

THE WALL STREET JOURNAL.

What's News

Business & Finance

OPEC's decision to slash oil production has Washington considering responses that could include measures aimed at breaking the cartel's hold on markets or limiting U.S. oil exports should shortages emerge. **A1**

◆ **TikTok parent** ByteDance saw its operating losses more than triple last year to above \$7 billion as it spent heavily to continue its torrid growth. **A1**

◆ **Banks that agreed** to fund Musk's takeover of Twitter face the possibility of big losses now that he has indicated a willingness to follow through with the deal. **A1**

◆ **A Delaware judge** presiding over the clash between Musk and Twitter postponed a trial in the matter, adding fresh uncertainty to efforts to close the transaction. **B1**

◆ **U.S. stocks moved** lower, with the S&P 500, Dow and Nasdaq falling 1%, 1.1% and 0.7%, respectively. **B11**

◆ **Peloton said** it plans to cut about 500 jobs, roughly 12% of its remaining workforce, in the company's fourth round of layoffs this year. **B1**

◆ **Juul's CEO told** staff the company is scrapping plans for an overseas expansion, has refinanced some debt and is fighting for its survival. **B1**

◆ **Brookfield is joining** with independent publisher Primary Wave Music in a \$2 billion deal to invest in music copyrights. **B1**

◆ **AMD cut** its revenue forecast for the most recent quarter, citing weaker-than-expected demand for the PCs that use its chips. **B4**

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◆ **A senior DOJ official** told Trump's legal team that law-enforcement officials don't believe he returned all of the government documents he took with him when he left the White House, people familiar with the matter said. **A4**

◆ **President Biden said** he will pardon all prior federal offenses of simple possession of marijuana and will call on federal regulators to review how the drug is classified. **A3**

◆ **Prosecutors are** holding off on a final decision on whether to bring a case against Hunter Biden while they review defense evidence in the investigation, said people familiar with the matter. **A4**

◆ **A member of** the Proud Boys pleaded guilty to seditious conspiracy for his role in the Capitol attack, providing a boost to federal prosecutors ahead of a trial against other members of the group. **A4**

◆ **Trump is jumping** into the midterm-election ad wars with a pair of spots in the hotly contested Pennsylvania and Ohio Senate races. **A6**

◆ **Iran protests** have spread to universities and high schools, infusing fresh energy into the demonstrations. **A10**

◆ **The Nobel Prize** in literature was awarded to French author Annie Ernaux. **A9**

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Thailand Reels After Deadly Rampage at a Child-Care Center



TRAGIC SCENE: Victims were gathered at a hospital in northeast Thailand on Thursday after an attack that began at a child-care center left at least 36 dead, including 24 children. Authorities identified the assailant as a former police officer. **A10**

U.S. Plots Response To OPEC After Cut In Output

Steps weighed include retaliation against the cartel and moving to curb nation's exports

By **TIMOTHY PUKO** AND **BENOÎT MORENNE**

WASHINGTON—OPEC's decision to slash oil production has Washington considering responses that could include measures aimed at breaking the cartel's hold on markets or limiting U.S. oil exports should shortages emerge.

The cutback by the Organization of the Petroleum Exporting Countries and its Russia-led allies is the latest dilemma for President Biden, who has sought to transition the U.S. away from fossil fuels while at the same time keeping consumer prices in check.

A long fall in gasoline prices has started to reverse, and this week's decision by OPEC to cut oil production by 2 million barrels a day threatens to push prices higher again just weeks before the Nov. 8 midterm elections.

Mr. Biden and lawmakers have decried the decision, raising the prospect of retaliatory action against OPEC and Saudi Arabia, its largest producer. Congressional leaders are threatening legislation that would charge OPEC members in front of the World Trade Organization or subject them to U.S. antitrust law.

The OPEC production cut threatens to accelerate an overhaul of U.S.-Saudi relations that began to take shape with the rise of King Salman's

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◆ Gasoline prices rise after a long decline..... **A4**
◆ Chevron faces hurdles in Venezuela..... **B10**

TikTok's Rapid Growth Leads To Swelling Losses for Owner

By **SALVADOR RODRIGUEZ**

TikTok parent ByteDance Ltd. saw its operating losses more than triple last year to more than \$7 billion as it spent heavily to continue its torrid growth, according to a financial report shared with employees that offers a rare look inside the private company's closely guarded finances.

ByteDance also produced an operating profit in the first quarter of 2022, the report showed, indicating one of the world's most valuable startups could be turning a corner after

years of incurring large losses. As a private company based in Beijing, ByteDance has closely guarded its finances and doesn't publicly disclose results. The report—sent to employees in August and covers the full years for 2020 and 2021 as well as the first quarter of 2022—provides one of the most detailed looks at how it is performing and is planning for the future.

The report shows a company rapidly increasing its revenue, accumulating a massive war chest of cash and other investments, but with

net results weighed down by tens of billions of dollars in unrealized market losses on convertible securities.

An unrealized loss occurs when the market value of a security drops even though the asset hasn't been sold.

Largely because of the accounting treatment of those securities, ByteDance's net loss widened by more than 87% to \$84.9 billion in 2021, according to the report.

ByteDance's revenue continues to expand, up nearly 80% to \$61.7 billion in 2021, but so too are the company's ex-

penses as it focuses on growth. Its cost of sales rose 79% from a year earlier to \$27.4 billion for 2021. Among the factors offsetting its rapid revenue growth: \$14.6 billion in research and development spending, \$19.2 billion in selling and marketing expenses, and \$75.6 billion in market-value changes on a range of convertible securities. That was up more than 76% compared with 2020.

The Chinese company's operating losses in 2021 totaled \$71.5 billion, up from \$2.14 billion in 2020.

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INSIDE



JASON GAY
Fishy fish and messy chess: Scandals in the sports world take a turn. **A14**



MANSION
'Game of Thrones' meets 'Harry Potter' inside a Beverly Hills home. **M1**

Banks Funding Musk's Deal For Twitter Risk Major Hit

Banks that agreed to fund Elon Musk's takeover of Twitter Inc. are facing the possibility of big losses now that the billionaire has shifted course

By **Alexander Saeedy, Laura Cooper and Ben Dummett**

and indicated a willingness to follow through with the deal, in the latest sign of trouble for debt markets that are crucial for funding takeovers.

The \$44 billion deal, which Mr. Musk had been trying to walk away from, would be paid

for in part with some \$13 billion of debt seven banks including Morgan Stanley, Bank of America Corp. and Barclays PLC agreed to provide when the takeover was sealed in April.

As is typical in leveraged buyouts, the banks planned to unload the debt rather than hold it on their books, but a decline in markets since April means that if they did so now they would be on the hook for losses that could run into the hundreds of millions of dollars, according to people familiar with the matter.

Banks are currently looking

at an estimated \$500 million in losses if they tried to unload all the debt to third-party investors, according to 9fin, a leveraged-finance analytics firm.

A Delaware judge ordered on Thursday a halt in the litigation over the stalled takeover, giving Mr. Musk and Twitter until Oct. 28 to close the deal. If the parties don't close the deal by then, a trial to settle the dispute would begin in November, the judge said.

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◆ Delaware judge postpones Twitter trial..... **B1**

Adventure Seekers Want to Go Off the Grid—but Not Too Far

Trying to get away from it all, some find they can't get back into their Zipcar

By **SARAH DONALDSON**

Marissa Battle and two friends marched out of the woods after a strenuous 5-mile hike near Olympic National Park, excited for the rest of their "Twilight" getaway weekend in Forks, Wash., the rural setting for the popular vampire romance saga.

Then they got a jolt: They were locked out of the car. The trio had rented a Hyundai Elantra from Zipcar Inc., which had given the vehicle the fun name of "Monroe." The car-sharing service owned by Avis Budget Group Inc. operates rental cars equipped

with radio-frequency identification, known as RFID, and Bluetooth technology. "Monroe" is locked and unlocked through an app on a cellphone.

Despite being on a first-name basis with their car, the three friends couldn't get inside. Because the trailhead was so remote, there was no cell service. They figured that without a signal, Monroe couldn't hear them.

Another thing you can't do without cell service is easily summon help. At the trailhead, with the late-afternoon sun sinking, they debated whether to scrounge for a ride. "We were kind of making a gamble of like, 'OK, Please turn to page A10

TOMORROW



WSJ. MAGAZINE
PALOMA ELSESSER

Kyiv Woos Wall Street To Fund Rebuild Effort

Ukraine is using unconventional strategies in a bid to win over Wall Street.

Government officials have negotiated more than \$30 billion in international loans and aid and wrangled a \$6 billion

debt holiday from Wall Street investors this year. Now they hope to raise tens of billions of dollars more by raising debt with foreign backing similar to the "Brady Plan," which helped Mexico and other developing countries access bond markets in the 1980s.

Ukraine needs funding to keep its economy functioning in wartime, and to rebuild once hostilities have subsided. The country expects to run \$36 billion—or about 50%—

over budget next year, and reconstruction will cost an estimated \$349 billion, according to a World Bank report.

"How can we use official-sector support to bring the private sector into the reconstruction phase?" said Yuriy Butsa, head of public debt management in Ukraine's Finance Ministry. "That's the conversation I want to be busy with for the next half year."

Like Ukraine's military, the Finance Ministry has used unorthodox tactics to achieve its goals with surprising success. Emerging-market bond restructurings typically take months or years, but Ukraine pushed through its deal in

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◆ Kyiv presses allies for longer-range missiles..... **A8**

U.S. NEWS

Alcohol Nutrition Labeling Push Advances

By KRISTINA PETERSON

WASHINGTON—How many calories are in that glass of wine? Right now, the bottle of wine isn't telling—but that could be changing.

The Treasury Department, which oversees labels for most alcoholic beverages, is considering requiring makers of wine, beer and distilled spirits to provide more information on what consumers are drinking, including labels that show ingredients and calories.

The department's Alcohol and Tobacco Tax and Trade Bureau indicated in June that it was considering changes to alcohol labeling. Industry officials following the action say they expect to see new proposals around disclosing allergens and ingredients either later this year or early 2023.

Consumer groups are stepping up pressure on the government. This week, a coalition of consumer advocacy groups including the Consumer Federation of America sued the Treasury Department, in U.S. District Court in Washington, asking the agency to respond to a 2003 petition in a bid to get the push for new labels for alcohol across the finish line.

"There have been numerous times that alcohol labeling seemed to be picking up steam and we don't have a ton to show for it," said Matthew Simon, deputy litigation director at the Center for Science in the Public Interest, a food and health watchdog group, which is also part of the suit.

The Treasury Department declined to comment on the lawsuit.

Requiring more information about serving size, calories and alcohol content could help people trying to watch their health and keep their drinking within recommended limits, according to public-health experts.

"A nutrition label that reduces how much math people have to do in order to monitor their consumption—we already know from other nutritional labels that makes everybody's life easier," said Susan Koch-Weser, a public-health professor at the Tufts University School of Medicine.

Trade groups representing beer, wine and spirits makers said they were already disclosing more information voluntarily on their labels and raised some concerns about the new rules.

The beer industry began a

voluntary program disclosing calorie, nutrition, ingredients and serving information in 2016. The Beer Institute said 95% of the beers sold by participating companies, which include **Anheuser-Busch In-Bev SA**, **Molson Coors Beverage Co.** and **Heineken USA**, disclose the information.

"It's something we've been working on for years and we're happy to have led the way on this," said Alex Davidson, director of public affairs at the Beer Institute.

Winemakers are open to giving consumers more information but are concerned about the aesthetic impact on wine labels and the costs for small vintners, said Michael Kaiser, executive vice president of the WineAmerica trade group.

One distinct challenge for

wine would be testing each new vintage of each wine to specify an exact calorie count, he said, suggesting a range of calories would work better.

U.S. makers of bourbon, vodka and other distilled spirits are moving to disclose more information.

The Distilled Spirits Council of the U.S. said last week that a group of major spirits makers would voluntarily state a serving size, calories per serving and some nutritional information, either on the label or through a scannable code. The group didn't commit to disclosing ingredients, however.

"We anticipate that we're going to have industry guidance on that in the near future," said Amanda Berger, vice president of science and health for the trade group.

She said one complication with distilled spirits is that ingredients may change during the distilling process. For example, a company might use wheat in the distilling process, but not have wheat as an ingredient in the final product.

The government requires all distilled spirits and some wines with an alcohol content of 7% or greater to include the alcohol by volume on its label. The Treasury Department in 2006 considered requiring disclosure of potential major allergens, such as wheat or milk, but never completed a proposal. It also never completed a 2007 proposal to require alcohol content, serving size, calorie and information around the amount of carbohydrates, fat and protein per serving.

Vaping Grows Among Teens, but Juul Slips

By JENNIFER MALONEY

Puff Bar this year remains the most popular brand of e-cigarette among young people, while **Juul**—the brand that helped make vaping popular among teens—has fallen off youngsters' radar, according to new federal data.

About 14% of U.S. high-school students—an estimated 2.1 million of them—said they had used e-cigarettes at least once during the past 30 days. An estimated 2.55 million total students, including those in middle school, had vaped during the past 30 days, according to the survey.

The data are based on a national survey conducted between Jan. 18 and May 31.

Last year, about 11% of U.S. high-school students, or an estimated 1.7 million, said they had used e-cigarettes at least once during the past 30 days.

The annual school-based survey is conducted by the Food and Drug Administration and the Centers for Disease Control and Prevention. Since 1999, it has collected information on tobacco use from middle-school and high-school students. The CDC said changes in methodology over the past two years because of the Covid-19 pandemic made this year's survey difficult to compare with prior years.

About 14.5% of middle- and high-school vapers said their usual brand was **Puff Bar**, which was followed in popularity by Reynolds American Inc.'s refillable **Vuse** brand with 12.5%, **Hyde** with 5.5% and **Smok** with 4%. Some 22% of young vapers reported that their usual brand was a brand other than the 13



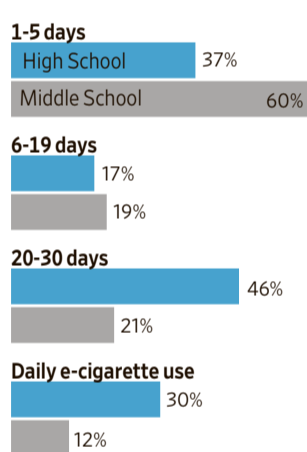
About 14.5% of middle- and high-school vapers said Puff Bar was their usual brand. Puff Bar doesn't have FDA authorization for sales.

listed on the survey. The number of young people who identified **Juul** as their usual brand was too small to be statistically reliable, the CDC said.

Puff Bar is selling its e-cigarettes in the U.S. unlawfully without FDA authorization, according to a warning letter sent by the agency to **Puff Bar** on Thursday. **Puff Bar** submitted an application earlier this year to the FDA for authorization of its products, and that application is pending, according to the company.

Puff Bar co-CEO Nick Minas Thursday said the company hasn't manufactured enough product over the past two years for its brand to have had a substantial effect on youth use, and that preventing youth use was **Puff Bar's** top priority. He said that young people in the survey had used the term "Puff Bar" to refer to other similar e-cigarette brands.

Reported e-cigarette use within the past 30 days*



*Among current users

Source: National survey conducted by the FDA and CDC between Jan. 18 and May 31.

"This is a very unfortunate circumstance and only makes more room for nefarious brands and players to continue to

profit and illegally sell," Mr. Minas wrote in a text message to The Wall Street Journal, adding that he was disappointed by the FDA's warning letter.

Reynolds Thursday said it is committed to preventing youth access to its products. The company called on regulators and retailers to remove what it described as irresponsible disposable e-cigarettes from the market.

The FDA Thursday also ordered e-cigarette manufacturer **Magellan Technology Inc.** to take its **Hyde** e-cigarettes off the market, rejecting an application **Magellan** had submitted to the agency.

"We intentionally have done no direct marketing to the consumer from the very beginning to hopefully avoid this issue," **Magellan** said.

Juul Labs Inc. in 2018 attracted regulators' attention when its flash-drive-shaped va-

porizers became a teen status symbol. For three years, it was the most commonly used e-cigarette brand among U.S. high-schoolers. Under pressure from regulators and facing investigations into its marketing practices, **Juul** halted most of its U.S. advertising, shut down its Facebook and Instagram accounts and stopped selling most of its flavors in the U.S.

Thousands of lawsuits have been filed against **Juul** over the past several years, alleging that the company marketed its e-cigarettes to children. Since last year, **Juul** has agreed to pay more than \$525 million in settlements. **Juul** has said it never marketed to underage users.

Juul is now in a dispute with the FDA over whether it can keep its e-cigarettes on the U.S. market.

◆ **Juul CEO says company is fighting for its survival.....** B1

Banks Face Big Losses On Twitter

Continued from Page One

Representatives of Mr. Musk and Twitter had been trying to hash out terms of a settlement that would enable the stalled deal to proceed, grappling with issues including whether it would be contingent on Mr. Musk receiving the debt financing, as he is now requesting.

The debt package includes \$6.5 billion in term loans, a \$500 million revolving line of credit, \$3 billion in secured bonds and \$3 billion in unse-

cured bonds, according to public disclosures. To pay for the deal, Mr. Musk also needs to come up with about \$34 billion in equity. To help with that, he received commitment letters in May for over \$7 billion in financing from 19 investors including Oracle Corp. co-founder and Tesla Inc. then-board member Larry Ellison and venture firm Sequoia Capital Fund LP.

The Twitter debt would be the latest to hit the market while high-yield credit is effectively unavailable to many borrowers, as buyers of corporate debt are demanding better terms and bargain prices over concerns about an economic slowdown.

That has dealt a blow to a business that represents an important source of revenue for Wall Street banks and has already suffered more than \$1 bil-

lion in collective losses this year.

The biggest chunk of that came last month, when banks including Bank of America, Goldman Sachs Group Inc. and Credit Suisse Group AG sold debt associated with the \$16.5 billion leveraged buyout of Citrix Systems Inc. Banks collectively lost more than \$500 million on the purchase, the Journal reported.

Banks had to buy around \$6 billion of Citrix's debt themselves after it became clear that investors' interest in the total debt package was muted.

"The recent Citrix deal suggests the market would struggle to digest the billions of loans and bonds contemplated by the original Twitter financing plan," said Steven Hunter, chief executive at 9fin.

People familiar with Twitter's debt-financing package

said the banks built "flex" into the deal, which can help them reduce their losses. It enables them to raise the interest rates on the debt, meaning the company would be on the hook for higher interest costs, to try to attract more investors to buy it.

However, that flex is usu-

\$34B

Equity Mr. Musk also needs to come up with to pay for deal

ally capped, and if investors still aren't interested in the debt at higher interest rates, banks could eventually have to sell at a discount and absorb losses, or choose to hold the borrowings on their books.

The leveraged loans and bonds for Twitter are still waiting to be split up and sold by banks for buyout deals, according to Goldman data. That includes debt associated with deals including the roughly \$16 billion purchase of Nielsen Holdings PLC, the \$7 billion acquisition of automotive-products company Tenneco and the \$8.6 billion takeover of media company Tegna Inc.

Private-equity firms rely on leveraged loans and high-yield bonds to help pay for their largest deals. Banks generally parcel out leveraged loans to institutional investors such as mutual funds and collateralized-loan-obligation managers.

When banks can't sell debt, that usually winds up costing them even if they choose not to sell at a loss. Holding loans and

bonds can force them to add more regulatory capital to protect their balance sheets and limit the credit banks are willing to provide to others.

In past downturns, losses from leveraged finance have led to layoffs, and banks took years to rebuild their high-yield departments. Leveraged-loan and high-yield-bond volumes plummeted after the 2008 financial crisis as banks weren't willing to add on more risk.

Indeed, many of Wall Street's major banks are expected to trim the ranks of their leveraged-finance groups in the coming months, according to people familiar with the matter. Still, experts said that banks look much better positioned to weather a downturn now, thanks to postcrisis regulations requiring more capital on balance sheets and better liquidity.

"Overall, the level of risk within the banking system now is just not the same as it was pre-financial crisis," said Greg Hertrich, head of U.S. depository strategy at Nomura.

Last year was a banner year for private-equity deal making, with some \$146 billion of loans issued for buyouts—the most since 2007. However, continued losses from deals like Citrix and potentially Twitter might continue to cool bank lending for M&A.

"There's going to be a period of risk aversion as the industry thinks through what are acceptable terms for new deals," said Richard Ramsden, an analyst at Goldman covering the banking industry. "Until there's clarity over that, there won't be many new debt commitments."

—Cara Lombardo contributed to this article.

Florida Ban on Vaccine Mandates Is Upheld

By JACOB GERSHMAN

A federal appeals court ruled Thursday that Florida can bar businesses from requiring proof of Covid-19 vaccination of their customers.

The 2-1 ruling from the 11th U.S. Circuit Court of Appeals tossed out a lower-court ruling that had found the state's prohibition on proof of vaccination violated the speech rights of **Norwegian Cruise Line Holdings Ltd.**, which challenged it in court.

The appeals court said Florida's law, which was signed last year by Republican Gov. Ron DeSantis, didn't implicate the First Amendment.

"Florida's statute is a regulation of economic conduct that only incidentally burdens speech," wrote Judge William Pryor, a President George W. Bush appointee. He said the law served the state's interest by protecting unvaccinated residents from discrimination and invasions of privacy.

The appeals court also said Florida's measure wasn't an unlawful burden on interstate commerce.

Norwegian, which had one of the strictest vaccination-proof policies in the cruise industry, removed its masking and vaccination requirements this week amid receding Covid cases and hospitalizations.

Lawyers for the company told the 11th Circuit panel earlier this week that its new policies likely rendered Florida's appeal moot. Judge Pryor's opinion didn't address Norwegian's lifting of its requirements.

The lawsuit dealt directly with vaccine rules on cruises, but the law applied more broadly to businesses, preventing grocery stores, restaurants, fitness gyms and pharmacies from denying service to unvaccinated customers.

In support of the policy, Mr. DeSantis said, "Requiring so-called Covid-19 vaccine passports for taking part in everyday life... would create two classes of citizens based on vaccination."

Norwegian said requiring that all passengers and crew be fully vaccinated was the surest guard against Covid-19 transmission on its ships and that most of its passengers preferred fully vaccinated voyages.

Judge Robin S. Rosenbaum, appointed by President Barack Obama, wrote a dissenting opinion. She said any benefits of the law cited by Florida were far outweighed by its threat to commerce by making "the spread of Covid-19 significantly more likely—especially in the cruise setting."



Florida Gov. Ron DeSantis

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

Editorial and publication headquarters:
1211 Avenue of the Americas, New York, N.Y. 10036

Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.

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

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CORRECTIONS & AMPLIFICATIONS

The price of Brent crude on Wednesday rose 1.7%. In some editions Thursday, a Page One article about production cuts by the Organization of the Petroleum Exporting Countries and its allies incorrectly gave the increase as 2.7%.

The name of Uber Technologies Inc. was given incorrectly as Uber Inc. in some editions Thursday in a Business & Finance article about the trial of the ride-sharing company's former chief security officer.

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

U.S. NEWS

Biden To Pardon Marijuana Offenses

BY STEPHANIE ARMOUR
AND LAURA KUSISTO

President Biden said on Thursday he will pardon all prior federal offenses of simple possession of marijuana and will call on federal regulators to review how the drug is classified.

The president called on governors to take similar actions, while saying limitations on trafficking, marketing and underage sales should stay in place.

"Sending people to prison for possessing marijuana has upended too many lives and incarcerated people for conduct that many states no longer prohibit," Mr. Biden said.

Mr. Biden's actions mark a major step toward decriminalizing marijuana, which remains illegal under federal law even though 19 states and Washington, D.C., have legalized adult use for recreation.

Most people are convicted of simple marijuana possession in state courts, rather than federal.

"Even if just Blue State governors were to pick up Biden's call, we'd be talking about tens of thousands of people," said Douglas Berman, a law professor who specializes in drug-sentencing policy at the Ohio State University.

The moves, which opinion polls have found are popular among a majority of Americans, come during the final weeks of close campaigns for the House and Senate that Democrats are seeking to keep control of.

The actions could open up the Biden administration to accusations of being soft on crime, at a time when rising crime rates in some areas have become a campaign issue.

"In the midst of a crime wave and on the brink of a recession, Joe Biden is giving blanket pardons to drug offenders—many of whom pled down from more serious charges," Sen. Tom Cotton (R, Ark.) said Thursday in a tweet.

The pardons will affect 6,500 people convicted of federal offenses for simple possession from 1992 to 2021, as well as thousands of people in Washington, D.C., according to senior administration officials.

The president wants to end what he calls a failed approach to marijuana that disproportionately affects people of color with simple possession convictions, the officials said.

Mr. Biden also plans to direct the Department of Health and Human Services and attorney general to review the status of marijuana as a schedule 1 controlled substance, a category that also includes heroin and LSD, the officials said.

Shootings, Gun Hoaxes Vex Schools

BY SCOTT CALVERT
AND BEN CHAPMAN

A rise in gun-related incidents at school campuses across the country this year has rattled parents, students and educators, leading some school districts to beef up security measures.

In Rock Hill, S.C., authorities recently recovered guns at three schools on three consecutive days, including at a middle school where police say a 14-year-old boy pulled a handgun on a fellow student. According to police, the 14-year-old student was involved in a fist fight in a school bathroom when a gun fell out of his pants. The youth picked up the gun and pointed it at a student, sending his classmates fleeing, police said.

The back-to-back-to-back gun episodes were a new and startling phenomenon for the district of about 16,700 students near the North Carolina state line.

"It was a seismic event. That's unprecedented," said Kevin Brackett, the region's long-serving elected prosecutor.

Far more guns have turned up in U.S. schools during the first two months of this school year compared with recent years, according to the nonprofit Gun Violence Archive, which tracks news accounts and police reports. The archive documented more than 220 gun seizures in August and September across 35 states, up from 128 in the same period last year and 132 in 2019. Many schools were remote in fall 2020 because of the coronavirus pandemic.

Reports of gun violence—where guns are brandished or fired in schools, or a bullet hits school property, including during nights and weekends—also are up this calendar year. Through Tuesday, the nonprofit K-12 School Shooting Database listed 224 incidents, versus 182 at the same point in 2021. Nearly half of this year's incidents, 103, had at least one shooting victim, according to the database.

As real incidents have gone up, so have fake ones. Schools nationwide are contending



Chris Nelson, a school resource officer, stood in the hall of South Pointe High School in Rock Hill, S.C., as students arrived for the day.

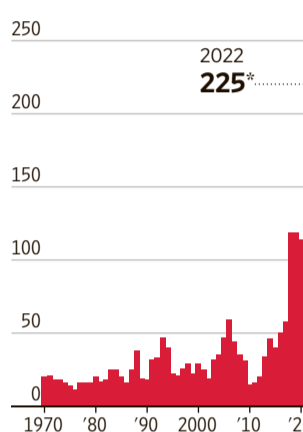
with a rash of so-called swatting, or hoax 911 calls about bogus active shooters, said the National Association of School Resource Officers. Since Sept. 9, the nonprofit said, it has tracked reports of swatting incidents in at least 17 states and the District of Columbia.

Educators and law-enforcement officials say the rise in gun incidents on campuses mirrors the worsening violence in the U.S. since the start of the pandemic in 2020, as well as an uptick in behavioral problems among students who struggled with social isolation during remote learning.

They say more guns also are being found due to random searches and a willingness by students to alert adults about firearms after the May mass shooting in Uvalde, Texas, that killed 19 elementary school students and two teachers.

"Parents, students, educators are on edge after Uvalde," said Kenneth Trump, president of National School Safety and Security Services, a Cleveland-based consulting firm. He said he has never been busier with

Annual gun-related incidents at U.S. K-12 schools



*Through Wednesday, Oct. 5

Note: Includes when a gun is brandished, is fired, or a bullet hits school property for any reason, regardless of the time, or the day of the week.

Source: David Riedman (2022). K-12 School Shooting Database

requests for training events and safety assessments, and has never seen such a rise in the prevalence of guns on campus.

School shootings so far this school year have claimed the lives of students, some of whom were targeted, while

others were killed as bystanders. In Tulsa, Okla., police said a 17-year-old was fatally shot on Sept. 30 at a homecoming football game. In Philadelphia, a 14-year-old died after he and several other teens were ambushed Sept. 27 by a group of shooters outside a high school following a football scrimmage, according to police.

Some school districts are moving to harden buildings. In Wichita, Kan., officials recently placed a \$927,000 order for 58 portable metal detectors for key entrances at the district's 10 public high schools. The school board authorized the deal after five guns were found at high schools in the first few weeks of the school year.

It was a jarring increase over last year, when 11 guns were found all school year, the district said.

In Rock Hill, where all schools have armed security, whether law-enforcement officers or private contractors, the three gun incidents resulted in five boys being charged with illegal gun possession, authorities said. One

boy's mother was charged with obstruction of justice.

The school district has stuck with safety procedures it had in place when the school year began, said Superintendent Tommy Schmolze. They include stepped-up random searches and an anonymous tip line. The district employs metal detectors at some events and hasn't ruled out increasing their use, he said.

The first of the three incidents occurred at South Pointe High on Aug. 29. Daniel Shealy, a police officer in his sixth year as a school resource officer there, said he saw a student acting suspiciously in the cafeteria. His gut feeling deepened, he said, when he reviewed video footage, so he notified school administrators.

Officer Shealy subsequently discovered a loaded 9mm handgun in the 16-year-old boy's backpack. He said the boy later told him he took the gun to school because he anticipated a confrontation with another student at a bus stop after classes. "It did feel like that gun was going to get used that day," the officer said.

Federal Judge Blocks New York's New Firearms Law

BY JACOB GERSHMAN

A federal judge temporarily halted enforcement of major parts of New York's new law that bars the carrying of concealed handguns in places the state deems sensitive.

Thursday's ruling is a setback for a measure New York Democratic lawmakers passed in response to a Supreme Court decision in June that struck down New York's longstanding

handgun-permitting regime.

The new Concealed Carry Improvement Act took effect Sept. 1. Concealed-carry applicants no longer had to demonstrate a special need for self-protection. They still had to show state licensing officers they have "good moral character."

The law came with a list of locations where possession of a firearm, rifle or a shotgun is a felony crime regardless of permit status, such as restaur-

ants, trains, buses, bars and New York City's Times Square.

In his ruling, U.S. District Judge Glenn T. Suddaby of Syracuse said lawyers representing New York failed to show how the law was consistent with how firearms were regulated in the 18th and 19th centuries. Unless a higher court intervenes on appeal, he said, his ruling suspending enforcement would go into effect in three days.

The judge said he found lit-

tle or no historical precedent for banning law-abiding citizens from carrying concealed weapons in the wide range of locations designated by the state. He left standing gun bans at public assemblies, places of worship, courthouses and schools. He said the requirement that gun owners demonstrate good moral character was too burdensome.

Democratic New York Gov. Kathy Hochul said New York's

law was "carefully crafted to put in place common-sense restrictions around concealed carry permits" and called the ruling "deeply disappointing."

