The world in brief

Catch up quickly on the global stories that matter

Steve Witkoff, America's envoy to Russia, met **Vladimir Putin** in Moscow as part of a renewed push to end the war in Ukraine. It was their fourth meeting. Donald Trump called the coming days "very important" for peace efforts. Ukrainian and European leaders oppose elements of America's plan, which they argue would legitimise Russia's territorial gains.

Donald Trump said he is open to meeting **Iran's** leaders and predicted a nuclear deal will happen. In an interview with *Time*, a magazine, he repeated his threat of military action if talks fail. Talks resume Saturday in Oman. Mr Trump withdrew from the last deal in 2018. Israel opposes any partial agreement and wants Iran's nuclear programme dismantled entirely.

China said that some **American** imports would be exempt from its 125% tariffs, and asked businesses to submit lists of essential American goods. Earlier Mr Trump insisted that the two countries were engaged in trade talks—despite China's denial that any such negotiations were taking place. Chinese officials have demanded that America "cancel all unilateral tariff measures" before beginning discussions.

India stepped up its response to an attack in Kashmir that killed 26 people. The country's army began house-to-house searches and deployed soldiers in the region. Upendra Dwivedi, the head of India's army, visited Srinagar, Kashmir's largest city. Earlier soldiers from India and Pakistan exchanged fire along the countries' border in Kashmir. No casualties were reported.

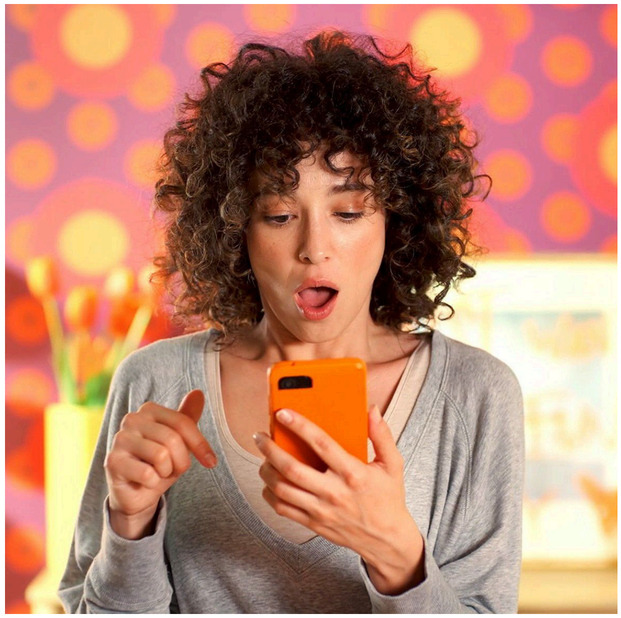
Iran said it would expand co-operation with **Russia** in agriculture, banking and energy, and sign a $4bn deal with Russian firms to develop oil fields. The pair also agreed to create a regional gas hub in Iran, potentially with Russia, Qatar and Turkmenistan. Both countries face Western sanctions and are seeking deeper ties.

British retail sales rose by 1.6% quarter on quarter from January to March. Figures in March rose by 0.4%; economists had predicted a drop. Good weather helped, especially for clothing and outdoor goods. But the mood is darkening: consumer confidence has dropped and American tariffs threaten growth. Big retailers, including Tesco and Sainsbury's have warned of slowing profits.

Intel, an American chipmaker, forecast weaker-than-expected revenue and flat profits for the second quarter, warning that earlier demand was inflated by customer stockpiling ahead of new tariffs. Shares fell 8%. Lip-Bu Tan, the newly-appointed chief executive, pledged a cultural shake-up, including layoffs, fewer meetings and mandatory office returns. He also signalled plans to deepen ties with Taiwan's TSMC.

Figure of the day: 337,000, the number of vehicles that Tesla delivered last quarter, 13% fewer than a year before. Read the full story.

We update The world in brief on our app and website as news happens. Check back throughout the day for our latest analysis.



Photograph: Temu

End of the good times for Temu and Shein

Temu, a Chinese e-commerce group, has been telling its American customers to “shop like billionaires”, suggesting that they can buy heaps of goods without actually spending much. The company, the overseas arm of shopping giant Pinduoduo, and Shein, its Chinese e-commerce rival, have been shipping the cheapest of goods directly to American consumers, usually without paying import duties. This is thanks to the “de minimis” exemption that spares goods under $800 in value from taxes.

However, as part of his trade war with China, President Donald Trump has cancelled the de minimis rule. When this change comes into effect on May 2nd, the price of these imports from China will soar. Temu and Shein have responded not by lowering prices but by raising them because of higher operational expenses. Americans will be in for a shock when these price hikes begin on Friday. This double-whammy will make shoppers feel less like billionaires and more like the average cash-strapped consumer.

Photograph: EPA

What will India do about Kashmir?

On Tuesday at least 26 people were killed and 17 injured after gunmen opened fire on tourists in Pahalgam, in the contested Indian region of Jammu & Kashmir. Although Pakistan denies it, India has alleged cross-border involvement from Pakistan.

