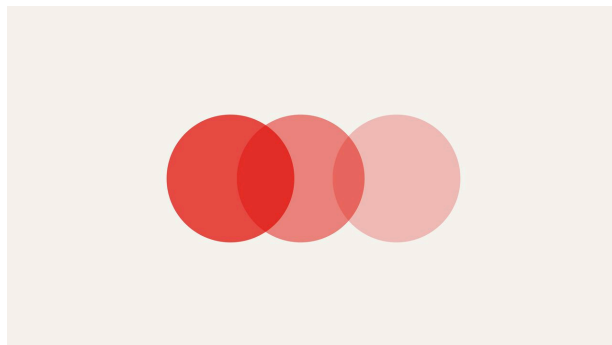


The world in brief

Catch up quickly on the global stories that matter



The **Trump administration** announced sanctions on **Russia's** two largest oil companies, Rosneft and Lukoi, citing **Russia's** “lack of serious commitment” to ending **the war in Ukraine**. Scott Bessent, America's treasury secretary, urged the Kremlin to agree to an “immediate ceasefire”. Earlier **Ukraine** and **Russia** attacked each other with missiles and drones. At least seven people were killed in Kyiv, Ukraine's capital.

America's Coast Guard carried out **another lethal strike** on an alleged drug-carrying boat, this time in the **Pacific Ocean**, in international waters near Colombia. Pete Hegseth, America's Secretary of War, said “two narco-terrorists” were killed. America's armed forces have now hit eight boats, killing at least 34 people, since September; earlier strikes were carried out in the Caribbean.

PrimaLend Capital Partners, an American lender, filed for bankruptcy after missing interest payments on its debt. The company, which provides sub-prime borrowers with car loans, said it would continue operating while it tries to sell its business in bankruptcy court. Car-loan defaults and repossessions are on the rise among low-income Americans. Last month two other car companies, **First Brands** and Tricolor, went bust.

Netflix shares closed down 10%, a day after the [streaming service](#) reported results below expectations for the quarter. The company blamed a tax dispute in Brazil for eating into its profits. But investors remain cautious. Worries over the company's high valuation and its refusal to disclose subscriber numbers continue.

Meta will reportedly cut roughly 600 jobs in its “superintelligence” lab, the company's artificial-intelligence division. The lay-offs will not affect researchers recently employed by Meta as part of its [multi-million dollar hiring spree](#) to catch up with AI competitors. A leaked memo implied the cuts would improve efficiency. Those impacted will apparently be encouraged to find new jobs elsewhere within the company.

China became **Germany's** top trading partner again, overtaking America, which stole the spot from China last year. German trade with China totalled €163.4bn (\$190.7bn) for the first eight months of the year. German exports to America—mostly cars and machinery—have fallen by 7.4% largely because of [Mr Trump's tariffs](#).

Reddit, an internet message board, sued **Perplexity**, an AI startup, and three other companies. [The lawsuit](#) argues that the firms illegally scraped data from Reddit's site, then used it to train Perplexity's AI-powered browser. (Perplexity said that its “approach remains principled and responsible”.) Reddit has struck [content-licensing deals](#) with other data-hungry companies, such as Google and OpenAI.

Figure of the day: 54%, the share of Americans who say they drink alcohol according to a recent Gallup poll, the lowest number recorded in nearly 90 years. [Read the full story](#).



Photograph: Alamy

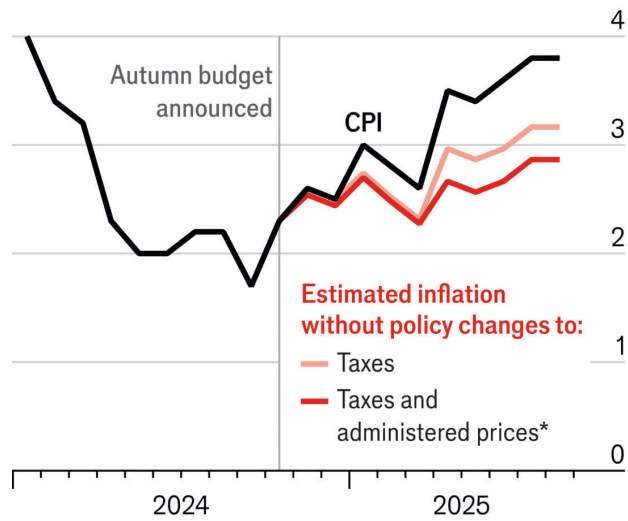
Tricky choices for Britain's chancellor

Data released on Wednesday showed that annual inflation unexpectedly stayed at 3.8% in Britain in September, undershooting analysts' expectations of a rise to 4%. But Britain remains an outlier. Its inflation rate is still roughly 0.9 percentage points higher than in America and 1.6 points above the euro zone's.