Gun Owners of America, a Second Amendment advocacy group, had filed a suit challenging the law. "We are grateful to Judge Suddaby for his quick action to restore the right of the people to keep and bear arms," said Erich Pratt, senior vice president for the group.

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U.S. NEWS

DOJ Officials Think Trump Hasn't Returned All Records

By Sadie Gurman and Alex Leary

A senior Justice Department official recently told Donald Trump's legal team that law-enforcement officials don't believe the former president returned all of the government documents he took with him when he left the White House, people familiar with the matter said.

The communication from Jay Bratt, chief of the Justice Department's counterintelligence and export-control section, was the latest indication that the government is still seeking some records it believes Mr. Trump should have relinquished at the end of his administration. Thousands of pages of documents have already been retrieved from Mr. Trump's Mar-a-Lago estate in Florida, beginning in January.

The National Archives and Records Administration told Congress late last month that it hadn't recovered all of the presidential records that were supposed to be turned over, adding that there was "no easy way to establish absolute accountability."

The Justice Department declined to comment on Mr. Bratt's outreach, which was reported earlier by the New York Times. Mr. Trump's spokesman, Taylor Budowich, in a statement didn't address the substance of the communication between the government and



Thousands of pages of documents have been retrieved from the Mar-a-Lago estate in Florida.

the former president's lawyers.

Mr. Budowich said a "weaponized Department of Justice and the politicized FBI are spending millions and millions of American tax dollars to perpetuate witch hunt after witch hunt."

The FBI seized roughly 11,000 documents during its Aug. 8 search of Mr. Trump's Mar-a-Lago home in Florida, an extraordinary move that came after Mr. Trump's team failed to hand over all of the material during several less-invasive attempts to retrieve it earlier this year.

It couldn't be determined what, if anything, law-enforce-

ment officials planned to do to retrieve the missing information, nor was it clear what the Justice Department believes it has yet to recover.

The Justice Department's efforts to investigate documents seized at Mr. Trump's Florida estate have gotten bogged down in a legal battle between the former president and the federal government. A federal judge last month appointed a retired judge, known as a special master, to review independently the documents the FBI seized.

The department recently scored a set of wins when an

appeals court said it could resume reviewing roughly 100 documents marked as classified and later agreed to fast-track its appeal of a broader ruling, trying to challenge U.S. District Judge Aileen Cannon's decision to halt the criminal investigation for months so the special master could review evidence.

Mr. Trump's team this week asked the Supreme Court to intervene and provide the special master with the sensitive documents. Justice Clarence Thomas, who received the petition, gave the Justice Department a week to file a brief in response.

Prosecutors Hold Off On Hunter Biden Case

Prosecutors are holding off on a final decision on whether to bring a case against President Biden's son, Hunter, while they review defense evidence in the long-running investigation, said people familiar with the matter.

By Aruna Viswanatha, James T. Areddy and Sadie Gurman

Investigators for months have believed there is enough evidence to charge the younger Mr. Biden with tax crimes and a false statement related to a gun he purchased and had expected a case to be brought by the end of the summer, the people said.

Prosecutors from the U.S. attorney's office in Delaware, which has been leading the probe, are struggling with whether certain facts, such as his well-documented drug addiction, would present a defense against a potential criminal tax case, the people said. Mr. Biden's defense team met with Justice Department prosecutors in recent weeks, trying to counter the government's potential case, some of the people said.

The decision of whether to bring any charges would be up to prosecutors, who must assess whether they think that evidence is strong enough to win a conviction at trial.

The White House referred questions about the younger Mr. Biden to the Justice Department. A Justice Department spokesman declined to comment.

"As is proper and legally required, we believe the prose-

cutors in this case are diligently and thoroughly weighing not just evidence provided by agents, but also all the other witnesses in this case, including witnesses for the defense," Mr. Biden's attorney Chris Clark said.

In December 2020, soon after his father won the presidency, Hunter Biden said his tax matters were under investigation, a probe that began in 2018, adding he was "confident that a professional and objective review of these matters will demonstrate that I handled my affairs legally and appropriately."

Since then, prosecutors have called several of Mr. Biden's associates and other witnesses to testify before the grand jury as part of a wide-ranging investigation into the president's son's business dealings.



Investigators have conducted a long probe of Hunter Biden.

U.S. Plots Response to Output Cut

Continued from Page One son, Mohammed bin Salman, to crown prince in 2017. Some House Democrats are also saying they will propose legislation to mandate the removal of U.S. troops and defense systems from Saudi Arabia and the United Arab Emirates.

"There are a lot of alternatives and we haven't made up our minds yet," Mr. Biden, a Democrat, said outside the White House on Thursday.

Administration officials have been exploring export bans on gasoline and diesel as a potential response to worst-case scenarios if shortages emerge across the country. Officials have acknowledged that isn't an ideal option, and oil industry analysts said it could backfire by spreading fear or creating bottlenecks in the markets that raise prices themselves.

The White House also called on U.S. oil producers to increase output. But their appetite for doing so has been hamstrung by Wall Street in-

Gasoline Prices Rise After Long Decline

U.S. gasoline prices are ticking up after a roughly 100-day decline, threatening to inflict new pain on consumers who have been grappling with widespread inflation for more than a year.

Maintenance at fuel-making plants, more demand for gasoline and tight fuel supplies have contributed to a 14-day run of increasing gasoline prices. A gallon of regular averaged \$3.8671 on Thursday, according to OPI, an energy-data firm that is part of Dow Jones & Co., publisher of The Wall Street Journal.

—Benoît Morenne

National average price for regular gasoline



Source: OPI

vestors who have asked that companies focus on returning cash to shareholders rather than reinvesting it in more production.

"They believe that there's a finite period in which they have to operate," Bart Melek, global head of commodity markets strategy at investment bank TD Securities, said of U.S. oil-and-gas producers.

U.S. oil output has been mostly flat this year, with producers churning out about 12 million barrels a day in the last week of September, less

than a 3% increase from early January, according to the most recent data from the Energy Information Administration.

Some investors concerned about hydrocarbons' carbon footprint have also pulled out of their investments, leaving the industry starved for capital, analysts said.

Also limiting room for production growth are rising costs facing oil-and-gas companies, as inflation has hit everything from wages to their ability to procure supplies.

In Washington, lawmakers

focused their attention on Saudi Arabia, saying the country has aligned with Russia after its attack on Ukraine and that that makes the kingdom unfit for U.S. support.

"The royal Saudi family has never been a trustworthy ally," Sen. Dick Durbin of Illinois, the chamber's second-ranking Democratic leader, wrote on Twitter Thursday. "It's time for our foreign policy to imagine a world without their alliance."

As a candidate, Mr. Biden had threatened similar action against Saudi Arabia, but he moved to soften that stance this year amid fears over high energy prices and Saudi Arabia's drift toward Russia and China. But a summit Mr. Biden agreed to with the kingdom's leaders in Saudi Arabia didn't lead to a Saudi pledge to boost oil production, and the decision just three months later for a dramatic cut in oil production was another blow.

The solutions offered so far risk pushing the kingdom further into the embrace of U.S. rivals. Riyadh is surprised at "the hysteria" coming from Washington over oil prices, said Ali Shihabi, a commentator with ties to the Saudi government.

The Saudis no longer sell much oil to the U.S. and are instead the biggest supplier to China. That limits the U.S. options for getting help from Ri-

yadh to lower energy prices, said David Ottaway, Middle East fellow at the Wilson Center, a Washington think tank.

"Certainly they don't give a damn about pressure from Biden, and they don't feel beholden to the Biden administration for anything," he said.

Saudi Arabia remains one of the biggest buyers of U.S. weapons and is a key partner for the U.S. military and intelligence community in the Middle East. The Saudis and the U.S. coordinate closely on counter-terrorism operations.

Mr. Biden has already overseen the release of nearly a third of what was more than 600 million barrels of the federal government's strategic reserves as of November 2021, in a bid that analysts say helped ease surging energy prices.

But that brings the reserves down near levels the U.S. may not be able to go below without violating international agreements. And it limits the president's capacity to respond if prices surge again, analysts said, just a month before midterm elections in which inflation and energy prices are a key issue.

Separately, the Biden administration is preparing to scale down sanctions on Venezuela's authoritarian regime to allow Chevron Corp. to resume pumping oil there.

Proud Boys Member Enters Guilty Plea

By Jan Wolfe

A member of the Proud Boys pleaded guilty to seditious conspiracy for his role in the Jan. 6, 2021, attack on the Capitol, giving a boost to federal prosecutors ahead of a December trial for other members of the far-right group.

Jeremy Bertino, of North Carolina, entered the plea during a court hearing Thursday, according to a Justice Department news release. He also pleaded guilty to a gun charge stemming from a search of his home in March, the Justice Department said.

Mr. Bertino, who is 43 years old, is the first Proud Boys member to plead guilty to seditious conspiracy. He will be sentenced at a later hearing, which hasn't been scheduled.

JP Davis, a defense lawyer for Mr. Bertino, declined to comment.

Two other Proud Boys defendants—Matthew Greene, 34, of Syracuse, N.Y., and Charles Donohoe, 34, of Kernersville, N.C.—have pleaded guilty to conspiring to obstruct Congress's joint proceeding on Jan. 6, 2021, when supporters of then-President Donald Trump stormed the Capitol.

Mr. Bertino faces a maximum of 20 years in prison for the seditious conspiracy charge but his sentence likely will be much less, given his cooperation with the government and other factors considered under federal sentencing guidelines, the Justice Department said.

Seditious conspiracy charges are rare and represent the most serious offense leveled so far by the Justice Department in its investigation of the Jan. 6, 2021, attack. The statute, which carries stiffer penalties than conspiracy, is directed against those who conspire to use force to overthrow the government, impede its laws or seize its property.

As part of his plea, Mr. Bertino admitted to conspiring with Proud Boys leaders to "oppose by force the authority of the Government of the United States and to delay by force the execution of the laws governing the transfer of power," according to a charging document.

Five other members of the Proud Boys, including the group's former chairman Enrique Tarrío, were indicted in June on seditious conspiracy charges. They have pleaded not guilty and are preparing for a jury trial scheduled for December. Mr. Bertino wasn't charged in that indictment.

U.S. WATCH

NEBRASKA

Sen. Sasse Is Top Pick For University Post

Sen. Ben Sasse (R., Neb.) is the top contender to be the University of Florida's next president, setting up a possible early departure from office for the second-term lawmaker.

Mr. Sasse, who is 50 years old, has been a solid conservative vote in the Senate.

The University of Florida said its presidential search committee has selected Mr. Sasse as its sole candidate for the post. In a statement, Mr. Sasse said he is delighted to be a finalist.

Mr. Sasse's seat in the solidly Republican state likely would stay in the party's hands should he resign.

—Natalie Andrews

ROCHESTER, N.Y.

City Pays \$12 Million To Family Over Death

The city of Rochester will pay \$12 million to the family of a man who died in 2020 after Rochester Police Department officers restrained him and placed a mesh hood over his head, according to a settlement approved Thursday.

Daniel Prude, a Black man, died in a hospital seven days af-



DEADLY ATTACK: Two people were killed and six others were injured in stabbings on the Las Vegas Strip on Thursday, according to the city's police department. A suspect was taken into custody.

ter the March 23, 2020, incident, in which Rochester Police Department officers took him into custody after responding to reports of a person acting erratically, officials and his family have said. He had a history of mental illness.

The release of a video of Mr. Prude's encounter with police prompted protests in Rochester in the summer of 2020. Mr. Prude's family sued the city as well as the police officers involved in the arrest in September 2020. The city didn't admit to any liability in the settlement.

—Jimmy Vielkind

FEDERAL RESERVE

Cook Stresses Need To Keep Raising Rates

High inflation is proving to be more persistent than anticipated and has created a strong case for the Federal Reserve to lift and then hold interest rates at levels that will slow economic activity, a central bank official said Thursday.

The Fed will need to keep rates at restrictive levels "until we are confident that inflation is firmly on the path toward our 2% goal," said Fed governor Lisa Cook

in remarks at the Peterson Institute for International Economics.

Fed governor Christopher Waller, speaking separately at the University of Kentucky, said he still expects Fed officials to raise rates into early next year, even amid signs of progress on inflation.

—Nick Timiraos

ECONOMY

New Jobless Claims Increased Last Week

New applications for unemployment benefits rose last week in

the latest sign of a cooling labor market, although they remained close to prepandemic lows.

Initial jobless claims, a proxy for layoffs, increased to a seasonally adjusted 219,000 last week from a revised 190,000 the week before, the Labor Department said Thursday. That was the highest level since late August but close to the 2019 average of 218,000.

The U.S. jobs market has shown some signs of softening. Employers pulled back sharply on job openings in August.

—Harriet Torry

HEALTH

Travelers From Africa Face Ebola Screening

Federal officials ordered U.S.-bound passengers who have been in Uganda in the past 21 days to arrive at select airports for enhanced screening for Ebola due to an outbreak in the East African nation.

Cases linked to the outbreak have been confirmed only in Uganda, said an alert from the U.S. Embassy in Uganda on Thursday. There have been no cases reported in the U.S., and the current domestic risk is low, the alert said. Starting Friday, passengers who recently traveled to Uganda will undergo screening at airports in New York, Newark, Atlanta, Chicago or Washington, D.C.

—Brianna Abbott



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U.S. NEWS

Trump PAC Airs GOP Attack Ads in Two States

By ALEX LEARY

Donald Trump is jumping into the midterm-election ads wars with a pair of spots in the hotly contested Pennsylvania and Ohio Senate races, the first wave in what is expected to be millions of dollars in spending from the former president's new political-action committee.

Mr. Trump, who has faced pressure to use his fundraising resources to help Republican candidates, had before this week spent modestly—and not

on TV ads for candidates. He preferred instead to stage boisterous rallies in battleground states.

His Save America PAC had nearly \$93 million cash on hand at the end of August; the new ads are from Make America Great Again Inc., a separate super PAC.

The Pennsylvania ad attacks Democrat John Fetterman, the state's lieutenant governor, accusing him of being weak on crime and a criticizing a vote to commute the sentence of a man convicted of stabbing a

woman to death. "John Fetterman is dangerous," a narrator says.

Mr. Fetterman, who served on the Pennsylvania Board of Pardons, has said he isn't sure whether the man is innocent, but that he wanted to see DNA testing of the weapon.

Mr. Fetterman is leading Republican Mehmet Oz by more than 6 percentage points, according to the FiveThirtyEight polling average, but the race has tightened in recent weeks. Mr. Trump endorsed Mr. Oz, a celebrity doc-

tor, bucking other Republicans who coalesced around former hedge-fund executive Dave McCormick in the primary.

In Ohio, the ad from MAGA Inc. portrays Ohio Democrat Rep. Tim Ryan as a "suck up" to liberal party leaders. Republican J.D. Vance has struggled after winning his party's primary with Mr. Trump's endorsement and trails Mr. Ryan by 1.6 percentage points according to FiveThirtyEight.

The super PAC will pay for ads in other high-profile contests, according to people fa-

miliar with the plans, but details haven't been released. Mr. Trump has endorsed candidates in a number of Senate races, including Nevada and Arizona, where he is scheduled to hold rallies this weekend.

Taylor Budowich, executive director of MAGA Inc., said Mr. Trump had held numerous rallies and raised money for candidates all over the country.

David Bergstein, spokesman for the Democratic Senatorial Campaign Committee, said in

response to the ads: "Senate Republicans have had a terrible start to October, and nothing will distract voters from the disqualifying personal and political vulnerabilities of their candidates in these races."

Since leaving office, Mr. Trump has amassed a lot of money for Save America PAC, mainly through small dollar donations. He has spent only a fraction of that on other candidates, according to filings with the Federal Election Commission.

2022 House and Senate Election Outlook

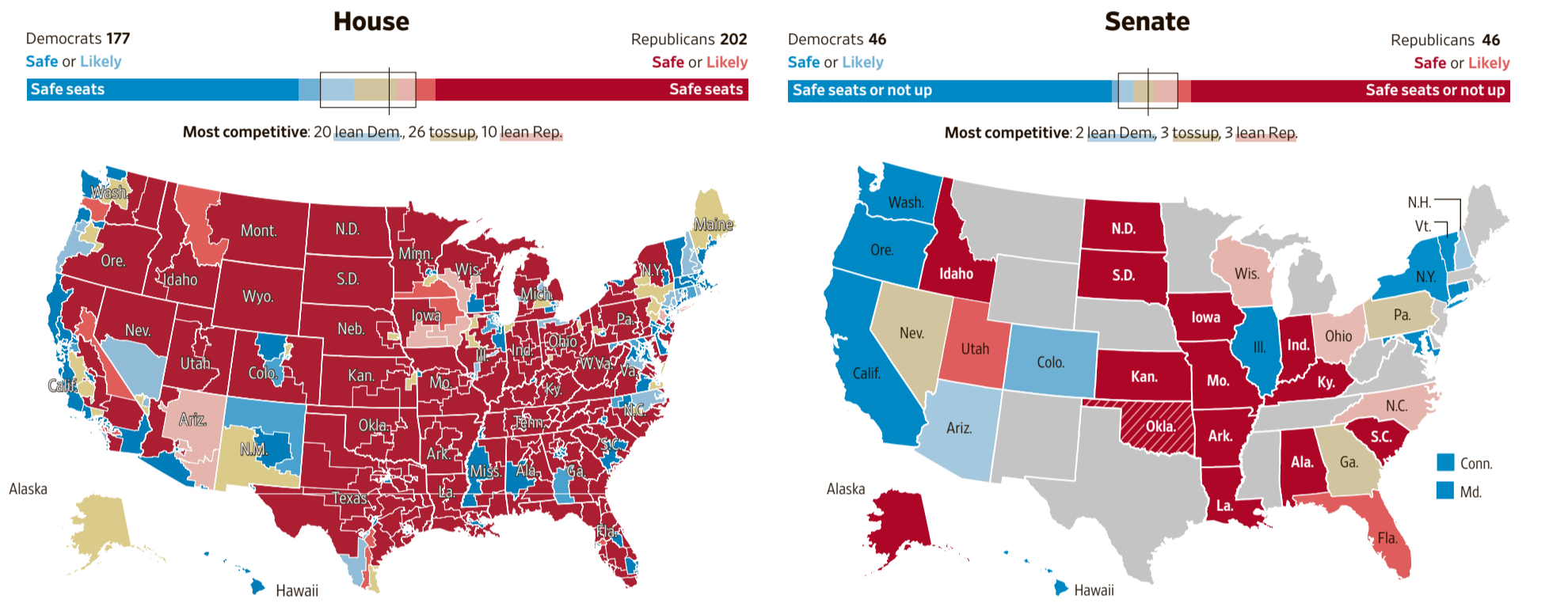
Here are the Republicans' and Democrats' prospects for controlling Congress, based on combined ratings from three nonpartisan political analysts.

Forecasts for congressional contests are rated on a scale from safely Democratic or Republican to tossup, based on combined ratings from the Cook Political Report; Inside Elections with Nathan L. Gonzales; and Larry Sabato's Crystal Ball at the University of Virginia Center for Politics.

States rated 'likely' for each party aren't considered competitive but have potential for movement. Those rated as 'leaning' one way or the other are competitive, but one party has an advantage.

All 435 House seats are on the ballot, but control of the House will come down to several dozen races. Democrats currently control the chamber narrowly, 220 to 212, with three seats vacant. A party needs 218 seats for a majority if there are no vacancies.

There are 35 Senate contests on the ballot in November; fewer than 10 are highly competitive. The chamber is currently split 50-50, with Democratic Vice President Kamala Harris serving as the tiebreaker.



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Angela Zepeda
 Chief Marketing Officer,
 Hyundai Motor America

What's in your toolbox for investing in your team — to help them stay focused, feel supported and be productive?

Investing in teams is critical, and with the pandemic, it became a challenge and was something at Hyundai we needed to get back to and make a focus. We have several programs going again that I think are fantastic for our employees, including one for high-potential performers identified for growth and advancement. This group receives coaching and training to help them with the next steps in their careers.

For our marketing team, I make a concerted effort to work alongside them to help facilitate their work at all levels, in the spirit of building a "one team" effort. Thanking people for their work and contribution are table stakes and I have found that actively participating in the work goes a long way with teams.

Because of COVID-19 safety measures, we were not able to gather. However, a few weeks ago, we finally had our first in-person, all-team offsite meeting. It was a great day to give the entire team an update on our overall business, have some fun and then recognize every person on the team for their contribution.

When faced with a new challenge, what's your decision-making process, and where do you turn to for trusted information or advice?

I have found that in times when I have faced my most significant challenges, there is nothing like a long car drive. It always gives me time and space to clear my head and think through different scenarios and outcomes and lets me do it without distraction or interruption. I always weigh the pros and cons — experience and wisdom have helped me make good decisions faster as I have gotten older.

For trusted advice, it depends on the situation. For a few critical challenges, outside counsel and expertise is needed. But for day-to-day challenges, I share everything with my husband. He is my counterbalance. He always has calm reasoning about him and a reassuring sensibility. He also is very supportive, so he gives me the confidence to stand behind my decisions, knowing I've thought them through and made the best decision I could based on the information I had.

What does community mean for you, and how do you cultivate and maintain it?

The idea of community has changed and has had more significance

for me in the last several years, especially with the community of women professionals I know and work with within the industry and out. In my role at Hyundai, I have met many wonderful and unique women who are intelligent, successful, challenging, funny and supportive. They are professionals and wives, partners, mothers, sisters, friends and the glue within the subcommunities where they live and thrive. For the first time, I am spending more time with these women than ever, and their support has been instrumental.

What was a critical milestone that shaped your career path?

For many years I wanted to get my graduate degree, but for one reason or another, it kept getting delayed. I was a little older by the time it happened, but it was the single most transformative thing that happened to me in my career. It elevated my thinking and the way I approached business. If I had not earned my MBA, the opportunity to be CMO at Hyundai might have never happened. The doors that opened for me have been incredible and shaped the future of my career.

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U.S. NEWS

State Abortion-Law Changes Complicate Medical Training

By JULIE WERNAU

New abortion restrictions are changing where future obstetrician-gynecologists are trained.

Residency programs in states that have restricted abortion since the Supreme Court removed constitutional protection for the procedure said they are making contingency plans for their doctors to train in other states. Some medical students said they are limiting their searches to residency programs in states that allow abortion. And programs in states that offer clinical experience conducting abortions said they expect a surge in demand that far exceeds the spots available.

Maria Valle Coto, a fourth-year medical student at the University of Illinois College of Medicine at Chicago, said she is using a color-coded map of abortion laws by state to decide where to apply for training. A dean for career advising told her she might need to consider another specialty because competition for OB-GYN slots is so high in states that allow abortion, she said.

"I've already gone so far into this career that it would be disheartening to do a different specialty," she said.

The Accreditation Council for Graduate Medical Education, which certifies physician-training programs, requires that OB-GYN programs provide abortion training for residents who don't opt out. The council said in September that programs in states where abortion is restricted must help residents get training in another state.

"This is a core procedure that has to be learned and experienced by residents," said John Combes, the council's public-policy officer. He said the council would work with programs that can't meet the requirement.



FROM LEFT: MARIA VALLE COTO; DR. KATHERINE JOHNSON



Maria Valle Coto, left, and Jessica Mecklosky are among the fourth-year medical students now contemplating where to get training after a number of states enacted abortion restrictions.

In Wisconsin, where abortions were halted after the Supreme Court's June decision, the UW School of Medicine and Public Health is exploring partnerships with medical schools and clinics outside the state to meet the training requirements, said Ellen Hartenbach, chair of the department of obstetrics and gynecology.

"We're concerned about how it may impact the training program. And we're concerned about how it will impact the decision of our residency graduates to stay in practice in Wisconsin," she said of changes in abortion law and practice.

Lynne Johnson, executive director of Midwest Access Project, which works with 11 programs that provide abortion training to residents and other medical providers, said that before the Supreme Court decision the group accepted about half of applicants. This year far more people than usual have applied, she said.

"We had to end our applica-

tion cycle early because we couldn't handle the number we were getting," she said.

Residency programs that use state funding in places that have restricted abortion are navigating financial and legal constraints on where and how their doctors conduct abortion training, said Stephanie Toti, senior counsel and project director at the Lawyer-Project, a group that advocates for abortion access.

Jessica Mecklosky, a fourth-year student at Tulane University School of Medicine, in Louisiana, said she was inspired to apply to pediatric residency programs after treating children and teens with pregnancies, many of whom have been sexually abused. She said she had planned to train in the South but now is focused on states including Massachusetts and Pennsylvania that wouldn't restrict her ability to counsel patients on abortion.

"I wouldn't feel like a competent physician," she said.

Some OB-GYNs who oppose abortion said residents get enough exposure to the procedure away from abortion clinics. The procedure is used to remove fetal tissue after a miscarriage or when a woman's life is threatened from hemorrhage or infection, they said.

"The only thing specific abortion training gives is how to end a viable pregnancy," said Christina Francis, an OB-GYN in Fort Wayne, Ind., who opposes abortion.

David Eisenberg, an OB-GYN and professor at Washington University School of Medicine in St. Louis, said residents need abortion training to learn how to evacuate a uterus under any circumstance. "When a pregnancy goes sideways, you want your health provider to not hesitate," he said.

He said he is working on ways for his students to get the training outside Missouri, which banned abortions in June except to save a pregnant person's life.

Over 60 Clinics Halted Procedure Since Ruling

By JENNIFER CALFAS

More than 60 abortion clinics across the U.S. have stopped providing the procedure since the Supreme Court eliminated federal constitutional protections in June, according to a new study.

The report, published Thursday by the Guttmacher Institute, found 14 states in which all clinics have ceased abortion services since the Supreme Court's decision to overturn Roe v. Wade. More broadly, 66 clinics in 15 states have stopped providing abortions; 40 of those clinics still provide other services, while 26 have closed, according to Guttmacher, a research group that supports abortion rights and tracks national and state statistics.

The report offers a glimpse into the patchwork of abortion access that has emerged since the Supreme Court sent the legality of abortion back to the states. Over the past three months, bans on nearly all abortions have taken effect in about a dozen states, while restrictions on most abortions after six weeks or 15 weeks of pregnancy have been enforced in others.

Abortion rights groups and providers say the implementation of these new laws has caused chaos and confusion for patients and staff, particularly in the days and weeks immediately after the high court's decision. Legal advocacy groups and abortion providers have challenged the new laws in state courts, arguing they violate aspects of state constitutions. Continuing litigation over the laws in some states has caused local clinics to close, then reopen, then close again.

The Guttmacher Institute report focused on states where bans and narrow restrictions on abortion have taken effect over the past few months. In those 15 states, which include Alabama, Georgia, Kentucky, Texas and Mississippi, 79 clinics provided abortions before the Supreme Court's decision in

June. By Oct. 2, 13 clinics still provided abortions. All of those are located in Georgia, where a ban on most abortions after six weeks of pregnancy took effect in July.

Since the enforcement of Texas laws banning nearly all abortions, 12 clinics in the state have completely closed. Eleven others have remained open, offering services other than abortion, according to the study.

In Wisconsin, legal uncertainty over a 1849 ban on abortion has prompted the state's clinics to stop providing the procedure. The state's attorney general has vowed not to prosecute clinics under the law, but

A report found 14 states where all clinics have ceased abortion services.

providers have said they are worried about future actions against them.

Some of the closed clinics have already reopened or announced plans to find a new location in states where abortion remains legal. Clinics closing in states including Mississippi, Texas, North Dakota, Tennessee and Louisiana are aiming to reopen in Illinois, New Mexico or, potentially, Kansas.

Researchers at the Guttmacher Institute said the number of clinic closures will likely grow. They expect new restrictions will take effect in more states, including Indiana, South Carolina and Ohio, the timing of which depends on litigation and state legislative efforts.

Representatives at national antiabortion groups said they believe the report is an encouraging sign for a post-Roe America. "When an abortion facility closes, that hopefully means more babies will live," said Carol Tobias, president of the National Right to Life Committee.

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WORLD NEWS

Threat at Nuclear Plant Worsens

Atomic-disaster concerns rise as Russia increases control over facility in Ukraine

By JARED MALSI

KYIV, Ukraine—The head of the United Nations' nuclear agency warned on Thursday that staff at Europe's largest nuclear-power plant are under increasing pressure after Russian authorities attempted this week to deepen their control over the plant, posing a heightened safety risk.

Russia's capture of the Zaporizhzhia nuclear-power plant in southeastern Ukraine in March, and a resulting struggle with Kyiv along with shelling near the occupied facility have raised global concern about the risk of an atomic catastrophe. The Ukrainian engineers staffing the plant have continued to operate it.

Rafael Grossi, director general of the International Atomic Energy Agency, said during a visit to Kyiv that Russian officials demanded this week that staff at the plant sign new employment contracts with Russia's nuclear agency. Ukraine's atomic agency is urging them not to do so.

The situation resulted in confusion about who is in charge at the facility, as well as "ambiguity about the command-and-control chain at the plant," the agency said. The psychological impact on staff is detrimental to nuclear safety and security, Mr. Grossi said after a Thursday meeting with Ukraine's Presi-



Ukrainian firefighters extinguished a fire Thursday after a Russian missile hit Zaporizhzhia, which is near Europe's largest nuclear plant.

dent Volodymyr Zelensky.

Separately on Thursday, Russian missiles struck the center of the nearby city of Zaporizhzhia, killing at least one person, senior Ukrainian officials said.

On Wednesday, Kremlin officials said they declared the Zaporizhzhia plant property of the Russian state. Mykhailo Podolyak, an aide to the Ukrainian president, called the decision "an attempted legal raid," and called for sanctions on Russia's nuclear agency.

The IAEA said Wednesday that its experts at the plant

learned that engineers plan to restart one of its six reactors to produce steam and heat needed for the functioning of the facility. The plant shut down its last operating reactor in September after the facility was reconnected to Ukraine's electrical grid, the agency said. Though the reactors have been shut, the facility still needs electricity to cool spent fuel and to maintain other systems to avoid a mishap.

Mr. Grossi said Wednesday that establishing a safety-and-security zone around the plant "is now more urgent than

ever." On Thursday, he said he and Mr. Zelensky made progress toward that goal. Mr. Grossi said he would return to Kyiv soon, adding that he plans to travel to Russia to discuss the status of the plant.

Russian authorities didn't comment on Mr. Grossi's warnings or the Zaporizhzhia attack.

People involved in the talks on Ukrainian nuclear safety said there doesn't seem to be an immediate prospect of Kyiv and Moscow agreeing to a protective zone. The agency has been calling for fighting to stop in the area since March

without success.

However, two senior officials said it is possible that as a stopgap, the number of IAEA inspectors at the plant monitoring the situation could increase to four from the two-person team.

—Laurence Norman contributed to this article.

Watch a Video



Scan this code for a video on the Russian strike on the city of Zaporizhzhia.

