

# The world in brief

Catch up quickly on the global stories that matter

[Asian stocks](#) rose on Thursday morning, with **Japan's Nikkei** index reaching a new high. They followed the lead of American indices, which also reached fresh highs after the **Federal Reserve** left its benchmark interest rate unchanged at a range of 5.25% to 5.5%. Jerome Powell, the Fed's chairman, said he was pleased with progress in [bringing inflation down](#) but did not indicate when interest-rate cuts might begin. (Most investors reckon June.) America's central bankers still expect to lower rates three times this year.

The **Swiss National Bank** cut its main interest rate by a quarter of a percentage point to 1.50%, sending the franc to an eight-month low against the euro. The SNB is the first major central bank to cut rates after an extended period of [monetary tightening](#). The decision follows a period of low inflation in Switzerland, where price rises have remained within the SNB's target range of 0-2% for the last nine months.

**Russian forces** launched ballistic and cruise missiles at **Kyiv**, injuring at least 13 people. The attack, the biggest on the capital in weeks, damaged apartment buildings and industrial facilities, as well as a kindergarten. At least two people were hospitalised. Ukrainian officials said all 31 Russian missiles had been [shot down](#), with their debris causing the damage.

**America** submitted a draft UN Security Council resolution calling for a **ceasefire** in **Gaza**. The pause would be “linked to the release of hostages”, said Antony Blinken, America's secretary of state. America has vetoed previous Security Council resolutions urging a ceasefire. On Wednesday Mr Blinken met Muhammad Bin Salman,

Saudi Arabia's crown prince, as part of America's latest diplomatic push for a ceasefire. He will travel to Egypt on Thursday, before heading to [Israel](#).

Two people close to **María Corina Machado**, Venezuela's leading opposition figure, were arrested for alleged involvement in an anti-government conspiracy. Arrest warrants for seven more of Ms Machado's staffers were also announced. Last year [Ms Machado](#) won her party's presidential primary in a landslide. That spooked Nicolás Maduro, Venezuela's autocratic president. She was swiftly barred from holding public office for 15 years.

Luís Montenegro, the leader of **Portugal's** centre-right Democratic Alliance, was asked to form a minority government. Negotiations on forming a government were complicated by the strong showing in [elections earlier this month](#) of Chega, a far-right party. Mr Montenegro vows not to work with Chega, but his bloc will need backing from other parties to pass legislation.

**Neuralink**, Elon Musk's startup, live-streamed a quadriplegic man using the company's [brain implant](#) to play chess on a computer. The 29-year-old man, who was paralysed below the shoulder after a diving accident, was also able to play "Civilization VI", a video game, for eight hours using only his thoughts. Neuralink is one of several companies making progress on brain-computer interfaces.

**Figure of the day:** \$236bn, the amount that Argentina owed to foreign creditors when President Javier Milei took office in December. [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: Dave Simonds

## The EU's fragmented foreign policy

On Thursday the leaders of the EU's 27 countries will attend the first of four summits to be held in the next 100 days. The confab will focus on defence and foreign policy, and especially on the [conflicts in Ukraine and Gaza](#).

Politicians will discuss how Europe can [spend more](#)—and better—on defence to deter Russia. They will debate about (but probably reach no firm agreement on) how to use windfall profits on frozen Russian assets. More contentious still will be discussion of the recent suggestion by Emmanuel Macron, France's president, that some countries may send troops to Ukraine. That would cross a red line for many, including the EU's largest member, Germany.

On the [situation in Gaza](#) the rifts within the EU are wider yet. The discussion between backers of Israel and governments more sympathetic to the Palestinian cause will be heated.



Photo: EPA

## Nike races to stay ahead

Nike, the world's largest [maker of sportswear](#), announces its quarterly results on Thursday, covering the three months ending in February 2024. In the last fiscal year, which ended in May 2023, Nike's annual sales were up by a tenth. But the company expects only a 1% growth in sales this year. The slowdown is partly caused by softening consumer demand, especially in China and Europe. Nike is also losing ground to upstart footwear brands like Hoka and On Running.

