

The world in brief

Catch up quickly on the global stories that matter



Photograph: AFP

Sir Keir Starmer, Britain's prime minister, said he did not know "the depth and darkness" of Peter Mandelson's relationship with Jeffrey Epstein, a dead sex offender. He apologised to Epstein's victims for appointing Lord Mandelson as Britain's ambassador to America. The [increasing insecurity](#) of Sir Keir's leadership has spooked investors. The pound has fallen by nearly 1% against the dollar today.

Rio Tinto and **Glencore** abandoned plans for [a merger](#) that would have created the world's largest mining company, valued at more than \$260bn. Rio said the two sides failed to reach a deal that would deliver enough value to its shareholders. Glencore said Rio's offer "significantly undervalued" its business. Glencore's share price has fallen by more than 7%, while Rio's has dropped by more than 4%.

Volvo Cars reported an operating profit of skr1.8bn (\$200m) in its fourth-quarter earnings, a 68% year-on-year drop. The Swedish carmaker—which is majority Chinese-owned—is suffering from several problems common to the [European car market](#). Volvo blamed the Trump administration's tariffs and cuts to an electric-vehicle subsidy, as well as heavy competition in China, for its

underperformance. Its share price has fallen by more than 20% today.

Brad Karp stepped down as chairman of **Paul Weiss**, a white-shoe law firm, following revelations of his close relationship with **Jeffrey Epstein**. Mr Karp had led the company since 2008.

[Documents](#) released by America's Department of Justice showed that Mr Karp had offered informal advice to the deceased sex offender, and that Epstein arranged for Mr Karp to meet Woody Allen, a filmmaker.

Gunmen killed more than 160 people in an attack on two villages in Kwara State in **Nigeria**. The attackers have not been identified. Rural Nigeria is [plagued by kidnappings](#) and massacres. Donald Trump, prompted by conservative claims of a "Christian genocide", has urged Nigeria's government to improve security. Most of those killed in Tuesday's attack were likely Muslim, according to a village chief.

The top leadership body of the National People's Congress, **China's** legislature, dismissed three lawmakers with connections to the defence sector. One is the former boss of China's top military-aircraft manufacturer. Another is a nuclear-weapons researcher. The NPC gave no reason for their sacking. It comes after Xi Jinping, China's leader, [purged](#) two of the country's most senior generals.

The price of **Bitcoin** fell below \$70,000 for the first time since November 2024, reversing the gains the cryptocurrency had made since Donald Trump's re-election. Bitcoin has been declining since hitting a peak of \$126,000 in October 2025. Investors have [dumped the token](#) despite deregulation and the establishment of a Strategic Bitcoin Reserve in America, which have so far failed to transform the industry.

Figure of the day: 10,000, the estimated number of Colombians fighting in foreign conflicts. [Read the full story.](#)



Illustration: David Simonds

Russia tries to freeze Ukraine into submission

Russia's massive missile and drone attacks on Ukraine's energy infrastructure amid freezing temperatures, aimed at breaking the country's will to resist, mean that the [American-sponsored peace negotiations](#) under way in Abu Dhabi are mostly for show. On a visit to Ukraine this week NATO's secretary-general, Mark Rutte, said: "Russian attacks like those last night do not signal seriousness about peace." The bombardment makes Donald Trump—who had bragged about persuading Vladimir Putin to suspend such attacks—look either foolish or complicit.

Russia used the brief pause during the negotiations to save missiles for the next onslaught. One positive sign for the talks is that Ukraine's president, Volodymyr Zelensky, says that he is satisfied with the security guarantees that America and his European allies have given. But the Kremlin continues to insist that a ceasefire is conditional on Russia assuming control of the [highly fortified territory](#) in the eastern region of Donetsk, which it has been unable to take by force. That would be unacceptable to Ukraine.



