

Politics



The **Syrian** army bombarded Eastern Ghouta, a rebel-held suburb of Damascus, killing hundreds of people, according to observers. Meanwhile, pro-government militias moved into the Kurdish enclave of Afrin, where they attempted to join Kurdish forces defending the region from **Turkish** troops, who entered the area last month.

An aide to Binyamin Netanyahu turned state's witness in a case involving allegations of corruption at Bezeq, an **Israeli** telecoms giant. It is one of several investigations encircling Mr Netanyahu, who denies wrongdoing. Police also accused a former spokesman for the prime minister of trying to bribe a judge into dropping a fraud case against Mr Netanyahu's wife.

Cyril Ramaphosa was sworn in as president of **South Africa**. A new budget reminded voters just what a fiscal mess he has inherited from his predecessor, Jacob Zuma, under whom graft and cronyism thrived.

Dozens of schoolgirls were missing after an attack on a village in north-eastern **Nigeria** by jihadists from Boko Haram. The group's abduction of 270 girls in 2014 from a school in Chibok sparked international outrage; over 200 are still held captive.

The UN warned of a humanitarian disaster in the **Democratic Republic of Congo**, where millions of people have been displaced by

fighting between militias and government forces.

Rusty armed forces

A parliamentary report in **Germany** disclosed that much of the country's military equipment is defective. At the end of last year, it said, not one of the navy's six submarines was operational. Germany spends only 1.2% of its GDP on defence, far below the 2% to which NATO countries are committed.

Annegret Kramp-Karrenbauer, dubbed by some as the "mini-Merkel", was appointed secretary-general of Germany's ruling **Christian Democratic Union**, possibly a sign that she is being groomed as Angela Merkel's eventual successor.

On the streets

Brazil's president, Michel Temer, ordered the army to take control of security in the state of Rio de Janeiro after shoot-outs during Carnival festivities. Some say the military intervention, the first of this scale since Brazil's return to democracy in the 1980s, is a ploy to boost Mr Temer's rock-bottom popularity. It also halts a controversial pension-reform bill, as the constitutional changes it requires are forbidden during army interventions.

The head of an anti-corruption mission in **Honduras** sponsored by the Organisation of American States resigned. He complained of a lack of support from the Honduran government and from the OAS.

Venezuela's government launched an oil-backed digital currency, the petro, in an attempt to circumvent foreign

sanctions imposed by America and to raise cash during a dire economic crisis. Meanwhile, the main opposition coalition announced it would not take part in hastily scheduled presidential elections in April, claiming that the vote will be rigged.

A court in **Peru** ruled that Alberto Fujimori, a former president, could be tried for his alleged role in the death-squad killings of six people in 1992. Late last year Pedro Pablo Kuczynski, the current president, pardoned Mr Fujimori, who had been convicted of another crime.

Nothing fake about this

The **Russian** government denied that it had meddled in the American presidential election of 2016. Robert Mueller, the special counsel investigating Russian influence in the campaign, had earlier issued indictments against 13 Russian citizens, laying out in detail the extent to which they had tried to sway the election using social media.

Following the mass shooting at a school in Florida, Donald Trump issued an order to ban **bump-stocks**, devices that convert some weapons into fully automatic rifles.

Pennsylvania's highest court redrew the boundaries of the state's congressional districts, having ruled last month that the map drawn by the Republican legislature was a clear case of partisan **gerrymandering**. The new boundaries make a handful of seats in the state more competitive.

Mitt Romney announced that he would run for a Senate seat in Utah. The former Republican presidential candidate declared that Utah welcomes legal immigrants, in contrast to the "message of exclusion" sent from Washington. Mr Trump endorsed his candidacy, though their truce is unlikely to hold. In 2016 Mr Trump described Mr Romney as one of the "dumbest" candidates in Republican history. Mr Romney called Mr Trump a "fraud".

So close, and yet so far

The White House said that Mike Pence, America's vice-president, had planned to meet senior **North Korean** officials at the Winter Olympics in South Korea, but that the North Koreans had pulled out at the last minute.

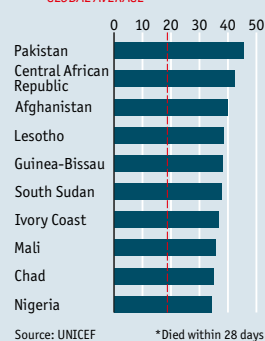
The parliament of the **Maldives** voted to extend by 30 days the 15-day state of emergency declared earlier this month by Abdulla Yameen, the president. But not enough lawmakers were present to make a quorum. The prosecutor-general declared the vote illegal.

A **Malaysian** court declined to hear challenges to proposed new parliamentary constituencies, even though they would further skew elections in favour of the ruling coalition. The opposition won 51% of votes at the most recent election, but only 40% of seats.

