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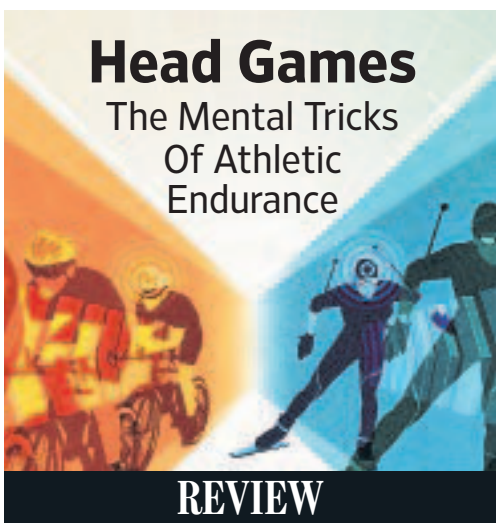

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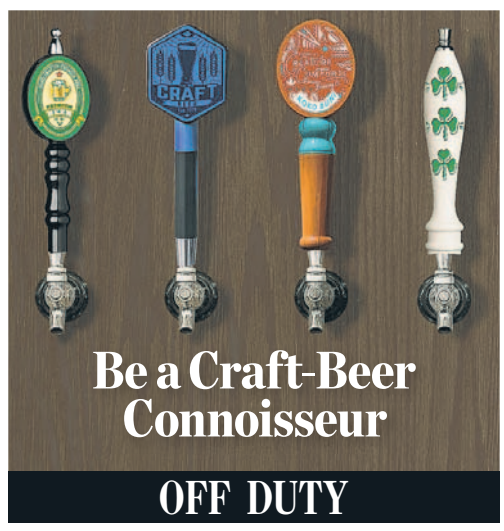

VOL. CCLXXI NO. 28 * * * * * * * * WEEKEND ★★★★ $5.00
DOW JONES | News Corp SATURDAY/SUNDAY, FEBRUARY 3 - 4, 2018 WSJ.com

GOP Memo Release Fuels Rancor

By Byron Tau
And Rebecca Ballhaus

WASHINGTON—A Republican memo released Friday by the House of Representatives alleges abuses in how top law-enforcement officials sought the surveillance of a onetime adviser to Donald Trump, suggesting partisan motives are behind the investigation of ties between the president's associates and Russia.

The release marked the culmination of tensions this past week between congressional Republicans and the White House on one side, and Democrats and leaders in the Trump administration's own Justice Department on the other. Top Federal Bureau of Investigation officials had publicly objected to the memo's release, saying they had "grave concerns" about factual omissions and accuracy.

Mr. Trump, who had to sign off on the memo's release, has been at odds for much of the past year with several Justice Department leaders having to do with the Russia probe. He fired FBI Director James Comey and publicly criticized his own appointees, including Attorney General Jeff Sessions, over his recusal from the Russia matter, and Deputy Attorney General Rod Rosenstein, who now oversees the investigation by special counsel Robert Mueller.

The four-page memo, written by the GOP staff of the House Intelligence Committee, also criticizes the Justice Department and FBI, suggesting partisan bias in the handling of surveillance against former Trump aide Carter Page, which was approved by a secret federal court in the fall of 2016. The memo says research compiled by Christopher Steele, a former British intelligence official who was conducting opposition research on Mr. Trump that was then being funded by Democratic-linked groups, was the driving force in the government's surveillance applications on Mr. Page.

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◆ Highlights from the Republican document..... A4
◆ Inside two FBI lives, as told via text..... A4

What's News

World-Wide

The House released a GOP memo alleging abuses in the surveillance of an ex-adviser to Trump and suggesting partisan motives in the Russia probe. **A1, A4**

◆ **The Pentagon warned** potential adversaries that the U.S. might respond with nuclear weapons if it is the target of a major nonnuclear attack. **A6**

◆ **The U.N. said** China, Russia and other countries are failing to curb North Korea's financing and arms trade. **A6**

◆ **Two senators called** on the USOC's chief to quit, citing the response to the gymnastics sex-abuse scandal. **A3**

◆ **The student-loan** program is headed toward becoming a net cost to the U.S. government, a report said. **A3**

◆ **An animal study** on cellphone radiation failed to resolve a long-running debate about health effects. **B4**

◆ **A judge invalidated** Florida's system of restoring felons' voting rights. **A5**

◆ **The U.S. imposed** an arms ban on South Sudan, citing continued violence there. **A7**

◆ **Died: Jon Huntsman Sr.**, 80, billionaire businessman and philanthropist.

Business & Finance

◆ **Wells Fargo will** replace four board members and face limits on growing its banking business after an unprecedented action announced by the Fed, which cited "widespread consumer abuses." **A1**

◆ **Stocks and bonds** tumbled amid unease about inflation signs. The Dow fell 666.75 points, or 2.5%, to 25520.96, while the 10-year Treasury yield climbed to 2.852%. **A1**

◆ **Average hourly earnings** for private-sector workers rose 2.9% in January from a year earlier, the biggest year-over-year gain since 2009. **A1, A2**

◆ **Exxon and Chevron** reported results that missed forecasts that had been stoked by rising oil prices. **B1**

◆ **Radio company iHeart**, beset by heavy debt, could file for bankruptcy protection as early as March. **B1**

◆ **Bitcoin plunged** below $8,000 in intraday trading, extending a rout sparked by a regulatory crackdown. **B1**

◆ **Airbnb's CFO** decided to leave when it became clear he wasn't going to get a more strategic role at the firm. **B1**

◆ **YouTube said** it would label videos from state-funded broadcasters, its latest effort to clean up its platform. **B4**

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The Left's Rage and Trump's Peril

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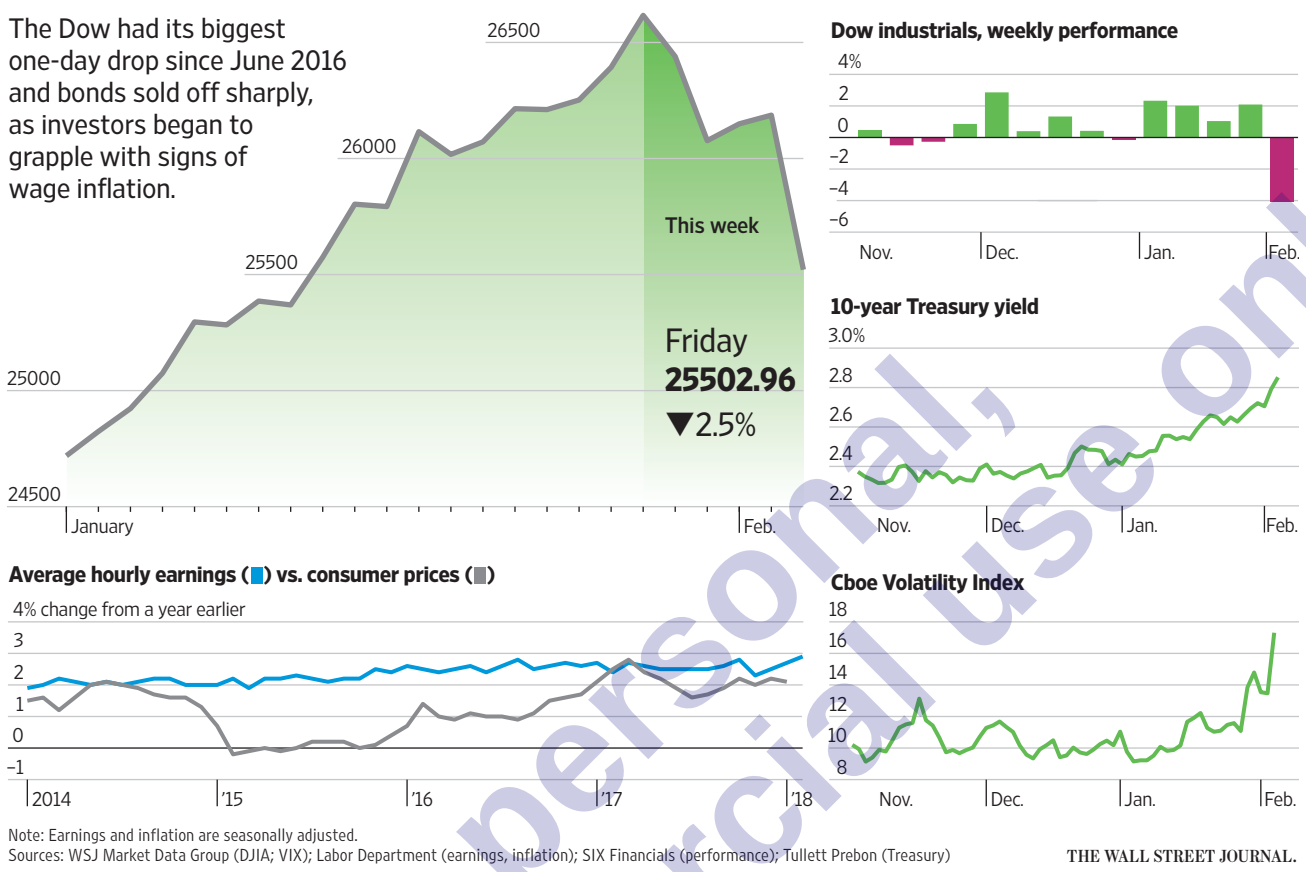

Note: Earnings and inflation are seasonally adjusted.
Sources: WSJ Market Data Group (DJIA; VIX); Labor Department (earnings, inflation); SIX Financials (performance); Tullett Prebon (Treasury)

THE WALL STREET JOURNAL.

Wage Growth Feeds Market Unease

Dow drops 4.1% in week, bond yields climb

By Corrie Driebusch
And Daniel Kruger

A rare burst of volatility jolted financial markets and sent stocks and bonds tumbling Friday, a sharp shift from the tranquility that has characterized much of the nearly nine-year bull-market run.

The Dow Jones Industrial Average dropped 2.5%, its biggest one-day decline since the U.K.'s vote to leave the European Union in June 2016. Meanwhile, the yield on the benchmark 10-year Treasury note climbed to 2.852%, its highest level since January 2014.

Bond investors have started to take the threat of inflation more seriously, and an anticipated rise in interest rates spooked stock investors. When yields go up, it costs companies more to borrow money and can trigger fears that the Federal Reserve may need to raise rates more quickly to keep up with inflation.

Please see JOLT page A5

Pay rises add to evidence economy is heating up

By Ben Leubsdorf

A tightening labor market delivered the biggest annual increase in wages since the end of the recession, a new signal that U.S. workers are beginning to enjoy the pay raises long missing in a steady but tepid expansion.

The Labor Department reported Friday that average hourly earnings for private-sector workers rose 2.9% in January from a year earlier, their largest year-over-year increase since June 2009, when the last recession ended.

Businesses had been reporting for months that the pool of available workers was becoming tight across a range of industries as unemployment fell, forcing them to push up pay. But it hadn't shown up clearly in economic data.

The latest evidence of a pay pickup came in the govern-

Please see WAGES page A2

◆ Fed may quicken pace on rate increases..... A2

Fed Limits Wells Fargo Growth, Replaces Directors

By Ryan Tracy
And Emily Glazer

Wells Fargo & Co. will replace four board members and face limits on growing its banking business after an unprecedented action announced Friday by the U.S. Federal Reserve, which cited "widespread consumer abuses."

The harsh rebuke of the third-largest U.S. bank by assets came on the last business day of Janet Yellen's tenure as chairwoman of the Fed. It prompted Wells Fargo's stock to fall more than 6% in after-hours trading on Friday. The bank also said it expected the action to reduce expected 2018 after-tax profit by $300 million to $400 million.

The Fed's enforcement action shows the difficulties Wells Fargo faces in overcoming the sales-practices scandal that engulfed it in 2016. That led to a public and political uproar, the abrupt departure of the bank's former chief executive and numerous governmental investigations.

The Fed has never before imposed such a broad, companywide growth restriction as part of an enforcement action, Fed officials said. Wells Fargo is barred from growing past the $1.95 trillion in assets it had at the end of 2017. Fed officials did say the company

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Ice Dancing Has a Problem: There Aren't Enough Men

* * *

Female skaters, lacking partners, are adapting dances à deux—for one

By Betsy McKay

Helena Fisher, an ice dancer, is working up a new program. It features twizzles, Latin rhythms, and, she hopes, a peacock blue dress.

One element it doesn't have: a man. "It's extremely hard to find a partner," says the 19-year-old from Marietta, Ga., who trains for competitions.

Ice dance is best known as a sport involving male-female pairs who infuse the athleticism of figure skating into artistic ballroom-dance routines. But for many females, finding a male partner is an Olympic feat. Skating in the U.S. attracts far more women than men.

So Ms. Fisher and hundreds of other skaters of all ages—mostly women—go solo, performing the same waltzes and other routines as dancing duos, minus one.

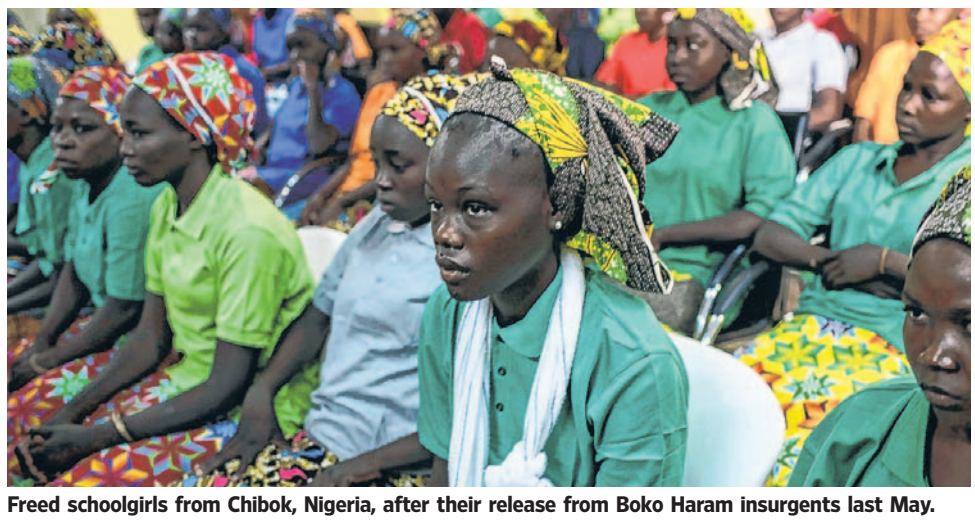
U.S. Figure Skating, the sport's national governing body, agrees it doesn't necessarily take two to tango. It runs solo ice dance competitions, and includes solo dance in a national championship for adult figure skaters.

"It gives them an opportunity to have a goal to work toward," says Mary-Elizabeth Wightman, vice chair for U.S. Figure Skating's solo dance series. Solo dance doesn't cut the ice as a sport at the Olympics or in international competition, according to the International Skating Union. Interest isn't strong in other countries, the ISU says.

Ice dance differs from other figure skating disciplines partly because it doesn't include the jumps singles and pairs are known for. Solo dancers often perform pieces originally choreographed for two, devising positions for their arms

Please see DANCE page A10

Helena Fisher



STEFAN HEUNIS/AGENCE FRANCE-PRESSE/GETTY IMAGES

Freed schoolgirls from Chibok, Nigeria, after their release from Boko Haram insurgents last May.

Nigeria Brought Back Its Girls; Now Comes the Hard Part

After three years in captivity, the schoolgirls are trying to recover

By Joe Parkinson and Drew Hinshaw

YOLA, Nigeria—The crowd of young women fell silent as Grace Dauda limped to the stage, slowed by an old shrapnel wound suffered after she and her classmates were kidnapped by Boko Haram insurgents in 2014.

Ms. Dauda gripped the microphone and began to spell. "A...M...E...R..." she stuttered nervously in English, her third language. "I...C...A...N!"

The room whooped with the cries of ululating young women, who rushed the stage and lifted Ms. Dauda, a spelling bee winner. She climbed into a rescue vehicle last May, one of the last of her classmates to be freed.

"We're enjoying it," Ms. Dauda told The Wall Street Journal during a visit with the former captives this week at their new home, the first by a news organization. "We like to learn."

A year ago, most of these young women were focused on survival—eating grass to

Please see CHIBOK page A10

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U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

For Better Listening, Favor Your Right Ear

Say what? When speech funnels into your right ear, the initial signal reaches the side of the brain that processes language in about 20 milliseconds.

But if the information is captured by your left ear, it travels a longer, more circuitous route. That's not a problem if both ears hear the same words, but when each receives competing messages—think about being on the phone while someone is talking nearby—the information captured by the right ear will be processed more efficiently.

The phenomenon is known as the right-ear advantage. It helps explain why children, in particular, have trouble handling information when competing signals bombard each ear, and new evidence suggests it also may affect adults when they're trying to absorb complex information.

"In children, the right ear has a huge advantage," said Aurora Weaver, a professor in communication disorders at Auburn University. "It's not that the left ear isn't hearing. It's that the brain can't make use of the information and respond to it."

Audiologists test the ability to process competing messages by presenting different material simultaneously to each ear, then asking the person to repeat it.

Traditionally, two digits are presented to each ear. The left ear might receive the digits two and five, while the right ear receives one and eight. What did you hear? A perfect response would list all of the digits.

A typical 7-year-old child will accurately repeat the information presented to the right ear approximately 70% of the time, according to Frank Musiek, a professor of speech, language and hearing sciences at the University of Arizona. The same child will accurately repeat information presented to the left ear approximately 55% of the time.

"It's part of what's going on when you think a child is not paying attention," Dr. Weaver said. "If a classmate is talking in the right ear, it's harder to attend to what is being discussed in class."

When speech is captured by the right ear, it generally travels directly to the left hemisphere of the brain, where, for most people, language is processed.

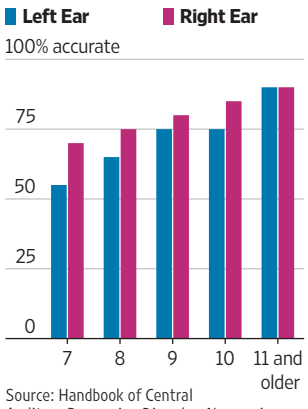
But speech collected by the left ear typically travels first to the right hemisphere. From there, it must be relayed to the left hemisphere through a broad band of nerve fibers that facilitates communication between the hemispheres and is known as the corpus callosum.

"When you have a direct shot from the right ear to the left hemisphere, you don't have to cross the entire width of brain to get to other side," Dr. Musiek said. "The signal from the left ear is put at a disadvantage."

The relay could take as little as three to five milliseconds or as much as 300 milliseconds. "We're talking about a definite difference," Dr. Musiek said.

Sound Check

When two digits are presented simultaneously to each ear, the right ear processes the competing information more efficiently. Accuracy rates in listening tests for certain ages:



Source: Handbook of Central Auditory Processing Disorder: Neuroscience and Diagnosis

THE WALL STREET JOURNAL.

The right-ear advantage is more evident in children than adults because myelin, an insulating sheath that allows nerve impulses to move more quickly through the corpus callosum, hasn't fully developed. As the myelin forms over a series of years, the relay of information from the right hemisphere to the left improves, and the right-ear advantage fades.

A 9-year-old receiving competing information in each ear will be approximately 80% accurate in the right ear and 75% accurate in the left, Dr. Musiek said. Children 11 and older will be approximately 90% accurate in each ear—about the same as an adult.

In adults, the right-ear advantage is generally considered clinically insignificant, but Dr. Weaver and her colleagues, who shared their findings in December at the annual conference of the Acoustical Society of America, tested this by presenting adults with complex streams of material. "We included more pieces of information, from two digits in each ear to up to nine digits in each ear, which would be close to a phone number or Social Security number," Dr. Weaver said.

The study, including 41 adults ages 19 to 28, found that as cognitive demand increased, the right-ear advantage persisted. The ability among the test group to repeat information that exceeded their basic memory capacity was, on average, 7% greater in the right ear, and in some individuals, it was as much as 40% greater.

Other things could contribute to the results. For example, traditionally in tests like this, streams of competing information are kept brief to avoid confusing auditory processing with memory tasks, Dr. Musiek said.

But if you have an important message to deliver to someone, you might want to begin like this: Lend me your ear. No, not that one. The other one.

ANDREW CABALLERO-REYNOLDS/AGENCE FRANCE-PRESSE/GETTY IMAGES

Kitchen workers prepare food in Washington, D.C. Hourly earnings for private-sector workers rose 2.9% in January from a year earlier.

WAGES

Continued from Page One

ment's closely watched monthly jobs report, which also showed that nonfarm payrolls rose a seasonally adjusted 200,000 in January, more than economists had expected. The unemployment rate held at 4.1%, its lowest level since December 2000, for the fourth straight month.

January was the 88th consecutive month of job creation, the longest streak of continuous hiring on record and a testament to the durability of the economic expansion that began in mid-2009, even though the pace of overall economic growth has lagged behind historical levels.

"You're slowly getting back to a more normally functioning economy," said Steven Blitz, chief U.S. economist at TS Lombard.

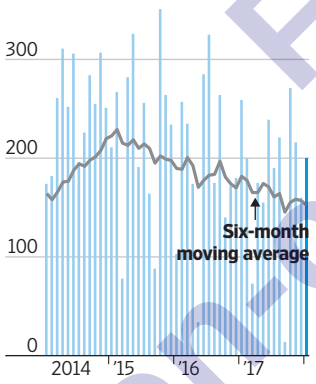
Investors took the report as fresh evidence that the economy is heating up and lifting long-dormant inflation. Yields on 10-year Treasury notes, which tend to rise on signs of inflation, jumped to 2.852% on Friday. They had been near 2% in September.

The stock market, reacting in part to fears of rising interest rates rather than hopes of a stronger economy, fell sharply. The Dow Jones Industrial Average declined 665.75 points, or 2.54%, to 25520.96.

Monthly wage data can be volatile. A wage pickup in 2015 and 2016 stalled last year. Moreover, there were some blemishes in the latest wage numbers. The average workweek declined in January, meaning the average weekly paycheck declined from December even though hourly wages rose. Managers seemed to enjoy the biggest raises; wages for production workers and nonsupervisors, who account for 82% of the private-sector workforce, rose a more modest 2.4% from a year earlier.

Better Prospects

Monthly change in nonfarm payrolls, in thousands of jobs



Note: Seasonally adjusted
Source: Labor Department

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Still, the latest pickup in wages seemed to confirm what executives in boardrooms have been saying for months about the challenges of keeping workers when labor was becoming more scarce. A separate Labor Department report earlier in the week showed private-sector wages and salaries were up 2.8% in the fourth quarter from a year earlier, matching the strongest year-over-year gain since 2008.

Jason Patrick, who owns the Nashville, Tenn., office of staffing firm Express Employment Professionals with his wife, said the tightening labor market means more workers are jumping to new jobs compared with recent years.

Pay for workers placed by the firm has gone up 11% during the last year, he said, as companies try to retain employees. Also, "they are having to provide more training, more development for their people, better engagement with their employees," Mr. Patrick said. "They're really having to work to keep their talent."

Some Federal Reserve officials have said the U.S. has reached full employment, a stage in the business cycle when almost everyone who wants a job can find one. In theory, if the jobless rate falls much more at a moment of full employment, the economy would overheat, creating sustained inflation above the Fed's 2% target, or unhealthy booms in financial markets. The Fed tends to respond to such overheating by raising interest rates to cool the economy.

Investors and analysts expect the central bank will raise short-term interest rates at its next policy meeting in March. Fed officials in December had penciled in three quarter-percentage-point rate increases in 2018, but some officials may push for a faster pace.

"We've been waiting for wage growth," and Friday's report contained "one of the first signs that we're seeing wage growth finally start to pick up," Federal Reserve Bank of Minneapolis President Neel Kashkari said Friday on CNBC. "I do think, if wage growth continues, that that could have an effect on the path of interest rates."

The U.S. economy entered 2018 with healthy momentum after posting its best year of growth last year since 2014. Many forecasters expect growth will be supported this year by solid consumer and business confidence, stronger conditions overseas and tax cuts at home that could boost investment and spending.

A tighter labor market is a boon for people looking for jobs. Theresia Carrigan, a 29-year-old licensed social worker in Maryland, was let go from her job at a crisis-housing shelter in January. She said she braced herself for an extended period of unemployment, but found employers were eager to snatch up qualified workers.

"Places are calling back within, not days, hours," she said. "I was getting interest within less than a day, places calling me back for interviews."

Ms. Carrigan said she was hired within a week by an eldercare agency.

Fed May Quicken Pace on Rates

By David Harrison

Friday's jobs report will reassure the Federal Reserve it is on the right track in its plan to raise interest rates several times this year. The question that remains is whether officials will see the need to accelerate the pace of rate increases.

Officials penciled in three quarter-point moves for 2018 at their December policy meeting, but several officials have since raised the possibility of four rate increases.

In the short term, the January employment report does nothing to dispel the widespread expectation that the next rate increase will come at the Fed's next meeting, in March. On Wednesday, officials wrapped up a two-day meeting where they held their benchmark short-term rate steady in a range between 1.25% and 1.5%. They signaled greater confidence that inflation would move up to its 2% target and said "further gradual adjustments" in interest rates were warranted.

Officials will be particularly heartened by the 2.9% year-over-year increase in wages in Friday's report, the strongest annual pay boost since June 2009. That partly could be due to one-time bonuses that some companies gave workers following the passage of the tax-overhaul bill late last year, according to Thomas Simons, an economics for Jefferies LLC.

Still, sustained wage increases in the months ahead could be a sign that low unemployment rates and the persistent anecdotal evidence of labor shortages are finally showing up in the wage data. Fatter paychecks could also push up inflation, which has fallen short of the central bank's 2% target for most of the past five years.

That could prompt Fed officials to pencil in a fourth rate increase this year.

"The issue of whether we should have three or four rate hikes this year is really going to be driven by the data and changes in the outlook," San Francisco Fed President John Williams told reporters Friday. "Both of those kind of possibilities are reasonable to think about as options."

Sluggish wage growth since the recession has been a nagging preoccupation for the Fed for years. During his Senate confirmation hearing in November, incoming Chairman Jerome Powell singled out wage gains as an indicator he was paying particularly close attention to.

Following Friday's jobs report release, market probabilities of four Fed rate increases this year rose to 21.9%, from 19.6% on Thursday, according to CME Group data.

Several officials say four rate increases, instead of three, are possible for 2018.

Friday's report appeared to sway Minneapolis Fed President Neel Kashkari, one of most reluctant officials to raise rates. "If wage growth continues, that could have an impact on the path of interest rates," he told CNBC.

The report also includes some reasons for caution.

The labor-force participation rate held steady at 62.7% last month for the fourth straight month, suggesting it may be settling at a lower rate. A decade ago, the rate was 66.2%.

The unemployment rate for African-Americans also moved up, to 7.7% from 6.8% in December, its lowest level on record.

—Michael S. Derby and Alejandro Lazo contributed to this article.

Janet Yellen Joins Brookings Center

Federal Reserve Chairwoman Janet Yellen, who completes her four-year term as leader of the central bank Saturday, will join the Hutchins Center on Fiscal and Monetary Policy at the Brookings Institution as a distinguished fellow in residence in economic studies, the think tank said in an email Friday.

Ms. Yellen joins her predecessor, Ben Bernanke, and Donald Kohn, a former Fed vice chairman, at the Hutchins Center.

Nellie Liang, former director of the Fed's financial stability unit, joined the center last year.

Ms. Yellen has spent the past 14 years at the Fed, serving as San Francisco Fed president from 2004 to 2010.

She was later nominated by President Barack Obama to serve as the Fed's vice chairwoman, making her the No. 2 to Mr. Bernanke, before becoming the first woman to lead the central bank in 2014.

Ms. Yellen was first appointed to the Fed's board in 1994 by President Bill Clinton, who in 1997 named her to lead the White House Council of Economic Advisers.

—Nick Timiraos

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CORRECTIONS & AMPLIFICATIONS

A graphic with a U.S. News article Tuesday about **United Airlines'** naming rights for the Los Angeles Memorial Coliseum listed the biggest naming-rights agreements involving U.S. college football stadiums. The graphic was incorrectly labeled as the biggest naming-rights deals in U.S. college sports, and it incorrectly included a deal between **TD Ameritrade** and College World Series, which is for baseball. The graphic also incorrectly listed the value of a $22.2 million deal between **Kroger** and University of Kentucky as $22.5 million.

The dollar traded lower on Jan. 24. A Page One article Jan. 25 about the dollar's decline in one instance incorrectly referred to a strengthening dollar.

The name of Insidesign, a Budapest studio, was misspelled as Indesign in a Jan. 19 Mansion article about the luxury-housing market in Budapest.

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

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REBECCA COOK/REUTERS

CORY MORSE/THE GRAND RAPIDS PRESS/ASSOCIATED PRESS

A Dramatic Day in Court

HIGH EMOTION: Randall Margraves (blue shirt and jeans), father of three victims of Larry Nassar (in the background, wearing orange) tried to attack the former USA Gymnastics doctor in a Michigan courtroom Friday after a judge rejected his request to confront Dr. Nassar. Mr. Margraves was restrained by sheriff's deputies and later apologized, saying he had lost control. Eaton County Judge Janice Cunningham said she wouldn't fine Mr. Margraves or send him to jail for contempt-of-court. Nonetheless, she said, it is "not acceptable that we combat assault with assault." The incident occurred during the third and final sentencing hearing for Dr. Nassar, who has admitted to sexually assaulting girls under the guise of medical treatment.

Senators Want Olympics Chief to Resign

Lawmakers are disturbed by reports officials knew of abuse allegations since 2015

By Louise Radnofsky And Rebecca Davis O'Brien

Two U.S. lawmakers called for U.S. Olympic Committee chief executive Scott Blackmun to resign, citing the USOC's response to a long-simmering sexual-abuse scandal in gymnastics that has shaken the sport at its highest levels.

Friday's call from Sens. Jeanne Shaheen, a New Hampshire Democrat, and Joni Ernst, an Iowa Republican, came a day after The Wall Street Journal reported that the USOC didn't intervene in USA Gymnastics' handling of sexual-abuse allegations against longtime national-team doctor Larry Nassar in 2015.

The Journal reported that in 2015 USA Gymnastics' then-president, Steve Penny, told Mr. Blackmun and another top USOC executive that an internal investigation had uncovered possible criminal behavior against Olympic athletes by the longtime team doctor.

The communications show that USOC executives knew about the allegations in greater detail than the organization has previously acknowledged. The two senators called the revelations "deeply disturbing."

"If these reports are true, this goes far beyond negligence and raises serious questions of culpability at USOC, in which the most appropriate action would be for Scott Blackmun to resign," the lawmakers said in a statement.

A lawyer and a spokesman for the USOC didn't respond to requests to comment. Mr. Blackmun didn't respond to a request to comment.

In an email to the Journal earlier this week, Mr. Blackmun said he had encouraged Mr. Penny to turn the matter over to law enforcement.

The USOC has offered varying statements about when it first learned of the abuse allegations, and in what degree of detail. Recently, the organization has said it was "made aware of the possibility that a USA Gymnastics physician had sexually abused USA Gymnastics athletes in the summer of 2015, when we were informed by USA Gymnastics," and understood the matter was being referred to law enforcement.

The USOC on Friday said it had selected New York law firm Ropes & Gray LLP "to conduct an independent investigation into the decadeslong abuse by Dr. Nassar to determine when individuals affiliated with USA Gymnastics or the USOC first became aware of any evidence of Nassar's abuse of athletes, what that evidence was and what they did with it," and pledged to make the report public.

Ms. Shaheen and Ms. Ernst are among several lawmakers seeking congressional investigations of the USOC and USA Gymnastics, looking to find out more about how national-team gymnasts' 2015 allegations against the doctor languished with various authorities for more than a year, during which time Dr. Nassar continued to treat, and allegedly abuse, patients in Michigan.

The lawmakers are also seeking answers about Dr. Nassar's two-decade tenure at Michigan State University, where multiple women have allegedly complained about his treatment.

More than 200 women and girls—including student athletes, elite gymnasts and Olympic medalists—have identified themselves as victims of Dr. Nassar. Dr. Nassar pleaded guilty last year to federal child-pornography counts and 10 state sexual-abuse counts. Having already been sentenced to 60 years in prison on the federal counts and up to 175 years in prison for some of the state charges, Dr. Nassar was this week in a third sentencing hearing in Eaton County, Mich.

Flu Hospitalizations Highest Since 2010

By Betsy McKay And Sarah Toy

The flu season just keeps getting longer—and harsher.

The Centers for Disease Control and Prevention said on Friday that cases of influenza-like illness continued to rise in the week ended Jan. 27, marking about two months of steady increases and the worst epidemic in years.

The hospitalization rate for flu that week was 51.4 people per 100,000, the highest it has been since 2010, when the CDC adopted a new system to track hospitalizations. That rate was higher than it was in 2014-15, at 43.5, a particularly severe season.

"This season is a somber reminder of why flu is one of the world's greatest public-health challenges," Anne Schuchat, the CDC's acting director, said in a a weekly update.

Outpatient visits for flu symptoms rose to 7.1% from 6.6% in the previous week. During the 2009-10 flu pandemic, when a new virus led to more than 60 million cases of flu in the U.S., outpatient visits peaked at 7.7%.

Of the total deaths nationwide during the week ended Jan. 13, 9.7% were due to flu and pneumonia, a flu complication, according to the CDC. It was 9.1% the prior week.

The agency reported an additional 16 deaths among children in the week ended Jan. 27, bringing the total to 53 this season. Between 37 and 171 pediatric deaths were reported in past flu seasons, said Daniel Jernigan, director of the CDC's flu division.

Half of the cases of children being hospitalized for flu had no underlying medical conditions, Dr. Jernigan said. Dr. Schuchat encouraged parents to watch their children for signs like difficulty breathing, high fever and rapid breathing.

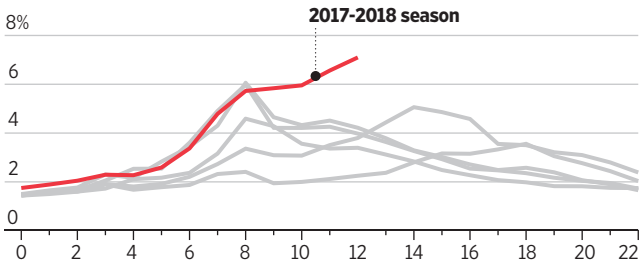
"Those are clues to call the doctor," she said.

The strain of flu virus behind most of the infections this year, H3N2, is known to cause particularly severe epidemics. And this year's vaccine was recently estimated to be only 30% effective against H3N2, the CDC says.

The flu remains widespread in 48 states—every continental state except Oregon, where cases are easing up—and Hawaii, the CDC said.

Still Spreading

Share of total weekly doctor visits for flu-like illnesses since early November in the 2017-2018 flu season compared with the previous five seasons.

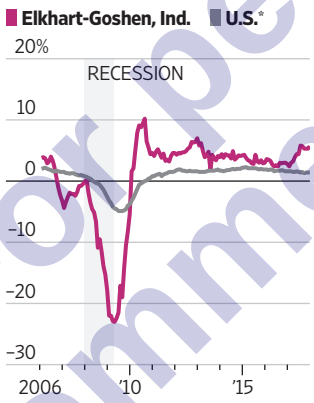


Source: Centers for Disease Control and Prevention

THE WALL STREET JOURNAL.

Hiring Now

Total nonfarm payrolls, change from a year earlier



*Seasonally adjusted

Source: Labor Department

THE WALL STREET JOURNAL.

JOSHUA LOTT/REUTERS

A worker looked over a glass window last year at Lippert Components Inc. in Goshen, Ind.

Community Rejects Immigration Prison

By Shayndi Raice

GOSHEN, Ind.—Private-prison company CoreCivic met in January with about 20 local business leaders and elected officials to discuss its plan to build a $100 million immigration-detention facility in Elkhart County.

The response? An overwhelming thumbs-down.

The business executives, many in the RV industry, worried about the signal that would be sent to their heavily Latino workforce by the Immigration and Customs Enforcement prison. The area also faces a worker shortage, and community leaders were concerned about anything that might drive away prospective employees—Latino or otherwise—or deter people from moving there.

"We said, 'We don't want you here,'" said Jason Lippert, chief executive of Lippert Components Inc., which makes fenders, windows and other RV parts in local factories. "We were very vocal about that."

A few days later, the Nashville, Tenn.-based CoreCivic withdrew its application. "We have been assessing whether the Elkhart community would be a good fit for this project," a company spokesman said. "Our assessment has led us to this decision."

President Donald Trump's administration, which has stepped up arrests of those living illegally in the U.S., has asked Congress for $1.2 billion that could pay for more capacity for ICE's detention facilities, according to an agency spokeswoman. The Department of Homeland Security is looking at building detention centers in the Chicago, Detroit, Salt Lake City and St. Paul, Minn., areas. A spokeswoman declined to comment on community reaction to proposed facilities.

Elkhart County voted overwhelmingly for Mr. Trump, but even as many people continue to support the GOP president, they don't want the ICE facility.

Mr. Lippert, who said he supports Mr. Trump's "business-friendly policies," said he was concerned about holding on to workers. About 3,000 of his 10,000 employees are Latino, and Goshen—one of the county's principal cities—is 30% Latino.

When news about the CoreCivic project made its way through town, his employees came to management asking what it might mean for them. "They're thinking the worst," he said. "That just drives fear and uncertainty, and it might drive some people from the area."

Jaqui Torres, a 19-year-old student at Goshen College, moved from Mexico with her parents when she was 1. She is a DACA, or Deferred Action for Childhood Arrivals program, recipient, and her father and brother work at Lippert Components. When she heard about the ICE facility, she said she "felt like people don't want us here."

Like many small U.S. cities, Goshen is struggling to attract workers even as it works to improve the local quality of life, using state funding to rehabilitate an old theater and build a multipurpose pavilion and ice rink.

While the private prison would have created an estimated 300 jobs, Mayor Jeremy Stutsman, a Democrat, wrote on the city website that it would "create jobs we don't need at wages we don't want." He said additional tax dollars wouldn't offset damage to the county "both in terms of perception and in terms of creating an unwanted unwelcoming reputation."

About 45 local community leaders, including CEOs present at the January meeting with CoreCivic, signed the letter.

"It's important not to confuse immigration policy with a detention center," said Levon Johnson, president and chief executive of the Greater Elkhart Chamber of Commerce. "I think policy and having the detention center, while they clearly go together, they're two separate things."

Federal Student-Loan Program Looks Set to Start Losing Money

By Josh Mitchell

WASHINGTON—The U.S. student-loan program is rapidly headed toward becoming a net cost to the federal government, reversing years of projected profits, according to a government report released Friday.

The report, from the Education Department's inspector general, said the financial squeeze was a result of Americans enrolling in government debt-forgiveness plans.

The plans, known as income-driven repayment, set monthly payments as a percentage of a borrower's earnings and typically forgive balances after 10 or 25 years, depending on the borrower's career field and debt amounts.

Overall, borrowers in income-driven repayment will repay less than what they originally borrowed, the report said, draining the program of billions of dollars in expected revenue.

Projected revenues have fallen short in recent years because of the programs, the report said. The report estimated that the government will make $5 billion on all loans made to students in the fiscal year through Sept. 30, 2015, down from $25 billion three years earlier.

The income-driven repayment program will sap the government of $11.5 billion in revenue among the 2015 group.

"The data show the total costs for all loans...approaching an overall positive subsidy," meaning a net cost to taxpayers, according to the report sent to agency leaders from Patrick Howard, the department's assistant inspector general for audit.

The report sharply criticized the agency for failing to provide more transparent financial information about the student-loan program, which over the past 15 years became one of the country's largest consumer loan portfolios.

About 43 million Americans currently owe almost $1.4 trillion in federal student debt, the highest form of debt in the U.S., excluding mortgages.

The Education Department didn't comment on the report.

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Inside Two FBI Lives, as Told via Text

Messages between Strzok and Page show devotion to duty—and disdain for Trump

By Del Quentin Wilber

WASHINGTON—In the summer of 2016, FBI Agent Peter Strzok had concluded the investigation into Hillary Clinton's use of a private email server and was embarking on a probe into Moscow's interference in the presidential election. As he watched the Republican National Convention and scanned intelligence reports and news stories in late July, he made clear how he felt about his new target: "f*ck the cheating motherf*cking Russians," texted Mr. Strzok, who had spent years tracking Russian spies. "F*cking conniving cheating savages."

The messages were sent to FBI lawyer Lisa Page, one of thousands turned over by the Justice Department to Congress on Jan. 19 as part of an internal inquiry into how the Federal Bureau of Investigation handled its investigation into Mrs. Clinton. Mr. Strzok and Ms. Page, who were in an extramarital affair at the time, have been accused by Republicans of bias against President Donald Trump after some emails released in December showed their disdain for the president.

In the new texts, provided to Congress and reviewed by The Wall Street Journal, their distaste for Mr. Trump reemerges. After the election, Mr. Strzok wrote, "OMG I am so depressed." Ms. Page replied, "I don't know if I can eat. I am very nauseous."

Republicans have said the FBI's handling of the Clinton and Russia investigations, as well as the couple's texts, indicate bias against the president and have suggested a conspiracy to undermine him.

Mr. Trump said in an interview with The Wall Street Journal last month that he interpreted Mr. Strzok's messages as "treason." Mr. Strzok's attorney said at the time the president's accusation was "beyond reckless."

Criticisms of Mr. Trump are a fraction of the roughly 7,000 texts, which show no evidence of a conspiracy against him. Rather, a broader look shows an unvarnished and complex picture of the lives of two people at the center of highly charged probes.

They logged long hours and frequently worked weekends. They seemed dedicated to their jobs but didn't hesitate to chastise or criticize colleagues and each other. In deeply personal office chatter, they come across as intense, ambitious and unsure of their standing at the bureau.

RON SACHS/CNP/ZUMA PRESS

'OMG I am so depressed'

FBI Agent Peter Strzok, in a text after Donald Trump won the presidential election in 2016

RON SACHS/CNP/ZUMA PRESS

'I don't know if I can eat. I am very nauseous.'

FBI lawyer Lisa Page, in response

Texts from Mr. Strzok, 47 years old, show ambivalence about joining the Russia probe, which Robert Mueller had taken on after being appointed special counsel in May 2017. "I don't know what I want, Lisa," he wrote to Ms. Page, 38, that month. "I don't want to be anything but the lead agent. And I think even that is going to be a far cry from the inner sanctum of what Bob decides."

He served in the special counsel's office about two months before Mr. Mueller learned in July about the disparaging texts and dismissed him. He has since been assigned to human resources at the FBI.

Ms. Page worked in the FBI general counsel's office and in the office of Deputy Director Andrew McCabe, and was detailed briefly to Mr. Mueller's office. With her proximity to bureau leaders, she sometimes helped transmit information on behalf of Mr. Strzok to executives.

Ms. Page and Mr. Strzok couldn't be reached to comment.

The tranche of redacted texts—which deal with mostly work-related issues, while the December batch focused on politics—covers August 2015 through December 2016, then picks up again in May and June 2017.

Many texts reflect day-to-day workplace troubles. Mr. Strzok complained about a prosecutor, whom Ms. Page agreed was "pompous." She described another as arrogant. Mr. Strzok said that "I hate" the Justice Department, and dealing with it was "a wild pain in the ass."

As Mr. Strzok moved into helping spearhead the Russia probe, he even joked about potential code names with Ms. Page, saying he would reserve "YUUUGE" for Mr. Trump's name if they ever opened an investigation of him.

In May 2017, after Mr. Trump fired former FBI Director James Comey, citing his handling of the Clinton investigation, Mr. Strzok and Ms. Page wrestled with whether to join Mr. Mueller's team. Mr. Strzok overcame his initial reluctance and struggled to convince Ms. Page to do the same.

"It is an experience unlike any other you're going to get," he wrote on June 3.

By June 21, she texted that she was "thinking I might leave" the special counsel's office, and she soon returned to the bureau.

Their relationship appeared to deteriorate quickly. The last text is from Ms. Page on a Sunday in late June.

"Please," she wrote, "don't ever text me again."

MEMO

Continued from Page One

The memo contends that by not stating the partisan origin of the research, prosecutors obscured a possible political motive for the surveillance of Mr. Page, marking a "troubling breakdown of legal processes."

But the document's claims are difficult to evaluate without access to the underlying, highly classified law-enforcement material that it was based on. It also doesn't address or dispute the research collected by Mr. Steele that was included in the warrant application, and it recommends no changes to U.S. intelligence programs.

The importance of the Steele dossier to the surveillance applications and the disclosures by the FBI are a matter of intense disagreement. A person who has reviewed the surveillance-warrant application said Mr. Steele's research formed only a part of the application. The other information included in the application hasn't been declassified, though Mr. Trump has that authority.

Rep. Adam Schiff, the top Democrat on the intelligence committee, disputed the memo's contention that the FBI didn't disclose the political motive behind Mr. Steele's research, saying that the memo is a political document full of omissions and cherry-picked facts designed to muddy the waters of the Russia investigation, which has already ensnared several top Trump advisers. Mr. Mueller has also asked to interview the president as he investigates whether Mr. Trump obstructed justice, which the president has denied.

"This was about telling a political story that's helpful to the president," said Mr. Schiff.

Mr. Page has been on the radar of U.S. intelligence since 2013, when Russian spies made an attempt to recruit him. He hasn't been accused of any wrongdoing and has called the investigation baseless. He left Mr. Trump's campaign in September 2016 after reports that a July 2016 trip he took to Moscow was of interest to investigators.

Law-enforcement officials obtained an initial warrant against Mr. Page in October 2016, then three renewals, according to the memo. If there was no lapse in surveillance, that would mean that Mr. Page was the subject of a surveillance as recently as October 2017. Such surveillance applications, and each renewal, must be approved by the U.S. Foreign Intelligence Surveillance Court.

At least two of those renewals occurred while Mr. Trump was president and at least one was authorized by a Justice Department official he appointed. A person familiar with the matter said that four separate federal judges approved the surveillance of Mr. Page, and all of those judges were appointed by Republican presidents.

The memo is critical of Mr. Steele and notes that prosecutors in their application for the warrant didn't explicitly state that he was working for a firm funded by Democrats. But the FISA application did disclose Mr. Steele was being paid by a law firm working for a major political party, according to a person familiar with the matter. Redacting the names of U.S. people or organizations who aren't the subject of an investigation is a common practice in government legal filings, designed to protect privacy.

The memo criticizes the Justice Department and FBI, suggesting partisan bias.

The bureau considered Mr. Steele a reliable source from previous investigations, according to a person familiar with the arrangement. Representatives for Mr. Steele didn't respond to a request for comment.

Mr. Trump and other Republicans cheered the buildup to the document's release, saying it would expose law-enforcement wrongdoing in prosecuting the president. Mr. Trump himself earlier Friday accused senior officials and investigators at the FBI of being biased against Republicans and favoring Democrats.

In a statement, the White House said it "raises serious concerns about the integrity of decisions" of senior officials.

In a brief statement, Mr. Sessions said, in part, "I have great confidence in the men and women" of the Justice Department

One person close to Mr. Trump said this week that the president believes the memo undermines the credibility of Mr. Rosenstein, who is named in the document as having approved an application to continue surveillance of Mr. Page, in the spring of 2017.

Asked Friday if he had confidence in Mr. Rosenstein, Mr. Trump said: "You figure that one out."

Mr. Rosenstein supervises the special-counsel investigation being led by Mr. Mueller. Mr. Trump has frequently expressed displeasure about the investigation. Mr. Rosenstein's dismissal would give Mr. Trump the chance to name a new deputy attorney general who would oversee that probe.

One senior White House official said there was "zero chance" that Mr. Trump would fire Mr. Rosenstein over the memo.

Justice Department officials also didn't expect Mr. Rosenstein to be fired, saying that Mr. Sessions remains in his job even as Mr. Trump has publicly mused about his firing since last summer.

The president has denied having worked with Russia, although several people in Mr. Trump's orbit have admitted to having had contact with Russians during the campaign. Moscow has denied election meddling.

—Michael C. Bender, Aruna Viswanatha and Del Quentin Wilber contributed to this article.

AARON P. BERNSTEIN/REUTERS

Attorney General Jeff Sessions, left, and Deputy Attorney General Rod Rosenstein have been targets of criticism from President Trump.

Watergate Gave Rise to FISA Court

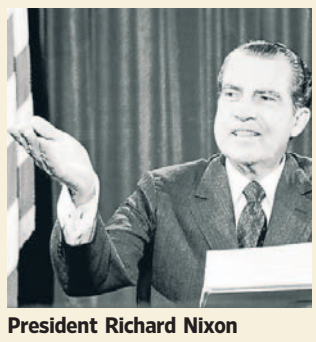
WASHINGTON—At the heart of the memo released by House Republicans on Friday is a 40-year-old surveillance law that was passed in the aftermath of Watergate and other intelligence abuses.

The law, called the Foreign Intelligence Surveillance Act, or FISA, governs nearly all surveillance and intelligence collection on U.S. soil. It was passed after abuses by President Richard Nixon and his predecessors were exposed in the 1970s in several landmark congressional investigations.

Today, the law is used mainly for counterespionage and counterterrorism efforts. To obtain judicial approval for a FISA warrant, the government must show probable cause that a person on U.S. soil is acting as an agent of a foreign power.

Civil libertarians and other critics of the law have complained that FISA programs don't adequately protect the privacy of Americans.

FISA is once again in focus after President Donald Trump authorized the release on Friday of the memo, which was written by Republican staff on the House Intelligence Committee. The memo alleges that President Barack Obama's Justice Department abused the law to obtain a warrant against a Trump associate during the 2016 presidential campaign as it probed Russia's interference in the election.



BOB DAUGHTERY/ASSOCIATED PRESS

President Richard Nixon

Democrats say the document is misleading and contains cherry-picked information. Many in the intelligence community have criticized the precedent that the release of highly classified surveillance information could set.

Congress passed FISA in 1978 to give lawmakers increased control and oversight over U.S. spying. The Watergate scandal, in which Mr. Nixon aimed intelligence and law-enforcement agencies against his political opponents, was the primary impetus for it.

But Congress in the 1970s also revealed a long history of U.S. intelligence abuses both at home and abroad, including the FBI and the Central Intelligence Agency opening the mail of Americans and the CIA-directed assassination of foreign leaders.

Those prompted Congress to create special committees in the House and Senate to oversee intelligence. It also passed FISA and set up a special court that operates in almost total secrecy to bring judicial scrutiny to U.S. intelligence gathering.

Congress has expanded FISA repeatedly since it was enacted 1978 as threats to the country evolved, giving law enforcement additional tools to conduct physical searches and electronic eavesdropping.

The special court, the Foreign Intelligence Surveillance Court, says it received 1,752 surveillance applications in 2016. It rejected just 9 of those in full, and denied in part or required modifications on several hundred others.

—Byron Tau

Highlights From GOP Document

Here are excerpts of the memo prepared by House Republicans, who have said it raises questions about the justification for surveillance of a onetime aide to Donald Trump. For the full memo, visit WSJ.com.

"Our findings ... 1) raise concerns with the legitimacy and legality of certain DOJ and FBI interactions with the Foreign Intelligence Surveillance Court (FISC), and 2) represent a troubling breakdown of legal processes established to protect the American people from abuses related to the FISA process."

* * *

"Then-Director James Comey signed three FISA applications in question on behalf of the FBI, and Deputy Director Andrew McCabe signed one. Sally Yates, then-Acting DAG Dana Boente, and DAG Rod Rosenstein each signed one or more FISA applications on behalf of DOJ."

* * *

"In the case of Carter Page, the government had at least four independent opportunities before the FISC to accurately provide an accounting of the relevant facts. However, our findings indicate that ... material and relevant information was omitted."

* * *

"The "dossier" compiled by Christopher Steele (Steele dossier) on behalf of the Democratic National Committee (DNC) and the Hillary Clinton campaign formed an essential part of the Carter Page FISA application."

* * *

"Neither the initial application in October 2016, nor any of the renewals, disclose or reference the role of the DNC, Clinton campaign, or any party/campaign in funding Steele's efforts, even though the political origins of the Steele dossier were then known to senior DOJ and FBI officials."

* * *

"Deputy Director McCabe testified before the Committee in December 2017 that no surveillance warrant would have been sought from the FISC without the Steele dossier information."

* * *

"The Page FISA application also mentions information regarding fellow Trump campaign advisor George Papadopoulos, but there is no evidence of any cooperation or conspiracy between Page and Papadopoulos. The Papadopoulos information triggered the opening of an FBI counterintelligence investigation in late July 2016 by FBI agent Pete Strzok."

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Judge: Felon-Vote System Is Illegal

By Jon Kamp

A federal judge ruled Florida's process for returning voting rights to people with felony records violates the U.S. Constitution, describing it in his order as "crushingly restrictive."

U.S. District Judge Mark Walker determined in Thursday's ruling that Florida's system for restoring voting rights violates the First and 14th Amendments and is applied inconsistently.

The judge used examples to rebuke the way Florida Gov. Rick Scott, a Republican, has overseen the system during his tenure. Mr. Scott "will continue to defend the process" in court, a spokesman said, though it was unclear whether that meant the state would appeal.

In Florida, a clemency board, including the governor, ultimately decides whether to restore voting rights to people with felony records.

To get there, applicants must wait five to seven years after completing all terms of their sentences before applying for their voting rights to be restored. Then it takes an additional nine years, on average, for their petitions to be heard, according to the state office that oversees the process.

This system has been a point of contention. In January, civil-rights advocates secured a place on November's ballot for a measure that broadly seeks to restore voting rights for people with felony records.

In the ruling, Judge Walker wrote that the clemency board appeared to wield its power in discriminatory ways. This includes cases where former felons appeared to curry favorable rulings by expressing conservative political views in line with the panel, the judge wrote.

Judge Walker asked the parties involved in the litigation to propose remedies by Feb. 12.

Indiana Set to Impose Medicaid Work Rules

By Stephanie Armour

Indiana on Friday became the second state to gain approval for imposing work requirements on Medicaid beneficiaries, a sign that the Trump administration is maintaining a rapid pace for granting changes that will put a conservative imprint on the program.

The approval, the first major health-policy move since Alex Azar was sworn in Monday as Health and Human Services secretary, suggests continued support under his leadership for work-related mandates in Medicaid, the federal-state health program for the low-income and disabled.

Mr. Azar said the work-related requirement would apply only to a small segment of Indiana's Medicaid enrollees.

About a dozen states are in talks with HHS about work-related and other mandates in Medicaid, officials said.

Indiana joins Kentucky in requiring some Medicaid recipients to find jobs or undertake related activities to avoid being suspended from coverage. The new requirement begins in 2019.

Democrats and consumer groups say the GOP push is antithetical to Medicaid's goal of expanding health care. Advocacy groups last month sued the Trump administration for approving the changes sought by Kentucky, asserting they go beyond the administration's authority.

TOM WILLIAMS/CQ/NEWSCOM/ZUMA PRESS

Paul Ryan, right, and Mitch McConnell attended a retreat where GOP lawmakers cheered polling data showing popularity of the tax cut.

GOP Pins Hope on Tax Cut

By Siobhan Hughes

WHITE SULPHUR SPRINGS, W.VA.—Republicans hope to weather what is expected to be a difficult midterm election season by emphasizing the one thing on which they can all agree—last year's $1.5 trillion tax cut.

At the Greenbrier Hotel in the Appalachian Mountains, Republicans cheered private polling data shared at a closed-door meeting showing that GOP favorability ratings had jumped a month after the tax law went into effect.

On Wednesday, President Donald Trump made the most of comments from House Minority Leader Nancy Pelosi (D., Calif.) that $1,000 bonuses from companies were "crumbs"—saying the word could be as divisive as Democratic nominee Hillary Clinton's use of the word "deplorables" to describe his supporters during the 2016 presidential campaign. The party's Wi-Fi password at the resort was even "ThanksForTheTaxCut!$."

"Tax cuts are working," House Speaker Paul Ryan (R., Wis.) told reporters. "Things are going well economically."

Amid challenges to the Republican majorities in the House and Senate, Republicans are rallying around their big legislative win last year, an ambitious tax overhaul that succeeded in uniting GOP factions.

In a House where Republicans currently can lose no more than 22 votes to pass legislation on party lines, the Cook Political Report rates some 62 House GOP-held seats as potentially competitive, including 16 seats that are toss-ups or worse.

In the Senate, Republicans are starting in a better place because they are defending only eight seats, compared with 26 for Democrats. But with their current majority of just 51-49, the GOP has little room for error.

The party is also facing a drag from Mr. Trump, whose approval ratings of 39% are a modern low for a president after his first year, and unfavorable historical trends in which the party in control of the White House tends to lose seats in midterm elections.

Yet, data also show that rising disposable income—a by-product of tax cuts—is associated with better election outcomes for the party in power, and Republicans see that as a shield.

Party's midterm strategy faces a drag from Trump's low approval ratings.

"You would be hard-pressed to find signs that are pointing in a Republican direction for November with the huge exception of the growth in the economy that we've seen," said Charles Franklin, a polling expert at Marquette University in Milwaukee. "That remains the Republicans' best friend—the state of the economy, whether it's real income growth or real gross domestic product growth—are the two things that we've seen consistently linked to the voting."

Some 80% of American households will receive tax cuts this year, according to the Tax Policy Center, with larger amounts going to wealthier households. The share of households receiving tax cuts will dwindle in later years. The individual tax cuts expire after 2025.

The question is whether tax cuts will be enough to overcome—or at least blunt—the problems created by Mr. Trump's high levels of disapproval.

On Thursday, Gallup released new polls that flashed warning signs in some states that Mr. Trump had won and that will feature Senate contests this year. The polls showed that Mr. Trump's approval rating had dropped to 47% in Missouri, a state he won with 57% of the vote; and to 41% in Arizona, a state he won with 49% of the vote. In Texas, which Mr. Trump won with 52% of the vote, his approval ratings had dropped to 39%.

JOLT

Continued from Page One

For most of the current bull market, easy money policies had pushed investors away from the paltry returns offered by government debt and into stocks. Investors continued buying shares, even after some analysts began to warn they were looking relatively pricey compared with historical averages.

Now, the fear is that the past week's selloff—the Dow posted a 4.1% decline, its biggest weekly drop since January 2016—could mark the start of a more tumultuous period.

"People are questioning the conditioning that every dip will be bought," said Mohamed El-Erian, chief economic adviser at Allianz, referring to both the bond and stock markets. He added the global economy continues to be strong, but he expects this pickup in gyrations to continue.

Still, many investors and analysts embraced the newfound volatility, calling it healthy after the swift—and likely unsustainable—stock-market rise that ushered in the New Year. The Dow rose 5.8% in January as strong economic and corporate-earnings growth invigorated investors, who poured $100 billion into equity funds in January, their biggest monthly inflow on record, according to EPFR Global.

"Do I think stocks will continue to rise at their same pace? Absolutely not," said Kate Warne, investment strategist for retail brokerage Edward Jones. "I think stocks will continue to rise, but it'll be a much more volatile ride."

The Dow posted two moves of at least 1% in the past week, compared with 10 in all of 2017. The CBOE Volatility Index, which measures expected stock swings over the next month, on Friday notched its highest close since November 2016, when jitters around the U.S. election escalated.

The recent volatility continued Friday following the January jobs report. Wage growth accelerated, rising 2.9% over the past year, the strongest year-over-year gain since June 2009, according to the Labor Department. Government-bond yields rose as investors interpreted the wage gains as a sign the tightening labor market may finally trigger higher inflation. Yields rise as bond prices fall.

JUSTIN SULLIVAN/GETTY IMAGES

Shares of Chevron and Exxon Mobil weighed on the Dow Jones Industrial Average following weaker-than-expected earnings.

The Dow fell 665.75 points to 25520.96 Friday, its biggest one-day point drop since December 2008. For the week, the blue-chip index fell nearly 1100 points, the most since the throes of the financial crisis in October 2008.

Although the magnitude of the falls were much greater a decade ago when the Dow traded around 8000 points, Friday's swift drop still took many traders, analysts and investors by surprise.

'People are questioning the conditioning that every dip will be bought.'

The S&P 500 lost 59.85 points, or 2.1%, to 2762.13 and the Nasdaq Composite dropped 144.92, or 2%, to 7240.95. All three indexes remain higher in 2018, with the Dow and S&P 500 up more than 3% and the Nasdaq up 4.9%.

Some traders said the dour mood around stocks and bonds was amplified by Friday's political developments. House Republicans released a memo alleging surveillance abuses by the Federal Bureau of Investigation during its Russia probe.

Still, many other investors said the stock market is likely to remain strong due to a brightening earnings picture. Analysts' projections for U.S. earnings in 2018 have been upgraded significantly over the past month following changes to the U.S. tax code, while results for the fourth quarter have largely exceeded analysts' expectations.

"I don't see much panic out there," said David Kelly, chief global strategist at J.P. Morgan Asset Management. The real danger for stocks isn't Treasury yields climbing above 3%, but a recession, he said, adding that as long as central banks maintain their slow and steady pace of rate increases and corporate earnings remain solid, he doesn't foresee a recession in the near future.

Corporate results drove many of Friday's biggest share moves. Earnings from U.S. technology giants late Thursday were mixed. Shares of Amazon.com climbed $39.95, or 2.9%, to $1,429.95 after its quarterly profit topped $1 billion for the first time. Apple shares fell $7.28, or 4.3%, to $160.50 after reporting a slight drop in iPhone sales but overall beating expectations. Google parent Alphabet declined $62.39, or 5.3%, to $1,119.20 after posting weaker-than-expected earnings, even when stripping out a big one-time tax hit.

Exxon Mobil and Chevron helped drag down the Dow, taking 79 points off the index, after reporting profits that missed expectations, despite the recent rally in crude prices.

—Riva Gold contributed to this article.

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WORLD NEWS

Report Sees North Korea Sanctions Failing

U.N. panel of experts faults Russia, China for subverting effort to stymie nuclear arms

By Ian Talley

WASHINGTON—China, Russia and other countries are failing to rein in North Korea's illicit financing and weapons proliferation activity, according to a new United Nations report that says time is running out for sanctions to head off a disastrous conflict as Pyongyang perfects a long-range nuclear weapon.

In its most urgent warning yet, the U.N.'s panel of experts on North Korea says member states are letting their chance slip away to clamp down on the Kim Jong Un regime's efforts to fund its nuclear and missile programs.

The draft report, distributed late this week to a U.N. committee overseeing North Korea sanctions compliance before it heads to the Security Council, details the many ways that Pyongyang is sidestepping bans on trade, finance and weapon sales, according to people who have read the document. The report was also reviewed by The Wall Street Journal.

The document describes dozens of North Korean weapon shipments to Syria over the past decade and lays out evidence from several member countries that Pyongyang is helping Damascus to develop a chemical-weapons program. That information comes as the U.S. warns Syria against the increased use of chemical agents against civilians.

KOREAN CENTRAL NEWS AGENCY/ASSOCIATED PRESS

North Korean leader Kim Jong Un, second from right, with other officials inspecting hardware at an undisclosed location in the country.

The report also cites evidence from a member country that Myanmar is buying a ballistic-missile system and conventional weapons from North Korea, including rocket launchers and surface-to-air missiles. Intelligence provided to the investigators suggest Myanmar, where the military is accused by the U.S. of being involved in ethnic cleansing in its internal conflict, is seeking items that are controlled by nuclear and other major weapon proliferation agreements.

North Korean officials didn't respond to a request to comment.

The U.N. investigators criticized China, Russia, Malaysia and other countries for failing to do enough to curb illicit finance and trade being conducted in their countries. Roughly $200 million in North Korean coal and other commodities was exported in violation of U.N. bans, the panel said.

Much of North Korea's coal and fuel shipments went through Chinese, Malaysian, Vietnamese or Russian ports. More than 30 representatives of North Korean financial institutions have been operating abroad, including in China and Russia, the investigators say.

Representatives from the Chinese, Russian, Malaysian and Myanmar embassies in Washington didn't respond to requests to comment.

U.N. investigators, citing member-country intelligence, said North Korean ballistic-missile technicians visited Syria several times in 2016 and continue to operate at three sites in the country. They also cited evidence that Syria had received valves and special acid-resistant tiles that are known to be used in chemical-weapons programs.

There were enough tiles, according to the U.N. panel's inspection of interdicted cargo, for a large-scale, high-temperature industrial project. According to one member state, the tiles could be used to build the interior walls of a chemical factory.

Two shipments interdicted in late 2016, according to the report, contained enough valves, pipes and cables to build a large-scale industrial project.

A Chinese company was linked to those shipments, and involved in three others, the investigators said. Chinese authorities told the U.N. panel that Beijing has no evidence linking the company to North Korean operations, and asked the investigators to provide more information.

Syria told the panel that there were no North Korea technical companies in the country, adding that the only North Koreans present in Syria were working in the fields of gymnastics and athletics.

Olympic Delegation Includes Two Mystery Men

By Andrew Jeong

SEOUL—A week before the Winter Olympics begin in South Korea, officials in Seoul have acknowledged that there are two North Koreans who have been in the country for eight days, and the government doesn't know who they are.

The two North Korean men are residing in a sports complex 50 miles south of Seoul, where a joint team of North and South Korean ice-hockey players are training under head coach Sarah Murray, according to a South Korean hockey official.

The two men have been seen following the North Korean players and North Korean coach Pak Chol Ho during hockey practices, according to the hockey official and another senior South Korean sports official.

They don't speak much. But they are sharing meals with and are housed in the same building as the 13 North Korean players and coach, the hockey official said.

"I don't know who they are. They're never on the ice, they're never involved in team hockey meetings. I don't think they're hockey officials," the official said.

The presence of the duo raises questions about security at the world's largest sporting event, following the last-minute addition of a North Korean delegation to next week's Winter Games.

A South Korean Sports Ministry official said that the two men are listed as "technical support," a broad category that includes sports massage and video analysis, but he said that he didn't know their names.

The pair don't appear to be on the list of the 46 North Korean athletes and training staff approved by the International Olympic Committee to compete in the 2018 Winter Olympics, a Seoul government spokeswoman said Friday.

The Games begin on Feb. 9 at the South Korean ski resort of Pyeongchang. The inter-Korean women's ice-hockey team is set to face off against Sweden in a friendly match on Sunday evening—the first and only time that the two Koreas will skate side by side in competition before the opening ceremony.

In total, South Korea is now expecting 48 North Korean athletes and training staff in South Korea during the Winter Olympics—the 46 approved by the IOC, plus the two mystery men.

The two North Koreans were part of the first group of 15 North Koreans who arrived in the South on Jan. 25. It's unclear how the two men received clearance from the South to cross the demilitarized zone.

The two North Korean officials were seen by a Wall Street Journal reporter at the South Korean training complex at Jincheon, South Korea, on Jan. 25, the day they arrived in the South.

One of the men intervened to cut short an interview of Mr. Pak, the North Korean hockey coach, when South Korean reporters began peppering him with questions.

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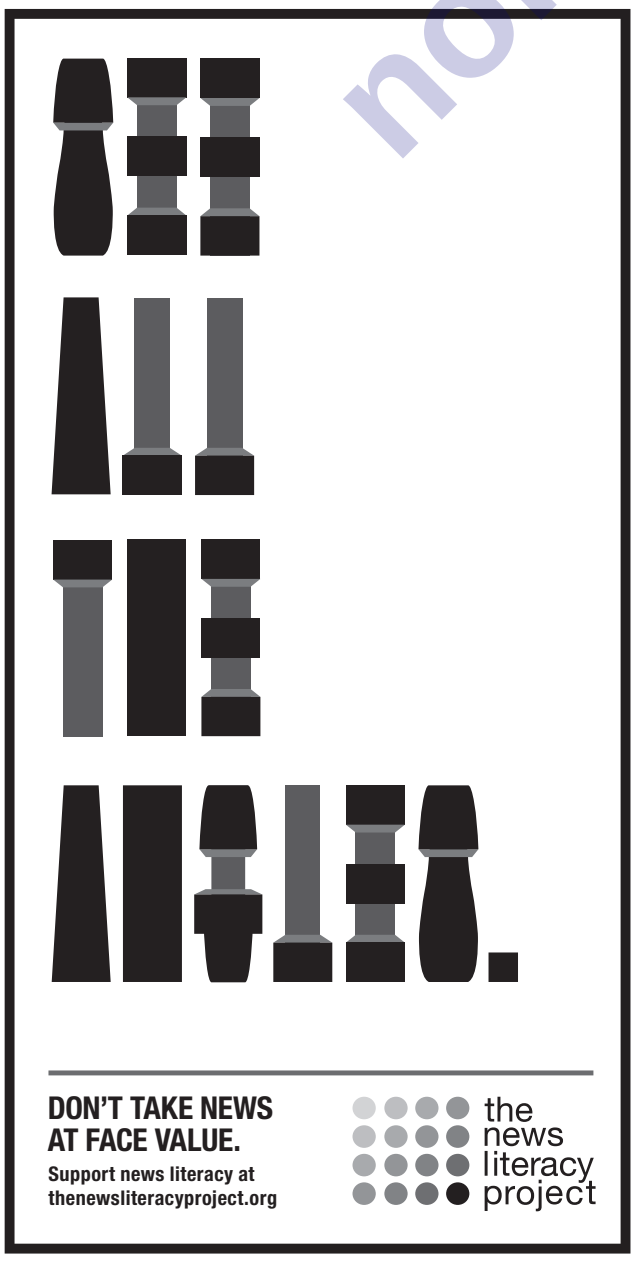


U.S. Issues Plan on Nuclear-Weapon Use

By Michael R. Gordon

WASHINGTON—The Pentagon put potential adversaries on notice that the U.S. might respond with nuclear weapons if it is the target of a major nonnuclear attack.

The warning, which is contained in a new plan called the Nuclear Posture Review, doesn't specifically detail the circumstances that might lead the U.S. to retaliate with nuclear weapons.

But it is widely seen as a message that enemies that engage in cyberwarfare or attacks using germ weapons risk an American nuclear response.

The U.S., the review states, would consider using nuclear weapons only in "extreme circumstances" to defend itself and its allies, including against "significant non-nuclear strategic attacks."

"Significant non-nuclear strategic attacks include, but are not limited to, attacks on the U.S., allied, or partner civilian population or infrastructure, and attacks on U.S. or allied nuclear forces, their command and control, or warning and attack assessment capabilities," adds the review, which was unveiled Friday in a briefing by Pentagon, Energy Department and State Department officials.

Pentagon officials asserted that the review doesn't mean that the U.S. is lowering the threshold for the use of nuclear weapons and insisted the policy was consistent with nuclear strategy during the Obama administration.

A similar nuclear review carried out by the Obama administration in 2010 also said that the U.S. was prepared to retaliate with nuclear weapons under "extreme circumstances," though it offered no explanation as to what such circumstances might be.

AMANDA GRAY/US NAVY/ZUMA PRESS

The Ohio-class ballistic-missile submarine USS Louisiana near its Washington state home port in 2017.

President Donald Trump ordered the latest review of nuclear programs and strategy shortly after taking office. It calls for a major upgrading of the U.S. nuclear arsenal to deter what it describes as an increased emphasis on nuclear forces in the military strategy and programs in Russia and China.

In a move that has already been widely reported, the review calls for the development of two new sea-based nuclear weapons: a "low-yield" submarine-launched ballistic missile and a sea-launched cruise missile.

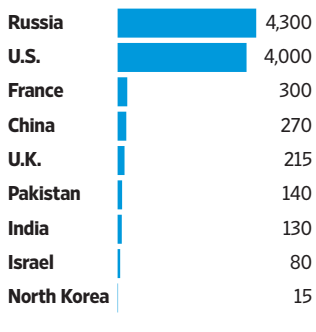
The review argues that a new "low-yield" missile is needed so the U.S. will have more credible options to react to a Russian threat to carry out a limited nuclear attack without restoring to more potent strategic nuclear weapons.

"In no way does this approach lower the nuclear threshold," the review states. "Rather, by convincing adversaries that even limited use of nuclear weapons will be more costly than they can tolerate, it in fact raises that threshold."

Nuclear Firepower

Nearly 90% of the world's nuclear warheads are controlled by Russia and the U.S.

Warheads in military arsenals
2017 estimates



Source: Federation of American Scientists
THE WALL STREET JOURNAL.

Critics say that the plans for a new "low-yield" missile and the suggestion that nuclear weapons might be used in response to a cyberattack make their use more likely.

"What concerns me most is the talk of an expanded role for nuclear weapons," Thomas Countryman, a former senior State Department official, said recently. "It fails to explain why the overwhelming United States advantages in both conventional military capabilities, and yes, in cyber capabilities, is inadequate to respond to threats or attacks."

Pentagon officials declined to say precisely how much the new nuclear programs would cost the Defense and Energy departments. But the Congressional Budget Office has estimated it will cost $1.2 trillion.

