THE WALL STREET JOURNAL.

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Last week: **DJIA** 40287.53 ▲ 286.63 0.72% **NASDAQ** 17726.94 ▼ 3.6% **STOXX 600** 510.03 ▼ 2.7% **10-YR. TREASURY** ▼ 13/32, yield 4.238% **OIL** $80.13 ▼ $2.08 **EURO** $1.0885 **YEN** 157.46

Biden Drops Out, Endorses Harris

President ends campaign for second term amid concerns over his age, backs 59-year-old vice president for Democratic nomination

LOUISA GOULIAMAKI/REUTERS

President Biden, shown above at the G-7 summit in Italy last month, said Sunday he was withdrawing from the 2024 race.

President Biden said Sunday he was ending his presidential run, after failing to quell a Democratic rebellion following a catastrophic June debate performance, capping a five-decade career and marking one of the most monumental political collapses in American history.

By Andrew Restuccia, Annie Linskey and Catherine Lucey

"It has been the greatest honor of my life to serve as your president," Biden wrote in a one-page letter on social media. "And while it has been my intention to seek re-election, I believe it is in the best interest of my party and the country for me to stand down and to focus solely on fulfilling my duties as president for the remainder of my term."

Biden endorsed Vice President Kamala Harris to replace him at the top of the ticket, and several prominent Democrats backed her candidacy. The president said he would speak to the nation later this week in more detail about his decision.

Biden's announcement came several days after Republicans formally nominated Donald Trump and after a cascade of Democrats both publicly and privately urged the president to withdraw.

Republicans emerged from their convention energized and unified behind Trump, who escaped an assassination attempt last weekend, and national and battleground state polls had shown the former president building a lead over Biden.

The decision ended weeks of speculation about how Biden, 81 years old, might proceed, and it came following a solemn weekend at the president's vacation home in Rehoboth Beach, Del., where he was isolating following his diagnosis with Covid-19.

The president made a final decision to withdraw Saturday evening, after consulting with the political advisers who have stood by his side for much of his storied career. The news was closely held among a small group of trusted aides to prevent leaks.

Early Saturday, Biden asked longtime aide Mike Donilon to join him in Rehoboth, according to people familiar with the discussions. Another trusted adviser, Steve Ricchetti, was already there.

The trio discussed the president's prospects, including who was supporting him and the state of the race. Biden and his team had been adamant in public that the president had no plans to withdraw, but the wave of opposition had begun to make remaining in the race seem nearly impossible. Biden spoke to his family, Ricchetti and Donilon helped craft the statement, and they drew up a

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◆ Inside Trump's hidden ground game........................ A7

A Half Century of Power in D.C. Ends

By Ken Thomas And Aaron Zitner

WASHINGTON—President Biden's decision to abandon his re-election campaign brings a stunning end to one of the longest and most consequential careers in modern American politics, one that has given him a central role in the nation's affairs for more than a half century.

Biden announced in a letter posted to social media that while it had been his intention to seek a second term, "I believe it is in the best interest of my party and the country for me to stand down and focus solely on fulfilling my duties as President for the remainder of my term." He said he would address the nation later in the week and backed Vice President Kamala Harris to take over at the top of the Democratic presidential ticket.

First elected to the Senate in 1972, at age 29, Biden, now 81, served as a lawmaker, vice president and president in an era that spanned Richard Nixon's resignation to the election of Barack Obama as the nation's first Black president and Biden's own White House victory over Donald Trump; from the end of the Vietnam War and the collapse of the Soviet Union to the rise of international terrorism and wars in Iraq and Afghanistan.

As a senator, he presided over multiple Supreme Court confirmation hearings, including the contentious 1991 confirmation of Justice Clarence Thomas amid sexual harassment allegations, and as president named the first Black woman to the high court. In the White House, he guided the nation through the Covid-19 pandemic and ordered a precipitous withdrawal of U.S. troops from Afghanistan, ending America's longest war.

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JOHN DURICKA/ASSOCIATED PRESS

Joe Biden as chair of the Senate Judiciary Committee in 1995.

As Harris Seeks Top Spot, She Faces Path With Little Precedent

YUKI IWAMURA/ASSOCIATED PRESS

Kamala Harris said she would 'earn and win' the nomination.

By Catherine Lucey And Tarini Parti

WASHINGTON—With President Biden's exit from the race, Vice President Kamala Harris is now seen as the Democrats' likely pick—and Biden's choice—to take on Donald Trump, offering her a chance to make history as the first woman of color on the top of a major-party ticket.

The 59-year-old Harris has been thrust into a political maelstrom with little modern precedent. The last time a president chose not to run for re-election was in 1968, when Lyndon B. Johnson opted out.

Harris has earned endorsements from Biden and other Democrats, including former President Bill Clinton and 2016 presidential nominee Hillary Clinton. As Harris continues to rally support from her party, she isn't guaranteed the nomination and will have to earn the required delegates to take Biden's place at the party's convention in August.

But she has a leg up over any challengers who may jump into the contest or be recruited by donors to compete.

Harris said Sunday that she would run. "I am honored to have the President's endorsement and my intention is to earn and win this nomination," she said in a statement.

Biden and Harris spoke multiple times ahead of the president's announcement on Sunday, according to a person familiar with the discussions.

Several Democratic officials and groups coalesced around Harris, including some thought to be potential replacement nominees themselves, such as Transportation Secretary Pete Buttigieg and California Gov. Gavin Newsom. But some party leaders held off, including former Speaker Nancy Pelosi (D., Calif.), House Minority Leader Hakeem Jeffries (D., N.Y.), Senate Majority Leader Chuck Schumer (D., N.Y.) and former President Barack Obama.

"We will be navigating un-

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What's News

Business & Finance

◆ **The stock market has** turned upside down, with the 'Magnificent Seven' tech companies stumbling and the Russell 2000 index of smaller stocks beating the S&P 500 by a historic margin. **A1**

◆ **The buggy CrowdStrike** update that struck more than eight million Windows computers highlights both Microsoft's ubiquity in workplaces and decades-old design choices that allowed the widespread outages. **B1**

◆ **Travelers confronted** a third day of flight snarls and long waits at U.S. airports, as many computer monitors still displayed the telltale blue screens of the technology meltdown. **B3**

◆ **While the U.S. economy** has held up well against higher inflation and interest rates, many individual Americans who need to borrow for a car or a house stand on shakier ground. **A2**

◆ **Boeing has a parking** problem: About 200 fully or mostly finished but undelivered airplanes are sitting around, failing to deliver much-needed cash and presenting logistical challenges. **B1**

◆ **Luxury brands including** Burberry and Yves Saint Laurent are taking a once-taboo step and cutting prices to win back important middle-class customers who had recently been neglected. **B1**

◆ **Videogame maker** Electronic Arts relied on artificial intelligence to create images of many of the 11,000 players seen in its newest Madden college-football game. **B1**

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◆ **The announcement** brings a stunning close to Biden's 52-year career in national politics, from Senate to vice presidency to the White House. **A1**

◆ **Harris emerges** as the likely Democratic pick for president, in what would be the first nomination for a Black woman. **A1**

◆ **Israel for the first time** staged a direct airstrike against Houthi rebels in Yemen, a day after the Iran-backed militants hit Tel Aviv with a drone attack. **A9**

◆ **Americans aren't just** having fewer children—they're likelier to have none at all. The shift means childlessness may be emerging as the main driver of the country's record-low birthrate. **A8**

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Stock Shift Catches Investors by Surprise

By Karen Langley

The stock market has suddenly turned upside down.

The market's laggards have sprung to life in recent days, while the seemingly impervious "Magnificent Seven" group of technology stocks has stumbled.

Investors are even more focused than usual on corporate earnings as they try to anticipate what comes next.

The Russell 2000 index of smaller stocks beat the S&P 500 over the seven days through last Wednesday by the largest margin during a period of that length in data going back to 1986, according to Dow Jones Market Data. The Russell 1000 Value index, meanwhile, notched its biggest lead over its growth-stock counterpart since April 2001, after the dot-com bubble burst.

Few investors saw the shift coming, and many are puzzled by what is behind it: Changing forecasts for Federal Reserve interest-rate cuts? Expectations that Donald Trump will return to the White House? A technology trade that grew precariously crowded?

President Biden's announcement Sunday that he wouldn't seek re-election augmented the uncertainty and promised to refocus market attention on the presidential campaign.

Now, investors are scrambling to determine whether the reordering of winners and losers is a mere blip in an era of tech ascendancy—or if a sustainable shift is in fact under way. "That's what everybody is trying to answer," said Raheel Siddiqui, senior investment strategist at Neuberger Berman.

The small-cap index rose 1.7% this past week, extending

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U.S. NEWS

THE OUTLOOK | By Jason Douglas and Rebecca Feng

China's Cheap Goods Hurt Its Companies Too

As Western companies quake at the latest onslaught of cheap Chinese goods, a similar drama is playing out in China, where manufacturers are struggling as Beijing boosts industrial capacity without stimulating new demand.

Consider **Jiangsu Lopal Tech**, a company that supplies lithium iron phosphate to make batteries. The company lost $169 million in 2023, wiping out nearly three years of profit, according to its most recent annual statement. It blamed the red ink on overcapacity in China's lithium iron phosphate market and a slowdown in demand from domestic battery makers.

A similarly plaintive song is heard throughout China's corporate landscape. Rampant overcapacity combined with weak consumer demand is pushing many Chinese companies to the brink, forcing them to slash prices and crushing profits.

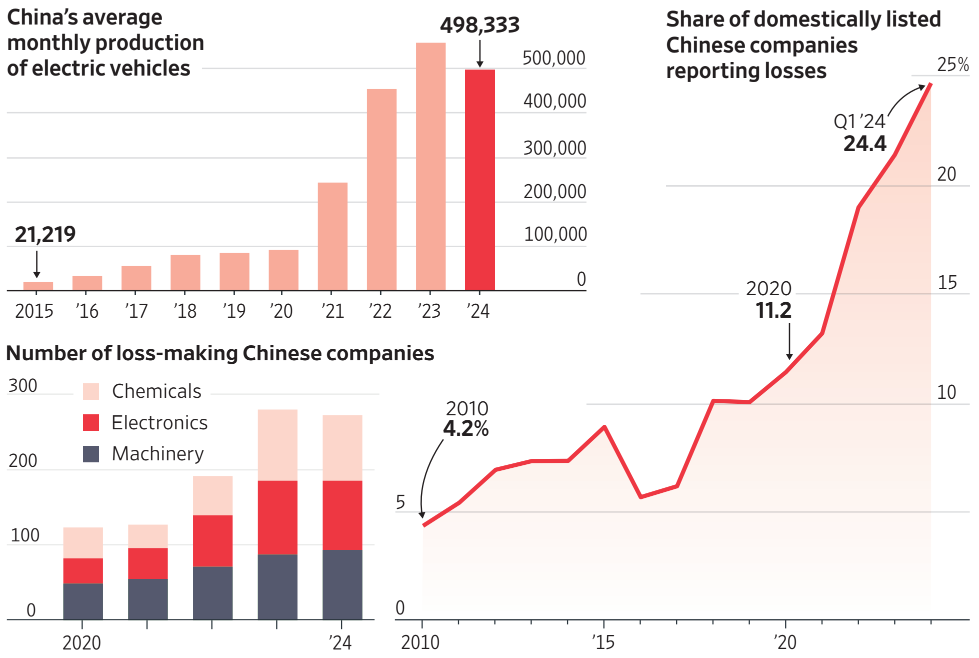
With the property bubble that powered growth for years deflating, Beijing has been funneling investment into manufacturing, yet taking few significant steps to boost consumption that would soak up the resulting supply—mainly because Chinese leader Xi Jinping sees U.S.-style consumption as wasteful and contrary to his goal of making China an industrial and technological powerhouse.

The ruling party reiterated that agenda at its twice-a-decade conclave last week. To combat the property slowdown, Beijing will accelerate development of "emerging and future industries," such as electric vehicles and solar, a senior official said in a Friday press briefing.

The resulting overcapacity means that prices that producers charge at the factory gate have been in free fall for almost two years. That is dragging the overall economy closer to outright deflation, and eating into earnings. Around a third of the companies listed in mainland China are now unprofitable, compared with 7% a decade ago, according to a Wall Street Journal analysis of listed companies' financial statements.

Longi Green Energy Technology, which makes solar modules, warned earlier in July that it expected a first-half loss of more than $661 million, citing oversupply in China's photovoltaic industry.

But such pressures go beyond targeted new industries, to machinery, electronics and software. **Angang Steel**, in a filing, told shareholders that its loss for January through June would be around $370 million, nearly twice the loss for the same period last year. It said the whole industry was under pressure from tumbling prices and weak demand.



Note: 2024 data are based on first-quarter results.
Sources: China Association of Automobile Manufacturers, via Wind (monthly production); company statements, via Wind (reporting losses, loss-making companies)

To compensate for weak domestic sales, Chinese companies have turned to exports, which were up 8.6% in June from a year earlier. But those exports have put pressure on jobs and industries in other countries, reminiscent of the so-called China Shock a quarter-century ago, when China's entry into the global trading system squeezed manufacturers of toys, clothing, furniture and other labor-intensive products in the U.S. and beyond. As a result, trade barriers to China are growing.

Former President Donald Trump has raised the idea of 60% tariffs on all imports from China, while the European Union recently said it was increasing tariffs on Chinese electric vehicles. India, Brazil and Turkey are pushing back against Chinese imports with restrictions and antidumping probes.

"An investment-led growth model can only go so far because ultimately there has to be demand somewhere," said Logan Wright, a partner at Rhodium Group who leads the firm's China markets research. "There will be a reckoning within China."

China's leaders have said the world benefits from lower-priced Chinese products and criticized foreign governments for using complaints about overcapacity to justify protection for their own industries.

For Xi, some overcapacity is acceptable in return for other goals: propping up short-term growth; boosting productivity to offset a shrinking workforce; taking the lead in industries such as clean energy, electric cars and advanced computing; and reducing reliance on Western technology that can be restricted by hostile governments.

Overcapacity in China eventually leads to default and insolvency, just as in the U.S. The difference is that in China, the state plays a lead role in deciding which companies survive and which fail. In the past, when losses mounted in bloated sectors such as steel and solar, China has withdrawn subsidies, ordered companies to cut capacity, and merged a multitude of minor players into a smaller group of bigger, more competitive firms able to turn a profit.

Many others limp on, however, sustained by credit from state-controlled lenders or capital from state-backed investment funds. The carmaker Zhido went bust in 2019. This year, after receiving such an infusion, it is bringing out a new car and has more than a dozen new models in the pipeline.

Ultimately, by boosting supply more than demand, China is generating growth today but at the cost of growth tomorrow, said Louise Loo, lead economist for Oxford Economics. "Whatever you are producing now, you will not produce in the future."

High Rates Put American Borrowers on Shakier Ground

By Gina Heeb and Kailyn Rhone

The American economy has held up well against higher inflation and interest rates. Many individual borrowers haven't.

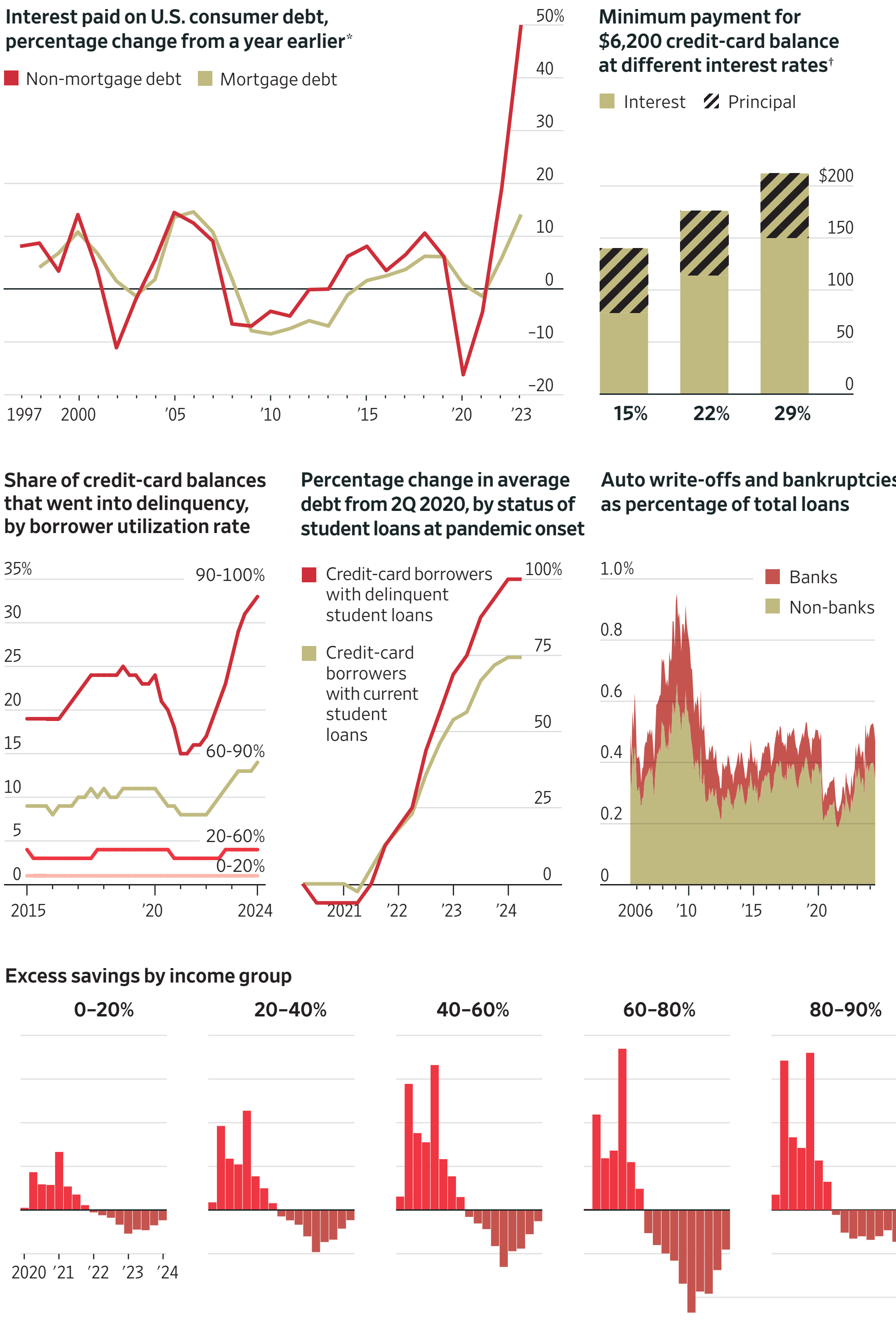
Predictions for a recession this year have largely faded. Employers have added jobs at a healthy clip month after month. Households have continued to spend. Many locked in ultralow mortgage rates before the Federal Reserve began its campaign to curb inflation in 2022.

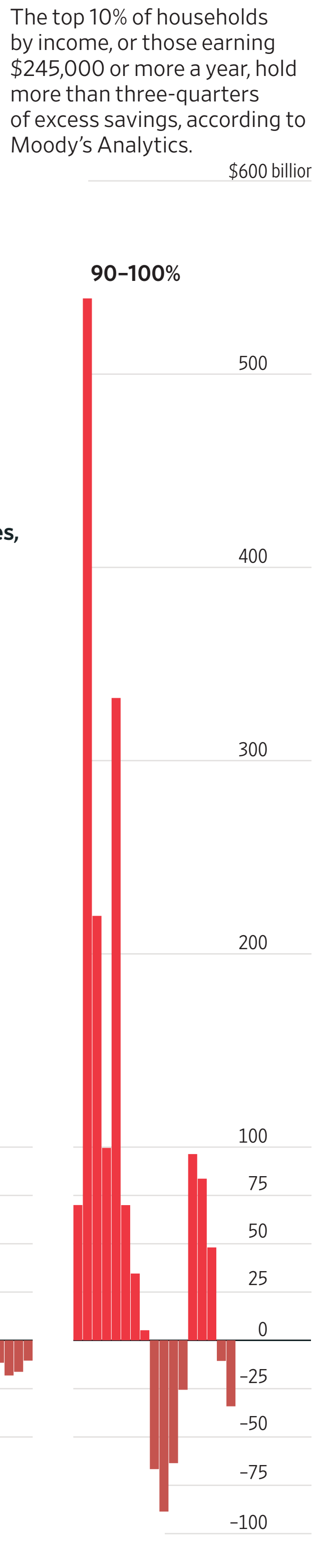
But Americans who need to borrow now stand on shakier ground. The costs to borrow for a home, a car or on a credit card are at the highest levels in decades, after the Fed raised rates nearly a dozen times in the past two years. The total amount of interest consumers paid on mortgages in 2023 rose 14% from a year earlier, according to Bureau of Economic Analysis data. It jumped 50% for other types of consumer debt, such as credit cards and auto loans.

This is in many ways the desired effect, since higher rates are meant to cool the economy. The central bank has penciled in just one rate cut this year, though more investors are betting on multiple cuts after promising inflation data.

Inflation has eased significantly since the pandemic, but years of faster-than-usual price increases have added up. Many households have spent down the glut of cash they saved in the pandemic. The top 10% of households by income, or those earning $245,000 or more a year, hold more than three-quarters of excess savings, according to Moody's Analytics.

Households have relied more on credit cards, and more have carried balances month to month.





*Seasonally adjusted at annual rates †For first payment on balance
Sources: Bureau of Economic Analysis (interest paid on debt); Bankrate (credit-card payments); Federal Reserve Bank of New York (delinquency); Intuit Credit Karma (change in debt); CreditForecast, Moody's Analytics (write-offs and bankruptcies); Moody's Analytics, Federal Reserve Board, Bureau of Economic Analysis, Census Bureau (excess savings)
Print design by ERIK BRYNILDSEN/WSJ

Balances rose to more than $1.1 trillion in the first quarter, New York Fed data show. That was the second-highest balance on record, after the fourth quarter of last year, and an increase of around a third compared with 2022. For individual borrowers, the average total credit-card balance was more than $6,000 in the first quarter, according to TransUnion, an increase of nearly a quarter from two years earlier.

The increase has occurred as interest rates on credit cards are at record highs. The average annual percentage rate for credit cards hit around 22% this year, according to the Fed, a peak in data that go back to 1996. The average rate was around 15% two years ago. Interest rates tend to be higher than the average for borrowers with lower credit scores or for store credit cards.

Higher rates can add up quickly for those borrowers. At a typical 29% annual percentage rate, the minimum monthly payment on the average credit-card balance of roughly $6,200 would be more than $200, according to Bankrate. It would be about $175 at 22% and $140 at 15%.

Borrowers are increasingly falling behind, especially those who carry high balances. Delinquency rates for credit-card accounts rose above 3% in the first quarter, the highest level since 2011, Fed data show. Around a third of balances for borrowers with nearly or completely maxed-out credit cards went into delinquency, according to the New York Fed.

Homeownership has become a pipe dream for many Americans who didn't buy before mortgage rates roughly doubled in 2022. Would-be sellers are reluctant to give up their low rates, limiting inventory and keeping home prices at record highs. Renters, meanwhile, are falling behind on their debt payments at higher rates than homeowners.

Americans have separately racked up balances on buy now, pay later, a fintech loan product that often doesn't show up on credit reports. More than a third of Americans have used at least one buy now, pay later service at checkout, according to data from Bankrate.

Payments for federal student loans resumed last fall, with some borrowers in worse financial shape than before the two-year pause. Around 40% of student-loan borrowers missed the first required payment, according to the U.S. Education Department.

More borrowers have struggled to keep up with payments on auto loans since the pandemic, which led to a historic rise in car prices. Auto-loan write-offs at banks were recently at the highest levels since 2011, Moody's Analytics data shows.

Interest rates on car loans have continued to climb since then. Other costs for car-loan borrowers—such as vehicle insurance premiums, maintenance and repairs—also have jumped.

More borrowers owe more than their car is worth, and vehicle repossession volumes are also on the rise, according to the automotive-research site Edmunds and Cox Automotive.

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Evan Storch was a sergeant in Arizona when he saw recruitment videos from Laramie County Sheriff's Office on social media.

FROM LEFT: PLANO POLICE DEPARTMENT; CHET STRANGE FOR WSJ

Police Hustle For Recruits With Billboards

Departments get creative as a hot job market makes it hard to get and keep cops

BY HARRIET TORRY

Officer Andrae Smith, the recruiter at the Plano Police Department, had jobs to fill. So he ordered up five billboards—one in Norman, Okla., and the rest in Texas—with a big, bold number: $97,646.

That was the top salary a police officer could earn in the wealthy Dallas suburb of Plano. Since last year, when the billboards went up, budget increases let the department bump up its pay again. That number is now $108,150, and the billboards have been updated, too.

"The No. 1 attraction is the pay," said Smith, who got the billboard idea after hearing about another police department that tried something similar.

It is an expensive endeavor, about $30,000 per billboard a year, but it was necessary when a tight labor market made it hard to find employees. The five billboards have so far attracted 386 applicants to take Plano's police exam, resulting in 30 hires.

"Our goal was to pull at the shirttail of every individual who had interest in being in law enforcement," Smith said.

Policing has struggled to get and keep workers since the pandemic. Burned-out employees have resigned or retired. There were nearly 19,000 fewer officers in 2023 than 2019, a 3% drop, according to Labor Department data.

Hiring can be especially hard for departments in or around big cities. Usually, officers tended to progress from police departments in small and midsize cities to large ones, said Chuck Wexler, executive director of the Police Executive Research Forum.

Now, many want the opposite, especially in the years since a police officer killed George Floyd in Minneapolis in 2020. Small and midsize agencies have more sworn officers than they did before the pandemic, according to the nonprofit's survey last year of more than 200 police departments. Big agencies have fewer officers than they used to.

According to Smith, marketing Plano's bumper wages is working. The department had 14 positions available the day it launched its first billboard, on its staff of more than 400 officers. Today it has eight.

Officer Karina Hinojosa transferred to Plano from the New York City Police Department in early 2017. Plano offered her six months of paid training, and the lower cost of living and good schools for her daughter helped clinch the deal.

"For me, it was quality of life," Hinojosa said.

Elsewhere, cities have increased perks to attract candidates. This year, the Bellevue Police Department in Washington state began offering take-home cars as a recruitment and retention tool. It also offers the option to use up to three on-duty hours a week to work out.

"For me, it's really important for you to find the right organization that has the right culture," said Wendell Shirley, the police chief. He said Bellevue received more than 750 applications last year and hired 33 officers.

Other states are easing restrictions on joining the police. Last month, Dallas relaxed its policy on visible tattoos. Last year, Pennsylvania said it would remove a requirement that state trooper recruits have a certain number of college credits. The Seattle Police Department recently began accepting applications from recipients of the Deferred Action for Childhood Arrivals program. Typically, only U.S. citizens can join the police.

In 2023, the average annual wage for police and sheriff's patrol officers was $76,550, about a 13% increase from 2019, according to Labor Department data. The average wage for all occupations was $65,470 in 2023, though that was up 22% in the same time frame.

Some of the forces that dented the supply of police recruits in recent years are abating. Though the job market remains historically strong, it has started to cool, making it less appealing to look for another job. Violent crime rates have also fallen sharply.

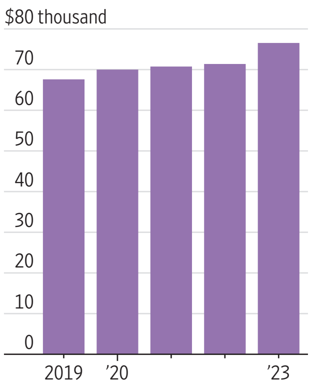
More sworn officers were hired in 2023 than in any of the previous four years, according to the Police Executive Research Forum's survey. Resignations were still up compared with before the pandemic, but they dropped compared with 2022.

The Laramie County Sheriff's Office in Wyoming, for its part, on social media and on a billboard encourage people to come work in a state where "breaking the law is still illegal."

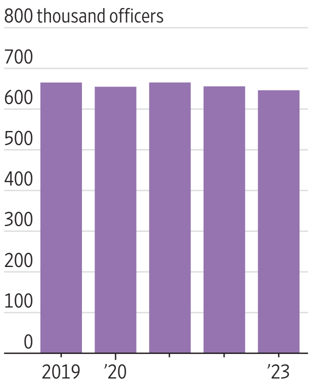
Laramie County Sheriff Brian Kozak said he has received over 200 applications since May 1, compared with 144 in the first four months of the year.

Evan Storch, 33, was a police sergeant in Arizona when he saw recruitment videos from the Laramie County Sheriff's Office on social media. He now earns less than he did in Arizona, but his housing costs are lower in Wyoming and he recently earned a promotion to lieutenant.

Average annual wage for police and sheriff's patrol officers



Number of employed police and sheriff's patrol officers



Source: Labor Department

Longtime Texas Congresswoman Advocated Juneteenth Holiday


JOSHUA ROBERTS/GETTY IMAGES

Sheila Jackson Lee

BY JOSEPH PISANI

Sheila Jackson Lee, a longtime Democratic congresswoman who successfully pushed to turn Juneteenth into a federal holiday, has died at 74.

Her family announced her death late Friday in a statement that didn't disclose a cause of death. Last month, Jackson Lee announced that she was diagnosed with pancreatic cancer and that she was undergoing treatment.

OBITUARY
SHEILA JACKSON LEE
1950-2024

"The road ahead will not be easy, but I stand in faith that God will strengthen me," she said at the time.

Since 1995, Jackson Lee has represented the 18th congressional district of Texas, which includes Houston, the state's largest city.

Her constituents simply called her "Congresswoman," her family said, adding that it was to recognize her "near-ubiquitous presence and service to their daily lives."

Jackson Lee was born on Jan. 12, 1950, in Queens, N.Y. She graduated from Yale University in 1972 and then went to the University of Virginia Law School. She practiced law for 12 years. Before being elected to Congress, she served as a municipal court judge and on Houston's city council.

"I love people at all ages or stages of their life, so I get an opportunity through the positions that I've held to serve people," Jackson said in a 2018 TV interview. "I love public service. I love interacting with them."

Jackson Lee was the lead sponsor and author of the legislation that turned June 19, known as Juneteenth, into a national holiday. Signed into law by President Biden in 2021, the holiday marks the day in 1865 when news of the end of slavery in the U.S. reached people in Galveston, Texas.

It was the first federal holiday to be created by Congress since 1983, when lawmakers selected the third Monday in January as Martin Luther King Jr. Day to honor the slain civil-rights leader.

Jackson Lee said she had introduced bills to make the day a national holiday since 2013. But it wasn't until after the 2020 killing of George Floyd that it caught on. She said the holiday was a second Independence Day for Black Americans. "Like monuments, holidays reflect what a nation values and reveres," she said on social media after Biden signed the bill into law, adding that being the author of the bill was "my great honor."

She was an advocate for Black Americans, getting arrested in 2021 for civil disobedience in Washington, D.C., during a protest to support voting-rights legislation.

During her congressional career, she served on several committees, including the Budget Committee.

"Sheila Jackson Lee was a great American," Biden said Saturday. "No matter the issue—from delivering racial justice to building an economy for working people—she was unrelenting in her leadership."

Former House Speaker Nancy Pelosi called Jackson Lee's legislative record remarkable.

Last year, Jackson Lee unsuccessfully ran for mayor of Houston, losing to John Whitmire. Soon after, she announced she would seek re-election for her congressional seat.

Jackson Lee is survived by her husband, Elwyn Lee, and two adult children.

U.S. NEWS

Biden Ends Campaign For 2024

Continued from Page One
plan to notify aides and allies, the people said.

On Sunday, Biden called Harris, chief of staff Jeff Zients and campaign chair Jen O'Malley Dillon individually about the decision, people familiar with the process said. He released his letter on X at 1:46 p.m.

Though the decision to withdraw seemed inevitable to some in Washington, the timing still stunned many donors and advisers to the president.

John Morgan, a Florida lawyer and prominent Democratic donor, said he spoke to the president's brother, Frank Biden, on Friday. When Morgan asked whether Biden would step aside, Frank Biden said, "No way."

In the weeks following his halting debate performance, Biden and his allies aggressively played down widespread concerns from Democratic lawmakers, donors and political consultants about his age, fitness for office and ability to win in November.

Democratic efforts to oust Biden—while quieter in the immediate aftermath of an assassination attempt on Trump—didn't stop. Biden's fundraising weakened. Behind the scenes, Democratic congressional leaders gave him grim assessments of the path ahead. Publicly, defections started to stack up.

The move leaves Democrats scrambling to line up behind Harris just months before Election Day. It wasn't clear whether the Democrats would pick their replacement during their convention or virtually beforehand.

Several prominent Democrats said quickly Sunday they would back Harris, including Sens. Patty Murray of Washington, Elizabeth Warren of Massachusetts, and Tim Kaine and Mark Warner of Virginia. Former President Bill Clinton and Hillary Clinton, the 2016 Democratic nominee, also said they supported Harris. Some of the Democrats who had been discussed as presidential contenders or Harris ticket mates, including Sen. Mark Kelly (Ariz.), Transportation Secretary Pete Buttigieg, California Gov. Gavin Newsom, North Carolina Gov. Roy Cooper and Pennsylvania Gov. Josh Shapiro, also threw their support behind Harris.

News of Biden's decision broke as a virtual meeting of the Democratic National Convention's Credentials Committee, which is tasked with organization ahead of the gathering that starts Aug. 19 in Chicago, was getting started Sunday afternoon.

Jaime Harrison, the Democratic national chair, praised Biden extensively at the virtual meeting and added: "We will get through this, my friends, as we always do."

Biden's decision to withdraw will also reverberate across the Republican Party. Some senior GOP officials privately held out hope that Biden would stay in the race because they thought the concerns about his age made him easier to beat.

Harris was always the party's most natural successor to Biden as the Democratic standard-bearer and, if selected to lead the ticket, she would become the first Black woman to be a major U.S. political party's presidential nominee.

If Trump faces off against Harris, her candidacy would likely highlight the former president's weakness with suburban and college-educated women. In a twist, the 59-year-old Harris would also draw a contrast with the 78-year-old Trump, who would be the oldest president ever sworn in were he to win.

In the end, Biden was unable to quell the discontent in his party after failing to effectively debate Trump. Biden, the oldest U.S. president in history, had an unsteady showing from the start. He stumbled over words, stammered through answers and trailed off without finishing sentences. At one point, he declared that he had "finally beat Medicare," leaving viewers and his own advisers perplexed.

The televised debate amplified long-simmering concerns about Biden's age and mental acuity. He would have been 86 at the end of a second term. His senior advisers have said the president remains sharp, and they have responded angrily to suggestions that Biden is unfit to serve. But there have been signs in public and in private in recent months that he is deteriorating, according to people who have witnessed his behavior.

In the months before the debate, senior White House aides worked behind the scenes to shut down concerns about Biden's age. When special counsel Robert Hur called Biden "a sympathetic, well-meaning, elderly man with a poor memory" in a report detailing the results of his classified-documents investigation, the White House pounced, dismissing Hur as a partisan hack who shouldn't be trusted.

The Wall Street Journal has reported that Biden sometimes mumbled, stumbled over talking points, paused for extended periods and relied heavily on notes during meetings with lawmakers and senior diplomats, causing some to wonder whether he was slipping. In other closed-door meetings, especially those held during the day, Biden appeared cogent and engaged. The Journal reported Biden has good days and bad. White House aides attacked the Journal for its reporting on Biden's mental acuity.

In virtually every public opinion poll, voters said they thought Biden, who is 3½ years older than Trump, was too old to run for re-election. But White House and Biden campaign aides largely pushed aside the warning signs, arguing that voters would come around once campaign season got into full swing and the president and his team were able to draw a contrast with Trump.

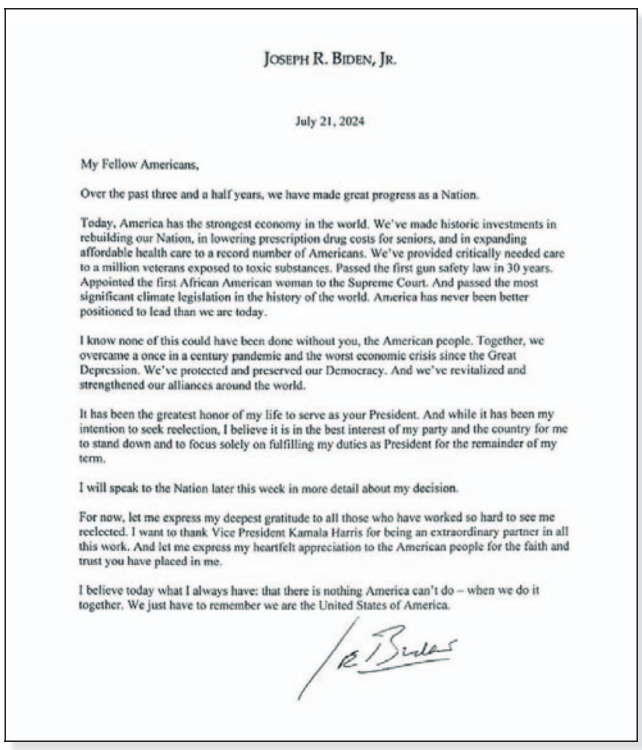
The debate indeed showed a contrast between Biden and Trump—but it wasn't the one Biden's team was hoping for. Speaking with a hoarse voice that his aides blamed on a cold, Biden was largely outmatched by Trump, who delivered a steady stream of attack lines and generally eschewed the loud and aggressive style that turned off voters in past debates. Though Trump peppered his answers with falsehoods and evaded many of the questions, his physical appearance and demeanor made him seem more in control than Biden.

Even before the debate ended, senior Democrats started having quiet discussions about whether Biden should remain on the ticket.

As new polling emerged that showed Biden was bleeding support after the debate, there were signs the president's fate was all but sealed. After five days without a single major Democratic elected official turning on Biden, Rep. Lloyd Doggett (D., Texas) became the first to call on Biden to withdraw.

Other Democratic lawmakers followed suit.

While many Democrats avoided publicly calling for Biden to step aside, some offered only muted support for the president staying in the race. Chief among them was Rep. Nancy Pelosi (D., Calif.), the former House speaker, who said in a television interview July 10 that Biden had to decide whether he wanted to run, brushing aside his oft-stated pledge to remain on the ticket. That same day, the actor George Clooney—a prolific Democratic fundraiser in Hollywood—wrote an op-ed in the New York Times that called on Biden to withdraw, dealing a damaging blow to the president.


JOSEPH R. BIDEN, JR.

July 21, 2024

My Fellow Americans,

Over the past three and a half years, we have made great progress as a Nation.

Today, America has the strongest economy in the world. We've made historic investments in rebuilding our Nation, in lowering prescription drug costs for seniors, and in expanding affordable health care to a record number of Americans. We've provided critically needed care to a million veterans exposed to toxic substances. Passed the first gun safety law in 30 years. Appointed the first African American woman to the Supreme Court. And passed the most significant climate legislation in the history of the world. America has never been better positioned to lead than we are today.

I know none of this could have been done without you, the American people. Together, we overcame a once in a century pandemic and the worst economic crisis since the Great Depression. We've protected and preserved our Democracy. And we've revitalized and strengthened our alliances around the world.

It has been the greatest honor of my life to serve as your President. And while it has been my intention to seek reelection, I believe it is in the best interest of my party and the country for me to stand down and to focus solely on fulfilling my duties as President for the remainder of my term.

