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**WSJ.com** 

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**NASDAQ** 12153.41 ▼ 0.04%

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**10-YR. TREAS.** ▲ 5/32, yield 3.571%

**GOLD** \$2,007.40 ▲ \$13.20

**EURO** \$1.0975 **YEN** 134.12

# What's

### Business ヴ Finance

**\ox News parent** Fox Corp. agreed to pay \$787.5 million to settle its legal battle with Dominion just before the start of a trial on the voting-machine firm's allegations that it was defamed by network broadcasts after the 2020 presidential election. A1

- ◆ Goldman said it sold part of its portfolio of Marcus personal loans and put the rest up for sale, taking a revenue hit to do so. The company's quarterly profit fell 18%. A1
- ◆ Netflix said it would roll out new password-sharing limitations more broadly by the end of June and that it would soon wind down its DVD-by-mail business. A1
- ◆ Credit Suisse failed to fully investigate recent allegations that it supplied bank accounts to Nazi party members before and after World War II, according to a Senate committee probe. B1
- ♦ The S&P 500 eked out a slim 0.1% gain, while the Dow industrials and Nasdaq ended nearly flat. B13
- **♦** Chinese economic data show that consumer spending is playing a strongerthan-expected role in driving the nation's recovery. A8
- ◆ SEC chief Gensler defended the agency's crackdown on cryptocurrency markets in a hearing before a House committee. A4
- ◆ **Apple opened** a store in Mumbai, its first in India, and plans to open another in New Delhi on Thursday. B4
- ◆ **J&J raised** its full-year sales and earnings outlook after revenue rose 5.6% in the first quarter. **B4**

### World-Wide

**◆** A Moscow court upheld the detention of Wall Street Journal reporter Evan Gershkovich, who was arrested while on a reporting trip last month and held on an allegation of espionage that the Journal and the U.S. government have vehemently denied. A1

◆ Putin and Zelensky visited troops in Ukraine within a day of each other this week as the leaders try to shore up morale ahead of an expected offensive by Kyiv to wrest territory from Moscow's grip. A7

- ◆ McCarthy said that he was pushing to begin writing the text of legislation raising the debt ceiling, as Republicans said that they expected to see the bill soon and vote on it next week, before the start of a recess in May. A4
- **♦ Supreme Court justices** appeared to edge toward a compromise in a workplace religious-rights case, with Gorsuch and Kavanaugh suggesting that a 1977 precedent could be clarified but not overturned to balance the interests of employees and employers. A2
- Americans seeking messenger RNA vaccines for Covid-19 for the first time will get one updated shot targeting both the Omicron variant and the original strain of the virus under new moves rolled out by the FDA. A3
- ♦ The European Union's parliament approved legislation to tax imports based on the greenhouse gases emitted to make them, clearing the final hurdle before the plan becomes law. A8

Opinion..... A15-17 Personal Journal A11-12 CONTENTS Arts in Review . A13 Business News..... B3 Sports. Technology...... B4 U.S. News..... A2-4,6 Heard on Street. B14





Wall Street Journal reporter Evan Gershkovich stands in the dock in a Moscow court on Tuesday. To the journalist's left are his lawyers, Tatyana Nozhkina and Maria Korchagina, with U.S. Ambassador to Russia Lynne Tracy behind them.

# Russian Court Denies Bail For Detained WSJ Reporter

By Ann M. Simmons

A Moscow court on Tuesday upheld the detention of Wall Street Journal reporter Evan Gershkovich, who was arrested while on a reporting trip last month and held on an allegation of espionage that the Journal and the U.S. government have vehemently denied.

After a closed hearing, Mr. Gershkovich, a 31-year-old U.S. citizen, was denied bail and ordered held in the Russian capital's Lefortovo prison pending trial. Lefortovo has often been used to house

The hearing was held behind closed doors, as is typical for most hearings connected with espionage charges. It is also exceedingly rare for defendants to win appeals or be acquitted in such cases in Russia, where espionage laws are increasingly wielded for political purposes, according to Western officials, activists and Russian lawyers.

The U.S. government has designated Mr. Gershkovich as wrongfully detained and called for his immediate release. The U.S. ambassador to Russia, consular access to Mr. Gershkovich for the first time Monday, attended the hearing.

"The charges are baseless and we call on the Russian Federation to immediately release" Mr. Gershkovich, Ms. Tracy said on the courthouse steps after the hearing. She also called for the release of Paul Whelan, another U.S. citizen being held by Russia. The U.S. government has designated Mr. Whelan as wrongfully detained, too.

Reporters and crews were allowed to take

prominent political prisoners. Lynne Tracy, who was allowed pictures of Mr. Gershkovichclad in a blue plaid shirt and faded jeans—before the start of the proceedings, which were then closed to the press. It was the first time Mr. Gershkovich has been seen in public since March 30.

Ahead of the judge's ruling, Mr. Gershkovich was shown pacing inside the dock—a transparent box used to hold defendants in Russian courtsand conferring with his lawyers. Two Russian officers whose faces were covered stood near the box.

**Netflix to Broaden Limits** 

Please turn to page A7

### Fox to Pay \$787.5M To Settle Dominion Lawsuit

Voting-machine maker and cable network avoid high-profile trial over on-air falsehoods

WILMINGTON, Del.—Fox News parent Fox Corp. agreed to pay \$787.5 million to settle its legal battle with Dominion Voting Systems just before the start of a trial on the votingmachine company's allegations that it was defamed by network broadcasts after the 2020 presidential election.

> By Erin Mulvaney, Joe Flint and Isabella Simonetti

Dominion alleged that Fox hosts and guests amplified false claims that its voting technology helped rig the election for Joe Biden. The company sought \$1.6 billion in damages. Fox argued that it was covering newsworthy claims by associates of then-President Donald Trump and that its broadcasts should be protected by the Amendment.

Legal observers said the agreement was the largest known media defamation settlement ever in the U.S. It ends a two-year legal battle that has threatened Fox News and cast an unflattering spotlight on its inner workings, especially during the aftermath of the 2020 election. If it had gone to trial, the case was set to test the contours

Please turn to page A6

### Goldman Profit Falls 18% as Bank Shrinks **Main Street Lending**

By AnnaMaria Andriotis

Goldman Sachs Group Inc. is moving forward with its plans to pull away from Main Street

The bank said Tuesday that it had sold part of the portfolio of Marcus personal loans and put the rest up for sale, even though it had to take a revenue hit to do so. It also said it would start the process to explore the sale of Green-Sky, a specialty lender that it bought about a year ago.

"We're narrowing focus," Chief Executive David Solomon said on a call with analysts.

Goldman missed analysts' expectations for revenue in the first quarter, a reminder of the difficulties Mr. Solomon must untangle as Goldman refocuses on being a bank for Wall Street. Profit fell 18% from a

year ago.

The quarter was challenging for Goldman's typical powerhouses, investment banking and trading, where revenue was down at Goldman and most of the big banks.

Revenue was up, however, in Goldman's asset and wealthmanagement business. Mr. Solomon is trying to emphasize that unit as a way to clip steady fees to offset downturns in banking or trading. Goldman shares fell 1.7% on

The bank had previously

signaled that Tuesday's moves might be coming. Mr. Solomon said in February that Goldman Please turn to page A4

- ♦ Banks see unrealized losses on bonds fall.
- ◆ Heard on the Street: Goldman misses out on lending..

pace of growth than it was accustomed to before and during the pandemic. After losing subscribers for the first time in a decade a year ago, the company took a series of steps to expand its customer base, including launching an ad-supported tier of the service and starting to limit password sharing.

**INSIDE** 

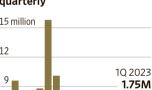
# On Sharing and Axes DVDs Net new Netflix subscribers,

By SARAH KROUSE

Netflix Inc. said it would roll out new password-sharing limitations more broadly—including in the U.S.—by the end of June, and said it would soon wind down the DVD-bymail business that the company was built upon.

Netflix added 1.75 million subscribers in the first quarter and ended the period with 232.5 million customers, a far slower

The strategic changes highlight the streamer's continuing transition from an upstart that shipped discs in red envelopes



2019 ′20 Source: the company

to a global entertainment giant focused on increasing its profitability.

The quarter was the first under new co-CEOs Greg Peters and Ted Sarandos, after co-founder and former co-CEO

Reed Hastings stepped down in January to become executive chairman.

Net profit fell 18% to \$1.31 billion in the quarter, while revenue rose 3.7% to \$8.16 billion, shy of Netflix's 4% projection. Its shares were roughly flat in after-hours trading.

The company has said that getting every Netflix user to pay—either by forcing people who use other people's accounts to sign up for their own or having account owners pay extra to share it with people outside their household could generate an important source of new revenue. More than 100 million people watch Netflix using borrowed accounts, the company said.

"This is an important transition for us," Mr. Peters said of the effort on a call for shareholders.

He said he expected heavy

Please turn to page A6

### 'I Hate You, Kathie Lee Gifford!' Ozempic Sparks Bizarre Dreams

Side effects of weight-loss drug include vivid, celebrity-filled night visions

By Peter Loftus

Chery McLemore was recently enjoying watching a parade of cows and bulls at a cattle auction with actor Matthew McConaughey. Then he started than helping people tighten climbing atop the small pet llama she had brought, and she

to tell him to stop. "Fine, you can stay with your llama, I'm leaving!" Mr. McConaughey screamed before storm-

had to raise her voice

ing off. Then Ms. McLemore woke

Her trip to a cattle auction with one of Hollywood's leading men was one of the dreams Ms. McLemore has had since February, when she began taking one of the powerful, new weight-loss drugs that have become viral sensations in recent Ozempic and other similar

belts and fit into old outfits. Many users are reporting bizarre, vivid and eerily realistic night

medications are doing more

Dream world

visions that bear no resemblance to their past dreams.

The Ozempic dreams they have been reporting are downright wacky. Among the plots people have posted on socialmedia groups: joining the cast of "The Golden Girls" and preparing to rob a museum with Jennifer Lopez and Ben Af-Please turn to page A2



### **U.S. NEWS**

Bills' Damar Hamlin is cleared to resume full football activities after cardiac incident. A3

### **PERSONAL JOURNAL**

Airline passengers are likely to face more turbulence on flights, meteorologists say. A12

# Negligence Added to Quake Toll in Turkey

Critical response sites failed amid problems in the construction boom under Erdogan

ANTAKYA, Turkey-The Hatay international airport was meant to be a gleaming model for what the government called "the New Tur-

> By Stephen Kalin, Joe Parkinson, Drew Hinshaw and Jared Malsin

key," kicking off one of the biggest building booms of the 21st century.

Danger signs were flashing from the start. The airport was con-

structed on top of both a major fault line and a drained lake. Inspectors who had approved the location, near the country's border

with Syria, were unqualified, a southern Turkish court ruled in 2003, just four years after a quake near Istanbul had killed 17,000 people.

A more alarming find was buried in that ruling: Nobody had assessed how the new airport would fare in an earthquake.

Turkey's leader Recep Tayyip Erdogan charged ahead, telling cheering residents at the 2007 ribboncutting that they "deserve the best." Warnings from seismologists, soil experts and engineers piled up over the years, yet his government approved a new glass-

paneled terminal on the Please turn to page A10

# U.S. NEWS

# Justices Weigh Workplace Religious Rights

By Jess Bravin

WASHINGTON—Supreme Court justices appeared to edge toward a compromise in a workplace religious-rights case Tuesday, with conservatives Neil Gorsuch and Brett Kavanaugh suggesting that a 1977 precedent could be clarified but not overturned to balance the interests of employees and employers.

A group of conservative advocacy groups filed the case on behalf of a part-time mail carrier who said his evangelical Christian faith prevented him from working on Sundays. The group aims to overturn the current application of federal law requiring employers to make reasonable accommodations for employees' religious exercise, so long as undue hardship wasn't imposed on the business. Over the past decade, the

Supreme Court has been redrawing the line between church and state, finding that secular interests often must yield when religious rights are asserted. Although Tuesday's case involves a government agency, the U.S. Postal Service, the outcome, expected by July, likely will affect private employers that also are covered by provisions of the 1964 Civil Rights Act requiring them to "reasonably accommodate" a worker's "religious observance or practice without undue hardship on the conduct of the employer's business.



Gerald Groff sued the U.S. Postal Service, alleging religious discrimination.

Gerald Groff joined the Postal Service in 2012 as a noncareer "rural carrier associate" whose job involved filling in when full-time staff weren't available. Initially there was no conflict between Mr. Groff's job and his sabbath observance, since mail was delivered only Monday through Saturday.

Beginning in 2013, however, the Postal Service began contracting with Amazon.com Inc. to deliver packages on Sunday, an arrangement that by 2016 rolled out to the Lancaster, Pa., service hub where Mr. Groff worked.

That year, the Postal Ser-

vice and the union representing postal workers reached an agreement on staffing Sunday deliveries. Managers had to seek volunteers from various job classifications to work Sunday shifts, and if enough weren't available would assign part-time carriers on a rotating basis.

The parties dispute how accommodating the Postal Service was when Mr. Groff refused to work Sundays. But the bottom line was that there weren't enough volunteers willing to work Sundays, and managers therefore put Mr. Groff into the rotation. Rather than face dismissal, Mr. Groff

resigned from his job in 2019 and later sued the Postal Service, alleging religious discrimination.

The 1977 precedent, Trans World Airlines v. Hardison, said an employer need not take steps that exact more than a "de minimis cost."

Attorneys for both sides in the case said that language was inconsistent with civilrights law, although they disputed the real-world impact.

Aaron Streett, representing Mr. Groff, said lower courts often fail to protect religious liberty "because they're taking the de minimis test by its

#### **New Jersey Can Quit Seaport Commission**

The Supreme Court said Tuesday that New Jersey could unilaterally withdraw from its 70-year-old compact with New York creating a special agency to police racketeering at the busiest seaport on the East Coast.

The decision augurs the end of the Waterfront Commission of New York Harbor, born in the early 1950s after a newspaper expose of union corruption spurred investigative hearings.

New Jersey contended the commission had outlived its usefulness and, through regulations and fees, become a drag on

commerce at the port, whose operations largely have shifted to facilities located in New Jersey in recent decades. New York, along with officials of several federal law-enforcement agencies, said the commission's specialized investigations remained integral to policing the port.

Those issues didn't enter into the Supreme Court's unanimous decision, which focused solely on principles of contract and compact law.

'The question presented is straightforward: Does the Waterfront Commission Compact allow New Jersey to unilaterally withdraw from the Compact notwithstanding New York's opposition? The answer is yes," Justice Brett Kavanaugh wrote for the court.

Solicitor General Elizabeth Prelogar, representing the U.S. Postal Service, said in practice, stronger language elsewhere in the Hardison case had guided both lower courts and the U.S. Equal Employment Opportunity Commission, including a footnote saying that the employer couldn't be required to incur "substantial costs and substantial expenditures" to accommodate

an employee's religion. "I think there's common ground," Justice Gorsuch said, that de minimis can't be the test." Instead, he said, "substantial costs" at least "in some abstract level is common ground."

Liberal justices, who feared the prospect that another precedent might be removed from the legal foundation, appeared satisfied with an opinion along those lines.

"I'm happy that we are all kumbaya-ing together," said Justice Elena Kagan.

Still, the justices didn't appear fully in line on the ultimate result. Justice Amy Cosuggested Barrett returning the case to the lower courts for consideration under the clearer standard, something Justice Sonia Sotomayor said was probably not necessary.

### U.S. WATCH tional series of winter storms.

WASHINGTON, D.C.

### **Bidens' Tax Returns** For 2022 Released

President Biden and first lady Jill Biden had \$579,514 in adjusted gross income in 2022 during his second year as president, according to their tax returns released by the White House Tuesday.

The Bidens filed their tax return jointly and paid \$137,658 in federal income tax, with an effective federal income-tax rate of 23.8%. They also paid \$29,023 in Delaware income tax, and Dr. Biden paid \$3,139 in Virginia income tax.

The Bidens' 2022 income was slightly less than their 2021 income of \$610,702, and most of it came from their salaries. Mr. Biden earned \$400,000 as president and Dr. Biden earned \$82,335 from Northern Virginia Community College, where she teaches. Most of the rest of their income was from pensions and Social Security payments.

The couple released their annual tax returns on the April 18 deadline for most Americans and the White House said the president has now released 25 years of tax returns. The Bidens have resumed the presidential tradition of voluntarily releasing their tax returns after former President Donald Trump had declined to do so.

–Ken Thomas

### More Snow Falls on Sierra Nevada Region

CALIFORNIA, NEVADA

The winter that wouldn't quit showed up again in the Sierra Nevada region of California and Nevada on Tuesday.

The fast-moving storm wasn't expected to last long, but it was enough to require chain controls on some trans-Sierra highways and add to staggering snowfall totals left by an excep-

"A blast back to some wintry weather today with wind and snowfall," the Mammoth Mountain ski resort wrote on its webpage. Like most Sierra resorts, Mammoth doesn't need any-

more snow after recording 705

inches at its summit.

inches at its main lodge and 885

Spring conditions were expected to return later in the week, the National Weather Service said.

-Associated Press

**OBITUARY** 

### Pastor Had Broadcast **That Reaches Millions**

Charles Stanley, an Atlantabased pastor whose evangelical broadcasts reached audiences around the world, died Tuesday, He was 90 years old.

Dr. Stanley served as a pastor at Baptist churches in North Carolina, Ohio and Florida before he joined the First Baptist Church in Atlanta in 1969. There, he served as senior pastor for around 50 years.

His show "The Chapel Hour" launched on Atlanta stations in 1972. The Christian Broadcasting Network reached out to Dr. Stanley to expand the program to national audiences a few years later, renaming it "In Touch with Dr. Charles Stanley.

In 1982, he incorporated In Touch Ministries. The program today broadcasts to more than 115 million homes in the U.S., according to In Touch Ministries, and on thousands of television, radio and satellite stations around the world.

—Jennifer Calfas

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Among the Ozempic dreams that users have described in social-media groups: joining the cast of 'The Golden Girls.'

### Ozempic Sparks Odd Dreams

Continued from Page One

"I am carrying your baby." one dreamer recalled telling Dwayne "The Rock" Johnson, who she thought, judging by his reaction, was open to blending their families.

The overnight spectacles are a side effect of drugs such as Ozempic and Wegovy from Novo Nordisk A/S and Mounjaro from Eli Lilly & Co. The companies originally

developed the drugs, which require weekly injections, to treat diabetes, only to discover they were much better than older diet drugs at helping people lose weight, with manageable risks. The Food and Drug Adminis-

tration has approved Wegovy for losing weight, while diabetes treatment Mounjaro is under review for that use. Ozempic, which has the same main ingredient as Wegovy, is approved to treat diabetes but is widely used for weight loss.

Fueled by celebrity endorsements, use has taken off. On Facebook and other social-media platforms, thousands have traded tips about where to find scarce supplies and how to manage side effects, including sulfur-tasting burps. They also have celebrated "non-scale victories" such as buckling a seat belt more easily.

Strange dreams are another hot topic, prompting some usto start social-media groups dedicated to recalling the strange, colorful details.

The TikTok account "ozem-

picdreams" posts brief videos of text describing dreams submitted by followers, setting them to music to match the mood. "Spent the night at Home Depot ordering new cabinets and appliances for my kitchen. My salesman, Clint Eastwood, helped me pick out everything I would need," read one, accompanied by a sped-up version of the song "Escapism," by the singers Raye and 070 Shake.

Ms. McLemore's Facebook post about her cattle-auction dream drew more than 160 comments, including several admonishing her dream self for not letting the imaginary Mr. McConaughey sit on the little llama in the first place.

### Stars of reported dreams include **Oprah Winfrey and** Clint Eastwood.

Celebrities star in many of the reported dreams. In one woman's, according to a Facebook post, actor Jonah Hill waited tables on a cruise, divulged to the diners that he had changed his name to "Sundaze" and planned to quit film acting for a cabaret career.

Oprah Winfrey rode in a gokart to rescue an Ozempic user who was playing in a baseball game before a hostile crowd, according to a Facebook post. Another Ozempic dreamer was about to give birth in a bar and wanted actor Will Ferrell, stand-

ing nearby, to deliver the baby. A Novo Nordisk spokeswoman said the company has received reports of abnormal dreams among users of Ozempic and Wegovy, but it doesn't have enough information to establish whether the drugs are causing the dreams.

An Eli Lilly spokeswoman declined to comment on the reports of strange dreams among Mounjaro users.

Dr. Caroline Apovian, a professor of medicine at Harvard Medical School and co-director of a weight-loss center at Brigham & Women's Hospital in Boston, suspects the dreams are related to how the drugs work promoting production of a gut hormone that has receptors in the brain. The drugs might also increase a user's energy expenditure during sleep, which could contribute to vivid dreams, she said.

It also is possible the drugs are helping users' recall dreams they would have had normally but used to forget, said Deirdre Leigh Barrett, a dream researcher at Harvard Medical School and author of "Pandemic Dreams."

As for those celebrity guest appearances, Dr. Barrett said, those are unlikely to be specific to the drugs. She said posts on social media about celebrities in strange dreams might be prompting others to respond with similar recollections.

Arnetrice Knight, a beauty consultant from Oxon Hill, Md., who has been taking Ozempic for diabetes since January, said she told her doctor about her recent dreams, but the doctor told her it wasn't a problem unless she starts sleepwalking.

Often her dreams involve taking a peaceful drive on a sunny day and having a conversation with her passenger. "None of it made sense, but it was OK because we were driving and it was nice outside,"

One night, however, she dreamed she was sitting in a dark house watching TV when the doors disappeared. A creepy figure lurked in the shadows, and she tried to escape. "It was Stephen King scary." Ms. Knight said.

Ms. McLemore, a mother of two from Amarillo, Texas, who takes Wegovy, said she typically used to dream about her family, but since taking Wegovy has had slumber meetups with celebrities.

In addition to attending the cattle auction with Mr. McConaughev, she has shopped for shoes with "Jurassic Park" actor Jeff Goldblum, seen an eye doctor with the "Pirates of the Caribbean" star Johnny Depp and toured North Korea with Minnie Pearl of "Hee Haw"

On a camping trip in Yellowstone National Park, Ms. Mc-Lemore couldn't agree with her celebrity dream partner on how to set up the tent. "I hate you, Kathie Lee Gifford!" she recalled screaming.

### CORRECTIONS ゼ AMPLIFICATIONS

Missouri homeowner Andrew Lester is 84 vears old. A U.S. Watch article on Tuesday about charges against Mr. Lester in the shooting of a 16year-old boy incorrectly said he is 85 years old, based on initial information from the Clay County prosecutor.

The name of the International Monetary Fund was given incorrectly as the International Monetary Policy in a World Watch article on Friday about Bank of Canada Gov. Tiff Macklem's remarks at the IMF's spring meeting in Washington.

Juan Soto, a San Diego Padres outfielder, is eligible to become a free agent after the

Sports article on Friday about the team incorrectly said he would become a free agent after this season. Alexei Navalny was ar-

rested after returning to Rus-

sia in January 2021. A Review

article on Saturday incorrectly

said that he returned in Janu-

ary 2022.

2024 baseball season. A

An Off Duty photo collage on Saturday with an article about cameras and smartphones incorrectly labeled the Samsung Galaxy S23 Ultra as the Google Pixel 7 Pro. It also incorrectly labeled the Google Pixel 7 Pro as Samsung Galaxy

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

FDA also authorizes second booster for people over age 65 or immunocompromised

By Liz Essley Whyte And Stephanie Armour

Americans seeking messenger RNA vaccines for Covid-19 for the first time will get one updated shot targeting both the Omicron variant and the original strain of the virus under new moves rolled out Tuesday by federal health officials.

The Food and Drug Administration also authorized a second booster of the updated shots for people at high risk of Covid-19, specifically people 65 years and older or people who have weak immune systems.

The agency's actions mark the latest tweaks to Covid-19 vaccines, and could be followed up by further efforts to simplify the complicated vaccination regimen, perhaps by enshrining plans for a once-ayear shot for most people.

"The agency believes that this approach will help encourage future vaccination," said Dr. Peter Marks, head of the FDA's division that oversees vaccines. "Covid-19 continues to be a very real risk for many people, and we encourage individuals to consider staying current with vaccination."

The agency said a second booster is authorized for people 65 and older whose last booster was more than four months prior, and for immunocompromised people whose

The FDA encourages individuals to stay current with their vaccination.

last shot was more than two months prior, with additional doses as recommended by their doctors.

The moves will have little practical impact for most people in the U.S. Relatively few people are getting vaccinated against Covid-19 for the first time, while some of those at high risk have been getting a second updated booster even though it hasn't been cleared for such use.

The changes will make a difference, however, for people seeking their first Covid-19 vaccination going forward. They will need to get only a single dose, instead of the two doses that had been recommended.

The moves may also result in more high-risk people, who have been waiting for an official signoff on a second shot, getting boosters.

The Centers for Disease Control and Prevention will need to recommend the new vaccination regimen and second booster before they become widely available.

The mRNA-based Covid-19 vaccines from Pfizer Inc. and its partner BioNTech SE and from Moderna Inc. have been around since December 2020. To date, people in the U.S. seeking their first Covid-19 vaccinations have gotten two

doses of the original vaccines. Reformulated versions targeting the Omicron strain and the original strain were first released last September but

only as boosters.

Some 17% of the U.S. population received a dual-targeted or bivalent booster, compared with 70% who got the full series of initial shots, according to the CDC. Some regions have lower vaccination rates. Just over half of people in Alabama, Mississippi and Wyoming were fully vaccinated with the initial series of shots, data from USAFacts and the CDC show.

About 9,000 people a day are getting their first Covid-19 vaccine doses this month, according to the CDC, down from more than a million at this time two years ago.

Children under age 5 who get the Pfizer-BioNTech vaccine and children under age 6 who receive Moderna's will still need multiple doses of the vaccines to be considered fully vaccinated, agency officials said.

### One Person Killed in Partial Collapse of Parking Garage in Lower Manhattan



CRUMPLED: A three-story building went down Tuesday a few blocks from New York City Hall and the Brooklyn Bridge. In addition to the fatality, at least five people were injured, said John Esposito, chief of operations at the New York City Fire Department. Four were hospitalized in stable condition and one refused medical treatment, he said.

# Gig Work Helps Hospitals Fill Nursing Shifts

By Melanie Evans

Hospitals are joining the gig economy.

Some of the nation's largest hospital systems including Providence and Advocate Health are using apps similar to ride-hailing technology to attract scarce nurses. An app from ShiftKey lets workers bid for shifts. Another, CareRev, helps hospitals adjust pay to match supply, lowering rates for popular shifts and raising them to entice nurses to work overnight or holidays.

The embrace of gig work puts hospitals in more direct competition with the temporary-staffing agencies that siphoned away nurses during the pandemic. The apps help extend hospitals' labor pool beyond their employees to other local nurses who value the highly flexible schedules of gig work.

The shift is among many ways hospitals are revamping hiring, schedules and pay to give nurses more control and to fill staffing gaps created by persistent labor shortages. Vacancies are straining many hospitals' operations despite recent hiring gains at hospitals and reports of softer demand from some temporary-staffing

companies.
"We're still short," said
Elaine Zemel, business analyst
for nursing administration at
Henry Mayo Newhall Hospital,
a Los Angeles-area hospital



Nurse employment fell by more than 100,000 workers between 2020 and 2021.

that offered gig workers at one point \$106 an hour for a 12hour intensive-care shift on Easter Sunday. "Nurses know that the ball is in their court."

Many nurses retired or left the field after the pandemic made their jobs far harder. Others switched hospitals for jobs with higher pay or more flexible schedules. Nurse employment dropped by more than 100,000 workers between 2020 and 2021, the largest decline in four decades of available data, a study in the journal Health Affairs showed.

Gig apps give nurses even more control than other common temporary-employment options that lock in workers for multiweek contracts, at least. It opens shifts to a broader labor pool, too, but also a more fluid one, hospital executives said.

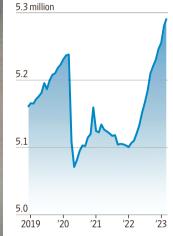
That means less certainty for employers.

"There's no guarantee that shift is going to be filled," said Jane Dus, Midwest chief nursing officer for Advocate Health hospitals in Wisconsin and Illinois, which has used gig workers since August 2022. Advocate has filled 5,000 hospital shifts in Wisconsin using gig nurses and nurses' aides and is exploring plans to expand the model to its Illinois hospitals, Ms. Dus said.

SSM Health, based in St. Louis, uses two apps to offer premium pay and shifts as short as four hours. Its contracts prohibit staff from picking up gig jobs for 12 to 18 months to avoid competing for its own employees, said Seth Lovell, SSM Health's vice president of nursing.

Providence, based in Renton, Wash., added gig nurses a year ago and has filled 13,000 shifts for nurses and other medical jobs, said Mark Smith, who oversees workforce analysis, staffing and optimization for the system. Providence plans to expand gig work to 19 hospitals and nursing homes from 12. To attract more workers, Providence wants to break a typical 12-hour shift into six-hour gig

Total payrolls for U.S. hospitals



Note: Seasonally adjusted Source: Labor Department

jobs, Mr. Smith said. He tracks pay at other hospitals and adjusts the gig rate every two weeks, if needed, he said.

Henry Mayo in the Los Angeles area is using a CareRev algorithm to nudge pay for gig workers lower or higher by 5% based on the likelihood the shift will attract workers. "It's so much easier to find a nurse on a Wednesday than it is a Saturday night," Ms. Zemel said.

Jecoliah Jackson has signed up for two apps that match her with open nursing shifts in the Los Angeles area. She said she earned \$108 an hour during a recent shift. "It's the market," she said. "We all take advantage of it."

# Hamlin, Cleared by Doctors, Plans an NFL Comeback

By Andrew Beaton

Buffalo Bills safety Damar Hamlin has been cleared to resume full football activities, general manager Brandon Beane said, marking the final stage of a remarkable recovery after a life-threatening cardiac incident on the field during an RFL game in January.

Mr. Beane said Mr. Hamlin is "just like anyone else who's coming back from an injury." Mr. Beane added: "He's in a great headspace to come back and make his return."

Mr. Hamlin said he plans to make a comeback and also confirmed that the cause of his collapse was commotio cordis, a phenomenon in which a blow to the chest can trigger a heart arrhythmia and cardiac arrest. The condition is quite rare, especially in football, though sports fields are a relatively common place for it to happen.

"This event was life changing, but it's not the end of my story," Mr. Hamlin said. "I plan on making a comeback to the NFL."

Mr. Hamlin, 25 years old, collapsed and went into cardiac arrest on the field during a game against the Cincinnati Bengals after he appeared to take a blow to the chest while making a tackle. He received



Damar Hamlin confirmed his collapse was due to commotio cordis.

CPR, had his heartbeat restored and was intubated before leaving in an ambulance that took him to the hospital.

He was sedated for two days. After waking up, he appeared neurologically intact and not long after, was able to breathe on his own. A week after the collapse, his physicians determined he could safely fly to Buffalo, where he was discharged from a hospital a couple of days later.

While signs continued to point in the right direction, there wasn't a definitive answer on whether Mr. Hamlin would be cleared to play again.

"I would love to give the

storybook ending that he's

just don't know that yet," Mr. Beane said in February.
On Tuesday, Mr. Beane said

On Tuesday, Mr. Beane said Mr. Hamlin's clearance came after consulting with additional physicians, who all agreed he was ready to come back.

definitely going to play but we

His continuing recovery has been widely celebrated, including a recent tour through Washington promoting legislation to increase the availability of defibrillators. That included a stop at the White House to meet with President Biden, where the president asked him if he would be able to play—and Mr. Hamlin hinted at this latest development.

"Yeah, I think so," he said.



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**A4** | Wednesday, April 19, 2023

# SEC's Gensler Defends Crypto Regulation

House Republicans, industry groups say agenda is confusing and is an overreach

By Paul Kiernan

WASHINGTON—Securities and Exchange Commission Chair Gary Gensler defended his agency's crackdown on cryptocurrency markets, saying that he had never seen an industry so routinely break securities laws.

"I've been around finance for 40 years, in one way or the other," Mr. Gensler said in a registered securities. five-hour hearing Tuesday before the House Financial Services Committee. "I've never seen a field that is so noncompliant with laws written by Congress and confirmed over and over again by the courts."

Since taking the SEC's helm in 2021, Mr. Gensler has focused the SEC's enforcement efforts on trading platforms where most investors buy and sell crypto. Last month the SEC notified the largest U.S. crypto platform, Coinbase Global Inc., that it was preparing to sue the company for allowing investors to trade un-

isn't clear how those laws apply to them and that they don't know which cryptocurrencies the SEC considers securities, the category of assets that includes stocks and bonds. They have lobbied the agency and Congress to write new regulations exempting crypto from the SEC's rules.

Kristin Smith, CEO of the Blockchain Association, which represents the crypto industry, said in a statement that Mr. Gensler's comments would discourage crypto firms from working with the SEC.

"Chair Gensler's testimony Crypto firms say that it perfectly reflects the SEC's approach to the crypto economy: confusing, unclear, opaque, and ultimately blind to the harm its regulation by enforcement strategy is doing to lawful companies in this country," she said.

Rep. Patrick McHenry (R., N.C.), chairman of the House financial-services panel, called Mr. Gensler's approach to crypto "nonsensical."

"You're punishing digitalasset firms for allegedly not adhering to the law when they don't know it will apply to them," Mr. McHenry said.

Mr. Gensler said he believes the law is clear, adding that the SEC has begun explaining in rule proposals how its regulations would apply to crypto. The problem, he said, is that firms don't want to comply.

"It's not a matter of lack of clarity," he said. "We have a whole field in crypto that understands the law and that they are providing exchange services, broker-dealer services, clearing services of crypto security tokens."

Another top Republican, House Majority Whip Tom Emmer (R., Minn.), called Mr. Gensler an "incompetent cop

on the beat" for failing to spot problems at collapsed trading platform FTX and said the SEC chair was trying to drive the

crypto industry overseas. You say the crypto industry is rife with noncompliance. yet existing SEC rules make no sense for blockchain-based

companies," Mr. Emmer said. Several Democrats in the hearing praised Mr. Gensler's efforts to step up enforcement against crypto firms.

"There is a fair amount of guidance out there and clarity; it's just not the clarity that the crypto industry wants," said Rep. Stephen Lynch (D., Mass.).

### **Child in Good Hands After Slipping Past Fence Onto White House Lawn**



NAB TIME: A Secret Service officer held an unexpected young visitor on grounds of the White House on Tuesday after the toddler squeezed between posts to enter the grounds. The boy was quickly reunited with his parents on Pennsylvania Avenue.

### Georgia DA Seeks to Limit Lawyer in Probe

By Jan Wolfe AND CAMERON MCWHIRTER

The Atlanta prosecutor investigating former President Donald Trump and his allies said that self-identified "alternate electors" have turned on one another and shouldn't be represented by the same lawyer, providing new details on the criminal probe.

In a motion filed Tuesday, Fulton County District Attorney Fani Willis said investigators in her office recently interviewed some of the 16 Republican Party activists who signed an unofficial electoral certificate for Georgia in 2020.

During those interviews, some of the individuals stated that a person involved in the elector plot "committed acts that are in violation of Georgia law and that they weren't parties to these additional acts," according to the District Attorney's Office. The filing didn't name the person.

Ms. Willis, a Democrat, has investigating Trump's efforts to overturn his election defeat in Georgia. Mr. Trump has asked a court to scrap the probe.

As part of her probe, she has investigated the group of activists, who met after the election in the Georgia capitol and voted to certify Mr. Trump as the winner in the state, despite the vote count.

Participants in the elector strategy have said it was a lawful move. Critics say it was a scheme to subvert a legiti-

mate election. Tuesday's motion seeks to disqualify a defense lawyer. Kimberly Bourroughs Debrow. from simultaneously representing 10 of the people involved in the elector strategy.

"Multiple of Ms. Debrow's clients have made adverse claims against another of Ms. Debrow's clients in the same proceeding," the motion stated. "It is unfathomable how Ms. Debrow can offer competent and adequate counsel to her client who has been accused of further crimes."

"The DA's Motion is base ' less, false, and offensive," Ms. Debrow said in a statement. "None of my clients have committed any crimes, and they necessarily have not implicated themselves or each other in any crimes."

# Debt Vote Coming Soon, GOP Says

By Siobhan Hughes AND ERIC BAZAIL-EIMIL

WASHINGTON-House Speaker Kevin McCarthy (R., Calif.) said that he was pushing to begin writing the text of legislation raising the debt ceiling, as Republicans said that they expected to see the bill soon and vote on it next week, before the start of a recess in May.

"You will see the text very shortly," Mr. McCarthy told reporters, without giving a specific timeline.

House Majority Leader Steve Scalise (R., La.) said that "the final details are still being worked out." After that, House Republican leaders would "then start working through text."

The murky forecasts followed a day of closed-door meetings with the House Republican conference and smaller groups as leaders started looking for the 218 GOP votes they would need to pass a plan.

Republicans earlier left a morning meeting saying that important details of the plan, which Mr. McCarthy sketched out Monday, were still unclear. Among their questions: whether the plan would increase the debt limit by a specific amount or suspend it until a particular date; which policy components would hitch a ride on the plan; and whether it would move through legislative committees or be devised by Republican leadership and brought directly to the House floor.

'We've seen some basic components, but we've got to see all of it, and that was the reason we're having a discussion," said Rep. Scott Perry (R., Pa.), the chairman of the House Freedom Caucus, a conservative bloc of roughly three



House Speaker Kevin McCarthy said bill will be written shortly.

dozen members that is known for using hardball tactics to achieve spending cuts.

In the morning meeting, Mr. McCarthy showed slides that described scenarios for how much the debt ceiling would have to increase to stave off a default over various timelines, according to lawmakers exiting the meeting. The numbers were provided by the nonpartisan Congressional Budget Office, which scores the costs of legislation.

In the midafternoon, Mr. McCarthy met in his offices with conservative bloc members, who pressed him to wrap into a debt bill a repeal of President Biden's 2022 Inflation Reduction Act, which spends hundreds of billions of dollars on climate and healthcare programs while raising taxes on large, profitable companies.

Mr. Biden and Democratic leaders have called on Republicans to pass a clean debt-ceiling bill without conditions, and are pushing their colleagues to hold the line.

The Treasury Department started relying on special accounting measures earlier this year to keep paying the government's bills after running up against the roughly \$31.4 trillion borrowing limit.

# Goldman**Shrinks** Lending

Continued from Page One was considering strategic alternatives for the unit that includes GreenSkv.

The bank is also ending personal-loan originations. It said in February that it was working on selling part of that

Dominick Tavella, president and chief investment officer of Lebenthal Global Advisors, an investment advisory firm whose clients are Goldman shareholders, said Goldman had to pull back on its consumer ambitions.

"It's not their strength," Mr. Tavella said. "This is maybe their acknowledgment that they need to get back to their core."

All told. Goldman's first-

quarter profit was \$3.23 billion. On a per-share basis, that still beat the expectations of

analysts polled by FactSet. JPMorgan Chase & Co. Wells Fargo & Co. and Bank of America Corp., which all have significant consumer arms, reported higher profits, including a 52% increase in firstquarter profit and record revenue at JPMorgan.

Those banks were all able to charge higher rates on loans without increasing the rates they paid to depositors by as

synchrony

much. They also benefited from worried customers who pulled their money from small and midsize banks and moved it to big banks with familiar

names. At Goldman, revenue was \$12.22 billion, down 5% from a year ago. That missed the roughly \$12.76 billion expected by analysts. The other big banks reported higher revenue.

Deal making plummeted last year across big banks after a blockbuster 2021, brought down by the uncertainty caused by Russia's war in Ukraine, straggling markets and the Federal Reserve's aggressive rate increases.

Investment bankers at Goldman and elsewhere were hoping for a rebound this year, but the latest banking crisis, continued rising interest rates and uncertainty in the economy have threatened to prolong the slowdown.

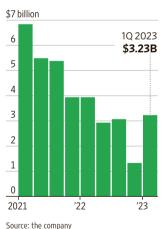
At Goldman, investment bankers took in \$1.58 billion in fees in the first quarter, 26% lower than a year ago. The bank said the drop partly reflected a significant decline industrywide in completed M&A transactions.

Investment-banking fees were down by 19% or more at JPMorgan, Citigroup Inc. and Bank of America.

Trading revenue at Goldman fell 13% from a year ago, a sharper drop than the declines at JPMorgan and Citigroup. Bank of America bucked the trend, reporting a 9% increase in adjusted trading revenue.

Goldman cut about 3,000 iobs earlier this vear, after pausing wide-scale layoffs during the pandemic. Total head count was 45,400 at the end of

#### Goldman Sachs' quarterly net profit



the end of December.

Goldman was a key player during Silicon Valley Bank's final days last month. The California bank hired Goldman to help it raise capital around early March. But the stock tanked after the capital raise was announced, and the planned stock sale never happened.

SVB also sold a \$21 billion debt portfolio to Goldman at a loss during SVB's final days, The Wall Street Journal previously reported. Regulators closed SVB on March 10.

Mike Mayo, a Wells Fargo analyst who covers Goldman. said the bank's last two quarters have been noisier than average. "I think it's indicative of a company that's transitioning to additional growth areas while pivoting away from their prior consumer expansion," he said. "From day one, I didn't get why Goldman Sachs was trying to serve the person on the street.

Consumer-loan losses are expected to gradually worsen March, down from 48,500 at across the industry, and per-

sonal loans are among the riskiest consumer loans because they are often unsecured. Customers also tend to deprioritize paving them compared with other loans when their finances take a hit.

Goldman said it sold about \$1 billion of the Marcus personal loans, or about a quarter of its overall personal loan balances. The bank moved the remaining balances to available for sale.

Goldman said it took a roughly \$470 million hit to revenue as a result, though it said the revenue reduction was largely offset by its release of \$440 million that it had set aside for potential losses on the Marcus loans.

Mr. Solomon praised Green-Sky, noting that core loans were up in the first quarter and that customers had good credit scores.

"We believe GreenSky is a good business," Mr. Solomon said, though he added that Goldman might not be the best long-term holder of GreenSky, "given our current strategic priorities.'

Platform Solutions, which includes GreenSky, Goldman's credit-card partnerships and transaction banking, lost money again in the latest quarter.

However, revenue in the relatively small unit more than doubled from a year ago, partly reflecting higher average credit-card balances.

Revenue in asset and wealth management was up 24% from a year ago.

Goldman's work in this division includes finding private investments, at times in farflung markets, that can deliver a steady stream of management fees and profits.

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U.S. NEWS

### Fox Settles **Dominion** Lawsuit

Continued from Page One of modern media law.

Superior Court Judge Eric Davis had already concluded that Fox News and Fox Business did in fact broadcast false claims about Dominion, voiced by both network hosts and Trump associates. Fox in a statement acknowledged the judge's findings.

Fox said the settlement reflected its "continued commitment to the highest journalistic standards. We are hopeful that our decision to resolve this dispute with Dominion amicably, instead of the acrimony of a divisive trial, allows the country to move forward from these is-

Fox News doesn't have to make an on-air apology as part of the agreement, people familiar with the matter said.

Dominion lawyers provided the settlement amount to reporters outside a Delaware courthouse.

Fox declined to comment on the specific dollar figure.

Dominion's chief executive, John Poulos, said in a statement, "Throughout this process, we have sought accountability and believe the evidence brought to light through this case underscores the consequences of spreading and endorsing lies."

The Wall Street Journal reported Sunday that Fox was making a push to settle the case. Judge Davis had delayed the start of the trial by a day this week, without providing details, and opening statements scheduled for Tuesday afternoon were delayed while the parties worked toward a deal.

Doug Arthur, an analyst at Huber Research, said the settlement total was higher than close observers of the case expected. "This is a shocking number given the size of Dominion," Mr. Arthur said. Though Fox has the cash on hand to pay it, "nobody can



Dominion CEO John Poulos and lawyers addressed the media on Tuesday in Wilmington, Del., after Fox agreed to pay \$787.5 million to settle a defamation suit.

make light of an \$800 million payout," he said.

Defamation cases rarely go to trial. Plaintiffs must meet a high bar to prove their claims, showing that a defendant knowingly published falsehoods or showed a reckless disregard for the truth.

Dominion said it met that standard, pointing to internal Fox communications that showed top executives and hosts were deeply skeptical of election-fraud claims, even as Fox continued to air them. Some of the communications also showed that company executives were concerned about alienating Trump supporters who were a core part of the Fox News audience.

Fox has said Dominion cherry-picked internal network

communications out of context. The network, which sought to portray its coverage as within the mainstream of media practices, has said the people responsible for its broadcasts didn't knowingly air false claims. It also argued that Dominion's claims for damages were wildly inflated. Fox faces a separate \$2.7 bil-

lion lawsuit from Smartmatic USA, a voting-machine company making similar claims. Fox has denied Smartmatic's allegations.

"Smartmatic remains committed to clearing its name, recouping the significant damage done to the company in more than 50 countries and holding Fox accountable for undermining democracy," said Smartmatic attorney J. Erik Connolly.

Fox had just over \$4 billion

quarterly earnings. Wall Street analysts have said any substantial damages payments or settlements could limit Fox's flexibility to make investments or engage in share buybacks. Fox Corp. shares common

in cash when it last reported

ownership with News Corp, parent of Wall Street Journal publisher Dow Jones & Co.

Both sides faced risks with trial. Several high-profile Fox figures could have testified, including hosts Tucker Carlson, Sean Hannity and Maria Bartiromo, as well as Rupert Murdoch, chair of Fox News parent Fox Corp.

Fox lawyers previously sought to keep Mr. Murdoch from having to appear in person, but Judge Davis had said he would require him to appear as a witness if Dominion formally requested his testimony at trial.

Dominion faced its own challenges. Some legal experts said the company had a strong case that it was defamed, but could have faced a tougher time convincing a jury to award such a large amount of damages. The company had argued that it suffered significant financial harm because of Fox's election broadcasts, saying it lost contracts and had more difficulty engaging with elected officials and investors.

University of North Carolina law professor Mary-Rose Papandrea said the settlement was a major victory for Dominion.

To my knowledge, the settlement dwarfs any prior settlement of a defamation action by several multipliers," Ms. Papandrea said. She said the largest prior known agreement came in 2017 when ABC News parent Walt Disney Co. resolved defamation claims by Beef Products Inc. over a 2012 series of stories the network aired about its processed-meat product, which critics had called "pink slime."

A Disney financial disclosure suggested the company paid at least \$177 million to end the case.

Last year, two separate juries rendered defamation judgments that totaled more than \$1 billion against conspiracy theorist Alex Jones, who claimed on his InfoWars platform that the 2012 Sandy Hook school massacre was a hoax.

Even before a trial approached in the Fox-Dominion case, a slew of evidence spilled into public view during the legal proceedings. Internal communications showed that Fox hosts were highly critical, even disdainful, of people peddling election-fraud claims, including former Trump associate Sidney Powell.

Ms. Powell, who made appearances on Fox News and Fox Business shows, claimed that Dominion's voting software enabled election fraud.

Fox News' Mr. Carlson wrote to his producer that "Sidney Powell is lying" about having evidence of election fraud, according to a court filing. He wrote a similar message to fellow anchor Laura Ingraham. "It's unbelievably offensive to me. Our viewers are good people and they believe it," Mr. Carlson wrote.

When Rudy Giuliani gave a press conference that was aired on Fox questioning the results of the election, Mr. Murdoch wrote in an email that it was "Really crazy stuff. And damaging."

In a deposition, Mr. Murdoch acknowledged that some Fox hosts and commentators endorsed the false election-fraud narrative but said the company itself didn't. "I would have liked us to be stronger in denouncing it, in hindsight," Mr. Murdoch said in the deposition.

# Missouri Teen Shot At Wrong House Is Recovering

By Joseph De Avila

The mother of Ralph Yarl, the Black teenager who was shot last week after approaching the wrong house, said her son is recovering from his injuries at home.

Cleo Nagbe said in an interview with "CBS Mornings" on Tuesday that her 16-year-old son was shot in the head above his left eye and in his upper right arm.

Andrew Lester, the 84-yearold homeowner accused of shooting Ralph, was arrested Tuesday, according to the Kansas City Police Department. He faces two felony counts in the shooting: assault in the first degree and armed criminal action.

Ms. Nagbe said she was stunned that her son wasn't more seriously injured from the shooting. "Ralph is doing considerably well. Physically mornings are hard, but his spirit is in a good place," she said. "The residual effect of that injury is going to stay with him for quite a while."

Ms. Nagbe said Ralph was on his way to pick up his two younger siblings from a friend's house in Kansas City, Mo., on Thursday night.

He got the street address mixed up and went to the wrong house, she said. The homeowner shot Ralph twice after he rang the doorbell to pick up his brothers, she said.

County prosecutors said Ralph was unarmed.

Attempts to reach Mr. Lester for comment were unsuccessful. Mr. Lester, who is white, told law-enforcement officials

he feared for his life when he shot Ralph, according to prosecutors. A lawyer for Ralph said that defense isn't credible.



# Netflix to Add Limits On Sharing

Continued from Page One users who aren't currently paying for Netflix to sign up as a result of the move. The people who end up getting cut off. on the other hand, represent a pool of potential new customers for Netflix to try to win over in time, he said.

Netflix's crackdown on password sharing has moved more slowly than many investors and analysts expected. It said the benefits from that push are now likely to materialize in the third quarter, rather than the second.

In Canada, which the company said is a good proxy for the U.S., Netflix said its paid membership base is now larger than it was before it rolled out the paid-sharing changes.

Netflix's ad-supported tier, meanwhile, hasn't cannibalized the company's premium ad-free plan. There has been little switching from the premium tier to the lower-cost ad-supported option.

The average revenue per member it makes from its adbacked plan is higher than that of its standard \$15.49-a-month ad-free plan, Netflix said.

The company plans to improve the video quality of its \$6.99-a-month ad-supported tier of the service this month and allow it to be simultaneously used on two devices instead of one, moves that the company said would make the tier more appealing to new and existing customers.

Mr. Peters said Netflix needs to build out new features for advertisers and improve its sales capabilities to continue growing the ad business.

The ad-supported tier of the service, which was launched in November, accounted for 1.7% of U.S. subscribers in March, up from 0.8% in December, according data from subscription analytics firm Antenna.

Netflix doesn't disclose the number of subscribers on its ad-supported tier.

Netflix raised its estimate for how much free cash flow it expects to generate to more than \$3.5 billion this year from an earlier projection of \$3 billion. The company's operating margin fell to 21% from 25.1% in the first quarter of 2022, though it came in higher than the 20% Netflix projected.

Netflix and its rivals are now more intensely focused on profitability than subscriber acquisition. Customers are more able and willing to jump between services, and they have more options now than ever before from mainstream services to niche platforms.

The company earlier this year cut prices in dozens of countries as it responds to competitive pressure around the world and tries to continue to bring in new customers.

Netflix's average revenue per user declined in Europe, the Middle East and Africa for the fourth consecutive quarter, and fell in the Asia-Pacific region for the sixth consecutive quarter.

Netflix Chief Financial Officer Spencer Neumann said those price cuts accounted for less than 5% of the company's revenue and that the company expects a benefit from the move long-term.

Mr. Sarandos said the rate of content spending growth at Netflix depends on the rate of revenue growth. He said the company has to keep up its pace of producing hit shows and films, highlighting popular content during the quarterfrom the romantic comedy "Your Place Or Mine" to the drama series "The Night Agent" and the South Korean TV show "The Glory."

Netflix addressed a stumble earlier in the week during its second live-streaming event. Mr. Peters said a glitch in Sunday's live stream of the "Love Is Blind" cast reunion was

caused by a bug that was introduced when the company made changes to improve its livestreaming performance.

Mr. Sarandos also said that while Netflix wants to avoid a potential writer's strike and is at the negotiating table, it has a strong lineup of releases that it expects will help it weather any interruption.

