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What's News

Business & Finance

◆ **Investors are fearful that** some market gains are outpacing typical measures of underlying value after strong economic growth helped power the S&P 500 to multiple records in a long bull market. **A1**

◆ **European defense stocks** surged, buoyed by the prospect of higher military spending, while U.S. markets were closed for the Presidents Day holiday. **B8**

◆ **TSMC and Broadcom** are independently considering potential deals that would break Intel in two, though nothing has been submitted to the American chip maker, people familiar with the matter said. **B1**

◆ **Southwest Airlines** is slated to shed 15% of its corporate workforce, eliminating about 1,750 jobs in an effort to cut costs and streamline the carrier's operations. **B1**

◆ **BlueScope sought** an exemption from tariffs on its shipments of Australian-made steel to the U.S., hoping to win a reprieve it first enjoyed during Trump's first term. **B4**

◆ **Chinese tech giant** Tencent began tests to integrate homegrown DeepSeek's artificial-intelligence model into its Weixin messaging app. **B4**

◆ **London-listed** Anglo American said it would retain a 19.9% stake in Anglo American Platinum after its planned demerger this summer. **B8**

◆ **"Captain America:** Brave New World" triumphed over the weekend, earning a heroic $100 million to take first place at the domestic box office. **B2**

World-Wide

◆ **Europe's main military** powers worked to reclaim a seat at the negotiating table after the Trump administration sidelined them from talks with Russia over the future of Ukraine and the Continent's broader security. **A1, A10**

◆ **Elon Musk's** Department of Government Efficiency sought access to data systems within the IRS that house personal taxpayer information, according to people familiar with the matter. **A1**

◆ **Gov. Hochul suggested** she would consider removing New York City Mayor Eric Adams from his post in light of turmoil in his administration after the Justice Department ordered prosecutors to drop their bribery case against the mayor. **A3**

◆ **Eleven people**, including a child, died in Kentucky over the weekend as heavy rain and wind washed out roads, flooded communities and denied power to thousands. **A3**

◆ **Trump's campaign to** remake the federal government reached the Supreme Court, with the Justice Department arguing that the president has the power to dismiss an executive-branch ethics watchdog. **A5**

◆ **Israel's military said** it would keep a presence in five strategic locations along its border with Lebanon past a deadline to remove troops as part of a ceasefire deal with Hezbollah. **A8**

◆ **Huntington Beach**, Calif., has become a laboratory for Trump-style local governance, a self-declared "non-sanctuary city" dismantling policies deemed progressive. **A3**

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Workplace Technology: How our readers use AI at work. **R1-8**

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Delta Jet Flips Over in Toronto Crash Landing

COLE BURSTON/REUTERS

HARROWING SCENE: A Delta Air Lines regional plane carrying 80 passengers and crew from Minneapolis crash-landed Monday at Toronto's airport, resulting in 15 injuries. For video from the scene, scan the code with the article on A12.

Investors Spot Signs of Froth In Markets' Lengthy Bull Run

By Krystal Hur

Investors are fearful that some market gains are outpacing typical measures of underlying value after strong economic growth helped power the S&P 500 to record after record in a nearly two-year bull market.

Trade wars and DeepSeek's challenge to the AI boom have barely dented the enthusiasm. Meme stocks are back, options are on fire and bitcoin is trading around $100,000. That makes some traders nervous, because rising speculation can lead to market imbalances that at times presage corrections.

"There have been signs of froth for a while," said Seema Shah, chief global strategist at Principal Asset Management. "The market is vulnerable to disappointment."

One source of concern: Ordinary investors are really bullish about a handful of popular companies.

Shares of Palantir Technologies, a highly popular stock among individual investors, surged 24% on Feb. 4 after the data-analytics company reported strong sales growth and robust demand for its artificial-intelligence products. Palantir's stock has jumped roughly 58% this year and was last year's best performer in the S&P 500.

Traders are also bidding up shares of Strategy, formerly MicroStrategy, the software company turned bitcoin-buying machine.

The company's market capitalization was recently about $87 billion, nearly twice the value of the bitcoins it holds.

Meme stocks have also jumped. Shares of GameStop, BlackBerry and online pet-products retailer Chewy have all soared more than 90% over the past 12 months, according to FactSet.

"There's always stocks that it's hard to understand what the market sees," said Michael Brenner, asset-allocation strategist at FBB Capital Partners. "You are starting to see some of these things stack up. And then the question just becomes, are there enough of these things to tip the market over?"

Activity is surging in options contracts, which give traders the right to buy or sell a stock at a set price. Options are a popular play among traders seeking bigger payouts than traditional buy-and-hold investing. But those bets can quickly go south, too.

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Europe, Left Out Of Talks, Sounds Alarm

Macron convenes emergency meeting, with U.S., Russia set for Ukraine dialogue

PARIS—Europe's main military powers were working to reclaim a seat at the negotiating table after the Trump administration sidelined them from talks with Russia over the future of Ukraine and the Continent's broader security.

By Stacy Meichtry, Laurence Norman and Nick Kostov

President Emmanuel Macron held an emergency meeting of European leaders inside the Élysée Palace on Monday, after he held a 20-minute call with President Trump. The flurry of diplomacy aimed to show that Europe still has a role to play in resolving the Ukraine war—even as senior U.S. officials traveled to Saudi Arabia this week for direct talks with Russia.

Time is short for the Europeans. Senior Russian and U.S. officials are due to start talks on Tuesday in Riyadh. U.S. officials told the Europeans at the Munich Security Conference over the weekend that they didn't see a direct role for them in the negotiations. Russian Foreign Minister Sergei Lavrov echoed that view in comments on Monday.

Ukraine hasn't been invited to join Tuesday's discussions,

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◆ Sanctions on horizon for Putin's shadow fleet..... A10
◆ Defense rally pushes Europe stocks to highs... B8

Musk Unit Presses To Access Sensitive IRS Data

By Brian Schwartz

Elon Musk's Department of Government Efficiency is seeking access to data systems within the Internal Revenue Service that house personal taxpayer information, according to people familiar with the matter.

An agreement with the IRS could give the team access to the Integrated Data Retrieval System, these people explained. That system, according to the IRS, allows anyone with access the ability "to have instantaneous visual access to certain taxpayer accounts."

DOGE is operating as a unit within the new administration that President Trump has tasked with cutting spending and regulations.

Those with knowledge of DOGE's attempt to access IRS records said that, as of Monday morning, access had yet to be given, but one of the people said it was being considered by some in the agency as an urgent goal by the DOGE team.

Some Democrats have warned about risks to taxpayers if DOGE is allowed to access sensitive information without legal guardrails.

Lily Batchelder, who led Treasury's Office of Tax Policy during the Biden administration

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◆ DOJ pushes dismissal of ethics watchdog................ A5

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Thrifty couples sprint to the altar to try to save money on their weddings. **A16**

BUSINESS NEWS
More Western tech companies move to shift production away from China. **B3**

Released Gaza Hostages Face Long, Wrenching Recoveries

Nightmares, injuries and survivor's guilt haunt former captives for months after being freed; 'my body is still tense'

By Carrie Keller-Lynn and David Luhnow

SHEFAYIM, Israel—Five-year-old Uriah Brodutch was asked recently by his kindergarten teaching assistant whether he'd had any dreams lately. Yes, the boy said, he had dreamed about men taking him away from his home and killing other people.

Palestinian gunmen had kidnapped Uriah, his older brother Yuval, 9, and sister Ofri, 11, on Oct. 7, 2023, along with their mother, Hagar, and Abigail, a now 4-year-old girl from their kibbutz who had turned up at their family home that morning covered in her father's blood. Both of her parents were dead.

The Brodutch family and Abigail were held captive for nearly two months before they were released. More than a year later, they all remain scarred by the trauma.

Uriah's father, Avihai, was wounded fighting gunmen that day but escaped from the kidnappers. His young son, Avihai said, recounted his violent dream "like it's just a fact of life. He wasn't crying. It just seems normal for him."

"So many people died around him, and he was taken to Gaza," Avihai said. "They saw bodies everywhere, and houses in flames. A lot of my friends and neighbors who we knew well had their families killed. So it's a part of our life now: death."

On Saturday, three more hostages, including American-Israeli Sagui Dekel Chen, 36,

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◆ Israeli forces extend stay in Lebanon...... A8

Toothbrush Makers Are Sure You're Doing It All Wrong

* * *

Designers chase elusive goal of two minutes, seek 'meaningful and different' experience

By Natasha Khan

Eduardo Jiménez has thousands of toothbrushes. He compliments strangers on their smiles, then asks them about their dental regime. Family and friends know not to get him started about their oral habits because he may not stop.

At work he really obsesses. Jiménez, director of technology at Colgate-Palmolive, carries buckets of toothbrushes to meetings. He studies the angle of bristles and their corresponding scrubbiness. He pores over data from focus groups about the width of the handle and the all-important gripping point where a user's thumb and fingers hold the brush. Sometimes he brushes at his desk.

He is on a mission that has eluded Big Toothbrush for years: the two-minute clean.

That is the amount of time dentists say it takes, twice a day, for adequate plaque removal. The problem is people tend to fall way short—focus groups show that even people who say they brush for two minutes actually do so for about 45 seconds.

Keep going

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For Thousands, Border Is Just a Daily Commute

By Harriet Torry

EL PASO, Texas—President Trump's tariff threats are injecting economic tension along the border that slices between two busy cities here.

For many workers and businesses, that barrier barely exists.

Near the junction of Texas, New Mexico and the Mexican state of Chihuahua, manufactured goods ranging from vehicle components to consumer appliances often crisscross the border multiple times during production and assembly. Thousands of people come from Mexico every day, too, on their way to work on the U.S. side.

"The bridge is simply that—a bridge," said Gustavo Farell, president of Cesar-Scott, which has manufacturing plants in El Paso and Ciudad Juárez making wire harnesses and cable assemblies for products such as industrial equipment and HVAC units. Nearly half of his two-dozen El Paso workers start their day across the Rio Grande, which Mexico calls the Rio Bravo.

Farell has been sweating out the Trump administration's threat to impose 25% tariffs on imports from Mexico and Canada. Companies and economists in Texas fear blanket tariffs on components, which have largely crossed the border duty-free for decades under free-trade deals, will put border manufacturers out of business.

"We buy products from

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U.S. NEWS

Trump Looks Beyond Fed to Cut Borrowing Costs

By Sam Goldfarb

Forget the Federal Reserve. To lower borrowing costs for Americans, the Trump administration says it is going to cut spending and increase energy production.

Although President Trump continues urging the Fed to reduce short-term interest rates, Treasury Secretary Scott Bessent has suggested recently that both he and Trump are focusing less on the central bank and more on bringing down the key rate set by financial markets: the yield on the 10-year Treasury note.

The task isn't easy. A benchmark for rates on everything from mortgages to corporate bonds, the 10-year yield shifts with market and economic forces largely beyond the control of the White House. Yields on Treasurys fall when their prices rise, so any effort to lower them would either need to reduce government borrowing—thereby decreasing the supply of bonds—or make U.S. debt more appealing to investors.

Here is a look at how Trump might try to accomplish those things and what he's up against.

How to reduce yields?

The most obvious way that presidents can move Treasury yields is through fiscal policy. A smaller budget deficit means less government borrowing and a reduced supply of new Treasurys. That can push up the prices of existing bonds, driving their yields lower.

Bessent recently leaned into this idea in an interview with Bloomberg Television, arguing that the 10-year yield could decline if the Elon Musk-led Department of Government Efficiency is able to reduce government spending.

Republicans over decades have shown that "we like spending—we just wanted to raise it less, the Democrats want to raise it more," Bessent said. But, he added, "what if it actually goes down because of everything we're doing right now?"

Are there other options?

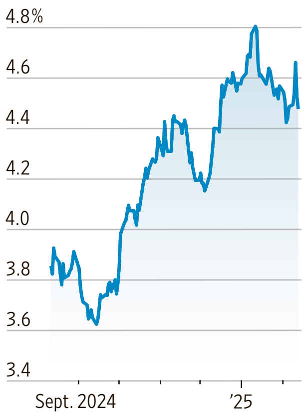
Administrations also have discretion over the types of debt they issue. To avoid putting pressure on longer-term yields, Treasury can issue more T-bills, which mature in a year or less, rather than notes and bonds that carry two- to 30-year maturities.

Bessent had previously criticized the Biden administration for relying too much on T-bills and suggested that issuance of longer-term debt might need to increase. But he took a different position in the Bloomberg interview, saying current auction sizes could be maintained "for the foreseeable future."

Finally, Bessent said that the administration could get the 10-year yield "to naturally come down" by increasing the supply of oil and gas. That, he said, would drive down energy prices and help power what he called "noninflationary growth."

Although the Fed often focuses on an inflation measure that excludes energy prices, which can be volatile, that could still help lower rates. Falling oil prices can lower costs for other goods, such as plastics made out of petrochemicals. That, in turn, could bring down Treasury yields, which are heavily influenced by the expected path for rates.

Yield on 10-year U.S. Treasury note



Source: Tradeweb FTSE closes

What are the obstacles?

Big changes in Treasury yields are typically driven more by economic data and policy signals from the Fed than anything the White House or Treasury announces. But Trump's goals also face other hurdles.

In the case of the deficit, bond investors have long assumed that Trump's policies would lead to a larger, not smaller, gap between revenue and spending. That was one reason why Treasury yields climbed last fall when a Trump victory started looking more likely.

The House Budget Committee approved a plan in the past week that targets tax cuts of $4.5 trillion over a decade relative to current law. It also aims for $2 trillion in spending cuts, paired with $300 billion in new spending, likely for immigration enforcement and the military.

The 10-year yield settled Friday just below 4.5%, down from around 4.8% in mid-January though still up from around 4.3% right before Trump's election win.

Some analysts are also skeptical that Trump can materially lower energy prices.

The president's advisers have privately conceded that U.S. frackers won't pump much more. Many overdrilled during the 2010s shale boom and fell into bankruptcy. Saudi Arabia, the de facto leader of the Organization of the Petroleum Exporting Countries, is also reluctant to boost global oil supplies, needing higher prices to balance its budget.

Has anyone pulled it off?

The Trump administration wouldn't be the first to try to lower interest rates by attempting to win over bond investors. President Bill Clinton's White House was famously bond-obsessed, prompting strategist James Carville's quip that he would like to be reincarnated as the bond market because "you can intimidate everybody."

Though Clinton had run for office promising a middle-class tax cut, he dropped that proposal after his win and focused more on deficit reduction, passing a major tax increase in his first year with the aim of boosting growth by pulling down bond yields.

Overall, the strategy seemed to work for Clinton. Yields fell substantially in 1993. They shot back up the following year when the Fed raised rates aggressively but then subsided again afterward.

Meanwhile, economic growth surged, Clinton won a second term and the government produced a rare budget surplus.

U.S. WATCH

KRISTOPHER RADDER/ASSOCIATED PRESS

BRRRAVING THE COLD: Jim Verzino used a snowblower to clear a driveway Monday in Brattleboro, Vt., after a storm Sunday.

WEATHER

Harsh Cold Hits Swath of Nation

Harsh cold descended on the nation's midsection Monday as a polar vortex gripped the Rockies and Northern Plains on the heels of weekend storms that pummeled the Eastern U.S. with floods, killing at least 13 people.

The National Weather Service warned of "life-threatening cold" as wind chills dropped to minus 60 Fahrenheit in parts of North Dakota on Monday and minus 50 F in parts of Montana. Tuesday morning was forecast to be even colder.

Extreme cold warnings were issued for an 11-state swath of the U.S. stretching from the Canadian border to Oklahoma and central Texas, where the Arctic front was expected to bring near-record cold temperatures and wind chills in the single digits by midweek. Meteorologists had predicted that parts of the U.S. would experience the 10th and coldest polar vortex event this season. Weather forces in the Arctic are pushing chilly air that usually stays near the North Pole into the U.S. and Europe.

Flood warnings were extended Monday across most of Kentucky and portions of Arkansas, Tennessee, Mississippi, Alabama, West Virginia, Virginia and Ohio. Ice and snow made travel treacherous in swaths of Michigan.

—Associated Press

WYOMING

Third Victim Found In Highway Crash

A third victim was found Sunday in the wreckage from a fiery crash inside a Wyoming highway tunnel that involved 26 cars and trucks, officials said.

At least five people were seriously injured in Friday's accident along Interstate 80 near the small town of Green River, Wyo. The crash sparked a fire inside the tunnel that completely destroyed six commercial vehicles and two passenger vehicles.

Most of the wreckage had been removed by Sunday, with fewer than 10 vehicles still inside the tunnel, said Sgt. Jason Roascio with the Wyoming Highway Patrol.

But snow was slowing the work of federal and state investigators as they went vehicle by vehicle trying to reconstruct the scene and determine what happened, he said. "We're hopeful that this is the final fatality," Roascio said.

Further details on the three victims had yet to be released.

The crash took place in the westbound tube of the twin tunnel under Castle Rock, a sandstone formation.

The wreck and ensuing fire shut down the interstate, the primary east-west road corridor through Wyoming, and traffic was rerouted through Green River.

—Associated Press

CORRECTIONS & AMPLIFICATIONS

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Investors Spot Froth In Market

Continued from Page One

About 58 million options changed hands daily on average in January, a monthly record in data going back to 1973, according to equity-derivatives clearing organization OCC. That follows a record year for options trading volumes in 2024.

Zero-day-to-expiry, or 0dte, options tied to the S&P 500 saw record trading volumes on Jan. 31, according to Cboe Global Markets. 0dte options contracts, among the market's riskiest trades, allow investors to bet on whether stocks will rise or fall by the day.

Speculators are venturing beyond traditional stocks and bonds, too.

Prediction markets, where users bet on the likelihood of future events, have offered an array of contracts since some investors won big betting on President Trump's election victory. They have listed contracts tied to everything from Federal Reserve meetings to the Los Angeles wildfires to Luigi Mangione, the suspect in the killing of healthcare executive Brian Thompson.

Americans are also embracing sports gambling on platforms such as DraftKings and FanDuel. And speculators are rushing back into cryptocurrencies, which are prone to unpredictable booms and busts.

Bitcoin, one of the hottest trades, reached a record $109,224.74 in January, boosted by optimism that the Trump administration will usher in a golden age for crypto. It traded around $97,215.64 as of 4 p.m. Eastern time on Friday.

Investors have piled into exchange-traded funds tied to the cryptocurrency, funneling nearly $17 billion into U.S.-listed spot bitcoin ETFs since Election Day, according to Morningstar Direct data through Wednesday.

Meme coins, or digital tokens that serve no economic purpose and whose value is based on the popularity of internet memes, have also taken off. The market value of coins launched by Trump and first lady Melania Trump, dubbed $TRUMP and $MELANIA, have peaked at about $15 billion and $2 billion, respectively, since their January debut, according to CoinMarketCap.

Some analysts say elevated interest rates could cut into corporate profits.

Meanwhile, stocks look generally expensive.

Companies in the S&P 500 recently traded at 22 times their expected earnings over the next 12 months, according to FactSet. That is above their 10-year average price/earnings ratio of 19 and within striking distance of the 26 hit in 2000 before the dot-com crash.

While stretched valuations don't necessarily portend a selloff, they can weigh on long-term returns and make continuing growth in corporate profits more important to stock performance.

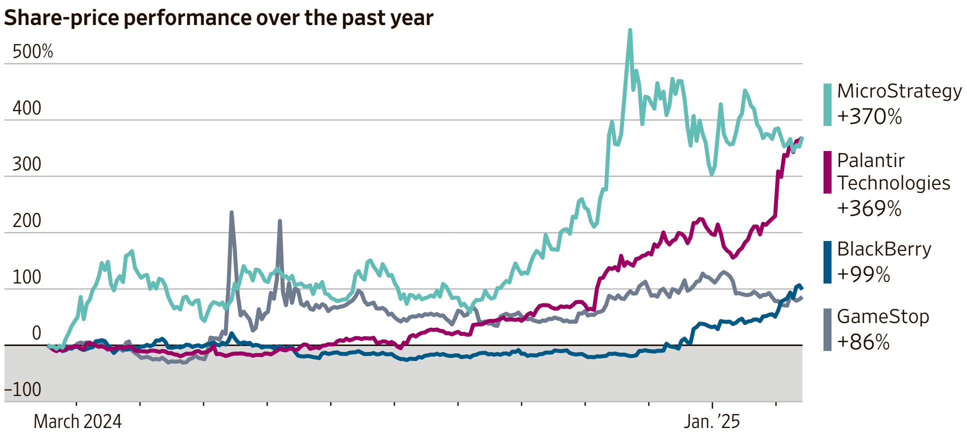
Strong earnings growth has helped support the rally this year: Companies in the S&P 500 have reported a 17% jump in profit so far this reporting season.

Some analysts warn that elevated interest rates could cut into those profits.

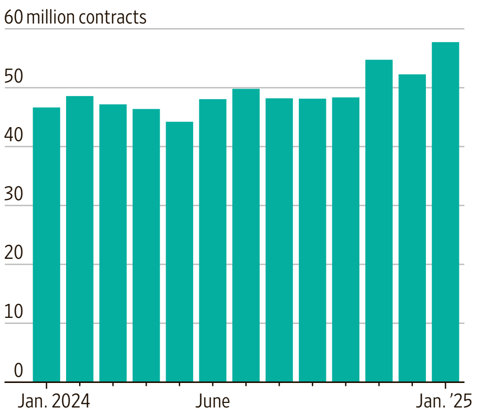
Fed Chairman Jerome Powell reiterated last week that the central bank is in no rush to lower borrowing costs. Consumer prices in January rose by their highest monthly rate since August 2023, the latest in a string of warm inflation reports.

"There is a sense that the Fed is in an easing cycle," said Roger Aliaga-Diaz, Vanguard's global head of portfolio construction. "If that were to interrupt because inflation is starting to pick up again...that will be a little bit of a shock to the market."

Share-price performance over the past year

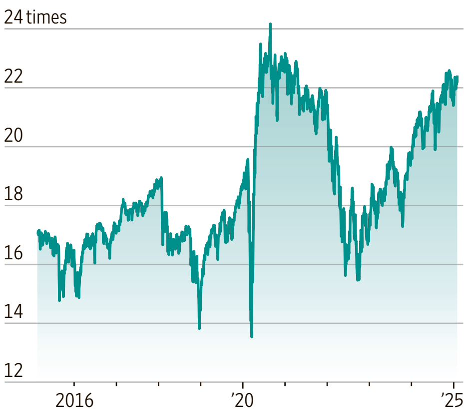


Average daily options volumes, monthly



*Data through Feb. 13

S&P 500 price/earnings ratio, next 12 months*



Sources: FactSet (performance, P/E ratio); OCC (options volumes)

New York Governor Weighs Ousting NYC Mayor

By Victoria Albert
And James Fanelli

New York Gov. Kathy Hochul suggested Monday night she would consider removing New York City Mayor Eric Adams from his post amid turmoil in his administration and said she would meet with city leaders on Tuesday on how to bring stability to the government.

"Overturning the will of the voters is a serious step that should not be taken lightly," she said. "That said, the alleged conduct at City Hall that has been reported over the past two weeks is troubling and cannot be ignored."

The New York City charter allows the state governor to remove the mayor from office, though this step has never been taken. Adams didn't respond to a request for comment on Hochul's statement.

Adams's administration has been rocked in recent days by the Justice Department's order to prosecutors in the Manhattan U.S. attorney's office to drop their bribery case against the mayor. The mayor had been charged in September with taking illegal campaign contributions from Turkey and accepting $100,000 in travel and hotel perks in exchange for official acts. He has denied wrongdoing.

The Justice Department said Adams's indictment had interfered with his ability to participate in Trump's immigration enforcement. Several top prosecutors, including the acting Manhattan U.S. attorney, resigned over the decision to drop the charges. The Justice Department reserved its right to reinstate the charges later, raising concerns over Adams's independence from the Trump administration.

Adams said Monday he was "solely beholden to the 8.3 million New Yorkers I represent, and I will always put this city first—as I always have."

Earlier Monday, four New York City deputy mayors announced their resignation. The deputy mayors—Maria Torres-Springer, Anne Williams-Isom, Meera Joshi and Chauncey Parker—declined to provide a date for their departure.

Torres-Springer, Williams-Isom, and Joshi said they had decided to resign "due to the extraordinary events of the last few weeks and to stay faithful to the oaths we swore to New Yorkers and our families."

Parker said in a separate statement that he was "confident that the administration will continue on our mission to deliver for the people of this city."

"I am disappointed to see them go, but given the current challenges, I understand their decision and wish them nothing but success in the future," said Adams.

Some New York City officials called on Adams to resign or be removed from office in the wake of the announcement of the resignations.

On Monday afternoon, New York City Comptroller Brad Lander, who is running against Adams in the coming Democratic primary, called on the mayor to present a detailed plan for how he intended to run the city. Without such a plan, Lander said, he would seek to convene a meeting of the Committee on Mayoral Inability—a process that could potentially lead to a mayor's ouster.

DAVID DEE DELGADO/REUTERS

Mayor Eric Adams

ROGER KISBY FOR WSJ

City Is Lab for Trump-Style Government

'Surf City USA' council embraces MAGA ideas in blue state of California

By Jim Carlton

HUNTINGTON BEACH, Calif.—Move over MAGA. Now comes MHBGA.

Trump acolytes now fill every seat on the council in "Surf City USA," and they have coined their movement "Make Huntington Beach Great Again." All seven wore red caps with the MHBGA slogan after the three newest members were sworn in two months ago.

Emulating their political hero, the MHBGA governing body has swiftly dismantled what they deem progressive overreach. They banned the gay pride flag from flying over City Hall, restricted library books they consider pornographic, and at a Jan. 21 meeting declared Huntington Beach a "non-sanctuary city for illegal immigration." The mayor presided with a bust of President Trump before him on the dais.

Local leaders have also traded lawsuits with Trump's perennial Democratic adversary—California Gov. Gavin Newsom—over Huntington Beach's embrace of voter ID laws and the council's rejection of a mandate from Sacramento to build more housing.

"President Trump represents the macro version of what we support and we represent the micro," said Casey McKeon, one of the council members. "Trump is America first, we are Huntington Beach first."

The resistance has made Huntington Beach a national model for how a red enclave can challenge its Democratic state leaders. The Trump administration recently plucked the city's attorney—whose office at City Hall is adorned with the iconic Trump fist-pump photo—for a top spot in the U.S. Justice Department. Other conservative-leaning towns are calling for advice, including Porterville, Calif., whose council met with their Huntington Beach role models while attending a nearby conference.

Culture wars

The political tempest feels odd here, in a place where the mayor wears Hawaiian shirts at meetings. Nine miles of beaches and acclaimed waves earned Huntington Beach a mention in the Beach Boys' 1962 hit, "Surfin' Safari," and the city hosts the annual U.S. Open of Surfing.

"This is the place to be," Michael Bartlett, a city marine-safety captain, said from atop a lifeguard tower one recent day as surfers awaited sets along the Huntington Beach Pier.

Mirroring national divisions, Huntington Beach's rightward pivot has ignited both hurrahs and hell nos. Contentious public meetings can drag past midnight. Vandals drew swastikas on campaign signs during the council race, and someone fired pellets into the parked family cars of Republican Councilwoman Gracey Van Der Mark. She bought a Cybertruck afterward in part believing it is more bullet-resistant.

"What I think is it is sad," said Natalie Moser, a Democrat who was ousted from the council in November. "And I think what's unfortunate about what's happening right now is everything has become politicized. Everything is a signal to people outside of our city, and it's not benefiting our residents or our community, it is doing the opposite."

Huntington Beach is a long-time conservative stronghold in Orange County. But the city, alongside the county, shifted left in recent years and Democrats took control in 2021. They ushered in change, including flying the gay pride flag at City Hall during Pride month.

Dan Kalmick, a Democratic councilman at the time, called the flag an uneventful way "for a tourist city to become more inclusive."

California's lockdown, meanwhile, sparked pushback to state and municipal government policies, with many locals defying mask rules and other edicts they saw as excessive.

Rise of the 'Fab 4'

Republicans orchestrated their resurgence in 2022 by running as a coordinated slate. The "Fab 4" won handily, gaining a 4-3 Republican majority. In November, conservatives completed their sweep of the City Council when another slate, dubbed HB3, unseated the remaining Democrats. They have made changes large and small.

They will vote Tuesday, for instance, on whether to approve a plaque featuring the acronym MAGA (with the words, "magical, alluring, galvanizing, adventurous") to celebrate the public library's 50th anniversary. Citizen letters about the plaque have flooded the city website, such as one from resident Buffie Channel saying, "This is such a stupid attempt to get 'MAGA' on the wall of the library."

In January, the city sued California leaders over the state's sanctuary law—which limits police cooperation with immigration authorities—and christened Huntington Beach a "non-sanctuary city."

"It will be a signal to would-be criminals," said Mayor Pat Burns, "do not come to Huntington Beach."

The growing MHBGA majority has also addressed homelessness, including tightening rules on camping and parking. Critics noted homeless numbers had already dropped markedly.

But the decline has continued, and Van Der Mark herself sprang into action last week when she spotted an apparent homeless man slumped on a public bench by the pier. "Making sure someone does a welfare check on him," the councilwoman said after texting someone in the city to come out as she showed a visitor around.

Newsom has publicly assailed Huntington Beach policies as "Nimby," or Not in My Backyard. California officials have defended their sanctuary-city law, and have also sued the city for defying a state mandate to build more than 13,000 homes. Council members say the area is already too built-out.

Critics such as Kim Carr, a former Democratic councilwoman, say the council focuses on "performative antics" over everyday issues.

'This is censorship'

The gay pride flag no longer flies at City Hall, having been abolished during a packed meeting where debate raged for more than five hours. A "Gays Against Groomers" member ripped up the flag, while a supporter scolded the council: "We now see who you are and how you intend to govern."

Don Kennedy, who is now part of the new Republican majority, said the policy was intended to keep all nongovernmental flags from being flown on city property, not just the pride one. "If you're not on board with what they believe," he said, "you're a racist, a homophobe."

The council has also restricted books with "any content of sexual nature" from anyone under 18 at the public library—and called for the formation of a 21-member board that would have veto power over children's and teens' library books.

Councilwoman Van Der Mark, a mother of six, championed the measure after discovering what she called explicit material in state-recommended books.

But the restrictions—which have relegated even a book called "Everyone Poops" to the adult section—anger others.

"We actually feel this is censorship," said Carol Daus, a library volunteer who has helped gather more than 16,000 signatures to try to overturn the book-review committee in a future election.

Michael Gates, the city attorney—who on Monday resigned to work under Trump—praised his hometown as part of a national "sea change."

"We're the bookend working at one end," he said, "and Trump is at the other."

ROGER KISBY FOR WSJ

CITY OF HUNTINGTON BEACH

From top to bottom: Huntington Beach, Calif., where the City Council has made a pivot to the right; Huntington Beach Councilwoman Gracey Van Der Mark; Huntington Beach City Council members and the city attorney, wearing MHBGA hats. Trump acolytes have coined their movement 'Make Huntington Beach Great Again.'

Storm and Floods Leave 11 Dead in Kentucky

By Ginger Adams Otis
And Alyssa Lukpat

Eleven people, including a child, died in Kentucky over the weekend as heavy rain and wind created washed-out roads, flooded communities and left thousands without power.

Kentucky officials said the storm was one of the worst to hit the state in years, as swollen rivers and high floodwaters displaced hundreds of people and halted daily life. The worst of the storm has passed, but the state's troubles aren't over: A snowstorm Tuesday could freeze lingering floodwaters.

"There are still people that are in harm's way," Gov. Andy Beshear said on Monday.

Many of the deaths were caused by cars getting swept away or stuck in floods, Beshear said. He warned that the death toll could rise as the National Guard and other crews continue their search-and-rescue missions. He said Kentuckians should stay off the roads.

The governor said nearly 15,000 electric customers were without power Monday morning. More than 17,000 had no water while more than 28,000 were under a boil-water advisory, he said. Some wastewater systems were down.

President Trump has approved a request for disaster-relief funding, said Beshear, who declared an emergency for the state.

Kentucky officials said the weekend devastation was similar to the 2022 floods that killed dozens in the state.

"We've been through a lot," Beshear said.

Severe storms hit other parts of the South as well, including areas in Florida and Georgia. The National Weather Service had issued tornado watches over the weekend for some places.

In Atlanta, where morning wind gusts peaked at over 65 miles an hour, a person was killed when a tree fell on a house early Sunday, according to Atlanta Fire Rescue.

A surge of arctic air coming is expected to bring bone-chilling temperatures that will change any lingering rain to snow along the western slopes of the central Appalachians. Lake-effect snow will appear downwind of the Great Lakes into Tuesday.

The northern Plains are expected to have potentially life-threatening cold in the coming days, with low temperatures into the minus-30s Fahrenheit near the Canadian border for the next few mornings. High temperatures will remain below zero. Gusty winds will lead to wind chills of 60 degrees below zero.

Highs in the teens and 20s are forecast across the central Plains into the Midwest.

The East Coast is expected to experience intense cold further into the week.

Watch a Video

Scan the code for a video on the deadly storms across Kentucky.

Clean-Energy Program Sees Big Staff Loss

Roughly a quarter were fired or took buyouts as focus shifts to fossil fuels

By Scott Patterson

WASHINGTON—A federal clean-energy program fueled by hundreds of billions of dollars during the Biden administration has lost about one-fourth of its staff as part of President Trump's program to reduce employees across the government.

Roughly 60 employees, including dozens of so-called probationary employees hired in the past few years, have resigned since Trump took office or were fired last week at the Energy Department's Loan Programs Office, people familiar with the matter said. The office, which provides cheap funds to clean-energy projects, had more than doubled its staff to about 250 and amassed a $400 billion war chest as part of the 2022 Inflation Reduction Act.

More cuts are likely to come as the Trump administration's return-to-work policy kicks in, the people said, with one person estimating that subsequent moves could trim the staff by 50%. Some of the people said they feared the Trump administration would additionally take aim at the loan office's independent contractors, a move that would likely limit its ability to dole out cheap cash to clean-energy projects.

A person familiar with the Energy Department said the exact number of employees who resigned was unclear because of the bumpy rollout of the administration's "Fork in the Road" offer to federal workers to leave their jobs, which a federal judge halted briefly before allowing it to continue last week.

JOEL ANGEL JUAREZ/REUTERS

A Rivian plant in Illinois. The loan office approved a $6.6 billion commitment late in the Biden administration to help the auto company fund a plant in Georgia.

The White House and Energy Department didn't respond to requests for comment.

The Trump administration last week began stepping up the firing of newly hired federal workers, the next phase of personnel cuts that could affect tens of thousands of people.

The cuts to the loan office are the latest sign of Trump's plans to pull funds from clean energy to focus more on boosting fossil fuels.

The Trump administration has said it is pursuing a policy of "energy dominance" to lower prices at the pump and inflation more broadly. Last week, the White House launched the National Energy Dominance Council to coordinate increased production of energy resources.

Lee Zeldin, administrator of the Environmental Protection Agency and a member of the council, posted Friday on X: "I will do everything in my power @EPA to urgently help America unleash energy dominance."

Critics say the administration is focusing on fossil fuels to the detriment of clean energy such as solar and wind and that cuts to programs such as the Energy Department's loan office threaten to slow U.S. energy capacity.

"Laying off staff in crucial industrial areas like carbon capture, nuclear and geothermal power, and electricity grid resiliency is weakening America's efforts to be energy independent and is handing these high-growth future industries over to China," said Peter Davidson, chief executive of Aligned Climate Capital, a clean-energy-focused firm in New York, who ran the Loan Programs Office during the Obama administration.

The loan office accelerated its activity during the final months of the Biden administration amid concerns that loan commitments would end up in limbo in a Trump administration. Loans have to be approved by political appointees, so the program is subject to the whims of the executive branch.

Environmentalists have feared that Trump's Energy secretary, fracking pioneer Chris Wright, could upend clean-energy funding by the department.

Critics of the loan program point to the failure of Solyndra, a solar-panel company that collapsed in 2011, causing a $535 million loan to go sour. The loan office has had notable successes, such as Elon Musk's **Tesla**, which in 2010 won a $465 million loan that the electric-vehicle maker repaid in 2013. The program's default rate of 3% is comparable to the performance of loan portfolios of commercial banks.

It remains unclear whether Trump's energy officials will implement loan agreements that remain subject to their oversight. In December, the loan office agreed to provide a $15 billion loan commitment to California utility company **PG&E** to support hundreds of projects aimed at fighting the effects of climate change and improving the electrical grid.

Other projects approved during the final weeks of the Biden administration include a $6.6 billion commitment for EV startup **Rivian Automotive** to help fund a plant in Georgia.

Vivek Ramaswamy, originally expected to be co-head of Trump's Department of Government Efficiency alongside Musk, said at the time the Rivian loan was announced that it "smells more like a political shot across the bow" at Musk and **Tesla**.

The Federal Aviation Administration, meanwhile, laid off about 400 probationary employees over the weekend, including some who support safety and technology in the agency's air-traffic and aviation-safety divisions, people familiar with the matter said.

The cuts occurred weeks after the deadliest U.S. plane crash in more than two decades, a Jan. 29 midair collision over the Potomac River that took 67 lives, and a separate outage of a pilot-warning system run by the FAA.

'Not My President's Day' Protesters Gather in Washington

CHIP SOMODEVILLA/GETTY IMAGES

SPEAKING OUT: Demonstrators holding posters taking aim at President Trump and close adviser Elon Musk massed in the shadow of the Capitol, among cities across the country, on Monday to speak out against what organizers said are 'the anti-democratic and illegal actions of the Trump administration.'

Access to Personal Tax Data Sought

Continued from Page One

tion, wrote on X Monday that she conferred with former career and political appointees at Treasury, and none could "recall a political appointee ever having access to this database."

She outlined several concerns, which she said included "risks to taxpayer privacy, the integrity of the tax system, and filing season operations."

She said that, for example, if an outsider made a mistake while culling through this database, it could disrupt the tax filing season when roughly 100 million Americans receive tax refunds.

A separate effort by DOGE officials to obtain sensitive records prompted the acting commissioner of the Social Security Administration, Michelle King, to step down from her role over the weekend, according to two people familiar with the situation. The Washington Post earlier reported King's departure.

King, a veteran of more than three decades at the agency who had been named acting commissioner in January, was replaced by Leland Dudek, a Social Security career official who has been overseeing the administration's antifraud office, the people said.

Trump's nominee to lead the IRS, former Republican congressman Billy Long, hasn't been confirmed by the Senate. The agency is currently being led by Douglas O'Donnell, who has spent roughly 40 years at the agency.

Treasury Secretary Scott Bessent told Fox News in an interview last week that he had three goals for the IRS, "collections, privacy and customer service," and said the administration was "going to do a big IT upgrade."

The IRS has an extraordinary amount of taxpayer information, both for households and businesses. For example, the agency has said that taxpayers filed 213.3 million returns and other forms electronically with the agency in 2023.

If Musk's team were to gain access to the IRS's systems, it could allow them to view a variety of sensitive data. Files in the Integrated Data Retrieval System, for instance, reveal individual taxpayer identification numbers and tax preparers' identification numbers.

Musk is a major ally of the president who helped direct more than $200 million to help Trump win the election. Since the election, the Tesla CEO has emerged as one of Trump's closest advisers, weighing in on a range of domestic and foreign policy decisions and appearing to have more sway on certain decisions than even some members of the cabinet.

The move by DOGE to gain access to the IRS's systems comes after a DOGE team arrived at the agency's headquarters last week. Meanwhile, the Trump administration is expected to attempt to lay off thousands of IRS employees in the coming days, according to people briefed on the plans.

DOGE's attempt to access the taxpayer systems was earlier reported by the Washington Post.

White House spokesman Harrison Fields said, "Waste, fraud, and abuse have been deeply entrenched in our broken system for far too long. It takes direct access to the system to identify and fix it."

White House officials wouldn't specify why DOGE needed access to the sensitive taxpayer information to execute on its mission.

A new social-media account on X, DOGE IRS, issued a call for information on Monday: "DOGE is seeking help from the public! Please DM this account with insights on finding and fixing waste, fraud and abuse relating to the Internal Revenue Service."

The agency has said that its criminal division initiated more than 2,667 investigations and secured 1,571 convictions in the fiscal year that ended in September. The agency has also warned that a contentious tax credit created during the coronavirus outbreak, known as the employee-retention tax credit, was subject to fraud.

DOGE officials have already spent weeks working inside other federal agencies, including the Treasury Department, Education Department, the Consumer Financial Protection Bureau and Agency for International Development. The Trump administration has attempted to initiate widespread spending cuts to many of those agencies.

Musk's team initially gained access to the Treasury's payment systems, but that has since been halted by a judge. A federal judge also halted the administration's attempts to make further cuts to the CFPB and other efforts that could dismantle the agency.

Meanwhile, a federal judge in Washington on Monday heard arguments over a separate challenge to DOGE's practice of accessing data and firing employees at several different federal agencies, including the Departments of Education and Health and Human Services. Judge Tanya Chutkan could rule in the coming days on whether to impose an order limiting its reach while the case continues.

Office Order Threatens Unions' Power

The Trump administration's plan to force federal employees back to the office is poised to do more than end remote work. It also stands to erode the powers of organized labor to shield government workers from unwanted changes.

*By **Laura Kusisto**, **Liz Essley Whyte** and **Erin Mulvaney***

Under one of his first executive orders, President Trump directed federal workers to return to the office. A number of the workers got more details in subsequent memos instructing them to report to the office starting as soon as Feb. 24. Labor unions are fighting the directive, arguing it violates collective-bargaining agreements guaranteeing the right of many employees to work remotely.

The clash will test a conservative legal theory that collective-bargaining agreements aren't binding from one administration to the next. At stake are the powers of federal government labor unions, which represent some 1.2 million health, environmental and other federal workers covered by the bargaining agreements.

The administration wants "to force the issue on what collective-bargaining agreements can actually govern and what management rights can supersede," said David Mansdoerfer, the Health and Human Services Department's chief labor negotiator during the first Trump administration.

Kevin Owen, a lawyer who represents federal employees in civil-service and whistleblower litigation, said the administration wants to upend decades of practice for staffing the government.

"The goal here is to dismantle the merit system and return the government to the spoils system, awarding the president who gets into office, and punish people who worked for a prior administration," he said.

The White House, in response to requests for comment, pointed to guidance directing agencies how to handle certain collective-bargaining issues.

Among the workers who have received explicit instructions to return to the office in coming weeks are employees of HHS, the Environmental Protection Agency and the Education Department. They are represented by organizations including the National Treasury Employees Union and the American Federation of Government Employees.

Those being called back into the office include everyone from senior political appointees to junior office workers.

Weakening powerful government labor unions has been a longtime goal of conservatives, who see them as tying the hands of the president and blocking the implementation of Republican administration policies.

Collective-bargaining agreements, or CBAs, have been a target of the efforts. For the most part, federal government unions can't negotiate over wages or benefits.

CBAs allow some federal staffers at least some remote work, unions say. Roughly 40% of all federal employees work remotely at least part of the time, according to a December report by the Office of Personnel Management. A number of workers don't live within a daily commute of their offices.

Ending the arrangements is part of efforts by the administration and its Department of Government Efficiency, run by billionaire Elon Musk, to reduce the federal bureaucracy and cut spending. It would also further a White House push emphasizing presidential power.

Critics say some government offices wouldn't be able to accommodate all employees if they returned to working in person. HHS employees say they have yet to see a plan for how to bring employees back to offices, some of which don't have enough desks or parking spaces.

DOJ Asks High Court to Allow Dismissal of Ethics Watchdog

Lower courts blocked firing of Office of Special Counsel head, citing federal law

By Jess Bravin

WASHINGTON—President Trump's campaign to remake the federal government reached the Supreme Court on Sunday, when the Justice Department filed emergency papers arguing that Trump holds the constitutional power to dismiss an executive-branch ethics watchdog.

White House Personnel Office leader Sergio Gor fired the lawyer who heads the Office of Special Counsel, Hampton Dellinger, on Feb. 7 with a two-sentence email.

"On behalf of President Donald J. Trump, I am writing to inform you that your position as Special Counsel of the US Office of Special Counsel is terminated, effective immediately," Gor wrote. "Thank you for your service."

Permanent position

Dellinger's five-year term is Senate-confirmed, and federal law protects him from arbitrary dismissal. After the firing, Dellinger sued, arguing that his dismissal was illegal because the president provided no rationale. A federal-district court here issued a temporary order keeping Dellinger in office through Feb. 26, when it scheduled a hearing on the dispute.

A federal circuit court rejected the administration's appeal late Saturday. Acting Solicitor General Sarah Harris then filed an emergency application with the Supreme Court, asking the justices to greenlight Dellinger's dismissal while his lawsuit proceeds.

The court's action on Harris's filing, which could come later this week after additional briefing, won't be a final decision. But it could signal the justices' approach to the onslaught of litigation they are expected to face as Trump's aggressive agenda tests the limits of presidential power, driving those his policies harm to assert protection in congressional statutes and constitutional provisions.

A 2023 Biden nominee, Dellinger was confirmed the following year to head the Office of Special Counsel—not a temporary prosecutor for sensitive cases, such as former Trump investigator Jack Smith, but a permanent position Congress created in 1978 that today enforces several provisions insulate the federal workforce from improper interference, such as Hatch Act, that prohibits partisan political activity by certain government employees. The office also protects whistleblowers from retaliation.

Dellinger's dismissal violates the statute Congress passed creating the special counsel that says the president can remove him before 2029 only for "inefficiency, neglect of duty, or malfeasance in office." That language is borrowed from the 1914 law establishing the Federal Trade Commission, affording such protections to the body's five members.

A 1935 case known as Humphrey's Executor upheld those conditions on removal, siding with the arguments of a Hoover-appointed FTC commissioner that President Franklin D. Roosevelt sought to replace with a nominee more enthusiastic about the New Deal.

But many conservatives contend that congressional efforts to constrain the power to fire officials violate Article II of the Constitution, which vests in the president a largely undefined "executive power" of the federal government.

Precedent

The Supreme Court's deeply conservative majority has been receptive to such arguments, and in 2020 upheld Trump's first-term decision to remove the director of the Consumer Financial Protection Bureau, who like the special counsel Congress established to serve a five-year term subject to removal only for misconduct.

The court distinguished the CFPB director from the multimember commission at issue in Humphrey's Executor, but two justices, Clarence Thomas and Neil Gorsuch, filed a concurring opinion calling for overruling the 1935 precedent outright. Another justice, Brett Kavanaugh, has been sharply critical of the Humphrey's case.

In legal papers, Harris lumped the Dellinger case among more than a dozen others that have seen Trump's agenda slowed by federal judges who issued temporary pauses to consider legal claims filed by those harmed by the new policies.

The district court's order pausing Dellinger's dismissal through Feb. 26 "exemplifies a broader, weeks-long trend in which plaintiffs challenging President Trump's initiatives have persuaded district courts to issue TROs that intrude upon a host of the President's Article II powers," Harris told the justices, using an abbreviation for temporary restraining order.

She complained that district courts have compelled the president to continue spending foreign-assistance funds Congress has appropriated and limited the access of operatives sent by Trump's surrogate and billionaire benefactor Elon Musk, to Treasury Department files on individual Americans.

Several figures associated with Trump's MAGA movement have harshly attacked judges who issued preliminary decisions against the administration's positions.

U.S. OFFICE OF SPECIAL COUNSEL/REUTERS

Hampton Dellinger, who heads the Office of Special Counsel, was fired on Feb. 7 with a two-sentence email.

Rioters Say Pardons Apply to Other Crimes

Defendants argue they should also be absolved of additional charges

Less than a month after receiving pardons for participating in the Jan. 6, 2021, attack on the Capitol, some former defendants find themselves in a familiar place: back in court, facing other criminal charges.

By Scott Calvert, Tawnell D. Hobbs and C. Ryan Barber

BRENT STIRTON/GETTY IMAGES

Rioters clashed with police at the U.S. Capitol on Jan. 6, 2021. Hundreds were freed after President Trump's blanket pardon.

There is Edward Kelley, who was pardoned for assaulting police at the U.S. Capitol, but who is now fighting another case. In November, a jury convicted him of conspiring to murder the Federal Bureau of Investigation agents who investigated his Jan. 6 participation.

Kelley now argues that conviction should be tossed out, too. The Tennessee man believes that President Trump's blanket pardon covering "offenses related to events that occurred at or near" the Capitol on Jan. 6 extends beyond that day.

Other defendants are similarly arguing they should be absolved of other alleged crimes discovered during Jan. 6 investigations.

Weeks after the pardon that freed hundreds of prison inmates and ended remaining cases winding through the courts, life is far from settled for a large contingent of the defendants.

This month, dozens of defendants joined forces on X to compile and publicize the names of at least 124 people who had a hand in their convictions.

On Jan. 27, county prosecutors in Houston announced a manhunt for Andrew Taake, a pardoned Jan. 6 defendant who was being sought on a 2016 charge of online solicitation of a minor. He had been serving a 74-month sentence after pleading guilty to violence at the Capitol.

The Harris County District Attorney's Office said it had asked federal prison officials to hold the 36-year-old Taake, but instead he was let out of a Colorado facility on Jan. 20 after Trump's pardon.

Taake was finally tracked down Feb. 6 at a home after a dayslong search. His lawyer didn't respond to a request for comment.

Fear of retribution

Federal agents and others have expressed fear of retaliation for investigating the Capitol riot. After Trump-appointed Justice Department leaders demanded a list of all agents involved, agents sued, arguing it would put them and their families at risk from "the now pardoned and at-large Jan. 6 convicted felons."

The federal government temporarily agreed to not make the list public while a judge considers a longer-term ban.

Many Jan. 6-ers are taking it upon themselves to publicize the names.

