

Catch up: Israeli strikes in Gaza; Bob Menendez convicted



Israeli strikes on Tuesday killed at least 57 Palestinians in Gaza. According to Gaza's health ministry, an air strike hit families sheltering in the al-Mawasi "humanitarian zone", to which Israel has previously told civilians to evacuate. The [Israel Defence Forces](#) said the attack targeted jihadist groups, but that it was "looking into" reports that "civilians were injured". Earlier, **Antony Blinken**, America's secretary of state, told two top Israeli officials that civilian casualties in Gaza were "unacceptably high".

Bob Menendez, a Democratic senator from New Jersey, was convicted by a New York jury on 16 felony charges, including bribery and extortion. Prosecutors accused him of [using his influence](#) to help the governments of Egypt and Qatar in exchange for gold bars, a Mercedes and cash. Chuck Schumer, the top-ranking Democrat in the Senate, promptly called on Mr Menendez to resign.

Gabriel Attal resigned as **France's** prime minister, after last week's [snap election](#) delivered a hung parliament. [Mr Attal](#) will

lead a caretaker government through the [Olympics](#), which begin in Paris on July 26th, and until a new cabinet is appointed by President Emmanuel Macron. With no bloc close to holding a majority and coalition negotiations stalling, France is still [desperately searching](#) for a government.

As the investigation into the [attempted assassination](#) of **Donald Trump** [continues](#), officials from America's Department of Homeland Security, the FBI and the [Secret Service](#) were invited to testify before a House committee next week. Meanwhile, the Republican National Convention entered its second day in Milwaukee; on Monday Mr Trump selected [J.D. Vance](#) as his running-mate.

America's retail sales, excluding cars, rose by 0.4% from the previous month in June, the largest increase in three months. The data suggest that the economy remains reasonably strong even as inflation recedes. However, sales growth has slowed since last year, as high inflation has eroded disposable incomes and [consumers](#) are seeking cheaper alternatives to save money.

Elon Musk said that he would relocate the headquarters of his rocket firm [SpaceX](#) and X, his [social-media company](#), from California to Texas. The main offices of [Tesla](#), the carmaker of which he is CEO, also moved there in 2021. [The billionaire](#) said that a new law in California banning schools from requiring staff to notify parents of a change in their child's gender identity was "the final straw".

Gareth Southgate resigned as England's manager after [Spain](#) beat **England** 2-1 to win the European championship on Sunday. Mr Southgate was the first manager since 1966 to lead the men's football team into a major tournament final. During his eight years in the post, England reached the final of the Euros in 2021 and 2024, as well as a World Cup semi-final in 2018.

Figure of the day: 4.5%, the amount that China's house prices fell in June compared with a year earlier—the steepest drop for nine years. [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.

How would Trump deploy his deputy?



[J.D. Vance](#), the 39-year-old Republican vice-presidential nominee, is due on Wednesday to speak at the Republican National Convention in Milwaukee. A first-term Ohio senator, Mr Vance is one of his party's leading isolationists and a strong proponent of economic populism. Donald Trump has said that when he speaks on Thursday he himself will offer a unifying message. But it's unclear what tone Mr Vance will take. The candidate delivered a divisive message after the assassination attempt on Mr Trump, arguing that the rhetoric of the Biden campaign directly led to the shooting.

More than half of Americans have never heard of Mr Vance, according to a recent CNN poll. His address at the RNC, therefore, will give many Americans their first impression of the young politician. Whether he opts to go on the offensive, or to present a more emollient message, may reveal something of how Mr Trump would deploy his deputy should he return to the White House.

Russia's tanking attack



Russia's ground offensive in Ukraine is running out of steam. Ukraine's situation on the front line is improving thanks to mobilisation of soldiers, the arrival of more munitions and the building of fortifications.

To make limited territorial gains Russia has been sacrificing tanks and armoured fighting vehicles at an unsustainable rate. Oryx, an open-source intelligence site, puts the number of verifiable destroyed and damaged tanks at 3,235 currently, but suggests that the actual number could be “significantly higher”. Russia has so far relied on refurbishing Soviet-era armoured vehicles and artillery barrels. Analysts believe that at current rates of attrition stocks of those weapons will reach a “critical point of exhaustion” by mid-2025.

On the other hand, Russia's production of missiles and drones is surging. The greatest threat that Ukraine faces is not a Russian breakthrough on the ground, but the airborne onslaught against its [power grid](#). Even if the promised new air-defence systems arrive soon, Ukraine is facing a hard winter.

Germany's budget brinkmanship



A few weeks ago Germany's [troubled](#) three-party coalition was staring into an abyss. A fiscal gap of €40bn (\$44bn) needed closing to allow agreement on a budget for 2025. The finance minister, Christian Lindner, from the liberal Free Democrats, positioned himself as Germany's fiscal hawk-in-chief. The Social Democrats and Greens, meanwhile, railed against the debt brake, a constitutional bar on anything but the most nugatory borrowing.

A draft €481bn budget was eventually agreed by senior coalition figures earlier this month. But that was thanks in part to accounting tricks that allowed the government to adhere to the debt brake without imposing swingeing cuts across ministries. Germany's cabinet will approve the draft on Wednesday. Then it is over to MPs to pass the budget after the summer break. Germany's disputatious coalition will stagger on. The increasingly despised debt brake, though, may [not be long for this world](#).

The rise and rise of ASML



ASML, a seller of chipmaking gear, is due to post second-quarter results on Wednesday. They may be unimpressive. Analysts believe that revenue was €6.08bn (\$6.63bn), 12% less than during the same period last year. That is because sales probably slowed in China, which accounted for nearly half of the firm's revenue in the first quarter.

Yet the same analysts are scarcely worried. ASML has a monopoly on extreme-ultraviolet lithography equipment, which the world needs to build the most cutting-edge processors. Thanks to the boom in artificial intelligence, demand for these chips is likely to remain strong. ASML's share price is up 45% since the beginning of the year. It now has a market capitalisation of €391bn. That makes it [Europe's second-most-valuable company](#), behind only Novo Nordisk, the maker of Wegovy, a popular anti-obesity drug.

An American epic on a London stage



When John Steinbeck published “The Grapes of Wrath” in 1939, he said he had done his “damndest to rip a reader’s nerves to rags”. Despite being banned and burned, the Pulitzer Prize-winning novel was so influential that it inspired dozens of stage versions—including this summer’s production at the National Theatre in London.

The play, which opens on Wednesday, is directed by Carrie Cracknell and based on Frank Galati’s stage adaptation in 1988. The production promises to reimagine the American epic once again. It has assembled a star-studded cast: Cherry Jones (“Succession”) and Harry Treadaway (“Penny Dreadful”) play leading roles.

It’s a timely revival of Steinbeck’s classic. His stark portrayal of poverty, violence and forced migration during the Depression was shocking at the time. And the injustice it exposed is disturbingly familiar to modern eyes. Bleak yet hopeful, the drama is set to give audiences much to think—and perhaps rage—about.

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. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Wednesday: Which bean, often used for flavouring, is best known for its Madagascar variety?

Tuesday: Which 2012 film concerns the hunt for Osama bin Laden?

4.5%

The amount that China's house prices fell in June compared with a year earlier—the steepest drop for nine years.

Read the full story.

We do not live to do the things that we please, but to do with love the things that we must.

Alexandra Feodorovna