Earlier on Tuesday, Netflix said in a blog post that it would ship its last DVDs in September, ending 25 years of mailing shows and movies.

Netflix built its business on dispatching DVDs, and for years the company's streaming platform was more of a side business. But as Netflix pushed further into original programming and built a bigger streaming library, a growing subset of its subscribers opted to watch content that way. rather than ordering discs to their mailboxes. "House of Cards," which was released in 2013 and became Netflix's first original program, wasn't initially available via DVD.

Netflix said it shipped more than 5.2 billion discs over the life of the business. The first red envelope the company mailed in March of 1998 contained the movie "Beetlejuice," and the most popular DVD rented by mail was "The Blind Side," a 2009 sports drama featuring Sandra Bullock.

Mailed DVDs "paved the way for the shift to streaming," Mr. Sarandos said in the blog. "Our goal has always been to provide the best service for our members but as the business continues to shrink that's going to become increasingly difficult."

The company would wind down its DVD.com website later this year.



Netflix said in a blog post that it would ship its last DVDs in September, ending 25 years of mailing shows and movies.



Impressionist composition. Canonical subject. Effusive palette.



This original oil on canvas by Blanche Hoschedé-Monet was executed during a formative moment in the artist's career. The subject of La Moisson is a testament to the lasting impact of Hoschedé-Monet's mentor and stepfather, Claude Monet. Her impressionistic brushstrokes and pastel palette recall a windswept day in the French countryside. Much

like Monet himself, Hoschedé-Monet was attentive to the effect of changing light on the vista. Circa 1885. Canvas: 23%"h x 30½"w. Frame: 31%"h x 381/4"w. #31-6583



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# WORLD NEWS

# Putin, Zelensky Make Dueling Troop Visits

Trips underscore stakes in Ukraine's looming offensive; show different styles

By Georgi Kantchev AND ISABEL COLES

Russian President Vladimir Putin and his Ukrainian counterpart, Volodymyr Zelensky, both visited troops in Ukraine within a day of each other this week as the leaders try to shore up morale ahead of an expected offensive by Kyiv to wrest territory from Moscow's grip.

Mr. Putin made a rare visit to his troops by traveling Monday to Ukraine's Kherson and Luhansk regions, both of which are partly occupied by Russian forces, and was briefed by senior officers about the situation on the front line, the Kremlin said Tuesday.

Mr. Zelensky visited troops Tuesday in the eastern town of Avdiivka, which has been on the front line with Russian forces since an earlier phase of the conflict that began in 2014.

The visits underscore the high stakes ahead of an anticipated Ukrainian offensive that experts say may determine the outcome of the war. The trips also showcased the two lead-



ers' contrasting images and styles of leadership.

Footage carried by Russian state news agencies showed Mr. Putin, dressed in suit and tie, emerging from a helicopter and traveling in a convoy of vehicles. It was Mr. Putin's second known trip to territory seized since the start of Russia's invasion last year. Last month, he visited the occupied Ukrainian port city of Mariu-

pol, which Russia seized following a lengthy, violent siege.

"I don't want to distract you from your direct duties related to command and control, so we are working here in a businesslike way, briefly, but concretely," Mr. Putin said in one of his meetings, according to TASS state newswire. "It is important for me to hear your opinion on how the situation is developing."

Mr. Zelensky, meanwhile,

has made relatively frequent visits, cultivating an image of an engaged wartime leader far closer to the troops on the ground. He turned up to Avdiivka wearing a sweatshirt and cargo pants, while handing out awards to servicemen.

"Our army has already broken the enemy's plans to break through the defenses and deepen (its incursion) in the east," said Mr. Zelensky's chief of staff, Andriy Yermak, who accompanied him there. "The next task is to reverse the situation and throw them out of Ukraine."

Russian President Putin, left photo, attended a meeting Monday at the

headquarters of the National Guard Battlegroup in occupied Luhansk. Above,

Ukrainian President Zelensky honored troops Tuesday with awards during a visit to

Avdiivka. Both images were released by the respective nations' presidential offices.

Kremlin spokesman Dmitry Peskov said Mr. Putin received operational information about the conflict. He wasn't accompanied by Defense Minister Sergei Shoigu and Valery Gerasimov, the chief of Russia's General Staff, because the three of them in one location would create "temptation for the enemy," Mr. Peskov said.

Mr. Putin's visit comes as Ukraine and its Western allies gear up for an offensive that aims to push Russian forces out of some of the land they have occupied. A day after Mr. Putin's visit to Kherson, Russian forces shelled a market in the region's capital. One person was killed, said the head of the Kherson regional administration.

# Concerns Arise as U.S. Tightens Document Controls

By GORDON LUBOLD AND VIVIAN SALAMA

WASHINGTON—As the U.S. scrambles to protect restricted documents following a leak of highly classified material on social media, some officials are expressing concern the effort will go too far, curtailing legitimate access for those who depend on sensitive information to do their jobs.

The arrest last week of Airman First Class Jack Teixeira on charges of disclosing classified information comes amid a

ment to narrow the distribution lists of some intelligence and even restrict access to some who previously received it.

The Pentagon and some other components of the intelligence community recently moved to tighten access to classified information, though officials haven't provided details. Defense Secretary Lloyd Austin this week announced a 45-day "review and assessment" of the department's in-

formation-security procedures. Some of the intelligence al-

continuing effort by the govern- legedly leaked by Airman Teixeira, but not all, was typically accessible to thousands of people.

While testifying Tuesday on Capitol Hill, Air Force Secretary Frank Kendall said he directed all members of the service over the next 30 days to reassess security procedures and validate each person's "need to know." He directed the service's inspector general to investigate Airman Teixeira's unit, the 102nd Intelligence Wing, and temporarily reassigned its mission to other parts of the Air Force.

"There is a full-court press it," John Hyten, a retired fourgoing on," he said of reviewing how access to classified information is handled.

In the rush to stop the leaks, some former officials warn of the risk of going overboard.

"I would like to see a reaction to where we start protecting what's important with the right kind of systems, the right kind of protection, the right kind of discipline, but my fear is the overreaction will be the opposite, to classify more and think somehow that if we classify it somehow we protect

star Air Force general who served as vice chairman of the Joint Chiefs of Staff, said in an interview. "The key is to identify the critical information, identify who has the need to know and don't let anybody else in."

For decades, the U.S. government has worked to expand access to classified information to those with a need to know. That effort intensified after a congressional commission on the terrorist attack of 9/11 blamed a lack of intelligence sharing as a key reason the al Qaeda plot wasn't uncovered in time. After Chelsea Manning, then

an Army intelligence analyst, leaked classified documents at the height of the wars in Iraq and Afghanistan, the U.S. sought to better protect intelligence. The government focused on restricting the mechanism by how authorized personnel could distribute such information. Thumb drives were prohibited on classified computers, for example, and there were extra checks placed on how someone disposed of printed classified documents.

### Bail Denied For Journal Reporter

Continued from Page One

Mr. Gershkovich was accredited to work as a journalist in Russia by the country's Foreign Ministry at the time of his detention while reporting in the Urals city of Yekaterinburg, nearly 900 miles east of Moscow. On April 7, he was formally charged with espionage, according to Russian state news agency TASS.

Russia's Federal Security Service, the successor to the KGB, said the journalist "acting on the instructions of the American side, collected information constituting a state secret about the activities of one of the enterprises of the Russian military-industrial complex." Russian authorities haven't publicly presented evidence to support the allegations against the reporter.

A conviction in the case carries a sentence of up to 20 years in prison. Virtually all espionage trials in Russia end in a guilty verdict.

Russian authorities have ordered that Mr. Gershkovich be held in pretrial detention until May 29. They can request an extension of that period.

Maria Korchagina of the ZKS law firm, which is representing Mr. Gershkovich and retained by Dow Jones & Co., the parent company of the Journal, said outside the courthouse that his lawyers requested that he be transferred to house arrest, agree to constraints on his movements or granted bail. Dow Jones was willing to guarantee bail of 50 million rubles, equivalent to about \$600,000, she said. The court refused to grant the appeal.

Mr. Gershkovich's lawyers said he has pleaded not guilty to the spying allegation.

"Our client does not admit guilt and is ready to prove it," Ms. Korchagina said, adding that Mr. Gershkovich made a statement emphasizing his innocence during the hearing.

Tatyana Nozhkina, another ZKS lawyer representing Mr. Gershkovich, said they are planning another appeal of the



Evan Gershkovich stands in the dock before a hearing Tuesday.

pretrial detention.

White House press secretary Karine Jean-Pierre said, "We're deeply concerned by the news that Russia will continue to wrongfully detain Evan following a sham judicial proceeding," adding that President Biden wants Russia to release him immediately, along with Mr. Whelan.

In a joint statement, Almar Latour, chief executive of Dow Jones and publisher of the Journal, and Emma Tucker, editor in chief of the Journal, said that "while we expected this development, it is nonetheless disappointing."

Mr. Gershkovich is upbeat, a lawyer said, and ready to 'defend his innocence.

"Evan is wrongfully detained and the charges of espionage against him are false," they wrote. "We demand his immediate release and are doing everything in our power to secure it."

Legal experts said it could be many months before Mr. Gershkovich's case is brought to trial, as investigators gather materials for trial and further hearings are conducted to extend his arrest.

Journalists were allowed into the courtroom briefly ahead of the hearing to capture images of Mr. Gershkovich.

"It was great to see him and to see him well physically, but I could see that he was nervous," said Vasily Polonsky, a journalist and friend of Mr. Gershkovich, who shouted words of encouragement to

Mr. Gershkovich.

The press then waited in a separate room as the hearing took place. A television broadcast the final 10 minutes of the hearing, when the judge quickly read the ruling and then turned to Mr. Gershkovich to ask if he had understood. "Nothing is needed. Everything is clear. Thank vou." Mr. Gershkovich responded.

Mr. Gershkovich's arrest has spurred international condemnation. Mr. Biden has called the arrest "totally illegal." Former Vice President Mike Pence has urged the Biden administration to expel Russian diplomats.

Ms. Nozhkina said that Mr. Gershkovich remains upbeat and is in good health. He spends his time watching culinary programs, exercising during the hour he is allowed to leave his cell each day and reading Russian classics. "We laugh and joke a lot," she said. "Humor helps in these situa-

"His mood is combative," she said. "He is ready to continue to defend his innocence...as well as press freedom."

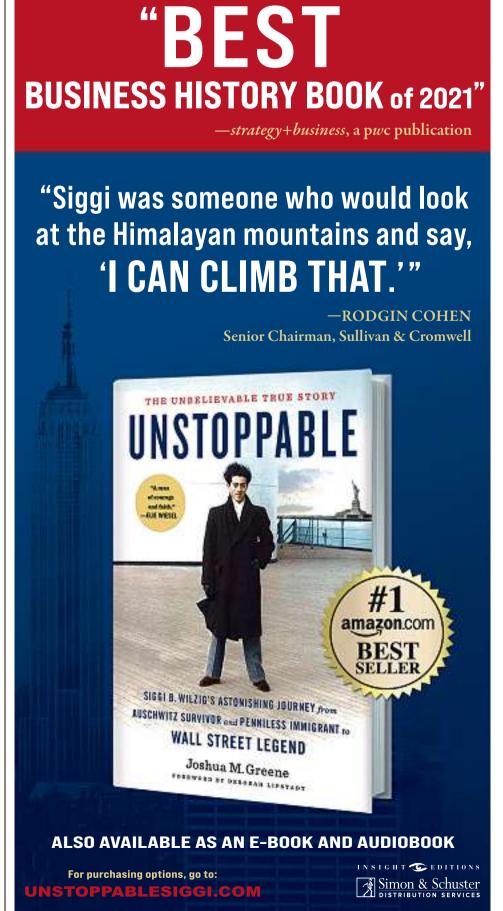
While Russia's justice system guarantees defendants the right to a jury trial open to the public, exemptions in the case of espionage mean that Mr. Gershkovich's trial is likely to take place before a judge and be held in secret.

–Matthew Luxmoore and Kate Vtorygina contributed to this article.

### Watch a Video



Scan this code for a video on a court upholding the detention of Evan Gershkovich.



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### WORLD NEWS

# China's Consumers Boost Economy

Retail sales outpaced investments as a driver of GDP growth in the first quarter of 2023

By Stella Yifan Xie

HONG KONG-For years, economists have warned that China's economy suffered from an imbalance that made its rapid growth unsustainable. The country was too reliant on investments and didn't have enough consumer spending.

On Tuesday, China reported numbers that showed consumer spending was playing a stronger-than-expected role in driving its recovery after the country lifted its stringent zero-Covid measures. The big question is whether it will last. The economy grew by 4.5%

in the first three months of 2023 when compared with a year earlier, the fastest such rate of growth since the first quarter of 2022, and a marked improvement from the 2.9% rate in the last three months ≥ of 2022, said Beijing's National Bureau of Statistics.

The strength of China's economic recovery in the first quarter that the country was free of its Covid restrictions marked a bright spot for a global economy facing several headwinds, including stubborn inflation, higher interest rates and fallout from instability in the financial sector.

But what most struck many economists about Tuesday's data was the source of China's growth: It was driven in large part by retail sales, which jumped more than 10% in March from a year earlier. That was the fastest pace in nearly two years, and helped to offset a sharperthan-expected slowdown in real estate, infrastructure and other private-sector investments.

March marked the first month in two years in which the year-over-year gain in retail sales outpaced the increase in both industrial production





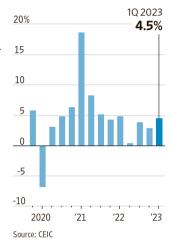
Chinese consumers, like these in Beijing, have been eager to open their wallets, filling shopping malls, movie theaters and airplanes.

and fixed-asset investment, said Wind, a data provider.

Before the pandemic, China's economic boom largely was built on an investmentdriven model that economists, both inside and outside of China, warned no longer suited the country. With many of the worthiest infrastructure projects having already been built, investment was increasingly flowing to less fiscally sound undertakings that added to the country's debt burden without bringing as many economic benefits.

China's attempts to encourage consumer spending, meanwhile, were seen as halfhearted, and ultimately held back by the country's relatively underdeveloped social safety net, meaning many households preferred to save money or pour their nest eggs into buying a property, rather than spending it.

China's quarterly real GDP, change from a year earlier



The pandemic reinforced that imbalance. Three years of Covid protocols discouraged Chinese consumers from going out and spending money, and Beijing's reluctance to issue the kinds of stimulus checks that many Western governments turned to meant that economic growth largely was reliant on investment-led growth, and on Western consumers-many of whom used their government vouchers to snap up Chinese-made goods.

After Beijing's strict Covid rules were abruptly scrapped in late 2022, Chinese consumers have shown their eagerness to open their wallets, filling movie theaters, shopping malls and airplanes.

Zhiwei Zhang, chief economist at Pinpoint Asset Management, expects economic momentum to improve in the second quarter, and for gross domestic product growth to surpass 6% this year-comfortably above the official government target of about 5%.

At the same time, the investment activity that Beijing has long used to cushion the economy during previous slowdowns softened. Growth in fixed-asset investment unexpectedly moderated in March, while the increase in infrastructure investment slowed slightly to 8.8% from the first two months of the year.

More concerning, investment in the property sector, which has played a big role in driving growth over the past decade, has yet to stabilize.

The question is whether the jump in consumer spending is merely ephemeral—what economists dubbed "revenge spending"-or whether it heralds a more lasting shift toward consumers playing a greater role in driving overall growth.

◆ Heard on the Street: Growth defies naysayers.

# Bloc to Tax Imports Based on **Emissions**

By MATTHEW DALTON

The European Union's Parliament approved legislation to tax imports based on the greenhouse gases emitted to make them, clearing the final hurdle before the plan becomes law and enshrines climate regulation in the rules of global trade for the first time.

Tuesday's vote caps nearly two years of negotiations on the tax, which aims to push economies to put a price on carbondioxide emissions while shielding the EU's manufacturers from countries that aren't regulating emissions as strictly, or at all. The tax gives credit to countries that put a price on carbon, allowing importers of goods from those countries to deduct payments made for overseas emissions from the amount owed at the EU's borders.

The tax has raised concerns in the U.S., where companies worry the plan would erect a web of red tape for companies seeking to export to Europe. It has also drawn criticism from China and parts of the developing world, where manufacturers tend to emit more carbon dioxide than their competitors in Europe and rely more on coal-fired electricity.

Governments and lawmakers in other countries are already under pressure to follow suit. The U.K. is debating whether to introduce a carbon border tax, while Democrats in Congress proposed legislation to create one. Bipartisan support for the idea is growing in the U.S., said Kevin Dempsey, president of the American Iron and Steel Institute, which represents companies such as Nucor Corp. and ArcelorMittal SA.

"The U.S. and the EU have a lot in common," said Mr. Dempsey. "The threat that we both face is steel coming from other parts of the world, China and Asia, that have much higher carbon intensity.'

Tuesday's news prompted fresh calls in the U.S. for a similar tax. Producers of many different commodities argue it is difficult to compete with cheap, imported products that carry higher environmental foot-

### The levy aims to push economies to put a price on carbon emissions.

prints. Mike Ireland, president and CEO of the Portland Cement Association, said the U.S. having a similar levy would protect domestic producers.

The White House has urged the EU to give U.S. exporters credit for U.S. climate-change regulations, which don't set a price on carbon but instead provide incentives for clean energy. But EU officials rebuffed those arguments, saying only exporters in countries that put an explicit price on carbon dioxide can enjoy a deduction from the border tax.

The EU's legislation will at first cover imports of iron, steel, aluminum, cement, fertilizer, electricity and hydrogen. Companies will have to begin reporting the emissions of their imported goods starting in October, including the indirect emissions released by the electricity generation that powers overseas factories.

Importers will have to begin paying the tax in 2026. That date coincides with the phasing out of free allowances given to Europe's manufacturers under the bloc's emissions trading system.

During that period, importers will pay only for the share of emissions that European manufacturers aren't getting free. That measure is intended to treat domestic and overseas manufacturers equally, key for Europe's arguments that its border tax doesn't violate World Trade Organization rules that limit discrimination against foreign firms.

Christopher Glen, director of advocacy and public relations at the Fertilizer Institute, said the new tax could affect regional pricing and availability of notoriously volatile commodities. "This is something that seems to move us in the wrong direction," he said.

### G-7 Nations Claim Unity on Taiwan, Russia French Foreign Minister

By William Mauldin

KARUIZAWA, Japan—The Group of Seven industrialized democracies sought to show a unified front on China following recent comments by French President Emmanuel Macron that the European Union shouldn't follow Washington's lead on the issue of

"With regard to Taiwan, there is clear unanimity in the approach that we're taking with all of our G-7 partners,' said U.S. Secretary of State Antony Blinken after the group's top diplomats concluded a meeting in the Japanese mountain resort town of

On China-Taiwan issues, he

said the G-7 nations shared "an line saying that the seven naexpectation that any differences be dealt with peacefully."

At the same time, Russia's war in Ukraine is the most immediate challenge for the group, Mr. Blinken said. The G-7 countries said they are "committed to intensifying sanctions against Russia, coordinating and fully enforcing

The latest statement from the G-7. released Tuesday, has a bigger section on Taiwan than the one last year did. The new one says peace and stability between China and Taiwan are an "indispensable element in security and prosperity in the international community."

The statement balanced the tougher talk on China with a

tions "stand prepared to work together to build constructive and stable relations through dialogue" with Beijing. The nations said they "recognize the importance of engaging candidly with and expressing our

concerns directly to China." The G-7 consists of the U.S., Japan, Canada, Germany, France, Italy and the U.K.

A senior State Department official said Western officials were meeting their Chinese counterparts more often as travel opens up, but remained ready to stand up against any Chinese coercion of its neighbors, market manipulation or efforts to change the status

quo in the Taiwan Strait. Asked on Monday about the G-7 meeting's discussion of Taiwan, Chinese Foreign Ministry spokesman Wang Wenbin said: "Relevant countries must recognize that the Taiwan question is China's internal affair which brooks no external interference."

Annalena Baerbock said Thursday during a visit to Beijing that a military conflict in the Taiwan Strait would send shock waves around the world.

Mr. Macron recently faced criticism on both sides of the Atlantic when he called on Europe to develop a stance independent of the U.S. for navigating tensions between Beijing and Taipei. He made the comments during a visit to

Catherine Colonna sought to play down differences between her country and Washington. "We're giving clearly the same signal to the rest of the world," she said Monday.

Japan will host the G-7 German Foreign Minister leaders summit in Hiroshima next month, with President Biden in attendance.

"As the G-7, we shared concerns about China's expanding nuclear arsenal and affirmed the importance of transparency," said Japanese Foreign Minister Yoshimasa Hayashi. "We strongly urged China to swiftly join talks with the U.S. aimed at reducing strategic —Laurence Norman

contributed to this article.

# U.S.-China Tensions Over Taipei Put Pressure on EU

By Laurence Norman

Europe is finding it increasingly tough to avoid taking a clear stance on Taiwan as it balances between Washington and Beijing over its approach to a potential conflict. French President Emmanuel

Macron's remarks during his re-

cent visit to China, that the European Union shouldn't follow Washington's lead on the issue of Taiwan, sparked a furor in the U.S. and parts of Europe. The incident also exposed the degree to which Europe

has sidestepped any high-level discussions to adopt a common EU approach to a potential crisis over the East Asian island. The EU lacks a policy despite rising U.S.-China tensions over Taiwan. Escalations have

included Beijing's forceful response to last summer's visit Taiwan by then-House Speaker Nancy Pelosi and the recent U.S. visit by Taiwan President Tsai Ing-wen. Elections in Taiwan in January could stir fresh talk of independence, further angering Beijing.

Yet, EU leaders and foreign ministers have avoided focused discussion about how the bloc would respond to hostilities across the Taiwan Strait.

A working group of Asia-focused officials from EU countries has occasionally discussed Taiwan, most recently on March 30. People involved



in those discussions say there has been no debate over scenarios that could play out, or how and when the EU would need to respond.

For many smaller European countries, U.S.-Chinese tensions over Taiwan have, until recently, "not been on their radar." said longtime German diplomat Wolfgang Ischinger, who chaired the Munich Security Conference until 2022. European capitals, he said, preferred to sidestep such a

huge and complicated issue. "If you want to deal with it seriously, you would have to think about [access to] resources, you would have to think about deterrence, you would have to think about sending warning signals," he said.

At the center of Europe's policy toward Taiwan is the One China policy, which acknowledges Beijing's position that there is only one Chinese government, in Beijing. EU member states have no formal diplomatic ties with Taipei.

The bloc's formal position is that there should be no unilateral change of the status quo by Taipei or Beijing. That implies no backing for Taiwanese independence, and opposition to any Chinese use of force to take the island.

In reality, each EU member state approaches the island differently, depending often on the strength of its ties with Beijing. While some EU countries, such as Lithuania, have deepened economic and political links with Taipei, championing it for shared democratic values, other capitals are more wary.

A proposed investment pact appears to have been sidelined by the EU. Germany's education minister visited Taiwan last month, the first cabinet-

discussions stands in contrast to the intense debate in Washington over the island's future and the U.S. ability to protect Taiwan from a potential Chinese attack, seen as a key test of U.S. power. It also comes despite the economic risks Eu-

rope would face in a conflict.

level official visit in decades.

The absence of detailed EU

The EU is the island's biggest foreign investor and Taiwan is among the bloc's top 15 trade partners, due in part to imports of semiconductors, which play a vital role in European industry. A conflict could disrupt supply chains between Europe and China and put at risk shipping lanes in the South China Sea, through which roughly 40% of the bloc's global commerce passes.

A recent study by consulting firm Rhodium Group said that a Taiwan conflict involving a Chinese blockade of the island would put at risk more than \$2 trillion in global economic activity, boosting inflation and causing shortages in vital industries including telecoms and the medical sector.

In a speech at the European Parliament on Tuesday, Euro-Commission Presi-Ursula von der Leyen said the bloc stands "strongly against any unilateral change of the status quo in the Taiwan Strait, particularly through the use of force."

Our friend and colleague, **Evan Gershkovich**, was detained in Russia on March 29 during a reporting trip and accused of espionage. The Wall Street Journal and the U.S. government vehemently deny the allegation and have called for his immediate release.

Evan's Journal colleagues will be sharing stories of their work with him each week.

To show support for Evan, please follow the latest updates at **WSJ.com/Evan** and add the hashtag **#IStandWithEvan** across social media.



There are some people who run directly into the action, even in the worst circumstances, even under the stress of war. Our colleague Evan's deep personal connections to Russia are in his heart, and his work. His parents were born in the Soviet Union and moved to the U.S. You can see that connection in his stories and his amazing ability to get people to talk to him and trust him to document everyday life in Russia, and also to get inside the power structure. He is remarkable in that way, but also extremely humble about it.

His beat is really everything. It's politics, it's people, it's the economy. Evan is very open-eyed about wanting to tell the truth about what's happening. And it has been his belief that being on the ground is really important, and we all benefit from that.

I have a lot of respect for colleagues who are willing to take those risks and who put themselves in the middle of these difficult situations, living lives that none of us quite understand from the comfort of our offices. Our coverage of the war has been set apart by work through Evan's eyes.

Journalism is so important to understanding the war in Ukraine. Evan's arrest is a reminder to all of us, even in this business, that this can be a very dangerous job. But the response to his situation helps embolden people to speak the truth. People who helped him tell the truth are brave people inside Russia. It's not a small thing to get people to trust you when the threats are so great to their own lives and their families. And we are all better off with those stories being told.

We want to amplify the fact that we stand with Evan. He is not alone, and we hope the message that everyone is behind him can reach him directly, every hour of every day for as long as that is necessary.



Jenny Strasburg WSJ Senior European Correspondent

# **#IStandWithEvan**

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### FROM PAGE ONE





Turkey's earthquakes ruptured the Hatay airport's runway, above left, leaving search-and-rescue teams unable to fly in. They also damaged a call center for the national disaster relief agency, above right.

### Negligence Added to Quake Toll

Continued from Page One same site. When an opposition lawmaker released audio recordings he said showed that the runway construction company had paid bribes to government officials, Mr. Erdogan's justice minister sued the legislator for invasion of privacy.

The government's own disaster agency warned in 2021 about potential earthquake damage to the airport and other critical infrastructure in Antakya, the main city in Turkey's Hatay province. Still nothing happened.

In February, Turkey learned what a major tremor would do to the Hatay airport—a forerunner for more than two dozen new terminals that were built across the country—and thousands of other buildings.

### Sinking land

When the first quake struck before dawn on Feb. 6, at magnitude 7.8, the former lake bed underneath the airfield sank several feet and the terminal's glass canopy crashed to the ground. Passengers scrambled for cover as the airport's runway ruptured, leaving rescue planes unable to fly in search teams and medical supplies for six days. Instead, ambulances and rescue workers jammed onto a single, gridlocked mountain highway, stuck in a fatal bottleneck as thousands of people perished under the rubble.

Nearby, the quake tore the walls off a four-story call center for the national disaster relief agency that Mr. Erdogan had founded in 2009. Staff evacuated just as residents started frantically dialing its emergency line for help. Survivors rushed to the Hatay State Hospital for Training and Research, opened in 2016, only to find massive cracks running the height of the structure. Doctors and nurses evacuated patients in the middle of a hailstorm. Nine hours later, they were interrupted by a second, 7.5-magnitude tremor.

"There were no police, no military. I saw families going to the disaster coordination center and begging for help," said Mert Aslanyurek, a 26-year-old archaeology student who joined thousands of other residents clawing through debris with their bare hands to rescue survivors until help finally arrived.

As Mr. Erdogan rose to power after Turkey's 2002 elections, he promised to transform neglected cities with affordable housing and resplendent public landmarks. The Wall Street Journal conducted the most comprehensive review yet of the damage in the devastated province of Hatay and found that the construction boom was marred by negligence and alleged corruption, adding to the death toll of one of the deadliest earthquakes in modern history. Reviews of building permits and court documents, and interviews with more than a dozen civil engineers, architects, seismologists and lawyers, revealed that some of the signature developments of Mr. Erdogan's tenure were built in violation of court orders, situated on faulty soil or erected without an earthquake assessment.

When the quakes struck, some of the government's own buildings—essential to the emergency response—failed, including in Hatay.

More than 56,000 died in Turkey and Syria. Turkey's government blames the staggering loss on smaller-scale contractors and shoddily made residential apartments. The Justice Ministry initiated legal proceedings against more than 330

engineers, contractors, architects and local officials, at least three of them arrested while trying to flee the country. Mr. Erdogan, who is neck and neck in polls ahead of elections next month, has pledged to rebuild more than 300,000 homes within a year.

Over the past two decades his own government shrugged off seismology reports and outmaneuvered court rulings that cautioned Turkey's ballooning construction industry was cutting corners and building on unstable ground.

Turkey has some of the world's strictest earthquake codes, and under Mr. Erdogan and his ruling Justice and Development Party, or AKP, they were tightened twice. The problem, engineers, architects and watchdogs say, is that they were routinely ignored. Turkey, like most seismically active countries, has higher requirements for essential buildings, such as hospitals, airports and emergency relief agencies. For all three to fail in Antakya rings an alarm about critical buildings in other Turkish cities along the country's fault lines.

The Hatay hospital is slated for demolition, its staff says. The call center may have to be rebuilt. The airport, after significant repairs, requires more still.

"No country on Earth can safely build an airstrip on a fault line," said Sukru Ersoy, dean of the civil engineering faculty at Istanbul's Yildiz Technical University, who began warning about the Hatay airport's location as early as 2003. In a December 2022 conference titled "Is Hatay Ready for the Next Earthquake?" he delivered a presentation to local officials warning them that the answer was no.

### At risk

Hatay Mayor Lutfu Savas, from the opposition Republican People's Party, said that the problematic location of the Hatay airport was known before the earthquake. He said the municipality had little authority over most development, blaming shoddy construction on contractors, building inspectors and the national government, which he said did nothing to address at-risk buildings that his office had identified nine years ago.

Spokespeople for Mr. Erdogan didn't respond to requests for comment.

Turkish officials said most government buildings withstood the earthquakes, stressing that the force of the tremors in Hatay would have damaged infrastructure in much more developed countries.

"What kind of infrastructure can withstand that force?" said Bulent Turan, deputy chairman of AKP. "The Hatay airport was one example that saddened us," he added. "Rest assured, everyone who is responsible will be

The area around Antakya sits on top of several active fault lines and a drained lake. The Feb. 6 earthquakes caused surface ruptures in many places, pushing the ground up and apart, especially around the airport—as well as sinking ground, known as land subsidence.



Sources: Tamer Y. Duman and Ömer Emre, 2013, 'The East Anatolian Fault: Geometry, Segmentation and Jog Characteristics,' Geological Society, London (fault lines); Tamer Y. Duman, 2023, 'Surface Ruptures and Subsidence Associated with Feb. 6th Earthquake,' unpublished data (surface ruptures); Humanitarian OpenStreetMap Team (damaged buildings) Emma Brown/THE WALL STREET JOURNAL

held accountable."

With Mr. Erdogan's own 1,150-room presidential palace, the country's highest administrative court ruled in 2015 he had illegally built it on a protected nature reserve. "I will not obey the court decision," Mr. Erdogan told reporters. "I will finish the building, I will enter it, live in it. Come and demolish it, if you can afford it."

"When the people at the top don't obey the architectural restrictions, others don't either," said Tezcan Candan, head of the Union of Chambers of Turkish Architects and Engineers in Ankara. "They have built on flood plains and earthquake zones.... If that is what the head of state is doing, how can you expect everyone else not to do the same?"

Turkey's largest city of Istanbul, which accounts for a third of the country's \$853 billion economy, is bracing for another earthquake after the 1999 tremors transferred stress onto a section of a nearby fault line. "It is probably not anybody's grandchildren's problem, it's our problem," said Ross Stein, CEO of catastrophic modeling firm Temblor, who in 2000 forecast a 50% chance of a roughly 7.5-magnitude earthquake in Istanbul by 2030.

### Building boom

Mr. Erdogan rode to power on a promise to not repeat the errors that led to the 1999 disaster. His party pledged to overhaul outdated building codes to increase earthquake resilience: deeper foundations, better quality materials and a ban on zoning amnesties that legalized unlawfully constructed buildings for a fee.

As prime minister, he preserved a direct levy, known as the earthquake tax, to pay for fortifying weak buildings and responding to tremors. Turkey's building codes were in 2007 revised, with new restrictions on soil selection and building materials.

By then, Mr. Erdogan was turning Turkey into a construction site.

### 'No country on Earth can safely build an airstrip on a fault line.'

In his first decade in power, he announced more than \$400 billion of infrastructure projects. Public contracts helped turn a small group of companies from Mr. Erdogan's strongholds in the Turkish interior into industry giants, which then funneled profits into buying newspapers and broadcast networks that bolstered support for him and donated to his election campaigns.

By 2011, 19 out of every 100,000 workers in the construction industry died annually from workplace injuries, the third-highest rate of fatalities of any country on record, after Cuba and Armenia, according to the United Nations' International Labor Organization.

The earthquake tax, meant to pay for retrofitting weak buildings, was being spent on constructing highways, new railroads and other infrastructure, Finance Minister Mehmet Simek told reporters in 2011.

In 2013, a new law switched the supervisory authority for construction from architects and engineers' unions to private companies. Contractors were free to choose their own inspectors. Some established their own inspection companies to inspect themselves. By 2018, more than half of all the buildings in Turkey no longer satisfied the country's building codes, an article added to the country's construction law noted.

As violations piled up, Mr. Erdogan's government found a way to forgive them—for a fee. Nine times between 2002 and 2018, the government amended building laws to legitimize unlawful construction, including a broad zoning amnesty the likes of which Mr. Erdogan had once opposed. In Hatay, 205,000 buildings benefited from that amnesty and the majority of them collapsed in the February earthquakes, the mayor said.

In January, Mr. Erdogan and his ministers discussed another zoning amnesty. Two weeks later, the earthquakes struck.

### **Ghost lake**

In Hatay, contractor Intas Insaat Taahhut Ticaret AS had broken ground on the airport when Turkev's Tema Foundation, an environmental watchdog, filed suit against the government in 2001. An expert opinion provided to the administrative court in Adana found there had been no study of the impact of a potential earthquake on the airport itself, which it said "is situated on a first-degree earthquake belt," and no precautions had been recommended in the requisite environmental impact assessment.

Intas didn't respond to requests for comment.

The airport was built on the center of what had once been a large freshwater lake drained by the 1970s to create new farmland and combat malaria. The lake left behind a finegrained alluvial soil deposited over the ages by floodwaters, Tema noted in court, and multiple fault lines cross the area.

The court ruled in 2003 that the environmental assessment the government had relied on to approve construction was inadequate, and the following year a top court upheld the finding. The assessment "overall lacks scientific expertise and was carried out by people lacking said scientific expertise," it said.

That year, Mr. Erdogan took office and his government carried on building the airport. A surveying company was hired to revise the environmental assessment to address some of the risk factors, but its name

was redacted in the court documents.

Tema sued again, citing "concerns and worries that the airport is being built on a fault line," according to court documents. This time, the lower court sided with the government, finding no grounds to throw out the revised environmental assessment.

In 2006, an opposition member of parliament, Gokhan Durgun, invited reporters to a press conference, where he played audio recordings in which a voice he identified as a local official complained to another that he didn't get a cut of tens of thousands of dollars worth of bribes delivered from the construction company, Intas, to the office of then-AKP Hatay Mayor Mehmet Yeloglu.

Mr. Yeloglu, who didn't respond to requests for comment, has denied the allegations.

Mr. Erdogan's government, which didn't deny the conversation, sued Mr. Durgun for invasion of privacy, but lost the case.

"Erdogan was building his reputation and everyone was cheering," Mr. Durgun said. "It was a long-held wish for Hatay to have an airport.... Everything was about winning the day, getting applause for today, and not thinking about the future."

In December 2007, Mr. Erdogan inaugurated Hatay airport. Nearby stood dozens of homes damaged by a recent collapse in the area's loose soil.

That same year, Turkey's top administrative court found that the airport's revised environmental assessment was still deficient. In 2012, the government resubmitted the case to another section of the court and received a favorable ruling. By then, the new terminal had gone up, serving nearly one million passengers annually.

YDA Construction Industry & Trade Co., which built the new terminal, said it wasn't involved in selecting the airport's location, which was a governmental decision, and wasn't aware of any litigation. It blamed flight disruptions from the earthquake on the fractured runway, which it didn't construct.

#### Damaged In 2021 T

In 2021, Turkey's Chamber of Geological Engineers sent a 10-page report to Mr. Erdogan's office and leaders of parliament, warning that Hatay's most important buildings were situated on loose soil deposited by surface water. In an earthquake, the report explained, the soil would behave like a liquid, amplifying and transferring the convulsive force-resulting in greater damage. "In this case, the wisest approach is to make the buildings comply with the rules so that they can withstand the earthquake shaking," the chamber wrote.

At 4:17 a.m. on Feb. 6, ceiling tiles inside the Hatay hospital crashed down on patients and staff. With the electricity out, elevators stopped working. Nurses carried some patients down fire escapes. With millions of dollars worth of advanced medical equipment stuck inside, people died in the parking lot just outside.

Home to some 1.6 million people, Hatay is hemmed in by mountains and the sea. With the airport down, medical teams racing to the earthquake zone were forced onto a single four-lane divided highway winding along the coast before climbing thousands of feet.

For days following the earthquakes, emergency crews spent 16 hours on the icy road, inching forward as the death toll rose. Ambulances, firetrucks and construction vehicles blared their sirens helplessly, stuck in the same traffic jam with thousands of ordinary Turks trying to either flee or head in to rescue their families.

—Ersag Keskin, Vildan Ay and Sule Berrin Gunes contributed to this article.

ya on Feb. 8.



Turkish emergency teams and military personnel searched for survivors in Antakya on Feb. 8.



GILBERTSON

flew to Paris last week from an out-of-the-way New York airport on an airline you probably haven't heard of with Spirit-like fees, no seatback screens and a predawn connection in Iceland.

And I'd do it again to save money.

Flying to Europe affordably this summer requires more strategy than ever. Prices can easily top \$1,000, given pent-up demand for international travel.

Travelers without piles of miles or unlimited funds are searching furiously for a deal to Europe. Often topping those search results: Play, Norse Atlantic Airways and French Bee.

These small, budget carriers have been adding flights between the U.S. and Europe, dangling introductory fares as low as \$169 one way from New York to London and about \$300 from Los Angeles or Miami to Paris. (Don't expect those prices for summer flights at this late date.)

To size them up, I took three trans-Atlantic flights in four days last week. I flew from London to New York on Norse; New York to Paris on Play; and Paris to Los Angeles on French Bee. The Wall Street Journal paid for the flights and airlines weren't notified of my

The verdict from my small sample: These relative newcomers are worthy contenders at the right price for those of us not spoiled by lie-flat beds and fancy amenity kits.

Unlike these three airlines, major U.S. carriers like Delta, United and American generally offer free meals, drinks and alcoholic beverages on trans-Atlantic flights. All passengers except some basic-economy fliers also get a free carry-on bag and one free checked bag when flying across the pond in economy.

Another factor to consider: the budget airlines' limited schedules. My three flights went off painlessly. But a cancellation by one of these airlines could easily delay a trip by a day or more.

### The price is often right

By the right price, I mean a big enough gap between the budget ticket prices and those of the major airlines to cover fees for everything from carry-on bags and seat selection to meals and drinks.

Brittany Brown is a 36year-old financial controller from Hamburg, N.J. She treated her 10-yearold son to a trip to Iceland after spotting cheap fares on Google Flights. She had never heard of the airline and called the prices-\$1,060 for two tickets-"nuts" (in a good way) for a nonstop.

David Parry lives close to Newark Liberty International Airport. For a last-minute trip to London, he schlepped to John F. Kennedy International

Wednesday, April 19, 2023 | **A11** 



# **Budget Flights? That's the Ticket**

Our columnist tried three cheap airlines in four days to and from Europe to see if you should, too

Airport to fly Norse. The tickets were each about \$300 cheaper than those on other airlines, he says.

Mr. Parry, who works in banking technology, liked the modern plane and friendly crew. His only knock was a slow response when he tried to change his ticket.

#### It depends on when you book for

For the best shot at scoring a deal on these airlines, book early. And don't expect the lowest bargainbin fares during the height of summer travel season.

I did get a deal when I booked my Norse flight last-minute. JetBlue charged about three times the \$493 I paid one way, including fees.

For a mid-July trip from New York JFK to London Gatwick, Norse charges \$832 round trip before fees, compared with \$954 on Jet-Blue. I'd probably pick JetBlue then unless I were traveling light and didn't care about food or drinks.

### Myths of a budget airline

Norse and French Bee fly nonstop across the Atlantic on wide-body jets. My 11½-hour flight from Paris to Los Angeles on French Bee was on an Airbus A350 with more than 400 seats and seat-back entertainment that included 52 movies and

an external camera the retired French engineer next to me couldn't stop watching. Norse uses Boeing 787 Dreamliners complete with mood lighting, seatback entertainment and power ports. Both offer optional meal service.

Play is the outlier. The Icelandic carrier uses smaller Airbus A320s, a domestic flight staple that JetBlue also uses for European flights. Play also requires a change of planes in Iceland. The guy behind me on my first Play flight drove 2½ hours to Newburgh, N.Y., from western Massachusetts to save hundreds on his flight to Dublin. He complained that the seats were uncomfortable.

#### Don't knock alternative airports

Play's flights between New York and Europe fly out of tiny Stewart International in Newburgh. Getting there was far smoother than I'd imagined. I paid \$29 for a nonstop bus ride from the Port Authority bus station in Midtown Manhattan and arrived in the

promised 90 minutes. In Paris, my French Bee flight took off out of Orly, which is closer to the city center than giant Charles de Gaulle and cheaper to reach. In London, my Norse flight took off from Gatwick instead of Heathrow.

### No TSA PreCheck

None of the three carriers offers TSA PreCheck, which can lengthen that trip through security in the U.S.

French Bee offers Wi-Fi for a fee. Norse and Play don't offer inflight internet packages.

#### **Beware of strict** carry-on bag policies

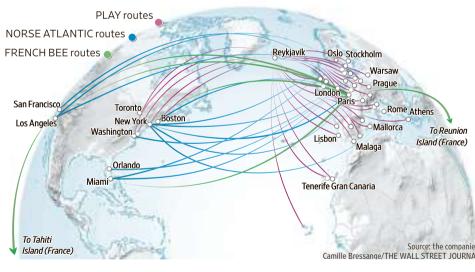
On each airline, I was stunned at the rigid carry-on bag policies. The airlines have size and/or weight restrictions—between 22 and 26 pounds for carry-ons. They hand out tags if the bag made the cut. No tag, and the bag gets checked.

The Norse agent at Gatwick let my slightly overweight Away bag go through, but warned me they might still weigh it at the gate. (No one did.) Norse baggage fees start at \$45 for flights booked between the U.S. and Europe after late January, but many tickets include a baggage allowance.

French Bee agents in Paris gave me the toughest time, forcing me to squeeze the hardside bag into its sizer twice. I can see this on a small regional jet, but can't comprehend why it was necessary on a jumbo jet with 100 empty seats. (An airline representative said they limit carry-on sizes to speed check-in and boarding and says the agents must have misjudged the size of my carry-on.)

It was the most unpleasant part of a mostly pleasant trip.

### Three budget airlines offering trans-Atlantic flights



# **Companies Focus** On Mental Health

By Tara Weiss

ore companies are carving out extra personal days for workers, not for a doctor's appointment or to run errands, but because of stressful events outside of the workplace.

The decision to offer these types of personal days is one of several moves company executives say they are making to address concerns about employees' mental health. They are also offering companywide mental-health days and on-site respite rooms.

The moves reflect executives' belief that addressing mental health directly with their workers is a crucial way to retain and attract the best employees in a tight labor market.

"Mental health is the workplace crisis of our time," said Lynee Luque, NerdWallet's chief people officer.

Employees at NerdWallet, a personal-finance company, get unlimited paid time off, eight hours per quarter of paid time to do volunteer work and a five-week sabbatical after five years on the job. Executives were concerned it isn't genough, said Ms. Luque.

So NerdWallet recently began

offering four self-care designated days each year. The idea is that the entire company stops working on the same day to make sure everybody feels they can fully disconnect.

They also don't want employees to worry that they'll come back to an "even bigger pile of work" and shutting the whole company down ensures that, said Ms. Luque. Recently published data

from Gallup shows disengagement at historic highs and it's largely attributed to "not feeling cared for at work." Studies from the American Psychological Association and Ernst & Young found that employees who suffer from common mental-health conditions are more likely to quit.

Replacing them can be time consuming and expensive. One MIT Sloan School of Management study shows that backfilling somebody's position can cost up to twice that employee's annual salary.

In 2022, Alma began offering two paid "timeout" days for employees who need to process traumatic events outside the workplace, said Nailah Banks, senior



Some employers have created on-site respite rooms, where staffers can escape to decompress.

vice president of people and culture at the mental-health startup.

The idea first came up in conversations about how best to support employees after George Floyd was murdered by a Minneapolis police officer in 2020 and gained more traction amid other incidents.

Margaret Bonaparte, senior communications manager at Alma, said she intended to use work as a distraction from the Supreme Court's decision to overturn Roe v. Wade last year. But after joining her first meeting of the day, Ms. Bonaparte said she struggled to focus. Her boss noticed and recommended she take a timeout day.

Employers say the decision to offer these programs comes at a cost, such as hiring outside consultants or building new facilities. There's also the possible resentment that may build among those who don't take these additional days since it could add to their

Self-care and paid 'timeout' days help employees with their mental health.

workload. Moreover, many working in industries like medicine or other frontline jobs simply don't have the flexibility to offer some of these alternatives.

For Alma and others, though, it is worth that possible cost for now.

"The idea that people should man or woman up is not a foreign concept to me," Ms. Banks said. "But when you put in a policy like this, it builds trust.'

Some employers like LinkedIn and Adobe Inc. have created on-site respite rooms, where staffers can escape the open-office concept to decompress or process a tough conversation.

At Adobe, there's a craft room and basketball court in its Seattle office, meditation pods at headquarters in San Jose, Calif., and music rooms at several outposts.

When the Austin, Texas, office of software company Atlassian Corp. was redesigned during the pandemic, the company included a nondenominational prayer room that includes a foot-washing station for Muslim employees.

"It's a Zen interpretation of a prayer room as opposed to a traditional cathedral with religious paraphernalia," said Annie Dean, Atlassian's head of team anywhere.

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### PERSONAL JOURNAL.

# **Cabin Pressure: Travelers Face Bumpier Flights**

Meteorologists predict climate change will increase hard-to-detect clear-air turbulence

By Allison Pohle

lights headed to Honolulu, Tampa, Fla., and Frankfurt in recent months hit turbulence so severe that some passengers and crew ended up in the hospital with injuries.

Actor Matthew McConaughey was a passenger on the Lufthansa flight to Germany. In a recent podcast interview with Kelly Ripa, he described seeing red wine suspended in midair before it crashed

"It was a hell of a scare," Mr. McConaughey, who wasn't hospitalized, said on the podcast. "A complete loss of control."

Pilots and meteorologists say bumps are a normal part of flying. The Federal Aviation Administration is still investigating the Lufthansa flight. But meteorologists say climate change is distorting the jet stream, making a certain type of severe turbulence—called clear-air turbulence-more likely in the future.

Severe turbulence injuries are rare. Between 2009 and 2022, 163 people were seriously injured during turbulence, according to National Transportation Safety Board data. Flight attendants, who are more likely to be standing during flights, are most likely to get injured, the data show.

#### What the science says

Though technology that reports turbulence has vastly improved in recent decades, it can be tough to gredict.

"You're talking about a little pin drop in the atmosphere," says Bill Duncan, head of aviation ≦forecasting operations at the Weather Co., which supplies tur-<sup>™</sup> bulence forecasts and weather insights to major airlines.

Turbulence happens when swirling air currents push against the wing of the plane, which then moves the wings up and down or the body of the plane from side to side, says Paul D. Williams, a professor of atmospheric science at the University of Reading in England.

Atmospheric pressure, changing wind direction, air around mountains and cold- or warm-weather fronts can cause turbulence, physicists say.

Turbulence caused by wind shear, meaning sudden changes in the speed and direction of wind, is called clear-air turbulence. It is called this because it occurs at higher altitudes in cloudless areas. Aircraft can change altitude suddenly, and pilots usually can't detect this type of turbulence in ad-

Since 1979, the amount of wind shear in the jet stream has increased 15%, according to a study Dr. Williams co-wrote that was published in the science journal Nature in 2019. At higher altitudes where planes fly, climate change is altering temperature patterns, which creates more wind shear, he says.

Dr. Williams's research predicts that the amount of clear-air turbulence in the atmosphere in the mid-Northern Hemisphere is expected to more than double over the next three to six decades.

Some of the more popular international flight routes from the U.S., such as New York-London and San Fran-



Lufthansa Flight 469 from Austin, Texas, headed to Frankfurt in March was diverted because of heavy turbulence.

cisco-Tokyo, will experience more clear-air turbulence because they fly in the mid-Northern Hemisphere, he says.

### Changes in procedure

Flight crews now use more specific language to address different levels of turbulence, says Dennis Tajer, a captain for American Airlines and spokesman for the Allied Pilots Association, a union. He began flying

for commercial airlines about 30 years ago and says he encounters more clear-air turbulence now compared with early in his career.

American Airlines updated its flight manual in May 2022 to better define turbulence procedures for flight crews. The captain turns on the seat-belt sign for all types of turbulence, but crews now take specific actions depending on the severity of the turbulence, he says.

During severe turbulence, flight attendants need to secure carts, place hot liquids in carts or on the floor and secure themselves as quickly as possible by sitting down in the nearest seat or on the floor.

American and United are among the airlines that give pilots access to software called SkyPath, which crowdsources turbulence reports from pilots' iPads in real time.

SkyPath uses vibrations from the pilot's iPad to measure turbulence and reports out to other nearby aircraft, providing advance warning of the

conditions in real time, a United spokeswoman said in an email.

### Tips for navigating

► Wear your seat belt. Staying strapped in is the best way to protect yourself if your flight hits unexpected turbulence, pilots and

flight attendants say.

► Take precautions with children **under 2.** The FAA recommends passengers use an approved childsafety seat or device if traveling with a child under 2. Airlines don't require children that young to have their own seats. Sara Nelson, the international president of the Association of Flight Attendants-CWA, and the union have renewed calls for all passengers to have their own seats.

► Secure your electronics and other hand-held devices. Anything that isn't tied down can become a projectile, Ms. Nelson savs.

► Remember the odds. Turbulence is scary because it is often unexpected and uncomfortable, says Todd Farchione, a clinical psychologist at Boston University's Center for Anxiety and Related Disorders. Take a deep breath and realize you're not truly in danger. Planes are built to withstand even heavy turbulence, pilots and physicists say.

#### What is Clear-Air Turbulence? Clear-air turbulence often happens unexpectedly and without

visual warning for pilots. This type of turbulence is caused by sudden changes in wind speed or direction, known as wind shear.



Jet photo: Bettmann Archive/Getty Images Sources: Federal Aviation Administration; Paul D. Williams, University of Reading











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### **Fashion Designer Tailors Solutions** For Larger Men, of Which He's One



**ON TREND JACOB** 

ashion designer Ed Mendoza has a straightforward goal for his budding brand: He just wants to make clothes for men that look like him.

"I want to make stuff that fits me, that I don't feel like is out there as a plus-sized person," said Mr. Mendoza, 30, a recent graduate of the prestigious graduate fashion-design program at London's Central Saint Martins.

While women's fashion labels like Christian Siriano and Ganni have made pointed attempts to be more size-inclusive, such strides are a rarity in the men's luxury market. Most luxury brands offer their fine wool suits and intarsia sweaters in constrained sizes-restricting fuller-framed consumers to accessories and the occasional larger-size T-shirt.