The following day India closed its border crossing with Pakistan, suspended a river-sharing treaty and expelled several Pakistani diplomats. On Thursday it said that all Pakistani citizens should leave India by April 29th. Pakistan responded on Thursday with some reciprocal measures and warned that it would consider any attempt to stop Indus River water supplies as an “act of war”.

The fear is of military escalation between two nuclear powers. They have fought two wars and one limited conflict over Kashmir before and came close again after a deadly attack in 2019. After a brief exchange of strikes, they avoided a broader conflict. The world is hoping they will do so again.


PAKISTAN
CHINA
Delhi
INDIA
CHINA
Pakistan-administered Kashmir
Indus
Ladakh
Pahalgam
Indian-administered
Islamabad
Jammu & Kashmir
PAKISTAN
100 km
INDIA
“Line of control”
“Line of actual control”

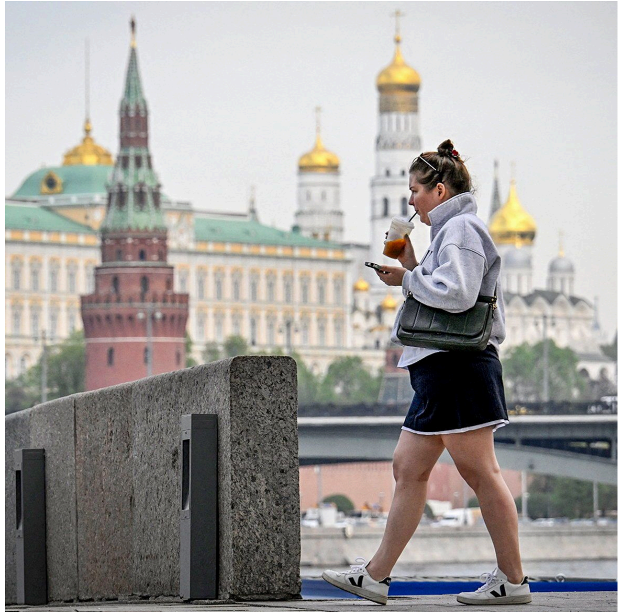
Photograph: Getty

Market turbulence exposes tech’s weakness

The panic may have faded for now, but investors’ nerves are still jangling. Many are offloading risk wherever they can and preparing for a drawn-out slump. Tech stocks are newly vulnerable.

Take the so-called Magnificent Seven: Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. Since a peak in December an equal-weighted average of their share prices has fallen by 25%, far more than the broader S&P 500 index or that for any other big stockmarket. Tesla has fared worst. Analysts at Goldman Sachs, a bank, have called the group the “Maleficent Seven”.

It is quite a turnaround for companies that were until recently the standard-bearers for transformative technology and the explosive profits it might mint. Their share prices matter greatly even to passive index trackers, since they account for more than a quarter of the S&P 500’s market value. If investors continue to prefer buying insurance to taking risk, market ructions could yet dole out much more damage to America’s corporate titans.



Photograph: Getty Images

The tide turns: Russia's economy

Following a meeting on Friday, Russia's central bank is likely to keep interest rates on hold, at 21%. With inflation above 10% year on year, rate-setters have little option but to keep borrowing costs high. But the central bank's job is about to get a lot more complicated. For the first time since the start of Russia's war in Ukraine, the economy is clearly slowing.

The latest economic data point to growth declining from around 4% year on year to close to zero. Western sanctions on Russia's oil trade, implemented last year, have disrupted a big source of foreign earnings. And as worries mount about global economic growth, oil prices have declined anyway. The central bank appears to be in no rush to cut rates yet; unemployment remains close to an all-time low and consumer confidence remains high. But at some point it may need to decide between controlling inflation and giving the economy a boost.

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 . We'll pick randomly from those with the right answers and crown three winners on Saturday.

Friday: What German word can mean both "small" and "little girl"?

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

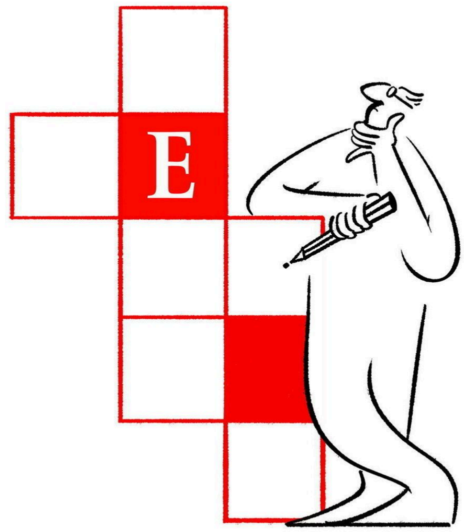


Illustration: The Economist

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:

Greg Sanial, Grand Rapids, Michigan, America

Rasmus Jonlund, Stockholm, Sweden

Alex Guillen, Barcelona, Spain

They all gave the correct answers of Super Mario, Spain, Rome, and organ. Check back tomorrow for this week’s crossword.

Each and every one of you has the power, the will and the capacity to make a difference in the world in which you live in

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Harry Belafonte