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THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * FRIDAY, APRIL 1, 2022 ~ VOL. CCLXXIX NO. 75 WSJ.com ★★★★ $5.00

DJIA 34678.35 ▼ 550.46 1.6% NASDAQ 14220.52 ▼ 1.5% STOXX 600 455.86 ▼ 0.9% 10-YR. TREAS. ▲ 9/32, yield 2.324% OIL $100.28 ▼ $7.54 GOLD $1,949.20 ▲ $15.70 EURO $1.1067 YEN 121.70

What's News

Business & Finance

A head-spinning quarter came to a disappointing end, with major stock indexes suffering their worst performance in two years and other markets recording some of the most extreme moves on record. For the year to March 31, the S&P 500, Nasdaq and Dow fell 4.9%, 9.1% and 4.6%, respectively. **A1, B1, B6, B13**

◆ **The average rate** for a 30-year fixed-rate mortgage jumped to 4.67%, Freddie Mac said, marking the weekly figure's highest reading since December 2018. **A1**

◆ **Inflation reached** a 40-year peak in February, according to the Fed's preferred gauge, as the Commerce Department's personal-consumption-expenditures price index climbed 6.4% from a year earlier. **A2**

◆ **Bain Capital said** it was examining a possible bid for Toshiba, and the Japanese company's top shareholder pledged its support to Bain. **B1**

◆ **Authorities probing** timely trading in Activision securities are looking into at least one meeting between the firm's CEO and one of three traders days before they placed a big bet on Activision shares. **B1**

◆ **Justice Department** prosecutors are narrowing the scope of their price-fixing case against chicken company officials, two days after a second mistrial. **B3**

◆ **Unionization votes** for Amazon workers in two states drew nearer to conclusion, with the tally at an Alabama warehouse close enough to require a hearing while labor organizers were narrowly leading the contest at another facility in New York. **B4**

World-Wide

◆ **Biden plans** to tap as much as 180 million barrels of government oil reserves to help tamp down near-record-high fuel prices, an unprecedented government intervention into oil markets following Russia's invasion of Ukraine. **A1**

◆ **Ukrainian officials said** their armed forces are pressing forward against Russian military units around Kyiv, while Russian forces handed control of the Chernobyl nuclear plant back to Ukraine. **A1, A7-10**

◆ **A federal judge** struck down parts of a Florida elections law passed last year by the Republican-led state legislature, saying certain measures were unconstitutional and targeted Black voters. **A6**

◆ **A New York judge** threw out the state's proposed congressional maps and ordered the Democratic-controlled state Legislature to redraw them. **A6**

◆ **The Biden administration** will make an additional 35,000 seasonal-worker visas available to employers ahead of the coming summer hiring season, the DHS said. **A3**

◆ **Scientists have** unveiled what they call the first complete map of a human genome, filling in significant gaps that persisted for almost 20 years. **A3**

◆ **Foreign donors pledged** billions in aid to Afghanistan to alleviate a humanitarian crisis in the country. **A11**

◆ **The House passed** legislation aimed at capping the out-of-pocket cost for purchasing insulin. **A4**

CONTENTS

Arts in Review A14-15	Markets B13
Business News B3	Opinion A17-19
Crossword A15	Sports A16
Equities B9	Technology B4
Heard on Street B14	U.S. News A2-4,6
Mansion M1-14	Weather A15
	World News A7-13

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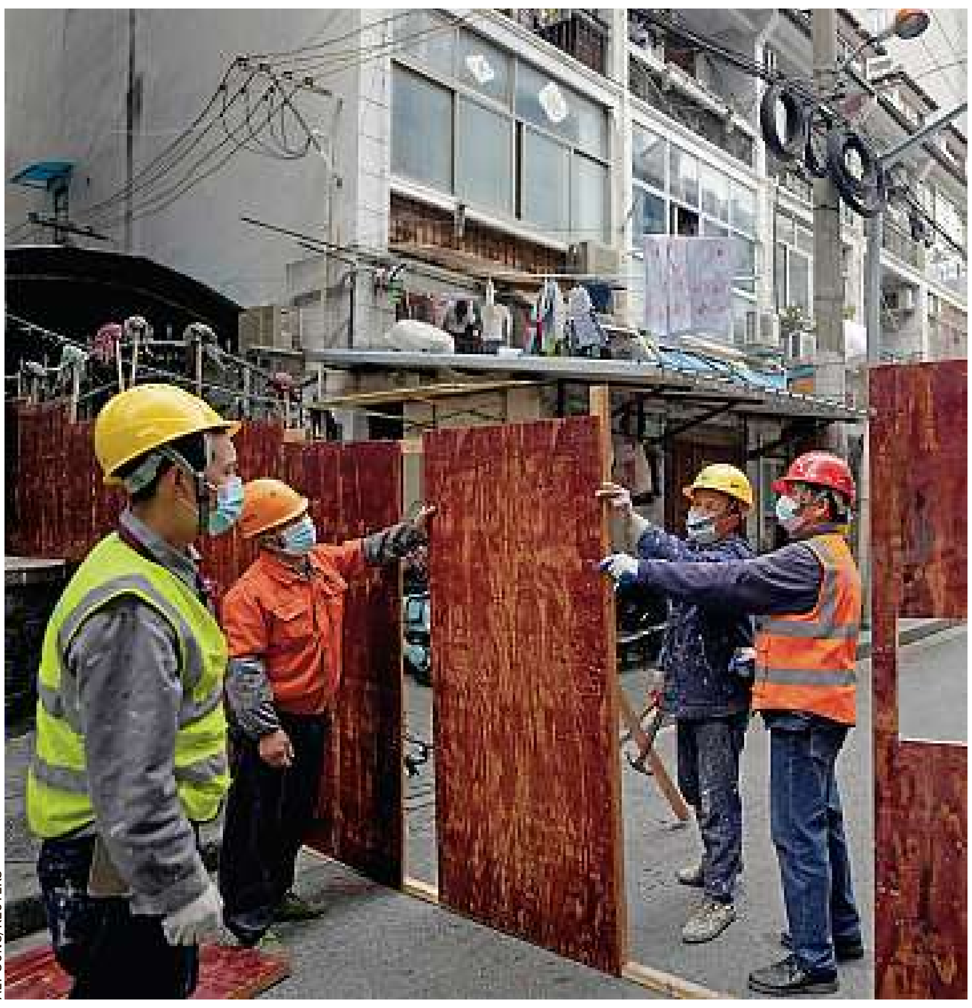
Shanghai Locks Down in Fight to Contain Virus



ALY SONG/REUTERS

SEALED OFF: Workers set up barriers as part of lockdown procedures imposed this week in Shanghai, where several patients have died at an elder-care hospital hit by Covid-19. A13

Biden Taps Oil In Bid to Curb Prices at Pump

By Timothy Puko, Tarini Parti and Collin Eaton

WASHINGTON—President Biden plans to tap as much as 180 million barrels of government oil reserves to help tamp down near-record-high fuel prices, an unprecedented government intervention into oil markets following Russia's invasion of Ukraine.

In remarks from the White House on Thursday, Mr. Biden framed high energy prices as a wartime issue that requires a robust and wide-ranging response. The oil release—about a million barrels a day for six months, starting in May—would be the Biden's administration's third and by far the biggest-ever draw from the U.S.'s emergency stockpile of about 568 million barrels that sits underground along the Texas and Louisiana coasts.

"The action I'm calling for will make a difference over time," Mr. Biden said. "But the truth is it takes companies months, not days, to increase production....This is a wartime bridge to increase oil supply until production ramps up later this year."

Shortages stemming from the Russian invasion and the U.S.'s move to ban the import of Russian oil have left gasoline prices across the U.S. close to the average $4.33-a-gallon record high they hit earlier in March, a pressure point for the president as he attempts to bal-

Please turn to page A7

Stocks Suffer Worst Quarter In 2 Years Amid War, Inflation

By Gunjan Banerji

A head-spinning quarter came to a disappointing end, with major stock indexes suffering their worst performance in two years and other markets recording some of the most extreme moves on record.

The action reflects a sense of dislocation shared by many traders and portfolio managers who are confronting challenges not seen in years. Yet their unease has been offset in part by a determination among many investors to take advantage of any price declines to add to positions in stocks, bonds and commodities.

Inflation has surged to its highest level in four decades, Russia's invasion of Ukraine has rattled already stretched supply chains and the Federal Reserve has embarked on a rate-increase plan whose pace investors struggle to handicap.

All three major U.S. indexes declined more than 1.5% on Thursday, with losses accelerating in the final hour of the session as traders dumped stocks to end the quarter. The declines have dragged the S&P 500 down 4.9% over the past three months, snapping a seven-quarter streak of wins. The Dow Jones Industrial Average and Nasdaq Composite have lost 4.6% and 9.1%, respectively, this year.

U.S. oil futures cleared $130 a barrel in early March, a level that flashed a warning for

Please turn to page A6

◆ Commodities' rally in quarter is best since 1990 B1
◆ Bond-market rout robs investors of haven B6

Russia Gives Up Chernobyl Control

By James Marson And Matthew Luxmoore

Ukrainian officials said their armed forces are pressing forward against Russian military units around Kyiv, seeking to exploit Moscow's efforts to regroup after weeks of heavy losses, while Russian forces handed control of the Chernobyl nuclear-power plant back to Ukraine.

After taking back the city of Irpin northwest of Kyiv this week, Ukrainian forces are now engaged in heavy fighting in the neighboring towns of Bucha and Hostomel, officials said.

In the Chernihiv region north of the capital, Ukrainian forces retook two villages and were pushing for further gains, officials said.

"We have completely destroyed the enemy's plans," said Brig. Gen. Oleksandr Hruzevych, deputy chief of staff of the Ukrainian army. "The adversary has completely lost its offensive potential in the Kyiv region. It is trying to dig in and turn to defense in the places it has occupied."

Russia said it would decrease its attacks around Kyiv, Ukraine's capital, and Cherni-

Please turn to page A10

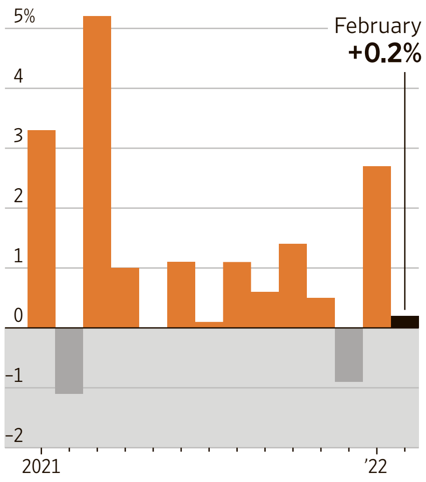
The Ukraine Crisis

◆ OPEC keeps output plan backed by Russia A7
◆ Drones evade West's air defense A9
◆ An 11-year-old's solo escape to Slovakia A10

Growth in Consumer Spending Eases

Growth in consumer spending slowed in February, as inflation accelerated. U.S. households boosted their spending at a seasonally adjusted 0.2% pace in February from the month before, down from a revised 2.7% rate in January. **A2**

Month-over-month change in U.S. consumer spending



Note: Seasonally adjusted
Source: Commerce Department via the St. Louis Fed

For a Time, Ukrainians Made a Village of the Mariupol Theater

Before the Russian bombing, families in hiding worked together

By Brett Forrest in Odessa, Ukraine, and Isabel Coles in Zaporizhzhia, Ukraine

As Russia laid siege to the Ukrainian port city of Mariupol, battering apartment blocks and killing civilians, more than 1,000 people took shelter in the performing-arts theater.

Evgeniya, a theater lighting technician, and her husband, Sergey, arrived on Feb. 25 and welcomed the first few dozen people. "Someone had to go and help," she said.

A barrage from air, land and sea terrorized Mariupol's 450,000 residents, destroying most of the city's habitable buildings. The theater became a last-chance refuge, including for many who had once gone to see plays there and those left homeless. By then, the theater had no electricity, no food, no running water and just six bathrooms.

Evgeniya and her husband, an actor, had worked at the theater for two decades and knew its offices and passageways, its strong walls and false ones. For nearly three weeks, their knowledge and gut instincts directed the daily lives of those crowding inside.

"We clutched at our heads," Evgeniya said. "This is madness. I panicked because I didn't know how to organize all these people."

Please turn to page A8

Leggings? Jeans? Dress Sneakers?

* * *

Return-to-office dress codes are baffling bosses

By Katherine Bindley

Warren Bischoff, who leads a group of financial advisers in the Washington, D.C., area, has taken on a new role since returning to the office a few months ago. He's the dress-code police.

In a single week, he had to tell one employee that white tennis sneakers are a no-no, another that bluejeans aren't appropriate, and a third that T-shirts will never fly. In a recent edge-case ruling, he decided that "dress sneakers"—brown shoes with a white sole—might be OK, but only on Fridays.

"They have a foot in both camps," he says. "They're very

Please turn to page A13

Mortgage Rates Leap To Highest Since 2018

By Orla McCaffrey

The average rate for a 30-year fixed-rate loan jumped to 4.67%, mortgage-finance giant Freddie Mac said Thursday, marking the weekly figure's highest reading since December 2018.

The increase extends the 2022 surge in mortgage rates. The rise is hardly unforeseen, given the record low rates reached in the pandemic period and concerns about high U.S. inflation readings. But it has been faster than many analysts expected. At the beginning of the year, the average rate on the U.S.'s most popular home loan was 3.22%.

Over time, higher mortgage rates typically slow home-buying activity. But for now, there are ample signs that the U.S. home boom, featuring surging prices, ultralow inventories and persistent demand around the country, is far from over.

But rising rates stand to further reduce affordability at a time when many lower-income households are already stretched.

"It's going to take a pretty healthy increase in rates to moderate the demand," said Phil Shoemaker, president of originations at Homepoint Financial Corp., a Michigan-based mortgage lender.

The 30-year fixed rate rose from 4.42% a week ago, continuing a steady rise that has pushed home-loan rates within sight of 5% for the first time in four years.

So far, higher rates haven't dented consumer interest. The number of applications submitted by hopeful home buyers has risen for three of the past four weeks, according to the Mortgage Bankers Association trade group. Mortgage credit availability, a measure of lenders' willingness to issue home loans, rose

Please turn to page A2

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U.S. NEWS

Consumer-Spending Growth Falters

Households boosted outlays 0.2%, down from 2.7%; inflation tops income gains

BY GABRIEL T. RUBIN

Consumer spending growth, a key engine of the economy, slowed sharply in February, as the Omicron surge of Covid-19 eased and inflation accelerated amid Russia's invasion of Ukraine.

U.S. households boosted their spending at a seasonally adjusted 0.2% pace in February from the month before, down from a revised 2.7% rate in January, when spending rebounded from an Omicron-related dip in December, the Commerce Department said Thursday.

Household incomes rose in February as the unemployment rate dropped and employers scrambled to hire new workers. Personal income increased by 0.5% in February over the prior month, a pickup after it was nearly flat in January, but inflation rose more quickly. Income after taxes, adjusted for inflation, fell for the seventh straight month in February to the lowest level since March 2020, the Commerce Department said.

The data add up to a picture of the economy growing as shoppers benefit from a strong labor market and rising wages, but see those gains eroded by rising inflation, economists said.

Inflation "will be an even bigger drag in March with surging energy prices in the wake of the Russian invasion of Ukraine," said Gus Faucher, chief economist at the PNC Financial Services Group.

Consumer prices rose 0.6% on the month and 6.4% on the year, a new 40-year peak as measured by the department's personal-consumption expenditures price index, the Federal Reserve's preferred gauge. Annual core PCE inflation, which strips out volatile food and energy prices, rose to 5.4% in February.

In February, the wave of Covid-19 infections from the Omicron variant faded, leading consumers to spend more on services like dining in restaurants and traveling. Services spending rose by 0.9% in February, the most since last July, while goods spending declined by 1%, largely because of lower spending on vehicles as prices continued to rise and supply-chain issues hurt availability.

Spending on vehicles and parts dropped 4% on the month in February as auto makers struggled to get manufacturing components such as semiconductors because of pandemic supply issues, analysts said. Still, pent-up demand for goods currently in short supply should support household spending growth over the next year as supply chains normalize and availability increases.

The shift toward services spending shows consumers rebalancing after Omicron hurt demand for restaurant meals and entertainment and forced some Americans to cancel travel plans.

Travel, both for leisure and business, has rebounded faster than expected from Omicron, airline executives said. Major U.S. airlines said earlier in March that their revenue in the first quarter of 2022 would likely be at the high end of what they had expected at the start of the year, or better.

Kim Cook, the owner of Love to Travel, a tropical destinations-focused travel agency in Overland Park, Kan., said that her customers aren't letting high airline ticket and hotel prices deter them from booking trips, especially with large groups of friends and family.

"They say, 'I know it's going to be pricey, but we haven't been anywhere in two years, we really want to do this,'" Ms. Cook said. After building up savings during the pandemic, "they've got the money to burn."

New applications for U.S. unemployment benefits rose slightly last week, but remained near historic lows, indicating a strong labor market in which employers are holding on to their workers.

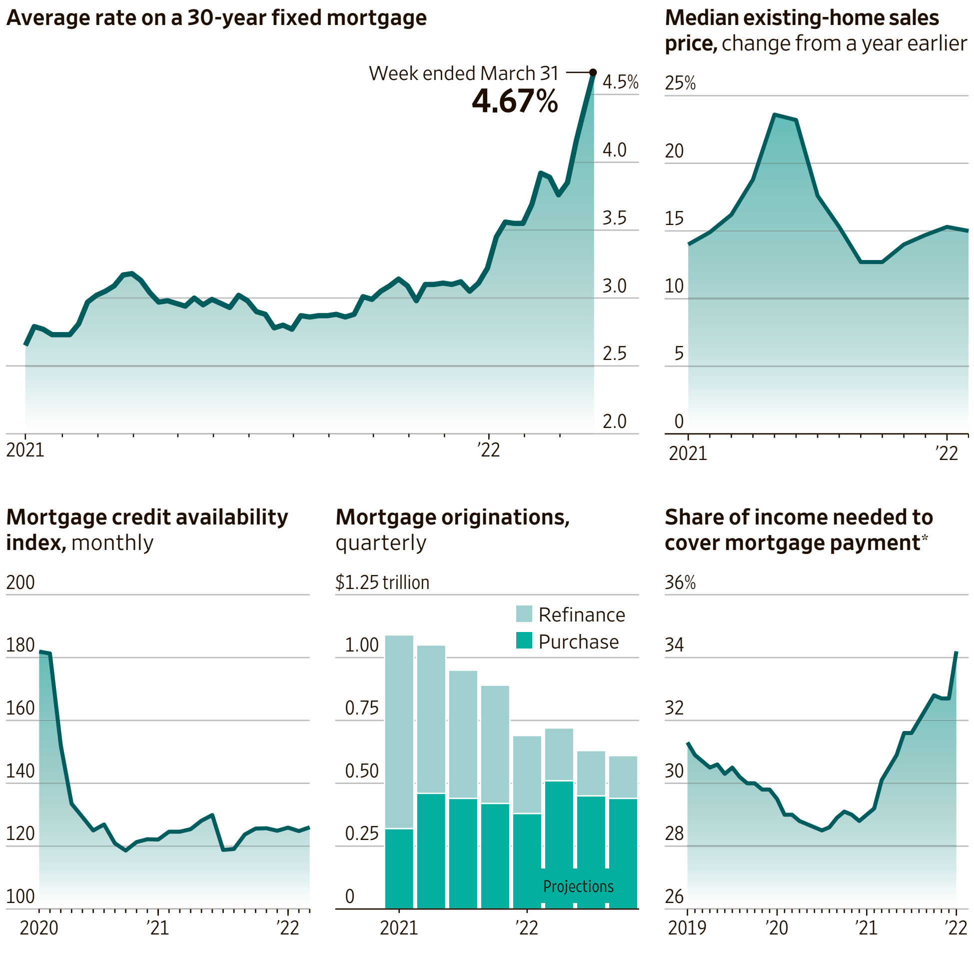
Consumers are sending mixed signals about how they feel about the direction of the economy. The Conference Board's consumer-confidence index for March showed that consumers are optimistic about the Covid-19 situation and the labor market, but are concerned about the impact of Russia's invasion of Ukraine on inflation. The invasion pushed up energy and commodity prices, adding to snarled supply chains and goods shortages that were exacerbating price pressures.

"The outlook going forward is definitely not as rosy as it was," said Alex Lin, an economist for Bank of America. "We're expecting growth to slow down and consumer spending to slow with it."

While companies for the most part say they can pass along price increases, they warn there are limits to what consumers will be willing to tolerate before high prices begin to cut into demand.

Inflation and shortages have already pushed consumers to switch from more expensive brands to cheaper options, survey data show.

The housing market has been scorching, but rising interest rates, fueled by the Fed's inflation fighting, will make buying more costly.



*Figures represent the share of median U.S. income needed to pay for the monthly mortgage payment on a median-priced home.
Sources: Freddie Mac (rate); National Association of Realtors (price); Mortgage Bankers Association (availability, originations); Federal Reserve Bank of Atlanta (income needed)

Mortgage Rate Leaps To 4.67%

Continued from Page One

in February to its highest level since last May, the bankers association said, though it remains far below recent highs.

Expectations that the Federal Reserve will raise interest rates several more times this year to control inflation are driving up mortgage rates.

Before the central bank in March raised rates for the first time since 2018, the Fed's decision to unwind its purchases of mortgage-backed securities had started forcing rates upward.

Rising rates are reducing home-loan refinancings, which powered much of the mortgage market's boom in 2020 and 2021. About four million people could lower their monthly mortgage payments through a refinancing in February, down from close to 16 million a year ago, according to mortgage-data firm Black Knight Inc.

Refinancings are expected to make up 33% of mortgage originations this year, down from 59% in 2021, according to the Mortgage Bankers Association.

Faced with high prices, rising rates and declining application volumes, lenders are expanding product offerings and relaxing some borrower eligibility requirements.

Financing options that allow for bigger loans or lower upfront payments can extend consumers' purchasing power and cushion the impact of the large price increases of the past two years. Lenders are aiming to boost business to offset shrinking volume and reduced profit margins.

They are also seeking to appeal to buyers whose finances haven't kept pace with the 15% rise over the past year in the median sales price of an existing house. Rising home prices are making homeownership a long shot for many people.

"The idea of loosening requirements at a time when the real-estate market has been going gangbusters...can give you flashbacks to 2005 and 2006," said Greg McBride, chief financial analyst at Bankrate.com. But "credit is significantly tighter," he added.

Rising mortgage rates typically reduce lending because fewer homeowners can save money through refinancings and higher rates can discourage potential buyers.

Lenders want to find products "to make sure they get enough volume and keep their doors open," said Mike Fratantoni, chief economist at the Mortgage Bankers Association.

An increase in offerings for jumbo loans, those too big to qualify for a traditional government loan, and adjustable-rate mortgages have driven the expansion of mortgage credit, the association said. Lenders are increasingly easing minimum credit scores and allowing borrowers to take out larger loans relative to the value of the homes they are buying.

Still, people who want to buy a home this spring face plenty of challenges.

At the current sales pace, the supply of homes on the market would last 1.6 months, a record low, according to the National Association of Realtors.

The median American household would need to devote 34% of its income to cover monthly payments on a median-price home in January, according to the Federal Reserve Bank of Atlanta. That is the highest since November 2008.

Consumer lenders made lending standards stricter when the pandemic first hit, worried that a wave of unemployed workers wouldn't be able to make good on their loan payments. In the mortgage market, some banks restricted refinances on jumbo loans to customers with hundreds of thousands of dollars on hand.

After the initial shock to the mortgage market, ultralow rates and a flood of refinance and purchase applications meant lenders could be picky with their offerings and the type of borrowers they approved.

Inflation Hits 6.4% In Gauge Fed Prefers

BY GWYNN GUILFORD

Inflation reached a 40-year peak in February, according to the Federal Reserve's preferred gauge, buoyed by supply problems and strong U.S. consumer demand.

The Commerce Department said Thursday that its personal-consumption-expenditures price index climbed 6.4% in February from a year earlier, faster than the 6% increase for the year that ended in January. The February rise was the fastest since 1982.

The so-called core PCE price index, which excludes volatile food and energy costs, rose 5.4% in February from a year before, compared with the 5.2% increase for the year through January. That marks the sharpest 12-month rise since 1983.

On a monthly basis, core prices climbed a seasonally adjusted 0.4% in February from the prior month, compared with 0.5% in January. That slight moderation hints that inflation measured by the core PCE price index may have peaked.

Fed Chairman Jerome Powell said March 16 that the central bank is watching one-month changes in inflation closely to strip away distortions caused by high inflation in the spring of 2021.

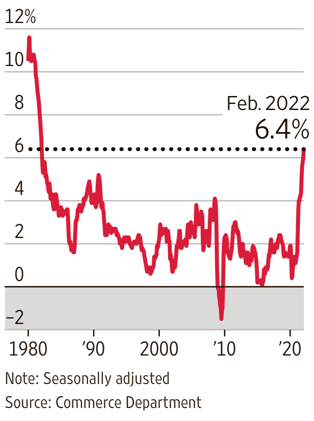
The latest inflation readings add to pressure on Fed officials to keep raising interest rates this year to lower price pressures. The central bank raised its benchmark rate in March for the first time since 2018 and penciled in six more increases by year's end, the most aggressive pace in more than 15 years.

Mr. Powell said March 21 that the inflation outlook had worsened significantly—even before Russia's invasion of Ukraine. The effects of the war and sanctions imposed by the West on Russia's economy could exacerbate supply-chain disruptions while driving up prices of key commodities.

Fed officials lifted their benchmark rate in March by a quarter percentage point to a range between 0.25% and 0.5% from near zero. They signaled they expect to lift the rate to nearly 2% by the end of this year. Most of them projected core PCE inflation would end the year at 4.1%.

Thursday's data follow four-decade-high inflation readings from the Labor Department. In February, the consumer-price index leapt 7.9% from a year earlier, with core CPI up 6.4%.

Personal-consumption-expenditures price index, change from a year earlier



Note: Seasonally adjusted
Source: Commerce Department

U.S. WATCH

U.S. POSTAL SERVICE

DeJoy Says Probe Closed, No Charges

Postmaster General Louis DeJoy said the Justice Department closed without criminal charges an investigation into political fundraising activity at his former business.

"As I said from the beginning and have maintained throughout this process, I was confident that after a thorough review the Justice Department would find all of my activities to be lawful," Mr. DeJoy said Thursday. "I have always adhered to the law in my personal and professional life."

The Justice Department declined to comment. It is standard practice for department officials to reveal to defense lawyers that their investigations have concluded without charges rather than make that announcement themselves.

A DeJoy spokesman said Mr. DeJoy's lawyer received that notification.

Mr. DeJoy, a wealthy former logistics executive and GOP donor, was appointed postmaster general in 2020 by the Board of Governors controlled by then-President Donald Trump. He remains in the position in the Biden administration. He confirmed the existence of a Justice Department probe last June when his spokesman said investigators were examining campaign contributions made by employees who worked for him when he was in the private sector.

—Associated Press

FLORIDA

Suit Challenges Law Restricting Teaching

A group of plaintiffs including parents and students filed a lawsuit Thursday challenging Florida's law restricting teaching about sexual orientation and gender identity in public schools.

The suit argues that the Parental Rights in Education law—which opponents have dubbed the "Don't Say Gay" bill—is unconstitutionally vague and violates principles of free speech and equal protection. Filed in U.S. District Court for the Northern District of Florida in Tallahassee, the lawsuit seeks an injunction barring the law from taking effect.

The Florida law, which Republican Gov. Ron DeSantis signed Monday, has triggered acrimonious debate. Supporters say it is aimed at asserting more parental control over children's education. Opponents say it is designed to censor discussion about lesbian, gay, bisexual and transgender people.

The law, which is scheduled to take effect on July 1, prohibits instruction on sexual orientation or gender identity from kindergarten to third grade and bans it in later grades if not "age-appropriate or developmentally appropriate for students." It allows parents to sue school districts over alleged violations.

—Arian Campo-Flores

VIRGINIA

U.S. Navy Plane Crashes, One Dead

A U.S. Navy plane crashed into the water along Virginia's Eastern Shore Wednesday night, killing one crew member and injuring two others, officials said.

The crash occurred during routine flight operations, a Navy spokesman said, adding that the cause is being investigated. The crash occurred at 7:30 p.m. ET.

The injured crew members were rescued by Maryland State Police and treated for non-life-threatening injuries, the Navy said. It hasn't released the name of the deceased crew member.

—Omar Abdel-Baqui

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CORRECTIONS & AMPLIFICATIONS

Rep. Adrian Smith represents a district in Nebraska. A U.S. News article on Thursday about trade policy incorrectly said he is from Nevada.

In some editions Thursday, a Page One article about a security guarantee for Ukraine misspelled the first name of German government spokesman Steffen Hebestreit as Stefan.

Martin Sorrell's last name was misspelled as Sorrel in one instance in a Business & Finance article on Thursday about **S4 Capital** PLC.

The community of Palmetto Bluff, in Bluffton, S.C., was misspelled as Palmetto Bluffs in a March 25 Mansion article about empty-nesters moving to larger homes.

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

U.S. to Boost Worker Visas For Summer

By Michelle Hackman

The Biden administration will make an additional 35,000 seasonal-worker visas available to employers ahead of the coming summer hiring season, the Department of Homeland Security said Thursday.

The visas are being made available in addition to 33,000 visas already set aside for seasonal employers, such as landscapers, fisheries, resorts and vacation-town vendors, for the summer hiring season. They will be available to employers looking to bring on temporary workers with start dates between April 1 and Sept. 30.

Homeland Security Secretary Alejandro Mayorkas said the additional visas were "informed by current demand in the labor market," and would "help to support American businesses and expand legal pathways for workers."

The move marks the largest release of additional visas for the summer season since Congress changed the rules in 2017 governing how many seasonal-worker visas would be made available each year. Last spring, the Biden administration increased the H-2B visa supply by 22,000. And, for the first time, it also released another batch of 20,000 visas for last winter's hiring season.

Of the 35,000 additional visas announced Thursday, 11,500 will be set aside for applicants from El Salvador, Guatemala, Honduras and Haiti, four countries with historically high proportions of illegal migration to the U.S. The Biden administration views these visas as a way to provide would-be migrants with alternative paths to the U.S. Employers generally lobby against such a carve-out because businesses don't have established recruiting networks in those countries.

The remainder will be set aside for returning workers from any country.

The H-2B visa program for seasonal workers enables employers to hire as many as 66,000 temporary foreign workers a year. Since 2017, Congress has permitted the department each year to raise that cap by as many as 64,000 additional visas.

Employers must first attempt to recruit an American worker and receive certification from the Labor Department that there are none available to do the job. The program comes with requirements on how much employers must pay the workers, and employers must continue recruiting Americans even after foreign laborers are hired.

Passports to Include 'X' Gender Option

By Jennifer Calfas And Alison Sider

U.S. travelers who don't identify as male or female may soon have an easier time as they take to the skies.

Americans will be able to select an X gender designation on their passport applications starting April 11, the State Department said Thursday. The X gender marker will be defined as "unspecified or another gender identity" on forms, the department said, based on input from members of the LGBTQ community and others.

The Transportation Security Administration, meanwhile, is planning technology updates to its body scanners, new screening procedures and a new gender option for TSA PreCheck enrollment.

The moves are part of a federal effort to expand options available for applicants and promote equal rights for transgender, nonbinary and gender nonconforming people. More than 1.2 million people in the U.S. identify as nonbinary, which means their gender identity doesn't align with traditional male or female definitions, according to a June 2021 study from the University of California, Los Angeles.

In recent years, more U.S. states and companies have offered the option of an X gender designation on driver's licenses and other identification documents. The State Department issued its first passport with an X gender designation in October 2021 to Dana Zzyym, an intersex and nonbinary U.S. Navy veteran who sued the department in 2015 over the issue.

"It took six years, but to have an accurate passport, one that doesn't force me to identify as male or female but recognizes I am neither, is liberating," Mx. Zzyym, who uses the gender-neutral honorific, said in a statement at the time.

Storms, Tornadoes Leave Trail of Destruction Through the South

MARY PEREZ/THE SUN HERALD/ASSOCIATED PRESS

DEMOLISHED: Homes in Vancleave, Miss., were blasted by a tornado, one of at least two in Mississippi and Tennessee on Wednesday. In the western Florida Panhandle, a twister killed two people, while thousands were without electricity Thursday in several states.

Human Genome Map Is Completed

By Amy Dockser Marcus

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

A genome researcher in 1997. Scientists have been working to complete the genome map for decades.

Scientists have unveiled what they call the first complete map of a human genome, filling in significant gaps that persisted for almost 20 years and setting the stage for new discoveries about human evolution and fresh insights into cancer, birth defects and aging.

The newly mapped regions, described in six papers published this week in the journal Science, include parts of the genome that had long been uncharacterized because of the limits of DNA-sequencing technology.

"This is the first gapless sequence of a human genome," Dr. Eric Green, director of the National Human Genome Research Institute, said Thursday at a press event about the new map. The institute, part of the National Institutes of Health, was a major funder of the project.

The scientists behind the research identified 99 new genes that likely code for proteins essential to human life, along with 2,000 more whose function is unclear.

Exploiting the new map for medical care would likely take years of additional research, said Dr. Wendy Chung, a Columbia University geneticist who wasn't involved in the effort. But the map "gets us to the starting line," she said, adding, "We have patients with diseases that we know are genetic but we haven't been able to identify. I hope this map will help us fill in some of the gaps in our knowledge."

The scientists also corrected thousands of errors in an earlier map of human DNA, which has served as a reference for doctors, geneticists and researchers since its completion in 2003. That landmark effort, the result of the $3 billion Human Genome Project, sought to read every letter of a person's DNA but even with refinements made in the ensuing years is believed to have found only about 92% of them.

The researchers behind the new map were determined to find the missing 8%.

"Many of us did not want to walk away. We wanted to finish the genome," said University of Washington geneticist Evan Eichler, who participated in the Human Genome Project and is now a member of the Telomere-to-Telomere Consortium.

The consortium, named for the caps at the tips of chromosomes to indicate that the chromosomes would be sequenced in their entirety, is a grass-roots effort involving more than 100 scientists from around the world.

The new map cost a few million dollars to create, according to Adam Phillippy, a computational biologist at the National Human Genome Research Institute, reflecting how sequencing costs have fallen sharply over the years.

The twin strands of DNA in human cells contain about three billion letter pairs spread among 23 pairs of chromosomes. The genetic material helps determine eye and hair color, stature and other physical characteristics, as well as risks for certain diseases.

Sequencing machines can't read all those letters at the same time. Instead, the machines read segments, typically ranging from a few hundred to a few thousand letters. Once the individual segments are sequenced, computers are used to determine the order of the segments and thus the overall map of the genome.

Scientists liken the process to assembling a giant jigsaw puzzle. Human cells typically contain two genomes, one from the mother and one from the father. "It is like having two identical puzzles that only vary slightly in the same box," said Karen Miga, an assistant professor of biomolecular engineering at the University of California, Santa Cruz, who helped organize the consortium.

Consortium scientists said they hoped the technique used to create the new map would fuel other continuing projects, including a "human pan-genome reference" based on DNA from hundreds of individuals of different ancestries to better reflect the world's genetic diversity. The field of genetics has struggled for years with a lack of diversity in DNA databases, Dr. Eichler said.

Budget Projections Now Look Rosy

White House outlook before war saw more growth, less inflation than current forecasts

By Amara Omeokwe

The White House is relying on its recently released budget—including the economic projections—to help make the case that President Biden's policy proposals are fiscally responsible.

The proposed budget, however, forecasts a trajectory for U.S. economic growth and inflation that is rosier than some outside analysts' current forecasts. That is partly because the White House finalized its forecasts last November. But even compared with what other forecasters expected then, the budget's projections for economic growth over the long term are also higher.

For example, the budget, based on estimates finalized in November 2021, sees inflation-adjusted U.S. gross domestic product growing 2.3% in 2032, measured on a fourth-quarter-over-fourth-quarter basis. That is higher than the 1.8% longer-run economic growth reflected in Federal Reserve officials' median forecasts in September 2021.

It is typical for administrations to complete the budget's economic forecasts some months in advance of the release. The latest projections were completed before the Federal Reserve's start of a series of interest-rate increases and Russia's launch of its war in Ukraine, which will likely alter the trajectory of economic growth and inflation in 2022 and beyond.

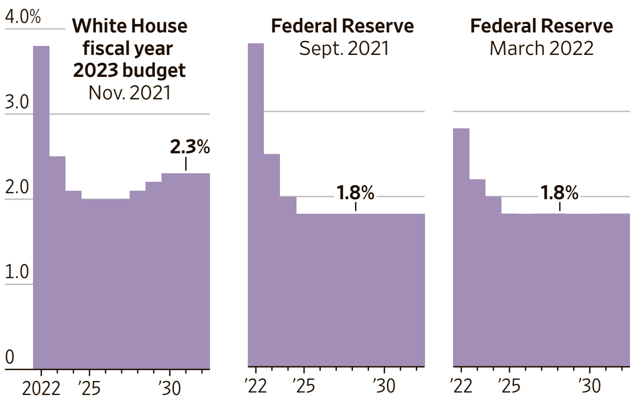
The budget, which the White House released Monday, forecasts the U.S. economy will grow 3.8% in the fourth quarter of 2022, adjusted for inflation, from a year earlier and 2.5% in 2023.

By comparison, the median Fed forecasts released in March projected real growth of 2.8% in 2022 and 2.2% in 2023. Goldman Sachs in late March projected real GDP growth of 1.9% in 2022 and 2% in 2023.

The budget also assumes inflation will slow sharply. The consumer-price index—which measures what Americans are paying for a range of everyday items—was up 7.9% from a year earlier in February, the fastest in 40 years. The budget projects that will average 4.7% this year and 2.3% in 2023 and each year thereafter until 2032.

By comparison, Goldman sees the consumer-price index rising an average of 7.2% this year and 3.3% next year, and then falling to 2.3% by 2027.

Estimates for annual U.S. GDP growth



Note: Measured on an inflation-adjusted basis and from 4th quarter compared with same period a year earlier.
Sources: Office of Management and Budget, Federal Reserve

Cecilia Rouse, chair of the White House Council of Economic Advisers, told reporters Monday that Russia's invasion of Ukraine will have ramifications that aren't reflected in the budget's forecasts.

It "will likely put upward pressure on energy and food prices. That in turn could reinforce inflation that was already an issue prior to the invasion," Ms. Rouse said.

"The economic forecast, if we were updating today, we would look at it somewhat differently," she added.

The budget's long-term projections for GDP are higher than other forecasters' because they assume Mr. Biden's policies would be fully enacted and enhance growth, according to an administration official.

Kent Smetters, director of the Penn-Wharton Budget Model, said the budget's estimates of the ratio of U.S. debt to GDP grow more slowly over time than may prove true given current circumstances, because its assumptions of low inflation and relatively higher growth bias debt estimates downward. If those assumptions were "more aligned with other forecasters, then the debt-to-GDP ratio in 10 years would be larger than what they are currently forecasting," Mr. Smetters said.

The budget projects debt held by the public would reach 102.4% of U.S. GDP in the current fiscal year and then fall to 101.8% in fiscal 2023. Debt is expected to rise in subsequent years to 106.7% of GDP by 2032.

Still, that debt-to-GDP ratio is lower than the Biden administration projected in last year's budget, which saw it rising to 117% over a decade.

Doug Holtz-Eakin, president of the American Action Forum and former director of the Congressional Budget Office during the administration of President George W. Bush, said the budget's assumptions about economic growth and inflation mean the proposal may be overstating how much the government can collect in tax revenue and understating how much it will pay for interest costs and for benefits through programs like Social Security.

"They've stacked it to have higher revenue and low spending compared to what the reality will be," Mr. Holtz-Eakin said.

Ms. Rouse told reporters that the White House had analyzed how unexpected changes in inflation would affect the budget's estimates.

"Based on that analysis, inflation above the forecast raises both expenditures and revenues by similar amounts such that it will have little impact on the deficit overall," Ms. Rouse said.

Trade Rift Emerges Among Democrats

By Yuka Hayashi

WASHINGTON—Some Democratic senators criticized the Biden administration's stance on an emerging Asia-Pacific economic agreement as lacking measures to help U.S. exporters, exposing a widening rift among Democrats over the country's trade policy.

Speaking at a Senate Finance Committee meeting Thursday to discuss President Biden's annual trade policy agenda, several senators, including some Democrats, expressed concerns about the lack of market-opening measures such as tariff reduction in the new economic framework the administration is preparing to launch this spring with friendly Asia-Pacific countries.

Administration officials led by U.S. Trade Representative Katherine Tai have touted a "worker-centric" trade policy that aims to elevate workers and manufacturing at home, while shying away from pursuing traditional trade agreements. Ms. Tai said last week that free-trade agreements are a "very 20th century tool" and that more innovative policies are needed to respond swiftly to the economic challenges posed by nonmarket economies including China.

That approach has frustrated some Democrats.

"The biggest economic opportunity for the United States is to sell things outside of the United States. That means you have to have market access," said Sen. Maria Cantwell (D., Wash.). "We have a president who has a great global presence. He should be advocating a global economic opportunity for the United States."

Some senators criticized an emerging Asia-Pacific agreement.

Sen. Bob Menendez (D., N.J.) described the new Asia-Pacific framework as "not sufficiently ambitious" without the tangible benefits that would derive from market access negotiations. "It's a lot of flowery language but I'm trying to see whether this does anything to open markets for our farmers and ranchers in areas of the world where America just flat needs to be a presence."

The Indo-Pacific Economic Framework, or IPEF, is the administration's main vehicle to deepen economic relations with Asia-Pacific countries. It replaces the Trans-Pacific Partnership agreement, a comprehensive trade agreement the U.S. helped to design as a counterweight to China but abandoned in 2017 amid bipartisan concerns that it could lead to loss of American jobs.

The USTR said in its annual policy agenda that the new framework will address issues including labor standards, digital trade, supply chain resilience, and the environment. Unlike a traditional free-trade agreement, the new pact won't include market access negotiations such as lowering tariffs to promote trade between members.

Commerce Secretary Gina Raimondo told reporters Wednesday that the new framework will be launched later this spring with a "robust group of initial countries" without naming them. "It's a region from which we have been absent in recent years. It's time for us to step up affirmatively," she said.

Ms. Tai said free trade agreements remain a tool for the U.S. but that new approaches are needed. "Our approach is guided by the principle that we need to be able to trade in a way where we bring along our stakeholders instead of pitting them against each other," she said, referring to effects of trade agreements on U.S. industries and workers.

Some progressive Democrats expressed their support for the administration's focus on workers and environmental protection, and pressed Ms. Tai to ensure those issues are addressed in the new Asia-Pacific framework.

House Bill Caps Cost Of Insulin

By Andrew Duehren

WASHINGTON—The House passed legislation aimed at capping the out-of-pocket cost for purchasing insulin, with Democrats breaking off a piece of their dormant healthcare, education and climate agenda to try to move the popular provision through Congress.

Under the bill, which passed 232-193, people covered by private health insurance or Medicare's prescription-drug benefit program would pay no more than $35 a month on insulin beginning in 2023. Twelve House Republicans joined Democrats in support of the bill.

While the measure is unlikely to move through the 50-50 Senate in its current form, Democrats are exploring a compromise with Republicans.

Insulin, a lifesaving medication used to control blood-sugar levels in people with diabetes, has been at the center of Democratic attempts to pass into law measures lowering the cost of prescription drugs. A monthly out-of-pocket cost limit on insulin was part of Democrats' Build Back Better healthcare, education and climate package that passed the House last year but died in the Senate.

Reducing the cost of prescription drugs is a potent political issue ahead of this year's midterm elections, and Democrats' broader bill included additional measures to lower the price of other drugs. With the broader effort stalled, some vulnerable lawmakers pushed for a stand-alone insulin bill, part of a recent effort to show the party is fighting inflation and high prices.

"This is a kitchen-table issue: Are people going to be able to pay their bills," House Speaker Nancy Pelosi (D., Calif.) said Thursday.

Because the proposal would place a limit on what insurers could charge patients out-of-pocket without directly addressing the price drugmakers charge, critics say it could drive up insurance premiums and leave the uninsured paying high prices.

Rep. Cathy McMorris Rodgers (R., Wash.), the top Republican on the Energy and Commerce Committee, said lawmakers should work on alternative legislation that caps insulin at $50 a month and requires more transparency from middlemen that negotiate pricing with pharmaceutical companies and drugstores, among other steps.

"It is a missed opportunity for thoughtful, strong, bipartisan work that delivers results, results that could mean real savings for people paying for all kinds of prescription drugs, not just insulin," she said.

DREW ANGERER/GETTY IMAGES

Supreme Court nominee Ketanji Brown Jackson met with Sen. Lindsey Graham (R., S.C.) in Washington last month.

Graham to Oppose Jackson for Court

By Lindsay Wise

WASHINGTON—Sen. Lindsey Graham (R., S.C.) said Thursday that he would oppose the nomination of Judge Ketanji Brown Jackson to the Supreme Court, dealing a blow to Democrats' effort to win more bipartisan support for the pick.

"I know now why Judge Jackson was the favorite of the radical left and I will vote no," he said in a speech on the Senate floor, citing the confirmation hearings last week and a deeper review of her record. "To my Democratic colleagues, I'll work with you when I can, but this is a bridge too far," Mr. Graham said.

Mr. Graham criticized Judge Jackson for her work as a public defender representing Guantanamo Bay detainees, accused her of judicial activism in her rulings on immigration and complained her sentences in child-pornography cases were too lenient.

Mr. Graham, a member of the Senate Judiciary Committee, was one of three Republicans who voted last year with all 50 senators who caucus with Democrats to confirm Judge Jackson to the U.S. Court of Appeals for the District of Columbia Circuit. The other two Republican senators were Lisa Murkowski of Alaska and Susan Collins of Maine. Ms. Collins on Wednesday became the first GOP senator to say she would support Judge Jackson.

Democrats said Mr. Graham and other Republicans have distorted Judge Jackson's record to justify opposition to the first Black woman nominated to the high court for partisan reasons.

Judge Jackson's nomination is now likely to deadlock in the Senate Judiciary Committee on Monday. But under Senate rules, Majority Leader Chuck Schumer (D., N.Y.) can hold a vote later that day to discharge her nomination from the committee by simple majority. That means Judge Jackson remains on track for confirmation next week, also by a simple majority vote, in the 50-50 Senate.

Top Labor Post Nominee Blocked in Senate

By David Harrison And Eliza Collins

WASHINGTON—The White House's labor agenda suffered a setback when centrist Democrats joined with Republicans to block David Weil's nomination to serve as a top official in the Labor Department, the first time one of President Biden's nominees has been defeated in a floor vote.

Democratic Sens. Kyrsten Sinema and Mark Kelly, both of Arizona, and Sen. Joe Manchin of West Virginia joined Republicans in opposing Mr. Weil's confirmation as head of the department's Wage and Hour Division, which is responsible for carrying out the administration's policies on worker classification, the minimum wage, overtime and other areas. The vote to advance the nominee was defeated Wednesday night with 53 opposed to 47 in favor.

Mr. Weil, an economist at Brandeis University, previously served as head of the division between 2014 and 2017 under the Obama administration. Mr. Biden nominated him to return to the post in June with backing from labor unions.

Both in his research and in his previous stint in government, Mr. Weil has pushed positions that have faced fierce opposition from Republicans and business groups who say he has been too friendly to labor interests. Mr. Weil has argued that gig workers should be considered employees and advocated making more workers eligible for overtime pay.

Centrist Democrats joined Republicans against David Weil's nomination.

"The vote signifies a repudiation of policies that are destructive to small businesses and franchisees and that only benefit labor bosses," said Matt Haller, president of the International Franchise Association, which waged a campaign opposing Mr. Weil's confirmation.

Bill Samuel, government affairs director for the AFL-CIO, called Mr. Weil "eminently qualified" and attributed opposition to his nomination to his "strong record on doing the exact job he was nominated for." He added: "Enforcing fair labor practices does not make David Weil antibusiness, it makes him pro-worker."

White House spokesman Chris Meagher said the administration was disappointed in the Senate's rejection and would continue to evaluate how to move forward with the nomination.

While other Biden nominees have been withdrawn from consideration before a vote as a result of a lack of the majority support needed to pass the Senate, the defeat for Mr. Weil marked the first time a Biden nominee had made it to the floor and been rejected.

A spokesman for Senate Majority Leader Chuck Schumer (D., N.Y.) declined to comment.

Hannah Hurley, a spokesman for Ms. Sinema, said in a statement that the senator was concerned about Mr. Weil's "ability to faithfully execute and uphold the law." Ms. Hurley declined to comment when asked if Ms. Sinema had told Mr. Schumer ahead of the vote Thursday.

Mr. Manchin said in a statement Thursday that he couldn't support Mr. Weil "because I do not believe that the health and well-being of our small businesses and the employees who rely on their success would be his utmost priority."

Samantha Runyon, a Manchin spokeswoman, declined to comment on whether Mr. Manchin had shared his position with Democratic leadership.

Mr. Kelly heard concerns from Arizona small businesses about Mr. Weil's record and couldn't support the nomination, said Jacob Peters, a spokesman for Mr. Kelly. He added that Mr. Kelly's concerns were "shared" but didn't specify with whom.

—Natalie Andrews contributed to this article.

HANS PENNINK/ASSOCIATED PRESS

Democrats, who control the Senate, above, and Assembly were in charge of redistricting this year.

New York Court Ruling Throws Out State's Congressional Maps

By Jimmy Vielkind

A New York judge on Thursday threw out the state's proposed maps for the House of Representatives, saying Democrats who control the state Legislature didn't follow the correct process and that the districts violated the state constitutional provisions against gerrymandering.

New York State Supreme Court Justice Patrick McAllister, a Republican sitting in upstate Steuben County, said the Senate and Assembly have until April 11 "to enact new bipartisan supported proposed maps that meet the constitutional requirements." If new maps don't receive bipartisan support, an independent expert will draw lines, the judge wrote.

"It is compromise that is the safest way to avoid the plague of partisan gerrymandering," Mr. McAllister wrote in an 18-page ruling. "If gerrymandering is allowed to occur then certain groups of voters will be discriminated against and become disenfranchised."

The ruling, in response to a lawsuit by Republican voters, came as candidates for the House of Representatives as well as the New York state Assembly and Senate were finishing the process of petitioning for ballot spots in a scheduled June 28 primary. Mr. McAllister's decision threw out the proposed district lines for the state Assembly and Senate as well. It could annul the petitioning process and prompt New York to push back its primary date for state and federal offices, officials said.

Democrats said they would appeal the decision and played down its immediate impact. "It's going straight to appeal and it's got no impact at the moment," said Jay Jacobs, chairman of the New York State Democratic Committee.

Democrats were in full control of the New York redistricting process this year for the first time in more than five decades. The new maps were designed to eliminate four GOP members within the new set of 26 districts, Republican lawyers said. There are now eight Republicans in the state's 27-member House delegation.

With the ruling, New York becomes the latest state in which restrictions on gerrymandering, or redrawing district boundaries in order to favor one party, have led to the rejection of partisan maps. A Maryland judge last week blocked the state's congressional map, saying the plan violated the state's Constitution and was drawn "to suppress the voice of Republican voters."

—Aaron Zitner contributed to this article.

U.S. Judge Blocks Parts of Florida's Elections Law

By Alexa Corse

A federal judge struck down parts of a sweeping Florida elections law passed last year by the Republican-led state legislature, saying certain measures were unconstitutional and targeted Black voters.

U.S. District Judge Mark E. Walker said that parts of the law, known as SB 90, specifically those related to drop boxes, voter-registration groups and activity around polling places, violated the Voting Rights Act and the 14th and 15th Amendments of the U.S. Constitution.

"This Court further finds that, to advance the Legislature's main goal of favoring Republicans over Democrats, the Legislature enacted some of SB 90's provisions with the intent to target Black voters because of their propensity to favor Democratic candidates," Judge Walker, an Obama appointee, wrote in a 288-page opinion issued Thursday.

Judge Walker also invoked an oversight power under Section 3 of the Voting Rights Act to place Florida under preclearance requirements. For 10 years, he ruled, Florida may not enact new rules governing voter-registration organizations, drop boxes or assistance to voters waiting in line to vote without court approval.

Courts have applied that section of the 1965 Voting Rights Act sparingly. But Judge Walker said the move was necessary in this case. "Floridians have been forced to live under a law that violates their rights on multiple fronts for over a year," he wrote. "Without preclearance, Florida could continue to enact such laws, replacing them every legislative session if courts view them with skepticism."

Republicans defended the law, saying it would improve the security of the state's election system and that Florida voters have ample opportunity to cast a ballot in-person or by mail.

"This is nothing more than a liberal, activist partisan ruling by a liberal, activist partisan judge," said Florida state Rep. Blaise Ingoglia, a Republican who sponsored the law. He said he expected the decision would be appealed and overturned.

Judge Walker struck down a provision requiring drop boxes to be manned by election workers and limiting their use to early voting hours, except for secure boxes at election offices. He also blocked a measure prohibiting anyone from "engaging in any activity with the intent to influence or effect of influencing a voter" within 150 feet of a drop box or polling place. Proponents of that provision said it would protect voters but critics called it vague.

The judge also struck down new rules for voter-registration groups, including a requirement that they had to warn applicants that their registration could be delivered late. The judge said that rule wasn't justified because such groups don't often turn in registrations late.

Some Ivy League Colleges Keep Acceptance Rates Private

By Melissa Korn

When the University of Pennsylvania on Thursday detailed this year's undergraduate admission decisions, one data point was notably absent: the acceptance rate.

The eight Ivy League schools notified prospective students of their fates Thursday evening. This year, only five will also say publicly what share of applicants actually got in.

Penn, for instance, provided information on roughly how many people applied and how large it expects its first-year class to be. But not everyone admitted actually enrolls, so even enterprising readers will have trouble calculating the acceptance rate.

Applications to prestigious schools have ticked upward for years, and changes to admission policies during the pandemic pushed that growth into turbo drive. Acceptance rates at some of these institutions slid to the low single digits last year. Harvard University, for example, admitted 3.2% of the 61,220 people who applied to join the fall 2022 class, edging down from 3.4% last year.

Now, some admissions officers say, drawing so much attention to how few candidates made the cut is doing more harm than good, ratcheting up panic among high-school students and their parents and perpetuating a myth that it is nearly impossible to get into a good college.

"We're focusing not on how hard we are to get into, but on who these young people are that we chose," said E. Whitney Soule, Penn's admissions dean.

Princeton and Cornell universities also no longer share detailed admission figures after informing applicants of their results.

"We know this information raises the anxiety level of prospective students and their families and, unfortunately, may discourage some prospective students from applying," Princeton wrote in a statement on its admissions website explaining the change.

It is a marked shift from a standard annual game plan in which all eight Ivy League institutions—and scores of other well-known schools—publicly share figures for how large the applicant pool was and how few of those hopeful students actually made the cut. Most typically issue news releases, highlighting their single-digit acceptance rates ahead of the demographics and accomplishments of their admitted students.

HANNAH BEIER FOR THE WALL STREET JOURNAL

Penn says it focuses on students who were admitted, not how hard it was to get in.

In addition to Harvard, on Thursday Yale and Brown also reported record-low acceptance rates for this year, at 4.5% and 5%, respectively. Columbia and Dartmouth roughly tied last year's rates of 3.7% and 6.2%.

Through mid-March the widely used Common App received 6.64 million applications, a 21% jump from the 2019-20 school year. There were 1.18 million applicants, an increase of 14%. Highly selective schools—those admitting less than half their applicants—reported the biggest increases in applications.

One factor explaining the increases is that many schools made test-score submissions optional during the pandemic. There is also a longer-term trend at play: High-school students with high aspirations see the statistics from prior years and, concerned about getting in, try to hedge their bets by applying to more schools. The pools continue to grow; acceptance rates continue to tumble; the cycle repeats.

Harvard, Yale and other Ivies received an unprecedented number of applications last year and near-record figures for the early-admission deadline of the current cycle.

