THE WALL STREET JOURNAL.

DOW JONES | News Corp ★★★★★ MONDAY, DECEMBER 30, 2024 ~ VOL. CCLXXXIV NO. 153 WSJ.com ★★★★ $5.00

Last week: **DJIA** 42992.21 ▲ 151.95 0.35% **NASDAQ** 19722.03 ▲ 0.8% **STOXX 600** 507.18 ▲ 1.0% **10-YR. TREASURY** ▼ 24/32, yield 4.619% **OIL** $70.60 ▲ $1.14 **EURO** $1.0428 **YEN** 157.84

What's News

Business & Finance

◆ **Corporate America** pulled back from diversity programs in 2024 under pressure from activists and will face a more-powerful challenger in Trump in 2025. **A1**

◆ **China recently flaunted** the ways in which it could hit back in the event of a new trade war with the U.S., but using such tools too aggressively risks backfiring on Beijing. **A1**

◆ **New-vehicle prices** are expected to ease further in 2025, with discounts continuing to flow as many automakers return to prepandemic inventory levels. **B1**

◆ **Investors who entered** each of the past two years brimming with optimism about U.S. Treasurys and other high-quality debt only to be disappointed are now far more guarded. **B1**

◆ **Suntory is preparing** for a rising risk of global trade wars by stockpiling in Europe, considering importing more U.K. scotch into the region and changing its sales focus in the U.S. **B3**

◆ **Big Lots, which filed** for bankruptcy in September, said it reached an agreement with Gordon Brothers that would keep hundreds of stores open and save thousands of jobs. **B3**

◆ **U.S. crude-oil inventories** fell more than expected the week before last and product stocks were mixed as refineries raised their capacity use. **B3**

◆ **U.S. regulators and** lawmakers are proposing new rules to protect hospitals from cyberattacks in 2025, but small healthcare providers are concerned that they can't afford to comply. **B4**

World-Wide

◆ **Former President** Jimmy Carter, the Georgia peanut farmer whose one term in the Oval Office was plagued by problems at home and abroad but who was awarded the Nobel Peace Prize after he left office, died at the age of 100. **A1**

◆ **International** investigators worked to pinpoint what caused the fiery crash of a South Korean passenger plane that killed nearly all of the 181 people on board. **A1**

◆ **Azerbaijan's president** accused Russia of trying to cover up its role in the crash of an airliner that killed 38 people on Christmas Day. **A6**

◆ **A special election to** fill a congressional seat in New York state being vacated by Republican Rep. Elise Stefanik looms as an early test of Democrats' plans for escaping the political wilderness. **A5**

◆ **Justice Department** lawyers who have angered Trump and his allies face tough decisions about whether to stay in government and how to best protect themselves from threats of retribution. **A4**

◆ **Former soccer player** Mikheil Kavelashvili was formally inaugurated as president of Georgia, cementing the ruling party's grip on power. **A7**

◆ **Rising tensions with** China are prompting Washington to revisit America's history as a nation of seafaring traders protected by a powerful Navy. **A3**

◆ **Died: Jimmy Carter**, 100, 39th president of the United States. **A1** ... **Charles Dolan**, 98, cable-television pioneer. **B1** ... **Warren Upton**, 105, oldest survivor of the 1941 Japanese attack on Pearl Harbor. **A2**

CONTENTS

Former President Carter, Nobel Winner, Dies at 100

By Cameron McWhirter And Betsy McKay

ATLANTA—Former President Jimmy Carter, the Georgia peanut farmer whose one term in the Oval Office was plagued by problems at home and abroad but who was awarded the Nobel Peace Prize after he left office, has died.

The Carter Center confirmed the death on X Sunday.

He was 100 years old, the longest-lived former president in the country's history. He had been in hospice since February 2023.

The 39th president's sole term in office was marred by a listless economy and stubborn inflation, squabbles within his party, gridlock in Congress and the seizure of U.S. hostages in Iran. Considered a long-shot Democratic candidate when he announced his bid, Carter would broker a historic peace treaty between Israel and Egypt and set in motion other changes that would dominate global politics in subsequent years.

Many of the achievements for which he was recognized

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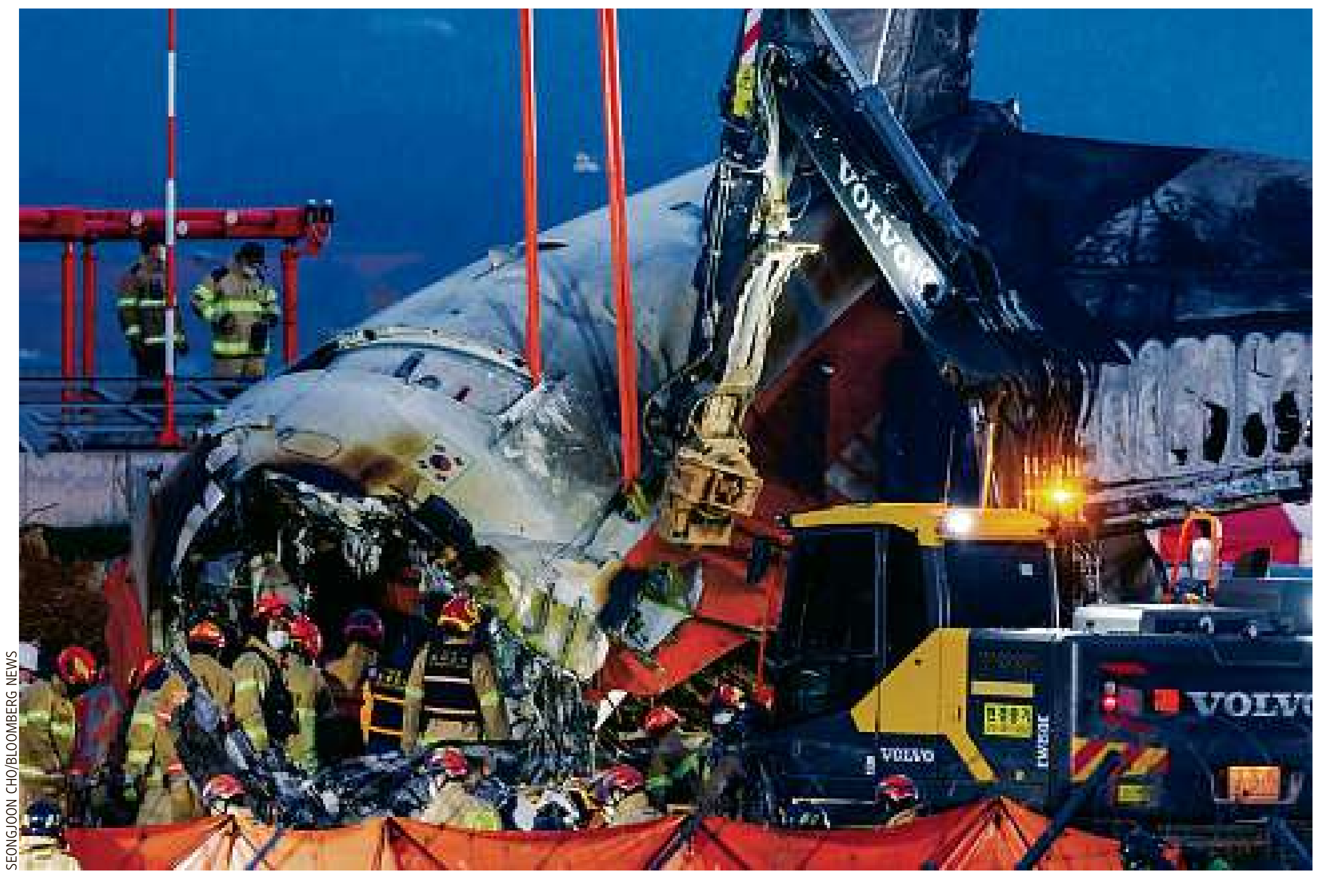
JIMMY CARTER LIBRARY

Jimmy Carter, shown in 1977, was the longest-living ex-president.

South Korea Jet Crash Kills 179



SEONGJOON CHO/BLOOMBERG NEWS

Rescue and inspection workers examined wreckage of the Jeju Air plane at Muan International Airport in South Korea on Sunday.

Boeing 737-800 operated by Jeju Air skidded, slammed into barrier; 2 survive

By Dasl Yoon, Timothy W. Martin and Andrew Tangel

International investigators worked to pinpoint what caused the fiery crash of a South Korean passenger plane that killed nearly all of the 181 people on board, in one of the deadliest aviation disasters in years.

The aircraft skidded off the runway, collided with a concrete barrier and burst into flames as it attempted to land Sunday at an airport in Muan County, in the country's southwest, just after 9 a.m. local time. The plane, operated by South Korea's Jeju Air, was a Boeing 737-800, a workhorse of commercial air travel.

Shortly before landing, the control tower warned of a possible bird strike and the Jeju Air pilots issued a mayday. Aviation safety experts said a severe bird strike could disable both engines as well as mechanical systems used to lower landing gear. Videos showed the jet's landing gear wasn't deployed as the plane

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Big Saudi Project Puts Workers In Danger

By Rory Jones And Eliot Brown

Billed as a futuristic city-state with dazzling architecture including parallel 106-mile-long skyscrapers taller than the Empire State Building, Neom is the centerpiece of Saudi Crown Prince Mohammed bin Salman's plans to transform his oil-rich country into a modern diversified economy.

But for its 100,000 workers, the world's biggest construction project has been more like a dystopia.

Neom employees have reported incidents of gang rape, suicide, attempted murder and drug dealing on the site, slated to cover an area the size of Massachusetts. Last year, a McKinsey consultant died in a head-on crash at night even after safety staff warned Neom management about the danger of driving late on the region's roads. Laborers at one of the migrant worker camps mounted a violent protest over frustration with food. Children as young as 8 have been caught driving trucks.

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DEI Upheaval Is Set To Intensify in 2025

By Theo Francis And Chip Cutter

Corporate America pulled back on diversity programs in 2024 under pressure from activists. In the new year, it will face an even more powerful challenger.

President-elect Donald Trump's second administration is gearing up to end diversity, equity and inclusion, or DEI, policies in dozens of government and business programs after many of the same concepts came under attack at some of the biggest U.S. companies.

"The pendulum is swinging back and swinging back very hard against DEI," said Mike Davis, a former Senate lawyer who runs the Article III Project, a conservative legal advocacy group, who is a close outside adviser to Trump. "Until DEI is eradicated from society there's still work to be done."

Wisconsin Institute for Law & Liberty, which has sued companies over DEI policies, is pointing to 61 federal programs it considers ripe for litigation and elimination, including technical assistance for minority farmers and contracting preferences for minority-owned law firms helping to collect U.S.

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One Place to Dunk on NBA Star: A New York City Chess Board

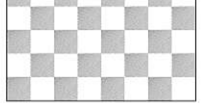
* * *

7-Foot-3 Victor Wembanyama stopped in at Manhattan park for different kind of 1-on-1

By Joshua Robinson

Max Haskell was on his regular grocery run in New York's East Village on Saturday when he pulled out his phone and saw a tweet that stopped him in his tracks.

NBA superstar Victor Wembanyama had posted out of the blue that he was just a few blocks away. Not only that, but the 7-foot-3 reigning Rookie of the Year was offering to take on all-comers, one-on-one, in Washington Square Park.



Hard court

The twist was that they wouldn't be playing basketball.

"Who wants to meet me at the SW corner of Washington Square Park to play chess?" Wembanyama posted shortly after 9:30 a.m. "I'm there."

Haskell, a 25-year-old local who has lived in Russia and the U.K., knew exactly what he had to do.

He abandoned his basket of groceries, hopped on a Citi Bike, and

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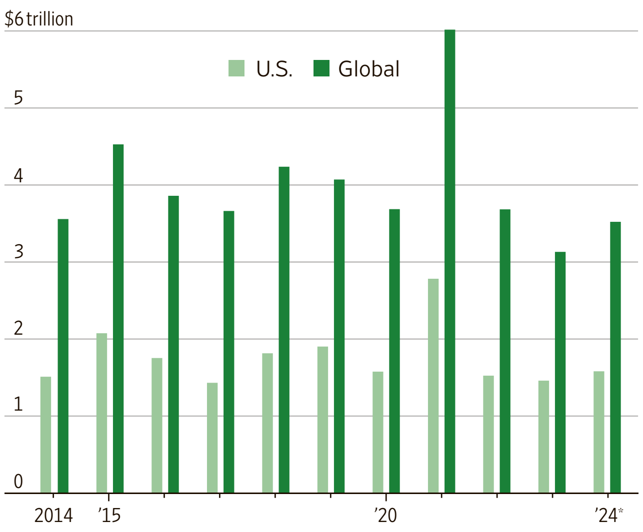
Deal Hopes Rise for New Year

Wall Street is optimistic that dealmaking will rebound in 2025 with a buoyant stock market, declining interest rates and President-elect Donald Trump's lighter-regulation agenda. **B1**

Annual M&A deal volume*



*As of Dec. 26
Source: Dealogic

Retaliation Over Trade Poses Risk For China

By Jason Douglas

SINGAPORE—In the weeks since the election, China has flaunted the ways in which it could hit back in the event of a new trade war with the U.S., including everything from choking off the metals needed for everyday products to punishing U.S. companies that do business in China.

But using such tools too aggressively risks backfiring on Beijing.

The big danger is that taking shots at Western companies and restricting exports of critical minerals and other essentials will only encourage the U.S. and its allies to double down on their efforts to untangle their economies from China's.

That would spell trouble for Beijing as long as it remains wedded to an economic model that relies heavily on selling its goods to Western consumers.

While China can inflict pain on the U.S. with economic tools at its disposal, it is more likely to wield them sparingly, according to analysts. Instead, Beijing could use the measures to force talks to negotiate a truce with President-elect Donald Trump should he follow through on his promise to impose 60% tariffs on Chinese imports.

"Just using these tools willy-nilly doesn't make sense. You have to be driving towards an outcome, which is some sort of negotiation," said Logan

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INSIDE

SPORTS

Texas Longhorns return to their roots, set for a deep playoff run. **A14**

STAN HONDA/AFP/GETTY IMAGES

OBITUARY

Charles Dolan, a cable-TV pioneer who launched HBO, is dead at 98. **B1**

U.S. NEWS

U.S. WATCH

ALEX ROSENFELD/GETTY IMAGES

BURIED IN PAPERWORK: Confetti rained down in New York City's Times Square on Sunday in a test before New Year's Eve.

WASHINGTON STATE

Two Men Found Dead in Forest

Two Oregon men were found dead in a Washington state forest after they failed to return from a trip to look for Sasquatch, authorities said Saturday.

The 59-year-old and 37-year-old appear to have died from exposure, the Skamania County Sheriff's Office said via Facebook. The weather and the men's lack of preparedness led the office to draw that conclusion, it said.

Sasquatch is a folkloric beast thought by some to roam the forests, particularly in the Pacific Northwest.

The two men were found in a heavily wooded area of the Gifford Pinchot National Forest, which is about 150 miles northeast of Portland.

A family member reported them missing at around 1 a.m. Christmas Day after they failed to return from a Christmas Eve outing. Sixty volunteer search-and-rescue personnel helped in the three-day search, including canine, drone and ground teams. The Coast Guard used infrared technology to search from the air.

—Associated Press

OBITUARY

Oldest Survivor of Pearl Harbor Dies

Warren Upton, the oldest survivor of the 1941 Japanese attack on Pearl Harbor and the last survivor of the USS Utah, has died. He was 105.

Upton died at a hospital in Los Gatos, Calif., after suffering pneumonia, said Kathleen Farley, the California state chair of the Sons and Daughters of Pearl Harbor Survivors.

The Utah, a battleship, was moored at Pearl Harbor when Japanese planes began bombing the Hawaii naval base in the early hours of Dec. 7, 1941, in an attack that propelled the U.S. into World War II.

Upton told the Associated Press in 2020 that he had been getting ready to shave when he felt the first torpedo hit the Utah. He recalled that no one on board knew what made the ship shake. Then, the second torpedo hit and the ship began to list and capsize. The then-22-year-old swam ashore to Ford Island, where he jumped in a trench to avoid Japanese planes strafing the area.

—Associated Press

DEI Battles Expected To Intensify

Continued from Page One

debts. It will have an ally inside the White House: Trump adviser Stephen Miller, who ran a group that has also sued companies over DEI policies.

The assault on DEI—an umbrella term for policies designed to create more opportunities for minorities and their businesses—took off after the Supreme Court in 2023 struck down affirmative action in college admissions. In the wake of the decision, activists challenged corporate policies—and many businesses retreated.

Ford Motor said it would stop providing workplace data to a gay-rights lobbying group. UBS stopped giving out $25,000 grants directed at businesses led by women of color. Walmart said it wouldn't renew funding for a charity it created to address racial disparities.

This month a federal appeals court rejected Nasdaq's yearslong push to set racial and gender targets for the boards of its listed companies.

Supporters of DEI have said most boards and executives still support diversity efforts, even if they avoid the term, bend to the demands of activists or try to sidestep skirmishes with the incoming GOP administration. CEOs also risk backlash among customers and employees.

"Diversity is a core American feature," said Daniella Ballou-Aares, chief executive of the Leadership Now Project, a business group that hasn't taken a position on DEI. "Do I think every company will emphasize the benefits of diversity in the workforce? No, and I don't think everyone is doing that right now, either. But it won't go away all together."

Tractor Supply was among the first prominent companies to say it would pull back from DEI commitments: cutting roles and withdrawing support for LGBTQ events. "We have heard from customers that we have disappointed them," the retailer said in June.

Tractor Supply made the announcement just weeks after social-media provocateur Robby Starbuck took aim at the company on social media.

Ford and a few others soon followed, saying they would stop working with the Human Rights Campaign, an organization Starbuck had singled out. The gay-rights lobby had over decades won support from big companies for policies hospitable to lesbian, gay, bisexual, transgender and queer employees and customers.

Human-resources professionals retreated during the summer as well. SHRM, a group with members across hundreds of companies, said it would drop the "e" from DEI, instead promoting inclusion and diversity.

"Equity" to HR professionals means companies should guarantee a level playing field for all workers. But anti-DEI activists slam equity as pursuing diversity at the expense of merit.

Companies also revamped training programs that once expounded on societal racism, instead favoring narrower efforts with broader support, such as closing pay gaps between women and men, said Josh Bersin, a longtime workplace analyst and corporate adviser.

"Inclusion and diversity and pay equity is still huge," Bersin said. "But they've toned down the approach."

DEI supporters say most boards and executives still support diversity efforts.

In other cases, companies extended training opportunities—on improving communication techniques, for example—to all employees, said Sheila Abron, co-chair of the affirmative action and federal contract compliance practice at law firm Fisher Phillips. The goal: ensuring equal access.

"That's where we're seeing the legal challenges, when there is not an equal opportunity for all," Abron said.

Some companies facing litigation or public criticism reaffirmed their commitments to diversity. Ford CEO Jim Farley said the carmaker was still committed to having an "inclusive workspace." Walmart HR chief Donna Morris told staff that the retailer still wanted to create a sense of "belonging" internally.

Separate federal courts this spring tossed two lawsuits accusing Amazon.com of discriminating through grants for delivery services with Black, Latino and Native American owners. Plaintiffs in both cases lacked grounds to sue because they hadn't even applied to provide delivery services to Amazon and so weren't eligible for the grants regardless of race, the courts found. Their appeals are pending.

Honeywell and Pfizer have also had cases against them dismissed: Honeywell, after an employee argued he was wrongly fired for refusing to complete a workplace DEI seminar, and Pfizer, which was accused of discriminating by sponsoring a fellowship open to Black, Latino and Native American applicants.

In June, a federal appeals court ordered Fearless Fund, an Atlanta investment firm championing minority women, to halt a program providing $20,000 grants for Black woman entrepreneurs. The court rejected an argument that the spending amounted to protected speech. Fearless Fund in September settled the lawsuit and shut down the grant program.

Representatives for Fearless Fund and Pfizer didn't respond to requests for comment.

Activists also lobbied investors to help oppose what they called "woke" corporate policies. They filed dozens of shareholder proposals at S&P 500 companies. Often framed as getting politics out of business, such proposals found little traction—few won more than 2% of voted shares.

The activists said to brace for more anyway.

If the Trump administration adds to the pressure, "corporations are going to be even more receptive to the types of shareholders we work with," said Jeremy Tedesco, senior counsel of the Alliance Defending Freedom, which rates companies on free-speech and religious-freedom policies and helps shareholders submit proxy proposals.

CARLOS OSORIO/ASSOCIATED PRESS

Ford Motor said it would stop providing workplace data to a gay-rights lobbying group.

In November, Walmart joined the list of companies talking about winding down DEI programs. Among other moves, the retailer said it wouldn't participate in HRC's surveys or renew funding for the Center for Racial Equity, a nonprofit it had funded in 2020 with $100 million over five years.

Inside the company, some workers bridled at the reversal—a few years after the company trumpeted support for such efforts.

On Dec. 13, Walmart CEO Doug McMillon sent an all-staff email saying he had heard from many employees about the changes. "Some of the notes shared appreciation while others shared concern and disappointment," he wrote. "We aren't changing our values, but our approach is always evolving as we learn and receive feedback."

The public pronouncements might not reflect sweeping policy changes. Walmart hasn't announced changes to health insurance coverage or other policies that underpin its top ranking with the HRC.

Supporters of DEI initiatives spent most of 2024 on the defensive. Now they are waiting for the Trump administration to take shape before they decide how to respond.

"Trump is a charismatic leader who says things off the cuff, but you have to see what really happens," said Bianca Agustin, co-executive-director of United for Respect, which is asking Walmart shareholders to support a racial-equity audit.

Among the strategies DEI supporters are considering: suing to support key programs or organizing public protests of the kind that helped lead to new diversity initiatives in 2020.

Like some allies, Agustin said she recognizes DEI efforts have to change.

"We need to be able to articulate alternative visions," Agustin said. "We can't just defend the old programs."

—Sarah Nassauer and Erin Mulvaney contributed to this article.

NBA Star Tries Hand At Chess

Continued from Page One

tore across the Village and through the rain to play the most unexpected chess match of his life.

When he got there, Wembanyama wasn't hard to spot—he was the extraterrestrial ballplayer wearing a gray hoodie and size-20.5 sneakers.

Soon, Haskell found himself sitting on a damp bench and closing in on checkmate against this beanpole Frenchman. The chess boards of Washington Square Park, it turns out, are the only place in the world where a 6-foot-1 regular Joe can dunk on Victor Wembanyama.

"The man's extremely humble," said Haskell, a Washington Wizards fan who boasts a strong online rating above 2100 for rapid chess. "Toward the end of the game, a lot of people would have thrown the towel in. The guy stuck all the way through."

For anyone who had been paying attention to Wembanyama's social media, the hints that he was in the market for a game had been around since Friday night. Shortly after he and his San Antonio Spurs teammates defeated the Nets in Brooklyn, Wembanyama posted, "What are the best spots to play chess in NYC??"

The answers came flooding in with one clear winner. Washington Square Park has been home to chess lovers, amateurs, and hustlers for more than half a century. Park lore has it that even Bobby Fischer, the last American world champion, used to drop in for games incognito. Then again, Fischer could easily get away with it—he wasn't a comically tall former No. 1 pick in the NBA draft.

Naturally, Wembanyama drew a little more attention. After cooking up this plan overnight, he arrived at the park in a black truck with personal security, a Spurs staffer and a few family members. He put a crisp white towel down on a bench to soak up the raindrops and began a game against his brother. Over the next hour, with water pooling on the board, Wembanyama posted one victory and two losses.

"I was just feeling like it," Wembanyama said afterward. "That's enough of a reason."

And yet, the impromptu appearance of an NBA star at a neighborhood chess hangout may have only been the second strangest thing to happen to the ancient game in lower Manhattan in recent days. Not 24 hours earlier, the world's greatest player, Magnus Carlsen, was five subway stops away picking a fight with chess's world governing body over his choice of pants.

JOSHUA ROBINSON/WSJ

Victor Wembanyama, the 7-foot-3 reigning NBA Rookie of the Year, in New York's Washington Square Park.

Carlsen had shown up to the World Rapid Chess Championships wearing jeans, which constituted a violation of the dress code and came with a $200 fine. When an arbiter informed of this, with a reminder that he had agreed to the rules, the multiple world champion dug in his heels. Officials didn't assign him a match in the following round and Carlsen responded by quitting the tournament altogether.

The 20-year-old Wembanyama, who wore baggy gray sweatpants, was subject to no such rules. Instead, he was adding his name to the growing legion of professional athletes who publicly profess their love of chess. Stars from basketball to the NFL to Olympic speed climbing have loudly trumpeted the virtues of a game that they believe helps them recognize patterns and make strategic decisions under duress.

Four-time NBA champion Klay Thompson is known to make his rookie teammates carry magnetic boards so he can fire up a game at a moment's notice. The Dallas Mavericks' Luka Doncic has even been made into an AI bot that users could play against on Chess.com. Cincinnati Bengals quarterback Joe Burrow, meanwhile, is an avid chess player *and* an avid chess trash-talker whose Chess.com account has been muted more than once.

As for Wembanyama, the game is as useful for brain training as it is for killing time on a road trip between Brooklyn and Minnesota. It can also provide an unusually humbling experience to an athlete whose exceptional size and talent have helped him excel since the first time he picked up a basketball.

Wembanyama might lead the NBA in blocks, but the Washington Square chess boards are the rare arena where his defense is a little lacking.

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Fierce Weekend Storms Leave at Least Four People Dead in South

LANCE GEORGE/ASSOCIATED PRESS

AFTERMATH: Downtown Athens, Ala., above, saw widespread damage Sunday in the wake of a storm. There were some 40 tornado reports, from southeastern Texas to Alabama.

U.S. Commercial Fleet Falls Far Behind

Bill aims to revitalize sector that China now dominates, imperiling national security

By Daniel Michaels

Rising tensions with China are prompting Washington to revisit America's roots as a trading nation of the seas.

Protecting merchant sailors and their cargo was what compelled Congress to commission the U.S. Navy's first new warships. That was in 1794, targeting North African Barbary pirates. The young republic's seaborne traders, a linchpin of economic growth, were vital to national security.

The Navy became a mighty global fighting force. America's commercial cargo fleet has withered almost to nonexistence.

Now politicians are once again linking national security to a vibrant maritime sector—nonmilitary aspects of the seas—and the benefits it brings to everything from shipbuilding to logistics chains. Washington is seeking ways to reverse its collapse by tapping examples from other industries, encouraging links with shipbuilding allies and plumbing the writings of America's greatest sea strategist.

No nation has ever successfully ranked as a world naval power without also being a global maritime power. Not long ago, America led the world in sea freight. At the end of World War II, the U.S. commercial marine fleet accounted for about half of the world's cargo-shipping capacity. An American entrepreneur in the 1950s pioneered the shipping container, which revolutionized international commerce.

The Navy today expends vast resources from the Red Sea to the South China Sea defending the freedom of navigation, but few ships being protected fly the American flag.

STR/AGENCE FRANCE-PRESSE/GETTY IMAGES

China has become the dominant force in both shipping and shipbuilding.

U.S. commercial ships today account for less than 1% of the world fleet. U.S. ports are wracked by strikes and battles over the type of automation that has supercharged expansion of container terminals across the globe. The Navy struggles to find commercial vessels to support its far-flung operations.

Globalization effect

China, meanwhile, dominates both shipping and shipbuilding. President-elect Donald Trump recently expressed a desire to regain control of the Panama Canal, pointing to China—a top user of the waterway—as part of his thinking.

U.S. private shippers succumbed to economic forces of globalization after the Cold War, when government support shrank. Now calls are increasing for Washington to help resurrect U.S. commercial shipbuilding and freight hauling.

Secretary of the Navy Carlos Del Toro has advocated a focus on "maritime statecraft," stressing commercial shipping's importance to the Navy in tasks including refueling ships and carrying vital military supplies. He has pushed to support American shipyards that build not just warships but also commercial vessels.

And he has championed expanding the U.S. Merchant Marine, a corps of commercial sailors who can assist the Navy in wartime and whose ranks have plunged over recent decades. Government and industry officials estimate the U.S. now has fewer than 10,000 merchant mariners, compared with roughly 50,000 in 1960.

"I'm not foolish enough to think it's going to be easy," said Del Toro in an interview aboard a Navy cargo ship. "But we've got to start somewhere."

That start, Navy and industry officials hope, is a piece of legislation recently introduced by Sens. Mark Kelly (D., Ariz.) and Todd Young (R., Ind.) and two House members, the Shipbuilding and Harbor Infrastructure for Prosperity and Security for America Act. If passed, it would be the first major piece of maritime legislation since 1936.

The SHIPS Act, as it is known, aims to revitalize shipbuilding and shipping over more than a decade while rebuilding the merchant marine. It calls for resources and White House-level involvement comparable to policies on energy, semiconductors and aviation. Del Toro, whose term ends with the Biden administration, and his advisers helped shape the legislation. Trump's nominee for Navy secretary, John Phelan, a newcomer to naval issues, hasn't commented on the bill.

'Major problem'

Kelly, a Navy veteran and the first graduate of the U.S. Merchant Marine Academy to serve in Congress, said he was motivated by what he sees as a dangerous imbalance: China has more than 5,500 oceangoing merchant vessels in international trade while the U.S. has 80.

"It's a major problem for us, especially if we wound up in a conflict or we wind up in a situation where China decides for whatever reason that they want to, you know, stop our economy and put brakes on it in a big way," Kelly said in an interview. "They have the ability to do that."

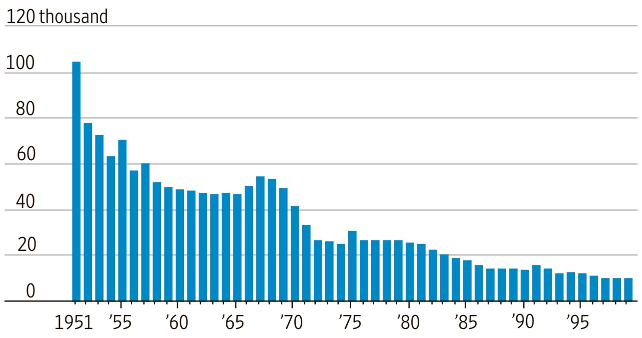
The bill's prospects in a fractious Congress are uncertain. Supporters say its sponsorship from both parties and both houses is a positive. A sign that it may win favor from the incoming Trump administration is that Kelly's early partner in drafting the bill was Rep. Mike Waltz (R., Fla.), whom Trump has nominated as his national security adviser.

Waltz, in a September discussion of maritime strategy alongside Kelly, said that China is expanding its navy on the back of massive investment in commercial shipbuilding. "So a shipyard that can produce one of the world's largest containerships can then pretty easily flip and produce an aircraft carrier, and do it at scale with the workforce, the steel, the aluminum, and the know-how that has been invested and paid for by their commercial shipbuilding industry," he said.

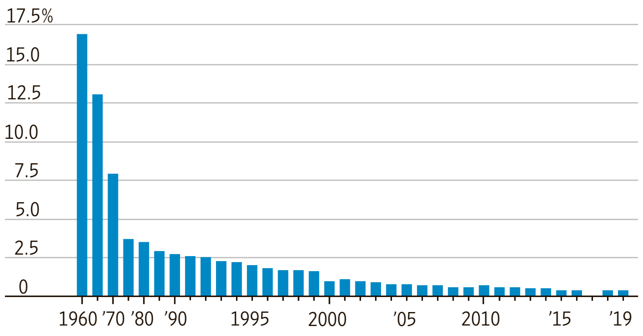
Navy Secretary Del Toro, in a 2023 speech at Harvard University's Kennedy School of Government, presented his vision of maritime statecraft, which he said should be based on more than a strong Navy and Marine Corps. "It should also be equally strong on engagement in areas of economic development, trade and climate diplomacy to enable us to compete more successfully on a global scale," he said.

Del Toro cited the writings of Alfred Thayer Mahan, a naval strategist who died in 1914 and whose work is drawing fresh attention. Mahan "argued that naval power begets maritime commercial power, and control of maritime commerce begets greater naval power," Del Toro said. China's leadership, he said, "has read and studied Mahan's theory, and their actions show it."

U.S. Merchant Marines' average employment*



U.S. commercial cargo share of world fleet†



*Private, government contract and Great Lakes. Data not available from 2000 onwards.
†Data before 1990 are shown in five-year increments. Figures were not published for 2017.
Sources: U.S. Maritime Administration (average employment); Bureau of Transportation Statistics (cargo share of world fleet)

New Study Shows AI Made Some Workers More Productive

By Justin Lahart

Daron Acemoglu, the Massachusetts Institute of Technology professor who recently won the Nobel Prize in economics, worries that artificial intelligence will worsen income inequality and not do all that much for productivity. His friend and colleague David Autor is more hopeful, believing that AI could do just the opposite.

New research from Aidan Toner-Rodgers, an MIT doctoral student, challenges both Acemoglu's pessimism and Autor's optimism. Both professors are raving about it.

"It's fantastic," said Acemoglu.

"I was floored," said Autor.

Neither Autor nor Acemoglu is changing his mind on AI. But the research by Toner-Rodgers, 26 years old, is a step toward figuring out what AI might do to the workforce, by examining AI's effect in the real world.

Many economists, including Autor and Acemoglu, have looked at how earlier technologies have reshaped the labor market. But while this understanding of the past provides important context, how AI will affect the economy is difficult to tease out: Will it be like the gasoline-powered internal combustion engine, which transformed entire industries, boosting growth, creating vast categories of new work and lifting millions of Americans into new, more productive, better-paying jobs? Or the zeppelins of the 1920s and 1930s, which people thought would be world changers and are now a nostalgic afterthought?

To figure out where AI might fit, economists need careful studies of its use in today's workplace. Toner-Rodgers's paper does just that. His work examines the randomized introduction of an AI tool to 1,018 scientists at a materials-science research lab.

The discovery and creation of new materials—from the invention of Bakelite in the 1900s to Kevlar in the 1960s—has historically been a time-consuming process of trial and error. Scientists, after identifying what properties they would like a compound to have, then come up with ideas of what the chemical structure of a new compound might look like. Then they start testing out compounds, hoping to hit on one that works.

AI tools that have been trained on the structure of existing materials can make the discovery process significantly shorter and less expensive. Scientists specify the characteristics they would like a compound to have and the AI tool generates recipes that the scientists can then evaluate.

"Maybe the most exciting thing about AI is that it could accelerate scientific discovery and innovation," said Toner-Rodgers. "This would be a huge benefit."

The child of two California schoolteachers, Toner-Rodgers took his first economics class as a freshman and got hooked. After a stint working at the Federal Reserve Bank of New York, he entered MIT in 2023.

The lab that Toner-Rodgers studied randomly assigned teams of researchers to start using the tool in three waves, starting in May 2022. After Toner-Rodgers approached the lab, it agreed to work with him but didn't want its identity disclosed.

SIMON SIMARD FOR WSJ

From left, Daron Acemoglu, Aidan Toner-Rodgers and David Autor found the results from the research on AI surprising.

What Toner-Rodgers found was striking: After the tool was implemented, researchers discovered 44% more materials, their patent filings rose by 39% and there was a 17% increase in new product prototypes.

Toner-Rodgers was a bit surprised himself. He had thought at best it would have just kept up with the scientists on novel discoveries. "You could have come up with just a bunch of lame materials that are not actually helpful," he said.

These gains in scientific innovation could lead to gains elsewhere, since new inventions can lead to unexpected developments down the line.

Acemoglu said he was "somewhat surprised" the lab experienced such a marked increase in productivity, which, if repeated enough throughout the economy, would cut against his pessimistic take.

The lab is just one, specific example. Acemoglu notes that unlike large language models such as ChatGPT that people are trying to apply broadly, the lab's AI tool was built specifically for materials discovery.

Acemoglu still worries that AI could widen income disparities. Toner-Rodgers's paper suggests one way that might happen.

He found that researchers who were already the most successful at discovering compounds were even more successful with the AI tool, while other scientists didn't benefit as much.

Autor still thinks that AI could reduce income inequality as long as workers are properly trained.

One last thing Toner-Rodgers found about the lab's AI tool: The scientists didn't like it all that much, with 82% reporting reduced satisfaction with their work.

The scientists felt that it took away the part of their jobs—dreaming up new compounds—they enjoyed most. One scientist remarked, "I couldn't help feeling that much of my education is now worthless."

DOJ Lawyers On the Hunt For New Jobs

Those who worked on cases involving Trump or Jan. 6 see careers now at risk

By Sadie Gurman And C. Ryan Barber

WASHINGTON—Justice Department lawyers who have angered President-elect Donald Trump and his allies are facing tough decisions about whether to stay in government—and how to best protect themselves from threats of retribution after Inauguration Day.

Dozens of prosecutors and agents have worked on cases that potentially make them vulnerable, such as special counsel investigations of Trump, prosecutions of hundreds of his supporters who stormed the Capitol on Jan. 6, 2021, and contempt-of-Congress cases that sent top Trump associates Steve Bannon and Peter Navarro to prison this year.

Their concerns are part of a broader wave of uncertainty that has swept through the Justice Department since Trump's re-election, as he and his appointees openly float plans to fire career employees and bring the department more closely under presidential control.

Flood of résumés

Some department lawyers on the fence about leaving have sought counsel from Attorney General Merrick Garland and other senior officials, who have encouraged them to stay on for continuity of government and for their expertise, people familiar with the discussions said.

Law firms say they have seen an unprecedented flood of résumés from department lawyers looking for the exits. While presidential transitions always upend the ranks of political appointees, "now, it's seeping into a lot of career people," said Steve Nelson, a legal recruiter who helps lawyers make the jump from government into the private sector.

"The number of people leaving, or looking at opportunities outside the Justice Department or elsewhere in the government, is way higher than it's ever been before," Nelson said.

Some Justice Department officials who might not have gone into private practice are now considering jobs at big firms as the best way to personally protect themselves.

One problem: There aren't enough Big Law landing spots for all the attorneys eager for private practice. Some who sent out résumés have since decided to stay, unwilling or unable to give up their dream government jobs right away, department employees said.

Others have sought legal guidance from friends and private lawyers in preparation for the ways the next Trump administration and its supporters could make their lives difficult whether or not they leave the government, from potential harassment to investigations that could hurt them legally and financially for years.

At the center of the storm is special counsel Jack Smith and his team, some of whom are expected to leave, people close to them said, rather than return to department positions they held before being detailed to investigate and prosecute Trump for election interference and mishandling classified documents. Smith last month dropped both cases, citing longstanding Justice Department policy of not prosecuting a sitting president.

Smith still has to submit a report of the investigations to Garland, who has promised to make it public. That could further increase tensions with the incoming administration, but the report is likely to add little beyond the information that has already been made public, people familiar with it said.

A spokesman for Smith declined to comment. A Trump transition spokesman didn't respond to a request for comment.

Trump's surrogates and nominees have voiced a series of warnings. "Career Justice Department lawyers must be fully committed to implementing President Trump's policies or they should leave or be fired," Mark Paoletta, who worked on Trump's Justice Department transition team, said in a series of social-media posts after the election.

If confirmed, Trump's pick for attorney general, Pam Bondi, would lead the department after emerging as one of its leading critics since Trump was indicted.

"The Department of Justice, the prosecutors, will be prosecuted, the bad ones," Bondi said on Fox News last year. "The investigators will be investigated....We can clean house next term, and that's what has to happen."

'Can't be hysterical'

Kash Patel, the hard-line conservative provocateur Trump wants to lead the Federal Bureau of Investigation, has made similar statements, pledging to hollow out the bureau's ranks.

Exhaustive congressional inquiries could provide another avenue for Trump and his allies to exact a measure of payback. Lawmakers on Capitol Hill have already told Smith's team to retain all their records and communications.

Since Trump's election, a loose network of sympathetic lawyers has formed in preparation for defending Smith's team and other officials who may face scrutiny from the Trump administration. Attorneys started calling friends and colleagues in the weeks after Trump was re-elected to see who would be willing to volunteer, people familiar with the effort said.

Civil service rules offer career employees some protection against being outright fired, and some lawyers see the chances of them being dismissed—or even prosecuted—as remote.

"We can't fall down before we get hit. We can't be hysterical," said William Taylor, a defense lawyer familiar with efforts to recruit attorneys for government officials. "They're going to make life unpleasant for some people, but actual consequences to people are really unlikely."

FROM TOP: ANDREW HARNIK/GETTY IMAGES; JONATHAN ERNST/REUTERS

Pam Bondi, above, is Donald Trump's pick for attorney general. Special counsel Jack Smith, below, has investigated Trump.

Democrats Hope to Try New Tactic in N.Y. Race

Leaders want to recruit former corrections officer for special election

By Jimmy Vielkind

QUEENSBURY, N.Y.—A special election in a congressional district along the Canadian border looms as an early test of Democrats' plans for escaping the political wilderness.

