DOW JONES | News Corp

TUESDAY, DECEMBER 27, 2022 ~ VOL. CCLXXX NO. 150

WSJ.com

**★★★★** \$5.00

**DJIA** Closed (33203.93)

**GOLD** Closed (\$1,795.90)

**EURO** \$1.0637 **YEN** 132.88

# What's News

#### Business ヴ Finance

C outhwest canceled more than two-thirds of its flights Monday and plans to slash schedules Tuesday and Wednesday, in a meltdown that worsened while other airlines began to recover from the winter storm. A1

- **♦** Citing security concerns over TikTok, some Biden administration officials are pushing for a sale of the Chinese-owned company's U.S. operations to ensure Beijing can't harness the app for espionage and political influence, according to people familiar with the situation. A1
- ◆ Tesla suspended car production at its Shanghai factory, extending a planned eight-day production halt at its largest plant by car output, according to people familiar with the matter. B1
- **♦** The electric-vehicle maker is on pace for its worst annual stock performance on record. B2
- **♦** Rocketing electricity prices are increasing the cost of driving electric vehicles in Europe, in some cases making them more expensive to run than gas-powered models. **B4**
- ♦ Creators of blank-check companies are rushing to liquidate them before the end of the year, seeing few prospects for deals soon and a surprise tax bill looming in 2023. B1
- **♦** Wide-release movies earned \$7.23 billion in North America this year through Christmas, according to box office tracker Comscore. B1
- ◆ The extent to which investors, analysts and economists got markets' direction wrong this year has left many anticipating 2023 with unease. B10

# World-Wide

- ◆ Chinese health authorities plan to lift Covid-19 quarantine requirements on international arrivals early next month, taking one of the country's biggest steps to ease restrictions since the pandemic began even as case numbers remain high. A1
- ◆ The Pentagon said it has stepped up raids against Islamic State in Syria, conducting nearly a dozen risky helicopter and ground operations to kill or capture top militant operatives. A18
- ◆ Three Russian service members were killed during a Ukrainian drone attack on a Russian military air base, Moscow said, the latest apparent demonstration of Kyiv's ability to strike military targets inside Russia. A8
- ◆ An Arizona judge threw out the remainder of Republican gubernatorial candidate Kari Lake's claims of election misconduct. A5
- ◆ Five drones from North Korea flew into South Korea, worsening ties between two neighbors already trading military shows of force with growing frequency. A9
- ◆ China's People's Liberation Army dispatched a swarm of jet fighters and other military aircraft on sorties near Taiwan in a move Beijing said was a response to provocation by Washington and Taipei. A9
- ◆ U.S. voters are sharply divided by political party over which groups of Americans face discrimination, a Wall Street Journal poll found. A4

CONTENTS	Opinion A15-17
Arts in Review A13	Personal Journal A11-12
Business & Finance B2,6	Sports A14
Business News B3	Technology B4
Crossword A13	U.S. News A2-7
Heard on Street B10	Weather A13
Markets B10	World News A8-9,18
	532 <u>33</u> >



#### **NASDAQ** Closed (10497.86) **STOXX 600** Closed (427.45) **10-YR. TREAS.** Closed (3.746%) **OIL** Closed (\$79.56)



TRAGIC: Workers on Monday cleared snow in Buffalo, N.Y., as a brutal storm that swept the area left at least 27 people dead in the county that encompasses the city. Officials said the death toll was expected to rise. A6

# **Southwest Scraps Thousands** Of Flights, More Cuts Ahead

By Alison Sider

Southwest Airlines Co. canceled more than two-thirds of its flights Monday and plans to slash its schedules Tuesday and Wednesday, in a meltdown that stranded thousands of customers and that worsened while other airlines began to recover from the holiday winter storm.

We had a tough day today. In all likelihood we'll have another tough day tomorrow as we work our way out of this,"

said in an interview Monday evening. "This is the largest scale event that I've ever seen."

Southwest plans to operate just over a third of its typical schedule in the coming days to give itself leeway for crews to get into the right positions, he said, adding that the reduced schedule could be extended.

Southwest's more than 2,800 scrapped flights Monday, the highest of any major U.S. airline, came as the Dallas-based airline proved unable to stabi-Chief Executive Bob Jordan lize its operations amid the past

Average hourly wage of

week's storm. Between Thursday and Monday, the airline canceled about 8,000 flights, according to FlightAware.

On Monday, the Transportation Department called the rate of cancellations at Southwest "disproportionate and unacceptable" and said it would examine whether the cancellations were controllable and whether the airline is complying with its customer service plan.

Ryan Green, Southwest's chief commercial officer, said in an interview the airline is taking

steps such as covering customers' reasonable travel costs-including hotels, rental cars and tickets on other airlines, and will be communicating the process for customers to have expenses reimbursed. He also said customers whose flights are being canceled as the airline recovers are entitled to refunds if they choose not to travel.

The troubles at Southwest Please turn to page A6

◆ Death toll from storm in Buffalo rises.

# China To Open **Borders As Covid Cases Rise**

Beijing plans to drop quarantine rule for incoming travelers, its latest policy softening

By Jonathan Cheng

BEIJING—Chinese health authorities plan to lift Covid-19 quarantine requirements on international arrivals early next month, taking one of the country's biggest steps to ease restrictions since the pandemic began even as case numbers remain high.

maintained China has among the world's most restrictive coronavirus lockdown measures, slowing its economy significantly and sparking anger. Following waves of protests this fall, authorities abruptly abandoned the country's stringent zero-Covid-19 strategy early this month.

Beginning Jan. 8, China plans to scrap all quarantine measures for Covid-19, including requirements for inbound visitors, both foreigners and Chinese nationals, according to the National Health Commission.

The commission issued a plan late Monday to stop treating Covid-19 as a "Class A" infectious disease, which demands stringent control measures, and downgrade the management of the virus to "Class B," which calls for more basic treatment and prevention. The Wall Street Journal reported last month that China Please turn to page A9

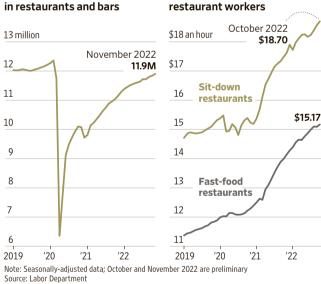
◆ Tesla suspends work at Shanghai factory..

◆ Heard on the Street: China won't spoil soft landing.... B10

# **Restaurant Workers Return**

Employees are returning to restaurants, where the pandemic hit hard, drawn by pay increases, improving conditions and fewer other opportunities amid a weakening economy. A3

#### Number of employees working in restaurants and bars



# Movies Reach Peak Pinocchio With Four New Adaptations

Fifty remakes of the classic tale exhaust even the most devoted fans

By Don Steinberg

Around 50 Pinocchio movies have been released since the classic 1940 Disney film, including, no lie, 1965's "Pinocchio in Outer Space."

Filmmakers' unflagging fascination with the wooden boy's tale may explain why 2022 shaped

up as the year America reached Pinocchio. Even die-hard fans suspect supply has outrun demand.

Three Pinocchio projects have premiered since in Montreal, called Disney's January, among them Walt Disney Co.'s "Pinocchio" from director Robert Zemeckiswith Tom Hanks as Geppetto-

and "Guillermo del Toro's Pi-

nocchio" this month on Netflix. A fourth, "Pinocchio and the Water of Life," billed as a coming-of-age comedy, was pushed to summer, presumably to skirt the Pinocchio pileup. In "Lies of P," a videogame also set for release next year, Pi-

nocchio battles his way through a preindustrial hellscape. His mission: return home to Geppetto, the carved kid's creator and surrogate father.

Mat Brunet, an

animation historian original "Pinocchio" the "'Citizen Kane' of animation." He is among the Pinocchio aficionados braying their discontent Please turn to page A7

# TikTok Security Concerns Revive U.S. Push for a Sale

Some Biden administration officials who are citing security concerns over TikTok are pushing for a sale of the Chinese-owned company's U.S. operations to address the potential for Beijing to harness the app for espionage and political influence, according to people familiar with the situation.

> By Stu Woo, Kate O'Keeffe and Aruna Viswanatha

The proposal for a forced sale has arisen in discussions by the Committee on Foreign Investment in the U.S., an interagency government panel that has been negotiating with TikTok for more than two years on a way to wall off the company's data and operations from the Chinese government, the people said.

Pentagon and Justice Department representatives on the panel are among those supporting a forced sale, the people said, citing the risk of Beijing accessing TikTok data or influencing the videos that Americans view on TikTok. They said these issues can only be addressed by separating the app from its Chinese owner, Beijing-based ByteDance Ltd.

'We're talking about a government that, in our own intelligence community's estimation, has a purpose to move global technology use and norms to privilege its own interests and its values, which are not consistent with our

own," Deputy Attorney General Lisa Monaco said in an interview, in which she declined to discuss TikTok specifically. "That's the perspective I bring to these issues."

But the Treasury Department, which chairs the panel, is worried that such an order might be overturned in court, and is looking for other possible solutions, according to a person familiar with that department's thinking.

Cfius experts said the committee could make a recommendation to the president. who has the authority to force a sale, or divestiture, of TikTok by its Chinese owners for it to continue operating in the U.S.

White House spokes-Please turn to page A7



#### **PERSONAL JOURNAL** How to start writing

your life stories to preserve them for the ages. A11



# **JASON GAY**

The great sports stuff in 2022, from college softball to the striped bass blitz. A14

# Hospitals Shun Poorer Areas

Despite tax breaks for serving needy, many nonprofits grow in wealthier communities

est nonprofit hospital systems, which give aid to poorer communities to earn tax breaks, have been leaving

Many of the nation's larg-

By Melanie Evans, Max Rust and Tom McGinty

those areas and moving into wealthier ones as they have added and shed hospitals in the last two decades.

As nonprofits, these regional and national giants reap \$8.8 billion from tax breaks annually, by one Johns Hopkins University researcher's estimate. Among their obligations, they are expected to provide free

medical care to those least able to afford it. Many top nonprofits, how-

ever, avoid communities where more people are likely to need that aid, according to a Wall Street Journal analysis of nearly 470 transactions. As these systems grew, many were more likely to divest or close hospitals in low-income communities than to add them.

Since 2001, half the hospitals divested by Common-Spirit Health, a large Catholic system based in Chicago, were in communities where the poverty rate was above the medians for state hospital markets, compared with

Please turn to page A10

P2JW361000-0-A00200-1----XA

# U.S. NEWS

THE OUTLOOK | By Nick Timiraos

**A2** | Tuesday, December 27, 2022

# Housing Slump Helps Inflation Fight



The Federal Reserve's interest-rate increases have brought on a housing slump

as severe, by some metrics, as that of 2007-09, inflicting pain on prospective buyers, homeowners, builders and other industries linked to real

For the Fed, this is a feature, not a bug: Slumping housing could help deliver the lower economic activity and inflation that the Fed wants in the coming year.

The pandemic that hit the U.S. in March 2020 delivered an unexpected housing boom, driven by working from home, Americans' desire for more space and the Fed's slashing interest rates to near zero.

In the ensuing recovery, job growth fueled household formation as younger adults sought to live alone rather than with roommates or their parents.

The result: Housing construction soared. The S&P CoreLogic Case-Shiller National Home Price Index leapt 45% from January 2020 to June 2022. Apartment rents also climbed sharply.

Caught off guard by the strength and persistence of inflation, the Fed reversed course in 2022, raising rates seven times to between 4.25% and 4.5% this month. The average 30-year fixedrate mortgage jumped from around 4% in March to 7% this past fall. It recently eased back to 6.3%. The monthly mortgage payment on a home at the median U.S. price was up 43% in November from the start of the year, according to the Mortgage Bankers Association.

igher interest rates check inflation by curbing spending, hiring and investment. The ratesensitive housing sector is usually the first to feel this, but the speed and the severity this year has stunned longtime market participants.

"This is the worst rate shock I've ever seen by a mile," said Lou Barnes, a third-generation mortgage banker in Boulder, Colo., who entered the lending business in 1978. He warned that the full effects have yet to be

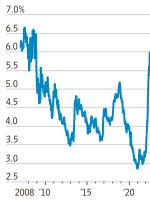
Buyers have retreated to the sidelines, while sellers who have locked in a low interest rate have less reason to

Sales of existing homes fell in November for a record 10th straight month. Economists at Fannie Mae and Goldman Sachs forecast they will drop below 4 million in 2023. lower than during the 2006-11 housing bust.

Rent growth has also slowed as the household formation boom of the last two years appears to have ended and the supply of new apartment units hits a 40-year

Housing demand can grow because of increases in population or because new households are formed. Census Bureau information shows that the share of one-person households surged after the pandemic, likely reflecting behavioral changes as opposed to population growth, said

Average rate on 30-year fixed mortgage



\*change from a year earlier Sources: Mortgage Bankers Association (mortgage); S&P Dow Jones Indices LLC (S&P index)

Thomas Lawler, an independent housing economist in Leesburg, Va.

He estimated that if the share of households as a percentage of the population had been constant from 2021 to 2022, household growth would have been half as large as shown by Census Bureau figures.

If that surge proves to be a pandemic-related anomaly, household formation could be set for a bigger drop. "The cost to form a new household has gone up a whole lot," said Mr. Lawler. "In my mind, it would be shocking if household growth actually hasn't slowed dramatically.

Typically, demand for rental housing rises in the late spring when college students graduate, but that didn't happen this year, according to Jay Parsons, a housing economist at rental software company RealPage. "We've never seen a period

The S&P CoreLogic **Case-Shiller National** Home Price Index



like this, where we've had so much job growth, but so little demand for any type of housing," he said. The demand unleashed by the pandemic "pulled forward" demand

from the future, he said. In November, single-family housing starts hit their lowest since the early months of the pandemic, while higher borrowing costs are chilling new apartment investment. "Anyone in the residential development business—for sale, for rent—is at a stop right now." said Ric Campo, chief executive of Camden Property

of 58,000 apartment units. A housing slowdown could also crimp demand for appliances, renovations and moving services, among other businesses. Dan Neufeld, who runs Mt. Diablo Landscaping in Alexandria, Va., with his father, realized by June that the phone had stopped ringing. "We looked at each other and

**SAVING MONEY** 

Car and

truck rental

Admission

Televisions

to sporting

110%

40

30

20

10

-30

2019

Trust, a Houston-based owner

said, 'My God, what's happening? We should have way more estimates and appointments," said Mr. Neufeld.

He figures that the boom in patio installations that his company enjoyed during the Covid bubble-2020 and 2021 were two of his best yearsbrought forward sales that might have occurred in later years. "Right now, no one is pulling the trigger on a \$20,000 or \$30,000 patio renovation," said Mr. Neufeld.

ll this could have powerful effects on infla-T tion.

Inflation was initially driven up by prices for such things as autos and furniture. Russia's invasion of Ukraine this year further boosted prices for food, energy and other commodities.

Housing also contributed, with a lag, as rents and home prices soared. Housing accounts for a third of the consumer-price index and a sixth of the personal-consumption expenditures price index. which the Fed targets.

With housing prices now falling and rents growing much more slowly, shelter's contribution to inflation could fall sharply in the coming year. It is one reason Fed officials project inflation will slow to 3.1% at the end of next year from around 6%

Fed officials aren't sure that is enough to bring inflation durably down to their 2% target. They worry that grow ing incomes could sustain consumer spending in ways that allow companies to keep passing along higher prices.

# **ECONOMIC CALENDAR**

Tuesday

CoreLogic Case-Shiller National Home Price Index for October. The index showed that U.S. home prices fell 1% in September from August, marking the first time prices declined for three straight months in nearly four years.

#### Wednesday

The National Association of Realtors reports the number of November home sales based on contract signings. Pending home sales fell 4.6% in October from the month before as rising mortgage rates and lower home affordability weighed on demand. Pending home sales fell 37% in October from the same month a year earlier, the sharpest decline

# U.S. WATCH

**NEW YORK** 

# Warning on Painkiller

Letitia James on Monday invited the state's residents to report any price gouging by stores facing shortages of painkillers and fever reducers for children.

ocrat, issued a consumer alert amid a surge of cases of the coronavirus, RSV and the flu, urging anyone who spots gouging to report it to her office amid a national shortage of

ting profiteers on notice that her office is ready to investigate any incidence of dramatic price in-

unfair advantage of consumers by setting unconscionably high prices for anything vital to the safety, health and welfare of state residents.

consumers to buy only as much children's medication as they need and not to stockpile supplies that might be needed by others. Retailers, she added, are permitted to limit the amount of medication that they sell to individual consumers when there is limited supply.

-Associated Press

**TENNESSEE** 

## Six People Believed Killed in House Fire

Authorities believe six people were killed in an early-morning house fire in Tennessee on Mon-

to officially identify the victims and notify their family members before releasing additional details about the victims.

the fire, Sgt. Howard said. Several other agencies also responded and were at the scene to investigate, including the Cumberland County Emergency Management Agency, the Tennessee Bureau of Investigation and the Cumberland County

-Associated Press

# **Firefighter Dies From Injuries Battling Blaze**

North Haven Fire Department has died from injuries he sustained at an early morning blaze at a four-family home on Monday, the fire chief said.

the firefighter, Matthias Wirtz. 46, wasn't inside the home at the time of his injury, but couldn't elaborate. The Connecticut State Police fire unit was investigating the cause of the blaze, which displaced at least 13 residents on Christmas night.

—Associated Press

Prices Soared in 2022, but the Hit Was Uneven Prices, change from a year earlier

Baking a cake was a more expensive proposition in 2022. The price of eggs, margarine and flour rose well more than overall costs in the past 12 months—a vear when inflation reached the highest level since 1981. Also recording price gains: airfares, gasoline and haircuts. Meanwhile, televisions and tickets to the game were among the few items that got less ex-

By GWYNN GUILFORD

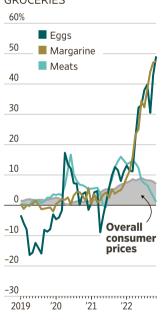
AND ANTHONY DEBARROS

The disparate price changes among the hundreds of products and services tracked by the Labor Department show inflation's highly uneven reach in 2022. The consumer-price index, a measurement of what Americans pay for goods and services, climbed 9.1% in June from a year earlier, before cooling to a still historically high year-over-year increase of 7.1% in November.

pensive from late 2021.

The causes were many. As in 2021, pandemic-driven shifts in consumer spending and government stimulus collided with Covid-disrupted supply chains. New this year Russia's invasion of Ukraine and related sanctions inflamed prices for energy, food and other commodities worldwide. Labor-intensive services emerged as another inflation source as demand for workers outstripped supply, supporting wage gains.

Groceries ate a big hole in consumer wallets this year. Price gains for those food **GROCERIES** DAILY TRAVELS





bor Department data.

# CORRECTIONS & AMPLIFICATIONS

Readers can alert The Wall Street Journal to any errors in news articles by emailing wsjcontact@wsj.com or by calling 888-410-2667.

# THE WALL STREET JOURNAL

(USPS 664-880) (Eastern Edition ISSN 0099-9660) (Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)

Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036 Published daily except Sundays and general legal holidays Periodicals postage paid at New York, N.Y., and other mailing offices

All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc, 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final

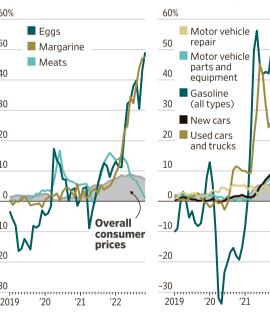
Letters to the Editor: Fax: 212-416-2891; email: wsj.ltrs@wsj.com

Need assistance with your subscription? By web: customercenter.wsj.com; By email: wsjsupport@wsj.com By phone: 1-800-JOURNAL (1-800-568-7625)

**Reprints & licensing:**By email: customreprints@dowjones.com
By phone: 1-800-843-0008

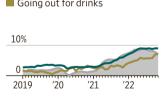
WSJ back issues and framed pages: wsjshop.com Our newspapers are 100% sourced from sustainably certified mills

GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS



AN EVENING OUT

Sit-down dining



Note: Reflects consumer-price index data

items hit the highest level since 1979 in August, when they rose 13.5% from a year earlier. Grocery prices rose 12% in November from a year earlier, the latest available La-

#### Prices for eggs and margarine shot up nearly 50% in November from a year earlier, while flour and baking mixes rose 24.9%. Those baking staples each ranked in the top dozen products that rose in price the most in the past vear, among those the Labor Department measures.

PERSONAL SERVICES

Personal-care services

Legal services

2019

Funeral expenses

Shoppers got a little bit of a reprieve this year, though, too. Overall meat prices increased iust 1.1% in the 12 months ended in November, a slowdown from a 16% increase in the 12 months ended November 2021.

The single product that rose most in price in the past year was also tied to food: meals at school cafeterias. The category more than tripled in price in a year when many schools began charging for lunch after offering free meals earlier in the pandemic.

# Going out

out and about again, prices for

**Vehicles** 

Buying, maintaining and fueling a vehicle was one of the areas hit hardest by inflation this year-with a few excep-

Gasoline prices have eased in recent weeks, but the cost of unleaded regular was 10% higher in November than a year earlier, according to Labor Department data. Troubles on the road also cost more. Repairs in November were 15% more expensive than a year earlier. If you were in a crash, body work cost 12% more. New tires? Up 10%. Insuring a vehicle, up 13%.

Purchasing a new car cost 8% more in November than a year earlier, but that figure obscures a spike that saw yearover-year prices for new cars rise 14% in April. Cost increases have receded since then even as manufacturers battled supply chain issues. Used car and truck costs soared even higher, with prices up 41% in February from a year earlier, before annual gains plunged. In November, buying used cost about 3% less than a year earlier.

# Other services

The prices of everyday services leapt too. A category of services that includes tailoring, clothing rentals and shoe repair soared 14.1% in November from a year earlier. Personal care services—haircuts, for example—increased 6.8% from a year earlier, the largest gain since 1982.

This year, price gains for legal and financial services both hit the highest level since the

# What got cheaper

Though inflation spread to most goods and services, prices for a few of them fell this year. Prices for televisions have been declining on a 12month basis since March, dropping 17% in November from a year earlier, bucking the trend of steady gains throughout much of 2021.

Tickets to sporting events cost 7.2% less last month from a vear earlier, and are down slightly from the average level in 2019.

Renting a car or truck got a little less punishing too. Prices for rentals more than doubled in May 2021 from a year earlier, as consumers caught up on travel after vaccines became available. Prices started declining in May 2022 on a 12-month basis as costs snapped back from extremes, and were down 6% in

November from a year earlier.

# S&P Global releases its S&P

#### **Thursday**

The U.S. Labor Department reports the number of worker filings for unemployment benefits in the week ended Dec. 24. Initial jobless claims rose slightly the prior week but remained historically low, suggesting that employers are still holding on to workers.

**Price Gouging Issued** New York Attorney General

The attorney general, a Dem-

medication for youngsters. Ms. James said she was put-

She noted that New York law prohibits merchants from taking

Ms. James also cautioned

Cumberland County firefighters responded to find the Crossville home fully engulfed in flames, according to Cumberland County Sheriff's Department Sgt. Gary Howard. Officials believe that four adults and two children were killed in the blaze, Sgt. Howard said.

Authorities said they needed

No foul play is suspected in Rescue Squad.

CONNECTICUT

# A 22-year veteran of the

Chief Paul Januszewski said

Postmaster: Send address changes to The Wall Street Journal. 200 Burnett Rd., Chicopee, MA 01020.

acceptance of the advertiser's order.

When the pandemic hit, consumers shifted their spending toward goods and away from services, driving up prices for sporting goods, hardware and other goods. After Americans started to get

# many services rose.

'21

Source: Labor Department

Prices for sit-down restaurant meals have been about 9% more expensive in recent months than the same period a year earlier. That compares with a 2.7% average 12-month

# Televisions were one of the few items that became less expensive this year.

rate of increase in the two decades before the pandemic.

The cost for alcoholic drinks at bars and restaurants rose 7.1% from a year earlier in November, the most since 1991.

Airline fares increased 36% in November from a year earlier, down slightly from a more than 40% gain in October and September, which was the largest gain since 1980. The recent large gains came after prices fell earlier in the pandemic, when travel demand slumped. Plane tickets were 8.8% higher last month than in November 2019, before the pandemic began.

P2JW361000-0-A00300-1-----XA

# FDA Prioritizes Review of Overdose Drug

By Julie Wernau

A pharmaceutical nonprofit was granted priority review from the Food and Drug Administration to make an inexpensive overdose-reversal drug for use without a prescription.

Harm Reduction Therapeutics Inc. said its 3 milligram nasal spray naloxone formulation, called Rivive, had three times higher concentration in the blood of 36 participants than naloxone delivered as a

that the FDA gave it a target approval date of April 28. The FDA declined to comment.

HRT said it would give away one-tenth of its product and sell the rest to pharmacies, public-sector employees and groups that work with drug users at-cost, about \$18 a dose. HRT said it plans to produce 2 million doses a year.

"Cost and access is what we're focused on," said Michael R. Hufford, HRT's chief executive officer and co-founder.

The nonprofit joins a group The company said Monday of manufacturers pursuing

over-the-counter status for the drug to address a crush of deaths from bootleg versions of the powerful opioid fenta-

Emergent BioSolutions Inc., maker of the Narcan brand of naloxone nasal spray, said earlier this month that its application for over-the-counter status had received an expected approval date of March 29. The company's two-dose prescription-only nasal spray was selling at pharmacies recently at a cash price of more than \$100 without insurance.

applying for a nasal-swab version of the drug it said would be cheaper than nasal-spray versions. The startup said earlier this month that it submitted results to the FDA showing that its drug works more quickly than prescription ver-

The FDA has encouraged drugmakers to apply for approval for over-the-counter versions of overdose-reversal medications. Dr. Hufford and John Pinney founded HRT five vears ago after attending a ses-

Pocket Naloxone Corp. is sion in which the FDA urged uct is marketed. companies to make such applications.

> Dr. Hufford received funding from now-bankrupt Purdue Pharma, the manufacturer of OxyContin and a target for billions of dollars in lawsuits stemming from its role in the opioid crisis.

HRT said it continues to receive funds from the proceeds of Purdue's bankruptcy proceedings. HRT said Purdue won't receive royalties from Rivive and doesn't control where and how the prod-

Other nonprofits are also working to lower drug prices. Civica Rx, a nonprofit founded in 2018, introduced a cancer drug this year with a recommended price of \$171 a month versus more than \$3,000 a month without discounts for an older version charged to patients on Medicare Part D. Medicines360, a women's health group, developed a hormonal intrauterine birth-control device it said it sells to safety-net clinics for \$100, about a 90% discount.

# **Workers Return** To Restaurants **After Covid Lull**

By Heather Haddon AND LAUREN WEBER

Restaurants are finally staff-

The industry, which experienced among the biggest reductions in jobs and workers after the Covid-19 pandemic struck the U.S., has erased most of those losses. This past month, restaurants and bars had nearly doubled the number of employees working at the pandemic low in April 2020, according to the Labor Department. The past month alone, restaurants and bars added 62,000 jobs.

Restaurant owners and workers attribute the return to a combination of factors including pay increases, improving working conditions and fewer opportunities elsewhere as the economy weakens.

All but 2.1% of the 12.2 million food-service and drinkingestablishment positions that existed in the U.S. in November 2019 had returned as of the past month, Labor Department data show. Restaurants, hotels and other leisure and hospitality employers have lagged behind the broader labor market, which in July added back the total number of jobs lost during the pandemic.

Many recent hires are returning to the restaurant industry after forsaking it earlier in the pandemic, when lockdowns and local mandates reduced shifts and incomes, and many workers were laid off. furloughed or quit.

After lockdowns eased, demand roared back while employment was still down, leading to declining service ratings and incidents involving angry customers. As the experience of working in restaurants deteriorated, many people left the industry to find better, safer, higher-paying work.

Since then, pay has risen and some employers have taken steps to make the jobs more appealing, including by expanding benefits and in some cases offering more flexible schedules. "There's a lot more focus in the hospitality industry on the importance of workers," said Bob Szuter, coowner of Wolf's Ridge Brewing, a Columbus, Ohio, brewery with two full-service restaurants. "You'd be hard-pressed to find a lot of businesses now who say that the customer is always right."

Restaurant owners say applications have increased and more prospects are showing up for their interviews rather than ghosting operators, as many did during the pan-

The share of job seekers interested in food-service and restaurant jobs is rising close to prepandemic levels, according to Jobcase, a job board specializing in hourly work. In October, 6.2% of individuals on the platform clicked on ads for food-service and restaurant jobs, compared with 6.4% in October 2019 and 5% in Octo-

ber 2021.



Beau Duncan, right, who lost his job at an Outback Steakhouse during the pandemic, now works at Los Dos Potrillos in the Denver area.

ing at an Outback Steakhouse in Colorado when the pandemic hit. He lost his job and did some construction work and picked up occasional shifts at the Outback once it reopened at limited capacity. But he wasn't earning enough to cover his bills, the 40-yearold Highlands Ranch, Colo., resident said.

Around three months ago, Mr. Duncan found a job as a waiter at Los Dos Potrillos, a Mexican restaurant in the Denver area. He is now earning good money, particularly in tips, he said.

Fast-food workers earned an average hourly wage of \$15.17 in October, up 26% from before the pandemic, Labor Beau Duncan was bartend- Department data show. Wages belly Corp.

for workers at sit-down restaurants rose 21% to \$18.70 an hour. Both categories increased faster than the average worker's wages; across private-sector employers, average hourly earnings for rank-and-file workers were up

Some restaurants have managed to staff up faster than others. Fast-food restaurants employed 4.6 million workers as of October, around 1% more positions than before the pandemic. Full-service iobs remain down 7.3% compared with February 2019.

"We're in a much better place" with staffing, said Adam Noyes, chief operating officer of sandwich chain Pot-

Potbelly and other chains, including Starbucks Corp., also have invested in technology to improve collection and distribution of tips to work-

Owners and operators say a softening labor market has brought workers back to the sector and kept them in roles for longer. The nation's job openings, while still elevated. have declined from their pandemic highs.

"We're seeing people sticking around, which tells me they're not seeing as much opportunity or they're a little scared about jumping from job to job," said Mr. Szuter of Wolf's Ridge.

Retention has improved sharply since earlier this year, hamburgers," he said.

he said, with turnover dropping from 35% in the first six months of 2022 to 20% over the past three months.

Restaurants' which have also been hit by rising costs for food, ingredients and materials, have declined to an average of 13% from 21% before the pandemic, according to a survey of 800 operators by market-research firm Datassential.

Timothy Tharp, owner of the Checker Bar and Grand Trunk Pub in downtown Detroit, said his staffing has improved but he is barely breaking even and fears that raising his prices will unnerve customers. "I'm trying not to scare people away with \$30





Logan County Sheriff Damon Devereaux said that criminals target farms, dispensaries and even homes of workers because cannabis grow operations, right, are cash businesses.

# Oklahoma Tackles a Growing Black-Market Marijuana Industry

By Adolfo Flores

COYLE, Okla.—Finding marijuana crops in Oklahoma these days is easy, said Logan County Sheriff's Deputy Chris Tillman, as he stared at rows of cannabis greenhouses surrounded by fields of red-dirt farmland.

Figuring out if they are legal—well, that is another matter. "It's not always clear what we should be looking for," Deputy Tillman said.

The Sooner State has become the biggest source of black-market weed in the country, the Oklahoma Bureau of Narcotics estimated this month.

Drawn by cheap land, affordable licenses and light regulatory oversight, marijuana growers by the hundreds flocked to Oklahoma after the state began allowing commercial marijuana cultivation when it legalized the drug for medicinal purposes in 2018.

With no limit on how much marijuana the operations can grow or how big farms can be, output quickly ballooned well beyond what medical marijuana patients, roughly 10% of the state's four million residents, would appear able to legally consume. The state has issued active licenses for about 7,000 growers and for roughly 2,600 dispensaries. Unlicensed or improperly licensed blackmarket operations are rampant, officials say.

"You don't even have enough dispensaries in the state of Oklahoma to dispense as much marijuana as we're producing," said Donnie Anderson, director of the Oklahoma Bureau of Narcotics. "That marijuana is gonna go somewhere and it's going out of Moving marijuana across state lines is illegal un-

der federal law. Oklahoma officials are now trying to gain control of the exploding marijuana industry, amid violent crimes—including the execution-style murders of four people at a pot warehouse this past month-and residents' complaints about skunk-

like smells.

state.

Earlier this year Oklahoma Gov. Kevin Stitt, a Republican, signed a measure into law that established a two-year moratorium on new medical-marijuana businesses. The state also launched a seed-to-sale tracking system with the hope of making it difficult for illegal growers to sell to dispensaries. But some officials acknowl-

'That marijuana is gonna go somewhere and it's going out of

edge it will be difficult to rein in an industry that has spread quickly and become embedded in many rural corners of the

In Logan County, north of Oklahoma City, Sheriff Damon Devereaux said criminals target farms, dispensaries and

even the homes of those who work in the industry because operations are cash businesses. Because marijuana isn't legal on a federal level, many banks won't accept deposits associated with it.

"It really is the Wild West," Sheriff Devereaux said. "I worry that what we've seen in Kingfisher County is just a small part of what's to come."

He was referring to the sensational murders this past month of three men and one woman at a 10-acre pot farm in Kingfisher County. A suspect in the killings, Wu Chen, 45 years old, was later apprehended by police in Miami Beach, Fla., according to the Oklahoma State Bureau of Investigation. Mr. Chen and those killed were all natives of China.

Mark Woodward, with the Oklahoma Bureau of Narcotics, said the agency is currently investigating about 2,000 farms on suspicion of having obtained their grow license through fraudulent means. Under the law, grow operations have to have 75% local ownership. Still, many foreign and out-of-state investors simply pay an Oklahoma resident to be the majority owner in name only, Mr. Woodward said. Going after these "ghost farms" is one way state authorities are trying to clamp down on the black market.

In Logan County, deputies say they are usually only called to a marijuana farm or dispensary if there is a robbery or if a state investigative agency asks for backup. If local police suspect a business is operating without a license and can't verify independently or want to know who owns it, they have to call the Oklahoma Medical Marijuana Authority, which has the information and regulates the industry.

'I'd feel more comfortable if we had more training on how to tell if it's an illegal grow," Deputy Tillman said.

In a statement, Michael Kimball, communications manager with OMMA, said he was confident the agency had the staff in place to regulate the industry.

In Edmond, a suburb of Oklahoma City, two marijuana dispensaries sit at a busy intersection along with a tire shop, gas station and a co-op. A brand-new, affluent neighborhood shares a property line with a marijuana grow. Residents there said they catch the occasional pungent whiff of marijuana, but it isn't unbear-

Some residents complain to local police that the bright lights used by some farms at night during the harvest are like a high-school football stadium, but authorities can't go after an operation because of the smell, noise or lights.

Donna Hansen, general and purchasing manager of Canna 24 Dispensary in Edmond, said legitimate growers also have an interest in authorities being able to clamp down on the black market. Black-market marijuana is cheaper, she said, but it is also lower in quality.

**A4** | Tuesday, December 27, 2022

# U.S. NEWS

# **Debt Ceiling** Is Next Battle On Capitol Hill

By Lindsay Wise AND ANDREW DUEHREN

WASHINGTON—With the passage of a \$1.65 trillion spending bill, Congress averted the threat of government shutdowns until next September. Now lawmakers are bracing for an even bigger fight in coming months over raising the government's borrowing limit.

Republicans will take control of the House in January, while Democrats will keep their Senate majority, ushering in a period of divided government. House Minority Leader Kevin McCarthy (R., Calif.) and other Republicans have said they would use any vote on raising the debt limit as a way to force Democrats to cut spending. President Biden and congressional Democrats are adamant that they won't allow Republicans to pressure them to cut federal programs.

That is setting up a potential game of chicken next year that could shake global markets if not resolved.

"We're not negotiating, we're giving them nothing,' said Sen. Chris Murphy (D., Conn.). "It is their responsibility as members of Congress to pay the bills of the federal government just like they pay their bills for their home.'

Sen. John Thune of South Dakota, the No. 2 Senate Republican, expressed skepticism that Democrats would stick to their vow not to negotiate on the debt ceiling, given the reality of a Republican-controlled House.

"It's a dynamic that will create some challenges, but it might also create some opportunities, too," Mr. Thune said.

Congress must periodically raise the debt ceiling to allow the Treasury Department to issue more debt to pay for existing obligations. If the ceiling isn't raised, the Treasury would have to take steps including withholding pay of federal workers or delaying interest payments, which would constitute default. In 2011, a conflict over lifting

the debt ceiling under President Barack Obama sent stocks plunging and led to the decision of Standard & Poor's to downgrade the U.S.'s credit rating for the first time. After the two parties failed to agree to structural budget changes during the crisis, they imposed limits on annual spending, known as sequestration, which they later repeatedly voted to ignore.

In recent months, to avoid a similar crisis, some Democrats pushed their party's leadership to try to deal with the debt ceiling in the so-called lame-duck



John Thune, the No. 2 Senate Republican, expressed skepticism that Democrats would stick to their vow not to negotiate on the debt ceiling.

election and the swearing-in of the new Congress on Jan. 3.

But Senate Minority Leader Mitch McConnell (R., Ky.) said in November that he didn't see the debt limit as an issue until 2023. Without the support of at least 10 Republicans in the 50-50 Senate, where 60 votes are needed to advance most legislation, the only path left to Democrats who wanted to raise the debt ceiling before the end of this year would have required them to use a process called reconciliation. That

would have required all 50

through a lengthy series of politically painful amendment votes while also racing to finish the must-pass spending bill and annual defense-policy bill.

Senate Majority Leader Chuck Schumer (D., N.Y.) was confronted with a difficult decision on whether to try to tackle the debt ceiling while also getting other legislation finished, said House Majority Leader Steny Hoyer (D., Md.).

Mr. Hoyer said he expects there will be some sort of deal struck next year, with the help of Republican leaders, given the

session between November's Democrats to stick together stakes. Mr. McConnell "has almost always, in the end, tried to be helpful," Mr. Hoyer said. "I don't know what Mr. McCarthy is doing on the debt limit. I choose to believe that he understands how irresponsible and catastrophic it would be" to risk a default, Mr. Hoyer said.

House Republicans have said cutting spending is a priority for the next Congress, an effort Mr. McCarthy has championed as he runs for speaker. In an interview with Punchbowl News before the election, Mr. McCarthy said Republicans would use raising the debt limit as a way

to demand spending cuts. "You can't just continue down the path to keep spending and adding to the debt," Mr. McCarthy

He said that he wouldn't predetermine whether Republicans might seek cuts to government benefit programs such as Social Security and Medicare, as some GOP lawmakers have proposed, through steps such as raising the eligibility age.

