

## Politics



Tens of thousands of Palestinians protested along the border between **Gaza** and **Israel** to highlight their various grievances. Israeli soldiers shot and killed about 60, according to Gaza's health ministry. Some had attempted to breach the border fence; others threw rocks and Molotov cocktails at the Israeli side. Most of the protesters, however, were unarmed.

On the same day as the violence, America opened its new embassy in **Jerusalem**, recognising the contested city as Israel's capital. Binyamin Netanyahu, Israel's prime minister, said it was a "great day for peace". Mahmoud Abbas, the Palestinian president, described the embassy as a "us settlement outpost".

A coalition led by Muqtada al-Sadr, a Shia cleric who once urged attacks on American troops, won **Iraq's** parliamentary election, according to preliminary results. His allies promised to tackle corruption and curtail foreign influence. A coalition led by Haider al-Abadi, the prime minister, came second.

After a campaign marred by several murders, **Burundi** held a referendum on whether to extend the president's term from five years to seven. If it passes, Pierre Nkurunziza, who calls himself the country's "Supreme Eternal Guide", might remain president until 2034.

An outbreak of **Ebola** in the Democratic Republic of Congo spread to the city of Mbanda-

ka, a transport hub, raising fears that the disease will advance rapidly. At least 42 people have been infected by this latest outbreak so far.

## Fancy a flutter?

The Supreme Court overturned a law that banned **betting** on sports, finding that it infringed on states' rights. The law was passed in 1992 (Nevada was exempted). Americans already place an estimated \$150bn of illegal wagers on sports each year.

Another round of primary elections was held in America to pick congressional candidates for the mid-terms. **Pennsylvania's** contests took place under new district boundaries, after a court over-ruled Republican gerrymandering. Three women won in heavily Democratic districts, so the state's all-male delegation will probably be slightly feminised in November.

## Unknown territory

**Italy's** populist Five Star Movement (M5S) and far-right Northern League neared agreement on forming a governing coalition, more than two months after an election. The government would be the first all-populist one in western Europe. Many fear it could pull Italy out of the euro and cosy up to Russia. The parties have struggled to reconcile their programmes, which promise big tax cuts (the League) and benefit increases (M5S).

**Catalonia's** parliament elected Quim Torra as president of the region. He was backed by Carles Puigdemont, who was forced from office when he declared independence and is now in Germany. The Catalan parliament approved Mr Torra, a hardline separatist who has made disagreeable remarks about Spaniards, by a margin of one vote.

The Open Society Foundations decided to close shop in Budapest, the birth place of George Soros, its founder, and move its Hungarian operations to Berlin. Mr Soros has been scapegoated by the nationalist

Fidesz government, which blames the Jewish billionaire philanthropist for much that goes wrong in **Hungary**.

## Time to talk



Students, businessfolk and civic leaders in **Nicaragua** gathered in Managua, the capital, for the first day of talks with Daniel Ortega, the president. The "dialogue", which is being mediated by the Catholic church, follows weeks of protests against Mr Ortega's socialist government, in which dozens of people were killed.

Margarita Zavala, an independent candidate in **Mexico's** presidential election, dropped out to "free" her supporters to vote for more popular candidates. Her withdrawal could weaken Andrés Manuel López Obrador, a left-wing populist who has a big lead in the polls.

**Venezuela's** socialist regime took over a factory that Kellogg, a food company, had closed because of the country's economic meltdown. President Nicolás Maduro said workers at the factory could "continue producing for the people", who are going hungry because of price controls and official corruption. Meanwhile, prisoners took over the detention centre of Sebin, Venezuela's feared intelligence agency, to protest against abuses. The government said it had regained control; prisoners disputed this.

## Party poopers

**North Korea** cancelled a meeting with the South about improving ties and threatened to pull out of a summit between its leader, Kim Jong Un, and Donald Trump, due to take place in Singapore in June. The Kim regime hinted that it was

less keen on giving up its nuclear weapons than it had previously implied.

**China** marked the tenth anniversary of an earthquake in Sichuan that killed 70,000 people. President Xi Jinping said China had provided "enlightenment for the international community" in rebuilding disaster zones. Officials imposed tight security, fearful of attempts by parents to mourn children who died in shoddily built schools.

The governor of the **Indian** state of Karnataka invited the Bharatiya Janata Party to form a government, though two other parties had won a majority of the state legislature between them. The pair appealed to the Supreme Court.

Suicide-bombers attacked churches and police stations in **Indonesia**, killing 13 people. The attacks were mounted by families, including children. Islamic State claimed responsibility.



