

## Catch up: Blinken in Qatar for ceasefire talks; Europe's tariffs on Tesla



**Antony Blinken**, America's secretary of state, arrived in **Qatar** for [further talks](#) over a ceasefire in Gaza. Earlier Mr Blinken met Abdel Fattah al-Sisi, **Egypt's** president, on Egypt's Mediterranean coast. The two Middle Eastern countries talk directly to **Hamas**, which has yet to agree to a "bridging proposal"—which would lead to a ceasefire and the return of Israeli hostages—that Mr Blinken said Israel had accepted. Meanwhile, the **Israel Defence Forces** recovered the bodies of six hostages taken by Hamas in Khan Younis, a city in southern Gaza, in an overnight operation. All but one were known to be dead. Around 109 people taken hostage on October 7th remain in captivity.

The **European Commission** announced tariffs on electric vehicles manufactured by Tesla, an American carmaker, in China. The bloc will introduce a levy of 9%, which is lower than the rate of 20.8% it proposed in July. The EU says that [China's subsidies](#) allow it to export EVs and other goods at lower prices, which threaten local manufacturers.

**Russian** air strikes damaged energy facilities across northern Ukraine. In the region of Ternopil a large fire broke out after missiles hit an industrial facility. In Sumy, which borders Russia, more than 18,500 people were without power. Earlier this year Russia began a campaign of attacks on [Ukrainian energy infrastructure](#); the resulting damage could take years to rebuild.

**India's** Supreme Court set up a task force to examine how to increase security for medical workers. The move follows the rape and murder of a female trainee doctor in **Kolkata**, which sparked nationwide protests. India's top court also ordered the introduction of a federal paramilitary force to provide security at the hospital where the attack took place.

**Ukraine's** parliament passed a law that paves the way to banning the Russia-affiliated [Ukrainian Orthodox Church](#). The UOC, which was the Ukrainian branch of the Russian Orthodox Church under the Soviet Union, formally broke with the Moscow patriarchate in May 2022. But Ukrainian security services [accuse](#) the UOC of spreading Russian propaganda and housing spies. Volodymyr Zelensky, Ukraine's president, is expected to sign the law.

South Korea's armed forces said a **North Korean** soldier defected to **South Korea** after walking across the heavily mined demilitarised zone between the countries. It is rare for North Koreans to make it across the border on foot. The South has been blaring propaganda from loudspeakers on the border for months in response to the North's sending [balloons](#) carrying rubbish south.

Italian authorities said that hopes of finding the six people who went missing after a yacht sank off the coast of Sicily alive were "minimal". **Mike Lynch**, a tech tycoon, and Jonathan Bloomer, the chairman of Morgan Stanley International, were among those unaccounted for. Fifteen others were rescued. The *Bayesian* was hit by a waterspout—a type of tornado—on Monday.

**Figure of the day:** 4.8%, the share of American companies that use artificial intelligence to produce goods and services. [Read the full story](#).

*As Democrats gather in Chicago for their national convention this week, keep abreast of America's political news by reading [The US in brief](#), our daily update. [Sign up](#) to receive it as a newsletter each weekday.*

## Modi's redemption tour



Narendra Modi, India's prime minister, arrives in Poland on Wednesday for a two-day visit. On Friday he will travel on to Ukraine to meet President Volodymyr Zelensky. The visit to Poland will mainly focus on economic co-operation: the country is India's largest trading partner in central and eastern Europe. Yet it is the visit to Ukraine, the first by a sitting Indian prime minister, that will be watched closely by most observers.

The trip comes six weeks after Mr Modi travelled to Russia, where he was pictured hugging President Vladimir Putin on the same day as a Russian strike on Kyiv, Ukraine's capital, [hit a children's hospital](#). Mr Modi implicitly rebuked Mr Putin for the attack the next day, but the juxtaposition still prompted outrage. Speculation that Mr Modi's visit to Kyiv is a sign that India is preparing to mediate in Russia's war in Ukraine is probably misplaced. His first job will be to mend fences.

# Scholz heads to Moldova



In some respects Moldovans have it rough. The landlocked former Soviet republic is one of Europe's poorest countries and has high levels of corruption. [Transnistria](#), in the east, is a pro-Russian separatist enclave that is exploited by smugglers. Russia's invasion of neighbouring Ukraine stirred fears that Moldova could be dragged into war.