Democratic leaders want to recruit state Assembly member and former corrections officer D. Billy Jones. They hope his working-class background will resonate in the mostly rural district. Some unsuccessful past candidates for the seat had looser local ties and wealthier backgrounds.

"Somebody indigenous to the area actually has an advantage because they would understand the challenges because they've lived it—as opposed to someone who parachutes in," said Lynne Boecher, a Democratic leader from Warren County.

GOP's advantage

The special election would fill the seat of Rep. Elise Stefanik (R., N.Y.), President-elect Donald Trump's nominee to serve as ambassador to the United Nations. New York's governor must set an election date within roughly 90 days of a vacancy. Florida officials have scheduled special elections for April 1 to replace Republican Reps. Matt Gaetz and Mike Waltz, who resigned to pursue nominations for Trump's administration. Gaetz withdrew his name from consideration in November. The House Ethics Committee in December released a report detailing sexual-misconduct and other allegations against him. Gaetz has denied all wrongdoing.

"This race [for Stefanik's seat] will be a referendum on President Trump's first 100 days. Everybody in the country is going to be watching," said Vince Casale, a Republican consultant based in upstate New York.

Strategists said Republicans have an advantage. Trump defeated Kamala Harris in the district by around 20 points, and the 15-county district has about 76,000 more enrolled Republicans than Democrats. Stefanik won an easy re-election to a sixth term over Paula Collins, a lawyer who settled in the district earlier this year.

Jones, 50 years old, worked for 20 years at the Bare Hill Correctional Facility in Malone, N.Y., as he rose in local politics. He said he was still considering whether to enter the race. He faulted his party for not listening to voters' concerns on the economy ahead of this year's elections.

"The secret is to talk to people instead of talking at them," Jones said. "People did not feel the economy was going well. You can't make people feel something if they're not feeling it."

Other potential Democratic candidates include Collins and Blake Gendebien, a dairy farmer. There are no primaries in New York special elections, and local party leaders choose their standard-bearers.

Fighting for power

There is more jockeying for the Republican nomination. Local party leaders met in December at a VFW Hall to talk about their procedures. "I'm getting 20 calls a day about this," said Joe Suhrada, Republican chairman in Saratoga County.

Contenders include two other state lawmakers, Chris Tague of Schoharie County and Dan Stec of Warren County, as well as Rensselaer County Executive Steve McLaughlin, a former pilot.

Suhrada said he wanted a candidate who was electable but also understood the minutiae involved with the job—likely someone who had served in a lower government office.

Republicans involved in the process said they expect Trump and Stefanik to endorse a candidate. Aspirants are emphasizing their ties to the president-elect, including some such as Tague, who a decade ago encouraged Trump to run for governor.

Republican leaders said McLaughlin was attractive in part because he successfully defended himself against criminal charges of misusing campaign funds brought by New York Attorney General Letitia James, a Democrat who also brought civil cases against Trump. McLaughlin has criticized James's handling of the Trump case.

McLaughlin said in an interview that he has a broader record, including rehabilitating county facilities and standing up to Covid-related mandates by former New York Gov. Andrew Cuomo.

Stec represents more-populous parts of the congressional district but several Republican leaders expressed concern that he declined to endorse Trump during his 2016 presidential campaign.

Stec said he voted for Trump three times. "Noise to the contrary is just intended to bolster support for fledgling candidates that don't have my proven record and experience," he said.

D. BILLY JONES

D. Billy Jones, a former corrections officer, is one of the potential candidates being considered by Democratic leaders.

Anthony Constantino, a 42-year-old political neophyte, announced his bid after traveling to Mar-a-Lago with Roger Stone, a longtime Trump adviser. Constantino operates a printing company called Sticker Mule in Amsterdam, N.Y.

He gained attention earlier this year for placing a large "Vote for Trump" sign on the roof of one of his company's buildings and winning a court case against city officials who sought to have it removed.

Constantino, who spent time as a boxer in Mexico City, said he wasn't familiar with the details of issues including the pending debate about reauthorization of the 2017 federal tax law.

"My number one principle in business is, move quickly. The other is, try to solve the biggest problems that are within your power to solve," he said.

"This seat is an opportunity for me to do that."

Azerbaijan Confronts Russia Over Crash

Apology not enough, Azeri president says, in sign of Moscow's waning influence

By Thomas Grove


AZIZ KARIMOV/REUTERS
Pilots carried a coffin during a funeral Sunday for crew members of the Azerbaijan Airlines flight that crashed last week.

Azerbaijan's president accused Russia of trying to cover up its role in a plane crash that killed 38 people, delivering a harsh condemnation that signaled a reversal of the power dynamics that long saw Moscow hold sway over its former Soviet republics.

President Ilham Aliyev said Sunday that Azerbaijan had demanded that Russia take responsibility for the crash, provide compensation for the country and victims' families, and bring those guilty of downing the plane to justice.

Russian President Vladimir Putin, in a Saturday phone call, apologized to the Azeri leader for the "tragic incident" that occurred in Russian airspace, but he stopped short of taking responsibility. On Sunday, Aliyev said the apology hadn't been enough. The two spoke again on Sunday.

The recriminations represent one of the biggest confrontations between Russia and the leaders in former Soviet territories, once treated as little more than subordinates in its strategic backyard. The dispute illustrates Moscow's waning power and influence in the region after its invasion of Ukraine.

Aliyev's remarks on Sunday lacked the deference that has long governed Azerbaijan's relations with Russia. He said that the crash was caused by Russian electronic interference and fire from the ground and that Russian authorities' explanations—which faulted a flock of birds and an exploding gas cylinder—were "foolish and dishonest."

"This clearly showed that the Russian side wanted to cover up the issue, and of course, this is something no one can be proud of," Aliyev said.

Preliminary results of Azerbaijan's investigation into the crash indicated that a missile from a Russian air-defense system hit the Embraer 190 aircraft and that Russian authorities diverted it out of Russian airspace, people briefed on the matter said. On Sunday, Aliyev said one question is whether the damaged plane was intentionally diverted by Russia in the hopes that it would simply fall into the Caspian Sea.

The Azeri leader praised the pilots, who battled for more than an hour to maintain speed and altitude despite what aviation experts said were likely punctures in the vertical stabilizer, with the aircraft rising and falling as much as 8,000 feet numerous times. The plane crashed in the city of Aktau in western Kazakhstan; 29 people on the flight survived.

While Western leaders have long taken a more confrontational approach with Moscow, countries closer—and more vulnerable—to Russia have followed a pragmatic approach, trying to build ties with other regional and global powers without angering Moscow. The furor in Azerbaijan over the incident lays bare Russia's diminished influence.

Over the past decade, Russia has sought a bigger role in the world, making inroads into the Middle East and the Arctic while trying to keep a hold on territories it considered closer strategic priorities in the South Caucasus—Armenia, Azerbaijan and Georgia—as well as Central Asia, between Russia and China.

Russia is still a significant preoccupation for U.S. and European policymakers, who are trying to keep the Ukraine conflict from spreading as they accuse the Kremlin of a policy of sabotage and espionage against the West.

Fissures in Russia's power projects are growing with the Kremlin's increased focus on Ukraine. Russia's decision to withhold aid from former Syrian President Bashar al-Assad, who fled Damascus to Moscow this month, showed the limits of Russia's military power outside Ukraine. That could lead to the loss of Russia's military bases in Syria, which it used to project authority into the Mediterranean and Africa.

The row with Azerbaijan shows Moscow's loss of influence closer to home. There Russia had long held the upper hand as a result of historical ties, Moscow's former role as the world's second-largest arms exporter, and the countries' shared energy and transport infrastructure. Moscow even tried to build defense alliances and economic partnerships out of the ashes of the Soviet Union.

With Moscow facing a drain on its military and economic clout, the levers of control are slipping away.

"Friendship and personal chemistry between autocrats always disappears in a conflict," said Andrei Kolesnikov, a political analyst based in Moscow.

Russia had long played its former Soviet republics against one another in an attempt to maintain leverage. That strategy faltered last year when Azerbaijan launched a military offensive on Nagorno-Karabakh, a territory within Azerbaijan long ruled by ethnic Armenians. Russian peacekeepers failed to stop the violence; two were killed.

Analysts say their inaction was partly because of the limits of Moscow's ability to intervene as well as the Kremlin's decision to punish Armenia for its increasingly pro-Western stance. U.S. soldiers have carried out military exercises with troops in Armenia, including a month before Azerbaijan's takeover of Nagorno-Karabakh last year.

With its relations with Armenia in tatters and its future with Azerbaijan in question, Moscow is under threat of losing more of its influence in the South Caucasus. In neighboring Georgia, people have protested on the streets of Tbilisi over what they say is their government's growing proximity to Russia.

More than anything, Turkey's increasing power in the region has altered the status quo. That goes especially for Azerbaijan, which shares ethnic, linguistic and historical ties with the country. Turkey's support in the Karabakh war last year was crucial to Azerbaijan's victory. Ankara's importance for Russia has increased as Moscow has sought to evade Western sanctions.

"Losing Azerbaijan—or pushing it toward enmity—poses a significant risk for Russia, as it could also damage Moscow's relationship with Turkey," said Zaur Shiriyev, a Baku-based nonresident scholar at the Carnegie Russia Eurasia Center, who focuses on the region.

Watch a Video

Scan this code to see a video about Vladimir Putin's apology for the crash.

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South Korea Plane Crash Kills 179

Continued from Page One
skidded down the runway.

The U.S. National Transportation Safety Board said on Sunday it was leading a team of U.S. investigators that included representatives from the Federal Aviation Administration, which certified the aircraft, and Boeing. The safety board will be assisting officials from South Korea in their probe.

The black boxes have been recovered from the plane, and investigators plan to sift through flight data and cockpit voice recorders for answers.

Once the blaze was extinguished, all that remained visible of the Boeing 737 was the tail of the aircraft—with a single charred wing angled to the sky.


HAN MYUNG-GU/EPA/SHUTTERSTOCK
People reacted to news that a Jeju Air plane had crashed at Muan International Airport in Muan, southwest of Seoul, on Sunday.

There were just two survivors: a pair of flight attendants. One recalled buckling into a seat at the rear of the plane and touching ground before losing consciousness, according to South Korea's semi-official Yonhap News Agency, citing local hospital officials.

"What happened?" the flight attendant asked a doctor, Yonhap reported. The attendant sustained a fractured left shoulder and head injuries but was conscious. The other flight attendant was transferred to a hospital.

Accident investigators will likely focus on the apparent bird strike, its effects on the airliner's engines and why the pilots didn't lower the plane's landing gear, aviation safety experts said.

John Cox, a 737 pilot and aviation safety consultant, said the investigators will likely look at whether birds disabled one or both of the jet's engines as well as the size and number of birds that were ingested.

They will likely assess how much "bird residue" is found in the engines' cores, Cox said, and depending on the probe's findings the accident could prompt an assessment of certification standards for bird strikes on engines.

"The airplane will fly just fine on one engine and the crews are trained for that," Cox said. "Typically you take time to go out and fly, get all the checklists done. They didn't do that. They kind of went straight to the runway which makes me question about the second engine—was it operating or not?"

Dozens of bodies were moved Sunday to a temporary morgue, where they awaited family members for identification, local authorities said.

At the airport, families crowded into a conference room and the terminal's waiting areas where they got a briefing from the local fire department and waited for further updates. Some dropped to the floor in tears. In a roughly two-minute briefing with reporters on Sunday, Kim E-bae, the CEO of Jeju Air, apologized to victims and their families, promising the company would do its best to support them. He said the plane had no history of accidents and that no abnormalities were detected during maintenance inspections before takeoff.

Boeing said it was in contact with and stands ready to support Jeju Air. "We extend our deepest condolences to the families who lost loved ones, and our thoughts remain with the passengers and crew," Boeing said.

At 8:57 a.m., the control tower at Muan International Airport warned of a bird strike to the plane, according to the country's transport ministry. Two minutes later a pilot declared mayday. With control-tower permission, the Jeju Air plane sought to land. And at 9:03 a.m. it crashed.

At least one passenger had been texting with a family member in the minutes before, according to local media, which took a photo of a phone that showed the exchange.

"Should I write a will?" one of the messages reads.

The Jeju Air plane had descended without the apparent deployment of its landing gear or flaps, which are movable surfaces on the wings that would allow the jet to slow during a typical landing, according to footage aired on South Korean TV networks.

The head Jeju Air pilot had more than 6,800 hours of flight experience and had held his current role since March 2019; the co-pilot had roughly 1,650 hours in the cockpit, according to South Korea's transport ministry.

Losing two engines due to bird strikes is rare but has happened—notably with the "Miracle on the Hudson" flight that landed on the river between Manhattan and New Jersey in 2009.

"It limits the choices a lot" for pilots to resolve the emergency, said Cox, the aviation safety consultant. "But it's really rare. The engines will typically tolerate a fair amount of birds."

The Boeing 737-800—a predecessor of the 737 MAX—is one of the safest airplanes ever built, and an inability to lower the landing gear would be rare and have backstops, such as procedures or checklists to follow if there had been a deployment failure, said Jeff Guzzetti, a former senior accident investigator with the National Transportation Safety Board and the Federal Aviation Administration.

"If there was a failure there, why not continue to fly, burn off fuel so you don't have a lot of fuel on board?" Guzzetti said. "You call emergency rescue crews to be ready for you. I don't see any of that there."

The Muan International Airport is also surrounded by various bodies of water, meaning the pilots could have opted for a safer sea landing, said Hiroshi Sugie, a former Japan Airlines pilot.

The pilots appear to have landed in the most dangerous way, Sugie said. "There are just too many errors here," he said. "A belly landing isn't something you rush into doing."

The South Korean crash caps a tumultuous year for an airline industry that has recovered from the doldrums of the pandemic, though carriers have been left scrambling to replenish staffing and manufacturers struggling to match the bounceback in demand. A passenger jet headed for Russia crashed in Kazakhstan last week, drawing an apology from President Vladimir Putin of Russia over the "tragic incident."

Jeju Air is a budget carrier that was founded in 2005. It operates about 40 aircraft and handled more than 12 million passengers in 2023, according to its website.

The Jeju Air crash ranks among the deadliest aviation incidents in recent years. In March 2022, a China Eastern Airlines plane slammed into a mountainside and killed all 132 people aboard, with flight data indicating the crash was caused intentionally, The Wall Street Journal reported. Some 176 people died on a Ukraine International Airlines flight in January 2020, with Iranian officials later admitting the plane had been shot down unintentionally by its armed forces outside Tehran. Boeing's 737 MAX jets were grounded worldwide in 2019 for nearly two years, after a pair of crashes together took 346 lives.

The airliner tragedy comes during a period of political upheaval in South Korea. That thrust Choi Sang-mok, No. 3 in line and a deputy prime minister, into the nation's top job. Visiting the crash site, he declared the region a special disaster zone, allowing the disbursement of state support funds.

—Peter Landers and Soobin Kim contributed to this article.

Watch a Video

Scan this code to watch a video of the aftermath of the plane crash.

WORLDWATCH


SIVARAM V/REUTERS
ARMS RACE: The largest-ever Bharatanatyam dance was the goal in Kochi, India, on Sunday.

ISRAEL

Netanyahu Surgery Was Successful

Israeli Prime Minister Benjamin Netanyahu underwent successful surgery Sunday to have his prostate removed, hospital officials said, a procedure that came as he manages multiple crises.

The judges overseeing his trial for alleged corruption accepted a request from his lawyer to call off testimony scheduled this week. Netanyahu will be in the hospital at a time when international mediators are pushing Israel and Hamas to reach a cease-fire in Gaza and as fighting between Israel and Yemen's Iran-backed Houthi rebels intensifies.

The 75-year-old has gone to great lengths to bolster an image as a healthy, energetic leader. During his trial this month, he boasted about working 18-hour days. His office releases footage of him touring war zones or meeting with defense officials on windswept hilltops. But that image suffered last year when Netanyahu's doctors revealed he had a heart condition he had apparently long known about but concealed from the public. Coming during massive antigovernment protests, the news stoked further anger and distrust.

—Associated Press

GEORGIA

With Inauguration, Party Tightens Grip

Former soccer player Mikheil Kavelashvili was formally inaugurated as president of Georgia on Sunday, cementing the ruling party's grip in what the opposition calls a victory for Russia.

Departing President Salome Zourabichvili said Sunday morning that she would vacate her official residence but insisted she is still the legitimate officeholder. She called the inauguration a "parody." Kavelashvili easily won the vote earlier in December, given the Georgian Dream party's control of a 300-seat electoral college that replaced direct presidential elections in 2017. He was the only candidate.

Kavelashvili promised on Sunday to be "everyone's president, regardless of whether they like me or not." Georgian Dream retained control of Parliament in an Oct. 26 election that the opposition alleges was rigged with Moscow's help. Last month the party suspended talks on the country's bid to join the European Union, galvanizing protests. The party has vowed to continue pushing toward EU membership but also wants to "reset" ties with Russia.

—Associated Press

BELGIUM

Ban on Disposable E-Cigarettes Nears

Belgium will ban the sale of disposable electronic cigarettes as of Jan. 1 on health and environmental grounds in a groundbreaking move for European Union nations.

Health Minister Frank Vandenbroucke said the inexpensive e-cigarettes are an easy way for teenagers to be drawn into smoking and get hooked on nicotine.

"Nicotine makes you addicted to nicotine. Nicotine is bad for your health. These are fact," he said.

Because they are disposable, the plastic, battery and circuits are a burden on the environment. On top of that, "they create hazardous waste chemicals still present in what people throw away," Vandenbroucke said.

The health minister said he also targeted the disposable e-cigarettes because reusable ones could be a tool to help people quit smoking if they cannot find another way. He called for tougher tobacco measures in the 27-nation EU.

"We are really calling on the European Commission to come forward now with new initiatives to update, to modernize, the tobacco legislation," he said.

—Associated Press

Sanctioned Crime Boss Continues to Roam Free

Chinese mobster known as Broken Tooth is linked to 'pig butchering' scams

By Feliz Solomon And Clarence Leong

EDWARD WONG/SOUTH CHINA MORNING POST/GETTY IMAGES

Wan Kuok-koi, also known as Broken Tooth.

SINGAPORE—Earlier this year, a video surfaced online showing a man identified as the Chinese businessman and reputed mafia boss Wan Kuok-koi giving a thumbs-up and smiling while flying a paraglider over limestone crags in central Laos.

Law-enforcement officials around the world say Wan—better known by the nickname Broken Tooth, which he received after a motorcycle crash as a teenager in Macau—has played a central role in the emergence of a virulent new form of cyber fraud known as "pig butchering."

In pig butchering schemes, scammers meet people online, win their trust and persuade them to pour money into bogus investments. U.S. officials say the scams are costing Americans billions of dollars a year. Yet no one seems to be trying very hard to get Broken Tooth.

He keeps popping up on social media traveling around Asia. In one video that appeared on Chinese social media, Telegram and Chinese news websites this year, he was seen stepping off a plane in Laos wearing a T-shirt with the logo of Russia's paramilitary Wagner Group, meeting another alleged Chinese crime boss.

Fragmented response

The case of Broken Tooth—who served about 14 years in a Macau prison after he was convicted of participating in organized crime, money laundering and other crimes before his release in 2012—shows how a fragmented global response to cyber scams allows suspects to roam free as pig butchering spreads.

The U.S. Treasury Department imposed sanctions on Broken Tooth in 2020 for corruption. The Treasury Department also designated three entities it said were owned or controlled by Broken Tooth, including a company called Dongmei Group, which was behind a development called Dongmei Zone in Myanmar. The site later became known as one of the earliest scam compounds.

Washington also said he owned or controlled the World Hongmen History and Culture Association, which U.S. authorities describe as a criminal network inspired by Chinese secret societies that has a presence at Dongmei.

United Nations officials and researchers believe thousands of people have been trafficked and forced to participate in cyber scams at Dongmei. Investigators say people are lured into the compounds with promises of legitimate work. Inside, they are forced to surrender their passports and use fake social-media profiles, often of beautiful young women, to seduce lonely people who have money.

The scams are called pig butchering because the swindlers "fatten" their victims by building relationships and then "butcher" them by taking their money and ghosting them. Thousands of Americans are believed to have been victims.

While at least four governments have investigated Broken Tooth and his associates, there is no public record of charges against him since his prison days.

Can't find him

Law-enforcement officials in Asia say they lack resources or jurisdiction to go after people such as Broken Tooth, and don't know his whereabouts.

Wan has publicly denied involvement in criminal activity. In a video on social media after the U.S. sanctioned him in 2020, Wan, flanked by China's national and Communist Party flags, said his Hongmen association follows the law.

A post on the Chinese social-media platform WeChat, describing itself as the Hongmen association's official account, said he "has retired from the underworld" and now promotes legitimate business.

China has worked with neighboring countries to carry out raids that rounded up people suspected of victimizing Chinese nationals, but it appears to have done little to target Broken Tooth. China's Ministry of Foreign Affairs declined to comment, and its Ministry of Public Security didn't respond to questions.

Wan was born in 1955 in what was at the time the Portuguese colony of Macau. A biography published on the Hongmen association's WeChat account said he dropped out of school and worked in a dim sum restaurant.

He soon joined local gangsters and rose up the ranks of the 14K Triad, a Chinese criminal syndicate based in Hong Kong and active in Macau. He became one of the most prominent mafia figures in Macau, which had emerged by the 1990s as an important gambling and crime center.

In 1998, he produced a film called "Casino" featuring a protagonist named Broken Tooth, a ruthless thug.

Rebranding himself as an ordinary businessman, Broken Tooth set up the Hongmen association in Cambodia in 2018. The name Hongmen, which roughly translates as "vast clan," is associated with centuries-old secret societies that historians say morphed into the organized-crime triads.

Dragon's head

The Hongmen association had a logo of a dragon's head that it used to sell swag from luxury watches to cigarettes and beer in shops. The group's other stated purposes were to promote Chinese culture and perform good deeds such as building schools.

As the Hongmen association expanded, Broken Tooth zeroed in on Myanmar.

In February 2020, he appeared in photos at a ribbon-cutting ceremony for the Saixigang Industrial Park, later renamed Dongmei Zone, in front of militiamen dressed in camouflage holding rifles.

About a week later, Dongmei Investment Group was registered in Hong Kong, with no reference to Broken Tooth. The Hongmen association's WeChat account said the project would include an industrial park, a logistics hub and nightlife.

Later that year, the U.S. sanctioned Broken Tooth, his Hongmen association and the Dongmei Group. The U.S. Treasury Department also said he was a member of an influential Chinese government advisory group, which both the Foreign Ministry and Broken Tooth denied.

By 2022, reports of a sharp rise in pig butchering scams were reaching U.S. authorities. But Asian law enforcement showed limited inclination to pursue kingpins such as Broken Tooth.

In early 2023, Thai police raided two Hongmen offices in Bangkok, after local Thai media and social-media reports claimed the offices were linked to the 14K Triad. They found little more than smuggled booze and shut down the offices before dropping their investigation.

Malaysian police said they had launched an investigation into allegations of human trafficking related to Dongmei. People familiar with the case told the Journal that the investigation was later closed and no charges were brought against anyone. Malaysian authorities declined to comment.

The Journal's efforts to track Broken Tooth found dead ends.

The 22nd-floor office listed as Dongmei's headquarters in Hong Kong corporate records was occupied by a company called "Innovative Development Co." A woman at the door said that it processes license registrations and that the previous tenant had left a year earlier.

At a Macau address for the Hongmen association's headquarters listed on the group's WeChat account, a woman said that Hongmen had been a previous tenant, but that she didn't know when it moved or where it went.

Macau's government declined to comment. Hong Kong's government declined to comment specifically about Broken Tooth but said it doesn't implement sanctions imposed by other countries.

The Journal also tried to locate the Malaysian individuals listed in corporate records as Dongmei's directors, Yong Mun Hong and Abdul Shakor bin Abu Bakar. The latter appeared with Broken Tooth in photos of the zone's ribbon-cutting in 2020, and at a promotional event in Kuala Lumpur afterward.

At a house in Kuala Lumpur, a woman who identified herself as Yong's sister-in-law connected the Journal by phone with her brother. He said he would relay a message to Yong, who hasn't replied.

At another Kuala Lumpur location listed in Dongmei documents, a man who matched photographs of Abdul Shakor was standing in a driveway with BMW and Mercedes cars. He threatened to call the police and appeared to take a photograph of the Journal's vehicle.

Abdul Shakor's wife, Mashitah Ibrahim, is a Malaysian politician who has served in several senior government roles. A person who responded to messages to her phone said corporate records listing Abdul Shakor as a director were fraudulent. When asked if the couple knew Broken Tooth, the person answered, "What a stupid question."

The Journal also visited two Hongmen storefronts in Cambodia. Both sold Hongmen brand alcoholic beverages and merchandise such as blue jeans.

A woman working in the storefront in Phnom Penh, Cambodia's capital, said she had seen Broken Tooth at events but that he lived in Macau and rarely came to the shop.

A man working in the store in the coastal city of Sihanoukville said he had never seen Broken Tooth there. The man acknowledged his boss had a dark past, but said he was now a legitimate businessman.

In September, Broken Tooth resurfaced in a video posted on Douyin, the Chinese version of TikTok, celebrating the opening of a Hongmen center and investment company office in Macau. The user who posted the video identified himself as "Hongmen beer Master Lu."

Standing before a small audience, the man identified as Broken Tooth was dressed in all black with white sneakers.

"I feel very honored and thank everybody for coming," he said. "As the chairman…"

Then the video cut off.

—Austin Ramzy and Ying Xian Wong contributed to this article.

'Specifically Built for Criminal Purposes'

With the onset of the Covid-19 pandemic, many people in the U.S. and elsewhere were isolated, making them more susceptible online to scams.

Lu Yihao, a Chinese man who said he was trafficked into Dongmei and enslaved for seven months before being released in 2023, told The Wall Street Journal that he was constantly watched and allowed to wander only short distances.

Working as a bookkeeper, he said that he saw others perpetrating cyber scams, and that there were no signs of legitimate commerce.

"As far as I could tell, from my personal experience, Dongmei was specifically built for criminal purposes," he said.

Lu said he never saw Broken Tooth. A website called bodu365.com, which advertised rental space at Dongmei, carried an ad featuring a photograph of a karaoke bar with Broken Tooth's dragon head logo out front, next to the name "Hongmen KTV."

Retaliation Is Risky For China

Continued from Page One

Wright, head of China markets research at New York-based think tank Rhodium Group.

When Trump, a Republican, began hitting Chinese imports with tariffs in 2018, Beijing responded by raising tariffs on imports of U.S. products such as food, chemicals and textiles.

With a more intense trade skirmish looming, Beijing has been showcasing the tools it has refined since the trade war during Trump's first administration—tools it believes are more effective than a tit-for-tat escalation in tariffs.

In December, Beijing tightened controls on exports of raw materials used in the manufacture of advanced electronics and batteries. That move was in response to the Biden administration's decision to cut China's access to certain memory chips used in artificial intelligence. Beijing has also extended controls over parts used in the manufacture of drones, which have proved vital to Ukraine's defense against Russia's full-scale invasion.

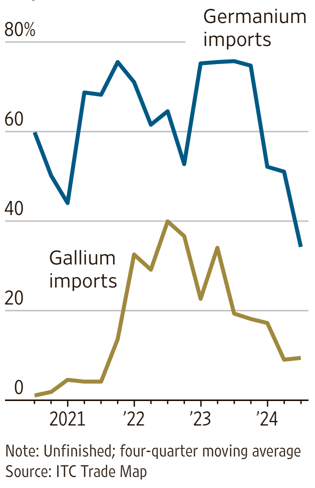
China also has announced an antitrust investigation of Nvidia, the U.S. chip juggernaut, saying it might have violated the terms of a conditional approval from Beijing in 2020 for its acquisition of an Israeli networking company.

Beijing also maintains an "unreliable entity list" of companies that face extra hurdles in doing business in China. In September, it said it was considering placing PVH, the owner of Calvin Klein and Tommy Hilfiger, on the list because of reports the U.S. company had boycotted cotton products from China's Xinjiang region, where China is accused of using forced labor in its factories. Beijing denies the forced-labor allegations.

CFOTO/DDP/ZUMA PRESS

A freight train is loaded in Lianyungang, in Jiangsu province.

China's share of U.S. imports



Note: Unfinished; four-quarter moving average
Source: ITC Trade Map

Yet analysts said this mix of export restrictions and the targeting of U.S. companies isn't such a potent set of countermeasures.

Although China dominates the production and refining of critical minerals, it isn't the sole supplier. Last year the U.S. imported more raw gallium from Canada than China, and its top supplier of processed germanium was Germany, according to Census Bureau data. Both are critical to the production of semiconductors, missile systems and solar cells.

China's dominance of critical minerals relies in part on its ability to supply global markets at low prices, making it uneconomic for rivals to invest in alternative production. But export controls risk pushing up the market price, changing that calculus.

"The more of a strain it is to get these things, the more investment goes into processing," said Matthew Gertken, chief geopolitical strategist at BCA Research.

Moreover, as Russia's ability to evade Western sanctions has shown, third countries are usually prepared to act as middlemen in global trade, allowing eager buyers to sidestep efforts by sellers to impose restrictions on sales to a particular country. If China got tough on exports of minerals to the U.S., American companies could potentially secure what they need through re-exports by third countries, Gertken said.

Nor is punishing U.S. companies that do business in China the potent threat it once was. China's sluggish economy and its push to edge out Western brands in favor of domestic rivals mean many U.S. companies are struggling there. As a result, China has become less important to U.S. corporations than it was.

General Motors said in December that it expects to take more than $5 billion in noncash charges in the fourth quarter. Weakness in its China business will force the automaker to close plants and offer fewer models there.

If Beijing were to squeeze U.S. companies operating in China, such a move could give the second Trump administration pause, particularly if it spooked the stock market. But it also might persuade U.S. companies to dial back their presence in China.

"Every aggressive move by China accelerates U.S. companies' diversification and decoupling efforts," said Craig Singleton, senior China fellow at the nonpartisan Foundation for Defense of Democracies. "It's a self-reinforcing cycle, much like China's own economic spiral—Beijing's actions ultimately weaken its hand further."

> 'Beijing has incentives to slow escalation,' says one analyst.

Beijing has other options. There are many ways China could retaliate using low-value and low-tech products, said Martin Lynge Rasmussen, senior strategist at research firm Exante Data. Such is China's dominance of everyday manufactured goods—screws, bolts, charging cables—that it has the potential to be annoying for U.S. consumers. That could be politically costly for Trump. "There are a lot of things that China could just choke off at little domestic cost," he said.

China could let its currency weaken against the dollar, giving its exports a leg up in world markets and in the U.S. and helping offset higher tariffs. But such a move could drive capital flight from China, something Beijing is anxious to avoid.

Finally, there is the nuclear option for Beijing of a fire sale of its holdings of U.S. Treasurys. China is the second-largest foreign holder of U.S. Treasurys after Japan, with $760 billion as of October, though some experts think the true size of its portfolio of Treasurys and other U.S. assets is much higher, perhaps as much as half its $3.6 trillion in official reserves.

Some said Beijing could consider such an extreme scenario if a trade conflict spiraled dramatically and it sought to cause financial chaos in response.

Yet economists point out that the Federal Reserve could step in to stabilize the bond market with open-ended purchases, as it did in 2020.

A fire sale would also leave Beijing with a lot of dollars that it would have to recycle into some other asset. Selling them and buying yuan would drive up the value of its own currency.

Overall, according to analysts, Beijing must be mindful of how its efforts to hit back at the U.S. will be viewed by the rest of the world.

Just as some countries voice unease over their dependence on the dollar, others might look askance at their dependence on China for manufactured goods.

"Ultimately, these are your customers. You have to keep them buying from you," said Rhodium's Wright. "One way or the other, Beijing has incentives to slow escalation."

Saudi Site Is Hazard For Workers

Crown Prince Mohammed bin Salman, above, with Fox News's Bret Baier at Neom. After his brother died in a construction accident at Neom, Meer Wali Khan, below, said he had trouble repatriating the body to Pakistan.

FROM TOP: SAUDI PRESS AGENCY/REUTERS; DAVID OATES FOR WSJ

Continued from Page One

Current and former Neom staff say the incidents illustrate what can go wrong when so many people arrive in an isolated part of the world to build a highly ambitious project on an unrealistically aggressive timetable.

Neom is set to face even greater scrutiny as soccer's world governing body this month appointed Saudi Arabia host of the 2034 FIFA World Cup, with the project expected to build one of the major stadiums for the event.

Neom has made an effort to set high standards for the accommodation for blue-collar workers, current and former employees said, conscious of the bad publicity around big Gulf construction projects for events such as the 2022 World Cup in Qatar.

"Protecting the welfare of those working on-site is a top priority," a Neom spokesperson said. She added that contractors and third parties have to comply with Neom's welfare standards, and that Neom investigates inappropriate workplace behaviors as well as any allegations of wrongdoing or misconduct. Neom's safety management system is based on international standards and audited by the British Safety Council, a U.K.-based nonprofit, she said.

The Saudi government, which owns the Neom project, didn't respond to a request for comment.

Cost overruns, staff turnover and a culture of bullying and harassment have plagued the project, The Wall Street Journal has reported. Neom Chief Executive Nadhmi al-Nasr abruptly left last month, following two other senior executives who were the subject of a Journal article that highlighted the inappropriate workplace behavior.

White-collar workers began moving to the site on the edge of the azure shores of the Red Sea—over two hours from any city of a decent size—in 2020. Since then, clusters of modular housing compounds have sprouted packed with workers, giving the project many of the problems associated with a small city but without the mechanisms to deal with them.

High risk

Current and former employees say there is a lack of investment in emergency services needed to keep any city safe. An independent report commissioned by Neom in 2022 said the state of emergency services at the project exposed its employees, contractors and reputation to what it called catastrophic risk.

"There is no evidence of a single cohesive strategic emergency plan covering the whole of Neom," wrote Serco, a British security, healthcare and transport company. Interviews with emergency services personnel show the gaps have yet to be filled.

Serco, in a statement, said it had witnessed firsthand how safety standards both at Neom and across the kingdom have advanced since its 2022 report.

Neom's employees have worked to improve the situation, implementing training programs with contractors to avoid work-related accidents and a road-safety campaign.

Construction deaths—a feature of any megaproject—have been relatively sparse. Neom reported eight workplace fatalities last year, according to a list of deaths in 2023 reviewed by the Journal. That puts the project's safety record roughly on par with the construction industry in the U.S., which reported 9.6 deaths per 100,000 employees in 2022, according to the U.S. Bureau of Labor Statistics. Former employees caution the tally could be higher, because some deaths likely go unreported.

Neom now has a hospital on site as well as a separate healthcare clinic and ambulances and helicopters for medical emergencies and rescue, according to current and former employees familiar with the project's improvements.

Still, the project continues to have trouble preventing and responding to accidents. In one week in November, Neom reported five fatalities at workplaces and on the roads, current and former employees said.

"It is still the Wild West," said one employee.

Prince Mohammed began thinking about Neom nearly a decade ago. The young prince, eager to open up his conservative Islamic economy to the world, zeroed in on Saudi Arabia's barren northwest to build a more liberal society unshackled by social strictures in the rest of the country.

The area had many ingredients to make the project a success: rugged mountain landscapes, untouched beaches and coral reefs, and generally cooler temperatures than the rest of the desert kingdom. In a January 2017 Neom board meeting, the prince said he wanted to turn the region into the largest city globally by GDP, according to planning documents previously reported by the Journal.

While remote, Saudi Arabia's northwest wasn't totally a blank canvas. The region was home to about 20,000 members of a Saudi tribe known as the Huwaitat, who pushed back against the prince's plans.

One member of the tribe, Abdulrahim Ahmad Mahmoud al-Huwaiti, launched an online campaign critical of the government. In 2020, Saudi security services forcibly removed the Huwaitat from towns earmarked for demolition, shooting dead 43-year-old Huwaiti, saying he opened fire from his home. Saudi security forces detained and sentenced two dozen other Huwaitat for terrorism offenses and five now face the death penalty, according to Saudi human rights organization Al Qst.

It was an inauspicious start for a project that markets itself as an "accelerator of human progress" and seeks to attract foreign talent and capital.

Most of Neom's white-collar employees were then working from an office in Riyadh, the Saudi capital. In October 2020, Neom relocated 450 white-collar staff to live permanently at Neom, housing them in a temporary camp with portable cabin accommodation and a food hall for residents. People regularly ate together, and former employees and consultants describe a spirit of camaraderie in the early days—a sense they were part of an exciting project in an untouched frontier.

On weekends, people hiked desert trails or scuba-dived off the region's beaches, chatting in-between dives while sitting on the tailgates of their SUVs.

Public security at the migrant-worker camps has proved a concern.

While socializing at a beach in 2021, the lead executive at U.S. design and engineering firm Aecom's Saudi unit died trying to help rescue another person who was drowning in the sea, according to former employees and a person close to the executive. Neom banned scuba diving for a while after the death, said former employees aware of the death.

At the time, emergency services were fragmented among different government organizations across a vast area and accustomed to meeting the needs of a Saudi population of only tens of thousands. The nearest major hospital was in Tabuk, about two hours away, former employees said.

As the region's population swelled, road safety proved a challenge. Driving in the region is a white-knuckle affair. Former employees are quick to volunteer anecdotes of times they swerved to avoid near crashes with trucks and oncoming cars careening around curves.

Current and former employees said they saw Saudi children driving vehicles servicing the project's subcontractors. In 2021, an 8-year-old Saudi boy driving a water tanker hit a pickup truck carrying two people working at Neom, according to a former public-safety employee. One person died at the scene, another later succumbed to their injuries and the boy survived, the former employee said.

Serco, in its 2022 report, said the "greatest danger to personal safety across Neom" was connected to the use of motor vehicles, citing their lack of roadworthiness, a failure to comply with regulations, and unqualified drivers working illegally. The report's authors said people drove vehicles the wrong way along highways, cut across the median, and overtook beyond the maximum permitted speed.

Enforcement of the law was minimal, the report said. Its authors witnessed police units drive past a two-vehicle collision without stopping and noted how a tractor that crashed into a median outside police offices remained there for weeks.

Neom at the time launched a road-safety campaign, but staff still suffered fatal accidents. In September 2022, three Neom workers died after driving their vehicle off an unfinished highway, according to an internal Neom report of the incident. The vehicle was driving at high speed "when it left the road surface," ejecting two passengers who weren't wearing seat belts.

The report suggested Neom conduct a survey of dead-end roads to avoid a similar incident. It made wider recommendations, including providing company transportation for those traveling at night or after working more than eight hours.

The following year, a McKinsey consultant died in a head-on-collision at night, according to a Neom report on the incident. Two passengers in the car were taken to the hospital and the driver of the other vehicle also died, the report said.

A McKinsey spokesperson said the company remained "deeply saddened by the tragic road traffic accident."

A person familiar with the incident said the McKinsey consultant was driving to a hotel. At the time, some consultants working for Neom were commuting to the project from hotels in Tabuk—two hours' drive away—due to Neom's isolation and a shortage of suitable housing, former employees and consultants said.

Neom has also grappled with where to house workers and create an emergency services system equipped to manage the influx of people.

Much of Neom's permanent real estate is years away from completion, so Neom has constructed three more temporary housing locations for its white-collar employees. The largest, called NC1, has the look of a movie set of a suburb, where rapidly built modular homes are lined by sidewalks and palm trees. There are schools, a Dunkin' and a Hampton by Hilton. Workers post social media of their Starbucks iced lattes. They play tennis in the cool evenings, swim in the pools during the day and stay fit in the gym. Current and former staff describe life for white-collar workers as simple but comfortable.

Migrant workers

The Neom project's population is dominated by migrant construction workers from Pakistan, Bangladesh, the Philippines and elsewhere. In the mornings, they hop into buses and trucks and head to work in air filled with dust and diesel fumes to excavate the twin skyscrapers, known as "The Line," or take winding roads to work at a ski mountain. For work on Neom's island resort, workers in hard hats and neon orange vests line up by the thousands to pack on to ferries made for vehicles—but converted for passenger use with a precarious makeshift barrier of wire fencing.

For housing the blue-collar workers, Neom largely outsourced the work to Saudi subcontractors and established a welfare team to oversee the quality of accommodations. Social-media videos show workers lounging in their four-person air-conditioned rooms, eating curry in the cafeteria and playing cricket in athletic fields.

The increase in housing, however, hasn't kept pace with tens of thousands of migrant workers arriving at the project.

Neom's staff last year logged 168 camps that were built unofficially or didn't meet the project's standards, former employees said. These camps, housing anywhere from a few people to hundreds, were overcrowded, lacked amenities or weren't providing food or security, former employees said. Workers frequently slept in their trucks, and some inside Neom-regulated camps would hand passes to workers on different shifts to sleep in the same bed.