Much of what the Pentagon is now planning was also proposed by the Obama administration. The review calls for developing at least 12 new Columbia-class submarines, the first of which would become operational in 2031.

It calls for developing and deploying 100 new land-based missiles to replace the Minuteman missile force. The first of the new missiles would be fielded in 2029. A new B-21 bomber and a new nuclear-tipped air-launched cruise missile also would be developed.

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U.S. Puts Arms Ban On South Sudan

By Felicia Schwartz

WASHINGTON—The U.S. imposed an arms embargo on South Sudan, in a sign of Washington's mounting frustration with continued violence in the country.

Friday's move is more symbolic than practical, as the U.S. government doesn't sell arms or provide defense services to South Sudan, and there is virtually no military trade between the two countries.

However, the U.S. is also seeking to marshal support through the United Nations for an international arms embargo, State Department spokeswoman Heather Nauert said.

"The message must be clear—the United States, the region, and the international community will not stand idly by as innocent South Sudanese civilians are murdered," she said.

Despite a continuing humanitarian disaster in the country, South Sudan's leaders have continued to spend oil revenues on weapons procurement, according to a recent United Nations report.

In announcing the move on Friday, the State Department criticized the government and South Sudan's opposition for continuing to use military force to seek political advantage in defiance of cease-fire agreements.

The Obama administration tried in 2016 to drum up support for a U.N. arms embargo against South Sudan, but a U.S.-drafted resolution ultimately failed.

The U.S. helped South Sudan in 2011 gain independence from Sudan after decades of conflict. But since then, forces loyal to South Sudan's two rival political leaders have been embroiled in armed conflict.

Kenya's Crackdown on the Media Escalates

By Matina Stevis-Gridneff

NAIROBI, Kenya—A standoff between Kenya's government and the opposition has escalated, as a crackdown on the media deepens and police arrest several top opposition figures.

The political battle highlights how the fraught election in east Africa's economic powerhouse and freest country is reverberating months later. The media has become collateral damage, as broadcasters forced off the air this week for transmitting an opposition event remained blocked despite a court order to reinstate them.

Western diplomats in Nairobi said arrests of opposition figures could continue, and opposition leader Raila Odinga, a veteran firebrand revered by his supporters in the country's West and coastal areas, could also be a target.

Mr. Odinga has refused to concede to President Uhuru Kenyatta after two elections plagued by procedural problems and scattered violence.

"While we were hoping that the country, after a bruising election season, could pull together, that seems a lost hope," said Murithi Mutiga, a senior analyst with the International Crisis Group.

The opposition leader went ahead Tuesday with a symbolic "swearing-in" ceremony at Nairobi's central Uhuru Park despite government warnings that the move would be treason. In front of thousands of his supporters, Mr. Odinga declared himself "the people's president," in a move criticized by the U.S. and the African Union as unconstitutional and inflammatory.

BAZ RATNER/REUTERS

Linus Kaikai, chair of Kenya's Editors Guild, talks to news anchor Larry Madowo. The government forced broadcasters off the air this week.

The government designated Mr. Odinga's political movement a "criminal organization," though it said the political parties in the opposition coalition aren't affected. A lawyer who was present at the "swearing-in" alongside Mr. Odinga was arrested Friday. Another lawyer and an opposition parliamentarian were taken into custody earlier in the week.

The government has blocked Kenya's three main TV stations from broadcasting, saying that by airing the mock inauguration they were complicit in a plot that could have cost the lives of "thousands of Kenyans." It offered no evidence to support its claims.

Heather Nauert, the spokeswoman for the State Department, said the U.S. was "deeply concerned by the government's action to shut down, intimidate, and restrict the media."

Alleged Hezbollah Financing Network Faces Sanctions

By Ian Talley in Washington and Sune Engel Rasmussen in Beirut

The Trump administration imposed sanctions against what it called a major Hezbollah financing network in what U.S. officials said is the first of a wave of actions targeting the Iran-backed militia.

The sanctions are meant to choke funding for the Lebanon-based organization, previously designated a terrorist group by the U.S., amid fears the proxy for Tehran is stoking regional conflict and could spark war with Israel and other U.S. partners in the Middle East, senior administration officials said in a White House briefing Friday.

They also are part of a broader escalation of the administration's pressure campaign against Iran as Washington seeks to revisit the landmark 2015 nuclear agreement with Tehran, to curb the nation's missile programs and halt the expansion of its influence across the region.

U.S. officials say an escalation in Hezbollah activities in the Syrian war, in a conflict in Yemen and along Israel's border is driving new sanctions that will see more action taken against what officials call the Adham Tabaja network, named for a man they consider one of the group's top financiers.

Both Mr. Tabaja and his firm, Al-Inmaa Engineering & Contracting Co., have been previously sanctioned. The firm didn't respond to requests to comment. Iranian officials, who didn't respond to requests to comment, have acknowledged supporting Hezbollah while defending its actions in Syria and on behalf of Palestinians.

A senior administration official said Hezbollah's involvement in Syria and Yemen "could lead to an escalation of the already very tense situation in the Middle East into open warfare between Iran and some of our key partners."

Since early 2013, thousands of Hezbollah fighters have operated openly in Syria, propping up the regime of Bashar al-Assad and enabling it to regain territory lost to rebels. Iran has supplied Hezbollah with up to $200 million annually to fight on its behalf, according to the Institute for the Study of War.

Alongside other Iranian-backed Shiite forces, Hezbollah has pushed deeper into western Syria, close to the border with Israel, which has responded with airstrikes, targeting alleged weapons transfers from Iran.

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Told 'Go Home,' Dreamers Leave Home They Knew

By David Luhnow

MEXICO CITY—Israel Concha broke the law when he was 4 years old.

That's when his parents illegally took the youngster across the Rio Grande into Texas. Three decades later, after going to college and setting up his own taxi company in Corpus Christi, he was deported back to Mexico, a land he barely knew.

"Thirty years of my life down the drain," said Mr. Concha in fluent English, recalling the day in 2014 when an immigration agent put him on a bridge in Laredo, Texas, and told him to "go home." He carried what were left of his belongings in a burlap bag.

'As we took off, I realized this may be the last time I ever see this place again.'

Mr. Concha's trauma could now happen to roughly 1.8 million undocumented migrants who were brought to the U.S. as children and face deportation if Congress and the Trump administration fail to agree on a broad immigration plan now under negotiation.

The group, known as Dreamers, enjoy widespread sympathy in the U.S., with a Pew Research poll showing 74% of Americans favor granting them some legal status. President Donald Trump last week proposed a pathway to citizenship for them if Congress agrees to other tough immigration overhauls.

The issue is highly charged, with a vocal minority of Americans and lawmakers against granting Dreamers what they consider to be amnesty. Political wrangling over the group—which includes some 700,000 people shielded temporarily from deportation under an Obama-era program known as DACA, or Deferred Action on Childhood Arrivals—sparked a brief U.S. government shutdown last week. DACA is set to expire March 5 after Mr. Trump ended the program.

Deportations have fallen under the Trump administration, reflecting a yearslong drop in illegal border crossings. But the U.S. is now arresting more people from the interior of the country who, like the Dreamers, have generally been in the U.S. far longer and have set down roots.

José Manuel Torres was 5 when his parents sneaked him and his 1-year-old brother across the border near Nogales, Ariz., in 1998. Coming to the U.S. meant many firsts for the boy: his first airplane ride, his first hamburger.

In 2011, after graduating from Meadowcreek High School in Atlanta and playing free safety on the high-school football team, Mr. Torres was on a plane again, heading to Mexico to follow his father, who had been deported three months earlier after a routine traffic stop. His mother didn't want to leave Mr. Torres's father, a diabetic, alone.

"As we took off, I realized this may be the last time I ever see this place again," Mr. Torres, now 25, said.

Another large group of people who aren't Dreamers are also vulnerable, people who were born in the U.S. to undocumented immigrants. Mexico is home to hundreds of thousands of U.S.-born minors who joined their parents after they were deported or decided to return.

ALICIA VERA FOR THE WALL STREET JOURNAL (2)

Israel Concha in Mexico City this week and as a child, below, was deported after spending 30 years in Texas, where he owned a taxi company.

"Not everyone is a Dreamer. There are a lot of U.S. citizens who have returned, and many other Mexican-born people who aren't categorized as Dreamers," said Ariel Mojica, an academic in Mexico who studies migrants who return.

All those different groups spent most of their childhoods in the U.S. and think of themselves as American, sharing experiences like rooting for the local baseball team, going to their high-school prom and hanging out at the mall.

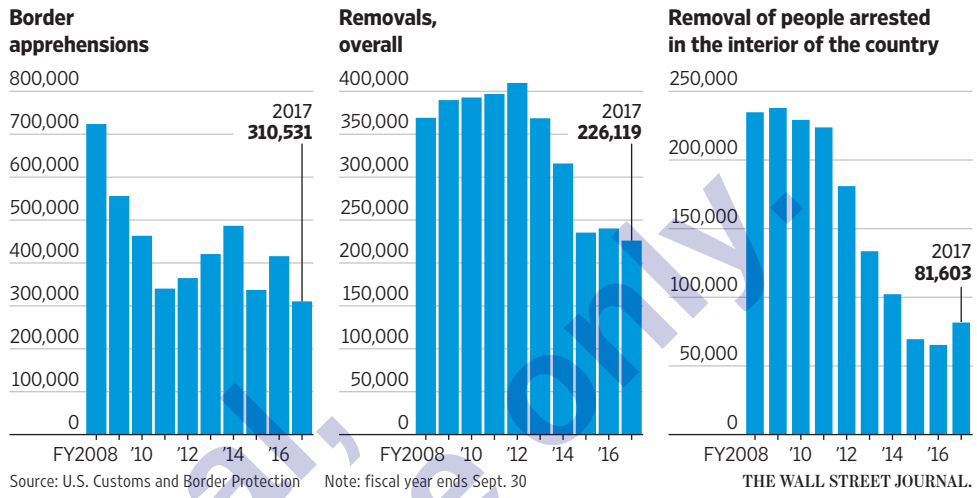
The return to Mexico is often traumatic. They jump from the world's most developed economy to a nation where half of the population is poor. Many returnees speak broken Spanish. Many have had trouble getting into public schools.

They return knowing more about Abraham Lincoln and the Civil War than Emiliano Zapata and the Mexican Revolution. For them, independence day is July 4, not Sept. 16. They measure with yards and pounds, not meters and kilos.

"It was a shock," said Dulce Rosario, a 15-year-old who grew up in Houston and returned to Mexico in the second grade, following her father who was deported. "I knew 'The Star-Spangled Banner,' not the Mexican anthem."

Migration Shift

Fewer undocumented immigrants are trying to cross the U.S.-Mexican border, resulting in a drop in detentions there and overall deportations. Rising, however, are arrests of undocumented immigrants with deeper roots in the U.S.



Source: U.S. Customs and Border Protection Note: fiscal year ends Sept. 30 THE WALL STREET JOURNAL.

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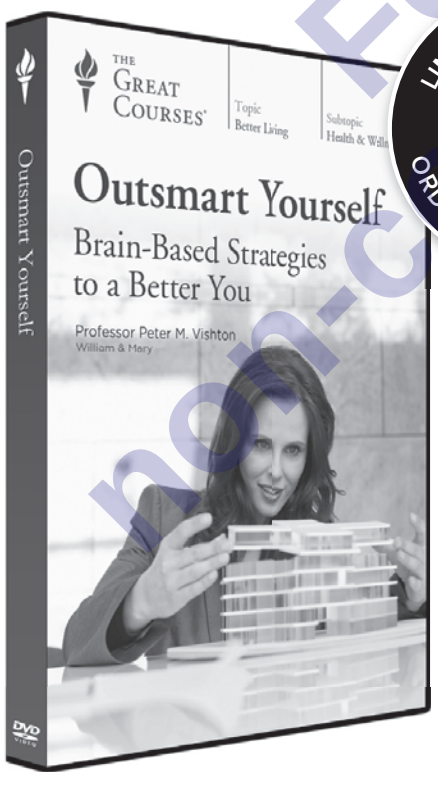

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OBITUARIES

INGVAR KAMPRAD
1926 — 2018

Ikea Founder Built Retailer By Keeping It Simple

By James R. Hagerty

Ingvar Kamprad and Sam Walton both emerged from rural areas to build fabulously successful big-box store chains. Both slashed prices and rallied their employees with folksy wisdom. But Mr. Kamprad's IKEA has proved more of a global success story than Mr. Walton's Walmart Inc.

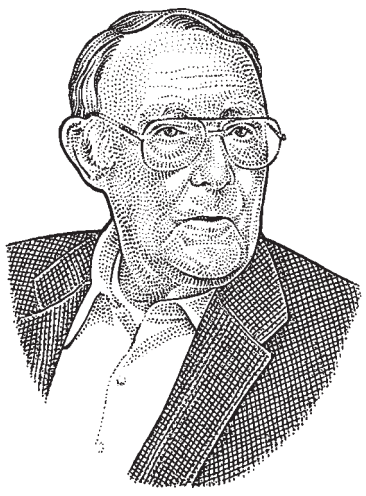
The U.S. still accounts for about three-quarters of Walmart sales. Sweden, IKEA's home market, provides only about 5% of sales at the company, whose biggest markets include Germany, the U.S., France, Britain and China. Including franchises, IKEA has stores in four dozen countries and is preparing to open one in Hyderabad, its first in India.

IKEA's Billy bookcases and Hemnes beds are fixtures in dorm rooms and apartments from Toledo to Tokyo and even find their way into some posh homes. Britain's Prince William and his wife, Kate, let slip during a tour of Sweden last month that IKEA furniture has infiltrated Kensington Palace.

Ingvar Kamprad, who died Jan. 27 at age 91, grew up on a farm in Sweden's rocky, forested Småland province and struggled with alcoholism. His youthful support for fascist politicians—for which he later apologized repeatedly—marred his reputation.

As a retailer, though, he proved shrewd. He didn't conclude that because he was successful at selling furniture he must also know how to sell music or golf clubs. Rather than diversifying, he stuck with mass-market home furnishings of a type instantly recognizable as IKEA. Products must be "colorful and cheerful," he decreed.

The company grew organically for the most part rather than risking big acquisitions. Because it was privately owned, IKEA could spend



years figuring out how to operate in a new market rather than worrying about short-term profits.

Mr. Kamprad clung to a practical, modern Swedish look that was neutral enough to fit into households around the world. He resisted pressure from some of his overseas managers to adapt that style to local tastes in each country. That would have added complexity and raised prices.

Most of all, he squeezed costs relentlessly. Prices had to be at least 20% below those on comparable products at rival stores and often were as much as 50% lower, Anders Dahlvig, a former CEO of IKEA, wrote in a 2012 management book.

"The company doesn't place as its first priority that the products shall look nice," he wrote. "Low prices take priority over everything else."

To encourage frugality in his workers, Mr. Kamprad was happy to offer himself as an example. He was known for reusing tea bags, flying economy class and taking public transport to airports. Even as a billionaire, Mr. Kamprad dickered over vegetable prices at farmers markets.

"Wasting resources is a mortal sin at IKEA," he wrote in a guidebook for employees. "We do not need fancy cars, posh titles, tailor-made uniforms or other status symbols."

He knew about global supply chains long before they were the norm. Rival retailers in the 1950s pressured Swedish furniture makers into boycotting the disruptive IKEA. So Mr. Kamprad visited Poland in the early 1960s and found primitive factories that, with training and tools from the Swedes, could make wooden furniture at much lower prices. Poland and China became two of the company's main suppliers.

Employees were hired for their potential, not their experience, and taught that making mistakes was part of the learning process, said Göran Carstedt, a former senior IKEA executive.

Mr. Kamprad made his share of mistakes. His investment in a television factory in Helsingborg, Sweden, in the 1960s was a costly flop. IKEA also lost money on investments in sawmills and manufacturing plants in Russia, Romania, Thailand and Malaysia. IKEA floundered for years before figuring out how to make money in the U.S., where competition was tougher and furniture had to be made larger to suit American preferences.

He assured his employees they had a noble mission: helping the masses afford comfortably furnished homes. "We must look after each other and inspire each other," he wrote in a tract for employees. "Those who cannot or will not join us are to be pitied."

◆ Read a collection of in-depth profiles at WSJ.com/Obituaries

CHRISTINE BESHAR
1929 — 2018

Lawyer Carved a Trail For Women

Christine Beshar made her mark as a partner in the male-dominated world of Wall Street law firms.

After graduating from Smith College in 1953, she had no career plan but was determined to work. Since her husband, Robert Beshar, was a lawyer, she applied to law firms. One hired her as a switchboard operator. Another made her assistant librarian.

Then Ms. Beshar spent several years assisting her husband, who represented Sperry & Hutchinson, the issuer of green stamps that rewarded loyalty at grocery stores.

While working and having babies, Ms. Beshar gained practical legal experience and read books on contracts, rules of evidence and constitutional law. Without attending law school, she took the New York bar exam and passed on her first try.

Cravath, Swaine & Moore hired her in 1964 and seven years later made her its first woman partner. She was so surprised and delighted by the news that she gave the presiding partner, Roswell Gilpatric, a hug.

After her children were grown, Ms. Beshar proposed that the firm set up a child-care center in its New York office for parents who worked there. It is now named after her. She died Jan. 11 at her home in Manhattan. She was 88.

—James R. Hagerty

MATHILDE KRIM
1926 — 2018

Scientist Shifted Gears, Became AIDS Activist

Mathilde Krim spent decades as a scientist seeking cures for cancer and other diseases. After the AIDS crisis erupted in the early 1980s, Dr. Krim found she could be more effective outside the laboratory.

Deploying her scientific credentials along with her social connections as the wife of a movie mogul, she founded an organization that merged into what is now amfAR, or the Foundation for AIDS Research. Dr. Krim and her colleagues raised money for research, pushed for federal funding, fought for patients' rights to try experimental treatments and denounced discrimination against gay people and drug addicts who were disproportionately stricken by the disease.

"From the beginning, the people with AIDS have been a disposable group—gays, blacks, drug users," she told The Wall Street Journal in 1987. "People don't care about them. They'd rather they wouldn't be here anyway."

For Dr. Krim, who grew up in Switzerland and later lived in Israel and New York, the AIDS crisis was part of a life of social activism that she traced to her shock at seeing newsreels of Holocaust death camps at the end of World War II—and wondering how people could have remained silent about them.

Dr. Krim died Jan. 15 in King's Point, N.Y. She was 91.

—James R. Hagerty

WORLD NEWS

Pope's China Stance Clashes With Image

By Francis X. Rocca

ROME—Pope Francis' recent decision to replace two Chinese bishops loyal to Rome with selectees of the country's Communist government, heralding his broader moves to reset the Vatican's ties with Beijing, has drawn cries of betrayal from advocates of the country's long-persecuted "underground" Catholic Church.

The pope's actions in China are characteristic of a leader who has repeatedly practiced realpolitik to achieve important goals. But they clash with Pope Francis' image among many Catholics and others as a defender of the oppressed—a profile likely to be further tested by his campaign to improve Vatican-China relations after seven decades of estrangement.

The pope has decided to recognize seven government-appointed Chinese bishops, according to a person familiar with the matter, in a major concession to Beijing in pursuit of warmer relations and—in the very long term—possible reestablishment of diplomatic ties broken in 1951. As part of that decision, Pope Francis has moved to replace two bishops loyal to the Vatican with prelates from China's state-controlled Catholic Church.

BMAX ROSSI/REUTERS

Pope Francis at a Mass for priests and nuns in Saint Peter's Basilica at the Vatican on Friday.

Cardinal Joseph Zen, a former bishop of Hong Kong, wrote on Monday that the Vatican seemed to be "selling out the Catholic Church in China." Vatican officials now expect the pope's stance in China to provoke more such criticisms from Chinese Catholics who reject government control of the church.

This isn't the first time Catholics have complained that the pope has abandoned them in pursuit of diplomatic or political ends. But while the outcome of his China initiative remains uncertain, when Pope Francis has seemed to make such trade-offs in the past, the nature of his long-term goals has generally limited the outcry.

Pope Francis "is a man of extreme realism who calculates very much the effects of what he says or does," said Sandro Magister, a Vatican expert who writes for Italy's L'Espresso magazine. "In order to achieve certain results he is quite ready to play down the concern that he otherwise shows for the persecuted and the oppressed."

Ukrainian Christians say Pope Francis has de-emphasized Russian aggression against their country by describing the fight against Russia-backed separatists in the east as "fratricidal." They say that stance reflects his effort to cultivate relations with the Russian Orthodox Church. In 2016, he achieved a dramatic milestone in his effort to reunify the Catholic and Orthodox churches after a 1,000-year split when he held the first meeting by a pope with a Russian Orthodox patriarch.

Similarly, Middle Eastern Christians have accused the pope of neglecting their plight to promote better ties with Islam.

In China, the pope seeks to increase at least incrementally the religious liberty of Catholics, even by means of compromise with an officially atheistic state. He also seeks to unify the underground Catholic community and members of the state-controlled church.

WORLD WATCH

UNITED KINGDOM

London Van Attacker Is Sentenced to Life

A man found guilty of murder for ramming a van into people outside a mosque in June, killing one person, was given a life sentence Friday, with a minimum term of 43 years.

During the trial, Darren Osborne, 48, denied responsibility for the attack, saying instead that a man named Dave had taken his place in the driver's seat minutes before and was responsible. Footage showed only one man leaving the van after the attack.

"Darren Osborne planned and carried out this attack because of his hatred of Muslims," Sue Hemming, the head of the special crime and counterterrorism division in the Crown Prosecution Service said Thursday.

A jury found him guilty of murder and attempted murder on Thursday.

—Jenny Gross

CANADA

Trudeau Warns on U.S. Nafta Demands

Prime Minister Justin Trudeau issued his sternest warning yet about U.S. demands for changes to the North American Free Trade Agreement, saying he is ready to "walk away" from negotiations if the Trump administration insists on measures that don't benefit Canada.

"We are not going to take any old deal," Mr. Trudeau said at a town hall event in Nanaimo, British Columbia. He said the state of talks was "complex and challenging," but added he remained confident Canada could eventually achieve the "right deal."

Trade experts have been increasingly optimistic about Nafta's fate. Still, Mr. Trudeau's threat to walk away marked the second time this week a senior Canadian official has cranked up rhetoric about the Nafta talks. On Wednesday, Foreign Minister Chrystia Freeland said there was significant progress at the negotiating table but there remain "significant gaps."

—Paul Vieira

FROM PAGE ONE

WELLS

Continued from Page One

can continue to lend and take deposits.

The Fed imposed the penalties after officials concluded Wells Fargo had been growing without proper risk controls in place, the officials said. The Fed has seen some improvement in Wells Fargo's risk management lately, but expects the bank to take further steps, they said.

"We cannot tolerate pervasive and persistent misconduct at any bank and the consumers harmed by Wells Fargo expect that robust and comprehensive reforms will be put in place to make certain that the abuses do not occur again," Ms. Yellen said in a statement.

Wells Fargo said it was "confident it will satisfy the requirements of the consent order" that it agreed to with the Fed.

"We take this order seriously and are focused on addressing all of the Federal Reserve's concerns," said CEO Timothy Sloan, adding that they referred to "prior issues where we have already made significant progress."

Wells Fargo recently said its chief risk officer will retire in 2018, and it is also bringing in a former New York Fed official to serve as its regulatory officer beginning in March. Both changes occurred after months of regulatory pressure over the bank's risk management work.

Under the Fed order, the bank agreed to tell the Fed within 60 days what it has already done and how it plans to enhance its board's governance oversight and the bank's compliance and operational risk management.

The Fed said the bank will also replace three current board members by April and fourth by the end of 2018. Wells Fargo has previously said it would add new directors to its 16-member board in 2018.

In September 2016, the bank settled allegations that it had years of improper sales practices that resulted in potentially 3.5 million accounts being opened without customers' knowledge. Elsewhere, more than 550,000 auto-loan and mortgage customers were potentially overcharged for products for years as well.

Some members of Congress, in particular Sen. Elizabeth Warren (D., Mass.) have called on the Fed to force the replacement of Wells Fargo's board due to what they said were governance and risk-management failures.

Since September 2016, Wells Fargo has replaced several board directors. More pressure was put on the bank after its annual shareholder meeting in April that year when nine of the bank's directors got votes of less than 75%.

Besides the Fed, the Office of the Comptroller of the Currency has also been weighing a new enforcement action against Wells Fargo related to risk controls, The Wall Street Journal reported earlier in January.

In addition to its enforcement action, the Fed also wrote separate critical letters to former Wells Fargo chairmen John Stumpf and Stephen Sanger.

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CHIBOK

Continued from Page One

quell their hunger, sleeping on bare ground near snakes and scorpions, sharing whispered Bible passages in defiance of their captors. After their release by ransom in two batches, 103 survivors, the world's most famous hostages, were cast into freedom as suddenly as they had been taken.

The ransomed women, along with 27 who escaped, are now sequestered on a heavily guarded university campus, enjoying a secure room and board as they undergo an arduous, uncertain recovery from a trauma that stretched over three agonizing years.

The liberation hasn't freed many of them from insomnia, depression and unwanted memories of captivity in forest camps. At times, they were so thirsty they drank from mud puddles, and so hungry they chewed tree bark.

"When they hug you, you can feel it," one school official said. "You can feel those three years."

About half of the 276 kidnapped schoolgirls—whose abduction from their town of Chibok sparked a world-wide social media campaign #BringBackOurGirls—either escaped or were ransomed; 112 remain missing. At least 13 are presumed dead.

Details of the students' captivity and their efforts to recover come from interviews with the women, their educators and psychologists, and intelligence officials who debriefed them after their release.

As captives, the women survived as a collective. Many now have trouble retrieving a sense of individual identity. A lone student will often say, "We are fine," when an instructor asks.

The young women are slowly being divided into separate classes, grouped by academic abilities. Some who had been best friends in captivity find their recovery moving at different speeds.

Liberation hasn't freed many from insomnia, depression and bitter memories.

"There is no playbook for this," said Reginald Braggs, a former U.S. Navy commander who is now the girls' English teacher, school principal and father-figure. "They're progressing, but there's still a long way to go."

Psychologists who specialize in kidnap victims say they are unsure about the best way to simultaneously treat and educate such a large group of women—ages 18 to 27—after years of collective captivity and abuse.

The spelling bee contests, one healing piece of the curriculum, arrived as something of a surprise. It was the Chibok girls who came up with the idea.

Back to school

Their new home, the American University of Nigeria, is only a few hours by road from the tin-roofed schoolhouse in Chibok where the girls were taken. These days, they share a high-tech campus of air-conditioned classrooms and manicured lawns with the sharply dressed children of Nigeria's metropolitan elite.

Parents agreed to let their daughters live at the university, though families are allowed only one visit per term.

As with all new schools, it was hard to fit in at first. "We couldn't eat," said Hauwa Ntakai. "We couldn't look at people in the eye."

The women had acclimated to the forest camps where Boko Haram insurgents threatened them at gunpoint to either convert to Islam and marry a fighter or be a slave.

About half chose slavery, which cost them access to food and shelter. Among their gruesome chores were amputating infected limbs and burying the dead, which included classmates. Several died from disease, hunger or the airstrikes that reduced the insurgents' camps to smoke and flames.

On campus, the survivors have struggled to be just students again. One night, plopped on couches, they watched "Akeelah and the Bee," a movie about an 11-year-old African-American girl in Los Angeles who finds her confidence after her father's death by winning the Scripps National Spelling Bee.

The students watched the movie again and again over bowls of popcorn. They went to their teachers with a demand: They wanted to hold their own spelling bees. The teachers agreed.

The young women began memorizing vocabulary lists and testing each others' lexicographic skills. Their wordplay escalated into late-night spelling battles. "It was unbelievably competitive," Mr. Braggs said.

Spelling employs a skill many of the women honed while captive: mnemonic memory. Some spent much of their time memorizing lengthy prayers and hymns. Others composed diary entries in their heads—their thoughts, injustices they suffered—they would later log in journals they kept hidden. In secret, they retold the story of Job, the biblical figure who was punished in a test of his faith.

Prisoners have long passed the time memorizing words. Arizona Sen. John McCain took to heart the names of 300 of his fellow prisoners during the Vietnam War. Jews held in the basement of the Terezin concentration camp memorized the lyrics to Verdi's choral opus "Requiem"—in Latin. Malcolm X copied the dictionary.

"I find it easy to memorize," said Saratu Ayuba, who won a gold medal in a recent contest by successfully spelling entertainment. "I know the small words. I can build them out in my head."

Others struggle, though, finding it hard to focus.

"For those of them who didn't meet their marks, it was a knock to their confidence," said Somiari Demm, their psychologist. "But there's quite a few of them who've found their voice."

In late-night study sessions, the women collapse in laughter over misspellings. "She kept spelling dranking instead of drinking," said Ms. Ntakai, pointing at her friend. "It sounds funny." They sometimes break into mock karaoke, ditching word lists for a hairbrush held as a microphone.

Teachers and counselors try to keep their minds on their daily activities, as well as their future. Emotionally, Mr. Braggs said, "I can't allow them to go back to that place. If one of them is traumatized or has an episode, it could spread like wildfire.

On a recent day at the university, the Chibok women crowded around a whiteboard, tackling algebra problems. One group was multiplying fractions: -2/5 times 2/5?

Grace Paul was composing a speech titled, "My First Journey by Air."

Dudu Nkeki, one of the first to escape, milled about, cracking jokes. "Bad things happen," she said, "before good things can happen."

Stolen away

The 276 Chibok girls were studying for their final exams on the night of April 14, 2014, when truckloads of fighters arrived at their schoolhouse and drove them into the woods.

In December, days after Christmas, Boko Haram released a video featuring dozens of Chibok students who remain in forest camps.

"By the grace of Allah, we will never return," said one young woman, surrounded by burka-clad classmates, some holding babies.

"There are things that happened," Ms. Demm said, "that all of those young girls are going to take to their graves." The school-appointed psychologist, who relocated from Richmond, Va., said many are improving but they are only beginning to confront the pain of their ordeal.

"In sessions sometimes we get to a point where they just leave: their bodies are still there but they are just emotionally and mentally not there," Ms. Demm said. "They just can't go there. Not yet."

In October 2016 and May 2017, 103 survivors were swapped for a ransom that people involved said included €3 million, about $3.7 million, delivered in a pair of duffel bags.

Even after they were freed, the forest kept a tight grip. The young women ducked and screamed at the sound of commercial jets flying over the government building where they were first held, fearing they were bringing airstrikes.

They boarded a plane in September to Yola and the university. Flight attendants yelled at them to sit in their ticketed seats and fasten their seat belts. "I thought I was going to die," Ms. Paul said, recalling the flight.

The protracted recovery for the freed Chibok girls echoes the long war still thundering across four West African nations.

Nigeria's army has retaken territory and hide-outs from Boko Haram's self-proclaimed caliphate, but the terrorist group continues to hold thousands of abducted boys and girls. It deployed seven times as many suicide bombs in 2017 than the year prior.

Most of the bombers—like the Chibok girls—were young women.

SUNDAY AGHAEZE/AGENCE FRANCE-PRESSE/GETTY IMAGES

JOE PARKINSON/THE WALL STREET JOURNAL

Women who were returned to freedom last May, above, are now trying to rebuild their lives on the protected campus of the American University of Nigeria, below.

DANCE

Continued from Page One

when they would otherwise be holding or be held by a partner.

At one point in her new program, "I put my right hand on my hip to mimic a guy's hand being there," says Ms. Fisher.

"Everybody adds cool arms and cool expressions," says Lindsey Grigg, a 17-year-old from Chesterfield, Mo., who has skated solo since her ice dance partner quit in 2016 to focus on his studies. At the end of a cha-cha in one routine last year, "I did a little hair flip, which was really fun," she says.

Solo ice dancers also let their creativity fly with original dances choreographed for one, giving themselves an edge with spirals, spread-eagles and other dramatic moves that replace being lifted by a partner.

"My coach very often has me imagine where the partner would be," says Lori Fussell, a 47-year-old solo ice dancer in Colorado and Wyoming, and chair of U.S. Figure Skating's adult skating committee.

Dancing with oneself, "You have a little more freedom," says Ms. Fussell. With a partner, "you have to learn to dance in unison with someone else."

Ice dance was once overshadowed in the U.S. by singles and pair figure skating, which captivate audiences with jaw-dropping jumps and intense rivalries (notably the 1994 Tonya Harding-Nancy Kerrigan showdown, revisited in the recent movie "I, Tonya").

But ice dance has risen in popularity since Americans started winning Olympic medals: Tanith Belbin and Ben Agosto with a silver in 2006, followed by Meryl Davis and Charlie White, who won silver in 2010 and gold in 2014.

Two U.S. ice dancers who will be competing in this year's Olympics, Alex and Maia Shibutani, had no problem forming their team: They're brother and sister, known as the "ShibSibs."

Today, the sport attracts skaters who love the artistry or want a discipline easier on their joints. Some women, and a few men, go solo when they can't find partners—even after trying on icepartnersearch.com, where ice dancers post photos, names, ages and other details. "It's kind of like a dating website," says Ms. Fisher, who posted a profile a few years ago in search of a partner. None panned out.

Some say even when they find someone, they wind up going solo. Practice schedules, locale or skating styles might not match. Others just want to skate.

Julie Gidlow turned to ice dance after years of singles skating, as injuries made jumps more perilous. The 49-year-old, who lives in Beverly Hills, Calif., says she chose to skate solo because "I have too many back and neck problems to have another person move me somewhere."

Solo ice dancing helps keep her in a sport she started in childhood. "I wanted to be able to skate for the rest of my life," says Ms. Gidlow, who has participated in adult competitions for more than 20 years. "I can't imagine quitting now, ever."

Many turn to partners for lessons or dance tests, in which skaters perform required routines to advance to the next level of competition. Sometimes they fly in coaches or elite competitors as temps.

Logan Giulietti-Schmitt, a coach in Dallas, travels to rinks across the U.S. to break the ice with solo skaters, accompanying them as they practice for and then take their tests.

His wife "thinks it's kind of funny what I do," says Mr. Giulietti-Schmitt, 32, who placed fourth with his ice dance partner in the 2012 U.S. Figure Skating Championships. But, he says, "There's a need for it." Learning to skate with another person is an important skill, he says.

"It's definitely easier for guys to find a partner because the ratio is just so lopsided," he says. "If you're a male figure skater, you are popular," says Laurie Sanii, director of the Skating Academy at the Atlanta IceForum in Duluth, Ga., who is trying to boost interest with lessons and an "ice dance weekend" to draw more people to the sport.

Kimberly Coxe found an ice dance partner after beating a man in a competition where he was also skating solo. "So he asked me if I wanted to partner dance," says the 42-year-old, who works for a software company in Lakewood, Ohio.

He lives on the West Coast, so both still practice solo and meet up for competitions. But she didn't invite him on a trip two years ago to Australia and New Zealand, where she danced solo in competitions. "I was not going to pay for a partner to go on vacation with my husband and me," she says.

ROBERT RINKEWICH/VISION PHOTO & VIDEO, LLC

Ice dancer Helena Fisher is one of many skaters who perform routines solo in competitions.

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OPINION

THE WEEKEND INTERVIEW with Gordon Wood | By Jason Willick

Polarization Is an Old American Story

Providence, R.I.

He's been called the "dean of 18th-century American historians," but Gordon Wood's biggest claim to fame is that Matt Damon once mentioned him in a movie. In a barroom scene from 1997's "Good Will Hunting," a haughty Harvard grad student bloviates in a bid to impress two women. Mr. Damon's character, a working-class prodigy, cuts him down to size: "Next year, you're gonna be in here regurgitating Gordon Wood, talkin' about, you know, the prerevolutionary utopia and the capital-forming effects of military mobilization."

Mr. Wood says a student told him about the mention immediately after the film's Cambridge, Mass., premiere. But he is fond of pointing out that he isn't the historian Mr. Damon's character most admires: "If you want to read a real history book, read Howard Zinn's 'People's History of the United States,' " Mr. Damon says in another scene. "That book will really knock you on your ass."

The noted historian of early America says Adams's Federalists and Jefferson's Republicans were far more divided than today's political parties.

And the truth is that today the pompous grad student would be likelier to quote Zinn's progressive indictment of America than Mr. Wood's work. "I'm considered on the wrong side," Mr. Wood, energetic and alert at 84, tells me over lunch at the faculty club of Brown University, where he is a professor emeritus. "American history is now a tale of oppression and woe. And if you don't say that . . ." he trails off.

Mr. Wood graduated from Tufts in 1955, served in the U.S. Air Force in Japan—"I was lucky, I was between two wars"—and enrolled in Harvard's graduate history program in 1958. He had hoped to study with Arthur Schlesinger Jr., but the latter was gearing up for the Kennedy presidential campaign. Mr. Wood enrolled in a seminar with Bernard Bailyn, a just-tenured early-American historian, and never looked back.

Over six decades of work on the colonial period, the Revolution and the Founding, Mr. Wood has accumulated virtually every award available to historians—the Bancroft Prize for "The Creation of the American Republic," a Pulitzer for "The Radicalism of the American Revolution," and the National Humanities Medal, which President Obama presented him in 2010.

But as his star rose, his field suffered an extended decline amid the late-20th-century backlash against "dead white males." Experts on revolutionary politics retired and weren't replaced. Social history—"bottom up" accounts of marginalized groups—gained prestige. The New York Times reported in 2016 that in the previous decade universities posted only 15 new tenure-track openings for American political historians of any kind.

"I understand what they're doing, and it's important," Mr. Wood says of the social historians. "We know more about slavery than we ever did." But he argues the academic literature has grown unbalanced, neglecting crucial questions, including about the political divisions that shaped the early republic. "It's not that they're wrong about the killing of the Indians and slavery, but there are other things that happened too, and it's a question of which ones do you emphasize."

He describes the attitude of some of these scholars: "I want to show how bad things were so people will wake up and do something about the present." Many Americans tune out instead. Weary of "one tale of oppression after another," they turn to popular historians, many of whom have no formal training in history.

Meanwhile, many scholars retreat further into narrow subspecialties and esoteric jargon. These days, he says, professional history is "almost like a science" in that the work is unintelligible to laymen. But whereas "physicists can show us what they've done" by engineering real-world applications, historians' work must stand on its own. They have a responsibility to make it vivid and meaningful for the broader public.

What happens when they abdicate this responsibility? For one thing, a lack of historical perspective can lead to apocalyptic thinking about the present. "History is consoling in that sense," Mr. Wood says. "It takes you off the roller-coaster of emotions that this is the best of times or the worst of times."

His latest book, "Friends Divided: John Adams and Thomas Jefferson," provides an illustration. The antagonism between Adams's Federalists and Jefferson's Republicans in the 1790s was far more fundamental, and therefore more threatening, than American partisanship today: "I think we're going to survive easily," Mr. Wood says.

By contrast, Adams, Jefferson and their coalitions came close to killing the republic in its cradle. They disagreed on as fundamental a question as whether the new republic should be democratic. Jefferson had a romantic faith in democracy and the wisdom of ordinary people; Adams predicted that "democracy will infallibly destroy all civilization."

Jefferson's view was partly self-serving. "The leadership of the Republican Party, which is the popular party, is Southern slaveholders," Mr. Wood says. "They don't fear the people," because the gentry-aristocracy effectively controlled electoral outcomes. Jefferson was akin to today's "limousine liberal" in that he was insulated from the policies he promoted. (Eventually, his ideas would prove potent in arguing against slavery.) Meanwhile, Adams's Federalists "are coming from New England, where you have

KEN FALLIN

far more egalitarian societies, far more democratic societies," he says. "But for that very reason, the leaders are more scared of populism, of democracy."

That may make Adams sound like a member of today's "establishment." Yet some of his other ideas would be more amenable to populists like Donald Trump. Adams said to Jefferson, in Mr. Wood's paraphrase: "You fear the 'one' of monarch, I fear the 'few,' meaning the aristocrats." Adams argued that domination by oligarchs was a grave threat to liberty. "It's his way of justifying the strong executive who will act as a check on the few," Mr. Wood says. Adams wanted the executive to have some of the powers of the Crown.

That was anathema to Jefferson, whose life mission was "the elimination of monarchy, and all that it implies, which is hereditary rule, hierarchy and corruption." He saw around him "a world of privilege in which ordinary people are abused. . . . From our point of view, he's very sympathetic because he's destroying that world," Mr. Wood says.

The Federalists feared that Jefferson's leveling vision would prove destructive to mediating institutions. Mr. Wood cites a recent book by political scientist Patrick Deneen, "Why Liberalism Failed," which argues that the West's commitment to individual autonomy—in both markets and culture—has undermined communal connections, leaving people lonely and isolated. That's what the Federalists feared—"this awful kind of world, where the individual is alone and without any kind of connections with anyone."

Another Jefferson-Adams disagreement that still resonates is what we now call "American exceptionalism"—the idea that "we've transcended the usual definition of a nation, and that we had a special responsibility in the world to promote our way of life." Jefferson strongly believed it. He thought that "war is caused by monarchs" and "republics are naturally pacific," so peace would follow if the American model were adopted everywhere. In that sense, he sounded very much like today's liberal internationalists and neoconservatives. To Adams, meanwhile, America was "just as sinful, just as corrupt as other nations"—a view both Presidents Trump and Obama have sometimes echoed in different ways.

The most poignant comparison, however, is the bitterness of the divide. For much of the 1790s, neither Adams's Federalists nor Jefferson's Republicans "accepted the legitimacy of the other," Mr. Wood says. "And of course, the Federalists never thought that they were a party. They were *the government,"* and Jefferson's Republicans a malignant faction trying to take the government down. The Republicans, for their part, "thought that the Federalists were turning us into a monarchy and reversing the American Revolution."

We hear plenty of similarly apocalyptic rhetoric today, but much of it is cynical and self-consciously exaggerated. What was striking about the 1790s, Mr. Wood emphasizes, is the extent to which each party sincerely believed the other posed an existential threat.

The differences came to a head as Americans split over the French Revolution, which Jefferson saw as vindicating his idea of human liberation and Adams as confirming his fears about how a society might be rent apart. The Federalists alleged Republican collusion with France—and unlike today's skirmishes over Russian meddling, there was then an acute fear of invasion and mass defection. There was organized violence in Philadelphia, the capital, which to Federalists "seemed to be dominated by all these Frenchmen." The terrified Federalist Congress enacted the Alien and Sedition Acts to suppress dissent. "We came close to a civil war in 1798," Wood says. "It didn't happen, and therefore historians don't take it seriously."

Adding to the chaos were Alexander Hamilton's imperial designs. "Hamilton is full of visions of what he's going to do with this army," Mr. Wood says. He's going to "go into Mexico maybe, and he's going to ally with some of the leaders in South America" in a grand anti-French alliance. In a swipe at popular history, Mr. Wood says the "Hamilton" musical offers a "distorted" picture of a man who was really an antiliberal "Napoleonic figure": "Things might have gotten to a point where Hamilton actually sends an army into Virginia," the Republican stronghold.

In the campaign of 1800, Adams's allies viewed Jefferson much the way opponents saw Donald Trump 216 years later—"stirring up trouble" and "destroying legitimate leaders." Jefferson won, and Adams declined to attend his successor's inauguration—to this day, the only such snub in history. The transfer of power was so momentous that Jefferson called it "the Revolution of 1800." At that point, Mr. Wood observes, the Federalists "assume that he'll fail so badly that they'll be back into power before long." They assumed wrong—the Federalists never won the presidency again and faded altogether by 1820.

A theme throughout Mr. Wood's work is that most of the Founders who lived into the 19th century ended up with reservations about the society they had created. Federalists rued the excesses of democracy, which undermined their aspirations for classical deliberative politics. "People began saying, look, if I don't have people of my own kind in the government, I don't feel confident," Mr. Wood says. "You don't trust people who aren't like you, and that's what feeds the anti-elitism," which today takes the forms of populism and identity politics.

As for the Republicans, the federal government grew beyond anything they imagined. Today, limited government is associated with conservatism, "whereas in the late 18th century, it's the radical position." Jefferson believed a strong state would exacerbate unearned privilege and lead to monarchy. Yet America's sprawling government today—the welfare state at home and military abroad—largely exists to promote Jeffersonian values of equality and American exceptionalism.

The ways in which both Adams's and Jefferson's visions have been frustrated illustrates one of Mr. Wood's broad insights about the value of history. "History is a conservative discipline in that the one lesson that comes out of it is, nothing ever works out the way you think it's going to," he says. "That's why Nietzsche said if you want to be a man on horseback, forget history, because it'll stifle you—you'll get full of doubts."

History could teach today's partisans on both sides that their ideas are less radical than they think, that the American republic is stronger than they fear, and that the nation's divisions are more surmountable than they imagine. At a time when, serious historians are proving less and less capable of reaching the wider public, Americans could do worse than to regurgitate lessons from Gordon Wood.

Mr. Willick is an assistant editorial features editor at the Journal.

Climate Change Could Swamp Your Muni-Bond Portfolio

CROSS COUNTRY
By Jay Newman

By the end of this century Oakland, Calif., will be experiencing a "100-year flood" every week. At least that's what the Oakland city government argued last year, when it filed a lawsuit against several oil companies for contributing to climate change. The city forecasts that rising water levels in the San Francisco Bay will threaten the sewer system and other property "with a total replacement cost of between $22 billion and $38 billion."

Suppose you hold some of Oakland's municipal bonds. This climate apocalypse sounds like a serious risk, right? Yet a recent prospectus for Oakland's general-obligation bonds shrugs off the threat. "The City is unable to predict when seismic events, fires or other natural events, such as sea rise or other impacts of climate change or flooding from a major storm, could occur," the prospectus states. And even if such events occur, the city can't be sure "whether they will have a material adverse effect on the business operations or financial condition of the City or the local economy."

Other California localities have told courts one thing and investors another regarding climate change. In a similar lawsuit, San Francisco claims it faces "imminent risk of catastrophic storm surge flooding." But in a bond offering last year, the city said it is "unable to predict whether sea-level rise or other impacts of climate change or flooding . . . will occur." San Mateo County claims in another suit that there is a 50% chance that a "devastating three-foot flood . . . occurs before 2030." The county uses boilerplate similar to San Francisco's to play down such risks in its communications to bondholders.

These jarring inconsistencies have led Exxon Mobil, a target of the lawsuits, to seek judicial relief. In a petition to a Texas court, the company states: "The disconnect . . . indicates that the plaintiff municipal governments do not actually believe the allegations in their complaints and that the allegations were not made in good faith." Exxon is also asking for permission to depose the lead plaintiff's lawyer, along with 15 California officials involved in filing the lawsuits.

It is possible the California officials were truthful in their attestations about their forecasts. But that means they seriously misled their investors, hoping they could ding deep-pocketed oil companies while continuing to borrow cheaply in the municipal bond markets.

This is not an uncommon practice. As a longtime investor in sovereign bonds, I can attest to the "flexibility" politicians demonstrate when approving prospectuses and agreeing to bond covenants. Reneging on contracts and explaining away misrepresentations are standard operating procedure for the political class in localities, states, countries and territories such as Puerto Rico.

Investors are relatively powerless in the face of such government dissembling. Besides selling their bonds, their only recourse is the courts. And because politicians readily spend taxpayer money to draw out the legal process, this option is generally too lengthy and unpredictable to be worthwhile.

California localities warn of disaster when suing oil companies. So how come they don't tell investors?

But this case may be different thanks to the astonishing presence of contemporaneous, and directly contradictory, legally binding statements. This could prompt the Securities and Exchange Commission to abandon its hands-off approach and require state and local governments to disclose to investors risks arising from climate change, rather than allowing them to equivocate.

States and municipalities facing climate-change-associated risks would suffer a significant blow to their credit ratings, according to a Moody's Investors Service report issued in November 2017. Municipalities that sought big paydays from major oil companies may end up with a bitter second prize—more disclosure and higher borrowing costs.

Plaintiffs' lawyers probably never intended that their war on the fossil-fuel industry would end up shining a light on the perilous state of local public finances. But wars have a funny way of creating unintended consequences. If the unqualified statements made in court about the impact of climate change are even half true—regardless of the cause—the finances of many of California's coastal cities could soon be underwater.

Mr. Newman is a former hedge-fund manager who specialized in sovereign debt.

Notable & Quotable: 'The Final Year'

From "The Final Hagiography of the Obama Team" by Andrew Ferguson in the Feb. 12 Weekly Standard:

The new documentary *The Final Year* records the ups, the downs, the smiles, the frowns of President Obama's foreign policy advisers during their last months in office. . . . The stars of the movie are John Kerry, U.N. ambassador Samantha Power, and Ben Rhodes, who served as Obama's closest foreign policy aide.

The most touching sequence in The Final Year concerns the "ceasefire" that Kerry negotiated with the Russians and Syrians in September 2016. The movie portrays Kerry as a clueless and oddly endearing popinjay who lurches from photo-op to photo-op, shaking hands with one international grifter after another, getting his pocket picked all the while. He spends dozens of hours "brokering" the ceasefire with those friendly Russians. Then he is astonished and crestfallen when it falls apart, after Russian and Syrian aircraft bomb a U.N. humanitarian convoy headed for Aleppo, killing more than 20 aid workers and destroying food supplies meant for 75,000 starving people.

"It's so frustrating," Kerry tells the camera. "Because we had an agreement that could have worked! But some people didn't want to cooperate." . . .

After Kerry is gone, it is left to Power to talk like a man. She takes his seat at the Security Council and stares at the fleshy, vacant face of the Russian ambassador. "Are you truly incapable of shame?" she says. "Is there literally nothing that will shame you?" In that moment Samantha Power walks off with the movie. . . .

But this may not be the movie's highlight. For a viewer susceptible to *schadenfreude*—I name no names—that comes on election night, when the "legacy" of Obama and his visionaries effectively dissolves before their very eyes. A camera follows Rhodes outside, where he slumps, devastated, on a bench. He's asked how he feels. "It's a lot to process," he says. For more than 30 seconds he gropes to express himself. "I can't . . . I . . . I ca . . . I mean, I ca . . ."

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OPINION

REVIEW & OUTLOOK

A Reckoning for the FBI

The House memo reveals disturbing facts about the misuse of FISA.

Now we know why the FBI tried so hard to block release of the House Intelligence Committee memo. And why Democrats and the media want to change the subject to Republican motivations. The four-page memo released Friday reports disturbing facts about how the FBI and the Foreign Intelligence Surveillance Court appear to have been used to influence the 2016 election and its aftermath.

The White House declassified the memo Friday, and you don't have to be a civil libertarian to be shocked by the details. The memo confirms that the FBI and Justice Department on Oct. 21, 2016 obtained a FISA order to surveil Carter Page, an American citizen who was a relatively minor volunteer adviser to the Trump presidential campaign.

The memo says an "essential" part of the FISA application was the "dossier" assembled by former British spy Christopher Steele and the research firm Fusion GPS that was hired by a law firm attached to the Clinton campaign. The memo adds that former FBI Deputy Director Andrew McCabe told the committee in December 2017 that "no surveillance warrant would have been sought" without the dossier.

This is troubling enough, but the memo also discloses that the FBI failed to inform the FISA court that the Clinton campaign had funded the dossier. The memo says the FBI supported its FISA application by "extensively" citing a September 2016 article in Yahoo News that contained allegations against Mr. Page. But the FBI failed to tell the court that Mr. Steele and Fusion were the main sources for that Yahoo article. In essence the FBI was citing Mr. Steele to corroborate Mr. Steele.

Unlike a normal court, FISA doesn't have competing pleaders. The FBI and Justice appear ex parte as applicants, and thus the judges depend on candor from both. Yet the FBI never informed the court that Mr. Steele was in effect working for the Clinton campaign. The FBI retained Mr. Steele as a source, and in October 2016 he talked to Mother Jones magazine without authorization about the FBI investigation and his dossier alleging collusion between Russia and the Trump campaign. The FBI then fired Mr. Steele, but it never told the FISA judges about that either. Nor did it tell the court any of this as it sought three subsequent renewals of the order on Mr. Page.

We don't know the political motives of the FBI and Justice officials, but the facts are damaging enough. The FBI in essence let itself and the FISA court be used to promote a major theme of the Clinton campaign. Mr. Steele and Fusion then leaked the fact of the investigation to friendly reporters to try to defeat Mr. Trump before the election. And afterward they continued to leak all this to the press to cast doubt on the legitimacy of Mr. Trump's victory.

No matter its motives, the FBI became a tool of anti-Trump political actors. This is unacceptable in a democracy and ought to alarm anyone who wants the FBI to be a nonpartisan enforcer of the law.

We also know the FBI wasn't straight with Congress, as it hid most of these facts from investigators in a briefing on the dossier in January 2017. The FBI did not tell Congress about Mr. Steele's connection to the Clinton campaign, and the House had to issue subpoenas for Fusion bank records to discover the truth. Nor did the FBI tell investigators that it continued receiving information from Mr. Steele and Fusion even after it had terminated him. The memo says the bureau's intermediary was Justice Department official Bruce Ohr, whose wife, incredibly, worked for Fusion.

Democrats are howling that the memo, produced by Republican staff, is misleading and leaves out essential details. They are producing their own summary of the evidence, and by all means let's see that too. President Trump should declassify it promptly, along with Senator Chuck Grassley's referral for criminal investigation of Mr. Steele. But note that Democrats aren't challenging the core facts that the FBI used the dossier to gain a FISA order or the bureau's lack of disclosure to the FISA judges.

The details of Friday's memo also rebut most of the criticisms of its release. The details betray no intelligence sources and methods. As to the claim that the release tarnishes the FBI and FISA court, exposing abuses is the essence of accountability in a democracy.

Intelligence Chairman Devin Nunes is doing a service by forcing these facts into the public domain where the American people can examine them, hold people accountable, and then Congress can determine how to prevent them in the future. The U.S. has weathered institutional crises before—Iran-Contra, the 9/11 intelligence failure, even Senator Dianne Feinstein's campaign against the CIA and enhanced interrogation.

The other political misdirection is that the memo is designed to undermine special counsel Robert Mueller's probe into possible Trump collusion with Russia. We doubt Mr. Mueller will be deterred by any of this. The question of FISA abuse is independent of Mr. Mueller's work, and one that Congress takes up amid a larger debate about surveillance and national security. Mr. Trump would do well to knock off the tweets lambasting the Mueller probe, and let House and Senate Republicans focus public attention on these FISA abuses.

* * *

If all of this is damaging to the reputation of the FBI and Justice Department, then that damage is self-inflicted. We recognize the need for the FBI to sometimes spy on Americans to keep the country safe, but this is a power that should never be abused. Its apparent misuse during the presidential campaign needs to be fully investigated.

Toward that end, the public should see more of the documents that are behind the competing intelligence memos to judge who is telling the truth. Mr. Trump and the White House should consider the remedy of radical transparency.

Justice Drops the Menendez Hunt

Prosecutors finally admit they had a weak corruption case.

The Justice Department showed some humility and wisdom this week by dropping corruption charges against New Jersey Senator Bob Menendez. This is an implicit recognition of Supreme Court holdings that being sleazy isn't a crime.

Mr. Menendez was charged in 2015 with 14 counts of corruption and honest services fraud, a catchall prosecutors use to criminalize unseemly conduct. The timing of the indictment was suspicious coming amid the Senator's criticism of the Obama Administration's Iran nuclear deal, which compelled him to resign his ranking post on the Foreign Relations Committee.

The problem for prosecutors was that the Supreme Court substantially narrowed the bounds of political corruption in its landmark *Skilling* (2010) and *McDonnell* (2016) rulings. Prosecutors now must demonstrate a clear quid-pro-quo—that is, public officials exchanged something specific and tangible of value in return for an official act.

Justice marshaled evidence of political favors Mr. Menendez performed for his longtime friend Salomon Melgen, a Palm Beach doctor and Democratic Party donor who was convicted of Medicare fraud last year. The Senator supported visas for Melgen's Brazilian girlfriends and lobbied Health and Human Services Secretary Kathleen Sebelius to change a Medicare reimbursement policy. She refused. But prosecutors couldn't distinguish Mr. Mendendez's intercessions from constituent service or friendship.

Prosecutors also argued that Mr. Menendez in return received campaign contributions and access to the high life—private jet trips and luxurious vacations to the Dominican Republica. But they couldn't prove a quid pro quo, since the two men had been friends for 25 years and Melgen donated to other Democratic politicians.

Ten of the 12 jurors in the case supported acquittal, resulting in a mistrial, and prosecutors at first vowed to retry the case. We're glad they decided to walk away. Mr. Menendez will answer to voters this November.

The Selloff Arrives, Finally

Believe it or not, sometimes stocks go down. That eternal reality hit hard this week with the fall of the Dow Jones Industrial Average, which dropped more than 650 points on Friday.

Friday's jobs report was steady as she goes for the recovery—nonfarm payrolls increased 200,000 in January, and unemployment remained unchanged at 4.1%. But one measure that deserves particular notice is wage growth: Average hourly earnings increased 2.9% year-over-year. This is the fastest pace since 2009. An unfortunate artifact of the recovery during the Obama Presidency's eight years was stagnant incomes. This wage revival is a welcome sign that the benefits of a tight labor market are starting to flow to workers in higher incomes.

Nonetheless, Friday's market endured a bond-market selloff, with the yield on 10-year Treasury notes topping 2.852%. Markets interpreted the growth in wages as a signal of higher inflation, which would cause bond investors to demand higher rates in advance of an interest-rate increase by the Federal Reserve.

But increasing the return on labor does not guarantee inflation. The Fed has signaled for months that it eventually will increase rates. A bond selloff doesn't necessarily mean a Fed move toward more rapidly raising rates is imminent. New Fed Chair Jerome Powell is widely expected to pursue the policy of measured rate increases initiated by his predecessor Janet Yellen. In any event, we've lived with a long period of historically low rates and a return to higher interest rates is inevitable, and an economy growing faster should be able to bear it.

Stock corrections are inevitable along the way, and to the extent the past week's downward move recognized this reality, it should be welcome. After healthy gains for months, some profit-taking was going to happen.

We hope this reality sinks in at the White House, where President Trump has been overselling the stock market's gains as central to his economic record. He'd be better off sticking with the advances occurring on his watch in the real economy. Let the stock market fend for itself.

LETTERS TO THE EDITOR

Keep Football Exciting While Making It Safer

Dr. Paul S. Auerbach ("How to Save Football Players' Brains," op-ed, Jan. 20) is quite correct that football, particularly the NFL variety, is "a violent collision sport that causes the majority of traumatic brain injuries in athletes." Lest we not delude ourselves, neither the NFL's "concussion protocol" nor the advent of innovative and presumably safer helmets have done much to prevent brain damage. The primary mechanism of collision injury is the torque force of impact. That action creates rotational force which propels delicate brain tissue against the rigidity of the bone-hard skull. Each minor impact produces cumulative and progressive damage to the brain, invariably leading to irreversible encephalopathic dementias. Dr. Auerbach proposes having opposing down linemen assume an upright posture and precluding live tackling in scrimmages, among other changes. However, his sensible suggestions most likely won't be implemented, as they will reduce the enterprise value of the carnage.

During the AFL championship game, the Jacksonville Jaguars' Barry Church, running at full force, collided helmet to helmet with the Patriots' Rob Gronkowski. The "hit" was illegal and the Jags were penalized. Mr. Gronkowski left the game with a concussion and didn't return. Astonishingly, Mr. Church remained on the field. He was neither ejected nor fined. Tell me, what is the message here? The systemic problem is that violence is an intricate and inextricable part of football culture. The invested purses and controlling powers want it to remain that way, especially in a time of declining game attendance and viewership.

BRIAN SCHULMAN, M.D., C.I.M.E.
Bethesda, Md.

In my experience most concussions are suffered in high-velocity head collisions with other players or with the ground, not when two high-inertia linemen collide at low velocity, as Dr. Auerbach suggests.

BRIAN ETHERIDGE
Merritt Island, Fla.

Ever since the helmet was weaponized by making it out of sturdy plastic, many players have been severely injured by helmet-to-helmet contact.

If players would go back to leather helmets, many of these injuries would be eliminated, since the helmet (and head) would no longer be used as a weapon.

BILL PAMPUSH
Loudon, Tenn.

As a neurologist, I couldn't agree more with Dr. Auerbach's pleas to save football players' brains. However, I wonder why we stop there?

The American Journal of Sports Medicine published a review of concussions in 17 NCAA sports from 2009-14. This is important, as the typical college athlete still has a developing brain. It found that the highest proportion of recurrent concussions among student athletes in 17 sports was (in descending order): men's ice hockey, women's field hockey, men's basketball, women's soccer, women's basketball, women's softball, women's ice hockey, women's lacrosse, women's gymnastics, men's wrestling, men's lacrosse, women's volleyball and, finally, men's football.

Yet I don't see a lot of interest expressed in tackling the risk of recurrent concussion in these other sports. Nor do I see a lot of interest in having these women's sports address concussions. I have yet to see a field hockey game where the women were wearing helmets.

Perhaps we should look at all sports and protect all athletes, not just the ones which garner the most press.

TODD J. JANUS, PH.D., M.D., FAAN
Des Moines, Iowa

Jane Austen on Sexual Harassment, Vol. III

Prof. Pauline Beard (Letters, Jan. 18) believes that in Jane Austen's "Pride and Prejudice" Elizabeth has been sexually harassed because "for a man to bring fiery Lizzy to that result [tears]—now that is sexual harassment." This is an interesting point of view, but unfortunately ill-conceived and naive.

In every human encounter, there are inequalities of power, wealth, age, desire and multiple other variables. To suggest that the mere existence of these differences among us constitutes sexual harassment is silly.

It is only when action is taken (or attempted) to force the other party to do something unwanted that it becomes harassment. Mr. Darcy makes no such attempt. He merely points out (to his dismay), the obvious shortcomings of Lizzy's family.

He is shocked that Lizzy has rejected him but makes no attempt to abuse his position. The mere presence of anger, hurt feelings or even dreadful silence isn't harassment either.

To suggest otherwise is to imply that every human encounter is one of harassment. Certainly the potential exists, but it requires action to create harassment, not just the inequalities of position that accompany every human interaction.

I do agree with Prof. Beard on one point. Ms. Austen teaches us all to "be brave and stand up for what you know is right."

That is what Lizzy does.

JIM CANTONI
Hudson, Ohio

Rediscovering What Our Founders Knew Long Ago

It's shocking, shocking, that two Harvard political scientists have just discovered what James Madison, Alexander Hamilton and John Jay knew some 230 years ago: Democracies are unstable ("How Democracies Die" by Steven Levitsky and Daniel Ziblatt, reviewed by Jason Willick, Bookshelf, Jan. 25). I recommend the Federalist Papers which explain why the U.S. doesn't have a "pure" democracy and has survived lo these two centuries.

ALSON E. HATHEWAY
Pasadena, Calif.

The FBI's Andrew McCabe Retired; He Didn't Resign

Your editorial "Cleaning Up Comey's FBI" (Jan. 30) mischaracterizes FBI Deputy Director Andrew McCabe's departure from the FBI. He did not resign. He requested and received permission to take his earned (not "given") annual/sick leave and apply it to the two-plus months he has until he reaches the minimum retirement age (50, with 20 years of creditable service) in March of this year. This is done routinely in the federal law-enforcement community and is known as "terminal leave." Words matter, especially with respect to the facts of this important story.

C.T. COYLE III
Carmel, Ind.

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The Fed's Bond Buying Has Inflated Asset Prices

Donald Luskin opines that quantitative easing had no effect on asset prices ("Fed Should Unwind Its Asset Portfolio Quickly," Letters, Jan. 18). He asserts that "if for some reason an investor, who had sold his Treasury bonds to the Fed, decided to use the cash proceeds to buy stocks, then some other investor would have to sell those stocks," allegedly with no effect on prices. Not so fast. When people with cash burning holes in their pockets buy assets, they buy at the asking price. That's what drives up prices.

RICHARD CRANE
Chicago

I agree with Mr. Luskin that the Fed should return all those risk-free (from default), government-guaranteed assets to the private sector and take back all the liquidity it created, but he is wrong about stocks not being a risk asset that attracted the liquidity the Fed created. Yes, the number of shares didn't change, but their prices did, relative to what the shares promised. This was encouraged by artificially low interest rates. The "asset bubble" is full of risk, and the Fed is a major contributor. No one wanted to hold the Fed's money, and the race to redeploy it into earning assets did increase the risk.

BILL DUNKELBERG
Cape Coral, Fla.

Pepper ... And Salt

THE WALL STREET JOURNAL

"Yes, your computer is very slow. That grinding sound you're hearing could be your teeth."

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OPINION

The Left's Rage and Trump's Peril

DECLARATIONS
By Peggy Noonan

The State of the Union speech was good—spirited, pointed, with a credible warmth for the heroes in the balcony, who were well chosen. They were beautiful human beings, and their stories were rousing—the cop and his wife who adopted the baby, the hardy North Korean defector who triumphantly waved his crutches, the mourning, dignified parents of the girls killed by MS-13. My beloved Cajun Navy.

The thing about the heroes in the balcony is it reminds you not of who the president is but of who we are. "With people like that we can't miss."

The Democratic base is even worse-tempered than the president. But Mueller could still harpoon him.

I had that thought when Ronald Reagan gave tribute in 1985 to a young woman who as a child desperately fled Saigon as it fell. She and her family were among the boat people, spotted and saved by a U.S. ship. Reagan called her to stand, and Jean Nguyen stood—proudly, in the gleaming uniform of a West Point cadet. She would graduate within the year.

The recognition of heroes in the balcony is called a cliché. It certainly is. An inspiring and truthful one, and long may it live.

The Democrats in the chamber were slumped, glowery. They had chosen to act out unbroken disdain so as to please the rising left of their party, which was watching and would review their faces. Some of them were poorly lit and seemed not resolute but Draculaic. The women of the party mostly dressed in black, because nothing says moral seriousness like coordinating your outfits.

Here it should be said of the rising left of the Democratic Party that they are numerous, committed, and have all the energy—it's true. But they operate at a disadvantage they cannot see, and it is that they are loveless. The social justice warriors, the advancers of identity politics and gender politics, the young who've just discovered socialism—they run on rage.

But rage is a poor fuel in politics. It produces a heavy, sulfurous exhaust and pollutes the air. It's also gets few miles per gallon. It has many powers but not the power to persuade, and if anything does them in it will be that. Their temperament is no better than Mr. Trump's. It's worse. But yes, they are intimidating the Democratic establishment, which robs itself of its dignity trying to please them. It won't succeed.

As for the president's base, I am coming to a somewhat different way of thinking about it. It's true they are a minority, true that his approval ratings are not good, are in fact historically low for a president with a good economy at the end of a first year. But Mr. Trump has just more than a solid third of the nation. They are a spirited, confident core. What other political figure in this fractured, splintered country has a reliable third of the electorate? And it's probably somewhat more than a third, because Trump supporters know they are not and will never be respected, and just as in 2016 you have to factor in the idea of shy Trump voters.

What they are not sufficiently concerned about is that Mr. Trump has not expanded his popularity. He has kept his core but failed to reach out consistently and successfully to others. He has not created coalitions.

WIN MCNAMEE/ZUMA PRESS

President Trump delivering the State of the Union address, Jan. 30.

His position is more precarious than his people see.

He has too much relished the role of divider. When you're running for office you are every day dividing those who support you from those who don't, and hoping your group is bigger. But when you win you reach out to your enemies with humility, with patience—with love!—and try to drag 'em in to sup in your tent. You don't do this because you're a hypocrite but because you're an adult looking to win. Or a constructive idealist. That happens sometimes.

His supporters don't know what he doesn't know: He must grow or die.

They are happily watching The Trump Show as he sticks it to people they hate. They don't know Shark Week is coming.

In November he may lose the House. That's what the generic ballot says is coming, that's what was suggested by last year's GOP defeats in Virginia and Alabama.

I know what Republicans are thinking. They are going to run on an economy that is expanding thanks to tax reform and deregulation. They are going to run on bigger paychecks and unexpected bonuses. They'll run on the appointment of conservative judges to balance out Barack Obama's liberal judges at a time when the courts have taken a more powerful role in American culture. They'll run on We Will Stop Illegal Immigration *and* Give a Break to the Children of Illegal Immigrants.

The Democrats, on the other hand, are running on Trump is unpopular and so is his party, he is a fascist, and any limit on immigration is like any limit on abortion, tyrannical on its face.

Republicans are thinking nobody's noticing but they're in a pretty good place. I suspect they are right.

Except.

Special counsel Robert Mueller will likely, before November, report his findings to the Justice Department, and you have to assume he is going to find something because special prosecutors exist to find something. When Mr. Mueller staffed up he hired Ahabs, and Ahabs exist to get the whale. You have to assume Mr. Trump will be harpooned, and the question is whether it's a flesh wound or goes deeper. If it goes deep the Democrats may well win the House, in which case he will be impeached.

Trump supporters don't view this with appropriate alarm. They comfort themselves with the idea that he is playing three-dimensional chess and his opponents are too stupid to see it. That's not true—he is more ad hoc and chaotic than they think. They should help him by trying to improve his standing, which means telling him what doesn't work.

He thinks he rouses and amuses his supporters with feuds and wars, tweets and grievances. In reality, as Trump supporters know, it's something they put up with. For everyone else it's alienating, evidence of instability.

He calls out fake news and wars with the press while at the same time betraying a complete and befuddled yearning for their approval. Mr. Trump is a little like Nixon in this—embittered and vengeful at not getting the admiration of those he says he doesn't respect.

These things don't speak of tactical or strategic brilliance.

His supporters argue the media is against him, and this is true and should be acknowledged. But they were totally opposed to Reagan, too. They more or less admit his greatness now, or at least concede his towering adequacy, in part because Trump-shock has left them reconsidering the bogeymen of the past, in part because they like all dead Republicans.

But Reagan didn't need the press to feel like a big man or be a success, and Mr. Trump looks unmanned to be so destabilized by their antipathy.

The president's supporters should be frank with him about his flaws. They're so used to defending him, they forget to help him. They should give him the compliment of candor.

'The Faculty Unanimously Distance Themselves With Revulsion'

By Peter Friedman

The Berlin Wall stood for 10,315 days, from Aug. 13, 1961, until Nov. 9, 1989. On Monday, Feb. 5, it will have been down for as long as it was up.

East Germany began to seal itself off from the West long before the wall was built. In 1952 Soviet troops helped East Germany close and fortify its border with West Germany, leaving only the Berlin border open as an escape route. Some 250,000 East Germans fled to the West every year for most of the following decade. This exodus undermined East Germany's economy and threatened the Soviet Union's five-year plans, which depended on East German manufactured goods.

Charlotte Groh helped a friend escape from East Germany. Only decades later could she leave too.

Soviet leader Nikita Khrushchev kept urging East German leader Walter Ulbricht to reduce emigration by easing living conditions, as the Soviets were doing with their own "de-Stalinization" policies. Instead, in 1956, Ulbricht passed a law making emigration without permission—deserting the republic—punishable by up to three years' imprisonment, as was helping others to desert.

The police combed through subways and elevated trains heading from East Berlin to West Berlin. Whoever seemed suspicious—carrying more than one suitcase could draw scrutiny—would be hauled off for interrogation.

I met Charlotte Groh at an East Berlin cafe in 1992, and she told me of her own involvement in someone's escape. In 1960 Charlotte and her friend Erika Jahn were in their early 20s and working as schoolteachers in Mecklenburg. Charlotte visited Erika during Christmas vacation and found her in tears.

"I can't stand living in the GDR any longer!" Erika sobbed, referring to East Germany's official name, the German Democratic Republic. She said that she had relatives in Hamburg with whom she could stay while looking for a job. She had packed two suitcases to take with her. Charlotte volunteered to accompany Erica and take along one of the suitcases.

To draw less attention to themselves, they took separate trains from Mecklenburg to East Berlin. They met up at Friedrichstrasse and boarded an S-Bahn train for Gesundbrunnen in West Berlin. At the first stop inside West Berlin, a young East Berlin transit policeman entered the train, took Charlotte off with him, and questioned her in an interrogation room inside the station. East Berlin controlled the S-Bahn system in both sides of Berlin.

Scared, Charlotte told the policeman that she was meeting friends from her student days. He searched through her pocketbook, then returned it to her and wished her a good trip. Charlotte noted that the policeman had not written down her name and address. Had he, she would have stayed on in West Berlin and not gone back home. Nor did the policeman open Erika's suitcase, which Charlotte was carrying. Charlotte admitted that it would have been "uncomfortable" for her if the policeman had opened the suitcase, since she had no idea what Erika had packed.

When Charlotte and Erika met up in West Berlin, Erika said that she would send a telegram from Hamburg about her decision to stay. This way the authorities would not suspect that Charlotte had helped her escape. Erika would also send a telegram to the school where they taught.

