

## Catch up: Trump taps Gaetz for attorney-general; Republicans secure House



**Donald Trump** nominated **Matt Gaetz**, a loyalist and [hardline Republican congressman](#), to be attorney-general. In a social-media post, the president-elect said that Mr Gaetz, as head of [America's Justice Department](#), would end “the partisan Weaponization of our Justice System”. Earlier Mr Trump tapped **Tulsi Gabbard**, a [former Democratic congresswoman](#) who endorsed his presidential bid, as director of national intelligence. He also confirmed that he picked **Marco Rubio** as his secretary of state.

Republicans secured a bare majority in America's **House of Representatives**, giving them a governing trifecta. The [handful of outstanding races](#) are mostly in western states that count slowly. A few others are so close they will trigger recounts. Earlier, Republican congressmen nominated **Mike Johnson** for House speaker. He will need to be confirmed by the entire chamber in January—leaving little room for [conservative defectors](#).

**Republican** senators elected **John Thune** of South Dakota as their next leader in [America's upper chamber](#). Mr Thune is a close ally

of Mitch McConnell, the outgoing Republican leader in the **Senate**, and considered a member of the party's establishment. He easily headed off a challenge from **Rick Scott**, a MAGA loyalist, on the first of two ballots.

**America's** annual **inflation** rate was 2.6% in October, up from 2.4% in September. The core rate, which strips out volatile food and energy costs, was 3.3%, the same as the previous month. The figures matched economists' expectations. The **Federal Reserve** is expected to cut interest rates at its next monetary-policy meeting in December, probably by a quarter of a percentage point.

America said it would continue to send military aid to **Israel** because the country had attempted to improve the humanitarian situation in Gaza. America had set a 30-day ultimatum for Israel to take "urgent and sustained actions" to improve conditions in **Gaza** or face restrictions on military assistance. The UN's aid agency for Palestinians said Israel failed to meet America's demands and that the enclave is on the brink of famine.

**Sudanese authorities** agreed to extend the use of the Adre border crossing with Chad, two days before a UN agreement to keep it open was due to expire. The passage allows aid agencies to bring in supplies to help civilians affected by **Sudan's catastrophic civil war**. Some government members argue that the paramilitary groups also use the crossing to distribute military equipment.

**BioNTech**, a German pharmaceutical giant, agreed to buy **Biotheus**, a Chinese biotech firm, for around \$950m. The deal includes "global rights" to an innovative cancer treatment, which has the potential to rival Keytruda, the world's biggest-selling cancer drug. Big pharma is increasingly looking to China for acquisition opportunities: over the past year Western companies have bought five such Chinese firms.

**Amazon** launched a new section of its app in an apparent bid to compete with [low-price competitors](#) such as **Temu** and **Shein**. All products on “Amazon Haul” cost \$20 or less, with most \$10 and under. The e-commerce giant said that orders will ship in one or two weeks—longer than its regular service, but in line with Temu and Shein.

**Figure of the day:** 45%, the increase in the price of Bitcoin since mid-October. [Read the full story.](#)

# Sri Lankans choose a new parliament



In 2022 [Sri Lanka](#) was on the brink. It had defaulted on its debt, its currency was collapsing and inflation was soaring. Protests forced out Gotabaya Rajapaksa, Sri Lanka's then president. The economy has since recovered, thanks to a \$2.9bn bail-out from the International Monetary Fund. But economic and political stability hang upon parliamentary elections on Thursday. The vote was called by the new president, Anura Kumara Dissanayake, an outsider from a party with Marxist and insurgent roots, who won an election in September.

Mr Dissanayake vows to preserve democracy, fight corruption and recover funds that were allegedly pilfered by previous leaders—reforms that may face resistance from established parties. To implement these he needs a parliamentary majority. His coalition had just three seats before parliament was dissolved for the election, but could gain from popular disdain for the opposition. Mr Dissanayake's agenda does not, at least for now, contain radical measures that might spook international investors. The election could determine whether Sri Lanka finds stability.

# Gloomy prospects for Europe's economy



Few in Europe were optimistic about the continent's economy even before Donald Trump won America's presidential election. Growth has been weak since the beginning of the coronavirus pandemic in 2020. The sharp rise in energy prices after Russia's invasion of Ukraine in 2022 made matters worse. Figures for the euro zone, released on Thursday, are expected to confirm that GDP grew by 0.4% in the third quarter of this year. That would mean that GDP has grown by just 0.9% over the past year.

There is variance across the continent. [Germany's economy](#) is expected to contract in 2024 for the second consecutive year; in contrast, Spain's looks quite healthy. But the threat of a trade war with America has already led analysts to pare back their estimates for European growth in 2025. Last week Goldman Sachs, a bank, cut its already pessimistic forecast, that output would expand by 1.1% in 2025, to 0.8%. Hopes for Europe's economy probably won't rise any time soon.



# The Gulf's mega IPO



The biggest public offering in the Gulf this year is not a glitzy tech firm. Lulu, one of the region's oldest supermarket chains, makes its stockmarket debut in Abu Dhabi on Thursday. It drew \$37bn-worth of orders for its IPO from global investors. With such high demand, the firm ended up raising \$1.7bn, about a fifth more than it had initially planned. That is far more than the \$375m Spinneys, which runs high-end supermarkets in the region, raised when it went public in May.

The Gulf's expanding rich [classes](#) may want to buy Lulu, but they probably don't shop there (they go to Spinneys). The retailer has grown by appealing to young, largely foreign working-class consumers who have supported the Gulf's boom. Lulu stocks a vast range of [imported products](#), from Indian condiments to Philippine snacks. Lulu's broad appeal boosted sales by 8% year on year as of March. Sometimes it pays to be unflashy.

# Disney's rollercoaster ride



Disney spent years pouring money into its loss-making streaming services, funded by profits from its [busy theme parks](#). Today the tables have turned. Disney's streaming business made a profit for the first time last quarter and it is expected to report more of the same when the entertainment giant presents earnings on Thursday. Now the red lights are flashing in the parks department, which is suffering as cash-strapped consumers choose cheaper vacations.

The other turnaround is at the top of the company. Bob Iger was hailed as a saviour when he returned as chief executive during a rocky period in 2022, promising to steady the ship and find a successor within two years. But the 73-year-old is still in post and Disney's board says it will appoint his replacement only in 2026. Investors are getting impatient. Expect more twists and turns—and perhaps the odd shriek.

# An Israel-France match puts Paris on edge



Paris will be tense on Thursday ahead of a football match between France and Israel at the Stade de France. The game comes a week after supporters of Maccabi Tel Aviv, an Israeli team, were attacked after a match in Amsterdam. Israel chartered flights to evacuate fans from the Netherlands. Dick Schoof, the Dutch prime minister, condemned the “unadulterated antisemitic violence”. (Amsterdam’s police said that Maccabi supporters had vandalised a taxi and chanted anti-Arab slogans.)

France is home to the European Union’s biggest Muslim and Jewish populations. The number of [antisemitic incidents](#) in France has soared since October 7th 2023. French authorities are taking the risk of violence seriously. More than 4,000 police officers will be deployed in the capital. Emmanuel Macron, the president, and Michel Barnier, the prime minister, will attend the match in a show of solidarity with Israelis. Israeli authorities have advised supporters not to attend; the stadium will probably be half empty. But that may not prevent trouble elsewhere.



## Daily quiz



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](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Thursday:** Which is the largest island in the contiguous USA?

**Wednesday:** Which bovine creature features in the Chinese zodiac?

**I would like to paint the way a bird sings.**

*Claude Monet*