On Feb. 5, Timothy Louis Hale-Cusanelli, a New Jersey resident who served three years for his role in the Capitol attack, created the post on X asking fellow defendants to name their prosecutors.

"I'd like to see the judges exposed," one person responded.

Hale-Cusanelli, who didn't respond to requests for comment, was among the first to enter the Capitol, according to prosecutors.

Jail guards also have been singled out. Ryan Nichols Sr., a pardoned Jan. 6 defendant who pleaded guilty to assaulting police officers with pepper spray, turned his attention to corrections officers after his Jan. 20 release. He started a Jan. 22 X thread with: "The officers in the DC Jail who need to be investigated for corruption and abuse."

Nichols added the names and LinkedIn profile photos of two Washington, D.C., jail workers, and detailed alleged mistreatment he said he observed while held there.

The D.C. Department of Corrections said that "misinformation and false allegations against DOC staff are deeply concerning. Threats and intimidation against DOC employees are reported to the appropriate authorities." A spokeswoman said Jan. 6 defendants were treated the same as other inmates in the same custody level.

Nichols's lawyer said his client and other Jan. 6 defendants did nothing wrong by posting such information. "It is people saying, hey, I went to jail wrongfully, I've been pardoned, I was tortured, I've been hurt by my government, these are the people who did it," said Joseph McBride.

New trouble

Fresh clashes with law enforcement emerged immediately for some pardoned Jan. 6 defendants. On the afternoon of Jan. 27, Matthew Huttle, 42 years old, was fatally shot by a sheriff's deputy in Jasper County, Ind. Indiana State Police have released few details but said the deputy fired at Huttle during an altercation, while trying to arrest him following a traffic stop. Huttle had a gun, the police said.

Huttle had served six months.

Other pardoned defendants quickly began trying to erase other alleged crimes discovered during Jan. 6 investigations.

A Tennessee jury convicted Kelley in November of concocting a plan—while he was awaiting trial—to kill law enforcement. A cooperating defendant said he and Kelley planned attacks on the FBI's Knoxville field office and strategized about assassinating FBI employees.

Kelley's attorney has asked a judge to toss out his case. "In this instance, there can be no dispute that Kelley's case in this court is related to the events of January 6th and is covered by the President's executive action," attorney Mark Brown wrote.

In Florida, resident Daniel Ball is charged with illegally possessing a gun and ammunition because of prior felony convictions, court records show. His lawyer, Amy Collins, wants prosecutors to drop the case, saying it stems from a search that occurred when Ball was arrested for alleged Jan. 6 crimes that were pending when Trump pardoned him. "I don't see how they could in good faith say this case is not covered by the presidential proclamation, because it only came about because of the Jan. 6 case," Collins said.

A spokesman for the U.S. Attorney's Office in Tampa said, "The government's position is that the pardon does not apply to Mr. Ball's conduct in the Middle District of Florida."

A lawyer for David Daniel, a North Carolina man facing child-pornography charges, made a similar argument. Attorney William Terpening said "pretty much all" of the evidence cited came from a raid on Daniel's house in connection with the Jan. 6 case.

Diminished McConnell Makes A Lonely Stand Against Trump

By Siobhan Hughes

ALLISON DINNER/SHUTTERSTOCK

Sen. Mitch McConnell has voted against three nominees.

WASHINGTON—In 2017, when President Trump was fresh in his first term, then-Senate Majority Leader Mitch McConnell was asked by a student on a class trip what he thought of the new commander in chief.

A sly smile spread across his face as he replied, "I think the president should spend more time reading the Constitution," recalled Ross K. Baker, an expert on Congress who worked for senators of both parties and had brought his Rutgers University students to the Capitol.

Eight years later, Trump is challenging Congress's constitutional prerogatives on core responsibilities such as confirming cabinet picks, and he has signaled he wants to pull back from America's commitments overseas—ideas anathema to McConnell. The Kentucky Republican, now a rank-and-file senator beset by health problems including two recent falls, is making what could be his final stand in his long-running fight with Trump.

Out of leadership, McConnell has the ability to more freely speak his mind on Trump's nominees—he has voted against three so far—and more forcefully break with the president on foreign policy. But it isn't clear if colleagues will listen, or whether he will find himself increasingly persona non grata like other Republicans who crossed Trump.

"The spirit is strong, but the flesh is weak," said Baker. "He's old and tired and has had some falling episodes. And there's only so much he can do, certainly on his own."

In recent weeks, McConnell has voted against the confirmations of Health Secretary Robert F. Kennedy Jr., Defense Secretary Pete Hegseth and Director of National Intelligence Tulsi Gabbard—the only Republican to oppose so many Trump officials. All were approved by the Senate, where Republicans have a 53-47 majority. On only one of the votes did any GOP lawmakers join him in opposition, despite broader concerns about the picks that could have sunk them.

"The Senate's power of advice and consent is not an option; it is an obligation, and one we cannot pretend to misunderstand," McConnell said after one of his "no" votes, a veiled jab at colleagues. Through an aide, McConnell declined an interview.

McConnell, 82 years old, told "60 Minutes" that he planned to speak out against what he sees as encroachment on the Senate's independence. But he has made limited efforts to influence colleagues. He communicates mainly through speeches and news releases. He skipped the closed-door Senate GOP lunch before the Gabbard and Kennedy votes.

As he was wheeled out of the Senate cloakroom on Thursday following his "no" vote against Kennedy, McConnell waved but declined to answer a question about what his vote said about fighting for the Senate's prerogatives.

In statements, McConnell called Gabbard "unworthy of the highest public trust." Of Hegseth, he said that "mere desire to be a 'change agent' is not enough to fill these shoes." On Kennedy, McConnell—a polio survivor—said he "will not condone the re-litigation of proven cures."

Trump called McConnell a "very bitter guy" in comments to reporters. "He's lost his power. And it's affected his vote," Trump said. Earlier this month, McConnell said on "60 Minutes" that "I expect to support most of what this administration is trying to accomplish. So what happened in the past is irrelevant to me."

GOP senators stood their ground in rebuffing Trump's initial demand that they wave through his nominees without hearings or votes. With the exception of former Rep. Matt Gaetz, who was forced to withdraw from the attorney general job, they then gave a stamp of approval to controversial officials whose ideas and résumés appealed to Trump but don't fit traditional criteria.

McConnell has indicated that he wants to leave a final mark by pumping up military spending in response to the expanded might of China, Russia and Iran, as chairman of the Senate Appropriations Committee's defense subcommittee. After stepping aside as leader at the end of the last Congress, he kept on his reduced staff his national-security adviser.

"He'll always have some earned authority regardless of position. But Mitch's days of being aggressive are kind of over. Particularly in a crowded room," Sen. Kevin Cramer (R., N.D.) said.

Others are glad he is no longer running the Senate. "Nobody has been more of an anvil around the ankle of Republicans than Mitch McConnell," said Sen. Josh Hawley (R., Mo.).

For Workers, Border Is A Commute

Continued from Page One

China, we build products together with Mexico," said Farell.

A study by Oxford Economics estimated that 25% tariffs on U.S. imports from Canada and Mexico followed by retaliation would cause trade flows between the countries to drop by 50% to 60%. Trump earlier this month paused those tariffs for 30 days after leaders in both countries committed to joint measures to fight fentanyl trafficking. On Thursday, Trump signed a memo on reciprocal trade, directing federal agencies to study how to adjust U.S. tariffs to match those of existing duties by other nations.

Farell is trying to expand the El Paso plant as a defense against tariff disruptions for products crossing over from Mexico. His company added production and assembly capacity to that plant when the Covid-19 pandemic temporarily closed the border.

The U.S. borders with Mexico and Canada are peppered with communities that have closely braided economies, and cross-border commuters are common.

Studies of hot spots have found heavy traffic. KPMG, for example, estimated last year that more than 20,000 people travel daily to jobs on either side of the Michigan-Ontario border. Some are nurses heading south for high-demand U.S. jobs.

Nearly 12,000 people commute from Mexico into El Paso each day, according to data from a survey last year by the city and El Colegio de la Frontera Norte.

The "borderplex" region there has been intertwined for decades, a legacy of Mexico's assembly-for-export "maquiladora" or "twin plants" industry, which since the 1960s allowed U.S. companies to export components duty-free to Mexican plants to be assembled into products and shipped back to the U.S.

Nearly all the workers who commute from Juárez to Cesar-Scott in El Paso are dual citizens who were born in the U.S. but reside in Mexico. Outside of their current jobs, many have little experience of studying or working in the U.S., and limited English.

"The line can be an hour, an hour and a half," said Alondra Sanchez, a product inspector who wakes up at 4 a.m. every day, packs a lunch and hails a ride-share to a border bridge. She crosses on foot, then takes a bus to work.

"It's tiring at times, but there are other compensations," the 20-year old said in Spanish. Those benefits include earning in dollars and spending in pesos.

Starting wages at Cesar-Scott's El Paso operations range from $10 to $12 an hour. That is higher than the U.S. federal minimum wage of $7.25 an hour.

Minimum wages for most workers are higher than that in 30 states, although Texas isn't one of them. But in Mexico's border region, the minimum wage is much lower, about $2.50 an hour.

The North American Free Trade Agreement in 1994—replaced by the US-Mexico-Canada Agreement in 2020—eased trade barriers while propelling a more than 50% increase in El Paso's labor force over the next three decades.

There were trade-offs. Many labor-intensive jobs moved to lower-cost Mexico, but the U.S. border region benefited from servicing the increased trade flows, creating jobs in fields like warehousing, logistics and accountancy.

In industries like wire-harness manufacturing, workers' know-how went with them, said Jesus Cañas, an economist at the Federal Reserve Bank of Dallas. "We don't have the skills here anymore, because we exported those skills years ago to the Mexican side," he said.

Still, even after Nafta shrank El Paso's manufacturing base, the city still has some 17,000 manufacturing jobs that need workers, including many in labor-intensive fields.

"If I interview 10 people in Juárez, which is right across the border, nine people have touched a wire harness," meaning they have experience for the job, said Farell, the Cesar-Scott president. Such experience is much rarer on the El Paso side, he said.

Agustín Rios said his $10 hourly wage at the El Paso plant affords his family a Juárez lifestyle, like private schooling for his 6-year-old daughter, that would typically require an advanced degree in Mexico. Rios lives near work with his uncle, but visits Juárez several times a week to spend time with his wife and daughter.

"We take vacations, we don't go to Europe of course, but we do at least have enough to go to the city from time to time," the 28-year old said.

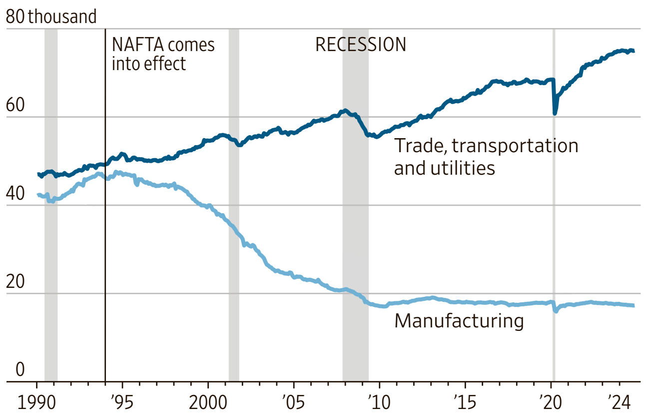
Samira Ugalde, born in Phoenix, found her job as a production operator at Cesar-Scott on social media after previously working at another factory in El Paso. Long lines at the border crossing mean she gets up at 2:30 a.m. in Juárez to commute by car with her husband, who also has U.S. citizenship, and arriving at work at 6 a.m. They spend the long waits listening to music.

After work, "I just get home, cook, and go to bed early," the 21-year-old said.

PAUL RATJE FOR WSJ (2)

Cars crossing into Mexico from El Paso, Texas, where Gustavo Farell, below, talks with an employee at his U.S. factory.

Employment in El Paso, Texas



Note: Seasonally adjusted
Source: Labor Department via St. Louis Fed

Israeli Forces to Extend Stay in Lebanon

Beirut pushes back on plan to remain in key locations after Tuesday deadline

By Feliz Solomon

Israel's military said it would maintain a presence in five strategic locations along its border with Lebanon past a deadline to remove troops as part of a cease-fire deal with Hezbollah, garnering pushback from Beirut.

Israel said it needed to keep the positions, all seated on high ground near its border with Lebanon, to ensure the safety of Israeli communities there.

"Based on the current situation, we will leave small amounts of troops deployed temporarily in five strategic points along the border in Lebanon so we can continue to defend our residents and to make sure there's no immediate threat," Lt. Col. Nadav Shoshani, a spokesman for Israel's military, told reporters.

Lebanese President Joseph Aoun said on Monday that the country's military is prepared for a transfer of control and emphasized the importance of Israel's full exit. "The Israeli enemy cannot be trusted, and we are afraid that the complete withdrawal will not be achieved tomorrow," he said.

The decision to maintain a presence in Lebanon past the deadline sets up a diplomatic test for the Trump administration as it tries to maintain cease-fires in Lebanon and Gaza. Secretary of State Marco Rubio is on his first visit to the Middle East as chief diplomat this week, meeting with Saudi Crown Prince Mohammed bin Salman on Monday after a visit to Israel the day before.

Neither Hezbollah nor the Lebanese military are likely in a strong enough position to militarily challenge Israel's decision to stay. The move reflects a series of military victories by Israel in southern Lebanon that have also weakened Hezbollah's benefactor, Iran.


RABIH DAHER/AFP/GETTY IMAGES

Israeli army forces patrolled in the village of Kfarshuba, southern Lebanon, on Monday.

Overlooking Israeli border communities, the positions could enable the military to respond quickly to any threats, Shoshani said. Lebanese officials have said the positions include sites near the towns of Khiam, Odaisseh, Naqoura and Ramyeh. They overlook Israeli communities including Shlomi, Margoliot, Zarit, Shtula, Har Dov and Metula, an Israeli security official said.

He said the arrangement is temporary and control of the points will eventually be handed over to Lebanon's armed forces, without specifying a timeline.

The Trump administration's deputy Middle East envoy, Morgan Ortagus, said this month that the U.S. remained committed to the Feb. 18 deadline for Israeli troops to withdraw. U.S. Maj. Gen. Jasper Jeffers, who is helping coordinate the new security arrangement in southern Lebanon, said the U.S. will continue to work with the parties beyond the deadline.

"We will continue to assist with the implementation," he said, "even beyond the 18th of February."

Hezbollah began firing rockets across the border shortly after the Oct. 7, 2023, Hamas-led attacks in southern Israel that killed some 1,200 people and sparked the war in the Gaza Strip. Hezbollah launched some 17,000 rockets, missiles and drones across the border since the conflict began, according to Israel's military. Tens of thousands of Israelis were displaced and most of them are yet to return home.

After months of exchanges of fire along their shared border, Israel launched limited ground operations and later a full-scale invasion of southern Lebanon. The war left Hezbollah significantly weakened, killing its top leadership and wiping out much of its weapons stockpiles. The conflict has displaced as many as one million people in Lebanon and destroyed hundreds of buildings near Beirut.

Israel has also pressed the government of Lebanon to cut off Hezbollah's cash flow by blocking Iranian flights it says are carrying funds for the group.

WORLD WATCH

SOUTH AFRICA
First Gay Imam Is Shot and Killed

A man regarded as the first openly gay Muslim imam was shot and killed while sitting in a car, in what many are calling an assassination because of his teachings.

Muhsin Hendricks was ambushed by two men in a pickup truck while visiting the southern city of Gqeberha on Saturday.

Political parties and LGBTQ+ organizations say Hendricks was targeted because he started a mosque in Cape Town for gay Muslims and called for members of the LGBTQ+ community to be welcomed into Islam.

—Associated Press

UGANDA
Opposition Leader Faces Civilian Trial

A prominent Ugandan opposition figure facing a military trial will be charged in a civilian court instead, an official said Monday, as authorities faced pressure to free him.

Kizza Besigye, 68, a four-time presidential candidate, disappeared in November in Kenya's capital, Nairobi, and appeared days later before a military tribunal in Uganda's capital, Kampala. Associates of Besigye have said his trial on charges including treachery, a capital offense, is politically motivated. Uganda's Supreme Court ruled last month that civilians can't be court-martialed.

—Associated Press

ARGENTINA
Milei's Crypto Post Sparks Fraud Probe

Lawyers filed fraud complaints against President Javier Milei in criminal court on Sunday for promoting a cryptocurrency on his social media, one of the lawyers said.

On Friday, Milei posted on X about $LIBRA, a coin he said was aimed at "encouraging economic growth by funding small businesses and startups." He later deleted the post and the currency's value collapsed.

The president's office on Saturday said Milei wasn't involved in any stage of the cryptocurrency's development and removed the post to avoid speculation and limit exposure.

—Associated Press

THE PHILIPPINES
Duterte's Remarks Spur Legal Trouble

Former President Rodrigo Duterte is facing a criminal complaint over his saying during a campaign rally that 15 senators should be killed in a bomb attack to allow more vacant seats for his political party's candidates to contest.

The alleged illegal utterances and incitement to sedition were laid out in a police complaint filed to the Department of Justice. The former president's camp said his remarks were just a joke.

Campaigning is under way for half of the 24 Senate seats, being contested in the May 12 midterm elections.

—Associated Press


ANP/ZUMA PRESS

MANIC MONDAY: People in Grubbenvorst, the Netherlands, marched in a parade that takes place 12 days before Carnival.

Zelensky Dubious About Talks

Ukraine's president says he won't accept deals on war reached without Kyiv input

By James Marson And Ian Lovett

When top diplomats begin the Trump administration's efforts to settle the war in Ukraine on Tuesday, one country will be notably absent—Ukraine.

Ukrainian President Volodymyr Zelensky registered his displeasure on Monday, saying the talks between the U.S. and Russia in Riyadh, Saudi Arabia, "won't yield results" if Ukraine isn't at the table.

"We can't recognize any things or any agreements about us without us," he told reporters.

Zelensky is in a tough diplomatic spot: His country's most important backer, the U.S., is seeking to end the war without specifying what a settlement could look like for Kyiv. Trump and his advisers have said Zelensky would be part of talks with Russia but haven't said when and in what capacity.

President Trump's call with Russian President Vladimir Putin last week spurred concerns that the U.S. was abandoning a principle that former President Joe Biden and European leaders have insisted on—that Ukraine must be directly involved in peace talks.

Zelensky said he would visit Riyadh on Wednesday on what he called a long-planned official trip. He said he would ask Saudi leaders what they knew about the U.S.-Russia talks, "just out of interest."

If any U.S. deal with Russia demanded significant concessions from Zelensky, he would face substantial domestic pressure to continue fighting even if Washington pulled its support. Ukraine's president has said any end to fighting must be anchored by security guarantees that prevent Russia from wielding a threat.

In a speech at the Munich Security Conference on Saturday, Zelensky warned that Europe must develop its own military power to defend itself and gain the respect of Washington. Speaking with reporters later, he said Ukraine was ready to agree to a security-and-economic deal with the Trump administration only if the U.S. provided security guarantees. Zelensky said he had rejected Washington's initial proposal for preferential access to Ukraine's natural resources because it lacked such guarantees and made excessive demands.

"Given how inconsistent and unreliable the Trump administration is, it's unclear how much you can trust them," said Tymofiy Mylovanov, president of the Kyiv School of Economics and a former economy minister.

The U.S. talks with Russia have injected the biggest shot of uncertainty into a war near the start of a fourth year. Ukraine repelled Russia's initial assault on its capital, but in the past year has slowly lost ground; just under 20% of the country is occupied.

Ukraine's defense has relied on Western military aid, particularly from the U.S. In a recent interview with NBC News, Zelensky said that without U.S. support, Ukraine had "a low chance to survive."

Europe doesn't currently have the capacity to supply Ukraine with enough weaponry or possess the strategic coherence to provide credible security guarantees.

European leaders met at an emergency summit on Ukraine in Paris on Monday. The U.K. has said for the first time this week that it would be prepared to put British troops on the ground in Ukraine if needed to guarantee that country's security.

"First the Europeans have to do something with themselves before Zelensky can do anything with them," said Leo Litra, a visiting fellow at the European Council on Foreign Relations.

One key obstacle to any peace deal is Putin's insistence he will end the war only if Ukraine gives up territory and is subjugated to Russia. Zelensky said in Munich on Saturday that Putin is weaker than he looks and that Trump could cajole him into a peace deal.

Zelensky said any halt to the fighting would have to be backed up by U.S. security guarantees to prevent Moscow from invading again. Trump's Ukraine envoy, retired Lt. Gen. Keith Kellogg, will visit Ukraine in the coming days.

"It's important that he understands everything," Zelensky said, "that he takes everything back to the White House."

PRESIDENTIAL PRESS SERVICE/EPA/SHUTTERSTOCK

President Zelensky met with United Arab Emirates President Mohammed bin Zayed Al Nahyan in Abu Dhabi on Monday.

SERHII KOROVAYNY FOR WSJ

Much of the debate in Europe has focused on what role European troops would play in Ukraine. Above, destruction in Pokrovsk.

Europe Seeks Role On Ukraine

Continued from Page One

although Washington has assured Kyiv that negotiations to end the war will be conducted between Ukraine and Russia, with Washington mediating. President Volodymyr Zelensky has said Ukraine won't accept any agreements that come out of the U.S.-Russian talks without its presence.

Zelensky on Monday said the Riyadh talks "won't yield results" if Kyiv isn't at the table. He said he would visit Riyadh on Wednesday on what he called a long-planned official trip, adding that he would ask Saudi Arabia's leaders what they knew about the U.S.-Russia talks, "just out of interest."

The idea that the fate of Europe might be decided without direct European participation has alarmed the Continent's capitals. European governments weaned their economies off Russian fuel exports and poured billions of military aid into Ukraine as part of a war effort they regard as crucial to the region's security.

Now the snub from Washington has raised pressure on Macron, British Prime Minister Keir Starmer and other leaders to define how they plan to contribute to any peace deal between Russia and Ukraine.

In recent days, the Trump administration has asked European governments to fill out a questionnaire, clarifying whether they are willing to send troops into Ukraine as part of a peacekeeping force and what other capabilities they can provide as part of a security guarantee for Ukraine. The leaders must also discuss how to increase European defense spending and fund longer-term assistance for Kyiv.

Officials said the talks in Paris made minimal progress in crafting a common position, with little detailed discussion of security guarantees Europe was prepared to offer.

In a defiant speech at the Munich conference on Saturday, Zelensky warned that Europe can no longer rely on the U.S., and that Europe must develop its own military power to defend itself and gain the respect of Washington. The problem for Zelensky, however, is that Europe doesn't have the capacity to supply Ukraine with enough weaponry, or possess the strategic coherence to provide credible security guarantees.

After Monday's meeting, Mark Rutte, secretary-general of the North Atlantic Treaty Organization, said on X that Europe was "ready and willing" to provide security guarantees to Ukraine and "to invest a lot more in our security."

Starmer said Europe would play its role in securing any emerging peace but that the U.S. must provide a backstop to European security guarantees. The U.S. has signaled it won't put troops in Ukraine or commit to entering the conflict if European troops came under attack. Washington is also opposed to Ukraine joining NATO.

Starmer said the European discussions were still in the early stages and that he will meet again with his European colleagues after returning from Washington, where he will meet Trump next week.

"A U.S. security guarantee is the only way to effectively deter Russia from attacking Ukraine again," he warned.

For months, European countries have dithered. Only a handful of European countries—Britain, France and Sweden—have signaled they are willing to send troops into Ukraine as part of a peace deal. When a core group of leaders gathered in Brussels in December, they shied away from any serious discussion of what security guarantees Europe could offer, deciding it was best to wait for Trump to take office and lay out his plans.

> **The snub from Washington has raised pressure on European leaders.**

"The Europeans knew, but they were in a state of denial," said Élie Tenenbaum, director of the Paris-based IFRI Security Studies Center.

The European Union is hamstrung in part by an erosion of public support for the leaders of its two biggest economies: Germany and France. Germany is slated to hold elections this Sunday that are likely to lead to weeks of negotiations over a future government. Macron's government is cash-strapped and lacking a majority in Parliament.

Speaking to reporters after leaving the talks, German Chancellor Olaf Scholz bristled at what he called "an inappropriate debate at the wrong time about the wrong topic," adding that the war was still under way.

Much of the debate in Europe has focused on what role, if any, European troops would play in Ukraine. U.S. officials have talked about European troops as a peacekeeping force, perhaps helping to man any border that emerges from a peace deal between Ukraine and Russia. However, there are discussions behind the scenes about whether that would be too risky. Instead, some European officials say any troops should be more of a reassurance force stationed away from the potential border or that European troops in Ukraine would take on roles like training Ukranian forces.

Hovering over all the talks is a question of who will foot the bill for Ukraine's security. Washington wants Europe to drum up additional funds to ensure Ukraine gets enough military assistance to keep up the fight while negotiations are under way with Russia.

European leaders have committed to a major buildup in domestic defense spending and to rebuild defense industries that have shrunk since the Cold War ended. A new economic package on defense and Ukraine could be worked up by March, a senior European official said. Trump has said European countries should be spending 5% of their economic output on defense. EU countries spend an average of 2% of their GDP on defense.

Seeking to assuage European concerns, Trump administration officials insist European interests are being taken into account. "They may not like some of the sequencing that is going on in these negotiations," national-security adviser Mike Waltz said of the European leaders on Sunday, "but I have to push back on any notion that they aren't being consulted—they absolutely are."

EU Is Preparing New Sanctions On 'Shadow Fleet'

By Alan Cullison, Benoit Faucon and Georgi Kantchev

The European Union is preparing new sanctions aimed at limiting the Russian "shadow fleet" that transports illicit oil, but it has yet to hear if the Trump administration will join it in targeting the vessels that provide a crucial source of revenue for the Kremlin's war in Ukraine.

The illicit tanker fleet sprang up to evade Western sanctions on Russian oil, allowing Moscow to move crude to buyers in India and China by flagging ships in countries such as Gabon. The U.S. Treasury Department in the waning days of the Biden administration sanctioned 183 vessels used by Moscow.

The Trump administration hasn't dialed back on those sanctions, and it is considering targeting dozens more vessels, people familiar with the matter said. There has been no decision yet, and the administration is still studying various sanctions options, they said.

The White House declined to comment.

> **EU officials are close to an agreement to list more than 70 vessels.**

The EU had readied a sanctions package that would roughly double the number of third-country vessels it would blacklist for carrying Russian oil, according to diplomats briefed on the discussions. Final approval from EU member states has yet to take place, and officials will meet soon in hopes of reaching agreement.

The U.S. hasn't yet indicated whether it will join the EU. In an interview with The Wall Street Journal last week, Vice President JD Vance said the U.S. could pressure Russia using economic or military "tools of leverage" if Moscow didn't agree to a peace deal with Ukraine. He didn't spell out details.

Daniel Fried, who coordinated sanctions policy against Russia during the Obama administration, said additional measures targeting the shadow fleet could be a "relatively low risk" way of increasing the impact.

"It needs to be enforced," said Fried, who added that only a fraction of the vessels now engaged in the illicit trade have been sanctioned. "The Europeans would support it. It would be a signal that Trump isn't going to cave to Putin."

EU officials are in the final stage of agreeing to list more than 70 vessels. By mid-December, the bloc had banned 79 vessels from entering EU ports and from a range of European shipping services, as well as imposing sanctions on shipping responsible for transporting Russian crude oil or oil products.

Enforcing sanctions against Russia's shadow fleet has presented logistical and legal challenges. The vessels use deceptive tactics. They fly flags of convenience, register ownership with tax havens, switch off their radio signals to obscure their movements and frequently transfer cargo to other ships.

While Trump has lately talked tough about his plans to push Russian President Vladimir Putin into a peace deal, former advisers fear he might not pursue serious action.

Trump said this past week that he had a "lengthy and highly productive phone call" with Putin. It was the first publicly announced call since Inauguration Day with his Russian counterpart. Trump said after the call that negotiations would begin soon to resolve the war in Ukraine.

He also announced a U.S. negotiating team that would include Secretary of State Marco Rubio, Central Intelligence Agency Director John Ratcliffe, national security adviser Michael Waltz and Middle East special envoy Steve Witkoff.

While Trump's team hasn't outlined a peace plan for Ukraine yet, it appears to be assembling one. Retired Lt. Gen. Keith Kellogg, his Ukraine emissary, met with European leaders this past week at a security conference in Munich.

When Russia invaded Ukraine three years ago, the Biden administration enacted sweeping sanctions, but balked at seriously targeting its oil exports to avoid causing a global surge in petroleum prices. Some signs of an oil glut could be giving the Trump administration room to maneuver. Oil and gas revenue has accounted for more than a third of Russia's federal budget in recent years.

The EU worked closely with the U.S. under the Biden administration and other Group of Seven countries on the vessel-sanctions packages. Some European countries had long chafed at the Biden White House's reluctance to crack down harder on the shadow fleet over fears of driving oil prices higher.

European officials said there have only been limited discussions with the U.S. over sanctions since Trump returned to the White House.

Using economic levers against Russia is appealing to Trump, who has criticized billions of dollars in military aid going to Ukraine and promised to negotiate a quick end to the war. Trump has appeared increasingly impatient with Putin, who has so far said he is willing to talk, but shown little inclination to end the war.

Trump sounded a warning days after he was sworn in as president last month, writing on Truth Social that he would enact sanctions if Putin didn't end the war.

Kellogg, the Ukraine envoy, last month suggested that bringing world oil prices down to $45 a barrel would be enough to force the Kremlin into a deal. Trump himself has caused world oil prices to soften by publicly prodding Saudi Arabia, which has excess capacity, to pump more to bring down prices.

Few expect that the U.S. could arrange such a precipitous price drop without the help of the Saudis, who are disinclined to embark on such a move.

Such an effort could also carry significant risks. While it would strain Russia's economy, it might also destabilize oil-dependent economies in the Middle East and Africa. It might also discourage investment in U.S. domestic energy production.

The U.S. proposals have been watched warily in the Kremlin, whose reliance on oil-export revenue has long been an Achilles' heel to its national-security state.

MAXIM SHIPENKOV/EPA/SHUTTERSTOCK

A Moscow refinery; oil and gas revenue has accounted for more than a third of Russia's federal budget in recent years.

China Changes Tack on Tech Titans

In a meeting with Jack Ma and CEOs, Xi Jinping signals crackdown is over

By Raffaele Huang

Chinese leader Xi Jinping signaled to leading technology entrepreneurs and CEOs that he needed their help to deliver economic growth and self-sufficiency, more than four years after a crackdown by Beijing that dented confidence.

Many of China's most prominent businesspeople gathered in Beijing to meet Xi on Monday, taking notes as Xi spoke from the front of the room, according to a video shown on state television.

It was both a demonstration of the corporate chiefs' fealty to China's powerful leader and an acknowledgment by Xi that the economy, suffering from the spillover effects of a property slowdown, needs private entrepreneurs—including those who built their businesses by battling state-owned enterprises.

According to an official account of the meeting, Xi pledged that private companies would be protected when competing in the market in the same way as state enterprises. He also told companies to follow Beijing's policies to overcome difficulties, which he didn't detail.

◆ Western tech companies avoid China.......................... B3

The most striking face at the meeting was Jack Ma, co-founder and longtime leader of e-commerce and cloud-computing company **Alibaba**, who sat in the front row. The once-outspoken Ma has been largely absent from public view since he angered Xi with a speech in October 2020, and his companies were at the forefront of Beijing's years-long tech-sector clampdown.

Shortly after that 2020 speech, Xi scuttled a plan by Ant Group—an Alibaba financial-services affiliate—for an initial public offer in excess of $34 billion. Other moves followed against private companies, especially in the tech industry, which regulators criticized for what they called disorderly expansion.

Many tech leaders stepped away from the public eye and some relinquished titles at their companies.

Concerns rose that the heavy hand of the state was chilling investment and discouraging entrepreneurs from taking chances on new businesses. Xi himself last May wondered why the number of new unicorns—startups valued at $1 billion or more—was dwindling in China, according to the Communist Party mouthpiece People's Daily.

Many of China's most prominent businesspeople gathered in Beijing on Monday for a meeting with President Xi.

LI XUEREN/XINHUA/ASSOCIATED PRESS

Alibaba's shares rose 4.3% on the New York Stock Exchange Friday after Reuters reported that Ma was likely to meet the Chinese leader.

Since last fall, Beijing has been signaling support for the private sector and unveiling measures to boost market confidence. The government is also pushing tech companies to help China achieve self-sufficiency in areas such as semiconductor manufacturing and artificial intelligence.

Monday's meeting came after President Trump imposed an additional 10% tariff on Chinese goods. In late 2018, during the U.S.-China trade war in Trump's first term, Xi met Chinese entrepreneurs to voice support for the private sector and shore up confidence.

In summoning business leaders again, with a new trade war brewing, Xi made a "strong gesture to tell the market and hesitant local officials that these are our champions that we need to unwaveringly support in light of all the risks," said Feng Chucheng, founding partner of Beijing advisory firm Hutong Research.

"With many of these entrepreneurs having significant stakes in the U.S., Beijing needs a united front also to prevent major capital flight," he said.

Zhang Jiang, former internet analyst at UBS, cautioned that the meeting doesn't necessarily mean Beijing is ready to lift its tight control over emerging technologies, especially strategically important areas such as AI. "The bigger question is whether there is sustainability in Beijing's positive shift of attitude," he said.

Monday's meeting represented an attempt to showcase areas where Chinese private-sector companies are global leaders. Attendees included Wang Chuanfu of electric-vehicle maker **BYD**, Robin Zeng of battery giant **Contemporary Amperex Technology**, Lei Jun of smartphone maker **Xiaomi** and Pony Ma of videogame leader **Tencent**.

Executives from prominent AI startups also attended, including Liang Wenfeng, founder of **DeepSeek**, which recently surprised Silicon Valley and Wall Street with its state-of-the-art AI programs developed with less-advanced chips.

Also present was Ren Zhengfei of telecommunications giant **Huawei Technologies**. Sanctioned by Washington since 2019, Huawei has become a national champion for Beijing as it seeks to end its reliance on U.S. technologies.

Delta Jet Crashes On Landing In Toronto

A **Delta Air Lines** regional plane crashed while landing Monday afternoon at Toronto Pearson International Airport, resulting in the evacuation of 80 passengers and crew, U.S. and Canadian authorities said.

By Alison Sider, Alyssa Lukpat and Vipal Monga

Flight 4819 from Minneapolis appeared upside down in pictures posted to social media from the airport.

Paramedics reported 15 people were injured. Two adults were taken by air ambulance to hospitals, and one child was taken to a pediatric hospital. The three had critical, but non-life-threatening injuries, a spokesman for Peel Regional Paramedic Services said.

The plane, a Bombardier CRJ-900, crash-landed around 2:15 p.m. local time, Delta said. Toronto Pearson said it reopened to flights and departures at 5 p.m.

There has been a string of plane crashes in recent weeks. A collision between an airliner and a military helicopter in Washington, D.C. last month left 67 dead. The American Airlines jet, a Bombardier CRJ-700, was a smaller version of the plane involved in the Toronto crash.

The Toronto airport will close two runways as it investigates the crash, said Deborah Flint, chief executive of the Greater Toronto Airports Authority.

Watch a Video

Scan this code to see a video about the jet incident in Toronto.

Chinese Women Face New Hurdles To Getting Divorced

By Liyan Qi

Less than two months after Xie Yumei got married in 2021, her husband hit her for the first time.

Over the next two years, she called police in her city, Chengdu, six times to seek protection, asked a state-backed women's group for help and tried to get a protection order and file for divorce in court.

Everywhere, she hit a wall. In April 2023, after a particularly vicious beating, she ended up in intensive care with multiple-organ damage. It took her another year to obtain a divorce.

An attack by her husband left Xie Yumei hospitalized.

Because of the central role family has in Chinese society, divorce used to be a cultural taboo. In recent years, it has become a political one. Lawyers and sociologists say many women in abusive marriages in China have been actively discouraged from divorcing violent husbands.

Under Xi Jinping, the Communist Party has emphasized "family harmony" and a "marriage and birth friendly" society, part of a quest for more babies as the population shrinks and ages.

An even more important priority is maintaining social stability. In China, men who have suffered setbacks, including divorce, are often seen as a security risk. Late last year, after a man killed 35 people by driving a car into a crowd in the southern city of Zhuhai, local police said the man was unhappy after splitting from his wife.

Police are often reluctant to intervene in what they describe as "family disputes," despite a domestic-violence law that took effect in 2016. The law gives police the option to warn a violent spouse of punitive action if violence happens again. Nearly 100,000 such warnings were issued in 2023, which authorities say helped prevent further violence.

In reality, the warning has sometimes been used in lieu of tougher measures such as detaining a violent spouse, said Jeremy Daum, an expert in Chinese family law at Yale Law School. "There is an emphasis on preserving family unity and happiness, which can lead to resolutions that may not adequately protect everybody."

Judges who give priority to mediation and return women to their families have been championed both in state and popular media, said Tiantian Zheng, an anthropologist at State University of New York, Cortland, studying gender-based violence in China.

Similarly, in divorce cases that go to court, judges often ask couples to work things out. In recent years, only about 35% of divorce trials resulted in actual divorces, compared with about 70% two decades ago, according to calculations based on official data by Ethan Michelson, an Indiana University sociologist and author of a book on gender injustice and divorce in China.

Judges routinely dismiss women's claims and evidence of domestic violence, Michelson said. Out of more than 100,000 divorce rulings between 2017 and 2023 that he analyzed, judges referred to the domestic-violence law as grounds for granting a divorce in only three cases, he said.

A 2021 report released by Beijing Qianqian Law Firm, which provides legal aid to women, said that out of a random selection of court-published divorce cases between 2017 and 2020 in which plaintiffs sought a divorce because of domestic violence, only 30% were granted one. Of the 1,073 cases it studied, the court acknowledged that domestic violence had occurred in only 66 and granted a divorce only for 50 of those.

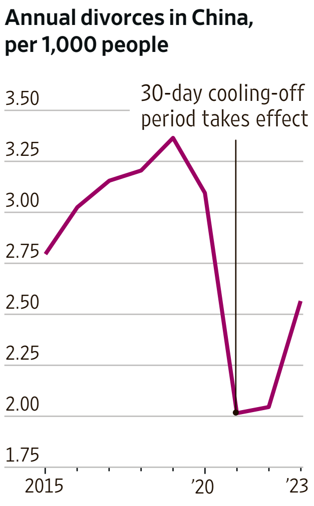
China's State Council Information Office, which handles media inquiries on behalf of the Chinese government, didn't respond to a request for comment.

If both parties agree to split, a couple can seek a divorce at the local civil-affairs office. If only one wants a divorce, the case has to go before a judge. More than 70% of divorce petitions to courts are initiated by women, Michelson said.

Since 2021, couples who agree to divorce face a 30-day cooling-off period, followed by another 30 days to get the actual divorce certificate. If either spouse decides against proceeding during these 60 days, the divorce is void.

Women-rights advocates say the cooling-off period can especially hurt abused women, who may have a brief window in which an abusive husband agrees to a divorce. If he then changes his mind, the woman's only option is to try for divorce in court with the odds stacked against her. Data show a sharp drop in divorces after the cooling-off period was instituted.

GILLES SABRIÉ FOR WSJ



Note: The tally includes divorces issued by courts and those done outside courts through local civil-affairs offices.
Source: China's Ministry of Civil Affairs

CFOTO/FUTURE PUBLISHING/GETTY IMAGES

Above, Xie's divorce filing was rejected because it didn't include her husband's household-registration booklet. Top, a wedding-photo session; Beijing is pushing a 'marriage-friendly' society.

The number of divorce registrations with local civil-affairs offices, meaning outside court, rose 1.1% in 2024 to 2.6 million, while the number of marriage registrations fell by 20.5% to 6.1 million in the same period, according to government data.

Su Min, a retiree who has been video-blogging about her solo road trip around China to escape a bad marriage, has become an icon for many Chinese women. Many of her three million social-media followers cheered when she got a divorce this year after paying her ex-husband around $22,000 to get him to agree.

Police are often reluctant to intervene in 'family disputes' involving abuse.

A public outcry followed media coverage of Xie, the Chengdu woman, who detailed her ordeal on social-media posts in June 2023. The Ministry of Public Security and other agencies issued guidelines late last year to require police to follow up on every written warning issued in domestic-violence incidents within a week.

However, Beijing's tighter grip on civil-society organizations has meant that there is less help for abused women outside the state sector. The number of domestic-violence hotlines run by nonprofit organizations dropped by nearly half to under 40 between 2018 and 2022, partly because of reduced government funding, said Feng Yuan, co-founder of Equality, a Beijing group focused on preventing violence against women.

"If government agencies don't undertake their responsibilities on domestic violence," Feng said, "essentially, they are allowing it to happen."

According to accounts Xie posted, police responded to her repeated pleas for help with written warnings that her husband ignored. She made numerous calls to the local branch of the All-China Women's Federation, a Communist Party-backed agency with a mandate to protect women, which told her it didn't have any authority to take action against her ex-husband. The women's federation didn't respond to a request for comment.

Xie spent time away from Chengdu and started using a friend's phone number to escape her husband. He still managed to track her down, one night waiting for her outside a subway station.

When she went to court to seek a protective order and a divorce, she was turned down because her filing didn't include her husband's household-registration booklet, a document to which she didn't have access, as she was hiding at the time.

The evening Xie attempted to file for divorce, her husband found her again and dragged her to a hotel room, where he beat her for hours. "I kept telling myself I must not fall asleep. All I wanted was to live," Xie said later on social media. After a guest called the police, her husband took her to the hospital. It was a long recovery.

Xie, now 31, confirmed the details in her social-media accounts to The Wall Street Journal but declined to comment further. Her lawyers didn't reply to requests for comment.

"If any of the agencies had acted, I wouldn't have ended up like this," Xie said in a video she posted.

In May 2024, a Chengdu court granted her divorce and custody of her daughter.

Late last year, a local court sentenced her ex-husband to 11 years in prison for abuse and intentional injury. Her ex-husband, who appealed the verdict, wasn't reachable for comment. His lawyer said he can't comment.

Rebels Take Hold Of Second Congo City

By Nicholas Bariyo

Rwandan-backed rebels have entered a second major city in the mineral-rich east of the Democratic Republic of Congo, furthering a war that has claimed thousands of lives.

Hundreds of Congolese government troops withdrew Sunday from the city of Bukavu, handing the M23 rebel group another major victory.

"The M23 columns are now advancing in several districts of the city to the cheers of residents," an aid worker in Bukavu told The Wall Street Journal on Sunday.

An M23 spokesman said Bukavu was under its control and that the rebels were "protecting the population."

Local residents said that as the Congolese army retreated, the soldiers' children raided military armories for weapons. The armed youngsters rampaged through streets for hours, looting stores and causing chaos.

The rebel gains further expose the weaknesses of Congo's United Nations-backed troops and cast doubt on the future of Congolese President Félix Antoine Tshisekedi.

Tshisekedi traveled over the weekend to the Munich Security Conference, where he called for sanctions on Rwanda for aiding M23 rebels, saying that despite the "ostentatious attack" on his country, "the world has hardly been moved."

The bloody conflict has its roots in the 1994 Rwanda genocide, in which ethnic Hutus slaughtered their Tutsi rivals by the hundreds of thousands. The Tutsis eventually gained control of Rwanda, and many Hutu extremists fled across the border into eastern Congo. M23 formed among Tutsis living in Congo.

The Rwandan authorities cast their interests in Congo as an effort to protect ethnic Tutsis, but deny providing military support to M23. The United Nations, however, says 4,000 Rwandan troops provide backbone to the M23 offensive.

Hostages Face Long Recoveries

Continued from Page One
were freed by militant groups in Gaza as part of ongoing talks to end the war. Their release marked the end to one part of their ordeal—but just the beginning of what previously released captives described in interviews as a long and wrenching process of recovery.

Some 250 people were taken hostage on Oct. 7, including 40 children. About 70 remain in Gaza, although Israeli officials think more than 30 of them are dead. Those believed to be alive have thus far endured nearly 500 days in captivity. Former hostages, family members and therapists said the lives of those who are released will never be the same.

The Oct. 7 attack, which killed some 1,200 people, and Israel's subsequent invasion and bombing of Gaza have produced widespread suffering, including for untold numbers of Palestinians who have lost loved ones and seen much of the strip reduced to rubble. More than 47,000 Palestinians have been killed in Gaza since the war began, according to local health authorities, who don't say how many were combatants.

Many of the Oct. 7 hostages who remain in Gaza are being held in tunnels and—based on the accounts of those released—are likely to be half-starved and to have endured psychological and in some cases physical abuse. Two hostages released a week ago told the family of a remaining hostage, 24-year-old Alon Ohel, that he has been living shackled in an underground tunnel, with shrapnel embedded in his eye, and subsisting on just one pita bread a day.

Interviews with three hostages who were released more than a year ago, as well as with family members of others and psychologists who are treating former captives, indicate that many released hostages struggle to recover. Recovery might prove even tougher for those held longer.

Eli Sharabi, a 52-year-old who looked gaunt and frail upon his release a week ago, told a crowd in Gaza before his handover that he was looking forward to seeing his wife, Lianne, and daughters Noiya, 16, and Yahel, 13. Sharabi was unaware that gunmen had killed all three in the family home on Oct. 7, along with the family dog.

AMIT ELKAYAM FOR WSJ (4); ABDEL KAREEM HANA/ASSOCIATED PRESS (BOTTOM)

Clockwise from top left: Former hostage Mia Schem; Avihai Brodutch, whose wife and three children were held captive for nearly two months; former hostage Luis Har; Eli Sharabi before his release on Feb. 8; and former hostage Moran Stela Yanai

Physical and mental

Former hostages said their ordeals showed them how much they were capable of surviving, but left them struggling with physical and psychological aftereffects. Many haven't returned to their homes and will try to rebuild their lives in new places, usually farther away from the Gaza border.

"I don't sleep much at night anymore. My head is filled with thoughts," said Luis Har, an Argentine-born 71-year-old abducted from kibbutz Nir Yitzhak, one of several that came under attack that day. "Many times, a noise—a motorcycle or an ambulance—takes you right back. You have to tell your body that you are here, you aren't there."

Mia Schem, a 22-year-old French-Israeli citizen whose hostage video was one of the first to emerge in the days after the attack, and who has become a celebrity in Israel, said she is riding an emotional roller coaster. Some days her ordeal feels like a movie or a dream that happened to someone else. Other days, she said, "the feelings of Gaza won't go away."

"People think you are out, you are safe, and that it's over," she said. "But it's not. Every day is a battle to get up and fight." She said she vividly recalls piles of dead bodies at the Nova music festival, where nearly 400 people were massacred, and the harrowing cries of women she couldn't see but that she believes were being raped.

Moran Stela Yanai, a 41-year-old jewelry designer seized during the Nova festival and held in dark spaces for 51 days, said she can't tolerate being indoors or in a closed room for more than a few minutes. When she isn't outside, she said, she spends most of her time on the patio of her Tel Aviv apartment.

"The porch is my anchor," she said. "I know that no matter what happens in a day, I will get to the porch, it's my safe space." On her wrist, she wears a silver bracelet that says "warrior."

Yanai said she can't understand why she survived while another hostage she had befriended, Carmel Gat, 40, was murdered by their captors as the Israeli army closed in on the tunnel where they were being held.

"We are like a mirror image," Yanai said. "She did yoga. I did Pilates. We both tried to communicate with our captors. So I ask God, 'Why did you choose her and not me?' That's the question that will go with me the rest of my life. I sometimes feel like a mistake was made. Maybe she was a better person. Maybe she should have been saved."

Yanai lost much of her hearing in captivity and now wears hearing aids. Both of her legs were broken during her kidnapping, and she has had multiple surgeries on them since her release.

Schem, the French-Israeli former captive, was shot in the arm while trying to escape the Nova music festival. Her elbow is destroyed. Four surgeries later, her right arm is a few inches shorter than her left. She said she developed epilepsy after nearly 50 days of being held alone in the same room as her armed male captor, where she managed only snatches of sleep. "My body is still tense," she said.

Some hostages and their families described a euphoria upon release that lasted several weeks. "You feel like you took a drug. Everyone is back together," said Avihai, the father of the little boy named Uriah. His wife spent her entire captivity thinking Avihai had been killed in the fighting that day. "But after a while," he said, "things start to fall apart."

His family, he said, learned little by little that many of their closest friends and neighbors, who regularly come over to his house for weekly barbecues, were dead.

Har, the Argentine-Israeli rescued by Israeli commandos after 129 days in captivity, said he didn't watch the news for several days afterward, so he didn't know until later about the mass killings at the Nova music festival. The news weighed on him.

Former hostages said they suppressed their emotions during captivity to survive. "We were punished for crying, punished for laughing, punished for missing your parents," said Yanai. "They want you to be a robot, to act according to their needs. One time I cried and I was beat up for it. So when he came and shouted at me for crying, I just stopped. I was like, 'OK.'"

Complex trauma

Therapists working with released hostages said that many, including the children, are suffering from complex trauma, a condition caused by exposure to multiple and repeated traumatic events.

Ofrit Shapira Berman, a trauma expert at the Hebrew University of Jerusalem, said those suffering from it have "the most profound sense that you have to surrender yourself in order to save your life." Many of those suffering from it, she said, have difficulty connecting with other people.

All the former hostages interviewed said they had trouble relating to people who didn't have some connection to Oct. 7. "Most of us, we have different friends now," Yanai said. "It's not like I fought with my old friends. It's just that those friendships kind of faded away. I feel like I can't have a normal conversation anymore."