Public security at the migrant-worker camps has also proved a concern. Serco, in its report in 2022, said Neom lacked sufficient numbers of security staff, and those it did have were poorly trained and ill-equipped. The capability of the Saudi police wasn't sufficient, "and certainly not for the scale and speed of future development." the report said.

That year, 12 security guards from different camps brawled, leaving one person unconscious after an attack with a rock, former employees said.

In March last year, laborers mounted a violent protest—a rare occurrence in Saudi Arabia —over the quality of food at a Neom-regulated camp, according to videos viewed by the Journal. The workers initially threw utensils and serving trays at the chefs before hurling debris at buildings.

A month later, medics at a camp treated a migrant worker for a drug overdose. Neom staff searched the worker's room and found bags of what appeared to be methamphetamines being sold to colleagues, according to an image of the bust viewed by the Journal.

Neom staff in 2023 discovered bags of what appeared to be methamphetamines.

Violent crime

Based on medical reports at clinics in worker camps, Neom staff have documented instances of gang rape, attempted murder and suicide, according to a summary of incidents viewed by the Journal. One worker slashed his wrists complaining that he wasn't being paid, according to the report.

Former Neom employees said the frequency and severity of incidents was hard to ascertain because Neom staff only logged reports at medical clinics and hadn't actively policed the camps or investigated issues.

The chaotic environment at Neom's worker camps has extended at times to its job sites.

A spate of workplace fatalities last year prompted then-Chief Executive Nasr to host an all-hands meeting with white-collar staff where he vowed to improve the situation, according to employees who were in the room. At the meeting, staff were all asked to sign a white board with a message making a commitment to safety, these former employees said.

According to a list of deaths in 2023 that was reviewed by the Journal: One person died after mishandling explosives. A tunnel collapsed on one person, and a wall on another. One worker died after a tanker backed up into him.

One of those who died a few months after the all-hands meeting was Abdul Wali Khan, a 25-year-old worker for China Communications Services, a Neom subcontractor. He died last December when a metal gate being installed at Neom's healthcare center fell on him, according to a Neom list of workplace fatalities.

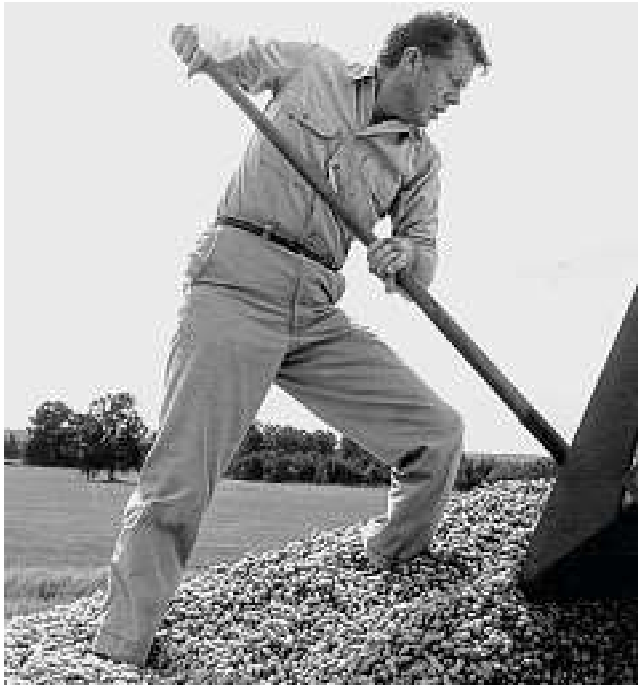
His brother, Meer Wali Khan, said he struggled for weeks to repatriate Abdul's body to Pakistan. The body was transported to a hospital in Tabuk, but staff there refused to release it, because there was no police report of the incident, Khan said.

Khan said China Comservice couldn't explain why there was no police report, telling him that Neom was responsible for logging the death rather than the police. Eventually Comservice, which didn't respond to requests for comment, wrote an incident report that Khan took to the police who then issued a letter for the hospital, Khan said.

"Even until today I haven't seen CCTV footage," said Khan, who wants to better understand his brother's death. "It makes you think something is wrong."

ASSOCIATED PRESS

BOB DAUGHERTY/ASSOCIATED PRESS



JIMMY CARTER LIBRARY

Above, the newly nominated Jimmy Carter speaking at the Democratic National Convention in 1976; left, flanked by Egyptian President Anwar Sadat and Israeli Prime Minister Menachem Begin at the signing of the peace treaty between Egypt and Israel in 1979; below left, shoveling peanuts in 1965.

Jimmy Carter Dies at 100

Continued from Page One

came after he left office in January 1981. He was the most active former president in modern U.S. history, gaining renown for work over four decades monitoring elections around the world, fighting neglected diseases, working to raise living standards for the poor and advocating for human rights. He did much of this work through the Carter Center, the humanitarian nonprofit he founded with his wife, Rosalynn Carter, in 1982.

"Jimmy Carter will probably not go down in American history as the most effective president. But he is certainly the best ex-president the country ever had," said Gunnar Berge of the Norwegian Nobel Committee in his 2002 speech presenting Carter with the peace prize.

James Earl Carter Jr. was born Oct. 1, 1924, in the small town of Plains, Ga. A religious Baptist, he grew up on his family's farm in a home that didn't have plumbing, electricity or insulation when he was a boy. He graduated from high school at age 16 and attended college for two years in Georgia before enrolling at the U.S. Naval Academy, from which he graduated in 1946. As a young naval officer, he worked on the nascent nuclear submarine program.

After he graduated, Carter married Rosalynn Smith, his hometown sweetheart. In 1953, his father died of pancreatic cancer. Carter left the Navy and moved home to Plains to take over the family farm, a decision that left his young wife "astounded and furious," according to his memoir, "A Full Life: Reflections at Ninety," published in 2015.

Carter became a successful peanut farmer and community leader, and in 1962 he was elected to the Georgia State Senate. After a failed bid for governor in 1966 against the avowed segregationist Lester Maddox, Carter was elected to the post in 1970. Though he had been coy about his view toward segregation during his campaign, Carter declared at his inauguration on Jan. 12, 1971, that "the time for racial discrimination is over." That declaration put him on the cover of Time magazine and vaulted him to national prominence as a harbinger of the postracial New South.

Carter was a popular figure at the Democratic National Convention in 1972 and decided to run for president by the time he left the governor's office in 1975. Considered a long-shot candidate in a crowded Democratic field for the 1976 nomination, he campaigned extensively door to door, presenting himself as a Washington outsider, an appealing attribute to voters after the Watergate scandal.

Patrick P. O'Carroll Jr., a former inspector general for the Social Security Administration, was a young Secret Service agent in 1975 when he was assigned to Carter's campaign detail. O'Carroll had no idea who Carter was, he said.

O'Carroll, who grew up in the Washington area, was suddenly working in tiny Plains and living with other agents in a nearby hotel. He said early events on the campaign trail were relatively easy because "for the most part nobody knew who the hell he was so that makes it a lot easier to protect him."

Carter joined the campaign staff and agents' softball team as the pitcher against a reporters' team.

Carter's broad smile and soft southern accent offered a hopeful contrast to the dour, combative politics then dominating a post-Watergate Washington. One political button during the race showed a smiling peanut and the slogan, "The Grin Will Win."

Carter professed his evangelist Christianity on the campaign trail but also presented himself as honest and flawed, acknowledging in a Playboy magazine interview that "I've committed adultery in my heart many times."

Carter's campaign was aided early on by support from various popular rock bands at the time, including the Georgia-based Allman Brothers Band. The band raised money for him at concerts and promoted his name across the country.

Behind the folksy demeanor, Carter was known as a shrewd and hardworking tactician, who, with the close and constant assistance of Rosalynn Carter, turned his campaign from a dark horse into a juggernaut overcoming better-known rivals seeking the Democratic Party nomination, such as then California Gov. Jerry Brown and Arizona Rep. Mo Udall.

Early supporters of Carter outside of Georgia included Delaware Sen. Joseph Biden—and the two became lifelong friends.

Carter went on to win a general election over Republican President Gerald Ford, and he set a new tone right away. Carter was the first president to exit from his motorcade and walk a portion of Pennsylvania Avenue on the way to the White House after being inaugurated. Among his first acts in office was to send a message to nations around the world that the U.S. would "not seek to dominate or dictate to others." He also pardoned Americans who had fled the country to escape the draft during the Vietnam War.

Carter's optimistic intentions withered in the face of domestic political wrangling, economic problems, fuel prices and international crises. Inflation, high energy costs and periods of relatively high unemployment beset his presidency.

In a speech in 1977, he addressed the nation about the energy crisis. Wearing a tan cardigan sweater and sitting next to a fireplace, he urged Americans to turn down their thermostats to "65 degrees in the daytime and 55 degrees at night" to help ease a shortage of natural gas. Some criticized Carter's speech as lecturing, not leading.

In 1979, Carter gave a televised speech that was supposed to bolster the nation's sagging morale. He said the nation was suffering from "a crisis of confidence," a phrase his political opponents quickly used against him.

Critics who saw Carter as a weak leader complained about events small and large. They mocked him for an incident in early 1979 when a rabbit swam toward the president's canoe while he was fishing near his home in Plains. The president used a paddle to splash at the rabbit, which swam away, but critics called the president's response timid.

Beginning in late 1979, the Soviet Union invaded Afghanistan. Carter organized a grain embargo against the U.S.S.R. and the U.S. boycotted the 1980 summer Olympic Games. Carter's opponents said the actions were ineffective at halting the Soviet occupation.

But he had some notable successes in foreign affairs, including the Camp David Accords. Signed with Israeli Prime Minister Menachem Begin and Egyptian President Anwar Sadat, they reshaped the Middle East by bringing a lasting peace to two hostile nations. And domestically, the president was able to push deregulation of airlines, railroads and other industries. He signed a law establishing the Energy Department to regulate existing sources of energy and fund research into new sources and other technologies.

But his administration was troubled with foreign-policy quagmires. Most notably, after Carter allowed the dethroned shah of Iran to come to the U.S. for medical treatment in 1979, a group of Iranian students invaded the U.S. Embassy in Tehran, taking 66 diplomats, military personnel and workers hostage.

Despite diplomatic efforts, the Iranians held 52 of the hostages throughout the rest of Carter's presidency, releasing them only after Ronald Reagan, a Republican, had been sworn in as president. A rescue attempt by U.S. armed forces failed after some of the helicopters sent into Iran had mechanical problems. After the mission was aborted, a helicopter preparing to leave a staging area in Iran crashed into a transport plane, killing eight U.S. servicemen.

Asked in 2015 what major regrets he had in his life, Carter said, "I wish I'd sent one more helicopter to get the hostages, and we would have rescued them, and I would have been re-elected."

Carter's problems were compounded by his fights with members of his own party, including Sen. Edward Kennedy, who eventually decided to oppose him for the Democratic presidential nomination in 1980.

Carter won the nomination after a bitter primary fight, but he lost badly to Reagan, carrying only six states and the District of Columbia, while Reagan carried 44. It was one of the worst defeats for a president in U.S. history.

After his loss, a stung Carter returned to Plains and began a new chapter in his life, writing books, monitoring more than 100 elections, taking on the eradication of diseases such as Guinea worm, and helping build thousands of houses with the charity Habitat for Humanity. He taught Sunday school regularly at his church in Plains and built furniture in a woodworking shop in his garage, auctioning it to raise funds for the Carter Center.

ALEX BRANDON/ASSOCIATED PRESS

Rosalynn and Jimmy Carter raised a wall as they joined in building a Habitat for Humanity house in Louisiana in 2007.

Carter was driven, often as though he was trying to overcome the regrets and failures of his presidency. He led teams of observers to monitor fair elections in dozens of countries, from Bolivia to Zambia. He worked for years on diplomatic missions for Republican and Democratic presidents in Bosnia, Haiti and elsewhere.

When tensions rose between the U.S. and North Korea over that country's nuclear program in 1994, Carter flew to Pyongyang as a private citizen and reached an agreement between the two countries to avoid war. But he was also quick to openly criticize U.S. policies he opposed. He irked the administration of George H.W. Bush by opposing its plans to go to war with Iraq over the invasion of Kuwait, arguing that such a war would be devastating to the Middle East.

Jimmy and Rosalynn Carter threw their energy into fighting diseases that had been all but forgotten in the developed world—trachoma, river blindness, Guinea worm and others—traveling to cities and remote villages to promote Carter Center programs. The center treated millions of people and brought better surveillance and healthcare systems to poor countries. When it began the effort to eradicate Guinea worm in 1986, there were 3.5 million cases of the disease. In 2023, there were 14 human cases, near 2022's record low of 13 human cases. The disease is now close to becoming the second human disease to be eradicated, after smallpox, according to the Carter Center website.

In 2015, Carter said Guinea worm eradication was one of the things that he hoped for most. "I'd like the last Guinea worm to die before I do," he said.

Carter was shaped in part by his military-officer training. He was habitually curious on a range of subjects, from peanut-farm operations to nuclear-weapons treaties, from knotty questions of theology to cures for stubborn diseases.

"People did not realize he is a true polymath," said Dr. William Foege, who was director of the Centers for Disease Control and Prevention under Carter and later executive director of the Carter Center. "There was no subject he was not interested in....I've never seen anyone who uses time as well as he does."

Carter said that his post-presidency, and specifically his work at the Carter Center, had been "far more gratifying personally" than his years in the White House. He was awarded the Nobel Peace Prize in 2002 for his work to resolve international conflicts, and to promote democracy, human rights, and economic and social development.

"He really remade the post-presidency," said Julian E. Zelizer, a Carter biographer and a Princeton University history and public-affairs professor. Carter transformed his center into "a mini-White House of sorts where he could work on global affairs."

Carter remained consumed in his postpresidential years with Middle East peace. But he angered supporters of Israel and that country's leadership by arguing that the Palestinians were being mistreated by Israeli authorities. In his 2006 book, "Palestine: Peace Not Apartheid," he argued that the desire of some Israelis to colonize Palestinian lands prevented an overall peace agreement in the Middle East.

Watch a Video

Scan this code for a video of key moments in Jimmy Carter's presidency.

ELIZABETH BERNSTEIN

Cherish Every Moment And Spread 'Positive Gossip'

That's just some of the best advice our relationship columnist found inspiring this year

I'm thinking about getting a tattoo. It would say "QTL" for Quality Time Left.

I was inspired by someone I interviewed earlier this year who has a similar tattoo, to remind him that each day is a blessing and he should take advantage of it.

One of my favorite parts of my job as a relationship columnist is hearing people's hard-earned advice. Therapists, researchers and regular folks share their life hacks for getting along with others or boosting their mental well-being. Often this advice sticks with me—and I revisit it through the years.

One woman keeps lists of the things she loves about friends and family members and periodically shares the praise with them. Another says she always envisions a good outcome, even in tough situations, such as her husband's terminal diagnosis. (She reports that he was given less than a year to live—almost three years ago.) A man in his 80s once told me that he maintains a mental "f— it bucket" where he tosses information that upsets him but that he can't change, such as political nastiness or a loss by his beloved Red Sox.

As the year wraps up, I'd like to share the treasure trove. Here is some of the best advice I've turned back to this year.

'Wired for positivity'

Each morning while having coffee, Ruth Middleton House visualizes how to have a good day.

She asks a series of questions. What is she grateful for? Often the answer is a person who has shown her kindness or taught her something. But sometimes it's an unpleasant exchange that helps her learn.

House, a 78-year-old semiretired university professor in Kennesaw, Ga., also asks herself: What are three of her strengths and how will she use them today? What three relationships can she strengthen today? And what can she look forward to in the next 12 hours?

That last question helps her anticipate finding enjoyment in stressful situations, such as a challenging lunch meeting with a colleague. (She decided to ask him about himself, to get to know him.) And it has nudged her to plan small breaks to look forward to, such as 15 minutes listening to classical music or reading poetry.

"We are wired for positivity," House says. "And I don't have to wait for long-term results: I feel better physically, enjoy the day and laugh more."

▲ Joanne and Carsten Steenberg set a timer and let each other talk for five minutes uninterrupted.

Positive gossip

Too often, we talk more about negative things than positive ones.

Jamil Zaki, a psychology professor at Stanford, realized he was guilty of this while driving his young daughter to school a few years ago. He started to complain after another driver cut him off. Then his daughter, who was 7 at the time, piped up: You don't talk about any of the folks who *didn't* cut you off.

That day, Zaki, 44, vowed to pay more attention to the good things—and to talk more about them. He calls this "positive gossip." At dinner, he encourages his family to share stories about good things they've noticed during the day. When he sees someone help another person, or do a good job at work, he thanks them.

"If you have something nice to say, spit it out!" Zaki says.

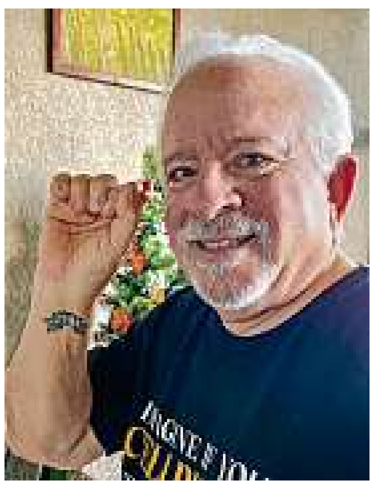
Talk less, listen more

I've heard this advice repeatedly over the years from one of my favorite sources, longtime marriage therapist Bill Doherty. As a cofounder of the nonpartisan nonprofit Braver Angels, Doherty helps people talk about politics in a more civil manner. But his advice applies to all types of conversations: Talk to share, not convince. Seek to understand. And stop trying to change each other.

How does that work in real life? Joanne and Carsten Steenberg, who live in Penobscot, Maine, and have been married for 32 years, have a technique they learned from their therapist. When they feel like they are arguing more than connecting, they sit facing each other in two chairs about 2 feet apart in their living room. They set a timer for five minutes. One spouse says: "Tell me who you are." The other speaks until the timer buzzes. Then they switch.

There are rules: No interruptions, heavy sighs or eyerolls. And no topic is off limits. The couple has used this to discuss everything from financial disagreements to their holiday to-do list.

"Over the years, so many of our conversations were also multitasking and not engaged in good eye contact," says Joanne, 62, who runs an organization that educates people about kindness. "This makes us feel seen and heard."



▲ Irwin Weinberg has a tattoo that says: 'QTL,' for 'Quality Time Left.'

Strive for quality time

We all know what it's like to feel stuck in the daily grind, especially during tough times. Sometimes the best way out of this rut is to actively search for joy.

That's why I keep thinking about the "QTL" tattoo that 76-year-old Irwin Weinberg told me about a few years ago. He put it on his wrist so he could easily see it if he starts to feel down.

Weinberg, a retired consultant, chose the mantra "Quality Time Left" several years ago, after reading a newspaper article about the concept. His wife of 46 years was dying at the time, and he worried he would get lost in his grief. She told him she wanted him to make the rest of his life a happy one.

I checked in with Weinberg recently, and he says he finds the tattoo comforting in dark moments, such as the night shortly after his wife's death when he realized he was still sleeping on his side of the bed, leaving room for her. It has spurred him to move forward—volunteering, making friends and, eventually, remarrying. He even uses it to prioritize big-ticket purchases, such as a cruise around Iceland with friends.

"Life isn't lived in a straight line," he says. "QTL helps me focus on what's important."

FROM TOP: GREG CLARKE; JOANNE STEENBERG; IRWIN WEINBERG

Blame Porch Pirates For Higher Prices

By Imani Moise

Lost deliveries, shipping delays and theft on the front porch have become such growing problems that companies are making consumers pay for package protection.

Tens of thousands of online retailers now offer the service for a few dollars per order. The fees go to young companies—Route and Corso, to name two—that promise to make customers whole without charging the merchant if a delivery doesn't arrive.

Consumers are finding that retailers either ask them to pay for package protection or draw a harder line when it comes to replacing a missing item. Some retailers are making the fees mandatory, spreading the burden of package theft among all customers.

To know whether you are paying the fee, review your order before you press purchase. Sometimes it is named after the company offering protection, and sometimes it is called shipping insurance or package protection.

Skincare brand Topicals began using Corso two years ago after seeing 30% of its packages were regularly marked delivered but not received, according to customer insights manager Deja Jefferson. By requiring protection, which Topicals discloses on its shipping page, the company doesn't have to worry about convincing customers to opt in.

"We actually don't get any complaints on it whatsoever," she said.

The buyers

Whether the package protection fees are easy to find or not depends largely on the retailer. Some brands automatically add optional coverage to orders. Customers have complained the fees are disclosed in small fonts, made to appear mandatory when they are not or are displayed late in the online checkout process.

President Biden took aim at a range of hidden fees in his State of the Union speech last year. Federal Trade Commission and Consumer Financial Protection Bureau officials say showing fees only at the end of the transaction, known as drip pricing, is a deceptive practice. Customers tend to register the lower price seen at the beginning over the higher final one. That means they are less likely to shop around for a better price once they start the check out process.

Earlier this month, the FTC finalized rules that all mandatory fees will need to be disclosed to consumers in initial search results when booking. So, come Monday, consumers will have to know about the required package protection fees right away. But they still may have to pay them, no matter what.

That said, soon more retailers will either have to make the fees mandatory, or work harder to convince consumers they are worth paying.

▲ When a package gets stolen or ruined in transit, customers typically expect retailers to foot the bill.

JOE RAEDLE/GETTY IMAGES

Shopify, which handles the technology infrastructure for direct-to-consumer brands and larger companies, told merchants earlier this month that automatically adding optional charges at checkout will be banned, starting in February, according to affected companies. Shopify didn't respond to requests for comment.

The companies

When a package gets stolen or ruined in transit, customers typically expect retailers to foot the bill. Retailers struggle to afford shipping losses on top of their other rising costs.

Christina Stembel, founder of Farmgirl Flowers in San Francisco, signed up with Route to allow customers to pay $5.95 at checkout to cover their flower orders from delays, damage and theft. Widespread delays in February 2021 forced her to reship the majority of orders at a loss. The company lost $5.5 million that month, she said. Stembel had to take out a personal loan to keep the business afloat.

After that, Stembel revisited her policy of always replacing bouquets that were spoiled due to transportation delays she had no control over. But she also felt bad passing the cost on to customers, so she wrote a 2,200-word explanation email to customers last year.

"I know some of you may be asking why we're asking *you* to pay for package insurance—especially at a time when everything seems to be getting more expensive," Stembel wrote.

She added in an interview: "If you don't opt in, we can't make it right for you. We can't take this liability anymore, or we won't be in business."

About 60% of Farmgirl Flowers orders are now protected by Route, slightly higher than the 50% take-up rate across Corso and Route's customers. Merchants who are more transparent about the fee and what it covers tend to have higher opt-in rates, said Michael Yamartino, Route's chief executive.

"People by default are skeptical of fees," he said.

Fight Against Airport Chaos Starts Here

A look inside the tower in Newark where rapid-fire calls on delayed flights, luggage, crews and more happen all day long

By Allison Pohle

Newark, N.J.

On the Friday before Christmas, Flight 1080 to San Jose, Costa Rica, returns to the gate with a mechanical issue.

The only available replacement sits across the airport. Moving passengers would mean telling vacationers to switch terminals. Baggage-loaders would need to transport luggage across the airport, potentially making them late to service other flights. The crew would need to move, too.

United Airlines operations staff—customer service, ramp services and the move team—quickly decide to tow the new plane to the travelers. Passengers wait an hour longer than they might have if the plane stayed put, but don't have to schlep their belongings across the airport.

"The ops center is the center of a spider web," says Michael Pacheco, a director in United's station operations center. If you touch one part of the web—maintenance, baggage, catering—you affect all parts.

For years, Newark has been a source of delays due to a shortage of air-traffic controllers, crowded skies and bad weather. When the controllers are understaffed, fewer flights operate each hour.

The shortages are particularly difficult for United, which makes up about 75% of Newark's air traffic. When travelers have a bad experience with a delay or long wait on the tarmac, they might blame United.

Getting operations right is mission-critical, especially during a record-setting time for holiday travel. Air-traffic control staffing shortages in Newark led to delays on 15 days in November, the airline says.

The airline is making adjustments. It's using a new app to coordinate several wings of its logistical operation. It's also increasing how many flights it sends out and back.

Most delays nationwide are caused by weather or airline operations, the Federal Aviation Administration says. It says hiring more air-traffic controllers is a priority.

About 53,000 United travelers at Newark on this day expect to reach their destinations without drama. But snow means planes need deicing. Air-traffic control staffing shortages are also possible.

High above Terminal C, several dozen United workers sit in a tower with a 360-degree view of the airport: the "ballpark," which functions both as a the deicing area for planes and a holding location, plus various runways. Screens display incoming weather, FAA alerts, flight schedules and the status of cleaning crews, baggage workers and ramp agents servicing planes.

During the holidays, it's mission-critical to get operations right.

Ops center staff meet at 5:30 a.m., 10:30 a.m. and 2:30 p.m. daily to check on past and future flights. They review the many metrics the airline is measured on, including the time the door opens and when the first bag comes on and off the plane.

In the 10:30 meeting that Friday, the group reviews about 50 early flights to give an indication of how the day will go. About 83% left on time. They analyze the reasons the others didn't: Crew issues and doors not closing properly, to name a few—and discuss how to prevent similar future problems.

Just before noon, an Air Traffic Control staffing alert reaches the ops center. Starting at 6 p.m., flights will be slowed down due to staffing, likely meaning delays for people traveling that evening.

"That wasn't part of the plan," says Darlene Del Rosario, a station operations director.

To boost staffing, the FAA moved oversight of the airspace around Newark to Philadelphia earlier this year. Shifting two dozen controllers to Philly left even less staffing for Newark in the near term.

On this day, about 57% of flights arrive at Newark on time and half a percent are canceled, United says. Overall, cancellations and delays are down year-over-year through Dec. 15, according to data from Cirium, an aviation analytics company.

Later in the day, ops staff learns maintenance for an aircraft headed to Johannesburg won't finish in time. They consider swapping the plane out for another arriving from San Francisco later that night, but must call the main ops center near Chicago for approval. Planes often need to end in certain locations to receive maintenance or be on track for routes the next day.

They end up getting lucky—a spare plane is available. All of this happens without passengers knowing their flight could have been delayed.

Technology can also help the ops staff determine how long to hold a flight. In the morning, a passenger in a wheelchair is delayed when transferring from another terminal. Because customer-service agents sit with ramp agents and flight operations staff, they discuss the situation.

A computer program indicates the flight to Antigua—the only one of the day—could wait until 8:52 a.m. without jeopardizing other passengers' connections. The traveler arrives with six minutes to spare.

Throughout the day, staffers monitor what they call quick turns, or shortened times before the plane needs to take off again. Cleaning staff, baggage workers, ramp agents and others associated with prepping the plane use one app that gives specific time requirements for meeting performance metrics. Within six minutes of arrival for some types of planes, the cleaning crew should be on the plane.

Since the app's debut in February, the success rate for quick-turn flights has increased 20 percentage points, Del Rosario says.

The careful choreography of moving planes around a space-constrained airport doesn't always work when catering is late or bags load slowly. The average taxi time at Newark is about 25 minutes, but can stretch above 40 minutes during irregular operations.

By 5 p.m., about half of United's Newark flights arrive on time, in part due to weather.

While Del Rosario monitors the air-traffic systems desk, another employee shouts that Flight 3492 has returned to the gate. "It's probably the Boston ground-delay program," she says without missing a beat.

The plane ends up holding for over three hours.

"Every mitigation strategy that we use for something, we have to plan another one," Del Rosario says.

—Andrew Tangel contributed to this article.

▲ Station operations center manager Tommy Morville, top, is part of the United Airlines team managing the curveballs of holiday travel at Newark. Jehanne Soliman drives passengers in a shuttle cart.

▲ A United plane rolls up to the gate at Newark's Terminal C. Newark Station Operations Center Director Darlene Del Rosario has her eye on every aspect of operations, from jet parking to ground stops.

NATHAN BAJAR FOR WSJ (4)

MY RIDE | BY A.J. BAIME

A Classic MG Won His Heart in 1955

Glenn Storek, 83, a retired architect/developer living in San Rafael, Calif., on his 1955 MG TF 1500, as told to A.J. Baime.

When I was growing up in San Francisco, my best friend Roger Freeburg and I both loved cars. When we found out there were going to be races in Golden Gate Park, we went two years in a row. These sports-car races in the early 1950s were among the first in California, attracting tens of thousands. We saw drivers who later became icons, like Phil Hill [later, the 1961 Formula One World Champion] and Ken Miles [portrayed by Christian Bale in the 2019 movie "Ford v Ferrari"]. More important, we saw MGs and Jaguars.

These MGs and Jaguars are considered by many to be the first postwar sports cars ever in the United States. The Detroit guys saw these and started building sports cars, notably, the Corvette, which debuted in 1953. And then the flood of Porsches, Alfa Romeos and Austin-Healeys came. But I particularly loved the MGs.

I bought my first, a 1952 MG TD, when I got my driver's license at age 16. Then I upgraded to a 1955 MG TF. The TF was the last MG made with this old body style.

I drove the MG TF to the University of Oregon, where I went to study architecture. One time, while driving it through eastern Oregon with my buddy Roger, we hit an ice patch, plowed through a wall of snow, and went off a cliff, doing an end-over-end and landing in the snow upside down. We had no serious injuries, and after we got that MG towed back onto the road, we drove it home. This MG had to be some kind of guardian angel.

I sold the MG TF to raise money so I could study architecture abroad. I always missed the car and, as I started practicing architecture, I would flip through magazines looking at old MGs in the classifieds year after year. Inspired by my work rehabilitating 19th century properties, I started restoring old cars.

Finally, about five years ago, I found an MG exactly like the one I had when I was at the University of Oregon: a 1955, in British racing green with wire wheels. It was in beautiful shape, for sale in Minnesota. I flew out there, bought it, had it shipped back to California, and I have this car to this day.

It is no "trailer queen." I drive it. Where I live, I can make a couple turns and be out on the most beautiful country roads. The sound of the engine and exhaust, the top is down, the air is swirling around you, you go through the gears—upshifting and downshifting—as you're driving through patches of redwood trees; it's just a great feeling.

I park the MG in my garage with some other classic cars and, on the wall, I have posters of those races I saw in San Francisco's Golden Gate Park. It was a long time ago, watching those MGs race when I was 12 years old. But I can still feel the excitement now.

Glenn Storek's 1955 MG TF 1500 is among the first postwar European sports cars to come to America.

JONAH REENDERS FOR WSJ (3)

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ARTS IN REVIEW

The Marie Selby Botanical Gardens in Sarasota, Fla., which added three new buildings, left; interior view of the Far Rockaway Library in Queens, N.Y., below left.

THE BEST ARCHITECTURE OF 2024

Accentuate the Personal

Many of the most successful projects struck pleasingly human notes for all their impressive scale

By Michael J. Lewis

New York has seen seven skyscrapers rise higher than the Empire State Building since 2014 but few, I suspect, would show up on a list of the decade's finest buildings. Is it because objects at this order of magnitude—the so-called supertalls—depend on computers to do what was once done by the human eye and hand? It seems that the better we get at integrating data and algorithms into the making of a building—what is called parametric design—the more difficult it is to make that building memorable, let alone archetypal. And so once again the best buildings of 2024 are those where the personal decision-making process cannot be offloaded onto artificial intelligence.

The process of designing the **Far Rockaway Library** began with that sophisticated data-gathering instrument, the bicycle. In 2012 Craig Dykers, co-founder of Snøhetta, rode from Brooklyn to Queens to ask people what they wanted in a community library. Although he told me that "60% ran away," those who lingered gave a sense that Far Rockaway was an "active and energizing place" that needed a correspondingly active building. The result is an ecstasy of motion and color. You enter at the point of its corner site, between two angled walls of fritted glass adorned with what seem to be playfully decorative squiggles. They are actually sentences about city life, written by the artist José Parlá and enlarged to the point where the walls of the library themselves become the pages of a monumental book. The last element to be resolved was the color of those walls, which was settled when the designers rose early to observe the sunrise at Rockaway Beach (less than a mile away). They were struck by how the orange was richly speckled with violet and red, a palette that is reprised in the walls here. No visitor will make the connection, consciously at least, but all will sense that this is a rare public building of intimately personal character.

The **Marie Selby Botanical Gardens,** occupying a luxuriant 15-acre site in Sarasota, Fla., have added three new buildings that encompass 188,000 square feet, more than 10 times the size of the Far Rockaway Library, but they also show a pleasing human touch. The centerpiece is the Morganroth Family Living Energy Access Facility (LEAF), which according to the Selby contains "a garden-to-plate restaurant, a new gift shop, vertical gardens, and a nearly 50,000-square-foot solar array"; one has to look twice before realizing that all these functions are wrapped around an unexpectedly pleasant parking garage. The Selby specializes in "air plants," or epiphytes, that depend on other plants for their support, which does not suggest a massive architecture rooted firmly in the ground. When I visited earlier this year, I was struck by the airy lightness of the entrance canopy, which was made as open as possible, with no sullen turnstile, and wondered how it would hold up in a hurricane. Now we know. Hurricane Helene, which buffeted Sarasota on Sept. 27, left the Selby unscathed, including its irreplaceable plant research center that was intended to be hurricane-resilient. The project is a collaboration between Overland Partners, a firm of Texas-based architects, and OLIN, the landscape architects.

> These buildings remind us of architecture's essential expressiveness.

Ever since architecture became an instrument of personal expression—which according to Leo Steinberg began with Michelangelo—the garden posed a special challenge. The botanical world takes center stage there, and the architect's humble task is to put an attractive border around it, to serve as frame-maker, not as painter. That task is fulfilled splendidly in the $250 million expansion project at **Longwood Gardens,** an hour's drive west of Philadelphia. Besides a new glass conservatory, architects Weiss/Manfredi were charged with adding a new restaurant and event space. Rather than crowding yet more buildings to the ensemble, they chose instead to tuck them behind the 400-foot-long retaining wall that is the defining feature of the garden's main approach. Here is a considerable amount of elegant architecture, virtually invisible—"hiding in plain sight," as the architects put it.

It is gratifying, at a moment when the world's greatest architectural achievement is the rebirth of the cathedral of Notre-Dame in Paris, that a restoration project must be counted among America's best buildings of the year. This is **Michigan Central Station** in Detroit, the fraternal twin of Grand Central Station. Built in 1913, abandoned by Amtrak in 1988, and purchased by Ford Motor in 2018, it has now been restored by Quinn Evans, specialists in historic preservation. Its ground floor is open to the public and used by community groups, while the tower above is available as commercial real estate, the three lowest stories reserved for Ford.

So meticulous and sensitive is the restoration that one can scarcely believe that the station had once been left for dead and stripped of all that could be carried off. In a perverse stroke of luck, the restoration benefited from the pillaging. Building fragments and artifacts, which would have disintegrated in the rain- and wind-beaten shell, were quietly returned by their owners who found themselves transformed retroactively from looters into architectural patrons. In the process, a building that had become an embarrassing eyesore on the skyline once more became a proud emblem of Detroit, battered, unbowed, proud.

Michigan Central Station shows that while parametric design may give you a flawlessly energy-efficient skyscraper it has nothing to teach us about the art of architectural restoration. The criteria that matter in restoration—human experience and memory—cannot be reduced to mere data. Such an ambitious project would likely never have been launched by someone without intense personal memories of the station in its prime, as has Bill Ford Jr., the Ford executive who guided the nearly $1 billion restoration of the building and its grounds.

Not every executive is in a position to wheedle so much out of his board. The **First Christian Church** in Columbus, Ind., had to make do with $3.2 million to reconstruct its sublime tower, a shaft that rises 166 feet without any projecting cornice or other architectural digression. It forms the summit of Eliel Saarinen's brilliantly original church, which was built during World War II, a time when bronze suddenly became unavailable and the intended carillon could not be realized. It must have been daunting to persuade a cash-strapped congregation that it is worthwhile to rebuild a bell-less bell tower. That requires yet another immeasurable quality, love—of beauty, of building, of community—for which there is no algorithm, thankfully. The restored building deserves a visit. Go and see it.

Mr. Lewis teaches architectural history at Williams and reviews architecture for the Journal. For a complete collection of Best of the Year coverage, visit wsj.com.

Interior view of the renovated Michigan Central Station in Detroit, first built in 1913, right; the First Christian Church in Columbus, Ind., above right.

FROM TOP: RYAN GAMMA; JEFF GOLDBERG/ESTO; ALAMY; JASON KEEN/MICHIGAN CENTRAL

SPORTS

Texas Is Set for a Deep Playoff Run

By returning to its smash-mouth roots, the Longhorns look the part of a genuine national championship contender

By Laine Higgins


AARON E. MARTINEZ/USA TODAY NETWORK/IMAGN IMAGES

The Longhorns racked up 292 rushing yards, including 146 yards by running back Jaydon Blue, in a 38-24 playoff victory against Clemson.

Life's supposed to work a certain way for the Texas Longhorns. You get the best players, you draw the biggest crowds and when you're on offense, you run the dang ball.

It worked that way for the better part of a century, as Texas produced some of the finest rushers that college football has ever seen, from Earl Campbell to Ricky Williams to Jamaal Charles.

But in recent years, as the Lone Star State has gone loco for the pass-happy Air Raid offense, the Longhorns seemed to forget about their smash-mouth roots. As Texas cycled through coaches since its last national championship in 2005, one of the few constants was its penchant for passing. This is a team with the most famous *backup* quarterback in the nation.

This season started off no different. Through the first five weeks of the season, the Longhorns tossed 17 touchdown passes but had a player rush for 100 yards in just one single game.

But as the season heated up and the stakes got higher, Texas started to take on a different, more old-fashioned identity. By the time of its College Football Playoff first-round matchup against Clemson earlier this month, the shift was complete. The Longhorns racked up 292 rushing yards—roughly 54% more than they averaged in their previous 13 games. For the first time all season, two different players topped 100 yards.

In describing their approach afterward, Texas coach Steve Sarkisian could have been quoting legendary Longhorns coach Darrell Royal.

"Run to win," Sarkisian said after the 38-24 victory. "We're going to need to run the football to advance in these playoffs—that's what playoff football is about."

It sets up Wednesday's playoff quarterfinal against Arizona State as an old-school clash between two bruising running games. The Sun Devils have Cam Skattebo, a one-man wrecking machine who averaged 131 rushing yards per game and finished fifth in 2024 Heisman Trophy voting. Texas has a newfound confidence in its ground game that might just carry it all the way to Atlanta.

Most teams that have won championships in the playoff era are capable of picking opponents apart with the pass game *and* running them into oblivion. But Michigan proved last year that if you're going to use just one to win, it's running—the Wolverines beat a top-10 opponent while going an entire half without attempting a pass.

No one would mistake the 2024 Longhorns for the 2023 Wolverines. But in the first-round of the playoff, Texas ran the ball punishingly enough to make you do a double take.

It was a major shift for Texas—and one the Longhorns had been trying to make for weeks. Sarkisian said that his team's run game is based on outside zone concepts, which spread the defense out at the line of scrimmage in order to create wide-open lanes for running backs. The scheme is effective against a variety of defensive looks, but it's more involved than more traditional up-the-gut run plays.

"It sounds easy—everybody run to the right or left, the running back just go," Sarkisian said. "It's a little bit more intricate than that for us."

For large stretches of the season, the Longhorns struggled to master those nuances. It didn't help that injuries piled up early in the season. Texas lost lead back C.J. Baxter for the season in August, then saw second-stringer Jaydon Blue miss time in September with a bum ankle.

For long stretches this fall, Quintrevion Wisner, a three-star sophomore who hardly played in 2023, became the Longhorns' bell-cow. It earned him the admiration of Sarkisian, who said the back was "tougher than a Brillo pad" and then watched him rush for a season-high 186 yards against Texas A&M.

"He's just done a great job of whenever his number is called, he executes," said fifth-year offensive lineman Jake Majors of Wisner.