Mr. Schumer said that he hasn't talked to Mr. McCarthy yet and that he is waiting until after speakership elections in

# Millions to Lose Medicaid as Enrollment Rules Change

By Stephanie Armour

WASHINGTON-Millions of people are poised to lose Medicaid coverage after the recently enacted omnibus spending bill changed the healthcare program's enrollment rules, and congressional Democrats and the Biden administration are working to steer eligible people to other types of coverage.

The coverage losses are expected because states that received extra Medicaid funding under a 2020 Covid-19 relief bill had to agree to pause beneficiaries' eligibility verifications. The continuous enrollment in the state-federal program for lowincome and disabled people was set to end when the health emergency is over, likely sometime in 2023.

Instead, under a \$1.65 trillion federal spending bill approved by Congress last week, states can begin disenrolling people from Medicaid in April even if the public-health emergency designation remains in place. Many of those who will lose coverage are likely to qualify for coverage under the Affordable



marketplaces launch a special sign-up window for people who lose Medicaid coverage.

Care Act, according to publichealth officials and advocates.

The Medicaid change was the product of bipartisan discussions, and many Republicans have been eager to remove people who aren't eligible for Medicaid from the program. They say that continuous enrollment has driven up federal spending

and that taxpayers shouldn't be

footing the bill for beneficiaries who earn too much to qualify for the program.

As many as 18 million people could lose coverage, according to estimates from the Urban Institute, a nonpartisan policy-research group, and many of those people might be disenrolled because they earn too much for the program.

Enrollment in Medicaid and its related children's program had grown by almost 19 million people as of July 2022 compared with February 2020, according to the Kaiser Family Foundation, a nonprofit group. It is now the largest single source of coverage in the U.S., with one in four Americans in Medicaid or its related chil-

dren's health program. Among those who might be

dropped from the program are people with incorrect personal information on file. Publichealth advocates are concerned that the sheer volume of eligibility redeterminations will result in people being ousted from Medicaid even if they are eligible. They also worry that people will wind up uninsured because they aren't aware of their eligibility for other coverage, such as employer-sponsored health insurance or Affordable Care Act plans.

States are gearing up for the effort and the Department of Health and Human Services is providing outreach and guidance to assist. The agency on Dec. 12 issued a proposal that would let state Affordable Care Act marketplaces launch a special sign-up window for people who lose Medicaid to help prevent gaps in coverage.

Some state leaders worried about coverage losses are moving to preserve continuous Medicaid enrollment for certain populations. Oregon next year will launch a program to contin-

uously cover children until age 6. California, New Mexico and Washington state have asked the Biden administration to authorize similar proposals. The legislation will expand

on those efforts by making children in Medicaid eligible for continuous coverage for a year without disenrollment, even if families' financial circumstances change, rather than making it optional for states.

The Biden administration has told states it will provide 60 days notice before the publichealth emergency ends. The current designation lasts through Jan. 11. The administration is likely to extend the designation until April because it hadn't given states any notice yet.

Before the omnibus bill's passage, state leaders had pressed lawmakers for relief, saying they needed a more certain timetable so they can prepare for the massive undertaking of verifying millions of enrollees. State Medicaid directors, in a November letter, said the uncertainty about when the public-health emergency would end wasn't tenable.

# Can your team do better... somewhere else

Those who execute on opportunities are called lucky (by those who don't)

SI Capital has opportunities for you to join us, or become a partner in a newly formed independent firm. You provide a talented team, ambition, and niche opportunities in financial services (investments. trading, raising capital, etc). We provide capital, regulatory (FINOPS, etc), class A office space (above Grand Central Station), IT, legal and more.

SI Capital is an investment/trading firm with 5+ billion dollars AUM owned by the founder of 5-hour ENERGY. We don't make decisions by committee. We don't participate in ESG or other irrational fashions. We don't "adjust" compensation plans on the fly. And we move fast. No retirement age-we like people who know what they are doing.

If you're really good at what you do, and really enjoy the work (but not the decision making process) this may be a good fit. If you enjoy the safety of bureaucracy... this may not fit.

If you're interested contact:

Chris Fowler C: 248-826-4306 cfowler@SICapitalGroup.com



# New York Rep.-Elect Santos Admits Lying

By Jan Wolfe

WASHINGTON—Congressman-elect George Santos admitted in two separate interviews on Monday that he lied on the campaign trail about his education and work experience but said he hasn't committed any crimes and still intends to serve in Congress.

Mr. Santos, a Republican elected last month to represent part of Long Island, N.Y., told the New York Post and radio station WABC that he lied about graduating from Baruch College. He also admitted that he never worked directly for Wall Street firms Citigroup Inc. and Goldman Sachs Group Inc., as he had previously suggested on his campaign's website.

The interviews come after a story in the New York Times earlier this month noted the discrepancies in his résumé.

"I didn't graduate from any institution of higher learning. I'm embarrassed and sorry for having embellished my résumé," Mr. Santos, 34 years old, told the Post. "I own up to that ... We do stupid things in life."

"I am not a criminal," Mr. Santos added. "This [controversy] will not deter me from having good legislative success. I will be effective. I will be good."

An archived version of Mr. Santos's former campaign website said he attended Bar-



George Santos, campaigning in Glen Cove, N.Y., was elected in the general election in November.

uch College in Manhattan and "in 2010 graduated with a bachelor's in economics and finance."

The same campaign biography said he "began working at Citigroup as an associate and quickly advanced to become an associate asset manager in the real asset division of the firm." According to that biography, he "was then offered an exciting opportunity with Goldman Sachs."

Mr. Santos acknowledged in the interview with the New York Post that he "never worked directly" for Goldman Sachs and Citigroup, saying he had made a "poor choice

Mr. Santos said in the interview that a company called LinkBridge Investors, where he worked as a vice president, did business with the two Wall Street firms.

Democrats have said the discrepancies, as well as additional questions about Mr. Santos's finances, should be looked at before Mr. Santos is set to be seated when a new House is sworn in on Jan. 3. The Supreme Court has said that the House can only prevent candidates from taking office if they violate the Constitution's age, citizenship and state residency requirements.

Mr. Santos last month de-

feated Robert Zimmerman, a Democratic National Committee member, by 8 percentage points in New York's redrawn Third Congressional District, which contains parts of Northeastern Queens and North Shore of Long Island.

Rep. Tom Suozzi, the incumbent Democrat, didn't seek re-election; he unsuccessfully ran for governor.

Republicans outperformed expectations in most New York suburbs on their way to winning a House majority. Once a new Congress is seated on Jan. 3, they will hold a narrow 222-212 majority in the House with one vacancy.

By Gabriel T. Rubin

Student Loan Holders Left in Limbo

The Supreme Court's expected decision next year on the fate of President Biden's student-debt cancellation plan means that millions of borrowers won't know for months whether they will have to repay loans that the White House has pledged to forgive.

The court said last week that it would hear arguments Feb. 28 in two cases challenging the Biden administration's plan to cancel up to \$20,000 in debt for qualifying borrowers. A ruling is expected by the end of June.

After lower courts blocked mass debt cancellation, the administration delayed the end of the pandemic freeze on loan repayment for the sixth time under Mr. Biden. Payments and interest accrual, which have been frozen since March 2020, are now scheduled to resume 60 days after litigation over the loan-forgiveness program is resolved or the program is implemented.

The result is that borrowers, debt servicers and federal policy makers are entering 2023 facing uncertainty about exactly when student-loan payments will restart, how much—if any—debt relief will be granted and what sorts of payment plans will be offered to borrowers. More than 40 million people collectively hold \$1.6 trillion in federal student debt.

A Supreme Court decision that blocks the plan would disappoint debtors who were counting on the relief and would make the process of restarting monthly payments after a yearslong pause more difficult.

"If cancellation doesn't end up happening, borrowers will have a difficult time trusting what the Education Department and government tells them about student loans and the programs that are available to assist them," said Josh Rovenger, an attorney for the Legal Aid Society of Cleveland who works with low-income

# Lake's Suit Over Vote In Arizona Dismissed

By Erin Mulvaney AND ELIZA COLLINS

An Arizona judge threw out the remainder of Republican gubernatorial candidate Kari Lake's claims of election misconduct, saying she failed to prove the allegations that ballots weren't counted correctly and mishandled in the state's most populous county.

Every witness brought before the court "was asked about any personal knowledge of both intentional misconduct and intentional misconduct directed to impact the 2022 General Election. Every single witness before the Court disclaimed any personal knowledge of such misconduct," Maricopa County Superior Court Judge Peter Thompson wrote in the ruling. Judge Thompson was appointed to the bench by former GOP Gov. Jan Brewer.

"This Judge did not rule in our favor," said Ms. Lake on Twitter. "However, for the sake of restoring faith and honesty in our elections, I will appeal his ruling."

'Today's ruling in Lake v. Hobbs is a win for Arizona voters and American democracy," Maricopa County Board of Supervisors Chairman Bill Gates said in a statement.

The dismissal came after a two-day evidentiary hearing held by Judge Thompson on Ms. Lake's claims that various instances of electoral misconduct caused her to lose the governor's race to Arizona Secretary of State Katie Hobbs. Ms. Hobbs oversaw the election but didn't count ballots. "Another win for democracy," Ms. Hobbs tweeted about the judge's decision.

Ms. Lake had submitted other claims, but those were dismissed previously.

County officials have said that, despite some issues with ballot tabulators on Election Day, all votes were legally cast and counted. Ms. Hobbs, a Democrat, defeated Ms. Lake by less than 1 percentage point, or 17,000 votes.

and middle-income borrowers.

Loan servicing companies have complained about the Biden administration's frequent extensions of the pause, sometimes on short notice. Some Education Department officials concede they are worried about payments restarting smoothly.

"We've had to react to decisions made by the administration in real time," said Scott Buchanan, head of the Student Loan Servicing Alliance, an industry group. "It's been hard to guide borrowers about what to expect without a road map of how it's going to look at the end of the day."

By law, servicers must attempt to contact borrowers several times before payments are due. They must also hire and train new staff to answer an anticipated deluge of calls from borrowers who are unfamiliar or out of practice with loan payments.

The administration's debtforgiveness plan has already been blocked by multiple federal courts. In November, a Texas judge ruled that the administration had improperly used powers only available to Congress in creating the program. In a separate case, another court ruled that the state of Missouri had a proper basis for challenging the program, but didn't make a ruling on the merits of the case.

GOP officials in six states sued the administration, as have an array of borrowers backed by conservative legal organizations. The states' suit says the president's program unconstitutionally usurps congressional authority to make law and will adversely affect state tax revenues. Another lawsuit takes aim at the eligibility requirements for cancellation, arguing that they improperly excluded some borrowers.

**Education Secretary Miguel** Cardona has said the administration feels "confident in our legal authority" to cancel the debt. When Mr. Biden announced the plan in August, he described it as a necessary one-

time move to lessen the "unsustainable debt" saddling borrowers.

Several marquee initiatives of the Biden administration have met their demise at the Supreme Court, including a pandemic-related eviction moratorium and vaccinate-or-test mandate for large employers.

When he announced the plan, Mr. Biden paired onetime mass debt cancellation with an overhaul of existing loan payment programs that also has yet to be enacted. That will require changing Education Department regulations and would likely be more insulated from legal challenges because Congress created the payment programs initially.

To prevent student debt balances from ballooning in the future, the administration plans to cut from 10% to 5% the amount of discretionary income borrowers must pay each month on their undergraduate loans if they are enrolled in an income-driven repayment plan. Borrowers making less than 225% of the federal poverty line wouldn't have to make monthly payments on their loans.

No borrower's loan balance will grow as long as he or she makes the monthly payments, even if a low-income borrower's monthly requirement is set at \$0.

# THIS HOLIDAY SEASON... FILL BELLIES, NOT LANDFILLS



The Pratt Foundation is proud to support Feeding America® by helping to provide 10 million meals\* for hunger relief in the U.S. as well as reduce food waste a major contributor to landfills and methane gas emissions



To learn more, including how you can help, visit feedingamerica.org or scan the code





Pratt Industries is one of the largest corrugated box manufacturers in the United States. Our 100% recycled boxes save money and save the environment.

www.prattindustries.com

America on behalf of local member food banks.

**A6** | Tuesday, December 27, 2022

# Storm Deaths Rise to 27 in Buffalo Area

By Douglas Belkin

At least 27 people have died in the county that encompasses Buffalo, N.Y., as the result of the brutal storm that swept through the area in recent days, with officials warning that the death toll could continue to climb.

Erie County Executive Mark Poloncarz said Monday the total would likely rise as additional bodies are recovered or those already recovered are identified and determined to be storm-related deaths.

The circumstances of confirmed storm-related deaths include 14 people found outside, three who had heart attacks while removing snow, three

found in vehicles, four in homes without heat and three who died because of delays in emergency services.

Mr. Poloncarz urged people with heart conditions to avoid shoveling. The dead so far identified were between the ages of 26 and 93, he said.

The region surrounding Buffalo, an area well-accustomed to winter cold, wind and snow, became ground zero for the deep freeze that paralyzed about two-thirds of the nation over the Christmas holiday.

The front and its accompanying subzero wind chill and icy conditions brought flooding, power outages, canceled flights and dangerous driving conditions. At least 40 people

throughout the U.S. have died owing to storm conditions, with many perishing in accidents on icy roads, including in a multicar pileup in Ohio Friday.

More than one million energy customers lost power, and thousands of flights were canceled. On Sunday, 3,182 flights within, into or out of the U.S. were canceled, according to FlightAware.

The severity of the storm in western New York resulted from several extreme weather variables that came together to create a once-in-a-generation storm, said Heather Kenyon, a meteorologist for National Weather Service in Buffalo.

It was in the 40s and raining Friday morning when tem-

peratures plummeted, triggering a flash freeze throughout the area. Snowfall—which continued for the next two days—then covered the icy roads beneath. The hazardous driving conditions were compounded by wind gusts that reached 60 to 70 miles an hour, creating whiteout conditions.

The combination of the sudden freeze and high winds knocked down power lines across the region and damaged some substations, cutting power out to more than 100,000 customers.

Hochul on Sunday compared scenes on the roads in and

around Buffalo to a war zone. "The vehicles along the

New York Gov. Kathy

sides of the road are shocking," she said. "It is not just small vehicles, it is literally snowplows, it is major sized recovery vehicles, and utility vehicles and tow trucks. So we have a real challenge right now."

Larry Daley and Nate Piegdon are part of a snowmobile club that set out to help stranded motorists stuck in cars across Buffalo roads.

On Saturday, they said they found numerous people stranded, many of whom had dashed out, trying to get to destinations ahead of the storm. "Some of them had been stuck inside their cars for 24 hours," Mr. Piegdon said.

On Facebook, residents begged for help for themselves

or loved ones.

Daniesha King, 23 years old, went into labor around 10:30 Saturday night but her car was under several feet of snow, said her husband, T.J. Thomas. He posted a note on Facebook asking for help. Matthew Waldman's mother saw the note and called her son, an 18-year-old freshman at Erie Community College.

When he arrived, he helped Ms. King through waist-deep snow and into the truck. Mr. Thomas stayed in the house to care for the couple's three other young children.

The baby boy arrived at 10:46 Sunday night. He is 6 pounds, 13 ounces, said his grandmother Danielle King.

# Southwest Cancels Flights

Continued from Page One

intensified Monday despite generally improving weather conditions and warming temperatures throughout much of the eastern half of the country, which had been pummeled by snow, wind and subfreezing temperatures in recent days.

Senior Southwest executives spent much of the weekend, including Christmas Day, meeting to work through the problems, people familiar with the matter said. But their efforts failed to get the airline back on course.

The woes were due to a combination of the location of bad weather, the setup of Southwest's flight routes and, managers and union leaders said, execution challenges including a crew scheduling system that was overwhelmed by and buckled under the volume of changes.

Social media was replete with customers' complaints and images of long lines. Some passengers said they waited days to retrieve checked bags after



A Southwest Airlines employee lines up luggage at Chicago Midway International Airport on Monday as flights were canceled.

flights were canceled or waited for hours on hold for assistance.

Southwest on Monday called the disruption unacceptable and said it was working to address it by "rebalancing the airline"—flying a reduced schedule—and getting crews and planes to the right places. It offered an apology to customers and employees.

"We were fully staffed and prepared for the approaching holiday weekend when the severe weather swept across the continent," the airline said. The tools it uses were "operating at capacity," it said.

Jonathan Bodow, a facilities management executive, said he

had two Southwest flights canceled from two different airports in less than 24 hours, including one that boarded and deplaned. He and his family left Kansas City on Monday afternoon to drive 19 hours home to Phoenix.

Mr. Bodow, who said he has the top status in Southwest's frequent-flier program, signed up for voice-mail alerts from the airline and said the carrier is typically very proactive, with alerts for even a five-minute delay. "My phone hasn't rung in two days," he said, adding that the family's four checked bags are still in St. Louis.

A Southwest spokesman said some flights were boarded and

then canceled due to flight crews running out of allowable work time.

Other airlines also had a rough run amid the harsh spell of weather. Delta Air Lines Inc. canceled about 20% of its flights Saturday and Sunday. Alaska Air Group Inc. canceled about 65% of its flights on Friday. Spirit Airlines Inc. on Sunday canceled 25% of its flights.

But other carriers didn't have the same steady level of disruption. And for several, cancellation numbers eased Monday, while Southwest's tally climbed, accounting for over half of U.S. flight cancellations Sunday and nearly three-quarters on Monday, according to FlightAware.

With a major presence in Denver and Chicago, which were beset by bone-chilling cold and wind, Southwest was affected early on. Planes froze overnight in Denver on Thursday night, and were unusable until midday Friday. Midway International Airport in Chicago ran out of space for deicing, hobbling the airport even as O'Hare International Airport began to ramp back up. Meanwhile, Buffalo Niagara International Airport said Monday it would remain closed until Wednesday after a brutal storm swept through the area.

What does it take to spark hope for young people with colorectal cancer?

# ITAKES MSK

Cases of colorectal cancer are rising among people under 50. At MSK, we led a clinical trial that eliminated rectal cancer in every single patient that qualified—an unprecedented result that holds promise for people facing rectal and other cancers.

Visit MSK.org/CareNow to learn more about our innovative treatments or call 833-990-2418 to reach a cancer expert today.

Andrea Cercek, MD Physician-Scientist

©2022 Memorial Sloan Kettering Cancer Center. All rights reserved.

Where you're treated first matters.



Memorial Sloan Kettering Cancer Center

# New Effort to Save Manatees Under Way

By Arian Campo-Flores

Wildlife officials in Florida are relaunching a program to feed manatees in a coastal area where many congregate in the winter, part of efforts to address the aquatic mammals' chronic malnutrition caused by the disappearance of seagrasses they feed on.

Manatee deaths remain at high levels, with 774 so far this year, according to state data. That figure puts deaths this year on track to be down from 2021's record total of 1,101, but it is still higher than the average for the same period over the past five years. Causes of death include starvation, watercraft collisions and cold stress. Florida's manatee population was estimated at 5,733 in 2019, the last year in which the state conducted a count.

The U.S. Fish and Wildlife

Service declared an unusual mortality event for manatees along Florida's Atlantic coast last year—a designation that refers to a significant die-off that requires an immediate response. A key factor is the depletion of seagrasses because of poor water quality in the Indian River Lagoon, an estuary spanning 156 miles of Florida's eastern coast.

The situation highlights a broader problem with polluted waterways in Florida. Algal blooms have broken out in numerous areas in recent years. fueled by nutrients such as nitrogen and phosphorus from improperly treated sewage, leaking septic tanks and fertilizer runoff, according to researchers. The outbreaks pose a threat to Florida's economy, which relies heavily on tourism in coastal areas.

Last winter, mainly January

to March, state and federal wildlife officials provided over 202,000 pounds of romaine lettuce, butter lettuce and cabbage to manatees gathering in warm water discharged by a power plant on the Indian River Lagoon. Many of the mammals, which typically are about 10 feet long and weigh more than 1,000 pounds, seek refuge there when waters cool in winter.

Officials restarted the program earlier this month. They have distributed about 1,000 pounds of lettuce so far to a small number of manatees, said Michelle Pasawicz, on-site lead for the Florida Fish and Wildlife Conservation Commission.

The condition of manatees appears to have improved a bit since last winter, with some recently observed animals in decent health, said Patrick Rose, executive direc-



A manatee swims among seagrass in the Homosassa River in Florida. Manatee deaths remain high.

tor of the advocacy group Save the Manatee Club. But he said the challenges they face remain serious.

Last month, his group and others filed a petition with the U.S. Fish and Wildlife Service urging the agency to reclassify manatees as endangered, reversing a decision to downgrade the animals to threatened in

2017. A Fish and Wildlife spokesman said, "Service staff will review the petition through our normal petition processes."

In response to a lawsuit by some of the same groups, the agency agreed in June to revise what is known as the manatee's critical habitat—areas with physical or biological features that are essential to the

conservation of endangered or threatened species-by September 2024

A separate lawsuit filed in May against the Environmental Protection Agency sought to compel it to consult with other agencies to reassess water-quality criteria for the Indian River Lagoon. That litigation is pending.

# Push Is Renewed for TikTok Sale

Continued from Page One woman declined to comment on a continuing Cfius case.

The wildly popular TikTok is used by more than 100 million Americans, and increasingly by businesses as a way to connect with customers.

But the app's Chinese ownership has put increasing pressure on the Biden administration to resolve security concerns. Former President Donald Trump, a Republican, unsuccessfully attempted to force TikTok to come under U.S. control, then tried to impose a ban on the app when that didn't happen.

President Biden rescinded

Mr. Trump's attempted ban after taking office, saying it wasn't enforceable in the wake of two separate federal court rulings, which the Biden administration decided not to appeal.

His decision to revoke the Trump executive orders drew criticism from China hawks at the time, with Sen. Josh Hawley (R., Mo.) calling it a major mistake.

Mr. Biden, a Democrat, promised a comprehensive plan to address the security risk from TikTok and other apps based in adversarial nations but has yet to deliver, helping fuel efforts in Congress and in the states to constrain TikTok.

TikTok has consistently maintained it would never share user data with the Chinese government. On Thursday, TikTok said it had fired employees and tightened protocols after discovering they had improperly accessed the data of journalists.

TikTok declined to comment

on the prospect of a forced sale. It said it believed it can address the concerns that the U.S. government raised.

TikTok has been negotiating with U.S. officials since 2020 on an arrangement to ensure data on U.S. users can't be shared with Beijing.

As a result of those talks, TikTok has agreed to have the data of U.S. users managed by a subsidiary called TikTok U.S. Data Security Inc., according to people with knowledge of the proposal.

Only vetted employees of the subsidiary could access user data, the people said. The subsidiary would be monitored by approved third parties, including Oracle Corp., whose servers would store the data, and overseen by a three-person board composed of U.S. national-security experts, the people said.

The agreement would also give Oracle the power to examine TikTok's recommendation algorithm, which gives priority to the short videos that users see, the people said. Despite these promises,

some U.S. security officials and lawmakers said they believe that no Chinese company could withstand pressure from the Chinese government to turn over information.

Many of these same people

#### The U.S. has long been skeptical of foreign ownership of domestic media.

said they are concerned that China could seek to dictate videos that are shown—or blocked—on TikTok in a bid to influence U.S. popular opinion.

Treasury Secretary Janet Yellen has said TikTok poses legitimate national-security concerns, but the people familiar with internal Cfius discussions said Treasury officials are concerned an attempt to force a sale could be caught up in a protracted legal battle the government could ultimately lose.

In one case in which Cfius did go to court, the government in 2015 settled with a Chinese buyer of U.S. wind-farm companies, but only after a court said Cfius might need to disclose more information in cases it considers.

"Treasury may have concerns regarding litigating the bounds of its jurisdiction because that could result in limitations on their ability to review future transactions," said Christian Davis, who leads the Cfius practice at law firm Akin

Another hurdle in forcing ByteDance to sell its American operations to a company in the U.S., or perhaps an allied nation, is the cooperation of the Chinese government. Beijing could use export controls

and forbid ByteDance from selling technology related to the video-recommendation algorithm that has made TikTok so successful.

The U.S. has long been skeptical of foreign ownership of domestic media.

For decades it has placed tight limits on foreign ownership of U.S. broadcast media, even local radio stations. But the lightly regulated internet has never had such rules.

As Cfius remains in a stalemate over the future of Tik-Tok, sentiment against Byte-Dance has hardened in Congress and among state governments.

The Pentagon, State Department and other agencies have already banned TikTok on government-issued smartphones and other devices, and Congress recently voted to expand that ban to all government agencies.

—John D. McKinnon and Andrew Duehren contributed to this article.

# Movies Hit Peak Pinocchio

Continued from Page One over the Disney reboot, wondering why the world ever needed another Pinocchio movie. 'Why should I be watching

it when the original 'Pinocchio' is also right there on Disney+, a click away?" said Mr. Brunet, who dismissed the new version as "an endless cycle of crazy moments."

Kathleen Gwinnett, born the year the original Disney film opened, has stockpiled a proper Pinocchio collection in her Burlington, N.C., home: dolls, figurines, puzzles, games, snow globes, books. She also didn't like the re-

"I felt like we were watching a horror movie," said Ms. Gwinnett, who saw it with her grown daughters. "First thing, they have is a boy getting kicked out of school? You want somebody who's in preschool thinking that's what happens when you go to school?'

Broad audience demand has driven the release of 30 movies in the Marvel Cinematic Universe franchise, including the latest, "Black Panther: Wakanda Forever." One man, Pinocchio's creator, 19th-century Italian writer Carlo Collodi, has stirred the imagination of filmmakers.

"Pinocchio is one of the primordial literary myths," Mr. del Toro said. The director said that novelist Gabriel Garcia Marquez put Pinocchio alongside Frankenstein, Sherlock Holmes, Dracula, Tarzan and the Count of Monte Cristo.

"You can make a Pinocchio that serves as a reading of family dynamics, or social dynamics, or as a story about truth and lies," Mr. del Toro said. "You can set it in the present day, in the future, you can set it in outer space.'

Mr. Del Toro's version, using stop-motion photography, is set in 20th century fascist Italy, where a military leader sees Pinocchio as the perfect soldier because he can't die. "We wanted to make a tale about disobedience as a virtue,



An image from Disney's 2022 'Pinocchio' remake

said, upending the original's theme.

"Frankenstein and Pinocchio, since I was a kid, were very related in my mind," Mr. del Toro said. "They were both stories of fathers and sons, and the father releasing the son into the world without any guiding principles."

Federico Fellini and Francis Ford Coppola had dreams of making Pinocchio movies. Italian comedian Robert Benigni made two of them. Ron Howard and Robert Downey Jr. stirred rumors a few years ago about making one.

Then there were the films echoing the Pinocchio story, including as "Edward Scissorhands," "Blade Runner 2049," and "A.I. Artificial Intelligence," a movie that Steven Spielberg took over from Stanley Kubrick, who also wanted to create his own version of Pi-

Not all were hits. On RottenTomatoes.com, which converts published reviews into a numerical index, Mr. Benigni's 2002 "Pinocchio" has a critics' score of zero out of 100. It received an audience score of 33. below even legendary flop "Ishtar." Disney's remake has an audience score of 29 on the

"It's very much a story for boys, and this is one reason why it remains so popular with male filmmakers," said Rebecca West, a University of Chicago professor who has taught a course on film adaptations of Pinocchio.

"The mother figure is absent in Pinocchio's creation, and the father takes on an allencompassing role as creator, nurturer, shaper of his son's values," she said. "Few of my

as opposed to obedience," he women friends were into Pinocchio as children."

In Mr. Del Toro's film, narrator Sebastian J. Cricket said the story is about "imperfect fathers and imperfect sons.' Pinocchio later tells a friend, "Sometimes fathers feel despair like everybody else, and they say things they only think they mean in the moment, but with time they learn they never really meant it at all. They may call you ugly things like a burden, or a coward, but inside they love you."

Some scholars see Pinocchio as a cautionary tale about creating life, similar to the Frankenstein story. "Geppetto is a god figure in the sense that he's creating this animate thing that sort of escapes his grasp, which is very much the story of Adam and Eve," said Michael Sherberg, professor of Italian at Washington University in St. Louis and editor of the book "Approaches to Teaching Collodi's Pinocchio and its Adaptations."

Early Pinocchio movie treatments pushed conformity, reflected in the wooden's boy's quest to become a "real boy," as he says in the Disney original. Newer films lean toward the acceptance of differences. Some viewers of the Disney remake were upset Pinocchio never turns into flesh and blood.

Tracy LaGrua Mount, a travel agent in West Orange, N.J., who specializes in Disney vacations, said she appreciated that Geppetto accepted and embraced his wooden child.

"Kids today have these insane pressures, to be perfect, to become something by a certain age," she said. "It sparked a whole conversation with my daughter."

# Google Career Certificates

# Meet Emma,

Delivery Manager at CarMax. One of over 70.000 Google Career Certificate graduates.



Google Career Certificates help career switchers like Emma launch new careers in fast-growing fields like UX design, data analytics, and more. Certificate graduates can connect with over 150 national and local employers that are hiring.

Learn more at grow.google/certificates

Earning my certificate placed me in a fantastic position to both secure a spot within a tech boot camp, and a career within the industry!

> -Emma Ansari Richmond, Virginia

**A8** | Tuesday, December 27, 2022

P2JW361000-0-A00800-1-----XA

# WORLD NEWS

# Drone Strike on Russian Base Kills 3

Apparent attacks by Kyiv are targeting Kremlin's ability to hit Ukraine infrastructure

By James Marson

LVIV, Ukraine-Three Russian service members were killed during a Ukrainian drone attack on a Russian military air base, Moscow said, the latest apparent demonstration of Kyiv's ability to strike military targets inside Russia.

The strike at the Engels air base in Saratov region, a hub for Russia's strategic bombers. is the second this month. Although small, it still offered a reminder to Moscow that even forces deep inside its territory can be hit, forcing the Kremlin to redirect resources and leaders' attention.

The attack also reflects a battle raging far from the war's front lines. Russia is launching missiles and drones to try to degrade Ukraine's infrastructure, particularly its power grid, to sap the morale of Ukrainian civilians. At the same time, apparent Ukrainian attacks are targeting Russia's ability to carry out those strikes.

Kyiv didn't comment on the incident. Ukraine typically doesn't publicly claim responsibility for attacks in Russia.

But Kyiv has repeatedly worked to show the Kremlin that although its forces occupy large parts of Ukraine and have been wreaking havoc on people's lives nationwide, Russia too must remain on guard. The sinking in April of the Russian warship Moskva, the flagship of its Black Sea fleet, and the October attack on Russia's bridge across the Kerch Strait were among the most significant reminders, but Ukraine has maintained a drumbeat of many smaller strikes and incursions.

Russia's Defense Ministry said Monday that a Ukrainian aerial drone was shot down overnight by Russian air defenses as it approached the base. Falling debris from the craft killed three service members, but no warplanes were damaged, the ministry said.

Russian social-media channels reported that locals heard an explosion and saw a fire at the base, located some 350 miles from the Ukrainian border. Russia has in the past claimed that no aircraft were damaged in Ukrainian attacks,



Ukrainian soldiers on the front line Monday in Bakhmut, an eastern city Russia is seeking to seize.

only for satellite images to prove them wrong.

Russian officials on Dec. 5 said that Ukrainian drones struck Engels and another base in Ryazan, killing three service members and injuring four.

Engels has been used to launch air raids and missile strikes on Ukraine. Russia has used long-range aircraft stationed at the base to fire cruise missiles at Ukraine, military analysts say. The bombers are also capable of carrying nuclear weapons, forming part of Russia's triad of nuclear forces along with landbased and submarine-launched nuclear missiles.

In a sign that Russian security services are seeking to satisfy calls from the Kremlin

to crack down on any potential sabotage in Russia, the Federal Security Service said they prevented one such attack. The service said they killed four Ukrainian saboteurs—carrying machine guns and explosive devices—who were trying to cross the Russian border in the Bryansk region, southwest of Moscow, on Sunday.

Russian President Vladimir

Putin last week called on Russian security services to be more vigilant when it comes to spies, traitors and saboteurs.

Heavy fighting continued in the east of Ukraine, where Russia is seeking to seize the city of Bakhmut in the eastern Donetsk region, while Ukraine is pressing further north in the Luhansk region.

Ukraine took back swaths of territory in the northeast and south of the country in recent months, but the winter has seen slower advances for the Ukrainians in Luhansk and the Russians around Bakhmut.

Serhiy Haidai, the top Ukrainian official for Luhansk, said Ukrainian troops were closing on the city of Kreminna and fighting the Russians near there. "The advantage is with Ukrainian forces. They are pushing forward," he said.

Mr. Haidai said the situation for civilians in areas recently recaptured by the Ukrainian army was difficult because Russia was shelling them. Ukrainian authorities are evacuating the injured and providing medicine and food for those who remain, he said.

-Ann M. Simmons and Yuliya Chernova contributed to this article.

# Sanctions Take Toll on Moscow's Gas Production

By Ann M. Simmons

MOSCOW-Russia's naturalgas production will fall by 12% this year and its exports will decline by about a quarter, a high-ranking Russian official said Monday, in a sign of international pressure on the country's energy market due to sanctions over its war in Ukraine.

Russian Deputy Prime Minister Alexander Novak told Russia's state news agency TASS that the drop in gas production compared with last

year was largely due to the than 8.7% by year's end. closure of export infrastructure. Most of Russia's naturalgas exports are via pipeline, primarily to Europe.

Russia's energy exports have faced pressure from international sanctions and efforts by Europe—which has long been a top consumer of Russian gas—to limit purchases and the prices paid to Russia for oil and gas.

Mr. Novak also said the production and export of liquefied natural gas, which is sent by ship, will have grown by more

Mr. Novak said separately on Friday that Russia could cut oil output in response to the Western price caps instituted earlier this month, reducing its oil production by 500,000 to 700,000 barrels a day—which he said was a 5% to 7% reduction in capacity by early next year.

Russian President Vladimir Putin is expected to sign a decree this week on Moscow's response to Western oil-price caps, which seek to deplete the Kremlin's war chest. The

have also banned seaborne shipments of Russian crude.

Russian officials have played down the impact of the price ceilings and other sanctions on Russia's oil-and-gas sector, the lifeblood of the country's economy.

Mr. Novak, a onetime energy minister, told TASS that despite the fact that this year turned out to be extremely difficult for the Russian fuel and energy complex, in the end it wasn't so dismal.

Since Moscow's invasion of

European Union and the U.K. Ukraine in February, Russian authorities have stopped publishing data on trade statistics, including for oil and gas production, in an effort to protect country through the creation the economy and domestic companies from further sanctions. The change complicates independent verification of Moscow's statements that it has been able to sanctions-

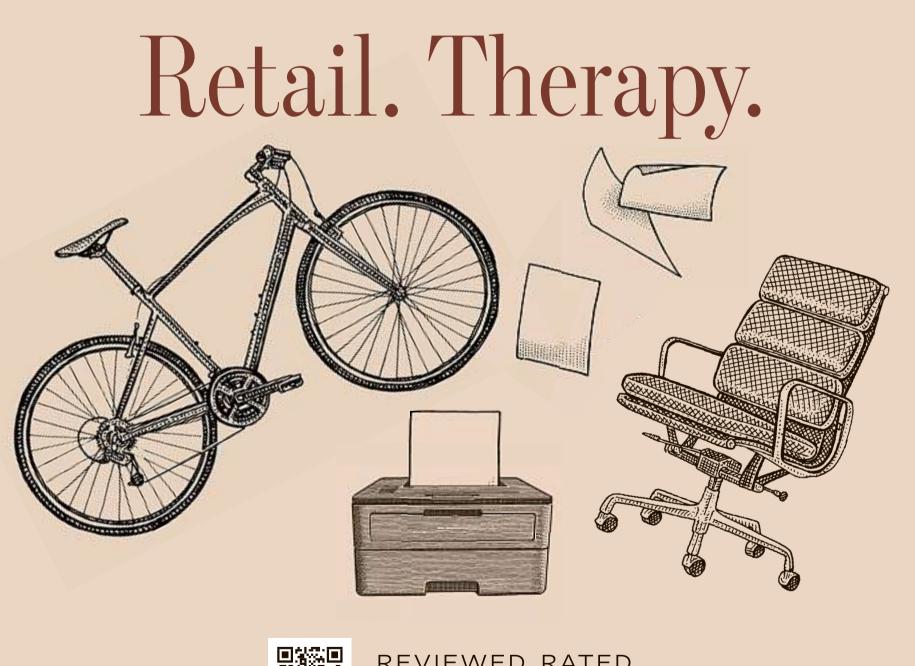
> In January, the last time data was available, natural-gas exports totaled \$9.5 billion and the value of LNG exports was \$1.26 billion, according to Rus-

proof its economy.

sia's Federal Customs Service. Russia is also in talks with Turkey about boosting gas supplies to the Mediterranean

of a natural-gas hub there. "Active work is now under way with the countries that will take part in the implementation of this project, as well as with consumers in need of Russian

gas," Mr. Novak said. Turkish President Recep Tayyip Erdogan has been deepening economic ties with Russia in a bid to support his country's economy.





REVIEWED. RATED. READY TO CLICK.

Buy Side WSJ

THE BOLD NEW SHOPPING SITE FROM THE WALL STREET JOURNAL.

P2JW361000-2-A00900-1-----XA

# WORLD NEWS

# North Korean Drones Penetrate South One unmanned craft one unmanned craft will chain" system designed One unmanned craft will chain" system designed One unmanned craft orthod porthorn One unmanned craft will chain" system designed One unmanned craft orthod porthorn One unmanned craft orthod porthod po

Seoul, raising questions on air-border security

By Timothy W. Martin

SEOUL-Five drones from North Korea flew into South Korea on Monday, worsening ties between two neighbors already trading military shows of force with growing frequency.

One of the drones reached the northern part of Seoul, South Korea's military said, while the others soared near border areas on the west coast. None of the small-sized drones were reported to have been shot down or captured, the military said.

In response, Seoul scrambled jet fighters, attack helicopters and other warplanes after having issued warning messages and fired warning shots. A light-attack aircraft crashed shortly after being deployed, with both pilots having escaped safely, according to South Korea's semiofficial Yonhap News Agency.

Drones have been crucial to both sides in Russia's war, though especially to Ukraine, as they allow Kyiv to inflict significant damage on Moscow's far bigger, better-equipped forces. Taiwan has warned it would take countermeasures against Chinese drones deemed a security threat if they fail to leave after warnings. North Korea's unmanned aerial vehicles are relatively unproven.

