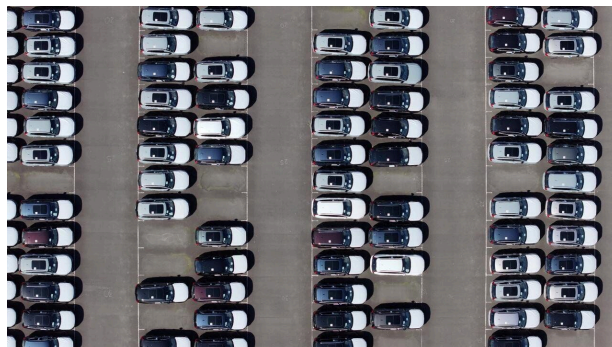


The world in brief

Catch up quickly on the global stories that matter



America and the **European Union** agreed on [a trade deal](#), averting a transatlantic tariff war. Agreement was reached after Ursula von der Leyen, the president of the European Commission, met Donald Trump at his Turnberry golf resort in Scotland. The EU will face a 15% tariff on most goods including, importantly, cars. The bloc also committed to buying more American energy and military equipment.

Thailand and **Cambodia** announced a ceasefire following peace talks in Malaysia. America said it assisted discussions. Long-simmering border tensions flared in May after a Thai army patrol killed a Cambodian soldier. [Violence then escalated](#) on July 24th, when Cambodia shelled a Thai military base and Thai F-16 fighter jets launched sorties. At least 35 people have since been killed in the clashes.

The **White House** demanded “dramatically lower” interest rates ahead of the Federal Reserve’s meeting this week, [escalating pressure](#) on Jerome Powell, the chair. Mr Trump’s officials accused Mr Powell of acting too slowly and criticised a \$2.5bn renovation of the Fed’s headquarters. The president wants rates slashed from 4.25%-4.5% to 1%; the Fed is expected to keep them unchanged.

Gaza's health ministry said that 14 people died from malnourishment in the enclave during the past day. **Israel's** armed forces have temporarily paused operations in some parts of Gaza to enable more aid to reach civilians. Several UN agencies welcomed the move, but Tom Fletcher, the UN's aid chief, warned that far more was needed to [alleviate starvation](#).

Aeroflot, **Russia's** largest airline, cancelled dozens of flights after a cyberattack. Silent Crow, a hacking group, claimed responsibility, adding it had worked with Belarusian hackers. On Sunday a Ukrainian [drone attack](#) forced St Petersburg's airport to shut for five hours. Meanwhile Russia launched 324 drones at Ukraine overnight, injuring at least eight people, according to Ukrainian officials.

Samsung Electronics reached a deal with **Tesla** to make the electric-vehicle maker's next generation of artificial-intelligence chips. As part of the \$16.5bn agreement, the chips will be manufactured in Texas. The announcement is a boon for South Korea's most valuable firm, which has [struggled to compete](#) with rival chipmakers; its shares climbed almost 7% following the news.

England's footballers beat Spain 3-1 on penalties in the women's **European Championship**, successfully defending the title they won three years ago. The game had finished 1-1 after extra time. More than 600,000 tickets were sold for the tournament before it began on July 2nd, highlighting how women's football is kicking off—[as is women's sport](#) more generally.

Figure of the day: €85bn (\$100bn), the sales LVMH generated last year, making it four times as large as its closest luxury rivals. [Read the full story](#).



Photograph: Reuters

China and America talk trade in Stockholm

After recent talks in Geneva and London, China's economic officials will meet their American counterparts on Monday in another attractive European city: Stockholm. The goal is to extend a [tariff truce](#) scheduled to expire on August 12th and lay the groundwork for a potential leaders' summit later this year.

America's negotiators may ask China to buy more of its farm goods and energy. China is expected to seek an easing of restrictions on importing American technology. The Trump administration surprised many earlier this month by allowing Nvidia to sell its H20 semiconductor chip to China. That's the kind of thing that makes the China hawks in the administration nervous. Although Donald Trump often accuses China of abusing America through its trade practices, he seems to admire the country's ruler, [Xi Jinping](#). They might even call it a form of Stockholm Syndrome.