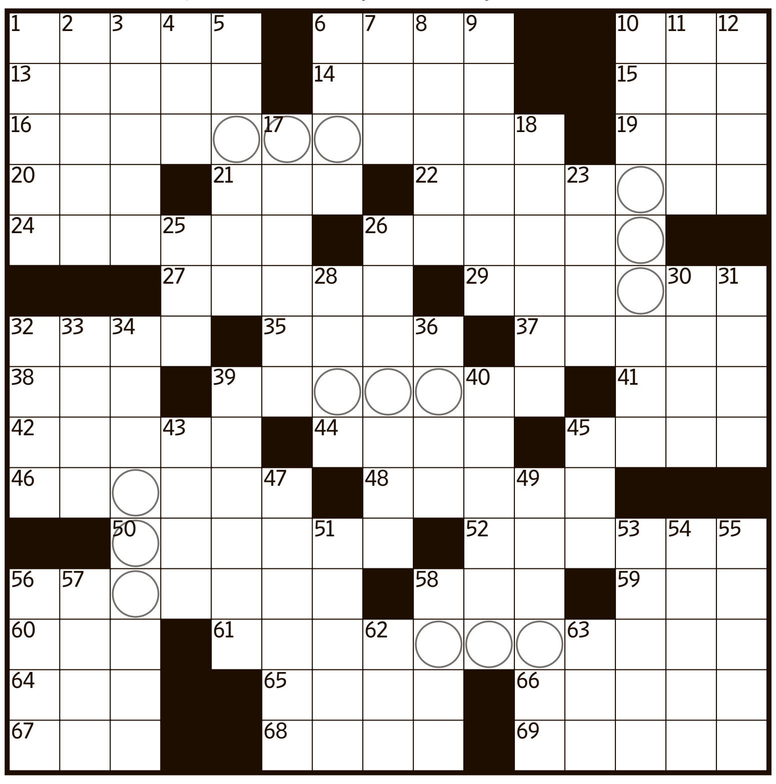
It wasn't until November that the ground attack really started clicking. All that progress came screeching to a halt when the Longhorns' faced Georgia in the SEC Championship game. Texas finished the game with just 31 rushing yards on 28 attempts.

"We went back and watched the film," said Blue. "We didn't run the ball well at all."

Whatever adjustments they made after playing Georgia, it's safe to say they worked. Never mind that Clemson allowed the 60th most yards per rush of any team, Texas had its best running game of the season by a country mile.

"This year happened to be one of those years where it took us a little longer to really get it right," Sarkisian said. "I feel like we're kind of hitting our stride at the right time."

The WSJ Daily Crossword | Edited by Mike Shenk



MONKEY IN THE MIDDLE | By Lee Taylor

Across

1 Busy spots on Election Day
6 Cranberry-harvesting sites
10 EMT's procedure
13 Prolific writer Asimov
14 Rake in
15 Follower of boo or yoo
16 Audience participation after a Dian Fossey lecture?
19 Conclude
20 Luau instrument, for short
21 Sewer scurrier
22 Foreshadow
24 Lent follower
26 Reinforce
27 1950s presidential candidate Stevenson
29 Watch online
32 Tells whoppers
35 Clue for a tracking dog
37 Hit the road
38 UFO fliers
39 Window dressing for Curious George?
41 Director Burton
42 Classic candy wafer brand
44 Ore source
45 Exxon, formerly
46 Intelligence, informally
48 Layers of varnish
50 Indiana hoopsters
52 Meal
56 Vocal vibration
58 Enjoyment
59 Glacier substance
60 Drake's genre
61 Journalist reporting on Koko?
64 Before now
65 Copper-colored coin
66 Highway costs
67 Wrestling pit goo
68 Muscle quality
69 Greta Thunberg, for one

Down

1 Arouse, as curiosity
2 Tennis star Naomi, or her birthplace
3 Bowling alleys
4 Young fellow
5 Quaking, maybe
6 Borscht vegetable
7 Regatta tool
8 Bellyache
9 Saws logs, so to speak
10 Affordable food for Kong?
11 Early video game
12 Took public transit
17 Workplace for a beautician or tattooist
18 With finesse
23 "No problem!"
25 Aides for a prof.
26 "Gandhi" and "Malcolm X," for two
28 Genesis gent
30 Hertz competitor
31 Office communiqué
32 It gives you focus
33 List entry
34 Emergency vehicle for Caesar?
36 Gambling city
39 Online business
40 React to a fright, as a horse might
43 Study feverishly
45 Paranormal ability
47 Make a choice
49 Basic beliefs
51 Event with roping
53 Flier's seat option
54 Bawl out
55 High-strung
56 Streetcar
57 Sauce brand
58 Kismet
62 Rustic lodgings
63 Use a pair of 7-Downs

Previous Puzzle's Solution

B	E	T	A		S	C	I	F	I		P	E	D	I
A	L	A	N		N	O	T	O	N		I	R	O	N
J	A	C	K	L	O	N	D	O	N		Z	I	O	N
A	N	T	L	I	O	N			A	T	Z	E	R	O
			E	L	K		S	Y	R	I	A			
T	I	P		J	I	L	T	E	D	L	O	V	E	R
O	R	O	N	O		A	R	M	S		V	O	L	E
K	A	R	E	N		G	E	E		B	E	T	O	N
A	B	E	S		L	O	A	N		I	N	E	P	T
J	U	S	T	L	O	O	K	I	N	G		D	E	S
			C	O	R	N	S		A	B	C			
S	H	R	E	W	D			A	P	R	O	P	O	S
W	E	E	P		J	E	E	Z	L	O	U	I	S	E
A	R	I	A		I	S	S	U	E		P	E	L	T
T	O	N	S		M	A	L	L	S		E	R	O	S

The contest answer is **JENNIFER LOPEZ**. The first word of each theme answer begins with J and the second begins with LO, yielding Jennifer Lopez's nickname J.Lo.

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

Chess Star Quits Event—Over a Pair of Pants

By Joshua Robinson And Andrew Beaton


SESHADRI SUKUMAR/ZUMA PRESS

Magnus Carlsen quit the World Rapid Chess Championship.

The pinnacle of chess has weathered its fair share of controversies in recent years, including a cheating dustup, geopolitical tension, and players' bizarre complaints about creaky floors.

But this week, that list gained its strangest entry yet: Chess now has a pants controversy.

The biggest fashion faux pas this side of the Met Gala unfolded in lower Manhattan on Friday, when five-time world champion Magnus Carlsen arrived at the upscale Cipriani Wall Street, host of this year's World Rapid Chess Championship, wearing something organizers considered utterly inappropriate. He was sporting a pair of jeans.

To FIDE, the game's world governing body, this was as unacceptable as moving a pawn three spaces.

Denim, FIDE said, is "explicitly prohibited under longstanding regulations for this event" and promptly fined Carlsen, one of the greatest chess players of all time, $200 for his infraction. When the chief arbiter requested that Carlsen change his clothes, he declined to do so. And as a result, the 34-year-old grandmaster from Norway wasn't assigned a match in the following round. It was chess's equivalent of a one-game suspension.

Carlsen responded by quitting the tournament altogether—and then pulling out of the World Blitz Chess Championship, too.

"At that point, it became a bit of a matter of principle for me," he said in an interview on his Take Take Take chess platform. "I'm too old at this point to care too much."

Carlsen added that he'd been returning from a lunch meeting and barely had time to go back to his room, where he put on a shirt and jacket. He even threw on a different, dressier pair of shoes. But once the arbiter warned him about changing his trousers, Carlsen decided he'd had enough. Instead of arguing about pants, he figured he might as well spend his New Year's somewhere warmer than freezing New York.

Later, Carlsen shared a photo of himself in the now infamous jeans captioned "OOTD" for "outfit of the day" and conducted an interview with a Norwegian outlet—in shorts.

The episode unleashed a torrent of criticism of FIDE from other players who took the opportunity to voice their frustration with a body that they view as hopelessly behind the times.

"I don't think there's a single player...who's not going to watch the event because Magnus is playing in jeans or his underwear or a Speedo," Carlsen's fellow grandmaster and rival Hikaru Nakamura said on a livestream Friday evening. "They want to see Magnus Carlsen play chess. He's the best player in the world and that's that."

FIDE insisted that the rules were the rules and applied "equally to all players." Oddly enough, the kerfuffle over Carlsen's jeans wasn't the only wardrobe blunder at the championships on Monday. Earlier in the day, Russian Ian Nepomniachtchi was fined for showing up in "sports shoes," FIDE said.

But behind the jokes lay a larger message about the fractured state of chess today. Since the recent explosion in prize money, platforms, and online tournaments—where old-school formalities such as dress pants don't apply—top players are no longer as reliant on the stuffier events run by FIDE.

This is not the first time that Carlsen has turned his back on the game's governing body. In 2022, he announced that he wouldn't defend his classical crown because he was no longer interested in the format of the world championship match.

"I simply feel that I don't have a lot to gain," he said at the time. "I don't particularly like it."

When he claimed each of his five classical titles, Carlsen wore a suit.

OPINION

What a Long, Strange Trip

INSIDE VIEW
By Andy Kessler

I have a love-hate relationship with travel. The late chef Anthony Bourdain wrote, "Travel changes you. As you move through this life and this world you change things slightly, you leave marks behind, however small. And in return, life—and travel—leaves marks on you." So true. Although sometimes those marks are welts. The 1990 Richard Linklater movie, "Slacker," has a great line: "I've traveled, and all it is is bad water, bad food, you get sick, you got to deal with strange people, and when you get back you can't tell whether it really happened to you or if you just saw it on TV." Also true.

I've been fortunate to travel to see many man-made wonders, from the Tiger's Nest in Bhutan and the Inca Trail in Peru to the Chouara Tannery in Fez, Morocco. Even more, I've loved seeing natural wonders, from Victoria Falls to Iguazu Falls, and from red-footed boobies in the Galápagos Islands to lions munching on hyenas in Botswana. I've spent time scratching my historic itch at St. Petersburg's Winter Palace, agonizing through Auschwitz and crawling through the siege tunnels in Sarajevo. I've viewed street art in São Paulo and Hello Kitty cosplay in Tokyo. In our increasingly materialistic world, experiences provide the deepest and most lasting satisfaction.

Experiences are winning, but often you have to lose first. Starting with jet lag. Comedian Bob Hope said, "I've been to almost as many places as my luggage." Relatable. And Bourdain was, again, on it: "The journey is part of the experience—an expression of the seriousness of one's intent. One doesn't take the A train to Mecca." Sure, I've been stuck in airports and had to abandon trains. And that was just in Newark, N.J.

At age 19, a friend and I backpacked through Europe with only Arthur Frommer's book "Europe on 5 Dollars a Day." Now, technology is indispensable. Our phone acts as a Swiss Army Knife of maps, translators, bus schedules, car dispatchers, reservation makers, tour guides, Zoom cameras and money dispersers. The downside is a loss of serendipity, that cool bar or quaint café you stumble into.

Another downside is that you really never disconnect from your life anymore—you're always in touch as your inbox and feeds fill with useless garbage. Donald Trump and Elon Musk convene. The mayor was arrested again. Buzzfeed's "23 Exceptionally Weird Things People Found At Thrift Stores."

Because of Hollywood and streaming, the Americanization of the world is in full force. I divert my gaze from McDonald's and Starbucks in almost every foreign city. Though I enjoy watching Germans speaking English to talk to Spaniards.

My brain often suffers from overseas overload. Was that vase Tang or Ming dynasty? Is the architecture Gothic, Baroque, Renaissance,

Reflections on the good and the bad in a lifetime of personal and business travel.

Neoclassical or rockin' Rococo? Are those chairs Louis XIV? Or XV? Which one got the guillotine? Oh, it was XVI? He should've eaten cake.

My wife and I love to hike and then eat and drink our way through countries. Michelin star restaurants are terrific, but I often prefer street food. In Old Delhi, India, chole bhature is to die for, which is why we bring an ample supply of Imodium.

Bad often accompanies the good. I agree with author P.J. O'Rourke, who labeled Europe's sorry excuse for ice cubes as a "crumbling leftover from some Lilliputian puddle freeze." Don't get me started on their toilet paper, which should be labeled with sandpaper abrasive grades. Plus, bathing and personal hygiene seem optional in most of the world.

I used to travel a lot for business to Silicon Valley. I called John F. Kennedy to San Francisco International flights my personal shuttle. I'd often go for a few days, sometimes less than 24 hours. As far back as the late 1980s, you could leave Midtown Manhattan at 5 p.m. for a 6 p.m. flight. I've been on jet ways with bells ringing that were moved back to the plane to reopen the door for late flyers. No more. I used to have a snakeskin wallet that I got on some trip, which I'd take out, and the receptionist at the American Airlines lounge would tell me, "Go right in, I recognize the wallet." It was then that I realized I traveled too much.

Nowadays, my travel is mostly for pleasure. Will I ever look at the zillion digital photos I've taken with my iPhone? I hate people who post envy-inducing photos on trips via social media, basically screaming "Look at me!" Instead, I post photos of local drinks. A photo of my Żubr beer from Bialystok, Poland, looks refreshing, but no one could accuse me of humblebragging. And let's agree that the use of selfie sticks should be criminalized.

Bourdain also noted: "If you're a writer, particularly if you're a writer or a storyteller of any kind, there is something already kind of monstrously wrong with you." Guilty. How do I know? Because I just booked our next trip.

Write to kessler@wsj.com.

Congress, Cuba and the Embassy Five

AMERICAS
By Mary Anastasia O'Grady

Five courageous Venezuelans are spending the Christmas holidays trapped in the Argentine Embassy in Caracas. Magalli Meda, Pedro Urruchurtu, Humberto Villalobos, Claudia Macero and Omar González are prisoners of the military dictatorship of Nicolás Maduro. But make no mistake: Havana is behind this sadism.

This matters because while the "embassy five" are barely surviving, Cuba's American surrogates in Congress and other parts of official Washington are putting a full-court press on President Biden, trying to get him to lift the U.S. designation of Cuba as a state sponsor of terrorism before leaving office. For geopolitical, moral and humanitarian reasons, empowering Cuba in this moment would be a tragic mistake.

Cuban-dictatorship insiders live well on the island and there's still plenty of money to build luxury hotels, pay the armed forces to keep the lid on dissent, and share intelligence to support the Caracas despot. But the 66-year-old regime has destroyed Cuba's economy. The electricity grid has collapsed. Tens of billions of dollars in loans have been squandered, and most countries will no longer lend to the deadbeat regime. So it wants access to international financial institutions like the World Bank and credit from U.S. banks to secure its power at home and continue its adventures abroad. This requires lifting the terrorism designation.

Eighteen congressional Democrats, including Ilhan Omar (D., Minn.), Barbara Lee (D., Calif.), James McGovern (D., Mass.) and Alexandria Ocasio-Cortez (D., N.Y.) want to help the regime get what it wants. On Nov. 15 they sent a letter to President Biden imploring him to take Cuba off the state sponsor of terrorism list and provide sanctions relief. They also say they want an infusion of U.S. aid for the Cuban people—as if totalitarianism allows such a thing. Are these people obtuse or evil? Maybe both.

The Hill reported Dec. 17 that Ben Rhodes, President Obama's deputy national security adviser, is also lobbying to get Havana off the terrorism list. If Mr. Rhodes, with his foreign-policy record, favors something, you know it's a bad idea.

As the State Department explained in January 2021: "For decades, the Cuban government has fed, housed, and provided medical care for murderers, bombmakers, and hijackers, while many Cubans go hungry, homeless, and without basic medicine." It added: "The Cuban intelligence and security apparatus has infiltrated Venezuela's security and military forces, assisting Nicolás Maduro to maintain his stranglehold over his people while allowing terrorist organizations to operate." Cuba's aid to guerrilla groups "continues beyond Cuba's borders as well, and the regime's support of Maduro has created a permissive environment for international terrorists to live and thrive within Venezuela."

The plight of the embassy five highlights the barbarism of Cubazuela. They sought refuge with Argentine diplomats nine months ago when the regime tried to arrest them for

Maduro's goons terrorize Venezuela's opposition with Havana's support.

their peaceful work on behalf of the democratic opposition. They're asking for safe conduct out of the country under the Caracas Convention of 1954.

Mr. Maduro is instead tightening the noose. Argentine diplomats have been expelled and the Brazilians, who took custody of the embassy, are no longer allowed to enter the premises. More recently Maduro goons have laid siege to the building, cutting the electricity and access to provisions. The hostages are rationing the little food they have left and drinking water pumped by a generator. Armed thugs patrol the neighborhood with assault rifles, adding to the psychological torture and isolation.

Bashar al-Assad, the exiled Syrian dictator, is a hated man in his own country. But is he more hated at home than Mr. Maduro, who is equally ruthless and whose grip on power is now in its 12th year? I doubt it. The trouble for ordinary Venezuelans is that a regime being "widely reviled" isn't enough to force a change. That usually happens at the point of a gun.

Venezuela might reclaim its liberty if there were an uprising among the 200,000 active uniformed military personnel and civilian law enforcement. Most are unhappy, but Mr. Maduro and his ruthless sidekick, Diosdado Cabello—now minister of public security—are said to hold them in check with about 5,000 well-paid enforcers.

Cuba plays a big role too. Cuban numbers inside the country can ebb and flow, but Havana backstops the regime. It has dispatched personnel to provide personal security to Mr. Maduro and train minders to spy on uniformed rank and file and midrank officers in the barracks. Soldiers are under the constant watchful eye of someone who can report them for a suspicious glance or the use of an unapproved website on a phone. Cuba's sophistication in consolidating and analyzing intelligence is unmatched in the world.

Under Cuban political tutelage, eight million Venezuelans have fled the country, there are 1,900 political prisoners, and the five patriots inside the embassy are being starved to death. This is state-sponsored terrorism by any other name.

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The Authorities Shrug at Bank Fraud

By Gerard Leval

For the second time in three years, my wife and I have been the victims of bank fraud—more specifically, check tampering, sometimes called check washing.

Some months ago, we made a tax payment to the District of Columbia, where we live. We sent a check for tens of thousands of dollars to the D.C. Treasurer, in compliance with applicable rules. As required, we noted on the face of the check that it was a payment for taxes and deposited it in a U.S. Postal Service mailbox.

After filing a required tax return, we received an ominous notice from the D.C. Treasurer's office that we were delinquent in paying our taxes. We sought and obtained a copy of our cashed check from our bank to prove that a mistake had been made.

We were shocked to discover that the check, which we had made payable to the D.C. Treasurer, had been visibly altered to make it be payable to an individual and had nonetheless been cashed by our bank.

My check was among the hundreds stolen daily. Nobody wants to do anything.

We immediately filed a claim with our bank, providing meticulous details and documentation. We contacted the bank where the money from the check was deposited. We reached out to the office of the chief financial officer of the District of Columbia and met with officials in the D.C. Treasurer's office. We filed a report with the D.C. Metropolitan Police. We sought the assistance of the U.S. Attorney for D.C., and we filed a complaint with the USPS.

Everyone we contacted expressed regret that we had been victimized by this fraud. All indicated that they would be happy to help us.

We foolishly assumed there would be quick action. In particular, we thought that the offender, whose identity is apparent on the face and endorsement of the altered check, would be promptly arrested and charged. We were wrong.

More than five months later, to our knowledge, no one has been charged. The Postal Service is investigating but thus far has only warned us not to send checks through the mail because, as they informed us, hundreds of checks are stolen each day. The Metropolitan Police has yet to respond. The D.C. Treasurer's office waived penalties and interest on our "tax delinquency" but has made only modest efforts to find the perpetrator. Our bank agreed to investigate the matter, but only after months of demands and the threat of a lawsuit did it finally return our stolen money.

Fraud has become so common that it seems no longer to engender concern, anger or urgency. Law-enforcement agencies seem too overwhelmed by the sheer volume of scams to act. But a continuing failure to pursue the perpetrators of scams and frauds can only be the prelude to society's moral decay. Our institutions must acknowledge and promptly rectify this abdication of duty.

Mr. Leval is a Washington lawyer and author of "Lobbying for Equality: Jacques Godard and the Struggle for Jewish Civil Rights during the French Revolution."

BOOKSHELF | By Andrew Stark

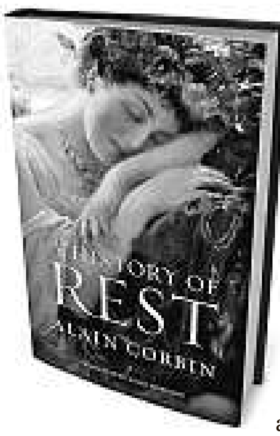
A Pause In the Action

A History of Rest

By Alain Corbin
Polity, 122 pages, $16.95

'Weary with toil, I haste me to my bed," begins a sonnet of Shakespeare's, soon pausing to note: "But then begins a journey in my head." Or as Pascal put it a few decades later, a bit more pointedly: "Man finds nothing so intolerable as to be in a state of complete rest," where he "faces his nullity, loneliness, inadequacy, dependence, helplessness, emptiness." Rest is not the same thing as peace of mind. We are, paradoxically, often most restless when we are at rest.

In "A History of Rest," the French historian Alain Corbin takes us on a tour of human attempts to unwind. Among other things, he explores the ancient belief that rest is best achieved in bucolic nature, quoting Virgil on the pleasures of snoozing by "moss-pillowed fountains." He tells us, too, of the 19th-century notion of "public rest," in which citizens were to enjoy a break from political discussion. (What a wonderful idea!)



Mr. Corbin discusses both intentional retreats from the world, as when Charles V abdicated in 1555-56 to spend his remaining days in a monastery, and not-so-intentional ones. In France, nobles who displeased the monarch could find themselves banished to the countryside to cool their heels. Apparently we have this practice to thank for the restoration of several magnificent châteaux. The invention of aids to rest like the chaise longue make an appearance in Mr. Corbin's engaging book (translated by Helen Morrison), as do resting cures for tuberculosis.

Although Mr. Corbin says that the nature of rest has changed over time, "A History of Rest" is more a testament to how much things have remained the same. From ancient times to modern, rest has mainly assumed four different forms: two of them, nightly sleep and the weekly sabbath, of shorter length, and the other two—retirement toward the end of life and the permanent rest of death—of rather longer duration.

Rest's blessings and its curses emerge most clearly in this quartet. On the upside, each of the four, Mr. Corbin claims, can be a portal to peace and calm. Heading off to sleep of an evening, the 18th-century soldier Xavier de Maistre hailed the "sweet warmth" of his bed. The sabbath brings to many a comforting "rest in God." As for retirement, Diderot saw it as a time of "ease and tranquillity." And "the sweetness of the eternal rest" that accompanies death, Mr. Corbin writes, is heralded in many a requiem.

But the various kinds of rest also deliver unique discontents. With their religious resonances, both the sabbath and the afterlife can induce mortal terror. After all, as Mr. Corbin observes, God has promised to punish those who fail to observe "the sabbath as a day of rest." And who knows whether our afterlife will offer eternal rest—or something much worse?

As for sleep—and death too, for Hamlet—they both, by sending us into unconsciousness, menace us with the prospect of unpleasant dreams. Sabbaths and retirements, by contrast, permit us to remain conscious, thereby delivering a different kind of unpleasantness: what Mr. Corbin calls the "torments of boredom." Think of the longueurs of a Sunday afternoon, or endless days playing canasta in a retirement community.

Most important, sleep and sabbaths—because they are merely temporary rests—become occasions for our mind to leap stressfully ahead, obsessing about the trials and tribulations that lie in the future. Retirement, by contrast, may prompt us to look backward wistfully, mourning the passion and promise we once enjoyed. The prospect of death triggers a similar sort of reckoning with the past.

Mr. Corbin is adept at showing how our resting mind, far from relaxing and regenerating, tends to worry about what's to come or sigh over what once was. But what can we do about this? He doesn't say and in fact remarks on our "modern neglect of the notion of inner peace." Walk into any bookstore, though, and you will find its shelves bursting with ideas.

Amid the constant demands of a busy life, we find ourselves craving calm, ease, peace. We should be careful what we wish for.

Suppose, as we bed down for a restful sleep, that we can't help thinking about the ominous possibilities suggested by our invitation to the boss's office the next morning. We should remind ourselves, cognitive behavioral therapists say, that we don't know for sure that the news will be bad and focus instead on all the good things that such a conversation could involve. Slumber can then descend.

Or we might, as we try to relax by the pool with our fellow retirees, find ourselves brooding over the joys of our romantic life, now so remote and sadly irrecoverable. We should, many a book on aging says, recall instead all the bad things we experienced in our episodes of failed romance—the confusion, the rejection, the humiliation. Arthritic knees will feel minor by comparison, and we will enjoy our poolside cocktail unperturbed.

Ancient thinkers—whose life wisdom is another feature of bookstore self-help sections—had other proposals to contend with the disturbances that Mr. Corbin details. Suppose that, while playing with our daughter on the weekend, we can't help reflecting on how, one day, the two of us won't be together "inseparably or forever," as Marcus Aurelius put it when describing such a moment of reflection. Instead of feeling morose, he observed, we could use such an awareness to deepen our appreciation of the time we have with her today, thus fully savoring its preciousness.

Or we might, as the final rest of death approaches, find ourselves ruminating on how we once bestrode the world like a colossus. Instead of feeling wistful, Epicurus counseled, we should treat such recollections as an opportunity to relive those wonderful times without ruing their pastness. As Mr. Corbin himself notes: Rousseau found that by recalling his "youth and innocent pleasures" during his late-life reveries, he could "enjoy them anew."

Rest, as Mr. Corbin demonstrates in his subtle and insightful meditation, is complicated. Yet we aren't helpless. Our species is always generating fixes—some of which will work better than others at any given time—to turn our resting mind toward serenity and away from angst. A good rest requires a little effort.

Mr. Stark is the author of "The Consolations of Mortality."

OPINION

REVIEW & OUTLOOK

President James Earl Carter

A centrist Democrat in a center-right era, he was defeated by the left.

Believe it or not, a Democratic President once campaigned on deregulation, fiscal restraint and sunsetting federal programs. Jimmy Carter came out of nowhere—Plains, Ga.—to win the White House in 1976 on a centrist platform, only to be undone after one term by economic and foreign-policy mistakes and the left of his own party.

Carter, who died Sunday at age 100, was an anomalous winner in an era of GOP presidential dominance. He won the Democratic nomination by figuring out how to exploit the changes that made primaries and caucuses more important than party bosses. He narrowly defeated Gerald Ford, who had taken office after Richard Nixon resigned, by running as an earnest evangelical who would restore integrity to the White House.

A sign of how American culture has changed is that a major uproar in the 1976 campaign concerned a Carter interview with Playboy magazine in which he conceded that he sometimes had "lust" in his *heart*. He swept the South except Virginia and won 30% of self-described conservatives.

* * *

A former Georgia Governor, Carter arrived in Washington as an outsider with large Democratic majorities in Congress. But they were liberal majorities, including a younger cohort elected in the Watergate year of 1974 who had deposed older committee chairmen. Having destroyed Nixon with Nixon's help, they gradually broke Carter too. In March of his first year, he dared to criticize 19 water projects moving through Congress, calling them of "doubtful necessity now, in the light of new conditions and environmental policies."

Democrats trashed his energy rebate bill in response, and Carter had to accept half the projects. Later that year his budget director, Bert Lance, was run out of town on an ethics rap. Lance was later acquitted on all charges, but the Carter pattern of getting rolled by a Democratic Congress was set.

Carter inherited an economy improving after the 1974-1975 recession, but on economic policy he was mostly at sea. The significant exception was deregulation, as he worked with Sen. Ted Kennedy to liberate trucking, airlines, railroads, natural gas and communications. This is an underappreciated achievement that is impossible to imagine in today's Democratic Party.

He tried tax credits, gas taxes and a much-mocked $50 tax rebate. He also kept Nixon's oil price controls until 1979, which led to shortages and long lines at gas pumps around the country. Inflation accelerated under Carter's Federal Reserve chief, G. William Miller, until he was persuaded to replace Miller with Paul Volcker in 1979—too late to save his Presidency.

The Carter foreign policy traveled a similar arc of naivete followed by realism that came too late. He gave a speech in May 1977 at Notre Dame deriding America's "inordinate fear of Communism," and the Communists took him at his word. The Soviets invaded Afghanistan and meddled via proxies in Central America and Africa.

Carter negotiated an unlikely treaty between Israel's Menachem Begin and Egypt's Anwar Sadat, and that peace has held through today. It was a tour de force of personal diplomacy. Along with elevating human rights to a more prominent place in U.S. foreign policy, this was his main foreign achievement.

But his Middle East policy blew up with the Iranian revolution in 1979. Carter misread Ayatollah Khomeini's intentions and failed to back the Shah, a long-time U.S. ally. Despite peace overtures from Carter, the Ayatollah called the U.S. "the Great Satan" and took 66 American hostages at the Embassy in Iran in 1979.

Carter tried a rescue mission that failed, though these columns praised him for trying. The Iranians held the hostages for 444 days, returning them on the day of Ronald Reagan's inauguration. Carter also began a military buildup to counter the Soviets, but it was too late to make up for the global impression of U.S. weakness.

As Reagan began his run as a Republican, Kennedy challenged Carter for the Democratic nomination from the left. Kennedy lost but he damaged the incumbent, not least with a half-hearted endorsement at the Democratic convention. Carter kept the 1980 general election close until the final debate when Reagan showed he wasn't the reactionary of media myth. Carter won 41% of the popular vote.

Many have praised Carter as a better former President than chief executive, and his charitable work for Habitat for Humanity and other causes was exemplary. His post-presidential forays into foreign affairs were less praiseworthy. He became a persistent critic of Israel to the point of suggesting that Palestinian violence was understandable. His last-minute intervention in North Korea in 1994 boxed in Bill Clinton and paved the way for the Agreed Framework that the North used to extort aid while lying about its nuclear program.

* * *

Carter brought good intentions and admirable character to the White House, but he was unable to address the main problems of his time. Democrats nominated him as a fresh face in a center-right era of American politics, but he was ground down by the left and his Presidency paved the way for the great Reagan restoration.

Regrets, Biden Has Too Few

The aftermath of an election, especially when it coincides with the end of a Presidency, is typically when partisans finally admit some incriminating truths. That's happening now as Democrats come to terms with their November defeat.

This doesn't seem to include President Biden or his advisers, who are spinning the unpopularity of his Presidency and the Democratic defeat as a disconnect between his old-style politics of substance and compromise with the new politics of style and unreality.

That's the main takeaway of many exit pieces in the press, and it's something to behold. No regrets about policies that produced inflation or a world in disarray. The problem was mainly a failure to communicate in the new landscape of social-media and celebrity podcasts.

Mr. Biden's biggest regret seems to be that he dropped out of the race under unfair Democratic pressure. Here's how a story in the Washington Post puts it:

"Biden and some of his aides still believe he should have stayed in the race, despite the rocky debate performance and low poll numbers that prompted Democrats to pressure him to drop out. Biden and these aides have told people in recent days that he could have defeated Trump, according to people familiar with their comments, who spoke on the condition of anonymity to describe private conversations."

The Post reports that Mr. Biden doesn't want to say this publicly lest it seem a criticism of Kamala Harris, but wow. This ignores that Mr. Biden was trailing before he dropped out and that Ms. Harris made the race closer. Mr. Biden's regret should be how he governed, and that he didn't drop out a year earlier.

Trump Is Right on H-1B Visas

Donald Trump may be wrong in trying to save TikTok, but he is right to endorse the value of H-1B visas in the dispute between Elon Musk and Steve Bannon. Mr. Trump is choosing the side of enlightened nationalism, as opposed to the blinkered, declinist version.

The debate broke out late last week on social media as Mr. Musk and Vivek Ramaswamy defended the legal, high-skill H-1B visa program from critics who want to sharply reduce even legal immigration. "I have many H-1B visas on my properties," Mr. Trump told the New York Post. "I've been a believer in H-1B. I have used it many times. It's a great program."

Mr. Trump may be confusing the H-1B program with the H-2B visas he has used for workers at his hotel properties. But the point is that both are legal programs that help to fill labor needs in the U.S. economy. Unlike illegal migration, these programs don't offend the rule of law or risk importing criminals.

Mr. Trump's position isn't surprising since he has often said he favors skilled immigration. In June he told a podcast with Silicon Valley potentates that if "anybody graduates from a college, you go in there for two years or four years, if you graduate, or you get a doctorate degree from a college, you should be able to stay in this country."

Many of those foreign graduates who remain in the U.S. do so under H-1B visas, which are sponsored by companies. The program is small—capped at 85,000 a year—and has reached its quota every year since 2004. For fiscal 2025 the H-1B requests exceed the limit by five times, according to immigration expert Stuart Anderson of the National Foundation for American Policy.

Some 30,000 employers gained approval through a lottery system for at least one H-1B applicant in fiscal 2024, which attests to the broad demand. The U.S. jobless rate for computer and math jobs was 2.5%, and 2% for architecture and engineering, in November 2024, Mr. Anderson says.

Some critics say H-1B visas let companies pay less than U.S. workers earn, but under the law employers must pay H-1B visa holders the higher of the prevailing wage or actual wage paid to comparable U.S. workers. Mr. Anderson says the average annual salary for an H-1B visa holder in 2023 for computer-related jobs was $132,000, according to U.S. immigration data. This isn't exploitation of cheap labor.

The U.S. is in a global competition for economic and technological leadership, and U.S. firms need the best talent. Studies show that when applicants are denied H-1Bs, they go abroad. "For the most global multinational companies, this is at almost a 1-1 rate," Britta Glennon of the Wharton School told Mr. Anderson in an interview based on her study.

There have been some abuses of the H-1B program, but they are no reason to shrink or eliminate it. U.S. companies find it crucial to compete. And one way to reduce illegal immigration is to allow more legal pathways to meet the needs of the U.S. economy.

Some conservatives want to define nationalism solely by geography and ethnicity. But the U.S. has thrived because it has invited talented newcomers from many nations who add to U.S. strength and vitality. This is intelligent nationalism of the kind we assume Mr. Trump wants.

LETTERS TO THE EDITOR

The Polio Vaccines Are Safe—and Necessary

In "RFK, Polio, the Media and Me" (op-ed, Dec. 19), Aaron Siri, writes that Sanofi, a pharmaceutical company, got a license to market a polio vaccine without using a control group in its trial. He calls this lack of a control group a "serious safety gap."

The researchers used antibody response to measure efficacy, since this was decades after the Salk and Sabin polio vaccines became available. Just how many children does Mr. Siri think Sanofi should have allowed to become paralyzed in a control group to satisfy his concept of a valid trial?

Robert D. Dyson, M.D.
Portland, Ore.

I am appalled by Robert Kennedy Jr.'s threat to the administration of the polio vaccine. I am 79, and I not only remember the 1952 polio epidemic but was personally involved. I had the early stage but no paralysis. My brother, Terry, got the full disease. I can still picture our mother telling the neighbors about the diagnosis.

Eventually, an operation was performed on Terry in 1954. Bone was fused into his spine. It made his back stiff, but he was able to walk and in time live a normal life. After the operation, Terry wore a cast stretching from his neck to his hips. It was summer. We didn't have air conditioning. My mother's former boss bought an air conditioner so Terry wouldn't suffer unduly. Terry, now 82, has scoliosis but keeps going.

Another even more tragic instance of polio happened to my sister-in-law's sister, Lois, who caught polio at about age 15. She was paralyzed from the neck down for the rest of her life.

The polio vaccine came out soon after the epidemic. It was a miracle. It saved so many lives and rid the country of this plague. Those of us who remember what it was like before the vaccines must stand up and be counted and keep Mr. Kennedy from being confirmed.

Antoinette J. Kuhry
Sonoma, Calif.

Biden Negotiates Away U.S. Rights in Secret

Your editorial "Biden's Midnight Trade Sabotage" has done a better job informing Congress of trade negotiations than the Biden administration has. President Biden and his U.S. trade representative (USTR) are renegotiating the U.S.-Mexico-Canada Agreement behind closed doors without publicly informing the American people or Congress.

The editorial board, not the USTR, provides Congress its first glimpse into these negotiations. These misguided talks will rob American companies of protections that have enabled investment in foreign-trade-partner nations. Most egregiously, Vulcan Materials Co.—based in Birmingham, Ala.—would lose its ability to seek a remedy after the Mexican government unlawfully shut down and then seized Vulcan's port in Quintana Roo.

The Biden administration is negotiating away the due process of Americans, including my constituents, in the waning days of this lame-duck administration. This is an unacceptable attempt to shackle the coming Trump administration. It would further sully Mr. Biden's weak legacy.

I write, though, with hope. There is bipartisan legislation, the Defending American Property Abroad Act, which would impose retaliatory prohibitions against the Mexican government if it sought to profit off the seized port.

Mr. Biden's negotiations would irreparably hurt American companies. We must pass this legislation now, and we need congressional Democrats to speak out against this overreach by the Biden administration before it's too late.

Sen. Katie Britt (R., Ala.)
Montgomery, Ala.

Corporate Leaders Have Changed Their Tune

Gerard Baker's "Trump is Back, This Time Without Disdain" (Free Expression, Dec. 17) makes a revealing observation. Eight years ago, President-elect Donald Trump hosted a gathering of business leaders at Trump Tower. The tech titans, many of whom had openly or privately expressed contempt for Mr. Trump, were all there.

The titans listened politely but were unimpressed. Contrast that with the impressive list of business leaders clamoring today to genuflect, kiss the ring and slip the big check. What is going on—why the shift?

The general election in November showed nearly all demographics shifting to the right. The business community appears to be doing the same. These business titans are re-examining and realigning. They are realizing that onerous government rules and regulations imposed in the past four years are impeding progress and pushing them in a direction they oppose. Apparently, the government believes regulations and piles of paperwork will protect citizens from big, bad, evil companies.

Business leaders are asking: Is the real goal of excessive regulation during the Biden administration to protect the consumer or to control industry through mandates and executive action? Executives are becoming increasingly suspicious that big government is using burdensome edicts, red tape and rules to force their way into the boardroom and redefine how American business functions.

Gary Conklin and Ronald Eustice
Plain City, Ohio, and Tucson, Ariz.

Let Your Employees Sleep. Your Firm Won't Regret It

"The Drugs Young Bankers Use to Get Through the Day" (Page One, Dec. 16) brings to focus the age-old struggle that ambitious professionals face: Sleep or be productive. This classic model rewards those who are willing to burn it at both ends for the company, even at their own expense.

This setup might have served industrial systems, where goods were created by a line of repetitive, manual labor. But it fails our knowledge economy, where the valued prize is less a widget and more an insight.

As a sleep-medicine physician and neurologist, I'm aware of the pile of scientific literature supporting a myriad of brain functions bolstered by sleep. Creativity, inference, memory, emotional fortitude, flexibility—the list goes on.

Companies looking for a competitive edge might tap in to the resource of sleep to give their executives an edge rather than stick with an outdated model of stimulant-enriched, sleepless nights yielding mediocre minds.

Jeffrey M. Ellenbogen, M.D.
Baltimore

'A Favorite' of Sen. Warren

Your editorial "A Fed Regulator Who Deserves the Boot" (Dec. 18) is quite informative. The piece, however could have been much briefer.

In my opinion, the early sentence "A favorite of Elizabeth Warren, Mr. [Michael] Barr helped devise the 2010 Dodd-Frank Act and Consumer Financial Protection Bureau" is quite enough to justify his getting the boot.

Stephen Brewer
Kansas City, Mo.

Employers Are in the Middle

Dr. Bert Vorstman brings up an important point about healthcare insurance (Letters, Dec. 20): Much of it isn't insurance at all. It's more like prepaid healthcare that gets more expensive every year due mostly to growing administration. But this isn't the root cause of what makes our system unsustainable.

The root cause is the underlying structure by which employers get a tax deduction for providing this "insurance." Study after study reveals the costs of this middleman process, in which the consumer isn't the payer for healthcare or even the direct buyer of insurance. This also contributes to the grotesque disruption in doctor-patient relationships.

The end-customer should get the tax deduction. Employers don't want to administer, and shouldn't be privy to, individuals' healthcare, but that has been our ingrained culture since World War II.

Nick Sampair
Novato, Calif.

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Pepper ... And Salt

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"I'd say success is 1% inspiration and 99% subscribers."

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OPINION

Jimmy Carter's Unappreciated Legacy

By Stuart E. Eizenstat

Jimmy Carter lived a long and full life that took him from the Georgia hamlet of Plains to the White House. He served as a naval officer, a Georgia state senator and governor of the Peach State. He received the 2002 Nobel Peace Prize for negotiating a peace treaty between Israel and Egypt and for his work at the Carter Presidential Center curing African diseases, monitoring elections, and mediating international disputes from Bosnia to Haiti. He did it all with his loving wife Rosalynn by his side. They were married in 1946; she died at 96 in November 2023.

After more than four decades, it's time for history to redeem the Carter presidency. There were gasoline lines, high inflation, the Iranian hostage crisis, a speech dubbed "malaise" (a term he never used) and a landslide re-election defeat. He left office with an approval rating lower than any post-World War II president except Richard Nixon and Harry S. Truman, and equal to those of George W. Bush and Donald Trump. But he should also be remembered as a consequential president whose single term produced lasting accomplishments.

The 39th president never stopped trying to make America, and the world, a better place.

Carter's success rate at passing major legislation was among the highest of modern presidents, not far below Lyndon B. Johnson's. More than 10 million jobs were created in his four-year term—double that of Ronald Reagan's first term and more than five times as high as George H.W. Bush's one term. He also managed average real GDP growth of 3.4%, a figure surpassed by only three modern presidents—John F. Kennedy, LBJ and Bill Clinton. He laid the foundation for Reagan's military buildup while negotiating a nuclear-disarmament treaty with the Soviet Union, later implemented by Reagan and the Soviets. He respected the institutions of government and the free press, no matter how brutal its coverage.

