Trump denies discussing Ukraine investigations with Sondland in July phone call

During a press conference with Turkish President Recep Tayyip Erdogan on Wednesday, President Trump said he knows nothing about an alleged July 26 phone call with EU Ambassador Gordon Sondland in which he is reported to have asked about the status of Ukrainian investigations he sought into the Bidens and the 2016 election.
"I know nothing about that. First time I've heard it. The one thing I've seen that Sondland said is that he did speak with me with for a brief moment and I said "no quid pro quo under any circumstances." And that's true. But I've never heard this. In any event, it is more secondhand information, but I've never heard it."

— President Trump

**Why it matters:** In the first public impeachment hearing on Wednesday, acting U.S. Ambassador to Ukraine Bill Taylor revealed that he had been informed of the new revelation by a staff member last Friday.

- The staff member, which has since been confirmed to be David Holmes, told Taylor that he overheard Trump discuss "the investigations" in Ukraine with Sondland the day after Trump's July 25 call with Ukrainian President Volodymyr Zelensky.
- Sondland later told Holmes that Trump cared more about "the investigations of Biden" than Ukraine itself, according to Taylor.
- Holmes has been called by House investigators to testify behind closed doors on Friday.

**The big picture:** The new detail suggests that Trump was more personally involved in Sondland and other U.S. officials' efforts to get Ukraine to announce these investigations, which have been condemned by Democrats and many of the impeachment witnesses as political.

**Go deeper:** Highlights from the impeachment hearing
1 big thing: The solution to information overload

Axios AM makes busy mornings simpler by delivering the top 10 things you need to know to start your day.

Buzzfeed calls it “short-and-sweet, just enough words to know Why It Matters.”

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President Trump, after warning three days ago that Iran would pay "a very BIG PRICE," authorized a drone strike at Baghdad International Airport that killed Iran's top general and second most powerful official, Qasem Soleimani.

**Why it matters:** Soleimani had cost hundreds of American lives and was among the Middle East's most feared powers. But Iran seems certain to respond, potentially further destabilizing the world's most volatile region.
Israeli officials say the country is bracing for possible Iranian retaliation after the U.S. killing of Iranian general Qasem Soleimani — and has started taking precautionary measures.

**Why it matters:** Some Iranian officials mentioned Israel as a "co-conspirator" in Soleimani's death alongside the U.S. Israeli officials say Iran could retaliate against Israel as part of any larger move against the U.S. by using their proxies in Syria, Lebanon and the Gaza Strip.
Photo: Scott Olson/Getty Images

The Institute of Supply Management’s index of manufacturing activity released Friday hit its lowest level since the end of the Great Recession in December.

**Why it matters:** It shows worsening conditions for the U.S. manufacturing sector, which has been in contraction for five straight months, and reignites concerns about the trade war's impact on the economy. Stocks, already in the red after a U.S. airstrike killed a top Iranian general, fell to the lowest levels of the day following the release of the data.
Illustration: Sarah Grillo/Axios

CES, the annual January trade show in Las Vegas, is many things: a great place to catch up with leaders from throughout the tech industry, a decent chance to spot broad trends and an opportunity to hear stump speeches from big-name CEOs trying to get their companies seen as tech leaders.

What it's not, though, is a place for the most important tech announcements of the year. Companies like Apple, Google and Samsung prefer to launch key products in a less noisy environment, at their own private events.

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CONSUMER ELECTRONICS SHOW (CES)
2020's first battle between Big Tech and climate activists is already here, and it won't be the last.

Driving the news: Amazon Employees for Climate Justice (AECJ) yesterday alleged management is trying to prevent employees from continuing to publicly criticize corporate policies.
Iran's response to the U.S. killing of Qasem Soleimani, a top Iranian military official, could target oil infrastructure and transit in the Middle East, analysts say.

Driving the news: The airstrike in Iraq that killed Soleimani pushed prices sharply upward last night and into this morning.
Qasem Soleimani, the Iranian general killed in a U.S. airstrike in Iraq, was one of the Iranian regime's most powerful figures — and the mastermind of its regional ambitions.

**Why he mattered:** As the leader of the elite Quds Force of the Islamic Revolutionary Guard Corps (IRGC), Soleimani was as revered by Iran's proxies and supporters across the region as he was reviled by Iran's foes, who considered him the mastermind of state-sponsored terrorism.

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Photo: Press Office of Iranian Supreme Leader/Anadolu Agency/Getty Images

Growing divide between the two Americas
Life in the U.S. is increasingly divided into two realities — one in which things have almost never been better and another in which it's hard to imagine them being worse.

**Driving the news:** Bankruptcies led more companies to announce job cuts last year than at any time in more than a decade, WSJ’s Aisha Al-Muslim reports (subscription), citing data from outplacement firm Challenger, Gray and Christmas.

Pompeo says Soleimani strike disrupted "imminent" attack
Secretary of State Mike Pompeo told CNN’s "New Day" on Friday that the U.S. strike that killed Iranian general Qasem Soleimani was meant to disrupt an "imminent" attack against Americans in the Middle East.

"It was the time to take this action so that we could disrupt this plot, deter further aggression from Qasem Soleimani and the Iranian regime — as well as to attempt to de-escalate the situation. The risk of doing nothing was enormous. The intelligence community made that assessment, and President Trump acted decisively last night."
Sen. Bernie Sanders speaks Tuesday at Bernie's Big New Year's Bash, which drew 1,300 in Des Moines: Photo: Kelsey Kremer/The Des Moines Register via Reuters

Sen. Bernie Sanders' $35 million fourth-quarter fundraising, which easily tops 2020 Democrats, is a timely reminder that the socialist senator from Vermont is the single most consistently popular and viable Democrat of the past half-decade.

**Why it matters:** The media rarely treats Sanders, 78, with the seriousness warranted by his sustained popularity and fundraising.