It can take several weeks or months to develop a normal relationship with food and water, said former hostages and their families. While captive, each member of the Brodutch family received only one pita bread a day, which they would tear into small pieces to try to make last the entire day. When little Uriah was in the hospital after his release, he would stash his bread under his pillow to eat later, his father said.

"As a Jew, you grow up on stories from the Holocaust and the images of these emaciated bodies," said Avihai. "And now your family has gone through this."

Images of the three captives released a week ago angered many Israelis, with some relatives and Israeli officials saying they looked as if they had been held in concentration camps.

Many former hostages have found a sense of purpose in helping lobby for the release of the remaining captives and helping their families cope. "I have this image in my mind that when the last hostage is released, I am going to turn off the TV, fly to Thailand and sit on the beach for three weeks and cry my ass off," said Yanai.

Therapists who have treated children kidnapped on Oct. 7 said some began wetting their beds again. In the Brodutch household, all three kids have been sleeping with one or both parents each night.

"Before, they would hear sirens [signaling a rocket attack] and go inside," said Avihai. "But there was never fear. Now, there's a lot of fear. If a door slams, or there is a loud noise outside, they worry people are going to come in, and knock down their doors."

The Brodutch children, who missed a year of school, still struggle to attend more than three days a week. Yuval, the 9-year-old, rarely makes it a full day before wanting his mother to pick him up.

At school, Yuval has a tutor who works with him one-on-one. "The other kids are all super nice to him," said his father. "They have been amazing. But he just doesn't want to be in the classroom."

Most of the children who were hostages don't want therapy because they want to try to forget what happened, said Iris Gavrieli Rahabi, a psychotherapist who helped found First Line Med, which gives free counseling to former hostages and other survivors of Oct. 7. But there are signs the children are struggling with guilt, she said.

Gavrieli Rahabi said one child hostage, after weeks of captivity, turned to her mother and said, "You know, mommy, we were caught because I was crying." The mother reassured her that wasn't the case, that the assailants knew they were home because the hot chocolate on the stove was still warm.

The psychotherapist said that another boy, months after he was released, suddenly told his father he had told the kidnappers his father's real name. He said the captor was nice to him and asked him to tell him, but that he was sorry. "Many kids are carrying things that we don't know," Gavrieli Rahabi said.

Yanai, the jewelry designer, said she vowed during captivity that she wouldn't let her abductors ruin her life. "When I am not doing well, they win," she said. "If I can recover fully, I win." She also decided she would try to become a mother, despite being single at age 41. "That's going to be my revenge."

Toothbrush Makers Seek Perfection

Continued from Page One
It is a challenge that has baffled dentists and other oral-care zealots for years, and spawned a whole category of tricks—from annoying children's songs to brushing timers—aimed at getting people to spend more time on their teeth.

Designers at companies like Colgate and Procter & Gamble have been trying to close that gap by making a device that makes brushing feel like less of a chore—and compensates for poor effort and technique.

"We have an evergreen goal: how can we design a toothbrush that can clean well no matter how you brush?" he said. "We want the brushing experience to be meaningful and different."

Jiménez, 60, has been at it for 23 years. If you've ever used a Colgate toothbrush, chances are he had a hand in designing it. He has 239 patents, most of them toothbrush-related.

Over the years, he's observed some trends. Blue is the most popular toothbrush color. Some people don't brush on weekends. Even though dental hygienists recommend smaller brush heads, Americans usually choose the biggest one. And they're always after something new.

His latest project is based on a conclusion that young adults are looking for more minimalist designs and a more soothing experience.

For the first time since he joined the company, Jiménez enlisted toothpaste chemists at Colgate to work with his team on a toothbrush-toothpaste combo designed to make brushing feel more like a spa treatment.

They created multiple brush head prototypes and ran them through a robotic tool called a Robocheck that measures the degree of cleaning efficacy before being tested by humans. They settled on a head with more than 5,000 high-density skinny bristles that combine with the toothpaste to form small bubbles, creating a sensation Jiménez compares to a "bubble bath for your mouth."

Designers aim to make device to compensate for poor effort and technique.

Holding up Colgate's latest creation, Jiménez showed off what he described as a mountainous head with an ideal combination of soft, stiff, short and tall bristles that hugs each tooth and reaches everywhere from the gumline to the enamel.

Jiménez said he operates on the assumption that many people won't brush for two minutes no matter what the brush looks or feels like.

At P&G in Cincinnati, Ohio, researchers years ago concluded that the clearest path to the two-minute clean was an electric device that lets people know how long they've been brushing. One challenge was getting people to switch over from manual, so the latest model was designed in part to eliminate those barriers.

Sherrie Kinderdine, director of research and development at the company's oral care unit, said she spent hours with consumers, shopping with them and sometimes going into their homes and watching them brush. One conclusion: people typically don't put much thought into brushing. "People tell me brushing their teeth is like putting on their socks," she said.

One of her observations was that people brush too hard. The company's brushes have pressure sensors that automatically light up red when the brusher needs to slow down.

Toothbrushes as we recognize them—with a handle and 90-degree bristles—were first used in China in the late 1400s. For centuries they were primarily made with bone handles and boar bristles, and their use in America was limited mostly to the wealthy.

Toothbrushes in the U.S. became more widespread after the discovery of nylon and Lucite, which American manufacturers used to make their own. That innovation coincided with a push by the U.S. military for soldiers to have better oral hygiene, including a requirement that they have a certain number of teeth to be eligible for service, according to Scott Swank, a dentist who's also the curator at the National Museum of Dentistry in Maryland.

After the war, motion pictures began soaring in popularity, along with celebrities with sparkly white teeth. That heralded an era of oral care advertising from companies like Colgate and Crest, which is now also owned by P&G.

When Jiménez needs inspiration, he draws it from Colgate's toothbrush archive. The next frontier for him is a toothbrush that can replace flossing.

Flunking a Personality Test Can Cost You Your Dream Job

Employers are studying psychologists' questionnaires, astrology and handwriting analysis

ON THE CLOCK
CALLUM BORCHERS

You try not to take rejection personally when looking for a job, but that's tough to do as more companies add personality tests to their hiring screens.

Just ask Nick Malik, who's been given online personality assessments by three prospective employers in recent months while applying, unsuccessfully so far, for senior-level engineering roles.

"I've gotten some really weird questions," he says. "I understand the desire to know a little bit about your applicants, but I don't think running their answers by a bot is very effective."

Malik isn't sure whether his test results, age (he's 59), or something else is holding him back. But his experience reflects companies' fixation on "fit"—the biggest buzzword in hiring.

To gauge this nebulous quality, employers are reaching for personality assessments ranging from questionnaires developed by psychologists to ancient methods of divining character traits, such as astrology and handwriting analysis.

Many bosses place a higher premium on teams that jell as technology automates more tasks and applicant pools teem with qualified candidates. Skill matters, of course, but companies can be pickier now than when they were desperate for talent a few years ago.

Managers consistently tell me that when hires don't work out, it's usually because they turn out to be incompatible, not incapable. Impressions of someone can be off-base or biased—even more so when a lot of interviews are held on Zoom—so businesses are hungry for something better than gut instincts.

Data on the share of employers administering personality tests is hard to come by, but Myers-Briggs, perhaps the best-known maker of these assessments, says usage is on the rise. It's a trend that triggers mixed feelings in John Hackston, the company's director of thought leadership.

"You have to be a little bit careful that you're not just cloning the people already on your team," he says.

Personality assessments can be insightful when carefully designed to detect the attributes that predict high performance in specific roles, says Wharton organizational psychologist Adam Grant, who advises the candidate-screening company BrightHire. But some tests amount to snake oil, he says, because they can be gamed or reduce complex people to oversimplified labels like introvert or extrovert.

▶ Nick Malik is looking for a senior engineering job and has been given personality tests by three prospective employers.

"Every manager, myself included, has kicked himself, thinking: 'I really shouldn't have hired that person. What did I miss?' " Grant says. "It seems like anything you could do to get more information and avoid falling into that trap would be useful, but not all personality tests are reliable and valid."

Talent in the stars

Managers are also probing the personalities of those already in their charge in hopes of improving team dynamics. Some strategies are a bit eccentric.

A Google contractor recently came to Cinzia Biondi with a problem: Her team of five people had all the right technical skills but wasn't clicking. Instead of administering a lengthy questionnaire, Biondi used a much older kind of personality test.

"I started with numerology," using the team members' names and birth dates to try to ascertain their true natures and fortunes, Biondi says. "I told her a certain person is not really focused on work right now because he's in a specific life cycle, and you will do better placing him on another kind of task."

▶ Companies hire graphologist Sheila Lowe to analyze job candidates' handwriting for clues about their personalities.

Biondi, a former biomedical engineer, bills herself as a business astrologer. Advising managers on personnel moves and the timing of product launches was a side hustle until last year. The resurgence of astrology in popular culture enabled her to become a full-time consultant.

The use of astrology in hiring and team building is far from mainstream—but more common than many job seekers realize, she says. Bosses who consult with her come up with alternative explanations for their decisions, instead of telling people they missed out on promotions because they're Libras or Scorpios.

Sheila Lowe says there can be a similar taboo attached to her work as a graphologist. The president of the American Handwriting Analysis Foundation often serves as an expert witness in court cases, and she consults with companies looking for clues about prospective hires' personalities in their handwriting.

For example, a signature that looks markedly different from someone's regular penmanship suggests a person's private life and outward persona don't match, she says. Oversize capital letters indicate conceit.

But telling people their handwriting doomed their candidacies doesn't go over well, so her clients tend to give applicants different reasons.

"One time an employer that sends me writing samples for sales positions was very transparent and told someone, 'The handwriting analyst says that you tend to blow up,' " Lowe says. "The candidate blew up at that."

Wired for success

You can't change your birthday, and you probably don't even know what a graphologist is looking for. (I certainly didn't when I was asked to submit a cursive writing sample to a consulting firm where I once received a job offer.)

But surely you can figure out the "correct" answers on a personality questionnaire, right?

Don't be so certain, says Ryan Stewart, product manager at Affintus, a maker of personality assessments.

"Most salespeople think, 'I've got to be an extrovert,' but it's more nuanced than that," he says. "Sales jobs require a lot of research and a lot of independent work."

Stewart asked me not to reveal the numerical sweet spot on his company's 10-point, introvert-extrovert continuum. Suffice it to say, applicants who think they know what a prospective employer is looking for might be wrong, so gaming the system isn't easy.

Karen Goumakos, general sales manager at Reagan Outdoor Advertising in Austin, Texas, uses Affintus's personality test to scout for a range of character traits—including unexpected ones. Instead of looking for people with customer-is-always-right attitudes, she likes her sales reps to register as somewhat oppositional.

The reason: Clients don't always know the best marketing strategy, and Goumakos wants employees who can shoot down bad ideas politely. She says the personality test is about one-third of the equation in hiring decisions and can be the reason why a person with a great résumé doesn't get a job.

"Ordinarily you look for someone who has a certain amount of experience," she says, "but now we can find someone who might have less experience who's wired in a way that they're more likely to be successful."

FROM TOP: PEDRO NEKOI FOR WSJ, ISTOCK (10); GUSTI AJU DEWI; NICK MALIK

Time to Start Your Spring Break Prep

By Dawn Gilbertson And Jacob Passy

It seems like I was just doling out holiday travel tips and now we are on the cusp of spring break.

Here are some ways to help things go more smoothly as the trip approaches.

▶ Make those airport parking reservations now. Terminal parking garages and off-airport lots fill up fast during peak travel periods. You might even get a discount for early booking.

▶ Don't fret about needing one of those real IDs at the TSA checkpoint. The rules don't take effect until May 7. But make plans to get one now.

▶ Make sure your TSA PreCheck number is in your airline reservation and, when you check in online, on your boarding pass. A friend had to return to the ticket counter in Phoenix on Saturday because the familiar checkmark was missing from her boarding pass and the regular security line was long.

▶ Research your airline's baggage policies and fees so there is no airport sticker shock that zaps your vacation mood. And keep in mind that more airlines are cracking down on the number of carry-on bags, including those crossbody purses. A Southwest Airlines gate agent in Las Vegas made me tuck my crossbody bag into my backpack before I could board on Monday.

▶ Staying in an airport hotel? Check those shuttle hours now so you aren't stuck at the curb waiting for the van when you could have hopped into the taxi or rideshare line as soon as you landed.

▶ Heading for sun and fun? See if the resort offers lounge chair reservations. Yes, reserving a seat at the beach or pool will cost you, dearly in some cases, and is another annoying charge like resort fees. But if you dread the idea of setting an alarm to plop towels down before sunrise or hate circling for a spot after breakfast, this is for you.

Reduce anxiety

If you're suddenly afraid to fly after last month's tragedy, you're not alone.

Services devoted to helping people cope with their flight anxiety are seeing a surge in interest following what was the worst U.S. aviation disaster in a generation.

But let's say you get to the airport, and that's when the nerves set in. After all, the long lines and crowded lounges can be enough to stress anyone out.

Instead of taking that tension with you on vacation, take a moment with yourself. Stacy Thiry, a licensed mental health counselor with mental-health provider network Grow Therapy, recommends using deep breathing and massaging on certain pressure points to help reduce your anxiety.

Of course, doing that in the middle of a bustling terminal isn't ideal. That's when it's time to find the yoga room.

A growing number of airports across the country now have special rooms or facilities devoted to pre-flight relaxation or meditation.

Chicago O'Hare International Airport has a dedicated yoga room in Terminal 3.

It comes with exercise mats and video monitors that display yoga

▲ Make the most of your spring break with tips that will help things go more smoothly.

exercise techniques and soothing imagery while relaxing audio plays.

At San Francisco International Airport's Terminal 1, there is a sensory room designed for neurodivergent travelers.

This even includes a replica of an aircraft interior to get people acclimated to the flying experience. (SFO also has a yoga room.)

A similar sensory room is also available at Pittsburgh International Airport.

If an airport doesn't have a dedicated room for reducing anxiety, check to see if the terminal has an interfaith chapel where you can escape the commotion of the terminal to center yourself.

Another option, Thiry recommends, is paying for some time in a Minute Suite or for a similar service, if that's offered in the airport.

"The most important thing to consider when dealing with any kind of anxiety is try to manage what's in your control and stick to that," Thiry says.

Lounge rules

Delta frequent fliers: Be sure to start tracking your lounge visits. New rules recently went into effect that will limit how many times per year travelers can visit Delta's Sky Club airport lounges. You can track this through Delta's app or the American Express app or website. Delta SkyMiles Reserve American Express cardholders are now limited to 15 Sky Club lounge visits per year, while people with Amex's Platinum Card are allotted only 10.

'White Lotus' location

The new season of "White Lotus" is here. If a luxury trip to Thailand is suddenly on your brain, here's the resort where much of it was filmed: Four Seasons Resort Koh Samui. Expect to pay more than $1,000 a night.

Get more from the WSJ Travel newsletter at **wsj.com/newsletters.**

JAVIER ROJAS/PI/ZUMA PRESS

Thrifty Couples Sprint to the Altar

Accelerating your wedding timeline offers lots of opportunities for saving as venues try to fill last-minute cancellations

By Dalvin Brown

Ashley Duncan thought she would spend about a year planning her wedding. But when she realized that meant distant cousins were going to trek in and run up the guest list, she decided to move the date forward by nine months.

That gave her two months last summer to get ready. She slashed the guest list from 200-plus to 100. She ditched the original venue at an estate outside Houston for a smaller spot. The $40,000 price tag ended up less than half of what she figures she would have spent on a larger wedding. The cousins took it in stride.

"People may think whatever, feel whatever, say whatever," she says. "But at the end of the day, it was mostly our money."

Betrothed couples are racing to plan quick-turnaround weddings. Condensing the planning, they say, saves them on costs and stress. Though the average engagement spans 17 months, some 13% of couples last year were engaged for less than six, according to wedding vendor marketplace the Knot.

Planning for only a few months out means venues might cut the price to fill last-minute cancellations. There are deals to be had on wedding dresses, flowers and makeup when vendors have openings and inventory.

Engaged couples and wedding planners say they have gotten discounts of as much as 50%. That is a big draw when the average wedding costs $36,000, up from $33,000 last year, according to a report from wedding registry Zola.

There are trade-offs, too. Engagement photos are taken on iPhones. Letterpress invitations turn digital—and in at least one case, handwritten. Monogrammed favors don't arrive in time. Siblings miss ceremonies.

Kimberly Hamilton had a small selection of dresses to choose from since shipping and multifitting alteration packages took more time than the three months she had to plan. She bought a dress that could arrive in three weeks, which saved more than $2,000. The accelerated schedule also meant skipping bachelor and bachelorette parties.

▲ Kimberly Hamilton and her husband, Ross Fishkind, planned their Washington wedding in three months.

But she didn't mind. Hamilton snagged the Labor Day weekend slot for their 120-person wedding, which they suspect was available because of a cancellation.

"We found our person, we got to celebrate, and we got to get to the best part a lot sooner," she says.

Venues with last-minute free dates offer $10,000 spaces for as little as $2,000, says Michele Velazquez, whose wedding-planning service PoptheKnot approaches venues with empty dates just weeks away to negotiate discounts. She has found event spaces and hotels especially open to this model.

At Tenth Ward Distilling Co. in Frederick, Md., booking a few months out can get you up to 20% off, says owner Monica Pearce.

"I have to decide—do I want an empty venue, or do I want the opportunity to introduce new customers to our business?" Pearce says.

Courtney Pierce pounced on a Memorial Day weekend slot at a reception hall in Queens, N.Y. In exchange for planning a wedding in under four months, she got: $10 off per plate for 120 guests, a free wedding cake and dessert bar, extra dressing space for her bridal party and complimentary use of the outdoor ceremony area.

Condensing the planning, couples say, saves them on costs and stress.

Condensed planning can also prevent some couples from over-romanticizing the big day, says George Loewenstein, a behavioral economist at Carnegie Mellon University. He cautions that newer couples might benefit from longer engagements to develop a more realistic view of their partner.

But that might be less an issue for people marrying later in life, as more people are doing. The median age of first marriage is 30.2 for men and 28.6 for women, according to the Census Bureau.

▲ The Duncans, left, roughly halved their wedding costs to $40,000 after moving the date up. Courtney Pierce, above, negotiated discounts and freebies by planning her wedding in under four months.

Many have already achieved traditional "married life" milestones, such as buying homes together. That has de-emphasized weddings, or at least made people eager to jump at last-minute deals.

Courtney and Eyoury Body had watched their original 2020 wedding date slip away during the pandemic. Then, they had a child. Years later, they remained engaged.

"We kept getting pushed back," Courtney says. "We were, like, yeah, this is getting out of hand."

In January of last year, Eyoury pitched an idea: get married five months later, in May, to mark their 10-year anniversary of dating. They locked in a Friday wedding at a venue outside Atlanta that offered holiday weekend discounts.

There is no guarantee of deals, though. And sometimes, the quick turnaround makes the costs go up.

"Some vendors will lower their rates to fill a gap, but others, especially those who do custom work, will charge more just to squeeze you in," says Los Angeles-based event planner Beth Helmstetter.

Dione Wu saw that Cincinnati's Music Hall, a performing arts venue, had only four summer dates left four months away, so she jumped on one despite wanting a fall wedding. The space carried a $50,000 price tag, roughly $10,000 more than she had budgeted.

To save on costs, her wedding coordinator took the flowers from the wedding ceremony and moved them to the reception area to make them into centerpieces, a decision that saved $1,400.

"Either way, you're going to stress out," Wu says. "At least with a shorter engagement, it's over faster."

CLOCKWISE FROM TOP LEFT: BRANDI SIMONE PHOTOGRAPHY; NELSON SANTOS PHOTOGRAPHY; DANIELA ZAPATA PHOTOGRAPHY

'Love Hurts' Star Turns To Spielberg For Advice

By Lane Florsheim

On the set of "Indiana Jones and the Temple of Doom," Steven Spielberg and George Lucas hired a martial arts instructor to teach a 12-year-old Ke Huy Quan how to kick. It was the beginning of a lifelong love for the actor.

After the movie wrapped, Quan enrolled in taekwondo classes. Eventually, he got his black belt.

"I wanted to be Jackie Chan, I wanted to be [Sylvester] Stallone," said Quan, now 54. "I thought Hollywood was going to put me in action movies, and of course that didn't happen. I was so disappointed that all those years of training didn't do anything." He worked behind the camera as an action coordinator and assistant director for decades before making an epic return to the big screen. Playing Waymond Wang, the affable dad in "Everything Everywhere All at Once," won him a Golden Globe and an Oscar.

Now, Quan is taking on his first leading role, one that serendipitously requires martial arts training. In the Valentine's Day action thriller "Love Hurts," he plays an ex-hitman turned real-estate agent.

"When I watched it, I was watching myself get to use all those skills that I learned so many years ago," he said. "One, I'm very proud. And second, it was like, yes! Yes! Now let's do more!"

Quan lives in Los Angeles with his wife, Echo Quan.

What time do you get up on Mondays?

If I'm not working, I'll wake up whenever I want, normally 8 a.m. or 9 a.m. If I'm on a movie, then it will be very early. What I like to do is wake up two hours before the call time. If the pickup time is 5 a.m., then I'll wake up at 3 a.m. I have a routine where I'll watch the morning news and then drink my tea, and then just kind of have some alone time to myself.

Is that alone time kind of like a meditation?

I do a lot of daydreaming. I take myself to the happy place where I kind of fantasize about everything I want. For many years I would fantasize about being the lead in a movie or working with this actor or that one. I still do that, you know, "Wow, wouldn't it be great if Christopher Nolan calls me one day?"

What do you do for breakfast?

I'll make myself an egg sandwich or my wife will cook. Sometimes we'll have Chinese breakfast like rice congee. I love McDonald's Egg McMuffins. When I was in college, I would have that literally every morning. I never got sick of it.

◀ Ke Huy Quan lives in Los Angeles with his wife, Echo Quan.

What about skin care, grooming?

I don't know anything about skin care, but I grew up in a household with seven women—my mom and six sisters—and from when I was very young, my sisters would tell me, "Ke, use this every night, use this every morning." When I got married, I started using whatever my wife says to use.

'Love Hurts' takes place on Valentine's Day, a holiday some love and others hate. Which camp do you fall into?

When I was dating, it was always a big deal for me. It was a date when I could show my girlfriend that I really loved her. The way I showed her was by taking her to the movies. Now that I've been married for 22 years, we have Valentine's Day all the time. We go out and enjoy a nice bottle of wine, a nice meal and we'll go watch a movie.

Did you do your own stunts in the movie?

I want to clarify, because I have a lot of respect for stunts, which to me are falling off a building, or getting hit by a car or being set on fire. Those are very specific skills, and literally their lives are at stake. What I do really well are fights, and fights include punches and kicks, reacting to punches and kicks and falling on the ground. It's not easy, but I'm proud that I'm able to do it all by myself.

Halfway through, it was so exhausting and I was in so much pain, I said to my wife, "I think this will be my last action movie. I don't think I can do it anymore." Then when the trailer came out, and I saw how fun and good it was, I told my wife, "I cannot wait to do it again."

I read that you decided to take the role in 'Love Hurts' after talking to Steven Spielberg about it.

Everything that I love about this industry, this acting profession, stemmed from that very first experience, "Indiana Jones and the Temple of Doom." Over the years, whenever he had a movie coming out, I would always watch it that first day. He is the most successful, influential filmmaker on the planet but so kind and so generous, and he has so much class and grace. Every time I spend time with him, I'm still blown away by how humble he is. Every time I talk to him, he looks at me and I feel like I'm the most important person during that exchange. Every time I'm approached to do something, I go back and ask, "How would Steven do it?"

You've posted so many fun selfies with directors and actors. What's the secret to taking a great one?

You have to really want the selfie. All those people were people I really admired.

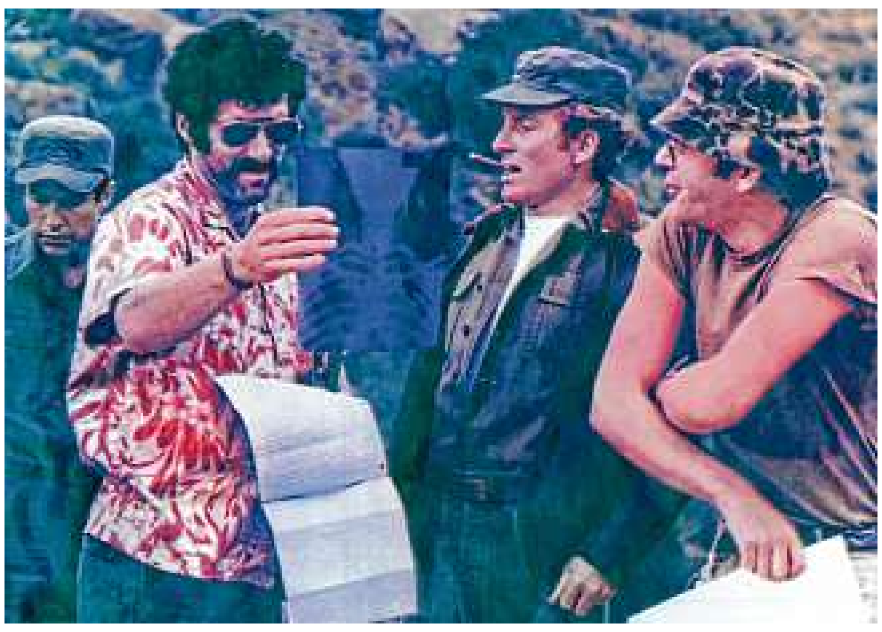
And all of a sudden they're standing 2 feet away from me. The first selfies, I thought, "I gotta have a picture with them so that when this is all over, I can look at the pictures and say I met this and that [person]." If you really want that picture, that picture will look great.

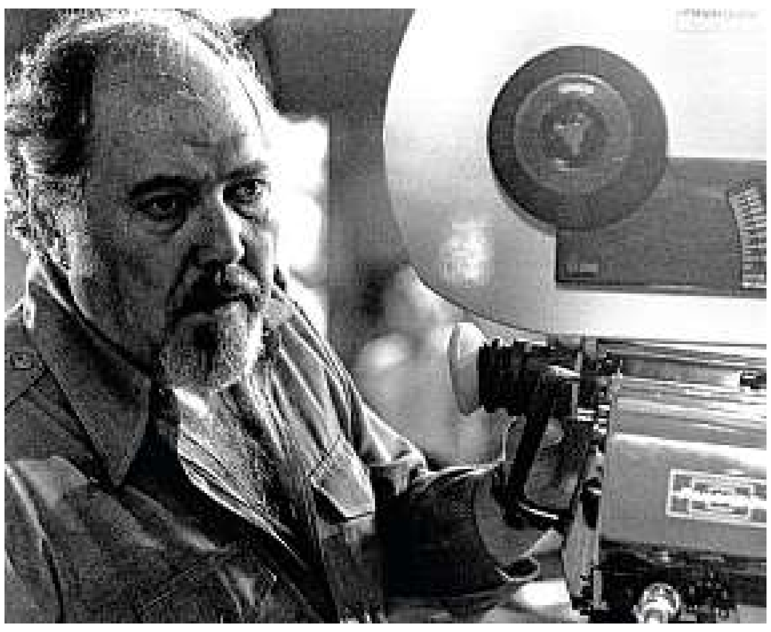
What's one piece of advice you've gotten that's guided you?

I learned very early on from my parents that whatever you do, you have to love it, you have to do it with passion. That's how I approach everything that I do.

ARAYA DOHENY/GETTY IMAGES FOR SAG-AFTRA FOUNDATION

ARTS IN REVIEW





A scene from 'M*A*S*H,' starring Elliott Gould and Donald Sutherland, above left; Altman, above.

FROM LEFT: 20TH CENTURY FOX/ASPEN/KOBAL/SHUTTERSTOCK; GETTY IMAGES

CULTURAL COMMENTARY

A Master Movie Ironist

Born 100 years ago, Robert Altman had a playful approach to genre

By Peter Tonguette

On the surface, Robert Altman was a filmmaker of rare eclecticism. Few could equal his range in attending to seemingly every major cinematic genre. Over the course of his career, Altman dabbled in forms as varied as the wartime service comedy ("M*A*S*H"), the western ("McCabe & Mrs. Miller"), the comic-strip adaptation ("Popeye"), the great-artist biopic ("Vincent & Theo") and the English murder mystery ("Gosford Park").

Yet Altman, whose centennial is this week, insisted on his own constancy. Upon receiving an Honorary Oscar in March 2006, he said that he didn't view his films as discrete works. "To me, I've just made one long film, you know," said Altman, who died that November at age 81.

Altman's films, so superficially unalike, are bound together by his attitude toward them: his preference for parodying genres rather than honoring them, his taste for capturing the hubbub of everyday existence, and his disinterest in A-to-B storytelling.

Born in Kansas City, Mo., Altman had few opportunities for expressiveness in his early industrial films and TV assignments. But when he finally emerged with a major feature, 1970's "M*A*S*H," he knew what he wanted to say. Starting early on, Altman commandeered genres only to send up or simply discard their trappings. As an adaptation of a Raymond Chandler novel with detective Philip Marlowe at its center, his 1973 film, "The Long Goodbye," was a descendant of Howard Hawks's 1946 classic "The Big Sleep." But where Hawks presented his Marlowe (a cocksure Humphrey Bogart) with a straight face, Altman showed his Marlowe (a far more diffident Elliott Gould) as a figure grown musty and outmoded in a contemporary context—in other words, someone ripe for lampooning.

Again and again, Altman delighted in either stripping the finery from beloved genres—surely no Western town ever looked as crudely makeshift as the one in "McCabe & Mrs. Miller"—or outright betraying them: By all appearances, he consented to direct in the disreputable modes of the teen comedy ("O.C. and Stiggs") and the John Grisham-inspired legal thriller ("The Gingerbread Man") with the obstreperous goal of draining them of their humor or suspense and thus revealing their emptiness—call it filmmaking as film criticism. Little wonder that Altman was seldom in favor in Hollywood.

The director was equally indifferent to traditional dramatic structure and the usual prerogative of inducing audience sympathy with a single protagonist. Instead, his generously proportioned, altogether experiential films spilled over with characters, leading to the establishment of a stock company of supporting actors that included, at various points, Shelley Duvall, Paul Dooley, Lily Tomlin and Michael Murphy. In the Korean War-set "M*A*S*H," Altman deposited the viewer into the world of blood and mud inhabited by caustic but empathetic Army surgeons Hawkeye Pierce (Donald Sutherland) and Trapper John McIntyre (Mr. Gould). His gift for world-building is represented in his detours to Houston in "Brewster McCloud" (1970), the California desert in "3 Women" (1977), and Mississippi in "Cookie's Fortune" (1999)—films memorable not for what their characters do but for where and how they live. He was a connoisseur of subcultures, from Hollywood studios ("The Player") to ballet troupes ("The Company").

In his 1975 masterpiece, "Nashville," Altman set into motion the dramas of dozens of inhabitants of and visitors to the city, including supercilious, ostentatiously patriotic country-western star Haven Hamilton (Henry Gibson); steely, unfeeling folk star Tom Frank (Keith Carradine); highfalutin journalist Opal (Geraldine Chaplin); and head-in-the-clouds, would-be singer Albuquerque (Barbara Harris). Altman told their stories less for their own sake than as the raw stuff of what New Yorker critic Pauline Kael called "the funniest epic vision of America ever to reach the screen"—a film that encapsulated stardom, striving, populism and even assassination. He mastered movies that presented disorderly assembles of people, such as the titular event and its aftermath in 1978's "A Wedding."

Altman achieved his aims through distinctive stylistic means. He favored congested soundtracks that reproduced the racket of real life, including overlapping dialogue in which multiple characters spoke simultaneously and sometimes unintelligibly. "The technique is the illusion of reality," Altman said in a 1994 BBC interview. Instead of stressing the most important lines and thereby underscoring their artifice, Altman buried them in a bed of noise and enhanced their believability.

Altman's visual style furthered the impression that he was surreptitiously intruding upon lives as they were being lived. He parked the camera at a remove from the actors, suggesting a cinematic snoop, and when he wanted to focus on a detail or moment, he zoomed in for a closer look. "In the early 1970s I got a lot of heat about zoom lenses," Altman said in the book "Altman on Altman." "I said, 'They show what I want to see.'" Just as audiences sometimes had to strain to hear an Altman film, they occasionally had to squint to see, but the techniques resulted in remarkable verisimilitude.

Altman's films endure because their makers required more of us than following the familiar cues and registering the expected reactions. Above all, he beckoned us to look, listen and laugh along with him.

Mr. Tonguette is a contributing writer at the Washington Examiner and a contributing editor of the American Conservative.

ARTS CALENDAR

HAPPENINGS FOR THE WEEK OF FEBRUARY 18

By WSJ Arts in Review Staff

Film

"The Monkey" *(Feb. 21)*
A cursed wind-up monkey toy leaves death in its wake, reappearing decades after twin brothers thought they had disposed of it. Theo James plays both the unfortunate siblings in a horror-comedy directed by Osgood Perkins ("Longlegs") and based on Stephen King's short story.

▲ Theo James in Osgood Perkins's 'The Monkey.'

NEON

"Cleaner" *(Feb. 21)*
The new action-thriller from Martin Campbell ("Casino Royale") stars Daisy Ridley and Clive Owen in a story of activists who take over an energy company's annual gala—and the window cleaner outside the building who attempts to save the hostages inside.

TV

"Win or Lose"
(Disney+, Feb. 19)
Will Forte is the slugger among the lengthy voice cast of Pixar's animated series, playing the coach of a coed middle-school softball team preparing for a championship game.

"Zero Day" *(Netflix, Feb. 20)*
Robert De Niro stars as a former president who helps investigate a devastating cyberattack on America. This six-episode thriller also features Angela Bassett, Jesse Plemons, Connie Britton and Matthew Modine.

"A Thousand Blows"
(Hulu, Feb. 21)
"Peaky Blinders" creator Steven Knight returns with another period drama, this one focused on the world of Victorian bare-knuckle boxing.

Theater

"Liberation"
(Laura Pels Theatre, New York, Feb. 20-March 30)
Tony nominees Bess Wohl and Whitney White tell the story of a mother and daughter, separated by a half-century, who each experience similar trials and tribulations in their search for female equality.

Music

Porridge Radio, "The Machine Starts to Sing"
(Feb. 21)
The British slacker-indie band returns with its final release, an EP recorded during its sessions for last year's album "Clouds in the Sky They Will Always Be There for Me." The group will disband following its world tour, which wraps up in May.

Dance

"Golden Hour"
(Lyric Opera House, Chicago, Feb. 20-March 2)
Joffrey Ballet's mixed-repertoire program includes the world premieres of Dani Rowe's "Princess and the Pea," a re-envisioning of the classic fairy tale with music by Jim Stephenson, and Yuri Possokhov's "Andante."

Art

"Timeless Mucha: The Magic of Line"
(The Phillips Collection, Washington, Feb. 22-May 18)
The work and legacy of the Art Nouveau pioneer Alphonse Mucha get a sizable appraisal with more than 100 works tracing his evolution as an artist and the revival his style enjoyed beginning in the 1960s.

Los Angeles Art Week
(Various Locations, Feb. 18-23)
Persevering in the wake of the recent fires that devastated areas of the city, this annual celebration of visual art in L.A. features numerous gallery shows, museum exhibitions and events, as well as much-beloved art fairs including Spring/Break, Felix and the marquee event, Frieze.

Videogames

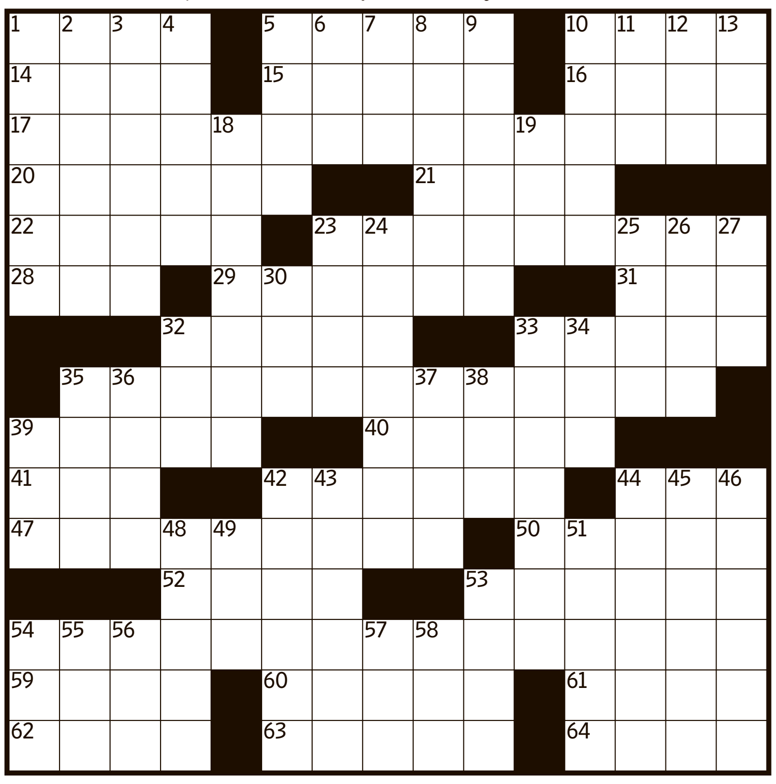
"Like a Dragon: Pirate Yakuza in Hawaii"
(PlayStation 4 & 5, PC, Xbox One & Series X|S, Feb. 21)
The "Like a Dragon" series, blending brawling combat with humor in its stories of the Japanese underworld, returns with a quirky new installment that sees longtime protagonist Goro Majima exploring tropical Pacific islands and engaging in naval skirmishes.

Last Call

"Silk Roads"
(The British Museum, London, through Feb. 23)
This wide-ranging exhibition maps the complex connections among European and Asian civilizations from A.D. 500 to 1000, tracing the flow of not only goods but also faiths, cultures and peoples. Our critic called it a "thrilling whistle-stop tour through time and space."

For additional Arts Calendar listings visit wsj.com. Write to brian.kelly@wsj.com.

The WSJ Daily Crossword | Edited by Mike Shenk



THIS OLD MAN | By Zhou Zhang & Kevin Curry

Across
1 Burden
5 Deep chasm
10 Goggle
14 Time to give up?
15 Big Island "bye-bye!"
16 Dark purple berry added to smoothies
17 *Cultural response to World War I
20 Bit of expert advice
21 It'll make your hairs curl
22 Dogpatch fellow
23 *Some shooting stars?
28 Strong alkaline solution
29 Cranks up the volume
31 Apple device platform
32 Domain
33 "Death ___ Proud" (Donne sonnet)
35 *Harmless arachnid
39 Wrappers for gyros
40 Best possible
41 Card game whose name gets shouted
42 Couple who "licked the platter clean"
44 Pacifying incentive
47 *Stick-y treats for hot days
50 Tropical mammal with a flexible snout
52 Mystique
53 Supermodel Bündchen
54 Washington, Adams and Jefferson, and a hint to the starred answers
59 Furniture collection?
60 Growth during No-Shave November
61 Clean up, in a way
62 Length times width, for a rectangle
63 Cultural values
64 Scuttled, as a mission

Down
1 Childhood friend, perhaps
2 Within shouting distance
3 Ruined
4 Washington, e.g.
5 Group turning 67 in 2025
6 Sandwich named for its main ingredients
7 ___ Kippur
8 Quaint emporium
9 Word processing command
10 Type of brain wave associated with memory
11 Crush, as an exam
12 Pale
13 Crafter's purchase
18 Glamping options
19 Mess up
23 Feeling of gloom
24 Free-standing closet
25 Bit of spiciness
26 Sites of some moats
27 Novel ending?
30 Place, as a bet
32 Nutrition fig.
33 "Rats!"
34 Fish that swims by making waves
35 Shape for a nugget, sometimes
36 On
37 Docs often signed before starting a new job
38 Obtain
39 Lightweight boxer?
42 Historical record keeper
43 Mercury or Mars
44 Seller of Fastskin swimwear
45 Drilling structure
46 Magician's exclamation
48 Elf promoter?
49 Pill alternative
51 Pale
53 Traipses (about)
54 Medicine-approving org.
55 "Be ___ Guest" ("Beauty and the Beast" song)
56 Purpose
57 Frustrated utterance
58 Partner of to

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

Previous Puzzle's Solution

The contest answer is **DEAR**. As suggested by the "OXXO" in the clue for HUGS AND KISSES, find places in the grid where the same letter appears in an O or X pattern. The letters in those patterns spell the contest answer.

SPORTS

FROM TOP: WENDELL CRUZ/IMAGN IMAGES/REUTERS; ASHLEY LANDIS/AP

The Dodgers beat the Yankees to win the 2024 World Series. Below, Shohei Ohtani at spring training.

Baseball's $392 Million Superteam Still Won't Stop Spending Money

The World Series champion Los Angeles Dodgers, led by Shohei Ohtani, already had the deepest roster in Major League Baseball. They went on an offseason spending spree anyway.

By Jared Diamond

A quarter-century has passed since a baseball team has managed to win consecutive World Series championships. In order to end that streak, the Los Angeles Dodgers are employing a wildly expensive—and wildly simple—new strategy.

It's called, "Buying up all the good players."

The Dodgers arrived in Arizona for spring training last week as the ultimate symbol of sporting economic excess. In a financial system without a salary cap, they have taken advantage of their league-leading attendance, astronomical local television deal and savvy executive management to build an unprecedented superteam.

The cost: roughly $392 million. And that's before a projected luxury tax bill of more than $140 million as penance for their largess.

The Dodgers' payroll is $70 million higher than Steve Cohen's New York Mets' and a whopping six times larger than the budget for sport's stingiest organization, the Miami Marlins. Only 14 of the 30 major-league teams currently have a payroll that is even half the size of what the Dodgers are spending, according to data compiled by Spotrac.

The result is a roster designed for one purpose. The Dodgers are here to obliterate all of the powerful market forces that have worked against back-to-back titles with raw brute force.

"Ownership did it for us," infielder Miguel Rojas said. "When they went out there and got all the free agents and re-signed the guys, they sent us a message: 'We're not just happy with winning one championship. We want to do more.'"

The most stunning part of the Dodgers' extravaganza is that the roster was already ridiculously stacked with talent. They committed more than $1 billion last offseason to bring in Shohei Ohtani and Yoshinobu Yamamoto, adding them to a squad that had three other former MVPs in Mookie Betts, Freddie Freeman and Clayton Kershaw. It made the Dodgers dominant enough to dismantle the New York Yankees in the World Series.

That apparently wasn't enough for the Dodgers' ownership group, which is led by Guggenheim Partners chief executive Mark Walter. So once they paraded through the streets of downtown Los Angeles, the Dodgers opened up their wallets again.

When the spending spree finally ended, they had shelled out another $400 million to land nine major-league free agents, including ace starter Blake Snell, slugging outfielder Teoscar Hernández and three top relievers.

And that doesn't even include perhaps their most significant acquisition of all, the Japanese pitching phenom Roki Sasaki, who could've signed with anybody for roughly the same amount of money. Yet Sasaki chose the Dodgers, the team that probably needed his services the least.

So by the time longtime fan favorite Enrique Hernández reupped with the Dodgers last week (for a measly $6.5 million), he knew he was joining a roster that "was more full than a Bad Bunny concert."

"That's because of the support of our fan base," Dodgers president Stan Kasten said. "They invest in us by buying tickets, by buying merchandise, by media deals, and so we can take that and continue to invest in them by putting the best product on the field."

As their budget has grown to seemingly limitless heights, the Dodgers have emerged as baseball's resident villains, enraging fans around the country who are envious of their untold riches. Within the industry, the Dodgers have sparked ferocious debate over what their abundance means for the rest of the sport.

Other owners, all billionaires themselves, have grumbled publicly and privately about their inability to compete with the Dodgers' wealth. Even the Yankees' Hal Steinbrenner said in an interview with the YES Network this winter that, "It's difficult for most of us owners to be able to do the kind of things that they're doing."

What's clear is that the Dodgers are absurdly talented. They are not only loaded with superstars, but they have also accumulated enough depth to withstand a barrage of injuries that would cripple their competitors.

It's why Rojas said on a recent podcast that he thinks the Dodgers could win 120 games this season, surpassing the Seattle Mariners' record 116 victories from 2001. Asked about that bold prediction last week, he didn't back down.

"If I wasn't thinking that was a possibility," Rojas said, "I wouldn't have said it."

There now appears to be just one thing still capable of stopping the Dodgers, and that's the utter randomness of October. There is a reason nobody has repeated as champions since the Yankees won their third straight title in 2000. Baseball is structured to promote chaos when the games matter the most.

After enduring what Kasten describes as "the crucible of 162 games" in the regular season, teams are forced to survive several short series where, history has shown, there is no such thing as an upset. Sixteen different baseball franchises have won a title this century, the most of any major North American sport.

The Dodgers understand that reality as well as anyone. They've qualified for the playoffs in 12 straight seasons and have just two championships to show for their efforts.

"It doesn't matter what kind of roster you have," Dodgers infielder Max Muncy said. "Time after time teams have shown that when you get into the playoffs, anything can happen."

The Dodgers hope they have uncovered the secret that has eluded them and everybody else in baseball for the past 25 years. And all it took was $392 million.

The Indoor Mile Record Stood for Years. Then It Fell Twice in Five Days.

By Rachel Bachman

One week ago, Yared Nuguse was walking on air.

The American runner had just raced around the track at the Millrose Games in New York faster than ever before. When he surged across the finish line, the time on the scoreboard flashed 3:46.63. The crowd roared.

Nuguse had cut nearly half a second off the indoor mile world record, a mark that had stood unchallenged for six years.

But almost before he had got his breath back, Nuguse's new record was toast. On Thursday, Norwegian Jakob Ingebrigtsen smoked an indoor mile in Liévin, France, in 3:45.14. Nuguse had owned the mark for less than a week when Ingebrigtsen obliterated it by 1½ seconds.

"You win some you lose some, was a lit five days," Nuguse posted on Instagram.

A world record falling twice in a week might seem like a head-spinning coincidence. In fact, several forces that were at work when Nuguse and Ingebrigtsen raced have been electrifying all of middle-distance running.

"We're just in a perfect storm of speed," said Ed Eyestone, the longtime BYU track and field coach and a two-time Olympic marathoner. "That's been brought on with a combination of talent and technology and nutrition and training."

Track surfaces have been engineered to propel runners like never before. The surface at New York's Armory, where Nuguse set his record on Feb. 8, was designed to "to provide shock absorption and energy return," according to its manufacturer.

The track in France featured a tool called Wavelight—a string of lights laid along the inside of the track that illuminates in sync with a record time, so a runner knows the exact pace he must follow to beat it.

A video of the race shows green lights popping with each step Ingebrigtsen takes. Then, as he enters the home stretch, he kicks on. "Jakob Ingebrigtsen," the announcer exclaims, "is leaving the lights behind!"

The advent of super spike shoes, which feature soles with superlight, springy foams and rigid plates, has also brought a drop in times on the track.

The rising use of a perfectly legal substance also seems to be making a difference. More runners in the middle distances are using a supplement whose main ingredient is sodium bicarbonate—household baking soda.

"Bicarb," as runners call it, has long been known to help tamp down the painful physiological effects of intense effort. But a Swedish company now makes a popular product that promises to mitigate the stomach distress that prevented many athletes from using it in the past.

DENIS CHARLET/AFP/GETTY IMAGES

Norway's Jakob Ingebrigtsen set a new world record of 3:45.14 in the indoor mile in Liévin, France, on Feb. 13.

This generation of milers is also supremely talented, of course, forming a new golden age of middle-distance running.

Current stars include American Cole Hocker and Britain's Josh Kerr, who won gold and silver in the Paris Olympics 1,500 meters, or metric mile. (Nuguse won bronze by outkicking Ingebrigtsen.)

But the stable of speedsters goes even deeper. American Hobbs Kessler, the 21-year-old former schoolboy prodigy, also ran a world-record time at the Millrose Games, 3:46.90. Unfortunately for Kessler, Nuguse just happened to be one step in front of him.

And in the 3,000 meter race at Millrose, Americans Grant Fisher and Hocker both broke the previous indoor world record, with Fisher's better time of 7:22.91 prevailing. On Friday in Boston, Fisher broke the 21-year-old indoor world record in the 5,000. After the race, he said he'd recently started using sodium bicarbonate.

Nuguse and Ingebrigtsen are now full-on rivals—along with being among the bigger characters in distance running.

Nuguse, a Taylor Swift fan, starred at Notre Dame, where he earned a B.S. in biochemistry. He owns a pet tortoise he named Tyrosine after an amino acid, and dreams of being an orthodontist after he retires from racing.

Ingebrigtsen is the fifth of seven children, three of whom became Olympians. The tattoo-dappled Norwegian spouts opinions without fear, once boasting that he could beat Kerr "blindfolded."

As it turned out, Ingebrigtsen couldn't find his way to the podium in the Paris Olympics 1500 meters, finishing fourth behind Hocker, Kerr and Nuguse.

The consolation for the Norwegian is that he now owns the indoor mile world record and the bragging rights that come with it—for however long that lasts.

OPINION

Will Ukraine Be Trump's Vietnam?

MAIN STREET
By William McGurn

Just before Donald Trump's inauguration, Steve Bannon warned his former boss in Politico that Ukraine could turn into "Trump's Vietnam." Mr. Bannon is correct. But not for the reasons he thinks.

Mr. Bannon argues the president's mistake would be failing to make a clean break with Kyiv. This, he says, is how Richard Nixon got sucked into Vietnam and transformed it from Lyndon Johnson's war to his own.

The reality is the opposite. Mr. Trump campaigned that he was the man to negotiate a deal that would end the carnage in Ukraine. If he does and the deal ultimately goes south—meaning that Vladimir Putin resumes his aggression—it would be a huge stain on his legacy. And rightly so.