An indefatigable campaigner, Carter spent more than 100 days in Iowa cultivating its caucus participants, often sleeping on supporters' couches. In November 1976 he assembled a fragile coalition of Southern whites, African-Americans, organized labor and traditional liberals to defeat President Gerald Ford. He ran as an antiestablishment populist, a small-business man, a religious Christian. He promised to remove the stain of Watergate: "I will never lie to you."

As the only Democrat to serve as president in a 20-year conservative era, he understood the public mood more keenly than did his party's liberals, who battled him constantly for more social spending and a government-dominated healthcare program championed by Sen. Edward Kennedy, who challenged his renomination and divided the Democratic Party in 1980. In later years Kennedy bemoaned his failure to support Carter's less costly, private-sector-based bill, which became the framework for President Obama's Affordable Care Act. Carter was fiscally conservative; progressive on civil rights, women's rights and poverty; a free trader and a liberal internationalist who believed in engaging allies to promote American interests.

Carter was dealt a difficult hand. The postwar political consensus had begun to unravel because of the Vietnam War and "stagflation," the combination of high inflation and slow growth that bedeviled Presidents Nixon and Ford. The Soviet Union was at the apex of its military power.

ASSOCIATED PRESS

Jimmy Carter (1924-2024) in the Oval Office Jan. 24, 1977.

The radical Islamic revolution in Iran, which ousted a long-term ally in the shah, led to the debilitating and politically fatal hostage crisis. A centrist, Carter faced Democrats hungry for another Great Society and Republicans reinvigorated by Reagan, whose positive message and political skills we underestimated.

Carter also suffered self-inflicted wounds. He didn't hire experienced Washington hands to balance his own inexperience in national government and that of his "Georgia mafia" (which included me). He took personal pride in ignoring the political consequences of decisions he regarded as principled. But that also allowed him to take on politically thankless challenges such as the Panama Canal Treaty, the Middle East peace process, and our dependence on oil imports.

Many major successes remain unappreciated. Today's U.S. energy security rests on three hard-fought bills that finally ended price controls on natural gas and crude oil to stimulate domestic production, made conservation a centerpiece, and inaugurated the era of clean energy—which Carter symbolized by erecting a solar panel on the White House roof. He started the modern deregulation movement by repealing federal controls on trucking, railroads and airlines, opening the way for new carriers like Southwest and JetBlue. He began the deregulation of telecommunications, ushering in the cable era, and of banking. He even ended the Prohibition-era rules that prevented the flow of local craft beers. He adopted the first cost-benefit reviews of new federal regulations.

Carter doubled the size of the national park system. The Ethics in Government Act of 1978 passed with his leadership. This Deep South president appointed more minority federal judges and senior officials in his administration than all 38 presidents before him together, and more women, too, including Ruth Bader Ginsburg to the U.S. Court of Appeals. He dramatically increased funding for education and saved Chrysler and New York City from bankruptcy.

Inflation was Carter's principal domestic vulnerability. Already high when he assumed office, it raged with the second oil shock of the 1970s, despite his efforts, which included a major U.S.-led international intervention to prop up the falling U.S. dollar, voluntary wage and price controls, and fiscal austerity with low budget deficits. He told us he would rather risk re-election than bequeath such a legacy. In his most courageous domestic decision, in 1979 he chose Paul Volcker as Federal Reserve chairman, fully aware that Volcker would tighten, raising interest rates and unemployment in an election year. Volcker told Carter he would refuse the job unless Carter was willing to accept this tough medicine. Carter told Volcker to take care of the economy: "I'll take care of the politics."

The resulting monetary stability and low inflation didn't come in time to help Carter win re-election in 1980. Ironically, most of his successors, with the exception of Mr. Clinton, have run much larger budget deficits to stimulate growth, with massive additions to the national debt Carter avoided, because of public confidence the Fed will take care of inflation.

Carter's contributions are even more evident in foreign policy. The 1978 Camp David Accords and the 1979 Egypt-Israel Peace Treaty remain critical to Israel's security and America's national interests. By making human rights a U.S. foreign-policy priority for the first time, he strengthened democracy in Latin America and weakened the Soviet empire. He also applied hard power to Moscow, reversing the post-Vietnam decline in military spending and increasing it by 3% annually. Every weapons system Reagan deployed to weaken the Soviets had already been approved by Carter, including the stealth bomber, long-range cruise missiles, and intermediate-range nuclear missiles in Europe. Even his conservative critics applauded his tough response to the 1979 invasion of Afghanistan. And he normalized relations with China as a counterweight to the Soviets.

The day after his loss to Reagan, Carter told us to get our chins off the floor and make his months as a lame duck the most productive transition in history. He signed the Alaska lands law and the Superfund chemical cleanup law. He made a deal for the release of the Tehran hostages. At the request of his bitter opponent, Sen. Kennedy, he appointed Stephen Breyer to the First U.S. Circuit Court of Appeals, clearing his way to the Supreme Court.

In nearly 44 years after leaving the White House, Jimmy Carter never stopped trying to make America, and the world, a better place.

Mr. Eizenstat was Jimmy Carter's chief White House assistant for domestic affairs and is author of "President Carter: The White House Years."

The Urban Bonfire of the Progressive Vanities

LIFE SCIENCE

By Allysia Finley

New York is the backdrop for famous holiday films such as "Miracle on 34th Street," "Home Alone 2" and "Elf." This year came a less felicitous kind when a video appeared of a woman burning to death on the subway while the man who lit her on fire fanned the flames. It was a nightmare before Christmas.

The video ignited conversation at my family's table and doubtless many others. What happened? On Dec. 22, a 33-year-old undocumented immigrant from Guatemala allegedly lit the sleeping subway rider on fire. Police identified his most recent address as a homeless shelter in Brooklyn for men with substance-abuse problems.

The video is a snapshot of the city's problems: crime, mentally deranged and intoxicated vagrants, undocumented migrants and unsafe subways. It's also an apt metaphor for the destruction of the Big Apple and of other once-great cities by progressive arsonists.

New York's subways are a microcosm of its disorder. On Dec. 20, a man started a verbal altercation with an 83-year-old rider and then repeatedly punched him in the head. The next afternoon, two young men disembarking a Brooklyn train got shot. Early on the morning of Dec. 22, a brawl broke out on a train when several homeless men attempted to steal another vagrant's bags, resulting in two of the thieves being stabbed. One died. That afternoon, a disheveled-looking man punched a 76-year-old woman in the head and knocked her to the ground.

New Yorkers know you ride the subway at your own risk. Liberals blame public fright about rising crime on supposedly distorted perceptions. Before Christmas, Gov. Kathy Hochul deployed more National Guardsmen to the subways in hopes of making riders feel safer.

Yet many New Yorkers have no doubt seen mentally ill vagrants accost police on subway platforms. Stone-faced officers let them howl in their faces. Having law-enforcement around is better than not having them at all, but they don't seem to be preventing crimes or apprehending criminals. Turnstile jumping could be a sport in New York.

Crime on public transit isn't isolated to the Big Apple. It seems to be an epidemic in big Democrat-controlled cities like Chicago, San Francisco and Los Angeles. Their residents are doing what their elected leaders won't do: protecting themselves, mainly by using other modes of transportation like Uber.

Thanks to declining ridership—owing also to remote work and population flight—mass transit systems across America are bleeding red ink. New York's subway ridership was a third lower last year than in 2019. Ridership on California's Bay Area Rapid Transit is down about 60% from before the pandemic.

Most mass-transit systems had budget problems before the Covid lockdowns owing to generous union contracts that inflate wages and benefits and limit efficiencies. A "telephone maintainer" for New York's Metropolitan Transportation Authority earns on average $42.24 an hour and gets a Cadillac health plan.

Liberals say they want 'livable' cities, but their policies produce high taxes, crime and chaos.

Some $280 billion in federal pandemic and infrastructure dollars for public transportation systems helped paper over their deficits, but that money is running out. So is the more than $550 billion in Covid relief that flowed to states and local governments. Cities and their Democratic friends in state capitals are thus looking to hike taxes. See New York's new $9 congestion tax on drivers who enter Manhattan's business district, which is intended to raise $15 billion for local transit.

The Chicago City Council recently passed a budget that aims to raise nearly $182 million in revenue by increasing taxes on cloud computing, streaming services, parking and ride-hailing. The city is also installing more cameras to ding speeders. Meanwhile, Mayor Brandon Johnson this autumn ended the city's contract for a gunshot-detection system that helped police catch gangsters.

Cities across California are plotting new taxes to rescue their public-transit systems and pay for soaring pension bills. "BART going into a death spiral is a very real possibility if we don't find the resources to keep it running," a Bay Area transportation official said this year.

One such "resource" is drivers. A California law taking effect on Jan. 1 bans parking or idling within 20 feet of a crosswalk. Democrats claim the goal is safety, but the more likely object is to force people to take public transit and raise more ticketing revenue from unwitting offenders. The law's supporters notably include public-transportation agencies and climate groups.

Democrats love to talk about making cities "livable," by which they mean reducing the number of cars. But their high taxes, crime and chaos have become unbearable. It's no surprise they are losing population, which has been offset in part by an influx of migrants from south of the border. Adding insult to injury, migrants receive better public amenities than taxpaying natives.

This poses a public-relations problem for Democrats as Americans in the rest of the country associate the party with chaos and mismanagement. When Christmas dinner conversations turn to a poor soul burned to death on a New York subway, Democrats have a five-alarm fire on their hands.

Syria's Rebel Leader Is No Moderate

By David Adesnik And Bill Roggio

Once head of al Qaeda's branch in Syria, Abu Mohammed al-Jawlani is now the most powerful man in the country. He is leader of Hayat Tahrir al-Sham, the U.S.-designated terrorist organization that overthrew Bashar al-Assad this month. Western leaders are responding to this development with relative calm because Mr. Jawlani supposedly broke with al Qaeda in 2016.

But has this new leader really rejected what al Qaeda stands for and severed ties with al Qaeda's extended network? Mr. Jawlani delivered an address in 2016 in which he disavowed "affiliation with any external entity." Many reporters and analysts interpreted that comment as a repudiation of al Qaeda. Yet one of al Qaeda's high-ranking leaders approved in advance of Mr. Jawlani's rebranding.

It's true that Mr. Jawlani has clashed with al-Qaeda-affiliated rivals and achieved effective autonomy while carving out his fiefdom in northwest Syria. But he remains committed to armed jihad and Islamic rule. To this day, several organizations within al Qaeda's orbit operate under his Hayat Tahrir al-Sham banner.

Biden administration officials are reportedly debating whether to remove Mr. Jawlani's group from the list of foreign terrorist organizations. Doing so would be premature. The U.S. shouldn't consider removing the terror designation and associated sanctions unless Mr. Jawlani publicly denounces al Qaeda, rejects jihadism and ensures Syria doesn't become a sanctuary for terrorists.

That is unlikely to happen, as Mr. Jawlani is no moderate. In 2016, during the address in which he supposedly broke with al Qaeda, Mr. Jawlani expressed his gratitude to Ayman al-Zawahiri, who helped plan the 9/11 attacks and succeeded Osama bin Laden as al Qaeda's leader after 2011. Mr. Jawlani praised Zawahiri's "blessed leadership" and extolled him for putting into practice the principles taught by bin Laden.

At the time of his remarks, Mr. Jawlani was the commander of Jabhat al-Nusra, the Syrian branch of al Qaeda. He declared "the complete cancellation of all operations under the name of Jabhat Al Nusra" and announced its replacement by a short-lived coalition that merged with other insurgency groups to become Hayat Tahrir al-Sham six months later.

Mr. Jawlani says he made this name switch because the presence of an al Qaeda affiliate in Syria served as a pretense under which the U.S. and Russia could bombard and displace Syrian Muslims. Hence the replacement of Jabhat al-Nusra with a coalition nominally untethered to any external entity.

Note that Mr. Jawlani didn't renounce his *bay'ah,* or oath of loyalty, to Zawahiri. Nor did he identify al Qaeda as an external entity. At the time, al Qaeda had a robust presence in Idlib, the Syrian province mainly under Mr. Jawlani's control. In October 2016, a U.S. airstrike on Idlib killed a longtime al Qaeda operative who the Pentagon said had planned attacks on Western targets. The following January, a U.S. precision airstrike killed more than 100 al Qaeda members at their training camp in Idlib. In February, another airstrike on Idlib killed Zawahiri's deputy, al Qaeda's second-in-command.

Not surprisingly, the U.S. government rejected the notion of a break between Mr. Jawlani and al Qaeda. In May 2018, the State Department amended the U.S. terrorism blacklist to include Hayat Tahrir al-Sham as an alias for the al-Nusrah front and an al Qaeda affiliate in Syria. "The United States is not fooled by this al-Qa'ida affiliate's attempt to rebrand itself," the State Department's top counterterrorism official said in a statement. "Whatever name Nusrah chooses, we will continue to deny it the resources it seeks to further its violent cause."

Since toppling the Assad regime, Mr. Jawlani has claimed he will respect Syria's ethnic and religious minorities. Yet as Mr. Jawlani's forces approached Damascus, CNN's Jomana Karadsheh asked in an interview if his plan for Syria was still to implement "strict Islamic rule." Rather than saying no, he insisted: "People who fear Islamic governance either have seen incorrect implementations of it or do not understand it properly."

Few have paid attention to the jihadist outfits, mainly Central Asian fighters, that were part of Mr. Jawlani's coalition during the march from Idlib to Damascus. Among these is the Turkistan Islamic Party, whose leader sits on al Qaeda's main advisory council. Five other groups within the coalition are on the U.S. terror blacklist.

Mr. Jawlani is already pressing the U.S. and Europe to lift their sanctions on Syria. So is the United Nations envoy to Damascus. Meantime the Biden administration has canceled the $10 million bounty on Mr. Jawlani's head and has sent a delegation to Syria to meet with the country's interim government. One of the State Department's top Mideast diplomats told reporters the administration will judge the new government in Syria "by deeds, not just by words." Let's hope Washington doesn't rush to engage.

Mr. Adesnik is vice president of research at the Foundation for Defense of Democracies. Mr. Roggio is a senior fellow at the foundation and editor of its Long War Journal.

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Global Politics Take a Turn to the Right

Weak growth and record immigration drive gains, especially for populist parties

The progressive moment is over—at least for now.

This past year showed that the progressive politics that dominated most industrialized countries over the past two decades or more is shifting to the right, fueled by working-class anxieties over the economy and immigration, and growing fatigue with issues from climate change to identity politics.

*By **Bertrand Benoit** in Berlin, **David Luhnow** in London and **Vipal Monga** in Toronto*

CLEMENS BILAN/EPA/SHUTTERSTOCK

Polls suggest the far-right Alternative for Germany party could run second in February's election.

The return of Donald Trump to the White House is far from the only example.

Across Europe, where economic growth has largely stalled, conservatives and populist right-wing parties are making unprecedented gains. Three-quarters of governments in the European Union are either led by a right-of-center party or are ruled by a coalition that includes at least one.

Canada appears poised to kick out a deeply unpopular progressive prime minister and Germany is expected to dump its center-left government.

Part of the shift is the normal pendulum of politics. The difference this time is a strong strain of populism and a growing rejection of traditional parties.

In country after country, many working-class voters—especially outside the biggest cities—are signaling they mistrust the establishment and feel these elites don't care about people like them.

Years of increased migration and trade, coupled with low economic growth, have led to a backlash and a rise in nationalism, where people want more of a sense of control, political analysts say. The rise of social media has exacerbated divisions.

"It's a broad shift that goes across countries," said Ruy Teixeira, a lifelong Democrat who now works for the center-right American Enterprise Institute think tank. "Working-class people are just pissed off." While one of the two establishment parties won in the U.S., the Republicans have largely been taken over by the insurgent figure of Trump, said Teixeira. He said he doesn't see either the left or conventional right easily recapturing Trump's populist, multiracial working-class majority.

In Canada, Prime Minister Justin Trudeau's center-left Liberal Party trails the Conservative Party by roughly 20 points in opinion polls. One recent poll by Abacus Data showed more Canadians had a positive view of Trump than of Trudeau.

Pierre Poilievre, the leader of Canada's Conservative Party, has taken up much of the populist rhetoric used by other right-wing movements around the world. In 2022, he aligned himself with Canada's trucker convoys, a protest movement ignited by opposition to vaccine mandates and Covid-19 lockdowns.

Poilievre also has called for curtailing many of the policies introduced by Trudeau to curb climate change, including a carbon tax; pressed Trudeau about voters' affordability concerns; and said he would reduce immigration.

In Europe, politicians also face a skeptical electorate after years of stagnant real wages and rising migration. That has fueled support both for the establishment right—social conservatives and free-market champions—and for antiestablishment populists, who want protection from migration and trade, said Manès Weisskircher, a political scientist at the Dresden University of Technology.

The rapid reshuffling of voters' priorities in the past few years has made issues associated with the center-left—such as climate change, social justice and identity politics—seem less relevant, said Ursula Münch, director of the Academy for Political Education in Tutzing, Germany. That could mean governments become more concerned with national rather than international priorities, reducing cooperation.

"It turns out people [in the West] value their own jobs more than whether some islands are going to sink into the ocean," she said.

The U.K. this year seemingly went the opposite direction, kicking out the Conservative Party and electing the Labour Party. But that was after 14 years of Tory rule and marked more of a rejection of the incumbent, said Tony Travers, a political scientist at the London School of Economics.

Last June, voters across the EU elected a new European Parliament. The clear victor was the conservative European People's Party.

But further to the right, gains were even bigger. Parties such as Germany's AfD, France's National Rally and Italy's Brothers of Italy are scattered across multiple—and sometimes mutually hostile—groups in the chamber.

National Rally scored about one-third of the votes at the European election and in the first round of the French general election a few weeks later. Despite a mixed second-round performance, it is now the largest single party in France's National Assembly.

The nationalist, anti-immigration AfD won its first state election in eastern Germany this autumn and finished a strong second in two others. Ahead of February's general election, opinion polls suggest it could get 16% to 20% of votes, behind only the conservative Christian Democratic Union at 30% to 34%.

The center-left government of Chancellor Olaf Scholz is the least popular since 1949, according to Manfred Güllner, the head of public polling firm Forsa.

A key difference between conservatives, who tend to favor the status quo, and far-right populists often is that the latter can more credibly criticize established parties because most haven't held power. Where they have, as in Italy, they have moderated to govern.

Haitians Flee Gangs on a Dangerous Mountain Trail

By Kejal Vyas And Ingrid Arnesen

PATRICE NOEL/ZUMA PRESS

Haitians fleeing their homes with whatever they can carry amid ongoing gang violence in the country's capital, Port-au-Prince.

The mountain trail south of Haiti's capital was long used only by farmers hauling strawberries to market and the rare adventurous hiker. It passes bucolic highland pine forests and follows rugged cliff-side paths in a place so remote it is known to locals as "where even the dogs don't go."

Now, it is one of the last ways to escape Port-au-Prince, the capital city where violent gangs have cut off other road and sea routes for fleeing Haitians. Each day, scores of Haitians carrying suitcases and mattresses take the daylong, sometimes dangerous journey along the rocky route to get to the country's southern coast, a haven from the urban warfare.

The rush to flee highlights the worsening security conditions in Haiti. Gang leaders have seized control over some 90% of the capital since toppling an interim government in March. A U.S.-funded, Kenya-led international police force that was deployed in June is struggling to fight back, leaving average citizens to fend for themselves.

"To live in Port-au-Prince right now is to live in hell, like an open-air prison," said Marie Yolene Gilles, a human-rights advocate in the city who described how friends and colleagues have had to take the remote route south. "We're closer to death than to life. People are willing to risk it all to get to the countryside."

The precarious situation underscores challenges that await the incoming administration of President-elect Donald Trump, which has promised to strip Haitian migrants in the U.S. of protected status and carry out mass deportations. For Haitians, deportation would mean returning to a country where gunmen fight in the streets over lucrative trades in smuggling, extortion and kidnapping-for-ransom, security analysts said.

More than 200 people were killed in a Port-au-Prince slum in early December when a gang boss sent followers with machetes to hunt people he believed were practicing witchcraft, rights groups that documented the massacre said.

In recent days, two journalists and a police officer were fatally shot in Port-au-Prince by gangsters at a ceremony marking the reopening of the capital's general hospital. That attack took place days after a gang set fire to an important local trauma center.

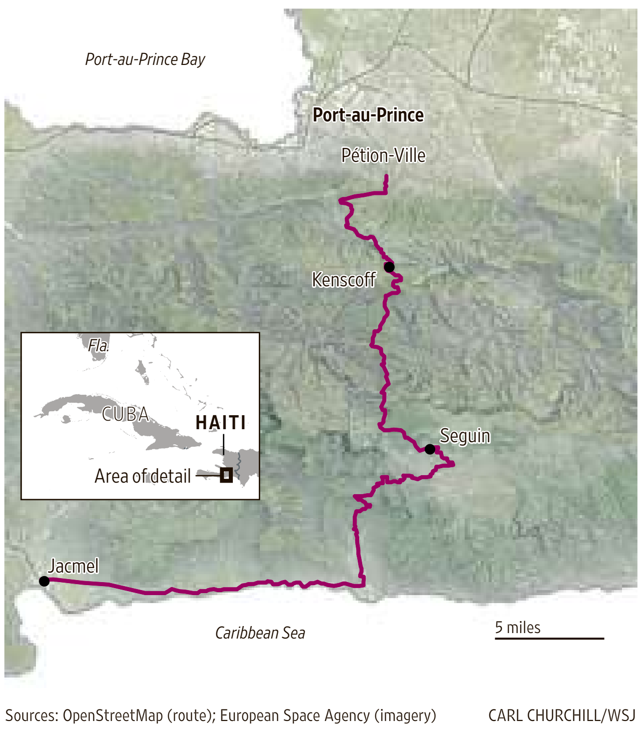
The gang violence has displaced 700,000 people, about a quarter of the capital's population, according to the International Organization for Migration, a United Nations agency. Almost 75% of them have fled to provinces in Haiti's south, many taking the perilous route south by foot.

Gangs have largely sealed off exits from Port-au-Prince. Armed children recruited from slums have choked off major roads, halting the distribution of food, fuel and potable water. Haitians trying to leave the city on boats through the Bay of Port-au-Prince have been pushed back by gunfire from gang members who dominate the waterfront, aid workers said.

Even for those who can afford to fly, there are few exit options. The Federal Aviation Administration has banned U.S. airlines from flying to the capital's Toussaint Louverture International Airport until March, after three commercial aircraft were recently hit with bullets. The U.S. regulatory agency is still allowing flights to Haiti's second city, Cap-Haïtien, on the northern coast. Foreign embassies and aid organizations have been evacuating nonessential personnel on small jets and helicopters to cities outside the capital.

For average Haitians, the footpath to the south is among the only ways to escape.

The southern route out of Port-au-Prince by foot



Sources: OpenStreetMap (route); European Space Agency (imagery) CARL CHURCHILL/WSJ

"You used to see just five or six people on this path, but it's become like a constant stream," said Bill O'Neill, the U.N.'s top human-rights expert on Haiti. "Now they're not doing it for business or pleasure. Now it's about getting out and saving their lives."

The starting point for many Haitians fleeing along the route is in Pétion-Ville, a sprawling neighborhood in the hills of Port-au-Prince where high-end mansions are next to hillside shanties. It is one of the few areas in the capital where police, alongside civilian vigilante groups, have been able to thwart gang control.

A road from there leads to Kenscoff, a hillside village and farming hub outside the city where people can pick up the footpath for the roughly 30-mile journey to the southern coast. Many of those fleeing hire motorbikes to help them cover ground, though that can cost more than a hundred dollars, or about a month's salary.

But after passing the pine forest, the path's craters, boulders and steep cliffs make carrying passengers increasingly perilous.

Anne, a worker from a humanitarian organization, recounted having to walk much of the way on her trek to reconnect with family in the beach town of Jacmel. Her trip took more than 12 hours because she said the motorcycle she hired kept getting stuck and the path is routinely left muddied and impassable by downpours.

"You hurt everywhere," said Anne. "My mother told me 'Don't make the trip.' But I had already made up my mind."

Video circulated in recent months on Haitian social media and chat apps showed crowds moving along the path outside Kenscoff and motorbikes struggling to navigate the route next to a cliff where one slip could be deadly. Local authorities have been using excavators and other construction equipment to widen the trail as the number of travelers swells.

The goal for most people is to get to cities that have been largely spared the gang siege, said Gilles, the rights advocate. She said she had fond memories of taking the trail as a child with her family but has watched it become a symbol of Haiti's humanitarian catastrophe.

"This is the people's last recourse," said Gilles. "It's either this path or you give yourself over to the gangs."

A mechanic in Port-au-Prince said he was gathering his belongings to embark on the journey with his son this week. But he said he had to delay as he waited for friends overseas to send him money to pay the motorcycle taxis.

O'Neill, the U.N. expert, said he was concerned about gangs that have been trying to set up base near the mouth of the trail. In recent months, gangsters have also carried out raids in Pétion-Ville. Without more international aid for Haiti's beleaguered security forces, security analysts say they fear the dirt trail could also fall. "The gangs are working their way up the hill," said O'Neill. "If they do, they will have the city totally encircled."

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BUSINESS & FINANCE

 ★★★★★ THE WALL STREET JOURNAL. Monday, December 30, 2024 | B1

Last Week: S&P 5970.84 ▲0.67% S&P FIN ▲0.88% S&P IT ▲0.85% DJ TRANS ▲0.87% WSJ $ IDX ▲0.36% 2-YR. TREAS. yield 4.325% NIKKEI 40281.16 ▲4.08% See more at WSJ.com/Markets

Hopes for a Bond Recovery Fade

By Sam Goldfarb

Wall Street investors entered each of the past two years brimming with optimism about U.S. Treasurys and other types of high-quality debt. Each time, they were disappointed.

Now, they are far more guarded. In recent weeks, money managers have been dumping Treasurys, while savers have been rushing out of longer-term bond funds.

All that selling has pushed Treasury yields to the upper end of their two-year range. Still, investors remain worried that a tough environment for bonds could get even worse if President-elect Donald Trump pursues inflationary policies such as new tariffs. Many are debating whether hiding out in short-term T-bills could again be the smarter play.

"Cash is yielding 4-plus percent," said Ed Al-Hussainy, global interest-rate strategist at Columbia Threadneedle Investments. "That's a pretty tough bogey to beat."

Such doubts represent a big shift on Wall Street.

Just a few years ago, bonds were enjoying a decadeslong bull run and investors hardly feared higher rates. They generally assumed rates couldn't rise much above zero without triggering a recession.

When the Federal Reserve raised rates aggressively in 2022, most investors still believed it was only a passing phase. Through 2023, they consistently bet on a quicker and sharper turn to lower rates than the Fed itself was forecasting.

Now, though, more investors have come to believe that the economy can handle higher rates and that inflation will persist as a threat.

Starting in November, investors were ahead of the Fed

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Aging U.S. Shale Impedes Trump's Oil Plans

By Benoît Morenne

President-elect Donald Trump wants U.S. oil producers to rekindle their once-frenzied drilling, but the country's shale patch has changed since his first administration.

Wildcatters are mostly gone, replaced by more-disciplined oil giants. Wall Street has helped instill that discipline, pushing oil companies to focus more on producing cash for investors. Meanwhile, production in most U.S. crude regions is set to decline as fields mature and sweet spots dwindle.

What this means is that the oil patch is unlikely to register the kind of breakneck growth it recorded in Trump's first term, when daily crude production shot up from about nine million barrels to roughly 13 million.

"We're not going to have the explosive growth that we've seen," said Richard Dealy, who oversees **Exxon Mobil**'s Permian operations. Earlier this year, Exxon acquired rival Pioneer and its vast production for $60 billion. The company said earlier in December it aims to roughly double its production in the Permian Basin to about 2.3 million barrels of oil equivalent a day by 2030.

The changes are reshaping the Permian Basin of West Texas and New Mexico, the largest oil field in the U.S. A decade ago, 30 companies produced about one-third of the crude there. As of July, Exxon, **Diamondback Energy** and **Occidental Petroleum** cranked out a similar share of the basin's output.

A telltale sign of shale's ripening is the fates of rapidly disappearing wildcatters, who ignited the shale boom by deploying new drilling techniques and hydraulic fracturing. These companies, many of them privately held, retained a penchant for frantic drilling even after their publicly traded peers reined in spending and started returning cash to investors.

When crude prices rebounded from the pandemic depths, private outfits such as Endeavor Energy Resources were among the first to slowly step up production.

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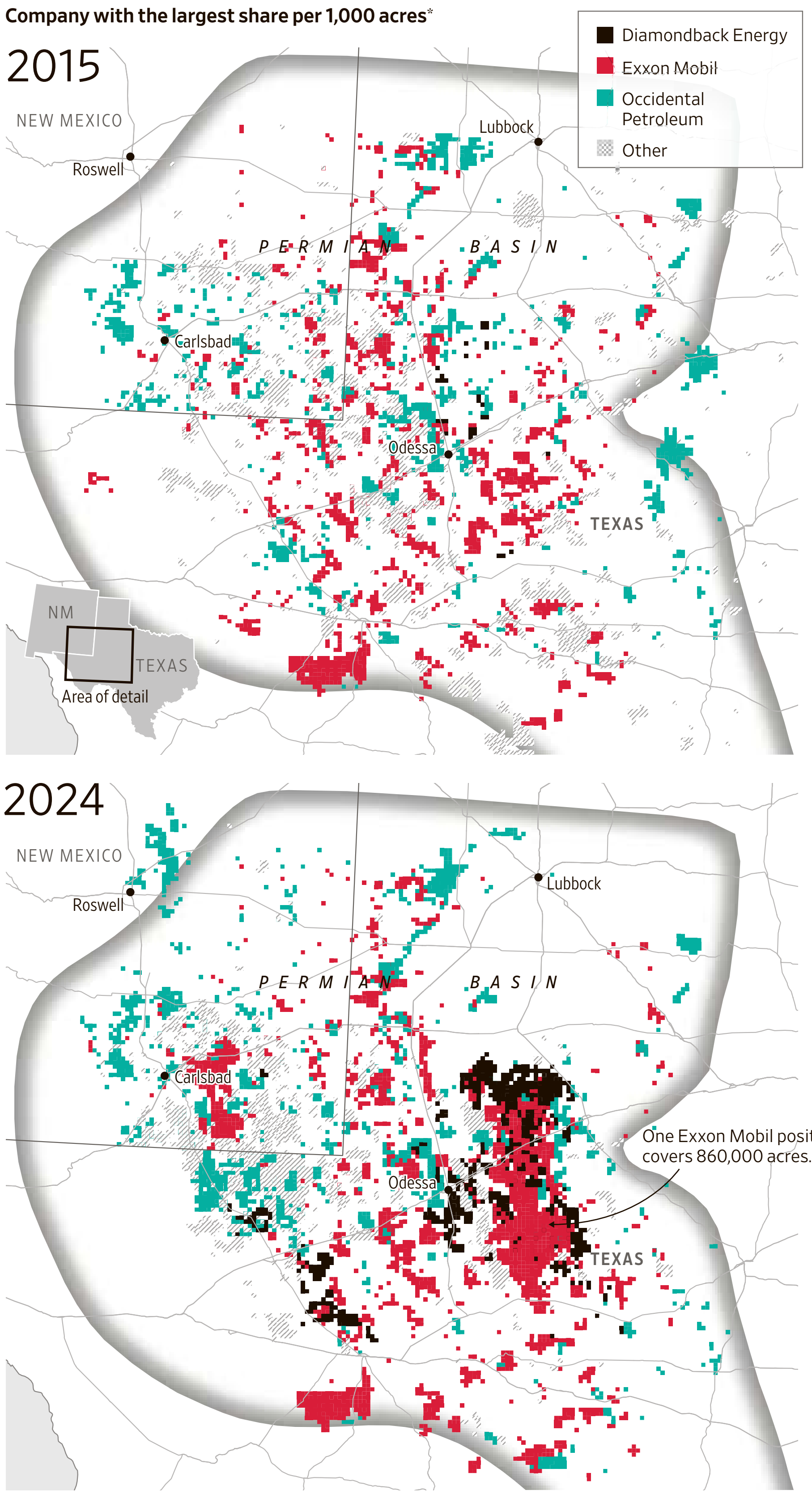
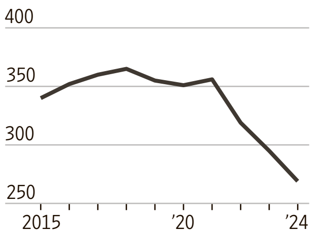
The Big Get Bigger

Three of the largest U.S. oil producers have taken over some of the best acreage in the Permian Basin.

Company with the largest share per 1,000 acres*



The number of active U.S. shale companies†



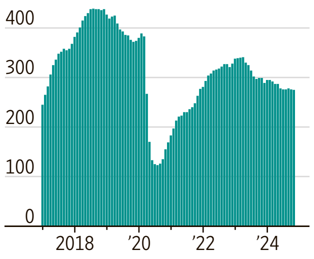
Permian oil production‡

After years of consolidation, a small group of companies controls the bulk of the Permian's oil production.

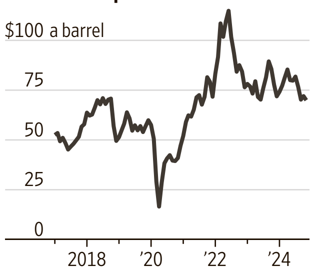
Three largest producers in 2024
1.99 million barrels per day

30 largest producers in 2014
0.563

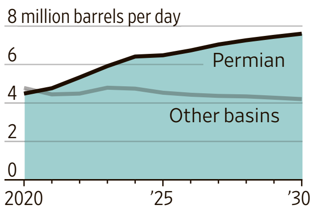
Permian rig count**



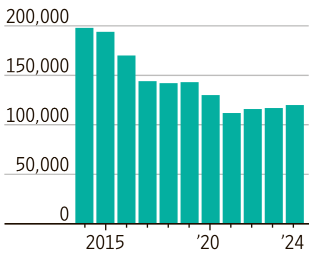
WTI crude prices**



Oil production is declining in most onshore basins outside the Permian.



U.S. oil-and-gas extraction jobs††



*Areas where company-owned land didn't exceed 50% of the total area aren't shaded. †Estimate accounting for most producers owning oil volumes. ‡Gross oil production; data is for July 2014 and July 2024. **Monthly averages as of November. ††Average per year.
Sources: Enverus (oil positions, rig count, Permian barrels production); Energy Information Administration (Permian Basin); Rystad Energy (active shale companies); Novi Labs (Permian oil production); Thomson Reuters (WTI crude prices); JPMorgan estimates (basins barrels production); Labor Department (extraction jobs)

CARL CHURCHILL/WSJ

A GOP Presidency Sparks Optimism On Deals

Wariness remains as businesses try to parse president-elect's likely moves

By Ben Dummett And Ben Glickman

Wall Street is optimistic that a buoyant stock market, declining interest rates and Donald Trump's lighter-regulation agenda will prompt a dealmaking rebound in 2025. But jitters remain thanks to the president-elect's unpredictability.

Deal volume has been muted for the past few years following record volumes coming out of the pandemic. While total global deal volume is up roughly 12% in 2024 through Dec. 26 compared with the same period in 2023, the number of transactions is lower and volume remains well below the 2021 high, according to Dealogic data.

Dealmakers were encouraged when Trump in December picked Andrew Ferguson, the Republican Federal Trade Commission member, to succeed FTC Chair Lina Khan. Ferguson and Republicans are expected to dismantle Khan's guidelines that gave the agency new legal powers to try to block deals.

Still, Jay Novak, global co-head of corporate finance at investment bank Houlihan Lokey, said it remains to be seen exactly where the new Trump's administration's antitrust policy will land.

"Sentiment is certainly more positive. People don't really know the answer, but they're more positive about the direction," he said.

The year featured a handful of blockbuster tie-ups, including **Capital One**'s $35 billion agreement to buy **Discover Financial Services** and Mars's roughly $30 billion deal for the maker of Cheez-It, **Kellanova**. But the pace of sizable deals, especially in typically busy sectors such as technology and healthcare, has been noticeably slower.

Both Ferguson and Trump's administration are expected to keep the pressure on large technology companies. That could include such giants as **Apple** and **Meta Platforms**, which have shied away from deals while under increased regulatory scrutiny.

Declining interest rates and frothy markets should help bring corporate CEOs and private-equity firms, which drive a large portion of merger activity, back to the table. Lower rates make it more affordable to finance deals with debt while rising stock prices embolden corporate chiefs to use

Please turn to page B2

Automaker Discounts Give Car Sales a Lift

By Ryan Felton

Car shopping in 2024 started to get back to normal for the first time this decade, with ample choice on the dealership lot and even some bargains for shoppers.

After years of depressed inventory stemming from pandemic-era supply chain problems, U.S. dealers' stock levels have largely recovered. That has put pressure on retailers and automakers to more aggressively price their unsold vehicles.

Car buyers received about $3,400 in discounts and other incentives on average during the busy December shopping season, up more than 25% from a year earlier, according to research firm J.D. Power. The offers have included low- and zero-percent interest rates, cash-back offers and cheap leases, especially on electric vehicles.

The increase in promotions in recent months has offered inflation-weary car shoppers some relief after several years of having to shell out sums near or even above the sticker price. The stronger promotions have helped boost overall U.S. vehicles sales.

Industrywide U.S. sales rose by about 7% in December, according to a J.D. Power forecast. Most automakers are scheduled to report their latest sales tallies Friday.

"There are good deals to be had out there," said Geoffrey Pohanka, a Maryland-based dealer who sells Chevrolet, Jeep, **Nissan** and other brands.

For the year, U.S. vehicle

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INSIDE

KIYOSHI OTA/BLOOMBERG NEWS

Pioneer in Cable Television Started HBO, AMC Networks

By Shalini Ramachandran

Charles Dolan, a pioneer of the cable-television industry who launched Home Box Office and AMC networks, has died at age 98.

Dolan was the founder of **Cablevision Systems**, which over four decades grew into a leading pay-TV operator in the New York metropolitan area. Over the course of his career, his holdings in media included AMC Networks, whose namesake channel aired "Mad Men" and "Breaking Bad"; Madison Square Garden Co., including the famous venue and ownership of the New York Knicks and New York Rangers; Radio City Music Hall; and the newspaper Newsday.

OBITUARY
CHARLES DOLAN
1926-2024

DICK YARWOOD/NEWSDAY/GETTY IMAGES

Charles Dolan in 1980.

Dolan, who was known as Chuck, often took a contrarian path compared with cable-industry peers and didn't shy away from a fight. He was one of the first industry executives to argue that consumers should be able to buy cable channels a la carte instead of being forced to buy large bundles, an idea that is still resisted by entertainment giants. He took on major media companies in a landmark legal battle that ultimately legalized the cloud-based digital video recorder, an innovation now used by a host of online TV services.

Cablevision in recent years sold or spun off its media investments, including MSG, AMC and Clearview Cinemas, as the operator refocused on its core cable business.

Dolan for years toyed with the idea of selling the cable business itself, including to the neighboring New York operator Time Warner Cable. But he always stepped back from

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These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

INDEX TO PEOPLE

BUSINESS & FINANCE

New Hopes For Deals In 2025

Continued from page B1

their shares as currency to fund deals.

"Financing markets are way open such that you can do jumbo deals again," said Dominic Lester, Jefferies's head of investment banking for Europe, the Middle East and Africa.

In mid-December, the Federal Reserve reduced interest rates for the third time in 2024, while signaling another two cuts in the year ahead. If the Fed moves fall short of investor expectations, it could trigger stock-market volatility. That risks weighing on M&A by making it harder for buyers and sellers to agree on price.

The S&P 500 index has gained roughly 25% so far in 2024.

The $13 billion deal between advertising giants **Omnicom Group** and **Interpublic Group** headlined a flurry of announcements since the election, which some interpreted as a sign that activity is already heating up. Omnicom took advantage of the elevated level of its share price to fund its deal with only stock.

Dialogue with companies globally on possible big deals is up meaningfully, suggesting potential growth of 10% to 15% in activity in 2025, said Mark Sorrell, co-head of global M&A at Goldman Sachs.

ALEX BRANDON/ASSOCIATED PRESS

Trump rang the opening bell at the New York Stock Exchange earlier this month.

Meanwhile, pressure has continued to rise on private-equity firms to sell long-held assets and reinvest newly raised funds to generate returns for impatient investors.

Declining rates and frothy markets may help bring deals to the table.

"If private equity could afford to wait to sell assets, they did," said Mahvesh Qureshi, a corporate finance partner at law firm Hogan Lovells. "Those dynamics have shifted."

Still, dealmakers are still trying to parse Trump's likely moves. He has pledged to impose 25% tariffs on products coming into the U.S. from Mexico and Canada. He has also threatened to impose an additional 10% levy on products from China.

But Trump's pick for Treasury secretary, Scott Bessent, has suggested that tariffs are a negotiating tool. Before he was selected, Bessent told investors that the "tariff gun will always be loaded and on the table but rarely discharged."