When Charlotte's school reopened after New Year's, a prominently posted notice declared: "A Special Pedagogical Assembly at 2:00 p.m. Attendance Obligatory." The topic was Erika Jahn's defection. Several teachers rose during the assembly to condemn Erika.

"You were a friend of Erika's," Charlotte recalled one teacher telling her. "Where do you stand in regard to her conduct?" Charlotte mumbled something about how fleeing the country doesn't solve problems.

"What do you mean, 'doesn't solve problems'?" demanded the teacher. "Erika is a traitor to our socialist republic."

The school director then read aloud a "declaration" for everyone to sign. Charlotte recalled that it stated: "The entire faculty unanimously distance themselves with revulsion from the treason committed by their former colleague Erika Jahn and strongly condemn her behavior."

Charlotte, alone, refused to sign. The director berated her and demanded that she vow not to send letters to her friend. Charlotte replied that as Erika's friend, she could not make that promise. The director said the assembly wouldn't end until she signed the declaration.

Two hours later the meeting broke up anyway, after one teacher said that she had to pick up her child from the kindergarten. Another murmured, "Honesty is better than promises that aren't kept."

That Charlotte returned to the GDR after helping her friend escape was "one of the haphazard occurrences of life," she told me. "Pure chance" ultimately led to her being stuck inside the GDR. This prevented her from visiting the West again for another 28 years.

During those three decades, she went from being a teacher to a journalist with Sonntag, the GDR's leading weekly. Although a relatively privileged position within East Germany, it still left her yearning for freedom.

"I am an old lady," she recalls her mother telling her. "What they did to me no longer matters. But for you, the GDR's real crime was not only that they ordered people shot at the border, but that they deprived a whole generation of its future."

After the Wall came down, Charlotte visited my wife and me frequently in New York. As we were scampering into the water at Jones Beach on Long Island, Charlotte said that she had realized a dream she had believed would never come true—she had seen the Atlantic Ocean. She truly was free.

Mr. Friedman, a former Fulbright scholar in Berlin, is the author of the novel "Ideal Marriage" (Permanent Press, 2004).

Memo at High Nunes

BUSINESS WORLD
By Holman W. Jenkins, Jr.

Blech. Let me get that out of the way before writing again about the Trump-Russia controversy in light of Friday's release of the Nunes memo. Still, the subject seems worth addressing.

Ignore hysterically partisan reporters who hysterically insist the memo is a partisan artifact. Of course it is. Partisan motivation lies behind the Democratic flogging of the Trump-Russia conspiracy theory. Partisan motivation lies behind the Republican pushback.

Ignore the media blather that the memo somehow represents a Republican Party stab in the back of its former law-enforcement allies.

Support for law enforcement will always be a GOP talking point, as it is for the vast majority of Democrats too. But it's also completely normal for one party to hold federal agencies accountable for actions when the other party was in control.

No matter what you hear, also, the memo has nothing to do with Robert Mueller or discrediting his very separate investigation.

He was a lawyer in private practice when the decisions and actions outlined in the memo were undertaken.

The FBI originally opposed releasing the memo because it revealed classified information and then because it didn't reveal enough classified information—i.e., was riddled with material omissions that left a distorted impression.

In this the FBI is undoubtedly right. The memo provides a tiny piece of a puzzle most of whose pieces are still missing.

We know for certain now that the U.S. government in October 2016 used the Christopher Steele dossier, financed by the Clinton campaign and Democratic Party, to win a court's approval for surveillance of Trump campaign figure Carter Page.

But Mr. Steele was a foreign citizen and presented his findings to the FBI in July 2016. From that point if not earlier, did U.S. agencies monitor his communications? They continue to describe the dossier claims as unverified. Do the agencies know more? They almost certainly do, quite possibly including the identities of Mr. Steele's alleged Russian informants.

We know only from reported leaks a key factor behind James Comey's intervention in the Hillary Clinton email case, though the basic outlines of the story were confirmed on CBS's "Face the Nation" by Sen. Lindsey Graham: The FBI's unprecedented, protocol-defying decision to clear Mrs. Clinton was driven partly by a bit of Russian intelligence. When will the U.S. public be told the full story?

It's one small piece of the puzzle. Only disclosure can counter the leakfest.

Despite much hollering, Rep. Devin Nunes, the House Intelligence chairman who oversaw creation of the memo, followed a responsible procedure in getting its information vetted for public release. How unlike the many congressional and intelligence-agency leaks the press has been feeding off for more than a year.

Two top Bush and Clinton administration officials on the "PBS NewsHour" on Thursday, who were apparently meant to take opposing views, agreed that the public needed to see the memo once its existence became widely known and discussed.

Hear, hear. Public disclosure is the only way to counter the leakfest.

In contrast, former Deputy CIA Director John McLaughlin told NPR the memo represents a "complete perversion of the intelligence oversight process." Presumably he would prefer that both sides engage in the kind of illegal, politically motivated leaks for which nobody takes public responsibility.

"Why Carter Page?" is one question that even the Nunes memo doesn't get to the bottom of. Back in April this column speculated, tongue not entirely in cheek, that the FBI targeted the hapless Mr. Page, who had been well known to the agency for several years, simply to "fob off Obama administration pressure to validate its Trump-Russia talking points."

I hereby repeat that speculation.

The Steele dossier certainly reads like it was written by somebody who had no idea who Mr. Page was but took at face value the business cards he printed up portraying himself as head of a global energy consulting firm.

Let's stop here. No American in his right mind doesn't want strong and effective intelligence agencies. But it's also true these agencies tend to hide behind flag-waving and are quick to accuse critics of a lack of patriotism. They attract plenty of devoted public servants but also their share of self-dramatizers.

The quality of their intelligence "estimates," we know from multiple public episodes, is not high. Their performance during and after the 2016 election may not be such an outlier after all. Recall the Iraq WMD episode. Recall the Edward Snowden episode. Recall how an entire U.S. inventory of cyberweapons was allowed to leak into the hands of America's enemies.

These agencies have been an overfunded, underdelivering mess for a long time notwithstanding (I say again) the presence of many excellent Americans in their ranks.

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SPORTS

FOOTBALL

The NFL Is Losing Its Core Audience

Just 51% of men aged 18 to 49 say they follow the league closely, down from 75% four years ago, in a new WSJ/NBC News poll

BY JARED DIAMOND AND ANDREW BEATON

(T-B) MITCHELL LEFF/GETTY IMAGES; MICHAEL SULLIVAN/CSM/ZUMA PRESS

Eagles fans at Lincoln Financial Field during the NFC Championship on Jan. 21. Adults who report following the NFL closely have dropped 9% since 2014.

AHEAD OF A SUPER BOWL that caps a tumultuous season, a new Wall Street Journal/NBC News poll depicts a developing nightmare for the National Football League: Its core audience is losing interest rapidly, a potential threat to the league's dominant role in American culture.

The poll shows that fans are following the sport less closely, even in key demographics, such as young men, that historically propelled the league's growth. At the same time, parents increasingly want their children to turn away from football amid growing worry about player safety and the league's efforts to address it.

The drop in interest spans age groups and the political spectrum—painting the picture of a sport that isn't just experiencing a momentary dip, but a battle against fundamental questions about football's future that have been building for years.

Sunday night's Super Bowl between the New England Patriots and Philadelphia Eagles comes at the end of a troublesome season for the league. The best players got hurt. The owners publicly quarreled. The decline in television ratings steepened. And the league became a polarizing political lightning rod, entangled in an imbroglio with President Donald Trump over player protests during the national anthem.

The problems are taking a heavy toll. Adults who report following the NFL closely has dropped 9% since 2014, the poll finds. More alarming for the league, however, is the makeup of the people moving away from the NFL in large numbers: Just 51% of men aged 18 to 49 say they follow the NFL closely, down from 75% four years ago. The poll did not ask respondents why their interest changed. The Journal/NBC News poll interviewed 900 adults from Jan. 13-17. The margin of error for the full sample was plus or minus 3.27 percentage points.

"You watch the guys playing college ball, and I feel like they are trying a lot harder and you get a better game," said Tim Muzzy, 29, from Upstate New York. "I don't hear the talk about [pro] football as much as I used to."

Micah Roberts, a Republican pollster who helped conduct the poll along with Democratic pollster Fred Yang, said that from the NFL's perspective, this is "absolutely the last group you would want to retreat."

"If I'm the NFL I'm freaking out about that a little bit," Roberts said. "They are the very core of the football-viewing audience."

The NFL declined to comment.

The drop offs, according to the poll, also crossed political lines. Base Democrats who follow the league closely fell by 16 points versus four years ago, while it was 14 points for base Republicans.

This comes after a season in which the NFL drew the White House's ire because of player protests during the national anthem and the league's response. The protests began in 2016 when then-San Francisco 49ers quarterback Colin Kaepernick and other players knelt, sat and demonstrated in different forms to call attention to social issues. The protests took on new life in September, when President Trump assailed the players who protested, referring to a hypothetical protester as a "son of a bitch."

Later, Vice President Mike Pence walked out of a game when players took a knee, while others who viewed it as unpatriotic called for a rule change to mandate that players stand.

NFL owners ultimately did not make a rule change. On Wednesday, NFL Commissioner Roger Goodell deflected a question about whether the NFL would revisit the issue after the Super Bowl, saying, "I don't know what we'll consider in the offseason."

"You can't have this very specific movement and look at the last year and say all that protest and kneeling stuff didn't have an impact," Roberts said. "It really has, and it really has affected the viewership."

Explanations for the NFL's ratings decline—a drop of 9.7% this regular season after an 8% fall a year ago, according to Nielsen—have been varied. Media executives have pointed to overexposure and football games on Thursday as a potential problem, though Fox this week won the rights to "Thursday Night Football" with a bid that was a big increase over the league's previous agreements.

League executives have pointed to a changing media environment in which prime-time ratings have dropped across the board, and the NFL has noted that it still had 33 of the top 50 most-viewed shows in 2017. On Thursday, representatives of the NFL Players Association disputed the notion that the anthem protests have been a primary factor driving viewers away.

Beyond the scope of the NFL, the poll also revealed that parents are increasingly uncomfortable with the idea of their kids playing football, prompted by a surge in information about the dangers of head injuries. In 2014, 40% of mothers said they would encourage their child to play a sport other than football due to concerns about concussions. That figure has now climbed to 53%. Democrats, the poll found, expressed these concerns with head injuries more frequently than Republicans.

Chaka Fobbs, a 41-year-old mother of two boys who said she would encourage her kids to play a sport other than football, said her feeling was rooted in "how the football players were sustaining traumatic brain injuries."

"I would just steer away from it," she said. "It's a health concern."

Even people without kids in their households appear to harbor doubts, with 49% saying they would encourage their child to play another sport, up from 43% in 2014. "When participation erodes, the likelihood of a kid becoming a big fan doesn't necessarily go away, but it lessens," said NBC Sports Chairman Mark Lazarus, whose network will broadcast Super Bowl LII.

The NFL in recent years has grappled with rule changes in an effort to make the game safer without removing the essence of the sport, which inherently includes a degree of violence.

Among people who follow the NFL, 47% say the NFL has taken meaningful action to reduce and prevent concussions, down from 59% in 2014. Now, 32% say the NFL hasn't taken meaningful action, versus 21% in 2014. (The rest say they don't know.)

"I don't think this is a death knell by any means," Roberts said. "It's certainly disturbing data for the NFL, but it's nothing they can't recover from."

Weather

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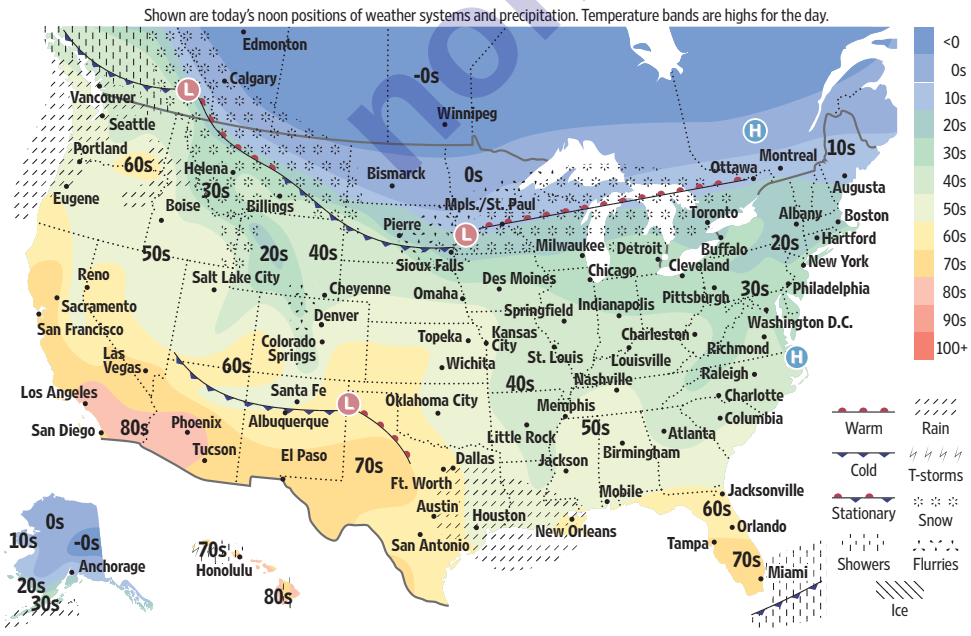
Shown are today's noon positions of weather systems and precipitation. Temperature bands are highs for the day.



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	18	5	c	17	10	s
Atlanta	49	39	c	53	36	r
Austin	63	44	c	76	49	s
Baltimore	36	27	s	41	28	r
Boise	56	40	c	57	42	c
Boston	28	24	s	42	33	sn
Burlington	24	21	pc	35	23	sn
Charlotte	45	31	s	47	33	r
Chicago	37	26	sn	27	2	sn
Cleveland	36	33	c	38	14	sn
Dallas	63	45	c	71	36	pc
Denver	54	32	pc	41	29	pc
Detroit	34	30	sn	34	6	sn
Honolulu	82	74	pc	81	70	r
Houston	57	53	r	72	53	c
Indianapolis	40	31	c	36	10	sn
Kansas City	51	22	c	24	8	sf
Las Vegas	76	52	s	76	52	s
Little Rock	48	33	c	59	24	c
Los Angeles	80	57	s	79	55	s
Miami	77	68	sh	82	67	sh
Milwaukee	34	18	sn	19	0	sn
Minneapolis	19	-2	sn	8	-2	pc
Nashville	50	39	c	51	23	r
New Orleans	60	57	r	70	50	r
New York City	32	30	s	44	32	sn
Oklahoma City	57	32	pc	52	20	pc
Omaha	48	13	c	18	8	c
Orlando	68	57	pc	80	62	t
Philadelphia	33	28	s	43	29	r
Phoenix	80	53	s	80	53	s
Pittsburgh	34	29	pc	38	15	sn
Portland, Maine	23	20	s	40	30	sn
Portland, Ore.	56	50	r	56	48	c
Sacramento	72	47	s	72	45	pc
St. Louis	48	34	c	35	12	c
Salt Lake City	56	43	c	55	45	c
San Francisco	71	54	s	69	51	pc
Santa Fe	58	27	s	58	26	s
Seattle	53	49	r	53	46	r
Sioux Falls	29	-1	c	13	6	c
Wash., D.C.	38	32	s	42	30	r

International

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Amsterdam	40	28	sh	39	28	sf
Athens	62	57	c	63	48	sh
Baghdad	69	44	c	71	45	pc
Bangkok	84	63	pc	83	64	s
Beijing	34	11	c	37	15	s
Berlin	37	29	c	36	25	sf
Brussels	40	28	sh	37	26	sf
Buenos Aires	85	68	s	88	68	s
Dubai	75	61	s	76	60	s
Dublin	42	34	c	43	31	pc
Edinburgh	40	32	r	42	28	pc
Frankfurt	40	27	c	35	26	sf
Geneva	39	27	pc	40	31	sf
Havana	79	64	pc	83	62	s
Hong Kong	55	42	s	55	45	s
Istanbul	61	55	pc	61	45	c
Jakarta	85	74	pc	85	74	sh
Jerusalem	65	44	pc	68	47	pc
Johannesburg	83	58	t	81	59	pc
London	42	33	r	42	31	pc
Madrid	50	35	pc	45	31	sh
Manila	88	73	s	89	73	s
Melbourne	81	56	s	81	57	s
Mexico City	73	48	pc	75	49	pc
Milan	46	28	pc	43	35	c
Moscow	34	20	sn	22	8	sn
Mumbai	91	74	pc	90	74	pc
Paris	42	36	sh	39	28	pc
Rio de Janeiro	85	72	t	84	72	pc
Riyadh	66	45	s	69	47	s
Rome	55	37	r	54	40	pc
San Juan	82	74	pc	82	73	pc
Seoul	23	10	s	21	9	s
Shanghai	35	24	pc	36	26	c
Singapore	85	77	pc	85	76	pc
Sydney	74	66	sh	75	66	sh
Taipei	54	48	r	52	48	r
Tokyo	47	36	pc	48	33	pc
Toronto	26	23	sn	33	8	sn
Vancouver	48	41	r	48	40	r
Warsaw	39	27	c	33	21	c
Zurich	38	27	c	38	28	sf

COLLEGE FOOTBALL

NICK SABAN DOESN'T ALWAYS WIN

BY ANDREW BEATON

When Nick Saban wants a player to play for Alabama it's usually pretty simple. He offers the player a scholarship. Then the player goes to play for Saban at Alabama.

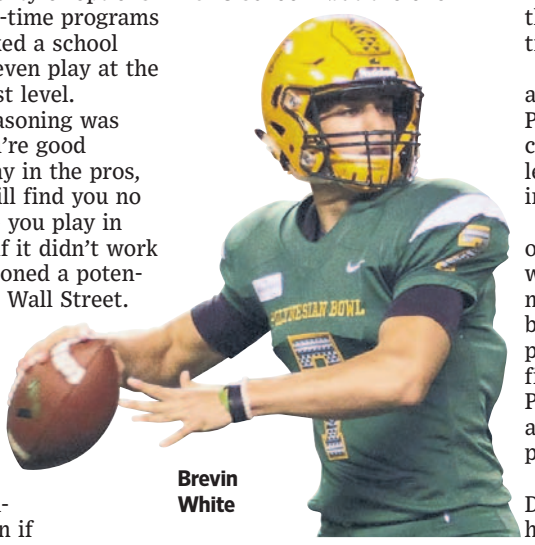
But Saban just lost out in college football's unlikeliest recruiting battle—to Princeton. Brevin White, a high-school senior who's one of the highest rated quarterbacks in his class, committed to Princeton last July. There wasn't any recent precedent for a player this highly regarded choosing to play at an Ivy League school. White had plenty of options to play at big-time programs and then picked a school that doesn't even play at the sport's highest level.

White's reasoning was simple: If you're good enough to play in the pros, NFL teams will find you no matter where you play in college. And if it didn't work out, he envisioned a potential career on Wall Street. He wanted to attend a school that he thought was the best fit for him academically and athletically—even if that school couldn't offer him an athletic scholarship.

"I want to have a roommate that's smarter than me," White told The Wall Street Journal after he committed to Princeton. "Kids feel the pressure to commit to the biggest name school, or an SEC school, because of the name."

But here's the thing about college football commitments: They're frequently not actually commitments. Nothing is official until a player signs a National Letter of Intent. Before that, it's open season.

And before it got set in stone, an SEC team came calling. And not just any SEC school—but the one that just won the national championship with the coach who has won six of them.



Brevin White

White, who attends Paraclete High School in Lancaster, Calif., went on an official visit to Alabama last week. Afterward, he mulled his options: Did he want to go to the best football program in the country? Or the school that many consider the best academically in the country?

Time was ticking for a decision. Wednesday is National Signing Day, the biggest day on the college football calendar that doesn't actually involve any college football. It's when many of the top recruits in the country sign their National Letters of Intent.

Either Alabama would get another top prospect. Or Princeton will complete its coup and do what most college coaches have been trying for years: beat Saban.

Then came the decision on Friday. Even his coach was taken aback. Not too many high schoolers tell Saban no. Which is what happened when White reaffirmed his commitment and Princeton beat Alabama for a prized college football prospect.

"I'm a bit surprised," said Dean Herrington, White's high school coach.

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Exxon, Chevron Come Up Short

Two biggest U.S. oil producers disappoint investors, despite big gains tied to tax law

By Bradley Olson

America's biggest oil companies surprised Wall Street with quarterly profits that missed expectations stoked by rising crude prices.

Exxon Mobil Corp. and **Chevron** Corp. on Friday reported fourth-quarter net income of $8.4 billion and $3.1 billion, respectively. But most of the gains stemmed from one-time benefits related to the tax changes approved by Congress and signed into law by President Donald Trump late last year.

Exxon said its production fell by about 130,000 barrels a day and its U.S. drilling business lost money for the 12th consecutive quarter, showing continued struggles in an area where the company is undertaking a vast expansion. Exxon also reported a $1.3 billion write-down on its natural gas properties, the second year in a row it has had to recognize the declining value of certain prospects, something it rarely did before oil prices crashed in 2014.

Chevron was hit by falling profits in its California refining business—which the company deemed a temporary challenge—as well as by charges related to hurricanes Harvey and Nate.

Chief Executive Michael Wirth, who took over this month for predecessor John Watson, said reducing costs and focusing on returns will be his priority.

"We are a cyclical commodity business," he said in a call with analysts. "Capital discipline always matters. Costs always matter."

Exxon shares fell 5.1%, the stock's biggest one-day percentage drop in five years.

"The U.S. results were disappointing," said Brian Youngberg, an analyst with Edward Jones in St. Louis. "Production declines are a continuing challenge for this company. They need to jump-start the growth for investors to get excited again."

Chevron shares declined 5.6%, their biggest drop since 2011.

The two companies' results were in contrast to those of other big producers, whose executives have said that rising prices for oil, currently around $65 a barrel, have led them to expect 2018 to be the best year since crude sold for more than $100 a barrel.

Royal Dutch Shell PLC saw its fourth-quarter profit triple, nearing levels last seen before oil prices crashed in 2014. ConocoPhillips earned $1.6 billion, its highest quarterly profit in three years.

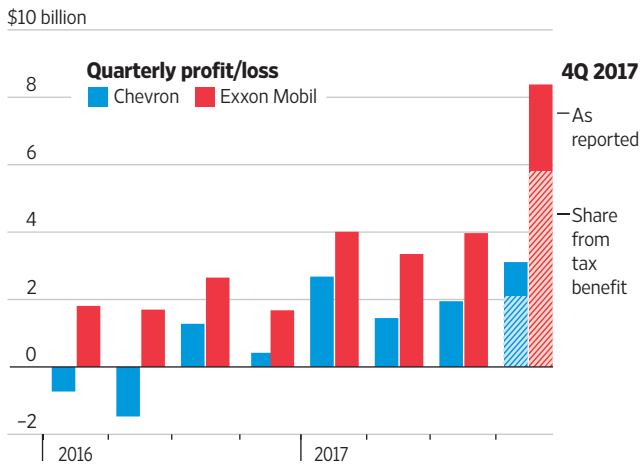
Oil and gas investors in the last year have begun to revolt against companies that have failed to perform for shareholders. Oil prices have surged by about 35% in the last six months, while Exxon's shares rose just 5% and Chevron's by 9%.

U.S. production in November came close to surpassing an all-time monthly record set in 1970 of more than 10 million barrels a day. The country may soon surpass Saudi Arabia and Rus-

Please see OIL page B2

Tax Boost

Exxon Mobil and Chevron reported higher earnings but most of the gains are from one-time benefits related to the new tax law.



Source: S&P Capital IQ; the companies

THE WALL STREET JOURNAL.

Big Player In Radio Faces Reckoning

By Soma Biswas And Anne Steele

iHeartMedia Inc., the nation's largest radio broadcaster, could file for bankruptcy protection as early as March after a decade of ballooning debt and faltering growth, drawing the curtain on one of the biggest leveraged buyouts before the 2008 financial crisis.

An insolvency would put iHeart's 856 terrestrial stations and its billboard-advertising business into the hands of creditors, who would then have to figure out how to find growth in the face of challenges ranging from a sluggish advertising market to new technologies that have changed the way consumers listen to music.

For five years, the company has spent more on debt payments than it earns. It has juggled more than $20 billion in debt during much of the past 10 years, repeatedly pushing the due dates further into the future through refinancings and debt swaps.

This past week, iHeart missed a $106 million interest payment and kicked off a countdown on a 30-day grace period during which creditors and the company will try to reach a deal to restructure the debt, most likely including a bankruptcy filing. The two sides are in talks to cut the $15.5 billion debt on iHeart's radio business to a more manageable $6 billion to $8 billion, which could allow the company to start generating cash, according to the company's filings.

"This company going bankrupt is not a problem, it's the solution," says Cowen analyst Lance Vitanza. A bankruptcy could free up cash to invest in talent and programming, he said.

A spokeswoman for iHeart said, "Separate from our capital structure, iHeartMedia has a strong operating business."

The iHeart insolvency comes barely two months after its rival, No. 2 Cumulus Media

Please see IHEART page B2

Bitcoin Selloff Picks Up The Pace

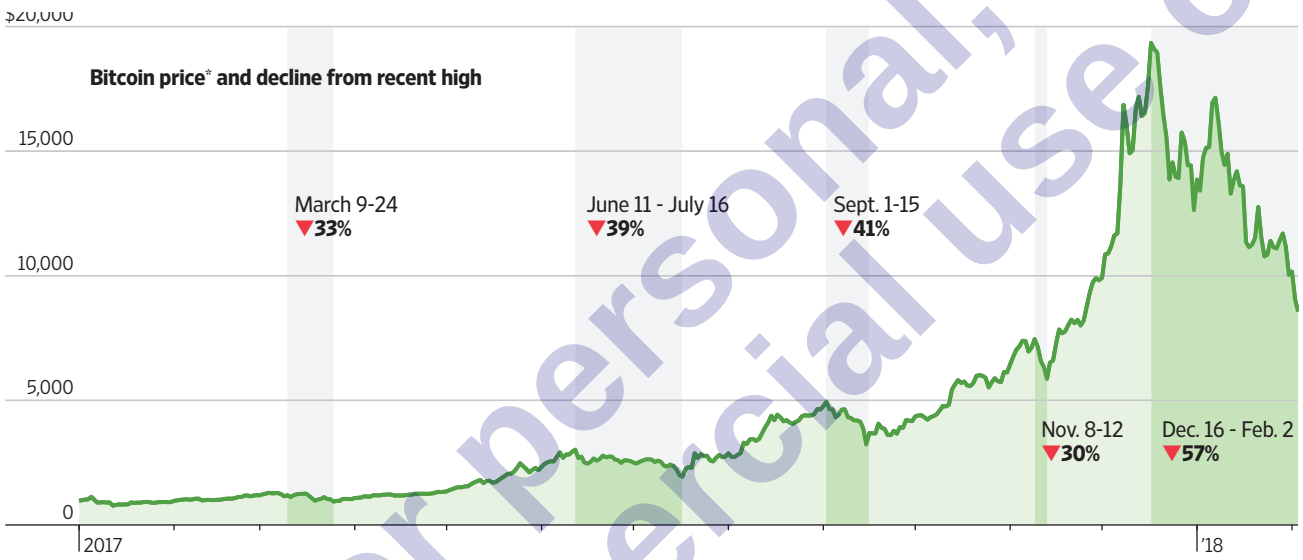
By Steven Russolillo And Kenan Machado

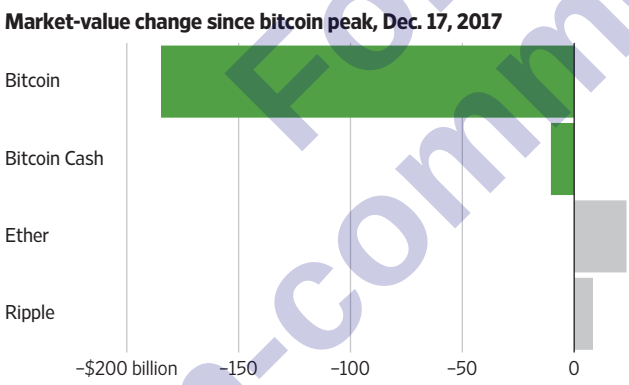
Bitcoin plunged below $8,000 in intraday trading, extending its sharp rout since the start of the year in a selloff triggered by a widening regulatory crackdown on cryptocurrencies.

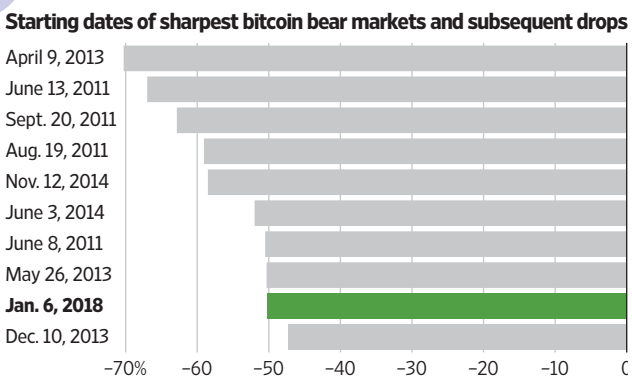
Late Friday in New York, bitcoin had recovered to $8,524, down 6.8% on the day after slipping below $7,700. That was the lowest level since November.

At its low point, the digital currency had fallen about 60% from an intraday record of $19,783 in December, according to research site CoinDesk Inc. That marks bitcoin's third biggest drop over the past five years. It fell 76% in the spring of 2013 and 85% from November 2013 to January 2015.

Please see BITCOIN page B2







*Accounts for bitcoin's highest intraday value
Sources: CoinDesk (price, declines); Coinmarketcap.com (market value)

THE WALL STREET JOURNAL

Passed Over, Airbnb Executive Moves On

By Greg Bensinger, Maureen Farrell and Rolfe Winkler

The decision by **Airbnb** Inc.'s finance chief to leave came after he was passed over for a different role at the home-sharing company and disagreed with co-founder and Chief Executive Brian Chesky about Airbnb's future, people familiar with the matter said.

Laurence Tosi, who joined Airbnb as chief financial officer in 2015, had recently sought to take a more strategic position at the company once a widely expected initial public offering happens, some of the people said. He decided to leave when it became clear recently that he wasn't going to get such a role, they said.

Instead, Airbnb on Thursday named Belinda Johnson, its chief business affairs and legal officer, to the newly created role of chief operating officer.

An investor in Airbnb, Reid Hoffman of **Greylock Partners**, praised Ms. Johnson's appointment in an emailed statement. "Belinda Johnson is a great choice to help Airbnb continue to scale and achieve its aspirations," he said. Another investor, Ron Conway, offered similar accolades in a statement, saying, "I could not be happier about her being named COO."

PETER FOLEY/BLOOMBERG NEWS

Laurence Tosi joined the company as finance chief in 2015.

The appointment of an operations chief triggered a provision in Mr. Tosi's contract that accelerated vesting of his options, according to people familiar with the matter, making his decision to depart easier.

The executive shake-up is raising questions among investors and others about how much progress Airbnb has made toward an IPO, people familiar with the matter said. Mr. Chesky said Thursday an IPO wouldn't happen until 2019 at the earliest.

Mr. Tosi had pushed for Airbnb to go public this year, which Mr. Chesky resisted, people familiar with the matter said. The two men also disagreed about aspects of Airbnb's culture, the people said.

Such clashes are common in Silicon Valley, where entrepreneurs with grand product visions can be rewarded with huge pay packages and funding rounds at high valuations, even as they fail to tend to financial measures, like maximizing profitability, that appeal to investors. Mr. Chesky left some Airbnb backers bewildered last week when he laid out a vision, in an open letter, of what he called an "infinite time horizon" for Airbnb.

Many investors pumped money into Airbnb in recent years expecting the company to go public within a short time frame. After the news of Mr. Tosi's departure, some investors privately expressed worry that the IPO would be pushed out further into the future, delaying their ability to recoup investments in what will likely be a sizable tech IPO.

Airbnb was valued at $31 billion in its most-recent funding round. An IPO also is important for employees of the 10-year-old company, who might be limited in how many of their shares they could otherwise sell.

Investors and others saw the hiring of Mr. Tosi as a coup for Airbnb. He was previously the finance chief at Blackstone Group LP, one of the world's biggest asset managers.

At Airbnb, Mr. Tosi often served as some investors' main point of contact, people familiar with the matter said. Many saw in Mr. Tosi an experienced

Please see AIRBNB page B4

THE INTELLIGENT INVESTOR | By Jason Zweig

Sickly Investment Sector Is in Need of Help, Too

Memorandum:

To: Jeffrey Bezos, chief executive, Amazon.com Inc.; Warren Buffett, chief executive, Berkshire Hathaway Inc.; James Dimon, chief executive, JPMorgan Chase & Co.

From: individual investors everywhere

We were excited by the news this week that your three firms are forming "an independent company that is free from profit-making incentives and constraints" to provide consumers "with simplified, high-quality and transparent" services "at a reasonable cost."

Darn it. For a moment there, we thought you were talking about cleaning up the investment business, perhaps the only area of the economy that can rival health care in complexity, low quality, opacity and unreasonable cost.

Consider complexity.

As of the end of 2016, according to the Investment Company Institute, 8,066 mutual funds came in 25,109 share classes, or versions charging different fees. If we just want to match the return of a financial market instead of trying to outperform it, that has become comically overcrowded, too: A trade group, the Index Industry Association, recently estimated that more than 3.2 million indexes track financial markets world-wide.

When we seek higher income in a world of low interest rates, Wall Street doesn't share the simple truth that we can't earn more yield without taking extra risk. Instead, it flogs complexity: nontraded real-estate investment trusts that offer fat dividends but limit our ability to sell at fair value, structured notes that mix generous income with the risk of shocking losses, or indexed annuities that can cut payouts without warning.

Next, consider quality.

Year after year, roughly four out of five mutual funds fail to match the performance of the market they are purporting to invest in. Fund managers keep telling us that this is temporary. It isn't. For at least 80 years, careful studies have shown

Please see INVEST page B5

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After Sony's Resurgence, CEO Steps Down

By Takashi Mochizuki

TOKYO—**Sony** Corp. is getting a new boss after a turnaround that took it from a string of losses to the biggest expected profit in its history.

Chief Executive Kazuo Hirai picked a day on which Sony again upgraded its profit forecast to announce that he was stepping down after six years and handing the reins to Kenichiro Yoshida, who had helped him trim costs as chief financial officer.

"I have been running during the past six years with full force, and as Sony is going into the next stage, I thought it would be best for me and the company that I pass the baton now," Mr. Hirai, 57 years old, said at a news conference.

Mr. Yoshida, 58, inherits a company that is making money in all of its major areas, from traditional electronics such as televisions to videogame machines, smartphone game software and movies.

That is a shift from the beginning of Mr. Hirai's term when the television business, among others, was churning out losses year after year. Even the movie business, which struggled in recent years, is riding a wave thanks to "Jumanji: Welcome to the Jungle," which was No. 1 at the U.S. box office for several weeks. The stock has risen 63% over the past year.

Yet Sony under Mr. Yoshida will face challenges in keeping up the momentum.

Its PlayStation 4 is showing signs of peaking after a highly successful run, with unit sales in the final quarter of 2017 falling to 9 million units from 9.7 million the previous year despite big discounts in the U.S.

Some of Sony's less-glamorous businesses, such as image sensors used in **Apple** Inc.'s iPhones, are also likely to be buffeted by technology changes.

Both Sony and rivals are angling for more business from car makers in autonomous driving and other new technologies.

Mr. Yoshida, whose cautious approach and experience as a numbers man contrasts with the jet-setting Mr. Hirai, grew up as the son of public servants in Kumamoto on the southern island of Kyushu, where Sony has a factory making image sensors for smartphones.

He said Sony could do a lot more to maximize its value.

"If you look at most valuable companies around the world, they are all technology companies," he said. "And Sony is a technology company."

As Sony's results started turning up midway through Mr. Hirai's term, he began a still-unconsummated quest for the next big product that would lift the company in the same way as historic hits such as the Walkman, Trinitron television and, since 1994, the PlayStation.

One result was the revival of Sony's robot dog, called Aibo, which went on sale in Japan in January.

Mr. Yoshida, who is set to assume the job April 1, said he was committed to keeping consumer electronics as a core of the group and agreed with Mr. Hirai that Sony should create "wow moments" for consumers with hardware, entertainment and services.

Mr. Yoshida said he personally enjoyed electronics and the Aibo has become his passion recently. "I also play videogames too," he said. "Although I am not that expert when compared to Mr. Hirai."

Sony said Friday it expected operating profit of ¥720 billion ($6.6 billion) for the fiscal year, compared with an earlier forecast of ¥630 billion, with the revenue forecast unchanged at ¥8.5 trillion. Net profit is projected at ¥480 billion.

Both profit numbers would be records for the company.

Mr. Hirai, who grew up partly in the U.S., started at a Sony music unit in 1984 and rose to head of the videogame unit before taking over in 2012 from Howard Stringer, who had struggled as the first non-Japanese head of Sony.

"If we don't turn this around, we could be sitting in some serious trouble," Mr. Hirai told The Wall Street Journal at the time.

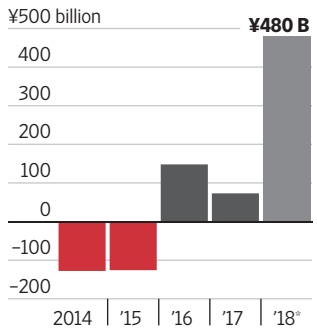
Mr. Yoshida, as CFO since 2014, was by his side for most of the comeback effort.

YOSHIO TSUNODA/AFLO/ZUMA PRESS

Sony Chief Executive Kazuo Hirai, left, will exit April 1, when Kenichiro Yoshida succeeds him.

Comeback Story

Sony's net profit is set to hit a record this fiscal year under CEO Kazuo Hirai.



¥1 billion = $9.1 million *Company projection
Note: Fiscal years end in March.
Source: the company
THE WALL STREET JOURNAL.

BITCOIN

Continued from the prior page

Bitcoin's sharp swings illustrate just how much the digital currency remains a highly illiquid and volatile investment, particularly relative to stock, bond or currency markets.

In its nine-year history, it has had five peak-to-trough declines of more than 70% apiece, said Charlie Bilello, director of research at New York advisory firm Pension Partners. It fell 94% in less than a month in 2010—and again over a five-month stretch in 2011—but both times bounced back.

The recent decline in some regards feels more severe, as the magnitude of the price drop offers a dose of reality to new investors who poured money into cryptocurrencies during last year's rally. Many were drawn to the prospect of investing in currencies outside the control of central banks and governments, but now are having to succumb to market forces.

"Headlines for crypto have been mostly negative lately," Thomas Lee, managing partner at New York-based Fundstrat Global Advisors, wrote in a note to clients. "It has been a terrible few weeks, but the fundamental positive story for crypto remains intact," Mr. Lee added, referring to strong millennial interest in cryptocurrencies.

Robinhood, an online trading app that targets young people, this past week said more than one million people joined its wait list to trade cryptocurrencies after it announced plans to offer crypto trading services.

Meanwhile, some big banks are putting up roadblocks to buying bitcoin. JPMorgan Chase & Co., Citigroup Inc. and Bank of America Corp. said Friday that they no longer would allow credit-card holders to use the cards to buy bitcoin.

Regulatory scrutiny is behind much of the reason for bitcoin's sudden fall. India is the latest country to crack down on the cryptocurrency market, following in the footsteps of China and South Korea. That pressure shows that governments are turning out to be much harder to circumvent than cryptocurrency advocates once thought.

Bitcoin fell 28% in January, its steepest monthly decline in three years.

In the bitcoin futures market, in which traders can bet on the ups or downs in the digital currency, hedge funds have shifted their positioning so bearish bets outnumber bullish ones by more than 3 to 1, according to data released Friday by the Commodity Futures Trading Commission. A week earlier, hedge funds had been biased toward the bullish side, the CFTC data show.

The current mood is a far cry from the end of last year, when cryptocurrency investment mania hit feverish levels. A popular bitcoin-services company called Coinbase briefly drew some 100,000 new customers a day around Thanksgiving, as bitcoin approached $10,000, up from under $1,000 at the start of 2017.

Prices more than doubled from there, peaking at $19,783.21 on Dec. 17. Then came a six-week slide.

Alex Beene, a 30-year-old from Nashville, Tenn., cashed out as the decline accelerated. He said he recently sold all his bitcoin, locking in a profit of over $60,000.

Mr. Beene, who writes children's books and works in the Tennessee Department of Labor and Workforce Development, said he bought most of his bitcoin in September, before prices surged over 500% in the following months.

"You'd wake up to $5,000 to $10,000 gains on consecutive mornings," he said. "It was like a money train that wouldn't end, but you could tell [it] wasn't going to last."

It didn't.

Mr. Beene did keep some litecoin—an alternative digital currency—in his portfolio. The price of litecoin is down more than 60% from a high in December, according to research site CoinMarketCap.

He called the weekslong selloff "a scary scenario."

Indian Finance Minister Arun Jaitley said Thursday that the government doesn't recognize digital money as legal tender and would "take all measures to eliminate use of these crypto-assets in financing illegitimate activities or as part of the payment system."

Vaibhav Parikh, partner at Indian law firm Nishith Desai Associates, said some people might have misinterpreted, wrongly concluding the government was banning bitcoin.

"The Indian government said it will only crack down on the use of bitcoin for illegal activities and not on the currency itself," he said.

Other governments, particularly in Asia, have taken stringent approaches to cryptocurrency.

South Korea is implementing new legislation aimed at cooling its red-hot bitcoin market. China has gone even further, ordering cryptocurrency exchanges to close and moving toward limiting bitcoin mining operations, in which new bitcoin are minted.

In Japan, $530 million of a cryptocurrency called NEM was swiped in a heist on the exchange Coincheck Inc.

In the U.S., regulators have warned of fraud in initial coin offerings, a new form of fundraising by which a company creates a new virtual coin or token and offers it for public sale. The offerings have attracted billions of dollars.

Even Facebook Inc. is cracking down. The social-media company said this past week that it would stop running ads promoting cryptocurrencies and initial coin offerings.

"I don't think this is the end of the line for cryptos, but I'm certainly not touching any until more stability can be reached," Mr. Beene said.

—AnnaMaria Andriotis and Alexander Osipovich contributed to this article.

AKOS STILLER/BLOOMBERG NEWS

A bitcoin mining operation in Austria. More governments are cracking down on digital currencies.

OIL

Continued from the prior page

sia, according to the International Energy Agency.

Even as the biggest U.S. oil producers fell short of expectations, the sector is likely to generate more cash in 2018 than it did during some periods of the boom era when oil sold for more than $100 a barrel, according to Simmons & Co.

The amount of cash in excess of new spending and dividends could approach $40 billion in 2018, the most in more than a decade, according to the analysis.

A robust global economy has created solid demand for oil, pushing up profits all over the world for refining oil into gasoline and other products. In some areas, those margins are set to surge by as much as 15% in 2018, according to Evercore ISI, above levels that were already near records.

Exxon's $8.4 billion profit for the last three months of 2017 included a $5.94 billion benefit from the new tax law. For the year-earlier period, the firm had a profit of $1.68 billion.

On an adjusted basis, which omits the bump from the new tax law and impairments, earnings fell 2.2% to $3.73 billion, or 88 cents a share. Analysts polled by Thomson Reuters were expecting adjusted earnings of $1.04 a share.

Exxon Chief Executive Darren Woods plans to triple production in the red-hot Permian basin of West Texas and New Mexico and spend $50 billion in the U.S. over the next five years, a strategy that was touted by Mr. Trump in his state of the union speech.

Chevron earnings rose more than sevenfold from a year earlier to $3.11 billion, with the bulk of the gain coming from a $2.02 billion benefit related to the U.S. tax legislation.

In contrast to Exxon, Chevron's oil and gas production rose in the fourth quarter.

In contrast to Exxon, Chevron's oil and gas production rose by almost 3% to 2.7 million barrels a day as new projects in Australia increased output and the company ramped up in West Texas. Chevron also boosted its quarterly dividend by 4% and signaled that more cash returns to shareholders could be on the way if oil prices remain near current levels.

—Allison Prang and Sarah Kent contributed to this article.

IHEART

Continued from the prior page

Inc., declared bankruptcy, unable to service debt it had taken on for acquisitions. Pacifica Foundation Inc., a nonprofit that operates a handful of politically liberal talk stations around the country, was on the brink of bankruptcy recently after it fell behind in rent payments for a broadcast antenna atop the Empire State Building used by its New York City station. And **E.W. Scripps** Co. said last week it plans to sell all 34 of its radio stations as part of a restructuring.

Though the particulars of each case differ, together they highlight the challenging environment for traditional broadcasters.

The world was different in 2006 when private-equity firms **Thomas H. Lee** and **Bain Capital** entered into deal talks with iHeart, then known as Clear Channel Communications. Started by Lowry Mays in 1972 as a single radio station, Clear Channel by the time of the buyout was the largest radio company in the U.S., reinforced by outdoor advertising and concert promotion businesses.

The $26.7 billion buyout closed in 2008, on the eve of the financial crisis. THL and Bain had loaded up iHeart with more than $13.5 billion of new debt to fund the acquisition, on top of the company's existing $8 billion load, just as markets seized up and advertising rates cratered.

The music landscape, too, was changing. In 2006, iHeart's main competition came from satellite radio and iPods, and later it would have to contend with Spotify AB, which launched its on-demand streaming service in the U.S. in 2011. Meanwhile, online advertisers were already siphoning off market share of print and broadcast media companies.

Since the buyout, iHeart has been running in place, eking out marginal growth in revenue in its radio business. Still, it has performed better than its peers, Cumulus and CBS Corp.'s radio business. iHeart also owns the majority of a publicly traded outdoor-advertising unit, whose debt isn't being restructured.

Yet even as Spotify and other online services like Pandora Media Inc. continue to woo consumers away, radio's core audience remains massive. iHeart says its broadcast radio alone reaches 271 million people in the U.S. each month, more than any other media platform including Facebook and Google. But radio also is less profitable than it was in 2008, as airtime increasingly turns from music to more expensive programming such as news, talk and sports.

iHeart joined the already-packed on-demand streaming market in 2016 with the launch of a pair of services within its existing iHeartRadio app, which had previously just offered programming from the broadcast stations. Analysts see iHeart's foray into streaming—which has failed to generate meaningful profits even for Spotify or Pandora—as a defensive move rather than a growth opportunity.

The picture is a little brighter for iHeart's private-equity owners. Although they stand to lose their entire $2 billion equity investment, THL and Bain have managed to offset virtually all of the potential loss of iHeart's equity, a person familiar with the matter said. The two firms bought iHeart's debt at steep discounts in the early days of the buyout, then sold it over the years at a profit as the markets recovered, the person said.

KEVIN MAZUR/GETTY IMAGES/IHEARTRADIO

Music artist Beck at an iHeartRadio event in California last month.

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Buffett's New Leader at Dairy Queen

CEO Troy Bader wants to push experimentation at the 78-year-old restaurant chain

By Nicole Friedman

WEEKEND PROFILE

Troy Bader's new job as chief executive of **International Dairy Queen** Inc. is to keep millions of customers, thousands of franchisees and one Omaha billionaire happy.

His challenge is to do so while pressing for change at a beloved 78-year-old brand that is a fixture of small-town American life.

The billionaire is Warren Buffett, whose **Berkshire Hathaway** Inc. purchased Dairy Queen in 1998. He visits its restaurants in his hometown of Omaha, Neb., with his great-grandchildren. His onetime favorite order was a special concoction of soft vanilla ice cream covered in chocolate syrup and malted milk powder.

The Edina, Minn.-based chain is best known among longtime customers for desserts like the Blizzard, a cold treat introduced in the 1980s that blends soft serve ice cream with cookies or other toppings. In recent years, the company has encouraged its franchisees to renovate their stores to include table service and compete for the lunchtime crowd with a "$5 Buck Lunch" promotion.

Dairy Queen is also doing early-stage testing of mobile-app ordering and delivery services in the U.S. while searching for new locations in bigger U.S. cities and other parts of the world. It recorded $4.5 billion in global sales in 2017, flat from the prior year and up from $3 billion in 2007.

"We're a brand that is now onto its 78th year. There are not a lot of brands that have that type of history," said Mr. Bader, 53 years old, who took over as CEO on Jan. 1 after serving 16 years in other Dairy Queen roles. "But with that history also comes maturity....Innovation is absolutely critical in our business."

His task is to encourage more expansion and experimentation without alienating franchisees who sometimes struggle to afford rising labor and food costs while accommodating the company's extensive menu suggestions. Dairy Queen stores can offer a variety of items, from honey barbecue chicken strips to fruit smoothies from Orange Julius, another Dairy Queen brand.

Change hasn't always sat well with those who operate Dairy Queen's restaurants. All but two of the roughly 6,800 stores are owned by franchisees, many of whom have operated stores for decades and have family members in the business.

When Dairy Queen was being licensed around the U.S. in the 1940s, the original franchisees had inconsistent contracts, sometimes signed on napkins. As the brand matured, Dairy Queen struggled to bring the increasingly expansive franchisee network into line. The company faced multiple lawsuits from franchisees in the 1990s over disputes about advertising, menus and supply-chain management. Dairy Queens in Texas still offer distinct menu items.

ERMAN + GRUBER FOR THE WALL STREET JOURNAL

The new CEO at a Dairy Queen in Edina, Minn. Warren Buffett's investment firm bought the chain in 1998.

After Mr. Buffett bought Dairy Queen for $585 million in 1998, he alluded to its "bumpy history" with franchisees in a letter to shareholders and praised company managers for fixing many of the problems and strengthening the business. As longtime customers of Dairy Queen, he and his business partner Charles Munger decided to "put our money where our mouth is," Mr. Buffett said in that letter.

But tensions with franchisees didn't end. When Dairy Queen established "Grill & Chill" locations with table service and hot and cold kitchens, some franchisees protested the upgrades and put up a billboard in Omaha ahead of the 2004 Berkshire shareholder meeting. "Warren, your grill is killing our chill," the billboard read.

Dairy Queen says its relationship with franchisees has strongly improved in recent years. Mr. Bader, who was the company's chief operating officer in the U.S. and Canada before succeeding John Gainor as CEO, has worked closely with many of the franchisees.

"I can call him in the middle of the night and he answers," said Riz Momin, a Georgia-based franchisee who owns about 15 stores. In disagreements, he said, "Troy doesn't like to use his power. He just goes in and convinces people."

Mr. Bader was recruited to join Dairy Queen by former CEO Chuck Mooty. Mr. Bader had already worked with Dairy Queen as a lawyer for a Minneapolis law firm.

"He's very calm, he is a thinker and a processor before acting," Mr. Mooty, who is now chief executive of Jostens Inc., said of Mr. Bader. But "Troy is one who's not going to be afraid to make the tough decisions."

When the country's second-largest Dairy Queen franchisee, Vasari LLC, filed for bankruptcy in October, the Texas company's top executive cited the "$5 Buck Lunch" promotion and the economic fallout from declining oil prices as challenges, according to court documents.

The special "creates minimal margins for many of the DQ locations unless a high volume of customers visit the stores on a daily basis," Vasari CEO William Spae Jr. said in court documents.

Some other franchisees said the lunch special had worked well for them and helped make the business less seasonal.

"We're a very emotional group," said Matt Frauenshuh of Minneapolis, who owns 207 Dairy Queen restaurants in 12 states. Franchisees are "very passionate about our brand, and they're fiercely loyal. [But] it also has ramifications as we try to change and evolve with modern times."

It can take franchisees years to adopt new initiatives. "You can get there faster, but potentially have a battle on your hands," Mr. Bader said. "Giving people time to prepare and transition really goes a long way."

BUD LIGHT

AB InBev is expecting a boost from its TV spots featuring a medieval king and his 'Dilly Dilly' toast.

Bud Light Distributors Worry About Weak Sales

By Nick Kostov

Bud Light's shrinking sales have prompted some distributors to cut back on marketing the beer, threatening to exacerbate troubles at the **Anheuser-Busch InBev** SA brand.

Though it continues to be America's best-selling beer, Bud Light has been losing ground to Mexican lagers, craft brews, wine and harder liquor. With margins shrinking, some distributors are moving to protect profits.

"Wholesalers are wrestling with a decision right now," said David Stokes, who owns St. Louis-based Grey Eagle Distributors, and whose father once served as chief executive of Anheuser-Busch. "Do you continue to invest behind Bud Light and make a little bit less money right now to build for the long term, or do you cut costs to try to maintain the health of the bottom line?"

While sales of other "light lagers" like Molson Coors Brewing Co.'s Coors Light and Miller Lite also declined, the fall at Bud Light is the steepest. The brand suffered its biggest volume drop ever last year—down an estimated two million barrels, or 5.7%.

AB InBev has invested heavily in small-brewery beers it brands as craft, as well as foreign labels like Stella Artois and its higher-end light lager Michelob Ultra. But for many of AB InBev's 600 or so U.S. distributors, the middlemen who sell beer to retailers, Bud Light is still their top seller.

For a big brewer like AB InBev, the relationship with these mostly independent businesses is crucial. AB InBev funds big-budget national advertising campaigns, but it depends on its distributors to run regional promotions and work closely with retailers to push more beer.

These wholesalers have been able to trim operational costs and increase prices to cushion the bottom line. But falling sales of Bud Light are hurting profits, leading some to cut marketing budgets.

Decreased Bud Light and Budweiser volumes sent pretax earnings per case down 2% last year at the Florida operations of Gold Coast Eagle Distributing, said John Saputo, the distributor's owner and president. He said earnings fell 5% per case at his Ohio business. Both declines came despite rising sales of Michelob Ultra and Stella Artois.

At Straub Distributing Co., based in Orange County, Calif., Chief Executive Mark Danner said case sales of Bud Light—which account for about 45% of all case sales—were down by "high single digits" last year. He cut back on Bud Light marketing at concerts and on billboards.

AB InBev is taking steps to appease distributors. Last year, it brought back a Bud Light veteran to lead the brand, emphasizing outreach to distributors. The company is rolling out new fruit-flavored versions brewed with lime and orange peels.

It also is boosting national advertising. AB InBev said it increased Bud Light media spending by 5% in the fourth quarter.

At this weekend's Super Bowl, it plans to debut a new spot in its latest campaign—about a medieval king with a penchant for Bud Light and his made-up toast, "Dilly Dilly." The phrase became a national meme after Pittsburgh Steelers quarterback Ben Roethlisberger shouted it before a snap in a November game. Dilly-Dillies now regularly flood Twitter after NFL touchdowns.

Whether such efforts can move more beer is an open question. After the TV spots started in August, monthly volume declines for Bud Light slowed, but then sharpened again toward the end of the year, according to Nielsen.

"We cannot forget Bud Light is the leading brand in the industry," Marcel Marcondes, AB InBev's U.S. marketing vice president, said in a recent interview. "It's not a detail, it's a top priority." Last year, he was involved in tapping Andy Goeler, who ran the brand in its heyday in the 1990s, to turn things around. Mr. Goeler said his priority is keeping wholesalers behind Bud Light.

The Dilly Dilly ads have boosted sentiment toward Bud Light on social media, he said. He expects that to translate into higher sales during the warmer months. "The focal point of what we're trying to do is to get Bud Light into the conversation, make it culturally relevant," he said.

Wholesalers were initially skeptical of the Dilly Dilly ad that was created as part of six rotating spots over the summer. "Childish and ridiculous," Devyn Dugger, president of Ohio Eagle Distributing and a member of AB InBev's wholesale advisory panel, remembers thinking when he saw them. But "look where it's going," he said. "I've been fully converted."

Honda Hails China Sales

By Sean McLain

TOKYO—Honda Motor Co. on Friday raised its profit forecast on strong vehicle sales in Asia and a one-time boost from the U.S. tax overhaul.

The Japanese auto maker said it expects to earn ¥1 trillion ($9.1 billion) for the fiscal year ending in March, up from its previous forecast of ¥585 billion.

The lower corporate rate in the new U.S. tax law lessened the liability on Honda's balance sheet, allowing the company to record a gain of ¥346 billion for its latest quarter.

The auto maker's core business has also rebounded from a stretch of years when its profitability lagged behind that of rivals.

Honda's operating margin in the December-ended quarter jumped to 7.2% from 5.9% a year earlier, thanks to strong car sales in China and a boom in motorcycle sales in India.

Honda's motorcycle business is highly profitable, helping to bolster the company's comparatively low-margin car business.

Sales in China, the world's largest automobile market, grew nearly 11% to 420,787 vehicles in the quarter.

"We need to keep pace with the speed of the Chinese market," said Chief Operating Officer Seiji Kuraishi. He said Honda could soon sell more cars in China than the U.S.

Honda sold 1.27 million vehicles in the U.S. in the latest quarter, off slightly from a year earlier.

In the U.S., traditionally Honda's leading source of profit, the company sells nearly the same number of sedans as it does light trucks, including sport-utility vehicles. However, that market is increasingly dominated by the latter, leading to shortages of some Honda SUVs and an oversupply of some its passenger cars, according to data from Autodata and Jefferies.

Honda is betting on the success of its new Accord midsize sedan to help maintain a balance.

The company believes it can capture market share from Detroit rivals that increasingly focus on trucks, but it faces competition from Toyota Motor Corp.'s new Camry.

Honda so far is keeping a tight lid on incentives for the new Accord, offering an average of $2,087 on each vehicle in December, according to data from Jefferies.

Toyota offered an average of $2,847 on each Camry during the same period, the data show.

"Since we've just launched the new Accord, we are trying not to get involved in the discount race and are keeping the incentives low. I think it is affecting the sales a bit," said Honda's Mr. Kuraishi.

Analysts said they expect Honda to gain an advantage over its Japanese peers on U.S. taxes because of changes that favor companies with large production facilities in the country.

Around 70% of cars sold by Honda in the U.S. are made there, a higher rate than for Toyota or Nissan Motor Co.

Honda's effective tax rate could fall to 26% under the new law compared with 29% for its peers, according to calculations by Takaki Nakanishi, an auto analyst who heads the research firm Nakanishi Research.

Honda said that it was still calculating the effects of the U.S. tax law and that it wasn't sure of the long-term trend for its taxes.

TY WRIGHT/BLOOMBERG NEWS

The auto maker raised its profit forecast. Its plant in Marysville, Ohio.

Renault to Extend Ghosn's Contract

Renault SA is expected to extend the contract of Carlos Ghosn at its next shareholder meeting, allowing the 63-year-old chief executive more time to firm up Renault's alliance with **Nissan Motor** Co. and **Mitsubishi Motors** Corp., according to a person familiar with the situation.

Mr. Ghosn, who also serves as chairman of Renault, Nissan and Mitsubishi, was slated to step down as Renault CEO in June, when his current four-year contract expires. But Mr. Ghosn is concerned about the state of the three-way alliance, the person said, and wants more time to put it on surer footing.

Renault's board is expected to agree on Feb. 15 to extend Mr. Ghosn's contract, pending shareholder approval at the next annual general meeting in June.

Renault will also appoint a deputy or chief operating officer to free Mr. Ghosn from much of the operational oversight at Renault, allowing him to focus more on strategic issues and the deepening of the French-Japanese alliance, the person said.

News of the decision was first reported by the French daily Le Figaro.

The three-way alliance is unique in the global auto industry, where many industry leaders soured on the idea of megamergers after the calamitous divorce of Germany's Daimler AG and Chrysler that eventually led to the latter's rescue by Fiat in the form of Fiat Chrysler Automobiles NV.

The alliance is based on a cross-shareholding arrangement that allows its members to share costs and technology as if they were part of a single company to compete with global rivals Volkswagen AG and Toyota Motor Corp.

With the addition of Mitsubishi last year, the alliance sold 10.6 million vehicles worldwide, pulling into second place ahead of Toyota, which sold 10.4 million vehicles. Volkswagen—which includes the VW, Audi, Porsche and other brands—sold 10.7 million vehicles world-wide to remain the global sales leader..

Despite its successes, the Renault-Nissan relationship has been fraught with rivalries and disagreement over technology. Some Nissan shareholders have complained that the Japanese operation appeared to be a wholly owned subsidiary of Renault.

Analysts have wondered whether the alliance would even survive after Mr. Ghosn's departure.

—*William Boston*

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YouTube to Label State-Sponsored Video Content

By Jack Nicas

YouTube said it is planning changes to give users more context for videos promoting conspiracy theories or state-sponsored content, the latest effort by an internet giant to clean up its platform amid criticism over its role in spreading misinformation.

YouTube said starting Friday it would label all videos coming from what it identifies as state-funded broadcasters, a category that would include even the U.S.'s Public Broadcasting Service, or PBS. The step is significant in part because YouTube has been a major conduit for RT, the Russian state news organization that U.S. intelligence officials called "the Kremlin's principal international propaganda outlet."

YouTube, which is part of **Alphabet** Inc.'s Google unit, is also considering surfacing relevant videos from credible news sources alongside clips peddling conspiracy theories, such as those claiming the moon landing was a hoax, YouTube Chief Product Officer Neal Mohan said in an interview. YouTube has long been rife with such videos.

The site is also taking aim at videos that peddle conspiracy theories.

The company said that approach was early in development, so it is unclear when it would take effect—or how the site would select conspiracy theories. YouTube relies heavily on algorithms to analyze and recommend videos but choosing which conspiracy theories to target would likely be too nuanced for software.

Google and other Silicon Valley giants have scrambled in recent months to address a wave of criticism from Congress, academics, and others about how their platforms influence public opinion and discourse.

The debate was stoked in part by evidence that Russian actors seeking to manipulate U.S. voters before and after the 2016 election reached more than 100 million people via the tech giants' sites.

After initially playing down the influence of their platforms last year, the companies have offered a string of mea culpas and proposed solutions. Facebook Inc. Chief Executive Mark Zuckerberg pledged last month to fix problems on his site, including by promoting "broadly trusted" news sources. **Twitter** Inc. said this past week that is has notified roughly 1.4 million people who interacted with accounts now known to be backed by a Russian government-linked group.

Journalists and academics over the past year uncovered an abundance of objectionable content on YouTube, including videos that promoted racist and extremist views and placed children in compromising situations. In many cases, YouTube ran ads before the unsavory videos, prompting many top advertisers to pull spending from the site.

Mr. Mohan said that last year he directed his team to improve YouTube as a place to get news, including moves to promote "an ever-changing list of authoritative news sources" that it selects with the Google News team.

"The principle here is to provide more information to our users, and let our users make the judgment themselves, as opposed to us being in the business of providing any sort of editorial judgment on any of these things ourselves," he said.

He declined to comment on RT, which as of late last year had nearly 5.5 billion views across more than 20 YouTube channels—among the site's most-watched news networks.

The new policy to label state broadcasters would extend to any news organization that received government funding, he said. In the case of RT's videos, they will carry a label at the bottom of the frame that says, "RT is funded in whole or in part by the Russian government." PBS will bear a label calling it a "publicly-funded American broadcaster."

YouTube in recent months also quietly expanded a change to its search engine intended to show more mainstream news sources in response to news-related queries.

YouTube first tweaked its search results for breaking news in October after it was criticized for surfacing conspiracy theories about a mass shooting that killed 58 people during a concert in Las Vegas.

Cellphone Debate Unsettled

By Ryan Knutson

U.S. researchers took nearly two decades to design and conduct a definitive study on the health effects of cellphone radiation. The final results, released Friday, are likely to fuel rather than dispel the long-running debate about the planet's most ubiquitous electronic device.

Among the observations: Male rats exposed to the radiation had small increases of tumors in their hearts and brains. Females didn't. Exposed animals also showed signs of DNA damage, which experts had thought wasn't possible. But they also lived longer and had a significant reduction in a type of kidney disease.

Taken together, scientists at the National Toxicology Program, which carried out the study, said the research showed that cellphone energy did have biological effects but that it wasn't clear what that meant for humans. The animals were exposed to levels greater than what people normally get from their devices.

"Typical cellphone use is not going to be directly related to the kind of exposures that we used in these studies," said John Bucher, a senior scientist at the NTP, which is part of the Department of Health and Human Services.

Experts have long believed cellphone radiation was too weak to do damage DNA, which carries genetic instructions for growth, development and reproduction. NTP scientists were quick to say they weren't certain the damage was a result of the cellphone radiation exposure or some other factor.

"I expect that people who are worried about the issue will pick up on these results as confirming their worst fears, while more-neutral scientists will probably talk about how fragile and small the effects are," said Kenneth Foster, a professor of bioengineering at the University of Pennsylvania.

The NTP spent $25 million to design and execute its laboratory study, which was requested by the Food and Drug Administration in 1999. In 2016, the agency released early findings that showed exposure to radiofrequency, or RF, radiation was correlated with a small increase in tumors in the brains and hearts of male rats that were similar to tumors that had been observed in human cellphone users.

The FDA said Friday it was reviewing the findings, but that under current safety limits, "We have not found sufficient evidence that there are adverse health effects in humans."

The NTP released its full report, including data on mice that were studied. The full report concluded that tumors observed in male and female mice provided "equivocal evidence" of carcinogenicity, and that increased tumor rates in the hearts of male rats provided "some" evidence of carcinogenicity.

Statistically significant DNA damage was most commonly found in the frontal cortex of male rats and mice.

"My quick reaction: No smoking gun. Weak evidence that justifies continued epidemiologic monitoring of possible hazards," said Jack Siemiatycki, professor of epidemiology at University of Montreal.

Outside experts will be able to comment on the findings, and the agency will hold a peer-review hearing in March before adopting official conclusions.

The results of the study are hard to translate to humans in part because the program is designed to identify hazards, not necessarily risk levels, NTP director Linda Birnbaum said in an interview last year. But the study could be a stepping-stone for researchers to determine whether a certain amount of cellphone usage does result in an increased risk.

Otis Brawley, chief medical and scientific officer for the American Cancer Society, said the results wouldn't change what he tells most people when asked of possible dangers: "The evidence for an association between cellphones and cancer is weak, and so far, we have not seen a higher cancer risk in people," he said. "But if you're concerned about this animal data, wear an earpiece."

Scientists world-wide have produced a sea of conflicting research findings, beginning with years of industry-sponsored work in the 1990s that failed to end worries about cellphone safety.

In 1999, the U.S. government sought a more definitive answer from the NTP, which investigates potentially hazardous agents, from pesticides to dietary supplements. The resulting study was the most expensive it had ever done. In an underground Chicago lab, scientists radiated more than 2,000 rodents with cellphone energy for about two years, starting around 2010.

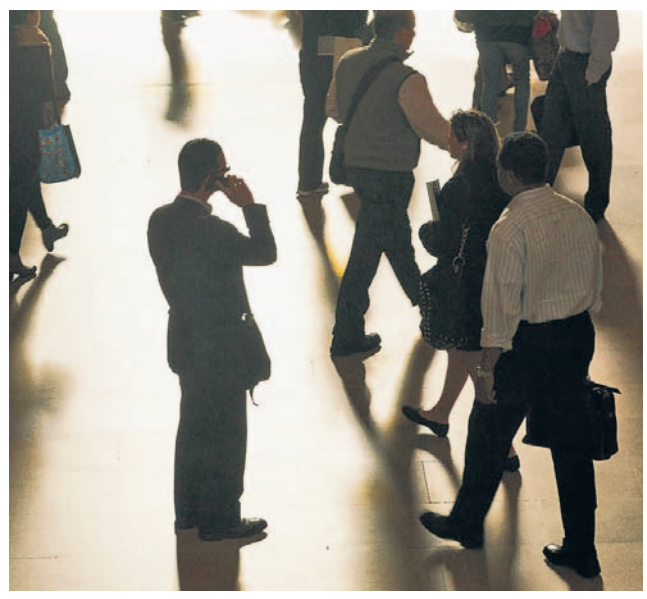
Despite the widespread use of cellphones, there hasn't been an increase in brain tumor rates, according to the Central Brain Tumor Registry of the United States, whose current data goes through 2014. There are more active cellphones in the U.S. than people, and Americans on average spend more than 12 hours talking on the device each month, according to industry statistics.

The chance of getting a brain tumor is small—about 76,000 Americans were diagnosed with one in 2014, or about 23 out of every 100,000 people, according to the brain tumor registry, a nonprofit.

Even so, said Ronald Melnick, one of the researchers who designed the NTP study and who is now retired, he usually only talks on a cellphone using speakerphone or a headset. "If you find a small percentage of risk to cellphone users and you translate that," he said, "a small percentage of 300 million people in the U.S., that can become a large number."

The outcome of the debate could have major financial implications for wireless companies like Verizon Communications Inc. and AT&T Inc. There are more than 50 plaintiffs grouped in a lawsuit alleging harm from cellphone use that is snaking through U.S. courts.

George Carlo, who led the industry research effort in the 1990s, said the only certainty is continued debate: "That's what makes it so maddening: Good honest, scientific people can reach different conclusions from the same data."



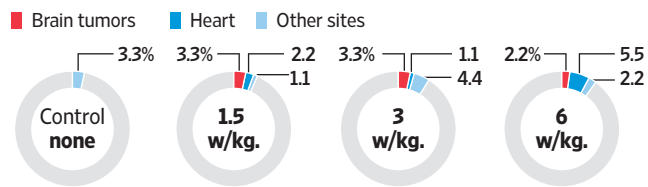
ZORAN MILICH/REUTERS

The U.S. government set out in 1999 to study cellphone radiation.

Cellphones and Health Effects

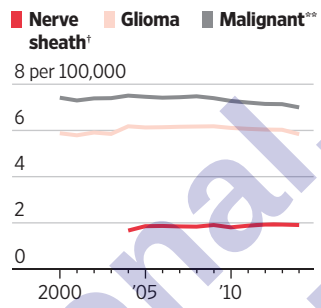
The NTP observed two types of tumors associated with cellphone use, gliomas (■) and schwannomas (■), in male rats.

Instances of tumors in male rats, by level of GSM* cell phone radiation received

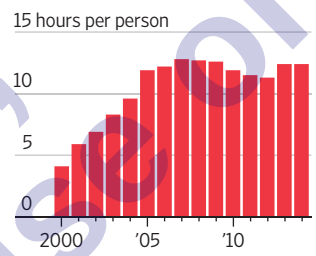


Despite the association, the rate of brain tumors in the U.S. has been steady amid rising cellphone usage.

Incidence of age-adjusted tumors in the U.S.



Average monthly cellular phone talk time



Note: Results were not statistically significant in female rats.

*The most common type of technology †Includes schwannomas **Includes all types of cancerous tumors. Non-malignant, or non cancerous tumor rates, are not shown.

Sources: CBTRUS (tumors); CTIA (voice minutes); National Toxicology Program (results in rats)

THE WALL STREET JOURNAL.

AIRBNB

Continued from page B1

executive who could counterbalance the company's young, innovative founder while providing the financial discipline to guide the company through an IPO and beyond, the people said.

By contrast, Ms. Johnson, a former general counsel at Yahoo Inc. and current director of PayPal Holdings Inc., is new to an operational role, which has unnerved some investors, according to the people familiar with the matter.

Mr. Tosi's tenure was marked largely by fundraising and expansion into new geographic markets. He also helped close Airbnb's 2017 acquisition of Luxury Retreats, a high-end rental site, for about $300 million.

Airbnb has recently been expanding beyond its main business of connecting travelers primarily with private homeowners willing to rent dwellings for short periods. The company now offers a variety of services like city tours and pottery classes as well as restaurant reservations. Last year, it earned about $100 million in operating income, a person familiar with the matter said.

"The time is right for me to build my own business," Mr. Tosi wrote Thursday in an email to his staff that was reviewed by The Wall Street Journal. "I am confident that you all will continue to create value for Airbnb and our community."

Mr. Tosi will leave at month's end to work on his investment fund.

NEIL HALL/REUTERS

Wireless provider Vodafone said it is in talks to buy European assets from John Malone's Liberty Global.

Vodafone Sizes Up Liberty Assets

By Stu Woo and Ben Dummett

LONDON—British wireless giant **Vodafone Group** PLC said it is in talks to acquire European assets from **Liberty Global** PLC, John Malone's international cable company.

Vodafone, the world's second-largest mobile carrier by subscribers, said on Friday that it was in early-stage discussions and that there was no certainty a deal would occur.

A Liberty Global spokesman declined to comment.

Vodafone said the talks centered on assets in continental Europe, where the two companies have overlapping businesses. Both companies operate in Germany, the Czech Republic, Hungary and Romania.

Liberty has already taken recent steps to prune some of its assets in continental Europe.

In December, it announced a €1.9 billion ($2.38 billion) deal to sell its cable operations in Austria to Germany's Deutsche Telekom AG.

