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Bloomberg

Evening Briefing

Americas Edition

Donald Trump may not be joining Amazon and Starbucks employees in making your holidays somewhat less convenient. It turns out his own party won't let him, as the GOP-controlled House of Representatives just passed a bill to keep the US government open. While workers at the e-commerce giant and coffee chain strike over the right to unionize and wage issues, which may mean slower gift deliveries and fewer lattes, Trump was ready to force a shutdown as millions of Americans head to airports—which federal officials warn may experience big delays unless the government stays open. But on Friday evening, Trump's fellow Republicans put fealty aside and defied their party leader while calling Elon Musk's bluff on his threat to spend them out of office. Earlier this week, Trump and Musk objected to a bipartisan funding deal because it included hundreds of millions of extra spending and, more importantly, didn't raise of suspend the federal debt ceiling. A new version of the bill last night—one that earned Trump's seal of approval—failed to pass the House. That bill *did* give Trump what he wanted on the debt limit, but kept much of the spending he and Musk decried. Democrats pointed to this as proof of the real motivation: a multitrillion-dollar blank check to allow renewal of Trump's first-term tax cut package that went mostly to corporations and the rich. The third version of the funding bill—the one that just passed the House—scraps the debt limit issue and keeps major funding for disaster relief. The Senate still needs to approve the bill, and President Joe Biden is set to sign it, but no matter what happens, the entire matter appears to show Trump's hold on his party might not be what it once was. —*David E. Rovella*

What You Need to Know Today

Major US stock indexes took a hit this week, largely due to an investor temper tantrum over the Federal Reserve's caution regarding 2025, and specifically due to the limited number of interest rate cuts it may include. On Friday at least, the S&P 500 and the Nasdaq 100 both rose, thanks to fresh data showing inflation resuming its downward trajectory after stalling a bit. Bloomberg's dollar gauge saw its worst drop this month, but was still higher for the third straight week. While Treasury yields are lower across the curve on Friday, the 10-year rate has climbed more than 10 basis points this week. Here's your markets wrap.

The world's biggest hedge funds are in a fierce competition for a limited pool of talent. Richard Northridge, a former portfolio manager at Citadel, has received $1 billion from Marshall Wace to trade for its flagship hedge fund. This initial backing, which is part of the firm's main $22 billion Eureka hedge fund, will scale up as Northridge builds out his team, the firm wrote to clients.

Taiwan-based iPhone maker Foxconn is said to be putting its interest in pursuing Nissan on hold while the Japanese automaker is in negotiations for a potential merger with Honda. The decision to pause comes after Foxconn sent a delegation to meet with Renault—which owns 36% of Nissan and will have a say in any tie-up—in

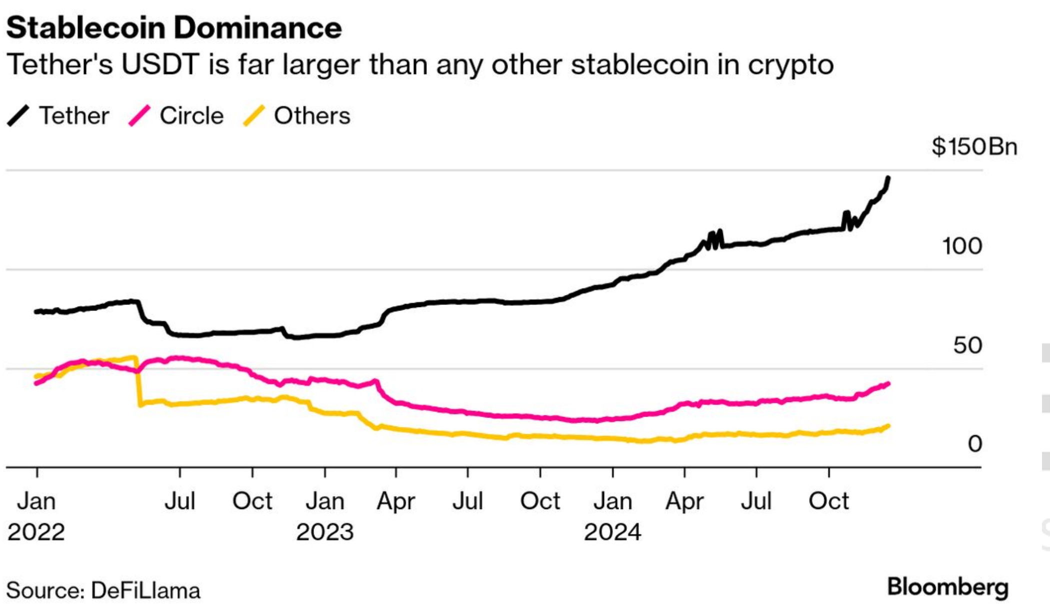
France. But the smartphone-maker, which has long-standing ambitions to break into the electric vehicle industry, is not giving up completely.

Before this week, Justin Trudeau's political future had long been in doubt among Canada's chattering classes. But the crisis that now threatens to finish him off as prime minister came on suddenly. Everything seemed in hand on Dec. 8 when Trudeau and Chrystia Freeland, his finance minister and longtime deputy, dined at the prime minister's country residence in the hills just north of Ottawa. They chatted about the details of a financial update Freeland was due to release the following week and forged an agreement on the major points. But not long after, two men—Mark Carney and Donald Trump—would come between the two politicians. And then everything blew up.