The administration is sending conflicting signals, with Vice President JD Vance walking back comments by Defense Secretary Pete Hegseth that Ukrainian membership in the North Atlantic Treaty Organization is out and so is reclaiming the country's pre-2014 borders. Over the weekend the president's Ukraine envoy, Keith Kellogg, added that the Ukrainians will be at the negotiating table but the Europeans won't. At the same time we learn that Ukraine will be excluded from U.S.-Russia talks beginning Tuesday in Saudi Arabia.

As he considers his options, Mr. Trump might want to study a conversation between another Republican president and his secretary of state. The date was Aug. 3, 1972, when Henry Kissinger told Nixon he thought the odds were about 50/50 he could reach a peace deal with the North Vietnamese.

Then as now, security guarantees were a top concern. The fear was that after the U.S. troops left, North Vietnam would resume the war. What would happen, Nixon asked Kissinger, if Hanoi simply waited a while and then gobbled up South Vietnam?

> Consider the 1973 Paris Peace Accords. Kissinger won a Nobel Prize, but Saigon fell.

"If a year or two years from now North Vietnam gobbles up South Vietnam," Kissinger said, "we can have a viable foreign policy if it looks as if it's the result of South Vietnamese incompetence."

A few moments later, he clarified: "So we've got to find some formula that holds the thing together a year or two, after which—after a year, Mr. President, Vietnam will be a backwater. If we settle it, say, this October, by January '74 no one will give a damn."

Nixon did have seem some moral pangs about what they would be agreeing to: "Vietnam, I must say . . . Jesus, they've fought so long, dying, and now . . . I don't know."

This conversation became the basis for the accusation that Nixon and Kissinger privately believed the Saigon government couldn't survive an American withdrawal. So what they were really after was a "decent interval" between the U.S. withdrawal and South Vietnam's collapse.

The Paris Peace Accords were signed less than six months after that conversation, on Jan. 27, 1973. It was a deal forced on South Vietnamese President Nguyen Van Thieu. Though heavily pressured by the Nixon administration, he—to his great credit and to Nixon's irritation—bravely fought the deal. Perhaps his main sticking point was that it allowed North Vietnamese troops to remain in South Vietnam—just as it now appears Russian troops will remain on Ukrainian soil as part of any deal.

In October 1973, nine months after the accords were signed, Kissinger and North Vietnam's Le Duc Tho were jointly awarded the Nobel Peace Prize (though Tho refused it). On April 30, 1975, North Vietnamese tanks rolled into Saigon and South Vietnam was no more. The next day Kissinger tried to return his Nobel Prize. The Nobel committee turned him down.

Yes, there are crucial differences with Vietnam and Ukraine. No American troops are fighting in Ukraine. Another is the tenacity of the Ukrainians. Kyiv was expected to fall within 10 days of Mr. Putin's invasion—and stunned the world when it didn't. So it's hard to believe Ukraine will surrender if a Trump peace deal goes sour.

There's nothing inherently wrong with a peace deal. But it all comes down to the credibility of its security guarantees. From the standpoint of his own legacy, Mr. Trump's best friends are those who point out that provisions Mr. Putin most objects to are those most necessary to guarantee peace. The issue isn't getting the Russian leader to the table but getting him to honor an agreement.

The Ukrainians have been here before. The deal reached in Minsk in 2015 was supposed to restore peace but included no serious consequences for Russian aggression. And under the 1994 Budapest Memorandum, the Ukrainians gave up the one effective deterrent they had: their nuclear weapons. Even Bill Clinton now recognizes that Russia would never have invaded if Ukraine still had its nukes.

Maybe Mr. Trump will negotiate a strong deal that will preserve a "prosperous and sovereign" Ukraine. But there are sobering parallels between this week's U.S.-Russia talks in Riyadh that exclude Ukrainian President Volodymyr Zelensky and the secret U.S.-North Vietnam negotiations conducted behind Thieu's back. Mr. Trump would do well to remember: If this deal ends in catastrophe, he will own it.

Write to mcgurn@wsj.com.

A Message to Europe From Western Disunion

GLOBAL VIEW
By Walter Russell Mead

It was a dramatic week in Europe. President Trump reached over the heads of North Atlantic Treaty Organization allies and Ukraine to begin direct conversations with Vladimir Putin. At the Munich Security Conference, Vice President JD Vance highlighted the political divide between Mr. Trump's America and the European Union while doing everything possible to humiliate his German hosts. As shell-shocked European leaders gathered in Paris for an emergency summit, it was an open question whether the trans-Atlantic West will survive as an active force in global affairs.

Behind all this is a brutal and ugly fact. Despite cheerleading by intellectuals and democracy activists and concern in countries like Poland and the Baltic states, leading Western governments on both sides of the Atlantic are unwilling to provide Ukraine with enough aid to make victory a realistic prospect, and Mr. Putin knows it. Given these realities, the U.S.-German partnership driving NATO's war policy wanted to engineer a soft defeat for Ukraine that would avoid further dividing the West. Washington and Berlin hoped that Ukrainians would tire of fighting a seemingly hopeless war and reach out to Mr. Putin for peace. A united West could congratulate itself on its heroic devotion to democratic values, and the war would end. For now.

The likely end result for Ukraine of the Trump policy is the same as for Joe Biden's policy. Ukraine will shrink, and there won't be an Article 5 in its future. The question is what comes next. Will Mr. Putin, bloodied by the cost of the war, worried about his growing dependence on China, and sobered by his failure to take the whole of Ukraine, be content with his gains? Or will he see opportunities for further advances given the disarray and irresolution so evident in NATO?

This is where the difference between the Biden and Trump approaches begins to matter. Mr. Biden thought NATO unity was the best way to deter Russian attacks. Team Biden believed that its success in holding NATO together after the Russian invasion was the key to stability in Europe.

Team Trump's view could not be more different. The EU has more people and more money than Russia, it argues, and should be easily able to contain Russia with, at most, nuclear backstopping from the U.S. Given the urgent calls on American resources in the Indo-Pacific and elsewhere, and given the state of U.S. public opinion, Washington cannot be dragged into extended responsibility for Ukraine's future. Deterring Russia is a European problem.

Mr. Vance's visit was intended to drive this point home. His combative speech at the Munich Security Conference, his refusal to meet Chancellor Olaf Scholz, and his taboo-busting meeting with Alternative for Germany leader Alice Weidel all sent the same message. After more than 30 years of presidents from Bill Clinton through Joe Biden asking Europe nicely to assume more responsibility for the common defense, America has had it. Europe in general, and Germany especially, can no longer count on an eternal snuggle rug of American protection.

> Will Trump's actions wake Europe up or destroy the trans-Atlantic alliance?

Can Western unity survive this brawl? For many Europeans and their American allies, Mr. Trump's presidency is an assault on democracy as well as on trans-Atlantic solidarity. For the president's supporters, it is the Europeans who have betrayed the West. Foolish national-defense strategies, self-defeating economic policies, censorship, and suicidal cultural and immigration measures have eroded both the strategic and moral commonalities that once united the West. Europeans think Mr. Trump is betraying democracy by punching it in the face; Team Trump argues the Europeans have betrayed it with a kiss.

For decades, U.S. presidents and the foreign-policy establishment have regarded the development of Europe after World War II as America's greatest foreign policy success and the basis for our continuing efforts to build a rules-based global order. But what if the Europe we helped build is just a selfish community of decadent states locked into terminal decline? What if falling short of building a genuine security partner in Europe was America's most tragic foreign-policy failure?

Mr. Trump's Europe policy is likely to have one of two outcomes. It could function as shock therapy, jolting Europeans into making the changes that could renew European strength and offering hope for a new and more realistic alliance. Or it could mark the beginning of the end of the trans-Atlantic community that gave Europe its longest era of relative peace since the peak of the Roman Empire.

Either way, the Trump administration's first foray into European policymaking won't be soon forgotten. Europeans now know that Charles de Gaulle was right, that the Continent cannot count on American blank checks forever. Let us hope that our shocked and angry European friends draw some wise lessons from a harsh week.

What Makes a Blockbuster Worth It

By Kyle Smith

New York

Back in the day, a hit show created long lines of ticket buyers down the block, disrupting the walk-flow and generally creating a nuisance. Hence the term "blockbuster."

Paul McCartney was a blockbuster last week. At noon on Tuesday he announced that he would play that evening at the Bowery Ballroom, a lower-Manhattan concert venue, which holds about 575. Tickets would be sold only one to a person, only at the box office. Fans scrambled down to Delancey Street, and the show sold out in 30 minutes. Then the band scheduled for the venue on Wednesday and Thursday abruptly canceled. Could the Tuesday performance merely have been an opener? It was. Wednesday morning, Mr. McCartney announced he would play again that evening.

Hoping Mr. McCartney might announce another surprise show on Thursday, I hustled to the Bowery Ballroom before 9 a.m., wondering if I'd be the only one there. Disappointingly, according to a woman further up who counted heads, 480 people were in line ahead of me.

I'm not the most obsessive McCartney fan; I don't have any tattoos or anything. But I've seen him live many times, I've written essays in praise of his music, and last week I listened to the unfairly maligned Wings album "Back to the Egg" (1979). I could expound for hours on its neglected tracks, "Arrow Through Me" and "Love Awake."

Cold and damp, everyone started chatting about the everlastingly sunny fellow who had brought us together. Rumors suggested the show might be Friday instead of Thursday.

Passersby began asking why we were standing there. "Because we're 500 very stupid people," I said. A woman near me said with a chuckle, "We're trying to buy tickets for a concert that might not exist." It was 34 degrees. Most of us didn't have the sense to leave. It was like an absurd existential European play: Waiting for Paulot.

> I didn't get to see Paul McCartney perform live, but the five-hour wait wasn't in vain.

At 1 p.m., screams of joy: Mr. McCartney sent out a mass text saying he would play the venue on Friday for a third and final time. The box office opened. By now I was 315th in line by my fellow fan's head count.

Yet the line barely budged. Nearing five hours on creaky 58-year-old knees, I contemplated simply falling over to await being swept up by the next sanitation crew.

"What stage are we at?" the guy ahead of me asked. "Anger, denial, bargaining, depression?" "I'm not angry," a woman said. "I'm not either," said another. As the line lurched forward, a guy in front of me started singing "Getting Closer" from "Back to the Egg." Turned out the album had more than one fan after all.

When the show sold out I was still a block and a half from the box office. Everyone let out a soft chuckle. People shook hands. Maybe our head counts were off, maybe some tickets went to people smart enough not to wait in the cold. But for a total failure, it was a pretty good time. How could any of us be in a bad mood? All we were thinking about was the man who taught us, "In the end, the love you take is equal to the love you make."

Mr. Smith is the Journal's film critic.

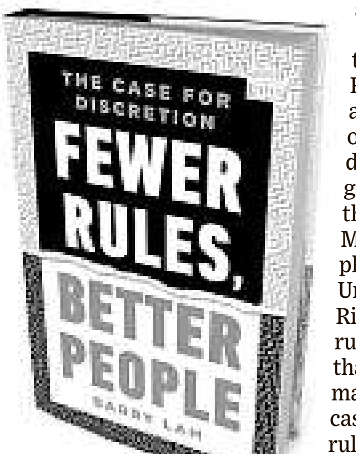
BOOKSHELF | By Andrew Stark

Cases and Circumstances

Fewer Rules, Better People: The Case for Discretion

By Barry Lam
Norton, 176 pages, $24

Consider the case of Joey, a rural New York teenager who stole peanut butter, bread and milk from a grocery store to feed his hungry family. The store owner wanted to press charges, but the two policemen called to the scene—Mike and Tom—used their discretion to broker a deal: Instead of being charged, Joey would work for the store to pay off what he'd taken. Had there been a mandatory-arrest rule, the officers would have had to ignore the particular circumstances of Joey's case. Arguably, "Les Misérables" would be a mere short story if Jean Valjean's bread-stealing had been handled so sensibly.



Kicking off with Joey's tale, Barry Lam's "Fewer Rules, Better People" argues that leaving officials to use their discretion is preferable, generally, to encumbering them with rules to enforce. Mr. Lam, who teaches philosophy at the University of California, Riverside, is not opposed to rules per se. Their virtue is that they require decision makers to treat similar cases in the same way. But rules also have a vice. Different cases tend to get handled in the same way too, which is why Joey was lucky that Mike and Tom were not rule-bound to process him as they would any other thief.

But how do we know when rules have encroached too far into territory that should be reserved for discretion? Not surprisingly, Mr. Lam doesn't offer a rule to answer this question, yet one does emerge from his discussion. Take Montana's highway speeding laws, which before 1999 required travelers only to drive at a "reasonable and proper" speed. You would violate them, the author observes, if your "speedometer goes over eighty in very specific circumstances, seventy in others, sixty-five in others, and twenty-five in others." The circumstances have to do with what time of day it is, how urbanized an area might be, and more.

Such rules no longer do what rules are good at—providing common standards for everyone—but cross into discretion's lane, trying to capture all manner of differences between cases and thus becoming a bewildering maze. Far better, Mr. Lam suggests, to simply have a general rule requiring, as Montana also does, that drivers behave "in a careful and prudent manner," and then allow the police to interpret the rule according to circumstance.

Mr. Lam mounts a reasonable argument, and we learn much along the way about the matrices of rules and rules-monitoring. He notes that Han Fei, a Chinese philosopher from the third century B.C., wrote a "handbook of modern-day bureaucracy" detailing strict rules of procedure for each government position. Speaking of the near future, Mr. Lam predicts that our cars will soon rat on us, recording our speed and sending it to the authorities. And in the realm of general absurdity, he tells us of a Virginia defendant who, having been caught with marijuana, pleaded guilty to bearing firearms—even though he wasn't carrying a gun—because the law allowed a lower sentence for possessing weapons than weed.

> When do rules encroach too far into territory that should be reserved for discretion? When should officials have interpretive leeway?

As Joey's experience shows, discretion enables officials to handle different situations in different ways. But it also allows authorities to treat the same situations in different ways, as when people with identical cases meet with varying responses because of biases or arbitrary factors, such as whether a judge is tired or in a bad mood. Mr. Lam is aware of such dangers, and recommends training for officeholders and others in positions of authority. But even unbiased officials will sometimes treat the same cases differently. They might simply disagree about how best to interpret the law.

Mr. Lam doesn't entirely address this problem, but legal scholars have discerned common patterns—rules of thumb—from the exercise of official discretion. Even in copyright law, where judges have issued inconsistent decisions for decades, such patterns have emerged. You can't copyright the plot "criminal couple on the run," keeping it for yourself by claiming that others have other ways, such as the contrary plot of a virtuous couple who stay put, to express the sprawling idea of a romance. But you can copyright your own version of "The Wizard of Oz" by claiming that you have transformed the original in coherent new ways—a more destructive wizard, a more beneficent witch—and thus conveyed the focused idea of moral complexity. Such rules of thumb, like the common law itself, have emerged from innumerable uses of discretionary judgment over time.

Many of the problems Mr. Lam diagnoses arise when those using discretion try to impose their preferred interpretative method on all cases. Think of the judges who repeatedly interpret the Constitution according to the same canon—original intent, say, or precedent, or the demands of social justice—even though, as Antonin Scalia and Bryan Garner have noted, no canon is "absolute" and each may, depending on the case, "be overcome by the strength of differing principles."

Even Mr. Lam suggests that his own favored use of discretion—the one on display in Joey's case—should become a rule. In hiring police officers, he says, we should ask them whether, in Joey-type cases, they would "broker a peace" and how they would do it. The candidates who would make an arrest wouldn't, presumably, make the cut.

Mr. Lam has written a valuable book, reminding us that rules can't cover the innumerable differences between cases and shouldn't try to do so: Common rules for all are indeed better, leaving room for discretion. But discretion should remain wedded to our plural perspectives on the world, and those exercising it should refrain from insisting that theirs is the only way.

Mr. Stark is the author of "Conflict of Interest in American Public Life."

REVIEW & OUTLOOK

The Trump Shock Comes to Europe

Allies receive bracing, if not always helpful, warnings from the U.S.

European allies knew their relationship with the second Trump Administration would be challenging. Even so, the shocks they've received from Washington in recent days constitute a crisis. The warning, more or less: Shape up or the Americans are shipping out.

Start with the Ukraine war. This is the largest military conflict on European soil since 1945, and the Continent's leaders recognize the stakes for their security. But Mr. Trump's message is that the U.S. doesn't care what Europeans think about how the war should be resolved.

Mr. Trump spoke on the phone to Russian President Vladimir Putin last week about ending the conflict, a development that caught Europe by surprise. Defense Secretary Pete Hegseth announced, also without consulting allies, that Ukraine shouldn't expect to regain territory lost during Russia's first incursion in 2014. Asked at a conference whether Europeans would play a role in peace talks, Mr. Trump's Ukraine envoy Keith Kellogg said "that is not going to happen."

These are slaps to North Atlantic Treaty Organization allies whose security is threatened by Mr. Putin's imperial ambitions and that have contributed cash and equipment toward Ukraine's defense. The insults also recognize reality, however. Too many European governments, especially the largest, have been too slow and stingy in providing support to Kyiv either for lack of strategic conviction or decades of spending on welfare instead of their militaries.

The Trump Administration appears unwilling to let Europe leverage its noisy but dilatory contributions to the Ukraine war into a seat at the negotiating table. Much of Mr. Trump's approach to peace talks is all wrong for America's own interests, including Mr. Hegseth's hint that the U.S. could agree with the Kremlin to reduce American troop numbers in Europe. But Europe has chosen to put itself in the position of taking others' decisions about its security rather than making its own.

Which is what we take to be Team Trump's bigger theme in Europe last week. At a summit on artificial intelligence in Paris, Vice President JD Vance offered a bracing warning that Europe will leave itself behind in the next industrial revolution if it overregulates today's frontier technology. Europeans aren't accustomed to being told so bluntly by U.S. officials that Europe is impoverishing itself with its dirigisme, but someone had to say it.

Then in Munich Mr. Vance delivered a more surprising rebuke when he asserted that Europe's biggest security danger is "the threat from within." He cited a political culture that aggressively tamps down on dissent, often in the name of combating "misinformation" or other ills such as racism, as mainstream politicians worry their power will be eroded by insurgent parties of the right and left. The subtext is that if Europeans expect Americans to defend Europe for the sake of democracy, Europe needs to be recognizably democratic.

These interventions have triggered howls across Europe, sometimes with reason: German politicians have cause to be aggrieved at Mr. Vance for expressing veiled sympathy for the far-right Alternative for Germany (AfD) party a week before an election. It was a mistake, since he undermined center-right Friedrich Merz, who's likely to be the next chancellor and is much more pro-American than the AfD.

Yet in general Europeans are glumly conceding the Trump team has a point, at least on Ukraine and defense matters. French President Emmanuel Macron is convening an emergency summit of key European leaders this week to discuss their approach to Ukraine talks. They should heed Mr. Kellogg's exhortation that the way for Europe to play a role is "coming up with concrete proposals, ideas, ramp up [defense] spending."

On the latter point, British Prime Minister Keir Starmer said this weekend he'd overrule his own chancellor of the exchequer and insist defense spending rise to 2.5% of GDP, rather than the Treasury's preferred 2.3% goal. Yet military leaders think more is needed, and even this goal has no deadline and will involve messy politicking in an economy that's barely growing and when the government finances are a mess. Hence Mr. Vance's exhortations about the importance of economic growth.

* * *

A U.S. withdrawal from Europe would be a historic mistake, and damaging to American interests. But after last week Europe is on notice that Mr. Trump may be willing to leave the Continent to its own devices. Europe needs to act accordingly, and an economic revival and greater investment in its own defense are essential and urgent.

California's EV Mandate Goes to Congress

President Trump campaigned on eliminating electric-vehicle mandates and bringing down prices. Republicans in Congress now have an opportunity to do both by overturning California's onerous EV regime.

The Biden Administration in December approved a waiver letting California set its own vehicle greenhouse-gas emissions standards. The Clean Air Act lets the Environmental Protection Agency grant such a waiver only to meet "compelling and extraordinary conditions." This waiver authority was intended to help California reduce pollutants that contribute to smog.

But CO2 doesn't cause smog, and California doesn't have any more compelling need to regulate vehicle greenhouse-gas emissions than any other state. Nonetheless, the Biden EPA approved the state's ban on new internal-combustion engine cars by 2035 and progressive "zero-emission vehicle" quotas for auto makers.

Zero-emission vehicles would have to account for 43% of an auto maker's sales in 2027 in California and a dozen or so other states that have adopted its rules. This increases to 68% by 2030. Auto makers called the program an "unaccountable, unachievable regulatory wormhole" in a memo to "interested parties" in December. That is putting it gently.

EVs made up only 13% of traditional automaker sales in California in 2023 and even less in such states as Massachusetts (8%), New Jersey (7%) and New York (6%) that have adopted the Golden State's rules. Auto makers say they may have to slash deliveries of gas-powered cars to California and its copy-cat states to meet the quotas.

Because auto makers would also need to slash EV prices to meet the quotas, they would probably have to increase prices on gas-powered cars nationwide to offset their steep EV losses. Auto makers' only alternative would be to buy regulatory credits from Tesla, which would also dent their bottom lines and probably cause them to raise prices.

Enter Trump EPA Administrator Lee Zeldin, who on Friday submitted the California waiver to Congress for repeal under the Congressional Review Act. Under that law a simple majority of both chambers can overturn a regulation with a President's signature. Passing a CRA resolution would be quicker than reversing the rule administratively.

The CRA also bars judicial review of resolutions and forbids future administrations from reissuing a rule "in substantially the same form." That means California's EV mandate couldn't return, as it did after Mr. Trump tried to kill it during his first term. Congress now has 60 days to introduce a resolution to overturn California's EV mandate. Better get cracking.

RFK Jr. and the Measles Outbreak

Now he's secretary, not a gadfly, as unvaxxed kids get hospitalized.

The Senate voted 52-48 last week to confirm Robert F. Kennedy Jr. as the nation's health secretary. In other news, 13 people in Texas were hospitalized for measles amid an outbreak of 48 cases, almost all in children whose vaccination status is negative or unknown. That was as of Friday morning. "Due to the highly contagious nature of this disease," the Texas health department said, "additional cases are likely."

The tragedy is that this doesn't have to keep happening. In 2000 measles was declared eliminated from the U.S., meaning 12 months with no continuous spread. Immunization has saved millions of lives around the world since the vaccine became available in 1963. The peril isn't small. "About 1 in 5 unvaccinated people in the U.S. who get measles is hospitalized," according to the Centers for Disease Control and Prevention. "Nearly 1 to 3 of every 1,000 children who become infected with measles will die."

Yet for some people, the reality of measles feels like a sepia-toned history lesson, whereas the antivax hooey featured on podcasts these days sounds current. RFK Jr., an environmental lawyer by trade, has long been part of the problem, and at his Senate confirmation hearings he presented himself as *just asking questions, man.* That undersells his role in spreading doubt and confusion.

"Two doses of MMR vaccine"—for measles, mumps and rubella—"are 97% effective at preventing measles," the CDC says. But coverage is sliding. For the 2023-24 school year, the national estimate was 92.7% of kindergartners had two MMR doses, down from 95.2% in 2019-20. An intervening shock was Covid-19, and there were bound to be consequences after health authorities burned their pandemic credibility.

Restoring confidence matters, particularly since these trends have longer and deeper causes. In Gaines County, Texas, where the measles outbreak is centered, state statistics show MMR coverage for kindergartners is 82%. Texas law lets parents opt out of school vaccine mandates for "reasons of conscience." In Gaines, 17.6% of kindergartners have filed a "conscientious exemption" to at least one shot. For Texas as a whole, that number has climbed to 3.6%. A decade ago, it was 1.3%.

This is courting heartache that parents used to face routinely but that modern medicine has made unthinkable for most. We are on record as skeptical of RFK Jr.'s nomination. The Senate confirmed him. Now the best-case scenario would be for Mr. Kennedy to internalize that he is no longer an activist outsider who needs to take provocative potshots to get attention.

He's the nation's health secretary, and there are children in the hospital with measles who shouldn't have to be there.

LETTERS TO THE EDITOR

Why 'Wards of Washington' Don't Work Well

Regarding "Republican States Are 'Wards of Washington'" (Letters, Feb. 12): Jeffrey Sonnenfeld and Stephen Henriques note that taxes raised in wealthy blue states help subsidize red states' budgets. The subtext: Republicans shouldn't complain about Democrats' profligacy with federal grants.

But red states can justifiably ask whether such grants are truly benefiting them. Even with some revenue transfers between states, federal grant money is largely raised from taxes on citizens in the same states that receive it. In practice the federal government taxes state residents, routes the money through Washington, takes a cut off of the top for the federal bureaucracy and returns the sum to states with restrictions on how they can spend it.

From any logical viewpoint this is a bad way to run a federal system. In 2022 more than $1 trillion, or more than 35% of all state revenue, came from the federal government. More budget-conscious red states would tax and spend far less in a system less reliant on these grants. They would also impose more requirements about work or personal contributions for welfare programs, which are often refused by the same Washington bureaucracy that approves expansions of such programs in blue states. Even if a state receives a certain amount of federal dollars, that doesn't mean those are the sorts of dollars for the sorts of programs they want.

In a system where states were true laboratories of democracy, they could use their own residents' funds to craft their own health, transportation, education and welfare systems. These would doubtless be less costly than the federally funded ones. But for some reason Washington thinks that the further away the political representatives and the bureaucracy, the wiser the government will be in dictating the terms of these programs. This is incorrect, and representatives in both red and blue states know it.

JUDGE GLOCK
Manhattan Institute
Fairfax, Va.

What Ails Our Air-Traffic-Control System?

In "A Washington Air Crash and the 30 Years War" (Business World, Feb. 8), Holman W. Jenkins, Jr. reminds us of Al Gore's 1993 declaration of "a much-needed overhaul of the nation's air traffic control system to permit better management and install modern technology." This is exactly what Canada did in 1996 and the results are significantly better than forecast. Nav Canada's safety record has excelled, its cost of operation has declined over time and its technical leadership is stellar.

The central reason the U.S. hasn't abandoned its dysfunctional Federal Aviation Administration air-traffic-control structure is that the primary stakeholders don't trust Congress to guide the process wisely. The airlines want complete control over the new entity. The unions believe their controllers' interests are paramount. The taxpayers want to be protected from industry profiteering. The military wants veto power over everything. And the small guys in the room, broadly known as general and business aviation, can't risk getting lost in the shuffle.

Perhaps Congress will become trustworthy once again. Meanwhile, the FAA time bomb is ticking.

JAY TUTHILL
Hinsdale, Ill.

I must take exception to Mr. Jenkins's assertion that small-aircraft owners aren't paying to use the air-traffic-control system. All aircraft operators pay into the system every time we buy fuel. A Piper Cub doesn't take much fuel, but its operator is also unlikely to ask for air-traffic-control services. Big aircraft require more fuel and therefore pay more in tax but also use the system more heavily.

Years ago someone suggested that we be charged every time we call for a pilot briefing or ask air traffic control for advisories. Do you really want us flying over the top of the New York airspace without ever talking to a controller, which is something we can legally do, all because we don't want to pay a $75 fee? Such a proposal is akin to having to pay a fee to call 911.

CHRIS SOBOLEWSKI
Fountain Hills, Ariz.

Is Scrapping USAID Prudent or Pernicious?

I was struck when I saw the chart showing the top 10 USAID recipient countries in 2023 ("Musk-Targeted Agency Provides Aid Around the World," U.S. News, Feb. 4). The chart shows that spending by USAID, for only the top 10 recipient countries, totaled $25.24 billion. That seemed odd considering that in 2023 the U.S. had more than $34 trillion of debt. I recognize that even if the entire 2023 USAID spending of about $42.5 billion had been used to pay down debt it would have covered 0.13% of the 2023 U.S. debt bill. Yet isn't that more sound financial action than borrowing money to give it away? I have to wonder whether the people who serve in the government shouldn't also have to live by the same financial common sense used by the people they serve. Most of us can't give away money we don't have. The U.S. government shouldn't either.

DOROTHY SCOTT
Davidsonville, Md.

It would be a tragedy if USAID is shut down when there is famine taking place in war-torn Sudan, among other emergencies. We need USAID's life-saving programs to help war victims in Ukraine, Gaza, Democratic Republic of the Congo and other places in desperate need. The Food for Peace program, which was started by President Dwight Eisenhower, is part of USAID. Food for Peace supports life-saving feeding programs for severely malnourished children. We can't have those shut down when lives are on the line.

USAID programs save lives and promote stability across the globe. Without such aid, we will have increasing chaos and famine. You can't have a peaceful world under such desperate circumstances.

WILLIAM LAMBERS
Cincinnati

Airdropping the Bureaucrats

In your Feb. 6 editorial "About Those Beachfront Gaza Condos," you write: "We doubt Mr. Trump has any appetite to send in the 82nd Airborne to occupy Gaza." Here's another idea: Instead of the 82nd Airborne, send in 10,000 United States Agency for International Development employees and their liberal programs. Perhaps that would encourage the Palestinians to relocate.

STEPHEN BORKOWSKI
Pittsburgh, Texas

A Year's Pay in Nine Months

Your editorial "Test Scores Fall, Unions Want More" (Feb. 7) points out the average California teacher made $101,084 last year, "not including the government's roughly $30,000 contribution to their pensions." Don't forget three other important perks: June, July and August.

DONALD M. ROBERTS
Tuxedo Park, N.Y.

The Grass Is Greener Outside Of the Green Mountain State

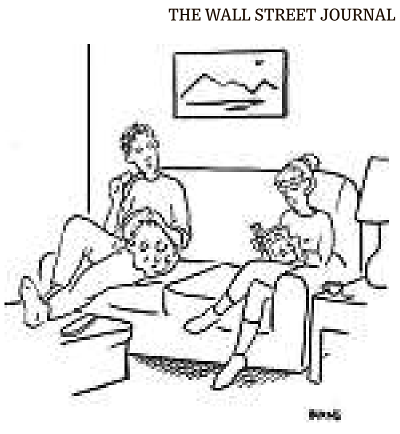
"Vermont's Population Boom Fizzled Fast" (U.S. News, Feb. 10) about why Vermont can't keep young working-age people is accurate. Housing is expensive and scarce, the cost of living is high and pay is low compared with more urban areas. But another reason why Vermont struggles to keep residents is its oppressive tax burden. We have a 6% sales tax and a progressive income tax. Meanwhile, property tax on our home last year went up by 16%. The state treats long-term capital gains as regular income, and it taxes Social Security. We rank fourth in the U.S. for the tax load imposed on our residents. Not only are working-age adults leaving but so are middle-class retirees—in droves.

CROCKER BENNETT
Hinesburg, Vt.

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Pepper ... And Salt

THE WALL STREET JOURNAL



"It means so much to me when you don't actually say what you're thinking."

OPINION

Biden DOJ Exposed the Deep State's Underbelly

By Tony Woodlief

Three days before President Trump's second inauguration, Joe Biden's Justice Department unwittingly handed him an opportunity to curb its abuse of federal power. The department has been using guidance—a form of agency communication that is, by law, supposed to clarify regulations, not make new ones—to coerce its enforcement targets. In its haste to enshrine this power in the federal code, the DOJ opened it to nullification under the Congressional Review Act. Lawmakers need to act quickly.

It's no secret that the Biden administration abused its power of guidance. In 2021 the DOJ introduced an interim rule rescinding Trump-era restrictions on guidance, which prevented federal agencies from using guidance to impose de facto binding obligations on individuals or entities. Because the DOJ is the enforcement arm for many federal agencies, its rules determine the coercive power these agencies wield. Ideologues at federal agencies used guidance to link school-lunch funding to schools' alignment with progressive gender and sexuality policies; to upend corporate defenses against environmental, social and governance proposals by activist shareholders; and to threaten school administrators with investigations if they didn't adopt race-conscious disciplinary practices.

Congress can block an 11th-hour power grab and stop it permanently with a simple majority vote.

Knowing that Mr. Trump would try to restrict these abuses in his second term, Mr. Biden's DOJ sought to place them outside the reach of executive orders. On Jan. 17, it made the 2021 interim rule permanent. But in doing so it exposed the policy to the Congressional Review Act, which gives lawmakers the authority to overturn recently enacted rules. Striking down a rule requires a majority vote in both chambers of Congress and either the president's signature or a veto override. When Congress and the White House come under the control of the opposing party, overturning the previous administration's last-minute actions becomes viable.

Perhaps Mr. Biden's DOJ thought it was insulating itself from the act by classifying the rule as a matter of "agency management or personnel," which falls outside its purview. But any member of Congress can request that the Government Accountability Office consider whether a regulatory action is subject to the Congressional Review Act. The powers the DOJ wants to preserve by enacting this rule apply to more than organizational charts and training manuals.

The Trump administration could reverse the Biden rule, but the job is better suited to Congress. An underappreciated benefit of striking down a rule via the Congressional Review Act is that it forbids agencies from resubmitting a "substantially" similar rule in the future, absent new authorizing legislation. When administrative-state aficionados eventually take back control of the White House, they'll have a hard time resurrecting extensive guidance power.

The justification Mr. Biden's DOJ gave for broadening guidance power is that the Trump-era restrictions were "unnecessary and unduly burdensome." The DOJ didn't care to be burdened, in other words, with understanding the burden their binding directives placed on Americans. Congress can send a clear message: The Justice Department works for the people—not the other way around.

Mr. Woodlief is a senior fellow in State Policy Network's Center for Practical Federalism.

JD Vance's Message at Munich

By Dominic Green

Vice President JD Vance's Friday speech at the Munich Security Conference was the most significant American address in Germany since 1987, when President Reagan declared: "Mr. Gorbachev, tear down this wall!" The U.S. saved Europe from itself three times in the last century, in World War I, World War II and the Cold War. Mr. Vance offered to save Europe from itself again. But this time, the cavalry won't be coming.

In Munich, a historic byword for appeasement, Mr. Vance issued a call to arms. The most worrisome threat to Europe, he said, isn't from Russia or China. It is "the threat from within." Really, this is a threat from above. Europe's governing class has eviscerated the "fundamental values" that Europe shares with the U.S. It has reneged on its military commitments to America and the North Atlantic Treaty Organization. It has opened its gates to mass immigration and Islamist terrorism. To evade the electoral reckoning, it censors, smears and suppresses the objections of the lawful majority: a "surefire way to destroy democracy."

Mr. Vance's Munich speech came three days after his equally devastating address at the Paris AI Action Summit. The European Union, he said, has fallen behind in tech development because it manages artificial intelligence through risk aversion and regulatory restriction. Mr. Vance called this a "terrible mistake" that America "cannot and will not accept." Europe's self-imposed incapacity will create markets for "autocratic governments" and technologies of repression. The alternative is to embrace the future with "optimism rather than trepidation."

Combine the two speeches and you have the classic American one-two. Economic and individual freedom support each other. Innovation, competitiveness and risk-taking are the natural partners of liberty, free speech and democracy. Europe should be the natural partner of the U.S. and a key link in the emerging American-led alignment. But Europe is divorced from reality. President Trump and Vladimir Putin's negotiations on ending the war in Ukraine will, like many recent heavyweight boxing bouts, be held in Saudi Arabia. While Mr. Vance was dispensing tough love in Europe, the president had more important things to do, such as hosting a state visit by Narendra Modi of India.

JOHANNES SIMON/GETTY IMAGES

He confronts a governing class that has abandoned the values America and the Continent share.

Friends don't let friends drift into the strategic twilight. Nor do they censor American social-media companies, as British and European politicians frequently threaten. They don't petition the legislature to ban their country's second most popular political party, as 124 German lawmakers did in January; or overturn election results, as recently happened in Romania; or, in a British case that Mr. Vance described, arrest people for silent prayer across the road from an abortion clinic. Liberalism was born in Britain. It will die there if this goes on.

The recent contraction of speech rights in the U.K. and Europe is as undeniable as its causes are obvious. No one voted for mass immigration or to dissolve freedom and national identity into an unelected bureaucracy in Brussels. No one chose to live in societies where keeping the peace means the return of de facto blasphemy laws amid constant irruptions of Islamist terrorism. When Europe's voters back parties that oppose out-of-control migration, official Europe calls them "far right." As Mr. Vance said in Munich, no democracy can survive "telling millions of voters that their thoughts and concerns, their aspirations, their pleas for relief, are invalid or unworthy of even being considered."

The Afghan asylum seeker who rammed his car into a crowd of union demonstrators in Munich the day before Mr. Vance spoke—killing a 2-year-old girl and her mother and injuring more than 30 people—made the vice president's argument for him. So did German Defense Minister Boris Pistorius, who said Mr. Vance's Munich speech was "not acceptable." Kaja Kallas, a vice president of the European Commission, accused Mr. Vance of "trying to pick a fight." Senior European diplomats were quoted calling the speech "mad," "dangerous," and "outrageous." While Britain's Labour leadership ducked from sight, a "government source" told London's Times that Mr. Vance was "bat s—."

Mr. Vance caused snobbish panic in all the right places. In reality, not all the gaps between Europe and the U.S. are as wide as the Atlantic Ocean. Defense spending in Europe has risen steadily since Barack Obama started complaining about "free riders" in NATO. A U.S.-Russian agreement on Ukraine offers a chance to rebind Russia and its energy sector to Europe under American supervision. On the other hand, the gap on China is wide and set to widen further. Germany is committed to a pro-China export policy, and the import of Chinese-made solar panels and electric cars is a European Union policy priority.

Another commonality between the U.S. and Europe is the popular search for what Mr. Vance called a "new direction." When Mr. Vance connected the dots among "end of history" vanity, swollen welfare budgets, speech controls and a willed failure to defend borders, he could have been describing his own country under the leadership of Mr. Obama and Joe Biden. Like Americans, Europeans are in revolt against illegal immigration, Islamism, rule by bureaucracy, judicial activism, media bias and government censorship. Europe's leaders fear this popular Atlanticism. Of course they want to censor it. The last thing they want is another American revolution.

But the people of Europe may get the deciding vote. They, not their failed rulers, are Mr. Vance's real audience. Like Reagan in 1987 and John F. Kennedy in 1963, Mr. Vance went to Germany to give hope to the beleaguered.

Mr. Green is a Journal contributor and a fellow of the Royal Historical Society.

Illiberalism Is Suffocating Europe

FREE EXPRESSION
By Gerard Baker

It took a certain chutzpah for Vice President JD Vance to lecture European leaders last weekend about their subversion of the old Continent's democracy. This from a man who endorses his boss's attempt to overturn the result of a legitimate presidential election, who lambastes restrictions on free speech in Britain but apparently can't find anything bad to say about Vladimir Putin's Russia, and whose administration, on the day Mr. Vance upbraided his hosts in Munich, was using the criminal justice system back home to blackmail the mayor of New York City into supporting its policies. The effect was a little like listening to Al Capone admonishing an associate for filing his tax return late.

But hypocrisy is the homage vice pays to virtue, and just because Mr. Vance smiles at his own team's trashing of democratic institutions and norms doesn't mean he's wrong about the state of European liberalism. The examples he cited of oppressive elites stifling opposition to their hegemony are valid and troubling. The way the law has been used, in the U.K. especially, to intimidate and punish dissent against the prevailing cultural and political order is disturbing.

In time-honored fashion, those elites in government and media blame "extremism" and "far-right" agitators when, having been excluded from mainstream public discourse, voters turn to political parties that do articulate their views. The reason parties like the Alternative for Germany (AfD) and Marine Le Pen's National Rally in France are surging is precisely because the opinions they represent—hostility to uncontrolled immigration, support for traditional social and religious values, rejection of environmental eschatology—have been delegitimized by mainstream parties.

You would have thought by now that political leaders would have grasped a basic reality of democratic politics—that you can't beat an argument by marginalizing or silencing it, and that when you try you only make the weakness of your own arguments all the more apparent.

All this adds new significance to Sunday's German federal elections. Riding the wave of popular resentment, Mr. Vance's new friends in the AfD seem set to achieve the party's highest share of the vote ever—perhaps over 20%—complicating further the usual messy process by which German coalitions are formed. The conservative Christian Democratic Union, likely to top the polls, has said it won't work with the AfD, regarded as a pariah. (While its leaders offer populist solutions to issues like immigration, the party includes a minority of neo-Nazi characters.)

That may well mean the only coalition capable of forming a majority in the Bundestag will be that between the CDU and the center-left Social Democrats, the increasingly discredited party of Chancellor Olaf Scholz.

Yet another stitch-up among elites like this will only feed the impression of the collusive illiberalism of Europe's establishment, but it will also underscore the much larger existential threat to the Continent: its chronic economic torpor.

Friedrich Merz, the CDU leader and likely new chancellor, talks a good game about revitalizing the moribund German—and by extension the European—economy. He has promised a tougher line on immigration, says he will rein in some of Germany's wilder green-energy regulations, and promises to lead an economic renaissance by eliminating red tape and rolling back an overweening state.

Political and economic repression gives a boost to populist parties like AfD and National Rally.

The economic gulf between Europe and the U.S. is widely known and getting wider; Europe lags behind not merely in demand growth but in the investment to bolster productivity, raise living standards and revive competitiveness.

To have any hope of lifting itself from its slump, Europe needs a dose of economic liberalism to free up its markets and more Continentwide economic integration to develop the sort of wide and deep capital and services markets that give the U.S. a huge advantage. The problem is that these two economic imperatives push in the opposite direction from the one in which political sentiment wants to drive the major European Union countries.

More market-driven dynamism means less regulation of labor, capital, goods and services. The EU's obsession with tight regulatory control of technology is a major factor behind the sclerotic state of its productivity.

While the economy demands more freedom to grow, voters live in an age of accelerating insecurity. They want more protection. Those populist parties are pushing not only to roll back the liberal establishment's ambit but to keep and even strengthen the costly social protections in labor markets, pensions, healthcare and education. Facing a highly uncertain future, rapidly advancing artificial intelligence, and geopolitical changes that have raised energy costs and eaten into export markets, they want more protection, not less.

The same problem holds true for the Continent's other economic need: greater integration and the removal of national barriers to investment and capital flows. Nationalist sentiment is ascendant and voters want to reinforce their national borders and economies after decades of ceding authority to the EU's centralized bureaucracy.

In Europe illiberal democracy and illiberal economics go hand in hand. The new populists won't give us one without the other.

Alaska's Sovereign-Wealth Example

By Mike Dunleavy

Juneau, Alaska

The first few weeks of President Trump's second administration have been marked by bold and innovative approaches to the challenges of government. From ground-breaking executive orders to the Department of Government Efficiency's swift, necessary and revealing audits of federal agencies, Mr. Trump has re-established himself as the change agent the Washington swamp desperately needs.

Now he is poised to do the same with the management and growth of America's wealth, and the country will be better for it if he does.

Last week Mr. Trump signed an executive order calling for the establishment of a sovereign wealth fund. While that sent people in Washington and beyond scrambling to look up what he was talking about, the news was welcomed by Alaskans. We've already seen the good this policy will do. A sovereign wealth fund is a government-owned investment fund that manages and builds public assets for the benefit of the nation.

Alaska already has a sovereign wealth fund. Established in 1976, the Alaska Permanent Fund is now valued at more than $80 billion. By using the state's wildly successful model, Mr. Trump can usher in a new era of prosperity and governmental innovation at the federal level.

Managed by a state-owned corporation, the Alaska Permanent Fund has become a global model and is seen as one of the most effective in the world. While the policy might seem foreign, the principles aren't; its existence and success stem from hardworking Alaskan sensibility and free-market principles.

Alaska got into the oil business relatively soon after becoming a state. Awash in newfound wealth, Alaskan policymakers realized that the profits created by our finite natural oil and mineral resources, though abundant, wouldn't last forever. So they decided to do what responsible people do: put some money away for future generations.

The way Alaska chose to do this was to develop our public lands for the benefit of our entire state. The Alaska Permanent Fund generates income from management of oil and mining royalties, which produce dividends for Alaskans. Rather than a mere distribution of taxpayer money, these dividends come from the prudent and profitable management of public resources. Through decades of successful and sustainable operations, Alaska has proved it is possible for government to apply free-market principles in managing public resources.

Mr. Trump should be applauded for looking at innovative ways both to expand our national wealth and to fund efforts at restoring America's greatness.

Sure, a great deal of America's natural resources are owned by the states. The bedrock principles of federalism pose some questions about what can, can't, will or won't go into a plan to build a sovereign wealth fund. But don't forget that America's federal land holdings are vast. Their resources and potential returns could generate untold wealth if we were to implement the Alaska model on a national scale.

The Bible's parable of the talents offers a valuable lesson for government, as it does for spiritual life. The good and faithful servant is the one who takes his employer's money and increases it, while the unfaithful one simply buries it in the ground. When it comes to America's abundant natural wealth, we face a similar choice.

As citizens, the federal government is our servant, and we don't have to be content with letting our public wealth stagnate. We don't do that in Alaska. With a federal sovereign wealth fund, Mr. Trump and his team have the opportunity to take what we have and multiply it into something of which all Americans can be proud.

Mr. Dunleavy, a Republican, is governor of Alaska.

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Big Banks Quiet DEI Mentions

Morgan Stanley, JPMorgan, Citigroup remove or water down language

By AnnaMaria Andriotis and Gina Heeb

U.S. banks are scaling back their public support for diversity and inclusion to avoid winding up in the crosshairs of a legal landscape increasingly hostile toward it.

Morgan Stanley, **JPMorgan Chase** and **Citigroup** are removing or watering down public language around efforts to promote or support diversity, equity and inclusion, or DEI, according to people familiar with the matter. **Wells Fargo** and **Bank of America** have also started to pore over their language, some of the people said.

The moves mark the beginning of a pullback from Wall Street's push into DEI, according to bank executives and lawyers, which came after the 2020 protests over the death of George Floyd, a Black man murdered by police. The banks are joining a retreat by many other big companies that have dialed back similar efforts, including **Ford**, **McDonald's** and **Walmart**. Tech giants such as **Meta Platforms** and **Alphabet**'s Google have done so, too.

More changes are in the works at banks in the coming weeks, when companies release their annual reports, proxies and other public filings. Banks have also launched audits of DEI policies, programs and events that could open them up to legal risks.

Executives' worries about DEI efforts increased after President Trump's executive order last month directing federal departments and agencies to launch civil investigations into the programs at companies.

JOHN TAGGART FOR WSJ
Banks have launched audits of DEI policies and programs.

Programs available only to certain races or that appear to give preferential treatment to them or other groups have been under particular scrutiny and are being adjusted to expand the audience.

Morgan Stanley in January deactivated a link for a college-scholarship and recruiting program its website described as being for members of groups that are "historically underrepresented in the financial services industry."

When the link goes live again, Morgan Stanley is likely to describe the program as being available to a wider array of applicants and tied more closely to economic need and other non-DEI factors, according to a person familiar with the matter. The bank has previously changed how it describes who can qualify for the program, the person said, including after a 2023 Supreme Court ruling that found race-based affirmative action in college admissions to be unconstitutional.

On Friday, JPMorgan released an annual report that evoked a very different tone about DEI from the previous year.

The country's largest bank barely addresses its DEI prac-
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China's Love Affair With Luxury Has Cooled

By Yoko Kubota

YOKO KUBOTA/WSJ
For months, a building in Beijing's trendy Sanlitun neighborhood has been wrapped with the LV logo without opening. Next to it stands a building wrapped in a Dior logo and on the other side a Tiffany-wrapped building. Neither is open.

SHANGHAI—Xie Weina used to buy luxury bags that cost $1,500 or more every couple of months. Last year, instead of bags, she spent about $2,800 on a gym membership and Pilates lessons.

"When people become rich, they feel that they need to use material things to fill themselves up to show that they are rich," said Xie, 45 years old. "But after reaching a certain level, they feel that they no longer need these things to show off."

Luxury's luster is fading in China. A sluggish economy, the austere political mood and the feeling among some consumers that pricey brands are passé have combined to end the boom that has propelled the industry in recent years.

Last year, China's luxury market shrank by about one-fifth from a year earlier, consulting firm Bain estimates. The industry leader, Louis Vuitton owner **LVMH**, said its fourth-quarter sales in Asia excluding Japan—a figure that mainly consists of China sales—dropped 11% year over year. At Gucci owner **Kering**, the same China-centered sales figure was down 24%.

"The period of hyper-exponential growth will no longer be here. It's going to be much more modulated," said Bain partner Weiwei Xing.

Analysts have pressed LVMH and Kering executives on whether the declines are cyclical or reflect a more fundamental change among Chinese consumers. Both Kering's François-Henri Pinault and LVMH's Bernard Arnault said they believed China would take a while to improve but the market would eventually recover.

Inside China, some brands are closing stores or taking a while to open new ones. Gucci has closed at least two stores in regional cities. For months, a building in Beijing's trendy Sanlitun neighborhood has been wrapped with the LV logo without opening. Next to it stands a building wrapped in a Dior logo and on the other side a Tiffany-wrapped building. Neither is open.

Foot traffic has dropped at shops, staff say. Store staff of some top-tier brands who previously brushed off inquiries are reaching out on chat apps to promote the latest deals, said Xie, the ex-bag aficionado.

Companies aren't giving up on China, which even in its diminished state remains one of their largest markets. In November, at an import fair in Shanghai, LVMH set up a big booth showcasing items from 14 brands, including a Louis Vuitton trunk with calligraphy-style work by a Chinese artist.

"Why do we choose to make this effort? It's very simple. Because we love China," said Marc-Antoine Jamet, LVMH's general secretary.

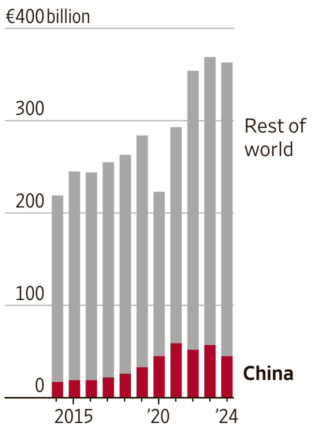
Anthony Ledru, the chief executive of Tiffany, an LVMH brand, said in January that in China, "the average price is one of the highest in the world—higher than in the United States, for example, higher than in Japan, and higher than in Korea."

