank, a Japanese firm, invested more than \$10bn in Intel.

ABC pulled **Jimmy Kimmel's** talk show following comments the American comedian made about the murder of Charlie Kirk. Mr Kimmel said the “MAGA gang” was scoring political points over the shooting of the right-wing activist, and pretending the murderer was “anything other than one of them”. Mr Trump—who is increasingly [targeting](#) what he considers left-wing organisations—congratulated the Disney-owned network for its action.

Australia vowed to cut **greenhouse-gas emissions** by 62-70% from 2005 levels before 2035. The UN wants countries to present new climate plans ahead of the COP30 summit in November, but so far fewer than 40 have. Australia's proposed reduction is lower than the 65-75% recommended by the government's climate-advisory body. Anthony Albanese, the prime minister, called it a “responsible target”.

Meta announced its first smart glasses with a screen built into a lens. Users would be able to see messages and video calls on the display. The device will also show conversations with [Meta's](#) AI-powered chatbot. The company's boss, Mark Zuckerberg, hopes consumers will use the gear, which will cost around \$800, instead of hardware such as smartphones.

OpenAI and **Google DeepMind** said their [artificial-intelligence models](#) outperformed human coders at a global competition. The AI firms were not official competitors in the International Collegiate Programming Contest World Finals, held in early September, but their performance was benchmarked against other contestants. OpenAI's GPT-5 model would have placed first, while DeepMind's Gemini 2.5 would have been second.

Figure of the day: 21%, the approximate share of FBI agents Donald Trump has diverted to do the work of ICE. [Read the full story.](#)



Illustration: David Simonds

Can America's neighbours stand together?

On Thursday Mark Carney, Canada's prime minister, starts a two-day visit to Mexico City. He will discuss trade, investment, energy, security and infrastructure with Claudia Sheinbaum, Mexico's president. Donald Trump's [trade war](#) on both countries will affect almost every aspect of their conversation. America is the main market for Mexican and Canadian exports. But Mr Trump has imposed tariffs on some exports from the two countries and is threatening to renegotiate USMCA, a free-trade pact, when it comes up for review in 2026.

Mexico and Canada would do well to co-ordinate. Canada has sometimes sought to shield its own industries by encouraging America to punish Mexican exporters, on the grounds that some are backed by Chinese investment. Yet Canadian firms invest heavily in Mexican mining and gas. Mexican officials are eager for more Canadian investment. Both Mr Carney and Ms Sheinbaum know that their countries' prosperity may depend on working together to deal with their shared neighbour.



Photograph: Getty Images

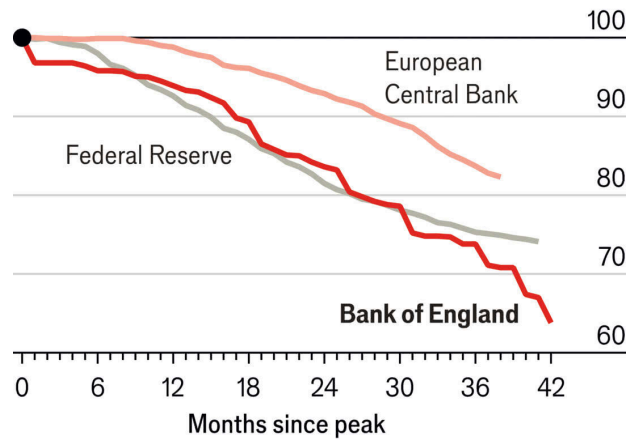
The Bank of England's other big decision

On Thursday the Bank of England held its benchmark interest rate at 4%. Inflation is stubborn. Consumer prices rose by 3.8% year on year in August, well above the bank's 2% target. One-off events, such as an increase of 26% in water bills in April, are partly to blame. But policymakers are worried that expectations of high inflation are becoming entrenched. That makes rate cuts this year increasingly unlikely, even though the labour market is weakening.