Four of the drones vanished from South Korea's radar hours after being detected. The fifth drone was tracked returning to the North after spending roughly three hours in South Korea, Seoul's military said. In recent years, lax border controls have dogged South Korea's government, with individuals slipping undetected in and out of the North by sea and land.



News coverage in Seoul on Monday after North Korean drones invaded the South's airspace.

Now South Korea's potential vulnerabilities in the skies are likely to be questioned, as tensions have escalated on the Korean Peninsula to their highest levels in years.

The Kim Jong Un regime has unleashed a historic number of missile launches this vear, including one on Friday. and has threatened to conduct more tests. The Seoul government under President Yoon Suk-yeol, a conservative who took office in May, has adopted a tougher stance against Pyongyang and sought to deepen its security alliance with Washington.

The North Korean drone activity adds another layer of unease, as flights were temporarily suspended Monday at South Korea's two largest airports. The drones' intrusion represented a clear act of provocation by North Korea, said South Korea's Joint Chiefs of Staff, promising a thorough and stern response.

Seoul officials said they didn't know whether the drones had been equipped with weapons.

The drones were detected in airspace near the South Korean city of Gimpo at around 10:25 a.m. on Monday. South Korea's military, as part of the corresponding measures, said it had also conducted manned and unmanned reconnaissance-even in areas north of the two countries' Military Demarcation Line.

Drones fit into a central North Korean military pursuit: updating its unmanned aerial surveillance. In a January 2021 policy speech, Mr. Kim outlined a new five-year weapons strategy that noted "the most important research" being done to develop spy drones and other reconnaissance technology. Pyongyang has touted its recent advances on a military-reconnaissance satellite that should be completed by next spring.

Since at least 2014, South Korean officials have recovered drones believed to be from North Korea—and which had crashed midflight. Pyongyang in previous years denied

sending the drones. The last suspected North Korean drone intrusion came in 2017, dispatched on a mission to snap photos of a controversial U.S. missile-defense battery in South Korea.

Pyongyang's state media didn't comment on Monday's drone activity.

North Korea has ridiculed the new Yoon administration, conducted missile tests that simulated strikes on South Korea and brushed off any offers from Seoul to talk. On a single day in November, Pyongyang launched ballistic missiles from at least eight different locations off its eastern and western coasts and fired nearly two dozen missiles. One flew so close to a South Korea island that it triggered an airraid warning.

In response to the Kim regime's growing nuclear threat, South Korea has often responded with corresponding missile drills and scrambling of jet fighters. Seoul also has participated in more joint military drills with Washington

to launch pre-emptive strikes against the North.

In November, President Biden, in a meeting with the leaders of Japan and South Korea, reaffirmed the U.S. commitment to strengthening deterrence against North Korea with the full range of capabilities, including nuclear, according to a statement from the three countries. Among the potential moves could be dispatching more frequently to the region American strategic assets such as nuclear-powered aircraft carriers or submarines.

Days after that trilateral meeting ended in Cambodia, North Korea's foreign minister, Choe Son Hui, in state media, protested America's "bolstered offer of extended deterrence' and warned such agreements would bring the Korean Peninsula to an unpredictable phase.

Such "bluffing military activities" by the U.S. and its allies would trigger a "fiercer" North Korean military counteraction, Ms. Choe said in the Nov. 17 statement.

Washington and Seoul last week conducted combined air exercises that sought to simulate escorting and protecting U.S. strategic B-52H bombers for when such assets are deployed to the Korean Peninsula, according to U.S. Forces Korea.

The U.S. and South Korea had said in November they needed to expand and restart bigger military exercises after a multiyear hiatus as the Trump administration engaged in talks with Pyongyang.
The two countries have

some 20 joint-training programs planned for the first six months of 2023, Seoul's Defense Ministry said last week.

The Kim regime sees those military exercises as little more than dress rehearsals for an invasion against North Korea.

# Near Taiwan

By Joyu Wang

TAIPEI—China's People's Liberation Army dispatched a swarm of jet fighters and other military aircraft on sorties near Taiwan in a move that Beijing said was a response to provocation by Washington and Taipei.

A total of 71 Chinese warplanes were detected flying in the region surrounding Taiwan on Sunday, with a few dozen crossing the median line of the 100-mile-wide Taiwan Strait that separates the island from mainland China, according to Taiwan's Defense Ministry. The ministry also said it detected seven Chinese naval vessels in waters near Taiwan.

On Monday, the PLA's Eastern Theater Command released footage on China's Weibo social-media platform showing several jet fighters taking off and navy officers carrying out reconnaissance duties. A Chinese military spokesman said in an online statement that Sunday's joint combat readiness patrol and live-firing drill was a response to "escalating collusion and provocation by the U.S. and Taiwan," though he didn't elaborate.

The Biden administration and Taiwan's government separately criticized China's military maneuvers, which the White House's National Security Council called provocative. The Chinese action "is destabilizing, risks miscalculations, and undermines regional peace and stability," the NSC said.

The action and rhetoric underscore Taiwan's role as a longstanding source of tension in U.S.-China ties that complicates efforts by both powers to manage their fractious relations. President Biden and Chinese leader Xi Jinping agreed last month at their first inperson meeting to try to stabilize relations, with senior officials set to resume contacts.

In the weeks since that pres-

Chinese warplanes detected n the region surrounding Taiwan

idential summit, Mr. Biden signed an \$858 billion defensepolicy bill that was cheered in Taipei and criticized by Beijing. The National Defense Authorization Act, passed by the U.S. Congress earlier this month, would authorize up to \$10 billion over five years to finance sales of weaponry and military equipment to Taiwan, as well as to provide training and other security assistance to help the democratically self-ruled island defend itself against a possible

invasion by China. Beijing regards Taiwan as a part of China and has vowed to take control of the island, by force if necessary, while Washington is committed under U.S. law to assist Taiwan in maintaining its defenses. The recent Biden-Xi meeting attempted to steady relations after tensions soared following a visit this summer to Taiwan by U.S. House Speaker Nancy Pelosi, the highest-level U.S. political leader to visit the island in 25 years. To protest, China sent warplanes and warships and fired missiles around the island, displaying capabilities to stage a temporary blockade. House Minority Leader

Kevin McCarthy (R., Calif.) has said he will visit Taiwan should he become House speaker when Republicans take the majority next month-a move that specialists on Chinese affairs said would almost certainly prompt Beijing to stage more displays of force.

In response to Beijing's latest military move, Taiwan's Ministry of National Defense said the flurry of activity revealed again Beijing's use of force to resolve differences. It said that the collaboration between Washington and Taipei contributes to the stability of the Indo-Pacific region.

> —Charles Hutzler contributed to this article.

# China to Relax Covid Travel Rules

Continued from Page One was weighing such a move, which would give it room to further loosen public-health measures.

The change means people traveling to China from abroad will need to have only a negative Covid-19 test within 48 hours to be allowed into the country, the NHC said, International arrivals will no longer be required to be tested on arrival or undergo quarantine—a major step toward opening up for a country that has been largely closed off to the outside world for three years.

The commission in its statement pledged to facilitate foreigners' visits to China, including those for business, studying and family reunions, and to provide visa assistance.

The shift came as fever clinics and hospital emergency rooms in Beijing continued to overflow with patients on Monday and Chinese leader Xi Jinping called on local officials to take pains to save lives.

Before Monday's loosening of Covid-19 restrictions, Mr. Xi addressed his country's new pandemic reality for the first time in comments marking the 70th anniversary of the Patriotic Health Movement, a campaign to wipe out flies and mosquitoes launched by Mao Zedong during the Korean War to fortify China against the possibility of American germ warfare.

"At present, our country's Covid prevention and control efforts are facing new circumstances and a new mission," Mr. Xi said. China should launch "a more targeted Patriotic Health Movement" to "effectively guarantee the lives and health of the people."

Visits to three major hospitals in Beijing by The Journal on Monday showed the capital's healthcare system was still swamped with an influx of patients following the government's about-face on Covid-19 controls, which has left many citizens, especially the elderly, scrambling to find treatment.

In the emergency room of eastern Beijing's Chaoyang Hospital, known for treating respiratory diseases, hallways at the intensive-care unit were



Chaoyang Hospital's emergency room in Beijing has been swamped with patients after China ended its zero-Covid-19 policy this month.

packed with dozens of elderly patients lying on portable beds. One nurse said all the ICU beds were full and only patients with the most lifethreatening symptoms were being admitted. "Those patients with less severe symptoms can only get a temporary bed and stay in the hallway," she said.

On Monday, the Chinese Center for Disease Control and Prevention issued a report showing fewer than 2,700 new infections and no new deaths on Christmas Day. Over the weekend, local officials presented a much grimmer picture.

A senior health official in the coastal province of Zhejiang, home to e-commerce giant Alibaba Group Holding Ltd., said on Sunday that new daily infections had topped one million, with the wave expected to peak at around two million cases around New Year's Day.

About half a million people were being infected every day in the northeastern city of Qingdao, a local health official said in a since-removed interview with a state-owned broadcaster.

To minimize the impact of the infection surge on China's already battered economy, some cities said people could return to work even if they had mild symptoms. Authorities in Shanghai said Saturday that the city's 25 million residents wouldn't need to be isolated at home for more than seven days, even if they are still testing positive.

Rapid transmission Covid-19 in China raises the likelihood for fresh outbreaks beyond its borders and the emergence of risky virus variants, said Michael Osterholm, director of the Center for Infectious Disease Research and Policy at the University of Minnesota.

"New variants are a huge possibility, and they could have a tremendous impact on the

'These patients are all elderly people with underlying diseases.'

rest of the world," Dr. Osterholm said.

In his own comments marking the anniversary of the Patriotic Health Campaign, which evolved over the years to target infectious diseases such as malaria, China's Premier Li Kegiang said adjustments to the country's Covid-19 policies were being implemented in an orderly manner, but urged officials at every level of government to address public demands for medical care and supplies.

China's health system, thinly resourced even before the pandemic, has struggled to contend with the fast-spreading Omicron variant. The growth in infections has sent people scrambling to buy home test kits along with ibuprofen and other medications.

At Chaoyang Hospital's emergency room on Monday, digital screens showed a long wait list for people seeking treatment at the internal-medicine department. In an interview last week with China's state broadcaster, Mei Xue, deputy director of the hospital's emergency department, said around 400 patients were coming seeking internal medicine treatment every dayabout four times the normal number.

"These patients are all elderly people with underlying diseases. After the combination of fever and respiratory infection, they are all very seriously ill," he said.

A staffer with Beijing's emergency medical center, which coordinates requests for urgent medical care in the city. said he and his colleagues had been working nonstop to transfer patients to Chaoyang Hospital in recent weeks and he expected the current situation to last for a few more weeks.

To cope with the surge in patients, the hospital has opened a second fever clinic in a nearby sports stadium for Covid-19 patients with mild symptoms.

Peking Union Medical Col-

lege Hospital and Peking University First Hospital, both located in the center of Beijing, were similarly overwhelmed.

A sign outside the Peking Union emergency room warned patients it could take more than four hours to see a doctor. A nurse at Peking Union's fever clinic said that for weeks patients had been forced to wait in the hallways for beds to open up. One elderly patient, unable to secure a bed, was lying on a metal bench just inside the entrance of the fever clinic.

A nurse at Peking University First Hospital's emergency room said beds there were all full and the wait time at the internal medicine department was about six hours. The hospital public address system announced that nearly 50 patients were waiting to be seen.

In the U.S., the State Department on Friday updated its travel advisory and is asking that people reconsider travel to China due to the surge in Covid-19 cases, arbitrary enforcement of local laws and Covid-19-related restrictions. -Xiao Xiao

and Dominique Mosbergen contributed to this article.

# Watch a Video



Scan this code for a video on the challenge for China's Covid preparedness.

**A10** | Tuesday, December 27, 2022

# FROM PAGE ONE

# Nonprofits Eschew Poor Areas

Continued from Page One 30% of those it added.

At Bon Secours Mercy Health, formed by the 2018 merger of two growing regional nonprofits, about 42% of hospitals it divested were in areas with higher poverty, compared with 27% of hospitals it added.

Of hospitals divested or closed by St. Louis-based Ascension, about half were located in higher-poverty areas, compared with 40% of the Catholic system's acquisitions.

At the same time, many top nonprofits were moving more aggressively to add hospitals in more affluent areas.

At Mercy, a St. Louis-based hospital nonprofit, 56% of new hospitals were in places with lower poverty rates, compared with 25% of those it shed. About two-thirds of the hospitals it added were in markets where the share of households with incomes of at least \$200,000 was above the state median. That compared with 25% of those the system shed.

Of hospitals acquired by Florida-based AdventHealth, nearly two-thirds were in low-poverty areas, compared with 40% of those they divested. And 59% had a larger share of higher-income households, compared with 40% of those they exited.

#### **Private insurance**

Many systems also grew where the share of privately insured people was higher than the state median, according to Census Bureau data. Private insurance typically pays hospitals the best rates. Hospitals are paid less for patients covered by governmentfunded Medicare and Medicaid and collect little from the uninsured.

For Bon Secours Mercy, well-insured areas accounted for 76% of acquisitions but half of divestitures since 2006, the earliest date in the analysis for which insurance data is available. At CommonSpirit, 67% of new hospitals were in areas with higher private insurance coverage, compared with 57% of places where it exited.

A CommonSpirit spokesman said the system has acquired hospitals that would struggle otherwise and about one-quarter of the system's hospital services are paid for by Medicaid insurance. When it divests hospitals, CommonSpirit looks for new owners who have other local operations and who will keep offering services, he said.

Bon Secours Mercy has had a new strategy for hospital deals since 2018, when it was formed, a spokeswoman said. It looks for deals that will create scale and help those in need. She declined to comment on deals prior to 2018.

ment on deals prior to 2018.

AdventHealth considers how transactions will advance the system's priorities, such as healthcare quality and time before a deal will financially benefit the system, a spokeswoman said.

A Mercy spokeswoman said the system seeks to care for as many as possible and considers how busy hospitals are and whether money spent on hospitals with very few patients could be better spent where more people need care.

An Ascension spokesman said Ascension's deal-making analysis includes whether an acquisition enhances Ascension's ability to meet community needs, to strengthen Catholic healthcare and to make continued investments. Community income levels don't drive transaction decisions, he said. Its hospitals in wealthier areas care for low-income patients, he said.

Ascension was the most active deal maker in the Journal's review. Through deals involving 93 hospitals over the past 20 years, Ascension has grown into one of the largest U.S. systems, with \$28 billion in revenue and \$19.5 billion in cash reserves in its most recent fiscal year, ended June

Among the hospitals Ascension pruned as it grew were those serving some of the poorest neighborhoods of Washington, D.C., and Chicago.

Local elected officials said that when a system exits a market, it can be difficult for



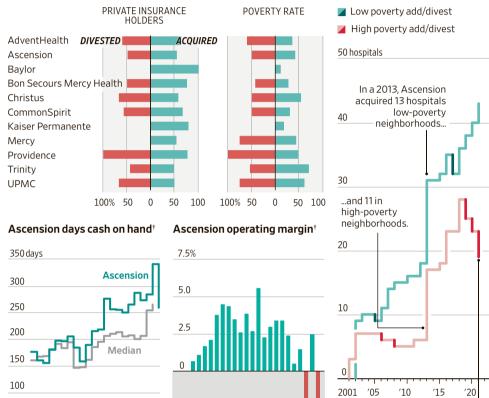
Ascension net change

in hospitals<sup>‡</sup>

Ascension, a large Catholic nonprofit system, spun off Saint Anthony Hospital in Chicago, above, in 2009.

Percentage of hospital transactions in markets with high

private insurance coverage or high poverty rates\*



\*Medians are for state hospital services areas †Median for nonprofits with credit ratings from Moody's Investors Service. Years prior to 2008 include medians only for multi-state nonprofit hospital owners \*Hospitals in areas with poverty rates at or below state medians are considered low poverty. Those where poverty rates are above state medians are in high-poverty areas. Medians are of the states' hospital service areas. Sources: American Hospital Directory Inc., Dartmouth Atlas of Health Care, Census Bureau, IPUMS NHGIS, University of Minnesota, systems and their financial statements, The Price Ain't Right?' 2019 Quarterly Journal of Economics, Rand Corp (Share of transactions, Ascension net change in hospitals); the company (Ascension cash on hand, operating margin); Moody's (median) Stephanie Stamm/The Wall Street Journal

′10

′15

-2.5

2001 '05

remaining facilities to serve the community.

′10

′15

′20

50

2001 '05

"We have a healthcare desert starting at North Capitol street," District of Columbia Councilman Vincent Gray said in a 2018 public hearing on Ascension's move to close Providence Hospital there. "This is only going to further exacerbate that situation."

exacerbate that situation."
Ascension said the District had enough hospital beds and could care for Providence hospital's patients after it closed. But elected officials and area healthcare executives said most hospitals in the District are located elsewhere. Those closest to Providence would face new strain, they said.

Nearby Howard University Hospital and MedStar Washington Hospital Center saw demand spike after Ascension shut obstetrics and psychiatric care ahead of closing Providence, Howard and MedStar executives said.

Howard diverted money from other projects to add labor and delivery and neonatal intensive care space, said Hugh Mighty, Howard University's senior vice president of health affairs. MedStar's nearby hospital added more emergency room and psychiatric staff to meet rising demand as Providence closed, its president said.

The Journal has been examining the business practices of the nation's nonprofit hospitals, which account for half the \$1 trillion sector. These systems are part of the U.S. safety net under tax rules, which gives them local, state and federal tax breaks in exchange for providing charity

and benefiting communities.

The investigation has found that overall, nonprofits are less generous in providing aid than their for-profit rivals. When patients do qualify for aid, nonprofits often put up obstacles. And many deploy a lucrative drug discount more often in wealthier communities, where the discounts can

mean higher margins, over the low-income communities the program was meant to benefit.

The latest analysis used public and private data sets, mapping software and financial disclosures to track when and where nonprofits shed or added majority-owned acutecare hospitals. The analysis included the 11 largest systems by number of hospitals as of November, with two systems tied for 10th largest, according to the American Hospital Directory Inc. The Journal used data from the Dartmouth Atlas of Health Care and Census Bureau to map community information on poverty, income and private health insurance.

Results of the Journal's latest analysis raise questions about the extent to which consolidation by nonprofit healthcare giants has put financial strength ahead of their operation as charities, said healthcare finance and economics experts.

# Who benefits?

"It's a fair question to ask: What communities are benefiting from those activities?" said Amanda Starc, a health

economist at Northwestern University. Targeting tax breaks to charities that benefit wealthier communities ultimately makes well-to-do areas better off at the expense of poorer ones, she said.

The hospitals in high-poverty

areas divested in 2021 were

acquired in 2013

Transactions have in many cases strengthened the non-profit systems' finances, bolstering balance sheets that have amassed billions of dollars in cash reserves, a review of financial statements and credit agency reports show.

Many of the top systems boast strong bond ratings, which allows them to borrow and grow cheaply. Ascension and AdventHealth hold Aa2 ratings from Moody's Investors Service, among the highest ratings it awards.

Bon Secours Mercy holds leading or near-leading market share in eight of its markets, a factor in its strong credit rating, Fitch Ratings analysts noted in September.

Moving aggressively into markets with higher rates of private insurance can be lucrative. Consolidation gives hospitals greater leverage in negotiations with private insurers. Prices rise after mergers, research shows.

At the same time, shedding hospitals in markets with more low-income and Medicaid patients can boost systems' finances. Even small differences in the amount of care paid for by Medicaid can matter to hospital system profits, said hospital finance experts. Hospitals often report losing money on Medicaid patients.

Moody's analysts have praised Ascension for the system's willingness to leave underperforming hospitals. Those included hospitals that depend heavily on government aid to support a large number of low-income and uninsured patients, known as Disproportionate Share payments.

As hospitals in needier

communities trade hands, they can see capital investment in medical technology and building maintenance drop, according to annual hospital financial reports to Medicare.

In 2016, Ascension announced a deal to sell hospitals in Washington and Idaho to a hospital chain backed by asset-management firm Apollo Global Management Inc.'s private-equity funds.

With the sales, which closed in 2017 and 2018, Ascension left communities that had private insurance coverage below the median of other Washington and Idaho hospital markets.

At the former Ascension hospital in Lewiston, Idaho—St. Joseph Regional Medical Center—the new owner hasn't invested enough to replace aging infrastructure, the hospital financial reports to Medicare show.

Apollo-backed LifePoint Health Inc. and ScionHealth have spent about 67 cents for each \$1 of wear and tear at St. Joseph Regional, according to the Medicare reports since the acquisition through June 30, 2021.

Hospitals typically need to invest more than \$1 to replace each dollar of outdated equipment in order to account for inflation and product improvement, said Nancy Kane, a hospital finance expert at Harvard University.

ScionHealth was created in December 2021 to spin off some LifePoint acquisitions, including St. Joseph Regional. Since then, the company has invested or pledged to spend \$10 million, a spokesman said. Investments include equipment for cancer care and surgery.

LifePoint invested more than \$16 million for renovations, upgrades and new equipment in the three years it owned St. Joseph, a Life-Point spokeswoman said.

Apollo declined to comment on capital investment at St. Joseph.

Some employees of St. Joseph Regional said its forprofit owner has repeatedly put off needed spending, in one case waiting to replace an outdated ultrasound used by surgical teams until it no longer worked.

"It finally just died," said Shari Johnson, a registered nurse in St. Joseph Regional's surgical recovery unit.

For about a month, the hospital's busy surgery department and emergency room scrambled to swap a single machine until a new device arrived, she said.

"Like most hospitals, St. Joe's has faced supply chain issues that have delayed the delivery and installation of certain new replacement equipment," the ScionHealth spokesman said.

#### **Burst pipes**

Ascension spun off Saint Anthony Hospital in Chicago in 2009. It gave Saint Anthony about \$23 million in cash, its CEO said, earmarked for capital investment. The hospital was more than a century old.

The hospital's CEO has worked since then to replace the facility, he said, acquiring land for the project. The project includes other development alongside the new hospital, with an estimated cost of \$600 million.

In the meantime, burst pipes have forced Saint Anthony to close rooms. The hospital can't afford \$1 million to replace the ceiling of its psychiatric unit, which has metal rods that safety surveyors say patients could use to harm themselves or someone else, hospital executives said. It has deployed extra staff to monitor the unit.

A new facility is still years away, said CEO Guy Medaglia.

"If I would have gotten more money to build a hospital from Ascension, the community would have been a lot better, a lot sooner," he said.

Saint Anthony officials fought Ascension's initial plans for its closure, arguing a shutdown would leave some of the city's poorest neighborhoods without a longstanding safety net, said Peter Fazio Jr., a board member during the talks.

Saint Anthony operated at a loss and needed upgrades to its aging building and outdated equipment, said Mr. Medaglia, whom Ascension hired to run Saint Anthony as the system sought to divest or close the hospital, he said.

Ascension spun off Saint Anthony with financial support in response to local hospital officials' wish to break from the system, the Ascension spokesman said.

Since being on its own, Saint Anthony has reported losses from caring for patients. It has prioritized critical repairs as it seeks funding to complete its new hospital development, said executives.

After exiting Saint Anthony, Ascension acquired other Chicago-area hospitals, including a 2012 deal for a system in wealthy Chicago suburbs, the Journal's analysis and city data show.

In 2018, Ascension acquired Presence Health Network, the Chicago area's second-largest hospital system. Ascension's growing Illinois network now included a hospital nestled along Lake Michigan and well-to-do Chicago neighborhoods Lincoln Park and Lake View, which includes a unit to treat migraines by a private practice that doesn't accept Medicaid insurance, according to its website.

In the first year, the new hospitals helped boost Ascension's revenue by \$1.45 billion, about 6%, according to S&P Global Ratings.

Ascension acquired Presence and other Catholic health systems in the last 20 years to preserve access to Catholic healthcare, a spokesman said. Presence hospitals have lost money since the acquisition, he said.

Ascension has divested money-losing hospitals it acquired in other transactions with Catholic systems, including hospitals it acquired in 2002. Ascension largely pruned the hospitals in transactions with for-profit companies, including Tenet Healthcare Corp. and Apollo's private-equity backed chain.

In Chicago, Ascension said it is pouring money into its newly acquired hospitals, with planned upgrades that are expected to cost \$585 million.



ties, where the discounts can

Saint Anthony CEO Guy Medaglia in the Chicago hospital's more than 100-year-old building.

© 2022 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.

Tuesday, December 27, 2022 | **A11** 



# Start Saving Your Life Stories

Write down the hows and whys of triumphs, failures, adventures to preserve them for the ages

By James R. Hagerty

"DEATH STEALS EVERYTHING except our stories," wrote the poet Jim Harrison. If we aren't careful, death can steal those, too.

When it comes to money and real estate, most of us make careful arrangements for what will happen after we die. Why not take equal care of our stories, which can't be retrieved once lost?

Think of the stories you've heard your partner or parents tell a thousand times. They are precious. When someone dies, we need those stories-not in a vague, half-remembered, secondhand form but in the original version, with all the plot twists, nuances and personal storytelling quirks. Your own words and insights are more illuminating than others' eulogies and tributes.

Preserve your stories now. while the memories are vivid. The best stories show not just what you have done but why and how. Starting points include how you got on a career path; what you are trying to do with your life and how it is working out; your biggest triumphs and failures, and what you have learned from them. Also worthwhile: the oddest, funniest, most wonderful and awful things that have happened to you.

"Putting things into words helps to organize them in your mind." says James W. Pennebaker, a psychology professor at the University of Texas at Austin. "Every now and then, we all need to stand back and take stock and think: What am I doing, where am I going, and is this the life I want?"

You could write a memoir or your own obituary—I highly rec-

ommend it—but that isn't necessary. It is good enough to write a rough draft of your best stories or record

One way to save a memory is to write a letter or an email to a friend and save a copy. Another is to annotate your favorite photos with the stories behind them. For those who need prompts, software such as Storyworth or MemLife provides a template with questions and the option to create a book.

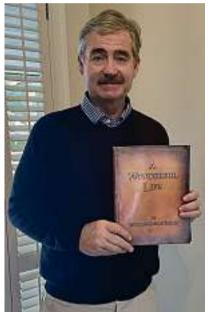
For those who hate to write, voice recording works. Be sure to make a transcript, though, and add notes explaining anything that might be unclear

to readers decades from now.

Michael K. Reilly, who died in 2021 at the age of 88, prospered in the coal industry but was never going to be famous. He didn't even have a Wikipedia page. Still, Mr. Reilly believed his grandchildren might like to know a few things about his life. In retirement, he finally wrote down his memories.

He called his booklet "A Wonderful Life" and had a printer run off copies for a few dozen family members. The organization and graphics were amateurish, but Mr. Reilly wasn't trying to dazzle any-

As a teenager, Mr. Reilly took his grandmother's car for a joy



Mark Reilly treasures the booklet in which his late father, Michael K. Reilly, wrote down his memories. Davida Coady, shown in Biafra, wrote a colorful, honest account of her life before she died at age 80.

ride one night, stole some gasoline and ended up in jail briefly. A few years later, after Maralyn Lyman began dating him, she was shocked when he "gave her up for penance" during the Advent season. Somehow the romance survived. They married in 1958.

One of his sons, Mark Reilly, cherishes the booklet partly for its lack of polish and pretense. "It's a real story about a real life," he says.

One caution: Revealing too much about certain topics could hurt or offend loved ones. Life-story writers need to think carefully about what to leave out. Mort Crim, a retired television news anchor, wondered how his children would react to a

mention of long-past marital problems when he wrote his story a few years ago. He asked for their guidance, and they urged him to be frank. My advice is to admit mistakes without incriminating others.

Davida Coady also told her story, and thank goodness for that because no one else could have done it nearly so well. Dr. Coady, who died in 2018 at the age of 80, was a physician trained at Columbia University and Harvard. She spent more than two decades shuttling from "one human disaster to another," as she put it, providing medical care in Africa, Asia and Central America. Meanwhile, her private life was turning into an-

In the 2003 movie 'Big Fish,' left, a son tries to sort out truth from fiction in his father's life.

other kind of disaster.

'My pattern was to get drunk and get seduced. I'd sleep with a guy and then get attached to him," she wrote in her memoir, "The Greatest Good." Finally, she faced up to her addiction to alcohol and sought help from Alcoholics Anonymous. Her last alcoholic drink, she wrote, was on Oct. 30, 1989.

One way to save your memories is to annotate favorite photos with the stories behind them.

If written by someone else after her death, Dr. Coady's life story might have noted in passing that during her travels she met Henry Kissinger, Fidel Castro and Mother Teresa. Because Dr. Coady wrote her own story, we know more. Mr. Kissinger mixed her a gin and tonic. Mother Teresa held her hand while they conversed. Mr. Castro kissed her on the cheek; his beard was surprisingly soft. Her first-person account is detailed and inspiring in ways no one else could match.

For life-story tellers, there is a bonus. Writing or recording those stories often makes people feel

better about themselves and might even improve their health, according to some researchers who study the way people explain their experiences.

Some people have little or no interest in the past, including their own. If you have tried telling your tale and find it brings only sorrow, there is no need to persist.

Many of us, however, want to cheat death by leaving a mark, however faint. We tend to believe the proverb that people die twice: the first time when their heart stops beating, the second when someone speaks their name, or thinks of them, for the last time.

It isn't just about you, though. Your stories could be the best gift you ever give to your friends and

Even if no one reads or listens to your tale, you haven't wasted your time. Reviewing your life what you're trying to do, why and how it is panning out—might give you the inspiration to mend some of your ways. It isn't too late to improve the narrative.

James R. Hagerty is a reporter for The Wall Street Journal. This essay is adapted from his new book. "Yours Truly: An Obituary Writer's Guide to Telling Your Story," from Kensington's Citadel Press.

MY RIDE | A.J. BAIME

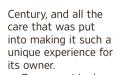
# Rolling in a Style Crafted for VIPs

oe Molina, 67, the retired founder and president of PR firm JMPR Public Relations living in Carmel, Ind., on his 1997 Toyota Century V12, as told to A.J.

THE TOYOTA CENTURY is like the unicorn of cars. People have heard of it. But they've never seen one, and those who know what it is can't believe their eyes. The model made its debut in 1967 on the 100th birthday of Toyota's founder, thus its name. My specific Century's generation was the first Japanese production car ever built with a V-12 engine.

The fact that I own one (I have owned three Centuries, actually) is ⊕ironic. My father loved Rolls-Royce and Bentley cars, and, as a kid, I became obsessed with Rolls and Bentley. I spent 43 years working in pub-빑lic relations in the luxury and collector car business, and, for years, I worked with Rolls-Royce and Bentley. The Toyota Century is like the Rolls and Bentley of Japanese cars. What I love is all the stories of the craftsmanship that went into the

∃ The back seat has a massage unit and a fold-down writing desk. The Century is the first Japanese  $\Xi$  production car with a V-12 engine.



For years, I had been buying Japanese cars from my good friend Gary Duncan of Duncan Imports & Classics, in Virginia. This car came out of nowhere. I was looking at another of his cars, and one morning

he sent me an email with a photo. It was a shocker! This Century's condition was beautiful. It only had 27,000 miles. I bought it for about \$30,000 nearly four months ago.



Toyota built the Century for the Japanese market, for a VIP or CEO owner. The car has sills flush with the floor. That way, I have been told, you don't drag a ceremonial kimono

if you're getting in or out. The chauffeur is meant to sit in the right front seat (in Japan, cars are right-hand drive) and the VIP owner sits diagonally, in back. That seat has a built-in



Joe Molina owns a Toyota Century, the Bentley of Japanese cars.

ottoman, a massage unit that you can speed up or calm down, and motorized curtains.

There is a little strap inside and, at first, I could not figure out what that was for. I found out that it is for a shoe horn, for when the VIP takes off his shoes and wishes to put them back on. (Naturally, I went out and found the nicest wooden shoe horn I could.) The other back seat is where the VIP's assistant sits. The assistant's seat features a beautiful fold-down writing desk for taking notes, and a 1990s-era dictation machine.

The finish of everything is so carefully done. I have been told that the craftsmen who put this car together had special tools made specifically for them, from measurements of their hands. I have been told that the finish of the outside of the car is so polished that, when the VIP gets out, he can check that his hair and tie are in proper shape by seeing his reflection in the rear roof pillar. A small forest was harvested for the wood inside the car, and the carpeting has flower images woven into them.

All of the controls are in Japanese, and when I start it, a female voice speaks in Japanese. I have translation books, but I still have not figured out what this voice is telling me.

What do I do with this car? My wife likes me to drive her to the mall, and friends want me to drive us all to dinner. The car is the guietest I have ever driven—just spookily quiet. I am hoping that, someday, I will get to sit in the back seat.

# PERSONAL JOURNAL.



ll year long, I hear from readers and friends sharing their tech woes. Last year, I wrote about ways to avoid tech problems. This year, I'm sharing how to tackle the most common issues, including laggy internet, Bluetooth fails and public Wi-Fi connection conundrums.

If you have suffered from one of these headaches—or if you're the family IT person—there's good news: With patience, you can solve the majority of problems yourself.

Most tech troubles have simple solutions. Not connecting? Turn wireless settings off and on again. Not syncing? Sign out, then sign back into your account. Sluggish performance? Restart the device or clear browser cookies. Here are the settings and tools you need to become your own tech trouble-shooter.

#### Tap the source

The best place to get guidance is an official support page. Go to Apple's website for iPhones and Macs, Microsoft's for Windows and Google's for Android and Chrome OS. Popular apps such as Zoom and Slack have good help resources, too.

Don't rely on hearsay. For instance, if you get your phone wet, people tell you to dunk it in uncooked rice. But Apple disagrees, since the grains could get lodged in the phone. Instead, face any open ports down, tap to remove excess liquid and leave the device in a dry area with airflow.

For persistent problems, check to see if the device is running the latest firmware. Software updates often include bug fixes. If your device is no longer supported with updates, it's best to look into a newer model.

#### Search your settings

Your problem's solution likely lies in a magical place called Settings. The fix is flipping a specific control on or off—or on and off. But where to find the related menu or button isn't obvious, unless you use the Settings search field.

**iPhone:** Once you open Settings, swipe down for the search bar.



**Android:** Every device maker has a slightly different settings interface. On Samsung, tap the magnifyingglass icon on the top right. Other phones show the search field right at the top of settings.

Mac: Open System Settings (formerly System Preferences). Search is on the top left (or top right on older MacOS versions).

**Windows:** Open Settings and the search box is on top left. You can also type *settings:* followed by the search term from the taskbar.

#### **End public Wi-Fi madness**

Coffee shops, airports, hotels and other public venues have "captive" Wi-Fi networks. When you choose a network from your phone or computer, a pop-up appears asking you to pay or give credentials such

as your hotel room number. But sometimes you don't see the popup. Fortunately, you can force it to show up.

iPhone or Mac: Type captive.apple.com into your browser. Android or Chrome OS: Type google.com/generate\_204 into your browser.

**Windows:** Type *www.msft-ncsi.com/ncsi.txt* into your browser.

Still not working? You might need to clear your browser cache, which can resolve other wonky website issues, too. Just note, when you clear cookies, you often have to sign back into websites. **Chrome:** On a computer, click the three buttons on the top right, then click More Tools, then Clear Browsing Data. In that menu, select "Cookies and other site data"

and "Cached images and files." On mobile, tap the three dots, then History to find Clear Browsing

Safari: On a Mac, go to the Safari menu, then Settings, then Privacy. Click Manage Website Data, select the desired website, then Remove or Remove All. On mobile, go to the Settings app, then Safari and tap Advanced, then Website Data. Select Remove All Website Data.

#### **Fix Bluetooth fails**

Connecting Bluetooth accessories to your phone, computer or car can be a pain. This repairing recipe tends to work: Turn your phone or computer's Bluetooth setting off. Turn the accessory off. Re-enable Bluetooth on your phone or computer. Turn on the accessory and

put it into pairing mode. Look for the accessory's name in the list.

Still not working? Try removing the accessory from your phone or laptop's Bluetooth menu, then re-adding it.

**iPhone:** In Settings > Bluetooth, tap the "i" info button next to the accessory name, then Forget This

Mac: In System Settings, click Bluetooth. Hover over the device name and click the X button to remove. Android: In Settings, go to Connected Devices, then Connection preferences, then Bluetooth. Tap the device name and then the X button to disconnect.

Windows: In Settings, click Bluetooth & devices, then Devices. Next to the device name, select More options, then Remove device.

Bluetooth headphones can also

cause trouble for videoconferencing, so make sure you can access the settings from your computer's menu bar:

Mac: On MacOS Ventura, go to the

Control Center on the top right. In Macs running older system software, the option "Show in menu bar" is found in Bluetooth and Sound settings.

**Windows:** Pin Bluetooth and audio control to your taskbar.

#### **Speed up sluggish internet** Sometimes your home Wi-Fi prob-

lems are out of your control:
Maybe your service provider can't get you higher speed, or wants more money for it. And sometimes the solution is buying a new router. (We recommend a mesh network, if you do.) But before upgrading service or hardware, try to fix it yourself.

First, stand near your router and go to Speedtest.net on your phone or laptop to verify it's an internet issue, and not a device-performance problem, such as too many open tabs. A bad score would be download speeds under 15 megabits a second, and upload speeds under 5 megabits a second.

If your router is tucked away somewhere, place it in a more central location out in the open if possible, far from metal furniture and large appliances. Also, lots of connected devices can slow down the Wi-Fi, so turn off devices that don't need it (such as an unused Kindle).

If you're in a pinch, plug your computer directly into your router using an Ethernet cable.

# OYSTER PERPETUAL DATEJUST 41 WENDE ESTABLISHED 1878 700 FIFTH AVENUE & BETH STREET NEW YORK - 212.3979000

WEMPE.COM

# **Cheeky Library Builds Social-Media Fan Base**

By Ann-Marie Alcántara

n older woman walks up to the library's manga graphic-novel section. On-screen text questions whether a 78-year-old should read the comic books. She picks a book off the shelf, sticks her tongue out and flips the bird. More text appears: "I'm 90."

The 12-second video produced by the Milwaukee Public Library has

Public Library has attracted more than 10 million views across TikTok and Instagram since November. A quick scroll through the library's TikTok videos reveals a host of memes and pop-culture parodies featuring Wednesday Addams, Amelia Bedelia and a gaggle of "Stranger Things" cast wannabes.

Lucy Brend, a 29year-old who lives in
London, says she
would love to come
to the U.S. and visit
the library, after being charmed by its
TikTok posts. "I like
the parallel—the seriousness of a library
and using humor to kind of

bring it to life," she says.