Russians Flee Putin Call-Up, Sail to Alaska

By ALICIA A. CALDWELL

A pair of Russian nationals apparently fleeing the country's recent military call-up landed on a remote Alaskan island this week to seek asylum in the U.S., federal authorities said Thursday.

The men arrived on a small boat Tuesday on the 90-mile-long St. Lawrence Island, located in the Bering Sea about 50 miles east of Russia, according to the Department of Homeland Security.

Republican senators Lisa Murkowski and Dan Sullivan said the men landed at a beach near the village of Gambell and were taken into custody by local officials until Customs and Border Protection could collect them with a Coast Guard plane stationed about 750 miles away.

"We are actively engaged with federal officials and residents in Gambell to determine who these individuals are, but right now, we already know that the federal response was lacking," Ms. Murkowski said.

The men have since been flown to Anchorage for processing, according to DHS.

Mr. Sullivan said he was told about the men's arrival by a senior community leader and called DHS Secretary Alejandro Mayorkas directly about the situation because of tensions between Russia and the U.S.

Tens of thousands of Russians, mostly military-age men, have fled the country in recent weeks after President Vladimir Putin announced a call-up of about 300,000 conscripts. People seeking to leave have crowded airports, train stations and highways along its land borders, and satellite imagery has shown miles-long lines along highways heading out of the country.

Roughly 30,000 Russians have fled to the U.S. and have been taken into custody by immigration authorities at U.S. ports and along the country's land borders in the run-up to and after the start of Russia's invasion of Ukraine, according to CBP arrest data.

Nearly all of those people have been allowed to remain in the U.S. to pursue asylum cases or seek other legal protections, a process that can take years to complete.

Arrivals in Alaska have been exceedingly rare, with just five Russians taken into custody between Oct. 1, 2021, the start of the government's last budget year, and the end of August, according to CBP.

Kyiv Presses Allies for Longer-Range Missiles

WASHINGTON—Flush with recent battlefield successes, Ukrainian officials are pressing their case for acquiring longer-range missiles to strike deeper

By Warren P. Strobel, Nancy A. Youssef and Michael R. Gordon

into Russian-held territory, including Crimea, raising questions about how aggressively the Biden administration will support Kyiv's war aims.

U.S. officials have urged Ukraine to focus on its battles in the eastern and southern part of the country, particularly around Kharkiv and Kerson, where it has made its largest gains since Russia's Feb. 24 invasion. Meanwhile, Ukrainian officials are reviving their pleas for more weaponry, including advanced systems like the U.S. Army Tactical Missile System, or ATACMS, congressional and U.S. officials said.

Those longer-range missiles are wanted, in part, to strike into Crimea, which Russia is



The U.S. hasn't provided Ukraine with advanced-systems weapons.

using as a base to launch Iranian-made drones, congressional and Ukrainian officials said. President Biden has declined to provide Ukraine with the ATACMS, which would be capable of reaching deep into Russian territory.

The recent Ukrainian military offensive has pushed Rus-

sian troops from the Kharkiv region and reached deep into the northern part of the Donetsk region. Those gains may embolden Kyiv to try to press into Crimea, which Russia illegally annexed in 2014.

The administration's reluctance to provide these longer-range missiles reflects a

deeper dispute, in part, over how to support Ukraine without risking a broader conflict with Russia, whose leaders have been hinting they may resort to nuclear weapons.

"The reason we are not giving them these weapons is disagreement over striking targets in Crimea," a congressional official said.

Ukraine's defense attaché in Washington, Maj. Gen. Borys Kremenetskyi, on Thursday said Russia was mainly using the Iranian-provided drones to attack civilian infrastructure. He added that Ukraine was using air-defense systems to blunt the threat but was also looking to attack the sites from which the drones are being flown and controlled.

The Russian Embassy didn't respond to a request to comment.

While Himars, a U.S. mobile rocket launcher already provided to Kyiv, is an effective system for this purpose, he added that Ukraine wants to acquire longer-range systems

that could be fired from the Himars launcher. He didn't mention the ATACMS missile by name and declined to discuss targets in Crimea.

"We are looking for longer-range missiles for Himars," he told a webinar hosted by the London-based International Institute for Strategic Studies. "We need to hit some targets on the occupied Ukrainian territory."

The Biden administration recognizes Crimea as part of Ukraine, and has vowed to support Kyiv's efforts to restore all of its original territory. In August, Ukrainian President Volodymyr Zelensky vowed that Ukraine would take back Crimea "by ourselves, without consultation with any other country in the world."

U.S. officials argue longer-range missiles aren't necessary for Ukraine's current fight, and believe Moscow would see it as an escalation at a time when senior Russian leaders have raised the specter of using the country's nuclear arsenal.

Ukraine Courts Wall Street

Continued from Page One

about three weeks. The Finance Ministry recently launched a smartphone app for citizens to buy new war bonds through the click of a button.

To meet Western officials and financiers, the 38-year-old Mr. Butsa drives his Volkswagen Golf about 500 miles from Kyiv to air hubs in Poland, then catches flights to London, Paris, New York and Washington, D.C. "I like to drive, and I can do it faster than the train," he said.

The U.S., the European Union, the International Monetary Fund and other multilateral banks have pledged billions of dollars to help Ukraine, but it can take months for the cash to arrive. When shortfalls arise, Ukraine prints money to make up the difference, a stopgap that fuels inflation. Kyiv is still waiting to receive about one-third of the more than \$30 billion Western donors and lenders have pledged this year.

Ukraine has \$24 billion of foreign reserves, a fraction of the sum it needs to raise to rebuild. It couldn't be determined how long international donors will keep giving as the global cost of the war mounts. Backing Ukrainian bond sales could be

cheaper for foreign countries than making new grants, but such financing is complex.

Even the country's president, Volodymyr Zelensky, is asking private fund managers to invest in the country. Bond prices indicate that few will oblige until they know when the war with Russia will end, and on what terms. Ukrainian government bonds traded below 20 cents on the dollar this week, down from around 86 cents before the war, according to Advantage Data Inc.

After Russia invaded Ukraine in February, Mr. Butsa held a virtual meeting with bond investors and told them they would keep getting paid. He wanted to protect the reputation Ukraine slowly rebuilt after 2015, when it restructured bonds issued by the government of pro-Russian then-President Viktor Yanukovich.

"Everyone was surprised at the Ukrainians' resolve to service their debt as long as they did," said Matt Ryan, an emerging-markets bond-portfolio manager at MFS Investment Management.

Ukraine changed tack by June. Its monthly budget deficit was as high as \$5 billion, and foreign-aid payments were running late, forcing the government to cut costs, Mr. Butsa said. The IMF and some donors were reluctant to provide new funds to Ukraine while it continued to pay private investors, people familiar with the matter said. Finance Ministry officials decided to pause international bond payments but keep current on its local-currency bonds.

Mr. Butsa, with financial advisers at Rothschild & Co. and JPMorgan Chase & Co., approached about a dozen investors privately in mid-July to suss out what terms bondholders would accept.

The talks included some of the largest money managers in the world, such as BlackRock Inc., Fidelity Investments and Pacific Investment Management Co., the people familiar with the matter said.

Within a few days, Mr. Butsa had a deal in mind to delay bond interest and principal payments and to restructure

Kyiv hopes to get private-investment funds to commit new capital.

ture a roughly \$3.2 billion instrument linked to the growth of national gross domestic product. Ukrainian authorities worried terms of the GDP-linked note would force them to pay a windfall to investors if postwar reconstruction caused a surge of economic activity.

The deal offered a 5-percentage-point fee in two years to holders of the GDP-linked note and zero fees to holders of Ukraine's other bonds.

Ukraine timed the deal to capitalize on widespread support for its underdog fight against Russia, betting that international money managers

wouldn't risk public criticism by holding out, the people familiar with the matter said.

Only four bondholders initially agreed to publicly support the deal when Ukraine announced it on July 20: BlackRock, Fidelity and the hedge-fund managers Amia Capital LLP and Gemsstock Ltd. Mr. Butsa went to Paris, where Rothschild is based, and spent two weeks cajoling investors to sign on. Cimco didn't consent until Aug. 10, the expiration date of the deal, the people familiar with the matter said. Ultimately, holders of more than 75% of the country's bonds agreed.

Now the Finance Ministry faces a far more challenging task, getting private investment funds to commit new capital to Ukraine despite the war and the country's spotty record on corruption.

One way to bolster market confidence would be for Ukraine to borrow money using assets or guarantees put up by Western institutions, such as individuals with low credit scores get cosigners to help them obtain bank loans.

Ukraine needs political buy-in from backers, most likely the U.S., the U.K. and the European Union. It will also need involvement from a multilateral bank, such as the IMF, and buy-in from potential investors, such as BlackRock.

Ukrainian finance officials hope to get the support soon, before international goodwill wanes. "People are generally much more supportive in times of war than in times of rebuilding," Mr. Butsa said.



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WORLD NEWS

U.K. Offers Up An Olive Branch To EU at Talks

After years of tension, the U.K. is adopting a new strategy toward its European Union neighbors: making nice.

By *Laurence Norman in Prague* and *Max Colchester in London*

In the years following the Brexit vote in 2016, tussling with the EU was seen as a rite of passage for any Conservative Party leader. But in recent weeks, new Prime Minister Liz Truss has led a shift that has taken the bloc, and many Conservatives, by surprise.

"We want our relationship with the EU to work," U.K. Foreign Secretary James Cleverly said this week at a Conservative Party conference in Birmingham, central England.

On Thursday, Ms. Truss attended the inaugural meeting of the European Political Community in Prague. The U.K. is also resuming talks with the EU over a long-running disagreement on post-Brexit trading arrangements for Northern Ireland, and King Charles III has been told by the Foreign Office his first state visit should be to France, palace officials say.

Steve Baker, a Conservative

lawmaker who led a hard-line Brexit group in Parliament and is now the U.K.'s Northern Ireland minister, even apologized for his past behavior in an effort to improve the prospects for a deal on the territory. "I and others did not always behave in a way which encouraged Ireland and the European Union to trust us," he said Sunday.

Behind the new approach is economic and political reality. The U.K., which is heading toward a likely recession, wants to reassure investors that a trade war with the EU isn't in the cards. It also wants to soothe concerns in the White House, which has been critical of the U.K.'s threat to rip up a deal that imposed conditions such as a customs border between the British mainland and Northern Ireland. And the war in Ukraine has given greater impetus for European neighbors to show a united front against Russia.

It is unclear how long the warmer relations will last. European and British officials warn that the opportunity for a reset could easily slip away, with tensions over the Brexit deal still likely to be quick to emerge, some analysts say.

It was only this summer, during the Conservative lead-



Latvia's Prime Minister Krisjanis Karins, left, U.K. leader Liz Truss and Italy's Prime Minister Mario Draghi speak at a summit in Prague.

ership campaign, that Ms. Truss questioned whether French President Emmanuel Macron was a friend or a foe and seemed to brush off his new European Political Community idea, which creates a platform for leaders to discuss common issues without the bureaucracy or rules of the EU. Mr. Macron responded by saying Britain was France's close friend "sometimes despite its leaders." The two met in New York after Ms. Truss took office on Sept. 6.

The two sides are still threatening each other with legal action, and officials say finding a fix for the politically contentious issue of Northern Ireland's

post-Brexit trading arrangements will be hugely complex.

Yet both are eager to avoid a deeper rift or a potentially costly trade war, with the conflict in Ukraine and its spillovers on European energy supplies and economies dominating the agenda.

Ms. Truss's decision to attend Thursday's gathering in Prague, which includes the EU's 27 members and 17 non-EU countries, including Ukraine but excluding Russia, was seen by European capitals as a critical signal of engagement, EU officials said. Thursday's gathering will be followed up with meetings every six months, Mr. Macron said.

British officials had said they would be interested in hosting the event and the leaders agreed that after meetings in Moldova and Spain, Britain would be the next host, a senior EU official said.

Over several weeks of discussions, British officials tiptoed around whether Ms. Truss would attend, seeking to ensure the event wouldn't be dominated by the EU and would include issues like illegal migration, which the new government is eager to discuss.

However, the key driver of Ms. Truss's decision to attend was Ukraine and the desire to show a united continental front, officials say.

Thursday's discussions consisted mainly of working groups of leaders on energy, security, climate change and migration, followed by a private dinner. Ukrainian President Volodymyr Zelensky spoke by videoconference.

In Prague, Ms. Truss had bilateral meetings with German Chancellor Olaf Scholz and Mr. Macron, the EU's two most powerful leaders. After meeting Mr. Macron, the U.K. and France put out a joint statement pledging to deepen their cooperation on Ukraine, nuclear energy and illegal migration. They announced a U.K.-France summit for 2023 "to take forward a renewed bilateral agenda."

French Author Wins the Nobel Prize in Literature

By JAMES HOOKWAY

The Nobel Prize in literature was awarded to French author Annie Ernaux "for the courage and clinical acuity with which she uncovers the roots, estrangements and collective restraints of personal memory."

Born in Normandy in 1940, Ms. Ernaux has declared that she is an "ethnologist of herself" in her autobiographical

approach to writing.

She often refers to Marcel Proust's "À la recherche du temps perdu," and the Swedish Academy described her style as "uncompromising and written in plain language, scraped clean."

Her breakthrough came with her fourth book, 1983's "La place," or "A Man's Place." It was a spare portrayal of her father and the society that formed him. In a slim 100

pages, she sharpened her approach, taking a dispassionate voice to distance herself from what she has described as the poetry of memory.

In her subsequent book, "La honte," or "Shame," she began with the unvarnished line to describe her father's sudden rage: "My father tried to kill my mother one Sunday in June, in the early afternoon."

Other works include the similarly spare first-person

narrative of the 23-year-old narrator's abortion, "L'événement," or "Happening," before it became legal in France, in 1975. It was made into a movie of the same title, winning the Golden Lion award for best film at the Venice Film Festival last year.

"It is a ruthlessly honest text, where in parentheses she adds reflexions in a vitally lucid voice, addressing herself and the reader in one and the

same flow," the academy said.

"In the spaces in between, we are in the time of writing, 25 years after the 'event' took place, making even the reader intensely part of what once happened," it added.

Ms. Ernaux wasn't aware that she had been awarded the Nobel Prize when it was announced.

Last year's winner was Zanzibar-born novelist Abdulrazak Gurnah.



Annie Ernaux says her approach to writing is autobiographical.

Losses Soar At Owner Of TikTok

Continued from Page One

lion in 2020, the report said. A ByteDance spokeswoman declined to comment.

While TikTok is by far the company's most high-profile product in the U.S., ByteDance also runs apps used by hundreds of millions of people in China—including short-video app Douyin and Jinri Toutiao, or Today's Headlines.

Revenue reached nearly \$18.3 billion for the first three months of 2022, up almost 54% compared with a year prior. ByteDance showed it was beginning to rein in its expenses, with the net loss for the period coming in at \$4.7 billion, shrinking nearly 84% from \$29.1 billion a year prior.

The reduction in net losses in the first quarter of 2022 could reflect ByteDance re-adjusting its valuation as Chinese internet companies have been hit by the government's crackdown on the tech industry.

ByteDance, which was started in 2012 by Chinese entrepreneur Zhang Yiming, has raised billions of dollars from global investors including KKR & Co., Sequoia Capital and General Atlantic. The company was valued at \$180 billion in late 2020 after a fundraising round that included Fidelity Investments and some of its existing shareholders.

The company has put on hold plans to go public, and the Journal reported last month that it was offering to buy back shares from investors at a valuation of \$300 billion. ByteDance shares had previously traded closer to \$400 billion on the secondary market.

Despite the rising expenses, ByteDance has managed to increase its cash and cash equivalents, which sat at \$42.6 billion at the end of March, up from \$34.1 billion at the end of 2021. Its total assets were at \$74 billion in March, up from \$64.3 billion in December.

Rivals have cited ByteDance's deep pockets as a key competitive advantage fueling TikTok's rise in the U.S.



ByteDance apps were exhibited at a Chinese digital fair in July.

TikTok's emergence "was just something that was unimaginable," Snap Inc. Chief Executive Evan Spiegel said last month, as part of an announcement that his company would be slashing jobs. "No startup could afford to invest billions and billions and billions of dollars in user acquisition like that around the world."

ByteDance issued the financial report as part of a special issuance of restricted stock units to more than 30,000 of its employees. "Though the market may fluctuate, we remain confident in the strength of our business and organiza-

ByteDance's deep pockets are a key advantage for TikTok, rivals say.

tion," the company wrote in an email to employees.

ByteDance had more than 130,000 employees globally at the end of 2021, according to people familiar with the matter.

The stock grants were reported by Reuters.

Among the more than 100 pages of financial disclosures, ByteDance listed 46 risk factors that employees should consider when accepting the additional restricted-stock units. Among those risk factors was an item warning employees that the "shares are not publicly traded on a stock exchange, and you should be prepared to hold our shares indefinitely."

Another cited the risks relating to doing business in

China. It said if the company doesn't comply with government regulations or if those change in the future, "we could be subject to severe penalties or be forced to relinquish our interests in those operations." Such disclosures are common among Chinese tech companies.

Continuing a push that originated with the Trump administration, U.S. officials have been negotiating with TikTok executives for more than a year on measures aimed at preventing information TikTok collects on millions of U.S. users from being shared with the Chinese government.

Last year, ByteDance's expenses were amplified by expanding into many new sectors. It made substantial acquisitions in the videogaming space, including in March 2021 when ByteDance spent \$4 billion acquiring Shanghai Moonton Technology Co., the videogame studio behind the hit title "Mobile Legends: Bang Bang."

ByteDance also sped up hiring and research into advanced chips supporting artificial intelligence and servers, people familiar with the business said.

ByteDance Chief Executive Liang Rubo said at an all-hands meeting in August that he has been reflecting on the company's organizational bloat and vowed to cut costs and improve efficiency, according to employees who attended. Many of ByteDance's businesses hadn't met expectations in the past year, Mr. Liang told employees.

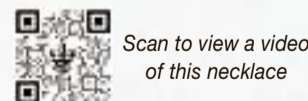
—Raffaele Huang and Theo Francis contributed to this article.



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WORLD NEWS

Ex-Police Officer Kills at Least 36, Including 24 Children, in Thai Attack



Location of school attack



Note: Approximate location

A former police officer opened fire at a child-care center in northeast Thailand, used a knife to stab people and continued shooting on the streets as he drove off, leaving at least 36 dead, including 24 children, police said.

The gunman, whom police identified as 34-year-old Panya Kamrab, later killed himself and his wife and child, police said.

Kamrab was discharged from the police force in June after being arrested for possessing methamphetamine, police said. He was scheduled to appear for a court hearing on Friday in connection with the drug-possession charge, the country's na-

tional police chief, Gen. Damrongsak Kittiprapat, said at a news conference.

Arriving at the child-care center early Thursday afternoon, Kamrab began shooting with a 9mm gun and stabbed people, police said. At least 24 people were killed in the rampage at the center. Above, first-responders helped victims at the center.

Kamrab then drove home, on his way shooting people on the street, police said. Security forces later found Kamrab, his wife and son dead at their home.

The gun was Kamrab's personal firearm and had been bought illegally, the police chief said.

Mass shootings are uncommon in Thailand. Thursday's attack occurred in the Nong Bua Lamphu province in the country's northeast, police said. It surpasses the toll of the latest major shooting of this scale in the country in 2020, when a soldier killed at least 29 people and holed himself up in a shopping mall before being shot and killed by security forces.

Prime Minister Prayuth Chan-ocha in a Facebook post expressed his condolences to the victims' families and said he has ordered all relevant government agencies to help people affected by the attack. —Niharika Mandhana

Iran Student Protests Challenge Leadership

By Benoit Faucon

Protests in Iran have spread to universities and high schools as the new academic year begins, infusing fresh energy into a weekslong, nationwide movement demanding more rights and prompting a brutal crackdown from authorities.

The involvement of young students seeking more liberties adds a new dimension to the rights movement that erupted in Iran after the death of 22-year-old Mahsa Amini on Sept. 16 in police custody for allegedly violating Iran's strict Islamic dress code. Protesters initially called for more freedom for women, but those demands have grown into broader calls to overthrow the Islamic Republic—posing one of the toughest challenges to the country's ultraconservative clerical leadership.

In videos posted recently on social media, schoolgirls were seen removing their obligatory headscarves, or hijabs, in a display of defiance against the Islamic Republic's dress code. Many universities moved classes online in an attempt to contain the protests, but the demonstrations have continued. A violent crackdown this week at one of Iran's premier schools, Sharif University of Technology in Tehran, has become a rallying call on social media for many students nationwide.

"Right now, schools and universities are the biggest challenge for the regime," said Saeid Golkar, an authority on Iran's politics who teaches at the University of Tennessee, Chattanooga.

At Sharif on Sunday, members of a paramilitary force and

plainclothes police officers on motorcycles surrounded the campus and began shooting pellets, paintballs and rubber bullets at the protesters, according to some student witnesses. The paintball markings were used to identify and arrest some of the protesters, the students said. Those trying to leave the campus were beaten, they added. Many were arrested.

Meanwhile, the U.S. Treasury Department on Thursday levied new sanctions against seven senior Iranian government and security officials the Biden administration said are responsible for the violent crackdown.

The officials had been sanctioned under other authorities, but the targeting of the ministers of the interior and communications, the head of Iran's cyber police and several other security officials gives Washington another opportunity to publicly censure Tehran for a bout of repression that has drawn international condemnation.

The action falls short of calls by U.S. lawmakers for measures that would incur more economic pain for Iran, but comes as the administration is struggling to secure a nuclear deal with Tehran.

On Thursday, Iranian President Ebrahim Raisi sought to deflect the blame, resorting to a familiar regime tactic of accusing adversaries of fomenting the unrest. "America ... and other enemies of the country tried to pursue their anti-Iranian and anti-revolutionary goals within Sharif University," Mr. Raisi said during a meeting with the university's officials to discuss the incident, according to the state news agency, IRNA.

WORLD WATCH

INDIA

Medicine Probed for Tie to Child Deaths

India's health authorities have opened a probe into cough and cold syrups made by an Indian drug manufacturer after the World Health Organization said they were unsafe, and said they could be linked to the deaths of dozens of children in Gambia.

"An inquiry is being done at the moment by the National Drugs Controller. It is being carried out in a very prompt manner. All the necessary steps will be taken in the matter," an official in the Indian health ministry told The Wall Street Journal on Thursday.

The WHO on Wednesday issued a medical product alert over four cough and cold syrups manufactured by New Delhi-based cough syrup maker Maiden Pharmaceuticals Ltd., saying they were potentially linked to acute kidney injuries and the deaths of at least 66 children in the tiny West African country. The WHO said laboratory tests showed they contained unacceptable amounts of diethylene glycol and ethylene glycol, substances toxic to humans.

The tragedy has stunned the West African nation, which is already grappling with other medical crises such as malaria and measles.

Maiden Pharmaceuticals started operations in November 1990, according to its website. Company representatives couldn't be reached by phone or email. The website went offline on Thursday. —Vibhuti Agarwal

CHINA

U.N. Council Rejects Xinjiang Debate

The United Nations Human Rights Council voted down a Western-led proposal to formally discuss China's alleged rights abuses in Xinjiang, boosting Beijing's efforts to counter international criticism of its policies in the frontier region.

Thursday's vote came just over a month after the U.N.'s chief rights advocate, the High Commissioner for Human Rights, issued a report saying that China's government may have committed crimes against humanity in its treatment of ethnic Uyghurs and other Muslim minorities in Xinjiang. The report broadly supports findings by Western governments, human-rights groups and media detailing mass abuses.

Citing the report, the U.S., Britain and other mostly Western countries proposed last month that the U.N. Human Rights Council in Geneva hold a



DEADLY SHIPWRECKS: Bodies of migrants and debris float off the Greek island of Kythira after two boats sank separately. At least 21 people died. Island residents rescued 25 others.

debate on the rights situation in Xinjiang. The motion was denied after 19 states in the 47-member council—including China—cast dissenting votes on Thursday, against 17 assents and 11 abstentions.

The council, established in 2006, is the top institution in the U.N. human-rights system and serves as an intergovernmental platform for discussing rights issues. The spokesman said that while the rights situa-

tion in Xinjiang won't be formally placed on the agenda, member states and nongovernmental organizations can raise the matter during general debates at the rights body.

A council debate would have presented a diplomatic challenge to Beijing's defense of its actions in Xinjiang, and potentially led to formal investigations and censure. Ahead of Thursday's vote, Beijing's envoy to the U.N. in Geneva said the proposal for

a debate represented a U.S.-led effort to politicize human-rights issues and smear China.

"Today, China is targeted. Tomorrow, any other developing country could be targeted," Chen Xu, the Chinese envoy, told the council. "To allow the adoption of such a draft decision is tantamount to supporting Western countries' interference in China's internal affairs under the pretext of Xinjiang-related issues." —Chun Han Wong

CANADA

Central Banker Says Rates Need to Rise

Bank of Canada Gov. Tiff Macklem said Thursday that further interest-rate increases are warranted to tame inflation, arguing there is little evidence that the underlying consumer-price index—which excludes volatile-priced items such as food and energy—is weakening.

"Simply put, there is more to be done," said Mr. Macklem, according to prepared remarks he was set to deliver in Halifax, Nova Scotia. "We will need additional information before we consider moving to a more finely balanced decision-by-decision approach."

He said the labor market remains "very tight," job vacancies are at elevated levels, and wage growth has climbed and continues to broaden. Headline inflation has eased, to 7.0% in August from a peak of 8.1% in June, although Mr. Macklem said measures of underlying, or core, inflation remain elevated, at around 5%, and have yet to decline meaningfully.

"All signs point to an economy that is clearly in excess demand," he said. "The clear implication is that further rate increases are warranted." —Paul Vieira

FROM PAGE ONE

How Not To Go Off The Grid

Continued from Page One

do we want to get in a car with these strangers?" says Ms. Battle, who is now 25.

Eventually they hitched a ride with a passing husband and wife (not vampires, whom) who were camping nearby.

The friends aren't the only ones having road-trip dramas: Others say they have been waylaid after driving cellular-reliant transportation off the grid. (An Olympic National Park ranger station has even posted a sign warning this can happen.) Technology is making it trickier to get away from it all, because our new tech insists on tagging along.

Such cases of being stranded after going too far off the grid—by being locked out or the car not starting—are extremely rare, says Justin Holmes, vice president of marketing and public policy at Zip-

car. "When they do, the root cause of them, it's often not the technology, it's something else," he says, including phone settings or expired reservations.

Mr. Holmes said Zipcar can't comment on specific incidents. Zipcar's website recommends drivers locked out of cars first make sure they have cellular data, Bluetooth and location data switched on.

Cindy Groshong, who owns Mountain Loop General Store in Washington's Cascade foothills, about 3 miles from a reliable signal, says she and her employees regularly see people walk in seeking the store's landline phone. The castaways, she says, are typically locked out of a digitized rental car or dealing with one that won't start. "You're not the first person," Lynn Sellick-Lane, a store clerk says she assures the stranded. "They're always a little alarmed and surprised their car will lock them out."

While waiting for help, wayward travelers play with the store's resident black cat, Mondo, or maybe grab a beer: "One gal just sat at the bar," says Ms. Sellick-Lane.

University of Washington



Haley Shoebottom, Kateri Gajadhar-Smith and Marissa Battle got locked out of their rental car on a road trip in Washington.

student Matthew Mitnick tries to defeat the cars himself. An ultramarathoner, he joined Zipcar to venture beyond where public transportation allows to run the Pacific Northwest trails. Half a dozen times, Mr. Mitnick says he emerged from long runs to a Zipcar that wouldn't unlock via the app because the signal on his phone was too weak.

He says he works around the issue by walking around to find a strong enough signal to call Zipcar customer service to un-

lock the car remotely.

Sometimes, everyone is stumped. Late one April night, Odhran McCarthy and his wife Maria Rettori—who both work for the United Nations—and their 2-year-old, traveled via Zipcar from their home in New York City to the Getaway Cabins in the Catskills. "Get away, disconnect, detach from everything," says Mr. McCarthy, who is 36, of the goal.

Turns out, they were too detached. The next morning, the family tried to leave for sight-

seeing, but Mr. McCarthy couldn't unlock the car with his app or RFID card.

"We'll find a solution," Mr. McCarthy told himself initially before thinking, "Holy s—."

He used a landline phone at the cabin office to call Zipcar, and the company arranged for a mechanic to come—who managed to get into the car, but couldn't start it, Mr. McCarthy says. (Zipcar arranged for a tow, which claimed the car several days later.)

Meanwhile, the family took a \$365 cab back to Manhattan, while managing a toddler and symptoms of food poisoning from food they had brought along since they couldn't drive to a market or restaurant. "A perfect planned weekend went to hell," Ms. Rettori recalls.

Zipcar later reimbursed them for the cab and property locked in the vehicle.

The three stranded friends who were off the grid for a Twilight-themed weekend hitched a ride to a lodge—but one far from where they planned to stay.

Unable to find help or a ride anywhere that night, by 1 a.m., the trio shelled out a few hundred dollars for the last room

available. Their luggage was back in the car, Monroe.

"The three of us get in bed, in our sweaty, disgusting hiking clothes," says Kateri Gajadhar-Smith, who is 25, and was part of the group.

The next morning they were optimistic. "It's a fresh day," Ms. Battle thought. "We can still make it to Edward and Bella's first date." (She meant reservations at a restaurant frequented by Twilight's fictional couple.)

After a 45-minute drive back to the trailhead, a mechanic they summoned from a local towing service unlocked Monroe, using an air-pump wedge to jimmy the front door. But when friend Haley Shoebottom turned the key: Nothing. The trio say they think Zipcar's antitheft tech kicked in, preventing the car from starting if opened without Zipcar's technology.

They loaded everything from Monroe into the mechanic's truck. They drove a stake through the second half of their Twilight weekend, and lunched with their mechanic at a Mexican restaurant. He then shuttled them to a friend, who brought them back to Seattle.



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ARTS IN REVIEW



TELEVISION REVIEW | JOHN ANDERSON

'Let the Right One In': Don't Say the V-Word

Eleanor, the ageless, blood-hungry heroine of "Let the Right One In," scampers up the sides of buildings, scrambles like a crab and every now and again goes for the throat. She's agile, flexible and gets under one's skin. Much like the series itself.

Based on the 2008 Swedish horror classic and the 2004 novel by John Ajvide Lindqvist, the 10-part Showtime adaptation studiously avoids the V word (vampire) but it does make mischief with the conventions of the undead: According to folklore, a vampire could only enter one's dwelling if he or she were invited—hence the cautionary title. Be careful who comes in your window. The American remake of 2010 was retitled "Let Me In," which missed the point as did the film, mostly. But while the new series also takes liberal departures from the original, few are likely to care: Like the first movie, directed by Tomas Alfredson, it's a story about relationships and character. The horror aspects are rendered secondary, which may explain why much of this "Let the Right One In" is so righteously gruesome when it chooses to be.