Stanford University in 2018 stopped reporting its admission data, saying it wanted to de-emphasize the perceived value of low acceptance rates, though other schools have been slow to follow suit.

Stocks Lost Ground In Quarter

Continued from Page One

many economists. They have since declined to around $100, a price that likely limits immediate economic damage but still marks the biggest quarterly gain since 2008.

Underpinning the uncertainty that permeated the first quarter was the Fed's plan to raise rates. In doing so, the central bank removed a wave of stimulus that had driven stocks to dozens of records over the past two years and fueled a rush into some of the most speculative investments in the market.

That made the recent market downturn markedly different from the crash in 2020, which was abnormally short and severe.

"The changes to our market views are just as dramatic as they were when the Covid-19 pandemic emerged two years ago," Erik Knutzen, multiasset class chief investment officer at Neuberger Berman, wrote in a note to clients after the Ukraine invasion, adding that he is pessimistic about stocks over the next year.

Few assets were left untouched by the volatility. Investors have dumped bonds, sending yields on corporate and municipal bonds as well as Treasurys sharply higher. The Bloomberg U.S. Aggregate bond index—largely U.S. Treasurys, highly rated corporate bonds and mortgage-backed securities—returned minus 6% in 2022 through Wednesday, headed toward the biggest quarterly loss since 1980.

Wheat prices have climbed 31%, logging the best quarterly performance since 2010. The swings in nickel prices during the Ukraine crisis were so large that the London Metal Exchange closed trading in the commodity after a huge run-up in prices inflicted severe financial pressure on producers that sold nickel as a hedge.

"That's not rational behavior for an instrument, and that's terrifying," said Paul Britton, founder of Capstone Investment Advisors, an investment firm specializing in trading volatility. He expects the turbulence to continue the rest of the year.

Adding to the pain for many investors was the decline among shares of big technology companies, the biggest market leaders of the past decade.

Facebook's parent company, Meta Platforms Inc., lost about $232 billion in market value in a single session after posting disappointing earnings, the biggest loss in market value for a U.S. company in history. The next day, Amazon.com Inc. recorded the biggest-ever one-day gain in market value.

Meta had its worst quarter since its shares started trading publicly in 2012 and has been one of the biggest losers within the S&P 500. Other former market leaders also struggled. Netflix Inc. has lost 38% this quarter, its worst period since 2012. PayPal Holdings Inc. has also lost around 39%, its worst quarter on record, and Salesforce.com Inc. finished its worst quarter since 2011.

The S&P 500 outperformed the tech-heavy Nasdaq Composite by about 4.2 percentage points, the greatest margin since 2006, according to Dow Jones Market Data.

Other corners of the market have fared better. The S&P 500's energy sector has soared 38% and notched its best quarter in history. Energy stocks like Occidental Petroleum Corp. and Halliburton Co. have skyrocketed more than 95% and 65%, respectively.

Some optimism crept back into the market recently. After the Fed raised rates in March for the first time since 2018, a familiar pattern emerged. Investors piled back into stocks and stepped in to buy the dips in shares of tech and growth companies as well as more speculative bets that had suffered to start the year.

Bitcoin prices rebounded in March. Meme stocks like GameStop Corp. and AMC Entertainment Holdings Inc. have soared, gaining more than 30% for the month.

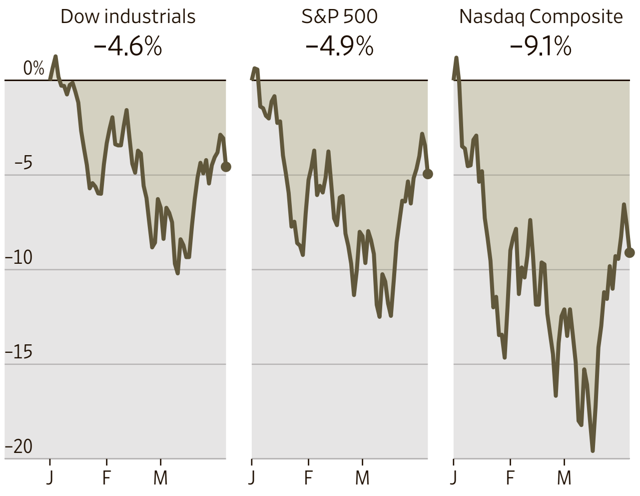
Some analysts said individual investors appeared to be piling back into the market, driving some of the gains, a move reminiscent of last year. A basket of stocks favored among retail traders that includes electric vehicle maker NIO Inc. and DoorDash Inc., for example, had gained 21% from March 14 through Wednesday, according to Goldman Sachs analysts. Some institutional investors might have had to cover their bearish positions, accentuating the recent rally in tech, traders said.

The wild moves for big tech stocks continued in the last week of the quarter. Tesla shares jumped 8% in a single session after it said it would seek approval for a stock split, a move reminiscent of the frenetic 2020 rally in its shares ahead of a previous split.

While a sharp decline early in 2022 put the Nasdaq Composite Index in a bear market, more than 20% below its recent high, the rebound of the past weeks has cut its losses roughly in half. The Dow Jones Industrial Average and S&P 500 are just around 6% below their highs.

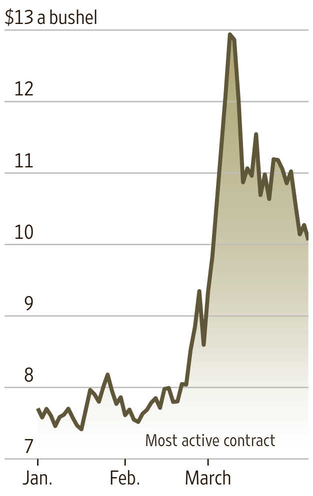
Some investors remain puzzled by the recent surge and have focused on the apparent disconnect between equities and other parts of the market. A widely watched signal in the bond market, for example, has been flashing a warning sign that a recession might be ahead.

Index performance



Source: FactSet

Wheat futures price

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OPEC Keeps Russia-Backed Output Plan

Partnership says it can't stop oil prices from rising, spurns call to increase production

By Summer Said
And Benoit Faucon

EBRAHIM NOROOZI/ASSOCIATED PRESS

United Arab Emirates Energy Minister Suhail al-Mazrouei speaks in Dubai. He said oil prices would rise if OPEC pumps more oil.

The Organization of the Petroleum Exporting Countries said there is nothing it can do to stop rising oil prices, as it decided again on Thursday to stick with a Moscow-backed production plan that has done nothing to tame the market during the Ukraine war.

In its second meeting since the Kremlin ordered the assault on Ukraine, a partnership between OPEC and a group of Russia-led countries, dubbed OPEC+, declined again to tap into its millions of barrels of remaining capacity to pump more oil. Instead, they agreed to raise their collective oil output by a modest 432,000 barrels a day, rejecting calls from oil-consuming countries to do more.

The reason: Most OPEC+ members are already pumping at their maximum capacity, while Saudi Arabia and the United Arab Emirates—which have so-called spare capacity to raise their production—say beefing up output would actually raise prices, not lower them.

"If we do what [Western consumers] are asking for, what's going to happen to the oil prices? It's going to go up," said Suhail Mohamed Al Mazrouei, the Emirati energy minister, in an interview on Tuesday.

The Saudis and Emiratis said this week they won't break up their energy-market alliance with Russia and pump more to help the U.S. and the West in their confrontation with Moscow. Higher oil prices fuel Russia's state revenue and complicate efforts by the U.S. and Europe to exert maximum pressure on Moscow with energy sanctions.

On Thursday, the Biden administration said it plans to tap up to 180 million barrels of government oil reserves to help tamp down near-record fuel prices, an unprecedented government intervention into oil markets in the wake of Russia's invasion of Ukraine. In recent months, U.S. officials say they have stopped asking the Saudis to pump more oil and have instead pressed them to not react in some unexpected way to a petroleum-reserve release, such as by cutting output.

Brent crude, the international oil benchmark, fell 4% to $107.46 a barrel on Thursday after the plan was reported. West Texas Intermediate, the main U.S. gauge, fell 4.4% to $103.11 a barrel. Those are the lowest levels in several days but still well above where prices stood before Russia's invasion of Ukraine.

Some analysts have interpreted OPEC's rejection of calls to pump more oil as a decision by Saudi Arabia and the U.A.E. to align themselves more closely with Russia and China after years of partnership with the West.

But OPEC members say the reality is more complicated. They say they have ramped up production by over three million barrels a day after cutting during the pandemic. And those production increases have eaten away at their capacity to pump more oil, OPEC delegates say.

OPEC's spare capacity still stands at 4.19 million barrels a day, including 3.2 million barrels a day from Saudi Arabia and the U.A.E., according to the International Energy Agency, a group that assesses the oil market and advises oil-consuming nations.

OPEC members recall the oil-price spike in 2008, when they added output and it did little to calm the market, said Helima Croft, the chief commodities strategist at Canadian broker RBC. Each time OPEC raised output, investors looked at how its spare capacity was shrinking, giving it less ammunition to respond to a future shortage.

Ms. Croft said it raises the question, "What would happen if [disruptions] get worse and you don't have the barrels?"

U.S. Extends Sanctions to Tech, Companies That Helped Evasion

By Ian Talley

ALEXANDER RYUMIN/TASS/ZUMA PRESS

Russia's largest microchip manufacturer, Mikron is among the firms sanctioned by Washington.

WASHINGTON—The U.S. levied sanctions on nearly three dozen Russian companies and individuals that the Treasury Department said are helping Moscow evade the West's economic pressure campaign and aiding the country's defense and intelligence agencies.

Among those blacklisted include Russia's largest microchip manufacturer, Mikron, a firm named Serniya Engineering that Treasury said oversaw a network of companies that procured technology and dual-use goods from abroad for the military and intelligence services, and supercomputer company T-Platforms.

The companies were previously identified as sanction targets by The Wall Street Journal. The companies didn't respond to requests to comment.

The Treasury Department said some of the firms named in the Thursday announcement were shell companies set up to evade prior U.S. sanctions.

The U.S. and its European allies say they are entering a new phase of the sanctions campaign against Russia over its invasion of Ukraine, focusing on tightening enforcement and plugging holes.

"We will continue to target Putin's war machine with sanctions from every angle, until this senseless war of choice is over," Treasury Secretary Janet Yellen said.

The Treasury Department said sanctions targeting "harmful foreign activities of the Russian government" would also apply to Russia's aerospace, marine and electronics sectors, enabling it to blacklist any company or individual operating in those sectors.

Together with strict export controls imposed on broad sectors of Russia's economy, officials say the sanctions are intended to degrade the country's growth prospects and undermine the Kremlin's ability to project its power internationally, including waging war to take over Ukraine.

Russia is attempting to use companies not under sanction to sidestep the measures, U.S. officials said. Closing the gaps in the sanctions regime will amplify the economic and financial pressure campaign.

The sanctions freeze any assets the targets hold within U.S. jurisdiction and prohibit U.S. entities—including foreign companies that have U.S. operations—from conducting transactions with the targets. Entities found violating the prohibitions risk sanctions themselves.

The sanctions imposed by a coalition of Western nations representing nearly two-thirds of the global economy are crippling Russia's economy. U.S. officials say the campaign could cut Russia's economic growth in half.

Deputy Treasury Secretary Wally Adeyemo, who is meeting with European officials this week, said the allies are "forcing the Kremlin to choose between spending its dwindling resources on propping up its domestic economy or continuing to finance the invasion of Ukraine and other destabilizing activity."

Putin Presses Gas Payments in Rubles

By Matthew Luxmoore
And Caitlin Ostroff

Russian President Vladimir Putin said the country will halt gas deliveries to buyers from "unfriendly states" unless they switch to payment in rubles.

On flagship news channel Rossiya 24, Mr. Putin said all such buyers of Russian gas would have to open ruble accounts in Russian banks, from which the funds for the gas purchases would be made.

"If such payments aren't carried out, we will consider this a violation of responsibilities on the part of buyers," he said. "All existing contracts will be halted." The new policy takes effect Friday.

Mr. Putin's decree, first announced last week and signed Thursday, caused a rally in the ruble after weeks of depreciation amid capital flight and an exodus of Western companies from Russia against the backdrop of the sanctions.

The Russian ruble strengthened close to its pre-invasion level against the dollar Thursday—a byproduct of the central bank's tight control over the currency. Also at play, a possible surge of quarter-end payments for Russia's commodity exports.

The quick rebound of the ruble surprised some who expected that Western sanctions targeting Russia's financial system would cause prolonged weakness in the currency.

On the eve of Russia's invasion of Ukraine, the ruble traded at 81 to the dollar. By early March, it tumbled past 150 before strengthening in recent days. One dollar bought 82 rubles in international trading Thursday and 83 rubles in Russian domestic markets.

The ruble's ricochet occurred after Russia capped the amount of dollars that residents can withdraw from foreign-currency bank accounts and barred banks from selling foreign currencies to customers for six months. The central bank also doubled interest rates to 20% to keep rubles in the banking system.

Western sanctions capped the Russian central bank's ability to sell its reserves denominated in dollars and euros to support the ruble's value. But carve-outs in the sanctions allow Europe to continue buying Russian energy and ensured dollars and euros continue to flow. Russia ordered its exporters, such as oil-and-gas companies, to sell 80% of their foreign-currency revenues and buy rubles, helping the currency appreciate.

One possible factor for the ruble's strength in recent days: Energy payments are often made at the quarter-end. Companies also tend to convert foreign currencies into rubles to pay taxes at month and quarter end, said analysts at Renaissance Capital. Charlie Robertson, Renaissance's global chief economist, said the ruble's strength isn't necessarily a sign that Russia's economy is healing nor a sign that sanctions aren't having an effect.

Biden Will Tap Oil Reserves

Continued from Page One

ance the needs of war with those of U.S. consumers weary of inflation.

Polls show voters frustrated by rising pump prices, and several congressional Democrats have been concerned about tough re-election campaigns in November.

Crude prices dropped about 7% Thursday on the news, but the effect on pump prices, which lag behind the crude market, remains to be seen.

The Organization of the Petroleum Exporting Countries, meanwhile, decided again Thursday to stick with a production plan it has arranged with Moscow in which members will raise their collective oil output by a modest 432,000 barrels a day. The Biden administration has asked OPEC repeatedly to boost output even faster, to no avail.

Mr. Biden's remarks Thursday drew criticism from the oil industry, which said that he unfairly blamed U.S. energy companies for not pumping more oil in response to shortages stemming from the Russian invasion and the rebound from the Covid-19 pandemic.

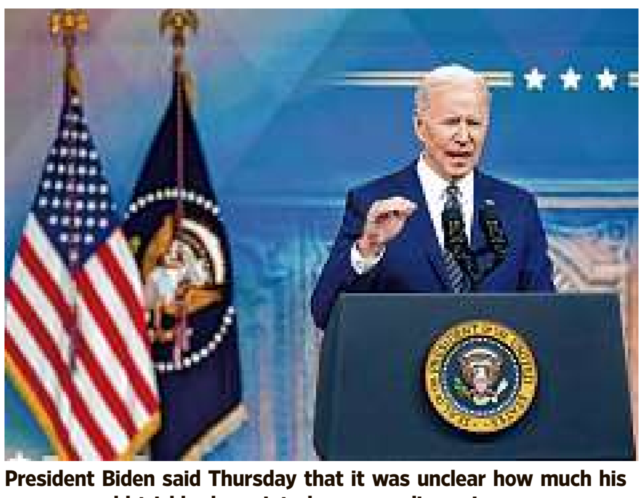
"The best thing the White House can do right now is to remove barriers to investment in American energy production and infrastructure," Mike Sommers, leader of the American Petroleum Institute, said in a statement.

Mr. Biden, a Democrat, also called on Congress to pass a law that would push oil companies to drill faster when they have leases on federal lands. He urged imposing fees on companies for unused leases.

The president said he didn't know when or by how much his moves might trickle down into lower gasoline prices.

"There's no firm answer," he said, adding that the timeline and impact would also depend on the number of barrels U.S. allies decided to release.

Administration officials said they expected other countries to also tap reserves, with possible announcements as soon as Friday.



PATRICK SEMANSKY/ASSOCIATED PRESS

President Biden said Thursday that it was unclear how much his moves would trickle down into lower gasoline prices.

A 180 million barrel release would be nearly four times as large as any other release from the emergency stockpile, according to analysts at ClearView Energy Partners LLC. The U.S. has already made two releases since November that totaled 62 million additional barrels than previously scheduled for release.

This new release, if completed, would leave government reserves with less than 400 million barrels, their lowest level since 1984, according to data from the U.S. Energy Information Administration. The reserves held nearly 700 million barrels—near their peak—as recently as 2017.

Those reserves were falling even before Mr. Biden's orders because at the peak of the shale drilling boom in the U.S., lawmakers from both parties decided to start selling some of the reserves to balance budgets and modernize the reserve's infrastructure. It led several analysts to warn that it could weaken the strategic reserve, known as the SPR, if it is eventually needed.

At current import and export rates, a drawdown of this size would leave U.S. reserves with not much more than the 90 days of supply required under its membership in the International Energy Agency, the Paris-based energy watchdog, according to calculations from RBC Capital Markets.

"The government has no further SPR bullets," the bank's analyst Michael Tran said in a note to clients.

And that might come with only little short-term gain for U.S. consumers, several industry leaders and analysts said. The amount of oil the Biden administration plans to release could reduce gasoline prices by 5 to 10 cents a gallon in the short term, with little long-term impact, said Andy Lipow, president of Lipow Oil Associates in Houston.

"An SPR release is a one-time measure to bridge a supply disruption but does nothing to get more supplies out of the ground to replace Russian supplies," Mr. Lipow said.

Oil market participants are only now beginning to feel the true impact of reduced Russian supplies, which many Western companies have shied away from purchasing.

"Russia is a problem that is too big for the SPR to solve," said Bob McNally, who served as an energy adviser to President George W. Bush and is now an analyst at Rapidan Energy Group. "Gasoline prices are mainly influenced by crude oil prices. And crude oil prices are going to go higher as long as the Russia risk remains and intensifies."

The government will also need to buy new crude eventually to replenish its reserves, which could itself cause prices to rise or become an expensive proposition if the war lingers.

"It is a loan of oil to the market rather than a new source of supply," said Callum Macpherson, head of commodities at Investec.

Mr. Biden's economic advisers have privately discussed a gas-tax holiday, people familiar with the conversations said, but some have raised doubts that it would be an effective way to lower prices.

A gas-tax holiday would also take money away from the highway trust fund and might not be directly passed on to consumers.

—Will Horner, Summer Said and Natalie Andrews contributed to this article.

A Theater Became a Refuge

Continued from Page One

The chaos would transform into a mini-society created from scratch, according to interviews with more than a dozen people who stayed at or visited the Mariupol theater after the Russian invasion.

At first, Evgeniya and Sergey admitted only women and children. They soon opened the doors to everyone.

Severed internet services plunged Mariupol into an information blackout. People who emerged from the darkness of basements in the daylight hours, when the Russian shelling subsided, followed others to the theater, hoping for news about an organized exit from the city.

Nadya Navka lived on the left bank of the Kalmius River, on the other side of town. She caught a ride to the city center with her husband and mother after shelling shattered the windows and doors of their home. She saw people streaming toward the theater and joined them. “If people gather there,” she said, “then if there is any evacuation, it’s going to be from there.”

Kyiv and Moscow agreed to establish a humanitarian corridor from Mariupol, allowing safe passage out of the city on March 5. Residents gathered in front of the theater, waiting for buses that never came.

Instead, Russia shelled the exit route. Without a safe escape, hundreds of people poured into the theater. None had mattresses, blankets, pillows, food or water.

As the theater’s population swelled, people jostled for slivers of territory. By the time Anna, a single mother, arrived on March 7, there was no room in the basement, the building’s warmest, safest spot. It had been designed to hold 50 people, but she saw many more there. Others bedded down on the floor of the theater lobby, in hallways and dressing rooms.

Anna, who worked at a logistics company, staked out a corner on the first floor with her 13-year-old son, near a window covered with plywood.

People filled the second story and then the third. Some found places in the balconies, splayed out across its red-velvet seats. Families uprooted seats from the auditorium to use for sitting or sleeping in other parts of the theater.

“By the middle of the day, the toilets were full, in a terrible state. There was no water for flushing,” said Natasha Gonchorova, the theater’s speech coach, who arrived with her husband and two sons. In the disorder and uncleanliness, many children picked up coughs. A virus circulated, spreading fever. The sick called out for medicine, but there was none.

A child cried through the night, his mother unable to console him. “It was impossible to sleep,” said Olha, who had taken refuge in the theater with her sons.

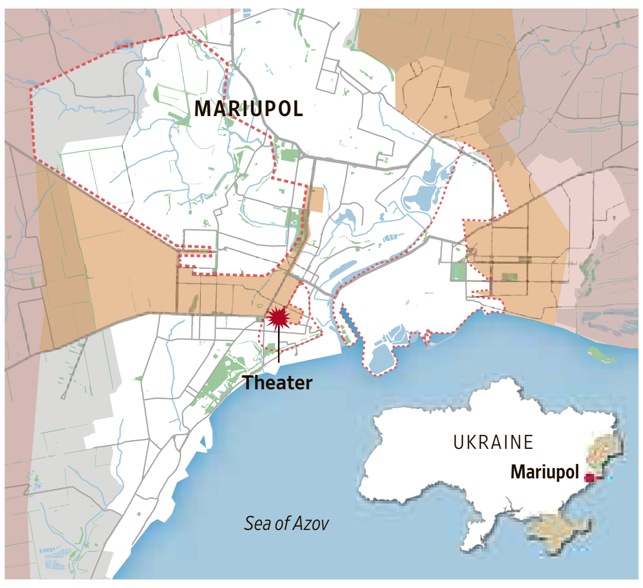
“Everyone understood that something had to be done,” said Sasha, an electrician at the Azovstal steel plant who showed up on the third day of the siege.

The performing-arts theater in Mariupol, Ukraine, the day after it was bombed. Below, people took refuge in the venue’s offices, hallways, auditorium, balconies and basement. Authorities said 300 were killed in the attack.

LEV SANDALOV (2)

Russian-controlled   Russian advances*

Areas Russia claims to control



Note: *Areas where Russian forces have operated or launched attacks but do not control

Source: Institute for the Study of War (control areas as of March 29)

New recruits

Evgeniya took charge of settling and caring for newcomers. Her husband scoured the city for help from the local Red Cross office, the police and volunteer groups.

Supplies trickled in, either donated or appropriated from closed shops: toothpaste, candles, toilet paper, hygiene items, diapers, baby food.

The couple realized they needed a place to store goods and an orderly system to distribute them. Evgeniya designated a warehouse in the theater and assigned storekeepers to supervise it. She and her group established a first-aid post in an office and found a doctor and nurse to staff it.

“Evgenia and her husband were the two pillars who held the whole thing up,” Olha said, who refashioned stage scenery to use as a bed. A couple slept on a sofa, a prop from a play.

A team of men dismantled a fence around a nearby ice rink to use as firewood. Volunteers carried industrial water from a nearby source and boiled it over an open fire in the ventilated basement to make it safe to drink. Others gathered refuse from the theater to burn in a metal drum behind the building. Two electricians rigged a generator to recharge cellphones. A group of women cleaned bathrooms.

“Everyone worked like gears,” said Ms. Gonchorova, the theater speech coach.

In the theater cloakroom, where attendants had once hung coats, volunteers handed out warm clothes, diapers and baby food. Volunteer security guards slung the cloakroom’s numbered tokens around their necks as badges and policed the few who tried to cut the line for drinking water.

“It felt like we were participating in a terrible social experiment,” Ms. Navka said.

While in line for water or food, people traded stories about how they had ended up at the theater. A woman said a missile wrecked her house while she was outside cooking over a fire. Others exchanged memories of the plays they had seen at the theater.

In the daytime, people went outside to stretch their legs or smoke cigarettes. At the whistling of incoming shells, everyone hustled indoors.

Local police showed up with a field kitchen, and a team of volunteers was formed to prepare meals. One group peeled potatoes and carrots and cut up meat, chicken or fish.

Men on foraging runs sought out flour and baking molds from bombed-out bakeries, and women made bread in the field kitchen. Some people dashed home to collect kitchenware and bedding.

A daily regimen emerged. Before first light, men kindled a fire. By 7 a.m., water was boiling in a large cauldron for morning tea and coffee, which was served for two hours. Some parents sent their children to hold a place in line. By 8 a.m., Evgeniya held a meeting of department heads to talk over pressing problems.

Volunteers served a light snack in the morning and a soup for lunch: chicken with rice, bouillabaisse or borscht. Women, children and the elderly ate first. In the evening, cooks made the last of the sausages and meats salvaged from closed or damaged stores. “We formed a commune here,” Sergey said.

Like passengers aboard a ship crossing into the unknown, people in the theater voiced both despair and hope. They were angry at the injustice that had driven them from their homes and upended their lives. They feared a bomb could strike at any moment.

Some people had brought a cat, others the family dog. A man roamed the theater’s passageways with a parrot, Zemphira, raising the spirits of the hundreds of children there. Kids chased each other across the theater stage. “For them, it is always a game,” Ms. Gonchorova said.

Anna said people were reassuring, and if they had a spare blanket, they usually shared it. “Everyone realized we were in the same boat,” she said.

City landmark

Soviet authorities had completed the building in 1960, naming it the Russian Dramatic Theater. The venue later became a pride of the working-class city, where many residents had ties to one of its two major steel mills.

The theater was a white-washed building with Greek columns, and the masks of tragedy and comedy on its facade looked out on a public square. It seated 770 people in the auditorium for dramas, comedies and musicals, and hosted steel-plant anniversaries, events for port workers and graduation ceremonies for Mariupol State University.

Moscow had long coveted the city, and Russian-backed forces briefly took control of it in 2014. Mariupol lies 35 miles west of the Russian border, on the northern coast of the Azov Sea, a piece of the land bridge Moscow now hopes to build to the Crimean Peninsula, which it annexed eight years ago.

The theater has been a symbol of the struggle over the city’s identity. In 2015, local authorities removed the word “Russian” from the theater’s name. Last July, they went further, forbidding performances in Russian, although Mariupol had always been a Russian-speaking city.

Some of the people trapped inside the theater by the bombardment raged at Russian President Vladimir Putin and his brutality. Others begged authorities to surrender Mariupol and save the remaining homes and residents.

The chaos was transformed into a mini-society created from scratch.

Two weeks into the siege, the theater’s population neared 1,500. Evgeniya could scarcely imagine accommodating another soul when Russia struck a maternity hospital blocks away on March 9. Rescue workers drove pregnant women from the wreckage to the theater, and Evgeniya found room for them.

Outside, bodies were scattered on city streets. People transported corpses in supermarket carts to bury in hastily dug graves. Other bodies remained where they had fallen, covered with a blanket or a sheet of plastic.

With Mariupol cut off from supply deliveries, food grew scarce. Sergey’s foraging trips came up short, and Evgeniya and her team began rationing meals.

‘No longer safe’

Russian warplanes flashed through the night sky, visible through slits in the windows that Evgeniya’s crews had covered with wood from the theater’s set-design shop. In the darkness of early morning, people watched the planes fly at a low altitude, the better to steer unguided munitions.

The strikes drew near. A missile or a bomb hit a residential building 100 meters from the theater. Another fell even closer, prompting Anna and her friend Victoria to relocate from the first floor of the theater to a space beneath the stage. The blasts shook the theater walls and pushed families to the basement, where people feared being crushed or suffocated.

“The building was no longer safe, but safe places had ended a long time ago,” said Sasha, the electrician.

Evgeniya’s management group discussed protecting the several hundred children in their collective care. From the theater’s warehouse, volunteers retrieved buckets of white paint purchased for the set of a coming play. They used paint rollers to spell out “CHILDREN” in large letters on the square in front of and behind the theater, so Russian pilots could see that it wasn’t a military target.

By March 14, many people gave up waiting for a formal evacuation and resolved to leave the city, braving Russian forces. Cars gathered in front of the theater, and people paid as much as $100 for a ride west to the town of Berdyansk or north to Zaporizhzhia.

“We sensed this might be our last chance to get out,” Victoria said. She squeezed into a minibus with Anna and her son on March 15.

The theater population dipped below 1,000. Those who remained had no idea of what was to come. “There was no premonition, like cats have,” Ms Navka said. “On the contrary, we were waiting for humanitarian convoys, for buses.”

Just past 11 a.m. on Wednesday, March 16, as Ms. Navka slid dough into the oven, a bomb crashed through the roof of the theater.

“It all happened at lightning speed,” Ms. Navka said. “I understood that I was conscious, but I saw nothing, heard nothing, and I didn’t understand what had happened. I saw the sky above me.”

The bomb collapsed the theater’s ceiling and landed on the stage. Sunlight poured in and illuminated a scene of wood and twisted metal.

“I saw where people were injured, where people were dead,” Sergey said. “One shell. Through the roof.”

Panicked survivors scrambled for a way out. The air filled with billowing clouds of debris and smoke from fires ignited in the blast. “It was impossible to inhale,” Ms. Gonchorova said. “It felt like you were breathing concrete.”

Bloodied, shellshocked, deafened and concussed, many of the survivors abandoned Mariupol, taking their chances on roads west and north. Russia denied hitting the theater and accused Ukrainian forces of targeting it. “We don’t understand why it happened to us,” Olha said. “It was only ordinary Mariupolans.”

The attack’s final toll remains unknown. After a week of searching, authorities said more than 300 people died.

On Thursday, Russia announced a cease-fire around Mariupol, pledging safe exit for those trapped in the city.

EVGENIY MALOLETKA/ASSOCIATED PRESS

A woman helped to safety after the shelling of an apartment in Mariupol, Ukraine, on March 7.

THE UKRAINE CRISIS


ANTONIO BAT/EPA/SHUTTERSTOCK

A military drone crash in a populated area of Zagreb, Croatia, has raised alarms about weaknesses in NATO's air-defense system.

Drones Evade West's Air Defense

By Bojan Pancevski

Russian and Ukrainian drones that crashed in bordering European countries or entered their airspace have prompted a probe into how to close a gap in NATO's military air defenses.

In a March 10 incident, a large, explosives-laden drone launched from Ukraine lost contact with its operator, flew over two North Atlantic Treaty Organization countries and crashed in Zagreb, Croatia, next to a student dormitory. Four days later, a Russian Orlan-10 reconnaissance and electronic warfare drone went down in Romania—another NATO member—after running out of fuel, the Romanian government said. On the same day, another Russian spy drone crossed into Poland from Ukraine, said Ukraine's military.

The drone crash in Croatia, in particular, raises alarms about weaknesses in NATO's air-defense system, said Goran Redzepovic, a senior official with Europe's air-traffic control agency Eurocontrol who formerly served in the Croatian air force.

"Clearly a mistake was made in the procedure, and probably it was because they were unable to classify the flying object," Mr. Redzepovic said.

The NATO countries in the drone's path detected but failed to identify the drone, and none of them scrambled jet fighters to intercept the potentially hostile aircraft, he said.

NATO is investigating the case and has stepped up surveillance flights, said a spokeswoman, adding that NATO systems detected the drone. She declined to comment on why no action was taken to intercept it.

The drone incidents highlight the dangers that Moscow's war in Ukraine presents for civil aviation in Europe. Beyond stray drones, powerful electronic-jamming devices used by the warring parties to disrupt each others' radars, aircraft and missiles are interfering with communications by commercial aircraft.

The European Union Aviation Safety Agency has said that signals from satellite-navigation systems such as the U.S. Global Positioning System and the EU's Galileo were being disrupted in areas surrounding Ukraine and Russia.

A senior EU air-traffic control official said the interference with the signals was caused by NATO, which supports Ukraine in its defense against Russia, as well as by the forces of Moscow and Kyiv.

The incident in Croatia involved a drone that flew more than 300 miles over three NATO member countries for about an hour before crashing. The Soviet-era, jet-powered Tu-141 is normally used as a surveillance craft but this one was equipped with explosives and a fuse, said Croatian investigators.

The drone, whose cruising speed is similar to that of commercial airliners, flew at low altitude when it entered Romania from Ukraine at 11:23 p.m. local time. Less than four minutes later, it crossed into Hungary, according to the Romanian Defense Ministry.

The drone's high speed and low altitude, as well as mountainous terrain and weather conditions, prevented the Romanian military from identifying it, the Defense Ministry said.

It flew unhindered for over 40 minutes, registering on Hungarian military radars without being identified as a threat, the country's defense minister said. It entered Croatian airspace and crashed shortly before midnight in a populated area, but caused no injuries.

France dispatched a surveillance aircraft that patrolled Croatia's skies after the crash.

The drone must have strayed from its intended trajectory as its handlers lost control over it, a Croatian government spokeswoman said. While the model is used by Ukrainian armed forces, Ukraine's defense minister Oleksii Reznikov said his country didn't launch it toward Croatia. The Russian government said it wasn't involved in the incident.

Experts and some politicians have asked why the craft was not identified as a threat and intercepted. "I have a question for the NATO security system...can you protect your skies?" Mr. Reznikov asked the European Parliament.

NATO Nations Pledge More Military Outlays

By Daniel Michaels

BRUSSELS—NATO members outside the U.S. are set to boost their military spending following Russia's invasion of Ukraine, according to alliance Secretary-General Jens Stoltenberg and pledges from member countries.

The North Atlantic Treaty Organization's 30 countries have in the past year increased their military spending by roughly 2% overall, according to the alliance's annual report released Thursday. Of NATO members' roughly $1 trillion in total military spending this year, the U.S. accounts for almost 70%.

The other 29 states are gradually increasing spending, but most are still lagging behind their commitments. Following Russia's seizure of Crimea from Ukraine in 2014, NATO members pledged to spend at least 2% of their gross domestic product on defense by 2024.

> 'Across the alliance is a new sense of urgency,' says Jens Stoltenberg.

Only eight countries, including the U.S., already cross the 2% threshold, according to NATO's report, a decline from the previous annual report, in which 11 countries met the target. The percentages are subject to changes in both defense budgets and to economic activity, which has been buffeted by the coronavirus pandemic over the past two years.

But Germany and other countries that fall short have recently announced new plans to increase military spending following Russia's invasion of Ukraine on Feb. 24.

"I think what we see now...across the alliance is a new sense of urgency," said Mr. Stoltenberg. A former Norwegian prime minister, Mr. Stoltenberg said it is hard for governments to allocate more money for defense. "But when we see a new security reality, we all realize the need to invest in our security," he said.

Mr. Stoltenberg said NATO members would soon submit new spending plans in preparation for a summit in June in Madrid.

NATO military spending hit a post-Cold War low around 2014, even as its membership grew. After Russia occupied Crimea and fomented rebellion in Ukraine's east, NATO members began rebuilding the alliance's defenses, particularly along its eastern edge. Member countries started rotating troops through Poland and the Baltic states, which border Russia and Belarus, a Moscow ally.

While the alliance strengthened its military posture, its political direction drifted amid internal disputes and criticism from former President Donald Trump. Mr. Trump savaged European members for failing to meet their spending commitments, declined to endorse the alliance's core mutual-defense pledge and obliquely threatened to pull the U.S. from NATO.

President Biden has repeatedly stressed the U.S.'s commitment to the alliance, most recently at a summit at its headquarters last week and on a visit to Warsaw.

German Chancellor Olaf Scholz's announcement in February that Germany would shed years of reticence about military spending and soon exceed NATO's 2% target set a new tone for defense-budget discussions in the alliance. Germany currently spends less than 1.5% of its GDP on defense, according to NATO's report. Since the country has Europe's largest economy, an increase in military spending of more than 0.5 percentage point of its GDP would make a significant difference in NATO's total European outlays.

Eleven-Year-Old Makes a Solo Escape

By JAMES MARSON

BRATISLAVA, Slovakia—A decade ago, Yulia Pisetska fled Syria's war to her native Ukraine with a 1-year-old baby in her arms. When war returned to her doorstep, as the Russian army closed in and fighting threatened a nearby nuclear-power plant, she knew it was time to once again evacuate her son, now 11.

But how? She couldn't leave her elderly mother, stricken by dementia. Three of her other children, all teenagers, had already fled to Slovakia, where another brother, age 20, was studying. So Ms. Pisetska saw only one option: Alhasan, her youngest boy—who rarely left her side—would have to go it alone.

"Better for him to be not with me but alive," 53-year-old Ms. Pisetska recalled thinking. "I had already given up on myself, but I wanted him to live."

Alhasan Alkhalaf—known to his family as Hasan—set out on a three-day solo trip from the southeastern city of Zaporizhzhia. The trip's success relied on a carefully laid plan, the goodwill of volunteers and border guards and the wits of a small boy bearing a ready smile, a plastic bag containing his documents and his brother's name and telephone number scribbled on his left hand.

Hasan is one of just over four million Ukrainians who have fled abroad from Russia's invasion, the largest movement of refugees since World War II.

Ms. Pisetska and her family had lived in Syria for around a decade when heavy fighting broke out in 2012 around Aleppo. Her husband, a pharmacist who ran a charity for the needy, went out one day with his medical bag, apparently to treat civilians injured in clashes. He never returned.

Fighting intensified. With no cellar to hide for cover, the children would curl up under their duvets during shelling.

They escaped on a Ukrainian military plane in August 2012, passing burned-out cars and houses turned to rubble on their way to the airport in Aleppo.

Ms. Pisetska and her children returned to her parents' one-bedroom apartment in Zaporizhzhia. Times were tough. There was so little space that some of them slept under the dining table. The whole family lived on social payments worth some $500 a month, plus a bit more that she brought in through odd jobs. The children recall most meals consisting of little more than buckwheat or potatoes.

Zakariia, the eldest son, known as Zak, in 2019 won a scholarship to study biology in Bratislava, the capital of Slovakia.

Things were looking up for the family. Ms. Pisetska had been diagnosed with cancer but surgery was successful. Relatives chipped in to help her buy an apartment.

Then Russia invaded on Feb. 24. Ms. Pisetska recalled her greatest fear: not shelling, but being surrounded and not allowed out, like when they were in Syria. "We have freedom. We choose how we live," she said. "We don't want to live in Russia."

So she decided to send the three teenagers—17-year-old Kinana, 16-year-old Luna and 15-year-old Mukhammed—to their brother in Bratislava. Hasan would stay, since border crossing rules prevented anyone under 16 from crossing without a parent. The family hoped Mukhammed would be allowed to cross, and if not, that he would be street-smart enough to make his way back to Zaporizhzhia alone.

All three made it after an exhausting three-day journey across the country before finally reaching Bratislava.

Ms. Pisetska hesitated to send Hasan. He was her youngest and had never made a trip on his own.

Then, by early March, the Russian army advance had reached the nuclear-power plant near Zaporizhzhia, and Ms. Pisetska decided enough was enough. She took Hasan to the station early the next morning and loaded him onto the train with the words: "I love you and I'll see you soon." She also told him: Don't play games on your cellphone as it will drain the battery.

An acquaintance agreed to keep an eye on him as far as Lviv, but then he would be on his own.

He stayed over in Lviv with the family acquaintance, then got a lift to the station with another, who put him on the train to Uzhhorod station in Ukraine's southwest, asking the conductor to keep an eye on him.

It was late evening when the train drew into Uzhhorod. A man who had offered assistance via social media found Hasan and drove him to the border. Ukrainian border guards checked his passport and let him through.

He approached the Slovak border around midnight, handing over his passport, pointing to the number on his hand, and telling guards there: "It's my brother in Bratislava."

A volunteer agreed to drive him six hours to the capital.

Slovak authorities soon publicized the story of Hasan, spurring one Slovak woman to offer to help bring out Ms. Pisetska and her mother. Ms. Pisetska turned her down, worried the woman might get lost and put herself in danger. But as the Russian army closed in, Ms. Pisetska decided she would risk the journey, too, along with her mother and the family dog.

It was her mother's first time leaving her apartment in years. Even medication didn't calm the elderly woman's anxiety during the trip. But they made it thanks to help from volunteers. Other volunteers and authorities have since helped the family get set up with an apartment and clothes, as well as open a GoFundMe account. Hasan is already going to school.

The generosity of Slovaks has reminded Ms. Pisetska of her Syrian husband's charity. "Maybe it's his karma returning back to us," she said.

MICHAELA NAGYIDAIOVA FOR THE WALL STREET JOURNAL (3)

The plan to get Alhasan Alkhalaf, top, from Ukraine to Slovakia relied on the goodwill of volunteers and border guards, and his wits. Above left, Hasan with his elder brothers in Bratislava. Above right, a family album of pictures from their life in Ukraine and Syria.

Russia Gives Up Chernobyl

Continued from Page One

hiv as a goodwill gesture to facilitate peace talks while shifting focus to air and ground attacks in the Donbas region in eastern Ukraine.

Negotiations between Russia and Ukraine are set to continue over videoconference on Friday, Ukrainian officials said.

Ukrainian and Western officials said Russia was forced to curtail attempts to advance amid mounting losses of personnel and equipment and that its military was now seeking to dig in around Kyiv and Chernihiv to continue shelling the cities while redeploying some forces to the east.

Gen. Hruzevych said nearly 700 Russian vehicles had departed in the direction of Belarus overnight. He said the forces were likely to end up in Donbas.

Russian forces transferred control of the Chernobyl plant back to Ukrainian authorities on Thursday, according to the International Atomic Energy Agency, Ukrainian state nuclear company Energoatom and workers at the plant, ending Russia's five-week occupation of the site.

Plant workers said all Russian troops had left the site by late Thursday, but workers also said the departing troops had taken more than 100 Ukrainian national guardsmen away in trucks as prisoners of war.

One senior manager said the site was unguarded and that workers had locked the gates once the Russians had left.

Russian forces seized the defunct plant, the site of the world's biggest nuclear accident in 1986, on the first day of the war and had detained dozens of workers, forcing them to work for weeks without a shift change.

The IAEA said its officials would visit the plant in the next few days.

In Ukraine's east, an area long coveted by Moscow, Russia has been intensifying attacks. Russian forces have been attacking the city of Lysychansk for the past two days. Shelling by Russian troops killed at least seven people and injured dozens overnight, officials said.

Russian Defense Ministry spokesman Igor Konashenkov said Thursday that Russian forces had gained ground in their offensive to take swaths of Donbas and claimed further missile attacks against Ukrainian military infrastructure.

The statement came the day President Vladimir Putin of Russia signed a decree on the spring draft, which is set to bring 134,500 new conscripts into the armed forces as others end their voluntary service. Russia has previously admitted that conscripts have taken part in its military campaign in Ukraine, though Defense Minister Sergei Shoigu on Tuesday said no new recruits will be sent to conflict zones.

President Volodymyr Zelensky of Ukraine said "there is an accumulation of Russian troops for new strikes in Donbas. And we are preparing for this."

President Biden said on Thursday that there is no evidence that Mr. Putin is pulling back forces from the Ukrainian capital. "Depending on your view of Putin, I'm a little skeptical," Mr. Biden said.

Jens Stoltenberg, the secretary-general of the North Atlantic Treaty Organization, said Thursday that Russian troops were regrouping for operations in the Donbas region. "At the same time, Russia maintains pressure on Kyiv and other cities. So we can expect additional offensive actions, bringing even more suffering."

President Recep Tayyip Erdogan of Turkey said Thursday he would try to talk to Mr. Putin and Mr. Zelensky to broker a meeting between the two.

Kremlin spokesman Dmitry Peskov said any such meeting should be preceded by a finalized agreement between Russia and Ukraine.

Ukraine allies met in London on Thursday to pledge more military assistance. British Defense Secretary Ben Wallace said 35 countries were now part of a group offering to provide military aid, as the U.K. organized a donors conference.

Moscow, meanwhile, moved to put more economic pressure on some of the countries that support Ukraine, and to shore up its own economy, with Mr. Putin signing a decree requiring countries designated as unfriendly to pay for energy imports in rubles starting April 1. Chancellor Olaf Scholz of Germany said payments for Russian gas would continue in dollars and euros.

Russia announced a cease-fire around Mariupol aimed at allowing civilians who had spent weeks under Russian bombardment to leave for Zaporizhzhia some 140 miles to the northwest. Further humanitarian corridors would be opened, said Mikhail Mizintsev, head of the Russian Defense Ministry's National Defense Control Center.

—Drew Hinshaw contributed to this article.

FROM TOP: EFREM LUKATSKY/ASSOCIATED PRESS; MARKO DJURICA/REUTERS

Ukrainian soldiers on Thursday, top, carried the body of a civilian killed by Russian forces in Irpin, near Kyiv, while evacuees from the Mariupol area arrived at a reception center in Zaporizhzhia.

WORLD NEWS

Donors Promise $2.44 Billion to Assist Afghanistan

By Sune Engel Rasmussen

KABUL—Foreign donors pledged billions in aid to Afghanistan on Thursday to alleviate a humanitarian crisis in the country that has rapidly escalated since the Taliban takeover in August and the subsequent collapse of the economy.

Forty-one countries and organizations committed $2.44 billion in humanitarian aid that will be used to support 22.1 million Afghans, more than half the population, which according to the United Nations is facing "immediate and catastrophic levels of need." The aid would bypass the Taliban government, which wasn't invited to the conference.

The virtual donor conference on Thursday, co-hosted by the U.K., Germany, Qatar and the U.N., had sought to raise $4.4 billion in aid, the largest such appeal ever for a single country. Donors pledged roughly half of that, which is around the usual level for humanitarian appeals.

Ahead of Thursday's conference, Western officials had worried that this appeal might fall particularly short because of anger among donors about the Taliban's increasingly repressive methods of governance.

The U.S. committed $204 million at the conference, a bit over half of the U.K.'s pledge of about $376 million.

"This humanitarian aid, like all aid from the U.S., will go directly to NGOs and the United Nations. The Taliban will not control our humanitarian funding," U.S. Ambassador to the U.N. Linda Thomas-Greenfield said.

The aid will support both Afghans in need and neighboring countries hosting large numbers of Afghan refugees following the Taliban takeover, she said.

Still, Western concerns about the Taliban's crackdown on women's rights and other basic freedoms overshadowed the conference. The Taliban leadership last week suddenly reversed a decision to reopen secondary and high schools for girls, resisting a core demand from foreign nations, even as the group seeks international recognition as the country's legitimate rulers.

Following the Taliban's decision to indefinitely prolong its ban on girls' education, the World Bank put on hold four projects in Afghanistan worth $600 million.

While humanitarian aid will provide relief, it isn't expected to solve Afghanistan's economic problems. After the Taliban toppled the Western-backed republic in August, following the U.S. military withdrawal, the country's economy collapsed.

Under the former government, Afghanistan was heavily dependent on aid, which accounted for about 40% of the country's gross domestic product. Since August, most of that aid has dried up, and other economic sectors have been choked.

The U.N. estimates that about 10 million children across Afghanistan need humanitarian assistance to survive and that 95% of Afghans don't have enough to eat.

After the Taliban takeover, Afghanistan's foreign assets abroad were frozen. In January, President Biden released half of the $7 billion held in U.S. banks—the lion share of Afghanistan's foreign reserves—splitting the money in half between humanitarian aid for Afghanistan and a fund for victims of the 9/11 attacks.

Watch a Video

Scan this code for a video on Afghanistan's fall into extreme poverty.

YONATAN SINDEL/EPA/SHUTTERSTOCK

Israeli security forces at the scene of a stabbing by a Palestinian armed with a knife in a bus at the Gush Etzion Settlements.

Fatal Clashes Erupt in West Bank

By Dov Lieber

Clashes with the Israeli military in the West Bank left two Palestinians dead, and an Israeli was stabbed on a bus by a Palestinian amid the deadliest surge of terrorist attacks in the country in years.

In the northern West Bank town of Jenin, Israeli forces conducting an arrest raid came under fire and a shootout ensued, leaving two Palestinians dead and 15 injured, including three seriously from bullet wounds, according to the Israeli military and the Palestinian Health Ministry.

Separately, a 30-year-old Palestinian stabbed and seriously injured an Israeli on a bus near the West Bank settlement of Elazar, near Jerusalem, according to the Israeli military.

An armed civilian on the bus shot and killed the assailant, the military said.

Israel has been hit by a wave of terrorist attacks in which 11 Israelis have been killed in the past week.

On Wednesday, Israeli Prime Minister Naftali Bennett told civilians in a video message, "Whoever has a license to carry a weapon, this is the time to carry it."

The attacks have come before the Muslim holy month of Ramadan. The month is usually a time of heightened tensions, especially around Jerusalem, where tens of thousands of Muslim worshipers travel to the Aqsa Mosque to pray.

Israel earlier this week also hosted a summit of American, Arab and Israeli diplomats aimed at boosting economic and security ties and helping build an alliance against Iran.

In response to the escalation of violence, Israel decided Wednesday to significantly boost its security presence in the West Bank and on the border of the Gaza Strip.

Israel's police also have suspended normal activities to focus on counterterrorism.

Jenin has become a center of Palestinian militancy, with

Israel's police have suspended normal activities to focus on counterterrorism.

numerous clashes occurring between Israeli forces and Palestinian gunmen over the past year. A Palestinian gunman who shot and killed five Israelis Tuesday night in the city of Bnei Brak in central Israel was from a village located near Jenin.

Before the attack in Bnei Brak, Israeli security forces were already on high alert in response to two attacks in recent days by Arab citizens of Israel with suspected ties to Islamic State, according to Israeli officials.

Also on Thursday, far-right Israeli lawmaker Itamar Ben-Gvir visited the Temple Mount in Jerusalem, known to Muslims as the Noble Sanctuary. Such visits, when made as an act of political protest, are seen by right-wing Israelis as affirmation of their right to visit the holiest site in Judaism, but Palestinians view such visits as provocative and they have led in the past to an increase in tensions.

In a phone call Thursday morning, President Biden offered his condolences and assistance to Mr. Bennett, according to a White House statement. Mr. Biden also discussed Israel's new regional partnerships with the Israeli leader, the statement said.

EPA/SHUTTERSTOCK

An Afghan education official spoke Thursday at a meeting in Kabul organized by civil-society activists from Afghanistan and the U.S. to highlight education issues faced by women in Afghanistan.

Taliban Maneuver to Control Funds From Global Aid Groups

By Sune Engel Rasmussen And Margherita Stancati

KABUL—The Taliban are asserting control over nongovernmental organizations working in Afghanistan, demanding a greater say over who receives aid and the staff NGOs hire, jeopardizing lifesaving deliveries to the Afghan population.

At stake are the billions of dollars in aid money the international community has committed to Afghanistan since August, when the Taliban took control of the country and the economy nosedived.

The Taliban government has said it is committed to allowing NGOs deliver assistance. But in practice, the Taliban are increasingly interfering with the ability of humanitarian organizations to operate independently, according to humanitarian organizations, foreign officials and documents reviewed by The Wall Street Journal. Above all, through a series of formal and informal orders, the Taliban—who have little revenue of their own—are trying to determine how aid money is spent.

Since the Taliban takeover last August, millions of people have fallen into extreme poverty, with 95% of Afghans not getting enough to eat, according to the U.N.

Earlier this week, a directive from Prime Minister Mullah Hassan Akhund was distributed among foreign aid agencies, saying that humanitarian projects must be implemented in close coordination with authorities in Kabul. The directive added to concerns among aid agencies that the Taliban are trying to control their work and who it benefits.

"This is very concerning for foreign organizations," said Jared Rowell, country director in Kabul for the Danish Refugee Council in Kabul. If NGOs were to fully follow the Taliban's directives, "we would be violating our principles of impartiality and neutrality," he said.

How aggressively the Taliban try to impose their authority varies by region, depending on who is in charge locally. Last week, the governor of the central province of Ghor tried to assert full control over NGOs working locally. He demanded NGOs relinquish control of their funds and implement projects of the local government's choice, said people familiar with the order. The governor told NGOs to recruit staff selected by local authorities.

When local organizations resisted, the Taliban detained at least four Afghan aid workers for two days on allegations of corruption last week. They were released after coordinated pressure from NGOs in Kabul. After those discussions, the governor's orders were temporarily put on hold.

Humanitarian workers fear that what happened in Ghor will happen elsewhere.

In Kabul, the Taliban government earlier this year formulated a policy framework called the "Monitoring and Control Plan of NGOs." If implemented fully, the plan would essentially turn NGOs into quasi-government agencies, allowing the government to review and approve their activities, according to a draft of the plan. While the plan hasn't been formally approved, NGOs say the Taliban have already stepped up efforts to control their work.

Taliban attempts to exert more influence over foreign organizations in the country amplify a dilemma facing the U.S. and its European partners since the Islamist movement toppled the Western-backed republic in August: how to assist the Afghan people without propping up the Taliban.

Taliban interference isn't the only obstacle. U.S. and U.N. sanctions targeting the Taliban leadership make it difficult to get money into the country, as international banks are reluctant to carry out transactions with Afghanistan.

WORLD NEWS

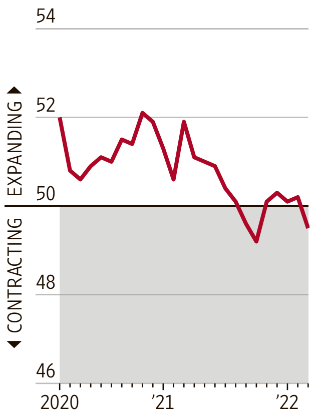
Chinese Factory Activity Slows

Services sector also took a hit as efforts to stop Covid outbreaks kept people at home

BY JONATHAN CHENG

AGENCE FRANCE-PRESSE/GETTY IMAGES

Authorities have taken steps to try to minimize disruption to industry from the latest restrictions.



Source: China's National Bureau of Statistics

BEIJING—Activity in China's manufacturing and services sectors contracted in March, according to official surveys that offer the first broad glimpse of the economic cost of efforts to contain the highly transmissible Omicron variant in some of the country's most important industrial hubs.

The surveys suggest output in China's powerhouse manufacturing sector shrank in March, as lockdowns hit factories in industrial districts ranging from Changchun in northeastern China to the southern technology hub of Shenzhen.

Services-sector activity also tumbled, as Covid-19 and government efforts to smother it kept people away from malls, restaurants and hotels.

Economists at Goldman Sachs estimate the regions experiencing the worst Covid-19 outbreaks account for around 30% of China's annual national output, underlining the strain the virus is putting on an economy already grappling with weakening overseas demand for its exports, surging commodity prices as the war in Ukraine roars on, and a homegrown property slump.

Darkening the outlook further, the focus of China's efforts to combat the virus has shifted to Shanghai, China's most populous city, and a financial center that acts as a base for dozens of multinational corporations.

Premier Li Keqiang on Wednesday reiterated the government's growth target for the year of around 5.5%, a goal many economists say increasingly appears to be out of reach.

Economists say the severity of the damage will depend on how strict and how widespread restrictions get to contain the virus under China's zero-tolerance approach to Covid-19.

"They are trying to keep it targeted, but evidently they are having to keep on tightening," said Craig Botham, chief China economist at Pantheon Macroeconomics in London.

China's official purchasing managers index for the manufacturing sector dropped to 49.5 in March from 50.2 in February, the National Statistics Bureau said Thursday. The result matched the 49.5 median forecasts made by economists polled by The Wall Street Journal.

A reading below 50 indicates activity is shrinking rather than expanding. March's result followed four straight months of expansion, after last contracting in October when factories were rocked by rising costs and power crunches.

Factory production in areas hit by Covid-19 has been suspended or scaled back as lockdowns hit staffing and operations. Foxconn Technology Group, the biggest assembler of Apple Inc. iPhones, in March briefly halted operations at its factory in Shenzhen before slowly bringing it back up to full capacity over the course of almost a week. Tesla Inc. this week hit the pause button on production at its plant in Shanghai as authorities locked down the eastern half of the city to begin mass testing to weed out Covid-19 cases.

To be sure, Chinese authorities have taken steps to try to minimize the disruption to industry from the latest round of restrictions, which may have helped stanch the slide in activity, economists say. Ports are still open and, with official encouragement, big employers such as Foxconn have been experimenting with "closed-loop" systems that keep staff overnight in dormitories during lockdowns to keep production humming.