I will speak to the Nation later this week in more detail about my decision.

For now, let me express my deepest gratitude to all those who have worked so hard to see me reelected. I want to thank Vice President Kamala Harris for being an extraordinary partner in all this work. And let me express my heartfelt appreciation to the American people for the faith and trust you have placed in me.

I believe today what I always have: that there is nothing America can't do – when we do it together. We just have to remember we are the United States of America.

REUTERS

In a one-page letter, the president pulled out of the race.

Watch a Video

Scan this code for a look back at Biden's decadeslong career in office.

A Political Protagonist For 50 Years

Continued from Page One
Throughout his career, Biden adopted a style of retail politics and behind-the-scenes dealmaking that in his presidency was often at odds with the frenzy and shrillness of today's social media. Biden often said that "all politics is personal," and used the power of personal relationships to accomplish many of his goals.

His decision to set aside reelection plans came nearly a month after a disastrous performance in a debate with Trump, which undercut his insistence that he was fit to serve a second term. Now, in bowing to the effects of old age, Biden also ends a public career laced with human drama.

The move sets off a scramble within the Democratic Party to find a successor. Biden had convincingly won the party's nomination in this year's caucuses and primaries, and he was due to accept the nomination at its national convention within weeks.

BETTMANN ARCHIVE/GETTY IMAGES

Then-Sen. Joe Biden, shown with his mother, Jean, addressed supporters in July 1978. He represented Delaware in the Senate from 1973 to 2009.

A life in politics

In the White House and in his 36 years in the Senate, Biden forged a role as one of the Democratic Party's top emissaries to middle-class Americans, regularly drawing upon his roots in Scranton, Pa., the city of his birth, and Delaware, where his family moved when he was a boy.

Though Biden was a longtime fixture in Washington, he sought to maintain the image of an outsider. As a senator, he commuted daily from his home in Wilmington, logging more than 2 million Amtrak miles during his career. The train station in his hometown eventually was named after him.

Biden's signature accomplishments in Congress stemmed from his time as chairman of the Foreign Relations and Judiciary committees. He led the legislative effort to pass the Violence Against Women Act of 1994, which funds shelters and aims to prevent domestic violence.

During his years on the national stage, Biden developed his share of critics, including over his work on a 1994 crime bill that, among other things, increased the number of crimes punishable by the death penalty, banned semiautomatic or assault weapons and lengthened prison sentences. The legislation gained broad support but was later viewed as having contributed to mass incarcerations.

After voting for the 2003 U.S. invasion of Iraq, Biden became an advocate for ending the war. His son Beau Biden served in Iraq as a member of the Delaware National Guard.

An Irish Catholic, Biden had run twice for president unsuccessfully when Obama selected him in 2008 as his running mate, elevating the old-school, white senator within a party that had grown more liberal and far more diverse.

During Obama's first term, Biden expressed his support for same-sex marriage ahead of Obama's plans to do the same and helped pass the Affordable Care Act, more commonly known as Obamacare.

Over the course of the Obama administration, Biden demonstrated loyalty to the president as well as a willingness to dissent. He was among a group of officials who advised the president against authorizing the military operation that killed Osama bin Laden.

But Biden said he later told Obama privately in the Oval Office: "Mr. President, follow your instincts, go."

President Biden

After serving two terms with Obama, Biden defeated a large field of younger and more liberal contenders to win the party's presidential nomination in 2020 in an election heavily influenced by the coronavirus pandemic, going on to unseat President Donald Trump and become the nation's 46th president.

Biden described himself as a bridge to a new generation of Democratic leaders and pointed to the need for more diversity. That was apparent in his selection of Sen. Kamala Harris of California as his running mate—his election made her the nation's first woman and first Black person to serve as vice president.

Biden also made good on his promise to nominate the nation's first Black woman to serve on the Supreme Court. He nominated and won confirmation of Justice Ketanji Brown Jackson in 2022.

Taking office two weeks after an attack on the U.S. Capitol by Trump supporters, Biden cast his presidency as a reset for the nation and an attempt at unity following years of polarizing politics.

A Washington fixture who sought to maintain an outsider's image.

Biden put the country's reemergence from the pandemic at the center of his administration's ambitious legislative agenda during his first year in office. He signed into law a $1.9 trillion Covid relief plan and enacted a $1 trillion infrastructure law, and he signed into law a $700 billion climate, healthcare and tax bill and a $280 billion bill aimed at boosting U.S. semiconductor manufacturing.

His administration made efforts to cancel student loan debt and protect abortion rights following the Supreme Court's 2022 ruling that overturned the Roe v. Wade decision and ended a constitutional right to abortion.

A swell of immigrants illegally crossing the border from Mexico presented another set of practical and political challenges, as many voters came to believe the president was insufficiently aggressive in stopping illegal immigration. In June, Biden signed a proclamation banning migrants who cross the southern border illegally from claiming asylum, a last-resort effort meant to quell voter discontent.

Throughout his presidency, Biden faced questions about his ability to serve as president, due to his status as the oldest person to hold the office. Biden frequently said he remained healthy and was motivated by a potential rematch against Trump.

As the nation sought to move beyond the pandemic, the president also dealt with the challenge of high inflation, which reached levels not seen since the early 1980s. Before coming down, gasoline prices surpassed $5 a gallon in parts of the U.S., putting the president on the defensive despite strong job growth, a roaring stock market and low unemployment. Some independent economists said Biden's Covid aid package partly contributed to the rise in inflation.

Biden's foreign policy record was headlined by his decision to withdraw U.S. forces from Afghanistan in 2021 and by his efforts to rally allies the following year in support of Ukraine and the war in Gaza. His staunch support of Israel cost him support among some Democrats.

After Russia's full-scale invasion of Ukraine, Biden rallied North Atlantic Treaty Organization allies in defense of Ukrainian President Volodymyr Zelensky's government. Biden made frequent trips to Europe to consult with allies and encourage NATO's expansion and larger security role across the continent.

Personal tragedy

Biden lost his wife and young daughter in a car accident, just weeks after winning election to the Senate. His elder son, Beau, died of brain cancer in 2015 while Biden was serving as vice president to Obama. In 1988, Biden underwent surgery for two life-threatening brain aneurysms.

As president, Biden grappled with the legal issues involving his 54-year-old son, Hunter, who was found guilty in June of falsely claiming to be drug-free when applying to buy a handgun six years ago.

Biden's administration was in many ways an extension of his eight years under Obama, with many of Biden's top aides hailing from the previous administration.

"Joe, you are my brother," Obama said of Biden in his 2015 eulogy of his son Beau. "And I'm grateful every day that you've got such a big heart, and a big soul, and those broad shoulders. I couldn't admire you more."

U.S. NEWS

Harris Path Has Little Precedent

Continued from Page One
charted waters in the days ahead," Obama said. "But I have extraordinary confidence that the leaders of our party will be able to create a process from which an outstanding nominee emerges."

The Democratic National Committee said that in the coming days it would "undertake a transparent and orderly process" to nominate a candidate.

Democrats were already planning to hold a virtual nomination in early August. The party could pick its replacement nominee then, ahead of the convention in Chicago, which is to begin Aug. 19. Democrats are split over whether they should formally pick their nominee at the convention or before it.

Harris would be able to use the money already raised by Biden's campaign committee. The Biden-Harris campaign ended June with $96 million in the bank, behind the $128 million reported by Trump and his running mate, JD Vance, according to filings Saturday with the Federal Election Commission. ActBlue, a platform for Democratic fundraising, said small-dollar donors had contributed over $46.7 million to candidates and committees since Harris announced her candidacy.

Many Democrats have said that Harris is popular enough in the party—particularly among women and Black voters—and that casting her aside could cause resentment and division.

The daughter of Indian and Jamaican immigrants, Harris has campaigned extensively on college campuses, in cities and before women and minority voters.

Harris is also a strong voice on what may be the Democrats' most powerful electoral issue, abortion. She has led the administration's message on abortion since the 2022 Supreme Court ruling that eliminated the right to the procedure, delivering a personal and legal argument as a former prosecutor.

It is far from clear that Harris, as her party's presidential nominee, would satisfy the many Americans who say they are looking for an alternative to Biden and Trump. Several surveys earlier this year and last year found her performing about the same as Biden when tested against Trump.

Many surveys, including a recent Wall Street Journal poll after the president's disastrous June debate performance, found voters view Harris about as unfavorably as they view Biden.

Trump's campaign has already featured Harris in a TV ad emphasizing the president's age. "You know who's waiting behind him, right?" the narrator asks in the ad, with a video of Harris on the screen.

Ahead of Biden's re-election campaign, some Democrats privately expressed concerns about Harris's place on the ticket, portraying her as a liability and arguing she didn't have the same appeal as Biden. Many Democrats dismissed such attacks on the first Black woman to serve as vice president, calling them unfair and arguing that she was being held to a different standard than others, including Biden.

Harris has long made clear that if necessary, she is prepared to step up. The vice president said in an interview with the Journal earlier this year: "I am ready to serve. There's no question about that." Everyone who sees her on the job, Harris said, "walks away fully aware of my capacity to lead."

In the weeks since Biden's debate performance ignited concerns about his age and mental acuity, Harris has been a stalwart cheerleader for her boss. She has said in interviews and on the campaign trail that he remains up to the task of serving, declaring the election wouldn't be decided by "one night in June."

Since the debate, Republicans have accused Harris and other Democrats of covering up Biden's decline.

The White House and top aides have said Biden remains a sharp and vigorous leader.

The highest-ranking woman ever in the line of presidential succession, Harris grew up in Berkeley, Calif., and was raised by a single mother who immigrated from India at age 19.

She became the first woman to serve as California's attorney general and was elected to the Senate in 2016. She drew attention for her pointed questioning of Brett Kavanaugh during his contentious Supreme Court confirmation hearing. But she faltered in her bid for the 2020 Democratic nomination for president, struggling to frame a campaign message and dropping out before the primaries started.

During Harris's early days in the White House, she struggled to address issues such as border security and drew scrutiny over staff departures and criticism for her political skills.

But she has drawn praise in recent months as she has taken on more responsibility. She has beefed up her national-security portfolio, pushing the administration to articulate more empathy for Palestinians and to plan for postwar Gaza.

BRANDON BELL/GETTY IMAGES

Kamala Harris, the first female vice president, has the chance to become the first woman of color to top a major-party ticket.

Harris Quickly Wins Big-Donor Support

Soros, LinkedIn's Hoffman are among party backers lining up behind candidate

Kamala Harris and her allies sprang into action to consolidate support from big donors

By *Emily Glazer, Preetika Rana, Maggie Severns* and *Dana Mattioli*

for her on Sunday as President Biden announced his exit from the presidential race.

The vice president and her husband, Doug Emhoff, held a number of private conversations Sunday with wealthy individuals who have backed her political career in the past. The same day, Harris's team sent a document to donors and other supporters that said she is ready to "earn and win" the Democratic presidential nomination and beat Trump.

The document, which was reviewed by The Wall Street Journal, cites her experience traveling to more than 20 countries and meeting with more than 150 world leaders.

"VP Harris is well positioned to mobilize key constituencies of the Democratic coalition, including young voters, Black voters, Latino voters, and women," the document reads.

A number of Democratic donors had already pledged their financial support for Harris if and when Biden bowed out.

The private communications are a signal of how deep Harris' connection to the donor community runs and how important lining up their support will be to her securing the Democratic nomination.

Her ties began during the time she spent mingling with the Bay Area tech community as San Francisco district attorney and now extend to Wall Street and entertainment industry moguls in Los Angeles, where she and Emhoff live when not in Washington, D.C.

While other candidates could enter the race, Biden transferred his fundraising committees to Harris on Sunday, and she has already secured support from some of the party's most moneyed elite.

Within minutes of Biden's announcement, LinkedIn cofounder Reid Hoffman said he would support Harris for president. Father-and-son pair George and Alex Soros said they also both support her, according to a spokesperson.

"Kamala Harris is the right person at the right time," said Hoffman, who has given more than $8 million to support Biden this cycle. "Harris's background and leadership growing the economy, fighting for bodily autonomy, and protecting our democracy uniquely position her to push back against Trump's extremism."

Some donors called for the party to look at its options before nominating Harris.

Reed Hastings, co-founder of Netflix, said in an email that delegates should back whoever is most likely to win the swing states, citing Harris, Michigan Gov. Gretchen Whitmer and Transportation Secretary Pete Buttigieg as possibilities. "Polling won't help much because the candidates are largely unknown, so it is political judgment" of party leaders that will matter, he said.

Mark Pincus, former chief executive of videogame company Zynga, said: "Biden stepping aside now gives the Dems at least a chance of winning. My hope is that they commit to a truly open convention."

—Ken Thomas contributed to this article.

GOP Holds Firm on Gun Rights Following Shooting

By Cameron McWhirter And Zusha Elinson

Assassination attempts against U.S. presidents have led to major gun laws, but the July 13 shooting at a rally for former President Donald Trump appears unlikely to be a pivotal moment in the divisive U.S. gun debate.

In the days since Trump narrowly escaped a bullet fired from a would-be assassin's rifle, the two sides in America's argument over gun rights remain at odds over whether firearms are the major problem leading to such violence.

President Biden and some of the nation's leading gun-control groups last week increased calls for a nationwide ban on AR-15s, the gun used in the assassination attempt at Trump's Pennsylvania rally. Republicans and gun-rights groups pushed back, saying that the issue wasn't the gun but rather a massive security failure. Both Trump and his vice presidential running mate, Ohio Sen. JD Vance, left gun policy out of their convention speeches.

CARLOS BARRIA/REUTERS

AR-15 rifles were displayed at the NRA's annual convention in Dallas earlier this year.

Attacks on American presidents, including the assassination of John F. Kennedy and the attempt on Ronald Reagan's life, have led to some of the biggest overhauls to gun laws in the country's history. But in this hyperpartisan era, now in the midst of a contentious campaign, few expect that Trump and his party will waver in their robust support for gun rights.

"Everybody gets into a ruckus, but by the time they get around to doing anything, it all falls by the wayside," said Jerry Henry, executive director of GA2A, a prominent gun-rights group in Georgia. "This is not going to be a watershed moment."

The Republican National Committee's platform this year made only passing reference to Second Amendment rights and took no specific policy positions regarding firearms, a move that sparked concern from gun-rights groups.

At the Republican National Convention in Milwaukee last week, delegates wore bandage-like ear patches in solidarity with Trump, whose ear was wounded in the shooting. A gun-rights group held a raffle for a free AR-15 at its booth. On Monday, a man was arrested near the convention venue with a concealed weapon: an AK-47 pistol.

In his 90-minute acceptance speech Thursday night, Trump recounted the attempt on his life, without elaborating on gun policy.

"President Trump believes that every American has a God-given right to protect themselves and their family and has proven through his actions that he will defend law-abiding gun owners," Karoline Leavitt, a spokeswoman for the Trump campaign, said.

The Democratic Party platform this year, as in years past, discussed policies that aim to reduce gun violence, including banning "the manufacture and sale of assault weapons and high capacity magazines."

Trump's supporters, who have touted the slogan, "God, Guns and Trump" on bumper stickers and flags, say they expect Trump to continue defending gun rights.

Some veteran gun-control advocates agree. "I don't think we'll see Trump support a ban on the AR-15; there is too much opposition in his base—I just don't see Trump turning his back on those supporters," said Bob Walker, who headed the leading gun-control group in the 1990s, Handgun Control Inc., which has since been renamed Brady United.

Gun-rights groups, from the National Rifle Association to powerful state organizations, say that the issue wasn't guns but rather security lapses by the Secret Service and others that allowed the shooter, identified by authorities as 20-year-old Thomas Matthew Crooks, to get close enough to fire at Trump and others at the Pennsylvania rally from his rooftop position before being killed by Secret Service sharpshooters.

Crooks used a DPMS Panther Arms AR-15 model that was purchased by his father more than a decade ago, a law-enforcement official said.

Inside Trump's Hidden Ground Game

By Vivian Salama

GERMANTOWN, Wis.—The Trump campaign's effective takeover of the Republican National Committee has come with a new approach to on-the-ground canvassing efforts: doing more with less.

The party says its get-out-the-vote effort, dubbed "Trump Force 47," is driven by a dedicated army of volunteers. It has been shrouded in secrecy since it launched earlier this year, raising questions in political circles about the ground-game strategy to support Republican presidential nominee Donald Trump.

Behind the scenes, campaign strategists have been revamping what they viewed as an inefficient, bloated and antiquated Republican ground-game model.

They argued that trying to play catch-up with the Democratic canvassing machine, which has long had vast resources and is deeply rooted in states across the country, was a losing game. Now the GOP is focused on efficiency, not the size of the operation.

"The practical reality is the program devolved to mostly paid staff grinding out door knocking and phones, and it was all about volume, volume, volume, driving as much volume as possible," said James Blair, a top strategist for the Trump campaign. "There's not good evidence that all voter contacts are created equal."

But the party's field organizing is so small that some local Republican officials say they are anxious it won't be enough. The RNC has anywhere from a dozen to two dozen offices in battleground states, while the campaign of President Biden, who said Sunday he was withdrawing from the race, and the Democratic National Committee had about 200 across the country, with nearly 50 here in Wisconsin alone.

Delegates from New Hampshire show their support for Donald Trump at the Republican National Convention in Milwaukee.

Despite an intentionally smaller footprint, the organizing looks a lot like traditional field work. On a hotter-than-normal Saturday morning before the Republican National Convention in Milwaukee, about a dozen Trump Force 47 volunteers huddled in a small office in this suburb of the state's largest city. They divided up street assignments and went door-to-door to convince voter targets—those who don't vote in every election and might be persuaded to back Trump—to turn out for the former president this fall.

"We're focused on turning out people that are guaranteed to vote for Trump as long as they go vote," Blair said.

The Trump Force 47 sign-up page online calls for volunteers to help with neighborhood voter outreach and calls, poll watching, yard-sign delivery and more. It asks if volunteers are willing to throw "a Trump House Party" to raise awareness in their communities.

The campaign is doing field work in the seven battleground states this year, which include Wisconsin, and they are ramping up operations in a handful of states the Trump campaign believes are in play this year, such as Virginia and Minnesota. The operation also helps down-ballot candidates.

Officials with the Trump campaign argued that the old way of doing things needed to change—partly because times have changed, partly because Trump is an unconventional candidate. What works for him, they added, might not work for the 2028 presidential nominee. They will cross that bridge when they come to it.

Blair said the focus has shifted to giving priority to voter contacts over contact attempts, stressing that higher levels of engagement will be the key to victory this fall.

Officials declined to say what their current expenditure is but said they are finding ways to cut costs. For example, the RNC is putting a greater emphasis on direct mail to reach voters. State parties can use nonprofit postage stamps, which cut postage in half, according to the campaign.

Some state Republican longtimers said it is possible a conventional ground game isn't needed—but they would like to see something more, and fast.

"I don't have heartburn—right now," a top North Carolina Republican official said. "It's much more community based, as opposed to trying to get these large groups to show up."

Thousands of Trump Force 47 "captains" have been trained, the campaign said, with additional daily training taking place. There are occasional "Trump Force Tuesday" recruitment efforts where the campaign virtually trains volunteers and surrogates in the seven core battleground states. It has anywhere from a dozen to two dozen offices in the battleground states, with fewer in Western states because the concentration of voters they want to target is in only a handful of counties.

U.S. WATCH

NEW YORK
Comedian, 89, Was Punched on Street

An 89-year-old comedian is recovering after being randomly punched and knocked to the ground while waiting to cross a street in New York earlier this month.

D'yan Forest said she had just stopped at a coffee shop and was heading to a swimming pool when someone came up to her from behind and hit her in the eye. She lay on the ground in shock as police and paramedics came to her aid.

"I thought I had lost use of the eye because I couldn't see anything," Forest said. Her eyesight returned over the next four hours while she underwent tests at a hospital.

Police on Saturday said the female suspect in the July 10 incident had a medium complexion and cornrow braids and was last seen wearing a tank top and shorts with a Jurassic Park logo.

—Associated Press

UTAH
Football Player Dies at Reservoir

Utah State cornerback Andre Seldon Jr. died Saturday in an apparent drowning at Porcupine Reservoir, according to the school.

A search began Saturday afternoon after callers reported that a young man seen diving from cliffs at the reservoir didn't resurface, the Cache County Sheriff's Office said. His body was recovered by a dive team at around 9:05 p.m.

Seldon joined the Utah State football program this summer after transferring from New Mexico State, where he played the past two seasons under Nate Dreiling, Utah State's interim head coach and defensive coordinator.

—Associated Press

CALIFORNIA
Disneyland Staff Vote on Strike

Thousands of workers at Disney's theme park and resort properties in California voted late Friday to authorize a potential strike, as contract negotiations drag on over wages, sick leave and other benefits.

The strike authorization was approved by an overwhelming margin, nearly 99% of the members who cast votes, according to a union statement.

The vote doesn't mean a strike will happen, only that union leaders now have the option to call a strike in the event that they are unable to negotiate a new contract deal with Disney.

—Associated Press

Wall Street Takes a Back Seat With Vance Pick

By Gregory Zuckerman

Former President Donald Trump's choice of JD Vance as his running mate is a bet on an inexperienced politician from a battleground state. It is also a sign of Wall Street's waning power.

The choice of Vance could mean tech executives will exert more influence on a Trump administration than financial titans. Some in the finance set see the first-term senator from Ohio's selection as a sign Trump doesn't care as much about appeasing them. Meanwhile, Silicon Valley's deep-pocketed Trump supporters including Elon Musk are cheering the choice.

"Wall Street is key to the party, and will always have a critical role," says Ed McMullen, a top fundraiser for the Trump campaign and former ambassador to Switzerland. "But tech and new entrepreneurs are rapidly inserting themselves through giving and advising, and the choice of Vance reflects that Trump recognizes this shift."

Vance has been outspoken in favor of tariffs, government intervention in the economy and a weaker dollar, positions that put him at odds with many on Wall Street.

Among Wall Street's concerns is the fact that he has advocated for greater scrutiny of mergers, which generate huge fees for investment banks. As a fan of President Biden's tough-on-deals Federal Trade Commission Chair Lina Khan, Vance is part of a contrarian group of Republicans known as "Khanservatives."

Vance did little to put Trump's finance-industry backers at ease when speaking at the Republican National Convention. While portraying himself as a fighter for the working class, Vance argued that "Wall Street barons" had contributed to rising home prices by crashing the economy.

Instead, the 39-year-old is close with key players in the tech and cryptocurrency sectors, and has pursued policies aligned with those industries.

Trump also has the support of the venture capitalists Joe Lonsdale, Marc Andreessen and Ben Horowitz, as well as the Winklevoss twins and other high-profile players in the tech and crypto industries.

A representative of Vance declined to comment. A Trump spokesman said that his agenda appeals to people of all backgrounds and that Vance will work to have Trump returned to the White House and to implement that agenda.

Politicians and Wall Street types have long had a symbiotic relationship, with candidates benefiting from executives' deep pockets and executives eyeing top government posts or the ability to influence policy.

Prominent figures such as the hedge-fund managers John Paulson and Scott Bessent were among Trump's earliest backers, and the Blackstone chief, Stephen Schwarzman, and the hedge-fund manager Bill Ackman recently pledged their support. But others, including the billionaires Ken Griffin and Paul Singer, two influential Republican donors, have yet to back Trump publicly.

◆ Musk's EV hopes clash with Trump........................ B4

Gunman's Friends Remain Baffled

BUTLER, Pa.—Last fall, Thomas Matthew Crooks would swing by the K. Leroy Science Center at his Pittsburgh community college each week to join his mathematics book club, growing animated when discussing logic concepts and having little to offer when the conversation turned to politics, according to a friend in the club.

By Joel Schectman, Kristina Peterson and Sadie Gurman

Less than eight months later, he was flying a drone on a programmed flight path to scour the farm show grounds in a western Pennsylvania town, according to law-enforcement officials briefed on the matter, preparing for a plot that came within inches of killing a former president that same day. It has left even those close to him baffled at how they could have missed his apparent descent, and investigators still hunting for clues.

The book club friend texted Crooks's phone after he was identified on social media as the gunman: "Isn't that crazy, they think it's you."

Days later, much of the Republican party gathered at their convention, believing it was divine intervention that saved Donald Trump. FBI investigators, meanwhile, have interviewed hundreds of witnesses and combed through Crooks's communications. They have found little to explain why he did it. One initial theory by investigators is that he appeared to care more about the act itself than about the target.

Crooks had registered for Trump's Butler rally on July 7, a few days after the campaign announced it, and searched for information about the vicinity, according to law-enforcement officials. But Crooks had also searched for information about next month's Democratic convention and President Biden.

The initial picture that emerged of the bespectacled young gunman, who went by Tom, was of a quiet loner who wasn't politically outspoken. In the days since, more former classmates have struggled to make sense of the person they thought they knew.

His mother, Mary, who is blind, and his father, Matthew, have been cooperating with investigators but seem to have little insight into their son's planning, law-enforcement officials said. Investigators who searched Crooks's home in Bethel Park found it cluttered and dirty, like that of a hoarder, one said.

Crooks told his boss at the nursing home where he worked as a dietitian's aide that he had something he needed to do and requested Saturday off, a law-enforcement official said.

Thomas Matthew Crooks

The 20-year-old Crooks spent the past two years getting his engineering degree at the Community College of Allegheny County, and impressing classmates with his mastery of the subject. "He was really helpful in helping other students work through problems," said Zac Herring, who had three classes with Crooks on physics and statics over two semesters.

"He spoke occasionally," another student, Evan Orienza, said. "He dressed pretty basically."

As the summer approached, Crooks was making plans to transfer to Robert Morris University, telling a friend a scholarship being offered made it worth it. The school confirmed he planned to enroll, beginning this fall.

He was also quietly receiving several packages that were marked "hazardous material," some of which law-enforcement officials think he might have used to make a pair of homemade bombs that investigators found in his Hyundai Sonata parked not far from the rally.

Few of Crooks's friends and acquaintances appeared to know of his shooting prowess, even though he frequently went to the shooting range with his father, whose AR-15 rifle, purchased years earlier, he would ultimately use in the attack. It was one of more than a dozen firearms the elder Crooks owned and kept inside the home. The father and son were part of a club of long-distance shooters, a law-enforcement official said.

"He never talked about anything other than classwork, he never mentioned a single thing about his personal life," Herring said. Even his bedroom displayed little sign of his plans, FBI Director Christopher Wray told lawmakers in private briefings.

The friend from the book club would occasionally try to bring up political topics. Crooks would politely engage, and give moderate if slightly right-of-center views, the friend said.

The friend continues to go over in his head what he might have missed, but Crooks's violent act remains as much a mystery to him as it is to everyone else. "I puzzled through all my memories to think why," he said.

More Americans Opt Not to Have Children

A rising number of young couples say they don't see parenthood in their future, deterred by child-rearing's costs and expectations

By Rachel Wolfe

CLOCKWISE FROM TOP LEFT: CHRISTIANA BOTIC FOR WSJ; KHOLOOD EID FOR WSJ; CELESTE NOCHE FOR WSJ

Clockwise from top left: Beth Davis and Jacob Edenfield in New Orleans; Mariah Sanchez and Giovanni Perez in the Bronx, N.Y.; MJ Petroni and Oleg Karpynets in Portland, Ore.

Americans aren't just waiting longer to have kids and having fewer once they start—they're less likely to have any at all.

The shift means that childlessness may be emerging as the main driver of the country's record-low birthrate.

Women without children, rather than those having fewer, are responsible for most of the decline in average births among 35- to 44-year-olds during their lifetimes so far, according to an analysis of the Census Bureau's Current Population Survey data by University of Texas demographer Dean Spears for The Wall Street Journal. Childlessness accounted for over two-thirds of the 6.5% drop in average births between 2012 to 2022.

While more people are becoming parents later in life, 80% of the babies born in 2022 were to women under 35, according to the Centers for Disease Control and Prevention's National Vital Statistics data.

"Some may still have children, but whether it'll be enough to compensate for the delays that are driving down fertility overall seems unlikely," says Karen Benjamin Guzzo, director of the Carolina Population Center at the University of North Carolina at Chapel Hill.

The change is far-reaching. More women in the 35-to-44 age range across all races, income levels, employment statuses, regions and broad education groups aren't having children, according to research by Luke Pardue at nonprofit policy forum the Aspen Economic Strategy Group.

Birthrates among 35- to 44-year-olds give demographers who study fertility an early look into millennials' changing approach to parenthood. But these researchers also look closely at women over 40, reasoning that if a woman doesn't have a child by then, she is more likely to remain childless.

The number of American women over 40 who had no children was declining until 2018, according to Current Population Survey data, when it then began to rise again. Now, some demographers and economists expect the increase in childlessness will be sustained due to shifts in how people think about families.

In New Orleans, 42-year-old Beth Davis epitomizes some millennials' new views. "I wouldn't mess up the dynamic in my life right now for anything, especially someone that is 100% dependent on me," she says.

Changing views

Throughout history, having children was widely accepted as a central goal of adulthood.

Yet when Pew Research Center surveyed 18- to 34-year-olds last year, a little over half said they would like to become parents one day. In a separate 2021 survey, Pew found 44% of childless adults ages 18 to 49 said they were not too likely, or not at all likely, to have children, up from 37% who said the same thing in 2018.

As more women gained access to birth control and entered the workforce in the 1970s, reshaping family life and expectations around gender, Americans began having fewer kids. By 1980, the average number of children per family was 1.8, down from a high of 3.6 during the post-Depression baby boom, according to Gallup.

Now, researchers say, having children at all has begun to feel optional.

"To be a human being, for most people, meant to have children," says Anastasia Berg, co-author with Rachel Wiseman of the new book "What Are Children For?: On Ambivalence and Choice."

"You didn't think about how much it would cost, it was taken for granted," she says.

But unlike their parents and grandparents, the authors say, younger Americans view kids as one of many elements that can create a meaningful life. Weighed against other personal and professional ambitions, the investments of child-rearing don't always land in children's favor.

With less pressure to have kids, economists say, more people feel they need to be in the ideal financial, emotional and social position to begin a family.

Giovanni Perez, 38, has been trying to convince his wife, Mariah Sanchez, 32, that they're ready to become parents.

"People less well-off than us are having kids and I see it every day, and I'm pretty sure we could do better than most of them," says Perez, an after-school art teacher in the Bronx in New York.

Sanchez isn't sold.

With a single mom during her early childhood and a brother 15 years her junior, Sanchez grew up helping with diaper changes and bottle feedings. Before she has kids of her own, she wants to move from the couple's one-bedroom apartment into a bigger place. She also hopes to climb the ranks at the advertising agency where she works, ideally doubling their combined income of $100,000.

"I know what it's like for a child whose parent wasn't prepared for them," says Sanchez. Still, she admits, the amount she thought she needed to earn before having children was far lower a few years ago. "It feels like a moving target," she says.

Her mom, Michelle Morales, had Sanchez when she was 21. That was late by her Brooklyn community's standards, she says. (A dramatic drop in teenage births is another factor driving the fertility rate down.)

"There was no planning for kids, you just had them," says Morales, a 53-year-old college adviser in Naples, Fla.

While she worries she may never be a grandparent—"which I'd like to experience before I leave this Earth"—she respects the intention with which her children are approaching parenthood.

"These kids are a lot smarter in making decisions for themselves," she says.

Nobody will dispute that kids are expensive. Whether they have become more so in recent years—and the extent to which that is driving down birthrates—is more complicated.

Different costs

Parents *are* spending more on their children for basics such as housing, food and education—much of that due to rising prices. Another factor, however, is the drive to provide children with more opportunities and experiences.

Middle-class households with a preschooler more than quadrupled spending on child care alone between 1995 and 2023, according to an analysis of Bureau of Labor Statistics and Department of Agriculture data by Scott Winship at think tank the American Enterprise Institute.

Yet only about half of the increase is due to rising prices for the same quality and quantity of care. (Child care prices are up 180% overall since the mid-90s, according to BLS data.)

The remaining half is coming from parents choosing more personalized or accredited care for a given 3- to 5-year-old, or paying for more hours, Winship says.

"People say kids are more expensive, but a lot of this comes from parenting becoming more intensive so people are spending more on their kids," says Melissa Kearney, an economist at the University of Maryland who researches children and families.

It has always been costly and time-consuming to raise kids, she says, and it has always come into conflict with other priorities. What's changed is that more people are deciding not to have children at all.

"If it were socially acceptable for people in the past to remain childless, I wonder how many of them would have made the same decision," Kearney says.

Beth Davis loves her niece and nephew. But she isn't envious of how much time and money her siblings spend bouncing between volleyball tournaments, baseball games and trips to the mall to replace outgrown clothes.

Davis, who works in marketing, and her husband, Jacob Edenfield, 41, both say they always expected to hit a moment when they, too, wanted to become parents. When that still hadn't happened by the time they started dating in their mid-30s, they decided to start reorienting their lives.

> **'I wouldn't mess up the dynamic in my life right now for anything'**

"People told me when I was younger, 'Oh, you'll grow into it, you'll develop those feelings, you'll want to start a family,' and that just did not happen," says Edenfield, a creative director.

They moved to New Orleans a year ago in search of the city's joie de vivre—and other childless millennials.

With a combined income of $280,000, the couple is able to put about $4,500 a month toward what they hope will be a mid-50s retirement. Another $2,600 pays rent on a sprawling Creole townhouse. The remaining $8,000 or so—much of which they assume would have been eaten up by child-rearing—goes primarily toward enjoying their lives.

The couple often dines at the city's upscale restaurants (including two recent $700+ dinners), regularly works out at a high-end wellness center and recently paid cash for a BMW. Edenfield meditates for an hour every morning and works on the novel he's writing at the corner bar many nights. For companionship, the couple fosters a rotating cast of Bengal cats.

Edenfield's sibling, Caitlin Hopkins, was inspired in part by her brother and sister-in-law's lifestyle to also remain childless. While she and her husband, Will, love kids, they say they would rather focus on being the best possible aunt and uncle. "And then I get to still have my autonomy and routine," says Caitlin, a 35-year-old oyster farmer in Portland, Maine.

New expectations

The longer people wait to have kids, research shows, the less likely they are to have them.

One reason is biological: Women 35 and older are at increased risk of infertility and pregnancy complications. The other is social. People who already have fully formed adult lives are more reluctant to give up their freedom, says Brown University health economist Emily Oster. "All of a sudden you've chosen a different identity," she says.

Trevor Galko and Keri Ann Meslar, 44 and 42, both grew up in the suburbs assuming kids were in their futures.

"I had never known someone that was 40 and married without kids, that would have been the weirdest thing I had ever heard," says Galko, who works in software sales from Arlington, Va.

The couple, now engaged, dated for three years in their 20s before spending the next decade in other relationships, thinking kids would happen someday. But when they got back together in 2019, they decided they were too old and too set in their existing lives to start a family of their own.

While they both mourned that other possible path, they say they are content and have no regrets. Much of their disposable income now goes to travel, including recent trips to Greece, Spain and Guatemala in the span of three months.

For Meslar, who works in growth strategy for a CBD company, part of the justification for leaning into her kid-free reality was wanting to avoid making the same sacrifices she saw her parents make.

She says she can't remember her mom or dad buying anything new for themselves while she was growing up so they could afford for her and her three siblings to join sports leagues and attend out-of-state colleges.

"I don't think I could really live up to the example they set. Or I think I could, but I don't think it would bring me the same joy," she says.

MJ Petroni and Oleg Karpynets both went into their 20s wanting to be dads. Now in their late 30s, the couple no longer sees children in their future.

"It was almost shocking to me when I realized having a fulfilling life didn't necessarily include my own kids," says Petroni, 39, who runs an artificial-intelligence strategy firm from home in Portland, Ore. For 38-year-old Karpynets, who runs a neighborhood library, that has meant going back to school to get his business administration degree, hosting monthly parties sometimes with over 100 people and going out with friends whenever he wants.

An only child, Petroni says continuing the family name and giving his parents grandchildren was "always just kind of a given" during his suburban upbringing on the central coast of California. More recently, however, it's his parents who have required care. He says he's spent over $100,000 on their medical and living expenses, as well as travel to visit them, over the past three years.

"I would like to be able to put more toward that than I'm currently able to," he says, adding it would be more difficult to do so if the couple decided to have kids.

Retirement math

When Allie Mills and Connor Laubenthal get married next year, they'll be flanked on both sides of the altar by friends and family members who they say mostly intend to remain childless.

"With geopolitical issues, climate change, it's like what are you bringing them into and then dropping them off and saying, 'good luck!'" says Mills, who is 27 and works for a tech company. "There's no real confidence that things are going to get better."

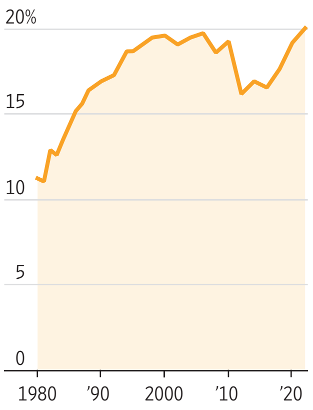
Mills, who was raised in an evangelical Christian household, says her mindset is a radical departure from growing up wanting to be a mother and a homemaker. She struggles with anxiety, and worries how her own mental health would affect a child. And though her email signature proudly displays her status as "dog mom of two," she says the only form of human parenthood she could picture at this point is fostering.

The couple's other consideration is financial. Despite both having well-paying jobs, they say they haven't been able to afford a house in Boston, where they live, amid low supply and high interest rates.

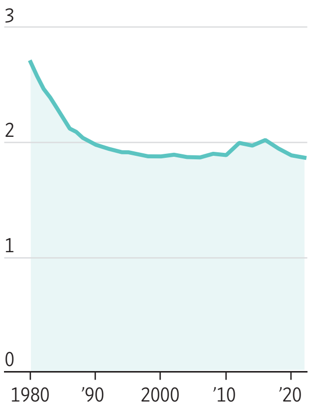
Laubenthal, a 27-year-old asset manager, calculated that they could retire at 55 with the same spending power if they don't have kids. He then did the math to account for two children, factoring in costs of daycare, college, clothing and other essentials. That pushed their retirement back by 13 years, to age 68.

"That's a big gap," he says. His conclusion: Retire early, and skip kids.