If steep tariffs do come to fruition, they could encourage foreign companies to acquire businesses in the U.S. as a way of circumventing the levies. They could just as well force American importers to pass on the added costs to consumers, making it harder for the Fed to lower rates, some bankers caution.

The levies could also dent companies' bottom lines by raising costs, making deals less attractive and stymieing demand. Despite the uncertainty, bankers report a mounting backlog of deals that could happen under the right conditions.

Old Shale Is Problem For Trump

Continued from page B1

Since then, public companies have gobbled up many of these private firms, including Endeavor, which Diamondback bought for $26 billion this year.

More megadeals

Private firms today run about 25% of rigs in the Permian, down from roughly 50% in January 2022, said Rob Wilson, an analyst with energy analytics firm East Daley Analytics. This decline means far fewer companies are willing—or able—to dial up supply when prices creep higher.

Despite a flurry of mergers in the past year and a half, shale remains far less concentrated than the auto or airline industries, and investors believe that it will see more megadeals.

The oil patch is unlikely to log the growth seen in Trump's first term.

"As it consolidates further, it becomes a giant factory," Chris Atherton, chief executive of EnergyNet, a marketplace for oil-and-gas assets, said of the Permian.

After rebounding from the pandemic-induced bust, drillers pushed U.S. production to a record of over 13 million barrels a day under President Biden. Though oil prices remain high enough for many producers to make a profit, drillers are running into geologic limits that will constrain further growth—barring any technological breakthrough—keeping drilling rigs idle.

Operators also are wrestling with limited capacity from the power grid to support their electricity-intensive activity, and struggling to dispose of the huge amounts of wastewater they produce alongside crude.

Other basins that powered the shale revolution have either seen declining output or are set to roll over, according to analysts at JPMorgan Chase. This includes the Eagle Ford Shale in Texas, the Williston Basin in North Dakota and the DJ Basin in Colorado.

Production growth

JPMorgan estimates that U.S. crude-oil production will grow by 3.6% between now and the end of the decade to reach about 13.5 million barrels a day. That compares with a roughly 13.4% increase in output since 2022.

Instead of additional drilling, companies are focused on squeezing more oil out of what remains.

"We've been drilling 300 wells a year here for, you know, eight years. We better get better at what we do," Diamondback President Kaes Van't Hof said.

The industry's rising productivity means that companies can do more with fewer employees. Many executives expect the industry to contract further.

Hedgehog, Lion Fight for Top Spot

DISNEY/ASSOCIATED PRESS

'Mufasa: The Lion King' was second to 'Sonic the Hedgehog 3.'

Estimated Box-Office Figures, Through Sunday

	Film	Distributor	Sales, In Millions: Weekend*	Cumulative	% Change
1.	Sonic the Hedgehog 3	Paramount	$38	$137.6	-37
2.	Mufasa: The Lion King	Disney	$37.1	$113.5	5
3.	Nosferatu	Focus Features	$21.2	$40.3	--
4.	Wicked	Universal	$19.5	$424.2	37
5.	Moana 2	Disney	$18.2	$394.6	38

*Friday, Saturday and Sunday in North American theaters

Source: Comscore

JUSTIN SULLIVAN/GETTY IMAGES

Electric-vehicle sales leader Tesla recently sweetened its offers to customers, including 0% financing on some of its models.

Discounts Give Lift to Car Sales

Continued from page B1

sales are expected to rise 3%, to about 16 million vehicles sold, decelerating from 12% growth in 2023. Industry forecasters expect sales to edge slightly higher again next year.

"The current business is solid from a historical perspective," Tom Donnelly, chief executive of **Mazda**'s North American operations, said of the auto industry. "I mean, years ago, 15 million, we'd be high-fiving."

Pressures on carmakers are building though, Donnelly said, citing tightening tailpipe-emissions regulations and the need to invest in electric cars.

"You're trying to balance the decent environment that the industry is in with this once-in-a-century transition that the industry is having to undergo," he said.

Supply is uneven and some carmakers have thin inventory.

The U.S. car market hasn't returned to the 17-million-vehicle annual sales mark that held steady for several years before the pandemic disruptions. Analysts and car executives say that is partly because many shoppers remain priced out of the market, despite the recent return of promotions and discounts.

Higher interest rates have kept monthly payments elevated relative to prepandemic levels. Also, a dwindling number of smaller, cheaper cars for entry-level buyers has curbed overall sales.

Average discounts are currently about 8% of the sticker price, according to research firm Cox Automotive, up sharply from recent years but still below the 10% industry prepandemic norm.

The affordability problem is one of several factors clouding the outlook for the car industry heading into the new year, despite the steady pace of vehicle sales and a stable economic picture.

Lighter-than-expected demand for electric vehicles has prompted automakers to backtrack on some plans to open EV-related factories and roll out battery-powered models.

Meanwhile, President-elect Donald Trump's administration has floated the possibility of steep tariffs on all products imported from Mexico and Canada, threatening a major import pipeline for the industry.

Mexico has emerged in recent years as a bigger source of lower-priced U.S. models. Mary Barra, **General Motors**' chief executive, in December said that Trump's proposed tariffs could have a "very substantial impact" on the carmaker.

Some automakers have laid off workers in recent months, including GM and **Stellantis**, whose CEO abruptly resigned in early December.

Carmakers will need to work harder in 2025 to attract customers because the pent-up demand from several years of vehicle shortages has largely been filled, analysts say. Many car owners also face elevated interest rates, repair bills and insurance premiums.

New-vehicle prices are expected to continue easing in 2025, a benefit to car shoppers but a potential profit hit for automakers. Morgan Stanley analysts predict car buyers on average will pay 2% to 3% less for new wheels in the coming year.

The discounts should continue to flow because of improved vehicle availability. There were about 2.7 million vehicles on U.S. dealer lots or en route to stores at the end of December, up 17% from a year earlier, according to research firm Wards Intelligence.

Supply is uneven across manufacturers, though, and some carmakers are still operating with thin inventory, meaning consumers loyal to a particular brand may not get the sweetest deal. **Toyota**'s inventory remains tight, and the Japanese car brand has discounted less than rivals, according to Cox Automotive.

Electric-vehicle shoppers have the best shot at finding a good offer right now, particularly for those willing to lease a vehicle instead of buying it outright.

EV sales leader **Tesla** recently sweetened its offers, including 0% financing on the Model 3 sedan and Model Y SUV and leases for $299 a month.

In November, consumers financed the purchase of an electric **Kia** EV6 with an average monthly payment of $816, according to Edmunds' data. A lease, meanwhile, went for $471 a month on average.

"Our message to consumers is: If you want an EV, now is the time to buy," Pohanka said.

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Suntory Preps for Tariff Wars Ahead of Trump's Second Term

Japanese company's U.S.-made bourbon set be hit with 50% tariffs in Europe

By Megumi Fujikawa

TOKYO—The Japanese maker of Jim Beam bourbon whiskey is preparing for a rising risk of global trade wars by stockpiling in Europe, considering importing more U.K. scotch into the region and changing its sales focus in the U.S.

That, **Suntory** says, could shield it from the worst effects of higher tariffs in Europe in coming months and potential retaliatory reactions in some of the company's key markets around the world.

"Tit-for-tat could happen even among allies," Chief Executive Takeshi Niinami said. "We are confident to a certain extent that we can solve tariff-related issues by using our global supply portfolio and a wide range of sourcing options."

ISSEI KATO/REUTERS

Suntory also is grappling with high inflation that is changing consumption in key markets.

In Europe, he said, Suntory has been stockpiling American whiskey to protect itself from pending tariffs in the region, and is looking to sell more scotch imported from the U.K., which faces fewer tariff burdens across the economic bloc.

The company's U.S.-made bourbon whiskey is set to be hit with 50% tariffs in Europe next year under a long-suspended measure that was originally imposed by the European Union in response to U.S. tariffs on steel and aluminum levied by the first Trump administration. A suspension of the tariffs expires at the end of March.

In the U.S., meanwhile, Suntory is looking to sell more of its locally made bourbon whiskey. "It will become important to focus on selling more American whiskey in America," Niinami said.

Niinami, who has helmed the Japanese drinks giant for a decade since shortly after its nearly $14 billion acquisition of the Jim Beam maker, described the maneuvers as part of bracing for a potential showdown between the U.S. and its trading partners that could see punitive tariffs slapped on the goods that it ships to markets worldwide. He mused that President-elect Donald Trump conceivably could add tariffs on EU imports before Europe's 50% whiskey tariffs come into effect.

Trump said in a recent social-media post that unless Europe makes up for its trade deficit with the U.S. by buying more American oil and gas, it will be "tariffs all the way."

Suntory also is grappling with persistently high inflation that Niinami said is changing consumption in key markets. He thinks inflation has already sapped the appetite of American consumers, especially in the lower middle class.

In Japan, too, where high U.S. rates tend to depreciate the yen against the dollar and make imports more expensive, higher prices are making customers more selective, he said. "They make a certain amount of spending for special occasions, but there has been a tendency toward modest spending on normal days," he said.

The yen has recently weakened to near 158.10 against the dollar, its weakest in five months, as Japan's central-bank governor expressed concern about future U.S. economic policy and local wage trends, dimming hopes of an imminent interest-rate hike.

Inflation has been above the BOJ's target of 2% for over two years, while real wages have struggled to rise. "The Bank of Japan has definitely fallen behind the curve already," Niinami said.

Niinami has said he plans to raise the pay of Suntory workers by about 7% at annual negotiations next year. The company gave 7% increases for its Japan-based employees in 2023 and 2024.

Niinami, a member of the government's economic council, said that with the Japanese economy entering a new phase of inflation and rising interest rates, Japanese companies should focus more on improving their profitability. If they fail to catch up, that could prompt more consolidations and restructuring in corporate Japan or put them under pressure from foreign activists, he said.

Seven & i's case is a symbolic example, said Niinami, who is also a former head of Japan's convenience-store chain Lawson. The fact that the Japanese owner of 7-Eleven is mulling a buyout offer from Canada's **Alimentation Couche Tard** shows a change in Japanese companies' attitude from a time when they would have flatly said no to such a proposal, he said. "The tide is turning significantly from the deflationary period," he said.

Big Lots Inks Deal To Avoid Closures

By Josh Beckerman

Big Lots, which filed for bankruptcy in September, said it reached an agreement with Gordon Brothers Retail Partners that would keep hundreds of stores open and save thousands of jobs.

The Columbus, Ohio-based discount retail chain said the transaction will enable the transfer of assets to other retailers and companies.

Variety Wholesalers, with more than 400 stores under brands such as Roses, Maxway, and Bill's Dollar Stores, intends to buy between 200 and 400 Big Lots stores and up to two distribution centers. It plans to use the Big Lots brand for the acquired stores.

"In addition, Variety Wholesalers may employ Big Lots associates at the acquired stores and distribution centers, as well as certain corporate associates needed to support the go-forward footprint," Big Lots said Friday.

When it filed for bankruptcy, Big Lots said it was hurt by macroeconomic factors including inflation, with core customers reducing discretionary spending on home and seasonal products.

The company named private-equity firm Nexus Capital Management as its proposed stalking-horse bidder and secured commitments for $707.5 million in debtor-in-possession financing.

Gordon Brothers, in a joint venture with Hilco Consumer—Retail and Tiger Capital Group, began closing sales at all 869 Big Lots locations after Big Lots said Dec. 19 that it didn't expect to complete its sale to Nexus. It said it would still pursue a going-concern transaction with Nexus or another party.

U.S. Crude Stockpiles Fall More Than Forecast

By Anthony Harrup

U.S. crude-oil inventories fell more than expected the week before last and product stocks were mixed as refineries raised their capacity use, according to data released Friday by the U.S. Energy Information Administration.

Commercial crude-oil stockpiles excluding the Strategic Petroleum Reserve fell by 4.2 million barrels to 416.8 million barrels in the week ended Dec. 20 and were about 5% below the five-year average for the time of year, the EIA said.

Analysts surveyed by The Wall Street Journal had predicted crude stockpiles would fall by 1.1 million barrels.

Oil held in the SPR increased by 260,000 barrels to 393.3 million barrels. Oil stocks at Cushing, Okla., the Nymex delivery hub, were down by 320,000 barrels at 22.7 million barrels.

The EIA estimated U.S. crude-oil production at 13.6 million barrels a day, off by 19,000 barrels a day from the previous week. Crude imports fell by 178,000 barrels a day to 6.5 million barrels a day and exports were down by 1.2 million barrels a day to 3.7 million barrels a day.

Refineries ran at 92.5% of capacity, up from 91.8% the previous week. Refinery runs were forecast to slip by 0.3 percentage point in the Journal survey.

Health Providers Face Stiffer Cyber Rules

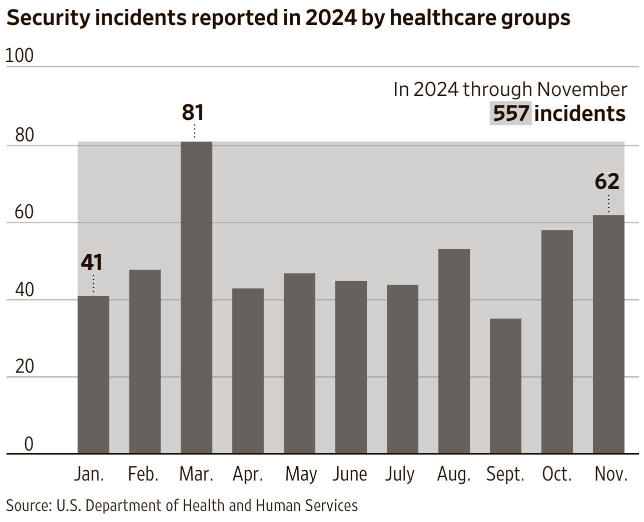
Small firms worry they can't afford to comply; breaches hurt even the largest

By James Rundle

U.S. regulators and lawmakers are proposing new rules to protect hospitals from cyberattacks in 2025 after a bruising year of hacks and software outages, but small healthcare providers worry they can't afford to comply.

Many smaller providers say they are already fighting against hackers every day, and losing. "It's a constant battle. We do better, they improvise, we have to learn again," said Todd Blum, chief executive of ENT & Allergy Associates of Florida, a group of about 100 ear, nose and throat doctors and other medical professionals.

A bipartisan bill proposed in the Senate in November would require the Department of Health and Human Services to overhaul its own cybersecurity processes, and develop incident-response plans for cyberattacks.



Source: U.S. Department of Health and Human Services

CHRIS PIZZELLO/ASSOCIATED PRESS

Cyberattacks have taken down some of the largest U.S. healthcare systems over the past 12 months, including a breach at Cedars-Sinai Medical Center in Los Angeles.

The bill also would add stricter cybersecurity requirements to the Health Insurance Portability and Accountability Act, including mandates for multifactor authentication and regular audits. It says the agency must provide guidance for rural medical providers, and grants, where appropriate, to strengthen cyber defenses.

Separately, HHS submitted HIPAA updates in October, including new requirements for protecting electronic health information, to the White House for review. With approval from the Biden administration, the agency expects to issue proposed rules in December, for public review.

Cyberattacks have taken down some of the largest healthcare systems in the U.S. over the past 12 months, including one in May on Ascension Health Alliance, which operates around 140 hospitals in 19 states and the District of Columbia. Other significant attacks includes a January hack at Ann & Robert H. Lurie Children's Hospital of Chicago, which took half the year to recover, and a breach at Cedars-Sinai Medical Center in Los Angeles.

The incidents forced facilities to divert patients elsewhere, delay procedures and run up even longer-than-usual waits in emergency rooms. Staff often had to revert to manual procedures after losing access to electronic health records, sometimes resulting in months of work to reupload data when IT systems finally came back online.

As of mid-December, 567 data-security incidents had been reported to HHS in 2024, cumulatively exposing the health information of nearly 170 million people. Healthcare was the third-most-targeted sector in 2023, behind professional services and retail, according to an annual threat report from **International Business Machines**.

A February ransomware attack against **UnitedHealth Group**-owned Change Healthcare spurred lawmakers to propose stricter cybersecurity laws for the industry. Change, which handles insurance claims and prescriptions for a swath of U.S. healthcare organizations, was forced to disable its software after the attack. For months, health providers couldn't transmit claims. Some took in no revenue, forcing owners to rely on lines of credit, personal savings or emergency loans from UnitedHealth to stay afloat.

Hackers also stole a trove of patient data, affecting 1 in 3 U.S. residents, according to UnitedHealth.

Health executives say providers want to better protect themselves and patients, but sometimes struggle to find the resources.

"We need to be more prepared as an industry, and I think with these major incidents, people are taking it a lot more seriously," said Michael Mainiero, chief digital and information officer at Long Island, N.Y.-based Catholic Health, which operates more than 80 hospitals and clinics.

Mainiero deployed dozens of staff to drive out to facilities and physically reset machines during July's **CrowdStrike** outage, when a faulty software update downed about 8.5 million **Microsoft** Windows systems worldwide, including in healthcare. The incident, along with the Change Healthcare attack, prompted him to run drills to find his organization's weak points, he said.

"I think any hospitals doing this right now, you could say they have complete redundancy in their data center, but I guarantee there are three or four things that aren't redundant, or could be taken out from a single point of failure," he said.

A lack of technical resources at small organizations means the advice, tools and other assistance provided by the federal government are relatively meaningless. Smaller clinics and specialized providers don't know where to start and often can't qualify for basic cyber insurance policies.

"There is no chief information security officer, there is no chief technology officer. You're lucky if you have a director of IT in most of even what we would consider large practices," said Joe Goldstein, founder and president of Optimized Computer Solutions, a Cape Coral, Fla.-based managed-services provider specializing in technology and security services for the healthcare sector.

Ransomware is a threat, but so is relatively small-scale online criminality that doesn't grab headlines. Meredith Hirsh, chief executive of the Hirsh Center for Arthritis and Sports Medicine, a Delray Beach, Fla.-based rheumatology clinic, said around a year and a half ago, a criminal posing as one of her physicians emailed human resources and asked to change her payroll details. Hirsh had to cover the wages the doctor lost during the incident and said further fraud attempts have increased.

"Never in a million years did I think this would happen to us. Now, I get them all the time," she said.

Listen to a Podcast: Who's Winning The EV Market in 2025?

JOHN G MABANGLO/EPA/SHUTTERSTOCK

Electric-vehicle sales growth experienced a slowdown in 2023 that continued into this year. Scan this code for a podcast on how EV sales are expected to keep growing in 2025—and which companies have the lead.

BUSINESS & FINANCE

STREETWISE | By James Mackintosh

What I Got Right—and Didn't—in 2024

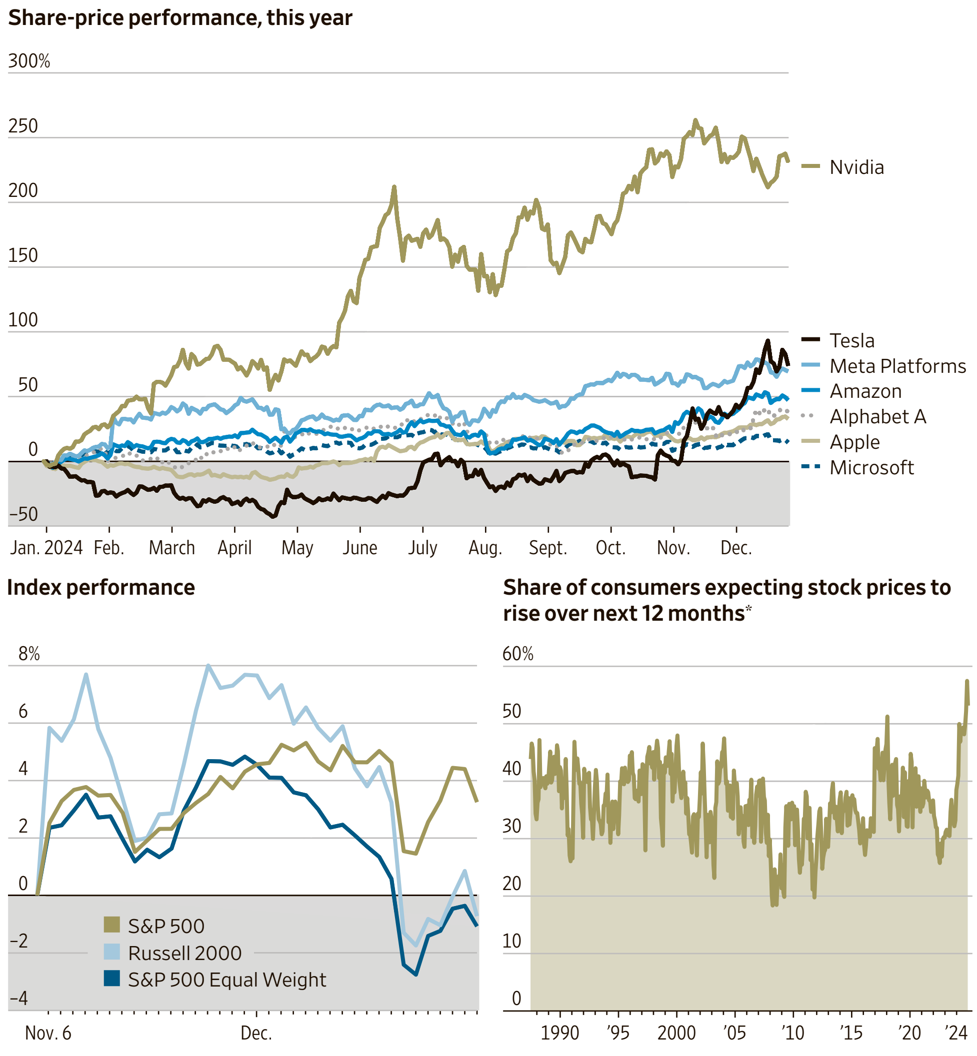
I started out the year arguing that there is no bubble in artificial-intelligence stocks. I've ended it concerned about froth after anything AI-related soared in price and the market as a whole reached dizzying heights.

The easiest excuse for a columnist is that yesterday's articles are, as Brits say, today's fish-and-chip wrappers. But smart investors keep a diary of why they bought or sold so they can avoid rationalizing the outcome later. And writers, too, should learn from their mistakes.

This year markets cared about three things: the booming economy and inflation, artificial intelligence and Donald Trump's re-election. Streetwise had a fairly simple take on each.

The economy was too strong, which meant the Federal Reserve was likely to have to keep rates higher than expected. As the year went on, the economy stayed far stronger than expected; third-quarter growth was raised to 3.1% at an annual rate.

Then the Fed at its December meeting finally acknowledged that the strong economy meant core inflation—excluding volatile food and energy—would be higher next year than it started out forecasting for this year. Stocks plummeted.



*Monthly data
Sources: FactSet (share price); Conference Board via LSEG (consumer share)

Jerome Powell's Fed cut rates more than it forecast this year.

ANDREW CABALLERO-REYNOLDS/AFP/GETTY IMAGES

As it turned out, I was wrong. True, 2024 core inflation came in higher than the median Fed policymaker predicted at the end of 2023. True, the economy grew almost twice as fast as predicted. Yet, contrary to what I expected, the Fed cut rates more than it predicted at the outset of the year. My excuse: If the Fed itself doesn't understand what economists call its "reaction function," what chance is there for the rest of us?

For the first half of the year, though, the Fed was keeping rates higher than the markets expected, and that held back the market—as long as you ignore the biggest stocks. The equal-weighted S&P 500 was up just 4% by the end of June, exactly the same as the (normally weighted) MSCI index of the rest of the world. Meanwhile, the ordinary S&P, where the top 10 stocks now account for more than one-third of the weight, was up 14%.

AI didn't start out the year as a bubble, but it was the growing excitement about it that drove those big stocks to such outperformance that they lifted the entire market.

Trump's big win drove great excitement in stocks and bitcoin, as investors focused on his plans to cut taxes and reduce regulations. I looked both at the inconsistency in what counted as a Trump trade, as stocks and sectors were briefly focused on then discarded, and at the risks from tariffs and overstimulating a hot economy.

The risks have come back into focus, with the S&P equal-weight and Russell 2000 index of smaller companies—which suffer more from higher rates—both giving up all their postelection gains. Even bitcoin has fallen back below $100,000, though it remains enormously higher on hopes that anti-crypto regulations will be ditched.

My biggest mistake this year was thinking that the summer selloff marked a switch of market narrative. I thought investors were moving from worrying about overheating to thinking again about recession, and the story would last given some weak economic data. But a monster half-percentage-point rate cut by the Fed combined with upward revisions to the data to calm everyone down. In the end, the selloff merely cleared out some of the excess speculation, especially in the weak-yen trade.

Still, at least I wasn't taken in by the bears' belief that the 10-year Treasury yield once again being higher than the two-year yield presaged imminent recession. Recession might happen, but the Fed wasn't cutting rates because it thought we were on the cusp of one. This is the usual reason such a "disinversion" of the yield curve happens.

The big lesson for the outlook now is to remember that a big drop in stocks can be purely temporary when driven by sentiment and positioning. Back in 2020, I got this right. But in the summer I thought the drop was about fundamentals; it turned out to be mostly the unwind of a crowded trade.

The plunge in share prices shortly before Christmas could be either fundamentals or crowding. Investors were wildly optimistic both about AI and American exceptionalism. Next year might give us answers on both. Will AI be able to overcome hallucinations and high energy requirements to deliver profitable, useful applications that boost productivity? Will the U.S. economy maintain its extraordinary lead?

My guess continues to be that AI hype has run ahead of reality, but the scale of research spending means breakthroughs are plausible, if unpredictable. My worries about the economy focus on the risk of a trade war and the danger that growth has been a mere figment of huge government deficits. Both depend in large part on whether Trump does what he said. If he both starts a trade war and, with the help of billionaire Elon Musk, cuts spending so much that the deficit falls, a sharp slowdown would be in the cards next year.

An Investor's Mea Culpa For Misreading the Market

By Kevin T. Dugan

In early December, Richard Toh, the chief executive and investment officer for Singapore-based hedge-fund firm Kenrich Partners, sent a four-page letter to investors.

The news was bad.

Kenrich's Ocular Asia fund, which managed around $50 million, lost 7.9% in November. The bigger picture was worse—it had lost 35.4% so far in 2024. By comparison, its benchmark of Asian stocks outside Japan was up 8.6% for the year.

For a page and a half, Toh discussed tariffs, investments and missed opportunities while weaving in mentions of Donald Trump, Elon Musk and Taylor Swift. Then he got to the point.

"I have come to the realization that I am not good at what I am doing but I guess some of you may have sensed that already," he wrote. "I am sorry I have let you down."

Hedge funds come and go, but few have done so with the kind of pathos and self-flagellation that Toh heaped upon his investors. (The letter was unsigned, but an employee at the fund confirmed Toh was the author. He declined, through this employee, to comment further.)

QILAI SHEN/BLOOMBERG NEWS

Kenrich Partners missed out on a sharp rally in Nvidia shares.

"I pretty much missed all the major themes in the last two years," Toh wrote. "I was hopelessly out of sync with the market, buying when I should be selling and selling when I should be buying. We got whipsawed several times this year even as we got some facts correct."

Some investments in artificial intelligence and video-streaming companies did well in November. But he explained how Asian companies were caught off guard by President-elect Trump's plans to place tariffs on imports from Mexico, where many of them assemble AI servers.

Then, he told a story about questioning one of his young software engineers' personal holdings, and why he owned a single stock.

"After consulting him for his reasons, which were not much, I told him that we did not invest in the U.S. markets and that **Nvidia** did not fit any of the criterion based on our value way of looking at companies," Toh wrote. Shares of Nvidia—which makes graphics processing unit chips that are integral to AI software—have soared in 2024, putting its market value above $3 trillion.

The software engineer's only other holding is bitcoin. In response, Toh started mining ether, which hasn't risen as stratospherically as the original cryptocurrency.

"I learned from that episode that sometimes the best investments are precisely the ones you cannot explain and probably made no sense. It also told me I am getting too old," he wrote.

Toh isn't a well-known name in capital markets, but he has been in the investing business for nearly 40 years. According to an archived bio on his company's website, he founded Kenrich in 1998 after working at Morgan Stanley Asset Management in Singapore.

It isn't clear from the letter what dragged on the fund's portfolio. The second-largest holding by the end of November was **Taiwan Semiconductor Manufacturing**, which has roughly doubled so far in 2024. Its two other largest holdings were **Naver**, the South Korean owner of a search engine, and **Sunny Optical Technology**, a lens supplier for Chinese smartphones. Neither had fallen as much as the broader portfolio by the end of the month.

Toh informed his investors that the fund was shutting down by the end of 2024. As of the end of November, about one-third of its assets were already in cash.

It wasn't clear if Kenrich as a whole was closing, or just the Ocular fund, which started in 2018.

After distributing the remainder of the capital, Toh said he planned to take a year to rest and "change the way I look at things."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MARKETS DIGEST

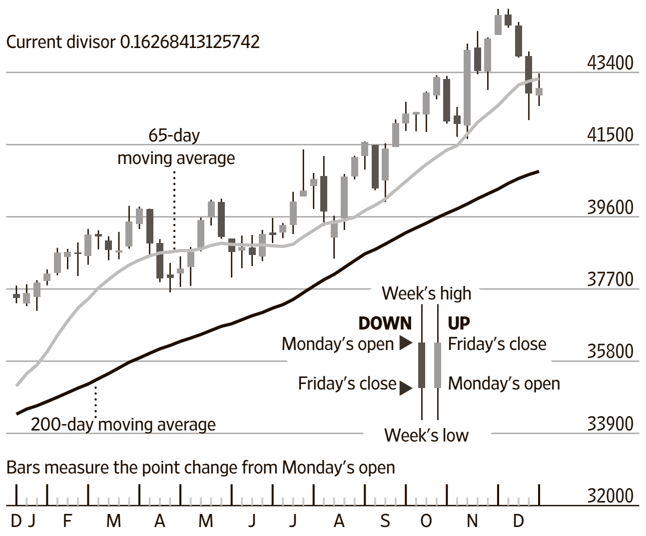
Dow Jones Industrial Average

42992.21 ▲151.95, or 0.35% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio	27.02	27.26
P/E estimate *	22.12	20.80
Dividend yield	1.89	1.95
All-time high	45014.04, 12/04/24	

Current divisor 0.16268413125742



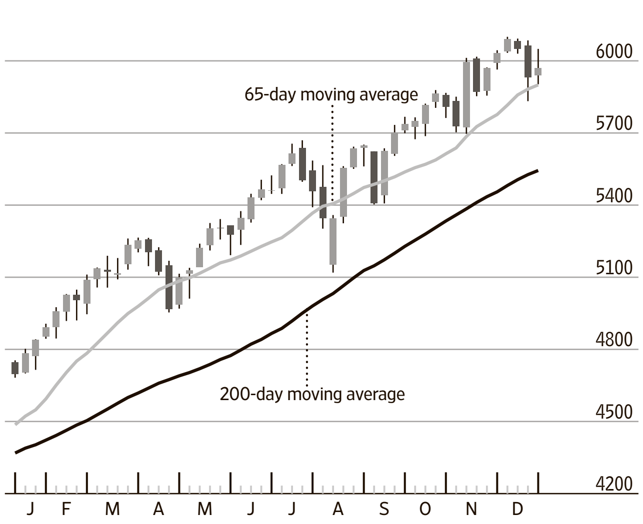
Bars measure the point change from Monday's open

S&P 500 Index

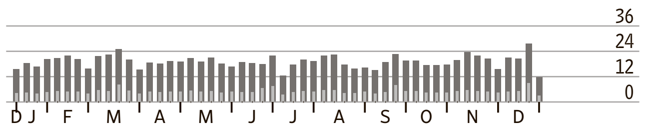
5970.84 ▲39.99, or 0.67% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	25.17	21.87
P/E estimate *	21.93	21.57
Dividend yield *	1.26	1.47
All-time high	6090.27, 12/06/24	



NYSE weekly volume, in billions of shares



*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

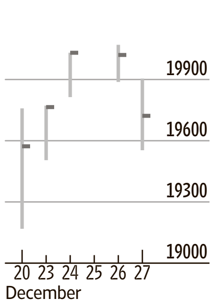
	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	% chg YTD	3-yr. ann.
Dow Jones											
Industrial Average	43373.98	42516.87	**42992.21**	151.95	**0.35**	37266.67		45014.04	**14.1**	14.1	**5.8**
Transportation Avg	16155.43	15784.30	**16030.66**	138.67	**0.87**	14781.56		17754.38	**0.8**	0.8	**-0.7**
Utility Average	994.56	973.91	**987.26**	0.94	**0.10**	829.38		1079.88	**12.0**	12.0	**0.9**
Total Stock Market	60037.10	58599.86	**59257.74**	337.48	**0.57**	46849.48		60836.59	**24.0**	24.0	**6.6**
Barron's 400	1276.96	1249.46	**1262.41**	2.59	**0.21**	1039.19		1356.99	**17.7**	17.7	**4.5**
Nasdaq Stock Market											
Nasdaq Composite	20070.08	19504.68	**19722.03**	149.43	**0.76**	14510.30		20173.89	**31.4**	31.4	**7.5**
Nasdaq-100	21837.70	21224.27	**21473.01**	183.86	**0.86**	16282.01		22096.66	**27.6**	27.6	**9.0**
S&P											
500 Index	6049.75	5902.57	**5970.84**	39.99	**0.67**	4688.68		6090.27	**25.2**	25.2	**7.6**
MidCap 400	3172.27	3104.83	**3138.61**	14.33	**0.46**	2691.79		3390.26	**12.8**	12.8	**3.5**
SmallCap 600	1437.32	1404.15	**1416.54**	-0.35	**-0.02**	1241.62		1544.66	**7.5**	7.5	**0.2**
Other Indexes											
Russell 2000	2281.83	2219.42	**2244.59**	2.22	**0.10**	1913.17		2442.03	**10.7**	10.7	**-0.2**
NYSE Composite	19387.38	19009.57	**19238.48**	119.04	**0.62**	16522.83		20272.04	**14.2**	14.2	**3.9**
Value Line	621.31	608.85	**615.04**	1.75	**0.29**	566.64		656.04	**3.6**	3.6	**-2.9**
NYSE Arca Biotech	5827.95	5693.30	**5788.67**	60.67	**1.06**	4861.76		6154.34	**6.8**	6.8	**1.2**
NYSE Arca Pharma	950.11	928.89	**943.16**	14.27	**1.54**	910.13		1140.17	**3.6**	3.6	**4.5**
KBW Bank	129.83	126.20	**128.46**	1.25	**0.98**	91.80		138.78	**33.8**	33.8	**-1.1**
PHLX§ Gold/Silver	140.92	137.27	**138.82**	-0.40	**-0.29**	102.94		175.74	**10.4**	10.4	**2.0**
PHLX§ Oil Service	71.29	68.70	**70.54**	1.656	**2.40**	68.88		95.25	**-15.9**	-15.9	**9.4**
PHLX§ Semiconductor	5207.37	5013.75	**5122.97**	158.06	**3.18**	3908.85		5904.54	**22.7**	22.7	**8.2**
Cboe Volatility	20.02	14.27	**15.95**	-2.41	**-13.13**	11.86		38.57	**28.1**	28.1	**-3.4**

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

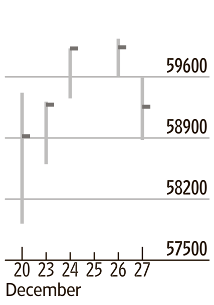
Nasdaq Composite

▲ 149.43, or 0.76% last week



DJ US TSM

▲ 337.48, or 0.57% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	Close	High	YTD % chg
World	**MSCI ACWI**	851.62	**0.88**	712.11		873.73	17.1
	MSCI ACWI ex-USA	327.79	**1.44**	303.36		357.36	3.5
	MSCI World	3755.36	**0.86**	3114.12		3855.07	18.5
	MSCI Emerging Markets	1082.87	**0.99**	958.39		1187.97	5.8
Americas	**MSCI AC Americas**	2244.67	**0.57**	1780.25		2299.62	23.8
Canada	**S&P/TSX Comp**	24796.40	**0.80**	20584.97		25691.80	18.3
Latin Amer.	**MSCI EM Latin America**	1862.81	**−2.46**	1862.81		2662.81	−30.0
Brazil	**Bovespa**	120269.31	**−1.50**	119137.86		137343.96	−10.4
Chile	**S&P IPSA**	3611.00	**−0.03**	3265.99		3714.61	4.1
Mexico	**S&P/BMV IPC**	49290.58	**−0.60**	49254.47		58711.87	−14.1
EMEA	**STOXX Europe 600**	507.18	**0.99**	467.71		528.08	5.9
	STOXX Europe 50	4305.59	**1.29**	4033.40		4577.60	5.2
Eurozone	**Euro STOXX**	505.10	**0.78**	462.34		527.81	6.5
	Euro STOXX 50	4898.88	**0.75**	4403.08		5100.90	8.3
Austria	**ATX**	3630.48	**1.14**	3327.04		3775.49	5.7
Belgium	**Bel-20**	4264.22	**1.19**	3552.84		4333.65	15.0
France	**CAC 40**	7355.37	**1.11**	7130.04		8239.99	−2.5
Germany	**DAX**	19984.32	**0.50**	16431.69		20426.27	19.3
Greece	**Athex Composite**	1457.38	**0.34**	1293.14		1502.79	12.7
Israel	**Tel Aviv**	2379.76	**0.65**	1805.50		2402.75	27.6
Italy	**FTSE MIB**	34160.97	**1.17**	30077		35410	12.6
Netherlands	**AEX**	879.70	**0.49**	771.43		944.91	11.8
Norway	**Oslo Bors All-Share**	1642.61	**2.05**	1440.55		1690.58	8.1
Portugal	**PSI 20**	6373.50	**1.54**	6055.53		6971.10	−0.4
South Africa	**FTSE/JSE All-Share**	84736.18	**0.16**	71693.09		87643.65	10.2
Spain	**IBEX 35**	11531.60	**0.56**	9858.3		12118.7	14.2
Sweden	**OMX Stockholm**	957.24	**0.72**	859.65		1019.81	6.0
Switzerland	**Swiss Market**	11589.34	**1.80**	11091.58		12451.48	4.1
U.K.	**FTSE 100**	8149.78	**0.81**	7446.29		8445.80	5.4
Asia-Pacific	**MSCI AC Asia Pacific**	182.96	**2.09**	161.74		197.3	8.0
Australia	**S&P/ASX 200**	8261.80	**2.42**	7346.5		8495.2	8.8
China	**Shanghai Composite**	3400.14	**0.95**	2702.19		3489.78	14.3
Hong Kong	**Hang Seng**	20090.46	**1.87**	14961.18		23099.78	17.9
India	**BSE Sensex**	78699.07	**0.84**	70370.55		85836.12	8.9
Japan	**NIKKEI 225**	40281.16	**4.08**	31458.42		42224.02	20.4
Malaysia	**FTSE Bursa Malaysia KLCI**	1628.14	**2.31**	1453.10		1678.80	11.9
Singapore	**Straits Times**	3771.63	**1.39**	3107.10		3822.68	16.4
South Korea	**KOSPI**	2404.77	**0.03**	2360.58		2891.35	−9.4
Taiwan	**TAIEX**	23275.68	**3.40**	17161.79		24390.03	29.8

Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	**1011.60**	6.06	**0.60**	5.62
FTSE/CC CRB Index	**291.52**	-0.68	**-0.23**	10.50
Crude oil, $ per barrel	**70.60**	1.14	**1.64**	-1.47
Natural gas, $/MMBtu	**3.514**	-0.234	**-6.24**	39.78
Gold, $ per troy oz.	**2617.20**	-11.50	**-0.44**	26.90
U.S. Dollar Index	**108.01**	0.39	**0.36**	6.54
WSJ Dollar Index	**102.44**	0.36	**0.36**	6.90
Euro, per dollar	**0.9590**	0.0002	**0.02**	5.85
Yen, per dollar	**157.84**	1.43	**0.91**	11.92
U.K. pound, in dollars	**1.26**	0.0006	**0.05**	-1.23

	52-Week Low	Close(●)	High	% Chg
DJ Commodity	936.12		1079.94	**5.62**
FTSE/CC CRB Index	261.65		300.23	**10.50**
Crude oil, $ per barrel	65.75		86.91	**-1.47**
Natural gas, $/MMBtu	1.575		3.946	**39.78**
Gold, $ per troy oz.	1990.30		2788.50	**26.90**
U.S. Dollar Index	100.38		108.41	**6.59**
WSJ Dollar Index	95.31		102.56	**6.90**
Euro, per dollar	0.8934		0.9657	**5.85**
Yen, per dollar	140.61		161.70	**11.92**
U.K. pound, in dollars	1.23		1.34	**-1.23**

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

None expected this week

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date		Symbol	Offer price($)	Offer amt ($ mil.)	Through Friday (%)	Lockup provision
March 29	Sept. 30, '24	ZJK Industrial	**ZJK**	5.00	7.2	**77.8**	180 days
March 30	Oct. 2, '24	Wellchange Holdings	**WCT**	4.00	8.7	**–72.3**	180 days

Sources: LSEG Data and Analytics; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company SYMBOL IPO date/Offer price	Friday's close ($)	% Chg From Offer price	1st-day close	Company SYMBOL IPO date/Offer price	Friday's close ($)	% Chg From Offer price	1st-day close
Park Ha Biological Technology **PHH** Dec. 27/$4.00	4.07	**1.8**	...	Roman DBDR Acquisition II **DRDBU** Dec. 13/$10.00	9.94	**–0.6**	–0.1
Health in **HIT** Dec. 23/$4.00	5.46	**36.5**	7.1	ServiceTitan **TTAN** Dec. 12/$71.00	108.39	**52.7**	7.3
Range Capital Acquisition **RANGU** Dec. 20/$10.00	10.05	**0.5**	0.5	Jackson Acquisition II **JACS.UT** Dec. 10/$10.00	10.04	**0.4**	0.2
Youxin Technology **YAAS** Dec. 20/$4.50	3.30	**–26.7**	–16.5	Linkers Industries **LNKS** Dec. 5/$4.00	2.73	**–31.8**	–37.0
Leishen Energy Holding **LSE** Dec. 19/$4.00	4.76	**19.0**	9.4	Shepherd Ave Capital Acquisition **SPHAU** Dec. 5/$10.00	10.02	**0.2**	0.3
New Century Logistics **NCEW** Dec. 18/$4.00	2.02	**–49.5**	–20.5	zSpace **ZSPC** Dec. 5/$5.00	13.20	**164.0**	–40.0
YSX **YSXT** Dec. 18/$4.00	2.70	**–32.5**	–37.4	Tavia Acquisition **TAVIU** Dec. 4/$10.00	10.04	**0.4**	0.5
Anteris Tech Global **AVR** Dec. 13/$6.00	5.61	**–6.5**	0.2	Jupiter Neurosciences **JUNS** Dec. 3/$4.00	11.02	**175.5**	100.7
Moutain Lake Acquisition **MLACU** Dec. 13/$10.00	10.02	**0.2**	0.2	Brazil Potash **GRO** Nov. 27/$15.00	8.15	**–45.7**	–39.7
NetClass Technology **NTCL** Dec. 13/$5.00	5.40	**8.0**	8.0	BrilliA **BRIA** Nov. 27/$4.00	3.99	**–0.2**	–0.2

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Monday, December 30

Auction of 13 and 26 week bills; announced on December 26; settles on January 2

Thursday, January 2

Auction of 4, 8 and 17 week bills; announced on December 31; settles on January 7

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 151.95 points, or 0.35%, on the week. A $1 change in the price of any DJIA stock = 6.15-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $37,565, or a gain of 25.22%, on the $30,000 investment, including reinvested dividends.