"We want to buy

fashion, we don't want to just buy handbags or buy a belt," Mr. Mendoza said, noting that while many brands taper their production off once the X's start appearing on the size tag, he begins at a large and fabricates up to a 6XL. The prevailing idea, he said, is that high fashion is only for men of a certain size-but "the door needs to be kicked in."

Last year, Mr. Mendoza staged the first runway show at his university designed exclusively for plussize men-a prismatic riot including voluminous spiralprint trousers and a knit based on a drawing inspired by his father's Peruvian heritage. Big & Tall basics these were not, with plenty of "Tiger King" color schemes, fur fluffs and pendulous sleeves to go around. From go, his

clothes fell in with color-mad brands like Moschino and Walter Van Beirendonck at the brasher ends of the trend spectrum.

The size-inclusive offering earned him the L'Oréal Professionnel Creative Award, given to the most original fashion collection from the show.

A concentration on plussize menswear is a rarity in the luxury world. According to Edited, a tracker of sales data from a range of online retailers, 41% of all luxury products run up to a size 2XL, accounting for 20% of the men's fashfamed British textile designer, before making his way to Central Saint Martins

There, Mr. Mendoza noticed early that the coursework wasn't exactly tailored to someone with his proportions. He recalled how the first pattern he received to design from was a single, compact size. Mr. Mendoza praised the school—and in particular his pattern-cutting tutor Mark Tarbard—for grasping that he wanted to offer a more inclusive range of sizes. Still, he remained his own best advocate in the atelier.



Ed Mendoza last year staged a runway show for plus-size men.

ion market. Larger-size items are often elemental, like Tshirts and hoodies, not more expressive runway-rooted creations, which makes it difficult for larger-size fashionminded consumers to find satisfying products. At stores, limited plus-size

options could be a missed financial opportunity. The average waist size for an American man remains 40.5 inches, according to Centers for Disease Control and Prevention data, translating to roughly a 2XL size.

Raised in England, Mr. Mendoza took to stitching and sewing early. His father taught him and his brother to repair their clothes, he says. In his later teen years, he interned for Zandra Rhodes, a

"It's up to you to go about and adjust those patterns to what it needs to be," said Mr. Mendoza, who takes particular care to ensure that his clothes fit his models properly-something he became attuned to during his own less-than-ideal experiences as a plus-size model. Clothes often don't fit properly when you come in as a larger model, said Mr. Mendoza, who noted that he occasionally had to bring his own clothes for his modeling

Overall, to Mr. Mendoza, much of what is driving the high-fashion market's closed door to size inclusivity is stasis. "Going against the grain," he said, "is a scary

# ARTS IN REVIEW



By Heidi Waleson

New York eartbeat Opera, which specializes in rethinking classic titles for contemporary audiences, opened its first fully staged new productions in 3 1/2 years at the Baruch Performing Arts Center last week. The company has undergone changes. Its two founding artistic directors, Ethan Heard and Louisa Proske, left last year for posts at, respectively, Signature Theatre in Virginia and Oper Halle, Germany, and Heartbeat is now helmed by its musician cofounders, Jacob Ashworth and Daniel Schlosberg.

Back in spring 2020, a few months after the Covid-19 pandemic had shut down in-person presentations and opera companies were scrambling to find alternatives, Heartbeat previewed bits of "Lady M," its adaptation of Verdi's "Macbeth" by Mr. Ashworth and Mr. Heard, on Zoom. Mr. Schlosberg's weirdly creepy six-musician arrangement and a homemade video component made for a tantalizing tidbit. But staged in its fully realized, 90-minute form, now directed by Emma Jaster instead of Mr. Heard, "Lady M" is perplexing.

The adaptation has only three principal characters-Macbeth, Lady M and Banquo-plus three Sisters, who represent the witches, the chorus and everyone else. There are scene rearrangements and cuts, plus interpolations of spoken English text from the Shakespeare play. The most significant revision comes at the end: Macbeth's final aria and his death are eliminated. Instead, we get Lady M's sleepwalking scene, followed by the repositioned "Patria oppressa!" normally sung earlier by the chorus of Macbeth's tormented subjects but here by the three Sisters and-Lady M. It is the only real clue to the renaming of the opera. Are we supposed to

**OPERA REVIEW** 

# Verdi and Puccini Operas Imagined Anew





Isaiah Musik-Ayala, above; Anush Avetisyan and Chad Kranak, left; and Sishel Claverie, Taylor-Alexis Dupont

gather that she is sorry and is joining with those she has oppressed to make amends? What happened to her husband, the tyrant? Not clear.

The director's note suggests that this is a feminist reinterpretation, but the rest of the staging fails to illuminate that concept. It is basically modern dress (costumes by Beth Goldenberg), with a single rectangular block serving as a bed, a table, and (perhaps) a cof-

fin; the most interesting element is the lighted halo that serves as a crown (scenic design by Afsoon Pajoufar). A backdrop of hanging strips makes Camilla Tassi's projections hard to see. Ms. Jaster's direction is inscrutable—one choice was to have Lady M spend the sleepwalking scene Windexing the table (now glass topped, with Macbeth underneath it). Having the three Sisters (Samarie Alicea, Taylor-Alexis Dupont and Sishel

Claverie) serve as the chorus as well as the witches, with no costume changes was also confusing

tume changes, was also confusing.

Mr. Schlosberg's arrangement—violin, clarinet, trombone,
percussion, guitar and electronics,
which he led from the piano—
didn't help matters. Amplified and
raucous in a live setting, it relentlessly called attention to the ugliness of the story. The bass clarinet and the trombone, which are
inherently comical instruments,

sometimes even undermined the seriousness of the plot; and the poor violin was unable to tip the atmosphere toward lyricism. Still, the manic activity of the band, with much instrument-switching going on, was livelier than what was seen onstage.

The singers made the noise level in this small theater even harder to bear. Lisa Algozzini has the dramatic soprano capacity for Lady M, but she offered no subtleties of expression, and Kenneth Stavert shouted his way through Macbeth. Bass-baritone Isaiah Musik-Ayala displayed a welcome warmth of timbre as Banquo, but his role is small. Ms. Alicea, who had lost her voice and was unable to sing, acted while Victoria Lawal sang some of her music from the orchestra, adding to the general weirdness.

Heartbeat's "Tosca" was more coherent, though one had to read the program note in advance to understand director Shadi G.'s concept: A theater group in a fundamentalist theocracy is putting on the Puccini opera. It becomes a protest as the performers gradually flout the state's morality rules governing the performance, which include mandated hair coverings for women as well as prohibitions against men and women touching, or a woman killing a religious authority onstage.

The production is clever. Two undercover policemen watch from the shadows and occasionally shout at the performers or hustle them offstage. Their menace is subtle but palpable—the torture scenes take on new relevanceand by Act 3 they have become part of the execution squad, leaving us to wonder if the "actor playing Cavaradossi," as he is listed in the program, is actually shot dead at the end. With each act, the costumes (by Mika Eubanks) acquire more modern elements, and the Act 3 rooftop overlooks downtown Tehran (the scenic design is by Reid Thompson). The performers, changing the set after Act 1, sing a Farsi poem set to the Chilean protest tune known in English as "The People United Will Never Be Defeated"; later, it is repeated as a solo in lieu of the shepherd's song at the beginning of Act 3, accompanied by a *kamancheh*, an Iranian bowed string instrument. Tosca's final act of defiance is to leap atop a graffiti-scrawled wall and tear off her headscarf. Significantly, she doesn't jump.

Mr. Schlosberg's orchestral arrangement—three cellos, bass, flute, horn, trumpet and pianoconducted by Mr. Ashworth, sounded a bit scrappy, but it got the job done. Trimmed to 100 minutes, the score is moderately cut, most notably eliminating Cavaradossi's "Recondita armonia" and the chorus parts—other than a pre-recorded, men-only ensemble that thundered the "Te Deum" at the conclusion of Scarpia's "Va, Tosca!" Anush Avetisyan was a fiery Tosca, Chad Kranak an ardent Cavaradossi, and Gustavo Feulien an ominous Scarpia, though less disturbing than the "real" secret police.

Ms. Waleson writes on opera for the Journal and is the author of "Mad Scenes and Exit Arias: The Death of the New York City Opera and the Future of Opera in America" (Metropolitan).

TELEVISION REVIEW | JOHN ANDERSON

# Keri Russell's New Assignment

ometime during episode 3 of "The Diplomat," a character puts the show's entire premise in the proverbial nutshell: "Can you imagine hiring someone for a key governing position just because you think they'd be good at it?" What could possibly go wrong?

"Plenty" is the answer to the second question in what is a mischievously clever, amusing and absorbing eight-part Netflix series created by Debora Cahn ("Fosse/Verdon"). The answer to the first question is more complicated. Who exactly are we talking about? And to whom does

"The Diplomat" even refer?

The no-nonsense Kate Wyler (Keri Russell) is a longtime, behind-the-scenes Mideast troubleshooter who is about to take an ambassadorship in Kabul, where her expertise regarding Afghanistan will be invaluable. At the last minute, she is reassigned and made ambassador to the U.K.—"a Tiffany appointment" that Kate doesn't want and in which the barely kempt operative's aversion to ceremonial froufrou will be on constant display.

So far, a conventional fish-out-ofwater construct. This viewer has no

idea whether the world according to "The Diplomat" is the least bit plausible, although it makes sense. And will probably confirm a lot of suspicions people have about professional diplomacy—and politics, given that the machinations behind Kate's upended career track are explained in a most believably cynical manner: The serving vice president—a woman—is about to resign over a financial scandal, and the handlers of the aging, hawkish and irascible President Rayburn (a likably churlish Michael McKean) need someone with the necessary credentials to convince him of some unvarnished political truth. Also, to be a viable vice president. In the Court of St. James's, Kate's mettle will be tested.

Ms. Russell is a rather splendid Kate Wyler, a woman operating at a breathtaking intellectual pace but not one out of place among the mostly well-intentioned schemers at the top of the U.K. pile of intelligence officers, politicians, militarists and ministers. Her appointment raises eyebrows, and ire, but she wins people over, including the few who understand she's being vetted for vice president. She is keenly aware she has been yanked out of the



Ato Essandoh and Keri Russell in Netflix's 'The Diplomat,' created by Debora Cahn

arena she knows, and where she thought she could do some good—salvaging "a shred" of what we spent "2,400 lives trying to accomplish." That she is being examined as vice presidential timber is something about which she has no clue. Her husband, however, knows all.

This is only a minor exaggeration:
Hal Wyler (a first-rate, revelatory Rufus Sewell) is another State Department lifer, who lost his own job under the Rayburn administration for calling Secretary of State Ganon (Miguel Sandoval) a "war criminal." Hal is a political insider who knows every back channel in international diplomacy, but doesn't know when to step away, or shut up: He revels in global games-

manship exactly the way Kate doesn't, and the chemistry between them, while sexually alive, is unstable. Likewise, Hal's ego, the master diplomat having found himself in London as the plus-one to his wife. Upon being given an introductory tour of the ambassador's residence, Winfield House, Kate checks the sheets in the guest room. Meaning: The Wylers don't sleep together. And a divorcée may not be as promising a candidate as the Rayburn people are looking for.

Hal and Kate are not Nick and Nora, or Mr. and Mrs. Smith, or Homer and Marge, though they can be very funny, the humor being rooted in consternation—hers, mostly, caused by her husband's incurable habit of ignor-

ing protocol and never telling her what he has done, ostensibly on her behalf. Like floating her as a possible VP. The central crisis in what would seem to be only the first of several seasons of "The Diplomat" is the bombing of a British warship, the immediate suspect being Iran. Cooler heads-Kate's being the coolest of all (Ms. Russell is magnetic) and Hal's being the savviest-have to ice down the feverish leaders who surround them. including Ganon, Rayburn, Prime Minister Nicol Trowbridge (Rory Kinnear) and, to a lesser

degree, Austin Dennison (David Gyasi), the U.K. foreign secretary, who seems drawn to Kate, which is just shocking.

The intricacies of the plotting are ingenious, the pace brisk and the binge-ability factor high in what is a sophisticated show with a sterling cast that includes Ali Ahn ("Raising Dion") as CIA station chief Eidra Park and Ato Essandoh as Stuart Hayford, Kate's deputy minister. Like Eidra, Stuart is an immediate convert to the cause of Kate. As all of us will be.

**The Diplomat** Thursday, Netflix

Mr. Anderson is the Journal's TV critic.

### **SPORTS**

If the Boston sports fan possesses a superpower, it is the ability to find the anxiety lurking inside any joy.

The Patriots are the greatest football team of this century, but David Tyree's perfect-season spoiling "helmet catch" in Super Bowl XLII means he and a smirking Eli Manning will forever tiptoe in big blue pajamas around the nightmares of New Englanders.

The Red Sox snapped an 86year curse and won four World Series in a decade and a half, but the curse may be back on, since they bafflingly traded Mookie Betts and disturbed the poltergeist of a groggy George Ruth.

The Celtics (17 titles) are a powerful young contender with a real shot at adding more, but can they keep their young stars Jayson Tatum and Jaylen Brown together? What if this Lakers surge is actually real, and LeBron James comes to town and grabs a title on the parquet? That would be worse than Eli in his pajamas.

To the beaten-down sports fan in a championship desert like Minneapolis, or Buffalo, the perturbations of Boston's sports fans sound gratuitous, which is just a fancy word for YOU HAVE TO BE KID-DING ME I AM GOING TO DIE WITHOUT SEEING A SINGLE BAN-NER IN THIS SNAKEBIT HELL OF A SPORTS TOWN.

Don't they know how good they

To which a Boston sports fan would reply: Do you realize we haven't had a duck boat parade in almost five years? And we're in last place in the AL East? And we don't even know if Mac Jones is an NFL caliber quarterback? We didn't even get to see Eliud Kipchoge win the marathon!

Pessimism flows like Sam Adams in the trophy-riddled town. In Boston, happiness is dull. Being great isn't great enough. It's like hearing Edgartown mansion owners grouse about over-sand vehicle ≥ permits and jet fuel prices.

Consider the Boston Bruins, ₫ who are, on the face of it, a joyous sight to behold.

Followed by a tiny, possibly needless, but persistent fear.

The Bruins have already assem- $\overline{\mathbb{S}}$  bled one of the greatest hockey 🗟 campaigns ever skated. They are a veteran-led powerhouse with a po-tent defense and a pile of play-

JASON GAY **Bruins Seek to Break Curse** 

The team set a record for regular-season wins and total points. They need to win a Stanley Cup to make it an all-time season.



David Pastrnak, above, celebrates during a Game 1 win over the Panthers in the first round. Right, Bruins coach Jim Montgomery.

makers. In Monday night's playoff opener, they put the sticks to the Florida Panthers, winning 3-1.

These Bruins have shattered club records and reached personal milestones. They have a player (David Pastrnak) who scored 61 goals. Bruins goalie Linus Ullmark scored a goal! A goalie goal! Never happened in Bruins history! Noth-

Boston finished its regular season setting all-time NHL records for wins (65) and total points

That last bit is the panic. And it's driven by something more than the usual Boston sports irrational-

This brilliant regular season netted the Bruins the Presidents' Trophy, which is annually awarded to the league's winningest regularseason club.

Sounds good, right?

Well, in recent years, the Presidents' Trophy has become something of a black cat padding across a broken mirror while opening a tiny cat umbrella indoors and also dating Drake.

The last nine teams to win the Presidents' Trophy have all failed to win the Stanley Cup. It's actually worse than that—just one of those nine teams (the New York Rangers in 2014-15) advanced beyond the second round. The Bruins were one of those casualties, winning the Pres-

idents' Trophy for the 2019-20 season before falling in the second In the 36 seasons the Presidents' Trophy has been awarded

before now, only eight recipients

have won the Cup. Now I know a statistician might look at that and say, Well, that's still a success rate of 22%, that's not so bad, to which a Boston sports fan would respond by yanking an Eddie Shore No. 2 iersev over their own head and trying hard not to scream.

After all, the memories of infa-

mous collapses aren't terribly old. The Detroit Red Wings won a record-breaking 62 games in 1995-96 only to fall in the conference final. The Tampa Bay Lightning won 62 in 2018-19 and were shockingly swept in the first round by Co-

It raises the legitimate concern that a virtuoso regular season may wear players out before the long playoff grind. It prompts a discussion about priorities. It may provoke David Tyree flashbacks.

The case against a Bruins panic attack is that...this team is just really awesome. That's the case the hockey cognoscenti are making, that Boston is a team loaded with talent, depth, and without a pronounced weakness. They have experienced players who have played huge games, lights-out penalty killing and a first-year coach (Jim Montgomery) who has given them a fresh edge.

There's a vibe that this team is too good to fail. They broke those regular-season records without really trying to break them and always said the right things about the playoffs being the priority. On Monday, the Bruins played without vet leader Patrice Bergeron (out with illness), but it was hardly an issue. Not even the late surge of Connor McDavid and Edmonton (which lost Monday to Los Angeles) should derail Boston.

This won't be Columbus-Tampa Bay. It will be different.

Or will it? Hockey is often a sport fueled by momentum and happenstance, in which a hot goalie and a few lucky bounces—"puck luck" can push a less accomplished team past a juggernaut.

It's what makes the Stanley Cup playoffs so riveting. And terrify-

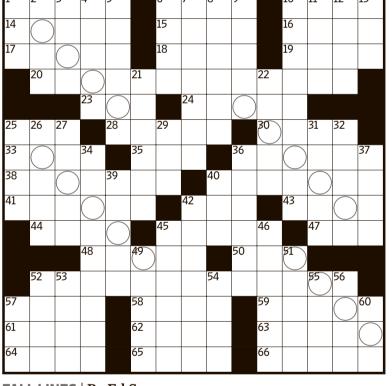
The anxiety will haunt the Boston sports fan until elimination, or until the 37-year-old

Bergeron raises Lord Stanley's spectacular 3-foot hood ornament. Every win will be expected, every disappointment soul-crushing.

There will be no prize for perspective. Nobody's going to say, Hey, well at least we won 65 regular-season games.

It isn't a choice. It's Boston.

### The WSJ Daily Crossword | Edited by Mike Shenk



### FALL LINES | By Ed Sessa

**Across** 1 Driven personality 6 Puffery 10 Creator of Gillikins,

Quadlings, Winkies and Munchkins 14 Head off 15 Long time, in

16 Itch 17 Had in mind 18 "What's he, then, that says I play the villain?'

Leeds

speaker 19 Gravlax seasoning 20 Winter

vacation. maybe 23 "Telephone

Line" band 24 Providing a lot to think about

25 Tacoma compartment 28 "There's no such thing

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30 Act the sore loser. sav

33 Org. that added a P for "Paralympic" in 2019

35 Female pheasant 36 Takes as an

example 38 Belmar location that lent its name to Springsteen's

band 40 Hair care brand with a Miracle Rescue line 41 Inside looks

42 Dallas cager 43 Chaplin of Netflix's

"Treason" 44 Lessening of hostilities 45 Morales who

becomes Spider-Man in the Spider-Verse movies

47 Citi Field team. on scoreboards

48 Happy Meal toy, often 50 Letters once

on 30 Rock 52 Schussing, say

57 Diner brew 58 Quayle's successor

59 Overplay one's part

61 Significant 62 City between Cleveland

and Buffalo 63 Sister to Eva and Zsa Zsa 64 Addition

column 65 Light shot 66 Nuclear trial,

briefly Down

1 Cambuslang cap 2 Surrealist

Tanguy ► Solve this puzzle online and discuss it at WSJ.com/Puzzles. violent

**Brooks** 

22 "You want a war? You got

26 Useful ability

27 Mess up

34 Dubrovnik denizens

36 Spelunking site

37 Clothing line 39 Physicist

40 Bro

side

45 Bright liaueur

plan

6 Reagan's first 51 Shoot for

bro! 8 Danced to punk music, heater

9 Sherlock's sister, in 55 Upscale two Netflix seating

10 Get chummy with

11 Composition for a coloratura

12 Likely to turn

13 EGOT winner 21 Snacks

a war!

25 Signaled to enter

29 Exacta, e.g. 31 Rest atop

32 "American Kids" singer Chesney

Schrödinger

42 Study on the

green melon

46 Outline of a 49 Pelted on

Halloween

56 Bygone Ford

models

52 Up to the challenge 53 Home

in a way 54 Calendar row

movies

3 Range feature

4 He often bugs

5 Fifth-century

secretary of

7 "Sure thing,

marauder

Bert

state

57 Write hastily 60 Have a bite



# Magnus Carlsen Turns to Poker

By Andrew Beaton

AND JOSHUA ROBINSON IF MAGNUS CARLSEN still cared about being the chess world champion, he would be spending this month shuttling between an office building in Astana, Kazakhstan, and his suite in the city's St. Regis hotel. His days and nights would involve deep study, theoretical preparation, and a string of games that can last upwards of five

hours each. Instead, on a recent evening, he was halfway across the globe at a casino near Los Angeles, straining his mind in a different way. Magnus Carlsen was playing poker

Carlsen, the 32-year-old Norwegian grandmaster, renounced his chess throne last year when he said that he wouldn't play in the world championship, which he won five consecutive times. Now. Russia's Ian Nepomniachtchi and Ding Liren of China (the No. 2 and 3 players in the world, respectively) are battling for the title in Kazakhstan while Carlsen lives his best life, not in Kazakhstan.

Rather than spend months preparing for a single match and trying to predict whether his opponent will deploy the London System or the Sveshnikov Sicilian defense, he was throwing chips on a table, trash-talking his opponents and occasionally showing that the mind of the highestrated chess player in history can also wrap itself around Texas Hold'em.

Carlsen played last week in the Hustler Casino Live Creator Poker Night, a man-bun perched atop his head, displaving how skills he never had to apply to chess were critical to his budding cardplaying career. While chess is a game of perfect information, because both players can see each other's pieces, Texas Hold'em comes with an asymmetry because two of each players' cards are hidden from their opponents. You can't bluff at a chessboard, but you can at a card table.

And it turns out that Carlsen is pretty good at

reading that too. He showed as much in one particularly tense hand when, after the final communal card hit the table, he found himself staring at a measly pair of fours—the lowest pair on the board. When his opponent bet \$3,200, to push the pot to \$10,575, it would have been entirely reasonable for Carlsen to fold knowing that

his hand was so weak. Carlsen saw things differently. "Liust don't believe you

at all," he told his opponent. Carlsen called the bluff, and he proved to be right. The grandmaster calmly colgrandmasters, it at least featured the player many consider to be the best ever.

But this chess championship is between one player, Nepomniachtchi, who Carlsen demolished in 2021 and another, Ding, who only made it into the event because Carlsen stepped away. So it isn't especially difficult to understand why prominent figures inside the chess community have been downplaying

the title. "I can hardly call it a world championship match," former world champion Garry



Magnus Carlsen opted to skip the world chess championship.

lected his \$13,775 and explained his rationale. The rest of the table could hardly hide their astonishment at how accurately he read the situation.

player to his right said, only half-kidding. "Go back to your game." Carlsen isn't your average

"No more Magnus," the

celebrity poker tournament seat-filler. He entered the Norwegian Championships last April and tweeted that he finished 25th in a field of 1.050 entrants. He also competed in the World Series of Poker main event last year.

That Carlsen was biding his time recently reading flops instead of fianchettos also reflects how this World Chess Championship has lacked the same juice as other recent editions. Although the event had become something of a showcase for Carlsen as he mercilessly dismantled other me, the world championship match should include the strongest player on the planet, and this match doesn't. I'm not here to comment on Magnus's decision. but it's kind of an amputated event." The upside to Carlsen's ab-

sence is that without the most dominant player in chess, the closely matched Ding and Nepomniachtchi have traded an exhilarating series of blows. Five of the seven games have ended with decisive results, including Tuesday when the Russian grandmaster took the overall lead in dramatic fashion after Ding struggled with the clock winding down.

Carlsen, though, hasn't retired from chess. Even after he said he wouldn't defend his title in classical chess, he went out and won the world championships in rapid and blitz-played under faster time controls—last year.

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**BUSINESS** WORLD By Holman W. Jenkins, Jr.

climate official a few months ago about the counterintuiargument that green handouts won't

tered a se-

Biden

reduce fossil-fuel consumption, he surprised me by finishing my sentence. The only real solution is for governments "to put a price on carbon," he said, and speculated Democrats and Republicans might break the ice with a carbon-related import tax.

The point being, economic sanity exists everywhere except in the policies of the Biden administration and media coverage of them.

Unbidden in a recent Journal podcast, the Harvard economist Ken Rogoff spontaneously offered a similar assessment of the "craziness" of current policy in contrast with the only "sane thing that's going to work." Tyler Cowen, the author and economist, voiced the same critique in a podcast with green investor Jeremy Grantham: "We make green energy much cheaper, but dirty energy becomes cheaper" and "the world just uses much more energy."

Or take a Princeton analysis the Biden White House loves to cite. In its fine print, the analysis admits leaving out the emissions effect of lowered fossil-energy prices.

Subsidizing somebody to

sures.

When I pes- sidy to consume energy, pe- without counting the signal to effect to be detectable deriod—to drive more, to live others to consume the fossil in a bigger house, to crank the air conditioning higher. The electricity to charge the car has to come from somewhere. The minerals for the battery don't spring from the ground. If government pays you to use less fossil fuel, it's paying someone else to use

> But the funny thing is, even if sophisticated economics are lost on you, you still wouldn't subsidize electric cars for consumers based simply on the numbers.

Transportation may be 20% of emissions, but cars and vans represent only 8%, and 72% of these are personal vehicles—which means they sit idle most of the time. Going by U.S. and European averages, commercial vehicles rack up four times the annual mileage. Global society's personal vehicles may be a majority of cars, but they account for a minority of light-vehicle emissions—about 39%, or 3% of total emissions.

And, of course, the Biden plan affects only the U.S., with 12% of the global fleet-so 0.36%. And swapping out a gasoline engine for a battery eliminates only half (at best) of lifetime emissions—so

tors are considered, such as the shrinking U.S. share of global emissions, such as the promised anonymity). This slow turnover of the U.S. auto fleet, the climate effect of the extravagantly expensive Biden would emissions be placed on plan will steadily approach use an electric car is a sub-zero as time goes on even possibly allow some climate to point the finger.

fuels that EV drivers allow to be available at a lower price.

Union of Concerned Scientists for years has practiced a sleight of hand, claiming "our personal vehicles are a major cause of global warming" and then segueing to talk about transportation emissions

If the president succeeds, global emissions will be 0.18% lower.

overall. Ditto the New York Times, which laughably oversells the Biden plan "to slash the greenhouse gases generated by cars, a major driver of climate change."

These outlets plump for EV subsidies because their target demos like to hear about EV handouts but it's not serious climate policy. It's no more serious than the Obama fueleconomy plan to give us 54.5 miles per gallon by 2025, shown in a subsequent investigation to be a sham "headline number" cooked up by the White House PR team.

If Americans want to cut I could go on. When all fac- emissions, they can enact a carbon tax, as the Biden adviser suggests (after being model other countries might adopt, in which case only then a noticeably lower path and

cades from now.

Make up your own mind whether such emissions re-Now you know why the ductions are worth pursuing but understand that the convoluted Biden plan is an EV fetish masquerading as a policy thought.

You may have a low opinion of Joe Biden. You may think he lacks the temperament to examine the secondand third-order effects of his own EV mandate. "EVs are good" might be reasoning enough for old Joe. But Barack Obama pushed similar policies and sailed majestically on, in his presidential afterlife, to sign a big production deal with Netflix and bask in permanent acclaim.

Which brings us to a sad realization. Mainstream liberals like Messrs. Biden and Obama and their colleagues in Congress, for quite a while now, have offered nothing except to treat the productive economy as a source of endless rents that can be extracted and redeployed to give evidence of their own good intentions, which then are parlaved into status and wealth opportunities for their fami-

If this sounds cynical, also spare a thought for a news media that has ceased to function as a critic and instead champions policy ideas, no matter how theoretically expensive, purely as virtue signals. If you hoped for climate policy that might actually affect climate, the press perhaps is the ultimate place **BOOKSHELF** | By David S. Reynolds

# Deathbed Directive

A Madman's Will

By Gregory May (Liveright, 382 pages, \$30)

GARGORY MAY

The planter and politician John Randolph of Roanoke, one of the leading defenders of slavery in early-19thcentury America, emancipated his nearly 400 enslaved people in his will. Or did he? That mystery drives "A Madman's Will," Gregory May's enlightening, suspenseful book on Randolph's oft-revised will, which became the subject of prolonged court battles after his death.

John Randolph served Virginia in Congress for almost 30 years, mainly in the House of Representatives, with a two-year stint in the Senate. Reed-thin, tall and russethaired, Randolph had a beardless face and a high, shrill voice—symptoms of a genetic disorder or perhaps an adolescent illness that disrupted puberty. The eccentric Randolph would stride into Congress trailed by hunting dogs that curled up under his desk while he gave bril-

> liant, sarcastic, interminable speeches accentuated by wild gestures.

Early in his career, Randolph, the unmarried heir to a huge Virginia tobacco plantation, took the moderate position that slavery was a necessary evil. He called for restrictions on slavery in the western territories and denounced the slave trade in Washington, D.C. But as time passed, he became an outspoken advocate of the view that the central government must never interfere with the

South's peculiar institution. A champion of states' rights, he was the only Southerner, Mr. May informs us, who voted against the Missouri Compromise, the face-saving measure that gave concessions to the North while allowing slavery in Missouri.

If Randolph supported slavery, why did he arrange for the freedom of his bondspeople? Due to a paucity of evidence, Mr. May cannot fully answer this question. Randolph clearly differed from his brother Richard, who defended freeing his own 155 enslaved people by denouncing slavery at length as "the most lawless and monstrous tyranny." John Randolph made no such extended pronouncements. "He did not believe in universal emancipation," Mr. May writes. "He freed his own slaves in order to suit himself."

Some facts Mr. May presents do indicate Randolph's underlying opposition to slavery, despite his intensifying public support of it. In a will that Randolph wrote in 1800. he announced: "It is my desire that every individual negroe of whom I may die possessed be restored to that freedom which is his just & natural right & of which he has been so long & basely deprived." That early will was undiscovered until long after his death, however. In a will he wrote in 1832, a year before his death, Randolph made no mention of his slaves and left virtually his entire estate to a 2-year-old boy he had never seen, the first child of his niece Elizabeth Bryan. The picture became even murkier when, on his deathbed, Randolph asked witnesses to "confirm every disposition in my will, especially that respecting my slaves, whom I have manumitted.

Technically, Randolph's last written will—which did not refer to emancipation—superseded his other wills. But the mixed messages Randolph had sent over the years gave rise to an 11-year court battle over his estate. Lawyers represented opposing groups of Randolph's relatives and friends, whose motives ranged from sheer greed to altruistic concern for the black people Randolph had owned. Mr. May, a lawyer turned historian, dexterously describes the court hearings, appeals and suits over Randolph's will.

### A prolonged court battle sought to determine whether John Randolph of Roanoke did or did not intend to emancipate nearly 400 slaves.

The fight over Randolph's estate, Mr. May explains, centered on the question: Was John Randolph mentally ill, and, if so, for how long? His half-brother, the lawyer and novelist Nathaniel Beverley Tucker, maintained that Randolph's insanity had lasted for decades and that all of his wills were invalid; his estate, therefore, must be divided among his heirs, including Tucker himself. On the other side was Randolph's friend Judge William Leigh, who claimed that mental illness did not strike Randolph until late in his life, meaning that his last will must be set aside in favor of the 1821 one, in which Randolph had liberated his black people. Leigh selflessly renounced his interest in the 1821 will, in which Randolph had named him as his principal beneficiary.

In 1845, a Petersburg, Va., court ruled that the 383 surviving blacks formerly enslaved by John Randolph must be emancipated. But liberty did not bring security to the freedpeople. Mr. May does an excellent job of describing what he calls the "mirage of freedom" that was the unfortunate destiny of many emancipated blacks at the time. Virginia law required that manumitted blacks must leave the state within a year of being freed. Under the direction of William Leigh, these freedpeople trekked west across the Alleghenies to Ohio, where there were black settlements. But Ohio, though a free state, resented being a sought-after home for the South's emancipated black people. A white mob in Mercer County and violent incidents elsewhere in Ohio prevented them from settling as a unified community. The group was forced to scatter. Some fled to different states, while others settled in two counties in southwest Ohio.

Mr. May makes an illuminating comparison between Randolph and another Virginia enslaver, Samuel Gist, who liberated more than 300 people. It would have been interesting to hear similar comparisons made to other major figures (mentioned briefly in an endnote), including George Washington, who ordered that his 123 enslaved people be set free upon his wife's death; Robert Pleasants, who liberated more than 400 bondspeople; and Robert Carter III, who emancipated between 400 and 500.

Such discussions would be icing on a very rich cake. "A Madman's Will" offers a compelling case history of the complexities of enslavement and emancipation in the young American nation.

Mr. Reynolds is a Distinguished Professor at the Graduate Center of the City University of New York. His books include, most recently, "Abe: Abraham Lincoln in His Times.'

### What Drives Political Polarization?



By William

was when I cast my first vote in 1968. politi-A. Galston cally, the kind of polariza-

tion that matters most is geographical.

In the close 1976 election between Jimmy Carter and Gerald Ford, 20 states were decided by margins of less than 5 percentage points. By 2000, when Al Gore and George W. Bush faced off in another close election, only 12 states ended up this cate-During this period, few states became more competitive. Instead, most red states became redder, and blue states bluer, while many swing states shifted decisively toward one or the other party.

County lines are nearly as stable as state borders, and polarizing shifts within counties are similarly pronounced. As recently as 1992, 38% of voters lived in counties that gave winning margins of at least 20 points to Democrats or Republicans. By 2016 the share of these voters had risen to 60%, and this trend appears to have continued in

Against this backdrop, it should come as no surprise that the number of competitive congressional districts

By most mea- has declined sharply. In 1999, the according to Cook Political U.S. has be-Report's David Wasserman, 164 seats were within 5 points of the nearly even napolarized than it tional partisan divide. That number has since been cut in half. The number of seats that remain competitive in every election—what Cook calls "hyper-swing seats"has fallen during this period by 58%, from 107 to 45. In more than 80% of districts, the outcome is for all practical purposes determined in A new study suggests the dominant party's primary election, typically low-turnout affairs dominated by the between rural and

most committed voters. One of the main drivers of geographical polarization is the widening gap between rugory. That number fell to 11 ral and urban America. In an in 2016 and eight in 2020. illuminating new study, Cornell's Suzanne Mettler and Trevor Brown show that as recently as three decades ago, rural and urban voting patterns in presidential elections closely tracked each other. In 1996 Bob Dole's share of the rural vote was only 3 points higher than his urban share, even though he was Republican from Kansas. In 2020 Donald Trump's gap was 21 points. He received 64% of the rural vote and 43% of the urban vote.

It is tempting but wrong to view this divide as the consequence of the South's political realignment. Yes, the urban-rural gap between the parties widened to 18 points in the South, but it expanded even more in the Midwest (22 points) and the West (20

points), with the Northeast the population of urban not far behind at 15 points.

According to Ms. Mettler and Mr. Brown, two main forces drove this widening. First, the economic fortunes of urban and rural America have diverged sharply. Since is part of what they mean. the 1980s, manufacturing has been about twice as important for rural areas as for their urban counterparts. The decline of manufacturing jobs

that the jobs gaps urban places is a key.

since 2000 has hit rural areas especially hard. Many small towns depended heavily single manufacturing plants, whose closure sent many of them in a downward spiral that proved hard to re-

In 1970, the education gap

between rural and urban ars was modest. Today, 35% of urban residents have at least a bachelor's degree, compared with 21% for rural Americans. This helps explain why urban areas were more able to take advantage of the expanding information economy. An incredible 94% of the nation's job growth since 2000 has occurred in urban counties, while almost half of their rural counterparts have suffered net job losses during the same period. Similarly, since the turn of the century,

counties has risen at more than twice the rate of rural counties, 41% of which have experienced population losses. When rural Americans say they feel left behind, this The second large force

driving the urban-rural political divide, the authors argue, is the growing nationalization of policy, which many rural Americans view as efforts by educated urban Americans to enforce their elite outlook on issues ranging from racial, ethnic and gender identity to the environment, education, gun ownership, immigration and religious liberty. As the urban influence has grown in the Democratic Party, Americans have rallied behind the Republican Party in resistance.

These scholars show that we need not choose between economics and culture to explain the widening political gap between rural and urban America. In recent decades, the U.S. has experienced what the authors call "sequential polarization," with rural economic decline increasing rural Americans' receptivity to the Republican message of cultural resistance.

If Ms. Mettler and Mr. Brown are correct—and theirs is the most balanced and persuasive account I've seen-our current polarization is the result of tectonic economic and cultural shifts won't be reversed

# Why I Let My Granddaughter, 4, Lose

By Bob Brody

ace me!" 4-year-old Lucia demands. So I do. Off my grandhead start, the front gate our typically look to maintain a finish line. But soon I pull ratio of about 50-50.

"Here I come!" I warn. "I'm gonna win!"

"No!" she protests at the top of her lungs. "No!" But I win. I'm trying to

teach her about competition. Decades ago, I raced my son Michael, too, only occasionally letting him win. Then one summer day, on a beach in Long Island, Michael won for real, blowing my doors off. And one day, probably sooner rather than later if only be-

for real, too. All my adult life, I've played sports with kids, from family members and neighbors to strangers. Baseball, basketball, football, soccer, Lucia. If everything comes

cause I'm 71, Lucia will win

tennis, track, you name it. I've easy, she'll never be prepared up and outpace." formed a philosophy about how to train kids in athletic competition. They should win some, but they should also daughter sprints down the lose some. In the interest of driveway, giving herself a striking the right balance, I

> She needs a taste of defeat as well as victory to learn how to compete in life.

So, for example, I'll smack away an attempted layup or fling a fastball past a batter. just to make a point. But a minute later, I may back off to allow a touchdown or a winning forehand down the line. The idea is for kids to taste both victory and defeat, and then be free to decide which they like better. So it is with

to manage anything hard.

Granted, losing hurts. I've never quite recovered from race her. We dash down the getting cut in tryouts for my eighth-grade basketball team. But losing is also instructive and fortifying. Losing motivates you to bring out your best. Lucia should understand that nobody deserves an award simply for showing up, and that nothing makes you want to win more than losing. "I've failed over and over again in my life," Michael Jordan says in a commercial. "And that is why I succeed."

Sports is a school, its curriculum a lesson in how we're always our own toughest competition. At its best, competition teaches cooperation and collaboration. Besides, all of life is a kind of race-for a mate, a job, the next buck. The sooner we learn the stakes are Darwinian, the better we'll survive. "A horse never runs so fast," Ovid wrote, "as when he has other horses to catch "Again!" Lucia

insists. "Race me again!" So again I street. I'm trailing by a yard, but again I issue my threat. "Here I come! I'm gonna

"No!" she gasps between

breaths. "I'm gonna win!" And then 3-foot-tall Lucia shifts into a higher gear, inching ahead. She wins, smiling and laughing, the exertion leaving her cheeks flushed. "I won!" she screams. "I got here first!" I love the look in her eyes.

See how good it feels?" I ask

"Yes!" she exclaims. But even though we seem finished for the day, she's just getting started. "Again!" she cries out, radiating the spirit of a champion. "Race me again!"

Mr. Brody, a consultant and essayist in Italy, is author of the memoir "Playing Catch with Strangers: A Family Guy (Reluctantly) Comes of Age."

**A16** | Wednesday, April 19, 2023

### A Big Labor Partisan Named Su

puts union interests

above workers.

resident Biden's legislative agenda has passed in the fall, is on hold after California votlittle chance in the current Congress, but that means he'll try to govern even more Biden's Labor nominee

through regulation. It also means his regulatory and Cabinet nominees deserve extra scrutiny, and an example is Julie Su, his choice to run the Department of Labor. Currently the deputy secre-

tary, Ms. Su has a record of putting union interests above those of individual workers or flexible business models that workers like but unions oppose. As labor secretary in California, she drove implementation of the state's AB5 law,

which reclassified independent contractors as employees.

The law was aimed at Uber drivers and other gig workers, but it ended up smacking workers seeking flexible hours in multiple industriescomedy performers, personal fitness trainers. midwives, transcriptionists, hairdressers, music-lesson providers. After the law passed, Ms. Su promised statewide investigations and audits to enforce compliance.

The ensuing labor and economic harm caused the state to exempt numerous professions from the law, while voters in 2020 overwhelming passed an initiative exempting many gig workers from the statute. Ms. Su's Labor department is nonetheless taking AB5 national with a proposed regulation that replicates California's mess by reclassifying millions of contractors as employees.

Ms. Su also opposes the franchise industry, a well-trod path for small-business ownership. She's supported California's Fast Act, which empowers an unelected board to impose work rules and a minimum wage as high as \$22 an hour. California's Department of Finance opposed the law, warning it would raise costs. The law, which ers gathered enough signatures to put the issue on the ballot in 2024.

> She also wants to eliminate the so-called tip credit, which lets workers earn a lower minimum wage as long as their overall tips provide compensation at least equal to the statutory minimum. Most workers

find they earn much more in tips, and last year voters in progressive Portland, Maine, defeated an initiative to replace the tip credit with a minimum wage. The Biden Labor Department has issued a rule limiting the number of employees who can qualify for the tip credit.

Another concern is competence. In California Ms. Su's department issued some \$30 billion in fraudulent jobless-benefit payments during the Covid pandemic. The U.S. Labor Department repeatedly warned California it needed to improve its fraud protection, but Ms. Su's department sent out checks faster.

The Senate confirmed Ms. Su as deputy secretary despite this record, but now she wants a promotion. In the top job she'd be in a position to intervene on behalf of unions in looming labor negotiations that could have a major economic impact. Maritime employers and longshoremen are sparring over a new contract, while UPS and the Teamsters began negotiating a new contract this week. The country needs a Labor secretary who is a credible arbiter, not a union partisan.

The Senate Health, Education, Labor and Pension Committee will hold her confirmation hearing on Thursday, and Democrats Jon Tester, Joe Manchin, Kyrsten Sinema and others up for reelection next year will decide her fate. They might consider if they want to confirm an official whose decisions could haunt them and the U.S. economy for the next two years.

### **Donald Trump Sides With Disney**

more than Ron DeSantis's escalating tiff with Disney is the daily Donald Trump

show. In Tuesday's double feature, the former President sided with the woke Mickey Mouse to score points over the Florida Governor.

"Disney's next move will be the announcement that no

more money will be invested in Florida because of the Governor," Mr. Trump wrote on Truth Social. "In fact, they could even announce a slow withdrawal or sale of certain properties, or the whole thing. Watch! That would be a killer. In the meantime, this is all so unnecessary, a political STUNT!"

He knows all about stunts. Mr. Trump thinks Mr. DeSantis's dispute with Disney is hurting the Governor politically, so he's piling on.

Mr. DeSantis had a strong case last year when he championed legislation revoking special self-governing privileges that provided favorable tax and regulatory treatment for Disney World that other companies don't enjoy. The move was a response to Disney's unnecessary decision to attack Florida's mislabeled "don't say gay" law. As the Governor wrote in these pages in February, Florida's Parental Rights in Education Act merely limits classroom instruction on sexuality and gender ideology in grades K-3 and requires that sex instruction in other grades be age-appropriate.

But while Mr. DeSantis was distracted by other matters, Disney in February clawed back some of the authority that the legislation had sought to cancel. The press mocked the Governor for being out-maneuvered. Not wanting to

he only thing Democrats enjoy watching look weak, Mr. DeSantis attacked the company in Trumpian fashion.

> Disney responded by announcing that it will host the largest LGBTQ+ con-The former President ference in the world at its Orlando resort, which may not goes for woke to trash endear it to parents who are Ron DeSantis. dismayed by its aggressive

> > now Mr. DeSantis is escalating the feud and threatening to set up a rival state amusement park or even a prison next to the Magic Kingdom.

promotion of woke culture. So

Nobody emerges from this looking good. Mr. DeSantis is escalating a feud with a business that risks alienating moderate and independent voters who otherwise support Florida's sex-education law and his good policies such as school-choice expansion. CEO Robert Iger risks further damage to Disney's Florida assets when its stock price is in the tank. Both would benefit from settling the dispute.

But as is his wont, Mr. Trump is trying to oad the Governor by siding with Mr. Iger. Y think the former President would be critical of Disney's woke turn, but his only abiding political conviction is personal advantage. He recently sided with plaintiff attorneys against Mr. DeSantis's sensible tort reforms.

Mr. Trump these days attacks Republicans more than Democrats. On Tuesday he trashed his former chief of staff Mick Mulvaney as a "born loser" and "perhaps the dumbest person, along with John Bolton, working at the White House." So why did he appoint them? If he gets elected President again, who would volunteer for such abuse by working for him? Maybe he can ask Mr. Iger for a hand.

### How the FDIC Rigged the SVB Auction

t was always hard to credit the Biden Administration's claims that political bias played no role in its handling of the Silicon Valley Bank failure. Now we've learned from banking sources that the Federal Deposit Insurance Corp. snubbed nonbanks interested in buying SVB, resulting in increased costs to the insurance fund.

FDIC Chairman Martin Gruenberg told Congress last month that the agency received a valid bid to acquire SVB the weekend after it failed on Friday, March 10. But he said the bid didn't meet the FDIC's statutory requirement to minimize costs to the deposit insurance fund because losses on SVB's insured deposits were likely to be very small. The bid, he added, "was more expensive than a liquidation" would have been.

Yet, lo, on March 12 the FDIC invoked a "systemic risk" exception to its least-cost resolution requirement and guaranteed SVB's uninsured deposits. This made SVB more attractive to potential suitors but at the price of increasing the FDIC's liability. While the FDIC initially limited its auction to banks, it later sought to expand the pool of bidders to nonbanks such as asset managers and private-equity firms. But even then, the FDIC placed nonbanks on an unequal playing field.

The FDIC offered banks—but not nonbanks—a loss-share arrangement in which the agency agreed to take the tail credit risk on SVB's loans. A loss-share arrangement reduced the due diligence potential acquirers had to perform to evaluate SVB's hard-to-value loan book, but it also increased the FDIC's potential liability.

The FDIC also offered banks—but again not nonbanks—cheap financing. This increased the FDIC's costs and meant nonbanks seeking to bid on SVB had to quickly raise large amounts of private funds. We're told that several nonbanks made competitive bids, but they needed more time to raise money and perform due diligence. Blackstone, for one, backed a bid by regional bank Valley National Bancorp.

The FDIC insisted on closing a deal by the end of March 26, and its refusal to offer nonbanks the same terms as banks put alternative investment firms at a significant disadvantage. The winning bidder was First Citizens Banc-Shares, which acquired SVB's \$72 billion in loans at a significant \$16.5 billion discount with future losses shared with the FDIC. The FDIC also financed the deal with a five-year \$35 billion loan plus a \$70 billion line of credit to cover potential deposit flight. The FDIC estimates that the failure and rescue will cost its insurance fund about \$20 billion.

All of this shows how progressive ideology at the FDIC has cost taxpayers money. Letting nonbanks finance a takeover of failed banks, as they often take over other distressed companies, would minimize the FDIC's liabilities. But it would anger progressives on the Senate Banking Committee who loathe private equity and view nonbanks as a threat to their political sway over the current banking system. Here's looking at you, Sherrod Brown and Elizabeth Warren.

What is the FDIC's plan if another midsize bank fails? The Administration won't let big banks acquire smaller ones. Yet midsize and community banks lack the capital to swallow a bank with \$100 billion to \$200 billion in assets. That means we'll probably get another sweetheart deal for a competitor to take over the failed bank and then write off a big loss to the insurance fund. Great work, guys.

### LETTERS TO THE EDITOR

### Did the EPA Forget 'Major Questions' Again?

Your editorial "Biden Remakes the Auto Industry" (April 13) demonstrates that the Environmental Protection Agency's proposed regulation, indirectly mandating the production of electric vehicles by establishing draconian tailpipe-emission standards, should die on a constitutional hill known as the "major questions doctrine." Stated differently, a government agency shouldn't be allowed to accomplish by indirection that which it isn't authorized by Congress to regulate directly.

If the EPA regulation is upheld, I predict a boom in the gasoline-engine used-car business for the next 15 years. EVs won't attract a mass audience, even at the point of the EPA's regulatory "gun."

J. KENNETH WAINWRIGHT Birmingham, Mich.

Your editorial doesn't mention a primary reason those of us in potential disaster zones aren't keen on electric vehicles. In the case of hurricanes, floods and earthquakes, power grids can be down for days or months. Typically, gasoline is rushed to those areas and drivers are serviced by generator-powered gas stations. This allows cleanup to begin. food to be sourced and life to begin to return to normal.

I live in a hurricane-prone area. During evacuations further than 250 miles, I would be subject to stopping for a 30-minute charge, plus waiting in lines at those charging stations. If I chose to "hunker down" and endure the hurricane, I could be stuck without power for an extended period. It seems foolish to rely on EV-only transport in disaster zones, yet the lawmakers in Washington continue to ignore the issue.

KAY GRAHAM Pensacola, Fla.

Where was the EPA when it could have nipped this whole oil, gas and car business in the bud and sent Rockefeller, Ford and Chevrolet packing?

JAMES PEACE Sacramento, Calif.

### The Value of Work for Teens as Well as Adults

When I was in second grade, I got a job selling TV Guides door to door to make a little money. By the time I was 13, I had moved on to being a fry cook at a local burger place. At 15, I was stocking shelves at my grocery store. I grew up poor, lived in public housing and watched my parents struggle every day to put food on our table, so having these jobs was a necessity for me. But this early introduction to working was a far greater blessing than a burden.

As Jason Riley smartly notes ("A Little Work Never Hurt Anyone-Including Teenagers," Upward Mobility, April 12), these jobs taught me the values of being dependable and working hard. In a nation that seems more disconnected than ever with the value of work, these are lessons from which every American kid could benefit.

I recently reintroduced my Let's Get to Work Act to return work reguirements to food-stamp programs, expand those requirements to all able-bodied adults ages 50 to 59 and to parents with children six and older, and to implement those requirements for public housing, which currently have none. For too long, the left has waged a war on work. If we let it go on, it will ruin our country.

We need every American who can work to do so. It's simple: A job is the best thing for a family. A job brings income, creating independence and security. We need more Americans to understand that, and I bet if we had more young people in the workforce, our future generations wouldn't have the same problems we have today.

SEN. RICK SCOTT (R., FLA.) Naples, Fla.

### The Reasons California's Economy Ranks Last

Your editorial "California Comes in Last" (April 7) reports that the Golden State ranks 50th in the Bureau of Economic Analysis's recent report on 2022 net earnings growth by state. I thought this might be due to the increasing number of people and businesses leaving the state to escape its high taxes and regulatory policy. So I converted the BEA's total net earnings growth by state to growth on a per capita basis. California still ranks 50th.

Digging a little deeper, I found that there is another explanation for California's bottom-of-the-barrel perfor-

### The American Melting Pot Still Works. Why Divide Us?

In "Biden's OMB Plans to Divide America Into More Racial Groups" (April 8), John Early exposes the evils of tracking Americans by race and ethnicity. There is no reason to collect such data unless it is going to be used. It can be used only for discrimination, to treat some racial groups better than others. Everyone should be treated the same.

People from the 200 nations of the world come here for a better life. They assimilate. Their kids grow up American. They speak only English. They merge into the melting pot that is America.

For instance, my great-grandchildren are due next. They will be Irish, Dutch, German, Hungarian, Greek, Indian and Swedish. This will continue. How many combinations of Americans can the dividers cook up? It is endless and useless. To what end but to treat people only as members of groups, not as individuals? We need to stop collecting this data. We are all Americans.

> EDWARD HAAS Atlantic Beach, Fla.

> > Troy, Mich.