Higher energy and [food costs](#) are one cause, but policy has also played a role. Barclays, a bank, reckons that tax rises added 0.6 percentage points to inflation, while regulated price changes—such as a 26% jump in water bills in April—added 0.3 points. Inflation is forecast to decline over the next year, which could give the Bank of England scope to cut interest rates. Yet that depends on whether the government refrains from further inflationary tax rises as a way to reduce its deficit. The chancellor, Rachel Reeves, faces difficult decisions ahead of her budget in November.

Not helping

Britain, consumer prices,
% increase on a year earlier



*Includes higher water bills,
passport fees, postal charges and bus fares
Sources: ONS; Barclays Research



Photograph: AP

Tesla gets a boost

Elon Musk likes to spring a surprise when he delivers Tesla's results, be it a new model or a change of gear for an electric-vehicle company that increasingly develops robots and [robotaxis](#). But the news he might deliver with third-quarter results on Wednesday would be more like a bombshell—that his firm is not doing as badly as it has of late.

Revenues compared with the year before have declined for consecutive quarters; profits fell in the first three months of the year. But initial data released this month suggested that sales rebounded in the latest quarter, in part because American customers rushed to buy EVs before government subsidies ended in late September. Still, Tesla's recent launch of a more affordable version of its Model Y underwhelmed and a law ending programmes that helped the firm to sell carbon credits to other carmakers will soon start to hurt. Meanwhile revenues from those robots and robotaxis look distant.



Photograph: Getty Images

Military innovation: the need for speed

The war in Ukraine accelerated military innovation. The Western defence establishment has long prized heavy or complex weapons systems. But AI-enabled [drone swarms](#) and autonomously targeted long-range strikes now dominate the war. On Wednesday political, industry and military leaders meet in Hamburg to discuss the rate of change, and the growing role of AI, robotics and quantum computing in war fighting.

A significant lesson from Ukraine is the need for speed. Development, investment and deployment cycles that take years in the West have to be carried out in weeks. Perry Boyle of MITS Capital, a defence-industry investor, says that Ukrainian startups get instant feedback on their weapons from the front line. As he puts it, they can be “both the low-cost producer and the innovator at the same time.” Western armsmakers and governments may need a change of mindset.



Photograph: Blue Canyon Technologies/NASA/AP

How to avoid crashes in space

A million or so chunks of debris measuring at least 1cm across orbit the Earth; in five years the number of active satellites has quintupled to more than 13,000—with roughly two-thirds sent up by SpaceX, Elon Musk's firm. This crowded orbit will be on the agenda at the French government's Summit for Space Sustainability in Paris on Wednesday. Last year SpaceX conducted an average of 35 collision-avoidance manoeuvres for each of its satellites. Meanwhile [war in space is no longer science fiction](#): Russia has warned it might target commercial satellites used to support Ukraine.

In Paris politicians, scientists and aerospace-industry leaders will urge action. Governments could boost spending on debris-tracking systems. Satellite operators could share more data. More controversial will be calls to restrict the number of launches, require stronger liability insurance and enact harder rules on removing satellites from orbit at end of service. Smaller countries that aspire to build a presence in space, including Ukraine, might see such measures as a barrier to entry.



Illustration: The Economist

Daily quiz

We will serve you a new question each weekday. On **Friday** your challenge is to give us all five answers and tell us the theme. Email your responses (and your home city and country) by 1700 BST on Friday to [\[email protected\]](#). We'll pick three winners at random and crown them on Saturday.

Wednesday: Who was the only one of Elizabeth Taylor's husbands that she married twice?

Tuesday: Who in 2021 became the oldest person to win the Oscar for best actor?

Small things amuse small minds.

Doris Lessing