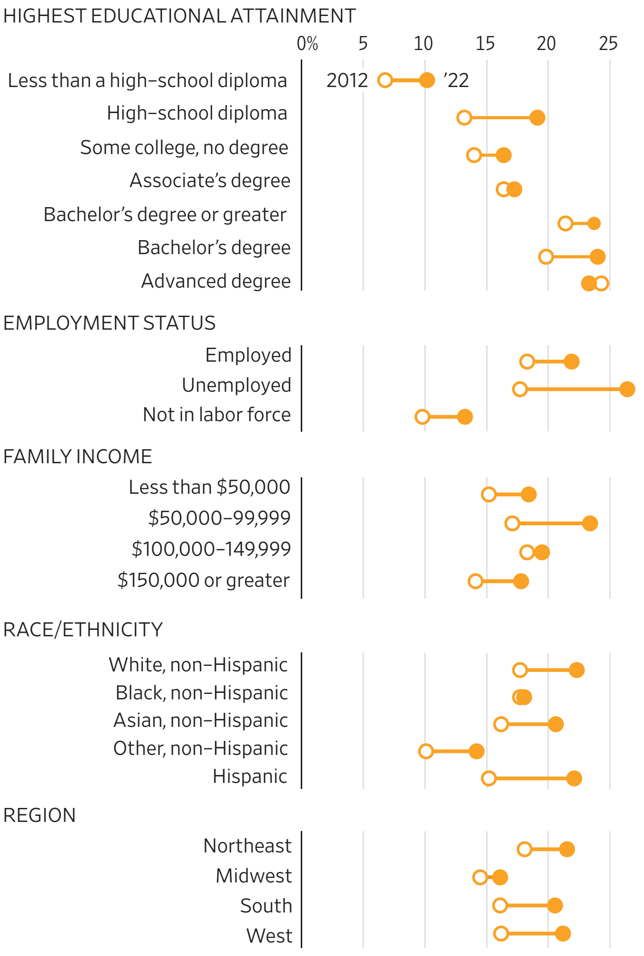
Share of women in the U.S. age 35 to 44 who don't have children



Average number of live births per woman in the U.S. age 35 to 44



Share of women in the U.S. age 35 to 44 who don't have children, 2012 vs. 2022



Source: Current Population Survey data via the Aspen Economic Strategy Group

Israel Struggles to Defend Against Drones

Attack on Tel Aviv exposes hole in vaunted high-tech air defenses

BY ANAT PELED AND DOV LIEBER

KIRYAT SHMONA, Israel—On Friday, Israel's aerial-defense system tracked 65 rockets fired across its northern border by the Lebanese militant group Hezbollah, intercepting some and letting the rest fall harmlessly into open areas.

That same day, Israel missed a single drone it believes flew more than 1,000 miles from Yemen to explode in the commercial capital Tel Aviv.

Israel has a problem with drones. They can be small, and they don't move on predictable trajectories or emit intense heat like missiles' rocket engines. They are also cheap, plentiful and increasing in sophistication.

Hezbollah has demonstrated the ability to strike Israel with drones. The group often sends several at once—at least one for reconnaissance and another rigged with explosives—and has hit border towns and military bases, killing and injuring civilians and soldiers. It also has hit sensitive military equipment.

Goading the Israeli military, Hezbollah flew surveillance drones across northern Israel in recent months, collecting aerial images of sensitive sites and publishing them. The Iron Dome, Israel's famed air-defense system, has struggled to cope. The alternative has been to scramble jet fighters, a costly solution that forces pilots to fly low in mountainous areas and exposes them to antiaircraft systems.

When all else fails, Israeli soldiers are told to use their rifles, some of which have been rigged with technology that can make them more accurate, according to Israeli military and defense officials.

"We are very, very worried about it," said Ariel Frisch, deputy security officer of Kiryat Shmona, a city near the border with Lebanon that has been hit by explosive drones.

The drone threat is one all modern armies are struggling with as their opponents make use of the fast advances in civilian technology to develop cheap and accurate weapons.

The drone that hit Tel Aviv early Friday was a large model that air-defense experts say should be easier to knock down. The Iran-backed Houthi militia in Yemen claimed responsibility, saying it used a new drone that can evade air-defense systems.

The drone approached from the Mediterranean Sea to the west and was identified by Israeli radar minutes before it struck, a senior Israeli air-force officer said Sunday. Those on duty needed to decide whether it was an Israeli drone, an allied aircraft, a civilian aircraft or even a flock of birds. During the war in Gaza, Israel has focused on aerial attacks from the north, south and east. Complicating matters, the drone was flying in on routes generally used by civilian aircraft, though at a much lower altitude, the officer said.

> **When all else fails, soldiers are told to use their rifles against drones.**

"All of this, on top of the humans in the process, unfortunately caused them to classify it not as a threat," the officer said.

Just over a mile from the border with Lebanon, Kiryat Shmona today is a ghost town with dusty cars, abandoned homes and unraked leaves covering its streets. Most of its some 20,000 residents have been moved out. Hezbollah has hit targets across northern Israel with rockets, antitank missiles and drones.

Hezbollah has launched about 1,000 drones at Israel since the beginning of the war, mainly targeting towns and military bases within 3 miles of the border. The militant group has exhibited an ability to learn and take advantage of blind spots in Israeli defenses by mapping northern Israel with its surveillance drones, said Sarit Zehavi, founder and president of Alma Research and Education Center, a think tank in Israel.

Drones force militants' stronger adversaries to allocate scarce and costly resources to defend against them. The Iranian Ababil drones used by Hezbollah can cost $5,000 apiece, while an hour of flight time for an F-16 shooting two missiles is roughly $45,000, said Yehoshua Kalinsky, a senior researcher at the Tel Aviv-based Institute for National Security Studies. An interception by the Iron Dome can cost $100,000 or more.

Shooting down drones with a jet requires pilots to locate hard-to-detect devices and get close behind them for the heat-seeking missiles to engage, an Israeli air-force pilot said. The combination of friendly or enemy drones and jets, civilian aircraft and birds is like "a Rubik's Cube in the sky," said an air-force officer involved in aerial-threat detection.

Israel's defense system has known about the drone threat for years, but hasn't developed effective solutions in time, said Liran Antebi, a senior researcher also at the Institute for National Security Studies.

Samuel Bendett, an adjunct senior fellow at the Center for a New American Security who studies drone warfare, said Israel could learn from Ukraine. After 2½ years of drone-intensive war with Russia, the country has developed more cost-effective solutions for detection and interception.

Ilan Bitton, the former head of Israel's air defenses in the air force and a former senior official at Israel Aerospace Industries, said drones for years were seen as a "side issue." He is optimistic that Israel will create a multilayered defense against drones within one to three years. Israel's Ministry of Defense has now allocated larger sums. A new accelerator program for Israeli startups lists sensors to detect small aircrafts as one of the ministry's areas of interest.

One highly expected response is the "Iron Beam," which will fire a concentrated laser. A defense official said it would be rolled out in 2025. The energy is expected to cost just a dollar or two per target.

Still, the system has its weaknesses. Its effectiveness goes down in bad weather, and it can shoot down only one threat at a time, when adversaries are expected to attack with swarms. Israeli defense officials said it would need to be integrated into a multitiered defense system.

"This is an agile, software-defined conflict," said Moshik Cohen, an Israeli tech entrepreneur who previously worked on defense-missiles development. "If something is evolving, you need to evolve and move faster to win. Otherwise, you have no chance."

Long-Distance Strike on Houthis Leaves Port Ablaze

Israel said Hodeidah is a transfer point for Iranian weapons; the Houthis said civilian structures including a power plant were hit. REUTERS

TEL AVIV—The Israeli military for the first time staged a direct airstrike against Houthi rebels in Yemen, a day after the Iran-backed militant group launched a drone attack in Tel Aviv that killed one person.

Israel said its F-15 jet fighters struck several targets in the Houthi-controlled port city of Hodeidah, which set fuel tanks ablaze and damaged the city's power plant, a Houthi official said. Health authorities said several people had died and more than 80 were wounded. Israel's military didn't respond to a request for comment on casualties.

By Carrie Keller-Lynn, Benoit Faucon and Saleh al-Batati

Israel's military said it downed a surface-to-surface missile launched by Yemen on Sunday. The Houthis later claimed responsibility for launching ballistic missiles toward Israel on Sunday.

Israel said it acted Saturday in retribution for hundreds of Houthi attacks since October, including the one in the heart of Israel's commercial capital on Friday. That marked the first time the Houthi militia hit Tel Aviv, nine months into Israel's war against Hamas militants in Gaza that the Houthis say they are protesting. Israel's aerial defense array has intercepted most of the Houthi attacks.

Saturday's attack in Yemen, more than 1,000 miles from Israel, is one of the farthest strikes that Israel's air force has conducted, said Rear Adm. Daniel Hagari, the Israeli military's chief spokesman.

"From the beginning of the war, I made it clear that Israel would harm anyone who harmed us," Israeli Prime Minister Benjamin Netanyahu said Saturday. Israeli and U.S. defense officials said the U.S. was notified before the operation.

An Israeli military official called the port "the main supply route for the transfer of Iranian weapons to Yemen." Such transfers would violate a United Nations arms embargo. Tehran denies arming the Houthis, despite ample evidence. The Houthis likely used a modified Iranian-made Samad drone in its Friday attack, the Israeli military said.

Houthi spokesman Mohammed Abdul Salam said the Israeli military struck civilian targets, including oil tanks and a power plant. Hodeidah has been used by the Houthis to launch missile and drone attacks on commercial shipping. But it also hosts civilian facilities, including grain silos critical to Yemen's malnourished population.

After Saturday's attack, several Houthi leaders hid in safe houses and in a mosque in San'a and switched off their phones due to worries that Israel could target them, said a separate Houthi official. The Houthis pledged to respond.

"The strikes are a first and mark a significant escalation," said Hisham Al-Omeisy, a Yemen analyst at the European Institute of Peace, a Brussels-based think tank.

The Houthis have attacked international shipping near Yemen's waters and fired numerous drones and missiles against Israel in support of Hamas militants. Other Iran-backed groups in Iraq, Syria and Lebanon also have attacked Israel in what threatens to expand into a broader war. Chief among the expanded fronts is between Israel and Hezbollah, the U.S.-designated terror group in Lebanon. Exchanges of fire have forced tens of thousands of civilians in both countries to flee.

An Israeli military official also called Saturday's strike a step up in Israeli activity against the Houthis. "It was calibrated to send exactly the message that we wanted: a message of deterrence to the Houthis and to everybody else who is watching in the region," the official said.

Until Saturday, Israel had limited its engagement with the Houthis to intercepting projectiles. The U.S. military had taken the lead against the Houthis to defend maritime shipping, launching airstrikes on several targets in Yemen.

An Israeli defense official said Israeli policy had been to let the U.S.-led multinational coalition manage direct engagement with the Houthis. Israel changed policy in response to Friday's fatal strike, the official said, the first time that the Houthis killed an Israeli civilian in the continuing conflict.

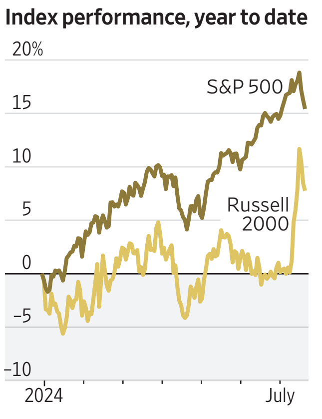
Israel had operational plans for Yemen at the ready, in line with orders the defense minister had issued months earlier.

—Nancy Youssef contributed to this article.

Watch a Video

Scan this code for a video on Israel's strike on Houthi rebels in Yemen.

The Stock Market Is Upended



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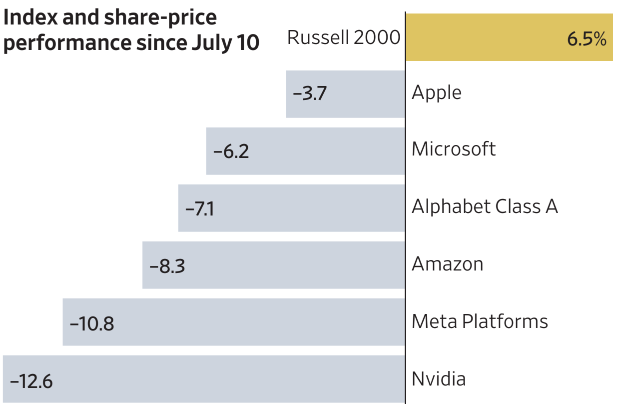


Continued from Page One

its 2024 advance to 7.8%, while the S&P 500 dropped 2%, trimming its gains to 15%.

As the Fed continued raising rates to tame inflation in 2023 and kept them elevated so far this year, investors rushed for the safety of megasize companies that they bet could withstand economic uncertainty. Some of those same companies were primed to capitalize on potentially transformative advances in artificial intelligence.

Meanwhile, traders looked askance at shares of smaller and more cyclical companies that tend to be particularly vulnerable to higher financing costs and to the risk that the central bank's rate increases would tip the economy into recession.

The trade seemed unstoppable. Then on July 11, a surprisingly cool inflation report appeared to change everything. While investors had long expected the Fed to begin trimming rates, the data made them nearly sure that those rate cuts would begin in September. Believing the shift toward lower rates was almost upon them, investors raced to trim their winning bets on tech and lean into parts of the market likely to rally when rate cuts lower borrowing costs and boost the economy.

"Who benefits as rates come down? The answer is the ones who suffered the most when rates went up, and it's basically the weaker players," Siddiqui said.

When the Fed began its rate-increase campaign in March 2022, the yield on the benchmark 10-year U.S. Treasury note, which influences borrowing costs throughout the economy, was around 2.2%. Over the following months, the Fed raised rates and the yield climbed. In October 2023, it topped 5% for the first time in 16 years. Yields then fell as investors began to anticipate rate cuts but have risen in 2024 as inflation remained stubbornly persistent. The 10-year's yield ended Friday at 4.238%.

Another force at work in markets: growing expectations that Trump will return to the White House after the November election, potentially increasing the chances of tax cuts and lighter regulation.

For the rotation of market leadership to persist, many believe that results and forecasts from individual companies will need to reinforce the view that smaller and more cyclical businesses are poised to perform.

Investors will look for clues this week in the quarterly reports of Google parent Alphabet and electric-vehicle maker Tesla, along with nearly 300 companies in the small-cap Russell 2000. The following week will bring additional insights into Big Tech when Microsoft, Meta Platforms, Apple and Amazon.com share results.

It isn't just excitement that has driven the tech trade. The companies enjoy dominant positions in huge markets and operate at a scale that gives some insulation from economic fluctuations.

Together, the Magnificent Seven—Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia and Tesla—reported a 52% increase in profits for the first quarter of this year, compared with a decline of 8.7% by the remaining 493 companies in the S&P 500, according to Ryan Grabinski, investment strategist at Strategas. Analysts expect the septet to report a 28% jump in earnings for the second quarter, while profits from the other S&P 500 stocks slip 1%.

Russell 2000 companies, meanwhile, are expected to report a nearly 18% rise in second-quarter profits, snapping a five-quarter streak of year-over-year declines, according to LSEG I/B/E/S data. Among the small-cap companies reporting this week are egg producer Cal-Maine Foods and printer maker Xerox.

"Earnings growth is going to be a crucial factor in determining whether this trend will continue—earnings growth of smaller names and earnings growth of the large-cap tech companies," said Sumali Sanyal, senior portfolio manager of systematic global equities at Xponance.

Smaller companies tend to be more vulnerable than big ones to high interest rates. Thirty percent of the debt of the Russell 2000 is floating-rate, compared with 6% for the S&P 500, according to Goldman Sachs research from earlier this year. Historically, unprofitable companies make up a large chunk of the Russell 2000.

Those factors contributed to investors' lack of enthusiasm for the group as the Fed kept rates high: The Russell 2000 inched up just 1% in the first six months of the year.

The biggest stocks drove the S&P 500's rally. In the first half of the year, just one company—chip maker Nvidia, a darling of the AI trade—contributed 30% of the S&P 500's 15% total return, including dividends, according to S&P Dow Jones Indices. Add in Microsoft, Amazon, Meta Platforms, Alphabet and Apple, and well over half of the index's return is accounted for.

The small number of stocks powering the S&P 500 has worried investors, making them question the sustainability of the rally.

"That's really risky, and it's nice to see this broadening," said Nancy Curtin, chief investment officer at AlTi Tiedemann Global. "That creates a healthier market, a more stable market, and gives more legs to the bull market, frankly."

WORK & LIFE
RACHEL FEINTZEIG

Cultivate Your Charisma To Get Ahead at Work

Whether you call it 'rizz' or charm or magnetism, some people seem to just have it

Great leaders have it. Gen Z has a new word for it. Can the rest of us learn it?

Charisma—or rizz, as current teenage slang has anointed it—can feel like an ephemeral gift some are just born with. The chosen among us network and chit-chat, exuding warmth as they effortlessly hold court. Then there's everyone else, agonizing over exclamation points in email drafts and internally replaying that joke they made in the meeting, wondering if it hit.

"Well, this is awkward," Mike Rizzo, the head of a community for marketing operations professionals, says of rizz being crowned 2023 word of the year by the publisher of the Oxford English Dictionary. It's so close to his last name, but so far from how he sees himself. He sometimes gets sweaty palms before hosting webinars.

Who could blame us for obsessing over charisma, or lack thereof? It can lubricate social interactions, win us friends, and score promotions. It's also possible to cultivate, assures Charles Duhigg, the author of a book about people he dubs super communicators.

At its heart, charisma isn't about some grand performance. It's a state we elicit in other people, Duhigg says. It's about fostering connection, and making our conversation partners feel they're the charming—or interesting or funny—ones.

The key is to ask deeper, though not prying, questions that invite meaningful and revealing responses, Duhigg says. And match the other person's vibes. Maybe they want to talk about emotions, the joy they felt watching their kid graduate from high school last weekend. Or maybe they're just after straight-up logistics, and want you to quickly tell them exactly how the team is going to turn around that presentation by tomorrow.

You might be hired into a company for your skillset, Duhigg says, but your ability to communicate and earn people's trust propels you up the ladder: "That is leadership."

Work at it

In reporting this column, I was surprised to hear many executives and professionals I find breezily confident and pleasantly chatty confess it wasn't something that came naturally. They had to work on it.

Dave MacLennan, who served as chief executive of agricultural giant Cargill for nearly a decade, started by leaning into a nickname: DMac, first bestowed upon him in a C-suite meeting where half the executives were named Dave.

He liked the informality of it. The further he ascended up the corporate hierarchy, the more he strove to be approachable and relatable.

Employees "need a reason to follow you," he says. "One of the reasons they're going to follow you is that they feel they know you."

He makes a point to remember the details and dates of people's lives, such as colleagues' birthdays. After meeting him once, in a meeting at The Wall Street Journal's offices, I was shocked to receive an email from his address months later. Subject line: *You*, a heading so compelling I still recall it. He went on to say he remembered I was due with my first child any day now and just wanted to say good luck.

"So many people say, 'Oh I don't have a good memory for that,' " he says. Prioritize remembering, making notes on your phone if you need, he says.

Now a board member and an executive coach, MacLennan sent hundreds of handwritten notes during his tenure. He'd reach out to mid-level managers who'd just gotten a promotion, or engineers who showed him around meat processing plants. He'd pen words of thanks or congratulations. And he'd address the envelopes himself.

"Your handwriting is a very personal thing about you," he says. "Think about it. Twenty seconds. It makes such an impact."

Everyone's important

Doling out your charm selectively will backfire, says Carla Harris, a Morgan Stanley executive. She chats up the woman cleaning the office, the receptionist at her doctor's, the guy waiting alongside her for the elevator.

"Don't be confused," she tells young bankers. Executive assistants are often the most powerful people in the building, and you never know how someone can help—or hurt—you down the line.

Harris once spent a year mentoring a junior worker in another department, not expecting anything in return. One day, Harris randomly mentioned she faced an uphill battle in meeting with a new client. Oh!, the 24-year-old said. Turns out, the client was her friend. She made the call right there, setting up Harris for a work win.

In the office, stop staring at your phone, Harris advises, and notice the people around you.

Charisma for introverts

You can't will yourself to be a bubbly extrovert, but you can find your own brand of charisma, says Vanessa Van Edwards, a communications trainer and author of a book about charismatic communication.

For introverted clients, she recommends using non-verbal cues. A slow triple nod shows people you're listening. Placing your hands in the steeple position denotes that you're calm and present.

Try coming up with one question you're known for. Not a canned, hokey ice-breaker, but something casual and simple that reflects your actual interests. One of her clients, a bookish executive struggling with uncomfortable, halting starts to his meetings, began kicking things off by asking "Reading anything good?"

Embracing your stumbles

Charisma starts with confidence. It's not that captivating people don't occasionally mispronounce a word or spill their coffee, says Henna Pryor, who wrote a book about embracing awkwardness at work. They just have a faster comeback rate than the rest of us. They call out the stumble instead of trying to hide it, make a small joke, and move on.

Being perfectly polished all the time is not only exhausting, it's impossible. We know this, which is why appearing flawless can come off as fake. We like people who seem human, Pryor says.

Our most admired colleagues are often the ones who are good at their jobs and can laugh at themselves too, who occasionally trip or flub just like us.

"It creates this little moment of warmth," she says, "that we actually find almost like a relief."

ABBY OUELLETTE

MY RIDE | BY A.J. BAIME

'Rust Bucket' Took Decades to Restore

Bill S. Romano, 87, a retired information technology management consultant who lives in Ocean Pines, Md., on his 1964 Porsche 356, as told to A.J. Baime.

▲ **Bill S. Romano and his classic 1964 Porsche 356.**

About two weeks ago, my son, Bill, and I got in my Porsche 356 and cranked it up. We drove the car around Ocean Parkway, jumped on Route 589, filled the tank with gas, and drove it home. It was incredible. The car was registered and insured. It had been in pieces for decades. This restoration—much of which I taught myself how to do—had taken nearly 40 years and now we were on the road.

The story goes back to when I was in college at Cornell. I had the opportunity to own a 1958 Porsche 356, which I bought in 1960 and which lasted one year due to all the salt they used on the highways. The car rusted out quickly. I spent two years in the Army stationed in Germany. My brother was there at the same time, and he was racing a Porsche around 1962 and 1963. I used to tag along, and I visited the Porsche factory in Stuttgart a few times.

In the late 1980s, I was working with a consulting firm in California, and during the two years I was there, I bought a 1964 Porsche 356 for about $4,000. The 356 is a significant car because it was the first-ever model sold under the Porsche brand name. Ferdinand Porsche is known for designing the Volkswagen in Germany before the war. After the war, Porsche began with the 356 model, with the same basic layout as the Volkswagen Beetle, with the air-cooled engine hanging off the back.

Mine was a rust bucket. The day I bought it, on Oct. 31, 1987, the previous owner gave me duct tape to put on the windshield because the car leaked. My wife and I drove that car to Yosemite twice, up to Oregon, and numerous times along the Big Sur highway. When the job in California finished, I shipped the car back to where we were living in Connecticut.

To make a long story short, I pulled the engine out to tear down and rebuild. But when I got the engine out, I could see all the things that needed fixing. And so it began. Over nearly four decades, I had help from different Porsche experts. I taught myself how to weld, and turned my garage into a working shop. In 1998, I retired and moved to Maryland, and the car came with me on a truck. At this point it was still in boxes, packages, quite an assortment.

I built a rotisserie in my garage, because at my age, I didn't have the ability to do some of the welding unless I could turn the car. It was quite a big contraption. I found a guy named Ed Butler, a Porsche body restoration expert just starting out on his own. He took the car on a trailer to his shop in Pennsylvania, and I traveled up there once or twice a week, for weeks, watching him rebuild the car's body. He is a master.

When I got the body back, I still had to put all the parts back into it. That took a full two years. I had so many bruises on my arms, you wouldn't believe it.

You can imagine how special it felt, just a couple weeks ago, to have my son, Bill, with me driving this Porsche for the first time since the 1980s. Since then, I've had my wife and my daughters in the 356, which is painted its original color: Champagne Yellow.

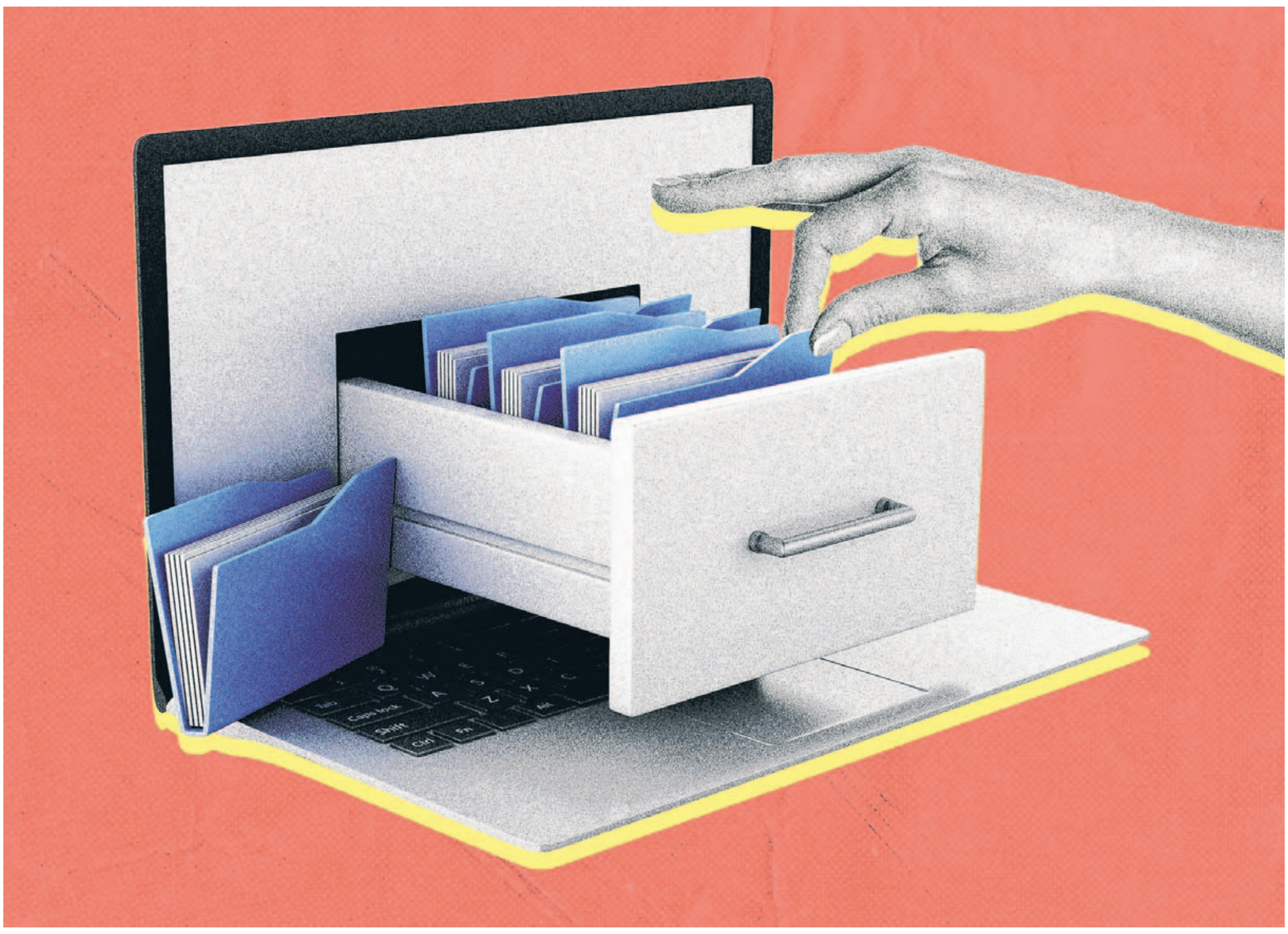
I had often worried that I would never finish this car. Now, all those years of work and all the money spent feel so worth it.

SCOTT ROSSI FOR THE WSJ (4)

PERSONAL TECHNOLOGY

Making a Case for Backing Up Your Photos and Files at Home

Storage analysts say you should have multiple copies, especially after recent Windows outage



By Cordilia James

Ask people who've lost their home to a fire or hurricane, and they're often most heartbroken about the family photos that no longer exist.

To safeguard against this fear, we've largely embraced backing up our precious photos and files through the cloud, like Apple's iCloud or Google One.

You take a picture and it's suddenly on all of your devices. You don't really know *where* it is, but it's somehow *everywhere*. It's magic.

Until it isn't.

Some cloud services have unexpectedly shut down or severely scaled back the space they give users. Some users have gotten locked out of their accounts, never able to access their photos again. And, unless you suddenly stop taking photos, you're bound to use more cloud storage over time, which means your monthly subscription costs will keep rising.

If you don't want to pay more, you'll have to delete files to free up space.

It's also just smart to have multiple copies of your important files. If there's a computer outage, like the major one that hit Microsoft Windows devices this past week, you'll know your photos are safe.

Storage analysts recommend three moves. Back up your files in the cloud and on solid-state drives, and keep another copy in a remote location, such as a bank safe-deposit box.

Having your data in multiple locations ensures that you'll still have access to your files "in case there's something that compromises a location, such as if your house burns down," says Brent Ellis, a senior analyst at research firm Forrester.

Backing up files can be a pain, but you shouldn't wait.

SSDs vs. HDDs

You may think your files are safe because you put them on a hard-disk drive years ago. Think again.

HDDs store your files on discs that spin, much like records on a record player. While both HDDs and SSDs can degrade over time, the moving parts inside hard drives makes them more fragile. Drop one, and it can stop working entirely. SSDs, on the other hand, don't have moving parts. While you shouldn't throw your SSD like a Frisbee, some newer models can withstand drops from nearly 10 feet high and come with dust and water resistance.

The biggest drawback for SSDs in the past tended to be their high prices. They're more expensive than hard drives, but pricing for external SSDs and those built into computers has fallen 90% over the past decade, according to research firm IDC. They're also cheaper long term than cloud storage.

Apple and Google both charge $10 a month in the U.S. for 2 terabytes of storage (Google's annual plan is $100). Nicer 2TB SSDs from Western Digital's SanDisk brand retail for about $200. SSDs should last about three to five years before you need to upgrade, storage analysts say.

While SSDs from no-name brands may be cheaper, don't trust your most important files to companies you've never heard of. Wall Street Journal personal tech columnists and editors have long used devices from Samsung and SanDisk, including the SanDisk Extreme Portable SSD.

When SSD shopping, buy one at least double the size of what you're backing up, Ellis says. One or 2TB is generally sufficient.

How to transfer files

There's no magic way to make the backup process completely painfree. It can take a long time to download files from the cloud, and transferred photos sometimes show up with wonky dates. If you want to be sure to keep the files organized, transfer smaller batches at a time and check them as you go along. And update your computer to the latest operating system.

If you're a Mac user, connect your SSD and open the Finder. If you already have files saved on your Mac, you can select them in the Finder and drag them to your SSD. (The process is similar on Windows PCs.)

For photos saved in iCloud, first download them to your Mac. Open the Photos app and go to Settings. Navigate to the iCloud option, make sure the iCloud Photos box is ticked, and choose Download Originals to this Mac. That gets you full-size files rather than lower quality copies. Once complete, select your photos in the app, click File in the menu bar, Export, then Export Unmodified Originals and save them to your SSD. You can also do this from iCloud.com, including for non-photo files and if you use a PC.

Exporting unmodified originals maintains the correct date and time the photo was taken, but you may have to dig to find it. You can see the correct information under Content created in the Finder Gallery view. Dragging images from the Photos app to your SSD rather than exporting them can result in incorrect dates, even in the metadata.

Save files from Google's cloud on your SSD by logging into your Google account. Click on the small picture of yourself in the top right and choose Manage your Google Account, then select Data & privacy. Scroll to where it says Download your data to access Google Takeout. Select what you want to download, like your Google Drive files or Google Photos, then select Next step and choose how you want to receive your data, such as an emailed download link. Once you receive the link, download the files and save them to your SSD.

Once you have your files saved to your external drive, store it in a safe place. Jeff Janukowicz, a storage analyst at IDC, owns two SSDs: One he carries around with him, and another he has tucked away in a fireproof box in his home.

"It's always better to be safe than sorry," he says.

▶ The SanDisk Extreme Portable SSD starts at $95 for 500GB.

FROM TOP: RACHEL MENDELSON/WSJ; ISTOCK (2); WESTERN DIGITAL

Do the Math First on Banks Offering Cash Bonuses

By Imani Moise

The country's biggest banks are offering cash bonuses and promotional interest rates for opening new accounts. So, should you take advantage and switch banks?

While the answer depends on a lot of factors, it is often no. Cash bonuses or 5% yields are enticing, but it pays to read the fine print and do the math before signing up.

Savings accounts tend to offer paltry returns once the promotional rates expire, and chasing a cash bonus could mean losing out on better rates in the long run. Most checking accounts at major banks don't pay interest. They also charge fees if you don't maintain a certain balance.

"Their history of paying interest rates is probably more important than a one-time bonus," said Ken Tumin, a senior industry analyst at LendingTree and founder of Depositaccounts.com.

Why this is happening

Banks want your deposits. After being slow to raise yields on checking and savings accounts when interest rates started rising, competition for retail deposits at big banks is now heating up for the first time in years.

Chase and Wells Fargo now offer $300 bonuses to customers who open new checking accounts and set up direct deposits. Bank of America offers $200, and Citi has a promotional rate of 5% on new savings accounts for the first 90 days.

The banks started pushing these deals to keep customers from moving their cash to higher-yielding accounts or money-market funds, analysts said. These promotions squeeze bank profits on your money but can help keep the money where it is.

Banks backed up that thinking in a series of earnings conference calls last week.

"Our instructions to our team are to grow our deposit base a little bit faster than the economy," Bank of America Chief Financial Officer Alastair Borthwick told analysts last week. "That means you have to price across the board to achieve that."

Why this helps you

The race for deposits has led to bigger and better offers for customers, said Adam Stockton, managing director at financial research firm Curinos.

The average cash bonus offer for checking accounts rose to $400 earlier this year, up from $130 in 2016, according to Curinos data. More banks are also requiring customers to maintain higher balances to receive the payout, he said.

The strategy seems to be paying off for banks so far. On earnings calls this quarter, bank executives touted the success of these recent promotions in bringing in more customer balances.

"We've successfully used promotion and retention-oriented strategies to retain and acquire new balances in consumer and small business banking," Wells Fargo Chief Financial Officer Mike Santomassimo said.

What you should do

Before jumping on any offer, your first step should be doing the math. Offers vary from bank to bank and comparing the value of one-time payments with interest rates can be tricky.

For example, if you have an extra $500 lying around each month, taking advantage of Chase's current $300 bonus for new checking accounts offer could be more rewarding than putting it in a high-yield savings account. Chase requires a monthly direct deposit of $500 to earn the bonus and avoid the $12 monthly maintenance. That means you could withdraw $6,300 at the end of the first year. If you had invested that money at 4%, it would be worth about $6,100 a year later.

Cash bonuses on bank accounts are reported to the IRS and taxed as interest.

Another big question to ask yourself is why do I have my current bank? If it saves you money on your mortgage or has great international partners and you travel overseas often, the quick cash may cost you in the long run.

And a few hundred dollars may not be worth the hassle of switching banks, but cash bonuses are a popular tool for banks because they work, said Curinos's Stockton. "If you could get 300 bucks in your pocket tomorrow, that's more compelling to some people than the delayed gratification of a 4% interest rate," he said.

▼ Wells Fargo now offers a $300 bonus for new accounts that meet certain criteria.

JEENAH MOON/BLOOMBERG NEWS

ARTS IN REVIEW

ART REVIEW

New York Seen Through O'Keeffe's Eyes

An exhibition highlights the painter's cityscapes

By Lance Esplund

Chicago

Georgia O'Keeffe (1887-1986) is most often associated with the American Southwest—especially New Mexico, which she first visited in 1917. After settling the estate of her late husband, the gallerist and photographer Alfred Stieglitz (1864-1946), O'Keeffe, in 1949, moved permanently from New York to Ghost Ranch, her rural home northwest of Santa Fe. The region inspired many of O'Keeffe's signature motifs: enlarged, sensual flowers and archetypal trees, adobe dwellings, sun-bleached animal skulls and the desert landscape, particularly the majestic Pedernal mesa and mountain, where her ashes are scattered.

But "Georgia O'Keeffe: 'My New Yorks'" (through Sept. 22 at the Art Institute of Chicago)—along with recent exhibitions highlighting O'Keeffe's rarely seen photographs and abstract works on paper—reveals that there's much more to the artist. Curated by the Art Institute's Sarah Kelly Oehler and Annelise K. Madsen (and opening in October at Atlanta's High Museum of Art), "'My New Yorks'" comprises 60 O'Keeffe paintings, drawings and pastels, several works of ephemera, and about 25 photographs (by her, Stieglitz and Carl Van Vechten). It relocates O'Keeffe to the city from the country.

Born on a Wisconsin dairy farm, O'Keeffe studied at the Art Institute of Chicago and with William Merritt Chase at the Art Students League in

O'Keeffe's 'East River From the 30th Story of the Shelton Hotel' (1928), below.

New York. In 1908, O'Keeffe met Stieglitz at 291, his Manhattan art and photography gallery where, in 1916, he began exhibiting her work. In 1918, O'Keeffe, who'd been teaching art in Texas, moved back to New York and in with Stieglitz. And in 1924 the couple moved into the brand-new 34-story Shelton Hotel, then the world's tallest residential building. Located on Lexington Avenue in Midtown, it would rival the Southwest as an inspirational subject and vantage point for O'Keeffe, who vacillated between depicting the city naturalistically, abstractly or, with a reverence verging on sacred awe, fantastically.

Clockwise from top left: Georgia O'Keeffe's 'East River From the Shelton (East River No. 1)' (1927–28), 'The Shelton With Sunspots, N.Y.' (1926), and 'New York, Night' (1928–29).

"'My New Yorks'" offers a satisfyingly broad view. It opens with the section "'Seven Americans' Revisited," which reimagines O'Keeffe's participation in the 1925 exhibition "Seven Americans." Curated by Stieglitz, it included works by himself, John Marin, Marsden Hartley, Arthur Dove, Charles Demuth, Paul Strand and O'Keeffe—the only woman. Chicago's grouping reunites eight of O'Keeffe's rural paintings that were in that show, alongside her first cityscape, "New York Street With Moon" (1925)—which Stieglitz had rejected. O'Keeffe's embrace of Gotham wasn't initially appreciated. "The men decided they didn't want me to paint New York," O'Keeffe later recounted. "They told me to 'leave New York to the men.' I was furious."

"New York Street With Moon" both was and wasn't a departure. Like O'Keeffe's pared-down, dreamy seashells, flowers, desert mesas and trees, her first "New York" (she referred to her cityscapes as "my New Yorks") is iconic, primitive, idealistic—removed from its natural habitat. Mixing fantasy and reality, the vertical canvas, a romantic nighttime view looking up at Manhattan's Chatham Hotel, features a burning red light; a bold, haloed streetlamp; and towering, silhouetted skyscrapers, which buttress rocketing canyons of moonlit sky.

It's in cityscapes like this one that the exhibition—and this phase of O'Keeffe's oeuvre—really comes into its own. In her straightforward "Shelton Hotel, N.Y., No. 1" (1926), the monumental brown edifice suggests an insurmountable temple. In "The Shelton With Sunspots, N.Y." (1926), the soaring skyscraper, like a religious icon, radiates blinding auras. And in "Radiator Building—Night, New York" (1927), the dark, heraldic skyline is flat and decorative, punctuated by a syncopated abstract pattern of bright windows.

From 1927 to 1936, O'Keeffe and Stieglitz lived in an east-facing perch on the Shelton's 30th floor, which provided unobstructed views of the East River and beyond. "New York is madder than ever. The pace ever increasing," Stieglitz wrote to the author Sherwood Anderson. "But Georgia & I somehow don't seem to be of New York—nor of anywhere. We live up in the Shelton Hotel. . . . We feel as if we were out at midocean."

