

The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

America's economy grew at an annualised rate of 4.3% in the third quarter of 2025, according to the Bureau of Economic Analysis. It is the fastest growth since the third quarter of 2023. Most economists had expected a mere 3.2% rise, according to a poll by Bloomberg. The BEA's report replaces estimates that were delayed in October and November because of the [government shutdown](#).

Volodymyr Zelensky, **Ukraine's** president, said **Russia** had launched a “massive” bombardment, primarily targeting Ukrainian energy infrastructure, amid freezing winter weather. The [attack](#) involved at least 650 drones and 30 missiles. Ukraine’s electricity operator said it had imposed “emergency power outages” in most of Ukraine’s regions. Russia has also intensified attacks on Odessa, a coastal city, threatening to limit Ukraine’s access to the Black Sea.

France's National Assembly passed a stopgap bill to keep the government running during January. The measure—which must still pass the Senate—allows the government to continue spending and collecting taxes without a budget. Lawmakers used the same measure last year. [Emmanuel Macron](#), France’s president, has

urged lawmakers to finalise a budget for 2026 when parliament convenes again in January.

The **yen** strengthened to around ¥156 against the dollar after Katayama Satsuki, **Japan's** finance minister, warned that “the government will take appropriate action against excessive moves” in the currency. The **big spending promises** of Takaichi Sanae, Japan's new prime minister, have contributed to the yen's weakness this year. The currency fell to nearly ¥158 against the dollar, an 11-month-low, on Friday.

The price of **copper** rose above \$12,000 a tonne for the first time. The **surge** has been driven by buoyant demand—copper is vital for electricity grids and green technology—and disruptions at mines in big producers such as Chile. Worries that Mr Trump could impose further tariffs on the metal have pushed the price higher, as American importers rush to place orders.

America's Department of Justice released a further 30,000 pages of documents relating to **Jeffrey Epstein**, a dead sex offender. The **tranche** contains an email alleging that Donald Trump “travelled on Epstein's private jet many more times than previously has been reported”. The DoJ said the files “contain untrue and sensationalist claims” about the president. It published other heavily redacted files on Friday and Saturday.

Italy's competition regulator fined **Ryanair** €256m (\$302m), accusing Europe's largest airline of blocking or hindering customers from booking flights through travel agents. It said that the budget carrier pursued an “abusive strategy” that prevented agencies from packaging Ryanair tickets with other services, such as insurance, or flights from other carriers. **Ryanair** called the ruling “bizarre” and “unsound” and vowed to appeal.

Figure of the day: \$19.5bn, the value of assets written-down by Ford as the carmaker rethinks its EV strategy. [Read the full story.](#)



Photograph: Reuters

Corporate America's chaotic ride

We are looking back on 2025. Today, business.

Navigating the Trump administration sent corporate America on a [rollercoaster ride](#). The initial mood was buoyant—the promise of corporate tax cuts and Wall Street types leading treasury and commerce departments. A series of unpredictable jolts followed: policy decisions announced on social media, demands for law firms to take up MAGA causes pro bono and attacks on the Federal Reserve and executives Mr Trump disapproved of.

Then came the sudden drop—a trade war. Hiring has slowed as companies cut costs (though chief executives claim they are replacing workers with artificial intelligence). Many companies have held off passing higher import levies on to customers lest Mr Trump changes his mind or the Supreme Court strikes down some of his tariffs.

In the meantime corporate America is [bracing for](#) a new \$100,000 fee for H1-B skilled-worker visas, announced in September. So far the administration has faced little resistance from bosses, who are fearful of retribution from Mr Trump. Criticising him would risk derailing the car.



Photograph: Getty Images

Merger-mania hits big business

Mega-mergers are back and the party shows no signs of abating. Record profits, lower interest rates and friendlier regulators have fuelled [aggressive dealmaking](#). Companies announced at least 32 mega-deals worth more than \$700bn in 2025 —the most since a wave of deals in 2021, according to LSEG, a financial-data provider. Union Pacific's \$85bn purchase of Norfolk Southern, a railroad rival, is this year's largest deal. Meanwhile a \$108bn bidding war is underway between streaming and studio giants Netflix and Paramount for Warner Bros Discovery, a media titan.

