

Catch up: market madness continues; Trump's envoy lands in Russia



American **government-bond yields** rose and the dollar slumped to a three-year low against the euro amid Donald Trump's [trade war](#). Yields on ten-year Treasuries increased by almost 0.2 percentage points to surpass 4.5%, higher than they reached on Wednesday before Mr Trump paused many tariffs. Earlier **China** raised tariffs against America to 125%, after the White House said its levy on Chinese goods was in effect 145%.

Steve Witkoff, Mr Trump's diplomatic envoy, arrived in Russia where he may reportedly meet Vladimir Putin. Mr Trump is pushing for a ceasefire in Ukraine, but negotiations have [stalled](#). Still, American and Russian officials met in Istanbul on Thursday to discuss normalising embassy relations. And on Sunday [Kirill Dmitriev](#), Mr Putin's point man, said that he was cautiously optimistic about renewed diplomatic engagement.

The **United Nations** maritime body approved a carbon-pricing plan for ships, charging up to \$380 per tonne of CO₂ above a target level from 2028. The scheme passed with 63 votes in favour, 16

against and 24 abstentions. **America** opposed the deal and threatened to retaliate against countries that enforce it. The shipping industry, which runs mostly on fossil fuels, accounts for 3% of global emissions.

Several **American banks** posted first-quarter earnings. At JPMorgan, America's largest lender, net income rose by 9% from the previous year to \$14.6bn. The bank had a particularly strong quarter in equities trading, where revenues rose by 48% year on year to \$3.8bn. But the bank's boss, Jamie Dimon, warned that America's economy is facing "considerable turbulence". Wells Fargo and Morgan Stanley also reported strong results.

Ukraine's allies pledged €21bn (\$24bn) in military aid for the country. Britain has now promised £4.5bn (\$5.9bn) for this year alone; Germany will give €11bn until 2029. The announcements came during a meeting of the Ukraine Defence Contact Group, which is made up of almost 60 countries that co-ordinate support for Ukraine. America's defence secretary, Pete Hegseth, only joined the talks via video link.

America's army fired Colonel Sussanah Meyers, the commander of America's base in **Greenland**, after she distanced herself from comments made by J.D.Vance. While on a trip to the autonomous **Danish territory** last month, America's vice-president criticised Denmark for not spending enough to defend Greenland. Colonel Meyers reportedly said the comments were "not reflective" of her base.

Kylian Mbappé instructed lawyers to recover €55m (\$62m) he claims is owed to him by Paris Saint-Germain, his former football club. The star striker says the French team refused to pay him between April and June last year, after he agreed to sign for Spain's Real Madrid on a free transfer. PSG denies the claims.

Figure of the day: 9.5%, the amount the S&P 500 index of American stocks rose by after Donald Trump postponed tariffs.
[Read the full story.](#)

How is America's economy faring under Donald Trump? Assess the performance of stocks, bonds, the dollar and other economic indicators on [our presidential tracker](#).

America distances itself from Ukraine



A notable absentee at the next Ukraine Defence Contact Group will be America's secretary of defence, Pete Hegseth (pictured). The group of almost 60 countries co-ordinates military support for Ukraine. Mr Hegseth's predecessor, Lloyd Austin, chaired 25 of their gatherings. Mr Hegseth is expected to join Friday's meeting in Brussels by video link, but his lack of physical presence signals that the Trump administration [does not intend to ask Congress](#) to send another aid package to Ukraine.

In recognition of the [new reality](#) Ukraine's president, Volodymyr Zelensky, said on Wednesday that Ukraine would be willing to pay \$30bn-50bn for weapons that only America can provide. These include air-defence interceptors that can shoot down ballistic missiles, some types of anti-radar missiles and HIMARS, a long-range precision rocket system. It is not entirely clear where the money would come from. But Mr Zelensky may be hoping that what Europe cannot provide itself it might be [willing to buy](#) on Ukraine's behalf.