Yet Thursday's data shows China's manufacturers are facing a worsening international outlook, adding to the headwinds for the economy. A gauge of new export orders fell even further into contractionary territory, sinking to 47.2 in March from February's 49.0.

A purchasing managers index for nonmanufacturing sectors, which includes both services and construction activity in China, tumbled to 48.4 in March from 51.6 in February, as Covid restrictions hammered industries that involve close personal contact, such as railway and air transportation, catering and accommodation, the statistics bureau said.

One brighter spot was construction, where activity rose in March as the weather improved and companies heeded Beijing's call to expand infrastructure investment.

—Bingyan Wang and Grace Zhu contributed to this article.

Journalist's China Trial Ends With No Verdict

BY ALICE URIBE

SYDNEY—The closed-door trial in Beijing of an Australian journalist detained on suspicion of disclosing state secrets overseas ended without a verdict on Thursday, in a case that has deepened a rift between two countries that have clashed over trade, political interference and military provocation.

The trial of Cheng Lei, 46, an anchor for the Chinese government's English-language television news channel China Global Television Network, took place behind closed doors at the Beijing No. 2 Intermediate People's Court on Thursday. The court deferred its verdict at the end of the proceedings, Australian Foreign Minister Marise Payne said.

Chinese authorities denied Australian diplomats access to Ms. Cheng's trial on national security grounds, a decision that Graham Fletcher, Australia's ambassador to China, said was deeply concerning, unsatisfactory and regrettable.

Mr. Fletcher said China hasn't explained the charges against Ms. Cheng, including what state secrets it alleges have been disclosed or to which country. "That is part of the reason we are so concerned," he said from outside the courthouse before the trial started. "We can have no confidence in the validity of the process, which is conducted in secret."

Asked whether he believed the case was a political one, Mr. Fletcher said: "We have no reason to make that conclusion."

Mr. Fletcher said Australian diplomats had last visited Ms. Cheng on March 21 and were satisfied as to her welfare under detention. "Considering the circumstances, she's doing OK," he said.

Ms. Cheng has been able to choose her lawyers, whom Mr. Fletcher described as "very competent lawyers who are doing their job well," though he also called on China to allow her to speak to her children.

On Thursday, Wang Wenbin, a spokesman for China's Foreign Ministry, confirmed that the Beijing court had held a closed session to hear the case of Ms. Cheng, which he described as involving the leaking of state secrets. He said that under Chinese criminal law, cases involving state secrets aren't open to the public. Mr. Wang said the court would pronounce a judgment at an unspecified time.

Former colleagues of Ms. Cheng's believe the case to be an example of arbitrary detention, which took place against a backdrop of worsening ties between Australia and China. Ms. Cheng was detained in August 2020, not long after Australian Prime Minister Scott Morrison called for an investigation into the origins of Covid-19, which was first identified in China. Ms. Payne, the foreign minister, said in February last year that Chinese authorities had advised Australia that Ms. Cheng was arrested on suspicion of supplying state secrets overseas.

Cheng Lei's ex-colleagues say the case is an example of arbitrary detention.

Bilateral ties remain in a deep freeze, with China imposing tariffs and other restrictions on Australian imports including coal and barley. Australia has moved to strengthen military ties with its allies, including a new security pact with the U.S. and U.K. that paves the way for it to acquire a fleet of nuclear-powered submarines. In February, it accused a Chinese warship of shining a laser at one of its surveillance planes flying off Australia's northern coast.

Mr. Morrison, who has put his national security record at the front of a re-election campaign, in March refused to meet China's new ambassador to Australia, Xiao Qian. "So long as China continues to refuse to have dialogue with Australian ministers and the prime minister, I think that's an entirely proportional response," Mr. Morrison said.

Report Finds Hong Kong Freedom Eroding

BY DAN STRUMPF

HONG KONG—Political freedoms and the rule of law have continued to deteriorate in Hong Kong over the past year, threatening American interests and Hong Kong's autonomy, a U.S. State Department report to Congress said on Thursday.

The annual report on conditions in Hong Kong painted a worsening landscape for the city on a number of fronts, pointing to a continued clampdown on opposition politicians, the shutdown of newspapers and new restrictions on participation in elections. For the third year in a row, the report said Hong Kong wasn't sufficiently autonomous from mainland China to warrant special treatment from the U.S. in trade and other areas.

The report comes a day after the resignation of two top U.K. judges from Hong Kong's highest court, citing dwindling political freedoms in the city, a move that highlighted lower international confidence in Hong Kong's reputation for upholding the rule of law and an independent judiciary.

Following its handover from British rule in 1997, Hong Kong was guaranteed a greater degree of freedom than the mainland under the "one country, two systems" agreement. But the city's standing among international institutions has deteriorated sharply since Beijing's 2020 imposition of a national security law, which has been used to crack down on opposition activists, media outlets and civil-society organizations.

The crackdown has continued over the past year, the State Department report said,

The city's standing among international institutions has deteriorated sharply.

pointing to developments including a legislative election overhaul that left voters with fewer choices and the shutdown of two of the city's largest independent media outlets, Apple Daily and Stand News.

Authorities in China and Hong Kong "targeted groups, associations, media companies, and labor unions affiliated with the region's pro-democracy movement with raids, arrests, prosecutions, and asset freezes, creating a chilling effect and forcing them and other organizations to cease operations," the report said.

Hong Kong's greater degree of openness compared with the mainland has long been a draw for foreign businesses. That community has begun to raise concerns about the rule of law and difficulties attracting talent to Hong Kong. Some American businesses have opted to relocate parts of their Hong Kong-based operations elsewhere, a senior U.S. official said.

The State Department is required to present a report each year on the status of Hong Kong's autonomy from the mainland under the United States-Hong Kong Policy Act of 1992. The law states the U.S. should encourage Hong Kong's prosperity and its status as an international financial center.

In 2020, the State Department report determined for the first time that Hong Kong's autonomy had diminished such that it was no longer deserving of special status.

The findings of each year's report don't directly trigger any U.S. action, but Washington has imposed sanctions on mainland and Hong Kong officials who are believed to have played a role in the city.

WORLD WATCH

FRANCE

Macron Under Fire Over Consultants

Scrutiny of the French government's spending on private consultants during the vaccine rollout has thrown President Emmanuel Macron on the defensive as his bid for re-election approaches its final week.

The French Senate released a report in March detailing how the government spent €893.9 million, equivalent to $993 million, last year on consultants, including McKinsey & Co., to help French officials navigate the pandemic and other challenges. That was a sizable increase on the €379.1 million spent in 2018, Mr. Macron's first full year in power, the report said.

The outlays have stirred criticism in a country that is accustomed to having an army of civil servants manage state affairs. The uproar was compounded on March 25 when the Senate committee that produced the report issued an additional statement alleging that McKinsey, which is based in New York, hasn't paid corporate tax in France for at least a decade, despite making €329 million in revenue in the country in 2020 and employing some 600 people.

Mr. Macron told French TV there was nothing improper about the consulting-firm contracts, adding that he had fought since the start of his term to make sure companies that operate and make profit in France pay taxes. French authorities opened an investigation into McKinsey's tax situation in December, before the Senate's report was published.

—Nick Kostov

KIMIMASA MAYAMA/EPA/SHUTTERSTOCK

PICTURE PERFECT: People take photographs of cherry blossoms in full bloom in Tokyo on Thursday as Japan celebrates the peak viewing season without Covid-19 restrictions in place for the first time in two years.

TURKEY

Khashoggi Murder Trial Transfer Sought

The Turkish prosecutor in the case against 26 Saudi nationals charged in the slaying of Washington Post columnist Jamal Khashoggi made a surprise request Thursday that their trial in absentia be suspended and the case transferred to Saudi Arabia, raising fears of a possible coverup.

The panel of judges made no ruling on the prosecutor's request but said a letter would be sent to Turkey's Justice Ministry seeking its opinion on the possible transfer of the file to Saudi judicial authorities, the state-run Anadolu Agency reported. The trial was adjourned until April 7.

The development comes as Turkey has been trying to normalize its relationship with Saudi Arabia, which hit a low following Mr. Khashoggi's grisly October 2018 killing.

Amnesty International urged Turkey to press ahead with the trial, saying if it is transferred to Saudi Arabia, Turkey will be "willingly sending the case to a place where it will be covered up."

—Associated Press

CHINA

Search for Plane Wreckage Is at End

Chinese officials said Thursday that the search for wreckage in last week's crash of a China Eastern Boeing 737-800 is basically done and that more than 49,000 pieces of debris had been found.

Flight 5735 plunged from 29,000 feet into a mountainside in southern China's Guangxi region, killing all 132 people on board. The impact created a 65-foot-deep crater, set off a fire in the surrounding forest and smashed the plane into small parts scattered over a wide area, some of them buried underground.

Zhu Tao, the director of aviation safety for the Civil Aviation Administration of China, said important parts including the horizontal stabilizer, engine and remains of the right wing tip had been recovered after nearly 10 days of searching, according to the official Xinhua News Agency.

The two black boxes—the flight data recorder and the cockpit voice recorder—have been found and sent to Beijing for examination and analysis.

—Associated Press

Covid Deaths Rise at Shanghai Hospital

Outbreak at elder-care facility reflects wider spread than officials had earlier reported

By Wenxin Fan

HECTOR RETAMAL/AGENCE FRANCE-PRESSE/GETTY IMAGES

A worker, left, wore protective gear at a lockdown site in Shanghai on Thursday. Above, an orderly sleeping in a corridor of Shanghai's Donghai Elderly Care Hospital, where a Covid-19 outbreak has hit.

HONG KONG—Many patients have died in recent days at a large Shanghai elder-care hospital that is battling a Covid-19 outbreak, people familiar with the situation said, a sign that a new wave of infections is hitting China's financial capital harder than authorities have publicly disclosed.

Shanghai's government hasn't reported any Covid-related deaths or outbreaks in its hundreds of elder-care centers since cases began climbing in the city in March.

Six replacement orderlies at the city's Donghai Elderly Care Hospital, brought in after previous caretakers were sent to quarantine, told The Wall Street Journal that they had witnessed or heard of the recent removal of several bodies from the facility, where they said at least 100 patients had tested positive for Covid-19.

One orderly said he was tasked with posthumously dressing a male patient who had died Monday night after he was infected with Covid.

"I was scared to death. I said, 'Look, look, those are for dead bodies,'" another orderly said, recalling the sight of half a dozen hearses parked at the hospital gate at night.

Separately, the son of a patient at the hospital said his father had died within the past week, a friend of the son told the Journal, adding that others who had visited the hospital reported seeing the bodies of at least a dozen deceased patients.

More than a half-dozen users on several of China's major social-media platforms have also posted messages alleging unreported deaths at the hospital in recent days.

It couldn't be determined whether the deaths were caused by Covid infections or other chronic illnesses. The hospital doesn't publicize data on deaths, making it difficult to compare the recent rate of patient deaths with previous periods. Some relatives of patients said their loved ones were left unattended after infected caretakers were quarantined.

City health officials haven't acknowledged the rapid spread of infections at the facility. The government reported two new Covid cases at an address matching that of Donghai Hospital on March 16 and 17. In subsequent days, the government listed the address as a location where infections had been reported, but didn't say how many cases were recorded.

Calls to the hospital president's office and the general office rang unanswered Wednesday and Thursday. Spokespeople for the Shanghai municipal government and Pudong district, where the hospital is located, didn't respond to requests to comment.

The reports of the deaths at the elder-care facility, located in southeastern Shanghai, come as the city of 25 million battles a record surge in Covid-19 cases fueled by the fast-spreading Omicron BA.2 variant. Local authorities reported 5,653 new cases on Thursday after reporting close to 6,000 the day before. Officials imposed staggered lockdown measures this week.

Public-health experts have warned about the danger Omicron poses to China's elderly population, with barely half of people over 80 having had two or more doses of vaccine. With four million residents above age 65, Shanghai is home to one of China's largest, and oldest, urban populations.

Elder-care facilities have been the starting point for numerous deadly outbreaks. Outbreaks in nursing homes in Hong Kong this year have led to record death rates in the former British colony, where vaccination rates among the elderly are also low.

Shanghai Donghai is a 20-year-old facility overseen by a state-owned food conglomerate with 1,800 beds and an orthopedics ward that also treats younger patients. The city's biggest elder-care center by capacity, it reported zero Covid infections in 2021.

In a post published March 25 on its verified Weibo account, the hospital said it had been sealed off 13 days earlier, and that positive Covid cases would be transferred, but didn't say when the outbreak started.

Zhang Aizhen, an orderly who has worked in the hospital for more than a decade, said she was put on a bus on the night of March 19 with dozens of staff, including nurses and doctors, after she tested positive. She said she spent a week in a quarantine hotel, before being moved to a makeshift quarantine center in a stadium last weekend. "Orderlies, nurses and doctors, we're all infected," she said.

Roughly four dozen replacement orderlies have been hired by the hospital over the past two days to replace caretakers who had been quarantined, according to people familiar with the situation. Many of the replacement workers weren't told of conditions in the hospital before being hired, the people said.

Disruptions to other parts of the city's healthcare system have turned deadly.

Shen Ruigen, a 77-year-old retired doctor, died alone in an intensive-care unit on Monday after a positive Covid test led him to be quarantined for 48 hours without the dialysis he needed to treat his chronic kidney disease, family members said. Mr. Shen suffered a heart malfunction, which may or may not have been related to the delay in his dialysis treatment, a doctor later told his son, Shen Jie, in a recorded phone conversation reviewed by the Journal.

In another recorded conversation provided by the family, an official with the local center for disease control struggled to explain why they couldn't save his life. "We can't do much if the hospital refuses to take the patient," the official said. "We can't force them."

In New Zealand, Muslim Home Buyers Face Hurdles

By Stephen Wright

BIRGIT KRIPPNER FOR THE WALL STREET JOURNAL

Dr. Zainab Radhi, who runs a migrant-support organization in New Zealand, says other alternatives in housing finance, such as rent-to-buy Islamic models, should be considered.

WELLINGTON, New Zealand—As New Zealand house prices surged, Niyaaz Sayed's prospects of owning a home in the country he migrated to nearly two decades ago have become vanishingly small.

Mr. Sayed, a devout Muslim, says he wouldn't buy a home using a bank mortgage because paying interest goes against an important tenet of his faith. That leaves him and his family with almost no option but to permanently rent in New Zealand, where the median house price shot up by about $7,500 a month in 2020 and 2021, far outpacing wage growth.

New Zealand is among a handful of smaller countries, including Sweden, Denmark, Norway and Finland, that have welcomed Muslim migrants in recent decades but haven't developed a formal Islamic finance industry to support them. Islamic banks aren't allowed to earn or pay interest and seek to offer products that comply with Islamic moral codes, known as Shariah.

Torkel Brekke, a professor of religion at Oslo Metropolitan University, said in a 2020 research paper that Nordic governments were unwilling to change regulations to accommodate Islamic finance.

The New Zealand finance ministry said it had "not produced any work in this area." The central bank said there are no regulatory hindrances to an Islamic bank applying for registration and it would welcome an approach for Shariah-compliant credit options to be explored.

In the absence of a formal industry, at least one grassroots group is offering some interest-free loans, but the pace of house-price growth threatens to stifle that effort.

A big constraint is the small size of Muslim communities in these countries relative to those in the U.S. and Australia, where Islamic finance has flourished. In New Zealand, there are about 60,000 Muslims in a country of five million.

Mr. Sayed, who estimated 80% of his Muslim friends in New Zealand would follow Islam's prescription against paying interest, considered buying land that could take a modular "tiny home" and could be expanded over time.

But soaring land values in Wellington, where Mr. Sayed works as an adviser to the human-resources chief at New Zealand's tax department, scuttled that plan.

"We've become resigned to the fact that we are not going to own a home in New Zealand," Mr. Sayed said.

The impact of red-hot home prices is being felt across the community. Some Muslims have left New Zealand because they can't get on the property ladder. Others, such as agricultural scientist Mustafa Farouk, have ruled out moving to remote parts of the country where home values are lower because it would maroon them far from a mosque.

Mr. Farouk, who has worked in New Zealand for about two decades, worries that people who migrated to the country in recent years could face difficult futures. Property can act as a nest egg in retirement as people draw down equity to supplement their income.

The difficulties of homeownership for New Zealand's Muslims reflect the country's broader failure to keep housing within reach of the average earner, said Dr. Zainab Radhi, who runs a migrant-support organization. Different approaches to housing finance, such as rent-to-buy Islamic models, should be considered, she said.

FROM PAGE ONE

What's the New Dress Code?

Continued from Page One

tricky."

More organizations are calling workers back to offices only to discover it's difficult to telegraph what employees can and can't wear. Be too strict and you risk alienating people who weren't thrilled to come back in the first place; be too lenient and the environment no longer feels professional. In March, more workers returned to offices in the U.S. than at almost any other point in the pandemic. Many hope that after two years of working in pants with elastic waistbands they can get away with a more relaxed wardrobe.

Mr. Bischoff, 58, no longer wears the dozen or so custom suits in his closet, and instead embraces an array of blazers and button downs. At a recent business dinner, all six men in attendance wore blazers: there was a text chain before to confirm no one would wear a tie. It is the new Wall Street uniform for former suit-wearers, says Mr. Bischoff, and yet when he shows up to work in this ensemble, younger employees ask why he's so dressed up.

"I have to sometimes defend my outfit," he says. "This used to be the most casual thing I could wear."

Mr. Bischoff has received complaints that the office has gotten too casual for some and is too dressy for others. His multinational employer isn't touching the issue and wants managers to wrestle with the attire debate at the local level. "It's the elephant in the room in every workplace right now," he says. "It's a land mine."

Jenny Cromwell, who works in an IT department in Alberta, recently got a directive from her manager that said when workers go back to the office, they'll need to show up in business casual at the minimum. "Everyone laughed when they said they expected us to adhere to some level of previous dress code," says Ms. Cromwell, 43. "Post-pandemic bodies don't necessarily fit pre-pandemic wardrobes."

When Ms. Cromwell starts going into the office next week, she intends to lean into "business leisure" attire. It will involve finding every pair of soft-material pants she owns that could pass as professional—including dark leggings—and pairing them with dress shirts.

"Party on the bottom, business on the top," she says.

JENNY CROMWELL

Jenny Cromwell plans to wear a 'business leisure' look to work.

During the pandemic, retailers embraced the shift in the consumer preferences toward more casual workwear. Banana Republic last year launched a collection that paired blazers with hoodies. (The company calls it "hybrid dressing.") Dockers added more stretch to its chinos.

Some Twitter users are enchanted with a pair of boot cut yoga pants they swear can pass as office-appropriate. The pants—$23.79 with Prime—have more than 7,000 reviews on Amazon averaging 4.5 stars. Promotional photos show several ways to wear the pants: with nothing but a sports bra while doing yoga or with a white button down and pumps. "You can wear them around the house, or dress them up and wear them to work," one reviewer says.

Robyn Hopper, an adviser with the Society for Human Resource Management, has recently been fielding inquiries from HR-types about how to get employees to not push the boundaries. "Leggings is a big one," says Ms. Hopper. "They've been talking about how to explain what they really mean by if it's casual and if it's not casual." Ms. Hopper says that in such a tight labor market, companies would be wise to take employee preferences into account.

Cardinal Financial Co., a mortgage lender based in Charlotte, N.C., revised its dress code in early March to include employees who don't work in the office. "Remote employees must dress as though in the office from head to toe, even if it is believed to be unlikely anyone will see anything outside the initial view presented by the webcam," says the code, which was reviewed by The Wall Street Journal. The list of no-nos includes pajamas, athletic gear, and garments that are more than 2 inches above the knee. Boating and deck shoes are considered appropriate footwear. Flip flops aren't. The code didn't specify how the company planned to enforce the rules, particularly ones pertaining to footwear for remote employees.

"The more I thought about it, the more asinine it seemed," says Dale Lavine, 29, who lives in Newport News, Va., and works remotely in Cardinal's marketing department. "From the waist up, trust us to make the right decision."

Cardinal said the dress code was several years old but it had "made a few edits" to add remote employees. When asked about the new requirements, a spokeswoman said the company had decided to reconsider. "After giving this policy a closer look, we've realized it does not align with our company culture and we're updating it to reflect how we really operate," a spokeswoman said in a written statement. "Most of our workforce is remote, and we communicate through video calls, where we assume most people are wearing soft pants and fuzzy socks, and that's OK."

Terry Madden, who lives in Ann Arbor, Mich., and works in business development for a packaging company, has been wearing business attire—usually suit pants and a dress shirt but no jacket—most days despite mostly working from home for the past two years. He swears he's more productive that way.

Mr. Madden, 54, was recently told by his company that jeans are acceptable (the old rule was Fridays only). "That just isn't going to work for me," he says. Mr. Madden will continue wearing French cuff shirts, suit pants, and dress shoes. Last week, he went back to the office for the first time in months. "I dressed down and didn't wear suspenders," he says.

ARTS IN REVIEW

JOAN MARCUS (3)

THEATER REVIEW | CHARLES ISHERWOOD

‘Plaza Suite’: Entertainment Checks Out

Even a pair of stars can’t rescue Neil Simon’s 1968 comedy from its own fustiness

New York

Side-splitting? Not so much. Rib-tickling? Sporadically, depending on the sensitivity of your ribs. But the double-barreled adjective that best describes the highly anticipated revival of Neil Simon’s “Plaza Suite,” starring Matthew Broderick and Sarah Jessica Parker, is probably patience-trying.

Although Mr. Broderick and Ms. Parker labor mightily to reanimate Simon’s 1968 comedy, their staunch but sometimes strained efforts, and the play’s undeniable fustiness—especially with regard to the relationships between men and women at its center—result in a production that tends to sag between the volleys of wisecracks that suffuse early Simon plays.

The fundamental problem is a matter of miscasting—which looms large, since “Plaza Suite” is basically a trio of two-character plays all set in the same rooms in the famed New York hotel of the title. The stars are immensely likable and talented performers with long histories on stage. But they are not really character actors, which the roles indubitably require, and their attempts to disguise themselves as such are mostly unavailing. (George C. Scott and Maureen Stapleton, in the original cast, were character actors par excellence.)

The production, directed by the veteran actor John Benjamin Hickey, is visually sumptuous. The set by John Lee Beatty, Broadway’s pre-eminent master of deluxe naturalism, is a gorgeous facsimile of a Plaza suite, all plush cream and gold linens. You could enjoyably spend the more languorous moments ogling the moldings. Jane Greenwood, an exemplar of high-class costuming, and Brian MacDevitt, the lighting designer who bathes the rooms in softly gleaming tones, also add to the allure.

Matthew Broderick and Sarah Jessica Parker star in the trio of stories

But no one pays Broadway prices to stare at a vintage magazine spread. Audiences who are content to star-graze, and dine out on having scored tickets, will probably not go away disappointed. Still, it’s hard to deny that, following upon “The Music Man,” this represents another money-minting but misfired celebrity vehicle.

The first act depicts a long-married couple from nearby Mamaroneck, returning for an anniversary celebration to the suite where they spent their honeymoon. Or at least that’s what Karen (Ms. Parker) believes, until her preoccupied businessman husband, Sam (Mr. Broderick), arrives and contests every point: the years they have been married, the date they married, the suite they stayed in.

There follows an extended bout of squabbling that eventually reveals deeper fissures in the marriage. Ms. Parker is at her best in this act, as Karen gamely tries to cajole her distracted husband into relighting the sputtered spark of their love. Ms. Parker could probably dispense more acid as Karen’s wounded barbs become sharper, but she capably brings home the character’s sense of defeated resignation. Mr. Broderick’s mien is, unfortunately, a little too gentle to properly imbue Sam with the brusque narcissism required—and his curdled, man-boy stage voice, which he’s been plying ever since “The Producers,” doesn’t help matters.

Next, Mr. Broderick plays Jesse Kiplinger, a successful Hollywood movie producer who has invited his flame from his high-school years in Tenafly, N.J., to meet him in the city. Ms. Parker’s Muriel Tate, who stayed in New Jersey, married and started a family, is at first aflutter with awe at her former beau’s glamorous life. She peppers him with questions about Frank Sinatra, Mia Farrow, Otto Preminger—while professing embarrassment at her boldness at meeting him.

The stars establish a lively comic rapport, as Muriel quaffs vodka stingers and grows increasingly warm to Jesse’s amorous intentions. But amid the stingers and the zingers, Simon also establishes a certain pathos that the actors fail to fully excavate. Jesse seems little more than a man on the make, his yearning to recapture the past to make up for his empty present flickering only dimly. Ms. Parker places more emphasis on Muriel’s coy flirtatiousness than on the sad echoes of what-might-have-beens that should give rise to a piteous emotional tension in the encounter.

The final act, depicting the fracas that ensues when a bride-to-be locks herself in the bathroom minutes before her wedding, is the most successful. Well-played farce rarely fails to hit its mark, and Mr. Broderick and Ms. Parker, portraying the increasingly manic parents of the reluctant bride, scrape and scramble effectively, leaping or falling across the furniture as their anxiety about the embarrassment (hers) and expense (his) of their daughter jilting the groom grows explosive. The characters are caricatures, but knockabout comedy doesn’t require much more.

Yet if this act generates a head of comic fizz, the production as a whole is more of a fizzle. Broadway revivals of other Simon plays in recent years have demonstrated that his early works—such as “Barefoot in the Park” (1963) and “The Odd Couple” (1965)—have not retained the vitality that made Simon one of the most commercially successful playwrights in Broadway history. His trademark brand of kvetch-o-rama comedy has long since been surpassed by more nuanced and sophisticated forms.

Plaza Suite
Hudson Theatre, 141 W. 44th St., New York
$99-$229, 855-801-5876, closes June 26

Mr. Isherwood is the Journal’s theater critic.

TELEVISION REVIEW | DOROTHY RABINOWITZ

Honoring a Founding Father

Mandy Patinkin voices the patriot in Ken Burns’s latest offering

One of the youngest of the numerous children his father had sired, Benjamin Franklin soon discovered that his education would be his own responsibility. This did not deter the child destined to become a world-famous scientist—as well as a signer of both the Declaration of Independence and the U.S. Constitution—from following the instincts that directed him to learning at whatever cost, to devour books, to wake up especially early so as to have time to read. His reading of the Bible began, we learn, at the age of 5. Such is the portrait of young Ben in “Benjamin Franklin,” a two-part documentary by Ken Burns and a work enhanced by its capacity for sustaining a touch of nuance along with its roaring vitality. It’s a combination potently evident in the character of the adult Franklin, voiced, effectively, by Mandy Patinkin.

That said, it’s true as well that nothing about this work equals the powers of the range and the detail of the historic events woven into the narrative: in particular, the sustained view of life in the colonies—especially, the Americans’ growing resentment toward Britain, for which they had ample cause. In 1765, for example, came word that all books, all legal documents, would—according to a new ruling by Parliament—require official stamps, to be purchased from the government. Here was the Stamp Act, another tax.

Meanwhile, Franklin, who had once reveled in the intellectual life he had discovered in England, found himself increasingly prone to idealize the colonies, though there was little peace there. The repercussions of 1773’s Boston Tea Party had created a tinderbox atmosphere. Further, until the East India Company was compensated for its lost tea, Boston Harbor was to be closed.

A retiree in 1748 from the printing business, Franklin devoted himself to his scientific experiments. But it is not for these accomplishments that he is revered today. In 1775, he became as he approached 70 a member of the committee that would undertake the writing of the Declaration of Independence. Benjamin Franklin would be sent off to Europe to obtain the support of France in America’s struggle with Britain—a war that was already on.

In addition to the usual appeal of chronicles of this kind steeped in the tone and feel of imminent war, the film can be credited for the immediacy of its images of a world long past.

FROM LEFT: THE METROPOLITAN MUSEUM OF ART; ALBRIGHT-KNOX ART GALLERY/PBS

Joseph Siffred Duplessis’s ‘Benjamin Franklin’ (1778), left; Enoch Wood Perry’s ‘Young Franklin at the Press’ (1876), right

Benjamin Franklin
Monday and Tuesday, 8 p.m., PBS

ARTS IN REVIEW

FILM REVIEW | JOE MORGENSTERN

'Gagarine': What Goes Up . . .

A teen tries to save the Parisian housing project he calls home in this cosmic-tinged, magical-realist movie

COHEN MEDIA GROUP (3)

'Gagarine," showing in theaters in French, Romany and Russian with English subtitles, has its head in outer space and its feet on crumbling ground. It's a piece of urban history seen through the lens of magic realism, a fragile but beguiling fantasy, tethered now and then to gritty reality, about a do-gooder doing the best he can against daunting odds.

The setting is Cité Gagarine, a huge public-housing project on the outskirts of Paris that was built by the local Communist government and named after Yuri Gagarin, the Soviet cosmonaut and the first human to travel into space. After its construction in the early 1960s the project was beset by chronic and then terminal decay. The story begins as demolition crews are about to move in. (In fact the project was condemned in 2014 and residents were forced to leave before the building was razed, starting in 2019. That sequence of events is chronicled in the film with documentary footage that includes Gagarine's death by dynamite.)

On the most literal level, it's an oft-told story of poor tenants fighting city hall. Squalid as the 370-apartment project has become, it's home for a lot of people who have no other place to go or don't want to be transplanted to new housing. But this is the least literal treatment of the subject you might imagine. The filmmakers, Fanny Liatard and Jérémy Trouilh, working from a script they wrote with Benjamin Charbit, have made their young hero a namesake of the cosmonaut, and given him an imagination strong enough to blast him out of his grim reality.

Youri, played endearingly by Alséni Bathily in his acting debut, is 16 years old, black, and living on his own while his mother pursues her latest amorous adventure. He was born in Cité Gagarine, and identifies so closely with the building that he works as an unpaid maintenance man, using his manual and intellectual skills to keep the elevators running and the lights burning in the wistful belief that he can persuade the authorities to leave the place standing. Above and beyond that—especially above—he has turned his apartment into a space capsule (with a sustainable vegetable garden); built a comfy quasi-clubhouse for himself on the roof (I thought of Marlon Brando's Terry Malloy breeding pigeons in "On the Waterfront") and, with the help of neighborhood friends, seeks to transform the building as a whole into a starship that cannot possibly be blown to smithereens. (Victor Seguin did the splendid cinematography.)

A young man's quest to transform a crumbling building into a sparkling starship.

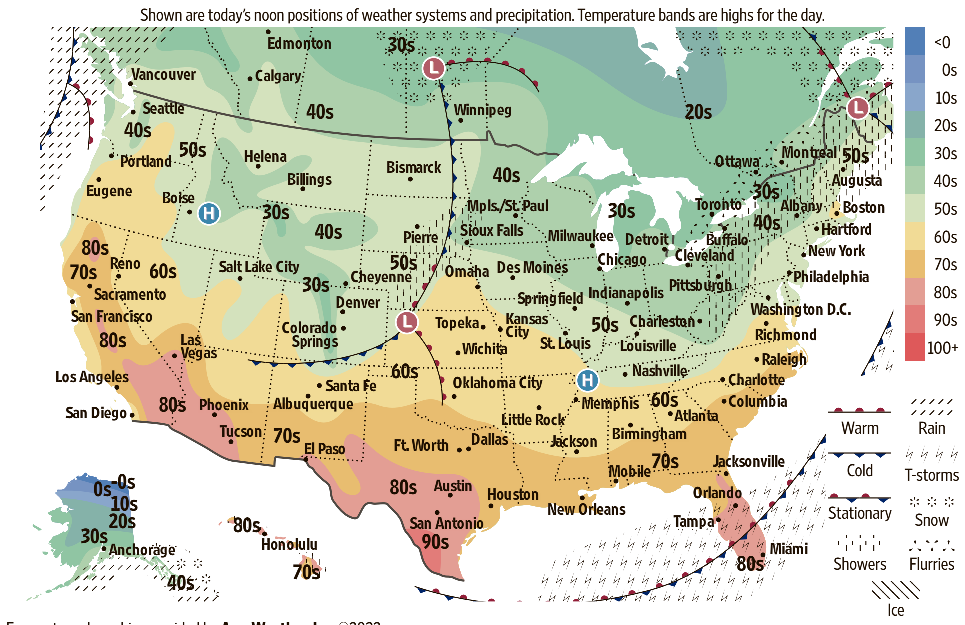
If all of this sounds blissfully detached from reality, it is; magic realism has been mistaken for a license to go wherever Youri's fervid mind takes him, without much concern for a coherent vision of his inner life. (He even acquires, quite suddenly, a little dog named Laika, a canine namesake of the Moscow street pooch who became the first creature to orbit Earth.) But Youri is such a charmer—so is his Roma friend Diana, who is played with dazzling verve by Lyna Khoudri—that cynical detachment is not an option. You watch because you can't stop watching, hoping against hope that what went up more than half a century ago will not be taken down.

Alséni Bathily, top; Mr. Bathily and Lyna Khoudri, above; a scene from Fanny Liatard and Jérémy Trouilh's 'Gagarine,' left

Weather

AccuWeather | Discover our app

Shown are today's noon positions of weather systems and precipitation. Temperature bands are highs for the day.



Forecasts and graphics provided by AccuWeather, Inc. ©2022

U.S. Forecasts

s...sunny; pc... partly cloudy; c...cloudy; sh...showers; t...t'storms; r...rain; sf...snow flurries; sn...snow; i...ice

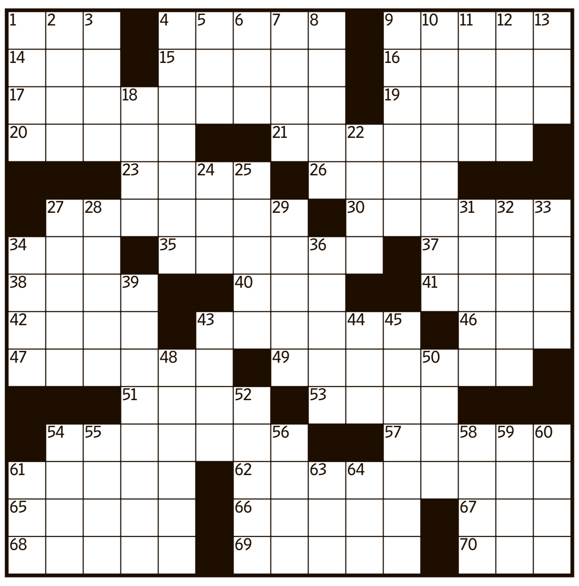
City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Anchorage	43	32	pc	42	30	pc
Atlanta	66	44	s	71	48	pc
Austin	81	56	s	84	52	pc
Baltimore	59	34	pc	58	40	pc
Boise	58	38	s	60	33	s
Boston	60	36	sh	53	38	s
Burlington	48	30	c	47	32	pc
Charlotte	68	40	s	68	45	pc
Chicago	48	34	pc	44	36	r
Cleveland	41	29	c	50	38	s
Dallas	75	53	s	77	52	s
Denver	57	31	c	70	40	pc
Detroit	43	28	pc	50	35	c
Honolulu	82	71	s	83	70	pc
Houston	79	59	pc	84	57	t
Indianapolis	47	31	pc	51	35	r
Kansas City	60	45	s	63	41	s
Las Vegas	80	60	s	84	64	s
Little Rock	65	46	s	70	45	pc
Los Angeles	70	54	pc	69	55	pc
Miami	87	74	t	88	72	t
Milwaukee	42	32	c	43	34	c
Minneapolis	48	36	pc	50	30	pc
Nashville	58	37	s	61	44	pc
New Orleans	73	60	pc	73	60	t
New York City	58	38	pc	56	42	s
Oklahoma City	68	43	c	68	45	s
Omaha	60	37	s	59	37	s
Orlando	82	69	t	81	67	t
Philadelphia	59	37	pc	58	42	s
Phoenix	85	61	pc	85	61	s
Pittsburgh	42	28	sn	53	38	pc
Portland, Maine	55	31	sh	48	31	s
Portland, Ore.	59	45	pc	60	40	c
Sacramento	77	47	s	79	48	s
St. Louis	57	42	pc	60	39	c
Salt Lake City	59	42	s	70	44	pc
San Francisco	64	49	s	68	48	pc
Santa Fe	62	31	s	69	38	s
Seattle	54	42	c	56	41	c
Sioux Falls	49	30	c	56	32	s
Wash., D.C.	58	38	pc	59	44	pc

International

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Amsterdam	42	32	pc	45	29	pc
Athens	70	56	sh	70	53	sh
Baghdad	91	59	s	92	62	pc
Bangkok	94	74	c	83	69	c
Beijing	58	33	c	66	35	s
Berlin	46	31	c	45	25	c
Brussels	39	30	c	44	26	pc
Buenos Aires	67	58	s	71	62	s
Dubai	89	72	s	92	72	s
Dublin	48	35	pc	47	31	sh
Edinburgh	47	29	sh	47	30	sh
Frankfurt	40	32	c	41	28	sf
Geneva	41	32	r	41	30	sh
Havana	90	67	s	90	66	pc
Hong Kong	71	57	r	64	60	r
Istanbul	68	57	pc	66	52	s
Jakarta	90	76	pc	90	76	t
Jerusalem	82	60	pc	80	60	c
Johannesburg	78	61	s	77	60	t
London	48	31	sh	48	31	sh
Madrid	49	30	pc	52	28	s
Manila	97	81	pc	95	80	s
Melbourne	67	56	pc	66	58	c
Mexico City	83	57	pc	84	58	c
Milan	54	40	r	50	38	sh
Moscow	40	30	sn	37	27	c
Mumbai	92	79	pc	90	80	pc
Paris	39	33	c	45	32	pc
Rio de Janeiro	78	74	r	81	74	r
Riyadh	95	67	s	94	71	s
Rome	60	44	sh	54	38	r
San Juan	83	73	pc	84	73	pc
Seoul	58	33	s	56	34	c
Shanghai	58	44	c	61	44	pc
Singapore	89	78	t	89	77	t
Sydney	66	61	sh	69	60	c
Taipei City	66	57	c	62	57	sh
Tokyo	54	40	r	53	44	c
Toronto	38	29	sf	46	33	pc
Vancouver	50	42	r	53	43	sh
Warsaw	39	31	c	41	27	c
Zurich	42	30	c	38	27	c

The WSJ Daily Crossword | Edited by Mike Shenk

PUZZLE CONTEST



TRADE-INS | By Mike Shenk

The answer to this week's contest crossword is a **four-letter word.**

Across

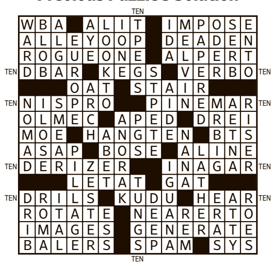
1 Shaver
4 Celia Cruz specialty
9 Parrot
14 Bitter brew
15 Starts for stories
16 Eel eaten in Osaka
17 Some parish properties
19 Countenances
20 Garlicky dressing
21 Protective wall
23 Not for
26 Arizona Museum of Natural History setting
27 Desire
30 Melt away
34 Title for Elton
35 Acumen
37 Analogy words
38 Slope sight
40 Avoid honesty
41 Mean mutts
42 Woody's son
43 "Saint X" author Schaitkin
46 Heat for a few seconds
47 Fail financially
49 One who bears the blame for others
51 Execute perfectly
53 Insensitive term
54 Greece's Papandreou
57 Smidgens
61 Spew forth
62 Failed completely
65 Titanic, e.g.
66 Lush
67 Be overly inquisitive
68 Oscar winner for "Tootsie"
69 Begins the bidding
70 Bird's instrument

Down

1 It glows and flows
2 Et ___ (and others)
3 1920s "style moderne"
4 Parts of pogo sticks
5 Copying
6 Kirk kept one
7 Instructions unit
8 Tea-growing state
9 Scar's brother
10 Freaking out
11 Spiked club
12 Nicki Minaj's "___ Crazy"
13 Opposite of trans
18 Tudyk of "Resident Alien"
22 Guns
24 Youngest of the Cratchits
25 Taken as a whole
27 Book, in Barcelona
28 Brush brand
29 Annoyance
31 Maker of Rodeo SUVs
32 Leave the path
33 Dr.'s workplace
34 Antlered animal
36 State since 1845
39 Dowel, e.g.
43 Play to ___ (draw)
44 Poorly
45 Closable channels
48 "The Flies" playwright
50 Intuitively understand
52 Cow catcher
54 Diva delivery
55 "Cats" director Trevor
56 Octagon inscription
58 Outperforms
59 Certain something
60 Pluto's smallest moon
61 Right-angle extension
63 Regret
64 "Semper Fortis" org.

▶ Email your answer—in the subject line—to **crosswordcontest@wsj.com** by 11:59 p.m. Eastern Time Sunday, April 4. A solver selected at random will win a WSJ mug. Last week's winner: Deborah Henry, Maineville, OH. Complete contest rules at **WSJ.com/Puzzles**. (No purchase necessary. Void where prohibited. U.S. residents 18 and over only.)

Previous Puzzle's Solution



SPORTS

Fear and Loathing on Tobacco Road

Duke and UNC are playing their biggest game ever. Duke and UNC fans are dreading it.

By Ben Cohen and Andrew Beaton

Above, UNC's Leaky Black is defended by Duke's AJ Griffin. Left, UNC coach Hubert Davis chats with Duke coach Mike Krzyzewski.

FROM TOP: JARED C. TILTON/GETTY IMAGES; GRANT HALVERSON/GETTY IMAGES

The first time she met Andrew Yarbrough, a fellow University of North Carolina graduate, Jane Yarbrough figured she knew his favorite college-basketball team. But early in their relationship, she discovered something horrifying about her future husband: He was a lifelong Duke fan.

"Oh God," Jane thought. "What have I done?"

After their wedding, where guests picked their preferred shade of blue and waved pom poms in their school's colors, the newly married Yarbroughs made a vow to never watch a Duke vs. UNC game together. They wouldn't text before the game or talk during the game. They definitely wouldn't discuss the game afterward. They honored their rules in sickness and health, including one year when both had colds and couldn't leave home.

"We still maintained our distance," Andrew said.

"I watched it downstairs, and he watched upstairs," Jane said.

Everyone around Duke and UNC could use a bit of space this week. For the first time in this bitter rivalry, the two schools are meeting in the NCAA tournament—and it's a Final Four matchup on Saturday, loaded with drama, history, begrudging respect, shared hatred and the makings of one of the most memorable games in March Madness history.

But there is one group of people dreading the biggest game ever between Duke and North Carolina: Duke and North Carolina fans.

This is Tobacco Road's doomsday scenario, and the angst is overwhelming. Whatever they imagined a game of this magnitude would be like, this is worse: a showdown with a potential national title, eternal bragging rights and Duke coach Mike Krzyzewski's retirement on the line.

Every aspect of life—schools, offices, retirement homes, gyms, bars, theaters, Bojangles chicken joints and other houses of worship—has been injected with fear and loathing.

At church on the Sunday mornings after Saturday night Duke-UNC games, when the losing fan base tends to stay home or slip in late, pastor Ben Adams reminds his congregation to love thy neighbors and enemies. "Especially if they're both," adds the North Carolina native and Duke graduate.

But this time is different. "This weekend's matchup feels cataclysmic," he said. "This game will wreak havoc on family and friends in our community and certainly stir up conflict in every Bible study, Sunday school class and book club."

He intends to wake up early on Sunday to assess the damage. Then he will take the pulpit and preach about love and grace. "It's a shame that the intended audience won't be there to hear it," he says. "I'll be left preaching to a room full of [North Carolina] State fans."

Duke fans have already suffered this season. Less than a month ago, nearly 100 former players lined the court for Krzyzewski's final home game, a date with UNC so highly anticipated that ticket prices rivaled the Super Bowl. It was billed as a party—until the Tar Heels spoiled the punch. North Carolina fans savored every moment of their upset win, especially Krzyzewski gritting his teeth through an excruciatingly awkward postgame ceremony. Now they have the unexpected opportunity to ruin the storybook ending of his farewell tour.

The flip side is why Carolina fans are so freaked: Duke has a shot at revenge that nobody thought possible. The Tar Heels are on a dream run as a No. 8 seed in Hubert Davis's first season, but this improbable matchup gives Krzyzewski a chance to smirk right past them on his way to retirement.

Duke could end North Carolina's season, and North Carolina could end Krzyzewski's career, but many have long believed the downside risks are far greater than the rewards. Both schools fantasize about winning. But they're completely, unspeakably terrified of losing.

The nerves are only intensifying as they enter uncharted territory for a rivalry grounded in body paint, bloody noses and broken sneakers. The last near miss came in 1991, when the Tar Heels and Blue Devils were in the Final Four on opposite sides of the bracket. While the basketball apocalypse was averted with a UNC loss, some fans surely preferred the world ending to Duke winning a title.

Other great college sports rivalries are loaded with long histories, class resentments and deep psychological complexities. What sets Duke and North Carolina apart is sheer proximity: The two schools are separated by roughly eight miles. Their fans have to live, work, eat and pray with each other.

The schools managed to make 23 of the last 36 Final Fours without running into each other, but two regular-season games every year were enough to stoke the flames.

They didn't want Saturday's matchup, but they feel obligated to watch. Flights are scarce, however, and fares are insane. Many fleeing the Triangle are driving 13 hours to the Final Four. The few with the foresight to purchase refundable tickets in advance settled for connecting flights because there were no direct flights from Raleigh-Durham International Airport before this week.

But when Duke won last Saturday and North Carolina on Sunday, demand for flights to New Orleans jumped 110% from one day to the next, according to Hopper. In response, Delta Air Lines added two nonstops.

The fans content to watch on big screens are canceling plans, entering lotteries to reserve spots in local bars and rearranging their schedules. Even the Durham Performing Arts Center was inundated with requests to swap tickets for Saturday night's performance of "Oklahoma!" So far, 348 of the 2,134 tickets have been exchanged, the most of any show this season.

Others had a different reason for hoping to avoid this particular matchup on this specific day: It's their wedding day.

Kevin McHugh, who has a Ph.D. from Duke, and Charlotte Dunn, who earned a master's from UNC, will be married on Saturday evening in Durham. It didn't occur to them until very recently that a spring wedding might pose a conflict.

"Both of our moms are very concerned that everyone will care more about the basketball game than our wedding," McHugh says.

Maura Farver grew up a Carolina fan, but she bleeds a deeper shade of blue after getting two degrees from Duke. She remained faithful to the team even after going to UNC for business school and falling in love with Robert Overman, who got his Ph.D at Carolina.

As they hunted for wedding venues in Chapel Hill, they kept seeing one available date. They quickly realized why nobody wanted March 5: It was Krzyzewski's final home game. They, too, passed. But in a wedding season crunched by the pandemic, they felt safe rolling the dice on the Saturday of the Final Four. "What are the odds?" Farver says.

One thing the Yarbroughs have learned since their wedding is the power of compromise. Their 3-year-old daughter can wear a Duke shirt for part of Saturday, for example, but she'll be in her UNC outfit by gametime when she watches at home with Jane, since Andrew will be at a friend's house.

But some things aren't subject to negotiation. Either Duke or North Carolina will play for the national title on Monday. Neither husband nor wife will be pulling for the other's team.

"Absolutely not," Jane said.

"Not a shot in hell," Andrew says.

JASON GAY

LeBron James, Lakers Haven't Figured It Out

There's a chance this column will be wrong.

You: *What else is new, buddy?*

I am here to all but bid adieu to the 2021-22 hopes of LeBron James and the Los Angeles Lakers, with the caveat that there's a possibility—a *sliiiiight* sliver of a possibility—that Southern California's glam but tormented basketball franchise corrects itself over the regular season's final week and a half.

Here's the scenario: James's sprained ankle quickly mends, returning Anthony Davis plays otherworldly, wanton shot machine Russell Westbrook magically transforms into a player he's never been, the sub-.500 Lakers gel into coherence, make the "play-in" tournament, win two games and enter the playoffs, and go on a historic run, climaxing in an unexpected championship in which James holds a print-out of this very column aloft and says: *Look, this moron from the Journal didn't believe we could do it. Also: he once picked the Detroit Lions to win the Super Bowl.*

Technically could happen!

But I doubt it. Expecting a Laker revival is starting to border that old theory of insanity—doing the same thing over and over again, and expecting a different result.

Because the Lakers remain in shambles. As they have been for an entire season.

Entering Thursday night's game versus Utah, Los Angeles's senior basketball franchise sits disturbingly close to the ocean floor of the Western Conference. With seven games left in their regular season, the Lakers are 31-44, in 10th place, a half-game ahead of San Antonio for the final play-in slot.

This is a season few imagined when the Lakers assembled last fall, Avengers-like, a weird team so loaded with future Hall of Famers (James, Davis, Westbrook, reserves Dwight Howard, Carmelo Anthony and since-traded Rajon Rondo) it couldn't help but make a dent. Westbrook's role was a riddle—the ball-dominant former MVP has never been a pass-first distributor—but there was confidence that the Lakers were so stacked with talent and experience, they'd just figure it out.

They have not figured it out. At all. On the floor, the Lakers look perpetually disjointed, and then injuries, in particular to Davis, have made it worse. The cynics' doomsday scenario blossomed into reality. It's been so rough that James publicly flirted over the All-Star break with the idea of one day returning to his home state Cleveland Cavaliers.

This is James's 19th NBA season, and at 37, he's leading the league in scoring, at 30.1 points per game, a smidge ahead of the playoff-locked Giannis Antetokounmpo and Joel Embiid. The other week James passed Karl Malone to take over second position on the league's all-time scoring list, behind only Kareem Abdul-Jabbar, and there have been nights when he very much resembles the dynamo he's always been.

MICHAEL REAVES/GETTY IMAGES

It has been a tough season for LeBron James and Russell Westbrook as the Lakers have looked perpetually disjointed.

But this Laker team, built to James's mercurial specifications—he wrapped his arms around the Westbrook deal, as role players like Alex Caruso were allowed to exit—is a joyless mess. They're not even Los Angeles's best team: They have been outplayed by the undermanned Clippers, who've had even worse injury luck. Paul George is now back with the Clips, who suddenly seem fearsome. The Lakers, meanwhile, look exhausted. Their season has felt like a jagged, mostly-unhappy mood swing.

James's Laker tenure has been similarly up and down—an injury-laden playoff miss in his first season, a strange but stirring Covid bubble title in season two, then an injured, underwhelming exit in season three. Season four has been the nadir. There has been stunningly little Showtime in the LeBron Laker era; mostly, it has been shrugs, second-guessing, and long looks around the league to see who could come and help.

It isn't a fun watch. The buzzier Lakers content at the moment is the HBO series, "Winning Time"—a pulpy rendering of the Magic-Kareem-Pat Riley heyday that has riled some critics with its unhinged portrayal of franchise legend Jerry West.

Davis is expected to make his return at home Friday against the New Orleans Pelicans—a meaningful game against his former team, also currently above L.A. in the standings. The big man is a force when healthy, and it's possible his re-emergence gives the Lakers an emotional lift and focus.

Should the Lakers make a quick exit, there will be grim postmortems and calls for immediate changes. (Has any 31-44 team commanded as much attention as this one?) Longtime LeBron chronicler Brian Windhorst of ESPN teased the possibility of Los Angeles exploring trades for Davis—by far the club's best young asset. An aging James will be eager to infuse new blood, but Westbrook's mega-contract may be an immovable rock, and draft picks have been handed off long ago.

It isn't pretty. There's a chance it could turn around, but it's only that: a chance. LeBron can still be LeBron, but these Lakers are adrift. A misbegotten season appears headed to the showers early.

OPINION

Why We Are Covid Broke

POTOMAC WATCH
By Kimberley A. Strassel

Washington dysfunction is so comprehensive, it's sometimes difficult to know where to start. So there is usefulness in a recent White House missive to Congress—which in a few short pages neatly sums up the dishonesty and malpractice of today's Beltway.

"Dear Madame Speaker," begins the March 15 letter, devoted to the topic of Covid poverty. "We are notifying you of the following actions necessitated by the lack of critical funding." Office of Management and Budget Director Shalanda Young and White House Covid coordinator Jeffrey Zients explain that unless Congress supplies tens of billions more in taxpayer dollars, the federal government will no longer be able to "secure sufficient booster doses," will end "the purchase of monoclonal antibody treatments," will halt "critical testing," and will scale back "preventive treatments for the immunocompromised."

We are, somehow, Covid broke. How? Didn't Washington, under the cry of "emergency," spend $6.6 trillion in fiscal 2020 and $6.8 trillion more in 2021? Both years equaled at least 50% more in spending than in 2019—and all for "Covid." Only a year ago, Democrats waved through a sixth Covid relief bill, President Biden's massive $1.9 trillion American Rescue Plan—enough money to buy every Covid vaccine, ventilator, and hospital chain on the planet. Only this week, the White House put out a $5.8 trillion 2023 budget proposal. Yet the administration insists that without $22.5 billion in emergency dollars now, we again face Covid apocalypse.

Where did all the money go? Everywhere but to Covid. The Rescue Plan handed $350 billion in "relief" money to the states, and the Associated Press recently described its uses. Some $140 million is going to a high-end hotel in Broward County, Fla. Colorado Springs, Colo., is dumping $6.6 million into golf-course irrigation systems. An Iowa county is using $2 million to purchase a privately owned ski area. Massachusetts is ladling $5 million to cover the debts of the Edward M. Kennedy Institute for the U.S. Senate.

Crain's reports that even dollars earmarked for Covid aren't safe. New York is sitting on funds that were supposed to go to homeowner assistance and small-business recovery but may not be needed as the pandemic wanes. Crain's notes that "one watchdog raised the notion that the relief money—particularly $12.7 billion in American Rescue Plan Act funds—could become a pile of unassigned dollars for the state government to use as it deems necessary."

And that's just the *legal* waste, fraud and abuse. One of Congress's first Covid-relief bills created a committee of inspectors general to provide oversight of Covid funds. It's done a good job—even as Congress studiously ignores its findings. The inspector general of the Small Business Administration reported that fraud in the Paycheck Protection Program and other loans was "unheard of—unprecedented." "In terms of the monetary value, the amount of fraud in these Covid relief programs is going to be larger than any government program that came before it," he told ABC News in August.

All Washington knows how to do is spend money—and it can't even do that well.

The Labor Department inspector general now estimates that more than $163 billion of $872 billion in Covid unemployment dollars might have been improperly paid, "with a significant portion attributable to fraud." That's a 19% improper-payment rate and more than seven times the $22.5 billion the White House recently insisted it needed in emergency additional Covid dollars.

Democratic "moderates" are expressing outrage over this mismanagement, with Virginia Rep. Abigail Spanberger calling the state boondoggles "outrageous" and "nuts." Yet the Rescue Plan passed on an entirely partisan vote (including Ms. Spanberger's), and these Democrats were nowhere to be found when Republicans were trying to limit how the money was spent. Many Democrats even now are resisting Republican demands that additional money come from repurposed, unspent Covid funds.

Not that Republicans have much to brag about. They boycotted the final $1.9 trillion Rescue Plan, but they were partners in crime in the five Covid bills that preceded it. Those bills included hefty checks to households that didn't need the cash, blue-state bailouts, and giant new infusions to federal government agencies.

Americans are increasingly realizing that Congress is barely capable of anything but spending money—and that only via shadowy backroom deals and last-minute votes. In recent years it's proved unable to pass policing reform, any trade bills, or desperately needed changes to immigration policy, to name a few failures. But dangle in front of lawmakers a juicy infrastructure blowout, or an omnibus plumped with earmarks, or a payoff to states and the education lobby disguised as a Covid "relief" bill—and they're all over it.

The mismanagement of Covid funds highlights the absurdity of the White House's new demand for more, not to mention Mr. Biden's $5.8 trillion budget. If Republicans can't make spending discipline central to their midterm message, they risk alienating a voter base that is disgusted with Washington largesse.

Write to kim@wsj.com.

Chabad's Ukraine Mission

HOUSES OF WORSHIP
By Dovid Margolin

History has been a battleground between Russia and Ukraine for years, and the story of the Jews has been part of that fight. This can be heard today in Vladimir Putin's rhetoric about "de-Nazification" or Ukrainian President Volodymyr Zelensky's exhortations, amid Russian bombing, to remember Babyn Yar's murdered Jews. But the past is more than a backdrop for geopolitical maneuvering.