It is from that crow's nest that Stieglitz took several gorgeous photographs of New York's changing skyline (included here), and that O'Keeffe painted "East River From the Shelton (East River No. 1)" (1927-28)—in which the sun, a blinding oculus, opens the sky like the Second Coming. But it's also where O'Keeffe produced an economical series of long, horizontal bird's-eye views of New York. In soft, flinty blues, grays, blacks, browns and whites, she precisely rendered snow-covered rooftops, water tanks and billowing chimneys; the silvery harbor, barges and tugboats; and the city's light, smog, fog and steam. Equaling her desert vistas, they are among O'Keeffe's (or any early 20th-century American's) most candid and lovely interpretations of Gotham.

"'My New Yorks,'" though uneven—abstractions such as "New York—Night (Madison Avenue)" (1926) and "Black and White" (1930) are too illustratively sleek and reductive—is diverse and informative. An engaging time capsule, it's a portrait of and homage to both New York and O'Keeffe. Interweaving her love of Manhattan, the Southwest and the Northeast, it demonstrates that O'Keeffe—who brought seashells and barrels and boxes of New Mexican animal bones to New York—was as enamored with the hand of man as she was the hand of nature. It reveals that modernism's quintessential desert wilderness painter was as at home in the Big Apple as she was in the Land of Enchantment.

ART INSTITUTE OF CHICAGO (5)

Georgia O'Keeffe: 'My New Yorks'
The Art Institute of Chicago, through Sept. 22

Mr. Esplund, the author of "The Art of Looking: How to Read Modern and Contemporary Art" (Hachette), writes about art for the Journal.

SPORTS

Schauffele Wins British Open

The 30-year-old American shot a final round 65 at Royal Troon to finish at 9-under par

By Andrew Beaton

Xander Schauffele entered this year with a bit of a reputation for being golf's nearly man. He was clearly one of the best players around, but when it came to major championships he just couldn't quite get it done.

Schauffele put that notion to rest when he got over the hump and won the PGA Championship in May. Then, during the final round of this British Open, he completely vaporized it.

It's now impossible to enter a major without considering Schauffele one of the premier threats to take home a trophy.

With a brilliant Sunday run at Royal Troon Golf Club on the Scottish coast, Schauffele emerged from a packed leaderboard to win his second major of the year at 9-under par, two strokes ahead of Justin Rose and Billy Horschel. The win made world No. 3 the first player since Brooks Koepka in 2018 to win multiple majors in the same year, making it a season for the ages for the 30-year-old American. Heading into the Olympics, where Schauffele is the reigning champion, the victory also marked the first time since 1982 that all four majors were won by golfers from the U.S.

This season had mostly been defined by the dominance of a different American. In fact, when Scottie Scheffler chased down Schauffele at the Players Championship in March, it seemed like another instance of Schauffele wilting in a high-profile tournament. Scheffler went on to win the Masters for the second time, part of a run that has included six wins on the PGA Tour.

But while this year's PGA Championship will be best remembered for the surreal scene in which Scheffler was arrested on since-dropped charges outside Valhalla Golf Club, it was also where Schauffele finally got over the hump and won his first major. By the time Schauffele arrived at this Open, he had finished in the top-10 of all three majors this season. He left as the only player around to do that in all four.

Over the first two days, Schauffele was only a fringe contender at Troon, entering the weekend at 1-under and six shots behind 36-hole leader Shane Lowry, the Irishman who won this major in 2019. But as nasty weather tortured the top of the leaderboard on Saturday, Schauffele was one of the rare players to survive. His two under on the day looked even better considering how the conditions battered other players—Lowry played his third round in 6-over.

"There's times you have to have brute force and feel like you're forcing a situation," Schauffele explained. "A day like today, you kind of had to tap into a little bit of that."

That left Schauffele one shot behind Horschel going into the final round and as part of a six-way tie for second. On the front nine Sunday, the leaderboard hardly decluttered. After Scheffler birdied the eighth, he and Schauffele were part of a four-way tie behind three players knotted up atop the leaderboard.

At that point, the Open could have gone any which way. There was Rose, an Englishman vying to set a record for the longest span between major wins following his triumph at the U.S. Open in 2013. Thriston Lawrence, a South African ranked No. 98, held the lead at one point and was in the mix to become one of the most improbable major champions in recent history. Scheffler, the world No. 1, also lurked.

But none of them could keep up with Schauffele.

Over an 11-hole stretch starting at No. 6, Schauffele carded six birdies to go from two back to three ahead. Over that stretch, he conquered holes that drove his peers absolutely crazy, including the difficult 11th, where he recorded the first birdie of the day. That placed him one back of Lawrence, and another on the 13th tied them up at 7-under. Lawrence shortly followed that with a bogey—and it was Schauffele's lead the rest of the way.

By the time Schauffele parred the 18th, all he had to do was wait for the final group to finish. His final round of 65 was the best in the field by two shots. Winning was a mere formality.

The victory was a statement from a player who has long been considered one of the world's best but didn't reach the winner's circle terribly often. Even this season, his only two wins were his two majors.

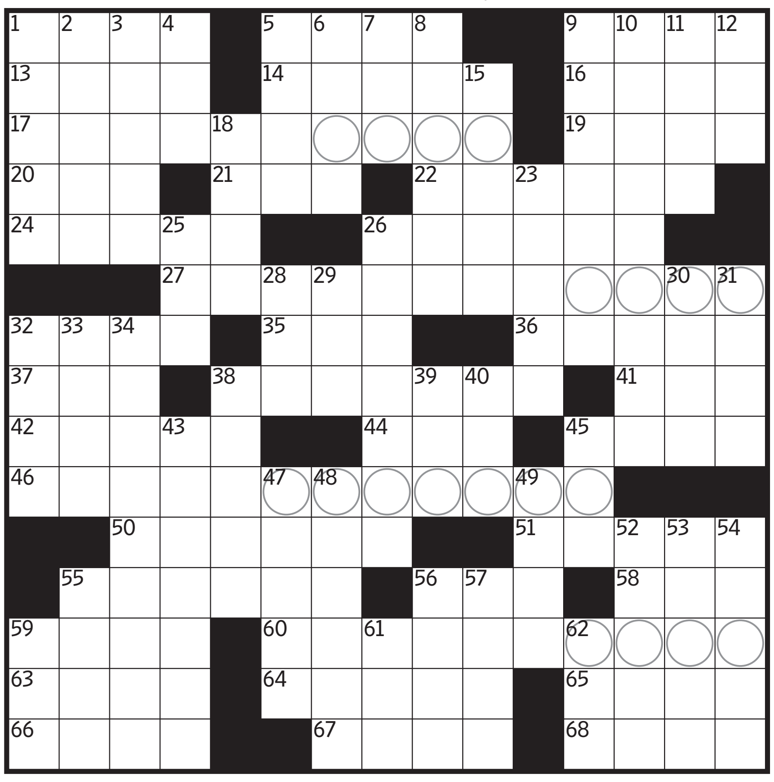
Yet while he struggled to come out on top—he didn't win at all in 2023—he had been the model of consistency. The last time he missed a cut on the PGA Tour was the 2022 Masters.

Then this year he took his game to another level. He now has the Claret Jug to prove it.

GLYN KIRK/AFP/GETTY IMAGES

Xander Schauffele shot a final round 65 to emerge from a packed leaderboard at the British Open to win his second major of the year.

The WSJ Daily Crossword | Edited by Mike Shenk



FINAL DRAFT | By Renee Thomason & Zhouqin Burnikel

Across

1 "Roots," for example
5 Amorphous mass
9 Carrot-nosed "Frozen" character
13 Trebek of "Jeopardy!"
14 Is defeated
16 ___ Sutra
17 Back-to-school sales time, perhaps
19 Still having a shot at winning
20 Punk rock offshoot
21 Corporate VIP
22 Laid out on a beach, say
24 March or May
26 Like the view from Google Earth
27 Rhyming slogan from Blockbuster
32 Droops
35 And so on, for short
36 Boat for a lake
37 In favor of
38 Back from sailing
41 Apple eater in Eden
42 Superman or E.T., e.g.
44 Modern "milk" source
45 "Make it snappy!"
46 Happening just once
50 Responses to many dad jokes
51 Coll. reunion attendees
55 Swiss money
56 Meaning of "sum" in Descartes's "cogito, ergo sum"
58 ___ Paulo, Brazil
59 Paint finish option
60 Hogwarts house with a badger on its crest
63 Bread in an Indian restaurant
64 Wipe clean
65 It's on the hook
66 Crude cartel acronym
67 Cupid, to the Greeks
68 Do in, as a dragon

Down

1 Oregon's capital
2 Hertz rival
3 Mount, as a pony
4 Ice Chill body spray brand
5 Robin's egg color
6 Nike's Swoosh, e.g.
7 The Buckeyes' sch.
8 Surpassed
9 Largest of Japan's Ryukyu Islands
10 Pool dividers
11 In the thick of
12 Like a turkey in November
15 Bandmate of Lennon, McCartney and Harrison
18 Post-marathon feeling
23 Flower girl choice
25 "American Dad!" network
26 Symbols on some Navy insignia
28 Jennings of "Jeopardy!"
29 Part of TGIF
30 Long-running science show
31 Like a pool's diving board end
32 Stretch of time
33 Folk singer Guthrie
34 Standard price
38 Result of some baseball singles
39 Paddle's kin
40 Highway: Abbr.
43 Lacking consistency
45 Braves, on scoreboards
47 Hidden hoard
48 Iffy
49 Need for a new pet
52 Customary
53 Capo's group
54 Bighearted soul
55 Broadway bust
56 "In that case..."
57 Brewpub offerings
59 To and ___
61 Remote
62 Network that shows 30-Down

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

Previous Puzzle's Solution

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

The contest answer is **POLICYHOLDER**. Four fill-in-the-blank clues involve story titles whose authors' last names can be found in an answer in the same grid row (Umberto ECO, Amy TAN, Edgar Allan POE and Harper LEE). The letters under those names spell the contest answer.

Pogacar Takes Tour de France

By Joshua Robinson

Nice, France

As the yellow blur of Tadej Pogacar crossed the Tour de France finish line here on Sunday, he confirmed what the entire race had known since long before he crushed the field from the high mountains to the Promenade des Anglais.

In 2024, Pogacar is untouchable.

That the 25 year-old from Slovenia would win the Tour for the third time in his career had been a foregone conclusion for days. He'd hammered home the point again on Saturday by tearing away from the runner-up, two-time champion Jonas Vingegaard, on the Col de la Couillole for his fifth stage victory of the race. Then, on Sunday, he won a hilly time trial to Nice to claim a sixth and bring his final margin of victory to 6 minutes 17 seconds over two-time defending champion Jonas Vingegaard.

"It is how it is," Pogacar had said on Saturday night. "You don't brake in cycling."

Not if you're Pogacar anyway. After claiming spring victories at Liège-Bastogne-Liège and Strade Bianche, he has now pulled off one of the most taxing feats in sports by winning the Giro d'Italia and the Tour de France back-to-back. That's six weeks of racing—and tens of thousands of feet of climbing—to claim both the pink and yellow jerseys in utterly dominant fashion. No one had managed that double since Marco Pantani in 1998.

"Tadej was just out of this world," third-place finisher Remco Evenepoel said.

There is no doubt that the cycling world is witnessing a season for the ages. Which raises another question for Pogacar: Can he make it the greatest season of all time?

Pogacar's first order of business is the Paris Olympics, where he is set to arrive for the road race on Aug. 3 in scintillating form, three years after taking bronze in Tokyo.

On paper, the punchy 170-mile course without any long, alpine-style climbs should suit a different type of rider, which might explain why Pogacar has been so quiet about the Games. But if he has proven one thing in his short career, it's that he can compete on all sorts of terrain—he wins Belgian Classics with just as much flair as he smashes Grand Tours. Even cycling's greatest of all time, Eddy Merckx, never managed to devour the Giro, the Tour, and the Olympics in the same season.

After Paris comes the cycling World Championship in Switzerland in September, where Pogacar hopes to claim the rainbow jersey for the first time.

But as he chases history, there is another tantalizing possibility. Crammed between the Olympics and worlds is the Vuelta a Espana, the third of cycling's three-week major challenges.

Though Pogacar has all but ruled out entering it this season, his fans fantasize about a single-season Grand Tour triple.

Pogacar said on Sunday that the thought did cross his mind, but insisted that his objective remains a world championship.

"This year, it's 99% impossible," Pogacar said. "For next year, it's a much bigger chance to see me in the Vuelta."

In the meantime, the scale of his achievement has already put him in rarefied company. Merckx completed the Giro-Tour double three times in the 1970s and posted as many as 11 stage wins across the two races. By winning here on Sunday, Pogacar brought his total to 12. Racing on the Côte d'Azur, on the roads he trains on from his apartment in Monaco, Pogacar had the closest thing in cycling to home-field advantage.

He won Friday's stage up to the ski resort of Isola 2000 and, he said, "the next day, I knew all the roads by heart." The same was true of the hair-raising descent off the Col d'Eze on Sunday, which Pogacar swept through like a bobsled. By the time he hit the bottom, he was certain that he would become the youngest three-time champion in the Tour's 121-year history.

ANNE-CHRISTINE POUJOULAT/AFP/GETTY IMAGES

Tadej Pogacar celebrates after winning the Tour de France.

OPINION

Hollywood's Paramount Rule

INSIDE VIEW
By Andy Kessler

The first rule of Hollywood: Never spend your own money. Ask David Ellison, who learned the hard way with his mostly self-financed 2006 film "Flyboys" starring James Franco and, yes, David Ellison. It cost $60 million to make and did under $18 million at the box office. He told me he'd never do that again.

Now 41, an avid pilot and son of $172 billion net worth Oracle founder Larry Ellison, Mr. Ellison is set to take over the storied Paramount studio (maker of films from "The Ten Commandments" to "The Godfather").

After the 2008 financial crisis, studio financing dried up. Mr. Ellison, then in his late 20s, figured he'd raise several hundred million from outside investors for a film fund. He could have written a check himself, but he understood Hollywood's first rule. I was in the room in those early days. A mutual friend, Andrew McKenna, who flies P-51 Mustangs and is now a Wall Street hotshot, helped negotiate a film-financing deal with Paramount Pictures—no easy task—and asked me to get involved.

David Ellison was smart and focused. His company, Skydance Media, was based in a hangar at Santa Monica Airport. I'd often see Harrison Ford stroll by. I contemplated becoming chairman and was even the first investor in the fund. I also was the first to get thrown out.

Mr. Ellison's idea for Skydance was to fund only action and sci-fi films—movies with explosions! He swore to me: No rom-coms. No touchy-feely emotional Oscar bait. He'd only fund surefire box-office winning categories, including animation.

Hollywood is all about capital efficiency. Yes, studios also know that first rule and try to limit investing their own money. They often use outside capital to help fund productions, which is why you see logos such as Legendary Entertainment at the start of films. Studios collect distribution fees and famously split "adjusted" profits.

Skydance worked with Tom Cruise on "Mission Impossible" remakes. Mr. McKenna made sure to include the neglected rights for a "Top Gun" sequel in the Paramount deal. They even gave the star a rare Top Gun Pilot watch from the first graduating class. (Mr. McKenna found it in a Nantucket, Mass., pawn shop.)

They flew around the world meeting potential investors, a few of whom I had set up. One investor told me Mr. Ellison reminded him of "Bill and Ted's Excellent Adventure" and said that "giving money to a young guy, who had all the money in the world, to invest in risky films is a tough sell." In 2010, with a deadline looming and deal terms for the fund getting worse and worse, the Ellison family put up the money and threw everyone out, including me. Bye-bye to the first rule of Hollywood.

I heard there were lots of ups and downs, and Skydance was tight on capital several times. That's Hollywood. In 2020 Skydance raised money from RedBird Capital Partners. Smart, take outside money. In 2022, "Top Gun: Maverick" grossed nearly $1.5 billion at the box office and Skydance raised another $400 million led by the private equity firm KKR at a $4 billion valuation. Smart again, but the valuation may have been a stretch. Skydance was valued at four times its current estimate for 2024 revenue. In contrast, Paramount's revenue is $30 billion, and it's worth $8 billion today.

Skydance's David Ellison breaks it as he spends his own money to acquire the studio.

I suspect Skydance and Mr. Ellison had to "go big" to fill their privately negotiated valuation. I see this often with Silicon Valley startups, not always with successful results. Financing others' films and doing streaming TV show production for Amazon Prime ("Jack Ryan") and Apple TV+ ("Foundation") weren't going to cut it.

I think this is why Skydance launched its bid to take over Paramount. Assuming regulators approve the deal, there's a lot of work to be done. Paramount revenue is basically the same as five years ago. Paramount has $15.8 billion of debt. In May, S&P Global downgraded the company's global debt rating from investment-grade to junk status. That means close to $1 billion in annual interest expense.

No question that the new owners need to strip-mine the company of overhead and sell such assets as cable channel BET and maybe even the CBS network. Mr. Ellison promised the new Paramount will become "a media and tech hybrid," whatever that means. He told CNBC, "We believe in the future of Paramount+," the company's streaming service. Sure. But Hollywood's transition to streaming is both a blessing, because subscribers pay you monthly, and a curse, because it limits box-office upside.

Paramount+ has 71.2 million subscribers, many apparently discounted (the average payment is $6.36 a month) making it No. 5 after Netflix, Amazon Prime, Disney+ and Max. Three or four players will survive. Apple TV+ is No. 8. On August 20, Paramount+ prices will go up, which may limit growth.

David Ellison may finally be a movie mogul greenlighting films, the ultimate power position in the power-driven Hollywood of old. But things sure have changed. Depending on how you count it, the Ellisons could put up more than $6 billion to own 70% of Paramount equity. Once again, so much for that first rule of Hollywood.

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China Makes a Port Play in Peru

AMERICAS
By Mary Anastasia O'Grady

Donald Trump's recruitment of Ohio Sen. J.D. Vance as his running mate may be about the worst news the country could receive on the heels of the former president's brush with a would-be assassin's bullet.

Mr. Trump's resilience after the attempt on his life has boosted his chances of winning the race. But he isn't there yet. By putting the big-government, isolationist Mr. Vance on the ticket, he's wooing workers in swing states whose No. 1 grievance is foreign competition and who usually vote for the Democrats. Regrettably, Mr. Vance's nomination increases the odds that a second Trump presidency will double down on Biden protectionism. That would be nothing but upside for Chinese dictator Xi Jinping in the Americas.

Last month Peru's President Dina Boluarte was in Beijing, meeting with Mr. Xi. The visit signaled the ever-closer Sino-Peruvian relationship on economic matters but also implies higher risks for U.S. national-security interests in the region.

Exhibit A is the new Port of Chancay, 50 miles north of Lima and 60% owned by China's Cosco Shipping. In China Ms. Boluarte met with the company, which will operate the new facility under an exclusive contract. When it's inaugurated in November, the $3.6 billion project, funded by Chinese bank loans, will be the largest deepwater port in Peru and will have the potential for both economic and military use. Which is to say that it won't be surprising to find Chinese naval vessels docking there.

It's rumored around Lima that the U.S. tried to stop the Chinese investment. Some pro-market Peruvians say the State Department undermines its own interest in the rule of law by spending too much time promoting left-wing causes and wokeism. Whether that's perception or reality doesn't matter. It's undeniable that U.S. investors have been abandoning the Peruvian playing field and China has filled the void. Tariff increases, "buy American" policies, and threats to scrutinize existing trade agreements (Peru has one) by Republicans are likely to make things worse.

Ms. Boluarte also met in China with telecom giant Huawei, electric-car manufacturer BYD and China Southern Power Grid. Chinese central planners aren't known for their investment savvy. But that doesn't matter to Peru. It needs capital and Beijing spreads it around without asking too many questions. All it wants in return is food and minerals—and influence.

That's part of the problem. Corruption in Peru is legendary. It isn't hard to imagine that the South American nation is precisely the kind of place that China's police state finds hospitable.

Chancay Port Investments, which is traded on the Peruvian stock exchange, owns the 40% of the port that isn't held by Cosco. Minority-shareholder interest seems to be based on the prospect that the modern terminal facility could become a logistics hub for Chile, Ecuador, Colombia and Argentina, signifying the potential for fast growth for the company.

It won't be surprising if Middle Kingdom naval vessels begin docking at Chancay.

Chancay is expected to offer quicker loading than the congested Port of Callao, also not far from Lima, and will be able to handle ships that can carry more than three times the volume of a standard Panamax vessel. Presumably this means that high-value exports like copper, zinc and agricultural products can get to foreign markets faster. The import side of the ledger also is expected to flow more smoothly.

More-efficient two-way trade will be a win for Peru and its commercial partners. The economy grew quickly between 2002 and 2013 (with the exception of 2009) but in the past decade has slowed. Many Peruvians see the new port as the pixie dust the country needs to turn things around. Ms. Boluarte has declared that the "mega project ratifies that Peru is a reliable partner for investments, which will improve the living conditions of more Peruvians."

Yet unless Chancay is treated as the beginning of an economic transformation to development rather than an end in itself, Peru will likely continue to struggle. It still needs to invest in rail, highways and other infrastructure, and it would be sovereign suicide to rely only on China. Ecuador tried that and got shoddy construction and too much debt. Peru's economic and geopolitical success will depend on tapping more-diversified sources of capital, which in turn requires greater transparency and institutional stability.

In February, U.S. Army analyst Ryan Berg spelled out some of the security concerns about Chancay, including the possibility that China could use it for military logistics, as a navy port of call or to "track data on trade flows, which could open the door to economic coercion against the host countries as well as other third-party countries."

All fair. But Peru can police its own turf. What really matters is that it remains a U.S. ally that prefers liberty to tyranny and is encouraged to deepen commercial ties with Americans. If a Trump-Vance administration insists on pulling up the U.S. drawbridge and punishing international commerce, China won't stop at Chancay.

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Democrats Will Pay for the Biden Big Lie

By Matthew Hennessey

President Biden told ABC's George Stephanopoulos earlier this month that only "the Lord Almighty" could get him to abandon his failing bid for reelection. Well, someone call the Vatican: I'd like to report the second coming.

Mr. Biden announced via social media on Sunday that he's dropping out. This brings to an end the big lie Democrats have been telling about the president for at least a year and maybe longer—that he is in full control of his mental faculties and springier than an Olympic gymnast. To the extent that voters were paying attention, nobody much believed it. After the June 27 debate, viewed by more than 50 million people, it became a punch line.

Now that Mr. Biden has essentially confirmed that he and his team were telling tall tales all along, Americans are likely to feel a little miffed at being deceived. They have the right. It was a whopper.

"I had a bad night" became Mr. Biden's preferred explanation for his flailing debate performance. He told Mr. Stephanopoulos that he was

Americans won't appreciate being played for suckers.

sick and exhausted from all the debate prep. That was horse hockey, and everybody could smell it, but his minions nevertheless repeated the party line with gusto. White House press secretary Karine Jean-Pierre, 49, and her deputy, Andrew Bates, 37, tripled and quadrupled down on specious claims of awe at their 81-year-old boss's vim and vigor.

The list of those who carried Mr. Biden's water is long. The media attacked anyone who pointed out his obvious infirmity. Democrats on the House Judiciary Committee savaged special counsel Robert Hur's integrity for his report characterizing Mr. Biden as a "well-meaning elderly man with a poor memory." Ms. Jean-Pierre accused Republicans of producing "cheap fake" videos of Mr. Biden looking lost and confused.

All of it was baloney. All of it was a coverup. All of it was intentional. All of it.

Democrats underestimate the price they will pay for lying this way. If they think they can slide Mr. Biden out and Kamala Harris—or someone else—in and voters will simply forget all about it, they're in for a rude awakening. The damage has been done. It'll be a long time undoing it.

Americans don't mind a politician owning up to his shortcomings, or even telling the occasional little lie. This is a diverse and often disgruntled country. We tend not to put leaders on pedestals. But for all our willingness to forgive and forget, Americans don't like being played for suckers. That's what Mr. Biden and the Democrats did, right up to the moment they couldn't do it anymore.

Maybe their best course of action now is to confess everything, sincerely ask for forgiveness, and commit to sin no more. Someone with the power to offer absolution has allegedly been sighted in the vicinity of Rehoboth Beach, Del. If they hurry, maybe they can catch him.

Mr. Hennessey is the Journal's deputy editorial features editor.

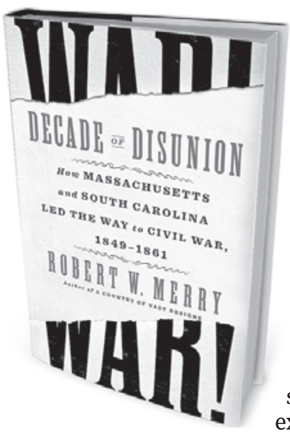
BOOKSHELF | By Roger Lowenstein

The Road To Falling Apart

Decade of Disunion

By Robert W. Merry
Simon & Schuster, 528 pages, $35

A good way to present the Civil War as inexorable is to home in on the events that led to it. Robert W. Merry's "Decade of Disunion" distills the march toward war through a series of extraordinary political battles: from the violent clashes between pro- and antislavery settlers in the territory of Kansas to the near-fatal caning of a U.S. senator in the upper chamber of Congress. By lengthening his focus to the dozen years before Fort Sumter, Mr. Merry gives due emphasis to the fact that the South was thinking of secession as early as the late 1840s, when the U.S. seizure of half of the former Mexico posed the white-hot question of whether prospective new states would be slave or free.



By 1849, a leading newspaper in Washington warned: "A crisis in our affairs is rapidly approaching." Alexander Stephens, a Georgia congressman and the future vice president of the Confederacy, was more specific: The institution of slavery had to be protected in the nation's capital, he said, or "the Union must and will be dissolved." Yet disunion turned out to be a prolonged process. Separation would require 12 years of bitter strife, failed remedies and exhaustion on both sides.

Mr. Merry, a historian and a former reporter at this newspaper, begins with the Compromise of 1850, a collection of bills fashioned by Kentucky's Henry Clay with the endorsement of Daniel Webster of Massachusetts. Along with some concessions to the North, the Compromise sought to reassure the South that not only would slavery be protected where it existed but that the federal government would use its authority to recapture bondsmen who managed to escape. "Most Americans," meaning those who were not enslaved, "wanted calm and tranquility," Mr. Merry notes, and for two years that is what the Compromise wrought. Then it all fell apart.

The heart of "Decade of Disunion" shows why the Compromise failed to hold. Mr. Merry's title is particularly well chosen. Unlike "secession," which occurred quickly and was exclusively a Southern project, "disunion" was a gradual accretion of mistrust that hardened into mutual disengagement. It involved the North as well as the South.

The trigger was westward expansion, an "engine that knew no rest" (to borrow a phrase used to describe Abraham Lincoln's political ambition). In a pivotal episode in 1854, Stephen Douglas, eager to gain congressional approval for the Transcontinental Railroad, secured the needed Southern votes by legislating away the ban on slavery above the traditional demarcation line, with the Kansas-Nebraska Act. The appeasement was symbolic—no one, least of all Douglas, expected slavery to take root on the Plains. He merely wanted a railroad.

But appeasement it was, and it shook the North out of its slumber. As the conflict grew, Presidents Franklin Pierce and James Buchanan could think of no solution other than further appeasement of the slave states—each effort at mollification triggering ever more intense reactions in the North.

Unlike secession, which occurred quickly, disunion was a prolonged process, a gradual accretion of mistrust and disengagement.

Perhaps the point of no return was the murderous rampage by the semi-deranged abolitionist John Brown at Harpers Ferry, Va., in 1859. But Mr. Merry also points to an event three years earlier, when Charles Sumner, the fiercely antislavery Massachusetts senator, insulted a South Carolina colleague, Andrew Butler, with a sexual allusion. (Sumner intoned that Butler had taken "a mistress . . . I mean the harlot, Slavery.") Butler's cousin, Rep. Preston Brooks, claiming the grievance, savagely beat Sumner with a hardwood cane—whereupon the South rose in support of the assailant. Brooks resigned to throw his fate to the people, who returned him to office the following month. "The country was so divided over slavery," Mr. Merry says, that it "couldn't agree even on the proper attitude toward such a heinous crime."

Mr. Merry focuses on the parallel political struggles within two states—Massachusetts and South Carolina—each host to moderate and extreme elements whose fortunes seesawed over the decade. This framing yields some dividends—chiefly a reminder that terms such as "proslavery" and "antislavery" describe a palette of finely differentiated views.

"Cooperationists" in South Carolina, including the affable Butler, were seen as moderate only because they preferred to wait to secede until the Palmetto State was joined by other rebel states. The "fire-eaters" wanted to bolt forthwith. In Massachusetts, the two leading antislavery voices were wholly at odds. William Lloyd Garrison, the purist abolitionist, favored tossing the Constitution, which he saw as fatally compromised by its acquiescence to slavery. Sumner, a humorless prig, used lawyerly acrobatics to combat slavery from within the Constitution.

Mr. Merry's two-state parallelism can feel a bit labored. With his close attention to the homegrown rivalries in South Carolina (not the most interesting of the conflicts he recounts), he gives scant treatment to Mississippi's Jefferson Davis, who, as he acknowledges, was "the South's key spokesman." Similarly, he overweights the role of Henry Wilson, Sumner's Massachusetts colleague in the Senate, by calling the pair "two of the country's leading antislavery figures." Ohio's Salmon Chase and New York's William Seward certainly ranked higher.

This framework aside, Mr. Merry generally goes where the slavery battles take him. He has a vast, rich canvas, which he enlivens with sharp profiles of leading players—Douglas, Lincoln and Garrison, among others. Unusually for a book of such wingspan, "Decade of Disunion" consistently holds our attention with vivid, close-in detail. Mr. Merry notes that the Sumner peroration containing the offensive allusion against Butler ran to 3½ hours and 112 pages of text. Such was the intensity of feeling, not to mention the majesty of the oratory, in these years, ably conveyed in this thoughtful and accomplished history.

Mr. Lowenstein is the author of "Ways and Means: Lincoln and His Cabinet and the Financing of the Civil War."

OPINION

REVIEW & OUTLOOK

The Voters Prevail Against Biden

President Biden bowed to the inevitable on Sunday by ending his re-election campaign, and, though belated and begrudging, his decision is in the best interests of the country. He clearly isn't capable of doing the job of President for four more years, and he was headed for a crushing defeat against Donald Trump.

His decision to end his campaign is in the nation's interests, even if it was begrudging.

Republicans are saying the decision insults the voters who supported Mr. Biden in primaries, and there's no doubt the Democratic establishment wanted him out. Nancy Pelosi, Hakeem Jeffries, Chuck Schumer and Barack Obama orchestrated what in the end was an insider coup. But they had been all-in for Mr. Biden as long as they thought he could win. Only when the election polls showed he was a likely loser, and the Democratic electorate revolted, did they plot to force his ouster.

In that sense the voters prevailed and forced the establishment's hand. By rights the Democrats should pay some electoral price for their complicity in covering for Mr. Biden's growing infirmity. His decision to run again was a selfish act that someone other than Rep. Dean Phillips should have challenged. Instead the liberal establishment savaged Mr. Phillips and tried to gull the public. The disastrous June 27 debate exposed the con.

GOP vice-presidential nominee J.D. Vance is demanding that Mr. Biden resign immediately, claiming that if he can't run for four more years he can't serve for six more months. But those are different tenures, and we don't think his resignation is in the country's interest. He'd have to turn the office over to Vice President Kamala Harris, who would have to manage that transition even as she runs to be President.

Adversaries may try to exploit a lame-duck and enfeebled President Biden. But they could also test a new President Harris as she learns the job of Commander in Chief. The Administration's foreign policy has essentially been run for some time by what amounts to a committee, and that is probably the safest path for what is undeniably a risky next few months.

Republicans would do better by the country, and more for their own political interests, if they sent a public message that adversaries shouldn't seek to exploit this period—that they'll support a lame-duck Mr. Biden if he is forced to use military force to defend U.S. interests. This is what leaders of past generations would have done.

Democrats will want Americans to forget all of this Biden drama and settle on a new nominee quickly. The President endorsed Ms. Harris on Sunday, which will give her a running start. It isn't clear as we write this what mechanism the Democratic Party will use to choose a nominee, but there's a strong case for an open nominating convention that would consider other candidates.

That means short-term uncertainty, but also media attention as the party seeks the most formidable candidate against Mr. Trump. Ms. Harris has experience as Vice President, but she proved to be lousy candidate in her own right in 2019, dropping out before the first contest.

At 59 years old, she can turn the age issue back against the 78-year-old Mr. Trump. She will have the strong support of many on the left, and she can perhaps increase enthusiasm among the young and minority voters who have been moving to the Republicans.

Her biggest liability is that she carries the policy legacy of the Biden years. Mr. Biden was losing to Mr. Trump even before the debate owing to inflation, the migrant and border failures, and disorder abroad. She is even more of a left-wing culture warrior than Mr. Biden. She will also have to answer for her role in covering for Mr. Biden's cognitive decline. Did she deceive the public?

All of this suggests that Democrats who want to win should seek an open debate in the next month and let the delegates decide in Chicago the week of Aug. 19.

* * *

Relieved Democrats are hailing Mr. Biden for his decision and gilding his achievements in office as historic. No doubt he has some accomplishments. There is the Aukus accord with Australia and the United Kingdom to increase military and especially nuclear submarine cooperation. Mr. Biden also worked to enhance the U.S. alliance with Japan and South Korea, and to reduce lingering enmity between them as an alliance against China.

His support for Ukraine is laudable, but it's severely compromised by his failure to deter Vladimir Putin and his refusal to give Ukraine the weapons to force Russia to the bargaining table. Ditto for the Middle East (see nearby). His main economic legacy is a spending blowout that ignited inflation and caused a decline in real wages. His climate policies have already devolved into a special-interest bacchanal that won't help the climate.

Republicans can make a strong case against this record, but now they might not have the layup they anticipated. Ms. Harris or some other nominee will be able to offer a competing vision and exploit Mr. Trump's considerable weaknesses in a way Mr. Biden could not. Mr. Trump will have to raise his game too.

Trump Gives an Assist to Democrats

The 2024 election is Donald Trump's to lose, and he may yet manage it. That was our reaction to his splenetic outburst on Sunday after President Biden's withdrawal from the presidential race.

His reaction to Biden's decision was small-minded and divisive.

It should have been an opportunity to show some class and judgment by welcoming the decision, warning U.S. adversaries not to take advantage of Mr. Biden's last few months in office, and saying Vice President Kamala Harris will have to defend Mr. Biden's failed record. Short and presidential, with a unifying tone.

Not Donald Trump. On Truth Social on Sunday after the announcement, the former President posted this: "Crooked Joe Biden was not fit to run for President, and is certainly not fit to serve - And never was! He only attained the position of President by lies, Fake News, and not leaving his Basement. All those around him, including his Doctor and the Media, knew that he wasn't capable of being President, and he wasn't - And now, look what he's done to our Country . . ." And on down from there.

We realize Mr. Trump is frustrated that he won't be able to run against Mr. Biden. But he remains the favorite and has a strong case to make against the Biden-Harris record. The GOP convention was a political success, despite his self-indulgent Thursday speech.

The biggest doubt voters have about Mr. Trump is that he's a divisive, vindictive man who is unable to speak for all Americans. He had a chance on Sunday to show he is capable of more, but he didn't rise to the occasion.

The Triumph of the Houthis (and Iran)

The bombing exchange between the Houthis of Yemen and Israel over the weekend isn't merely another military escalation in the Middle East. It represents the failure of the Biden Administration's policy of appeasement to contain the Iran-backed Houthis as they terrorize commercial shipping in the Red Sea, Israel and the U.S. Navy.

The U.S. told Israel it would deter the Yemen terrorists. It has failed.

Israel bombed the Yemeni port of Hodeidah, including oil and gas depots, a power station, and cranes used in Houthi military operations. This was retaliation after a Houthi drone evaded Israeli air defenses Friday and landed in Tel Aviv near the U.S. Consulate, which may have been the target. One Israeli civilian died and 10 were wounded. What if the drone had killed Americans?

The Houthis have attacked Israel from Yemen more than 200 times since Oct. 7, though Israel's defenses have managed to intercept most drones and missiles. The terror group is boasting that its drones, supplied by Iran, are becoming sophisticated enough to make it past Israeli radar and interceptors.

The Biden Administration told Israel nine months ago that the U.S. would handle the Houthi threat and it should stick to playing defense. But the attack on Tel Aviv shows that the U.S. effort is a bust.

The Houthis have all but shut down Western shipping in the Red Sea, at enormous cost to global businesses and consumers. They continue to attack U.S. naval vessels, which have been forced to play a high-stakes game of catch the drones and missiles. That one or more haven't killed sailors and damaged ships is a tribute to U.S. naval training and technology. But sooner or later one might get through and result in American casualties.

Why won't Mr. Biden and the Administration's Commander-in-Chief-by-committee do more? For the same reason they've responded so tepidly to other attacks by Iranian-backed proxies in Iraq and Syria.

They know Iran is the Houthis' supplier and terror master, and that the U.S. would have to hurt Iran militarily to make enough of a deterrent impression. That would probably mean sinking much of Iran's navy. Mr. Biden and his political advisers are afraid such a U.S. response would lead to Iranian escalation and more fighting before the U.S. election.

If history is a guide, it's more likely that Iran would talk tough but back off—as it did after Donald Trump ordered the killing of Iranian terror chief Qassem Soleimani in 2020, and after Israel bombed an air-defense radar inside Iran following Tehran's April attack on Israel.

The White House is hoping a cease-fire in Gaza will cause the Houthis to cease and desist. But the Houthis and Iran have learned they can terrorize and kill Israelis and Americans at little cost. Even if they stop for a time, they can resume the shooting any time they wish. The Houthis and their Iranian sponsors are winning their showdown with the West, and the result is likely to be more American and Israeli casualties in the future.

LETTERS TO THE EDITOR

'Postliberals' Sound a Lot Like Progressives

Contrary to Prof. Graedon Zorzi's op-ed "J.D. Vance and the Rise of 'Postliberalism'" (July 17), the postliberal movement isn't "new." Many of its ideas have been circulated in the public square for decades—by progressives on the left. This particular brand of New Rightism shares a mind-set with its supposed enemies: rejecting individual liberties such as religious freedom, seeking to grow the administrative state to impose an undefined "common good" and demonizing the free-market system using populist rhetoric. The frequent refrain of many postliberals, including at times Sen. Vance, is that government should be used to reshape the private sphere in accord with their desires.

The notion that Catholic postliberals are merely upholding the social teaching of the Church doesn't bear scrutiny. To quote Venerable Archbishop Fulton J. Sheen, "The human person and his family, being prior to the State, have inalienable rights, such as the maximum of personal liberty and economic well-being constant with the laws of God."

In the late 1800s, at the height of anti-Catholic animus in our country, Pope Leo XIII referred to the father of our country as the "great Washington." He also encouraged the founders of the Catholic University of America "to give to the Republic her best citizens." It's a charge that applies with equal force today to each one of us. We will also have problems this side of the Vale of Tears. But as Psalm 145 says, "Put your trust not in princes."

We hope that Mr. Vance agrees and will not be manipulated by a small, power-hungry faction inside the church he has joined.

Andrea Picciotti-Bayer
The Conscience Project
McLean, Va.

Prof. James Patterson
Ave Maria University
Ave Maria, Fla.

Richard M. Reinsch II
American Institute for Economic Research
Great Barrington, Mass.

