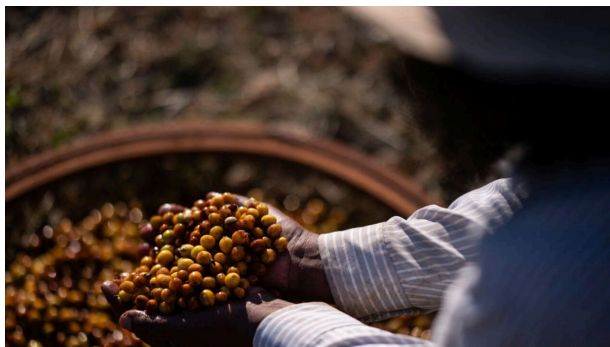


The world in brief

Catch up quickly on the global stories that matter



Photograph: AFP via Getty Images

Donald Trump announced new tariff rates for more countries, including a 50% levy on Brazil. They are due to come into effect on August 1st. In a letter to [Luiz Inácio Lula da Silva](#), Brazil's president, Mr Trump cited the country's trade policies and also its [treatment](#) of **Jair Bolsonaro**, the hard-right former president who is on trial for an alleged coup attempt. Mr Trump called that a "witch hunt".

Hamas promised to release ten hostages as part of [ongoing ceasefire talks](#) with **Israel**. Despite the gesture, the talks are grinding, with reported disagreements over aid and the withdrawal of Israeli troops. Separately, **Houthi** rebels sank a cargo ship in the Red Sea, believing it was bound for Israel. It is the second such vessel the Iran-backed group has destroyed this week.

Nvidia became the first company to reach a market capitalisation of more than \$4trn. The chipmaker has shrugged off [concerns](#) over Mr Trump's tariffs and the rise of Chinese artificial-intelligence firms. Shares in the American company soared by almost 3% on Wednesday before falling slightly. Nvidia has been on a rapid rise. It only hit a valuation of \$1trn in 2023.

Britain and France agreed for the first time to co-ordinate the use of their **nuclear weapons**. The announcement came during President Emmanuel Macron's state visit to London. Mr Macron and Sir Keir Starmer, Britain's prime minister, said that any "extreme threat" to Europe would necessitate a joint response. The move marks a shift for France, which remains outside of NATO's [nuclear-sharing arrangement](#).

Linda Yaccarino said she would [step down](#) as the chief executive of Elon Musk's social-media site, X, after two years in the job. During her tenure, the platform ditched its original name, Twitter, and loosened its content-moderation rules. The former advertising executive thanked Mr Musk for giving her the "responsibility of protecting free speech" and "turning the company around".

Russia launched its biggest aerial attack on **Ukraine** yet, firing nearly 730 drones and around a dozen ballistic and cruise missiles. Ukraine's embattled air force claimed to have shot down most of the drones and around half of the missiles. Meanwhile, Russia's ground offensive is progressing at its fastest pace in two years—but at a [terrible human cost](#).

Ferrero, an Italian confectioner, was reportedly close to buying Kellogg in a \$3bn deal. Shares in the American cereal-maker, known for brands such as Corn Flakes, rose by 50% on the news. Its current market value is \$1.5bn. In recent years Ferrero has been on a sugar-fuelled acquisition spree, buying Nestle's American chocolate business and Wells, an American maker of ice cream and lollies.

Figure of the day: 6.4%, the year-on-year growth in Chinese retail sales in May—the fastest pace since December 2023. [Read the full story](#).



Photograph: Getty Images

Trump's special tariff delivery

America's trading partners await the postman with trepidation. Three months after his "Liberation Day" tariffs, Donald Trump is posting more threats. This week he sent 14 letters to America's trading partners, inviting them to "participate in the extraordinary Economy of the United States" while threatening more tariffs from August 1st. Japan and South Korea face rates of 25%, Indonesia 32%, Cambodia 36%. The European Union, India and Taiwan are some of those yet to receive letters.

Markets remain calm. Mr Trump's threats [are often bluster](#), and many countries are expected to make concessions. But his demands are harder this time. Removing non-tariff barriers on food, safety and digital rules will not be easy, nor will opening sensitive markets like cars and agriculture. Moreover, recent agreements with Britain and Vietnam show tariffs will stay high. And more sectoral levies loom. On Tuesday Mr Trump threatened 50% tariffs on copper and 200% on pharmaceuticals. Whatever comes of the talks, America faces its steepest tariffs since the 1930s.