In addition, the two sides in 2016 merged their Dutch operations in a 50-50 joint venture. Since then, the chief executives of both companies, Vodafone's Vittorio Colao and Liberty Global's Mike Fries, have repeatedly praised their relationship.

London-based Vodafone spreads its operations throughout more than 20 countries, including in Europe, Africa and Asia.

It has increasingly invested in buying and laying down its own cables to offer television and internet services.

Liberty Global, registered in London but run out of Mr. Malone's hometown outside Denver, is the world's biggest international cable company, concentrating its operations across 30 countries in Europe and Latin America.

It has increasingly invested in offering its own wireless service.

Vodafone on Friday said it wasn't considering a full merger with Liberty Global, a classic Malone company with a lean management structure and a strategy to grow via debt-fueled acquisitions.

Sprint to Launch 5G Network in '19

By Ryan Knutson

Sprint Corp. said it planned to launch a commercial fifth-generation, or 5G, network in early 2019, putting it roughly in line with its rivals' rollout plans as it charts a new course following the collapse of merger talks late last year with T-Mobile US Inc.

It isn't entirely clear how necessary 5G will be for smartphone users: most 4G connections are already fast enough to stream HD video and play online games. None of today's smartphones would work on the technology.

But 5G networks have implications for other machines and devices, such as self-driving cars. Sprint said the 5G network will benefit its parent company SoftBank Group Corp., which—in addition to owning Sprint—also has a major investment in Uber Technologies Inc.

After talks with T-Mobile unraveled, Sprint said in November that it would spend $5 billion to $6 billion annually on its network this year, up from the $3.5 billion to $4 billion it projected for last year.

Sprint said its 5G network would be superior because it relies on airwaves at the 2.5 GHz frequency, which covers greater distances than some rivals.

Verizon Communications Inc. is building its 5G network using ultrahigh-frequency airwaves, which cover only a few thousand feet. Verizon has said it would sell high-speed home internet using 5G technology this year in five cities, starting in Sacramento, Calif. AT&T Inc. has said it plans to roll out 5G network this year.

Sprint said its frequencies will allow it to roll out its network nationwide more quickly. But it acknowledged that it has had a hard time getting zoning permits for the kinds of small cell towers necessary to increase network capacity, which is part of the reason why its network hasn't improved as quickly as executives promised several years ago.

"We made a few mistakes. We thought that the rollout of small cells was going to be much faster," said Sprint Chief Executive Marcelo Claure on a call Friday with reporters.

Even so, Sprint said its network had improved enough that it might consider raising prices.

U.S. national security officials have raised concerns recently about how Chinese telecom carriers might beat the U.S. in building 5G networks, believed to be critical for the future of many internet-enabled industrial machines and devices.

That concern prompted a suggestion by a member of the National Security Council to nationalize the 5G build-out, though the idea was widely criticized by industry officials.

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Investors Seek Answers on Health Fund

Managed by Dubai's Abraaj Group, the $1 billion fund invests in medical projects

By William Louch, Ed Ballard and Simon Clark

Four investors in a $1 billion health-care fund managed by Dubai's Abraaj Group have hired a forensic accountant to examine what happened to some of their money, people familiar with the situation said.

The Bill & Melinda Gates Foundation, the World Bank's International Finance Corp. unit, and government-backed development finance organizations CDC Group PLC and Proparco Group pledged about a quarter of the fund's money. Those investors have asked U.S. advisory firm Ankura Consulting Group LLC to audit the fund and trace their money because they want to know why some of it hasn't yet been used for the stated purpose of building hospitals and clinics, the people said.

Abraaj created the private-equity fund with commitments from two dozen investors, including the four now asking questions.

"We are confident that the majority of our investors support the mission of this fund," Abraaj said in a statement. The company said it has appointed KPMG LLP to conduct its own audit of the health-care fund.

Philips NV, the Dutch health-technology company, is also an investor in the Abraaj fund and said it is "committed" to it.

"We remain aligned with their efforts and objectives to build hospital capacity and access to health care in emerging markets," Philips spokesman Steve Klink said.

Between October 2016 and April 2017, Abraaj asked the fund's investors to send $545 million of their pledged money in three tranches, according to quarterly reports for the fund sent to investors and reviewed by The Wall Street Journal. Instead of collecting money upfront when a fund is raised, private-equity firms such as Abraaj typically ask investors to send cash to pay for deals when they occur. Abraaj said in the fund reports that the cash would be used for medical projects in India, Pakistan, Kenya and Nigeria.

$266M

Amount spent by September, less than half that was requested

By the end of September, only $266 million of that money—less than half the amount requested—had been spent, according to the quarterly reports. Typically, private-equity firms spend money within weeks of requesting it. In October, the Gates Foundation and the three other investors asked Abraaj to explain what happened to the rest of the money. Abraaj didn't send investors the bank statements they asked for, people familiar with the matter said.

In December, Abraaj returned $140 million to the fund's investors, but the repayment didn't appease all of them, according to people familiar with the situation.

Abraaj was founded in 2002 by Arif Naqvi, a former American Express Co. executive and an early player in the Middle Eastern buyout market.

Mr. Naqvi has worked with Mr. Gates for years on Abraaj's health-care projects in Africa and Asia. Abraaj began raising the health-care fund in 2015.

"Bill was instrumental in that vision, because it all started with a discussion with him," Mr. Naqvi said during a panel discussion at the World Economic Forum in Switzerland in January. The panel also featured Mr. Gates.

In December 2016, Abraaj asked investors in the health-care fund for $414 million to pay for planned deals, according to the quarterly reports reviewed by the Journal.

VIVEK PRAKASH/BLOOMBERG NEWS

Arif Naqvi, chief executive officer of Abraaj, at the Milken Institute Asia Summit in Singapore last September.

By March 2017, Abraaj had acquired an Indian hospital chain, a Kenyan health-care provider and a diagnostics business in Pakistan, according to the quarterly reports. It also agreed to finance a hospital in Lahore, Pakistan, and acquired 1.5 acres of land for a hospital in Karachi.

However, construction in Karachi was delayed by a ban on new buildings more than two floors high. The planned hospital had 17 floors. The delay was communicated to investors in a fund report.

A planned hospital in Lagos, Nigeria, was also delayed, a person familiar with the matter said.

Abraaj has said the delays explain the discrepancy between the amount of money requested and the amount invested, according to people familiar with the matter. Abraaj has said it wasn't obliged to return money because the projects were delayed rather than canceled, the people said. Money only has to be returned if a project is canceled, according to fund documents reviewed by the Journal.

Abraaj's explanation didn't satisfy the Gates Foundation and the other three investors, people familiar with the situation said. The four planned a coordinated response to find out where the money they gave Abraaj went, the people said. In particular, they want to know whether their money ever left a bank account earmarked for investor funds, the people said. If the money hadn't been invested, then it should be easy to prove it was kept in the fund's bank account, the people added.

The four investors jointly asked Abraaj for bank statements in an email, according to people familiar with the situation. Their requests were denied, the people said.

Abraaj is separately seeking $6 billion for what would be one of the largest funds raised for emerging-market investments, according to people familiar with the effort. The firm has collected about $3 billion for that new fund, the people said.

INVEST

Continued from page B1

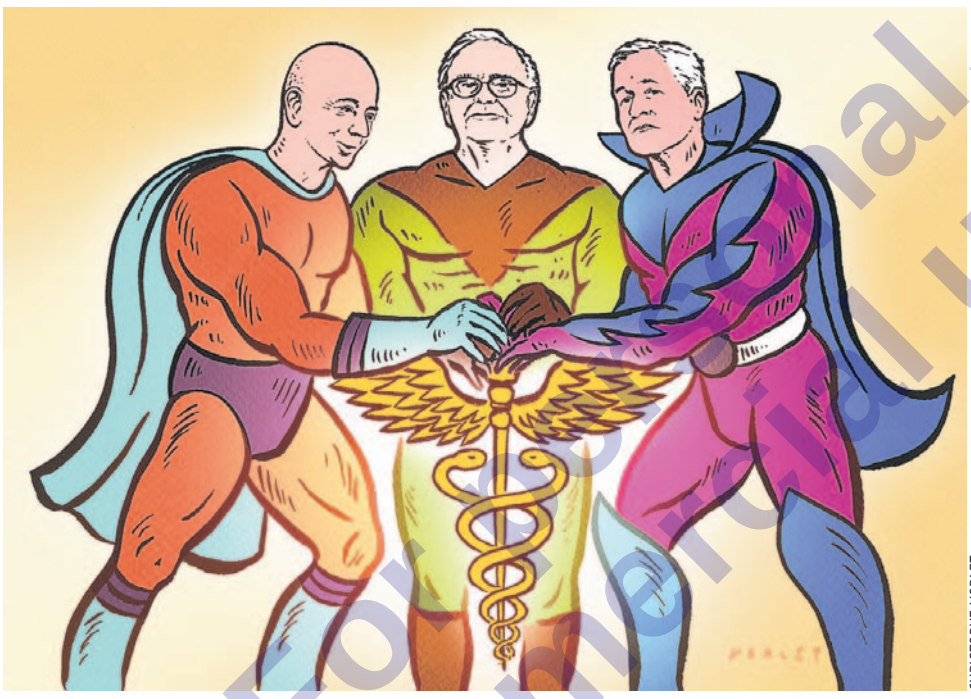
that most professional investors underperform.

The same mediocrity extends to managed accounts, those bundles of funds put together by brokers or financial advisers. And bank savings accounts are yielding an average of 0.09% even after multiple interest-rate increases by the Federal Reserve.

What about transparency?

When we look at a brokerage or 401(k) account statement and try to figure out how much we are paying in fees, we might as well be trying to decipher a manuscript written in medieval Amharic.

Insurance agents sell annuities with charts of dazzling, but hypothetical, returns. Exchange-traded funds market themselves on the basis of returns on indexes that didn't exist over the time periods displayed. Most financial advisers won't report their own track records.



CHRISTOPHE VORLET

Not even giant investors such as pension funds and university endowments can pierce the opacity of the financial industry.

State laws and voluntary disclosures by such big investors are trying to shed some light on fees, but full sunshine is nowhere in sight.

A 2015 study by **CEM Benchmarking**, a Toronto-based firm that analyzes cost and performance for institutional investors, estimated that private-equity or buyout funds cost an average of 3.8% annually. Pension plans reported expenses of less than half that amount, however, evidently because they couldn't determine their true costs.

The reporting of costs by buyout funds has long been "convoluted and spotty," says Mike Heale, a principal at CEM Benchmarking. Nor have those expenses fallen by more than a smidgen since his firm's 2015 study.

Finally, we want you to ponder a remarkable fact.

In a speech in 1996, Arthur Zeikel, then the president of Merrill Lynch Asset Management, said that "managing money is the most profitable business in the United States."

It still pretty much is.

As of December, according to research firm FactSet, publicly traded investment-management firms had an average net profit margin of 24.1%. Other than the 25.3% net margin among tobacco companies, that is the highest of any of the 142 industries tracked by FactSet.

While the costs of investing have fallen in recent years, far too many funds—and financial advisers—still charge roughly 1% annually.

Adding insult to injury, leading brokerage firms are cutting off their clients' access to low-cost funds from **Vanguard Group** or nicking clients with higher fees when they buy Vanguard's funds.

Mr. Bezos, you are often quoted as saying, "Your margin is my opportunity." If you and your new partners, Messrs. Buffett and Dimon, are looking for another opportunity, there's still a mountain of margin in the investment-management business.

New Highs and Lows | WSJ.com/newhighs

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.

Friday, February 2, 2018

Highs

Stock	Sym	52-Wk Hi/Lo	% Chg
ARMO Biosci	ARMO	36.00	10.7
Abiomed	ABMD	255.42	-1.9
Ablynx	ABLX	54.87	-0.3
Alkermes	ALKS	64.04	8.7
Amazon.com	AMZN	1498.00	2.9
Amrep	AXR	7.65	0.7
AnikaTherap	ANIK	69.81	-2.6
Apptio	APTI	26.36	-1.0
Aquantia	AQ	14.43	-3.3
BB&T	BBT	55.99	-1.1
BankofAmWtB	BAC.WS.B	3.89	-5.9
BankofAmWtA	BAC.WS.A	20.72	-3.0
BankofAmerica	BAC	32.67	-1.7
BankofButterfield	NTB	41.38	-1.3
BayBancorp	BYBK	12.80	...
BeiGene	BGNE	142.00	-1.5
Berkley	WRB	74.43	-0.2
Bottomline	EPAY	39.50	2.4
BrooklineBcp	BRKL	17.05	...
CDW	CDW	76.73	-0.8
CME Group	CME	163.00	0.1
CMSevenStarAcqn	CMSS	9.69	0.1
Curo	CURO	17.89	3.5
CanadaGoose	GOOS	37.10	0.2
CarolinaFin	CARO	42.42	...
Charles&Colvard	CTHR	1.60	12.4
Cimpress	CMPR	162.80	6.2
ColumbiaSportswr	COLM	78.26	-1.1
Comerica	CMA	98.18	-2.1
ComericaWt	CMA.WS	68.50	-2.1
ConnectOneBncp	CNOB	29.75	0.2
DeckersOutdoor	DECK	98.62	7.3
EastmanChem	EMN	103.21	0.9
EdwardsLife	EW	138.48	3.8
EnantaPharma	ENTA	88.85	1.2
EnelGenChile	EOCC	29.27	-0.3
EnovaIntl	ENVA	21.00	8.3
EsteeLauder	EL	138.74	-0.1
Ezcorp	EZPW	13.75	-3.7
Ferrari	RACE	130.63	-0.8
FifthThirdBncp	FITB	33.91	-1.6
FirstCash	FCFS	75.35	-0.4
Forestar	FOR	26.39	-2.8
ForumMergerWt	FMCIW	0.94	4.6
GeneralComm A	GNCMA	44.11	2.2
HanoverIns	THG	116.32	...
HondaMotor	HMC	37.29	2.8
HorizonBancorp	HBNC	30.89	-0.8
Hudson	HUD	18.38	2.3
HuntingtonBcshs	HBAN	16.53	-1.6
IAC/InterActive	IAC	146.90	-0.4
I-AM Capital Rt	IAMXR	0.40	9.8
I-AM Capital Wt	IAMXW	0.60	16.1
ID Systems	IDSY	8.03	-1.7
Immunogen	IMGN	10.04	3.5
InteractiveBrkrs	IBKR	67.42	-2.1
Investar	ISTR	25.95	-1.8
IovanceBiotherap	IOVA	17.15	-2.7
JamesHardie	JHX	18.79	4.0
KemPharm	KMPH	6.75	-3.8
KenonHoldings	KEN	31.50	-2.1
KeyCorp	KEY	22.22	-0.8
LPL Financial	LPLA	64.71	4.1
LaJolla	LJPC	40.79	7.7
LibertyGlobal A	LBTYA	39.73	3.5
LibertyGlobal B	LBTYB	39.00	2.1
LibertyGlobal C	LBTYK	37.86	2.7
M&T Bank	MTB	193.85	-1.9
MSG Networks	MSGN	26.30	1.2
Mastercard	MA	177.11	-1.4
MazorRobotics	MZOR	69.37	-6.0
MediciNova	MNOV	10.18	-1.0
MiXTelematics	MIXT	13.64	4.7
MobileMini	MINI	43.60	11.0
ModineMfg	MOD	24.90	0.2
MotorolaSol	MSI	107.78	4.8
NatlInstruments	NATI	50.61	-0.2
NektarTherap	NKTR	99.02	-0.8
OrionEngCarbons	OEC	30.25	-3.2
OspreyEnergy	OSPR	9.79	0.4
PeoplesBncpOH	PEBO	36.40	-0.5
PiperJaffray	PJC	99.80	-7.5
ProsperityBcshs	PB	77.89	-0.9
QAD A	QADA	45.35	0.7
RegionsFin	RF	19.90	-1.5
RoperTech	ROP	290.42	1.4
Shutterfly	SFLY	74.92	1.0
SkyWest	SKYW	58.00	-4.2
SodaStream	SODA	80.75	...
Sony	SNE	53.91	5.8
Strats Allst GJT	GJT	20.50	1.4
SunesisPharm	SNSS	5.99	1.9
SunTrustBanksWtB	STI.WS.B	27.60	-4.2
TD Ameritrade	AMTD	58.49	-2.2
TableauSftwr	DATA	87.00	9.0
Teradata	TDC	42.74	-1.4
Travelers	TRV	150.55	-1.4
USA Truck	USAK	25.25	24.5
VikingTherap	VKTX	6.37	14.3
VikingTheraWt	VKTXW	4.80	20.6
WestAllianceBcp	WAL	60.71	0.1
WillisLease	WLFC	27.60	-1.1
Xylem	XYL	76.81	1.1
Zafgen	ZFGN	7.88	5.0
ZionsBancorpWt	ZIONW	22.58	-2.3
ZionsBancorp	ZION	55.61	-1.5
ZionsBancorpWt	ZIONZ	19.53	-3.0

Lows

Stock	Sym	52-Wk Hi/Lo	% Chg
ADOMANI	ADOM	1.54	1.3
AG Mortgage	MITT	16.98	-1.1
AGNC Invt	AGNC	18.46	-1.8
AT&T Nts 2066	TBB	24.71	-1.2
AcadiaRealty	AKR	22.85	-2.9
Aceto	ACET	7.77	-27.4
AclarisTherap	ACRS	20.88	-5.1
Actua	ACTA	0.75	28.8
AcuityBrands	AYI	149.04	-2.4
AdvEmissions	ADES	7.00	1.7
AileronTherap	ALRN	8.75	-2.7
AlabamaPwrPfdA	ALPpQ	24.60	-1.1
AlamosGold	AGI	5.66	-5.4
Alexander&Baldwin	ALEX	25.06	-3.2
Alexanders	ALX	348.00	-1.6
AllenaPharm	ALNA	8.00	5.6
AllianceMMA	AMMA	0.67	-10.4
Allstate PfdE	ALLpE	25.70	-0.3
Allstate PfdA	ALLpA	24.63	0.2
AllstateDeb	ALLpB	25.23	-0.9
AmericanAssets	AAT	33.70	-0.3
AmCampus	ACC	36.76	-0.3
AmFinDeb2055	AFGH	25.00	-1.1
AmHomes4RentPfdF	AMHpF	23.85	-0.9
AmerOutdoor	AOBC	11.11	-2.3
AmiraNatureFoods	ANFI	3.85	-1.2
AmTrustNts	AFSS	22.51	-1.5
AnavexLifeSci	AVXL	2.54	-3.7
AnnalyCapPfdG	NLYpG	24.04	-1.8
ApartmtInv	AIV	39.55	-0.6
AquaBountyTech	AQB	2.61	-2.6
ArchCapGroupPfdF	ACGLO	24.03	-1.4
ArcturusTherap	ARCT	5.78	-18.9
AresCommRealEst	ACRE	12.34	-1.6
AresMgmtPfdA	ARESpA	25.36	-0.9
ArgosTherap	ARGS	1.88	-9.9
ArlingtonAsset	AI	10.31	-1.7
AscentCapital A	ASCMA	8.21	-9.4
AtlanticPower	AT	1.97	-4.8
Avalonbay	AVB	158.68	-0.1
Avinger	AVGR	6.02	-0.6
AxovantSciences	AXON	1.88	-5.4
BB&T Pfd F	BBTpF	23.73	-2.1
BB&T Pfd G	BBTpG	23.92	-1.5
BankofAmPfdY	BACpY	25.82	-0.4
BankofAmPfd4	BMLpJ	22.72	-0.2
BNYMellonPfdC	BKpC	23.75	-0.5
BelFuse A	BELFA	17.11	-7.1
BellatrixExplor	BXE	1.11	-1.6
Big5SportingGds	BGFV	5.50	-4.3
Bio-Path	BPTH	0.18	-7.1
BlackRockCapInvt	BKCC	5.78	-2.4
BlueCapReins	BCRH	11.60	-1.3
BluerockResREIT	BRG	7.81	-0.5
BluerockREITPfdC	BRGpC	24.27	-1.8
BluerockResPfD	BRGpD	23.80	-1.7
BoardwalkPipe	BWP	12.05	-3.5
BostonProPfdB	BXPpB	23.72	-1.7
BridgepointEduc	BPI	7.51	-3.6
BrixmorProp	BRX	15.47	-2.1
CBL Assoc	CBL	5.25	-1.9
CHS PfdB2	CHSCN	26.23	-1.2
CHS Pfd	CHSCP	28.89	-1.0
CHS PfdB4	CHSCL	27.15	-0.2
CHS PfdB3	CHSCM	26.01	-0.4
CPI Card	PMTS	2.57	-2.9
CVD Equipment	CVV	9.26	-1.9
CYS Invts	CYS	6.48	-2.3
Caesarstone	CSTE	20.55	-1.4
CafePress	PRSS	1.51	-7.4
CalitheraBiosci	CALA	7.05	-2.6
CampbellSoup	CPB	44.45	-4.7
CapitalOnePfdD	COFpD	26.16	-0.4
CarlylePfdA	TCGP	23.53	-1.1
Cato	CATO	11.40	-4.8
CECO Env	CECE	4.29	-4.0
CedarRealtyPfC	CDRpC	22.25	-0.2
Cenveo	CVO	0.43	-66.5
ChimeraInvPfdA	CIMpA	24.51	...
ChimeraInvt	CIM	16.66	-2.1
CirrusLogic	CRUS	46.71	-7.9
CitigroupPfdJ	CpJ	27.62	-0.3
CitigroupPfdK	CpK	27.12	-0.5
CitigroupPfdL	CpL	25.75	-0.4
CitigroupPfdC	CpC	24.72	-0.9
CityOfficeREIT	CIO	11.29	-1.7
CleanEnerFuels	CLNE	1.45	-7.0
ClipperRealty	CLPR	8.16	-8.6
ColonyNorthCred	CLNC	18.28	-4.4
ColonyNrthStPfI	CLNSpI	22.08	-2.3
CommFirstBcshs	CFBI	11.20	-4.5
CompassPfdA	CODIpA	23.49	-0.6
ConcordMed	CCM	2.56	-8.8
ConsldComm	CNSL	11.74	-4.6
Core-Mark	CORE	20.56	-3.9
CorpAmAirports	CAAP	16.26	1.2
CorpOfficeProp	OFC	26.26	0.7
CorvusPharm	CRVS	7.81	-2.5
Cowen7.35%Nts	COWNZ	25.00	-0.5
CullenFrostPfd	CFRpA	24.30	-0.8
Curis	CRIS	0.57	-0.9
DDR PfdA	DDRpA	24.18	-1.9
DDR PfdJ	DDRpJ	23.98	-0.1
DDR PfdK	DDRpK	23.34	-0.1
DareBioscience	DARE	2.10	-4.2
Daxor	DXR	3.85	-11.9
DianaShipping	DSX	3.30	-6.5
DigitalRealtyPfH	DLRpH	26.13	0.2
DigitalRealtyPfJ	DLRpJ	22.33	-1.7
DigitalRealtyPfG	DLRpG	24.42	-0.6
DiversicareHlthcr	DVCR	7.49	...
Dogness	DOGZ	4.00	-4.5
DropCar	DCAR	2.31	-16.3
DukeEnergyDeb	DUKH	23.71	-1.3
DynexCapital	DX	6.35	-1.2
EPR PropPfdG	EPRpG	23.80	-0.6
EPR Prop	EPR	57.54	-0.4
EdgewellPersonal	EPC	53.43	-3.2
EducationRealty	EDR	31.51	-0.1
EllingtonResiMtg	EARN	10.53	-1.9
EllsworthPfdA	ECFpA	23.57	-0.5
eMagin	EMAN	1.23	11.1
EmpireStateRealty	ESRT	18.72	0.2
EquityCommnwlth	EQC	29.19	-0.9
EquityResdntl	EQR	58.96	-0.6
EthanAllen	ETH	24.25	-2.0
FTD	FTD	5.66	-3.5
FarmlandPtrs	FPI	7.95	-0.5
FedRealtyInvPfdC	FRTpC	22.53	-2.4
FederalRealty	FRT	114.58	-1.9
FifthThirdBncPfI	FITBI	27.50	-1.7
FirstHorizonPfdA	FHNpA	24.96	0.2
FirstMajestic	AG	5.62	-6.3
FirstRepBkPfdF	FRCpF	24.99	-0.6
FirstRepBkPfdH	FRCpH	23.73	-1.1
FirstRepublicPfdD	FRCpD	24.48	-1.6
FivePrimeTherap	FPRX	18.99	-3.4
Flexsteel	FLXS	41.10	-4.9
Fred's	FRED	3.07	-6.4
Frontline	FRO	4.36	-5.0
GDL Fund Pfd	GDLpB	50.15	-0.2
GEO Group	GEO	21.46	-3.0
GabelliHlthPfdA	GRXpA	25.15	-0.6
GeneralElec	GE	15.60	-2.4
GenieEnergy	GNE	4.16	-3.0
GenworthFin	GNW	3.00	-1.9
GeorgiaPwrNt77	GPJA	23.50	-1.4
Gevo	GEVO	0.51	-6.2
GlobalMedREIT	GMRE	7.25	-2.3
GlobalNetLease	GNL	17.28	-1.4
Globalstar	GSAT	0.98	-8.8
GoldmanSachsPfC	GSpC	21.87	-1.5
GoldmanSachsPfD	GSpD	21.77	-1.1
GovtPropIncoTr	GOV	16.50	-1.6
GramercyProperty	GPT	24.18	0.2
GranitePointMtg	GPMT	16.86	-1.3
GreatAjaxNts24	AJXA	24.75	-1.0
GulfportEnergy	GPOR	9.41	-3.0
HCP	HCP	23.15	1.2
HabitRestaurants	HABT	8.40	...
HallmarkFin	HALL	9.90	-1.4
HartfordFinDeb42	HGH	28.64	-0.9
HealthcareRealty	HR	28.65	0.7
HealthcareAmer	HTA	26.26	0.8
HebronTech	HEBT	1.93	-5.4
HemisphereMedia	HMTV	10.50	2.4
HershaHospPfdD	HTpD	23.25	...
Heska	HSKA	71.03	-6.2
Hexindai	HX	10.21	-2.0
HighwoodsProp	HIW	45.90	0.3
HoughtonMifflin	HMHC	7.30	-1.2
Hudson	HUD	17.15	2.3
HudsonPacProp	HPP	29.17	-1.1
HugotonRoyalty	HGT	0.80	-5.8
IMPAC Mortgage	IMH	8.28	-4.0
icad	ICAD	3.07	2.2
ImmuneDesign	IMDZ	2.94	-1.5
ImmunePharma	IMNP	0.40	-13.7
Impinj	PI	12.01	-46.8
Incyte	INCY	85.75	-4.2
Inphi	IPHI	29.04	1.2
InspiredEnt	INSE	5.70	-12.2
Intelsat	I	2.61	-2.9
InterstateP&LPfdD	IPLpD	23.67	0.4
InvescoMtgPfdB	IVRpB	24.25	-2.3
InvescoMtgPfdC	IVRpC	23.40	-2.2
InvRlEst	IRET	5.45	-1.8
Invitae	NVTA	6.28	-0.2
InVivoTherap	NVIV	0.51	3.1
Invuity	IVTY	4.35	-8.2
iPicEnt	IPIC	13.81	-2.2
IronwoodPharm	IRWD	13.56	-2.9
iStar	STAR	10.38	-2.0
JMU	JMU	0.89	...
JackintheBox	JACK	87.21	-4.5
JerniganCapital	JCAP	16.89	-3.0
JPMorganPfdT	JPMpB	25.84	-0.6
JPMorganPfdY	JPMpF	25.38	-0.2
JPMorganPfdP	JPMpA	24.52	-0.2
KCAPFinancial	KCAP	3.28	-0.6
KKR RealEstFin	KREF	19.18	-1.3
KimcoRealty	KIM	14.71	-3.2
KimcoRealtyPfdL	KIMpL	21.46	-1.3
KimcoRealtyPfdM	KIMpM	22.02	-2.0
KimcoRealtyPfdJ	KIMpJ	22.86	-1.4
KimcoRealtyPfdK	KIMpK	23.09	-1.4
KiteRealty	KRG	15.02	-6.1
KoreaElcPwr	KEP	16.01	-3.0
LSC Comm	LKSD	12.82	-6.4
LTC Properties	LTC	39.07	0.3
LadenburgThalNts	LTSL	24.00	-0.1
LaredoPetrol	LPI	8.90	-7.8
LegacyAcqnWt	LGC.WS	0.38	-2.6
LexingtonRealty	LXP	8.57	-1.0
LexingtonRltyPfC	LXPpC	49.93	-0.8
LibertyOilfield	LBRT	20.38	-3.8
MBFinPfdC	MBFIO	24.20	-0.2
MFA Financial	MFA	6.98	-2.1
MFC Bancorp	MFCB	6.40	-5.7
MGE Energy	MGEE	58.20	-1.0
Mack-Cali	CLI	19.49	-1.5
MagneGas	MNGA	1.90	-7.0
MaidenNts43	MHNC	21.55	...
MaidenHldgsPfdC	MHpC	20.00	-2.5
MaidenNts46	MHLA	18.68	0.6
MaidenHldg6.7%PfdD	MHpD	17.66	-1.3
Mallinckrodt	MNK	16.98	-4.9
MedleyCapNts21	MCX	25.33	-0.4
MedleyCapital	MCC	5.03	-1.9
MercuryGeneral	MCY	48.31	-1.3
Metlife pfA	METpA	23.60	...
MidAmApt	MAA	90.05	-0.1
MSNonCum pfd A	MSpA	21.86	-0.5
MorganStanleyPfdE	MSpE	28.04	-0.6
MorganStanleyPfdG	MSpG	25.75	-0.7
MuellerWater	MWA	10.54	-2.7
NQ Mobile	NQ	3.12	-2.8
NanoStringTech	NSTG	6.94	-4.0
NationalFuelGas	NFG	49.80	-9.1
NationalGrid	NGG	55.85	-1.7
NatlHealthInv	NHI	67.62	...
Nautilus	NLS	12.15	-3.9
NavientNts2043	JSM	21.01	-3.7
NaviosMaritime	NNA	0.75	-5.6
Neonode	NEON	0.55	-2.2
Neovasc	NVCN	0.46	-6.9
NewMountainFin	NMFC	13.10	-1.9
NY Mortgage	NYMT	5.52	-1.6
NordicAmerTankers	NAT	2.08	-5.4
NorthernDynasty	NAK	0.81	-8.1
Northwestern	NWE	52.71	-1.1
Novan	NOVN	3.11	-4.0
Nutrien	NTR	49.84	-3.0
OPKOHealth	OPK	4.25	-4.5
OSI Systems	OSIS	50.50	-18.0
OdonateTherap	ODT	19.06	-3.0
OmegaHealthcare	OHI	25.80	0.6
OncoMedPharm	OMED	2.30	-4.1
OneStopSystems	OSS	4.51	-3.7
OpGen	OPGN	2.83	-19.2
OrchidIslandCap	ORC	7.38	-2.1
Ovascience	OVAS	0.97	-3.4
PCM	PCMI	8.20	-2.3
PDF Solutions	PDFS	13.12	-2.6
PG&E	PCG	41.18	-2.7
PHH	PHH	8.63	-2.8
PNC Fin PfdQ	PNCpQ	24.15	-0.4
PSBusParksPfdX	PSBpX	22.85	-2.3
PSBusParksPfdY	PSBpY	23.38	-2.3
ParamountGroup	PGRE	14.42	0.4
ParatekPharma	PRTK	14.55	-4.0
ParkerVision	PRKR	1.00	-1.0
ParsleyEnergy	PE	22.93	-2.7
PAVmed	PAVM	1.59	-4.7
PebblebrookPfdD	PEBpD	24.59	0.2
PebblebrookPfdC	PEBpC	24.54	0.4
PA Reit Pfd B	PElpB	23.91	-1.6
PennyMacPfdB	PMTpB	24.53	-1.2
PeoplesUtdPfdA	PBCTP	25.39	-0.1
PershingGold	PGLC	2.11	-5.7
PhysiciansRealty	DOC	15.50	0.4
PiedmontOfficeA	PDM	18.83	-0.7
Pier 1	PIR	3.01	-6.7
PortlandGenElec	POR	41.00	-0.7
PostHoldings	POST	72.42	-4.3
PrestigeBrands	PBH	35.67	-4.6
PretiumResources	PVG	6.47	-4.4
Procter&Gamble	PG	84.21	-1.9
PublicStoragePfY	PSApY	25.76	0.2
PublicStoragePfZ	PSApZ	25.44	-0.3
PublicStoragePfdF	PSApF	22.99	-1.8
PublicStoragePfdG	PSApG	22.49	-1.5
PublicStorage	PSA	188.39	-0.4
PublicStoragePfV	PSApV	23.63	-1.7
PublicStoragePfX	PSApX	22.93	-1.9
PublicStoragePfW	PSApW	22.92	-1.4
RaPharm	RARX	6.94	-4.2
RangeResources	RRC	13.26	-2.7
RealNetworks	RNWK	3.01	-2.9
RealtyIncome	O	50.42	-0.7
RegenPharm	REGN	340.65	0.6
RetailOppor	ROIC	17.50	-1.4
RetailPropofAmer	RPAI	11.46	-0.3
RexfordIndPfdA	REXRpA	23.01	-1.5
RexfordIndPfdB	REXRpB	22.76	0.3
RoadrunnerTrans	RRTS	4.88	-11.2
RosettaGenmcs	ROSG	0.42	-10.7
SCE III Pfd	SCEpH	25.07	0.1
SCE II Pfd	SCEpG	21.93	...
SCE IV Pfd	SCEpJ	24.10	-0.8
SCE Tr VI 5% Pfd L	SCEpL	22.09	0.6
SellasLifeSci	SLS	5.89	-5.9
SabraHealthcare	SBRA	17.35	-0.6
SafetyIncome	SAFE	16.96	-2.0
SaulCentersPfdD	BFSpD	24.22	-1.1
SaulCentersPfdC	BFSpC	25.00	-0.2
ScorpioTankers	STNG	2.37	-3.3
SearsHoldings	SHLD	2.31	-5.6
SelectIncomeREIT	SIR	21.51	-0.8
SeniorHousing	SNH	16.43	-0.4
SeritageGrwPfdA	SRGpA	21.97	-3.4
Shineco	TYHT	1.70	-6.3
SinoGlobalShip	SINO	2.13	-3.4
Sogou	SOGO	10.01	-0.8
Sohu.com	SOHU	37.06	-3.1
SoJerseyInd	SJI	28.49	0.1
SoCA Ed pfE	SCEpE	22.90	-0.7
SoCA Ed pfB	SCEpB	21.26	0.5
SouthwestGas	SWX	72.12	-1.5
SouthwesternEner	SWN	4.00	-4.0
SparkEnergy	SPKE	9.20	-4.1
SparkEnergyPfdA	SPKEP	24.00	-1.6
SpecialOppFdPfB	SPEpB	25.17	-0.9
SpiritRealtyPfdA	SRCpA	23.54	-1.1
StateStreetPfdD	STTpD	26.19	-0.6
StateStreetPfdE	STTpE	25.47	-0.4
StateStreetPfdC	STTpC	24.01	-0.7
StifelFinNts47	SFB	23.63	-1.3
SummerInfant	SUMR	1.24	-3.1
SummitHotelPfdD	INNpD	24.00	-2.9
SunTrustBksPfA	STIpA	23.65	-1.4
SutherlandNts23	SLDA	24.90	-0.7
Switch	SWCH	15.60	-3.8
Synchronoss	SNCR	7.51	-6.2
SynthesisEnSys	SES	2.11	...
TCF Fin PfdC	TCFpD	24.02	-0.9
TCP Capital	TCPC	14.97	-1.8
TDH	PETZ	4.29	-10.4
THL Credit	TCRD	8.46	-2.0
TOR Minerals	TORM	4.15	-20.0
Tecogen	TGEN	2.05	-0.9
Tele&DataPfd	TDJ	24.45	-1.4
Tele&DataNts	TDA	23.11	-1.2
Teligent	TLGT	2.75	-3.7
TransCanada	TRP	43.94	-2.1
TsakosEnergyPfdB	TNPpB	24.80	-0.2
Tupperware	TUP	54.32	-3.8
TwoHarbors	TWO	14.56	-0.7
UMH Prop	UMH	12.61	-0.4
US BancorpPfdH	USBpH	21.91	-0.4
US BancorpPfdF	USBpM	27.25	-0.7
US BancorpPfdH	USBpO	24.00	-0.7
USCellularNt63	UZB	24.46	-1.6
UrbanEdgeProp	UE	21.97	-0.6
VEON	VEON

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MUTUAL FUNDS

WSJ.com/fundresearch

Explanatory Notes

Data provided by LIPPER

Top 250 mutual-funds listings based on total net assets for Nasdaq-published share classes. **NAV** is net asset value. Percentage performance figures are total returns, assuming reinvestment of all distributions and after subtracting annual expenses. Figures don't reflect sales charges ("loads") or redemption fees. **NET CHG** is change in NAV from previous trading day. **YTD%RET** is year-to-date return. **f**-Previous day's quotation. **p**-Distribution costs apply, 12b-1. **r**-Redemption charge may apply. **t**-Footnotes p and r 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.

Friday, February 2, 2018

Fund	NAV	Net Chg	YTD %Ret
American Century Inv			
Ultra	45.79	-0.93	5.5
American Funds Cl A			
AmcpA p	33.26	-0.58	5.6
AMutlA p	41.84	-0.76	2.5
BalA p	27.53	-0.39	1.4
BondA p	12.66	-0.03	-1.6
CapIBA p	63.51	-0.96	1.1
CapWGrA	53.12	-1.12	3.9
EupacA p	58.14	-1.52	3.4
FdInvA p	64.45	-1.35	3.6
GwthA p	52.47	-0.96	5.9
HI TrA p	10.37	-0.03	0.5
ICAA p	42.01	-0.82	4.0
IncoA p	23.68	-0.37	1.3
N PerA p	45.23	-0.97	4.8
NEcoA p	47.36	-0.94	6.1
NwWrldA	69.07	-1.67	3.2
SmCpA p	57.61	-1.15	3.2
TxExA p	12.82	-0.04	-1.4
WshA p	47.02	-0.99	3.0
Baird Funds			
AggBdInst	10.66	-0.05	-1.8
CorBdInst	11.03	-0.04	-1.5
BlackRock Funds A			
GlblAlloc p	20.08	-0.32	1.9
BlackRock Funds Inst			
EqtyDivd	23.92	...	5.1
GlblAlloc	20.20	-0.32	2.0
HiYldBd	7.78	-0.04	0.2
StratIncOpptyIns	10.07	...	1.4
Bridge Builder Trust			
CoreBond	NA	...	NA
Dimensional Fds			
5GlbFxdInc	10.79	...	-0.7
EmgMktVa	33.29	-0.71	6.6
EmMktCorEq	24.27	-0.56	4.5
IntlCoreEq	15.00	-0.34	3.2
IntlVal	21.27	-0.53	3.8
IntSmCo	21.97	-0.48	3.3
IntSmVa	23.64	-0.52	2.9
US CoreEq1	23.43	-0.51	2.9
US CoreEq2	22.09	-0.49	2.5
US Small	36.09	-0.79	0.4
US SmCpVal	37.82	-0.88	-0.3
US TgdVal	24.89	-0.62	...
USLgVa	40.30	-0.95	3.0
Dodge & Cox			
Balanced	109.63	-1.23	2.5
GblStock	14.38	-0.29	3.8
Income	13.66	-0.02	-0.7
Intl Stk	48.26	-1.12	4.2
Stock	212.24	-3.70	4.2
DoubleLine Funds			
TotRetBdI	NA	...	NA
Edgewood Growth Instituti			
EdgewoodGrInst	31.62	-0.60	7.0
Federated Instl			
StraValDivIS	6.05	-0.11	-1.5
Fidelity			
500IdxInst	96.66	-2.09	3.4
500IdxInstPrem	96.66	-2.09	3.4
500IdxPrem	96.66	-2.09	3.4
ExtMktIdxPrem r	63.01	-1.23	1.5
IntlIdxPrem r	44.57	-0.98	3.2
SAIUSLgCpIndxFd	14.77	-0.32	3.4
TMktIdxF r	78.74	-1.68	3.1
TMktIdxPrem	78.74	-1.67	3.1
USBdIdxInstPrem	11.36	-0.02	-1.8
Fidelity Advisor I			
NwInsghtI	33.95	-0.65	6.0
Fidelity Freedom			
FF2020	16.86	-0.22	1.8
FF2025	14.69	-0.21	2.0
FF2030	18.52	-0.32	2.5
Freedom2020 K	16.83	-0.23	1.7
Freedom2025 K	14.66	-0.22	1.9
Freedom2030 K	18.49	-0.32	2.6
Freedom2035 K	15.69	-0.31	3.2
Freedom2040 K	11.03	-0.22	3.2
Fidelity Invest			
Balanc	24.30	-0.35	2.4
BluCh	92.60	-2.06	5.5
Contra	130.86	-2.80	6.9
ContraK	130.79	-2.80	6.9
CpInc r	10.36	-0.09	0.9
DivIntl	41.28	-0.95	3.1
GroCo	191.65	-3.77	7.3
GrowCoK	191.63	-3.77	7.3
InvGB	7.79	-0.01	-1.4
InvGrBd	11.05	-0.02	-1.5
LowP r	55.75	-1.18	2.3
MagIn	110.36	-2.36	5.5
OTC	115.76	-2.25	5.4
Puritn	24.02	-0.39	2.6
SrsEmrgMkt	22.57	-0.59	5.4
SrsGroCoRetail	17.87	-0.35	7.5
SrsIntlGrw	16.66	-0.42	3.2
SrsIntlVal	11.13	-0.24	4.1
TotalBond	10.48	-0.02	-1.3
First Eagle Funds			
GlbA	60.44	-1.02	2.3
FPA Funds			
FPACres	35.48	-0.47	2.3
FrankTemp/Frank Adv			
IncomeAdv	2.35	-0.03	0.4
FrankTemp/Franklin A			
CA TF A p	7.30	-0.02	-2.0
IncomeA p	2.37	-0.03	0.4
RisDv A p	62.54	-1.23	2.3
FrankTemp/Franklin C			
Income C t	2.40	-0.04	0.3
FrankTemp/Temp A			
GlBond A p	12.04	-0.02	1.5
Growth A p	28.12	-0.62	3.2
FrankTemp/Temp Adv			
GlBondAdv p	12.00	-0.01	1.5
Harbor Funds			
CapApInst	74.17	-1.53	6.8
IntlInst r	70.47	-1.72	4.4
Harding Loevner			
IntlEq	NA	...	NA
Invesco Funds A			
EqIncA	11.24	-0.17	2.6
John Hancock Class 1			
LSBalncd	15.46	-0.20	1.8
LSGwth	16.50	-0.28	2.6
John Hancock Instl			
DispValMCI	23.76	-0.50	1.9
JPMorgan Funds			
MdCpVal L	40.56	-0.76	0.7
JPMorgan R Class			
CoreBond	11.39	-0.02	-1.5
Lazard Instl			
EmgMktEq	21.16	-0.46	5.7
Lord Abbett A			
ShtDurIncmA p	4.23	...	-0.2
Lord Abbett F			
ShtDurIncm	4.23	...	-0.2
Metropolitan West			
TotRetBd	10.47	-0.03	-1.6
TotRetBdI	10.46	-0.04	-1.7
TRBdPlan	9.85	-0.03	-1.6
MFS Funds Class I			
ValueI	41.98	-0.81	2.9
MFS Funds Instl			
IntlEq	26.14	-0.54	2.7
Mutual Series			
GlbDiscA	32.52	-0.56	2.3
Oakmark Funds Invest			
Eqtylnc r	32.93	-0.52	2.3
Oakmark	88.28	-2.03	4.7
OakmrkInt	29.96	-0.71	4.9
Old Westbury Fds			
LrgCpStr	14.89	-0.35	3.0
Oppenheimer Y			
DevMktY	45.25	-1.01	5.4
IntGrowY	44.99	-1.06	3.1
Parnassus Fds			
ParnEqFd	43.83	-0.86	2.7
PIMCO Fds Instl			
AllAsset	NA	...	NA
TotRt	10.11	-0.01	-1.4
PIMCO Funds A			
IncomeFd	NA	...	NA
PIMCO Funds D			
IncomeFd	NA	...	NA
PIMCO Funds Instl			
IncomeFd	NA	...	NA
PIMCO Funds P			
IncomeP	NA	...	NA
Price Funds			
BlChip	104.06	-1.94	8.0
CapApp	28.95	-0.29	2.4
EqInc	34.24	-0.70	2.7
EqIndex	74.16	-1.60	3.4
Growth	66.79	-1.25	6.6
HelSci	75.02	-1.29	6.6
InstlCapG	39.64	-0.79	7.4
IntlStk	19.28	-0.40	3.3
IntlValEq	15.55	-0.29	2.8
MCapGro	91.24	-1.47	4.8
MCapVal	30.90	-0.53	1.6
N Horiz	55.07	-0.76	4.8
N Inc	9.34	-0.02	-1.3
OverS SF r	11.69	-0.23	3.4
R2020	22.93	-0.28	1.7
R2025	17.95	-0.25	2.0
R2030	26.55	-0.40	2.4
R2035	19.49	-0.31	2.7
R2040	28.04	-0.48	2.9
Value	38.28	-0.71	2.6
PRIMECAP Odyssey Fds			
AggGrowth r	48.36	-0.64	9.1
Growth r	40.21	-0.59	7.9
Principal Investors			
DivIntlInst	NA	...	NA
Prudential Cl Z & I			
TRBdZ	NA	...	NA
Schwab Funds			
S&P Sel	42.60	-0.92	3.4
TIAA/CREF Funds			
EqIdxInst	20.26	-0.43	3.1
IntlEqIdxInst	20.84	-0.45	3.3
Tweedy Browne Fds			
GblValue	28.91	-0.31	1.5
VANGUARD ADMIRAL			
500Adml	255.30	-5.52	3.4
BalAdml	35.13	-0.49	1.2
CAITAdml	11.60	-0.03	-1.3
CapOpAdml r	160.89	-3.01	4.7
EMAdmr	40.48	-0.76	6.0
EqIncAdml	79.28	-1.65	1.7
ExplrAdml	91.20	-1.72	3.2
ExtndAdml	86.07	-1.68	1.5
GNMAAdml	10.27	-0.04	-1.6
GrwthAdml	75.53	-1.52	4.4
HlthCareAdml r	89.79	-1.29	3.6
HYCorAdml r	5.88	-0.02	-0.3
InfProAd	25.21	-0.04	-1.5
IntlGrAdml	101.25	-2.31	5.9
ITBondAdml	11.09	-0.03	-2.1
ITIGradeAdml	9.57	-0.02	-1.6
LTGradeAdml	10.23	-0.07	-3.6
MidCpAdml	195.59	-4.08	2.1
MuHYAdml	11.23	-0.03	-1.5
MuIntAdml	13.90	-0.04	-1.4
MuLTAdml	11.42	-0.05	-1.8
MuLtdAdml	10.85	-0.01	-0.2
MuShtAdml	15.72	...	0.2
PrmcpAdml r	139.59	-2.68	4.5
REITAdml r	109.25	-0.92	-7.1
SmCapAdml	71.50	-1.44	1.0
STBondAdml	10.30	...	-0.6
STIGradeAdml	10.56	...	-0.5
TotBdAdml	10.54	-0.03	-1.7
TotIntBdIdxAdm	21.55	-0.01	-0.6
TotIntlAdmIdx r	31.58	-0.68	3.5
TotStAdml	68.81	-1.46	3.1
TxMIn r	14.81	-0.33	2.8
ValAdml	42.53	-0.96	2.7
WdsrllAdml	69.17	-1.58	3.1
WellsIAdml	64.87	-0.60	-0.7
WelltnAdml	73.49	-1.14	1.3
WndsrAdml	80.99	-1.70	2.5
VANGUARD FDS			
DivdGro	27.28	-0.49	2.7
HlthCare r	212.90	-3.06	3.6
INSTTRF2020	22.80	-0.27	1.2
INSTTRF2025	23.22	-0.33	1.6
INSTTRF2030	23.56	-0.36	1.9
INSTTRF2035	23.90	-0.41	2.3
INSTTRF2040	24.24	-0.45	2.6
INSTTRF2045	24.47	-0.47	2.8
IntlVal	41.22	-0.87	3.4
LifeCon	20.06	-0.19	0.5
LifeGro	34.46	-0.60	2.3
LifeMod	27.53	-0.36	1.4
PrmcpCor	27.89	-0.54	3.7
SelValu r	31.53	-0.71	0.8
STAR	27.31	-0.40	1.9
STIGrade	10.56	...	-0.5
TgtRe2015	15.44	-0.15	0.7
TgtRe2020	31.76	-0.39	1.2
TgtRe2025	18.79	-0.26	1.6
TgtRe2030	34.27	-0.53	1.9
TgtRe2035	21.15	-0.36	2.2
TgtRe2040	36.71	-0.68	2.6
TgtRe2045	23.13	-0.45	2.8
TgtRe2050	37.22	-0.72	2.8
TgtRetInc	13.58	-0.10	0.2
TotIntBdIdxInv	10.78	...	-0.6
WellsI	26.78	-0.25	-0.6
Welltn	42.55	-0.66	1.2
WndsrII	38.99	-0.89	3.1
VANGUARD INDEX FDS			
500	255.28	-5.52	3.4
ExtndIstPl	212.39	-4.16	1.5
SmValAdml	57.03	-1.21	...
TotBd2	10.51	-0.02	-1.7
TotIntl	18.88	-0.41	3.5
TotSt	68.78	-1.46	3.1
VANGUARD INSTL FDS			
BalInst	35.14	-0.48	1.2
DevMktsIndInst	14.83	-0.33	2.8
DevMktsInxInst	23.18	-0.52	2.7
ExtndInst	86.06	-1.69	1.5
GrwthInst	75.53	-1.53	4.4
InPrSeIn	10.27	-0.02	-1.5
InstIdx	251.83	-5.44	3.4
InstPlus	251.85	-5.44	3.4
InstTStPlus	61.33	-1.31	3.1
MidCpInst	43.21	-0.90	2.1
MidCpIstPl	213.09	-4.45	2.1
SmCapInst	71.50	-1.44	1.0
SmCapIstPl	206.37	-4.15	1.0
STIGradeInst	10.56	...	-0.4
TotBdInst	10.54	-0.03	-1.7
TotBdInst2	10.51	-0.02	-1.7
TotBdInstPl	10.54	-0.03	-1.7
TotIntBdIdxInst	32.34	-0.01	-0.6
TotIntlInstIdx r	126.27	-2.74	3.5
TotIntlInstPlId r	126.29	-2.74	3.5
TotStInst	68.82	-1.46	3.1
ValueInst	42.53	-0.96	2.7
Western Asset			
CorePlusBdI	NA	...	NA

Dividend Changes

Dividend announcements from February 2.

Company	Symbol	Yld %	Amount New/Old	Frq	Payable/ Record
Increased					
Apartment Inv & Mgmnt	AIV	3.7	.38 /.36	Q	Feb28 /Feb16
Apollo Global Mgmt A	APO	7.4	.66 /.39	Q	Feb28 /Feb21
Bankwell Financial Group	BWFG	1.4	.12 /.07	Q	Mar08 /Feb26
Calif Water Svc Grp	CWT	1.8	.1875 /.18	Q	Feb23 /Feb12
Camden Property Trust	CPT	3.7	.77 /.75	Q	Apr17 /Mar30
Community Healthcare Tr	CHCT	6.1	.3975 /.395	Q	Mar02 /Feb16
ConocoPhillips	COP	2.0	.285 /.265	Q	Mar01 /Feb12
Exponent	EXPO	1.4	.26 /.21	Q	Mar23 /Mar02
FirstCash	FCFS	1.2	.22 /.20	Q	Feb28 /Feb14
LogMeIn	LOGM	1.0	.30 /.25	Q	Feb28 /Feb12
Owens & Minor	OMI	5.9	.26 /.2575	Q	Mar30 /Mar15
Piper Jaffray	PJC	1.6	.375 /.3125	Q	Mar15 /Feb26
Power Integrations	POWI	0.9	.16 /.14	Q	Mar30 /Feb28
Principal Financial Group	PFG	3.1	.51 /.49	Q	Mar29 /Mar05
SJW Group	SJW	1.9	.28 /.2175	Q	Mar01 /Feb12
Standard Motor Products	SMP	1.8	.21 /.19	Q	Mar01 /Feb15
Xylem	XYL	1.1	.21 /.18	Q	Mar15 /Feb15
Foreign					
Royal Dutch Shell ADR A	RDS.A	5.6	.94	Q	Mar26 /Feb16
Royal Dutch Shell ADR B	RDS.B	5.5	.94	Q	Mar26 /Feb16
Special					
Artisan Ptrs Asset Mgmt	APAM	6.3	.79		Feb28 /Feb14
Beneficial Bancorp	BNCL	1.5	.25		Feb15 /Feb05
Piper Jaffray	PJC	1.6	1.62		Mar15 /Feb26

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Friday, February 2, 2018

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
AlerianMLPETF	**AMLP**	11.17	**–2.70**	3.5
CnsmrDiscSelSector	**XLY**	105.59	**–0.96**	7.0
CnsStapleSelSector	**XLP**	56.47	**–1.91**	–0.7
EnSelectSectorSPDR	**XLE**	72.46	**–4.18**	0.3
FinSelSectorSPDR	**XLF**	29.36	**–2.20**	5.2
GuggS&P500EW	**RSP**	103.05	**–2.05**	2.0
HealthCareSelSect	**XLV**	86.89	**–1.41**	5.1
IndSelSectorSPDR	**XLI**	77.99	**–2.01**	3.1
iShIntermCredBd	**CIU**	107.77	**–0.15**	–1.3
iSh1-3YCreditBond	**CSJ**	104.12	**...**	–0.4
iShCoreMSCIEAFE	**IEFA**	68.31	**–2.12**	3.4
iShCoreMSCIEmgMk	**IEMG**	59.18	**–2.47**	4.0
iShCoreMSCITotInt	**IXUS**	65.10	**–2.30**	3.2
iShCoreS&P500	**IVV**	277.53	**–2.21**	3.2
iShCoreS&P MC	**IJH**	191.49	**–2.01**	0.9
iShCoreS&P SC	**IJR**	77.50	**–1.99**	0.9
iShS&PTotIUSStkMkt	**ITOT**	62.93	**–2.08**	2.9
iShCoreUSAggBd	**AGG**	107.20	**–0.30**	–1.9
iShSelectDividend	**DVY**	98.50	**–1.73**	–0.1
iShEdgeMSCIMinEAFE	**EFAV**	74.41	**–1.47**	2.0
iShEdgeMSCIMinUSA	**USMV**	53.56	**–1.67**	1.5
iShEdgeMSCIUSAMom	**MTUM**	108.93	**–2.30**	5.6
iShGoldTr	**IAU**	12.80	**–1.31**	2.3
iShiBoxx$InvGrCpBd	**LQD**	118.61	**–0.51**	–2.4
iShiBoxx$HYCpBd	**HYG**	86.22	**–0.63**	–1.2
iShJPMUSDEmgBd	**EMB**	114.11	**–0.77**	–1.7
iShMBSETF	**MBB**	104.58	**–0.23**	–1.9
iShMSCI ACWI	**ACWI**	74.49	**–2.18**	3.3
iShMSCIBrazil	**EWZ**	45.06	**–3.55**	11.4
iShMSCI EAFE	**EFA**	72.55	**–2.03**	3.2
iShMSCI EAFE SC	**SCZ**	66.83	**–2.02**	3.6
iShMSCIEmgMarkets	**EEM**	49.05	**–2.56**	4.1
iShMSCIEurozone	**EZU**	45.37	**–2.51**	4.6
iShMSCIJapan	**EWJ**	62.32	**–1.47**	4.0
iShNasdaqBiotech	**IBB**	112.14	**–1.61**	5.0
iShNatlMuniBd	**MUB**	108.69	**–0.12**	–1.9
iShRussell1000Gwth	**IWF**	140.67	**–2.01**	4.4
iShRussell1000	**IWB**	153.25	**–2.13**	3.1
iShRussell1000Val	**IWD**	126.45	**–2.23**	1.7
iShRussell2000Gwth	**IWO**	190.53	**–2.07**	2.1
iShRussell2000	**IWM**	153.83	**–1.93**	0.9
iShRussell2000Val	**IWN**	125.18	**–1.87**	–0.5
iShRussell3000	**IWV**	162.75	**–2.13**	2.9
iShRussellMid-Cap	**IWR**	211.39	**–1.95**	1.6
iShRussellMCValue	**IWS**	89.11	**–1.99**	–0.0
iShS&PMC400Growth	**IJK**	221.70	**–1.84**	2.7
iShS&P500Growth	**IVW**	159.95	**–2.00**	4.7
iShS&P500Value	**IVE**	116.20	**–2.33**	1.7
iShUSPfdStk	**PFF**	36.97	**–0.70**	–2.9
iShShortTreaBd	**SHV**	110.25	**0.02**	0.0
iShTIPSBondETF	**TIP**	112.37	**–0.12**	–1.5
iSh1-3YTreasuryBd	**SHY**	83.50	**0.01**	–0.4
iSh7-10YTreasuryBd	**IEF**	102.22	**–0.37**	–3.2
iShRussellMCGrowth	**IWP**	124.79	**–2.03**	3.4
PIMCOEnhShMaturity	**MINT**	101.58	**0.02**	0.0
PwrShQQQ1	**QQQ**	164.61	**–1.99**	5.7
PwrShS&P500LoVol	**SPLV**	47.87	**–1.46**	0.3
PwrShSrLoanPtf	**BKLN**	23.23	**–0.17**	0.8
SPDR BlmBarcHYBd	**JNK**	36.27	**–0.49**	–1.2
SPDR Gold	**GLD**	126.39	**–1.31**	2.2
SchwabIntEquity	**SCHF**	34.95	**–2.27**	2.6
SchwabUS BrdMkt	**SCHB**	66.44	**–2.09**	3.0
SchwabUS Div	**SCHD**	52.17	**–2.18**	2.0
SchwabUS LC	**SCHX**	65.85	**–2.07**	3.2
SPDR DJIA Tr	**DIA**	254.93	**–2.56**	3.1
SPDR S&PMdCpTr	**MDY**	348.38	**–2.01**	0.9
SPDR S&P 500	**SPY**	275.45	**–2.18**	3.2
SPDR S&P Div	**SDY**	94.03	**–1.81**	–0.5
TechSelectSector	**XLK**	66.48	**–2.96**	4.0
UtilitiesSelSector	**XLU**	49.88	**–0.72**	–5.3
VanEckGoldMiner	**GDX**	22.91	**–3.33**	–1.4
VangdInfoTech	**VGT**	172.06	**–2.81**	4.4
VangdSC Val	**VBR**	132.77	**–2.05**	–0.0
VangdDivApp	**VIG**	104.86	**–1.87**	2.8
VangdFTSEDevMk	**VEA**	46.09	**–2.17**	2.7
VangdFTSE EM	**VWO**	48.26	**–2.25**	5.1
VangdFTSE Europe	**VGK**	61.03	**–2.48**	3.2
VangdFinls	**VFH**	73.32	**–1.99**	4.7
VangdFTSEAWxUS	**VEU**	56.47	**–2.28**	3.2
VangdGrowth	**VUG**	146.65	**–2.02**	4.3
VangdHlthCr	**VHT**	162.40	**–1.47**	5.4
VangdHiDiv	**VYM**	87.18	**–2.12**	1.8
VangdIntermBd	**BIV**	81.82	**–0.28**	–2.4
VangdIntrCorpBd	**VCIT**	85.57	**–0.28**	–2.1
VangdLC	**VV**	126.70	**–2.17**	3.4
VangdMC	**VO**	157.89	**–2.07**	2.0
VangdMC Val	**VOE**	113.04	**–2.14**	1.3
VangdRealEst	**VNQ**	77.08	**–0.85**	–7.1
VangdS&P500	**VOO**	253.19	**–2.14**	3.2
VangdST Bond	**BSV**	78.52	**–0.01**	–0.7
VangdSTCpBd	**VCSH**	78.79	**–0.04**	–0.6
VangdSC	**VB**	149.31	**–1.87**	1.0
VangdTotalBd	**BND**	79.92	**–0.30**	–2.0
VangdTotIntlBd	**BNDX**	53.89	**–0.17**	–0.9
VangdTotIntlStk	**VXUS**	58.70	**–2.18**	3.3
VangdTotalStk	**VTI**	141.30	**–2.13**	3.0
VangdTotlWrld	**VT**	76.56	**–2.18**	3.1
VangdValue	**VTV**	108.95	**–2.26**	2.5
WisdTrEuropeHdg	**HEDJ**	64.18	**–2.00**	0.7
WisdTrJapanHdg	**DXJ**	60.40	**–0.77**	1.8

Borrowing Benchmarks | WSJ.com/bonds

Money Rates

February 2, 2018

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

	Dec. index level	Chg From (%) Nov. '17	Dec. '16
U.S. consumer price index			
All items	**246.524**	–0.06	2.1
Core	**253.558**	0.03	1.8

International rates

	Latest	Week ago	52-Week High	52-Week Low
Prime rates				
U.S.	**4.50**	4.50	4.50	3.75
Canada	**3.45**	3.45	3.45	2.70
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**0.00**	0.00	0.00	0.00
Switzerland	**0.50**	0.50	0.50	0.50
Britain	**0.50**	0.50	0.50	0.25
Australia	**1.50**	1.50	1.50	1.50

Secondary market

Fannie Mae

30-year mortgage yields

30 days	**3.915**	3.748	3.915	3.253
60 days	**3.936**	3.776	3.936	3.281

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective December 14, 2017. **Other prime rates** aren't directly comparable; lending practices vary widely by location. Complete Money Rates table appears Monday through Friday.

Sources: Bureau of Labor Statistics; SIX Financial Information

Cash Prices | WSJ.com/commodities

Friday, February 02, 2018

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Propane,tet,Mont Belvieu-g	**0.8356**
Butane,normal,Mont Belvieu-g	**0.9599**
NaturalGas,HenryHub-i	**2.860**
NaturalGas,TranscoZone3-i	**2.830**
NaturalGas,TranscoZone6NY-i	**4.660**
NaturalGas,PanhandleEast-i	**2.100**
NaturalGas,Opal-i	**1.910**
NaturalGas,MarcellusNE PA-i	**2.470**
NaturalGas,HaynesvilleN.LA-i	**2.730**
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	**60.100**
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	**12.250**
Metals	
Gold, per troy oz	
Engelhard industrial	**1338.92**
Engelhard fabricated	**1439.34**
Handy & Harman base	**1331.15**
Handy & Harman fabricated	**1447.57**
LBMA Gold Price AM	***1341.10**
LBMA Gold Price PM	***1341.35**
Krugerrand,wholesale-e	**1387.78**
Maple Leaf-e	**1401.12**
American Eagle-e	**1401.12**
Mexican peso-e	**1616.89**
Austria crown-e	**1310.98**
Austria phil-e	**1401.12**
Silver, troy oz.	
Engelhard industrial	**16.9500**
Engelhard fabricated	**20.3400**
Handy & Harman base	**16.6800**
Handy & Harman fabricated	**20.8500**
LBMA spot price	**£12.0500**
(U.S.$ equivalent)	**17.1350**
Coins,wholesale $1,000 face-a	**12331**
Other metals	
LBMA Platinum Price PM	***996.0**
Platinum,Engelhard industrial	**1000.0**
Platinum,Engelhard fabricated	**1100.0**
Palladium,Engelhard industrial	**1052.0**
Palladium,Engelhard fabricated	**1152.0**
Aluminum, LME, $ per metric ton	***2218.0**
Copper,Comex spot	**3.1765**
Iron Ore, 62% Fe CFR China-s	**73.8**
Shredded Scrap, US Midwest-s,m	**339**
Steel, HRC USA, FOB Midwest Mill-s	**718**
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	**0.6500**
Cotton,1 1/16 std lw-mdMphs-u	**0.7630**
Cotlook 'A' Index-t	***87.85**
Hides,hvy native steers piece fob-u	**67.000**
Wool,64s,staple,Terr del-u,w	**n.a.**
Grains and Feeds	
Barley,top-quality Mnpls-u	**4.85**
Bran,wheat middlings, KC-u	**125**
Corn,No. 2 yellow,Cent IL-bp,u	**3.4000**
Corn gluten feed,Midwest-u,w	**103.7**
Corn gluten meal,Midwest-u,w	**470.4**
Cottonseed meal-u,w	**298**
Hominy feed,Cent IL-u,w	**98**
Meat-bonemeal,50% pro Mnpls-u,w	**218**
Oats,No.2 milling,Mnpls-u	**2.9650**
Rice, Long Grain Milled, No. 2 AR-u,w	**25.00**
Sorghum,(Milo) No.2 Gulf-u	**8.4188**
SoybeanMeal,Cent IL,rail,ton48%-u	**326.90**
Soybeans,No.1 yllw IL-bp,u	**9.4400**
Wheat,Spring14%-pro Mnpls-u	**7.1375**
Wheat,No.2 soft red,St.Louis-bp,u	**4.5450**
Wheat - Hard - KC (USDA) $ per bu-u	**4.5825**
Wheat,No.1soft white,Portld,OR-u	**5.3700**
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	**193.02**
select 1-3,600-900 lbs.-u	**187.04**
Broilers, National comp wghtd-u,w	**0.9166**
Butter,AA Chicago	**2.1150**
Cheddar cheese,bbl,Chicago	**132.50**
Cheddar cheese,blk,Chicago	**146.25**
Milk,Nonfat dry,Chicago lb.	**72.25**
Cocoa,Ivory Coast-w	**2330**
Coffee

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MARKETS DIGEST

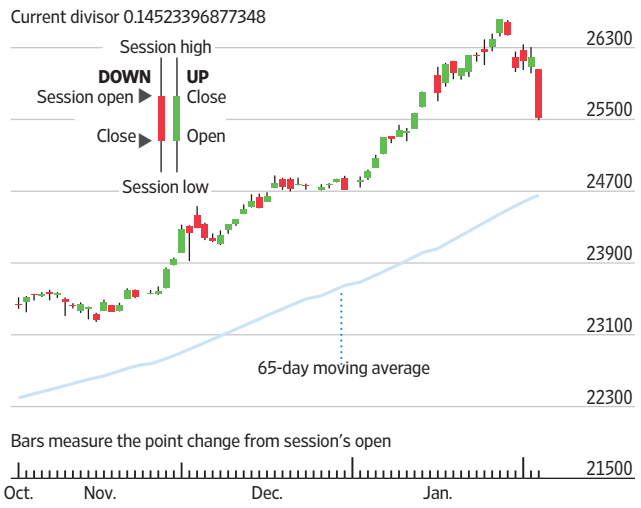
EQUITIES

Dow Jones Industrial Average

25520.96 ▼665.75, or 2.54%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	26.85	20.33
P/E estimate *	17.70	17.24
Dividend yield	2.05	2.39
All-time high	26616.71, 01/26/18	



Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

2762.13 ▼59.85, or 2.12%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	21.71	24.18
P/E estimate *	18.05	17.59
Dividend yield	1.81	2.08
All-time high:	2872.87, 01/26/18	

Nasdaq Composite Index

7240.95 ▼ 144.92, or 1.96%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	26.10	24.15
P/E estimate *	20.85	19.13
Dividend yield	0.99	1.16
All-time high:	7505.77, 01/26/18	

Major U.S. Stock-Market Indexes

	Latest High	Low	Close	Net chg	% chg	52-Week High	Low	% chg	% chg YTD	3-yr. ann.
Dow Jones										
Industrial Average	26061.79	25490.66	**25520.96**	-665.75	**-2.54**	26616.71	20052.42	**27.2**	3.2	**13.7**
Transportation Avg	10895.57	10674.28	**10687.18**	-232.88	**-2.13**	11373.38	8783.74	**15.6**	0.7	**6.8**
Utility Average	691.47	683.59	**684.48**	-4.76	**-0.69**	774.47	661.50	**3.4**	-5.4	**2.3**
Total Stock Market	28949.88	28481.95	**28500.29**	-607.26	**-2.09**	29630.47	23838.00	**19.2**	3.0	**10.6**
Barron's 400	736.90	725.37	**726.06**	-15.29	**-2.06**	757.37	608.59	**18.3**	2.1	**11.0**
Nasdaq Stock Market										
Nasdaq Composite	7364.43	7238.18	**7240.95**	-144.92	**-1.96**	7505.77	5663.55	**27.8**	4.9	**15.7**
Nasdaq 100	6889.07	6756.54	**6760.29**	-141.21	**-2.05**	7022.97	5161.60	**31.0**	5.7	**17.3**
S&P										
500 Index	2808.92	2759.97	**2762.13**	-59.85	**-2.12**	2872.87	2292.56	**20.2**	3.3	**11.0**
MidCap 400	1947.59	1916.29	**1917.74**	-39.51	**-2.02**	1995.23	1681.04	**12.4**	0.9	**9.8**
SmallCap 600	958.26	942.76	**943.49**	-20.43	**-2.12**	979.57	815.62	**12.1**	0.8	**11.6**
Other Indexes										
Russell 2000	1577.03	1547.06	**1547.27**	-32.59	**-2.06**	1610.71	1345.24	**12.3**	0.8	**9.6**
NYSE Composite	13294.35	13075.88	**13085.35**	-296.62	**-2.22**	13637.02	11243.38	**15.7**	2.2	**7.0**
Value Line	576.98	564.06	**564.28**	-12.70	**-2.20**	589.69	503.24	**9.1**	0.4	**4.7**
NYSE Arca Biotech	4792.61	4712.67	**4715.08**	-92.61	**-1.93**	4939.86	3293.77	**42.8**	11.7	**8.6**
NYSE Arca Pharma	565.53	558.47	**558.88**	-7.52	**-1.33**	593.12	484.49	**15.3**	2.6	**0.9**
KBW Bank	116.75	114.16	**114.39**	-2.13	**-1.83**	116.52	88.02	**22.8**	7.2	**18.8**
PHLX§ Gold/Silver	86.42	83.71	**83.88**	-3.72	**-4.25**	96.72	76.42	**-9.7**	-1.6	**1.4**
PHLX§ Oil Service	155.75	150.27	**150.69**	-7.75	**-4.89**	183.12	117.79	**-17.7**	0.8	**-8.2**
PHLX§ Semiconductor	1344.47	1317.79	**1317.98**	-37.09	**-2.74**	1392.86	960.01	**36.7**	5.2	**26.2**
Cboe Volatility	17.86	13.64	**17.31**	3.84	28.51	17.31	9.14	**57.8**	56.8	**-3.8**

§Nasdaq PHLX

Sources: SIX Financial Information; WSJ Market Data Group

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 5,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	21,674.1	275.10	-0.35	**-0.13**	279.25	275.00
Ford Motor	F	8,823.2	10.69	-0.02	**-0.19**	10.72	10.68
iShares MSCI Emg Markets	EEM	8,461.7	49.02	-0.03	**-0.06**	49.58	48.99
PwrShrs QQQ Tr Series 1	QQQ	5,485.9	164.05	-0.56	**-0.34**	165.95	163.83
iPath S&P 500 VIX ST Fut	VXX	4,946.7	33.20	0.28	**0.85**	33.39	32.45
VanEck Vectors Semiconduc	SMH	4,492.4	103.00	0.09	**0.09**	103.14	102.80
Healthcare Services Group	HCSG	3,991.2	53.37	-0.01	**-0.02**	53.42	53.37
MPLX	MPLX	3,315.8	36.36	...	**unch.**	36.44	36.35

Percentage gainers...