Neonatal deaths

Per 1,000 live births*, 2016

--- GLOBAL AVERAGE

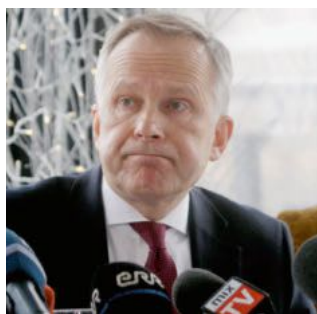


Source: UNICEF

* Died within 28 days

Deaths of newborn babies in African and Asian countries are still distressingly common, according to a report from UNICEF. In some poor countries the neonatal death rate (when a child dies within 28 days of being born) is 50 times higher than it is in some rich countries. In Pakistan one in 20 newborn babies dies within a month; in Japan it is one in 1,000. Each year 2.6m infants do not survive a month. UNICEF says 80% of cases could be averted with better health-care provision and education. Some 1m babies draw their last breath on the same day as their first. ►►

Business



The governor of Latvia's central bank denied claims that he had accepted bribes, saying he had been smeared in an attempt to throw his anti-corruption campaign off course. Ilmars Rimsevics has headed the **Bank of Latvia** since 2001. The Baltic country has a reputation as a money-laundering hub for Russians; America recently banned Latvia's third-largest lender from operating in the country for allegedly laundering billions of dollars. Latvia's defence ministry suggested that the allegations against Mr Rimsevics were part of a "massive information operation" directed from another country (ie, Russia).

The release of the minutes from the **Federal Reserve's** latest meeting indicated its approach to raising interest rates is more hawkish than had been thought, which drove the yield on the ten-year American Treasury bond to its highest level in four years.

Germany wants the top spot

Luis de Guindos, Spain's economy minister, secured the job as the next vice-president of the **European Central Bank**. Three other appointments to the ECB's six-member executive board are to be made over the next 18 months, including a replacement for Mario Draghi, the president.

In the week that Stuart Gulliver retired after seven years as chief executive, **HSBC** reported a big rise in pre-tax profit for 2017, to \$17.2bn. It also took a charge in part related to bad loans that were probably made to Carillion, a bankrupt government contractor.

The head of **Ford's** North American business was sacked after the company investigated allegations of misconduct made against him. Raj Nair had worked at the carmaker for three decades.

Online accounting

Investors took fright at **Walmart's** announcement that its online sales have slowed considerably, sending its share price down by 10%. The retailer has made a big push into e-commerce to counter competition from Amazon, but online revenue in America grew by 23% in its latest quarter, much slower than the more than 50% chalked up in previous quarters. E-commerce accounts for a tiny part of Walmart's sales. It hopes to increase that by focusing on its Walmart-branded website rather than the Jet.com site that it acquired in 2016.

Amazon's existential threat to conventional bricks-and-mortar supermarkets was also a factor behind the decision by **Albertsons** to buy the parts of the **Rite Aid** pharmacy chain that are not being acquired by Walgreens. Albertsons, which operates in 35 states and counts the Safeway and Vons brands among its assets, hopes that putting Rite Aid's drug coun-

ters in its stores will bring in more shoppers, who might then be tempted to buy the food it sells.

Buoyed by a healthy underlying six-month profit, **BHP Billiton** slapped down a proposal from Elliott, an activist hedge fund, to end its dual listing in London and Sydney and list solely in Australia. For months Elliott has been putting pressure on the mining giant over its corporate structure. It reckons a sole listing could reap \$22bn in savings, but Andrew Mackenzie, BHP's chief executive, is pointing to the risks, such as being booted out of the FTSE 100 index.

Glencore's annual net profit soared to \$5.8bn and it announced a big payout to shareholders. The mining and commodities trading company has benefited from rising prices for metals and minerals, such as copper, coal and cobalt.

Qualcomm raised its bid for **NXP Semiconductors** to \$44bn, an offer that was accepted by those hedge funds with stakes in NXP that had pressed Qualcomm to increase its price. Qualcomm wants to buy NXP in order to expand its chip business, which has focused on smartphones,

towards the new smart technologies found in cars and security systems. A deal would also fortify its defences against a hostile takeover attempt from Broadcom.

Output per hour in Britain, the main measure of the Office for National Statistics for **labour productivity**, increased by 0.8% in the final quarter of 2017; the last six months of the year saw the strongest growth in productivity since the economic downturn of 2008. The unemployment rate increased slightly, to 4.4%, which the ONS suggested might become a trend as people previously defined as "inactive" register as unemployed, and fewer people drop out of the labour market and become inactive.

What a fowl-up

Kentucky Fried Chicken closed two-thirds of its outlets in Britain when it ran out of hens. It has switched its logistics contract to DHL, which failed to deliver the poultry. Fans of KFC were in a flap. Some thought that Amazon's drones would have done a better job, but most were left asking DHL: Why didn't the chickens traverse the road?

Other economic data and news can be found on pages 76-77