Gruesome, but not gratuitous. Blood, which over the last two millennia has transitioned as a literary signifier of eternal life to sex to death, is pure nourishment for Eleanor (Madison Taylor Baez), who has remained 12 years old for a decade. Over that time, her father, Mark (a great Demián Bichir), has traveled with her, finding vic-



tions on whom she can feed and trying to find a cure or her condition. It's not until episode 7 that Mark's search finally makes total sense, at least for this viewer: Whatever creature inflicted this mystery malady on Eleanor, a doctor tells her in flashback, might also possess antibodies that keep it immune to the illness it carries. "The host is the cure," she says, which explains Mark's relentless hunt for Patient Zero. Or Vampire Zero. This isn't a spoiler. But it might help clarify the six earlier episodes.

Those episodes track several parallel subplots that seem intended to converge. Mark and the motherless Eleanor have arrived back in New York, drawn by a rash of mysterious midtown murders notable for their ferocity and blood-drained victims. The two also intend to settle down. To that end, Mark finds an apartment



Clockwise from above: Madison Taylor Baez; Anika Noni Rose; and Ms. Baez and Demián Bichir

which, to his alarm, has situated them right next door to a NYPD homicide detective, Naomi Cole (a superb Anika Noni Rose), and her gentle son, Isaiah (Ian Foreman), who quickly becomes friends with Eleanor. Isaiah is bullied; Eleanor is desperately lonesome. Both of the young actors are remarkable, memorable and carry much of the story. "Let the Right One In" has a uniformly top-notch cast, but the kids happen to be terrific.

So is the structure of the series, as laid out by creator/showrunner Andrew Hinderaker ("Penny Dreadful"). It is involving but not overly involved or convoluted in its plotting. Mark, looking for work, reunites with Zeke (Kevin Carroll), an old friend and onetime employer—when Zeke opened his very successful Manhattan restaurant 10 years earlier, Mark was his executive chef until vampiric duties called him away. It

was Zeke who figured out what was wrong with Eleanor when she was first afflicted. "I'm just guessing from movies I've seen," he says in flashback. "I don't really know what the f— I'm talking about." But he's right, and it's funny—over a 10-part series, something has to be funny.

Also, horrific. Regardless of one's tolerance for mayhem and gore, "Let the Right One In" is going to be alarming, the violence startling. The murders in, around and under New York are abrupt, nasty and somehow linked to a new drug on the street, something that evokes OxyContin—there's been a national epidemic of abuse, which is laid at the feet of the ruined, Sackler-inspired Arthur Logan (Željko Ivanek) by everyone including his science-genius daughter, Claire (Grace Gummer). Arthur also seems responsible for the new narcotic, which has the

unfortunate side effect of turning junkies into homicidal maniacs with superhuman strength. He has tried to save his infected son, Peter (Jacob Buster), a vampire whose premature trip into daylight fried him to a literal crisp, which is how he spends most of the series; the skin grafts performed by his sister are among the sequences in which "Let the Right One In" feels a bit more detailed than it needed to be. One can only speculate about what else is going to happen—the series literally wasn't finished at the time of this writing. But few who watch will be eager to see it end.

Let the Right One In
Friday, streaming, and Sunday, 10 p.m., Showtime

Mr. Anderson is the Journal's TV critic.

New York

Thomas Jefferson, pregnant? Lawyer, architect, statesman, violin-player. The third president of the United States was a man of multitudes, but history does not record giving birth as being among his achievements. And yet, here he is, in the person of the actor Elizabeth A. Davis, boasting a notable baby bump, in the audacious new revival of the musical "1776" from the Roundabout Theatre Company.

This much-discussed production, directed by Jeffrey L. Page (who also supplied the inventive choreography) and Diane Paulus, ranks among the more venturesome attempts to open Broadway to greater inclusiveness and diversity—a movement that has taken root in the entire universe of the American theater. All the actors in the show, most of whom play the all-white, all-male participants in the Second Continental Congress, during which the Declaration of Independence was written and ultimately approved, "identify as female, transgender and nonbinary," according to press materials.

The cast is also racially diverse, with black actors in several prominent roles, including Crystal Lucas-Perry playing the agitating and perpetually agitated John Adams; Patrena Murray as his calmer, dry-witted ally, Benjamin Franklin; and Liz Mikel as John Hancock, presiding with strained patience over the proceedings.

Is this a grabby gimmick that smacks of virtue-signaling, or does it result in an inspired reinvention that underlines, through dramatic irony, the virtual erasure of women and non-white Americans in the founding of the republic? Opinions will vary.

I'll admit to some worry that the radical casting would prove a distraction from the musical itself,

THEATER REVIEW | CHARLES ISHERWOOD

Declaration of Dramatic Independence



The company of Roundabout Theatre Company's production of '1776,' directed by Jeffrey L. Page

which boasts a fine score, by Sherman Edwards, and a book, by Peter Stone, that ranks as one of the wittiest and most eloquent ever written for a Broadway musical. But the committed and engaging performances of the cast, and the astute, focused direction, won me over quickly. This "1776" is disarmingly odd, occasionally thought-provoking and an absolute delight.

It is also timely. As political polarization seems to increase by the day, "1776" offers a telling reminder that the nation was fiercely divided from the start, with the representatives from the New England colonies and the Southern ones descending from arm-twisting almost to arm-breaking as they battle over whether to declare independence. (It is perhaps not coincidental that the musical made its de-

but in 1969, at the end of a decade roiled by cultural conflict.)

Ms. Lucas-Perry is a forceful and ferocious Adams, the leader of the movement for independence and, with his doggedness and loquaciousness, a constant thorn in the sides of both his allies and his enemies. He is aided primarily by Franklin, played with funny forbearance and impish humor by Ms. Murray. As Jefferson, who is ultimately badgered by Adams into writing the declaration, Ms. Davis brings a genteel dignity to her performance, a wan smile occasionally emerging as Jefferson watches the thrusting and parrying among the forces for and against independence.

Leading the opposition is John Dickinson, of Pennsylvania, played by Carolee Carmello with vibrancy and

polish. Even her flaming red hair seems to bounce with bright enthusiasm as she spars with Adams. Also in the forefront of Adams's foes is Edward Rutledge, of South Carolina, whom Sara Porkalob imbues with a preening sense of power thanks to his ability to steer the Southern delegates.

Among the other notable performances are Eryn LeCroy's tender and beautifully sung turn as Martha Jefferson, and Allyson Kaye Daniel's Abigail Adams, who brings out the gentle side of her husband. A letter from Abigail to John newly interpolated into the show—pointedly including the line, "All men would be tyrants if they could" and imploring him, in vain, to "remember the ladies"—is among the few changes to the libretto. Playing the bibulous

Stephen Hopkins, the representative from Rhode Island, calling for rum at every opportunity, Joanna Glushak reels around the stage hilariously. And Salome B. Smith supplies a musical highlight—and a respite from the pitched political battles—when, as the courier, she sings with mournful beauty the show's most affecting song, "Momma, Look Sharp," a Stephen Foster-like lament for two boys killed in the already burgeoning conflict.

In truth, the conceit of the production doesn't add any significant extrinsic meanings to the musical. Stone and Edwards were hardly cheerleaders for the Founding Fathers, noting sardonically their hypocrisy and venality. But this staging does underscore some of the authors' criticisms of the compromises required to bring aboard the Southern states, with specific regard to excising a passage from the Declaration that condemned slavery.

Pressing his point, Rutledge leads the scorching, sarcasm-drenched "Molasses to Rum," focusing on the complicity in the slave trade of the northern colonies. Here the number concludes with bracing images of the black actors in the cast representing slaves to be bid for, including many of the same actors we have seen as representatives in the Constitutional Congress. The moment brings home, with an uncomfortable power, the ugliness of those compromises made to ensure the Declaration's approval.

1776
American Airlines Theatre, 227 W. 42nd St., New York, \$69-\$179, 212-719-1300, closes Jan. 8

Mr. Isherwood is the Journal's theater critic.

ARTS IN REVIEW



FILM REVIEW | KYLE SMITH

'Triangle of Sadness': Satire at Sea

A class comedy follows the chaos that occurs when the expected order of things is overturned aboard a luxury yacht

Should a woman who makes three times as much as her boyfriend pay for dinner? Can Marxists and capitalists learn anything from each other? More important, what would 'Gilligan's Island' have been like if it had been directed by Luis Buñuel? Such are the questions raised by writer-director Ruben Östlund in his savagely entertaining social satire 'Triangle of Sadness,' one of the liveliest and most provocative films of the year.

It's also dark and mischievous, and contains the most fulsome depiction of regurgitation since 'Monty Python's The Meaning of Life.' 'Triangle of Sadness,' which is the first film in English from the Swedish filmmaker, is a heady three-sided class comedy that nods to the surrealist and communist Buñuel's 'Discreet Charm of the Bourgeoisie' and Lina Wertmüller's 'Swept Away' but is far more insightful than either of those '70s art-house warhorses. Like Mr. Östlund's scabrous 2017 art-world satire 'The Square,' 'Triangle' captured the Cannes Film Festival's Palme d'Or. But don't go in expecting art-house intellectualism. The movie is as loaded with fun as it is with social implications. Its broad comedy about the modeling world plays like a deadpan version of 'Zoolander,' and its third act has more primal drama than a season's



Arvin Kananian and Woody Harrelson in Ruben Östlund's movie

worth of 'Survivor.' 'Triangle of Sadness' refers initially to the wrinkles formed between the eyebrows on the involuntarily frowning face of the male model Carl (Harris Dickinson, playing the role with a combination of bafflement and hurt) at an audition. You may take his facial imperfection as a metaphor, because the movie itself is a triangle, with three sections set in three distinct environments. The sadness evinced by Carl in the various settings rarely fails to be amusing.

The movie travels from the Eu-

ropean world of haute couture to a cruise ship to a desert island, with literal and satirical hand grenades being thrown everywhere. In a long scene that picks apart every element to a level worthy of 'Seinfeld,' Carl's beautiful but devastatingly manipulative girlfriend, Yaya, a fellow model, uses each possible trick to get him to pay the check in a fancy restaurant. She is played with an otherworldly level of entitlement by Charlbi Dean, who shows great promise in the role. Alas, the actress died suddenly a few

weeks ago in New York at age 32.

The second leg of the sadness triangle takes place on a huge yacht, upon which Yaya and Carl have been invited for a cruise because she is a social-media influencer. On board, we meet other ship-of-fools types such as a Russian (Zlatko Burić) who made a fortune in fertilizer (although he prefers a less polite term for his product) and a rich passenger who sparks a kind of top-down revolution by demanding that the working staffers take time off to go swimming. As the natural order of things goes awry, so does the ship. Enter its drunken captain, an apostle of Karl Marx who finds the fertilizer king to be an amusing foil: He is played by Woody Harrelson in a typically loopy and hilarious performance. The captain and the Russian spend a sharply-written interlude firing political one-liners at one another while the environment around them takes a turn toward the catastrophic.

The third side of Mr. Östlund's triangle is a class allegory about society in extremis. When several characters wind up in a Hobbesian state of nature, social structures undergo a kind of 'Poseidon Adventure' moment: The high and mighty become low and desperate. A grouchy toilet cleaner (Dolly De Leon) who has practical skills suddenly achieves dictatorial power. Mr. Östlund devises a combination of scabrous comedy, deep unease

and poetic justice in his final act, then teases the audience by leaving it for us to argue about what happens in the closing moments.

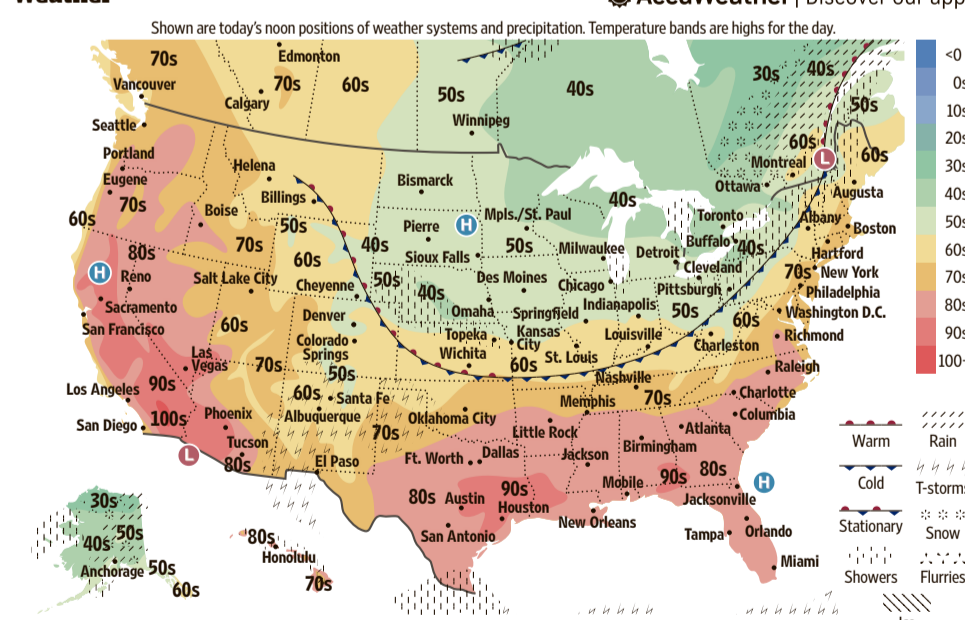
The satire fires in all directions. As tart as Mr. Östlund is about the upper classes, he also isn't sentimental about what might happen in the event of a dictatorship of the proletariat. Even if you don't count the (remarkably disgusting) sequence in

A smart, three-part skewering of both the upper classes and the proletariat.

which various characters experience seasickness, the filmmaker seems to have set out to offend everybody, to comfort no one, and to frustrate any attempt to wrest this story into a typical Hollywood parable with a clear villain and a pat takeaway. 'Triangle' questions both the sustainability of a spectacularly inequalitarian society and the hypocrisies of those who profess to offer solutions. If it offers a one-line distillation of our present moment, it's the eerie phrase endlessly repeated by a brain-damaged cruise-ship passenger who can barely speak: "In den Wolken," or "in the clouds."

Weather

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U.S. Forecasts

Table with 4 columns: City, Today Hi Lo W, Tomorrow Hi Lo W. Lists major cities and their forecasted high, low, and weather conditions for today and tomorrow.

Table with 4 columns: City, Today Hi Lo W, Tomorrow Hi Lo W. Lists international cities and their forecasted high, low, and weather conditions for today and tomorrow.

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The WSJ Daily Crossword | Edited by Mike Shenk

A crossword puzzle grid with numbers indicating the starting positions of words. The grid is partially filled with black squares.

CONSIDER THE ALTERNATIVE | By Matt Gaffney

The answer to this week's contest crossword is a six-letter word.
22 'Back to the Future' surname
25 One of the sevenths of the week
30 Below average
31 Arms are moved in and out of it
33 Seam material
34 Kendrick and Kournikova
36 Thus far
37 Professor's org.
38 One of the months of the year
40 One of Shakespeare's plays
42 It can be 1 or 11 in 21
43 Rome debut of 1900
45 'Blitzkrieg Bop' chant
46 Cheese go-with
47 Chant
49 Try to locate
50 Nearer to the front of the body
52 Minor number
54 Rage
55 ___ Head, North Carolina
57 Danish shoe brand since 1963
59 Sylvia Plath novel



- 65 Dropped dictionary sound
66 Hawk
67 Sauce served chilled
27 Eye part
28 Salieri's reply in 'Amadeus' to the line: 'All men are equal in God's eyes'
29 'I guess that works'
30 ___ pants (bed clothing)
32 Stops a sailboat's forward motion
35 'Get Out' genre
39 Rice-A-___
41 Brief letter closing
44 One of the Ivy League schools
48 Narrowly defeat
51 Undermine
53 Hajji's faith
56 With skill
57 List closing
58 Letter after phi
59 General on menus
60 She/___
61 Cover for someone, say
62 Stewart or Tatist
63 Maximum effort
64 Southern Hemisphere city, briefly

Previous Puzzle's Solution

A crossword puzzle grid showing the solution to the previous puzzle. The words are filled in, and the grid is color-coded to match the previous puzzle.

SPORTS

JASON GAY

There's Fishy Fish and a Mess in Chess

Weights! Hidden devices? Accusations roil beloved games and the underwater.



This week will go down as the moment when—finally!—sports fans stopped obsessing about trivial hobbies like the NFL and Major League Baseball, and started caring about the three most important activities in American life:

Fishing, chess and poker. Or more specifically: alleged cheating scandals in fishing, chess and poker.

Let's start with the fishy fish. Video went viral over the weekend from a fishing contest on Lake Erie, where a pair of anglers stand accused of supplementing their winning walleyes with lead weights and filets from other walleyes.

That's right: walleye in walleye.

The scam fish were gutted on camera, to great drama: A suspect looking on as egg-sized weights and slimy filets are extracted from fish submitted for prize consideration. The nearby crowd grows furious and mob-like.

"We got weights in fish!" an organizer yells.

"Get the blank out of here!" screams another voice. (Except he doesn't say *blank*. A warning, if you haven't seen it: The walleye video is more foul-mouthed than Pesci in a Scorsese.)

Now if you're like me, you think of fishing as a leisurely activity in which you fail to catch anything between opening 12-ounce cans. But Lake Erie was big-time stuff: A five-figure prize was on the line. The alleged suspects had been on a lucrative tournament hot streak which is now under suspicion.

I did not have *Globally Scandalous Lake Erie Fishing Imbroglia* on my sports lineup card for October. Nor did I expect the most widely read sports saga in the Journal this month—and honestly, it might wind up for the decade—to be the

cheating scandal currently consuming the world of high-level chess.

If you're behind (but you shouldn't be, since this story has been aced by the Journal's Andrew Beaton & Joshua Robinson, now the Woodward & Bernstein of chess): This dilemma concerns the American phenom Hans Moke Niemann, who unexpectedly toppled world champion Magnus Carlsen at an event last month. At their next match, Carlsen

time. The report also cast serious suspicions about Niemann's meteoric rise in "over the board" chess (i.e. live chess in the same room as his opponent, as Carlsen was).

Now if you're like me, you think of chess as a leisurely activity in which you lose to children and golden retrievers between opening 12-ounce cans. But this chess scandal is a major event, and provokes a fair question: How do you cheat at chess?

tive proof and Niemann has strenuously denied cheating in over-the-board games. The same murkiness—and lack of proof—applies to poker player Robbi Jade Lew, who is under scrutiny for going in on a \$269,000 pot against Garrett Adelstein while only holding a jack-high. That's an extraordinary call you probably wouldn't do playing in the backyard against your cousins and some golden retrievers, and is a wild move on the pro cir-

slot machines and Uno.

It's been quite a week for she-nigans, and there's still a couple of more days for my favorite sport, professional cycling, to get some of its fantastic brand of nonsense in under the wire. Do you know what pro cycling calls scandals like these? They call it "Pro cycling." (When your sport has had scandals involving hidden motors and athletes injecting other people's blood, crudely stuffing a fish full of lead sounds lo-fi adorable.)

Yet these furies capture the imagination, because all of us remain fascinated at the lengths some of our fellow human travelers will allegedly go to win. How fitting is it that these tempests land in the same week the PED-unsunderalized Yankee slugger Aaron Judge hits 62, a moment many fans believe returns a layer of virtue to baseball's home run table?

(Now comes word of a judging scandal in the world of Irish dance. I have no idea what to do with this information.)

I choose to be an optimist. Seeing people riled up by these controversies makes me feel there are still a few places left in this cynical world where a fading-but useful quality like human integrity matters—even if those places are Yankee home run records, chess boards, poker tables and onboard motorized fishing boats on Lake

Erie. It's why Magnus Carlsen is so ticked. It's why prize fishermen get asked to take lie detector tests. It's why the Houston Astros, like it or not, are going to be hearing garbage can jokes for the rest of their lives.

Here's to integrity, I say. Truth still counts. Fishing, chess, and poker sounds like a perfectly good summer weekend in Maine. Let's keep it that way.



withdrew after a single move, and signaled strongly he did not believe Niemann's play was on the level. On Tuesday, Woodward & Bernstein, I mean, Beaton & Robinson reported that an investigation by the online chess-playing platform Chess.com found more than 100 examples of suspicious online play by Niemann, and that Niemann admitted to the allegations and was banned for a period of

Online, there are many options for subterfuge (answers are often a Google click away), but Beaton & Robinson wrote that over-the-board cheating is more complicated endeavor, requiring a live feed of the match and almost surely a co-conspirator running operations through a computer and signaling moves to the player via a device of some kind.

Or...not? There's been no defini-

cuit. A suspicious Adelstein was infuriated, and Lew (who denies cheating) wound up returning the money to him.

Now if you're like me, you think of poker as a leisurely activity in which you lose a maximum of two figures between opening 12-ounce cans. A quarter million dollar pot sounds like stressful, acid-stomach business for everyone involved, and it's why God invented penny-

It's 'Good Vibes Only' For Surging Mariners

BY TIM BROWN

DAYS INTO HIS FIRST FULL season as Seattle Mariners general manager, Jerry Dipoto was 2-6 and in last place in the American League West. He had hoped to make a better impression. But it was only mid-April, he hadn't yet unpacked from spring training and he believed this was a good team.

On his way through the office that day, a nice woman who was an administrative assistant caught his eye. Dipoto said hello. She smiled warmly.

"Jerry," she said, "don't let it bother you. You'll get used to it."

She gestured around the room.

"We all have," she said.

He smiled back. His Mariners didn't make the playoffs that season, in 2016. Or in the five seasons that followed.

"I'd thought to myself," he said, "we have to do something to rid everybody of that mind-set and get them to focus on how good it could be."

So in the hours after the Mariners clinched their first postseason berth in 21 years on Sept. 30, a night in Seattle that saw tears and fireworks and grown men sloshing through puddles of beer and a generation of frustration, Dipoto thought about that nice woman. She had been laid off during Covid, but he was sure she was watching and he hoped she felt a part of it, too.

It was good again. It was really good. And maybe the people there, the ones who kept coming, the ones who just showed up, and especially the ones who refused to leave T-Mobile Park after the clinching game, could get used to that too.

"Oh my gosh," Dipoto said, "these fans deserve this. They dealt with a lot of pain for a couple of decades."

On Friday, and for the first time since Oct. 22, 2001, the Mariners

will play a postseason game and end the longest active postseason drought in major North American sports. They will face the Blue Jays in a best-of-three wild-card series in Toronto.

There will be other stories in the run-up to that series.

The new postseason format has added a team per league, axed the do-or-die wild card game, included byes for the best two division winners in each league and, due to a schedule tightened by last winter's lockout, will provide for fewer travel days.

The Cleveland Guardians, expected by most to finish at .500 or worse, won the AL Central despite a roster whose average age is about 26. The St. Louis Cardinals, led—at least in spirit—by a 40-year-old catcher (Yadier Molina), a 42-year-old designated hitter (Albert Pujols) and a 41-year-old ace emeritus (Adam Wainwright), won the NL Central. The Los Angeles Dodgers set a franchise record for wins in a season. Aaron Judge

breathed down Roger Maris's neck for months. Buck Showalter, the first-year manager of the New York Mets, is in the postseason for the first time since 2016. The defending World Series champion Atlanta Braves look better this year than

last, and maybe no team is better than the Houston Astros, who've been to the World Series three times in five seasons. The Chicago White Sox are not in the postseason. Neither are the Los Angeles Angels of Shohei Ohtani and Mike Trout. Or the San Francisco Giants, 107-game winners in 2021.

But to get here, these Mariners had to cut across 21 years, five general managers, 10 field managers, good teams and bad teams, more than 100 trades in seven years by Dipoto himself and the empathetic soul of a woman who couldn't bear to see him suffer—



The Seattle Mariners celebrated after Cal Raleigh's walk-off home run on Sept. 30 clinched a wild-card playoff berth.

when the suffering was only beginning.

"For two decades," Dipoto said, recalling a sprinkling of 90-win seasons and second-place finishes, "we were the best bad team in baseball."

They never made that banner. Their moment arrived, finally, exhaustingly, late one night nearing the end of Dipoto's seventh season, his manager Scott Servais's seventh season too, when one of those players they had been drafting and developing and waiting on—Cal Raleigh—hit a ball off the right-field foul pole. Afterward, Servais held a live microphone in one hand and a stubby cigar in the other, referenced "the effin' drought" and then announced, "It has been a long time. And we did it!"

The people there stomped and cheered and tried to believe that it was all real, that honest-to-goodness October baseball was coming. Some of those people might have feared they'd never again see anything like this. The rest had never seen anything like it.

Raleigh, the 25-year-old catcher, said aloud what most were thinking, and that was, "Don't count us out. I think we're going to be a scary team in October."

Four years ago, the Mariners

won 89 games, but Dipoto didn't like it and took it apart again. A year ago they won 90 games and it still wasn't good enough. But they stuck with that model. They feathered in the dynamic outfielder Julio Rodriguez, the presumed Rookie of the Year in the American League who had watched Raleigh's fly ball clatter off the right-field foul pole while standing atop the dugout rail. They counted on the maturing of rookie starting pitcher George Kirby and, in his second season, Logan Gilbert. They fielded a bullpen that would post the second-best WHIP (walks and hits per inning pitched) in baseball, behind only the Dodgers.

Dipoto dealt for third baseman Eugenio Suarez in March and pitcher Luis Castillo in July. Suarez hit 31 home runs and was the Mariners' second-best player, behind the hyper-talented and engaging Rodriguez, who is just 21 and in August agreed to a contract that could be worth more than \$400 million. Castillo is expected to start Game 1 of the wild-card series.

The Mariners are flush with pitching. Their presumed Game 2 starter, Robbie Ray, won a Cy Young Award last season for...the Blue Jays. Kirby and Gilbert are recent first-round picks. Kirby is 24.

Gilbert is 25. One of them will pitch Game 3, if there is a Game 3, with the whole season in the balance.

The more recent plan, the one that got them to Friday, doesn't happen without Kirby and Gilbert. Or Rodriguez. Or, perhaps, Suarez, who brought the group together in spring training under the motto, "Good vibes only." Or a bullpen stuffed with live arms and turn-the-corner sliders. Or the guys who had been around and given a little of themselves when the next wave arrived—players such as first baseman Ty France and shortstop J.P. Crawford and outfielder Mitch Haniger.

When Dipoto was asked to envision not just a few postseason games but a parade through Seattle, he discussed what would need to happen. "We're not going to appear to be on a similar tier maybe with the Yankees or the Dodgers or the Astros in terms of that kind of threatening offense. But when those guys are all healthy and doing their thing, we've got power up and down the lineup. If a month from now we're talking about winning the World Series, I think it's because those guys got hot and we started hitting balls out of the ballpark, because I do think our pitching is gonna show up."

OPINION

Alaska's Senate Nail-Biter



POTOMAC WATCH
By Kimberley A. Strassel

Big Lake, Alaska

Kelly Tshibaka stands in the Susitna Brewing Co., answering questions at a town-hall meeting, though what's notable is how little convincing she's having to do. Many of the 50 or so attendees came not to be won over but to ask how they can donate or volunteer to help her bid to become the Last Frontier State's U.S. senator. The little town of Big Lake sits in the Matanuska-Susitna Valley—the beating heart of Alaska's conservative movement—where a majority of voters are united on one thing: They want Sen. Lisa Murkowski gone.

A Republican is sure to win, but the state's new voting system keeps it suspenseful.

Alaska's Senate race hasn't featured much in national coverage, since the winner is guaranteed to be a Republican. The question is which Republican. Now in her third full term, Ms. Murkowski is in danger of losing her sinecure in the closest race she's run since 2010, when she lost the Republican primary and prevailed with a statewide write-in campaign. Yet GOP voters have only further soured on her—particularly infuriated by her vote against Justice Brett Kavanaugh and her more recent approval of Joe Biden's nominations and for gun control.

A recent video exposed a Murkowski staffer acknowledging the successful ballot

initiative in 2020 to convert Alaska to ranked-choice voting was created in part by people who “wanted Lisa to get re-elected.” And there's no question the new system has benefited her. She would have lost a Republican primary to Ms. Tshibaka.

Even with that boost, Ms. Murkowski is on thin ice. Most of her support will come from Democrats and left-leaning independents who rank her second after Democrat Pat Chesbro (who is polling at about 13% and will be eliminated after the first round). An internal Tshibaka poll at the end of August showed the two Republicans in a dead heat in the final round, and a September AARP survey showed the same result. Only this week, a Five-ThirtyEight simulation showed Ms. Tshibaka winning in 53 out of 100 scenarios.

Still, the challenger is up against the powerful forces of incumbency. Here at the Big Lake gathering, the first question is about the barrage of ads slamming Ms. Tshibaka, courtesy of the Senate Leadership Fund, the political-action committee associated with Minority Leader Mitch McConnell. Although the SLF claims it doesn't have enough money to bring viable GOP Senate candidates over the finish lines in states like Arizona, it's spending millions on TV and radio ads to help Ms. Murkowski in a state that will remain Republican even if she loses.

The SLF has flooded the Alaska zone with vicious spots essentially claiming Ms. Tshibaka committed fraud during her time as a federal employee. The ads are so deceptive that at least one Alaskan radio station refused to air



Kelly Tshibaka speaks in Anchorage.

them. The Murkowski campaign is also being floated by out-of-state high-dollar donations from business tycoons. By some estimates, pro-Murkowski forces outspent the Tshibaka side 10 to 1 in the runoff to August's jungle primary (which sent four candidates to November's ranked-choice election).

That Ms. Tshibaka is still swinging comes down to a conservative base that harbors a tangible resentment against Ms. Murkowski—from her installation into her job by her predecessor and father, then-Gov. Frank Murkowski, in 2002 to her recent votes against Alaskan interests. “I don't like that this is a family dynasty,” says Richard Bates, a 28-year-old from Wasilla who drove to the Big Lake event. “We need people who are fresh and honest.” He nods approvingly as Ms. Tshibaka runs down the list of Murkowski offenses, including providing the tie-breaking committee vote for Interior Secretary Deb Haaland—who since has spearheaded moves to shut down drilling in Alaska's National Petroleum Reserve and the Arctic National Wildlife Refuge and to block a vital

road from southwest Alaska's King Cove to neighboring civilization over environmentalist complaints it might disturb birds.

Ms. Tshibaka (“rhymes with Chewbacca, and yes the force is with us,” she says) is also deftly using the Beltway attacks to her advantage, contrasting Ms. Murkowski's “D.C. insider” status and “need for approval” with her own independence. “I don't have any money from the Republican Party,” she tells the audience, “which means I don't owe anyone any favors.” She pitches her oversight credentials (she worked as a watchdog in three federal administrations), and her vow to use the leverage of a Senate position to Alaska's advantage.