Versartis	VSAR	16.9	2.00	0.20	**11.11**	2.00	1.80
Synchronoss Technologies	SNCR	41.7	8.10	0.55	**7.28**	8.10	7.55
R.R. Donnelley Sons	RRD	24.8	8.10	0.50	**6.58**	8.15	7.60
LendingClub	LC	40.6	3.83	0.17	**4.64**	3.83	3.66
Rapid7	RPD	5.2	24.50	1.05	**4.48**	24.50	23.45

...And losers

Winnebago	WGO	39.0	38.51	-4.25	**-9.93**	42.75	38.51
Riverview Bancorp	RVSB	9.1	8.92	-0.46	**-4.90**	9.38	8.92
Universal Corp	UVV	5.1	45.65	-2.00	**-4.20**	47.65	45.65
Eastman Kodak	KODK	16.8	6.25	-0.20	**-3.10**	6.55	6.25
PetMed Express	PETS	50.3	42.00	-1.27	**-2.94**	43.50	42.00

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	1,020,682,660	19,630,681
Adv. volume*	68,492,331	3,209,439
Decl. volume*	939,786,649	16,241,684
Issues traded	3,094	337
Advances	322	47
Declines	2,728	279
Unchanged	44	11
New highs	46	1
New lows	338	37
Closing tick	30	33
Closing Arms†	1.44	0.86
Block trades*	7,983	187

	Nasdaq	NYSE Arca
Total volume*	2,548,790,559	473,775,341
Adv. volume*	545,086,513	96,425,996
Decl. volume*	1,948,336,474	377,311,315
Issues traded	3,094	1,389
Advances	483	170
Declines	2,494	1,214
Unchanged	117	5
New highs	65	16
New lows	161	100
Closing tick	437	150
Closing Arms†	0.69	0.53
Block trades*	10,359	2,213

* 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	% chg	YTD % chg
World	**The Global Dow**	**3213.26**	−56.43	**−1.73**	4.1
	DJ Global Index	**411.09**	−7.46	**−1.78**	3.5
	DJ Global ex U.S.	**276.97**	−4.17	**−1.48**	3.8
Americas	**DJ Americas**	**661.53**	−14.34	**−2.12**	3.0
Brazil	**Sao Paulo Bovespa**	**84041.34**	−1453.90	**−1.70**	10.0
Canada	**S&P/TSX Comp**	**15606.03**	−254.89	**−1.61**	−3.7
Mexico	**S&P/BMV IPC**	**50395.83**	−195.32	**−0.39**	2.1
Chile	**Santiago IPSA**	**4401.39**	−27.64	**−0.62**	4.5
EMEA	**Stoxx Europe 600**	**388.07**	−5.42	**−1.38**	−0.3
Eurozone	**Euro Stoxx**	**389.63**	−6.04	**−1.53**	1.1
Belgium	**Bel-20**	**4053.59**	−50.04	**−1.22**	1.9
France	**CAC 40**	**5364.98**	−89.57	**−1.64**	1.0
Germany	**DAX**	**12785.16**	−218.74	**−1.68**	−1.0
Israel	**Tel Aviv**	**1540.28**	...	**Closed**	2.0
Italy	**FTSE MIB**	**23202.66**	−338.80	**−1.44**	6.2
Netherlands	**AEX**	**550.08**	−6.79	**−1.22**	1.0
Russia	**RTS Index**	**1272.76**	−20.34	**−1.57**	10.3
Spain	**IBEX 35**	**10211.20**	−187.80	**−1.81**	1.7
Sweden	**SX All Share**	**574.67**	−6.46	**−1.11**	1.0
Switzerland	**Swiss Market**	**9220.69**	−70.23	**−0.76**	−1.7
U.K.	**FTSE 100**	**7443.43**	−46.96	**−0.63**	−3.2
Asia-Pacific					
Australia	**S&P/ASX 200**	**6121.40**	31.30	**0.51**	0.9
China	**Shanghai Composite**	**3462.08**	15.10	**0.44**	4.7
Hong Kong	**Hang Seng**	**32601.78**	−40.31	**−0.12**	9.0
India	**S&P BSE Sensex**	**35066.75**	−839.91	**−2.34**	3.0
Japan	**Nikkei Stock Avg**	**23274.53**	−211.58	**−0.90**	2.2
Singapore	**Straits Times**	**3529.82**	−17.41	**−0.49**	3.7
South Korea	**Kospi**	**2525.39**	−43.15	**−1.68**	2.3
Taiwan	**Weighted**	**11126.23**	−34.02	**−0.30**	4.5

Sources: SIX Financial Information; WSJ Market Data Group

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
ProSharesUltVIXST	UVXY	13.76	2.96	**27.41**	98.24	8.52	**-85.4**
VS 2x VIX Short Term	TVIX	7.50	1.61	**27.33**	53.30	4.66	**-85.3**
USA Truck	USAK	24.99	4.91	**24.45**	25.25	5.73	**200.7**
Johnson Outdoors Cl A	JOUT	74.48	13.46	**22.06**	76.18	31.25	**120.0**
Viavi Solutions	VIAV	10.00	1.33	**15.34**	11.89	8.34	**8.3**
Socket Mobile	SCKT	4.03	0.53	**15.14**	4.90	3.26	**...**
China Auto Logistics	CALI	3.52	0.45	**14.66**	4.69	1.30	**-4.1**
FTS International	FTSI	20.61	2.61	**14.50**	...	...	**...**
Viking Therapeutics	VKTX	6.07	0.76	**14.31**	6.37	0.88	**330.5**
athenahealth	ATHN	142.25	17.34	**13.88**	158.66	95.01	**30.6**
ProShares VIX ST Fut	VIXY	27.31	3.27	**13.60**	64.24	21.24	**-56.5**
iPath S&P 500 VIX ST Fut	VXX	32.92	3.91	**13.48**	77.08	25.59	**-56.3**
Biostar Pharmaceuticals	BSPM	4.08	0.48	**13.33**	5.97	1.18	**44.2**
VS VIX Short Term	VIIX	13.89	1.63	**13.30**	32.50	10.84	**-56.4**
Direxion Daily En Bear 3x	ERY	8.72	0.98	**12.66**	15.52	6.97	**-14.5**

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Impinj	PI	12.16	-10.70	**-46.81**	60.85	12.01	**-64.7**
Aceto	ACET	7.92	-2.99	**-27.41**	17.34	7.77	**-49.5**
Natural Grocers	NGVC	6.61	-2.42	**-26.80**	12.70	4.79	**-44.9**
YRC Worldwide	YRCW	12.34	-3.47	**-21.95**	17.61	7.36	**-18.9**
Varex Imaging	VREX	34.61	-8.82	**-20.31**	43.76	27.80	**13.1**
Tor Minerals Intl	TORM	4.30	-1.08	**-20.03**	8.40	4.15	**-27.1**
OpGen	OPGN	2.95	-0.70	**-19.18**	32.50	2.83	**-89.5**
Arcturus Therapeutics	ARCT	5.93	-1.38	**-18.88**	15.19	5.78	**-37.7**
OSI Systems	OSIS	54.60	-12.00	**-18.02**	96.64	50.50	**-27.3**
DropCar	DCAR	2.57	-0.50	**-16.29**	13.52	2.31	**-58.8**
Social Reality Cl A	SRAX	4.20	-0.80	**-16.00**	7.95	1.11	**30.8**
Overstock.com	OSTK	56.00	-10.65	**-15.98**	89.80	13.75	**233.3**
China Adv Constr Matrl	CADC	3.80	-0.65	**-14.61**	9.75	1.55	**52.0**
Klondex Mines	KLDX	1.95	-0.32	**-14.10**	5.91	1.61	**-62.7**
Proteostasis Therapeutics	PTI	2.76	-0.44	**-13.75**	16.67	1.41	**-81.3**

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
SPDR S&P 500	SPY	**151,229**	88.0	275.45	**-2.18**	286.63	228.31
iPath S&P 500 VIX ST Fut	VXX	**125,039**	236.2	32.92	**13.48**	77.08	25.59
Akers Biosciences	AKER	**116,615**	1666.3	0.50	**37.12**	2.90	0.12
iShares MSCI Emg Markets	EEM	**108,347**	99.6	49.05	**-2.56**	52.08	37.39
Bank of America	BAC	**93,855**	39.5	31.95	**-1.69**	32.67	22.07
ProSharesUltVIXST	UVXY	**85,502**	179.0	13.76	**27.41**	98.24	8.52
Apple	AAPL	**84,132**	191.7	160.50	**-4.34**	180.10	128.16
General Electric	GE	**80,911**	-6.4	15.64	**-2.37**	30.59	15.60
Advanced Micro Devices	AMD	**76,731**	50.4	12.45	**-6.04**	15.65	9.70
VanEck Vectors Gold Miner	GDX	**73,398**	116.3	22.91	**-3.33**	25.71	20.89

* 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
iSh Edge MSCI Intl Qual	IQLT	823	**4934**	30.32	**-1.91**	31.40	25.06
Atlantic Acquisition	ATAC	210	**2769**	9.98	**1.63**	15.00	9.75
Sun Hydraulics	SNHY	3,060	**2535**	56.50	**-4.40**	70.83	34.17
iSh MSCI Emg Mkts Asia	EEMA	1,232	**2275**	76.21	**-2.93**	81.27	56.79
CenterState Bank	CSFL	7,891	**2188**	27.50	**1.89**	27.95	21.77
Forum Merger Cl A	FMCI	1,908	**1673**	10.08	**0.00**	10.67	9.50
Green Bancorp	GNBC	3,522	**1659**	22.40	**-1.32**	24.40	15.00
PowerShs DB Prec Mtls Fd	DBP	494	**1596**	38.98	**-1.74**	40.26	35.71
Healthcare Services Group	HCSG	8,003	**1593**	53.38	**-2.48**	56.20	37.54
Impinj	PI	11,682	**1576**	12.16	**-46.81**	60.85	12.01

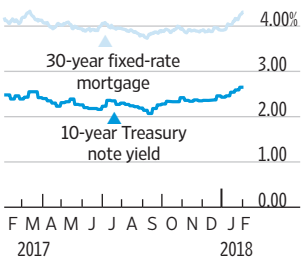
* Common stocks priced at $5 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

CREDIT MARKETS & CURRENCIES

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

30-year mortgage, Rate

Bankrate.com avg†:	**4.31%**
United Teletech Financial	**3.88%**
Tinton Falls, NJ	732-530-8100
Garden State Home Loans	**3.99%**
Cherry Hill, NJ	609-216-7912
Doolin Security Savings Bank, FSB	**4.00%**
Parkersburg, WV	304-422-1212
Fidelity Bank Trust	**4.00%**
Dubuque, IA	563-557-2300
Security Bank of Kansas City	**4.00%**
Kansas City, KS	913-281-3165

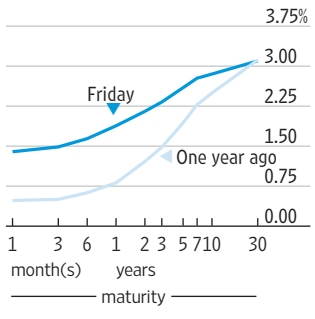
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**1.25-1.50**	1.25-1.50	0.50	1.50	**1.25**
Prime rate*	**4.50**	4.50	3.75	4.50	**1.25**
Libor, 3-month	**1.79**	1.77	1.03	1.79	**1.54**
Money market, annual yield	**0.33**	0.30	0.25	0.36	**-0.09**
Five-year CD, annual yield	**1.55**	1.54	1.20	1.55	**0.09**
30-year mortgage, fixed†	**4.31**	4.14	3.73	4.33	**0.59**
15-year mortgage, fixed†	**3.73**	3.61	2.99	3.73	**0.72**
Jumbo mortgages, $424,100-plus†	**4.55**	4.46	4.21	4.87	**0.09**
Five-year adj mortgage (ARM)†	**4.35**	4.13	3.20	4.35	**0.85**
New-car loan, 48-month	**3.55**	3.30	2.85	3.55	**0.61**

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: SIX Financial Information; WSJ Market Data Group; Bankrate.com

Treasury yield curve

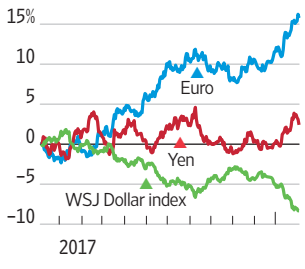
Yield to maturity of current bills, notes and bonds



Sources: Ryan ALM; Tullett Prebon; WSJ Market Data Group

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
Treasury, Ryan ALM	1425.338	**2.634**	2.501	2.634	1.818	**0.243**	−0.579
10-yr Treasury, Ryan ALM	1668.337	**2.852**	2.661	2.852	2.058	**−0.865**	−1.555
DJ Corporate	375.041	**3.461**	3.325	3.461	2.879	**3.998**	2.107
Aggregate, Barclays Capital	1909.430	**3.040**	2.930	3.040	2.380	**1.544**	0.910
High Yield 100, Merrill Lynch	2862.576	**5.820**	5.467	5.890	4.948	**4.771**	4.532
Fixed-Rate MBS, Barclays	1952.850	**3.240**	3.150	3.240	2.660	**0.750**	0.984
Muni Master, Merrill	515.201	**2.412**	2.262	2.412	1.736	**2.624**	1.476
EMBI Global, J.P. Morgan	n.a.	**n.a.**	5.591	n.a.	n.a.	**n.a.**	n.a.

Sources: J.P. Morgan; Ryan ALM; S&P Dow Jones Indices; Barclays Capital; Merrill Lynch

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0514	19.4670	**4.6**
Brazil real	.3107	3.2182	**−2.8**
Canada dollar	.8046	1.2429	**−1.1**
Chile peso	.001659	602.80	**−2.1**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0538	18.5948	**−5.5**
Uruguay peso	.03521	28.4000	**−1.4**
Venezuela b. fuerte	.100050	9.9951	**−3.4**
Asia-Pacific			
Australian dollar	.7922	1.2623	**−1.4**
China yuan	.1586	6.3033	**−3.1**
Hong Kong dollar	.1279	7.8194	**0.1**
India rupee	.01557	64.220	**0.5**
Indonesia rupiah	.0000745	13418	**−0.5**
Japan yen	.009079	110.15	**−2.3**
Kazakhstan tenge	.003105	322.10	**−3.2**
Macau pataca	.1241	8.0561	**0.1**
Malaysia ringgit	.2573	3.8870	**−4.3**
New Zealand dollar	.7298	1.3702	**−2.8**
Pakistan rupee	.00903	110.760	**0.1**
Philippines peso	.0194	51.473	**3.0**
Singapore dollar	.7577	1.3197	**−1.3**
South Korea won	.0009173	1090.17	**2.2**
Sri Lanka rupee	.0064834	154.24	**0.5**
Taiwan dollar	.03405	29.371	**−1.0**
Thailand baht	.03178	31.470	**−3.4**
Vietnam dong	.00004403	22710	**...**
Europe			
Czech Rep. koruna	.04937	20.257	**−4.8**
Denmark krone	.1674	5.9749	**−3.7**
Euro area euro	1.2459	.8027	**−3.7**
Hungary forint	.004020	248.74	**−4.0**
Iceland krona	.009953	100.47	**−3.0**
Norway krone	.1293	7.7367	**−5.7**
Poland zloty	.2988	3.3469	**−3.8**
Russia ruble	.01769	56.543	**−2.0**
Sweden krona	.1265	7.9056	**−3.4**
Switzerland franc	1.0739	.9312	**−4.4**
Turkey lira	.2653	3.7699	**−0.7**
Ukraine hryvnia	.0360	27.7719	**−1.3**
UK pound	1.4119	.7083	**−4.3**
Middle East/Africa			
Bahrain dinar	2.6525	.3770	**−0.03**
Egypt pound	.0567	17.6500	**−0.7**
Israel shekel	.2897	3.4520	**−0.8**
Kuwait dinar	3.3365	.2997	**−0.6**
Oman sul rial	2.5974	.3850	**0.01**
Qatar rial	.2744	3.644	**−0.1**
Saudi Arabia riyal	.2666	3.7505	**...**
South Africa rand	.0827	12.0883	**−2.2**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	83.58	0.61	0.74	**−2.78**

Sources: Tullett Prebon, WSJ Market Data Group

COMMODITIES

	Close	Friday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	**635.16**	-5.03	**-0.79**	645.87	532.01	**10.45**	1.56
TR/CC CRB Index	**197.44**	-0.91	**-0.46**	200.52	166.50	**2.19**	1.84
Crude oil, $ per barrel	**65.45**	-0.35	**-0.53**	66.14	42.53	**21.59**	8.33
Natural gas, $/MMBtu	**2.846**	-0.010	**-0.35**	3.63	2.56	**-7.08**	-3.62
Gold, $ per troy oz.	**1333.70**	-10.60	**-0.79**	1362.40	1200.10	**9.45**	2.10

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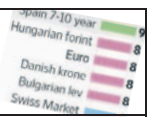

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BIGGEST 1,000 STOCKS

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.
l-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.

Friday, February 2, 2018

YTD %Chg	52-Week Hi	52-Week Lo	Stock	Sym	Yld %	PE	Last	Net Chg
A B C								
2.27	28.67	22.04	ABB	ABB	2.8	25	27.43	-0.63
2.26	39.90	30.15	AECOM	ACM	...	18	37.99	-0.95
2.68	12.05	10	AES	AES	4.7	dd	11.12	-0.39
1.33	91.73	68.17	Aflac	AFL	2.3	8	88.95	-0.74
l -8.47	22.34	18.46	AGNC Invt	AGNC	11.7	9	18.48	-0.33
27.34	13.81	10.24	ANGI Homesvcs	ANGI	...	dd	13.32	-0.09
8.60	164.90	93.19	Ansys	ANSS	...	50	160.29	-3.11
11.94	208.58	119.83	ASML	ASML	0.9	...	194.57	-6.85
-2.08	42.70	32.55	AT&T	T	5.3	8	38.07	-1.09
8.10	64.60	42.23	AbbottLabs	ABT	1.8	229	61.69	-0.49
19.09	125.86	60.05	AbbVie	ABBV	2.5	35	115.17	-1.17
i 32.44	255.42	103.82	Abiomed	ABMD	...	125	248.20	-4.93
2.49	162.60	113.34	Accenture	ACN	1.7	28	156.90	-3.56
12.79	74.94	38.93	ActivisionBliz	ATVI	0.4	162	71.42	-1.93
l -14.80	225.36	149.04	AcuityBrands	AYI	0.3	20	149.95	-3.71
-17.92	86.42	59.10	Adient	ADNT	1.7	12	64.60	-0.10
11.64	204.45	113.29	AdobeSystems	ADBE	...	58	195.64	-3.74
14.28	169.55	78.81	AdvanceAuto	AAP	0.2	24	113.93	-3.36
21.11	**15.65**	**9.70**	**AdvMicroDevices**	**AMD**	...	415	**12.45**	**-0.80**
9.88	7.52	5.86	AdvSemiEngg	ASX	3.2	16	7.12	0.06
7.46	7.02	4.73	Aegon	AEG	4.5	8	6.77	-0.11
0.82	55.66	42.35	AerCap	AER	...	9	53.04	-0.91
2.56	194.40	119.51	Aetna	AET	1.1	34	185	-2.39
-3.97	217	148.81	AffiliatedMgrs	AMG	0.6	16	197.11	-4.65
6.39	75	48.96	AgilentTechs	A	0.8	34	71.25	-1.58
-0.84	51.86	39.30	AgnicoEagle	AEM	1.0	39	45.79	-1.35
-0.76	175.17	133.63	AirProducts	APD	2.7	35	162.84	-3.95
1.05	71.34	44.65	AkamaiTech	AKAM	...	40	65.72	-1.84
-12.18	101.43	59.25	AlaskaAir	ALK	2.0	8	64.56	0.48
-17.50	144.99	90.35	Albemarle	ALB	1.2	24	105.51	-3.69
-8.87	**57.50**	**29.55**	**Alcoa**	**AA**	...	**43**	**49.09**	**-3.33**
-4.95	134.37	106.89	AlexandriaRlEst	ARE	2.9	79	124.12	-1.10
-2.88	149.34	96.18	AlexionPharm	ALXN	...	52	116.15	-1.94
8.63	206.20	100.02	Alibaba	BABA	...	54	187.31	-4.91
15.84	287.32	92.61	AlignTech	ALGN	...	66	257.38	1.81
i **15.88**	**64.04**	**46.42**	**Alkermes**	**ALKS**	...	**dd**	**63.42**	**5.09**
3.67	667.19	521.07	Alleghany	Y	...	dd	617.96	-12.42
2.88	89.81	66.20	Allegion	ALLE	0.8	23	81.85	-3.32
5.46	256.80	160.07	Allergan	AGN	1.6	dd	172.51	-6.03
-1.41	278.33	209	AllianceData	ADS	0.9	18	249.91	-7.20
-8.68	45.55	37.05	AlliantEnergy	LNT	3.4	21	38.91	-0.17
1.46	45.69	32.93	AllisonTransm	ALSN	1.4	19	43.70	-1.43
-6.47	105.36	76.97	Allstate	ALL	1.5	14	97.94	-0.78
-0.93	31.29	18.11	AllyFinancial	ALLY	1.8	14	28.89	-1.25
-2.01	147.63	39.66	AlnylamPharm	ALNY	...	dd	124.50	-4.93
6.26	1186.89	795.25	Alphabet C	GOOG	...	37	1111.90	-55.80
6.25	1198	814.29	**Alphabet A**	GOOGL	...	**37**	**1119.20**	**-62.39**
6.51	80.56	43.56	Altaba	AABA	...	...	74.40	-1.61
0.57	35.29	17.80	AlticeUSA	ATUS	...	...	21.35	-0.20
-2.81	77.79	60.01	Altria	MO	3.8	13	69.40	-0.53
-8.09	23.54	11.01	AlumofChina	ACH	...	41	16.48	0.09
i 22.27	1498	803	Amazon.com	AMZN	...	363	1429.95	39.95
4.49	7.04	5.30	Ambev	ABEV	...	38	6.75	-0.20
3.02	71.37	56.10	Amdocs	DOX	1.3	22	67.46	-0.69
-4.85	400.99	338.30	Amerco	UHAL	...	22	359.60	-5.59
-6.95	64.89	51.81	Ameren	AEE	3.3	22	54.89	-0.32
8.69	19.50	12	AmericaMovil	AMX	1.7	34	18.64	-0.56
9.20	19.13	12	AmericaMovil A	AMOV	1.7	34	18.57	-0.54
0.13	59.08	39.21	AmerAirlines	AAL	0.8	13	52.10	-1.78
-7.91	78.07	62.69	AEP	AEP	3.7	18	67.75	-0.09
-2.65	102.39	75.51	AmerExpress	AXP	1.4	33	96.68	-3.32
6.96	121.69	90.21	AmericanFin	AFG	1.2	22	116.09	-4.40
5.81	67.30	57.85	AIG	AIG	2.0	dd	63.04	-1.13
1.79	155.28	102.91	AmerTowerREIT	AMT	1.9	55	145.22	-1.84
-11.23	92.37	71.70	AmerWaterWorks	AWK	2.0	31	81.22	-0.62
-1.16	183.90	118.84	Ameriprise	AMP	2.0	18	167.50	-3.58
4.57	106.27	71.90	AmerisourceBrgn	ABC	1.6	52	96.02	-3.27
6.60	78.51	51.08	Ametek	AME	0.5	26	77.25	-0.66
7.54	201.23	152.16	Amgen	AMGN	2.8	17	187.01	1.45
3.93	93.62	66.97	Amphenol	APH	0.8	45	91.25	-1.57
10.20	70.87	39.96	AnadarkoPetrol	APC	0.3	dd	59.11	-2.26
0.09	98.38	74.65	AnalogDevices	ADI	2.0	43	89.11	-2.54
-9.45	121.71	75.11	Andeavor	ANDV	2.3	21	103.53	-3.28
9.50	60.14	42.18	AndeavorLog	ANDX	7.9	22	50.58	-1.41
0.18	126.50	104.59	AB InBev	BUD	3.4	56	111.76	-2.34
-12.87	12.73	10.29	AnnalyCap	NLY	11.6	4	10.36	-0.14
-1.68	26.60	17.59	AnteroResources	AR	...	dd	18.68	-0.78
6.30	267.95	155.35	Anthem	ANTM	1.3	17	239.18	-4.75
7.16	152.78	112.20	Aon	AON	1.0	...	143.59	-0.89
1.42	59.97	38.14	Apache	APA	2.3	25	42.82	-1.87
l -7.23	46.85	39.55	ApartmtInv	AIV	3.7	129	40.55	-0.25
7.26	37.35	21.39	ApolloGlbMgmt	APO	7.4	12	35.90	-0.88
-5.16	180.10	128.16	Apple	AAPL	1.6	17	160.50	-7.28
-0.86	60.89	34.58	ApplMaterials	AMAT	0.8	16	50.68	-2.60
11.06	96.91	61.10	Aptiv	APTV	0.9	19	94.21	-1.59
-9.99	39.55	29.56	AquaAmerica	WTR	2.3	27	35.31	-0.22
5.99	46.09	33.46	Aramark	ARMK	0.9	30	45.30	-0.41
6.04	**37.50**	**19.59**	**ArcelorMittal**	**MT**	...	**5**	**34.26**	**-1.86**
0.20	102.60	86.58	ArchCapital	ACGL	...	29	90.95	-0.29
3.37	47.44	38.59	ArcherDaniels	ADM	3.1	19	41.43	-1.03
6.83	31.17	21.75	Arconic	ARNC	0.8	dd	29.11	-1.00
16.09	284.76	93.69	AristaNetworks	ANET	...	57	273.48	-1.52
0.73	87.26	68.55	ArrowElec	ARW	...	15	81	-1.04
3.46	36.70	27.55	AstraZeneca	AZN	2.5	27	35.90	0.76
-2.63	55.22	45.15	Athene	ATH	...	7	50.35	-0.96
15.82	55.91	27.68	Atlassian	TEAM	...	dd	52.72	-0.54
-5.11	93.56	72.58	AtmosEnergy	ATO	2.4	22	81.50	-0.79
6.50	131.10	81.75	Autodesk	ADSK	...	dd	111.64	-3.93
19.87	86.86	28.63	Autohome	ATHM	...	...	77.52	-2.18
13.79	152.57	96.08	Autoliv	ALV	1.7	30	144.61	-4.05
1.18	125.24	95.50	ADP	ADP	2.1	31	118.57	-1.85
5.51	797.89	491.13	AutoZone	AZO	...	17	750.58	-13.80
l -8.10	199.52	158.68	Avalonbay	AVB	3.6	26	163.96	-0.15
-3.50	53.46	38.77	Avangrid	AGR	3.5	23	48.81	0.25
2.41	123.67	78.17	AveryDennison	AVY	1.5	38	117.63	-2.73
-4.70	38.20	27.77	AxaltaCoating	AXTA	...	128	30.84	-0.47
i 10.84	55.99	41.17	BB&T	BBT	2.4	20	55.11	-0.59
-5.52	49.06	42.44	BCE	BCE	4.9	18	45.36	-1.19
4.00	50.79	33.37	BHPBilliton	BHP	3.6	22	47.83	-1.48
6.75	45.30	28.73	BHPBilliton	BBL	4.0	19	43.02	-1.70
4.11	98.80	73.44	BOK Fin	BOKF	1.9	19	96.11	-1.50
-2.07	**44.62**	**33.10**	**BP**	**BP**	**5.8**	**35**	**41.16**	**-2.20**
-4.00	**15.50**	**10.60**	**BRF**	**BRFS**	...	**dd**	**10.81**	**-0.57**
-2.69	**21.16**	**16.15**	**BT Group**	**BT**	**3.6**	**18**	**17.73**	**-1.00**
5.41	64.92	41.38	BWX Tech	BWXT	0.7	33	63.76	-0.73
-0.44	274.97	166	Baidu	BIDU	...	30	233.17	-7.36
-1.86	40.82	29.62	BakerHughes	BHGE	2.3	dd	31.05	-1.22
-1.03	43.24	35.65	Ball	BLL	1.1	59	37.46	-0.89
7.06	9.54	6.34	BancoBilbaoViz	BBVA	4.7	13	9.10	-0.25
5.77	106.50	67.68	BancodeChile	BCH	2.5	19	102.10	-1.96
-12.99	136.10	76.21	BancoMacro	BMA	0.7	13	100.83	-3.77
5.37	34.98	21.56	BcoSantChile	BSAC	3.2	19	32.95	-0.85
4.51	10.82	6.99	BcoSantMex	BSMX	...	11	7.64	-0.21
9.48	7.57	5.25	BancoSantander	SAN	...	15	7.16	-0.26
13.04	48.74	36.15	BanColombia	CIB	2.8	11	44.83	-1.88
l 8.23	32.67	22.07	BankofAmerica	BAC	1.5	21	31.95	-0.55
0.80	84.71	66.75	BankofMontreal	BMO	3.6	13	80.66	-1.79
4.59	58.99	44.91	BankNY Mellon	BK	1.7	15	56.33	-1.17
-0.22	66.78	53.86	BkNovaScotia	BNS	3.9	13	64.39	-1.44
4.11	56.86	40.15	BankofOzarks	OZRK	1.5	17	50.44	-0.12
0.64	12.02	9.29	Barclays	BCS	1.9	dd	10.97	-0.39
-5.04	20.78	13.28	BarrickGold	ABX	0.9	7	13.74	-0.68
6.05	72.58	48.12	BaxterIntl	BAX	0.9	53	68.55	-1.40
10.77	248.39	175.66	BectonDicknsn	BDX	1.3	51	237.11	-4.41
i 40.08	142	34.28	BeiGene	BGNE	...	dd	136.89	-2.03
i 2.32	74.43	62	Berkley	WRB	0.8	17	73.31	-0.12
5.50	217.62	160.93	BerkHathwy B	BRK.B	...	28	209.12	-8.13
5.62	326350	242180	BerkHathwy A	BRK.A	...	28	314339	-11560
-0.29	61.71	47.19	BerryGlobal	BERY	...	23	58.50	-0.44
4.05	78.59	41.67	BestBuy	BBY	1.9	18	71.24	-1.86
6.57	273.87	186.98	Bio-RadLab A	BIO	...	322	254.34	-4.41
7.93	370.57	244.28	Biogen	BIIB	...	29	343.83	-2.17
1.85	100.51	80.10	BioMarinPharm	BMRN	...	dd	90.82	-1.81
92.86	104.30	41.88	Bioverativ	BIVV	...	25	103.99	0.47
10.65	53	41.10	BlackKnight	BKI	...	73	48.85	-0.70
11.10	14.55	6.65	BlackBerry	BB	...	16	12.41	-0.49
6.74	594.52	368	BlackRock	BLK	2.1	18	548.32	-16.87
10.24	37.52	28.45	Blackstone	BX	5.0	15	35.30	-1.05
1.43	34.31	21.51	BlueBuffaloPet	BUFF	...	38	33.26	-0.90
11.68	222.03	71.25	bluebirdbio	BLUE	...	dd	198.90	-6.35
18.31	361.45	162.31	Boeing	BA	2.0	26	348.91	-8.03
6.62	58.22	37.54	BorgWarner	BWA	1.2	39	54.47	-1.92
-8.22	140.13	116.77	BostonProps	BXP	2.7	41	119.34	0.15
10.49	29.93	23.29	BostonSci	BSX	...	391	27.39	-0.24
15.65	33.73	17.44	Braskem	BAK	2.5	...	30.37	-0.43
3.41	98.84	65	BrightHorizons	BFAM	...	48	97.21	-1.54
5.99	75	52.75	BrighthouseFin	BHF	...	...	62.15	-1.94
3.59	66.10	50.36	Bristol-Myers	BMY	2.5	25	63.48	0.68
-0.54	73.41	60.15	BritishAmTob	BTI	1.8	12	66.63	-1.86
-8.34	285.68	202.61	Broadcom	AVGO	3.0	57	235.48	-3.31
4.63	97.54	66.49	BroadridgeFinl	BR	1.5	33	94.77	-1.41
-7.97	44.33	34.36	BrookfieldMgt	BAM	1.4	89	40.07	-1.67
-7.86	46.88	34.61	BrookfieldInfr	BIP	4.2	153	41.29	-0.97
2.95	53.77	41.10	Brown&Brown	BRO	1.1	19	52.98	-0.21
-2.43	69.90	45.12	Brown-Forman B	BF.B	0.9	35	67	-1.78
-1.03	69.04	46.19	Brown-Forman A	BF.A	0.9	35	66.55	-2.08
6.50	73.01	43.90	BuckeyePtrs	BPL	9.6	16	52.77	-1.22
17.17	83.75	63.87	Bunge	BG	2.3	25	78.60	-1.06
-5.92	128.93	79.07	BurlingtonStrs	BURL	...	30	115.75	-5.70
5.08	36.56	30.45	CA	CA	2.9	35	34.97	-0.41
-4.79	25.90	16.93	CBD Pao	CBD	...	66	22.44	-0.92
1.85	46.60	30.43	CBRE Group	CBG	...	19	44.11	-1.70
-6.10	**70.09**	**52.75**	**CBS B**	**CBS**	**1.3**	**77**	**55.40**	**-3.53**
-7.04	**71.07**	**53**	**CBS A**	**CBS.A**	**1.3**	**77**	**55.57**	**-3.83**
-3.90	76.04	59.33	CDK Global	CDK	0.9	30	68.50	-3.04
l 9.25	76.73	52.86	CDW	CDW	1.1	28	75.92	-0.58
-6.18	43.98	25.04	CF Industries	CF	3.0	dd	39.91	-1.66
5.60	58.93	45.81	CGI Group	GIB	...	21	57.37	-0.90
3.03	100.18	63.41	CH Robinson	CHRW	2.0	26	91.79	-0.19
2.82	53.76	39.48	CIT Group	CIT	1.3	30	50.62	-1.48
l 8.94	163	114.82	CME Group	CME	1.7	13	159.11	0.20
-8.08	50.85	42.31	CMS Energy	CMS	3.1	23	43.48	-0.68
0.28	55.62	40.76	CNA Fin	CNA	2.3	16	53.20	-0.90
9.80	166.23	108.05	CNOOC	CEO	3.2	20	157.63	-0.43
15.83	17.69	10.63	CPFLEnergia	CPL	2.0	26	13.32	-0.28
-0.55	39.32	32.82	CRH	CRH	1.2	21	35.89	-0.99
0.44	60.04	45.41	CSX	CSX	1.4	9	55.25	-1.33
5.45	84	66.45	CVS Health	CVS	2.6	16	76.45	-2.34
-11.92	29.57	21.14	CabotOil	COG	1.0	dd	25.19	-1.01
-1.72	46	28.87	CadenceDesign	CDNS	...	56	41.10	-1.13
9.88	14.50	8.50	CaesarsEnt	CZR	...	dd	13.90	-0.45
-4.49	64.60	32.47	CalAtlantic	CAA	0.3	16	53.86	-2.48
-9.41	96.39	78.38	CamdenProperty	CPT	3.7	51	83.40	-1.10
l -7.30	64.23	44.45	CampbellSoup	CPB	3.1	16	44.60	-2.18
-1.65	100.01	77.20	CIBC	CM	4.3	11	95.80	-2.86
-4.90	85.73	68.27	CanNtlRlwy	CNI	1.9	22	78.46	-1.36
-5.68	37.63	27.52	CanNaturalRes	CNQ	2.6	20	33.69	-0.95
-1.91	188.75	143.20	CanPacRlwy	CP	1.0	14	179.27	-5.41
5.48	40.67	28.80	Canon	CAJ	3.6	21	39.45	-0.36
2.00	106.50	76.05	CapitalOne	COF	1.6	29	101.57	-3.15
10.10	84.88	54.66	CardinalHealth	CAH	2.7	20	67.46	-1.60
0.55	119.21	92.09	Carlisle	CSL	1.3	23	114.27	-1.86
11.57	25.90	15.45	Carlyle	CG	8.8	15	25.55	-0.30
7.20	77.64	54.29	CarMax	KMX	...	18	68.75	-2.06
5.39	72.70	54.75	Carnival	CCL	2.6	19	69.95	-1.16
5.49	72.29	53.57	Carnival	CUK	2.6	19	69.92	-1.27
13.44	47.87	27.48	Catalent	CTLT	...	54	46.60	-0.46
-0.06	173.24	90.34	Caterpillar	CAT	2.0	126	157.49	-4.75
3.27	90.83	56.96	Cavium	CAVM	...	dd	86.57	-0.53
8.07	138.54	76.75	CboeGlobalMkts	CBOE	0.8	73	134.65	-1.91
-1.86	114	83.34	Celanese A	CE	1.8	17	105.09	-1.72
-4.37	147.17	94.55	Celgene	CELG	...	28	99.80	-0.54
8.27	10.37	7.09	Cemex	CX	...	11	8.12	-0.20
-2.41	**14.46**	**6.76**	**CenovusEnergy**	**CVE**	**1.7**	**4**	**8.91**	**-0.54**
2.84	112.42	63.12	Centene	CNC	...	21	103.75	-2.98
-2.86	30.45	25.51	CenterPointEner	CNP	4.0	20	27.55	-0.17
5.96	7.38	3.49	CentraisElBras	EBR	...	dd	6.04	-0.31
...	**...**	**...**	**CentralPuerto**	**CEPU**	**...**	**18**	**17.70**	**1.20**
6.29	27.61	13.16	CenturyLink	CTL	12.2	31	17.73	-0.22
-1.48	73.86	51.26	Cerner	CERN	...	33	66.39	-1.90
15.34	408.83	308.30	CharterComms	CHTR	...	131	387.50	16.32
-2.16	119.20	98.20	CheckPoint	CHKP	...	21	101.38	-1.66
-1.68	58.08	26.33	Chemours	CC	1.4	34	49.22	-2.40
4.03	60.22	40.36	CheniereEnergy	LNG	...	dd	56.01	-1.85
0.81	33.47	26.41	CheniereEnerPtrs	CQP	6.7	dd	29.88	-0.77
3.94	29.73	22.31	CheniereEnHldgs	CQH	6.3	360	28.78	-0.38
-5.28	**133.88**	**102.55**	**Chevron**	**CVX**	**3.8**	**35**	**118.58**	**-6.99**
21.06	45.10	24.44	ChinaEastrnAir	CEA	...	15	43.75	0.27
6.47	17.85	13.74	ChinaLifeIns	LFC	1.0	20	16.62	-0.03
-2.38	166.19	53.12	ChinaLodging	HTHT	...	61	140.99	-2.46
1.42	58.83	48.70	ChinaMobile	CHL	4.1	13	51.26	-1.06
17.91	89.68	69.60	ChinaPetrol	SNP	3.5	13	86.51	-0.16
22.17	65.20	27.83	ChinaSoAirlines	ZNH	1.2	15	63.31	0.71
1.83	53.77	45.90	ChinaTelecom	CHA	2.8	14	48.34	-0.48
9.46	16.55	11.85	ChinaUnicom	CHU	...	147	14.81	-0.12
7.82	499	263	Chipotle	CMG	...	60	311.64	-3.08
4.87	157.50	130.17	Chubb	CB	1.9	19	153.25	-2.23
4.68	37.53	31.93	ChunghwaTel	CHT	4.4	...	37.10	-0.21
-7.65	54.18	43.21	Church&Dwight	CHD	1.6	27	46.33	-2.16
0.67	227.13	141.93	Cigna	CI	0.0	23	204.46	-0.55
-9.06	136.31	89.49	CimarexEnergy	XEC	0.3	28	110.95	-2.46
1.88	81.98	68.24	CincinnatiFin	CINF	2.8	25	76.38	-0.79
3.84	169.96	113.79	Cintas	CTAS	1.0	36	161.82	-3.36
6.87	42.98	30.36	CiscoSystems	CSCO	2.8	21	40.93	-0.77
3.51	80.70	56.14	Citigroup	C	1.7	dd	77.02	-1.86
9.62	48.23	31.51	CitizensFin	CFG	1.9	14	46.02	-0.79
4.76	95	73.33	CitrixSystems	CTXS	...	dd	92.19	-1.24
-11.99	**150.40**	**121.51**	**Clorox**	**CLX**	**2.6**	**24**	**130.91**	**-9.42**
1.85	48.62	40.22	Coca-Cola	KO	3.2	45	46.73	-0.72
-3.89	44.75	34.36	Coca-Cola Euro	CCE	2.5	25	38.30	-1.05
10.73	91.84	62.41	Coca-Cola Femsa	KOF	2.3	21	77.09	-1.56
0.02	72.99	33.96	Cognex	CGNX	0.6	45	61.17	-1.93
6.62	78.95	51.66	CognizantTech	CTSH	0.8	23	75.72	-1.78
-10.42	329	156.83	Coherent	COHR	...	30	252.82	-2.11
-4.00	77.91	65.45	ColgatePalm	CL	2.2	32	72.43	-0.90
2.65	44	34.78	Comcast A	CMCSA	1.8	9	41.11	-0.78
i 9.39	98.18	64.04	Comerica	CMA	1.3	21	94.96	-2.07
5.25	59.72	49.43	CommerceBcshrs	CBSH	1.6	20	58.77	-0.25
2.22	42.75	30.95	CommScope	COMM	...	39	38.67	-1.10
4.88	11.69	8.15	SABESP	SBS	...	10	10.96	-0.42
-2.55	41.68	32.16	ConagraBrands	CAG	2.3	22	36.71	-0.90
2.87	162.91	106.73	ConchoRscs	CXO	...	41	154.53	-4.73
5.16	61.31	42.27	ConocoPhillips	COP	2.0	dd	57.72	-1.63
-8.23	89.70	72.63	ConEd	ED	3.7	20	77.96	-0.79
-5.55	229.50	148.38	ConstBrands A	STZ	1.0	26	215.89	-4.80
-5.27	229.27	149.75	ConstBrands B	STZB	0.9	29	215.50	-5.02
1.45	**58.89**	**29.08**	**ContinentalRscs**	**CLR**	**...**	**dd**	**53.74**	**-2.87**
10.76	256.39	186.30	Cooper	COO	0.0	32	241.32	-2.29
0.58	46.09	27.91	Copart	CPRT	...	34	43.44	-0.18
-2.22	35.10	26.31	Corning	GLW	2.0	dd	31.28	-0.41
15.64	355.80	197.18	CoStar	CSGP	...	104	343.40	-6.62
2.62	199.88	150	Costco	COST	1.0	30	190.99	-2.48
-9.25	21.18	14.24	Coty	COTY	2.8	dd	18.05	-0.81
7.99	237.99	150.71	Credicorp	BAP	2.2	15	224	-7.41
-1.34	377.82	182.50	CreditAcceptance	CACC	...	13	319.13	-7.10
7.17	19.98	13.28	CreditSuisse	CS	3.7	dd	19.13	-0.58
0.98	114.97	86.72	CrownCastle	CCI	3.7	110	112.10	-0.97
1.12	62.27	51.76	CrownHoldings	CCK	...	16	56.88	-1.42
6.28	60.65	42.53	Ctrip.com	CTRP	...	82	46.87	-0.38
11.39	108.77	81.09	Cullen/Frost	CFR	2.2	19	105.43	-1.47
4.34	194.18	143.83	Cummins	CMI	2.3	19	184.31	-4.86
D E F								
11.56	42.79	29.70	DCP Midstream	DCP	7.7	57	40.53	-1.75
-2.01	66.50	44.83	DISH Network	DISH	...	22	46.79	-0.37
-5.65	116.74	96.56	DTE Energy	DTE	3.4	19	103.28	-0.94
4.20	102.95	64.06	DXC Tech	DXC	0.7	168	98.89	-0.60
10.08	104.82	78.97	Danaher	DHR	0.5	29	102.18	0.32
0.02	100.11	72.61	Darden	DRI	2.6	25	96.04	-1.47
4.71	80.71	52.51	DaVita	DVA	...	29	75.65	-1.90
5.40	171.96	106.72	Deere	DE	1.5	25	164.96	-2.89
-12.77	92.40	59.92	DellTechs	DVMT	...	dd	70.90	0.65
-2.46	60.79	43.81	DeltaAir	DAL	2.2	11	54.62	-1.80
-8.77	68.98	52.53	DentsplySirona	XRAY	0.6	dd	60.06	-0.67

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Email - mahad.ee@mahapwd.com
Phone No.(02145) 222167
E-Tender Notice No. 29 for 2017-18 (Second Call)

The Public Works Department, Government of Maharashtra, represented by the Executive Engineer, P. W. Division, Mahad (the "Authority") is engaged in the development of highways and as part of this endeavor, the Authority has decided to undertake development and operation / maintenance of the following Projects (the "Projects") on [Design, Build, Operate and Transfer (the "DBOT")] Hybrid Annuity basis, and has decided to carry out the bidding process for selection of a private entity as the Bidder to whom the Project may be awarded.

Brief particulars of the Project are as follows:

Sr No.	Package No	Name Of Project	Project Lenght (in km)	Project Cost (Rs.)	Duration of the Project
1	2	3	4	5	6
1	MU-R-11	Improvement to Indapur, Pachad Mahad, Karanjadi Visapur Dapoli Road SH-97 km. 28/00 to 113/00 (Excluding km 65/00 to 92/00 of overlaping length of NH) Dist Raigad	61.778 km	107.55 Crore	24 Months
2	MU-R-12	Improvement to Shrivardhan Masala Lonere Road SH-99 Km 0/00 to 49/800 (including Mhasala Bye pass km 0/00 to 3/500) Dist. Raigad.	46.70 km	91.66 Crore	24 Months

E-Tender download period Dated :- 01/02/2018 (10.00 AM) to 15/02/2018 (6.00 PM)
Pre-bid meeting Dated :- 07/02/2018 (3.00 PM) office of the Chief Engineer, Mumbai (P.W.) Region Mumbai
E Tender opening date Dated :- 21/02/2018 (3.00 PM) Office of the Superintending Engineer, Raigad (P.W.) Circle, Konkan Bhavan, Navi Mumbai

All information about the E-tenders is available on http://mahatenders.gov.in websites.
(Changes if any, will be displayed above websites).

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BANKING & FINANCE

Deutsche Weighed Down By Tax Hit, Revenue Dip

By Jenny Strasburg

FRANKFURT—Deutsche Bank AG posted a fourth-quarter loss of €2.2 billion ($2.75 billion) on slumping revenue and a large charge tied to the U.S. tax overhaul.

Germany's largest lender by assets said revenue declined by double-digit percentages in all three of its business units last quarter, showing that Deutsche is still struggling to hold on to fee-generating market share in some areas, including its big trading and investment-banking businesses. It took a €1.4 billion charge related to the U.S. tax revamp.

Other banks also have taken big charges stemming from the U.S. tax overhaul adopted in December, though lenders expect the changes to boost profits in the long run.

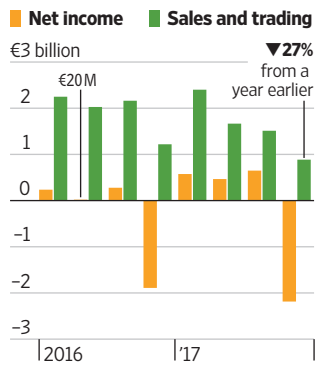
On Friday, Deutsche Bank's shares dropped 6.2%, to €13.86.

Deutsche Bank continues to struggle to return to growth mode in a prolonged turnaround under Chief Executive John Cryan and a senior management team largely put in place in late 2015, after he took over.

Prolonged revenue declines and other setbacks have forced Mr. Cryan and Deutsche Bank's supervisory board to face increased speculation about CEO succession planning. Mr. Cryan has said he plans to remain CEO through the duration of his contract, which extends to 2020.

Sagging

A fall in trading revenue contributed to Deutsche Bank's quarterly loss.



Note: €1=$1.25
Source: the company
THE WALL STREET JOURNAL.

Investors are frustrated with profit weakness but give Mr. Cryan credit for progress settling litigation headaches and making tough decisions to exit risky businesses and cut staff.

On Friday, finance chief James von Moltke acknowledged that fourth-quarter expenses were higher than the bank wanted. Deutsche Bank is under pressure to control costs after years of disappointing investors with broken promises. And assuring investors the bank has stemmed market-share declines in its most important area for profits, its investment bank, remains a challenge.

The bank's full-year net loss was about €500 million, its third consecutive full-year loss. Without the charge—tied to the value of deferred assets linked to the U.S. tax overhaul, which the lender announced in January—it said it would have recorded 2017 net income of €900 million, compared with a prior-year loss of more than €1 billion.

Deutsche Bank's results showed that it is "firmly on the path to producing growth and higher returns," said Mr. Cryan, "despite a challenging market environment, low interest rates and further investments in technology and controls."

Executives assured analysts on a conference call that the 2017 results don't reflect hard-won gains in core businesses such as merger advising or the return of clients spooked by big legal threats Deutsche Bank faced in late 2016.

The lender said net revenue in the quarter declined 19%, to €5.7 billion, compared with roughly €7 billion a year earlier. Planned sales of businesses contributed to the revenue decline, the bank said. Overall, quarterly revenue declined 10%, excluding the impact of those actions.

The bank cited low volatility and reduced client activity in the markets as factors in the revenue slide. Fourth-quarter revenue declined 16% overall in the corporate and investment bank. Trading revenue declined 20% to 29% across its equities- and fixed-income trading units.

ANDREAS ARNOLD/BLOOMBERG NEWS

Deutsche Bank headquarters in Frankfurt. The lender is struggling to return to growth mode.

Fund Starts 2018 With a Bang

By Laurence Fletcher

A new hedge fund run by **Brevan Howard Asset Management** LLP star trader Alfredo Saitta has chalked up one of the industry's best performances in the first part of this year, as the fund giant battles to rebuild its business.

The $500 million AS Macro fund, run by the former JPMorgan Chase & Co. and Citigroup Inc. trader, gained 6.7% through Jan. 26, according to an investor letter reviewed by The Wall Street Journal.

Macro funds, which trade global bonds, currencies and stocks, returned 3.8% on average for all of January, according to data group HFR.

Brevan's flagship $5.3 billion Master hedge fund, one of the industry's best-known funds, hasn't scored a gain as big as the AS fund's in a single month in about a decade.

The AS fund, whose investors include Brevan co-founder Alan Howard, made almost half of its gain in the week ended Jan. 26, according to numbers sent to investors. The firm, among the most secretive in the industry in not revealing its market positions, didn't disclose what had driven the gains. A Brevan spokesman declined to comment.

Having struggled for years as vast amounts of central-bank liquidity have dominated market moves, macro funds are suddenly profiting this year from a sharp pickup in Treasury yields, a stronger euro and rising stocks, industry executives say.

6.7%
Gain by Brevan's AS Macro fund for the year through Jan. 26

Among other funds to report strong numbers in 2018 is Greenwich, Conn.-based **Tudor Investment** Corp., founded by Paul Tudor Jones, which has gained 4.5% in its Global fund through late January, according to a person familiar with the matter. New York-based **Caxton Associates** LP gained 5.3% to Jan. 29, according to an investor, making money in a range of assets.

R.G. Niederhoffer Capital Management Inc.'s Diversified fund, a computer-driven fund that trades market patterns, rose 16.2% last month, the firm said. The fund profited particularly from stocks, as well as from currencies, fixed income and commodities.

The S&P 500 rose 5.6% during January. Macro funds tend to invest in a range of assets in addition to stocks. Overall, all types of hedge funds rose 2.45% last month, according to data group HFR.

The performance of Mr. Saitta's fund marks a rare piece of good news for Brevan.

The firm's flagship Master fund, once considered the industry's gold standard, lost money in three of the past four calendar years and has shrunk from around $27 billion to $5.3 billion over the past four years as clients have withdrawn their money.

In September, The Wall Street Journal reported that Brevan was planning to inject $300 million to $400 million into Mr. Saitta's fund to help it get up and running. The fund opened up to external investors in November.

BlackRock Presses Board Makeup

By Sarah Krouse

The world's largest money manager by assets is for the first time stating publicly that companies in which it invests should have at least two female directors.

BlackRock Inc. said in a new set of proxy voting guidelines posted this past week on its website that it wants its portfolio companies to have diverse boards and that "we would normally expect to see at least two women directors on every board."

The disclosure represents a small but significant shift for one of the largest shareholders of U.S. companies. Large investors have for years pressed corporate boards to become more diverse in terms of both race and gender. But many in the U.S. have stopped short of articulating a specific number of nonmale candidates they believe is appropriate.

BlackRock has in the past privately urged companies to have at least two women on their boards.

Michelle Edkins, global head of investment stewardship at BlackRock, recently wrote to about 300 companies in the Russell 1000 that have fewer than two women on the board to ask them to disclose their approach to boardroom and employee diversity.

"We believe that a lack of diversity on the board undermines its ability to make effective strategic decisions. That, in turn, inhibits the company's capacity for long-term growth," Ms. Edkins wrote, according to a copy reviewed by The Wall Street Journal.

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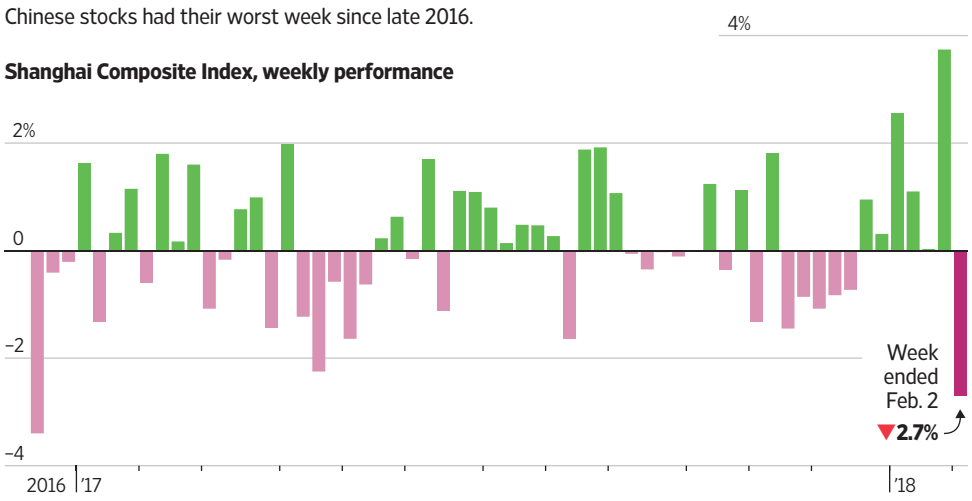
Stumbling

Chinese stocks had their worst week since late 2016.

Shanghai Composite Index, weekly performance



Source: SIX Financial

THE WALL STREET JOURNAL.

DU MUWEN/XINHUA/ZUMA PRESS

China's economy may show signs of slowing, but rail travel during the Lunar New Year holiday doesn't seem to be affected.

In China, Hot Stocks Cool Down

Bearish sentiment takes hold amid worries over economy and Beijing's crackdown

By Shen Hong

SHANGHAI—Chinese stocks had their worst week since 2016, with fresh concerns about Beijing's campaign to cut financial risk and predictions of a slowing economy helping erase half of the market's year-to-date gains in just a few days.

The Shanghai Composite Index, the country's main benchmark, rose 0.4% on Friday but fell 2.7% on the week, its poorest weekly performance since December 2016.

Friday's move followed the market's 1% decline the previous day, when the losses would have been much deeper had it not been for late buying orders from state-backed investment funds known as the "national team," analysts said.

These funds step in to prevent the stock market from slumping or overheating.

"There has been widespread panic since yesterday, and at one point it looked like a mini market rout that resembles the summer market crash in 2015," said Amy Lin, senior analyst at Capital Securities.

Elsewhere in Asia, Japan's Nikkei Stock Average index fell 0.9% on Friday, down seven of the past eight trading days, and declined 1.5% this past week.

The Shanghai Composite's drop this week has come after a strong run through most of last month. It hit near a 25-month high of 3559 on Jan. 24, having risen 7.6% year to date at that time. On Friday, the index closed at 3462.08, up 4.7% on the year.

"The correction came because the market rose too fast in January...and since the economy is slowing, it's hard to expect a major bull market this year," said Wu Zhaoyin, chief strategist at AVIC Trust Co.

Shares on the Shenzhen Stock Exchange—the smaller of China's two bourses, which hosts some of the country's most innovative and high-tech firms—also had a poor week, which extended a lackluster run this year. The Shenzhen Composite Index, one of the world's worst performers last year, lost 6.6% this past week. The startup ChiNext board, China's attempted answer to the Nasdaq Stock Market, fell 6.3% on the week.

2.7%

The decline in the Shanghai Composite Index on the week

In a sign of weakening momentum in the world's No. 2 economy, some listed Chinese firms have issued profit warnings in recent days, including Leshi Internet Information & Technology Corp., the listed online-video unit of cash-strapped Chinese technology conglomerate LeEco Holdings. Shenzhen-listed Leshi warned investors Tuesday that it expects to have suffered a loss of 11.6 billion yuan ($1.84 billion) last year.

Concerns about plans by heavily indebted large Chinese companies such as HNA Group Co. to repay debts through asset sales have added to the bearish sentiment among investors, analysts say.

And expectations that Chinese regulators will intensify a clampdown on risky investment behavior, such as using trust products to make leveraged bets on stocks, have further depressed the mood.

The shaky foundation of last month's sharp market gains is borne out by low investor activity.

Combined daily trading volume in both the Shanghai and Shenzhen markets has averaged about 500 billion yuan, compared with the record two trillion yuan during the spring bull run three years ago.

Some analysts also pointed to a high number of new company listings weighing on Chinese markets.

"To put things into broader perspective, the market's dismal performance also has to do with the regulator's decision to flood the market with too many new stocks," said Landing Zhang, chief executive of Cyamlan Investment, a Shanghai-based asset-management firm.

China's securities regulator has quickened the pace of its approval of initial public offerings in the past year, hoping to cut down a backlog of listing aspirants.

A record 436 companies launched IPOs last year, raising a total of 230 billion yuan, up from 227 IPOs and 150 billion yuan in the previous year, according to data from Wind Info.

Mr. Zhang said the frequent market interventions by the national team to prop up the major indexes could prove counterproductive.

"It's OK to bring in the national team when there's a huge crisis but if it's there every day, it will create even more jitters," Mr. Zhang said. "If you see policemen everywhere, don't you feel less safe?"

Jobs Data Give Lift To Dollar

By Ira Iosebashvili

CURRENCIES

The dollar rose after stronger-than-expected U.S. jobs data.

The Wall Street Journal Dollar Index, which measures the U.S. currency against a basket of 16 others, advanced 0.7%, to 83.58. The currency held steady as the Dow industrials posted their biggest one-day percentage decline since June 2016, and commodity prices tumbled.

U.S. hiring remained robust in January and wage growth picked up to its strongest pace since the recession. Nonfarm payrolls rose a seasonally adjusted 200,000, the Labor Department said Friday. Economists surveyed by The Wall Street Journal had expected 177,000 new jobs in January.

Weeks of strong U.S. data have bolstered the case for the Federal Reserve to raise rates at a faster pace this year. Expectations of tightening monetary policy tend to boost the dollar, as rising rates make the currency more attractive to yield-seeking investors.

Based on Friday's jobs numbers, "it looks more and more likely that we will have to revise up our call for three Fed rate hikes this year to four," analysts at ING wrote in a note to clients.

The dollar is down 7.5% over the past year, as expectations that central banks abroad may tighten monetary policy faster than expected draws investors into the euro and other currencies. The Wall Street Journal Dollar Index fell 3.2% last month, its biggest monthly decline since March 2016.

However, the currency's rapid descent could lead to at least a temporary rebound if investor sentiment shifts, some analysts said.

"We've obviously moved down at a fair speed, and if things turned around they could turn around quite viciously," said Steven Barrow, head of G10 strategy at Standard Bank.

Longer term, the dollar remains vulnerable. Investors remain focused on tightening monetary policy in the eurozone and other regions, and many believe the Trump administration would be happy with the trade advantages a weaker currency could give.

Treasurys Tumble as Inflation Worries Pick Up

By Daniel Kruger

CREDIT MARKETS

U.S. government bonds fell sharply Friday, extending a run of weaker prices that began at the turn of the year, after a Labor Department report signaled that a tight jobs market is starting to produce pressure for higher inflation.

The yield on the benchmark 10-year note posted its biggest single-day climb in four months, settling at 2.852%—its highest level in four years. The 10-year yield was 2.773% Thursday. Bond yields rise as prices fall.

Yields surged after Friday's jobs report showed wage growth accelerated, with average hourly earnings for private-sector workers climbing 2.9% in January from a year earlier. That was the strongest year-over-year gain since June 2009, a sign that the tightening labor market may finally be producing notably larger pay raises.

Increasing expectations for inflation have helped prompt selling in bonds recently, with other signs of rising prices emanation from a weakening dollar, rising costs for imports and gains in key commodities, such as oil. Inflation poses a threat to bond investors because it erodes the purchasing power of the securities' fixed coupon payments. Inflation pressures may also prompt the Federal Reserve to raise interest rates.

Rising pay for workers "probably puts some upward pressure on inflation outside the labor market," said Gary Pollack, head of fixed-income trading at Deutsche Bank Private Wealth Management. "It certainly looks like we're headed" to 3% yields on 10-year Treasury notes, he said. "The question is when."

Rising inflation expectations contributed to declines in stocks, with some investors questioning whether rising bond yields may make fixed-income assets look attractive compared with equities.

Bond yields had traded in tight ranges throughout most of 2017, and the rise in yields may represent "a change in the outlook" for financial markets, said Krishna Memani, chief investment officer at OppenheimerFunds Inc. However, the higher yields "are not biting just yet," he added.

Fed policy makers had signaled Wednesday that they intend to maintain their current course for monetary tightening, having forecast that they would raise interest rates three times this year.

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NOTICE OF SALE

NOTICE OF DISPOSITION OF COLLATERAL
BY PUBLIC FORECLOSURE SALE

Name of Debtor: PrimaryData, Inc.

Name of Secured Creditor: TriplePoint Capital LLC

NOTICE IS HEREBY GIVEN that TriplePoint Capital LLC ("Secured Party") will sell (the "Sale") substantially all of the tangible and intangible assets (as described more fully below, the "Collateral") of PrimaryData, Inc. ("Debtor") to the highest or otherwise best qualified bidder at a public auction to be conducted on February 21, 2018, at 12:00 noon (PST) at the offices of McDermott Will & Emery LLP, 275 Middlefield Road, Menlo Park, CA 94025. The Sale will be conducted pursuant to Sections 9610 and 9617 of the California Commercial Code and the terms of the credit and security documents executed by and between Secured Party and Debtor.

The Collateral being sold by Secured Party consists of all of Debtor's right, title and interest to each of the following: (a) accounts receivable; (b) equipment; (c) fixtures; (d) general intangibles; (e) intellectual property; (f) inventory; (g) investment property; (h) certain of its deposit accounts; (i) cash; (j) other goods and personal property, whether tangible or intangible and whether owned, leased or consigned; and (k) to the extent not otherwise included, all proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing. Upon request and subject to execution of a customary non-disclosure agreement, additional information regarding the Collateral can be obtained from counsel for Secured Party at the address listed below.

The Collateral shall, in Secured Party's sole discretion, be offered at the Sale in bulk on an "AS IS, WHERE IS" BASIS, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, expressed or implied, including, without limitation, merchantability, fitness for a particular purpose, condition or title and without any right of set-off or recoupment. Any party desiring to participate as a bidder at the auction is required to deliver the following items to Secured Party on or before the close of business on February 20, 2018: (1) an executed asset purchase agreement, in a form and substance acceptable to Secured Party in its reasonable discretion, without any conditions to closing; (2) a $100,000 earnest money deposit via wire transfer to an account to be designated by Secured Party; and (3) financial information demonstrating to the satisfaction of Secured Party, in the exercise of its reasonable discretion, that the bidder has sufficient financial resources necessary to close the Sale transaction. Any competing bids at the auction shall be at least $50,000 greater than the prior bid. Qualifying deposits for non-prevailing bidders will be returned promptly upon the closing of the Sale to the prevailing bidder. If the prevailing bidder defaults on the balance of the purchase price, its qualifying deposit will be forfeited and retained by Secured Party, and Secured Party may, at its option, sell the Collateral to the next highest bidder. The minimum opening bid required for participation in the auction will be the aggregate outstanding amount due under Secured Party's credit documents – i.e., not less than $8,698,233.31 plus amounts advanced after January 26, 2018, and prior to the Sale. Additional terms for the auction and/or Sale may be announced at the time of the auction.

Secured Party reserves the right to: (1) adjourn or cancel the Sale without notice; (2) alter the terms of payment; (3) abandon or elect not to dispose of certain Collateral; and/or (4) reject all bids. If Secured Party accepts the bid(s), the prevailing bidder(s) will receive a secured party bill of sale with no representations or warranties of any kind or nature whatsoever.

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For information regarding the bid qualification requirements, the auction procedures, or the Collateral, contact Michael Rostovtsev, Esq., McDermott Will & Emery LLP, 2049 Century Park East, Suite 3800, Los Angeles, CA 90067, or by telephone at (310) 284-6182.

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NOTICE OF PUBLIC SALE • Property to be Sold

Public Sale No. 1: Wednesday, February 7, 2018, 10:00 a.m. EST
The Asset Type for Lots 1-6 is: Prime / Alt-A
The Asset Type for Lots 7-10 is: Subprime

Lot #	Cusip	Issue	Original Face (US)
1	22545UAD1	CSSLT 2006-1 M1	1,725,000
2	41161PSW4	HVMLT 2005-9 B2	3,732,000
3	41161PSX2	HVMLT 2005-9 B3	4,740,000
4	41161PTA1	HVMLT 2005-9 B6	10,000,000
5	655356JJ3	NASC 1998-D6 PS1	338,700,000
6	92922F2T4	WAMU 2005-AR11 B3	4,000,000
7	073877AD4	BSABS 2005-SD1 1M1	2,157,000
8	225458M54	CSFB 2005-CF1 M1	5,500,000
9	288547AT9	ELAT 2007-2 M1B	4,000,000
10	76112B2V1	RAAC 2006-RP1 M1	2,500,000

Public Sale No. 2: Wednesday, February 7, 2018, 1:00 p.m. EST
The Asset Type for all Lots is: Zero Factor - RMBS

Lot #	Cusip	Issue	Original Face (US)
1	04541GVQ2	ABSHE 2006-HE1 M5	14,282,000
2	04544TAL5	ABSHE 2007-HE2 M6	950,000
3	04544TAM3	ABSHE 2007-HE2 M7	1,740,000
4	004421Z00	ACE 2006-HE2 M7	5,000,000
5	004421XY4	ACE 2006-SD1 M3	3,300,000
6	02660WAH9	AHMA 2006-1 M3	3,446,000
7	02660WAJ5	AHMA 2006-1 M4	6,757,000
8	02660WAK2	AHMA 2006-1 M5	6,757,000
9	00252GAK5	AMIT 2006-1 M6	5,000,000
10	00252GAL3	AMIT 2006-1 M7	11,594,000
11	007034AW1	ARMT 2006-2 B1	22,285,000
12	040104TM3	ARSI 2006-W4 M4	6,160,000
13	05946XZJ5	BAFC 2005-F CB1	24,614,000
14	05946XZK2	BAFC 2005-F CB2	7,940,000
15	07386HYR6	BALTA 2005-9 2B2	4,400,000
16	06983NAE7	BASIC 2006-1 M2	7,085,000
17	06983NAF4	BASIC 2006-1 M3	3,464,000
18	105667AJ8	BMAT 2006-1A M6	1,000,000
19	073879N38	BSABS 2005-AC6 2B1	11,581,000
20	073879N46	BSABS 2005-AC6 2B2	8,112,000
21	0738792C1	BSABS 2005-AC8 B1	15,194,000
22	0738792D9	BSABS 2005-AC8 B2	6,647,000
23	07400TAG2	BSABS 2007-2 M4	6,188,000
24	07387LAB7	BSABS 2007-SD3 M1	2,000,000
25	07387LAC5	BSABS 2007-SD3 M2	10,872,000
26	07387LAD3	BSABS 2007-SD3 M3	6,321,000
27	144531FB1	CARR 2006-NC1 M4	26,660,000
28	144539AM5	CARR 2006-NC5 M7	1,500,000
29	12465MAK0	CBASS 2006-CB9 M6	5,000,000
30	17307G2A5	CMLTI 2006-WMC1 M5	5,400,000
31	17307G2C1	CMLTI 2006-WMC1 M7	3,500,000
32	225470GB3	CSFB 2005-10 DB1	16,792,889
33	2254W0PX7	CSFB 2005-11 DB1	6,883,791
34	2254W0PY5	CSFB 2005-11 DB2	4,463,646
35	225470SG9	CSFB 2005-12 DB1	10,871,000
36	2254586P8	CSFB 2005-9 DB1	8,315,349
37	225470WM1	CSMC 2006-1 DB1	14,215,000
38	225470WN9	CSMC 2006-1 DB2	6,797,000
39	12667GGV9	CWALT 2005-22T1 B1	2,385,000
40	12667GS61	CWALT 2005-41 B1	9,591,000
41	12667GS53	CWALT 2005-41 M	7,000,000
42	12668ADD4	CWALT 2005-51 M	6,500,000
43	12668AMA0	CWALT 2005-56 M3	16,698,000
44	12668AS97	CWALT 2005-67CB B1	1,581,000
45	12668AS89	CWALT 2005-67CB M	3,690,000
46	12668BDQ3	CWALT 2005-76 M3	17,412,000
47	12668AR72	CWALT 2005-J14 B1	5,111,000
48	12668AR64	CWALT 2005-J14 M	12,011,200
49	12667GV34	CWALT 2005-J9 M	4,763,800
50	12668BWM1	CWALT 2006-11CB M	21,282,900
51	12668BXL2	CWALT 2006-12CB M	13,904,000
52	12668BSX2	CWALT 2006-6CB M	28,679,900
53	12668EAP2	CWALT 2006-J5 M	1,000,000
54	126694T24	CWALT 2006-0A2 M4	3,503,000
55	12668BF40	CWALT 2006-0A6 M3	3,250,000
56	02149MCE7	CWALT 2007-J1 M	2,244,500
57	126685CM6	CWHEL 2006-A M6	5,200,000
58	126694UY2	CWHL 2005-31 B1	5,648,000
59	126694VX3	CWHL 2005-HY10 B1	17,009,000
60	126694YU6	CWHL 2006-3 1M1	3,498,000
61	126694YX0	CWHL 2006-3 1M4	2,833,000
62	126694ZJ0	CWHL 2006-3 3M1	2,000,000
63	126694ZK7	CWHL 2006-3 3M2	1,723,000
64	126694ZL5	CWHL 2006-3 3M3	3,332,000
65	126694ZM3	CWHL 2006-3 3M4	2,528,000
66	126694WT1	CWHL 2006-HYB1 B1	5,800,000
67	126694WS3	CWHL 2006-HYB1 M	8,700,000
68	126694E20	CWHL 2006-HYB2 M	2,796,000
69	126694Q08	CWHL 2006-HYB3 B1	3,300,000
70	1266944P0	CWHL 2006-HYB3 M	4,250,000
71	125431AR7	CWHL 2006-HYB4 B1	5,699,000
72	125431AQ9	CWHL 2006-HYB4 M	6,001,000
73	126694P93	CWHL 2006-0A5 2M1	5,631,000
74	126694Q27	CWHL 2006-0A5 2M2	3,090,000
75	126694Q35	CWHL 2006-0A5 2M3	1,561,000
76	126694Q43	CWHL 2006-0A5 2M4	1,089,000
77	126670TL2	CWL 2006-1 MF3	1,824,000
78	126670TM0	CWL 2006-1 MF4	1,602,000
79	126670VR6	CWL 2006-SD1 M3	4,336,000
80	126670VS4	CWL 2006-SD1 M4	3,159,000
81	23332UFJ8	DSLA 2005-AR5 B2	6,000,000
82	35729PPH7	FHLT 2006-1 M6	5,000,000
83	35729PQB9	FHLT 2006-2 M3	10,000,000
84	35729PQE3	FHLT 2006-2 M6	7,306,000
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87	36185MDV1	GMACM 2006-AR1 M2	3,178,500
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92	362341WM7	GSR 2005-8F B1	13,573,000
93	362341U98	GSR 2005-9F 1B1	14,397,000
94	362341V48	GSR 2005-9F 2B1	2,552,000
95	362341XH7	GSR 2005-AR7 1B1	16,464,000
96	362341B05	GSR 2006-1F 1B1	9,315,000
97	3623418T9	GSR 2006-1F 2B1	6,470,000
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99	36297TAQ5	GSR 2006-AR2 2B1	4,000,000
100	36297TAR3	GSR 2006-AR2 2B2	3,754,000
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104	41161PRE5	HVMLT 2005-8 1B5	2,125,000
105	41161PRF2	HVMLT 2005-8 1B6	2,325,000
106	41161PC84	HVMLT 2006-1 B1	7,000,000
107	41162NAN7	HVMLT 2006-14 B5	2,000,000
108	41161PN41	HVMLT 2006-4 B4	4,000,000
109	456606KM3	INABS 2006-A M4	5,000,000
110	456606KN1	INABS 2006-A M5	5,000,000
111	456606KP6	INABS 2006-A M6	3,500,000
112	456606KQ4	INABS 2006-A M7	5,500,000
113	45660LZR3	INDA 2005-AR1 B2	2,301,000
114	45660LR84	INDX 2005-AR25 B2	5,000,000
115	45660LGX1	INDX 2005-AR5 B1	2,606,000
116	45661KAN0	INDX 2006-AR11 B1	15,808,000
117	45661KAP5	INDX 2006-AR11 B2	13,644,000
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126	525221KZ9	LXS 2006-4N M5	5,289,000
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130	57643LQP4	MABS 2006-AM1 M6	6,569,000
131	57643LQQ2	MABS 2006-AM1 M7	6,145,000
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147	748351AU7	QUEST 2006-X1 M2	2,734,000
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182	93934FLJ9	WMALT 2006-1 B2	11,680,000
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184	93934FQX3	WMALT 2006-AR3 B3	3,400,000
185	939345AN4	WMALT 2006-AR4 B3	6,884,000

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MARKETS

Oil Falls Back Under the Dollar's Influence

By Stephanie Yang And Alison Sider

Oil prices are no longer trading in their own world.