The Milwaukee Public Library has become an unlikely viral sensation. Its memeheavy videos and wholesome library messages have earned

millions of views.

The Milwaukee Public Library's 13 locations only recently returned to full service after pandemic shutdowns and in November narrowly avoided a potential \$1.9 million budget cut from the city. That is on top of the problems municipal libraries have faced for years, if not decades, with declining use.

That sassy 90-year-old manga lover in the viral video—the library's biggest hit to date—is a former school librarian. She's also the grandmother of Fawn Siemsen-Fuchs, 38, a coordi-

nator of library volunteers who is part of the duo bringing the library's TikTok content to life. Ms. Siemsen-Fuchs teamed up with Derek Reilly, a 32-year-old research and policy coordinator.

"A lot of times people think of the library as a dusty place filled with books where a woman in a bun and glasses will shush you if you talk too loud," says Eileen Force Cahill, director of com-



and text for the library's TikTok videos.

munity relations and engagement at Milwaukee Public Library. "We take very seriously the opportunity to improve people's perceptions of the library as a modern place."

# The Milwaukee library's TikTok account has grown to 85,000 followers.

Its first TikTok was a parody featuring base jumper Freddy Chase being "dropped" into the library book drop. Within two weeks, it had reached a million views, and to date it has been streamed 2.9 million times. Ms. Siemsen-Fuchs writes the captions and text in the videos, and casts their guest stars, while Mr. Reilly shoots and edits. At least 75 staffers have been featured.

One video shows the rapper Saweetie saying "Let's go," then cuts to a superimposed video of her "walking" to different parts of the library as text describes ways to support public libraries: "visit them," "keep an active card" and "use their resources."

One smart-aleck commenter wrote, "Does the bathroom count as resources?" The team quickly

posted a second Saweetie video, showing her walking into the library loo. The first video has 3.8 million views. The second garnered an additional 1.4 million.

The library has seen an increase in visits and library-card sign-ups in the past few months. The growth can't be correlated to social-media success, however, since the library has returned to full service and brought back its in-person programming, says Ms. Force Cahill.

However, several posts in October and November about Kanopy, the free

streaming-movie service provided by libraries, helped contribute to the library's two best months of usage, says Mr. Reilly.

The TikTok account has grown to 85,000 followers, and the library's Instagram account has seen a recent surge as well.

Julie Leach, 32, an apartment-building manager, moved back to Milwaukee last fall after living in Los Angeles. The TikTok account inspired her and her sister to get library cards after not visiting a branch in decades, and she has looked into classes and events, she says.

"It's pretty cool for the country to see Milwaukee is very up and coming and we're the most friendly people in the world," she says. "The library kind of reflects that."

New York hen its original building on East 70th Street eventually reopens after a renovation, the Frick Collection—now temporarily ensconced on Madison Avenue—will include a new gallery specifically designed to display the museum's drawings. They will be shown on a rotating basis to avoid overexposure to light, humidity and other elements, and will feature a promised gift of 26 works on paper and sketches from the collection of Elizabeth "Betty" and Jean-Marie Eveillard that are currently on view at the Frick Madison. "The Eveillard Gift," an exhibition of this munificent bequest, suggests the impressive caliber of the donors' larger collection and the museum's continued commitment to the study of European drawings.

The Eveillards' private holdings include over 200 European and American works on paper that range in date from

the Renaissance to the early 20th century. As captured in the show—where portraits, narrative scenes and figure studies share space with just two landscapes-the collection was shaped by its owners' personal preference for figural imagery. They generously invited the curators—Xavier F. Salomon, Aimee Ng and Giulio Dalvit—to choose whichever works would best complement and augment the Frick's collection, and their illustrious selections, already at home in the context of the museum, make for a beautiful show.

One is greeted at the small exhibition's entrance by Edgar Degas's graphite rendering of "Adelchi Morbilli" (c. 1857), a stunning essay on the artist's early mastery of the closely observed portrait study. It was executed by the 23year-old Degas shortly after he met the esteemed French painter Jean-Auguste-Dominique Ingres, whose mesmerizing portrait of the elegant Comtesse d'Haussonville (1845) hangs in a nearby room. Degas's debt to the older artist's refined academic manner is unmistakable. The stylish young € subject, a close Italian € cousin of Degas, poses insouciantly in a chair, his ਰੁleft leg crossed beneath a walking stick and his torso E turned into soft shadows.

**ART REVIEW** 

# A Sketch of a Great Collection

At the Frick Madison, an impressive preview of a promised gift of drawings and works on paper.

Morbilli's riveting, three-quarter gaze, animated by dark hatchings at right and delicately etched tendrils of his hair at left, draws the viewer into the exhibition's luminous space.

The museum's founder, Henry Clay Frick, acquired oil paintings, sculptures, decorative arts, and a handful of drawings and pastels. The Eveillard bequest will add six pastels to the collection, including Salvator Rosa's "Head of a Woman (Lucrezia Paolini)" from the 1640s, one of a dozen surviving pastel studies by the artist and a depiction of his likely companion. The beautifully preserved and strikingly intimate image, in which the subject's direct gaze and sensuous features are captured in black chalk



Clockwise from above: Maurice-Quentin de La Tour's 'Anne-Marguerite Perrinet de Longuefin, Madame Rouillé' (c. 1738); Gustave Caillebotte's 'A Man With an Umbrella Stepping Onto a Sidewalk' (c. 1876-77); Élisabeth-Louise Vigée Le Brun's 'Head of a Woman' (1784); Edgar Degas's 'Adelchi Morbilli' (c. 1857)

> and soft passages of pastel, speaks to the immediacy the delicate medium could lend to the art of portraiture. Hanging nearby, a portrait of "Anne-Marguerite Perrinet de Longuefin, Madame Rouillé" (c. 1738) by Maurice-Quentin de La Tour, perhaps the most renowned pastellist of his age, reveals La Tour's lush, painterly style in the chalklike medium. The wife of a dealer in luxury fabrics, Madame Rouillé is depicted in a pensive pose wearing an opulent fur-trimmed velvet cloak (or mantelet polonais), its glistening textures and sumptuous color given tactile form on the work's laid paper support. Along with Élisabeth-Louise Vigée Le Brun's "Head of a Woman" (1784), a freely brushed pastel head study



and likely model for an allegorical history painting, it suggests the pre-eminence of the medium in pre-Revolutionary France.

Hung in loosely chronological fashion, the show maps on a small scale much of what would shape the art of the modern era. The didactic culture of the ancien re-

The WSJ Daily Crossword | Edited by Mike Shenk

gime, for example, inhabits Jean-Baptiste Greuze's "Head of a Boy" (c. 1777), a study in sanguine chalk for one of the artist's moralizing genre tableaux. Executed in vehement strokes that capture the emotional intensity of his wideeyed, fearful expression, it speaks to the passions of its age that found reflection even in scenes from everyday life. Another genre figure appears in Francisco de Goya's "Tambourine Player" (c. 1812-20) and presents its decidedly unheroic polar opposite. On a blank white page, the loosely sketched subject—a lowly street performer or perhaps a tipsy reveler—balances precariously on one foot above a pool of brown wash that delineates his shadow and offers a hint of spatial definition.

The rise of 19th-century plein-air painting is represented here by John Constable's "Study for 'The Leaping Horse'" (c. 1824-25), a small oil sketch related to the British artist's "six footers" (largescale landscapes) from his native Suffolk, while nearby the French artist Eugene Delacroix's radiant "North African Man and Woman With Baskets of Vegetables and Fruit" (c. 1853) captures the epoch's

vogue for Orientalist themes. Gustave Caillebotte's "A Man With an Umbrella Stepping Onto a Sidewalk" (c. 1876-77), a carefully calibrated study for his masterpiece "Paris Street; Rainy Day" (1877), manifests the crucial role of drawing even in the age of Impressionism. The show closes where the Eveillards' collection began, with the first drawing they purchased almost a half-century ago: a graphite sketch (c. 1884) by the American artist John Singer Sargent for his celebrated and scandalous "Madame X." Caught unaware as she stares out a window, the subject exhibits, as Sargent wrote, "the most beautiful lines," and offers here a fitting finale.

The Eveillard Gift

Frick Madison, through Feb. 26, 2023

Ms. Lewis, who taught art history for many years at Trinity College, Hartford, Conn., writes about art for the Journal and other publications.

accompanying

a big reveal

32 Florist's clipping

34 Bear with a green

33 Not kosher

necktie

35 Splashy bash 39 Weighty reads

42 Stool pigeons

future govt.

problem solver

49 Photographer's

50 Bathrobe securer

behaved child

55 Website visitors

63 Singer DiFranco

56 Yonder thing

57 Nevada city

58 Rend

59 Heaps

64 Foofaraw

53 Muscle-bone

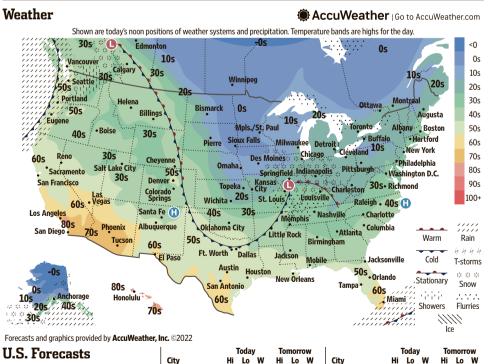
connector

54 Perfectly

45 Major for a

official

46 Universal



# **U.S. Forecasts**

s...sunny: pc... partly cloudy: c...cloudy: sh...showers: t...t'storms; r...rain; sf...snow flurries; sn...snow; i...ice

LLStorris, rrain, StSriow nurries, StlSriow, Iice									
		Today	,	To	morr	ow			
City	Hi	Lo	W	Hi	Lo	W			
Anchorage	25	22	i	27	18	sn			
Atlanta	38	27	pc	49	29	S			
Austin	60	30	S	57	41	S			
Baltimore	33	23	S	41	24	S			
Boise	45	41	C	51	36	C			
Boston	34	26	S	35	24	pc			
Burlington	27	21	C	28	19	sf			
Charlotte	39	25	S	47	24	S			
Chicago	22	9	sn	26	22	pc			
Cleveland	20	16	sn	27	26	C			
Dallas	54	24	S	50	41	pc			
Denver	52	39	S	63	37	pc			
Detroit	22	14	sf	26	24	C			
Honolulu	84	73	S	84	72	pc			
Houston	58	32	S	54	42	S			
Indianapolis	26	18	sn	32	26	C			
Kansas City	23	11	sf	36	33	pc			
Las Vegas	64	46	pc	66	51	C			
Little Rock	47	19	C	38	26	S			
Los Angeles	78	52	pc	64	53	r			
Miami	65	55	C	68	56	sh			
Milwaukee	22	7	C	27	24	pc			
Minneapolis	9	0	C	24	21	C			
Nashville	33	26	sn	41	30	S			
New Orleans	53	43	S	60	43	S			
New York City	31	26	S	36	29	pc			
Oklahoma City	42	13	pc	48	37	S			

		Today	/	To	morr	ow
City	Hi	Lo	W	Hi	Lo	W
Omaha	15	5	C	40	31	рс
Orlando	55	39	рс	60	42	рс
Philadelphia	32	26	S	41	25	рс
Phoenix	73	50	S	69	53	рс
Pittsburgh	21	19	sn	29	25	c
Portland, Maine	32	22	S	32	20	pc
Portland, Ore.	55	49	r	53	41	r
Sacramento	55	52	C	57	45	r
St. Louis	32	14	sn	32	26	S
Salt Lake City	45	37	C	50	36	r
San Francisco	57	53	C	59	49	r
Santa Fe	49	28	рс	50	33	рс
Seattle	54	47	r	51	41	r
Sioux Falls	4	-1	C	36	25	S
Wash., D.C.	34	27	S	43	27	S
Internati	on	al				

#### City Amsterdam Athens Baghdad Bangkok 62 50 86 68 Beijing Berlin 16 37 37 16 s 35 pc 41 c Brussels Dubai 63 sh 69 65 pc Dublin 51 41

_							<u> </u>
	Frankfurt	53	35	r	45	35	рс
	Geneva	54	43	r	50	34	рс
	Havana	67	63	sh	74	55	C
	Hong Kong	68	58	S	68	58	S
	Istanbul	53	46	рс	55	49	рс
	Jakarta	87	75	r	84	75	sh
	Jerusalem	51	43	sh	54	44	рс
	Johannesburg	80	58	t	82	60	рс
	London	46	36	S	50	46	sh
	Madrid	59	37	рс	58	41	рс
	Manila	82	74	C	84	74	C
	Melbourne	82	65	рс	98	80	S
	Mexico City	63	44	S	64	47	рс
	Milan	50	39	C	52	42	pc
	Moscow	21	14	C	29	28	sn
	Mumbai	85	71	pc	89	73	рс
	Paris	52	37	r	47	42	pc
	Rio de Janeiro	80	73	sh	83	73	t
	Riyadh	69	51	pc	71	45	S
_	Rome	64	49	рс	64	48	S
	San Juan	85	73	sh	85	75	S
	Seoul	32	13	pc	33	19	S
	Shanghai	51	32	рс	50	36	pc
	Singapore	86	76	C	85	75	r
	Sydney	86	67	S	82	66	S
	Taipei City	63	57	рс	62	58	C
	Tokyo	53	38	S	53	40	S
	Toronto	23	18	рс	28	21	C
	Vancouver	51	44	r	50	41	sh
	Warsaw	50	39	C	42	31	рс
	Zurich	51	37	r	45	32	рс

#### **FLIGHT MANEUVER** | By Gary Cee 26 Puts a stop to 52 Capital of the

33 Sort

ties

27 Cooking Channel

cake bacon

36 Where the vice

37 Back muscle,

38 Pigeon's perch

41 No-cash deal

43 Freud topic

40 Move to and fro

44 Rapper's appeal

briefly

president breaks

cheeseburger

show that might

feature a funnel

Acr	OSS
1	Keystone's place
5	Visitor from a
	faraway place

- 10 "Hollaback Girl' singer Stefani
- 14 Male admirer 15 Slow tempo

16 14-season

- Cowbovs quarterback Tony
- 17 They may include camomile or rose hips
- 22 Taper off 24 Site of rods and cones
- 19 Scorched 20 Fertilization targets 21 Once known as
  - 51 Kumguat coat
- 47 Eden name 48 Bill Graham's Big Apple rock venue
- 69 Model Shayk ► Solve this puzzle online and discuss it at WSJ.com/Puzzles.

70 Mail carriers at **Hogwarts** 

Down

- 1 Detest 2 Christopher who
- played Superman
- 3 Jeweler's weight
- 4 Layover spot 5 Ready to listen
- 6 In the eleventh
- 7 Seething feeling 8 "Yikes!"
- 9 "Piece of cake!" 10 Starbucks size
- 11 Scrambled syntax 12 Long-distance runner Zátopek
- 13 Botanical junction
- 18 Gunn of "Breaking Bad" 23 Bay or bight
- 25 Boardwalk treats 28 Recently

Bahamas

56 Movement of

59 Remote

power

62 Irritated

61 Towel

passengers

60 Group holding

embroidery

passenger's

request, and a

of 17-, 27- and

65 Player's payment

68 Many Christmas

48-Across

66 Camp craft

gifts

67 Glade grazer

hint to the ends

batteries, often

- upgraded 29 Ridiculous 30 In need of
- Previous Puzzle's Solution

The contest answer is LISTS. Five grid answers become synonyms of the theme answers when preceded by HO: HIDING OUT is HOLED UP, RAISES UP is HOISTS, CAPTIVE is HOSTAGE. DRAGSTER is HOT ROD, HAS A PARTY is HOSTS. The first letters of those grid answers spell the

**A14** | Tuesday, December 27, 2022

# **SPORTS**



JASON GAY

# The Great Sports Stuff in 2022

This is admittedly an incomplete list. You surely have your own opinions. That's the fun of this.



It's that time of year, when newspaper columnists put out their Best of the Year lists. I'd love to tell you this is a rigorous, close-to-

scientific process. It isn't. Lists are a Get Out of Town gimmick for columnists to bank material before going on a holiday ski vacation.

My problem is, I don't ski. Also: I can't ski. The sad truth is I wrote this list this morning, to avoid doing the rest of last night's dishes from Christmas dinner. I'm not saying it's a perfect list. It most definitely isn't. It has significant omissions. It might even have spelling mistakes. What do you care? You're on a holiday ski vacation.

I'm calling this list The Good Stuff because that's what I thought when I saw these things happen: That's the good stuff. That's what sports are all about. They might be moments, or teams, or individuals, but they made me happy. Here goes. I know I missed lots of things. Some readers are going to be mad at me. Maybe you! It's all fair.

◆ The 2022 Minnesota Vikings. A good end-of-year-list needs inexcusable recency bias; if something

happened in January or February, it's like it never happened at all. (I don't have anything from the Beijing Winter Olympics, which feel like they happened 18 years ago.)

I do feel these Vikings are hilarious good stuff. Nearly every game they play is some kind of bizarro

catastrophe redeemed by a miracle finish. They won a game after the Bills fumbled in the end zone. They won a game after falling behind 33-0 at the half. They won this past weekend on a 61-yard field goal. They may be the best 12-3 team in NFL history—and the worst.

♦ That Argentina goal. The Sec**ond One.** Honestly, we could jam this entire column with material from the World Cup final between Argentina and France. You could do the Apex Arc of Lionel Messi, perhaps the greatest to ever do it, now complete with the trophy that eluded him. You could do Kylian Mbappé, brilliant in defeat—nearly pulling France all the way back with three late goals. But I'll go with the team energy of that first-half goal from Argentina's Angel Di Maria which Messi started with a pass to Julian Alvarez while his back is turned. Everything that's greatand harrowing—about soccer, in one beautiful burst.

◆ The Roger Federer and Serena **Williams Farewells.** Tennis has lost an epic pair of champions to retirement, and I don't think the sport has yet processed how significant it is. First Williams went out with an emotional run at the U.S. Open which threatened to be brief and melancholy but turned into something much more upbeat, as she pulled out a pair of emotional victories before succumbing in a thirdround three-setter. Also: She hasn't



definitively said she's retiring! Federer's goodbye was defini-

tive: Knee trouble made a major tournament impossible, so he went out with a This is Your Life farewell at the Laver Cup in London. Fed was crying, the fans were cry ing, Rafael Nadal was crying, the rest of the Big Four (Novak Djokovic, Andy Murray) were on hand for the weepy finish. Federer was the aesthetic pinnacle of modern tennis; the sport will still have champions, but it will not be as graceful or stylish. Every time I watch an ugly two-handed backhand shoveled into the tape, I will miss Roger.

♦ College softball and college

volleyball. This column spends a lot of time prattling on about what sports have become unwatchablelot of NFL games, most baseball. You know what's extremely watchable: college softball and volleyball, and no, I'm not just including the latter because very Wisconsin is good at it. (Texas won this year's title. however.)

As the Journal's Rachel Bachman has chronicled, these games are energetic, crisp counterprogramming, and champions like Oklahoma (softball) are creating near-celebrities with sensations like Jocelyn Alo.

Greg Joseph kicked a 61-yard field goal on Dec. 24. Below, Oklahoma won the college softball title.

◆ The Empathetic Little Leaguer. Leave it to a Little Leaguer to show the adults how to behave. In August a video went viral from a regional playoff game in which pitcher (Kaiden Shelton) struck a hitter (Zay Jarvis) in the helmet, and soon broke down in tears watching his opponent on the ground. A recovering Jarvis moved into first base, but then walked over to Shelton and embraced him, reassuring him he

♦ John Madden & Vin Scully. Fact check: John Madden died Dec. 28, 2021! But I'm putting him in there, because close enough. In the deaths of Madden and baseball maestro Vin Scully, sports lost perhaps the two most significant voices of the past half-century. Both men made a bad game bearable. Both are irreplaceable. Both were the definition of The Good Stuff.

**♦** Dawn Staley and the South Carolina Gamecocks. The arrival of name, image and likeness reform is starting to mercifully curb the media's deification of coaches in college athletics; the free market is showing that players are an essential part of the formula, too.

But I'll make an exception for Staley, a blast of candor who's made the No. 1, defending champion Gamecock women the most enjoyable show in the sport.

◆ **Steph Curry.** For being Steph Curry. That's all.

#### **◆ That Super Annoying Game Be**tween That School Up North and

That Other School. College football is doing its best to strip away all the things that make it great (weirdness, regional feuding) and dulling it down to everything else (money-driven, made-for-TV product). I hate to say it, but the last bastion of the Good Stuff may be games like absurdly heated rivalry ones like Columbus versus That School Up North. (This is the good stuff, even if it winds up repeating for the National Championship, though I won't see it, since I'll have moved my family and any willing Wisconsin graduate to Mars.)

◆ The Epic New Jersey Striped Bass Blitz of Nov-Dec. This addition is geogra-

phy-specific but I'm putting this in because I need at least one inexcusable entry besides the Minnesota Vikings. All I know is I spent my time at the World Cup in Doha with a raging case of FOMO aka Fear of Missing Out because I kept reading reports about schools of striped bass chasing baitfish right onto the Jersey shoreline. Salty locals called it the Blitz of a Lifetime—you could basically walk to the surf's edge, toss out a tennis ball, and haul in a keeper. My son and I managed to catch the frigid tail end of it in early December. We'll be talking about that trip for the rest of our lives, and in the retelling, we will catch many more fish than we actually did.

# 'Fig' Newton Explains State of College Football

By Laine Higgins

Until this season, Josh "Fig" Newton had never been part of a winning college football team. In 2018, he was a lightly recruited cornerback who started his career at his hometown university, Louisiana Monroe, which lost all 10 of its games in one of his seasons there.

Then last May, thanks to the newly loosened transfer rules that govern college sports, Newton wound up on the campus of Texas Christian University in Fort Worth, Texas. He gave a rousing speech in training camp to players he barely knew. During the 2022 season, quarterback Max Duggan was the Horned Frogs' leader on the field, but Newton emerged as one of their most vocal and emotional leaders in the locker room of a team that will face Michigan on Saturday in a College Football Playoff semifinal.

Newton is an example of the kind of late bloomer that teams can now pluck from the NCAA's "transfer portal" to inject fresh energy and experience into a team on the cusp of breaking through.

Indeed, the man nicknamed for a chewy cookie is a prism through which to understand how much. and how rapidly, the sport has changed. College football looked much different five years ago, when Newton transitioned from high

school to college. Players couldn't make money from endorsement deals or switch teams without sitting out for a year. At TCU, longtime coach Gary Patterson was just beginning a four-year slide with the Horned Frogs.

Newton wasn't on the radar of TCU, or almost anyone else. By his own admission he was "least recruited, back of the line" type of guy available and ended up at Louisiana Monroe. It was a Division I program, but not one from the wealthiest conferences. He red-

The man nicknamed for a chewy cookie is a prism through which to understand the sport.

shirted in 2018, then grew 2 inches and put on 15 pounds of muscle. He blossomed into a top pass defender and one of the most electric players in the Sun Belt Conference by 2021. All of this happened as his team languished, bottoming out during the pandemic season by losing all 10 of its games.

Meanwhile at TCU, Patterson, the coach that nearly took the Horned Frogs to the College Football Playoff



Josh 'Fig' Newton, No. 24, has emerged as one of TCU's emotional leaders.

in 2014, had started to backslide. He lost the all important "Iron Skillet" game against crosstown rival Southern Methodist in 2019 and 2021. The Horned Frogs missed out on a bowl game in 2021 when it was blown out by a middling Iowa State team in the season finale.

That led to the TCU administration making a change in its football program. It hired Sonny Dykes, the SMU coach who had beaten Patterson in the "Iron Skillet" games. Dykes borrowed Belichickian wisdom, badgering returning players to "do your job," then took another page out of the NFL playbook by adding high-impact free agents. Except in college football, these players are called transfers.

In recent years, it's become common for standout athletes on teams in the smaller Division I conferences to leave for teams that compete in the wealthiest leagues. Finding rough diamonds like Newton has become a way for the game's have nots to close the gap with the

Following the 2021 season, Newton entertained offers from several schools. He ended up retracting his name from the portal because his mother convinced him to stay at ULM through the spring term and get his degree. On his second trip to the portal in May, he had heavy interest from Florida State. He picked

TCU because of how positive Dykes and his staff were.

It wasn't lost on Newton that he had an opportunity to join a team that could move up to the elite level of college football. That's when he made a training camp speech urging his new teammates not to waste their shot at glory.

"I'm so happy to be here. I'm getting chills bro," Newton told his new teammates. "God gave us change. For the ones that [have] been here, he gave you a new staff. For me, he gave me a new home, a family. What are we gonna do with

"After I gave that first speech in fall camp, I knew I had something that hit the team real hard and stuck with them," Newton said.

Newton would collect interceptions in TCU's second and third games and go on to earn first team All Big-12 football honors. Teammates say his impact on the Horned Frogs was more visible on the sidelines, where he gave pregame hype speeches, than on the stat sheet.

"He has a lot of great speeches," Duggan said. "I know the things that get shown on social media are the big ones, but he does it every

day at practices, at meetings.' As it turns out, players at Newton's position will be key to TCU's championship aspirations. Before TCU can vie for a national championship, it must defeat No. 2 Michigan in the Fiesta Bowl. The Wolverines dominant defense presents an enticing matchup for TCU's gritty Duggan-led offense. But the game will likely hinge on whether the Horned Frogs defense can make Michigan uncomfortable offensively.

P2JW361000-0-A01500-1-----XA

**OPINION** 

# It's Joe Biden's Border Now

By William McGurn

this, including the would-be migrants massed along Grande and the already

overwhelmed border communities such as El Paso, Texas. They are awaiting the Supreme Court's ruling on Title 42, a power used to expel migrants who have entered unlawfully before they apply for asylum. Meanwhile, the Biden administration has signaled Title 42 is on its way out.

In one sense, Title 42 perfectly encapsulates all the dysfunction of America's immigration regime. Named for a section of the U.S. code that deals with stopping the spread of communicable disease, it has been used since a March 2020 directive from the Centers for Disease Control and Prevention to combat Covid by turning back people at the border—not the first time public health has been invoked to enhance government power. Until November, that is, when federal judge Emmet Sullivan ordered it ended and 19 Republican state attorneys general asked the Supreme Court to step in.

In her brief to the Court, Solicitor General Elizabeth Prelogar acknowledged that lifting Title 42 would cause "disruption" and lead to at least a "temporary increase" in which sent asylum seekers illegal border crossings. But

of world lead-

ership declin-

ing just as hu-

manity's need

for great lead-

ership has be-

urgent than

more

come

border the solution, she said, "cannot U.S. back to Mexico while be to extend indefinitely a will soon be public-health measure that all hearings. open. Everyone now acknowledge has outlived understands its public-health justification."

Sen. Mike Lee (R., Utah) was likewise blunt in defending a Title 42 amendment he unsuccessfully proposed for the \$1.7 trillion omnibus that passed before Christmas. "Title 42 is the one thing standing between us and utter chaos.3 Mr. Lee told Fox News

Mr. Lee and Ms. Prelogar are both right. Which only underscores the incoherence.

#### The fight over Title 42 encapsulates all the dysfunctions of immigration policy.

Ultimately, immigration is the responsibility of Congress, and the dysfunctions now on view daily at our southern border-legal, political, humanitarian—owe themselves to the repeated failure of our legislators to put a responsible immigration infrastructure

But Congress doesn't really lead. A president does. In his zeal to do the opposite of everything Donald Trump did, President Biden quickly transformed the border into a fullfledged crisis. One example of something he threw out while putting nothing in its place: the remain in Mexico policy, who'd unlawfully entered the

But Mr. Biden's border difficulty isn't that he can't get his agenda through. His problem is he has no agenda. The administration's argument to the Supreme Court was that it wants Title 42 gone—just not yet. The whole thing is a fraud, driven home to the American people every time they hear White House press secretary Karine Jean-Pierre cheerily assert that the border isn't open when everyone in the world, especially the thousands crossing each day, can see that it is.

The incoming Republican House knows Democrats in general and Mr. Biden in particular are vulnerable hereespecially with Latinos and local Democratic officials along the border like the mayor of El Paso, who is begging the administration to do something. Ideally, Republicans would propose a serious immigration bill along the general lines of the compromise measure Sens. Kyrsten Sinema (I., Ariz.) and Thom Tillis (R., N.C.) were trying to cobble together before Christmas. But probably most Republicans don't see it in their interests to lead with a compromise now.

This creates an opening for Mr. Biden, though he gives no sign he'll take it. For now he appears content to pretend the debacle at the border doesn't exist and count on his main Beltway constituency—the press corps—not to bring him back to reality with awkward Biden himself.

Still, Mr. Biden styles himthey waited for their asylum self a transformational president. His best shot here would be a bipartisan immigration deal that eluded both his Republican and Democratic predecessors. This would require identifying his priorities (e.g., resolving the legal status of the two million so-called Dreamers, people who were brought here as children), making Republicans an offer they would have a hard time refusing—and then going on to

> American people. Mr. Biden, alas, shows little sign he is capable of such presidential leadership. For one thing, he would have to offer Republicans something real. Border security was conspicuously absent from the immigration reform he unveiled at the outset of his term, reducing the proposal to cheap virtue-signaling.

> sell it to Congress and the

Selling a deal would also challenge Mr. Biden. Recently he's treated prime-time presidential addresses to the nation as opportunities to take swipes at his predecessor or characterize anyone who disagrees with him as morally defective. But were he for once able to rise above himself, he would win whatever the outcome: Either he would succeed in getting an immigration reform where his predecessors failed, or he would win politically by showing that Republicans are the obstacle to improving security at the border.

The biggest obstacle? Joe

Write to mcgurn@wsj.com.

**BOOKSHELF** | By Charles W. Calomiris

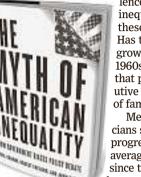
# Believe Your Eyes, Not the Statistics

#### The Myth of American Inequality

By Phil Gramm, Robert Ekelund and John Early (Rowman & Littlefield, 255 pages, \$29.95)

ccording to Mark Twain, "It ain't what you don't know that gets you into trouble. It's what you know that ain't so." "The Myth of American Inequality," by Phil Gramm, Robert Ekelund and John Early, quotes that wisdom, then offers 250 pages of analysis proving it.

Before reading the book, you should ask a few questions to test the authors' hypothesis that misleading government statistics have led many Americans to misperceive the preva-



lence of poverty, the degree of inequality, and the changes in these measures in recent decades. Has the average standard of living grown substantially since the 1960s? Has inequality shrunk over that period? Did post-1960 redistributive policies reduce the percentage of families living in poverty?

Media commentators and politicians seem to believe that little progress has been made in raising average American living standards since the 1960s; that poverty has not been substantially reduced over the period; that the median household's

standard of living has not increased in recent years and inequality is currently high and rising ("a truth universally acknowledged," according to the Economist magazine in 2020).

The authors—a former chairman of the Senate banking committee, a professor of economics at Auburn University and a former economist at the Bureau for Labor Statistics—show that these beliefs are false. Average living standards have improved dramatically. Real income of the bottom quintile, the authors write, grew more than 681% from 1967 to 2017. The percentage of people living in poverty fell from 32% in 1947 to 15% in 1967 to only 1.1% in 2017. Opportunities created by economic growth, and government-sponsored social programs funded by that growth, produced broadly shared prosperity: 94% of households in 2017 would have been at least as well off as the top quintile in 1967. Bottom-quintile households enjoy the same living standards as middle-quintile households, and on a per capita basis the bottom quintile has a 3% higher income. Top-quintile households receive income equal to roughly four times the bottom (and only 2.2 times the lowest on a per capita basis), not the 16.7 proportion popularly reported.

What explains the disconnect between reality and belief? Government statistical reports exclude "noncash" sources of income, which excludes most transfers from social programs. Taxes (paid disproportionately by high earners) are also ignored in official calculations. Furthermore, even the government's "cash" income numbers are reported in a way that understates improvements in real (inflation-adjusted) income over time because government inflation measures fail to use the appropriate chained price indexes or take account of new products and services.

Increased earned-income inequality is the natural consequence of redistributive policies: if one can enjoy median household consumption without earning any income, the incentive to work is substantially diminished. This largely explains the growing distance between earned and total income for poor households (transfers to those households have gone up

## Official government measures greatly exaggerate income inequality by ignoring taxation and noncash sources of income.

dramatically). Ironically, it is the very success of redistribution in reducing poverty and inequality that has led mismeasurement to create the false perception of increasing inequality.

The equality of consumption between the bottom quintile (in which only 36% of prime-age persons work) and the middle quintile (in which 92% of prime-age persons work) is a striking finding. As the authors note: "It is hard to see how a middleincome family with two adults both working would not resent the fact that other prime work-age people who are not working at all are just about as well off as they are."

Most of the facts documented in this book will not shock economists who specialize in studying poverty and inequality. The formal studies of these topics published in professional journals, however, tend to focus on short periods of time and narrowly defined questions, not broad issues of measurement. What makes this book an invaluable new resource for public policy and economic education is its focus on how the experiences of Americans of different living standards evolved over time and how earned income and consumption diverged for the poorest households. It traces improvements in the living standards of the poor to transfer programs, shows how taxation of the rich has flattened the distribution of consumption across households, and documents how measurement errors have distorted general beliefs about economic inequality.

But that's not all. This book is written in straightforward American English, not in economic think-tank jargon. It shows clearly how each element of the analysis (taxation, transfers, inflation adjustment) contributes to its conclusions. Graphs and tables are comprehensive and comprehensible. The style is lively and lucid. On two occasions I read passages aloud to mv wife, who then raised questions that were addressed by the authors in the next few paragraphs.

The analysis probes deeply to demonstrate the robustness of its conclusions. For example, it measures not only differences in consumption by households across quintiles, but also the more meaningful per capita consumption across quintiles, and adjusts those per capita calculations to capture consumption synergies within households using standard methods.

Most important, the authors don't clutter their analysis with contentious approaches to measurement, and they limit their policy recommendations to those that flow self-evidently from the facts they document. It is encouraging that three disparate economists can together write an objective book about the measurement of living standards, poverty and inequality without engaging in partisan advocacy that undermines their findings. ("While we each have our opinions and political views," writes Mr. Gramm in a preface, "we share a desire to get the facts straight.")

"The Myth of American Inequality" will have a positive effect on the quality of policy discussions, and may well achieve its objective of changing the ways in which government agencies report information about American household income and consumption. At a time when partisan tribalism makes serious discussion almost impossible in Washington, this book shows that economics is still a powerful tool kit for informing and disciplining our thinking across the partisan divide.

Mr. Calomiris is Henry Kaufman Professor of Financial Institutions at Columbia University.

# Kissinger Sees a Global Leadership Vacuum



**GLOBAL** By Walter Russell Mead

As I learned over a long lunch this month, Henry Kissinger thinks that is exactly where things stand, and he worries that civilization may be im-

periled as a result. Worry comes naturally to Mr. Kissinger. His first book, "A World Restored" (1957), that only a handful of people at any given time understand the complicated architecture of a viable world order, and that an even smaller number have the gifts of leadership required to create, defend or reform the delicate international framework that makes even

partial peace possible. Worse, it is not enough for an effective leader to understand the international system. Mr. Kissinger believes that there is an immense gap between the kind of world the citizens of any given country want to see and the kind of world that is actually possible. The world can't be as Sinocentric as Chinese public opinion wants it to be, as democratic or woke as many Americans would like, as Islamic as many Muslims

some African and Latin American countries want, or as awed by French grandeur or admiring of British moral leadership as people in those countries want.

Great leaders must bridge the gap between public opinion in their own countries and the compromises inseparable from international diplomacy. They must see the world clearly enough to understand what is possible and sustainable, and they must be able to persuade their fellow citizens to accept outcomes that are. inevitably, often disappointing. Paradoxically, this task is laid out some basic ideas that often harder in a powerful dominate his thinking to this state such as America, which A dearth of statesmen day. Mr. Kissinger believes is often able to get much of what it wants in the world. Small and weak countries understand the need for compromise: great and powerful ones often think they can have it all.

> This kind of leadership involves a rare mix of intellectual ability, deep education and the kind of intuitive understanding of politics given to few. Mr. Kissinger's most recent book, "Leadership: Six Studies in World Strategy," singles out six leaders (Ger-Konrad Adenauer. many's France's Charles de Gaulle, America's Richard Nixon, Egypt's Anwar Sadat, Britain's Margaret Thatcher and Singapore's Lee Kuan Yew) who achieved great things at home and abroad. But the book looks forward, not back. As Mr. Kissinger emphasized at about whether the depth and

Is the quality development concerns as exceptional conditions that withstand the challenge of the enabled these leaders to appear may be fading away.

> The six leaders Mr. Kissinger profiled were all born outside the social elite. They were middle-class children from ordinary families. That background gave them an ability to understand how their fellow citizens saw the world. Selected into meritocratic educational institutions, they received a disciplined and demanding educathat prepared them psychologically, intellectually and culturally to operate effectively at the highest levels of national and international life.

has left the world misruled by populists and technocrats.

A question that troubles Mr. Kissinger is whether this pipeline is breaking downwhether elite institutions no longer offer this rigor and discipline, and whether the culture of "deep literacy," as he calls it, has eroded to the point where society no longer has the wisdom necessary to prepare new generations for

leadership. This isn't merely about woke college professors dumbing education down or superficial left-wing ideologues driving complex and subtle ideas out of university teaching. It's would wish, as responsive to our lunch, he fears that the rigor of classic scholarship can

more visual culture and the shorter attention spans promoted by electronic media. Now in his 100th year, Mr.

Kissinger has been pondering the problems of leadership for longer than most Americans have been alive. When he entered public life in the 1960s, the old WASP elite still dominated the field of American foreign policy. But the old Brahmins like the Achesons, Bundys and Alsops, who brought America both the Marshall Plan and the Vietnam War, faded away. The Nixon, Reagan and George H.W. Bush administrations achieved important successes, but the 21st-century track record of American statecraft is less inspiring.

Today, Mr. Kissinger warns the problem of world order is growing harder. Great-power rivalries intensify. China is a more complex challenge than the Soviet Union ever was, and international trust diminishes as the potential for global conflict steadily grows. We need wisdom more than ever, Mr. Kissinger says, but it is not so easy to find.

It is hard to disagree. American debates today, over domestic as well as foreign policy, often feature a sterile competition between technocrats immersed in conventional groupthink on the one side and populist demagogues armed with superficial slogans on the other. Henry Kissinger thinks we need to do better. I fear he is right, and I hope that "Leadership" gets the wide readership it deserves.

#### What Is 'Jeopardy!'? turning over cardboard tiles I zipped through the hand-

By Roger Cohen

ike Marlon Brando in 'On the Waterfront." I coulda been a contender. Maybe not a title fight at Madison Square Garden, but in the recent "Jeopardy!" Tournament of Champions.