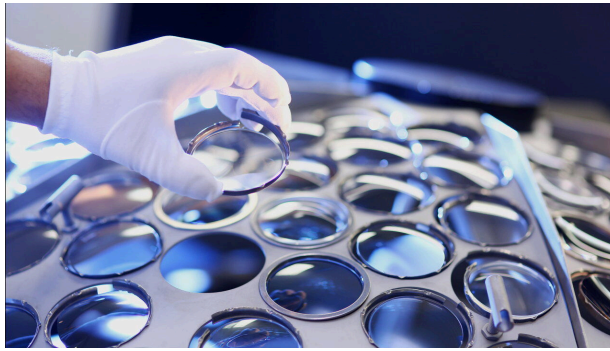


Photograph: Getty Images

France tries to move the dial on Gaza

Emmanuel Macron, France's president, [announced](#) on Thursday that his country will recognise a Palestinian state at the United Nations General Assembly in September. On Monday his foreign minister, Jean-Noël Barrot, will formally present France's intention at the UN in New York, at a French-Saudi conference on a two-state solution. The event had originally been scheduled for June, but was postponed after Israel's strikes on Iran.

Israel and America's secretary of state, Marco Rubio, have fiercely criticised France's decision. But Mr Macron has been mulling it over, and talking about it with leaders in the Middle East and the Gulf, for months. He sees it as a necessary step towards a diplomatic solution to the [crisis in Gaza](#). France will become the 148th country, and the 12th member of the European Union, to recognise a Palestinian state. But it is the first in the G7 to do so.



Photograph: Pierre-Olivier/Capa Picture

The maker of Ray-Ban keeps its focus

EssilorLuxottica, the world's biggest maker of spectacles, will report results for the first half of the year on Monday. The Franco-Italian group, which last year surpassed a €100bn (\$108bn) valuation for the first time, is likely to report decent results despite the impact of Donald Trump's trade war.

Sales in America, Luxottica's biggest market, are holding up. The maker of Ray-Ban and Oakley sunglasses is betting on smart glasses that allow wearers to make phone calls, take photos and listen to music. Meta, an American social-media giant, recently acquired a 3% stake in EssilorLuxottica for €3bn and is reportedly eyeing an increase to 5%.

But the good times may not last. [Mr Trump's tariffs](#) have already prompted the company to increase prices in America, as much of its production is based in Italy. Further increases may follow. A lot depends on the outcome of trade negotiations between the European Union and Mr Trump.



Photograph: Alamy

Can the Marcos dynasty escape its authoritarian past?

Ferdinand Marcos Junior, the president of the Philippines, delivered his annual address to congress on Monday. As well as setting out his programme of government, his broader aim was to convince voters that the [Marcos family](#) can govern capably without repeating the authoritarianism of his father, Ferdinand Marcos Senior.

That effort could be complicated by a political clash over the future of Sara Duterte, the vice-president, a probable challenger in the 2028 presidential election. Many lawmakers want to impeach her, which could eventually disqualify her from running. Ms Duterte is accused of several offences, including threatening to assassinate Mr Marcos, which she denies. On Friday the Supreme Court dismissed an initial attempt. Congress may yet try again. But Mr Marcos has little to gain from backing the effort: forcibly removing a rival could risk drawing comparisons to the strongman tactics of his father.



Photograph: AP

Colombia's former president on trial

This week one of Colombia's most controversial court cases could finally draw to an end. A judge will shortly rule on whether Álvaro Uribe, the president from 2002 to 2010, is guilty of bribing witnesses and manipulating legal proceedings. If convicted, he faces up to 12 years in prison. He is the first Colombian head of state to be tried in a criminal court.

The saga began in 2012 when Iván Cepeda, a senator, accused Mr Uribe of supporting paramilitary death squads in the 1990s. Mr Uribe sued for defamation, but the Supreme Court dismissed the case and instead opened an investigation into allegations that witnesses were pressed to change their testimony and that false evidence was used in court. He denies all charges.

The trial has dragged on for years. A witness was murdered, dozens have testified and a prosecutor ended up in jail. The verdict will shape Mr Uribe's legacy—and show whether Colombia's judiciary can withstand political pressure from one of the country's most powerful figures.

*The final aim of all music is
nothing other than the
refreshment of the spirit*

Johann Sebastian Bach