### The Job of a Corporate Board

Why should board members at Silicon Valley Bank be held any more accountable than those of firms across America? (Letters, April 13). They all receive nice checks and stocks for very little time or effort, and their contracts absolve them from virtually any consequences for their decisions. They exist to lend credibility to a fantasy that they perform oversight for the good of shareholders. In reality, they rubber-stamp the desires of the board chairmen. As for shareholders, unless you purchase 5% of the company, you don't own enough of a stake for anyone to even pay you lip service. LAWRENCE DORR

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mance besides the antibusiness political environment. Not only is California 46th in state and local taxes (per the Tax Foundation's 2022 report), but it was also 45th in its Covid-stringency policy in 2022.

Oxford University's stringency index measures the extent of government mandates, based on 11 different government responses to Covid. That lower earnings growth in 2022 is at least partly due to the degree to which a state government clamps down on an economy by imposing Covid-related sanctions is revealed by the following: The 10 states with the lowest average Oxford University stringency index in 2022 gained an average of 9.6% in earnings growth in 2022. For states that ranked 11th through 20th in Covid regulations, the average was 8.5%. For states ranking 21st to 30th, the gain was 7.8%. Those ranking 31st to 40th experienced growth of 7.3%. And for the states with the highest Oxford stringency scores, the growth was only 6.3%. Not surprisingly, California was in the middle of the last quintile.

PROF. JIM DOTI Chapman University Orange, Calif.

### The First Day of Shop Class Like Mark Naida, I too found a rite

of passage in wood-shop class ("I Came, I Sawed, I Conquered," op-ed, April 13). I also went to school in rural Michigan, but as a girl I had to petition to get into wood-shop class. On the first day, I cut my finger to the bone using the bandsaw. The instructor, instead of offering medical assistance for my gushing finger, said, "That's why we don't let girls into shop class."

I had never before noticed sexism, but the experience redoubled my determination to overcome it. I went on to build an airplane.

LYNNE WAINFAN, Ph.D. Long Beach Calif.

### Pepper ... And Salt

THE WALL STREET JOURNAL



"Yes, I already tried re-starting the computer and punching the wall."

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# Republicans Can Reset the Abortion Debate

hat do you do when your movement is on the right side of an issue morally, but seems to be losing politically? That's the question the pro-life movement needs to answer,

Abortion policy is receiving renewed attention after this month's election in Wisconsin in which a left-wing judge won by 11 points after campaigning relentlessly on abortion for a seat on the state's Supreme Court, which has a pending lawsuit over the state's pro-life law. But Florida Gov. Ron DeSantis signed a fetal heartbeat bill last week that protects unborn babies at six weeks' gestation. His action suggests that Republicans can win on abortion if they define the terms of the debate.

### Don't be afraid to defend the unborn, but be prepared to accept incremental progress.

After the Wisconsin result, Ann Coulter tweeted the conventional wisdom: "The demand for anti-abortion legislation just cost Republicans another crucial race. Pro-lifers: WE WON. Abortion is not a 'constitutional right' anymore! Please stop pushing strict limits on abortion, or there will be no Republicans left."

Ms. Coulter is wrong on several points. There's no evidence the conservative candidate lost in Wisconsin because of abortion. He lost by the same margin in 2020 when he ran as an incumbent for the same office. Two identical election losses, before Dobbs v. Jackson Women's Health Organization and one after, seem hard to blame on abortion. The goal of the pro-life movement has never been merely to make abortion "not a 'constitutional right' " but to protect unborn babies. In Dobbs the pro-life movement won a battle, not the war. And while enacting protections for the unborn can be a political challenge, GOP abandonment of the cause will ensure that "there will be no Republicans left." This is a truth that even prochoice Republicans can understand: Their party can't win elections without its pro-life base turning out to

But the GOP also can't win if it continues to let Democrats define the terms of the debate. While it's true that public opinion in America isn't as protective of children in the womb as it should be, Americans are dramatically more pro-life

than the Democratic Party. Taxpayer-funded abortion on demand throughout all nine months of pregnancy—the official Democratic platform—is extremely unpopular, going too far even for many Democratic voters. The pro-life movement and the GOP have an opportunity to expose this left-wing extremism.

When articulate politicians do this, they win. Mr. DeSantis-no shrinking violet in front of hostile media—ran for re-election in 2022 having signed into law a pain-capable bill, which protects babies after 15 weeks, that same year. He won by 19 points. Last week, while considering a presidential bid, he signed the heartbeat bill. In Ohio, Gov. Mike De-Wine won last year by 25 points after signing a heartbeat law. Georgia Gov. Brian Kemp and Texas Gov. Greg Abbott both won decisive victories after signing heartbeat laws. Sen. Marco Rubio was re-elected by 16 points after expressing strong support for a 15-week federal limit.

As Texas and Florida enacted their abortion laws, they also enacted policies to make the choice for



Gov. Ron DeSantis after signing a 2022 abortion law.

life easier. Lawmakers in Austin allocated an additional \$100 million to the Texas Alternatives to Abortion Program, and their counterparts in Tallahassee launched an important fatherhood initiative. (Polling shows that lack of support from the child's father is one of the most significant factors in a woman's decision to abort.) Florida's heartbeat bill also came with \$25 million in additional annual funding for the Florida Pregnancy Care Network. The pro-life movement has always served both mothers and children, and America's post-Roe policies should focus both on prohibiting abortion and supporting the choice for life.

All of the laws enacted by the pro-life governors re-elected in 2022—and every current pro-life law in America—have protections for the life of the mother, and several have exceptions in cases of rape or incest.

Running on an absolutist pro-life platform now is the mirror image of the mistake Democrats have made running on an absolutist pro-abortion platform. Some tolerance for less-than-ideal laws is politically necessary. So, too, is a willingness to work incrementally—enacting a pain-capable law today if that's possible, working to shape public opinion, and passing a heartbeat bill later. Florida accomplished that in only a year.

Given that 93% of abortions in America occur before 13 weeks, the pro-life movement can't accept European-style abortion policies as a permanent solution. But going beyond that will require moral and political leadership. Several contenders for the 2024 GOP presidential nomination have had difficulty articulating a clear position. Pro-abortion extremists get a free pass to lie about pro-life laws and demonize the party that supports them. Recent proabortion ballot initiatives passed and pro-life ones failed largely because pro-lifers lacked leadership, were outspent, and lost the messaging battle.

Despite every abortion prohibition having explicit protections for lifesaving medical care for mothers, media and activists repeatedly asserted in 2022 that pro-life laws jeopardize maternal health. For months, voters heard a barrage of lies about the supposed prohibition of treatment for ectopic pregnancies and miscarriage simply because GOP politicians refused to spend the political capital to respond.

Pro-lifers and the GOP need to push back against these lies at both the state and federal levels. Democrats in Congress have introduced legislation to codify abortion on demand and nullify state-level pro-life laws. The GOP and the prolife movement can't allow the pro-abortion left to nationalize the issue, leaving their side to defend pro-life laws at the state level alone.

Most important, GOP leaders need to champion the truth about the precious

child in the womb: The entity that ultrasound technicians refer to as "your baby," whose heartbeat expectant mothers and fathers anxiously wait to hear, and whose grainy pictures we share in text messages, is a human being of profound worth. Standing for the inherent and equal dignity of every human places the pro-life movement on the right side of this issue morally. Compared with Democratic extremism, pro-lifers are also on the right side as a political matter tooso long as they don't demand everything at once or cower and let the media and pro-abortion politicians drive the conversation.

The pro-life movement needs to work incrementally toward its goal of an America where every child is protected by law and welcomed in life. If we move steadily forward, one step at a time, we will get there.

Mr. Anderson is president of the Ethics and Public Policy Center and co-author of "Tearing Us Apart: How Abortion Harms Everything and Solves Nothing."

# Don't Blame China and TikTok for Child-Rearing Failures



**UPWARD MOBILITY** By Jason L. Riley

ministration tried to TikTok three years ago, you might recall that things didn't go so well. The Biden administration believes it will have better luck, but don't count on it. President Trump

When the Trump ad-

issued an executive order in 2020 that claimed the popular video-sharing app, which is owned by Beijing-based ByteDance, was a threat to national security, and he directed the U.S. Commerce Department to prevent TikTok from being downloaded in app stores. TikTok influencers sued to block the order, and a federal judge ruled that the administration had overstepped its authority.

The Trump administration's "failure to adequately consider an obvious and reasonable alternative before banning TikTok" meant that singling out the company was "arbitrary and capricious," wrote Judge Carl Nichols of the U.S. District Court in the District of Columbia. Judge Nichols is a Trump appointee.

Three years later, TikTok has more influencers. Americans who use the platform to share fashion ideas, dance moves, jokes, political opinions and much else reportedly number more than 150 million. Still, President Biden hopes to succeed where his predecessor failed even if it means risking the wrath of millions of young adults who prefer TikTok over rivals such as Facebook and Twitter.

To its credit, the White House is taking a more deliberative approach. It wants TikTok's owner, ByteDance, to sell the app to a buyer that the government can trust or face a ban in the U.S., and it's urging Congress to pass legislation to restrict TikTok's use. State and local policy makers are also starting to intervene.

Last week, a school district in California filed a federal lawsuit against TikTok and other social-media companies alleging that the platforms have created a mental-health crisis among young people. On Friday, Montana passed legislation that bans the app on all personal devices. It's not at all clear how the state will monitor or enforce the ban, but the governor is expected to sign the bill anyway.

The concerns of TikTok's critics differ, but the question is whether the proposed solutions are too broad and potentially harmful. The Biden administration is concerned that TikTok is collecting massive amounts of information from users that potentially could be shared with

Proposals to ban the popular Chinese app or change its ownership are overbroad and needless.

its owner, ByteDance, which has ties to the communist Chinese government. At a Senate hearing earlier this year, FBI Director Christopher Wray said that what worried him was the "control of the data" by Beijing. "It's the control of the recommendation algorithm which allows them to conduct influence operations," he said. "It's the control of the software which allows them to then have access to millions of devices." Put all those things "together and, again, come back to the starting point, which is this is a tool that is ultimately within the control of the Chinese government.'

China doesn't have private companies in the way America does. Chinese law forces companies to comply with requests for information from government intelligence agencies. Hence, the White House is backing legislative proposals that would give the president, even without any national emergency being declared, unprecedented authority to ban foreign apps that he deems a security threat. The potential for mischief is obvious. In the name of national security, presidents could restrict apps favored by political opponents, or to protect market share for U.S. companies, which could stymie innovation and limit consumer

What's worse is that banning Tik-Tok in the U.S. would not stop the Chinese from acquiring data on Americans. Plenty of other companies collect the same data and then sell it legally through third parties. "Numerous U.S. mobile apps process comparable levels of sensitive personal information like geolocation, device identifiers, browsing history, and more," Caitlin Chin of the Center for Strategic and International Studies wrote recently in Barron's. "U.S. data privacy laws are fragmented and outdated, leaving many mobile apps with almost no hard restrictions on the type and granularity of data they collect, how long they store it, and which entities they share it with." Neither forcing Byte-Dance to sell TikTok nor banning the platform in the U.S. would solve this problem.

Nor is it helpful to tell parents that a Chinese-owned social media app is mostly to blame for the mental-health problems of American vouth. Social media has certainly made raising children more challenging insofar as it can exacerbate teenage anxiety and self-esteem issues. But blaming TikTok is passing the buck rather than meeting the challenge. The bigger problem has to do with today's child-rearing culture. If we have raised a generation of young people who seem too distracted or too sedentary or too selfabsorbed to function properly, then we are to blame, not China.

### Twenty Years After the War, Iraq Needs U.S. Support

By Bilal Wahab

Sulaymaniyah, Iraq s America marked the 20th anniversary of its invasion of Iraq last month, Washington was consumed by the same questions that have daunted it for two decades. Meantime, a different kind of event was taking place in one of Iraq's most vibrant cities.

The annual Sulaimani Forum is a who's-who of Iraqi politics. Hosted at the American University of Iraqthe first U.S.-style liberal-arts campus established after the fall of Saddam Hussein—the meeting featured Prime Minister Muhammad Shi'a al-Sudani, two of his predecessors and several cabinet members. Former

President Barham Salih organized the conference, where panelists debated politics, the economy, corruption and climate change.

The diverse and lively gathering illustrates a larger point: While Americans are fixated on their past, Iraqis are increasingly focused on their future. The U.S. should follow suit and turn the page on history, choosing instead to engage on ideas that will enable the long-term success of its ties with the nation.

Today, Iragis complain about traffic jams instead of car bombs. Cranes dot skylines of major cities, each of which wants an international airport, revealing Iragis' hunger to integrate with the world. A popular campaign pitch promises to make the Iraqi passport stronger, enabling travel to more countries.

Unlike many Arab states today or Iraq's own past—the nation's recent leaders are neither dead nor in prison. Nor is Iraq's young population cowed into silence. With over half its population under 25, the youthful nation has little memory of the previous regime. Freed from its restraints, its people demand a better life befitting Iraq's potential and wealth.

Iraqis look to their own politicians, not Washington, for solutions. This keeps the country's political class on its toes-something it hadn't needed to contend with for many years. Turnout in elections began to decline in 2014 as the public grew increasingly frustrated with a corrupt political machine in Baghdad. This discontent came to a boil in 2019, when mass protests broke out in response to the government's corruption and Iranian meddling in Iraqi politics, forcing the prime

minister to resign. Entangled with corruption are the militias, who undermine governance and impede local and foreign business. These armed groups answer not to the Iraqi state but to warlords and strongmen, some of whom openly pledge allegiance to Iran, giving Tehran a say in Iraqi af-

Besides corruption and militia activities, climate change compounds the worries of young Iraqis who struggle to find jobs. Dust storms have increased in frequency,

as have temperatures in recent years-sometimes ascending well over 100 degrees Fahrenheit. Upriver Turkish and Iranian dams accelerate desertification. According to a 2022 World Bank report, Iraq is the world's second-worst perpetrator of gas flaring—a wasteful practice of burning, rather than capturing, the natural gas associated with producing petroleum—which forces the nation to purchase overpriced Iranian gas for power generation.

As a partner to Baghdad, Washington can establish a bulwark against malign influence in the Mideast.

Iraqis realize that these problems require Iraqi-led solutions, but the U.S. still has a crucial role to playnot as an imperial administrator but as a partner. One recent popular reform that Washington successfully lobbied Baghdad to adopt was the overhaul of the corruption-prone currency auction at the Iraqi central bank. This measure would not only limit money laundering and enable follow-the-money practices; it could also usher in an age of modern banking in Iraq.

The U.S. also has such punitive tools as Magnitsky Act sanctions that it can use against money launderers and human-rights abusers. Likewise, by offering technical assistance to Iraq's anticorruption watchdog groups, the U.S. helps the nation trace, freeze and recover its stolen assets and prevent corrupt people from parking their money at Western banks.

It's in governance and economic reforms that Iraq will find the best footing to tackle its climate-change challenges. By attracting U.S. investment and technology, for example, Baghdad could harness gas flares for power generation and more efficiently use its scarce fresh

Likewise, it's by engaging Iraq that America will no longer see the nation as a distraction from-or the central front in—the struggle against terrorism and Iranian ambitions. To operate successfully in Iraq, American foreign policy must demonstrate that it is interested in Iraqi stability and prosperity. If it does, the U.S. will find in the Iraqi people a strong ally as America nudges Iraqi leaders to respect human rights and election results.

A better-functioning Iraq could become a more stable, secure and fully sovereign country that can defend itself against the Islamic State and other militias, while freeing itself from Iranian influence. The question is whether America has the foresight to support the nation now lest it be dragged back into conflict later.

Mr. Wahab is a fellow at the Washington Institute for Near East Policy.

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# Desperation Grows Amid Sudan Conflict

People sheltering from battle are running out of water, food; hospitals can't treat wounded

By Nicholas Bariyo AND GABRIELE STEINHAUSER

On the fourth day of a lethal power struggle between Sudan's top two generals, the situation of many of the country's 45 million people was getting increasingly desperate.

Families sheltering from airstrikes and gunfire are running out of water and food. Hospitals hit by explosions and left without power and lifesaving medical supplies can't treat the wounded. In the streets of the capital, Khartoum, relatives and emergency workers can't retrieve the bodies of people caught in the crossfire.

On Tuesday, the Sudanese military, commanded by Lt. Gen. Abdel Fattah al-Burhan, the country's de facto head of state, continued airstrikes on positions of the Rapid Support Forces, a state-sponsored militia led by Lt. Gen. Mohamed Hamdan Dagalo, who is Gen. Burhan's deputy.

Military jets and helicopters roared above densely populated areas of Khartoum and its twin city across the Nile River, Omdurman, as the rival armies clashed on the ground.

Explosions and gunfire blasts persisted through the first hours after a 24-hour cease-fire was supposed to start at 6 p.m. to allow residents to stock up on necessities and for the wounded to be evacuated.

The United Nations reported late Monday that at least 185 civilians were killed and more than 1,800 wounded across Sudan since tensions between Gens. Burhan and Dagalo, which had been building for weeks, erupted into war-

fare on Saturday.
The Central Committee of Sudanese Doctors, a medical union, warned that in light of enduring fighting "the rates of deaths and injuries are increasing at an exponential pace."

The European Union's top humanitarian aid official in Sudan, Wim Fransen, was shot and injured, said people familiar with the matter. Mr. Fransen, a Belgian national, was in stable condition, they said.

Other humanitarian workers also have been targeted, said the United Nations' emergency relief coordinator, Martin Griffiths, citing attacks and sexual assaults of aid workers, as well as looting of facilities. The U.S. and the European Union said diplomatic staff have been attacked.

Gens. Burhan and Dagalo joined forces in 2019 to oust Sudan's longtime dictator, Omar al-Bashir, following months of pro-democracy demonstrations. In 2021, they toppled a civilian-

led transitional government that was meant to lead Sudan toward elections, prompting sanctions from the U.S. and other Western governments.

In recent months, as another deadline to hand over power to civilian leaders approached, the generals were jostling over

'The rates of deaths and injuries are increasing at an exponential pace?

who would remain in control of Sudan's armed forces and companies in sectors from agriculture to mining that are owned by the military and the RSF.

The conflict is deepening a humanitarian and economic crisis in Sudan, following years of runaway inflation that has put

essentials such as bread and sugar out of reach for many. One in three Sudanese were suffering from hunger before the fighting began, according to the World Food Program, and the U.N. has temporarily suspended much of its work in the country.

Ten U.N. agencies and more than 80 nongovernmental organizations have been running over 250 aid programs in Sudan, a U.N. spokesman said.

On Monday, a U.S. diplomatic convoy came under fire, with early information suggesting that RSF fighters were behind the attack, Secretary of State Antony Blinken said Tuesday. That same day, the EU's ambassador in Sudan, Aidan O'Hara, was assaulted in his residence, the European Union's foreign policy chief, Josep Borrell, tweeted. Mr. O'Hara was unharmed, said the EU mission to Sudan.

The U.S. military is drawing up contingency plans to evacuate American citizens from Sudan, should the State Department decide such a move is necessary and feasible, said U.S. military officials. There are about 20,000 American citizens in Sudan, many of them dual U.S.-Sudan nationals who may choose to remain in the country, according to U.S. estimates.

The U.S. maintains a rapiddeployment force at its base in Djibouti, on the Horn of Africa, for such eventualities, but if battles continue to rage around Khartoum and its airport, a larger unit might be required to rescue Americans.

French medical charity Doctors Without Borders said its teams weren't allowed to retrieve the dead from the streets of Khartoum-or to transport the injured to hospitals. The group said it received about 183 wounded at a hospital it supports in Sudan's North Darfur region since Saturday, and 25 of them have since died.

# Egyptians Struggle to Put Food on the Table Alleged

By Chao Deng AND MENNA FAROUK

CAIRO-Struggling to buy food for her family to break their fast one recent evening this Ramadan, Noura Ayad took her three children for a meal provided by a local charity in the historic part of the

"We ran out of chicken on the 10th day," Ms. Ayad said. Her family lives on her husband's meager driver's income, which is quickly shrinking, hit by Egypt's soaring inflation and collapsing currency. "We're hardly surviving this crisis."

With inflation surpassing 32% in March, just shy of a record, and food inflation at 62%, the highest level in decades, Ms. Ayad was one of several hundred people at the communal dinner that is being hosted each sunset by nonprofit organization Aal El Beit near the Al-Hussein mosque during the Islamic holy month of Ramadan.

The outlook appears dim. The Egyptian pound has lost about half its value against the dollar in the past year, pushing millions into poverty in the Arab world's most populous country. It is expected to slide further as the government faces pressure from the International Monetary Fund to let its currency float freely

Egypt has reached out to longtime benefactor Saudi Arabia and other oil-rich



A market in Cairo. Many Egyptian families are struggling to afford meals amid soaring inflation.

neighbors for billions of dollars in investments and aid, but they, too, are pushing for a devaluation in the Egyptian pound, which would make investments in Egypt more lucrative, The Wall Street Journal reported this

Impoverished families have cut back on meat and other foods and essentials for more than a year to make ends meet. Many are now scraping for even their one daily meal, after refraining from eating and drinking in the day during Ramadan.

The number of families

seeking spots at neighborhood charity iftar meals has soared. As a result, these charities, which largely depend on the patronage of wealthy Muslims, are finding it difficult to cope.

Aal El Beit, for example, is spending five times the amount it usually does during Ramadan, in part because of rising food prices. Volunteers are cutting one kilogram of meat into

more than a dozen pieces. "The prices are going crazy," said Mahmoud Emam, a librarian who volunteers at Aal El Beit. For more than two weeks, he has been on his feet, dinner to hundreds of people, before staying late to clean up. Apart from a weakening currency, a recent rise in fuel

prices by Egyptian authorities is pushing up prices. Egypt imports much of its

food supply from abroad and has resumed buying wheat from Russia. But a bottleneck in imports, caused by government efforts to conserve foreign currency, has made it harder for domestic companies to buy essential food from

Criticism by ordinary Egyptians, as well as officials of President Abdel Fattah Al

Sisi's handling of the economy has grown in recent months. Wary of previous political discontent following a surge in food prices, Mr. Sisi has kept an extra-tight lid on dissent.

Economists say the Central Bank of Egypt also is trying to keep the pound from falling further after allowing three sharp depreciations since the start of the Ukraine war in 2022. The government continues to offer subsidized bread and other staples to the majority of the country's 104 million people.

With no immediate respite sight, especially ahead of Eid al-Fitr, a celebration that will mark the end of Ramadan later this week, many Egyptian families are lining up for cheaper food options offered by the government. But official supplies appear to be in short order.

The Ministry of Supply and Internal Trade didn't respond to a request to comment.

Emam Ragab, a civil servant supporting three children on a salary of 4,000 Egyptian pounds a month, just under \$130, said she noticed that government food wasn't much cheaper than at supermarkets. The quality of the government's cooking oil and chicken dropped, and a bag of sugar marketed as 1 kg turned out to be only 750 grams, she said.

"It is really frustrating, Ms. Ragab said. "The government should be increasing its support to people amid such an economic crisis.'

# Hezbollah Financier Charged By U.S.

By Michelle Hackman AND JAMES FANELLI

An alleged financier of U.S.designated terrorist group Hezbollah was charged with a scheme to evade American sanctions and illegally import and export hundreds of millions of dollars worth of fine art and diamonds.

Nazem Ahmad, a Lebanese-Belgian dual citizen who has been banned since 2019 from doing business with U.S. individuals and entities over his association with high-ranking Hezbollah members, was charged with nine counts of fraud, money laundering and evading sanctions, in an indictment unsealed on Tuesday by the U.S. attorney's office in Brooklyn.

Prosecutors say Mr. Ahmad and eight co-defendants set up a complex web of business entities to purchase valuable artwork from American artists and art galleries and to engage a U.S. company to obtain grade determinations on diamonds to increase their sale value. while hiding Mr. Ahmad's involvement in and benefit from the business transactions. The defendants are accused of illegally importing hundreds of diamonds into the U.S. for grading, including a 45-carat diamond valued at \$80 million.

One of the co-defendants. Indian national Sundar Nagarajan, was arrested in London on Tuesday at the behest of the U.S. government, the Justice Department said, Mr. Nagarajan's lawyer couldn't immediately be determined. The other eight, including Mr. Ahmad, remain at large. A lawyer for Mr. Ahmad wasn't immediately identifiable.

The Justice Department has also moved to seize more than 450 diamonds and more than a hundred pieces of art tied to the defendants.

Mr. Ahmad and the others, including a son, a daughter and a son-in-law, "engaged in a longstanding scheme to defraud the United States and foreign governments, to evade U.S. sanctions and customs laws and to conduct money laundering transactions," the indictment said.

The U.S. has increasingly focused its sanctions on politically connected individuals in recent years, according to Greg Gatjanis, an associate director of the Office of Foreign Assets Control at the Treasury Department. The sanctions have been effective but well-financed targets have become more sophisticated and are finding ways to circumvent the controls, Mr. Gatjanis said at a news conference Tuesday.

"The evasion of sanctions is a very high priority right now for us," he said. Mr. Ahmad was placed un-

der U.S. sanctions in 2019, when the Treasury Department said he had channeled millions of dollars directly to Hezbollah, including by using the African diamond trade and high-value works of art to allegedly launder money used to fund terrorism-related activity.

### WORLD WATCH

handing out free water and



DUST STORM: People were hampered by limited visibility as they walked during a sandstorm on a hot day in Prayagraj, Uttar Pradesh, India, on Tuesday.

**AFGHANISTAN** 

### **U.N. Says It Could Pull Out Its Staff**

The United Nations is ready to take the "heartbreaking" decision to pull out of Afghanistan in May if it can't persuade the Taliban to let local women work for the organization, the head of the U.N. Development Program said.

U.N. officials are negotiating with the Afghan government in the hope that it will make exceptions to an edict this month barring local women from working for the organization, UNDP Administrator Achim Steiner said.

"It is fair to say that where we are right now is the entire United Nations system having to ing its ability to operate there," Mr. Steiner said. "But it's not about negotiating fundamental principles, human rights."

take a step back and re-evaluat-

The Taliban have allowed Afghan women to engage in some work, Mr. Steiner said, and a U.N. report released Tuesday shows that the country desperately needs more women working, with its economy flailing.

-Associated Press

### **Beijing Hospital Fire** Kills at Least 21

A fire killed at least 21 people at a hospital in Beijing on Tuesday and forced dozens of people

to evacuate, Chinese state media reported. As clouds of black smoke bil-

lowed into the sky, people trapped in the multistory building apparently tied bedsheets into makeshift ropes and escaped by climbing out windows, as seen in videos circulating on social media. Others took refuge by perching on air conditioning units just outside.

Emergency crews have since extinguished the fire, which broke out in the east wing of the inpatient department of Beijing Changfeng Hospital, state media including CGTN reported, and at least 71 patients were rescued. The cause of the fire is

under investigation. There was no official word by

early Wednesday on how many of the dead were patients or the number of people who may have been injured.

-Associated Press

### **Dinosaur Skeleton** Fetches \$5.3 Million

**SWITZERLAND** 

Nearly 300 Tyrannosaurus rex bones that were dug up from three sites in the U.S. and assembled into a single skeleton sold Tuesday at an auction in Switzerland for 4.8 million francs (\$5.3 million), below the expected price.

Crafted into an open-mouth pose, the T. rex skeleton measuring 38 feet long and 12.8 feet

high came in under the anticipated range of 5 million to 8 million francs when it went under the hammer at the Koller auction house in Zurich.

Koller had said Tuesday's sale would be the first time such a T. rex skeleton would go up for auction in Europe. The composite skeleton, featuring 293 bones, was a showpiece of an auction that featured some 70 lots, and the skull was set up next to the auctioneer's podium throughout.

Promoters said the composite T. rex, dubbed "Trinity," was built from specimens retrieved from three sites in the Hell Creek and Lance Creek formations of Montana and Wyoming between

2008 and 2013. -Associated Press

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THE WALL STREET JOURNAL.

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**S&P** 4154.87 ▲ 0.09% **S&P FIN** ▲ 0.31% **S&P IT** ▲ 0.41%

**DJTRANS** ▼ 0.07% **WSJ\$IDX** ▼ 0.27%

2-YR. TREAS. yield 4.197% NIKKEI (Mdday) 28590.40 ▼0.24% See more at WSJ.com/Markets

# Swiss Bank Faulted on Nazi Probes

At issue are Credit Suisse's accounts for party members before and after World War II

By Margot Patrick AND NATALIE ANDREWS

Credit Suisse Group AG failed to fully investigate recent allegations that it supplied bank accounts to Nazi party members before and after World War II, and pushed aside charged with overseeing an internal probe into the matter, according to a Senate committee investigation.

The Senate investigation was prompted by the Simon Wiesenthal Center, which in 2020 said it believed that there were accounts at Credit Suisse holding money looted from Jewish victims, based on a list it had of 12,000 Nazi party members and a Nazi-affiliated labor union in Argentina.

Credit Suisse is one of Swit-

in 1856, and its second largest by assets. After a cascade of financial losses and scandals, it was forced into a rescue last month by larger rival UBS Group AG.

The Senate investigation reopens a painful chapter: Credit Suisse and other Swiss banks paid \$1.25 billion two decades ago to settle claims and return money to families of Holocaust victims, as part of a period of soul searching in Switzerland that stirred up latent antisemiaround the country's wartime

At the center of the Senate investigation are allegations by a lawyer the bank hired to oversee its probe of the Argentina list. He said Credit Suisse pulled back from fully exploring its Nazi links, including that it might have financed ratlines, or systems of escape for Nazi elites following the war, after having agreed to pursue leads.

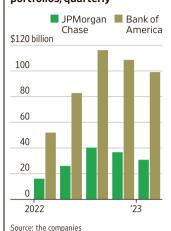
The lawver, Neil Barofsky, a partner at Jenner & Block LLP,

an outside lawyer it had zerland's oldest banks, founded tism and forced a reassessment said he was sidelined part way into the investigation, according to a report he provided to Credit Suisse after it ended his assignment last year. Credit Suisse said it continued the work without him.

Mr. Barofsky said Credit Suisse's latest review unearthed details of relationships with some high-ranking Nazis that Credit Suisse hadn't disclosed before, including when it and other Swiss banks entered a 1998 settlement with Holo-

Please turn to page B12

Unrealized losses on banks' held-to-maturity securities portfolios, quarterly



### Banks See Unrealized Losses on

By BEN EISEN

The ripple effects of the banking crisis are reversing one of the problems that sparked it.

**Bonds Fall** 

Rising rates over the past year saddled banks with losses on their massive portfolios of bonds. Those losses helped sink Silicon Valley Bank last month. But since that failure sparked turmoil across the banking sector, falling bond yields have narrowed those losses.

Bank of America Corp., which released its first-quarter earnings Tuesday, is the latest to benefit. The bank is still deeply underwater on its bonds that it is holding to maturity, but unrealized losses shrank by \$9.5 billion from three months ago and \$17.1 billion from six months ago, when rates were peaking.

The bank posted a profit of \$8.16 billion in the first quarter, up 15% from a year earlier. Revenue rose 13% to \$26.26 billion.

Bank of America was one of the biggest buyers of government-backed bonds when rates were super low during the height of the pandemic. The bank needed a place to stow extra deposits when consumers and businesses were flush with cash and demand for loans was tepid.

"The portfolio is there as a store of value while we grow loans," finance chief Alastair Borthwick said on a call with reporters Tuesday.

But when the Federal Reserve jacked up interest rates last year, the prices of those bonds fell. The bank said that it would hold most of those securities until they mature, which means that it doesn't expect to sell the bonds at a

# Lockheed, Others Feel Arms-Supply Pinch

By Doug Cameron

Supply-chain snarls are still hindering efforts by weapons makers to produce more arms for Ukraine and refill stocks for the U.S. and its allies.

Lockheed Martin Corp. said Tuesday that sales of its longrange missiles known as the Guided Multiple Launch Rocket System, or GMLRS, fell in the latest quarter from a year ago. The U.S. has shipped hundreds to Ukraine, where they have been widely used against invading Russian forces.

Big U.S. arms makers are taking longer than expected to boost production despite billions of dollars in support from the Pentagon. Defense companies plan to fulfill contracts by buying machinery from overseas to make more in-demand artillery shells.

Lockheed is the first of the big defense companies to report earnings for the latest quarter. Sales rose from a year earlier, though Lockheed said it still expects revenue to shrink this year, and profit in the first quarter fell from a year ago. The company said shortages of key components such as rocket motors for GMLRS and other missiles continue to dog efforts to boost output.

When President Biden toured Lockheed's facility in Trov. Ala., last May, he and company Chief Executive Jim Taiclet committed to doubling production of Javelin missiles by 2024. That target has now been pushed out to 2026, according to the company and the Army, as have those to boost output of GMLRS and Himars rocket launchers.

"We thought we could get there earlier," said Lockheed Chief Financial Officer Jay Malave in an interview.

Defense-company executives said rocket motors continue to be a problem for missile makers including Lockheed and Raytheon Technologies Corp. Northrop Grumman Corp. has been hired to produce more rocket motors and supplement



Weapons makers are plagued by shortages of rocket parts as they try to fill Ukraine war orders. A Lockheed plant in Arkansas.

Segment revenue

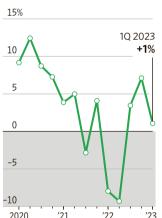
one-time sole supplier **Aerojet** Rocketdyne Holdings Inc.

The Pentagon last week said it had awarded Aerojet a \$216 million deal to modernize its production lines. The company said output was recovering after a fire at a facility last fall.

Some defense executives have said that the Pentagon is being slow to award new deals and incentives to boost production, a charge rejected by Defense Department leaders.

Pentagon acquisition chief Bill LaPlante said last month it would be a five- or six-year effort to rebuild and expand munitions stocks to prepare for any potential conflict with China over Taiwan.

The Pentagon has awarded a handful of new contractsworth around \$1.2 billion—this year related to supplying Ukraine or backfilling stocks, according to a review of Defense Department announcements. Around \$11 billion in Lockheed Martin's revenue, change from a year earlier



\$20 billion 1Q 2023 Space Misson 10 Systems \$3.5B Missiles and Fire Control **\$2.4B** Aeronautics \$6.3B

contracts has been awarded since Russia's invasion, though these are set to pay out over

Sources: S&P Capital IQ (revenue); the company (segments)

several years. Investors piled into defense company stocks following Rus-

sia's invasion of Ukraine last

year. That interest cooled after the combination of supplychain, funding and contractual issues pushed back the flow of deals into late 2023 and be-

vond. Lockheed's Mr. Malave said

the company still expects to generate \$1.5 billion in sales linked to Ukraine this year, in line with 2022's level, and \$6 billion by 2027. The company forecasts full-year revenue of Please turn to page B8

Please turn to page B13

### **Insurers Back Away From** Commercial Property Loans

By Leslie Scism AND PETER GRANT

Life insurance companies, until recently a reliable source of capital for commercial property developers, are turning their backs on office building owners as tens of billions of dollars in office loans come due this year.

Many of these insurers have slowed or stopped making office loans, executives and analysts say, interrupting the sector's decadelong expansion into commercial property lending. Insurance firms have become skittish about rising vacancy rates and falling rents, reflecting the growing popularity of remote work and return-to-office rates that are still around half the levels workplaces enjoyed prepandemic. A February survey by Gold-

man Sachs Asset Management Please turn to page B6

# Tesla Drowned Out by EV Rivals in China

By Selina Cheng

HONG KONG-Volkswagen and Mercedes are among the global auto brands that flocked to Shanghai this week to showcase their latest electric vehicles, competing against a crowded field of fast-emerging local rivals in the world's biggest market for the cars.

One notable absence: Elon Musk's **Tesla** Inc.

The world's leading EV maker hasn't said why it won't join the more than 100 exhibitors who are packing into China's most prestigious industry event, which began Tuesday and is the first since Beijing lifted pandemic controls and reopened the country's borders.

At least a dozen new EVs will be unveiled this week, as Chinese makers target expansion into Europe and large global brands show off their latest models and technology in the world's biggest auto market. China's consumers have grown accustomed to a constant stream of new vehicles, along with rapid improvements in quality.

Tesla had a stall at the last

backlash after images of a protester went viral. There may be little point risking a repeat-especially when coming to the party emptyhanded.

The company faces intense competition as local rivals offer comparable vehicles at

show in 2021, but suffered a lower prices, Bernstein Research analyst Toni Sacconaghi wrote last month. There were 107 new fully electric or plug-in hybrid models launched in the country last year, according to Bernstein, which expects to see 155 more this year.

Elon Musk's company doesn't have a spot at the prestigious Shanghai auto show that began Tuesday.

By contrast, Tesla hasn't in-

troduced a new car model to China since the first locally made Model Y was delivered in early 2021.

The company says its priority now is to scale up global manufacturing capacity. On a call with investors last July, Mr. Musk said the conse-

Please turn to page B2



**LABOR** 

**UPS and Teamsters** kick off contract negotiations. **B3** 

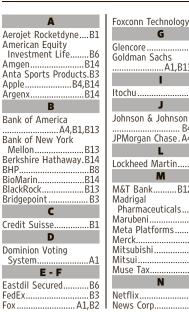


**PROPERTY REPORT** 

Miami housing market cools but remains the hottest.

### INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.



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heed MartinB1	Southwest Airlines Starwood Capital
BankB12,B14	Sumitomo
rigal armaceuticalsB14	Т
ubeniB14	Teck Resources TeslaB
a PlatformsB8	Twitter
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suiB14	UBSB1
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s CorpA6	Volkswagen

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# Musk Tries to Ease Advertiser Worries

By Arian Campo-Flores AND PATIENCE HAGGIN

MIAMI BEACH, Fla.—Twitter Chief Executive Elon Musk made his latest appeal to advertisers on Tuesday, seeking to reassure them that the platform is a hospitable and valuable vehicle for their brands.

Many advertisers pulled their ads from Twitter after Mr. Musk's takeover of the social-media platform was completed in October, either out of concern that Mr. Musk might weaken content moderation, potentially leading to more hate speech on the social-media platform, or because of the uncertainty surrounding the company's direction under its new leadership. Advertising represented almost 90% of Twitter's revenue in 2021.

Mr. Musk—who spoke in a conversation with Linda Yaccarino, chairman of global advertising and partnerships at NBCUniversal—said he was eager to hear legitimate concerns that advertisers might have about Twitter, but he emphasized that he wouldn't succumb to pressures to make changes he doesn't believe in.

"It's totally cool to say that you want to have your advertising appear in certain places of Twitter and not in other places," he said at the Possible marketing conference. "But it is not cool to say what Twitter will do. And if that means losing advertising dollars, we'll lose them. But freedom of speech is paramount."

Mr. Musk later said, "We're trying to achieve here a sensible middle ground, or we're trying to satisfy a range of things, which is how to ensure the public has their voice...but also that you're able to serve your brands and improve the perception of your brands, and your sales as well."

The billionaire CEO of Tesla Inc. has been making the rounds recently. The second part of an interview with Tucker Carlson on Fox News Channel ran Tuesday night. The conversation covered a range of topics, including Mr. Musk's concerns about poten tial abuses of artificial intelligence, the banking industry and inflation.

Mr. Musk, who is also chief executive of rocket-company SpaceX, said he hasn't seen evidence of aliens. "I've seen no evidence of aliens," Mr. Musk said, adding that he would immediately tweet about it if he did.

### **BUSINESS & FINANCE**

# **United Reports Loss but Sees** Air Travel Remaining Strong

By Alison Sider

**United Airlines Holdings** Inc. reported a loss for the first three months of the year but said demand for travel isn't wavering.

United Chief Executive Scott Kirby said: "We are watching the macroeconomic risks carefully, but demand remains strong, especially internationally, where we are growing at twice the domestic

The airline said it expects earnings of \$3.50 to \$4 a share in the second quarter, a time of year when vacations pick up and travel demand typically accelerates.

The airline on Tuesday reported a net loss of \$194 million for the first quarter. On an adjusted basis, its loss of \$207 million, or 63 cents a share, was narrower than the 73 cent-a-share loss analysts were anticipating, according to FactSet.

United shares climbed 1.4% in after-hours trading.

Airline executives have said that a combination of high demand, limits on the number of flights they can add due to an industrywide shortage of pilots, and delayed aircraft deliveries are together helping to keep ticket prices higher.

Investors have become worried that the travel rebound could run out of steam if banking industry turmoil, inflation and spreading layoffs affect consumers' willingness to continue buying expensive tickets. American consumers cut retail spending for the second straight month in March in the latest sign of a slowing economy.

So far, airlines say they haven't seen any signs that travel has been affected. Last week, rival Delta Air Lines Inc. also predicted that appetite for travel will remain resilient. Airline executives expect U.S. travelers to flock to European

destinations in even greater numbers than last year and have said huge numbers of people have already booked their summer trips.

United rattled investors last month when it lowered its earnings guidance for the first quarter. The airline said at the time that January and early February were weaker than it expected but that spring months looked stronger. The airline also cited higher costs of fuel and the effect of a potential contract deal with pilots.

United said its unit costs rose 4% in the first quarter, though costs per available seat mile fell 0.1% excluding fuel.



Southwest passengers at Chicago's O'Hare International Airport Tuesday. The carrier's flights were halted for about an hour nationwide.

# Southwest Tech Glitch Leads Carrier To Delay More Than Half of Flights

By Alison Sider

Southwest Airlines Co. flight delays persisted Tuesday, affecting over half the airline's flights as it grappled with fallout from a technology problem that briefly halted its operation earlier in the day.

The Federal Aviation Administration said it had canceled Southwest's pause in departures, which the airline had requested earlier in the day because of an internal technical issue at the carrier.

Southwest said it temporarily halted flights on Tuesday to work through data-connection issues. The airline said a firewall supplied by a vendor went down and "connection to some operational data was unexpectedly lost.'

A spokeswoman estimated the pause lasted roughly an

As of midafternoon, Southwest had canceled 11 flights, but more than 2,000 were delayed—or about 52% of the airline's schedule, according to FlightAware, a flight-tracking

Southwest shares fell 25 cents to \$32.06, with broader U.S. stock indexes little

Airlines depend on a vast array of software systems and can be vulnerable to glitches. Southwest was already facing heightened scrutiny after a holiday-season meltdown that resulted in more than 16,700 canceled flights at the end of last

The airline has said its lack of preparedness for extreme winter weather was the primary culprit and that it has taken steps to manage similar disruptions in the future. Southwest also said it up-

graded a software system that helps it reassign crew members after disruptions. The system became overwhelmed by the volume of schedule changes during the winter holidays.

Sen. Maria Cantwell (D., Wash.) questioned the airline about technology upgrades in February, and said Tuesday that the latest glitch indicated that the airline hasn't done enough to improve.

"This is another demonstration that Southwest Airlines needs to upgrade their systems and stop the negative impacts to individual travelers," said Ms. Cantwell, who chairs the Senate Committee on Commerce, Science, and Transpor-

Southwest said late Tuesday that systems it uses to dispatch flights and perform functions including monitoring crew duty time and routing aircraft depend on the data feed affected by the morning's firewall fail-

The airline said it is working with the vendor to determine the root cause.

Southwest has experienced problems with third-party technology providers before, including earlier this year when the service that provides weather data prior to dispatching flights experienced an outage, resulting in some delays.

Casey Murray, president of the union that represents Southwest's pilots, said Tuesday's problems showed that Southwest's information-technology infrastructure "is not up to the task.' —Will Feuer

contributed to this article.

### Tesla Loses Its Edge In China

Continued from page B1 quences of Tesla not keeping up with its Chinese rivals were clear: "Any company that's not as competitive as them will obviously suffer a market share decline."

The number of EVs sold in China has surged almost fivefold since Tesla began manufacturing in the country, but the company's share of the market has fallen by almost a third, to 10% last year from 14% in 2020.

BYD Co., which counts Warren Buffett as one of its large investors, has surpassed Tesla in China EV sales and is close to surpassing it worldwide. BYD has more than a dozen EV models that are less pricey than Tesla in China, where its market share has risen to 20% from 13% two years earlier, according to data from EV-volumes.com.

Fierce competition and shrinking market share are two of the China headwinds that Mr. Musk is facing.

Tesla also risks getting ensnared by the growing hostility between Washington and Beijing, while the Texasbased company has yet to deliver on a 2021 pledge that its next model would be designed, engineered and manufactured in China.

Tesla didn't respond to a request for comment on its prospects in China or the fallout from rising geopolitical

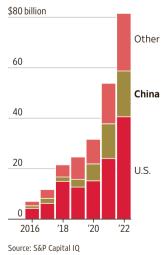
Tesla's investors and fans have long been predicting that Tesla's new model would be a smaller, more affordable EV. And China would have been the logical place to make it, analysts have said, as development and manufacturing costs are lower than at Tesla's other factories in the U.S. and Germany. Fueling the speculation, multiple media outlets reported that Tesla was seeking government approval for a second EV plant in the country.

But at its March 1 investor day, Tesla said the next generation of its cars will be made in Mexico. EVs produced there qualify for a consumer tax credit in the U.S. of up to \$7,500 under last August's Inflation Reduction

Tesla produced 1.37 million cars globally last year, but the new factory would bring global annual capacity bevond the current maximum of around 2 million, shifting its production center back to North America as analysts predict manufacturers in China will begin a period of cutthroat competition, marked by price wars and overcapacity.

In a paper published in early April, Tesla said its cars in the future would include a compact model with a battery about 30% smaller than those

### Tesla's annual revenue



now in use. Improvements in manufacturing and materials would halve the cost of making each car, it said.

Last week, Tesla announced an expansion in China. But not

The company plans a factory to make high-density battery packs for utilities to manage electricity demand. Tesla says all its products are designed to complement and amplify each other to achieve its goal of weaning the world off fossil fuels.

Mr. Musk's move drew fire from Washington. Mike Gallagher, the Republican chair of the House of Representatives' select committee on China, expressed concern at what he called Tesla's dependence on America's main rival.

On Sunday, Mr. Musk responded to criticism of his latest China deal, tweeting:

"Tesla is increasing production rapidly in Texas, California & Nevada."

Tesla has also come under attack in China. After a protester clambered on top of a Tesla at the 2021 Shanghai auto show, she received widespread online support. Tesla apologized for failing to address her concerns over safety after state media, and government officials branded the company as arrogant.

As the Chinese market becomes more competitive, Tesla's government subsidies are ending. Its preferential 15% tax rate with the Shanghai government-instead of 25%is due to expire this year.

The company must also make at least \$2 billion in capital expenditures by the end of this year and start paying around \$324 million in tax. The company expects to meet these targets, according to a securities filing last quarter.

The added expenses, along with recent price cuts, are expected to cut into Tesla's profit margins, which are among the industry's best.

And more price cuts might be coming. The absence of new Tesla models means most loyal consumers who wanted and could afford to buy one would likely already have done so, CMB International Securities executive director Shi Ji

With no new ways to differentiate itself, Tesla will have to cut prices further and penetrate lower-tier cities in China, Mr. Shi said.

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Chinese sportswear brands have been gaining on foreign rivals. Anta's flagship store in Shanghai.

### capitalization \$45 billion 20% Li Ning Adidas Anta<sup>\*</sup> Fila 40 10

Brands' share of China's sportswear market

\*Also owns Fila

20 April 2022

Anta Sports' market

'20 '21 '22 '20 '21 '22

Sources: FactSet (market cap); Euromonitor (share)

# China's Anta Seeks to Raise \$1.5 Billion

Sportswear maker has been gaining on Nike, drawing consumers to a homegrown brand

By Clarence Leong

China's top homegrown sportswear company, which has been winning over many brand-conscious Chinese consumers, is planning to raise \$1.5 billion following a run-up in its shares since last fall.

Anta Sports Products Ltd., which sells sneakers, apparel and sporting equipment under its namesake label and brands including Fila and Descente, has also been popular with in- industry group raised concerns vestors, thanks to a steady growth trajectory.

Its Hong Kong-listed shares dropped 7.4% on Tuesday, after Anta said it was raising funds via a private share placement at a discount to the previous day's closing price. They remain more than 40% above their trough last October.

Chinese sportswear brands have been gaining on their foreign rivals as local consumers' preferences shift.

German sportswear company Adidas AG's sales in the world's second-largest economy have suffered in the past two years. That's partly due to consumer boycotts after a broad

about forced-labor allegations in China's Xinjiang region, which is a big producer of cotton. American sporting goods giant Nike Inc. was also among international companies that have felt similar heat from calls on Chinese social media to avoid Western brands.

A recent survey by Morgan Stanley found that Chinese consumers increasingly view domestic brands like Anta and Li Ning—which tend to sell for significantly less than the top Western brands—as offering better value for money, and that survey respondents said their product quality has

Nike, which has been deeply entrenched in China for years, still leads in the sportswear market with a 15.3% share of retail value in 2022, according to research firm Euromonitor. Anta and Fila gained ground last year with a 14.8% combined share, its data showed. Adidas was at 9.7%, compared with Li Ning's 9.9%

Anta's revenue rose 8.8% last year to the equivalent of about \$7.8 billion, hitting another fresh record despite strict Covid-19 curbs in China that crimped retail consumption broadly. On an earnings call last month, an executive said Anta has benefited from young people's growing affin-

ity for domestic brands.

2020 '21 '22

The company said earlier this week that its retail sales continued to expand in the first quarter. Anta has more than 9,000 own-branded stores and close to 2,000 Fila stores. It also makes a large chunk of its sales from e-commerce.

Local brands "do a much better job of staying out of trouble and not making mistakes with discrimination against Asians, or geopolitical issues like Taiwan and Xinjiang cotton," said Josh Gardner, Singapore-based CEO of Kung Fu Data, which works with foreign brands to distribute their products on Chinese e-commerce platforms. He said

Anta also has made its products appeal to shoppers by incorporating Chinese cultural features and designs.

Anta said it plans to use the money raised from its share sale to repay debt and for general working capital. Some analysts think Anta could also be beefing up its war chest for future acquisitions of other

The company was founded in the 1990s by Ding Shizhong, who until recently was its chief executive, and his brother Ding Shijia. They still helm its board as chairman and deputy chairman, respectively, and are Anta's controlling shareholders.

# UPS and Teamsters Kick Off Contract Negotiations

By Esther Fung

Part-timers and weekend drivers are expected to be among the key points of debate as the Teamsters and United Parcel Service Inc. begin talks this week on the largest collective bargaining agreement in the U.S.

The parcel-delivery industry has changed since the International Brotherhood of Teamsters and UPS last signed a five-year agreement in 2018. UPS and rival FedEx Corp. have become more focused in recent years on delivering profitable packages rather than increasing vol-

Despite a pullback in online sales after the pandemic-induced surge, e-commerce remains a strong segment of the market, and these delivery companies said they need more flexibility from their workforce to offer weekend drop-offs and other services. FedEx recently laid out a restructuring plan to cut costs and combine its networks.

The new UPS contract will map out the delivery giant's cost structure at a time when customers demand more ontions for deliveries. UPS reported record operating profit in 2021 and 2022, but said in January that it is preparing for a global delivery slowdown this year.

"We are committed to reaching an agreement that provides wins for our employees, the Teamsters, UPS and

Around 330,000 of UPS' 443,000 U.S. employees are represented by Teamsters under the agreement being negotiated.

**Teamsters-represented** Full-timers

**Part-timers** 

Around 55% of represented employees work part time.

Not represented: 113,000

our customers," said UPS spokesman Glenn Zaccara.

Teamsters leaders say they realize the significance of the next UPS contract, which is expected to cover about 330.000 employees in a fiveyear deal that will go through

"What we do in these upcoming negotiations is going to be the road map for the success of the labor movement, moving forward. So all eyes are upon us," said Sean O'Brien, president of Teamsters, in an interview. "Every contract we negotiate is a template for nonunion industries, doing similar work."

The national talks are held in Washington, D.C., and both sides will be bringing their the current contract, which expires July 31.

Mr. O'Brien took over leadership of the Teamsters in March 2022 and was critical of the prior agreement with UPS. It is also the first negotiation for UPS Chief Executive Carol Tomé, who took over in June 2020.