The founding of the Hasidic movement by Rabbi Israel Baal Shem Tov (1698-1760) in what is today western Ukraine revolutionized Jewish life. And Rabbi Menachem M. Schneerson—the Rebbe, or the seventh leader of the Chabad-Lubavitch movement—was born in Ukraine 120 years ago and later helped spark Judaism's post-Holocaust religious revival.

The Rebbe was born in Mykolaiv on April 18, 1902, to Rabbi Levi Yitzchak and Chana Schneerson. His maternal forefathers had been the city's chief rabbis since 1854. During a 1905 pogrom, his mother hid in a cellar with other women, whose children's terrified screams risked attracting the anti-Semitic marauders outside. Years later, she would recall her 3-year-old son soothing the other children.

In 1908 Levi Yitzchak Schneerson was elected chief rabbi of what is now Dnipro. There the future Rebbe celebrated his bar mitzvah while helping his parents care for Jewish World War I refugees forcibly expelled from the Russian Empire's western provinces. But Czarist persecution paled in comparison with the destruction of Jewish religious and communal life under communism.

The Soviets closed synagogues and yeshivas, forcing rabbis out of their positions. The Chabad-Lubavitch Hasidim paid a heavy price to resist this oppression—with many sent to the gulags or executed. The Rebbe's father played a key role in the resistance, openly urging Jews to remain steadfast in their faith. He was arrested by the secret police in 1939, tortured and exiled to Kazakhstan.

The Rebbe later wrote that "those who withstood and survived the horrific torrent of intimidation" had something in common: "They had internalized Hasidic teachings, and the enthusiasm and self-sacrifice that they evoke, through proper education." For decades the Rebbe's work to strengthen Jewish life and learning behind the Iron Curtain was clandestine, and he maintained an underground educational and aid network stretching throughout the Soviet Union.

A new era began as the Soviet Union was falling apart. In 1990 the Rebbe began sending permanent emissary couples to resuscitate Jewish life in Ukraine. A year later, Ukraine's KGB issued a public admission that it had framed and tortured the Rebbe's father, causing his death in 1944.

Even with the Soviets gone, it wasn't easy to be a proud and visible Jew in Ukraine. But this changed over the ensuing decades: 192 Chabad husband-and-wife teams put down roots in 32 cities throughout the country, building synagogues, schools and social-service centers. Giant Hanukkah menorahs illuminating public squares signaled that the days of hiding one's Jewishness were over. While the Schneerson name had been reviled, the new Ukraine embraced it. In 2016, Mykolaiv and Dnipro renamed streets for the Rebbe.

The story of the Jews plays an outsize role in the country's history and present.

Since the Russian invasion, this flourishing Jewish community has been upended, but it hasn't disappeared. The communal structure built to nurture Jewish life in Ukraine pivoted into an effort to save its Jews, together with other innocent civilians, from the destruction wreaked by the war.

Across the country Chabad has been distributing food and medications and turning synagogue basements into bomb shelters. Dnipro's 20-story Chabad center has become a frenetic base of humanitarian aid for refugees, both Jewish and not, as they are helped out of the country. Chabads of battle-scarred places like Mariupol and Sumy continue to evacuate people to safety. The organization has helped more than 35,000 people escape and will continue doing so as long as there are people in need.

On March 2 Avraham Wolff, Odessa's chief rabbi and Chabad representative, sent some 120 children and staff from his community's children's home to Berlin. Once they arrived, Rabbi Wolff and his wife followed with another 140 women and children. After settling them in, the rabbi drove back to Odessa alone. At the Palanca border crossing, he was the only one heading into Ukraine.

"Everything I absorbed from the Rebbe's Torah teachings and example during my 52 years—how nothing is more important or dear to God than helping someone materially or spiritually—was for these last weeks," Rabbi Wolff told me recently.

The Rebbe taught that true education should charge us with a sense of responsibility to our fellow man and to God. It is no accident that today these values are being put into action by the Jewish communities he revived and inspired. Nor that this great modern Jewish sage was born 120 years ago in Ukraine—a country that, in working to overcome its past, has emerged as an example of moral courage and fortitude for the world.

Mr. Margolin is a senior editor at Chabad.org.

Bruce Willis and the Cruelty of Aphasia

By Bob Greene

For more than a decade of sometimes joyous, often difficult summers beginning in 1992, I traveled the U.S. alongside a famous entertainer who had aphasia. Many people aren't familiar with the condition or the sadness that can accompany it. It is challenging enough when the sufferer is a private citizen. When it's a performer still appearing before audiences, courage becomes a job requirement.

Bruce Willis's family said this week that the actor is retiring because of aphasia. Mr. Willis's family didn't disclose what led to his diagnosis. Causes can include a stroke, a tumor or a severe brain injury. Common symptoms are being able to speak only in short or incomplete sentences, mixing up words or saying things that make no sense to listeners.

The man with whom I spent all those summers was Jan Berry, half of the surf-rock duo Jan and Dean, who in 1963 had the national No. 1 hit "Surf City."

In 1966 Berry was the driver in a one-car accident that mirrored the 1964 Jan and Dean hit "Dead Man's Curve." He bore the aftereffects, including aphasia, until his death in 2004.

Jan Berry struggled to recall lyrics of hits he had written and sung.

It is a cruel affliction. For someone like Bruce Willis or Jan Berry, the world can abruptly become filled with strangers who were primed to adore you because of your work, and who now gaze with perplexed expressions, not knowing what to make of what they're seeing.

You speak, and often what comes out is disjointed and confusing. There is nothing you can do about it. Someone—perhaps a fan—asks a question, and, without meaning to, you appear to mock him by answering illogically or incoherently.

After the announcement by Mr. Willis's family, I watched snippets of recent movies in which he appeared. Some of the reviews verged on cruel. My guess is the critics had no idea what Mr. Willis may have been dealing with. In some of the movie scenes it seems as if Mr. Willis was filmed separately from his fellow actors, reciting one- or two-sentence lines. I looked at his celebrated face and saw the face of Jan Berry.

On flights from one concert town to another, Jan would wear headphones and listen intently to Jan and Dean songs. It wasn't out of ego. He was trying to remember the words. He had written those lyrics long ago and sung them on records that sold millions of copies. The next night every person in the audience would know every word. But he had forgotten and had to relearn them before each show.

A person can conceal aphasia for only so long, as Mr. Willis and his family seem to understand. One night onstage Jan Berry had said, into a microphone, something he didn't mean to say, something humiliating. He turned to me and, with tears in his eyes, whispered: "I have to think more." He was blaming himself. It comes with aphasia's melancholy territory.

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

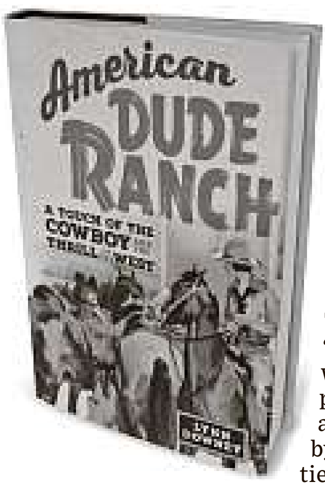
BOOKSHELF | By Andrew R. Graybill

The Tumbleweed Treatment

American Dude Ranch

By Lynn Downey
(Oklahoma, 222 pages, $24.95)

Readers of a certain age may remember the 1991 movie "City Slickers," in which three friends from New York head west to participate in a cattle drive as a cure for their midlife malaise. Their inexperience is played for laughs, as when Billy Crystal's character accidentally sets off a stampede by using a battery-operated coffee grinder in camp. Jack Palance, in an Oscar-winning turn as the weathered trail boss, looks on with amusement as the frightened animals destroy the tents and chuckwagon before he brings the cattle to a sudden stop by firing his pistol into the air. "City folk," he mutters with a smile. He could just as easily have called the trio "dudes."



As writer Lynn Downey explains in her spirited but uneven "American Dude Ranch," she encountered the word frequently during her stint as the first historian of Levi Strauss & Co., which yielded her 2016 biography of the blue-jeans titan. The term derives from "duds," in reference to the western styles—tight pants, piped shirts and fancy boots, among other items—adopted by easterners seeking frontier adventure who wanted to look the part. But to Ms. Downey's surprise, neither "dude" nor its awkward female counterpart "dudine" was an epithet like "tenderfoot" or "greenhorn." Rather, it was a judgment-free description of the people who sought, as she puts it in her subtitle, "a touch of the cowboy and the thrill of the West," and were willing to pay for the experience.

The first dude ranch opened at Wolf, Wyo., in 1904, and others quickly followed, chiefly in the neighboring Rocky Mountain states of Montana and Colorado but also in unlikely places such as Florida and Michigan. Their managers capitalized on the nostalgia for a supposedly vanishing frontier, and, from the beginning, these establishments enjoyed a reciprocal relationship with American popular culture. That was especially true of the film industry, which shot some early westerns on dude ranches and soon featured the outfits themselves in motion pictures, like "Rawhide Romance" (1934), about "a wrangler who falls for a visiting dudine." In the summer of 1940, an estimated 350 dude ranches welcomed 25,000 guests.

Ms. Downey notes that there was great variation among these outfits, explaining that "each ranch offered guests something unique, whether it was the architecture, the food, the scenery, or the activities. Some of the larger ranches had polo grounds. At the smaller ones, guests often pitched in to help with chores. . . . A ranch's individuality was its strength. But all ranches had the one thing that dudes wanted . . . Horses." Over time, the clientele itself came to reflect this diversity. If at first dude ranches catered to WASPish men in search of Theodore Roosevelt's strenuous life, by the 1920s single women showed up in guestbooks, and eventually Jews, too, despite persistent anti-Semitism. Gay and lesbian visitors "learned early to be discreet and to 'pass' as straight." But non-white guests were rarely heard of: Indians found on dude ranches were hired as entertainment, and most other people of color worked as domestics, though a "Negro Dude Ranch" in Victorville, Calif., became a destination for black celebrities including Joe Louis and Lena Horne.

As the American frontier vanished, thousands sought escape from the modern world via a vacation spent around the cowboy campfire.

The book's greatest asset is Ms. Downey's obvious enchantment—obsession, even—with her subject, which she researched for more than 15 years. This passion surfaces in telling details, such as her discovery that in a 1935 publicity questionnaire "Dracula" star Bela Lugosi mentioned his interest in dude ranches, which prompted a newspaper story titled "Vampire to Retire to Dude Ranch." The article explained that Lugosi wanted a spread "where all the midnight shrieks, if any, will be from guests whose digestive systems have disagreed with the ranch fodder." Best of all are nearly 30 pages of illustrations—including railroad promotional brochures, photographs, matchbook covers and print advertisements—that document the popularity of dude ranches, most of them drawn from the author's personal collection of memorabilia.

All the same, after a galloping start "American Dude Ranch" slows to a wandering amble. This is due in part to the book's lack of a central argument or strong throughline; likewise, the book's 14 chapters are untitled, offering readers few opportunities to "cut for sign" along the trail. Ms. Downey also misses the opportunity to situate the dude ranch in comparative context—although she alludes to similar outfits that sprang up in Canada, she does not explore them, which lends an air of American exceptionalism to a concept that had analogues in the so-called "Mild West" immediately to the north.

The industry flourished into the 1970s, but waned as the country's fascination with the West began to fall off. Still, as of March 2021 the Dude Ranchers' Association counted nearly 100 members in the United States and a handful in Canada. Some have sought to survive by going upscale, as Ms. Downey explains, boasting amenities like "Cordon Bleu-trained chefs and farm-to-table programs"—prices at some spreads exceed $700 per person per night, far beyond the budget of the typical American vacationer. Ironically, the real cowboys these dudes and dudines wish to emulate spend at least as much time on the ground as they do in the saddle, patching fences and digging postholes, often for meager wages. And presumably they leave their coffee grinders where they belong: in the kitchen.

Mr. Graybill is a professor of history and the director of the William P. Clements Center for Southwest Studies at Southern Methodist University.

Coming in BOOKS this weekend

Robert Kaplan's Adriatic: A personal & political journey • Lincoln in his speeches • A concert pianist in Stalin's Russia • Antony, Cleopatra & the battle at Actium • 'The Velveteen Rabbit' at 100 • Jennifer Egan's new novel • & much more

OPINION

REVIEW & OUTLOOK

Let Ukraine Go on Offense

As Russia's war on Ukraine enters its sixth week, the script has flipped. Russia's advance has stalled, and Ukraine now wants to go on offense to push back Russian forces from the land they've taken. But the country needs U.S. and NATO help to do it, and it seems the Biden Administration is reluctant to provide those weapons and intelligence.

The U.S. is still not providing all of the weapons it needs.

In her Wednesday press briefing, White House communications director Kate Bedingfield said no fewer than eight times that Vladimir Putin had committed a "strategic blunder" or "mistake" or "error" by invading. That's the White House line to suggest that the West is winning against the Russians.

But that sure sounds like a premature declaration of victory. His forces are still bombing Ukraine's cities and they have grabbed more territory. Mr. Putin could still emerge with a strategic advantage in the medium- to long-term if he strikes a truce that leaves Russia in control of a large chunk of Ukraine.

The peace terms Russia is demanding in negotiations suggest that such a consolidation in Ukraine's east and a long-term occupation is now Russia's goal. He'll have won the long-sought "land bridge" between the Crimea and the Donbas. Mr. Putin could claim victory, pause for some years while he re-arms, continue trying to assassinate Ukrainian President Volodymyr Zelensky, and otherwise make political, cyber and other trouble for a Western-leaning Ukraine government.

That's why Mr. Zelensky now wants to go on the offensive. The more territory his forces can win back, the stronger position his country will have at the bargaining table. The experience of Russia's behavior in Georgia in 2008 and eastern Ukraine in 2014-15 is that Mr. Putin doesn't give up territory once his troops occupy it. The result is another "frozen conflict," with the country he has invaded weaker than before and more vulnerable to more Russian mayhem.

The Ukrainians need heavier weapons to go on offense, including tanks and fighter aircraft like the MiG-29s that Poland wants to provide under the political cover of NATO. It also needs intelligence on Russian troop movements and vulnerabilities in the east. Now is the time to help Ukraine take the offensive. Reports of demoralized Russian forces are more frequent, including defectors who have taken equipment with them.

But in a private briefing on Capitol Hill this week, Administration officials continued to resist bipartisan pressure to provide heavier weapons. The claim is that they won't make much difference to the conflict, but the Ukrainians are a better judge of that. It's much harder to dislodge dug-in tank battalions with infantry armed with hand-held Javelin antitank missiles than it is with tanks or aircraft that can strike from above.

The concern among Ukraine's supporters on Capitol Hill and the Pentagon is that the Biden Administration doesn't want Ukraine to go on offense. It wants a negotiated settlement as soon as possible. France and Germany, the doves in the NATO coalition, are in a similar place. They worry that if Russia suffers even greater losses, Mr. Putin might escalate again and perhaps in more dangerous ways that drag NATO directly into the war. In a sense, Mr. Putin with his threats is defining the limits of U.S. assistance to Ukraine.

But the U.S. and at least some NATO countries won't be able to ignore Ukraine even if there's a truce or frozen conflict. Mr. Zelensky will have to sell any agreement to the Ukrainian public, who won't be eager to concede territory after thousands of innocents have been killed. The Ukrainians are going to want security guarantees from the West, lest they be vulnerable to future Russian attacks.

One idea that deserves to be considered is a mutual-defense pact of the kind the U.S. has in the Pacific with Australia and Japan. After all that Ukraine has sacrificed, Mr. Zelensky won't settle for Mr. Putin's nonaggression promises, and President Biden shouldn't lean on him to do so.

Throughout this conflict, the Biden Administration has been slow and reluctant to give Ukraine the weapons and intelligence support it needs. Pressure from the public and Capitol Hill has forced its hand. Now, with Russia on the defensive, is the time to keep the pressure on to truly achieve a strategic victory for Ukraine and NATO.

A Big Defeat for Big Labor

The tide is turning politically on Capitol Hill, and the latest evidence is the surprising defeat of David Weil to run the Labor Department's Wage and Hour Division. Three Democrats—Joe Manchin, Kyrsten Sinema and Mark Kelly—opposed the union favorite on the Senate floor.

Mr. Weil had the same job in the Obama Administration, when he sought to destroy the franchise business model and gig economy as Americans know them. President Biden nominated him for a second stint on the expectation that he would impose via regulation much of Big Labor's Pro Act that has failed to pass the Senate.

Mr. Weil's joint-employer guidance during the Obama years held corporations jointly liable for their franchisee minimum-wage and overtime violations. Unions want to erase the distinction between corporations and franchisees to make it easier to organize.

Mr. Weil also redefined most independent contractors as "employees." This meant so-called gig economy companies like Uber and Instacart would have to schedule shifts in advance, reducing worker flexibility and customer convenience, and raising costs.

California's AB5 law reclassifying most independent contractors as employees was inspired by none other than Mr. Weil. And this may be one reason the two Democratic Senators from Arizona opposed his nomination. They've seen the headaches the law has created for business and workers next door, and they don't want them coming to Arizona. More workers have embraced freelancing during the pandemic. So why would Mr. Biden nominate someone to a top Labor job who wants to kill their jobs?

Mr. Weil's embarrassing defeat is a sign that, as the November election nears, the political mood on Capitol Hill is shifting. The President's radical nominees, at least some of them, are getting more scrutiny.

These regulatory appointees will take on more importance as progressives turn to executive action to impose what they can't pass in Congress. The next Biden nominee who deserves to be defeated: Gigi Sohn for the Federal Communications Commission.

A Strategic Political Petroleum Release

President Biden knows inflation and gasoline prices are killing Democrats in the polls, and he's scrambling to show he's doing something about it. Except he still won't do what would really make a difference: Take his foot off the neck of the U.S. oil and gas industry.

Biden tries everything to cut gas prices, except what would work.

His latest gambit on Thursday was to say he'll release 180 million barrels from the national Strategic Petroleum Reserve in the next six months. This would be the biggest release in history and reduce the reserve to its lowest level since 1984. But the oil will need to be replaced, which will push up future demand.

This is one reason markets responded with a yawn. Crude prices fell a mere 4.9%. Markets don't respond only to short-term demand and supply fluctuations. They also take into account long-term expectations and policy signals. And the Administration continues to signal that its goal is to bankrupt oil and gas producers. But before shooting them, Mr. Biden wants their political help.

The White House underscored Thursday that it wants to "immediately increase supply" while accelerating the "clean energy" transition. The President also said he wants to make companies pay fees on wells from leases that they haven't used in years and on acres of public land that "they are hoarding without producing." But the law already requires companies to produce oil or gas on leases or return their leases to the government.

Producers aren't hoarding land. Many are waiting for government permits for pipelines and rights of way. Some can't find equipment and workers. Yet the Administration vilifies U.S. producers as enemies of the state for making "extraordinary profits and without making additional investment to help with supply"—even as financial regulators tell banks not to lend for fossil fuels.

Meantime, the Administration is seeking to ease sanctions on America's enemies in Venezuela and Iran, though neither oil producer can compensate for reduced Russian oil exports in the short term. Easing sanctions would merely give their regimes more money to create problems for the U.S. and its allies.

Mr. Biden's rapprochement with Iran's mullahs is further alienating the Saudis and United Arab Emirates, which are already upset by the Administration's lack of support against the Iran-backed Houthis in Yemen. White House press secretary Jen Psaki last month said the President stood by his view during the 2020 campaign that Saudi Arabia should be treated like a "pariah" state.

Is it any surprise the Saudi Crown Prince won't take Mr. Biden's calls? If it's any consolation to our Mideast allies, he treats U.S. oil and gas producers like pariahs too. If the President really wanted to reduce oil prices, he would give a speech announcing a complete halt to his Administration's war on the U.S. industry. Prices might drop $20 per barrel.

He could also strike a deal in Congress to remove regulatory obstacles to U.S. oil and gas production in return for more green-energy spending, as Sen. Joe Manchin (D., W.Va.) has suggested. The 2015 deal between Paul Ryan and Barack Obama to lift the 40-year ban on oil exports in return for extending renewable-energy tax credits provides a template.

But markets are reacting as if they simply don't take Mr. Biden's pleadings seriously. That's a dominant theme across his Presidency, and Americans are paying the price.

LETTERS TO THE EDITOR

Leaving Nukes in Ukraine Was Not the Answer

In "How Bill Clinton Sealed Ukraine's Fate" (op-ed, March 25), George Bogden argues that the Clinton administration's "undisciplined fixation" on nuclear disarmament stripped Ukraine of the arms that could have deterred Russia today. But stopping the spread of nuclear weapons, even to treaty allies, has always been a central pillar of U.S. strategy. Any U.S. president would have taken a similar approach.

Moreover, Kyiv did not possess operational control of the Soviet nuclear weapons stationed in Ukrainian territory. The weapons were never really Ukraine's to keep.

Mr. Bogden suggests that Washington did not live up to the security guarantees made to Kyiv in the 1994 Budapest Memorandum, but Washington, London and Moscow only pledged never to threaten Ukraine in that accord—not to defend it. Washington and London fully kept its promises. Moscow, tragically, did not.

If Kyiv had tried to cling to nukes, Washington would have treated it like Iran and North Korea over the past several decades. Instead, Ukraine became seen in the West as a responsible partner. Even in hindsight, Kyiv made the right decision.

The U.S. should have done more to help Ukraine defend itself since that time—just as we must today. But more countries in possession of the world's most dangerous weapons is not the solution to U.S. security challenges.

Prof. Matthew Kroenig
Georgetown University
Washington

Mr. Kroenig, a former senior policy adviser in the Pentagon (2017-21), is director of the Atlantic Council's Scowcroft Strategy Initiative.

Don't 'Dine and Dash' From Your Physician

"Credit Firms Strip Most Medical Debt" (U.S. News, March 19) doesn't address the impact that uncollected debts have on the medical system. When patients fail to pay for the care they receive, prices naturally rise in subsequent years for all patients to offset these losses.

When a plumber installs a water heater, he submits a bill for parts and labor and expects to be paid the full amount. When doctors and hospitals submit bills for care provided, they are contractually paid pennies on the dollar by the insurer. Patients who fail to fully pay their residual portion of those bills force the absorption of these costs elsewhere in the medical system.

Most providers go to extensive lengths to contact patients who are past due on accounts before sending them to collections. These efforts, in the form of phone calls, letters and text messages, all add further costs to the provision of healthcare. The livelihoods of doctors and the financial viability of hospitals depend on patients paying for the services that they receive.

Although an argument could be made to retroactively remove this information from credit reports when patients pay ex post facto, the bills that are never paid generally shouldn't be treated so favorably. Failing to pay a sub-$500 medical-bill balance might seem relatively harmless, but it is the equivalent of dining and dashing on a restaurant over an extravagant meal. I doubt most restaurant owners would be eager to serve such customers, should they return. Creditors, like restaurateurs, should have a right to know who is skipping out on the check.

Matthew Lavery, M.D.
Indianapolis

Children Deserve Better Educational Options

Regarding your editorial "A Case of Charter School Sabotage" (March 28): A random walk through the data on the performance of public schools in large urban locales reveals an abysmal record of student achievement.

I saw a photo of a placard carried by a striking teacher a couple of years ago that proclaimed that the union was "striking for the children." How odd. The overarching and legitimate mission of a labor union is to represent the interests of its members. Saying that the teachers union was striking for the children would be like the United Auto Workers proclaiming it is striking for the buyers of GM's automobiles.

Who can step up to truly focus on the children being underserved and neglected in failing districts? Charter schools, which must perform for the children or close, have shown themselves to be a viable option. Yet the unions, and the numerous politicians who are their captives, fight hammer and tong to deny the children an opportunity for a better education in favor of pandering to the teachers unions, a special interest. Who represents the children?

John R. Newcomb
Franklin, Tenn.

A 2012 Smear Need Not Stick

Regarding your editorial "A GOP Specialty: Bad Candidates" (March 23): I agree except for the inclusion of Indiana's Richard Mourdock. Following the toxic statements by Missouri's Todd Akin, Mr. Mourdock's Senate opponent, the left and its media allies smeared Mr. Mourdock with the implication that he had argued in a 2012 debate that where rape resulted in pregnancy, God intended not only the creation of life but the rape as well.

The debate transcripts show otherwise. Mr. Mourdock said he had struggled with the issue of abortion in cases of rape but, having realized that all life is a gift from God, concluded that "even when life begins in that horrible situation of rape, that it is something that God intended to happen." He was referring to the life, not the rape, and the belief that God can work good out of evil. The false construction of Mr. Mourdock's words was and remains dishonorable.

James R. Anthony
Notre Dame, Ind.

Armenia Did Not Leave Much in Nagorno-Karabakh

Simon Maghakyan acknowledges the damage done by Armenia to Azerbaijan's cultural heritage ("A Vicious Circle of Cultural Erasure," Houses of Worship, March 25) but claims that "there is no evidence of a systematic, let alone state-sponsored, erasure."

I am from Fuzuli, occupied by Armenia in 1993 when I was 10. The city lost all its infrastructure, together with the cultural heritage, due to the occupation. The previously Armenian-occupied territories, home to almost 750,000 Azerbaijanis forced to flee in 1992-93, is now almost entirely devoid of buildings. Given the scale of the damage, I don't believe this was anything but systematic and state policy. So far, Armenia has neither apologized nor paid compensation.

Nurlan Mustafayev
Baku, Azerbaijan

Whether during Soviet or Armenian occupation, cultural erasure casts a long shadow in Karabakh. Following the return of most of Azerbaijan's territory in 2020, there is now a chance to break this cycle. To start, Unesco should be granted access to provide recommendations for restoration. Azerbaijan has stated its readiness to let the organization in. It is up to Armenia whether to reciprocate for the areas it still holds.

Taras Kuzio
Henry Jackson Society
London

Build Ukraine Back Better

Gregg Opelka suggests it's time "Biden Should Say 'We'll Win'" (op-ed, March 22). Take it a step further with: "and we'll help rebuild Ukraine," as we did with much of Europe through the Marshall Plan. What a great message to send to Ukrainians. Not only that we believe they can win, but we'll be right there with them as they rebuild their devastated country.

James L. Borin
Cocoa Beach, Fla.

CORRECTION

The U.S. Code on judicial ethics applies to Supreme Court justices. In early March 31 editions, the editorial "Justice Thomas Shouldn't Recuse" misstated its application.

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Pepper ... And Salt

THE WALL STREET JOURNAL

"I've given up trying to fix you. Any chance I can restore your factory settings?"

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OPINION

Biden Needs to Make Up With Saudi Arabia

By Karen Elliott House

Riyadh, Saudi Arabia

Ramadan, the Muslim holy month of fasting and reflection, begins this weekend. Going without food or water from dawn to dusk humbles and refocuses believers on harmony with Allah and mankind. This might be a propitious moment for President Biden to visit the kingdom and seek forgiveness for a growing list of Saudi grievances that have badly damaged relations between Washington and Riyadh. Notably, the kingdom's de facto leader, Crown Prince Mohammed bin Salman, is refusing to pump more oil to help Mr. Biden in his quest to lower energy prices.

China is working hard to come between the U.S. and its longtime ally in a vital region of the world.

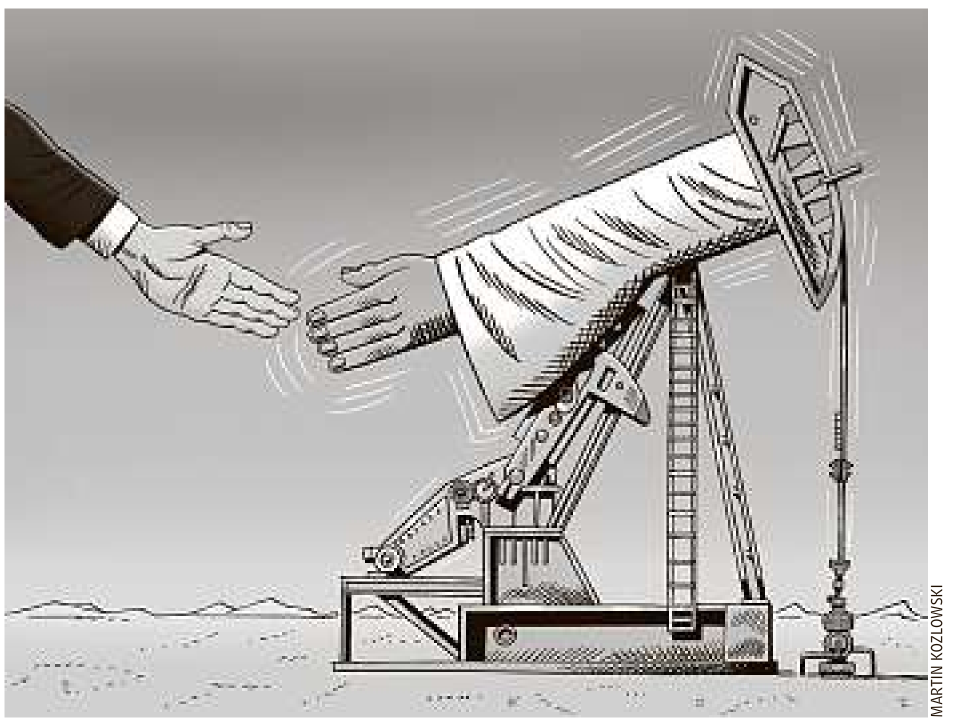
Saudi resentment has been mounting for a decade. President Obama's "pivot to Asia" was interpreted here as a signal that the U.S. had higher priorities than protecting the Middle East and global oil supplies. But the serious damage began only when President Biden went on the offensive, labeling Saudi Arabia a "pariah state," removing Patriot missiles that shield Saudi oil installations from attacks by Iran-backed Houthi rebels, and groveling to revive a nuclear deal with Tehran, an Al Saud nemesis.

In the first year of his administration, President Biden refused even to speak with Crown Prince Mohammed. And in February 2021 Mr. Biden released the Central Intelligence Agency's conclusion that the crown prince had ordered the 2018 murder of journalist Jamal Khashoggi at the Saudi consulate in Istanbul. When Russian oil abruptly disappeared from world markets in March, the president turned to Riyadh, but Crown Prince Mohammed refused his call.

In the 40 years I have been visiting this country, never has anger at the U.S. been so visceral or so widespread. "The relationship is dead," one senior Saudi businessman declared. "Obama dug the grave, and Biden put the lid on the casket."

Foreign Ministry officials are less apocalyptic but no less disdainful: "You criticize us for producing oil and call it dirty to please climate advocates and yet when you're in trouble you turn to us and say, 'Pump more.' " Officials here insist the kingdom won't increase production without the agreement of the Organization of the Petroleum Exporting Countries Plus, which includes Russia. "Right now there is no rational commercial or financial argument for increasing production," an economic official says, "only a political one."

Both countries need to put aside wounded pride and repair their relationship, which truly underpins global economic security. When the Kingdom embargoed oil to the U.S. in 1973, Riyadh privately assured Washington that oil for all American military installations world-wide would continue to flow without disruption. Yet now, as Houthi attacks regularly target Saudi oil installations, the Biden administration shows little concern for Saudi security. While Mr. Biden last month agreed to resume providing Patriot missiles to the kingdom, he hasn't yet returned the Houthis to the U.S. terrorist list. Worse, according to reports from the talks in Vienna, he is considering removing the Iranian Revolutionary Guard from the State Department's foreign terror organization list if it pledges not to target Americans.



Saudi pique is dangerous. The kingdom's relations with China are strong and getting stronger. Xi Jinping visited Saudi Arabia in 2016. China purchases 1.8 million barrels of oil a day from the kingdom and is now Saudi Arabia's largest trading partner. The Chinese welcomed Crown Prince Mohammed to Beijing in 2019 and, unlike President Biden, have shown great deference to the young prince. At March's Organization of Islamic Cooperation meeting in Islamabad, the Chinese foreign minister declared that China and Saudi Arabia are "good friends and good brothers . . . who support each other's core issues."

But Beijing can't protect Saudi oil fields or the sea lanes that allow its oil to reach world markets. For now, only the U.S. can do that. So it's time for Riyadh and Washington to put their heads together and cooperate on a new security strategy.

"If the president of the U.S. wants to visit, he is welcome. We aren't encouraging or discouraging it," a Foreign Ministry official said when asked about rumors of a possible Biden visit. He refuses to discuss plans if there are any.

But it seems clear from talking with various Saudi officials that if Mr. Biden wants to thaw the cold relationship he needs to visit Riyadh. From the White House's point of view, this will be hard for him to do without losing face. Mr. Biden's reception would inevitably be compared with that of President Trump, whose first foreign visit here received a spectacular royal embrace. And the photo of Mr. Biden shaking hands with Crown Prince Mohammed would be visible proof of eating humble pie.

Ramadan offers some cover. Saudi officials are willing to host world leaders during the holy month, but an official visit with honor guard and all the trappings isn't possible during fasting. "Only a working visit is possible during Ramadan," explains one Saudi official, who recalls that President Obama's first trip to the kingdom was a brief working visit in which he was transported directly from the airport to King Abdullah's farm for a private meeting. Mr. Biden could come in the posture of working to resolve large strategic issues, not as a president seeking a photo opportunity and a royal welcome. This would avoid direct comparisons with the Trump visit or that of Mr. Xi, who has been promised a Trumpian welcome here for his first post-pandemic trip outside China. Mr. Xi is expected after Ramadan, perhaps as early as May.

The Saudis want more than a photo-op. They want a serious strategic discussion on a range of issues, but especially on how the U.S. intends to protect its Gulf state allies and Israel from Iran. The Biden administration's determination to sign a new nuclear deal with Tehran is another big source of Saudi doubt about the U.S. role and reliability in the region. "We are used to the U.S. having a clear sense of direction, but this administration has been erratic," an official says. "It has struggled with strategic decisions." Iran provides the Biden administration a legitimate rationale for a "working visit" to the kingdom.

Saudi Arabia has been a key U.S. ally for nearly 80 years. If Mr. Biden wants to mend the relationship, doing so sooner rather than later is wise. His pride may take a short-term hit, but the price to U.S. interests of simply standing aloof as Saudi Arabia moves ever deeper into China's orbit is far higher.

Ms. House, a former publisher of The Wall Street Journal, is author of "On Saudi Arabia: Its People, Past, Religion, Fault Lines—and Future."

How to Break Through Putin's Propaganda in Russia

By David Satter

President Biden has called for Vladimir Putin to be removed from power. But only Russians can remove Mr. Putin. That is why, in addition to supplying arms to Ukraine, the U.S. needs to take steps to reach the Russian people.

Mr. Putin understands that to prevail in Ukraine he must maintain the support of the Russian public. He uses state television to inundate Russians with reports of supposed atrocities by U.S.-backed Ukrainian Nazis against ethnic Russians, particularly in the Donetsk and Luhansk republics which the Russian army is said to be defending.

The Putin regime, however, is isolated in its own country. According to Karen Dawisha, author of "Putin's Kleptocracy," 110 people control 35% of the country's assets. It is this group that is waging war against Ukraine and manipulating Russians.

America may have more power to influence Russians than we realize. The U.S. should begin by creating a database, independent of the existing Ukrainian site, to help Russians learn the fates of missing soldiers. The Russian Defense Ministry announced on March 25 that 1,351 Russian soldiers had died. The Ukrainians placed the number at 16,100. Valentina Melnikova, secretary of the Soldiers' Mothers Committee, has said that Russian commanders often don't retrieve the bodies of soldiers and list them as "missing in action." This provides an excuse for not paying compensation to families and lowers the official death toll.

Many parents don't know what happened to their sons and are told by the Defense Ministry that there is no information. Death notices sporadically appear in the regional Russian media. A U.S. database, accessible through Radio Liberty and other sites, wouldn't be exhaustive, but it could provide more information than is available from Russian officials.

The U.S. and its allies should also announce that proceeds from the property confiscated from oligarchs linked to corruption will be returned to the Russian people. Russia's super-rich can afford yachts and villas because they made fortunes appropriating the money of the state. The Russian oligarchy has its roots in the 1995 "loans for shares" auctions, in which Russia's giant resource companies were transferred to corrupt businessmen in return for support for President Boris Yeltsin's 1996 reelection campaign.

A good example is Roman Abramovich, now shielded from sanctions because of his role as a mediator between Russia and Ukraine. He and his partner, Boris Berezovsky, bought Sibneft, a vertically integrated oil company, in 1995 for $100.3 million in an auction from which competitors were eliminated. Sibneft soon had a market capitalization of $1 billion. In 2005 Mr. Abramovich, who had parted company with Berezovsky, sold it for $13.1 billion. Mr. Abramovich owns two yachts, each worth more than $600 million.

A bill styled the Yachts for Ukraine Act, which would allow the U.S. to sell seized assets and use the cash to aid Ukraine, has been introduced in Congress. Although aiding Ukraine is a good idea, it wouldn't move opinion in Russia. A promise to transfer money that originated in Russia to a future democratic Russian state would be a public acknowledgment by the U.S. that justice for Russia's ordinary citizens is long overdue.

Tell the truth about the fate of Russian soldiers, the kleptocrats and the 1999 apartment bombings.

Finally and most important, the U.S. should reveal everything it knows about the September 1999 apartment bombings that brought Mr. Putin to power. The four bombings were blamed on Chechens and used to justify a new Chechen war. Mr. Putin, who had just been named prime minister, was put in charge of the war and catapulted into the presidency on the basis of early success.

But a fifth bomb was discovered in the basement of a building in Ryazan, southeast of Moscow, and the bombers were captured. They weren't Chechen terrorists but agents of the Federal Security Service. In another incredible development, Gennady Seleznev, speaker of the State Duma, announced on Sept. 13, after a building was blown up in Moscow, that a building had been blown up in Volgodonsk. That building was actually blown up three days *later*.

The story of the apartment bombings is critical because the signs of official involvement are the most powerful evidence of the Putin regime's true attitude toward the Russian people. The bombings are Russia's most taboo subject, but interest is strong. An interview with Vladimir Zhirinovsky, a Duma deputy, about the Volgodonsk incident received 15 million views on YouTube.

Despite the regime's attempts to stifle thought in Russia, the signs of dissent are unmistakable. Maria Ovsyannikova, an editor at Channel One television, staged an on-air protest denouncing the station's lies. In the North Caucasus on March 20, soldiers' mothers blocked a bridge demanding to know the fate of their sons. Most important, there is opposition in the Russian military, which alone can remove Mr. Putin from power.

Shortly before the invasion, Gen. Leonid Ivashov, who leads a group of retired officers, warned that an attack on Ukraine would be the end of Russia. He said the planned invasion was the attempt of a corrupt regime to hold on to power. He called on Mr. Putin to resign. His statement was supported by a majority of the board of his organization.

One month into the war, Russia's generals are almost certainly unsettled by the mass deaths of Russian soldiers. After 15 months of war in Chechnya in 1996, Gen. Alexander Lebed said that 30% of the Russians soldiers were ready to turn their guns on the people who sent them there.

Despite the regime's attempts to isolate Russians, information is still getting through with the help of cellphones, Telegram, YouTube and word of mouth. That creates an opening for the West. Besides aid to Ukraine, we have to engage the Russian people. Despite the grimness of the present situation, opinion can shift dramatically in Russia, as it has in the past.

Mr. Satter is author of "The Less You Know, the Better You Sleep: Russia's Road to Terror and Dictatorship under Yeltsin and Putin."

If You Dread the IRS Now, Wait Until You Get a 1099-K

By Ryan Ellis

In the best of times, the Internal Revenue Service is tough to deal with, and tax season is never fun. But the past few years have seen the IRS lurch from one crisis to another. And things are about to get much worse for millions of taxpayers.

In 2021 Congress expanded the reporting requirements of the obscure Form 1099-K. This information-reporting form tracks business transactions done with a credit or debit card or such peer-to-peer services as Venmo and Paypal.

Prior to the change, taxpayers received a 1099-K only if they processed more than 200 business transactions, amounting to more than $20,000, in the course of a year. Congress removed the transaction threshold and lowered the payment threshold to $600.

As a result, millions of taxpayers who have never seen a Form 1099-K will be receiving them. While no one knows how many Americans will be getting these forms, tax lobbyists estimate the number at as high as 20 million.

This won't happen until next tax season, but card processors and peer-to-peer networks are already collecting information on their customers for the IRS—an incredible breach of privacy. Congress rushed this provision into law as part of the American Rescue Plan Act of 2021, and it was never vetted in tax and accounting communities.

The biggest issue is that millions of Americans won't see this coming. They've never received a 1099-K and won't know what to do with it. While the lower reporting thresholds were meant to bring full-time Uber drivers and serial Airbnb landlords into compliance, the net was cast too wide. As a result, someone who opened a Venmo account years ago and checked the business option will now be getting a 1099-K for all the split bar tabs, rent, and other personal expenses on Venmo throughout 2021. Imagine using your Paypal account to facilitate paying for a vacation, only to get a tax form in the mail.

Another issue is duplicate reporting. Some business owners will get a 1099-K from their transaction service and another 1099 from the client who paid them. Business owners will have a pile of 1099s that exceeds the actual gross receipts for their business, which any tax pro will tell you is audit bait.

What about people who sell small items on platforms like Ebay, Etsy, Facebook or Amazon? A few baseball cards or vintage "Star Wars" toys won't escape the 1099-K. While these taxpayers have always had to report profits from whatever source derived, the 1099-K could easily give the impression that taxes are due on the gross sales amount, not just the profit earned on the sale—often negative in the case of collectibles.

Under a new law, many more transactions are being tracked. Next tax season will be a nightmare.

The IRS is in no condition to administer this logistical nightmare. It is currently unwinding a disastrous and intrusive login regime that requires taxpayers to send a photo to access their own tax information. Over the past two years the agency has suffered the largest data breach in its history, with the leak of famous taxpayers' sensitive documents to a news website (a crime still unsolved).

This is the same IRS that can't answer its own 800 number, can't catch up to a backlog of tax returns, and can't stop its antiquated computers from sending out duplicative tax notices to millions of Americans. The agency is in no position to administer a new 1099-K regime that will capture the economic activity of tens of millions of Americans. The IRS has had to pull auditors and other employees to answer the mail backlog this year. What will it do next year when the 1099-K forms and questions come rolling in?

Last year the Biden administration's proposal to have banks report aggregate deposits and withdrawals over $600 on 1099-INTs was rejected by the public and Congress. Congress should fix the 1099-K problem, but it doesn't have much time. Information is already being collected on us, and by next tax season it will be too late to avert this catastrophe.

Mr. Ellis is president of the Center for a Free Economy and an IRS enrolled agent.

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Bain Weighs Toshiba Takeover Bid

Private-equity firm wins support from largest shareholder of Japanese corporation

By Megumi Fujikawa

TOKYO—**Bain Capital** said it was examining a possible bid for **Toshiba** Corp., and Toshiba's top shareholder pledged its support to Bain, making initial steps toward fulfilling foreign shareholders' desire to take the Japanese conglomerate private.

Bain, a U.S.-based private-equity firm, said it wanted to hold "careful and sincere" discussions with Toshiba's management, the Japanese government and banks over the possible deal. It cautioned that no decisions have been made.

"There are many issues that need to be addressed before delisting Toshiba," Bain said in a statement.

The movement on a possible deal came only a week after Toshiba management failed to gain support for its plan to break up the company into two parts. Nearly 60% of shareholders voted against the idea, led by foreign shareholders who said Toshiba should consider more far-reaching options such as selling itself in full to a private-equity firm.

Singapore-based **Effissimo Capital Management** Pte., which holds nearly 10% of Toshiba shares, said in a regulatory filing that it would sell its stake to Bain Capital if the private-equity firm started a tender offer for the company.

Any effort led by a U.S. firm to take over Toshiba would mark a milestone in Japanese business history. The industrial conglomerate, which makes power turbines, elevators and much else, dates its roots to 1875. It is involved in businesses that relate to national security such as weapons systems and nuclear power-plant maintenance, a factor that analysts say is likely to complicate any deal discussions.

Buyouts of large Japanese companies are rare. One example is Renault SA's ownership of 43.4% of Nissan Motor Co., the result of a 1999 deal.

After foreign shareholders took a bigger role at Toshiba in 2017, management has struggled to find a business plan that satisfies them. Toshiba's stock closed 6.5% higher Thursday.

The most recent idea, the two-way split, was opposed by Effissimo. It said ahead of the shareholder vote that Toshiba should invite a "limited number of strategic and financial investors as new partners to replace the currently dispersed shareholder base." It said this would shore up corporate governance and allow management to form a long-term strategy.

Toshiba has said it has had contacts with potential private-equity investors but never received a concrete offer for the whole company. In April 2021, Toshiba rebuffed a takeover proposal from private-equity firm CVC Capital Partners, saying the proposal didn't have enough detail.

Toshiba said Thursday it wasn't involved in the discussions between Effissimo and Bain over a possible Bain takeover bid. It repeated earlier statements that it would try to build trust with shareholders and consider strategic options to enhance corporate value.

Bain led a group of investors that bought the memory-chip maker now known as Kioxia Holdings Corp. for around $18 billion in 2018. The chip maker was formerly part of Toshiba.

Activision Probe Looks at Investor, CEO Talk

By Dave Michaels And Kirsten Grind

Authorities investigating timely trading in **Activision Blizzard** Inc. securities are looking into at least one meeting between the videogame firm's chief executive and one of three traders days before they placed a large bet on Activision shares, according to people familiar with the matter.

Activision CEO Bobby Kotick met with Alexander von Furstenberg in the week before Mr. von Furstenberg and media moguls Barry Diller and David Geffen bought options to purchase Activision shares at $40 each on Jan. 14. The options trade, which has generated an unrealized profit of about $59 million, was arranged days before Activision agreed to be acquired for $95 a share by **Microsoft** Corp., The Wall Street Journal has reported.

The Justice Department is investigating whether the options trade violated insider-

Please turn to page B2

Rally in Quarter For Commodities Is Best Since '90

By Hardika Singh

Commodities wrapped up their best quarter in more than 30 years after Russia's invasion of Ukraine supercharged a rally in markets from oil to wheat and nickel.

The war has disrupted traffic on goods coming out of the Black Sea, curtailing supply and sparking sharp price swings across financial markets. Nervous investors are weighing the fallout from the conflict along with higher interest rates from the Federal Reserve, which could threaten the economy's postpandemic recovery. At the same time, a sharp run-up in commodities prices has some investors and economists worried about inflation jumping even higher from here.

The S&P GSCI, a benchmark tracking the prices of commodities futures from precious metals to livestock, has climbed 29% in the first quarter, notching its biggest gain since 1990.

"When the supply and demand situation is tight and then you have another supply shock on top of that, it's not surprising that prices spike even further," said Chris Burton, global head of commodities and portfolio manager at Credit Suisse Asset Management.

U.S. crude oil prices have climbed 33% to $100.28 a barrel since the end of last year and rose as high as $123.70 in early March, a level last seen in 2008. That rally propelled gasoline prices to record levels, pinching consumers at the pump.

The ripple effects from higher energy prices have spread to other commodities. Wheat has gained 31% this year to trade at its highest level since 2010, while corn has added 26%. Many metals—aluminum, copper, nickel and palladium—hit new highs as well.

The rally extends last year's rebound, which was driven by higher consumer demand for goods and services when the economy reopened after the Covid-19 pandemic, coupled with tightening supply due to shipping bottlenecks and bad weather.

The gains stand in contrast to commodities' performance over the past decade when years of oversupply and low demand had dragged prices down.

The recent advance may even be attracting some investors who had shunned commodities in previous years.

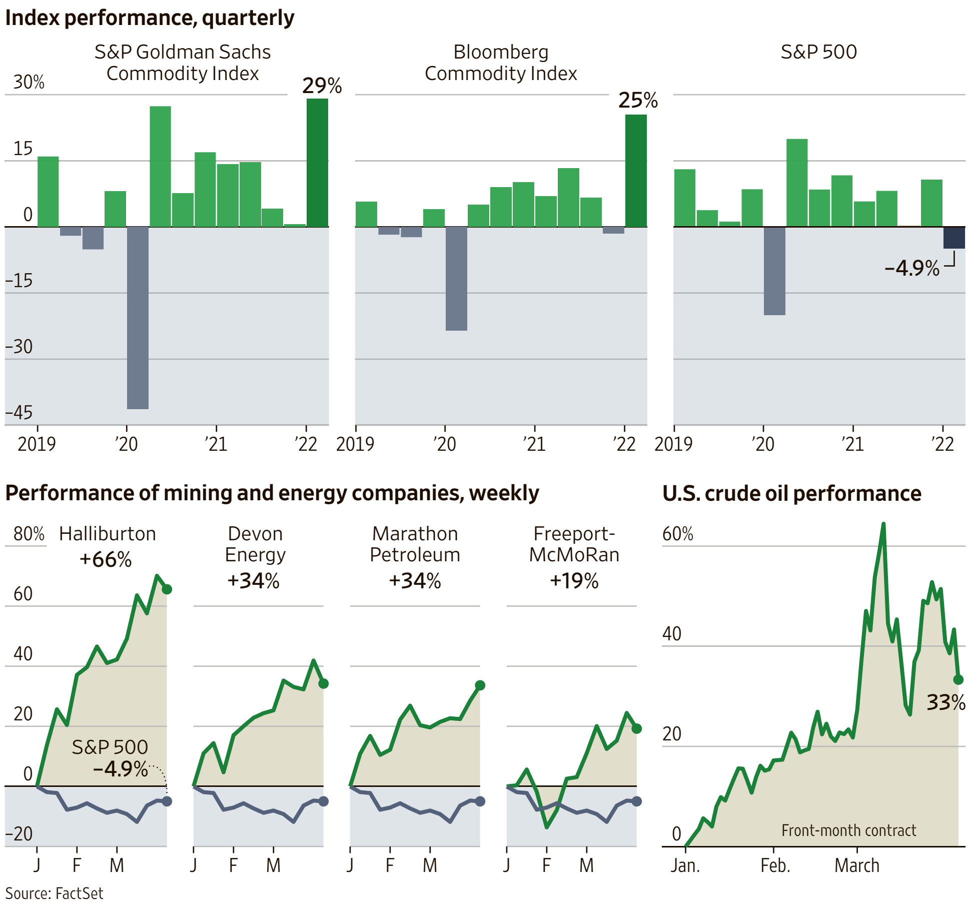
"They [commodities] probably have some investors tak-

Please turn to page B6

◆ Bond market suffers decline not seen in over 40 years......B6
◆ Stocks in China endure a rough quarter......B6

KIRILL KUDRYAVTSEV/AGENCE FRANCE-PRESSE/GETTY IMAGES

Many metals including aluminum, copper, nickel and palladium set records. A nickel electrolysis operation at a unit of Nornickel last year in Russia's Murmansk region.



Source: FactSet

WWE Jumps Into Scripted TV Shows

By Lillian Rizzo

World Wrestling Entertainment Inc. is starting to produce fictionalized TV shows, part of an effort to generate more revenue outside of the wrestling ring and capitalize on streaming services' growing hunger for fresh content.

The company, which runs the world's most famous wrestling league, said it has two scripted TV series in the works: a Spanish-language comedy about an aspiring female wrestler in Mexico and a drama about a fictional family that runs a wrestling company.

Colin Campbell, WWE's vice

Please turn to page B4

Endeavor CEO Gets Hollywood's Top Pay

By Robbie Whelan And Theo Francis

The highest-paid executive in Hollywood last year isn't a studio chief or a venture capitalist. It is Ari Emanuel, the chief executive of **Endeavor Group Holdings** Inc., the agency which he co-founded nearly three decades ago.

Mr. Emanuel's 2021 pay package, revealed in March in Endeavor's first-ever annual report as a public company, is valued at $308 million, including equity awards. That compensation is higher than that of any CEO in the S&P 500 reported so far this year, or last, and more closely resembles pay among executives at big tech firms in recent years than other industries.

The bulk of Mr. Emanuel's compensation—about $293.7 million—comes from stock, most of it awarded to him as part of Endeavor's 2021 initial public offering.

Endeavor reported that the CEO earned $67.5 million in recognized compensation, which includes Mr. Emanuel's $4 million salary, a $10 million cash bonus, and equity awards that vested, or became fully his, in 2021. His reported compensation includes stock awards that vest in coming years and

AMY SUSSMAN/GETTY IMAGES

Ari Emanuel in 2021.

the value of which is tied to the company's performance.

Patrick Whitesell, Endeavor's co-founder and executive chairman, received pay valued at $123.1 million last year, $11 million of it in salary, bonus and pre-IPO stock awards.

A representative for Mr. Emanuel declined to make him available for an interview. Endeavor declined to comment.

So far among publicly traded companies in the Russell 3000 index, only the co-CEOs of New York-based private-equity giant KKR & Co. were paid more in 2021, according to data from MyLogIQ LLC. Joseph Bae and Scott Nuttall received compensation valued at $559.6 million and $523.1 million, respectively, after taking over last fall from co-founders Henry Kravis and George Roberts, who made about $67 million apiece last year, the company said in a Feb. 28 securities filing.

Although media executives are known historically for having some of the richest pay packages in corporate America, Mr. Emanuel, 61, is an anomaly because he got his start as a talent agent, one of Hollywood's oldest and most traditional businesses.

Mr. Emanuel grew up in Chicago in a large Israeli-American family that includes his brother, Rahm, who served as chief of staff to President Barack Obama and later as mayor of Chicago. Mr. Emanuel, who started his career in the mailroom of the Creative Artists Agency in 1987, was later the inspiration for the HBO show "Entourage."

Under Mr. Emanuel's leadership, talent representation has taken a back seat to sports-broadcast rights and live events as the main revenue-driver at Endeavor, which owns the Ultimate Fighting Championship mixed martial arts competitions, the Miss Universe pageant and Professional Bull Riders Inc. rodeo events. The company has also struck partnerships with the National Football League and the Wimbledon tennis tournament.

Endeavor planned to go public in 2019, but the IPO was delayed amid a weak market for public offerings. The company made its public debut at the end of March 2021, raising $511 million and performing well in its first year of trading—its shares have dipped only once below the $24 IPO price and have risen 23% since their debut.

Mr. Emanuel's pay is the 10th-highest compensation package given to the CEO of a public company since the dawn of the "Say on Pay" era in 2011, when a provision in the Dodd-Frank Act first asked that shareholders be given the right to weigh on compensation of named executives, according to ISS Corporate Solutions, a Rockville, Md.-based corporate data provider.

Topping the ICS list is the 2018 pay package worth $2.3 billion given to Elon Musk, followed by Palantir Technologies Inc. Chief Alex Karp's $1.1 billion payday in 2020 and Snap Inc. CEO and co-founder Evan Spiegel's $638 million in 2017.

Media chieftains have a

Please turn to page B5

Ill-Fated Hospital Deal Spotlights a Financier

By Brian Spegele

WATSONVILLE, Calif.—A group of investors bought this small city's only hospital in late 2019. To pay for the deal, its buildings and land were sold to one of the country's largest owners of medical properties. Two years later the hospital went bankrupt.

The Watsonville Community Hospital has served the largely Latino farming region of strawberry fields and apple orchards for more than a century. Now, the community is trying to raise as much as $70 million to buy the hospital and save it from closure.

"It would be a disaster," said John Martinelli, chairman of S. Martinelli & Co., a family-owned producer of apple juice and sparkling cider, based in Watsonville.

Across the U.S., hospital real-estate deals like the one in Watsonville have surged, leaving the facilities paying rent on property they once

Please turn to page B12

INSIDE

ST. CLOUD TIMES/AP

BUSINESS NEWS
Charges are dropped for five of 10 poultry executives accused of price fixing. **B3**

MARKETS
Yacht maker Ferretti has a disappointing debut on the Hong Kong exchange. **B12**

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.