In contrast to China, much of the world's appetite for luxury remains stable. U.S. sales rose slightly last year at LVMH. In 2020, China accounted for one-fifth of the global personal luxury goods market, but that dropped to an estimated 12% last year, Bain said.

Luxury brands are the latest Western businesses to suffer in China, alongside foreign carmakers, coffee chains and tech companies.

Some Chinese luxury fans
Please turn to page B2

Personal luxury-goods market



Note: 2024 is estimate. €1 = $1.05
Source: Bain

Southwest To Slash Corporate Workforce By 15%

By Alison Sider

Southwest Airlines is slated to shed 15% of its corporate workforce, eliminating about 1,750 jobs in an effort to cut costs and streamline the carrier's operations.

The cuts are a first for Southwest, which hadn't conducted a mass layoff in its 53-year history. They mark one of the most tangible signs of a shift in the airline's practices after a battle with activist investor **Elliott Investment Management** last year.

Even as rivals and companies across industries culled staff in tough times, the company avoided broad forced job cuts during recessions as well as after the Sept. 11, 2001, attacks, and during the pandemic. The record has been a point of pride among executives and engendered loyalty within its workforce.

But after a hiring spree in recent years, the airline—long known for keeping costs down—faced pressure from investors to rein in expenses. Even as travel surged, the air-
Please turn to page B2

Broadcom, TSMC Weigh Separate Intel Deals

Intel rivals **Taiwan Semiconductor Manufacturing** and **Broadcom** are each considering potential deals that would break the American chip-making company in two.

By Asa Fitch, Lauren Thomas and Yang Jie

Broadcom has been closely examining Intel's chip-design and marketing business, according to people familiar with the matter. It has informally discussed with its advisers making a bid but would likely only do so if it finds a partner for Intel's manufacturing business, the people said.

Nothing has been submitted to Intel, the people cautioned, and Broadcom could decide not to seek a deal.

Separately, TSMC has studied controlling some or all of Intel's chip plants, potentially as part of an investor consortium or other structure, according to people familiar with the discussions. Broadcom and TSMC
Please turn to page B2

An Ex-Rower Helped Make Nvidia a Giant

By Stu Woo and Raffaele Huang

REDWOOD CITY, Calif.—**Nvidia** had a problem: U.S. officials in 2022 began restricting what the chip company could sell to China, which then accounted for one-fifth of its sales.

To keep up its business there, Chief Executive Jensen Huang turned to a lieutenant, Jonah Alben.

Alben told his boss there was no time to design a completely new chip for China. Instead, his answer was to take Nvidia's top product at the time and reduce its performance to meet the U.S. rules—including by physically burning parts of the chip. Two months later, Nvidia began marketing the modified chip to Chinese customers.

Alben, 51 years old, leads engineering of one of the world's hottest product: computer chips for artificial intelligence.

"Nvidia wouldn't be Nvidia without Jonah," said Leo Tam, a former senior research scientist at the company. "He's as important to the company as Jensen is."

The job puts Alben at the center of the U.S.-China technology Cold War—with Chinese startups such as **DeepSeek** challenging industry leaders in the U.S. by using Nvidia's made-for-China chips. U.S. officials grumble that the chips push the limit of export controls, undermining efforts to hobble Chinese AI advancement for military purposes. Nvidia says it follows the law.

At the same time, Alben has to ensure that Nvidia keeps its overwhelming lead in AI chips for customers such as **Alphabet** and **Microsoft**—the edge that raised Nvidia's stock-market value above $3 trillion.
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INSIDE

For Used-Car Buyers, There Is No Relief Ahead for High Prices

By Christopher Otts

Used-vehicle shoppers are finding stubbornly high prices at the dealership lot—if they can find a car at all.

Prices for used cars and trucks rose 2.2% from December to January, while new-car prices were flat, according to the Labor Department. It was a significant factor keeping overall inflation stuck at 3%, raising questions about whether the Federal Reserve will cut interest rates this year.

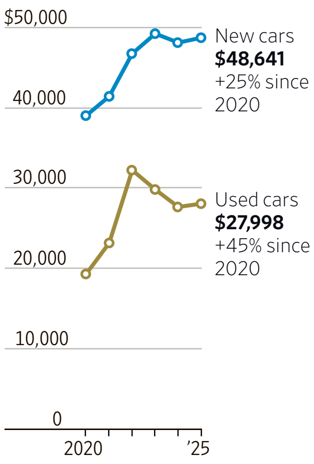
Prices on both new and used vehicles have come down from their 2022 peak, when vehicles were in short supply because of supply-chain problems. The inflation was more pronounced on used cars, though, and they remain pricier than they had been before the pandemic relative to new vehicles.

Car dealers and analysts say higher used-car prices will stick for a while. A number of factors are depressing inventory on preowned vehicle lots, likely extending a seller's market.

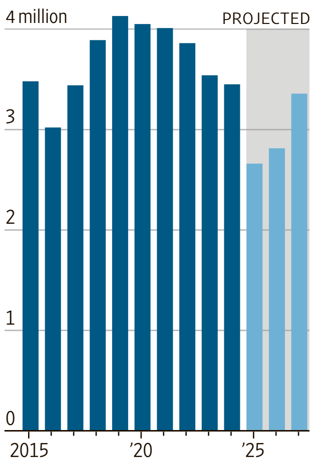
"It is hard to find used cars," Pete DeLongchamps, senior vice president at **Group 1 Automotive**—one of the U.S.'s biggest car-dealer groups—said at a Detroit conference this month. "It is gonna be like that for the next two years."

A big part of the problem traces back to the pandemic-
Please turn to page B2

Average prices for new and used cars*



Number of vehicles reaching the end of lease periods



*Average transaction price for new cars in January of each year; average wholesale price of 3-year-old cars in week six of each year
Source: Cox Automotive

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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

New 'Captain America' at No. 1

MARVEL/DISNEY/EVERETT COLLECTION

Latest Marvel film earned $100 million this long weekend.

Estimated Box-Office Figures, Through Monday

	Film	Distributor	Weekend* (Sales, in Millions)	Cumulative	% Change
1.	Captain America: Brave New World	Disney	$100.0	$100.0	—
2.	Paddington in Peru	Sony	$16.0	$16.0	—
3.	Dog Man	Universal	$12.6	$69.7	-9
4.	Heart Eyes	Sony	$11.0	$22.5	32
5.	Ne Zha 2	CMC Films	$9.1	$9.1	—

*Friday, Saturday and Sunday in North American theaters

Source: Comscore

BUSINESS & FINANCE

China Cools on Luxury

Continued from page B1

are making buying trips to Japan, where the cheap yen has made certain items relative bargains. Those excursions are making up for part, but not all, of the setbacks in China, according to Bain.

Shares of Kering have fallen by about one-third in the past year. LVMH shares fell by more than one-third from peak to trough last year before recovering recently.

Major European luxury brands started to enter China three decades ago. For the emerging middle class and upper classes, bags, belts, shoes and suits were an object of longing and a way to show off newly acquired wealth.

The luxury journey of Xie, the 45-year-old consumer, started in 2008 at Beijing's Shin Kong Place, a high-end mall. She had just received a year-end bonus of slightly more than $10,000 and, encouraged by a friend, decided to spend about $4,000 of it on a midsize Chanel CF handbag.

Xie called it a gift to herself after working hard for five years. "It was a testimony to my ability to make money," she said.

Over the years, Xie, who works for a labor arbitration company in Beijing, spent tens of thousands of dollars on dozens of handbags. She went on to purchase a Hermès Lindy bag, a Chanel wallet on a chain and a Louis Vuitton NéoNoé bucket bag, among others.

YOKO KUBOTA/WSJ

China's luxury market shrank by a fifth last year, Bain says.

Last year, Xie started focusing on fitness and now discusses lifestyle brands such as **Lululemon** and Arc'teryx with her friends.

She said luxury items were resonating with her less during China's economic slowdown. In her eyes, the products offered by European brands increasingly look similar, while some Chinese brands such as handbag maker Songmont offer decent quality and design for less money.

Yang Liu, a 32-year-old working in healthcare, said she has bought bags such as Gucci's Dionysus and Bulgari's Serpenti but lost her appetite for luxury during the pandemic and as her income dropped. She now uses canvas tote bags.

"I have become more rational in recent years," she said. "It's mainly about cost-effectiveness."

Around the globe, industry analysts say price increases have alienated some aspirational buyers. In the three years to 2022, the average price of high-brand luxury handbags in China rose more than 32%, according to data from Yaok Group, a Shanghai-based consulting firm.

Luxury brands are hoping for an influx of customers outside of the richest and most sophisticated Chinese cities, such as Beijing and Shanghai.

Richard Lin, an analyst at SPDB International, said China's luxury market had been largely fueled by the expansion of the middle class over the past decade.

"If the economy continues to deteriorate, we don't rule out the possibility that the size of China's middle class may shrink," he said.

—Grace Zhu contributed to this article.

Southwest Slashes Staffing

Continued from page B1

line's labor costs increased due, in part, to new agreements with unions, and other inflationary pressures have weighed on its profit margins.

Chief Executive Bob Jordan said cutting staff is a "difficult and monumental shift," but corporate overhead has been growing faster than the rest of the airline's operation.

"We must ensure we fund the right work, reduce duplicative efforts, and have a lean organizational structure that drives clarity, pace, and urgency," Jordan wrote in a message to employees.

Eleven senior leadership positions will be eliminated in the thinning of the corporate workforce. The airline estimated the restructuring will save $210 million this year and $300 million next year.

The cuts will take effect in late April and until then, the carrier said, most of the affected employees will continue to receive salaries, benefits and bonuses while not working. The cuts won't affect front-line workers such as pilots and flight attendants.

Southwest's cost-cutting is part of a turnaround plan that includes changes to its longstanding business model, such as assigning seats and selling rows with extra legroom.

Many of the new initiatives are aimed at drumming up more revenue by appealing to fliers with a taste for a fancier flying experience and those who have been turned off by the airline's hallmark open-seating policy.

But those changes won't start to pay off right away. Meanwhile, the carrier is slowing down its growth, pruning its network and embracing leaner operations to bolster its financial performance.

The airline last month said it would freeze hiring and promotions and pause most summer internships. It canceled rallies typically held in cities around its network to communicate with and celebrate far-flung employees—a tradition it has held for decades.

Broadcom, TSMC Eye Intel Deals

Continued from page B1

aren't working together, and all of the talks so far are preliminary and largely informal.

But the potential deals would have been unthinkable until Intel's recent struggles made it an acquisition target. The end result could be a breakup of Intel after the U.S. icon spent decades dominating the business of making central processors.

Splitting the company would bring it in line with a shift in recent decades toward specializing in either manufacturing or designing chips, but not both.

Frank Yeary, the interim executive chairman of Intel, has been leading the discussions with possible suitors and Trump administration officials, who are concerned about the fate of a company seen as critical to national security, people familiar with the matter said. Yeary has been telling individuals close to him that he is most focused on maximizing value for Intel shareholders, the people said.

Intel's struggles began when it fell behind TSMC in making the fastest chips with the tiniest transistors—a position that left it vulnerable to competitors which had chips made by TSMC on contract. And it failed in an ambitious turnaround bid under Chief Executive Pat Gelsinger, who was ousted in December.

Intel has started to separate its chip-manufacturing unit from the rest of the company in a series of moves some analysts viewed as precursors to a breakup.

The talks over Intel's factories are in their early stages, according to people familiar with the discussions. The Trump administration asked TSMC to explore the idea, the people said.

A White House official said the president was unlikely to support a deal that involved a foreign entity operating Intel's factories.

Aspects of the talks between TSMC and Intel as well as the Trump administration's involvement in them were previously reported by DigiTimes, Bloomberg and the New York Times.

Intel's board is searching for a new CEO whose mission may depend on what parts of the company are left to run. The board has hired recruiters **Spencer Stuart** to organize the search, which is now more than two months old, according to people familiar with the matter.

Amid a cost-cutting drive over the past couple of years, Intel has already shed numerous businesses and is in the midst of a process to unload a stake in its programmable-chip unit, called Altera. Intel bought Altera in 2015 for $16.7 billion.

Intel's factories in late 2022 began operating as though they were separate, taking orders from the company's chip-design teams on an equal footing with outside customers. It began reporting separate financial results for the factories last year and now plans to spin them into a subsidiary with its own operating board.

David Zinsner, the company's interim co-chief executive, said in an interview last month that the new structure would allow the company to bring in outside investors in the factories, including its customers and potentially private-equity firms.

Any deal involving TSMC and other investors taking control of Intel's factories would require signoff from the U.S. government. The Chips Act of 2022 established a $53 billion grant program for domestic chip-making, and Intel was the largest recipient of funding under it, getting up to $7.9 billion to support new factories in Ohio, Arizona and other locations in the U.S.

As part of that deal, Intel was required to maintain a majority share of its factories if they were spun off into a new entity, the company said in a regulatory filing.

Used-Car Prices to Stay High

Continued from page B1

era vehicle shortages. Three years ago, carmakers pulled way back on lease deals in favor of outright purchases, which generally are more profitable. Now there is a hangover effect: a shrinking pool of leased cars being turned in at the end of their terms, a main source of supply for used-car lots.

The number of vehicles coming back to dealers with expiring three-year leases will drop 23% this year, to a decade low, according to Cox Automotive. It isn't expected to bounce back until 2027, forecasts show.

"It is a massive contraction of that key segment of vehicles that gets put into the used-car marketplace," said Jeremy Robb, a Cox analyst who follows the used market.

Another factor contributing to tighter supplies: Lease customers are less likely to return their vehicles at the end of their term, Robb said. With used-car prices remaining sticky, the predetermined price to simply purchase the vehicle at the end of the lease is often a good deal relative to its market value.

The supply pinch has kept prices elevated. The average price of a three-year-old used car sold wholesale was nearly $28,000 in early February, up 45% from the same time in 2020, according to Cox data. The average price consumers paid for new cars rose 25% over that span, to $48,641.

New vehicles are widely available now that factories are humming again. Dealers had a 63-day supply of new cars on their lots or in transit to stores at the end of January, up from 26 days at the same time in 2022, according to research firm Wards Intelligence.

Meanwhile, used-car supply has tightened over the same period, to 48 days from 57 days, according to Cox.

Thin stocks and higher prices for preowned cars have coincided with higher interest rates and auto-insurance premiums, making it harder for consumers to afford the monthly costs associated with vehicle ownership.

Many consumers are opting to keep their older car longer instead of looking for an upgrade, said Tom Maoli, owner of Celebrity Motor Car, a dealership group based in New Jersey. "They are spending more money on repairs, but their monthly payments are less," he said.

Dealers have had to work harder, and in some cases pay more, to get used cars for their lots. Three-year-old cars are the lifeblood of so-called certified-pre-owned programs, in which manufacturers offer warranties and other assurances on used vehicles.

For **AutoNation**, a publicly traded dealer group, used-car supply "has continued to be a challenge," particularly for more-expensive models, Chief Executive Michael Manley told analysts last week.

One upshot for used-car shoppers who are trading in an old ride is that they might get paid more.

Group 1's DeLongchamps said earlier this month that his company's dealerships have wide latitude in their offers for trade-in cars so they can restock their preowned lots. "We would much rather overpay for a trade with a customer that we do business with every day," he said.

SCOTT OLSON/GETTY IMAGES

Prices for used cars and trucks are estimated to have risen 2.2% from December to January.

Western Tech Companies Avoid China

As tensions rise, some firms are moving production to other nations

By Liza Lin

For a growing number of Western tech companies, "Anything But China" is the order of the day.

In recent years, many multinationals decided they had become overreliant on suppliers in China, prompting them to pursue a so-called China Plus 1 strategy of augmenting China-based suppliers with those in other countries.

Now, with U.S.-China tensions soaring again, many tech businesses are accelerating moves to shift production out of China and look for suppliers elsewhere.

"Everybody is trying to look for an alternative to China," said Wong Siew Hai, head of the Semiconductor Industry Association in Malaysia, a destination for many tech companies leaving China. "Companies are redesigning their business. There's no more 'just-in-time' strategy. Some people call this new strategy 'just in case.' "

The trend is throwing up opportunities for countries in Asia and Latin America to move up the value chain. It is pushing Chinese suppliers to expand overseas at a faster clip, as many set up plants beyond their borders at the request of Western customers.

Unlike the first wave of diversification, when companies moved only the assembly of products outside of China, the current phase involves shifting factories making components such as sensors, printed circuit boards and power electronics, according to a recent report by S&P.

LIM HUEY TENG/REUTERS

Malaysia has become one popular destination for Western chip makers looking to safeguard their production.

Such moves involve heavy upfront investments in machinery and parts, making the relocation in supply chains away from China much more permanent, S&P analysts wrote.

China's Covid-19 lockdowns, which caused production snarls in everything from iPhones to cars, triggered a large exodus of Western companies from China to places such as Vietnam and India.

Since then, the battle between the U.S. and China over who holds the keys to the most critical technologies of the future accelerated the shift. Tech executives expect the return of President Trump to increase pressure to diversify away from China. Trump recently placed 10% tariffs on all Chinese imports and has threatened even higher levies.

The "Anything But China" trend is particularly pronounced in products linked to semiconductors, the product at the heart of the U.S.-China tech friction. Over the past two years, Washington banned China's access to the most cutting-edge chips and equipment, while China pushed hard to develop its own chip alternatives.

China was previously one of the biggest hubs for global server production. But since the U.S. restricted artificial-intelligence chips from being exported to China in October 2022, AI servers are increasingly assembled in places such as Mexico and Malaysia.

Chip toolmakers and their suppliers are also unwinding their reliance on the country. **Applied Materials** and **Lam Research** are uprooting Chinese companies from their direct supply chains, spurred on by U.S. government pressure.

Advanced Energy Industries, which makes power systems and other components used in semiconductor production, said last month that it would shut its third and last factory in China by July. The company, based in Denver, has been moving production from China to the Philippines and Mexico over the past two years, its Chief Executive Stephen Kelley said.

"A large part of that is due to our customers not wanting us to manufacture in China," he said. A spokesman for the company said the move was part of its plan to close underused factories and improve margins.

In an annual survey by the American Chamber of Commerce in China, 30% of the more than 360 respondents said they were considering or had begun moving to alternative places for manufacturing. About one-quarter of tech and research-and-development companies said they started to shift supply chains out of China.

Southeast Asia, a region with similar labor and energy costs to China, is booming as Western tech companies move production and assembly of their most advanced chips, AI servers and consumer devices there.

Chip makers **Intel**, **Infineon Technologies** and **Micron Technology** poured billions into facilities in Malaysia and Singapore. Palo Alto, Calif., laptop maker **HP** added production sites in Thailand to assemble portable computers over the past three years. Factories in the Malaysian state of Penang now churn out state-of-the-art AI servers.

This led Malaysian exports of semiconductors, computers and other electronic products to hit a record $137 billion in 2024, with a large expansion of exports to the U.S.

As of 2023, China produced almost all of the world's notebook computers. This year, research firm TrendForce estimates the country's share of global production to fall to 80%, with Vietnam and Thailand producing an increasing number of laptops. Thai laptop exports jumped almost eightfold over the past four years.

In December, AI chip giant **Nvidia** said it would open a research and development center in Vietnam.

Santa Clara, Calif.-based **Marvell Technology**, which designs high-end chips used in auto and cloud-computing sectors, is seeking to tap the pool of engineering talent in Vietnam, said Quang-Dam Le, the general director at the semiconductor maker's Vietnam unit. Marvell grew its workforce in Vietnam from 300 to almost 470 engineers over the past year and expects to grow headcount by 20% annually in the coming years, Le said.

Meta's AI-Powered Ray-Bans Help Blind Navigate Life

By Sarah E. Needleman

After Allison Pomeroy lost most of her vision two years ago, her husband began reading menus, signage and other text out loud to her. He doesn't need to anymore.

Pomeroy, 49 years old, recently bought a pair of Ray-Ban Meta smart glasses, and now a voice inside them does all those things for her and more—from helping her get dressed and prepare meals to sorting laundry and reading books to her 3-year-old granddaughter. She also frequently uses the glasses to get the time of day and current temperature outside the couple's Warsaw, Ind., home.

"I depend on them so much," said Pomeroy, adding that she finds herself saying "Hey Meta"—the prompt used to access the glasses' AI assistant—even when they aren't on her face.

Facebook parent **Meta Platforms** didn't design its souped-up glasses specifically for the visually impaired. But a growing group of blind users like Pomeroy are finding the devices to be more of a life-enhancing tool than a cool accessory for gadget geeks.

"It's giving significant accessibility benefits at a price point people can afford," said Jonathan Mosen, an executive director at the National Federation of the Blind, a nonprofit in Baltimore. "We would like to see Meta continue to invest in this."

Meta's glasses initially struggled to gain traction with users but have since grown in popularity. They are an important part of the company's hardware strategy and were promoted in a commercial during the Super Bowl. Still, Meta's Reality Labs unit, which oversees the product as well as its virtual- and augmented-reality goggles, reported losses of nearly $5 billion in the fourth quarter.

At a recent employee meeting, Meta CEO Mark Zuckerberg said the company sold more than one million units of its Ray-Bans in 2024, according to a recording of the meeting reviewed by The Wall Street Journal. Research firm IDC says Meta leads the U.S. smart-glasses market, followed by **Amazon.com**.

Made in collaboration with Italian eyewear giant **EssilorLuxottica**, Meta's Ray-Bans come with a camera, microphones and an artificial-intelligence assistant capable of identifying objects, answering questions and more. They retail for around $300—slightly more than the cost of most other smart glasses meant for the general public—and they look ordinary, an appealing characteristic for folks who don't want to draw attention to a disability.

DJ POMEROY

Alison Pomeroy, with husband DJ, uses her Ray-Ban Meta smart glasses to read menus, signage and other text to her.

Some critics say blind users face risks in using smart glasses that weren't intended to be a health product. John-Ross Rizzo, a professor at New York University's School of Medicine who is blind and whose research covers assistive technology, said more studies are needed when using off-the-shelf gadgets to ensure safety for users.

About seven million people have impaired vision in the U.S., including one million who are blind, according to the Centers for Disease Control and Prevention.

Mosen, the nonprofit executive, is blind and owns a pair of Meta's glasses. He has used them a few times to record video of ride-share drivers refusing to give him and his wife a ride because she travels with a guide dog. Denying rides to people with service animals is illegal in many countries, including the U.S.

Another concern for blind users is that AI assistants in general are prone to making errors, or so-called hallucinations, which may not be apparent. Aaron Preece, who is blind and editor in chief of American Foundation for the Blind's AccessWorld magazine, said Meta's glasses recently failed to correctly read the number on the door to his home.

"I just can't trust it," he said. "It's more of a novelty than something I'd use on a day-to-day basis."

Leaning on any kind of general-purpose technology for health-related support can potentially be dangerous, warned NYU's Rizzo. For example, blind people wearing any kind of smart glasses might become distracted while listening to an AI agent provide feedback, taxing their cognitive reserve, and ultimately increasing their susceptibility to an accident, he said.

"If we're using these as medical devices, we really need to understand more," said Rizzo.

Freddy Abnousi, vice president of health technology at Meta, said the company tries to build products with accessibility in mind, though he didn't predict the impact its Ray-Bans would have on visually impaired people. Once he and other employees started hearing from such users and their supporters, accessibility-use cases became increasingly apparent.

One caller stood out: Mike Buckley, a former Facebook executive who is now CEO of Accessibly, a free smartphone app called Be My Eyes that connects people with low vision through video calls to sighted volunteer helpers. It has more than 770,000 users.

Buckley pointed out that Meta's Ray-Bans could be more helpful to the visually impaired if it supported Be My Eyes because they would no longer need to hold up their phones to show what is in front of them. Software engineers from both companies worked together to integrate the app. They also recruited hundreds of blind and low-vision users for beta testing. The app launched on the glasses in November.

As U.S. Sales Fall, Companies Struggle to Find Right Price

By Natasha Khan

Shoppers are getting more difficult to please. Confronted with falling sales, makers of cigarettes, potato chips, cosmetics and garbage bags are re-examining what they offer—and at what price.

Reynolds American is trying to reach low-income smokers with a more-affordable pack of Newport cigarettes. **PepsiCo**, maker of Cheetos and Doritos, is playing around with how many servings of chips it includes in a multipack. **Estée Lauder** is trying to turn around its sales slump with a plan that includes developing new products across its cosmetics portfolio, which ranges from $25 lipsticks to perfumes that sell for over $1,000.

"Our intent...is to meet the consumer where they are with the right product, but also at the right price point," Estée Lauder's new chief executive, Stéphane de La Faverie, told analysts this month.

Consumers are on edge. Tariff threats, stock-market swings and whipsawing directives from the White House are causing Americans to feel more pessimistic about the economy than they did before President Trump took office. Consumer sentiment fell about 5% in the University of Michigan's preliminary February survey to its lowest reading since July 2024.

Many consumers are looking for good value, but that doesn't necessarily mean a lower price.

"They are looking for better and enhanced value in the products, which means they are trading up to innovation," Linda Rendle, CEO of **Clorox**, said on a call with analysts this month.

Clorox is marketing stronger Glad trash bags and more-concentrated Pine-Sol cleaner as ways for shoppers to get better value. Depending on how recently their paychecks cleared, some consumers might choose a larger size to get the best cost per use, while others might size down to spend less cash. The goal is to provide a range of options, Rendle said.

There is a widening gap in the spending ability of lower-income and higher-income shoppers. People with more-limited budgets are having to work harder to make ends meet.

"When we talk to consumers, value is the No. 1 decision maker," PepsiCo CEO Ramon Laguarta told analysts this month. The company's North American snacks business, which makes Doritos, Cheetos and Lay's potato chips, reported a 3% drop in sales volume in the quarter ended Dec. 28.

The company is working on a greater range of package sizes to serve shoppers at different times of the month, when they may have more or less cash on hand.

GABBY JONES/BLOOMBERG NEWS

Doritos maker PepsiCo is working on a greater range of package sizes to serve shoppers at different times of month.

For example, PepsiCo will sell multipacks with as few as six or eight bags of chips, an option that could appeal to a cash-strapped shopper at the end of the month, Laguarta said.

The company's multipacks typically contain 18 or more bags of chips. PepsiCo also is introducing a single-serve bag of chips for under $1, Laguarta said.

Estée Lauder, meanwhile, is considering how to attract customers with $200 jars of moisturizing cream and $34 eye-shadow sticks.

The company this month said it would cut up to 7,000 jobs and warned that it expected sales to fall 10% to 12% in the quarter that ends March 31. The maker of MAC, Clinique and Tom Ford has been struggling with weak demand, including markets in Asia and North America.

The CEO, de La Faverie, said the company hadn't fueled acquisition of new consumers aggressively enough.

"We will innovate across price tiers from entry prestige to luxury, making sure to bring products to market at attractive price points" to attract new consumers, he said. "You are going to see a lot more innovation coming."

Australian Steelmaker Seeks Tariff Reprieve

BlueScope recorded 59% drop in first-half profit on lower prices, higher cost

By Rhiannon Hoyle

The chief executive of Australian steelmaker **BlueScope** was in Washington a week ago with a message for lawmakers on tariffs: Please spare us.

Melbourne-based BlueScope, the fifth-largest steel producer in the U.S., got an exemption from President Trump during his first term when the U.S. began punishing steel imports in 2018 and hopes to again win a reprieve from duties on its shipments of Australian-made steel to the U.S.

BlueScope's argument: The product it ships to the U.S. goes to its own operations, where BlueScope adds a significant amount of value before it is sold to customers. It is the only Australian steel exporter to the U.S.

"The tariff exposure we have is from this material that goes to our West Coast business where we add significant value to it," Mark Vassella told The Wall Street Journal on Monday. "We metal-coat it, we paint it—we effectively produce a new product."

Trump last week said 25% tariffs on imports of steel and aluminum to the U.S. would be imposed next month, including on allies such as Australia. The tariffs are part of a structural change to the country's trade system that the president promised on the campaign trail.

The U.S. steel industry is divided by the Rocky Mountains. If BlueScope couldn't import cold or hot rolled coil from Australia, then its California plant would have to transport it through the mountain range from its Ohio steelworks at roughly three times the cost, said Vassella.

BlueScope has yet to decide whether it would bear the cost of tariffs on its shipments or try to change where it sources its steel if it doesn't secure an exemption.

"Obviously we would do what we have to do in terms of the profitability of the business," he said.

Vassella's remarks came after BlueScope last Monday reported a 59% drop in first-half profit because of lower steel prices and higher costs.

The company also said it had deferred a proposed $1.2 billion investment in cold rolling and metal coating in the U.S. Vassella said that decision reflects the uncertainty in the U.S. industry today.

BlueScope wants to have a clear picture of how the industry might be reshaped by the policies of the Trump administration before proceeding with such a large investment, Vassella said. He said he continues to have a very positive view on the U.S. steel market.

"There's certainly no change in strategy for us in terms of continuing to invest in the U.S. market where it makes sense," Vassella said. BlueScope doesn't "want to commit too early," however, when other opportunities, including possible acquisitions, may emerge, he said.

For BlueScope, boosting its U.S. operations was part of a strategy plotted in 2007 to diversify from its home market. Since then, the steelmaker has made the U.S. a focus for growth and continued to predict a strong outlook for American steel demand, driven by construction and autos.

BlueScope's U.S. operations employ about 5,000 and include a steel mill in Delta, Ohio, that produces roughly 3 million metric tons a year.

The company is working on a $130 million project to increase output at that operation, called North Star, by 10%. A recently completed initial expansion there increased output by nearly 50%.

That business is well placed to benefit from the planned tariffs, which should support U.S. steel prices, Vassella said.

BlueScope, which also runs recycling and other businesses in the U.S., has operations in 16 states.

Vassella said he and corporate affairs Executive Vice President Gerry Tidd met with a number of local representatives while in Washington to argue their case on tariffs. Australian officials also have been calling for an exemption.

The steel tariffs, however, likely won't be easily negotiated away by foreign governments, The Wall Street Journal previously reported. "No exceptions, no nothing," Trump said when announcing the tariffs.

BlueScope ships between 200,000 and 300,000 tons of steel to the U.S. each year.

"It was really just about representing, again, our case: the investment we're making, the people we have there, the value we're adding," said Vassella.

He also highlighted the U.S. trade surplus with Australia, which was seen to have helped BlueScope's argument in 2018. Trump frequently uses bilateral trade balances as a barometer of the U.S. economic relationship.

The feedback from meetings in Washington was positive, he said.

Vassella said BlueScope has been very careful to monitor and manage its shipments to the U.S. from Australia since the 2018 tariffs took effect.

"So we're hopeful that the argument will resonate again but we're very respectful and mindful that, whilst it's Mr. Trump again, it's a different administration," he said. "We'll obviously adhere to their decision, but we continue to put our best foot forward and argue the case for Australia and for our role as a steelmaker in the U.S."

BRENT LEWIN/BLOOMBERG NEWS

An Australia BlueScope facility. The company got an exemption during Trump's first term.

Tencent Shares Rise on Tests of DeepSeek Model

By Sherry Qin

Chinese technology giant **Tencent Holdings** began tests to integrate homegrown startup **DeepSeek**'s artificial-intelligence model into its Weixin messaging app, sending shares of the social-media and videogame company to their highest level since 2021.

Tencent recently started testing access to DeepSeek's AI model for searches in Weixin, in addition to its own Hunyuan model, allowing some users to click on AI Search on the search bar within the app, a Tencent spokesperson said Monday.

The function isn't currently available in WeChat, the overseas version of the app. Weixin and WeChat had a combined 1.38 billion monthly active users at the end of September.

Weixin is known as an everything app in China, offering messaging, payments and many other services on one platform. Users can play games, order food, hail a ride, send each other cash and book travel, all without leaving the app.

Jefferies analysts described the testing as "an important milestone for Weixin in becoming an AI superapp/agent in the future" in China.

Weixin stands out from other AI-powered consumer-facing apps thanks to its vast user base, daily use time and diverse engagement enabled by scenarios through its mini programs, the analysts said in a research note.

Shares of Tencent, China's largest public company by market capitalization, rose 4% in Hong Kong Monday as it became the latest tech player seeking to capitalize on DeepSeek's low-cost yet powerful model.

Chinese AI company DeepSeek emerged seemingly out of nowhere last month. DeepSeek has touted its latest AI model, R1, as being particularly good at problem solving, performing on par with OpenAI's o1 reasoning model but at a fraction of the cost per use.

Over the past few weeks, Chinese companies from software makers to telecommunication providers have rushed to deploy DeepSeek's model. Chinese tech-related stocks have gotten a lift on hopes that DeepSeek's breakthrough will power business growth.

Raymond Ma, Invesco's chief investment officer for Hong Kong and mainland China, said the benefits brought by DeepSeek could "lead to a rerating of Chinese stocks."

Goldman Sachs estimated that the Chinese AI story could attract as much as $200 billion of net buying to the stock market.

Tencent also has long been developing its own AI model, called Hunyuan. It said one version released in November delivered performance comparable with **Meta Platforms**' Llama 3.1. According to some researchers, Tencent might have required about one-tenth of the computing power Meta used to train the model.

Shares of Tencent have risen some 70% over the past year, thanks to the resurgence of its videogame business, and, more recently, optimism over China's AI advancements. That came despite the stock suffering one of its worst selloffs in years in early January after the U.S. added the tech company to a Pentagon list of businesses with alleged ties to the Chinese military, an inclusion the company said was a mistake.

WANG ZHAO/AFP/GETTY IMAGES

Tencent's booth at a 2023 AI conference in Shanghai. Shares of the company finished up 4% in Hong Kong on Monday.

Ex-Rower Turned Chip Engineer

Continued from page B1

Those who know Alben say his success comes from diving into the technical weeds, pushing the boundaries of rules and echoing the ultra-competitive nature of his boss of 28 years, the leather-jacket-wearing Huang.

Nvidia declined to make Alben available for an interview.

One of dozens of executives who report directly to Huang, Alben leads some 1,000 engineers as the company's longtime head of engineering for graphics processing units. Even in a Nvidia office with some of the smartest Ph.D.s, what stands out to his former and current colleagues is the intellect of Alben, who stopped at a master's degree. Also impressive, they say, is his ability to manage that collection of brains.

It is a skill Alben credits to the years he spent sitting on the stern of a boat, a skinny fellow barking orders at eight men each double his size.

While attending Stanford in the 1990s, Alben did crew. In his role as coxswain, he led practices on a creek in nearby Redwood City and directed the rowers when to drive harder during races.

One tactic pushed rowers to their limits, at least the first time he tried it.

"Jonah was known for calling the last 200 meters when there were 350 to go," said former teammate Martin Schwartz.

Rowing rules stated that coxswains weighing under 125 pounds had to make up the difference by carrying sandbags on the boat. But Alben, who tipped the scales at 117, didn't want to carry an ounce more than necessary.

So on race mornings, say teammates, he chugged 8 pounds of water—about one gallon. Then he held it in until weigh-in and, before the regatta started, urinated it all out.

"Jonah did stand out to me as being somebody who was unusually capable of and willing to be carried onto the scale," said former teammate Daniel Bergstresser, "in a state of almost popping."

Alben, who grew up in Schenectady, N.Y., took his Stanford experience to Nvidia in 1997. He made a quick impression. "In 20 years I expect I'll be working for Jonah," Huang said at a staff meeting in Alben's early days, according to a recent book about the company by journalist Tae Kim.

Sasha Ostojic, who a decade ago ran the team that designed software for Alben's hardware, said Alben was at his best when technical challenges arose.

One time, when a graphics chip in development wasn't displaying movies properly, Alben met Ostojic and another co-worker to troubleshoot the issue.

"Jonah just comes in and says, 'Let's just look into the code line by line,'" Ostojic said. "Jonah was driving the situation: What does this do? What does that do?"

The three eventually solved the problem without triggering the worst-case scenario: a hardware fix. "If he makes a wrong move, he could set Nvidia back by six to 12 months," Ostojic said.

The attention to technical details also is prized by Huang, a former table-tennis prodigy who has attended conferences simply to learn. His theory is that company executives must immerse themselves in leading-edge research to understand where the market is going.

Alben agrees. Asked in a company podcast in 2020 how he would describe his job, he said: "You try to figure out what the future should look like."

It can take three years to develop Nvidia's next cutting-edge chip. Alben said he made his best guess at what customers would want by speaking often with Nvidia's in-house AI researchers.

Nvidia chips were originally designed to generate graphics in videogames and other programs. Then, in the early 2010s, the company realized these kinds of chips were also ideal for training AI and solving new problems—which surprised even Alben.

He said he remembered the moment when he realized the chips he was engineering had more potential than he ever imagined: He read a paper about a researcher using a graphics processing unit to simulate how the human nose smells.

"There was no salesperson from Nvidia that had ever called up that researcher to try to sell a GPU to him for that," Alben said in the podcast. "That has stuck with me as the first time I was like, OK, this isn't just for the three problems that were listed on our to-do list."

NVIDIA

Jonah Alben

MARKETS DIGEST

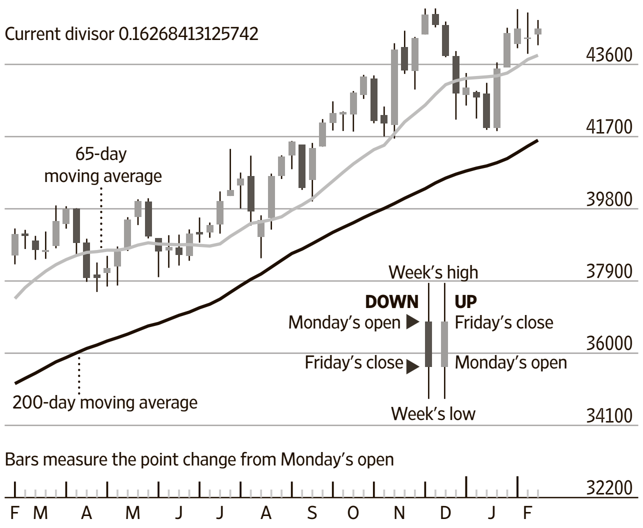
Dow Jones Industrial Average

44546.08 ▲242.68, or 0.55% last week

High, low, open and close for each of the past 52 weeks

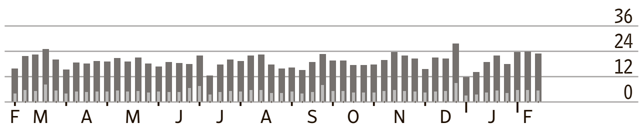
	Last	Year ago
Trailing P/E ratio	26.76	25.66
P/E estimate *	20.58	18.49
Dividend yield	1.83	1.93
All-time high	45014.04, 12/04/24	

Current divisor 0.16268413125742



Bars measure the point change from Monday's open

NYSE weekly volume, in billions of shares



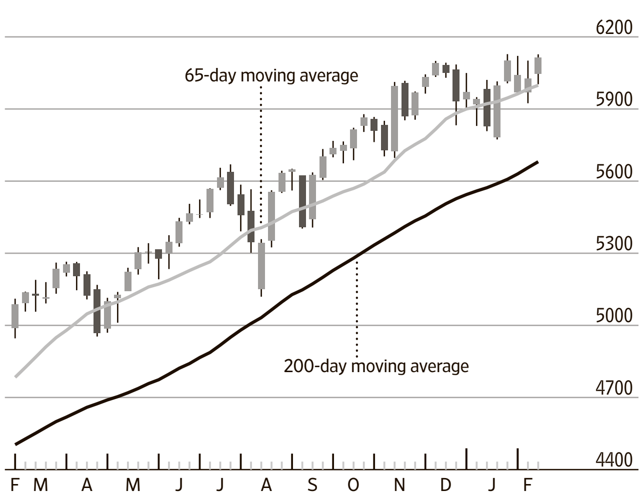
*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

S&P 500 Index

6114.63 ▲88.64, or 1.47% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	25.65	22.85
P/E estimate *	22.47	22.79
Dividend yield *	1.23	1.49
All-time high	6118.71, 01/23/25	



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Major U.S. Stock-Market Indexes

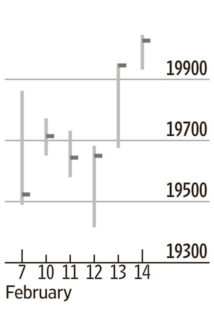
	Latest Week					52-Week				% chg	
	High	Low	Close	Net chg	% chg	Low	Close (●)	High	% chg	YTD	3-yr. ann.
Dow Jones											
Industrial Average	44769.05	44104.48	**44546.08**	242.68	**0.55**	37735.11		45014.04	**15.3**	4.7	**8.8**
Transportation Avg	16622.97	16144.04	**16606.53**	459.34	**2.84**	14781.56		17754.38	**6.3**	4.5	**3.2**
Utility Average	1019.69	990.87	**1006.28**	9.22	**0.92**	832.73		1079.88	**19.2**	2.4	**3.1**
Total Stock Market	60921.92	59656.02	**60790.36**	793.39	**1.32**	49376.46		60885.79	**21.7**	4.1	**10.8**
Barron's 400	1311.92	1286.76	**1305.58**	1.99	**0.15**	1087.14		1356.99	**19.0**	4.3	**9.0**
Nasdaq Stock Market											
Nasdaq Composite	20045.76	19415.48	**20026.77**	503.37	**2.58**	15282.01		20173.89	**26.9**	3.7	**13.2**
Nasdaq-100	22139.43	21454.19	**22114.69**	623.38	**2.90**	17037.65		22114.69	**25.0**	5.2	**15.7**
S&P											
500 Index	6127.47	6003.00	**6114.63**	88.64	**1.47**	4967.23		6118.71	**22.2**	4.0	**11.6**
MidCap 400	3222.40	3151.45	**3198.61**	-7.99	**-0.25**	2807.96		3390.26	**13.1**	2.5	**6.7**
SmallCap 600	1443.31	1411.71	**1429.84**	-1.47	**-0.10**	1241.62		1544.66	**9.6**	1.5	**3.3**
Other Indexes											
Russell 2000	2297.71	2240.51	**2279.98**	0.27	**0.01**	1942.96		2442.03	**12.2**	2.2	**4.1**
NYSE Composite	20239.27	19955.46	**20130.49**	91.00	**0.45**	17340.17		20272.04	**15.6**	5.4	**6.8**
Value Line	628.83	615.61	**624.42**	0.81	**0.13**	568.94		656.04	**5.7**	2.2	**-0.3**
NYSE Arca Biotech	6152.27	5919.13	**6089.46**	-22.27	**-0.36**	4861.76		6318.63	**18.8**	6.0	**6.6**
NYSE Arca Pharma	986.80	964.15	**964.83**	-20.72	**-2.10**	912.71		1140.17	**-4.8**	3.3	**7.3**
KBW Bank	139.81	136.15	**138.92**	-0.63	**-0.45**	95.03		140.59	**45.6**	9.0	**-0.3**
PHLX§ Gold/Silver	167.91	160.95	**161.18**	0.16	**0.10**	102.94		175.74	**49.4**	17.5	**5.5**
PHLX§ Oil Service	74.90	72.47	**73.14**	1.205	**1.68**	68.88		95.25	**-9.7**	0.7	**3.0**
PHLX§ Semiconductor	5176.33	4992.52	**5160.94**	151.60	**3.03**	4306.87		5904.54	**14.0**	3.6	**15.3**
Cboe Volatility	17.18	14.74	**14.77**	-1.77	**-10.70**	11.86		38.57	**3.7**	-14.9	**-19.5**

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

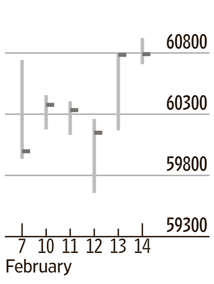
Nasdaq Composite

▲ 503.37, or 2.58% last week



DJ US TSM

▲ 793.39, or 1.32% last week



International Stock Indexes

Region/Country	Index	Latest Close	Net chg	% chg	YTD % chg
World	**MSCI ACWI**	**885.32**	1.08	**0.12**	5.2
	MSCI ACWI ex-USA	**349.52**	1.26	**0.36**	7.3
	MSCI World	**3902.14**	3.27	**0.08**	5.2
	MSCI Emerging Markets	**1130.61**	5.38	**0.48**	5.1
Americas	**MSCI AC Americas**	**2307.58**	−0.11	**−0.005**	4.3
Canada	**S&P/TSX Comp**	**25483.23**	...	**Closed**	3.1
Latin Amer.	**MSCI EM Latin America**	**2121.64**	1.64	**0.08**	14.5
Brazil	**Bovespa**	**128552.13**	333.54	**0.26**	6.9
Chile	**S&P IPSA**	**3917.13**	−30.19	**−0.76**	8.4
Mexico	**S&P/BMV IPC**	**54291.64**	213.70	**0.40**	9.7
EMEA	**STOXX Europe 600**	**555.42**	3.01	**0.55**	9.4
Eurozone	**Euro STOXX**	**563.43**	3.18	**0.57**	11.5
Belgium	**Bel-20**	**4402.31**	5.73	**0.13**	3.2
Denmark	**OMX Copenhagen 20**	**2010.63**	23.04	**1.16**	−4.4
France	**CAC 40**	**8189.13**	10.59	**0.13**	11.0
Germany	**DAX**	**22798.09**	284.67	**1.26**	14.5
Israel	**Tel Aviv**	**2492.42**	−8.79	**−0.35**	4.1
Italy	**FTSE MIB**	**38327.72**	350.13	**0.92**	12.1
Netherlands	**AEX**	**948.54**	1.93	**0.20**	8.0
Norway	**Oslo Bors All-Share**	**1706.42**	0.76	**0.04**	3.7
South Africa	**FTSE/JSE All-Share**	**88399.57**	−317.56	**−0.36**	5.1
Spain	**IBEX 35**	**13016.90**	60.90	**0.47**	12.3
Sweden	**OMX Stockholm**	**1053.63**	7.55	**0.72**	10.4
Switzerland	**Swiss Market**	**12875.08**	35.21	**0.27**	11.0
Turkey	**BIST 100**	**9836.49**	−41.10	**−0.42**	0.1
U.K.	**FTSE 100**	**8768.01**	35.55	**0.41**	7.3
U.K.	**FTSE 250**	**20938.68**	25.67	**0.12**	1.5
Asia-Pacific	**MSCI AC Asia Pacific**	**189.27**	1.22	**0.65**	4.2
Australia	**S&P/ASX 200**	**8537.10**	−18.71	**−0.22**	4.6
China	**Shanghai Composite**	**3355.83**	9.11	**0.27**	0.1
Hong Kong	**Hang Seng**	**22616.23**	−4.10	**−0.02**	12.7
India	**BSE Sensex**	**75996.86**	57.65	**0.08**	−2.7
Japan	**NIKKEI 225**	**39174.25**	24.82	**0.06**	−1.8
Singapore	**Straits Times**	**3904.85**	27.36	**0.71**	3.1
South Korea	**KOSPI**	**2610.42**	19.37	**0.75**	8.8
Taiwan	**TAIEX**	**23505.33**	352.72	**1.52**	2.0
Thailand	**SET**	**1256.48**	−15.62	**−1.23**	−10.3

Sources: FactSet; Dow Jones Market Data

Commodities and Currencies

	Monday Close	Net chg	% Chg	YTD % chg
WSJ Dollar Index	**101.02**	-0.10	**-0.09**	-1.69
Euro, per dollar	**0.9537**	0.0006	**0.07**	-1.24
Yen, per dollar	**151.51**	-0.80	**-0.52**	-3.63
U.K. pound, in dollars	**1.26**	0.004	**0.31**	0.89

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	**1076.98**	15.61	**1.47**	5.34
FTSE/CC CRB Index	**312.08**	4.56	**1.48**	5.18
Crude oil, $ per barrel	**70.74**	-0.26	**-0.37**	-1.37
Natural gas, $/MMBtu	**3.725**	0.416	**12.57**	2.53
Gold, $ per troy oz.	**2883.60**	16.30	**0.57**	9.68
U.S. Dollar Index	**106.79**	-1.25	**-1.15**	-1.56
WSJ Dollar Index	**101.12**	-0.90	**-0.88**	-1.59
Euro, per dollar	**0.9531**	-0.0150	**-1.55**	-1.31
Yen, per dollar	**152.30**	0.90	**0.59**	-3.12
U.K. pound, in dollars	**1.26**	0.0184	**1.48**	0.58

	52-Week Low	Close (●)	High	% Chg
DJ Commodity	936.51		1079.94	**13.94**
FTSE/CC CRB Index	265.48		313.43	**14.49**
Crude oil, $ per barrel	65.75		86.91	**-10.67**
Natural gas, $/MMBtu	1.58		4.26	**131.51**
Gold, $ per troy oz.	2011.50		2925.90	**43.36**
U.S. Dollar Index	100.38		109.96	**2.39**
WSJ Dollar Index	95.31		103.61	**2.60**
Euro, per dollar	0.89		0.98	**2.73**
Yen, per dollar	140.61		161.70	**1.40**
U.K. pound, in dollars	1.22		1.34	**-0.11**

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

Initial public offerings of stock expected this week; might include some offerings, U.S. and foreign, open to institutional investors only via the Rule 144a market; deal amounts are for the institutional market only

Expected pricing date	Filed	Issuer/business	Symbol/ primary exchange	Shares (mil.)	Pricing Range($) Low/High	Bookrunner(s)
2/21	9/25 2024	Apimeds Pharmaceuticals US Biopharmaceutical company	**APUS** A	**4.5**	4.00/ 5.00	EF Hutton

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
Feb. 18	Aug. 23, '24	WORK Medical Technology Group	**WOK**	4.00	8.4	**–43.0**	180 days
	Aug. 23, '24	Reitar Logtech Holdings	**RITR**	4.00	9.8	**–32.5**	180 days
Feb. 19	Nov. 22, '24	Ming Shing Group Holdings	**MSW**	5.50	9.5	**–30.7**	90 days
Feb. 22	Aug. 27, '24	JBDI Holdings	**JBDI**	5.00	11.3	**–86.0**	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
Northpointe Bancshares **NPB** Feb. 14/$14.50	14.50	**...**	...	Titan America **TTAM** Feb. 7/$16.00	16.01	**0.1**	–4.1
Aardvark Therapeutics **AARD** Feb. 13/$16.00	13.30	**–16.9**	–7.1	EPWK Hldgs **EPWK** Feb. 6/$4.10	4.25	**3.7**	3.4
Artius II Acquisiton **AACBU** Feb. 13/$10.00	10.00	**...**	...	FBS Global **FBGL** Feb. 6/$4.50	1.16	**–74.2**	–66.4
Karman Hldgs **KRMN** Feb. 13/$22.00	32.00	**45.5**	6.5	Huachen AI Parking Management **HCAI** Feb. 5/$4.00	4.09	**2.3**	6.5
Maywood Acquisition **MAYAU** Feb. 13/$10.00	10.04	**0.4**	0.1	K&F Growth Acquisition II **KFIIU** Feb. 5/$10.00	10.01	**0.1**	...
SailPoint **SAIL** Feb. 13/$23.00	24.55	**6.7**	11.6	Plutus Financial Grp **PLUT** Feb. 5/$4.00	4.09	**2.3**	2.3
TEN Hldgs **XHLD** Feb. 13/$6.00	2.10	**–65.0**	–69.1	Infinity Natural Resources **INR** Jan. 31/$20.00	20.26	**1.3**	–3.8
Aureus Greenway Hldgs **AGH** Feb. 12/$4.00	3.15	**–21.3**	–18.8	Maze Thera **MAZE** Jan. 31/$16.00	12.00	**–25.0**	–24.8
Archimedes SPAC Ptnrs II **ATIIU** Feb. 11/$10.00	10.03	**0.3**	–0.1	Metsera **MTSR** Jan. 31/$18.00	30.58	**69.9**	15.4
Sionna Thera **SION** Feb. 7/$18.00	20.03	**11.3**	–19.9	Beta Bionics **BBNX** Jan. 30/$17.00	21.81	**28.3**	–7.7

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Tuesday, February 18

Auction of 6, 13, 26, and 52 week bills; announced on February 13; settles on February 20

Wednesday, February 19

Auction of 20 year bond; announced on February 13; settles on February 28

Auction of 17 week bill; announced on February 18; settles on February 25

Thursday, February 20

Auction of 30 year TIPS; announced on February 13; settles on February 28

Auction of 4 and 8 week bills; announced on February 18; settles on February 25

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 242.68 points, or 0.55%, 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 $31,410, or a gain of 4.70%, on the $30,000 investment, including reinvested dividends.