The union wants UPS to raise the pay for part-timers and do away with a second category of drivers to handle weekend deliveries. UPS savs it wants more flexibility to have employees work during the weekends in response to shifts in demand from parcel recipients wanting deliveries any day of the week.

The Teamsters said the current two-tier system for drivers has allowed the company to use lower-paid workers to deliver packages on weekends, curbing delivery costs. The union says these drivers are doing the same amount of work as the higher-paid drivers who work on the weekdays and should get the same pay and benefits.

Delivery drivers and package handlers were designated essential workers during the pandemic, and many worked extra hours to cope with outsize demand. The union says that workers should have more say over whether to accept overtime work.

Around 55% of Teamstersrepresented workers at UPS are part-timers, and Mr. O'Brien has said that the

proposals on how to update union is seeking higher pay for such workers and that the current wages are insufficient, especially in areas with high cost of living.

Part-timers who have been with the company for as many as 20 years need to be rewarded additionally, O'Brien said.

UPS said its part-time employees currently receive at least \$16.20 an hour and average \$20 an hour after 30 days.

UPS said these workers receive the same healthcare benefits as its full-time employees, a pension, paid time off and tuition reimbursement.

The talks surrounding supplemental agreements, which started in January, deal with provisions not covered under the national agreement such as paid time off, discipline, grievance procedures, seniority, overtime and work hours.

In the last contract agree-

ment in 2018, Teamsters members voted down the contract. but the contract was still ratified because the union said at the time that turnout was too low to reject the contract. Teamsters said that this loophole has been addressed in 2021 and won't be a factor affecting ratification.

The last time Teamstersrepresented workers had a walkout at UPS was in August

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# Abu Dhabi-Backed Company Near \$2 Billion Health Deal

By Ben Dummett

A Mubadala Investment Co.-backed healthcare company is nearing a deal to acquire kidney-care provider Diaverum for more than \$2 billion including debt, according to people familiar with the matter, extending the Abu Dhabi sovereign-wealth fund's bet on healthcare. M42, a newly launched

healthcare operator owned by Mubadala and a partner company, G42, is planning to acquire Diaverum from U.K.buyout Bridgepoint Group PLC. A

deal is expected to be announced later this week, assuming talks don't break down, the people said. The deal would help bolster

M42's existing operations in the Middle East while accelerating its stated ambition to expand its healthcare services globally. Its existing holdings include Amana Healthcare, a United Arab Emirates provider of rehabilitation and other services, and Imperial College London Diabetes Centre, a partnership set up with the U.K. university to treat the growing demand for diabetes care in the Emirates.

Diaverum, based in Sweden, oversees a global network of 440 dialysis clinics, almost triple the 155 facilities Bridgepoint inherited when it bought the business in 2007 for an undisclosed amount. Diaverum has also expanded geographically over that period, operating in 23 countries, up from 15.

Dialysis is a procedure to remove waste products and excess fluid from the blood when the kidneys stop working properly. It often involves diverting blood to a machine to be cleaned. The size of the dialysis market globally is expected to grow in coming years because of aging populations and the increased incidence of kidney disease related to diabetes and other conditions.

Diaverum's operations include 40 dialysis facilities in Saudi Arabia, where the company operates under a fiveyear contract with the Saudi Ministry of Health, according to Diaverum's website. Confidence in winning renewal of the license in 2024 was key to the deal, which gave M42 an advantage over other bidders because of its existing base in the region and Mubadala's backing, said some bankers following the sale process.

Mubadala is the investment arm for the Abu Dhabi government. It oversees \$284 billion in assets and invests across a range of industries including business services, energy, financial services and healthcare.

Bridgepoint manages more than €37 billion, equivalent to about \$40.6 billion of assets, focusing its investments in industrials, business and financial services, consumer and healthcare, according to the firm's website.

Bridgepoint attempted to list Diaverum in an initial public offering in 2020. It withdrew the IPO after not achieving a high enough valuation.

**B4** | Wednesday, April 19, 2023

P2JW109000-0-B00400-1-----NS

# J&J Lifts Yearly Outlook After Sales Rise

Demand strengthens for health products and drugs, but costs of talc suit hit profit

By Peter Loftus AND WILL FEUER

Johnson & Johnson raised its full-year sales and earnings outlook after revenue rose 5.6% in the first quarter, lifted by demand for everything from Tylenol to the company's pharmaceutical products and contact lenses.

The New Brunswick, N.J., healthcare-products company also said Tuesday that firstquarter earnings were largely wiped out by a \$6.9 billion charge tied to J&J's proposal to resolve tens of thousands of lawsuits alleging injuries caused by its talc-containing powders including Johnson's Baby Powder.

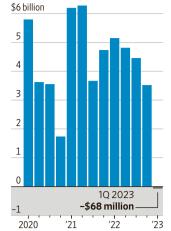
The large charge caused J&J to swing to a first-quarter loss of \$68 million, or 3 cents a share, from a net profit of J&J's quarterly net profit \$5.15 billion, or \$1.93 a share, a year earlier. Costs related to J&J's Covid-19 vaccine and its plan to separate its consumerhealth business also weighed on results.

Stripping out those charges, adjusted earnings came to \$2.68 a share, topping the \$2.50 a share expected by Wall Street analysts. Sales rose to \$24.75 billion in the first quarter, above the \$23.60 billion expected by analysts, according to FactSet.

J&J, whose financial results are considered a bellwether for many health sectors, said it expects sales to rise about 6% to between \$97.9 billion and \$98.9 billion. In January, the company guided for sales to rise about 5% to between \$96.9 billion and \$97.9 billion in 2023.

The company raised its fullyear outlook for adjusted earnings to a range of \$10.60 a share to \$10.70 a share, up from \$10.45 a share to \$10.65 a

"We've moved from respon-



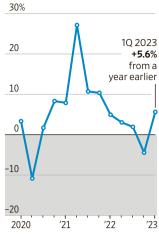
Sources: S&P Capital IQ; the company

sibly cautious to responsibly optimistic," J&J Chief Financial Officer Joseph Wolk said on a conference call with analysts. J&J shares closed down

2.8% to \$161.01. J&J's first-quarter sales growth was fueled by one of

the stronger performances for its medical-device unit in re-

Quarterly revenue



cent years. The division, which sells surgical products, artificial joints and heart devices, has struggled in recent years and has been generally outpaced by J&J's pharmaceutical unit.

First-quarter medical-device sales rose 7.3% to \$7.48 billion, fueled by strong growth in heart devices, contact lenses and artificial knee procedures. J&J also recently closed its nearly \$17 billion acquisition of heart-device maker Abiomed.

This was a breakout quarter for medtech," Ashley Mc-Evoy, worldwide chair of J&J's medical-device unit, said. "I'm really pleased with the balanced growth across our busi-

J&J's pharmaceutical sales rose 4.2% to \$13.4 billion, helped by prescription growth for cancer drugs including Darzalex. J&J's Covid-19 vaccine also posted higher-thanexpected sales for the quarter, entirely from outside the U.S.

J&J's consumer-health unit posted quarterly sales of \$3.85 billion, up 7.4% from a year earlier. Over-the-counter medicines including Tylenol and Imodium contributed to the growth.

The readout from J&J comes as the company is seeking to resolve lawsuits from thousands of people who allege that J&J's talc-containing

powders caused cancer. Earlier this month, J&J proposed paying at least \$8.9 billion to settle the suits.

The \$6.9 billion first-quarter charge adds to a previous charge of \$2 billion that would cover the payouts.

J&J isn't admitting wrongdoing and said that its talc powders are safe and don't cause cancer. The company said the proposed resolution, which is being handled in a bankruptcy proceeding by a subsidiary, would avert years of costly litigation.

"When you think about the uncertainty that protracted litigation entails, the cost that goes with that protracted litigation, we think this is the best way to bring, in an efficient manner, certainty to all parties involved," Mr. Wolk, the CFO, said in an interview.

The proposal is subject to approval by 75% of the talc claimants, and the company is seeking a judge's order to conduct a vote among all claimants.

# Startup, Built on OpenAI's GPT, Targets Tax Codes

By Steven Rosenbush

Muse Tax Inc., an earlystage startup based in New York, has found another task for artificial intelligence: navigating the complex and quickly changing tax codes that can trip up even experienced accountants.

The company is one of many across a range of industries that are starting to figure out how to make use of fastbreaking developments in AIby connecting to underlying AI platforms through software bridges known as application

programming interfaces, or APIs, and building on top of the underlying technology.

Muse Tax was founded in February 2022 by Colin Horsford and Busayo Ogunsanya, both certified public accountants with years of experience in financial services. They connected to OpenAI's GPT technology with an API that allowed them to build their own software on top of the OpenAI

The company has a business-to-business model, striking up partnerships with financial institutions. Muse Tax dates to the tax codes, accord-

was funded with a combination of investments by its founders, as well as about \$350,000 in preseed capital from early-stage investors including Techstars, the AI Operators Fund and Everywhere Ventures, formerly known as The Fund, according to Mr. Horsford. Muse Tax is raising a \$2 million seed round, amid shifting market pressures, according to Mr. Horsford.

Users feed their tax returns and transaction data into the Muse Tax system, which can keep track of the all latest uping to Mr. Horsford, a veteran American International Group Inc., Goldman Sachs Group Inc. and other financialservices companies. The system recommends ways in which the user can keep tax bills to the minimum.

"You have to stay abreast," said Mr. Horsford. "During the pandemic, there were so many tax changes, preparers and accountants missed some. That is really what our model is trained to do to—be more upto-date and process information a lot faster than the averhuman preparer or

accountant, even if they are very experienced," he said.

Muse Tax usually can make tax recommendations in 20 to 30 seconds—sometimes as long as 45 seconds, he said. Humans can take five to seven hours for comparable advice and cost more, according to Mr. Horsford.

The Muse Tax system employs OpenAI's GPT-3 and GPT-3.5, and the company plans to soon move to the latest version, GPT-4, according to Mr. Horsford. GPT is a socalled generative AI technology that produces text, images and other kinds of content. It is the technological underpinning of OpenAI's ChatGPT, which can have conversations with human users on a range of topics for purposes such as synthesizing and summarizing information.

Muse Tax has procedures in place to oversee the responses generated by AI, according to Mr. Horsford. "We are familiar with the oversight needed when managing AI responses,' he said, noting that his cofounder had prior experience building an AI chatbot called Ask My Uncle Sam.

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### COMMERCIAL REAL ESTATE

NOTICE IS HEREBY GIVEN that, pursuant to: (a) Section 9-610 of the Uniform Commercial Code ("UCC") as adopted in the State of New York, (b) the Pledge Agreement, dated as of March 30, 2018 (the "2018 Pledge Agreement"), among Charif Souki, in his individual capacity (the "Borrower"), Charif Souki, as Trustee of the Souki Family 2016 Trust (the "Trust"), Strudel Holdings LLC ("Strude!"), AVR AH LLC ("AVR," Collectively with the Borrower, the Trust and Strudel, and in such capacities, the "Pledgors"), and Wilmington Trust, National Association, as administrative agent (the "Administrative Agent." and together with the Trust, National Association, as administrative agent (the "Administrative Agent," and together with the lenders party to the Loan Agreements referred to below, the "Secured Parties"), and (c) the Pledge Agreement, dated as of April 27, 2017 (the "2017 Pledge Agreement," and together with the 2018 Pledge Agreement, the "Pledge Agreement,"), among the Pledgors and the Administrative Agent, the Secured Parties will Olfer for sale to the public (the "Auction") all right, title and interest of, in and to the pledged shares consisting of (i) the capital stock of Ajax Holdings that the Agent of Ajax Holdings LLC ("Ajax Holdings") owned by Strudel and (ii) the capital stock of Ajax Holdings owned by the Trust (the "Pledged Interests"), in each case that secure the Borrower's obligations under (a) the Loan Agreement,") among Borrower, the Trust, Strudel, AVR, Ajax, the lenders party thereto and the Administrative Agent and (b) the Loan Agreement, the "Loan Agreements", and together with the 2018 Loan Agreement, the "Loan Agreements" in the Pledged Interests are being sold on an "AS IS WHERE IS" basis pursuant to the following terms and conditions.

Deinis Join Ori all AST WITEKE 13 Deals pursuant to the following terms and conditions. TERMS AND CONDITIONS OF THE AUCTION 1. Subject to executing confidentiality agreements and meeting bidder qualifications as the Secured Parties deem appropriate, parties interested in bidding at the Auction may obtain additional information and detail Auction may obtain additional information and detail concerning the Pledged Interests (the "Bid Procedures") by contacting CBRE Capital Markets, Inc. ("CBRE"), as provided below. The Bid Procedures will provide additional information about the bidding process, including bidder qualifications, deposit information, about the bidding bidder qualifications, deposit information. Auction participation and determination of the winning

Auction participation and determination of the winning bid.

2. The Auction will be held on June 27, 2023 at 12:00 P.M. (EST) at the offices of Orrick, Herrington & Sutcliffe LIP, located at 51 West 52nd Street, New York, New York 10019, with an option to attend the Auction remotely via a designated Zoom link that will be made available to qualified bidders on request.

3. The Pledged Interests are being sold on an "AS IS WHERE IS" basis, without recourse, warranty or guaranty, whether express or implied. The Secured Parties do not and will not make any representations or warranties with respect to the Pledged Interests, and the sale of the Pledged Interests is specifically subject to all taxes, liens (other than those of the Secured Parties), claims, assessments, liabilities and encumbrances, if any, that may exist against the Pledged Interests under the UCC or other applicable law.

4. The Secured Parties reserve the right to determine which bidders qualify for participation in the Auction, reject any bid or all bids at the Auction, to announce such other terms at the Auction as may be commercially reasonable in the Secured Parties reserve the right to cancel, postpone or adjourn the Auction by announcement made at the Auction, either before or after the commencement of bidding, without written notice or further publication. The Secured Parties reserve the right to cancel, postpone or or adjourn the Auction parties reserve the right to cancel, postpone or adjourn the Auction parties reserve the right to cardet bid any option of their carditions. before or after the commencement of bidding, without written notice or further publication. The Secured Parties reserve the right to credit bid any portion of their secured indebtedness then outstanding under the Loan Agreements at the Auction. The Secured Parties reserve the right to implement such other terms or conditions at the Auction or regarding the Auction procedures as the Secured Parties, in their sole discretion, determine to be commercially reasonable under the incrumstances. All inquiries concerning this Notice of Sale and the terms and conditions of the sale (including requirements to be a "qualified bidder") should be made to. Joanne Au of CBRE Capital Markets at CBREuccsales@cbre.com. Any person making any inquiry or request must.

Au of CBKE Capital Markets at CBKEUCSales(core. com. Any person making any inquiry or request must:

(i) disclose the person or entity on whose behalf such information is being sought, (ii) execute the confidentiality agreement, which can be reviewed at the website https://tinyurl.com/AHUCCSale(case sensitive), and (iii) maintain the confidentiality of the information provided.

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Auction "as-is, where-is", and there are no express or implied warranties or representations relating to title, possession, quiet enjoyment, merchantability, fitness, or the like as to the Equity Interests. THIS NOTICE DOES NOT CONSTITUTE AN OFFER TO SELL, NOR THE SOLICITATION OF AN OFFER TO BUY, THE DISPOSITION ASSETS TO OR FROM ANYONE IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED.

All bids (other than credit bids of the Secured Party) must be for cash, and the successful bidder must be prepared to deliver immediately available good funds in the amount of twenty percent (20%) of the successful bid within 24 hours after the sale, with the balance to be delivered within five business (5) days of the Public Sale and otherwise comply with the bidding requirements, including the payment of all transfer taxes, stamp duties and similar taxes incurred in connection with the purchase of the Equity Interests.

Parties interested in bidding on the Equity Interests must contact Brock Cannon, Secured Party's broker, NEWMARK ("Broker), via email at NewmarkUCCteam@ ngkf.com. Upon execution of a standard non-disclosure agreement, additional documentation and information will be available, interested parties who do not contact Broker and register before the Public Sale will not be permitted to participate in bidding at the Public Sale. Additional information can be found at https://rimarketplace.com/listing/33364/ucc-foreclosure-sale-multifamily-philadelphia-pa.

NOTICE OF SALE

SUPREME COURT, NEW YORK COUNTY: CGCMT 2013-GC15 Sixth Avenue, LLC v. Sixth Ave Retail LLC et al., Index No. 160040/2019. Pursuant to judgment of foreclosure and sale entered 12/16/2022, I will sell at auction to the highest bidder at the Portico of the New York County Supreme Court, 60 Centre Street, New York, New York 10007, on Wednesday, May 3, 2023 at 2:15 p.m., premises known as 735 SIXTH AVENUE, NEW YORK, NY 10010, designated on the County land map as BLOCK 800, LOT 1301 (deed recorded 8/28/2013 in the Office of the City Register as CRFN #2013000346568), and more particularly described in the judgment of foreclosure and sale. Sold subject to all terms and conditions in said judgment and terms of sale.

Christopher E. Chang, ESQ., REFEREE, (212) 208-1470.

Approximate amount of judgment \$47.4 million plus



CEO Tim Cook posed with visitors to the opening of Apple's flagship store in Mumbai on Tuesday.

# Apple Deepens Ties to India, Opening Its First Store There

AND AARON TILLEY

Apple Inc. opened its first retail store in India on Tuesday, with Chief Executive Tim Cook celebrating the launch in person, as the company ramps up efforts to diversify its supply chain and boost smartphone sales in the world's most populous country.

The tech company opened a bricks-and-mortar location in Mumbai, a financial hub in India, and said it is planning to open a second location Thursday in New Delhi, India's capital.

Mr. Cook said earlier this year that he was focused on India, where Apple has been using financing options and trade-ins to make its products more affordable compared with cheaper alternatives from China. "India is [a] hugely exciting

market for us and is a major focus," he said on Apple's earnings call in February. Fueling Apple's push into

India is an ambitious project to diversify more of its supply chain away from China. For more than 20 years, Apple's primary base of manufacturing has been China.

But recent turmoil in its China operations has propelled Apple to more aggressively move operations to other countries, such as Vietnam and India, The Wall Street Journal reported.

Outside of China, India is viewed by Apple as the main

candidate for producing the Nadu, the Journal reported iPhone, the company's most important product that still accounts for roughly half of its sales. India currently accounts for less than 10% of global iPhone production. mostly for selling into the domestic market.

Apple's longer-term goal is to produce 40% to 45% of its iPhones from India, according to Ming-chi Kuo, an analyst at TF International Securities who follows the supply chain.

The company wants to diversify more of its supply chain away from China.

Apple has encountered problems of building up iPhone manufacturing in India, the Journal previously reported. India doesn't have the same level top-down governmental coordination that is found in China, which has previously helped clear the way for Apple to build up operations to the scale it needs in the country.

Apple's main manufacturing partner, Foxconn Technology Group, also is considering a major expansion into India, including expanding iPhone production in an existing plant near Chennai, in the southern Indian state of Tamil last month.

Apple has struggled to gain traction in India, where the company previously had mostly been selling its products online or through resellers and retail chains.

India is the world's secondbiggest smartphone market, both in terms of annual shipments and sales, according to market intelligence firm IDC. It accounts for almost 12% of the global market.

The retail stores are among Apple's first steps to try to increase its sales in India, Apple is projected to have a 5% share of the country's overall smartphone market this year, up from 1% in 2019, according to Counterpoint Research.

The multistory Mumbai shop is in a bustling commercial area. Apple said the store will use solar panels and renewable energy. It is expected to be one of the company's most energyefficient locations.

The company has more than 520 stores worldwide, according to its website.

Mr. Cook tweeted a picture of himself outside the Mumbai store on Tuesday, saying, "The energy, creativity, and passion in Mumbai is incredible!"

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# THE PROPERTY REPORT

# Miami Market Cools but Is Still the Hottest

Warm weather, looser business rules and lack of a state income tax continue to be a draw

By Deborah Acosta

Miami home-price growth slowed but continued its ascent in the first quarter, fueled by persistent demand even as higher mortgage rates pull down housing prices in much of the U.S.

Median prices in Miami-Dade County rose 5.2% during the quarter compared with the same quarter last year, according to Ron Shuffield, president of Berkshire Hathaway Home Services EWM Realty.

The gains offer fresh evidence that Miami's housing market is poised to remain the strongest of any U.S. city. Miami posted the country's fastest year-over-year home-price growth at 15.9% in 2022, according to the S&P CoreLogic Case-Shiller Index.

Residents and businesses continue to flock to the Sunshine State—and South Florida in particular—drawn by year-round warm weather, more liberal business regulation and the lack of a state income tax. Florida gained more residents than any other state in 2022, according to the U.S. Census Bureau data, while Miami housing inventory is down by about half compared with the first quarter of 2020.

New Yorkers and other Northeasterners are some of the area's most active home buyers. Most of the domestic driver-license changes came from New York last year, according to data from the Florida department of motor vehicles. Many of the new arrivals, accustomed to the steep real-estate prices of New York City and its suburbs, helped bid up home prices and rents in Miami.

"Housing prices in South Florida have been reset to a higher level," said Jonathan Miller, a market analyst and author of Douglas Elliman's Miami report.

Not all momentum was positive in the quarter. Sales volume is falling fast. Monthly residential sales have plummeted in Miami-Dade, down by more than 40% year to date, according to Mr. Miller.

The pace of price growth is slowing, too, a sign that several months of higher mortgage rates are starting to take a toll on the area's home prices and sales. The first quarter's 5.2% price gain was well below the scorching pace of 29.4% for the year in 2021, according to the S&P CoreLogic Case-Shiller Index.

Miami's housing market faces two other headwinds. Florida homeowners are experiencing a big increase in insurance premiums, due in part to high litigation costs and growing catastrophe losses. Over the past three years, premiums in the area have gone



New Yorkers and other Northeasterners are some of the Miami area's most active home buyers

up about 40%, said Jim Mc-Cue, chief operating officer of NSI Insurance Group, a Miamibased independent insurance agency. "Insurance premiums are creating a big issue for the middle-class home buyer," he said. "It's a real struggle."

A new state law that requires condo buildings to fully fund their reserves and conduct more stringent structural inspections can also make owning a Miami unit more expensive. Special assessments to cover the new requirements can run to \$100,000 or more per unit owner. Some older condos often don't qualify for mortgages because of the as-

sessments and structural issues, said Anibal Torres, a mortgage lender at 1st Financial in Miami.

Even so, some economists are forecasting that Miami's housing market will hold its price gains better than most anywhere else. The lack of inventory and Miami-Dade County's strong job growth mean that home values in the area are more likely to remain stable or increase at a single-digit pace rather than decline, said Gay Cororaton, the chief economist at the Miami Association of Realtors.

A January Goldman Sachs report predicted that once-hot

markets such as Austin, San Francisco and Seattle would post double-digit price decreases in 2023, while Miami's

market will be essentially flat. In February, the number of newly signed contracts in Miami-Dade surged 91.8% to the highest level in 3½ years, according to a report from Douglas Elliman.

Dale Chapman Webb in February listed her recently renovated three-bedroom home in tony Coral Gables at a price that was more than double what she paid in 2016. To her surprise, it sold within two days. "I thought for sure the market was cooling off a bit,"

Ms. Webb said.

The regional banking crisis that roiled commercial real estate also caused some residential sales activity in Miami to slow as loans became harder to come by. Demand for ultraluxury housing, where buyers can often pay all-cash, was less affected, said Danny Hertzberg, founding member at the Jills Zeder Group, which is affiliated with Coldwell Banker Realty.

"Our market has caught up and exceeded some of the strongest markets in the country," he said. "I think it speaks to the transformation of the city."

# Rates Brought Down Reverse-Mortgage Lender

By Akiko Matsuda

A government-backed reverse-mortgage program intended to help seniors tap their home equity ran into problems as interest rates rose, pushing one of the largest participating lenders into bankruptcy last fall, recent court documents show.

Reverse Mortgage Investment Trust Inc. filed for chapter 11 in November as it faced a liquidity crunch, and the 116,000 loans on its books are now being managed by the U.S. government. RMIT's bankruptcy filings reveal how the government-backed loan program worked against the company's survival

The program's rules required RMIT to take out a rising number of market-rate loans to buy out existing loans that carried lower rates, something that became unsustainable as interest rates kept rising and funding dried up, the lender said.

The Department of Housing and Urban Development is "exploring ways to offer support to address current liquidity challenges" facing lenders by making changes to the program, a HUD representative said.

What happened to RMIT illustrates the challenges facing reverse-mortgage lenders, said Jim Parrott, a nonresident fellow at the Urban Institute, a Washington think tank. A recent report co-written by Mr. Parrott said policy makers "need to work quickly, because if this

burden is not addressed soon, the liquidity challenges that brought down [RMIT] will drive off the rest of the industry."

Reverse mortgages let senior homeowners supplement their income in retirement by taking out loans against the value of their homes. Home-equity conversion mortgages, commonly known as HECMs—insured by the Federal Housing Administration and overseen by the HUD—represent 95% of the reverse-mortgage market in the U.S., or about 568,000 outstanding loans valued at more than \$100 billion. The loans are

As rates rose, more of the RMIT's older loans reached the FHA coverage limit.

guaranteed by the homes and typically are due when a borrower leaves the home permanently. Lenders bundle these loans and sell them to investors as bonds insured by Ginnie Mae, a government-owned entity that is part of HUD.

Much of what went wrong at RMIT, which is backed by investment firm **Starwood Capital Group**, can be attributed to rising interest rates. Lenders providing HECM loans are required to buy out the

loans from Ginnie Mae's securitized pools once the balance reaches 98% of the maximum underlying FHA insurance-coverage amount. To do the buyouts, lenders need to take out market-rate loans, exposing them to interest-rate volatility.

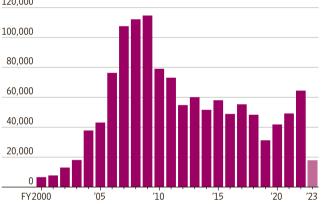
As rates rose, more of the RMIT's older loans reached the 98% limit, requiring the company to take out more market-rate loans to meet the program's obligations. Because RMIT had to buy out the loans at face value, it had to put up more of its own money for every buyout, until the obligations overwhelmed its capacto borrow. Reversemortgage originations fell as rising rates made it less attractive for seniors to take out such loans, contributing to the company's liquidity crunch.

In court papers, RMIT lawyers wrote that "in periods of macroeconomic stress, access to credit for a company in [its] position may become more challenging; however, the obligation to fund these buyouts does not change." Lawyers for RMIT declined to comment further.

When RMIT filed for bankruptcy, it faced a total buyout obligation of \$2.1 billion spread out over the next 12 months. The company made a \$144 million payment due in November, but filed before it could meet its December obligation of roughly \$161 million, court papers show.

Other reverse-mortgage lend-

Number of home-equity conversion mortgages in the U.S. 120,000



Note: Fiscal year ends in September. 2023 is through March.
Source: Department of Housing and Urban Development
via National Reverse Mortgage Lenders Association

ers face similar obligations. Net interest expenses—which are the difference between interest expenses and interest income and reflect the impact of rate increases on mortgage companies-rose 22% last year to about \$104 million at Finance of America Cos., which participates in the government program as a lender through affiliate Finance of America Reverse LLC. FOA, which went public by merging with a special-purpose acquisition company in April 2021, this spring acquired assets of the biggest HECM lender, American Advisors Group. FOA declined to comment.

For RMIT and other lenders, the burden of buyout obligations was amplified because roughly a fifth of the mortgages

that lenders buy out from Ginnie Mae's securitized pools typically stay on company balance sheets for months or even years. That is due to the program's rules requiring lenders to resolve tax and hazard insurance delinquencies before turning the loans over to their insurer, the FHA. In addition, when borrowers die or leave homes and there is no family to take charge of selling the property, servicers have to buy out the loans and sell the real estate through foreclosure before making insurance

Steve Irwin, president of National Reverse Mortgage Lenders Association, said he has seen instances of boughtout loans distorting lenders' balance sheets, causing liquid-

claims with the FHA.

ity strains. "We're certainly exploring options and opportunities for program enhancement and improvement, both on the HUD-FHA side and the Ginnie Mae side, which may help alleviate some of these liquidity strains," he said.

HUD said last month that besides exploring changes to the HECM program, it has requested additional funding for its next budget cycle to strengthen Ginnie Mae's operations and risk management.

Buyout obligations are a problem because the current lenders aren't diversified enough, unlike large banks, said Ted Tozer, who was president of Ginnie Mae from 2010 to 2017.

"[RMIT] declared bankruptcy not because of the fact that they actually were losing money, but it's the fact that their lenders wouldn't lend them any more money to buy out those loans," said Mr. Tozer, now at the Urban Institute. "This is the beginning of major challenges for reverse mortgages unless the policy makers step up and find a way for them to borrow in a plentiful and cheap way."

Major banks used to dominate reverse mortgages, but many pulled out in the aftermath of the 2008 credit crisis as falling home prices made the business more unpredictable. RMIT traces its roots to a company formed in 2012 to fill the gap after the big banks' departures.

### Insurers Pull Back Lending

Continued from page B1 found that 15% of insurers with commercial real-estate lending businesses said that they plan to shrink their activity this year, more than

three times as many in the

same survey last year.

Principal Financial Group Inc., a large Iowa-based insurer, told investors in an early March call that it is "putting a pause" on deploying any significant new capital into commercial-mortgage lending. "We don't want to invest that capital until we believe that the markets" have sorted out valuations, said Patrick Halter, chief executive of the insurer's Principal Asset Management unit.

lenders is bad news for building owners at a time when other lending sources have all but dried up. Banks, the largest commercial property lenders, have been pulling back since last summer. Their aversion to commercial real estate intensified after the failures in March of Silicon Valley Bank and Signature Bank, industry participants say.

The retreat by insurance

Life insurers hold about 15% of the outstanding \$4.5 trillion in U.S. debt backed by commercial real estate, according to Moody's Analytics. These firms are particularly well suited to fill any gap left by the lack of bank lending because their source of capital is customer's premiums, not customer deposits.

That makes insurers less vulnerable to the bank runs that ruined Silicon Valley and Signature banks, according to mortgage brokers and insurance executives.

The lack of readily available financing is particularly



The failure of some lenders such as Signature Bank intensified the aversion of some insurers regarding commercial loans.

worrisome this year, with so much commercial property debt coming due. A record \$270 billion in commercial mortgages held by banks is set to expire this year, according to data firm Trepp Inc. About \$80 billion of that is backed by office buildings.

Principal has 10 office mortgages coming due this year with a total value of

about \$480 million. About four of those may need to be extended, "because there is sort of a dearth and a challenge in terms of the market liquidity right now for office refinances," Mr. Halter said. Still, he doesn't anticipate any losses on these four loans.

Insurer lending to commer-

Insurer lending to commercial real estate took off after the global financial crisis. Ul-

tralow interest rates pushed down yields on corporate bonds, which are the core of insurers' investment portfolios. Loans to office buildings, apartments, warehouses and other commercial property offered higher yields.

Commercial property loans aren't yet likely to lead to big losses for insurance companies, analysts say. In general, life insurers' underwriting standards have been stricter than those of lenders who repackage loans as commercial-mortgage-backed securities, said Carmi Margalit, who leads the Life Insurance Sector at S&P Global Ratings.

Life insurers continue to make loans to owners of the top-performing property types such as warehouses and apartment buildings, said D. Michael Van Konynenburg, president of **Eastdil Secured**, a real-estate investment-banking firm. They might even consider a new loan to top-performing office buildings with little vacancy, he

said.

Even so, in the February Goldman Sachs survey, the 343 insurance-industry finance and investment chiefs predicted commercial-mortgage loans, mortgage-backed securities and direct real-estate holdings would be among the worst-performing investments over the coming year of more than 25 asset classes.

In the same survey five years ago, respondents identified commercial-mortgage loans as one of the three top assets they wanted to increase in their investment portfolios.

Anant Bhalla, chief execu-

tive of annuity specialist American Equity Investment Life Holding Co., said his firm isn't adding new office-based real estate to its \$50 billion overall investment portfolio.

"The trillion-dollar question today is what is the value of an office building," he said. "We think it is very hard to know what normal is in the office market, post-Covid."

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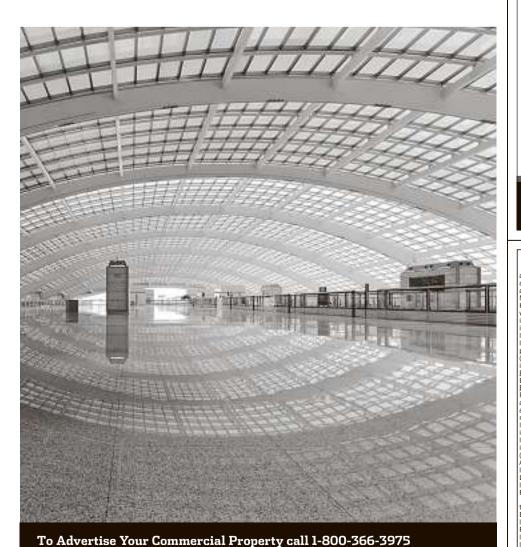
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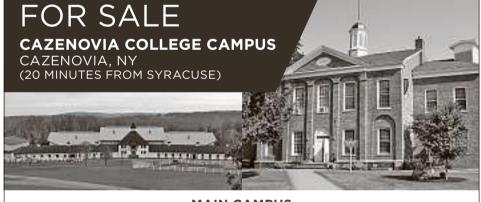
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On Monday, May 22, 2023 at 10:00 A.M. (New York Time), virtually via audio/video teleconference and, subject to any COVID-19 restrictions and applicable law (including, without limitation, executive orders), in person at the offices of Greenberg Traurig, LLP, located at One Vanderbilt Avenue, New York, New York 10017, Jones Lang Lasalle, on behalf of Finch Property Holdings I, LLC, a Delaware limited liability company (the "Secured Party"), will offer for sale the following partnership and limited liability company interests (collectively, the "Collateral"): (i) a 0.01% general partnership interest (being 100% of the general partnership interests), and an 89.99% limited partnership interests, in Divine Intervention Hotel, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests in Divine Alchemy, LP, a Pennsylvania limited partnership interests. limited partnership ("Divine Intervention"); (ii) 100% of the limited and general partnership interests in Divine Alchemy, LP, a Pennsylvanial limited partnership ("Divine Alchemy,"); (iii) 100% of the general and limited partnership interests in Abbotts Resurrection, LP, a Pennsylvania limited partnership interests in Abbotts Resurrection, 200 of the limited liability company interests in 677 North Broad Associates, LLC, a Pennsylvania limited liability company and Abbotts Resurrection, collectively, the "Borowess"); and (v) the following partnership and limited liability company interests in the direct and indirect partners and members of the Borowess: (a) 100% of the limited liability company membership interests in Divine Master Hanaging Member, LLC, a Pennsylvania limited liability company; (b) 100% of the limited liability company membership interests in Divine Master Tenant, LLC, a Pennsylvania limited liability company; (d) 100% of the limited liabi

Pennsylvania limited liability company.

The sale is being made in connection with the foreclosure under Article 9 of the Uniform Commercial Code of the State of New York of a pledge by Eric Daryl Blumenfeld, an individual, Divine Intervention Hotel I, LLC, a Pennsylvania limited liability company, Divine Master Managing Member, LLC, a Pennsylvania limited liability company, Nebotts Resurrection GP, LLC, a Pennsylvania limited liability company, Abbotts Resurrection GP, LLC, a Pennsylvania limited liability company, Abbotts Resurrection GP, LLC, a Pennsylvania limited liability company, and 677 North Broad Manager, LLC, a Pennsylvania limited liability company (collectively, "Debtors"), to Secured Party (as the assignee of Susquehanna Structured Capital, LLC, a Delaware limited liability company (the "Original Mezzanine Lender")), pursuant to which Debtors granted a first priority lien on the Collateral as collateral for Debtors' guaranty of a mezzanine loan (the "Mezzanine Lender") to Borrowers held by Secured Party in the original maximum principal amount of \$20,600,000.00

maximum principal amount of \$20,600,000.00.

Based upon information provided by Debtors and the Borrowers, it is the understanding of Secured Party (but without representation or warranty of any kind by Secured Party) that: (1) Divine Intervention is the owner of Units 1 and 2 of the mixed used condominium commonly known as the Divine Lorraine, located at 699 North Broad Street, Philadelphia, Pennsylvania 19123 (the "Divine Lorraine"); (2) Divine Alchemy is the owner of Unit 3 of the Divine Lorraine, which together with Units 1 and 2 constitute all of the units of the Divine Lorraine; (3) Abbotts Resurrection is the owner of a multi-family residential condominium unit commonly known as "Unit A" of the condominium regime commonly known as the Head House Flats Condominium, located at 528 South 2nd Street, Philadelphia, Pennsylvania 19147 ("Head House Flats"); and (4) 677 North Broad is the owner of the ground leasehold estate of the commercial real estate building commonly

known as the Studebaker Building, located at 667-677 North Broad Street, Philadelphia, Pennsylvania 19123 (together with the Divine Lorraine and Headhouse Flats, collectively, the "Properties").

The Borrowers' respective fee and leasehold interests in the Properties are subject to a mortgage loan (the "Mortgage Loan") in the maximum original principal amount of \$41,000,000.00, pursuant to certain loan documents evidencing the Mortgage Loan.

The sale shall be a public auction to the highest qualified bidder. The Collateral is being offered as a single lot, "as-is, where-is", with all faults, with no express or implied warranties, representations, statements or conditions of any kind made by Secured Party or any person acting for or on behalf of Secured Party, and each bidder must make its own inquiry regarding the Collateral. The winning bidder shall be responsible for the payment of all transfer taxes, stamp duties and similar taxes incurred in connection with the purchase of the Collateral.

The sale of the Collateral will be subject to all applicable third party consents and regulatory approvals, if any. Without limitation to the foregoing, please take notice that there are specific requirements for any potential successful bidder in connection with bottaining information and bidding on the Collateral, including, but not limited to, that (1) each bidder must comply with all requirements and restrictions applicable to the sale of the Collateral described in the Intercreditor Agreement dated as of July 12, 2018 between the holder of the Mortgage Loan and the Secured Party, as the assignee of the Original Mezzanine Lender, (the "Intercreditor Agreement"), including that, unless otherwise consented to by the holder of the Mortgage Loan, such bidder is a Qualified Transfere within the meaning of the Intercreditor Agreement, and (2) each bidder must deliver such documents and pay such amounts as required by the Intercreditor Agreement and the applicable governing documents

otherwise consented to by the holder of the Mortgage Loan, such bidder is a Qualified Transferee within the meaning of the Intercreditor Agreement, and (2) each bidder must deliver such documents and pay such amounts as required by the Intercreditor Agreement and the applicable governing documents relating to the Collateral.

Secured Party reserves the rights, among others, to: (i) credit bid, (ii) set a minimum reserve price, (iii) reject any bid that (x) it reasonably determines to have been made by a bidder that is unable to satisfy the requirements for bidders to be set forth in the terms of sale for the sale of the Collateral (the Tlarms of Sale") or to whom, in the Secured Party's reasonable judgment, a sale may not be made in compliance with the Intercreditor Agreement and applicable law), or (y) attempts to include terms or conditions that deviate from the requirements of the Terms of Sale, and (v) as provided for in the terms of sale, terminate or adjourn the sale to another time or exclude from the sale any portion of the Collateral the sale of which is then prohibited by judicial action or operation of law. Secured Party further reserves the right to restrict prospective bidders to those who will represent that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or resale of such Collateral, to verify that each certificate for the interests to be sold bears a legend substantially to the effect that such interests have not been registered under the securities Act of 1933, as mended (the "Securities Act"), and may not be disposed of in violation of the provisions of the Securities Act in order to complicable law deviated by the provision of the provision of the Securities Act in order to complicable law deviated by the content of the collateral as Secured Party reasonably deems necessary or advised by in order to complicable law. the sale of the Collateral as Secured Party reasonably deems necessary of the sale of the Collateral as Secured Party reasonably deems necessary or advisable in order to comply with the Securities Act or any other applicable law. All bids (other than credit bids of Secured Party) must be for cash, and the successful bidder must be prepared to deliver immediately available good funds as and when required by the Terms of Sale and otherwise comply with the bidding requirements provided for in the Terms of Sale. Further information concerning the Collateral, the requirements for obtaining information and bidding on the Collateral and the Terms of Sale governing the sale of the Collateral can be found at <a href="http://www.phillyportfoliouccsale.com">http://www.phillyportfoliouccsale.com</a>.

Brett Rosenberg +1212-812-5926; brett.rosenberg@jll.com

**B7A** | Wednesday, April 19, 2023



As professionals are asked to return to the office, companies are offering more amenity-rich workspaces

by Kelly Bryant

f you ask just about anyone about the state of commercial real estate these days, you're going to hear three key words: flight to quality. With businesses looking to bring employees back to the office, those with higher-quality buildings are having the most success.

"When you look at the overall vacancy rate for New York, it's high," says Toby Dodd, tri-state region president at Cushman & Wakefield. "But I think it's important to dissect it. The best buildings are seeing the majority of the demand. And if you look at the actual vacancy rate for the highest-quality space, whether it's new or recently redeveloped, the vacancy rate is closer to longer-term averages."

Matt Van Buren, New York tri-state president at CBRE, views the overall market as a challenged one, at least from a demand perspective. Though the industry saw some encouraging activity early in 2022, the market retreated in the fourth quarter and continued to do so in the first quarter of 2023. That said, he echoes Dodd's sentiments on the flight to quality, noting the upper end of the market is hitting new records in terms of rents.

"Leasing is still slanted toward the better buildings that is, new construction, renovated, well-located and well-maintained properties," Van Buren says. "Seventyone percent of the leases for over 50,000 square feet completed in 2022 to 2023 were in better buildings. And 2022 saw a record number of \$100- and \$200-per-square-foot transactions, showing that the premier properties are pushing rents to new highs. It also illustrates that the quality of a building is attracting tenants and that they understand now is a good time to transact."

Concession packages are also more enticing than ever. Van Buren mentions incentives like tenant improvement (TI) allowances of \$147 per square foot and up to 18 months of free rent, which make for a great value.

While all of this is appealing, the strength of the financial services market is also driving leasing. And he sees the diversity of New York City's market as what

keeps it so active. "The variety of industries seeking space has allowed this market to withstand the ebbs and flows of any single industry," Van Buren says. "The diversity of industries is also why there remains a need for some of the commodity space on the market. Demand isn't there for all of the commodity space, but we do see activity in those assets too."

### **MOVING FORWARD**

Looking ahead, investors are increasingly turning to

multifamily and industrial sectors compared to traditional office spaces. In terms of office investment, Van Buren describes it as a period of "price discovery."

"With much of the office sales market frozen amid the high-interest-rate environment, the few assets that do trade will be looked to as an aid in helping investors understand the adjustments to pricing," he says. "The current reality presents a unique opportunity for our industry to provide guidance and insight to both owners and occupiers as they reset for the long term."

Meanwhile, Dodd points to New York City's creativity and innovation as just two reasons to bet on the Big Apple going forward. Properties like 660 Fifth Avenue, developed by Brookfield, have done an exemplary job with its \$400 million makeover to produce what he thinks is one of the best office assets in midtown Manhattan.

"We've seen this city reinvent itself over and over again and that comes down to a neighborhood and an asset-level approach." Dodd says. "Plans for conversions to multifamily or life science and the upgrading of office buildings gives me great confidence about this market. There will be winners and there will be losers, but there's a record number of people who want to live in New York City and that, in itself, is a source of inspiration as we progress into what are going to be more uncertain economic times."

# Award Winners

Recognizing distinguished civic and industry leaders

The Real Estate Board of New York (REBNY), New York City's leading real estate trade association, announced the city's distinguished civic and real estate industry leaders who will be honored at the REBNY annual ceremony on April 20 at the Glasshouse. This signature event brings together industry leaders and public officials for a night of celebration, unmatched networking, awards and a world-class culinary experience to recognize our collective contributions to New York City. Honorees will receive awards during the night's seated dinner alongside the iconic REBNY dais to recognize their unparalleled commitment to the welfare of New York City and its residents, and their exceptional contributions to real estate

"Our 2023 honorees have helped make New York City a bastion of economic opportunity and innovation and are united in their commitment to service and our civic life," says REBNY chairman Douglas Durst, "In recognizing their exemplary leadership, we hope to inspire other New Yorkers to leave their own indelible mark on their industry and community."

"Our honorees exemplify real estate's profoundly positive impact on New York City's growth and success," adds REBNY president James Whelan. "Their remarkable passion, vision and ingenuity have elevated our industry and strengthened the foundations of our city.'



### Barry M. Gosin

The Bernard H. Mendik Lifetime Leadership in Real Estate Award goes to Barry M. Gosin, chief executive officer of Newmark Group Inc., for exceptional accomplishments and invaluable contributions to New York and its real estate industry.



### **Mary Ann Tighe**

The Harry B. Helmsley Distinguished New Yorker Award goes to Mary Ann Tighe, chief executive officer of the New York tri-state region at CBRE, for a lifetime of exceptional accomplishment in the profession and having made invaluable contributions to New York's civic welfare.



### John C. Santora

The Kenneth R. Gerrety Humanitarian Award goes to John C. Santora, chairman of New York tri-state at Cushman & Wakefield, for outstanding service to the community.



### **Dan Doctoroff**

The John E. Zuccotti Public Service Award goes to Dan Doctoroff, founder and chairman of Target ALS, for exceptional accomplishments and service to the public's interest.



### **Elly Pateras**

The George M. Brooker Management Executive of the Year Award goes to Elly Pateras, executive managing director of Douglas Elliman Property Management, recognizing exceptional career accomplishments as well as service to the profession and the broader community.



### Frederick K. Marek

The Louis Smadbeck Memorial Broker Recognition Award goes to Frederick K. Marek, vice chairman of Helmsley Spear LLC, recognizing a REBNY broker with personal and professional integrity, longterm leadership and prominence in the brokerage community and participation in REBNY's committees



### James Nelson

The Young Real Estate Professional of the Year Award goes to James Nelson, principal and head of tri-state investment sales at Avison Young, for incredible professional achievements as a rising star of the industry and for civic leadership.

A portion of proceeds from REBNY's annual event will go to the REBNY Foundation to fund social impact initiatives in New York City, such as the REBNY Fellows Leadership Program in partnership with Coro New York and Building Skills NY, a nonprofit construction workforce development organization that connects underemployed New Yorkers with jobs and training to create new career pathways into the construction industry.

The Wall Street Journal news organization was not involved in the creation of this content.

### Special Advertising Feature

### 2023

# Real Estate and the Road Ahead for New York





James Whelan



Douglas Duret

he real estate sector has made great strides toward recovery following the disruption of the pandemic, but the work is far from over. Real Estate Board of New York (REBNY) president James Whelan and chairman Douglas Durst believe a creative reimagining of the built environment is necessary for the market to thrive. This, coupled with a sensible policy from the public sector, is an ideal pairing to ensure New York City remains the best place in the world to live, work and visit. Here, in conversation with Whelan and Durst, the REBNY executives weigh in on where New York City real estate is now and what the future can look like.

# Where does New York City's real estate industry stand, three years after the onset of the COVID-19 pandemic?

**DOUGLAS DURST:** Thanks to the hard work of our members, office workers have returned in droves to commercial buildings that maximize productivity. Residential activity has caught up to and exceeded pre-pandemic growth levels. Our streets are bustling with tourists again, and transit ridership and retail metrics are improving.

JAMES WHELAN: The pandemic spotlighted the impact high-quality, diverse real estate assets can have on the economic resiliency of neighborhoods. Moving forward, we are examining how to best reposition our built environment to remain resilient and vibrant as New York City's population is expected to surpass 9 million by decade's end.

### Does New York City have the housing inventory it needs moving forward?

WHELAN: Unequivocally, no. A January 2022 study found that we need 560,000 new homes by 2030, yet our production pipeline has continued to flounder. Following the expiration of the 421-a tax-incentive program in June 2022, multifamily foundation plan applications decreased 60% in the second half of the year. This anemic pace continues in 2023.

**DURST**: Public policy decisions thus far have not been effective in addressing New York City's housing crisis, nor have they helped our business districts evolve

into vibrant live-work-play neighborhoods. We hope to see new solutions, including initiatives that address new housing production and provide the tools necessary to reposition some obsolete properties for better use.

### How are real estate owners playing their part in advancing sustainability?

WHELAN: REBNY and its members have advanced sustainable development practices and supported government and organizational policies to decarbonize the built environment. The organization worked with local leaders to inform New York City's new building decarbonization mandate and successfully advocated for the Clean Path NY project and the Champlain Hudson Power Express, the largest renewable energy and transmission projects in New York state in 50 years.

**DURST**: The public sector must see building owners as partners to reduce climate change. There are some well-intentioned policies regarding sustainability that are not effective or practical, like New York City Local Law 97. This creates an unmanageable burden for many older co-ops and condos and includes punitive and unaffordable fines. We hope to work together on more effective tools in the years ahead.

### How do you think the real estate industry itself needs to change in the years ahead?

**DURST:** We must set an example when it comes to support for social impact initiatives and make sure our

employees, vendors and leadership are more reflective of the diverse city we are a part of.

WHELAN: In 2022, REBNY established a Social Impact Council, where lead Social Impact, DEI and other officers within REBNY's largest member firms gather to share ideas and best practices. It is the goal of this council to lead change in their own companies along with raising awareness of positive initiatives that could be replicated throughout the industry and other sectors.

REBNY partners with other stakeholders to help diverse college students earn internships in the industry. This summer, REBNY is partnering with the City's Summer Youth Employment Program (SYEP) and Ladders for Leaders to help interns gain experience in the real estate industry. To support early- to mid-career professionals from diverse backgrounds, REBNY started the REBNY Fellows Leadership Program in partnership with Coro, the City's premier civic leadership training program. Now in its third cohort, the Fellows program is nurturing the future of diverse real estate professionals with the leadership skills needed to elevate their careers in the sector. This will increase their impact on the industry now and in the years ahead.

# What's most important for stakeholders and residents to know about the future of real estate in New York?

**DURST:** We are at a pivotal crossroads for the future of New York's economy and real estate industry. We must embrace growth and resiliency. REBNY is dedicated to objective analysis that advances the policy debate in the government and communities where our 15,000 members operate. New York has the resources, spirit and momentum to overcome the challenges we currently face and there is no doubt we will emerge stronger than ever..

Kelly Bryant is a freelance writer in Los Angeles specializing in real estate and lifestyle topics.



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**B8** | Wednesday, April 19, 2023

# Copper Shortage Risks Green Transition

Challenges in opening mines is expected to leave production lagging behind demand

By Yusuf Khan

Metal markets seem to think copper is the new lithium. A lack of new mining activity has added to worries that there won't be enough of the red metal for the energy transition, a popular topic at this week's World Copper Conference in Santiago, Chile.

South America currently dominates copper production and Chile is the largest mined producer. Increasing mine output has proved a challenge, prompting a wave of deal making in the industry and warnings of a serious supply shortfall over the next decade.

Copper is used in wiring and construction as well as electric vehicles, solar panels and other green technologies. Electrification is expected to increase annual copper demand to 36.6 million metric tons by 2031, with supply forecast to be around 30.1 million tons, creating a shortfall of 6.5 million tons at the start of the next decade, according to consulting firm McKinsey & Co.

In 2021, refined copper demand stood at 25.3 million tons, according to the International Copper Study Group.

"The market overall is pretty tight," said Robert Edwards, copper analyst at CRU. "Longer term there's a narrative around resource scarcity and the green transition with EVs and renewables



Potential new copper supplies could come from the rich seams of the red metal in Congo and Zambia in central Africa.

as well as the build-out of electricity grids. On paper it's quite a substantial supply gap opening up over the next 10

However, "there's no slack in the system, no buffer," said Marex's head of market analytics Guy Wolf at a recent conference in Switzerland.

He said copper was the only metal with locked-in demand growth, but indicated prices would need to rise to \$15,000 a metric ton to attract investment in new mines.

Futures on the London Metal Exchange are around \$9,000 a ton.

