

The world in brief

Catch up quickly on the global stories that matter



Photograph: AFP via Getty Images

Stockmarkets fell as **Donald Trump** said there was “no going back” on his plans [to nab Greenland](#). As fears of a trade war grew, all three of Wall Street’s major indices recorded their steepest daily sell-off since October. The dollar fell against most major currencies; Treasury yields rose sharply. Asian bourses also slid. Mr Trump has threatened eight European countries that oppose his plans [with 10% tariffs](#).

In a rambling two-hour press conference, **Mr Trump** reiterated that America needs **Greenland** for “security”. When asked how far he was willing to go [to acquire the territory](#), he said “you’ll find out.” Earlier, leaders gathered at the World Economic Forum in Davos criticised America’s bullying. France’s Emmanuel Macron said Europe would not “passively accept the law of the strongest”.

The **European Commission** proposed strengthening its **Cybersecurity Act** to combat “daily” attacks on democratic institutions by “sophisticated state and criminal groups”. Measures would include removing “high-risk” third-country suppliers from the supply chain. Huawei, a maker of telecoms kit that has often been forced to deny [accusations](#) that it spies for China, said that

excluding firms because of their country of origin violates “basic legal principles”.

America’s Federal Trade Commission appealed against a court ruling that dismissed its blockbuster **antitrust** case against **Meta** in November. The FTC insists that the tech giant became an illegal monopoly by acquiring Instagram in 2012 and WhatsApp in 2014, for \$1bn and \$19bn respectively. But while social media have plenty of problems, lack of competition [isn’t one of them](#).

Netflix reported more than \$12bn in revenue during the fourth quarter—an 18% rise on the same period a year ago and more than analysts expected. The streaming giant now has more than 325m paid subscribers. Earlier Netflix improved its offer to buy **Warner Bros Discovery** in hopes of defeating a rival bid by [Paramount](#). It is now proposing to pay \$83bn in cash, rather than as a mix of cash and shares.

Ten countries reportedly signed on to Mr Trump’s “**Board of Peace**” for Gaza, while several more, including Russia, are considering invitations. Only the [UAE](#), Belarus, Morocco, Hungary and Canada have publicly committed to join the organisation, which is to [oversee transitional governance](#) in the strip. Canada said it would not pay the \$1bn required to become a permanent member. Most memberships last three years.

Britain’s government gave the go-ahead to **China’s** plan to build a huge **embassy complex** in London. Permission was delayed for years because of security concerns. Critics argue that the embassy’s size and proximity to Britain’s financial hub [could facilitate spying](#). A member of the opposition Conservative party lamented the Labour government’s “disgraceful act of cowardice”.

Figure of the day: S\$6,500 (\$5,050), The cost to attend a professional course at SM Universe, a new k-pop training academy in Singapore. [Read the full story](#).



Photograph: Getty Images

Dread in Davos over Trump

“It’s going to be a very interesting Davos,” President Donald Trump predicted ahead of his trip to the World Economic Forum in Switzerland. As the American president delivers his address on Wednesday, his audience will certainly be paying close attention to just how far he intends to upend the global order.

Mr Trump has spent recent days gleefully mocking those [aghast at his plans to annex Greenland](#) and fueling fears of an escalating trade war. He has posted private messages from leaders including France’s president, Emmanuel Macron, shared a meme depicting Greenland, Canada and Venezuela in American colours, and blasted Britain for [relinquishing control of the Chagos Islands](#) to Mauritius. He also threatened to tax French wines by 200% if Mr Macron did not join his “Board of Peace” on Gaza.

Stockmarkets, treasuries and the dollar have all fallen. Meanwhile Mark Carney, Canada’s prime minister, interpreted Mr Trump’s behaviour as a sign that rules-based multilateralism is truly over. “The old order is not coming back,” he told Davos.



Photograph: Reuters

Can NATO pull together?

The Supreme Commander of NATO, always an American officer, has a big job at the best of times—they co-ordinate the alliance's response to any external emergencies or threats. General Alexus Gynkewich, who assumed the role in July, is now in the deeply unenviable position of having to contend with an internal crisis as well.

When General Gynkewich joins other NATO military chiefs in Brussels on Wednesday for one of their thrice-yearly meetings, the elephant in the room will be the furore caused by President Donald Trump, his own commander-in-chief. NATO's ability to protect its members relies on the principle of collective defence. That means it depends on keeping America—which has by far the strongest armed forces—on side. But Mr Trump's threats to take control of Greenland, an autonomous Danish territory, have so angered European leaders that several seem prepared to abandon their recent policy of appeasing America in return for its continued support in Ukraine. The rift [threatens the alliance's very foundations](#).



