

The world in brief

Catch up quickly on the global stories that matter



Photograph: Sipa USA

Donald Trump said he would nominate **Kevin Warsh** to become the new chair of the **Federal Reserve**. Mr Warsh is a former Fed governor who was appointed by George W. Bush. He is **much more likely** than the current chair, **Jerome Powell**, to agree with Mr Trump that the Fed should cut interest rates rapidly. The president fell out with Mr Powell over the issue.

Abbas Araghchi, **Iran's** foreign minister, said the country was open to holding talks with **America** but suggested they could not be “conducted under threat”. Mr Trump has sent a naval “Armada” to the Middle East and **threatened force** if Iran does not abandon its nuclear programme. Speaking in Turkey, Mr Araghchi said Iran would not “accept dictation or imposition”.

Israel said it would open the **Rafah** border crossing between Gaza and Egypt from Sunday. Officials said that Israeli and Egyptian authorities would screen individuals exiting and entering the enclave under the supervision of a European monitoring force. Israeli troops have controlled the site since May 2024. Reopening it was part of the ceasefire deal agreed between Israel and Hamas.

Panama's Supreme Court ruled to revoke contracts with a subsidiary of ck **Hutchinson** to run two ports at either end of the

Panama Canal. The Hong Kong-based conglomerate has operated the facilities since the 1990s; [Panama's controller-general asked the court](#) to revoke the contract citing financial irregularities. The decision is a boost to Mr Trump, who wants to limit Chinese influence over the canal.

Ukraine's president, Volodymyr Zelensky, criticised European allies by suggesting that delays in delivering promised air-defence missiles had left [Ukrainian energy infrastructure](#) more vulnerable to Russian attack. On Thursday Mr Trump said Russia had agreed to pause its attacks on energy infrastructure for a week owing to cold weather. Russia acknowledged that Mr Trump had made the request but did not confirm its response.

Chevron and **Exxon** both reported fourth-quarter results that revealed their annual profits were the lowest in five years. Chevron's profit for 2025 was 30% less than for 2024; Exxon's declined by around 14.5%. But, compared with the third quarter, both oil majors did better than many investors expected. Big Oil's performance is being watched particularly closely as Mr Trump tries to [encourage investment in Venezuela](#).

A federal judge in New York said that prosecutors could not seek the death penalty for **Luigi Mangione**, who is [accused of killing Brian Thompson](#), the boss of UnitedHealthcare, in 2024. Margaret Garnett dismissed two of four federal charges against Mr Mangione, including the only one that was punishable by death. The defendant, who separately faces nine state charges, denies wrongdoing.

Figure of the day: 80%, the share of South Africans who believe that their country is heading in the wrong direction. [Read the full story.](#)

From the Israel-Hamas war to the booming Gulf states, the Middle East is among the most volatile and significant areas of the world.

Sign up to [Middle East Dispatch](#) for in-depth reporting from our correspondents in the region.

Correction: In an earlier edition of World in Brief we wrote that America's Senate had passed spending bills in an attempt to avert a government shutdown. The Senate has yet to approve those bills. Sorry.



Photograph: Reuters

Shutdown drama in Washington

America's government may still avoid a partial shutdown. Six federal agencies were set to run out of money at midnight on Friday. But on Thursday, Senate Democrats and Republicans reached a compromise, agreeing in principle to fund five relatively uncontroversial agencies and to extend the funding deadline for the sixth, most contentious—the Department of Homeland Security—until February 13th. It is unclear if a shutdown could temporarily still take effect: the House of Representatives, which must vote on these changes, is meant to be in recess until Monday.

Even with an extended deadline talks could still collapse, disrupting more government business. Democrats have been pressing for restraints on [Donald Trump's immigration crackdown](#). They want officers to remove masks, wear body cameras and obtain judicial warrants before searching homes. Much hinges on Mr Trump's willingness to compromise. Chastened by unrest in Minneapolis, he has recently signalled a desire to lessen tensions rather than worsen them.



Photograph: Alamy

Europe's economy shows signs of life

The European Union's quarterly growth has mostly hovered near zero since the third quarter of 2022, hitting a peak of 0.5% about a year ago. But, having held on through trade disruptions and geopolitical tensions, things have been improving recently. On Friday, an initial estimate released by the bloc's statistical service showed that both the euro zone and EU economies grew by 0.3% in the last quarter of 2025.

The front-runner was Lithuania, which rose by 1.7%. Spain and Portugal both recorded a respectable 0.8% and even Germany's [struggling economy](#) managed 0.3%. The outlook is brighter still. Overall business sentiment in the euro-zone reached a 20-month high in January; for manufacturing it was the highest in almost four years. The bloc has proved itself remarkably resilient. Plus, when you start so close to the bottom, (almost) the only way is up.



Photograph: Alamy

Amex braces for Trump's assault on interest rates

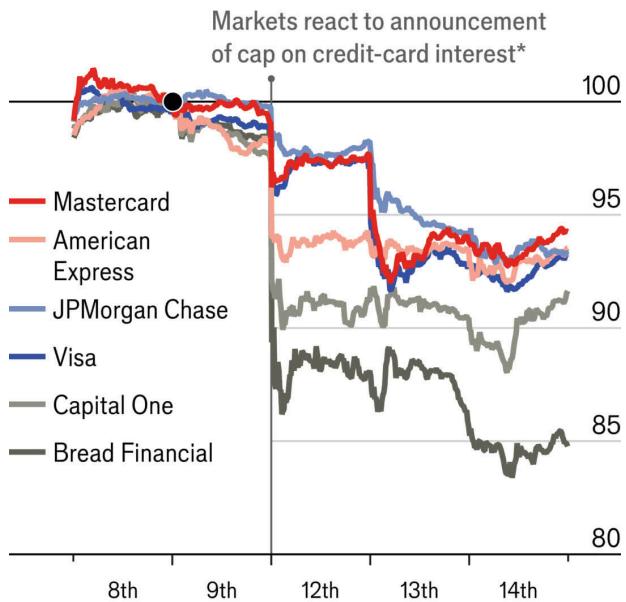
American Express will report its fourth-quarter results on Friday. Lately, the payment giant's profits have been strong. Its share price has risen by 14% since January last year. Analysts estimate that Amex took in revenue of \$72bn in 2025, 9.3% more than in 2024, largely because Amex's affluent card-holders spent more money.

But Donald Trump poses a threat. This month [the president declared](#) that credit-card providers shouldn't charge annual interest rates higher than 10%—the American average is 22%—and that the fees vendors pay them should be capped. That would hurt Amex and other card firms (net interest income was 24% of their revenues in 2024). It might prompt them to restrict lending.

Amex's share price fell after Mr Trump first proposed limits on rates and fees, as did shares of competitors such as Visa and Mastercard. But the panic is probably premature. Mr Trump cannot enact this idea by himself, and Congress has shown no appetite to help him.

Credit limit

Share prices, January 9th 2026, 09:30=100



Source: LSEG Workspace

*On January 11th



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 [\[email protected\]](mailto:). We'll pick three winners at random and crown them on Saturday.

Friday: The Museo Nacional del Prado is located in which European city?

Thursday: Which phrase from Revelation, associated with the Antichrist, was the name of a song and album by Iron Maiden?

I'm not the smartest fellow in the world, but I can sure pick smart colleagues.

Franklin D. Roosevelt