Photograph: Getty Images

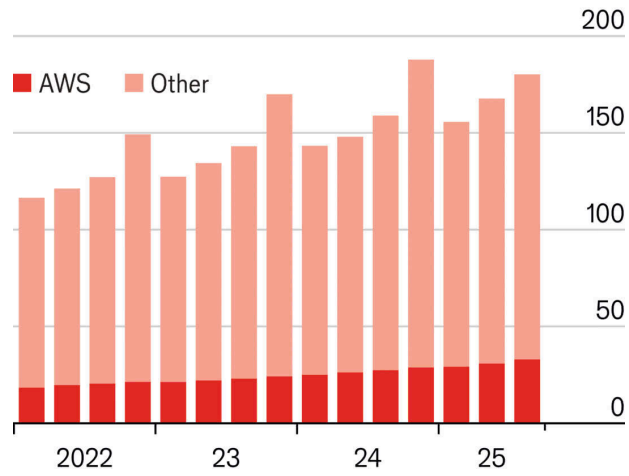
Amazon's chance to cheer investors

On Thursday Amazon reports fourth-quarter earnings. Above all, its executives will try to reassure the markets that [it is not an artificial-intelligence laggard](#). Investors' worries about Amazon's AI efforts focus on Amazon Web Services, the world's biggest cloud-computing business. Since the AI wave began in 2022, it has been losing market share to its rivals. Microsoft's share, for instance, has risen from 15% in 2022 to about 20% today, thanks in part to its partnership with [OpenAI](#), maker of ChatGPT. Alphabet, the owner of Google, has also been gaining on Amazon, helped by its cutting-edge models such as Gemini.

That said, Amazon has not been standing still. It struck a deal to provide OpenAI with processing power in November and plans to invest in the firm. It has also been developing its own chips to rival those of Nvidia. Investors will be watching eagerly for signs that its efforts are paying off.

Less than stellar

Amazon, revenues, \$bn



Source: S&P Capital IQ



Photograph: Reuters

Scott Bessent defends Donald Trump's Fed nominee

Scott Bessent, the treasury secretary, is testifying to Congress on Wednesday and Thursday. Mr Bessent has spent months auditioning candidates to chair the Federal Reserve. Last week [Donald Trump picked Kevin Warsh](#). Now Mr Bessent will need to give Mr Warsh's nomination a big push in the Senate. His confirmation, normally a formality, has hit a snag, called Thom Tillis.

The Republican, a member of the Senate Banking Committee who has often sparred with Mr Trump, has vowed to block all Fed nominations until the Department of Justice ends its dubious criminal investigation of renovation work at the Fed. This, the Fed says, is part of a campaign by the president to press it to lower interest rates. Assuming Mr Tillis and the White House find common ground, the spotlight will soon shift from Jerome Powell, the current chair, to Mr Warsh.



Photograph: Getty Images

The Bank of England stops for breath

The Bank of England kept its main interest rate unchanged at 3.75% on Thursday, marking a pause in easing. In December the Monetary Policy Committee voted 5-4 for a quarter-point cut, pointing to falling inflation and a weak labour market. But as interest rates edge closer to neutral (the level at which they neither stimulate nor constrain the economy), rate-setters are becoming more cautious.

Their hesitancy reflects lingering concerns about robust wage-growth projections and public perceptions that inflation will remain high, which sit uneasily with the bank's 2% inflation target. A Citi/Yougov survey released last week provided little reassurance, showing a rise in short-term household inflation expectations from 3.6% to 3.8% in January. Even so, with headline inflation expected to return to target in the first half of the year, at least one further reduction in rates over the coming months remains likely.



Photograph: The Pokémon Company International

Pokémon opens its first theme park

PokéPark Kanto, the first permanent outdoor Pokémon theme park, opened in Tokyo on Thursday. Tickets have been sold out for months. Its launch comes just ahead of the franchise's 30th [anniversary](#). Pokémon is the world's highest-grossing entertainment brand. One reason for its success is its “media-mix” strategy—releasing games, anime, trading cards and merchandise in tandem.

PokéPark Kanto adds shops, restaurants and fairground-style games to the mix. Visitors will enjoy rides like “Pika Pika Paradise” and shows in which life-sized versions of the furry duellists wage battle in a forest. Pokémon's bosses need cheering up: a card game due to be hosted on January 31st at a Japanese war shrine was cancelled when China complained about the venue. Pokémon hopes that the park will attract youngsters who are eager for more off-screen experiences. When it comes to fans, Pokémon wants to catch 'em all.



Illustration: Sandra Navarro

Daily quiz

We will serve you a new question each weekday. On Friday your challenge is to give us all five answers and tell us the theme. Email your responses (and your home city and country) by 1700 GMT on Friday to [\[email protected\]](#). We'll pick three winners at random and crown them on Saturday.

Thursday: Which mainland African country has the longest coastline?

Wednesday: The Pahlavi family ruled which Middle Eastern country?

*It is a poor head that cannot find
plausible reason for doing what
the heart wants to do*

Richard Hofstadter