Anwar Ibrahim, **Malaysia's** former finance minister and a leader of the opposition alliance that won the recent general election, was released from prison on the ground that his jailing had been politically motivated. Mr Anwar is expected eventually to take over from the current prime minister, Mahathir Mohamad.

The windscreen of a Chinese **passenger jet** blew out while it was cruising at 32,000 feet. The co-pilot was sucked halfway out, but was saved by his safety belt. The pilot landed the aircraft safely, despite the sudden loss of cabin pressure and a plunge in temperature to -30°C (-22°F).

## Business

President Donald Trump introduced a plan to lower the cost of **drug prices** for consumers in America. The proposals include compelling pharmaceutical firms to list their prices in advertisements. The government may also get tough with firms that prevent their drugs from being copied when patents expire. But Mr Trump stopped short of keeping his populist pledges, such as allowing Americans to import prescriptions from other countries. The share prices of leading drug companies rose after his speech.

### The great protector

Taking many in his administration by surprise, Mr Trump tweeted that he was working to overturn a ban on American chip companies from selling to **ZTE**, a Chinese maker of telecoms equipment, because of the job losses it entailed in China. The Commerce Department imposed the ban on ZTE for contravening a settlement over selling products to Iran and North Korea. Mr Trump said his remarks were made in the context of negotiating with China to avoid a trade war.

America claimed victory after the **World Trade Organisation** upheld a decision that the European Union wrongly provided subsidies to Airbus. Robert Lighthizer, America's trade representative, said that unless the EU stopped "breaking the rules" America would "have to move forward with countermeasures on EU products". Airbus retorted that 94% of Boeing's original claims had been dismissed by the WTO. A separate case brought by the EU against American support for Boeing will come up later this year.

**Vodafone** announced that Vittorio Colao is to step down as CEO after ten years in the job. During Mr Colao's tenure the world's second-biggest wireless provider sold its minority stake in Verizon Wireless, a deal which fetched \$30bn, \$84bn of which was

returned to shareholders. It recently struck an agreement to expand in Europe by buying some of Liberty Global's assets. Nick Read, the company's chief financial officer, steps up to the top job.

**Xerox** called off an agreement that would have seen it merge with **Fujifilm**, with which it has a long-standing joint venture in Asia selling photocopiers. The deal had been strongly opposed by Carl Icahn and Darwin Deason, two investors who own more than 10% of the shares in Xerox.

In an acquisition underlining the popularity of price-comparison services, **Silver Lake**, an American private-equity firm, agreed to buy **ZPG**, which owns several such websites in Britain, including Zoopla and uSwitch, for £2.2bn (\$3bn).

### A hawkish dove

The **Turkish lira** tumbled against the dollar again, after Recep Tayyip Erdogan, Turkey's president, said that he will seek greater influence over monetary policy if he wins next month's snap election. Mr Erdogan's distaste for high interest rates, which he recently described as the "mother and father of all evil", has increased investors' concerns

about the capacity of Turkey's central bank to rein in inflation and arrest the currency's fall.

Britain's financial-conduct regulators handed a £642,000 (\$865,000) fine to **Jes Staley**, the chief executive of Barclays, for his attempt to unmask an internal whistleblower. The regulators said that Mr Staley "failed to act with due skill, care and diligence" in his response to an anonymous letter that criticised a senior executive at the bank.

After months of negotiations, **Saudi British Bank (SABB)** and **Alawwal Bank** struck a preliminary agreement to merge. The combination of SABB, which is 40% owned by HSBC, and Alawwal, which is 40% owned by the Royal Bank of Scotland, would create Saudi Arabia's third-biggest bank. It would also mark the largest banking merger in the kingdom since 1999.

**Punjab National Bank** reported a net loss of 134bn rupees (\$2bn) for the quarter ending on March 31st, one of the biggest ever at an Indian state-owned bank. The loss was mostly a result of setting aside money to cover a fraud involving diamond firms that raised credit abroad using fake

guarantees from PNB. Federal investigators have charged more than 20 people in the case, including a former chief executive of the bank.

### The stakes are high



The British government reduced the maximum stake at **fixed-odds betting terminals** from £100 (\$135) to £2. Groups helping gambling addicts had pressed for change, claiming punters could potentially lose £18,000 an hour because £100 can be wagered every 20 seconds at the machines. FOBTs are the primary source of income for betting shops, generating £1.8bn a year. Each terminal (restricted to four per shop) on average takes in £50,000 a year for a bookie. The industry has warned there will be big job losses because of the change.

For other economic data and news see Indicators section