A
Activision Blizzard B1,B2,B5
Amazon.com A6,B4
AMC Entertainment A6
American International Group B2
Apollo Global Management B2

B
Bain Capital B1
Blackstone B2
Brookfield Asset Management B2

C
Carlyle B2
Comcast B4
CVS Health B3

D
Deutsche Bank B6,B13
Devon Energy B6
Discovery B5
Driscoll's B12

E
Effissimo Capital Management B1
Endeavor B1

F
Ferretti B12
Fortitude B2
Fox B4
Freeport-McMoRan B6

G
GameStop A6,B13

H
Halliburton A6,B6
Hennes & Mauritz B3,B14

I
Inditex B14

J
JD Logistics B12
JPMorgan Chase B2

K
KKR B1,B2

M
Marathon Oil B6
Meta Platforms A6
Microsoft B1,B2

N
Netflix A6,B4,B5
Neuberger Berman B5
News Corp B4

O
Occidental Petroleum A6

P
Palantir Technologies B1
Prada B12

R
Ranger Global Advisors B2

S
Snap B1
S4 Capital A2

T
T&D B2
Toshiba B1

U
Unibail Rodamco Westfield B14

W
Walgreens B3
Walt Disney B5
World Wrestling Entertainment B1

INDEX TO PEOPLE

A
Aguzin, Nicolas B12
Athey, James B13

B
Burton, Chris B1

C
Chapek, Bob B5
Cohen, Ryan B13

D
Diller, Barry B1

E - K
Emanuel, Ari B1
Galassi, Alberto B12
Geffen, David B1
Graff, Tom B6
Grzinic, James B3
Hastings, Reed B5
Helmersson, Helena B3
Ho, Kenneth B12
Karp, Alex B1
Kotick, Bobby B1,B2,B5

L
Lee, Kewsong B2
Lovette, Bill B3

M - R
Martinelli, John B1
McMahon, Vince B4
Musk, Elon B1
Penn, Jayson B3
Reiter, J. Miles B12

S
Sai, Arun B13
Sarandos, Ted B5
Standley, John B3

T
Tritant, Jean-Marie B14

V
von Furstenberg, Alexander B1

W - Z
Whitesell, Patrick B1
Zaslav, David B5
Zhang, Corey B12

BUSINESS & FINANCE

Carlyle Hired to Advise Fortitude

By Miriam Gottfried


DOROTHY HONG FOR THE WALL STREET JOURNAL
The deal advances goals of Kewsong Lee, CEO of Carlyle Group.

Carlyle Group Inc. has struck a sweeping new advisory agreement with reinsurer **Fortitude Re** that is set to significantly boost the private-equity firm's assets under management.

Carlyle will earn a recurring fee based on all of Fortitude Re's assets for assisting the reinsurer with acquisitions and identifying new growth opportunities, the firms said Thursday.

The Wall Street Journal earlier reported on the agreement with Fortitude.

Carlyle, which manages $301 billion, expects its credit segment's fee-earning assets to climb by $50 billion and its annualized fee-related earnings to rise by $50 million when the new agreement takes effect Friday. It also raised $2.1 billion for Fortitude from the reinsurer's existing investors and will commit up to $150 million from its balance sheet toward the total.

In 2018 Carlyle took a 19.9% stake in Fortitude, which was created to reinsure legacy liabilities of **American International Group** Inc. The following year, the firm said it would join with Japanese insurance company **T&D Holdings** Inc. to take a majority stake in the Bermuda-based reinsurer.

"This new injection of equity should position us to roughly double the size of Fortitude's balance sheet," said Brian Schreiber, head of Carlyle Insurance Solutions.

The latest deal is significant for Carlyle. Its credit business ended 2021 with $52 billion in fee-earning assets, and the firm reported $598 million in fee-related earnings for the full year.

The move is the latest evidence of how the biggest private-equity firms are looking to the insurance industry as a source of cash-rich permanent capital, which pays steady fees and doesn't need to be constantly replenished.

Following in the footsteps of **Apollo Global Management** Inc., firms including **KKR** & Co., **Blackstone** Inc. and **Brookfield Asset Management** have seized on the need among insurers to generate returns for their cash that go beyond what publicly traded corporate and government bonds can deliver.

A significant amount of Fortitude's assets are also invested in Carlyle's products.

The new agreement advances Carlyle toward some of the goals set last year by Chief Executive Kewsong Lee: boosting global credit assets to more than $80 billion by 2024 and doubling the segment's fee-related earnings.

In a twist on the typical management agreement, the fee Fortitude will pay Carlyle will be based on the reinsurer's overall profitability. The other investors putting more money into Fortitude will also make a minority investment in the adviser entity that Carlyle is forming.

Probe Looks Into Meeting

Continued from page B1

trading laws, the people familiar with the matter said. The Securities and Exchange Commission is separately conducting a civil insider-trading investigation, the people said.

Mr. Diller previously told the Journal that none of the men had material nonpublic information about the Microsoft-Activision deal. He confirmed they had been contacted by regulators.

"We had zero knowledge of that transaction and it belies credulity to think that if we did we would have proceeded," Mr. Diller wrote Thursday in an email to the Journal. "It's equally unlikely to believe Mr. Kotick, a sophisticated professional, in a social breakfast with Mr. von Furstenberg and his wife would have told them of the pending transaction."

Mr. von Furstenberg disclosed his breakfast meeting with Mr. Kotick to law-enforcement authorities who interviewed him about the trade, according to a person familiar with the matter. Messrs. von Furstenberg and Geffen haven't responded to the Journal's requests for comment.

Mr. Kotick's status in the investigation couldn't be learned. He hasn't been interviewed by law-enforcement authorities, some of the people said.

The Justice Department declined to comment. The Securities and Exchange Commission declined to comment.

"Mr. Kotick had a social brunch with his friends at a popular restaurant," an Activision spokesman said after this article was published. "He, of course, didn't share any information with them regarding a possible transaction with Microsoft."

The meeting between Messrs. von Furstenberg and Kotick adds to the growing regulatory pressure on Activision and Mr. Kotick personally. The SEC is separately investigating Mr. Kotick and other Activision executives over how they handled workplace-misconduct allegations, the Journal has reported, citing documents and people familiar with the investigation. That probe, along with an investigation led by the California Department of Fair Employment and Housing, has escalated since the Microsoft deal was announced. Activision has said it is cooperating with the SEC probe and has called a recent move by the California state agency to subpoena police records "an extraordinary fishing expedition."

Mr. Kotick and Activision have been under scrutiny from employees, investors and regulators since a July lawsuit from the California state agency that alleged a culture of sexual harassment and gender pay disparity. Soon after the Journal reported in November that Mr. Kotick knew of some sexual-harassment claims and didn't report them to Activision's board, Microsoft reached out about a possible deal, the Journal has reported.

Mr. Kotick has said he has been transparent with his board, and Activision has called the Journal's reporting "misleading."

On Wednesday, a federal judge approved an $18 million settlement between Activision and the Equal Employment Opportunity Commission, which has been investigating Activision since 2018.

Experts said regulatory investigations are unlikely to derail the deal with Microsoft unless there is a material adverse change that would affect the value of the deal, which is expected to close sometime next year. Mr. Kotick isn't expected to remain at Microsoft, people familiar with the matter said.

Microsoft is required to pay Activision a breakup fee of about $3 billion after April 18, 2023, if Microsoft walks away from the deal, securities filings show. If Activision abandons the deal, it must pay about $2.3 billion.

Mr. von Furstenberg arranged the options trade through **JPMorgan Chase** & Co. for himself and Messrs. Diller and Geffen, according to some of the people familiar with the matter. Mr. Geffen believed Activision was undervalued and would be acquired or taken private and first contacted Mr. Diller with the idea for the trade, according to Mr. Diller.

"It's a simple situation and a simple coincidence, which took place over 2 business days," Mr. Diller wrote in the email. "All the information and records we are giving to the investigators will support that. I did not wait until I was 80 to participate in so obvious a fraud."

Mr. von Furstenberg is Mr. Diller's stepson, and Messrs. Diller and Geffen are longtime friends. Mr. Kotick is a longtime friend of Messrs. Diller and von Furstenberg, according to people familiar with their relationship.

Activision shares were around $63 at the time of the trade, meaning the options already were profitable to exercise, or "in the money." Options holders stood to reap more if Activision's stock price rose.

> The probe of the meeting adds to the regulatory pressure on Activision.

Mr. von Furstenberg is the founder and chief investment officer of **Ranger Global Advisors** LLC, a company that manages his family's fortune, according to his LinkedIn profile and Ranger's website. The firm manages more than $1 billion, the website says. An officer of Ranger Global Advisors declined to comment.

Call options give a trader the right to buy shares at a specific price by a certain date. The three men have yet to exercise the options, which don't expire until early next year, the people said.

Traders using options are often looking to profit from a swing in share prices. Because options typically cost less than shares, they can amplify gains when traders bet right, particularly when they purchased options that were "out of the money"—the term for bets that aren't profitable at the time the options are purchased. Options that are "in the money" at purchase tend to be more expensive and less risky because they can be immediately profitable to exercise.

The traders appear to have spent around $108 million to acquire the right to buy 4.12 million Activision shares, the people said. Those options if exercised today would be valued at around $167 million, based on recent trading prices.

The value of the options would rise further if the deal closes at the stated per-share price of $95, which Microsoft has said is expected after midyear, compared with Activision stock's Wednesday closing price of $80.36. If the men hold the options through a closing at that price, their profit stands to surpass $100 million, the people said.

Four Senators Cite Concern on Deal

Four U.S. senators sent a letter Thursday to the Federal Trade Commission citing concern about **Microsoft** Corp.'s proposed acquisition of **Activision Blizzard** Inc., saying the deal could undermine employees' calls for accountability over alleged misconduct at the videogame company.

In the letter, viewed by The Wall Street Journal, Sens. Elizabeth Warren (D., Mass.), Bernie Sanders (I., Vt.), Cory Booker (D., N.J.) and Sheldon Whitehouse (D., R.I.) urge FTC Chairwoman Lina Khan to assess whether the planned transaction could exacerbate the flurry of sexual-abuse, harassment and retaliation allegations at Activision stemming from recent federal and state investigations.

"We are deeply concerned about consolidation in the tech industry and its impact on workers," the letter says.

The senators note in their letter that the terms of the merger would enable Activision's longtime chief executive, Bobby Kotick, to continue in his role until the transaction's expected closing in 2023 and receive a potentially significant exit package upon his departure. Last summer, more than 1,800 Activision employees signed a letter calling on Mr. Kotick to resign.

"This lack of accountability, despite shareholders, employees, and the public calling for Kotick to be held responsible for the culture he created, would be an unacceptable result of the proposed Microsoft acquisition," the letter says.

If the commission determines that the deal could worsen the negotiating position between workers and the companies, then the agency should oppose it, the letter says.

An Activision spokeswoman said the transaction between Microsoft and Activision won't interrupt any of the actions that Activision's leadership team implemented last year and so far this year with regards to improving its workplace.

"This is a compelling transaction for all stakeholders, including employees," she said, adding that no additional special compensation arrangements were made for Mr. Kotick in connection with the transaction.

Microsoft corporate vice president and general counsel Lisa Tanzi said workplace culture is a critical priority for the company. "We believe Activision Blizzard will continue making progress, and we're committed to further progress after the deal closes," she said.

—Sarah E. Needleman


BING GUAN/BLOOMBERG NEWS
Activision's headquarters in Santa Monica, Calif.

BUSINESS NEWS

Some Counts Dismissed in Poultry Case

Prosecutors decide to drop charges against five executives after price-fixing mistrial

By Patrick Thomas

Justice Department prosecutors are narrowing the scope of their price-fixing case against 10 chicken company officials, two days after a second mistrial.

The government moved Thursday to dismiss charges against five of the defendants in the high-profile case, after prosecutors said on Tuesday that the Justice Department intended to retry the case for a third time. The motion dismisses charges against some poultry-industry employees who were added to the case in October 2020, though high-profile executives such as former **Pilgrim's Pride** Corp. Chief Executives Jayson Penn and Bill Lovette continue to face charges.

Five others still face prosecution after the Justice Department's latest setback.

The government's case alleged a cozy relationship between employees and executives at rival poultry companies, in which employees allegedly called and texted one another during competitive bidding processes. Defendants could face jail time and considerable fines if convicted.

The Justice Department was handed a major setback in the case this week after jurors in Denver were unable to reach a verdict. Prosecutors failed to convince the entire jury that any of the 10 defendants was illicitly coordinating among themselves what the companies would charge buyers of chicken products. The Justice Department's first case against the poultry executives ended in a mistrial in December.

After the government said it planned to try the case a third time, U.S. District Judge Philip Brimmer requested that the head of the DOJ's U.S. antitrust division appear in the Denver federal court next week to explain why the case should be retried.

In a Thursday court filing, the Justice Department said the dismissals of charges against some of the chicken-industry defendants is an effort to streamline the case and conserve the resources of the court, the defendants and the public.

The motion would dismiss charges against Timothy Mulrenin, a Perdue Farms Inc. sales executive who previously worked at **Tyson Foods** Inc.; William Kantola, a sales executive at Koch Foods Inc.; Jimmie Little, a former Pilgrim's Pride sales director; Gary Brian Roberts, an employee at Case Farms who previously worked at Tyson; and Rickie Blake, a former director and manager at George's Inc.

Elizabeth Prewitt, an lawyer for Mr. Mulrenin and a partner at law firm Latham & Watkins LLP, said the dismissal of the charges vindicated her client. "We are pleased that the government has decided to finally abandon their case against him," she said

Soaring expenses, disruptions from Covid-19 and closure of stores in Russia are all weighing on the Sweden-based retailer.

QILAI SHEN/BLOOMBERG NEWS

H&M Warns of Growth Slowdown

By Saabira Chaudhuri

H&M Hennes & Mauritz AB said store closures in Russia, surging expenses and new Covid-19 disruptions were all hurting its business, posing a challenge to the fashion retailer's expansion plans.

The Swedish company on Thursday reported weaker-than-expected first-quarter earnings and warned that sales growth had slowed in recent weeks. H&M said new waves of Covid-19 had resulted in store closures in China and hurt footfall in Germany and Austria, while its decision to stop sales in Russia after the invasion of Ukraine had wiped out a further chunk of revenue.

H&M said closing its 185 stores—and halting online sales—in Russia, Ukraine and Belarus, resulted in sales growth slowing to 6% in March from 18% in the first quarter ended Feb. 28. Stripping out the impact of those three countries, sales growth in March was 11%, which analysts said was disappointing.

Shares fell 13% Thursday in Stockholm, hitting the lowest level in nearly two years.

The downbeat update lays bare the challenges facing H&M when it had set its sights on expansion. After the company ended 2021 with sales back to pre-Covid levels, Chief Executive Helena Helmersson set a target at the start of this year to double sales by 2030, while halving its carbon footprint.

Until the past few weeks, Russia had been a high growth and very profitable market for H&M, Ms. Helmersson said. Now the company's future in Russia—H&M's sixth largest market—is unclear, she said.

"It's too uncertain to say what will happen and what kind of decisions we will take," Ms. Helmersson said. "The obvious question for all companies now is about the future." Meanwhile, H&M is negotiating with landlords in Russia on rents, working on employee welfare and ensuring it complies with sanctions, she added.

Having focused on containing costs and managing cash flow throughout the pandemic, the company had more recently shifted its focus to growing sales. Faced with increased competition from Chinese apparel maker Shein and other online-only brands, H&M has been working to improve the customer experience.

H&M has been rolling out more click-and-collect services, allowing returns of items bought online in stores and working on technology that enables customers to find out where clothes seen online can be found in physical stores.

The company has also started a trial of a marketplace in Sweden and Germany that lists other brands such as SuperDry alongside its own, to broaden what it offers to customers, as well as offering secondhand clothes from its brands on its platform Sellpy.

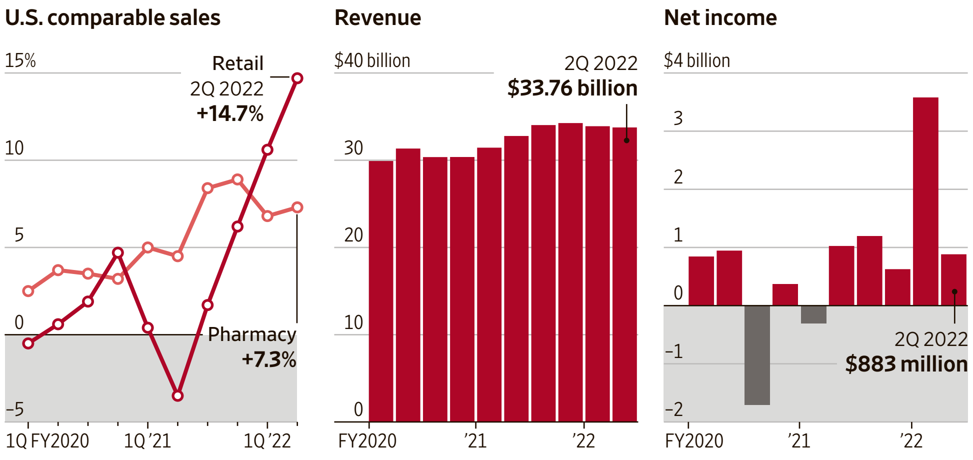
However, those efforts are adding to costs at a time of already surging inflation. Jefferies analyst James Grzinic on Thursday cut his full-year earnings forecast for H&M by 30% following the results, saying he now expects more modest sales growth and greater pressure from input costs.

Mr. Grzinic said sales in March were below expectations, despite resilient demand in the U.S. and Europe.

Ms. Helmersson said H&M is grappling with Covid-related supply-chain disruptions as well as higher shipping and raw material costs. She said she expects higher input and freight expenses in the second quarter, versus a year earlier, and for costs to continue to rise this year.

H&M said it would follow peers and raise prices starting in the second half of the spring.

◆ Heard on the Street: Plan for expansion is a tricky fit..... B11



Note: Most recent fiscal quarter ended Feb. 28

Sources: the company (sales); S&P Capital IQ (revenue, net income)

Walgreens Sales Powered by Covid Vaccine, Test Demand

By Sharon Terlep and Will Feuer

Walgreens Boots Alliance Inc. posted higher sales for the most recent quarter as demand for Covid-19 tests and vaccines continued to drive growth.

Executives said Thursday they are strategizing how the company's drugstores can continue playing a key role in providing diagnostic and other health services beyond the current pandemic.

"Our pharmacists and our technicians are more than capable, as we've shown during the pandemic, of delivering these kinds of services," said Walgreens President John Standley. "That's a pretty big game changer if we can gain access to that market and in terms of how we grow our business and in terms of the value we can provide in the communities we serve."

The Deerfield, Ill., drugstore chain said it administered 11.8 million Covid-19 vaccinations in the latest quarter, which ended Feb. 28, and provided 6.6 million Covid-19 tests, including over-the-counter at-home tests.

Demand for at-home Covid-19 tests helped drive an increase of more than 43% in U.S. health and wellness sales. Comparable retail sales increased 14.7% in the U.S. from with the year-ago period, the most in more than two decades, the company said.

The company had expected a slowdown in Covid-19 tests and vaccines in the coming quarters, though the recent decision by the Food and Drug Administration to clear a second booster shot for adults 50 years and older should lift demand for shots.

Walgreens, like rival **CVS Health** Corp., has been pushing further into healthcare as it looks to sustain a bump in business through the pandemic. The company last fall paid $5.2 billion for a controlling stake in primary-care network **VillageMD** and spent $330 million to take a majority stake in home-health benefits manager **CareCentrix** Inc.

Covid-19-related demand led to higher costs in some parts of the business, Walgreens said. Adjusted selling, general and administrative expenses in the U.S. rose 8.3%, driven by investments to support vaccinations and testing as well as raise wages, it said.

Demand for Covid-19 tests, especially at-home kits, significantly outstripped supply at the start of the quarter as the fast-spreading Omicron variant spurred more people to seek diagnostic tools.

Demand for at-home Covid-19 tests helped drive a 43.3% increase in U.S. health and wellness sales. Comparable retail sales increased 14.7% in the U.S. compared with the year-ago period, the most in more than two decades, the company said.

U.S. prescriptions filled rose by 4.7% in the latest quarter on a comparable basis, largely driven by vaccinations. Excluding vaccinations, the increase was 1.8%.

Overall, Walgreens posted sales of $33.76 billion for the fiscal second quarter, up from $32.78 billion in the same period the year before. Analysts surveyed by FactSet were expecting sales of $33.23 billion.

The company posted net income attributable to Walgreens of $883 million, compared with $1.03 billion a year earlier. Earnings from continuing operations were $1.02 a share, compared with $1.06 a share in the year-ago period.

Adjusted for one-time items, earnings were $1.59 a share. Analysts surveyed by FactSet were looking for adjusted earnings of $1.37 a share.

Walgreens shares fell nearly 6% to $44.77 Thursday, as some investors saw the company's move to not upgrade its earnings outlook after the strong quarter as a sign executives expect the business to weaken going forward. Shares of Walgreens are down about 14% this year, compared with a roughly 5% decline in the Dow Jones Industrial Average.

ANDI RICE FOR THE WALL STREET JOURNAL

A union representative outside the entrance of Amazon's facility in Bessemer, Ala. An NLRB hearing on the results could occur in weeks.

Votes on Amazon Unionization In Two States Near Completion

By Sebastian Herrera

Votes over unionization for Amazon.com Inc. workers in two states drew nearer to conclusion on Thursday, with the tally at an Alabama warehouse close enough to require a hearing while labor organizers were narrowly leading the contest at another facility in New York.

Out of more than 2,000 votes counted in Alabama, including contested ballots, about 43% voted against unionization, with about 38% voting for a union. The ballots will be reviewed in a hearing, according to the National Labor Relations Board. The hearing could take place in the next several weeks.

"Every vote must be counted," Stuart Appelbaum, president of the Retail, Wholesale and Department Store Union, which has run the campaign in Bessemer on behalf of workers, said. Amazon didn't provide a comment.

Both Amazon and the union have the right to contest voter eligibility for each ballot submitted. When counting stopped Thursday, 875 workers had voted for unionizing, while 993 had voted against it. There were 416 ballots contested by Amazon and the union. A small number of ballots were also voided.

In a separate election at an Amazon facility in Staten Island, N.Y., union organizers were leading when vote counting concluded Thursday. Out of nearly 2,700 votes counted, about 57% of workers voted to unionize, although it couldn't be determined how many ballots are challenged or have yet to be counted.

The NLRB will resume the Staten Island count on Friday, when the tally might conclude. If workers are victorious, they would become the first Amazon employees to unionize in the U.S.

In Alabama, the RWDSU has been organizing workers in Bessemer since 2020. Organizers said they seek to improve policies related to compensation, break times and performance reviews, a list of concerns common among workers in Amazon's warehousing division.

In the original election at the same facility, about 71% of the workers who cast ballots voted against the union. The Bessemer facility employs roughly 6,100.

Amazon in the past year has raised wages and boosted benefits while pledging to better listen to workers, but workers at warehouse jobs have complained about the pace at which they must sort or handle packages, sometimes exceeding several hundred an hour. Labor data have shown Amazon records higher injury rates than the national average, although Amazon has said this is attributable to how it accounts for injuries and doesn't indicate unsafe conditions.

Workers who have supported the Alabama union seek an opportunity to bargain with the company over its policies, pay and benefits, according to interviews. Organizers said more workers in Bessemer were more aware of the union process since the vote last year. This time around, organizers said higher Covid-19 vaccination rates made visiting with workers easier.

Unions in Bessemer and elsewhere have run into numerous obstacles trying to organize at Amazon. Turnover is high throughout Amazon's warehousing operations, making it difficult to sustain any support, and some workers have said they aren't convinced that unions could provide them with improved benefits.

Amazon's starting wage averages around $18 an hour, and the company provides healthcare, 401(k) options and other benefits such as paid tuition and childcare options, offerings workers said are especially important in a city like Bessemer, where they say other options are limited. Amazon has worked to dissuade employees from voting for unions. At meetings held inside its facilities, the company has warned employees about union fees they would have to pay.

WWE Sets Fictional TV Shows

Continued from page B1

president of development, said the company expects the shows to help it reach new audiences and expand its relationships with media companies.

"Contra Las Cuerdas," WWE's Spanish-language comedy, will debut on **Netflix** Inc. in Mexico, while "Pinned," a "Succession"-like mogul-family drama, will be available through **Comcast** Corp.'s NBCUniversal, owner of NBC and the streaming platform Peacock. It hasn't been decided yet where in the NBCUniversal empire "Pinned" will appear.

WWE Chief Executive Vince McMahon, who bought the company from his father in 1982 and has run it since—including occasionally stepping into the ring—said the scripted shows are part of his management team's efforts to drive new revenue and find new distribution platforms.

Like most sports leagues, WWE gets most of its revenue from TV rights to its wrestling events. The company used to have its own streaming service, WWE Network, but decided to shut it down last year. Peacock has since become the WWE's exclusive streaming home, as part of a five-year licensing deal valued at more than $1 billion. On Saturday, WWE's marquee event, "WrestleMania" will kick off and air on Peacock. The company also has TV licensing agreements with **Fox** Corp. and NBCUniversal. Fox Corp. and Wall Street Journal parent News Corp share common ownership.

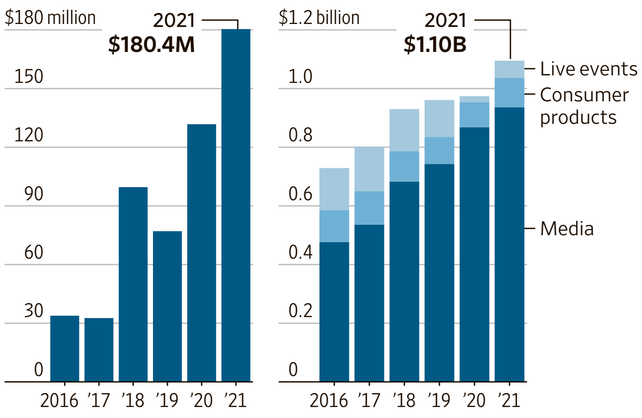
WWE, in addition to its wrestling shows, has produced documentary-style and reality series—including "WWE: Legends," "Total Bellas" and "WWE: Evil"—but the two coming TV shows are its first foray into fiction.

"Contra Las Cuerdas," currently in production, is a comedy about a woman training to be a luchadora, a Mexican wrestling character, in an attempt to win back the love of her estranged daughter. The TV series is based on "Queens of the Ring," a 2013 French film that was developed in part with the WWE's help.

While "Pinned" isn't based on Mr. McMahon and WWE, it will likely have brush strokes and similarities to the executives and personalities associated with the company, a company spokesman said.

WWE is making other moves on the content front. It is partnering with Blumhouse, a production company famous for its horror movies, to develop "The United States Vs. Vince McMahon," a TV series about the government's indictment of Mr. McMahon in 1994 for allegedly supplying anabolic steroids to WWE wrestlers. Mr. McMahon, who declined a plea deal, stood trial and was acquitted.

World Wrestling Entertainment's annual financial results



Source: S&P Capital IQ

MEDIA

Incident Tests Appeal of Bankable Star

Will Smith, known for blockbuster roles, now under scrutiny for Oscars night slap

BY ERICH SCHWARTZEL AND ELLEN GAMERMAN

JEFF KRAVITZ/FILMMAGIC/GETTY IMAGES

The actor and his wife, Jada Pinkett Smith, have showcased their personal lives on streaming TV series.

Sunday night's Oscar ceremony wasn't the first time Will Smith's stardom was defined more by his personal life than by his on-screen roles.

Recently, he has documented his weight loss on a YouTube show, "Best Shape of My Life." He has appeared on his wife Jada Pinkett Smith's Facebook show "Red Table Talk" to discuss their marriage briefly falling apart. He tested his personal fortitude in nature adventures around the world in the streaming series "Welcome to Earth" for Walt Disney Co. And last November, he revealed secrets in "Will," a memoir that has spent several months on bestseller lists.

"What you have come to understand as 'Will Smith,' the alien-annihilating MC, the bigger-than-life movie star, is largely a construction—a carefully crafted and honed character—designed to protect myself," he writes in the book.

Still, Mr. Smith, long one of Hollywood's biggest and most bankable stars, has rarely seemed truly off-script. That is, until Sunday night, when the 53-year-old actor walked onstage during the Academy Awards and struck comedian Chris Rock for making a joke about his wife. About an hour later, he won the best actor Oscar for his role in "King Richard," delivering a tearful speech in which he apologized to the academy and fellow nominees and said: "In this business, you gotta be able to have people disrespecting you and you gotta smile and you gotta pretend like that's OK."

What Hollywood, the academy and viewers ultimately make of that night will have ripple effects on the career of one of the planet's most likable stars.

The Academy of Motion Picture Arts and Sciences said Wednesday that it initiated disciplinary proceedings against Mr. Smith for violating its standards of conduct, "including inappropriate physical contact, abusive or threatening behavior, and compromising the integrity of the Academy." Mr. Smith will get at least 15 days notice of a vote regarding his violations, and he will be able to offer a written response. Discipline could include suspension, expulsion or other sanctions, the academy said. The board meets again April 18. The academy also said Mr. Smith was asked to leave the ceremony and he refused, adding, "We also recognize we could have handled the situation differently."

Mr. Smith apologized Monday to Mr. Rock, the academy and viewers of the show in an Instagram post, calling his behavior "unacceptable and inexcusable."

How the night will affect Mr. Smith's career remains unclear. Hollywood has talked of little else since, yet few industry powers will say anything publicly as they await news on the academy's next moves. Since the ceremony, some stars have said they found the actor's actions disturbing.

A representative for Mr. Smith said the actor wasn't commenting further. A representative for Mr. Rock didn't respond to a request to comment.

Mr. Smith is one of the few actors in contemporary Hollywood who can largely control his own destiny by greenlighting projects on star power alone, and often coming on board as a producer.

He has several high-profile projects in development, most notably an Apple Inc. movie called "Emancipation" scheduled for release this year that could put Mr. Smith back on the awards circuit in months.

Apple hasn't made any changes to its plan for a late 2022 release, according to a person familiar with the matter.

The production of "Emancipation" reflects Mr. Smith's signature star power. Mr. Smith stars in the true story of a runaway slave who escaped to the North and helped spark anti-slavery campaigns when photos of his lash-scarred back were published.

Bidders swooped in for the chance to work on the movie. Apple ended up coming on board to produce the film for more than $100 million, according to a person familiar with the matter. Apple bought the project with plans to release it in theaters and on its AppleTV+ streaming service, a rollout similar to its 2021 release of "CODA," which won best picture on Sunday.

Mr. Smith started his career mining his personal story, as a Philadelphia-raised rapper and star of "The Fresh Prince of Bel-Air," a comedy series. His film career reached stratospheric heights with "Independence Day," the 1996 blockbuster in which he played a pilot fending off an alien invasion.

The movie was the highest-grossing release that year. Soon Mr. Smith ruled the July 4 weekend, when "Men in Black" followed in 1997.

Mr. Smith started producing some of his own projects in the early 2000s, and in 2019 he founded Westbrook, a media company that focused on his entire family's entertainment pursuits. In January, the private equity-backed Candle Media paid $60 million for more than 10% of Westbrook Inc., continuing a string of Wall Street investments in celebrity-oriented media ventures.

The formation of Westbrook illustrated how Mr. Smith's celebrity is, increasingly, a package deal: his wife, Ms. Pinkett Smith, and their two children, Jaden and Willow. Soon the interpersonal relationships of the four were fodder for programming.

Mr. Smith and his family have lately embraced the same kind of confessional entertainment that helped deliver celebrity families like the Kardashians. Mr. Smith's children with Ms. Pinkett Smith, as well as Trey, a child from a previous relationship, have all played themselves on TV.

In July 2020, Mr. Smith appeared on his wife's talk show to discuss rumors of infidelity in the relationship, and a separation the couple went through about four years prior. The couple's conversation was heavy in the language of therapy, including details of Ms. Pinkett Smith's co-dependency and childhood trauma.

PETER CZIBORRA/ACTION IMAGES/REUTERS

Ultimate Fighting Championship is among Endeavor's properties.

Endeavor CEO Tops Pay List

Continued from page B1

long history of breaking compensation records. In 1993, Michael Eisner, then CEO of the Walt Disney Co., was paid $203.1 million, at the time the highest compensation ever given to an executive at a public company. The pay package was criticized at the time by some shareholders because the company posted poor performance and Mr. Eisner's pay represented 68% of Disney's profits for the year.

David Zaslav, head of Discovery Inc., made nearly $247 million in 2021, the company reported in March. In response, proxy advisory firm Institutional Shareholder Services Inc. recommended that shareholders vote not to reelect three Discovery directors who the firm said were guilty of poor stewardship of executive compensation.

Discovery declined to comment. In the past, the company has stressed that much of Mr. Zaslav's pay consists of stock-option awards tied to a new contract. Given the strike prices of the options granted to Mr. Zaslav, Discovery's share price would have to rise considerably for those options to be in the money.

Disney reported in January that CEO Bob Chapek made $32.5 million in the fiscal year ended last October. In 2020, videogame maker Activision Blizzard Inc.'s Bobby Kotick made $154.6 million and Netflix Inc. co-CEOs Reed Hastings and Ted Sarandos made $43.2 million and $39.3 million, respectively.

In its annual report, Endeavor said its board didn't consider what competitors' executives made and didn't hire a pay consultant when setting Mr. Emanuel's compensation.

Until May 2031, Mr. Emanuel's pay package awards him with $26.5 million worth of shares under certain conditions, including when an average share price increases by at least $4.50 and maintains that level for 30 days or more. In an unusual arrangement, there is no limit on how many shares he can earn over the course of the 10-year agreement.

Awards triggered only by stock price can be problematic, particularly where the price target has to be reached for a short time, said Caitlin McSherry, director of investment stewardship for asset manager Neuberger Berman, speaking generally and not about the specifics of Mr. Emanuel's deal. "That's a lot of uncertainty for the board to put into a plan," Ms. McSherry said.

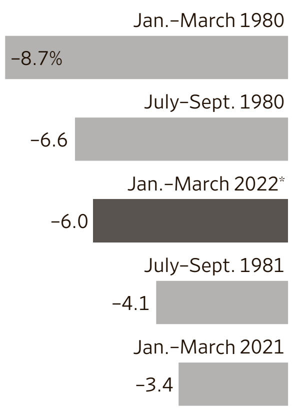
QUARTERLY MARKET REVIEW

Bond Market Suffers Decline Not Seen in Over 40 Years

Rout robs investors of traditional haven as stocks and other markets swing sharply

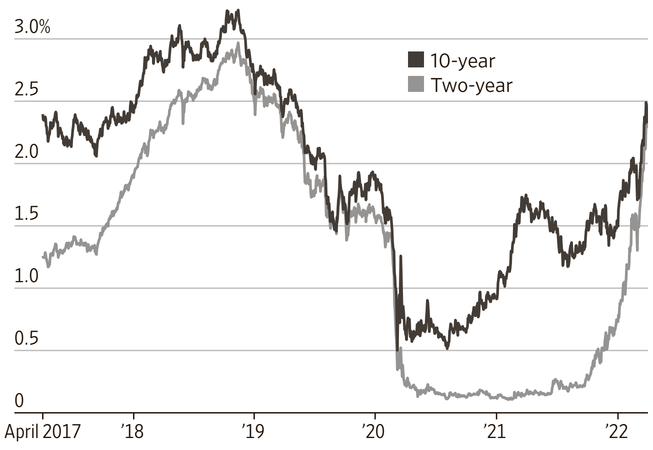
By Sam Goldfarb

Bloomberg U.S. Aggregate Bond Index, quarterly returns



*Through March 30

U.S. Treasury yields



Sources: FactSet (returns); Tradeweb (Treasury yield)

U.S. bonds' worst quarter in more than 40 years has come to a close. The question for many investors now is whether it is time to buy the biggest decline in recent memory.

The Bloomberg U.S. Aggregate bond index—largely U.S. Treasurys, highly rated corporate bonds and mortgage-backed securities—returned minus 6% in 2022 through Wednesday, on track for the biggest quarterly loss since 1980.

Yields on short to medium-term Treasurys—which rise when their prices fall—have logged their biggest quarterly gains in decades, with the two-year yield rising the most since 1984 and the five-year yield the most since 1987.

The poor performance of bonds has robbed investors of a traditional haven when stocks and many other markets have been swinging sharply, thanks to factors including the Federal Reserve's first interest-rate increase since 2018 and the war in Ukraine.

Yields on Treasurys largely reflect expectations for what short-term interest rates will average over the life of a given bond. Investors increased those expectations over the past three months—driving bond prices down and yields up—thanks to a run of high inflation readings and Fed officials sounding ever more concerned about that data.

Over the longer term, higher rates could slow inflation and possibly even drive the U.S. economy into recession, which would be better for bonds than most other assets. Meanwhile, however, some analysts warn that rate expectations could keep heading higher, driving further losses for bonds.

Tom Graff, head of fixed income and portfolio manager at Brown Advisory, said he generally doesn't expect much more gains in longer-term yields. Shorter-term yields, he said, could easily climb further as the Fed keeps raising its interest-rate forecasts.

"A lot of money has been lost in the bond-trading world betting on Fed peak hawkishness," he added.

As it stands, interest-rate derivatives show that investors now expect short-term rates to reach 3% next year—up from less than 0.5% now and near zero before the Fed's recent move.

Still, investors also expect rates to come back down quickly after reaching that level. Embedded in that view is a continued belief that inflation—now running at a 40-year high at 7.9% by one measure—will subside largely on its own as businesses increase the supply of goods and consumer spending slows due to the fading effects of emergency government-spending programs. Many investors also doubt the economy can handle 3% interest rates without slowing significantly.

As a result, yields on some shorter-term Treasurys, such as the three-year note, have edged above those of longer-term bonds like the 10-year note—creating what is known on Wall Street as a flat or inverted yield curve.

By contrast, some economists on and off Wall Street have argued that rates are likely to go much higher than 3% because nothing less will be able to fix the inflation problem.

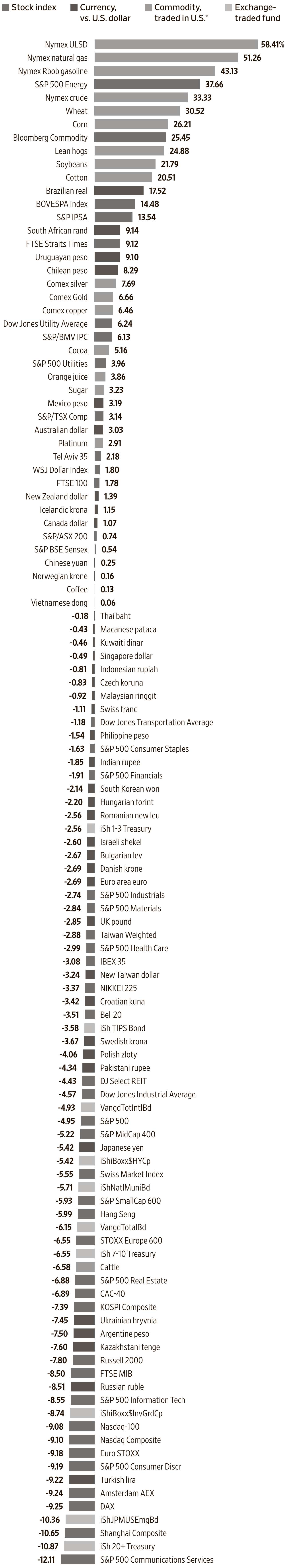
The yield on benchmark 10-year U.S. Treasury note settled Thursday at 2.324%, up from 1.496% at the end of last year and the record closing low of 0.501% early in the pandemic when investors thought it would take many years before the Fed would raise interest rates again.

Unfortunately for fund managers, the longer they waited to adjust their expectations, the more painful it became to do so.

In general, slowly rising bond yields are a "fantastic environment for bond investors" because it allows managers to use the cash flow from interest and principal payments to buy new bonds with higher yields, said Vishal Khanduja, fixed-income portfolio manager at Morgan Stanley Investment Management. However, a large rise in yields—and drop in prices—over just a few months makes it impossible to absorb losses that way.

Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commmodities performed around the world for the quarter



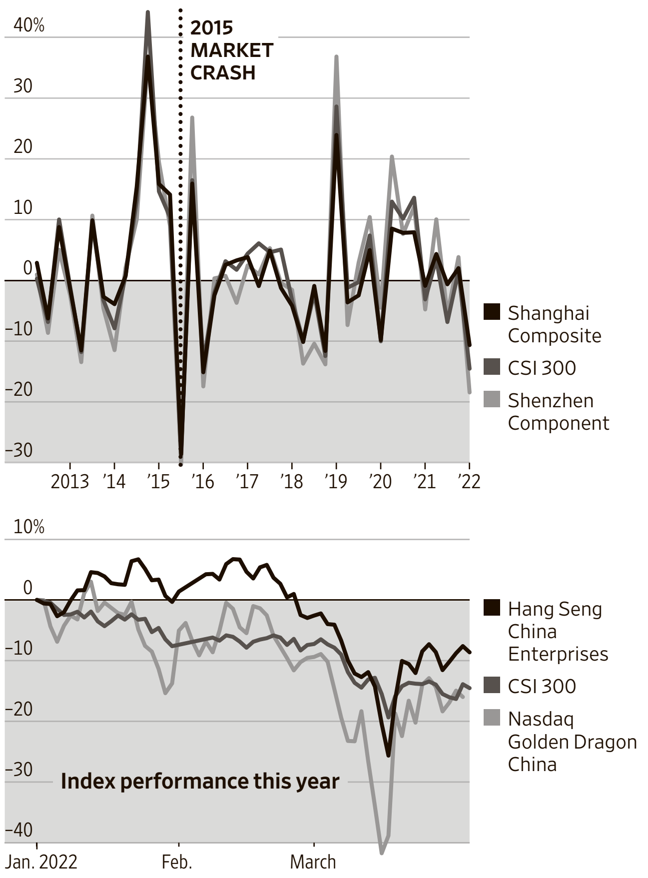
*Continuous front-month contracts

Sources: FactSet (stock indexes, bond ETFs, commodities), Tullett Prebon (currencies).

China Stocks Had a Rough Quarter

By Rebecca Feng

Quarterly performance of major Chinese stocks indexes



Sources: Wind (quarterly); FactSet (this year)

As China struggles to boost consumer confidence and keep the economy humming, some major onshore stock indexes endured their toughest quarter since the country's 2015 market crash.

The CSI 300 Index, which consists of the largest companies listed in Shanghai and Shenzhen, lost nearly 15% in the three months to March 31, while the 500-stock Shenzhen Component Index dropped 18%. For both benchmarks, this was the biggest quarterly decline in percentage terms since the third quarter of 2015.

The Shanghai Composite Index, which has more large and less volatile state-owned companies, fell about 11%, its worst performance since the fourth quarter of 2018.

Companies listed in mainland China tend to be more concentrated in sectors that are driven by the domestic economy, unlike Chinese stocks listed in the U.S. and Hong Kong, said Jason Liu of Deutsche Bank. These include businesses operating in areas such as banking, consumer goods and industrials, said Mr. Liu, the Asia head of the chief investment office at Deutsche's international private bank.

Chinese growth and consumer confidence have been hurt by the country's battle with the Omicron variant of Covid-19, which has led to widespread lockdowns and factory closures.

"A lot of that has a very direct impact on industrial production, consumer spending and all these very domestic-driven sectors, and I think people can feel that," Mr. Liu said.

Meanwhile, the war in Ukraine lifted global commodity prices, in turn eating into the profit margins of consumer-goods companies such as brewers and producers of bottled water.

China's economically crucial property market is still ailing, despite efforts from Beijing to ease real-estate developers' access to funding.

While many Chinese developers are listed in Hong Kong, rather than onshore, Zhikai Chen, head of Asian equities at BNP Paribas Asset Management, said the sector's difficulties had a huge secondary impact in the wider economy.

"There is still a huge question mark that now we are here, what is the government going to do? We are now at a point where investors are basically saying, show us the money," said Mr. Chen.

Onshore stocks fared worse in the first quarter than some offshore counterparts such as Hong Kong's Hang Seng China Enterprises Index, which fell 8.6%.

A mid-March pledge by policy makers led by Vice Premier Liu He to take a more market-friendly approach helped stem a punishing selloff in offshore stocks.

The Golden Dragon index fell Thursday, to end the quarter down nearly 21%. That was still a shallower drop than the 31% pullback it suffered in the third quarter of 2021.

Foreign investors sold a net 45.1 billion yuan, or the equivalent of $7.1 billion, of mainland Chinese stocks via the Stock Connect trading link in March. That was the third-biggest drawdown since the program began in 2014, Wind data shows. Some investors and analysts said that concerns about the geopolitical risk of investing in China have grown after the financial isolation of Russia.

Commodity Prices Keep Rallying

Continued from page B1

ing a second look: 'Should I be putting commodities back into my portfolio, given elevated inflation levels?' " said Karim El Nokali, an investment strategist at Schroders.

Fed officials are closely watching the surge in prices of raw materials as they embark on a campaign to raise interest rates to tame inflation. The central bank increased rates by a quarter-percentage-point at its March meeting, and Fed Chairman Jerome Powell has hinted since then at the possibility of more aggressive increases at the coming meetings. That has helped send the yield on the 10-year Treasury note to its highest level in about three years.

If the Fed raises rates too quickly, however, analysts caution it could lead to a period of higher inflation alongside lower economic growth—a term known as stagflation that hurt stock-market returns in the 1970s.

Commodities are often seen as an attractive hedge against the rising prices of goods and services. Investors have poured money into general commodities' mutual and exchange-traded funds for 12 consecutive weeks, according to Refinitiv Lipper data through March 30, the longest streak since a 23-week run that ended in June 2021.

In another bullish sign, futures tied to many commodities for delivery soon are more expensive than prices linked to contracts that expire several months from now, a condition known as backwardation. That signals that traders expect markets to be undersupplied in the near future, which could keep prices elevated.

One group benefiting from the higher prices: mining and energy companies. **Freeport-McMoRan** Inc. shares have shot up more than ninefold from their low in March 2020, thanks to an advance in copper prices.

Meanwhile, **Devon Energy** Corp. has jumped more than ninefold, while **Halliburton** Co. and **Marathon Oil** Corp. have jumped more than sevenfold over the same period.

To be sure, the commodities rally could come to an abrupt end if Russia and Ukraine reach a cease-fire agreement, or if the removal of sanctions on Iran allows more oil to enter the market. Some analysts also worry that consumers could dial back their habits because of higher prices. Already, an increase in coronavirus cases in China is damping the demand outlook.

"Commodities are hot right now, but they are very volatile, and it's hard to know when they run out of gas," said Louise Goudy Willmering, partner with investment advisory services firm Crewe Advisors.

Watch a Video

Scan this code for a video on how commodity prices affect inflation.

COMING NEXT WEEK

The Personal Investing Monthly report, including mutual funds and ETFs, will appear on Monday, April 4.

FIRST QUARTER MARKETS DIGEST

Top 10 Rankings

Global Mergers & Acquisitions
Deals announced in first quarter 2022

Adviser	Value $billions	No. of Deals	Market Share%
Goldman Sachs	355.3	115	34.9
JPMorgan	194.9	89	19.1
BofA Securities	162.8	70	16.0
Morgan Stanley	151.5	83	14.9
Barclays	121.2	61	11.9
Citi	119.7	49	11.8
Allen & Co LLC	91.9	5	9.0
Lazard	73.8	52	7.3
Rothschild & Co	68.7	102	6.7
Credit Suisse	64.9	35	6.4

Global Equity Capital Markets
Deals priced in first quarter 2022

Bookrunner	Value $billions	No. of Deals	Market Share%
Goldman Sachs	10.1	47	7.7
Morgan Stanley	9.0	57	6.9
BofA Securities	7.4	49	5.7
JPMorgan	6.0	53	4.6
Citi	5.9	42	4.5
CITIC Securities	5.8	39	4.4
China Securities Co Ltd	4.9	16	3.7
China International Capital	3.0	21	2.3
Huatai Securities Co Ltd	2.6	15	2.0
UBS	2.6	30	2.0

Global Debt Capital Markets
Deals priced in first quarter 2022

Bookrunner	Value $billions	No. of Deals	Market Share%
JPMorgan	142.8	511	7.2
BofA Securities	126.2	419	6.4
Citi	120.3	443	6.1
Goldman Sachs	95.9	273	4.8
Deutsche Bank	80.3	287	4.1
Barclays	78.4	321	4.0
BNP Paribas	77.9	288	3.9
Morgan Stanley	73.1	356	3.7
HSBC	64.3	280	3.3
Wells Fargo Sec	49.4	265	2.5

Global Syndicated Loans
Deals credited in first quarter 2022

Bookrunner	Value $billions	No. of Deals	Market Share%
BofA Securities	94.7	277	12.9
JPMorgan	70.4	241	9.6
Citi	44.2	125	6.0
Mizuho	37.3	197	5.1
Wells Fargo Sec	34.7	144	4.7
MUFG	30.6	343	4.2
HSBC	21.9	62	3.0
Bank of China	21.5	77	2.9
Goldman Sachs	20.5	100	2.8
BNP Paribas	19.8	87	2.7

U.S. Mergers & Acquisitions
Deals announced in first quarter 2022

Adviser	Value $billions	No. of Deals	Market Share%
Goldman Sachs	264.7	72	42.8
JPMorgan	130.7	53	21.1
BofA Securities	109.1	45	17.6
Citi	102.8	33	16.6
Barclays	102.7	39	16.6
Allen & Co LLC	91.9	5	14.9
Morgan Stanley	83.8	40	13.6
Credit Suisse	52.3	16	8.5
Lazard	47.5	19	7.7
RBC Capital Markets	46.9	31	7.6

U.S. Initial Public Offerings
Deals priced in first quarter 2022

Bookrunner	Value $millions	No. of Deals	Market Share%
Cantor Fitzgerald & Co	1,319	5	12.5
Citi	1,099	5	10.4
Goldman Sachs	840	5	7.9
EF Hutton	504	6	4.8
BTIG LLC	474	3	4.5
RBC Capital Markets	460	2	4.4
JPMorgan	451	3	4.3
Maxim Group LLC	438	4	4.1
UBS	437	3	4.1
BofA Securities	391	5	3.7

U.S. Investment-Grade Bonds
Deals priced in first quarter 2022

Bookrunner	Value $billions	No. of Deals	Market Share%
BofA Securities	61.7	180	12.8
JPMorgan	57.5	164	11.9
Citi	48.5	156	10.1
Goldman Sachs	46.7	92	9.7
Morgan Stanley	31.3	85	6.5
Wells Fargo Sec	25.7	100	5.3
Deutsche Bank	17.0	49	3.5
Barclays	17.0	56	3.5
BNP Paribas	15.6	48	3.2
RBC Capital Markets	14.4	69	3.0

U.S. High-Yield Bonds
Deals priced in first quarter 2022

Bookrunner	Value $billions	No. of Deals	Market Share%
Goldman Sachs	3.7	29	8.1
JPMorgan	3.6	34	8.0
BofA Securities	3.1	32	6.8
Credit Suisse	3.0	21	6.5
Wells Fargo Sec	2.7	27	5.8
Barclays	2.6	24	5.8
Citi	2.6	25	5.6
Deutsche Bank	2.4	19	5.3
Morgan Stanley	2.0	18	4.4
Jefferies LLC	1.5	9	3.3

U.S. Core Leveraged Finance[1]
Fees paid in first quarter 2022

Bank	Revenue $millions	2022 Mkt Shr %	2021 Mkt Shr %
JPMorgan	345.5	11.6	14.9
BofA Securities	252.5	8.5	8.5
Barclays	242.3	8.2	6.6
Goldman Sachs	216.3	7.3	6.3
Credit Suisse	166.3	5.6	8.0
Deutsche Bank	129.0	4.4	4.3
Morgan Stanley	128.0	4.3	4.8
Citi	123.6	4.2	4.3
RBC Capital Markets	120.4	4.1	4.6
Jefferies LLC	113.2	3.8	4.3

Global Investment Banking[1]
Fees paid for M&A, ECM, DCM and loans in first quarter 2022

Bank	Revenue $millions	2022 Mkt Shr %	2021 Mkt Shr %
JPMorgan	1,745.3	8.1	9.0
Goldman Sachs	1,576.6	7.3	8.9
BofA Securities	1,493.4	6.9	6.3
Morgan Stanley	1,318.1	6.1	6.8
Citi	936.4	4.3	5.4
Barclays	769.0	3.6	3.5
Credit Suisse	633.7	2.9	4.4
Deutsche Bank	489.2	2.3	2.5
Jefferies LLC	483.2	2.2	2.7
RBC Capital Markets	430.8	2.0	1.9

[1] Dealogic Revenue analytics are employed where fees aren't disclosed.

Source: Dealogic

Who's No. 1?
Top banks in Dealogic rankings across M&A, equity capital markets (ECM), debt capital markets (DCM) and loans, in the first quarter

Product and Deal Type	No.1 - Ranked Bank	1st-qtr market share (%)	Chg in share from 1st-qtr 2021 (pct. points)
Investment Banking			
Global IB Revenue[1]	JPMorgan	8.1	-1.0
Global M&A Revenue[1]	Goldman Sachs	10.4	-1.7
Global ECM Revenue[1]	JPMorgan	5.6	-2.5
Global DCM Revenue[1]	JPMorgan	8.1	-1.1
Global Loans Revenue[1]	JPMorgan	11.0	-2.3
Global M&A	Goldman Sachs	34.9	8.3
U.S. M&A	Goldman Sachs	42.8	8.3
Global M&A Boutique	Allen & Co LLC	9.0	7.9
Equity Capital Markets			
Global ECM	Goldman Sachs	7.7	-2.8
Global IPOs	CitiC Securities	6.2	5.0
Global All Follow-Ons	Goldman Sachs	8.6	-2.9
Global Convertible Bonds	Goldman Sachs	22.5	10.9
U.S. ECM	Goldman Sachs	11.8	-1.3
U.S. IPOs	Cantor Fitzgerald & Co	12.5	6.5
U.S. Block Trades	Morgan Stanley	22.9	-11.0
U.S. Non-Block Follow-Ons	JPMorgan	12.9	1.8
U.S. Convertible Bonds	Goldman Sachs	28.2	13.2
Fixed Income			
Global DCM	JPMorgan	7.2	-0.6
Global Investment-Grade Bonds	JPMorgan	7.4	0.9
Global High-Yield Bonds	Goldman Sachs	9.6	3.7
U.S. DCM	BofA Securities	11.0	2.0
U.S. Investment-Grade Bonds	BofA Securities	12.8	1.8
U.S. High-Yield Bonds	Goldman Sachs	8.1	1.7
U.S. FIG Bonds	BofA Securities	14.0	2.4
Global Loans	BofA Securities	12.9	3.5
Global Investment-Grade Loans	BofA Securities	14.1	3.5
Global Leveraged Loans	BofA Securities	12.4	3.7
U.S. Loans	BofA Securities	18.5	4.7
U.S. Investment-Grade Loans	BofA Securities	21.9	4.6
U.S. Leveraged Loans	BofA Securities	15.9	4.8
U.S. Total Leveraged Finance	BofA Securities	13.6	3.0
U.S. Core Leveraged Finance	JPMorgan	11.1	1.1
U.S. Core Leveraged Finance Revenue[1]	JPMorgan	11.6	-3.3

[1] Dealogic Revenue analytics are employed where fees are not disclosed

Source: Dealogic

Market Boxscores
How the major indexes performed

	First-quarter performance	Close 3/31/22	% chg from 3/31/21
Dow Jones Industrial Average	-4.6%	34678.35	5.1
DJ U.S. Total Stock Market	-5.7	45847.30	10.2
DJ World (excl. U.S.)	-6.6	284.20	-4.2
NYSE American Composite	22.0%	4179.96	53.9
NYSE Composite	-2.9	16670.91	6.9
S&P 500	-4.9	4530.41	14.0
Value Line (Geometric)	-5.3	636.19	-0.5
Russell 2000	-7.8	2070.13	-6.8
Nasdaq Composite	-9.1	14220.52	7.4

Sources: Dow Jones Market Data; S&P Dow Jones Indices

How the 30 Dow Jones Industrials Performed
Percentage change in the first-quarter

Company	Close ($) 3/31/22	Close ($) 12/31/21	1st-qtr % chg
Chevron	162.83	117.35	38.8
Travelers	182.73	156.43	16.8
American Express	187.00	163.60	14.3
Dow	63.72	56.72	12.3
Caterpillar	222.82	206.74	7.8
Amgen	241.82	224.97	7.5
Merck	82.05	76.64	7.1
Coca-Cola	62.00	59.21	4.7
Johnson & Johnson	177.23	171.07	3.6
Walmart	148.92	144.69	2.9
Visa	221.77	216.71	2.3
UnitedHealth Group	509.97	502.14	1.6
Apple	174.61	177.57	–1.7
Verizon	50.94	51.96	–2.0
IBM	130.02	133.66	–2.7
Intel	49.56	51.50	–3.8
Boeing	191.50	201.32	–4.9
Procter & Gamble	152.80	163.58	–6.6
Honeywell International	194.58	208.51	–6.7
McDonald's	247.28	268.07	–7.8
Microsoft	308.31	336.32	–8.3
Walt Disney	137.16	154.89	–11.4
Cisco Systems	55.76	63.37	–12.0
Goldman Sachs	330.10	382.55	–13.7
JPMorgan Chase	136.32	158.35	–13.9
Walgreens	44.77	52.16	–14.2
3M	148.88	177.63	–16.2
Salesforce.com	212.32	254.13	–16.5
Nike	134.56	166.67	–19.3
Home Depot	299.33	415.01	–27.9

Source: Dow Jones Market Data

Biggest Percentage Gainers...

