

## Catch up: Putin raises concerns over ceasefire; S&P enters correction territory



**Vladimir Putin** said that Russia agrees with the “idea” of ending the war in Ukraine but suggested that negotiations should “remove underlying causes” of the conflict. Mr Putin said that he would support a [30-day ceasefire](#), an idea agreed by America and Ukraine, though he added that there were “nuances” to consider. Mr Putin is expected to meet Donald Trump’s envoy, Steve Witkoff, in Moscow on Thursday.

The **S&P 500**, an American stock index, entered correction territory, falling by 10% from its record high in February. It slipped by 1.4% on Thursday, after **Donald Trump** threatened a 200% tariff on alcohol from EU countries. [Markets have been spooked](#) by Mr Trump’s erratic protectionism and the prospect of slowing economic growth.

Hours before his confirmation hearing, the Trump administration withdrew its nomination of [Dave Weldon](#) to run the **Centres for Disease Control and Prevention**, America’s primary public-health agency. According to the *New York Times*, the former Republican

congressman and doctor was told by officials that they “didn’t have the votes” to confirm his appointment. Mr Weldon has previously cast doubt on the safety of vaccines.

A federal judge ordered six **American government agencies**, including the treasury and defence departments, to rehire thousands of probationary workers that the Office of Personnel Management moved to fire [at DOGE’s direction](#). Unions and non-profits had sued over the dismissals, which the judge called “unlawful”. Separate “reduction in force” plans drafted in accordance with government rules are allowed to proceed.

**Taiwan’s president**, Lai Ching-te, accused [China](#) of trying to “absorb” the island, by stepping up “influence campaigns and manipulation” there. Sixty-four people were charged for Chinese espionage in 2024—the majority of whom had been in the army. Mr Lai proposed a raft of countermeasures, including stricter rules on residency applications by Chinese citizens and a restoration of military courts.

**Kyrgyzstan** and **Tajikistan** signed a border deal after three decades of conflict. Tajikistan will reportedly give Kyrgyzstan 25 square kilometres of land in exchange for territory and improved access to shared water resources. The office of Sadyr Japarov, Kyrgyzstan’s president, said that the agreement would foster “security, stability and sustainable development” in Central Asia.

**Donatella Versace** retired as creative director of her fashion house after nearly 30 years, [having taken on the role](#) after her brother Gianni, Versace’s founder, was murdered. She is succeeded by Dario Vitale, formerly a design director at Prada Group’s Miu Miu. Meanwhile **Kering** appointed Demna Gvasalia, Balenciaga’s designer, to lead its flagship brand Gucci, as some luxury firms [battle sagging sales](#).

**Figure of the day:** 74%, the proportion of Ukrainians who favour fighting even without American support, according to a recent poll.  
[Read the full story.](#)

# Carney takes charge in Canada



[Mark Carney](#) will be sworn in as Canada's 24th prime minister on Friday. He won a [decisive victory](#) in the race to replace Justin Trudeau as the leader of the Liberal Party on March 9th. Mr Carney is expected to appoint a slimmed-down cabinet as a signal of fiscal restraint. A former governor of the Bank of Canada and the Bank of England, he will be one of the few Canadian prime ministers without prior political experience.

Hoping to secure a fourth consecutive mandate for the Liberals, he will probably call an election within days. The campaign's dominant issue will be Donald Trump's vow to use tariffs as a way to pressure Canada to become America's 51st state. Liberals had been lagging far behind the Conservative Party in opinion polls, but the newest ones suggest that Mr Trump's threat has put them back in the race.

# Trumponomics weighs on America's consumers



Financial markets are [flashing warnings](#) about Trumponomics. One big worry is that consumers, who drive roughly two-thirds of American growth, are themselves getting nervous, portending a slowdown in spending. A survey of consumers, published by the University of Michigan, may heighten these concerns on Friday. Its sentiment index is expected to dip to about 63 in a preliminary reading for March, down from 64.7 in February. Readings that low have often signalled recessions.

Consumers are especially anxious about inflation risks because of Donald Trump's campaign for [higher tariffs](#). In the February survey, long-term expectations for inflation rose to 3.5%, near a three-decade high. That, in turn, poses a problem for the Federal Reserve. So long as consumers fear a run-up in prices, the central bank will be hesitant to cut interest rates even if the economy slows.

## A growing crisis in Tigray



Ethiopia is on the brink of [another civil war](#). Just two years after an agreement ended conflict between the government and the Tigray People's Liberation Front, the ruling party in Ethiopia's northernmost region, fresh violence has erupted. On Tuesday forces loyal to Debretsion Gebremichael, the TPLF's chairman, seized several towns across Tigray. The region's government is led by Getachew Reda, a former TPLF cadre who was expelled from the party last year.

Mr Getachew has urged Ethiopia's government to intervene. But that could restart its conflict with the TPLF. It could also invite a response from Eritrea, which fought alongside the federal government against the TPLF during the previous war, but has since fallen out with Ethiopia. Eritrea has developed ties with Mr Debretsion's TPLF; its army appears to be mobilising. Ethiopia has also moved troops and weaponry towards the Eritrean border. The crisis risks drawing in foreign powers: the United Arab Emirates backs Ethiopia, but Saudi Arabia and Egypt may side with Eritrea.



## Foxconn bets on AI



Foxconn, a Taiwanese electronics manufacturer, reports annual results on Friday. Sales, lifted by strong demand for artificial intelligence, probably rose 15% year on year in the fourth quarter of 2024. The firm assembles data-centre equipment for Nvidia, an American AI chipmaker. Bloomberg Intelligence, a research firm, expects that this segment will become its largest within two years. This week the firm unveiled its own AI software model to improve manufacturing and supply-chain management. It has also expanded into electric vehicles, producing chips and batteries in partnership with Stellantis, a European carmaker (whose largest shareholder, Exor, is part-owner of *The Economist's* parent company).

Yet [Foxconn's core electronics business](#) is under pressure. Growth in smartphones, including those made for Apple, remains weak. Trade tensions pose another risk. In October Foxconn announced plans to build the world's largest server factory in Mexico to supply Nvidia. But the company's dependence on American clients—notably Apple and Nvidia—makes it vulnerable to Mr Trump's tariffs.

# The toughest job in football?



England's football-loving public and tabloid media can quickly turn against the manager of the men's national team, which hasn't won a tournament since the World Cup in 1966. Yet [Sir Gareth Southgate](#) restored faith in the side during an eight-year spell in charge. Before stepping down last year, he led the team to two European finals and a semi-final of the World Cup.

The brief of Sir Gareth's successor, Thomas Tuchel, is simple: to finally reclaim that trophy. The German coach, who names his first England squad on Friday, only has a contract until the World Cup in 2026. He will probably favour experienced players who can achieve that short-term goal over youngsters who might need time to develop. England is blessed with attacking talent; Mr Tuchel's main tactical task will be achieving balance in midfield. Sir Gareth's defeats in the late stages of big tournaments came after England ceded control of the middle of the pitch.



## 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 GMT on Friday to [QuizEspresso@economist.com](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Friday:** Lungo and doppio are both types of which drink?

**Thursday:** What term was given to the series of discussions between Richard Nixon and Nikita Khrushchev in Moscow in 1959?

# The winners of last 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:

**Ron George**, Winnipeg, Canada

**Anand Mahajan**, Mumbai, India

**Osamu Senoo**, Izumo, Japan

They all gave the correct answers of [stratosphere](#), [silver](#), [Orban](#) and [exodus](#). Check back tomorrow for this week's crossword.

**Nobody's free until everybody's free.**

*Fannie Lou Hamer*