

# The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

**Big tech** stocks sold off as investors reacted to [the sector's](#) plans to spend a combined \$660bn this year on artificial intelligence. On Thursday the tech-heavy Nasdaq index slid by 1.59%; the s&p 500 fell by 1.23%. Software stocks extended their fall after Anthropic launched an updated version of its Claude model that is designed to carry out financial research.

**Novo Nordisk** said it would take legal action against **Hims & Hers**, a telehealth company, for selling a “knock-off” version of its Wegovy [weight-loss pill](#). The Danish drugmaker claims Hims’s pill contains an “untested” compound version of Wegovy’s active ingredient. A partnership between the two companies collapsed last year. Meanwhile Donald Trump launched a government website, [TrumpRx](#), that will point customers to discounted medicines.

Senior **American** and **Iranian** officials will meet in Oman on Friday in a bid to de-escalate rising tensions. America has ramped up its military presence in the Middle East and demanded [Iran](#) pause its nuclear programme after the Iranian government violently repressed protests last month. Ahead of the talks Mr Trump told NBC News that Ayatollah Ali Khamenei, Iran’s supreme leader, “should be very worried”.

**Rio Tinto** and **Glencore** abandoned plans for [a merger](#) that would have created the world's largest mining company, valued at more than \$260bn. Rio said the two sides failed to reach a deal that would deliver enough value to its shareholders. Glencore said Rio's offer "significantly undervalued" its business. Glencore's share price has fallen by more than 7%, while Rio's has dropped by more than 4%.

America said it had killed two suspected **drug smugglers** in a strike on a boat in the eastern Pacific, bringing the death toll of its [campaign](#) to at least 128. The Trump administration says it is tackling "narco-terrorists" operating out of Venezuela, though it has provided no conclusive evidence that targeted boats are involved in drug trafficking.

Mr Trump endorsed Takaichi Sanae, **Japan's** prime minister, who is hoping to secure a thumping mandate in a snap [election](#) on Sunday. American presidents do not usually publicly weigh in on foreign elections, though Mr Trump has done so before for polls in Argentina and Hungary. He wrote on Truth Social, his social-media platform, that Ms Takaichi "will not let the people of Japan down!"

**Norway's** police launched a corruption investigation into Thorbjorn Jagland, a former prime minister and chair of the Nobel committee, over his alleged links to **Jeffrey Epstein**. Mr Jagland's lawyer said they would fully co-operate. The release of documents related to Epstein, a dead sex offender, is [tarnishing the reputations](#) of many from the global elite.

**Figure of the day:** \$1.25trn, the value of the tie-up of Elon Musk's companies SpaceX and XAI. [Read the full story](#).



Photograph: Getty Images

## Chinese AI companies begin their race to the bottom

America and China have strikingly different business models for generative artificial intelligence. In America, where the overall AI market is estimated to have earned almost twice as much as China in 2025, most companies charge for the use of chatbots and image generators. And (enough) customers are willing to pay: individual subscriptions make up more than half of the revenue of the market leader by earnings, OpenAI.

In China, such apps have generally been free. From Friday Alibaba, a Chinese tech giant, will start paying people to use its Qwen app. The company plans to give out dining and entertainment coupons around Chinese New Year alongside the traditional “red envelopes” (cash handouts). Tencent and Baidu, two rival firms, have announced similar incentives.

This shows two things. First, that Chinese companies have not yet managed to convince consumers that their products are essential, despite an AI craze. Second, that they cannot escape the hyper-competitive mentality of Chinese industry. Oversupply has crushed margins everywhere. AI will not be immune.



Photograph: Getty Images

## America and Iran try to stave off war

The stakes could barely be higher when American and Iranian negotiators meet in Oman on Friday. The Pentagon has amassed warships and other weapons in the Middle East. Donald Trump wants Iran to accept a comprehensive deal that would curtail its nuclear-weapons programme, its arsenal of ballistic missiles and its support for [Arab militias such as Hizballah](#). If Iran does not agree, Mr Trump is likely to order a strike—as he threatened last month, when Iran’s regime massacred thousands of protesters.

Abbas Araghchi, the foreign minister, says a nuclear deal is possible but insists the other issues are not up for discussion. America wanted to invite several of its Arab allies to the negotiations. They probably would have given Mr Araghchi an earful about missiles and militias. Iran nixed that idea.

The last time the two countries tried talking, it ended with America bombing Iran’s nuclear facilities. This round of diplomacy is not off to a more promising start.



Photograph: Getty Images

## France's pied-à-terre in Greenland

On Friday France will open a consulate in Nuuk, the capital of Greenland. President Emmanuel Macron announced the decision while on a visit to the territory, part of the Danish realm, in June last year. France considers the presence of a consul-general based in the small city of just 20,000 people to be a “political signal”, at a time when Donald Trump still has his sights on the strategically located island.

France has stepped up diplomatic efforts [to stand up to Mr Trump over these ambitions](#). After the American president declared that he would place higher tariffs on goods from countries, including France, which had sent small military contingents to Greenland, Mr Macron retorted that he would call for the European Union to employ its most powerful retaliatory trade measures. Mr Trump has since retreated. But France, and fellow Europeans, continue to take the threat seriously.



Photograph: Alamy

## Finally, a tailwind for Orsted

The world's biggest wind-power developer, Orsted, presents its report for 2025 on Friday. The Danish giant has been through a tempestuous time. Its market capitalisation plunged 70% since its peak in 2021 because of supply-chain disruptions, increases in the cost of construction of wind farms and the cancellation of high-profile projects.

The [aversion to wind power of Donald Trump](#), America's president, has added to Orsted's troubles. Last year his government ordered a stop on the construction of five of the company's offshore projects, citing concerns about national security. But Orsted will hope the winds of fate are shifting. On February 2nd a federal judge ruled that Orsted could resume construction off New York's coast, after another judge allowed the firm to restart work off Rhode Island. And on Tuesday Orsted sold its European business for \$1.7bn to Copenhagen Infrastructure Partners, a Danish investment firm, to free up funds for a restructuring that involves shedding 25% of the workforce.

## A proper buffeting

Orsted, market capitalisation, \$bn



Source: LSEG Workspace



Photograph: Reuters

## Too much ICE, and snow, at the Olympics

The Winter Olympics officially open on Friday with lavish ceremonies in the San Siro stadium in Milan and elsewhere. Geopolitics will provide as much intrigue as the curling or luge competitions.

Will Russia, whose teams are banned, sabotage the inaugural festivities, as it did when South Korea hosted the games in 2018? On Wednesday Russian-aligned hackers mounted attacks on various Italian websites, including “foreign-ministry offices”. Can plucky little Denmark take revenge on Donald Trump for menacing Greenland by beating America in an ice-hockey match on February 14th? For some Italians the American offence is too much ICE: the deployment to Milan of a handful of [Immigration and Customs Enforcement agents](#), to provide security to the American team, has prompted protests. Then there’s the weather. So much snow has fallen in the Dolomites that the first official women’s downhill-skiing training session on Thursday was scrapped.



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

**Friday:** Between 1958 and 1961, which country was briefly joined with Egypt in the United Arab Republic?

**Thursday:** Which mainland African country has the longest coastline?

*He who walks in the middle of the road gets hit from both sides.*

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***George Shultz***