Company	Symbol	1st Quarter Close	1st Quarter Net chg	1st Quarter % chg	52-Week Low	52-Week Close(●)	52-Week High	52-Week % chg
Indonesia Energy	INDO	22.64	19.84	708.6	2.61		86.99	261.1
Forge Global	FRGE	33.88	24.04	244.3	9.10		47.50	244.7
Voyager Therapeutics	VYGR	7.62	4.91	181.2	2.46		9.74	57.1
MicSec US Big Oil 3X Lev	NRGU	428.54	266.16	163.9	85.89		458.80	191.9
NexTier Oilfield Solns	NEX	9.24	5.69	160.3	3.06		9.68	138.8
Micro Oil & Gas 3x	OILU	53.09	32.32	155.6	16.30		58.72	...
Peabody Energy	BTU	24.53	14.46	143.6	2.95		27.70	715.0
SEACOR Marine	SMHI	8.07	4.67	137.4	3.08		8.54	51.4
RPC	RES	10.67	6.13	135.0	3.33		11.79	88.8
Alpha Metallurgical Rscs	AMR	131.96	70.91	116.2	11.75		139.36	930.1
ProSh Ult Bloombg Nat Gas	BOIL	56.31	30.22	115.8	18.79		97.82	160.2
Precision Drilling	PDS	73.92	38.49	108.6	21.74		75.33	218.6
Exterran	EXTN	6.21	3.23	108.4	2.67		6.74	73.9
Kosmos Energy	KOS	7.19	3.73	107.8	1.80		7.53	121.2
BRC	BRCC	20.87	10.72	105.6	9.10		22.80	...

Biggest Percentage Losers

Company	Symbol	1st Quarter Close	1st Quarter Net chg	1st Quarter % chg	52-Week Low	52-Week Close(●)	52-Week High	52-Week % chg
Kodiak Sciences	KOD	7.72	–77.06	–90.9	6.81		131.97	–92.9
ProQR Therapeutics	PRQR	0.91	–7.10	–88.7	0.89		9.09	–86.2
Fast Radius	FSRD	1.49	–8.37	–84.9	1.34		16.00	...
OneSmart Intl Educ ADR	ONE	1.62	–8.39	–83.8	1.14		74.50	–97.3
Mega Matrix	MTMT	2.00	–9.94	–83.2	0.82		13.34	3.1
Missfresh ADR	MF	0.90	–4.11	–82.0	0.90		11.00	...
Aligos Therapeutics	ALGS	2.15	–9.72	–81.9	2.01		34.31	–90.2
Quanergy Systems	QNGY	1.84	–8.17	–81.6	1.83		10.22	–81.7
iShares MSCI Russia ETF	ERUS	8.06	–34.78	–81.2	7.11		52.80	–79.4
Allarity Therapeutics	ALLR	2.04	–8.33	–80.3	1.92		18.20	...
Electric Last Mile Solns	ELMS	1.43	–5.60	–79.7	0.90		12.00	–85.8
Dingdong (Cayman) ADR	DDL	3.55	–12.62	–78.0	2.51		46.00	...
Applied Therapeutics	APLT	2.11	–6.84	–76.4	1.45		25.59	–88.4
Annexon	ANNX	2.73	–8.76	–76.2	2.68		28.31	–90.1
Vroom	VRM	2.66	–8.13	–75.3	2.23		48.80	–93.2

Most Active Stocks
Most heavily traded issues in First quarter of 2022; composite volume, in millions

Company	Symbol	Volume	Close	1st Quarter Net chg	1st Quarter % chg	52-Week High	52-Week Low	52-Week % chg
ProShares UltraPro QQQ	TQQQ	7,353	58.18	–24.99	–30.0	91.68	39.56	21.3
SPDR S&P 500	SPY	7,165	451.64	–23.32	–4.9	479.98	398.18	12.7
Ford Motor	F	6,484	16.91	–3.86	–18.6	25.87	11.14	38.9
Advanced Micro Devices	AMD	6,393	109.34	–34.56	–24.0	164.46	72.50	34.8
Apple	AAPL	5,919	174.61	–2.96	–1.7	182.94	122.25	42.0
ProSh UltraPro Shrt QQQ	SQQQ	5,169	33.67	3.97	13.4	65.85	28.15	–45.9
Invesco QQQ Trust I	QQQ	5,058	362.54	–35.31	–8.9	408.71	316.00	11.7
Finl Select Sector SPDR	XLF	4,591	38.32	–0.73	–1.9	41.70	34.00	11.2
NIO ADR	NIO	4,249	21.05	–10.63	–33.6	55.13	13.01	–46.9
SoFi Technologies	SOFI	4,053	9.45	–6.36	–40.2	24.95	7.74	–45.3
iShares MSCI Emg Markets	EEM	3,509	45.15	–3.70	–7.6	56.18	40.80	–16.2
Bank of America	BAC	3,480	41.22	–3.27	–7.3	50.11	36.51	4.4
AMC Entertainment Hldgs	AMC	3,468	24.64	–2.56	–9.4	72.62	8.31	163.2
Palantir Technologies	PLTR	3,375	13.73	–4.48	–24.6	29.29	9.74	–40.5
NVIDIA	NVDA	3,297	272.86	–21.25	–7.2	346.47	134.59	97.6
AT&T	T	3,277	23.63	–0.97	–3.9	33.88	22.02	–22.4
Itau Unibanco Holding ADR	ITUB	2,978	5.71	1.96	52.3	5.87	3.60	45.3
DiDi Global ADR	DIDI	2,835	2.50	–2.48	–49.8	18.01	1.71	...
iShares China LC ETF	FXI	2,814	31.97	–4.61	–12.6	47.97	26.13	–32.6
American Airlines Group	AAL	2,784	18.25	0.29	1.6	26.04	12.44	–23.5

Gainers and losers include common issues of $2 or more listed on NYSE, Nasdaq, NYSE American or NYSE Arca at the beginning of the quarter.

IPO Scorecard
Best-performing U.S.-listed IPOs in the first quarter ranked by % change in price from offer to last trade in the quarter

Issuer	Exchange	$ Offer price	% Chg from offer	Pricing Date	IPO Value $ millions
Blue Water Vaccines	Nasdaq	9.00	527.8	Feb. 17	20
Akanda	Nasdaq	4.00	98.5	Mar. 14	16
Credo Technology Group	Nasdaq	10.00	52.3	Jan. 26	230
Nuvectis Pharma	Nasdaq	5.00	48.2	Feb. 4	16
CinCor Pharma	Nasdaq	16.00	9.6	Jan. 6	213
LIV Capital Acquisition II	Nasdaq	10.00	3.1	Feb. 7	100
TPG	Nasdaq	29.50	2.2	Jan. 12	1,100
Murphy Canyon Acquisition	Nasdaq	10.00	1.0	Feb. 2	132
Counter Press Acquisition	Nasdaq	10.00	0.8	Feb. 8	86
Relativity Acquisition	Nasdaq	10.00	0.7	Feb. 10	144
GSR II Meteora Acquisition	Nasdaq	10.00	0.6	Feb. 24	316
Patria Latin American Opportunity Acquisition	Nasdaq	10.00	0.6	Mar. 9	230
Sound Point Acquisition I	Nasdaq	10.00	0.6	Mar. 1	259
PowerUp Acquisition	Nasdaq	10.00	0.5	Feb. 17	288
Jaguar Global Growth I	Nasdaq	10.00	0.5	Feb. 10	230
LatAmGrowth SPAC	Nasdaq	10.00	0.5	Jan. 24	130
HNR Acquisition	NYSE MKT	10.00	0.5	Feb. 10	86
Lakeshore Acquisition II	Nasdaq	10.00	0.5	Mar. 8	69
Andretti Acquisition	NYSE	10.00	0.5	Jan. 12	230
FG Merger	Nasdaq	10.00	0.5	Feb. 25	81

Worst-performing U.S.-listed IPOs in the first quarter ranked by % change in price from offer to last trade in the quarter

Issuer	Exchange	$ Offer price	% Chg from offer	Pricing Date	IPO Value $ millions
Smart for Life	Nasdaq	10.00	-88.8	Feb. 16	14
TC BioPharm	Nasdaq	4.25	-66.4	Feb. 10	18
Hillstream BioPharma	Nasdaq	4.00	-60.0	Jan. 11	15
Maris Tech	Nasdaq	4.20	-57.6	Feb. 1	18
FGI Industries	Nasdaq	6.00	-50.0	Jan. 25	15
Vigil Neuroscience	Nasdaq	14.00	-49.8	Jan. 6	98
Yoshitsu	Nasdaq	4.00	-47.0	Jan. 8	25
Locafy	Nasdaq	4.13	-43.3	Mar. 25	6
HeartCore Enterprises	Nasdaq	5.00	-42.6	Feb. 9	15
Amylyx Pharmaceuticals	Nasdaq	19.00	-32.4	Jan. 6	216
Modiv	NYSE	25.00	-28.2	Feb. 10	1
Hour Loop	Nasdaq	4.00	-25.3	Jan. 6	7
Rail Vision	Nasdaq	4.13	-25.2	Mar. 30	16
Direct Digital Holdings	Nasdaq	5.50	-20.7	Feb. 10	15
SQL Technologies	Nasdaq	14.00	-8.2	Feb. 9	23
Arcellx	Nasdaq	15.00	-6.5	Feb. 3	142
Meihua International Medical Technologies	Nasdaq	10.00	-6.0	Feb. 16	39
Silver Spike Investment	Nasdaq	14.00	-5.0	Feb. 3	87
Screaming Eagle Acquisition	Nasdaq	10.00	-2.7	Jan. 5	750
Keyarch Acquisition	Nasdaq	10.00	-2.5	Jan. 24	115

Source: Dealogic

Top 20 Global M&A Deals in 1st Quarter
Ranked by deal value excluding net debt of the target company.

Acquirer	Target	Date Announced	Value $billions
Microsoft	Activision Blizzard	18-Jan	75.1
Blackstone	Mileway	15-Feb	23.8
Existing Shareholders	Constellation Energy	2-Feb	17.3
Vista Equity Partners, Evergreen Coast Capital	Citrix Systems	31-Jan	13.6
Toronto-Dominion Bank	First Horizon	28-Feb	13.4
Take-Two Interactive Software	Zynga	10-Jan	12.1
Berkshire Hathaway	Alleghany	21-Mar	11.5
Celanese	DuPont de Nemours (Mobility and materials business, 100%)	18-Feb	11.0
Thoma Bravo	Anaplan	20-Mar	10.7
Brookfield Business Partners, Evergreen Coast Capital	Nielsen	29-Mar	10.1
Acacia Research	Kohl's	24-Jan	8.9
Masmovil Ibercom (businesses in Spain)	Orange Espagne (businesses in Spain, 100%)	8-Mar	8.8
Healthcare Realty Trust	Healthcare Trust of America	28-Feb	8.0
Cohn Robbins	SAZKA Entertainment	21-Jan	7.7
EQT	Baring Private Equity Asia	16-Mar	7.4
Temasek	Element Materials Technology Group (Rem%)	25-Jan	7.0
Apollo Global Management	Novolex (Maj%)	14-Feb	6.0
Intel	Tower Semiconductor	15-Feb	5.7
ALD	LeasePlan	6-Jan	5.5
Macquarie Group, British Columbia Investment Management, Macquarie Asset Management	National Grid (UK gas transmission and metering business, 60%)	27-Mar	5.5

Top 20 Global IPOs Priced in 1st Quarter
Ranked by proceeds raised, including over-allottment

Issuer	Exchange	Currency	Offer Price	Pricing Date	Value $ millions
LG Energy	Korea	KRW	300000.00	14-Jan	10,726
Jinko Solar	STAR Market	CNY	5.00	14-Jan	1,574
Nahdi Medical	Saudi Arabia	SAR	131.00	10-Mar	1,362
TPG	Nasdaq	USD	29.50	12-Jan	1,100
PT GoTo Gojek Tokopedia	Indonesia	IDR	338.00	30-Mar	957
Var Energi	Oslo	NOK	28.00	15-Feb	880
Ganzhou Tengyuan Cobalt New Materials	Shenzhen	CNY	173.98	7-Mar	867
Elm	Saudi Arabia	SAR	128.00	30-Jan	819
Technoprobe	Borsa Italiana	EUR	5.70	11-Feb	811
Screaming Eagle Acquisition	Nasdaq	USD	10.00	5-Jan	750
iSoftStone Information Technology	Shenzhen	CNY	72.88	3-Mar	733
Vedant Fashions	Bombay; India	INR	866.00	9-Feb	590
Shandong Sanyuan Biotechnology	Shenzhen	CNY	109.30	21-Jan	581
Anhui Tongguan Copper Foil Group	Shenzhen	CNY	17.27	17-Jan	564
Gores Holdings IX	Nasdaq	USD	10.00	12-Jan	525
Shenzhen Han's CNC Technology	Shenzhen	CNY	76.56	15-Feb	507
Shaanxi Huaqin Technology Industry	STAR Market	CNY	189.50	23-Feb	500
Al-Dawaa Medical Services	Saudi Arabia	SAR	73.00	23-Feb	496
Adani Wilmar	Bombay; India	INR	230.00	1-Feb	483
Wankai New Materials	Shenzhen	CNY	35.68	16-Mar	482

Top 20 Global Bonds Priced in 1st Quarter
Ranked by face value, in U.S. dollars

Issuer	Deal Type	Issuer Nation	Currency	Pricing Date	Value $ millions
Magallanes	Corp IG	United States	USD	9-Mar	30,000
European Union	Supranational	Luxembourg	EUR	22-Mar	13,433
Goldman Sachs	Corp IG	United States	USD	19-Jan	12,000
Spain	Sovereign	Spain	EUR	11-Jan	11,330
Bank of America	Corp IG	United States	USD	1-Feb	9,000
European Union	Supranational	Luxembourg	EUR	8-Feb	8,233
Spain	Sovereign	Spain	EUR	9-Feb	7,993
Italy	Sovereign	Italy	EUR	5-Jan	7,906
Agricultural Bank of China	Corp IG	China	CNY	18-Feb	7,900
Rogers Communications	Corp IG	Canada	USD	7-Mar	7,050
GSK Consumer Healthcare Capital US	Corp IG	United Kingdom	USD	21-Mar	7,000
Saudi Arabia	Sovereign	Saudi Arabia	SAR	7-Mar	6,998
CADES	Non-US Agency	France	EUR	12-Jan	6,808
Postal Savings Bank of China	Corp IG	China	CNY	4-Mar	6,330
China Everbright Bank	Corp IG	China	CNY	17-Feb	6,312
Industrial Commercial Bank of China	Corp IG	China	CNY	18-Jan	6,299
EFSF	Supranational	Luxembourg	EUR	10-Jan	6,249
Morgan Stanley	Corp IG	United States	USD	19-Jan	6,000
Bristol-Myers Squibb	Corp IG	United States	USD	15-Feb	6,000
HCA	Corp IG	United States	USD	2-Mar	6,000

Source: Dealogic

Industry Groups
Best and worst-performing U.S. industry groups in the past quarter based on the DJ U.S. Total Stock Market Index family

Best Performers

Industry group	% chg from prev qtr
Coal	77.3
Oil Equipment & Services	47.3
Integrated Oil & Gas	39.7
Exploration & Production	37.0
Oil & Gas	36.8
Iron & Steel	33.8
Aluminum	31.8
Marine Transportation	30.7
Gold Mining	27.9
General Mining	27.3

Worst Performers

Industry group	% chg from prev qtr
Tires	–33.0
Home Construction	–30.1
Furnishings	–26.7
Home Improvement Retailers	–26.4
Recreational Products	–21.8
Electronic Office Equipment	–21.6
Durable Household Products	–20.9
Specialty Retailers	–20.7
Building Materials & Fixtures	–20.7
Apparel Retailers	–19.9

Source: S&P Dow Jones Indices

MARKETS DIGEST

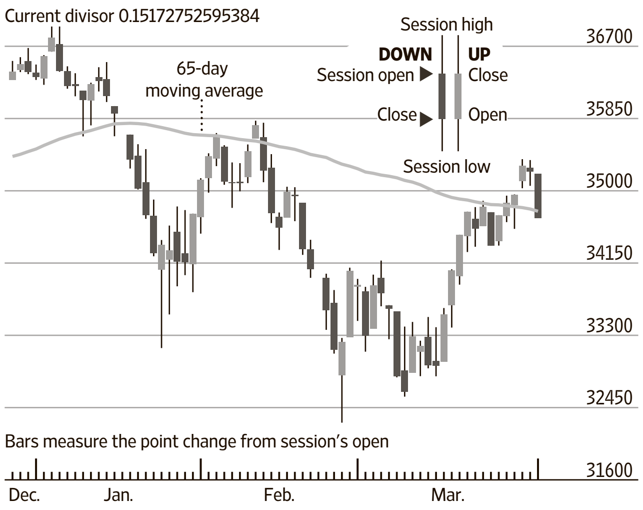
EQUITIES

Dow Jones Industrial Average

34678.35 ▼550.46, or 1.56%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	19.26	33.62
P/E estimate *	18.14	21.35
Dividend yield	2.03	1.81
All-time high	36799.65, 01/04/22	

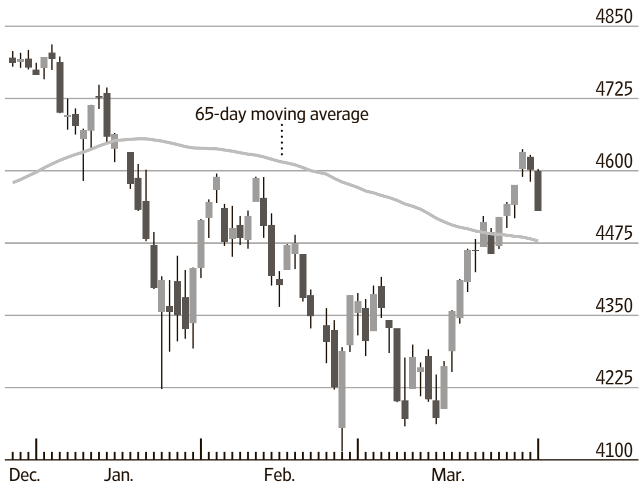


S&P 500 Index

4530.41 ▼72.04, or 1.57%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	24.78	45.45
P/E estimate *	19.85	23.12
Dividend yield *	1.39	1.45
All-time high	4796.56, 01/03/22	

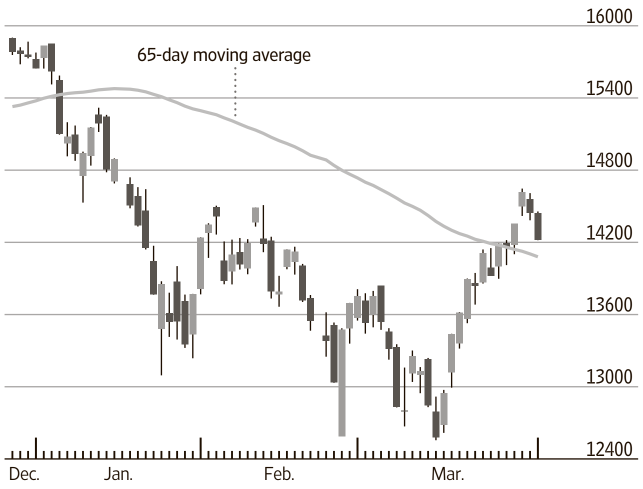


Nasdaq Composite Index

14220.52 ▼221.76, or 1.54%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *†	33.35	38.14
P/E estimate *†	25.75	29.05
Dividend yield *†	0.69	0.76
All-time high:	16057.44, 11/19/21	



* Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; † Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

	Latest High	Latest Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	52-Week % chg	% chg YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	35201.52	34677.99	**34678.35**	-550.46	**-1.56**	36799.65	32632.64	**4.6**	-4.6	**10.2**
Transportation Avg	16634.70	16283.02	**16283.02**	-263.83	**-1.59**	17039.38	14000.78	**10.4**	-1.2	**16.1**
Utility Average	1051.23	1040.05	**1041.96**	-0.14	**-0.01**	1042.10	869.74	**18.5**	6.2	**10.2**
Total Stock Market	46584.81	45847.23	**45847.30**	-710.00	**-1.53**	48929.18	42138.34	**8.8**	-5.7	**16.2**
Barron's 400	1037.80	1017.57	**1017.60**	-17.54	**-1.69**	1127.20	962.48	**4.1**	-8.0	**14.0**
Nasdaq Stock Market										
Nasdaq Composite	14456.74	14217.72	**14220.52**	-221.76	**-1.54**	16057.44	12581.22	**5.5**	-9.1	**22.5**
Nasdaq-100	15088.38	14835.16	**14838.49**	-233.06	**-1.55**	16573.34	13001.63	**11.3**	-9.1	**26.2**
S&P										
500 Index	4603.07	4530.41	**4530.41**	-72.04	**-1.57**	4796.56	4019.87	**12.7**	-4.9	**16.9**
MidCap 400	2741.22	2693.66	**2693.66**	-38.94	**-1.43**	2910.70	2517.18	**1.7**	-5.2	**12.4**
SmallCap 600	1338.36	1318.15	**1318.54**	-13.81	**-1.04**	1466.02	1252.49	**-1.6**	-5.9	**12.0**
Other Indexes										
Russell 2000	2100.74	2069.22	**2070.13**	-20.94	**-1.00**	2442.74	1931.29	**-8.2**	-7.8	**10.4**
NYSE Composite	16932.76	16670.85	**16670.91**	-261.85	**-1.55**	17353.76	15625.93	**5.8**	-2.9	**9.5**
Value Line	645.66	636.19	**636.19**	-8.63	**-1.34**	696.40	596.67	**-1.9**	-5.3	**6.1**
NYSE Arca Biotech	5146.64	5084.61	**5085.12**	-17.03	**-0.33**	6022.37	4677.66	**-8.7**	-7.9	**-0.3**
NYSE Arca Pharma	845.99	834.23	**834.31**	-8.67	**-1.03**	842.98	687.67	**20.5**	0.9	**11.5**
KBW Bank	128.25	124.14	**124.14**	-3.95	**-3.09**	147.56	116.87	**2.3**	-6.1	**9.9**
PHLX§ Gold/Silver	161.24	158.40	**158.42**	-1.29	**-0.81**	166.01	117.06	**13.2**	19.6	**27.5**
PHLX§ Oil Service	82.22	79.62	**79.96**	-0.85	**-1.05**	82.57	48.31	**45.0**	51.7	**-5.5**
PHLX§ Semiconductor	3523.70	3427.47	**3429.00**	-79.62	**-2.27**	4039.51	2851.15	**5.8**	-13.1	**34.9**
Cboe Volatility	21.48	19.54	**20.56**	1.23	6.36	36.45	15.01	**18.6**	19.4	**14.5**

§ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	After Hours Last	Net chg	% chg	High	Low
SPDR S&P 500	SPY	24,409.4	452.70	1.06	**0.23**	453.38	451.44
Finl Select Sector SPDR	XLF	10,033.4	38.29	-0.03	**-0.07**	38.60	38.25
Apple	AAPL	9,366.7	174.75	0.14	**0.08**	175.10	174.61
Invesco QQQ Trust I	QQQ	4,785.6	363.02	0.48	**0.13**	363.40	361.33
AT&T	T	4,574.6	23.70	0.07	**0.30**	23.73	23.63
AMC Entertainment Hldgs	AMC	4,151.6	25.91	1.27	**5.15**	26.60	24.40
Bank of America	BAC	4,033.4	41.26	0.04	**0.10**	41.42	41.21
KE Holdings ADR	BEKE	3,917.9	12.41	0.04	**0.32**	12.50	12.36

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
GameStop Cl A	GME	2,147.4	195.42	28.84	**17.31**	204.00	162.20
LG Display ADR	LPL	103.7	8.96	0.70	**8.47**	8.96	8.26
Helix Energy Solutions	HLX	1,011.3	5.13	0.35	**7.32**	5.46	4.78
Westwater Resources	WWR	881.2	2.11	0.11	**5.50**	2.15	1.95
Service Properties Trust	SVC	87.2	9.29	0.46	**5.20**	9.29	8.83

...And losers

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Blend Labs	BLND	252.8	4.70	-1.00	**-17.54**	5.90	4.06
Redwire	RDW	69.2	7.05	-1.43	**-16.86**	8.48	6.66
SiteOne Landscape Supply	SITE	53.3	135.00	-26.69	**-16.51**	161.69	135.00
Duck Creek Technologies	DCT	169.0	19.15	-2.97	**-13.43**	22.50	17.77
Cummins	CMI	53.3	193.09	-12.02	**-5.86**	206.58	193.09

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	1,184,272,525	25,942,952
Adv. volume*	219,491,080	9,390,414
Decl. volume*	952,807,715	14,369,037
Issues traded	3,507	280
Advances	1,348	110
Declines	2,042	155
Unchanged	117	15
New highs	119	4
New lows	73	2
Closing Arms†	2.82	0.98
Block trades*	5,157	224

	Nasdaq	NYSE Arca
Total volume*	5,481,095,741	335,720,017
Adv. volume*	1,530,658,810	54,980,813
Decl. volume*	3,896,327,571	277,073,566
Issues traded	5,079	1,689
Advances	1,734	299
Declines	3,090	1,369
Unchanged	255	21
New highs	91	46
New lows	125	10
Closing Arms†	1.43	0.85
Block trades*	33,897	1,537

* Primary market NYSE, NYSE American NYSE Arca only.
†(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Latest Net chg	Latest % chg	YTD % chg
World	**MSCI ACWI**	**711.56**	–9.55	**–1.32**	–5.7
	MSCI ACWI ex-USA	**323.59**	–3.06	**–0.94**	–6.0
	MSCI World	**3053.07**	–43.60	**–1.41**	–5.5
	MSCI Emerging Markets	**1141.79**	–7.51	**–0.65**	–7.3
Americas	**MSCI AC Americas**	**1740.57**	–26.98	**–1.53**	–4.7
Canada	**S&P/TSX Comp**	**21890.16**	–185.80	**–0.84**	3.1
Latin Amer.	**MSCI EM Latin America**	**2686.24**	7.15	**0.27**	26.1
Brazil	**BOVESPA**	**119999.23**	–260.53	**–0.22**	14.5
Chile	**S&P IPSA**	**3186.26**	27.10	**0.86**	13.5
Mexico	**S&P/BMV IPC**	**56536.68**	425.47	**0.76**	6.1
EMEA	**STOXX Europe 600**	**455.86**	–4.33	**–0.94**	–6.5
Eurozone	**Euro STOXX**	**434.89**	–5.58	**–1.27**	–9.2
Belgium	**Bel-20**	**4158.78**	–40.11	**–0.96**	–3.5
Denmark	**OMX Copenhagen 20**	**1754.80**	–10.70	**–0.61**	–5.9
France	**CAC 40**	**6659.87**	–81.72	**–1.21**	–6.9
Germany	**DAX**	**14414.75**	–191.30	**–1.31**	–9.3
Israel	**Tel Aviv**	**2021.28**	–21.16	**–1.04**	2.2
Italy	**FTSE MIB**	**25021.26**	–278.99	**–1.10**	–8.5
Netherlands	**AEX**	**724.20**	–9.68	**–1.32**	–9.2
Russia	**RTS Index**	**1021.28**	72.05	**7.59**	–36.0
South Africa	**FTSE/JSE All-Share**	**75497.15**	71.84	**0.10**	2.4
Spain	**IBEX 35**	**8445.10**	–105.50	**–1.23**	–3.1
Sweden	**OMX Stockholm**	**887.44**	–8.10	**–0.90**	–14.4
Switzerland	**Swiss Market**	**12161.53**	–82.20	**–0.67**	–5.5
Turkey	**BIST 100**	**2233.30**	3.15	**0.14**	20.2
U.K.	**FTSE 100**	**7515.68**	–63.07	**–0.83**	1.8
U.K.	**FTSE 250**	**21160.07**	–112.40	**–0.53**	–9.9
Asia-Pacific	**MSCI AC Asia Pacific**	**180.45**	–1.20	**–0.66**	–6.6
Australia	**S&P/ASX 200**	**7499.60**	–14.92	**–0.20**	0.7
China	**Shanghai Composite**	**3252.20**	–14.39	**–0.44**	–10.6
Hong Kong	**Hang Seng**	**21996.85**	–235.18	**–1.06**	–6.0
India	**S&P BSE Sensex**	**58568.51**	–115.48	**–0.20**	0.5
Japan	**NIKKEI 225**	**27821.43**	–205.82	**–0.73**	–3.4
Singapore	**Straits Times**	**3408.52**	–34.08	**–0.99**	9.1
South Korea	**KOSPI**	**2757.65**	10.91	**0.40**	–7.4
Taiwan	**TAIEX**	**17693.47**	–47.09	**–0.27**	–2.9
Thailand	**SET**	**1695.24**	–3.16	**–0.19**	2.3

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Longeveron	LGVN	13.80	7.08	**105.36**	45.00	2.84	**112.6**
SAB Biotherapeutics	SABS	3.76	1.16	**44.62**	12.90	1.72	**-62.0**
Integrated Media Tech	IMTE	31.14	8.63	**38.34**	33.29	3.31	**426.9**
Icosavax	ICVX	7.04	1.71	**32.08**	49.99	4.00	**...**
CPS Technologies	CPSH	5.21	1.11	**27.07**	14.32	2.47	**-58.8**
iSpecimen	ISPC	5.37	0.90	**20.13**	28.98	3.51	**...**
TMC the metals company	TMC	2.59	0.42	**19.35**	15.39	1.15	**-73.9**
Inspirato	ISPO	9.94	1.39	**16.26**	108.00	7.70	**0.4**
Crinetics Pharmaceuticals	CRNX	21.95	2.95	**15.53**	28.95	15.15	**37.2**
Vertex Energy	VTNR	9.94	1.33	**15.45**	14.32	1.17	**541.3**
Nano-X Imaging	NNOX	10.84	1.42	**15.07**	64.00	8.23	**-73.8**
Creative Medical Tech	CELZ	3.90	0.51	**15.04**	30.95	1.32	**-77.2**
RCM Techs	RCMT	9.86	1.28	**14.92**	10.74	3.25	**162.9**
Arena Group Holdings	AREN	10.83	1.40	**14.85**	22.88	6.60	**-45.9**
Vector Group	VGR	12.04	1.44	**13.58**	12.97	8.50	**20.3**

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Motorsport Games	MSGM	1.32	-0.74	**-35.92**	24.19	1.29	**-94.3**
Clarus Therapeutics Hldgs	CRXT	1.49	-0.59	**-28.37**	31.24	0.61	**-85.1**
Sky Harbour Group	SKYH	14.92	-5.79	**-27.96**	43.41	5.25	**49.2**
UiPath	PATH	21.59	-7.45	**-25.65**	90.00	20.53	**...**
Rail Vision	RVSN	3.09	-1.04	**-25.18**	4.13	2.45	**...**
Sharecare Cl A	SHCR	2.47	-0.83	**-25.15**	10.77	2.28	**-75.1**
InflaRx	IFRX	1.83	-0.56	**-23.43**	5.69	1.79	**-54.7**
Oxbridge Re Holdings	OXBR	5.47	-1.48	**-21.29**	7.13	1.83	**107.2**
Hillstream BioPharma	HILS	1.60	-0.43	**-21.18**	4.24	1.15	**...**
Terran Orbital	LLAP	6.88	-1.83	**-21.01**	12.69	6.71	**...**
Genetron Holdings ADR	GTH	2.19	-0.58	**-20.94**	24.35	2.18	**-90.4**
CYREN	CYRN	5.05	-1.31	**-20.60**	19.00	1.98	**-69.9**
Sunlands Technology ADR	STG	4.30	-1.05	**-19.63**	14.38	2.93	**-68.7**
VNET Group ADR	VNET	5.83	-1.29	**-18.12**	34.88	3.51	**-82.6**
Locafy	LCFY	2.34	-0.46	**-16.41**	4.50	2.23	**...**

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Mullen Automotive	MULN	**256,768**	148.5	2.98	**-1.65**	15.90	0.52
Clovis Oncology	CLVS	**210,955**	4198.4	2.02	**22.42**	7.35	1.35
Hycroft Mining Holding	HYMC	**182,837**	347.1	2.30	**-3.77**	4.37	0.28
Advanced Micro Devices	AMD	**146,623**	47.8	109.34	**-8.29**	164.46	72.50
Sundial Growers	SNDL	**139,775**	47.0	0.70	**-2.53**	1.49	0.40
Longeveron	LGVN	**136,101**	12077.5	13.80	**105.36**	45.00	2.84
SPDR S&P 500	SPY	**120,048**	7.4	451.64	**-1.54**	479.98	398.18
Apple	AAPL	**100,276**	7.2	174.61	**-1.78**	182.94	122.25
SOS ADR	SOS	**90,579**	1155.5	0.54	**-27.29**	6.17	0.45
AMC Entertainment Hldgs	AMC	**87,279**	62.0	24.64	**-4.05**	72.62	8.31

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Volume Movers

Ranked by change from 65-day average*

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Longeveron	LGVN	136,101	**12077**	13.80	**105.36**	45.00	2.84
Artemis Strategic Invt	ARTE	3,950	**6170**	9.97	**0.30**	10.17	9.80
Black Spade Acquisition	BSAQ	554	**5230**	9.69	**0.41**	9.98	9.39
Mallard Acquisition Cl A	MACU	643	**3329**	10.08	**-0.05**	10.11	9.81
JPM BetaBld US SC Equity	BBSC	621	**2844**	60.98	**-0.82**	71.57	55.97
DHC Acquisition Cl A	DHCA	2,008	**2821**	9.80	**0.31**	10.63	9.62
StoneBridge Acqn Cl A	APAC	767	**2696**	9.95	**-0.10**	10.00	9.70
Cascadia Acquisition Cl A	CCAI	150	**2612**	9.75	**-0.10**	9.95	9.63
Tuscan Holdings II	THCA	1,369	**2596**	11.26	**8.23**	11.96	9.93
Franklin Liberty Invt Grd	FLCO	1,026	**2590**	23.70	**0.03**	26.63	23.23

* Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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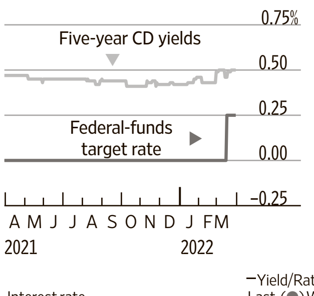
CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

5-year CDs

Bankrate.com avg†:	0.50%
Presidential Bank, FSB	**0.80%**
Bethesda, MD	800-799-1424
State Bank of India California	**0.80%**
Los Angeles, CA	877-707-1995
TAB Bank	**1.26%**
Ogden, UT	800-355-3063
Colorado Federal Savings Bank	**1.60%**
Greenwood Village, CO	877-484-2372
CFG Community Bank	**1.62%**
Baltimore, MD	888-205-8388

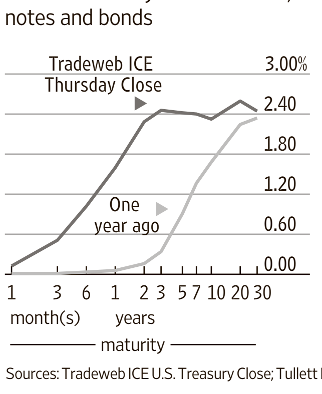
Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**0.25-0.50**	0.25-0.50	0.00	0.50	**-2.00**
Prime rate*	**3.50**	3.50	3.25	3.50	**-2.00**
Libor, 3-month	**0.96**	0.97	0.11	1.01	**-1.64**
Money market, annual yield	**0.07**	0.07	0.07	0.10	**-0.52**
Five-year CD, annual yield	**0.50**	0.49	0.41	0.50	**-1.53**
30-year mortgage, fixed†	**4.94**	4.57	3.00	4.94	**0.84**
15-year mortgage, fixed†	**4.09**	3.82	2.28	4.09	**0.52**
Jumbo mortgages, $647,200-plus†	**4.99**	4.59	3.03	4.99	**0.67**
Five-year adj mortgage (ARM)†	**3.26**	3.18	2.82	3.43	**-1.00**
New-car loan, 48-month	**3.82**	3.82	3.41	4.12	**-0.88**

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

Treasury yield curve

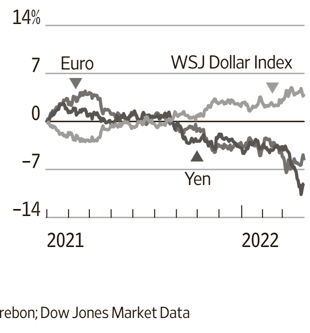
Yield to maturity of current bills, notes and bonds



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Corporate Borrowing Rates and Yields

Bond total return index	Close	Yield (%) Last	Week ago	52-Week High	Low	Total Return (%) 52-wk	3-yr
U.S. Treasury, Bloomberg	2260.570	**2.420**	2.360	2.510	0.780	**–3.672**	1.394
U.S. Treasury Long, Bloomberg	4013.610	**2.550**	2.610	2.690	1.720	**–1.416**	3.259
Aggregate, Bloomberg	2115.330	**2.920**	2.910	3.040	1.340	**–4.154**	1.688
Fixed-Rate MBS, Bloomberg	2092.320	**3.000**	2.990	3.140	1.590	**–4.925**	0.554
High Yield 100, ICE BofA	3328.873	**n.a.**	5.633	6.055	3.162	**–0.497**	3.502
Muni Master, ICE BofA	567.565	**2.330**	2.239	2.431	0.687	**–4.261**	1.520
EMBI Global, J.P. Morgan	n.a.	**n.a.**	6.471	n.a.	n.a.	**n.a.**	n.a.

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

CURRENCIES & COMMODITIES

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Thurs in US$	Thurs per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0090	111.0050	**8.1**
Brazil real	.2109	4.7409	**-14.9**
Canada dollar	.7996	1.2507	**-1.1**
Chile peso	.001271	786.78	**-7.7**
Colombia peso	.000266	3765.84	**-7.4**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0503	19.8682	**-3.1**
Uruguay peso	.02440	40.9850	**-8.3**
Asia-Pacific			
Australian dollar	.7485	1.3360	**-2.9**
China yuan	.1577	6.3400	**-0.3**
Hong Kong dollar	.1277	7.8327	**0.5**
India rupee	.01317	75.921	**1.9**
Indonesia rupiah	.0000696	14369	**0.8**
Japan yen	.008217	121.70	**5.7**
Kazakhstan tenge	.002124	470.86	**8.2**
Macau pataca	.1239	8.0710	**0.4**
Malaysia ringgit	.2378	4.2048	**0.9**
New Zealand dollar	.6934	1.4422	**-1.4**
Pakistan rupee	.00543	184.200	**4.5**
Philippines peso	.0193	51.796	**1.6**
Singapore dollar	.7380	1.3551	**0.5**
South Korea won	.0008231	1214.94	**2.2**
Sri Lanka rupee	.0034014	294.00	**44.9**
Taiwan dollar	.03491	28.644	**3.3**
Thailand baht	.03004	33.290	**0.2**
Vietnam dong	.00004378	22841	**-0.1**
Europe			
Czech Rep. koruna	.04533	22.061	**0.8**
Denmark krone	.1488	6.7214	**2.8**
Euro area euro	1.1067	.9036	**2.8**
Hungary forint	.003012	331.97	**2.2**
Iceland krona	.007794	128.31	**-1.1**
Norway krone	.1137	8.7927	**-0.2**
Poland zloty	.2382	4.1986	**4.2**
Russia ruble	.01223	81.750	**9.3**
Sweden krona	.1064	9.3975	**3.8**
Switzerland franc	1.0840	.9225	**1.1**
Turkey lira	.0681	14.6745	**10.2**
Ukraine hryvnia	.0338	29.5500	**8.0**
UK pound	1.3143	.7609	**2.9**
Middle East/Africa			
Bahrain dinar	2.6518	.3771	**0.04**
Egypt pound	.0547	18.2776	**16.3**
Israel shekel	.3133	3.1920	**2.7**
Kuwait dinar	3.2897	.3040	**0.5**
Oman sul rial	2.5970	.3851	**0.01**
Qatar rial	.2747	3.641	**-0.03**
Saudi Arabia riyal	.2665	3.7518	**-0.1**
South Africa rand	.0685	14.6086	**-8.4**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	91.17	0.30	0.33	**1.80**

Sources: Tullett Prebon, Dow Jones Market Data

Commodities

	Close	Thursday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	**1173.89**	-22.52	**-1.88**	1264.48	795.56	**45.87**	24.06
Refinitiv/CC CRB Index	**295.18**	-6.13	**-2.04**	309.12	184.08	**58.10**	27.03
Crude oil, $ per barrel	**100.28**	-7.54	**-6.99**	123.70	58.65	**63.19**	33.33
Natural gas, $/MMBtu	**5.642**	0.037	**0.66**	6.312	2.456	**113.79**	51.26
Gold, $ per troy oz.	**1949.20**	15.70	**0.81**	2040.10	1721.50	**12.90**	6.66

COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
April	4.7300	4.7470		4.7010	4.7430	0.0035	3,153
May	4.7480	4.7690		4.7050	4.7510	0.0005	116,572
Gold (CMX)-100 troy oz.; $ per troy oz.							
April	1933.50	1949.90		1919.10	1949.20	15.70	25,146
May	1935.40	1951.90		1921.50	1951.10	15.00	5,502
June	1937.30	1955.00		1923.00	1954.00	15.00	473,866
Aug	1942.50	1960.40		1928.60	1959.50	15.40	36,208
Oct	1943.50	1965.10		1935.00	1965.30	15.80	10,722
Dec	1955.30	1973.30		1941.40	1972.50	15.90	22,736
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
April					2255.50	12.50	2
June	2272.00	2293.50		2192.50	2255.60	12.50	6,399
Platinum (NYM)-50 troy oz.; $ per troy oz.							
April	995.40	995.40		980.10	992.50	-4.30	2,438
July	998.60	1000.60		982.10	995.80	-5.40	52,894
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
April	24.875	24.875		24.875	25.121	0.018	861
May	25.035	25.285		24.670	25.133	0.020	105,305
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
May	107.45	107.80		99.66	100.28	-7.54	267,229
June	105.30	105.64		97.88	98.52	-7.16	191,880
July	103.01	103.32		96.19	96.88	-6.44	119,119
Dec	92.43	92.99		88.98	89.60	-3.26	249,822
June'23	85.75	86.95		83.67	84.61	-1.56	113,400
Dec	81.45	83.28		79.80	81.10	-0.64	124,595
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
April	3.7925	3.7990		3.6178	3.6912	-.1173	3,797
May	3.4500	3.4790		3.2865	3.3609	-.0961	57,304
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
April	3.2159	3.2607		3.1700	3.1896	-.1354	3,100
May	3.2793	3.2793		3.1222	3.1509	-.1355	112,942
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
May	5.575	5.832	▲	5.454	5.642	.037	235,066
June	5.631	5.887	▲	5.516	5.701	.043	75,397
July	5.681	5.943	▲	5.570	5.756	.042	101,045
Sept	5.671	5.917	▲	5.556	5.731	.036	76,289
Oct	5.675	5.927	▲	5.564	5.740	.038	79,417
Jan'23	5.984	6.218	▲	5.868	6.044	.052	64,381

Agriculture Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
May	739.25	770.00		732.50	748.75	10.75	476,330
July	720.00	753.00	▲	714.75	733.00	13.00	409,993
Oats (CBT)-5,000 bu.; cents per bu.							
May	728.50	733.25		713.25	727.50	-2.50	1,646
July	685.00	687.25		671.00	684.50	-3.00	554
Soybeans (CBT)-5,000 bu.; cents per bu.							
May	1666.75	1680.00		1613.50	1618.25	-45.75	259,419
July	1645.00	1657.25		1594.25	1598.00	-44.50	184,230
Soybean Meal (CBT)-100 tons; $ per ton.							
May	474.10	478.00		465.10	467.50	-5.60	153,328
July	467.80	471.90		457.50	459.40	-7.50	130,946
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
May	72.41	72.47		69.80	69.94	-2.28	117,210
July	70.68	70.85		68.44	68.64	-2.04	93,588
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
May	15.91	16.18		15.86	16.01	.10	7,515
Sept	16.03	16.07		16.00	16.03	-.01	1,680
Wheat (CBT)-5,000 bu.; cents per bu.							
May	1030.25	1075.00		1003.50	1006.00	-21.25	123,031
July	1033.00	1068.75		1000.00	1002.00	-21.00	103,492
Wheat (KC)-5,000 bu.; cents per bu.							
May	1047.00	1089.25		1028.25	1029.75	-14.75	67,556
July	1047.00	1088.25		1028.25	1029.75	-15.00	59,084
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
March	156.050	156.125		155.825	155.900	-.075	1,680
May	168.650	168.800		165.625	166.550	-2.350	18,078
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
April	140.250	140.375		139.250	139.375	-.800	28,415
June	138.000	138.075		136.950	137.125	-.875	132,377
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
April	105.850	105.850		101.650	101.750	-2.775	18,298
June	127.300	127.325	▲	120.375	120.625	-3.600	90,281
Lumber (CME)-110,000 bd. ft., $ per 1,000 bd. ft.							
May	1012.70	1043.00		945.00	965.30	-36.40	1,580
July	903.60	925.00		835.10	859.60	-30.40	832
Milk (CME)-200,000 lbs., cents per lb.							
April	23.55	23.86		23.30	23.68	.22	4,734
May	23.91	24.50		23.85	24.47	.57	5,190
Cocoa (ICE-US)-10 metric tons; $ per ton.							
May	2,632	2,679		2,613	2,650	-1	64,359
July	2,676	2,712		2,654	2,687	1	60,096
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
May	222.05	227.65		220.15	226.40	4.55	85,304
July	221.90	227.75		220.25	226.45	4.55	58,285
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
May	19.31	19.54		19.24	19.49	.02	279,588
July	19.27	19.40		19.13	19.32	-.04	189,435
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
May					36.76	.01	909
July					36.75	...	1,769
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
May	139.84	140.67		135.36	135.69	-4.15	83,609
July	136.44	137.06		132.39	132.66	-3.87	48,453
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
May	148.45	152.50		148.40	151.95	3.80	10,176
July	147.95	150.35		147.95	150.00	2.65	1,996

Interest Rate Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Ultra Treasury Bonds (CBT) - $100,000; pts 32nds of 100%							
June	176-060	177-190		175-190	177-040	1-02.0	1,285,896
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
June	149-170	150-130		149-100	150-020	20.0	1,108,006
Sept					149-060	19.0	36
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
June	122-225	123-040		122-190	122-280	8.0	3,694,240
Sept					122-230	8.0	112
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March					115-042	4.7	1,444
June	114-195	114-277		114-150	114-220	4.5	3,719,179
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
March					106-182	2.5	20,166
June	105-293	106-002		105-275	105-307	2.6	2,236,301
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
March	99.7975	99.8000		99.7975	99.7975		156,968
April	99.6600	99.6600		99.6575	99.6575		481,015
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
June					91-205	15.5	10,870
Three-Month SOFR (CME)-$1,000,000; 100 - daily avg.							
March	99.5075	99.5125		99.5050	99.5125	.0050	564,611
Dec	97.5850	97.6400		97.5600	97.6000	.0450	528,493
Eurodollar (CME)-$1,000,000; pts of 100%							
April	98.9925	99.0125		98.9900	98.9975	.0075	269,256
June	98.4650	98.5000		98.4500	98.4700	.0050	1,065,832
Dec	97.3200	97.3850		97.2800	97.3400	.0400	1,341,992
Dec'23	96.9450	97.0100		96.9050	96.9700	.0400	1,295,918

Currency Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
April	.8172	.8247		.8169	.8226	.0010	1,559
June	.8221	.8260		.8181	.8238	.0009	233,124
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
April	.7993	.8022		.7979	.8011	-.0003	765
June	.8011	.8021		.7976	.8009	-.0004	145,251
British Pound (CME)-£62,500; $ per £							
April	1.3131	1.3173		1.3106	1.3133	-.0002	1,081
June	1.3132	1.3171		1.3101	1.3131	-.0002	215,957
Swiss Franc (CME)-CHF 125,000; $ per CHF							
June	1.0868	1.0908		1.0832	1.0871	-.0002	42,092
Sept	1.0938	1.0972		1.0899	1.0937	-.0002	175
Australian Dollar (CME)-AUD 100,000; $ per AUD							
April	.7515	.7527		.7473	.7489	-.0020	323
June	.7520	.7535		.7479	.7497	-.0020	141,752
Mexican Peso (CME)-MXN 500,000; $ per MXN							
April	.05008	.05024	▲	.05002	.05023	.00013	50
June	.04967	.04984	▲	.04945	.04973	.00013	162,121
Euro (CME)-€125,000; $ per €							
April	1.1170	1.1190		1.1067	1.1075	-.0093	4,659
June	1.1188	1.1216		1.1090	1.1099	-.0093	648,955

Index Futures

	Open	Contract High	hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
June	35124	35215		34592	34618	-499	65,043
Sept	35085	35177		34569	34585	-498	185
Mini S&P 500 (CME)-$50 x index							
June	4599.00	4614.25		4526.25	4530.75	-65.25	2,111,393
Sept	4603.50	4617.25		4530.25	4533.75	-65.75	8,662
Mini S&P Midcap 400 (CME)-$100 x index							
June	2729.70	2738.90		2685.60	2689.20	-38.50	46,397
Sept					2698.20	-38.00	2
Mini Nasdaq 100 (CME)-$20 x index							
June	15100.50	15180.75		14855.50	14868.75	-202.75	221,694
Sept	15139.00	15212.00		14894.00	14902.75	-203.25	1,514
Mini Russell 2000 (CME)-$50 x index							
June	2089.60	2102.60		2062.80	2066.40	-22.10	482,746
Sept	2092.00	2103.40		2065.10	2068.00	-22.10	193
Mini Russell 1000 (CME)-$50 x index							
June	2530.60	2537.90		2499.30	2500.20	-36.20	12,297
U.S. Dollar Index (ICE-US)-$1,000 x index							
June	97.90	98.44		97.76	98.36	.48	54,961
Sept	97.60	98.18		97.60	98.12	.48	488

Source: FactSet

Cash Prices | wsj.com/market-data/commodities

Thursday, March 31, 2022

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.