Copper mining companies have been at the center of a recent spurt of deal making. **Glencore** PLC recently offered \$23 billion for Canada's **Teck** Resources Ltd., potentially creating the third-largest copper producer in the world. Teck rejected the offer.

BHP Group Ltd. also gained court approval on Monday for the takeover of OZ Minerals Ltd., a deal valued at \$6.34

However, analysts say a lack of new mined resources is the main hurdle. Mined output globally in 2022 was 21.8 million tons, according to the International Copper Study Group, rising only 1 million tons over the previous three

Analysts forecast little output growth in Peru and Chile. Mines are operating at low staff levels and slowed operations after local protests from community groups, with rea-

sons varying from worker safety to rising governmental control over mine assets. Research firm Fitch Solutions estimates that 2023 copper mined production in Chile will likely be about 5.7 million tons, the same volume as in

"We now see some projects coming online in Peru and in Chile, which will add incremental supply, but there is not a lot in terms of pipeline in terms of long run," said Barbara Mattos, an analyst at rat-

ings company Moody's Investors Service. She cautioned that the new ores being mined are of lower grades, meaning that even if mining activity stays flat, copper volumes produced are likely to be lower.

Potential new supplies could come from the rich copper seams in Congo and Zambia in central Africa. They are now being exploited. However, the largest deposits are still in South America. According to Congo's Ministry of Mines, copper metal exports totaled 2.3 million metric tons in 2022, up from 1.8 million metric tons in 2021, less than half of Chile's output.

According to analysts it is more of a "when" not an "if" copper demand is likely to surge. "The question is how fast this transition will occur and exactly where," said Ms.

Green uses of copper accounted for 4% of copper consumption in 2020, but this is expected to rise to 17% by 2030, according to a recent note from Aditi Rai, an analyst at Goldman Sachs. He added a "net-zero emissions" path would mean the world would need an additional 54% of copper by 2030 on top of that forecast.

Changes in technology should ease some copper demand pressures. Mr. Edwards pointed to changes in battery packs already cutting copper usage in electric vehicles. He also said that Chinese construction isn't likely to maintain the pace it has kept for the past 20 years, helping to somewhat offset green demand growth.

# Meta Opens Its Horizon Worlds VR App to Teens

By Salvador Rodriguez

Facebook parent Meta Plaforms Inc. has opened its flagship Horizon Worlds VR app to teenagers, part of a strategy to boost engagement on its Quest headsets as the company seeks to gain traction in the so-called metaverse.

The company announced on Tuesday that the service will open up to teens ages 13 to 17 in the U.S. and Canada over the coming weeks.

The move comes as Meta seeks to bolster Horizon's user growth and retention after struggling with the technology and a lack of clarity about the Horizon World's monthly ac- viewed by the Journal.

tive user base sat just above 200,000 in February, The Wall Street Journal reported. That was short of the company's original goal of 500,000 by the end of 2022, according to internal company documents reviewed by the Journal. The Journal in February re-

ported Meta's plans to launch Horizon to teens, citing an internal company memo that outlined that teens and young adults are important to the service's user growth.

"For Horizon to succeed we need to ensure that we serve this cohort first and foremost," wrote Meta Vice President of Horizon Gabriel Aul to service's strategy last year. his division in a memo re-

Two Democrat senators and a coalition of more than 70 organizations and experts on health, privacy and children's rights called on Meta to abandon its plans to launch Horizon to teens after the Journal's report.

on Tuesday called on Meta to abandon its decision to open Horizon to teens.

ject failure to protect children and teens, and yet again, this company has chosen to put young users at risk so that it can make more money," Mr.

come with a robust set of ageappropriate default protec-

Sen. Ed Markey (D., Mass.)

"Meta has a record of ab-

Markey said. The launch to teens will

The move comes as Meta seeks to bolster Horizon's user growth. tions to provide them with a vate by default, giving teens

blog post.

safe experience, Meta said in a control of who can follow them and not recommending Those protections include adults who teens don't know

also include using ratings to prevent teens from finding, seeing or entering parts of Horizon that contain mature con-Meta also has expanded its

might know." The protections

VR parental supervision tools to include Horizon, making it easier for parents to manage their teens' experience. Additionally, the company

said it would garble and transform the voices of teens and adults who don't know each

"We're rolling out to teens slowly, so that we can carefully examine usage and are taking a phased approach before expanding more broadly, setting teens' profiles to pri- to their lists of "people you" the company said in its blog.

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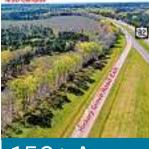
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### Supply Issues Hit Lockheed

Continued from page B1 up to \$66 billion in 2023.

Defense companies benefited from a big bump in funding during the U.S. government's fiscal 2023. The Pentagon budget request for \$842 billion for fiscal 2024 is a 3.2% increase on what Congress enacted last vear, below the top end of ana-

lysts' expectations. With inflation in the sector running around at 5%, the proposal represents a cut in real terms. The Pentagon's aims for fis-

cal 2025 and beyond call for a further flattening of growth, highlighting the budget choices facing military chiefs and Con-Building resilience to deter

China includes retiring older planes and ships to make way for modern platforms such as uncrewed aircraft and a big bump in the space budget, said the Pentagon's Dr. LaPlante.

Congress has given the Pentagon the go-ahead in principle to look at buying munitions

such as shells and missiles in multiyear packages, much as it purchases big-ticket items such as ships and aircraft.

Lockheed's GMLRS and the PAC-3 missiles used in Patriot air defense systems are among those earmarked for block buys. Congress has yet to be convinced, and no multiyear munitions deals have so far been approved and awarded.

Mike McCord, the Pentagon's comptroller, said more homework is required on potential cost savings from multiyear buys, which he said he expects to be more of a feature of the fiscal 2025 budget request rather than this year's.



Lockheed Martin and other big U.S. arms makers are taking longer than expected to lift production.

wsj.com/market-data/commodities

3,234

7,628

610

Source: FactSet

April 18, 2023

-8.00

2.10

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1812.00 **1822.50** 

2281.00 2288.90

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101.11

### **COMMODITIES**

Fut	ures (	Contra	acts							
	M	letal & Pe	troleum	Future	s					
		Cont	ract			Open				
	Open	High hi	lo Low	Settle	Chg	interest				
Coppe	r-High (C	<b>MX)</b> -25,000	lbs.; \$ per lb.							
April	4.0600	4.0890	4.0600	4.0895	0.0235	2,361				
July	4.0785	4.1090	4.0650	4.0965	0.0270	89,119				
Gold (	<b>MX)</b> -100 to	roy oz.; \$ per	troy oz.							
April	1996.90	2006.10	1996.90	2007.40	13.20	630				
May	1997.10	2013.40	1994.50	2010.30	12.70	1,778				
June	2007.90	2024.60	2003.30	2019.70	12.70	402,203				
Aug	2025.80	2043.20	2023.00	2038.50	12.80	35,812				
Oct	2049.60	2060.80	2042.00	2057.00	12.90	9,522				
Dec	2061.80	2079.20	2059.60	2075.00	12.80	26,023				
Pallad	ium (NYM	) - 50 troy oz	;\$ per troy o	Z.						
April				1639.60	82.40	1				
June	1565.50	1649.00	1562.00	1642.90	82.40	11,167				
Platin	um (NYM)	-50 troy oz.; \$	per troy oz.							
April				1087.90	37.50	7				
July	1062.00	1101.90	1059.70	1097.30	37.70	57,152				
Silver (CMX)-5,000 troy oz.; \$ per troy oz.										
April	25.180	25.300	25.160	25.248	0.195	18				
May	25.125	25.430	25.030	25.263	0.175	71,895				
Crude	Oil, Light	Sweet (N	<b>YM)</b> -1,000 bl	bls.;\$perb	bl.					
May	81.00	81.48	79.87	80.86	0.03	89,412				
June	81.00	81.52	79.91	80.90	0.07	379,191				
July	80.73	81.22	79.68	80.61	0.05	297,628				
Aug	80.21	80.69	79.24	80.09	0.04	112,605				
Sept	79.43	80.05	78.65	79.45	0.04	172,390				
Dec	77.62	78.15	76.88	77.56	0.07	203,932				
NY Ha	rbor ULS	<b>D (NYM)</b> -42	2,000 gal.; \$ p	er gal.						
May	2.6244	2.6290	2.5798	2.5999	0148	50,734				
June	2.5957	2.6057	2.5598	2.5815	0067	70,202				
Gasoli	ne-NY RE	BOB (NYM)	-42,000 gal.;	\$ per gal.						
May	2.7756	2.7867	2.7212	2.7509	0231	63,298				
June	2.7342	2.7442	2.6836	2.7082	0224	95,984				
Natura	al Gas (NY	<b>M)</b> -10,000 N	MMBtu.; \$ per	MMBtu.						
May	2.290	2.385	2.229	2.366	.091	106,945				
June	2.446	2.533	2.396	2.517	.073	178,575				
July	2.654	2.734	2.598	2.715	.063	251,251				
Sept	2.678	2.762	2.635	2.747	.059	122,601				
Oct	2.767	2.848	2.725	2.834	.056	107,588				
Jan'24	3.833	3.927	3,799	3,919	.057	81,006				

		(	ontra	ct			Open
	Open	High h	ilo	Low	Settle	Chg	interest
		Aario	:ult	ure Fut	ures		
C							
	<b>BT)</b> -5,000		per b		477.50	1.00	044.007
May	676.00	682.50		669.75	677.50	1.00	244,287
July	641.50	647.50		637.25	644.50	2.00	495,337
	<b>BT)</b> -5,000		per b		247.50	F F0	2.027
May	343.25	349.00		339.00	347.50	5.50	2,037
July	335.50	344.00		335.25	342.50	5.00	1,978
	ans (CBT)	-5,000 bu. 1531.50	; ceni		1519.25	2.25	146,406
May	1515.75			1511.00			
July	1485.00	1501.00		1481.50	1491.00	5.50	257,703
May	an Meal ( 465.70	471.10 471.10	tons	; \$ per ton. 458.20	461.10	-4.60	77 244
							77,244
July	462.70 an Oil (CB	468.20	) lbc	456.10	458.60	-4.10	181,811
			J IDS.,	54.39		.79	70 400
May Julv	54.50 54.64	56.05 56.21		54.59	55.36 55.53		79,400 171,143
					55.55	.83	1/1,143
	Rice (CBT		Wt.; \$		17.24	01	2.045
May	17.35 15.12	17.47 15.13		17.25 14.95	17.34 14.96	.01 18	2,045 2,934
Sept					14.90	18	2,954
	( <b>CBT)</b> -5,00	707.00	its pe	689.25	698.00	1.50	70.700
May				700.50			78,609
July	704.25	717.25			709.50	2.25	187,637
	( <b>KC)</b> -5,000 887.50	3 bu.; cent 898.75	s per		881.25	0 50	20.752
May Julv	874.25	886.00		876.00 862.75	868.25	-8.50 -8.25	30,752 78,904
	Feeder (		0001			-8.25	78,904
	205.850	206.100		204.675	205.925	.375	2 577
April			•				3,577
Aug	225.850 <b>Live (CM</b> I	226.500	) lbc :	224.950	226.075	.725	23,205
April	175.900	176.625	JIDS.,	175.275	176.475	.725	6,765
June	165.275	165.450		164.275	165.200	.725	
	.ean (CME		ا			.525	146,091
			IDS.;			-2.175	20//
May June	80.850 87.900	81.100 88.775		78.500 85.625	78.825 85.750	-2.175	3,066 96,382
	67.900 F (CME)-11		ft ¢			-2.425	90,302
Mav		.0,000 Bd. 423.80	п., э	403.50	403.50	-24.00	1 274
	420.50 <b>ME)</b> -200,0				405.50	-24.00	1,374
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April May	18.63 17.51	18.64 17.88		18.61 17.39	18.63 17.47		3,708 5,134
	17.51 (ICE-US)-10		nc. ¢		17.47		2,134
			ons; ⊅ ▲		3 054	51	22 612
May	3,015	-,	_	2,991	3,054		22,612
July	2,930 (ICE-US)-3		<b>A</b>	2,905	2,965	46	142,454
	201.00	37,500 lbs 206.95	.; cen	198.35	205.25	4.25	10 2/2
May		206.95	_	198.35	205.25	4.25	10,342 81,568
July	198.85	204.90	<b>A</b>	190.10	205.05	4.00	01,208

Bonds | wsj.com/market-data/bonds/benchmarks

#### **Tracking Bond Benchmarks**

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week and on the state of the paid to investors compared with 52-week and one of the state of the stathighs and lows for different types of bonds

Total return close	YTD total	Index	— Yi Latest			Total return close	YTD to		Index		'ield (% t Low	6) <del>—</del> High
Broad M	larket Bloombe	rg Fixed Income Indices	5			Mortgage-Backed Bloomberg Fixed Income Indices						
2001.57	2.6	U.S. Aggregate	4.490	3.300	5.210	1974.13		1.9	Mortgage-Backed	4.630	3.300	5.380
U.S. Cor	porate Indexes	Bloomberg Fixed Incor	ne Indi	ices		1945.41		2.1	Ginnie Mae (GNMA)	4.670	3.320	5.370
2969.86	3.4	U.S. Corporate	5.200	4.110	6.130	1161.55	1	1.9	Fannie mae (FNMA)	4.620	3.300	5.390
2859.54	2.7	Intermediate	5.120	3.830	6.050	1778.43		1.8	Freddie Mac (FHLMC)	4.630	3.300	5.370
3983.23	4.9	Long term	5.350	4.590	6.370	569.68		2.4	Muni Master	3.070	2.419	3.936
578.48	3.6	Double-A-rated	4.540	3.580	5.320	408.90		2.7	7-12 year	2.658	2.325	3.794
788.64	3.5	Triple-B-rated	5.480	4.380	6.440	456.69		3.1	12-22 year	3.549	2.991	4.428
High Yield Bonds ICE BofA				427.73	Ì	3.8	22-plus year	4.262	3.624	5.131		
483.95	4.4	High Yield Constrained	8.411	6.521	9.623	Global G	overnm	ent J.P.	Morgan <sup>†</sup>			
446.60	6.2	Triple-C-rated	14.678	10.502	16.916	532.64		2.1	Global Government	2.940	1.880	3.250
3263.00	4.8	High Yield 100	7.780	6.136	8.753	779.31		2.0	Canada	3.220	2.680	3.780
421.29	3.8	Global High Yield Constrained	8.559	6.652	9.945	337.74		1.4	EMU§	3.243	1.476	3.490
319.17	3.3	Europe High Yield Constrained	7.328	4.742	8.508	626.26		1.1	France	3.080	1.320	3.310
U.S Age	<b>ncy</b> Bloomberg I	Fixed Income Indices				447.34		0.9	Germany	2.510	0.740	2.760
1722.71	1.9	U.S Agency	4.480	2.780	5.080	282.60		1.7	Japan	0.850	0.530	1.060
1522.93	1.7	10-20 years	4.470	2.710	5.100	483.92		0.9	Netherlands	2.780	0.980	3.000
3326.25	4.2	20-plus years	4.570	3.470	5.240	784.84	j	0.3	U.K.	3.910	1.820	4.680
2608.97	2.9	Yankee	4.980	3.750	5.840	785.39	i	2.2	Emerging Markets **	7.718	6.469	9.159
	ned indexes limit indobal Index	dividual issuer concentration	ons to 2	%; the	High Yie		-			cy§Ει	ıro-zor	ne bonds

### **Global Government Bonds: Mapping Yields**

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Country/ — Yield (%) — Spread Under/Over U.S. Treasurys, in basis points										points	
Coupon (%)	Maturity, in years	Latest(●)-	1 0 :	L 2	3 4	5 Previous	Month ago	Year ago	Latest	Prev	Year ago
3.875	<b>U.S.</b> 2	4.197 ▲			•	4.186	3.846	2.458			
3.500	10	3.571 ▼			•	3.590	3.395	2.861			
3.250	<b>Australia</b> 2	3.131 🛦			•	3.027	3.043	2.039	-108.5	-117.6	-43.0
4.500	10	3.483 🛦			•	3.382	3.404	2.976	-8.8	-22.5	11.5
0.000	France 2	3.025			•	3.025	2.597	0.099	-119.1	-117.8	-237.0
3.000	10	3.022 ▼			•	3.036	2.694	1.341	-54.9	-57.0	-152.0
2.500	Germany 2	2.906 🛦			•	2.853	2.376	0.048	-131.0	-135.0	-242.1
2.300	10	2.479 🛦		•	)	2.473	2.110	0.841	-109.2	-113.3	-202.1
2.500	Italy 2	3.406 ▼			•	3.409	3.050	0.443	-80.9	-79.4	-202.5
4.400	10	4.291 ▼				4.322	4.059	2.497	72.0	71.6	-36.5
0.005	<b>Japan</b> 2	-0.040 ▼	•			-0.039	-0.078	-0.057	-425.6	-424.2	-252.5
0.500	10	0.476 ▼	•			0.482	0.273	0.245	-309.5	-312.4	-261.7
0.000	Spain 2	3.085 ▼			•	3.140	2.747	0.395	-113.1	-106.3	-207.4
3.150	10	3.477 ▼			•	3.525	3.216	1.766	-9.4	-8.1	-109.6
0.625	<b>U.K.</b> 2	3.683 🛦			•	3.611	3.236	1.565	-53.3	-59.2	-90.4
4.250	10	3.751 ▲			•	3.696	3.287	1.890	<b>18.0</b>	9.0	-97.1

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Spread\*, in basis points -

### **Corporate Debt**

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific

### Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Current	One-day change	Last week
Bank of America	вас	4.250	4.99	Oct. 22, '26	111	-13	n.a.
Hyundai Capital America	HYNMTR	5.500	5.40	March 30, '26	150	-13	164
Ally Financial	ALLY	8.000	6.98	Nov. 1, '31	340	-11	354
Sumitomo Mitsui Financial	SUMIBK	0.948	5.17	Jan. 12, '26	129	-11	n.a.
Citigroup	С	3.400	4.74	May 1, '26	83	-9	113
Fifth Third Bancorp	FITB	8.250	6.66	March 1, '38	310	-9	325
Morgan Stanley	MS	3.950	5.04	April 23, '27	135	-9	137
Banco Santander	SANTAN	2.746	5.75	May 28, '25	153	-9	166
And spreads that widene	d the m	ost					
Credit Suisse	cs	4.550	7.43	April 17, '26	352	6	374
First-Citizens Bank & Trust	FCNCA	6.125	6.33	March 9, '28	265	6	297
Metropolitan Life Global Funding I	MET	5.150	5.08	March 28, '33	150	6	158
Anglo American Capital	AALLN	4.000	5.29	Sept. 11, '27	161	4	160
Federation des caisses Desjardins du Quebec	CCDJ	5.700	5.24	March 14, '28	156	3	163
Mitsubishi UFJ Financial	MUFG	3.751	5.15	July 18, '39	125	3	n.a.
Nestle Holdings	NESNVX	5.250	4.39	March 13, '26	47	3	51
Caterpillar Financial Services	CAT	4.800	4.31	Jan. 6, '26	43	2	n.a.
High-yield issues with the		price in			Bond Pric	e as % of face v	ralue ——

issuei	Зуппон	Coupon (70)	Held (70)	iviaturity	Current	Offe-day charig
CSC Holdings	CSCHLD	5.250	6.19	June 1, '24	99.000	1.75
Ford Motor	F	7.400	7.16	Nov. 1, '46	102.727	0.75
Dick DDC	DICH	7.750	24.00	July 1 /26	41 750	0.50

Co C i loidingo		7.270	0.17	Julic 1, 2-	//.000	217 2	/0.2/2
Ford Motor	F	7.400	7.16	Nov. 1, '46	102.727	0.75	n.a.
Dish DBS	DISH	7.750	26.08	July 1, '26	61.750	0.50	62.750
Embarq	EMBARQ	7.995	20.15	June 1, '36	44.500	0.50	41.750
Sensata Technologies	ST	5.625	5.34	Nov. 1, '24	100.405	0.38	n.a.
Hughes Satellite Systems	SATS	6.625	9.00	Aug. 1, '26	93.375	0.32	93.125
And with the biggest ¡	price decrea	ses					
Nordstrom	JWN	6.950	7.58	March 15, '28	97.450	-0.58	n.a.
Teva Pharmaceutical Finance Netherlar	nds III TEVA	3.150	6.52	Oct. 1, '26	89.750	-0.48	90.250

Nordstrom	JWN	6.950	7.58	March 15, '28	97.450	-0.58	n.a.
Teva Pharmaceutical Finance Netherlands II	TEVA	3.150	6.52	Oct. 1, '26	89.750	-0.48	90.250
Dish DBS	DISH	5.875	19.31	Nov. 15, '24	82.500	-0.44	86.000
Venture Global Calcasieu Pass	VENTGL	4.125	5.89	Aug. 15, '31	88.500	-0.40	88.750
Navient	NAVI	6.125	7.81	March 25, '24	98.515	-0.36	98.560
Cradit Suicca	cs	6 500	10.95	Aug 8 '23	96 250	-0.25	n a

HWM

\*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.

5.79

Feb. 1, '37

101.500

5.950

100.750

-0.24

96.292

		Contract				Open			Cont	ract			Open
	Open	High hilo	Low	Settle	Chg	interest		Open	High hilo	Low	Settle	Chg	interest
Suga	r-World (IC	<b>E-US)</b> -112,0	00 lbs.; cent	s per lb.			June	.7508	.7540	.7492	.7528	.0018	170,166
May	24.44	24.69	24.10	24.54	.10	122,737	Canad	lian Dolla	r (CME)-CA[	100,000;\$	per CAD		
July	23.81	24.09	23.47	23.94	.14	387,250	April	.7470	.7485	.7465	.7474	.0011	276
	r-Domestic	C (ICE-US)-1	12,000 lbs.;				June	.7474	.7494	.7470	.7475	.0003	147,486
July				42.00	49	865	Britisl	n Pound (d	CME)-£62,50	0;\$per£			
March'				40.24	01	2,002	May	1.2381	1.2457	1.2377	1.2437	.0055	545
Cotto	n (ICE-US)-5		ents per lb.				June	1.2396	1.2467	1.2385	1.2446	.0055	211,351
May	83.30	84.93	83.20	84.55	1.25	12,453	Swiss	Franc (CN	<b>NE)</b> -CHF 125,	000: \$ per C	HF		,
July	83.40	85.15	83.09	84.83	1.55	84,436	June	1.1206	1.1244	1.1203	1.1226	.0021	40,284
Oran	ge Juice (ıcı	<b>E-US)</b> -15,00	0 lbs.; cents	per lb.			Sept	1.1200	1.11	1.1200	1.1332	.0021	371
May	272.85	280.25	271.60	274.10	1.25	3,711		alian Doll	ar (CME)-Al	ID 100 000			5/1
July	267.00	275.40 🛦	264.00	266.95	.50	5,267	May	.6709	.6754	,6705 كار	<b>6735.</b> 6735.	.0026	338
_							-	.6721	.6765		.6744		
		Interest	Rate Fu	tures			June			.6714		.0026	158,985
Lillana					6100	· ·		an Peso (	CME)-MXN	500,000; \$ p		00004	25
	Treasury E						May				.05508		25
June	138-200			139-010		1,428,385	June	.05472	.05498	.05457	.05472	.00004	269,705
Sept	138-310			139-130	9.0	154		CME)-€125,					
	sury Bonds						May	1.0941	1.1000	1.0940	1.0989	.0045	1,549
June	129-200		129-150			1,181,887	June	1.0964	1.1022	1.0960	1.1010	.0045	757,426
Sept	129-250			130-050	9.0	125							
	sury Notes								Inde	x Futur	es		
June	114-095			114-155		4,379,412	Address D	I I and a section	:-I A				
Sept	115-015			115-070	4.0	4,997			ial Averag				
	Treasury N						June	34123	34287	33928	34124	-5	94,396
June	109-020			109-052		4,484,003	Sept	34375	34530	34200	34393	-1	572
Sept	109-210			109-222	2.0	638	Mini S		<b>ME)</b> -\$50 x i	ndex			
	Treasury N						June	4177.00	4198.25	4164.50	4180.00	3.25	2,253,394
June	102-305			102-303		2,633,234	Sept		4236.50	4203.50		3.50	16,136
Sept	_103-198			103-168	-2.1	57	Mini S	&P Midca	ър 400 (см	IE)-\$100 x ir	ndex		
	ıy Federal I				aily avg.		June	2524.10	2538.30	2507.00	2519.00	-4.50	39,938
April	95.1725		95.1700	95.1700			Sept				2535.90	-3.20	n.a.
May	94.9750		94.9700	94.9750			Mini N	lasdag 10	O (CME)-\$2	0 x index			
10 Yr	. Del. Int. Ra						June	13184.00			13193.00	6.50	238,545
June		97-240	97-120	97-160	1.0	8,450	Sept	13326.50			13339.50	7.50	2,837
Three	e-Month SO	OFR (CME)	-\$1,000,000						00 (CME)-\$				_,057
Jan				95,3825	0025	30,466	luma	1014 20		1704.00	1007.00	0.20	400 710

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

.0018

.0250 564.067

June 94.9250 94.9350 94.8900 94.9150 -0.0050 1,381,785

**Currency Futures** 

94.6200 **94.6500** 

**Eurodollar (CME)**-\$1,000,000; pts of 100% **May** 94.6700 94.6975 94.6600 **94.6975** .0250

94.6600

**Japanese Yen (CME)**-¥12,500,000; \$ per 100¥ **May** .7470 .7500 .7454 **.7489** 

### **Money Rates**

94.6250

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a

1814.30 1825.50 1829.80 1841.10

Mini Russell 1000 (CME)-\$50 x index

June 2282.90 2290.80 2291.85 U.S. Dollar Index (ICE-US)-\$1,000 x index June 101.83 101.86 101.34

101.56 101.56

527

guide to general lev	els but d	on't alw	ays represe	ent actua	ltrans	actio	ns.					
Inflati				Latest	Week ago	—52-W High	VEEK— Low		Lates	Week ago	—52-1 High	WEEK— Low
March index level	Chg Froi Feb. '23	m (%) March '22	Federal fu	nds 4.8500 4.	R500 4	.8500 (	3400	<b>Libor</b> One month	4.95271	4.93729	4.95943	0.62471
J.S. consumer price i All items 301.83 Core 305.47	0.33	5.0 5.6	High Low Bid Offer	<b>5.1500</b> 5.1 <b>4.8300</b> 4.8 <b>4.8200</b> 4.8 <b>4.8700</b> 4.8	500 5. 3000 4. 3300 4.	1800 0 8500 0 8300 0	.3800 .3000 .3200	Three month Six month One year  Secured O	5.25043 5.41129 5.42557	5.35157 5.32314	5.88071	1.09829 1.60714 2.30257
Internation	al rates		Treasury b	ill auctior	1			occurca o	4.80	4.81	_	0.26
	Veek –52 igo High	-Week — Low	4 weeks 13 weeks 26 weeks	4.030 5.080	4.440 4.980 4.795	5.080	0.860		_atest	Value Traded		Week — Low
Prime rates							1.270	DTCC GCF	Repo Inc	lex		
Canada <b>6.70</b>	3.00 8.00 5.70 6.70	2.70	Fannie Ma	econdary e	mark	et		Treasury MBS	4.838 4.848	17.300 41.932		
apan <b>1.475</b> 1.	475 1.475	1.475	30-year mor	gage yields				Notes on dat	:a:			
Switzerland 2.00	3.50 3.50 2.00 2.00	0.00	30 days 60 days		5.799 5.809	6.988		U.S. prime ra loans posted U.S. banks, ar Other prime	by at least 7 nd is effectiv <b>rates</b> aren'i	0% of the e March 2 directly	10 larg 23, 2023 compara	est
	4.25 4.25 3.60 3.60		Oth		Veek ago	-52-W	Veek — low	lending pract Discount rat Secured Ove 17, 2023. DT	<b>e</b> is effective <b>rnight Fina</b>	March 2 ncing Ra	3, 2023. <b>te</b> is as	of April
	1.83 4.91	0.25	Call money		agu	- Ingii	1011	Trust & Clear overnight tra	ing Corp.'s w des in applic	eighted able CUS	average IPs. Valı	for ue
U.S. governm	ent rates	S		6.75	6.75	6.75	2.25	traded is in bi <b>rates</b> are Tu				
Discount 5.00	5.00 5.00	0.50	<b>Commerci</b> 90 days	al paper ( <i>1</i> 5.00	<b>AA fina</b> n.a.	<b>5.09</b>	0.84	Sources: Fed Statistics; DT Tullett Prebo	CC; FactSet	;	of Labor	
			1									

### **Exchange-Traded Portfolios** | wsj.com/ETFresearch

	Largest 100 exchange-traded funds, latest session											l Price	(%)	
Tuesday	y, April 1	8, 2023 Closino	. Cha	VTD	ETF	Symbol	Closing Price	Chg (%)	YTD (%)	TechSelectSector UtilitiesSelSector	XLU	149.65 68.91	0.31 -0.52	-2.3
ETF	Symbol		(%)	(%)	iSh1-3YTreaBd	SHY	81.86	-0.02	0.9	VanEckGoldMin	GDX	34.55	0.73	20.6
					iShRussMC	IWR	70.12	0.13	4.0	VangdInfoTech		382.83	0.28	19.9
CnsmrDiscSelSector		148.18	0.16	14.7	iShRuss1000	IWB	227.51	0.11	8.1	VangdSC Val		158.17	-0.21	-0.4
CnsStapleSelSector	XLP	75.89	0.30	1.8	iShRuss1000Grw	IWF	244.96	0.10	14.3	VangdExtMkt		139.41	-0.11	4.9
DimenUSCoreEq2	DFAC	25.69	0.12	5.8	iShRuss1000Val		155.11	0.04	2.3	VangdDivApp		156.70	0.16	3.2
EnSelSectorSPDR	XLE	86.54	0.39	-1.1	iShRussell2000			-0.43	2.1	VangdFTSEAWxUS	VEU	54.74	0.35	9.2
FinSelSectorSPDR	XLF	33.36 133.54	0.30	-2.5 -1.7	iShS&P500Grw	ivw	64.61	0.09	10.4	VangdFTSEDevMk	VEA	46.41	0.39	10.6
HealthCareSelSect			-0.68 0.48	2.9	iShS&P500Value	IVE	153.63	0.06	5.9	VangdFTSE EM	vwo	40.80	-0.20	4.7
IndSelSectorSPDR InvscQQQI		101.10 318.86	0.48	19.7	iShSelectDiv			-0.23	-1.3	VangdFTSE Europe	VGK	63.17	0.69	13.9
InvscQQQI InvscS&P500EW		145.64	0.01	3.1	iSh7-10YTreaBd	IEF.	98.45	0.16	2.8	VangdGrowth		249.58	0.10	17.1
iShCoreDivGrowth	DGRO	50.91		1.8	iShShortTreaBd		110.29	0.02	0.3	VangdHlthCr		245.99	-0.61	-0.8
iShCoreMSCIEAFE	IEFA	68.65	0.47	11.4	iShTIPSBondETF	TIP	109.45	0.10	2.8	VangdHiDiv		107.65	0.01	-0.5
iShCoreMSCIEM	IEFA	49.41	-0.18	5.8	iSh20+YTreaBd	TLT	104.20	0.36	4.7	VangdIntermBd	BIV	76.34	80.0	2.7
iShCoreMSCITotInt	IXUS	63.46	0.27	9.6	iShUSTreasuryBd	GOVT	23.23	0.09	2.2	VangdIntrCorpBd	VCIT	79.95	0.18	3.1
iShCoreS&P500		416.02	0.27	8.3	JPMEquityPrem	JEPI	54.94	0.07	0.8	VangdLC	vv	188.97	80.0	8.5
iShCoreS&P MC		249.58	-0.13	3.2	JPM UltShincm	JPST	50.22	-0.04	0.2	VangdMC		211.54	0.07	3.8
iShCoreS&P SC	IJR	95.35	-0.53	0.8	ProShUltPrQQQ	TQQQ	27.52	0.07	59.1	VangdMC Val	VOE	135.11	80.0	-0.1
iShCoreS&PTotUS	ITOT	91.37	0.07	7.7	SPDRBbg1-3MTB	BIL	91.66	0.01	0.2	VangdMBS	VMBS	46.17	0.15	1.4
iShCoreTotalUSDBd	IUSB	45.86	0.11	2.1	SPDR DJIA Tr	DIA	339.80	-0.04	2.6	VangdRealEst	VNQ	82.69	-0.23	0.3
iShCoreUSAggBd	AGG	99.04	0.14	2.1	SPDR Gold	GLD	186.25	0.39	9.8	VangdS&P500ETF	VOO	380.54	0.07	8.3
iShESGAwareUSA	ESGU	91.24	0.09	7.7	SPDRPtfDevxUS	SPDW	33.01	0.52	11.2	VangdST Bond	BSV	76.24	0.01	1.3
iShEdgeMSCIMinUSA		73.85	-0.19	2.4	SPDRS&P500Value	SPYV	41.24	0.07	6.0	VangdSTCpBd	VCSH	76.11	0.03	1.2
iShEdgeMSCIUSAQua		125.37	0.16	10.0	SPDRPtfS&P500	SPLG	48.70	0.06	8.3	VangdShtTmInfltn	VTIP	47.66	0.04	2.0
iShGoldTr	IAU	37.99	0.34	9.8	SPDRS&P500Growth		55.96	0.09	10.4	VangdShortTrea	VGSH	58.30		0.8
iShiBoxx\$InvGrCpBd		109.06	0.33	3.4	SPDR S&P 500		414.21	0.07	8.3	VangdSC	VB	189.28	-0.12	3.1
iShJPMUSDEmBd	EMB	85.32	-0.02	0.9	SchwabIntEquity	SCHF	35.83	0.50	11.2	VangdTaxExemptBd	VTEB	50.31	-0.79	1.7
iShMBS	MBB	93.94	0.06	1.3	SchwabUS BrdMkt	SCHB	48.31	0.06	7.8	VangdTotalBd	BND	73.39	0.15	2.2
iShMSCIACWI	ACWI	92.64	0.18	9.1	SchwabUS Div	SCHD	73.94	0.03	-2.1	VangdTotIntlBd	BNDX	48.49	0.12	2.2
iShMSCIEAFE	EFA	73.49	0.55	12.0	SchwabUS LC	SCHX	48.88	0.12	8.3	VangdTotIntlStk	VXUS	56.50	0.32	9.2
iSh MSCI EM	EEM	39.84	-0.13	5.1	SchwabUS LC Grw	SCHG	65.44	0.11	17.8	VangdTotalStk	VTI	206.00	0.05	7.7
iShMSCIEAFEValue	EFV	50.15	0.56	9.3	SchwabUS SC	SCHA		-0.36	3.0	VangdTotWrldStk	VT	93.48	0.17	8.5
iShNatlMuniBd		106.97	-0.72	1.4	SPDR S&PMdCpTr			-0.15	3.2	VangdValue		141.22	0.06	0.6
iSh1-5YIGCorpBd	IGSB	50.45	0.02	1.3	SPDR S&P Div			-0.18	-0.8	WisdTrFRTrea	USFR	50.38		0.2
.с 2 сеогра		, ,,,,,	-102	2.0	5. 55ai biv	-21	00	0.20	3.0		25110	- 0.50		3.2

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### **Dow Jones Industrial Average**

**B10** | Wednesday, April 19, 2023

**33976.63** ▼10.55, or 0.03% High, low, open and close for each trading day of the past three months.

65-day moving average

Current divisor 0.15172752595384

Session high

UP

Bars measure the point change from session's open

Feb.

Close

DOWN

-Close

Session open ▶

P/E estimate \* 18.25 Dividend vield 2.06



34400

33800

33200

32600

32000

31400

30800

### **4154.87 △** 3.55, or 0.09% High, low, open and close for each trading day of the past three months.

S&P 500 Index

Trailing P/E ratio \* 18.56 24.82 P/E estimate \* 18.88 19.62 Dividend vield \* 1.67 1.42 All-time high 4796.56, 01/03/22

**EQUITIES** 



\_\_\_\_\_ Feb. Mar.

### **Nasdaq Composite Index**

**12153.41** ▼ 4.31, or 0.04%

High, low, open and close for each trading day of the past three months.

Trailing P/E ratio \*† 26.72 31.86 P/E estimate \*† 26.01 24.84 Dividend yield \*† 0.84 0.73 All-time high: 16057.44, 11/19/21



<u>3725</u> \_\_\_\_\_\_\_

### Major U.S. Stock-Market Indexes

\_\_\_\_\_\_

Mar.

\*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc; †Based on Nasdaq-100 Index

-			Latest			52-Week			— % chg —	
	High	Low	Close	Net chg	% chg	High	Low	% chg		3-yr. ann.
Dow Jones										
Industrial Average	34018.62	33791.89	33976.63	-10.55	-0.03	35160.79	28725.51	-2.7	2.5	11.9
Transportation Avg	14478.59	14252.44	14308.89	-10.40	-0.07	15640.70	11999.40	-5.9	6.8	20.2
Utility Average	964.94	954.94	958.99	-4.08	-0.42	1071.75	838.99	-9.6	-0.9	5.2
Total Stock Market	41650.11	41344.68	41487.52	26.55	0.06	45125.57	36056.21	-8.1	7.7	12.9
Barron's 400	938.10	929.91	933.65	0.37	0.04	1023.82	825.73	-8.2	1.4	16.9
Nasdaq Stock Marke	et									
Nasdaq Composite	12245.43	12110.23	12153.41	-4.31	-0.04	13619.66	10213.29	-10.8	16.1	12.0
Nasdaq-100	13196.18	13044.21	13091.79	4.08	0.03	14210.26	10679.34	-7.9	19.7	14.0
S&P										
500 Index	4169.48	4140.36	4154.87	3.55	0.09	4462.21	3577.03	-6.9	8.2	13.1
MidCap 400	2521.01	2493.86	2505.14	-3.28	-0.13	2726.61	2200.75	-6.6	3.1	17.1
SmallCap 600	1174.99	1158.56	1164.36	-6.26	-0.53	1315.82	1064.45	-10.7	0.6	17.2
Other Indexes										
Russell 2000	1809.59	1787.00	1795.55	-7.29	-0.40	2038.19	1649.84	-11.6	1.9	13.5
NYSE Composite	15710.47	15634.46	15684.96	16.62	0.11	16761.35	13472.18	-5.8	3.3	11.9
Value Line	560.86	555.93	557.87	-0.42	-0.08	634.20	491.56	-11.8	4.0	13.1
NYSE Arca Biotech	5443.32	5366.67	5392.09	-47.62	-0.88	5644.50	4208.43	6.4	2.1	1.3
NYSE Arca Pharma	883.87	873.62	875.20	-8.67	-0.98	887.73	737.84	2.7	0.8	10.6
KBW Bank	84.42	83.06	84.29	0.15	0.17	121.20	78.06	-30.0	-16.4	6.4
PHLX <sup>§</sup> Gold/Silver	141.23	138.35	138.92	0.66	0.48	165.22	91.40	-15.1	14.9	10.0
PHLX <sup>§</sup> Oil Service	82.77	81.47	82.34	0.05	0.06	93.94	56.08	-4.0	-1.8	46.6
PHLX§ Semiconductor	3116.35	3054.28	3077.72	11.04	0.36	3230.86	2162.32	-2.4	21.5	21.7
Cboe Volatility	17.34	16.58	16.83	-0.12	-0.71	34.75	16.83	-21.2	-22.3	-23.9

Apr.

Sources: FactSet; Dow Jones Market Data

#### **Late Trading**

 $Most-active \ and \ biggest \ movers \ among \ NYSE, NYSE \ Arca, NYSE \ Amer.$ and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

#### Most-active issues in late trading

IR

Company	Symbol	(000)	Last	Net chg	% chg	High	Low
Netflix	NFLX	7,717.6	329.40	-4.30	-1.29	411.87	292.00
Churchill Cap VII CI A	CVII	5,667.0	10.16		unch.	10.16	10.16
SPDR S&P 500 ETF Trust	SPY	4,927.2	414.19	-0.02	-0.005	415.00	395.75
Huntington Bancshares	HBAN	3,913.5	11.69	0.09	0.79	11.76	11.55
VanEck Gold Miners	GDX	3,864.2	34.54	-0.01	-0.03	34.60	34.50
Invesco QQQ Trust I	QQQ	3,412.7	318.68	-0.18	-0.06	324.97	302.02
Apple	AAPL	3,292.1	166.41	-0.06	-0.04	166.53	161.36
Pfizer	PFE	2,494.4	40.59	0.04	0.10	40.59	40.52
Percentage gair	ners	ı					
Western Alliance Bancorp	WAL	1,441.3	37.53	5.02	15.44	39.00	32.21
Intuitive Surgical	ISRG	308.2	293.40	24.12	8.96	298.50	268.70
PacWest Bancorp	PACW	847.6	10.87	0.78	7.73	11.22	10.02
Longboard Pharm	LBPH	51.3	7.41	0.37	5.26	7.41	7.00
Direvion Ra Banks RI 3X	DPST	722 3	7 26	0.25	3.57	7 37	6.96

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Western Alliance Bancorp	) WAL	1,441.3	37.53	5.02	15.44	39.00	32.21
Intuitive Surgical	ISRG	308.2	293.40	24.12	8.96	298.50	268.70
PacWest Bancorp	PACW	847.6	10.87	0.78	7.73	11.22	10.02
Longboard Pharm	LBPH	51.3	7.41	0.37	5.26	7.41	7.00
Direxion Rg Banks Bl 33	( DPST	722.3	7.26	0.25	3.57	7.37	6.96
And losers							
Nogin	NOGN	92.4	2.80	-0.12	-4.11	2.92	2.73
Interactive Brokers	IBKR	61.1	81.82	-2.92	-3.45	85.34	78.44
Performance Food Group	PFGC	57.3	60.15	-2.12	-3.40	62.27	60.15
Agilent Technologies	Α	300.0	134.61	-4.39	-3.16	139.00	134.61

### **Trading Diary**

Volume, Advancers, Decliners NYSE NYSE Amer.

**Total volume**\* 770,127,537 10,247,547

Adv. volume*	394,465,317	4,976,677
Decl. volume*	368,183,062	5,193,962
Issues traded	3,125	313
Advances	1,374	132
Declines	1,617	160
Unchanged	134	21
New highs	66	5
New lows	34	8
Closing Arms	0.78	0.58
Block trades*	3,616	109
	Nasdag	NYSE Arca
	Habaaq	TTTDE/TCG
Total volume*		
Total volume*	4,851,816,227	228,189,492
	4,851,816,227 2,344,312,231	228,189,492 135,752,441
Adv. volume*2	4,851,816,227 2,344,312,231	228,189,492 135,752,441 88,963,692
Adv. volume*2 Decl. volume*2	4,851,816,227 2,344,312,231 2,455,143,937	228,189,492 135,752,441 88,963,692 1,738
Adv. volume*2 Decl. volume*2 Issues traded	4,851,816,227 2,344,312,231 2,455,143,937 4,660	228,189,492 135,752,441 88,963,692 1,738 1,107
Adv. volume 2 Decl. volume 2 Issues traded Advances	4,851,816,227 2,344,312,231 2,455,143,937 4,660 1,954	228,189,492 135,752,441 88,963,692 1,738 1,107
Adv. volume*2 Decl. volume*2 Issues traded Advances Declines	4,851,816,227 2,344,312,231 2,455,143,937 4,660 1,954 2,512	228,189,492 135,752,441 88,963,692 1,738 1,107 604
Adv. volume 2 Decl. volume 2 Issues traded Advances Declines Unchanged	4,851,816,227 2,344,312,231 2,455,143,937 4,660 1,954 2,512	228,189,492 135,752,441 88,963,692 1,738 1,107 604 27

Primary market NYSE, NYSE American NYSE Arca only.  $^{\dagger}$  (TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An  $Arms\,of\,less\,than\,1\,indicates\,buying\,demand; above\,1$ indicates selling pressure.

36,897

1,136

Block trades\*

### **International Stock Indexes**

Region/Country	/ Index	Close	Net chg	— Latest ———— % chg	YTD % chg
World	MSCIACWI	656.67	1.56	<b>■0.24</b>	8.5
vvoria	MSCI ACWI ex-USA	305.76	1.37	0.45	8.7
	MSCI World	2835.89	8.65	0.31	9.0
	MSCI Emerging Markets		-3.24	-0.32	4.6
Americas	MSCI AC Americas	1578.20	1.683	0.11	8.3
Canada	S&P/TSX Comp	20684.68	42.71	0.21	6.7
Latin Amer.	MSCI EM Latin America	2288.23	-2.566	-0.11	7.5
Brazil	BOVESPA	106163.23	147.56	0.14	-3.3
Chile	S&P IPSA	3249.77	2.78	0.09	2.4
Mexico	S&P/BMV IPC	54385.52	-393.41	-0.72	12.2
EMEA	STOXX Europe 600	468.62	1.78	■0.38	10.3
Eurozone	Euro STOXX	464.85	2.55	0.55	13.4
Belgium	Bel-20	3831.31	-18.21	-0.47	3.5
Denmark	OMX Copenhagen 20	2105.86	-5.81	-0.28	14.7
France	CAC 40	7533.63	35.45	0.47	16.4
Germany	DAX	15882.67	93.14	0.59	14.1
Israel	Tel Aviv	1738.62	7.20	0.42	-3.2
Italy	FTSE MIB	27891.43	191.22	0.69	17.7
Netherlands	AEX	763.15	4.65	0.61	10.8
Norway	Oslo Bors All-Share	1392.94	-1.22	-0.09	2.2
South Africa	FTSE/JSE All-Share	79294.76	571.06	0.73	8.6
Spain	IBEX 35	9421.90	43.40	0.46	14.5
Sweden	OMX Stockholm	858.73	0.92	0.11	9.8
Switzerland	Swiss Market	11358.98	47.22	0.42	5.9
Turkey	BIST 100	5018.70	-40.65		-8.9
U.K.	FTSE 100	7909.44	29.93	0.38	6.1
U.K.	FTSE 250	19296.32	9.42	0.05	2.4
Asia-Pacific	MSCI AC Asia Pacific	163.68	0.22	0.13	5.1
Australia	S&P/ASX 200	7360.20	-21.31	-0.29	4.6
China	Shanghai Composite	3393.33	7.72	0.23	9.8
Hong Kong	Hang Seng	20650.51	-131.94	-0.63	4.4
India	S&P BSE Sensex	59727.01	-183.74	-0.31	-1.8
Japan	NIKKEI 225	28658.83	144.05	0.51	9.8
Singapore	Straits Times	3309.56	-9.71	-0.29	1.8
South Korea		2571.09	-4.82	-0.19	15.0
Taiwan	TAIEX	<b>15869.44</b>	-94.11	-0.59	12.2
Thailand	SET	1593.85	-6.56	-0.41	-4.5

### Percentage Gainers...

		LC	rear agas	1011		72-1166	2 K
Company	Symbol	Close	Net chg	% chg	High	Low	% chg
BELLUS Health	BLU	14.44	7.18	98.90	14.50	6.35	72.1
Oblong	OBLG	3.45	1.31	61.21	9.68	1.25	-57.4
Petros Pharmaceuticals	PTPI	5.50	1.64	42.49	28.80	0.92	-58.6
Peakstone Realty Trust	PKST	35.10	8.90	33.97	37.90	8.00	
Reliance Global Group	RELI	4.39	1.03	30.51	53.85	2.50	-90.7
HTG Molecular Diagnostics	HTGM	3.68	0.74	25.17	24.96	2.12	-73.1
ICZOOM Group CI A	IZM	2.50	0.41	19.62	4.22	1.61	
Toro Wi	TORO	3.91	0.64	19.57	26.00	1.42	
Nogin	NOGN	2.92	0.47	<b>19.1</b> 8	230.20	1.65	-98.5
Esports Entertainment	GMBL	2.44	0.36	17.03	68.98	1.66	-96.1
Kineta	KA	4.97	0.67	15.58	15.54	2.87	-44.1
Corbus Pharmaceuticals	CRBP	12.00	1.54	14.72	12.23	2.11	7.1
Mustang Bio	MBIO	3.84	0.49	14.63	14.10	2.82	-70.3
CleanSpark	CLSK	5.03	0.64	14.58	9.97	1.74	-47.1
inTEST	INTT	22.71	2.86	14.41	23.24	6.07	141.3

### **Most Active Stocks**

Company	Symbol	Volume (000)	%chg from <b>-</b> 65-day avg	Latest S Close	ession % chg	52-W High	eek
Bed Bath Beyond	BBBY	270,338	205.9	0.34	22.46	30.00	0.23
Mullen Automotive	MULN	203,381	-14.3	0.09	-7.62	1.81	0.09
BELLUS Health	BLU	151,243	23525.0	14.44	98.90	14.50	6.35
Bank of America	BAC	113,884	95.6	30.56	0.63	40.37	26.32
ProShares UltraPro QQQ	TQQQ	105,460	-40.6	27.52	0.07	50.77	16.10
Ideanomics	IDEX	97,850	442.6	0.06	-1.61	0.89	0.05
Tesla	TSLA	91,590	-44.8	184.31	-1.46	364.07	101.81
ProSh UltraPro Shrt QQQ	SQQQ	90,576	-35.4	30.02	-0.03	69.55	29.18
Agrify	AGFY	87,349	6346.2	0.30	73.91	39.10	0.14
Gamida Cell	GMDA	75,887	4600.3	1.69	50.89	3.66	0.56
* Volumes of 100,000 shares or r	nore are ro	unded to t	he nearest t	housand			



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### **Percentage Losers**

-1.76 **-3.13** 56.32 54.56

Company	Symbol	Close	Net chg	% chg	High	Low	% chg
China Jo-Jo Drugstores	CJJD	0.68	-4.10	-85.85	9.65	0.61	-71.0
United Insurance	UIHC	1.80	-1.68	<b>-48.28</b>	3.48	0.29	-35.9
Tempest Therapeutics	TPST	2.21	-1.49	-40.27	4.42	1.06	-21.6
Relay Therapeutics	RLAY	11.62	-6.60	-36.22	33.06	10.85	-60.3
SAI.TECH Global	SAI	2.51	-1.31	-34.29	12.60	1.00	-74.9
Blackboxstocks	BLBX	3.76	-1.71	-31.26	22.00	1.04	-74.4
Kinnate Biopharma	KNTE	3.64	-1.64	-31.06	15.86	3.30	-59.4
Presto Automation	PRST	2.52	-1.10	-30.39	10.70	1.23	-75.2
ContraFect	CFRX	1.64	-0.65	-28.38	363.20	0.90	-99.5
CNS Pharmaceuticals	CNSP	2.04	-0.71	-25.82	11.94	0.61	-80.9
Trio Petroleum	TPET	2.27	-0.73	-24.33	3.00	1.90	
Near Intelligence	NIR	3.32	-0.96	-22.43	18.65	2.18	-66.6
CBL International	BANL	14.20	-3.80	-21.11	20.94	4.17	
Kiromic Biopharma	KRBP	3.84	-0.96	-20.00	25.50	2.59	-82.8
Alvarium Tiedemann Cl A	ALTI	9.09	-2.21	-19.56	28.49	5.54	-7.7

### **Volume Movers** Ranked by change from 65-day average\*

Company	Symbol	Volume (000)	% chg from <sup>-</sup> 65-day avg	Latest S Close	Session % chg	52-W High	eek Low	
Phio Pharmaceuticals	PHIO	5,856	24637	4.91	-19.24	17.88	3.90	
BELLUS Health	BLU	151,243	23525	14.44	98.90	14.50	6.35	
Blue World Acqn Cl A	BWAQ	1,011	19249	10.49	0.10	10.85	9.87	
Vision Sensing Acqn Cl A	VSAC	638	5534	10.55		10.56	10.00	
Heartland Media Acqn A	HMA	1,874	3557	10.42		10.86	9.88	
Apollo Strat Growth II A	APGB	15,227	2660	10.29	0.19	10.29	9.76	
JPMorgan US Value Factor	JVAL	5,542	2045	34.26	0.03	37.47	29.49	
LAVA Medtech Acquisition	LVAC	919	1950	10.44	0.14	10.85	9.94	
Prime Number Acqn I CI A	PNAC	265	1840	10.44	0.09	10.52	9.88	
Windtree Therapeutics	WINT	6,095	1766	6.66	-19.47	71.50	4.28	
* Common stocks priced at \$2 a share or more with an average volume over 65 trading days of at least 5,000 shares. † Has traded fewer than 65 days.								

