The NASDAQ Composite Index closed above 4,000 for the first time in 13 years. The NASDAQ had lagged other stockmarkets, though it has now risen by 34% so far this year; the S&P 500 has advanced by 27% and the Dow Jones Industrial Average by 23% (though the Dow and S&P 500 have both frequently set record-breaking highs in that time). Tech companies have helped push up the NASDAQ; Netflix’s share price has increased by 292% this year and Facebook’s by 74%.

The Nikkei 225 stock index in Tokyo hit its highest point since mid-December 2007, helped by a declining yen that boosts Japanese exports.

Brazil’s central bank raised its main interest rate for the sixth time in a row, to 10%, amid worries about inflation and a high budget deficit.

Tavares is a hit

PSA Peugeot Citroën named a successor to Philippe Varin as chief executive: Carlos Tavares, who until this summer was in charge of operations at the carmaker’s arch-rival, Renault. A public outcry prompted Mr Varin to renounce a pension pot worth €21m ($29m). Peugeot is undergoing a deep restructuring, with many job losses, and has tapped €7 billion in state guarantees.
Fiat said that launching an IPO of Chrysler, in which it owns a 58.5% stake, would be impracticable before the end of the year, reversing its assertion that a flotation was on track for 2013. The IPO has been requested by the union health-care trust fund that holds the remaining 41.5% stake. Fiat wants to buy that stake and integrate fully with Chrysler, but the two sides disagree about the price.

South Korea’s ministry of defence revamped the specifications for new stealth fighters it is ordering, which in effect awards the contract to Lockheed Martin’s F-35A. During the summer Boeing’s F-15 fighter jet was thought to have wrapped up the bid. When completed it will be South Korea’s costliest acquisition of weapons to date; neighbouring China and Japan are also upgrading their fleets of stealth aircraft.

Investors responded positively to Hewlett-Packard’s quarterly earnings after it reported a $1.4 billion net profit and just a small dip in revenue and compensated for weakness in China by doing well in other emerging markets. Meg Whitman, HP’s boss, also said that it had not been hurt by the revelations of online snooping by America’s National Security Agency. Cisco recently warned that the spying revelations had prompted a “level of uncertainty” among foreign buyers of its network equipment that will affect its sales. See article (http://www.economist.com/news/business/21590923-edward-snowden-not-only-cause-american-firms-chinese-troubles-question-trust)

John Chen, BlackBerry’s acting chief executive, streamlined the company’s senior ranks by getting rid of the chief marketing and operating officers. (Both had been appointed by Thorsten Heins, who was recently booted out as chief executive.) He also replaced the chief financial officer and reduced the board by one member to seven.

Speculation mounted that a mega-takeover bid is in the offing for Time Warner Cable, America’s second-biggest provider of cable television. The rumoured bidders include Comcast, Cox Communications and Charter Communications, in which John Malone is the biggest investor.

A big blow

RWE, a German energy company, ditched a project to build the world’s biggest offshore windpower array off the south-west coast of Britain, because of development costs that are “prohibitive in current market conditions”. Critics of the British government’s apparent change of heart over renewable energy (David Cameron has reportedly told advisers to “get rid of the green crap”) say it has created uncertainty among investors in such projects.

Repsol, Spain’s biggest oil-and-gas company, agreed to pursue talks with the Argentine government over its offer of compensation, said to be worth $5 billion in dollar-denominated bonds, for nationalising YPF, Repsol’s subsidiary in Argentina. The expropriation has frayed relations between Argentina and Spain, which will want a guarantee from Argentina that it will honour its bond. See article (http://www.economist.com/news/americas/21590939-deal-repsol-small-step-towards-reversing-energy-deficit-swallowed-pride)
The Irish government abandoned a partial sale of the state gas company because the submitted bids were too low. The sale was fundamental to Ireland’s agreement with the EU and IMF to divest national assets to raise €3 billion ($4.1 billion). The country is still expected to finish its bail-out programme in December.

The shoe is on the other foot

After rejecting a takeover bid from Jos A. Bank, Men’s Wearhouse submitted a reverse takeover offer for its smaller rival. With both American clothing chains obviously suited for a merger, the only question seems to be how much they are willing to pay to tie it up.

From the print edition: The world this week