	Thursday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	97.300
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	16.750
Metals	
Gold, per troy oz	
Engelhard industrial	1937.00
Handy & Harman base	1942.15
Handy & Harman fabricated	2155.79
LBMA Gold Price AM	*1917.80
LBMA Gold Price PM	*1933.85
Krugerrand,wholesale-e	2029.46
Maple Leaf-e	2048.97
American Eagle-e	2048.97
Mexican peso-e	2360.80
Austria crown-e	1915.76
Austria phil-e	2048.97
Silver, troy oz.	
Engelhard industrial	25.0000
Handy & Harman base	24.9850
Handy & Harman fabricated	31.2310
LBMA spot price	*£18.8400
(U.S.$ equivalent)	*24.7550
Coins,wholesale $1,000 face-a	21008
Other metals	
LBMA Platinum Price PM	*992.0
Platinum,Engelhard industrial	988.0
Palladium,Engelhard industrial	2284.0
Aluminum, LME, $ per metric ton	*3508.0
Copper,Comex spot	4.7430

	Thursday
Iron Ore, 62% Fe CFR China-s	158.3
Shredded Scrap, US Midwest-s,m	n.a.
Steel, HRC USA, FOB Midwest Mill-s	1450
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,k	79550
BMI Lithium Hydroxide, EXW China, =56.5%-v,k	77650
BMI Cobalt sulphate, EXW China, >20.5%-v,m	18881
BMI Nickel Sulphate, EXW China, >22%-v,m	6794
BMI Flake Graphite, FOB China, -100 Mesh, 94-95%-v,m	695
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.8550
Cotton,1 1/16 std lw-mdMphs-u	1.3669
Cotlook 'A' Index-t	*153.55
Hides,hvy native steers piece fob-u	n.a.
Wool,64s,staple,Terr del-u,w	n.a.
Grains and Feeds	
Barley,top-quality Mnpls-u	n.a.
Bran,wheat middlings, KC-u	180
Corn,No. 2 yellow,Cent IL-bp,u	7.2800
Corn gluten feed,Midwest-u,w	222.9
Corn gluten meal,Midwest-u,w	683.1
Cottonseed meal-u,w	355
Hominy feed,Cent IL-u,w	178
Meat-bonemeal,50% pro Mnpls-u,w	388
Oats,No.2 milling,Mnpls-u	7.0050
Rice, Long Grain Milled, No. 2 AR-u,w	29.25
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	510.40
Soybeans,No.1 yllw IL-bp,u	15.5900

	Thursday
Wheat,Spring14%-pro Mnpls-u	12.5675
Wheat,No.2 soft red,St.Louis-u	9.8900
Wheat - Hard - KC (USDA) $ per bu-u	10.2475
Wheat,No.1soft white,Portld,OR-u	10.6250
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	229.88
select 1-3,600-900 lbs.-u	221.37
Broilers, National comp wtd. avg.-u,w	1.5573
Butter,AA Chicago-d	2.7000
Cheddar cheese,bbl,Chicago-d	220.25
Cheddar cheese,blk,Chicago-d	225.00
Milk,Nonfat dry,Chicago lb.-d	184.50
Coffee,Brazilian,Comp-y	2.2051
Coffee,Colombian, NY-y	2.8729
Eggs,large white,Chicago-u	2.4650
Flour,hard winter KC-p	28.95
Hams,17-20 lbs,Mid-US fob-u	n.a.
Hogs,Iowa-So. Minnesota-u	98.44
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	1.1547
Steers,Tex.-Okla. Choice-u	138.00
Steers,feeder,Okla. City-u,w	189.56
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	70.0000
Grease,choice white,Chicago-h	0.7100
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u,w	0.7713
Tallow,bleach;Chicago-h	0.7450
Tallow,edible,Chicago-u	0.8150

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 3/30

Source: Dow Jones Market Data

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Thursday, March 31, 2022

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CnsmrDiscSelSector	XLY	185.00	-1.92	-9.5
CnsStapleSelSector	XLP	75.89	-0.24	-1.6
DimenUSCoreEq2	DFAC	27.58	-1.54	-4.8
EnSelectSectorSPDR	XLE	76.44	-1.36	37.7
FinSelSectorSPDR	XLF	38.32	-2.29	-1.9
HealthCareSelSect	XLV	136.99	-0.98	-2.8
IndSelSectorSPDR	XLI	102.98	-1.54	-2.7
InvscQQQI	QQQ	362.54	-1.24	-8.9
InvscS&P500EW	RSP	157.71	-1.36	-3.1
iShCoreDivGrowth	DGRO	53.41	-1.44	-3.9
iShCoreMSCIEAFE	IEFA	69.51	-1.67	-6.9
iShCoreMSCIEM	IEMG	55.55	-1.51	-7.2
iShCoreMSCITotInt	IXUS	66.58	-1.58	-6.1
iShCoreS&P500	IVV	453.69	-1.54	-4.9
iShCoreS&P MC	IJH	268.34	-1.45	-5.2
iShCoreS&P SC	IJR	107.88	-1.05	-5.8
iShS&PTotlUSStkMkt	ITOT	100.94	-1.49	-5.6
iShCoreTotalUSDBd	IUSB	49.63	0.04	-6.2
iShCoreUSAggBd	AGG	107.10	-0.05	-6.1
iShSelectDividend	DVY	128.13	-1.05	4.5
iShESGAwareUSA	ESGU	101.35	-1.52	-6.1
iShEdgeMSCIMinUSA	USMV	77.57	-0.81	-4.1
iShEdgeMSCIUSAQual	QUAL	134.63	-1.33	-7.5
iShGoldTr	IAU	36.83	0.19	5.8
iShiBoxx$HYCpBd	HYG	82.29	-0.36	-5.4
iShiBoxx$InvGrCpBd	LQD	120.94	-0.23	-8.7
iShJPMUSDEmgBd	EMB	97.76	-0.10	-10.4
iShMBSETF	MBB	101.87	0.10	-5.2
iShMSCI ACWI	ACWI	99.78	-1.61	-5.7
iShMSCI EAFE	EFA	73.60	-1.66	-6.5
iShMSCI EAFE SC	SCZ	66.34	-1.47	-9.2
iShMSCIEmgMarkets	EEM	45.15	-1.51	-7.6

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
iShMSCIEAFEValue	EFV	50.26	-1.53	-0.3
iShNatlMuniBd	MUB	109.64	0.10	-5.7
iSh1-5YIGCorpBd	IGSB	51.72	0.02	-4.0
iShPfd&Incm	PFF	36.42	0.22	-7.6
iShRussell1000Gwth	IWF	277.63	-1.51	-9.1
iShRussell1000Val	IWD	165.98	-1.47	-1.2
iShRussell2000	IWM	205.27	-1.06	-7.7
iShRussell2000Val	IWN	161.40	-1.08	-2.8
iShRussellMid-Cap	IWR	78.04	-1.34	-6.0
iShRussellMCValue	IWS	119.64	-1.26	-2.2
iShRussell1000	IWB	250.07	-1.54	-5.4
iShS&P500Growth	IVW	76.38	-1.71	-8.7
iShS&P500Value	IVE	155.72	-1.35	-0.6
iShShortTreaBd	SHV	110.25	0.01	-0.2
iShTIPSBondETF	TIP	124.57	-0.32	-3.6
iSh1-3YTreasuryBd	SHY	83.35	...	-2.6
iSh7-10YTreasuryBd	IEF	107.47	0.19	-6.5
iSh20+YTreasuryBd	TLT	132.08	0.24	-10.9
iShUSTreasuryBdETF	GOVT	24.91	...	-6.6
JPM UltShtIncm	JPST	50.27	0.04	-0.4
PimcoEnhShMat	MINT	100.16	-0.03	-1.4
ProShUltPrQQQ	TQQQ	58.18	-4.14	-30.0
SPDRBlm1-3MTB	BIL	91.43	...	...
SPDR Gold	GLD	180.65	0.04	5.7
SPDRS&P500Value	SPYV	41.75	-1.35	-0.6
SchwabIntEquity	SCHF	36.72	-1.55	-5.5
SchwabUS BrdMkt	SCHB	53.39	-1.46	-5.5
SchwabUS Div	SCHD	78.89	-1.20	-2.4
SchwabUS LC	SCHX	53.85	-1.54	-5.4
SchwabUS LC Grw	SCHG	74.82	-1.46	-8.6
SchwabUS SC	SCHA	47.36	-1.42	-7.5
Schwab US TIPs	SCHP	60.71	-0.36	-3.5
SPDR DJIA Tr	DIA	346.83	-1.50	-4.5

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
SPDR S&PMdCpTr	MDY	490.45	-1.47	-5.3
SPDR S&P 500	SPY	451.64	-1.54	-4.9
SPDR S&P Div	SDY	128.11	-1.11	-0.8
TechSelectSector	XLK	158.93	-1.48	-8.6
VangdInfoTech	VGT	416.48	-1.41	-9.1
VangdSC Val	VBR	175.94	-1.30	-1.6
VangdExtMkt	VXF	165.66	-1.24	-9.4
VangdSC Grwth	VBK	248.13	-1.22	-11.9
VangdDivApp	VIG	162.16	-1.28	-5.6
VangdFTSEDevMk	VEA	48.03	-1.54	-5.9
VangdFTSE EM	VWO	46.13	-1.62	-6.7
VangdFTSE Europe	VGK	62.28	-1.97	-8.7
VangdFTSEAWxUS	VEU	57.59	-1.56	-6.0
VangdGrowth	VUG	287.60	-1.63	-10.4
VangdHlthCr	VHT	254.38	-1.10	-4.5
VangdHiDiv	VYM	112.25	-1.38	0.1
VangdIntermBd	BIV	81.90	0.13	-6.5
VangdIntrCorpBd	VCIT	86.04	0.02	-7.2
VangdLC	VV	208.49	-1.33	-5.7
VangdMC	VO	237.84	-1.32	-6.6
VangdMC Val	VOE	149.67	-1.27	-0.4
VangdMBS	VMBS	50.10	0.10	-5.2
VangdRealEst	VNQ	108.37	-1.22	-6.6
VangdS&P500ETF	VOO	415.17	-1.54	-4.9
VangdST Bond	BSV	77.90	...	-3.6
VangdSTCpBd	VCSH	78.09	0.01	-3.9
VangdShtTmInfltn	VTIP	51.21	-0.35	-0.4
VangdSC	VB	212.52	-1.40	-6.0
VangdTaxExemptBd	VTEB	51.55	0.06	-6.1
VangdTotalBd	BND	79.54	0.08	-6.1
VangdTotIntlBd	BNDX	52.44	0.65	-4.9
VangdTotIntlStk	VXUS	59.74	-1.60	-6.0
VangdTotalStk	VTI	227.67	-1.51	-5.7
VangdTotlWrld	VT	101.29	-1.51	-5.7
VangdValue	VTV	147.78	-1.46	0.5

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

March 31, 2022

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

	Feb. index level	Chg From (%) Jan. '22	Feb. '21
U.S. consumer price index			
All items	283.716	0.91	7.9
Core	288.059	0.72	6.4

International rates

	Latest	Week ago	52-Week High	52-Week Low
Prime rates				
U.S.	3.50	3.50	3.50	3.25
Canada	2.70	2.70	2.70	2.45
Japan	1.475	1.475	1.475	1.475
Policy Rates				
Euro zone	0.00	0.00	0.00	0.00
Switzerland	0.00	0.00	0.00	0.00
Britain	0.75	0.75	0.75	0.10
Australia	0.10	0.10	0.10	0.10
Overnight repurchase				
U.S.	0.15	0.27	0.30	-0.02

U.S. government rates

	Latest	Week ago	52-Week High	52-Week Low
Discount	0.50	0.50	0.50	0.25
Federal funds				
Effective rate	0.3300	0.3400	0.3400	0.0500
High	0.4000	0.4000	0.4500	0.0700
Low	0.3000	0.3000	0.3000	0.0100
Bid	0.3200	0.3200	0.7000	0.0300
Offer	0.3400	0.3400	0.3800	0.0500
Treasury bill auction				
4 weeks	0.135	0.135	0.195	0.000
13 weeks	0.605	0.480	0.605	0.015
26 weeks	1.050	0.870	1.050	0.030

Secondary market

	Latest	Week ago	52-Week High	52-Week Low
Fannie Mae				
30-year mortgage yields				
30 days	3.995	4.030	4.330	2.216
60 days	4.066	4.100	4.426	2.261

Other short-term rates

	Latest	Week ago	52-Week high	52-Week low
Call money	2.25	2.25	2.25	2.00
Commercial paper (AA financial)				
90 days	n.a.	0.71	1.12	0.04

	Latest	Week ago	52-Week High	52-Week Low
Libor				
One month	0.45200	0.44714	0.46757	0.07263
Three month	0.96157	0.96557	1.00600	0.11413
Six month	1.46986	1.42586	1.49971	0.14663
One year	2.10143	2.05786	2.20300	0.21950
Secured Overnight Financing Rate	0.27	0.27	0.30	0.01

	Latest	Value Traded	52-Week High	52-Week Low
DTCC GCF Repo Index				
Treasury	0.272	29.500	0.295	-0.006
MBS	0.305	17.000	0.311	0.004

Weekly survey

	Latest	Week ago	Year ago
Freddie Mac			
30-year fixed	4.67	4.42	3.18
15-year fixed	3.83	3.63	2.45
Five-year ARM	3.50	3.36	2.84

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 March 17, 2022. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective March 17, 2022. **Secured Overnight Financing Rate** is as of March 30, 2022. **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.

Bonds | wsj.com/market-data/bonds/benchmarks

Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Fixed Income Indices					
2115.33	-5.9	U.S. Aggregate	2.920	1.340	3.040
U.S. Corporate Indexes Bloomberg Fixed Income Indices					
3152.72	-7.7	U.S. Corporate	3.600	1.910	3.760
2914.77	-5.3	Intermediate	3.340	1.260	3.490
4536.48	-11.4	Long term	4.030	2.900	4.290
629.48	-7.9	Double-A-rated	3.120	1.650	3.260
839.74	-7.9	Triple-B-rated	3.870	2.110	4.030
High Yield Bonds ICE BofA					
498.41	-4.5	High Yield Constrained	6.038	3.796	6.447
484.43	-3.8	Triple-C-rated	9.837	6.304	10.490
3328.87	-4.2	High Yield 100	n.a.	3.162	6.055
434.66	-5.5	Global High Yield Constrained	6.205	3.968	6.731
332.16	-4.8	Europe High Yield Constrained	4.346	2.304	4.733
U.S Agency Bloomberg Fixed Income Indices					
1760.29	-4.2	U.S Agency	2.510	0.640	2.580
1543.10	-3.7	10-20 years	2.470	0.520	2.540
3802.79	-9.5	20-plus years	3.030	1.890	3.160
2711.93	-6.1	Yankee	3.320	1.510	3.450

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Mortgage-Backed Bloomberg Fixed Income Indices					
2092.32	-5.0	Mortgage-Backed	3.000	1.590	3.140
2052.13	-4.2	Ginnie Mae (GNMA)	2.990	1.580	3.130
1233.04	-5.1	Fannie mae (FNMA)	3.000	1.580	3.150
1891.62	-5.3	Freddie Mac (FHLMC)	2.990	1.570	3.130
567.57	-5.7	Muni Master	2.330	0.687	2.431
399.08	-6.2	7-12 year	2.327	0.687	2.502
458.45	-6.8	12-22 year	2.598	1.000	2.655
445.62	-8.2	22-plus year	3.100	1.443	3.141
Global Government J.P. Morgan†					
571.43	-4.7	Global Government	1.630	0.720	1.690
795.65	-5.1	Canada	2.360	1.230	2.510
385.02	-5.1	EMU§	1.156	0.163	1.246
719.85	-5.3	France	1.020	0.080	1.110
510.41	-4.9	Germany	0.480	-0.410	0.580
289.73	-1.6	Japan	0.520	0.260	0.600
560.54	-5.9	Netherlands	0.700	-0.290	0.800
960.86	-7.4	U.K.	1.690	0.720	1.790
n.a.	n.a.	Emerging Markets **	n.a.	n.a.	n.a.

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: ICE Data Services; Bloomberg Fixed Income Indices; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Yield (%) Latest	Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
2.250	U.S. 2	2.284 ▼	2.326	1.426	0.158			
1.875	10	2.324 ▼	2.357	1.836	1.749			
2.750	Australia 2	1.806 ▼	1.838	1.104	0.094	-48.0	-47.2	-7.1
1.000	10	2.836 ▲	2.797	2.143	1.799	51.3	44.2	5.4
0.000	France 2	-0.021 ▼	0.049	-0.423	-0.642	-230.7	-226.2	-80.6
0.000	10	0.979 ▼	1.091	0.632	-0.050	-134.5	-126.4	-179.5
0.000	Germany 2	-0.070 ▼	0.011	-0.545	-0.684	-235.7	-229.9	-84.8
0.000	10	0.549 ▼	0.646	0.134	-0.290	-177.5	-170.9	-203.5
0.000	Italy 2	0.302 ▼	0.362	0.012	-0.371	-198.4	-194.9	-53.5
0.950	10	2.044 ▼	2.148	1.756	0.664	-28.0	-20.7	-108.1
0.005	Japan 2	-0.041 ▼	-0.028	-0.029	-0.122	-232.7	-233.8	-28.7
0.100	10	0.216 ▼	0.220	0.185	0.098	-210.8	-213.5	-164.7
0.000	Spain 2	0.205 ▼	0.304	-0.052	-0.494	-208.1	-200.6	-65.8
0.700	10	1.428 ▼	1.565	1.152	0.329	-89.6	-78.9	-141.7
0.125	U.K. 2	1.350 ▼	1.379	1.041	0.108	-93.6	-93.2	-5.6
4.250	10	1.614 ▼	1.667	1.379	0.847	-71.0	-68.7	-89.8

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
Citigroup	C	3.400	3.14	May 1, '26	71	–14	n.a.
Bank of America	BAC	4.000	3.27	Jan. 22, '25	77	–11	88
Mizuho Financial	MIZUHO	3.170	3.42	Sept. 11, '27	100	–11	n.a.
Apollo Global Management	APO	4.000	3.36	May 30, '24	110	–10	n.a.
Philip Morris International	PM	3.250	2.96	Nov. 10, '24	71	–9	n.a.
Altria	MO	5.375	5.07	Jan. 31, '44	243	–8	257
Toyota Motor Credit	TOYOTA	3.000	2.91	April 1, '25	45	–8	57
John Deere Capital	...	2.125	2.73	March 7, '25	23	–7	21

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
Nationwide Building Society	NWIDE	3.900	3.31	July 21, '25	85	23	n.a.
Kraft Heinz Foods	KHC	5.000	4.49	June 4, '42	190	11	198
Morgan Stanley	MS	4.300	3.96	Jan. 27, '45	135	11	139
Marathon Oil	MRO	6.800	4.32	March 15, '32	200	10	198
Vodafone	VOD	5.000	4.22	May 30, '38	162	10	159
Bank of America	BAC	5.875	3.98	Feb. 7, '42	137	9	n.a.
Daimler Finance North America	MBGGR	8.500	3.82	Jan. 18, '31	148	9	n.a.
Bank of Montreal	BMO	2.650	3.35	March 8, '27	93	8	88

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
Lumen Technologies	LUMN	6.875	6.87	Jan. 15, '28	100.000	1.43	98.471
Ford Motor	F	4.750	5.50	Jan. 15, '43	90.750	1.25	87.870
FirstEnergy	FE	7.375	4.33	Nov. 15, '31	123.750	1.25	122.500
Telecom Italia Capital	TITIM	6.375	6.91	Nov. 15, '33	95.750	1.25	92.375
Cleveland–Cliffs	CLF	6.250	6.33	Oct. 1, '40	99.147	0.77	98.084
Xerox	XRXCRP	3.800	3.37	May 15, '24	100.867	0.68	99.531
Navient	NAVI	6.750	5.96	June 15, '26	102.898	0.59	n.a.

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
WeWork	WEWORK	7.875	11.63	May 1, '25	90.500	–1.75	88.250
Rite Aid	RAD	7.700	14.09	Feb. 15, '27	78.000	–1.50	80.250
Nordstrom	JWN	6.950	5.15	March 15, '28	109.125	–1.33	107.375
Transocean	RIG	6.800	11.31	March 15, '38	67.000	–1.16	66.000
Intesa Sanpaolo	ISPIM	5.710	5.00	Jan. 15, '26	102.398	–1.06	102.048
Bath & Body Works	BBWI	6.750	6.50	July 1, '36	102.250	–0.50	101.000
American Airlines	AAL	11.750	6.12	July 15, '25	116.500	–0.49	114.875
Embarq	...	7.995	8.42	June 1, '36	96.546	–0.45	97.375

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.
Note: Data are for the most active issue of bonds with maturities of two years or more

Source: MarketAxess

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.

The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
i-New 52-week high.
↓-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Thursday, March 31, 2022

Dividend Changes

Dividend announcements from March 31.

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Stocks					
New Oriental Edu ADR	EDU		1:10		/Apr08
Foreign					
China Petroleum ADR	SNP	13.3	2.46736	SA	Jun30 /Jun09

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. % CHG-Daily percentage change from the previous trading session.

Thursday, March 31, 2022

Highs

Lows

Mutual Funds

Data provided by LIPPER

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

e-Ex-distribution. f-Previous day's quotation. g-Footnotes x and s apply. j-Footnotes e and s apply. k-Recalculated by Lipper, using updated data. p-Distribution costs apply, 12b-1. r-Redemption charge may apply. s-Stock split or dividend. t-Footnotes p and r apply. v-Footnotes x and e apply. x-Ex-dividend. z-Footnote x, e and s apply. NA-Not available due to incomplete price, performance or cost data. NE-Not released by Lipper; data under review. NN-Fund not tracked. NS-Fund didn't exist at start of period.

Thursday, March 31, 2022

P2JW091000-0-B01200-1--------XA

Yacht Maker Ferretti Falls in Market Debut

By Dave Sebastian And Jing Yang

EDGAR SU/REUTERS

Ferretti is only the second Italian company to list in Hong Kong, after the fashion house Prada in 2011.

Italian yacht maker **Ferretti** SpA made its debut on the Hong Kong stock exchange, after selling $244 million of stock despite a choppy global market for initial public offerings.

IPOs have slowed markedly this year, including in the U.S., with global proceeds falling about 75% compared with a year earlier, according to Dealogic. Rapid inflation, interest-rate rises and Russia's invasion of Ukraine have roiled world markets, while Hong Kong stocks have also been rattled by concerns over regulatory pressure in China and potential U.S. delistings.

Still, shareholders for the Chinese-backed company pushed ahead with the listing so it could "get the resources in order to grow even more and even faster," Alberto Galassi, the company's chief executive officer, said.

Asia's rising importance as a wealth center helped prompt Ferretti, whose biggest superyachts can be more than 300 feet long and cost upward of $33 million, to pick Hong Kong for the listing. "Wealth now in Asia Pacific is higher than Europe," Mr. Galassi said.

The deal was only modestly oversubscribed and cornerstone investors bought 53% of the shares sold. Cornerstones are big institutional investors who often support Hong Kong IPOs by committing to buy stock wherever a deal prices.

Ferretti stock priced at 22.88 Hong Kong dollars a share, the equivalent of $2.92 and near the bottom of its indicative range. Shares closed 0.1% lower at HK$22.85.

Ferretti's majority shareholder is Weichai Group, a machinery maker ultimately controlled by the government of China's Shandong province. Mr. Galassi said Weichai, which bought a controlling stake in the yacht maker in 2012, had influenced Ferretti's choice of listing venue.

The company's financial performance has improved as the pandemic has receded. For the first nine months of last year, Ferretti reported a profit of 32.1 million euros, equivalent to about $36 million, and up more than fivefold from a year earlier. Revenue rose 63% to €693.3 million.

In its prospectus, the company said it wasn't building any yachts for Russian oligarchs, and sales to Russian and Ukrainian customers had accounted for less than 3% of revenue in recent years.

In 2019, Ferretti tried to go public in Milan but eventually scrapped the deal amid market turbulence caused by haggling over Britain's plans to exit from the European Union. Mr. Galassi cited valuation issues and a mainly European pool of investors, with very limited participation from prospective shareholders in the Asia-Pacific region.

Founded in 1968, Ferretti is only the second Italian company to list in Hong Kong, after the fashion house **Prada** SpA in 2011. The Ferrari family holds a minority stake in Ferretti, and Piero Ferrari, vice chairman and minority shareholder in the luxury car maker of the same name, is also vice chairman at Ferretti.

Many Chinese state-owned companies in recent years have acquired assets overseas and have been looking to capitalize on those investments through IPOs, said Corey Zhang, a Hong Kong-based partner at King & Wood Mallesons.

"The Ferretti listing would pave the way for more such deals to happen in Hong Kong," Mr. Zhang said. King & Wood Mallesons advised the banks that handled the deal.

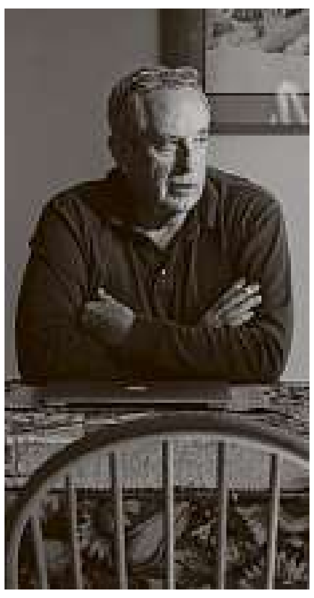
Under Chief Executive Officer Nicolas Aguzin, who took the role last year, Hong Kong Exchanges & Clearing Ltd. has ambitions to attract more listings from companies that aren't based in the city or in mainland China. Shares in nearly 200 international companies are already listed in Hong Kong, Mr. Aguzin said Thursday.

So far this year, Ferretti and other companies have raised a total of about $1.3 billion from Hong Kong IPOs, down from $10.9 billion in the same period last year, according to Dealogic.

The Ferretti deal is one sign the market for IPOs and other share sales could be thawing. Another is the recent $1.1 billion offering of stock by Hong Kong-listed **JD Logistics** Inc. to its parent company JD.com Inc. and outside investors. JD Logistics said the proceeds would fund growth and potential takeovers.

The JD Logistics offering "shows the market deals are still getting done," said Kenneth Ho, head of equity capital markets at Haitong International, which was one of the placing agents for the deal.

Hospital Lands In Bankruptcy



HELYNN OSPINA FOR THE WALL STREET JOURNAL (3)

Hospital supporters: longtime doctor Joe Gallagher; ex-county health official Mimi Hall; S. Martinelli & Co. chairman John Martinelli

Continued from page B1

owned. Many such buyouts are being financed by **Medical Properties Trust** Inc. Even before these deals, called sale-leasebacks, some hospitals in small cities were struggling financially because they often served relatively poor populations.

The deals have made MPT one of the biggest owners of U.S. hospital real estate, with hundreds of properties around the country and more than $20 billion of assets. The Birmingham, Ala., company's strategy attracted many investors, who fueled MPT's growth by buying its stock and bonds.

Investor payouts

The deals at times also have enabled private-equity giants to fund large payouts to their investors by tapping hospitals' real-estate equity. In other situations, the hefty financing that MPT offered drew in lesser-known investors like the group that bought the Watsonville hospital. By acquiring hospitals with MPT's money, some investors have been able to avoid putting up much of their own cash. If the deal goes bad, the losses fall on the hospital and MPT.

In a written response to questions for this article, MPT said its financial support likely prevented the Watsonville hospital from closing at the height of the Covid-19 pandemic. The company said it had committed $25 million of financing to help the hospital through bankruptcy and agreed to cut the hospital's rent by roughly 25% in the proposed deal to sell it to a local nonprofit.

"MPT has taken extraordinary steps to help preserve the Watsonville Community Hospital's ongoing operations and long-term viability as an integral part of the community," it said.

Some former MPT employees familiar with the company's deal making said MPT took significant risks in pursuit of rapid growth in recent years. The Watsonville hospital appeared likely to default on its lease payments from the time MPT acquired it, one of these people said. The hospital lost money before the 2019 deal, and the lease added millions of dollars a year in financial obligations that it would have to pay.

MPT said that its investments are based on extensive underwriting and that its results in recent years demonstrate the success of its strategy.

The expansion push benefited MPT executives, whose compensation in recent years was partly linked to the volume of acquisitions completed by the company and other growth metrics. This has drawn attention from investors, including some who are betting against the company's shares. They believe the incentives could push executives into overly aggressive deal making.

MPT said its compensation plan includes provisions that would reduce executive compensation if deals don't create value on a per-share basis. "MPT does not reward any executive for simply growing the business," it said.

If MPT's hospital investments falter, the Watsonville case shows how governments at times can be forced to step in to provide large sums of money to keep them from closing.

In Watsonville, a small group of local volunteers has been working to drum up support and money in the state Capitol and around the region to save the hospital. "This is the most urgent thing that's facing our region right now," said state Sen. John Laird, a Democrat involved in the effort to save the hospital.

Located just outside of Watsonville's downtown off California's Highway 1, the hospital serves an area of around 140,000 people and offers the only emergency room within a half-hour drive, bankruptcy filings say. It receives more than 20,000 emergency visits annually.

Watsonville is just an hour by car from Palo Alto, but it is far removed from Silicon Valley's tech riches. The overwhelming majority of its population is Latino, and its median household income is estimated at roughly $61,000, about $3,500 less than the national median. Building murals in downtown Watsonville depict its agricultural and Latino heritage.

Many residents work for the berry company **Driscoll's** Inc., which is also headquartered in Watsonville. Driscoll's Chief Executive J. Miles Reiter is among the business leaders supporting the efforts to save the hospital from closure.

Founded in 1895 as a five-room medical center, the Watsonville hospital was a nonprofit for most of its history. The San Francisco earthquake of 1989 severely damaged the hospital, which in turn contributed to financial stresses over the following decade.

In 1998, it was sold to Tennessee-based for-profit hospital operator **Community Health Systems** Inc. Over time, CHS reduced services at the hospital, such as treating cancer.

CHS spun out the Watsonville hospital into a new company called Quorum Health Corp. in 2016. That company struggled with a hefty debt load and eventually went bankrupt.

Amid its financial troubles, Quorum sold the Watsonville hospital's operations to Halsen Healthcare. Halsen was led by a former hospital executive from Orange County named Daniel Brothman, court filings and corporate records show. He had been chief operating officer at a financially challenged hospital company called Integrated Healthcare Holdings Inc.

Alarmed community

When people in Watsonville searched for information about Mr. Brothman, they read about a bitter, decadelong legal dispute between Integrated Healthcare and a doctor who had expressed concerns about the company's finances. That doctor had been arrested when police found a handgun in his car, and he alleged the company was responsible for putting it there. A jury awarded the doctor more than $5 million in damages.

Integrated Healthcare contended at the time that the jury erred in its decision. The damages awarded to the doctor were later upheld by a state appeals court.

Alarmed by the possible acquirer, healthcare workers and others in Watsonville took part in a town-hall meeting to discuss the Halsen sale. "You guys have dug yourself a big hole in this community. People know who you are," a longtime local family doctor named Joe Gallagher recalled telling Mr. Brothman.

Mr. Brothman didn't comment on this. In a text message, he said the Watsonville hospital's troubles were a result of the Covid-19 pandemic that hit a few months after Halsen acquired it.

A local nonprofit called the Community Health Trust of Pajaro Valley tried to block the hospital takeover. But the effort ultimately failed to match the MPT-financed offer by Halsen.

In all, Quorum said it got $46 million for selling the hospital. MPT put up $40 million for the hospital's property and issued Halsen a $15 million loan to fund its operations, according to MPT filings with the Securities and Exchange Commission.

A local family-practice doctor, Christopher O'Grady, recalled that shortly after the deal closed, Mr. Brothman told him of how Halsen had acquired the hospital without spending its own money.

"It sounded like more of a gamble, that they were playing with house money," Dr. O'Grady said. Mr. Brothman didn't comment on this.

MPT said it provided financing to Halsen because it believed the hospital's operations and services could be strengthened under the right management and contribute to the community.

Losses ballooned at the hospital. Operational issues included a faulty billing system that made it difficult to collect revenues, according to a bankruptcy filing.

Things got worse after Covid-19 hit. Six months after Halsen acquired it, MPT said the hospital was in default for failing to pay its rent, a bankruptcy filing shows.

Emergency funding

At the time of its bankruptcy in December, the hospital had lost over $32 million that year, according to a bankruptcy filing. By comparison, Quorum said it lost around $10 million on the hospital in 2019 before selling it.

As losses mounted, MPT sent the hospital millions of dollars of emergency funding, increasing the hospital's obligations to the landlord, bankruptcy filings show. MPT had provided money to its tenants previously after they ran into financial challenges. After the hospital defaulted, MPT exercised its right to remove Halsen, which was replaced with a new operator.

MPT said it provided this money even though it wasn't sure whether it would be repaid because it believed that keeping the hospital open was the "right thing to do for the community."

When it filed for bankruptcy in December, the Watsonville hospital owed MPT more than $40 million, court filings show, in addition to tens of millions of dollars more in lease obligations.

At the time of the bankruptcy, a representative for the hospital said in a court filing that without the company's financial support, it would have been forced to immediately close.

Mimi Hall, a former local health official who opposed Halsen's takeover bid two years earlier, teamed up with local nonprofit groups to try to buy the hospital. "I don't want to see the slow dissolution of our healthcare system here," she said.

In a court filing, Ms. Hall said the "above market" lease payments to MPT were partly the cause of its financial woes. As of October, according to a bankruptcy filing, the hospital was paying MPT $353,000 in monthly rent, and hundreds of thousands more in interest on debts.

MPT said the lease rate was appropriate "given the risk profile of the hospital."

Ms. Hall's group agreed to buy the hospital out of bankruptcy. Under the deal, MPT would cut the lease payments to $250,000 a month.

MPT would lose money but the deal would prevent the hospital from potentially sitting empty. There were no other qualified buyers interested in the property, court records show.

After a rush through the state legislature and the governor's signature, the group created a special structure that would give the hospital a publicly elected board of directors. It would provide local oversight of the hospital for the first time since CHS acquired it in 1998.

$70 million needed

The bigger issue is money. Ms. Hall estimates that they need as much as $70 million to acquire the hospital and provide it with enough financial cushion to turn things around.

Fundraising has been difficult. Companies including Driscoll's have pledged a few million dollars. But much of the cash will have to come from the government.

The cash-strapped county has committed around $5 million. Santa Cruz County Administrative Officer Carlos Palacios said its finances were strained by wildfires in the area in 2020 and spending tied to the pandemic.

It will be up to California's legislature to foot more of the bill. As of late February, Ms. Hall said in a bankruptcy filing, the group anticipated receiving $15 million through state appropriations.

"I'm determined to make this happen," said Mr. Laird, the state senator involved in the effort. Ms. Hall said in the court filing the group is targeting additional money from family offices and philanthropists.

MPT has taken a write-down tied to the hospital lease, but said in a March financial filing it believes its investment in the real estate is "fully recoverable."

If efforts to raise the rest of the money succeed, the deal is expected to close by August. "I don't know if we'll be successful," Ms. Hall said. "I believe we will be. I want to believe we will be."

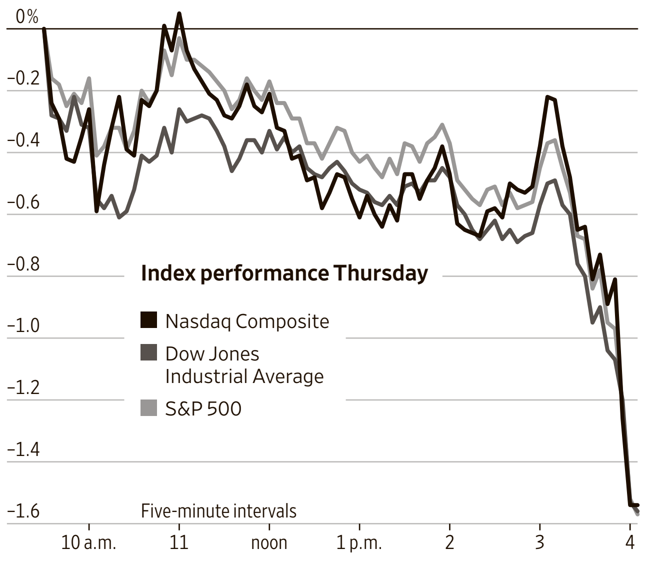
HELYNN OSPINA FOR THE WALL STREET JOURNAL

Watsonville Community Hospital in Watsonville, Calif., has changed hands multiple times.

Stocks Accelerate Losses at End of Day

Oil prices drop as U.S. readies to release reserves from strategic stockpile

By Anna Hirtenstein



Source: FactSet

Stocks and oil prices dropped as President Biden prepares a substantial release of oil reserves to staunch soaring energy prices and inflation.

The S&P 500 fell 72.04 points, or 1.6%, to 4530.41. The Nasdaq Composite Index lost 221.76 points, or 1.5%, to 14220.52. The Dow Jones Industrial Average gave up 550.46 points, or 1.6%, to 34678.35. Losses accelerated late in the trading session and major indexes recorded their worst performance since the first quarter of 2020, at the onset of the pandemic.

THURSDAY'S MARKETS

Mr. Biden is expected to tap up to 180 million barrels of government oil reserves over the next six months to address the rise in energy prices since Russia's invasion of Ukraine, the White House said Thursday.

That would be the largest release from strategic stocks in history, according to RBC Capital Markets.

Global benchmark Brent crude for May delivery retreated 4.9% to $107.91 a barrel.

The U.S. and allies have sought to bring down prices with strategic reserves previously, but effects have typically been short-lived. Members of the International Energy Agency agreed to release 60 million barrels on March 1, but Brent crude rose more than 7% that day.

“This seems more like a concerted, more significant effort, one which might have a bit more weight to it. For markets, this means less inflation and less pressure for central banks to be aggressive with interest-rate hikes,” said James Athey, an investment manager at Abrdn. “It's about relief, potentially taking away a destabilizing element” that is caused by high oil prices.

The yield on the benchmark 10-year Treasury note ticked down to 2.324% but rose for the quarter, recording the biggest gain since March 2021. Yields fall when prices rise.

Government bonds typically underperform in times of high inflation because the value of their fixed cash flows are eroded by rising prices.

The bond selloff stabilized in recent days likely due to timing, according to investors. At the end of the quarter, large asset managers commonly rebalance their portfolios.

A closely watched part of the U.S. yield curve, the difference between the two-year yield and the 10-year yield, narrowed to about 0.02 percentage point Thursday, from around 0.9 percentage point in early January. If it goes negative, the yield curve would be inverted.

“For us, that would be a recessionary indicator, but I don't think it's time yet to panic,” said Arun Sai, a multiasset strategist at Pictet Asset Management. “We're on the verge of a meaningful signal, but equally things can turn around.”

The S&P 500 staged a rebound in recent days, but the broad index declined for the quarter. Shares of technology companies and more speculative bets have risen recently, reversing a trend from earlier in the year.

GameStop said it would seek a stock split, sending its shares up about 16% after hours and continuing a run for the meme stocks. Tesla recently announced a similar move, sending its shares higher by 8% in just one session. The moves highlight a divergence in the market that has formed recently, with some corners of the bond market flashing a warning sign and other areas, like some speculative corners of the equity markets, showing more exuberance.

U.S. consumer spending climbed 0.2% in February, fueled in part by higher prices but coming in below forecasts. Jobless claims, a proxy for layoffs, reached 202,000. That is a moderate increase from the previous week, which hit the lowest level since 1969 but still in line with economists' expectations amid a tight labor market. Traders will be parsing the monthly jobs report on Friday.

Overseas, the pan-continental Stoxx Europe 600 edged down 0.9% and capped off its worst quarter since early 2020.

Early Friday, Japan's Nikkei 225 was down 0.7%, Hong Kong's Hang Seng was down 0.8% and South Korea's Kospi down 0.6%. S&P 500 futures were up 0.4%.

—Gunjan Banerji contributed to this article.

JUSTIN SULLIVAN/GETTY IMAGES

The retailer says it would seek a stock split, sending its shares up about 16% after hours.

AUCTION RESULTS

Here are the results of Thursday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

FOUR-WEEK BILLS

Applications	$111,995,309,400
Accepted bids	$38,644,189,400
" noncompetitively	$581,301,500
" foreign noncompetitively	$0
Auction price (rate)	99.989500 (0.135%)
Coupon equivalent	0.137%
Bids at clearing yield accepted	54.91%
Cusip number	912796U72

The bills, dated April 5, 2022, mature on May 3, 2022.

EIGHT-WEEK BILLS

Applications	$85,630,477,900
Accepted bids	$33,123,052,900
" noncompetitively	$219,431,700
" foreign noncompetitively	$0
Auction price (rate)	99.940889 (0.380%)
Coupon equivalent	0.386%
Bids at clearing yield accepted	10.49%
Cusip number	912796V30

The bills, dated April 5, 2022, mature on May 31, 2022.


TERRY A. RATZLAFF FOR THE WALL STREET JOURNAL

The guidelines are meant to make crypto platforms' accounting consistent. Bitcoin mining computers.

Crypto Exchanges Told to Treat Customer Assets as Liabilities

By Paul Kiernan

WASHINGTON—Cryptocurrency exchanges will soon have to report the digital tokens they hold for customers on their balance sheets, according to Securities and Exchange Commission accounting guidelines released on Thursday.

The guidelines reflect SEC Chairman Gary Gensler's warning that investors who own cryptocurrency through trading platforms like Coinbase Global Inc. are effectively making unsecured loans to those companies.

As part of their business, crypto trading platforms custody, or hold, assets on behalf of their customers. Like publicly traded securities brokerages, they currently disclose the total value of those assets apart from their own balance sheets, which tally up their own assets and liabilities.

The new accounting guidelines instruct publicly traded crypto firms to record the digital tokens they custody for customers as assets and their obligation to the customers as liabilities.

SEC officials said the aim is to introduce consistency to the accounting methods used by such platforms. But the change could also cause the balance sheets of publicly traded crypto exchanges and other SEC-registered entities that custody cryptocurrencies to grow exponentially.

Coinbase, the largest publicly traded crypto exchange, says it held $278 billion of cryptocurrencies and currencies for its customers as of Dec. 31, 2021. But it reported only $21.3 billion of assets and liabilities on its balance sheet.

“We're going to see a very expanded balance sheet on both the debit side and credit side for crypto exchange operators,” said Vivian Fang, associate accounting professor at the University of Minnesota.

The SEC's new guidance for crypto trading platforms contrasts with the approach used by brokerages such as Charles Schwab & Co. Inc. Those firms are allowed to leave the value of client assets off their own balance sheets because of legal precedent that has established that, in the event of bankruptcy, the assets belong to the clients.

The law is less settled in the case of crypto, SEC officials say.

The crypto industry has grown rapidly in recent years thanks to a flood of Wall Street market participation and venture firm funding. But despite the rising popularity of digital tokens, the market remains largely unregulated.

While the technology behind cryptocurrencies enables people to transact directly with each other using digital wallets, most investors access the market through centralized trading platforms like Coinbase, FTX or Kraken.

In such cases, those platforms hold customers' bitcoins or other tokens in their own wallets.

“The obligations associated with these arrangements involve unique risks and uncertainties not present in arrangements to safeguard assets that are not crypto-assets, including technological, legal, and regulatory risks and uncertainties,” SEC staff wrote in a bulletin released Thursday.

“These risks can have a significant impact on the entity's operations and financial condition,” the bulletin states.

—Mark Maurer contributed to this article.

Deutsche Bank Must Face Lawsuits in Ponzi Scheme

By Alexander Saeedy

Judges in New York and Miami ruled that investor lawsuits could advance against Germany's **Deutsche Bank** AG for allegedly ignoring warnings that it was helping finance a real-estate-linked Ponzi scheme.

Cayman Islands liquidators won rulings Tuesday and Wednesday in separate lawsuits in Florida and New York alleging that Deutsche Bank helped facilitate a wide-ranging fraud by Biscayne Capital International LLC, an investment advisory firm.

Miami-based Biscayne told investors it was raising capital through offshore vehicles for real-estate developments in South Florida. In reality, Biscayne's principals used the funding they raised to pay off earlier investors and enrich themselves, according to federal prosecutors. In 2018, the firm collapsed into liquidation, according to Justice Department charges in September against three men associated with the alleged scheme.

Deutsche Bank was sued for $200 million by offshore liquidators for several Biscayne entities and for Madison Asset LLC, a related broker and investment adviser that is in liquidation in the Caymans for the benefit of its investors.

Federal judges said on Wednesday the lawsuits had put forth plausible claims against the investment bank and could proceed, potentially allowing for discovery into its dealings with the alleged fraud.

“We will continue to vigorously defend ourselves against these claims,” a Deutsche Bank spokesman said Thursday.

The liquidators alleged that Deutsche Bank structured accounts for Biscayne to circumvent the bank's due diligence and know-your-customer requirements and facilitated multiple fraudulent swap transactions that helped delay defaults.

Deutsche Bank was sued for $200 million by offshore liquidators.

While Deutsche Bank characterized its actions as ministerial, Judge Beth Bloom of the U.S. District Court in Miami said the lawsuit adequately alleged the bank's employees “affirmatively assisted the Individual Wrongdoers by instructing them on how to circumvent the Know Your Customer monitoring systems.”

In a separate lawsuit, Judge Mary Kay Vyskocil of the U.S. District Court in New York said that Madison's liquidators had made “sufficient factual allegations from which to reasonably infer that Deutsche Bank took at least some positive steps in the carrying on of Madison's alleged fraudulent business.”

Beginning in 2008, Deutsche Bank had started to provide custody banking services to Biscayne, which had $12 million in total assets and was developing multiple large residential developments in South Florida. The company also issued millions in debt to investors through a Cayman Islands-domiciled shell company to help fund its planned luxury retirement communities and timeshare lots.

In 2016, Biscayne settled with the Securities and Exchange Commission, resolving allegations the company failed to disclose to its debt investors that it was funneling cash into insolvent real-estate projects that weren't generating enough cash to pay off the debts it had taken on.

Deutsche Bank closed its accounts associated with Biscayne in 2017, after the SEC order, and the company began to liquidate in 2018.

Federal prosecutors in September unsealed an indictment in federal court against Biscayne's two founders and their partner for conspiring to defraud investors and financial institutions as part of an international fraud scheme.

The parties are engaged in plea negotiations with the federal government and a status conference is set for the beginning of April, court records show.

GameStop Is Latest Company To Seek Approval to Enable Split

By Denny Jacob

Videogame retailer **GameStop** Corp. said it would request shareholder approval at its annual meeting for an increase in the number of shares to enable a stock split.

The company said the request would increase the number of authorized shares of common stock to 1 billion from 300 million. It had 76.34 million shares outstanding as of March 11.

Shares rose 16% in after-hours trading. The stock closed Thursday at $166.58, down 0.2%. Through the close, shares are down about 12% over the last 12 months.

GameStop said it also intends to request stockholder approval for a new incentive plan to support future compensatory equity issuances.

Stock splits are gaining in popularity. Tesla Inc. on Monday said it would seek to split its stock for the second time in two years. Already in 2022, both Google parent Alphabet Inc. and Amazon.com Inc. have unveiled plans for 20-for-1 splits.

Stock splits themselves don't change the value of a company or the worth of shareholders' investments. But investors often interpret such plans as signals of confidence by management, and they snapped up shares of all three companies after the news.

For companies with high stock prices, the move is also a way to make shares more accessible to a wider variety of investors.

In its filing, GameStop said its proxy statement would provide additional details about the request to change the number of shares authorized and the incentive plan.

GameStop, a meme stock, has been volatile in recent weeks. Shares fell over concerns about sales during the holiday quarter and the company's efforts to remain profitable. They later rebounded after its chairman, Ryan Cohen, disclosed his firm bought 100,000 shares.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Oil Release Wasn't Strategic Enough

Piecemeal approach to unleashing reserves might have been a better way of tamping down oil prices

JUSTIN LANE/EPA/SHUTTERSTOCK

Brent crude prices dropped 4.6% to $105.40 a barrel following the announcement from the White House.

With OPEC and its Russia-led allies sticking to their modest oil-production plan, the White House is taking matters into its own hands. This time, it's going big.

On Thursday it said it will announce the release of one million barrels a day (roughly 1% of global demand) from the Strategic Petroleum Reserve over the next six months, or 180 million barrels in total—the largest in its history. The announcement follows a swift meeting Thursday among members of the OPEC+ cartel, which decided not to raise its collective output beyond the planned 432,000-barrel-a-day increase scheduled for May.

The Biden administration's definitive wording leaves much to be desired: It could have said, for example, that it will authorize a release of one million barrels a day over 30 days with an option to repeat that five more times. Given that even the possibility of an SPR release can be enough to calm prices, playing its cards closer to its vest would have left that option open in the future. Flexibility would also seem prudent given that it isn't entirely clear just how much Russian oil supply will be taken off the market and for how long. The International Energy Agency estimated earlier in March that three million barrels a day of Russian oil production could be offline in April. Data compiled by OilX shows that Russian oil production had dropped by a moderate 280,000 barrels a day as of March 27 compared with early March.

Brent crude prices dropped 4.6% to $105.40 a barrel following the announcement from the White House. Experience has shown that such price impacts are short-lived. That was the case following two recent SPR releases: Retail gasoline prices dropped off for a few weeks following the Nov. 19 announcement but climbed steeply thereafter. Following the March 1 announcement, gasoline prices kept climbing, though they did drop off in mid-March following talks between Russia and Ukraine, as well as Covid-19 lockdowns in China.

Taking an additional 180 million barrels out of the SPR, which is already depleted after two recent drawdowns, could leave around 300 million barrels in reserve, according to calculations from RBC Capital Markets. That leaves no effective cushion. Because International Energy Agency member countries are required to hold 90 days of net import cover in reserves, the U.S. must hold 315 million barrels, the RBC report noted. The obvious concern about such a large drawdown is that the market's attention could shift to an impending loss of this shock absorber. As much as the world looks to the Organization of the Petroleum Exporting Countries for additional production, there is only 2 million to 2.5 million barrels a day of additional spare capacity in the group, according to RBC.

Furthermore, a release might do little to alleviate market pressure since the SPR is located in Texas and Louisiana. While crude-oil inventory levels are low across the board, along the Gulf Coast they are still within their five-year range, according to data from the U.S. Energy Information Administration. Shortages exist in places like the Midwest and the East Coast. There are transportation bottlenecks in getting oil from the Gulf Coast to those other hubs. A more effective, if not politically popular, move might have been easing those barriers—such as suspending the Jones Act governing shipping between domestic ports—to make it easier for petroleum products to be transported from one place to another.

Given the uncertainties posed by the Ukraine invasion, the U.S. is playing a weak hand poorly.

—Jinjoo Lee

Inflation Could Get Stickier

Higher gas prices don't always create a sustained rise, but it could this time

Sometimes sharply rising fuel prices don't end up being inflationary. Unfortunately, this may not be one of those times.

The Commerce Department on Thursday reported that consumer prices rose 0.6% in February from January, putting them 6.4% above their year-earlier level. A fair portion of that gain came about as a result of the higher prices Americans were paying at the pump. With regular gasoline averaging $4.22 a gallon in the U.S. in March versus a February average of $3.52, according to the Energy Information Administration, the March inflation figure seems bound to come in even hotter.

Economists and policy makers tend not to focus so much on the overall inflation number, however, but on core prices, which exclude food and energy items. It is a practice that always comes in for a bit of criticism during times like today when prices for gasoline and, to a lesser extent, food, have risen so much—after all, it isn't as if those more expensive trips to the gas station and supermarket don't hurt people. But the point is that fuel and food costs can be really volatile, with big moves higher followed by big declines. Indeed, over the past three decades spikes in fuel costs ended up not having much of an effect on inflation's overall trend.

But even though core prices haven't risen quite as much as overall prices have, Thursday's report showed that they were up 5.4% in February from a year earlier—the most since April 1983. Such an acceleration coming in the context of a jump in fuel costs—in February, 2021, they were only up 1.5% from a year earlier—is something that hasn't occurred since 1980, when oil prices were moving sharply higher in the wake of Iran's 1979 revolution. The time it happened before then was during the oil crisis that began with the 1973 Arab Oil Embargo. In both cases it appears that the rise in fuel prices had a meaningful effect on inflation's trend, pushing the prices for other things higher.

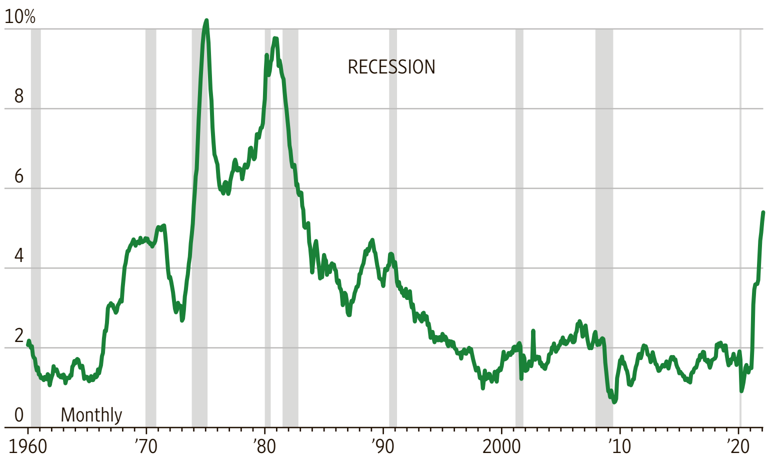
One reason might be that the increases in fuel costs those crises brought about were long-lasting—oil prices were permanently higher following the oil embargo, and after jumping again following Iran's revolution they remained elevated for years. So they had plenty of time to work into prices for other things. Manufacturers and retailers couldn't eat higher production and transportation costs forever, for example. And workers, wanting to get compensated for the extra bite pump prices were taking out of their paychecks, demanded higher wages.

Whether the jump in oil prices following Russia's invasion of Ukraine will be short-lived or not is, of course, unknowable. But that it is happening in the context of prices for other things rising is, in and of itself, worrisome. When gasoline prices surge and prices for other things don't, people grumble, but they might not worry that higher inflation is a permanent state of affairs. When gasoline prices run up along with those of other things, they might start thinking inflation is going to stay high for a while.

That can end up becoming a self-fulfilling prophecy.

—Justin Lahart

Change from a year earlier in consumer prices, excluding food and energy



Note: Seasonally adjusted

Source: Commerce Department via St. Louis Fed

H&M's Latest Look With Weaker Profit Is Hard on Investors

H&M's scanty profit shows the high price of investing for growth. Now, a costlier supply chain, weaker consumer demand and war in Ukraine all threaten returns on that cash.

Shares in the Swedish fast-fashion chain fell 13% in European trading on Thursday after it reported a pretax profit for the three months through February that was less than half what analysts expected. After several years of spending heavily on e-commerce technology to catch up with Zara's Spanish owner **Inditex**, H&M still needs to invest more in its supply chain and sustainability initiatives.

H&M's long supply chains, which allow it to produce in low-cost Asian countries and ship goods to markets across the world, used to give it a competitive edge. But it is becoming less reliable and more expensive to run. Sea-freight contract rates for large shippers are around five times as much today than before the pandemic, according to data provider eeSea. The fashion brand is carrying more inventory than it would like until disruptions ease. H&M's inventory-to-sales ratio was 19% in the quarter, a figure it wants to get down to 12% to 14% longer term.

H&M's operating costs increased almost a fifth, partly due to technology investments that should help to link its website to the brand's physical stores and other initiatives. And to meet its sustainability goals, H&M needs to invest in renewable energy and fabrics that are less harmful to the environment, such as recycled polyester, all of which pushes up production costs.

This would be more manageable if consumer spending were strong. However, after increasing sales 18% year-over-year in the three months through February, growth slowed to 6% in March. This may be an early sign that shoppers are cutting back on fashion purchases as inflation hits disposable incomes.

True, H&M stopped selling its goods in Russia, Belarus and Ukraine because of the war. Russia was one of the company's fastest-growing markets and generated 4% of group sales. But sales slowed markedly in March even stripping out the conflict's impact.

The fashion brand is carrying more inventory than it would like until disruptions ease.

H&M wants to double revenue by 2030, which means growing by 10% to 15% a year. Demand in China still hasn't recovered, a year after Chinese consumers boycotted the Swedish company for committing not to source cotton from Xinjiang. A weakening economy in Europe will make H&M's expansion plans an even trickier fit.

—Carol Ryan

Maybe Homes Can Save the Shopping Mall

Westfield's owner has given investors a preview of what shopping malls might look like in the future—part ad platform, part housing complex. But the makeover plan is just window dressing until it can sell its American properties for funding.

Europe's top listed commercial property company in terms of gross assets, **Unibail Rodamco Westfield**, said at an investor day Wednesday that it will make a bigger push into residential property development and advertising. Unibail's share price is more than one-third below its pre-pandemic level, weaker than its major European and U.S. mall competitors. The stock is also down more than 60% since Unibail's purchase of Westfield in 2018—an expensive deal the mall owner is now trying to reverse through sales of its U.S. properties. Heavy debt, equivalent to 16 times earnings before interest taxes, depreciation and amortization, is the main reason why many investors consider its stock too risky.

Unibail wants to diversify its rental revenue by earning more from advertising and brand launches. The company already made €23 million, equivalent to $26 million, from advertising on the 1,700 digital screens installed throughout its malls in 2021 and wants to double this by 2024.

As regulation makes it harder to track consumers online, Unibail thinks that running ads in its European malls, which have an annual footfall of 550 million, will be appealing to brands. Although a landlord won't have the same quality of customer data as a retailer, Unibail expects revenue from advertising and brand partnerships to reach €200 million by the end of the decade.

Skyrocketing house prices are the bigger opportunity. Institutional investors poured €102.6 billion into multifamily residential property in Europe in 2021, according to CBRE—almost the same amount as was invested in offices.

Unibail owns land in major cities across Europe that can be sold to residential developers. It may also sell stakes in projects to institutional investors or do the construction itself. Unibail has applied for planning permission to build 1,700 homes beside its Westfield mall in London. In all, it has the potential to develop nearly 16,000 residential units across Europe.

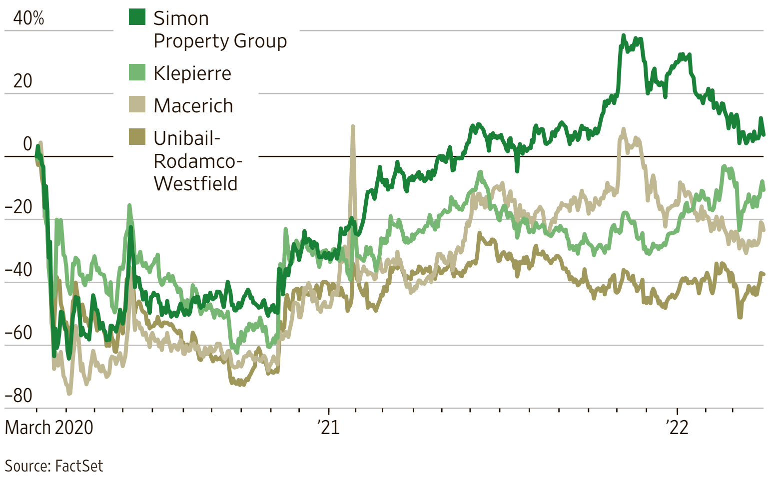
But not much can happen until Unibail cuts its debt, which it hopes to do by selling U.S. malls including the Westfield flagships in New York and San Francisco. The company expects that to happen in 2023, but it is unclear whether serious talks are under way yet. Chief Executive Jean-Marie Tritant did mention that several potential buyers rang when Russia's invasion of Ukraine sent European equities plunging, wondering if Unibail would be forced to sell its U.S. malls on the cheap.

Unibail has enough funding for at least two years, so isn't under pressure to sell yet. But borrowing costs are going up. The mall landlord has raised debt in the bond markets twice since the pandemic began, at a low cost of around 1%. Today, it would probably need to pay 2.5%. High inflation in the U.S., currently running at 7.9%, will make it tougher to sell malls at a good price. Unlike in Continental Europe, U.S. mall leases aren't indexed to inflation.

Unibail could sell its assets for 30% less than their 2021 valuations and still hit its target loan-to-value ratio. Hopefully that kind of discount won't be needed, but only a sale of its U.S. malls can pay for better prospects in Europe.