To “reignite” its growth, the company announced in February that it would cut more than 1,500 jobs, or 2% of its workforce. This was part of a plan to trim costs by \$2bn over the next three years. The company is also investing in smaller, techier stores designed to showcase its products and encourage people to shop online. By 2025 Nike aims to sell 60% of its wares directly to consumers, either online or through its own stores, cutting out traditional retailers. The brand is also expecting a boost from the 2024 Summer Olympics in Paris, where it will be the official sponsor of the American gymnastics team.



Photo: Alamy

## What's the right rate for Britain?

The Bank of England's monetary policy committee will meet on Thursday to set interest rates. At its last meeting in January, a majority of the committee's members opted to keep the policy rate flat at 5.25%. Unusually, though, there was dissent in both directions: two members voted to raise rates and one to lower them.

[Britain's economy](#) looks feeble. The country entered a technical recession in the second half of 2023, though the economy expanded a bit in January. The annual inflation rate continued to fall from 4% in January to 3.4% in February. Weak growth and lower inflation might nudge the committee towards [lowering rates](#). But it will probably delay that decision, in part because of speculation that another pre-election fiscal event could take place over the summer or in early autumn. Further tax giveaways could reignite inflation. In the absence of a rate change, analysts will focus on shifts in the committee's language and voting patterns.





Photo: Reddit, Inc. © 2024

## Reddit's buzzy IPO

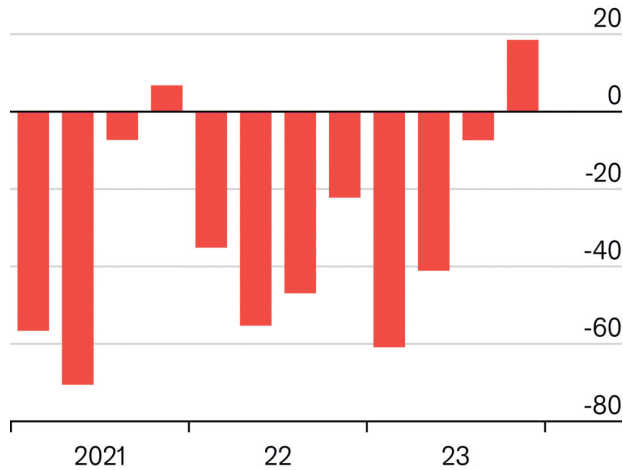
On Thursday shares in [Reddit](#) will begin trading on the New York Stock Exchange. The social-media platform is seeking a valuation of around \$6.4bn. The listing is reportedly four to five times oversubscribed. But some are sceptical that the stock will be a hit.

Founded in 2005, Reddit is a forum-based website where members talk on “subreddits” about shared interests, ranging from do-it-yourself plumbing to cat photos. The site claims to have 267m average weekly active users. Even so, its annual revenues of \$800m, almost all from advertising, are lower than those of rivals such as X (formerly Twitter). It recorded a loss of \$91m in 2023.

It has other worries, too. America's Federal Trade Commission is probing the company's licensing of user data to firms that are developing artificial-intelligence models. (Reddit says it has done nothing wrong.) Even if investors do not flock to Reddit's stock, they may still cheer its listing as a sign that America's IPO market is slowly coming back to life.

## In the red

Reddit, net profit/loss, \$m



Source: Company reports



Photo: Getty Images

## Has the UN's climate treaty failed?

Thursday marks 30 years since the United Nations Framework Convention on Climate Change first came into force. The treaty committed signatories to stabilising [greenhouse-gas concentrations](#) in order to “prevent dangerous anthropogenic interference with the climate system”. But despite being ratified by 197 countries and the EU, pessimists would say the convention has failed to achieve its aim.

Since 1994, the amount of carbon in the atmosphere has risen from around 360 parts per million to around 425. By the end of the century average global temperatures are expected to be roughly 2.7°C higher than those before the industrial revolution, well above the generally accepted upper limit of 2°C.

Optimists, however, might point out that things once looked much worse: when the UNFCCC was forged, business-as-usual projections showed temperatures rising by 3.5°C or more. The shift is due, in large part, to international climate commitments, including the Paris agreement in 2015, hammered out under the UNFCCC.



## 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.

**Thursday:** Which pop act, which rose to fame in the mid-1990s, had hits such as “Ocean Drive” and “Lifted”?



**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?

*A man who makes trouble for others is also making trouble for himself.*

*Chinua Achebe*