Photograph: Getty Images

A test of the Fed's independence

Last week the Trump administration opened a [criminal investigation](#) into Jerome Powell, chair of the Federal Reserve, accusing him of misleading Congress over renovations to the Fed's headquarters. On Wednesday Mr Powell will sit in on oral arguments at the Supreme Court as it weighs the fate of Lisa Cook, another embattled Fed governor.

Trump v Cook began in August, when Mr Trump tried to sack Ms Cook for [alleged mortgage fraud](#), accusations Ms Cook dismissed as “paper-thin”. No other president has tried to fire a member of the independent central bank’s rate-setting board before, and it is supposed to be hard to do—presidents must have “cause”. Ms Cook’s lawyers will argue that Mr Trump’s attempt did not meet that standard; the administration will counter that he was “well within his authority”. Ms Cook has warned that, if the court sides with Mr Trump, Fed governors would be vulnerable to removal whenever their policy judgments upset the president.



Photograph: Reuters

Britain's inflation progress stalls

Data released on Wednesday showed that Britain's progress in lowering inflation has stalled. Annual consumer-price growth rose by more than expected to 3.4% in December, the first rise in six months. It had eased to 3.2% in November, down from a summer peak of 3.8%. Higher tobacco duties, pricier airfares and the end of Black Friday sales have pushed inflation back up.

That will give policymakers at the Bank of England reason to tread carefully when they meet on February 5th. Having cut the main rate in December from 4% to 3.75%, officials might want more time to assess the effects of that cut before making another move. But any pause is unlikely to last long. The bank expects inflation to fall close to its 2% target by the second quarter, helped by lower energy prices. A cooling labour market, meanwhile, is expected to ease pressure on wages, strengthening the case for further rate cuts later in the year.



Photograph: Reuters

Hong Kong's uncertain economic outlook

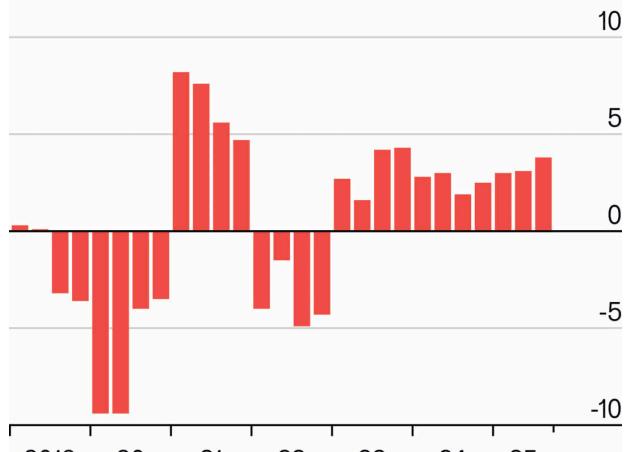
The Future of Hong Kong Economy Conference, an invite-only affair hosted by Hong Kong University, kicked off on Wednesday. Academics, business leaders and policymakers will use it as an opportunity to look into their crystal balls. The future they see will be mixed.

Many signs are positive. The economy is rebounding from a protracted slump triggered by a years-long covid lockdown and widespread pro-democracy protests in 2019, which resulted in a political crackdown. It grew at its fastest clip since 2023 in the third quarter of 2025; full-year growth is expected to have been 3.2%. The city was the world's top IPO venue in 2025, raising more than HK\$285bn (\$36bn) from 119 listings. Tourist numbers rose by 12% compared with 2024, to almost 50m. And exports showed unexpected strength thanks to a persistent demand for electronic products.

But the recovery is dual-speed. A prolonged commercial-property slump, a still-uncertain global trade environment and weak consumer spending is tempering Hong Kong's revival. Government stimulus may provide modest support, but sustained growth will require renewed private demand. Hong Kong is not out of the woods just yet.

Boom and gloom

Hong Kong, GDP, % change on a year earlier



Source: Haver Analytics



Illustration: Sandra Navarro

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 [\[email protected\]](mailto:). We'll pick randomly from those with the right answers and crown three winners on Saturday.

Wednesday: Which actor won an Oscar for best supporting actor as a traumatised Vietnam veteran in “The Deer Hunter”?

Tuesday: What was the popular name of the Chinese rebellion against Western occupation between 1899 and 1901?

Every joke is a tiny revolution.

George Orwell