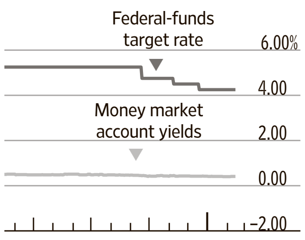
The Week's Action Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '24)
7.88	5.03	30.92	**Coca-Cola**	KO	$68.87	**$1,106**
7.46	16.97	104.31	**Apple**	AAPL	244.60	**978**
6.94	9.01	55.38	**NVIDIA**	NVDA	138.85	**1,034**
6.35	4.36	26.80	**NIKE**	NKE	73.04	**965**
4.84	14.25	87.59	**McDonald's**	MCD	308.55	**1,064**
4.18	2.60	15.98	**Cisco**	CSCO	64.87	**1,103**
3.54	8.94	54.95	**IBM**	IBM	261.28	**1,197**
2.86	2.89	17.76	**Walmart**	WMT	104.04	**1,152**
2.78	1.11	6.82	**Verizon**	VZ	40.99	**1,043**
1.98	3.03	18.63	**Johnson & Johnson**	JNJ	156.15	**1,080**
1.78	2.72	16.72	**Chevron**	CVX	155.34	**1,084**
1.66	5.79	35.59	**Visa**	V	353.81	**1,121**
1.61	2.93	18.01	**Boeing**	BA	184.42	**1,042**
0.71	4.65	28.58	**Goldman Sachs**	GS	660.55	**1,154**
0.52	2.13	13.09	**Home Depot**	HD	409.50	**1,053**
0.29	0.79	4.86	**JPMorgan Chase**	JPM	276.59	**1,160**
0.22	0.71	4.36	**Salesforce**	CRM	326.54	**977**
-0.21	−0.47	−2.89	**Amazon.com**	AMZN	228.68	**1,042**
-0.32	−1.32	−8.11	**Microsoft**	MSFT	408.43	**969**
-0.43	−0.48	−2.95	**Walt Disney**	DIS	110.38	**991**
-0.67	−3.52	−21.64	**UnitedHealth Group**	UNH	523.51	**1,035**
-0.81	−2.38	−14.63	**Amgen**	AMGN	291.16	**1,126**
-0.83	−1.25	−7.68	**3M**	MMM	148.62	**1,157**
-1.03	−3.71	−22.80	**Sherwin-Williams**	SHW	356.86	**1,050**
-1.35	−2.77	−17.03	**Honeywell**	HON	202.75	**898**
-1.81	−5.73	−35.22	**American Express**	AXP	311.04	**1,050**
-2.81	−6.89	−42.35	**Travelers**	TRV	238.30	**989**
-2.90	−10.56	−64.91	**Caterpillar**	CAT	353.32	**977**
-3.02	−5.08	−31.23	**Procter & Gamble**	PG	162.89	**978**
-4.89	−4.27	−26.25	**Merck & Co**	MRK	83.01	**834**

*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†:	**0.41%**
Popular Direct	**4.40%**
Miami Lakes, FL	800-274-5696
Rising Bank	**4.40%**
Lemay, MO	888-222-9484
MyBankingDirect	**4.45%**
Westbury, NY	516-683-4100
BrioDirect	**4.55%**
Montebello, NY	877-369-2746
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	**4.33**	4.36	4.27	5.40	**4.28**
Money market, annual yield	**0.41**	0.40	0.40	0.51	**0.34**
Five-year CD, annual yield	**2.86**	2.86	2.80	2.89	**2.43**
30-year mortgage, fixed†	**7.22**	7.23	6.69	7.72	**3.20**
15-year mortgage, fixed†	**6.57**	6.58	6.02	7.11	**3.20**
Jumbo mortgages, $806,500-plus†	**7.24**	7.25	6.78	7.79	**3.19**
Five-year adj mortgage (ARM)†	**6.33**	6.33	5.88	6.78	**3.43**
New-car loan, 48-month	**7.31**	7.30	7.18	7.94	**3.80**

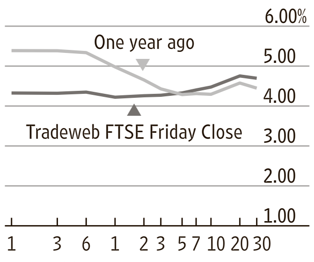
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

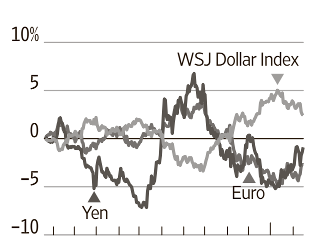
Treasury yield curve

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	**4.410**	4.430				3.58	-1.36
U.S. Treasury Long, Bloomberg	**4.750**	4.740				1.20	-8.95
Aggregate, Bloomberg	**4.830**	4.850	31	30	43	4.42	-0.72
Fixed-Rate MBS, Bloomberg	**5.120**	5.140	34	33	56	4.76	-0.70
High Yield 100, ICE BofA	**6.457**	6.535	202	191	319	9.24	5.17
Muni Master, ICE BofA	**3.435**	3.383	1	-6	6	2.00	0.78
EMBI Global, J.P. Morgan	**7.399**	7.413	286	270	379	9.39	1.45

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Mon in US$	Mon per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0009	1059.3760	**2.8**
Brazil real	.1750	5.7143	**-7.6**
Canada dollar	.7050	1.4185	**-1.4**
Chile peso	.001055	947.95	**-4.7**
Colombia peso	.000242	4136.00	**-6.1**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0493	20.2929	**-2.6**
Uruguay peso	.02313	43.2400	**-1.0**
Asia-Pacific			
Australia dollar	.6357	1.5731	**-2.7**
China yuan	.1377	7.2639	**-0.5**
Hong Kong dollar	.1285	7.7804	**0.1**
India rupee	.01151	86.851	**1.5**
Indonesia rupiah	.0000616	16228	**-0.2**
Japan yen	.006600	151.51	**-3.6**
Kazakhstan tenge	.002010	497.62	**-5.2**
Macau pataca	.1247	8.0190	**0.2**
Malaysia ringgit	.2255	4.4340	**-0.8**
New Zealand dollar	.5736	1.7434	**-2.5**
Pakistan rupee	.00358	279.214	**0.3**
Philippines peso	.0172	58.025	**-0.1**
Singapore dollar	.7454	1.3415	**-1.7**
South Korea won	.0006933	1442.28	**-2.4**
Sri Lanka rupee	.0033821	295.67	**0.8**
Taiwan dollar	.03054	32.749	**-0.2**
Thailand baht	.02967	33.700	**-1.8**
Vietnam dong	.00003924	25483	**-0.01**
Europe			
Czech Rep. koruna	.04185	23.896	**-1.9**
Denmark krone	.1406	7.1147	**-1.2**
Euro area euro	1.0486	.9537	**-1.2**
Hungary forint	.002610	383.13	**-3.6**
Iceland krona	.007146	139.93	**0.7**
Norway krone	.0901	11.1043	**-2.5**
Poland zloty	.2521	3.9666	**-4.0**
Sweden krona	.0935	10.6932	**-3.4**
Switzerland franc	1.1101	.9008	**-0.7**
Turkey lira	.0276	36.2341	**2.5**
Ukraine hryvnia	.0241	41.5500	**-1.2**
UK pound	1.2626	.7920	**-0.9**
Middle East/Africa			
Bahrain dinar	2.6604	.3759	**-0.3**
Egypt pound	.0198	50.6002	**-0.5**
Israel shekel	.2809	3.5596	**-2.2**
Kuwait dinar	3.2410	.3086	**0.1**
Oman sul rial	2.5973	.3850	**0.01**
Qatar rial	.2744	3.644	**-0.03**
Saudi Arabia riyal	.2666	3.7506	**-0.2**
South Africa rand	.0543	18.4055	**-2.5**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	101.02	−0.10	−0.09	**-1.69**

Sources: Tullett Prebon, Dow Jones Market Data

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, February 14, 2025

Fund (SYM)	NAV	Close	Prem/Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc ADX	23.22	20.88	-10.1	28.5
BlackRock En Lg Cap Cr CII	22.36	21.04	-5.9	16.8
Central Secs CET	56.79	48.00	-15.5	34.6
CohenStrsCEOppFd FOF	12.34	12.60	+2.1	23.9
EVTxAdvDivIncm EVT	NA	24.20	NA	16.8
GabelliDiv&IncTr GDV	NA	25.08	NA	20.5
Gabelli Equity Tr GAB	NA	5.55	NA	16.5
GeneralAmer GAM	60.51	52.60	-13.1	28.1
JHancockTaxAdvDiv HTD	24.80	23.27	-6.2	32.9
Liberty All-Star Equity USA	7.09	7.07	-0.3	18.4
Liberty All-Star Growth ASG	6.06	5.62	-7.3	13.9
Royce Micro-Cap Tr RMT	11.27	10.01	-11.2	15.0
Royce Value Trust RVT	17.27	16.17	-6.4	20.3
Source Capital SOR	44.76	42.65	-4.7	18.3
Special Opportunities SPE	NA	15.56	NA	38.9
Sprott Focus Trust FUND	8.71	7.68	-11.8	6.1
SRH Total Return STEW	21.67	16.88	-22.1	20.2
Tri-Continental TY	36.72	32.64	-11.1	23.2
Specialized Equity Funds				
abrdn Glb Prem Prop AWP	3.95	4.03	+2.0	21.8
abrdn Global Infra Inc ASGI	19.56	18.09	-7.5	18.6
Adams Natural Resources PEO	24.91	22.43	-10.0	17.2
ASA Gold & Prec Met Ltd ASA	28.57	25.40	-11.1	84.4
BlackRock Energy & Res BGR	14.07	13.70	-2.6	19.6
BlackRock Eq Enh Div BDJ	9.38	8.93	-4.8	21.5
BlackRock Enh Glbl Div BOE	12.49	11.33	-9.3	21.1
BlackRock Enh Intl Div BGY	6.13	5.53	-9.8	13.2
BlackRock ESG Cap All T ECAT	17.70	16.77	-5.3	20.7
BlackRock Hlth Sci Term BMEZ	16.46	15.82	-3.9	12.3
BlackRock Hlth Sciences BME	43.22	40.18	-7.0	0.9
BlackRock Innov&Gro Term BIGZ	8.55	8.08	-5.5	13.6
BlackRock Res & Comm BCX	10.10	9.16	-9.3	17.1
BlackRock Sci&Tech Term BSTZ	23.68	21.61	-8.7	31.0
BlackRock Sci&Tech Trust BST	40.63	38.93	-4.2	14.4
BlackRock Utl Inf & Pwr BUI	23.12	23.17	+0.2	19.1
CLEARBRIDGE ENGY MDS OPP EMO	NA	49.50	NA	47.5
ChnStrInfr UTF	24.03	24.39	+1.5	21.4
Cohen&SteersQualInc RQI	13.01	12.89	-0.9	19.6
CohenStrs Real Est and I RLTY	16.14	15.50	-4.0	20.4
Cohen&Steers TotRet RFI	11.71	12.13	+3.6	12.3
CohenStrsREITPrefInc RNP	21.29	21.82	+2.5	18.0
Columbia Sel Prem Tech Gr STK	33.07	33.20	+0.4	16.8
DNP Select Income DNP	9.03	9.36	+3.7	17.3
Duff&Ph Util&Infra Inc DPG	NA	11.91	NA	44.3
EtnVncEqtyInc EOI	NA	21.15	NA	28.4
EtnVncEqtyIncoII EOS	NA	24.49	NA	33.0
EVRskMnDvsEqInc ETJ	NA	9.12	NA	19.5
EtnVncTxMgdBuyWrtInc ETB	NA	14.98	NA	22.2
EtnVncTxMgdBuyWrtOpp ETV	NA	14.53	NA	23.6
EvTxMnDvsEqInc ETY	NA	15.61	NA	30.7
EtnVncTxMgdGlbB ETW	NA	8.66	NA	19.2
EVTxMnGblDvEqInc EXG	NA	9.16	NA	27.6
First Tr Enhanced Eq FFA	22.00	20.99	-4.6	21.4
Gabelli Healthcare GRX	NA	10.06	NA	8.1
Gab Utility GUT	NA	5.35	NA	21.6
GAMCOGlGold&NatRes GGN	NA	4.13	NA	21.5
J Han Finl Opptys BTO	36.75	37.26	+1.4	39.5
Neuberger Brmn Enrgy I&I NML	10.09	9.16	-9.2	45.9
Neuberger Nxt Gen Conn NBXG	15.91	13.80	-13.3	29.6
NubrgrRlEstSec NRO	3.62	3.38	-6.6	14.6
Nuv Dow 30 Dyn Overwrite DIAX	17.52	15.64	-10.7	16.4
NuvCorEqAlpha JCE	16.18	16.14	-0.2	29.0
Nuveen Nasdaq 100 Dyn Ov QQQX	30.14	27.25	-9.6	23.4
Nuv Real Est JRS	9.16	8.61	-6.0	22.5
NuvS&P500DynOvFd SPXX	19.13	18.37	-4.0	28.0
NuvSP500BuyIncFd BXMX	15.69	14.28	-9.0	22.9
NXG Cushing Midstrm Engy SRV	45.72	47.43	+3.7	50.9
NXG NextGen Infras Inc NXG	48.92	49.76	+1.7	64.0
ReavesUtilityIncome UTG	34.01	34.24	+0.7	42.5
Tortoise Engy Infra Crp TYG	NA	45.45	NA	68.4
Ecofin S&S Impact Term TEAF	NA	12.19	NA	17.6
VDivInt&PremStr NFJ	NA	12.86	NA	14.6
V Art Int&Tech Opps AIO	NA	25.20	NA	42.6
Income & Preferred Stock Funds				
Dividend and Income BXSY	21.22	NA	NA	NA
CalamosStratTot CSQ	18.80	18.38	-2.2	26.2
CohenStrsLtdDurPref&Inc LDP	22.00	20.90	-5.0	16.7
CohenStrsSelPref&Income PSF	21.68	20.35	-6.1	13.8
CohenStrsTaxAvPreSecs&I PTA	20.91	19.96	-4.5	14.7
FirstTrIntDurPref&Inc FPF	19.36	18.88	-2.5	20.5
JHanPrefInc HPI	16.33	17.54	+7.4	20.4
JHPrefIncII HPF	16.19	17.40	+7.5	17.9
HnckJPfdInco III HPS	14.57	15.42	+5.8	14.2
J Han Prem PDT	13.53	12.95	-4.3	28.1
LMP CapInco SCD	NA	17.13	NA	32.0
Nuveen Pref & Inc Opp JPC	8.00	8.04	+0.5	25.0
Nuveen Pref Sec & Inc Op JPI	NA	20.28	NA	17.1
Nuveen Var Rate P&I NPFD	NA	19.05	NA	21.1
TCW Strat Income TSI	NA	4.88	NA	12.8
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd AVK	12.56	12.29	-2.1	17.2
CalamosConvHi CHY	10.84	11.37	+4.9	5.8
CalamosConvOp CHI	10.25	11.26	+9.9	14.6
HlincBd PCF	7.20	6.85	-4.9	16.2
V Conv & Inc NCV	NA	14.15	NA	22.3
V Conv & Inc II NCZ	NA	13.16	NA	29.9
V Div Inc & Conv ACV	NA	22.79	NA	11.5
V Eqty & Conv Inc NIE	NA	25.17	NA	24.4
World Equity Funds				
abrdn Emg Mkts Eq Inc AEF	6.23	5.52	-11.4	17.4
abrdn Glbl Dyn Div AGD	11.20	10.43	-6.9	23.1
abrdn Tot Dyn Div AOD	9.69	8.78	-9.4	20.5
Allspring Gl Div Oppty EOD	5.90	5.22	-11.5	29.1
BlackRock Cap Alloc Term BCAT	16.41	15.56	-5.2	20.3
Calamos GloDynInc CHW	7.90	7.02	-11.1	25.1
EV TxAdvGlbDivInc ETG	NA	19.14	NA	16.8
EtnVncTxAdvOpp ETO	NA	26.10	NA	15.4
Highland Global Alloc HGLB	12.82	8.22	-35.9	15.6
India Fund IFN	16.52	15.72	-4.8	-12.7
Japan Smaller Cap JOF	9.64	7.92	-17.8	8.5
LazardGlbTotRetInc LGI	18.35	16.87	-8.1	18.5
Mexico MXF	18.40	14.61	-20.6	-17.7
MS ChinaShrFd CAF	15.54	12.79	-17.7	0.5
MS India IIF	27.39	23.68	-13.5	23.3
Nuveen Multi-Asset Inc NMAI	NA	12.58	NA	18.4
Nuveen Rl Asst Inc & Gro JRI	NA	12.83	NA	25.4
NYLI CBRE Glbl Inf Meg T MEGI	13.90	12.48	-10.2	12.7
Templeton Dragon TDF	11.27	9.26	-17.8	21.0
Templeton Em Mkt EMF	15.31	12.96	-15.3	17.7

Fund (SYM)	NAV	Close	Prem/Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income BKT	11.74	11.73	-0.1	9.1
Investment Grade Bond Funds				
Angel Oak FS Inc Trm FINS	NA	13.33	NA	9.8
BlRck Core Bond BHK	10.34	10.53	+1.8	8.4
BR Credit Alloc Inc BTZ	11.28	10.78	-4.4	9.3
InvescoBond VBF	16.32	15.60	-4.4	5.3
J Han Income JHS	12.09	11.25	-7.0	4.8
MFS Intmdt MIN	2.78	2.70	-2.9	0.0
Loan Participation Funds				
BR Debt Strategy DSU	10.52	10.79	+2.6	11.0
BR F/R Inc Str FRA	12.73	13.16	+3.4	11.3
BlackRock Floatng Rt Inc BGT	12.42	12.79	+3.0	11.3
Blackstone Lng-Sh Cr Inc BGX	NA	12.94	NA	9.5
BS SFR 2027 T BSL	NA	14.44	NA	9.2
BS St Cr 2027 Tm BGB	NA	12.57	NA	9.0
EtnVncFltRteInc EFT	NA	13.21	NA	9.98
EV SenFlRtTr EFR	NA	13.05	NA	10.1
FT/Sr Fltg Rte Inc 2 FCT	10.73	10.47	-2.4	11.1
Highland Opp & Income HFRO	12.42	5.79	-53.4	8.0
InvDYCrOpp:AX VTA	10.93	NA	NA	NA
InvSnrIncTr VVR	3.91	4.15	+6.1	12.5
Nuveen Credit Strat Inc JQC	NA	5.55	NA	11.5
NuvFloatRateIncFd JFR	NA	8.50	NA	11.8
High Yield Bond Funds				
abrdn Inc Credit Str ACP	6.43	6.19	-3.7	18.9
AllianceBernGlHiIncm AWF	11.40	10.92	-4.2	7.3
Allspring Income Oppty EAD	7.42	6.99	-5.8	8.8
Barings Glb SD HY Bd BGH	NA	15.88	NA	9.5
BR Corporate HY HYT	9.70	9.90	+2.1	9.4
BlackRock Ltd Dur Inc BLW	14.02	14.29	+1.9	9.2
BNY Mellon Hi Yield Str DHF	2.76	2.60	-5.8	7.9
Brookfield Real Asst Inc RA	14.68	13.43	-8.5	7.8
CrSuisHighYld DHY	2.22	2.16	-2.7	8.6
CSAM Income Fd CIK	3.01	2.96	-1.8	9.0
DoubleLine Inc Sol DSL	12.65	12.83	+1.4	10.3
DoubleLine Yld Opps DLY	16.18	16.37	+1.2	9.0
First Trust HY Opp:2027 FTHY	15.23	14.55	-4.5	10.4
Franklin Univ FT	8.26	7.57	-8.4	6.7
KKR Income Opportunities KIO	NA	12.77	NA	11.6
NeubHgYldStrt NHS	7.80	7.87	+0.9	14.1
New Amer Hi Inc HYB	8.36	8.20	-1.9	5.8
Nuveen Global High Inc JGH	13.91	13.34	-4.1	9.3
PGIM Global High Yield GHY	NA	13.14	NA	9.7
PGIM High Yield Bond ISD	NA	14.03	NA	9.1
PGIM Sh Dur Hi Yld Opp SDHY	NA	16.63	NA	7.8
PioneerHiIncm PHT	NA	7.97	NA	8.3
WstAstHIF II HIX	NA	4.41	NA	13.7
Western Asset Hi Inc Opp HIO	NA	3.98	NA	10.7
Western Asset Hi Yld D O HYI	NA	12.16	NA	9.4
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector ERC	9.90	9.26	-6.5	8.6
Ares Dynamic Crdt Alloc ARDC	NA	15.16	NA	9.2
BlackRock Mlt-Sctr Inc BIT	14.46	14.76	+2.1	10.0
BlackRock Tax Muni Bd BBN	17.26	16.64	-3.6	6.7
DoubleLine:Oppor Crdt Fd DBL	15.48	15.76	+1.8	8.3
EVLmtDurIncm EVV	10.47	10.21	-2.5	9.2
Franklin Ltd Dur Income FTF	6.97	6.79	-2.6	11.2
FS Credit Opportunities FSCO	NA	NA	NA	10.6
J Han Investors JHI	14.91	14.21	-4.7	7.7
MFS Charter MCR	6.80	6.45	-5.1	0.0
NuvCorePlusImpact NPCT	11.71	10.78	-7.9	12.2
Nuveen Taxable Muni Inc NBB	16.26	15.97	-1.8	6.7
PIMCO Corp & Inc Oppty PTY	NA	14.69	NA	9.6
PIMCO Corp & Inc Strat PCN	NA	13.73	NA	9.9
PIMCOHiInco PHK	4.68	4.89	+4.5	11.6
PIMCO IncmStrFd PFL	NA	8.49	NA	11.5
PIMCO IncmStrFd II PFN	7.16	7.53	+5.2	11.4
Putnam Mas Int PIM	3.44	3.33	-3.3	7.9
Putnam Prem Inc PPT	3.80	3.60	-5.3	8.6
Western Asset Dvsfd Inc WDI	NA	15.20	NA	11.7
Western Asset Inf-Lk Inc WIA	NA	8.21	NA	7.3
Western Asset Inf-Lk O&I WIW	NA	8.64	NA	8.4
World Income Funds				
abrdn AP IncFd FAX	16.91	15.59	-7.8	12.7
MS EmMktDomDebt EDD	NA	4.75	NA	10.8
PIMCO Access Income PAXS	15.33	16.12	+5.2	11.1
PIMCO Dynamic Inc Strat PDX	NA	25.00	NA	5.3
PIMCO Dynamic Income PDI	17.07	19.50	+14.2	13.6
PIMCO Dynamic Inc Opp PDO	13.08	13.82	+5.7	11.0
PIMCO Stratg Inc RCS	4.51	6.44	+42.8	9.3
Templtn Glbl Inc SABA	NA	9.18	NA	NE
Templeton Em Inc TEI	5.89	5.42	-8.0	10.4
WstAstEmergDebt EMD	NA	9.98	NA	10.3
National Muni Bond Funds				
AllBerNatlMunInc AFB	12.38	11.12	-10.2	3.8
BlackRock 2037 Muni Trg BMN	25.87	25.38	-1.9	4.4
BlckRk Inv Q Mun BKN	12.62	11.72	-7.1	5.9
BlackRock Muni 2030 Tgt BTT	24.03	21.34	-11.2	2.6
BlackRock Muni BFK	11.12	10.20	-8.3	5.8
BlackRock Muni II BLE	11.77	10.83	-8.0	5.9
BlkRk Muni Inc Qly BYM	12.27	11.25	-8.3	5.7
BR MuniAssets Fd MUA	11.62	11.19	-3.7	6.0
BR MH Qly 2 MUE	11.30	10.28	-9.0	5.4
BR MuniHoldings MHD	13.19	12.17	-7.7	5.4
BR MuniVest Fd MVF	7.80	7.27	-6.8	5.3
BR MuniVest 2 MVT	12.03	10.89	-9.5	5.7
BR MuniYield Fd MYD	11.75	10.84	-7.7	5.9
BR MuniYield Qlty MQY	12.78	11.92	-6.7	5.8
BR MuniYield Qlty2 MQT	11.26	10.21	-9.3	5.8
BR MuniYld Qly 3 MYI	12.17	11.16	-8.3	5.9
BNY Mellon Muni Bd Infra DMB	11.98	10.67	-10.9	3.4
BNY Mellon Muni Income DMF	7.57	7.17	-5.3	2.9
BNY Mellon Str Muni Bond DSM	6.65	5.96	-10.4	3.7
BNY Mellon Strat Muni LEO	6.97	6.24	-10.5	3.7
DWS Muni Inc KTF	9.88	9.63	-2.5	7.0
EVMuniBd EIM	11.07	10.16	-8.2	5.7
EVMuniIncm EVN	NA	10.63	NA	5.7
EVNatMuniOpp EOT	NA	16.82	NA	4.7
InvAdvMuIncTrII VKI	9.52	8.99	-5.6	6.6
Invesco MuniOp OIA	6.37	6.15	-3.5	5.6
InvescoMuOppTr VMO	10.63	9.88	-7.1	6.6
InvescoMuTr VKQ	10.67	10.04	-5.9	6.6
InvescoQual Inc IQI	10.72	10.07	-6.1	6.7
InvTrInvGrMu VGM	10.99	10.22	-7.0	6.6
InvescoValMunInc IIM	13.10	12.43	-5.1	6.7
NeubrgrBrm NBH	11.76	10.75	-8.6	5.4
Nuveen AMT-Fr Mu Val NUW	15.07	13.83	-8.2	3.8
Nuveen AMT-Fr Qlty Muni NEA	12.14	11.56	-4.8	6.8
Nuveen AMT-Fr Mu CI NVG	13.36	12.65	-5.3	6.7
Nuveen Dyn Muni Opp NDMO	10.92	10.49	-3.9	7.1
Nuveen Mu Crdt Opps NMCO	11.70	11.17	-4.5	6.7
Nuv Muni Credit Income NZF	13.24	12.67	-4.3	6.8
Nuveen Muni High Inc Opp NMZ	11.04	11.20	+1.4	6.3
Nuveen Muni Val NUV	9.25	8.87	-4.1	4.1
Nuveen Quality Muni Inc NAD	12.61	11.89	-5.7	6.8
Nuveen Sel TF NXP	14.41	14.82	+2.8	4.0
NYLI MacKay DT Muni Opp MMD	16.56	15.37	-7.2	4.6
PIMCO MuniInc PMF	9.12	9.12	0.0	5.5
PIMCOMuniIncII PML	8.49	8.52	+0.4	5.6
Pimco Muni III PMX	7.83	7.40	-5.5	5.3
PioneerHiIncAdv MAV	9.14	8.55	-6.5	4.5
PionrMuniHiIncOppty MIO	12.82	12.05	-6.0	4.9
PioneerMunHiIcm MHI	NA	9.43	NA	4.3
Putnam Mgd Inc PMM	6.79	6.38	-6.0	4.5
Putnam Muni Opp PMO	11.41	10.69	-6.3	3.9
RiverNorth Flx Mu Inc II RFMZ	15.35	14.13	-7.9	7.4
RiverNorth Mgd Dur Mun I RMM	16.23	15.09	-7.0	7.3
Western Asset Mgd Muni MMU	NA	10.48	NA	6.1
Single State Muni Bond				
BlackRock CA Mun BFZ	12.50	11.26	-9.9	5.9
BR MH CA Qly Fd Inc MUC	12.17	10.95	-10.0	5.5
BR MH NJ Qly MUJ	12.77	11.50	-10.0	5.4
BR MH NY Qly MHN	11.64	10.56	-9.3	5.3
BR MuniYld MI Qly MIY	12.72	11.53	-9.4	5.0
BR MuniYld NY Qly MYN	11.26	10.20	-9.4	5.5
BR MuniYld PA Qly MPA	12.74	11.51	-9.7	6.0
BlackRock NY Mun BNY	11.56	10.43	-9.8	5.2
EVCAMuniBd EVM	NA	9.32	NA	5.1
Eaton Vance NY Muni Bd ENX	10.61	9.64	-7.4	5.0
InvCaValMuIncTr VCV	10.96	11.09	+1.2	6.0
InvPAValMunIncTr VPV	11.49	10.43	-9.2	6.4
InvTrInvGrNYMu VTN	11.62	10.59	-8.9	6.7
Nuveen CA AMT-F Qual MI NKX	12.66	12.74	+0.6	6.3
Nuveen CA Val NCA	9.25	8.59	-7.1	4.0
NuveenCAQtyMuInc NAC	12.16	11.43	-6.0	6.8
NuvNJ Qual Muni Inc NXJ	13.11	12.11	-7.6	6.6
Nuveen NY AMT/Fr Qual MI NRK	11.48	10.64	-7.3	6.9
Nuveen NY Val NNY	8.92	8.28	-7.2	4.2
Nuveen NY Qual Muni Inc NAN	11.97	11.68	-2.4	6.6
Nuveen PA Qual Muni Inc NQP	12.77	11.57	-9.4	6.8
Nuveen VA Qlty Mun Inc NPV	12.03	12.40	+3.1	5.9
PIMCO CA PCQ	10.24	9.12	-10.9	4.7
PIMCOCAMuniII PCK	6.54	5.79	-11.5	4.5
Pimco CA Muni III PZC	7.56	6.75	-10.7	5.2

Fund (SYM)	NAV	Close	Prem/Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	15.22	NA	NA	5.6
Specialized Equity Funds				
Accordant ODCE Index:A	9.30	NA	NA	-0.9
Accordant ODCE Index:I	9.33	NA	NA	-0.8
Accordant ODCE Index:Y	9.33	NA	NA	-0.8
ARK Venture	31.59	NA	NA	14.4
ArrowMark Financial Corp BANX	NA	21.00	NA	NA
CASCADE PRIVATE CAP;I	17.28	NA	NA	NA
CBRE GlbRlEst IGR	5.12	5.32	+3.9	2.7
CIM RA&C A	22.53	NA	NA	3.0
CIM RA&C C	21.74	NA	NA	2.3
CIM RA&C I	22.79	NA	NA	3.3
CIM RA&C L	22.25	NA	NA	2.8
Connetic Venture CA;I	10.22	NA	NA	NS
First Tr Real Assets;A	NA	NA	NA	NS
Forum RE Income;Founders	9.70	NA	NA	11.7
Forum RE Income;I	9.70	NA	NA	11.6
Forum RE Income;K	9.68	NA	NA	NS
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	10.52	NA	NA	NS
MEKETA INFRSTRCTR;I	26.54	NA	NA	7.9
MEKETA INFRSTRCTR;III	26.54	NA	NA	8.0
NexPointRlEstStrat;A	15.88	NA	NA	1.1
NexPointRlEstStrat;C	16.10	NA	NA	0.4
NexPointRlEstStrat;Z	16.11	NA	NA	1.4
PENDER REAL ESTATE CR;A	10.06	NA	NA	NS
PENDER REAL ESTATE CR;I	10.06	NA	NA	8.2
PENDER REAL ESTATE CR;Z	10.06	NA	NA	8.4
PIMCO FLEXIBLE REI;F	10.49	NA	NA	NS
PIMCO Flexible REI;Inst	10.49	NA	NA	8.0
Principal Real Asst A	25.76	NA	NA	5.0
Principal Real Asst Ins	25.90	NA	NA	5.4
Principal Real Asst Y	26.22	NA	NA	5.6
Redwood RE;I	25.16	NA	NA	8.1
SS Priv Venture & Gr:D	41.21	NA	NA	NA
SS Priv Venture & Gr:I	41.47	NA	NA	NA
SS Priv Venture & Gr:S	40.87	NA	NA	NA
The Private Shares;A	42.15	NA	NA	7.6
The Private Shares;I	42.95	NA	NA	7.8
The Private Shares;L	41.38	NA	NA	7.3
Thirdline Real Estate I	10.00	NA	NA	6.0
USQ Core Real Estate:I	22.20	NA	NA	-2.8
USQ Core Real Estate:IS	22.28	NA	NA	-2.8
Versus Cap RE:I	24.45	NA	NA	1.4
Versus Capital Real Asst	28.14	NA	NA	4.6
Wildermuth:I	3.46	NA	NA	-57.9
WILSHIRE PRIV ASST;INST	12.45	NA	NA	NA
Income & Preferred Stock Funds				
ALPHA ALT ASST;A	6.35	NA	NA	6.1
Alpha Alternative Assets	6.41	NA	NA	6.3
Calamos L/S Eqty and DI CPZ	16.90	15.25	-9.8	8.4
Denali Strctr Rtrn Strat	NA	NA	NA	NS
Lord Abbett Spec Sit I:A	9.38	NA	NA	11.2
Lord Abbett Spec Sit I:I	9.38	NA	NA	11.9
ONEASCENT CAP OPPTYS	NA	NA	NA	NS
Variant Altrntv Inc:Inst	27.14	NA	NA	4.6
Variant Impact;Instl	27.82	NA	NA	6.9
Versus Capital Infra Inc	10.26	NA	NA	NS
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc CCD	19.68	24.68	+25.4	14.4
World Equity Funds				
BEACON POINTE MLT-ALT;I	NA	NA	NA	NS
CalamosGlbTotRet CGO	12.04	11.66	-3.2	21.0
Cantor Fitzgerald SI:A	12.49	NA	NA	24.8
Cantor Fitzgerald SI:C	12.30	NA	NA	23.8
Cantor Fitzgerald SI:I	12.53	NA	NA	25.1
CANTOR FITZGERALD INFRS	12.64	NA	NA	NS
Sweater Cashmere	22.06	NA	NA	4.8
Primark Priv Eq Inv:I	14.37	NA	NA	13.3
Thornburg Inc Bldr Opps TBLD	19.27	17.42	-9.6	14.7
VirtusTotalRetFd ZTR	NA	5.81	NA	NA

Fund (SYM)	NAV	Close	Prem/Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	1.1
CATALYST STRAT INC OPPS	10.07	NA	NA	NS
Ellington Inc Opp:A	8.95	NA	NA	14.5
Ellington Inc Opp:M	8.81	NA	NA	15.0
Loan Participation Funds				
1WS Credit Income;A2	19.04	NA	NA	8.4
1WS Credit Income;Inst	19.57	NA	NA	8.2
Apollo Diversified Cd:A	NA	NA	NA	8.6
Apollo Diversified Cd:C	NA	NA	NA	7.8
Apollo Diversified Cd:F	NA	NA	NA	10.5
Apollo Diversified Cd:I	NA	NA	NA	8.5
Apollo Diversified Cd:L	NA	NA	NA	8.3
Apollo Diversified Cd:M	NA	NA	NA	8.2
Axonic Alternative I;A	NA	NA	NA	8.9
Axonic Alternative I Ins	NA	NA	NA	8.9
Bluerock Hl Inst Crd:A	NA	NA	NA	12.1
Bluerock Hl Inst Crd:C	NA	NA	NA	12.0
Bluerock Hl Inst Crd:F	NA	NA	NA	12.2
Bluerock Hl Inst Crd:I	NA	NA	NA	12.2
Bluerock Hl Inst Crd:L	NA	NA	NA	12.1
BNYM Alcntr Glb MS Cr Fd	89.73	NA	NA	NA
CliffwaterClFd;I	10.77	NA	NA	11.1
CliffwaterElFd;I	10.96	NA	NA	11.1
CNR Strategic Credit	6.97	NA	NA	23.4
Floating-Rate Opps;A	10.25	NA	NA	9.7
Floating-Rate Opps;I	10.24	NA	NA	9.99
Floating-Rate Opps;U	10.25	NA	NA	9.2
Equalize Community Dev	9.40	NA	NA	3.4
Flat Rock Core Income	NA	NA	NA	10.0
Flat Rock Enhanced Inc	NA	NA	NA	11.5
FedProj&TrFinanceTendr	10.11	NA	NA	6.7
InvDYCrOpp:A	10.93	NA	NA	11.0
InvDYCrOpp:R6	10.94	NA	NA	11.4
InvDYCrOpp:Y	10.94	NA	NA	11.3
Invesco Sr Loan A	5.71	NA	NA	9.2
Invesco Sr Loan C	5.72	NA	NA	8.4
Invesco Sr Loan IB	5.71	NA	NA	9.4
Invesco Sr Loan IC	5.71	NA	NA	9.3
Invesco Sr Loan Y	5.71	NA	NA	9.4
Lord Abbett FR Hi Inc:A	10.04	NA	NA	10.1
Lord Abbett FR Hi Inc:I	10.04	NA	NA	10.6
Monachil Credit Income:I	10.11	NA	NA	10.2
Nomura Alt Inc:I	9.91	NA	NA	9.7
Nuveen Enh CLO Inc:A1	20.18	NA	NA	NS
Nuveen Enh CLO Inc:A2	20.18	NA	NA	NS
Nuveen Enh CLO Inc:I	20.18	NA	NA	NS
Octagon XAI CLO Inc:A	25.76	NA	NA	7.1
Octagon XAI CLO Inc;I	25.79	NA	NA	NS
OFS Credit Company OCCI	NA	7.29	NA	NA
PC PCAAM A;I	10.14	NA	NA	11.0
PRINCIPAL PRVT CR I;A	10.31	NA	NA	NS
PRINCIPAL PRVT CR I;INS	10.33	NA	NA	NS
PRINCIPAL PRVT CR I;Y	10.34	NA	NA	NS
SEI Alternative Income:F	10.37	NA	NA	7.1
SEI Alternative Income:Y	10.37	NA	NA	7.3
Voya Enhanced Sec Inc:A	10.14	NA	NA	NS
Voya Enhanced Sec Inc:I	10.14	NA	NA	NS
Voya Enhanced Sec Inc:I	10.14	NA	NA	NS
Yieldstreet Alt Inc	NA	NA	NA	7.4
High Yield Bond Funds				
AB CarVal Credit Opp;Adv	10.03	NA	NA	NS
AB CarVal Credit Opp;A	10.01	NA	NA	NS
AB CarVal Credit Opp;C	10.00	NA	NA	NS
AB CarVal Credit Opp;I	10.01	NA	NA	NS
Opprtnstc Crdt Intrvl;I	11.60	NA	NA	9.0
PIMCO Flexible Cr I;A-1	7.13	NA	NA	8.9
PIMCO Flexible Cr I;A-2	7.13	NA	NA	8.9
PIMCO Flexible Cr I;A-3	7.13	NA	NA	8.7
PIMCO Flexible Cr I;A-4	7.13	NA	NA	8.7
PIMCO Flexible Cr I;Inst	7.13	NA	NA	9.4
Polen Credit Opps;Inst	9.77	NA	NA	9.5
Other Domestic Taxable Bond Funds				
AFA Private Credit;Fndr	9.26	NA	NA	11.0
AFA Private Credit;Inst	9.27	NA	NA	11.0
Alternative Credit Inc:A	NA	NA	NA	9.2
Alternative Credit Inc:C	NA	NA	NA	8.4
Alternative Credit Inc:I	NA	NA	NA	9.5
Alternative Credit Inc:L	NA	NA	NA	8.9
Alternative Credit Inc:W	NA	NA	NA	9.2
AMG Pantheon Crdt Soln:I	NA	NA	NA	NS
AMG Pantheon Crdt Soln:M	NA	NA	NA	NS
AMG Pantheon Crdt Soln:S	NA	NA	NA	NS
Angel Oak Str Crdt:Inst	NA	NA	NA	8.8
BR Credit Strat;A	8.48	NA	NA	8.7
BR Credit Strat;Inst	8.46	NA	NA	9.4
BR Credit Strat;J	8.47	NA	NA	NS
BR Credit Strat;U	8.47	NA	NA	8.7
BR Credit Strat;W	8.49	NA	NA	8.7
CION Ares Dvsfd Crdt;A	NA	NA	NA	8.8
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	8.3
CION Ares Dvsfd Crdt;U2	NA	NA	NA	8.3
CION Ares Dvsfd Crdt;W	NA	NA	NA	8.6
CNR Select Strategies	15.73	NA	NA	0.0
Diamond Hill Sec Cr;I	10.27	NA	NA	NS
Diamond Hill Sec Cr;R	10.27	NA	NA	NS
First Eagle Crdt Opps A	22.94	NA	NA	10.3
First Eagle Crdt Opps A2	22.91	NA	NA	9.8
First Eagle Crdt Opps I	22.80	NA	NA	10.6
First Trust Private Cr;A	NA	NA	NA	10.6
First Trust Private Cr;I	NA	NA	NA	10.3
Franklin BSP Pvt Cr:A	10.72	NA	NA	8.5
Franklin BSP Pvt Cr:Adv	10.73	NA	NA	8.9
FS Credit Income;A	12.35	NA	NA	8.2
FS Credit Income;I	12.39	NA	NA	8.4
FS Credit Income;T	12.37	NA	NA	7.9
FS Credit Income;U	12.32	NA	NA	7.7
FS Credit Income;U-2	12.43	NA	NA	7.6
J HANCOCK CQS ASSETBS;A	20.13	NA	NA	NS
J HANCOCK CQS ASSETBS;I	20.13	NA	NA	NS
J HANCOCK CQS ASSETBS;U	20.13	NA	NA	NS
KKR CREDIT OPPTY;D	NA	NA	NA	9.3
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 INS	25.04	NA	NA	NS
NIAGARA INCOME OPPORTNTS	NA	NA	NA	9.8
Palmer Square Opp Inc	18.06	NA	NA	8.5
World Income Funds				
BlueBay Destra Itl E:A	22.59	NA	NA	10.3
BlueBay Destra Itl E:I	22.62	NA	NA	10.5
BlueBay Destra Itl E:L	22.57	NA	NA	10.0
BlueBay Destra Itl E:T	22.44	NA	NA	9.9
BOOSTER INCOME OPPTYS	10.05	NA	NA	NS
Calamos-Aksia ACI:A	10.76	NA	NA	7.8
Calamos-Aksia ACI:C	10.73	NA	NA	7.1
Calamos-Aksia ACI:I	10.76	NA	NA	8.0
Calamos-Aksia ACI:M	10.75	NA	NA	7.3
Carlyle Tact Pvt Cred:A	NA	NA	NA	9.5
Carlyle Tact Pvt Cred:I	NA	NA	NA	9.9
Carlyle Tact Pvt Cred:L	NA	NA	NA	9.3
Carlyle Tact Pvt Cred:M	NA	NA	NA	9.2
Carlyle Tact Pvt Cred:N	NA	NA	NA	10.0
Carlyle Tact Pvt Cred:U	NA	NA	NA	9.2
Carlyle Tact Pvt Cred:Y	NA	NA	NA	9.4
Fid MS Cr;A	NA	NA	NA	6.3
Fid MS Cr;C	NA	NA	NA	5.6
Fid MS Cr;I	NA	NA	NA	6.6
Fid MS Cr;L	NA	NA	NA	6.1
Jackson Credit Opps;I	10.33	NA	NA	8.3
Lord Abbett Crd Opps Fd	8.99	NA	NA	8.8
Lord Abbett Crd Opps Fd	8.99	NA	NA	9.5
Lord Abbett Crd Op:U	8.99	NA	NA	8.8
Oaktree Dvsfd Income;D	9.26	NA	NA	8.3
PIMCO Flexible EM I;Inst	8.58	NA	NA	8.4
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	7.80	NA	NA	10.2
Lind Cap Pt Mun Cred Inc	8.83	NA	NA	5.3
Lord Abbett Muni Opps:A	10.19	NA	NA	NS
Lord Abbett Muni Opps:I	10.19	NA	NA	NS
Nuveen En HY Muni Bd:A1	7.78	NA	NA	4.9
Nuveen En HY Muni Bd:A2	7.79	NA	NA	5.2
Nuveen En HY Muni Bd:I	7.78	NA	NA	5.7
NYLI MacKay Mu IO;A1	10.11	NA	NA	NS
NYLI MacKay Mu IO;A2	10.11	NA	NA	NS
NYLI MacKay Mu IO;A3	10.11	NA	NA	NS
NYLI MacKay Mu IO;I	10.11	NA	NA	NS
PIMCO Flex Mun Inc;A-3	NA	NA	NA	3.5
PIMCO Flex Mun Inc;A1	NA	NA	NA	3.8
PIMCO Flex Mun Inc;A2	NA	NA	NA	3.8
PIMCO Flex Mun Inc;Inst	NA	NA	NA	4.3
ROCKEFELLER MUN OPPTYS	20.09	NA	NA	NS
Single State Muni Bond				
PIMCO CA FMI;A-1	10.19	NA	NA	2.7
PIMCO CA FMI;Inst	10.19	NA	NA	3.3

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 February 14, 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									
Feb. 7	Mach Natural Resources	MNR	W. Mcmullen	AFI	5,161	15.50	80,000	16.12	-6.2
Feb. 10-12	TKO Group Holdings	TKO	A. Emanuel	CEOI	390	167.14-177.60	68,128	175.50	23.5
Feb. 10-12			P. Whitesell	BI	390	167.14-177.60	68,128		
Feb. 5-7			A. Emanuel	CEOI	332	158.14-167.79	54,182		
Feb. 5-7			P. Whitesell	BI	332	158.14-167.79	54,182		
Jan. 23-27			P. Whitesell	BI	315	147.87-153.96	47,999		
Jan. 31-Feb. 4			P. Whitesell	BI	252	154.58-159.22	39,554		
Jan. 29	Smithfield Foods	SFD	L. Wan	D	3,200	20.00	64,000	21.23	n.a.
Jan. 29			C. Smith	DO	30	20.00	600		
Feb. 5	Tectonic Therapeutic	TECX	T. Springer	DO	789*	50.00-54.14	40,000	35.57	-23.0
Jan. 30	Akero Therapeutics	AKRO	G. Graham	DI	200	48.00	9,600	50.52	81.6
Feb. 5-6	Estee Lauder	EL	P. Fribourg	DI	87	64.57-68.80	5,724	68.69	-8.4
Feb. 7			P. Fribourg	DI	46	64.99-65.47	2,957		
Feb. 6	Littelfuse	LFUS	A. Grillo	D	18	232.92-235.63	4,095	246.87	4.8
Feb. 7	Oncocyte	OCX	P. Smith	BI	1,078	2.05	2,209	2.56	7.6
Feb. 6	Match Group	MTCH	S. Rascoff	CEO	60	34.41	2,050	34.69	6.1
Feb. 5	Merck & Co.	MRK	D. Baker	D	15	88.50	1,328	83.01	-16.6
Feb. 10	Helmerich & Payne	HP	B. Chariag	D	37	27.08	1,012	26.54	-17.1
Sellers									
Feb. 7-11	Altus Power	AMPS	L. Norell	BI	11,082	4.87	53,949	4.90	20.4
Feb. 11	Trade Desk	TTD	J. Green	CEOI	400	120.47-122.21	48,272	80.16	-31.8
Feb. 7	Meta Platforms	META	M. Zuckerberg	CEOI	56	712.36-724.28	39,897	736.67	25.8
Feb. 6			M. Zuckerberg	CEOI	56	704.91-718.55	39,542		
Feb. 10			M. Zuckerberg	CEOI	36	712.20-720.65	25,623		
Feb. 12			M. Zuckerberg	CEOI	20	714.15-726.70	14,194		
Feb. 5	Abbott Laboratories	ABT	R. Ford	CEO	285	131.17	37,435	130.61	15.5
Feb. 10-11	Johnson Controls International	JCI	G. Oliver	CEO	410	89.06-89.83	36,562	89.77	13.7
Feb. 6-7			G. Oliver	CEO	410	85.99-88.57	35,742		
Feb. 11	FirstCash Holdings	FCFS	D. Rippel	BI	300	113.43	34,029	117.25	13.2
Feb. 11	Airbnb	ABNB	J. Gebbia	DOI	214	134.73-136.08	28,936	161.42	22.8
Feb. 6	Tesla	TSLA	K. Musk	D	75	367.87-368.43	27,591	355.84	-11.9
Feb. 11-12	C3.ai	AI	T. Siebel	CEO	652	32.22-34.37	21,472	31.56	-8.3
Feb. 6	Arista Networks	ANET	K. Duda	CT	160*	114.46-117.07	18,497	106.87	-3.3
Feb. 10	Datadog	DDOG	O. Pomel	CEO	119	144.61-147.23	17,395	131.01	-8.3
Feb. 6	American Express	AXP	S. Squeri	CEO	51	318.25-320.52	16,241	311.04	4.8
Feb. 6-7	Teledyne Technologies	TDY	R. Mehrabian	OD	32	510.33-514.70	16,154	489.73	5.5
Feb. 6-10	Evercore	EVR	E. Hyman	O	56	271.68-285.56	15,521	269.31	-2.8

* 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	1,824,978	17,798,941	Finance	2,357,492	170,291,377
Capital Goods	571,283	26,140,301	Health care	16,995,758	173,265,309
Consumer durables	2,069,129	46,856,882	Public Utilities	499,200	1,488,425
Consumer non-durables	10,566,288	20,970,725	Technology	7,574,718	296,782,817
Consumer services	155,644	198,199,285	Transportation	0	13,760,482
Energy	1,563,590	11,781,399			

Sources: LSEG Data and Analytics; Dow Jones Market Data

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

February 17, 2025

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

	Jan. Index level	Chg From (%) Dec. '24	Jan. '24
U.S. consumer price index			
All items	317.671	0.65	3.0
Core	323.842	0.57	3.3

International rates

	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	7.50	7.50	8.50	7.50
Canada	5.20	5.20	7.20	5.20
Japan	1.625	1.625	1.625	1.475
Policy Rates				
Euro zone	2.90	2.90	4.50	2.90
Switzerland	1.00	1.00	2.25	1.00
Britain	4.50	4.50	5.25	4.50
Australia	4.35	4.35	4.35	4.35
Overnight repurchase				
U.S.	4.38	4.38	5.45	4.00

Feb. 14, 2025

Inflation

	Jan. Index level	Chg From (%) Dec. '24	Jan. '24
U.S. consumer price index			
All items	317.671	0.65	3.0
Core	323.842	0.57	3.3

International rates

	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	7.50	7.50	8.50	7.50
Canada	5.20	5.20	7.20	5.20
Japan	1.625	1.625	1.625	1.475
Policy Rates				
Euro zone	2.90	2.90	4.50	2.90
Switzerland	1.00	1.00	2.25	1.00
Britain	4.50	4.50	5.25	4.50
Australia	4.35	4.35	4.35	4.35
Overnight repurchase				
U.S.	4.38	4.38	5.45	4.00

U.S. government rates

	Latest	Week ago	52-Week High	Low
Discount	4.50	4.50	5.50	4.50
Federal funds				
Effective rate	n.a.	4.3300	5.3400	4.3300
High	n.a.	4.5500	5.6500	4.4700
Low	n.a.	4.3200	5.3200	4.3000
Bid	n.a.	4.3200	5.3300	4.3200
Offer	n.a.	4.3300	5.3600	4.3300
Treasury bill auction				
4 weeks	4.250	4.250	5.285	4.230
13 weeks	4.225	4.220	5.255	4.195
26 weeks	4.185	4.155	5.170	4.110

Other short-term rates

	Latest	Week ago	52-Week high	low
Call money	6.25	6.25	7.25	6.25
Commercial paper (AA financial)				
90 days	n.a.	n.a.	5.37	4.26
Secured Overnight Financing Rate	4.33	4.36	5.40	4.27

	Latest	Value Traded	52-Week High	Low
DTCC GCF Repo Index				
Treasury	4.393	37.400	5.471	4.286
MBS	4.395	69.466	5.526	4.294

Weekly survey

	Latest	Week ago	Year ago
Freddie Mac			
30-year fixed	6.87	6.89	6.77
15-year fixed	6.09	6.05	6.12

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 February 13, 2025. **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

Monday, February 17, 2025

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.

