

Catch up: Russia strikes Ukraine; aeroplane crashes in Kazakhstan



Russia launched missile and drone strikes on **Ukraine's** energy infrastructure on Christmas Day. The attacks killed one person in Dnipropetrovsk, a region in central Ukraine, and injured six in Kharkiv, in the north-east. The strikes targeted critical infrastructure, leaving hundreds of thousands without heating in freezing temperatures. Ukraine's energy minister described the assault as widespread. President [Volodymyr Zelensky](#) called it "inhuman".

An **Azerbaijan Airlines** aeroplane crashed near Aktau, a town in the south of **Kazakhstan**, killing at least 38 of the 67 people on board. The survivors, including two children, are hospitalised. The aircraft, which was flying from Baku to Grozny in Chechnya, had attempted an emergency landing after a bird strike. Azerbaijan's president, Ilham Aliyev, cut short a trip to Russia following the incident.

Israel and **Hamas** blamed each other for their failure to finalise an [agreement on a ceasefire in Gaza](#). Hamas accused Israel of setting

new conditions for the withdrawal of its troops. Binyamin Netanyahu, Israel's prime minister, said that the militant group was "lying" and backtracking on commitments. Israeli negotiators returned from talks in Qatar on Tuesday for consultations.

Thirty-three people were killed during a Christmas Day riot in a prison in Maputo, **Mozambique's** capital, according to local officials. More than 1,500 prisoners escaped. The incident came after anti-government protesters stormed the prison. Mozambique has been in the throes of nationwide violence since a [disputed election](#) in October

Fourteen members of **Syria's** new security forces were killed in an "ambush" by troops loyal to the ousted president, Bashar al-Assad. The interior minister said that the personnel were trying to arrest a former regime officer in Tartous, in the west of the country. He had allegedly served in [Saidnaya](#), a dungeon in which Mr Assad's government murdered perhaps 13,000-30,000 people.

Taiwan's competition watchdog barred **Uber Eats** from buying Foodpanda, another online delivery business. The Fair Trade Commission said that the merger, which would have given [Uber](#) a market share of more than 90% in Taiwan, would "eliminate... competitive pressure". Delivery Hero, the German firm that owns Foodpanda, said that Uber may abandon the acquisition, which would have cost \$950m, or appeal against the FTC's decision.

Japan Airlines was hit by a cyberattack on Boxing Day, delaying flights and causing cancellations. The carrier said it had fixed the problem and that no customer data were leaked. On December 24th **American Airlines** grounded its entire fleet in America following technical problems.

Figure of the day: 50%, the approximate share of Harvard graduates entering the workforce in 2024 who took jobs in finance, consulting or technology. [Read the full story.](#)

America's remarkable economy



We are looking back on 2024. Today, finance and economics

By the start of 2024 high inflation had forced the Federal Reserve to raise interest rates to 5.5%—their highest level for more than two decades. Many expected America to have a recession. Instead, [its economy has boomed](#). In the third quarter it grew by 2.8% year on year—a full percentage point more than forecast in July. America's unemployment rate is around 4%, well below the average of the past 30 years. And inflation is finally coming down. Output per person is 40% higher in America than in western Europe and Canada, and 60% higher than in Japan.

America has innate advantages, including a vast internal market and abundant natural resources. Good policy has also helped the economy. Light-touch regulation and low corporate-tax rates have fostered a dynamic private sector. Donald Trump, America's president-elect, wants tax rates to be even lower and regulation to be even lighter. But he also wants to boot out immigrants and raise tariffs, which could push up inflation and hurt growth.

China's economy stumbles on



President Xi Jinping has bold ambitions for China. He wants the country to lead in technology, strengthen trading partnerships the world over, and convert economic success into a greater geopolitical clout. But this year China's economy has flagged. Consumer confidence, which plunged during the pandemic, has **not recovered**. Because of a property crash 20m-30m households are reckoned to have paid for apartments that have never been built. And growing authoritarianism has deterred foreign direct investment. Only during the financial crisis of 2007-09 has FDI in China fallen as steeply as it did this year.

China's leaders promise to lift the country out of its malaise, but their fiscal deeds have yet to **match their words**. In November they unveiled a plan to refinance local-government debt that will reduce borrowing costs by less than 0.1% of GDP over the next five years. With Donald Trump preparing to wage a trade war, things could get a lot worse for China's ailing economy.

American stocks have soared



When 2024 began, investors had been through a bumpy few years. American stocks had risen and fallen as inflation took hold, interest rates climbed and traders worried about slowing growth. But this year [things changed](#). The S&P 500 has risen by more than 25% since January, driven by expectations that artificial intelligence will deliver juicy returns. Shares in the “magnificent seven” have climbed higher still, with Nvidia, a trailblazing chipmaker, leading the way up.

But even a good year is punctuated by nervous moments. Share prices have risen by far more than earnings, sparking fears that American stocks are overvalued. The publication of a few underwhelming earnings reports sparked a [rout](#) in the summer. Share prices recovered, but the mini-crash was a sign of how twitchy traders had become. Stockmarkets rallied after Donald Trump’s election victory. Still, his economic policies—from tariffs to deficit-boosting tax cuts—could sow trouble. Investors may be in for [another bone-rattling ride](#).

Gold glitters in a dangerous world



It isn't just America's stockmarket that has soared this year. Investors have been [piling into gold](#), pushing its price to record highs of more than \$2,700 per troy ounce in October. Retailers from [Costco](#), an American giant, to CU, a South Korean convenience-store chain, have started selling the precious metal. Big purchases by central banks in China, India and elsewhere have pushed up the price of gold by more than 20%.

Many investors are scornful of gold, which produces no dividend or yield. Goldbugs often proffer fantastical predictions of financial collapse to justify their bets. But China's economic slowdown has led wealthy Chinese to look at assets other than property. And the war in Ukraine, which prompted the West to freeze Russia's foreign-currency reserves, has spurred risk-averse central banks to diversify their holdings. Unlike dollar-denominated assets, precious metals will always find buyers in politically neutral regions like the Gulf. In a [dangerous, fragmented world](#), gold will keep shining.

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: What erupts roughly every 90 minutes in Yellowstone National Park?

Wednesday: Who was the central female character in the book and film “Breakfast at Tiffany’s”?

**If you are neutral in situations of injustice,
you have chosen the side of the oppressor.**

Desmond Tutu