After months of taking direction from information on global supply and demand, crude markets are falling back into step with broader markets, taking cues over the past two weeks from fluctuations in the U.S. dollar.

Earlier this past week, oil hovered near a three-year high, as the dollar fell to the lowest level in more than three years. But on Friday, a rebound in the dollar dragged down crude prices.

The reversal occurred as stocks, bonds and other commodities also retreated. The Dow Jones Industrial Average fell 665.75 points Friday, closing out its biggest one-week percentage decline since January 2016 with a 4.1% drop. The U.S. 10-year Treasury yield rose to the highest level in more than four years.

"The stock market and interest rates can really affect oil a lot," said Mark Wagoner, president of Excel Futures. "It's spilling over into the energy markets and causing these ripple effects."

Volatility picked up across markets Friday after the Labor Department said the U.S. economy added 200,000 jobs in January, beating economists' expectations. Meanwhile, the unemployment rate stayed at a 17-year low and wage growth accelerated, stoking concerns about higher interest rates.

That sent the WSJ Dollar Index higher. The gauge, which tracks the dollar against a basket of 16 currencies, rose 0.7% to 83.58.

Light, sweet crude for April delivery settled down 35 cents, or 0.5%, to $65.45 a barrel on the New York Mercantile Exchange, and traded as low as $64.47 during the session. Brent, the global benchmark, declined $1.07, or 1.5%, to $68.58 a barrel.

Other commodities such as gold and copper settled lower Friday as well.

Commodities such as oil, which are priced in dollars, become more expensive to buyers using other currencies when the U.S. unit strengthens. Analysts at Capital Economics attribute half of the surge in oil prices since the beginning of December to a weaker U.S. dollar, the research firm said in a Friday report.

"The dollar is the talk today," said Ric Navy, vice president for energy futures at R.J. O'Brien & Associates LLC. "You've had more attachment to it recently."

Energy companies led stocks lower Friday, as the S&P 500 energy sector fell more than 4%, wiping out nearly all of its year-to-date gains that had resulted from a rebound in crude prices.

Chevron Corp. and **Exxon Mobil** Corp. shares both fell more than 5% after reporting quarterly profits that missed analysts' expectations, the biggest one-day loss for both companies since 2011.

"Some of the selloff in energy is being compounded by the broader market weakness," said Chris Kettenmann, chief energy strategist at New York-based Macro Risk Advisors. "What's really coming to the surface is how much stocks are down."

The correlation between oil and the stock market has become more pronounced in recent days.

"The potential is present for a big move lower should fear return to the stock market and spark liquidations across the board," analysts at TAC Energy said Friday. "The cross-asset class correlations have returned over the past several weeks."

But supply could rear its head again, meaning oil prices would revert back to trading based on dynamics that are more closely tied to the energy market.

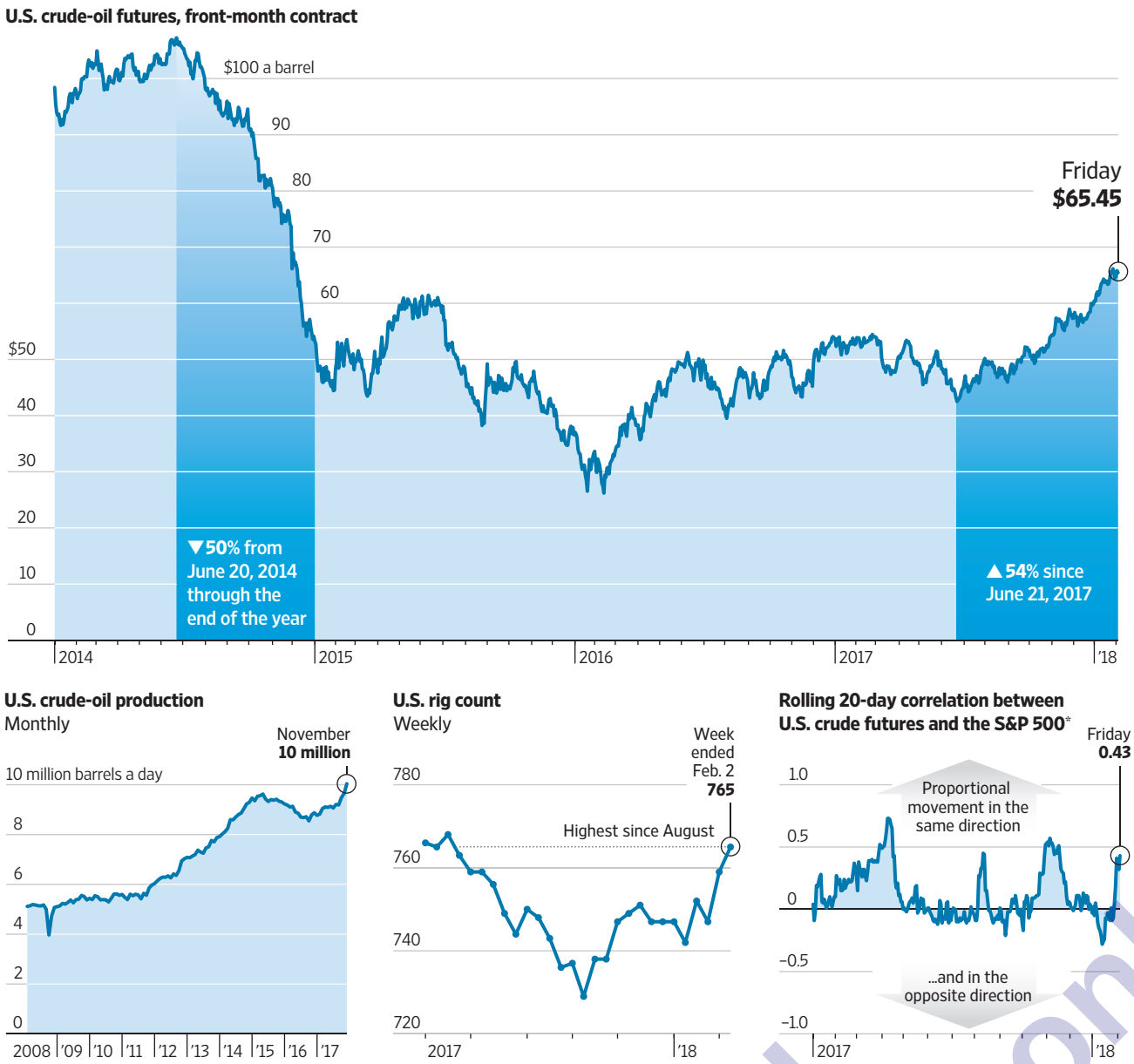
Ed Morse, global head of commodities research at Citigroup, said investors have been ignoring the risk that U.S. shale producers will flood the market with oil once again.

Shale companies spent the past three years becoming leaner and wringing costs out of their operations and can now comfortably make money at these prices, so investors banking on companies to show greater discipline could be in for a disappointment.

"The animal spirits that drive these companies overshadow any commitment to having discipline," Mr. Morse said. "Only the most naive of analysts or investors actually believe that's going to happen."

According to the U.S. Energy Information Administration, U.S. oil production exceeded 10 million barrels a day in November for the first time in nearly 50 years. On a weekly basis, domestic production rose to a fresh record for the week ended Jan. 26 of more than 9.9 million barrels a day, government data show.

"2018 could turn out to look a lot like 2014—a year that started with very high prices and ended at very low prices," Mr. Morse said.



*Based on a scale in which 1.0 indicates perfect correlation
Sources: WSJ Market Data Group (futures, correlation); U.S. Energy Information Administration (production); Baker Hughes (rig count)
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Alexa, What's The Meaning Of Relentless?

Amazon.com's investors should probably get used to taking Jeff Bezos at his word.

The indefatigable CEO stopped appearing personally on Amazon's quarterly earnings calls years ago, but he had a clear message for investors Thursday when the online retailer posted record earnings. On the success of his company's voice-activated digital assistant technology called Alexa, Mr. Bezos noted in the release: "We don't see positive surprises of this magnitude very often, expect us to double down."

He probably doesn't just mean more speakers. Amazon has long been focused on driving growth with little urgency to boost profits. Amazon's market value soared 56% last year, beating all of its peers.

Yet Mr. Bezos's biggest gambles actually take awhile to pay off. It was 13 years ago that he first announced Amazon Prime. It then seemed improbable that many would pay $79 a year to get "Harry Potter" books rushed to their doorstep. But Prime has become a must-have for more than 90 million members in the U.S.

There seems to be no limit to where Amazon will eventually spread. The company became a major grocer last year with its acquisition of Whole Foods Market and even has been making rumblings about getting into health care of late.

Mr. Bezos's ambitions have helped make Amazon the world's fourth most valuable company and himself the world's wealthiest person. His third decade at the helm has brought no signs of slowing down. Investors should dread the day he does. —*Dan Gallagher*

Wage Growth Starts to Ramp Up

If wages have finally started a sustained rise, imagine what will happen to the economy when businesses and consumers start spending their tax-cut windfalls. And imagine how the Federal Reserve will respond.

Investors were worrying about just that after Friday's jobs report, sending the Dow Jones Industrial Average 666 points lower.

The Labor Department reported that the economy added 200,000 jobs in January and that the unemployment rate stayed steady at a low 4.1%. But the big news was wages. Average hourly earnings rose 0.3% from a month earlier, and the December figures were revised higher. That put them 2.9% above the year-earlier level, marking the strongest gains since mid-2009.

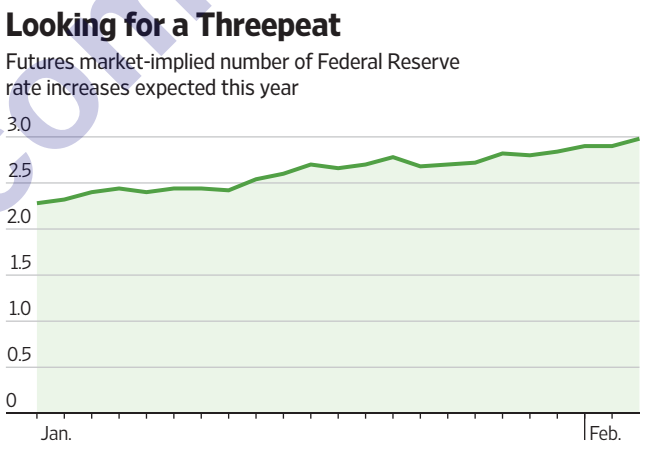
The wage figures provided some of the strongest evidence yet that the job market has tightened. With the potential for inflation picking up, the Fed probably won't have any qualms over raising rates three times this year and might start leaning toward four.

Bond investors pushed the yield on the 10-year Treasury note to its highest level since 2014. And stock investors are worried, too, because one of the reasons shares are so expensive is that they look relatively cheap compared with low-yielding Treasurys.

Today's wage numbers understate the boost to spending power that many consumers have gotten or are just seeing. One-time bonuses, like the ones that companies announced late last year, don't get included in average hourly earnings. And many of the companies that said they would raise wages hadn't done so by mid-January when Labor was collecting data.

The tax cut will help boost wages in two ways. Starting this week, workers begin to see lower withholding in their paychecks, meaning more cash in their bank accounts. At least some of that is going to be spent, boosting demand and prompting companies to hire more workers to keep up. The second impact will be businesses, which got the biggest chunk of the tax cut, using some of the windfall to pay higher wages to get the workers needed to meet the higher demand.

All this is happening in a tight job market in which wage growth is finally starting to kick in. Before the year is over, the Fed may decide that even four rate increases aren't nearly enough. —*Justin Lahart*



Source: FactSet
THE WALL STREET JOURNAL.

OVERHEARD

It has been so long since the stock market had a big loss that seeing those triple-digit declines on the Dow Jones Industrial Average is unnerving, even though the real loss was not that unusual. The Dow lost 666 points on Friday, a decline of 2.5%. It was the market's worst point decline since Dec. 1, 2008, when the official body that calls economic cycles officially (and belatedly) declared that the U.S. was in recession. Friday's drop was more than 100 points worse than the epic Black Monday stock-market crash in 1987.

Investors lost real money on Black Monday, though (and the nation's financial system showed some scary cracks). The 508-point decline in the Dow translated into a 23% decline.

Today, with the Dow at 25521 after Friday's tumble, that would mean a decline of 5,767 points. That would be a dark day.

Deutsche Bank Is Too Big for Its Shrinking Revenue Base

Deutsche Bank still has one simple problem: Its revenue is falling faster than its costs.

Behind the noise of restructuring charges, regulatory change and the costs of the U.S. tax overhaul, this is the reason investors aren't prepared to value the German banking giant's stock any more highly.

Chief Executive John Cryan has achieved a lot in re-educating a bank long used to deluding itself over the changes it needed to make. He has settled investigations, got out of risky countries and is investing in the technology that can help the bank escape its history of ill-disciplined empire building.

But he feels this good work is unrecognized. He complained during the bank's 2017 results on Friday that investors didn't value the bank on its future potential. The stock dropped 6.2% on Friday.

Alas, its problem stands: Deutsche Bank is simply too big for the business it does, and the issue appears to be getting worse.

Its three core businesses—investment and transaction banking, retail and commercial banking, and asset management—have collectively lost €5.6 billion ($7 billion) of revenue from 2015 to 2017.

In the same period, its core cost base—excluding all the penalties for bad behavior, restructuring costs and so on—has fallen just €1.1 billion.

Deutsche's investment bank, which still represents more than half of its revenue, is the main culprit and accounted for most of the revenue losses.

But it still reinstated bonuses in 2017 to keep bankers, many of whom got little or nothing for 2016.

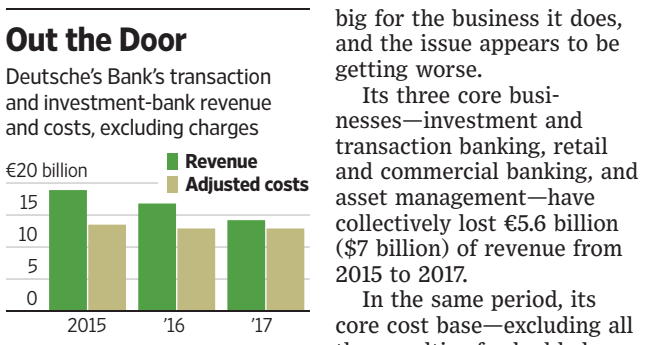
The ratio of costs to income from these three businesses (excluding central costs) is more than 88%. Comparing it with JPMorgan Chase may be unfair, but just for the sake of it, the U.S. bank's ratio is more like 56%. Deutsche may never get quite that low, but it is too far off the pace.

Deutsche says it won't cut costs more radically. That could just mean losing even more business. Its solution is to rebuild revenue. Part of that is just waiting (and hoping) for market activity to improve and interest rates to rise.

But this may not be enough. An increase in European interest rates of 1 percentage point would lift revenue by €1.4 billion in the first year. In 2017, that would have lowered its cost-to-income ratio to 83%, still very unhealthy.

But another thing holds back its attempts to rebuild revenue: a poor reputation. The bank is still seen by regulators and clients as complex and risky. That means its funding costs remain high—making it more expensive to do business with—and forces it to be more conservative than rivals in some of the business it tries to win.

The problem with a reputation is that it takes a long time to restore. Deutsche Bank—and its shares—remains stuck in a place that is hard to escape. —*Paul J. Davies*



Note: €1=$1.25
Source: the company

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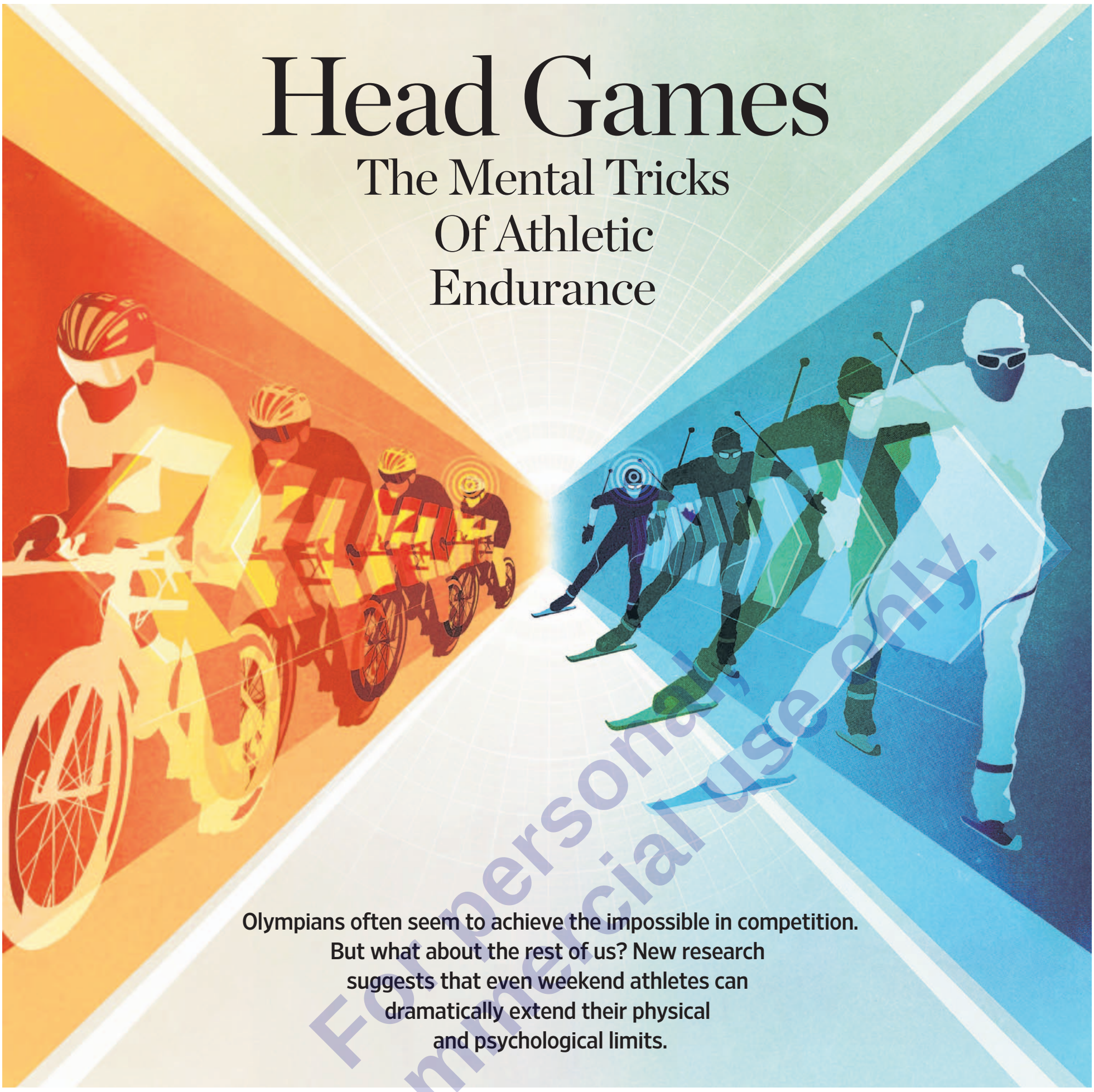
Head Games

The Mental Tricks Of Athletic Endurance



Olympians often seem to achieve the impossible in competition. But what about the rest of us? New research suggests that even weekend athletes can dramatically extend their physical and psychological limits.

ILLUSTRATION BY ANDY POTTS

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BY ALEX HUTCHINSON

For the Slovenian cross-country skier Petra Majdič, the unlikely key to Olympic glory was misdiagnosis.

While warming up for her first race at the 2010 Winter Games in Vancouver, Ms. Majdič skidded off an icy corner and fell more than 10 feet into a rocky creek bed. She dragged herself to an on-site medical tent for an ultrasound. "I don't know," the doctor said, "but it looks like everything is OK."

Sure, she was in excruciating pain that made her shriek every time she exhaled. But the pain, she believed, was just in her head. As long as nothing was broken, her decision was clear. "Can I go?" she asked. The doctor said yes.

Later that evening, after gritting her teeth through a qualifying race, a quarterfinal, a semifinal and a final where she fought to an improbable bronze medal in the classic sprint, she finally went to the hospital—where she was diagnosed, correctly this time, with four broken ribs. The stabbing pain she'd felt during the semifinal? That was one of the broken ribs puncturing her lung, which then collapsed. She missed the rest of the Games and was in the hospital for nearly a week.

Such tales are a staple of Olympic lore, a stirring reminder of the heights to which athletes can rise with a medal on the line. In the coming weeks, as the world's fleetest and toughest converge on South Korea for this year's Winter Games, we will undoubtedly see more extraordinary feats of endurance. But how, exactly, do the athletes do it? Is it just a matter of physical prowess and training, or is there something else going on in these superhuman exertions?

Answers are starting to emerge from a remarkable new body of research on human performance, and the findings have lessons not just for Olympians but for everyone else, too. All of us, it turns out, are capable of pushing back the physical and psychological limits that we encounter at the gym, on the trails and in our sporting adventures. The feeling that you can go no further is just that—a feeling. And feelings can be changed.

The feeling that you can go no further is just that—a feeling.

Early studies of endurance focused, naturally, on the body. Physiologists pieced together an impressively detailed picture of the factors that—in theory—dictate our ultimate capacity. "Our bodies are machines whose energy expenditures may be closely measured," wrote the pioneering (and Nobel Prize-winning) sports scientist A.V. Hill in 1926. As the mysteries of muscle contraction and metabolism were decoded, endurance began to seem like a question of plumbing—whose heart could deliver the most oxygen-rich blood through the widest vessels to the biggest muscles.

There was one big problem with this approach: It couldn't predict who would win an athletic contest. No matter how accurately you measure physiological parameters like oxygen delivery, you'd be a fool to use that data to bet on the outcome of, say, a marathon. Clearly, something was missing from the "human machine" picture of athletic limits.

Hill and other early researchers soon realized that psychology must play a key role. In 1961, a pair of scientists at George Williams College in Chicago showed that they could boost the maximum strength of weightlifting volunteers by 7.4% if an experimenter sneaked up behind the subject and fired a .22-caliber starter's pistol just before the lift. It was among the first (and most bizarre) attempts to demonstrate that the limits we perceive as physical and absolute are often negotiable and mediated by the brain.

Please turn to the next page

This essay is adapted from Mr. Hutchinson's new book, "Endure: Mind, Body, and the Curiously Elastic Limits of Human Performance," which will be published by William Morrow on Feb. 6.

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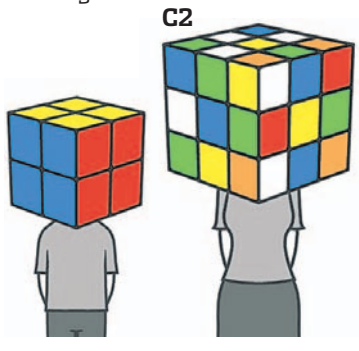

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EVERYDAY MATH: EUGENIA CHENG

A Thinking Person's Guide to The Rubik's Cube

I HAVE ALWAYS loved playing with a Rubik's Cube, which combines logic with a satisfying tactile activity. I can solve it—getting each of the six sides to be one color—but not particularly quickly or cleverly.

The Hungarian sculptor and architect Ernő Rubik invented the cube in 1974, so by now, a couple of generations have passed down tips for solving it. I recently tried to teach my 8-year-old nephew how to solve his 2x2x2 Rubik's Cube, with four elements on each side. But he already had a curious method of his own, using probability. He just kept randomly making one color match up on a single face, without worrying if the other sides also had matching colors.

Usually you have to plan carefully to get the adjacent edges to match up as well as the face (known as doing the "first layer"). But my nephew found that if you just keep completing a face, then before too long the whole layer is likely to match up by chance. It had never occurred to me to do it like that, since I tend to prefer understanding something and making it work deliberately.

But sometimes doing random repetitions is fruitful. The probability of my nephew's method working for the first face of a 2x2x2 cube is quite high, 1 in 6. It's like rolling a die until you get a 6. However, on a 3x3x3 cube (nine elements per side) the probability plummets to 1 in 144—probably not worth waiting around for.

A random method worked for my nephew.

One reliable way of solving the cube is to use an algorithm, a predetermined process that is guaranteed to work starting from any conditions, without your having to make any decisions.

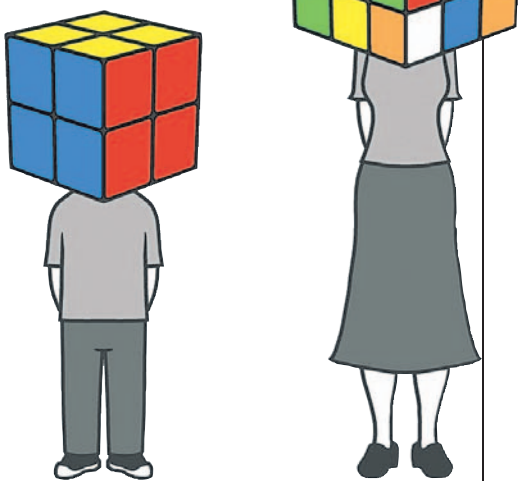
It takes me a minute or two to solve a 2x2x2 Rubik's Cube using a combination of sheer logic to get me started and two algorithms to finish. The first algorithm allows me to interchange three corners of a face, and the other alters the orientation of a corner without moving it. My method is pretty fast but lags way behind the world record which is, astonishingly, less than one second.

To solve the cube this fast requires a deeper understanding of the way the "moves" on a Rubik's Cube interact. Math helps us to solve problems by understanding them more deeply. Soldiers once had to peer out from behind their ramparts to see where their cannonballs landed to adjust their aim, until math let them calculate trajectories in relative safety. Of course, this required investing up front in a certain amount of theoretical work.

The math behind the Rubik's Cube is a piece of abstract algebra called group theory, which emerged from studying symmetry. Group theory includes not just the symmetry of shapes but also less visible forms of symmetry in, say, the solutions to an equation and four-dimensional space-time. Understanding the symmetry of a system is a shortcut to understanding the whole system, just like folding a piece of paper and cutting holes in it is a more efficient way to create a snowflake than cutting each hole individually.

For the 2x2x2 Rubik's Cube, there are only six different individual moves—rotating any face by a quarter-turn. But combining these generates 3,674,160 possible configurations for the cube's eight little colored pieces. It turns out that the maximum number of moves you need to produce any one of these configurations is just 14, which means that if you are very good at understanding the combinations, you can solve the cube in at most 14 moves. This goes a little way to explaining how the world record for solving this small cube is so fast, the rest being virtuosic pattern-spotting, a well-lubricated cube and a long time practicing.

Since my nephew first showed me his method, he has taught himself how to do a 3x3x3 cube using algorithms he found online. Learning math can be slow, but in the long run it often saves us substantial time and effort.



TOMASZ WALENTA

You Can Go Farther, Faster

FROM LEFT: STEFAN WERMUTH/REUTERS; ISSEI KATO/REUTERS

SLOVENIA'S PETRA MAJDIC skied during the women's individual sprint classic cross-country final at the Vancouver 2010 Winter Olympics despite having broken ribs—and she won a bronze. Right, a team official helped her to the podium.

Continued from the prior page

The precise nature of the mind-muscle connection remains hotly disputed today, but most researchers accept the essential point: that the physical manifestations of fatigue—racing heart, elevated core temperature, a rising tide of metabolites like lactate in the blood—merely serve as sources of information for the brain, rather than direct limits on our ability to continue.

Starting in the late 1990s, the South African author and fitness researcher Tim Noakes advanced the view that our brains are wired for self-preservation. If you push hard enough to endanger your health—by overheating your core or compromising your brain's oxygen supply, say—your brain will function as a protective "central governor," automatically weakening the nerve signals driving your muscles. The feedback loop gives rise to the sensation of fatigue and signals you to slow down.

An alternate view proposed a decade later by Samuele Marcora, an exercise scientist at the University of Kent's Endurance Research Group, posits that our limits are defined by the balance between motivation and perceived effort. We don't stop because our fatigued muscles are incapable of continuing, in this view, but because the effort required to continue is greater than we're willing to exert.

The power of talking to yourself: 'Keep pushing, you're doing well.'

Whatever the mechanism, both camps agree that the subjective perception of effort is a sort of master controller—which means, in practical terms, that if you change your perception of a task's difficulty, you can change your actual results.

There are plenty of examples of this phenomenon. In a 2014 experiment described in the journal Frontiers in Human Neuroscience, researchers led by Dr. Marcora showed cyclists images of smiling faces on a screen in imperceptible 16-millisecond flashes. The exposure boosted cycling performance by 12% over the level recorded with frowning faces projected in the same way. The sight of a smile didn't lower the subjects' heart rates or lactate levels, according to Dr. Marcora. Instead, it subtly altered how their brains interpreted those signals, evoking feelings of ease that bled into their perception of how hard they were pedaling.

Eliud Kipchoge, the Olympic marathon champion from Kenya, has sought to self-administer the same effect. Mr. Kipchoge has come the closest to breaking the 2-hour barrier in a marathon, missing by just 26 seconds (in a race in Italy last year that doesn't count in official records). He deliberately smiled broadly every mile or so during the final stretch. "When you smile and you're happy," he later explained to reporters, "you can trigger the mind to feel your legs."

A technique called transcranial direct-current stimulation, or tDCS, which involves trickling a weak electric current between two electrodes on the scalp, also can alter the relationship between physical stress in the body and effort perceived by the brain. The current changes the excitability of affected neurons, making them slightly easier to trigger. This allows you to maintain a given level of exercise with weaker brain signals, which translates into a lower sense of effort. A study published this month in the journal Brain Stimulation showed a 23.5% increase in the time to exhaustion in cycling after 10 minutes of brain stimulation.

LUCA BRUNO/ASSOCIATED PRESS

OLYMPIC MARATHON champion Eliud Kipchoge, top center, celebrated after a race, May 6, 2017.

Such eye-popping outcomes have turned heads in the elite sports world. The U.S. Olympic ski and snowboard team reported a 13% boost in propulsive force and an 11% boost in jump smoothness when their ski jumpers tested headphones delivering tDCS effects. Brothers Bryan and Taylor Fletcher, who lead the U.S. Nordic combined (ski jumping and cross-country skiing) contingent heading to Pyeongchang, have been particularly eager adopters.

The technique is perfectly legal according to current Olympic and international sporting rules and would be difficult to regulate anyway, since its use is impossible to detect. Still, some scientists in the field have raised questions about the ethics of brain stimulation in athletes, calling for further research on its long-term safety.

Not everyone wants to wire up their brains for mild shocks, of course, but that's hardly necessary to adjust your relationship with your apparent physical limits. There are simpler techniques. The crucial first step in all of them is to accept the idea that your perceived capacity for endurance doesn't always correspond to any particular physiological reality.

For me, that happened when I was an aspiring collegiate distance runner more than 20 years ago. At a low-key 1,500-meter race in Quebec, the timekeeper, struggling to translate from French to English on the fly, called out wildly misleading midrace split times to me. Convinced that I was running faster than ever before without trying harder, I was unshackled from my pre-race expectations and self-limitations. I improved my previous best time by nine seconds in a four-minute race, an unprecedented leap for me, after being stuck at the same level for four years.

Such deceptions work in the lab, too. Cyclists in a heat chamber can maintain a faster pace if the thermometer is rigged to show a falsely low temperature, according to a 2012 study in the European Journal of Applied Physiology by researchers at the University of Bedfordshire. Olympic runners, cyclists and triathletes now commonly swish a sports drink in their mouths and then spit it out in the late stages of races, a tactic tested in a 2004 University of Birmingham study in the journal Medicine & Science in Sports & Exercise. It boosts performance by tricking the brain into thinking that fuel is on the way, even when the stomach can't tolerate any more neon drinks.

Former Boston Marathon champion Amby Burfoot once described the "absolute, no-doubt-in-the-world best running workout you can do" as a series of all-out mile repeats where, after you think you're finished, your coach tells you to do one more at the same pace. The surprise? You can. Most of us don't have sadistic coaches, or indeed any coach at all, but this general approach—setting a tough but achievable finish line for yourself, and then raising your sights once you reach it—is a powerful way of pushing beyond what seems initially feasible.

There are limits to the power of deception, though. In a French study published last year in Medicine & Science in Sports & Exercise, cyclists raced against a virtual-reality avatar of their previous best performance. When the avatar was secretly sped up by 2%, the cyclists managed to go 2% faster, but when the avatars accelerated by 5%, the benefits disappeared. The mind can deliver incremental gains, not quantum leaps.

Perhaps the most powerful and widely applicable technique for changing how your brain interprets incoming signals is to train yourself with motivational self-talk. Whether you're conscious of it or not, you have an internal monologue running through your head during difficult tasks, and it has a measurable impact on how effortful you perceive those tasks to be. It is possible to channel that monologue in productive ways.

Many athletes consider such techniques a little hokey. My college track teammates and I laughed our way through the mandatory self-talk training we received from a well-meaning sports psychologist, figuring that if we honed our muscles and our maximum oxygen uptake sufficiently, we wouldn't need to worry about such flimflammery.

That's now one of my greatest competitive regrets, given the mounting evidence of self-talk's physiological impact. A 2016 study by Stephen Cheung, an environmental physiologist and avid cyclocross competitor at Brock University in Canada, gave cyclists two weeks of self-talk training before an all-out ride in a heat chamber at 95 degrees Fahrenheit. Replacing negative thoughts like "I'm boiling" with motivational statements such as "Keep pushing, you're doing well" boosted their time to exhaustion from eight minutes to over 11 minutes. Most tellingly, it allowed them to push their core temperatures half a degree higher, on average, before quitting.

In that slender half degree is the margin between perceived and actual limits—and, perhaps, between silver and gold in competition. Consider the closest (and wildest) finish at the last Winter Olympics in Sochi, a dead heat between Norway's Emil Hegle Svendsen and France's Martin Fourcade in the 15-kilometer biathlon. Both men notched identical times of 42 minutes, 29.1 seconds—but what's most remarkable is the frantic sprint that preceded this finish. If limits were a simple reflection of spent muscle fibers and a maxed-out heart, you'd expect the final stretch of a long and grueling race to be the slowest. Instead, it's often the fastest.

This isn't simply a question of pacing errors or cat-and-mouse racing tactics. A 2006 analysis by South African scientist Ross Tucker analyzed the pacing patterns of every men's world record in the 5,000- and 10,000-meter run in the modern era. Of the 66 races dating back the 1920s, the last kilometer was either the fastest or second-fastest in every case but one. The sight of the finish line—and the knowledge that you can soon stop—automatically reframes your brain's interpretation of your body's signals, and you discover that you're not quite out of juice after all.

None of this means that limits are "all in your head," or that you can simply choose to ignore your brain's diktats. But neither are those limits carved in stone. For the medal hopefuls in Pyeongchang, as for the rest of us, that's a truly empowering idea.

What drove Petra Majdič onward during that long, painful day of competition in Vancouver? "I thought that Slovenians need some message—that it's possible," she told herself. "At the end of that path, the goal will be reachable. And you will have suffered to do it, but it doesn't matter. You can do better."

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REVIEW

To the Moon, Mars and Beyond

SPACEX

THE FALCON HEAVY rocket built by Elon Musk's SpaceX (and named after the Millennium Falcon of Star Wars) awaits its first launch on the same pad at Cape Canaveral used by Apollo 11.

There is a new spirit of exploration, fueled by tech entrepreneurs, big plans at NASA and worries about the fate of the Earth.

BY MICHIO KAKU

A NEW COUNTDOWN has begun in space travel. The most powerful rocket since the Apollo moon missions stands ready for a test flight, scheduled for this Tuesday, on the same launchpad used by the NASA astronauts. It's a step toward putting humans back in lunar orbit, and still more ambitious plans are in the works. Last month, President Donald Trump signed a proclamation that commits the U.S. to a series of missions to the moon, then Mars and, as he said, "perhaps someday to many worlds beyond."

Nearly 50 years after the first moon landing in 1969, we're on the verge of a new golden age of exploration. But there are significant differences this time. The Falcon Heavy rocket now on the launchpad at Cape Canaveral has been privately built by Elon Musk's SpaceX. It is one of several commercial ventures working alongside NASA, which plans to launch its own giant moon rocket late next year. Returning to the moon is a first priority for all of these projects—but only as a steppingstone to interplanetary travel. It has suddenly become fashionable again to talk of reaching for the stars.

The SpaceX venture features Mr. Musk's usual showmanship. The rocket will, among other things, blast a cherry-red Tesla sports car into solar orbit. But the launch—assuming it actually takes place next week, after several years of delay—is also a serious business.

Mr. Musk has already shown the commercial viability of his smaller Falcon 9 rocket, which can land and be reused, like the U.S. space shuttle, making it much less expensive than other rockets. He is using the same strategy for the Falcon Heavy, which is essentially three Falcon 9s lashed together. SpaceX also has just sent one of its unmanned Dragon space capsules to the international space station and back for NASA, and is vying with Boeing starting in 2019 to launch NASA astronauts.

As for NASA, it plans to test its taller, more powerful new rocket, the 212-foot Space Launch System, as soon as December 2019. The SLS is close to the size, profile and power of the Saturn V rocket used in the Apollo missions. Its first launch will send an unmanned Orion space capsule into orbit around the moon. If things go smoothly—a big "if," considering the many delays since the program's start early this decade—the SLS could take four astronauts to an orbit around the moon in 2022. The SLS may cost as much as a billion dollars per launch, whereas a reusable Falcon Heavy could cost a 10th of that.

Will humans live on Mars in a few decades?

NASA then plans to construct a space station orbiting the moon, dubbed the Deep Space Gateway. Current plans call for four SLS missions to build it by 2026, with the help of Russia, Japan, the European Union and Canada for key components. Mr. Musk recently added the idea of a station sited on the moon to his own plans, though he provided little detail beyond calling it "Moon Base Alpha."

NASA intends to use its station as a base for building a rocket bound for Mars and possibly for the belt of asteroids that orbit the sun between Mars and Jupiter. The spacecraft planned for the journey employs huge solar panels to generate power for its ion-thrust engines, technology that works only in the vacuum of space. Labeled the Deep Space Transport, its first two-year round trip is slated sometime after 2033.

SpaceX calls its version the Interplanetary Transport System, to be powered by an even bigger rocket that Mr. Musk calls the BFR (with "F" standing for just what you think). As he imagines it, the ship would carry a small colonizing force of dozens of people, who would make fuel for the return trip by synthesizing materials found on Mars.

The cost of rocket technology has dropped dramatically since the Apollo missions of the 1960s consumed some 5% of the federal budget. More players, both public and private, now have the financial and technical resources to join the nascent space race.

India sent a probe to Mars in 2014. China plans to send astronauts to the moon and unmanned probes to Mars, followed by a manned mission. Amazon's Jeff Bezos is funding his own space port in Texas for his Blue Origin project, which has successfully reused its "New Shepard" rocket for suborbital flights, on which it intends to take passengers. Google co-founder Larry Page and other Silicon Valley billionaires have formed a company called Planetary Resources to explore the commercial possibilities of landing on asteroids to mine for rare elements used in electronics.

The stated goal of the U.S. Mars program is to create a permanent base there. That is difficult to imagine in the planet's harsh environment, which was depicted with such stark realism in the 2015 film "The Martian."

But there are possibilities on the planet for making bases more viable. Mars explorers could use natural lava tubes in extinct volcanoes to create an underground base shielded against harmful radiation. Underground deposits of ice discovered in recent years could be used for drinking water and to provide oxygen for breathing, as well as hydrogen for rocket fuel. In theory, astronauts could eventually establish agricultural stations to create a self-sustaining colony, using genetically modified plants that could thrive in a cold environment rich in carbon dioxide.

A new spirit of exploration and discovery is certainly part of the push for this new space age, but concerns about the future of the Earth are also a motive. There is a growing realization that life on the planet is extremely fragile, that killer asteroids, super volcanoes and ice ages have nearly extinguished life in the past, and that climate change may spin out of control. Even if the Earth remains habitable, we know that one day the sun itself will expire.

So the choice ultimately will be simple: Colonize outer space, or perish. We need an insurance policy, a backup plan. The dinosaurs didn't have a space program. We may need ours to evade their fate.

Dr. Kaku is a professor of physics at the City University of New York. His new book, "The Future of Humanity: Terraforming Mars, Interstellar Travel, Immortality and Our Destiny Beyond Earth," will be published on Feb. 20 by Doubleday.

DON'T OVERDISCUSS YOUR TEEN'S PROBLEMS

BY JENNIFER BREHENY WALLACE

WHEN THE MEAN GIRLS (or boys) strike at school, many parents naturally want to ask about every last detail—and then they continue to check in to see how the situation is going. A growing body of research suggests, however, that dwelling on such problems can do a child more harm than good.

Talking through a child's troubles is healthy in moderation. But when children routinely engage in what psychologists call "co-rumination"—excessively rehashing and speculating about problems with a parent or a friend—it can amplify stress, impair judgment and increase the risk of developing anxiety and depression.

Co-rumination involves continuously repeating details or feelings about a situation, or discussing it again even when no new information is being introduced, says Amanda Rose, a psychology professor at the University of Missouri, who developed the concept in a 2002 journal article. "Parents who co-ruminate with their children are on the right path in building warmth and closeness in their relationships," she says. "They just need to learn to stop some conversations sooner."

Teenage girls, in particular, are prone to co-ruminate: Why didn't she invite me to her party? Is he about to break up with me? Adolescents often pick up this unhealthy pattern from well-meaning parents.

Parents should avoid 'interviewing for pain.'

In a 2013 study published in the Journal of Adolescence, Dr. Rose and her colleague Erika Waller surveyed 400 students in fifth, eighth and 11th grades and found that adolescents who co-ruminated with their mothers were more likely to exhibit symptoms of anxiety and depression and more likely to co-ruminate with their own friends.

Parents sometimes keep a negative situation alive by continually bringing up a painful topic long after their child has worked it through, says Arlington, Mass.-based psychologist Michael Thompson, co-author of "Best Friends, Worst Enemies." If your child has a fight with a peer, he says, resist the urge to ask lots of probing questions day after day, like "Did he tease you again?"

JULIETTE BORDA

"Interviewing for pain does your child a disservice" by focusing on the negative, says Dr. Thompson. Instead, he suggests, listen and respond with empathy, saying such things as, "I'm so sorry you have to deal with that mean behavior." Then "refocus the conversation from being a victim to how they'll empower themselves, such as 'So, how do you think you're going to handle this?' "

Fixating on the dark side can make problems seem bigger and more serious than they are. That may lead adolescents to behave in ways that can make a difficult situation even worse, according to a study published last year in the Journal of Abnormal Child Psychology. Researchers surveyed 628 seventh and 10th graders and asked about depressive symptoms (such as sadness or feeling blue), experiences of stress (with peers or in romantic relationships) and co-rumination with a best friend (how frequently they rehashed problems or dwelled on negative feelings.)

"Nine months later, we assessed these adolescents again and found that those who co-ruminated with a best friend and felt even just a little sad reported having even more problems with peers months later," says lead author Dr. Rose. Instead of letting a problem go, co-rumination may cause adolescents to act in counterproductive ways, such as continuing to ask a friend about being left out of an activity, which then generates even more stress.

Dr. Rose says that one of the most effective ways for parents to break the habit is to be aware that you're doing it. When conversations turn circular, suggest a walk or something else to distract. Share the research on co-rumination with your teen, she says, and be explicit about why you're changing the subject: "It's not that I don't care. It's that I want you to feel good, not stuck thinking about the negative." Encourage your teen to do the same with friends.

"We live in a society that associates 'more' with 'better,' " adds Dr. Rose. "When it comes to parenting, 'more' isn't always better. In fact, it can often backfire."

Ms. Wallace is a freelance writer in New York.

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WORD ON THE STREET: BEN ZIMMER

'No There There' Is Everywhere

HOW DO YOU DIMINISH a claim as insubstantial or meritless these days? One popular turn of phrase—now bordering on a cliché—borrows from the writer Gertrude Stein: "There is no there there."

The seemingly paradoxical expression has been popping up all over the political landscape. Last week, a federal judge threw out several charges of bribery against New Jersey Sen. Bob Menendez, saying, "There is no there there." (The Justice Department decided to abandon the case against Mr. Menendez after the ruling.)

In one of the recently revealed text messages written by Peter Strzok, a Federal Bureau of Investigation agent who was removed last year from Robert Mueller's team investigating the Trump-Russia scandal, Mr. Strzok confided about the investigation, "My gut sense and concern is there's no big there there."

And a controversial secret memo from Republicans on the House Judiciary Committee, alleging improper surveillance of a former Trump campaign adviser, has received the "no there there" treatment from two different Democratic senators. Both Virginia Sen. Mark Warner and Illinois Sen. Dick Durbin have used the phrase to discount the memo's findings.

Consider it a more poetic alternative to the "nothingburger," which I wrote about last March. But why is everyone paraphrasing a literary quotation that is more than 80 years old?

The saying goes back to a comment that Stein made about her childhood home in Oakland, Calif. In her 1937 book, "Everybody's Autobiography," she reflected on discovering that her family's house had been torn down to make way for an office park.

In her typical stream-of-consciousness style, Stein wrote, "What was the use of my having come from Oakland it was not natural to have come from there yes write about if I like or anything if I like but not there, there is no there there."

For a few decades, Stein's "there is no there there" wasn't nearly as famous as another one of her repetitive formulations, "A rose is a rose is a rose" (or as she originally wrote it in a 1913 poem, "Rose is a rose is a rose is a rose," where the first "Rose" was a woman's name). In the 1960s, the "there" quotation began appearing in articles about cities like Los Angeles facing the challenges of urban sprawl.

By the 1972 presidential campaign, the saying had made the leap to politics. Frank Mankiewicz, an aide to George McGovern, used "There's no there there" when playing down McGovern's Democratic primary opponent Ed Muskie. And Arthur M. Schlesinger, Jr. quoted Stein in a 1974 article in Political Science Quarterly, describing the perfunctory quality of the role of the U.S. vice president.

Author Gertrude Stein started it all.

Despite these political forays, Stein's words continue to be associated most firmly with cities that are seen as somehow soulless or lacking a distinctive identity. Understood that way, the quotation has become something of an albatross for Oakland, even though Stein wasn't disparaging the entire city.

A public sculpture on the border of Berkeley and Oakland, created by the artists Steve Gillman and Katherine Keefer, playfully combats the saying's popular interpretation. Upon entering Berkeley, the sculpture reads "HERE," while coming into Oakland it reads "THERE." As Ms. Keefer explained to me, the artists wanted to give Oakland the "there" Stein said was missing.

Answers to the News Quiz on page C13:

1.D, 2.D, 3.C, 4.A, 5.A, 6.C, 7.B, 8.B

BETTMANN ARCHIVE/GETTY IMAGES

MARIE CURIE, left, 'had no time to give to friendship or to love,' wrote her daughter Eve.

Why Women Are Rarely Serial Innovators

A single-minded life of invention is hard to combine with family obligations. One solution: 'nonlinear' careers.

BY MELISSA SCHILLING

IT'S 6 A.M., and I'm rushing around my apartment getting ready to fly to California to teach an innovation workshop, when my 10-year-old son looks at me with sad eyes and asks, "Why are you always busy?" My heart pounds, and that familiar knife of guilt and pain twists in my stomach. Then a thought flickers through my head: Does Jeff Bezos go through this?

I recently finished writing a book about innovators who achieved multiple breakthroughs in science and technology over the past two centuries. Of the eight individuals I wrote cases about, only one, Marie Curie, is a woman. I tried to find more, even though I knew in my scientist's heart that deliberately looking for women would bias my selection process. But I didn't find other women who met the criteria I had laid out at the beginning of the project.

I had hoped that Grace Hopper, a pioneer in computer programming language (and a U.S. Navy rear admiral), would make the cut, and I talk about her in the book. But in the end, it was hard to make the case that she was a serial inventor.

After studying Marie Curie and Grace Hopper, I know why there aren't more women on these lists, and there's no easy fix. The historical discrimination against women is only part of the story, and believe it or not, it's the easier part to fix. The other part is much deeper.

Marie Curie was a brilliant student and born scientist, drawn from her earliest days to her father's laboratory equipment. But in the 19th-century, universities in Poland did not admit women. In fact, most universities in Europe didn't. In 1891, she traveled to Paris to enroll in the Sorbonne—itself a brave, unconventional feat for a woman of that era—where she ultimately got a Ph.D. Even after her enormous scientific accomplishments were widely recognized, she was rejected for membership in the French Academy of Sciences and nearly denied a Nobel Prize—all because of her gender.

Grace Hopper loved math, and in 1934 she became the first woman to receive a doctorate in mathematics from Yale. But as she noted, "I wanted to be an engineer... But there was no place at all for women in engineering when I graduated in 1928." Instead she became a math professor at Vassar. After the Japanese bombed Pearl Harbor, she made the surprising choice to enlist in the Navy.

Because of her background, she was assigned to a project to develop a machine that could rapidly make difficult calculations for tasks such as laying minefields. After the war, she joined Eckert-Mauchly Computer Corp., where she made her breakthroughs in computer programming. Though women were not generally accepted in either science or business at that time, her military rank neutralized the gender discrimination she might otherwise have faced.

The life stories of Curie and Hopper illustrate just how much, until very recently, the odds were stacked against women becoming science and technology innovators. But they also teach us about the sacrifices necessary for their breakthrough achievements—and why such achievements still remain unusual for women.

Like Tesla and Kamen, Grace Hopper had no children.

Like all of the innovators I studied, Curie pursued science with an idealistic fervor. She worked extremely hard, more than once fainting at her lab bench. She and her husband Pierre had two daughters, but they relinquished most of the care of the girls to Pierre's father so that they could focus on their research.

Though Curie's daughters adored and respected her, they also pined for her attention and affection. As her daughter Eve would write in a biography of her mother: "Marie had no time to give to friendship or to love. She loved mathematics and physics." She adds later, "In all ages women who burn to become great painters or great musicians have disdained the norm, love and motherhood."

Like Nikola Tesla and Dean Kamen, Grace Hopper had no children. Thomas Edison had little interaction with his daughter until his very late years. Elon Musk, who has five young sons, works an estimated 80 to 100 hours a week. As he noted in an interview at South by Southwest in 2013: "What I find is I'm able to be with them and still be on email. I can be with them and still be working at the same time ... If I didn't, I wouldn't be able to get my job done."

The politically correct thing to say at this point is that expanding the roster of future innovators to include more women will require certain obvious changes in how we handle family life: Men and women should have more equal child-care responsibilities, and businesses (or governments) should make affordable, quality child care more accessible. But I don't think it is as simple as that.

In my own case, I can afford more child care, but I don't want to relinquish more of my caregiving to others. From the moment I first gave birth, I felt a deep, primal need to hold my children, nurture them and meet their needs. Nature is extremely clever, and she has crafted an intoxicating cocktail of oxytocin and other neurochemicals to rivet the attention of parents on their children.

The research on whether this response is stronger for mothers than for fathers is inconclusive. It is tough to compare the two, because there are strong gender differences in how hormones work. Historically, however, women have taken on a larger share of the caregiving responsibilities for children, and many (myself included) would not have it any other way.

Is such a view hopelessly retrograde, a rejection of hard-won feminist achievements? I don't think so.

The need to connect with our children does not prevent women from being successful. There are many extremely successful women with very close relationships with their children. But it might get in the way of having the almost maniacal focus that the most famous serial breakthrough innovators exhibit.

I'm no Marie Curie, but I do have obsessive tendencies. If I did not have a family, I would routinely work until 4 a.m. if I had an interesting problem to chase down. But now I have children, and so at 5 p.m., I need to dial it back and try to refocus my attention on things like homework and making dinner. I cannot single-mindedly focus on my work; part of my mind must belong to the children.

This doesn't mean that mothers cannot be important innovators, but it might mean that their careers play out differently. Their years of intense focus might start later, or they might ebb and surge over time. The more we can do to enable people to have nonlinear career paths, the more we will increase innovation among women—and productivity more generally.

For every Marie Curie who defied the odds of her time, there were undoubtedly many more women with ideas they were unable to act upon. There were women who could not gain access to the education they needed or wanted, women who had education but felt constrained from pursuing their ambitions, and women who paused their careers to raise families and never found a way back onto their career path.

Just imagine what we may have missed—and how we might be able to change that now.

CYNTHIA JOHNSON/THE LIFE IMAGES COLLECTION/GETTY IMAGES

GRACE HOPPER, photographed in her office in 1984.

Prof. Schilling teaches management at New York University's Stern School of Business. Her new book is "Quirky: The Remarkable Story of the Traits, Foibles and Genius of Breakthrough Innovators Who Changed the World," which will be published on Feb. 13 by Public Affairs.

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REMEMBERING JUSTICE SCALIA **C6** | OUR OBSESSION WITH TIME **C7** | TOM YAWKEY OF THE RED SOX **C9** | BEST SELLERS **C10**

BOOKS

THE WALL STREET JOURNAL.

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The Open Wound

An anthology of period writings gives voice to the Reconstruction era's hopes, fears and dashed ideals

Reconstruction
Edited by Brooks D. Simpson
Library of America, 778 pages, $40

BY ALLEN C. GUELZO

LIBRARY OF CONGRESS

AFTERMATH A railroad depot in Richmond, Va., the fallen capital of the Confederacy, ca. April-June 1865.

DURING THE 12 YEARS that we identify as the era of Reconstruction—from 1865 to 1877—the American nation struggled up from the wreckage of the Civil War and tried to re-attach the 11 Southern states that had bloodily amputated themselves to form the Confederate States of America. At the time, there were not many how-to models for such an effort.

Civil wars are always the most protracted and embittering of human conflicts. In most cases, postwar reconstructions are consumed by waves of executions and decades of simmering unrest. After the American Civil War, the challenge was made even more daunting by the brutal assassination of Abraham Lincoln—just at the moment when he was about to embark on the hard work of, as he put it, binding up the nation's wounds. That work was made yet harder by the uncertainty surrounding the future of the 3.9 million slaves whose emancipation had become the great issue of the war.

Brooks Simpson's "Reconstruction: Voices From America's First Great Struggle for Racial Equality" offers up speeches, letters, political commentary and other writings from the period to capture its conflicts, aspirations and lost ideals. The anthology is the 303rd volume to appear from the Library of America, a publishing project that is mostly devoted to America's literary legacy—the work of novelists, poets, memoirists and journalists—but that includes volumes documenting notable historical eras as well.

Mr. Simpson's road to creating a volume of Reconstruction-era documents with some literary merit is a stony one. Eloquence is often in short supply when political urgency is the order of the day. Moreover, the era's historians—and Mr. Simpson's own books on Ulysses Grant and other Reconstruction presidents put him in the first rank—are bedeviled by a no-win choice of focus. Should the center of attention be Washington, where policy was made and where so many political battles were fought? Or should the focus be on the Southern states, where the freedpeople of the 1860s and '70s demanded an equal place in public life with their former white masters? The anthology's subtitle—"Voices From America's First Great Struggle for Racial Equality"—serves notice that the second of those stories, the Southern one, will be given as much attention as possible, although Washington nevertheless manages to divert large portions of the book's attention to itself.

Mr. Simpson divides the era into four large sections or periods: (a) 1865-66, when Andrew Johnson stepped into Lincoln's shoes and tried single-handedly to glue the Confederate states back into the Union with little or no penalty for their rebellion; (b) 1866-69, when Congress, controlled by Republicans, imposed its own formulas for Southern readmission; (c) 1869-73, when Grant added to the congressional effort with his own strictures; and (d) 1873-77, when the whole Reconstruction effort collapsed in ignominy.

The first document in the anthology is from no less than Frederick Douglass, whose optimistic speech in January 1865 was titled "What the Black Man Wants." Douglass's answer was, simply: to be left alone. "The American people have always been anxious to know what they shall do with us. . . . I have had but one answer from the beginning. Do nothing with us! Your doing with us has already played the mischief with us. Do nothing with us! If the apples will not remain on the tree of their own strength . . . let them fall!"

The balance of the anthology can be seen as one long, exasperated illustration of how that advice was ignored. Former Confederates had no intention of leaving the freedpeople alone, because Southern wealth and white supremacy depended on keeping African-Americans in an economic condition as close to slavery as possible. At the same time, infuriated anti-slavery Northerners, led by Charles Sumner and Thaddeus Stevens in Congress, made it clear that they had not fought the Civil War merely to obtain some minor readjustments of Southern society, and the freedpeople became their proxies in a war to bury forever an anti-republican and anti-capitalist slaveholding elite. Hence the advice that Mr. Simpson quotes from the Springfield Republican, a Massachusetts newspaper, five days after Lincoln's death: "We must govern the entire South by satraps and armies for an entire generation."

Of course, reconstruction-by-satrap required political action in Washington, and the second section of "Reconstruction" is taken up with reports, speeches, letters and articles on the constitutional crisis over executive and legislative authority—with Sumner and Stevens on one side and President Johnson on the other. The section culminates in Johnson's impeachment in 1868, when he was tried by the Senate for the "high crime" of dismissing certain office-holders in defiance of the Tenure of Office Act, though he was ultimately acquitted. It is not until the anthology's third section, on the first Grant administration of 1869-73, that Mr. Simpson angles the reader's attention back to the racial controversies in the South, and even then the shift is mostly limited to Grant's surprisingly successful attempts to suppress the Ku Klux Klan.

> The tragic story of America's first great struggle for racial equality, told by those who lived it.

In the book's last section, attention is split between the debates on the floor of Congress over Sumner's posthumous 1875 Civil Rights Act and testimony describing the white-supremacist massacres in Colfax, La., Hinds County, Miss., and Hamburg, S.C., which claimed, all told, more than 200 black lives. These violent episodes were the prelude to unashamed campaigns of black voter intimidation that, in the 1876 elections, brought about a constitutional crisis over who, exactly, had been elected president.

For four months after the November 1876 ballot, the nation dangled in agony until a congressional tribunal handed the victory to a temporizing Republican, Rutherford B. Hayes (and denied it to Samuel Tilden, who had won the popular vote though not indisputably the vote in the Electoral College). The price that Hayes paid for his election was acquiescence in a scheme to remove Washington from the governance of the Southern states and from the enforcement of civil-rights law. With that, as Mr. Simpson shows by quoting a prediction from the St. Louis Globe Democrat, "the

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The 'Monster' Myth

Being Wagner
By Simon Callow
Vintage, 232 pages, $16.95

BY JOSEPH HOROWITZ

IN 1866, a Munich newspaper reported that Minna Wagner, the recently deceased wife of the composer Richard Wagner, had lived in "direst penury." She was reduced to accepting poor relief notwithstanding "momentary" support "on the part of her [estranged] husband." Never mind that a letter signed by Minna herself had stated that the voluntary annual allowance she received from her husband had permanently freed her from financial cares. The newspaper claimed—falsely—that the letter had been written for her in order to conceal the facts.

This instance of fake news was not a novel occurrence in Wagner's harried life. And 135 years after his death he is harried still by the mandatory cartoon that makes him a "monster."

There are three basic sources for depicting Wagner the man. First there are his operas, which remain as vital to the Western cultural canon as ever. Second there is his personal behavior, copiously recorded in letters and other written accounts. Third there are his essays, notoriously including the egregiously anti-Semitic "Judaism in Music" of 1850. Though any portrait of Wagner that begins with the essays will necessarily be prejudiced against him, this is a typical route. There are even influential writers on Wagner who disdain considering the operas altogether.

As it happens, the operas are saturated with complex self-portraiture, and a governing motif is *Mitleid*—compassion. Like it or not, Wagner's characters specialize in empathetic comprehension. And any perusal of Wagner's more than 12,000 letters will confirm that this humane aptitude was not foreign to Wagner the man. His many heart-breaking letters to Minna document astute, guilt-ridden understanding of their failed marriage, an understanding that impelled him to generously support an unhappy and unpleasant woman even when his own financial resources were nearly barren.

> More than a century after his death, Wagner is widely caricatured as repellant and unredeemable.

And Wagner was uncommonly rich in friendships. According to the monster cartoon, these friendships were all fundamentally exploitative. But consider the impresario Angelo Neumann, who left a book-length account of his eventful personal and professional relationship with the composer. Why was Neumann so dedicated to Wagner? Because he recognized his genius. Because Wagner's prickly company was galvanizing. And because Wagner's torrent of human feeling was endearing. Neumann, by the way, was Jewish.

The Wagner literature disposes of Neumann, Hermann Levi and other Jews in the Wagner orbit as studies in self-hatred. Such an approach is patronizing and obtuse. A fairer question is why Wagner wrote and spoke such intolerable nonsense about Jews. Reasons of a sort may be adduced. But the simple fact is that his evil anti-Semitism does not align with his actual behavior. That behavior is often elusive because Wagner was a consummate actor. He wore many faces. Was he a master imposter, or was he (as his letters suggest) helplessly inhabited by a repertoire of demonic personae?

That the actor and author Simon Callow should be enticed by such a figure is only natural. His own distinguished career includes one-man shows aimed at illuminating Jesus, Shakespeare, Dickens, Oscar Wilde—and Wagner. He has now turned his Wagner performance into a reckless little book that stylishly recycles the standard monster caricature.

In "Being Wagner," Mr. Callow writes early on that his main source was the composer's "own words, in his copious published writings. . . . Above all, I found that my most sustained sense of the man came from a book I had somewhat dreaded reading—his two-volume autobiography, *My Life*." Mr. Callow's surprise that the book "turned out to be as vivacious and candid as the greatest artists' autobiographies" says it all. Everything endearing about Wagner—including the "surprisingly punctilious" pension he paid to Minna—strikes Mr. Callow as uncharacteristic. He is himself a victim of the monster myth, which he inserts as a corrective whenever his Wagner portrait turns too pleasant.

GETTY IMAGES

LOVE POTION Isolde, depicted by Aubrey Beardsley.

In particular, Mr. Callow is seduced by the ironic panache of Wagner's self-descriptions, the most memorable of which are nearly Dostoyevskian exercises in hilarious self-humiliation. Mr. Callow's compression of these stories—their merciless expansiveness is itself comedic—does not do them justice. A greater injustice is that the derisive tone Wagner applies to himself turns patronizing when applied to Wagner by another, lesser writer.

That Mr. Callow's breezy portrait of Wagner is disrespectful will not be noticed by readers brainwashed by the monster cartoon. A small minority will think twice and recognize that Mr. Callow is glibly passing judgment on a supreme psychologist whose distressing and self-distressing gift was to peer more profoundly into the

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'The main business of a lawyer is to take the romance, the mystery, the irony, the ambiguity out of everything he touches.' —Antonin Scalia

POLITICS: BARTON SWAIM

Pen Portraits and Table Talk

BY MY RECKONING, when Associate Justice Antonin Scalia died two years ago, he was the most famous member of the Supreme Court. His fame, remarkably, has only increased since then. With the exceptions of justices famous for historical reasons—Thurgood Marshall, Sandra Day O'Connor—judges are ordinarily forgotten by everybody but law-school students. Exceptions are rare: Louis Brandeis, Oliver Wendell Holmes Jr. It's too early to know if Scalia is one of those exceptions, but it feels that way.

His name was at the center of the 2016 presidential election, during which many wavering Republicans were persuaded to pull the lever for Donald Trump by his promise to nominate a judge with accomplishments and an outlook similar to Scalia's. George Mason University's law school already bears Scalia's name. And a collection of his speeches, **"Scalia Speaks" (Crown Forum, 420 pages, $30)**, published last October, was a best seller. Name another collection of speeches by anybody, never mind a judge, that sold even moderately well. (Certainly not Barack Obama's, also published last year.) His New York bluntness, his good-natured pugnacity and wit, his strident conservatism yet close friendships with liberals like Ruth Bader Ginsburg, and of course his ferocious intelligence make his the sort of persona that almost demands to be written about. So it's not surprising that a writer who knew and worked with the justice for several years should want to write about him.

Bryan Garner is widely known as an authority on both legal writing and English usage: His guide to modern English usage, now in its fourth edition, is a masterpiece of its kind. Scalia, a punctilious writer, first noticed the book when he read a review of it by David Foster Wallace. Scalia later co-authored two books with Mr. Garner, "Making Your Case" (2008) and "Reading Law" (2012). There are thus moments of pleasure in **"Nino and Me: My Unusual Friendship With Justice Antonin Scalia" (Threshold, 364 pages, $28)**, as when Scalia and Mr. Garner argue about the propriety of contractions ("can't" for "cannot" and so on). Mr. Garner contends that contractions enhance readability; Scalia thinks them vulgar in formal writing. Mr. Garner sends the justice a sentence from an opinion by a judge on the Tenth Circuit court of appeals, which reads: "Asking whether the officers might've, could've, or should've done more investigation before effecting an arrest is not the test." Scalia's reply: "Sounds godawful." That Tenth Circuit judge? Neil Gorsuch.

But charming moments like these are few in an otherwise long and tedious tale. "Nino and Me" is a strange book. Mr. Garner says he intended "to follow the example of Samuel Johnson's biographer, James Boswell, who insisted that his subject should 'be seen as he really was.' " He aims for a kind of Boswellian completeness, to be sure—there are long and detailed recollections of conversations and dinners and book signings and television interviews—but much of it seems to no purpose.

ALAMY

OFFICIAL PORTRAIT Nelson Shanks portrayed Justice Scalia alongside copies of the Federalist Papers and Webster's Second International Dictionary as well as a reproduction of Holbein's portrait of Thomas More.

Mr. Garner relays a great deal of his material through dialogue, and many of the conversations he recalls concern quotidian matters; the reason for their inclusion, one gathers, is that they happened. These long passages of pointless dialogue succeed in making Scalia the one thing he was not—boring. To quote one of many examples, this is from a breakfast meeting between Scalia, Mr. Garner and Mr. Garner's daughter:

> "You know, Caroline, I think breakfast is the most important meal of the day. It's my favorite. What do you think?"
>
> "I've never been big on breakfast," she said.
>
> "I just *love* breakfast. If I don't have it, I'm unhappy for the rest of the day. How about you, Bryan?"
>
> "Well, I know it's supposed to be an important meal, but I often write early in the morning, and I tend to get so caught up with it that I end up missing breakfast."
>
> "Hmm. I can't do without it."

The problem arises, I think, from Mr. Garner's decision to render his story in what appears to be chronological order. This is no way to write a memoir. A memoirist needs to interrupt his chronicle with topical discussions or reflective diversions. If he wishes to reveal some trait in a subject's character, say, he'll need to group experiences together to make the point, not mention them in the order in which they happened. Mr. Garner is a diarist, not a memoirist—but a diarist so enthralled by his favorite subject, Antonin Scalia, that he can't bring himself to exclude anything.

"Being precise doesn't mean compiling details; it means selecting details." So writes Michael Alley in his book "The Craft of Scientific Writing." I don't know who Michael Alley is, but the line is on page 179 of Mr. Garner's own book "The Winning Brief."

David M. Dorsen's **"The Unexpected Scalia: A Conservative Justice's Liberal Opinions" (Cambridge, 377 pages, $29.99)** is an impressive and engaging work of scholarship, even for a non-attorney like me. Mr. Dorsen was a friend and admirer of the late justice, but that fact should not, the author writes, lead the reader to suppose they "agreed on political and social issues," he writes. "We rarely did. I am liberal, nonoriginalist, and atheist. He most definitely was none of these."

That term "originalist" is at the heart of Scalia's judicial philosophy. He was an originalist and a textualist. Scalia felt that in order to interpret the constitution correctly, the judge must (a) consider the law's wording, its text, to be more important than tradition or precedent or what lawmakers who passed the law supposedly intended, and (b) what the text's language meant at the time of its passing. I find originalism and textualism persuasive, though of course they do not solve every interpretive problem.

Originalism contrasts with "purposivism," which holds that a judge should consider the law's purpose or intent. Scalia believed that the purposivist approach allows judges to rule any way they want. Does the 14th Amendment's "due process" clause, adopted in 1868, mandate same-sex marriage? Well, the purposivist judge says, we know that what the drafters of the amendment wanted to achieve was equality . . .

Purposivism is still dominant, but a generation of conservative originalists, all in one way or another influenced by Scalia, has persuasively challenged it. Surely the salient characteristic of originalism, though, is that it doesn't always yield the conservative result. It may often do so, but it leaves authority with the text, and the text may favor the liberal view. Mr. Dorsen has produced a detailed study of Scalia's thought and placed the emphasis on his tendency, guided by his originalist philosophy, to land on the "liberal" side (though "liberal" often means libertarian, as was the case with many of Scalia's decisions on law-enforcement disputes).

> Only a handful of justices have entered popular lore: Brandeis, Holmes—and now, perhaps, Scalia.

Mr. Dorsen discusses, for instance, *Arizona v. Hicks* (1987), Scalia's very first opinion for the high court. A police officer, called to the scene of a squalid apartment to investigate a shooting, noticed a stereo system of superior quality and suspected, then confirmed, that it had been stolen. He confiscated the stereo. But Scalia pointed out that the officer was in the apartment to investigate the shooting, not to search for any old thing that looked suspicious; the officer, Scalia held, had violated the man's Fourth Amendment right against "unreasonable searches and seizures." Mr. Dorsen only faults Scalia for not explicitly basing his decision on an 18th-century definition of the word "unreasonable"—a fair point.

The author relays the justice's thought lucidly, but his toughest criticism—that Scalia applied his originalism selectively, especially in his First Amendment decisions—doesn't always persuade. The Framers, he writes, "would not have recoiled at limited restrictions on campaign spending" since they "would have rebelled at a small minority of wealthy or aristocratic citizens being able to dominate access to the public." But of course the Founders *were* a small minority of wealthy or aristocratic citizens and they *did* "dominate access to the public," insofar as that phrase means anything.

Two years after his death, we have a liberal legal scholar testifying to Scalia's intellectual honesty and a conservative one testifying to his love of breakfast. This is the sort of treatment one imagines Holmes and Brandeis received after their deaths. Will Scalia be remembered alongside them? The thought is not unreasonable.

Was Wagner a Monster?

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human psyche than any of his contemporaries—a predicament that left him lonely, restless and insatiable.

The first singer to portray Tristan was Ludwig Schnorr von Carolsfeld, a prodigious artist whom Wagner regarded as a rare friend. He died suddenly, age 29, days after the premiere. Wagner confided to his diary: "I drove you to the abyss! I was used to standing there: my head does not swim. But I cannot see anyone else standing on the brink: that fills me with frantic sympathy." Anyone who thinks those words are hyperbolic does not know the existential void into which Tristan plunges.

Central to Wagner's identity was his unwavering recognition of the magnitude of his genius and the conditions for its proper cultivation. He was convinced that the world owed him a living. If he were to pursue conducting, or some other gainful employment, he could not compose. As a result, he was frequently impoverished and ill, vilified and derided. His enemies were real, powerful and numerous. Mr. Callow here discovers "a beady instinct for protecting his gift, his genius, and what fed it." He argues that when Wagner "sued for favours, he had two modes: one, grovelling, the other haughty." Wagner was himself the keenest analyst of his extreme instability. "What makes you see or wish to see a wise man in me? How can I be a wise man, I who am myself only when in a state of raving frenzy?" Mr. Callow cites this frank testimony to an intimate correspondent only to discover evidence of "the unrelenting soap opera" of Wagner's "emotional life."

Even in a book eschewing musical analysis, Mr. Callow is betrayed by his ignorance of music. Did Wagner retouch Beethoven's orchestration because "Beethoven had, in Wagner's view, got it wrong"? No, like many conductors afterward, he felt the need to accommodate changes in instruments since Beethoven's day. Did he create "the notion of the conductor as puppet master"? No, as he explained in his pamphlet "On Conducting," Wagner realized that a new kind of music—marshaling larger forces and pervasively flexing tempo and dynamics—required a new kind of proactive conductor. Did the tenor Albert Niemann trim the role of Tannhäuser because he figured "the sooner the inevitable catastrophe was over, the better"? No, Niemann (a supreme singing actor) felt that he could not sustain the opera's last act without abridging the second-act finale.

As for "Tannhäuser" itself, did it arise from "the compost heap" of Wagner's imagination? Is "Die Meistersinger" "everything Wagner said an opera shouldn't be"? Does the "Ring of the Nibelung" amount to "self-celebrating Teutonic tub-thumping"? Come on. Summarizing the affect of it all, Mr. Callow says that Wagner's audiences are impelled toward mass submission, not the state of active critical engagement provoked by Bertolt Brecht. Is he actually not aware that the "Ring" and "Tristan" have excited more intense critical commentary than the fading Brechtian corpus ever will?