The Missing Yellow Ribbons on American Trees

Heartfelt thanks to John Ondrasik for reminding us of the importance of keeping the hostages seized by Hamas in the public eye, especially the five Americans ("America's Invisible Hostage Crisis," op-ed, July 10). I am reminded of the American flags that began appearing all over our neighborhood after 9/11. I write community prayers for our parish Mass, and I always include one for the safe return of the hostages.

After reading Mr. Ondrasik's article, we hung five yellow ribbons on our tree.

Dolores Carr
San Jose, Calif.

I disagree with Mr. Ondrasik's sense that the Biden administration has abandoned the hostages in Gaza. Despite untold millions of dollars and countless diplomatic meetings, unless Hamas is granted a complete cease-fire and a minimum of several hundred terrorist prisoners, it has no intention of making any agreement.

Far better for Hamas to continue to dangle the carrot of the hostages, keeping their plight in the news and stoking the demonstrations in Israel against the government. The hostages are Hamas's only leverage. They are undoubtedly hidden three stories deep, surrounding the Hamas senior leadership.

Chris Connaway
Astoria, Ore.

How awful it will be for the U.S. citizens held hostage by Hamas to learn that their plight and their names are unknown to most in this country. How shameful that our politicians and press have allowed this to happen.

Ted and Kristen Hess
Katy, Texas

Will Judge Robert Bork Get the Last Laugh?

Randy Barnett writes that "Somewhere, Robert Bork is Smiling" (op-ed, July 11) because the Supreme Court now has a majority that abides by the originalist judicial philosophy he championed. There's another reason for the late judge to be smiling. During his infamous confirmation hearings in 1987, Sen. Joe Biden chaired the Judiciary Committee. He and his fellow Democrats were determined to deny Ronald Reagan his nominee, and they set out to vilify a man who was more qualified to sit on the court than anyone who has come after him.

As I recall, Mr. Biden at least engaged Judge Bork on judicial philosophy. But he did nothing to rein in the merciless personal attacks coming from Sens. Ted Kennedy, Howard Metzenbaum and Patrick Leahy. Now, President Biden, under siege, must feel a little like Judge Bork felt in 1987.

Richard Brown
Babylon, N.Y.

Contra Prof. Barnett, it's hard to understand how Justice Samuel Alito's opinion in *Dobbs* isn't solidly originalist. The court went to the foundation of both "due process of law" and "privileges and immunities." Reasoning about both clauses raises the question about a pre-existing right. The dissenters in *Dobbs* "cannot establish that a right to abortion has ever been part of this Nation's tradition," holds the majority.

That conclusion was based on the most detailed examination the court has ever conducted into the Anglo-American common law and the growing statutory protection for prenatal humans by the states by the time of the ratification of the 14th Amendment in 1868. The court pointed out that "there is ample evidence that the passage of [19th-century abortion laws] was . . . spurred by a sincere belief that abortion kills a human being," and cited "judicial decisions from the late 19th and early 20th centuries" which "made that point." By 1868, "three-quarters of the States had made abortion a crime at any stage of pregnancy."

The court's opinion could have been bolstered by explaining the born-alive rule that was cited by Judges Edward Coke and William Blackstone as a key part of the common law of homicide. That evidentiary rule meant that any prenatal assault could be the basis for a homicide charge if the infant was born alive, establishing that the prenatal and the born infant are the same under the law. By virtue of the prenatal application of the born-alive rule, there was never a right, privilege or immunity to a prenatal abortive act at the time of the ratification of the 14th Amendment.

Clarke D. Forsythe
Americans United for Life
Washington

Voters Have a Right to Know

Barney Keller is correct in "The Media Covered for Biden Like They Covered for Fetterman" (op-ed, July 18) but misses half the story. John Fetterman also suffered from long-standing, chronic depression, a condition that wasn't revealed to voters until after his election. He later admitted that he dreaded his swearing-in ceremony and was unable to get out of bed. He then checked into Walter Reed for six weeks of mental-health treatment.

Voters should have deep sympathy and compassion for candidates who are suffering health challenges. But covering up an ailment denies voters the information necessary to make informed decisions.

Mark Johnson
Berwyn, Pa.

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.

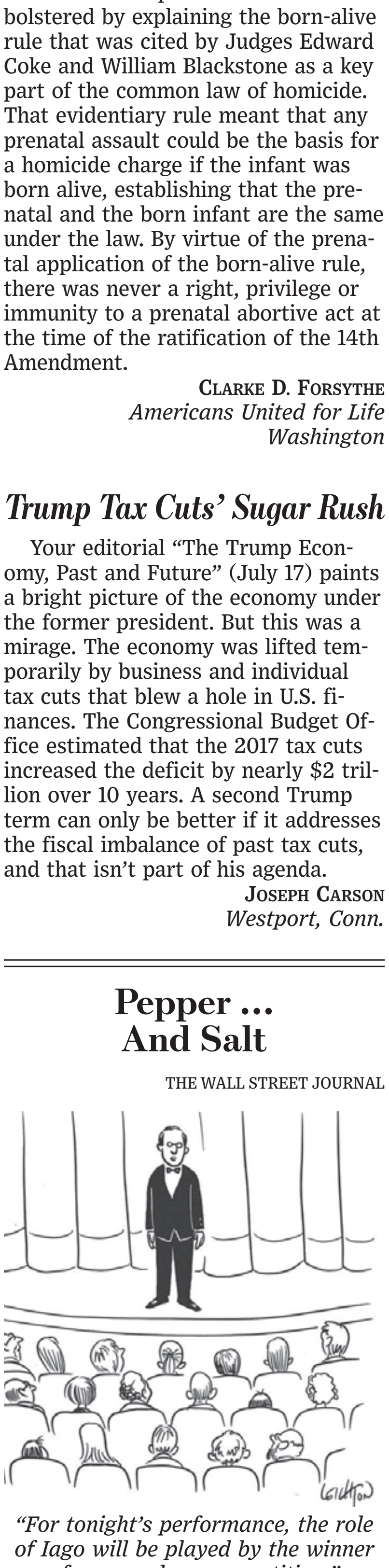
Trump Tax Cuts' Sugar Rush

Your editorial "The Trump Economy, Past and Future" (July 17) paints a bright picture of the economy under the former president. But this was a mirage. The economy was lifted temporarily by business and individual tax cuts that blew a hole in U.S. finances. The Congressional Budget Office estimated that the 2017 tax cuts increased the deficit by nearly $2 trillion over 10 years. A second Trump term can only be better if it addresses the fiscal imbalance of past tax cuts, and that isn't part of his agenda.

Joseph Carson
Westport, Conn.

Pepper ... And Salt

THE WALL STREET JOURNAL



"For tonight's performance, the role of Iago will be played by the winner of our preshow competition."

Democrats Misled Their Own Voters

By Barton Swaim

The Democratic Party owes Rep. Dean Phillips of Minnesota a groveling apology. Virtually alone among elected Democrats, he was willing in this year's primary contest to speak the truth about President Biden's mental and physical condition. Mr. Phillips did so firmly but politely in a failed bid for the presidential nomination. Yet even after he won 20% of the vote in New Hampshire, the party's political class continued to ignore him and pretend all was well with Mr. Biden.

Shortly before Mr. Biden dropped out of the race on Sunday, Mr. Phillips repeated a comparison I heard him make in gymnasiums, bars and homes across New Hampshire in January: "Suppressing the truth is a dangerous game," he writes for the Journal. "When I arrived in Congress in 2019, I was struck by its culture of silence and troubled by Republican colleagues who publicly sang the praises of then-President Trump yet excoriated him in private. It reflected a misplaced loyalty—one directed toward a person and party rather than principle and patriotism." Democrats did the same until Mr. Biden's debate performance forced them to acknowledge reality.

Pretending Biden was fine was a far greater danger to the country than feigning admiration for Trump.

Mr. Phillips has every right to censure his Republican colleagues, too. These days the word "hypocrisy" is often misused to mean inconsistency, but their conduct can fairly be called hypocritical: They spoke one way in public, another in private. Still, hypocrisy—I'll put it delicately—isn't an uncommon vice in politics. There must be very few politicians who haven't said one thing to constituents and its opposite among colleagues.

But Mr. Phillips's parallel criticism is amiss in one regard: Republicans weren't "suppressing the truth" about Mr. Trump. Everyone could see what the 45th president was like. Mr. Phillips thinks they should have voiced their disapproval of his bluster and crude behavior, and maybe they should have. But to do so would have been to revile the man Republican voters made it clear they wanted as the leader of their party.

That would have caused a lot of Republicans to lose elections—a consequence Mr. Phillips and his fellow Democrats might have relished, but not one they could reasonably expect Republicans to seek. It's a bit rich to express surprise and outrage that politicians won't tell the majority of their most active supporters that they are wrong and stupid.

What Mr. Phillips's Democratic colleagues have done is far worse. They *did* help suppress the truth. Many Democratic voters, particularly low-information ones who never consult conservative media, had little idea how bad Mr. Biden was. Elected Democrats, with the eager compliance of their allies in the media, dismissed any expression of concern about the president's acuity. They weren't bowing to the will of the party's voters and complaining about it in private; they were keeping the truth from those voters while speaking it plainly to their political-class coequals.

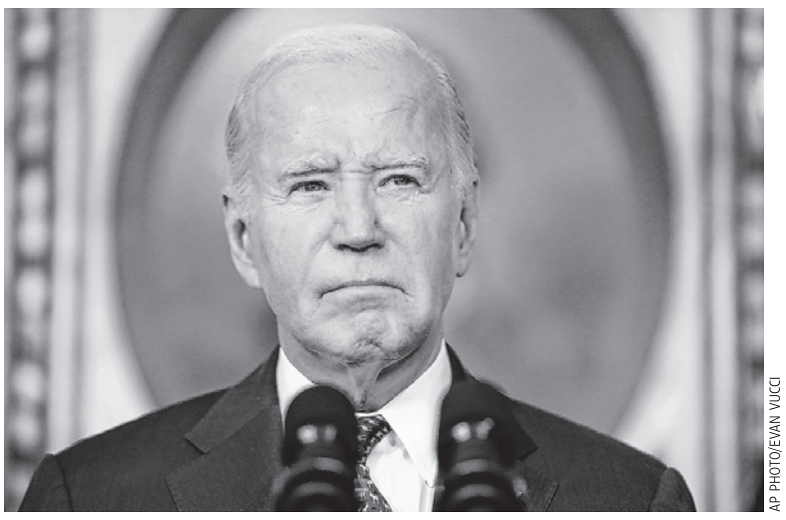
The Democratic base was never as loyal to Mr. Biden as the Republican base is to Mr. Trump, and it wouldn't have required superhuman courage for a few elected Democrats, say, in fall 2023, to suggest aloud that perhaps the president should settle for a single term. The most ambitious of them might have put forward their names as presidential candidates. Only one did—Mr. Phillips. He's right. Suppressing the truth is a dangerous game.

Mr. Swaim is an editorial page writer at the Journal.

The Dangers of a Lame Duck

By John Bolton

Joe Biden's decision to withdraw from the presidential race effectively makes him a lame duck. The odds favored his achieving this status on Nov. 5 anyway, but America now faces a nearly 100-day longer interregnum than in prior transition periods. We may focus on the election campaign, but the wider world worries what Washington's global role will be for the next six months.



AP PHOTO/EVAN VUCCI

President Biden

History affords no clear answer. The constitutional rule that we have only one president at a time is often hard for Americans, let alone foreigners, to grasp. The dangers posed by uncertainty about who's in charge even in normal transitions are exacerbated by a weak incumbent no longer seeking re-election. U.S. adversaries, and even some allies, will see opportunities to advance their interests. Nor can we rule out what an otherwise responsible, but disappointed and possibly bitter lame duck might consider doing as his tenure in office dwindles.

The national-security risks and opportunities facing lame-duck presidents vary with the international environment and their own beliefs and proclivities. This year, the length of Mr. Biden's lame-duckery offers unique complexities. Given the 22nd Amendment's two-term limit, one could argue that presidents become lame ducks on their second Inauguration Day, but that obscures the key differences between how the Reagan, George W. Bush and Obama administrations ended versus the "defeated" Lyndon Johnson, Carter and Biden presidencies.

Past lame-duck periods don't uniformly demonstrate presidential (or national) weakness. While Mr. Biden may simply slumber through the remainder of his term, that outcome is far from preordained. For good or ill, presidents retain broad discretion, and their approaches have ranged from high-minded to vindictive, with enormous consequences for their successors.

Wide-ranging actions by lame ducks are sometimes simply unnecessary. Transitions between same-party presidents, which may or may not happen this cycle, are rare, but in 1988-89 Ronald Reagan worked hard to facilitate Vice President George H.W. Bush's accession to office.

As Americans focus on the campaign, the world asks what our global role will be for the next six months.

In some cases, lame-duck presidents simply do their own thing, irrelevant to their successor. Bill Clinton continued to chase the gray ghost of Middle East peace while Gov. Bush and Vice President Al Gore slugged it out in the Florida recount. During the 2008-09 financial crisis, global disarray so thoroughly dominated international affairs that the U.S. didn't seem particularly vulnerable.

Lame-duck periods during party-to-party transitions are the most dangerous, almost unavoidably so, whether the outgoing president was defeated or simply trying to finish without impairing his party's nominee. Freighted with potential consequences, conflicts between the lame duck and his successor, and between their teams, are often testy, reflecting just-concluded campaigns, and most acutely raising the question of who's in charge.

The 1980-81 Carter-Reagan transition was such a case, dominated by the Iran hostage crisis. The campaign had been bitter, with mutual recriminations on many fronts, including about the hostages. Fortunately, a potentially destructive Carter lame-duck period was averted by a deal that suited all the actors: releasing the hostages (a plus for Mr. Carter) after Reagan was actually inaugurated (a plus for Reagan), bringing a temporary end to Tehran-Washington tensions (a plus for Tehran). Nonetheless, with controversies like the wars in Ukraine and the Middle East and high tensions with China, the prospect of conflict clouding Biden's lame-duckery is palpable.

After the 1992 election, George H.W. Bush intervened militarily in Somalia to open closed channels for humanitarian assistance. The White House made it clear Bush would act as he saw best while still president, but he offered to withdraw all U.S. forces before Mr. Clinton's inauguration if the new president desired. Mr. Clinton chose to continue the mission, later mistakenly expanding it, but the two presidencies functioned smoothly during the handover.

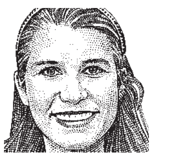
In stark contrast, Barack Obama chose to settle scores with Israeli Prime Minister Benjamin Netanyahu in the United Nations Security Council. By abstaining on Resolution 2334 (passed 14-0-1 on Dec. 23, 2016), Mr. Obama figuratively knifed both Mr. Netanyahu and the incoming Trump administration, which had openly advocated a U.S. veto. While abstaining wasn't a startlingly new position, it was unnecessary and vindictive, auguring in a small way what a determined lame-duck could do.

Mr. Trump made the 2020-21 transition perilous by trying frantically and erratically to thwart the results of the 2020 election. Whether one considers the Jan. 6 riot and the runup to it an insurrection or simply disgraceful and disqualifying for Mr. Trump, his lame-duck period was the second-worst in American history (after James Buchanan to Abraham Lincoln in 1860-61).

While it's difficult to predict what Mr. Biden may do as a lame duck, or what external threats or crises might develop, our current circumstances hold uncharted dangers. Congress, the candidates and especially the American public need to begin thinking about the challenges ahead, and monitoring Mr. Biden's prolonged lame-duck status closely.

Mr. Bolton served as White House national security adviser, 2018-19, and ambassador to the United Nations, 2005-06. He is author of "The Room Where It Happened: A White House Memoir."

J.D. Vance, Kamala Harris and Cary Grant



LIFE SCIENCE
By Allysia Finley

Asked in 2005 which actor should play him, Donald Trump replied: "Well, ideally, Cary Grant reincarnated." The suave leading lad from Hollywood's Golden Age was also at the top of Mr. Trump's mind when searching for a running mate. "Where is my Cary Grant?" he often mused.

Like Grant (1904-86), J.D. Vance evinces confidence, fluency and versatility. The Ohio senator can convincingly play a polished version of the former president—or any political part. He can reprise the role of a Silicon Valley venture capitalist one day and sound like Huey Long the next.

Samuel Popkin, a political scientist at the University of California, San Diego, thinks Mr. Vance was a "brilliant choice." Mr. Popkin was among the few in his profession to understand Mr. Trump's appeal and electoral viability in 2016. "Vance is smart, very articulate and very adaptable," he says in an interview.

Usha Vance during her convention speech praised her husband, a "meat and potatoes" guy, for adapting to her vegetarian diet. He has similarly adapted his political views, repudiating his denunciations of Mr. Trump in 2016 and exhortations of individual responsibility in his memoir, "Hillbilly Elegy."

"You have to be flexible at this level," Mr. Popkin says. "It's a skill making an opportunistic move seem like a righteous change." Referring to 2016, he says: "I assume he thought like everyone else then that Trump was going to lose" and "the establishment would come back."

But Mr. Trump's grip on the GOP proved strong and durable. Seeking the former president's endorsement for an Ohio U.S. Senate seat in 2022, Mr. Vance suddenly sounded like a MAGA apostle. During his convention speech last week, he blamed trade deals for destroying middle-class jobs and "Wall Street barons" for crashing the economy and causing higher housing prices.

Choosing Mr. Vance as his running mate, Mr. Popkin says, helps Mr. Trump prove that he's open to a "big tent" and "accepts conversions and surrenders." He can also point to Mr. Vance as an example of his ability to win over, or subjugate, foes.

Does Mr. Vance believe the Trumpian gospel he's preaching? "If you listen to a politician, you can usually tell if they are using talking points," Mr. Popkin says. "I don't know I can say he believes what he says or doesn't." In his view, Mr. Vance is as agile as an acrobat: "He knows just how far you need to go and manages to make it to look like part of the job to take seriously some of the very far-out claims."

Mr. Popkin, who served as a campaign consultant for Jimmy Carter, Bill Clinton and Al Gore, wrote in his 2021 book, "Crackup," about how divisions in the Republican Party helped give rise to Mr. Trump and made it harder to advance conservative policies (repealing and replacing ObamaCare) and forge bipartisan compromises (immigration reform).

He attributed the fractures in part to campaign-finance reforms that unintentionally reduced the parties' control over candidates. Political hopefuls can now raise more money from outside their party's apparatus by using social media to promote their brands. There's less incentive to be a team player, he says: "It's easier to inflame people."

Democrats seem to be experiencing their own crackup over Israel and the 2024 election, among other things. Mr. Popkin says that as House speaker, Nancy Pelosi was "very impressive in her ability to hold the party together." He points to how in 2020 she helped deny Rep. Alexandria Ocasio-Cortez a position on the House Energy and Commerce Committee after AOC supported primary challenges to Democratic incumbents.

The Ohio senator has star power and flexibility. There's little indication the vice president does.

"The danger point in a party is when factions start going after other factions because they don't want other factions getting bigger," he says. Mrs. Pelosi was largely able to stop that.

She hasn't lost her knack as a power broker. As Democrats fractured over whether Mr. Biden should bow out, several news outlets reported last week that Mrs. Pelosi privately told him he couldn't defeat Mr. Trump and would destroy the party's chances of winning the House. The apparent leak raised the pressure on Mr. Biden to get out of the race.

Mr. Biden surrendered on Sunday and endorsed Vice President Kamala Harris, as members of the Congressional Black Caucus had urged. This may set the stage for a bigger party crackup, given that many Democrats don't want Ms. Harris anointed: "They want someone who can win," Mr. Popkin says. Her 2019 presidential-campaign flop doesn't inspire confidence.

His intelligence from Democratic insiders suggests that "there's very few who like Kamala." She's not the "obvious" answer to their problem. According to media reports last year, Democrats fretted behind the scenes that she was dragging Mr. Biden down and wanted him to replace her on the ticket. Asked in January 2023 whether Mr. Biden should keep her as his running mate, Massachusetts Sen. Elizabeth Warren demurred: "I really want to defer to what makes Biden comfortable on his team." She reportedly later called Ms. Harris to apologize for what she described as a verbal mistake.

If Democrats think Ms. Harris could beat Mr. Trump, they surely would have pushed Mr. Biden to step aside earlier and "pass the torch." To beat Mr. Trump, they may need to find their own Cary Grant.

Gambling Is America's New Pastime

By Bob Greene

You have to look closely to see it in the background of the film footage. But as Lou Gehrig, on July 4, 1939, was delivering his "luckiest man on the face of the Earth" address in Yankee Stadium, perhaps the most famous speech in sports history, it's off there in the distance—an all-capital-letters sign on the outfield wall just to the left of the scoreboard: "Betting prohibited."

Likewise, when Don Larsen was pitching the first and only perfect game in World Series history on Oct. 8, 1956, there was a sign on that same outfield wall. You can see it in photographs taken from certain angles—slightly reworded in the years after Gehrig's speech, but still in all-caps so no one in the ballpark could miss it: "No betting."

Such signs are no longer seen in Yankee Stadium or other ballparks. The much-commented-on influence of online gambling sponsorships in professional sports would make the signs seem laughable. But the sight of those old signs in vintage sports photos is an indication of a more profound change in American life.

The no-betting signs reminded fans in the seats: This is a ballpark, not a gambling den. Don't even think about sullying it. The Black Sox scandal of 1919 wasn't all that distant a memory; gambling was officially regarded as something unsavory, not only in sports but throughout society.

Police in cities big and small swooped in on gamblers. Private card games: "Vice Squad Raids City Poker Game," Daily Oklahoman, Dec. 2, 1946. Privately run lotteries: "Police Nab Avondale Man, Numbers Racket Suspect," Cincinnati Enquirer, Sept. 15, 1961. Friends playing craps: "Vice Squad Arrests 11 in Dice Games," Corpus Christi Caller-Times, Oct. 23, 1949.

We once thought of betting as a stain on the nation. Now it's part of the fabric of our professional sports.

So what happened? Corporations and governments decided that maybe gambling wasn't quite so bad, as long as they were the ones profiting from it. The poker and dice games suddenly became acceptable once casinos expanded beyond Las Vegas. The numbers racket became wholesome once states took over the job of selling and reaping the rewards from lottery tickets. And the big sports leagues, while still feigning shock and indignation whenever a player or umpire is caught gambling, are happy to pocket the money from their partnerships with internet-based bookies.

Perhaps the biggest television-and-digital sports arena of all, ESPN, formed a partnership in 2023 with a gambling company to set up an online casino in a $2 billion deal capitalizing on "ESPN's industry-leading brand and multiplatform reach" to connect with would-be bettors. The network reports on athletes being disciplined for gambling, while on its web-betting page fans are invited to bet on that day's games.

The big question: Was America right during the years when it finger-waggingly decreed gambling as a stain on the nation, something to be scorned and wiped out? Or is America right today, when the biggest companies and government entities proclaim that gambling is as cheery as a summer sunrise?

One or the other has to be true. Those "No Betting" signs are gone from outfield walls. Will they ever come back? Don't bet on it.

Mr. Greene's books include "When We Get to Surf City: A Journey Through America in Pursuit of Rock and Roll, Friendship, and Dreams."

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WORLD NEWS

U.S. Detainees Provide Russia Leverage

As relations worsen, the cases of 20 Americans assume a political shade

By Brett Forrest

The conviction and sentencing of Evan Gershkovich on Friday, the Wall Street Journal reporter falsely accused by Russian authorities of spying, continues a cycle that U.S. officials say reflects a policy of gathering American prisoners to trade for Russians held in Western countries.

A Wall Street Journal review of Russian court documents and media reports shows that at least 20 U.S. and dual U.S.-Russian citizens are being detained in jails and labor camps. Six have been arrested since Gershkovich was detained in March last year.

"Russia does not have a lot of leverage over U.S. policy, except for upping the consequences for detained Americans," said William Pomeranz, a former director of the Wilson Center's Kennan Institute in Washington, and a specialist in the Russian legal system.

The Russian embassy in Washington didn't reply to a request for comment.

Russian authorities detained Gershkovich while he was on a reporting assignment in Yekaterinburg, roughly 900 miles east of Moscow. In June, prosecutors approved an indictment, falsely alleging that he was gathering information about a Russian defense contractor on behalf of the Central Intelligence Agency. Authorities have produced no public evidence to support their allegations, which Gershkovich, the Journal and the U.S. have repeatedly denied.

ASSOCIATED PRESS

The verdict against Evan Gershkovich was delivered Friday in a Yekaterinburg, Russia, court.

Gershkovich, who received a 16-year prison sentence Friday, is one of two Americans the State Department is known to have designated as wrongfully detained in Russia, which allows the special presidential envoy for hostage affairs to engage on behalf of a U.S. citizen. The other is Paul Whelan, a former U.S. Marine convicted in 2020 of espionage, a charge that both he and the U.S. deny. He is serving a 16-year sentence.

The State Department continues to evaluate other cases for wrongful-detainment status, according to people familiar with the matter.

"The Department of State continuously reviews the circumstances surrounding the detentions of U.S. nationals overseas, including those in Russia, for indicators that they are wrongful," said a State Department spokeswoman.

Alsu Kurmasheva, a dual U.S.-Russian citizen and journalist with U.S. government-funded Radio Free Europe/Radio Liberty, traveled from her Prague home last spring to visit her ailing mother in Russia. Held in October on an allegation of failing to register as a foreign agent, Kurmasheva was charged also with disseminating false information about the Russian military. She had helped edit a book critical of Russia's war in Ukraine.

Kurmasheva, 47, has denied the allegations through her husband and legal team.

Kurmasheva's supporters have said Russian authorities targeted her because she is a journalist with a U.S. passport.

"She's not an activist, not a member of the Russian opposition, and presents no threat to the Russian government," her husband, Pavel Butorin, posted on X after a May hearing extended Kurmasheva's pretrial detention to August.

Ksenia Karelina, a dual citizen living in California, was charged with treason in February while visiting her family in Yekaterinburg. Karelina had allegedly made a small financial donation to a Ukrainian humanitarian organization that Russian authorities said was used to benefit Kyiv's military.

Since the full-scale invasion of Ukraine in 2022, Russia has tightened treason statutes and stifled domestic dissent. Karelina hasn't publicly responded to the allegation.

In December, St. Petersburg authorities charged Yuri Malev, a dual citizen visiting Russia, with desecrating a photo of a St. George ribbon in a social-media posting, according to TASS, a Russian state news agency. The black-and-orange ribbon has come to symbolize Russia's military efforts in Ukraine. Malev, who worked as a security guard at a Brooklyn sports complex, pleaded guilty to a charge of "rehabilitation of Nazism" and received a sentence of 3½ years, according to TASS.

"American citizens are now being persecuted, because there is a phobia which is supported in mass media and the public sector," said Maria Bast, chair of the Association of Russian Lawyers for Human Rights.

Not all cases involving Americans are overtly political. U.S. and dual citizens have been charged with crimes including homicide, assault, robbery, arson, fraud, bribery, smuggling, tampering and drug and sex offenses. Yet as tensions between the two countries rise over Russia's war against Ukraine and Washington's continued supply of lethal aid to Kyiv, even overtly criminal cases have assumed at the very least a prejudicial cast.

In 2021, David Barnes pursued his ex-wife, Svetlana Koptyaeva, to her native Moscow. She had fled the U.S. with their son in 2019 and was the subject of a warrant in Texas since she shared custody with Barnes and hadn't secured his approval to take the children out of the U.S., according to lawyers involved on both sides.

The following year, Russian prosecutors charged Barnes with abusing the boys when they lived in the U.S., based on the ex-wife's allegations. Authorities in Texas had declined to charge Barnes when she made the same accusations.

After more than two years of pretrial detention, Barnes was convicted by a Moscow court in February and sentenced to 21 years in prison. He has maintained his innocence, and his lawyers and family members have suggested a political motivation.

Marc Fogel, a teacher at the Anglo-American School of Moscow, was sentenced in 2022 to 14 years in prison after being convicted of smuggling roughly 17 grams of marijuana into Russia. He said he had intended to use the drug for medical purposes to treat chronic pain.

Authorities raided musician Travis Leake's Moscow apartment in June and seized drug-dealing paraphernalia, according to state-run news services.

"I have been formally accused about nothing," Leake, 52, said in a video that aired on Russian TV at the time. On Thursday, he was convicted on drug charges and sentenced to 13 years in a penal colony, according to a social-media account for the Moscow courts.

Thomas Stwalley and Jimmy Wilgus, serving lengthy prison terms for drug and sex offenses, respectively, said in phone interviews with the Journal that Russian authorities had held closed-door trials and altered court testimony. Wilgus said he was coerced into signing a confession. Stwalley pleaded not guilty and said authorities had planted drugs on him.

"Russia is playing a long game that it believes will ultimately prevail," Pomeranz said.

Putin's Moscow Crushes Dissent, Freedom of Expression

By Georgi Kantchev

Already shrinking before the Ukraine war, the space for dissent and freedom of expression has all but vanished in Russia.

The latest sign came on Friday with the wrongful conviction of Wall Street Journal reporter Evan Gershkovich following a hurried, closed-door espionage trial that the U.S. government has condemned as a sham. Gershkovich, who was afforded few of the protections normally accorded to defendants in Western countries, was sentenced to 16 years in a high-security penal colony, adding to the number of imprisoned Americans that Russian President Vladimir Putin could exchange in return for high-value Russians held in the West.

Russian authorities have produced no public evidence to support their allegations, which Gershkovich, the Journal and the U.S. government have vehemently and repeatedly denied. The 32-year-old journalist was accredited as a foreign correspondent by Russia's foreign ministry.

The death and imprisonment of Kremlin critics, the adoption of new repressive legislation, the muzzling of journalists and a tightening noose on the internet has fostered a climate of fear and self-censorship in Russia.

Taken together, the measures have effectively stifled dissent and eliminated the last vestiges of opposition to the regime, human rights watchers and political analysts say. That has helped Putin further tighten his grip over the country's political, economic and social system.

"Russia now is not even the Russia of the early invasion," said Sergey Sanovich, a fellow at Stanford University who focuses on Russian politics. "Repression now is different and new."

This shift represents a fundamental rewriting of Russia's social contract, which, before the war, amounted to a transactional agreement where citizens tolerated limits on personal freedoms in exchange for economic stability and upward mobility. This has been replaced by an environment intolerant of any dissent and demanding absolute loyalty to the regime.

Arshak Makichyan, a Russian-Armenian climate and antiwar protester who left the country shortly after the war with Ukraine began, said there were "no freedoms left in Russia." After the still-murky death of Putin opponent Alexei Navalny in an Arctic prison camp in February, Makichyan said he doesn't feel safe, even in his new homeland of Germany.

MONIKA SKOLIMOWSKA/ZUMA PRESS

Yulia Navalnaya has promised to carry on her husband's struggle.

"Russia is not North Korea yet, but it's on its way in that direction. The climate has changed drastically," he said. "They broke the social contract, whatever it was."

The Kremlin didn't respond to a request for comment.

After Russia's post-Soviet experiment with Western-style democracy in the 1990s, Putin's leadership brought restrictions on personal liberties, the independent media and political participation.

But the Kremlin still allowed some forms of protest, often as a relief valve for dissent. Opposition leaders such as Navalny could participate in some elections, even if those were heavily skewed in favor of the regime.

All that changed with the Ukraine invasion.

In quick succession, the government implemented a series of restrictive laws that significantly curtail basic human rights, including freedom of expression and assembly. The crackdown targeted anyone who disseminates information critical of the Kremlin or the war. The LGBTQ movement was added to a list of extremist and terrorist organizations. Authorities declared hundreds of activists "foreign agents," including scores who had fled abroad, meaning they face possible prosecution if they return home.

In total, Russia's parliament has adopted 43 repressive laws since the start of the country's Ukraine invasion in February 2022, according to human-rights group OVD-Info, which itself has been declared a foreign agent. A law adopted this year allowed the confiscation of property from those convicted of crimes.

For many in Russia, the death of Navalny—blamed by his followers on the Kremlin, which denies it—served as the final blow for political opposition inside the country.

Even before that, however, authorities had turned the screws by jailing opposition figures and forcing closure of nongovernmental organizations. They have escalated persecution of political opposition figures, sentencing Vladimir Kara-Murza to 25 years in prison for criticizing the Kremlin and its war in Ukraine. Prominent opposition politician Ilya Yashin was sentenced to 8½ years in prison after he was charged with spreading false information about Russia's military campaign, which he denied.

Most opposition leaders are now scattered abroad, including Navalny's widow, Yulia Navalnaya, who promised to continue her husband's crusade. Earlier this month, a Russian court issued an arrest warrant for Navalnaya for participating in an "extremist" group.

The list of legitimate opposition candidates in last March's presidential election was slimmer than usual, while establishment figures whom Putin once tolerated as a useful way to keep potential rivals in check have also been sidelined. Yevgeny Prigozhin, the leader of the Wagner mercenary group who launched a short-lived mutiny against Russia's military command last year, was killed when a bomb destroyed the private jet he was flying in.

Only a few people, meanwhile, have access to independent information on the war.

WORLDWATCH

SOUTH CHINA SEA

Countries Reach Deal on Shoal

China and the Philippines reached a deal they hope will end confrontations at the most fiercely disputed shoal in the South China Sea, the Philippine government said Sunday.

The Philippines occupies Second Thomas Shoal but China also claims it, and increasingly hostile clashes at sea have sparked fears of larger conflicts that could involve the U.S.

The crucial deal was reached on Sunday, after a series of meetings between Philippine and Chinese diplomats in Manila and exchanges of diplomatic notes that aimed to establish a mutually acceptable arrangement at the shoal without either side's conceding the other's territorial claims.

China has disputes with several governments over land and sea borders, many of them in the South China Sea.

—Associated Press

BANGLADESH

Top Court Scales Back Jobs Quota

Bangladesh's top court on Sunday scaled back a controversial quota system for government job applicants, a partial victory for student protesters after days of nationwide unrest and deadly clashes between police and demonstrators that have killed scores of people.

Students, frustrated by shortages of good jobs, have been demanding an end to a quota that reserved 30% of government jobs for relatives of veterans who fought in Bangladesh's war of independence in 1971. The government previously halted it in 2018 following mass student protests, but in June, Bangladesh's High Court reinstated the quotas and set off a new round of protests.

Ruling on an appeal, the Supreme Court ordered that the veterans' quota be cut to 5%, with 93% of jobs to be allocated on merit.

—Associated Press

TAMAS VASVARI/SHUTTERSTOCK

GOING SWIMMINGLY: Participants at the start of the annual 42nd Cross-Balaton Swim at Revfulop, Hungary, on Sunday.

BUSINESS & FINANCE

THE WALL STREET JOURNAL.

Last Week: S&P 5505.00 ▼1.97% S&P FIN ▲1.18% S&P IT ▼5.14% DJ TRANS ▲1.68% WSJ $IDX ▲0.37% 2-YR. TREAS. yield 4.507% NIKKEI 40063.79 ▼2.74% See more at WSJ.com/Markets

Security Woes Bedevil Microsoft

Blue-screen outage on Windows machines highlights software vulnerability

By Tom Dotan And Robert McMillan

The blue screen of death has been a dreaded symbol of technological failure since Microsoft's Windows became the world's dominant operating system in the 1990s.

On Friday, it showed up on millions of computers around the world at once, highlighting Microsoft's ubiquity in workplaces and decades-old design choices that allowed the actions of a little-known software company to disable millions of Windows machines. Some security professionals also say **Microsoft** hasn't taken the vulnerability of its software seriously enough.

Microsoft said in a blog post Saturday that 8.5 million Windows machines were hit, or less than 1% of its global footprint. That number was enough to bring down the operations of businesses across industries including healthcare, media and restaurants.

The effects continued to reverberate in airports Saturday, as U.S. carriers canceled close to 2,000 flights, compared with 3,400 Friday. **Delta**, which accounted for more than half the canceled flights Saturday, has been trying to make sure it has crews to cover flights and told pilots at hub airports to depart when planes are fully boarded and ready to safely go, no matter the scheduled departure time.

Friday's outage was caused by a buggy update sent to corporate clients by **CrowdStrike**, one of hundreds of cybersecurity firms that have built a business promising to make Windows more secure. Microsoft has its own competing product, called Windows Defender.

CrowdStrike's chief executive took responsibility for the problem and said the company was working to restore operations for its customers.

Many people who showed up at work Friday morning knew only one thing though: Their PCs had the blue screen of death, while Macs and Chromebooks were still working. Searches for "Microsoft

Please turn to page B2

Unfinished Planes Are A Growing Headache For Boeing

By Sharon Terlep

Boeing has a parking problem.

Parts shortages and other issues have left the jet maker with about 200 fully or mostly finished airplanes sitting in airfields, outside plants and—in one location—an employee parking lot.

Some of the planes are awaiting interiors; others need engines. Dozens more are awaiting delivery to China.

Unable to fly, the planes aren't delivering much-needed cash as the jet maker burns through more than $1 billion a month. And they present a host of logistical challenges.

Planes sitting around too long may need software or other updates. Moving unfinished jets is tricky, especially if the part they are missing is the engine, as is the case with a handful of 777 freighters.

"It kind of begs the question: When are you going to deliver these things," said Ron Epstein, an aerospace analyst at Bank of America. "They can only sit around so long before you have to do something with them."

The predicament comes as the jet maker grapples with production slowdowns and regulatory scrutiny in the wake of January's near catastrophe on an **Alaska Airlines** flight.

Those problems have little to do with the parking overflow—in fact, they may be helping. Because Boeing is building planes more slowly as it works to improve quality, fewer planes are piling up than if its factories were operating at full speed.

Boeing has delivered 175 planes through June of this year, compared with 266 through the first half of 2023.

This isn't the most dire parking predicament Boeing has faced in recent years. Following the grounding of Boeing's bestselling 737 MAX due to crashes in 2018 and 2019, the company had about 450 of those planes stashed in its facilities.

At another point, it had more than 100 787s parked, which presents a space conundrum given the planes' size.

This week, Boeing executives head to the Farnborough International Airshow where

Please turn to page B2

AI Brings College Players To Games

By Sarah E. Needleman

It has been over a decade since **Electronic Arts** released a college football videogame. To get the likenesses of some 11,000 players into the new version that launched Friday, it had three months.

For its long-running Madden NFL series, EA developers travel the country to make three-dimensional scans of professional players. But that wasn't financially or logistically feasible for "EA Sports College Football 25."

There are about six times as many players in the National Collegiate Athletic Association's top-tier Football Bowl Subdivision as there are in the National Football League. In addition, colleges don't set their rosters until the late spring and they often change significantly, as some players go pro and others matriculate.

To release the college-football game this month, EA relied on artificial-intelligence technology it began developing about four years ago, before the NCAA set a new policy allowing players to sell their likeness rights in 2021 amid high-profile litigation and state legislation.

"It was a leap of faith" that the NCAA would change its rules, said Cam Weber, president of EA Sports.

EA collected photos of the athletes' heads from their schools and then used its AI to create their videogame doppelgängers in seconds.

The technology isn't generative AI that creates new images such as OpenAI's Dall-E, but rather a kind that takes

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For $850, a dozen fans of the Brooklyn Cyclones can rent a suite at Maimonides Park that comes with a catered buffet.

LANNA APISUKH FOR WSJ (2)

Baseball's Hottest Private Suites Aren't Found in the Major League

By Terell Wright

This summer, Chris Stevens wanted to celebrate his Massachusetts car dealership's 25th anniversary by treating his eight employees and their families to a special night at the ballpark in a private luxury suite perched between home plate and first base.

