

The world in brief

Catch up quickly on the global stories that matter



Photograph: ROPI

Ukraine's defence minister said his country will need at least \$120bn for military spending next year. Denys Shmyhal said Ukraine continues to negotiate with NATO and EU members as it seeks \$60bn in funding. The country's president, Volodymyr Zelensky, announced that Ukraine and Russia would hold fresh peace talks on Wednesday in Turkey. Negotiations in Istanbul in May and June yielded [little progress](#).

The UN warned that the “last lifelines” keeping people alive in Gaza were “collapsing”. Earlier the World Health Organisation said that **Israel's** armed forces attacked its staff residence and main warehouse in Gaza, reducing its capacity to work in the strip. Israel has rejected a statement from a group of 28 countries calling for an immediate ceasefire in Gaza.

Scott Bessent, America's treasury secretary, called for an inquiry into the “entire **Federal Reserve** institution”. His comments to CNBC follow Donald Trump's repeated criticisms of the central bank and Jerome Powell, its chair. Mr Bessent later wrote on social media that the [Fed's independence](#) is “a cornerstone” of American stability, but that its autonomy is threatened by “mandate creep into areas beyond its core mission”.

AstraZeneca plans to invest \$50bn in order to expand manufacturing and research in America by 2030. The announcement by the Anglo-Swedish pharmaceutical giant comes in response to Donald Trump's threats to impose import tariffs on the industry to boost domestic manufacturing. The investment will fund a new drug-making facility in Virginia and also upgrade the company's clinical-trial supply network.

A military plane crashed into a school campus in Dhaka, **Bangladesh's** capital, killing at least 27 people and injuring more than 170. Bangladesh's air force said an F-7 BGI training aircraft crashed shortly after take off. Bangladesh's interim leader, Muhammad Yunus, called it a "moment of profound pain" for the country and said the government would investigate the incident's cause.

Polymarket, a current-affairs prediction market, bought QCEX, a small and regulated derivatives exchange. The move will allow Polymarket to operate legally in America. Earlier this month financial regulators dropped an investigation into the platform. They had been probing whether the firm had allowed Americans to bet on the 2024 presidential election, despite not being registered.

A High Court judge ruled that the site of the **Wimbledon** tennis championship can be expanded to over twice its current size. A group of nearby residents had challenged the permission granted by the Mayor of London's office last September. Wimbledon says it needs to expand to keep up with other major tournaments. Grand designs in Britain are often [thwarted](#) by judicial reviews.

Fact of the day: 433,000, the number of Chinese officials being probed in a crackdown launched in April 2024. [Read the full story.](#)



Photograph: Alamy

Jerome Powell sets out his case

Speculation about who will be the next chair of the Federal Reserve is getting more intense. On July 16th markets quaked because Donald Trump, [frustrated](#) by Jerome Powell's refusal to lower interest rates as fast as he wants, talked about sacking him before his term ends next May. He thought better of it. (The *Wall Street Journal* reported that Scott Bessent, the treasury secretary, who is a contender to replace Mr Powell, persuaded him to forebear.)

Mr Powell himself will give a speech on Tuesday. He has pushed a “wait-and-see” approach to assessing how tariffs might affect interest-rate decisions. Most analysts assume that a cut at the next Fed meeting, on July 30th, is off the cards—especially as [tariffs](#) have started to increase inflation. However, last week Christopher Waller, a Fed voting member and another possible successor to Mr Powell, gave a speech titled “The Case for Cutting Now”. That's what Mr Trump wants to hear, though Mr Waller's justification—weakening labour-market data—will please him less.

