

The world in brief

Catch up quickly on the global stories that matter



Photograph: VCG via Getty Images

Intel's share price closed up by more than 22% after **Nvidia**, a chipmaker, [said it would invest](#) \$5bn in its [struggling rival](#). The deal will make Nvidia one of Intel's largest shareholders, with more than 4% of the company's shares. Nvidia's stock rose by more than 3%. In August America's government and SoftBank, a Japanese firm, invested more than \$10bn in Intel.

Donald Trump and **Sir Keir Starmer** took opposing stances on Britain's decision to formally recognise a Palestinian state, which the government is expected to confirm this weekend. America's president said it was one of the "few disagreements" he had with the prime minister on his [state visit](#) to Britain. Meanwhile Sir Keir said they had discussed how to increase pressure on Russia over the war in Ukraine.

The **Trump administration** asked the Supreme Court to allow it to remove **Lisa Cook**, a Federal Reserve governor, from the central bank's board while a lawsuit challenging Donald Trump's attempt to fire her proceeds. The Justice Department asked the court to lift a federal appeals-court decision that enabled Ms Cook to participate in this week's [monetary-policy](#) meeting.

British police arrested three people on suspicion of spying on behalf of **Russian intelligence**, an offence which carries a maximum sentence of 14 years in prison. Two men and a woman were held under national-security laws before being released on bail, London's Metropolitan Police said. Russia has [increasingly](#) hired foreign nationals to conduct acts of espionage and sabotage in Europe.

Shares in **Novo Nordisk**, a Danish drugmaker, rose by more than 6% after late-stage trial results for its new obesity pill showed almost as much weight loss as its Wegovy jab. The results are a boost to the company which has faced growing competition in the weight-loss market from [Eli Lilly](#), an American rival.

Meta unveiled its first smart glasses with a screen built into a lens. Users would be able to see messages and video calls on the display. The device will also show conversations with [Meta's](#) AI-powered chatbot. The company's boss, Mark Zuckerberg, hopes consumers will use the gear, which will cost around \$800, instead of hardware such as smartphones.

Turning Point USA, the [conservative youth organisation](#) founded and led by **Charlie Kirk**, announced that his widow, Erika, would take over as CEO and board chair. The organisation vowed to become "more powerful and enduring than ever before". On Sunday TPUSA will host a memorial service for [Mr Kirk](#) in Arizona; Mr Trump and J.D. Vance will attend and deliver remarks.

Figure of the day: 21%, the approximate share of FBI agents Donald Trump has diverted to do the work of ICE. [Read the full story.](#)

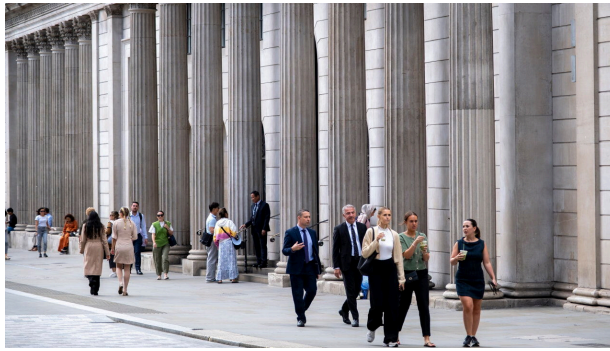


Illustration: David Simonds

Can America's neighbours stand together?

On Thursday Mark Carney, Canada's prime minister, starts a two-day visit to Mexico City. He will discuss trade, investment, energy, security and infrastructure with Claudia Sheinbaum, Mexico's president. Donald Trump's [trade war](#) on both countries will affect almost every aspect of their conversation. America is the main market for Mexican and Canadian exports. But Mr Trump has imposed tariffs on some exports from the two countries and is threatening to renegotiate USMCA, a free-trade pact, when it comes up for review in 2026.

Mexico and Canada would do well to co-ordinate. Canada has sometimes sought to shield its own industries by encouraging America to punish Mexican exporters, and said last year that it shared some of America's concerns about Chinese investment in Mexico. Yet Canadian firms invest heavily in Mexican mining and gas. Mexican officials are eager for more Canadian investment. Both Mr Carney and Ms Sheinbaum know that their countries' prosperity may depend on working together to deal with their shared neighbour.



