

# The world in brief

Catch up quickly on the global stories that matter

**America** will give \$8.5bn in funding to **Intel**, with a further \$11bn in loans, to grow the company's capacity to make advanced chips. The American firm plans to build new factories in four states: Arizona, New Mexico, Ohio and Oregon. It also hopes to receive \$25bn in tax breaks as it tries to compete with [international rivals](#) such as TSMC, a Taiwanese chipmaker, and Samsung, a South Korean firm. America's CHIPS act, signed into law in 2022, aims to boost the country's semiconductor industry and increase domestic chip manufacturing.

**Vietnam's** president, Vo Van Thuong, resigned after a little more than a year in office. The Communist Party said that he had committed "violations" that "left a bad mark" on its reputation. Earlier this month a former provincial leader connected to Mr Thuong was arrested on corruption charges. Mr Thuong's predecessor in the largely ceremonial position resigned owing to a graft scandal in 2023.

A federal appeals court issued an order that in effect blocks **Texas's** [controversial new immigration law](#), hours after the Supreme Court gave the state permission to temporarily enforce it. The law would have allowed state judges to order migrants to return to Mexico—and state police to arrest those suspected of entering America illegally. Earlier, Mexico said it would refuse to accept migrants deported by Texas.

**Britain's** annual **inflation** rate fell to 3.4% in February, its lowest level since September 2021. Consumer prices rose 4% year on year in January. Jeremy Hunt, Britain's chancellor, said the data show the government's economic plan "is working". Rachel Reeves, the

shadow chancellor, said “prices are still high”. On Tuesday Ms Reeves outlined [Labour’s](#) plans and said the party would borrow only to invest in the economy.

**France’s** competition watchdog fined Google €250m (\$272m) for breaching a licensing deal with French media outlets. The regulator said that the American tech giant had not negotiated in “good faith” with publishers over [how much to pay](#) for displaying their content on its platforms. French authorities issued a €500m fine to Google for similar reasons in 2021.

Kering, a luxury conglomerate, said sales at its pricey **Gucci** brand will fall almost 20% year-on-year in the first quarter of 2024. The decline is largely because Asian consumers—and particularly Chinese ones—are buying fewer Gucci products as the region’s economies splutter. Other [big luxury groups](#), such as LVMH, are less exposed to the slowdown. Its sales are growing handsomely.

Finns are the world’s happiest people; Afghans and Lebanese the least. That’s according to the **World Happiness Report**, an annual survey on wellbeing conducted in 140 countries since 2012. This year’s report also shows that young people are becoming gloomier than pensioners. The culprit? Social media, says Vivek Murthy, a former surgeon-general of America. Declining wellbeing among under 30s has pushed America out of the 20 happiest countries.

**Figure of the day:** 257%. The rise in the number of abortions carried out in New Mexico since 2020. [Read the full story.](#)

*In the run-up to America’s presidential election, we’ve launched [The US in brief](#)—a daily update to help you keep on top of the political stories that matter. [Sign up here](#) to receive it as a newsletter, each weekday, in your inbox.*



Photo: Alamy

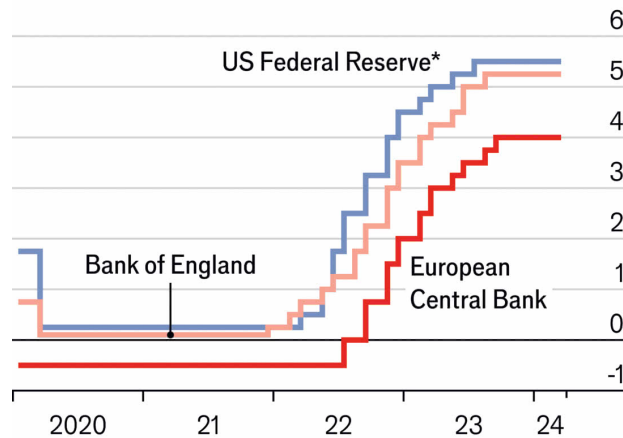
## The Fed provides clarity

Start with what is all but certain: at its meeting on Wednesday, the Federal Reserve will keep interest rates unchanged. But beyond that, [investors](#) around the world will be on tenterhooks. One question is how Jerome Powell, the Fed's chairman, describes price trends. Inflation has turned up in recent months, which could delay the onset of rate cuts. But Mr Powell may suggest that the Fed is still on track to cut rates in June, as most investors currently expect.