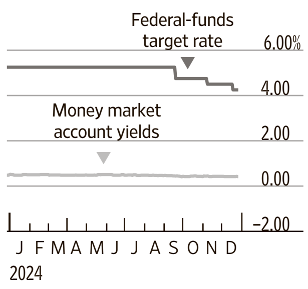
The Week's Action Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '23) $1,000
1.97	9.86	60.61	**UnitedHealth Group**	UNH	$509.99	**$984**
1.90	3.37	20.71	**Boeing**	BA	180.72	**693**
1.86	1.09	6.70	**Cisco**	CSCO	59.61	**1,218**
1.78	10.08	61.96	**Goldman Sachs**	GS	576.18	**1,530**
1.71	2.31	14.20	**NVIDIA**	NVDA	137.01	**2,767**
1.68	1.65	10.14	**Merck & Co**	MRK	99.70	**940**
1.50	3.57	21.94	**JPMorgan Chase**	JPM	241.17	**1,451**
0.87	1.47	9.04	**Procter & Gamble**	PG	169.53	**1,186**
0.81	1.15	7.07	**Chevron**	CVX	144.00	**1,007**
0.80	2.40	14.75	**American Express**	AXP	301.05	**1,626**
0.70	0.90	5.53	**3M**	MMM	130.18	**1,473**
0.52	1.19	7.31	**Honeywell**	HON	229.51	**1,118**
0.43	1.10	6.76	**Apple**	AAPL	255.59	**1,334**
0.40	0.58	3.57	**Johnson & Johnson**	JNJ	145.05	**955**
0.32	0.94	5.78	**McDonald's**	MCD	293.62	**1,014**
0.30	0.95	5.84	**Visa**	V	318.66	**1,233**
0.27	0.65	4.00	**Travelers**	TRV	241.41	**1,290**
0.07	0.26	1.60	**Home Depot**	HD	392.86	**1,161**
–0.03	–0.01	–0.06	**Verizon**	VZ	39.92	**1,130**
–0.16	–0.10	–0.61	**Coca-Cola**	KO	62.45	**1,092**
–0.26	–0.58	–3.57	**IBM**	IBM	222.78	**1,411**
–0.28	–0.73	–4.49	**Amgen**	AMGN	262.65	**940**
–0.32	–1.18	–7.25	**Caterpillar**	CAT	364.86	**1,254**
–0.43	–0.48	–2.95	**Walt Disney**	DIS	111.55	**1,247**
–0.52	–1.17	–7.19	**Amazon.com**	AMZN	223.75	**1,473**
–0.63	–2.18	–13.40	**Sherwin-Williams**	SHW	343.29	**1,110**
–0.63	–0.58	–3.57	**Walmart**	WMT	91.66	**1,765**
–0.68	–0.52	–3.20	**NIKE**	NKE	76.42	**716**
–1.39	–6.07	–37.31	**Microsoft**	MSFT	430.53	**1,153**
–1.51	–5.20	–31.96	**Salesforce**	CRM	338.45	**1,294**

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

Money Market/Savings Accts

Bankrate.com avg†:	**0.42%**
MyBankingDirect	**4.65%**
Westbury, NY	516-683-4100
Primis Bank	**4.70%**
Tappahannock, VA	833-477-4647
BrioDirect	**4.75%**
Montebello, NY	877-369-2746
Northern Bank Direct	**4.75%**
Woburn, MA	844-348-8996
Quontic Bank	**4.75%**
New York, NY	800-908-6600

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**4.25-4.50**	4.25-4.50	4.25	5.50	**4.25**
Prime rate*	**7.50**	7.50	7.50	8.50	**4.25**
SOFR	**4.53**	4.30	4.30	5.40	**4.48**
Money market, annual yield	**0.42**	0.42	0.41	0.52	**0.35**
Five-year CD, annual yield	**2.85**	2.86	2.80	2.89	**2.43**
30-year mortgage, fixed†	**7.36**	7.37	6.69	7.72	**4.13**
15-year mortgage, fixed†	**6.72**	6.62	6.02	7.11	**4.19**
Jumbo mortgages, $766,550-plus†	**7.40**	7.44	6.78	7.79	**4.15**
Five-year adj mortgage (ARM)†	**6.48**	6.45	5.88	6.78	**3.63**
New-car loan, 48-month	**7.27**	7.27	7.18	7.94	**3.85**

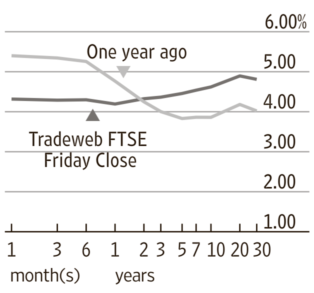
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

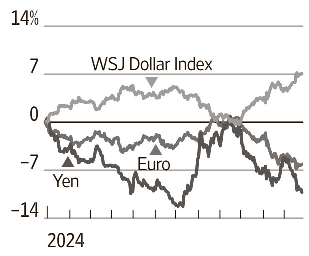
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb FTSE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Yield (%) Last	Wk ago	Spread +/- Treasurys, in basis pts, 52-wk Range Last	Low	High	Total Return 52-wk	3-yr
U.S. Treasury, Bloomberg	**4.520**	4.460				-0.07	-2.98
U.S. Treasury Long, Bloomberg	**4.900**	4.810				-8.01	-12.15
Aggregate, Bloomberg	**4.960**	4.900	32	32	45	0.62	-2.50
Fixed-Rate MBS, Bloomberg	**5.320**	5.250	42	37	56	0.47	-2.23
High Yield 100, ICE BofA	**6.742**	6.691	223	191	319	6.881	2.893
Muni Master, ICE BofA	**3.507**	3.509	0	-6	9	0.765	-0.533
EMBI Global, J.P. Morgan	**7.644**	7.598	297	270	379	5.681	-0.754

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. **NA** signifies that the information is not available or not applicable. **NS** signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: LSEG

Friday, December 27, 2024

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc **ADX**	22.97	20.50	-10.8	30.2
Central Secs **CET**	55.29	45.85	-17.1	31.3
CohenStrsCEOppFd **FOF**	12.03	12.66	+5.2	23.6
EVTxAdvDivIncm **EVT**	26.01	24.07	-7.5	17.4
GabelliDiv&IncTr **GDV**	NA	24.35	NA	19.1
Gabelli Equity Tr **GAB**	NA	5.37	NA	18.1
GeneralAmer **GAM**	58.44	51.42	-12.0	40.3
JHancockTaxAdvDiv **HTD**	24.03	22.08	-8.1	26.0
Liberty All-Star Equity **USA**	7.03	7.00	-0.4	21.7
Liberty All-Star Growth **ASG**	6.20	5.75	-7.3	18.9
Royce Micro-Cap Tr **RMT**	10.99	9.74	-11.4	13.8
Royce Value Trust **RVT**	17.08	15.79	-7.6	17.8
Source Capital **SOR**	46.34	45.41	-2.0	19.2
Special Opportunities **SPE**	NA	14.55	NA	33.7
Sprott Focus Trust **FUND**	8.36	7.29	-12.8	-1.8
SRH Total Return **STEW**	20.69	16.00	-22.7	19.7
Tri-Continental **TY**	35.75	31.72	-11.3	29.0
Specialized Equity Funds				
abrdn Glb Prem Prop **AWP**	3.93	3.94	+0.3	13.4
abrdn Global Infra Inc **ASGI**	19.32	18.14	-6.1	12.8
Adams Natural Resources **PEO**	24.02	21.44	-10.7	12.0
ASA Gold & Prec Met Ltd **ASA**	22.52	20.15	-10.5	33.9
BR Enh C&I **CII**	21.71	20.30	-6.5	13.8
BlackRock Energy & Res **BGR**	13.58	12.56	-7.5	7.6
BlackRock Eq Enh Div **BDJ**	9.07	8.38	-7.6	18.2
BlackRock Enh Glbl Div **BOE**	12.16	10.88	-10.5	17.9
BlackRock Enh Intl Div **BGY**	5.94	5.34	-10.1	9.2
BlackRock ESG Cap All T **ECAT**	17.72	16.86	-4.9	23.3
BlackRock Hlth Sci Term **BMEZ**	16.62	14.66	-11.8	11.5
BlackRock Hlth Sciences **BME**	41.63	38.32	-8.0	0.9
BlackRock Innov&Gro Term **BIGZ**	8.50	7.50	-11.8	14.2
BlackRock Res & Comm **BCX**	9.57	8.58	-10.3	3.6
BlackRock Sci&Tech Term **BSTZ**	23.50	21.28	-9.4	41.2
BlackRock Sci&Tech Trust **BST**	40.29	37.02	-8.1	19.4
BlackRock Utl Inf & Pwr **BUI**	22.78	23.12	+1.5	13.1
CLEARBRIDGE ENGY MDS OPP **EMO**	NA	45.86	NA	42.2
ChnStrInfr **UTF**	23.85	23.77	-0.3	21.1
Cohen&SteersQualInc **RQI**	12.77	12.24	-4.2	8.0
CohenStrs Real Est and I **RLTY**	15.90	14.85	-6.6	15.9
Cohen&Steers TotRet **RFI**	11.58	11.65	+0.6	7.4
CohenStrsREITPrefInc **RNP**	20.98	21.01	+0.1	12.6
Columbia Sel Prm Tech Gr **STK**	32.49	32.29	-0.6	19.0
DNP Select Income **DNP**	8.77	9.00	+2.6	15.6
Duff&Ph Uti&Infra Inc Fd **DPG**	12.78	11.82	-7.5	38.9
EtnVncEqtyInc **EOI**	NA	21.26	NA	38.9
EtnVncEqtyIncoII **EOS**	NA	24.22	NA	40.2
EVRskMnDvsEqInc **ETJ**	9.84	9.35	-5.0	30.0
ETnVncTxMgdBuyWrtInc **ETB**	15.78	15.10	-4.3	27.0
EtnVncTxMgdBuyWrtOpp **ETV**	15.16	14.48	-4.5	28.2
EvTxMnDvsEqInc **ETY**	NA	15.04	NA	33.9
EtnVncTxMgdGlbB **ETW**	9.40	8.44	-10.2	19.3
EVTxMnGblDvEqInc **EXG**	NA	8.24	NA	17.0
First Tr Enhanced Eq **FFA**	21.41	20.53	-4.1	20.3
Gabelli Healthcare **GRX**	NA	9.70	NA	10.2
Gab Utility **GUT**	NA	5.17	NA	16.8
GAMCOGlGold&NatRes **GGN**	NA	3.84	NA	10.8
J Han Finl Opptys **BTO**	35.12	35.57	+1.3	28.5
Neuberger Brmn Enrgy I&I **NML**	9.57	8.60	-10.1	36.9
Neuberger Nxt Gen Conn **NBXG**	14.92	12.96	-13.1	30.7
NubrgrRlEstSec **NRO**	3.58	3.45	-3.6	20.4
Nuv Dow 30 Dyn Overwrite **DIAX**	16.88	15.19	-10.0	17.4
NuvCorEqAlpha **JCE**	15.70	15.68	-0.1	26.1
Nuveen Nasdaq 100 Dyn Ov **QQQX**	29.92	27.07	-9.5	25.7
Nuv Real Est **JRS**	8.98	8.53	-5.0	18.3
NuvS&P500DynOvFd **SPXX**	18.68	17.62	-5.7	26.1
NuvSP500BuyIncFd **BXMX**	15.38	13.96	-9.2	17.0
ReavesUtilityIncome **UTG**	31.98	31.84	-0.4	28.0
Tortoise Enrgy Infra Crp **TYG**	NA	41.64	NA	58.6
Ecofin S&S Impact Term **TEAF**	NA	11.94	NA	11.6
VDivInt&PremStr **NFJ**	14.11	12.71	-9.9	10.6
V Art Int&Tech Opps **AIO**	NA	25.08	NA	57.2
Income & Preferred Stock Funds				
Dividend and Income **BXSY**	19.80	NA	NA	NA
CalamosStratTot **CSQ**	18.40	18.01	-2.1	29.5
CohenStrsLtdDurPref&Inc **LDP**	21.88	20.25	-7.4	18.8
CohenStrsSelPref&Income **PSF**	21.47	19.63	-8.6	12.0
CohenStrsTaxAvPreSecs&I **PTA**	20.77	19.12	-7.9	15.2
FirstTrIntDurPref&Inc **FPF**	19.33	17.93	-7.2	19.4
JHanPrefInc **HPI**	16.23	16.45	+1.4	13.2
JHPrefIncII **HPF**	16.07	16.33	+1.6	13.4
HnckJPfdInco III **HPS**	14.46	14.81	+2.4	14.7
J Han Prm **PDT**	13.15	12.50	-4.9	27.4
LMP CapInco **SCD**	NA	17.27	NA	34.4
Nuveen Pref & Inc Opp **JPC**	7.96	7.85	-1.4	27.4
Nuveen Pref Sec & Inc Op **JPI**	19.86	19.51	-1.8	14.9

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
Nuveen Var Rate P&I **NPFD**	20.00	18.41	-8.0	24.7
TCW Strat Income **TSI**	NA	4.97	NA	12.3
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd **AVK**	12.26	11.80	-3.8	16.6
CalamosConvHi **CHY**	10.65	12.17	+14.3	17.6
CalmosConvOp **CHI**	10.06	12.03	+19.6	28.8
HiIncBd **PCF**	7.10	6.46	-9.0	12.6
V Conv & Inc **NCV**	NA	3.50	NA	17.2
V Conv & Inc II **NCZ**	NA	3.15	NA	19.1
V Div Inc & Conv **ACV**	NA	22.39	NA	18.0
V Eqty & Conv Inc **NIE**	NA	24.54	NA	27.9
World Equity Funds				
abrdn Emg Mkts Eq Inc **AEF**	6.12	5.34	-12.7	10.4
abrdn Glbl Dyn Div **AGD**	11.04	10.03	-9.1	17.7
abrdn Tot Dyn Div **AOD**	9.56	8.62	-9.8	17.4
Allspring Gl Div Oppty **EOD**	5.57	4.92	-11.7	24.5
BlackRock Cap Alloc Term **BCAT**	16.49	15.34	-7.0	20.8
Calamos GloDynInc **CHW**	7.71	6.89	-10.6	29.5
EV TxAdvGlbDivInc **ETG**	NA	18.45	NA	16.8
EtnVncTxAdvOpp **ETO**	27.57	25.52	-7.4	16.7
Highland Global Alloc **HGLB**	11.92	6.89	-42.2	-0.3
India Fund **IFN**	18.41	15.91	-13.6	-1.0
Japan Smaller Cap **JOF**	9.41	7.60	-19.2	4.2
LazardGlbTotRetInc **LGI**	17.81	16.21	-9.0	16.0
Mexico **MXF**	17.15	13.62	-20.6	-24.7
MS ChinaShrFd **CAF**	15.64	12.52	-19.9	0.8
MS India **IIF**	30.62	25.46	-16.9	42.7
Nuveen Multi-Asset Inc **NMAI**	13.22	12.05	-8.9	11.7
Nuveen Rl Asst Inc & Gro **JRI**	13.14	12.15	-7.5	16.4
NYLI CBRE Glbl Inf Meg T **MEGI**	14.14	12.15	-14.1	4.9
Templeton Dragon **TDF**	10.42	8.65	-17.0	7.4
Templeton Em Mkt **EMF**	14.25	11.95	-16.2	9.5

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income **BKT**	11.75	11.47	-2.4	8.7
Investment Grade Bond Funds				
Angel Oak FS Inc Trm **FINS**	NA	12.88	NA	10.2
BlRck Core Bond **BHK**	10.26	10.46	+1.9	7.9
BR Credit Alloc Inc **BTZ**	11.25	10.42	-7.4	9.1
Insight Select Income **INSI**	17.35	16.67	-3.9	4.5
InvescoBond **VBF**	16.14	15.36	-4.8	5.4
J Han Income **JHS**	11.88	11.17	-5.9	4.0
MFS Intmdt **MIN**	2.77	2.62	-5.4	0.0
Westn Asst IG Def Opp Tr **IGI**	NA	16.20	NA	5.0
Loan Participation Funds				
BR Debt Strategy **DSU**	10.62	10.81	+1.8	10.9
BR F/R Inc Str **FRA**	12.89	14.05	+9.0	10.6
BlackRock Floatng Rt Inc **BGT**	12.56	12.96	+3.2	11.0
Blackstone Lng-Sh Cr Inc **BGX**	NA	12.68	NA	9.6
BS SFR 2027 T **BSL**	NA	14.46	NA	9.3
BS St Cr 2027 Tm **BGB**	NA	12.23	NA	9.1
Eagle Point Credit **ECC**	NA	8.82	NA	18.4
Eagle Point Income **EIC**	NA	15.41	NA	15.3
EtnVncFltRteInc **EFT**	13.18	13.27	+0.7	10.5
EV SenFlRtTr **EFR**	12.89	12.95	+0.5	10.6
FT/Sr Fltg Rte Inc 2 **FCT**	10.85	10.46	-3.6	11.1
Highland Oppty & Income **HFRO**	12.78	5.16	-59.6	8.5
InvDYCrOpp:AX **VTA**	11.06	NA	NA	NA
InvSnrIncTr **VVR**	3.94	3.93	-0.3	13.0
Nuveen Credit Strat Inc **JQC**	5.87	5.74	-2.2	11.0
NuvFloatRateIncFd **JFR**	9.21	8.92	-3.1	11.1
High Yield Bond Funds				
abrdn Inc Credit Str **ACP**	6.44	6.05	-6.1	18.6
AllianceBernGlHiIncm **AWF**	11.34	10.61	-6.4	7.3
Allspring Income Oppty **EAD**	7.36	6.85	-6.9	8.8
Barings Glb SD HY Bd **BGH**	15.89	15.36	-3.3	9.3
BR Corporate HY **HYT**	9.66	9.72	+0.6	9.4
BlackRock Ltd Dur Inc **BLW**	14.02	14.08	+0.4	9.2
BNY Mellon Hi Yield Str **DHF**	2.73	2.58	-5.5	7.6
Brookfield Real Asst Inc **RA**	14.62	13.29	-9.1	9.8
CrSuisHighYld **DHY**	2.19	2.17	-0.9	8.4
DoubleLine Inc Sol **DSL**	12.45	12.46	+0.1	10.3
DoubleLine Yld Opps **DLY**	16.00	15.91	-0.6	8.9
First Trust HY Opp:2027 **FTHY**	15.25	14.53	-4.7	10.4
Franklin Univ **FT**	8.11	7.27	-10.4	6.5
KKR Income Opportunities **KIO**	NA	13.20	NA	10.8
NeubHgYldStrt **NHS**	7.73	7.61	-1.6	13.8
New Amer Hi Inc **HYB**	8.27	8.16	-1.3	5.8
Nuveen Global High Inc **JGH**	13.84	12.76	-7.8	9.3
PGIM Global High Yield **GHY**	13.03	12.42	-4.7	9.9
PGIM High Yield Bond **ISD**	13.86	13.74	-0.9	9.0
PGIM Sh Dur Hi Yld Opp **SDHY**	17.48	16.11	-7.8	7.7
PioneerHiIncm **PHT**	NA	7.71	NA	8.3
WstAstHIF II **HIX**	NA	4.23	NA	13.2
Western Asset Hi Inc Opp **HIO**	NA	3.94	NA	10.7
Western Asset Hi Yld D O **HYI**	NA	11.75	NA	9.3
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector **ERC**	9.77	8.95	-8.4	8.6
Ares Dynamic Crdt Alloc **ARDC**	NA	15.05	NA	9.1
BlackRock Mlt-Sctr Inc **BIT**	14.49	14.26	-1.6	10.1
BlackRock Tax Muni Bd **BBN**	17.05	15.90	-6.7	6.5
DoubleLine:Oppor Crdt Fd **DBL**	15.33	15.38	+0.3	8.5
EVLmtDurIncm **EVV**	NA	9.90	NA	9.3
Franklin Ltd Dur Income **FTF**	6.93	6.45	-6.9	11.0
FS Credit Opportunities **FSCO**	NA	NA	NA	10.4
J Han Investors **JHI**	14.59	13.77	-5.6	7.0
MFS Charter **MCR**	6.73	6.17	-8.3	0.0
NuvCorePlusImpact **NPCT**	11.60	10.48	-9.7	10.9
Nuveen Taxable Muni Inc **NBB**	16.02	15.00	-6.4	6.2

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
PIMCO Corp & Inc Oppty **PTY**	NA	14.30	NA	9.6
PIMCO Corp & Inc Strat **PCN**	11.87	13.42	+13.1	9.6
PIMCOHiIncо **PHK**	NA	4.89	NA	11.4
PIMCO IncmStrFd **PFL**	NA	8.32	NA	11.4
PIMCO IncmStrFd II **PFN**	NA	7.44	NA	11.4
Putnam Mas Int **PIM**	3.40	3.23	-5.0	8.0
Putnam Prem Inc **PPT**	3.76	3.51	-6.6	8.7
Western Asset Dvsfd Inc **WDI**	NA	14.24	NA	11.7
Western Asset Inf-Lk Inc **WIA**	NA	7.98	NA	7.2
Western Asset Inf-Lk O&I **WIW**	NA	8.21	NA	8.3
World Income Funds				
abrdn AP IncFd **FAX**	16.94	15.07	-11.0	12.4
MS EmMktDomDebt **EDD**	4.98	4.39	-11.8	9.6
PIMCO Access Income **PAXS**	15.31	15.40	+0.6	10.6
PIMCO Dynamic Inc Strat **PDX**	26.94	26.45	-1.8	5.1
PIMCO Dynamic Income **PDI**	NA	18.44	NA	13.8
PIMCO Dynamic Inc Opp **PDO**	NA	13.29	NA	11.2
PIMCO Stratg Inc **RCS**	4.41	7.42	+68.3	7.8
Templtn Glbl Inc **SABA**	NA	8.80	NA	NE
Templeton Em Inc **TEI**	5.67	5.13	-9.5	10.6
WstAstEmergDebt **EMD**	NA	9.59	NA	10.1
Western Asset Gl Cr D Op **GDO**	NA	11.14	NA	11.5
National Muni Bond Funds				
AllBerNatlMunInc **AFB**	12.41	10.82	-12.8	3.5
BlckRk Inv Q Mun **BKN**	12.57	11.07	-11.9	5.5
BlackRock Muni 2030 Tgt **BTT**	23.76	20.43	-14.0	2.6
BlackRock Muni **BFK**	11.14	9.79	-12.1	5.7
BlackRock Muni II **BLE**	11.74	10.38	-11.6	5.6
BlckRk Muni Inc Qly **BYM**	12.26	10.71	-12.6	5.4
BR MuniAssets Fd **MUA**	11.53	11.16	-3.2	5.4
BR MH Qly 2 **MUE**	11.29	10.02	-11.2	5.1
BR MuniHoldngs **MHD**	13.15	11.60	-11.8	5.1
BR MuniVest Fd **MVF**	7.80	7.04	-9.7	4.9
BR MuniVest 2 **MVT**	12.01	10.43	-13.2	5.4
BR MuniYield Fd **MYD**	11.72	10.42	-11.1	5.5
BR MuniYield Qlty **MQY**	12.75	11.50	-9.8	5.4
BR MuniYld Qlty2 **MQT**	11.24	9.89	-12.0	5.5
BR MuniYld Qly 3 **MYI**	12.15	11.12	-8.5	5.7
BNY Mellon Muni Bd Infra **DMB**	11.93	10.27	-13.9	3.2
BNY Mellon Str Muni Bond **DSM**	6.66	5.75	-13.7	3.5
BNY Mellon Strat Muni **LEO**	6.98	5.98	-14.3	3.5
DWS Muni Inc **KTF**	9.92	9.48	-4.4	6.0
EVMuniBd **EIM**	11.09	10.26	-7.5	5.3
EVMuniIncm **EVN**	11.12	10.01	-10.0	5.2
EVNatMuniOpp **EOT**	18.29	16.47	-10.0	4.4
InvAdvMuIncTrII **VKI**	9.51	8.61	-9.5	5.8
Invesco MuniOp **OIA**	6.31	5.86	-7.1	5.1
InvescoMuOppTr **VMO**	10.62	9.52	-10.4	5.8
InvescoMuTr **VKQ**	10.66	9.54	-10.5	5.8
InvescoQual Inc **IQI**	10.71	9.61	-10.3	5.9
InvTrInvGrMu **VGM**	10.98	9.82	-10.6	5.8
InvescoValMunInc **IIM**	13.08	11.71	-10.5	5.9
NeubrgrBrm **NBH**	11.76	10.25	-12.8	4.9
Nuveen AMT-Fr Mu Val **NUW**	15.07	13.49	-10.5	3.7
Nuveen AMT-Fr Qlty Mun I **NEA**	12.20	11.12	-8.9	6.0
Nuveen AMT-Fr Mu Cl **NVG**	13.35	12.11	-9.3	6.0
Nuveen Dyn Muni Opp **NDMO**	10.90	9.99	-8.3	6.8
Nuveen Mu Crdt Opps **NMCO**	11.59	10.52	-9.2	6.1
Nuv Muni Credit Income **NZF**	13.28	12.12	-8.7	6.1
NuvMuniHiIncOpp **NMZ**	10.99	10.74	-2.3	5.7
Nuveen Muni Val **NUV**	9.25	8.53	-7.8	3.9
Nuveen Quality Muni Inc **NAD**	12.66	11.57	-8.6	6.0
Nuveen Sel TF **NXP**	14.43	14.89	+3.2	4.0
NYLI MacKay DT Muni Opp **MMD**	16.62	14.79	-11.0	4.4
PIMCO MuniInc **PMF**	9.14	8.94	-2.2	5.2
PIMCOMuniIncII **PML**	8.51	8.05	-5.4	5.3
Pimco Muni III **PMX**	7.83	7.26	-7.3	4.9
PioneerHiIncAdv **MAV**	NA	8.47	NA	4.2
PionrMuniHiIncOppty **MIO**	NA	11.95	NA	4.6
PioneerMunHiIcm **MHI**	NA	9.30	NA	4.1
Putnam Mgd Inc **PMM**	6.73	6.02	-10.5	4.4
Putnam Muni Opp **PMO**	11.34	10.04	-11.5	3.8
RiverNorth Flx Mu Inc II **RFMZ**	15.25	13.42	-12.0	7.3
RiverNorth Mgd Dur Mun I **RMM**	NA	14.48	NA	6.9
Western Asset Mgd Muni **MMU**	NA	10.11	NA	5.7
Single State Muni Bond				
BlackRock CA Mun **BFZ**	12.52	11.17	-10.8	5.6
BR MH CA Qly Fd Inc **MUC**	12.23	10.55	-13.7	5.2
BR MH NJ Qly **MUJ**	12.70	11.01	-13.3	5.0
BR MH NY Qly **MHN**	11.63	10.31	-11.3	4.9
BR MuniYld MI Qly **MIY**	12.68	11.09	-12.5	4.7
BR MuniYld NY Qly **MYN**	11.26	10.02	-11.0	5.1
BR MuniYld PA Qly **MPA**	12.73	11.33	-11.0	5.5
BlackRock NY Mun **BNY**	11.59	10.20	-12.0	4.9
EVCAMuniBd **EVM**	10.12	9.22	-8.9	4.9
Eaton Vance NY Muni Bd **ENX**	10.46	9.58	-8.4	4.8
InvCaValMuIncTr **VCV**	10.97	10.70	-2.5	5.6
InvPAValMuIncTr **VPV**	11.45	10.28	-10.2	5.1
InvTrInvGrNYMu **VTN**	11.61	10.50	-9.6	5.4
Nuveen CA AMT-F Qual MI **NKX**	12.79	12.56	-1.8	5.7
Nuveen CA Val **NCA**	9.27	8.40	-9.4	3.9
NuveenCAQtyMuInc **NAC**	12.29	11.17	-9.1	6.1
NuvNJ Qual Muni Inc **NXJ**	13.14	11.94	-9.1	5.6
Nuveen NY AMT/Fr Qual MI **NRK**	11.54	10.37	-10.1	6.1
Nuveen NY Val **NNY**	8.93	7.98	-10.6	4.0
Nuveen NY Qual Muni Inc **NAN**	12.07	11.16	-7.5	6.0
Nuveen PA Qual Muni Inc **NQP**	12.79	11.12	-13.1	5.8
Nuveen VA Qlty Mun Inc **NPV**	12.08	12.86	+6.5	5.0
PIMCO CA **PCQ**	10.24	8.98	-12.3	4.4
PIMCOCAMuniII **PCK**	6.54	5.69	-13.0	4.3
Pimco CA Muni III **PZC**	7.56	6.75	-10.7	4.9

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	14.77	NA	NA	-1.1
First Trust Hdg Strat;A	11.03	NA	NA	9.6
First Trust Hdg Str;I	11.08	NA	NA	10.4
Specialized Equity Funds				
Accordant ODCE Index;A	9.27	NA	NA	-2.2
Accordant ODCE Index;I	9.30	NA	NA	-2.1
Accordant ODCE Index;Y	9.30	NA	NA	-2.1
ARK Venture	29.93	NA	NA	7.7
ArrowMark Financial Corp **BANX**	NA	21.17	NA	NA
CASCADE PRIVATE CAP;I	16.70	NA	NA	33.3
CBRE GlbRlEst **IGR**	5.09	4.97	-2.4	-6.6
CIM RA&C A	21.76	NA	NA	-1.3
CIM RA&C C	21.01	NA	NA	-2.1
CIM RA&C I	22.00	NA	NA	-1.2
CIM RA&C L	21.49	NA	NA	-1.6
Connetic Venture CA;I	10.06	NA	NA	NS
Forum RE Income;Founders	9.75	NA	NA	13.3
Forum RE Income;I	9.75	NA	NA	13.2
Forum RE Income;K	9.73	NA	NA	NS
GS Real Est Div Inc:A	8.22	NA	NA	-5.3
GS Real Est Div Inc:C	8.21	NA	NA	-5.9
GS Real Est Div Inc:I	8.70	NA	NA	-4.9
GS Real Est Div Inc:L	8.23	NA	NA	-5.5
GS Real Est Div Inc:P	8.71	NA	NA	-4.9
GS Real Est Div Inc:W	8.39	NA	NA	-5.2
HMLTN LN PRIV INFRA;I	NA	NA	NA	NS
HMLTN LN PRIV INFRA;R	NA	NA	NA	NS
HMLTN LN PRIV INFRA;Y	NA	NA	NA	NS
JACKSON REAL ASSETS;I	10.38	NA	NA	NS
MEKETA INFRSTRCTR;I	26.31	NA	NA	NS
MEKETA INFRSTRCTR;III	26.31	NA	NA	NS
NexPointRlEstStrat;A	16.16	NA	NA	-0.2
NexPointRlEstStrat;C	16.37	NA	NA	-0.9
NexPointRlEstStrat;Z	16.39	NA	NA	0.0
PENDER REAL ESTATE CR;A	10.02	NA	NA	NS
PENDER REAL ESTATE CR;I1	10.02	NA	NA	8.2
PENDER REAL ESTATE CR;I2	10.02	NA	NA	8.4
PIMCO FLEXIBLE REI;F	10.47	NA	NA	NS
PIMCO Flexible REI;Inst	10.47	NA	NA	7.7
Principal Real Asst A	25.50	NA	NA	2.0
Principal Real Asst Ins	25.64	NA	NA	2.3
Principal Real Asst Y	25.94	NA	NA	2.5
Redwood Rl Est;I	25.19	NA	NA	8.0
The Private Shares;A	41.77	NA	NA	10.1
The Private Shares;I	42.54	NA	NA	10.4
The Private Shares;L	41.02	NA	NA	9.9
Thirdline Real EstateI	10.09	NA	NA	5.4
USQ Core Real Estate:I	22.18	NA	NA	-4.2
USQ Core Real Estate:L	22.27	NA	NA	-4.2
Versus Cap RE:I	24.57	NA	NA	-0.8
Versus Capital Real Asst	27.89	NA	NA	3.2
Wildermuth:I	3.55	NA	NA	-59.2
Income & Preferred Stock Funds				
Calamos L/S Eqty and DI **CPZ**	17.12	15.06	-12.0	7.8
Denali Strctr Rtrn Strat	NA	NA	NA	NS
Flat Rock Opportunity	18.91	NA	NA	13.6
Lord Abbett Spec Sit I:A	9.34	NA	NA	9.5
Lord Abbett Spec Sit I:I	9.34	NA	NA	10.2
Variant Altrntv Inc:Inst	27.72	NA	NA	4.8
Variant Impact;Instl	28.46	NA	NA	6.5
Versus Capital Infra Inc	10.10	NA	NA	NS
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc **CCD**	19.30	24.66	+27.8	10.7
World Equity Funds				
BEACON POINTE MLT-ALT;I	NA	NA	NA	NS
CalamosGlbTotRet **CGO**	11.78	11.53	-2.1	24.8
Cantor Fitzgerald SI:A	12.09	NA	NA	17.8
Cantor Fitzgerald SI:C	11.91	NA	NA	16.9
Cantor Fitzgerald SI:I	12.12	NA	NA	18.1
CANTOR FITZGERALD INFR;S	12.20	NA	NA	NS
Sweater Cashmere	22.49	NA	NA	6.1
Primark Priv Eq Inv:I	14.37	NA	NA	18.2
Thornburg Inc Bldr Opps **TBLD**	18.42	16.50	-10.4	8.9
VirtusTotalRetFd **ZTR**	NA	5.87	NA	NA