But the real action was the bank's decision on quantitative tightening. It has been reducing holdings of government bonds by £100bn (\$137bn) per year, an unusually high rate for a major central bank. This may have played a small role in making yields on long-term [British bonds](#) the highest in the G7. On Thursday the bank reduced the pace of bond sales to £70bn a year. That could ease some of the pressure that has been driving up Britain's borrowing costs.

Slimming down

Central banks' quantitative-tightening trajectories
100=peak asset holdings



Sources: NIESR; central banks



Photograph: AP

FedEx after the “de minimis” loophole

FedEx has had a good run. For years the logistics giant benefited from [America’s “de minimis” exemption](#), which allowed low-value shipments worth less than \$800 to enter the country duty-free. The provision fuelled an explosion in online shopping and a golden age for parcel deliveries. Without duties or cumbersome paperwork, parcels moved through customs with minimal friction, leading to faster delivery times and lower costs for carriers.

Now the boom is over. Donald Trump ended the de minimis exemption for goods from China and Hong Kong on May 2nd, and for all other countries on August 29th. When FedEx reports quarterly results on Thursday, shareholders will watch for early signs of strain. Still, because the new rules came into effect a few days before the close of FedEx’s fiscal quarter on August 31st, the full impact of Mr Trump’s abolition of the exemption will not yet be clear. FedEx won’t be as lucky next time.

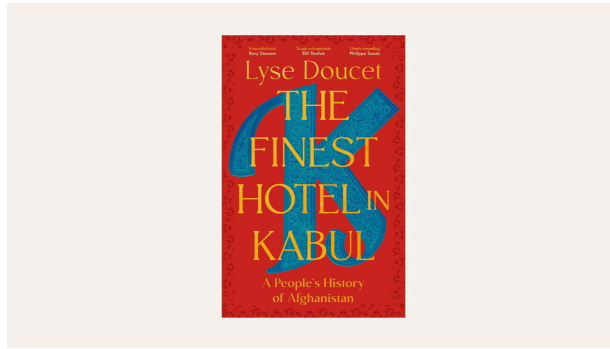


Photograph: Reuters

A wave of strikes hits France

On Thursday [Sébastien Lecornu](#), France's new prime minister, faces his first big test since taking office on September 10th. Trade unions have called a one-day strike. Hundreds of thousands of protesters are expected to take part in some 250 marches across the country. It could be the biggest day of action since strikes against pension reform in 2023. Many trains and metro services have been cancelled. A third of primary-school teachers are expected to be on strike.

The strikes reflect public anger at political deadlock, as well as demands for a lower retirement age and heavier taxes on the rich in Mr Lecornu's budget. Some protesters will doubtless call for President Emmanuel Macron to resign (which he has ruled out) or for fresh parliamentary elections (which he may be forced into calling if the new government falls). The government plans to deploy 80,000 police officers. The fear is that radical elements will infiltrate the marches and spread violence.



Photograph: Hutchinson Heinemann

A luxury hotel tells the story of Afghanistan

The Intercontinental Kabul, Afghanistan's first luxury hotel, opened in 1969. The lobby blazed gold; the Bamiyan Brasserie boasted a carving of Buddha; women lounged by the pool in bikinis. Today the Taliban run the show. The Bamiyan Brasserie, named for a Buddhist site in Afghanistan, is now the Bukhara Restaurant, named for an historic centre of Islamic scholarship in Uzbekistan. The carving has been defaced. Pictures of women in bikinis have been painted over.

In "The Finest Hotel in Kabul", a book published on Thursday, Lyse Doucet, a journalist for the BBC, tells the story of the hotel through the people who have worked there. The cast endures coups, invasions, a civil war and terror attacks. Throughout, the Intercontinental keeps its doors open. They remain so today. The hotel is nestled between two hills overlooking a city now under Islamist rule. For many of those who shared their stories with Ms Doucet, work continues.



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: Which 18th-century satirist wrote the essay “A Modest Proposal” suggesting the poor should sell their children to the elite for use as food?

Wednesday: Which singer, formerly with the group Clannad, had her biggest hit with “Orinoco Flow (Sail Away)”?

*You raise your voice when you
should reinforce your argument.*

Samuel Johnson