A second focus will be on the Fed's quarterly outlook. In December [the central bank indicated](#) that it would make three-quarter-point rate cuts this year. The debate now is whether it may signal somewhat less easing or project that short-term rates will settle at a higher level in the long run than previously thought. This would reflect a belief that the economy may require slightly tighter policy conditions on an ongoing basis to avoid overheating.

## What happens next?

Central-bank benchmark interest rates, %



\*Upper limit

Sources: Haver Analytics; LSEG Workspace



Photo: Alamy

## Tencent's poor play

China's massive consumer-oriented internet companies have had a [rough few years](#). On Wednesday the biggest of the bunch, Tencent, posted disappointing revenue growth for the fourth quarter of 2023 but said it would double its stock buybacks in 2024. The results cooled market enthusiasm, which had been raised in November when the Shenzhen-based company posted higher-than-expected revenues from advertising and international gaming.

Investors will now turn their focus to the challenges facing the company in the year ahead. One concern relates to processing online payments, which are a large part of Tencent's business. China's dreary economic outlook may continue to hurt consumer spending, constraining the group's income. Another threat could come from overseas. Chinese internet companies, such as TikTok, are coming under fire in America. That has not yet hurt Tencent's sales of games to customers abroad, an important source of its growth. But it should be a source of anxiety for the company.



Photo: Reuters

## BioNTech looks beyond covid

The German biotech firm that developed the world's first covid vaccine (with Pfizer, an American pharma giant) reports its annual results on Wednesday. BioNTech's sales have fallen because demand for covid jabs is [waning](#). In 2024 it expects revenues of \$3.28bn, about a quarter less than last year. The company's market value has fallen by more than 75% from its peak in August 2021.

BioNTech is exploring ways of using [mRNA technology](#), the basis of the vaccines, to treat other diseases. In April it will share data from clinical trials of its cancer therapies at the annual gathering of the American Association for Cancer Research. These include a



vaccine targeting non-small cell lung cancer and therapy for pancreatic cancer.

Although most of its non-covid treatments are still in their early stages of development, good results from the trials would give investors—and patients—hope.



Photo: Reuters

## Australia's tricky truce with China

China's foreign minister, Wang Yi, visited Australia on Wednesday for meetings with his counterpart, Penny Wong, and the prime minister, Anthony Albanese. This is Mr Wang's first trip down under since 2017. Relations later soured. Australia banned Huawei from its 5G network and demanded an inquiry into the origins of covid. China responded by restricting imports of Australian goods.

But Mr Albanese of the centre-left Labor Party, in office since 2022, has sought to [improve relations](#). China has lifted most of the trade restrictions. It is expected to end high tariffs on wine in the next few weeks. But debate rages in Australia about how friendly it should be with China. In February its top spy said that a former politician [had been recruited](#) by a Chinese espionage ring. Mr Wang will encourage pro-China sentiment by meeting Paul

Keating, a former Labor prime minister who criticises Australia's "anti-China" stance and its alliance with America. China is no longer [bullying](#) Australia, but it hopes to exploit its divisions.



Photo: EPA

## Past is prologue at the Whitney Biennial

In the art world fortunes are made by [galleries](#) and auction houses. But reputations are made by museums, particularly in marquee shows like the Whitney Biennial. The 81st exhibition opens on Wednesday in New York.

Every two years the show makes an argument about what is most important in American art. This year's offering, subtitled "Even Better than the Real Thing", promises to grapple with AI and contemporary conversations about gender and sexuality. But only two works (by an artistic duo) explicitly engage with AI and little new is said about identity. Strikingly, current events—from Ukraine to Gaza to the presidential candidacy of Donald Trump—go virtually unmentioned. The biennial looks less like the future, and more like the past.

But there is excellence, too—particularly a room-sized installation by Suzanne Jackson, an American artist. Wraithlike sheets of

painted acrylic hang from masts like limp sails and will deform with gravity. Ms Jackson is literally stretching the tradition of painting in new ways.



## 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.

**Wednesday:** Which Greek island, the largest in the Dodecanese, was ruled by the knights of the Hospital of St John of Jerusalem from 1310 to 1522?

**Tuesday:** Which actress, who won an Oscar for Moonstruck, was a cousin of a Democratic Presidential candidate?

*Nature is a book of many pages and each page tells a fascinating story to him who learns her*



*language.*

*A. E. Douglass*