Takeover booms often end in [painful hangovers](#). When the dotcom bubble burst, it halted the acquisition frenzy that began during the mid-1990s. The global financial crisis in 2008 ended a wave of deals fuelled by cheap debt. A correction of the frothy valuations of artificial-intelligence assets would cause an end to the current boom. But for now the corporate dance-floor is packed and the bubbly is flowing.



Photograph: Imago

Extravagances of the jet set

The definition of luxury has shifted. Fancy frocks can be purchased on second-hand marketplaces or rented for a fraction of the retail price. Lab-grown diamonds mirror the real thing. Such traditional markers of affluence are [losing their lustre](#). Bain, a consultancy, reckons global sales of personal luxury goods declined by 2-5% in 2025.

Instead, the ultra-rich are splashing out on [swanky experiences](#): the finest hotels, Centre Court tickets to Wimbledon or tables at flashy restaurants. McKinsey, another consultancy, estimates that global spending on posh hospitality services will exceed \$390bn in 2028, up by more than 60% from 2023.

The danger for the [luxury industry](#) lies in repeating past mistakes. Around the turn of the millennium, luxury houses broadened their appeal to aspirational shoppers to fuel growth, flooding the market with Gucci belts, Louis Vuitton bags, Burberry scarves and other high-margin items. That backfired when the economy turned in 2008 and shoppers vanished—along with the exclusivity that justified premium price-tags.



Photograph: Getty Images

Defence stocks explode

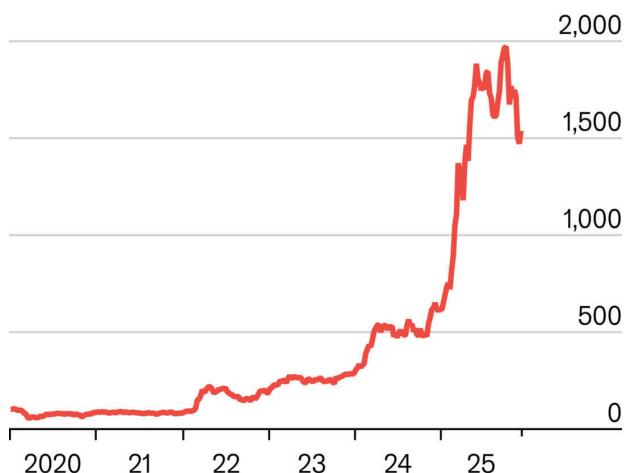
The business of war is booming. Geopolitical tension and Europe's [race to rearm](#) after Russia's invasion of Ukraine have fuelled demand for rocket-launchers, helicopters and submarines.

McKinsey, a consultancy, reckons European defence spending will increase by a cumulative €700bn-800bn (\$815bn-934bn) between 2022 and 2028. Germany alone plans to spend €215bn a year on its armed forces.

Military orders [continue to pour in](#). The Stoxx Europe Aerospace and Defence Index, which tracks big European defence contractors, has roughly tripled in three years, with half of that rise coming this year alone. [Germany's biggest defence firm](#), Rheinmetall, has seen its share price rocket from €37 in 2013, peaking at more than €1,900 in 2025. The company, which is Ukraine's biggest supplier of ammunition, will boost its annual artillery production from 25,000 rounds in 2025 to 350,000 rounds by 2027. With defence spending projected to reach new highs next year, the rally has further to run.

Full throttle

Rheinmetall share price, €



Source: LSEG Workspace



Illustration: The Economist

Daily quiz

We will serve you a new question each weekday. All five have a common theme. We won't pick any winners this week, normal service will resume next week.

Monday: Robert Peary claimed to reach which point in 1909, although the first group to manage the feat, and show verifiable evidence, was a Soviet expedition of 1948?

Tuesday: Which orchestral piece, composed by Leroy Anderson, was turned into a hit song by the Ronettes in 1963?

*Laughter is the shortest distance
between two people*

Victor Borge