Justin Trudeau *Photographer: Kamara Morozuk/Bloomberg*

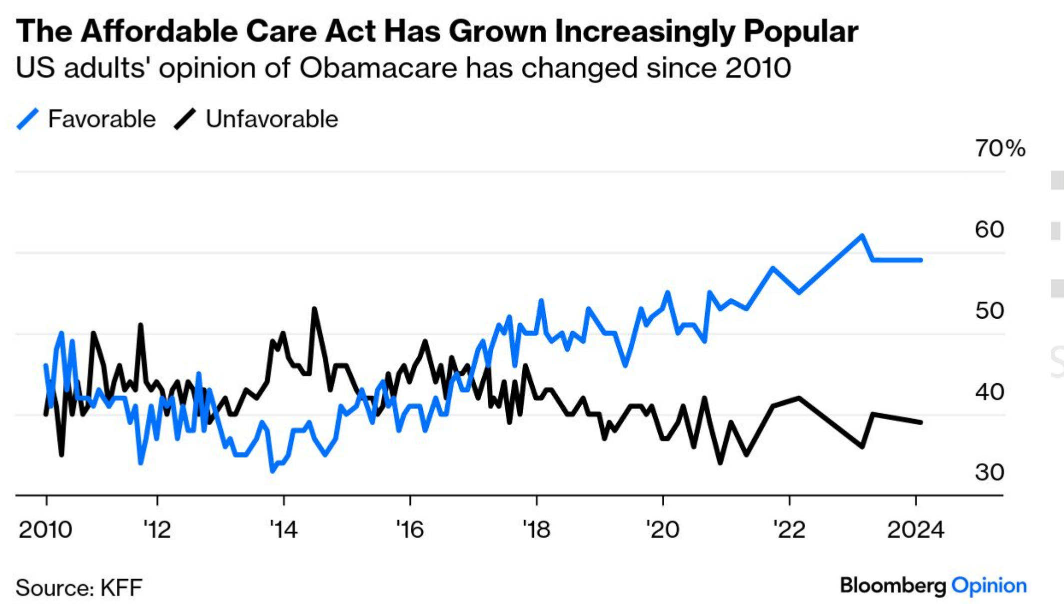
European Union crypto-asset regulations set to take full effect in a few days are already reshaping the market for a key type of digital token—and may weaken the bloc's appeal to investors just as a crypto-friendly Trump takes over the White House.

Several crypto exchanges operating in the EU have already delisted the [dominant stablecoin](), Tether Holdings's USDT, to comply with the new regime. That's rippling through the market for such instruments, with new issuers seeking to [fill the void]() and investors defaulting to using the euro for trading in and out of cryptocurrencies. The new rules were designed to give regulators greater insight into crypto flows and prevent money laundering that forensic experts say USDT is known for. But crypto executives caution that the new rules may end up draining liquidity from markets without achieving the EU's goals.



Qualcomm prevailed against Arm Holdings' claim that it breached a license for chip technology it acquired along with a startup in 2021. Jurors in Delaware federal court held on Friday that Qualcomm didn't violate the terms of an agreement covering Arm's chip products as part of its $1.4 billion purchase of Nuvia—specifically when it incorporated the tech in Qualcomm chips without paying a higher licensing rate. While Qualcomm is one of Arm's biggest customers and a longtime partner, the companies have grown increasingly at odds as they've become rivals in the computer-processor industry. The dispute has [resonated across the industry](), because many of the world's biggest tech companies rely on chip architecture licensed from Arm and incorporated into Qualcomm's products, ranging from computers to cars.

A rude surprise could be in store for millions of Americans who get health coverage through the Affordable Care Act. If Congress doesn't act next year, enhanced premium subsidies will expire, causing enrollees' payments to increase by more than 75% on average. More than 2 million people will become uninsured in the first year after the policy lapses. Extending the enhanced subsidies, meanwhile, would cost taxpayers a whopping $335 billion through 2034. Bloomberg's Editorial Board writes that, politics aside, the brewing dilemma presents an opportunity for compromise that should involve extending the enhanced subsidies temporarily while gradually weaning the program from massive federal support. Both political parties might find such an agreement would work to their advantage.



What You'll Need to Know Tomorrow

Germany

Suspected Attack on German Christmas Market Kills at Least Two

Middle East

US Meets New Syrian Leader Al-Sharaa, Scraps $10 Million Bounty

Digital Assets

Bitcoin Slumps as Trump Euphoria Gives Way to Wariness on Fed

Immigration

Trump’s Mass Deportation Pledges Are Already a Caribbean Reality

Health

Lilly’s Zepbound Grabs First Drug Approval for Sleep Apnea in US

Retail

Party City to Wind Down Operations and Fire Employees

Entertainment

Sony’s Crunchyroll Finds Its Early Lead in Anime Under Attack

For Your Commute

Airline rewards programs were once fairly straightforward. Carriers doled out perks like lounge access, cabin upgrades and even free flights to tighten bonds with customers who collected points from their journeys. Frequent flyers enjoyed the elevated status that came with sticking to one airline, while savvy users could scour awards charts to find deals that made bucket-list trips to Europe or Hawaii more affordable. These days though, it’s not so simple.

Photographer: George Frey/Bloomberg

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