

The world in brief

Catch up quickly on the global stories that matter



Photograph: SOPA Images/LightRocket via Gett

European Union leaders reached [a deal](#) to loan **Ukraine** €90bn (\$106bn) for the next two years, after marathon talks in Brussels. The bloc will raise joint debt backed by its budget. Ukraine will only return the funds once Russia pays reparations. EU leaders said they would continue to discuss a plan to use frozen Russian assets to support the embattled country.

After years of wrangling, **TikTok's** Chinese owner, ByteDance, signed binding agreements with three American investors, led by Oracle, to sell just over 80% of its American assets. That will enable the social-media app [to continue operating](#) in America. The deal will create a joint venture, governed by a “majority-American board”, which will enable America to control data protection and algorithm security in the country.

America's annual inflation rate was lower than expected in November, at 2.7%. Economists had forecast a rate of around 3%. Meanwhile the core rate, which strips out volatile energy and food prices, was 2.6%, the lowest level since 2021. Analysts warned, however, that the figures may have been affected by the [government shutdown](#) between October 1st and November 12th, which disrupted data collection.

European leaders reportedly delayed until January the signing of a [free-trade deal](#) with **Mercosur**, South America's trading bloc. Giorgia Meloni, Italy's prime minister, apparently persuaded Luiz Inácio Lula da Silva, Brazil's leader, to give EU leaders more time to win over their farmers, who are concerned about cheap imports. Farmers protesting against the deal clashed with police near the European Parliament in Brussels.

The **Trump administration** proposed rules that would make it near impossible for **transgender adolescents** to receive gender-related care. America's health department threatened to pull federal funding from hospitals participating in Medicaid and Medicare (government health insurance for the poor and elderly) if they provide puberty blockers, hormone therapy or surgeries to minors. The American Academy of Paediatrics denounced the move as "a dangerous precedent".

After months of negotiations **Israel** agreed to export \$35bn worth of gas to **Egypt**. The deal follows lobbying from America, acting on behalf of Chevron, [an oil giant](#). Most of the gas will come from Israel's Leviathan offshore gasfield, which is part owned by the American firm. Israel's prime minister, Benjamin Netanyahu, claimed it would raise around \$18bn in taxes.

Truth Social, the parent company of Mr Trump's media group, announced a \$6bn merger with a **nuclear-fusion** company, TAE Technologies. Shares in the American president's company, which had dropped this year, rose by 42%. The all-stock transaction will give both companies equal ownership of the fusion company, which will be "one of the world's first" to be publicly traded, said its representatives.

Figure of the day: 8,000–9,000, the average number of soldiers added to Russia's army each month during the first half of 2025. [Read the full story.](#)



Photograph: EPA

EU leaders struggle to fund Ukraine

Leaders from the European Union's 27 member states meet in Brussels on Thursday to try to agree on more than €100bn (\$118bn) in aid for Ukraine over the next two years. A proposal backed by Friedrich Merz, Germany's chancellor, to use returns from Russian assets frozen in EU financial institutions looks unlikely to win swift approval. Belgium, where most of those assets are held, has firmly opposed the idea. If the plan stalls, leaders may find themselves in Brussels for days, searching for another way to raise the money—such as issuing jointly guaranteed EU debt.

Meanwhile, [talk of a possible ceasefire](#) continues. But large gaps remain. After talks in Berlin this week, European, Ukrainian and American officials spoke of progress towards security guarantees for Ukraine once the fighting stops. Russia, however, has yet to be presented with the proposals, and there is little sign that Vladimir Putin is willing to compromise on territory—casting doubt on hopes of a Christmas truce.



Photograph: Reuters

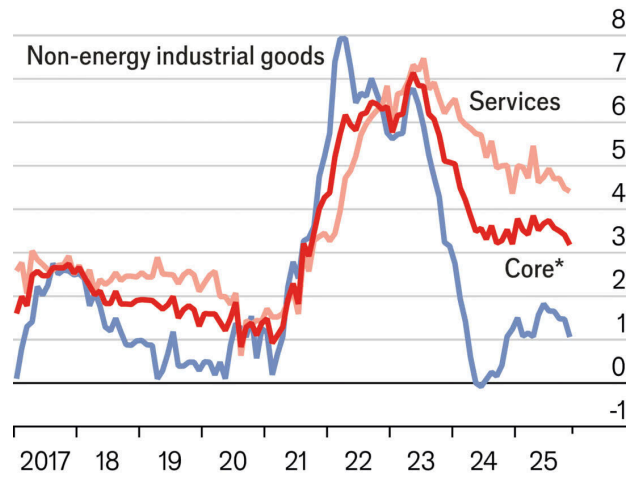
The Bank of England's Christmas trimmings

The Bank of England cut its main interest rate from 4% to 3.75% on Thursday. Inflation data released on Wednesday had strengthened the case. Consumer prices increased by 3.2% in the year to November, 0.2 percentage points below the bank's forecast and well down from the recent peak of 3.8% over the summer. With unemployment also edging up, the doves on the Monetary Policy Committee had enough support to push through a cut, with rate-setters voting 5-4 in favour.

