

Catch up: fears of Israeli ground invasion in Lebanon; China's stockmarket rally



Yoav Gallant, Israel's defence minister, said that "the next stage in the war against Hezbollah will begin soon", hinting that a ground invasion into Lebanon looms. Earlier **Israel** carried out air strikes in central **Beirut**, Lebanon's capital, for the first time in nearly two decades, killing Fatah Sherif al-Amin, Hamas's leader in Lebanon, and three senior members of the Popular Front for the Liberation of Palestine. The country's health ministry said that the attacks have [killed](#) 136 people in the last 24 hours.

China's stockmarket enjoyed its best day of trading since 2008, with its benchmark CSI300 surging over 8%, following nine days of consecutive gains. Investors were buoyed by the government's announcement of [stimulus policies](#) last week. The measures include cutting interest rates, trimming bank reserve requirements and lowering rates for existing mortgages.

Russia launched an aerial assault on 11 regions in **Ukraine**. It was the 33rd consecutive night of aerial attacks, setting a new monthly record for drone assaults. Ukraine's [defence system](#) shot down 67

of the 73 Russian aerial drones and one missile, according to Ukraine's military. There were no reported casualties.

Germany's annual inflation rate fell to 1.8% in September, according to preliminary data. The reading was below the [European Central Bank's](#) 2% target for the first time since early 2021. Falling energy and transport prices were mostly responsible for the decline. The figure increases the likelihood that the ECB will cut rates at its next meeting in October.

An embezzlement trial against **Marine Le Pen**, the leader of France's hard-right National Rally, began in Paris. Ms Le Pen and her party are accused of misusing €3m (around \$3.3m) of the [European Parliament's](#) funds, a charge she denies. More than 20 party figures are also on trial. If convicted Ms Le Pen could face prison time, hefty fines and a ten-year ban from public office, hampering her [future presidential ambitions](#).

The Biden administration announced tougher asylum restrictions at **America's southern border**. Under a policy [introduced in June](#), migrants who entered the country illegally could request asylum if daily arrests at the border remained below 1,500 a day for seven consecutive days; that window has now been extended 28 days. In July America's border agency reported that the seven-day average for border encounters fell to 1,900.

Britain's last [coal-fired power station](#) shut after 57 years of operation. The country, one of the first to use coal power, had been using the fossil fuel since 1882. The closure of the plant in Ratcliffe-on-Soar, Nottinghamshire, is a major milestone in Britain's energy transition: in 2023, coal contributed just 1% of Britain's power supply while wind and solar generation hit record-highs.

Figure of the day: 2.5m, the number of hectares of public land that Brazil's national development bank thinks the country could lease

to reforestation companies. [Read the full story.](#)

Japan gets a new prime minister



Japan will get a new leader on Tuesday. [Ishiba Shigeru](#) will be sworn in as prime minister after winning the ruling Liberal Democratic Party's leadership race. For Mr Ishiba it is the fulfilment of a longstanding ambition: his previous four bids for the party leadership, stretching back to 2008, failed.

Mr Ishiba has a reputation as a gadfly within his party. But among the general public, he has consistently ranked as the country's most popular politician. The son of a long-serving politician from Tottori, a rural part of western Japan, he has positioned himself as a champion of Japan's forgotten regions. He also has a keen interest in defence and security, having served as defence minister. The LDP hopes that Mr Ishiba will help improve the party's image, which has been tarred by a recent financial scandal. His first test comes soon. He plans to hold a snap general election on October 27th.

Walz debates Vance



Donald Trump and Kamala Harris will probably not debate each other again, but that doesn't mean that there won't be any more televised rumbles before election day. [J.D. Vance](#) and [Tim Walz](#), the Republican and Democratic vice-presidential candidates, will face off on Tuesday night to cap off a cycle of unusually significant debates.

Mr Vance is the most unpopular vice-presidential choice in recent history. American voters like Mr Walz better. Mr Vance will thus hope to use the debate to put his opponent on the defensive and raise his own low favorability ratings. Mr Walz, who generally avoids questions from the media, will face a grilling in front of perhaps his largest audience in this election. Running-mates generally have little effect on the outcome of a presidential election and their debates tend to be forgettable. Tuesday's event could prove to be an exception.