I could have been somebody. I could have been on national TV sharing boring life vignettes with host Ken Jennings. I could have soaked in the wisdom imparted by former celebrity hosts, savants such as Aaron Rodgers and Dr. Oz.

Why not me? At home I crush the nightly competition, annoying my wife into submission by blurting out random answers. Or I win by cheating via closed captions before the TV sound catches up

My lifelong "Jeopardy!" fantasy rekindled after I got a perfect score in this newspaper's weekend current-events quiz. In 1964, I huddled around my neighbor's family furniture-store console color TV, watching host Art Fleming above my pre-puberty weight, impressing the elementaryschool crowd. High-school setbacks didn't

deter me, as I barely qualified as an alternate for our "It's Academic" team on local Cleveland TV. College kept the dream alive, with my fraternity bothers-between gulps of Schlitz and drags on Camelsprodding, "You gotta go on 'Jeopardy!' "

After moving to Los Angeles for work in 1979, I decided to take my shot at stardom at the dawn of the VCR era.

I drove my new 1980 Dodge to the "Jeopardy!" audition and instantly feared it might be a leap too far when every street parking spot was taken by guys leaning on their car hoods poring over hardcover volumes of the Encyclopedia Britannica.

It was a packed auditorium, and we were given 60 minutes to answer 100 multiple-choice questions.

for "Jeopardy!" I punched ful of sports, politics and geography questions, then randomly guessed on a dozen more, somehow recalling that Gresham's Law was bad money. The rest-classical opera, astrophysics, 14th-century literature—not a clue. One of the first to finish the questioning, I rushed for a much-needed bathroom break.

> Like Marlon Brando's Terry Malloy, I coulda been a contender on this game show.

Curiosity trumping the awkwardness of starting a conversation with a stranger in a Hollywood men's room, I asked the guy in the next stall how he did. 'Not that great," he admitted. "Might have missed a couple."

Unbowed, I strode back into the audition, then jumped joyfully out of my bell bottoms counselor in Fairfax, Va.

when the producer called out 10 names, mine included.

"Thanks for coming, hope you had fun. If we didn't call your name, please stay seated for the next qualifying test."

Slinking out to avoid eye contact with all the head shakes and smirks. I felt like the office dolt who delays a meeting because he left his headlights on.

Crushed in my prime, I never tried again. Now I'm merely another awestruck "How did they know that?" spectator.

Sometimes my wife strokes my ego by suggesting that I take the online test, as if flunking anonymously at home would be less humiliating.

I might reconsider auditioning for the "Jeopardy!" Seniors Tournament, but only if the categories were limited to personal specialties such as NFL

were still in sixth grade.

Or if the other contestants

Mr. Cohen, a former airline lobbyist, is a behavioral health

**A16** | Tuesday, December 27, 2022

# The Christmas Grid Emergency

policies left too many

Americans shivering.

s temperatures plunged this weekend, Americans in much of the country were avoid using large appliances to Strain caused by climate

prevent rolling blackouts. The cascading grid stress came at an awful time but was all too predictable to anyone paying attention.

The interconnected U.S. grid is supposed to be a source of resilience, but the government's force-fed green energy transition is creating systemic vulnerabilities that politicians don't want to acknowledge. Utilities and grid operators weren't prepared for the surge in demand for natural gas and electricity to heat homes, which occurred as gas supply shortages and icy temperatures forced many power plants off-line.

The PJM Interconnection, which provides electricity to 65 million people across 13 eastern states, usually has surplus power that it exports to neighboring grids experiencing shortages, but this time it was caught short. Gas plants in the region couldn't get enough fuel, which for public-health reasons is prioritized for heating.

Coal and nuclear plants can't ramp up like gas-fired plants to meet surges in demand, so PJM ordered some businesses to curtail power usage and urged households to do the same through Christmas morning. Rolling blackouts were narrowly averted as some generators switched to burning oil. Americans in the southeast weren't so lucky.

The Tennessee Valley Authority and Duke Energy in the Carolinas ordered rolling blackouts as demand for heating surged. Two-thirds of the South relies on electricity for heating. While gas-power generation doubled in the TVA and tripled in the Carolinas, this wasn't enough to keep the lights on and homes heated.

The climate lobby wants to force all homes and buildings to shift to electric heating even though it is less efficient than gas furnaces in frigid weather. When temperatures fall below freezing, heat pumps consume more and more power. "With a generation fleet that is more nat gas heavy than ever before, we are using twice as much gas to heat homes through electricity as we do with gas furnaces," former Federal Energy Regulatory Commission Chairman Pat Wood told Bloomberg.

Population growth in the Sun Belt has increased the strain on the grid—even as large told to turn down their thermostats and numbers of coal and nuclear plants that provide

> baseload power have shut down owing to competition from heavily subsidized renewables and cheap natural gas. The Texas grid has become especially dependent on wind and gas.

Natural gas is usually a reliable power source that can ramp up when demand increases or wind power flags. But in very cold temperatures pipes can freeze and gas is diverted for heating. On Friday morning, wind power and temperatures in Texas both plunged. As electric demand hit a winter record, gas power generation doubled.

Worries about a gas shortage spurred the U.S. Department of Energy on Saturday to declare a grid emergency in Texas and ease emissions standards to allow gas plants to burn oil if necessary. Don't tell hapless Energy Secretary Jennifer Granholm, but oil comes to the grid's rescue during extreme weather—not lithium-ion batteries, which can't discharge power for more than a few hours.

New England leaned on oil to generate 40% of its power this weekend even as its grid operator pleaded with customers to conserve power. New York's embargo on gas pipelines limits supply to New England, which depends on gas for heating and increasingly electricity as coal and nuclear plants have closed. But the region can't import enough liquefied natural gas in a pinch.

While there wasn't a single cause for the power shortages, government policies to boost renewables snowballed and created problems that cascaded through the grid. The North American Electric Reliability Corporation warned about these system-wide grid vulnerabilities in a report last month, as did a study commissioned by the Trump Department of En-

The climate lobby dismisses such warnings and blamed the weekend's power outages on the "bomb cyclone" supposedly caused by climate change. But storms happened before climate change became the default political explanation for everything. The Christmas emergency was a near-run disaster, and unless the political class wakes up, next time may be worse.

# LETTERS TO THE EDITOR

# The Purpose of Cryptocurrency: Let's Debate

It is fair game to critique cryptocurrency and argue how, and whether, it should be regulated. But asserting it has no purpose as money is simply wrong ("Crypto Is Money Without a Purpose" by Todd Baker, op-ed, Dec. 20). As an application of freedom and innovation to create an alternative to government-controlled fiat money, crypto's reason for being couldn't be more clear or noble.

Government money leaves the economic well-being of citizens subject to the motivations, competence and whim of politicians and bureaucrats. We see every day how reckless fiscal and monetary policy devalue the resources Americans have saved over a lifetime of work. Let's debate whether cryptocurrency is, or ever will be, a viable alternative to government money. But no purpose? Hardly.

PETER GOETTLER President, Cato Institute Washington

I hope Mr. Baker's excellent article on cryptocurrencies will be breakfast reading for all our regulators and lawmakers.

One of the best bits of investment advice I ever received was: Don't put real money into financial instruments you don't understand. The 2008 financial collapse was caused by collateralized mortgage obligations, or CMOs, which, it turns out, no one understood.

Does anyone at the Federal Reserve understand cryptocurrencies, in all their different forms, well enough to back them with the full faith and credit of the United States, its economy and taxpayers? If so, let them explain it on the pages of the Journal in words of one syllable.

If they don't understand cryptocurrencies, then it is the duty of the Fed to shun them like mortal sin.

DALE McIntyre Bartlesville, Okla.

# Judging the Last Act of the Jan. 6 Committee

Your editorial "The Jan. 6 Inquiry's Not-So-Grand Finale" (Dec. 20) argues that the House Jan. 6 committee shouldn't have made a criminal referral to the Justice Department. If a referral hadn't been made, however, former President Donald Trump could have argued that it proved that the committee didn't believe there were grounds for indictment.

Additionally, if special counsel Jack Smith doesn't subsequently bring an indictment, Mr. Trump can rally his supporters with the claim that the one-and-a-half-year congressional investigation was merely another witch hunt.

Your editorial argues that the questions before the Justice Department on a possible indictment of Mr. Trump should include whether that would be "good for the country." I find it unusual that Mr. Trump should escape prosecution on that basis or

any basis other than the legality of his actions. Instead, let's follow the core democratic principle: No one is above the law.

DAVID A. LEVENE Melville, N.Y.

"The House Jan. 6 inquiry has done useful work gathering documents and putting witnesses under oath," your editorial concedes. It would have been useful work if the committee had been balanced between Democrats and Republicans, but it wasn't. House Speaker Nancy Pelosi didn't allow the Republicans chosen by Minority Leader Kevin McCarthy onto the committee. Instead, she rejected them and used two anti-Trumpers, Reps. Liz Cheney and Adam Kinzinger. No, it wasn't useful work; it was misleading work.

> STEVEN MARTIN Richardson, Texas

# Congress Lets Down Afghan Allies

to the Middle Ages, last week banning Afghan women from working for non-

governmental organizations doing humanitarian work in the country. It seems some of the women weren't always covering themselves from head to toe. Meanwhile, the U.S. Congress fell short of pro-

viding the help that Afghan allies deserve.

ending bill extended the special immigrant visa (SIV) program for another year through 2024. The program offers permanent U.S. residency to Afghans who worked closely with the U.S. government, the military and its contractors, as well as their spouses and children. Only some 14,000 SIVs were available in November, though some 63,000 Afghans have applied. The omnibus opens up 4,000 more visas, but that's still too few given U.S. promises to protect Afghans who worked with the U.S.

The bad news is that Congress failed to pass the Afghan Adjustment Act. Some 72.500 Afghans are already in the U.S. under a temporary protective status known as humanitarian parole. Yet that expires next year. The bill would

he Taliban are continuing their march have provided a path to a green card for them, coupled with extensive vetting.

The Afghan Adjustment Act would create an SIV for select members of the The omnibus adds Afghan armed forces. And it would create an office in the 4,000 special visas, but State Department to review that isn't nearly enough. applications and issue visas to Afghan partners still trapped

Worthy candidates include Mohammad, age The modest good news is that the omnibus 22, who is in the U.S. on humanitarian parole but remains in legal limbo. (We're withholding his full name out of security concerns for his family still in Afghanistan.) Mohammad worked with the U.S. Army for nearly two years checking roads for improvised explosive devices and defusing bombs. "Every day was the scariest day," he says. "We went to a mission. We didn't know we will come back alive. We lost friends."

by Taliban rule.

Mohammad, who aspires to become a nurse or police officer in the U.S., sought an SIV a year and a half ago. His application is pending as the supply of SIVs dwindles. President Biden owes a particular moral debt given his chaotic flight from Kabul, and the Afghan Adjustment Act ought to be a bipartisan priority in 2023.

# Jenkins Is Nothing If Not Consistent on FBI

I sometimes wonder whether Holman Jenkins, Jr. could write a column about the World Series without referring to the FBI, Hillary Clinton and her co-conspirators ("2020's First Big Lie." Business World, Dec. 14). Mr. Jenkins's open wounds might outlast President Donald Trump's with 2020.

The FBI's briefing with Christopher Steele took place in July 2016, shortly after Mr. Steele's original financiers, Mr. Trump's Republican primary opponents, gave up the cause and passed the torch to Mrs. Clinton. The Russians attempted to influence the 2016 elections, much as we and other countries do in many venues. The Trump campaign solicited and appreciated Russian support. Hunter Biden

# Brown U. Replies on Rule Against 'Caste Oppression'

Suhag Shukla's op-ed "Brown University Discriminates Against South Asians" (Dec. 22) is based on a mischaracterization of Brown's antidiscrimination policy. Brown has added "caste oppression" to its nondiscrimination policy to underscore protections for members of the university community and call attention to a subtle, often misunderstood form of discrimination based on class. The policy has added an explicit reference to caste among other factors, including race, gender, sex, national origin and religion. The policy applies to every member of the Brown community. It does not and never has specified that any element applies specifically to any individual group.

Brown's previous nondiscrimination policy would have protected people experiencing caste discrimination, but the university felt it was important to elevate this less-publicized form of discrimination and explicitly express a position on caste equity. SYLVIA CAREY-BUTLER, PH.D.

VP, Institutional Equity and Diversity Brown University Providence, R.I.

has reaped unmerited windfall profits trading on his father's name. Neither the collusion nor the coming laptop investigations have had or will have any substantive effect beyond annoying the incumbent administrations.

Politicians have always salivated at any opportunity to spread damaging information about their opponents, and committed partisans enjoy the piling on. Sadly, political influence has always been temptingly available for purchase. I submit, however, that we would be hard-pressed to find more than a handful of people who actually changed their votes due to any of these. People chose for themselves what to believe and deem sig nificant and vote accordingly. None of this is new or newsworthy.

FRED KUHAR Wickliffe, Ohio

If only half of what Mr. Jenkins has advocated during the Covid debacle had been adopted, much unnecessary suffering and economic destruction could have been avoided ("Elon Musk, Dr. Fauci and the Next Pandemic," Business World, Dec. 17). How about Mr. Jenkins for Twitter CEO-or secretary of everything?

CHARLES BENNETT New York

# Bob's Your Uncle at Disney

"It's a Small World" after all. Apparently, Bob Iger is the only man on the planet capable of running Walt Disney Co., at least according to the board of directors and Mr. Iger himself ("Disney: Endgame," Exchange, Dec. 17). I have a simple theory on leadership succession: It's noticed only when executed poorly. This couldn't have been managed much worse.

Mr. Iger undermined Bob Chapek, his handpicked successor, at every turn, while the board enabled backchannel sabotage to finish the job. Yet key stakeholders should now have confidence in this returning CEO and the same board? Now that's a fantasy.

PAUL C. KATZ Falls Church, Va.

# Were Critics of Bush Cowed?

I agree with Ted Rall: "Can't Both Sides Back Free Speech?" (op-ed Dec. 22). But I have trouble remembering, as he does, when conservatives censored the left's criticism of President George W. Bush after 9/11. I recall incessant and virulent criticism of Mr. Bush, starting from the day he was declared the winner in Florida, and continuing right through his presidency. If it was censored, how is it that I heard so much of it? Was there more that I didn't hear?

> SAMUEL UPDIKE SR. Babson Park, Fla.

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

# Pepper ... **And Salt**

THE WALL STREET JOURNAL



"In case you're wondering, this is my devotional support animal."

# Caught in the Bureaucratic Net ishing is never an easy way to make a liv-

ing, but it's even harder when the federal bureaucracy can put you out of business on a whim. Herring fishermen Can a law's silence justify are fighting back, with potentially large implications for imposing regulatory the administrative state.

In 2020 the National Marine Fisheries Service (NMFS) decreed that Atlantic herring fishermen must include a human monitor to en-

sure compliance with catch limits. The fishermen must pay for the monitor, though many are small, independent operators. By the fisheries service's own estimate, its mandate costs each boat \$710 a day. Depending on the catch, this is often more than the captains make on a trip. Even the service acknowledges that the monitoring cost will reduce herring operations' annual returns by 20%. Enter the Cause of Action Institute, which

sued the Commerce Department (which oversees the NMFS) in 2020 on behalf of fishermen in New Jersey. The suit claims Congress never authorized the bureaucratic cost-shift to the

The 1976 Magnuson-Stevens Act governs fishing in federal waters and allows the fisheries service to impose monitors. But nowhere in the law does Congress give the service power to force herring fishermen to fund the program. Congress has authorized industry-funded monitoring in other, specific contexts—including for certain North Pacific fisheries, and for foreign vessels. It did not do the same here.

The fisheries service argues it has the legal right to impose the costs because the law is silent on the matter. The government points to

language authorizing it to take steps that are "necessary and appropriate" to manage fisheries. Put another way, unless Congress explicitly prohibits an action, an agency

can proceed. The case has moved up the appellate chain, and in August

costs on fishermen? a divided panel of the D.C. Circuit Court of Appeals ruled for the government. Judges Sri Srinivasan and Judith Rogers cited the Supreme

Court's *Chevron* deference standard, finding that the law "through its silence, leaves room for agency discretion." But Judge Justin Walker noted in dissent

that this is a principle with no limit. He mused whether the fisheries service could find it "necessary" for fishermen to drive their federal monitors back and forth to the office to save on government gas bills, or whether it could demand fishermen finance other bureaucratic

The decision removes one of the few practical constraints on regulatory excess: a lack of resources. If government can write rules and require their targets to pay the costs without explicit Congressional approval, there will be no limit on bureaucratic discretion.

The herring fishermen are asking the Supreme Court to hear the case and are represented by former Solicitor General Paul Clement. In West Virginia v. EPA this year, the Court used its major questions doctrine to rein in egregious regulatory overreach. But it has left Chevron as a largely unchecked license for regulators who can still do great harm without Congressional assent. Silence shouldn't be a bureaucratic license to wreck livelihoods.

P2JW361000-0-A01700-1-----XA

# Putin Can't Count on the Global Oil Market

urope's ban on Russian oil, combined with the U.S.generated "cap" on Russian oil prices, marks the end of the global oil market. In its place is a partitioned market whose borders are shaped by not only economics and logistics but also geopolitical strategy. Western gov-

ernments have created this new market in an effort to stifle the oil revenue fueling Vladimir Putin's war machine. Moscow will counterattack, hoping to cause disruption, panic and a break in support for Ukraine. But Russia will have a tougher time than expected given current market conditions.

#### The Russian ruler quotes Milton Friedman, but cuts in production could harm Russia and its allies.

The oil market became truly global only three decades ago with the collapse of both the Soviet Union and the barriers created during the Bolshevik Revolution a century earlier. That coincided with the economic rise of China, which turned an energy self-sufficient albeit poor country into the world's largest importer of oil. While there have been some restrictions in the global market since then—notably, sanctions on Iran and Venezuela—economic efficiency has largely determined how barrels flowed around the globe.

Until now. In the months following Mr. Putin's invasion, the European Union and the U.K. announced they would prohibit the import of Russian crude oil effective Dec. 5. They also agreed to ban insurance and shipping "services" by their companies for Russian crude-oil shipments anywhere in

the world. This meant that Moscow would be cut off from what had been its largest market nearly four million barrels a dayand that much of the world's tanker fleet would no longer be able to carry Russian barrels.

The U.S. was alarmed by Europe's impending prohibition, fearing it could lead to a world oil shortage and spike in prices. Thus the Biden administration developed an ingenious idea: a price cap. The policy is intended to keep Russian oil flowing while reducing the Kremlin's earnings from oil exports.

After intense negotiation, the U.S., EU and Group of Seven adopted a cap at \$60 a barrel, to be reviewed periodically. As long as Russian oil is bought below \$60. a trader can handle it, a broker can insure it, and a tanker can carry it. The details of the cap

are complicated. Players along the value chain, from initial purchaser to shippers, must "attest" that they didn't exceed the price cap. The penalties range from public shaming by their governments to large fines and outright sanctions.

The policy is working so far, thanks to a slowing world economy that has weakened petroleum prices, fear of unknown liability among market actors for violating the cap, and higher tanker rates. The current price of Russia's main export barrel is in the mid-\$40s—about 45% below the benchmark price for oil and more than 33% below the estimated \$70 price on which Russia's 2023 budget is based. This steep drop is welcomed by countries like India, which imports 85% of its oil and has gone from a negligible importer of Russian oil to vying with China to be the largest importer, albeit at heavily discounted

Weak global economic growth will continue to facilitate the effectiveness of the price cap, keeping the market



in a surplus and holding prices down. That could change if global oil demand spikes-say, on the heels of China's lifting its zero-Covid policy. But such a rebound is down the road.

The more immediate challenge comes in February, when the price cap will be extended to "products" produced by Russian refineries. That includes gasoline and diesel, the latter of which is essential to European transport.

Mr. Putin, who has denounced the price cap as "stupid" and "robbery," has made clear that he can't stand Western countries' setting the price of his oil. The Kremlin has assembled a "shadow" armada of 100 or more secondhand tankers that will attempt to evade the ban on Western tankers. Chinese and Indian companies can provide some of the missing maritime insurance, but that will still leave a significant gap.

The most potent weapon in Mr. Putin's arsenal is a production cut. He has already pursued that strategy with natural gas, inflicting significant hardship on the Continent. In an October speech. Mr. Putin cited Milton Friedman: "If you want to create a shortage of tomatoes," put on price controls, and "instantly you will have a tomato shortage. It's the same with oil or gas." (Mr. Putin noted that Friedman can't be "branded a Russian agent of influence.") He has renewed the threat of "a possible cut in production" and this week is expected to issue a decree banning sales to countries observing the price

Mr. Putin has been nudging the Organization of the Petroleum Exporting Countries Plus—the group of oil-exporting countries of which Russia is a part-to embrace another production cut, but so far to no avail. In its place, Russia might cut its exports by a million or more barrels, hoping to tighten the market and send prices upward. The Kremlin might calculate that the resulting increase in price would more than offset the losses from the lower volumes of exports.

The aim would be to create a shortfall, additional economic pain and a mad scramble for supplies, with the ultimate goal that countries would be pitted against each other and the coalition supporting Ukraine would splinter. That has been Mr. Putin's playbook on European natural gas, too, which he's hoping will succeed this winter, possibly aided by further disruption in gas supplies.

Yet there's a crucial distinction between the gas and oil markets-and an additional constraint with which Moscow must contend. Sharp oil cuts and the attendant price increases would be felt not only by European countries but also by those important to Russia, namely India and China, which together received about 70% of the country's total seaborne crude-oil exports in December.

A Russian production cut would require more-intense collaboration among Western countries and companies, but they might be able to offset the effects by withdrawing more from the billion-plus barrels held by the U.S. and other allies in strategic reserves. Even then, such drawdowns might not be necessary given the current downward pressure on oil

demand.

A production cut could well end up adding to the Kremlin's long line of miscalculations. In cutting output, it would be assuming that higher prices would compensate for the reduction in volume. But after a spike, Russia might find that prices don't make up for the lost production. The result would be a further cap on its critical oil revenue. And this it would have done to itself.

Mr. Yergin is vice chairman of S&P Global and author of "The New Map: Energy, Climate, and the Clash of Na-

# Democrats Hold the Senate, and Liberal Justices Suddenly Get Old

**By James Taranto** 

"red wave" wasn't the only election result that failed to materialize in November. Neither was there a surge of anonymously sourced stories to the effect that Joe Biden is too old and feeble to seek a second term. Instead, on Nov. 19, the eve of his birthday, the New York Times published a piece with the headline "President Biden Is Turning 80. Experts Say Age Is More Than a Number." The Times cited one of those "10 experts in aging" in assuring its readers that "the life expectancy for the average white, 80-year-old man is another eight years."

But only two days after the election, journalists began calling for two considerably younger officeholders-Justices Sonia Sotomayor, 68, and Elena Kagan, 62—to step down. Dylan Matthews of Vox, a website that caters to left-of-center middle-aged millennials, tweeted on Nov. 10: "Assuming Dems hold the Senate, this is a good time for Kagan and Sotomayor to retire."

Mr. Matthews helpfully explained the arithmetic: "That seems premature but Dems have had 12 and 14 year-long stints (81-93, 95-09) without a Dem prez/Senate to pick/confirm judges. In 14 years, Sotomayor will be 82. [Antonin] Scalia died at

Last week Mr. Matthews's colleague Ian Millhiser expanded the argument in an article subtitled "The US Senate is a fundamentally broken institution. Democratic judges need to account for that in their retirement decisions." Actually, the Senate is neither broken nor "malapportioned," as Mr. Millhiser puts it in the piece. Each state has an equal allotment of two senators, as the Constitution provides.

Still, the political and actuarial case is clear enough. Republicans face a favorable Senate map in 2024, when Democrats will defend seats in Montana, Ohio and West Virginia. Neither party appears to have any comparably strong pickup opportunities in 2026 or 2028, so the odds favor a Republican majority in each of the three Congresses starting in 2025. Even a re-elected Mr. Biden or a Democratic successor would therefore have a hard time getting a highcourt nominee confirmed. That "could doom the entire country to live under a 7-2 or even an 8-1 Court," Mr. Millhiser writes.

Liberals can blame this state of affairs on their forbears, who initiated an era of ideological (and by now almost completely partisan) Supreme Court confirmations with their successful campaign against Judge Clement Haynsworth in 1969. Justices haven't publicly acknowledged retiring strategically, but the pattern since the 1980s suggests that some did: Republican appointees Potter Stewart, Warren Burger, Lewis Powell, Sandra Day O'Connor and An-

#### Sotomayor and Kagan are only in their 60s, but the actuaries at Vox say it's time for them to go.

thony Kennedy left the bench under GOP presidents. Democrats Byron White and Stephen Breyer retired during Democratic administrations, as did liberal Republicans Harry Blackmun, David Souter and John Paul Stevens.

The exceptions seem to prove the rule. William Brennan and Thurgood Marshall, liberal stalwarts of the Warren and Burger courts, were both in their 80s when they retired during George H.W. Bush's term—after outlasting Ronald Reagan's presidency. In a follow-up tweet, Mr. Matthews described Brennan's "not retiring

under Carter" as an "underrated" foul-up, though the word he used wasn't "foul."

The other major exception was Ruth Bader Ginsburg, whose age and health problems-colon cancer in 1999, pancreatic cancer a decade later—prompted liberals to press publicly for her retirement during Barack Obama's presidency. In 2011, when Ginsburg was 78 and Mr. Obama's reelection prospects looked iffy, legal scholar Erwin Chemerinsky told the Associated Press that "she has in her power the ability to prevent a real shift in the balance of power on the court." Historian David Garrow, an occasional contributor to these pages, said the "attitude that longer is better" is "arguably narcissistic."

Three years later, before Republicans took the Senate majority, Mr. Chemerinsky renewed his call in a Los Angeles Times op-ed and added that Justice Breyer, then 75, "should also carefully consider the possibility of stepping down this year."

Ginsburg ignored these pleas. Her death at 87 in September 2020 occasioned the shift of which Mr. Chemerinsky had warned. She reportedly told her granddaughters: "My most fervent wish is that I will not be replaced until a new president

"We have now lived with the consequences of Ruth Bader Ginsburg's latelife arrogance for more than two years," Mr. Millhiser asserts at the start of his Vox article. There's a cold logic to his regret, but the bitterness with which he expresses it is unseemly.

So is the effort to give Justices Sotomayor and Kagan the hook, and perhaps Mr. Matthews thought better of it. He deleted his Nov. 10 tweets the day after Mr. Millhiser's article appeared. In response to a query, Mr. Matthews said in a Twitter direct message: "I delete all my tweets regularly so I feel free to speak off the cuff-but I agree they need to retire in the next two years."

Like Ginsburg, Thurgood Marshall resisted retirement. "I have a lifetime appointment and I intend to serve it," he said in 1990. At a press conference after his announcement the next year, a reporter asked: "Would you share with us some of the medical facts? ... What's wrong with you, sir?" He replied: "I'm old. I'm getting old and coming apart."

Marshall died at 84 on Jan. 24, 1993, four days after Bill Clinton's inauguration. If only he had consulted an expert in aging.

Mr. Taranto is the Journal's editorial features editor.

# The Return of Lula and the Judicial Threat to Brazil's Democracy



By Mary Anastasia O'Grady

"Lula" da Silva takes office Jan. 1, launching his third (nonconsecutive) fouryear term. As a selfdescribed advocate of the poor, he faces the challenge of low growth forecasts for the next two years

Brazil's President-

elect Luiz Inácio

and inflationary pressure caused by too much government spending.

Yet even before inauguration day, Mr. da Silva—a co-founder with the late Fidel Castro of the hard-left São Paulo Forum—is telegraphing his intention to let public expenditures rip, halt privatization and reverse reforms designed to check corruption. Moderates who backed his candidacy, like former central bank president and fiscal hawk Arminio Fraga, seem surprised. In an interview with Globo News in November Mr. Fraga said: "I don't regret my vote, but I'm concerned."

Join the crowd.

Unfortunately, a populist Work-Party president promising to spend his way to national prosperity isn't the only thing for Brazilians to fear. A greater threat is the 11-member Supreme Court, which is overstepping its jurisdiction and flouting the rule of law for political reasons without consequences.

It's one thing for a coequal branch of government to guard its

prerogatives jealously. But when the highest court becomes an ally of ideological and corrupt politicians, democracy is in grave danger.

received 50.9% of the vote to 49.1% for President Jair Bolsonaro, who was seeking a second term. Mr. Bolsonaro never gave a concession speech but has instructed his government to begin the transition process in Brasília. It's going smoothly.

accepted defeat gracefully, claiming instead that the vote count was rigged. There have been peaceful protest marches in large cities. A smaller number of Lula opponents have destroyed property and clashed with the police and military in an attempt to disrupt the transfer of power.

But Brazilians widely reject the violence, and the leadership on the right recognizes Mr. da Silva as the legal winner of the election. The armed forces remain firmly on the

icized high court remains an open wound for a public that is fast losing

The 2019 Brazilian Supreme back scheme orchestrated by his Workers' Party. The enormous scandal involved business, congressmen on both sides of the aisle, the state-owned oil company, the national development bank and many foreign governments.

The evidence against Lula was solid and his conviction had been confirmed by two appeals courts. But the high court reversed its own

### The leftist ex-president takes office again Jan. 1 as the Supreme Court tries to limit Congress's power.

precedents and annulled the decision. It knew that the statute of limitations didn't leave time for a retrial. Lula was released but never exonerated.

The judicial activism didn't stop there. During the most recent campaign, the country's electoral tribunal-which included three highcourt justices—censored Lula's critics, including a former Supreme Court justice, who pointed out that the candidate was freed on a techni-

cality but not cleared. The same tribunal also censored other political speech from business leaders, elected members of Congress and news-and-entertainment platforms on the right. This has been carried out with assistance from the electoral tribunal's "special advisory to combat disinformation."

It acts as a ministry of truth.

Some Brazilian democrats are sanguine about the new Lula government because his Workers' Party won't control Congress, which is in charge of the budget. Yet one Supreme Court justice has already asserted that Congress lacks the power to use a cap to deny increases in certain welfare spending that Lula wants. This is preposterous—as in the U.S., the Brazilian Constitution gives lawmakers the power of the purse. But last week Congress bowed to the pressure and removed

Lula is a clever politician and will want to reconstitute a multiparty network of lawmakers who will let him do as he pleases as long as he deals them in. All indications point to a Supreme Court that is ready to help by using its power, including the threat of criminal prosecution, to pressure legislators who hesitate to cooperate.

Mr. Fraga's worries are on the fiscal front. "I see old ideas that have never worked for us," he told Bloomberg Línea in an interview in Rio de Janeiro published last week. "We are about to see massive fiscal expansion in an economy that is no longer in crisis," New stimulus that could spike the primary budget deficit to 2% "makes no sense," Mr. Fraga said.

Eventually Lula will run out of other people's money. But that can hardly be a comfort to aspiring Brazilians.

Write to O'Grady@wsj.com.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Rupert Murdoch **Matt Murray** Editor in Chies

Karen Miller Pensiero, Managing Editor Jason Anders, Deputy Editor in Chief Neal Lipschutz, Deputy Editor in Chief

Thorold Barker, Europe; Elena Cherney, News; Andrew Dowell, Asia; Brent Jones, Culture, Training & Outreach: Alex Martin. Print & Writing; Michael W. Miller, Features & Weekend; Emma Moody, Standards; Shazna Nessa, Visuals; Matthew Rose, Enterprise: Michael Siconolfi. Investigations; Amanda Wills, Video

Paul A. Gigot Editor of the Editorial Page Gerard Baker, Editor at Large

DOW JONES | News Corp

**Robert Thomson** Chief Executive Officer, News Corp. Almar Latour Chief Executive Officer and Publisher

DOW JONES MANAGEMENT:

Daniel Bernard, Chief Experience Officer; Mae M. Cheng, SVP, Barron's Group; David Cho, Barron's Editor in Chief: Jason P. Conti. General Counsel, Chief Compliance Officer; Dianne DeSevo, Chief People Officer; Frank Filippo, EVP, Business Information & Services, Operations; Robert Hayes, Chief Business Officer, New Ventures;

Elizabeth O'Melia. Chief Financial Officer: Josh Stinchcomb, EVP & Chief Revenue Officer, WSJ | Barron's Group; Jennifer Thurman, Chief Communications Officer; Sherry Weiss, Chief

EDITORIAL AND CORPORATE HEADQUARTERS:

Brazil has arrived at such a moment. In an Oct. 30 runoff Mr. da Silva

Some on the losing side haven't

side of the constitution.

That said, the matter of the polittrust in its institutions.

Court ruling—by a narrow majority—to release Mr. da Silva from prison shocked the nation. The public had cheered prosecutors who convicted him in 2017 on corruption charges and who unraveled a wider multimillion-dollar kick**A18** | Tuesday, December 27, 2022

P2JW361000-0-A01800-1----XA

# U.S. Steps Up Raids Against Islamic State

Operations in Syria result in capture, death of militants, bring risks for American forces

By GORDON LUBOLD AND NANCY A. YOUSSEF

WASHINGTON-The Pentagon said it has stepped up raids against Islamic State in Syria, conducting nearly a dozen risky helicopter and ground operations to kill or capture top militant operatives.

In December, the military said it had conducted at least 10 operations and raids, according to officials at U.S. Central Command, responsible for U.S. military operations in most of the Middle East. That included three operations last Tuesday with the Syrian Democratic Forces, the U.S.'s ally in Syria, that led to the detention of six Islamic State operatives, a spokesman for the command said.

Those raids netted what the military said was an Islamic State provincial senior official named al-Zubaydi. Eight other raids, including seven earlier this month and another one in early October, killed or nabbed other Islamic State operatives, military officials said.

U.S. officials acknowledged that Central Command has carried out additional raids in

Syria, but command officials declined to provide details on any of the other raids.

Ground raids and other operations keep Islamic State on its heels, officials said. But it isn't without risk. In one recent raid, for example, U.S. forces were on the ground for about three hours as they engaged in extensive gunfire and ultimately detained individuals and collected intelligence at the site. Each operation is planned carefully and takes into account the perils of such raids after making assessments on "reams and reams" of intelligence, said Col. Joe Buccino, a spokesman for Central Command.

In all, the raids are removing from the battlefield regional or local leaders who military officials believe play roles in planning and conducting attacks, mostly in rural areas against local security forces in the region, the military said. But the raids alone can't stop the terror group's expansion in Syria, particularly during an acute economic crisis and a stalled political settlement to resolve the nearly 12-year war, experts and former U.S. officials warned.

The U.S. is "doing more strikes because they have to," said Andrew Tabler, a senior fellow at the Washington Institute for Near East Policy, a former White House and State



U.S. soldiers and Syrian Democratic Forces members took part in military exercises in September.

Department official who oversaw Syria policy in the Trump administration. "The reason why the threat is growing is the economic problems and the lack of the settlement. [The U.S.] is ignoring the first part, and relying instead on strikes as a sort of drone therapy."

The group grew inside Iraq and Syria following the withdrawal of American troops from Iraq in 2011. Islamic State, which lost most of its territory by 2017, has maintained the ability to conduct terrorism operations in Syria

and Iraq with as many as 56,000 people, mostly women 1,800 fighters in Syria and more than 8,000 in Iraq, according to unclassified assessments and military officials. The sophistication of the group's attacks has diminished over time, and since 2019 the group is using fewer improvised explosive devices, military officials said.

But the problems posed by Islamic State remain acute. Syria is home to nearly 30 detention facilities housing thousands of imprisoned fighters. Nearby camps hold about

and children associated with the imprisoned fighters, who remain vulnerable to infiltration by Islamic State for radicalization, officials have said.

And the terror group still is capable of carrying out attacks on U.S. forces and allies, as well as mobilizing fighters.

"While ISIS is significantly degraded in Iraq and Syria, the group does maintain the capability to conduct operations in the region," Army Gen. Erik Kurilla, who heads Central Command, based in Tampa., Fla., told reporters Thursday. "And we know the group has the desire to strike outside the region."

Despite the growing regional threat, the terror group doesn't pose an imminent threat to the U.S., officials said. But, they noted, the last time Islamic State emerged as a major threat, in 2014, it happened very quickly.

"When the instability in the Middle East begins to seep out and impact our interests and other areas, that's when we are at a different point," said retired Gen. Joe Votel, who led Central Command from 2016

The U.S. maintains about 1,000 U.S. service members at different locations inside Syria. Rocket attacks and other attacks are a regular reminder of the dangers posed by the group, officials have said.

The raids do reflect an increased tempo of operations, but they aren't the result of a more aggressive strategy to go after Islamic State, said Col. Buccino.

Such raids have long been considered risky, putting U.S. special operations forces in situations in which they could be ambushed or otherwise attacked. No U.S. forces have been killed or injured in any of the raids, nor were any civilians killed or wounded, the U.S. military said.

# Egypt Bets Heavily on New Capital Aid Groups Suspend

By Chao Deng AND AMIRA EL-FEKKI

CAIRO-In a desert plain 40 miles east of central Cairo, a sprawling new capital city is taking shape, with skyscrapers, luxury residences and pedestrian malls representing President Abdel Fattah Al Sisi's vision of a modern Egypt, fueled by billions of dollars in debt to help see it through.

Now comes the hard part: getting people to live and work there.

Egypt is aiming to attract more than six million people to the 270-square-mile area meant to be the new capital. While it is years from completion, with transportation lines still unfinished and a dusty business tower rising from the middle of a construction site, the government plans to start moving 40,000 civil servants into a completed government

district in January. The new city, known as the New Administrative Capital, is estimated to cost tens of billions of dollars and is the centerpiece of Mr. Sisi's plan for transforming Egypt into a modern country, alongside infrastructure projects such as the expansion of the Suez Canal, a nationwide network of new highways, bridges and tunnels and a resort town along the Mediterranean coast. Mr. Sisi is pursuing



The New Administrative Capital being constructed 40 miles east of central Cairo is estimated to cost tens of billions of dollars.

mated to cost hundreds of bil-Egypt's continuing economic presidential palace. crisis. The country faces more than \$1 trillion in domestic and foreign debt in the coming years, according to U.K. re-

search firm Oxford Economics. Central to Mr. Sisi's plans for a new megacity on the edges of greater Cairo is shifting the government's power nexus away from the historic districts near the Nile River. where ancient buildings are crumbling, traffic is congested and residents are densely packed. The new capital's government district is lined with rows of buildings that evoke ancient Egyptian architecture

these expensive projects—esti- leading to a large gathering space dubbed the People's lions of dollars—despite Square, a giant mosque and a

> "All of Egypt must be like the new capital and that's what your dream should be," Mr. Sisi said in October.

