

The world in brief

Catch up quickly on the global stories that matter



Photograph: EPA

Donald Trump said his administration would “de-escalate a little bit” its immigration crackdown in **Minnesota**. The president called the [killing of Alex Pretti](#) by Border Patrol officers an “unfortunate incident”, promising an “honest investigation”. Meanwhile a federal judge in Minnesota ordered Todd Lyons, Immigration and Customs Enforcement’s acting director, to appear in court on Friday, warning that he may be held in contempt for ignoring court orders constraining the agency.

Mr Trump insisted that the **dollar** is “doing great” despite its recent slide. Shortly before his comments, an index measuring the greenback’s value against six big trading partners plunged to a four-year low. [Investors](#) have been offloading American assets amid concerns over Mr Trump’s foreign-policy agenda. Consumer confidence in America also dropped to its lowest level in more than a decade in January.

Claudia Sheinbaum, **Mexico’s** president, claimed her country’s cancellation of an oil shipment to **Cuba** was a “sovereign decision” and not a response to American threats. Mexico has become Cuba’s biggest source of fuel since [America ousted Nicolás Maduro](#),

Venezuela's leader, earlier this month. Ms Sheinbaum insisted that Mexico would "continue to show solidarity" with Cuba.

Saudi Arabia said it would not allow its air space to be used for any military action against **Iran**. The announcement followed a meeting between Muhammad bin Salman, the Saudi crown prince, and Masoud Pezeshkian, [Iran's president](#). *USS Abraham Lincoln*, an American aircraft-carrier, arrived in the Middle East earlier this week, sparking speculation that America is planning a strike on Iran.

Spain will offer legal residency to **undocumented immigrants** who have lived in the country for at least five months, an estimated 500,000 people. The country's [economic growth](#) has outpaced the euro-area average in recent years, [thanks in part](#) to its relative openness to immigrants, many of whom are from Latin America. The expedited-residency decree does not need parliamentary approval.

Boeing reported revenue of \$23.9bn in the final quarter of last year, its best quarterly figure since 2018. The American planemaker's deliveries surged at the end of 2025 after the Federal Aviation Administration eased production limits on its 737 MAX, which were introduced following a mid-air accident. In recent years the company has [struggled](#) with strikes and production problems.

Shares in **UnitedHealth** and **Humana**, two American [health-insurance providers](#), fell by around 20%. The plunge came after the Trump administration proposed that spending on companies that provide coverage for Medicare, a health programme for the elderly, would increase by less than 0.1% next year, down from 5% in 2026. Health insurers receive around \$500bn from Medicare Advantage plans.

Figure of the day: \$17.7bn, the sum that startups in London raised in 2025, behind only the Bay Area, New York and Los Angeles.

[Read the full story.](#)



Photograph: EPA

A long-awaited deal between the EU and India

Ursula von der Leyen, president of the European Commission, and António Costa, president of the European Council, were guests of honour at India's Republic Day celebrations on Monday. On Tuesday it was their turn for a bit of ceremony when—alongside Narendra Modi, India's prime minister—they announced “the mother of all trade deals”.

The agreement, which was almost two decades in the making, will remove or reduce levies on almost 97% of European exports to India. The EU, in return, will get more access to one of the world's fastest-growing economies, reducing its dependence on China.

Increased trade should help both weather Donald Trump's recent spree of raising tariffs. But Ms von der Leyen said the deal was “only the beginning” in a new chapter of EU-India relations. The pair simultaneously announced a new partnership focused on security and the defence industry. India wants to lessen its reliance on Russian weapons. Brussels, meanwhile, hopes to loosen India's close ties with Russia, which have long been a source of tension.



Photograph: Reuters

Honduras gets a Trump-approved president

Hondurans will get a new president on Tuesday when Nasry “Tito” Asfura, the conservative former mayor of the country’s capital, is sworn in. Donald Trump [openly supported](#) Mr Asfura’s campaign, and cried fraud (without evidence) when a rival candidate briefly took the lead during the vote count. Worries about the election’s integrity were heightened by rapidly shifting vote totals, delays in releasing precinct-level results and the courts’ hasty dismissal of requests for a recount by Mr Asfura’s opponents. International observers ultimately declared the election fair, however.

The outgoing president, Xiomara Castro, repeatedly rowed with America while strengthening ties with China and Russia and backing Nicolás Maduro, Venezuela’s dictator, whom Mr Trump toppled this year. Mr Asfura will hope that a better relationship with Mr Trump will benefit Honduras. He will co-operate with America on drugs and corruption but delivering results will be tricky. Honduras remains poor, violent and deeply unequal. Hondurans deeply distrust its weak institutions. A daunting set of challenges awaits the new president.



Photograph: Getty Images

The world's largest luxury-goods firm is in crisis

LVMH is in an [unfashionable slump](#). In the first half of 2025 revenue fell by 4% year on year; net profit plunged by 22%. The luxury-goods company reports full-year earnings on Tuesday. Analysts have grown less confident about the company's outlook.

Scandal has struck some of LVMH's key brands: former staff accuse Moët Hennessy, its drinks division, of enabling bullying and sexual harassment. Loro Piana, its cashmere purveyor, is under judicial administration in Italy for using suppliers that allegedly violate labour rights. (Moët denies the accusations; Loro Piana admitted that overseeing its "whole ecosystem" was "a bit difficult"). Dramatic price hikes have annoyed customers. Some Louis Vuitton bags have doubled in price since 2019, though they look identical.

American tariffs and economic uncertainty in China have hurt the whole industry. But some luxury companies may be on the up. Those [expected to thrive in 2026](#), such as Hermès, are careful about the ethics (and optics) of their supply chains, and prudent about price rises. LVMH would do well to follow suit.

Bags of trouble

LVMH, share price, €



Source: LSEG Workspace



Photograph: Reuters

America is out of the Paris agreement (again)

As of Tuesday America has officially withdrawn from the [Paris agreement](#), just as it did during Donald Trump's first term. (It rejoined under President Joe Biden.) The agreement, struck in 2015, committed almost all of the world's countries to keeping global temperature rise "well below" 2°C above pre-industrial levels. America is no longer obliged to regularly submit plans on how it will mitigate against climate change, report on its progress, or help finance poorer countries' efforts.

Though the withdrawal process formally takes a year—Mr Trump issued the order last January—America has been acting as if it was already out. It has dramatically reduced climate funding as part of a general slashing of international aid, and in November declined to send a formal delegation to Brazil for COP30, the annual climate conference. Despite Mr Trump's rejection of climate diplomacy, the [global growth of emissions is slowing](#), and investment in clean-energy sources now outstrips that in fossil fuels by two-to-one.



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.

Tuesday: What is supposedly James Bond's family motto, and also the title of a film starring Pierce Brosnan?

Monday: The press are sometimes referred to by which term, dating back to when the three main classes of society were the nobility, clergy and commoners?

*One of the secrets of life is that all
that is really worth doing is what
we do for others.*

Lewis Carroll