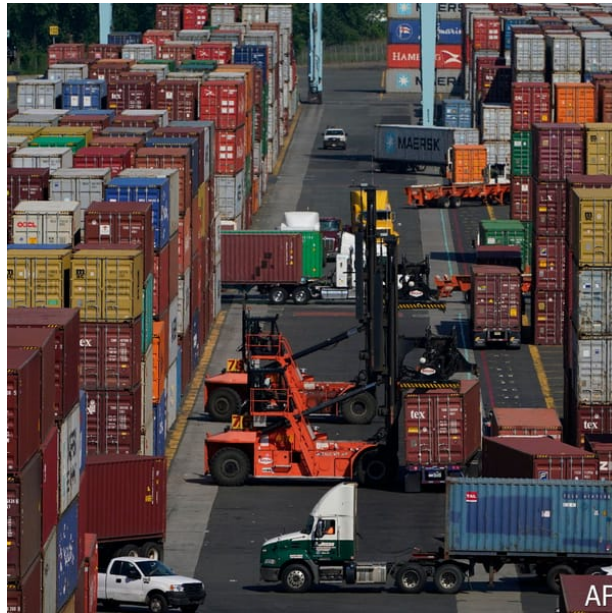
Europe's cooling inflation



Last week most economists expected the European Central Bank to leave rates on hold at their next meeting in October, after lowering them for the second time this year in September. But the release of a widely-watched purchasing managers' index for the euro zone has shifted that view. In September manufacturing fell at its fastest pace in 2024, and sentiment dropped to its lowest level since November 2023. [Inflation](#) also seems to be dropping more rapidly than expected: in France and Spain the annual rates dropped to 1.5% and 1.7% respectively, below the ECB's target of 2%.

The bank's policymakers will thus be closely watching a preliminary estimate of the euro zone's annual inflation rate for September, due on Tuesday. Deutsche Bank and UBS, two European banks, expect inflation to fall to 1.8%. That would probably be enough to prompt the ECB to go for another rate cut to ward off a recession.

American ports brace for a costly strike



Port workers on America's east coast are set to go on strike on Tuesday. Talks between the dockers and the United States Maritime Alliance, which represents terminals and carriers, [broke down](#) in June. The International Longshoremen's Association, the union representing port workers, fears port automation and wants a wage increase of nearly 80%.

The strike will shut five of the ten busiest ports in North America, from Texas to Maine. It will disrupt the delivery of billions of dollars' worth of consumer goods during peak shipping season. The value of containerised imports at the 36 ports amounted to \$588bn last year.

Companies have been preparing for months for a possible shutdown. A study found that [inventory](#) held by American retailers is around \$18bn higher than would be expected on current economic growth rates. That has caused congestion, and re-routed trade to America's west coast. Even if the strike is called off at the last minute, considerable damage has already been done.

Mexico's first female president takes office



Claudia Sheinbaum will be sworn in as Mexico's first [female president](#) on Tuesday. The 62-year-old former mayor of Mexico City has a tough job ahead of her. The power of drug gangs and other criminal groups makes Mexico even harder to govern than most big countries. Ms Sheinbaum will also be wary of her predecessor, Andrés Manuel López Obrador. He is one of Latin America's most popular leaders and remains the linchpin of Morena, the party to which both of them belong. In September Morena appointed his son, Andrés López Beltrán, to a senior position.

Ms Sheinbaum was Mr López Obrador's favoured successor, and she will probably continue many of his policies, such as expanding cash transfers to poor people. But she is also likely to be more business-friendly and to take a more technocratic approach to governing than did her mentor. One flashpoint could be Pemex, the state-owned oil company. She has pledged to push a transition to clean energy, which may involve giving Pemex less financial help. But she may be hamstrung by Mr López Obrador's loyalists.

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.

Monday: In which category has John Williams received 48 Oscar nominations?

2.5m

The number of hectares of public land that Brazil's national development bank thinks the country could lease to reforestation companies.

Read the full story.

**All life is experience, and one level is
exchanged for another only when its lesson
is learned.**

Henry Ford