Her path to victory requires conservatives to turn out, and she's working to ensure that they do it with a grueling schedule of meet-and-greets across Alaska's vast geography, coupled with grass-roots interaction (she and her family alone have knocked on more than 3,500 doors since Labor Day, while the campaign has hit 25,000). Alaska averaged about 50% turnout in the 2018 midterms, and given the small population, the campaign estimates that every additional 3,000 voters equals about a percentage point increase.

The death of Alaska's long-time representative, Don Young, and the new ranked-choice system (and the state's constantly evolving guidance on how it works) is making for a wild cycle, and no one can be sure what November will produce. But those high-profile swing-state Senate seats might not be the only ones switching hands.

Write to kim@wsj.com.

BOOKSHELF | By Matthew Rees

No First Helpings

The Oldest Cure in the World

By Steve Hendricks
(Abrams Press, 438 pages, \$30)

The American diet—heavy on processed foods, light on nutrients—helps explain why life expectancy in the U.S. is lower than in any other developed country. The bill came due during the pandemic: Obese people with Covid had markedly higher rates of hospitalization and death. In fairness, Americans seem to want to slim down—dieting is a multi-billion-dollar industry. But more than half of the people who lose weight gain it all back in two years. Can anything be done about this state of affairs?

Stepping into the breach is Steve Hendricks with “The Oldest Cure in the World,” an illuminating exploration of the rich and varied history—and myriad health benefits—of fasting. Mr. Hendricks reminds us that fasting is a long-standing practice in the major world religions, as a means of penance and purification. Beyond godly matters, he notes that hunger strikes have been a familiar mode of protest—Gandhi famously held them to protest British rule in India.



Mr. Hendricks is a firm believer in the value of fasting, but his concern is the body more than the soul. He tells the story of a woman whose follicular lymphoma disappeared in 2014 after an extended fast at a medical facility in Santa Rosa, Calif. The reason, according to one of the doctors, was that her fasting reduced the levels of a hormone linked to her cancer.

Mr. Hendricks sees fasting as a way of combating a range of ailments. (“Surgery without a scalpel” was how some doctors once described the practice.) He cites studies showing fasting to be effective against arthritis, hypertension and fibromyalgia, among other afflictions. The medical logic in these cases is that fasting reduces inflammation—the source of multiple maladies—while promoting insulin sensitivity, stimulating DNA repair and generating antioxidants that neutralize a harmful molecule known as reactive oxygen species. Mr. Hendricks argues that fasting leads to better outcomes from chemotherapy, too—by causing healthy cells to go dormant and avoid the treatment's toxic chemicals.

And, yes, fasting triggers weight loss. The fasting Mr. Hendricks has in mind is periodic, its frequency and duration varying from person to person. He stresses that, if losing weight and staying healthy is the goal, the diet to return to after a fast should be plant-based. He cites Alan Goldhamer, a physician and fasting pioneer, who asserts that humans evolved to eat simple plants, not the processed foods and animal products that are a staple of the American diet.

Mr. Hendricks, a freelance reporter, is a deft stylist (fatty foods are “coronary and gastric assailants”; the marketing labels for a health fad are “linguistic casseroles”), and he excels at describing the experience of going without food—though not without water—for extended periods. Starting in 2009, he underwent several one-day fasts and then experimented with longer periods. One of his fasts lasted for nearly 20 days. When Mr. Hendricks had the inevitable hunger pangs, he followed Gandhi's advice: dismiss thoughts of food the moment they appear. He experienced a range of sensations during his foodless journey: fatigue, a heightened sense of smell, moderate lower back pain, and sharp swings in mood and energy. He only slept 5-6 hours a night.

He struggled with what is said to be the hardest part of an extended fast: from the second day to the fourth. A dynamic biological process unfolds during this period, with glycogen, amino acids and glucose interacting with the liver and the brain. The body eventually starts producing highly acidic compounds known as ketone bodies, and they counter the hormone that causes hunger. Once the body reaches this state, known as ketosis, things get easier. According to Mr. Hendricks, “willpower plays only a bit part in prolonged fasting, and hunger none at all after the first day or two. . . . If I had had to resist hunger's blare every day I fasted, I'd have given up before the first week was out.”

Fasting is a time-honored practice, often with a spiritual dimension. Its benefits to physical health are ignored or wrongly forgotten.

A theme running through “The Oldest Cure in the World” is the author's exasperation with the American approach to practicing medicine. Few physicians, he notes, are knowledgeable about fasting, despite the benefits it provides. He favorably profiles two researchers—Valter Longo and Satchin Panda, at the University of Southern California and the Salk Institute, respectively—who have conducted ground-breaking studies on the value of restrictive food consumption.

The book's most compelling story features an infant who in 1993 started having daily seizures after his first birthday. Neither medications nor brain surgery provided significant relief. Pediatric neurologists told the parents that their son, Charlie, faced a life of mental and physical retardation.

Charlie's father discovered an obscure clinic at Johns Hopkins University that offered a treatment that involved brief fasting followed by a high-fat, ketogenic diet. The family's neurologist dismissed the treatment as unworkable, but the family tried it anyway. On the second day of Charlie's fast, the seizures stopped. Over time, his physical and mental development returned to normal, and he has grown up to be as healthy as his siblings. Later research has shown that fasting and a high-fat diet is a potent method for reducing seizures in epileptic children.

Today, Mr. Hendricks reports, fasting is undergoing a “revival,” and he points to “a small but growing contingent of doctors” who may help fasting gain wider acceptance. Whether one is fully convinced by Mr. Hendricks' claims—so much depends on what further research will (or will not) confirm—he does seem to be onto something. But a prescription to substitute Whoppers and Wonder Bread with water? That's going to be a tough sell.

Mr. Rees is the editor of *Food and Health Facts* and a senior fellow at Dartmouth's Tuck School of Business.

In FALL BOOKS this weekend

The Revolutionary Samuel Adams • How Martha Graham made dance modern • Ray Bradbury, American fabulist • A history of the World Series • And many of the season's most noteworthy novels, mysteries, children's books & more

The Ayatollahs' Gift to Secularism

HOUSES OF WORSHIP
By Mustafa Akyol

Iran over the past three weeks. Protesters across the nation have poured into the streets to condemn the regime, which has responded with its usual brutality. Since the demonstrations began on Sept. 17, the police have killed dozens of protesters and arrested thousands more.

What sparked the largest antiregime protests in three years was the death of Mahsa Amini, a 22-year-old woman of Kurdish descent, on Sept. 16. Three days earlier, she had been arrested by Tehran's “guidance patrol” for failing to wear her headscarf—a mandate first imposed on Iranian women by Ayatollah Ruhollah Khomeini in 1983. The police claim she died as a result of a “sudden heart problem.” But eyewitnesses saw that Amini was beaten by the police, and her family noticed bruises on her dead body.

Since news of Amini's death became public, countless women have ripped off their hijabs; others have burned them in street bonfires. Such public defiance probably isn't

what Khomeini expected when he first issued his decree. He and his allies meant to shield Iran from “toxic” Western influence and ensure obedience to Islam, as they define it, for all. But by forcing their severe and cramped religious vision on an unwilling people, they've driven many from Islam itself.

Many Western visitors to Iran have noticed this. They've found a much less pious society than they expected. The Economist's Nicolas Pelham visited Tehran in 2019 and found the city “defiantly secular.” The regime builds new mosques, he noticed, but few attend them. “Alcohol is banned,” he noted, “but home delivery is faster for wine than for pizza.”

In 2020 the Group for Analyzing and Measuring Attitudes in Iran released an online survey gauging Iranians' attitudes on religion. Results showed “unprecedented secularization.” Approximately half of the population “reported losing their religion” and around 60% reported that they never pray. Sixty-eight percent supported the separation of church and state—the antithesis of the Iranian regime.

Meanwhile, many Iranians have converted to Christianity. Iran's underground church

may be the fastest-growing in the world. “The best evangelist for Jesus was the Ayatollah Khomeini,” an Iranian pastor anonymously told the makers of the 2019 documentary “Sheep Among Wolves Volume II.” Some of the country's wiser Muslim clerics have acknowledged the counterproductivity of religious coercion,

Religion doesn't flourish when it is compulsory. Look to Iran for an example.

albeit also anonymously. One cleric recently told the Middle East Eye that the Islamic Republic “has both weakened Islam and clerics in the eyes of people.”

Yet the regime's answer to declining religious observance, unsurprisingly, is to blame everybody but itself. President Ebrahim Raisi recently accused “the enemies of Iran and Islam” of weakening the “religious foundations and values of the society.”

The same is true in neighboring Turkey. Though the country is still officially a secular republic, it is led by an

increasingly corrupt and authoritarian government whose virulent propaganda is soaked with references to Islam. The consequence has been a widespread aversion to religion and an embrace of “deism” among the youth.

In the Arab world, too, recent surveys have found an increase in secularization and growing calls for reforms in religious political institutions. Disillusionment with the faith, they note, owes in part to both violent and illiberal manifestations of Islam.

That's the story behind the cheers of *azadi*, or freedom, by Iranian women today. They aren't protesting religious faith itself. They are shaking their fists at regimes—across the Middle East and beyond—that impose narrow interpretations of faith by the brutal methods of totalitarianism: “morality police,” blasphemy laws, bans on books and websites, arbitrary arrests and torture. Iran's hijabless objectors are reminding the world that religion, if it's to flourish, must ally itself with freedom.

Mr. Akyol is a senior fellow on Islam and modernity at the Cato Institute, and the author of “Why, as a Muslim, I Defend Liberty.”

Cheer On Judge but Don't Forget Maris

By Bob Greene

Joe DiMaggio, 68, is standing outside the third-base chalkline swapping stories with Stan Musial, 62. Nearby, Duke Snider laughs as he describes unexpectably being given a senior citizens' discount at a car wash. Pee Wee Reese allows that in the clubhouse on this day, Willie Mays helped him put on his uniform trousers because of Reese's bad leg.

Standing at a 15-year remove from all this—and not just a physical remove, or so I sense—is Roger Maris.

This is on July 5, 1983. The 50th anniversary Major League Baseball All-Star Game will be played in Chicago's Comiskey Park, which will be demolished within a decade. First, though, a special Old Timers Game has been scheduled. A television sportscaster says loudly into his microphone that seldom if ever have more members of baseball's Hall of Fame been

gathered in one place.

I'm standing with Maris, who shows no reaction, even though he hears the broadcaster's words and no doubt feels their sting. There are plenty of Hall of Famers here, all right. And he's not one of them.

Often, when athletes' records are broken, they're diminished.

He never became one, either before or after his death in 1985. He willed his way to as vaunted an all-time record as there is in sports—most home runs in a season—yet the voters who determine inductees to the Hall of Fame would never allow him in, apparently feeling that, other than his 61-homer year, his career did not meet the hall's standards.

And now Maris begins to fade in the rearview mirror,

because on Tuesday night Aaron Judge of the New York Yankees hit his 62nd home run.

On that summer afternoon at Comiskey, Maris tells me something that has made him melancholy: During warm-ups for the Old Timers Game the bat in his hands felt awkward. It has been so long since his playing days that now the bat seems like a foreign object. Once, he says, it might as well have been an extension of his arms: “Baseball basically meant everything to me.”

It will be a shame if, in the wake of Aaron Judge's accomplishment, Maris and what he achieved become diminished. That often happens to athletes whose records are broken, and Maris always had to deal with the invisible asterisk that separated his 61 from Babe Ruth's 60 because Maris's came during a longer season. Then arrived the muddying, vexatious issue of the steroids-era home run hitters

with 70 or more a season.

Maris's family has comported itself with complete grace each time someone has approached his record, yet somehow the indignities keep coming his way. Baseball has a Golden Days Era Committee to offer a place in the Hall of Fame to deserving players who were overlooked during their years of eligibility. Maris was on the ballot last December. He was passed over again.

Perhaps he'll never make it to Cooperstown, N.Y. But there is one town that has seen to do right by him. In Fargo, N.D., where he played American Legion ball as a boy and is buried, the Legion youth program in 2006 instituted its own baseball hall of fame. The ceremony didn't attract national attention, but the first inductee was Roger Maris.

Mr. Greene's books include “And You Know You Should Be Glad: A True Story of Lifelong Friendship.”

OPINION

REVIEW & OUTLOOK

Biden and the Oil Dictators

The madness of the Biden Administration's energy policy has been horrifying to watch, like a car crash except all Americans are passengers. The latest bizarre twist is that the White House may ease sanctions on Venezuela and its dictator Nicolás Maduro in an effort to increase the supply of oil on the global market.

The Journal reports that the U.S. is "preparing to scale down sanctions" on Venezuela's nasty regime so Chevron Corp. can resume pumping oil. The move is contingent on the Maduro government entering good-faith talks with the political opposition, which is an oxymoron.

"There are no plans to change our sanctions policy without constructive steps from the Maduro regime," Adrienne Watson, spokeswoman for the National Security Council, told the Journal. But the regime has never been willing to concede anything to the opposition. The likeliest result would be that Mr. Maduro opens talks, the U.S. eases sanctions (after the November election), and the talks go nowhere.

The Venezuela gambit is part of the Biden Administration's rolling dictator tour to encourage more oil supply anywhere except in America. President Biden tried courting the Saudis, but this week they and OPEC+ chose to reduce production by two million barrels of oil a day. The Iran nuclear talks are supposed to liberate Tehran's oil production, but the mullahs won't take yes for an answer and are holding out for more U.S. concessions.

That leaves Venezuela, whose production and sales have fallen off a cliff thanks to its own socialist mismanagement and the sanctions imposed by the Trump Administration. Lifting sanctions now on the mere hope of political concessions in Caracas would reward the regime for impoverishing its people and creating a refugee crisis in the region. It isn't clear how much or

This Administration wants more oil anywhere except in America.

how fast Venezuelan oil, which is a hard-to-refine kind of heavy oil, could reach the global market. But Mr. Biden is desperate to reduce American gasoline prices.

Meanwhile, the Administration is hinting that it could allow the Justice Department to file an antitrust suit against the OPEC+ cartel for fixing prices. This might be politically satisfying, but the Saudis and its Gulf allies could easily retaliate by cutting production further and hurting U.S. consumers.

In response to this week's OPEC decision, some politicians are also threatening to withdraw U.S. troops from Saudi Arabia and the United Arab Emirates. Reps. Tom Malinowski (D., N.J.), Sean Casten (D., Ill.) and Susan Wild (D., Pa.) declared that "it is time for the United States to resume acting like the superpower in our relationship with our client states in the Gulf." If you want to drive the Saudis further into the arms of Russia and the Chinese, keep this up, guys.

All of this international drama, and growing American economic vulnerability, could have been avoided if the Biden Administration hadn't made a policy of waging war on the domestic U.S. oil-and-gas industry. The White House blames the industry for high gas prices while it does everything it can to make drilling more difficult and financially risky.

As an act of strategic self-sabotage, this is matched only by Germany's determination over two decades to make itself vulnerable to Russian natural gas.

Amid a war in Europe, a global energy crisis, and a risk of a global recession, a serious U.S. Administration would do everything in its power to encourage more domestic energy production. This Administration would rather make America more dependent on the "constructive steps" of dictators.

You Didn't Invent That Drug

Remember when Barack Obama declared that businesses owed their success to the government? "You didn't build that," he said. Well, now the National Institutes of Health is claiming credit for Biogen's new Alzheimer's treatment that showed success in a large trial last week.

"Potentially promising outcomes such as this one are the result of sustained public investment in medical research, the tireless work of scientists around world, and the help of people living with Alzheimer's and their caregivers," the NIH wrote in a press release this week. Although the NIH didn't fund the successful study, it says its "decades of research paved the way" for it.

Sorry. The Biogen drug's apparent success is mainly the result of sustained private investment in drug research and development over many decades that has resulted in dozens of failures and billions of dollars in investment write-offs. Biogen may finally recoup some of its investment with its new Alzheimer's drug, if the Biden Administration will let it.

Amyloid buildup is associated with Alzheimer's disease. Many scientists believe that removing amyloid from the brain could slow cognitive decline. But the long line of failed amyloid treatments has prompted skepticism in some quarters. Many dismissed Biogen's first-in-class amyloid drug Aduhelm despite positive results from one late-stage trial because another trial showed mixed results.

The Food and Drug Administration approved Aduhelm based on the totality of evidence. But Medicare refused to pay for it and other anti-amyloid treatments that might win accelerated government approval outside of clinical trials because it wasn't convinced that removing am-

ylod can slow the disease. Biogen's new experimental amyloid drug lecanemab provides more evidence it can.

Even the NIH seems to agree. Lecanemab slowed the rate of cognitive decline by 27% over 18 months, similar to Aduhelm. Government "funding was integral to helping us understand the role of amyloid, the protein targeted by lecanemab," the NIH says. OK, but Biogen and other drug makers took the risk of investing multiples of that in experimental treatments with no guarantee that it would ever pay off.

Failed trials led Biogen to screen patient brains specifically for amyloid. Yet the NIH even tries to claim credit for this revelation, writing that the "selection of participants for lecanemab clinical trials hinged on amyloid PET imaging, a technology that was developed with publicly funded research."

Government bureaucracies love to take credit, but the NIH is essentially claiming intellectual ownership of Biogen's drug. Will the NIH also demand inventor rights to Biogen's patents so it can earn royalties on its drug sales, as it did with Moderna for its Covid-19 vaccines because its scientists contributed to coronavirus vaccine research?

Progressives also say that the Bayh-Dole Act allows the federal government to confiscate patents for drugs developed with government funding. You can expect to hear this argument if Medicare covers lecanemab. The Administration's political narrative is that drug makers are greedy and don't care about patients.

It's possible the agency is merely trying to convince Congress to give it more money, but government never stops grasping for whatever it can. Sorry, NIH, you didn't invent that.

The Legal Way to Help the 'Dreamers'

Ten years after President Obama decided to rewrite immigration law by executive fiat, the Fifth Circuit Court of Appeals on

Wednesday rightly said what everyone knew all along: Mr. Obama's program of Deferred Action for Childhood Arrivals, also called DACA, was illegal. The "Dreamers" covered by it have safe harbor for now, but it's incumbent on both parties to find a legislative fix.

DACA provided legal status and work authorization to young adults who were brought to the U.S. illegally as children. But the Fifth Circuit's three-judge panel says the Obama Administration's 2012 memo creating the policy exceeded its statutory power and violated the Administrative Procedure Act (APA). These aren't close questions. Even Mr. Obama in 2011 argued that he didn't have the authority to wave a wand and shield Dreamers from deportation.

"With respect to the notion that I can just suspend deportations through executive order, that's just not the case," Mr. Obama said. "There are enough laws on the books by Congress that are very clear in terms of how we have to enforce our immigration system that for me to simply through executive order ignore those congressional mandates would not conform with my appropriate role as President."

Yet that's exactly what he did a year later, to energize his base before the 2012 election. The Department of Homeland Security argued that DACA was merely an exercise of "prosecutorial discretion" that created no "substantive right." But the Fifth Circuit disagrees and identifies the

fundamental constitutional problem. "There is no 'clear congressional authorization' for the power that DHS claims," writes Judge Priscilla

Richman, citing *West Virginia v. EPA*, the Supreme Court's ruling this summer on the major questions doctrine.

The panel also dings DACA because it was put into effect without the notice and com-

ment that the APA requires for substantive rules. Recall that the High Court enjoined the Trump Administration's move to rescind DACA, saying it violated the APA because it failed to consider states' reliance interests on the program and reasonable alternatives to ending it. Goose, gander.

In August the Biden Administration issued a final rule aiming to shore up DACA. The Fifth Circuit wisely allowed Dreamers to renew their DACA status while litigation on that continues in the district court. But the Supreme Court will likely be asked to weigh in, and the constitutional flaw remains. It would behoove the country for both parties to compromise rather than use these young people as political pawns.

Congress has debated for years whether to legalize Dreamers. DACA killed the impetus for action, as did the Supreme Court's ruling blocking the Trump rescission. The Fifth Circuit's ruling should reignite negotiations. Dreamers were brought here through no fault of their own, and they contribute to American life. It helps nothing to deport them to countries they don't remember. DACA was a legal wrong, but that doesn't change the moral and economic imperative for Congress to give Dreamers a reprieve.

LETTERS TO THE EDITOR

The Shock of Being Called Racist at Your Job

I empathize with Laura Morgan over her experience at Baylor Scott & White Health ("Implicit Bias Training Cost Me My Nursing Job," Cross Country, Oct. 1). After 39 years of nursing, it must have been shocking to hear that she would have to take "implicit bias" training to keep her job.

It was equally shocking for me when the president and chief executive of my local hospital reached out to volunteers to inform us that we were systemically racist shortly after the killing of George Floyd in Minneapolis. Many business leaders felt compelled to inform their employees that they would need to undergo self-flagellation.

I wasn't angry. I was amazed that a volunteer would be judged and accused of being an uncaring white person. There was no consideration of my life experiences and what had brought me to volunteer at the hospital. Our group of volunteers had been constantly told how appreciated we were. What had changed?

We need to avoid the broad brush of generalization and remember that individual actions speak loudly.

MARY WINSLOW
Lancaster, Ohio

Implicit-bias training didn't cost Ms. Morgan her job. Arrogance and ignorance did. Implicit-bias training isn't for only one group of people. It shouldn't be restricted to one race, sex, ethnicity or any other specific demographic factor.

Implicit bias is something to which we are all vulnerable. We should acknowledge this as a possibility, while making a conscious decision to try not to let it adversely affect our judgment. By refusing to take this training, she exposes her implicit bias for everyone to see.

PRASHANT JOSHI, M.D.
El Paso, Texas

Ms. Morgan writes that implicit bias "is a euphemism for ingrained racism." If you treat people in a fair and respectful manner, like Ms. Morgan, how can you be racist?

During a voluntary implicit-bias training for managers that I attended, a colleague was put off by the photo of a woman on a sample resume because she wasn't smiling. "She looks unfriendly," he explained. You could hear an intake of breath from every woman in the room. No one had criticized the pictures of male applicants posing with serious, unsmiling faces.

My colleague isn't sexist. He treats people in a fair and respectful manner, yet he wasn't aware of this bit of implicit bias in how he considered job applications. Gaining this awareness means he is more likely to hire talented and capable employees.

When done properly, this training should make workers of all kinds more aware of how they can do their job better.

JO PITESKY
Studio City, Calif.

When I am a patient, I care nothing about the political, religious, racial or cultural proclivities of my physicians and nurses. Over and over again, surgical outcomes have been shown to be improved by focusing on organized, team-based post-operative care.

If you have been a patient at the Mayo Clinic, you have seen how skillfully its staff members work to deliver integrated care. Their results are real-world accomplishments. So-called implicit bias, by contrast, isn't tied to patient-care outcomes. Health professionals shouldn't be required to undergo implicit-bias training until such exercises have been shown to improve outcomes.

DWIGHT OXLEY, M.D.
Wichita, Kan.

Nomination Games Bring Court to New Lows

I object to your editorial's assertion that, in reference to the news media's claims that the current Supreme Court has lost its legitimacy, "These articles offer no explanation for this pique other than that the authors and the people they quote don't like the opinions the Court issued last term" ("A Supreme Court Watershed," Oct. 1).

While I recognize that many outlets are complaining about the decisions of the current court, I believe the crux of the issue isn't the court's opinions but rather the mechanisms

of filling the court since 2016.

The Republican Party, in an effort to hold on to political power, created a new rule and prevented Merrick Garland from being admitted to the court in 2016. Then, when it was to Republicans' advantage four years later, they completely ignored this rule to confirm Amy Coney Barrett.

No one should argue that the court wasn't political before 2016, but events since have rapidly taken the court to new lows.

JONATHAN GRAY
San Diego

GOP Can't Count On Another Bad Democrat

Regarding your editorial "Trump's 'Death Wish' Rhetoric" (Oct. 3): Donald Trump seems to despise Republicans even more than he despises Democrats.

To win the 2024 presidential election, Mr. Trump will need to bring together supporters of different stripes. If he can't even get along with the conservative politicians who should be his closest allies, I don't think the Republican Party should nominate him

for a third run at the White House.

Mr. Trump defeated Hillary Clinton in 2016, but only by an electoral whisker. He lost to Joe Biden in 2020 even though Mr. Biden seldom ventured out of his basement.

Neither Mrs. Clinton nor Mr. Biden were appealing candidates, and the GOP shouldn't count on the Democrats nominating a poor candidate in 2024. Primary voters might choose a poor candidate with a fresh face, but they won't repeat their prior mistakes. The GOP needs to move on. There are several better candidates among the Republican hopefuls. Choose one of them instead.

DAVID PETERSON
Orlando, Fla.

Widen the Breadth of Debate

In an Oct. 3 letter, College Board CEO David Coleman defends his organization's African-American AP studies course with this statement: "The course will encourage students to engage with the breadth and range that characterizes the African-American intellectual tradition."

He then lists several left-of-center African-American authors but leaves out intellectuals such as Walter Williams or Thomas Sowell, who would greatly widen the breadth of the debates he proposes.

CLYDE STAUFFER
Cincinnati

Bloomberg's Green Subsidies

In the underappreciated Michael Moore film "Planet of the Humans," viewers learn that Michael Bloomberg, along with Richard Branson, is one of the planet's foremost recipients of green subsidies ("Michael Bloomberg's Charitable Gift to Donald Trump" by Allysia Finley, Life Science, Oct. 3). In markets we refer to this as "talking your book." It brings to mind Barack Obama's remark that "at a certain point you've made enough money."

TOM PARONIS
Brooklyn, N.Y.

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Pepper ... And Salt

THE WALL STREET JOURNAL



"Don't get him talking unless you want to hear all about the Laffer curve."

OPINION

Would We Risk New York to Keep Odessa Free?



GLOBAL VIEW
By Walter Russell Mead

‘A nuclear war cannot be won and must never be fought,’ President Biden and Russian President Vladimir Putin said in a joint statement after their summit in June 2021. But Mr. Putin doesn’t always tell the truth.

The reality is that as Mr. Putin’s failing military skeddaddles east across occupied Ukraine, nuclear weapons look more attractive. That is not so much because a tactical nuclear strike would be effective against widely scattered Ukrainian forces in the field. It is more that Mr. Putin hopes the political shock

Putin’s nuclear blackmail would be a cowardly act of appeasement from which Neville Chamberlain would recoil—and which would open the door to more nuclear blackmail. Yet to lead the Western alliance into an open-ended nuclear confrontation with Russia is to risk the most catastrophic of wars.

To avoid these unacceptable alternatives, the Biden administration must deter Mr. Putin from using nuclear weapons in the Ukraine conflict even as it continues to support Ukraine in its battle to drive the invaders back.

Deterrence is more complicated than it looks, and the Biden administration’s efforts to deter Russia have had little success. In February, Mr. Putin blew past the Biden administration’s barrage of threats and diplomacy to launch the war in Ukraine.

Not deterring Russian aggression was one of the costliest failures in recent American foreign policy. But it isn’t clear that the Biden administration understands what went wrong—and how similar mistakes might be undercutting its diplomatic efforts today.

Unintentionally and unwittingly, the administration sent Russia mixed messages last winter. On the one hand, a dramatic burst of diplomacy worked to coordinate a broad Western response to the potential invasion, with Europeans joining Americans in threatening severe sanctions. Biden officials broke with precedent to declassify and publicize highly sensitive information about Mr. Putin’s plans in ways that dramatically undercut Russia’s official statements and propaganda.



An image of Putin was displayed as Biden spoke about fuel prices in June.

That intelligence helped build Western unity in the face of the Russian attack, and Biden officials are right to take credit for this unorthodox but effective campaign.

At the same time, however, senior American policy makers seriously overestimated Russia’s military strength and acumen. As storm clouds gathered over Kyiv, U.S. officials ordered all senior American diplomats to evacuate. They also urged allies to evacuate and offered Volodymyr Zelensky an airplane to flee.

This was hardly a message of deterrence. As the Russian leader finalized his preparations, the evident American belief in the invasion’s success would, if anything, have eased any doubts Mr. Putin might have felt. Further, since the Biden administration had

reassured the Russians that American combat troops would not engage in any Ukrainian war, Mr. Putin did not need to worry about a powerful, immediate American military response.

We will have to do better this time if we expect to deter him from using nuclear weapons. Mr. Putin already knows that fear of a Russian nuclear response has affected American and allied policy. We have limited Ukraine’s access to long-range missile systems that could hit Russian territory. Other North Atlantic Treaty Organization allies, including Germany, have made similar calculations.

From Mr. Putin’s point of view, in a war in which almost everything is going wrong, nuclear blackmail is working. Why wouldn’t he double down on the one tactic that works?

The only way to deter any possible use of nuclear weapons is to make Mr. Putin believe that the consequences of such use will be ruinous for Russia as a state and for him as its ruler, and that the West won’t flinch when the time for action comes.

To make his threats credible, Mr. Biden needs, first, to make up his mind that he is prepared to stay the course. “The double-minded man is unstable in all his ways,” the Bible tells us. Facing down Mr. Putin in a nuclear standoff is not a course for a man who lacks conviction.

If Mr. Biden is sure of himself, he must build an ironclad coalition at home and abroad behind those threats. Rather than playing down the danger, he needs to dramatize it. Making a prime-time speech to the country, addressing a joint session of Congress, holding an emergency NATO summit—these can all demonstrate Mr. Biden’s commitment to respond with overwhelming force to Russian nuclear attacks.

While Americans won’t unanimously support this policy, most responsible people in both parties recognize Mr. Putin’s Russia as a threat to American security and world peace. A broad show of national unity on this issue will send a sobering message to Moscow.

Detering Russia doesn’t mean humiliating it. As President Kennedy understood, deterrence complements diplomacy. The more effective our deterrence, the more flexible our diplomacy can become. Deterrence however comes first. Mr. Biden must bar the door to using nuclear weapons before he can seek a path to peace.

Biden’s efforts to deter Putin have so far had little success. Now the world’s future may hinge on them.

waves set off by nuclear explosions in Europe would shatter the West’s resolve to support Ukraine. Is Germany willing to lose Berlin to save Kyiv? Are Americans ready to risk New York to keep Odessa free? These are the questions Mr. Putin is asking himself.

The future of the world may depend on his answers. Meanwhile, the Biden administration faces a terrible dilemma. To yield to Mr.

Germany Finally Says the F-Word: ‘Fracking’



POLITICAL ECONOMICS
By Joseph C. Sternberg

Russia’s invasion of Ukraine has produced a string of surprising changes in Germany over the past seven months: substantially higher defense spending, delivery of lethal weapons to a

combat zone, new realism on the limits of trade-based diplomacy.

But the surest evidence that Europe’s largest economy is veering into “signs and wonders” territory is that politicians are uttering with increasing frequency that dirtiest F-word of all—“fracking.”

Germany’s energy crisis is a crisis of choice, or rather a crisis of two choices, the second following directly from the first. The choice most German politicians seem to want to talk about is the second of the two, the choice to source so much of the country’s energy imports and especially natural gas from a single, unsympathetic vendor, Russia.

A solution to this problem is achievable without an excess of policy imagination or political skill.