In response Moldova has [intensified efforts](#) to huddle up to western Europe. It has found a powerful backer in Germany, whose chancellor, Olaf Scholz, visits on Wednesday. In 2022 Germany initiated the Moldova Support Platform to boost the economy. It has also backed Moldova's bid to [join the European Union](#). Germany's interest is partly economic: German companies have invested heavily in the country's car-parts industry. Mr Scholz is expected to discuss Moldova's security and EU hopes when he meets Maia Sandu, the pro-Western president, who faces a tricky election in the autumn.

## A monetary sigh of relief in Jakarta

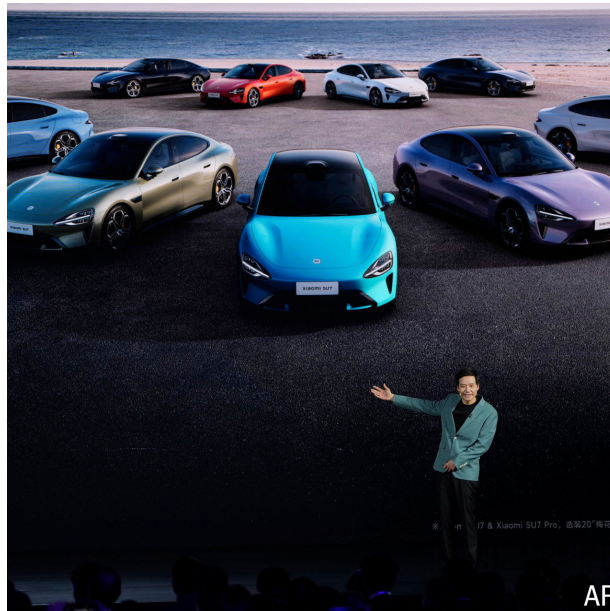


Bank Indonesia, the central bank for South-East Asia's largest economy, announces its latest interest-rate decision on Wednesday. Most analysts expect the BI to hold its benchmark interest rate at 6.25%. But falling inflation and a weaker dollar may soon give rate-setters the opportunity to loosen monetary policy. The prospect that America's Federal Reserve could soon begin cutting rates has reduced pressure on the Indonesian currency. The greenback has weakened against the rupiah during August, dropping around 5%.

Indonesia's central bankers, like those in other emerging markets, are breathing a sigh of relief. But a longer-term problem looms. [Prabowo Subianto](#), the country's president-elect, will take office in October. His intention to raise government borrowing may weaken the international appeal of the Indonesian currency. That will test the country's central bankers, and may force them to keep interest rates at higher levels even as the Fed begins to cut.



# Xiaomi's mark on the EV market



Xiaomi, a [Chinese tech group](#), made its name selling sleek but ultra-cheap smartphones in the early 2010s. The company gained a reputation as an Apple imitator; its boss, Lei Jun (pictured), was often accused of aping the pared-down sartorial style of Apple's founder, Steve Jobs. More than a decade later Xiaomi appears to have bested Apple's attempts to become an electric car maker. The American giant has abandoned its EV project while the Chinese firm, which first put its cars on the market in March, may sell up to 120,000 by the end of the year.

Investors will get an update on Xiaomi's progress on Wednesday when it reports second-quarter earnings. The group is applying the same sleek-but-cheap strategy to EVs as it did to phones: the price of its SU7 model starts at around \$30,000. The big question for Xiaomi is whether it can keep prices that low and still turn a profit.

# The woes of Test cricket



Sri Lanka's cricketers begin a three-Test series against England in Manchester on Wednesday. England has already hosted the West Indies this summer, winning all three matches. They will probably dominate against Sri Lanka, too. It is tough for teams other than India, Australia and [England](#) to remain competitive in Test cricket. Many of Sri Lanka's best players, including Wanindu Hasaranga and Charith Asalanka, both all-rounders, are concentrating on the more lucrative Twenty20 circuit, a much shorter format of the game.

Sri Lanka's squad managed to squeeze in just a single warm-up game for the series (losing heavily to England's second team). That has given them little chance to adapt to unfamiliar conditions. In fact, the team has not won a Test outside of Asia since they beat a callow Zimbabwe side in early 2020. A heavy defeat to England would do little to boost the popularity of Test matches in Sri Lanka—or the [broader reputation](#) of the format as a compelling spectacle.



## 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 BST 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.

**Wednesday:** The barbule, calamus and rachis are all elements of which animal body part?

**Tuesday:** Which horror film from 1986 was advertised with the tagline "Be Afraid. Be Very Afraid"?

**4.8%**

*The share of American companies that use artificial intelligence to produce goods and services.*

*Read the full story.*

**Beauty is that to what the human mind  
responds at its deepest and most profound.**

*Subrahmanyan Chandrasekhar*