An island of relative calm amid trade turmoil



Over a matter of weeks, Donald Trump's tariff threats and walkbacks have shaken markets and reordered the global economy. In Britain, the FTSE 250, the country's main domestically focused stock index, is still down by nearly 6% since the chaos began on April 2nd. But compared with many of its peers, [Britain is in an enviable position](#): most of its exports, particularly to America, are in services such as banking, law and tourism, which have not been targeted by Mr Trump. And even before the partial climbdown on Wednesday, Britain was in the lowest tariff bucket, facing 10% levies on most exports to America.

Friday brought some good news about the state of the British economy going into the tariff mess. New data show that GDP rose by 0.5% month on month in February, blowing past market expectations. Unemployment and inflation data are coming next week. Those too won't say much about the British economy right now, but should give a hint on how solid it was before the latest bout of mayhem.

The IMF bails out Argentina, again



On Friday the IMF's board will almost certainly approve a [\\$20bn programme with Argentina](#); it will be the 23rd agreed since 1958. Each programme comes with solemn promises of stability from the government but they often end in economic chaos. President Javier Milei insists this time will be different. He has some credibility because he has already slashed spending and pulled inflation down sharply.

The new programme is expected to require some change to Argentina's tightly controlled exchange-rate regime. The overvalued peso is the big weakness in Mr Milei's economic policy, so change is needed. But it will be hard to get right. Allow too much flexibility too quickly, and inflation may jump, hurting the prospects of Mr Milei's allies in upcoming midterm elections, and thus weakening market confidence. Loosen too little, and traders may bet further against the peso, forcing the central bank to prop it up by spending yet more reserves. The global economic mess caused by Donald Trump makes it all harder.

Turkish democracy on trial



Ekrem Imamoglu, the imprisoned leader of Turkey's opposition, is expected to appear in front of a judge on Friday for the first time since his arrest in March. Mr Imamoglu is Istanbul's mayor and the Republican People's Party's best hope of defeating Turkey's strongman, Recep Tayyip Erdogan, in the next presidential election. He was jailed on trumped up corruption charges last month. The ones he will face on Friday relate to his criticism of Istanbul's chief public prosecutor, who has been involved in a number of cases [targeting Mr Erdogan's opponents](#), including another one-time presidential contender, Selahattin Demirtas.

Mr Demirtas, the telegenic former leader of Turkey's main Kurdish party, has been locked up since 2016. [Mr Imamoglu](#) will probably endure a similar fate. The subject of a slew of indictments, he was potentially facing 23 years behind bars even before police showed up at his door on March 19th. Mr Erdogan will want to make sure he does not get out soon.

“Black Mirror” lightens up, a bit



A Hollywood actress (played by Issa Rae) stars in an AI remake of a black-and-white romance film. A former musician (Paul Giamatti) steps inside old photographs to relive his experiences. A desperate husband (Chris O’Dowd) signs his comatose wife up for a subscription service that uploads her brain to the cloud. Time is the predominant theme in series seven of “Black Mirror”, released on Netflix this week. Characters use technology to relive the past or prolong their lives.

Charlie Brooker, the creator of the sci-fi anthology, has said that the new instalment is less dystopian than previous seasons. “If you want [dystopia], there’s a 24-hour panel showing it called your window,” he recently quipped. Yet many of his plots are chillingly plausible. One episode is an allegory of America’s private health-care industry. Another probes Hollywood’s obsession with intellectual property adaptations. AI consciousness is a recurring motif. “Black Mirror”, which debuted on the small screen 14 years ago, is more reflective than ever.

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

Friday: Which politician became junior senator for Illinois in the 2004 election?

Thursday: Which singer-songwriter was born Peter Gene Hernandez?

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:

Michael Evans, Ipswich, Britain

Beth Calabrese, Albert Bridge, Cape Breton, Canada

Thierry Rajaobelina, Anduze, France

They all gave the correct answers of: [black market](#), [beatle](#), [Milei](#), and [TikTok](#). Check back tomorrow for this week's crossword.

**When we lose the right to be different, we
lose the privilege to be free.**

Charles Evans Hughes