If importing gas from Russia no longer is an option, the gas will be imported from somewhere else. Pledges to accelerate construction of terminals to accept liquefied natural gas from the U.S. and Middle East have lent Economy and Climate Minister Robert Habeck of the Green Party an image of vigorous activity in pursuit of Germany’s voracious energy needs.

But Germany is as dependent as it is on foreign fuel only because of the first decision Berlin made: not to tap the country’s substantial domestic gas reserves, which by some estimates could satisfy much of Germany’s gas demands for the next two decades.

The manifestation of this choice was hostility to the hydraulic fracture, or fracking, technology that could tap Germany’s shale-bound gas reserves. Berlin in 2017 all but banned, on dubious safety grounds, the fracking techniques that could reach most of Germany’s gas.

Now some politicians are asking whether the country can afford to leave that gas in the ground. A split has opened within the unwieldy governing coalition of Chancellor Olaf Scholz. Two of the coalition’s three parties are staunchly anti-

fracking—Mr. Scholz’s Social Democrats (SPD) and Mr. Habeck’s Greens. The third, the free-market Free Democrat Party (FDP), is for it.

The FDP “supports the significant expansion of domestic gas production,” the party’s energy guru in Parliament, Michael Kruse, told a newspaper in June. Another party

A country used to buying gas elsewhere suddenly remembers there’s a lot in the ground at home.

leader, Torsten Herbst, challenged the objections: “As scientific studies show, under modern safety standards fracking doesn’t cause any relevant environmental damage.”

Some opposition politicians are picking up the theme. Bavaria’s conservative state premier, Markus Söder, in late July posed the obvious question: “Wouldn’t it be appropriate for Germany to think about whether it wants to use its own gas capacity?”

That interview came with a broader, not-so-subtle point about energy trade-offs. Mr. Söder is cool on fracking in his own state of Bavaria, but keen on fracking in the northern state of Lower Saxony. Lower Saxony also happens to be the site of one of the three remaining nuclear reactors Berlin may keep running into next year, and the state is a hotbed of antinuclear resistance. Mr. Habeck currently plans to shut Lower Saxony’s reactor on schedule in December while keeping the other two plants (one of which is in Bavaria) running.

Mr. Söder’s fracking message is that the energy has to come from somewhere. One can extract it from shale or from the atom—Mr. Söder is enthusiastic about the atom—but not extracting Germany’s fuel resources is no longer an option. Message received, apparently. As of this week, even the left-leaning Spiegel news magazine found itself wondering why exactly fracking remains such a taboo ahead of state elections in Lower Saxony.

Don’t hold your breath for this debate to lead to German fracking any time soon. Opinion polling over the summer found only 27% of respondents supported fracking, compared

with 81% support for more wind and 61% support for burning more coal as solutions to Germany’s looming energy crisis.

Yet don’t entirely abandon hope. The real surprise of that poll was that “only” 56% of respondents opposed fracking outright, with the remaining 17% undecided. This after voters have been bombarded for years with antifracking messages, and with fracking supporters launching the latest debate from a standing start. That the opposition isn’t near-universal suggests that the harsh realities Russia’s war has imposed on Europe may be opening the door to more skeptical thinking about German energy policy.

Germany is deciding if it wants to play a more active role in a range of foreign, security and economic policy debates around the world. Up to now, the idea that Germany is resource-poor seemed to underlie many foreign-policy discussions, and it encouraged Berlin to take supine positions. But this perceived resource poverty is more a form of learned helplessness than a geological reality. Whether Germany can wake up to this fact will shape what direction Mr. Scholz’s “turning point” ends up taking.

The Political Case for Federal Abortion Limits

By Marjorie Dannenfelser

Ahead of November’s midterm elections, Republicans have a \$124 million problem. That’s how much pro-abortion Democrats have already spent on TV ads slamming the GOP after the Supreme Court’s June decision in *Dobbs v. Jackson Women’s Health Organization*. The Associated Press reports this is more than twice what Democrats are spending on their “next top issue this year, ‘character,’ and almost 20 times more than Democrats spent on abortion-related ads in the 2018 midterms.”

Faced with this onslaught, too many ordinarily outspoken pro-life Republicans have ducked for cover—with consultants leading the retreat. But whether the consultants like it or not, the debate won’t go away. The only way to win is to confront it head-on.

By introducing a minimum federal limit on abortion after 15 weeks, Sen. Lindsey Graham (R., S.C.) and Rep.

Chris Smith (R., N.J.) stepped up to offer fellow Republicans the political gift of contrast. They would be wise to use it. Every pro-life Republican should support these bills—indeed, many previously voted to protect unborn babies at 20 weeks—and go on offense to expose their opponents as the true extremists.

When Republicans are silent on abortion, their opponents and the media fill the gaps, often with blatant misinformation. This consensus legislation flips the script, and not a moment too soon. The bill is neither a total abortion “ban,” as Democrats claim, nor a ceiling that overrides pro-life state efforts to enact stronger protections throughout pregnancy. It would simply apply a minimum level of protection in states such as New York and California to stop inhumane late-term abortions after a point when evidence shows unborn children feel pain.

Many Republicans question the timing. But there is never a bad time to take a morally right and politically

smart stand. A federal minimum standard is reasonable, necessary and constitutionally sound. And it will yield benefits come Election Day if pro-life Republicans find their voice.

Widespread public consensus exists around limiting late-term abortion. Seventy-two percent of Americans think their state should limit abortion at some point before 15 weeks, including 75% of women, 70% of independents and 60% of Democrats, according to a June Harvard-Harris poll. Only 10% support the near-universal position of the Democratic Party under President Biden, which is abortion on demand, paid for by taxpayers, up to the moment of birth. One after another, John Fetterman, Tim Ryan, Charlie Crist and other Democratic candidates have refused to name a single limit on abortion they would support.

In September, the Trafalgar Group found that by an 18-point margin, voters prefer a 15-week federal limit (with certain exceptions, including lifesaving emergency care for the mother) to the so-called Women’s Health Protection Act, co-sponsored

by nearly every House and Senate Democrat, which would impose a “right” to abortion at any time for any reason in all 50 states.

Georgia gubernatorial candidate Stacey Abrams proved how big a liability Democrats’ pro-abortion extremism is when she claimed that an

Only 10% of voters support the Democrats’ extreme position, while 72% back restrictions at 15 weeks.

unborn child doesn’t have a heartbeat at six weeks and ultrasound technology is part of a vast right-wing conspiracy to control women. What could be more out of touch?

Scientists and medical experts confirm that by six weeks, an unborn child’s heart beats at an average rate of 110 beats a minute. By 15 weeks, the child sucks his thumb and feels pain. Yet thanks to permissive abortion laws, a new “all-trimester” abortion facility in Maryland will be

allowed to abort children up to 34 weeks.

Republicans stand to gain by going on offense. Sen. Graham has provided the winning model: Expose pro-abortion Democrats who will stop at nothing to keep U.S. abortion policy on par with China’s and North Korea’s—including by destroying the filibuster to shut down opposing voices for good; highlight the humanity of the child while showing compassion for mothers; point out how wildly out of step the U.S. is with European nations like France and Germany, which limit abortion after 15 weeks; and make it plain that more than 55,000 unborn children a year face an excruciating death after 15 weeks if federal leaders don’t act.

This debate is Republicans’ to lose. They must take charge of the narrative if they don’t want to wake up on Nov. 9 wondering why their “red wave” never came ashore. I hope every one heeds the divine encouragement invoked by Mr. Graham in defending the unborn: Be not afraid.

Ms. Dannenfelser is president of Susan B. Anthony Pro-Life America.

THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

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Executive Chairman, News Corp

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Notable & Quotable: ‘Thoughtful Politics’

Arianne Shahvisi writing in the *Times Literary Supplement*, Sept. 8:

In *The Tempest*, King Alonso’s adviser Gonzalo attempts to lighten the mood after the shipwreck by describing how he would organize the island. When I was twelve, we read the scene at school and were asked to reflect on the feasibility of his utopia. I argued that it was misguided, because those who worked hard would not be sufficiently rewarded, and those who were lazy

would be given things they didn’t deserve. My teacher left the work ungraded, with a single comment in the margin: ‘Are you Margaret Thatcher?’ I was mortified, but the comparison shocked me into a more thoughtful politics and provided an early lesson: if you don’t like the fact that you share a view with someone objectionable, consider revising that view.

It is an empirical reality that many prominent ‘gender critical’ individuals and organizations have

formed alliances with far-right groups, or accepted funding from them. Last year, the Institute of Race Relations warned that ‘gender critical feminists’ are ‘peddling the far-right agenda’. In the US, ‘gender critical feminists’ have made strategic links with various groups on the religious right, including those who are opposed to abortion. That doesn’t mean that every person with ‘gender critical’ views endorses those links, but some soul-searching is surely called for.

SMART WAS THE FIRST STEP.
COGNITIVE IS THE NEXT LEAP.

“COGNITIVE
ALLOWS US
TO BE MORE
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ARE AND
ACCENTUATE
HUMANITY’S
BEST.”

JOSEPH BRADLEY
TONOMUS CEO

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THE WALL STREET JOURNAL.

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Peloton Cuts 12% Deeper Into Staff

Exercise-gear maker has six months to prove it can survive on its own, new CEO says

By SHARON TERLEP

Peloton Interactive Inc. said it plans to cut about 500 jobs, roughly 12% of its remaining workforce, in the company's fourth round of layoffs this year as the connected fitness-equipment maker tries to reverse mounting losses.

Chief Executive Barry McCarthy, who took over in February, said he is giving the unprofitable company about

another six months to significantly turn itself around and, if that fails, Peloton likely isn't viable as a stand-alone company.

The job reductions, announced to staff on Thursday, will leave Peloton with roughly 3,800 employees globally, less than half the number of people it employed at its peak last year. It also has eliminated about 600 more jobs since June than previously disclosed through retail store closings, attrition and other moves, Peloton said.

Mr. McCarthy said that the latest cuts mark Peloton's final significant move to reduce its operating footprint and that

executives would now focus on increasing revenue. He said the cuts are companywide but would be heaviest in its marketing operation, which he said is too big for a company of Peloton's size.

"There comes a point in time when we've either been successful or we have not," Mr. McCarthy said in an interview, saying that point will be in about six months, or a little over a year since he took over as CEO.

"If we don't grow," he said, before pausing. "We need to grow to get the business to a sustainable level."

The company has reported

six straight quarterly losses, culminating in a \$1.2 billion loss in the most recent quarter. Demand for Peloton's bikes and treadmills has plunged and the number of people who subscribe to its fitness classes has stagnated as Americans return to pre-Covid routines and, more recently, confront decades-high inflation.

Mr. McCarthy said he sees evidence that Peloton can succeed.

He said the company has drastically reduced the amount of cash it is burning through by cutting jobs, outsourcing all manufacturing and reducing costly unsold inventory, and

isn't at risk of running low on funds. Peloton went through more than \$1.7 billion in cash in the past three quarters combined, ending June with \$1.25 billion in cash reserves and a \$500 million credit line.

The new management team is clicking, according to Mr. McCarthy, who said he believes Peloton's near-term growth targets remain achievable.

There are signs that the labor market, while still strong, is cooling.

More companies, from Facebook owner Meta Platforms Inc. to Snap Inc. and Stanley Black & Decker Inc.,

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Judge Postpones Twitter Trial

By CARA LOMBARDO AND ALEXA CORSE

A Delaware judge presiding over the clash between Elon Musk and Twitter Inc. postponed a trial in the matter Thursday, adding fresh uncertainty to efforts to close the \$44 billion deal.

The surprise ruling, granting a request by Mr. Musk, effectively ends negotiations for a settlement that would allow the parties to quickly close the deal. Mr. Musk now has until Oct. 28 to do so.

Chancellor Kathaleen McCormick said if the deal doesn't close by that date, the parties should contact her to schedule a November trial. She had previously denied attempts by Mr. Musk to delay the trial and had fast-tracked it at Twitter's request.

As the Oct. 17 trial date neared, Mr. Musk kicked off the negotiations this week with his surprise proposal to close the deal at its original price after seeking for months to get out of it.

But by Thursday, the two sides had run into a new set of obstacles.

The negotiations, which followed an earlier effort by Mr. Musk to negotiate a lower price, were focused on conditions to stay litigation over the deal until it can close and on

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Brookfield Invests in Copyrights For Music

By ANNE STEELE

Brookfield Asset Management Inc. is joining with independent publisher **Primary Wave Music** in a \$2 billion deal to invest in music copyrights, the companies said.

The asset manager, which hasn't previously invested in music catalogs, will take a significant minority interest in Primary Wave, and commit \$1.7 billion to fund a permanent capital vehicle focused on acquiring music rights from top acts.

Unlike Primary Wave's existing funds, which have a typical 10- to 12-year lifespan, the new vehicle is structured to hold catalogs as long as it wants to have them and never has to sell. The deal also brings on **Creative Artists Agency** as a strategic partner and minority investor in Primary Wave, tapping the talent agency's film, television, theatrical and branding teams to help market and find uses for the acquired copyrights.

"It means there isn't any good acquisition that we couldn't do in the music business," said Primary Wave Chief Executive Larry Mestel.

Already, the new outfit, which the companies say has several deals in the pipeline, has acquired a majority stake in all of punk icon Joey Ramone's music-publishing assets for around \$10 million, according to people close to the transaction. The acquisition includes the Ramones frontman's songwriting interests in "I Wanna Be Sedated," "Sheena Is a Punk Rocker," and "Rock 'n' Roll

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Juul Halts Overseas Growth

By JENNIFER MALONEY

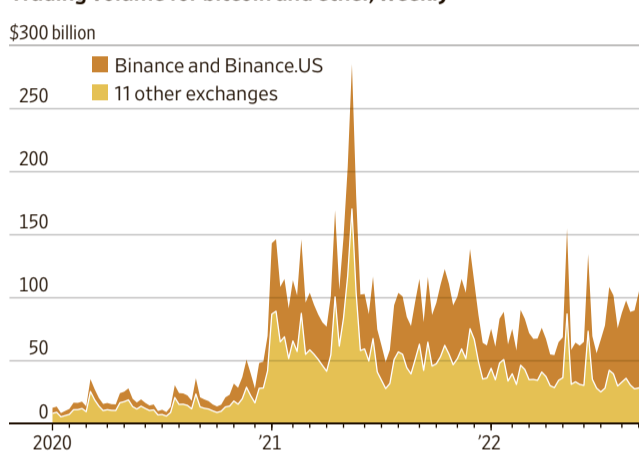
Juul Labs Inc.'s leader told his employees that the company is scrapping plans for an overseas expansion, refinanced some of its debt and is fighting for its survival.

"The board, the leadership team and I continue to weigh all options to ensure we take the necessary steps that help us in our battle for our mission—a battle that has been playing out for many years," Chief Executive K.C. Crosthwaite said at an all-hands meeting with employees on Thursday, according to a copy of his prepared remarks reviewed by The Wall Street Journal.

Juul has been preparing for a possible bankruptcy filing amid a dispute with the Food and Drug Administration over whether it can keep its e-cigarettes on the U.S. market. The company is considering restructuring options, including bank-

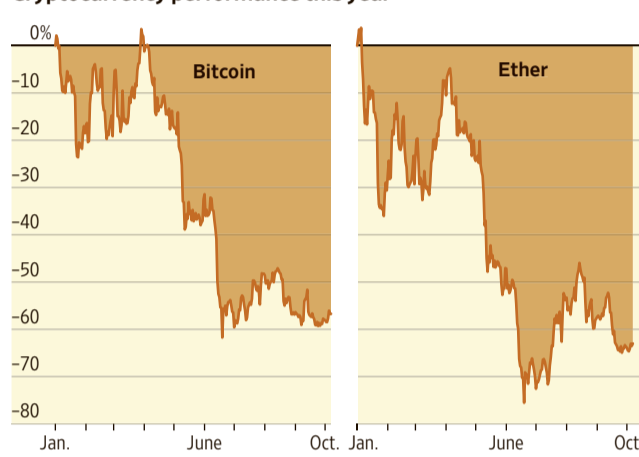
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Trading volume for bitcoin and ether, weekly*



*Data through Sept. 11

Cryptocurrency performance this year



Sources: Kaiko (volume); CoinDesk (bitcoin); Kraken (ether)

Crypto Exchanges Lower Trade Fees And Seek to Offer Other Services

By VICKY GE HUANG

Crypto exchanges are taking a page from mainstream brokers.

To drum up business, the biggest exchanges are cutting fees. The crypto-market crash damped trading volumes, putting more pressure on crypto exchanges. Companies are hoping lower fees will help them capture market share from rivals.

Over the past decade, Wall Street brokers and fund managers eliminated fees on stock trading and a host of investment products to win over customers. In many cases, the biggest asset managers have benefited the most from low fees because their scale allows them to still turn a profit—and funnel clients into higher-margin products.

Binance, the world's biggest crypto exchange, has been trying the same strategy. The company eliminated fees on spot bitcoin trading this summer. As margins become tighter, exchanges either have to get bigger or diversify into other revenue streams to make up for the lost revenue.



Binance's U.S. arm rolled out zero-fee trading in June, two weeks ahead of its parent company.

Binance has been increasing its lead over other exchanges. It handled 58% of the overall crypto derivatives trading volume and 16% of crypto spot volume as of September, according to the research firm CryptoCompare.

This year, Binance's bitcoin

and ether spot-market trade volume exceeds the other 11 major exchanges combined, including Coinbase, FTX and Kraken, according to Clara Medaille, director of research at Kaiko.

Brian Shroder, chief executive of Binance.US, said Bi-

nance's U.S. arm took a material revenue reduction when it launched zero-fee trading for spot bitcoin, but the firm more than made up for it in terms of user growth and revenue from other token trading and services. The U.S. division

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Adidas puts its sneakers partnership with Kanye West under review. **B2**



ENERGY

Shell warns profit will be hit by lower refining margins and swings in natural-gas prices. **B3**

China Leaps Into Quantum Computing Race

By KAREN HAO

China is making new strides in its bid to join the U.S. as a leader in quantum computing, a promising but elusive technology that could one day supercharge scientific research and transform data-intensive industries ranging from finance and pharmaceuticals to logistics and green energy.

Baidu Inc., a Chinese internet pioneer known for its Google-like search engine, said in late August that it had built its own version of a quantum computer, an experimental device that exploits the quirks of quantum physics to perform calculations at speeds far beyond those of conventional electronic computers.

The advance follows similar ones made in recent years by **International Business Machines Corp.**, **Alphabet Inc.**'s Google and other companies in the U.S., which is widely viewed as the world leader in quantum computing research.

Baidu said its new computer—an assemblage of metal plates and wires that looks a

bit like an oversize chandelier—is accessible free of charge via a website and mobile app to researchers, engineers and even schoolchildren. U.S. companies, including IBM and Google, also offer websites to access their quantum computers.

"It will act as a base for people to learn more about the technology," Yvonne Gao, an assistant professor at the National University of Singapore's Centre for Quantum Technologies, says of Qian Shi, the name of the new computer, meaning "heaven is the origin of everything" in Mandarin Chinese. "It's definitely useful for boosting innovation in this direction."

Whether quantum-computing devices will eventually move from the lab to widespread commercial use remains a debate in the science community. But mathematical proofs indicate that fully realized quantum computers would be able to solve in seconds certain problems that would take even the fastest supercomputers thousands or millions of years.



Baidu's experimental computer performs at ultrahigh speeds.

Quantum computers derive their extraordinary speed from their use of so-called quantum bits, or qubits, instead of the digital zeros and ones used to represent data in conventional computers.

Bits, as those zeros and ones are known, can only have a single value. But qubits—which are encoded into subatomic and atomic particles including electrons, photons and ions—can exist as a zero

and a one at the same time. This phenomenon, known as superposition, makes qubits superbly efficient at handling certain calculations, such as those required to simulate the physical world or optimize business processes.

Qubits are also special for their ability to enter quantum entanglement, meaning two particles, at a distance, will mirror each other's behaviors

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Juul Halts Overseas Growth

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rupty, and no decision has been made, Mr. Crosthwaite said.

He said the company would cut some jobs after pulling back on plans to expand outside the U.S. Juul also refinanced its secured debt, giving it more time to explore more long-term options, he said.

"We strongly believe that we have a future and in that future there will be Juul products available to millions of adult smokers across the world," Mr. Crosthwaite said Thursday. "To make that future a reality, we have to continue to fight and make tough decisions."

Juul upended the tobacco market in 2018 when its sleek, flash-drive-shaped vaporizers fueled a surge in vaping in the U.S. Regulators, school administrators and lawmakers blamed the company for a jump in underage vaping. Since then, Juul has been buffeted by lawsuits and regulatory crackdowns. The company attempted a reboot of its image, bringing on Mr. Crosthwaite as CEO in 2019, voluntarily stopping U.S. sales of fruity flavors and halting much of its U.S. marketing.

Juul, which had about 3,000 workers in 2019, has cut about two-thirds of those jobs in recent years as it confronted lower sales and deeper losses.

The company has around 1,200 workers, including about 100 outside the U.S. It couldn't be learned how many roles will be affected by the latest layoffs.

Juul had planned to expand distribution in Canada, where the company's newest device, called JUUL2, was introduced this year. It is available there for sale online and in about three dozen stores in Toronto.

Juul also planned to re-establish a staff presence in Italy and Switzerland.

In 2020, the company pulled out of most countries overseas as its sales fell because of a voluntary decision to scale back its marketing and stop selling its sweet and fruity flavors in the U.S.

The FDA in June ordered Juul to pull its e-cigarettes off the U.S. market, saying Juul hadn't submitted sufficient evidence that they were safe. The agency then stayed that order pending Juul's appeal. But Juul's U.S. sales have since dropped, prompting the company to scrap its overseas plans, according to a person familiar with the matter.

Thousands of lawsuits were filed against Juul, alleging the company marketed its products to children. Some of the suits are set to go to trial next year.

The dispute with the FDA hampered Juul's ability to raise money or secure traditional bank loans to cover legal settlements or court judgments. Since last year, Juul agreed to pay more than \$525 million in settlements with dozens of states that investigated or brought lawsuits. The company has said it never targeted underage users.

acquiring equipment manufacturing operations in a bid to quickly expand capacity.

Peloton in February said it would cut 2,800 jobs and replace co-founder John Foley as CEO with Mr. McCarthy, who previously was finance chief at Spotify Technology SA and Netflix Inc. In July, Peloton said it would cut about 500 Taiwan-based manufacturing jobs. A month later, it announced plans to cut 530 employees from its North American delivery workforce and 250 customer-service positions in North America.

"I know many of you will feel angry, frustrated, and emotionally drained by today's news, but please know this is a necessary step if we are going

Kanye West's Yeezy Partnership Placed Under Review by Adidas

By INTI PACHECO

Adidas AG said Thursday it decided to place its partnership with musician and designer Kanye West under review, putting in doubt an arrangement that has produced the popular Yeezy collection of sneakers.

The German sportswear giant said its decision comes after repeated attempts to privately resolve disputes with Mr. West and that it will continue to jointly manage the current Yeezy product in its inventory.

Mr. West has criticized Adidas and Gap Inc. on Instagram in recent months, accusing his fashion partners of stealing his designs and breaking promises to expand his ventures. Gap decided to end its relationship with Mr. West last month.

Adidas's statement comes days after the artist wore a T-shirt reading "White Lives Matter" at his Yzy fashion show in Paris.



Adidas pays royalties of about 15% of the sales of Yeezy products.

Mr. West, in an Instagram post Thursday, criticized the statement from Adidas. "I AM ADIDAS," the post said, which included a claim that the company stole his designs. Attorneys who represented Mr. West in his disputes with Gap couldn't immediately be reached for comment.

Adidas said its partnership with Yeezy was one of the most successful collaborations in the industry. Yeezy sneakers and other items, including clothing and sandals, created under the partnership have sold out quickly. "We also recognize that all successful partnerships are rooted in

mutual respect and shared values," the statement from Adidas said.

Mr. West's ventures in sneakers date to at least 2006 when he first collaborated with Adidas on a shoe that was never released. A year later the rapper started working with Nike Inc. and eventually released the coveted Nike Air Yeezy II, widely known as the Red October. The Nike partnership ended in 2013.

Items that the artist designed in collaboration with Adidas made their debut in 2015, and the parties entered a long-term partnership the following year.

In the arrangement, Mr. West lends the Yeezy brand to the company in return for royalties of about 15% of the sales of Yeezy products. The company designs and manufactures the products, and it also owns the designs as part of the deal, which is slated to run through 2026, according to people familiar with the deal.

Twitter Trial Is Postponed

Continued from page B1

ensuring Mr. Musk's debt financing remains in place, as The Wall Street Journal reported Wednesday. Mr. Musk had added the request that the deal be contingent on his receipt of the \$13 billion of debt financing he lined up to help fund it.

Late Thursday, the dispute spilled into public view with Mr. Musk's filing, which said he expected to have the financing in place to close the deal around Oct. 28. Twitter responded by calling his request an "invitation to further mischief and delay."

Mr. Musk in his filing said the financing banks are working to fund the deal so it can close. He argued that proceeding with the litigation for now, as Twitter prefers, could keep the deal in limbo longer.

"Twitter will not take yes for an answer," the filing read. "Astonishingly, they have insisted on proceeding with this litigation, recklessly putting the deal at risk and gambling with their stockholders' interests."

Twitter promptly responded in its own filing, arguing that Mr. Musk's side is refusing to accept its contractual obligations.

The company said Mr. Musk should be arranging to close the transaction no later than Oct. 10. The merger agreement stipulates that the deal should close no later than the second business day after the conditions to close are met, which had happened in September, it

said. The company noted that it was told by one of the lending banks that Mr. Musk hasn't yet communicated that he intends to close the transaction.

"Defendants can and should close next week," Twitter said. "Until they do, this action is not moot and should be brought to trial."

The surprise ruling effectively ends negotiations for a settlement.

Lawyers for both sides had been trying to reach an agreement in the next few days that would pause the trial and avert a deposition from Mr. Musk, which after being postponed was scheduled for Monday.

The idea was to put the liti-

gation on hold until the deal closes, at which point it would be dropped. The judge's ruling Thursday negates the need for such an agreement.

Twitter said in response to the ruling that it looks forward to closing the transaction at the originally agreed upon \$54.20 a share by Oct. 28.

Mr. Musk agreed to buy Twitter in April. He later moved to get out of the deal, claiming among other things that Twitter had misrepresented the number of bots on its platform. Twitter sued him over the summer and he countersued.

Renewed uncertainty about the deal has weighed on Twitter shares, which closed down 3.7% at \$49.39 Thursday. They had shot up above \$52 earlier in the week after Mr. Musk signaled a willingness to close the deal after all.

—Erin Mulvaney contributed to this article.

Tesla Eyes December Delivery of Pepsi Semis

By REBECCA ELLIOTT

Elon Musk said Tesla Inc. plans to deliver its first all-electric semitrailer truck to food and beverage maker PepsiCo Inc. in December, roughly five years after the billionaire introduced the vehicle.

Mr. Musk reiterated Thursday that the truck would be able to travel 500 miles on a single charge, as had been planned. The truck, introduced in 2017, initially was due out in 2019.

If Tesla meets its chief executive's latest stated timeline, the semitrailer truck would be the first new model the company is putting in customer hands since early 2020. Mr.



Introduced by Elon Musk in 2017, the semi was due out in 2019.

Musk previously said Tesla didn't plan to bring any new models to market in 2022.

Neither Tesla nor PepsiCo responded to requests for comment, including about how

many trucks Tesla plans to deliver in December.

Tesla's planned delivery of its semitrailer truck would come after President Biden in August signed into law legisla-

tion that created a new tax credit for commercial electric vehicles.

In early 2021, Mr. Musk said Tesla didn't have enough battery cells for it to make sense to begin producing the semitrailer truck. The truck, he said, typically would use five times the number of battery cells as a car but wouldn't sell for five times as much.

The Tesla chief said in January that he hoped to bring the semitrailer truck to production in 2023, along with the company's long-awaited Cybertruck electric pickup and a revamped version of its Roadster sports car. Tesla has been aiming to increase deliveries by an average of 50% annually.

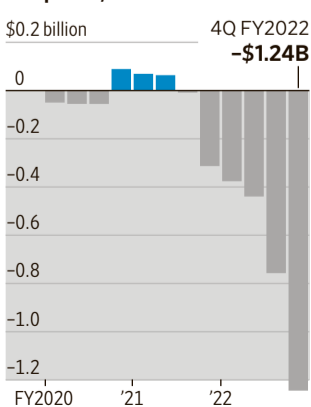
Peloton To Cut 12% More Jobs

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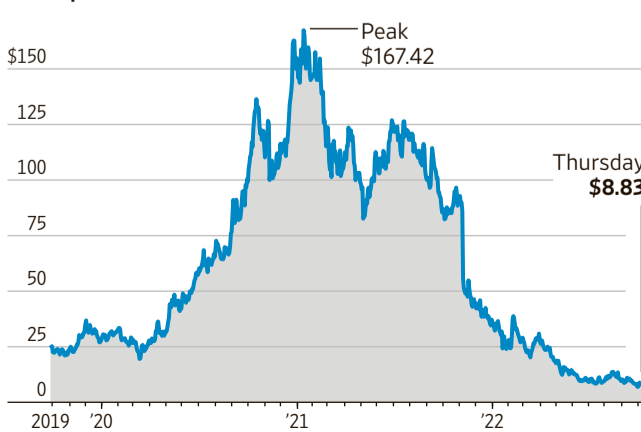
are cutting jobs, while others including Amazon.com Inc. and Alphabet Inc.'s Google have said they would freeze or pull back on hiring.

Peloton employed about 3,700 people near the start of the pandemic, and grew to more than 8,600 in 2021 as the company scrambled to meet explosive demand, adding employees internally while

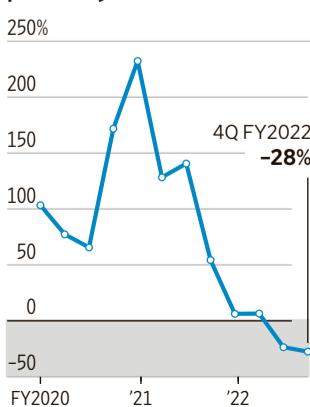
Peloton's quarterly net profit/loss



Share price



Revenue, change from previous year



Note: Fiscal year ended June 30. Sources: the company (profit/loss); FactSet (share price); S&P Capital IQ (revenue)

RELEVANT NOTICE NO.014 SEINFRA INTERNATIONAL BIDDING NO.001/2022

The State of Minas Gerais, through the State Secretariat of Infrastructure and Mobility, announces that the Special Bidding Commission, under the terms of current legislation, constituted by art.1 of SEINFRA/DER JOINT RESOLUTION NO. 005, of May 14, 2021, decides to change the deadline provided for events 15, 16 e 17 of item 11.1 of SEINFRA INTERNATIONAL BIDDING NO.001/2022. The schedule with the new deadline, according to the new wording of item 11.1 of the Public Notice, is available on the website www.infraestrutura.mg.gov.br. Likewise, the Minutes of Judgment of the bidding, as well as other acts related to the BIDDING PROCESS, will be published on the website www.infraestrutura.mg.gov.br. Fernando S. Marcato - Secretary of State for Infrastructure and Mobility.