Photograph: Getty Images

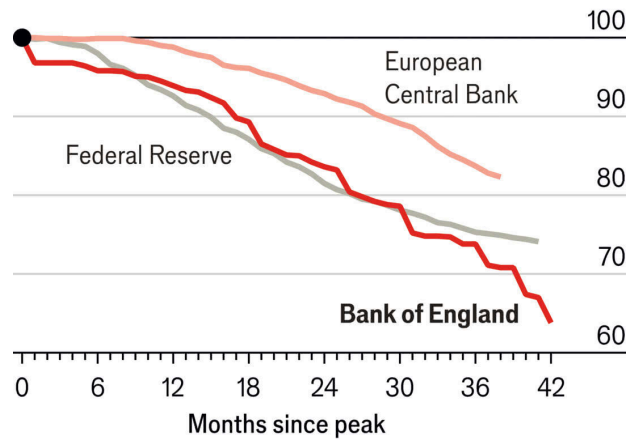
The Bank of England's other big decision

On Thursday the Bank of England held its benchmark interest rate at 4%. Inflation is stubborn. Consumer prices rose by 3.8% year on year in August, well above the bank's 2% target. One-off events, such as an increase of 26% in water bills in April, are partly to blame. But policymakers are worried that expectations of high inflation are becoming entrenched. That makes rate cuts this year increasingly unlikely, even though the labour market is weakening.

But the real action was the bank's decision on quantitative tightening. It has been reducing holdings of government bonds by £100bn (\$137bn) per year, an unusually high rate for a major central bank. This may have played a small role in making yields on long-term [British bonds](#) the highest in the G7. On Thursday the bank reduced the pace of bond sales to £70bn a year. That could ease some of the pressure that has been driving up Britain's borrowing costs.

Slimming down

Central banks' quantitative-tightening trajectories
100=peak asset holdings



Sources: NIESR; central banks



Photograph: AP

FedEx after the “de minimis” loophole

FedEx has had a good run. For years the logistics giant benefited from [America’s “de minimis” exemption](#), which allowed low-value shipments worth less than \$800 to enter the country duty-free. The provision fuelled an explosion in online shopping and a golden age for parcel deliveries. Without duties or cumbersome paperwork, parcels moved through customs with minimal friction, leading to faster delivery times and lower costs for carriers.

Now the boom is over. Donald Trump ended the de minimis exemption for goods from China and Hong Kong on May 2nd, and for all other countries on August 29th. When FedEx reports quarterly results on Thursday, shareholders will watch for early signs of strain. Still, because the new rules came into effect a few days before the close of FedEx’s fiscal quarter on August 31st, the full impact of Mr Trump’s abolition of the exemption will not yet be clear. FedEx won’t be as lucky next time.

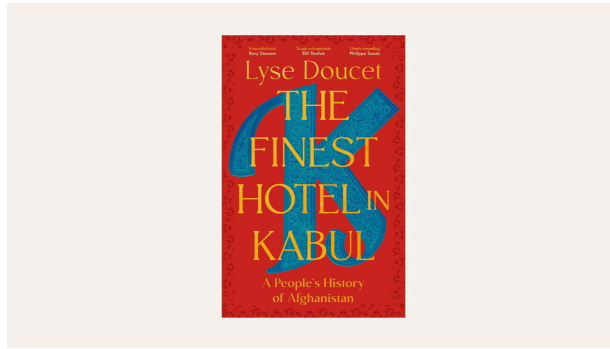


Photograph: Reuters

A wave of strikes hits France

On Thursday [Sébastien Lecornu](#), France's new prime minister, faces his first big test since taking office on September 10th. Trade unions have called a one-day strike. Hundreds of thousands of protesters are expected to take part in some 250 marches across the country. It could be the biggest day of action since strikes against pension reform in 2023. Many trains and metro services have been cancelled. A third of primary-school teachers are expected to be on strike.

The strikes reflect public anger at political deadlock, as well as demands for a lower retirement age and heavier taxes on the rich in Mr Lecornu's budget. Some protesters will doubtless call for President Emmanuel Macron to resign (which he has ruled out) or for fresh parliamentary elections (which he may be forced into calling if the new government falls). The government plans to deploy 80,000 police officers. The fear is that radical elements will infiltrate the marches and spread violence.



Photograph: Hutchinson Heinemann

A luxury hotel tells the story of Afghanistan

The Intercontinental Kabul, Afghanistan's first luxury hotel, opened in 1969. The lobby blazed gold; the Bamiyan Brasserie boasted a carving of Buddha; women lounged by the pool in bikinis. Today the Taliban run the show. The Bamiyan Brasserie, named for a Buddhist site in Afghanistan, is now the Bukhara Restaurant, named for an historic centre of Islamic scholarship in Uzbekistan. The carving has been defaced. Pictures of women in bikinis have been painted over.

In "The Finest Hotel in Kabul", a book published on Thursday, Lyse Doucet, a journalist for the BBC, tells the story of the hotel through the people who have worked there. The cast endures coups, invasions, a civil war and terror attacks. Throughout, the Intercontinental keeps its doors open. They remain so today. The hotel is nestled between two hills overlooking a city now under Islamist rule. For many of those who shared their stories with Ms Doucet, work continues.



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

Thursday: Which 18th-century satirist wrote the essay “A Modest Proposal” suggesting the poor should sell their children to the elite for use as food?

Wednesday: Which singer, formerly with the group Clannad, had her biggest hit with “Orinoco Flow (Sail Away)”?

*You raise your voice when you
should reinforce your argument.*

Samuel Johnson