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	0.0
CATALYST STRAT INC OPPS	NA	NA	NA	NS
Ellington Inc Opp:A	9.27	NA	NA	11.7
Ellington Inc Opp:M	9.13	NA	NA	12.3
Loan Participation Funds				
1WS Credit Income;A2	NA	NA	NA	8.3
1WS Credit Income;Inst	NA	NA	NA	8.1
Apollo Diversified Cd:A	NA	NA	NA	8.7
Apollo Diversified Cd:C	NA	NA	NA	8.0
Apollo Diversified Cd:F	NA	NA	NA	10.8
Apollo Diversified Cd:I	NA	NA	NA	9.0
Apollo Diversified Cd:L	NA	NA	NA	8.5
Apollo Diversified Cd:M	NA	NA	NA	8.3
Axonic Alternative I;A	NA	NA	NA	8.9
Axonic Alternative I Ins	NA	NA	NA	8.9
Bluerock HI Inst Crd:A	NA	NA	NA	15.7
Bluerock HI Inst Crd:C	NA	NA	NA	15.7
Bluerock HI Inst Crd:F	NA	NA	NA	15.7
Bluerock HI Inst Crd:I	NA	NA	NA	15.7
BNYM Alcntr Glb MS Cr Fd	88.11	NA	NA	NA
CliffwaterClFd;I	10.61	NA	NA	11.0
CliffwaterElFd;I	NA	NA	NA	10.9
CNR Strategic Credit	6.78	NA	NA	22.9
Floating-Rate Opps;A	10.24	NA	NA	NS
Floating-Rate Opps;I	10.23	NA	NA	10.1
Floating-Rate Opps;U	10.24	NA	NA	NS
Equalize Community Dev	9.33	NA	NA	3.7
FedProj&TrFinanceTendr	10.19	NA	NA	6.9
Flat Rock Core Income	20.52	NA	NA	9.95
Flat Rock Enhanced Inc	21.67	NA	NA	11.4
InvDYCrOpp:A	11.06	NA	NA	11.0
InvDYCrOpp:R6	11.07	NA	NA	11.4
InvDYCrOpp:Y	11.07	NA	NA	11.3
Invesco Sr Loan A	5.75	NA	NA	9.4
Invesco Sr Loan C	5.76	NA	NA	8.6
Invesco Sr Loan IB	5.75	NA	NA	9.6
Invesco Sr Loan IC	5.75	NA	NA	9.5
Invesco Sr Loan Y	5.75	NA	NA	9.6
Lord Abbett FR Hi Inc:A	10.08	NA	NA	9.9
Lord Abbett FR Hi Inc:I	10.08	NA	NA	10.4
Monachil Credit Income:I	10.05	NA	NA	9.9
Nomura Alt Inc;I	10.02	NA	NA	10.8
Octagon XAI CLO Inc;A	25.31	NA	NA	NS
Octagon XAI CLO Inc;I	25.32	NA	NA	NS
OFS Credit Company **OCCI**	NA	7.07	NA	19.2
PC PCAAM AI;I	10.03	NA	NA	NS
PRINCIPAL PRIVATE CR I;A	10.36	NA	NA	NS
PRINCIPAL PRIVATE CR I;Y	10.40	NA	NA	NS
PRINCIPAL PRVT CR I;INS	10.39	NA	NA	NS
SEI Alternative Income:F	10.28	NA	NA	7.8
SEI Alternative Income:Y	10.28	NA	NA	8.1
Voya Enhanced Sec Inc:A	10.11	NA	NA	NS
Voya Enhanced Sec Inc:C	10.11	NA	NA	NS
Voya Enhanced Sec Inc:I	10.11	NA	NA	NS
Yieldstreet Alt Inc	NA	NA	NA	7.9
High Yield Bond Funds				
AB CarVal Credit Opp;Adv	9.91	NA	NA	NS
AB CarVal Credit Opp;A	9.90	NA	NA	NS
AB CarVal Credit Opp;C	9.90	NA	NA	NS
AB CarVal Credit Opp;U	9.90	NA	NA	NS
Opprtnstc Crdt Intrvl;I	NA	NA	NA	9.4
PIMCO Flexible Cr I;A-1	NA	NA	NA	10.3
PIMCO Flexible Cr I;A-2	NA	NA	NA	10.3
PIMCO Flexible Cr I;A-3	NA	NA	NA	10.1
PIMCO Flexible Cr I;A-4	NA	NA	NA	10.1
PIMCO Flexible Cr I;Inst	NA	NA	NA	10.8
Polen Credit Opps;Inst	9.79	NA	NA	9.8
Other Domestic Taxable Bond Funds				
AFA Private Credit;Fndr	9.74	NA	NA	7.6
AFA Private Credit;Inst	9.75	NA	NA	7.6
Alternative Credit Inc:A	NA	NA	NA	7.1
Alternative Credit Inc:C	NA	NA	NA	6.4
Alternative Credit Inc:I	NA	NA	NA	7.4
Alternative Credit Inc:L	NA	NA	NA	6.9
Alternative Credit Inc:W	NA	NA	NA	7.2
AMG Pantheon Crdt Soln;I	10.45	NA	NA	NS
AMG Pantheon Crdt Soln;S	10.54	NA	NA	NS
Angel Oak Str Crdt:FI	NA	NA	NA	7.3
Angel Oak Str Crdt:Inst	NA	NA	NA	7.3
BR Credit Strat;A	8.54	NA	NA	8.5
BR Credit Strat;Inst	8.51	NA	NA	9.2
BR Credit Strat;J	8.52	NA	NA	NS
BR Credit Strat;U	8.52	NA	NA	8.5
BR Credit Strat;W	8.54	NA	NA	8.5
CION Ares Dvsfd Crdt;A	NA	NA	NA	8.9
CION Ares Dvsfd Crdt;C	NA	NA	NA	8.1
CION Ares Dvsfd Crdt;I	NA	NA	NA	9.1
CION Ares Dvsfd Crdt;L	NA	NA	NA	8.6
CION Ares Dvsfd Crdt;U	NA	NA	NA	8.4
CION Ares Dvsfd Crdt:U2	NA	NA	NA	8.4
CION Ares Dvsfd Crdt;W	NA	NA	NA	8.6
CNR Select Strategies	15.52	NA	NA	0.0
Diamond Hill Sec Cr;R	10.11	NA	NA	NS
First Eagle Crdt Opps A	23.10	NA	NA	10.6
First Eagle Crdt Opps A2	23.06	NA	NA	10.4
First Eagle Crdt Opps I	22.96	NA	NA	11.2
First Trust Private Cr;A	NA	NA	NA	9.7
First Trust Private Cr;I	NA	NA	NA	10.1
Franklin BSP Pvt Cr:A	10.91	NA	NA	8.3
Franklin BSP Pvt Cr:Adv	10.93	NA	NA	8.8
FS Credit Income;A	NA	NA	NA	7.9
FS Credit Income;I	NA	NA	NA	8.1
FS Credit Income;T	NA	NA	NA	7.6
FS Credit Income;U	NA	NA	NA	7.4
FS Credit Income;U-2	NA	NA	NA	7.4
KKR CREDIT OPPTY;D	NA	NA	NA	9.2
KKR CREDIT OPPTY;I	NA	NA	NA	9.5
KKR CREDIT OPPTY;T	NA	NA	NA	8.7
KKR CREDIT OPPTY;U	NA	NA	NA	8.7
MA SPECIALTY CREDIT IN;S	25.26	NA	NA	NS
NIAGARA INCOME OPPORTNTS	NA	NA	NA	NS
Palmer Square Opp Inc	17.83	NA	NA	8.9
World Income Funds				
BlueBay Destra Itl E:A	21.78	NA	NA	7.3
BlueBay Destra Itl E:I	21.80	NA	NA	7.5
BlueBay Destra Itl E:L	21.77	NA	NA	7.0
BlueBay Destra Itl E:T	21.65	NA	NA	6.8
BOOSTER INCOME OPPTYS	10.05	NA	NA	NS
Calamos-Aksia ACI:A	10.78	NA	NA	8.4
Calamos-Aksia ACI:C	10.77	NA	NA	7.6
Calamos-Aksia ACI:I	10.79	NA	NA	8.6
Calamos-Aksia ACI:M	10.77	NA	NA	7.9
Carlyle Tact Pvt Cred:A	NA	NA	NA	9.4
Carlyle Tact Pvt Cred:I	NA	NA	NA	9.8
Carlyle Tact Pvt Cred:L	NA	NA	NA	9.2
Carlyle Tact Pvt Cred:M	NA	NA	NA	9.2
Carlyle Tact Pvt Cred:N	NA	NA	NA	9.95
Carlyle Tact Pvt Cred:U	NA	NA	NA	9.2
Carlyle Tact Pvt Cred:Y	NA	NA	NA	9.3
Fid MS Cr;A	NA	NA	NA	6.0
Fid MS Cr;C	NA	NA	NA	5.3
Fid MS Cr;I	NA	NA	NA	6.2
Fid MS Cr;L	NA	NA	NA	5.7
Jackson Credit Opps:I	10.32	NA	NA	NS
Lord Abbett Cred Opps Fd	8.92	NA	NA	9.1
Lord Abbett Cred Opps Fd	8.92	NA	NA	9.8
Lord Abbett Crd Op:U	8.93	NA	NA	9.1
Oaktree Dvsfd Income;D	9.13	NA	NA	8.5
PIMCO Flexible EM I;Inst	NA	NA	NA	8.3
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	8.44	NA	NA	2.5
Lind Cap Pt Mun Cred Inc	8.83	NA	NA	6.6
Lord Abbett Muni Opps:A	10.08	NA	NA	NS
Lord Abbett Muni Opps:I	10.08	NA	NA	NS
Nuveen En HY Muni Bd:A1	7.71	NA	NA	4.9
Nuveen En HY Muni Bd:A2	7.72	NA	NA	5.1
Nuveen En HY Muni Bd:I	7.71	NA	NA	5.5
NYLI MacKay Mu IO;A1	10.08	NA	NA	NS
NYLI MacKay Mu IO;A2	10.08	NA	NA	NS
NYLI MacKay Mu IO;A3	10.08	NA	NA	NS
NYLI MacKay Mu IO;I	10.08	NA	NA	NS
PIMCO Flex Mun Inc;A-3	NA	NA	NA	3.5
PIMCO Flex Mun Inc:A1	NA	NA	NA	3.7
PIMCO Flex Mun Inc;A2	NA	NA	NA	3.7
PIMCO Flex Mun Inc;Inst	NA	NA	NA	4.2
ROCKEFELLER MUNI OPPS;I	19.87	NA	NA	NS
Single State Muni Bond				
PIMCO CA FMI;A-1	10.15	NA	NA	2.7
PIMCO CA FMI;Inst	10.15	NA	NA	3.2

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0010	1028.8391	27.3
Brazil real	.1613	6.1988	27.7
Canada dollar	.6938	1.4414	8.8
Chile peso	.001007	993.11	13.5
Colombia peso	.000227	4407.00	13.7
Ecuador US dollar	1	1	unch
Mexico peso	.0492	20.3292	19.8
Uruguay peso	.02280	43.8650	12.3
Asia-Pacific			
Australia dollar	.6218	1.6082	9.6
China yuan	.1370	7.2988	2.6
Hong Kong dollar	.1288	7.7626	–0.6
India rupee	.01171	85.388	2.6
Indonesia rupiah	.0000618	16186	5.2
Japan yen	.006335	157.84	11.9
Kazakhstan tenge	.001910	523.48	15.0
Macau pataca	.1250	8.0000	–0.7
Malaysia ringgit	.2236	4.4715	–2.7
New Zealand dollar	.5632	1.7756	12.2
Pakistan rupee	.00359	278.392	–1.0
Philippines peso	.0173	57.918	4.5
Singapore dollar	.7360	1.3587	3.0
South Korea won	.0006785	1473.80	13.8
Sri Lanka rupee	.0034185	292.53	–9.7
Taiwan dollar	.03047	32.824	6.9

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Thailand baht	.02936	34.060	–0.9
Vietnam dong	.00003929	25455	4.9
Europe			
Czech Rep. koruna	.04136	24.176	8.0
Denmark krone	.1398	7.1528	5.6
Euro area euro	1.0428	.9590	5.8
Hungary forint	.002539	393.79	13.4
Iceland krona	.007214	138.62	1.9
Norway krone	.0881	11.3562	11.6
Poland zloty	.2441	4.0960	4.1
Sweden krona	.0909	11.0007	8.9
Switzerland franc	1.1088	.9019	7.2
Turkey lira	.0285	35.0722	19.0
Ukraine hryvnia	.0238	42.0500	10.2
UK pound	1.2576	.7952	1.2
Middle East/Africa			
Bahrain dinar	2.6508	.3773	0.1
Egypt pound	.0197	50.8700	64.5
Israel shekel	.2715	3.6836	2.2
Kuwait dinar	3.2444	.3082	0.3
Oman sul rial	2.5973	.3850	0.01
Qatar rial	.2743	3.645	0.1
Saudi Arabia riyal	.2663	3.7548	0.1
South Africa rand	.0535	18.6938	2.2

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	102.44	–0.04	–0.04	6.90

Sources: Tullett Prebon, Dow Jones Market Data

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by LSEG Data and Analytics on December 27, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class **CB:** chairman **CEO:** chief executive officer **CFO:** chief financial officer **CO:** chief operating officer **D:** director **DO:** director and beneficial owner **GC:** general counsel **H:** officer, director and beneficial owner **I:** indirect transaction filed through a trust, insider spouse, minor child or other **O:** officer **OD:** officer and director **P:** president **UT:** unknown **VP:** vice president Excludes pure options transactions

Biggest weekly individual trades

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range ($) in transaction	$ Value (000s)	Close ($)	Ytd (%)
Buyers									
Dec. 23	**Progyny**	**PGNY**	P. Anevski	**CEO**	210	14.48	**3,034**	16.90	-54.5
Dec. 26			D. Schlanger	**OD**	150	14.68	**2,202**		
Dec. 20-23	**Agree Realty**	**ADC**	J. Rakolta	**D**	30	70.07-70.33	**2,127**	70.30	11.7
Dec. 23-24	**Globalstar**	**GSAT**	J. Monroe	**DOI**	1,000	1.93-1.96	**1,944**	2.15	10.8
Dec. 20			J. Monroe	**DOI**	500	1.97	**985**		
Dec. 19			J. Monroe	**DOI**	500	1.89	**944**		
Dec. 19	**RumbleON**	**RMBL**	M. Cohen	**DI**	349	4.18	**1,460**	5.48	-32.7
Dec. 20	**CCC Intelligent Solutions Holdings**	**CCCS**	N. De Crescenzo	**D**	100	12.16	**1,216**	11.95	4.9
Dec. 19	**Ardelyx**	**ARDX**	D. Mott	**D**	213	4.67	**997**	5.21	-16.0
Dec. 19-23	**Cartesian Therapeutics**	**RNAC**	T. Springer	**DO**	52	17.39-19.00	**965**	19.79	-4.3
Dec. 18-20	**CVR Partners**	**UAN**	C. Icahn	**BI**	12	73.99-74.55	**860**	75.25	14.9
Dec. 17	**Biglari Holdings**	**BH.A**	S. Biglari	**CEOI**	0.6	1250.34	**853**	1268.32	59.8
Dec. 24	**HWH International**	**HWH**	H. Chan	**DOI**	1,300	.45	**585**	0.64	-93.8
Dec. 23	**Arthur J. Gallagher**	**AJG**	P. Gallagher	**CO**	1	284.14	**317**	286.54	27.4
Dec. 23	**Lamb Weston Holdings**	**LW**	W. Jurgensen	**D**	5	63.27	**316**	67.00	-38.0
Dec. 19-23	**Liberty Latin America**	**LILA**	B. Paddick	**D**	50	6.12-6.20	**308**	6.41	-12.3
Dec. 23	**Ventyx Biosciences**	**VTYX**	S. Gujrathi	**DI**	130	2.31	**301**	2.38	-3.6
Dec. 20	**Greif**	**GEF.B**	B. Rose	**D**	4	70.20	**246**	68.61	3.9
Sellers									
Dec. 18-20	**Salesforce**	**CRM**	G. Morfit	**DI**	1,016	340.55-346.11	**349,994**	338.45	28.6
Dec. 18			M. Benioff	**CEO**	317	336.16-354.45	**109,964**		
Dec. 23			S. Tallapragada	**P**	174	337.75-342.25	**59,099**		
Dec. 18	**nCino**	**NCNO**	J. Horing	**DI**	4,474	35.75	**159,956**	34.43	2.4
Dec. 18	**EVgo**	**EVGO**	D. Nanus	**DI**	23,000	5.00	**115,000**	4.20	17.3
Dec. 18	**Intuit**	**INTU**	S. Cook	**ODI**	74	648.26-674.88	**48,976**	638.57	2.2
Dec. 18-20	**Freshworks**	**FRSH**	R. Mathrubootham	**OD**	2,500	15.33-16.50	**39,051**	15.94	-32.1
Dec. 19	**Meta Platforms**	**META**	M. Zuckerberg	**CEOI**	33	600.68-610.36	**19,801**	599.81	69.5
Dec. 20	**Okta**	**OKTA**	T. Mckinnon	**CEO**	233	80.86-82.79	**19,180**	81.64	-9.8
Dec. 18-20	**Cloudflare**	**NET**	M. Prince	**CEOI**	157	107.81-117.07	**17,476**	110.61	32.8
Dec. 18	**Workday**	**WDAY**	D. Duffield	**BI**	57	269.38-279.50	**15,693**	266.24	-3.6
Dec. 23			D. Duffield	**BI**	56	264.67-270.87	**14,879**		
Dec. 18-19	**Liberty Broadband**	**LBRDK**	G. Maffei	**CEO**	162	77.33-80.91	**12,813**	75.96	-5.7
Dec. 23	**CarMax**	**KMX**	W. Nash	**CEO**	121	82.85-83.43	**10,031**	83.77	9.2
Dec. 23	**Nexstar Media Group**	**NXST**	P. Sook	**CEO**	53	157.41	**8,312**	159.14	1.5
Dec. 18-20	**Revolve Group**	**RVLV**	M. Karanikolas	**CEOI**	215	33.28-36.86	**7,329**	33.58	102.5
Dec. 18-20			M. Mente	**CEOI**	215	33.28-36.86	**7,329**		
Dec. 18	**Tempus AI**	**TEM**	E. Lefkofsky	**CEOI**	188	37.34-39.38	**7,045**	35.12	n.a.

* Half the transactions were indirect ** Two day transaction

p - Pink Sheets

Insider Buying and selling by sector

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling	Sector	Buying	Selling
Basic Industries	675,816	11,574,216	**Finance**	3,654,437	38,914,225
Capital Goods	191,824	30,204,696	**Health care**	8,533,979	51,533,572
Consumer durables	364,320	1,362,545	**Public Utilities**	30,239	12,387,850
Consumer non-durables	400,560	2,188,235	**Technology**	1,982,252	198,286,174
Consumer services	4,207,394	46,282,060	**Transportation**	2,186,735	1,391,200
Energy	242,366	2,414,407			

Sources: LSEG Data and Analytics; Dow Jones Market Data

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

December 27, 2024

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	Nov. index level	Chg From (%) Oct. '24	Nov. '23
U.S. consumer price index			
All items	**315.493**	−0.05	2.7
Core	**321.947**	0.06	3.3

International rates

	Latest	Week ago	52-Week High	52-Week Low
Prime rates				
U.S.	**7.50**	7.50	8.50	7.50
Canada	**5.45**	5.45	7.20	5.45
Japan	**1.625**	1.625	1.625	1.475
Policy Rates				
Euro zone	**3.15**	3.15	4.50	3.15
Switzerland	**1.00**	1.00	2.25	1.00
Britain	**4.75**	4.75	5.25	4.75
Australia	**4.35**	4.35	4.35	4.35
Overnight repurchase				
U.S.	**4.30**	4.37	5.48	4.25

U.S. government rates

	Latest	Week ago	52-Week High	52-Week Low
Discount				
	4.50	4.50	5.50	4.50
Federal funds				
Effective rate	**4.3300**	4.3300	5.3400	4.3300
High	**4.5500**	4.5500	5.6500	4.5500
Low	**4.3100**	4.3000	5.3300	4.3000
Bid	**4.3200**	4.3200	5.3300	4.3200
Offer	**4.3700**	4.3300	5.3600	4.3300
Treasury bill auction				
4 weeks	**4.260**	4.230	5.325	4.230
13 weeks	**4.240**	4.250	5.260	4.240
26 weeks	**4.170**	4.160	5.170	4.160

Other short-term rates

	Latest	Week ago	52-Week high	52-Week low
Call money				
	6.25	6.25	7.25	6.25
Commercial paper (AA financial)				
90 days	**4.37**	4.39	5.39	4.37
Secured Overnight Financing Rate				
	4.53	4.30	5.40	4.30

	Latest	Value Traded	52-Week High	52-Week Low
DTCC GCF Repo Index				
Treasury	**4.439**	74.100	5.504	4.346
MBS	**4.607**	59.560	5.618	4.353

Weekly survey

	Latest	Week ago	Year ago
Freddie Mac			
30-year fixed	**6.85**	6.72	6.61
15-year fixed	**6.00**	5.92	5.93

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective December 19, 2024. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective December 19, 2024. **Secured Overnight Financing Rate** is as of December 26, 2024. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Cash Prices | wsj.com/market-data/commodities

Friday, December 27, 2024

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

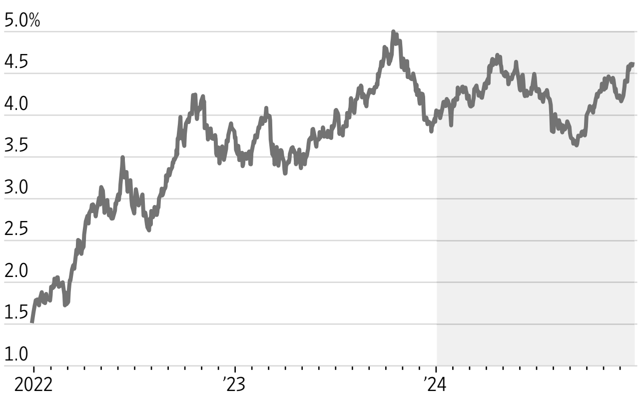
	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	**75.250**
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	**14.200**
Metals	
Gold, per troy oz	
Engelhard industrial	**2618.00**
Handy & Harman base	**n.a.**
Handy & Harman fabricated	**n.a.**
LBMA Gold Price AM	*n.a.
LBMA Gold Price PM	*n.a.
Krugerrand,wholesale-e	**2724.05**
Maple Leaf-e	**2750.24**
American Eagle-e	**2750.24**
Mexican peso-e	**3166.07**
Austria crown-e	**2570.42**
Austria phil-e	**2750.24**
Silver, troy oz.	
Engelhard industrial	**29.5000**
Handy & Harman base	**n.a.**
Handy & Harman fabricated	**n.a.**
LBMA spot price	*n.a.
(U.S.$ equivalent)	*n.a.
Coins,wholesale $1,000 face-a	**22557**
Other metals	
LBMA Platinum Price PM	*n.a.
LBMA Palladium Price PM	*n.a.
Platinum,Engelhard industrial	**930.0**
Palladium,Engelhard industrial	**930.0**
Aluminum, LME, $ per metric ton	*n.a.
Copper,Comex spot	**4.0625**
Iron Ore, 62% Fe CFR China-s	*n.a.
Steel, HRC USA, FOB Midwest Mill-s	*n.a.
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.5%-v,w	**10400**
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	**9350**
BMI Cobalt sulphate, EXW China, >20.5% -v,w	**3528**
BMI Nickel Sulphate, EXW China, >22%-v,m	**3512**
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	**435**
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	**0.8500**
Cotton,1 1/16 std lw-mdMphs-u	**0.6639**
Cotlook 'A' Index-t	*n.a.
Hides,hvy native steers piece fob-u	**n.a.**
Wool,64s,staple,Terr del-u,w	**n.a.**
Grains and Feeds	
Bran,wheat middlings, KC-u,w	**n.a.**
Corn,No. 2 yellow,Cent IL-bp,u	**4.2800**
Corn gluten feed,Midwest-u,w	**n.a.**
Corn gluten meal,Midwest-u,w	**n.a.**
Cottonseed meal-u,w	**n.a.**
Hominy feed,Cent IL-u,w	**n.a.**
Meat-bonemeal,50% pro Mnpls-u,w	**n.a.**
Oats,No.2 milling,Mnpls-u	**3.9300**
Rice, Long Grain Milled, No. 2 AR-u,w	**n.a.**
SoybeanMeal,Cent IL,rail,ton48%-u,w	**n.a.**
Soybeans,No.1 yllw IL-bp,u	**9.5800**
Wheat,Spring14%-pro Mnpls-u	**8.0025**
Wheat,No.2 soft red,St.Louis-u	**5.5750**
Wheat - Hard - KC (USDA) $ per bu-u	**5.5450**
Wheat,No.1soft white,Portld,OR-u	**5.9750**
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	**302.78**
select 1-3,600-900 lbs.-u	**271.94**
Broilers, National comp wtd. avg.-u,w	**1.3400**
Butter,AA Chicago-d	**2.5750**
Cheddar cheese,bbl,Chicago-d	**176.75**
Cheddar cheese,blk,Chicago-d	**187.25**
Milk,Nonfat dry,Chicago lb.-d	**138.75**
Coffee,Brazilian,Comp-y	**3.2501**
Coffee,Colombian, NY-y	**3.4083**
Eggs,large white,Chicago-u	**5.5050**
Flour,hard winter KC-p	**14.15**
Hams,17-20 lbs,Mid-US fob-u	**1.14**
Hogs,Iowa-So. Minnesota-u	**83.32**
Pork bellies,12-14 lb MidUS-u	**1.5908**
Pork loins,13-19 lb MidUS-u	**0.9630**
Steers,Tex.-Okla. Choice-u	**190.00**
Steers,feeder,Okla. City-u,w	**n.a.**
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	**n.a.**
Grease,choice white,Chicago-h	**0.4000**
Lard,Chicago-u	**n.a.**
Soybean oil,crude;Centl IL-u,w	**n.a.**
Tallow,bleach;Chicago-h	**0.4275**
Tallow,edible,Chicago-u	**n.a.**

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 12/26

Source: Dow Jones Market Data

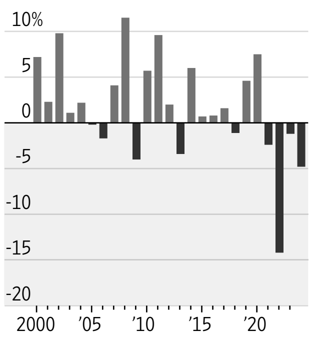
FINANCE & MARKETS

10-year U.S. Treasury yield



Year-end 2025 rate forecasts*

U.S. Treasurys† excess returns vs. T-bills



*Market reflects January '26 fed-funds futures. Fed reflects median of officials' forecasts.
†U.S. Treasurys exclude inflation-linked debt and T-bills.
Sources: Tradeweb FTSE closes (10-yr. Treasury yield); LSEG (market rate forecast); Federal Reserve (Fed rate forecast); ICE (excess returns vs. T-bills)

Hopes for Bond Rally Are Fading

Continued from page B1
in betting that the central bank would reduce rates just twice next year, rather than the four times officials signaled in September. When most Fed officials also forecast two cuts in their Dec. 18 economic projections, traders immediately stepped up bets that the central bank would cut once, or not at all.

Those wagers have taken a toll on bond returns.

As of Dec. 26, an ICE BofA index of U.S. Treasurys was poised to deliver worse returns than T-bills for the fourth straight year, having returned 0.4% compared with T-bills' 5.2%. The widely tracked Bloomberg U.S. Aggregate Index, which includes investment-grade corporate bonds and mortgage-backed securities as well as Treasurys, has returned 1.1%, after barely outperforming T-bills in 2023 and falling short the previous two years.

In the past, bonds would usually follow a bad year with a good year. That hasn't happened recently, prompting "this reluctance to deal with the asset class," said Brian Nick, head of portfolio strategy at NewEdge Wealth.

Investors have pulled $5.3 billion out of BlackRock's iShares 20+ Year Treasury Bond ETF this month, according to FactSet. If that number holds to the end of December, it would be the largest monthly outflow in the fund's 22-year history.

Tumbling bond prices pushed the yield on the benchmark 10-year U.S. Treasury note up to 4.619% as of Friday, according to Tradeweb. That was up from 4.192% at the end of November and 3.860% at the end of 2023.

Rising yields create their own headwinds for the economy because Treasury yields set a floor on an array of borrowing costs. Their recent uptick has already driven average 30-year mortgage rates back up near 7%, extending a deep slump in home buying.

Pressure on bonds also can squeeze riskier assets. Stock valuations are currently lofty by most measures, but particularly so when weighed against the risk-free return investors can get by holding a 10-year Treasury note to maturity.

Historically, that has meant that stocks have struggled to outperform bonds over the next 10 years, according to data compiled by the economist Robert Shiller.

Investors should own "at least as many bonds in your portfolio as you normally would, and maybe even more if you are sort of setting this and forgetting it for a very long period of time," said Nick of NewEdge Wealth. "Bonds are offering you more value than the broad equity market is."

Still, many others are hesitant. The 10-year yield could easily climb above 5% if Trump adds to inflation by raising tariffs and can't curb increases in the supply of Treasurys by reducing the budget deficit, said Yung-Yu Ma, chief investment officer at BMO Wealth Management.

In hindsight, it is the low-rate world of the 2010s that is starting to look as though it was "a complete bubble" for bonds, he added.

Cable-TV Pioneer Dies at 98

Continued from page B1
such a move.

"If I had a nickel for every time we met with Chuck starting in the late '80s till the time I left in 2007, I could buy a lot of candy bars," said Richard Parsons, who oversaw Time Warner before it spun off Time Warner Cable. Parsons died last week.

Dolan ultimately did let go of his crown jewel in 2016, at the age of 89, when a rich offer came in from a newcomer: **Altice**, the European telecommunications group controlled by the French billionaire Patrick Drahi.

The offer allowed the Dolan family a path for a lucrative exit when it was getting increasingly difficult for Cablevision to grow in the saturated cable market.

Dolan was born in Cleveland on Oct. 16, 1926. Innovation ran deep in the family. His father was an entrepreneur and inventor who sold patents to the auto industry, while his uncle created industrial products.

The cable-industry pioneer John Malone once said, after a deal with AMC, that one of Dolan's strengths was his "creative genetics."

Dolan's first foray into the media business came as a teenager, when he pitched photos and a column about the Boy Scouts to the Cleveland Press newspaper.

That transformed into a regular drama program for local radio stations.

After their wedding in 1950, Dolan and his wife, Helen, spent their honeymoon on a cross-country road trip trying to promote a sports-radio program venture, which ultimately failed.

The couple's interest in media brought them to New York in the early 1950s for a job at Telenews, a syndicated newsfilm service for television.

One of his earliest business ventures was Teleguide, a service that delivered visitor information to New York City through a cable connection. In those days, cable television was still a nascent business focused on delivering TV signals to rural communities that were outside the reach of community antennas.

A breakthrough moment for Dolan came in his discovery that coaxial cable—which became the building block for early cable systems—could deliver better TV signals to New York hotels than the rooftop antennas sandwiched in the midst of the Manhattan skyline.

Dolan's next venture was Sterling Manhattan Cable, the country's first big-city cable operator.

He secured rights to wire lower Manhattan in 1964 from the city's Board of Estimate, but the company was slow to grow.

Early on, Dolan turned to deep-pocketed investors including Time Inc. and William Lear of Lear Jet for financial support.

Hoping to lure subscribers, Dolan struck a deal with Madison Square Garden four years later for the exclusive rights to air National Basketball Association and National Hockey League playoff games involving the New York Knicks and New York Rangers, respectively.

It was the first of many programming deals to come.

Another big step came in 1971, when Dolan hashed out plans for what he described as "the Macy's of television," a commercial-free channel for movies and sports that later evolved to become HBO.

Time-Life took control of HBO several years later. Now owned by **Warner Bros. Discovery**, it is still one of the most lucrative pay-TV channels.

In 1973, Dolan launched Cablevision, which was pieced together through the acquisition of cable systems on Long Island.

He went on to invest in local cable systems and TV programming. In 1976, Dolan launched a regional sports network, SportsChannel, and four years later founded Rainbow Media Holdings, which gave birth to big TV brands including AMC, Bravo and the Independent Film Channel.

He took Cablevision public in 1986 but retained a controlling interest in the company along with his family.

In 1997, Cablevision took full control of Madison Square Garden, the home of the Knicks and Rangers, when it bought ITT's controlling stake. That allowed Cablevision to demand high carriage rates over the years for MSG Network, a lucrative regional sports network that aired the teams' games.

Dolan faced setbacks over the years. Like other pay-TV distributors, Cablevision endured its share of regulatory scrutiny and a series of high-profile standoffs with programming partners that angered some consumers.

The Dolan family attempted to return Cablevision to private ownership in 2005 and 2007, but investors shunned the move. Dolan also invested hundreds of millions of dollars in an unprofitable satellite-television venture called Voom. That set off a family and boardroom drama in the mid-2000s that pitted him against several Cablevision board members and his son James Dolan, who was chief executive of Cablevision at the time.

Charles Dolan later said, "Jim and other board members were concerned about the financial health of the company, so they said, 'Let's kill it before it kills us,' and I was on board with that."

Into his 80s, Dolan stayed deeply involved in his businesses, according to people close to him. He experimented with creating a high-speed wireless internet solution and sought out paths for AMC's global expansion, one of the people said.

Dolan and his wife, who died last year, had six children. He is survived by his children, 19 grandchildren and five great-grandchildren.

—Lillian Rizzo contributed to this article.

STAN HONDA/AFP/GETTY IMAGES


DICK YARWOOD/NEWSDAY/GETTY IMAGES

Above, Dolan rings the New York Stock Exchange's opening bell in 1999. Right, Dolan seen in 1979.

Macro & Market Economics

Watching the Gauges: U.S. Supply and Demand

Inventories, imports and demand for the week ended December 20. Current figures are in thousands of barrels or thousands of gallons per day, except natural-gas figures, which are in billions of cubic feet. Natural-gas import and demand data are available monthly only.

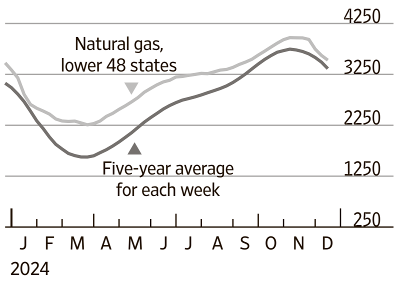
	Inventories, 000s barrels						**Imports,** 000s barrels per day					
	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg
Crude oil and petroleum prod	1,220,473	...	1,233	1,244	1,232	1,254	8,003	...	8,650	8,157	8,238	7,952
Crude oil excluding SPR	416,779	-1,100	421	437	421	437	6,471	...	6,649	6,276	6,599	6,118
Gasoline	223,667	...	222	226	220	237	657	...	755	521	597	530
Finished gasoline	16,833	-800	16	16	16	20	192	...	57	99	107	68
Reformulated	24	...	0	0	0	0	0	...	0	0	0	0
Conventional	16,809	...	16	16	16	20	192	...	57	99	107	68
Blend. components	206,834	...	206	210	204	217	464	...	698	422	489	462
Natural gas (bcf)	3,529	...	4	3	4	3	...	...	...	...	...	...
Kerosene-type jet fuel	40,707	...	41	38	41	38	51	...	75	177	90	113
Distillates	116,461	200	118	116	119	134	180	...	164	238	154	216
Heating oil	5,753	...	6	7	6	8	7	...	1	0	3	9
Diesel	110,708	...	112	109	113	63	173	...	163	238	151	206
Residual fuel oil	25,663	...	24	26	24	28	136	...	128	51	127	134
Other oils	288,527	...	294	294	293	281	383	...	701	781	537	701
Net crude, petroleum products, incl. SPR	1,613,783	...	1,626	1,598	1,625	1,773	-2,375	...	-3,310	-2,969	-2,792	-1,201

Weekly Demand, 000s barrels per day

	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg
Total petroleum product	21,831	...	20,820	21,415	20,694	18,667
Finished motor gasoline	9,008	...	8,927	9,168	8,871	7,843
Kerosene-type jet fuel	1,817	...	1,711	1,898	1,745	1,374
Distillates	4,253	...	4,498	3,977	3,900	3,102
Residual fuel oil	213	...	335	67	271	372
Propane/propylene	1,734	...	1,281	1,397	1,381	...
Other oils	4,807	...	4,067	4,908	4,528	...

Natural gas storage

Billions of cubic feet; weekly totals



Note: Expected changes are provided by Dow Jones Newswires' survey of analysts. Previous and average inventory data are in millions.
Sources: FactSet; Dow Jones Market Data; U.S. Energy Information Administration; Dow Jones Newswires

ALLISON JOYCE/BLOOMBERG NEWS

Data on initial jobless claims is scheduled on Thursday. A North Carolina jobs fair last month.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Chicago PMI
Nov., previous 40.2
Dec., expected 42.2

Tuesday

The bond market closes early at 2p.m. ET but stocks will have a full year-end session

No major events are scheduled

Wednesday

U.S. stock and bond markets are closed for New Year's Day

Thursday

Construction spending
Oct., previous up 0.4%
Nov., expected up 0.3%

EIA status report
Previous change in stocks in millions of barrels
Crude oil down 4.2
Gasoline up 1.6
Distillates down 1.7

EIA report: natural gas
Previous change in stocks in billions of cubic feet
down 93

Initial jobless claims
Previous 219,000
Expected 225,000

Freddie Mac Mortgage Survey
Previous weekly averages
30-year fixed 6.85%
15-year fixed 6.00%

Friday

ISM mfg. index
Nov., previous 48.4
Dec., expected 48.1

* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses)
◆ Adjusted for stock split
Note: Forecasts are from Dow Jones weekly survey of economists

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

For Big Banks, 2025 Could Be Great Year

After a few bumpy years of both successes and setbacks, lenders might finally be firing on all cylinders

Top global banks have taken off in recent years, but ascents can be bumpy. In 2025, they might get to relax while on cruise speed.

The Federal Reserve recently signaled that interest rates might be cut only twice in the year ahead as a result of stickier-than-expected inflation, prompting stocks generally to sell off. But rates being "less high for longer" is actually great news for banks, and the latest sign that 2025 might be a good year for almost all of the many business lines that comprise large universal lenders.

This hasn't been the case in recent times, even when financial firms overall were doing really well. In 2022, the big rebound in global trade that followed production stoppages during the depths of the pandemic resulted in a surge in sales for such transaction-focused intermediaries as **Citigroup**, **HSBC Holdings** and **BNP Paribas**. Desks that trade fixed income, currencies and commodities, or FICC, saw client flows balloon as Russia's full-scale invasion of Ukraine and the start of the rate-tightening cycle sparked a sudden demand to hedge rates, foreign exchange and energy prices around the world. The likes of **JPMorgan Chase** and **Deutsche Bank** benefited greatly.

But adverse monetary and geoeconomic conditions caused underwriting fees to collapse, as companies all simultaneously held off on issuing equity and debt.

Then came 2023. Large-bank revenue jumped once again, this time mostly driven by an 11% increase in net interest margins, Visible Alpha data shows. After a decade and a half, the industry was finally getting to benefit from a larger spread between what it was able to charge borrowers and pay to depositors. Yet at the same time, dealmaking tumbled because of high borrowing costs and heightened economic and geopolitical uncertainty.

Some of the lopsidedness has persisted this past year, mostly because central banks have lowered rates again. That resulted in a fall in net interest income that has hit revenue in commercial and wealth-management arms, but also transaction banking, which does a lot of cash management for firms. Traders of government bonds and other rate-related products have had a tepid year. And, overall, revenue growth has slowed.

Nevertheless, 2024 is when the market truly rewarded bank stocks. The banking subcomponents of the S&P 500 and the Stoxx Europe 600 have returned 35% and 32%, respectively, compared with 25% and 6% for the broader indexes.

This underscores the importance that today's investors attribute to getting predictable, well-diversified returns from their banks, rather than having another year with one-quarter of revenue coming from FICC.

Indeed, this past year was still one of normalization. Mergers and initial public offerings bounced back a bit, and many corporate treasurers had to refinance their debt to avoid a coming wall of bond maturities. And, even if investors eschewed government debt, they gobbled up the kinds of fixed-income products that offered a spread over it, such as corporate bonds, in an attempt to lock in high yields for the long run.

This is a good omen for the year ahead.

For the first time since 2021, all of the divisions of the world's top banks except FICC trading are forecast to expand revenue, according to a median of analyst estimates compiled by Visible Alpha. Even that dark spot might end up brightening: As of early December, yields on three-month Treasury bills have been trading below those of 10-year paper for the first time since 2022, which might soon trigger renewed enthusiasm for fixed income.

Regardless, steeper yield curves will almost certainly be good for banks, serving to widen net interest margins.

To be sure, officials easing borrowing costs by less than previously expected could hit consumers and cause trouble for some commercial real-estate loans. The European economy in particular is quite weak. Still, the impact is likely to be small. Default rates remain low.

Crucially, 2025 looks likely to be the year in which the advisory business gathers momentum after a tentative comeback.

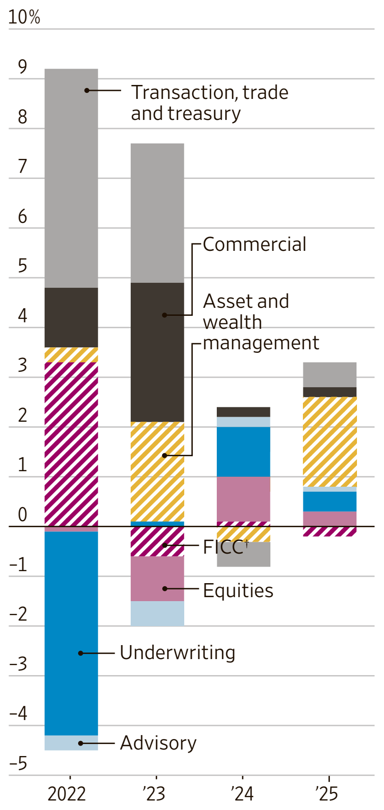
Private-equity firms are being pressured to start exiting their investments after years of waiting it out. While sponsors have been coming up with new delaying tactics, such as rolling over assets into "continuation funds," the management-consulting firm Bain estimated that 46% of companies owned by private-equity funds were held for four years or longer by the end of 2023, which was the highest level since 2012.

If, on top of this, the Trump administration eases regulatory scrutiny both on the financial sector and on mergers, banks will enjoy yet another tailwind, with **Goldman Sachs** probably coming out on top.

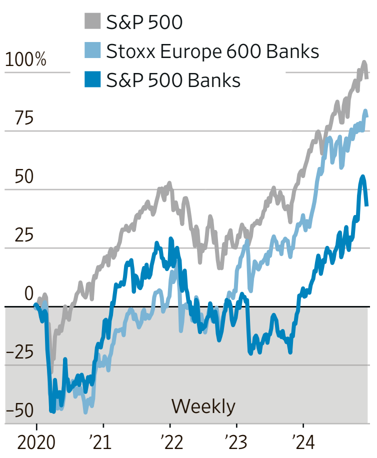
Banks might finally be firing on all cylinders.

—Jon Sindreu

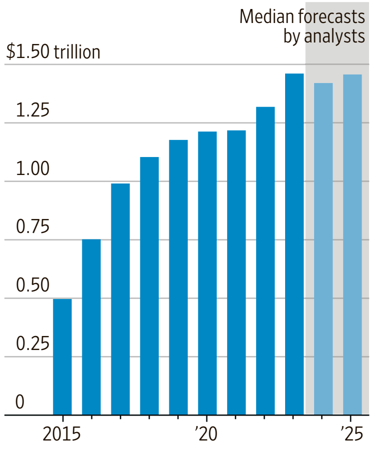
Annual revenue of top banks*, contribution to annual growth by source



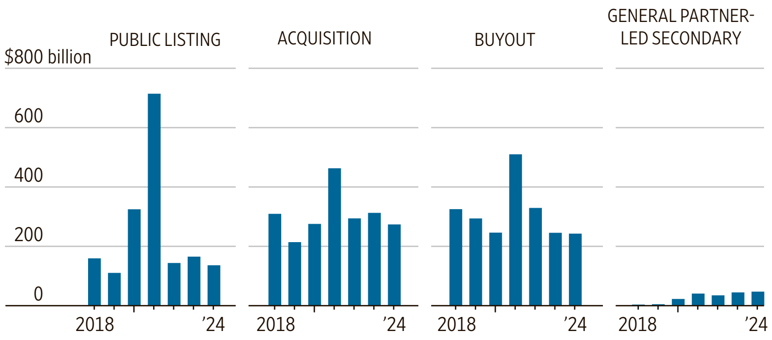
Index performance



Top global banks‡, net interest income



Global private equity exits, by type**



*Excludes other categories; Aggregate of JPMorgan, Morgan Stanley, Goldman Sachs, Bank of America, Citi, UBS, HSBC, Barclays, BNP Paribas and Deutsche Bank.
†Fixed income, currencies and commodities ‡Only includes banks with more than $100 billion in assets. **Value data for 2024 are through October.
Sources: Visible Alpha (revenue, net interest income); FactSet (performance); PitchBook (equity exits)