"I can see in the numbers the business starting to change

BUSINESS NEWS

Conagra Predicts Relief on Food Costs

By Patrick Thomas and Dean Seal

Conagra Brands Inc. expects the soaring transportation and raw-material costs that have helped drive up food prices over the past year will moderate in the coming months, company officials said.

Sean Connolly, Conagra's chief executive, said the cost of some meats, edible oils and shipping expenses are starting to ease, bringing some relief to companies' balance sheets.

"We are seeing some commodities moderating; we are seeing some actually improve,"

Mr. Connolly said in an interview.

The effects for Conagra won't be immediate, he said, and while some of the industry's supply-chain challenges are still improving, problems are still popping up that could dent the company's sales volumes in coming months. Conagra expects an inflation rate in the low teens for its 2023 fiscal year, weighted toward the first half of the year, company officials said.

Sales at the Chicago food manufacturer, which makes Healthy Choice frozen meals, Slim Jim meat sticks and Reddi-

wip cream, have remained strong to date as the company charged customers more, while its material, freight and labor costs have surged. Conagra said on Thursday that sales were up 9.5% to \$2.9 billion for the three months that ended Aug. 28.

Food inflation is running at the highest rate in more than 40 years as companies pass along steep cost increases to a customer base that is tightening its purse strings. Consumers have begun pulling back on some purchases of more premium products, such as expensive cuts of beef.

Mr. Connolly said packaged-food companies, such as Conagra, tend to capture more consumer spending during periods when consumers watch their buying habits at the grocery store. He said that Conagra is also continuing to hire, even as other companies cut costs.

Sales from the company's frozen- and refrigerated-foods business increased nearly 10% to \$1.2 billion in the quarter, while its snacks segment grew about 11% to \$1.2 billion. Higher prices, along with a shift in the mix of items sold, added 14.3% to the sales gain, Conagra said. That came as the cost of goods

sold jumped 10% from a year ago, and sales volume declined 4.6%.

Grocery prices in the U.S. overall were 13.5% higher in August than they were a year before, marking the steepest jump since March 1979, while the price of eating out rose 8%, according to the latest data from the Labor Department.

High inflation and industry-wide supply-chain constraints are still a problem for food manufacturers, company officials said, but showing signs of improvement. "Service levels have materially improved," said Mr. Connolly, speaking on a

conference call discussing Conagra's quarterly results. "No, it's not flawless."

Overall for the quarter, Conagra posted a loss of \$77.5 million, or 16 cents a share, in its fiscal first quarter, compared with a profit of \$235.4 million, or 49 cents, a year ago.

The loss included \$386 million in goodwill and brand-impairment charges, largely associated with the company's Birds Eye frozen vegetable brand. Adjusted for that and other items, Conagra said per-share earnings were 57 cents, above what Wall Street analysts were expecting, according to FactSet.

Shell Sees Drag On Profit From Refining, LNG

By Jenny Strasburg

Shell PLC said it expects its third-quarter earnings to be hit by lower refining margins along with "significantly lower" profit from trading gas, as a global scramble for energy supplies riles markets.

The London-based company said Thursday in a trading update that pricing and cost swings from shortfalls of liquefied natural gas would likely cut into profit from its huge gas business, typically its biggest cash generator. But Shell said its overall marketing profit from trading oil and other products was higher in the third quarter compared with the previous quarter.

Shares of Shell fell 3% in London. The company is set to report full third-quarter earnings later this month.

The tempered outlook reflects how the world's biggest oil-and-gas companies are navigating highly profitable but turbulent markets in the wake of Russia's invasion of Ukraine. The war has precipitated a global struggle to secure enough gas to heat homes and keep power plants and factories running—worries that are particularly acute in Europe.

The third-quarter update comes after Shell and its peers have posted consecutive quarters of record profits this year, driven by strong demand and soaring commodity prices. The bumper earnings have enabled the industry to pay out tens of billions of dollars in share buybacks and dividends, and drawn scrutiny from governments, consumers and manufacturing trade groups at a time when Europe is bracing for a likely recession.

In a sign of how the energy crisis is whipsawing costs for major oil companies, Shell said fuel-refining costs would hurt its third-quarter results by \$1 billion to \$1.4 billion compared with the second quarter. The company said its indicative refining margin—a measure of the difference between crude-oil prices and product yields globally—fell 46% to \$15.03 a barrel in the period. That was down from \$28.04 a barrel in the second quarter, a margin that was nearly three times the first-quarter level.

Shell won't be alone, analysts said. Global oil-refining profit margins declined in the third quarter as growing concerns about the economy caused product prices to fall



Shell and its peers have posted consecutive quarters of record profits this year, thanks to strong demand and high commodity prices.

more steeply than oil prices.

"The concerns over shortages started to alleviate, overwhelmed by fears of a coming recession," said Alan Gelder, vice president of refining, chemicals and oil markets at energy consulting firm Wood Mackenzie. "This is coming for all of the refiners."

However, Mr. Gelder said U.S. refinery margins have held up better than in Europe, so U.S. majors and smaller North American refiners might see a smaller third-quarter decline.

Lower global refining margins will continue in the fourth quarter, said Mukesh Sahdev,

head of downstream and oil-trading analysis at Rystad Energy, a consulting firm. "Seasonally, Q4 is time for demand decline in key fuels," including gasoline, diesel and jet fuel, he said. European refiners have the additional burden of high utility costs, driven by soaring gas prices, Mr. Sahdev added.

Shell also said it expects that its chemical-refining business lost money in the third quarter, as measured by the negative margins on each ton processed, amid rising prices for raw materials and other costs. That is expected to slice between \$300 million and \$600

million off third-quarter adjusted earnings compared with the second quarter in its chemicals and products business.

Russia has increasingly choked off gas supplies it sends to Europe, and leaks in two currently closed natural-gas pipelines to the region have added to the uncertainty. The resulting market turmoil as Europe and Asia compete for natural gas has led to rising costs for companies like Shell, the world's largest LNG trader, as it moves the fuel around the world.

The European energy crisis has sparked fierce competition

for natural-gas tankers, analysts say.

Traders say suppliers are paying record daily-usage rates for LNG tankers up to \$400,000, compared with an average \$250,000 a day last year, according to Sanford C. Bernstein analyst Oswald Clint. Additionally, a surge in deliveries of LNG to Europe and capacity constraints at facilities that convert that fuel back into gas are further boosting gas-delivery costs to the continent.

◆ Heard on the Street: A wild card in Shell portfolio..... B12

Costco Waits on Price Cuts Even as Freight Rates Slide

By Jennifer Williams-Alvarez

Shipping and commodities prices have logged steady declines recently, but Costco Wholesale Corp. isn't yet in a position to pass savings on to customers, the retailer's chief financial officer said.

Pricing at Costco's 839 global warehouse stores hasn't decreased, according to CFO Richard Galanti, despite the lower prices for shipping goods and for commodities like gasoline and steel. Costco in some cases locked in prices it pays to suppliers months ago and inflationary pressures from rising labor costs persist, which means the drops in shipping and commodities prices aren't necessarily benefiting the company's balance sheet yet.

"It takes time for changes to come through," Mr. Galanti said.

Trans-Pacific shipping rates have plummeted in recent months as the global economic outlook has weakened. The daily freight rate to move a container across the Pacific is now \$2,265, compared with \$13,706 at the beginning of the year and \$20,586 in September 2021, according to the Freightos Baltic Index, an international freight rate reading. At the same time, certain commodity prices have been on the decline—for instance, the global benchmark for oil was down more than 20% in the third quarter—offering some relief for Costco.

A company's freight costs vary depending on whether they are fixed by contract for a period or based on spot-market rates that can change more quickly. Issaquah, Wash.-based Costco, which is known for selling discounted bulk goods to paying members, uses contract rates for more than 80% of its total freight,



CFO Richard Galanti

Galanti said. "Hopefully, that will mean that we will be able to bring down prices," he said. "Inflation continues to be a factor. We will have to wait and see." Costco reported absorbing price inflation of around 8% in the quarter ended Aug. 28, up from 7%-plus in the previous quarter and a range of 3.5% to 4.5% a year earlier.

Costco continues to stick to fixed prices for certain items, for example, its hot dog and soda combo for \$1.50 and its rotisserie chicken at \$4.99.

"You're still not in that environment where they're going to start lowering prices," said Rupesh Parikh, a senior analyst at investment banking firm Oppenheimer & Co., noting recent price increases for croissants and bottled water sold at Costco. Price increases have also hit food court items such as individual sodas and whole pizzas because of rising costs, Mr. Galanti said earlier this year.

Revenue rose 15% to around \$72 billion during the quarter ended Aug. 28 compared with the prior-year period. Net income increased to \$1.87 billion from \$1.67 billion. Comparable sales, or those from stores and digital channels operating for at least 12 months, rose nearly 14%. E-commerce increased 7.1% over the same period.

Costco has a loyal consumer base—global membership renewal rates at the end of August were around 90%, the company said—and strong bargaining power with suppliers because of the volumes of product it orders, according to Mr. Parikh. This means that despite the inflationary backdrop, Costco is "extremely well positioned for this environment."

—Nina Trentmann contributed to this article.

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CLASS ACTION

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK

KENNETH GORDON, Individually and on Behalf of All Others Similarly Situated, Plaintiff,

vs. VANDA PHARMACEUTICALS, INC., and MIHAEL H. POLYMERPOULOS, Defendants.

Civil Action No. 1:19-cv-01108-FB-LB CLASS ACTION SUMMARY NOTICE

TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR ACQUIRED THE COMMON STOCK OF VANDA PHARMACEUTICALS, INC. ("VANDA") DURING THE PERIOD FROM NOVEMBER 4, 2015 TO FEBRUARY 11, 2019, INCLUSIVE

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Eastern District of New York, that a hearing will be held on January 5, 2023 at 10:00 a.m., before the Honorable Lois Bloom, United States Magistrate Judge, at the United States District Court for the Eastern District of New York, United States Courthouse, 225 Cadman Plaza East, Brooklyn, NY 11201, for the purpose of determining: (1) whether the proposed Settlement of the above-captioned Action, as set forth in the settlement agreement reached between the parties, consisting of Eleven Million Five Hundred Thousand Dollars (\$11,500,000.00) in cash, should be approved as fair, reasonable, and adequate to the Members of the Class; (2) whether the release by Class Members of claims as set forth in the settlement agreement should be authorized; (3) whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation") is fair, reasonable, and adequate; (4) whether the application by Lead Plaintiff's counsel for an award of attorneys' fees and expenses and award to Lead Plaintiff should be approved; and (5) whether the Judgment, in the form attached to the settlement agreement, should be entered. Remote access to the final settlement approval hearing shall be afforded to the public by telephone: (888) 363-4734, access code 4444221. This telephone number is afforded for people to listen but not to speak.

failure to submit your Proof of Claim by the above deadline will preclude you from receiving any payment from the Settlement.

If you are a Class Member and you desire to be excluded from the Class, you must submit a request for exclusion such that it is received no later than December 15, 2022, in the manner and form explained in the detailed Notice, referred to above. All Members of the Class who do not timely and validly request exclusion from the Class will be bound by the Settlement and any judgment and release entered in the Action pursuant to the Stipulation and Agreement of Settlement, whether or not you submit a Proof of Claim.

If you are a Class Member, you have the right to object to the Settlement, the Plan of Allocation, and/or the request by Lead Counsel for an award of attorneys' fees and expenses. Any objection to the Settlement, the Plan of Allocation, or the fee and expense application must be made in the manner and form explained in the Notice and must be mailed to each of the following recipients, so that it is received no later than December 15, 2022:

CLERK OF THE COURT UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK UNITED STATES COURTHOUSE 225 Cadman Plaza East Brooklyn, NY 11201

Lead Counsel: ROBBINS GELLER RUDMAN & DOWD LLP MICHAEL G. CAPECI 58 South Service Road, Suite 200 Melville, NY 11747

Counsel for Defendants: PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP AUDRA J. SOLOWAY 1285 Avenue of the Americas New York, NY 10019

PLEASE DO NOT CONTACT THE COURT, THE CLERK'S OFFICE OR DEFENDANTS REGARDING THIS NOTICE. If you have any questions about the Settlement, you may contact Lead Counsel at the address listed above or by an email to Lead Counsel at settlementinfo@rgrdlaw.com.

DATED: September 15, 2022 BY ORDER OF THE COURT UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK

Amazon Sets Holiday Hiring Binge

Company aims to bring on 150,000 employees, the same total as last year

By Sebastian Herrera

Amazon.com Inc. plans to hire 150,000 people in its regular annual hiring spree to meet demand during the holiday shopping season.

The hiring target Amazon announced Thursday is the same as it had last year and comes as the e-commerce company has been struggling with slower sales. The company is seeking employees throughout its U.S. fulfillment network, which is responsible for sorting, packaging and delivering products.

Amazon said it would be hiring for full-time, seasonal and part-time positions. Its seasonal workers for the holidays typically stay through the end of the year.

The company is dealing with a tricky end to its year. Amazon needs staff for what is its busiest stretch of the year while it is adjusting to



The company needs staff for its busiest stretch even as it adjusts to slower pandemic-driven demand.

slowing demand after an increase in online shopping throughout the Covid-19 pandemic.

Amazon said last week that it would increase the average starting pay for front-line warehouse employees from \$18 an hour to \$19 an hour, and the company also is investing hundreds of millions

of dollars to boost wages and other benefits for drivers who deliver its packages. As with last year, Amazon's need for workers is up against a tight labor market.

Even as it staffs up for the holidays, Amazon has been looking for ways to cut costs in response to slowing sales. The company has imple-

mented a hiring freeze through the end of the year for corporate employees across its core retail division after having pared back head count earlier this year.

Amazon has also slowed down how fast it is opening new warehouses, with the company shutting down, calling off or pushing back the

openings of dozens of facilities.

Walmart Inc. has scaled back its holiday hiring as consumer demand has fallen amid higher prices and strained household budgets. The company said last month that it planned to hire about 40,000 mostly seasonal employees for the holidays, far lower than the 150,000 permanent workers it sought last year.

Amazon's overall head count has fluctuated this year. The company shed almost 100,000 employees during its second quarter to end the period with roughly 1.5 million staff members. Much of that reduction took place at its warehouses. During the previous holiday season, Amazon also sought to add 150,000 workers.

The company's latest hiring plan was disclosed before Amazon hosts a Prime member sales event next week, the first time it has offered the sale twice in the same year. The "Prime Early Access Sale" is scheduled for Tuesday and Wednesday. The company is hopeful that the event will boost fourth-quarter revenue.

AMD Cuts Forecast Amid PC Slump

By Asa Fitch and Will Feuer

Advanced Micro Devices Inc. cut its revenue forecast for the most recent quarter citing weaker-than-expected demand for the personal computers that use its chips.

The chip maker, which sells central processing units for laptops and desktops alongside a large videogame graphics chip business, said it expected about \$5.6 billion of sales in the just-ended quarter, about \$1.1 billion less than it previously said it was expecting when it issued a subdued outlook in August.

Sales in the third quarter are expected to be down 15% from the prior quarter, though up 29% from the year-earlier period, when AMD posts results Nov. 1, the company said.

"The PC market weakened significantly in the quarter," Chief Executive Lisa Su said. "While our product portfolio remains very strong, macroeconomic conditions drove lower-than-expected PC demand and a significant inventory correction across the PC supply chain."

AMD shares fell more than 3% in after-hours trading on Thursday.

PC shipments are suffering some of their steepest declines in years after elevated pandemic-related sales were followed by a slowdown in consumer spending on electronics. Global PC shipments are set to fall 12.8% this year, with those of tablets re-treating 6.8%, data analysis firm IDC said last month.

AMD said it expects to book a charge of about \$160 million mostly to reflect items such as inventory and pricing issues. It said its data-center business is expected to bring in around \$1.6 billion in the third quarter, up 45% from a year ago, while its gaming sales are expected to rise 14% to \$1.6 billion.

Samsung Expects to Post Lower Earnings

By Jiyoung Sohn

SEOUL—Samsung Electronics Co. expects to report its third-quarter profit slumped as the company's mainstay memory-chip and smartphone businesses felt the sting from curbed consumer spending on tech products amid high inflation and other economic pressures.

On Friday, the South Korean tech company projected third-quarter operating profit of 10.8 South Korean won, or roughly the equivalent of \$7.7 billion, a 32% drop from the prior year's 10.8 trillion won.

Samsung's revenue for the quarter ended Sept. 30 is expected to grow year over

year by 2.7% to 76 trillion won, the company said.

The Suwon-based company's estimated third-quarter results fell well below market expectations.

Analysts polled by FactSet were on average expecting roughly 11.9 trillion won in operating profit and 78.2 trillion won in revenue.

The analysts' estimate for the quarter had once been much higher, ahead of steep drops in memory-chip prices in recent months.

In June, Samsung's operating profit for the July-September period was expected to be roughly a third larger, at around 15.9 trillion won, according to FactSet.

The projected results come

as the dollar has gained significant value against other currencies, including Samsung's home-country currency.

The won has recently hit 13-year lows against the dollar. That dynamic boosts the South Korean firm's exports of chips and display panels, alongside sales of smartphones, TVs and other home appliances in the U.S., the company's biggest market.

But a strong dollar drives up the costs of purchasing materials and components used to manufacture electronic products.

Samsung is considered a bellwether for the tech world. It is a major component supplier to companies

like Apple Inc. and is also the world's No. 1 seller of smartphones and televisions plus a major player in many other areas of consumer electronics.

Other semiconductor firms are facing tough conditions, too.

Advanced Micro Devices Inc., which makes chips for central processing units for computers, lowered its revenue forecast for the third quarter on Thursday, having already issued subdued sales guidance weeks earlier.

AMD said the PC market had weakened significantly in recent months.

Samsung reports full earnings later this month.

The company is the

world's biggest producer of two types of memory chips—DRAM, which enables devices to multitask, and NAND flash, which provides storage on devices.

Memory chips had enjoyed a sharp rise throughout the pandemic, as demand for tech gadgets that power online activity surged to fuel a historic supply shortage that gave producers pricing power.

But prices of memory began falling at the end of last year and continued dropping as consumer demand soured.

Shares of Samsung were down 0.7% in early trading Friday in Seoul. The shares are down 28% year to date, according to MarketWatch.

WSJ+

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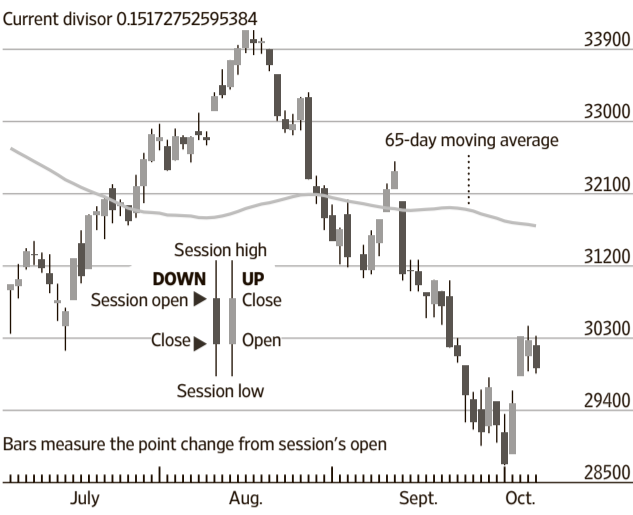
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

29926.94 ▼346.93, or 1.15%
 High, low, open and close for each trading day of the past three months.

Last Year ago
 Trailing P/E ratio 17.63 23.60
 P/E estimate * 15.62 18.56
 Dividend yield 2.38 1.84
 All-time high 36799.65, 01/04/22

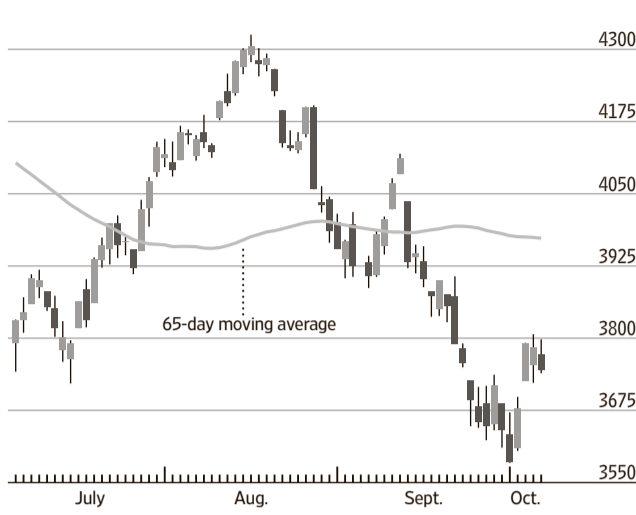


*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc. †Based on Nasdaq-100 Index

S&P 500 Index

3744.52 ▼38.76, or 1.02%
 High, low, open and close for each trading day of the past three months.

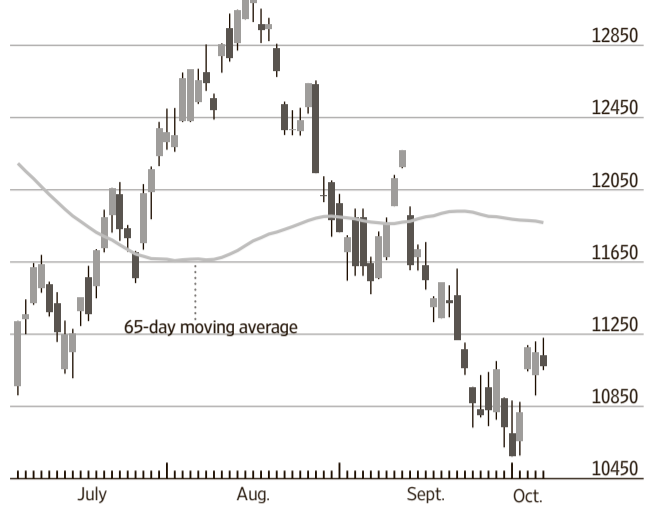
Last Year ago
 Trailing P/E ratio * 17.85 30.04
 P/E estimate * 16.35 21.47
 Dividend yield * 1.81 1.38
 All-time high 4796.56, 01/03/22



Nasdaq Composite Index

11073.31 ▼75.33, or 0.68%
 High, low, open and close for each trading day of the past three months.

Last Year ago
 Trailing P/E ratio * 22.94 34.15
 P/E estimate * 20.82 27.75
 Dividend yield * 0.99 0.72
 All-time high: 16057.44, 11/19/21



Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	Low	% chg	52-Week	YTD	% chg	3-yr. ann.
Dow Jones												
Industrial Average	30329.61	29859.34	29926.94	-346.93	-1.15	36799.65	28725.51	-13.9	-17.6	4.0		
Transportation Avg	12959.27	12774.07	12838.80	-14.68	-0.11	17039.38	11999.40	-11.5	-22.1	8.6		
Utility Average	906.22	880.74	881.75	-27.65	-3.04	1071.75	874.63	-1.0	-10.1	0.0		
Total Stock Market	38310.01	37723.35	37779.73	-360.68	-0.95	48929.18	36097.99	-17.3	-22.3	7.8		
Barron's 400	904.19	891.99	895.74	-3.02	-0.34	1127.20	825.73	-13.1	-19.0	10.1		
Nasdaq Stock Market												
Nasdaq Composite	11230.44	11051.27	11073.31	-75.33	-0.68	16057.44	10575.62	-24.4	-29.2	11.5		
Nasdaq-100	11660.55	11472.83	11485.50	-87.68	-0.76	16573.34	10971.22	-22.9	-29.6	14.0		
S&P												
500 Index	3797.93	3739.22	3744.52	-38.76	-1.02	4796.56	3585.62	-14.9	-21.4	8.2		
MidCap 400	2354.04	2318.48	2325.45	-18.54	-0.79	2910.70	2200.75	-14.0	-18.2	6.9		
SmallCap 600	1132.74	1117.45	1120.96	-6.50	-0.58	1466.02	1064.45	-18.0	-20.0	6.4		
Other Indexes												
Russell 2000	1772.25	1747.03	1752.51	-10.18	-0.58	2442.74	1649.84	-22.1	-21.9	5.3		
NYSE Composite	14268.42	14063.85	14087.38	-174.65	-1.22	17353.76	13472.18	-14.7	-17.9	3.2		
Value Line	525.39	517.74	518.74	-4.78	-0.91	696.40	491.56	-21.4	-22.8	0.6		
NYSE Arca Biotech	4761.85	4703.07	4737.04	-0.64	-0.01	5815.27	4208.43	-15.6	-14.2	3.9		
NYSE Arca Pharma	765.79	752.68	754.41	-11.38	-1.49	887.27	734.70	1.3	-8.8	8.8		
KBW Bank	101.60	99.67	99.82	-1.91	-1.88	147.56	95.83	-26.3	-24.5	0.9		
PHLX [®] Gold/Silver	108.60	105.90	108.38	1.10	1.02	167.76	91.40	-11.9	-18.2	6.6		
PHLX [®] Oil Service	70.48	68.37	69.92	0.93	1.34	88.37	49.14	16.0	32.0	3.6		
PHLX [®] Semiconductor	2563.28	2502.90	2508.84	-14.77	-0.59	4039.51	2306.70	-23.4	-36.4	16.8		
Cboe Volatility	30.74	28.56	30.52	1.97	6.90	36.45	15.01	56.2	77.2	21.4		

[§]Nasdaq PHLX

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

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
Shopify CI A	SHOP	10,546.0	29.98	-0.08	-0.27	30.19	29.82
LegalZoom.com	LZ	6,375.4	8.88	...	unch.	9.09	8.88
SPDR S&P 500	SPY	6,000.1	372.66	-0.54	-0.14	373.65	372.42
Tilray Brands CI 2	TLRY	5,855.3	4.01	0.11	2.82	4.06	3.84
Comcast CI A	CMCSA	5,845.7	30.09	0.04	0.13	30.17	30.03
Yamana Gold	AUY	5,322.9	4.97	-0.01	-0.20	4.98	4.93
Advanced Micro Devices	AMD	5,313.3	65.32	-2.53	-3.73	68.01	62.21
Upwork	UPWK	4,204.4	14.74	-0.22	-1.47	14.96	14.74

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
DraftKings CI A	DKNG	1,351.5	18.13	2.09	13.03	18.28	15.60
Allogene Therapeutics	ALLO	219.9	12.30	1.34	12.23	12.48	10.70
Lyell Immunopharma	LYEL	59.5	8.70	0.61	7.54	10.00	8.09
Payoneer Global	PAYO	181.2	7.56	0.50	7.08	7.90	7.01
Blue Apron CI A	APRN	797.7	2.93	0.16	5.78	3.13	2.70
...And losers							
Atlas Motor Vehicles	AMV	65.0	23.00	-1.49	-6.08	25.89	21.28
Levi Strauss	LEVI	812.4	15.10	-0.83	-5.21	16.44	14.68
Direxion Dly SCOND 3 BL	SOXL	3,978.2	10.63	-0.56	-5.00	11.23	10.56
Amphenol CI A	APH	260.9	69.03	-3.37	-4.65	72.40	69.03
CVS Health	CVS	419.9	94.00	-4.58	-4.65	98.58	93.50

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	938,847,615	9,340,345
Adv. volume*	228,771,344	2,800,693
Decl. volume*	697,859,545	6,066,839
Issues traded	3,356	297
Advances	1,000	123
Declines	2,204	154
Unchanged	152	20
New highs	28	2
New lows	163	11
Closing Arms*	1.20	3.55
Block trades*	5,060	113
	Nasdaq	NYSE Arca
Total volume*	4,423,321,716	288,658,407
Adv. volume*	1,815,634,315	74,636,263
Decl. volume*	2,547,630,672	206,356,194
Issues traded	4,887	1,721
Advances	1,894	306
Declines	2,685	1,405
Unchanged	308	10
New highs	41	2
New lows	163	24
Closing Arms*	0.99	0.55
Block trades*	24,464	1,304

*Primary market NYSE/NYSE American/NYSE Arca only. †(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.

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
World	MSCI ACWI	576.45	-4.40	-0.76	-23.6
	MSCI ACWI ex-USA	255.79	-0.97	-0.38	-25.7
	MSCI World	2478.42	-21.66	-0.87	-23.3
	MSCI Emerging Markets	910.57	1.05	0.12	-26.1
Americas	MSCI AC Americas	1429.02	-14.26	-0.99	-21.8
Canada	S&P/TSX Comp	18979.01	-256.08	-1.33	-10.6
Latin Amer.	MSCI EM Latin America	2236.53	22.07	1.00	5.0
Brazil	BOVESPA	117560.83	363.01	0.31	12.2
Chile	S&P IPSA	3172.70	-5.33	-0.17	13.1
Mexico	S&P/BMV IPC	46326.68	480.85	1.05	-13.0
EMEA	STOXX Europe 600	396.35	-2.56	-0.64	-18.7
Eurozone	Euro STOXX	375.81	-1.80	-0.48	-21.5
Belgium	Bel-20	3434.81	-11.69	-0.34	-20.3
Denmark	OMX Copenhagen 20	1588.42	11.70	0.74	-14.8
France	CAC 40	5936.42	-49.04	-0.82	-17.0
Germany	DAX	12470.78	-46.40	-0.37	-21.5
Israel	Tel Aviv	1867.62	29.70	1.62	-5.6
Italy	FTSE MIB	21140.55	-220.17	-1.03	-22.7
Netherlands	AEX	661.38	-3.07	-0.46	-17.1
Russia	RTS Index	1044.82	-17.15	-1.61	-34.5
South Africa	FTSE/JSE All-Share	65832.67	219.91	0.34	-10.7
Spain	IBEX 35	7511.10	-68.80	-0.91	-13.8
Sweden	OMX Stockholm	722.71	2.92	0.41	-30.3
Switzerland	Swiss Market	10391.13	-86.56	-0.83	-19.3
Turkey	BIST 100	3553.85	69.43	1.99	91.3
U.K.	FTSE 100	6997.27	-55.35	-0.78	-5.2
U.K.	FTSE 250	17632.64	70.22	0.40	-24.9
Asia-Pacific	MSCI AC Asia Pacific	144.65	0.14	0.10	-25.1
Australia	S&P/ASX 200	6817.50	1.82	0.03	-8.4
China	Shanghai Composite	3024.39	...	Closed	-16.9
Hong Kong	Hang Seng	18012.15	-75.82	-0.42	-23.0
India	S&P BSE Sensex	58222.10	156.63	0.27	-0.1
Japan	NIKKEI 225	27311.30	190.77	0.70	-5.1
Singapore	Straits Times	3151.56	-1.67	-0.05	0.9
South Korea	KOSPI	2237.86	22.64	1.02	-24.8
Taiwan	TAIEX	13892.05	90.62	0.66	-23.7
Thailand	SET	1589.18	8.91	0.56	-4.1

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	52-Week Low	% chg
Atlas Motor Vehicles	AMV	24.49	11.96	95.45	243.99	12.05	...
InVivo Therapeutics	NVIV	7.98	3.62	83.03	16.50	3.50	-50.1
AdvisorShares MSOS 2x Dly	MSOX	23.79	9.76	69.55	34.63	13.09	...
Pineapple Energy	PEGY	4.55	1.79	64.86	34.20	0.76	-86.1
Advisor Pure US Cannabis	MSOS	12.14	3.08	34.00	33.80	8.70	-60.6
Tilray Brands CI 2	TLRY	3.90	0.92	30.87	13.95	2.65	-64.6
SAI TECH Global	SAI	4.89	1.14	30.40	12.60	2.23	-50.0
AdvSh Poseidon Dyn Canna	PSDN	2.75	0.62	28.88	10.15	2.02	...
Addentax Group	ATXG	3.44					

BIGGEST 1,000 STOCKS

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including DuPont, Dynatrace, ENI, etc.