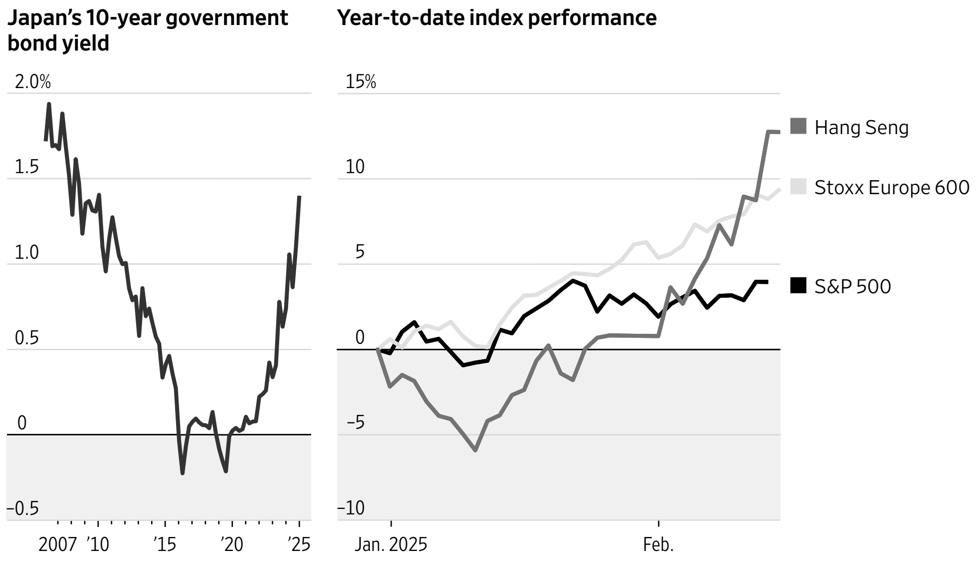
	Monday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	76.500
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	14.200
Metals	
Gold, per troy oz	
LBMA Gold Price AM	*2938.05
LBMA Gold Price PM	*2921.25
Silver, troy oz.	
LBMA spot price	*£26.3200
(U.S.$ equivalent)	*33.1050
Other metals	
LBMA Platinum Price PM	*998.0
LBMA Palladium Price PM	*992.0
Aluminum, LME, $ per metric ton	*2662.0
Iron Ore, 62% Fe CFR China-s	*106.8
Steel, HRC USA, FOB Midwest Mill-s	*800.0
Fibers and Textiles	
Cotlook 'A' Index-t	*78.55
Food	
Coffee,Brazilian,Comp-y	4.0269
Coffee,Colombian, NY-y	4.2090

Friday, February 14, 2025

	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	76.500
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	14.200
Metals	
Gold, per troy oz	
Engelhard industrial	2927.00
Handy & Harman base	2921.25
Handy & Harman fabricated	3242.59
LBMA Gold Price AM	*2917.45
LBMA Gold Price PM	*2915.30
Krugerrand,wholesale-e	3002.17
Maple Leaf-e	3031.04
American Eagle-e	3031.04
Mexican peso-e	3488.49
Austria crown-e	2832.54
Austria phil-e	3031.04
Silver, troy oz.	
Engelhard industrial	33.2500
Handy & Harman base	32.4160
Handy & Harman fabricated	40.5200
LBMA spot price	*£25.8700
(U.S.$ equivalent)	*32.2750
Coins,wholesale $1,000 face-a	24805
Other metals	
LBMA Platinum Price PM	*996.0
LBMA Palladium Price PM	*986.0
Platinum,Engelhard industrial	1005.0
Palladium,Engelhard industrial	1005.0
Aluminum, LME, $ per metric ton	*2627.0
Copper,Comex spot	4.6565
Iron Ore, 62% Fe CFR China-s	*107.2
Steel, HRC USA, FOB Midwest Mill-s	*790.0
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.5% v,w	10575
BMI Lithium Hydroxide, EXW China, =56.5% v,w	9550
BMI Cobalt sulphate, EXW China, >20.5% v,w	3562
BMI Nickel Sulphate, EXW China, >22% v,w	3563
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% v,w	435
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.8800
Cotton,1 1/16 std lw-mdMphs-u	0.6631
Cotlook 'A' Index-t	*79.10
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	103
Corn,No. 2 yellow,Cent IL-bp,u	4.6800
Corn gluten feed,Midwest-u,w	126.3
Corn gluten meal,Midwest-u,w	437.7
Cottonseed meal-u,w	260
Hominy feed,Cent IL-u,w	115
Meat-bonemeal,50% pro Mnpls-u,w	275
Oats,No.2 milling,Mnpls-u	3.9750
Rice, Long Grain Milled, No. 2 AR-u,w	35.25
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	302.20
Soybeans,No.1 yllw IL-bp,u	10.0200
Wheat,Spring14%-pro Mnpls-u	8.1600
Wheat,No.2 soft red,St.Louis-u	6.0850
Wheat - Hard - KC (USDA) $ per bu-u	6.4125
Wheat,No.1soft white,Portld,OR-u	6.2000
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	303.97
select 1-3,600-900 lbs.-u	292.40
Broilers, National comp wtd. avg.-u,w	1.2703
Butter,AA Chicago-d	2.3775
Cheddar cheese,bbl,Chicago-d	181.75
Cheddar cheese,blk,Chicago-d	192.00
Milk,Nonfat dry,Chicago lb.-d	128.00
Coffee,Brazilian,Comp-y	4.3058
Coffee,Colombian, NY-y	4.3844
Eggs,large white,Chicago-u,w	8.0450
Flour,hard winter KC-p	17.15
Hams,17-20 lbs,Mid-US fob-u	n.a.
Hogs,Iowa-So. Minnesota-u	88.93
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	0.9809
Steers,Tex.-Okla. Choice-u	n.a.
Steers,feeder,Okla. City-u,w	313.00
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	n.a.
Grease,choice white,Chicago-h	0.4800
Lard,Chicago-u	n.a.
Soybean oil,crude;Cent IL-u,w	0.4500
Tallow,bleach;Chicago-h	0.5275
Tallow,edible,Chicago-u	0.5750

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 2/13

Source: Dow Jones Market Data



Sources: Tullett Prebon (yield); FactSet (index)

Defense Rally Pushes Europe Stocks to High

By Angus Berwick

European defense stocks surged Monday, buoyed by the prospect of higher military spending, while global markets were largely subdued with the U.S. closed to mark Presidents Day.

MONDAY'S MARKETS

Stocks such as London-listed **BAE Systems**, **Thales** in France, and Germany's **Rheinmetall** climbed more than 7%. The gains came after North Atlantic Treaty Organization allies said they needed to boost defense budgets to support Ukraine and deter Russia from any potential further attacks.

The Stoxx Europe 600 index rose slightly more than 0.5% to reach a new closing high. It had already notched seven record closes in 2025, as European markets have made a strong start to the year.

U.S. index futures inched higher. This week is set to bring more blue-chip earnings, including from **Walmart** and Warren Buffett's **Berkshire Hathaway**.

So far in this results season, 383 members of the S&P 500 have reported, with earnings on aggregate beating expectations by 6.3%, according to LSEG. That is better than a long-term average of 4.2% outperformance.

In Japan, benchmark borrowing costs hit the highest since 2010, after data showed the economy grew at a faster-than-expected 2.8% annualized rate in the final quarter of last year. That bolstered expectations the Bank of Japan would lift interest rates further this year.

Ten-year yields rose to 1.393%. The Nikkei 225 stock index eked out a 0.1% gain.

Stocks in China were mixed, despite Chinese leader Xi Jinping meeting with leaders of the technology industry Monday, including **Alibaba** cofounder Jack Ma, signaling a tech crackdown was over. China is contending with fresh U.S. tariffs imposed by President Trump.

"The meeting shows that Beijing is turning more probusiness as the trade war 2.0 looms," wrote Larry Hu, Macquarie's chief China economist, in a note.

China's beaten-down tech stocks have rallied recently, helped by optimism about the emergence of artificial-intelligence upstart DeepSeek.

Shares of **Alibaba** slipped in Hong Kong Monday. They had jumped in New York trading Friday, taking year-to-date gains to 47%. Stock in **Tencent**—which is testing integrating DeepSeek into its Weixin messaging app—advanced.

Overall, Hong Kong's Hang Seng Index ended close to flat. In mainland China, the Shanghai Composite rose 0.3%.

Oil prices edged higher, lifting most actively traded Brent crude futures to $75.22 a barrel. Bitcoin slipped to about $95,500.

Anglo American to Retain Stake in Platinum Business

By Cristina Gallardo
And Adam Whittaker


The miner said it intends to retain the shareholding in the platinum business in an attempt to manage share flowback.

Anglo American said it will retain a 19.9% stake in **Anglo American Platinum** after its planned demerger this summer.

The London-listed miner said Monday it intends to retain the shareholding in the platinum business in an attempt to manage share flowback and offset the risk of existing shareholders selling the stock after the demerger.

Anglo American said it does intend to sell the remainder of its retained shares over time, and said that it won't hold any representation on the Anglo American Platinum board after the split.

Anglo American's decision to retain a stake after the demerger isn't the clean break analysts expected, RBC Capital Markets analysts Ben Davis and Marina Calero wrote.

"This should help with the possible flowback issues on the stock, particularly from passive index holders of Anglo American that would mechanically be selling the shares post demerger," they wrote.

The update came as Anglo American Platinum, which is based in South Africa, declared a final dividend of 16.5 billion rand, or $900.2 million, on Monday. This would be paid to shareholders before the demerger, the company said.

The dividend consists of a base dividend of 0.8 billion rand—or 3 rand a share—and an additional cash dividend of 15.7 billion rand, or 59 rand per share, the company said.

Anglo American holds about 67% of Anglo American Platinum shares and said it expects to receive about $600 million from the dividends.

In London, Anglo American's shares rose 0.4%, while in South Africa, Anglo American Platinum's shares rose 0.7%.

Anglo American decided to spin off its platinum business to simplify its operations following a failed takeover bid from rival BHP last year.

As the miner focused on its copper, premium iron ore and crop nutrient assets, it has been unloading shares in Anglo American Platinum and disposed of its steelmaking coal business.

KKR Floats Offer to Buy Assura, A London-Listed Property Firm

By Cristina Gallardo

KKR put forward a nonbinding proposal offer to buy **Assura**, which values the London-listed property business at 1.56 billion pounds, or about $1.97 billion.

KKR company said Monday it submitted four indicative nonbinding proposals to Assura's board over the last six months, with the intention of acquiring its entire issued share capital. All but one were unanimously rejected, KKR said.

The latest proposal values the British group at £1.56 billion, a 28.2% premium to the closing price of 48 pence a share on Feb. 13, KKR said. Assura shares closed at 42.5 pence on Monday.

The financial-services company must announce whether it would make a firm offer for Assura by March 14, but KKR said there can be no certainty any firm offer will be made.

KKR's announcement comes as USS Investment Management said it won't bid for the British company.

Banks Cool Mentions Of DEI

Continued from page B1

tices and said it expects continuing criticism from politicians and activists concerning them. In its filing last year, it touted a firm culture that supported DEI initiatives and titled a table that laid out the makeup of its employees by race and other identification as "Diversity, equity and inclusion." The same table in its latest filing is titled "Workforce composition."

In recent weeks, **HSBC's** diversity-and-inclusion webpage shrank from about 1,000 words to fewer than 100. Now gone from that page are diversity-data disclosures, information about employee-resource groups and the company's description of its strategy to advance inclusion.

Big banks have been relatively slower than other corporations about pulling back on their diversity measures, in part because they have long been criticized for their lack of Black and other minority executives.

Banks are also reviewing how they talk publicly about LGBTQ initiatives.


Goldman Sachs is ending a public-listing requirement that companies have diverse boards.

Citi recently removed from one of its career webpages promotional materials on a program that gives transgender and nonbinary customers an option to have credit cards with the names they identify with. "We want other banks to join us in enabling consumers to use their chosen name on their credit cards," the webpage had said.

Goldman and JPMorgan were already in the crosshairs of right-leaning groups that late last year began privately pushing the banks to pull back from their DEI efforts, The Wall Street Journal previously reported. Both banks received proposals that could give shareholders the chance to vote on the issue ahead of their annual meetings this spring.

Goldman cited legal developments related to board-diversity requirements when it said last week it was ending its requirement that companies in the U.S. and Western Europe have diverse boards for the bank to take them public.

Concerns about DEI programs extend beyond the biggest banks. Credit-card issuer **Synchrony Financial** is evaluating whether to pull DEI language from its website but isn't yet planning changes to its diversity efforts, according to a person familiar with the matter.

That points to another dilemma facing banks: whether to keep DEI practices in place after scrubbing external language about them. Some banks have been advised by their lawyers that doing so still leaves them at risk. Whistleblowers, for example, could alert federal officials or activists about the programs.

Galp Energia's Quarterly Earnings Miss Expectations

By Adam Whittaker

Galp Energia's fourth-quarter earnings missed consensus expectations but the Portuguese oil-and-gas producer still launched a share buyback of 250 million euros, equivalent to about $262.3 million.

Galp on Monday reported an adjusted replacement-cost net profit—a metric that is similar to the net profit that U.S. oil-and-gas companies report—of €71 million.

€250M
Amount of the share buyback the Portuguese oil-and-gas company plans.

That compares with the €171 million figure that analysts had been expecting, according to a company-compiled consensus, and is down from the €266 million the company reported for the third quarter.

Galp said its quarterly results reflect a strong performance despite a volatile wider economic environment.

At its next annual general meeting, Galp will propose lifting its dividend by 15% to 0.62 euro a share, and also plans to launch a €250 million share buyback, the company said.

Galp's upstream division—where it derives the majority of its earnings—reported adjusted replacement-cost earnings before interest, taxes, depreciation and amortization of €437 million, compared with the €493 million figure that analysts had forecast.

Refining margins rose slightly to $5.2 a barrel from $4.7 the prior quarter, the company said.

Fourth-quarter working interest production fell slightly on quarter to 110,000 barrels of oil equivalent per day.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Tuesday

Empire Manufacturing

Jan., previous	-12.6
Feb., expected	-1.0

Earnings expected Estimate/Year Ago

Arista Networks	0.57/0.52
Cadence Design Systems	1.82/1.38
Entergy	0.64/0.26
Medtronic	1.36/1.30
Occidental Petroleum	0.68/0.74
Vulcan Materials	1.76/1.46

Wednesday

Building Permits

Dec., previous	1.483 mil.
Jan., expected	1.46 mil.

Housing Starts

Dec., previous	1.499 mil.
Jan., expected	1.40 mil.

Mort. bankers indexes

Purch., previous	down 2.0%
Refinan., prev.	up 10.0%

Earnings expected Estimate/Year Ago

American Water Works	1.13/0.88
Analog Devices	1.54/1.73
ANSYS	3.95/3.94
Carvana	0.31/(1.00)
Garmin	2.05/1.72
Texas Pacific Land	n.a./4.91

Thursday

EIA status report
Previous change in stocks in millions of barrels

Crude-oil stocks	up 4.1
Gasoline stocks	down 3.0
Distillates	up 0.1

EIA report: natural-gas
Previous change in stocks in billions of cubic feet

down 100

Freddie Mac mortgage survey
Previous weekly averages

30-year fixed	6.87%
15-year fixed	6.09%

Initial jobless claims

Previous	213,000
Expected	215,000

Leading indicators

Dec., previous	down 0.1%
Jan., expected	up 0.0%

Philadelphia Fed survey

Jan., previous	44.3
Feb., expected	10.0

Earnings expected Estimate/Year Ago

Block	0.88/0.45
Booking Holdings	35.92/32.00
MercadoLibre	7.90/3.25
Newmont	1.08/0.50
Southern Co.	0.51/0.64
Walmart	0.65/0.60

Friday

Existing home sales

Dec., previous	4.24 mil.
Jan., expected	4.13 mil.

U.Mich. consumer index

Jan., final	67.8
Feb., prelim	67.8

Earnings expected Estimate/Year Ago

Balchem	1.06/0.95
Hawaiian Electric Industries	0.39/0.48

* 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


Walmart is expected to report per-share earnings of 65 cents a share on Thursday.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

DeepSeek Did Nvidia a Favor

The semiconductor maker has big year ahead, but its selloff might set better stage for chip-product transition

DeepSeek hasn't sunk **Nvidia**'s prospects for a big year. But more-grounded hopes should still prove advantageous to the artificial-intelligence giant as it navigates a tricky road ahead.

The panic sparked by the Chinese AI startup's revelations last month cost Nvidia nearly $750 billion in market cap in a little over a week's time.

The stock has recovered some since, but is still down about 6% as of Friday's close compared with the Nasdaq's flat performance over the same period.

DeepSeek's claims to have produced an advanced AI model at a relatively low computing cost raised the prospect that demand could wither for Nvidia's expensive systems that have been considered must-haves for any company looking to build up generative AI capabilities.

The recent spate of earnings reports from Nvidia's largest customers strongly suggest otherwise. **Amazon.com**, **Meta Platforms** and Google parent **Alphabet** all projected sharp increases in capital spending for this year—on top of a surge last year. All three also touted their relationships with Nvidia in their earnings calls.

Amazon Chief Executive Andy Jassy said the "deep partnership" between the two will last "for as long as we can see into the future."

Amazon expects capital spending to top $100 billion in 2025, with most of it going to AI infrastructure.

That bodes well for Nvidia's own quarterly report on Feb. 26. The data-center segment that includes most of the company's AI chips and services is expected to show revenue more than doubling to $113 billion for the fiscal year ended January.

But there also is growing worry that a transition to Nvidia's new Blackwell chip family could cause a short-term hiccup in growth. Data-center revenue in the fiscal fourth quarter is expected to have risen by only $2.6 billion from the period ended October, according to estimates from FactSet.

That would be a sharp deceleration from the $4.5 billion in data-center sales added in the previous quarter—and the lowest sequential gain for that segment since AI demand started booming in early 2023.

Nvidia CEO Jensen Huang said on the company's last earnings call in November that Blackwell production "is in full steam." But many analysts don't expect those Blackwell shipments to hit high volume until the second half of the new fiscal year, which could mean a disappointing forecast from Nvidia for its April-ending quarter. Mark Lipacis of Evercore ISI said an "air pocket" in shipments is the biggest risk to his positive outlook on Nvidia's stock heading into the report.

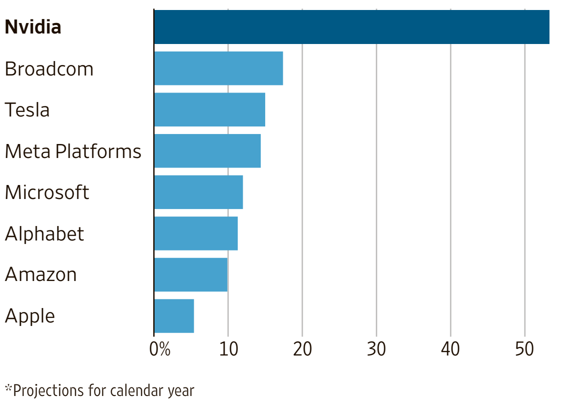
Nvidia's clipped valuation could thus be a blessing in disguise if it helps ground expectations a bit ahead of what could be a mixed report. The stock is now trading a little under 32 times projected earnings for this year, compared with a forward earnings multiple of nearly 40 times six months ago.

Nvidia is also now cheaper by that measure than most of its megacap tech peers despite superior growth projections, with revenue projected to rise 53% this year compared with 12.2% average growth expected for **Apple**, **Microsoft** and the other tech giants fetching market caps of more than $1 trillion each, according to FactSet data.

And most of those companies are still planning to shovel many billions more Nvidia's way. DeepSeek won't be making Nvidia come up short just yet.

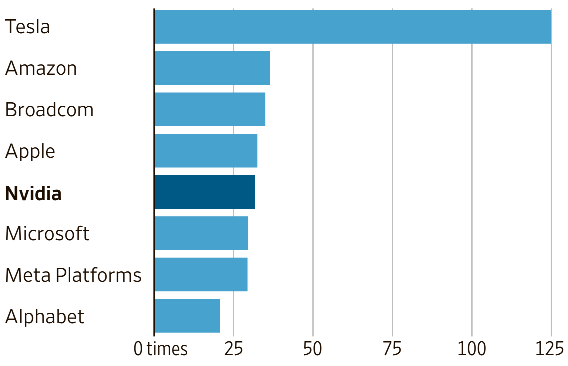
—Dan Gallagher

Projected revenue growth for 2025*



*Projections for calendar year

Share price as a multiple of forward earnings



Source: FactSet

PATRICK T. FALLON/AFP/GETTY IMAGES

CEO Jensen Huang at the Consumer Electronics Show last month.

Buddy, Can You Spare 90 Trillion Dimes?

This past weekend, two U.S. Treasury notes matured and their owners received $145 billion, plus a bit of interest.

That sure sounds like a lot of money, and it would be for anyone other than the federal government, but bills, notes and bonds get refinanced all the time: Around $9 trillion will have to be issued to repay existing ones this year alone.

They will find buyers at the right price. Compare old and new debt, though, and one gets the feeling the boring bond market might one day become a bigger worry for stocks than DeepSeek and tariffs combined. Saturday's maturing notes were issued in 2015 and 2022 at 2% and 1.5% interest rates, respectively. And you were impressed with yourself for locking in that cheap mortgage!

Treasury Secretary Scott Bessent has said he wants to rely less on short-term bills and to sell more notes—debt that matures in between two and 10 years. Unfortunately the market has demanded higher rates on benchmark 10-year notes since the Fed started easing five months ago, surprising many economists. Rates are complicated, but the simplest and most-disturbing explanation is that buyers are just a tiny bit worried about getting repaid.

$2T

U.S. deficit projected for this fiscal year by the Congressional Budget Office

Not about an actual default—the U.S. borrows in dollars and owns a printing press. But what if the Fed is forced to crank it up one day just to help keep borrowings manageable? That could make the dollars that bondholders are promised less valuable. Last week, a market measure of expected inflation over the coming decade, known as a break-even, hit its highest since October 2023.

The Congressional Budget Office forecasts a deficit this fiscal year of almost $2 trillion. It is seen falling in 2026, but mostly because the CBO assumes Trump's 2017 tax cuts will expire (unlikely) and that average interest rates on government debt will drop to 3.3%, hovering near there for years.

Maybe that is the prevailing rate in The Republic of Fantasy-landia, but U.S. Treasurys yield between 4.3% and 4.8%. Like those expiring Saturday, most outstanding notes were sold at rates lower than that—less than 3% on average.

Forecasts are hard: Today's net national debt is 43% higher than the CBO foresaw a decade ago despite that stretch of superlow interest rates. In fairness, its hands are tied—CBO's long-term projections assume tax cuts sunset on schedule and can't foresee pandemics or recessions.

Even without some cataclysm, though, selling trillions in new Treasurys is getting expensive. Just the interest on existing debt is now more than all nondefense discretionary spending combined.

You don't have to own bonds or be shopping for a mortgage to be at least a little concerned: Treasury yields help determine corporate borrowing costs and they set the "risk-free" floor below which stocks look unattractive. With stocks' price/earnings ratio already high, the extra return for owning equities has narrowed.

If normally humdrum Treasury auctions start drawing attention outside bond trading desks, then it won't be a good sign for taxpayers or investors.

—Spencer Jakab

FINANCE

Private-Equity Firms Must Go Big or Get Back to Basics

By Miriam Gottfried

A shakeout in the private-equity industry is forcing firms to adapt or get left behind.

The landscape of successful firms is increasingly divided between behemoths with several business lines such as **Blackstone** and **Apollo Global Management** and top performers that have focused on their roots of buying and selling companies for a profit.

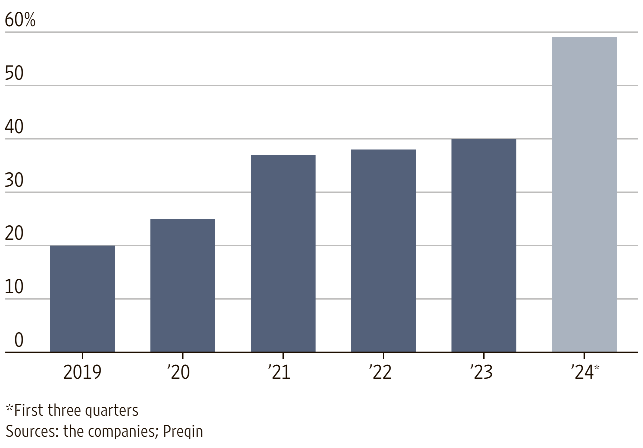
Firms that fall in the middle—those that are big, but not big enough, or whose returns are good but not great—are finding it difficult to raise money.

The growing list of firms that have struggled to raise money, delayed fundraising or settled for a smaller fund includes American Securities, Onex, Huron Capital and Vestar Capital Partners, according to people familiar with the matter.

Anxiety among managers is running high as the forces that powered the industry's growth fade.

Institutional investors have maxed out on private equity, and higher interest rates are making it harder to raise money and profitably sell companies that were purchased when rates were lower.

Percentage of total private-markets fundraising by the top six managers



*First three quarters
Sources: the companies; Preqin

Firms are now fretting over whether to branch out into new business lines, sell themselves or be an acquirer, go public or court individual investors.

"Whenever you're in a market where the pace of change is accelerating, people are going to be asking: How are we doing?" said John Maldonado, managing partner of private-equity firm **Advent International**. "The one thing that's definitely true is you have to have a plan."

Advent, which manages about $95 billion in assets, last year completed a monthslong internal review that helped the firm decide to remain a partnership focused on private equity.

Meanwhile, the big are getting bigger by raking in money from insurance companies and individual investors. The top six private-markets managers—Apollo, Blackstone, **Ares Management**, **KKR**, **Carlyle** and **Brookfield Asset Management**—were responsible for nearly 60% of the industry's total fundraising in the first three quarters of 2024, according to company filings and data compiled by Preqin. The figure is up from about 20% in 2019 and includes areas such as credit and infrastructure.

Fueling further angst: a pair of $12 billion deals **BlackRock** announced last year for infrastructure firm GIP and private-credit manager HPS.

After years of trying to bulk up organically in private markets, the asset-management giant's move to do it through M&A signaled a belief that the industry is changing quickly.

The number of private-equity firms grew over the past few decades as pension funds, endowments and other institutional investors ramped up their exposure to private markets.

Now private markets account for 11.5% of portfolios globally, according to data from asset manager Aviva Investors. Those institutional investors are no longer looking for more.

Private-equity firms also are sitting on more than $3 trillion worth of companies that were bought at the peak of the market in 2021 when interest rates were lower, according to Bain & Co. They are holding on to them because they don't want to accept lower valuations. As a result, money hasn't been returned to investors.

Private-equity fundraising will be depressed at least until those deals are cleared.

Clayton Dubilier & Rice is among those finding success in remaining a pure-play buyout shop. Its strong performance and focus, with only one big fund, have allowed it to take share among institutional investors.

The firm finished raising a $26 billion fund in 2023, up from $16 billion for its previous one. To help get there, CD&R more than doubled its head count in recent years, according to people close to the firm. Long known for investing in industrial and consumer companies, it has expanded into healthcare, technology and financial services and has tried to deepen its expertise in each sector.

Anxiety is high as the forces that powered the industry's growth fade.

Big players aren't immune to the pressures facing the private-equity industry, but they are finding new pools of money to manage.

Blackstone, for instance, has said its next big private-equity fund will be smaller than its last. Blackstone's credit businesses, on the other hand, took in over $100 billion in 2024, driven in large part by deals to manage insurance-company assets and offerings aimed at individuals.

All told, the firm raised $28 billion from individuals last year, nearly double what it raised the prior year.

Other firms that want to reach these pools of capital need the resources that come with scale. That is fueling a recent spate of M&A, with firms tying the knot with bigger players such as BlackRock, **Blue Owl** or **Franklin Templeton**.

General Atlantic is among those branching out. The firm was a pioneer in growth investing, which typically involves taking a significant minority stake in a rapidly growing business.

It determined about five years ago that investors wanted to work with firms that could offer them a range of options to meet a variety of needs, says Chief Executive Bill Ford.

In 2020, General Atlantic launched a private-credit fund through a partnership with a firm run by Tripp Smith, who had co-founded GSO before selling it to Blackstone. In 2022, General Atlantic struck a deal to buy Smith's firm.

Last year, it bought infrastructure firm Actis. General Atlantic now manages about $100 billion and has a plan to more than double that by 2030, including by managing money through a partnership with insurance company **MetLife**.

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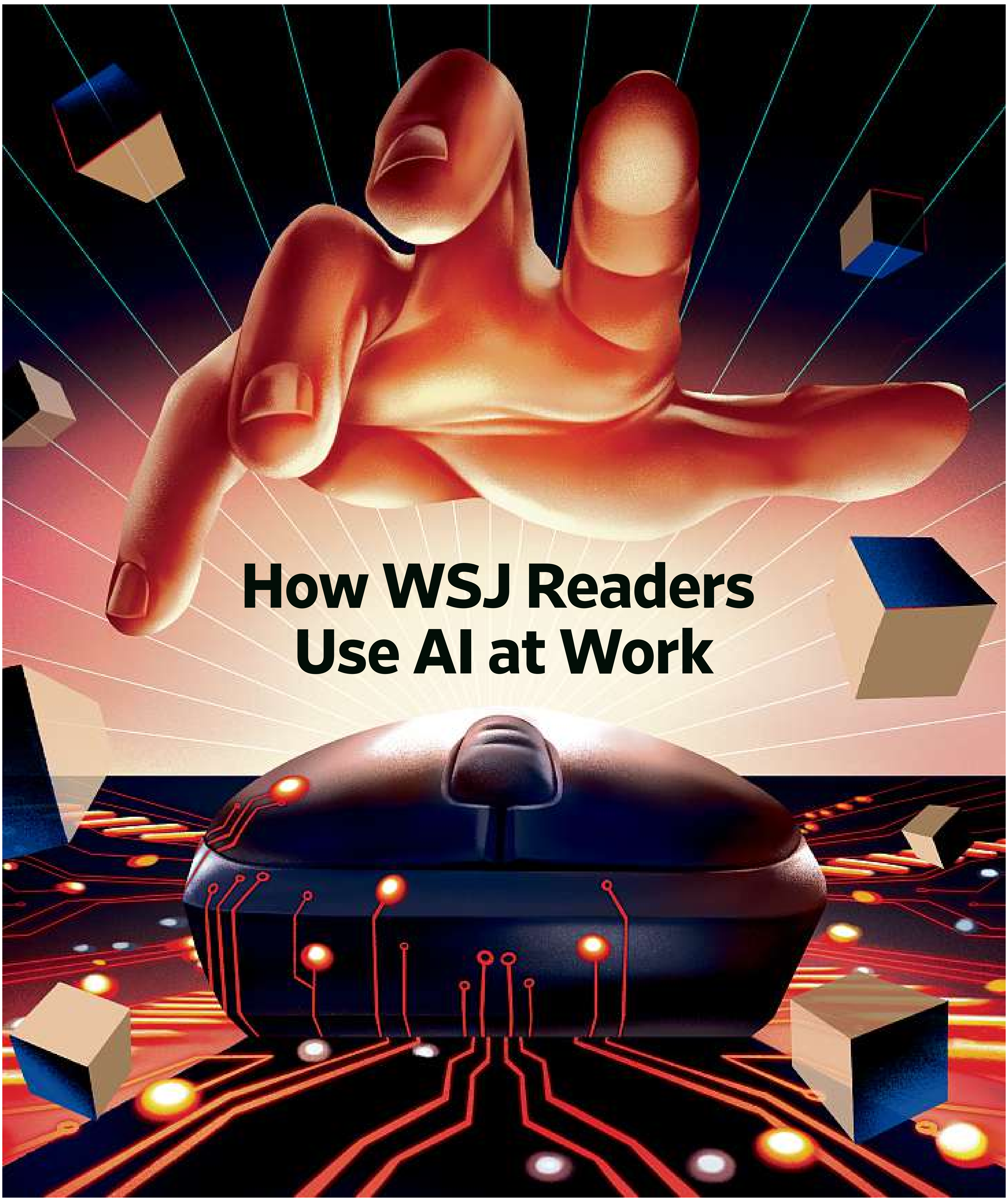
WORKPLACE TECHNOLOGY



DEENA SO OTEH

How WSJ Readers Use AI at Work

Generative artificial intelligence tools are becoming more available, and, for some workers, indispensable for their jobs

BY DEMETRIA GALLEGOS

ARTIFICIAL intelligence, it is often predicted, will transform the workplace. Many people will lose their jobs—and many others will do their work in a completely different way.

But that's in the future. What's happening now? How are people already using generative AI tools to do their jobs better and faster?

We asked WSJ readers that question, and they flooded us with answers. In fact, many said they can't imagine going back to the days before tools such as ChatGPT, Claude, Gemini and Copilot were available.

For these readers, the future has already begun—and their efforts offer a road map for those who haven't yet ventured

Please turn to page R2

Doctors and Hospitals Look to Drones to Deliver Drugs, Supplies—and Even Organs

Healthcare providers hope the technology will allow them to transport supplies more quickly and cheaply

BY WILLIAM BOSTON

IF YOU NEED a prescription filled in the coming years, don't be surprised if it flies in and lands in your backyard.

Hospitals and doctors are increasingly experimenting with the use of drones to deliver medications, lab tests and supplies to patients being treated at home. Some are testing whether drones can be used to deliver organs for transplant more quickly and cheaply. And in some cities, a 911 call today could set off a drone carrying a defibrillator, Narcan spray or tourniquet to the scene of an emergency ahead of the arrival of paramedics.

The first attempts to use drones to deliver things to people started more than a decade ago. Such efforts, however, were limited in part by Federal Aviation Administration regulations that require drones to fly within the line of sight of the operator—unless the operator had an exemption.

But the adoption of drones to deliver everything from pizza to penicillin is accelerating, thanks to evolving drone technology, growing public acceptance of drones and progress toward developing a set of rules for drone flights that

Please turn to page R6

Inside

How WSJ Readers Use Artificial Intelligence At Work: 'AI Has Been an Unexpected Superpower'

Continued from page R1

into this new AI world.

Custom-made podcasts

I use AI for many things in my professional life. One is to create podcasts of my lectures, converting them into audio conversations, which provide my college students with an additional mode of learning. Notebook LM and Google Illuminate convert research papers and lecture notes into discussions. The latest one took only four minutes to create a 17-minute podcast. AI has been transformative for me, offering innovative ways to enhance the educational experience.

—Ayse Ozturk, *Columbia, S.C.*

Scheduling made easy

One of the biggest challenges at the retail-sales agency I work for is coordinating our field team across the country—creating schedules, tracking results and making sure we have the right people in the right places. It used to mean wrestling with spreadsheets and drowning in Slack messages.

When I started using Airtable's natural language formulas, reporting became nearly effortless. Sales insights from the field flow into reporting dashboards in real time, giving our clients instant access to what matters most. Scheduling was harder to handle but with help from ChatGPT, I have started writing code to automate the process and communication—matching availability, geography and priorities better than any frantic late-night spreadsheet session ever could. For someone with zero coding experience, AI has been an unexpected superpower—helping us scale these more repetitive parts of our work to take on more business without adding head count.

—Kathleen Tozzi, *Annapolis, Md.*

Medical assistance

After 30 years as a physician, I began using ChatGPT for simple medical questions about six months ago. It has virtually all of the current practice guidelines in its database, and will formulate a succinct and useful answer to my questions, without distracting additional information.

Recently, I've been asking more-esoteric questions and it still has a solid and helpful response. The questions range from adverse events associated with very niche medications to the latest protocols in managing specific and unusual conditions. I have found its answers to be accurate and it is the fastest way to get detailed and relevant information. I'm using it regularly in my gastroenterology practice.

—Nick Namihas, *Corona del Mar, Calif.*

Checking my work

I'm a mechanical engineer who works with advanced mathematical equations to understand how complicated machines move. I have to predict how gears, electrical components and fluids will work together.

AI is like having a seasoned engineer working by my side, humble and always helping without judging, even if I ask for more details.

I ask two AI models to give me the equations of motion and then I compare them. Even though I could derive these equations myself, AI gives me an expert eye that checks my math as it becomes more complex.

Using these models versus searching the Web or using Wikipedia is analogous to driving with a paper map unfolded on your knees versus using Google Map with turn-by-turn guidance on your dashboard.

—Ashraf Zeid, *Shippensburg, Pa.*

My AI intern

For my consulting business, AI has been like a sharp, quick-with-answers type of intern. I ask AI

to analyze data or content, or to organize it so that I can, in turn, double-check it and include it in my final presentation.

AI helps me spot when I've forgotten to include an important aspect in an argument, and challenges my assumptions when I'm constructing a strategy

> 'Since I began using AI,' writes one person who uses Korean, English and Japanese regularly, and is learning Spanish, 'I've been able to free myself from the fear of making mistakes, or being rude or going on too long when emailing people from different cultures.'

framework for a particular business situation.

In my lecturing role, AI serves as a helpful curriculum assistant. It can propose new ideas for case studies to produce for students, generate templates for syllabi and perform other basic teacher-assistant tasks.

—Adil Marzouk, *Casablanca, Morocco*

Create an ad campaign

I use AI all the time, particularly in advertising. Using Wix, I was able to create what I think was a great holiday campaign for my auto-detailing company. Just by entering "homey Christmas scene with car in front of home," I got a classic, cozy scene that invoked a feeling of nostalgia. That's not something I could do without an AI image creator.

—Tom Aylmer, *Chesterfield, Mo.*

Editing power

I write a column for a local newspaper and just used AI to edit my most recent piece. I was surprised at how many changes it made to my draft, all of them on point. I still needed to make a few edits to the AI text to give it my own voice. AI's effectiveness and speed really surprised me and saved me much laborious editing and re-editing that I normally have to undertake.

—Charles Houston, *Paeonian Springs, Va.*

Secret weapon

As an executive coach, ChatGPT Plus has saved me invaluable time with the ability to help structure, write and edit my client's business documents and online profiles. It is great at sourcing relevant articles to share with clients, suggesting topics and critical questions. Recently, when one of the few female executives on her company's board asked me for articles on how to raise her voice and get the other board members to listen to her, AI gave me articles from consulting firms, business publications and universities.

AI synthesizes the content of a company's webpage and online presence to allow me to determine an organization's core values before engaging with its leadership. And, on a more fun note, it informs me of any interests my clients have outside their work, and is my secret weapon in knowing the latest news about their hobbies or the best restaurants serving ceviche in St. Lucia.

—Diane Elizabeth Cutshaw, *Durham, N.C.*

Job search

I am currently in transition between executive roles. ChatGPT helps me evaluate potential roles by analyzing job descriptions against my résumé to identify missing highlights or shortfalls. It also suggests ways to address gaps using relevant experiences.

I use AI to generate role-specific interview questions and engage in interactive practice. The tool asks me questions one at a time, allows me to respond as I would in a real interview, and provides immediate feedback on my answers. Practicing in a voice-interactive format makes the experience more realistic and helps me refine my delivery.

These tools don't replace my judgment but enhance it, much like a calculator enables faster, more accurate math. It allows me to focus on strategic thinking while streamlining routine tasks.

—Kim Hodgkinson, *Grand Rapids, Mich.*

Not lost in translation

As an international business student, I rely on AI primarily as a writing aid, especially when expressing myself in foreign languages. I use Korean, English and Japanese regularly and am learning Spanish as I hope to pursue a career in the Americas. AI sharpens my points, trims unnecessary wording, and ensures I communicate more naturally across cultural lines. For better results, I ask AI to revise my English to feel more natural to Americans and my Spanish to feel more natural to Latin cultures.

Since I began using AI, I've been able to free myself from the fear of making mistakes, or being rude or going on too long when emailing people from different cultures. In short, AI helps me share my ideas more naturally without losing the essence of what I want to convey.

—Ian (Hyeoncheol) Yang, *Auburn, Ala.*

Time saver

I'm a pediatric hospitalist. Recently, I was asked to provide a letter of clinical necessity, to explain to a judge why a patient with complex medical needs should be discharged from the hospital and placed in a medical group home. I was able to open DoximityGPT, simply input all the active diagnoses the patient had, and what my goal was (the placement for further specialized care).

Within 15 seconds or so my letter was written, describing all the relevant conditions perfectly, speaking to their severity and truly making a good case for the need for resources. I did make a few edits, but overall this saved me close to 20 minutes, not including the writer's block I certainly would have had.

—Shubho Sarkar, *New Orleans*

A targeted pitch

AI tools function like a collaborative team—researchers, editors and analysts working in parallel. I've just transitioned to a new role that requires me to apply for different conference and corporate speaking opportunities. So I've built a project in Claude with all my writing, the talks I give, and my details. Now when I am preparing an application, I put the conference information in the prompt and it writes my pitch for the talk and the takeaways, while positioning me perfectly for the conference. That saves me hours of time, as all I need to do after is edit it and send it off.

—Shira Abel, *Lafayette, Calif.*

Complexity simplified

AI reduces the amount of time it takes us as management consultants to research a complex new topic without having a background in that area. I recently used Bard (now called Gemini) to understand some technical issues on behalf of an industrial client. I have an M.B.A., not a Ph.D. in science, so Bard helped a lot by explaining the chemical resistance of certain components during the refining process.

—Nicholas Potts, *Boston*

Jack of all trades

I've learned to rely on ChatGPT for its versatility. Daily, I use it to check grammar and spelling in emails, generate content ideas for my blog, create images for documents, and consolidate data in Excel. Sometimes I know an Excel function exists but am unsure how to use it directly. ChatGPT explains my errors and shows exactly how to apply the function in my report.

—Priscila Bernal, *San Salvador, El Salvador*

Meeting prep

One valuable use-case has been in preparing for important meetings. We'll present to a LLM [large language model] with speech-recognition capabilities, and then ask it to challenge our insights with questions, and ask it how we could be clearer in our messaging. That's just one example—we're just getting started with these tools.

—Julian Gomes, *Burlingame, Calif.*

My own help desk

I asked ChatGPT to help me restart my frozen Mac when I could no longer log in, after my machine was used by scammers targeting a small nonprofit I am associated with. ChatGPT talked me through "recovery mode" and had me quickly back to work. I find AI easier than Google, which refers to websites that are sponsored. Try it and one doesn't go back.

—Joe Cox, *Fairfax Station, Va.*

Deemetria Gallegos is an editor for The Wall Street Journal in New York. Email her at demetria.gallegos@wsj.com.

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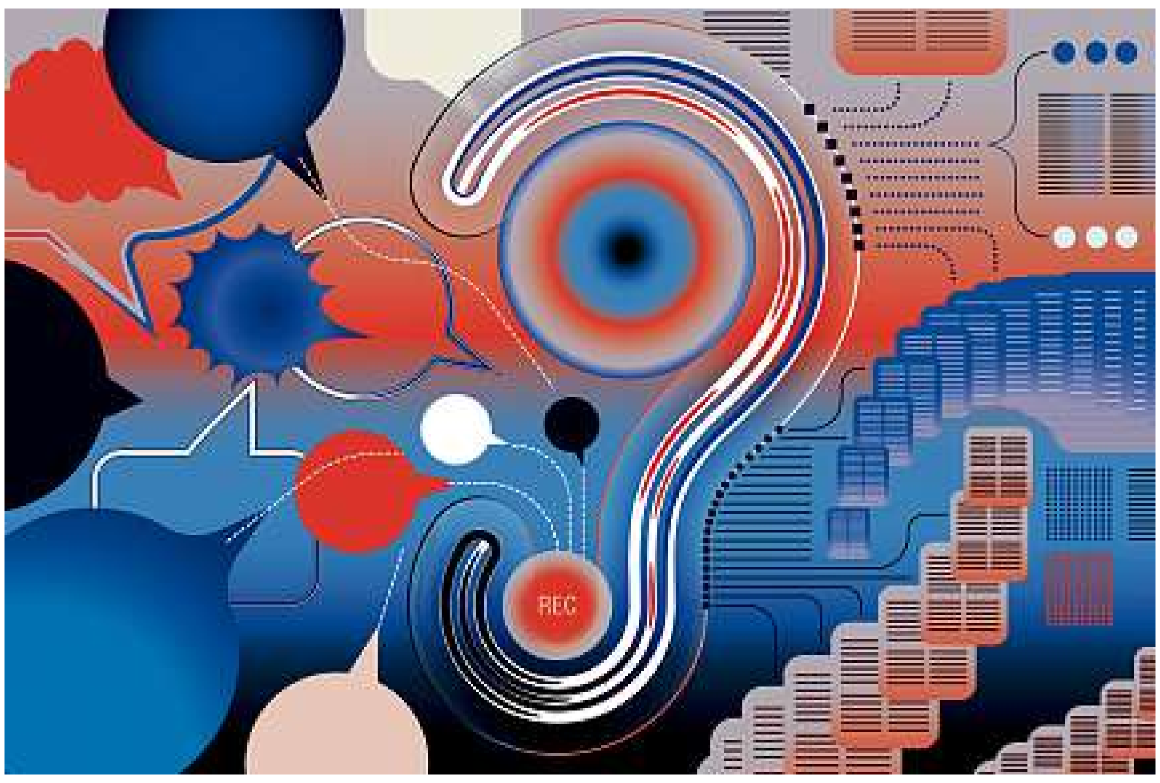

PETRA PÉTERFFY

Now That It's So Easy to Transcribe All Work Meetings, Should We?