—Carol Ryan

Share-price performance of major U.S. and European mall REITS since the pandemic



Source: FactSet

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Christopher Walken
A normal childhood led to showbiz. **M14**

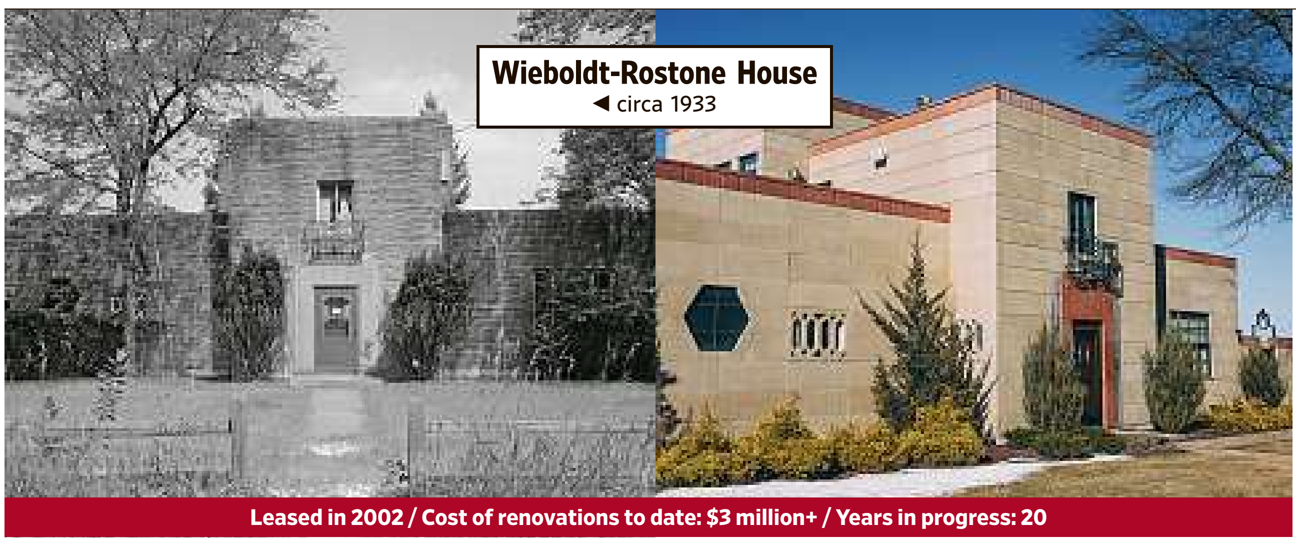
MANSION

HOMES | MARKETS | PEOPLE | REDOS | SALES

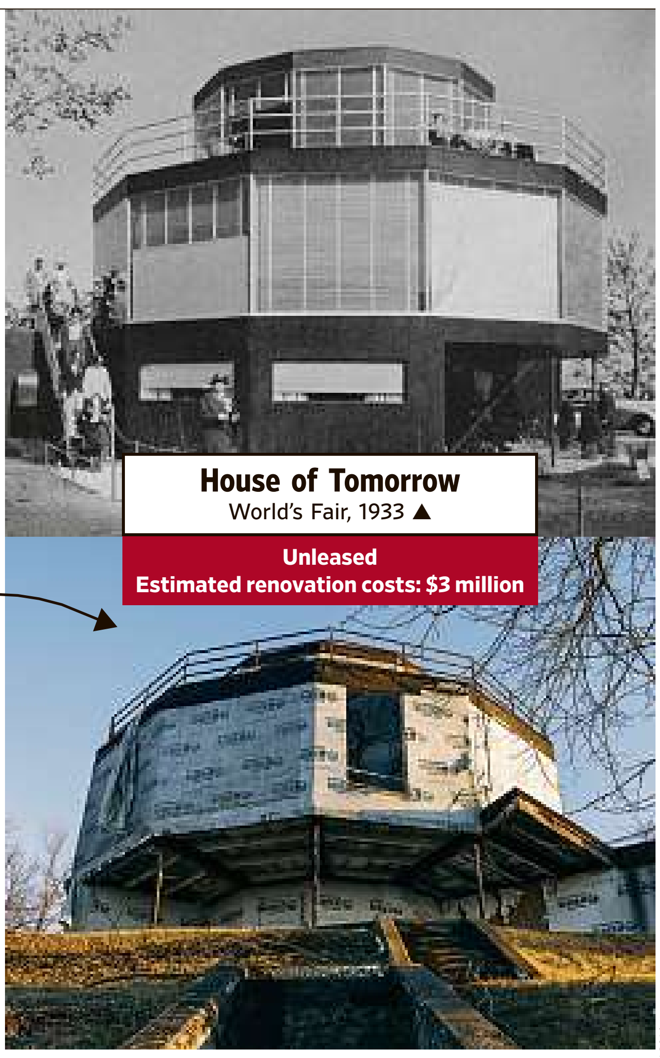
THE WALL STREET JOURNAL.

Friday, April 1, 2022 | **M1**

$49.5 Million
British pop star Robbie Williams buys in L.A. **M3**



Leased in 2002 / Cost of renovations to date: $3 million+ / Years in progress: 20

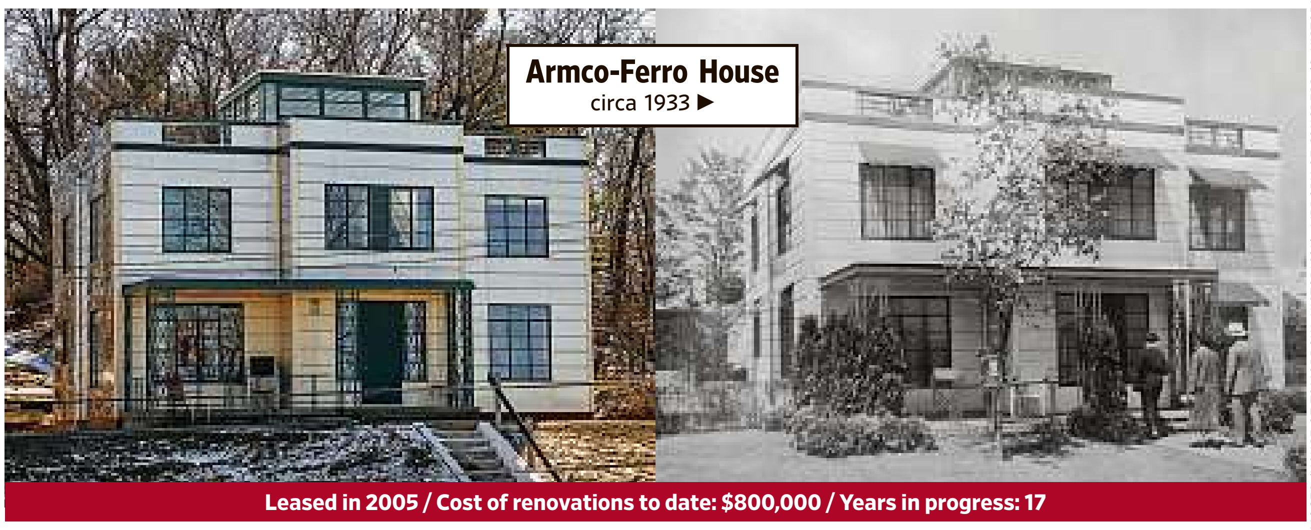


Unleased
Estimated renovation costs: $3 million

Have We Got a Deal for You

Five model homes from the 1933 Chicago World's Fair have been offered for lease. Only the House of Tomorrow is left, for anyone who has $3 million and a deep appreciation for remarkable architecture. Warning: 'It's not for the faint of heart.'

Leased in 2000 / Cost of renovations to date: $3 million / Years in progress: 22



Leased in 2005 / Cost of renovations to date: $800,000 / Years in progress: 17

Leased in 2004 / Cost of renovations to date: $1 million+ / Years in progress: 8

CLAYTON HAUCK FOR THE WALL STREET JOURNAL (5, HOME EXTERIORS); GETTY IMAGES (HOUSE OF TOMORROW, HISTORICAL); LIBRARY OF CONGRESS (4, HISTORICAL)

By Alina Dizik

Visitors to the 1933 World's Fair in Chicago got the opportunity to see, for 10 cents, what was billed as the world's first glass house. The home, designed by architect George Keck, was a showpiece for the Century of Progress futuristic-theme fair. About a dozen other model homes were grouped with it on the grounds.

Once inside the House of Tomorrow, fairgoers marveled at its unobstructed floor-to-ceiling glass walls, its residential dishwasher and its improbable attached hangar for the family plane in addition to a garage.

The historic property, which now has wide views of Lake Michigan in Beverly Shores, Ind., is on the market, of sorts, awaiting what would be the very first people to actually inhabit it.

The house is one of five original houses—the others are named Florida Tropical, Armco-Ferro, Wieboldt-Rostone and the not so futuristic Cypress Log Cabin—from the fair's Homes and Industrial Arts exhibit that were transported in 1935 from Chicago to their current site. Four were put on barges to cross 30 miles of Lake

Please turn to page M8

SIMON BERLYN

The home of Abel Tesfaye, better known as The Weeknd, in the Bel-Air area of Los Angeles.

Home for The Weeknd

The Canadian musician has amassed a real-estate portfolio worth millions, including a $69 million home in Bel-Air

By Libertina Brandt

CANADIAN R&B STAR Abel Tesfaye, better known as The Weeknd, made headlines in August when he bought a nearly $70 million mansion in the Los Angeles neighborhood of Bel-Air. The sale was one of the largest deals in L.A. last year.

The son of Ethiopian immigrants, Mr. Tesfaye grew up on the outskirts of Toronto and didn't finish high school. In the early 2010s, he released of a trilogy of online albums—House of Balloons, Thursday and Echoes of Silence—and

Please turn to page M6

Smooth: Carlos Santana Sells Hawaii Home After Buying a Bigger Property

Musician Carlos Santana has sold a vacation home on the Hawaiian island of Kauai for $11.9 million, several months after upgrading to a larger property nearby.

The famed guitarist, who lives primarily in Las Vegas, listed the house for $12.9 million last year, around the time he paid $20.5 million for a bigger house on the island. Michael Vrionis, Mr. Santana's manager and brother-in-law, said the new property better suited the musician's needs.

Neal Norman of Hawai'i Life had the listing. Roni Marley of Compass represented the buyer, whose identity couldn't be determined.

Mr. Santana paid $8 million for the house in 2020, records show. The roughly 3-acre property is located in a subdivision on Kauai's North Shore, according to listing materials. Mr. Norman said it is perched on a bluff above Anini Beach, which is known for its large barrier reef.

The house measures approximately 4,000 square feet, according to listing materials. There are four bedrooms and around 1,500 square feet of outdoor space, with a pool and a trail to the beach, Mr. Norman said.

Mr. Santana's new vacation home is a few miles away in Princeville, overlooking Hanalei Bay. The house measures approximately 8,200 square feet with an infinity pool, records show.

During Covid, Hawaii's luxury real-estate market skyrocketed. The state saw 64 sales over $10 million during the first nine months of 2021, more than six times the 10 sold during the same period of 2020, according to Hawai'i Life. Multiple deals topped $40 million.

Mr. Norman said he recently sold the house next door to Mr. Santana's former property for $31.5 million. Ms. Marley represented the buyer in that deal. "I don't think the luxury market is slowing down," she said.

—E.B. Solomont

Purchase price in 2020: $8 million

ALBERTO E. RODRIGUEZ/GETTY IMAGES (SANTANA); DAVE TONNES/PANAVIZ (3)

Internet Entrepreneur Flips Montecito Estate

Internet entrepreneur Daniel Starr, founder of the gaming subscription company GameMine, has flipped an estate in Santa Barbara, Calif., for $25 million, nearly twice the $13.25 million he paid for it just over a year ago.

SOLD
$25 MILLION
15,000 sq. ft., 7 bedrooms, pool, sports court

The buyer is a limited liability company associated with real-estate investor Reggie Delponte of Newport Beach, Calif., according to public records. Mr. Delponte declined to comment on the purchase.

Located in the tony Montecito area of Santa Barbara County, the roughly 15,000-square-foot estate was most recently listed for $27.75 million. Sitting on more than 2 acres, the newly renovated home has a classic whitewashed facade, seven bedrooms, a gym, a game room, a wet bar and a 10-seat theater. There is also a separate guest home, two three-car garages, a sports court and a pool, according to the listing with Eric Haskell of The Agency.

Mr. Starr, 41, said he originally eyed the property about a decade ago and went to see it, but walked away when the broker representing the property wouldn't allow him to walk through the house alone, which he said gives him a better feel for a property. When the house reappeared on the market in December 2020, he jumped at the chance to buy it, putting it under contract almost immediately.

Mr. Starr said the estate reminded him of East Coast properties in the Hamptons or Martha's Vineyard. "It feels like a Kennedy compound or something," he said.

He immediately saw opportunities to upgrade the property, he said. On the outside, the home was "a weird shade of blue, the kitchen was turquoise and the floors were a kind of redwood," Mr. Starr said. He transformed the exterior, making it all white, and redid the interior finishes, floors and lighting as well as adding a smart home system.

One of the biggest projects was redoing the landscaping. Mr. Starr brought in close to 90 mature olive trees and tall ficuses, he said, and revamped an area of the property with a creek and hiking trail.

Mr. Starr said he struggled with whether to sell the house, taking it on and off the market starting in September 2021. Eventually, he decided that, while he loved it, it was "too big for a single guy." Mr. Starr said he has been living in the home and will continue to do so for the next few months as part of a sale-leaseback arrangement with the new owner.

Mr. Starr founded GameMine in 2017. Today, he said he is focused more on real estate and on his humanitarian work, which is currently focused on Ukraine.

The Montecito deal is the latest in a string of significant real-estate transactions by Mr. Starr, who has bought and sold homes in West Hollywood, Malibu and Santa Monica in recent years.

—Katherine Clarke

Purchase price in 2020: $13.25 million

BLAKE VARGA

Upper East Side

730 Park Avenue, 10/11C, New York, NY
7 BD 8 BA 3 HB • $35,000,000
This spectacular and sprawling duplex in one of Park Avenue's most coveted pre-war co-ops has been flawlessly renovated.

Joshua Wesoky + Kyle Blackmon
646.798.8898 • jw@compass.com

Upper East Side

823 Park Avenue, PH, New York, NY
4/5 BD 5 BA 1 HB 7,200 SF • $29,950,000
This 12 room penthouse offers an exceptional Californian indoor/outdoor lifestyle with its 3,000 SF terrace.

Maria Manuche
917.328.2338 • mmm@compass.com

Ridgefield

223 Limestone Road, Ridgefield, CT
5 BD 6 BA 3 HB 14,664 SF • $4,500,000
Exceptional 8.5 acre estate with pool and pool house. One hour to NYC. Main suite with access to gym. Sauna, theater, and wine cellar.

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203.856.5534 • karla.murtaugh@compass.com

Ridgefield

417 Ridgebury Road, Ridgefield CT
6 BD 7 BA 3 HB • $4,500,000
Magnificent custom estate in equestrian setting. Pool, pool house, incredible gardens, and outdoor kitchen.

Karla Murtaugh
203.856.5534 • karla.murtaugh@compass.com

Upper West Side

325 West End Avenue, 2C, New York, NY
3 BD, 3 BA • $3,500,000
Fully renovated classic 6 room residence in premier, full service cooperative in prime West Side location.

Maria Manuche
917.328.2338 • mmm@compass.com

Rowayton

6 Logan Place, Norwalk, CT
6 BD 4 BA 2 HB 6,787 SF • $3,495,000
Stunningly renovated antique home in the heart of the Village of Rowayton, 1 block from the water.

Meggan Douglas
203.803.9634 • meg.douglas@compass.com

Financial District

150 Nassau Street, 2A, New York, NY
2 BD 2 BA 1 HB 1,711 SF • $2,590,000
Designer loft with private terrace. Features 13' ceilings, dramatic 11' arched windows and steel frame beams.

Kelly Rogers
646.512.1411 • kelly.rogers@compass.com

West Village

136 Waverly Place, 9A, New York, NY
2 BD 1 BA • $2,199,000
Pre-war gem in the heart of the West Village. Spacious rooms with sunny city views, classic details and elegance.

Mary Barbrack
646.522.3080 • mary.barbrack@compass.com

Astoria

35-20 31st Street, Queens, NY
8 BD 3 BA 1 HB 2,775 SF • $1,599,000
This legal 3 family has balconies, and the duplex has a backyard. Solid cherry wood cabinetry and stainless-steel appliances.

Vasilis Kokoris
347.354.9101 • vasilis@compass.com

Chelsea

231 West 21st Street, 4C, New York, NY
2 BD 1 BA • $1,195,000
Photographed for Dwell Magazine, this truly special pre-war jewel-box 2 BD is bright, charming, and voluminous.

Ian Katz
917.439.8694 • ian.katz@compass.com

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COMPASS

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   Jessica L. Savitsky 917-767-2648
   David Balk 917-842-3040

2. **Live Like Mrs. Maisel with A 21st Century Reno**
   417 Riverside Dr. 4BR. 2 Bath
   $3.2M Web #21663551
   Sharri J. Kane 917-297-4674

3. **Triple Mint 2BR Condo**
   18 West 48th St. 2BR. 2.5 Bath
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   Linda De Luca 212-906-9208
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   404 Park Ave. 3BR. 3.5 Bath
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   15 Central Park W. 2BR. 2 Bath
   $5.695M Web #21498813
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   $2.925M Web #21566544
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British Pop Star Robbie Williams Buys Estate in Los Angeles

SOLD
$49.5 MILLION
8 bedrooms, salon, tennis court, pool and pool house

British pop superstar Robbie Williams has paid $49.5 million for an opulent estate in the tony Holmby Hills area of Los Angeles, according to people familiar with the deal.

The transaction comes on the heels of Mr. Williams selling his previous residence—a mansion in the exclusive Beverly Crest community—to the hip-hop star Drake for about $75 million, according to a person familiar with both deals.

Mr. Williams's new property is known as the Faring Estate. Originally built in the 1930s, the European-style home on roughly 2 acres was largely reconstructed in the early 2000s. It spans about 19,000 square feet with eight bedrooms across a main house and two guesthouses, one of which was designed by noted L.A. architect John Elgin Woolf, according to the listing.

The seller is a trust tied to Lauren King, the wife of the late television syndication magnate Richard King, records show. Neither Ms. King nor Mr. Williams could be reached for comment.

The Faring Estate has been on and off the market for more than a decade and has been listed for as much as about $70 million, according to listings website Zillow.

The main house has a two-story entryway with a spiral staircase, a formal living room and a bar, according to the listing. A wood-paneled great room has an office. There is also a wine cellar, a children's playroom and a salon. The grounds include a tennis court, a saltwater pool and a pool house with a sauna and fitness center. The property was most recently listed by a team that included Linda May and Rick Hilton of Hilton & Hyland, Aaron Kirman of Compass and Rayni and Branden Williams of The Beverly Hills Estates. Mr. Kirman also represented the buyer, according to the local multiple listings service.

—Katherine Clarke

Asking price: $70 million

The property is about 19,000 square feet.

JENS MEYER/ASSOCIATED PRESS (WILLIAMS); MARC ANGELES (4)

INSIDE STORY

A Buyer Who Gets It

A Berkeley homeowner forms a friendship with Charles Debbas, the architect who designed his house

By Erika Mailman

Cost in 2012: $3 million

It was difficult for the contemporary minimalist architect Charles Debbas to sell the Berkeley, Calif., home he designed and built in 2007, where he raised his children. But when potential buyer Anders Fahlander came to see the house, Mr. Debbas could tell that it spoke to him.

"Anders understood the house as soon as he walked in," recalls Mr. Debbas, 61, the Lebanese-American founder of Debbas Architecture and a lecturer at Stanford University. "He didn't ask about square footage or closet size or anything. He asked about the spirit of the house and how I designed it, the materials I used. There's no fluff; it's a very honest house; he saw that."

Mr. Fahlander bought the four-bedroom house in 2012 for roughly $3 million, according to public records, and the two became friends. Now that Mr. Fahlander is selling the Gravatt Drive home after living there for 10 years, Mr. Debbas is hoping he'll also get to meet the next purchaser. The house "has become like one of my limbs," he says.

The three-story modern home, perched on a hillside overlooking San Francisco Bay, is going on the market for $3.65 million with Chris Swim of Compass Real Estate. It spans about 3,100 square feet. "One feature I love is that the ceiling on the main level is slanted upwards," says Mr. Fahlander, 62, an executive coach. "It's almost like a trumpet, if you will, so it becomes a huge window to the whole bay."

The three-story house is perched on a hillside overlooking San Francisco Bay. Each level offers something distinct: The top level has bay views, the bedroom level has treetops, and the lowest level looks onto the garden.

Asking price: $3.65 million

The property has uninterrupted views from the South Bay up to Vallejo, including (on a clear day) the Golden Gate Bridge and four others. On all three levels of the house, says Mr. Swim, a NanaWall system allows walls of glass to be opened to the view.

Mr. Fahlander is moving out of state but says it will be tough to leave, especially because of his friendship with Mr. Debbas, who now lives nearby in North Berkeley. "He would always have a smorgasbord of Lebanese food to give me," says Mr. Fahlander.

Mr. Debbas has spent a lifetime designing homes after having to flee his own.

Mr. Debbas grew up in Lebanon, where he was part of a prominent family. During the Lebanese Civil War, Mr. Debbas—then 14—was shot execution-style with machine guns alongside many others. Mr. Debbas was shot seven times but survived, along with two of his brothers. Their father, standing next to him, was killed.

Mr. Debbas eventually emigrated to the U.S., where he entered the architecture program at the University of California, Berkeley.

"Everything I've lived through has defined me as a human being," Mr. Debbas says. "I chose to channel all of it into architecture."

Mr. Debbas and his wife, Amal Asseily, purchased the lot on Gravatt Drive in 1994 for $168,000. Then he mulled it over for a long time. "I owned it for 14 years before building on it," he says. "I let the design simmer for a while." When he reached a design conclusion, he sketched it quickly on a napkin he still has somewhere. "People think I'm exaggerating, but I'm not; it took less than 10 minutes."

On the exterior, he used resin fiber board, which resembles wood, and cement fiber board to minimize aging and maintenance.

To build on the steep hillside, he stepped the lot down and terraced it. At the lowest level, Mr. Debbas says, birds and deer visit. "The garden is the most intimate part of the house...the shadows, the greens, even when the fog comes in."

The house made a splash, with multipage spreads in *Objekt*, *Gentry*, and *San Francisco* magazines. But the 2008 financial crisis affected his architectural business, and Mr. Debbas put the house on the market.

Celebrities like Stephen Curry and Tyra Banks came to look at the house. Mr. Fahlander, who ultimately gained the house and a friendship, had moved to Berkeley from Lafayette because he wanted to be closer to San Francisco. He says he loved that each of the three floors of the house has a different feeling.

It is a house of such clean lines of vision, so much light flow, he adds, that he couldn't bear to put up any artwork. "The house is the art piece," he says.

CIRCLEVISION (4)

COMPARISON SHOPPING

Aquariums Bring Serenity Home

They can be pricey, but they make a bold design statement

By Lia Picard

Home aquariums are living art, said Golan Binder, founder of Oceans Aquarium Design. "There's something about water and there's something about fish. When it's done correctly, it's definitely awe-inspiring," he said. More than just eye candy, research suggests that aquariums have the added benefit of reducing the observer's blood pressure while boosting mood.

Beyond standard fish tanks, aquariums can be integrated into the home as a design feature that fits nearly any space. Typically, the homeowner has a large wall that they are not sure what to do with, said Mr. Binder, or they want a room divider in an open-concept home.

There are two types of aquariums to choose from: freshwater and saltwater. Most people opt for the latter, said Christopher Stevens, a New York-based interior designer, because of the eye-catching tropical fish. Saltwater tanks are high maintenance, though, and require attention.

When it comes to installing an aquarium at home, a free-standing aquarium (including the surrounding cabinet, tank, insert, and install) starts around $25,000 for a tank that is about 24 cubic feet, said Mr. Stevens. On the high end, Mr. Binder has installed aquariums that cost around $300,000. Fish typically cost around $100 per fish and maintenance costs around $200 per week. Tank habitats range from real coral to minimalist blown glass. "As a designer, I don't really want to see the sunken treasure chest and neon corals. I want to see something that's maybe a little bit more considered," said Mr. Stevens.

While aquariums are a design feature, people grow attached to their fish and the nature in their homes, said Mr. Stevens. "It becomes another part of the family, and then something to fall in love with," he said.

JUPITER, FLA. // $2 MILLION

2,459 sq. ft., 3 bedrooms, 2½ bathrooms

CHATSWORTH, CALIF. // $5.495 MILLION

13,619 sq. ft., 8 bedrooms, 9½ bathrooms

WEST PALM BEACH, FLA. // $5.799 MILLION

3,753 sq. ft., 4 bedrooms, 4½ bathrooms

CALABASAS, CALIF. // $20.5 MILLION

11,488 sq. ft., 6 bedrooms, 10 bathrooms

FROM TOP, CLOCKWISE: CHRISTOPHER PELTON; THE LUXURY LEVEL; ADAM DOOMS MEDIA; HOMETAKES

P2JW091000-0-M00600-1--------XA

Spanning about 33,000 square feet, Mr. Tesfaye's home in Bel-Air has indoor and outdoor pools.

Purchase price: $69 million in 2021

The Weeknd Homes

Continued from page M1

went from folding T-shirts at American Apparel to fame.

In 2013, he released his first studio album, *Kiss Land*, and by 2015, he had become the first artist ever to hold the top three slots on Billboard's Hot R&B Songs chart at the same time, The Wall Street Journal reported. Mr. Tesfaye, 32, has released a total of five studio albums, most recently "Dawn FM," and won three Grammy Awards. His net worth is over $600 million, according to a source with knowledge of his finances.

In the early 2010s Mr. Tesfaye was renting a one-bedroom with his friends; today, his real-estate portfolio ranges from the Bel-Air mansion to a roughly 8,000-square-foot L.A. penthouse. The musician also purchased a roughly $11 million mansion for his mother in 2019, signing the deposit check 'The Weeknd,' according to a listing agent.

Read on for a closer look at the homes Mr. Tesfaye has occupied over the years.

L.A.

Purchase price: $69 million in 2021

Mr. Tesfaye's new home in Bel-Air wasn't for sale.

Real-estate agent Rayni Williams said in August that she had a hunch the 33,000-square-foot home would meet Mr. Tesfaye's expectations, despite the fact that it wasn't on the market. Ms. Williams and Branden Williams, her husband and business partner, work at the Beverly Hills Estates with agent Angel Salvador, who often represents Mr. Tesfaye in his L.A. transactions.

Ms. Williams said they approached the owners, Dutch media entrepreneur Reinout Oerlemans and his wife Danielle Oerlemans, but they were hesitant to sell. However, they came around and sold the house to Mr. Tesfaye in an off-market deal.

The property is nestled near the Bel-Air Country Club off Sunset Boulevard. It spans about 1.6 acres with amenities such as a sports court, spa, hammam, indoor pool, outdoor infinity pool with a waterfall, movie theater, gym and music studio.

The Oerlemans spent about three years renovating the home after they bought it for $21.44 million in 2015, The Wall Street Journal reported.

Mr. Salvador, who represented Mr. Tesfaye in the deal, declined to comment specifically on any of Mr. Tesfaye's purchases or the use of his homes. He did say, however, that the Bel-Air house "is probably one of the most amazing homes I've seen."

L.A.

Purchase price: $21 million in 2019

Listed: $22.5 million in 2022

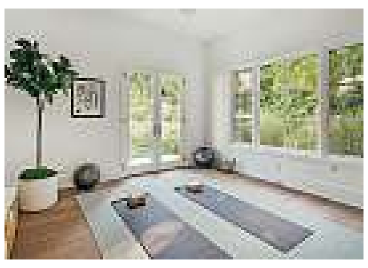
In January, just months after purchasing his $69 million Bel-Air estate, Mr. Tesfaye put his penthouse at the boutique L.A. condominium Beverly West on the market for $22.5 million. He had bought it for $21 million in 2019.

The penthouse spans the 18th floor with roughly 8,000 square feet of interior space and four bedrooms, according to Mr. Salvador, the listing agent. Beverly West is an exclusive building that attracts high-net-worth individuals, he said.

"The building's managers "pride themselves in being very private, very exclusive," Mr. Salvador said.

The building is located next to the Los Angeles Country Club and about 12 miles from Downtown Los Angeles.

Purchase price: $18.2 million



In 2017, Mr. Tesfaye bought a home in Hidden Hills, Calif. The property, which he later sold to Madonna, had a wine room, fitness studio, theater, guesthouse, barn and swimming pool.

Purchase price: $21 million

Beverly West is shown above.

Hidden Hills

Purchase price: $18.2 million in 2017

Sale price: $19.3 million in 2021

In 2017, Mr. Tesfaye bought a roughly 12,600-square-foot home in Hidden Hills, Calif., for $18.2 million. Then in 2020 he put it on the market, selling it to the pop star Madonna for $19.3 million in April 2021. At the time, the roughly 3-acre property had a 7-bedroom main house with a wine room, fitness studio and theater, according to the listing. The property also contained a 2-bedroom guesthouse, basketball court, pool, spa, barn and cabana.

"It was just a hair under 3 acres with a beautiful layout of the land and huge frontage with a long driveway," said Mr. Salvador, who represented Mr. Tesfaye in both the purchase and the sale. The Hidden Hills area, an affluent gated community in the San Fernando Valley, has long attracted celebrities such as Kim Kardashian and Jennifer Lopez.

Homes in Hidden Hills typically trade for several million dollars, Mr. Salvador said. The record in the area is a 2019 sale for $22.2 million, The Wall Street Journal reported.

New York

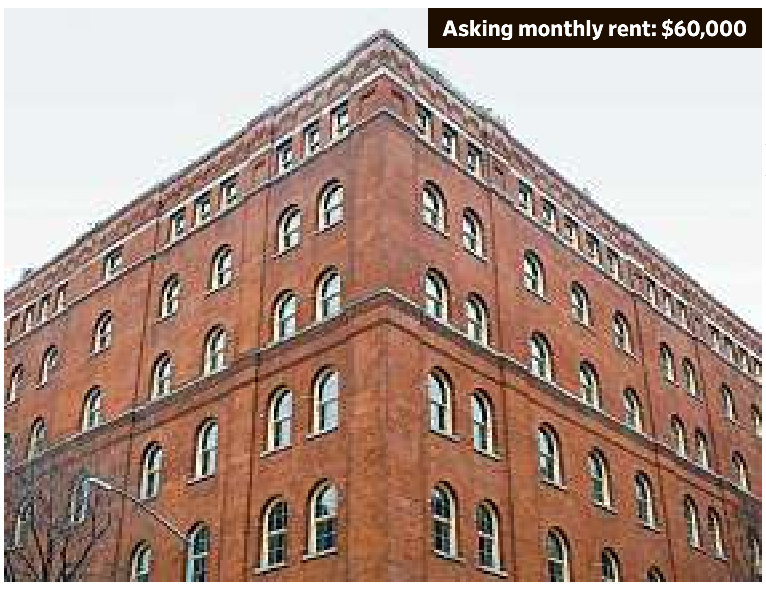
In 2018, Mr. Tesfaye rented a penthouse in the celebrity-filled Tribeca condominium 443 Greenwich Street in Manhattan. While it is unclear how much he paid in rent, the home was listed on the listing website StreetEasy.com for $60,000 a month.

The Weeknd no longer rents the unit, according to a source with knowledge of his holdings. It is currently on the market for sale asking $27.5 million. Listings agents Tal Alexander, Jared Schwadron and Oren Alexander of Douglas Elliman declined to comment.

The roughly 5,000-square-foot home spans three floors with four bedrooms and over 1,000 square feet of outdoor space, according to the listing. Inside, there are double-height ceilings and exposed wooden beams.

The building has attracted celebrities such as Jennifer Lawrence, Mike Myers and Justin Timberlake, who sold his penthouse in the building for $29 million.

Asking monthly rent: $60,000



In 2018, Mr. Tesfaye rented a roughly 5,000-square-foot penthouse in the celebrity-filled Tribeca condominium 443 Greenwich Street in Manhattan.

FROM TOP LEFT, CLOCKWISE: SIMON BERLYN (3); ELLA DEGEA/CBS/GETTY IMAGES; THE AGENCY (7); LANNA APIKUSH FOR THE WALL STREET JOURNAL; EAGLEVIEW

IN THE TRENCHES | AMY GAMERMAN

Agents vs. Dogs: Bad to the Bone

Q **Ever had a bad dog experience at a showing?**

ANGEL NICOLAS
Real-estate adviser, President, the Nicolas Group at Compass, Miami

It was in the middle of Covid, when clients from New York were dying to come here. We would schedule showings for properties that people liked, and by the time they would get here the properties would be gone. So we started doing virtual showings—if they liked the house, we would make an offer with a 10- or 15-day inspection period.

So I'm on my fourth virtual showing of the day at a beautiful waterfront home in Gables by the Sea and the listing agent is, like, 30 minutes late. I literally have these people on FaceTime, so I say, "Let me show you this house from the outside, so when he gets here, we can just see the inside."

There was a side entrance to the backyard, which is all waterfront with a pool. I open the gate as I'm FaceTiming my clients and make a joke: "There should be no one there and hopefully there's no dog."

The backyard was U-shaped, with a set of steps going up to a wooden deck at the far end. When I get to the steps, I see a dog. He's outside on the deck. I'm talking about a real big dog. Have you seen the movie "Sandlot"? Like that dog—a mastiff, like 200 pounds.

I'm kind of walking toward the deck and we literally lock eyes. And in my mind, I'm like, "What do we do now?" The clients also see the dog.

Those two seconds felt like 20 minutes. I took a step back. As soon as I took the step, the dog started to move. Then he was springing toward me, and I'm running. As soon as I started sprinting, I didn't look back. I ran around the pool toward the gate. I didn't have time to pull it open so I decided, "I'm gonna jump." It was a pretty high gate—it must have been 6 feet. I don't know how I jumped the fence so fast with a phone in my hand, but when you have a 200-pound dog running after you…

After that it was another 15 minutes before the listing agent showed up. It turned out that this dog, who had just scared the life out of me, is the sweetest dog in the world. The cleaning lady happened to be in the house. She and the listing agent are laughing their asses off, telling me, "This dog will never attack anyone!" Meanwhile, the clients are saying, "Oh my goodness! How did you jump over that fence so fast?"

They didn't buy that specific house, but they ended up buying another one I showed them, so it all worked out.

VERONICA MANNARINO
Real-estate agent, Douglas Elliman Real Estate, Smithtown, N.Y.

These homeowners just loved their Great Dane. He was like their child. They thought nothing of having people come to see the house and letting their gigantic dog stay. I did explain, over and over, "I know this is your baby, and he's precious, he is! But a big, big dog like this… many people are going to be intimidated."

But these people didn't get it: "Oh, he's fine! He loves people!"

I was trying so hard to be diplomatic and not hurt their feelings, but I'm thinking, "Get your dog out of the house!" And I always had to make sure they had cleaned up the backyard.

Whenever I was there, the dog would jump up on me. I'd be sitting at the table and he'd be right next to me, paws on the arm of the chair, looking at me eye-to-eye. If I went upstairs, he would wait at the bottom of the staircase and his eyes didn't come off me. It was so hard to concentrate.

> 'It wasn't until after he bit me that the owners took him out during showings.'

It wasn't until after he bit me that the owners took him out during showings. We were walking through the house, going room to room, and the big guy was by my side the whole time.

I guess at one moment he wanted to give me a friendly warning, because I felt a little chomp. It might have been a love bite. It didn't break the skin, but he was letting me know who was in control here, and it wasn't me.

I said, "Oh! He just bit me! He just bit my butt!" The owners didn't make a big thing about it. They didn't reprimand him—nothing. But they did take him out during the open house.

A. RICHARD ALLEN (2)

—Edited from interviews

P2JW091000-0-M00800-1--------XA

Have We Got a Deal

Ross Gambril, 72, restored a 22-room, 7,000-square-foot Art Deco home.

A vintage Magic Chef stove, above, in Mr. Gambril's home is the same model featured at the 1933 World's Fair.

The bedroom, above, and dining area, below, of the original three-story, 12-sided House of Tomorrow, exhibited in 1933.

CLAYTON HAUCK FOR THE WALL STREET JOURNAL (7); CHICAGO HISTORY MUSEUM, HEDRICH-BLESSING COLLECTION (DINING AREA); RAYMOND W.TROWBRIDGE/CHICAGO HISTORY MUSEUM (BEDROOM)

Continued from page M1

Michigan and then reconstructed in what is now within the boundaries of the 15,000-acre Indiana Dunes National Park. The Cypress Log Cabin was dismantled and arrived by truck. A handful of other home shipped with them. All were privately owned for a time, then sat empty for years; some were torn down.

Indiana Landmarks, a nonprofit that restores historic buildings, is seeking a tenant willing to take on the estimated $3 million, two-year renovation needed to make the house livable. In return, the person would secure a 50-year lease. The glass house is the last of the group available for lease. The other four homes were leased and renovated over the past 20 or so years.

"It takes the right mix of passion and desire to save a piece of architecture like this," says Todd Zeiger, director of the northern regional office at Indiana Landmarks, who has been involved with the leasing project since 1998. "It's not for the faint of heart."

The five homes are a draw for tourists, and many stop their cars to snap photos. The area—overlooking Lake Michigan's southernmost tip, less than an hour from Chicago—has become increasingly popular over the years as a destination for day-trippers and weekend visitors, and, during the pandemic, as a place to buy a second home. The average sales price in Beverly Shores for homes sold in the past six months was $731,980, according to data from Redfin.

The House of Tomorrow was under lease at one point, but the tenant didn't complete the agreed-upon repairs, says Mr. Zeiger. For now, a new roof and boards help protect the home.

Because of the structure's historic significance, the new tenant must work from an approved set of architectural plans reimagining the 1930s home as a modern residence. That means two first-floor bedrooms with lakefront views and a bathroom replacing the garage and lounge area. The second floor will remain a dodecagon (12-sided), with two additional bedrooms, a bathroom, living space and an outdoor terrace.

The structure is supported entirely by a steel core without any columns, offering unobstructed views in every direction. The third floor is a 360-degree observation deck that has sweeping lakefront views.

"The home really introduced innovative ideas that we now take for granted," says Edward Torrez, speaking about the home's light-filled rooms and how the design allows for indoor-outdoor living. Mr. Torrez is a Chicago architect specializing in historic preservation who has worked on the project on and off since 2008.

The architectural plans will make the home more practical. Upgraded triple-glaze glass panes maintain the original look without sacrificing energy efficiency. In the past, portions of the home needed to be roped off because of the extreme heat of coming from the original glass. A newly designed elevator will move between the two floors.

"In many ways the house was so innovative that it didn't work really well," says Charles Hasbrouck, director of Chicago-based bKL Architecture and the project's lead architect. "It was experimental then, but it will be functional today."

One perk: neighbors who can commiserate on the renovation project—and the spotty cellphone service, says Ross Gambril, 72 years old, who considers his 22-room, 7,000-square-foot Art Deco home "substantially complete" this year.

"I can't even explain the mental and emotional satisfaction that finishing this house gave me. It also proved that I'm certifiably crazy," he says.

Mr. Gambril signed the lease for the Wieboldt-Rostone house in 2002, meaning he has spent nearly 20 years and more than $3 million on the renovation. As a former ironworker—who later owned a hotel in Chicago and is now mostly retired—he was especially drawn to the home because it is entirely supported by steel.

Mr. Gambril spent 18 months refurbishing the original doors. He also used 55 gallons of bleach to scrub the lower level and installed spray-foam installation to help the home withstand cold winters. It took three years just to restore the quarter sawn-oak and walnut parquet floors to match the original design.

"This [house] took absolutely everything I ever knew," says Mr. Gambril, who plans to relocate to Florida in colder months.

He still has a running to-do list of small changes, including reconstructing mantels for the four fireplaces, replacing wall-mounted power switches and fixing window seals. But he also makes time to host his neighbors, who have gone through their own restoration, at his home's lakefront cabana bar. "You want to know who I am or what I am, this house says it all," he says.

His neighbors, Bill Beatty and Lisa Kmak Beatty, are still restoring the flamingo-pink Florida Tropical House they leased from the Indiana Landmarks in 2000.

Their home now has four bedrooms instead of two and terraces overlooking the lake. Mr. Beatty, 84, remembers hearing a television broadcast advertising a "free house" and visited the Modernist home with his first wife. "I thought it was a dump, but Marcy had a vision for it," he says.

To date, the couple has restored the exterior and repainted it with its signature pink. They renovated the interior, including the floors and kitchen, and kept the original bathroom, which has emerald-green walls and a pink sink. To restore the interior's centerpiece, an original aluminum

Florida Tropical House

Bill Beatty, 84, and Lisa Kmak Beatty, 60, restored their flamingo-pink home to have four bedrooms instead of two, with terraces overlooking the lake.

staircase, "took hours of rubbing," said Ms. Kmak Beatty, 60, an attorney.

Mr. Beatty, whose first wife died during the renovation, said he has recently had to invest hundreds of thousands of dollars in a protective sea wall to prevent beach erosion. In total, the bill is close to $3 million. "Every time we opened it or investigated, it was Heartbreak Hotel; it was never ending," he says.

Today, the two use the home on weekends and have gotten used to the admiring stares from passersby leaving their cars to take photos. A recent fundraiser for a nearby student robotics team, attended by more than 100 people, was a success. "It's probably the most rewarding thing we've ever done," says Mr. Beatty, whose primary home is nearby in Munster, Ind.

A fourth home, the Armco-Ferro, is constructed from steel panels without a traditional frame. The biggest challenge was replicating and replacing the exterior steel panels of the two-story, four-bedroom American Foursquare-style home, says Char Lichtenfeld, 71, who leased the home with her husband, Christoph Lichtenfeld, 79, a retired manufacturing engineer, in 2005. The home still has the original kitchen with metal cabinets, a porch and steel-frame casement windows. Renovations to date total $800,000.

The Lichtenfelds are still working on the home, including modifying the original windows to avoid leaks. The couple spends half of the year in St. Petersburg, Fla. "We enjoy the house when we're not working on it," says Ms. Lichtenfeld, a retired physical therapist. They say there are some disagreements with the nonprofit over interpretation of the original plans, such as a garage that is now subject to rent.

After leasing the Cypress Log Cabin in 2004, Jamie, 65, and Flint Alm, 67, spent more than four years creating a foundation for the home before moving in full-time. The structures were "basically falling apart" and required extensive repairs. "These buildings were built for a year and meant to be torn down," says Mr. Alm who recalls walking into cabin to see raccoons, mice and squirrels, and dead insects underfoot.

The Alms, who own a plumbing business, built a walkway from the original main cabin with one bedroom, one bathroom and a fireplace to another structure, a former shophouse, that sat on the side of the original property during the world's fair. Together the combined home has three bedrooms and four bathrooms. It took eight years and more than $1 million to complete the renovation, roughly $750,000 more than what Mr. Alm had estimated. It feels like a retreat. "There's great solitude when you're out there in the park," he says.

Leases for the homes have the potential to get extended, and all of the current tenants have just re-signed. At some point, it will be up to future generations to continue the project, says Mr. Gambril. "I have this covered until my granddaughter is 69½ years old," he says. "After that she's on her own!"

Cypress Log Cabin

Jamie Alm, 65, and Flint Alm, 67, connected the original main cabin with one bedroom, one bathroom and a fireplace to the structure that sat alongside the original home at the world's fair. The house now has three bedrooms and four bathrooms.

CLAYTON HAUCK FOR THE WALL STREET JOURNAL (9)

A Miami Mansion Ups Its Price

In a hot Miami market, a waterfront home in the city's Coconut Grove neighborhood has relisted for $20 million more than its original asking price.

The roughly 10,300-square-foot home on Biscayne Bay is asking $48 million, after first hitting the market for $28 million in 2017, according to listing agent Elena Bluntzer of ONE Sotheby's International Realty. The eight-bedroom home was on and off the market for several years, and was last listed for $18.745 million in 2019, according to Zillow.

The seller is Ernst Swietelsky, the founder of Pots Company Importer, a wholesaler that imports decorative accessories for flowers and plants, Ms. Bluntzer said. He didn't respond to a request for comment.

Mr. Swietelsky bought the land in 1997 for roughly $880,000, according to public records. He spent about $9 million building the home, completing it in 2004 and expanding it in 2012, Ms. Bluntzer said. The property is his primary residence, she said.

The price increase is warranted in part because Mr. Swietelsky renovated it last year, Ms. Bluntzer said, with updates including the kitchen and light fixtures. The home didn't sell initially, she said, because Mr. Swietelsky was back and forth about selling before his two children were out of high school. Ultimately, he decided to wait. The property is now returning to market because his youngest child is graduating high school, she said.

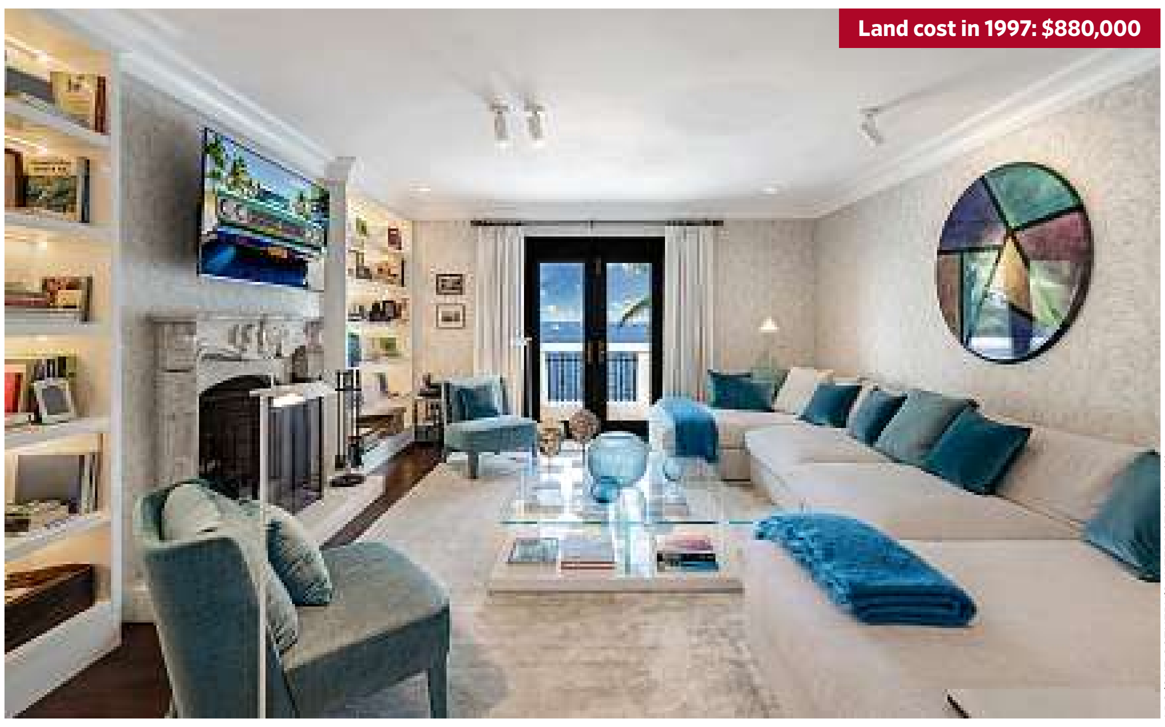
Sitting on just over half an acre with about 300 feet of bay frontage, the property is located in the gated community of Camp Biscayne, about 6 miles from downtown Miami. The three-story house has an elevator and ceiling heights that range from approximately 10 feet to 30 feet. Outside, the property has a pebble-stone pool and a roughly 40-foot boat dock with a boat lift. A new sea wall was installed a few years ago, Ms. Bluntzer said.

The home received an offer of $42 million a few weeks ago, before it was officially on the market, Ms. Bluntzer said, but Mr. Swietelsky turned it down.

Since 2019, "the market in South Florida has taken off tremendously," she said. In Miami-Dade County, the number of sales of $5 million and above increased 360% from January to December 2021, compared with the same period of 2019, according to data from ONE Sotheby's International Realty.

—Libertina Brandt

FOR SALE
$48 MILLION
8 bedrooms, 10,300 sq. ft., pool, dock



Land cost in 1997: $880,000

LPG/ONE SOTHEBY'S INTERNATIONAL (2)

Billionaire Alec Gores sells his Los Angeles home for $70 million **M12**

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1365 Linden Avenue
3 BR | 2 FBA, 1 HBA | 3,209 Sq Ft | .51 Acres
Teresa Dennison 443.223.1364

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5 BR | 3 FBA, 1 HBA | 2,133 Sq Ft | Built 1931
Jane Fairweather 240.223.4663

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Susan Verner 240.381.8853

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5 BR | 4 FBA, 1 HBA | 5,560 Sq Ft
Kornelia Stuphan 202.669.5555

WASHINGTON, D.C. | $1,400,000
1882 Columbia Road NW, UNIT 402
3 BR | 2 FBA, 1 HBA | 1,707 Sq Ft | Built 1911
Ira Hersh 202.302.1213

WASHINGTON, D.C. | $1,099,000
3721 New Hampshire Avenue NW, Unit 2
3 BR | 3 FBA | 2,107 Sq Ft | Private roof top deck
Roby Thompson 540.429.9920

LONGPORT, NJ | $3,695,000
2707 Atlantic Ave
5 BR | 5 FBA, 1 HBA | New Construction
Jerome DiPentino 609.432.5588

BETHANY BEACH, DE | $1,589,000
498 Hudson Avenue
4 BR | 3 FBA | 2,500 Sq Ft | Curlew Pines
Michele Petrillo 301.518.2130

BLUE BELL, PA | $3,150,000
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5 BR | 5 FBA, 2 HBA | 7,294 Sq Ft | 2.1 Acres
Karen Horn 215.669.4295

MALVERN, PA | $2,500,000
21 Rabbit Run
5 BR | 5 FBA, 1 HBA | 9,532 Sq Ft | 4 Acres
Maureen Greim 484.433.9611

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Billionaire Alec Gores Sells L.A. Home

Asking price in 2018: $95 million

SOLD
$70 MILLION
40,000 sq. ft., 11 bedrooms, wine cellar, gym, home office

EAGLEVIEW; JENNELLE FONG FOR THE WALL STREET JOURNAL (GORES)

Billionaire businessman Alec Gores has sold his house in the exclusive Los Angeles enclave of Beverly Park Circle for $70 million, according to public records and people familiar with the deal.

The buyer is Titan Golden Capital, an Irvine, Calif.-based limited liability company tied to Chi Fai Ben Wong and Hao Tang, records show. Neither Titan Golden Capital nor Mr. Gores could be reached for comment.

The home wasn't officially on the market, although in 2018 the real-estate brokerage the Agency said in an Instagram post that it was offering the property for $95 million. According to a website used to market the home, the roughly 40,000-square-foot, French Normandy-style estate was designed by architect Richard Landry and has 11 bedrooms. Set on more than 2 acres, the gated property includes a cobblestone drive leading to a motor court studded with olive trees and surrounded by manicured rose gardens.

The living room features an antique limestone fireplace, according to the website. A wood-paneled library has hand-painted ceilings and french doors leading to a garden terrace. In the formal dining room, there are hand-laid French oak herringbone floors. The property also has a wine cellar, a gym and a home office.

The listing agents included Jade Mills of Coldwell Banker Realty as well as Samira Gores, Christine Martin and Tiffany Martin of the Agency.

Mr. Gores, brother of Detroit Pistons owner Tom Gores, has made billions in the private-equity industry, with deals involving companies like the Twinkie maker Hostess Brands, The Wall Street Journal has reported.

Through his company, Gores Group, he has been a significant force in popularizing SPACs, or special-purpose acquisition companies, beginning in the mid-2010s.

Beverly Park, a gated community, has long been one of the L.A. area's most sought-after areas, drawing celebrities like Denzel Washington and Sylvester Stallone.

—Katherine Clarke

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HOUSE CALL | CHRISTOPHER WALKEN

A Sweet Childhood Behind The Strange Characters

The 'Outlaws' and 'Severance' actor on his showbiz mother, delivering wedding cakes for his father and the arrival of TV

Christopher Walken in Paris in 2019, left, and, above, in a still from TV's 'Colgate Comedy Hour' in 1953.

FROM LEFT: STEPHANE DE SAKUTIN/AFP/GETTY IMAGES; CONSTANCE BANNISTER CORP/GETTY IMAGES

Over the course of my movie career, I've been cast to play many strange characters. The trend started with "Annie Hall" in 1977, and somehow playing that type of personality stuck.

But in "Annie Hall," my role as Diane Keaton's suicidal brother, Duane, sitting in his room in the dark, had no connection to my childhood. Nothing terrible happened to me growing up, thank goodness. That was just acting, and I started very young.

The area where I grew up in Astoria, Queens, was peaceful and family-oriented. Many of the people who lived there spoke their home-country language first and English as a second language.

At our family bakery, Walken's, everyone who worked in the front and back spoke German. The owners of the grocery and butcher shop down the block spoke Italian. It was like growing up in Europe.

We lived in a small ground-floor apartment. I shared a bedroom with my younger brother, Glenn. My older brother, Ken, had his own room.

My mother and father came to America at about the same time in the 1930s. My mother, Rosalie, was from Scotland and my father, Paul, was from Germany. They both were adults when they got here, and both had escaped hard times.

My father's father was a baker, and his brothers were bakers. By the time he left Germany, he was a baker, too. In New York, he worked for a baker before opening Walken's.

My mother was a homemaker who was smitten with show business. She was passionate about the movies and the theater, especially musicals. She asked people to call her Roz, after actress Rosalind Russell. My real name is Ronald. I was named after actor Ronald Colman.

My father worked hard and was a quiet man. My mother had the big personality. When I was 5, she had me take dance lessons until age 8, when I started dance school in Astoria. In those days, that's where families sent kids. It wasn't a showbiz thing. Boys went for tap and girls went for ballet.

Both of my parents loved the movies. We'd get on the subway and arrive in Times Square in 15 minutes. Sitting in the dark and watching actors who were larger than life, my imagination grew. I wanted to do what they did.

I wasn't especially sensitive as a kid. Actually, I was kind of wild and noisy and would run around a lot while people told me to sit down and shut up.

My first part came at age 5, as an extra in a local amateur production of the play "Madame Butterfly." When television arrived at the start of the 1950s, the networks needed programming. Lots of radio shows were adapted for TV, and the many family-oriented shows were constantly in need of kids for parts. You didn't necessarily have to be a child actor. If you could sing and dance a little and say a line or two, you were in. Auditions took place all the time.

My mother belonged to something called the Stage Mothers Society. She also read the Ross Report and Variety where auditions were listed.

My mother didn't push me or my brothers into acting. She pushed us into show business. Acting opportunities were just more plentiful. My brother, Ken, was a regular on "The Guiding Light" radio soap. When he was busy with a TV show, I'd do his voice because we sounded alike.

After high school, my father wanted me to work full time at his bakery. He had a good business, and I had worked there delivering wedding cakes. But I was drawn to the stage and thought I'd be in musical theater. A friend urged me to audition for a play, so I did and got the part.

Then I landed the role of a director in Robert Frank's "Me and My Brother." Small parts followed. My first big movie part was in "Next Stop, Greenwich Village," in 1976.

Today, my wife, Georgianne, a casting director, and I live in Connecticut in a comfortable, old wooden country house on a few acres. We moved here 45 years ago.

Our house abuts a nature sanctuary that's full of animals, so we have a beautiful unobstructed view. I don't live in L.A. I stay in a hotel when I'm out there making movies.

At home, I love to cook, but I don't eat cake or ice cream. We always had that around when I was a kid. I had my fill.

—As told to Marc Myers

Christopher Walken, 79, is an Oscar-winning actor who has appeared in more than 100 films, including "The Deer Hunter" and "Catch Me If You Can." He co-stars in the Apple TV+ series "Severance" and the Prime Video series "The Outlaws."

CHRISTOPHER'S COUNTER

You work while cooking? I do. I read scripts on the kitchen counter.

Process? I read my lines, semi-out loud, over and over. Slowly, I memorize them.

Character? As I memorize, I start to notice things about my character and develop his personality.

Lesson? As an actor, it doesn't matter if an audience knows what you're talking about. They just need to know *you* know what you're talking about. There's a big difference.