Stevens's air-conditioned suite was decked out with cushioned chairs, a flat-screen TV and a wet bar stocked with local craft beer from Wormtown Brewery. A buffet was loaded with platters of beef sliders, chicken sandwiches and charcuterie boards. Food was so plentiful that there were still leftovers by the final innings.

"Walking into that suite with cool air and this giant spread with almost anything you could desire really put us on cloud nine," Stevens said. "I feel like we're truly rock stars."

Nobody paid attention to the Boston Red Sox game, because Fenway Park was about 40 miles east. This was Polar Park, home of the minor league Worcester Red Sox.

For most people, luxury

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INSIDE

TECHNOLOGY
EVs are an inconvenient truth standing between Musk and Trump. **B4**

HEARD ON THE STREET
American Express has a Gold card opportunity. **B10**

Luxury Brands Need Middle Class Back

By Carol Ryan

The luxury industry has been so eager to woo ultra-wealthy shoppers that it forgot who really pays the bills: the middle classes.

Brands including **Burberry** and Yves Saint Laurent are taking a once-taboo step and cutting prices to win back these important customers.

Individually, middle-class consumers don't spend a ton of money on designer goods, but they are still a crucial group for big brands. More than half of global luxury purchases are made by 330 million or so people who spend less than €2,000 a year on expensive handbags, clothing and jewelry, according to Boston Consulting Group. That is equivalent to roughly $2,180.

Very wealthy clients that splash more than €20,000 a year on designer goods are a smaller group of around 2.5 million individuals who account for 10% of luxury sales. Although these customers are heavy hitters, most of the industry's growth over the past decade has been driven by so-

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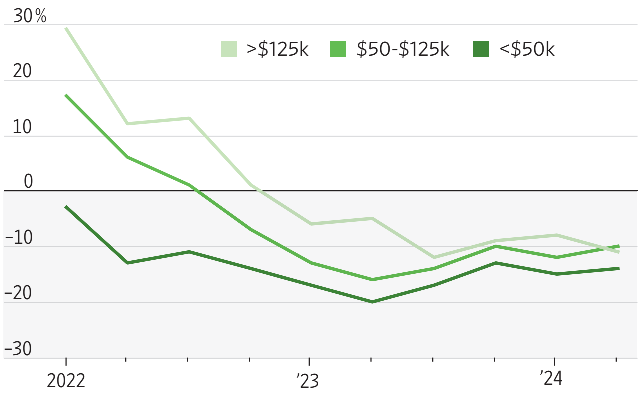
U.S. luxury spending by income group, change vs. a year ago



Source: Bank of America Global Research

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

INDEX TO PEOPLE

'Twisters' Lands at No. 1

UNIVERSAL/EVERETT COLLECTION

The sequel earned $80.5 million in its first weekend.

Estimated Box-Office Figures, Through Sunday

	Film	Distributor	Weekend* (Sales, In Millions)	Cumulative (Sales, In Millions)	% Change
1.	**Twisters**	Universal	$80.5	$80.5	—
2.	**Despicable Me 4**	Universal	$23.8	$259.5	-45
3.	**Inside Out 2**	Disney	$12.8	$596.4	-36
4.	**Longlegs**	Neon Rated	$11.7	$44.7	-48
5.	**A Quiet Place: Day One**	Paramount	$6.1	$127.6	-46

*Friday, Saturday and Sunday in North American theaters

Source: Comscore

Blue Screen Bedevils Microsoft

Continued from page B1

outage" outranked "Crowd-Strike outage" on Google consistently from Friday morning through Saturday morning.

Friday's meltdown brought a trade-off inherent to Windows into sharp relief. Its open design gives developers the freedom to design powerful software that interacts with the operating system at a very deep level. But when things go wrong, the results can be catastrophic, as millions discovered on Friday.

Because **Apple** runs a closed ecosystem, the company has a "much healthier balance between forcing people to upgrade, forcing applications to maintain good security practices or they pull them off of the App Store," said Amit Yoran, chief executive of cybersecurity firm Tenable.

Security issues have long been Microsoft's Achilles' heel, as computers and servers running its software have been the target of repeated hacks by criminal groups, as well as state-sponsored actors in Russia and China. Top company executives have been brought in front of Congress to explain why Windows is so vulnerable.

Ironically, CrowdStrike CEO George Kurtz raised the issue publicly in January.

"What you're seeing here is systemic failures by Microsoft, putting not only their customers at risk, but the U.S. government at risk," he said on CNBC after Microsoft disclosed a Russian hack of systems used by its senior leadership.

Two months later, a report by the Department of Homeland Security's Cyber Safety Review Board found that "Microsoft's security culture was inadequate and requires an overhaul, particularly in light of the company's centrality in the technology ecosystem."

Microsoft said the Crowd-Strike crash was unrelated to the issues raised by federal officials about the company's lapses in security.

Security professionals critical of the company's practices say as Microsoft pivoted to cloud computing, it has neglected the development of its more traditional products such as Windows and its email and corporate directory service products, all of which have been the targets of attacks. That neglect has made security software—like the kind provided by CrowdStrike—more necessary, the professionals said.

"If they have a security-first culture, it would either be safer for products like these to exist or these products wouldn't be needed at all," said Dustin Childs, a former Microsoft cybersecurity specialist who is currently the head of threat awareness at cybersecurity firm **Trend Micro**, which competes with Windows Defender and CrowdStrike.

> The security software runs at the most central level of Windows.

Pavan Davuluri, Microsoft's corporate vice president of Windows and devices, said the move to the cloud has been good for software reliability because the operating system is live and constantly updating.

But he said the company has unique challenges in the tech industry dealing with an array of customers, many of whom use old versions of Windows running on outdated hardware.

CrowdStrike's bug was so devastating because its security software, called Falcon, runs at the most central level of Windows, the kernel, so when an update to Falcon caused it to crash, it also took out the brains of the operating system. That is when the blue screen of death appeared.

A Microsoft spokesman said it cannot legally wall off its operating system in the same way Apple does because of an understanding it reached with the European Commission following a complaint.

In 2009, Microsoft agreed it would give makers of security software the same level of access to Windows that Microsoft gets.

—Alison Sider contributed to this article.

BUSINESS & FINANCE

MAXAR TECHNOLOGIES

Boeing said it is making progress clearing out parked planes. Planes sitting for too long may need software or other updates.

Planes Are Piling Up At Boeing

Continued from page B1

the jet maker's commercial unit will forgo the customary flight demonstrations and have a smaller-than-usual presence.

The company said the shift is so it can focus on safety and quality improvements and meeting order demands. On July 31, Boeing will disclose its financial results for the quarter ended June 30.

Boeing said it is making progress clearing out parked planes.

"As we have delivered hundreds of 737s and dozens of 787s from inventory in recent years, we have reduced the parking space needed at several sites," the company said.

The company says it hasn't become so tight on space that it has to stop or slow production—what is referred to in the aerospace industry as being "jiglocked."

Supplier shortages, lingering from the supply-chain crisis born amid the pandemic, have saddled the company with planes short of parts.

Those include more than 20 wide-body 787s sitting outside a Boeing factory in North Charleston, S.C., according to AIR, an aerospace-industry research company in Seattle. Shipments of the model have slowed as Boeing grapples with a shortage of cabin seating, which has begun to improve.

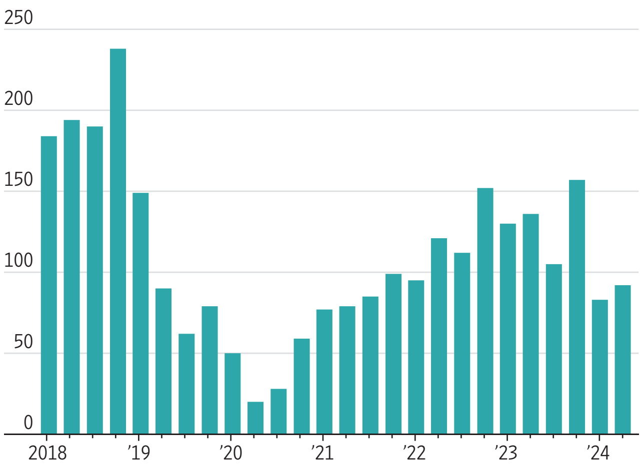
Seat suppliers industrywide haven't been able to keep up with demand for cabin seating, especially for premium offerings, amid material shortages and certification delays. Boeing also has been short on a temperature-regulating part called a heat exchanger.

To ease the backup, Boeing flew a dozen or so 787s to its site in San Antonio, where it previously stored planes.

Flying is less of an option when it comes to a handful of 777 freighter jets in Everett, Wash., that are awaiting engines. The engine maker, **GE Aerospace**, has struggled with supplier shortages on the model.

Boeing had delivered two freighters this year through May. But the engines have started rolling in. Boeing delivered five of the planes in June, and the company says it has enough engines for near-term deliveries.

Boeing commercial airplane deliveries, quarterly



Source: the company

Those freighters sit on an already crowded campus. Roughly 30 777X jets—a much-delayed, more fuel-efficient version of the 777 model—are stationed there. Boeing on Saturday said it conducted its first flight certification test on a 777X, according to AIR.

Also at Everett are around 10 to 15 787s awaiting inspections to ensure the planes are built to specification. The company added that step several years ago after employees raised concerns about potential production issues.

"This creates constraints; it creates costs," AIR's Michel Merluzeau said. "There is a cost and an operational penalty. It's something you really want to avoid as much as possible; they're stuck in a bad place."

Today, more than half of the parked planes are single-aisle 737 MAXs still awaiting delivery, some of which are now several years old.

Many of the undelivered 737 jets are destined for China, one of Boeing's biggest markets. Boeing in January made its first delivery of the MAX jets to China after more than four years. The deliveries had been frozen by Beijing since the two crashes of the 737 MAX.

Baseball's Hottest Suites

Continued from page B1

suites at major-league ballparks are well out of reach, typically the realm of C-suite executives and corporate expense accounts. They can cost upward of $20,000.

Not so in the minor leagues, where suites are selling out across the country, attracting consumers who crave a luxury experience and can afford to splurge.

While Americans are bitter about the past few years of rising inflation, many are still going all out to pay for high-end experiences in travel and entertainment.

Minor-league baseball, which has earned a reputation as good, cheap fun, is cashing in on the upsell.

Minor-league teams say they are seeing friend and family groups split the costs for a night. For instance, in Buffalo, N.Y., suites for the Buffalo Bisons start at $600 for 12 people, which works out to $50 a person.

The Bisons' Sahlen Field has sold out of its 26 luxury suites through August, a team official said. Shaun O'Lay, an account executive for the Bisons, said demand was so strong that the team increased suite prices by 5.5% this year. The suites host a mix of birthday parties, small-business retreats and family gatherings. The Bisons are close enough to the northern border that they draw a reliable stream of spendy Canadians.

At Harbor Park Stadium in Norfolk, Va., the Norfolk Tides' suites start at $400, or around $33 a person for a group of 12 people. In the 2023 season, suite sales at the stadium increased 7% from 2022, according to Joe Gregory, the Tides' general manager.

For $850, a dozen fans of the Brooklyn Cyclones can rent a suite at Maimonides Park that comes with parking passes, a catered buffet and a view of the ocean and Coney Island. The team website pitches the luxury suites as "million dollar views at rent-controlled prices."

> In the minor leagues, suites are selling out across the country.

Noncorporate rentals comprise half of the Cyclones' suite sales, said Billy Harner, the team's assistant general manager. He added that all but two of their 10 suites are sold out for the season. The team recently rehabbed its rooftop, where as many as 180 fans can buy individual tickets from $60 a person, Harner said.

Justin Puglia, a doorman on the Upper East Side of Manhattan, has been going to Cyclones games since the team was founded in 2001.

The 45-year-old Brooklyn native usually prefers to be as close to the game as possible, but this summer he and a friend decided to try the rooftop. The price included entry to the rooftop, the game ticket, a buffet of hot dogs and ribs, a shirt and a bobblehead of the competitive eater Joey Chestnut.

Instead of his usual focus on the game, Puglia circled the buffet and chatted with other suite guests.

"If I heard the fans cheer, I'd stop and see what's going on," he said. (The Cyclones won 4-0 against the Hudson Valley Renegades.)

His friend, Joseph Mooski, 54, said he had been wanting to go to a Mets or Yankees game, "but for $75 you're in the bleachers. You're almost in Jersey. This was actually a good deal."

In Massachusetts, Stevens, the car-dealership owner, had no illusions he could afford a Fenway Park suite. A private suite in the Boston stadium costs an average of $8,700 for a group of 20 to 24 people, according to Ron Bumgarner, Fenway's executive vice president of ticketing. Instead, Stevens spent $2,500 for the Polar Park suite, or around $147 a person for 17 people.

Bob Roe, a technician at the dealership, watched his first-ever minor-league game on a television inside the suite.

"I'm not really a big sports fanatic, but this is a good time," Roe said.

Candace Callahan, 60, a high-school teacher in Worcester, and her son Ryan Foley, 40, organized 20 family members for a suite in Worcester's minor-league park. The family wanted a big outing, and a Red Sox game for such a large group could easily cost more than $1,000, Foley and his mother reasoned. So they opted for the luxury experience at the minor league.

Grandchildren ran around as family members snacked, took selfies and got caught up in conversation.

"The biggest takeaway was the joy that everybody felt. We were all in the elevator together, so crowded, and everybody was just laughing," Callahan said.

No matter that the Worcester Red Sox, known as the WooSox, lost to the Syracuse Mets, 4-2.

"We're [Boston] Red Sox fans," she said. "We're used to heartbreak."

LANNA APISUKH FOR WSJ

All but two of the Brooklyn Cyclones' 10 luxury suites are sold out for the season.

Outage Affected Thousands of Flights

Delta was hardest hit as U.S. airlines scrubbed 1,700 flights on Sunday

By Alison Sider
And Natasha Khan

Travelers at Detroit Metropolitan Wayne County Airport on Sunday. Carriers canceled about 1,700 U.S. flights Sunday, adding to the roughly 5,500 already called off.

JOE RAEDLE/GETTY IMAGES

Travelers confronted a third day of flight snarls and long waits at U.S. airports on Sunday, as many monitors still displayed the telltale blue screens of the technology-fueled meltdown that began Friday.

This weekend has been one of the worst for travel this year. More than 1,700 U.S. flights were canceled Sunday, adding to the roughly 5,500 canceled Friday and Saturday.

Delta Air Lines has been the hardest hit and accounted for the bulk of Sunday's problems as its software struggled to keep up with changes. It scrubbed about one-third of its flights Friday and Saturday, and it remained in disarray Sunday, canceling about one quarter of its schedule, according to flight-data provider Anuvu. **United Airlines** on Sunday also canceled hundreds of flights—about 5.5% of its operation.

Businesses in many other industries whose **Microsoft** Windows-based machines melted down due to the buggy update from cybersecurity firm **CrowdStrike** recovered by the end of the day Friday. But the cascade of flight cancellations speaks to the airline industry's heavy reliance on interconnected technology systems and its fragility when things go awry. Crews and planes end up out of place. Pilots and flight attendants relying on flights to get to work can get caught up in cancellations themselves and hit limits on how many hours they can work.

For Delta, which has built a reputation as a premium airline on the strength of its typically reliable operation and superior customer service, the continuing disruption is a black eye.

The airline said Sunday it was offering frequent-flier miles and travel vouchers to passengers who were significantly affected and will reimburse eligible expenses such as hotels, meals and ground transportation. But it said it wouldn't cover prepaid expenses such as concert tickets, hotel reservations at a customer's destination and lost wages.

Alfred Thompson was scheduled to fly home to Boston from Las Vegas Friday night on Delta after attending a computer-science teachers association conference.

Initially, Delta rebooked him on a flight leaving Monday, but he thought he had been able to get onto a Sunday night flight instead, until he learned Sunday morning that the flight had also been canceled. Now he wonders if his new flight Monday will take off.

"The $500 plus I have spent because of the delay is an expense I did not budget for," Thompson, a retired teacher, said of the money he has spent on hotels that hasn't been reimbursed.

Delta Chief Executive Ed Bastian wrote in a message to customers on Sunday that the technology problem came during the busiest travel weekend of the summer for the airline, which relies heavily on Windows-based applications. Flights were already more than 90% full, making it difficult to find space to rebook travelers.

"In particular, one of our crew tracking-related tools was affected and unable to effectively process the unprecedented number of changes triggered by the system shutdown," Bastian wrote. "Our teams have been working around the clock to recover and restore full functionality."

Greg Anderson and his family's flight from Atlanta to the Caribbean island of Bonaire, where they were going to celebrate his 40th birthday, was canceled Saturday afternoon. They were still in the airport at 2 a.m., when employees handed out blankets and the concourse halls were dotted with what Anderson described as "blue lumps" of sleeping passengers.

"I literally sat in the concourse against the window sobbing at one point," he said. Sunday morning, more than 24 hours after beginning their journey from New Orleans, the family were hoping for a refund from their resort and got on a flight to Aruba instead.

Not all airlines have faced the same turmoil. **Southwest Airlines**, which had its own high-profile meltdown in 2022 when it struggled to reset from a huge winter storm, was relatively unscathed. **American Airlines**, which had heavy cancellations Friday, managed to bounce back fairly quickly and has canceled a few dozen weekend flights.

Matt Steely and his fiancée spent much of the weekend trying to fly from Minneapolis to Dallas to visit family, but multiple efforts were thwarted. Their Friday evening flight was pushed to Saturday morning just as they were finally about to board. Delta covered their hotel, but when they returned to the airport at 4 a.m. Saturday, the flight was delayed—a gate agent said the airline couldn't locate a crew—and ultimately was canceled at 8 p.m. They gave it one last try on Sunday, but their flight was once again scrapped, and the airline told them they wouldn't be rebooked until Tuesday.

Steely finally canceled the flight, which he had redeemed on points, and bought new tickets through another carrier, which was slated to leave Dallas at 5 p.m. Sunday.

"If not, we might make the 14-hour drive instead," he said.

Watch a Video

Scan this code for a video on the outage's hit to air traffic around the U.S.

Global Outage Shows Perils of IT Updates

By James Rundle and Belle Lin

Global disruption from a faulty update to **CrowdStrike**'s cybersecurity software highlights the challenges for businesses when speed trumps safety to stay ahead of hackers.

The pace and sophistication of cyberattacks mean security vendors such as CrowdStrike are often pressed to issue updates as soon as possible, while customers must place blind trust in those updates as being safe to install.

"Seconds matter at this point," said Dave DeWalt, managing director at venture-capital firm NightDragon and a board member of Delta Air Lines.

The CrowdStrike update, designed to refresh threat-detection code in its software, contained flaws that prevented **Microsoft** Windows systems from starting. The resulting outages disrupted businesses across the world.

CrowdStrike said it is working with customers and issued steps to fix crashed systems. "We understand the gravity of the situation and are deeply sorry for the inconvenience and disruption," the company said on its website. CrowdStrike says it has 29,000 customers, including nearly 300 members of the Fortune 500.

Microsoft didn't respond to a request for comment. Microsoft CEO Satya Nadella said on X the company was working with CrowdStrike to provide customers with guidance to help bring their systems back online.

"Faulty patches and updates happen all the time. What's different now is that the scale of these cloud services are so massive," said Lee McKnight, an associate professor in the School of Information Studies at Syracuse University.

Updates from multiple security vendors, operating systems and threat-intelligence providers can overwhelm companies that use these products. Government and law-enforcement agencies urged companies to increase the cadence of their update and patching processes in recent years, to better combat hacking threats and software flaws.

This pressure means many companies allow automatic updates, having neither the resources nor the time to properly check new patches and versions from every provider. For critical software such as CrowdStrike's platform, which specializes in detecting intrusions into networks, the products are deeply embedded within a company's technology by design, so as to better sniff out threats.

Friday's outage raises questions about how providers implement changes to their software. Many major vendors, including CrowdStrike, use a process known as continuous integration and continuous delivery—automation designed to cut the time in integrating code changes into products. Updates are then sent out via cloud-based systems to thousands of customers at once.

A problem can spread fast.

While most software companies perform simulations to check compatibility, varieties in versions and editions can make these processes challenging, said NightDragon's DeWalt. "It's a near impossibility to test the environment even at the vendor side, let alone if you're coming over to the customer side. We just had a collision of the vendor problem meeting the threat problem," he said.

ADAM GRAY/GETTY IMAGES

An information screen at a New York subway station on Friday.

EA SPORTS

A character artist works on the new 'EA Sports College Football 25.' The digital versions aren't as detailed as in Madden, but they mark the first time EA has been able to put replicas of real players in its college football game.

AI Brings Players To Games

Continued from page B1

data from photos and creates full 3-D avatars.

If the results weren't up to snuff, artists were brought in to make enhancements. Their changes were then fed back into the AI program so it could learn from its mistakes.

The digital versions aren't as detailed as in Madden, but they mark the first time EA has been able to put replicas of real players in its college football game.

"You couldn't do this with the regular workflows we've done in the past," Weber said.

For the 134 college football stadiums in the game, EA used other technology it developed in-house to incorporate details such as Notre Dame's "Touchdown Jesus" mural and the waterfalls at Arkansas State.

The project was so large that the team reached the maximum number of cells possible on a Google Sheets spreadsheet—10 million—while trying to keep track of all the data it collected.

"All these things are meaningful" to fans, said Robert Jones, a senior production director at EA.

Weber said EA sees long-term value in its AI technology because the company plans to release new installments of the college game annually. In addition, some of the athletes are likely to become part of its Madden NFL series in the future, which could potentially make their 3-D avatars continually useful.

The company also hopes to use the technology for its other sports titles, which span soccer, auto-racing, hockey and mixed-martial arts.

Likeness rights

In 2013, EA canceled its old college football game in the aftermath of a class-action lawsuit involving its use of a college basketball player's likeness in another one of its sports titles.

In early 2021, anticipating the NCAA would set its new likeness rules later that year, EA announced plans to reboot its college-football franchise—and with a major upgrade.

Previously, the games featured generic college players, because EA didn't have a way to secure the rights to real ones. Now the company wanted to include real players for the first time.

Questions arose in the collegiate football community about how EA would compensate players and whether stars would get paid more.

The company ended up offering players $600 each, plus a deluxe copy of the game that retails for $99.99 and comes with extra content. An EA spokesman said more players opted in than the company was able to fit into the game.

Some stars are getting more money, however, in exchange for extra work. They include Michigan Wolverines running back Donovan Edwards, Texas Longhorns quarterback Quinn Ewers and Colorado Buffaloes cornerback and wide receiver Travis Hunter, who are on the cover of the game, and more than 100 players who agreed to promote "EA Sports College Football 25" on social media.

That cost, which adds up to more than $7.7 million, is notable but not huge for a game that will likely cost at least $40 million to make and tens of millions of dollars more to market, according to analysts.

Madden rivalry

"EA Sports College Football 25" is coming out at a time when the videogame industry is in a funk. It has been beset by layoffs this year, and publishers have been releasing fewer big-budget, visually complex titles—so-called triple-A games—which typically sell the most copies. U.S. videogame software sales fell 3% in May, according to the most recent monthly data available from market-research firm Circana.

The lack of competition and the long delay since EA last put out a college-football game should help fuel demand for the new one, said Oppenheimer analyst Martin Yang. He estimates it will sell at least four million units, translating to more than $240 million in sales.

The version of the game that came out in 2013, called "NCAA Football," had a devoted following but was never as popular as EA's Madden NFL series.

Deluxe editions

This year, college football returning to videogames with real players for the first time could dent demand for August's "Madden NFL 25," Yang said. The annual Madden sequels are typically among EA's bestselling games.

To address that potential problem, EA is selling the deluxe editions of both games in a bundle for $149.99, or $50 less than buying them separately. The standard format costs $69.99.

So far, social-media reactions to the game from people who paid for early access appear to be mostly positive. However, many complained about problems trying to play the game online.

"Man I sure wish I could play #NCAA25 without EA's fragile servers dying," an X user wrote Monday.

EA said it is increasing server capacity to try to address the problem.

The company is also hoping some small details created without the help of AI will help engage fans. To make an in-game version of the University of Texas mascot, a live bull named Bevo, developers used motion-capture technology on a colleague who ran on all fours.

TIM HIGGINS

Musk, Trump in EV Detente

When it comes to the bromance between Elon Musk and Donald Trump, there remains an inconvenient truth: electric vehicles.

Musk is all about them, while Trump has been campaigning against them. But in recent weeks, a subtle detente emerged that helps explain how Musk could justify his endorsement of Trump—even if it might seem on the surface counter to his interests as the chief executive of **Tesla**.

In short, Trump says he is OK with electric cars as long as the government isn't forcing their purchase. And Musk is reiterating he is OK killing off government EV subsidies.

The public embrace appears to be a gamble on Musk's part that he will be able to influence Trump on a host of issues—from AI regulations, space contracts and more—and Tesla is so far ahead in developing electric cars that it doesn't need the government help it once did.

"Take away the subsidies. It will only help Tesla," Musk tweeted this past week in the midst of pushback from Tesla supporters questioning his new bedfellow.

Now, Musk appears OK with pulling up the bridge to the EV future while rivals are trying to cross. The risk is Tesla remains alone on the EV side—at least in the U.S.—and others simply retrench, dooming an electric transition.

Trump made the electrification of the automobile a cudgel on the campaign trail to hit President Biden, suggesting the Democrat is trying to force costly EVs on Americans at the expense of manufacturing jobs. "The damn things don't go far enough and they're too expensive," Trump said during a rally near Detroit in September.

PATRICK T. FALLON/AGENCE FRANCE-PRESSE/GETTY IMAGES

In California, the registration of new Teslas, a proxy for sales, fell 17% in the first six months of this year.

The Environmental Protection Agency said it isn't imposing an EV mandate. Republican critics argue the Biden administration's tightening of emission standards effectively requires EVs to make up a larger part of future car sales.

The politicization of electric cars during the past 18 months is credited with hindering sales growth and disrupting plans by automakers who unveiled aggressive ambitions to boost production as they aimed to replace their lineups with new EVs.

Even Tesla has been affected by a slowdown in sales. It is too early to say how Musk's endorsement of Trump might affect Tesla's customer base, which had a large segment of buyers who identified as Democrats. His embrace of contentious social topics late last year coincided with the proportion of Democrats buying Tesla vehicles falling off dramatically, only to return as he calmed down for a bit.

In California, the registration of new Tesla vehicles, a proxy for sales, fell 17% in the first six months of this year, according to the California New Car Dealers Association.

All the while in recent months, Trump and Musk have been talking behind the scenes. The results of those talks lately began emerging in public.

Last month, during an appearance in Arizona, Trump's tone changed. While he continued to decry EV policies, he added a twist. "I'm a big fan of electric cars, I'm a fan of Elon," Trump said. "I like him, and I think a lot of people are going to want to buy electric cars but…if you want to buy a different type of car you have to have a choice—some people need to go far."

A few days later, at the Tesla annual shareholder meeting, an investor asked Musk: "He surprised us by saying he's a big fan of Tesla and a big fan of you. What did you tell him?"

"Well, you know, I can be persuasive," Musk said to laughter. The billionaire added they have been talking about electric cars, saying a lot of Trump's friends own Teslas and Trump is a "huge fan" of the Cybertruck.

For Trump, whatever was said seems to be working. He won Musk's embrace and with it the megaphone that comes with his almost 200 million followers on X.

For Musk? Perhaps it will be as simple as a friend in the White House willing to hear what he has to say after his relationship with Biden devolved into bitterness and recrimination. Musk's mother publicly fumed about how badly she felt her son was treated by the Democrat, who advocated for EVs but didn't give Musk the kind of credit the billionaire said he deserved. (Reached for comment, the Biden campaign said America doesn't want or need "arrogant billionaires only out for themselves.")

On Sunday, Musk celebrated that President Biden announced he was exiting the race on X, posting "White House aides learned Biden was dropping out by reading X." Musk also spelled out why he supports the Republican ticket. "I believe in an America that maximizes individual freedom and merit. That used to be the Democratic Party, but now the pendulum has swung to the Republican Party," he wrote on X.

—Natasha Khan contributed to this article.

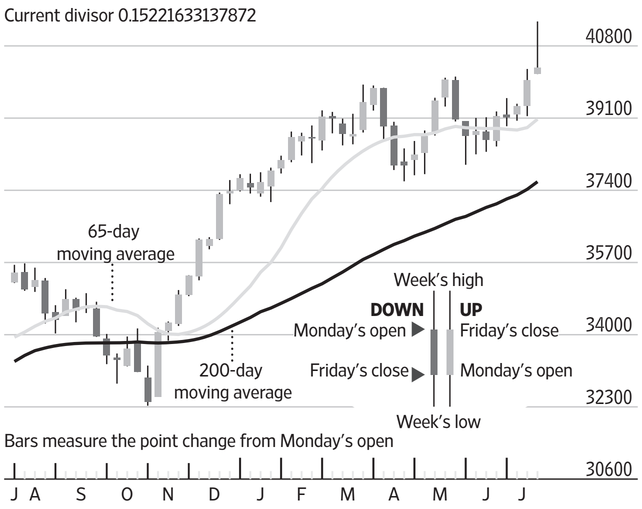
MARKETS DIGEST

Dow Jones Industrial Average

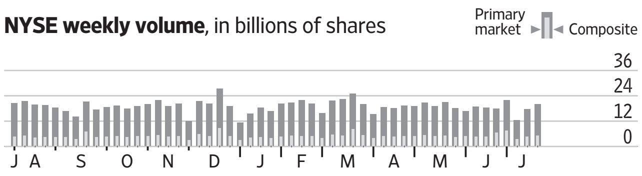
40287.53 ▲286.63, or 0.72% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio	27.22	23.90
P/E estimate *	19.92	19.00
Dividend yield	2.11	2.04
All-time high	41198.08, 07/17/24	



NYSE weekly volume, in billions of shares



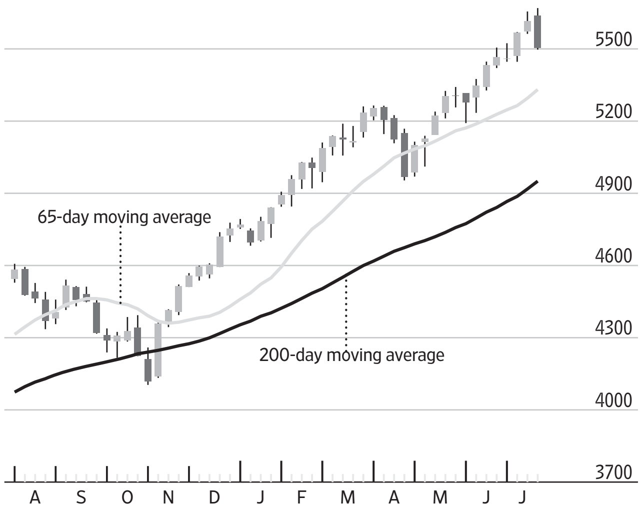
*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

S&P 500 Index

5505.00 ▼110.35, or 1.97% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	24.21	20.37
P/E estimate *	22.69	20.68
Dividend yield *	1.32	1.53
All-time high	5667.20, 07/16/24	



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Major U.S. Stock-Market Indexes

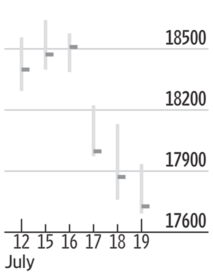
	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	% chg YTD	3-yr. ann.
Dow Jones											
Industrial Average	41376.00	40136.10	40287.53	286.63	0.72	32417.59		41198.08	14.4	6.9	5.9
Transportation Avg	16307.65	15539.91	15783.45	260.59	1.68	13556.07		16695.32	-2.8	-0.7	3.4
Utility Average	964.42	928.75	950.85	5.27	0.56	783.08		955.01	0.2	7.8	1.9
Total Stock Market	56227.54	54479.40	54557.90	-934.54	-1.68	40847.04		56206.02	20.2	14.2	7.3
Barron's 400	1213.31	1171.47	1180.47	9.00	0.77	907.97		1212.12	16.3	10.1	6.5
Nasdaq Stock Market											
Nasdaq Composite	18641.53	17691.43	17726.94	-671.51	-3.65	12595.61		18647.45	26.3	18.1	7.5
Nasdaq-100	20585.17	19479.38	19522.62	-808.87	-3.98	14109.57		20675.38	26.6	16.0	10.3
S&P											
500 Index	5669.67	5497.04	5505.00	-110.35	-1.97	4117.37		5667.2	21.4	15.4	8.9
MidCap 400	3119.18	3006.56	3015.30	-5.41	-0.18	2326.82		3115.02	11.4	8.4	5.5
SmallCap 600	1433.77	1356.83	1380.44	29.98	2.22	1068.80		1418.3	9.8	4.7	2.7
Other Indexes											
Russell 2000	2278.13	2160.50	2184.35	36.08	1.68	1636.94		2263.67	11.4	7.8	0.8
NYSE Composite	18798.92	18391.37	18406.05	-99.87	-0.54	14675.78		18781.22	13.0	9.2	4.7
Value Line	620.94	590.41	602.63	-0.17	-0.03	498.09		620.59	2.2	1.5	-1.7
NYSE Arca Biotech	5641.59	5479.76	5509.59	-9.48	-0.17	4544.40		5623.08	1.8	1.7	-0.8
NYSE Arca Pharma	1094.17	1044.70	1053.65	-35.97	-3.30	845.32		1089.62	19.1	15.8	12.1
KBW Bank	115.57	109.49	112.36	3.58	3.29	71.71		114.67	28.2	17.0	-1.3
PHLX§ Gold/Silver	158.46	147.74	149.89	-3.84	-2.49	102.94		157.7	18.5	19.3	3.7
PHLX§ Oil Service	93.45	87.39	89.65	2.438	2.80	76.90		98.76	0.7	6.9	19.0
PHLX§ Semiconductor	5854.12	5261.65	5267.16	-508.03	-8.80	3185.18		5904.54	42.4	26.1	18.7
Cboe Volatility	17.19	10.62	16.52	4.06	32.58	11.86		21.71	21.5	32.7	-9.8

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

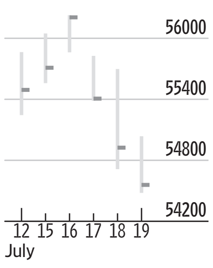
Nasdaq Composite

▼ 671.51, or -3.65% last week



DJ US TSM

▼ 934.54, or -1.68% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	Close	High	YTD % chg
World	MSCI ACWI	810.87	-2.13	629.46		831.25	11.5
	MSCI ACWI ex-USA	334.65	-2.44	276.65		343.01	5.7
	MSCI World	3553.76	-2.03	2731.99		3642.95	12.1
	MSCI Emerging Markets	1089.61	-3.02	910.91		1124.86	6.4
Americas	MSCI AC Americas	2069.41	-1.92	1557.56		2130.18	14.1
Canada	S&P/TSX Comp	22690.39	0.07	18737.39		22995.39	8.3
Latin Amer.	MSCI EM Latin America	2257.98	-2.78	2149.49		2675.33	-15.2
Brazil	Bovespa	127616.46	-0.99	112531.52		134193.72	-4.9
Chile	S&P IPSA	3555.71	0.13	3048.00		3714.61	2.5
Mexico	S&P/BMV IPC	53678.52	-2.32	48197.88		58711.87	-6.5
EMEA	STOXX Europe 600	510.03	-2.68	429.58		524.71	6.5
	STOXX Europe 50	4415.38	-3.54	3783.73		4577.60	7.9
Eurozone	Euro STOXX	500.11	-3.40	420.65		527.81	5.5
	Euro STOXX 50	4827.24	-4.28	4014.36		5100.90	6.8
Austria	ATX	3671.84	-0.93	3020.72		3775.49	6.9
Belgium	Bel-20	3983.85	-1.39	3290.68		4040.06	7.4
France	CAC 40	7534.52	-2.46	6795.38		8239.99	-0.1
Germany	DAX	18171.93	-3.07	14687.41		18869.36	8.5
Greece	Athex Composite	1464.39	0.83	1111.29		1502.79	13.2
Israel	Tel Aviv	2044.09	-1.24	1605.20		2076.77	9.6
Italy	FTSE MIB	34215.84	-1.05	27287		35410	12.7
Netherlands	AEX	907.31	-3.98	714.05		944.91	15.3
Norway	Oslo Bors All-Share	1667.47	0.61	1400.73		1671.41	9.8
Portugal	PSI 20	6802.60	-0.14	5824.40		6971.10	6.3
South Africa	FTSE/JSE All-Share	79922.67	-2.16	69451.97		82154.07	3.9
Spain	IBEX 35	11087.50	-1.45	8918.3		11444.0	9.8
Sweden	OMX Stockholm	993.04	-1.94	753.35		1012.72	10.0
Switzerland	Swiss Market	12173.44	-1.55	10323.71		12365.18	9.3
U.K.	FTSE 100	8155.72	-1.18	7257.82		8445.80	5.5
Asia-Pacific	MSCI AC Asia Pacific	183.33	-2.47	150.1		188.5	8.2
Australia	S&P/ASX 200	7971.60	0.15	6772.9		8057.9	5.0
China	Shanghai Composite	2982.31	0.37	2702.19		3291.04	0.2
Hong Kong	Hang Seng	17417.68	-4.79	14961.18		20078.94	2.2
India	BSE Sensex	80604.65	0.11	63148.15		81343.46	11.6
Japan	NIKKEI 225	40063.79	-2.74	30526.88		42224.02	19.7
Malaysia	FTSE Bursa Malaysia KLCI	1636.55	1.08	1413.52		1636.55	12.5
Singapore	Straits Times	3447.56	-1.44	3053.36		3499.89	6.4
South Korea	KOSPI	2795.46	-2.15	2277.99		2891.35	5.3
Taiwan	TAIEX	22869.26	-4.38	16001.27		24390.03	27.5

Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	985.97	-33.37	-3.27	2.94
FTSE/CC CRB Index	280.36	-10.09	-3.47	6.27
Crude oil, $ per barrel	80.13	-2.08	-2.53	11.84
Natural gas, $/MMBtu	2.128	-0.201	-8.63	-15.35
Gold, $ per troy oz.	2395.50	-18.50	-0.77	16.15
U.S. Dollar Index	104.37	0.27	0.26	2.95
WSJ Dollar Index	99.45	0.36	0.37	3.77
Euro, per dollar	0.9187	0.002	0.21	1.41
Yen, per dollar	157.46	-0.38	-0.24	11.65
U.K. pound, in dollars	1.29	-0.008	-0.58	1.41

	52-Week Low	Close (●)	High	% Chg
DJ Commodity	934.97		1079.94	-1.35
FTSE/CC CRB Index	258.09		300.23	1.40
Crude oil, $ per barrel	68.61		93.68	3.97
Natural gas, $/MMBtu	1.575		3.575	-21.56
Gold, $ per troy oz.	1816.60		2462.40	21.95
U.S. Dollar Index	100.89		107.00	3.26
WSJ Dollar Index	95.64		100.92	3.63
Euro, per dollar	0.8988		0.9555	2.21
Yen, per dollar	139.49		161.70	11.04
U.K. pound, in dollars	1.21		1.30	0.45