It's great to have a full record of what was said. But there may be a hidden cost.

BY ALEXANDRA SAMUEL

WE CAN now transcribe just about everything.

Apps and online platforms can give us a written record of our video meetings, phone calls or just about any voice recording. AI can even read the transcripts for us, summarizing the key nuggets and action items, so we don't have to wade through all the ums, ahs and digressions.

The promise is that we can have meetings where nothing gets lost; meetings where we can give the conversation our full focus instead of worrying about taking notes; and where people with hearing challenges, attention differences or a noisy work environment can still follow and participate in the conversation.

But a full accounting of every conversation could have an unexpected downside: When people in a meeting know they are being recorded, they don't talk the way they usually do.

Some people, for instance, may be more careful about what they say, knowing there is an official record of the conversation. That is the last thing anybody wants in a brainstorming meeting. Others may talk *too* much, chiming in just to make sure the record shows they are engaged and paying attention.

All of this can happen even when the stakes are low. Recently, I found myself brainstorming ideas for a forthcoming outreach campaign while in the car with a colleague. We started out with a freewheeling conversation…until I realized I should be recording the conversation with my phone, so that we'd end up with a transcript of our ideas.

Yes, that transcript proved useful afterward—but once the record button was on, our conversation became more linear and structured. We enunciated more clearly, we took more care not to talk over one another, and we moved in a more orderly way from one idea to the next, conscious of how to make it easier for the AI to follow the conversation. I'll never know what great ideas might have surfaced if we had just kept rambling.

No notes

Then there is the risk that AI transcription will short-circuit the benefits of active note-taking during meetings.

When people keep their own running record of important ideas, they can highlight and remember things that catch their attention or inspire them in the moment. It is tough for people to remember those moments—and their significance—if they rely on a long transcript to refresh their memory.

Yet the biggest risk of AI transcription is how it affects our ability to trust one another. When colleagues are relaxed and open in their conversations, it builds the relationships that support everything we do. Once you and the guy in the next cubicle bond over your love of Ethiopian food, you may be less irritable about his too-loud phone voice.

But those trust-building processes don't happen if we're so conscious of AI transcription that we don't make room to talk about that great new restaurant.

Perhaps more unnerving, AI transcription tools could sow the seeds of dissent, misunderstanding or simple error. Studies of AI transcription have found that while accuracy is gradually improving, AIs sometimes make things up in transcripts, just like they hallucinate in chats and research tasks. If an AI inserts an invented event or line item into the transcript of a conference-planning meeting, an employee may end up booking a speaker or room that nobody wanted.

Then there are the accurate transcriptions that could be even more painful. If you vent about a colleague after they have dropped off a video call, you better be certain that they are not going to receive an emailed transcript of everything that was said, including your candid remarks about their overdue work.

Keep AI in check

To reap the benefits of transcription and avoid the downsides, I suggest these strategies:

- **Recording shouldn't be automatic.** Instead of setting all conversations to record by default, the person heading a meeting should decide whether and when to start. This allows for off-the-record chat before the meeting.

- **Ask for permission.** Leaders should get the go-ahead before starting to record, and they should announce whenever the transcription starts or restarts, so that everyone knows they are now on the record. Before you start recording, make sure team members know who will have access to the meeting transcript.

- **Encourage note-taking.** It is vital for people to create their own personal record of what really mattered in the conversation so they can recall important points more easily. The person running the meeting should also review the AI summary of the meeting to ensure it reflects what was most important in the conversation. Ideally, that should be done in a format (like a Google Doc or an online Word doc) that other people can annotate.

Instead of drifting into a world where everything is on the record, all the time, we need to build habits that ensure transcription is a tool, not a reflex. As transcription grows ever easier, more accurate and more ubiquitous, knowing when not to record may be our most valuable meeting skill.

Alexandra Samuel is a technology researcher and co-author of "Remote, Inc.: How to Thrive at Work…Wherever You Are." She can be reached at ***reports@wsj.com.***

A History of Workplace Tech

As Seen in The Wall Street Journal Since 1889

It's easy to forget that the fax machine was once a breakthrough technology. Or how mind-bending 'electronic mail' was. Not to mention the elevator...

PERPENDICULAR locomotion. Telephone typewriters. Calculators. Facsimile systems.

These were all once the Next Big Thing in workplace technology.

For most of its 135-plus years, The Wall Street Journal has covered the never-ending quest to inject the latest technology into our workplaces. Whether that has always been for the benefit of workers or companies—well, you can be the judge of that.

Here is a sampling of some of that coverage from the Journal archives.

August 6, 1910

MIRACLES OF ACHIEVEMENT WROUGHT BY MEN AND MACHINES

THE RUSH OF MODERN LIFE, THAT PRODUCES MORE ORDERLY AND GREATER RESULTS THAN EVER BEFORE ACCOMPLISHED.

We hear so much about the rush of modern life that people have become depressed with the thought that we are in a state of restless, feverish unhealthy activity. This popular belief will bear a little looking into. It is a fact that life moves faster than ever before in the world's history. The man who goes by train 100 miles accomplishes the journey in a fraction of the time he could have made it 100 years ago. But, as a matter of fact, while the journey is a rush physically as compared to the old slow moving coach, the man himself is subject to far less worry, anxiety and hardship than he would have been by the old method of locomotion. The 100-mile journey, while it is quicker, is also easier.

THE TENSION OF LIVING.

In the old days there were no skyscrapers, no houses of many stories; and yet, consider how little stair climbing we do now-a-days, as compared with the old days. Perpendicular locomotion is a new invention, while horizontal locomotion is as old as the race. The fast elevator moving up and down, like the fast train moving across country, has given a rush to life only in seeming. Actually it has relieved the tension of living and working, enabling men to do all their fathers did in a fraction of the time it took their fathers to do it. —Scranton Tribune-Republican

July 27, 1929

BELL SYSTEM'S NEW INVENTION

Typewriter-Telephone Service Eventually May Compete with Telegraph

DEVICE SEEN IN DEMAND

The Bell System has developed a telephone typewriter which provides equipment and circuits, and gives a service which permits subscribers to handle their own messages, telephone or telegraph, in their own way. Telephone typewriter instruments have to a large degree the flexibility of telephone instruments, and can be interconnected through suitable switchboards in the same manner. It is, therefore, quite feasible to provide a large number of subscribers in their business offices with these instruments, and to furnish wire interconnections between these subscribers as they may indicate their desires.

A service of this character is analogous to present telephone service in that the subscriber would, in general, provide his own telephone typewriter operator and on the completion of the desired connection to the called subscriber would handle his messages in any way that he saw fit.

An experimental service of this character has been established between switchboards and stations installed in telephone company offices in New York, Boston and Chicago and some adjacent cities. When placing a call, the subscrib- er merely switches on the power at his station which is analogous to lifting the receiver from the hook. This operation lights the line lamp at the telephone switchboard and the operator responds by connecting his telephone typewrit- ing instrument to the calling subscriber's line and writing the letters, for example "NY OPR." The calling subscriber types the station connection desired and awaits response from the called subscriber or from the operator if the connection cannot be completed.

It is obvious that the American Telephone & Telegraph Co. could become a competitor of the telegraph companies at will but so far the company has concentrated its efforts entirely on the telephone and has contended itself with leasing its facilities for telegraph purposes. A new phase now enters the situation in the shape of the new telephone typewriter exchange service which is being developed by the American Telephone & Telegraph Co. which may become a factor in the telegraph field.

January 15, 1931

WESTINGH'SE ELEVATOR

New Product Allows Two Cars to Be Operated in One Shaftway

Westinghouse Electric & Manufacturing Co. has built an elevator of a new type with two cars operated separately in the same shaftway, according to H. D. James, consulting engineer for Westinghouse Electric Elevator Co.

The new elevator, which is known as a "dual" elevator, is the first actual installation of its kind, stated Mr. James. "It has long been obvious," he explained, "that if cars serving both the upper and lower floors of a high building could be operated in the same shaftways, the shaftways now devoted exclusively to 'local' service could be in part, or entirely, omitted and a considerable amount of additional revenue-producing floor-space could be secured."

January 8, 1945

Radio Typewriter

It's One of Many New Communication Devices for Post-War Business

Others: 100-Words-a-Minute Teletype, a Retail "Credit Authorizer," Facsimile

$15 Home, Farm Phone Setup

By Joseph M. Guilfoyle

War has revolutionized communications systems, promising speedier business and industrial contacts in peacetime.

Many a new device now being used exclusively by the armed services will find its way into factories after the war. Other appliances already at work in arms plants will be made available to civilian goods producers when supply permits. Still other contrivances, presently in the experimental stage, will operate in industrial plants, on the farm, and in the home.

There's a radio typewriter, for example, that will make possible the instantaneous transmission of accounting and inventory reports, payrolls, or just plain private messages—between manufacturing plants and home offices. Messages would be transmitted over a radio relay network, similar to that suggested for television. Today all these machines go to the military forces.

A facsimile system—the transmission of written messages by wire or radio—will be offered to business firms for constant contact between offices or between plants and offices. A machine no bigger than a typewriter can reproduce photographs, drawings, accounting reports, letters.

Credit Authorizer For Retailers

A "credit authorizing system" has been developed to speed retail selling. This system will connect sales counters in big stores with the credit office by a private telephone system. A clerk will get in touch with the credit authorizer by pressing a button, give the necessary information, then hang up the receiver. If the credit man approves the request he will press a buzzer which flashes a light on the clerk's phone and simultaneously punches approval on a sales slip which has been deposited in a slot on the receiver. If the request is turned down, the message is relayed vocally over the phone. This is a product of Federal Telephone and Radio Corp., manufacturing subsidiary of International Telephone and Telegraph Corp.

Intraoffice telephone systems, fairly widely used before the war, will be offered to farmers for hooking up house, barn, tool shed, other buildings and to owners of medium and large homes. The Dictograph Products, Inc., intends to offer a unit for $12 to $15 which, officials believe, will reach a broad market. This company also foresees a demand for such systems from hospitals, small retail stores, perhaps tourist cabin establishments.

New Teletype Still "Experimental"

A new teletype machine capable of printing 100 words a minute will mean faster interoffice communications in the future. The speediest machine of its kind in operation (most teletypes average about 60 words a minute, some hit as high as 75), it is now being used exclusively by the armed forces. Its developer, the Bell System, still has the machine labeled "experimental."

Electric typewriter, circa 1965

HULTON ARCHIVE/GETTY IMAGES

June 6, 1945

Facsimile's Future

Picture-Senders Vision Coin-in-Slot Telegrams, Weather Maps by Radio

Orders, Invoices, Diagrams, Instructions To Make Own Records As They Are Sent

Best for Intricate Messages

By Joseph M. Guilfoyle

Facsimile, an infant industry that grew up during the war, promises to supplement or even supplant older communications methods in many peacetime uses.

Facsimile is a method of instantaneous reproduction of written messages and illustrations over a wire or by radio. Thus it enters the communications field to compete with the telephone, telegraph and teletype.

Many post-war uses are seen for facsimile, because of its unique ability to copy a complicated message just as easily as it does a simple one, and to make a permanent record of what it transmits, so there is no room for dispute later between sender and receiver in case of error.

Sending a telegram, after the war, will require about as much effort as mailing a letter. The telegram will be inserted into a slot in front of the facsimile machine, and the rest will be automatic. Western Union plans to install these machines in business offices, hotel lobbies, railroad stations and other public places. Where business warrants, they will be stationed. Otherwise, they will be coin-operated, like stamp and cigarette vending machines.

Railroad Gives Dispatchers Orders

Without waiting on the war, an eastern railroad has installed facsimile on certain divisions. There it tells local dispatchers where to pick up and set out cars, or what trains are to be placed on what sidings.

A large airline has installed facsimile between Oakland and San Francisco, to check passenger arrivals and departures.

June 14, 1950

Electric Hunt 'n Peck

Power Typewriters Spur Typists' Output, Help Cut Office Costs

Stencil Cutting Upped 50% in One Firm; Five Girls Do Work of Eight

Share of Market Still Small

By Stephen K. Galpin

More bosses are counting on electric typewriters to help them solve their typist problem.

The problem is productivity. Most typists are drawing down salaries two-thirds bigger than pre-war—but not pounding out any more work. So cost-conscious employers are thrashing about for ways to boost their output without lowering their morale.

One answer, says a growing chorus of businessmen, is to give the girls electric typewriters. Sales of these office newcomers, which didn't hit the market until 1934, are climbing steadily upward—though they still make up only about 4% of all office typewriters.

Neater and Faster

Enthusiasts insist the electrically-powered easy-to-tap models do the work of the ordinary—and much less costly—manual type writers without the drudgery. And neater. And faster.

"We estimate our production has increased 50%," says John E. Raine, general manager. of the Automotive Trade Association of Virginia, whose Richmond office has six electric machines for cutting stencils.

From St. Louis, William Koopman, operations director for Maritz, a sales counseling outfit, reports that by using electric typewriters "we have definitely increased our order-invoice typing by 20%."

Good for Gulf Oil

Two months after a group of Gulf Oil Corp. typists were given electric machines, they were turning out 35% more work than they did on manuals, reports Walter Hagan, assistant to the New York office manager. It used to take seven or eight girls to transcribe the dictation of 55 people. "Now we have only five girls, and they're turning out more work," Mr. Hagan finds.

An army of salesmen is waiting in reception rooms across the nation to convince businessmen the new machines can save them money. They insist that returning the typewriter carriage by hand is a thing of the past.

October 19, 1956

Science Frontier

Offices of the Future May Have TV Phone, Atom Dictating Devices

By Johnny Apple

NEW YORK—An executive, sitting in his seventh floor office, wants a quick look at a purchase order. So do eight or ten other officials, in the same building. They see it projected on a TV screen next to their desks in a matter of seconds.

An hour later, the same executive is ready to dictate a letter. Instead of grappling with a bulky dictating machine, he turns toward a fist-sized microphone on his desk and talks the letter into it. There are no wires snaking across the desk-top, because the trim-looking "mike" is a miniature radio station powered by an atomic battery that will last 25 years.

Halfway across the country, a salesman puts in a call. He's offering a new product. "Sounds pretty good," concedes the executive, "but let's see what it looks like." Onto a wall-mounted screen flashes a picture of the item.

All these machines supposedly will be ready for new offices circa 1970.

On display at the "Office of the Future" show in the New York Coliseum are a sackful of other new office items including:

A "no-hands" telephone—about the size and shape of the reading lights on the headboard of a bed.

A trim electric stapling machine—tagged at $29.75—that will punch fasteners through as many as 40 sheets of papers at once.

August 15, 1957

Brain Boom

Sales, Rentals Soar As Clever Computers Grab More Business Tasks

How Inland Steel Shrinks 50 Days to Eight Hours, Abbott Speeds Deliveries

But Tough Problems Persist

By Louis M. Kohlmeier

CHICAGO—An electronic hum, a clackety-clack of robot typewriters, a few red lights blinking—and Sears, Roebuck workers pick up their pay checks every week.

The hum-clack-blink routine is a giant electronic computer grinding out weekly a massive payroll that Sears couldn't complete in less than two weeks back in the old pre-computer days, even using a small army of clerks. It goes without saying that the more frequently paid Sears folk greatly admire the work of the electronic brain they seldom see.

The whole computer world, in fact, is basking in general satisfaction, almost to the point of smugness. Computer users, including retail stores, steel mills, drug manufacturers and insurance companies, are saving time and money by feeding an increasing variety of chores to the machines. And computer makers can hardly keep up with demand for their brainy products; the value of computers sold or rented may hit $350 million this year, nearly four times last year's $94 million figure and all but out of sight of the $47 million 1955 total.

Computers differ from earlier data processing machines, such as punched card gadgets, mainly in their extremely high operating speeds and their ability to store vast quantities of information. The mark of the computer is its memory—a magnetic core, drum or disc the machine calls upon to solve new problems fed into it.

September 17, 1959

Haloid Xerox Unveils Office Copying Machine, Its First Entry In Field

NEW YORK—A fully automatic machine which will reproduce almost any kind of document on ordinary, untreated paper was demonstrated as Haloid Xerox, Inc.'s first entry in the office copying market.

The Xerox 914 will be leased basically for $95 a month, and its selling price "will be such that most people will rent it," said Joseph C. Wilson, president of the Rochester, N.Y., company. Under the rental system, there will be a "modest" additional charge for each copy made over an unspecified base number.

The desk-sized device is a smaller version of the large-volume, electrostatic copiers which Haloid Xerox makes for reproducing engineers' drawings and other business and industrial papers.

First models of the 914 will be available early in 1960.

June 24, 1980

Computer Choler

Many Managers Resist 'Paperless' Technology For Their Own Offices

Machines Force Sharp Shift In Executives' Behavior; Rise in Efficiency Cited

'Will I Look Like a Jerk?'

By Lawrence Rout

Alexander Pollock has seen the future and so far he wants no part of it.

The glimpse was provided by the people who are automating the offices at Continental Illinois National Bank & Trust Co. of Chicago, where Mr. Pollock is a vice president. Sitting at his desk in Chicago, he can push some buttons on the keyboard of a computer terminal, and staff memos will appear on a television-like screen. He can respond with his own memos, which will instantly materialize on the screens of colleagues overseas, or be stored for them to retrieve later if their terminals are busy or turned off. And by pressing a few other buttons, he can view bank financial data stored in a computer down the street.

Mr. Pollock can do all that and more, but he doesn't. He hates to type.

"I think most managers, including me, are talkers," the executive says, his computer terminal unplugged and facing the wall. "I would much rather talk than write."

As Mr. Pollock's resistance exemplifies, professionals and executives are being forced to make major psychological and behavioral adjustments as they begin their move into a paperless world. They must get used to infallible computers that remind bosses when reports are due, the pressure of always being reachable through a portable computer terminal and the danger of overcommunication. These problems don't necessarily mean users will reject the technology. But they do suggest that the move into the "office of the future" will be costly in human currency as well as dollars.

"We're asking people to change so much, and these are people who have never changed anything in the way they work in the office," says Louis Mertes, a Continental vice president responsible for making the bank-holding company one of the few places that have gone beyond experimentation in applying new office technology.

"Desks" Can Go Anywhere

Still, most people agree that Continental represents the wave of the future. After 15 years of automating the tasks of clerical workers—bank tellers, secretaries and the like—computers are starting to move into the offices of managers and professionals. With portable computer keyboards and screens, which can be connected to ordinary telephone handsets, executives can carry their "desks" anywhere.

Stubborn executives like Mr. Pollock may insist that phone calls and dictation are more efficient than typing and that they eagerly await the day computers understand normal speech. But those who observe these executives blame the resistance on something deeper—fragile managerial egos.

"They say, 'I'm not going to use it,' but what they're really saying is, 'I'm scared that I'm not going to be able to use this right, and I'll look like a jerk,' " says Joseph Ramellini, director of advanced office systems at CBS Inc., which has automated a few experimental offices. He also says executives equate typewriters with low-level tasks. The upshot is a host of excuses for rejection. "They say, 'Can it do left-handed Sanskrit justification?' and when they find out it can't, they say, 'Well, I need that, so I can't use it,' " Mr. Ramellini says.

Typically, though, they do use it. But even when they like it, they soon discover that they must get used to more than new technology.

The portability of the computer terminals is also a mixed blessing.

"It's bad enough when the boss works 12 hours a day," a middle-level executive at Continental says. "But now he gets up at two or three in the morning and works. He inundates us. I feel like I have to bring the damn machine home just to keep up. And my wife isn't too crazy about that idea."

A New York 'cyber cafe' in 1995, where users emailed and surfed.

JONATHAN ELDERFIELD/LIAISON/GETTY IMAGES

August 17, 1959

Electronic Medicine

Scientists Press Work on Advanced Machines to Aid Medical Care

They See Automatic Nurses Watching Sick, Computers Helping Diagnose Illnesses

Broadcasting a Heart Beat

By Jonathan Spivak

SAN FRANCISCO—Will the ranks of medicine be joined in the future by an electronic "doctor," automatically checking symptoms, diagnosing diseases with perfect accuracy and recommending therapy? And an electronic "nurse," a sentinel fashioned of tubes and transistors, sleeplessly watching over patients night and day?

These are just two devices forecast by some scientists as electronics moves deeper into medicine. Although it's doubtful that either of these products will be on the market soon, researchers are hard at work on their development. And electronics already is playing a role in such complex medical processes as heart and brain surgery and cancer therapy.

"I foresee some perfectly tremendous possibilities that are just beginning to be worked on in the field of electronic medicine," says Dr. Russell V. Lee, head of the Palo Alto, Calif., Medical Clinic. "It is coming more rapidly than many people believe."

Some physicians figure electronics eventually could sharply reduce their reliance on specialists.

July 27, 1983

Sealing These Letters With a Big Kiss Is an Impossible Feat

Even So, Electronic Mail Links Writers Around the Globe; Missing: Perfumed Pages

By David Stipp

It isn't David Hughes's boots and cowboy hat that draw stares as he walks down the street near his Colorado Springs, Colo., home. It's what he calls "the great equalizer," which he keeps handy at his side.

"Armed with this son of a gun, I'm dangerous," he says.

The hardware he carries is a book-sized computer. Using it and several other personal computers, Mr. Hughes stays continuously in touch with hundreds of acquaintances whose own personal computers are linked to his by electronic networks. The 55-year-old retired Army colonel figures that as a walking communications center, he is equal to almost anything. Recently, he took on city hall by mobilizing scores of citizens through a local network to help fight a proposed home-business ordinance. Besides his "grass-roots electronic politickin'," as he puts it, Mr. Hughes has used the networks to teach a college course to students as far away as Australia and to publish a computerized magazine.

David Hughes belongs to a growing group of people who use what has come to be called electronic mail, a form of communication that links personal-computer owners to one another by means of Teletype-like messages. Once the exclusive province of institutions with expensive computer systems, electronic mail is rapidly becoming the citizens'-band radio of the 1980s as small, cheap computers proliferate.

Electronic mail "can't replace the smell of Thelma's perfume when you get her letter," says Walter Ulrich, a high-technology consultant in Houston. But he acknowledges it can eliminate the annoyance of playing "telephone tag" with busy people. He can handle a dozen messages in 20 minutes by computer that would have taken him an hour or more by telephone.

But electronic mail does have certain drawbacks, Mr. Ulrich says, including the potential for astronomical quantities of junk mail.

June 17, 2014

A Company Without Email? Not So Fast

Startups Like Slack Aim To Swap Inboxes for Feeds, But Hurdles Remain

By Rachel Feintzeig

A wave of new startups is taking aim at corporate email, promising to disrupt the mode of communication that office dwellers love to hate. But the old inbox is putting up a fight.

Slack, which lets employees keep track of projects or topics via open, searchable feeds, was released to the public in February and recently raised $42.75 million in fresh funding. It counts more than 96,000 active daily users, including some at companies like Airbnb Inc.

Asana, led by former engineers at Facebook Inc. and launched in 2011, promises "teamwork without email" by allowing users to create, assign and comment on specific tasks. It has won devotees at tech players like **Uber** Inc. and **Foursquare.** The company has thousands of paying customers but didn't disclose the exact number of users.

Despite the praise of these early adopters, managers and digital experts say technological and social hurdles remain. For now, they say, the promise of a world without email is a fantasy for the majority of corporate workers.

Email usage is "exploding," said Gloria Mark, a professor at the University of California, Irvine, who has studied how workers interact with the technology. Not only are workers wading through ever more clogged inboxes, they're also checking frequently, an average of 74 times a day.

June 3, 1985

Productivity Spies

Computers Keep Eye on Workers And See If They Perform Well

Typists and Phone Operators Are Among The Watched; Managers Hail the Results

The Open Road Is No Escape

By Michael W. Miller

GREELEY, Colo.—Vaughn Foster has U.S. 85 all to himself as he swings his truck onto the highway for his last trip of the day. To his right, the sun is disappearing behind the Rockies; ahead, the road stretches straight and empty for miles. With one eye on the speedometer, he eases into the right lane and starts creeping ahead at 50 miles an hour.

"I've been out all week," he says. "My wife's home, my kids are home, and I'd just as soon be there with them. There's no doubt about it: If that computer wasn't there I'd be running 60 easy."

Mr. Foster is talking about a black box the size of a dictionary that sits in a compartment above his right front tire. At the end of his trip, his boss at Leprino Foods Co. in Denver will pull a cartridge out of the box and pop it into a personal computer. In seconds the computer will print out a report showing all the times the truck was speeding. "It's like a watchdog," Mr. Foster grumbles. "You just can't get as far away from that supervisor as you used to."

February 10, 2000

A New Wireless Device Delivers Your E-Mail Right Into Your Hands

By Walter S. Mossberg

A large swath of America is now absolutely addicted to Internet e-mail, from the casual America Online customer at home exchanging a few messages a day, to the intense corporate executive juggling scores of messages, or hundreds. But you can't be at your PC all the time to check your e-mail. So one of the great goals for the U.S. high-technology industry has been the development of the perfect portable e-mail machine.

There's lots of buzz about putting real Internet e-mail on phones in the U.S., and some phone companies now offer the service. But every one of these I've seen is clumsy to navigate. And despite some clever software, the telephone keypad is a terrible way to write out all but the very shortest messages.

But there is one cool, new wireless e-mail device that really works well. I've been testing it for a couple of months. It's called the eLink Agent, and it comes from American Mobile, in Reston, Va. A small hand-held e-mail machine, the Interactive Pager 850, is built for American Mobile by a Canadian company called Research in Motion, or RIM. The most amazing feature of this device is a tiny but effective keyboard you operate with your thumbs.

A similar-looking RIM device, called the Blackberry, has been available for awhile, and techies have taken to it in droves. But it only works with accounts maintained by big corporate e-mail systems.

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AI Chatbots Are Ready to Talk To Customers. *Sort of.*

Bret Taylor, CEO of Sierra and chairman of OpenAI, says AI agents will one day be the entire customer experience

WHAT IS the best way for companies to integrate artificial-intelligence agents into the customer experience? How much leeway do you give them to answer customers' questions? What are some of the obstacles to deploying them?

To answer these questions, The Wall Street Journal's Belle Lin spoke with Bret Taylor, co-founder and CEO of Sierra, a conversational AI platform for businesses, and chairman of the board at OpenAI.

Here are edited excerpts of their discussion at the WSJ CIO Network Summit.

Asking for help

• **WSJ: What is an AI agent and what can it do?**

• **BRET TAYLOR:** I like to think about it as having a piece of software and affording it some ability to make decisions, have agency. That level of autonomy is distinctly different than most of the software that preceded it.

I like to think of agents in three categories. The first is personal agents. If you look at companies like OpenAI or **Apple** or Google, all of them will be working in this domain to make agents that act on your behalf as an individual. There's the proverbial "help you plan a vacation," "help you triage your email inbox."

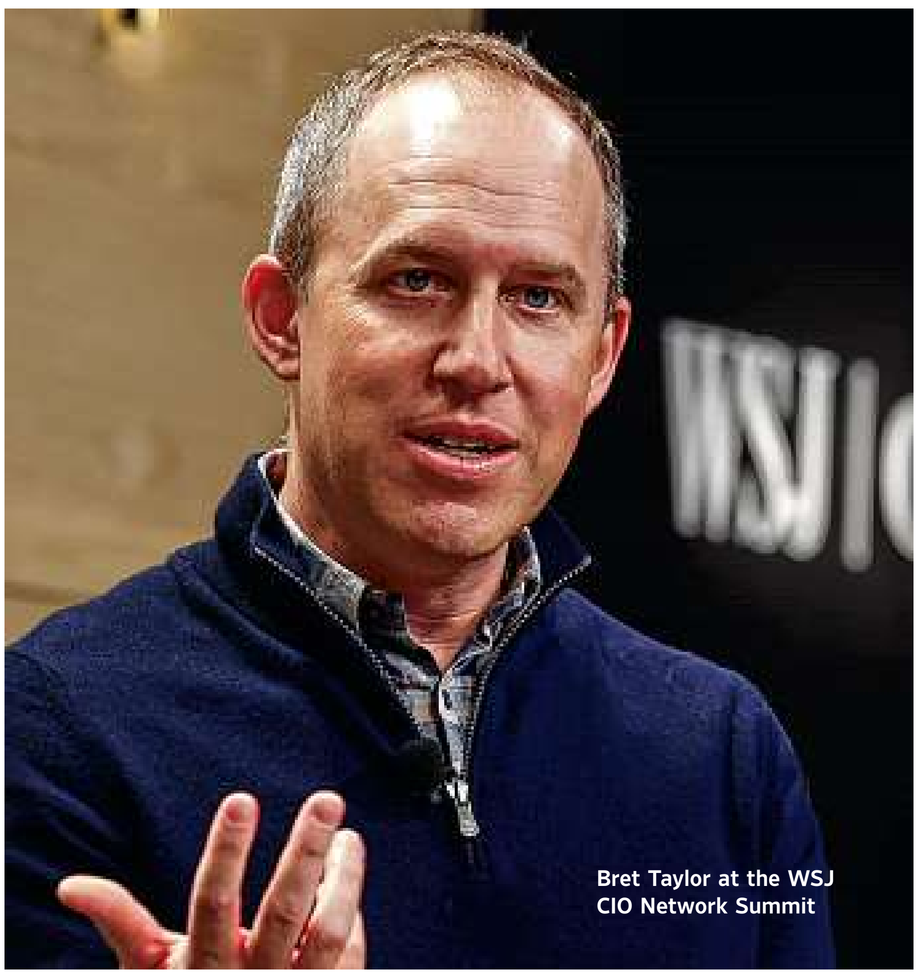
Another class of agent can code, review contracts, analyze a sales report.

The final category, which is the one my company works on, is the agent that represents your company's customer experience. If it's an insurance company, the agent will help customers file a claim or add someone to their premium. If it's a consumer-electronics company, it might help you with technical support. If you're a telecommunications company, it might help convince people not to cancel or upgrade or downgrade their plan.

Most agents today are largely customer service, and that's really our sweet spot.If we fast-forward, agents will come to encompass your entire customer experience.

• **WSJ: At the moment, so many enterprises are still sorting through what generative AI means for their organizations, how to get value out of utilizing various language models, sorting through AI governance. So AI agents seem pretty far off.**

• **TAYLOR:** Let's take customer service. The average price of a phone call to a typical consumer brand will be anywhere between $5 and $20, mainly the labor cost of answering the phone. AI being able to pick up the phone for one or even two orders of magnitude less money really changes the game. Number one, obviously you can save a lot of money.


Bret Taylor at the WSJ CIO Network Summit

NIKKI RITCHER FOR WSJ

Most customer interactions aren't worth $5 to $20, which is why it's hard to call most companies on the phone. Try calling Google on the phone. I wouldn't even know how to, I worked there.

AI agents will bring down the cost of these personalized interactions so much that it affords the opportunity to actually have orders of magnitude more personalized conversations with customers. There are actually opportunities to deploy these things right now. One of our customers is a home-security company. Probably many of you have them in your house. Next time your alarm's on the fritz, chat with our AI. Send me feedback.

How much leeway?

• **WSJ: What do you find are the biggest sort of roadblocks to a company saying, "Yeah, sure, we'll let agents run amok." What if something goes wrong?**

• **TAYLOR:** Let's take a retailer. Does the agent who deals with your customer abide by your return policy? If someone has a warranty claim, does it abide by the warranty-claim process? If you can narrow the type of job the agent has to do, the answer is yes, today.

There's a more nuanced thing, though. One of our first retailers sold shoes. We worked with them on their agent, and they did a lot of post-purchase interactions, order returns and exchanges, warranty claims, things like that.

One question was, "I'm going to a wedding in Hawaii. What sandals will go with my bridesmaid dress?" Which the AI was wholly not equipped to answer. It wasn't something that we contemplated in the design of it.

Your website probably has a menu on it and probably with enough clicks you could click around almost every page on the site. Even for a site with a large product catalog, you're essentially giving a multiple-choice question to your visitors.

With an agent, you go from enumerating all the possibilities to something that's more free-form. You're giving a lot more agency to your customers. They can say whatever they want, and will take your agent in directions you didn't anticipate.

But how much agency do you want to afford the AI? You can eliminate all agency from the agent, and it becomes a robot. That eliminates the entire purpose of deploying the technology. Or you can say, essentially, "Where there is undefined behavior, we're going to let the AI reason and think." You have to accept the premise that some of the time it may do something that you disagree with.

Write to reports@wsj.com.

THE WALL STREET JOURNAL.
CIO Network

Healthcare Providers Test Drones to Deliver Drugs And More

Continued from page R1

would enable broader use.

"One of the challenges in this space five to 10 years ago was that there wasn't a really clear regulatory framework. Over the last 18 months this has solidified, especially in the U.S. There is now a clear path to scale," says Adam Woodworth, chief executive officer of Wing, the drone-service unit of Google's parent Alphabet.

Transporting organs

A 2024 study from consulting firm PwC estimates the global value of goods delivered by drones could grow to more than $65 billion over the next decade from about $251 million last year, with benefits expected in the healthcare industry.

Some doctors are betting that drones can be used to help speed up and reduce the costs of delivering sensitive medical items such as fragile lab samples and organs for transplant, which can become less viable if they are held up in traffic or by airline-flight delays and don't arrive in a timely manner.

Dr. Joseph Scalea, a professor and vice chair of surgery and director of innovation at the Medical University of South Carolina, is aiming to conduct a large clinical trial in 2026 to study the safety and efficacy of using organ-carrying drones at commercial scale.

Scalea in 2019 oversaw the drone delivery of a kidney for transplant in a project at the University of Maryland Medical Center. He and his partners then created a technology platform to connect surgeons, hospitals and organs, and to provide a way to track and monitor the health of organs in real time during transport—infrastructure that he says is needed if organ-carrying drones are to become an integral part of a large-scale system.

"Having greater visibility of not only the location but also the status of that organ and ensuring its arrival at what time and in what condition is advantageous for transplant," says Scalea. "Because every minute that goes by there is some degree of organ damage that occurs."


A drone with a cargo attachment, in an organ shipment simulation.

SCALEA LABORATORY

Delivering medical supplies

During the pandemic, some pharmacies and hospitals began experimenting with drones to deliver things like Covid tests and prescriptions as demand for contact-less delivery grew.

Now, the number and scope of drone-delivery projects is expanding.

Mass General Brigham in Boston is working with drone operator Draganfly to test the safety and effectiveness of a medical drone-delivery program, says Dr. David Levine, clinical director of research and development for Mass General Brigham's Healthcare at Home. The hospital sees drones as a way to enhance its at-home care programs, where patients receive hospital-level care in their own homes.

Levine says the drone program is still in the proof-of-concept phase, but he sees a range of potential use cases for the technology, including urgent and on-demand delivery of advanced medical supplies. These could include IV medications, automated external defibrillators and collection of blood and urine samples that cannot be analyzed at home.

One day drones equipped with specialized equipment might even play a role in evaluating patients, helping a remote doctor determine whether a home-hospital patient needs to come to the emergency room.

"If someone, say, is short of breath, we could send a drone out to do an evaluation in your home," says Levine.

Cleveland Clinic in Ohio and drone operator Zipline are developing a drone service for prescription deliveries. The service is expected to roll out later this year. The advantages, says Geoff Gates, senior director of supply-chain management at Cleveland Clinic, include giving patients a specific arrival time for their medications and getting medications to patients faster.

"As we get better at it, we'll see more and more use cases come out," Gates says.

In Winston-Salem, N.C., meanwhile, Atrium Health Wake Forest Baptist is using drones to fly specimens taken during examinations to its citywide network of clinics, pharmacies and labs. In 2021, it used drones to transport Covid-19 vaccines.

Improving public safety

Public-safety officials also are experimenting with drones for fast delivery of lifesaving medical equipment such as automated external defibrillators, or AEDs.

A Swedish study published in the Lancet in 2023 found that AED-equipped drones arrived at the scene of an out-of-hospital cardiac arrest as many as three minutes before an ambulance two-thirds of the time.

Still, it isn't clear how effective drone deliveries of AEDs would actually be because someone has to be on hand who can use them. To get a clearer picture, Tampa General Hospital in Florida has joined forces with Manatee County and drone operator Archer First Responder Systems to integrate drones equipped with AEDs, Narcan spray and tourniquets into the county's 911 emergency-response network.

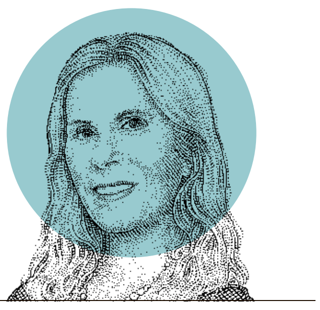
Under the program, which launched in May 2024, 911 dispatchers have the option of sending a drone to the scene of an emergency in a coverage area consisting of about 7 square miles, says Gordon Folkes, founder and CEO of Archer First Responder Systems, or AFRS.

He says the drone can arrive at the scene in 2.5 to five minutes from the time it is dispatched to touchdown at the scene.

So far, there have been no drone flights because of the limited coverage area and because the drones are only permitted to fly during the daytime, officials say. But Folkes says AFRS and county officials are preparing to expand drone coverage to about 35 square miles and eventually 24/7 operations.

"We're still waiting for the first save," says Bill Logan, a spokesman for Manatee County. "When that happens it's going to be a big deal for sure."

William Boston is a writer in Berlin. He can be reached at reports@wsj.com.



BY LYNDA SPIEGEL

THE EXPERTS

6 Ways Companies Can Fix The Job-Application Horror

JON KRAUSE

JOB CANDIDATES have never been fans of the application process at many companies. But their complaints have reached a level that I've never seen before.

My LinkedIn feed is filled with posts railing against companies that primarily rely on software to screen and track applicants, as well as those that create unnecessary steps to apply for a job, refuse to provide meaningful salary ranges and, most egregiously, "ghost" candidates—meaning they suddenly stop communicating with them. Such complaints can damage an employer's brand and alienate top talent.

What should companies be doing instead? Here are a few ideas:

Rethink automation

The human aspect of recruiting has been steadily eroded by Applicant Tracking System software, which tends to reduce candidates to keywords and screen out many qualified candidates whose résumés don't include the terminology the software looks for. Such technology also eliminates the ability of humans to pick up on a candidate's potential and transferable skills, which is something AI can't do. One solution is to program the software to reject only the most obviously unsuitable résumés, leaving a more manageable file for HR to review. Other areas where automation is ideal is creating thoughtfully worded rejection emails for first-round candidates that thank them for their time and provide closure.

Make applying easier

Many companies ask job candidates to complete an online application in addition to uploading a résumé, even though the résumé often provides answers to the questions being asked in the application. Some employers also require candidates to upload cover letters with their résumés, even though such letters often go unread. Asking qualified candidates to jump through unnecessary hoops to apply for a job could turn off qualified applicants. So consider eliminating online applications, or at least making them less cumbersome by using mobile-friendly platforms. And unless hiring managers specifically require insights from a cover letter, it would be good to remove that requirement, too.

Be transparent about salary

Job postings don't always include salary but they should. But don't use salary ranges, which are silly; obviously candidates want the higher salary, so a better strategy is to post the actual salary the company intends to offer. Doing so discourages applicants whose requirements exceed what is on offer and ensures that recruiters don't waste time interviewing candidates who aren't going to want the position anyway.

Write clearly

Well-written job postings improve applicant quality and reduce candidate frustration by providing clarity around what the job entails. That means describing the challenges the ideal candidate will need to address rather than just listing required skills and experience from a generic and often outdated template.

Post only real jobs

Recruiters and hiring managers who want to develop a robust pipeline of candidates sometimes post job openings they don't intend to fill just to "see who's out there." This is a bad idea. These employers are only fueling resentment from qualified candidates who apply for these jobs but don't get a response.

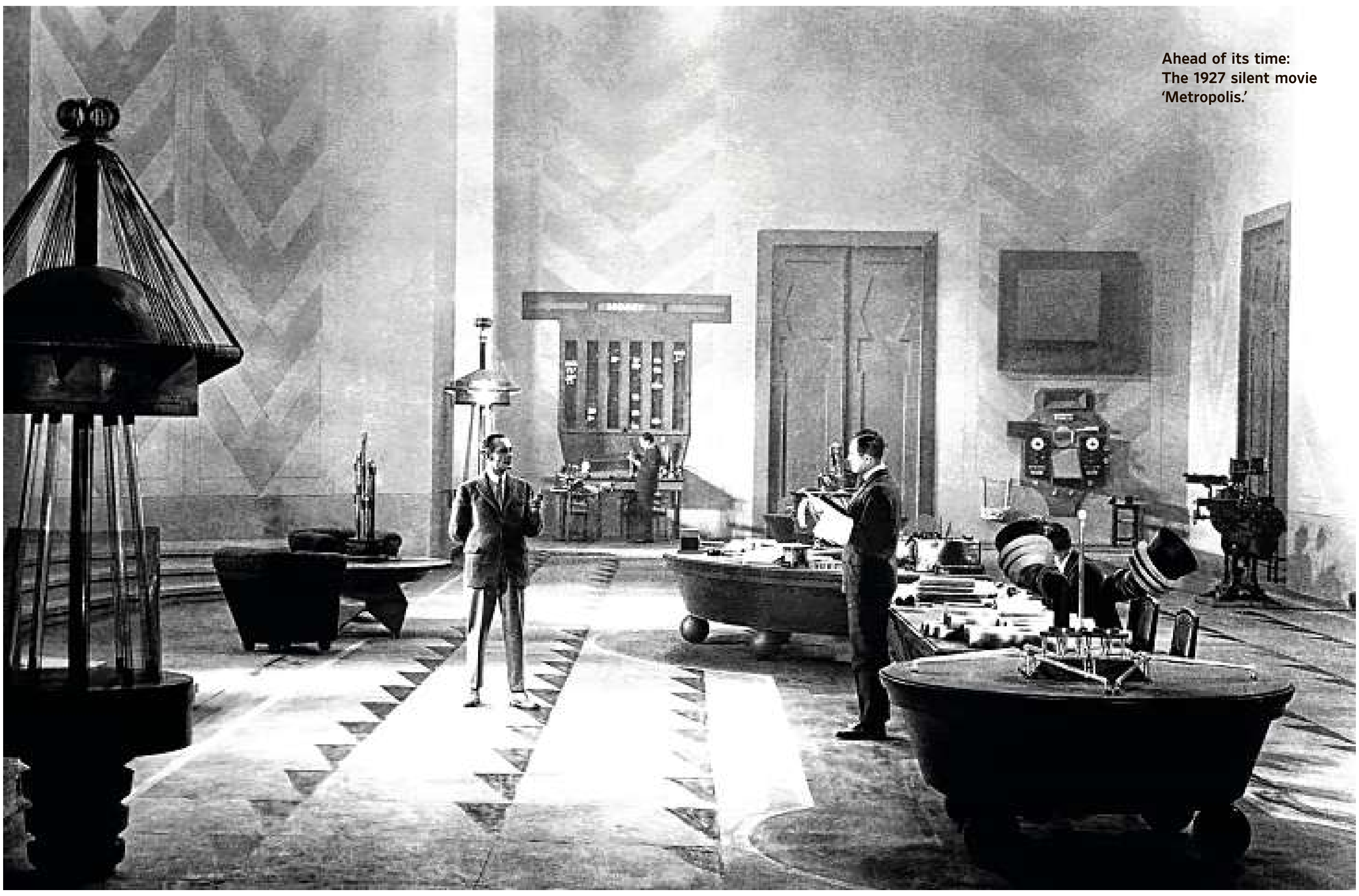
Don't ghost candidates

Ghosting is now the most oft-cited source of frustration cited by candidates on social media. While it's unwieldy to respond to every application, once a recruiter reaches out to a candidate, that candidate deserves the respect of knowing what their status is. The level of response should be calibrated to the number of times the candidate has been interviewed. Rejections following an initial phone screening or one interview can be communicated via a canned email, but once candidates have gone through several rounds of meetings, a phone call goes a long way to respecting the time they've invested.

Having been a recruiter myself, I am aware that the number of résumés recruiters and hiring managers receive can be overwhelming. Weeding out unsuitable candidates takes time, as does scheduling interviews. But providing a positive candidate experience is good business strategy, and puts the "human" back in human resources.

—Lynda Spiegel is a founder of Rising Star Résumés, a résumé and job-search coaching service. She spent 15 years as a human-resources professional.

*The Experts are industry and thought leaders who write about topics of their expertise. Read more posts at **WSJ.com/Experts**.*



Ahead of its time: The 1927 silent movie 'Metropolis.'

Office Technology Comes to the Movies

TEST YOUR KNOWLEDGE WITH OUR QUIZ

Do you know which movies featured AI or hacking or the first job-killing computers?

BY SIMON CONSTABLE

WORKPLACE TECHNOLOGY has been featured in movies for longer than you might imagine—think silent films. From the familiar to the futuristic, it often serves to advance a film's plot and help deliver its message.

So, how much do you know about workplace technology in movies? Find out by taking our quiz.

1. What office technology now commonly used was envisioned in "Metropolis," a 1927 silent movie directed by Fritz Lang?
   - A. **Photocopier**
   - B. **Cellphone**
   - C. **Videoconferencing**
   - D. **Pager**
   - E. **Email**

2. This 1957 movie starring Katharine Hepburn and Spencer Tracy revolves around the introduction of Emerac, a computer that apparently threatens to replace the staff of an office research department. What is the title?
   - A. **"How the West Was Won"**
   - B. **"The Devil at 4 O'Clock"**
   - C. **"It's a Mad, Mad, Mad, Mad World"**
   - D. **"Desk Set"**
   - E. **"Guess Who's Coming to Dinner"**

3. Tom Hanks and Meg Ryan starred in a 1998 romantic comedy that revolves around a specific technology. Which technology was it?
   - A. **Email**
   - B. **Encryption**
   - C. **A website focused on dating**
   - D. **A digital camera**
   - E. **A satellite phone**

4. Which Stanley Kubrick movie from 1968 featured an artificial-intelligence-powered computer named HAL 9000?
   - A. **"A Clockwork Orange"**
   - B. **"Dr. Strangelove"**
   - C. **"Paths of Glory"**
   - D. **"The Shining"**
   - E. **"2001: A Space Odyssey"**

5. Computer hacking has become a common problem for many corporations. Which of the following did *not* include hacking as a key part of the plot?
   - A. **"The Italian Job"**
   - B. **"Margin Call"**
   - C. **"Tron"**
   - D. **"WarGames"**
   - E. **"Ferris Bueller's Day Off"**

6. A 2010 movie starring Jesse Eisenberg and Justin Timberlake revolves around which of the following technologies?
   - A. **Smartphones**
   - B. **Social media**
   - C. **MP3 players**
   - D. **Wi-Fi systems**
   - E. **Digital cameras**

7. A 1985 satirical movie starring Jonathan Pryce and Robert De Niro involves the former getting a low-level ultrabureaucratic government office job. His boss asks him to make a bank transfer to a woman who has no bank account, and then has to revert to delivering her a check which the woman then refuses. Which of the following movies was it?
   - A. **"Nineteen Eighty-Four"**
   - B. **"Gattaca"**
   - C. **"Children of Men"**
   - D. **"Brazil"**
   - E. **"Blade Runner"**

8. In the 2016 movie "Hidden Figures," what technology plays a prominent role in the story of a group of Black female mathematicians?
   - A. **A telex machine, Teletype model 32**
   - B. **Deep Blue computer**
   - C. **A Dell laptop**
   - D. **World War II-vintage radar**
   - E. **An IBM 7090 computer**

9. What is the key plot device in the 1995 tech movie "The Net" starring Sandra Bullock?
   - A. **An artificial-intelligence program**
   - B. **A floppy disk**
   - C. **A thumb drive**
   - D. **A laptop**
   - E. **A cellphone**

10. A crucial plot point in the 1999 movie "Office Space" starring Ron Livingston and Jennifer Aniston revolves around which of the following?
    - A. **A fax machine**
    - B. **A web browser**
    - C. **An electronic safe cracker**
    - D. **A computer virus**
    - E. **SMS messages**

Simon Constable is a writer in the Occitanie region of France. He can be reached at ***reports@wsj.com.***

A relatively new technology moved the plot for Tom Hanks and Meg Ryan.

Answers

1. **C.** Videoconferencing hadn't been invented when the movie was made, but the technology portrayed in the film seems similar to Zoom or Microsoft Teams.

2. **D.** In "Desk Set," the humans ultimately win, keeping their jobs.

3. **A.** The anonymity of the main characters' email exchanges is a crucial plot element in "You've Got Mail."

4. **E.** Another case of humans vs. technology, and this one doesn't go as well for the humans.

5. **B.** The 1969 version of "The Italian Job" was the earliest film depiction of hacking in this group.

6. **B.** "The Social Network" tracks the rise of Mark Zuckerberg as he builds Facebook while dropping out of Harvard.

7. **D.** "Brazil" is a satirical and absurd story co-written and directed by Terry Gilliam of Monty Python fame. Tom Stoppard and Charles McKeown were the other screenwriters.

8. **E.** The computer is used in NASA's space race against the Soviet Union. The movie highlighted the challenges for the women due to sexism and racial segregation.

9. **B.** When a techie played by Bullock receives a floppy disk from a co-worker, it sends her down a dangerous path.

10. **D.** The story's protagonist, played by Livingston, and his pals accidentally steal much more than intended—$300,000—via the virus.

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