The project began in earnest in 2015, when Egyptian authorities contacted officials in the United Arab Emirates for advice on building and financing a new city. Mr. Sisi unveiled the first model for the new capital alongside Mohamed Alabbar, the developer of the Burj Khalifa tower in Dubai. That partnership fell apart quickly amid disagreement over the financial terms

of a joint venture, according to

Ayman Ismail, the founding chairman of the entity building the new capital, who has since stepped down but still serves as an adviser.

The Egyptian military then took charge of the project, and a new design by local developers was drawn up that was far less pedestrian-friendly and separated government, business and residential areas.

The new capital is also supposed to include a park running more than 20 miles in length, its own airport and universities. The main business district will have several skyscrapers, including a 78-story one that would be the tallest on the African continent.

Authorities are trying to convince foreign embassies to buy land in a new diplomatic zone. Several foreign diplomats said their embassies would need to see that Egyptian government ministries locate there first. They also want to see the new capital gain traction before they consider whether it is financially and logistically viable to open an office there.

David Sims, a Cairo-based urban planner, said he is skeptical about how attractive the city will be for average Egyp-

"What this involves is having a huge and growing middle class with lots of disposable income," said Mr. Sims. "It's just not happening, period."

# **Afghanistan Efforts** After Women Banned

By SAEED SHAH AND ESMATULLAH KOHSAR

KABUL—Aid groups that provide critical humanitarian assistance to millions of Afghans began suspending operations in the country in response to the weekend decision by the Taliban to ban women from working in most aid organizations.

The majority of Afghanssome 28 million people—are dependent on international aid, according to the United Nations. It is now unclear whether that aid can continue after the country's hard-line Taliban leadership said Saturday that women would no longer be allowed to work for nongovernmental organizations.

The Afghan economy collansed after the Taliban takeover of the country last year, pushing millions more into

The Taliban's announcement Saturday followed their decision earlier this month to institute a total ban on the education of girls and women, after the government banned females from elementary school and university. It also barred female staff from working in schools.

tional aid effort in Afghanistan, which it oversees, was at risk. It will now push the Taliban government to rapidly reverse the move.

"The nonparticipation of women staff in work is a red line for us," Ramiz Alakbarov, the humanitarian coordinator for the United Nations in Afghanistan, said in an interview. "It will be made very clear to the authorities the consequences of their deci-

While the ban doesn't apply to the U.N., the U.N. is dependent on nongovernmental organizations to carry out much of its work on the ground. Mr. Alakbarov said that "we're or ganically the same."

Since the Taliban takeover, women have been increasingly shut out of public life, even by the conservative standards of Afghanistan. There are new constraints on their movements, dress, education and employment, as a hard-line wing within the Taliban gradually asserts itself.

The Norwegian Refugee Council, CARE International and Save the Children said Sunday they would cease operations immediately. Other aid groups said that they were considering whether to continue. Neil Turner, the director for

Afghanistan for the Norwegian Refugee Council, said all international NGOs and the U.N. should halt humanitarian work until the Taliban allow women to work in the aid sector again. His group has helped 870,000 Afghans since the August 2021 takeover of the country by the Taliban, with activities such as distributing cash and providing classes for out of school girls.

"This decision is being forced on us by the Taliban," said Mr. Turner. "There's a principle involved here and there's a very practical element, with a third of our workforce being women, we cannot continue to work."

Women and children are the most vulnerable in Afghanistan, and the traditional culture means that they can only be reached by female workers, say aid groups. Some nongovernmental organizations are all female, meaning that none of their staff are now able to work, said Fiona Gall, head of ACBAR, which represents 183 local and international aid groups working in Afghanistan.

"This means catastrophe," said Ms. Gall. "You can't distribute aid to women if you do not have women staff, you cannot monitor if you don't have women staff and there are a lot of activities run by women for women."

# WORLD WATCH

**FRANCE** 

# **Attack Suspect Faces Hate-Crime Charges**

French prosecutors are pressing preliminary charges including murder as a hate crime—but not terrorism—against the suspect in the attack at a Kurdish cultural center in Paris that killed three people and injured three others.

The suspected gunman in the attack, a 69-year-old Frenchman, also faces preliminary charges of attempted murder as a hate crime and acquiring and carrying prohibited firearms, and will be jailed pending a potential trial, said French prosecutors.

The man was arrested Friday after he was subdued by one of his victims inside a Kurdish hair salon near the cultural center. After Friday's attack, the suspect said that he had intended to kill as many non-European foreigners as possible and had then planned to take his own life.

A lawyer for the suspect didn't respond to a request to comment.

Members of the Kurdish community in France have been protesting in the streets of Paris, with some community leaders arguing that the killings should be investigated as a potential terrorist attack aimed specifically at their community.

-Sam Schechner



TALLY HO: Riders and hounds gathered for the North Cotswold Boxing Day hunt, one of about 200 meets held Monday in England. Fox hunting has been banned, but drag hunting, where dogs follow an artificial scent, is permitted. Anti-hunting activists say illegal killing of foxes continues.

### **NATO Investigates Shooting Incident**

NATO-led peacekeepers in Kosovo said Monday they were investigating a shooting incident in a tense northern region, urging calm as Serbia's top military officials inspected their troops on the border with Kosovo in a

show of combat readiness. The incident on Sunday evening took place in Zubin Potok, a town in northern Kosovo where local ethnic Serbs have been manning road barricades for the past two weeks and where tensions have been running high between the two former wartime foes.

The peacekeepers, known as KFOR, said the incident happened in close proximity of one of their patrols, involving unknown people. A statement said no one was injured and "we are

working to establish all the facts."

Serbia's defense minister and the army's chief of staff traveled to the border with Kosovo, praising the combat readiness of Serbian troops and their firepower. Serbia, which has been armed through Russian donations and military purchases, has been saber rattling and threatening force against its former province for a long time.

-Associated Press

# The Taliban said women would no longer be allowed to work for NGOs.

In its Saturday announcement, the Taliban said that it had taken this step because women working in the aid sector weren't observing hijab, or covering of the head. The administration later clarified that the ban doesn't apply to the health sector, according to humanitarian organizations.

Aid work is also one of the few employment opportunities, especially for women, in a country where many households have lost their male breadwinner to decades of war. Aid organizations said that their employers were observing dress rules.

"I helped women create jobs for themselves, I helped women seek education and I helped women have a better life. None of my activities were against Islam or Afghan culture. I did what men couldn't do in a restricted society," said Sara Habibzai, a mother of three who works at an aid group in the western city of Herat. "Since I heard about the ban, I just feel numb

and speechless." The U.N. warned that the multibillion-dollar interna-

© 2022 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.

Tuesday, December 27, 2022 | **B1** 

Tesla

Suspends

Work at

Factory

Shanghai

**S&P** Closed (3844.82) **S&P FIN** Closed

**S&PIT** Closed

**DJTRANS** Closed

**WSJ\$IDX** ▼ 0.15%

2-YR.TREAS. Closed(yield4.321%) NIKKEI (Midday) 26524.08 ▲ 0.45% See more at WSJ.com/Markets

# **SPAC Boom Ends in Frenzy** Of Liquidation

By Amrith Ramkumar

During the boom in blankcheck companies, their creators couldn't launch them fast enough. Now they are rushing to liquidate their creations before the end of the year, marking an ugly conclusion to the SPAC frenzy.

With few prospects for deals soon and a surprise tax bill looming next year, specialpurpose acquisition companies are closing at a rate of about four a day this month, nearly the same pace at which they were being launched when the sector peaked early last year.

Roughly 70 special-purpose acquisition companies have liquidated and returned money to investors since the start of December. That is more than the total number of SPAC liquidations in the market's history, according to data provider SPAC Research. SPAC creators have lost more than \$600 million on liquidations this month and more than \$1.1 billion this year, the data

Many more SPACs have said they would wind down in the coming weeks. The trend is hurting prolific backers such as venture capitalist Chamath Palihapitiya and private-equity billionaire Alec Gores, wealthy former business executives

like Gary Cohn and big Wall Street firms such as KKR &

Co. and TPG Inc. For many of the big SPAC creators, the losses have barely dented the fortunes they made during the mania. Mr. Palihapitiya, who said he would shutter two SPACs in September, told The Wall Street Journal that his investment firm made about \$750 million across several deals. The firm, Social Capital Holdings Inc., took public companies such as space-tourism firm Virgin Galactic Holdings Inc. and personal-finance app SoFi Technologies Inc.

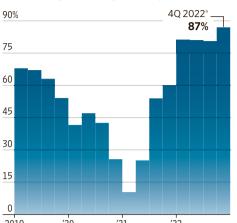
Those SPACs that came late to the game are often struggling to find deals. Falling stock prices and rising interest rates have essentially frozen the market for new public listings, making it difficult for executives to meet their twoyear deadline to find a deal. Many of those deadlines are coming up in the first half of next vear.

repurchases that is part of erated liquidations.

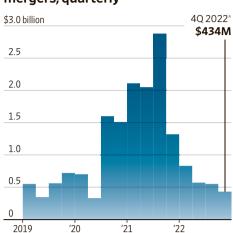
Winding down a SPAC and returning cash to the investors could be considered a repurchase of the company's exist-

Please turn to page B2

#### Average percentage of SPAC money that is pulled out before deal completion, quarterly



#### Average valuations of companies going public in announced SPAC mergers, quarterly<sup>†</sup>



#### By RAFFAELE HUANG

SINGAPORE—**Tesla** suspended car production at its Shanghai plant on Saturday, extending a planned eight-day production halt at its largest worldwide plant by car output, according to people familiar with the matter.

The halt follows a recent slowdown in global demand for Tesla vehicles. The decision to prolong the work suspension comes as the electricvehicle manufacturer faces a wave of Covid-19 infections among its workers and suppliers in China, the people said.

On Saturday, Tesla told some of its Shanghai employees that it would stop car production that day, a day earlier than originally planned, the people said. The company earlier told staff that production would resume on Jan. 2, they said.

One of the people said that while it isn't unusual for auto makers to pause work on some production lines during the Lunar New Year holiday and the summer, Tesla hasn't traditionally halted all car production during the Christmas holidays.

Tesla has built up sufficient inventory and the production halt won't hurt its ability to fulfill orders, the people said. During the summer, Tesla boosted the capacity of its Shanghai plant to more than 750,000 vehicles a year. However, demand for its cars has been weaker than expected over the past two months. they said, as China's auto market turned sluggish.

Tesla buyers in China currently can receive their new vehicles within four weeks. compared with September, when the wait was up to five times as long, according to the company's website.

Tesla didn't respond to a request for comment. On Sunday, the company told the Global Times, a news outlet run by China's Communist Party, that it had planned for annual maintenance of its carmanufacturing lines in Shang-Please turn to page B2

◆ EV maker's stock headed for its worst year...



-100

2019

2021

A 1% federal tax on share climate, health and spending legislation has accel-

#### 40 2022\* \$900 million Share-price performance since the end of 2020 of \$898M companies that merged with SPACs and SPAC ETF 500% 400 Lucid Group ■ DraftKings AXS De-SPAC ETF‡ 300 Virgin Galactic 200

Total SPAC creator losses from liquidations, quarterly

# Weigh IPOs Beyond China Mainland

By Dave Sebastian

Will initial public offerings from Chinese companies make a comeback in Hong Kong and New York next year? Deal makers hope so-but they might have to start small.

Chinese companies raised \$536 million from U.S. listings this year through Dec. 23, down around 96% from the total they raised throughout 2021. The proceeds of their Hong Kong listings are less than one-third of last year's haul. But after progress on resolving a long-running audit dispute between China and the U.S. and guarded hopes for a recovery in share prices, these companies may now be preparing to return to overseas exchanges in greater numbers.

Auto maker **Zhejiang Geely** 

Listings by Chinese companies Hong Kong

2018 '19 '20 Note: Includes primary and secondary listings;

**Holding Group** Co. is among

2022 figures through Dec. 23. Source: Dealogic

the Chinese companies expected to boost IPO supply next year. The company filed a draft registration statement in December to spin off its Zeekr electric-vehicle brand through than rush into a first-quarter product to come back," said a U.S. IPO. A raft of smaller Chinese companies have filed documentation for listings in Hong Kong and the U.S., despite a clampdown this year on small-cap listings on American exchanges.

Deal makers expect the recovery in international IPOs from China to be gradual. The pickup could start as early as the second quarter, but the bulk of activity may not come until the second half of the year, they said.

"If these are the good-quality, big-value IPOs, I don't think they would rush into that first glimpse of rebound," said Bosco Yiu, a lawyer whose practice includes Hong Kong IPOs at Paul, Weiss, Rifkind, Wharton & Garrison LLP. "They would rather price it better

'21

Growatt Technology Co., a maker of inverters for solar panels that had previously been aiming to raise as much as \$1 billion, has delayed its IPO due to the volatile market, according to people familiar with the matter. The company, which in November filed updated paperwork after passing its listing hearing in Hong Kong, will consider launching the deal next year, some of the people familiar with the matter said. A spokeswoman for Growatt declined to comment.

Bankers expect secondary share sales and block trades sales of large blocks of stock that can be executed as quickly as overnight—to recover more quickly than new listings.

"IPOs are always the last

Kenneth Chow, co-head of Asia-Pacific equity capital markets at Citigroup Inc.

22

The Chinese government made sweeping changes to its Covid-19 policies earlier this month, including dropping most testing requirements and reducing the power of local officials to impose widespread lockdowns. Attention has already shifted to the costs of reopening—but some bankers say the easing will help boost demand for IPOs from Chinese companies.

With China reopening, we are seeing the sentiment starting to come back and that will definitely help some IPOs," said Cathy Zhang, co-head of Asia-Pacific equity capital markets at Morgan Stanley. "We

Please turn to page B4

**STREETWISE** | By James Mackintosh

# Wall Street Nailed Profits, Missed Market



that a group of really smart people on Wall Street were able to

predict exactly how much money America's biggest companies would make a year from now, you might think they could tell us where the stock market would go. Not so much.

Last year, Wall Street analysts, the communicators-inchief to the investor community for the likes of **Goldman** Sachs, JPMorgan Chase & Co. and Citigroup, were spot on in estimating earnings for S&P 500 companies. The FactSet consensus forecast is

◆ Wall Street, Fed flopped with

2022 box office. Wide-release films, mean-Please turn to page B6

inflation, stock forecasts...... B10

# Hits Like the 'Top Gun' Sequel Buoyed The Movie Box Office in 2022, to a Point

By Robbie Whelan

The combined superpowers of the Batman, Doctor Strange, the Minions, Maverick and Na'vi warriors couldn't save Hollywood from a lackluster

ing those shown in more than 2,000 theaters for several weeks, earned \$7.23 billion in North America this year through Christmas, according to box office tracker Comscore. Once the new year arrives, the domestic box office total for 2022 will likely come in at around \$7.35 billion, Comscore said. Total domestic box-office grosses through Christmas of this year represent an increase of 68% over 2021, when many theaters remained closed and audiences were largely still apprehensive about returning to theaters for fear of Covid-19.

But 2022 grosses are still off by roughly one-third compared with 2019, the last prepandemic year, when the total North American box office totaled \$11 billion. The main issue, according to studio executives and industry observers, is lack of supply—fewer big



The Tom Cruise-led sequel to the 1986 action blockbuster was the highest-grossing movie of 2022.

movies means fewer tickets sold. Another factor is consumers' appetite for moviegoing given the growth of streaming and persistent Covid-19 concerns.

Production hangovers from the pandemic, which prolonged shooting schedules and overtaxed contractors who

provide many of the visual effects and other services for big studios, led to major delays and limited how much time distributors had to promote finished movies to audi-

'We're still coming out of the Covid haze," said Brian Robbins, chief executive of

Paramount Pictures, whose "Top Gun: Maverick" proved the biggest hit of the year, taking in \$719 million domestically and \$1.49 billion worldwide. "There are a couple of films that we barely got to the finish line."

One of those was "Sonic the Please turn to page B2

# **INSIDE**



**HEALTHCARE** 

Several new drugs are costing upward of \$2 million per patient. B3



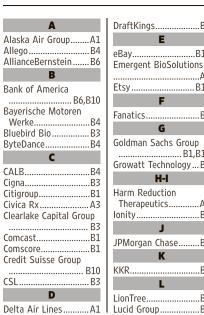
**HEARD ON** THE STREET

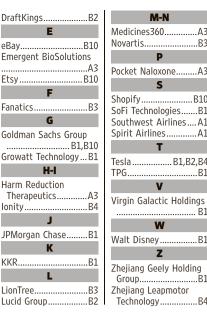
China won't spoil the Federal Reserve's soft landing. **B10** 

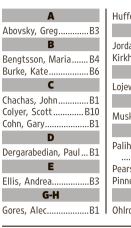
# B2 | Tuesday, December 27, 2022

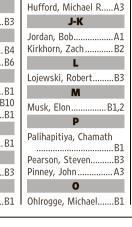
in today's edition. Articles on regional page inserts aren't cited in these indexes

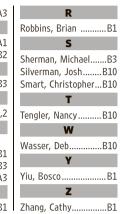
INDEX TO BUSINESSES











pipeline challenge now," he said, adding there are backups at the companies that provide services in visual effects and

animation in particular. "It's a backlog of work, because they haven't been able to hire back enough people, and then there's a backlog of habit," Mr. Robbins said. "Outside of the big tentpoles, genre films and some family films, I don't think we've seen audiences fully come back."

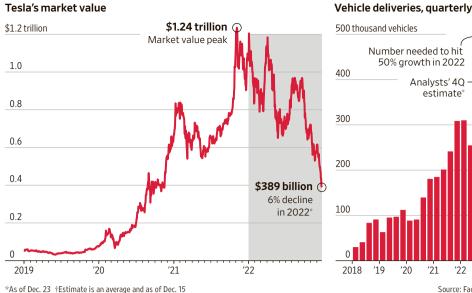
Christmas weekend ticket sales were also disappointing across the board. Total domestic box-office gross from Friday to Sunday was \$86 million, Comscore said, down 69% from last year's holiday weekend haul, when Sony Pictures Entertainment and Marvel Studios' "Spider-Man: No Way Home," the highest-grossing film of the pandemic, was in its second weekend. "Avatar: The Way of Water." from Walt Disney Co.'s 20th Century Stu-"We're still fighting that dios, represented \$56 million Century Studios and Searchlight

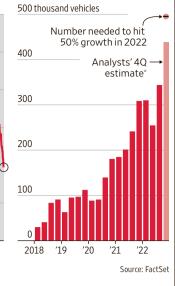
of the weekend total. Only 71 movies were given wide release in North America in 2022. Comscore said, with an average domestic box office gross of \$102 million. That is compared with 2019, when 110 wide-release films earned an average of \$99 million apiece in ticket sales. "Top Gun: Maverick," the Tom Cruise-led fighter-pilot drama and sequel to the patriotic 1986 action blockbuster, was the highestgrossing movie of 2022.

Disney-owned studios had four of the top 10 movies of the year through Christmas, measured by domestic box office gross, with Marvel Studios' "Black Panther: Wakanda Forever" (\$427 million); "Doctor Strange in the Multiverse of Madness" (\$411 million); "Thor: Love and Thunder" (\$343 million); and 20th Century Studios' "Avatar: The Way of Water" (\$254 million).

Disney-including its 20th

# **BUSINESS & FINANCE**





# Tesla Stock Is Headed For Its Worst Year Ever

By REBECCA ELLIOTT And Nate Rattner

**Tesla** Inc. is on pace for its worst annual stock performance on record as investors bristle at Elon Musk's Twitter ownership, demand for the car company's electric vehicles declines and the market slumps in a higherinterest-rate environment.

Tesla's share slide marks a sharp reversal for the most valuable car company. It has lost

roughly 70% of its value since the stock hit a record in November 2021. Global economic uncertainty is deepening, and consumers have a growing array of other electric vehicles to choose from, prompting concern on Wall Street that Tesla might need to sacrifice its level of profitability to maintain its pace of growth.

Tesla, which didn't respond to a request for comment, lowered its full-year growth expec-

Pictures subsidiaries—took the

top spot among distributors

with \$1.84 billion domestically

through Christmas, according to

Comscore, although two big

Disney titles, the "Avatar" and

"Black Panther" sequels, remain

in theaters through the holidays

and are expected to add to their

box-office totals over the next

Pictures took the No. 2 spot

and was the most prolific stu-

dio of 2022 to date. Universal

gave wide release to 36 mov-

ies that earned \$1.6 billion do-

mestically, led by "Jurassic

World: Dominion" (\$376 mil-

lion) and "Minions: The Rise

Paramount (\$1.3 billion), War-

ner Bros. Pictures (\$934 mil-

lion), and Sony (\$854 million).

Warner Bros.' total, which

came from just nine wide-re-

lease titles, was driven largely

by two movies in the domestic

top 10, the superhero epics

"The Batman" (\$369 million)

Movies based on estab-

and "Black Adam" (\$168 mil-

lished franchises like the dino-

saurs of "Jurassic Park" or the

chattering yellow minions of

"Despicable Me," are still proving the most reliable

moneymakers, but genre films

like romantic comedies and

horror movies are still per-

forming well, especially if they

star A-list talent, said Jim Orr,

president of domestic theatri-

cal distribution at Universal. points to Universal's "Ticket to Paradise," a Julia

Roberts and George Cloonevled wedding comedy that came out in September and grossed

\$68 million domestically and

\$167 million globally. "That's a

demo that people think is

harder to get to the theaters, but people will still show up to see two fantastic movie

stars with a really fun con-

streaming video, which grew

meteorically during the pan-

Big movie studios are also still adjusting to the rise of

cept," he said.

Universal was followed by

of Gru" (\$369 million).

Comcast Corp.'s Universal

tations in October, with Chief Financial Officer Zach Kirkhorn saying it expected to finish the year just shy of its original 2022 goal of increasing deliveries by

50%. The company delivered around 936,000 vehicles to customers in 2021. It would need to hand over more than 1.4 million this year to achieve its original target. Mr. Musk said this "There is stormy weather ahead, but then there is going to be sunshine thereafter."

demic while theaters were closed and audiences were spending more of their leisure time at home on their couches. Some production compa-

nies, including Disney's Pixar Animation Studios and Hulu, sent titles that might have generated strong sales at the box office straight to streaming without theatrical release, including Pixar's "Turning Red" and Hulu's "Prey," part of the "Predator" sci-fi franchise. Netflix Inc., the leading

streaming platform in terms of subscriber numbers, kept some of its biggest movies, "The Grey Man" and "Glass Onion: A Knives Out Mystery," out of theaters altogether or gave them only a minimal theatrical release. And Warner Bros. scrapped

"Batgirl," and its latest Scooby-Doo movie altogether, citing budget concerns and poor testing with audiences. "A lighter overall slate of

films combined with a lack of uniformity of movie releases along the timeline of the calendar year made it tough for the marketplace to build up a consistent head of steam in 2022," said Paul Dergarabedian, senior media analyst at Comscore. "The outlook for 2023 is much brighter, with a solid lineup of films spaced evenly month after month, reflecting a much more normalized release slate," he said. "That's good news for theater owners around the globe."

# Tesla Halts Production At Plant

Continued from page B1 hai this week, and that workers would take a break during the period.

Tesla said it wouldn't shut the workshop that manufactures charging piles during this period, according to the Global Times report. Reuters earlier reported on the suspension.

Covid-19 infections have washed over China in recent weeks after Beijing eased its zero-Covid policies, taking down workers at car makers and their suppliers, as well as dealership staff.

Fewer potential customers have been visiting stores as worries of being infected remain elevated.

Tesla's Shanghai plant was forced to shut down for weeks earlier this year because of Covid-19-related disruptions, prompting Wall Street to temper its expectations for the car maker's growth this year.

Demand in the world's biggest auto market has been weak since October, as Beiiing's stringent Covid-19 control measures forced businesses to shut and confined potential buyers at home. Car sales in November fell 9.2% from a year earlier, according to official data.

The China Passenger Car Association on Friday forecast nationwide car sales in December to grow by 4.5% from a year earlier, a relatively modest rate given the yearend expiration of subsidies meant to make EVs more attractive. EV sales, a growth engine for China's car market, have significantly slowed since June.

In the third quarter of the year, Tesla said it produced 22,000 more cars than it delivered globally, fueling concerns of slack demand, especially in China. The company has lost roughly 70% of its market value since its stock hit a record in November 2021, partly as a result of anxieties around weakening demand for EVs.

Tesla Chief Executive Elon Musk said Thursday on a Twitter Spaces chat that he expected the global economy to fall into a "serious recession" in 2023, pulling down demand for big-ticket items. He said Tesla's gross profit margin has been higher than its peers, which gives it room to maintain sales growth by slashing prices. The car maker has doubled the discounts offered on its two most popular models delivered in the U.S. this month.

Tesla's Shanghai plant accounts for more than half of the company's global car de-

# Big Hits Buoyed Box Office

Continued from page B1 Hedgehog 2," Mr. Robbins said.

The combination live-action and animated family movie, released in the U.S. in April, went on to gross \$191 million in North America, the highestever domestic box office total for a movie based on a videogame, and \$403 million overall.

Paramount also pushed back the release date of "Transformers: Rise of the Beasts," a sequel in its successful sci-fi action franchise based on the popular children's toys, from 2022 to 2023 because of supply-chain issues,

# Weekly domestic box-office gross \$500 million Dec. 16-22 Top-10 gross 400 300 200 100 2018 Number of releases 150 Dec. 16-22 **30** 50 '20 '21 '22 2018 Source: Box Office Mojo

# *SPAC* Boom Ends In Bust

Continued from page B1

ing shares, which would face the buyback tax beginning next year. Some analysts project SPAC liquidation losses will top \$2 billion in the coming months.

'Something people thought was going to be a fantastic vehicle for creating wealth is looking increasingly like a poisoned chalice," said John Chachas, co-managing principal at Methuselah Advisors, a boutique investment bank that has advised companies fielding an increasing number of calls from SPACs desperate to find deals.

Also called a blank-check company, a SPAC is a shell firm that raises money from investors and lists publicly with the sole purpose of merging with a private company to take it public. After regulators review the deal and it is completed, the company going public replaces the SPAC in the stock market.

Such mergers burst onto the scene as popular alternatives to traditional initial public offerings in 2020 and 2021. The boom turned into a bust during this year's market reversal.

An exchange-traded fund tracking companies that went public this way is down more than 70% this year, dragged down by losses in startups such as sports-betting firm DraftKings Inc. and electric car maker Lucid Group Inc. Companies that went public via SPACs have performed worse than other newly public companies this year.

One characteristic of SPACs is that investors can get their cash back if they don't want to participate in a deal. When the market was hot, investors often held shares in the newly public startups, expecting big returns or selling immediately if shares had already gone up. Now they are pulling out before the deals close, dramatically reducing the amount of cash companies can raise.

SPACs are now paying less for companies than they did during the sector's peak. The average valuation of startups announcing SPAC mergers has fallen to about \$400 million this quarter from more than \$2 billion for most of last year, Dealogic data show. Roughly 300 companies have gone public through SPACs in the last two years.

There are still nearly 400 SPACs together holding about \$100 billion that have yet to find deals, according to SPAC Research. If roughly 200 of the SPACs liquidate, the losses for creators would be well above \$2 billion, said New York University Law School professor Michael Ohlrogge, who studies SPACs.

SPAC creators have lost

about \$9 million on average through liquidations this year, money they paid to banks and law firms to set up the shell companies.

There are another roughly 150 SPACs holding about \$25 billion that have reached merger agreements but haven't closed them, including a blank-check firm that is trying to take public Donald Trump's social-media company, according to SPAC Research. Some of those will likely get called off, meaning liquidation losses could end up being even greater than expected.

To some observers, this year's losses show why SPACs are inefficient for companies seeking to raise money or go public.

"It just emphasizes the needlessly wasteful aspects of the SPAC structure," said Mr. Ohlrogge, who has proposed companies could get the benefits of a blank-check merger while doing a variation of a traditional IPO or direct list-

# For a Company This Old. We Move Pretty Fast.



# ManhattanLife<sub>m</sub>

Standing By You. Since 1850.

When you've been around this long, you build a reputation. Learn about ours.



P2JW361000-0-B00300-1-----NS

# New Drugs Hit Multimillion Milestone

Several new treatments involve a cost of at least \$2 million a patient

By Peter Loftus

A new era of expensive drugs has arrived: medicines priced in the millions of dollars a patient.

Since August, U.S. or European health regulators have approved four new products intended as one-time treatments for rare genetic diseases that carry list prices of at least \$2 million a patient, including two from **Bluebird Bio** Inc.

The most recent one approved in the U.S. set a price record: \$3.5 million for CSL Ltd.'s Hemgenix, a treatment for the blood disorder hemophilia B.

The price tags mark a new high for medicines, which drugmakers were once reluctant to charge more than six figures for but whose prices have been heading upward. The companies say the cost reflects the drugs' potential to help patients in a single dose, but paying for it could challenge patients and health insurers.

"It's an innovation freight train headed toward an inflexible insurance wall," said Steven

treatment for hemophilia B

Pearson, president of the Institute for Clinical and Economic Review, a nonprofit drug-pricing watchdog group. "The payers are not in a position to say no because there will be no other alternatives" for patients,

Most of the multimillion-dollar treatments are gene therapies, a groundbreaking type of treatment that involves injecting a functional gene into a person to correct a faulty, disease-causing one.

Bluebird's Skysona gene therapy for a rare neurological disease affecting children costs \$3 million, while its Zynteglo for an inherited blood disorder is priced at \$2.8 million.

Novartis AG's Zolgensma gene therapy treating a musclewasting condition costs \$2.1

Some of the new therapies could produce long-term savings, the drugmakers say, by sparing patients from having to take older treatments repeatedly for the rest of their lives. Most of the gene therapies approved to date are for diseases with small patient populations, limiting their overall cost to health insurers' budgets despite high per-patient prices.

Yet health insurers say they aren't set up to handle such big payouts. They are accustomed to paying for older, chronic treatments on a recurring basis over time, rather than paying a high price for a single treatment that could have lasting

The introduction of more high-price gene therapies could raise healthcare costs, especially once the drugs target bigger patient populations, health insurers say. That could lead to higher insurance premiums before any long-term savings kick in. McKinsey & Co. estimates that about 30 new gene therapies could be introduced in 2024 alone.

"When you think about hundreds of gene therapies under development, if we're fortunate enough that they all work, there's a concern about the collective budget impact," said Michael Sherman, chief medical officer of Point32Health, which administers health-insurance plans primarily in New England. "Each time we see a new gene therapy they are at a higher price point."

One-time therapies are on the horizon for diseases with bigger patient populations, including a more common form of hemophilia, as well as another blood disorder known as sickle-cell disease.

insurers launched programs to manage the costs of gene therapies. Cigna Corp. started a program that adds monthly per-member fees to participating employers to ensure patients can get access to a gene therapy with no out-of-pocket costs.

A Cigna spokeswoman said the program "is designed to protect patients from the ultrahigh costs of potentially lifechanging gene therapies." She said the program is covering four older approved gene therapies and is now reviewing Hemgenix.

Because gene therapies are new, insurers are making these decisions without knowing for sure that the promised longterm benefit will hold up over time, Dr. Sherman said. Some gene-therapy recipients may still require additional costly treatments with other drugs.

Hemophilia B is caused by a genetic mutation, which results in little to no production of a protein called Factor IX, usually in males. This protein promotes clotting to stop bleeding, and without enough of it hemophilia B patients are prone to dangerous bleeding episodes.

The condition is rare, affecting only about 6,000 people in the U.S., of whom about 1.900 have severe enough cases to require frequent Factor IX replacement infusions aimed at preventing serious bleeds, according to CSL. These repeat treatments, which CSL also makes, can cost millions of dollars over a lifetime, according to CSL.

The therapy consists of viral material that is engineered to carry a gene that, given once by intravenous infusion lasting one to three hours, causes a patient to make Factor IX.



Novartis's gene therapy Zolgensma carries a \$2.1 million price tag.

A study found that a onetime Hemgenix treatment decreased subjects' need for routine Factor IX replacement and reduced their bleeding episodes. Some 94% of the patients discontinued Factor IX prophylaxis.

When setting the \$3.5 million price for Hemgenix, CSL considered its benefit to patients, potentially sparing them B care, he said.

from repeat dosing of Factor IX replacement, said Robert Lojewski, senior vice president and general manager of the CSL unit that licensed the rights to the drug. The company also considered how much Hemgenix could save the healthcare system because it can cost millions of dollars per patient for the lifetime cost of hemophilia

"Yes, this is not an inexpensive treatment," Mr. Lojewski said. It is important, however, to consider "does it work? Is it safe? And if it works for a number of years, how much savings it actually brings at that price tag," he said.

CSL is offering health insurers value-based agreements, in which the company would pay rebates for patients who don't benefit from Hemgenix. He declined to release specific terms, and whether insurers have agreed to these arrangements.

CSL also will offer assistance on out-of-pocket costs for certain patients who are having trouble affording it, Mr. Lojewski said.

Dr. Sherman said Hemgenix appears to be fairly priced in the context of what it has the promise to deliver." He said Point32Health is in discussions for a value-based agreement with CSL but hasn't finished it.

The \$3.5 million price tag for Hemgenix is higher than what a drug-price watchdog group ICER concluded would be a fair price. ICER said in a November report that a price of about \$2.9 million for Hemgenix would be cost-effective.

ICER noted that the reduction in routine prophylaxis treatment was a major benefit to patients, and that the lifetime savings to the healthcare system could be substantial.

Novartis said Zolgensma's pricing reflects the therapy's benefit to patients and the long-term value it provides. The company gives some insurers the option of paying over time, and receiving refunds if the therapy doesn't deliver the expected benefits for a patient.

Bluebird said the pricing of its gene therapies reflects their benefit to patients, quality-oflife improvements and cost savings to the healthcare system.

# WHERE VOLATILITY RISK MEETS OPPORTUNITY Whatever the conditions, CME Group provides the tools that global market participants need to manage risk and capture opportunities. With 24-hour access to trading in futures, options, cash and OTC across all major asset classes, you can determine your best position and take action at just the right moment. VISIT CMEGROUP.COM/OPPORTUNITY

# **Fanatics Hires CFO** For Collectibles Arm

By NINA TRENTMANN

Sports merchandise retailer Fanatics Inc. hired a finance chief for its collectibles business, which is set to grow following the acquisition of Topps Co.'s trading-card and memorabilia unit and a recent financing round that valued the privately held firm at \$31 billion.

Jacksonville, Fla.-based Fanatics said last week that Greg Abovsky started as chief financial officer for the collectibles business earlier this month. Mr. Abovsky most recently served as CFO at StubHub Holdings, the ticket seller owned by Viagogo Entertainment Inc., for less than two years, and prior to that was chief operating officer and finance chief at Yandex NV, a Russian search-engine operator. His appointment at Fanatics comes after the company in October named Andrea Ellis as finance chief of its nascent betting and gambling unit.

As CFO, Mr. Abovsky plans to build out the division's finance team and its trading card business as it looks to expand.

The Wall Street Journal reported in January that Fanatics acquired Topps' trading-card and memorabilia business for about \$500 million. And, earlier this month, it raised about \$700 million from a group of investors including private-equity firm Clearlake Capital **Group** LP and investment and merchant-banking firm Lion-Tree LLC, according to the Journal. The company previously collected \$1.5 billion in fundraising at a \$27 billion valuation in March.

Fanatics' trading-card portfolio is set to branch out beyond baseball in the coming years after the company last summer secured the rights to print cards for the National Football League and the National Basketball Association alongside other leagues.

While Fanatics won't start distributing NBA and NFL cards for the next couple of years, it provides the company's collectibles business with "built-in growth" which will come over time, Mr. Abovsky said. The company's rights for collegiate sports collectibles will start to kick in next year.

The global market for sports trading cards is expected to reach \$98.7 billion by 2027 from about \$44 billion in 2022, according to Verified Market Research. The global sports collectibles market, which also includes memorabilia, generated about \$84 billion in revenue this year, with \$50 billion coming from the U.S., the research and consulting firm said.



**B4** | Tuesday, December 27, 2022

German consumer price

indexes, monthly

Filling a gas tank is less expensive than charging an electric vehicle in some cases

By WILLIAM BOSTON

BERLIN-Rocketing electricity prices are increasing the cost of driving electric vehicles in Europe, in some cases making them more expensive to run than gas-powered models—a change that could threaten the continent's electric transition.

Electricity prices soared in the wake of Russia's invasion of Ukraine, in some cases eliminating cost advantages that EVs enioved. In some cases, the cost difference between driving both types of cars 100 miles has become negligible. In others, EVs have become more expensive to fuel than equivalent gasolinepowered cars.

The price increases for power, which economists expect to last for years, remove a powerful incentive for consumers who were contemplating a switch to EVs, which used to be much cheaper to run than combustion engines.

Coming just as some governments are removing subsidies for EV buyers, this change could slow down EV sales, threaten the region's greenhouse-gas emission targets and make it hard for European car makers to recoup the high costs of their electric transition.

In Germany, Tesla raised supercharger prices several times this year, most recently to €0.71 per kilowatt-hour in September before they fell somewhat, according to reports from Tesla owners on industry forums. There is no public source to track prices on Tesla superchargers.

At that price, drivers of Tesla's Model 3, the most efficient all-electric vehicle in the Environment Protection Agency's fuel guide in the midsize vehicle category, would pay €18.46, equivalent to \$19.63, at a Tesla supercharger station in Europe for a charge sufficient to drive 100 miles. By comparison, drivers in Germany would pay €18.31 for gasoline to drive the same distance in a Honda Civic 4-door, the equivalent combustion-engine model in

Tesla didn't respond to requests for comment.

The change has been particularly notable in Germany, Europe's largest car market, where household electricity cost €0.43 per kWh on average in December. This puts it well ahead of France, where consumers paid €0.21 per kWh in the first half of the year, but behind Denmark, at €0.46 a kWh, according to the German statistics office.

The cost of electricity isn't the only factor that can make an EV cheaper or more expensive to run than a gas-powered car. The price of the car, including potential subsidies, the cost of insurance and the price of maintenance all play a role in the cost equation over a car's lifetime.

Maria Bengtsson, a partner at Ernst & Young responsible for the company's EV business in the U.K., said studies of the total cost of owning an EV now show that with much higher electricity prices, it will take longer for EVs to become more affordable than conventional vehicles.