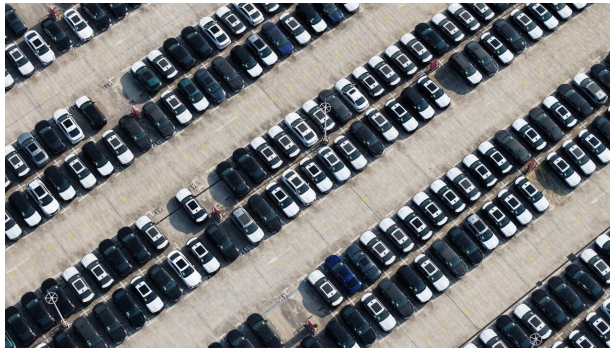


Photograph: EPA

Israel's next steps in Gaza

As expectations of a ceasefire in Gaza grow, Israel has been intensifying its [operations](#) in the strip. On Monday it launched an attack on Deir al-Balah, to the south of Gaza City. The town has largely remained out of the fighting during the war, which has been raging for over 21 months. There has also been a shocking rise in casualties, particularly near food-distribution centers, where Palestinian health authorities and international aid organisations claim over 800 people have been killed by Israeli fire. Israel denies these numbers.

Israel claims it is attacking members of the [Hamas](#) Islamist militant group that still controls parts of Gaza, but army officers admit in private that until they know if there is a ceasefire, there is scant military purpose to the operations. But, should the latest indirect talks between Hamas and Israel in Doha fail, Israel is planning an even larger—and more purposeful—assault.



Photograph: Getty Images

GM's struggles in the tariff dragnet

General Motors' second-quarter results, released on Tuesday, may start to reflect the potential cost of tariffs, which the company estimates at between \$4bn and \$5bn this year. President Donald Trump's efforts to [reshore carmaking](#) through levies on many foreign-made vehicles and parts, to encourage manufacturing at home, is likely to mean lower revenues and profits for the Detroit giant.

This comes despite bumper sales in the latest three-month period, including of electric vehicles, as well as a welcome surge in sales in China. GM has a plan to offset up to 30% of the impact of tariffs by investing \$4bn in manufacturing in America, as well as cutting costs while steering clear of price cuts to boost sales. Nonetheless, the administration's latest proposed tariff, of 50% on imported [copper](#), will add to the firm's problems; the red metal is used extensively in all cars, but particularly in electric vehicles. Mr Trump is still looming large.



Photograph: Getty Images

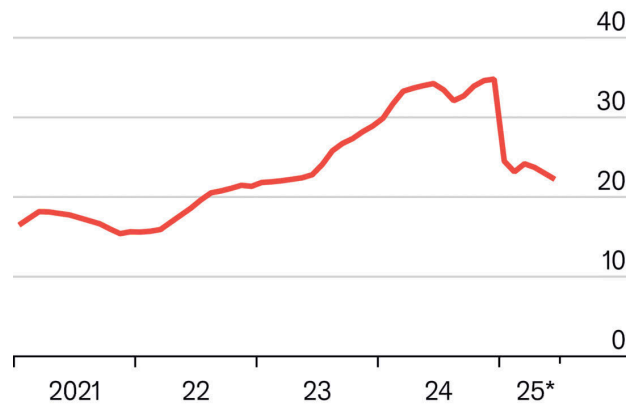
Nigeria's economy at a turning point

The monetary policy committee of Nigeria's central bank meets on Tuesday to set interest rates. Even if there is a cut, they are likely to remain high, as the country has been operating a tight monetary policy to bring down inflation. But the approach seems to be working: headline price growth fell for a third consecutive month to 22.2% in June, an almost two-year low.

After a tumultuous few years, Nigeria's currency appears to be stabilising. This comes despite a [drop in the price of oil](#), the country's main export. The Nigerian all-share index is up 18% and some analysts expect remittance inflows to rise from \$23.8bn last year to \$25.3bn this year. An oil refinery built by Africa's richest man, Aliko Dangote, has reduced Nigeria's costly dependency on imported petroleum products. But there is room for caution: [food prices](#) have ticked up again. It will be a while before Nigerians feel better off.

Taming inflation

Nigeria, consumer prices,
% increase on a year earlier



*Series rebased

Source: LSEG Workspace



Illustration: The Economist

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 BST on Friday to [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

Tuesday: Who set his guitar on fire at the Monterey International Pop Festival in 1967, an event which cemented his fame?

Monday: Who placed an advert in Jazz News in 1962, inviting applicants to join an R&B band that became the Rolling Stones?

*Naught is too small and soft to
turn and sting.*

Emma Lazarus