Photograph: ROPI

Keeping Ukraine in the fight

On Thursday Britain's prime minister, Sir Keir Starmer, and France's president, Emmanuel Macron, will gather the "coalition of the willing", countries that support Ukraine, at Northwood, a NATO base near London. Formed to plan a European-led (albeit American-supported) force to supervise a proposed ceasefire, the coalition's purpose has changed. Vladimir Putin's refusal to contemplate any truce in which Ukraine maintains its sovereignty means that the focus must now be on doing everything possible to keep Ukraine in the fight.

Ukraine's president, Volodymyr Zelensky, will address the meeting by video from Rome, where he is attending the Ukraine Recovery Conference to drum up investment for rebuilding the country's battered infrastructure. Mr Zelensky will try to persuade his supporters to strike energy deals and back its innovative defence industry. While the war grinds on, what Ukraine needs most is money to buy American Patriot air-defence missiles ([if Donald Trump will sell them](#)) and to underwrite its soaring drone production.

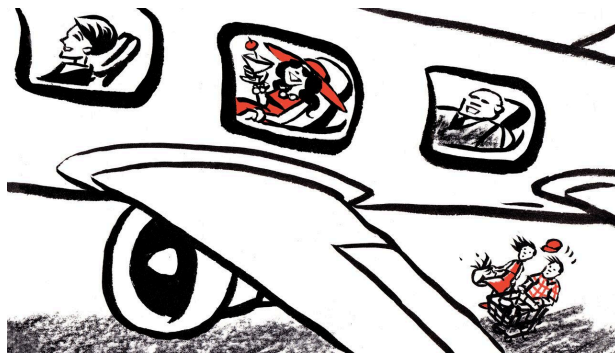


Illustration: David Simonds

Delta braces for rough skies

Delta Air Lines will report second-quarter earnings on Thursday. Investors are bracing for turbulence. In January the American airline said it was on track for its best-ever year, projecting \$6bn in pre-tax earnings. But by April it withdrew that forecast, citing weaker consumer demand and growing uncertainty caused by Donald Trump's tariffs.

Air travel is one of the first things that consumers and businesses cut back on when they lose economic confidence. The airline says it will not add flights in the second half of 2025 compared with the same period in 2024, but will cut costs and delay investments.

Still, while mass-market demand is weakening, higher-spending customers, less sensitive to economic pressure, remain resilient. Premium and international travel held up during the first quarter. Revenue from Delta's loyalty programme, mainly from selling frequent-flyer miles to credit-card partners like American Express, rose 7% year on year in the first quarter of 2025.



Photograph: Getty Images

A centenarian's mixed legacy

Mahathir Mohamad, Malaysia's most enduring politician, turns 100 on Thursday. Prime minister for 24 of the past 44 years, Dr M, as he is commonly known, presided over breakneck economic growth and impressive infrastructure projects. GDP per person rose substantially during his tenure.

But politically, Mr Mahathir, left a more toxic mark. His brand of race-based politics favoured ethnic Malays at the expense of others. Affirmative-action policies under his rule **entrenched patronage and cronyism** long after he stepped down, culminating in the 1MDB scandal in which billions of dollars were stolen from Malaysia's sovereign wealth fund.

At 92, Mr Mahathir mounted a stunning comeback, toppling the very party he once led. He lost his seat in 2022. Though retired, he still snipes from the sidelines, pushing his vision for the country. Old as he is, Dr M persists in building a divisive legacy.



Photograph: Reuters

A chance to bag the first Birkin

If a Birkin bag brings cachet to its owner, the first one ever made must confer extra prestige. On Thursday Sotheby's will auction that very item in Paris. It could fetch \$1m, according to internet chatter. One reason for the Birkin's mystique is its origin story, which melds glamour and practicality. On a flight from Paris to London in 1983 Jane Birkin, an Anglo-French singer and actress, spilled the contents of her straw bag. Her seatmate was Jean-Louis Dumas, the boss of Hermès, a French luxury-goods company, who helped Birkin gather up her things and design a better receptacle.

Hermès has probably sold [more than a million bags](#) based on the sketch. Still, it has managed to persuade buyers that they're rarities worth five-figure prices. The original Birkin, which Dumas gave to the singer a couple of years after their flight, differs from its successors: it has a shoulder strap, for example. That makes it enticingly unique, Sotheby's suggests, not the prototype of an obsolete model.



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 BST on Friday to [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

Thursday: In Arthurian legend, Sir Galahad finds which sacred object?

Wednesday: Which Scottish actor has portrayed both Hannibal Lecter and Logan Roy?

*Tell me, I forget, show me, I
remember, involve me, I
understand.*

Carl Orff