"When we looked at this before the energy crisis, we were

#### **Gasoline-Powered Models Win Out**

Fuel-economy estimates calculated by the EPA and current charging and gas prices in Europe show some conventional vehicles are now cheaper to fuel with gasoline than equivalent electric models using fast-charging sta-

In the subcompact segment of the EPA's 2023 Fuel Economy Guide, the Mini Cooper Hardtop was the most efficient model among EVs and gasoline-powered cars. A 100mile ride cost the Mini EV owner €26.35 at the Allego fast-charging network, which charges €0.85 per kWh. The conventional Mini cost €20.35 to pump enough fuel to accomplish the same journey.

Mini and its owner, Bayerische Motoren Werke AG, didn't respond to a request for comment.

In the small two-door SUV category, the gasoline-powered Nissan Roque beats the Hyundai Kona Electric, at a cost difference of €19.97 to €22.95.

EV users. In Germany, power

prices have risen by one-third

from €0.33 per kWh in the first

half of this year, according to

Germany's federal statistics of-

fice, and some power companies

have announced prices will in-

crease to more than €0.50 per

experts forecast that in the me-

dium term these prices are

likely to decline but won't re-

turn to precrisis levels, meaning

that higher costs for EV owners

The most expensive way to

charge an EV in Europe is on

one of the fast-charging net-

works. Operators such as Tesla. Allego and Ionity built road-

side charging stations along ma-

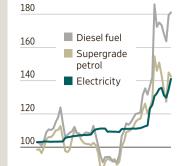
The German government's independent panel of economic

kWh in January.

are here to stay.

jor highways.

data security.



Note: 2015 = 100; Data as of October Source: German Federal Statistical Office

'20

'19

If an EV owner only charges their vehicle at home, they are generally still paying less for driving than conventional car users, although this gap has narrowed. Analysts say about 80% of EV charging takes place at home or at work, so if an EV is only used close to home, it generally remains the least-expensive option. But once the vehicle is used for longer road trips, drivers are more likely to use fast-charging stations because other options would take too long to charge the battery.



Scan this code for a podcast on the latest in fast-charging

assume you have a tariff going forward of \$0.55, the tipping point then moves to 2026." If costs for operating EVs rise

looking at a tipping point of

around 2023 to 2024. But if you

again, the tipping point would be pushed even further into the future, she said. So far, there is no sign that

the higher costs to charge electric cars has affected EV sales. Sales of all-electric cars totaled 259,449 vehicles in the three months to the end of September, up 11% from the previous quarter and 22% from the year earlier, according to the European Automobile Manufacturers' Association. In the third quarter, all-electric cars accounted for 11.9% of total new vehicle sales in the EU.

There is no relief in sight for

clock for Chinese companies already trading on New York exchanges-and means Chinese companies will continue to turn to U.S. investors to raise capital.

"If you think that you want to be considered a global company, you want to be able to attract global talents, it definitely still feels as though the U.S. is the first port of call," said Matthew Culley, an emerging-markets portfolio manager at Janus Henderson Investors. He added that some Chinese companies he had talked to are considering ADR listings in the U.S. ahead of a possible secondary listing in Hong Kong.

There is a caveat: Chinese companies that want to list in the U.S. will need to survive tough scrutiny by regulators in both countries. That rules out a lot of tech IPOs—cutting out some of the biggest deals bankers could bring to market. ByteDance Ltd., the Beijingbased owner of social-media platform TikTok, had previously considered listing in either Hong Kong or the U.S. The company scrapped the plan last year after Chinese regulators expressed concerns about

"The data-sensitive ones are going to either be challenged or prohibited from listing in the U.S.," said Robert Mc-Cooey, a Nasdaq Inc. vice chairman overseeing business development for new listings

batteries.

in Asia Pacific and Latin America. "That's just the reality."

Hong Kong's stock exchange has been trying to expand the kinds of companies that are able to list, most recently through a proposal to lower revenue requirements for companies in categories including semiconductors and artificial intelligence.

That could also boost supply from China. A government push to develop the semiconductor sector has led to a rise in domestic listings by Chinese companies—creating one of the few bright spots amid a sharp slowdown in global IPOs this -Jing Yang

contributed to this article.

Zhejiang Geely is considering a

# China Firms Weigh IPOs Abroad

Continued from page B1 are seeing investors getting more active on China-they want to know what's going on and what deals are coming next year. We haven't seen this kind of investor engagement for a long time," Ms. Zhang added.

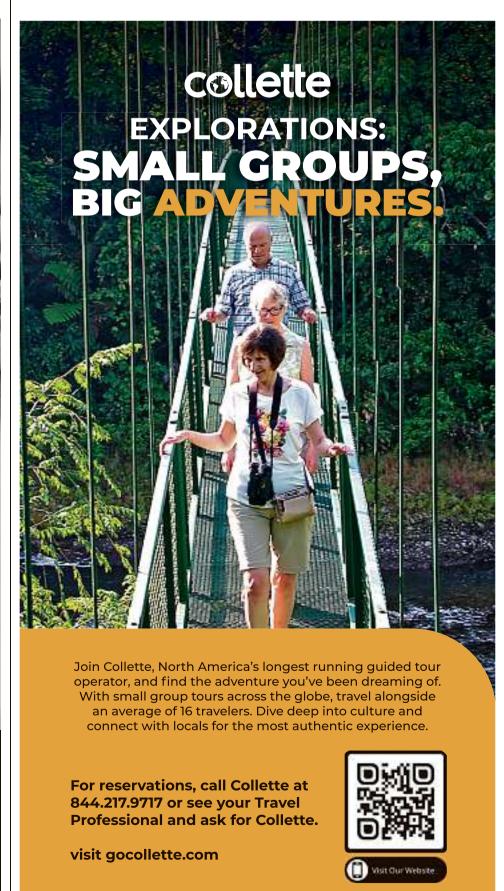
Electric-vehicle manufacturers and their suppliers will be

volumes from China next year, as will solar-panel makers and power companies, said Ivy Hu, a Hong Kong-based managing director for equity capital markets at UBS Group AG. That builds on this year's

trend. **CALB**, a battery maker, and Zhejiang Leapmotor Technology Co., a car manufacturer, are among the companies in the EV sector that listed in Hong Kong this year-although Leapmotor's shares plummeted on their debut. The U.S. audit regulator re-

cently secured complete access to inspect China-based audit firms, marking progress in a long-running dispute between the two countries. That resets a three-year potential delisting





CST No. 2006766-20, UBI No. 601-220-855, Fla. Seller of Travel Reg. No. ST35613

# 'REIN THE

\*Pluto TV is the first Free Streaming TV Service to break into Nielsen's The Gauge, **EARNING 1% OF ALL VIEWERSHIP ACROSS** BROADCAST, CABLE AND STREAMING.

(Nielsen 9/22)



**STREAM NOW PAY NEVER** 

Monthly active



Countries

Hours of global content

**50K** Unique titles

Global media partners

**B6** | Tuesday, December 27, 2022

# **BUSINESS & FINANCE**

# Analysts Missed on Markets

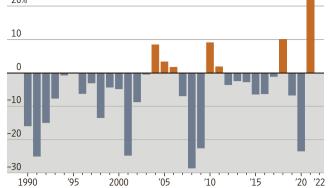
Continued from page B1 for \$221 a share this year. exactly as predicted, with the final quarter still based on estimates.

The miss of less than \$1 is the smallest in percentage terms for estimates at the end of the year since 1995, data from Refinitiv IBES show, while the consensus has on average been out by more than 9% since then.

Their success is rather spoiled by Wall Street's total failure to anticipate the bear market in stocks and bonds. The disconnect is a reminder of the perils of forecasting markets: You can be exactly right and dead wrong at the same time.

The reason strategists called the S&P 500 so wrong was simple enough. Earnings, the vital ingredient in the price/earnings ratio, weren't the story this year. Bond yields were. The Federal Reserve raised rates, the 10-year Treasury vield soared and the valuations investors put on those earnings were crushed. The price part of the P/E ratio plunged and Wall Street missed it. The average forecast last December for this month's interest rate was 0.5%, according to Consensus Economics. The Fed this month raised rates to a range of 4.25% to 4.5%. Miss a change of this importance and there is little hope of getting anything else

#### S&P 500 full-year earnings vs. consensus forecast at start of year'



\*Calendar year IBES operating earnings estimate at end of year, fourth quarter yet to report †As of Dec. 23 Sources: Refinitiv (earnings); FactSet (ratio)

Few even called the direction of stocks correctly. JP-Morgan, Goldman Sachs and Citigroup all were bullish, expecting the S&P 500 to hit 5100, 5050 and 4900, respectively. Bank of America's strategists were rightly bearish for the right reason, predicting a rates shock. But their 4600 target was a drop of 3% from when they published their prediction. The S&P 500 closed on Friday at 3844.82, down 19% for the year so far.

Underlying all these errors, and those from pretty much everyone else, was the mistaken belief that inflation would quickly disappear. Pandemic-related supplychain problems would fade away, they thought, and falling inflation would allow the Fed to raise rates gently, sparing asset prices. Instead, inflation spread to virtually all categories of goods and services, worsened by the energy- and food-price increases after Russia's invasion of Ukraine.

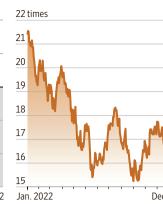
The Fed always matters to stock and bond prices because it sets the return on the safest of assets, overnight cash. This year has been unusual in being quite

so dependent on the Fed, however. Almost nothing else mattered as the central bank engaged in the biggest rate rises in a year since Worse, this was the pain

trade, the thing no one was ready for-despite the obvious reasons for the Fed to be more aggressive than it had signaled. Investors and strategists pointed out this danger but didn't think it would happen.

For 2023 there is again strong consensus on the part of Wall Street: Stocks will be up, but not by much, as earnings are weak. Citigroup, Bank of America and Goldman Sachs strategists all sav the S&P will end next year at 4000 as the U.S. goes through what Citi calls "the most widely anticipated recession in decades." Goldman thinks a recession will be avoided, but earnings will go nowhere amid weak

S&P 500 forward price/earnings ratio<sup>†</sup>



the S&P to rise to 4200, but only after chaotic market falls force the Fed to pivot away from tighter money.

The consensus is for a mild recession or very weak growth, with the damage to earnings offset by a Fed cutting rates by the end of the year. This created two pain trades that everyone knows are possible but few are prepared for. First, the recession may end up being much deeper and longer than expected, slamming earnings and stocks even as the Fed switches into reverse and cuts rates. Second, the economy might boom, despite the Fed, if inflation proves transitory. In a rapidly growing economy without inflation, stocks should do very well and bonds terribly. Worse, the consensus might be spot on for earnings, for the economy or for rates, but as in 2022 fail to anticipate what stocks and bonds will

Whatever your forecast, think about how it is likely to be wrong because it probably will be.

#### bond trading ends early at 2 p.m. EST. 37.2

New Year's Day observed. U.S.

Monday, Jan. 2

markets are closed.

# AllianceBernstein **Executive Takes On** Finance, Operations

By Nina Trentmann

AllianceBernstein Holding LP's Kate Burke is part of a grow ing group of executives who lead not only their companies' finances, but also operations, a trend that comes as firms look to retain top talent by broadening their roles.

Ms. Burke took on the responsibilities of chief financial officer this summer, after becoming chief operations officer in July 2020. The Wall Street Journal talked to Ms. Burke about her dual role and the outlook for the firm. Her answers were edited for length and clarity.

WSJ: You lead both operations

and finance. Is that an advantage? MS. BURKE: I think it's unique in many ways. Understanding the operational infrastructure of the organization, combined with the financial acumen and what we are attempting to do strategically, combined with cost initiatives, positions you well. You really understand both sides of the organization at a much deeper level.

My background as COO really gave me a purview. I was heavily involved in running our compensation process. which is the No. 1 variable expense that we have and something we want to always get right. But it is also where we need to make sure we're balancing and making the right investments in terms of the people we're bringing on board and the level of headcount growth that we have.

WSJ: How are you allocating your time between the two roles?

MS. BURKE: I'm still evolving in terms of what is the right split for me. I worked with the financials team really closely all along, so I knew everyone well, certainly on the controller side and the financial planning and analysis side. It's hard for me to say if it's 50/50 because every

day can be a little different, but it is probably pretty close to that.

WSJ: Where do you see the company's head count going?

MS. BURKE: We have slowed down our hiring in the back half of the year. The head-count growth that we had has been about hiring for strategic initiatives that are under way versus building up more capacity in our current organization. I don't think that we are looking at a year where you're going to see the kind of head-count growth that we've had in the last couple of years. [Note: AllianceBernstein declined to specify how much its head count changed in 2022.]

#### WSJ: What do you think 2023 will look like?

MS. BURKE: With the higher interest rates, people are going to look at income-oriented fixedincome products that will help them [improve] their overall return profile in the coming years. One question that we discuss frequently here is when and how you're going to see clients' appetite for equities return. I think that there is still an inflationary environment. People are going to seek to grow their portfolios and equities have a history of providing that kind of investment return over time.

WSJ: Which metrics are you tracking as you plan for 2023?

MS. BURKE: We are similar to others in that we're looking for the Fed to help provide the signals to us about their comfort level in the actions that they've taken and trying to moderate inflation. We certainly continue to look at employment. And, despite headlines of some reductions coming, the employment numbers are still really strong. It's difficult to predict how that goes into the Fed's thinking.

### THE TICKER | MARKET EVENTS COMING THIS WEEK

#### Tuesday

#### **Short-selling reports** Ratio, days of trading of current position, at Nov. 30 NYSE 2.8 Nasdag

# Wednesday

#### Mortgage bankers indexes

Purch, previous up 6.0% Refinan., prev. down

Thursday **EIA** status report

#### Previous change in stocks in millions of barrels Crude-oil stocks

Gasoline stocks up 2.5 Distillates down 0.2 EIA report: natural-gas

Previous change in stocks in

billions of cubic feet

# down 5.9

down 87 Initial jobless claims

growth. JPMorgan expects

216.000 Previous Expected 220,000

Stocks have a full year-end session but

FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in

39.0

parentheses) ◆ Adjusted for stock split

**Friday** 

Chicago PMI

Nov., previous

Dec., expected



# Our partnerships know no borders—or limits.

**FACTSET** 

Bloomberg

UZABASE

RavenPack

ProQuest.

×enodata lab.

<del>"</del>is

Acuity

advisorstream

A Broadridge Company

RIPJAR

dun & bradstreet

Content Marketing Media Monitoring Sentiment Analysis Market Data Trade Surveillance Third-Party Risk Management Anti-Money Laundering

Explore the possibilities at dowjones.com/partners



# **Marketers That Matter®** VISIONARIES



WndrCo JEFFREY KATZENBERG FOUNDING PARTNER AT WNDRCO AND FORMER CEO OF DREAMWORKS



KCM KATIE COURIC AWARD-WINNING JOURNALIST AND CO-FOUNDER OF KATIE COURIC MEDIA



MARS **ANTON VINCENT** WRIGLEY PRESIDENT OF MARS WRIGLEY NORTH AMERICA AT MARS



**BILL READY CEO OF PINTEREST** 



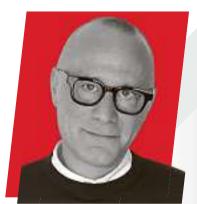
**TIM MAPES** SVP, CHIEF MARKETING & COMMUNICATIONS OFFICER AT DELTA AIR LINES



BONVOY PEGGY ROE GLOBAL OFFICER, CUSTOMER EXPERIENCE, LOYALTY & NEW **VENTURES AT MARRIOTT** BONVOY



**MAYUR GUPTA** CMO AT KRAKEN



Forbes SETH MATLINS MANAGING DIRECTOR, FORBES CMO NETWORK

# **CELEBRATING OUR COMMUNITY**

We are grateful for the leaders in the Marketers That Matter® community who are doing extraordinary things to support their customers, their teams, and their communities. In these fast-moving times of uncertainty, we thank them for their inspiration, ingenuity, and inclusivity to support the growth of all marketers, everywhere.



Morgan ALICE MILLIGAN Stanley CMO AT MORGAN STANLEY



REBECCA MINKOFF CO-FOUNDER & DESIGNER, FEMALE FOUNDER COLLECTIVE AT REBECCA MINKOFF

# JOIN US

Learn more and get involved at marketersthatmatter.com



A 24 SEVEN COMPANY

# MARKETS DIGEST

# New to the Market **Public Offerings of Stock**

**B8** | Tuesday, December 27, 2022

#### IPOs in the U.S. Market

None expected this week

#### **Lockup Expirations**

None expected this week

#### **IPO Scorecard**

Performance of IPOs, most-recent listed first

		% Chg	From			% Chg	From
Company <b>SYMBOL</b>	Friday's	Offer	1st-day	Company <b>SYMBOL</b>	Friday's		1st-day
IPO date/Offer price	close (\$)	price	close	IPO date/Offer price	close (\$)	price	close
Horizon Space Acquisition <b>HSPOU</b> Dec. 22/\$10.00	10.06	0.6	-0.1	Prime Medicine  PRME Oct. 20/\$17.00	17.83	4.9	16.0
Alphavest Acquisition <b>ATMVU</b> Dec. 20/\$10.00	10.10	1.0	0.7	Hudson Acquisition I <b>HUDAU</b> Oct. 14/\$10.00	10.15	1.5	1.4
Lipella Pharmaceuticals LIPO Dec. 20/\$5.75	4.01	-30.3	-14.9	TenX Keance Acquisition <b>TENKU</b> Oct. 14/\$10.00	10.87	8.7	8.3
Erayak Power Solution Grp <b>RAYA</b> Dec. 14/\$4.00	3.10	-22.6	-8.2	Spring Valley Acquisition I <b>SVIIU</b> Oct. 13/\$10.00	10.37	3.7	2.6
Adamas One JEWL Dec. 7/\$4.50	3.59	-20.2	-20.2	Aquaron Acquisition <b>AQUNU</b> Oct. 4/\$10.00	10.15	1.5	1.3
Acrivon Thera  ACRV Nov. 15/\$12.50	11.65	<b>-6.</b> 8	-30.0	dMY Squared Technology <b>DMYY.U</b> Sept. 30/\$10.00		1.5	1.5
ASP Isotopes ASPI Nov. 10/\$4.00	1.61	<b>-59.</b> 8	-39.7	Laser Photonics <b>LASE</b> Sept. 30/\$5.00	2.41	<b>-51.</b> 8	-6.6
Plutonian Acquisition <b>PLTNU</b> Nov. 10/\$10.00	10.07	0.7	0.4	Qomolangma Acquisition QOMOU Sept. 30/\$10.00		0.9	1.0
Snail <b>SNAL</b> Nov. 10/\$5.00	1.30	-74.0	-42.2	Global Star Acquisition GLSTU Sept. 20/\$10.00	10.16	1.6	1.9
Mobileye Global MBLY Oct. 26/\$21.00	33.98	61.8	17.3	Nexalin Technology <b>NXL</b> Sept. 16/\$4.15	0.78	-81.2	-65.3

Sources: Dow Jones Market Data; FactSet

## **Public and Private Borrowing**

#### **Treasurys**

Tuesday, December 27 Thursday, December 29 Auction of 13, 26 and 52 week bills: Auction of 4 and 8 week bills: announced on December 22; settles on December 29announced on December 27; settles on January 3 Auction of 2 year note; Auction of 7 year note;

announced on December 22; settles on January 3announced on December 22, settles on January 3 Wednesday December 28

Auction of 5 year note;

announced on December 22; settles on January 3

Auction of 17 week bill;

announced on December 27; settles on January 3

#### **Currencies**

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency

			US\$ vs,
Country/currency	in US\$	on — per US\$	YTD chg (%)
Americas			
Argentina peso	.00571	L75.7450	71.2
Brazil real	.1916	5.2190	-6.3
Canada dollar	.7363	1.3582	7.4
Chile peso	.001138	878.50	3.1
Colombiapeso	.000211	4729.33	16.3
Ecuador US dollar	1	1	unch
Mexico peso	.0515	19.4013	-5.4
<b>Uruguay</b> peso	.02608	38.3433	-14.2
Asia-Pacific			
Australian dollar	.6727	1.4865	8.0
China yuan	.1436	6.9622	9.5
Hong Kong dollar	.1281	7.8072	0.1
India rupee	.01206	82.902	11.3
Indonesia rupiah	.0000640	15633	9.7
Japan yen	.007526	132.88	15.4
Kazakhstan tenge	.002167	461.51	6.1
<b>Macau</b> pataca	.1245	8.0329	-0.04
<b>Malaysia</b> ringgit	.2260	4.4250	6.2
New Zealand dollar	.6297	1.5881	8.6
Pakistan rupee	.00442	226.375	28.5
Philippines peso	.0181	55.225	8.3
Singapore dollar	.7420	1.3477	-0.1
South Korea won	.0007844	1274.91	7.2
Sri Lanka rupee	.0027360	365.50	80.1
Taiwan dollar	.03254	30.730	10.9
Thailand baht	.02880	34.720	4.5

<b>Vietnam</b> dong	.00004236	23605	3.3
Europe			
Czech Rep. koruna	.04394	22.757	4.0
Denmark krone	.1430	6.9918	6.9
Euro area euro	1.0637	.9402	6.9
<b>Hungary</b> forint	.002657	376.31	15.9
Iceland krona	.006984	143.18	10.3
<b>Norway</b> krone	.1015	9.8484	11.8
<b>Poland</b> zloty	.2290	4.3667	8.4
Russia ruble	.01463	68.365	-8.6
Sweden krona	.0952	10.5052	16.0
Switzerland franc	1.0730	.9320	2.2
Turkey lira	.0535	18.6871	40.3
<b>Ukraine</b> hryvnia	.0271	36.9500	35.1
<b>UK</b> pound	1.2069	.8286	12.1
Middle East/Afri	ca		
Bahrain dinar	2.6525	.3770	0.01
<b>Egypt</b> pound	.0405	24.7027	57.2
<b>Israel</b> shekel	.2859	3.4976	12.5
Kuwait dinar	3.2637	.3064	1.3
Oman sul rial	2.5980	.3849	-0.02
<b>Qatar</b> rial	.2746	3.642	-0.02
Saudi Arabia riyal	.2659	3.7604	0.1
South Africa rand	.0588	17.0103	6.7

**WSJ Dollar Index** 97.23 -0.14-0.15 **8.57** 

— Mon — in US\$ per US\$

Close Net Chg % Chg YTD% Chg

Sources: Tullett Prebon, Dow Jones Market Data

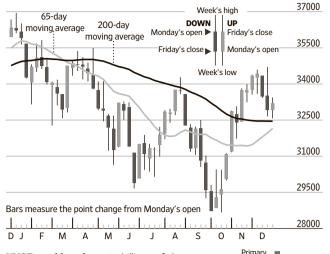


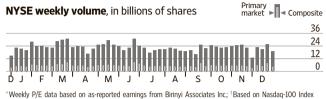
AVAILABLE AT ZVOX.COM, AMAZON AND WALMART.COM

#### **Dow Jones Industrial Average**

Current divisor 0.15172752595384

Last Year ago **33203.93** ▲ 283.47, or 0.86% last week Trailing P/E ratio 20.66 22.37 P/E estimate \* 18.17 18.52 High, low, open and close for each of Dividend yield 2.07 1.92 the past 52 weeks All-time high 36799.65, 01/04/22





#### S&P 500 Index

Last Year ago **3844.82** ▼7.54, or 0.20% last week Trailing P/E ratio \* 18.61 28.85 P/E estimate \* 17.37 22.75 High, low, open and close for each of Dividend yield \* 1.75 1.30 the past 52 weeks All-time high 4796.56, 01/03/22





#### Scan this code

Get real-time U.S. stock quotes and track most-active stocks, new highs/lows, mutual funds and ETFs..

Available free at WSJMarkets.com

#### Major U.S. Stock-Market Indexes

			- Latest W	ook —			52-Week -		0/.	cha —
	High	Low	Close	Net chg	% chg	Low	Close (●)	High %chg		ang ————————————————————————————————————
Dow Jones			_							
Industrial Average	33437.84	32573.43	33203.93	283.47	∭0.86	28725.51	•	36799.65 <b>-7.6</b>	-8.6	5.2
Transportation Avg	13802.07	13230.05	13564.76	-173.28	-1.26	11999.40	•	16718.54 <b>-16.2</b>	-17.7	7.5
Utility Average	976.02	949.07	975.58	12.34	1.28	838.99	•	1071.75 <b>2.1</b>	-0.5	3.9
Total Stock Market	39024.04	37757.59	38555.74	-99.05	-0.26	36056.21	•	48929.18 <b>-20.2</b>	-20.7	5.3
Barron's 400	931.03	909.77	925.79	6.87	0.75	825.73	•	1111.54 <b>-14.8</b>	-16.3	8.1
Nasdaq Stock Mark	et									
Nasdaq Composite	10753.57	10313.32	10497.86	-207.55	-1.94	10321.39	•	15871.26 <b>-32.9</b>	-32.9	5.5
Nasdaq-100	11285.78	10784.02	10985.45	-258.27	-2.30	10690.60	•	16567.5 <b>-32.6</b>	-32.7	8.1
S&P										
500 Index	3889.82	3764.49	3844.82	-7.54	-0.20	3577.03	•	4796.56 <b>-18.6</b>	-19.3	6.0
MidCap 400	2450.87	2378.01	2435.15	18.64	∥0.77	2200.75	•	2865.54 <b>-12.9</b>	-14.3	5.7
SmallCap 600	1172.36	1135.07	1160.68	6.14	∥0.53	1064.45	•	1426.13 <b>-16.3</b>	-17.2	4.3
Other Indexes										
Russell 2000	1784.11	1726.82	1760.93	-2.49	-0.14	1649.84	•	2272.56 <b>-21.4</b>	-21.6	1.7
NYSE Composite	15250.91	14866.80	15188.45	170.27	1.13	13472.18	•	17353.76 <b>-10.5</b>	-11.5	3.0
Value Line	540.98	524.32	536.34	-0.45	-0.08	491.56	•	680.36 <b>-19.4</b>	-20.2	-1.0
NYSE Arca Biotech	5390.42	5184.64	5296.05	-30.36	-0.57	4208.43	•	5649.54 <b>-6.3</b>	-4.0	0.5
NYSE Arca Pharma	871.98	852.52	870.48	10.22	1.19	737.84	•	887.27 <b>6.4</b>	5.2	9.9
KBW Bank	99.68	96.85	99.30	1.62	1.66	94.66	•	147.56 <b>-24.4</b>	-24.9	-4.2
PHLX§ Gold/Silver	122.92	115.17	121.89	4.31	3.6	<b>6</b> 91.40	•	167.76 <b>-6.7</b>	-8.0	6.4
PHLX§ Oil Service	83.47	77.87	83.45	4.989	6.3	<b>36</b> 52.69	•	88.37 <b>56.9</b>	58.3	1.6
PHLX <sup>§</sup> Semiconducto	r 2652.19	2482.45	2535.49	-100.61	-3.82	2162.32	•	4039.51 <b>-35.5</b>	-35.7	10.9
Cboe Volatility	24.30	19.94	20.87	-1.75	-7.74	16.60	•	36.45 <b>16.2</b>	21.2	18.3

	20177.02	7.0	0.0	7.2	
	16718.54	-16.2	-17.7	7.5	L 10700
	1071.75	2.1	-0.5	3.9	10/00
	48929.18	-20.2	-20.7	5.3	'   .
	1111.54	-14.8	-16.3	8.1	10550
	15871.26	-32.9	-32.9	5.5	10400
	16567.5	-32.6	-32.7	8.1	
					16 19 20 21 22 23 10250
	4796.56	-18.6	-19.3	6.0	16 19 20 21 22 23 December
	2865.54			5.7	DJ US TSM
	1426.13		-17.2	4.3	
_	1120.15	2012			▼ 99.05, or -0.26%
_					last week
	2272.56	-21.4	-21.6	1.7	
	17353.76	-10.5	-11.5	3.0	-
	680.36	-19.4	-20.2	-1.0	38700
	5649.54	-6.3	-4.0	0.5	
	887.27	6.4	5.2	9.9	38300
	147.56	-24.4	-24.9	-4.2	
	167.76	-6.7	-8.0	6.4	
	88.37	56.9	58.3	1.6	37900
	4039.51	-35.5	-35.7	10.9	
	36.45	16.2	21.2	18.3	37500
5	Sources: Facts	Set; Dow .	Jones Mar	ket Data	16 19 20 21 22 23 December
		Co	mmo	oditie	es and

**Nasdaq Composite 207.55**, or -1.94%

last week

# International Stock Indexes

§<sub>Nasdaq PHLX</sub>

			——— Lates	-	· YTD
Region/Country	Index	Close	Net chg	% chg	% chg
World	MSCI ACWI	605.97	0.19	0.03	-19.7
	MSCI ACWI ex-USA	281.43	0.21	0.07	-18.3
	MSCI World	2605.48	0.29	0.01	-19.4
	MSCI Emerging Markets	956.48	1.70	<b>0.18</b>	-22.4
Americas	MSCI AC Americas	1459.95		Closed	-20.1
Canada	S&P/TSX Comp	19506.65		Closed	-8.1
Latin Amer.	MSCI EM Latin America	2176.06	-18.12	-0.83	2.2
Brazil	BOVESPA	108737.75	-959.82	-0.87	3.7
Chile	S&P IPSA	3148.78	-22.55	-0.71	12.2
Mexico	S&P/BMV IPC	50273.89	-304.20	-0.60	-5.6
EMEA	STOXX Europe 600	427.45		Closed	-12.4
Eurozone	Euro STOXX	412.50		Closed	-13.9
Belgium	Bel-20	3725.83		Closed	-13.6
Denmark	OMX Copenhagen 20	1829.15		Closed	-1.9
France	CAC 40	6504.90		Closed	-9.1
Germany	DAX	13940.93		Closed	-12.2
Israel	Tel Aviv	1761.27	2.05	0.12	-11.0
Italy	FTSE MIB	23877.55		Closed	-12.7
Netherlands	AEX	701.06		Closed	-12.1
Norway	Oslo Bors All-Share	1378.04		Closed	5.4
South Africa	FTSE/JSE All-Share	73493.47		Closed	-0.3
Spain	IBEX 35	8269.10		Closed	-5.1
Sweden	OMX Stockholm	784.89		Closed	-24.3
Switzerland	Swiss Market	10804.68		Closed	-16.1
Turkey	BIST 100	5504.09	49.29	0.90	196.3
U.K.	FTSE 100	7473.01		Closed	1.2
U.K.	FTSE 250	18830.08		Closed	-19.8
Asia-Pacific	MSCI AC Asia Pacific	155.25		Closed	-19.6
Australia	S&P/ASX 200	7107.70		Closed	-4.5
China	Shanghai Composite	3065.56	19.70	0.65	-15.8
Hong Kong	Hang Seng	19593.06		Closed	-16.3
India	S&P BSE Sensex	60566.42	721.13	1.20	4.0
Japan	NIKKEI 225	26405.87	170.62	0.65	-8.3
Singapore	Straits Times	3257.70		Closed	4.3
South Korea	KOSPI	2317.14	3.45	0.15	-22.2
Taiwan	TAIEX	14285.13	13.50	0.09	-21.6
Thailand	SET	1626.80	9.25	0.57	-1.9

#### Commodities and Currencies

	Close	Monday Net cho		YTD % chg
WSJ Dollar Index	97.23	-0.14	-0.15	8.57
Euro, per dollar	0.9402	-0.0018	-0.19	6.92
<b>Yen,</b> per dollar	132.88	0.09	0.07	15.45
<b>U.K. pound,</b> in dollars	1.21	0.002	0.15	-10.79
	— l Close	_ast Wee Net cho		YTD % chg
DJ Commodity	1042.88	14.45	1.41	10.21
Refinitiv/CC CRB Index	278.11	6.73	2.48	19.68
Crude oil, \$ per barrel	79.56	5.27	7.09	5.78
Natural gas, \$/MMBtu	5.079	-1.521	-23.05	36.17
Gold, \$ per troy oz.	1795.90	5.90	0.33	-1.73
U.S. Dollar Index	104.33	-0.38	-0.36	8.71
WSJ Dollar Index	97.37	-0.58	-0.59	8.73
Euro, per dollar	0.9419	-0.0027	-0.28	7.12
<b>Yen,</b> per dollar	132.79	-3.90	-2.86	15.37
U.K. pound, in dollars	1.21	-0.009	-0.74	-10.92
	Low	52-V Close(●)		% Chg
DJ Commodity	941.22	•	1264.48	10.80
Refinitiv/CC CRB Index	230.90	•	329.59	20.45
Crude oil, \$ per barrel	71.02	•	123.70	7.82
Natural gas, \$/MMBtu	3.56	•	9.68	36.13
Gold, \$ per troy oz.	1623.30	•	2040.10	<b>-0.</b> 84
U.S. Dollar Index	94.79	•	114.10	8.65
WSJ Dollar Index	88.95	•	105.14	8.29
Euro, per dollar	0.87		1.04	6.65
<b>Yen,</b> per dollar	113.68	•	150.15	<b>16.0</b> 8
<b>U.K. pound,</b> in dollars	1.07	•	1.37	<b>-9.9</b> 8

Go to WSJMarkets.com for free access to real-time market data.

#### **Consumer Rates and Returns to Investor Selected rates U.S.** consumer rates

benchmark over the past year 30-year fixed-rate mortgage 10-year Treasury note yield

IEMAMILASOND

1 1 1 1 1 1 1 0.00

Sources: FactSet; Dow Jones Market Data

A consumer rate against its

Bankrate.com avg†: 6.64% 5.00% **County Bank** Rehoboth Beach, DE 302-226-9800 Farmers Bank 5.50% Buhl, ID 208-734-1500 5.63% Farmers State Bank 877-FSB-1879 Waterloo, IA Farmers State Bank 5.63% 319-390-2534 Marion, IA **Liberty Bank for Savings** 5.63%

30-year mortgage, Rate

2022	,	Chica	ago, IL		888-5	542-2265
Interestrate		ate (%) <del>-</del> Week ago		-Week Range (9	%) <del>—</del> B High	3-yr chg (pct pts)
Federal-funds rate target	4.25-4.50	4.25-4.50	0.00	•	4.50	2.75
Prime rate*	7.50	7.50	3.25	•	7.50	2.75
Libor, 3-month	4.73	4.75	0.21	•	4.78	2.78
Money market, annual yield	0.33	0.33	0.07		0.33	-0.24
Five-year CD, annual yield	2.76	2.73	0.42		2.76	1.35
30-year mortgage, fixed <sup>†</sup>	6.64	6.74	3.23	•	7.41	2.80
15-year mortgage, fixed <sup>†</sup>	5.80	6.04	2.53		6.53	2.49
Jumbo mortgages, \$647,200-plus	6.68	6.80	3.25	•	7.44	2.66
Five-year adj mortgage (ARM)†	5.40	5.46	2.82		5.60	1.00
New-car loan, 48-month	6.51	6.49	3.41	•	6.69	2.03
Bankrate.com rates based on survey of ov banks.† Excludes closing costs.	ver 4,800 on			posted by 70% of w Jones Market I		-
		Jourtes. I	accsec, Du	M YOU'LS INIGINGE	outu, Dali	Muce.Com

# **Benchmark Yields and Rates**

#### **Treasury yield curve** Yield to maturity of current bills,

notes and bonds

5.00% 4.00 Tradeweb ICE Friday Close 3.00 2.00 One year ago 1.00 \_\_\_\_\_\_0.00 3 6 1 2 3 5 7 10 20 30 month(s) years – maturity

major U.S. trading partners WSJ Dollar Index

Yen, euro vs. dollar; dollar vs.