### **CURRENCIES & COMMODITIES**

### **Currencies**

 $U.S.-dollar\,foreign-exchange\,rates\,in\,late\,New\,York\,trading$ 

			US\$vs,	
Country/currency	in US\$	ues per US\$	YTD chg (%)	Country/currency
Americas				<b>Vietnam</b> dong
Argentina peso	.00462	216.9054	22.7	Europe
Brazil real	.2006	4.9843	-5.7	Czech Rep. koruna
<b>Canada</b> dollar	.7469	1.3390	-1.2	<b>Denmark</b> krone
<b>Chile</b> peso	.001258	795.03	-6.3	Euro area euro
<b>Colombia</b> peso	.000223	4486.75	-7.46	<b>Hungary</b> forint
<b>Ecuador</b> US dollar	1	1	unch	<b>Iceland</b> krona
<b>Mexico</b> peso	.0554	18.0523	-7.4	Norway krone
<b>Uruguay</b> peso	.02565	38.9850	-2.5	Poland zloty
Asia-Pacific				Russia ruble
Australiadollar	.6728	1.4863	1.3	Sweden krona
China yuan	.1454		-0.3	Switzerland franc
Hong Kong dollar	.1274		0.6	Turkey lira
<b>ndia</b> rupee	.01218		-0.8	<b>Ukraine</b> hryvnia
ndonesia rupiah	.0000672	14889	-4.4	<b>UK</b> pound
<b>Japan</b> yen	.007456	134.12	2.3	Middle East/Afri
Kazakhstan tenge	.002211	452.26	-2.3	Bahrain dinar
<b>Macau</b> pataca	.1236	8.0895	0.5	Egypt pound
<b>Malaysia</b> ringgit	.2255	4.4345	0.7	<b>Israel</b> shekel
New Zealand dollar	.6207	1.6111	2.3	Kuwait dinar
<b>Pakistan</b> rupee	.00352	283.850	25.2	Oman sul rial
<b>Philippines</b> peso	.0178	56.220	1.0	<b>Qatar</b> rial
Singapore dollar	.7504	1.3327	-0.6	Saudi Arabia riyal
South Korea won	.0007578		4.6	South Africa rand
<b>Sri Lanka</b> rupee	.0031040			
<b>Taiwan</b> dollar	.03278	30.510	-0.4	
Thailand babt	02014	2/1 200	_1 0	WS I Dollar Index

.4 .0	WSJDo
a	

Denmark krone	.1473	6.7902	-2.3
Euro area euro	1.0975	.9112	-2.5
<b>Hungary</b> forint	.002956	338.27	-9.4
Iceland krona	.007341	136.23	-3.8
Norway krone	.0955	10.4663	6.7
Poland zloty	.2375	4.2108	-3.8
Russia ruble	.01222	81.830	11.0
Sweden krona	.0970	10.3101	-1.2
Switzerland franc	1.1157	.8963	-3.1
Turkey lira	.0516	19.3865	3.7
<b>Ukraine</b> hryvnia	.0271	36.9500	0.3
<b>UK</b> pound	1.2424	.8049	-2.6
Middle East/Afric	a		
Bahrain dinar	2.6529	.3770	-0.03
Egypt pound	.0324	30.8944	24.8
Israel shekel	.2742	3.6468	3.4
Kuwait dinar	3.2633	.3064	0.1
Oman sul rial	2.5978	.3849	-0.02
Oatar rial	2747	3.641	-0.7

Tues — YTD chg in US\$ per US\$ (%)

.00004253 23515 **-0.5** 

.04683 21.354 **-5.4** 

.2666 3.7508 -0.2 .0551 18.1642 6.7

Close Net Chg % Chg YTD%Chg **ollar Index** 95.82 -0.26-0.27 **-0.76** 

.02916 34.290 **-1.** Sources: Tullett Prebon, Dow Jones Market Dat

**Commodities** 

		— Yield	1(%) —	<del></del> 52-W	/eek —	Total Re	eturn (%)
Bond total return index	Close	Last	Week ago	High	Low	52-wk	3-yr
U.S. Treasury, Bloomberg	2144.140	3.940	3.780	4.560	2.700	-2.303	-4.501
U.S. Treasury Long, Bloombe	rg <b>3305.960</b>	3.870	3.710	4.570	2.970	-9.560	-12.250
Aggregate, Bloomberg	2001.570	4.490	4.350	5.210	3.300	-2.139	-3.387
Fixed-Rate MBS, Bloombe	rg <b>1974.130</b>	4.630	4.450	5.380	3.300	-2.581	-3.575
High Yield 100, ICE BofA	3262.999	7.780	7.825	8.753	6.136	0.527	3.715
Muni Master, ICE BofA	569.681	3.070	2.835	3.936	2.419	2.603	0.054
EMBI Global, J.P. Morgan	785.391	7.718	7.632	9.159	6.469	-2.215	-0.319
	Courses: ID A	4 D	laamahaun F	:	ممالم ما المحمد	ICE D	a Camila

	Close	Net chg	% Chg	High	Low	% Chg	% chg
DJ Commodity	1035.63	7.07	0.69	1251.61	967.84	-14.99	-1.2
Refinitiv/CC CRB Index	278.93	2.12	0.77	329.59	254.03	-9.11	0.43
Crude oil, \$ per barrel	80.86	0.03	0.04	122.11	66.74	-21.16	0.75
Natural gas, \$/MMBtu	2.366	0.091	4.00	9.680	1.991	-67.03	-47.13
Gold, \$ per troy oz.	2007.40	13.20	0.66	2041.30	1623.30	2.64	10.3

### **CREDIT MARKETS**

#### **Consumer Rates and Returns to Investor Selected rates U.S.** consumer rates

#### A consumer rate against its benchmark over the past year

30-year fixed-rate 8.00% mortgage 10-year Treasury 5.00

# $\mathsf{M}\;\mathsf{J}\;\mathsf{J}\;\mathsf{A}\;\mathsf{S}\;\mathsf{O}\;\mathsf{N}\;\mathsf{D}\;\mathsf{J}\;\mathsf{F}\;\mathsf{M}\;\mathsf{A}$

2022	2023	Santa Barbara, CA					8005-5	8005-564-024	
Interestrate			late (%) <del>-</del> ) Week ago			k Range 4 6	(%) <del>—</del> 8 High	3-yr chg (pct pts	
Federal-funds ra	ite target	4.75-5.00	4.75-5.00	0.25		•	5.00	4.75	
Prime rate*		8.00	8.00	3.50			8.00	4.75	
Libor, 3-month		5.25	5.24	1.10		•	5.27	4.14	
Money market,	annual yield	0.50	0.49	0.07	•		0.50	0.18	
Five-year CD, and	nual yield	2.76	2.76	0.51		)	2.79	1.90	
30-year mortgag	ge, fixed†	6.95	6.97	5.26			7.41	3.38	
15-year mortgag	<b>je,</b> fixed†	6.23	6.18	4.48			6.53	3.08	
Jumbo mortgage	<b>s,</b> \$726,200-plu	s† <b>7.06</b>	7.05	5.19			7.44	3.43	
Five-year adj mo	rtgage (ARM)	5.65	5.67	3.54			5.82	2.39	
New-car loan, 48	3-month	6.93	6.92	4.06			6.93	2.65	
Rankrato com ratos ha	sad on survey of a	var 4 200 an	ling hanks	Rasorato	nnsta	d by 70% o	f the nation	's larnost	

30-year mortgage, Rate

Bankrate.com avg†:	6.95%
armers and Merchants Trust	3.73%
Chambersburg, PA	888-264-6116
County Bank	5.00%
Rehoboth Beach, DE	302-226-9800
armers State Bank	5.25%
Vaterloo, IA	877-FSB-1879
lills Bank and Trust Company	5.50%
Hills, IA	800-445-5725
Montecito Bank Trust	5.60%
Santa Barbara, CA	8005-564-0240

HIIIS, IA				800-445-5725				
Mon	tecito Ba	nk Tr	ust		5.60%			
Santa Barbara, CA				8005-564-0240				
%) <del>-</del> k ago		Week R 2 4			3-yr chg (pct pts)			
5.00	0.25		•	5.00	4.75			
00	3.50	İ		8.00	4.75			
24	1.10	- :	•	5.27	4.14			
49	0.07	)		0.50	0.18			
76	0.51	•		2.79	1.90			
97	5.26			7.41	3.38			
18	4.48		•	6.53	3.08			
05	5.19		•	7.44	3.43			
67	3.54	1 1		5.82	2.39			

Sources: FactSet; Dow Jones Market Data; Bankrate.com

#### Treasury yield curve Yield to maturity of current bills,

**Forex Race** Yen, euro vs. dollar; dollar vs. major U.S. trading partners notes and bonds

	5.00%						
Tradeweb ICE	4.00						
Tuesday Close	3.00						
One year ago	2.00						
	1.00						
	0.00						
1 3 6 1 2 3 5 7 10 20	30						
month(s) years							
maturity							

WSJ Dollar Index -20 \_ \_ \_ \_ \_ \_ 2022 2023

Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

### Corporate Borrowing Rates and Vields

Bond total return index	Close		l (%) — Week ago	─ 52-W High	eek — Low	Total Return (%) 52-wk 3-yr
U.S. Treasury, Bloomberg	2144.140	3.940	3.780	4.560	2.700	<b>-2.303</b> -4.501
U.S. Treasury Long, Bloomber	g 3305.960	3.870	3.710	4.570	2.970	<b>-9.560</b> -12.250
Aggregate, Bloomberg	2001.570	4.490	4.350	5.210	3.300	<b>-2.139</b> -3.387
Fixed-Rate MBS, Bloomberg	1974.130	4.630	4.450	5.380	3.300	<b>-2.581</b> -3.575
High Yield 100, ICE BofA	3262.999	7.780	7.825	8.753	6.136	<b>0.527</b> 3.715
Muni Master, ICE BofA	569.681	3.070	2.835	3.936	2.419	<b>2.603</b> 0.054
EMBI Global, J.P. Morgan	785.391	7.718	7.632	9.159	6.469	<b>-2.215</b> -0.319

### **BIGGEST 1,000 STOCKS**

Net Sym Close Chg Net Sym Close Chg Sym Close Chg Stock Stock Sym Close Chg Sym Close Chg Stock Sym Close Chg How to Read the Stock Tables
The following explanations apply to NYSE, NYSE
Arca, NYSE American and Nasdag Stock Market
listed securities. Prices are composite quotations
that include primary market trades as well as
trades reported by Nasdag BX (formerly Boston),
Chicago Stock Exchange, Cboe, NYSE National and
Nasdag ISE.
The list comprises the 1,000 largest companies
based on market capitalization.
Underlined quotations are those stocks with
large changes in volume compared with the
issue's average trading volume.
Boldfaced quotations highlight those issues
whose price changed by 5% or more if their
previous closing price was \$2 or higher. How to Read the Stock Tables I-New 52-week high.
I-New 52-week low.
dd-Indicates loss in the most recent four HOLX 82.51 -1.13 LEA 136.75 2.15 NTES 92.55 -1.9 PrudentialFin PRU 87.00 -0.08 RGEN 170.10 Hologic Lear NetEase | NetEase | NTES | 92.55 |
Netflix	NFLX333.70	
Neurocrine	NBIX	103.72
NewOrientalEduc EDU	39.18	
NYTimes A	NYT	39.64
NewScorp A	NWS	17.27
NewStarMedia	NXST	17.83
NextFarBrenz	NFE	78.80
NextFarBren 298.95 ch LEGN 52 24 -2.51 PUK RepublicSvcs RSG 137.64 Leidos		
Lennar A
Lennar B
LennoxIntl
LiAuto
LibertyBroadba HondaMotor 26.38 196.93 LDOS 93.06 LEN 109.25 -0.03 3.21 2.98 3.94 -0.64 -0.71 PublicServiceEnt PEG 63.81 0.11 ResMed da-indicates loss in the most recent four quarters.

FD-First day of trading.

h-Does not meet continued listing standards

If-Late filing
q-Temporary exemption from Nasdaq requirements.

t-NYSE bankruptcy
v-Trading halted on primary market.
y-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies. PublicStorage PSA 290.58 111.90 39.75 102.18 16.63 LEN. 109.25 LEN.B 94.47 LII 254.43 LI 25.49 C LBRDK 78.16 
 Puttegroup PHM
 62.59 bit 20.05 co.00

 PureStorage PSTG 26.05 co.00
 0.08

 Qiagen QGEN 45.80 co.00
 0.40

 Qualcomm QCW 118.36 co.00
 1.09

 QualtricsInt XM 17.94 co.00
 1.79

 QuantaServices PWR 167.79 co.09
 0.99
 LibertyBroadbandC LBRDK LibertyBroadbandA LBRDA LibertyGlobal C LBTYK Rivian RobertHalf SchwabC -0.83 -0.30 NextEraEnergy **NEE** 78.30 Nike **NKE** 126.21 Robinhood HOOD 9.84 Seagate LibertyGlobal A LBTYA -0.39 Roblox **RBLX** 40.81 **HUM** 512.68 LibertyFormOne A FWONA 67.11 0.72 NiSource 28.19 RocketCos. **JBHunt** JBHT174.92 LibertyFormOne C FWONK Nokia 4.66 3.83 **ROK** 276.86 48.78 48.78 8.87 J 64.84 39.20 441.72 HuntingtonBcshs HBAN 11.60 LibertyBraves A BATRA RogersComm B RCI I LibertyBraves A BATRA 36.95
LibertyBraves C BATRK 28.76
LibertySirius C LSXMK 28.70
LifeStorage LSI 136.68
EliLilly LLY 36.91
LincolnElectric LECD 161.08
Linde LIN 364.87
LiveNationEnt LYV 67.71
LloydsBanking LYG 2.40
LlockheedMarin LMT 501.41 HuntingtonBcshs HBAN
HuntingIngalls HII
HyattHotels H
ICICI Bank IBN
ICL Group ICL
IdexxLab IDXX
ING Groep ING N 11.60 212.03 116.93 21.95 6.37 482.12 13.22 17.41 Nordson NDSN 218.56
NorfolkSouthern NSC 209.69
NorthernTrust NTRS 85.99
NorthropGrum NOC 479.47
Novartis NVS 97.32
NovoNords NVO 169.78
NovoRurus NVCP 63.66 ivantSciences ROIV
ku ROKU
ellins ROL
eperTech ROP 1.09 -0.68 -0.61 -1.15 -2.44 0.91 2.52 -0.72 0.02 0.65 3.32 -0.20 -0.04 0.60 0.26 0.22 RBC Bearings **RBC** 218.92 -1.39 RELX **RELX** 32.68 -0.07 Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day. Roku Rollins RoperTech R1 RCM **RCM** 14.92 -0.37 **RPM** 82.22 -0.26 RalphLauren RL RangeResources RRC RaymondJames RJF **ROST** 103.69 RossStores ShinhanFin Tuesday, April 18, 2023 RoyalBkCanada **RY** RoyalCaribbean **RCL** 100.28 Sym Close Chg Sym Close Chg **NVCR** 63.66 Shopify Raymondames RJF 96.82 0.95
RaytheonTech RTX 104.66 1.55
Realtylincome 0 1.11 -0.45
RegangKexnord RRX 132.98 0.08
RegengCytrs REG 60.68 0.18
RegenPharm REGN 808.01 -11.73
RegionsFin REG 18.70 0.22
RelianceSteel RS 253.53 5.68
RepaissangerB RNR 2052 2 28 IQV 202.73 RoyalGold RGLD 139.47 Stock Sym Close Chg IQVIA ITT 0.11 NuHoldings NU 4.86 NUE 151.08 0.3 0.08 RoyaltyPharma RPRX 35.89 84.31 52.40 0.18 Nucor SiriusXM Nutrien NTR 73.91 -0.97 nVentElectric NVT 42.77 -0.16 NVIDIA NVDA 276.67 6.65 LockheedMartin LMT 501.41 11.77 IcahnEnterprises IEP RyanSpecialty RYAN 41.54 Ryanair RYAAY 96.98 -0.38 IDEX IEX 220.55
IllinoisToolWks ITW 235.32
Illumina ILMN 228.28
ImperialOil IMO 54.64
Incyte INCY 73.65 57.51 59.32 208.10 -1.06 Loews L LogitechIntl LOGI 0.31 
 Ryanair
 RYAAY
 96.98
 2.89

 SAP
 2.87
 2.74
 0.44

 S&P Global
 SPGI
 352.17
 3.16

 SBA Comm
 SBAC 263.05
 -0.13

 SEI Investments SEIC
 58.76
 0.74

 SK Telecom
 SKM
 20.56
 0.20

 SS&C Tech
 SSNC
 57.73
 -0.02
 -0.32 0.01 2.52 -1.69 -0.91 -1.20 7.01 ACM 82.95 AES 24.42 AFL 66.89 AGCO 128.26 AMC 5.05 ANSS 321.38 Illinois IoolWks ITW I Illumina ILMN ILMN I ImperialOil IMO Incyte INCY INFY Infosys INFY IngersollRand IR Ingredion INGR LCID 7.83 -0.12 LULU 372.50 4.12 ell LYB 97.15 -0.12 O P Q DraftKings DKNG 20.92 1.43 OGE Energy **OGE** 37.24 ONEOK **OKE** 66.74 Snap BrookfieldRenew **BEPC** 33.60 Brown&Brown **BRO** 60.35 -0.23 Dropbox DukeEnergy 22.15 97.41 Snap-On RenaissanceRe **RNR** 205.22 2.80 Rentokillnit **RTO** 37.21 0.02 -1.00 0.48 0.74 -0.49 DUK OReillyAuto Brown-Forman A BF.A 64.61 DuPont 71.63 43.39 Dynatrace EMCOR Brown-Forman B BF.B Bruker BRKR 63.68 OakStreetHealth OSH MTB 125.73 0.07 EME 156.69 E 30.59 EOG 119.00 EPAM 295.15 M&T Bank OccidentalPetrol OXY 63.00 39.42 7.33 
 Bruker
 BRKR
 81.69

 BuildersFirst
 BLDR
 96.72

 Bunge
 BG
 97.80

 BurlingtonStrs
 BURL
 188.00

 CACI Intl
 CACI
 310.34

 CBRE
 Group
 CBRE
 71.98
 InspireMedical INSP 262.49 MGM Resorts MGM 44.59 0.71 Okta ASE Tech PODD 321.30 0.03 **Dividend Changes** OldDomFreight **ODFL** 343.40 MPLX MSCI MPLX 34.73 -0.13 ORI 25.39
OLN 56.57
TO OHI 26.89
OMC 96.14
ONON 31.91
ON 79.21
OTEX 38.79 **ASML** 643.33 Intel 31.83 84.74 OldRepublic
Olin
OmegaHealthcar
Omnicom MSCI 544.46 6.89 AT&T 19.82 MagellanMid MMP
MagnaIntl MGA
ManhattanAssoc MANH rs IBKR 84.74
ICE 107.49
Itl IHG 71.01
IBM 127.78
IFF 96.05
IP 36.49
IPG 38.41 0.42 0.36 0.58 0.27 -0.06 -0.24 ICE InterContine IBM **ABT** 104.15 EQT **EQT** 33.31 0.52 EastWestBncp EWBC 53.01 AbbVie **ABBV** 159.59 Abbvie ABBV 159.59
AcadiaHealthcare ACHC 75.29
Accenture ACN 279.96
ActivisionBliz ATVI 85.55
Adobe ADBE 377.55
AdvDrainageSys MAS 82.20
AdvMirroDurice AMD 89.78 CDW CDV CF Industries CF **CDW** 190.29 EastGroup **EGP** 163.09 OnHolding ON Semi OpenText IntlFlavors IntlPaper Interpublic EastmanChem EMN 82.50 Eaton ETN 163.69 0.63 Eaton ETN 163.69
eBay EBAY 44.04
Ecolab ECL 164.29
Ecopetrol EC 11.39
EdisonIntl EIX 72.11
EdwardsLife EW 84.35
ElbitSystems ESLT 180.03 CH Robinson CHRW CH Robinson CHRW
CME Group
CMS Energy
CNA Fin CNA
CNH Indl CRH
CSX
CVS Health
CSX
CVS Health
CHRW
CHRW
CSY
CAdenceDasign CDNS MKL 1355.39 15.60 Markel Oracle Intuit INTU 442.59 MarketAxess MKTX 336.84 -3.35 Orange IntuitiveSurgical ISRG 269.28 InvitatHomes INVH 33.11 Marriott 3.91 0.72 AdvMicroDevices AMD 89.78 0.11 Marsh&McLen MMC 174.89 OtisWorldwide OTIS iQIYI -0.14MartinMarietta MLM 353.45 -0.14 IridiumComm IRDM 58.82 MartinMarietti MarvellTech Masco Masimo MasTec Mastercard MatchGroup **AER** 56.31 0.10 MRVL 42.24 MAS 50.06 100.10 30.41 76.14 ElectronicArts **EA** 129.04 ElevanceHealth **ELV** 483.08 
 IronMountain
 IRM
 52.73
 -0.46

 ItauUnibanco
 ITUB
 5.16
 -0.05
 AgilentTechs A agilon health AGL 0.96 -1.19 PDD PG&E PNC Fin POSCO PPG Ind 28.18 57.27 EmersonElec EMR 87.27 Enbridge ENB 39.95 Endeavor EDR 24.20 AgnicoFagleMin AEM CadenceDesign **CDNS** 213.77 CAE **CAE** 23.85 J K L -0.10 JD.com JD 37.73 JPMorganChase JPM 141.40 JBL 84.16 CaesarsEnt CZR 44.49 Endeavor EDR
EnergyTransfer ENPH
Enthegris ENTG
Entergy ETR
EnterpriseProd EPD
Equifax EFX
Equinox EOIX AKAM ALB ACI AA ALC CamdenProperty CPT 105.95 12.91 Cameco CCJ
CampbellSoup CPB
CIBC CM
CanNtlRlwy CNI
CanadianNatRscs CNQ
CdnPacK CP
CapitalOpe COF Sources: FactSet; Dow Jones Market Data 25.99 55.12 43.40 122.65 227.87 71.62 108.58 27.01 McCormickVtg MKC.V 84.25 McCormick MKC 85.15 McDonald's MCD 290.91 -0.94 -0.37 28.49 128.15 JBL 84.16 JKHY 154.58 PTC Albertsons JackHenry McDonald's 1.60 -3.02 -0.47 Paccar PackagingCpAm **PKG** 142.88 PalantirTech **PLTR** 8.73 PaloAltoNtwks **PANW** 200.00 JacobsSolns J JamesHardie JHX 115.54 -0.18 McKesson Medtronic MCK 360.26 MDT 81.65 Alcon 22.83 0.11 AlexandriaRIEst ARE 123.40 61.09 194.80 MercadoLibre MELI 1321.47 I MercadoLibre MELI 1321.47
Merck MRK 114.83
MetaPlatforms META 217.89
MetLife MET 61.31
I Mettler-Toledo MTD 1589.22
MicrochipTech MCHP 80.77
MicronTech MU 61.93
Microsoft MST 288.37
MidAmAnt MAA 149.79 79.63 -0.18 -0.97 -0.23 -6.70 0.23 -0.61 Panchartontwiks PANW 200.00
PanAmerSilver PAAS 17.83
ParamountA PARAA 25.10
ParamountB PARA 21.82
ParkerHannifin PH 324.70
Paychex PAVX 109.30
PaycanSethura PAVX 208.24 AlignTech CapitalOne COF CardinalHealth CAH **EONR** 29.06 **ALGN** 348.05 Equinor -0.26 BANKRATE.COM® MMA, Savings and CDs **ALLE** 104.31 Equitable 26.16 0.39 Allegrom ALLE 104.31
AllegroMicro ALGM 44.34
AlliantEnergy LNT 54.34
Allstate ALL 114.14
AllyFinancial ALLY 26.85
AlnylamPharm ALNY 201.67
Alphabet A GOOG 105.12
Altria MO 46.14 CSL 217.56 Carlisle EquityLife 67.63 61.43 EquityResdntl **EQR** 61.43 ErieIndemnity A **ERIE** 240.17 EssentialUtil EssexProp EsteeLauder WTRG 42.63 ESS 212.10 EL 257.08 ETSY 102.17 -0.43 Paylocity MidAmApt MAA 149.19 MIDD 141.65 -1.00 1.15 PayPal 53.03 Middleby Pearson **PSO** PembinaPipeline **PBA** Etsy KLAC 371.21 EverestRe KLA MitsubishiUFJ **MUFG** 6.58 MizuhoFin **MFG** 3.01 Altria MO 46.14 Amazon.com AMZN 102.30 **RE** 369.65 **EVRG** 61.74 0.03 PAG 144 34 BZ 18.09 PenskeAuto 
 Kanzhun
 BZ
 18.09

 KarunaTheray
 KRTX
 19.58

 Kellogg
 K
 6.76

 KeurigbrPepper
 KDP
 35.39

 KeyCorp
 KEY
 150.27

 KimberlyClark
 KMS
 150.27

 KimcoRealty
 IMM
 19.10

 KinderMorgan
 KMI
 17.70

 KinsaleCanial
 KMSL
 32.07

 PenskeAuto
 PAG
 144.34

 Pentair
 PNR
 52.88

 Penumbra
 PEN
 271.54

 Pepsico
 PEP
 184.83

 PerformanceFood
 PFG
 62.27

 PerkinElmer
 PKI
 134.13

 PetroleoBrasil
 PBR
 12.29

 PetroleoBrasil
 PBR
 10.29

 Philiphorris
 PM
 10.33

 Phillips66
 PSX
 10.33
MizuhoFin	MFG	3.01
Mobileye	MBLY 46.01	
Moderna	MRNa	142.63
Molanaleathrare MOH 290.72		
MolsonCoores TAP	57.32	
Mondelez	MDLZ 70.50	
MongoDB	MDB	230.00
MonolithicPower	MPWR 475.62	
MonsterBev	MNST	52.68
MondoVs	MCO 305.83	Evergy **EVF** EversourceEner **ES** 2.88 -1.34 -4.41 0.34 0.24 5.15 -6.74 -0.20 1.97 0.56 Ambev **ABEV** 2.92 **AMCR** 11.16 78.38 -0.76 ExactSciences **EXAS** 65.40 -0.70 EXEL 19.14 EXC 42.85 EXPE 95.54 Amdocs 95.63 Cemex **CX** 5.93 CenovusEnergy **CVE** 17.93 Exelixis Exelon -0.61 0.18 Ameren **AEE** AmericaMovil **AMX** Center CMP 17.93
Center CMP 30.23		
CentralsElBras EBR 6.92		
CeridianHCM CDAY 68.70		
CharlesRiverLabs CRL 206.02		
CharterComms CHTR 343.32		
CharterComms CHTR 343.32		
CharterComms CHTR 343.32		
CharterComms CHTR 343.32 AmericaMovil AMX		
AmerAirlines AAL		
AEP AEP		
AmerExpress AXP		
AmericanFin AFG		
AmHomes4Rent AMH -0.02 Consumer Savings Rates -0.08 0.02 3.25 Moody's MCO 305.33 Philipside PSX 104.51 PinnacleWest PNW 79.01 PINS 28.18 Below are the top federally insured offers available nationwide according to Bankrate.com's MorganStanley MS		
Morningstar		
Mosaic		
Mosaic KinsaleCapital KNSL 320.79 89.85 KinsaleCapital KNSL 320.79		
Knight-Swift KNX 55.96		
Philips PHG 18.21		
KoreaElecPwr KEP 7.04		
KraftHeinz KHC 39.46		
Kroger KR 47.85		
LKQ 15.54		
LPL Financial LPLA 20.443		
L3HarrisTech LPL 20.443		
LabCorpofAmeria LPCA 205.37		
Amreksearch LRCX 495.37 y MS 89.85 0.56		
MORN 208.98 0.94		
MOS 46.24 -1.22		
MSI 290.50 -0.42		
NICE 218.45 -5.50		
NIO 9.47 -0.36		
NOV 18.49 -0.19		
NRG 34.66 -0.45		
NVR 5829.84136.80		
NXPI 175.78 1.27		
NDAO 55.61 -0.16 124.69 202.32	PinnacieWest	PNW
Pinterest	PINS	28,18
PioneerNatRscs	PXD	228,48
PlainsAllAmPipe	PAA	13,10
PlainsGP	PAG	13,65
PanateFitness	PLNT	78,13
Pool	PSNY	3,83
Pool	POOL	338,94
Pool	PRI	18,266
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
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PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	18,266	
PRI	PRI	18,266
PRI	PRI	PRI
PRI	PRI	PRI
PRI	PRI	PRI
PRI	PRI	PRI
CheniereEnerPts CQP 46.36		
ChesapeakeEner CHK 81.36		
Chewyn CHWY 37.05		
Chewyn CHWY 37.84		
Chiotel CMG 178.46		
ChoiceHotels CHH 126.39		
Chubb CB 201.69		
ChunghwaTel CHT 41.07 AmericoldRealty COLD 29.14 Fastenal FAST 53.85 FRT 97.98 0.31 **AMP** 315.63 FederalRealt FedEx FDX 229.21		
Ferguson FERG 132.61		
Ferrari RACE 280.60		
FidNatlini FIS 56.66		
FifthThirdBncp FITB 27.17		
First City Report FORM 1013 28 Ametek		
Amgen AMGN 24		
Amphenol APH 7		
AnalogDevices ADI 1		
AngloGoldAsh AU		
AB InBev BUD		
AnnalyCap NLY Primerica PrincipalFinl PRI 182.06 PFG 76.98 LamResearch LRCX 495.37 Nasdaq NationalGrid NDAQ 55.61 -0.16**LAMR** 104.61 69.31 -0.16ProcoreTech PCOR 53.21 Procter&Gamble **PG** 151.21 Progressive **PGR** 138.60 LambWeston LW 109.65 0.18 NatlInstruments NATI 58.20 0.03 Church&Dwight CHD 89.40 FirstCitizBcshA FCNCA 1013.85 15.86 FirstHorizon FHN 18.35 -0.19	NNN	42.97
NWG	6.86	0.05
NTAP	67.96	0.28
RXDX 193.50	0.01	0.01
RXDX 193.50	0.01	0.01
RXDX 193.50	0.01	0.01
RXDX 193.50	0.01	0.01
RXDX 193.50	0.01	
RXDX 193.50	0.01	0.01
RXDX 193.50	0.01	
RXDX 1 LandstarSystem **LSTR** 181.19 1.42 LasVegasSands **LVS** 59.35 1.18 LatticeSemi **LSCC** 94.61 0.94 NatlRetailProp NNN ChurchillDowns CHDN 256.20 FirstHorizon FHN 18.35 51.25 NatWest 23.64 **CIEN** 48.15 FirstIndRlty -0.13 FirstIndRity		
FirstSolar
FirstEnergy
FirstService
Fiserv
FiveBelow
FleetCorTech 
 Clean
 Clean
 48.15

 Cigna
 Cl
 259.69

 CinclnnatiFin
 CIMF
 107.84

 Cintas
 CTAS
 459.88

 CiscoSystems
 CSCO
 50.31

 Citigroup
 C
 50.08

 CitizensFin
 CFG
 30.44

 CleanHartors
 CH
 1.43

 Classification
 CH
 1.43
 FR 51.25 FSLR 219.48 FE 40.48 FSV 142.85 FISV 117.11 FIVE 203.53 FLT 222.11 FLEX 21.85 NetApp Aon AON 331.87 ApellisPharm APLS 82.15 0.10 Littigroup C 50.08
CitizensFin CFG 30.44
CleanHarbors CLH 143.20 - 0
ClearwayEnergy C CWEN 31.72
Cleaveland-russ ApolloGlbMgmt APO 65.34 Apple AAPL 166.47 ApplMaterials AMAT 111.27 Cash Prices Tuesday, April 18, 2023 Aptargroup Aptiv These prices reflect buying and selling of a variety of actual or "physical" Flex Floor&Decor 100.48 ArcelorMittal MT ArchCapital ACGL commodities in the marketplace—separate from the futures price on an FordMotor F 93.05 ArchCapital exchange, which reflects what the commodity might be worth in future CLX 160.49 NET 64.46 KO 63.56 ArcherDaniels ADM FTNT 67.82 Fortinet months. AresMgmt ARES 85.82 Cloudflare Fortis 44.34 67.18 Coca-Cola KO
Coca-ColaEuro CCEP arGEN-X 63.56 61.10 49.39 61.12 67.26 75.54 AristaNetwo s **ANET** 162.69 59.58 34.00 31.20 154.79 26.98 42.96 ArrowElec ARW 117.79 AZPN 230.88 Cognex CGNX
CognizantTech CTSH
CoinbaseGlbl COIN
ColgatePalm CL Energy **Grains and Feeds** AspenTech AZPN 230.88 -3.84 AstraZeneca AZN 75.02 1.39 Atlassian TEAM 162.32 -4.10 Autodesk ADSK 197.45 0.36 Autodesk ADSK 197.45 0.36 Autodesk ADSK 197.45 0.36 Autodoma AZV 92.32 0.32 ADP 217.32 -0.84 AutoZone AZV 92.32 0.32 -0.84 AUToZone AZV 2681.65 16.24 AUToZone AZV 2012.32 -0.70 AZV 2012.32 -0 AstraZeneca Coal,C.Aplc.,12500Btu,1.2SO2-r,w Barley,top-quality Mnpls-u FranklinRscs **BEN** FreeportMcM **FCX** -0.16 Bran, wheat middlings, KC-u, w Coal.PwdrRvrBsn.8800Btu.0.8SO2-r.w 14.850 140 Comcast A CMCSA Comcast A CMCSA 38.27 CommerceBcshrs CBSH 54.28 Corn, No. 2 yellow, Cent IL-bp, u FreseniusMed **FMS** FullTruck **YMM** 22.41 7.32 Metals 6.7000 Autoliv SABESP SBS 9.59 -0.36 Corn gluten feed, Midwest-u, w 
 SABESP
 SBS
 9,59

 EngGr-Cmg
 CIG.
 2,45

 EngGr-Cmg
 C CIG.C
 3,93

 CongraBrands
 CFLT
 24,71

 ConcocPhillips
 CP
 104,95

 Contell
 ED
 97,52

 ConstBrands
 A STZ
 227,35

 ConstBrands A FTZ
 274,48
 -0.03 **FUTU** 49.31 0.10 Gold, per troy oz Corn gluten meal.Midwest-u.w 595.2 AutoZone Cottonseed meal-u,w GHI Avalonbay **AVB** 173.32 **AGR** 40.29 Engelhard industrial -0.70 -0.17 Avangrid Handy & Harman base 1999.40 Hominy feed, Cent IL-u, w 212 GE HealthCare GEHC 83.66
GFLEnvironmental GFL 34.45
GSK GSK 36.78
GGllagher AJG 201.62 Meat-bonemeal,50% pro Mnpls-u,w **AVTR** 20.44 2219.33 Handy & Harman fabricated -0.35 -2.33 I BMÁ Gold Price AM **\*2009.80** Oats.No.2 milling.Mnpls-u -0.61 3.41 LBMA Gold Price PM Rice, Long Grain Milled, No. 2 AR-u,w 1995.55 ConstellationEner CEG GameStop Krugerrand wholesale-e 2098.15 Sorghum.(Milo) No.2 Gulf-u COO 378.05 Gaming&Leisure GLPI 51.62 -0.04
Garmin GRMN 99.44 -0.09
Gartner IT 317.75 -1.82
GenDigital GEN 17.87 -0.09 BCE BHP Group 47.62 63.35 78.35 74.82 Maple Leaf-e 2148.35 SoybeanMeal,Cent IL,rail,ton48%-u,w Copart CPRT 77.71 CorebridgeFin CRBG 16.67 0.29 American Eagle-e 2148.35 Soybeans, No.1 yllw IL-bp,u 15,0000 
 CorebridgeFin
 CR86
 16.67

 Corning
 GLW
 34.50

 Corteva
 CTVA
 62.97

 Costar
 CSF
 69.86

 Costc
 COST 496.16
 25.76

 L Coty
 COTY
 12.53

 Coupang
 CPNS 15.87
 15.87

 Credictorp
 BAP
 132.43

 CROX 143.75
 CPNX 143.75
 25.76
 BILL BJ'sWholesale **BJ** Mexican peso-e -0.24 Wheat, Spring14%-pro Mnpls-u GenDigital GEN 17.87 -0.09
General GMRC 103.86 -0.32
GeneralDynamics GD 229.96 0.50
GeneralBills GIS 87.48 0.39
GeneralMotrs GM 35.33 0.19
Genmab GMAB 41.67 -1.27
Gennat G 40 2 0.166 Wheat,No.2 soft red,St.Louis-u Austria crown-e 1971.05 Austria phil-e 2108.19 **BIDU** 131.18 Wheat - Hard - KC (USDA) \$ per bu-u 9.3125 BakerHughes **BKR** BALL 51.93 0.72 
 Ball
 BALL
 51,93

 BancoBibaoviz BBVA
 7.46

 BancoBradesco BBDO
 2.49

 BancodeChile
 BCH
 20.46

 BancSanBrasil
 BSBR
 5.43

 BCOSantChile
 BSAC
 18,94

 BancOombia
 CIB
 29,45

 BankofAmerica
 BAC
 30,56

 BankofMontreal
 BMO
 92,28

 BankofMontreal
 BMO
 92,42

 BankofMontreal
 BMO
 92,43
 25.1000 Engelhard industrial 25.2190 Genpact **G** 44.92 -0.16 **GNTX** 27.11 -0.27 Handy & Harman fabricated 31,5240 Beef.carcass equiv. index Crocs CROX 143.75 4.71 Gentex choice 1-3,600-900 lbs.-u CrowdStrike CRWD 136.38 -0.99 GenuineParts GPC 166.47 Gerdau GGB 5.21 GileadSciences GILD 83.78 0.17 (U.S.\$ equivalent) \*25.3900 select 1-3,600-900 lbs.-u 268,46 GlieadSciences GILD 83.74 0.15 GlobalPayments GPN 109.09 -0.66 GlobalFoundries GFS 65.12 -0.13 Globant GLOB 158.35 0.05 GlobeLife GL 109.69 0.75 GlobeLife GL 109.69 0.75 GlobeLife GDDY 77.45 0.45 GoldFields GFI 15.33 0.26 GoldmanSachs GS 333.91 5.77 Grab GRAB 2.99 0.02 Graco GGG 70.95 -0.16 Grainger GWW 666.34 5.52 GraphicPkg GPK 25.02 0.11 GpoAeroportsur ASR 296.68 -7.19 Gluidewire GWRE 78.4 0.38 HCA Healthcare HCA 271.45 0.35 Coins, wholesale \$1,000 face-a Broilers, National comp wtd. avg.-u,w 1.3973 Other metals Butter,AA Chicago-d Cheddar cheese,bbl,Chicago-d 2.3700 0.19 0.44 LBMA Platinum Price PM \*1055.0 
 BankNY Mellon BK
 44.89
 0.66

 BankNovaScotia BNS
 51.54
 0.22

 Barclays
 BCS
 7.77
 0.04
 Platinum,Engelhard industrial Cheddar cheese,blk,Chicago-d 176.50 1080.0 Milk.Nonfat dry.Chicago lb.-d Palladium. Engelhard industrial 1635.0 113.00 Coffee,Brazilian,Comp-y DCP Midstream DCP 41.84 ...

DTE Energy DTE 112.04 -0.66
Danaher DHR 256.14 0.39
Darden DH 151.81 0.06
DarlingIngred DAR 58.30 -0.39
Datadog DDG 70.00 0.16
DaVita DVA 83.49 -0.37
1 DeckersOutdoor DECK 477.44 9.54
Deere DE 396.69 5.27
DelTachC DELL 45.50 1.57
DeltaAir DAL 35.36 0.77
DentsplySirona XRAY 40.56 -0.35
DescarteSystems DSGX 79.33 -1.61 Aluminum, LME, \$ per metric ton 2.0494 Coffee.Colombian.NY-v 2,4482 Copper,Comex spot 4.0895 Eggs,large white,Chicago-u Iron Ore, 62% Fe CFR China-s 1.6750 Shredded Scrap, US Midwest-s,m n.a. Flour,hard winter KC-p 22.90 Steel, HRC USA, FOB Midwest Mill-s Hams,17-20 lbs,Mid-US fob-u -7.19
0.38
BMI Lithium Carbonate, EXW Chir
0.38
BMI Lithium Hydroxide, EXW Chir Hogs, Iowa-So. Minnesota-u 72.15 Pork bellies,12-14 lb MidUS-u 0.9134 BerkHathwy A **BRK.A** 496200-1700.00 BerkHathwy B **BRK.B** 324.63 0.84 BMI Lithium Carbonate, EXW China, =99.2%-v,w Pork Joins 13-19 lb MidUS-u BMI Lithium Hydroxide, EXW China, =56.5% -v,w 44225 0.9689 BerryGlobal BERY 58.85 0.26 HCA Healthcare HCA 271.45 BMI Cobalt sulphate, EXW China, >20.5% -v,m Steers,Tex.-Okla. Choice-u HDFC Bank HF Sinclair HDB 68.93 DINO 45.50 **BBY** 73.98 0.67 **BILI** 21.59 -0.14 BMI Nickel Sulphate, EXW China, >22%-v,m BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m Steers.feeder,Okla. City-u,w 5402 241.25 Bilibili DINO 45.50 -0.04
HPQ 31.22 0.29
HSBE 35.80 -0.28
HTHT 49.60 0.24
HLN 8.75 0.07
HAL 33.88 0.444
HIG 70.01 0.62
HAS 52.77 -0.30
ty RPEAK 21.21 -0.29 745 **TECH** 84.33 -0.90 **Fats and Oils** DescartesSystems **DSGX** 79.83 HSBC HSBC HSBC 35.80
H World HTHT 49.60
Haleon HLN 8.75
Halliburton HAI 33.88
HartfordFini HIG 70.01
Hasbro HAS 52.77
HealthcareRealty HR 19.58
HealthpeakProp PAK 21.21
Helico HI 12.17 
 Descartes/systems DSGX
 79.83

 DeutscheBank DB
 10.90

 DevonEnergy DVN
 55.22

 DexCom
 DXCM 118.93

 Diageo
 DEO
 184.01

 Diamondbkner FANG
 144.68
 Degummed corn oil, crude wtd. avg.-u.w Burlap,10-oz,40-inch NY yd-n,w 0.5000 Grease, choice white, Chicago-h Cotton,11/16 std lw-mdMphs-u 0.8358 Lard Chicago-u Cotlook 'A' Index-t Soybean oil,crude;Centl IL-u,w 96.40 
 Dick's
 DKS
 142.56

 DigitalRealty
 DLR
 97.57

 DiscoverFinSvcs
 DFS
 103.63

 Disney
 DIS
 100.93
 Hides,hvy native steers piece fob-u Wool,64s,staple,Terr del-u,w Tallow bleach: Chicago-h 0.5175 Tallow,edible,Chicago-u n.a. BlueOwlCapital OWL 11.00 -0.08 Heico HEI 171.78 HEI.A 135.84 Heico A **BA** 208.37 3.34 
 Boeing
 BA
 208.37
 3.34

 J BookingHidgs
 BKMG 26968
 20.63

 BoozAllen
 BAH
 97.61
 0.68

 Bordwarrer
 BWH
 48.48
 0.10

 BostonProps
 BXP
 52.65
 -0.42

 BostonSci
 BSX
 51.61
 -0.13

 BoydGaming
 BYD
 66.36
 0.42
 HenrySchein HSI 28.70 -0.15
Hershey HSY 259.60 0.57
Hess HES 145.80 0.15
HessMidstream HESM 28.45 0.03
HewlettPackard HPE 15.78 -0.07
Hilton HLT 147.02 187 DocuSign **DOCU** 53.25 -0.53

KEYTO 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-TSJ; T=Cottook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. \*Data as of 4/17

 DolbyLab
 DLB
 85.80
 0.16

 DollarGeneral
 DG
 216.26
 2.74

 DollarTree
 DLT
 149.38
 2.70

 DominionEner
 D
 75.36
 -1.32

 Domino's
 DPZ
 326.70
 -3.20

# ShockwaveMed SWAV 265.45 SIRIUSXM SIRI SkechersUSA SKX Skyworks SWKS SmithAO AOS Smith&Nephew SNN Smucker SJN

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Increased					
Permianville Royalty Tr	PVL	17.3	.03/.01935	M	May12/Apr28
Southern	SO	3.7	.70 /.68	Q	Jun06/May15
Foreign					
Aon	AON	0.7	.615	Q	May15/May01
Banco Santander ADR	BSAC	4.9	1.25114	Α	Apr19/
Ferrari	RACE	0.5	1.98756	Α	May05/Apr25
Flexible Solutions	FSI		.05		May16/Apr28
Sendas Distribuidora ADR	ASAI	1.1	.05056		Jul03/May01

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO:

Average Yields of Major Banks Tuesday, April 18, 2023														
Туре	MMA	1-MO	2-MO	3-MO	6-MO	1-YR	2-YR	2.5YR	5YR					
National average														
Savings	0.32	0.28	0.30	0.62	1.03	1.38	1.22	1.13	1.07					
Jumbos	0.77	0.30	0.32	0.72	1.10	1.49	1.33	1.23	1.17					
Weekly change														
Savings Jumbos	0.00 0.01	0.00	0.01 0.00	-0.02 -0.02	-0.01 0.00	-0.01 -0.01	0.01 0.00	0.02 0.02	-0.01 0.00					

 $weekly \, survey \, of \, highest \, yields. \, For \, latest \, offers \, and \, reviews \, of \, these \, financial \, institutions, please \, the \, control \, for all \, control  visit bankrate.com/banking/reviews. Information is believed to be reliable, but not quaranteed.

Bank Phone number	Minimum	Yield (%)	Bank Phone number	Minimum	Yield
		. ,		WIIIIIIIIIIII	(%)
Money market and s	avings ac	count	Six-month CD		
CFG Community Bank	\$1,000	5.02	Vio Bank	\$500	5.00
(888) 205-8388			(888) 999-9170		
UFB Direct	\$0	4.81	CIT Bank	\$1,000	5.00
(877) 472-9200	44	4 77	(855) 462-2652	¢1.000	- 00
Primis Bank	\$1	4.77	CIT Bank	\$1,000	5.00
(833) 477-4647			(855) 462-2652		
One-month CD			One-year CD		
VirtualBank	\$10,000	2.48	CFG Community Bank	\$500	5.20
(877) 998-2265			(888) 205-8388		
State Bank of India California	a \$1,000	0.50	America First FCU	\$500	5.10
(877) 707-1995	44.000		(801) 627-0900		
Lone Star Bank	\$1,000	0.20	First Internet Bank of Indiana	\$1,000	5.06
(713) 358-9400			(888) 873-3424		
Two-month CD			Two-year CD		
VirtualBank	\$10,000	2.74	Sallie Mae Bank	\$2,500	4.85
(877) 998-2265			(877) 346-2756		
State Bank of India California	a \$1,000	0.50	America First FCU	\$500	4.75
(877) 707-1995			(801) 627-0900		
Lone Star Bank	\$1,000	0.20	First Internet Bank of Indiana	\$1,000	4.70
(713) 358-9400			(888) 873-3424		
Three-month CD			Five-year CD		
America First FCU	\$500	4.50	GTE Financial Credit Union (U)	\$500	4.54
(801) 627-0900			(888) 871-2690		
Goldwater Bank	\$5,000	4.25	CFG Community Bank	\$500	4.50
(480) 281-8200			(888) 205-8388		
Popular Direct	\$10,000	4.10	Barclays Bank	\$0	4.50
(800) 274-5696			(888) 720-8756		

		<u> </u>							
High yield jumbos-N	1 dinimum is \$10	0,000							
Money market and saving	s account	Six-month CD							
<b>CFG Community Bank</b> (888) 205-8388	5.02	CIT Bank (855) 462-2652	5.00						
<b>UFB Direct</b> (877) 472-9200	4.81	CIT Bank (855) 462-2652	5.00						
<b>Vio Bank</b> (888) 999-9170	4.77	<b>Vio Bank</b> (888) 999-9170	5.00						
One-month CD		One-year CD							
<b>VirtualBank</b> (877) 998-2265	2.48	CFG Community Bank (888) 205-8388	5.20						
State Bank of India California (877) 707-1995	0.50	<b>America First FCU</b> (801) 627-0900	5.10						
<b>Lone Star Bank</b> (713) 358-9400	0.20	First Internet Bank of Indiana (888) 873-3424	5.06						
Two-month CD		Two-year CD							
<b>VirtualBank</b> (877) 998-2265	2.74	<b>Sallie Mae Bank</b> (877) 346-2756	4.85						
State Bank of India California (877) 707-1995	0.50	<b>America First FCU</b> (801) 627-0900	4.75						
<b>Lone Star Bank</b> (713) 358-9400	0.20	First Internet Bank of Indiana (888) 873-3424	4.70						
Three-month CD		Five-year CD							
<b>America First FCU</b> (801) 627-0900	4.50	GTE Financial Credit Union (U) (888) 871-2690	4.80						
Goldwater Bank (480) 281-8200	4.25	CFG Community Bank (888) 205-8388	4.50						
<b>Popular Direct</b> (800) 274-5696	4.10	Barclays Bank (888) 720-8756	4.50						

Notes: Accounts are federally insured up to \$250,000 per person. Yields are based on method of compounding and rate stated for the lowest required opening deposit to earn interest. CD figures are for fixed rates only. MMA: Allows six (6) third-party transfers per month, three (3) of which may be checks. Rates are subject to change.