GETTY IMAGES

GESAMTKUNSTWERKER Bust of Richard Wagner in Bayreuth, Germany.

The closest Mr. Callow comes to plausibly evoking Wagner the man is when he quotes those who admired him. Here, for instance, is the dramatist Édouard Schuré: "To look at him was to see turn by turn in the same visage the front face of Faust and the profile of Mephistopheles . . . one stood dazzled before that exuberant and protean nature, ardent, personal, excessive in everything, yet marvellously equilibrated by the predominance of a devouring intellect." And here, balancing the books, is Mr. Callow's follow-up: "Wagner had, it seemed, no inhibitions whatever, his qualities and defects on open display, to the delight of some and the deep repugnance of others."

Predictably, Mr. Callow more extensively considers "Judaism in Music" than any of the operas. He blithely clinches the Wagner-equals-the-Third Reich equation: "Hitler-like," Wagner spewed poison—"the notion of the Jews as a rotten part of the body politic which needed to be excised"—that was "enthusiastically taken up by the Nazis." In fact, whether a straight line runs from Wagner's brand of odious anti-Semitism to Hitler's murderous *Judenpolitik* is a necessary question long debated by historians, with no consensus in sight.

It is wholly understandable that the shadow of the Holocaust has for more than half a century blackened our view of Wagner the man. Someday a revisionist wave will surface. But not yet.

Mr. Horowitz's books include "Wagner Nights: An American History." His book-in-progress is "Understanding Wagner."

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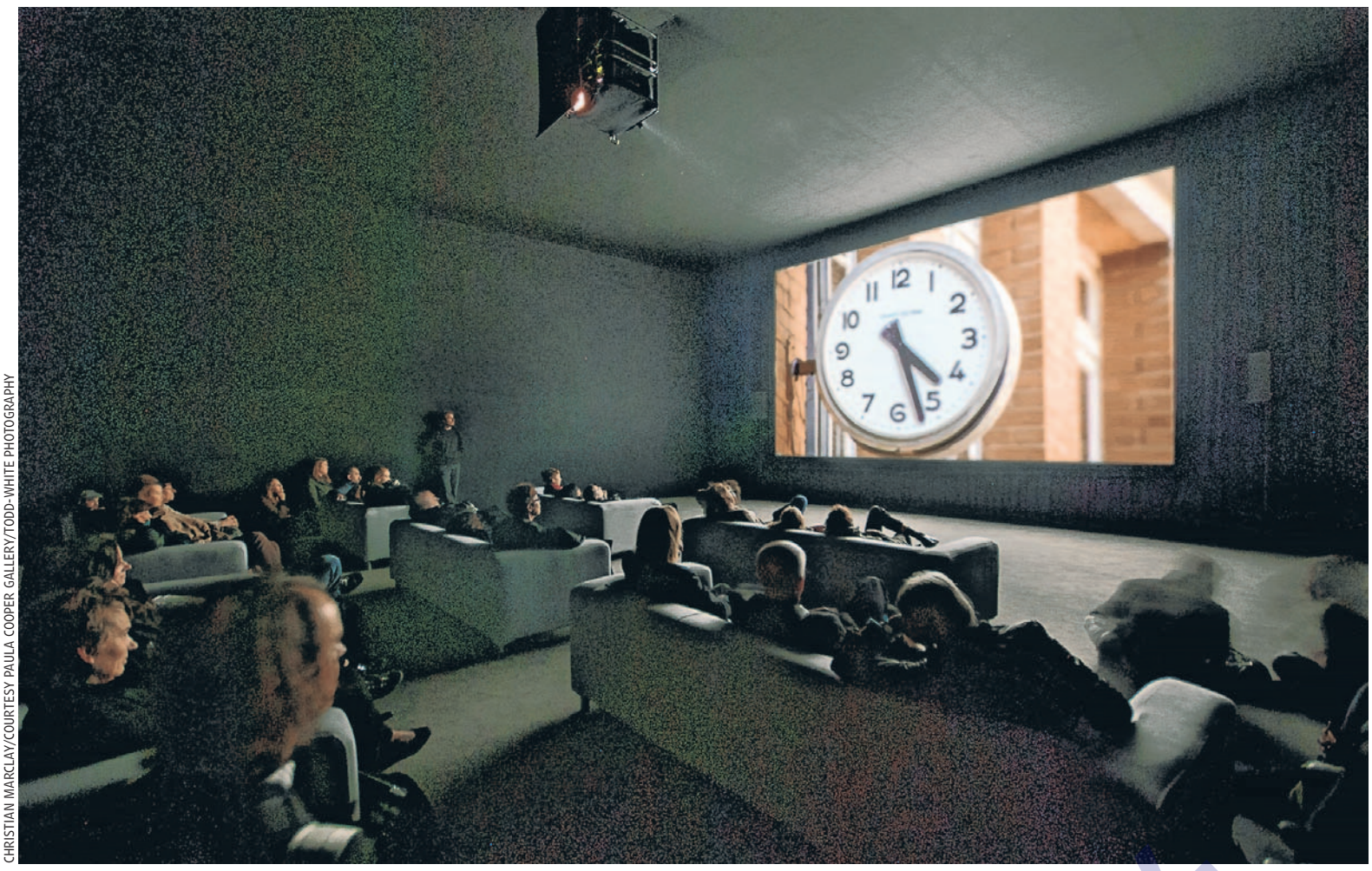
'Father said clocks slay time. He said time is dead as long as it is being clicked off by little wheels; only when the clock stops does time come to life.' —William Faulkner

We Can't Stop Watching the Clock

Timekeepers
By Simon Garfield
Canongate, 349 pages, $25

BY SAM KEAN



CHRISTIAN MARCLAY/COURTESY PAULA COOPER GALLERY/TODD-WHITE PHOTOGRAPHY

TIME PIECE A rapt audience takes in Christian Marclay's 'The Clock' (2010), a 24-hour-long film whose subject is the passing of time and that is itself a clock.

HOW OFTEN DO YOU check the clock? If you're like most people, probably every few minutes. But why? Based on that frequency, you'd think we find the act intensely pleasurable. In reality, the opposite is true. Time always seems to be dragging along excruciatingly slowly—or else rushing by, reminding us that we're behind schedule (again). Our preoccupation with time induces anxiety, even dread, yet we can't shake it. What gives?

dissects this conundrum in his delightful "Timekeepers." Unlike most books on time, it's not scientific or philosophical; he has no interest in whether time is really an illusion or whether it existed before the Big Bang. Instead, he focuses on how human beings actually experience time. "This is a book about our obsession with time and our desire to measure it, control it, sell it, film it, perform it, immortalise it and make it meaningful," he writes.

That sounds serious, but Mr. Garfield, a British journalist and author, maintains a light tone throughout. He promises, for example, never to "scold us for our fast living." Rather, "the book has but two simple intentions: to tell some illuminating stories, and to ask whether we have all gone completely nuts." And, boy, have we.

"Timekeepers" begins *in medias res*, with a bicycle crash and nasty spill. A woman stepped out unexpectedly in front of Mr. Garfield on a path one day, and as often happens during accidents, time seemed to slow down considerably as he flew over his handlebars. But what really intrigued him were the empty days at the hospital, when he started reading and watching movies and noticed the same motif in every one: "Every plot was time-sensitive or time-dependent, and everything that wasn't set in an imaginary time was history."

This led him to wonder how the human relationship to time has changed over the centuries. Different chapters touch on the Slow Food movement; wrist watches in space; Strom Thurmond's 24-hour-18-minute filibuster against the Civil Rights Act of 1957; the chaos unleashed at airports world-wide by the addition of a "leap second" in 2012; and the plight of Roger Bannister, who ran history's first four-minute mile in 1954 and has spent the following 60-plus years having to talk about it over and over, despite his exemplary achievements as a physician and researcher.

One common motif of these stories is pace, especially the acceleration of modern life. During one scene, Mr. Garfield joins a car-assembly line at a Mini factory in England, and he can hardly believe how harried the work is: The average employee can bolt the rear subframe on in 68 seconds; Mr. Garfield requires eight minutes. ("Not the worst," his supervisor comments.) This failure leads to a discussion of the "scientific" management practices of Frederick Winslow Taylor, which debuted in the early 1900s. Taylorism broke down factory workers' jobs into discrete steps that could then be optimized for speed and efficiency—and in doing so, tended to break down workers' spirits as well, since it rendered them little more than cogs in a capitalist machine.

Eventually the spirit of Taylorism infiltrated the rest of the workforce too, with baleful results. Mr. Garfield quotes Taylor's biographer saying that Taylor "bequeathed a clockwork world of tasks timed to the hundredth of the minute. He helped instill in us the fierce, unholy obsession with time, order, productivity, and efficiency that marks our age. Foreign visitors to America often remark on the rushed, breathless quality of our lives."

Surprisingly, though, the acceleration of modern life isn't inevitable, at least outside the office. One chapter in "Timekeepers" covers a lively debate among scholars today over the proper tempo for Beethoven's symphonies, including the Ninth. If one follows Beethoven's own annotations, almost no one alive has heard the symphonies played at the pace he intended—breakneck fast. These pieces are in fact one of the few things in Mr. Garfield's book that have slowed down over the centuries.

Pacing also played a surprising role in early cinema. Movies nowadays have fixed durations, but that wasn't true in the olden days of hand-cranked reels: Individual scenes could run faster or slower depending on the whims of the projectionist. Should we linger over a kiss or rush past it? Is that plot twist a snap surprise or a slow, dawning realization? "For certain moments," Mr. Garfield writes, "the man in the box behind you at the Odeon became as central to the creative process as a film's director or stars."

Inevitably, Mr. Garfield focuses heavily on clocks. He's something of a watch geek and spends one chapter bungling about in a fancy Swiss factory trying to build one by hand. He later discusses the Doomsday Clock made famous during the Cold War, which estimated how many minutes we had until the "midnight" of nuclear destruction. ("Has there ever been a more useful metaphor for doom?") But despite his love of clocks, he recognizes how much they've invaded our lives: "Time, once passive, is now aggressive. It dominates our lives in ways that the earliest clockmakers would have surely found unbearable." (For all his desire to avoid philosophizing, the nature of time seems to lend itself to making grand statements.)

> The 'Taylorism' of early factories created a fierce, lasting cultural obsession with order and efficiency.

It's not just our mental health that suffers, either. High-frequency stock trading is a form of computer-driven investment where "tiny [i.e., millisecond] increments of advantage or delay . . . [mean] the difference between helipad profit and suicidal loss." We got a glimpse of the latter in May 2010 when "barmy" trading programs started dumping stocks and the U.S. market declined a trillion dollars in seven minutes. Other "flash crashes" unfolded over just seconds, all because of screwy algorithms.

This development calls to mind the so-called Singularity, a scenario in artificial intelligence in which, some researchers predict, computers will get so fast and so smart that humans will simply not be able to keep up. Indeed, the flash crashes may have already provided a glimpse of this. "Even the most schooled trader at, say, Goldman Sachs," Mr. Garfield notes, "couldn't offer a plausible (or at least a public) explanation of what had happened, or how to prevent it happening again, because it all just happened too fast."

"Timekeepers" has a few collar-tightening moments like that, but only a few. Despite the hectic pace of life—what Mr. Garfield calls, in an arresting pun, "our brief dash—that hyphen between the dates on our gravestones"—he clearly enjoys his time down here, the occasional bike wreck or harried week notwithstanding. And if you do need a cure for your horological blues, he can help you there, too. "Telling stories," he writes, "is the best way of marking the passage of time that we know. Stories are also the best way of making *sense* of time, and we have been using them to navigate our way long before time was a studied discipline." "Timekeepers" is a fine addition to that tradition—both in clarifying what time means to us now and in supplying some good stories of its own.

Mr. Kean's most recent book is "Caesar's Last Breath: Decoding the Secrets of the Air Around Us."

Voices From the Reconstruction Era

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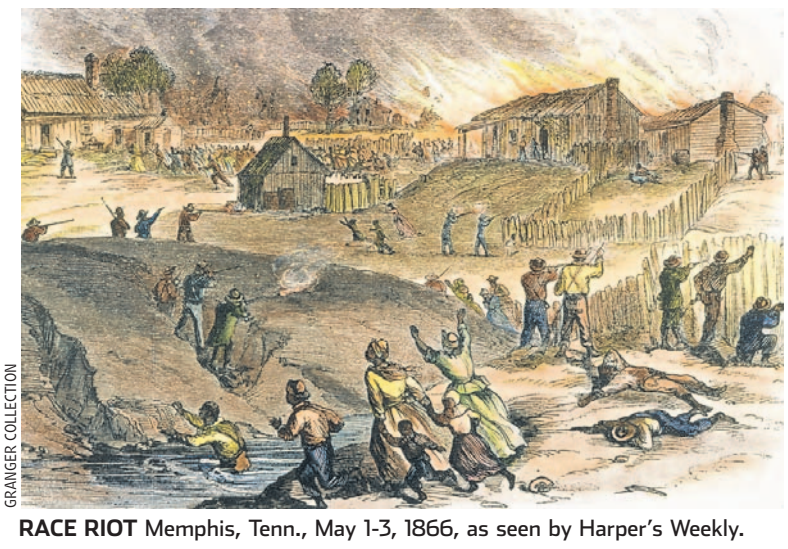
last vestige of Federal interference in local politics [in the South] will probably disappear in a few days."

"Reconstruction" conveys the struggle for racial equality better than many other anthologies documenting the era. Edward McPherson's "The Political History of the United States of America During the Period of Reconstruction" (which went through several editions in the 1870s) is a meticulous compilation of political statements, speeches, bills, convention resolutions and statistical tables, but black voices are hardly more than a whisper in its 648 eye-squint pages. Walter Lynwood Fleming's two-volume "Documentary History of Reconstruction" (1907) is more comprehensive than Mr. Simpson's volume, but it is also unashamedly sympathetic to Southern whites and the downfall of Reconstruction. Harold Hyman's "The Radical Republicans and Reconstruction, 1861-1870" (1967) is superb in its documentary coverage of equality legislation, but it contains only one African-American (Douglass) and ends quixotically with the Force Acts of 1870-71, which were designed to facilitate prosecution of the Klan. Only John David Smith's "A Just and Lasting Peace: A Documentary History of Reconstruction" (2013) offers a wider sampling of African-American writing.

Mr. Simpson works diligently at giving a megaphone to black voices. We read excerpts from black testimony during the 1865-66 hearings held by Congress's Joint Committee on Reconstruction, as well as samplings from the petitions and resolutions of various conventions of "Colored Men," most of which called for voting rights and freedom to negotiate labor contracts. And there are the black accounts given to investigating committees in the wake of Ku Klux Klan violence. But Mr. Simpson has to labor under the expectation that these voices will also serve the Library of America's injunction (as he notes in the introduction) to be "about Americans and their language," which means that work-a-day materials are often absent.



GRANGER COLLECTION

RACE RIOT Memphis, Tenn., May 1-3, 1866, as seen by Harper's Weekly.

There is, for instance, only one major document concerning the Freedmen's Bureau, which oversaw economic assistance to the freed-people, and no excerpts from the most obnoxious effort of the defeated Confederate states to keep free blacks in near-slavery, the notorious "Black Codes" of 1865 and 1866. These codes imposed penalties for so-called vagrancy (in effect, a charge leveled at a black man who refused the terms of a labor contract); excluded blacks from voting, jury service and public office; and even forbade the ownership of guns and knives. The Colfax Massacre of 1873 is described through the words of the committee that interviewed its survivors, but its disastrous sequel—the Supreme Court's decision in *U.S. v. Cruikshank*—never appears as a stand-alone document. In that case, the court decided that it had no civil-rights jurisdiction in the massacre since the murders were the actions of private citizens and not the state of Louisiana or the federal government. Alas, other court decisions from the Reconstruction era did as much as the Ku Klux Klan to undermine the campaign for civil equality. One wishes that there had been room in the anthology to sample from them.

On the perfect Reconstruction wish list there would be examples of African-American political and educational organization and economic agency, not to mention the emergence of autonomous black churches. There might also be documents recording black-on-black political rivalries—for example, the conflict between Douglass and Martin Delany, a black nationalist whom Douglass criticized for "going about the same length in favor of blacks, as the whites have done in favor of the doctrine of white superiority." But the perfect is the enemy of the good, and what Mr. Simpson has given us in "Reconstruction" is definitely very, very good.

The anthology cannot be read without a sigh for what might have been in post-Civil War America—for a republic not only restored geographically and politically but genuinely built, as Lincoln had hoped, around the principles of free-labor economics and constitutional equality. In one of the last excerpts in "Reconstruction," Grant muses to John Russell Young, the journalist and diplomat, that an extended military occupation would have probably been the best strategy after all. And indeed, it might have allowed the "de-Confederatization" of the South through the education of a new political generation and the creation of a middle-class black economy.

But this might-have-been scenario assumes that Americans in 1865 had a clear idea of what such a reconstruction would require and that they were willing to pay for it. In practice, they didn't and weren't, and much of what ensued was raw improvisation. By 1877, political rule in the Southern states was once again in the hands of a white oligarchy, and the ex-slaves had been legally hemmed in to an economic peonage little better than slavery. The Grant administration might have done more to hold back this revanchist tide. But by 1874 a resurgent Democratic Party had regained control of the House—and the funding for any further Reconstruction initiatives—and persuaded the country that Reconstruction itself was the problem.

At least Reconstruction managed to bring the former Confederate states back into normal constitutional alignment with the rest of the nation—in the narrow sense that the Southern states elected representatives and senators to Congress and paid federal taxes. It also managed to avoid treason trials, hangings and large-scale exiles for the losers. In fact, the greatest contrast of America's Reconstruction with other post-war restorations lies in how its political violence was visited mostly on the victors—on Northern entrepreneurs who tried to transform the Southern economy, on Southern Unionists who had been silenced under the Confederacy, on the former slaves—rather than the vanquished.

But in every other respect, the Civil War might as well have never happened. The old plantation system remained intact; cotton was still the export king; and Southern blacks, though legally free, were largely without the vote and under the heel of Jim Crow. "Who won the Civil War, anyway?" asked Fawn Brodie, the biographer of Thaddeus Stevens, in 1962. A century and a half after the war, we still don't have a full answer to that question.

Mr. Guelzo is a visiting professor in the James Madison Program in American Ideals and Institutions at Princeton University.

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BOOKS

'It is not in my nature . . . to dispute on behalf of any opinion, even my own, very obstinately.' —Matthew Arnold

She's So Busy Being Free

Feel Free
By Zadie Smith
Penguin Press, 452 pages, $28

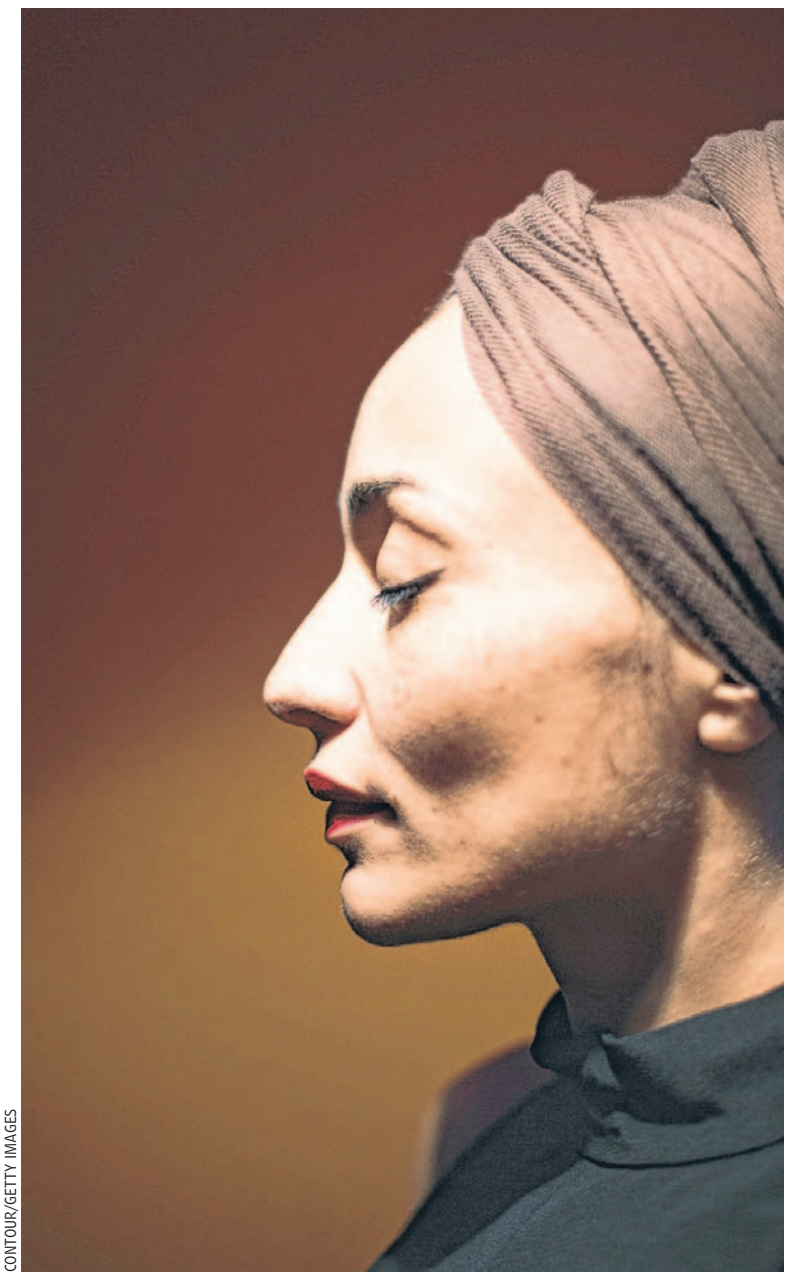
BY MAUREEN CORRIGAN

THERE'S A CURIOUS moment, about a quarter of the way into Zadie Smith's massive new essay collection, "Feel Free," where the author expresses regret that her interests are narrowly focused:

"I have known many true connoisseurs, with excellent tastes that range across the humanities and the culinary arts—and they never fail to have a fatal effect on my self-esteem. When I find myself sitting at dinner next to someone who knows just as much about novels as I do but has somehow also found the mental space to adore and be knowledgeable about opera, have strong opinions about the relative rankings of Renaissance painters, an encyclopedic knowledge of the English Civil War, of French wines—I feel an anxiety that nudges beyond the envious into the existential. *How did she find the time?*"

It's hard to know how to take this admission, so charming in its vulnerability, but also redolent of the disingenuousness of the supermodel's standard demurral, "I don't think I'm beautiful." Ms. Smith, after all, is celebrated for her chameleon-like gifts as a novelist; for her ability to venture deeply—and knowledgeably—into the lives of a multi-racial assortment of immigrants to Great Britain (and, in her 2005 novel, "On Beauty," the United States, as well), aspirational working-class kids, self-important academics, pensioners, young dancers and, to date, one Chinese-Jewish Londoner with a fixation on Golden Age Hollywood. "Feel Free," like Ms. Smith's 2009 debut essay collection, "Changing My Mind," is polyamorous in its objects of fascination: the folly of Brexit, the inspired footwork of the Nicholas Brothers, the essential dopiness of Facebook, the gestalt of Jay-Z, the art of the 18th-century German portraitist Balthasar Denner and the contemporary British Ghanaian painter Lynette Yiadom-Boakye, the music of Joni Mitchell, the novels of Paula Fox, Philip Roth, J.G. Ballard and Ursula K. Le Guin, among many, many other topics. *How did she find the time?* How, fellow readers, will we?

Ms. Smith's title suggests a strategy: "Feel Free" may be taken as an exhortation to wander, follow our own curiosities, pluck essays out of different sections and skim or skip others. As she did in "Changing My Mind," Ms. Smith groups her essays into five categories (here they are "In the World," "In the Audience," "In the Gallery," "On the Bookshelf" and "Feel Free"). Most but not all have been published previously, in outlets like the New York Review of Books, the New Yorker, the Guardian and Harper's. And most, but not all, are worth reading.



CONTOUR/GETTY IMAGES

MIND CHANGER Zadie Smith in 2015.

A choosier collection would have been more flattering to Ms. Smith's strengths as an essayist. "Meet Justin Bieber!" (an imagined meeting between Mr. Bieber and the Jewish philosopher Martin Buber) and "Brother From Another Mother" (the weaker of two pieces on comedian and director Jordan Peele) fall into the empty-cereal-grain category of writing oft used to bulk up such compendiums. Other essays, like "Generation Why?," a 2010 review of "The Social Network" joined with a rant against the hollow "only connect" ethos of Facebook, feel outdated—and yet not outdated enough to be vintage. (And, certainly, as of last year we have worse things to fear from Facebook than the shallowness of its "likes" and "friendships.") "The Harper's Columns," assembled from Ms. Smith's six-month stint as a book reviewer for that magazine, catalogues an unusually wide range of mostly European writers (Javier Marías, Édouard Levé, Peter Stamm, Mela Hartwig). Uncharacteristically, however, the tone of those reviews is often stilted, as in this standard-issue topic sentence: "John Gray's *The Immortalization Commission: Science and the Strange Quest to Cheat Death* offers two portraits of human hubris."

> Smith's best essays, like her best novels, dive deep into mysteries without trying to explain them away.

A good deal of what remains, however, is smart, spirited and distinctive. "Find Your Beach," a widely circulated 2014 essay Ms. Smith wrote for the New York Review of Books, appears in the penultimate place of honor in this collection. It's a soaring, yet wry, first-person meditation on the "sociopathic illusion of my own limitlessness"—an illusion Ms. Smith says is native to New York City, where she lives part of the year. This superb addition to the catalogue of New York stories is set in motion by an urban eyesore: the appearance of a jumbo Corona ad on the wall across from Ms. Smith's SoHo apartment. Ms. Smith is particularly sharp on topics of aesthetics and identity, which become conjoined in "The I Who Is Not Me"—a lecture on Philip Roth that she presented in 2016 at the Newark Public Library. Ruminating on that most over-plowed of topics—the autobiographical element in Roth's fiction—Ms. Smith pays homage to the liberating effect of Roth's ingeniousness and offensiveness on her own work: "I know that I stole Portnoy's liberties long ago to address my own project. He is part of the reason, when I write, that I do not try to create positive black role models for my black readers, and more generally have no interest in conjuring ideal humans for my readers to emulate . . ."

Her exquisite essay on Joni Mitchell, "Some Notes on Attunement" (quoted at the top of this review), belongs alongside other canonical essays on aesthetics by the likes of William Wordsworth, Matthew Arnold and Susan Sontag. Indeed, Ms. Smith dramatizes what Arnold meant by his signature phrase "the free play of the mind" as she darts around, considering her sudden conversion experience with Ms. Mitchell's masterpiece "Blue":

"How is it possible to hate something so completely and then suddenly love it so unreasonably? How does such a change occur? . . .

"And it's not even really the content of the music that interests me here. It's the transformation of the listening. I don't want to confuse this phenomenon with a progressive change in taste . . .

"I didn't come to love Joni Mitchell by knowing anything more about her, or understanding what an open-tuned guitar is, or even by sitting down and forcing myself to listen and re-listen to her songs. I hated Joni Mitchell—and then I loved her. Her voice did nothing for me—until the day it undid me completely."

It's a rare piece of critical writing that can contemplate a mystery and deepen our understanding of it without "solving" it. This is criticism with the open-ended power, yet also the ambiguity, of the creative genius from whom it is derived. There is too much in this collection that doesn't deserve renewed scrutiny; but when Ms. Smith is writing at her best, she is free, unfettered and alive.

Ms. Corrigan, who teaches literature at Georgetown University, is the book critic for the NPR program "Fresh Air."

Danse Macabre

I Am, I Am, I Am
By Maggie O'Farrell
Knopf, 288 pages, $25.95

BY ELIZABETH WINKLER

CAN A LIFE be told through the moments in which it almost dissolves—almost ceases, indeed, to be a life? Near-death experiences are not unusual. Most lives are riddled with perforations, gaps in the fabric through which we could slip to the other side and yet which we avoid until, at last, we don't. They are not often recorded, however, or not recorded well, falling easily into cheap clichés.

With stunning language and inventiveness, Maggie O'Farrell, a Northern Irish novelist, unpacks these moments. The result is her memoir, "I Am, I Am, I Am: Seventeen Brushes With Death," which recounts a sequence of such episodes: a serial killer encountered on a remote hike, a teenage sea-jump, a car accident narrowly missed, a turbulent flight, a life-threatening childhood virus, a machete-wielding mugger, a harrowing childbirth. If this sounds morbid or melodramatic, let me assure you it is not. Ms. O'Farrell, who takes her title from Sylvia Plath's "The Bell Jar" ("I took a deep breath and listened to the old brag of my heart. I am, I am, I am"), turns these moments over so brilliantly, uncovering in the particulars of each those shining, universal experiences, that they are a pleasure to read. And, indeed, difficult to stop reading.

In each, time slows down, the world is closer, colors brighter, thoughts and voices intensified. Of being caught in a riptide, she writes: "It crashes over me, it seizes me, it shoves me under. I'm caught, like a doll, like a puppet, in its muscle, in the eye of its storm." Surfacing on the beach, surreally spit back into the life she thought she'd lost, she feels "as though I've slipped through a fissure, like a person kidnapped by fairies, as if I've been away for years and returned to find that everything has stood still."

Recounting these heightened moments, she also gestures toward the rest of her life—the life that swells, turns and is shaped around them. The point is to show how these moments "take up residence inside you." There are echoes of Virginia Woolf not just in the rhythm of the prose but also in its dreamlike immediacy. The effect, ingeniously, is of a life told through the gaps, those near misses, on the eluding of which the rest of life hangs.

Ms. Winkler, formerly of the Economist, is a writer for the Journal's "Heard on the Street" column.

FICTION CHRONICLE: SAM SACKS

Folly and Madness in Exquisite Counterpoint

LISA HALLIDAY'S debut, **"Asymmetry" (Simon & Schuster, 275 pages, $26)**, a brilliant and complex examination of power dynamics in love and war, begins by redressing a longstanding imbalance in the world of fiction. The novel introduces Alice, a 25-year-old editorial assistant who enters into a relationship with a randy old writer named Ezra Blazer, a multiple National Book Award winner with an international following. In countless books by a pride of literary lions from Saul Bellow to John Updike to Philip Roth, vacuous young mistresses have served as symbols of erotic salvation for the aging men who command our attention. Ms. Halliday has at last turned the tables.

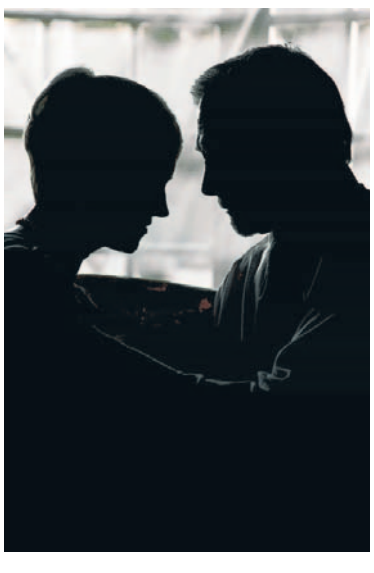
The reversal is especially delectable because Ezra Blazer is so plainly recognizable as a double of Mr. Roth himself, despite a few biographical inconsistencies designed to provide deniability. (In a cheeky jibe, Ms. Halliday's author wins the Nobel Prize.) But this is anything but a hit job. Ezra is charming, generous and conscientious, and a genuine, if complicated, give-and-take defines his relationship with Alice. On one hand, of course, there is sex, which Ms. Halliday evokes with delicate hilarity: "Sometimes, it could feel like playing Operation—as if his nose would flash and his circuitry buzz if she failed to extract his Funny Bone cleanly." In return, Alice becomes Ezra's willing Galatea, an "empty vessel" that he fills with experiences, self-confidence and, most of all, books. Gradually, under his tutelage, she develops literary ambitions of her own.

"Asymmetry" then dramatically changes gears. A second section—written, it is implied, by Alice some years later—tells the story of Amar Ala Jaafari, a Kurdish-American economist who has been detained by British immigration officials in Heathrow Airport on a layover to Iraq to visit his brother. As Amar endures vague but aggressive interrogations, he thinks back to his upbringing as a rootless dual-citizen and the fate of his family amid the rising violence of the Iraq War.

> A Pygmalion story about a Roth-like writer and his protegée turns a host of hierarchies on their head.

The incongruities between the two sections are intentional, for "Asymmetry" is fascinated by the inequalities inherent to the social order. The novel touches on the imbalances that skew and distort relationships between genders, between nations, between citizens and the State, even between writers and their subjects. Ms. Halliday matches her voracious intellectual curiosity with storytelling restraint, so these myriad thematic resonances never drown out the book's comic flourishes and tragic twists.

But perhaps the most interesting thing about this stimulating novel is its fundamental instability. Surprisingly, Amar's ordeal with immigration galvanizes his decision to run for public office and change the system that views him as a threat. As Ezra suffers from medical problems, Alice takes the upper hand in their relationship. "We ride too high on deceptive notions of power and security," Ezra remarks near the novel's end. That all hierarchies can, in an instant, be turned on their head, Ms. Halliday suggests, is both a source of hope and a warning.



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Roy Hamilton and Celestial Davenport, the couple at the center of Tayari Jones's **"An American Marriage" (Algonquin, 308 pages, $26.95)**, have been husband and wife for little more than a year when, during a family visit to Louisiana, Roy is falsely accused of rape and handed a 12-year prison sentence. Celestial wants to remain loyal to her wedding vows, but soon, kept busy by her thriving career as a boutique doll-maker, she falls in love with her long-time friend Andre. Then, after five years behind bars, Roy sees his conviction overturned, and he returns home to discover what, if anything, is left of his marriage.

This all sounds like a daytime soap opera, but it doesn't read that way because Ms. Jones writes with such companionable intelligence. Roy offers this glorious summation of his year with Celestial before tragedy struck: "It was a wonderful feeling to be grown and yet young. To be married but not settled. To be tied down yet free." Celestial finds a perceptive metaphor for the confused state of her union: "Marriage is like grafting a limb onto a tree trunk. . . . In my marriage, I never determined which of us was rootstock and which the grafted branch."

Her confusion, though, makes for a muddled finale. Since Celestial appears to have no clear idea of what her marriage means to her—was it founded on love? desire? mere convenience?—it's hard to become invested in Roy's attempts to salvage it. The absence of anchoring commitments leaves these characters helplessly blown about by accidents of circumstance. Even love is a kind of natural disaster, something "random and deadly, like a tornado."

The splendidly eccentric **"Call Me Zebra" (Houghton Mifflin Harcourt, 292 pages, $24)**, by Azareen Van der Vliet Oloomi, stars Bibi Abbas Abbas Hosseini, self-christened Zebra, an Iranian exile and the last leaf on a family tree rich in the three A's: "Autodidacts, Anarchists, Atheists." After her beloved, Nietzsche-quoting father dies, Zebra embarks on a heartbroken Grand Tour of Exile, during which she intends to complete a manifesto proving that the things of the material world, death included, are insubstantial illusions and that truth can only be sensed within what she grandly calls "the Matrix of Literature."

She's unusual, is what I'm getting at, prone to declaiming things like, "In order to apprehend totality we have to annihilate the notion that life and death are two antagonistic blocks." Zebra's metaphysical quest, like that of Don Quixote, is marked by ridiculous hauteur and deeply buried sorrow. Ms. Van der Vliet Oloomi touchingly charts Zebra's struggle to reconcile her faith in literature with her painful ongoing attachment to the real world. Hearken ye fellow misfits, migrants, outcasts, squint-eyed bibliophiles, library-haunters and book stall-stalkers: Here is a novel for you.

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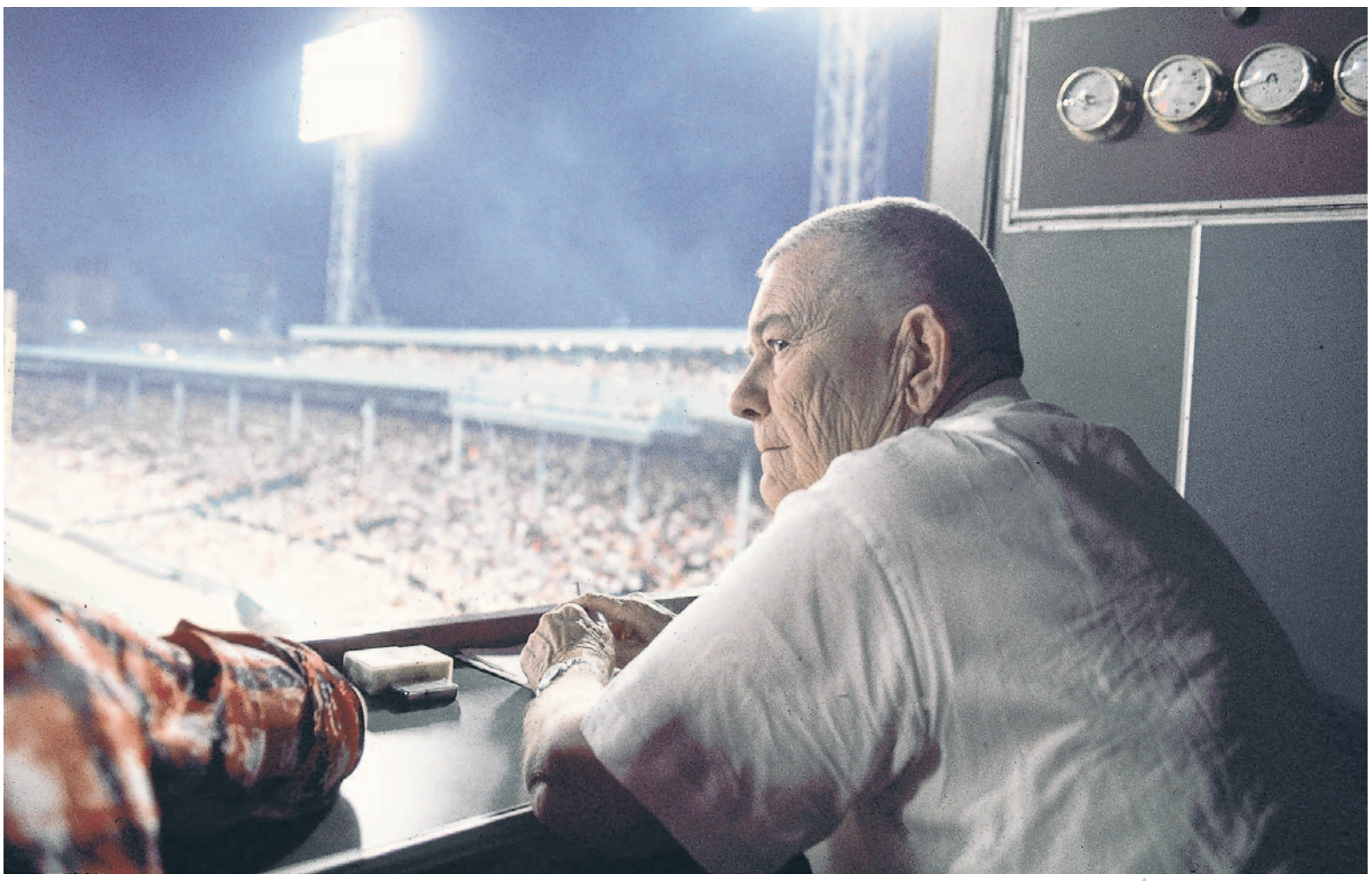
'Baseball is a public trust. Players turn over, owners turn over . . . but baseball goes on.' —Peter Ueberroth

A Stain on Red Sox Nation

Tom Yawkey: Patriarch of the Boston Red Sox
By Bill Nowlin
Nebraska, 531 pages, $36.95

BY LEIGH MONTVILLE



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SOLE PROPRIETOR Tom Yawkey, age 71, in his box overlooking Fenway Park, Aug. 17, 1974. He owned the Red Sox from 1933 to 1976.

HE IS BOSTON'S version of a Confederate general, his name a reminder of its troubled past. As the winds of political correctness blew across the country last summer, with Civil War statues and memorials toppled and removed, Tom Yawkey returned to the front pages of newspapers in the northeastern city where he spent his summers.

He has been dead for more than 41 years, but his name is still splashed across Boston on hospital and college buildings, boys clubs, and, yes, the street in front of the ballpark where he once hung his fedora. Known as Jersey Street during the 43 years Yawkey owned the Boston Red Sox, the entrance to Fenway Park has since been renamed Yawkey Way, closed off now on game days, a noisy lifeline of jugglers and refreshment stands, Dixieland jazz bands and packed pregame excitement.

The street's name is also, to Yawkey's successors in the Red Sox executive offices, a sad link to an unpleasant time. "For me, personally, the street name has always been a consistent reminder," present owner John Henry said in an email to the Boston Herald, "that it is our job to ensure that the Red Sox are not just multi-cultural, but stand for as many of the right things in our community as we can. . . . I am still haunted by what went on here a long time before we arrived."

Bill Nowlin, the author and editor of more than 60 books, many of them about the Red Sox, has attempted to write a full-scale biography of the former owner—birth to grave, wins and losses, friends and foes, family and baseball. "As I began to write a biography of Tom Yawkey, I was surprised to learn how little had ever been written about him," Mr. Nowlin writes in his introduction to "Tom Yawkey: Patriarch of the Boston Red Sox," a 454-page effort to fill the gap. "He was, after all, sole owner of the Boston Red Sox from 1933 to his death in 1976, and his widow Jean and her trust continued to own the team into 2002." Mr. Nowlin labors under the dark cloud of speculation about his subject's views on race. The author is confounded by a stark difference of opinions as he combs through the thoughts of people who worked for the man, who knew him or didn't know him, and the scant printed record of his days and doings.

For every word about yet another kind gesture—a huge gift to add an entire wing to Massachusetts General Hospital, a smaller gift to a struggling utility infielder who wanted to buy a home, an endowment for land conservation—there is always a return to the long-ago. Why were the Red Sox the last of 16 major-league teams to sign an African-American ballplayer? The fact that baseball was a whites-only game at the major-league level from almost the time of its invention to the appearance in 1947 of Jackie Robinson in a Brooklyn Dodgers uniform is the sport's version of Original Sin. The fact that the Red Sox were so slow to adjust—16th out of 16 teams, the last in line in 1959 to put an African-American on its roster—is viewed as Yawkey's sin. "All I know is that he has to take the responsibility for whatever happened at Fenway Park," says Tommy Harper, an African-American who played with the Red Sox before Yawkey's death and coached the team after.

Yawkey was a rich boy who lived a rich boy's life, beginning to end. His adoptive father, William, owned the Detroit Tigers and was one of the wealthiest people in the country. Tom followed the prescribed rich-boy path. He attended private boarding school, went to Yale, had a good time. His father died in the middle of all that. On his 30th birthday, the son inherited $3,408,650. Four days later he bought the Red Sox for $1,500,000. Local news reports called him "a kid."

For the rest of his life, Yawkey was a mostly quiet, ghostlike presence around the ball club. He lived much of the year on his plantation in South Carolina, lived in one of two trailers in later years—his second wife lived in the second trailer—after the main house burned down. He fished and shot birds for recreation, managed a collection of family businesses from an office in New York. He arrived in Boston late for every baseball season because he didn't like the cold, left early most years because the team was out of the pennant race. He never had a home in Boston. He stayed in a suite at the Ritz-Carlton.

The biggest local knock against Yawkey as an owner was always that he was too nice to his players. At a time when players did not earn a lot of money, he paid them more than most teams did. The Red Sox never won a World Series during his time and played in only three, and speculation was that Yawkey spent too much money and that everyone was too comfortable. The team was often called a "country club," and Yawkey was its prime member.

At Fenway, Yawkey liked to work out, field ground balls, practice his hitting. He said almost nothing to the press. Dressed every day in khaki pants, old loafers, a white sports shirt and a khaki zipper jacket, he was often mistaken by new arrivals in the clubhouse as an attendant and sometimes even asked to pick up a towel or fetch a cup of coffee. He liked a drink for most of his life, sometimes a lot of drinks. He smoked cigarettes, always a lot of cigarettes.

Yawkey should have been beloved, a gentleman sportsman, and in many ways he was. Except for that cloud of racism. "If Yawkey has seen the light, it's only because the fans want a winner and couldn't care less what color a player's skin is," said Jackie Robinson in 1967—by then retired and a businessman—after the Red Sox finally won an American League pennant with assorted dark-skinned players and made the team's first trip to the World Series since 1946. "Yawkey is prejudiced," Robinson continued. "Everyone knows he's prejudiced."

> Boston was an all-white ball club until 1959—12 years after Robinson became a Dodger.

The Hall of Fame ballplayer and civil-rights icon had a reason for his opinion. On April 16, 1945, with every team in baseball short of talent thanks to the war, Robinson, along with Sam Jethroe and Marvin Williams—all players in the Negro League—had a tryout at Fenway Park. Two years before the Dodgers broke the color barrier, the Red Sox had a chance to be the first team with an African-American player. The tryout, alas, was a farce, an exercise to silence a critical Boston city councilor. Robinson and the other two players were sent home without even a "thanks, but no thanks."

The specifics of that day have never been explained. Was it Yawkey who turned down the opportunity and set the racial standard? Or was it the people whom he hired that controlled the racial climate? Not only was the Red Sox roster white for a long time, the rest of the employee payroll was, too. The organization did not hire its first black usher until 1974.

Mr. Nowlin, in his immaculately researched, well-written climb through Yawkey's life, struggles to find the answers. He encounters a lot of people who liked the man. Virtually all of the African-American players who eventually played for him, including Jim Rice, George Scott and Reggie Smith, spoke highly of him. The African-Americans who worked for him on his South Carolina plantation all say nice things. His contributions to charity are obvious. And yet: "It is sad to recall this history of the Red Sox," Mr. Nowlin concludes, "and sad to think of what could have been had Tom Yawkey taken actions that were readily available to him."

Yawkey Way is still known as Yawkey Way, but present Red Sox management recently renewed its request to rename the street. Change, no doubt, will come.

Mr. Montville is the author, most recently, of "Sting Like a Bee: Muhammad Ali vs. the United States of America, 1966-1971."

MYSTERIES: TOM NOLAN

The Killer in the Crescent City

NEW ORLEANS in 1918 is the messy and exciting setting of Nathaniel Rich's **"King Zeno" (MCD, 386 pages, $28)**. In Mr. Rich's Crescent City, Creole cornet player Isadore Zeno labors at back-breaking day jobs in order to support his pregnant wife, while also trying to serve his artistic muse.

While Zeno chases immortality with his horn, a more brutal "performer" is gaining notoriety in New Orleans: a murderer known as "the Axman." Police detective Bill Bastrop is desperate to catch the Axman, in the hope of redeeming an act of cowardice in the Great War.

Zeno meanwhile devises a clever but ill-advised plan to publicize his band by capitalizing on the town's Axman anxiety: He sends a letter to the press promising safety on a certain night to all residents who hire a jazz band to perform for them that evening—and he signs it "the Axman." The ploy draws the ire of the actual Axman—and makes Zeno the new focus of Bastrop's suspicion.

Mr. Rich tells a complicated story with great skill and style, sketching the mental lives of a dozen major characters and bringing a vanished era to colorful and realistic life. Despite the social inequity, dreadful hygiene and lack of penicillin, it's refreshing to spend time in a milieu where jazz (or "jass") music can provide a path to moral triumph.

Also taking place in the wake of World War I is Sujata Massey's **"The Widows of Malabar Hill" (Soho Crime, 385 pages, $26.95)**. This intriguing novel features Perveen Mistry, "the only woman solicitor in Bombay." The 23-year-old, Oxford-educated Perveen works (out of court) on behalf of her father's clients, sometimes assuming the duties of an unofficial detective.

> A Creole 'jass' musician and a desperate detective on the trail of a murderer known as 'the Axman.'

The most challenging case occupying the family law firm is the estate of the late Omar Farid, a Muslim "polygynist." The fate of Farid's three wives and four children are now in the hands of the live-in estate manager, who keeps the women dwelling in *purdah* isolation. Perveen is assigned to speak with the widows, whose financial arrangements have been unjustly altered by the tyrannical manager.

Soon after the solicitor's visit, however, the unscrupulous agent is found stabbed to death—and Perveen wants to help apprehend the murderer. But what if it turns out to be one of the widows? "She was supposed to defend them," she reminds herself, "not throw them to the wolves." As she pores over crucial documents and travels to conduct interviews, part of her attention is consumed by her estranged but vengeful husband, who threatened Perveen and her father when they last saw him years before. When he shows up in Bombay, Perveen must ensure her ultimate emancipation—even as she works to free the three widows from their own vexed situations.

Ms. Massey, through adroit flashbacks, interweaves into the current mystery the saga of Perveen's grim marital misadventure. "The Widows of Malabar Hill," with its deft prose and well-wrought characters, is a splendid first installment in what promises to be a memorable series.

GETTY IMAGES

CORNET KID Louis Armstrong with King Oliver's Creole Jazz Band.

"Mephisto Waltz" (Pegasus, 293 pages, $25.95), by Frank Tallis, takes us to Vienna in 1904: a city of widespread culture, fading empire and an abundance of nervous energy. "The Viennese were so highly strung," one character here observes, "even symphonies got them agitated."

There are much graver events in Mr. Tallis's story to provoke citizens' anxieties—such as the discovery, in an abandoned piano factory, of the corpse of a man shot to death, his face mutilated beyond recognition by acid. Investigating this grotesque murder is the portly Detective Inspector Oskar Rheinhardt, assisted by his friend, Dr. Max Liebermann.

The doctor's English lover—a former patient of his—also lends a hand in the case, which widens to include further killings and a conspiracy to commit "an incident of propaganda by deed": what we now call a terrorist act. Masterminding the plot is a figure code-named Mephistopheles—a shadowy presence whom the reader learns much more about than do the detectives.

Mr. Tallis, a London author and psychologist, has written a marvelous, multi-layered thriller, rich with period detail and studded with cameo appearances by figures such as automaker Ferdinand Porsche (encountered here as the chauffeur of Archduke Franz Ferdinand) and Sigmund Freud (an informal adviser of Liebermann's). "Mephisto Waltz" often exhibits the energy of the Franz Liszt pieces after which it's named: a "wild and sinister . . . delirium," in Liebermann's perception, in which "notes sparkled, glittered [and] exploded like fireworks." Yet the book is also undercut with a dark and sophisticated wit perhaps best termed . . . Viennese.

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BOOKS

'Like all the best families, we have our share of eccentricities, of impetuous and wayward youngsters and of family disagreements.' —Elizabeth II

CHILDREN'S BOOKS: MEGHAN COX GURDON

Two for the Road

'KNOW THYSELF,' says the ancient Greek maxim. It is excellent advice. But what if a young woman has, at her core, a mystery so profound that it is hidden even from her? Can a young boy know himself if he is ignorant both of his origins and of his true nature? Two very different novels take young readers in and out of curious company and along twisty paths to solve such puzzles of identity and destiny.

In the rich, strange, frightening, fully realized world of **"The Hazel Wood" (Flatiron, 359 pages, $16.99)**, a young woman of 17 burns with cold anger. Alice has grown up on the road and on the run as she and her mother, Ella, try to stay ahead of the catastrophic bad luck that strikes whenever they pause in one place too long. The two of them are haunted, also, by their connection to Ella's mother, Althea Proserpine, a reclusive author whose out-of-print collection of sinister fairy stories, "Tales From the Hinterland," has made her a cult figure to groupies of an especially fervid sort.

When news comes of Althea's death, relief seems at hand. Mother and daughter move to New York, Ella finds a rich husband and Alice, as icy and wrathful as ever, enrolls in high school. Perhaps normalcy would always be a reach for a girl whose troubled childhood included being briefly abducted by one of her grandmother's fans, but for Alice things keep getting weirder. As she befriends Ellery, a wealthy boy from school (and a Hinterland zealot, as ill fortune would have it), malignant fairy-tale tendrils seem to be creeping into every corner of her life.

When Alice's mother vanishes, the border begins to blur between the real world and the Hinterland, and soon Alice and Ellery find themselves in a place of terrifying revelation. In this lush, inventive novel for young adults, Melissa Albert's writing is sharp and startling: a corpse has "eyes like frozen forget-me-nots"; windblown bits of metal chatter in "rickety typewriter voices"; and a slashed throat is "a line then a smear then a red curtain falling."

Whole villages stand empty, fields have grown over and the roads of post-plague Europe are thronged with pilgrims in Catherine Gilbert Murdock's wonderful novel for readers ages 7-14, **"The Book of Boy" (Greenwillow, 278 pages, $16.99)**. "Boy" is the only name the young protagonist has ever known. He's the goat-keeper on a depopulated French estate, and, though he has a hump on his back that makes him the butt of abuse and superstition, there's something oddly sweet about him. Animals adore Boy, for instance, and pile in around him at night so that he wakes up engulfed in goats or geese or dogs. Boy is also an excellent climber—when we first meet him, he's up a tree—and this talent draws the attention of a passing pilgrim, a fierce fellow named Secundus.

> A boy on a pilgrimage in the Middle Ages, and a girl of today who has grown up on the run.

In an era when believers invested great faith in the supernatural power of relics, Secundus is on a quest to collect seven precious fragments of the body of St. Peter himself—"rib, tooth, thumb, toe, dust, skull, tomb"—in order to save his soul. For some reason, Secundus cannot touch the pack he carries on a long pole, so he enlists Boy to serve as his bearer.

Soon the pair is traveling south, to Avignon and then to Rome, through vanished societies that Ms. Murdock evokes with such subtlety and skill that children may not realize how much they are learning about Europe in the year 1350. Ian Schoenherr has created superb woodcut-style illustrations (see above) to head each chapter of this beautifully designed book. A tale of ingenuity, daring, dread and tenderness, in which neither man nor Boy is quite what he seems, "The Book of Boy" is a treat from start to finish.

GREENWILLOW

FIVE BEST: A PERSONAL SELECTION

Frank Prochaska

on lives of the British royals

MR. PROCHASKA is the author, most recently, of 'The Memoirs of Walter Bagehot.'

Victoria R.I.

By Elizabeth Longford (1964)

1 WITH FEW EXCEPTIONS, the most interesting members of the British royal family over the past two centuries have been women, and Queen Victoria was the most impressive of them. Few monarchs have attracted more attention, though in Victoria's case this was not always so, for the first half of the 20th century was a period of reaction to all things Victorian. By the time Elizabeth Longford wrote her magisterial book, a more sympathetic generation was in evidence, along with a wealth of new material available at the Royal Archives. What stands out is her understanding of the queen's language and character. Longford sees her in all her contradictions, kind and hot-tempered, prejudiced and prudish, tolerant and romantic. Her reign was distinguished by the queen's adoption of the prevailing middle-class sentiments of the age, her concern for social work and, as Longford put it, "her feelings for the East and coloured peoples." "I will be good," cried the guileless Victoria at 11. "Striving after improvement" became the guiding principle of her life.

Queen Mary, 1867-1953

By James Pope-Hennessy (1959)

2 IN ONE OF the most entertaining royal biographies ever written, James Pope-Hennessy provides a dazzling portrait of this formidable woman, the consort of George V, who played an important role in steering the monarchy through the calamities of the early 1900s. Pope-Hennessy describes Queen Mary's dominant characteristics as "patriotism, a love of order, an earnest desire to relieve distress and a concern about social conditions." A charitable bulldozer, she cleared a path for hundreds of thousands of volunteers during and after World War I, moving the monarchy toward one of its primary functions today—social service. Her family life, which this biography illuminates in absorbing detail, was punctuated by deaths and crises. She survived her husband and three of her children and had to endure the abdication of her eldest son, Edward VIII. For someone so conscious of royal dignity and dedicated to royal duty, the very idea that the king might give up the throne for a woman—and a divorced American at that—came as a dreadful shock. On hearing of his impending resignation, she remarked: "Really, this might be Romania."

FAM MAIL A postcard from King George VI's coronation in 1937.

GETTY IMAGES

King Edward VIII

By Philip Ziegler (1990)

3 EDWARD VIII qualifies as one of the most interesting members of the royal family in modern history, not because of his achievements but because of his failings, which were many. Few monarchs have been engulfed by so much fantasy, and Philip Ziegler's biography cuts through much of it with skillful research. The greatest virtue of this stylish book is its balanced portrait of such a bewildering subject. Mr. Ziegler's King Edward is "a kaleidoscope of conflicting elements," full of good intentions but easily distracted, loyal one moment and ruthless the next. The one constant was his devotion to Wallis Simpson. When searching for a convenient label to sum up the king, Mr. Ziegler flirts with Edward the Obstinate and Edward the Amiable, but settles on Edward the Well-Meaning. (My own choice would be Edward the Pathetic.) As Mr. Ziegler concludes, Edward's tragedy was that he "was meant to be Prince Hamlet, but found himself temperamentally disqualified from playing the part."

The Queen Mother

By William Shawcross (2009)

4 ELIZABETH BOWES-LYON might have expected to live a life of quiet privilege as the Duchess of York, but, bounced into queenship by the abdication, she found herself immersed in the maelstrom of public affairs for much of the 20th century. William Shawcross's vast canvas is an attempt "to show what she made of it." In this richly detailed study, due weight is given to the Queen Mother's Scottish background, her marriage, the abdication crisis and her wartime service. Supremely conscious of her public role, she turned her exceptional ability to connect with people to useful purpose. What Mr. Shawcross illuminates, uniquely among royal biographers, is what was long hidden in public view: the growing importance of royal social work. To the Queen Mother, patronage was "the heart of the matter." As Mr. Shawcross recognizes, it remains essential to the monarchy's future.

The Queen: A Biography of Elizabeth II

By Ben Pimlott (1996)

5 ROYAL BIOGRAPHERS are now circling Buckingham Palace in the hope of being selected to write the official life of Elizabeth II. But whoever wins the lucrative contract will struggle to improve on Ben Pimlott's book. As a distinguished historian who had no ax to grind and was comfortable with ideas, he puts the queen in political context and has interesting things to say about the constitution, the monarchy and national identity. Drawing on Walter Bagehot, he sees the royal family providing "a typically British piece of camouflage" that disguises political divisions and makes radical governments possible, while keeping their reforming zeal within bounds. Dutiful, dignified and constant, the queen has served as a stabilizing force through the turmoil in British politics, from the Suez Crisis to Brexit. One looks forward to the day when biographers address one of the great underlying themes of the monarchy since the accession of Victoria: its feminization.

Best-Selling Books | Week Ended Jan. 28

With data from NPD BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Fire and Fury Michael Wolff/Henry Holt & Company	1	1
12 Rules for Life Jordan B. Peterson/Random House Canada	2	New
All-American Murder J. Patterson&A. Abramovich/Little, Brown and Company	3	New
Rise and Grind Daymond John/Currency	4	New
The Subtle Art of Not Giving a F*ck Mark Manson/HarperOne	5	2
StrengthsFinder 2.0 Tom Rath/Gallup Press	6	4
The Whole30 Fast & Easy Cookbook Melissa Hartwig/Houghton Mifflin	7	10
Astrophysics for People in a Hurry Neil deGrasse Tyson/W. W. Norton & Company	8	6
The Whole30: The 30-Day Guide Melissa Hartwig/Houghton Mifflin	9	7
Leonardo da Vinci Walter Isaacson/Simon & Schuster	10	8

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Dog Man and Cat Kid (Dog Man 4) Dav Pilkey/Graphix	1	1
The Woman in the Window A. J. Finn/William Morrow & Company	2	2
Fall from Grace Danielle Steel/Delacorte Press	3	New
Wonder R. J. Palacio/Alfred A. Knopf Books For Young Readers	4	5
The Getaway (DWK #12) Jeff Kinney/Amulet Books	5	4
Origin Dan Brown/Doubleday Books	6	7
Little Fires Everywhere Celeste Ng/Penguin Press	7	9
The Rooster Bar John Grisham/Doubleday Books	8	8
The Immortalists Chloe Benjamin/G.P. Putnam's Sons	9	10
Before We Were Yours Lisa Wingate/Ballantine Books	10	–

Methodology

NNPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Walmart) and web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Peter.Saenger@wsj.com.

Nonfiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
12 Rules for Life Jordan B. Peterson/Random House of Canada	1	New
Fire and Fury Michael Wolff/Henry Holt & Company, Inc.	2	1
All-American Murder James Patterson&Alex Abramovich/Little, Brown and Company	3	New
Churchill's Trial Larry P. Arnn/Thomas Nelson, Inc.	4	—
The Woman Who Smashed Codes Jason Fagone/HarperCollins Publishers	5	—
The Weight of Glory C. S. Lewis/HarperCollins Publishers	6	—
Notorious RBG Irin Carmon & Shana Knizhnik/HarperCollins Publishers	7	—
Horse Soldiers Doug Stanton/Scribner	8	2
The Subtle Art of Not Giving A F*ck Mark Manson/HarperCollins Publishers	9	5
The Liars' Club Mary Karr/Penguin Publishing Group	10	—

Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Fire and Fury Michael Wolff/Henry Holt & Company, Inc.	1	1
12 Rules for Life Jordan B. Peterson/Random House of Canada	2	New
All-American Murder James Patterson&Alex Abramovich/Little, Brown and Company	3	New
The Subtle Art of Not Giving A F*ck Mark Manson/HarperOne	4	2
The Sun and Her Flowers Rupi Kaur/Andrews McMeel Publishing	5	3
Rise and Grind Daymond John/Currency	6	New
Milk And Honey Rupi Kaur/Andrews McMeel Publishing	7	4
You Are A Badass Jen Sincero/Running Press Book Publishers	8	6
Instant Pot Miracle: From Gourmet The Editors at Houghton Mifflin/Houghton Mifflin	9	8
Astrophysics for People in a Hurry Neil deGrasse Tyson/W. W. Norton & Company	10	7

Fiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Judgment Road Christine Feehan/Penguin Publishing Group	1	New
The Woman in the Window A. J. Finn/HarperCollins Publishers	2	2
Fall from Grace Danielle Steel/Random House Publishing Group	3	New
The Wife Between Us Greer Hendricks/St. Martin's Press	4	7
Ryan's Bed Tijan/Tijan	5	New
Here Comes the Sun Marie Force/HTJB, Inc.	6	—
Little Fires Everywhere Celeste Ng/Penguin Publishing Group	7	8
Love Me Like This Bella Andre/Oak Press, LLC	8	New
Sex, Not Love Vi Keeland/Vi Keeland	9	5
Beneath a Scarlet Sky Mark Sullivan/Lake Union Publishing	10	9

Fiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
The Woman in the Window A. J. Finn/William Morrow & Company	1	2
Judgment Road Christine Feehan/Berkley Books	2	New
Fall from Grace Danielle Steel/Delacorte Press	3	New
Dog Man and Cat Kid (Dog Man 4) Dav Pilkey/Graphix	4	5
The Wife Between Us Greer Hendricks/St. Martin's Press	5	9
Little Fires Everywhere Celeste Ng/Penguin Press	6	6
A Wrinkle in Time Madeline L'Engle/Square Fish	7	10
Wonder R. J. Palacio/Alfred A. Knopf Books for Young Readers	8	8
Origin Dan Brown/Doubleday Books	9	7
Before We Were Yours Lisa Wingate/Ballantine Books	10	—

Hardcover Business

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Rise and Grind Daymond John/Currency	1	New
StrengthsFinder 2.0 Tom Rath/Gallup Press	2	1
Principles: Life and Work Ray Dalio/Simon & Schuster	3	2
Get Better Todd Davis/Simon & Schuster	4	–
The Energy Bus Jon Gordon/Wiley	5	10
Total Money Makeover Dave Ramsey/Thomas Nelson	6	6
Extreme Ownership Jocko Willink/St. Martin's Press	7	7
Emotional Intelligence 2.0 Travis Bradberry & Jean Greaves/TalentSmart	8	4
When: The Scientific Secrets Daniel H. Pink/Riverhead Books	9	3
Tribe of Mentors: Short Life Advice Tim Ferriss /Houghton Mifflin	10	5

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PLAYLIST: DAVID CIERI

Found by 'The Seeker'

A song by The Who comforts a teenager struggling with his parents' divorce

David Cieri, 43, is a multi-instrumentalist and composer who has scored seven of Ken Burns's documentary films. His latest album is "Notes From the Underscore" (Ropeadope). He spoke with Marc Myers.

My parents went through a rough divorce in 1987, when I was 13. After their split, my father had custody of me, but it was a hard time for him, emotionally. I had to fend for myself.

At home in Ocean City, N.J., my father was often distant. When I was angry about something and wanted to talk, he'd cut me off and say things like, "What do you say we go into town to look at skis?" I knew he didn't understand me, and I always felt alone.

The experience of not having a parent to talk to was both terrifying and liberating. I quickly realized I had to figure out how to take care of myself. When school ended for the summer, my father got me a job at a food shack down by the beach. I was a short-order cook, which was lonely, depressing and weirdly hilarious. The rock station on the radio kept us all hard at work grilling frozen cheesesteaks.

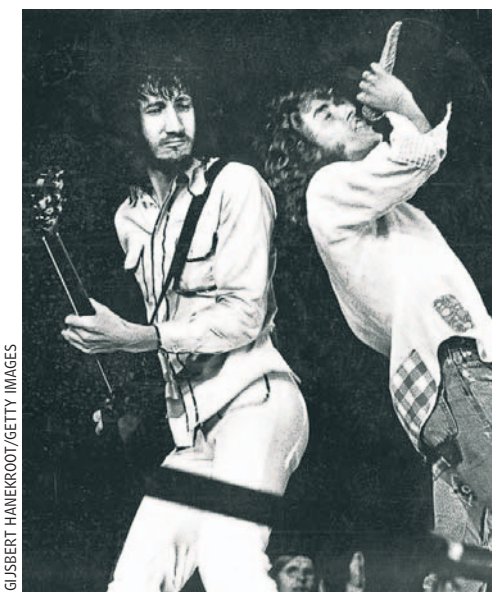
At some point, The Who's **"THE SEEKER"** came on. I was transfixed. I was a Who fan, but I had never heard this 1970 recording. The song had velocity. Pete Townshend's thick opening guitar riff hit me hard. Then came the persistent groove of John Entwistle's dragging bass and Keith Moon's thrashing drums.

On top of that was Roger Daltrey's soaring voice, which sounded so free: "I've looked under chairs / I've looked under tables / I've tried to find the key / To 50 million fables." I felt as if my life had been a series of fables. Eventually, my father began to cope with what had happened and began paying more attention to me. I was proud that I had survived that period on my own.

A voice sounded so free.

Before my dad died in 2003, we had a chance to talk about the divorce and what he went through. He admitted checking out and told me he had felt inadequate, as if his business and life were evaporating.

Now I'm more of mind to ask him specific questions. Sadly, they'll have to remain unanswered.



GIJSBERT HANEKROOT/GETTY IMAGES

PETE TOWNSHEND, left, and Roger Daltrey of 'The Who.'

ASK ARIELY: DAN ARIELY

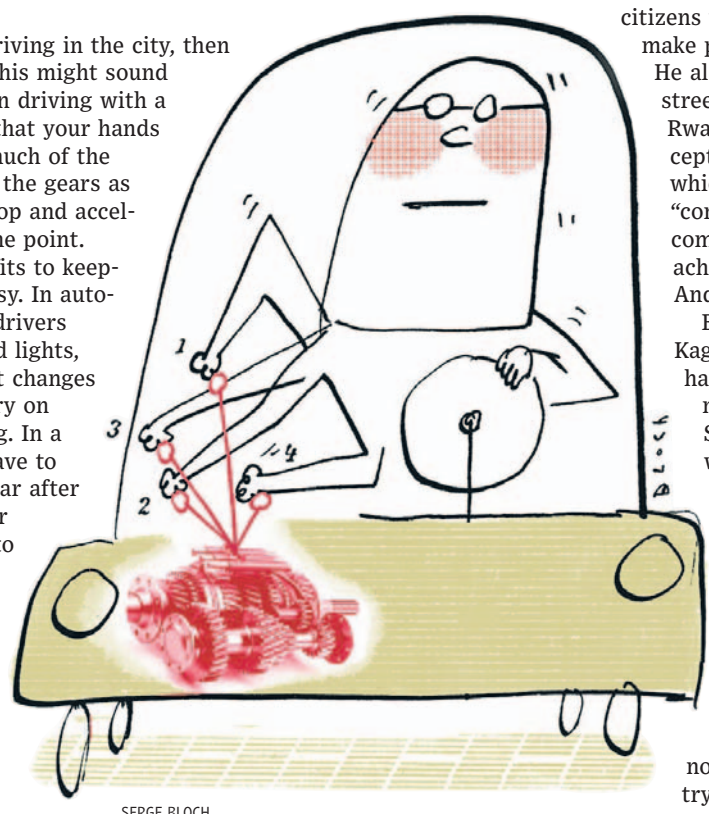
Drive Manual, Stop Texting

Dear Dan,

I live in a city with mediocre public transportation, so I'm thinking of buying a car to help me get around. Should I buy a car with a stick shift or an automatic transmission? —Joshua

If you're mostly driving in the city, then get a stick shift. This might sound odd, because urban driving with a stick shift means that your hands will be occupied much of the time with shifting the gears as you slow down, stop and accelerate. But that's the point.

There are benefits to keeping your hands busy. In automatic cars, many drivers start texting at red lights, and when the light changes to green, they carry on texting and driving. In a manual car, you have to shift to start the car after a red light, so your hands aren't free to text. This will certainly make driving in stop-and-go traffic more annoying, but it might also save your life and the lives of others.



SERGE BLOCH

Dear Dan,

In my country, people don't feel any shared ownership of public spaces. They drop litter outdoors or in the staircases of buildings, write on the walls and inside elevators, and destroy trees in public parks and gardens. I feel like it's a cultural phenomenon. Is there any way to get people to behave more respectfully? —Hanna

As long as even a few people litter, we see trash around us, and we get the idea that it is socially acceptable to keep on behaving that way. With such a negative social norm, it's very hard to change our own or others' behavior.

With this in mind, I would recommend trying to get everyone to stop littering at the same time through some form of collective action. One example of such an approach comes from Rwanda, where President Paul Kagame has been credited with making Kigali one of the cleanest cities in the world through social action. Mr. Kagame created monthly collective cleanup days, when all citizens were asked to help make public spaces cleaner. He also elevated cleaning streets to an act under Rwanda's traditional concept of *umuganda*, which roughly means: "coming together in common purpose to achieve an outcome." And it worked.

Borrowing from Mr. Kagame's example, perhaps you could get your neighbors to pick one Sunday when you all work together to clear the mess. This will make it clear to everyone how much of a mess there is and give you a clean starting point. Next, you could ask everyone to agree to keep the new norm and maybe try to link the cleanliness of public environments to their own sense of pride—a bit like making their own *umuganda* project.

Have a dilemma for Dan? Email AskAriely@wsj.com

Hi, Dan.

Three years ago, my youngest son was given a bitcoin as a gift for his bar mitzvah. Since then, he has seen the bitcoin's value climb a few thousand dollars in a week and then go down again. He is considering selling, but he is afraid the digital currency will keep going up—or that it will soon go down and he will lose a bunch of money. What should he do? How can I teach him about being a wise investor? —Nelson

Here's a basic principle for any investment: Don't think about the price you paid for it. Instead, consider if you would buy it at its current price. Ask your son if he would buy a bitcoin at its recent price of around $10,000 (or whatever it is at that moment). If he says no, tell him that he should sell.