Hawks, however, will remain worried. Much of the fall in inflation was driven by volatile food, alcohol and clothing prices. Meanwhile services inflation remains stubbornly high at 4.4% and households expect prices to rise by 3.5% over the next year. Both indicators are well above the bank's 2% inflation target. Loosening monetary policy too quickly might require costly corrections in the future.

A bumpy descent

Britain, consumer prices
% change on a year earlier



*Excludes food, energy, alcohol and tobacco
Sources: ONS; Haver Analytics



Photograph: Kenny Holston/The New York Times/Redux/eyevine

A turning point for MAGA?

Every year around Christmas Turning Point USA, a conservative youth organisation, holds a big MAGA conference in Phoenix. This year's AmericaFest, which begins on Thursday, is the first since [Charlie Kirk](#), the organisation's charismatic and controversial founder, was murdered on a college campus in Utah in September.

After his death, Republicans hailed Kirk as a martyr and promised to unite against their [shared enemies](#). Instead, the movement appears more fractured. Turning Point will surely put on a good show. Yet offstage, MAGA's biggest influencers are fighting. Erika Kirk, Charlie's widow and the group's new leader (pictured), has spent weeks pushing back against conspiracy theories about her husband's death, some spread by former allies. Meanwhile Nick Fuentes, a white supremacist and Holocaust denier who long clashed with Kirk, is gaining ground among some in the movement. Conservatives hoped Kirk's death would mark a turning point—just not this one.

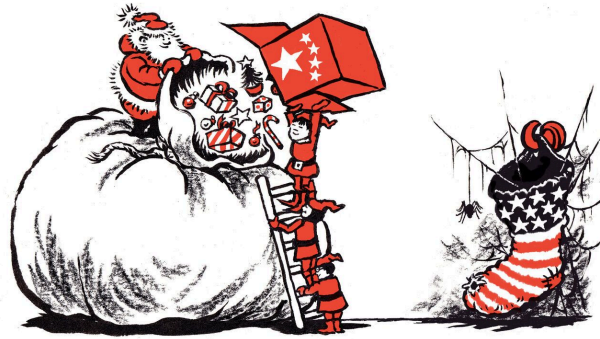


Illustration: David Simons

How Chinese traders beat Lapland's elves

Yiwu, a city in eastern China, is the world's Christmas capital. The city's sprawling wholesale markets supply much of the world's Christmas paraphernalia, from baubles to Santa hats. China dominates global exports of Christmas decorations by value. But shipments are falling. In the first ten months of 2025 it exported \$5.1bn-worth of trinkets, down from \$5.8bn a year earlier. Sales to America are slowing because of tariffs on Chinese goods, now 20%. Stallholders and manufacturers complain that unpredictable levies make pricing—and planning—harder.

Still, Santa is nothing if not adaptable. Exports to Europe are rising. Some firms are also finding creative ways around American tariffs, shipping decorations in parts to South-East Asia for reassembly and relabelling. Others are switching to buyers from India and the Middle East.

Conflicts from Ukraine to the Middle East have disrupted demand, too. Even so, Yiwu's markets remain busy. When Christmas orders tail off, the city's merchants simply turn to the next festival on the calendar.



Photograph: Alamy

What your ads reveal about you

In the run-up to Christmas, online adverts can feel uncannily well judged. Search once for a gift and your screen fills with jumpers, gadgets or toys that seem chosen just for you. That usually reflects how closely platforms track behaviour. But a new study suggests the logic also runs in reverse: the adverts people are shown can themselves reveal who they are.

Researchers at the University of New South Wales analysed more than 435,000 Facebook adverts seen by 891 users. They fed each person's ad diet into an AI model and asked it to infer aspects of their private lives. From ads alone, the system inferred users' gender, education level and political leanings more accurately than human analysts could.

The findings have awkward implications. Regulators have pushed technology firms to stop advertisers from explicitly targeting sensitive traits such as political views or health. But if those traits can be inferred indirectly from the ads people see, such safeguards may offer less protection than intended.



Illustration: The Economist

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

Thursday: Which Irish-set film won the Golden Globe for best musical or comedy film in January 2023?

Wednesday: What means of killing a werewolf is also used as a term for an apparently simple method for solving a complex problem?

*Keep the company of those who
seek the truth—run from those
who have found it.*

Vaclav Havel