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including Microsoft, Amazon, Apple, etc.

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including Alphabet, Meta, etc.

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including Tesla, Nvidia, etc.

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including Google, Facebook, etc.

Table with columns: Stock, Sym, Close, %Chg, Net Chg. Lists top 1,000 stocks by market cap, including Microsoft, Amazon, etc.

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New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations...

Table with columns: Stock, Sym, Hi/Low, %Chg, 52-Wk Hi/Low, %Chg. Lists new highs and lows for various stocks.

Mutual Funds

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

Table with columns: Fund, NAV, YTD %Chg, %Ret, Net YTD %Chg, %Ret. Lists top 250 mutual funds.

Dividend Changes

Table with columns: Company, Symbol, Yld, % New/Old, Frq, Payable/Record. Lists dividend changes.

Reduced: MV Oil Trust, MVO 15.1 685/70 Q Oct5/Oct17

Stocks: Air Industries Group, AIR 110 Q Oct8

Foreign: Luxfer Holdings, LXFR 3.5 13 Q Nov02/Oct14

Safe Bulkers Pfd.D, SBPD 8.5 50 Q Oct31/Oct21

Source: FactSet; Dow Jones Market Data

KEY: A: annual; M: monthly; Q: quarterly; r: revised; S2: semiannual; S21: stock split and ratio; SO: spin-off.

MARKETS & FINANCE

Chevron Faces Venezuela Hurdles

As Biden officials consider relaxing sanctions to allow Chevron Corp. to pump oil in Venezuela again, the company is preparing to navigate myriad challenges in the country

By Collin Eaton,
Kejal Vyas
and Patricia Garip

that could limit its ability to quickly increase production.

Chevron will have to manage everything from fuel shortages to accident-prone oil infrastructure to security and corruption risks that could hamper its efforts to revitalize the country's gutted oil industry.

On the optimistic side, some analysts said Venezuela's oil production could increase by about 400,000 barrels a day in a matter of months to a year—not nearly enough to offset up to 2 million barrels of daily production the Organization of the Petroleum Exporting Countries and its Russia-led allies said they would cut Wednesday.

Venezuela is likely to eventually hit a ceiling of about 1 million barrels a day in the medium term, still well below production levels before the U.S. sanctions, said Fernando Ferreira, an analyst at Rapidan Energy.

"To get above that level would be challenging," Mr. Ferreira said. "They'll have to do a lot of refurbishing of the oil infrastructure, and that

would require a lot of investment."

The Biden administration is discussing scaling down sanctions on Venezuela's regime, if authoritarian President Nicolás Maduro agrees to negotiate with the U.S.-backed opposition to organize free and fair presidential elections in 2024 and commits to other changes, according to people familiar with the matter.

Adrienne Watson, a spokeswoman for the National Security Council, said it didn't have plans to change the sanctions policy without constructive steps from the Maduro government. Chevron spokesman Ray Fohr didn't comment on the challenges Chevron would face if sanctions were eased but said the company is in compliance with the current sanctions framework.

U.S. officials hope Chevron, Venezuela's state-run PdVSA and other producers can quickly extract more crude from long-neglected oil fields to help replenish tight global oil supplies that have lagged behind demand and kept energy prices elevated this year. But in the near term, that may be difficult, experts say.

Chevron in 2020 wrote down its Venezuelan assets, taking a charge of \$2.6 billion, just months after the Trump administration increased sanctions that barred American companies from drilling, transporting or selling Venezuelan crude.

The speed at which Chevron

could restart operations in Venezuela, primarily in the country's Orinoco heavy oil belt in the east, will hinge largely on how quickly modifications to the Trump-era sanctions can be implemented.

For example, since the U.S. imposed oil sanctions, the country has struggled to get enough diluents, liquids that ease the flow of Venezuela's viscous oil, once primarily sourced from the U.S. Without that, Chevron will struggle to increase production by much, analysts said. PdVSA has resorted to using condensate

The Biden administration is discussing scaling down sanctions.

from Iran, considered a less efficient diluent than naphtha from U.S. refineries.

Another major problem that projects face is the severe shortage of qualified professionals, according to Ivan Freites, a veteran oil-workers union leader and critic of Mr. Maduro. Political persecution and the economic meltdown in recent years have pushed tens of thousands of oil engineers, geologists and welders out of the country. They are part of the 6.8 million people that, according to the United Nations, have fled Venezuela during Mr.

Maduro's tumultuous tenure.

In addition, the once-thriving Venezuelan oil industry has been plagued by rampant looting, with local communities and even desperate laborers pillaging installations for everything from copper wiring to pumps to pipes for scrap metal. One of Chevron's joint ventures in the country, Petrobrascan, which produces oil used to make asphalt, has been a prime target for theft, the union leader said.

Chevron's larger venture, Petropiar, where Venezuela's tar-like heavy oil is mixed with diluents to make it easier to transport, has also been hounded by allegations that PdVSA's managers in the project robbed it of hundreds of millions of dollars through rigged tenders, kickbacks and overpriced supplies. Those accusations have led to scores of arrests in the past during anti-graft crusades led by Mr. Maduro. Many of the president's closest allies, as well as military honchos, continue to hold senior positions in the oil industry.

"We want people to be able to work and live better, so if a company like Chevron wants to come back, I think that's great," said Mr. Freites. "But when you look at the dire situation in the sector today, it's not going to be easy to operate."

Luis Pacheco, PdVSA's former corporate planning director and current nonresident fellow at the Baker Institute

Center for Energy Studies at Rice University, only sees Chevron producing 100,000 extra barrels a day of crude oil in a few months and 200,000 more in 24 months. He points to technical challenges such as rising water leaks in aging oil fields and unstable electricity supply.

"The technical problems are solvable with time and money," Mr. Pacheco said. "But the extra oil is really marginal."

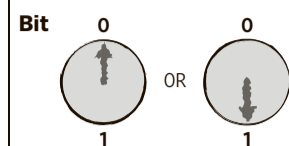
Chevron has been operating in Venezuela for a century and built a close relationship with the leftist government that has ruled there for more than two decades. During the first 25 days of September, it produced about 45,000 barrels a day, including about 27,680 barrels a day from its Petropiar venture, according to consulting firm IPD Latin America. If sanctions were lifted, Chevron would aim to lift its output to almost 200,000 barrels a day in about a year, according to people familiar with the matter.

All told, Venezuela's production was about 686,000 barrels a day in the first 25 days of September, down from more than 900,000 in December, according to IPD Latin America.

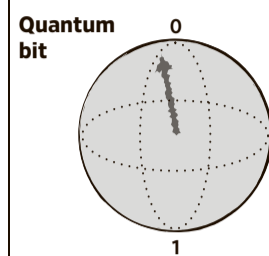
Projections of how much extra oil Venezuela can produce vary widely, partly because of the many unknowns in Chevron's new 1,000-page contract with PdVSA that it hopes to implement, and the breadth of pending U.S. licenses.

Bits and Qubits

Traditional computers use electronic circuits to store information in bits, digital 0s and 1s encoded by the presence and absence of electricity.



Quantum computers use qubits, particles such as electrons that are put in 'superposition' with lasers or microwave beams. As qubits have three quantum dimensions, physicists often use points on a sphere to represent them.



Peter Champelli/THE WALL STREET JOURNAL

China Lifts Its Aim on Computing

Continued from page B1 as though they are linked. Such a feature can be exploited to coordinate computation. On Wednesday three physicists who confirmed the existence of this phenomenon received the Nobel Prize in Physics.

Figuring out how to control these properties has proven to be a great challenge. Programming qubits into the right states requires a setup that allows interacting with them. But keeping them in those states long enough to perform computations requires just the opposite: completely isolating them from other particles that could make the qubits lose their encoded information.

"That's the great engineering paradox," says Steven Girvin, a professor of physics at Yale University.

If researchers succeed, quantum computers might make it possible for battery makers to predict complex chemical reactions to design higher-performing devices. Similarly, the computers might speed the development of new medicines by helping drug-makers simulate protein folding, the intricate process by which these large biological molecules assume their shape.

Quantum computers might also be capable of defeating the standard form of encryption used to secure communications worldwide—a matter of great concern to financial institutions as well as governments anxious to keep intelligence and military secrets.

Quantum physicists say it's this worrisome possibility—and the fear of being left behind—that has fueled massive government interest and investment into the technology globally.

The U.S., Germany, France and India are among the countries that have each committed upward of \$1 billion in state funding to be spent on quantum tech research over the next few years. Beijing doesn't release numbers on its planned investments, but Chinese media reports and U.S. policy research groups, including Santa Monica, Calif.-based think tank Rand Corp. and McKinsey, have placed its commitment over a similar period to between \$1 billion and more than \$15 billion.

Compared with the U.S., China was a latecomer to quantum computing. It sought first to dominate a related field known as quantum communication, which aims to develop a method of encryption that is nearly impossible to hack. China tech-policy experts say that initial focus likely came in response to the revelations in 2013 by former U.S. government contractor Edward Snowden that Washington had hacked deep into the backbone of China's internet.

Since leaping ahead in its quest to build a hack-proof internet, Beijing's shift of attention to quantum computing has been evident in the growing number of research projects and breakthroughs from Chinese scientists. The work has fed into a budding number of commercial efforts. Baidu relied on innovations from Chinese universities to build its computer, says Runyao Duan, director of Baidu's institute for quantum computing.

Saudi Fund Sells 100-Year Bonds for Green Energy

By ANNA HIRTENSTEIN
AND RORY JONES

Saudi Arabia braved turbulent markets to join the small club of issuers that have borrowed for 100 years from investors, with its sovereign-wealth fund selling the ultralong debt as part of a \$3 billion bond-market debut.

The three-part sale of green bonds tapped global investors for funds that will help support projects at the heart of Crown Prince Mohammed bin Salman's national economic transformation.

The Public Investment Fund sold dollar bonds with maturities of five, 10 and 100 years. They were priced with yields of 125 basis points and 165 basis points above U.S. Treasuries for five years and 10 years, respectively, and at 6.7% for the 100-year bond, according to a term sheet issued late Wednesday. Citigroup Inc., JPMorgan Chase & Co. and Goldman Sachs Group Inc. were among the banks involved.

"The GCC has been the best place to hide and weather the storm since the beginning of the year," said Zeina Rizk, executive director of fixed income asset management at Dubai-based Arqam Capital. "Especially with oil prices

where they are now."

She said the issue was good value and placed orders for five-year and 100-year bonds.

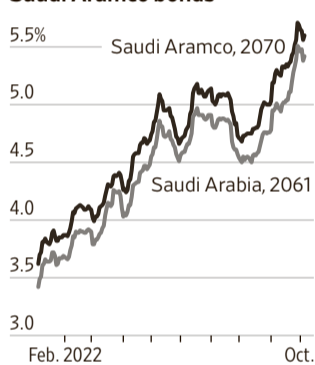
The bond market has come under pressure as central banks around the world raise interest rates to fight inflation, leading to a 19% negative total return for the Bloomberg Global Aggregate bond index this year.

In the past, so-called century bonds have typically been issued in more benign market conditions but investors said the pricing and the kingdom's strong fiscal position made it attractive. Some compared it to debt issued by Saudi Arabia itself and by national oil producer Saudi Arabian Oil Co., or Aramco.

The bond has a similar sensitivity to interest rates, or duration, as the longest-dated debt from Saudi Arabia or Aramco, but pays a higher interest rate, said Nick Eisinger, head of active fixed income at Vanguard.

"People are able to take a 10-year view but let's face it, we have no idea what's going to happen in 10 years. If you can do that, you should be able to take a view on 100 years—it's certainly not 10 times worse," Mr. Eisinger said.

Yields on longest-dated Saudi government and Saudi Aramco bonds



Note: Both are dollar-denominated; Data as of Wednesday; Source: FactSet

He also sought to buy the 100-year bond, which made up \$500 million of the total sale. The modern kingdom of Saudi Arabia was founded in 1932, less than a century ago.

Century-bond issuance by governments began in the 1990s when China raised \$100 million in 1996, followed by the central bank of the Philippines the year after. More recent issuers have included Argentina, Mexico and Austria in the 2010s, locking in ultralow interest rates, according to data from Dealogic.

While Saudi Arabia is the world's biggest oil exporter, the bonds' proceeds are slated

to go to sustainable projects. Green bonds raise capital for environmentally friendly initiatives. The Saudi fund has said it plans to invest more than \$10 billion in such deals by 2026.

The bond's prospectus offered a first look at the finances of Saudi Arabia's \$600 billion wealth fund.

In that document, the PIF highlighted its plans to develop a tract of land the size of Massachusetts for a futuristic mega-development called Neom and its investment in electric-car maker Lucid Group Inc. as examples of sustainable initiatives. It is also tasked with developing dozens of gigawatts of renewable-energy capacity in the kingdom.

The Organization of the Petroleum Exporting Countries, helmed by Saudi Arabia, and its Russia-led allies on Wednesday announced an oil production cut that is likely to increase prices. The OPEC+ move could benefit Russia by maintaining its revenues and boosting its war effort in Ukraine.

Energy costs are already high as a result of the conflict, contributing to rising inflation globally, and pushing countries to more available dirty fuels in the near term. Brent

crude, the global oil benchmark, is trading at roughly \$93 a barrel.

Issuers of green bonds with large operations in carbon-intensive industries have come under scrutiny in the past.

In 2017, Spanish oil major Repsol SA drew criticism after issuing a green debt to finance efficiency upgrades of refineries, with the bonds excluded from some green-bond indexes. The PIF largely doesn't operate in the oil-and-gas industry.

Since then, the sustainable-bond market has broadened to include new categories such as debt that finances a company's transition to cleaner operations and bonds with coupons linked to sustainability goals. Issuing green bonds helps broaden PIF's investor base, analysts and investors said, to include buyers focused on environmental, sustainable and governance-related investments.

"It helps bring in ESG funds, who otherwise wouldn't be able to buy them," said Uday Patnaik, head of emerging-market fixed income at Legal & General Investment Management. "There are a lot of issuers coming out with green bonds; even India's talking about potentially doing one."

Brookfield To Invest In Music

Continued from page B1

High School." Brookfield and Primary Wave began discussions about a tie-up in the spring as the publisher—about halfway through investing with its third fund—was looking to raise more capital. The conversations centered on creating a company that could hold music assets in perpetuity.

"Increasing demand for content from streaming services and social media make iconic music IP a scarce and irreplaceable asset," said Angelo Rufino, a managing partner at Brookfield, pointing to how music is being licensed to Peloton, TikTok and the metaverse. "One of the cheapest forms of entertainment is going to keep finding ways to weave itself into our everyday consciousness and that just means more revenue."

Primary Wave's acquisition business differs from the buy-and-hold strategy of many of the market's newer players. The company, whose three funds hold some \$2.1 billion in value, typically takes control-



The new outfit already has acquired a majority stake in all of the late Joey Ramone's music-publishing assets for around \$10 million.

ling interests in catalogs—often joining with artists or their estates—and then works to actively increase the value by commissioning biographical films, Broadway shows, in-

terpolations and brand deals. Since taking a 50% stake in the Whitney Houston estate three years ago, Primary Wave has helped quadruple its income, through endeavors such

as Kygo's "Higher Love" hit featuring Ms. Houston's vocals recorded in 1990, a MAC cosmetic line and a coming biopic, "I Wanna Dance With Somebody."

Its other interests across recorded music and publishing include Bob Marley, Stevie Nicks, James Brown, Prince, Ray Charles, Smokey Robinson and Sun Records.

MARKETS

Stocks Drop After Jobless Data

Markets seesaw this week as traders seek to read Fed's reaction to economic indicators

By CAITLIN McCABE
AND JUSTIN BAER

Stocks stumbled again after a red-hot start to the week.

The S&P 500 fell 1%, or 38.76 points, to 3744.52. The Dow Jones Industrial Average declined 1.1%, or 346.93 points, to 29926.94.

THURSDAY'S MARKETS The tech-focused Nasdaq Composite slipped 0.7%, or 75.33 points, to 11073.31.

The S&P 500 had soared a combined 5.7% on Monday and Tuesday—its best two-day percentage gain since April 2020.

But Wednesday's performance, when all three indexes finished lower, served as a reminder that rallies in 2022 are often fleeting.

"This week has been a really good example of where market psychology is," said Chris Zaccarelli, chief investment officer at Independent Advisor Alliance. "There are risks to the economy and corporate profits. The question is: Are enough of those challenges priced in?"

The week's seesaw reflects investors' attempts to wrestle with the U.S. economy's uncertain path as it absorbs the Federal Reserve's interest-rate increases. Lately, investors have often interpreted bad economic news as good news for markets, believing that economic weakness will force the Fed to slow its interest-rate increases.

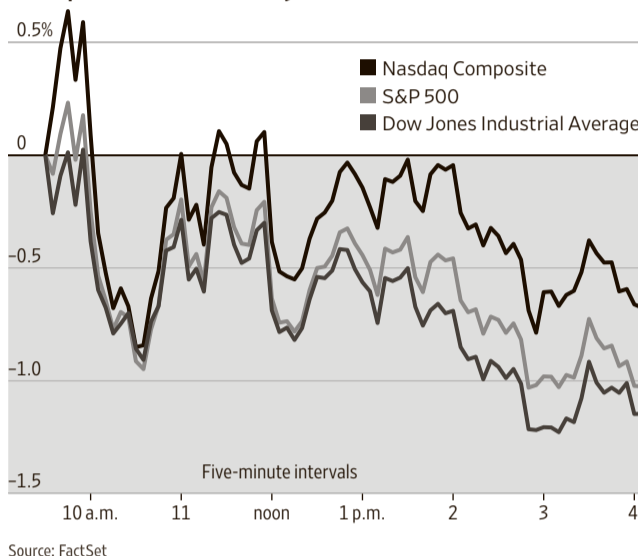
At the start of the week, weakness in the labor market and manufacturing sector made some investors think that the Fed could pump the brakes on its aggressive rate increases.

But a series of strong data releases Wednesday, combined with hawkish comments by Fed



Initial jobless claims increased to 219,000 for the week that ended Oct. 1, more than the 203,000 that economists anticipated.

Index performance Thursday



Source: FactSet

officials, persuaded many that the central bank's current path will likely be undeterred.

On Thursday morning, investors decided that bad economic news actually was bad. Initial jobless-claims data showed that claims rose to 219,000 for the week ended

Oct. 1, more than the 203,000 that economists expected. Stock futures, which had been trading lower, pared their losses immediately after the data's release but then turned lower again.

"There is a misconception that the Fed will make a pivot

as soon as we see an economic deterioration," said Florian Ielpo, head of macro at Lombard Odier Investment Managers. "The message for us is very simple: The slowdown is happening. It's likely to be a recession. And equities need to start showing a better pricing of recession risk."

Mr. Ielpo said he has been positioning more defensively across his flagship portfolio since August but last week bumped the portfolio's cash holding up to 75% amid the "joint collapse of bonds and equities."

That cash allocation, he said, is the highest since the heart of the Covid-19 crisis in 2020.

"I think it's very hard to be optimistic for the quarter to come," he said, adding that he believes that a slowdown in earnings is "barely priced in by the markets."

Earnings season will kick off in earnest next week, with reports due from companies including JPMorgan Chase.

The yield on 10-year U.S.

Treasuries rose to 3.823%, from 3.757% Wednesday. The two-year yield, which is more sensitive to near-term rate expectations, rose to 4.247%.

Additionally, investors on Thursday said they were digesting the Wednesday agreement by the Organization of the Petroleum Exporting Countries and its Russia-led allies to slash output by two million barrels of oil a day—a decision that officials fear could exacerbate inflation and slow economic growth. Brent rose 1.1% to \$94.42.

Overseas, the pan-continental Stoxx Europe 600 fell 0.6%. Early Friday, Japan's Nikkei 225 was down 0.6%, Hong Kong's Hang Seng Index was down 0.8% and South Korea's Kospi was up 0.1%. S&P 500 futures rose 0.1%.

Watch a Video

Scan this code for a video about returns on U.S. Treasury bonds.



Ex-Celsius Executives Withdrew Millions

By SOMA BISWAS

Former Celsius Network LLC executives withdrew \$18 million in cryptocurrencies in the two months before the company filed for Chapter 11, according to documents filed to the bankruptcy court.

Alex Mashinsky, the former chief executive of the crypto lender, withdrew \$10 million in tokens between May and the bankruptcy filing on July 13, according to the court documents. His lawyer confirmed the size of his withdrawals. Mr. Mashinsky stepped down from his role in late September following a request from Celsius' creditors.

The filings also show that Mr. Mashinsky's wife, Kristine Mashinsky, and former Chief Strategy Officer Daniel Leon withdrew over \$2 million and roughly \$7 million worth of tokens, respectively, during the same period. Representatives for Ms. Mashinsky and Mr. Leon didn't return a request for comment. Mr. Leon stepped down from his role on Wednesday.

Celsius, one of the biggest crypto lending platforms, froze customer withdrawals in June. When Celsius filed for bankruptcy the following month, it said that it owed users \$4.7 billion. Thousands of its customers have banded together to try to retrieve the crypto assets in bankruptcy.

Mr. Mashinsky stepped down from his role in late September following a request from Celsius's creditors. The company's creditors committee has a continuing investigation of Celsius, lawyers for the group have said in court.

Crypto Exchanges Cut Fees

Continued from page B1

rolled out the zero-fee trading in June, two weeks ahead of its parent company.

"People come to our platform for bitcoin trading, but they stay for a variety of other different reasons," Mr. Shroder said.

For Binance overall, volumes for bitcoin trades surged in the third quarter compared with the previous quarter, according to Kaiko data. Investors increased their trading of bitcoin for some of the largest stablecoins by 128% relative to second-quarter volumes, according to Kaiko data.

Exchange revenue isn't sticky because most crypto traders have accounts on several exchanges, Kaiko's Ms. Medalie said.

"That's why it's so competitive and that it's very easy to actually get someone to switch exchanges," she added.

Binance's fee cuts put pressure on other exchanges to fol-



Binance this summer eliminated fees on spot bitcoin trading.

low suit, sparking fears of a price war like the one that transformed the exchange-traded fund and brokerage industries.

In the long term, the race to the bottom on fees could weigh on exchanges such as Coinbase, which generates most of its revenue from retail customers buying and selling cryptocurrencies. Coinbase saw its trading volume plummet alongside the fall in crypto prices this year.

"We continue to believe

that there will be fee compression, and we started to build a diversified set of products that monetize in other ways," said Alesia Haas, chief financial officer at Coinbase, during the company's second-quarter earnings call.

Coinbase recently changed its fee structure to ease prices for its biggest investors with more than \$250 million in monthly trade volume. The structure will potentially result in increased fees for users with \$15 million to \$250 mil-

Binance Hacked, \$100 Million Stolen

Crypto exchange Binance said late Thursday that \$100 million was likely stolen as a result of a hack on its Binance Smart Chain blockchain network.

Binance Smart Chain has temporarily suspended transactions and fund transfers, after detecting what it said was an exploit on a bridge between two blockchains. "The issue is contained now. Your funds are safe," Chief Executive Changpeng Zhao tweeted.

—Vicky Ge Huang

lion of monthly trade volume.

Both Binance.US and Coinbase are looking to so-called staking as an area of revenue diversification.

Staking refers to the act of investors locking up their tokens to help secure and validate transactions on proof-of-stake blockchains in exchange for earning rewards.

Binance.US launched its staking product in June and now offers staking rewards on 15 cryptocurrencies.

Coinbase offers staking re-

wards on six cryptocurrencies, with annual percentage yields ranging from 2.60% to 5.75%. While Coinbase's blockchain-rewards revenue, which is primarily from staking, amounted to just a little over \$150 million during the first half of the year, the company charges a 25% commission for staking tokens on behalf of customers.

Beyond staking, crypto exchanges have explored additional revenue streams by launching marketplaces for nonfungible tokens, subscription models and their own stablecoins. Coinbase has benefited from higher interest rates in the form of higher interest income revenue from idled cash in client accounts and its revenue share from Circle Internet Financial's USD stablecoin. JPMorgan analyst Ken Worthington expects Coinbase to earn \$1.2 billion of interest income next year based on his team's estimate that the Treasury one-month bill rate will rise to 3.75% next year.

"We see staking as a more stable and recurring source of revenue compared with trading," Mr. Worthington wrote in a September note. He said Coinbase still has the opportunity to boost its lucrative staking businesses.

Diversification comes with

its own risks. The Securities and Exchange Commission has warned that staking programs look similar to lending and that firms offering crypto-lending products need to register with the agency. In addition, the battle for the stablecoin market is heating up as interest rates rise.

Moreover, NFTs have begun to fall out of favor as monthly NFT trade volume has plunged 97% from a record high of \$17 billion in January this year to \$527 million in September, according to Dune Analytics.

AUCTION RESULTS

Here are the results of Thursday's Treasury auctions. 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.

FOUR-WEEK BILLS

Applications	\$139,602,397,500
Accepted bids	\$52,153,157,500
* noncompetitively	\$1,748,942,000
* foreign noncompetitively	\$50,000,000
Auction price (rate)	99.772889 (2.920%)
Coupon equivalent	2.967%
Bids at clearing yield accepted	43.28%
Cusip number	912796YF8

The bills, dated Oct. 11, 2022, mature on Nov. 8, 2022.

EIGHT-WEEK BILLS

Applications	\$115,612,990,100
Accepted bids	\$46,937,911,100
* noncompetitively	\$853,470,000
* foreign noncompetitively	\$164,000,000
Auction price (rate)	99.497556 (3.230%)
Coupon equivalent	3.291%
Bids at clearing yield accepted	82.63%
Cusip number	912796YK1

The bills, dated Oct. 11, 2022, mature on Dec. 6, 2022.

U.K. Bond Selloff Resumes

Continued from page B1

spend as much as 65 billion pounds, the equivalent of \$73.6 billion, on long-dated gilts over the next few weeks.

The Bank of England bought over £1 billion of bonds a day last Wednesday, Thursday and Friday. On Monday, its purchases declined to £22 million, and Tuesday and Wednesday, it bought none.

In a letter to lawmakers released Thursday, Jon Cunliffe, the deputy governor who oversees financial stability, said the intervention wasn't "designed to cap or control long-term interest rates."

Bank officials also said this week that banks that buy and sell bonds on behalf of investors must disclose for whom they are selling bonds, to assess whether there are still

distressed sellers in the market. Analysts say this is a way for the central bank to support troubled pension funds without being overly generous to investors who don't need help.

The British central bank is in a dilemma. It wants to stop the market dysfunction with the bond purchases. At the same time, it wants to tighten monetary policy to combat rampant inflation. It has stressed that the purchases, which normally would be stimulative, are meant merely to act as a backstop to keep markets functional.

But bond action on Thursday raised questions about how much movement in yields the bank sees as dysfunctional and how much is normal.

At one point Thursday, 30-year gilt yields rose 0.20 percentage point, which outside of last week would be one of its largest one-day moves in decades. Yields came back later in the day and were up around 0.10 percentage point.

The pound, which has also been highly volatile and last week hit a record low before

U.K. government bond yields



Note: £1 billion = \$1.13 billion

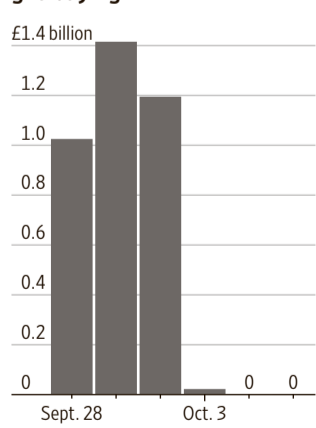
Sources: Tullett Prebon (yields); Bank of England (gilt-buying)

rebounding, fell 1.5% to \$1.1162 in New York Thursday.

Rapid moves in long-dated bond yields were at the root of last week's market dysfunction, prompting banks to require pension funds to post collateral against a derivatives-based investment strategy, known as liability-driven investment.

Thursday's gilt-yield rise will likely have triggered more collateral calls, albeit not of

The Bank of England's gilt-buying



the same magnitude as last week, according to Con Keating, head of research at Brighton Rock Group, an insurance company for pension funds. But if the yields continue to climb at this pace for two or three more days, the collateral calls could rise to a level on par with those that prompted the Bank of England intervention, Mr. Keating said.

"The message is that we have a backstop until Oct. 14,

but they will only intervene if they see market dysfunction," said Rohan Khanna, a rates strategist at UBS, referring to the scheduled end date for the bond-buying program. "There is now that uncertainty there, will they come or won't they? Markets aren't clear on this."

Other factors have also weighed on government-bond markets in recent days. A surprise production cut from the Organization of the Petroleum Exporting Countries and its allies rekindled fears that central banks will need to raise rates even faster than expected to tackle inflation.

Also concerning investors and analysts is looking ahead to what could happen when the purchase program expires.

"It's a very uncertain environment. The deadline when measures stop, that's going to be a cliff edge," said Jorge Garayo, a rates and inflation strategist at Société Générale.

Investors are betting that bonds will sell off further. Gilt futures reflecting expectations for the 10-year bond price in

two months have declined for the past two days.

Government-bond yields are used as benchmarks for other types of debt, so another sizable increase is likely to push up the cost of borrowing for companies and households.

Another looming deadline: The central bank will switch from a buyer of bonds to a seller at the end of the month. Part of its plan for monetary policy is a mechanism known as quantitative tightening, or reducing its balance-sheet holdings of bonds.

The Bank of England holds £837.9 billion of gilts and aims to reduce this by £80 billion over the next 12 months, including redemptions as bonds reach maturity. That means about £45 billion of sales, according to an analysis by RBC Capital Markets.

At the same time, the U.K. government will also be selling bonds to fund itself. Its estimate for this financial year is £234 billion, with the new tax package increasing this by £72 billion, the debt management office said.