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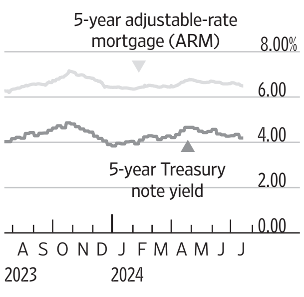
Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

Five-year ARM, Rate

Bankrate.com avg†:	6.49%
Florence Savings Bank	5.50%
Florence, MA	800-644-8261
Grow Financial FCU	5.63%
Hillsborough, FL	800-839-6328
Star One Credit Union	6.25%
Sunnyvale, CA	408-742-2801
Chemung Canal Trust Company	6.38%
Elmira, NY	607-737-3711
STAR Financial Bank	6.38%
Fort Wayne, IN	765-622-4185

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	0 2 4 6 8	High	3-yr chg (pct pts)
Federal-funds rate target	5.25-5.50	5.25-5.50	5.00		5.50	5.25
Prime rate*	8.50	8.50	8.25		8.50	5.25
SOFR	5.34	5.34	5.05		5.40	5.29
Money market, annual yield	0.50	0.49	0.46		0.64	0.42
Five-year CD, annual yield	2.87	2.84	2.77		2.88	2.42
30-year mortgage, fixed†	7.26	7.34	7.01		8.28	4.18
15-year mortgage, fixed†	6.68	6.77	6.34		7.42	4.26
Jumbo mortgages, $766,550-plus†	7.35	7.42	7.07		8.33	4.25
Five-year adj mortgage (ARM)†	6.49	6.57	6.20		7.16	3.62
New-car loan, 48-month	7.86	7.86	7.26		7.94	3.74

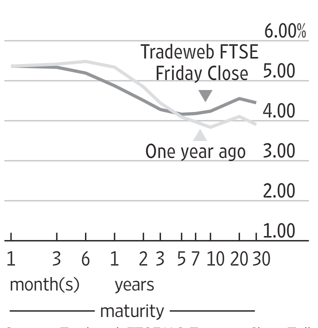
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

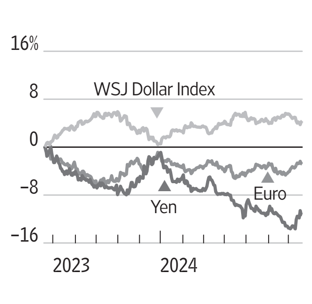
Treasury yield curve

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*	4.340	4.330				1.95	-3.43
U.S. Treasury Long, Bloomberg*	4.490	4.460				-4.64	-11.45
Aggregate, Bloomberg*	4.780	4.750	n.a.	37	58	3.12	-3.02
Fixed-Rate MBS, Bloomberg*	5.010	4.980	n.a.	42	82	2.82	-2.63
High Yield 100, ICE BofA	6.761	6.835	228	227	410	10.401	2.454
Muni Master, ICE BofA	3.374	3.392	n.a.	-9	9	2.900	-0.821
EMBI Global, J.P. Morgan	7.823	7.734	346	270	385	8.341	-2.063

*Bloomberg yield data as of 07/18

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

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 U.S. market only

Expected pricing date	Filed	Issuer/business	Symbol/ primary exchange	Shares (mil.)	Pricing Range($) Low/High	Bookrunner(s)
7/24	6/14	Concentra Group Holdings Parent Provider of occupational health services.	CON N	22.5	23.00/ 26.00	JPM, GS, BofA Securities, DB, Wells Fargo, Mizuho, RBC Cptl Mkts, Truist Financial Corp
7/24	6/26	Lineage Real estate investment trust.	LINE Nq	47.0	70.00/ 82.00	MS, GS, BofA Securities, JPM, Wells Fargo, RBC Cptl Mkts, Rabobank, Scotiabank
7/23	6/28	OneStream Software platform operator for digital finance.	OS Nq	24.5	17.00/ 19.00	MS, JPM, KKR, BofA Securities, Citi, Guggenheim Partners, Raymond James & Associates, Scotiabank

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
July 23	Jan. 25, '24	Planet Image International	YIBO	4.00	5.6	-54.8	180 days
	Jan. 25, '24	Haoxi Health Technology	HAO	4.00	13.5	-1.0	180 days
	Jan. 23, '24	J–Long Group	JL	5.00	7.0	-90.2	180 days
	Jan. 23, '24	SU Group Holdings	SUGP	4.00	5.6	-22.0	180 days
	Jan. 24, '24	Nuveen Churchill Direct Lending	NCDL	18.05	99.3	-2.8	180 days
	Jan. 25, '24	Brightspring Health Services	BTSG	13.00	880.0	-10.0	180 days
	Jan. 24, '24	CG Oncology	CGON	19.00	289.0	85.4	180 days
	Jan. 25, '24	ArriVent Biopharma	AVBP	18.00	150.0	4.3	180 days

Sources: Dealogic; 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
Artiva Biotherapeutics **ARTV** July 19/$12.00	12.00	...	...
QMMM Holdings **QMMM** July 19/$4.00	4.07	1.8	...
Ardent Health **ARDT** July 18/$16.00	17.30	8.1	7.7
TWFG **TWFG** July 18/$17.00	22.61	33.0	2.7
Launch One Acquisiton **LPAAU** July 12/$10.00	9.96	-0.4	0.1
SIM Acquisition I **SIMAU** July 10/$10.00	9.97	-0.3	-0.1
EShallGo **EHGO** July 2/$4.00	1.91	-52.3	-41.4
Eureka Acquisition **EURKU** July 2/$10.00	10.10	1.0	0.5
Alumis **ALMS** June 28/$16.00	12.50	-21.9	-6.0
LandBridge **LB** June 28/$17.00	28.85	69.7	24.6
Tamboran Resources **TBN** June 27/$24.00	24.23	1.0	11.4
WEBTOON Entertainment **WBTN** June 27/$21.00	20.39	-2.9	-11.3
Graf Global **GRAF.UT** June 26/$10.00	10.02	0.2	0.1
Rectitude Holdings **RECT** June 21/$4.00	3.38	-15.5	-13.3
Flag Ship Acquisition **FSHPU** June 18/$10.00	10.09	0.9	0.9
Lionheart Holdings **CUBWU** June 18/$10.00	9.97	-0.3	-0.4
Melar Acquisition I **MACIU** June 18/$10.00	10.02	0.2	0.2
Tempus AI **TEM** June 14/$37.00	41.40	11.9	2.9
Perceptive Capital Solutions **PCSC** June 12/$10.00	10.06	0.6	0.1
Centurion Acquisition **ALFUU** June 11/$10.00	10.04	0.4	0.1

Sources: Dow Jones Market Data; FactSet

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 286.63 points, or 0.72%, on the week. A $1 change in the price of any DJIA stock = 6.57-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $32,261, or a gain of 7.54%, on the $30,000 investment, including reinvested dividends.

The Week's Action Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '23)
10.52	53.80	353.44	**UnitedHealth Group**	UNH	$565.33	$1,083
3.59	12.04	79.10	**Caterpillar**	CAT	347.63	1,185
3.21	4.81	31.60	**Johnson & Johnson**	JNJ	154.69	1,003
2.50	1.59	10.45	**Coca-Cola**	KO	65.29	1,125
2.36	4.84	31.80	**JPMorgan Chase**	JPM	209.78	1,255
2.29	3.56	23.39	**Chevron**	CVX	159.15	1,089
2.18	1.51	9.92	**Walmart**	WMT	70.75	1,356
1.87	0.99	6.50	**Dow**	DOW	53.90	1,007
1.57	3.75	24.64	**American Express**	AXP	242.38	1,306
1.33	3.38	22.21	**McDonald's**	MCD	257.28	878
1.05	5.05	33.18	**Goldman Sachs**	GS	484.93	1,274
1.00	3.59	23.58	**Home Depot**	HD	363.36	1,062
0.81	1.35	8.87	**Procter & Gamble**	PG	167.96	1,168
0.46	0.19	1.25	**Verizon**	VZ	41.62	1,160
0.23	0.42	2.76	**IBM**	IBM	183.25	1,142
0.14	0.46	3.02	**Amgen**	AMGN	331.29	1,167
-0.11	-0.28	-1.84	**Visa**	V	265.46	1,023
-0.12	-0.12	-0.79	**3M**	MMM	103.92	1,164
-0.13	-0.06	-0.39	**Cisco**	CSCO	47.32	960
-0.23	-0.50	-3.28	**Honeywell**	HON	214.61	1,034
-0.98	-0.72	-4.73	**Nike**	NKE	72.70	675
-1.43	-1.39	-9.13	**Walt Disney**	DIS	95.74	1,065
-1.45	-2.64	-17.34	**Boeing**	BA	179.67	689
-1.56	-1.99	-13.07	**Merck**	MRK	125.77	1,168
-2.50	-6.34	-41.65	**Salesforce**	CRM	247.63	944
-2.70	-6.23	-40.93	**Apple**	AAPL	224.31	1,168
-3.62	-16.44	-108.00	**Microsoft**	MSFT	437.11	1,167
-3.84	-8.12	-53.35	**Travelers**	TRV	203.48	1,078
-4.38	-1.51	-9.92	**Intel**	INTC	32.98	661
-5.84	-11.36	-74.63	**Amazon.com**	AMZN	183.13	1,205

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0011	924.3133	14.3
Brazil real	.1787	5.5973	15.3
Canada dollar	.7285	1.3728	3.6
Chile peso	.001068	936.21	7.0
Colombia peso	.000249	4018.01	3.7
Ecuador US dollar	1	1	unch
Mexico peso	.0554	18.0523	6.4
Uruguay peso	.02482	40.2827	3.1
Asia-Pacific			
Australia dollar	.6686	1.4957	1.9
China yuan	.1376	7.2700	2.2
Hong Kong dollar	.1280	7.8102	...
India rupee	.01194	83.730	0.7
Indonesia rupiah	.0000617	16213	5.4
Japan yen	.006351	157.46	11.6
Kazakhstan tenge	.002103	475.46	4.4
Macau pataca	.1242	8.0490	-0.1
Malaysia ringgit	.2133	4.6875	2.0
New Zealand dollar	.6009	1.6642	5.2
Pakistan rupee	.00359	278.250	-1.0
Philippines peso	.0171	58.399	5.4
Singapore dollar	.7434	1.3452	1.9
South Korea won	.0007195	1389.86	7.4
Sri Lanka rupee	.0032942	303.56	-6.3
Taiwan dollar	.03049	32.796	6.8
Thailand baht	.02750	36.360	5.8
Vietnam dong	.00003948	25326	4.4
Europe			
Czech Rep. koruna	.04315	23.177	3.6
Denmark krone	.1459	6.8557	1.2
Euro area euro	1.0885	.9187	1.4
Hungary forint	.002785	359.06	3.4
Iceland krona	.007270	137.55	1.1
Norway krone	.0916	10.9158	7.3
Poland zloty	.2539	3.9385	0.1
Sweden krona	.0936	10.6792	5.7
Switzerland franc	1.1250	.8889	5.6
Turkey lira	.0303	33.0348	12.1
Ukraine hryvnia	.0241	41.5500	8.9
UK pound	1.2913	.7744	-1.4
Middle East/Africa			
Bahrain dinar	2.6529	.3770	unch
Egypt pound	.0207	48.2446	56.0
Israel shekel	.2743	3.6460	1.2
Kuwait dinar	3.2706	.3058	-0.5
Oman sul rial	2.5974	.3850	0.01
Qatar rial	.2747	3.641	-0.1
Saudi Arabia riyal	.2666	3.7511	0.03
South Africa rand	.0547	18.2780	-0.1

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	99.45	0.17	0.17	3.77

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: Lipper

Friday, July 19, 2024

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc ADX	23.69	21.84	-7.8	36.0
Central Secs CET	52.73	44.44	-15.7	26.2
CohenStrsCEOppFd FOF	11.73	12.01	+2.4	19.9
EVTxAdvDivIncm EVT	25.93	23.75	-8.4	9.7
GabelliDiv&IncTr GDV	27.30	23.37	-14.4	14.1
Gabelli Equity Tr GAB	5.34	5.34	0.0	4.6
GeneralAmer GAM	61.08	51.16	-16.2	29.1
JHancockTaxAdvDiv HTD	22.84	20.40	-10.7	7.1
Liberty All-Star Equity USA	6.91	6.68	-3.3	6.8
Liberty All-Star Growth ASG	5.78	5.38	-6.9	3.8
Royce Micro-Cap Tr RMT	11.00	9.70	-11.8	16.6
Royce Value Trust RVT	17.33	15.41	-11.1	17.9
Source Capital SOR	46.05	44.04	-4.4	22.2
Sprott Focus Trust FUND	8.92	7.90	-11.5	2.3
SRH Total Return STEW	19.37	15.10	-22.0	14.9
Tri-Continental TY	35.70	31.06	-13.0	16.4
Specialized Equity Funds				
abrdn Glb Prem Prop AWP	4.07	4.18	+2.7	16.9
abrdn Global Infra Inc ASGI	20.66	19.31	-6.5	16.6
Adams Natural Resources PEO	27.46	24.01	-12.6	18.0
ASA Gold & Prec Met Ltd ASA	21.55	19.15	-11.1	22.8
BR Enh C&I CII	21.22	19.34	-8.0	10.2
BlackRock Energy & Res BGR	14.93	13.19	-11.7	14.5
BlackRock Eq Enh Div BDJ	9.22	8.16	-11.5	7.3
BlackRock Enh Glbl Div BOE	12.27	10.68	-13.0	13.3
BlackRock Enh Intl Div BGY	6.33	5.56	-12.2	9.5
BlackRock ESG Cap All T ECAT	18.48	17.51	-5.2	25.3
BlackRock Hlth Sci Term BMEZ	17.81	15.70	-11.8	5.4
BlackRock Hlth Sciences BME	44.38	41.13	-7.3	7.1
BlackRock Innov&Gro Term BIGZ	8.35	7.31	-12.5	0.0
BlackRock Res & Comm BCX	10.58	9.30	-12.1	5.3
BlackRock Sci&Tech Term BSTZ	21.86	19.45	-11.0	15.5
BlackRock Sci&Tech Trust BST	37.62	35.63	-5.3	12.9
BlackRock Utl Inf & Pwr BUI	22.83	22.53	-1.3	3.3
CLEARBRIDGE ENGY MDS OPP EMO	47.44	41.00	-13.6	41.1
CLEARBRIDGE MLP&MDSTM TR CTR	47.39	40.75	-14.0	34.5
ClearBridge MLP & Midstrm CEM	52.78	44.30	-16.1	34.0
ChnStrInfr UTF	23.60	24.01	+1.7	13.3
Cohen&SteersQualInc RQI	13.09	12.22	-6.6	11.0
CohenStrs Real Est and I RLTY	16.31	15.06	-7.7	17.7
Cohen&Steers TotRet RFI	11.85	11.94	+0.8	10.2
CohenStrsREITPrefInc RNP	21.22	21.25	+0.1	19.3
Columbia Sel Prm Tech Gr STK	32.31	32.77	+1.4	17.4
DNP Select Income DNP	8.29	8.61	+3.9	-7.0
Duff&Ph Uti&Infra Inc Fd DPG	11.63	10.24	-12.0	12.2
EtnVncEqtyInc EOI	19.48	18.89	-3.0	22.2
EtnVncEqtyIncoII EOS	22.31	21.12	-5.3	25.1
EVRskMnDvsEqInc ETJ	9.40	8.61	-8.4	11.9
EtnVncTxMgdBuyWrtInc ETB	15.16	14.12	-6.9	10.8
EtnVncTxMgdBuyWrtOpp ETV	14.24	13.58	-4.6	12.9
EvTxMnDvsEqInc ETY	14.47	13.79	-4.7	18.3
EtnVncTxMgdGlbB ETW	9.36	8.28	-11.5	8.8
EVTxMnGblDvEqInc EXG	9.39	8.43	-10.2	14.6
Ecofin S&S Impact Term TEAF	14.88	12.26	-17.6	4.5
First Tr Enhanced Eq FFA	20.62	19.69	-4.5	17.9
Gabelli Healthcare GRX	11.71	10.04	-14.3	5.6
Gab Utility GUT	2.90	6.01	107.2	4.2
GAMCOGlGold&NatRes GGN	4.14	4.12	-0.6	18.6
J Han Finl Opptys BTO	32.11	31.67	-1.4	14.9
Neuberger Brmn Enrgy I&I NML	NA	8.04	NA	28.0
Neuberger Next Gen Conn NBXG	14.01	12.40	-11.5	26.8
Nuv Dow 30 Dyn Overwrite DIAX	16.25	14.15	-12.9	7.7
NuvCorEqAlpha JCE	14.74	14.71	-0.2	22.8
Nuveen Nasdaq 100 Dyn Ov QQQX	27.38	24.58	-10.2	7.2
Nuv Real Est JRS	8.95	8.19	-8.5	16.6
NuvS&P500DynOvFd SPXX	17.69	16.22	-8.3	10.6
NuvSP500BuyIncFd BXMX	14.88	13.33	-10.4	5.6
ReavesUtilityIncome UTG	27.79	28.30	+1.8	8.7
Tortoise Energy Infra Crp TYG	41.81	35.37	-15.4	25.8
Tortoise Midstream Energy NTG	52.03	43.99	-15.5	35.0
VDivInt&PremStr NFJ	14.40	12.44	-13.6	7.3
V Art Int&Tech Opps AIO	21.58	20.88	-3.2	21.7
Income & Preferred Stock Funds				
Dividend and Income BXSY	20.21	13.13	-35.0	21.8
CalamosStratTot CSQ	17.10	17.02	-0.5	22.5
CohenStrsLtdDurPref&Inc LDP	21.43	20.02	-6.6	21.1
CohenStrsSelPref&Income PSF	21.19	19.92	-6.0	17.7
CohenStrsTaxAvPreSecs&I PTA	20.68	19.55	-5.5	19.6
FirstTrIntDurPref&Inc FPF	19.27	18.07	-6.2	26.5
JHanPrefInc HPI	16.27	17.19	+5.7	25.0
JHPrefIncII HPF	16.14	16.96	+5.1	24.3
HnckJPfdIncoIII HPS	14.51	16.14	+11.2	29.2
J Han Prm PDT	12.71	11.74	-7.6	12.6
LMP CapInco SCD	17.10	15.56	-9.0	32.8
Nuveen Pref & Inc Opp JPC	8.02	7.53	-6.1	26.4
Nuveen Pref & Inc Term JPI	19.95	19.81	-0.7	24.2
Nuveen Var Rate P&I NPFD	20.16	18.13	-10.1	21.9
TCW Strat Income TSI	5.14	4.88	-5.1	9.7
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd AVK	12.32	12.69	+3.0	23.0
CalamosConvHi CHY	10.57	11.33	+7.2	13.4
CalamosConvOp CHI	9.99	11.71	+17.2	20.2
V Conv & Inc 2024 TT CBH	9.18	9.08	-1.1	8.6
V Conv & Inc NCV	3.71	3.43	-7.5	12.3
V Conv & Inc II NCZ	3.30	2.88	-12.7	6.8
V Div Inc & Conv ACV	21.55	20.65	-4.2	14.5
V Eqty & Conv Inc NIE	25.06	22.76	-9.2	16.5
World Equity Funds				
abrdn Emg Mkts Eq Inc AEF	6.15	5.32	-13.5	8.5
abrdn Glbl Dyn Div AGD	11.41	9.97	-12.6	11.7
abrdn Tot Dyn Div AOD	9.87	8.57	-13.2	10.9
Allspring Gl Div Oppty EOD	5.64	4.93	-12.6	21.1
Calamos GloDynInc CHW	7.62	6.93	-9.1	24.6
EV TxAdvGlbDivInc ETG	20.89	18.74	-10.3	16.9
EtnVncTxAdvOpp ETO	28.13	25.62	-8.9	17.1
Highland Global Alloc HGLB	11.47	7.70	-32.9	0.9
India Fund IFN	19.97	18.00	-9.9	16.3
Japan Smaller Cap JOF	9.66	7.74	-19.9	9.8
LazardGlbTotRetInc LGI	18.24	16.41	-10.0	13.4
Mexico MXF	20.58	16.35	-20.6	-0.7
Miller/Howard High Inc E HIE	NA	11.46	NA	17.8
MS ChinaShrFd CAF	14.64	11.73	-19.9	-7.0
MS India IIF	32.74	26.88	-17.9	38.4
MS CBRE Gl In Mg Term MEGI	14.77	13.32	-9.8	5.1
New Germany GF	NA	8.48	NA	-8.3
Nuveen Multi-Asset Inc NMAI	13.81	13.16	-4.7	25.1
Nuveen RI Asst Inc & Gro JRI	13.51	12.42	-8.1	18.7
Templeton Dragon TDF	9.50	7.97	-16.1	-13.5
Templeton Em Mkt EMF	14.58	12.50	-14.3	9.1

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income BKT	12.17	12.04	-1.1	8.8
Investment Grade Bond Funds				
Angel Oak FS Inc Trm FINS	13.72	12.59	-8.2	10.3
BIRck Core Bond BHK	10.62	10.91	+2.7	8.4
BR Credit Alloc Inc BTZ	11.38	10.51	-7.6	9.4
Insight Select Income INSI	17.55	16.37	-6.7	4.9
InvescoBond VBF	16.31	16.04	-1.7	5.1
J Han Income JHS	12.08	11.15	-7.7	4.0
MFS Intmdt MIN	2.83	2.66	-6.2	0.0
Western Asset Inf-Lk Inc WIA	9.28	8.03	-13.5	8.7
Western Asset Inf-Lk O&I WIW	9.93	8.50	-14.4	9.2
Westn Asst IG Def Opp Tr IGI	17.56	17.25	-1.8	4.8
Loan Participation Funds				
Apollo Senior Floating AFT	14.73	14.86	+0.9	11.1
BR Debt Strategy DSU	10.72	10.91	+1.8	10.5
BR F/R Inc Str FRA	13.04	13.53	+3.8	11.2
BlackRock Floatng Rt Inc BGT	12.70	13.09	+3.1	11.0
Blackstone Lng-Sh Cr Inc BGX	13.34	12.48	-6.4	10.2
BS SFR 2027 T BSL	14.86	13.98	-5.9	9.8
BS St Cr 2027 Tm BGB	12.85	11.81	-8.1	9.7
EtnVncFltRteInc EFT	13.29	13.55	+2.0	10.7
EV SenFlRtTr EFR	13.00	13.11	+0.8	10.7
FT/Sr Fltg Rte Inc 2 FCT	10.93	10.32	-5.6	11.5
Highland Oppty & Income HFRO	13.02	6.10	-53.1	11.0
InvDYCrOpp:AX VTA	NA	NA	NA	NA
InvSnrIncTr VVR	4.01	4.24	+5.7	11.6
Nuveen Credit Strat Inc JQC	5.89	5.60	-4.9	11.4
NuvFloatRateIncFd JFR	9.25	8.74	-5.5	11.6
High Yield Bond Funds				
abrdn Inc Credit Str ACP	6.63	6.71	+1.2	17.7
AllianceBernGlHiIncm AWF	11.19	10.41	-7.0	7.7
Allspring Income Oppty EAD	7.33	6.75	-7.9	9.0
Barings Glb SD HY Bd BGH	15.99	14.90	-6.8	9.9
BR Corporate HY HYT	9.67	9.79	+1.2	9.6
BlackRock Ltd Dur Inc BLW	14.03	13.94	-0.6	9.0
BNY Mellon Hi Yield Str DHF	2.72	2.43	-10.7	7.8
Brookfield Real Asst Inc RA	NA	12.62	NA	8.1
CrSuisHighYld DHY	2.20	2.06	-6.4	9.2
DoubleLine Inc Sol DSL	12.46	12.43	-0.2	10.3
DoubleLine Yld Opps DLY	16.04	15.78	-1.6	9.2
First Tr Hi Inc Lng/Shrt FSD	12.56	12.22	-2.7	10.2
First Trust HY Opp:2027 FTHY	15.33	14.67	-4.3	10.8
Franklin Univ FT	7.86	6.86	-12.7	7.4
KKR Income Opportunities KIO	13.50	13.94	+3.3	10.6
NeubHgYldStrt NHS	7.89	8.00	+1.4	13.8
New Amer Hi Inc HYB	8.29	7.37	-11.2	6.6
Nuveen Global High Inc JGH	13.48	12.63	-6.3	9.7
PGIM Global High Yield GHY	12.97	12.25	-5.6	10.6
PGIM High Yield Bond ISD	13.89	13.18	-5.1	9.7
PGIM Sh Dur Hi Yld Opp SDHY	17.50	15.53	-11.3	8.4
PioneerHilncm PHT	8.20	7.59	-7.5	8.7
WstAstHIF II HIX	4.56	4.46	-2.2	13.5
Western Asset Hi Inc Opp HIO	4.17	3.88	-7.0	10.8
Western Asset Hi Yld D O HYI	12.19	11.81	-3.1	9.8
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector ERC	9.97	9.08	-9.0	8.7
Apollo Tactical Income AIF	14.57	14.82	+1.7	10.8
Ares Dynamic Crdt Alloc ARDC	14.82	15.10	+1.9	9.4
BlackRock Mlt-Sctr Inc BIT	14.54	14.57	+0.2	10.1
BlackRock Tax Muni Bd BBN	17.63	16.48	-6.5	6.8
DoubleLine:Oppor Crdt Fd DBL	15.32	15.47	+1.0	6.8
EVLmtDurIncm EVV	10.61	9.67	-8.9	9.6
Franklin Ltd Dur Income FTF	7.07	6.54	-7.5	11.3
FS Credit Opportunities FSCO	NA	NA	NA	10.9
J Han Investors JHI	14.74	13.38	-9.3	6.7
MFS Charter MCR	6.82	6.28	-7.9	0.0
NuvCorePlusImpact NPCT	12.01	11.17	-7.0	9.8
Nuveen Taxable Muni Inc NBB	16.70	15.72	-5.9	5.5
PIMCO Corp & Inc Oppty PTY	11.18	14.23	+27.3	9.96
PIMCO Corp & Inc Strat PCN	11.42	13.45	+17.8	10.2
PIMCOHilnco PHK	4.56	4.77	+4.6	11.9
PIMCO IncmStrFd PFL	7.85	8.14	+3.7	11.9
PIMCO IncmStrFd II PFN	6.92	7.02	+1.4	12.0
Putnam Prem Inc PPT	3.83	3.62	-5.6	8.5
Western Asset Dvsfd Inc WDI	15.63	14.88	-4.8	10.7
World Income Funds				
abrdn AP IncFd FAX	2.97	2.83	-4.7	12.3
MS EmMktDomDebt EDD	5.29	4.82	-8.9	6.9
PIMCO Access Income PAXS	15.06	15.09	+0.2	11.3
PIMCO Dynamic Inc Strat PDX	25.35	23.04	-9.1	4.6
PIMCO Dynamic Income PDI	16.79	18.94	+12.8	14.0
PIMCO Dynamic Inc Opp PDO	12.71	13.23	+4.1	11.5
PIMCO Stratg Inc RCS	4.41	6.47	+46.7	9.8
Templtn Glbl Inc SABA	8.84	8.06	-8.8	NE
Templeton Em Inc TEI	5.88	5.40	-8.2	10.6
WstAstEmergDebt EMD	10.52	9.78	-7.0	10.5
Western Asset Gl Cr D Op GDO	12.70	12.57	-1.0	10.1
National Muni Bond Funds				
AllBerNatlMunInc AFB	12.65	11.25	-11.1	3.5
BlckRk Inv Q Mun BKN	13.04	11.96	-8.3	4.9
BlackRock Muni 2030 Tgt BTT	23.80	20.81	-12.6	2.8
BlackRock Muni BFK	11.41	10.04	-12.0	4.9
BlackRock Muni II BLE	12.13	10.71	-11.7	4.9
BlckRk Muni Inc Qly BYM	12.66	11.46	-9.5	4.8
BR MuniAssets Fd MUA	11.83	11.65	-1.5	5.1
BR MH Qly 2 MUE	11.61	10.17	-12.4	4.5
BR MuniHoldngs MHD	13.59	11.89	-12.5	4.5
BR MuniVest Fd MVF	8.04	7.24	-10.0	4.3
BR MuniVest 2 MVT	12.38	10.92	-11.8	4.6
BR MuniYield Fd MYD	12.13	10.80	-11.0	5.0
BR MuniYield Qlty MQY	13.19	12.26	-7.1	5.0
BR MuniYld Qlty2 MQT	11.64	10.39	-10.8	5.0
BR MuniYld Qly 3 MYI	12.50	11.26	-9.9	5.2
BNY Mellon Muni Bd Infra DMB	12.18	10.61	-12.9	3.7
BNY Mellon Str Muni Bond DSM	6.80	5.90	-13.3	3.7
BNY Mellon Strat Muni LEO	7.11	6.14	-13.6	3.7
DWS Muni Inc KTF	NA	9.55	NA	4.4
EVMuniBd EIM	11.45	10.21	-10.8	4.6
EVMunilncm EVN	11.39	10.52	-7.7	4.8
EVNatMuniOpp EOT	18.68	16.59	-11.2	4.2
InvAdvMuIncTrII VKI	9.81	8.79	-10.4	4.6
Invesco MuniOp OIA	6.45	6.42	-0.5	5.2
InvescoMuOppTr VMO	10.97	9.87	-10.0	4.5
InvescoMuTr VKQ	11.00	9.81	-10.8	4.6
InvescoQual Inc IQI	11.05	9.86	-10.8	4.8
InvTrInvGrMu VGM	11.34	10.10	-10.9	4.5
InvescoValMunInc IIM	13.49	12.24	-9.3	4.7
MAINSTAY:MK DEFTR MUN OP MMD	16.98	16.48	-2.9	4.5
NeubrgrBrm NBH	12.21	10.77	-11.8	4.2
Nuveen AMT-Fr Mu Val NUW	15.28	13.69	-10.4	3.6
Nuveen AMT-Fr Mu CI NVG	12.63	11.31	-10.5	4.6
Nuveen AMT-Fr Mu CI NVG	13.83	12.30	-11.1	5.0
Nuveen Dyn Muni Opp NDMO	11.19	10.73	-4.1	6.8
Nuveen Mu Crdt Opps NMCO	12.13	10.96	-9.6	5.4
Nuv Muni Credit Income NZF	13.83	12.29	-11.1	5.1
NuvMuniHilncOpp NMZ	11.49	10.67	-7.1	5.1
Nuveen Muni Val NUV	9.35	8.72	-6.7	4.0
Nuveen Quality Muni Inc NAD	13.06	11.76	-10.0	4.7
Nuveen Sel TF NXP	14.59	14.73	+1.0	4.0
PIMCO MunilInc PMF	9.54	9.23	-3.2	5.5
PIMCOMunilncII PML	8.85	8.40	-5.1	5.5
Pimco Muni III PMX	8.17	7.88	-3.5	5.0
PioneerHilncAdv MAV	9.24	8.33	-9.8	4.2
PionrMunilncAdv MIO	12.91	11.82	-8.4	4.6
PioneerMunHilcm MHI	10.04	9.10	-9.4	3.9
Putnam Mgd Inc PMM	6.90	6.14	-11.0	3.8
Putnam Muni Opp PMO	11.62	10.30	-11.4	4.0
RiverNorth Flx Mu Inc II RFMZ	15.51	14.00	-9.7	7.3
RiverNorth Mgd Dur Mun I RMM	15.87	14.75	-7.1	6.5
Western Asset Mgd Muni MMU	11.72	10.48	-10.6	5.0
Single State Muni Bond				
BlackRock CA Mun BFZ	12.84	11.93	-7.1	4.6
BR MH CA Qly Fd Inc MUC	12.57	11.01	-12.4	4.5
BR MH NJ Qly MUJ	13.01	11.34	-12.8	4.7
BR MH NY Qly MHN	12.00	10.70	-11.5	4.4
BR MuniYld MI Qly MIY	13.06	11.48	-12.1	4.3
BR MuniYld NY Qly MYN	11.71	10.39	-11.3	4.4
BlackRock NY Mun BNY	12.03	10.70	-11.1	4.2
EVCAMuniBd EVM	10.40	9.57	-8.0	4.2
Eaton Vance NY Muni Bd ENX	10.82	9.87	-8.8	4.2
InvCaValMunIncTr VCV	11.32	10.45	-7.7	4.2
InvPAValMunIncTr VPV	11.75	10.78	-8.3	3.7
InvTrInvGrNYMu VTN	12.03	11.19	-7.0	4.0
Nuveen CA AMT-F Qual MI NKX	13.22	12.67	-4.2	4.6
Nuveen CA Val NCA	9.38	8.70	-7.2	4.0
NuveenCAQtyMuInc NAC	12.72	11.43	-10.1	4.6
NuvNJ Qual Muni Inc NXJ	13.59	12.45	-8.4	3.9
Nuveen NY AMT/Fr Qual MI NRK	12.01	10.84	-9.7	4.6
Nuveen NY Val NNY	9.03	8.34	-7.6	4.0
Nuveen NY Qual Muni Inc NAN	12.49	11.30	-9.6	4.7
Nuveen PA Qual Muni Inc NQP	13.66	12.21	-10.6	3.7
Nuveen VA Qlty Mun Inc NPV	12.51	11.57	-7.5	4.2
PIMCO CA PCQ	10.55	9.41	-10.8	4.3
PIMCOCAMunilI PCK	6.73	5.88	-12.6	4.4
PIMCO CA Muni III PZC	7.80	7.29	-6.5	4.9

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	15.59	NA	NA	-7.6
First Trust Hdg Strat;A	10.71	NA	NA	8.0
First Trust Hdg Str;I	10.75	NA	NA	8.7
Specialized Equity Funds				
Accordant ODCE Index;A	9.36	NA	NA	NS
Accordant ODCE Index;I	9.38	NA	NA	NS
Accordant ODCE Index;Y	9.38	NA	NA	NS
Apollo Diversified RE:A	25.09	NA	NA	-2.1
Apollo Diversified RE:C	23.47	NA	NA	-2.9
Apollo Diversified RE:I	25.66	NA	NA	-1.9
ArrowMark Financial Corp BANX	NA	19.34	NA	NA
Bluerock Total Inc+ RE:A	27.10	NA	NA	-12.2
Bluerock Total Inc+ RE:C	25.12	NA	NA	-12.9
Bluerock Total Inc+ RE:I	27.87	NA	NA	-12.0
Bluerock Total Inc+ RE:L	26.62	NA	NA	-12.4
Bluerock Total Inc+ RE:M	25.29	NA	NA	-12.6
CAZ Strategic Opps;I	NA	NA	NA	NS
CAZ Strategic Opps;R	NA	NA	NA	NS
CBRE GlbRlEst IGR	5.66	5.74	+1.4	5.2
CIM RA&C A	23.18	NA	NA	0.0
CIM RA&C C	22.46	NA	NA	-0.6
CIM RA&C I	23.42	NA	NA	0.3
CIM RA&C L	22.92	NA	NA	-0.1
Clarion Partners REI D	11.74	NA	NA	2.9
Clarion Partners REI I	11.75	NA	NA	3.2
Clarion Partners REI S	11.74	NA	NA	2.2
Clarion Partners REI T	11.73	NA	NA	2.3
First Tr Real Assets;I	9.21	NA	NA	0.7
Forum RE Income;I	9.65	NA	NA	NS
Forum RE Income;Founders	9.66	NA	NA	14.9
Forum RE Income;I	9.66	NA	NA	14.8
GS Real Est Div Inc:A	8.45	NA	NA	-4.5
GS Real Est Div Inc:C	8.45	NA	NA	-5.1
GS Real Est Div Inc:I	8.93	NA	NA	-4.1
GS Real Est Div Inc:L	8.46	NA	NA	-4.7
GS Real Est Div Inc:P	8.94	NA	NA	-4.1
GS Real Est Div Inc:W	8.62	NA	NA	-4.4
Private Opps A	NA	NA	NA	NS
Private Opps I	NA	NA	NA	NS
Private Opps SDR	NA	NA	NA	NS
JACKSON REAL ASSETS;I	10.31	NA	NA	NS
MEKETA INFRSTRCTR;F	25.78	NA	NA	NS
MEKETA INFRSTRCTR;II	25.77	NA	NA	NS
NexPointRlEstStrat;A	16.80	NA	NA	-4.4
NexPointRlEstStrat;C	17.02	NA	NA	-5.1
NexPointRlEstStrat;Z	17.03	NA	NA	-4.2
PIMCO Flexible REI;Inst	10.50	NA	NA	11.4
PREDEX;I	23.47	NA	NA	-10.6
PREDEX;T	23.55	NA	NA	-10.8
PREDEX;W	23.55	NA	NA	-10.8
Principal Real Asst A	25.40	NA	NA	2.2
Principal Real Asst Ins	25.51	NA	NA	2.5
Principal Real Asst Y	25.79	NA	NA	2.7
Redwood RI Est;I	25.18	NA	NA	7.0
The Private Shares;A	39.54	NA	NA	-1.1
The Private Shares;I	40.23	NA	NA	-0.8
The Private Shares;L	38.87	NA	NA	-1.3
Thirdline Real Estate;I	10.05	NA	NA	7.2
USQ Core Real Estate:I	22.58	NA	NA	-11.5
USQ Core Real Estate:IS	22.65	NA	NA	-11.4
Versus Cap MMgr RE Inc;I	24.65	NA	NA	-5.6
Versus Capital Real Asst	27.79	NA	NA	2.6
Wildermuth:I	7.26	NA	NA	-27.8
Income & Preferred Stock Funds				
Alpha Alternative Assets	6.21	NA	NA	1.8
Calamos L/S Eqty and DI CPZ	17.57	15.76	-10.3	5.5
Carlyle AlpInv Pvt Mkt:A	NA	NA	NA	NS
Denali Strctr Rtrn Strat	10.68	NA	NA	NS
First Trust Alt Opps;A	26.61	NA	NA	9.4
First Trust Alt Opps;A	27.05	NA	NA	10.2
Flat Rock Opportunity	19.32	NA	NA	21.7
Lord Abbett Spec Sit I:A	9.34	NA	NA	12.2
Lord Abbett Spec Sit I:I	9.35	NA	NA	13.1
Variant Altrntv Inc:Inst	27.34	NA	NA	5.5
Variant Impact;Instl	28.18	NA	NA	10.8
Versus Capital Infra Inc	10.32	NA	NA	NS
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc CCD	19.19	23.25	+21.2	6.2
World Equity Funds				
BEACON POINTE MLT-ALT;I	10.03	NA	NA	NS
CalamosGlbTotRet CGO	11.73	11.35	-3.2	23.3
Cantor Fitzgerald SI:A	11.61	NA	NA	12.1
Cantor Fitzgerald SI:C	11.48	NA	NA	11.3
Cantor Fitzgerald SI:I	11.63	NA	NA	12.4
CANTOR FITZGERALD INFRS	11.65	NA	NA	NS
Primark Priv Eq Inv:I	13.23	NA	NA	13.9
Sweater Cashmere	22.16	NA	NA	7.1
Thornburg Inc Bldr Opps TBLD	18.61	16.40	-11.9	11.5
VirtusTotalRetFd ZTR	6.43	5.74	-10.7	4.5

