

MNI POLITICAL RISK ANALYSIS - Week Ahead 29 December 2025 - 4 January 2026

by Tom Lake

(MNI) London – All timings are subject to change.

Editor's Note: We would like to wish all of our readers a happy, healthy and prosperous New Year.

Monday 29 December:

- **US-Israel:** US President Donald Trump hosts Israeli PM Benjamin Netanyahu at his Mar-a-Lago club in Florida from ~13:00ET/18:00GMT/19:00CET. The fifth in-person meeting between the two of 2025 is likely to see discussions focus on the prospect of outbreaks of conflict on three fronts. Trump will be keen to push Netanyahu towards the implementation of phase two of the Gaza peace plan, amid continued Israel Defence Force operations in the strip. Netanyahu is likely to seek to impress upon Trump the threat his government sees emanating from Iran, with a desire to renew strikes on the country's nuclear sites and those associated with Tehran's ballistic missile program. The prospect of renewed fighting between Israel and Hezbollah in Lebanon is also likely to come up in talks.
- **Australia:** In a press conference, PM Anthony Albanese confirmed the terms of an independent review, headed up by retired diplomat Dennis Richardson, that will investigate the circumstances surrounding the Bondi Beach terror attack and whether response and intelligence agencies worked effectively prior to the atrocity. The PM has so far resisted demands from the victims' families for a royal commission to examine the event.
- **Philippines:** The House of Representatives and the Senate convened for special meetings in order to ratify the bicameral report on the General Appropriations Bill. This means the two chambers have agreed on a joint text for the PHP6.793 trillion (USD115.5bln) national budget for 2026, which can now go to President Ferdinand 'Bongbong' Marcos' desk to be signed into law in early January.
- **India:** Defence Minister Rajnath Singh chaired a meeting of the Defence Acquisition Council, in which the council approved procurement proposals across the Indian army, navy, and air force to purchase upward of USD9bln of new military equipment. India's continued purchase of Russian military equipment remains a source of tension between New Delhi and the US and EU.
- **Peru:** The Standing Committee of the Congress of the Republic holds a meeting at 09:00ET (14:00GMT, 15:00CET) to discuss a report proposing former PM Mirtha Vásquez be barred from holding political office for 10 years for alleged violation of Art. 45 of the [Constitution](#) and abuse of power while serving as the interim President of the Congress. Vasquez has recently announced her intention to run for a seat in the Senate in the 2026 elections for the minor centre-left *Ahora Nación* party.
- **Iraq:** The Iraqi Parliament holds its first meeting since the 11 November parliamentary election. The significant losses for historic Shia parties, combined with

gains for Shia Islamist parties with armed factions, is likely to complicate the selection of a prime minister and formation of a government in the fractured legislature. Should parties close to Iran with armed wings join the next government, it could complicate relations with the US, EU, UK, and the Gulf states.

Tuesday 30 December:

- **Italy:** Following its passage in the Senate last week, the Chamber of Deputies is set to hold a final vote on the 2026 state budget. The Chamber is not expected to make any alterations to the bill, as this would require it to be returned to the *Palazzo Madama* for senators to hold a third reading. With Finance Minister Giancarlo Giorgetti describing the 63-day process of getting the bill passed in the Senate as a “torturous path”, the government will be keen to avoid this and ensure the budget can be applied from 1 January. Vote is expected ~13:00CET (07:00ET, 12:00GMT).
- **India:** PM Narendra Modi holds meetings with senior economists and industry experts to discuss the state of the economy ahead of the presentation of the FY26/27 Union budget. Finance Minister Nirmala Sitharaman is due to present the Union budget on 1 February. Officials from the NITI Aayog (National Institution for Transforming India, the government’s primary policy think tank) will also be in attendance amid continued evaluation of the impact of US tariffs on India’s economy.
- **United States:** A special election takes place for Iowa’s State Senate’s 16th district following the death of incumbent Democrat Claire Celsi. The district has been held by Democrats since 2005. While unlikely to garner significant media or market interest, should the Republicans unexpectedly flip the seat it would give them a two-thirds majority in the State Senate, allowing GOP Gov. Kim Reynolds to appoint nominees without requiring bipartisan support. Recent state-level elections across the US have trended Democrat, so a Republican win would be a major upset.
- **Philippines:** Market holiday for Rizal Day.

Wednesday 31 December:

- **Argentina, Austria, Brazil, Chile, Colombia, Croatia, Czechia, Denmark, Estonia, Finland, Germany, Hungary, Indonesia, Italy, Japan, Latvia, Lithuania, Norway, Philippines, Poland, Slovakia, Slovenia, South Korea, Sweden, Switzerland, Thailand, Romania:** Market holiday for New Year’s Eve.

Thursday 1 January:

- **Eurozone:** Bulgaria will officially become the 21st eurozone member state. This will see the eastern Balkan nation abandon the lev, which has been pegged to the euro under a stable currency board since the single currency’s launch in 1999. Bulgarian markets closed all week.
- **United States:** Zohran Mamdani, a self-described ‘democratic socialist’, will be sworn in as the next Mayor of New York City, following his comprehensive win in the November election. Mamdani’s political stances and criticism of President Donald Trump have brought him into direct conflict with the White House (although a meeting in late November papered over some of the issues). There have been threats to

withhold federal funding for NYC depending on the policies Mamdani looks to pursue once in office.

- **European Union:** Cyprus assumes the chair of the rotating presidency of the Council of the European Union, taking over from Denmark. Cyprus will hold the position until H226, when Ireland takes over. The CofEU chair has few formal powers, but can be influential in deciding topics of debate and conversation for European Council meetings.
- **Argentina, Australia, Brazil, Canada, Chile, China, Colombia, all EU countries, Indonesia, Japan, Malaysia, Mexico, New Zealand, Norway, Peru, Philippines, Russia, Singapore, South Africa, South Korea, Thailand, Turkey, UAE, United Kingdom, United States:** Market holiday for New Year's Day.

Friday 2 January:

- **China, Hungary, Israel, Japan, New Zealand, Russia, Slovenia, Switzerland, Thailand:** Market holiday.

Sunday 4 January:

- **OPEC+:** A meeting of the eight OPEC+ countries takes place in Vienna, Austria. At the last meeting in late November, countries agreed to pause increases in output in the first three months of 2026 due to 'seasonality', with the January meeting intended to monitor adherence to these levels and judge whether further action is needed. The prospect of a peace deal between Russia and Ukraine will be closely watched, as a loosening of sanctions on Moscow would have significant impacts on global oil supply.

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