Source: Bankrate.com, a publication of Bankrate, Inc., Palm Beach Gardens, FL 33410 Internet: www.bankrate.com

Mutua	l Fu	nds				Data	a provided by $oldsymbol{L}$	_IPPEF	₹ 🕒	Fund	NAV Ch	t YTI g % Re		Net NAV Chg		Fund	Net NAV Chg		d	Net NAV Chg	YTD		Net NAV Chg %		4 b	Net YTD
Top 250 mu	tual-fund	s listinas	for Nasdag-pub	olished :	share c	lasses	hv net assets			GrowthCompanyK6 InflPrBdIndInsPr				13.54 +0.05 16.00 +0.05		JPMorgan R C	Class 10.35 +0.01		apGow I	52.75 +0.0 94.73 -0.0		9 PrmcpAdml r 8 RealEstatAdml				9.91 +0.05 4.4 9.61 -0.01 6.2
							,			IntlidxinstPrem				16.03 +0.07			7.28 +0.01			49.22 -0.0		2 SmCapAdml	90.71 -0.09		GUARD INDE	
			ay's quotation. <b>g</b> r, using updated						•	LaCpGwld InstPre				10.93 +0.09		Lord Abbett I	7.20 0.01	R20		15.43 +0.0		5 SmGthAdml	76.33 +0.01			1.10 -0.16 5.3
			. <b>s</b> -Stock split o						otes	MidCplnxInstPrem			4 TotalBond	9.51 +0.02		BdDebentr	6.97 +0.01			23.20 +0.0		1 STBondAdml	9.99	1.8 IdxIn	itl 1	8.14 +0.06 9.1
			-Footnote x, e a							SAIUSLgCpIndxFd	18.28 +0	.02 8.	7 Fidelity SAI			ShtDurInc p	3.85			26.17 +0.0	14 7.2	2 STIGradeAdml	10.07	2.0 MdC	pGrAdml 8	3.72 +0.08 8.4
			a. <b>NE</b> -Not releas							SeriesBondFd	9.04 +0	.01 2.	8 TotalBd	9.00 +0.01	3.2	Metropolitan 1	West		wab Funds			STIPSIxAdm	23.90 +0.01			0.01 +0.06 0.4
			at start of period		11.								1 U.S.TreBdldx	8.84 +0.01	2.8	TotRetBdI	9.22 +0.01			89.12 +0.0		TotBdAdml	9.66 +0.01			7.98 -0.12 0.2
			·							SerLTTreBdldx			2 Fidelity Selects			TRBdPlan	8.65 +0.01	NA S&P	Sel	63.90 +0.0		A TotIntBdldxAdm		2.7 TotBo		9.55 +0.01 2.8
			Touristan	A	0 2022					SmCpldxInstPrem			5 Softwr	22.76 -0.01					Λ Selr	70.54 +0.0	15 NA	TotintiAdmidx r		/· ····		1.32 +0.39 9.1
			Tuesday,	April 18						TMktldxlnstPrem		.07 8.		22.15 +0.16	24.2		31.77 +0.20		<b>A/CREF Fun</b> Ixinst	29.37 +0.0	2 02	TotStAdml	100.29 +0.06			1.34 +0.39 9.1 00.28 +0.07 8.1
		let YTI			Net				t YTD	TotalMarketIndex		8.				MFS Funds Cl		1	EgldxInst	29.57 +0.0	2 11 6	2 TxMCapAdml	214.22 +0.20	8.7 TotSt	GUARD INST	
Fund	NAV C	hg %Re	t Fund	NAV	Chg 9	% Ret	Fund	NAV Ch	g %Ret				3 GlbA	62.54 +0.15	7.9		147.69 +0.15	TT.7	iguard ad	21.31 +0.1	.5 11.0		14.91 +0.07	10./		11.69 +0.04 6.0
AB Funds - AD			<b>Baird Funds</b>				IntlCoreEq	14.89 +0.		USBdldxInstPrem		.01 2.	7 Franklin A1	2 22	4.1	Valuel	47.75 +0.01			383.51 +0.3	3 87	USGroAdml	117.22 +0.19			4.93 +0.07 10.8
LgCpGrAdv	78.74 +	0.05 12.					IntSmCo	18.87 +0.		Fidelity Freedo			IncomeA1	2.32	4.1	Neuberger Be	rman Fds 43.87 +0.05	D-14		41.68 +0.0		ValAdml	55.10 +0.04	I.Z DovAA		3.34 +0.12 10.8
American Cent			CorBdInst		7 +0.01		IntSmVa	20.63 +0.		FF2020	13.50 +0				42	LCVal Inst Northern Fund			TAdml	11.31 -0.0		WdsrllAdml	70.28 -0.01	0.Z Evtn		5.80 -0.07 5.3
Ultra	64.02	16.					LgCo	28.33 +0.		FF2025	12.46 +0		3 IncomeAdv 8 FrankTemp/Fra	2.30 +0.01	4.2	Stkldx	44.20 +0.04	o 7 Cap	OpAdml r	157.68 -0.1	.6 7.9	WellsIAdml	60.05 +0.08		thinst 12	8.47 +0.15 17.3
American Fund			HiYldBd Inst		2 +0.01		US CoreEq1	31.63 +0.		FF2030	15.62 +0				0.1	Old Westbury		O./ DivA	AppldxAdm	42.52 +0.0	6 3.7	WelltnAdml	68.91 +0.08		Seln	9.68 3.0
AmcpA		0.07 10.					US CoreEq2	28.66 +0.		FF2035 FF2040	13.53 +0 9.64 +0		4 RisDv A	86.54 -0.02		LrgCpStr	15.72 +0.03	7 8 EMA	Admr	33.88 -0.0		WndsrAdml	71.81 +0.15	5.2 Instlo		6.98 +0.30 8.7
AMutlA	49.46 +						US Small	39.48 -0.		Freedom2030 K			8 Guagenheim F		4.0	Parnassus Fds		Eqin	ncAdml	84.39 +0.0		DivdGro	35.88 +0.03	2 n InstP		6.97 +0.29 8.8
BalA	29.74 +						US SmCpVal	38.94 -0.			17.91 +0		6 TotRtnBdFdClinst		3.6		50.82 +0.08		IrAdml	92.72 -0.0		7 IntlVal	39.43 +0.13	10 2 INSt I		2.10 +0.05 8.2
BondA	11.54	2.			9 +0.04		US TgdVal	27.36 -0.		Idx2035InsPre			4 Harbor Funds	25.75 .0.01	٥.0	PGIM Funds C		Extr	ndAdml	105.81 -0.0	0 ).)	LifeCon	19.97 +0.02	E 1 IVIIUC		7.87 +0.05 4.2
CapIBA CapWGrA	64.88 + 55.61 +		7 StratincOpptyins 2 Bridge Builder		3		USLgVa Dodge & Cox	42.30 +0.	.09 2.5	Idx2040InsPre				74.72 +0.15	19.1	TotalReturnBond			MAAdml	9.31 +0.0	1 2.3		38.69 +0.06	7 A IVIIUC		5.41 +0.26 4.2
EupacA		0.24 8. 0.29 12.			9 +0.01		Balanced	95.82 -0.	01 27	Fidelity Invest	20.71 .0	.04 0.	Harding Loevn		-/	PIMCO Fds In		Grw	thAdml	128.46 +0.1	5 17.3	LifeMod	29.15 +0.03	Redit		8.14 -0.05 1.3
FdInvA	64.69 +				7 +0.01		GblStock	13.58 +0.		Balanc	24.74 +0	05 8		25.75 +0.16	9.9	AllAsset	10.85 +0.01		CareAdml r CorAdml r	90.02 -0.1 5.25 +0.0		PrmcpCor	28.84 -0.01	, , 31110		0.71 -0.09 3.6
GwthA		0.20 7. 0.12 11.			9 +0.07			12.45 +0.			134.41 +0			A		TotRt	8.60			23.77 +0.0	1 2.7	STAR	25.90 +0.04	31110		61.81 -0.26 3.6 .0.07 2.0
HI TrA	9.20 +							47.18 +0.		Contra	13.55 +0			9.93 +0.01	1.6	PIMCO Funds	Α		GrAdml	101 90 ±0.0	1 12 6	TgtRe2020	26.67 +0.03	31101		.0.07 2.0 23.91 2.1
ICAA	44.37 +		9 LargeCapValue					220.35 -0.		CpInc	9.27 +0		3 Invesco Funds	Υ		IncomeFd	10.42		ondAdml	10.34 +0.0		4 TgtRe2025	17.67 +0.02		SIXIIIS Z	9.66 +0.01 2.8
IncoA	23.05 +						DoubleLine Fu			GroCo	26.46 +0	.08 17.	5 DevMktY	39.74 -0.12	13.7	PIMCO Funds	12		radeAdml	8.55 +0.0		g TgtRe2030	33.40 +0.04	6.5 TotBo	idinst2	9.55 +0.01 2.8
N PerA		0.16 11.		s		-	TotRetBdI	8.93	NA	InvGrBd	10.04 +0	.01 3.	1 JHF III DispVal			Income	10.42		anAd	95.45 +0.0		g TgtRe2035	20.69 +0.03			9.66 +0.01 2.8
NEcoA	48.25 +	0.08 10.	9 MktNeutl	14.25	5 +0.01	3.7 I	Edgewood Gro	owth Institu	ıti	LowP	47.63 +0	14 3.		25.03 +0.06	2.5	PIMCO Funds			radeAdml	8.09 +0.0		1 TgtRe2040	36.49 +0.06			9.09 -0.01 2.8
NwWrldA	72.21 +	0.08 8.	7 Columbia Clas	s I		E	EdgewoodGrInst	t 36.40 +0	.23 16.3	Magin	11.69 +0	.03 9.	4 John Hancock			IncomeFd	10.42	2.6 Mid	CpAdml	261.98 +0.2	5 4.2	2 TgtRe2045	24.59 +0.04	7.8 TotSt	tlnst 10	0.31 +0.06 8.2
SmCpA	60.18 +	0.23 7.	3 Divlncom I	29.16	6 +0.02					NASDAQ	153.59 -0	.05 16.		13.58 +0.01	3.1	Price Funds		Mul	-IYAdml	10.46 -0.1	.0 3.1	1 TgtRe2050	40.82 +0.06	8.0 Value	elnst 5	55.10 +0.04 1.2
TxExA	12.24 -						500ldxInstPrem			OTC	14.77	15.				BlChip	121.34 +0.15	17.2 Mul	ntAdml	13.57 -0.0		4 TgtRe2060	41.95 +0.07		/I Focus Fund	
WshA	53.38 +	0.10 3.	1 5GlbFxdInc	9.98			Contrafund K6				21.66 +0		1 CoreBond	10.33 +0.01		DivGro	66.27 +0.11		TAdml	10.77 -0.1		9 TgtRet2055	45.55 +0.08		FocIntlGrwIns 2	2.00 +0.08 11.9
Artisan Funds			EmgMktVa		4 -0.01		ExtMktldxInstPre				16.89 -0	.02 10.	3 EqInc	22.34 +0.01		Growth	71.88 +0.06	16./ MuL	tdAdml	10.76 -0.0		TgtRetInc	12.73 +0.01			
IntlVal Inst	43.21 +	0.14 12.	0 EmMktCorEq	21.59	9 -0.05	7.3	FidSerToMarket	13.64 +0.	.01 8.3	SrsEmrgMkt	16.64 -0	.01 6.	5 LgCpGwth	48.77 +0.10	9.0	HelSci	91.04 -0.46	1.4 MuS	ShtAdml	15.64 -0.0	3 1.1	1 Wellsl	24.79 +0.03	2.2 Corel	PlusBdI	9.54 +0.01 NA

**B12** | Wednesday, April 19, 2023

# Few Lenders Hedged Against Risk of Fed Rate Increases

Paper finds that across industry, only 6% of assets were protected by swaps

By Matt Grossman

Few U.S. banks protected themselves against rising interest rates during the Federal Reserve's monetarytightening campaign last year, according to a research paper that says unhedged securities holdings are more widespread than investors might realize.

The paper contends that hundreds of other banks share that risk, which played a role in the collapse last month of Silicon Valley Bank. The paper didn't single out individual institutions, instead presenting an analysis of aggregate data.

The authors—professors Erica Jiang of the University of Southern California's Marshall School of Business, Gregor Matvos of Northwest-University's Kellogg School of Management, Tomasz Piskorski of Columbia Business School and Amit Seru of Stanford Graduate School of Business—say Silicon Valley Bank and parent SVB Financial weren't alone in declining to shield assets against rising rates.

Across the banking sector, only about 6% of bank assets were protected by interestrate swaps, contracts a bank can purchase to ease the pain of rising rates, the professors found, drawing on public financial filings.

Even as rates continued to climb throughout 2022, about a quarter of publicly traded banks reduced their protective hedging last year, the researchers found.

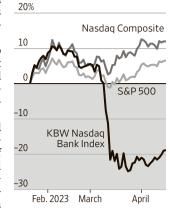
For instance, SVB had hedged about 12% of its securities portfolio at the end of 2021 but only 0.4% by the end of 2022. The professors described this as akin to a gamble. "These banks have taken a large risk, which is profitable for bank shareholders on the upside, but the losses are borne by the FDIC on the downside," they wrote, referring to losses incurred in the SVB failure by the Federal Deposit Insurance Corp.

Their paper, posted this month on Social Science Research Network, a repository for new research work that isn't yet peer reviewed, follows a separate article by the group in March that said nearly 200 banks had exposure to unrealized losses and uninsured depositors that was similar to SVB's.

"You could think of SVB as the canary in the coal mine," Mr. Piskorski said.

The March market mayhem reminded Wall Street that higher interest rates set by the Fed inevitably hurt the

Index performance over the past three months



Source: FactSet

market value of stocks, bonds, loans and other financial assets held by banksand in some cases can impair a bank's reputation for soundness, spurring flight on the part of depositors whose holdings exceed the \$250,000 FDIC limit.

In the case of Silicon Vallev Bank, the firm came under intense pressure because of cash burn on the part of its technology-startup clients, which led to deposit outflows-even before fears about its health flared following an attempt last month to raise cash by selling stock. A catastrophic run on uninsured deposits followed. The FDIC took over SVB on March

Analysts, investors and

bank executives say it makes sense that many banks don't insure themselves against rising rates.

All else equal, banks' profits often benefit from higher rates because they allow banks to charge higher interest on loans.

For M&T Bank Corp., which on Monday was one of the first regional banks to post first-quarter results, net income from interest more than doubled to \$1.82 billion over the past three months, helped in part by an acquisition. Its shares on Monday had their biggest percentage gain in the past year.

Rising income provides a natural hedge against losses on banks' securities portfolios when rates rise and explain why many don't hedge, said Stephen Biggar, director of financial-services research at Argus Research, which analyzes stocks.

"Banks are interest-ratesensitive vehicles by design," Mr. Biggar said.

Suhail Shaikh, chief investment officer at London-based fund manager Fulcrum Asset Management, said that his team's funds are positioned to benefit from a rise in British and Japanese bond yields that he believes will follow from dissipating concern about U.S. regionals.

"In the last month, the crisis has died down quite significantly," he said.

# Credit Suisse Is Faulted

Continued from page B1 caust victims.

Mr. Barofsky issued a report that said the bank found about 99 people of the thousands of names that were reviewed had accounts at some stage, with most opened in the decades following the war. Mr. Barofsky didn't find any dormant or stillopen accounts.

One such example was for an unidentified Nazi commander who had an account open until 2002. The amount of the account or reason for its closing wasn't provided to the investigator.

Credit Suisse produced its own report on the matter, delivered to the committee last month, with additional details to some of Mr. Barofsky's findings. It said the research had supplemented but not materially altered what was already known about the bank's Nazi dealings.

The bank said Tuesday that investigators found no evidence to support the Simon Wiesenthal Center's allegations that many individuals on the Argentina list had accounts during the Nazi period and said there was no evidence that eight Nazi-era accounts uncovered in the probe contained assets taken from Holocaust victims. After meetings with the Senate Budget Committee this month, Credit Suisse said it would probe its role in ratlines.

Credit Suisse said Mr. Barofsky had a limited engagement and that his report contains "numerous factual errors, misleading and gratuitous statements and unsupported allegations that are based on an incomplete understanding of the facts." It said it hired a law firm to replace Mr. Barofsky for independent verification of its review's findings.

A spokeswoman for Mr. Barofsky declined to comment.

The Credit Suisse review looked at a list of people either in the Nazi party or a related union in Argentina, representing a large chunk of the German population in the country at the time. The bank also repeated an earlier review of a separate list compiled by the Simon Wiesenthal Center in 1997 of senior Nazi officials. The center, a Jewish human-rights organization, has hunted former Nazis and sought reparations for Holocaust victims.

But rather than taking a complete reckoning, Credit Suisse backtracked on its earlier cooperation as more details emerged. Mr. Barofsky said in his report, which the Senate Budget Committee obtained and released on Tuesday.

Mr. Barofsky said the bank pulled back from earlier commitments in June last year, including for him to issue a public report, and terminated his contract in November. He said that left questions unanswered about the bank's Nazi ties. Mr. Barofsky blamed his dismissal on the arrival of a new general counsel at Credit Suisse.

Mr. Barofsky formerly served as an assistant U.S. attorney for the Southern District of New York and later held a role as a special inspector general overseeing the financial-crisis-era Troubled Assets Relief Program.

Senate Budget Committee Chairman Sheldon Whitehouse (D., R.I.) and Sen. Chuck Grasslev of Iowa, the panel's top Republican, issued a subpoena for the documents in March.

The committee has jurisdiction over budget itemizations for the Office of the Special Envoy for Holocaust Issues, which is tasked with developing policies to return assets to their rightful owners and secure compensation for Nazi-era wrongs.

"While Credit Suisse initially agreed to investigate evidence of previously unidentified Nazilinked accounts," Mr. Grassley said in a written statement, "the information we've obtained shows the bank established an unnecessarily rigid and narrow scope, and refused to follow new leads uncovered during the



Neil Barofsky in 2018

course of the review."

In 1998, Credit Suisse agreed to pay about one-third of a \$1.25 billion settlement between Swiss banks and victims of Nazi persecution. The bank at the time provided information to panels set up in the U.S. and by the Swiss government, which found numerous examples of Credit Suisse aiding in persecution, including in the "Aryanization" of Jewish companies by forced transfers to non-Jewish owners.

However, those reviews didn't fully explore Nazi-related accounts at the bank, and Credit Suisse hadn't before reviewed the list of Nazis in Argentina for such ties.

Because of the country's secrecy laws in place at the time of World War II, Swiss banks were a haven before the war for Jewish families and businesses. while also assisting Nazi organizations and officials in storing looted assets and moving money overseas.

Switzerland and its banks bought gold from the Nazi regime when other countries refused and returned the assets and deposits of many Holocaust victims to their families only after lawsuits and sanctions threats by U.S. cities and states during the 1990s outcry. Mr. Barofsky said some find-

ings in the latest review raised questions about the accuracy of information that Credit Suisse gave to the 1990s-era panels.

# Europe Targets Public Bailouts of Banks

By Patricia Kowsmann

European authorities want to make it harder for countries to use taxpayer money to rescue failing banks, while also better protecting depositors, after existing rules proved to have too many loopholes.

The plan, laid out Tuesday, was under development before bank troubles in the U.S. and Switzerland in March, but officials cited the turmoil as a further reason to act.

It comes as countries like the U.S. and the U.K. also rethink how to shield citizens and their deposits against collapses. Both countries are exploring overhauls of deposit insurance.

The recent failures "are just a reminder of why we need a strong, functioning system to deal with all banks—of whatever size—when they get into trouble," said Valdis Dombrovskis, executive vice president of the European Commission, which put forward the proposal.

The commission is the executive body of the European Union.

The plan would currently apply to the 20 EU states that belong to the eurozone, as well as Bulgaria, which are part of the so-called banking

Following a series of bank rescues during the eurozone sovereign-debt crisis, European authorities created a plan in 2015 to ensure taxpayer money didn't go to bailing out troubled lenders. But the rules, which impose losses on a bank's shareholders. bondholders and even some depositors before tapping any public money, have been used in just one major case, of Spanish lender Banco Popular Español SA in 2017.

Instead, countries have continued to find ways to bail out **guarding taxpayers** banks with public money, often because many shareholders and creditors are local individual investors. Mediumsize and small banks also often don't have enough equity and bonds to wipe out, meaning uninsured depositors could get burned if the government stays on the side-

Under the revised plan, which is aimed at those midsize and smaller lenders, national deposit-guarantee programs would be tapped to fund the transfer of deposits from the failing bank to a healthy one. There are strict conditions associated with that, in a nod to Germany, which is highly protective of its deposit-guarantee system.

Mr. Dombrovskis said this would make a bank failure less disruptive to depositors, including uninsured ones.

The commission also wants to extend depositor protection to public entities such as hospitals, schools and municipalities, as well as client money

parked in some kinds of funds. The proposal needs to be

### Existing rules have proved to have

approved by the European parliament and member

states. The difficulty in imposing losses on bank investors was on display in the hasty sale of Credit Suisse Group AG to peer UBS Group AG last

month. Switzerland, which isn't a member of the bloc, had a similar playbook to resolve failing banks by wiping out shareholders and bondholders

before tapping public money. But authorities there said that could have triggered further panic. So instead the government agreed to provide billions under a backstop.

Only holders of the riskiest type of Credit Suisse's debt The plan doesn't include a

eurozone deposit-insurance program. The European Commission has tried to advance this project before but failed because rich countries like Germany resist the idea of paying for the financial problems in their poorer neigh-Deposits up to €100,000—

equivalent of about \$109,000—are insured in the eurozone, but each country is responsible for its own pool of funds, which can't be transferred to another country. That runs counter to the project of a banking union, in which countries share a common bank-supervision system and supervisor—the European Central Bank—and rules on how to deal with failing banks.

In the U.S., there have been discussions on how to improve deposit insurance, including by raising or even suspending its limit, which is now \$250,000 per depositor.

New	High	s a	nd Low	S					Stock		2-Wk Hi/Lo C	% hg Stock		52-Wk % Hi/Lo Ch			2-Wk % Hi/Lo Cha	Stock		2-Wk S	% hg Stock		2-Wk % Hi/Lo Chg Stock	52-V Sym Hi/	Wk % /Lo Cha
and Nasda	The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. <b>% CHG</b> -Daily percentage change from the previous trading session.					NewAmstPharma' NVIDIA OReillyAuto OakStreetHealt OcuphirePharm	NVDA ORLY h OSH	3.02 1 281.10 910.57 38.91 6.06	14.6 Winmark 2.5 WisdomTree 1.4 WW Ent 0.1 WorldwideW 4.1 XponentialFit		105.69 0. J 10.40 -0.	.0 BridgewaterPfd .6 BrightMindsBio .2 Brightcove .3 BrookfieldPropPf. .9 BusFirstBcshs	DRUG BCOV	4.13 -1.4 14.21 -1.2	FirstBancorpNC FirstBancorp	FATH FBNC FNLC FRBA BUSE	0.51 - 32.59 - 23.92 - 9.65 -	4.7 Mannatech 2.1 Medifast 1.6 MetaMaterials 2.9 MidlandStBncp 2.2 MidWestOneFi	MTEX MED MMAT MSBI	14.81 -0.6 RandCapital 94.52 -0.5 RelayTherap 0.21 -0.7 SES AI 19.62 -2.6 SES AI Wt 21.44 -3.7 SandySpringE	RAND 1 RLAY 1 SES SES.WS	12.66 -0.7 10.85 -36.2 2.04 -6.3 0.25 -11.7 22.48 -4.9			
Tuesday April 18, 2023				Omnicom Opera	OMC OPRA	96.78 11.38	0.4 Yum!Brands 4.7	YUM	137.61 0.	.4 CF Bankshares CIIGCapPtrsII	CFBK CIIG	16.95 -6.6		THFF FHB		-2.3 MillenniumGrpl -4.4 Momentus		1.86 ServisFirst 0.42 6.2 SimmonsFirst	SFBS 4	47.16 -3.1 16.07 -4.4					
		2-Wk		_	52-Wk			2-Wk %		ORCL	96.74 26.11	0.9	Lows	5	CIIGCapPtrsII CNB FinPA	CIIGU		FirstWesternFin	MYFW FFIC	17.53 - 13.37 -	·0.9 MoneyLion	ML	0.42 -3.5 SnailA		1.10 -7.3
Stock	Sym	HI/LO (	Chg Stock	Syn	1 HI/LO	Chg Stock	Sym	HI/LO Ch	PGT Innovation	PPG	142.46	0.5 ADS-TEC	ADSE	1.97 -0.	.9 CalAmp	CAMP		FlushingFin FormulaSvs	FORTY		MonoparTherap		1.18 2.4 SoundPointW		0.03 -34.9 28.85 -2.5
			Coca-ColaEur	o CCEI	61.18	1.6 IVERICbio	ISEE	29.54 1	.6 PampaEnergia	PAM	38.23	-2.6 Adtran	ADTN	9.79 -1.	.5 CambridgeBncp	CATC	61.09 -2.9		FCEL	2.14 -	-0.7 MontaukRenew -6.5 MoolecScience		6.52 -1.5 SouthernFirst		35.23 -3.0
	lighs	,	ConcordAcqn			0.1 Insperity	NSP	128.12 0	.8 PrometheusBio		195.00	Aceragen	ACGN	2.05 -3.	5 CamdenNationa	al CAC		FultonFin	FULT	13.02 -	2.3 MotorcarParts	MPAA	4.84 -6.0 SouthwestGa		57.23 -2.5
AltisourceAsse	_	79.72	ContangoOre			3.5 Intapp	INTA	46.34 3.	.0 PulteGroup	PHM	62.72	3.3 AdvantageSo		1.24 -0.	8 CathayGenBncp			GermanAmBncp		30.47 -	3.0 NatlEnerSvs	NESR	4.18 -8.5 StellarBancor		22.61 -2.9
AmphastarPha		42.88	3.1 Copart	CPR		0.4 InterParfums	IPAR	151.45 -0.		RDNT	28.13	0.3 AgileThought		1.80 -8.	2 cbdMD	YCBD	0.14 -0.1		GOODN	18.66 -	0.4 NetSolTech	NTWK	2.41 2.1 StockYardsBr		48.65 -5.5
ApellisPharm	APLS	82.71	0.1 CraneNXT	COT		2.8 IntlGameTech 5.5 inTEST	IGT INTT	28.65 0. 23.24 14		RETA RELY	99.15	2.6 Air Fransports		19.42 -2.	4 ChengheAcqnW	Vt CHEAW	0.04 -10.1		GOSS	0.91 -	7.6 Newegg	NEGG	1.13 -2.6 SummitFin		18.92 -2.2
ApolloStratII A		10.29	0.2 Crocs	CRO		3.4 Jiavin	JFIN	4.68 8	.4 RemitlyGlobal .1 ReneoPharm	RPHM	18.06 8.38	6.7 AlmadenMine		0.51 -5.	.6 ChinaJoJoDrug -7 CingulateWt	CJJD	0.61 -85.8	GuarantyBcshrs HanoverBancorp	GNTY	23.15 - 17.50 -	NicoletBankshar	res NIC	59.62 -4.0 System1Wt		0.24 -0.4 3.55 5.0
ArchCapital	ACGL	72.44	1.8 Cvent	CVT		-0.2 KrystalBiotech		89.82 1	.0 RestaurantBran		68.90	1 1 AltEnergyWt		v 0.10 -7.	9 CivistaBcshrs	CINGW		HanoverBancorp HarborOneBncp		17.50 -	Novonix	NVX	2.77 -6.6 TopKingWin		1.02 -2.8
AresAcqnA	AAC	10.37	··· CymaBayThe			-1.5 Lantheus	LNTH	90.89 1	.8 RothCHAcanIV\		0.35	2 o AlticeUSA	ATUS	2.89 -7.	3 CommerceBcsh	re CRSH		HinghamSvg	HIFS	195.88 -	Nuburu	BURU	Z.1Z -7.0 TownoBank		24.40 -2.9
AssetMarkFin	AMK	32.45	0.5 DTE EnergyD			0.6 Lennar A	LEN	109.33 3	.0 Salesforce	CRM		0.7 AmbacFinWt		S 0.02 -23.	.1 CommScope	COMM		HomeTrustBcshs			2.7 OfficePropIncm		7.21 -4.0 Trancatipity		36.86 -2.6
AstraZeneca	AZN	75.83	1.9 DeckersOutdo			2.0 Lennar B	LEN.B	94.53 3	.3 Samsara	IOT	22,40	3.0 AmerantBncp		18.68 -4.	.0 CmntvTrBcp	CTBI	35.60 -2.7		HOUR		2 1 1895Bancorp	BCOW	7.55 -2.3 TripityDlaco		0.37 -5.1
Astronics	ATRO	16.16	1.5 DrReddy'sLab			0.7 LibertyBraves		37.02 3.	.0 SkechersUSA	SKX	50.10	1.4 Amyris	AMRS	0.91 -6.	1 ContextLogic	WISH	7.09 -5.1	IndependentBan	INDB	60.30 -	4.0 OrbitalInfr	OIG	0.09 -/.1 TrioDotroloum		1.90 -24.3
AsureSoftwar		17.14	0.8 elfBeauty	ELF		2.0 LibertyBraves			.1 SonimTech	SONM	1.24	4.2 ApollomicsA	APLM		.0 Crexendo	CXDO		IndependentBan			3.9 OrganiGram	OGI	0.53 -3.4 Trupanion		34.11 -3.5
AtlCoastal II A		10.92	1.8 EnelChile	ENIC		5.2 Limbach	LMB	18.49 -6.		SCCO	81.98	2.4 AppliedMolec			4 CueHealth	HLTH		IndLogistics	ILPT	2.01 -	.6.4 Orgenesis OrrstownFinSv	ORGS	1.09 1.8 TrustcoBank		29.27 -3.2
AtlasLithium AuraFatProiec	ATLX	25.47	1.9 EroCopper	ERO		5.6 Linde	LIN	365.84 0.		SPOK	12.42	-0.2 AppliedUV	AUVI	0.70 -2.	.6 DLH Holdings	DLHC	10.31 -0.7		INFY	14.94 -	1.5 Ouster	OUST	0.40 F 7 USCB FINANCI		9.43 -1.6
AutoZone		10.51 2691.99	FTAI Aviation			-0.9 LockheedMart			.4 StarGroup	SGU		1.9 AscentSolar	ASTI	0.33 7.		DZSI		InnovativeIndPro		69.18 -	.4.2 Ouster	OWLT	o ao E o Univestrin		21.45 -3.4
AvalonAcan	AVACU		0.6 FederatedHer 1.0 FifthWallIII A		45.55 10.26	0.9 LongboardPha 0.1 MSC Industria			.4 Stevanato .1 Stryker	STVN SYK	28.21	-3.8 Ashford -0.6 AudioCodes	AINC AUDC		.2 DarioHealth	DRIO	3.31 -4.0 20.42 -4.0	IntegratedMedia	IVA	0.35 2.51 -	Outsides DeVA/A	OXBRW	0 02 E1 0 VCIGIODAI		1.88 -13.2 0.77 -3.2
AvalonAcqn	AVAC	10.05	0.2 FirstCitizBcsh			1.6 MSG Sports	MSGS		.8 SuperMicroCon		119.24	4.9 Avinger	AVGR		<ul> <li>.0 DimeCommBcs</li> <li>.1 EasternBankshar</li> </ul>			JupiterWellness			.6.2 OxbridgeRevVL	PCB	13.10 -2.2 Vacasa ValleyNatlPfd	VCSA A VLYPP 1	18.29 -1.0
BELLUS Healt			98.9 ForestRoad II			3.5 MagellanMid	MMP		.7 TaylorMorrison		39.26	1.9 BCB Bancorp	BCBP		.0 EastsideDistillir			KearnyFinancial	KRNY	7.70 -		PRK	106.66 -3.6 VerbTech	A VLYPP I	0.08 -32.5
BWX Tech	BWXT	64.95	0.5 GE HealthCar			1.1 ManhattanAs			.4 Tingo	TIO	2.15	1.6 BancCaliforni		11.54 -3.	0 Edato	EGIO		KuraOncology	KURA		43 ParkeBancorp	PKBK	17.04 -0.5 VerdeCleanFu	ols A VGAS	5.40 -14.8
BanvanAcqnA	BYN	10.95	0.8 Gallagher	AJG		1.7 MarinusPharm			.5 TizianaLife	TLSA		8.4 BankofSC	BKSC		.2 Energous	WATT		LakelandFin	LKFN	55.86 -	4.1 PeapackGladFir	l PGC	27.12 -2.6 ViewRay		1.20 -6.9
BookingHldgs	BKNG	2721.85	0.8 GeneralElec	GE	98.52	1.8 Materion	MTRN		.4 TopKingWin	TCJH	4.25	5.0 BankFinancia			.1 EnergyVault	NRGV	1.60 -10.6		LEE		2.6 PearTherap	PEAR	0.03 -38.9 VirnetX	VHC	0.48 20.6
BuildersFirst	BLDR	96.86	2.6 GenerationIn\	Nt GIPF	RW 1.43	4.6 McDonald's	MCD		.6 TractorSupply	TSCO	245.33	1.6 BanyanAcqn	BYN.U	9.66 -2.	4 ENGlobal	ENG	0.33 -5.0		LILM		3,7 PioneerBancorp		8.57 -4.9 WM Tech Wi	MAPSW	0.06 -12.1
CBIZ	CBZ					4.1 MercadoLibre		1337.75 0.		TPH	26.95	3.1 BerkshireHills		22.59 -2.		EVA	22.47 -2.9	LumenTech	LUMN		-4.4 PlugPower	PLUG	8.86 -5.1 Walker&Dunle	op <b>WD</b> 6	67.51 -5.2
CF Acqn VIII A		10.81	0.5 HNR Acqn	HNR		0.4 MeritageHome			.3 UTA Acqn A	UTAA		0.1 BioCryst	BCRX		.1 EquitransMdstr		4.80	LumentFinPfdA	LFTpA		1.9 PremierFinl	PFC	18.83 -3.6 WashTrBcp		31.92 -2.7
Cemex	CX		-1.5 HorizonII A	HZ0		Mettler-Toledo			.4 VEON	VEON	21.48	5.8 BionanoGeno		0.75 -16.		EZFL		MVB Financial	MVBF		4.2 ProgressAcqnV		0.03 -41.3 WestportFue		0.70 -5.6
Chipotle		1798.02	0.2 HorizonSpace			0.3 MotorolaSol	MSI		.1 ViemedHealthca		10.58	0.9 BitdeerTech	BTDR		.9 FB Financial	FBK		MagicSoftware	MGIC		-0.1 ProvidentFinSv		17.71 -2.0 WeWorkWt		0.05 -10.7
CleanHarbors	CLH		-0.1 HuronConsult			1.1 NVR	NVR		.4 VikingTherap	VKTX		3.8 BlueRidgeBks		9.81	FNCB Bancorp			MagyarBancorp	MGYR		1.6 QCR Holdings	QCRH	40.62 -3.5 WeWork		0.44 1.4
Clorox	CLX	161.12	1.5 HysterYaleMa	atis <b>HY</b>	52.18	2.8 NatlInstrumen	ts <b>NATI</b>	58.24 0.	.1 VistaEnergy	VIST	22.84	0.1 BogotaFinl	BSBK	8.55 -0.	.8 FarmersNatlBa	nc FMNB	11.09 -2.8	MainzBiomed	MYNZ	5.11 -	-9.3 QuantaSing	QSG	9.89 6.5 WholeEarthB	ras FREE	2.24 -8.8

Biggest 1,000 Stocks   wsJ.com/stock	Net Stock Sym Close Chg	Stock	Net Sym Close Chg	Stock	Net Sym Close Chg	Stock	Net Sym Close Chg	Stock	Net Sym Close Chg	Stock	Sym Close	Net	
Continued From Page B11 Net Net Stock Sym Close Chg St		TenetHealthcare <b>THC</b> 66.34 1.11 Teradyne <b>TER</b> 99.65 1.54	TraneTech TransDigm	TT 176.09 -0.39 TDG 762.43 7.99	UnionPacific	UNP 199.47 -0.57	Verizon	VZ 38.94 -0.52 VRTX 325.15 -2.59	-	ns <b>WCN</b> 142.97 -0.96 <b>WM</b> 165.38 -0.02	Wolfspeed	<b>WOLF</b> 57.68	0.83
Stock Sym Close Chg STMicroelec STM 50.59 0.15 TJX	X <b>TJX</b> 77.76 0.15	Tesla <b>TSLA</b> 184.31 -2.73 TetraTech <b>TTEK</b> 141.92 -3.50	TransUnion	TRU 63.24 -0.19 TRV 172.00 0.72	UnitedMicro		Viatris	VTRS 9.88 -0.03 VIPS 15.49 0.17	Waters Watsco	WAT 308.39 -1.21 WSO 318.51 6.59		WF 26.79 WDAY 193.54	0.16
SOQUIMICH SQM 83.01 0.67 SumitomoMits SMFG 8.44 0.09 TPG	PG TPG 30.11 0.44	TevaPharm TEVA 8.54 0.04	Trimble	TRMB 48.27 -0.42	UnitedRental	s <b>URI</b> 387.28 3.76	Visa	V 233.60 0.12	WebsterFin	WBS 38.11 -0.86	WW Ent	<b>WWE</b> 105.65	0.19
Sony SONY 91.31 0.16 SunLifeFinancial SLF 48.47 0.27 Taiw	iwanSemi <b>TSM</b> 88.14 0.15	TexasInstruments TXN 180.32 0.27 TexasPacLand TPL 1616.35 -38.95	TruistFinl	TFC 33.85 -0.41	UnitedTherap	USB 35.19 -0.40 UTHR 227.98 -2.37	VMware	<b>VST</b> 24.31 0.06 <b>VMW</b> 126.40 0.34	WellsFargo Welltower	WFC 41.87 0.57 WELL 75.45 0.21	XP	xP 14.05	0.32
	kedaPharm <b>TAK</b> 16.71 0.03	TexasRoadhouse <b>TXRH</b> 108.74 -0.21 Textron <b>TXT</b> 69.34 0.11	TylerTech	TYL 375.00 12.40	UnitySoftwar		VoyaFinancial	<b>VOD</b> 11.32 -0.13 <b>VOYA</b> 76.89 1.15		WCC 143.40 4.00 er WFG 77.05 -0.42		XEL 69.76 XPEV 11.28	-0.15
Southwest Air LLW 32.06 -0.25 Synchrony Fin SYF 30.25 0.29 Tape	rgaResources <b>TRGP</b> 76.86 0.36	ThermoFisher <b>TMO</b> 584.86 -3.74 ThomsonReuters <b>TRI</b> 130.31 0.37	UBS Group	<b>UBS</b> 21.01 -0.07	UniversalHealth	OLED 143.30 -1.38 B UHS 136.80 0.56		VMC 172.36 0.48	WesternDigit	cs <b>WST</b> 362.06 -0.41 al <b>WDC</b> 35.72 -0.30	YPF	<b>XYL</b> 104.19 <b>YPF</b> 12.22	-0.06
Spotify <b>SPOT</b> 134.57 0.79 Sysco <b>SYY</b> 74.77 -0.51 Targ	ckResourcesB <b>TECK</b> 48.10 -0.55	3M MMM 106.27 -0.51 Toast TOST 17.56 -0.21	UGI	UDR 41.20 -0.07 UGI 34.59 -0.30	VF	VFC 22.78 0.34		XYZ	Westlake	m <b>WES</b> 26.68 -0.01 <b>WLK</b> 118.85 0.54	YumChina	YUM 137.58 YUMC 63.52	-0.12
Stantec STN 59.29 -0.32		Toll Bros <b>TOL</b> 62.11 1.63 TopBuild <b>BLD</b> 209.78 9.08		UHAL 60.42 0.10 UHAL/B 54.09 0.15		VICI 32.78 -0.08 MTN 250.87 4.37	WEX	<b>WEC</b> 95.74 -0.76 <b>WEX</b> 191.39 0.48	WestRock Weyerhaeus		ZTO Express ZebraTech	<b>ZBRA</b> 300.63	0.17
StateStreet STT 74.90 2.22 TD Synnex SNX 96.04 0.50 Telef		Toro <b>TTC</b> 105.87 0.50 TorontoDomBk <b>TD</b> 62.18 0.95		<b>USFD</b> 37.83 0.16 <b>UWMC</b> 5.45 0.11		VALE 15.77 0.09 VLO 127.11 -1.19		<b>WPC</b> 72.19 -0.39 <b>WPP</b> 60.14 0.32	WheatonPrecM Whirlpool	et <b>WPM</b> 50.02 0.30 <b>WHR</b> 139.59 2.61	Zillow C Zillow A	<b>Z</b> 45.36 <b>ZG</b> 44.44	-0.21 -0.12
		TotalEnergies <b>TTE</b> 64.19 -0.14 ToyotaMotor <b>TM</b> 137.04 -0.71		UBER 31.73 -0.35 UI 253.79 -1.63		VMI 299.33 -1.58 s VEEV 183.04 4.01		WAB 100.75 0.68 WBA 35.58 -0.36	Williams Williams-Sonon	WMB 30.16 -0.16 na WSM 121.00 2.40	ZimmerBiomet Zoetis	et <b>ZBH</b> 134.32 <b>ZTS</b> 174.45	
		TractorSupply <b>TSCO</b> 245.21 3.97 TradeDesk <b>TTD</b> 62.12 0.92		PATH 15.95 -0.26 ULTA 541.52 7.19		VTR 44.31 -0.10 VRSN 217.97 0.84		<b>WMT</b> 149.85 0.33 <b>WBD</b> 14.27 -0.26		WTW 238.41 0.44 le WSC 43.08 -0.12		<b>ZM</b> 67.27 h <b>ZI</b> 21.81	-0.35 -0.60
		Tradeweb <b>TW</b> 72.50 0.74		<b>UL</b> 53.78		s <b>VRSK</b> 193.14 0.97		WMG 30.72 -0.35		WIT 4.43 0.08		<b>ZS</b> 103.56	

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### **MARKETS**

# Goldman, J&J Pressure Dow Industrials

Bank of America was among other big companies reporting Tuesday

By Eric Wallerstein AND ANNA HIRTENSTEIN

The Dow industrials rode out a batch of corporate earnings to finish near flat despite pressure from shares of Goldman Sachs Group and Johnson & Johnson.

The blue-chip Dow Jones Industrial Average fell 10.55 points, or less than 0.1%, to 33976.63. The S&P 500 advanced 3.55 points, or 0.1%, to 4154.87. The Nasdaq Composite slipped 4.31 points, or less than

**TUESDAY'S MARKETS** 

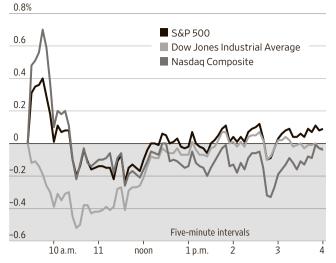
0.1%, 12153.41, posting an eighth loss in 11 trad-

ing days.

Earnings continue to put banks' efforts to weather recent industry strains and tightening from the Federal Reserve on display, Goldman Sachs's stock slipped \$5.77, or 1.7%, to \$333.91 after a slowdown in deal making and a loss on its Marcus loan book hit profit and revenue. Shares of Bank of America rose 19 cents, or 0.6%, to \$30.56, and Bank of New York Mellon added 66 cents, or 1.5%, to \$44.89. Both lenders reported rising revenue.

The stress seen in March was relatively isolated to banks with business-model issues, according to Conor Muldoon, fun-

**Index performance Tuesday** 



Source: FactSet

damental portfolio manager at Causeway Capital Management.

"When the Fed drains the water, you start to see all these problems you didn't see before," he said. "As the Fed continues to tighten, I expect more will be uncovered."

Mr. Muldoon, who co-manages Causeway's international and global value equity strategies, said that credit conditions will begin to crunch once unemployment and delinquencies

The economy will likely feel the effects of that later this vear when higher rates "really start to bite," he said.

Despite an improved outlook for the rest of the year and earnings that beat analysts' expectations, shares of healthcare-products giant Johnson & Johnson shed \$4.66, or 2.8%, to \$161.01.

"I could paint as good of a bullish scenario as I could a bearish one for the economy and markets," said Rick Friedman, portfolio strategist on GMO's asset-allocation team. The severity of a possible recession and speed at which inflation recedes remain unknowns, he said.

GMO is wagering that there is more room for growth stocks to fall while value stocksthose seen as trading inexpensively relative to their values remain discounted. As of the end of February, nearly 21% of GMO's \$4.3 billion portfolio

Despite an improved outlook, Johnson & Johnson shares shed \$4.66, or 2.8% to \$161.01. was invested in hedge funds seeking to profit if that happens, according to Mr. Fried-

Growth stocks, which offer the promise of windfall profits far in the future, benefit from low interest rates. Despite the Fed's record pace of tightening, investors haven't given up on such companies.

An update on the U.S. housing market offered mixed signals. Starts declined far less than expected, while building permits fell substantially. The yield on the benchmark 10-year Treasury note fell to 3.571% from 3.590% Monday.

The pan-continental Stoxx Europe 600 finished 0.4% higher.

Chinese stocks were mixed after data showed that the county's economy had expanded more than analysts had forecast. The Shanghai Composite Index rose 0.2%, while Hong Kong's Hang Seng Index fell 0.6%. Early Wednesday. the Hang Seng was down 0.7% and the Shanghai benchmark was down 0.2%.

On Tuesday, Japan's Nikkei Stock Average rose for an eighth straight trading day,

logging its highest close since August. Early Wednesday, the Nikkei was down 0.2%.

### **AUCTION RESULTS**

Here are the results of Tuesday's Treasury auction. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

Applications Accepted bids noncompetitively

Bids at clearing yield accepted

### Lawmakers Float Bills To Boost Investments

By Chris Cumming

The private-equity industry may be facing heat from U.S. regulators, but it still has allies among lawmakers on Capitol Hill. Three bills pending in the House would ease rules for private-equity managers, legislative records show.

One of the measures, introduced last week by Reps. Ann Wagner (R., Mo.) and Gregory Meeks (D., N.Y.), would make it easier for ordinary investors to get access to private equity through closed-end funds, potentially giving buyout firms a lucrative new source of capital.

Two other bills from Rep. Andy Barr (R., Kv.) would exempt more private-equity and venture-capital firms from oversight by the Securities and Exchange Commission. Mr. Barr chairs the House Financial Services subcommittee on financial institutions.

No vote has been scheduled on any of the three bills and it remains unclear whether they will attract support from other lawmakers.

Mr. Barr said his proposals are intended to increase capital flows to small business.

'Now more than ever, we need to incentivize economic growth and lending to small businesses, entrepreneurs, and American innovators," he

The proposals are part of an effort, which is supported by House Financial Services Committee chair Rep. Patrick McHenry (R., N.C.), "to get our economy going again as we continue to grapple with historic inflation and excessive government impediments to

new business formation," Rep. Barr wrote.

The private-fund proposals introduced Thursday reflect this pushback against increased regulation of the private-equity industry, said James Maloney, founder and managing partner of Tiger Hill Partners, a communications and lobbying group that works with private-equity firms.

"Industry-friendly legislation serves as a political counterbalance to perceived overreach by the administration's regulators," he said, "Republican-led attempts at regulatory relief are likely to increase in both volume and range."

The bill introduced by Ms. Wagner and Mr. Meeks would amend the Investment Company Act of 1940 to prevent the law from being used to limit the amount that a closedend fund could invest in a private fund. The change, if enacted, would make it easier for less-wealthy people to invest in the asset class.

Two of Mr. Barr's bills would loosen regulation for smaller private-equity and venture firms. Under the 2010 Dodd-Frank law, private firms with less than \$150 million in assets don't have to register with the SEC. Mr. Barr's bill would tie that asset level to inflation so that it rises over time. His other bill would expand the range of investments that venture-capital firms can make without triggering SEC registration requirements.

The American Investment Council, private equity's largest lobbying group, didn't immediately provide comment on the three House proposals.

# Institutional Investors Expect To Add to Private Equity, Credit

By ROD JAMES

Investor appetite for private equity remains strong even as interest rates climb above levels that drove yieldseeking managers into private markets for more than a decade, according to a survey by asset manager BlackRock Inc.

Over 70% of the roughly 200 institutional investors responding to the survey plan to put more money into private equity this year, and more than half expect to increase allocations to private credit, BlackRock said. The survey canvassed the views of senior executives whose organizations account for \$3.2 trillion of private-market as-

Here are a few additional takeaways from the investor poll, which the New York firm carried out between October 2022 and January 2023.

Income generation takes precedence over capital appreciation.

More than 80% of respondents to the survey cited income generation as an important factor driving allocations to private markets, with capital appreciation the secondmost cited factor at 58%.

The focus on income is particularly strong among investors in Europe, the Middle East and Africa, where 87% cited it as an important driver.

Private-credit funds stand to benefit from these priorities as the floating-rate loans typically financed through the vehicles will yield greater re-

turns as interest rates rise, said Phil Tseng, co-head of U.S. private credit at Black-Rock Alternatives. Credit investors can also "drive deal structures and covenants," which Mr. Tseng said "has led to stronger protections, lower defaults and higher recoveries" compared with public debt markets.

Despite the focus on income, appetite remains

strongest for private equity. Private equity outshone all other alternatives among survey participants, with 72% increase to their private-equity allocation this year. Jon Seeg, global co-head of private equity for BlackRock Alternatives, said investors may favor the asset class because private-equity funds invested during a downturn tend to achieve above-average returns

later on. "I know from talking to my neers that the denominator effect really worked against new allocations [last year]," an alternative-investments manager with a U.S. corporate pension told the survey takers. As portfolios rebalanced-whether because of exits, revaluations of private holdings or improvements in publicly traded securities— "there's more capacity this

Illiquidity remains the chief barrier to investing in private markets.

Despite an expanding market for secondhand fund stakes, which often provide a way for investors to cash out of private-equity investments, 49% of survey respondents cited the illiquid nature of funds and having to lock up money for years at a time as a barrier to investing in private markets. The value of secondary investments reached \$108 billion last year, just under a record set in 2021.

Reaching a consensus on private investments also deters commitments. Difficulty getting buy-in from others in the investing organization represents one of the biggest obstacles to making a complanning a small or significant mitment, according to 41% of respondents.

> Surveyed groups account for \$3.2 trillion of private market assets.

Deal sourcing trumps track record when choosing a manager.

While 31% of respondents cited track record as a priority when making a commitment to a fund manager, that history takes a back seat to the ability to unearth good deals. Finding managers with exceptional deal-sourcing capabilities ranked as the main priority for 45% of participating investors.

"Investment opportunities in private markets aren't uniformly distributed like you see in public markets, where there's a very transparent

fair shot at the deal," a money manager with a Canadian family office told the survey takers. Having access to good, proprietary deals enables managers to influence their structure and drive better terms, the manager said. Distress and emerging-

process and everybody gets a

market infrastructure counted among the most attractive investments this vear. Subsectors that benefit

from market dislocation, such as debt tied to infrastructure, real estate and distressed assets, provide some of the best investment opportunities this year, according to at least half of survey respondents. Emerging-market infrastructure, residential real estate and niche properties such as data centers and cold-storage warehouses also offer good opportunities, according to respondents.

Mature companies took the top spot among private-equity investors, with 56% citing the category as the biggest investment opportunity. Venture-capital and secondary transactions followed, at 40% and 39%, respectively.

"I think people are cautious right now, so mature companies make sense," said a U.S. corporate pension executive who specializes in alternatives. "Given the uncertainty we're living with and the higher cost of capital, venture could be seen as a risky but attractive opportunity if you have the right manager and the right fund."



At Bank of America, unrealized losses on bonds have shrunk by \$17.1 billion from six months ago.

### UnrealizedLosses on Bonds Fall

Continued from page B1 loss. But unrealized losses spiked. Such losses on Bank of

America's held-to-maturity bond portfolio grew to more than \$116 billion at the end of September, meaning that if it hypothetically had to recognize those losses, it would erase 43% of its total equity. That is the difference between assets and liabilities, and it is typically considered to be a cushion that can absorb losses.

After the banking turmoil began, bond yields dropped sharply. Between March 9, the day before SVB failed, and the end of the quarter, the yield on the 10-year Treasury note fell 0.43 percentage point to

3.49%. It edged up to 3.57% on Tuesday.

That yield, which is the benchmark for many types of bonds stowed in banks' securities portfolios, has been falling largely because the banking turmoil heightened fears of a recession.

In turn, unrealized losses have been shrinking. Bank of America said Tuesday that unrealized losses on its held-tomaturity portfolio had shrunk to \$99.08 billion, or 35% of equity. The losses are shrinking because rates are falling and because some of the bonds are maturing.

Bank of America's unrealized bond losses were recently bigger than any other large bank, The Wall Street Journal reported, but other banks have unrecognized losses too. JP-Morgan Chase & Co. had unrealized losses on its held-tomaturity portfolio of almost \$31 billion at the end of March, according to its latest earnings. That is down from more than \$40 billion at the

end of September.

The entire industry had some \$620 billion of unrealized losses on their bond portfolios at the end of last year, according to the Federal Deposit Insurance Corp.

SVB's portfolio was more lopsided than those of its larger competitors.

At the end of September, SVB's \$15.9 billion in unrealized losses on its bond portfolio were greater than its \$15.8 billion in shareholder equity. That gave it very little breathing room to avoid selling bonds at a loss if it needed to, say, meet customer withdrawals.

SVB's deposit base also turned out to be especially flighty. When its tech-focused customers got wind of the bank's rickety financial state, they pulled more than \$40 billion in deposits in a single day. Deposits at big lenders such as Bank of America and JPMorgan have proven far more stable. Both added deposits after SVB's failure sparked a run on a number of smaller banks.