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	0.0
Ellington Inc Opp:A	9.00	NA	NA	13.2
Ellington Inc Opp:M	8.86	NA	NA	14.0
Loan Participation Funds				
1WS Credit Income;A2	18.88	NA	NA	7.9
1WS Credit Income;Inst	19.32	NA	NA	7.8
Apollo Diversified Cd:A	21.95	NA	NA	9.2
Apollo Diversified Cd:C	21.95	NA	NA	8.4
Apollo Diversified Cd:F	21.95	NA	NA	11.6
Apollo Diversified Cd:I	21.95	NA	NA	9.4
Apollo Diversified Cd:L	21.94	NA	NA	8.9
Apollo Diversified Cd:M	21.95	NA	NA	8.7
Axonic Alternative I;A	20.14	NA	NA	NS
Axonic Alternative I Ins	20.24	NA	NA	8.8
Bluerock HI Inst Crd:A	23.66	NA	NA	13.9
Bluerock HI Inst Crd:C	23.65	NA	NA	13.8
Bluerock HI Inst Crd:F	23.65	NA	NA	13.9
Bluerock HI Inst Crd:I	23.67	NA	NA	13.8
BNYM Alcntr Glb MS Cr Fd	93.55	NA	NA	11.2
CliffwaterClFd;I	10.71	NA	NA	10.8
CliffwaterElFd;I	10.95	NA	NA	10.5
CNR Strategic Credit	7.15	NA	NA	22.8
Floating-Rate Opps;A	10.23	NA	NA	NS
Floating-Rate Opps;I	10.22	NA	NA	NS
Floating-Rate Opps;U	10.23	NA	NA	NS
Equalize Community Dev	9.28	NA	NA	3.6
FedProj&TrFinanceTendr	9.99	NA	NA	7.2
Flat Rock Core Income	20.72	NA	NA	9.7
Flat Rock Enhanced Inc	21.70	NA	NA	10.7
InvDYCrOpp:A	NA	NA	NA	10.9
InvDYCrOpp:R6	NA	NA	NA	11.2
InvDYCrOpp:Y	NA	NA	NA	11.1
Invesco Sr Loan A	5.83	NA	NA	9.8
Invesco Sr Loan C	5.85	NA	NA	9.0
Invesco Sr Loan IB	5.83	NA	NA	10.0
Invesco Sr Loan IC	5.83	NA	NA	9.9
Invesco Sr Loan Y	5.83	NA	NA	10.0
Lord Abbett FR Hi Inc:A	10.24	NA	NA	10.4
Lord Abbett FR Hi Inc:I	10.24	NA	NA	10.7
Monachil Credit Income:I	10.04	NA	NA	8.6
Nomura Alt Inc:I	10.04	NA	NA	6.7
OFS Credit Company OCCI	NA	7.16	NA	18.7
SEI Alternative Income:F	10.35	NA	NA	NS
SEI Alternative Income:Y	10.35	NA	NA	NS
Voya Enhanced Sec Inc:A	10.22	NA	NA	NS
Voya Enhanced Sec Inc:C	10.22	NA	NA	NS
Voya Enhanced Sec Inc:I	10.22	NA	NA	NS
Yieldstreet Alt Inc	NA	NA	NA	8.7
High Yield Bond Funds				
Opprtnstc Crdt Intrvl;I	11.58	NA	NA	10.8
PIMCO Flexible Cr I;A-1	6.97	NA	NA	10.5
PIMCO Flexible Cr I;A-2	6.97	NA	NA	10.5
PIMCO Flexible Cr I;A-3	6.97	NA	NA	10.2
PIMCO Flexible Cr I;A-4	6.97	NA	NA	10.2
PIMCO Flexible Cr I;Inst	6.97	NA	NA	11.0
Polen Credit Opps;Inst	10.01	NA	NA	NS
Other Domestic Taxable Bond Funds				
AFA Private Credit;Fndr	9.52	NA	NA	7.7
AFA Private Credit;Inst	9.54	NA	NA	7.7
Alternative Credit Inc:A	9.74	NA	NA	7.1
Alternative Credit Inc:C	9.85	NA	NA	6.3
Alternative Credit Inc:I	9.76	NA	NA	7.4
Alternative Credit Inc:L	9.74	NA	NA	6.8
Alternative Credit Inc:W	9.74	NA	NA	7.1
AMG Pantheon Crdt Solu;I	10.25	NA	NA	NS
AMG Pantheon Crdt Soln;S	10.34	NA	NA	NS
Angel Oak Str Crdt:FI	21.39	NA	NA	7.7
Angel Oak Str Crdt:Inst	21.38	NA	NA	7.7
BR Credit Strat;A	8.55	NA	NA	8.5
BR Credit Strat;Inst	8.52	NA	NA	9.2
BR Credit Strat;U	8.54	NA	NA	8.5
BR Credit Strat;W	8.55	NA	NA	8.5
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	8.5
CION Ares Dvsfd Crdt:U2	NA	NA	NA	8.5
CION Ares Dvsfd Crdt;W	NA	NA	NA	8.6
CNR Select Strategies	14.67	NA	NA	0.0
First Eagle Crdt Opps A	23.39	NA	NA	10.7
First Eagle Crdt Opps A2	23.32	NA	NA	10.4
First Eagle Crdt Opps I	23.35	NA	NA	11.3
First Trust Private Cr;A	10.37	NA	NA	8.8
First Trust Private Cr;I	10.39	NA	NA	9.5
Franklin BSP Pvt Cr:A	10.44	NA	NA	7.8
Franklin BSP Pvt Cr:Adv	10.45	NA	NA	8.2
FS Credit Income;A	12.43	NA	NA	7.6
FS Credit Income;I	12.46	NA	NA	7.8
FS Credit Income;T	12.45	NA	NA	7.3
FS Credit Income;U	12.41	NA	NA	7.1
FS Credit Income;U-2	12.51	NA	NA	7.3
GL Beyond Income	0.38	NA	NA	0.0
KKR CREDIT OPPTY;D	22.59	NA	NA	9.0
KKR CREDIT OPPTY;I	24.32	NA	NA	9.3
KKR CREDIT OPPTY;T	24.09	NA	NA	8.5
KKR CREDIT OPPTY;U	23.19	NA	NA	8.5
MA SPECIALTY CREDIT INS	25.11	NA	NA	NS
NIAGARA INCOME OPPORTNTS	10.33	NA	NA	NS
Palmer Square Opp Inc	18.02	NA	NA	9.5
World Income Funds				
BlueBay Destra Itl E:A	23.96	NA	NA	9.2
BlueBay Destra Itl E:I	23.99	NA	NA	9.4
BlueBay Destra Itl E:L	23.94	NA	NA	8.9
BlueBay Destra Itl E:T	23.82	NA	NA	8.8
Calamos-Aksia ACI:A	10.56	NA	NA	5.0
Calamos-Aksia ACI:C	10.56	NA	NA	4.4
Calamos-Aksia ACI:I	10.56	NA	NA	5.2
Calamos-Aksia ACI:M	10.56	NA	NA	4.6
Carlyle Tact Pvt Cred:A	8.54	NA	NA	9.8
Carlyle Tact Pvt Cred:I	8.58	NA	NA	10.1
Carlyle Tact Pvt Cred:L	8.53	NA	NA	9.6
Carlyle Tact Pvt Cred:M	8.58	NA	NA	9.6
Carlyle Tact Pvt Cred:N	8.53	NA	NA	10.3
Carlyle Tact Pvt Cred:U	8.58	NA	NA	9.5
Carlyle Tact Pvt Cred:Y	8.54	NA	NA	9.7
Fid MS Cr;A	NA	NA	NA	5.9
Fid MS Cr;C	NA	NA	NA	5.2
Fid MS Cr;I	NA	NA	NA	6.2
Fid MS Cr;L	NA	NA	NA	5.7
Jackson Credit Opps:I	10.25	NA	NA	NS
Lord Abbett Cred Opps Fd	8.98	NA	NA	9.0
Lord Abbett Cred Opps Fd	8.99	NA	NA	9.8
Lord Abbett Crd Opp:U	8.99	NA	NA	9.0
Oaktree Dvsfd Income;D	9.11	NA	NA	8.6
PIMCO Flexible EM I;Inst	8.49	NA	NA	7.8
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	8.41	NA	NA	3.4
Lind Cap Pt Mun Cred Inc	8.98	NA	NA	6.1
MainStay MacKay Mu IO;A1	10.15	NA	NA	NS
MainStay MacKay Mu IO;A2	10.15	NA	NA	NS
MainStay MacKay Mu IO;A3	10.15	NA	NA	NS
MainStay MacKay Mu IO;I	10.15	NA	NA	NS
Nuveen En HY Muni Bd:A1	7.73	NA	NA	5.0
Nuveen En HY Muni Bd:A2	7.74	NA	NA	5.3
Nuveen En HY Muni Bd:I	7.73	NA	NA	5.7
PIMCO Flex Mun Inc:A-3	10.40	NA	NA	3.5
PIMCO Flex Mun Inc:A1	10.40	NA	NA	3.7
PIMCO Flex Mun Inc;A2	10.40	NA	NA	3.8
PIMCO Flex Mun Inc;Inst	10.40	NA	NA	4.2
Single State Muni Bond				
PIMCO CA FMI;A-1	10.34	NA	NA	2.7
PIMCO CA FMI;Inst	10.34	NA	NA	3.3

New to the Market

Public and Private Borrowing

Treasurys

Monday, July 22

Auction of 13 and 26 week bills; announced on July 18; settles on July 25

Wednesday, July 24

Auction of 2 year FRN; announced on July 18; settles on July 31

Auction of 5 year note; announced on July 18; settles on July 31

Auction of 17 week bill; announced on July 23; settles on July 30

Tuesday, July 23

Auction of 2 year note; announced on July 18; settles on July 31

Thursday, July 25

Auction of 7 year note; announced on July 18; settles on July 31

Auction of 4 and 8 week bills; announced on July 23; settles on July 30

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on July 19, 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									
July 10-12	Citi Trends	CTRN	K. Seipel	CEO	283	18.97-19.06	5,378	19.28	-31.8
July 17-18	Adverum Biotechnologies	ADVM	B. Leonard	BI	216	7.75-9.11	1,786	8.17	8.5
July 12	Sunrise Realty Trust	SUNS	L. Tannenbaum	HI	57	12.80	724	10.45	n.a.
July 10			J. Fagan	D	5	10.75	54		
July 18	U.S. Bancorp	USB	A. Gillani	D	10	44.99	450	44.76	3.4
July 12	Delta Air Lines	DAL	W. Chiang	DI	10	43.90	439	45.44	13.0
July 9-10	Allied Gaming & Entertainment	AGAE	R. Choi	B	208	1.47-1.49	308	1.36	28.3
July 16	Barnes & Noble Education	BNED	E. Singer	DOI	18	8.15	147	10.00	-93.3
July 11	Amrep	AXR	J. Dahl	B	7	20.10	141	22.20	1.0
July 15	ASP Isotopes	ASPI	P. Mann	CEO	40	3.47	139	2.83	58.1
July 15			R. Ainscow	CO	20	3.47	69		
July 12	Science Applications International	SAIC	M. O'Hara	O	1	118.00	118	120.90	-2.8
July 12-16	Culp	CULP	A. English	BI	23	5.07-5.19	118	5.30	-8.5
July 12	Alpha Teknova	TKNO	S. Gunstream	CEO	81	1.24	100	2.17	-41.8
July 12			M. Lowell	CFO	40	1.24	50		
July 16	Zevra Therapeutics	ZVRA	T. Anderson	D	10	6.81	68	6.05	-7.6
July 12			J. Bode	D	10	5.87	59		
July 15	LuxUrban Hotels	LUXH	M. James	CFO	353	.17	60	0.15	-97.4
Sellers									
July 15-16	Oracle	ORCL	L. Ellison	CT	2,250	142.53-146.30	322,050	138.56	31.4
July 11	nCino	NCNO	J. Horing	DOI	6,220	31.00-31.50	193,247	31.98	-4.9
July 11	Amazon.com	AMZN	J. Bezos	H	404	200.03	80,806	183.13	20.5
July 11	Green Brick Partners	GRBK	D. Einhorn	DOI	1,000	57.80	57,803	71.35	37.4
July 15	Uber Technologies	UBER	D. Khosrowshahi	CEO	500	71.33-73.10	35,957	67.31	9.3
July 11-12	NVIDIA	NVDA	J. Huang	CEO	240	127.70-136.00	31,266	117.93	138.1
July 15-16			J. Huang	CEO	240	124.84-131.17	30,638		
July 12			M. Stevens	DI	156	129.81	20,254		
July 12			A. Puri	OI	100	127.76-131.40	13,024		
July 16	BlackRock	BLK	M. Wiedman	O	27	833.92-835.54	22,529	830.70	2.3
July 12-16	AutoNation	AN	E. Lampert	B	125	172.29-182.34	21,899	173.80	15.7
July 10-11	Carvana	CVNA	E. Garcia	B	150	127.40-136.07	19,681	130.06	145.7
July 15			E. Garcia	BI	75	137.43-144.18	10,599		
July 12			E. Garcia	B	75*	130.81-140.37	10,178		
July 16	Lazard	LAZ	K. Jacobs	OD	334*	45.23	15,106	44.80	28.7
July 12	Workday	WDAY	D. Duffield	BI	56	226.45-230.00	12,842	227.49	-17.6
July 12	TransDigm Group	TDG	K. Stein	CEOI	10	1236.69-1261.27	12,486	1238.07	22.4
July 11-12	DoorDash	DASH	A. Fang	D	100	105.05-106.39	10,558	106.10	7.3

* 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	50,361	4,318,561	Finance	3,454,271	30,748,133
Capital Goods	0	26,822,696	Health care	2,287,898	55,346,060
Consumer durables	0	10,026,496	Public Utilities	12,415	1,351,545
Consumer non-durables	15,532	2,889,794	Technology	486,233	174,096,787
Consumer services	5,542,710	113,224,491	Transportation	438,967	3,219,540
Energy	0	980,445			

Sources: Refinitiv; Dow Jones Market Data

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

July 19, 2024

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	June index level	Chg From (%) May '24	June '23
U.S. consumer price index			
All items	314.175	0.03	3.0
Core	319.003	0.12	3.3

International rates

	Latest	Week ago	—52-Week— High	Low
Prime rates				
U.S.	8.50	8.50	8.50	8.25
Canada	6.95	6.95	7.20	6.95
Japan	1.475	1.475	1.475	1.475
Policy Rates				
Euro zone	4.25	4.25	4.50	4.00
Switzerland	1.75	1.75	2.25	1.75
Britain	5.25	5.25	5.25	5.00
Australia	4.35	4.35	4.35	4.10
Overnight repurchase				
U.S.	5.40	5.43	5.48	5.04

U.S. government rates

	Latest	Week ago	—52-Week— High	Low
Discount	5.50	5.50	5.50	5.25
Federal funds				
Effective rate	5.3300	5.3300	5.3500	5.0900
High	5.6500	5.6500	5.6500	5.4000
Low	5.3100	5.3100	5.3300	5.0500
Bid	5.3300	5.3300	5.3300	5.0700
Offer	5.3500	5.3500	5.3700	5.0800
Treasury bill auction				
4 weeks	5.270	5.270	5.325	5.230
13 weeks	5.195	5.230	5.345	5.195
26 weeks	4.985	5.080	5.350	4.975

Other short-term rates

	Latest	Week ago	—52-Week— high	low
Call money	7.25	7.25	7.25	7.00
Commercial paper (AA financial)				
90 days	n.a.	5.25	5.54	5.14
Secured Overnight Financing Rate	5.34	5.34	5.40	5.05

DTCC GCF Repo Index	Latest	Value Traded	—52-Week— High	Low
Treasury	5.390	41.300	5.504	5.096
MBS	5.414	57.400	5.689	5.121

Weekly survey

	Latest	Week ago	Year ago
Freddie Mac			
30-year fixed	6.77	6.89	6.78
15-year fixed	6.05	6.17	6.06

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 July 27, 2023. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective July 27, 2023. **Secured Overnight Financing Rate** is as of July 18, 2024. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Cash Prices | wsj.com/market-data/commodities

Friday, July 19, 2024

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	74.000
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	13.900
Metals	
Gold, per troy oz	
Engelhard industrial	2405.00
Handy & Harman base	2403.50
Handy & Harman fabricated	2667.89
LBMA Gold Price AM	*2466.95
LBMA Gold Price PM	*2463.80
Krugerrand,wholesale-e	2511.44
Maple Leaf-e	2535.59
American Eagle-e	2535.59
Mexican peso-e	2919.58
Austria crown-e	2370.04
Austria phil-e	2535.59
Silver, troy oz.	
Engelhard industrial	29.2400
Handy & Harman base	29.2370
Handy & Harman fabricated	36.5460
LBMA spot price	*£23.4600
(U.S.$ equivalent)	*30.4700
Coins,wholesale $1,000 face-a	22518
Other metals	
LBMA Platinum Price PM	*996.0
LBMA Palladium Price PM	*950.0
Platinum,Engelhard industrial	970.0
Palladium,Engelhard industrial	931.0
Aluminum, LME, $ per metric ton	*2335.0
Copper,Comex spot	4.2190
Iron Ore, 62% Fe CFR China-s	*105.3
Steel, HRC USA, FOB Midwest Mill-s	*650.0
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	12225
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	11100
BMI Cobalt sulphate, EXW China, >20.5% -v,w	3864
BMI Nickel Sulphate, EXW China, >22%-v,m	3933
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	485
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.8150
Cotton,1 1/16 std lw-mdMphs-u	0.6498
Cotlook 'A' Index-t	*82.35
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	80
Corn,No. 2 yellow,Cent IL-bp,u	3.7200
Corn gluten feed,Midwest-u,w	107.6
Corn gluten meal,Midwest-u,w	431.1
Cottonseed meal-u,w	335
Hominy feed,Cent IL-u,w	105
Meat-bonemeal,50% pro Mnpls-u,w	335
Oats,No.2 milling,Mnpls-u	4.2175
Rice, Long Grain Milled, No. 2 AR-u,w	36.25
SoybeanMeal,Cent IL,rail,ton48%-u,w	358.30
Soybeans,No.1 yllw IL-bp,u	11.0400
Wheat,Spring14%-pro Mnpls-u	7.4475
Wheat,No.2 soft red,St.Louis-u	5.2025
Wheat - Hard - KC (USDA) $ per bu-u	6.0000
Wheat,No.1soft white,Portld,OR-u	5.7750
Food	
Beef,carcass equiv. index choice 1-3,600-900 lbs.-u	297.85
select 1-3,600-900 lbs.-u	279.47
Broilers, National comp wtd. avg.-u,w	1.3118
Butter,AA Chicago-d	3.0750
Cheddar cheese,bbl,Chicago-d	191.25
Cheddar cheese,blk,Chicago-d	186.50
Milk,Nonfat dry,Chicago lb.-d	119.75
Coffee,Brazilian,Comp-y	2.4579
Coffee,Colombian, NY-y	2.6126
Eggs,large white,Chicago-u	2.2650
Flour,hard winter KC-p	16.90
Hams,17-20 lbs,Mid-US fob-u	1.06
Hogs,Iowa-So. Minnesota-u	88.56
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	1.2378
Steers,Tex.-Okla. Choice-u	187.40
Steers,feeder,Okla. City-u,w	302.63
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	n.a.
Grease,choice white,Chicago-h	0.4900
Lard,Chicago-u	0.5500
Soybean oil,crude;Centl IL-u,w	0.4656
Tallow,bleach;Chicago-h	0.5200
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra, Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 7/18

Source: Dow Jones Market Data

THE TICKER


XAVI LOPEZ/SOPA IMAGES/ZUMA PRESS

Coca-Cola is expected to post per-share earnings of 81 cents.

MARKET EVENTS COMING THIS WEEK

Monday

Earnings expected

	Estimate/Year Ago
Cadence Design Systems	1.23/1.22
IQVIA Holdings	2.56/2.43
Nucor	2.49/5.81
NXP Semiconductors	3.20/3.43
Truist Financial	0.66/0.92
Verizon Communications	1.15/1.21

Tuesday

Existing Home Sales

May, previous	4.11 mil.
June, expected	3.95 mil.

Earnings expected

	Estimate/Year Ago
Alphabet	1.83/1.44
Coca-Cola	0.81/0.78
Danaher	1.57/1.82
Tesla	0.61/0.91
Texas Instruments	1.16/1.87
Visa	2.42/2.16

Wednesday

Short-selling reports
Ratio, days of trading volume of current position, at June 28

NYSE	3.7
Nasdaq	2.3

New-home sales

May, previous	619,000
June, expected	644,000

EIA status report
Previous change in stocks in millions of barrels

Crude-oil stocks	down 4.9
Gasoline stocks	up 3.3
Distillates	up 3.5

Mort. bankers indexes

Purch., previous	down 3.0%
Refinan., prev.	up 15.0%

Earnings expected

	Estimate/Year Ago
AT&T	0.57/0.63
Boston Scientific	0.58/0.53
International Business Machines	2.17/2.18
NextEra Energy	0.94/0.88
ServiceNow	2.82/2.37
Thermo Fisher Scientific	5.12/5.15

Thursday

Durable-goods orders

May, previous	up 0.1%
June, expected	up 0.6%

GDP Deflator

1st qtr., final	up 3.1%
2nd qtr. adv. est.	up 2.6%

Gross domestic product:
Percentage change, annual rate

1st qtr., final	up 1.4%
2nd qtr. adv. est.	up 1.9%

Freddie Mac mortgage survey
Previous weekly averages

30-year fixed	6.77%
15-year fixed	6.05%

EIA report: natural-gas
Previous change in stocks in billions of cubic feet

up 10

Initial jobless claims

Previous	243,000
Expected	237,000

Earnings expected

	Estimate/Year Ago
AbbVie	2.71/2.91
Carrier Global	0.85/0.79
Honeywell International	2.42/2.23
Northrop Grumman	5.93/5.34
RTX	1.30/1.29
Union Pacific	2.71/2.57

Friday

U.Mich. consumer index

July, prelim	66.0
July, final	66.0

Personal spending

May, previous	up 0.2%
June, expected	up 0.3%

Personal income

May, previous	up 0.5%
June, expected	up 0.4%

Earnings expected

	Estimate/Year Ago
3M	1.68/1.81
Aon	3.09/2.76
Bristol-Myers Squibb	1.64/1.75
Centene	1.96/2.10
Charter Communications	7.97/8.05
Colgate-Palmolive	0.87/0.77

* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ◆ Adjusted for stock split

Note: Forecasts are from Dow Jones weekly survey of economists

HEARD ON THE STREET

Brands Need The Middle Class Back

Continued from page B1
called aspirational shoppers trying to keep up with the Joneses, particularly in Asia.

These buyers are now under pressure in the two most important markets for luxury goods: China and the U.S.

Chinese shoppers are spending less because their homes are falling in value. Listing prices for secondhand properties are down around one-tenth since mid-2021, which is encouraging people to save rather than spend their cash.

Meanwhile, Americans earning less than $50,000 a year, who developed a taste for luxury during the pandemic, have pulled back most sharply, based on credit-card spending data from Bank of America. Middle-income consumers earning up to $125,000 also have tightened their belts as higher prices across the economy have left them with less money for luxuries.

The pullback is putting weaker luxury brands under strain. Last week, British trench-coat maker Burberry scrapped its dividend, replaced its chief executive and issued a profit warning after sales slowed dramatically in the three months through June. Its shares have plunged to levels last seen in 2010.

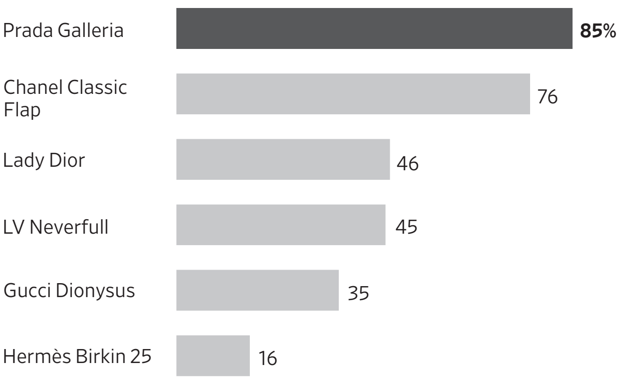
Operating profit at **Swatch** fell 70% in the first six months of the year compared with the same period of 2023 because of a "huge reduction in demand" in China. German designer **Hugo Boss** also issued a profit warning and said shoppers have deserted its China stores.

The industry's woes are partly self-inflicted. Brands have raised the prices of their goods so high that they have become unaffordable for many middle-class shoppers. In a push to elevate the label, Burberry released new handbags that were 58% more expensive on average than older models, according to Bernstein analysis. The strategy alienated its traditional customers without a compensating lift from rich shoppers.


EDWARD BERTHELOT/GETTY IMAGES

Yves Saint Laurent has reduced the price of most sizes of its bestselling Loulou bag in U.S. stores.

Change in luxury handbag prices since 2019*



*U.S. stores
Source: PurseBop, Wayback Machine internet archive

To lure shoppers back, some brands are quietly cutting prices. These aren't end-of-season discounts, but a permanent reset of full-price items. Lowering prices this way used to be a no-no in the luxury industry, as it sends a signal that the brand misjudged the value of its goods.

Burberry recently cut the price of its medium-size Knight handbag by 22%, according to Bernstein. It has reduced prices on all bags designed by Daniel Lee, the brand's creative head since 2022, by 5% on average. Burberry's new CEO Joshua Schulman previously worked at affordable-luxury brand Coach and wants to make the label accessible to its core customers again. This will mean a wider range of new entry-level goods, and maybe more price cuts on existing products, too.

Yves Saint Laurent, which is owned by French luxury group **Kering**, also appears to be under pressure. It has reduced the price of most sizes of its bestselling Loulou bag in U.S. stores. A small version that would have set shoppers back $2,950 in January, according to the Wayback Machine, now costs $2,650. The bag is still considerably more expensive than at the end of 2020, when it was priced at $2,050.

For now, the cuts are targeted rather than across the board. And they are focused on leather goods, where brands can't afford a big dip in sales. Handbags have grown to account for 45% of a typical luxury brand's total revenue, according to UBS, up from 34% in 2008.

Some companies will weather the downturn better than others. Cartier's owner **Richemont** is less exposed to the middle-class slump as only the wealthiest shoppers can afford pricey jewelry brands like Van Cleef & Arpels. Last week, it reported that jewelry sales rose 4% in its most recent quarter compared with a year ago, which was better than the 1% increase analysts expected.

The most exclusive brands, such as **Hermès**, maker of the Birkin handbag, and Louis Vuitton, which is owned by deep-pocketed **LVMH**, may also prove resilient when they report earnings this coming week. Kering-owned Gucci also is pressing ahead with plans to focus more on the wealthiest customers. However, management sees that it needs to position the Italian brand higher than it is today, but not too high either.

Catering to aspirational consumers is good business. These shoppers are still expected to generate half of global luxury sales over the coming years. Swatch thinks its cheaper watch brands have "excellent opportunities for further growth and market share gains" in today's tougher environment, though the company does have a reputation for optimism.

If luxury brands continue to sideline middle-class shoppers, more reasonably priced labels will step in. This is already happening in China, where consumers are trading down to local brands like Songmont that are well designed and significantly cheaper than Western labels. "Brands cannot afford to alienate these customers," says Claudia D'Arpizio, luxury senior partner at Bain & Co.

After spending the past few years treating top clients to exclusive events and one-to-one service, the luxury industry needs to reconnect with its roots.

◆ For more Heard on the Street, turn to B10.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Did the Trump Trade Ever Work?

Investors are buying small-cap and 'old economy' stocks in a way reminiscent of 2016, but it won't necessarily pan out

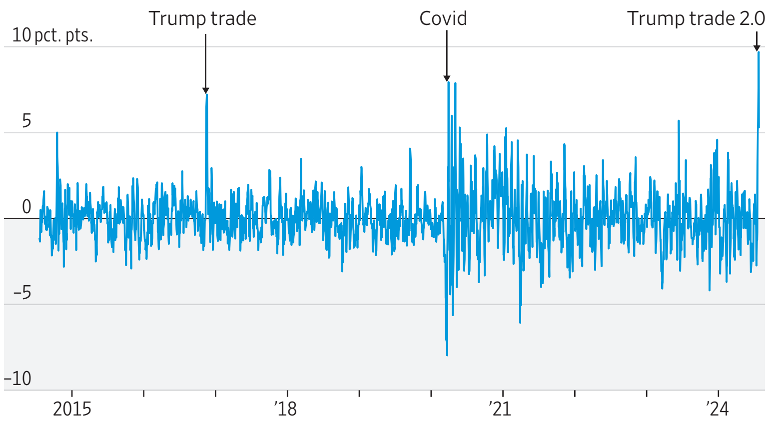
With themes and memes dominating financial markets, investors have a well-defined playbook for how to trade a potential Donald Trump presidency. The question that often goes unasked is whether this playbook actually works.

Until the week before last, 2024 was all about the rise of megacorporations linked to artificial intelligence. Then the Russell 2000 index of small-capitalization stocks suddenly went from being roughly flat in the year to date to up 10% that Wednesday, when it recorded its strongest weekly outperformance on record against the Russell 1000, which contains larger firms. At the same time, the technology-heavy Nasdaq had its largest one-day percentage decline since December 2022, even as cheaper value stocks rebounded.

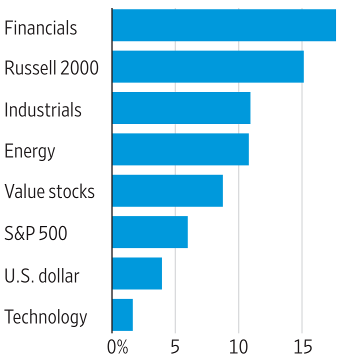
These trends reversed somewhat late that Thursday and Friday, but the past week and a half is still reminiscent of the response to Trump's surprise victory in the 2016 presidential election. Wall Street had assumed that fears about a more protectionist agenda would spark a stock-market selloff. Instead, anticipation of tax cuts unleashed a rally. The "Trump trade" was born.

Its core tenets haven't changed: Buy stocks. Pivot toward smaller, domestically oriented firms and "old economy" industries at the expense of tech giants. Price in a higher budget deficit and lower immigration by selling bonds and buying the dollar. Sell the Mexican peso.

Russell 2000 versus Russell 1000, rolling weekly performance

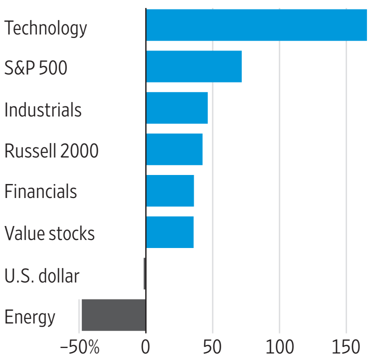


Total return, one month after Nov. 8, 2016 election



Source: FactSet

Total return between the Nov. 8, 2016 election and the Nov. 3, 2020 election



To be sure, the latest rotation was initially triggered by an encouraging inflation print, which led markets to price in more rate cuts this year. This explains why Treasury yields have trended downward and the U.S. dollar has weakened.

Still, Trump's survival of an assassination attempt and growing lead in the polls have had a big influence, too.

The volatility of the Mexican peso, for example, has been at its highest since 2020. Or take how international markets have struggled, even though periods when investors turn toward value stocks are usually good for them: Eurozone equities had a short-lived surge on July 12, but have since underperformed. Domestically, energy, manufacturing and finance—especially regional banks, which would gain from less regulatory scrutiny and higher rates—have done particularly well.

A potential problem, however, is that 2016 trades don't necessarily make sense in 2024.

Some of this is straightforward: Trump is now seen as more sympathetic toward cryptocurrencies than before, which is why bitcoin has shot up. But other changes are harder to parse: Trump has received public support from **Tesla** CEO Elon Musk and has picked JD Vance, who has connections to Silicon Valley billionaires, as his vice-presidential nominee.

Since a Republican presidency may reduce aid for electric-vehicle makers such as Tesla while protecting them from Chinese manufacturers, the result is uncertain. Perhaps reflecting this, retail trading in Tesla shares has jumped, but with almost as many investors selling as buying, according to flow analytics firm VandaTrack.

Likewise, big tech companies could benefit if a Trump administration doesn't match the antitrust zeal of the Biden one. For oil-and-gas majors, the windfall from lower environmental barriers could be offset by a production glut.

The 2016 pop was fueled by some big changes that aren't repeatable. The budget deficit is much higher than it was back then, and the top rate on corporate tax was lowered from 35% to 21% by the Tax Cuts and Jobs Act of 2017. Trump's plan for a further reduction would only take it to 20%. His proposed tariff increases might also hit harder than eight years ago, since President Biden he inherited untouched and added extra ones.

To boot, it is doubtful that the Trump trade worked out for investors the first time around. The tax cuts did goose the stock market in 2018, but most net-income gains accrued to the biggest companies, with the tech sector among the top beneficiaries.

The Russell 2000's outperformance in the month after the 2016 election was short-lived. Despite a brief revival in 2018, small-caps performed badly under Trump's four-year watch. Industrials, energy and banks all fared worse than the S&P 500, whereas the dollar and Treasury yields ended up lower. In the end, the best Trump trade was, yes, tech.

The lesson here is that making money from elections is hard, not least because secular forces often override political agendas. Savvy investors may be able to ride the coattails of what has become a well-known Trump trade, but a trade and a strategy are different things.

—Jon Sindreu

American Express Has A Gold Opportunity

AMY HARRIS/INVISION/AP

Shares of American Express have evaded most worries about American consumer spending.

With **American Express**'s high-spending, affluent and increasingly young U.S. consumer base, its shares evaded most worries about the American spender. But they hit a bit of a speed bump after the company's second-quarter earnings report on Friday.

Amex reported U.S. consumer services billed business grew 6% year over year in the second quarter, down from 8% in the first quarter—a period it noted had one extra day this year. That growth rate was 10% in the second quarter a year ago, and 27% two years prior. Amex shares fell by more than 4% midday Friday. The stock closed down 2.7%.

Of course, some of those earlier growth rates were partly boosted by comebacks from pandemic-era spending lulls. Yet investors may be worried that even a marginally softer environment for affluent consumer spending from here could threaten the company's aim for long-term double-digit annual revenue growth.

Amex has some things going for it that might quickly help the market get over concerns about the latest spend trajectory, though.

For one, the company has its marketing engine to lean on. A big thing that helped the company drive card growth and respond to worries about the impact of the pandemic on cards, and the more general appeal of cards to younger consumers has been the success of "refreshes" of products like the Gold and Platinum cards. In the past, these brought lots of attention. In recent years, Amex added perks like credits for streaming services and food delivery.

Amex reported U.S. consumer services billed business grew 6% in the quarter.

Amex told analysts it will be unveiling a refresh of its U.S. consumer Gold card "in the coming weeks," though it wouldn't give further details. If this replicates past successes, it could help drive strong cardmember acquisition. Plus, it would help the company overcome any concern about the fact it projected its marketing spending for 2024 will be around $6 billion, up $800 million from last year.

There may be a bit of an inverse relationship between Amex's consumer spending and credit quality. While less-affluent consumers might have to help their budgets by skipping monthly payments, wealthier ones can cut back on fun purchases and focus on paying their bills.

The 30-day-plus delinquency rate at Amex for card member loans and receivables fell to 1.2% in the second quarter after it had risen to 1.3% for the prior two quarters. Amex's reserve ratio, or what it sets aside for potential bad debts as a percentage of its portfolio, dropped from 2.9% in the first quarter to 2.8%.

Its dollars of reserve build were the lowest in several quarters, helping keep its total provision expense about flat quarter-over-quarter. That was one factor behind year-over-year net income growth jumping to 39% in the second quarter from 34% in the first.

The past quarter could be the pause that refreshes.

—Telis Demos

Chips and Taiwan Are a New Cloud for Tech Earnings

Chip politics are no longer just the chip industry's problem.

Investors got a sharp reminder last week of just how politicized the semiconductor industry has become—especially ahead of a U.S. presidential election. First came a report that the Biden administration is considering more severe trade restrictions to keep advanced chip manufacturing tools out of the hands of Chinese companies.

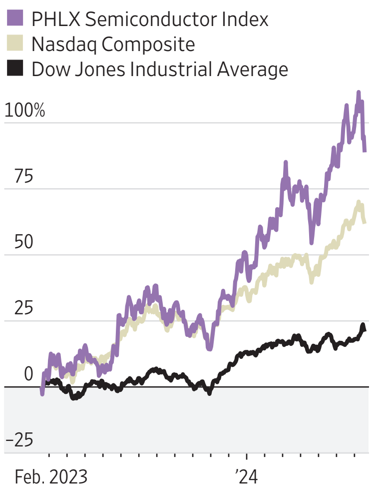
Then Bloomberg Businessweek ran an interview with Donald Trump in which the former president and current Republican nominee raised doubts about whether the U.S. under his administration would defend Taiwan from China unless the island democracy starts paying for U.S. protection.

The news poured more than a splash of cold water on what has been a red-hot sector. Chip stocks crashed Wednesday following the initial reports and kept falling. The PHLX Semiconductor Index closed Friday with a weekly loss of nearly 9%. The index had been up 40% for the year to date ahead of the damaging reports after having surged 65% this past year—its best annual performance since 2009.

Semiconductor investors have long been factoring in the growing risk of lost sales to China due to export restrictions. But Trump's comments about Taiwan add a whole new element of risk: The island is a major hub for manufacturing the world's most-advanced semiconductors and less-advanced but vital ones that go into products such as thermostats, cars and medical devices.

This isn't just about **Taiwan Semiconductor Manufacturing**, the chip-making giant better known as TSMC that produces key processors for companies such as **Nvidia**, **AMD** and **Apple**. The island also is home to many other suppliers of key components used in final chip products. During a speech at a conference in Taipei in June, Nvidia Chief Executive Jensen Huang praised Taiwan as "the unsung hero" of the computer industry, showing a slide of more than 100 companies he described as "treasured partners" to the artificial-intelligence chip star.

Index performance, past 18 months



Source: FactSet

Hence, Trump's comments "threw gasoline on an already raging China restriction issue that had the chip stocks in turmoil already," independent semiconductor analyst Robert Maire wrote in an email. Whatever the intent behind them, they may have raised the odds of an attempt at forced "reunification" by China by creating doubt about America's response.

Military action against Taiwan wouldn't just hit chip companies but also the many, many businesses that use those chips. It isn't a small list: Chips sit at the heart of the cloud computing services offered by **Microsoft**, Google and **Amazon.com** as well as the iPhones sold by Apple and the EVs sold by **Tesla**, whose CEO is now one of Trump's largest backers.

Armed conflict between mainland China and Taiwan is hardly a foregone conclusion, even if Trump wins in November. But investors who mostly have been trading on AI hype need to factor a new element of risk into their models—especially since political rhetoric will only grow louder ahead of the election. U.S. policy toward China is a major issue for both parties, and the question of defending Taiwan will very likely arise again.

This comes as investors are also grappling with how to value the AI opportunity, especially as coming tech-earnings reports will likely continue to feature more AI investments than actual revenue.

Risks there still aren't fully baked in. The Nasdaq Composite Index has come down a bit from the record it hit earlier this month, but is still up 18% for the year, which is more than double the Dow's return. And the six megacap tech giants—Apple, Microsoft, Nvidia, Amazon, Google parent **Alphabet** and **Meta Platforms**—have added a collective $3.7 trillion in market value in that time. That is an awfully big bet on a sector that no longer has the luxury of staying out of the political fray.

—Dan Gallagher