

Catch up: Israeli minister criticises ceasefire proposal; Fed cuts rates



Bezalel Smotrich, **Israel's** hard-right finance minister, criticised a proposed **ceasefire deal** that is reportedly close to being agreed with **Hamas**. The agreement is said to involve a six-to-eight-week pause in fighting in Gaza, and the exchange of Israeli hostages and Palestinian prisoners. Mr Smotrich opposes releasing prisoners or allowing [displaced Gazans](#) to return. Some ministers have threatened to topple the government if the deal proceeds.

The **Federal Reserve** cut its benchmark **interest rate** by a quarter of a percentage point, bringing it to a range of 4.25%-4.5%. It is the third consecutive reduction. Most of the Fed's members said they believed the [central bank](#) would issue just two cuts next year—fewer than they forecast in September—as inflation remains above the Fed's 2% target.

Russia's domestic-security agency, the FSB, arrested an Uzbek man for the assassination of [Lieutenant General Igor Kirillov](#), the head of Russia's nuclear-protection forces. A bomb killed General Kirillov in Moscow on Tuesday. The FSB released video footage of

the accused man, in which he said that Ukrainian intelligence services offered him \$100,000 and safe passage to the EU.

UniCredit, an Italian bank, requested approval from European regulators to increase its stake in **Commerzbank** to 28%. It directly owns 9.5% of its German rival already, and [plans](#) to convert derivatives representing an additional 18.5% stake into shares. Germany's government, wary of a takeover ahead of elections, opposes the move; Commerzbank's bosses are also hesitant.

Merck, an American pharmaceutical giant, signed a licensing deal worth \$2bn with **Hansoh Pharma**, a Chinese rival, to develop and commercialize an oral [obesity drug](#). Merck will pay \$112m upfront for exclusive rights to the Chinese drug, which is in preclinical testing and aims to compete with injectable GLP-1 treatments such as Wegovy, manufactured by Novo Nordisk. Merck's shares rose on the news.

Inflation in **Britain** rose to an annual rate of 2.6% in November, up from 2.3% a month earlier. The rise, while not surprising, makes it very likely that the Bank of England will keep interest rates where they are at a rate-setting meeting on Thursday. Pricey clothes and fuel helped to push up inflation; on Tuesday figures showed wages growing faster than expected too.

America's **Supreme Court** agreed to hear **TikTok's** challenge to a law requiring its sale to a non-Chinese owner by January 19th or [face a ban](#). The expedited case is set for January 10th. TikTok and ByteDance, its Chinese parent company, argue the bill [violates free-speech rights](#); the government says it is a [national-security threat](#).

Figure of the day: 29, the number of strikes involving more than 1,000 workers in America between January and November. [Read the full story](#).

Is a Gaza ceasefire finally in sight?



The Middle East has been here time and again. Meetings in Cairo and Doha; optimistic briefings of an imminent breakthrough; and then the breakdown of talks. But there is now reason to believe Israel and Hamas are at last close to a ceasefire agreement, or at least a truce. The deal might end the devastating war in Gaza, which began over 14 months ago with the October 7th attacks.

Obstacles remain, particularly the question of when Israeli troops will leave Gaza entirely. But the [fall of the Assad regime](#) in Syria, Hizbullah signing a ceasefire in Lebanon and Iran re-assessing its regional strategy have all isolated Hamas. Meanwhile Israelis are war-weary: many want the government to do more to secure the release of the roughly 100 hostages still held in Gaza. President Joe Biden wants a deal as one of his last acts in office; Donald Trump expects a ceasefire by his inauguration on January 20th. This time it may finally happen.

Ueda Kazuo's balancing act



Foreign tourists are flooding to Japan, making merry with a yen languishing at around 150 against the dollar. But for the Bank of Japan, which concludes a two-day policy meeting on Thursday, the weak currency is no cause for celebration. Pricier imports are squeezing household budgets. Japan's annual inflation rate was 2.3% in October, down from 2.5% the previous month, but still above the bank's target of 2%.

Last month Ueda Kazuo, the central bank's governor (pictured), said that the time for another interest-rate rise is "nearing". But most analysts reckon the BoJ will keep rates at 0.25% this month. The bank is treading carefully: when Mr Ueda unexpectedly raised rates in July, the [stockmarket crashed](#). Some think January may be a more appropriate time to increase rates. Yet even that is fraught: a new American administration brings with it threats of higher tariffs and more economic uncertainty.

The year according to Putin



On Thursday Vladimir Putin hosts his annual press conference, in which he answers softball questions about the year's achievements at great length. Russia's president may be cheerful. His forces continue to progress in eastern Ukraine, albeit at a cost of many men. And Donald Trump's victory might provide a boon. Many people think he will keep his promise to end the war swiftly by imposing a bad deal on Ukraine.

Still, Mr Putin has plenty of problems. On Tuesday Ukraine [assassinated a Russian general](#) in Moscow, showing that its security services remain a threat. The Kremlin is also reckoning with the fall of Bashar al-Assad, its ally in Syria, where it hopes to hold on to crucial military bases. On top of all that, the economy is [under strain](#). Russia's central bank is expected to raise interest rates to 23% on Friday as it struggles to tame inflation fuelled by the government's war spending.

France's harrowing rape trial ends



The verdict is expected on Thursday in a [rape trial](#) that has deeply disturbed France. Dominique Pelicot, a 72-year-old, is accused of drugging his wife, Gisèle, raping her, and recruiting online dozens of other men to rape her too while she was unconscious. The filmed scenes were found on Mr Pelicot's computer. He has been tried along with 50 co-accused. The prosecution has requested a 20-year firm prison term for Mr Pelicot.

The trial has been widely covered in France, and abroad. It has woken up the country to the horror of chemical submission, and exposed widespread misunderstandings about consent, and what constitutes rape. Mr Pelicot has confessed to rape, but some of his co-accused claimed not to have considered it as such. Ms Pelicot, now divorced and applauded each day in court, has become a heroine for many women for her remarkable courage in forgoing anonymity and bringing the case into the open.

MrBeast comes to Amazon



Jimmy Donaldson, a 26-year-old social-media star better known as MrBeast, will launch his latest video series on Thursday. The ten-part game-show, “Beast Games”, will appear not on YouTube, his usual platform, but on Amazon’s Prime Video streaming service. MrBeast is not the only social-media star to [embrace Hollywood](#). Last month Jake Paul, another influencer, appeared on Netflix in a boxing match against Mike Tyson. The Sidemen, a troupe of YouTubers, will make a reality show for the same streamer next year.

The overlap between social media and the professional sort is growing. Viewers increasingly treat them as interchangeable: nearly half of all YouTube viewing in America now takes place on a TV screen. Their business models are also converging. Streamers like Netflix are racing to build their advertising business, while social platforms are pushing subscriptions. YouTube now has over 100m paying subscribers—more than many Hollywood streamers.

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 GMT on Friday to QuizEspresso@economist.com. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Thursday: Which Victorian poet had a secret courtship and marriage with the writer Robert Browning?

Wednesday: Which heavyweight boxer made a fortune promoting a grill after retirement?

**It is only when we are no longer fearful
that we begin to create.**

J. M. W. Turner