-28 | | | | | 2022

**Forex Race** 

 $Sources: Tradeweb \ ICE \ U.S. \ Treasury \ Close; Tullett \ Prebon; Dow \ Jones \ Market \ Data$ 

# **Corporate Borrowing Rates and Yields**

Paradhatal antique in day		d(%)	Spread +/- in basis pts	s, 52-wk İ	Range		Return
Bond total return index	Last	Wkago	Last	Low	High	52-wk	3-yr
U.S. Treasury, Bloomberg	4.070	3.860				-11.88	-2.37
U.S. Treasury Long, Bloomberg	3.970	3.700				-27.79	-6.94
Aggregate, Bloomberg	4.560	4.350	50	35	69	-12.30	-2.42
Fixed-Rate MBS, Bloomberg	4.570	4.330	47	18	88	-11.00	-2.88
High Yield 100, ICE BofA	7.966	7.829	389	249	552	-9.267	-0.487
Muni Master, ICE BofA	3.245	3.117	3	-17	10	-7.336	-0.441
EMPI Clobal ID Marray	7 444	7 522	277	222	104	1E 710	// 221

**7.666** 7.523 377 322 496 -15.719 -4.221 Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

NA

# **CLOSED-END FUNDS**

Ret

5.2 5.1

-14.3 -18.2

-18.9 28.7

NA -28.4

-9.5

+9.3 +0.1 -3.2 -8.3

Prem NAV Close/Disc

Listed are the 300 largest closed-end funds as measured by assets. Glosed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. NA signifies that the information is not available or not applicable. MS signifies funds not in available of not applicable. As a signifies trains not re-existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month end or during the previous 52 weeks for periods ending at any time other than month-end) by the onth-end market price adjusted for capital

Friday, December 23, 2022 Prem Fund (SYM) NAV Close/Disc Ret **General Equity Funds** NA 33.70 NA -15.1

Adams Diversified Eq Inc ADX 17.39 14.59 -16.1 -18.9 Central Secs CET CohenStrsCEOppFd **FOF 10.67 10.79** +1.1 -17.5 EVTxAdvDivIncm EVT 23.93 22.96 -4.1 -14.8 Gabelli Equity Tr GAB 5.08 5.55 +9.3 -13.9 GeneralAmer GAM 43.64 36.27 -16.9 -13.9 JHancockTaxAdvDiv HTD 23.57 23.16 -1.7 -1.2 Liberty All-Star Equity **USA** 5.89 5.85 Liberty All-Star Growth **ASG** 5.21 4.97 -0.7 -21.5 -4.6 -40.2 Royce Micro-Cap Tr **RMT** 9.67 8.69 -10.1 -16.5 Royce Value Trust **RVT** 14.55 13.50 -7.2 -22.7 Source Capital **SOR** 40.28 36.88 Sprott Focus Trust **FUND** 8.57 7.97 -8.4 -7.0 -8.3 -0.7 SRH Total Return **STEW 15.16 12.53 -17.4** Tri-Continental **TY** 29.14 26.02 -10.7 -14.7 Specialized Equity Funds abrdn Glb Prem Prop AWP 4.36 3.99

BR Enh C&I CII

BlackRock Sci&Tech Trust BST 29.12 28.93 BlackRock Utl Inf & Pwr BUI 22.43 21.07 CLEARBRIDGEENGY MDS OPP EMO NA 29.30 CLEARBRIDGEMLP&MDSTMTR CTR NA 28.25 ClearBridge MLP & Midstm CEM NA 33.41 ChnStrInfr UTF 24.52 23.81 ChnStrInfr UTF Cohen&SteersQualInc RQI 12.53 11.78 CohenStrs Real Est and I RLTY 15.60 13.94 -10.6 Cohen&Steers TotRet RFI 11.88 12.63 CohenStrsREITPrefinc RNP 20.20 20.23 Duff&PhUti&InfraIncFd DPG 12.58 13.51 +7.4 EtnVncEqtyInc **EOI** 14.96 15.16 EtnVncTxMgdBuyWrtOpp **ETV 12.12 12.32** EtnVncTxMgdGlbB **ETW** 8.39 7.76 EVTxMnGblDvEqinc **EXG** 8.01 7.47 -6.7 -21.3 Ecofin S&S Impact Term **TEAF 15.87 13.09 -17.5 -2.3** First Trust Energy Inc G FEN 15.36 14.37 -6.4 18.8 First Trenhanced Eq FFA 16.68 15.54 -6.8 -20.6 First Trenergy Infra FIF 17.13 14.64 -14.5 15.8 Adams Natural Resources **PEO** 25.79 21.83 -15.4 43.6 ASA Gold & Prec Met Ltd **ASA** 17.31 14.54 -16.0 -32.1 17.52 16.67 -4.9 -13.7 FirstTrMLPEner&Inc FEI 9.13 7.87 -13.8 18.5

Fund (SYM) Fund (SYM) NAV Close / Disc Ret Gabelli Healthcare GRX 11.99 10.22 -14.8 -17.4 BlackRock Energy & Res BGR 14.19 12.35 -13.0 37.7 Gab Utility **GUT** 3.66 7.39 101.9 GAMCOGIGold&NatRes **GGN** 3.87 3.63 -6.2 BlackRock Eq Enh Div **BDJ** 8.72 8.62 -1.1 -1.3 BlackRock Enh Glbl Div **BOE** 10.93 9.46 -13.4 -16.0 BlackRock Enh Intl Div **BGY** 5.77 5.02 -13.0 -13.1 BlackRock ESG Cap Alloc **ECAT** 16.68 13.52 -18.9 -21.2 J Han Finl Opptys **BTO** 32.64 33.43 +2.4 -17.9 Neuberger Brmn MLP & EI **NML** 8.15 6.77 -16.9 38.9 Neuberger Nxt Gen Conn NBXG 11.56 9.07 -21.5 -41.2 NubrgrRIEstSec NRO 3.40 3.23 -5.0 -30.7 BlackRock Hlth Sci Tr II BMEZ 18.68 15.64 -16.3 -31.2 BlackRock Hlth Sciences **BME** 43.31 42.75 -1.3 -5.9 BlackRock Innov and Grow **BIGZ** 8.74 6.73 -23.0 -49.0 BlackRock Res & Comm **BCX** 11.28 9.84 -12.8 14.8 Nuv Dow 30 Dvn Overwrite DIAX 16.19 15.32 NuvCorEqAlpha JCE 12.05 13.06 Nuveen Nasdaq 100 Dyn Ov QQQX 19.67 20.45 +4.0 -25.0 BlackRock Sci&Tech T || BSTZ 19.58 15.85 -19.1 -53.7 Nuv Real Est **JRS** 8.12 7.50 Nuveen RI Asst Inc & Gro **JRI** 13.62 11.67 -6.1 -12.7 NuvS&P500DynOvFd **SPXX** 14.80 16.18 NuvSP500BuyIncFd **BXMX** 12.57 12.58 NA 47.8 NA 31.7 NA 37.6 -2.9 -7.3 ReavesUtilityIncome **UTG** 29.33 28.87 Tortoise Enrgy Infra Crp **TYG** 39.57 32.10 Tortoise Midstream Enroy NTG 43.19 34.86 -19.3 27.9 -6.0 -28.1 VDivInt&PremStr NFJ NA 11.26 VArtInt&Tech Opps AIO NA 16.26 NS +6.3 -18.3 Income & Preferred Stock Funds +0.1 -17.5 Columbia Sel Prm Tech Gr **STK** 22.48 23.06 +2.6 -30.1 DNP Select Income **DNP** 9.10 11.44 +25.7 14.3 EtnVncEqtyIncoll **EOS** 15.74 16.68 +6.0 -24.4 EVRskMnDvsEqInc **ETJ** 8.01 7.60 -5.1 -20.9 ETnVncTxMgdBuyWrtinc **ETB** 13.11 13.37 +2.0 -12.9 EvTxMnDvsEqInc **ETY** 11.16 11.06 -0.9 -18.3

CalamosStratTot CSQ 13.25 13.36 +0.8 -24.7 CohenStrsLtdDurPref&Inc LDP 20.82 18.97 CohenStrsSelPref&Income PSF 20.59 18.87 -8.4 -23.0 CohenStrsTaxAvPreSecs&l PTA 20.27 17.96 -11.4 -19.1 Dividend and Income **DNI** 16.65 11.03 -33.8 -17.6 FirstTrIntDurPref&Inc FPF 19.05 17.29 JHanPrefInc HPI 15.81 16.06 -9.2 -24.3 +1.6 -15.9 JHPrefincil HPF 15.69 15.77 +0.5 -16.5 HnckJPfdInco III HPS 14.10 14.28 +1.3 -17.2 J Han Prm **PDT** 12.97 13.07 +0.8 -16.1 LMP CapInco **SCD** NA 11.81 NA -11.9 Nuveen Multi-Asset Inc **NMAI** 13.51 11.53 -14.7 -24.3 Nuveen Prof & Inc Opp JPC 7.92 7.29 -8.0 -16.6 Nuveen Fd JPS 7.75 6.88 -11.2 -21.8 Nuveen Pref & Inc Term JPI 19.69 18.93 -3.9 -19.9 Nuveen Var Rate P&I NPFD 19.58 17.52 -10.5 -24.9 TCW Strat Income **TSI** 5.12 4.74 -7.4 -13.5

Convertible Sec's. Funds
AdvntCnvrtbl&IncFd AVK 12.41 11.23 -9.5 -31.0 CalamosConvHi **CHY** 10.67 11.19 +4.9 -23.5 CalmosConvOp **CHI** 10.12 10.92 +7.9 -21.0 Ellsworth G&I Fund Ltd **ECF 9.37 8.02 -14.4 -31.7** V Conv & Inc NCV V Conv & Inc II NCZ V Div Inc & Conv ACV V Conv & Conv ACV V Div Inc & Conv ACV NA 19.54

NA -32.6 V Eqty & Conv Inc NIE 23.11 20.25 -12.4 -25.7 World Equity Funds

word Equity Funds abrdn Eng Miks Eq Inc AEF 5.88 5.13 -12.8 -30.7 abrdn Tot Dyn Div AOD 9.15 7.89 -13.8 -16.6 Allspring GI Div Oppty EOD 4.56 4.44 -2.6 -15.0 BlackRock Capital Allos BCAT 16.92 13.85 -18.1 -20.1 Calamos GloDynlnc **CHW** 6.27 5.68 EV TxAdvGlbDivlnc **ETG** 16.47 15.22 -9.4 -36.1 -7.6 -25.0 EtnVncTxAdvOpp ETO 22.66 21.00 -7.3 -29.3 FirstTr Dyn Euro EqInc **FDEU** 12.86 11.13 -13.5 -8.6 Gabelli Multimedia **GGT** 3.86 5.74 +48.7 -21.6 GDL Fund **GDL** 9.92 7.80 -21.4 -7.2 Highland Global Alloc **HGLB** 11.85 9.33 -21.3 10.1 India Fund **IFN**16.11 15.08 -6.4 -13.0

Japan Smaller Cap **JOF** 7.85 6.45 -17.8 -17.8

LazardGibTotRetinc **LGI** 15.99 14.71 -8.0 -17.6

Mexico **MXF** Mexico MXF NA 15.32
Miller/Howard High Inc E HIE 11.19 10.37 4.4 9.4 MS ChinaShrFd **CAF** 16.81 13.97 -16.9 -31.8 MS India IIF 24.07 20.03 -16.8 -7.4 MS CBRE Glin Mg **MEGI** 16.67 13.76 -17.5 -21.8 Templeton Dragon **TDF** 11.72 10.10 -13.8 -32.9 Templeton Em Mkt **EMF 12.56 11.06 -11.9 -23.1** 

Prem12 Mo NAV Close /Disc Yld **U.S. Mortgage Bond Funds** BlckRk Income **BKT** 13.26 12.49 Invesco HI 2023 Tgt Term IHIT 8.44 8.02 -5.0
Investment Grade Bond Funds 5.5 Angel Oak FS Inc Trm **FINS NA 12.89** BIRck Core Bond **BHK 11.13 10.79** BR Credit Alloc Inc BTZ 11.34 10.29 -9.3 -7.2 9.4 6.2 J Han Income JHS MFS Intmdt MIN 11.79 10.94 0.0 3.02 2.79 Western Asset Inf-Lk Inc WIA Western Asset Inf-Lk O&I WIW NA 8.76 NA 9.26 NA 14.5 Loan Participation Funds
Apollo Senior Floating AFT NA 12.34

8.3 7.6 6.9 6.8 BR Debt Strategy **DSU** 10.45 9.40 -10.0 BR F/R Inc Str **FRA** 12.79 11.39 -10.9 BlackRockFloatng Rt Inc **BGT** 12.41 11.01 -11.3 Blackstone Sr FI Rt Tm **BSL** 13.98 12.48 -10.7 Blackstone Strat Cr **BGB** 12.10 10.81 -10.7 7.4 8.0 8.4 8.5 EtnVncFltRteInc **EFT** 12.59 11.16 -11.4 EV SenFlRtTr **EFR** 12.39 11.13 -10.2 FT/Sr Fltg Rte Inc 2 FCT 11.01 9.66 -12.3 Highland Income **HFRO** 14.39 10.36 -28.0 8.0 NA InvDYCrOpp:AX VTA 11.19 NA InvSnrIncTr **VVR** 4.07 3.77 -7.4 Nuveen Credit Strat Inc **JQC** 5.78 5.08 -12.1 9.2 9.0 8.7 8.7 8.8 NuvFloatRateIncOppty JRO 8.96 8.01 -10.6 Nuveen Senior Income **NSL** 5.29 4.63 -12.5 BernGlHilncm AWF 10.46 9.50 -9.2 7.7

\*Based on Composite price. DJIA is calculated on primary-market price. Source: Dow Jones Market Data; FactSet.

Prem12 Mo NAV Close /Disc Yld Fund (SYM) Allspring Income Oppty **EAD** 7.13 6.50 Barings Glb SD HY Bd **BGH** 14.50 12.97 -10.6 BR Corporate HY **HYT** 9.37 8.82 -5.9 -5.9 BlackRock Ltd Dur Inc BLW 13.63 12.89 Brookfield Real Asst Inc RA 15.67 16.63 CrSuisHighYld **DHY** 2.02 1.81 -10.4 DELAWARE IVY HIGH INCOPP IVH 11.70 10.90 -5.0 -30.7 -5.4 -4.6 +8.4 -12.1 DoubleLine Inc Sol DSL 11.91 11.43 -4.0 DoubleLine Yld Opps **DLY** 15.09 13.67 -9.4 9.96 First Tr Hilnc Lng/Shrt **FSD** 12.70 11.21 -11.7 10.7 First Trust HY Opp:2027 **FTHY 15.79 13.82** -12.5 11.1 Franklin Univ FT 7.74 6.79 -12.3 KKR Income Opportunities **KIO 12.35 11.12 -10.0** Nuveen Global High Inc JGH 12.91 11.27 -12.7 11.3 PGIM Global High Yield **GHY** 12.63 10.93 -13.5 11.1 PGIM High Yield Bond **ISD** 13.74 12.08 -12.1 9.8 PGIM Sh Dur Hi Yld Opp **SDHY** 16.96 14.79 -12.8 Pioneer Hilnom **PHT** 7.55 6.54 -13.4

WstAstHIF II HIX Western Asset Hi Inc Opp HIO

Western Asset Hi Yld D O HYI NA 12.05 NA 9.2 Other Domestic Taxable Bond Funds Allspring Multi-Sector **ERC** 9.69 9.53 -1.7 Apollo Tactical Income **AIF** NA 12.21 NA 10.6 9.2 9.7 Ares Dynamic Crdt Alloc ARDC NA 11.77 BlackRock Tax Muni Bd BBN 17.60 17.52 -0.5 DoubleLine:Oppor Crdt Fd DBL 14.57 14.96 EVLmtDurIncm EVV 10.49 9.54 -9.1 11.5 Franklin Ltd Dur Income FTF 7.09 6.18 -12.8 J Han Investors JHI 13.52 12.38 -8.4 MFS Charter **MCR** 6.82 6.27 -8.1 0.0 NuvCorePlusImpact **NPCT** 12.40 10.48 -15.5 11.2 Nuveen Taxable Muni Inc **NBB** 16.47 15.75 -4.4 PIMCO Corp & Inc Oppty **PTY** 10.96 12.65 +15.4 PIMCO Corp & Inc Strat PCN 11.31 11.99 +6.0 10.6 PIMCO Hilnco PHK 4.66 4.81 +3.2 11.7 PIMCO IncmStrFd | PFL | 8.10 | 8.16 | +0.7 | 11.5 | PIMCO IncmStrFd | PFL | 7.14 | 7.15 | +0.1 | 11.3 | Putnam Prem Inc | PPL | NA | 3.62 | NA | 8.4

NA 5.09

NA 11.2

Western Asset Dysfd Inc WDI World Income Funds abrdn AP IncFd **FAX** 3.15 2.65 -15.9 12.6 MS EmMktDomDebt **EDD** 5.17 4.36 -15.7 PIMCO Access Income PAXS 15.77 15.60 -1.1 PIMCO Dynamic Income PDI 17.83 18.94 PIMCO Dynamic Inc Opp **PDO 13.40 13.20** PIMCO Stratg Inc RCS 4.42 5.13 +16.2 11.7 Templeton Em Inc **TEI** 5.69 5.02 -11.8 13.1 Templtn Glbl Inc **GIM** 4.64 4.25 -8.4 9.4 WstAstEmergDebt EMD NA 8.79 Western Asset Gl Cr D Op GDO NA 12.59

**National Muni Bond Funds** AllBerNatlMuninc **AFB 12.16 10.45 -14.1** BlckRk Inv Q Mun **BKN 12.91 11.61 -10.1** BlackRock Muni 2030 Tgt **BTT 23.35 21.25** BlackRock Muni **BFK** 11.32 9.99 -11.7 BlackRock Muni II **BLE 11.73 10.32** BlckRk Muni Inc Qly **BYM 12.55 11.04 -12.0** BR MuniAssets Fd MUA 11.32 10.33 11 27 9 80 -13 0 BR MH Olv 2 MUE BR MuniHoldngs MHD 13.27 11.65 BR MuniVest Fd MVF 7.74 6.76 -12.7 BR MuniVest 2 **MVT** 11.95 10.40 -13.0 BR MuniYield Fd MYD 11.83 10.39 -12.2 BR MuniYield Qlty **MQY** 12.96 11.45 -11.7 BR MuniYld Qlty2 **MQT** 11.48 10.05 -12.5 BR MuniYld Qly 3 **MYI** 12.28 10.84 -11.7 BNY Mellon Muni Bd Infra **DMB** 11.71 10.45 -10.8 BNY Mellon Str Muni Bond **DSM** 6.54 5.63 -13.9 BNY Mellon Strat Muni **LEO** 6.80 6.04 -11.2 Del Inv Natl Muni Income VFL 11.83 10.55 -10.8 DWS Muni Inc KTF 9.93 8.52 -14.2 EVMuniBd **EIM** 11.33 10.01 -11.7 EVMunilncm **EVN** EVNatMuniOpp **EOT** 17.97 16.43 -8.6 InvAdvMulncTrll **VKI** 9.53 8.42 -11.6

6.30 6.00 -4.8

-11.5

-4.9 +7.0

6.0

InvescoMuOppTr VMO 10.65 9.38 InvescoMuTr VKQ 10.69 9.46 Invescoludi i vice InvescoQual Inc IQI InvTrInvGrMu VGM 10.99 9.67 -12.0 InvescoValMuninc IIM 13.20 11.92 -9.7

MAINSTAYMKDEFTRMUNOP MMD 16.85 16.43 -2.5

NeubrgrBrm NBH 11.86 10.60 -10.6 NeubrgrBrm **NBH** 11.86 10.60 -10.6 Nuveen AMT-Fr Mu Val **NUW** 14.89 13.63 -8.5 Nuveen AMT-Fr Qity Muni **NEA** 12.50 11.07 -11.4 Nuveen AMT-Fr Mu Ci **NVG** 13.34 11.98 -10.2 Nuveen Dyn Muni Opp **NDMO** 10.90 10.11 -7.2 Nuveen Int Dur Mun Term **NID** 13.30 13.15 -1.1 Nuveen Mu Crdt Opps NMCO 11.88 10.98 Nuv Muni Credit Income NZF 13.30 12.01 NuvMuniHilncOpp **NMZ** 10.93 10.47 Nuveen Muni Val **NUV** 9.20 8.54 Nuveen Quality Muni Inc NAD 12.86 11.41 -11.3 Nuveen Sel TF **NXP** 14.34 13.64 PIMCO Munilnc **PMF** 9.62 10.29

Invesco MuniOp OIA

PIMCOMuniIncl PML 8.86 9.20 Pimco Muni III PMX 8.12 8.87 8.12 8.87 +9.2 PioneerHilncAdv MAV 9.27 8.03 PionrMuniHilncOppty MIO 12.51 10.63 -15.0 PioneerMunHilcm MHI 10.00 8.59 -14.1 Putnam Mgd Inc PMM NA 6.28 Putnam Muni Opp PMO NA 10.87 erNorth Flx Mu Inc II RFMZ .32 13.43 RiverNorth Mgd Dur Mun I RMM 16.18 14.73 -9.0 7.1
Western Asset Mgd Mun i MMU NA 10.03 NA 4.4 Single State Muni Rond BlackRock CA Mun **BFZ 12.76 10.79 -15.4** 

BRMH CA QIy Fd Inc MUC 12.51 10.75 -14.1 BR MH NJ QIy MUJ 12.76 11.06 -13.3 BR MH NY QIy MHN 11.80 10.19 -13.6 BR MuniYld MI Qly **MIY** 12.77 11.06 -13.4 BR MuniYld NY Qly **MYN** 11.39 9.82 -13.8 BlackRock NY Mun **BNY** 11.70 9.97 -14.8 EVCAMuniBd **EVM** 10.25 8.64 -15.7 InvCaValMulncTr **VCV** 10.96 9.42 -14.1 InvPAValMulncTr **VPV** 11.58 9.85 -14.9 InvTrInvGrNYMu VTN 11.66 9.99 -14.3 Nuveen CA AMT-F Qual MI NKX 13.10 11.97 -8.6 5.2 Nuveen CA Val **NCA** 9.25 8.60 -7.0 NuveenCAQtyMulnc **NAC** 12.62 10.91 -13.5 5.4 NuvNJ Qual Muni Inc **NXJ** 13.37 11.39 -14.8 Nuveen NY AMT/Fr Qual MI **NRK** 11.82 10.21 -13.6 Nuveen NY Qual Muni Inc NAN 12.29 10.67 -13.2 5.2 3.9 Nuveen OH Qual Muni Inc **NUO** 14.48 12.59 -13.1 Nuveen PA Qual Muni Inc NQP 13.24 11.23 -15.2 Nuveen VA Qlty Mun Inc NPV 12.17 11.27 -7.4 PIMCO CA **PCQ** 10.41 15.46 +48.5 4.8 PIMCOCAMunill **PCK** 6.60 7.00 +6.1 5.5

NAV Close/Disc Ret Fund (SYM) General Equity Funds Alternative Strategies: 1 4.78

BOW RIVER CAPTLEVGN;II NA NA NA N

**Specialized Equity Funds** rrowMarkFinancialCorp BANX NA 17.80 Bluerock Total Inc+ RE:M NA NA NA CBRE GIBRIEST IGR 6.29 5.71 -9.2 -31.5 First Tr Real Assets;I 5.7 4.8 NexPointRIEstStrat:A 20.44 NΔ NexPointRIEstStrat;C 20.66 NA NexPointRIEstStrat;Z 20.69 PIMCO Flexible REI;Inst 10.05 NΑ NA NS 9.3 NA PREDEX;I 30.29 30.49 9.2 PREDEX;1 PREDEX:W 30.49 NΑ NA 9.2 0.5 NA Principal Dvs Sel RA A 26.66 Principal Dvs Sel RA Ins 26.75 Principal Dvs Sel RAY 26.94 The Private Shares;A 41.80 NΑ 1.0 NA 1.0 The Private Shares;I 42.37 The Private Shares;L 41.26 NΑ 0.8 NA 5.3 Thirdline Real Estatel 10.07 USQ Core Real Estate: 28.93 7.3 NE USQ Core Real Estate: IS 28.98 NΑ NA Versus Cap MMgr RE Incil 29.35 NA Versus Capital Real Asst 27.18 Wildermuth:A 12.97 NΑ NΑ -2.8 12.25 NA NA -3.6 Wildermuth:C 13.12 Wildermuth:I

Income & Preferred Stock Funds Alpha Alternative Assets 6.59 NA Calamos L/S Eqty and DI **CPZ 17.77 15.38 -13.4** Flat Rock Opportunity 18.56 NA NA -3.0 Lord Abbett Spec Sit I:A 8.86 NA -6.4 Lord Abbett Spec Sit I:I 8.86 Variant Altrntv Inc:Inst 28.95 NΔ Variant Impact;Instl 26.87

Convertible Sec's. Funds Calmos Dyn Conv and Inc CCD 19.77 20.70 +4.7 -28.2 **World Equity Funds** 

ACAP Strategic:A ACAP Strategic:W 10.42 NA NA -39.2 CalamosGlbTotRet **CGO** 9.77 9.06 -7.3 -29.3 Cantor Fitzgerald SI:A 10.54 Primark Priv Eq Inv:I 11.08 NA NA -12.2 Sweater Cashmere 20.15 NA NA NS Thornburg Inc Bldr Opps **TBLD.0 16.52 14.30 -13.4 -12.7** VirtusTotalRetFd ZTR 7.24 6.58 -9.1 -11.8

Fund (SYM) Fund (SYM) NAV Close /Disc Yld NAV Close/Disc Yld U.S. Mortgage Bond Funds BR Credit Strat;Inst 8.52 Arca US Treasury BR Credit Strat;U RR Credit Strat:W Ellington Inc Opp:A NA NA NA 8.8 8.55 NA NA NA 9.6 BlackRock Mlt-Sctr Oppty 67.02 Ellington Inc Opp:M Loan Participation Fu BlackRock Mlt-Sec Opp II 71.45 1WS Credit Income:A2 NA NA CION Ares Dysfd Crdt:A NA NA 1WS Credit Income;Inst NA CION Ares Dvsfd Crdt;C 6.8 AlphCntrc Prime Merid In 8.86 NA 11.8 CION Ares Dvsfd Crdt;I NA NA 12.5 CION Ares Dysfd Crdt:L Axonic Alternative Inc NA Blackstone FR EI D CION Ares Dvsfd Crdt;U Blackstone FR EII 20.72 NA NA 7.1  ${\sf CION\,Ares\,Dvsfd\,Crdt:} {\sf U2}$ CION Ares Dvsfd Crdt;W NA Blackstone FR EIT NA NA 20.68 6.6 CNR Select Strategies 12.36 Blackstone FR EI T-I 6.6 21.20 First Eagle Crdt Opps A 23.69 First Eagle Crdt Opps A2 23.69 Blackstone FR EI U 21.60 NA NA 6.6 NA NS Bluerock HI Inst Crd:A NA NA Bluerock HI Inst Crd:C NANA First Eagle Crdt Opps I 23.66 First Trust Private Cr;l 9.81 Franklin BSP Pvt Cr:A 10.10 Bluerock HI Inst Crd:F NA NA NA NS Bluerock HI Inst Crd:I NA NA NA NS BNYM Alcntr Glb MS Cr Fd 84.96 NA Franklin BSP Pvt Cr:Adv 10.11 CliffwaterCIFd:I 10.65 NA NA 6.5 FS Credit Income:A NA 7.5 CliffwaterElFd;A FS Credit Income;I CNR Strategic Credit 7.57 NA NA 20.5 FS Credit Income;T NA NA Eagle Point Instl Income NA NS FS Credit Income:U 9.31 Equalize Community Dev FS Credit Income;U-2 GL Beyond Income 0.43
KKR CREDIT OPPTY;D 20.02 FedProj&TrFinanceTendr 10.03 NA NA 2.9 Flat Rock Core Income 19.81 NA NA 6.8 InvDYCrOpp:A 7.9 KKR CREDIT OPPTY;I 21.58 8.2 8.2 InvDYCrOpp:R6 11.20 NA NA NA KKR CREDIT OPPTY;T 21.38 11.19 NA KKR CREDIT OPPTY;U 20.57 InvDYCrOpp:Y Palmer Square Opp Inc 16.23 Invesco Sr Loan A Invesco Sr Loan C 5.83 NA NA NA 6.0 The Finite Solar Finance 9.86 Invesco Sr Loan IB Thrivent Church Ln&Inc:S 9.11 5.81 NA 7.1 World Income Funds Invesco Sr Loan IC 5.81 7.1 NS Invesco Sr Loan Y 5.81 NA NA BlueBay Destra Itl E:A 24.15 NA NA Monachil Credit Income: 10.00 BlueBay Destra Itl E:I 24.17 OFS Credit Company OCCI NA 8.36 NA 21.3 BlueBay Destra Itl E:L 24.12 Yieldstreet Prism NA NA NA 8.0 BlueBay Destra Itl E:T 24.03 **High Yield Bond Funds** Carlyle Tact Pvt Cred:A Apollo Diversified Cd:A NA Carlyle Tact Pvt Cred:I Apollo Diversified Cd:C NA Carlyle Tact Pvt Cred:L NA NA 7.0 7.4 Apollo Diversified Cd:F Carlyle Tact Pvt Cred:M 7.0 6.9 Apollo Diversified Cd:I NΔ NA Carlyle Tact Pvt Cred:N NA NA Apollo Diversified Cd:L Carlyle Tact Pvt Cred:U Apollo Diversified Cd:M 6.9 Carlyle Tact Pvt Cred:Y Opprtnstc Crdt Intrvl;l PIMCO Flexible Cr I;A-1 NΔ NA NA NS Lord Abbett Cred Opps Fd 8.82 NA NA Lord Abbett Cred Opps Fd 8.82 7.51 9.6 PIMCO Flexible Cr I;A-2 Lord Abbett Crd Op:U 8.83 PIMCO Flexible Cr I;A-3 7.51 NA NA 9.3 Oaktree Dvsfd Income; D 8.60 NA PIMCO Flexible Cr I;A-4 PIMCO Flexible EM I;Inst 8.38 PIMCO Flexible Cr I;Inst 7.51 NA NA 10.1 **National Muni Bond Funds** Other Domestic Taxable Bond Funds Ecofin Tax-Adv Soc Impct 8.91 Lind Cap Pt Mun Cred Inc 8.77 AFA MMC;Inst 9.74 NA NA Nuveen En HY Muni Bd:A1 7.14 AFA MMC;Inv 9.71 NA NA Alternative Credit Inc:A NA 6.8 NA NA Nuveen En HY Muni Bd:A2 7.15 Alternative Credit Inc:C 10.00 Nuveen En HY Muni Bd:l 6.0 Alternative Credit Inc:l 9.90 NA NA 7.1

NA NS NA 14.5 Angel Oak Str Crdt:Inst NA NA BR Credit Strat;A NA

9.88

NΔ NA

NA NA 6.6

6.8

7.3 NS 7.9 NS NA NΔ NΑ NA NA 14.4 NA 14.1 8.2 7.7 7.4 NA 2.7 PIMCO Flex Mun Inc;A-3 9.85 NA PIMCO Flex Mun Inc:A1 9.85 NA NA PIMCO Flex Mun Inc;A2 PIMCO Flex Mun Inc;Inst 9.85 NA NA Single State Muni Bond PIMCO CA FMI;Inst 9.89 NA

#### **Borrowing Benchmarks**

wsj.com/market-data/bonds/benchmarks

#### **Money Rates**

Alternative Credit Inc:L

Alternative Credit Inc:W

Angel Oak Str Crdt:FI

December 26, 2022

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

inte	rnatio	nai ra	tes		
		Week		Week —	Notes on data:
	Latest	ago	High	Low	U.S. prime rate loans posted by
Prime rates					U.S. banks, and Other prime ra
U.S.	7.50	7.50	7.50	3.25	lending practice
Canada	6.45	6.45	6.45	2.45	Discount rate i Secured Overn
Japan	1.475	1.475	1.475	1.475	December 23, 2
Policy Rates					Depository True average for ove CUSIPs. Value t
Euro zone	2.50	2.00	2.50	0.00	Federal-funds
Switzerland	1.50	1.50	1.50	0.00	of 5:30 p.m. ET.
Britain	3.50	3.50	3.50	0.25	Sources: Federa Statistics: DTC
Australia	3.10	3.10	3.10	0.10	Tullett Prebon I

Notes on data:
U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective December 15, 2022. Other prime rates aren't directly comparable; lending practices vary widely by location; Discount rate is effective December 15, 2022. Secured Overnight Financing Rate is as of December 23, 2022. DTCC GCF Repo Index is Depository. Trust & Clearing Com's weighted Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. Federal-funds rates are Tullett Prebon rates as

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

# Cash Prices | wsj.com/market-data/commodities

Monday, December 26, 2022

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in futur

	Monday		Monday
Metals		Fibers and Tex	tiles
Silver, troy oz.		Cotlook 'A' Index-t	*101.55
LBMA spot price (U.S.\$ equivalent)	*£19.6700 *23.7350	Food	
Other metals Aluminum, LME, \$ per metric ton	*2342.0	Coffee,Brazilian,Comp-y Coffee,Colombian, NY-y	1.7586 2.2960

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TS!; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. \*Data as of 12/23

Source: Dow Jones Market Data

# Let's walk together. It makes things better. Ch\*IdFund. 1-800-776-6767 | ChildFund.org

# A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 283.47 points, or 0.86%, on the week. A \$1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a \$1,000 investment on Dec. 31 in each current DJIA stock component would have returned \$28,223, or a loss of 5.92%, on the \$30,000 investment, including reinvested dividends.

	— Th	ie Week's	Action —				
			Point chg		C		\$1,000 Invested(year-end '21)
1			in average <sup>s</sup>	Nike	Symbol	\$116.25	\$1,000
	9.72 5.14	10.30 8.68	67.88 57.31				7
			57.21	Chevron	CVX	177.40	1,566
	3.65	6.68	44.03	Travelers	TRV	189.48	1,237
	3.48	1.29	8.50	Verizon	VZ	38.41	780
	3.07	7.15	47.12	Caterpillar	CAT	239.87	1,187
	2.44	2.66	17.53	Merck	MRK	111.86	1,506
	2.36	4.36	28.74	Boeing	BA	189.06	939
	2.13	1.06	6.99	Dow	DOW	50.86	942
	1.97	4.13	27.22	Honeywell	HON	213.87	1,047
	1.71	1.07	7.05	Coca-Cola	KO	63.82	1,110
ľ	1.54	1.99	13.12	JPMorgan Chase	JPM	131.28	856
	1.45	7.61	50.16	UnitedHealth Group	UNH	531.31	1,072
	1.45	2.18	14.37	Procter & Gamble	PG	152.62	956
	1.06	1.49	9.82	IBM	IBM	141.65	1,113
	1.03	1.81	11.93	Johnson & Johnson	JNJ	177.48	1,065
ľ	0.91	1.17	7.71	salesforce.com	CRM	129.44	509
	0.71	1.02	6.72	Walmart	WMT	143.77	1,009
	0.54	1.45	9.56	McDonald's	MCD	267.57	1,021
	0.49	0.72	4.75	American Express	AXP	147.02	910
	-0.24	-0.84	-5.54	Goldman Sachs	GS	345.51	927
	-0.51	-1.06	-6.99	Visa	V	205.83	957
	-0.69	-0.33	-2.17	Cisco	CSCO	47.48	773
	-1.08	-0.42	-2.77	Walgreens	WBA	38.63	776
	-1.27	-1.55	-10.22	3M	MMM	120.14	705
	-1.31	-3.49	-23.00	Amgen	AMGN	263.92	1,210
ĺ	-1.43	-4.61	-30.38	Home Depot	HD	318.73	787
	-1.97	-2.65	-17.47	Apple	AAPL	131.86	747
	-2.30	-2.07	-13.64	Walt Disney	DIS	88.01	568
	-2.44	-5.96	-39.28	Microsoft	MSFT	238.73	717
	-3.08	-0.83	-5.47	Intel	INTC	26.09	527

# **Insider-Trading Spotlight**

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on December 23, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class CB: chairman CEO: chief executive officer CFO: chief financial officer CO: chief operating officer D: director DO: director and beneficial owner GC: general counsel H: officer, director and beneficial owner I: indirect transaction filed through a trust, insider spouse, minor child or other O: officer OD: officer and director P: president UT: unknown VP: vice president Excludes pure options transactions

# **Biggest weekly individual trades**

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range (\$) in transaction	\$ Value (000s)	Close (\$)	Ytd (%)
Buyers	3								
Dec. 20	Groupon	GRPN	J. Barta	DOI	6,717	7.28	48,900	7.27	-68.6
Dec. 16-20	Design Therapeutics	DSGN	S. George	DOI	900	8.14-8.63	7,574	9.53	-55.5
Dec. 16	B. Riley Financial	RILY	B. Riley	CEO	120	40.13	4,816	31.88	-64.1
Dec. 14	Global Indemnity Group	GBLI	G. Tolman	D	138*	24.17	3,339	23.61	-6.0
Dec. 15-16	SoFi Technologies	SOFI	A. Noto	CEO	525	4.59	2,411	4.61	-70.8
Dec. 15-16	Victory Capital Holdings	VCTR	D. Brown	CEO	60	26.90-27.01	1,618	27.20	-25.5
Dec. 16	National Storage Affiliates	NSA	A. Nordhagen	OD	34*	36.73-36.77	1,231	36.52	-47.2
Dec. 15	Overseas Shipholding Group	OSG	S. Norton	CEO	350	2.92	1,022	2.97	58.0
Dec. 15	Masimo	MASI	J. Kiani	CEOI	7 1	43.27-146.23	1,019	148.09	-49.4
Dec. 14	United Airlines Holdings	UAL	E. Shapiro	D	25	39.79	995	38.39	-12.3
Dec. 15-16	Grindr	GRND	G. Zage	DO	160	5.93-6.00	957	5.14	-49.3
Dec. 19	Empire Petroleum	EP	P. Mulacek	DO	95	9.95	942	12.14	0.6
Dec. 15	Energy Transfer	ET	R. Brannon	DI	80	11.50-11.55	924	11.96	45.3
Dec. 15	Alight	ALIT	R. Massey	D	100	8.14	814	8.21	-24.1
Dec. 21	Agree Realty	ADC	J. Rakolta	D	11	71.38	785	71.50	0.2
Dec. 14-15	Cronos Group	CRON	J. Adler	DI	204	2.81-2.83	575	2.54	-35.2
Dec. 20	Enterprise Products Partners	EPD	A. Teague	CEO	21	23.60	499	23.95	9.1
Nov. 28	Cosmos Health	COSM	G. Siokas	CEO	801	.62	498	6.40	-92.4

Dec. 14	HF Sinclair	DINO	C. Holding	BI	5,000	48.20	241,000	50.88	55.2
Dec. 14	RH	RH	G. Friedman	CEO	187	259.27-264.98	49,224	264.41	-50.7
Dec. 20	Groupon	GRPN	J. Barta	DO	6717*	7.28	48,900	7.27	-68.6
Dec. 14	Oracle	ORCL	J. Henley	ODI	400	81.25-82.68	32,800	80.85	-7.3
Dec. 19	ZoomInfo Technologies	ZI	H. Schuck	CEO	1042*	27.99-29.06	29,336	28.80	-55.1
Dec. 14-16	Veeva Systems	VEEV	P. Gassner	CEO	114	166.87-180.55	19,549	160.82	-37.1
Dec. 14-15	Moderna	MRNA	S. Bancel	CEO	90*	199.88-216.76	18,780	199.08	-21.6
Dec. 8-12	AutoNation	AN	E. Lampert	В	155	116.27-117.92	18,254	107.14	-8.3
Dec. 15	Workday	WDAY	D. Duffield	BI	103	174.80-177.63	17,973	164.64	-39.7
Dec. 15-16	Imago BioSciences	IMGO	H. Rienhoff	CEO	473	35.78-35.80	16,931	35.94	51.6
Dec. 16	Mastech Digital	МНН	S. Wadhwani	DO	991	13.95	13,824	12.41	-27.3
Dec. 14-15 Dec. 15	Toast	TOST	R. Bennett S. Fredette	DI P	697 405	19.08-19.81 18.82	13,713 7,617	17.62	-49.2
Dec. 15	CVS Health	cvs	T. Moriarty	GC	137	98.24-98.40	13,521	93.56	-9.30
Dec. 14	Enphase Energy	ENPH	B. Kothandaram	an <b>CEO</b>	36	325.61-329.33	11,902	293.95	60.7
Dec. 16	AECOM	ACM	T. Rudd	CEO	139	82.43-83.17	11,494	84.69	9.5
Dec. 15-16	Ventyx Biosciences	VTYX	S. Subramaniar	n <b>DOI</b>	300	32.94-33.61	9,985	31.49	58.6

M. Stevens

Dec. 21 NVIDIA \* Half the transactions were indirect \*\*Two day transaction

# Buying and selling by sector

**Sellers** 

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling	Sector
Basic Industries	956,581	2,414,038	Finance
Capital Goods	1,568,134	33,566,806	Health care
Consumer durables	410,037	5,034,771	<b>Public Utilities</b>
Consumer non-durables	1,538,409	15,751,985	Technology
Consumer services	2,607,630	150,210,733	Transportation
Energy	4.257.295	8,829,236	•

Sources: Refinitiv; Dow Jones Market Data

11,716,127

14,134,855

1,570,029

3,239,796

1,191,360

43,272,646

6,518,582

16,250

157,211,943

232,345,431

60 165.08-165.57 **9,905** 152.06 -48.3