EXHIBIT

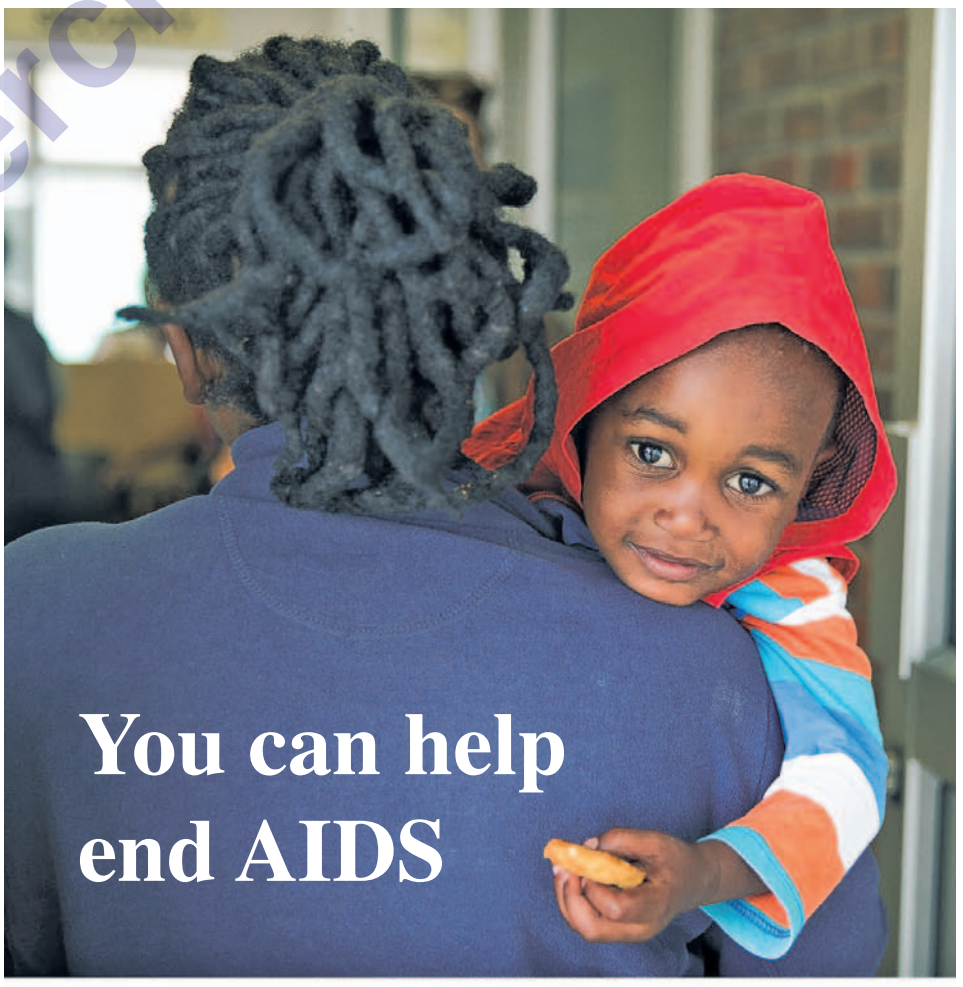
Mummy Dearest

In recent years, Ohio's Toledo Museum of Art has only rarely put its three Egyptian mummies on display. The museum was worried about preserving them but also about the ethics of showing human remains. Still, visitors kept asking, "Where are the mummies?" They're now appearing—one partially unwrapped—with other related artifacts in "The Mummies: From Egypt to Toledo," running from Feb. 3 to May 6. The exhibit invites people to ponder what respect for the ancient dead requires. "Mummies are real humans who never intended to be in Toledo, Ohio," says co-curator Adam Levine. —*Alexandra Wolfe*

TOLEDO MUSEUM OF ART (2)

▲ Mummy masks such as this one, made around 330 B.C., were mass produced. They associated the deceased with various gods and goddesses.

◀ This funerary figure of a servant, made between 1314 and 1085 B.C., would have been buried with a mummy, with the idea that it would work for the deceased in the afterlife.



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• Influence policy to strengthen community health systems and prevention programs

• Innovate solutions in pharmaceutical, diagnostics, service delivery, finance and tech

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UNAIDS

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IAN C. BATES FOR THE WALL STREET JOURNAL

'You learn a lot about your country by leaving it.'

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

Rick Steves

The travel expert's prescription for a better world: more trips abroad

TRAVEL-BOOK WRITER Rick Steves misses the days when American travelers would say, "Bon voyage!" Now, he finds, we're more likely to say, "Have a safe trip." As he sees it, Americans have become too wary of travel, especially to strife-torn regions such as Central America and the Middle East.

He wants to allay such concerns, pointing, for instance, to the safety and hospitality that he found when he last visited Israel and the Palestinian territories a few years ago. "There are moms and dads there, like there are here," he says.

This week, Mr. Steves, 62, is releasing a new edition of his book "Travel as a Political Act." He first published it in 2009, in response to travelers' lingering fears after the Sept. 11, 2001, terrorist attacks. Now, with turmoil in the Middle East, nationalist movements rising in many countries and events such as Brexit, he says that it's even more important to see the world and try to understand it better.

When he traveled to Iran in 2008, he was frightened by murals that said, "Death to America!" But he was amused to hear his guide say, "Death to traffic!" when they got into a traffic jam. On his blog about the trip, he wondered if the infamous expression was "a mix of international road rage, fear, frustration—and the seductive clarity of a catchy slogan." He also had experiences in Iran of real human connection: A bookstore owner who offered to give him a book he was admiring, a cleric who gave him and his crew a dessert platter as they got ready to film at a mosque.

"The world's a rough-and-tumble, growing, fascinating, diverse place, and I think it's an exciting ride, and we can be part of it," he says.

Mr. Steves finds that traveling also can shed light on our own problems, such as drug addiction. "America is struggling with the opioid epidemic now," he says, and could learn from a country such as Portugal, which has adopted policies that have drastically reduced drug overdoses.

Born in Edmonds, Wash., Mr. Steves didn't always have the opportunity or desire to travel. His father was a band director and piano tuner who owned a piano store, and his mother was a homemaker. "Life was humble," he says. "No one went to restaurants, and I never flew anywhere, but we would go camping and boating all the time."

When he was a teenager, his father took him to Germany to visit piano factories. There he saw other teenagers backpacking by themselves and realized that travel was a good way to gain independence. "I remember looking up at my mom and dad and going, 'I love you guys, but I don't need you for this. I can see Europe on my own.' " He vowed to go to Europe every year for the rest of his life, and he has.

He started off backpacking on a tight budget and made lots of rookie mistakes, he says. He would take the bus instead of a taxi because it was a few dollars cheaper, realizing later that the time wasted on the bus could have been more productively used for sightseeing. "I hope an hour of your vacation is worth more than $10," he says. He'd also go to cheap restaurants, where he could afford a lot of mediocre food. He eventually concluded that he would be better off ordering sparingly at fine restaurants, where he'd get a better meal and a deeper cultural experience.

After graduating from the University of Washington, he started working as a piano teacher but soon opened his own travel business, which included guided tours. In addition to publishing more than 50 books, he has a public television series, "Rick Steves' Europe," and a weekly public radio show. His privately held company brings in $100 million in annual revenue, he says, and has 150 employees.

With the rise of online travel sites, he now faces much more competition than he did when he started more than 40 years ago. His advantage, he says, is knowing his audience and being able to put together curated itineraries. "I know how many Madonnas and children a mortal tourist can find interesting," he says.

Mr. Steves spends four months of the year traveling, mostly in Europe, to update his books. He says that his trips help to make him more humble. "I like to think of myself as a well-traveled citizen of the planet, but I commonly surprise myself at how ethnocentric I am," he says. As a visitor to Kabul in 1978, for instance, he had a small epiphany about his own deeply ingrained habit of eating with a fork and knife. While he was at a cafeteria, he met a well-dressed Afghan professor who ate with his fingers and pointed out that much of the world doesn't use silverware. "You learn a lot about your country by leaving it and looking at it at a distance," he says.

Still, for all his travel, Mr. Steves has never wanted to move away from his home in Edmonds. He is divorced with two grown children, a daughter who is a schoolteacher and a son who has his own travel business. During the eight months of the year when he stays home, he orders the same meal—a chicken tostada—at the same restaurant every day for lunch. He can see his old junior high school from his office window. "I love being home," he says. "I spend all my curiosity on the road."

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MOVING TARGETS: JOE QUEENAN

When Super Bowl Winners Are Losers

THE PHILADELPHIA EAGLES' appearance in the Super Bowl this Sunday is a mixed blessing for die-hard fans like me. Sure, it would be great if they took home the big trophy, but then what? When long-suffering teams prevail, they immediately cease to be interesting.

It happened with the Red Sox, winless since 1918, when they finally won the World Series in 2004. Before that, there was something noble about their futile struggle against the New York Yankees and the fates. After the Red Sox won, they became just another annoying team from Boston.

The same thing happened with the Chicago Cubs. Lovable losers, hapless clowns, adorable buffoons, they were the nation's sweethearts during the World Series drought that began in 1908. For 71 years, they never even won a National League pennant.

Then, in 2016, they assembled the best team in baseball. And just like that, the mystique was gone. Before the World Series had even begun, the Cubs became the villains, with the underachieving Cleveland Indians (winless in the series since 1948) emerging as the sentimental favorites. The Cubbies got their prize at last, but when they failed to defend their title in 2017, nobody cared.

This pattern is repeated throughout history. Take the cash-laden New York Rangers, who were sort of fascinating until 1994, when they won the Stanley Cup after 54 years. Ditto for the Scots, when they finally whipped the English at Bannockburn in 1314. Until then, they were the heroic underdogs battling far above their weight class. After Bannockburn, they were just another cheeky tribe from the provinces.

The Eagles haven't won the National Football League Championship since 1960, six seasons before the first Super Bowl. Their long tradition of futility resonates powerfully in the Quaker City, because the Eagles are by far the most popular team in the Delaware Valley. The Phillies, who needed 97 years to win their first World Series, are beloved, but not like the Eagles. The Flyers, who have not won the Stanley Cup since 1975, are beloved, but not like the Eagles. The 76ers, trophy-less since 1983, are vaguely tolerated.

A victory might make the Eagles less interesting, but I can live with that.

NISHANT CHOKSI

The Eagles are different. The Eagles have been searching for the Holy Grail since I was 10 years old, growing up on the banks of the mighty Schuylkill. They haven't had much more success locating it than the Knights of the Round Table did.

But if the Eagles do defeat the reviled New England Patriots on Sunday, the quest will be over. That's because you can only find the Holy Grail once, not 27 times, the way Yankees fans believe. The Grail retrieved, the Eagles' aura of epic incompetence will pass to the well-traveled Arizona Cardinals—losers since 1947.

Personally, I am willing to embrace the loss of mythical stature that comes with never, ever winning the Super Bowl. I have savored every moment of my life as an ill-starred Eagles fan, cheering lustily for these valiant but overmatched warriors. I have enjoyed being in the same position as the Britons, Gauls and Carthaginians, knowing that no matter how hard our guys fought, they were going to finish second against the Romans.

But now I am willing to let all of that go. Let the Eagles become generic. I am ready to shed the tattered raiment of the noble loser. I am ready to wrap my fingers around the Holy Grail.

Approximately 6,069,875 other people around Philly feel the same way.

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PLAY

NEWS QUIZ: Daniel Akst

From this week's Wall Street Journal

1. At some places, applications are reviewed in as little as eight minutes. Applications to or for what?

- A. Jumbo mortgages
- B. Running for congressional seats
- C. Major foundation grants
- D. Elite colleges

2. The Philadelphia Eagles and New England Patriots are set for tomorrow's big game. How many Super Bowls have players now on the Pats participated in?

- A. 15
- B. 30
- C. 45
- D. 60

3. President Donald Trump ordered the Pentagon to keep something going. What?

- A. The U.S. government
- B. The war in Afghanistan
- C. The Guantanamo Bay detention center
- D. A ban on noncitizens in the armed forces

4. Sexual-misconduct allegations against Steve Wynn are threatening to derail Wynn Resorts' planned casino project—in which location?

- A. Massachusetts
- B. Minnesota
- C. Mississippi
- D. Macao

5. The director of the Centers for Disease Control and Prevention resigned over health-care and tobacco related investments. Who stepped down?

- A. Brenda Fitzgerald
- B. Anne Schuchat
- C. Julie Gerberding
- D. Virginia Apgar

6. Three key companies rattled the stock market with plans to form a health-care not-for-profit that hopes to use technology to cut costs. Which are they?

- A. Google, Johnson & Johnson and Citigroup
- B. Apple, GM and Wells Fargo
- C. Amazon, Berkshire Hathaway and JPMorgan Chase
- D. Philip Morris, Smith & Wesson and Diageo

7. In San Francisco, thousands of convictions going back to 1975 will be dismissed or reduced—convictions for what?

- A. Public nudity
- B. Marijuana-related offenses
- C. Voting Republican
- D. Calling the place "Frisco"

8. What's ruffling feathers in the chicken business?

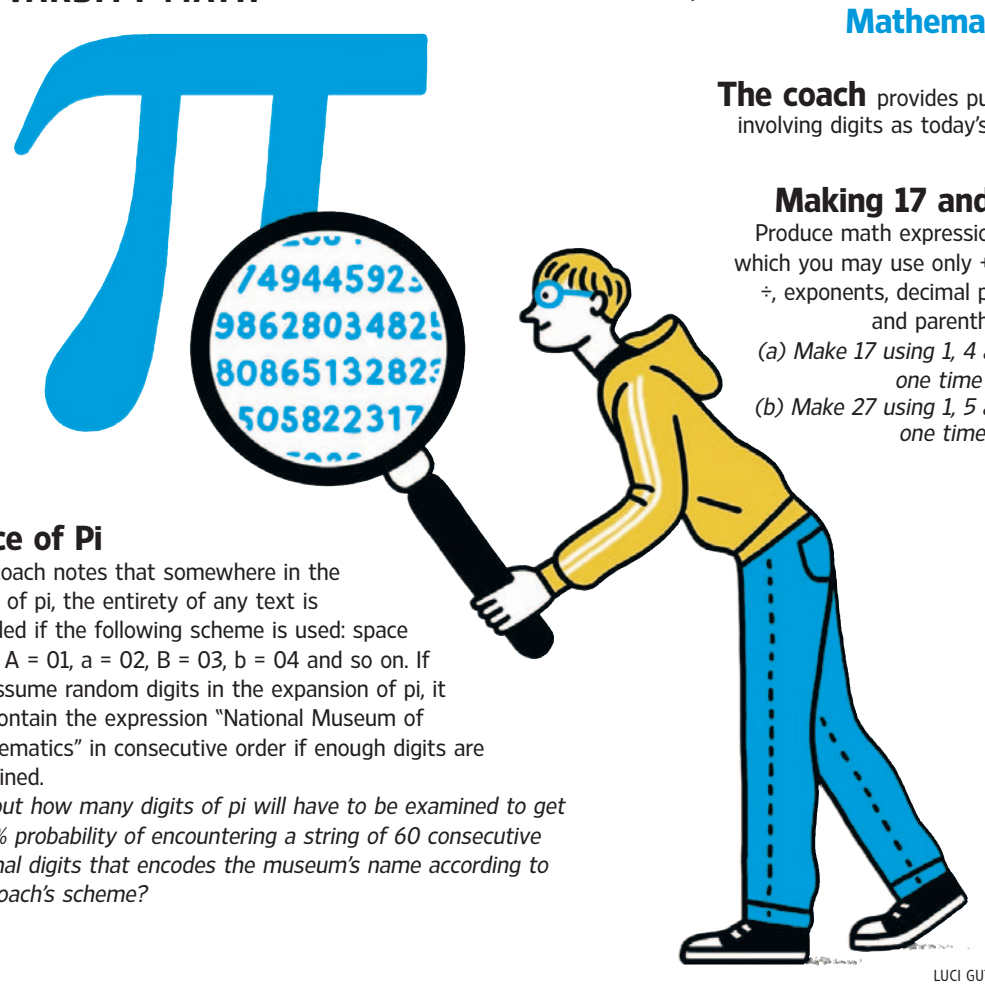
- A. A clandestine recording revealed that Colonel Sanders was a vegan.
- B. Two big food distributors have accused some producers of price collusion.
- C. Perdue is lobbying to have chicken-pox renamed "avian ague."
- D. Soaring Chinese demand has led to shortages in North America.

FROM TOP: ASSOCIATED PRESS; ISTOCK

To see answers, please turn to page C4.

VARSITY MATH

Provided by the **National Museum of Mathematics**



The coach provides puzzles involving digits as today's fare.

Making 17 and 27

Produce math expressions in which you may use only +, -, ×, ÷, exponents, decimal points and parentheses.

(a) Make 17 using 1, 4 and 5 one time each.

(b) Make 27 using 1, 5 and 9 one time each

Piece of Pi

The coach notes that somewhere in the digits of pi, the entirety of any text is encoded if the following scheme is used: space = 00, A = 01, a = 02, B = 03, b = 04 and so on. If we assume random digits in the expansion of pi, it will contain the expression "National Museum of Mathematics" in consecutive order if enough digits are examined.

About how many digits of pi will have to be examined to get a 50% probability of encountering a string of 60 consecutive decimal digits that encodes the museum's name according to the coach's scheme?

LUCI GUTIÉRREZ

Learn more about the National Museum of Mathematics (MoMath) at **momath.org**

SOLUTIONS TO LAST WEEK'S PUZZLES

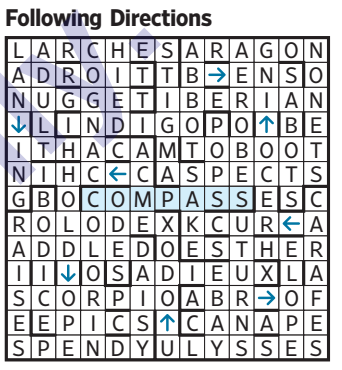
Varsity Math

See diagrams of last week's solutions at WSJ.com/puzzle.

For previous week's puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzle.

Jeez!

Following Directions



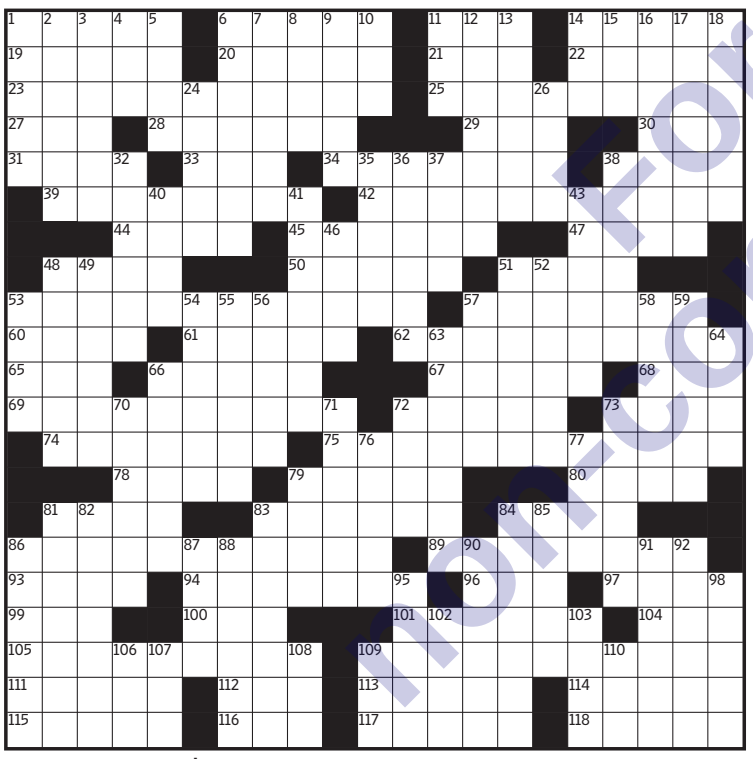
Arrow-matching directions are underlined in the Directional answers.

DIRECTIONAL 1. ABREAST OF (anag.) 2. BRIG + H(TEN)S 3. CLEF + T(C)HIN 4. RECOUPING (anag.) 5. A(WE) + S + TRUCK 6. L + AND + OW(N)ING 7. UNORTHODO + X ("Don Ho tour" anag.) 8. HOLDS OUT HOPE (anag.)

FILLER 1. POPS (2 defs.) 2. O + DES 3. EBAY (hid.) 4. ACME (anag.) 5. HIED ("hide" hom.) 6. SAKE (2 defs.) 7. DA(IS)Y 8. A + B + BOT 9. E + PICS 10. AD + cULT 11. ELOPE (hid.) 12. UT + URNS ("Tu" rev.) 13. S(T)IGMA 14. C(AN) + APE 15. RAISES ("razes" hom.) 16. A + RAG + ON 17. A(DROI)T ("rod I" anag.) 18. NO + NETS 19. SP(END)Y 20. C + OG + NAC (rev.) 21. A(DIE)UX 22. BO + DICE 23. SABOTS (anag.) 24. IN + DIG + O 25. E(S)THER 26. NUG + GET ("gun" rev.) 27. TO(BOO)T 28. A.D.D. + LED 29. ITHACA (anag.) 30. CAR(A + F)ES 31. sIBERIAN 32. COLOR IN (anag.) 33. A + S(P)ECT'S 34. ULYSSES (hid.) 35. ROL(OD)EX 36. A(EROB)ES (rev.) 37. L + ARCHES 38. SCORPIO (anag.)

THE JOURNAL WEEKEND PUZZLES

Edited by Mike Shenk



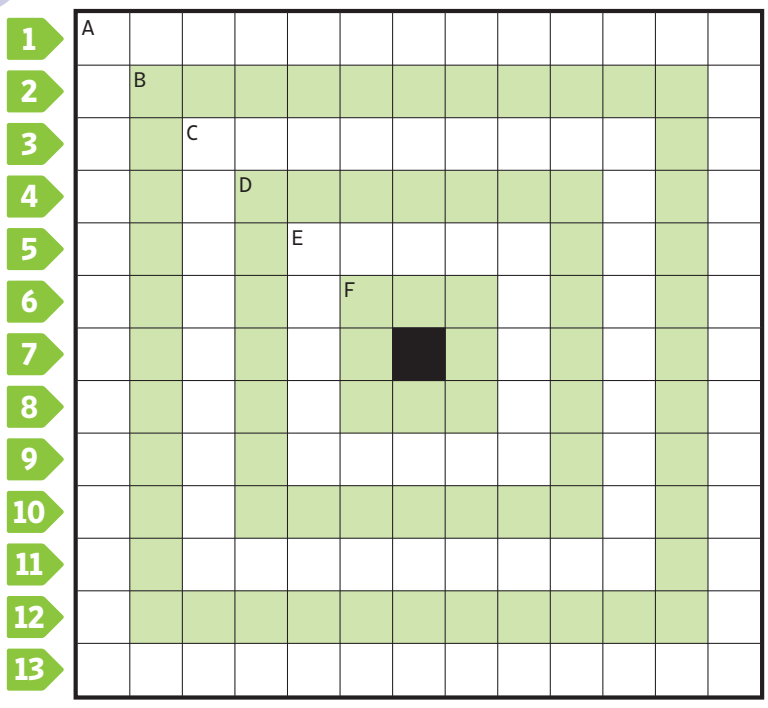
Think on Your Feat | *by Ethan Erickson*

Across

1 Runners' stops
6 "Don't know" indication
11 Lincoln, in NYC, e.g.
14 Home of the world's second-largest labor force
19 Extremely
20 Needle
21 Cry of recognition
22 Delaware senator Chris
23 Lead-in to "Please stop following me everywhere"?
25 Serious surfers?
27 Bloke
28 Cowboy, at times
29 Food label abbr.
30 Airborne drone, e.g.
31 Hellenic vowels
33 Early runabout brand
34 Filled with more profanity
38 Raucous note
39 Inactive
42 Tetley workers doing inventory?
44 Going around in circles, perhaps
45 Island at the mouth of the Persian Gulf
47 Sling
48 Pen unit
50 "The Hollow Men" poet
51 Put in a locker
53 Festival for feeble folks?
57 Snoopy's strip
60 Over
61 Salt shakers
62 Sound of a carrot-colored 77-Down?
65 Guidebook feature
66 Pump name
67 Twisty curves
68 Roguish
69 Headline about director Lee's recovery from an injury?
72 Chomped
73 Chimney part
74 Ian Fleming, in the 1920s
75 Output of some Cambridge DJs?
78 Some affix "Esq." to their names
79 Count of jazz
80 Different
81 Where the Nobel Peace Prize is awarded
83 Station worker
84 Tablet
86 Cause of some panicked bleating?
89 First-rate
93 Good pair
94 Franklin's wife
96 Princess in an 1884 comic opera
97 Convention
99 Gucci Mane's specialty
100 Paid spots
101 What's left
104 Grazing expanse
105 What steak shippers do?
109 Sound from a decrepit catapult?
111 Historic riveter
112 ___ Poke (caramel candy)
113 "Hello" singer
114 "Steppenwolf" novelist
115 John on the jukebox
116 Hamilton's bill
117 In accordance with
118 Caravan stops

Down

1 Give a little
2 Some north Pacific islanders
3 Visit on vacation
4 Mess up
5 Robe part
6 Regard intently
7 Persevered
8 Groundskeeper's tool
9 Manipulative bunch
10 Leipzig lang.
11 Ear's middle
12 1975 Terrence McNally play
13 Truck drivers' contest
14 I, in Innsbruck
15 Negating prefix
16 Wimbledon competition
17 Visibly distraught
18 Portfolio listing
24 Flyers with forked tails
26 Market aid
32 Looking unhealthy
35 Open-roofed halls
36 Screen gangster Pépé
37 Quite suspenseful
38 Angry outburst
40 Course activity
41 Virtual community begun in 1985 as a bulletin board
43 Deals with guilt
46 Bullring cheers
48 Reception nibble
49 Skull socket
51 Virtual reality glove component
52 Last part
53 Blocks
54 Like a pitcher's pretty good game
55 ___ corpus
56 Dasani rival
57 Olive Garden offering
58 Quiet cars
59 General acknowledgment
63 Old Scottish plunderers
64 Caustic solutions
66 Trusted adviser
70 Eucalyptus eaters
71 Stone on film
72 Gooey cheese
73 Joined the military formation
76 Old Chevy minivan
77 Ringer
79 Repeated, a Polynesian island
81 1959 hit for Neil Sedaka
82 Ignore, as faults
83 Event for select customers
84 Bike rider
85 Steaming
86 "Nausea" novelist
87 Play group
88 Inheritor under primogeniture
90 Minuscule amount
91 Surprisingly enough
92 Musical set at Rydell High
95 Auditions
98 Fashions
102 Flight feature
103 Letter before Foxtrot
106 AFL's partner
107 Documentarian Burns
108 Whole lot
109 Bleating sound
110 Stephen of "The Crying Game"



Marching Bands | *by Mike Shenk*

Answer words in this grid march both across ("Rows") and around ("Bands"). Each Row has two answer words to be entered across, from left to right. Their dividing point is for you to determine, except in row 7, where the words are separated by a black square. Each Band has answer words to be entered clockwise, in a continuous string around the shaded or unshaded band, starting at a lettered square (A–F) and ending in the space below that square. The dividing points in each Band's string of words are also for you to determine. All clues are in order. When you are done, each square will have been used twice, once in a Row word and once in a Band word.

Rows

1 ▶ Tender spot?
▶ Zero is at its center (2 wds.)
2 ▶ Where the Nyabarongo River flows
▶ Frequent co-star of Katharine
3 ▶ Extremely delicate
▶ Like a good designated driver
4 ▶ "Vissi d'arte" singer
▶ Hudson of "Rebel Without a Cause"
5 ▶ Christmas tree choice
▶ Clams
6 ▶ Draft choice
▶ Lowest
7 ▶ Void
▶ Must (2 wds.)
8 ▶ "The Robots of Dawn" writer
▶ Storyteller, e.g.
9 ▶ Stout quality
▶ Victim of temptation
10 ▶ Like salmon and sole, but not sturgeon and skate
▶ Library patron, perhaps
11 ▶ Study of ancient literature and philosophy
▶ Thermae, in ancient Rome
12 ▶ Like some kitchens (Hyph.)
▶ Not limited to a single operating system, as hardware
13 ▶ Competitions with mechanical hares (2 wds.)
▶ Frugal fellow

Bands

A ▶ "The Greatest Showman" subject
▶ Marlene Dietrich, by birth
▶ Museum specialists
▶ Glacial fissure
▶ Hold (2 wds.)
▶ Tried to catch (2 wds.)
B ▶ Transfiguration class requirement
▶ Ski mecca on the Roaring Fork River
▶ Usher replaced him on "The Voice"
▶ Canyon on the comics page
▶ Billboard listing (2 wds.)
▶ "Gentlemen Prefer Blondes" author (2 wds.)
▶ Prufrock's creator
C ▶ Roll call answer
▶ Furthermore
▶ Physical component (2 wds.)
▶ X-coordinates of points, in mathematics
▶ Comerica Park baseballers
D ▶ Train unit
▶ Kin of bronze
▶ Legislative bill
▶ Australopithecus and the like
E ▶ Pacific sierras and wahoos
▶ Bit of back-of-book info
F ▶ "Who do you think you are?!" (2 wds.)

▶ **Get the solutions** to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at **WSJ.com/Puzzles.**

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DENVER ART MUSEUM

'DANCE EXAMINATION' (1880) shows the artist's delight in depicting bodies in motion.

ICONS

Degas the Experimenter

On view in Denver, decades of his boundary-pushing in technique and subject matter—and how he used repetition to refine and perfect

BY SUSAN DELSON

HE MAY BE RENOWNED for images of classical ballerinas, but as an artist, Edgar Degas was anything but traditional. An energetic experimentalist and innovator, he continually pushed the bounds of his era's techniques and standards of taste.

That side of the artist is a guiding thread of "Degas: A Passion for Perfection." Opening Feb. 11 at the Denver Art Museum—its only U.S. venue—the show features more than 100 works across a range of media: paintings, drawings, pastels, etchings, monotype prints and bronze sculptures. Degas loved mixing conventional media in unexpected ways. And he rarely finished a work in a single pass, adding and improvising long after other artists would have put down their brushes and pastel sticks.

The exhibition, which closes May 20, presents six decades of works by Degas (1834–1917). Its central themes include the artist's creative process and his penchant for repetition, said the museum's curator Timothy Standring, who organized the show in Denver. Degas often used a favorite composition as the starting point for more experiments, he noted. A work like the charcoal and pastel "After the Bath" (c. 1891), for instance, could become "a template that allows him to work with counterproofs [reverses made by pressing another sheet of paper onto the original work], with tracing paper, with oils, with chalk, with charcoal." The Denver exhibition includes this work, its counterproof and a third version, an oil painting done some four years later.

Women in boudoirs as if seen 'through a keyhole.'

Organized with the Fitzwilliam Museum in Cambridge, England, the show begins with the artist's early years, featuring "a huge range of works that Degas looked at, studied and copied," said Jane Munro, keeper of paintings, drawings and prints at the Fitzwilliam, who curated the exhibition there. Two influences were Jean-Baptiste-Camille Corot, known for his landscapes, and Jean-Auguste-Dominique Ingres, who like Degas had an enduring interest in nudes.

One early picture, done when he was barely past 20, reveals the artist's knack for creative problem-solving. Degas liked the sheen of lines drawn in metalpoint, but he wasn't adept at the technique. In a portrait of his sister, he emulated the effect with countless tiny marks in graphite. The picture, "Head of Thérèse De Gas, in Profile," uses the surname Degas was born with. As a young man, he adopted the less aristocratic (and less pretentious) one-word version.

A later section spotlights horses—one of Degas's great obsessions—seen in a career-spanning selection of paintings, drawings, prints, pastels and sculptures. Degas was aware of photographer Eadweard Muybridge's 1878 motion study of a galloping racehorse—on view as an animated video clip—which sought to prove that a running horse must at some point have all four legs off the ground. (It does.) Degas incorporated Muybridge's pioneering images into his own art, as seen in the red-chalk "Jockey Galloping" (c. 1881) and other equestrian works.

The visual effects of artificial light also fascinated Degas. His experiments in capturing it include the monotype "Woman at Her Toilette (The Basin)" (c. 1880–83). In this work, he suggests a lamp's bright glow by completely rubbing away the ink from the printing plate, leaving a sphere of brilliant white against the darkness.

Degas's choice of subjects could be surprisingly modern as well. "He paid attention to class differences," said Mr. Standring, portraying working people with an eye for the telling detail. In "At the Theater: Woman Seated in the Balcony" (c. 1877–80), he suggests his subject's limited means with a modest hat, and the woman in "The Laundress Ironing" (c. 1882–86) is all but shrouded by hanging laundry. For artists of the time, "this was new subject matter," said Mr. Standring.

So was Degas's depiction of private conversations in public places. With their subjects' tense postures and lowered glances, sharply observed works like "At the Café" (c. 1875–77) and "The Conversation" (1885–95) are as much about the gulfs between people as the bonds that draw them together—another distinctively modern aspect of the artist's work.

Degas's many depictions of women in boudoirs and baths suggest a different level of intimacy and perhaps a touch of voyeurism. Most of the figures are nude, and they are often caught in awkward poses—as if seen "through a keyhole," as Degas himself put it. "Woman Scratching Her Back," an 1881 pastel, has its naked subject leaning forward, away from the artist's eye, arm clumsily bent behind her.

The exhibition closes with Degas's renowned dancers. "People call me the painter of dancing girls," he told the art dealer Ambroise Vollard. "It has never occurred to them that my chief interest in dancers lies in rendering movement and painting pretty clothes."

The delicately arched foot of a "Young Female Dancer Adjusting Her Tights" and the unconscious grace of the younger girl doing the same in "Dance Examination," both from around 1880, show Degas's delight in depicting the female body in motion. As Ms. Munro observed, his repetition of subjects and poses reveals not a lack of imagination but the opposite. "Do it again and again, 10 times, a hundred times," he insisted in an 1886 letter to a friend. "Nothing in art must seem to be an accident, not even movement."

MASTERPIECE: ARDABIL CARPET (16TH CENTURY)

A MAGNIFICENT, MAGIC CARPET

BY LEE LAWRENCE

SCHOLARS MAY NOT know where in Iran the magnificent 16th-century carpet now on view at the Los Angeles County Museum of Art was made. Nor have they always agreed on its original purpose. But nobody has ever disputed that this 23½-foot-long carpet and its companion at the Victoria & Albert Museum in London are the earliest dated Persian carpets and among the world's most masterly floor coverings. Most scholars now believe they once lay side by side in a prayer hall attached to the shrine of Sheikh Safi al-Din, the founder of Iran's Safavid dynasty (1501-1722). They are known by the town's name: Ardabil.

While the London carpet is on permanent view in a special case, curators at LACMA bring their masterpiece out at intervals in anticipation of an allotted permanent space in the museum's planned makeover. Currently, as the first installment of "A Tale of Two Persian Carpets (One by One): The Ardabil and Coronation Carpets," it occupies a cavernous space that, alas, dwarfs the 310-square-foot carpet, robbing it of some of its impact. That said, if we come in close there is no escaping its magic.

Its scheme is straightforward: a rectangle with, in its center, a large, 16-pointed medallion encircled by 16 oval pendants. Atypically, the design is asymmetrical: The silhouettes of two hanging lamps differ in shape, and a cartouche with inscription appears only at one end. It includes the date 1539-40 and is written to be read by someone sitting or standing on the carpet, thus dictating an orientation. As we approach the carpet, the cartouche is on the far end, placing us in the same spot as someone entering the shrine's prayer hall almost half a millennium ago.

It is akin to standing at the edge of a garden or pool teeming with variegated flowers in different stages of bloom. They float against a deep blue ground, their stems attached to vines that branch, arc and spiral, creating a sense of vibrant, unstoppable life. They also create an illusion of depth: Thin, light-colored vines run "beneath" thicker, rust-red vines with larger blooms. But nothing is stable in this composition. The thicker vines overlap the thinner ones, but the latter's lighter color pops them to the surface. There is movement even in the blue ground, whose intensity and hue subtly shift whenever the weavers finished one batch of indigo-dyed wool and began drawing from another.

Akin to a garden teeming with life.

Unable to walk or sit on the carpet as its makers intended, we are confined to its perimeter. As we walk alongside it, we get a closer view of the central medallion with its oval pendants. It, too, is rich with decorations—blue-gray shapes interlace in swirling patterns with a Chinese cloud-band motif also found on the border. Just as the play of colors, floral patterns and planes rev us up, so do the pale, subdued yellows and muted contrasts of the medallion relax us, like taking a deep breath.

It is likely that the art-loving ruler Shah Tahmasp (who reigned 1524-76) commissioned it, and recent analyses point to two teams of perhaps four men working on looms for some three to four years. The high knot count in both—between about 340 and 350 per square inch—allowed the weavers to achieve crisp details and smooth curves. It also has ensured the carpet did not unravel when successive owners excised damaged areas or tailored portions to new sites. Eventually, in the late 1800s, a canny dealer in the Middle East or Britain began piecing the rug (and its twin) back together, sometimes mixing and matching fragments. If you look at the back, says LACMA's Linda Komaroff, curator of Islamic art and department head of art for the Middle East, the stitching is "like a Frankenstein quilt."

As a result, the two carpets are no longer identical. The V&A's carpet is several feet longer, and all four corners are filled with quarter medallions surrounded by pendants. LACMA's has these (though smaller) at the top end, but the bottom has been lopped off. The different silhouettes between each rug's hanging lamps, however, is part of their design and still puzzles scholars. Some see in this a deliberate imperfection, a sign of the designer's humility. Sheila Blair, scholar and professor of Islamic art history, on the other hand, posits that the designer adopted a perspective technique from architecture to make the lamps look alike to anyone standing at the foot of the carpet. Then why are the corner medallions in the V&A carpet not different sizes, too? Was that symmetry part of the design, or might they have been reconstructed incorrectly? We may never know.

What does now seem clear is that both carpets were made for the prayer hall in Ardabil. "I have no refuge in this world other than thy threshold," their inscriptions read. "My head has no resting place other than this doorway." The design's many dynamic tensions—excitement and calm, containment and exuberance—reflect the very dynamics of prayer, itself a threshold between the world in which humans utter their prayers and the realm in which the divine receives them.

Ms. Lawrence writes about Asian and Islamic art for the Journal.

MUSEUM ASSOCIATES/LACMA

DETAIL of the Ardabil carpet, likely made for a prayer hall.

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In Turkish cooking, a little yogurt rarely hurts **D5**

OFF DUTY

Treadmills that take the tedium out of indoor running **D10**

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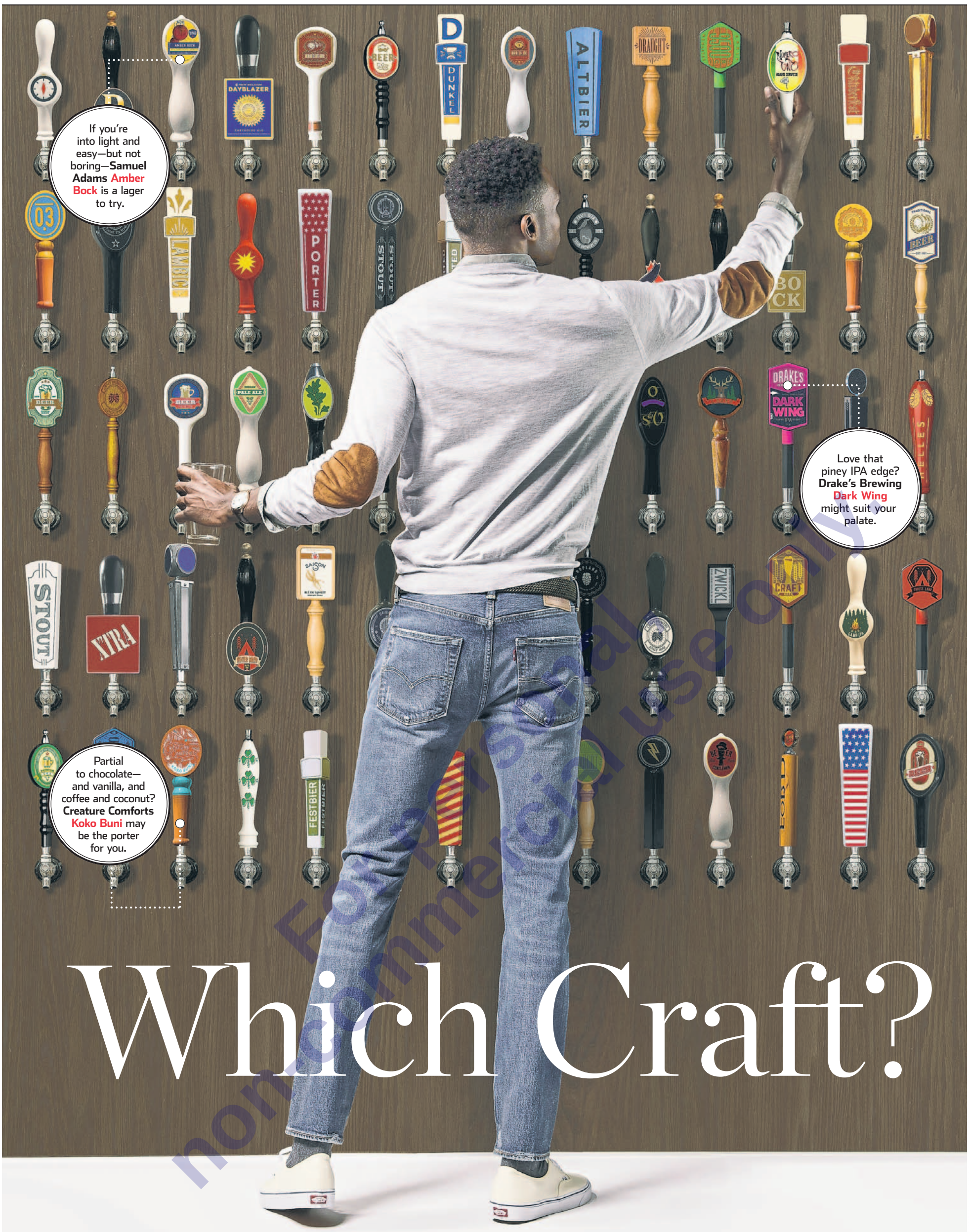

Which Craft?

Once craft beer was the domain of a small cult of brew geeks. Now, brands and styles abound. How did we get here, and what's the best way to navigate the ocean of options?

BY WILLIAM BOSTWICK

GLASSES CLINK over the murmur of barside conversation. A pinball machine pings in the corner. The worn wooden bar is scattered with pint glasses and baskets of popcorn, lit by the flicker of a game on TV. On an ordinary block west of downtown Cleveland, Jukebox appears to be the classic American watering hole.

But look closer. On the grill: vegan pierogies filled with locally made kraut. And in the glasses: craft beer. Welcome to the modern neighborhood bar.

Craft beer once constituted a culture unto itself, with its own rituals and dialect; the beers themselves were obscure and hard to come by. Now craft brews flow freely in sports bars, strip-mall chains and convenience stores.

We're awash in beer options: some 6,000 breweries and counting in the U.S., and near infinite styles, whether old traditions reawakened or stylistic blends unfamiliar even to snobs. Formerly independent breweries like Chicago's Goose Island and Terrapin out of

Please turn to page D4

Sweater, *$1,295, brunellocucinelli.com*; Watch, *$19,100, Cartier, 800-227-8437*; Anderson's Belt, *$160, Todd Snyder, 917-242-3482*; Jeans, *$60, levi.com*; Falke Socks, *$34, Harry Shoes, 855-642-7797*; Sneakers, *$50, vans.com*

PHOTO ILLUSTRATION BY JOHN KUCZALA; F. MARTIN RAMIN/THE WALL STREET JOURNAL. STYLING BY ANNE CARDENAS (MODEL)

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DON'T CHANGE A HAIR FOR ME
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THE LIGHTEST HOUR
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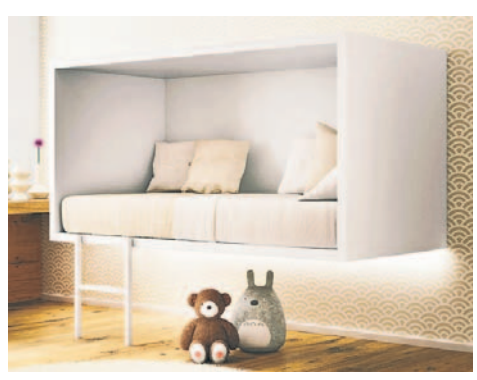

AN ANXIOUS FALL PREVIEW
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VACATION GOALS
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GIFT GUIDE

My Funny Valentine

To come up with some jazzy Valentine's Day gift ideas, we took inspiration from the lyrics of the classic Rodgers and Hart ditty

1. "Sweet comic Valentine, you make me smile with my heart." Well worth a grin: silly sterling silver and gold vermeil twisty straws from Tiffany's, a charmingly extravagant surprise. Tiffany & Co. Silver Straw, *$250*, and Gold Straw, *$350, tiffany.com*

2. "Your looks are laughable, unphotographable..." Her beauty can never truly be captured, but she'll love this sophisticated non-iPhone camera for selfies. PowerShot G9 X Mark II Camera, *$450, usa.canon.com*

3. "Yet, you're my favorite work of art." Artist Alex Katz famously painted his wife Ada's portrait more than 250 times. What's more romantic? Give your Valentine one. "Grey Ribbon" by Alex Katz, *from $8,000, 1stdibs.com*

4. "Is your figure less than Greek?" The bright side of the "wellness" craze is that exercise clothing is no longer a gifting faux-pas. A nice addition: private Pilates classes. Jacket, *$178*, Leggings, *$125, Tory Sport, 212-777-2226*

5. "Is your mouth a little weak?" Not with this newly released poppy shade from Rodin, bold and beautiful just like her. Lipstick in "Red Hedy," *$38, rodinoliolusso.com*

6. "When you open it to speak..." If she's tired of your impertinent questions, she can give you the silent treatment and let this antique music box do the talking. Late 19th Century Music Box, *$1,259, 1stdibs.com*

7. "Are you smart?" Even a Ph.D. will appreciate this witty crash course, including a cheat sheet on "How to Tell Keats from Shelley" and the psychology 101 primer, "11 Ways To Leave a Mother." It's a classic. "An Incomplete Education" by Judy Jones and William Wilson, from *$29, amazon.com*

8. "But, don't change a hair for me..." However, please do brush it, darling. At this price and with a pedigree dating to 1885, this brush is giftworthy. Mason Pearson Hairbrush, *$205, bigelowchemists.com*

9. "Not if you care for me." Give her a timeless locket and a loving hint in the form of a tiny, flattering photo of yourself, cut to fit. Monica Rich Kosann Locket Necklace, *$1,395*, Bergdorf Goodman, *212-872-8960*

10. "Stay, little Valentine, stay." Whisk her (or him!) away on a short (or long!) jaunt to Paris. A night at Hôtel de Crillon, from *$1,363, rosewoodhotels.com*

11. "Each day is Valentine's Day." An elegant daily reminder that she's your first lady, this desk calendar is from the same paperie that made Jackie O's stationery. Mrs. John L. Strong Calendar Set, *$130, mrsstrong.com* —*Rebecca Malinsky*

GETTY IMAGES (COUPLE); F. MARTIN RAMIN/THE WALL STREET JOURNAL, STYLING BY ANNE CARDENAS (1, 2, 4, 5, 7, 8, 9, 11); 1STDIBS (3, 6)

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Broaden Your Jean Pool

Raw, dark, incredibly stiff denim was the dominant strain for years. But the rules—and everything else—are loosening

BY SCOTT CHRISTIAN

HOW DID RAW denim get fetishized to the point of absurdity in the past couple of decades? What started as an innocuous trend for classic jeans became a persistent, profitable craze that spawned a religion. Denim zealots chronicled the elaborate processes they used to break in their jeans in YouTube videos, on blogs and with fanatical Instagram accounts. For the better part of the 2000s, this was the modish approach to denim: Buy jeans in unprocessed dark indigo the consistency of military-grade tent canvas, and don't even think about bending your legs for six to eight months. Those of us who questioned the labor-intensiveness of raw denim, or preferred a more forgiving fit, had relatively few options.

Today, the rigidity of men's denim rules has softened (along with your A.P.C. jeans). While we haven't exactly entered total denim anarchy, in terms of fit, wash and amount of stretch, there is now more leeway—in every sense of the word. "The raw rigid thing has plateaued a bit," said Jonathan Cheung, head of design at Levi's Strauss. "And the lighter stone-wash look has come back strong." He chalks up this shift to the trend for "normcore," hipsters' fondness for regular-guy wear that's pointedly less stylish. Chris Gibbs, owner of the popular Los Angeles men's clothing shop Union, credits streetwear for the new currency of looser, paler jeans.

However it happened, lighter washes, relaxed fits and even some stretch are trickling down to the rest of humanity. In case you're a bit flustered by the new selection, here are some things to consider.

F. MARTIN RAMIN/THE WALL STREET JOURNAL, STYLING BY ANNE CARDENAS

Feel Free to Relax

Find the sweet spot between Slimsville and Baggytown. Scott Morrison, founder of New York-based denim brand 3x1, said that denim is probably headed to a "classic 501 kind of look. Where it's fuller, a little bit looser, a little bit easier but [has a] straight leg." The A.P.C. style shown here fits the bill—and underlines the rejection of uptightness with a faded wash. Style looser jeans carefully so you don't look sloppy.

Petit New Standard Jeans, *$250, usonline.apc.fr*

Embrace Elasticity

For years, men left stretch denim to their girlfriends, concerned about those telltale shapely calves. "Once upon a time, you could spot stretch jeans from 6 feet away," said Mr. Cheung. But now, thanks to higher-quality fibers and better yarn-spinning techniques, the effect and fit are much more subtle. Dark iterations are ideal for guys who want the comfort of stretch but still prefer the classic raw-denim look.

Incotex Jeans, *$280, Slowear, 646-723-1900*

Let There Be Light

Thanks to its crispness, dark denim is still the jean of choice for the office or a night out. But that doesn't mean jeans like those at left can't look presentable, even professional. "If you wear lighter jeans with an Oxford shirt or a sweater and button-down, that's a more sophisticated look that can probably work," said Mr. Morrison of 3x1. You can further chic-ify light washes by pairing them with a blazer or (yes) brogues.

Tyler Taper Fit Jeans, *$228, jbrandjeans.com*

Less Distress Is More

When it comes to faux wear-and-tear, the desired look is "lived-in," not "mauled by rabid raccoons." Fading should appear plausible—see the slightly stonewashed Levi's 501s shown here. "Everyone's weary of heavy whiskering," said Erik Allen, co-founder of L.A. brand Buck Mason. And restrict yourself to just a bit of scuffing at the seams and hem, no rips or tears. "Unless you're performing at Coachella," said Mr. Cheung.

501 Original Fit Jeans *$60, levi.com*

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FIND THE CRAFT BEER MADE FOR YOU

Continued from page D1

Athens, Georgia, are now owned in whole or part by big brewing companies, and industrial beers have been retooled in craft-like seasonal styles (see: Leinenkugel's Watermelon Shandy).

The American craft-beer revolution started tiny, with a cabal of homebrewers, after 1978 changes to federal law made their basement operations legit. When craft beers first came on the market in the 1980s, they were distinguished from industrial-scale beers as much by the way they were distributed as the way they were made. Until recently, the beer industry's distribution network consisted of a small number of family-owned companies, each devoted to moving a single mega brand. "Their business model was designed around moving boxes, not about what was inside," said Arlan Arnsten, a consultant who works with craft breweries. The craft sector's challenge was to show that what was in those boxes mattered, at the bar and at the bank.

Big brands like Anheuser-Busch offered loyal distributors incentives such as partial refunds on marketing costs in exchange for carrying only its products. That kept traditional distribution channels closed to craft but prompted others to open up. Mr. Arnsten helped Greg Koch, CEO of Southern California craft pioneer Stone Brewing, to found Stone Distributing in 1996; three years later, they brought on their first affiliate brand. Today, the company's fleet of biodiesel-powered trucks distributes beers from dozens of breweries, and other independent distributors have gotten into the game, too.

The smallest outfits still self-distribute. Where once Bud Light-branded tractor-trailers blocked traffic in front of corner bars, now it's double-parked Sprinter vans emblazoned with the logos of different local breweries.

The market share of Bud Light itself, categorized as "premium" when it launched in 1982, has dropped from 19 to 16% over the last six years. Parent company Anheuser-Busch is now a subsidiary of transnational AB InBev, and a "premium" brand looks more like Goose Island Bourbon County Brand Stout: high-priced, gift-boxed, fiery, potent and unlikely to be categorized in any respect as "light." AB InBev bought Goose Island in 2011—one of the first of the acquisitions by global brands that continues to extend craft (and craft-styled) beer's reach.

On a recent afternoon, Cleveland's Jukebox offered Goose Island's Four Star Pilsner on tap alongside a limited-edition barrel-aged winter warmer from a microbrewery around the block. The fridge stocked both Pabst Blue Ribbon and Bell's Two-Hearted IPA—one of the flagship craft brands that arrived with that first wave of independent distributors. "People were introduced to craft through these category-defining beers," said Jukebox owner Alex Budin. "Sam Adams Boston Lager, Sierra Nevada Pale Ale, Allagash White."

"Craft," defined by those flagship brands, once meant mostly IPAs and wheat beers; now the term extends to limited-run styles and seasonal flavors. In fact, flagship sales are falling for 15 of the 25 biggest regional craft brands, including Sierra Nevada and Sam Adams. "Flagship fatigue," some call it. "Now even chains like Applebees leave a handle open for a seasonal," said Mr. Budin. "People are aware that when it's fall we should drink something malty; if it's winter we should have a stout."

Even a beer drinker well versed in the core craft styles and flagship brands might be daunted by the seasonal and small-batch variety now widely available. This new world demands a new sort of drinker, less focused on brands than on flavors.

Start with what you know. Pick a favorite—maybe one of those staple brews that introduced you to craft beer in the first place—and identify what you find appealing about it.

"Flavor is the combination of all your senses," said Lauren Woods Limbach, cellar director at New Belgium Brewing in Fort Collins, Colo. She started New Belgium's sensory training program, where pros learn to sniff out such factors as parts-per-million diacetyl contamination. But she has plenty of advice for the everyday drinker

> This new world demands a new sort of drinker, less focused on brands than on flavors.

too. For her, tasting a beer is a matter of "breaking it apart and putting it back together."

Ms. Limbach walked me through how she tastes New Belgium's Voodoo Ranger, a brightly tropical IPA that appeals to those put off by overwhelming bitterness and drawn to fruitier flavors. The tasting process begins with a visual. "A beer's color tells you a lot," she said. "Pale gold means no roasted grains, so it'll be light and bright tasting. A big layer of white foam could be a sign of the hops in it. Hop tannins help support that layer." Less-hoppy sours and stouts often lack that foam.

A swirl of the glass breaks up tannins and distributes their bitterness through the beer. Now breathe deep. "The first thing you smell in almost every IPA is resinous pine from something called myrcine," a flavor compound in most hops, Ms. Limbach explained. Many brewers amplify that flavor in IPAs by using lots of hops and boiling them vigorously, which drives off more delicate aromatic oils, leaving just the heavier resins behind. In Voodoo Ranger, though, the hops are added dry, to preserve their fruity notes. The first whiff of pine is quickly joined by sweet lemon curd, creamy mango and tropical guava. "That tells me I'm drinking a dry-hopped beer," said Ms. Limbach.

It takes practice to pick up such subtleties, of course. Ms. Limbach offers an immediately accessible aspect to focus on: retronasal aroma. "Swallow with your mouth closed, then breathe in through your nose," she advised. "When the hops' essential oils hit your mouth, they flash off. Keep your mouth closed when you exhale, and you'll smell those more delicate notes."

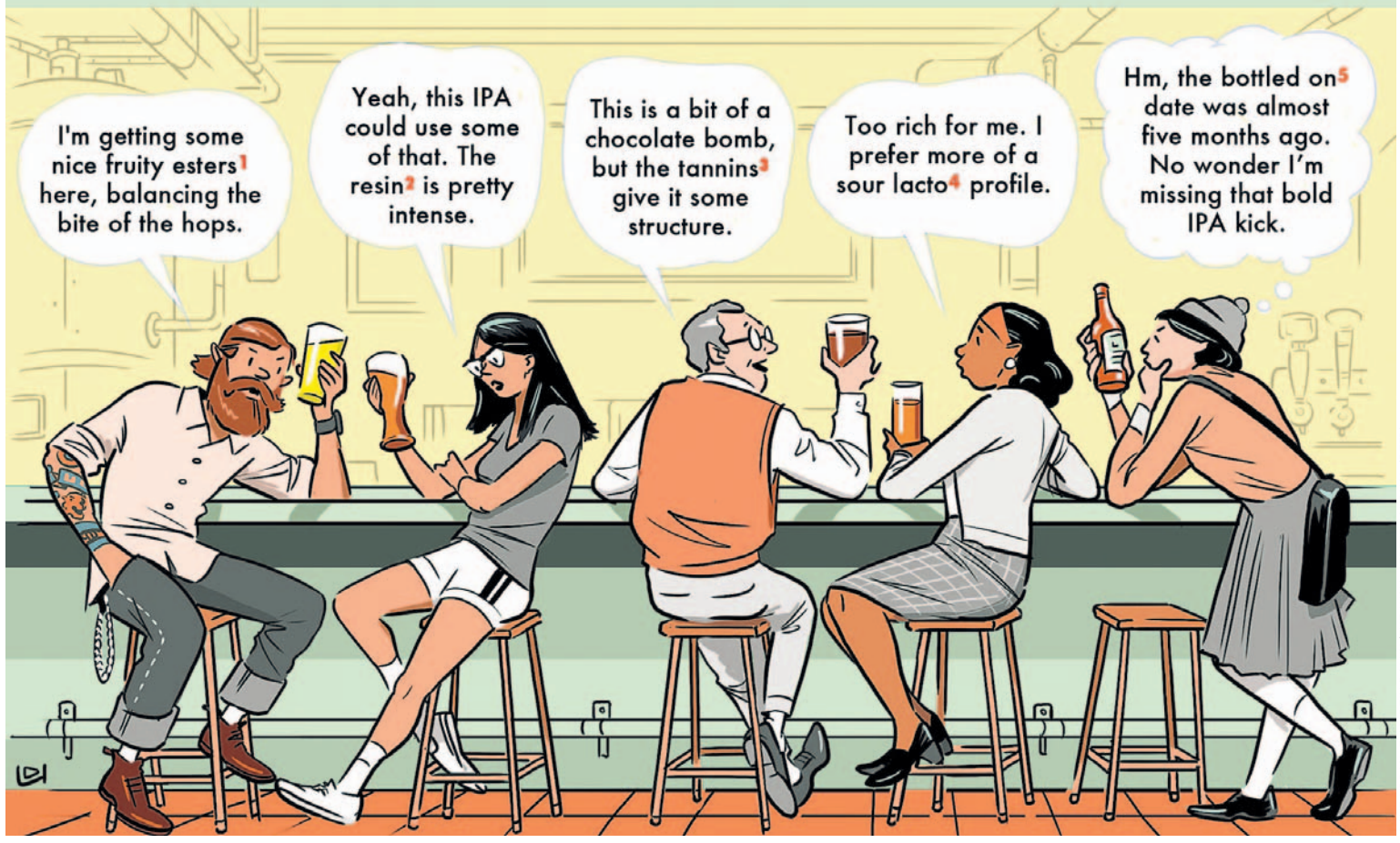
Take another sip, and the bitterness builds, lingering as the hop resins coat your tongue. Voodoo Ranger is not a heavy beer, but the alcohol warms a little and the fruitier ale yeast provides satisfying heft while keeping things refreshing.

Now, identify the characteristics you like, and let them guide you to your next pick. "Order by the attributes you love," said Mr. Budin. "Take someone who likes Blue Moon. If they dig deeper, they might find what they like are its citrus and spice notes. Instead of saying, 'I like Belgians,' they can say they like those particular flavors."

Those qualities might turn up in a fruity Belgian IPA, say, or a zesty, old-world kellerbier. Either way, articulating what you like (and don't) will help you get the most out of a helpful bartender. (See "Tap Talk," above.) The corner bar may have more taps these days, but conversation remains the common currency.

TAP TALK

Craft beer's once-exotic lingo is now lingua franca at the corner pub. Talk the talk and use these terms, now commonplace on beer menus, to get the brew you're looking for



DAVE URBAN; F. MARTIN RAMIN/THE WALL STREET JOURNAL (BEER)

1 Esters are aromatic compounds given off by yeast as it ferments. They can be light and fruity, as in pale ales; warming and spiced, as in many Belgians; or practically nonexistent when beer is fermented cold, as lager is.

2 Unlike the more volatile, delicate oils in aromatic dry-hopped beers, **resins** are heavier hop compounds that give potent IPAs sticky, spicy bitterness.

3 You're probably familiar with the mouth-gripping dryness found in some red wines. In beer, **tannins** often come from roasted grains that impart a toasty crackle and snap to darker porters.

4 Lacto is short for lactobacillus, the bacteria found in many sour beers, and also for the tangy acid it produces. In unaged sours—sometimes called "kettle sours"—the acid can be sharp and almost yogurty; when developed slowly, often in barrels, it's funky and mellow.

5 Beer does go bad; treat it as warily as back-of-the-fridge milk. Beer on tap is almost always best: fresh, cold and unexposed to damaging light rays. If you do pick a bottle, check the "**bottled on**" or "best by" date, usually notched into the label or stamped on the neck

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SUNDRY SIPS // THE MODERN MIXED SIX

From rich, smooth porters to light lagers with a sour kick, the craft beer category expands continually to include ever more varied and complex brews. Here's a six pack's worth of bottles that represent the range of options widely available now.

1. New Belgium Dayblazer (4.8%) A so-called session beer (i.e., low-alcohol), blooming with sweet grains and dried out with light, bright bitterness from subtle Nugget hops.

2. Samuel Adams Amber Bock (6.0%) A light-finishing lager with the sweet, satisfying chew of honeyed whole-wheat toast and the crisp edge of the crust.

3. Creature Comforts Koko Buni (6.8%) Notes of Ethiopian coffee, Ecuadorean cocoa nibs, toasted coconut and a dash of vanilla soften this porter's tannic corners with smooth, soothing sweetness.

4. Drake's Dark Wing (7.5%) An IPA like a pine forest: the bitter, barky bite of resinous hops honed by roasted grain to a sharp edge.

5. Left Hand Saison au Blé de Minuit (6.8%) Milky smooth to start, with a roasty, twanging finish. A wheat beer cloaked in burnt black grain. Sharp dark chocolate in a creamy Hershey shell.

6. Flying Dog Numero Uno (4.9%) Brewed with agave nectar, citrus zest and lager yeast, this session sour is light as a beach-cooler Pilsner with the refreshing tartness of Key lime pie.

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Just Add Yogurt

Turkish cooks know what a dollop can do for a stew, a marinade or even a cake

BY NANCY HARMON JENKINS

IT DIDN'T TAKE much time in Turkish kitchens for me to begin to grasp the importance of yogurt at each step of cooking and every part of the meal. Over the 30-plus years I've been traveling to Turkey, I've seen yogurt used to thicken sauces and soups; to provide cool contrast to grilled meat and vegetable dishes; and to tame the heat of Turkish chiles. Yogurt sweetens and also adds a sour tang. It even moistens and tenderizes cakes.

"Yogurt appears in the most unusual forms," Turkish cooking authority Aylin Tan explained to me when I visited Istanbul last year. "Strained, preserved, salted, potted. There are even dried and smoked varieties." She spoke of the thick, clotted *yanik* yogurt of Denizli in the southwest, made from sheep's or goats' milk and prized for its burnt-caramel flavor, as well as a cooked and salted yogurt from Antakya on the southern coast. To make *tarhana*, a sort of instant soup base, yogurt is mixed with crushed wheat, then dried. The refreshing drink *ayran*, a simple mix of yogurt and water (fizzy or still) with salt or sugar, can accompany everything from breakfast to afternoon snacks.

When in Istanbul, it's worth ferrying across the Bosphorus to the Asian side and the waterfront village of Kanlica, deservedly famous for its yogurt. Also on the Asian side sit the three restaurants of the renowned Turkish chef Musa Dağdeviren, who uses yogurt one way or another in most every dish. Kebabs of lamb, chicken and vegetables come with healthy dollops of yogurt on the side. Creamy stews feature meats marinated in savory yogurt until meltingly tender. Meatballs charred on the grill come in pita sandwiches with plenty of yogurt, crushed red pepper from Urfa or Maraş, and the deep-crimson spice sumac, which contributes an additional tart note. As in many Turkish kitchens, yogurt mixed with mint, dill and garlic makes a sauce for stewed beans, bitter greens or, in springtime, fresh young fava beans in their pods.

At home, I always stock two tubs of yogurt—one container of the regular, looser kind; another of the thicker, strained variety we've come to call Greek yogurt here in the States—and I use them all the time. My Italian friends will roll their eyes, but I'll add a dollop of yogurt to spark up the flavors of a meaty ragù. After spending some time in Turkey, I'm apt to whip up a bowl of *çaçik* (pronounced dja-DJEEK), the cooling dip of strained yogurt mixed with crushed garlic, chopped cucumbers and either mint or dill—perhaps familiar to you under its Greek name, *tzatziki*. Or I might slowly stir a cup of regular yogurt into a soup that lacks oomph—tomato soup especially benefits from this.

In the Turkish recipes I'm sharing here, yogurt does more than its share of heavy lifting. It turns a simple soup of potatoes, chickpeas and just a small amount of meat into a substantial main course. A savory yogurt marinade renders lamb shoulder tender enough to cut with a spoon. And a half-cup of plain whole-milk yogurt makes a pistachio cake so delicate and light you'll easily justify going in for a second slice.

▶ Find a recipe for lamb marinated in spiced yogurt at **wsj.com/food.**

KATE SEARS FOR THE WALL STREET JOURNAL, FOOD STYLING BY JAMIE KIMM, PROP STYLING BY SUZIE MYERS

Creamy Yogurt-Potato Soup with Chickpeas and Veal

The original recipe, from southeastern Turkey, is called *haspirli* and includes a garnish of butter melted with dried golden safflower petals (*haspir* in Turkish). Since they're used more for color than taste, you can omit them without particularly compromising the flavor of the soup. If you'd like to use the petals, you can find them at kalustyans.com.

ACTIVE TIME: 45 minutes TOTAL TIME: 1½ hours SERVES: 4-6

3 tablespoons extra-virgin olive oil
1 pound lean veal, cut into ½-inch cubes
1 medium yellow onion, finely chopped
5-6 cups boiling water
1 cup dried chickpeas, soaked overnight in water to cover, drained
2 bay leaves
Sea salt
Red pepper flakes, such as Aintab, Maras or Urfa pepper
1 pound yellow-fleshed potatoes (3-4 medium potatoes), such as Yellow Finns, cut into ½-inch dice
¼ cup butter
1 tablespoon dried safflower petals (optional)
1 teaspoon dried mint, crumbled
Freshly ground black pepper
2 cups plain whole-milk yogurt
1 egg

1. Heat 1 tablespoon oil in a heavy 2-quart cooking pot over medium-high heat. Add meat and cook, stirring occasionally, until it gives off liquid and is sizzling and brown, 15 minutes. Stir in onions, lower heat and cook just until onions start to soften, about 5 minutes. Add enough boiling water to cover meat. Bring to a simmer and cook meat and onions gently until foam stops rising, about 15 minutes. Add chickpeas, bay leaves, a big pinch of salt, and Turkish red pepper flakes to taste. Cover pot and simmer gently until chickpeas are tender, 30-60 minutes, depending on the age of the chickpeas.
2. When chickpeas are tender, add potatoes and continue cooking until the potatoes are tender but not falling apart, about 20 minutes.
3. Make butter garnish: Melt butter and stir in safflower petals, if using, mint and plenty of black pepper. Keep warm until ready to serve.
4. In a small saucepan, beat yogurt with egg. Beat in remaining olive oil, a spoonful at a time, to make a smooth mixture. Set saucepan over low heat and bring slowly to a simmer, stirring constantly. As yogurt warms, stir in soup broth, a tablespoon at a time, continuing to stir, until you've added about ½ cup. Once yogurt is at the point of simmering, stir it slowly into soup. When soup comes to a simmer once more, remove from heat. (Do not let soup come to a boil or yogurt may break.)
5. Serve soup with melted butter spooned over each portion.
—Adapted from "Essential Turkish Cuisine" by Engin Akin

Pistachio-Yogurt Cake

This kind of simple cake is often served at breakfast throughout the Eastern Mediterranean. If you buy already shelled pistachios, be sure to taste them before adding them to the batter. Often they have enough salt that you won't need to add more.

ACTIVE TIME: 30 minutes
TOTAL TIME: 1½ hours
SERVES: 6-8

Butter for cake pan
½ cup shelled pistachios
1 cup unbleached all-purpose flour
2 teaspoons baking powder
½ teaspoon salt (optional)
3 eggs, separated
⅔ cup sugar
½ cup whole-milk yogurt
½ cup extra-virgin olive oil
Confectioner's sugar for topping (optional)

1. Butter the bottom and sides of an 8½-inch springform pan. Cut a sheet of parchment paper to fit bottom of pan. Butter parchment paper.
2. Preheat oven to 350 degrees. Toast pistachios on a baking sheet in oven until crisp, about 10 minutes. (This is not necessary if using pre-shelled and toasted pistachios.) Transfer to a food processor and grind to a powder.
3. Whisk pistachios together with flour, baking powder and salt, if using.
4. In a separate bowl, beat egg yolks with ⅓ cup sugar until thick and pale-yellow. Beat in yogurt and then olive oil. Fold in flour mixture, using a rubber spatula to combine thoroughly. Clean beaters for use in next step.
5. Beat egg whites to a froth. Add remaining sugar and continue beating until whites are stiff and glossy. Use rubber spatula to stir about a quarter of beaten whites into batter to lighten it. Then fold in remaining whites. Fold mixture gently, over and over, to be sure ingredients are distributed evenly.
6. Pour batter into prepared cake pan and transfer to oven. Bake until top is firm and sides have pulled away slightly from pan, 40-50 minutes.
7. Cool cake thoroughly on a rack, 15 minutes. Remove pan. Sift confectioner's sugar over top of cake, if you like. This cake is delicious plain, but you can also serve with Greek yogurt, whipped cream or ice cream, garnished with crushed, toasted pistachios.
—Adapted from "Classical Turkish Cooking" by Ayla Algar

SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Brussels Sprout Quesadillas With Chile Oil

The Chef
Gonzalo Guzmán

His Restaurants
Nopalito, two locations in San Francisco

What He's Known For
Real-deal regional-Mexican cooking that makes the most of San Francisco's market produce.

TEN YEARS ago, when Gonzalo Guzmán opened Nopalito in San Francisco, he frequently came up against a narrow notion of what Mexican food is: "Burritos and tacos," he said. Maybe quesadillas too—though the version Mr. Guzmán offers here was designed to upend expectations.

Crisped corn tortillas sandwich sautéed shredded Brussels sprouts bound with gooey Oaxacan cheese and drizzled with chile oil—a smoky flavor-booster worth trying in other dishes too. Toasting the chiles before blending them into the oil concentrates the flavor and lends that irresistible hint of smoke. The chile oil brings such nuance and depth to the Brussels sprouts, the quesadilla filling even makes a satisfying side dish on its own.

Mr. Guzmán's final Slow Food Fast contribution, this recipe reflects the style of cooking he's become known for, matching traditional Mexican dishes with seasonal Bay Area produce. Like all the recipes in his cookbook, "Nopalito: A Mexican Kitchen," it's an invitation to explore his native cuisine in all its variety and complexity. "We wanted to teach people to respect Mexican cooking more," said Mr. Guzmán. It's hard to argue with evidence this delicious. *—Kitty Greenwald*

TOTAL TIME: 25 minutes SERVES: 4

6 dried cascabel or árbol chiles, stemmed and seeded
1 cup olive oil
1 clove garlic
1½ cups thinly sliced white onions
3 cups shredded Brussels sprout leaves
Kosher salt
8 corn tortillas
1½ cups shredded Oaxacan or Monterey Jack cheese
¼ cup crumbled queso fresco
Cilantro leaves, for garnish

1. Make chile oil: Set a large skillet or griddle over medium-high heat. Once hot, place chiles on griddle and toast on all sides until aromatic and charred in spots, about 5 minutes total.
2. In a blender or food processor, purée toasted chiles, ½ cup plus 2 tablespoons olive oil and garlic until smooth. Season with salt.
3. Set skillet over medium heat and swirl in ¼ cup plain olive oil. Add onions and cook until translucent, 4 minutes. Add sprouts and sauté until slightly browned, 5 minutes. Turn off heat and stir in 4 tablespoons chile oil. Taste and add chile oil and salt as needed.
4. Set large skillet over medium heat and brush with remaining plain olive oil. Arrange 4 tortillas in skillet, making sure they don't overlap. Sprinkle shredded cheese over tortillas and spread ⅓ cup sautéed Brussels sprouts over each. Top with remaining tortillas and press down with a spatula. Cook until cheese melts, 2-3 minutes, then flip and cook reverse side until browned in spots, about 2 minutes. Flip again and cook so both sides are crisp.
5. Transfer quesadillas to 4 plates. Garnish with queso fresco and cilantro. Drizzle any remaining chile oil over top, if desired.

KATE SEARS FOR THE WALL STREET JOURNAL, FOOD STYLING BY JAMIE KIMM, PROP STYLING BY SUZIE MYERS; PORTRAIT BY MICHAEL HOEWELER

DAIRY MADE Mild Oaxacan cheese offsets the vegetal bite of the Brussels sprouts. Monterey Jack, another good melter, makes a fine substitute.

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ADVENTURE & TRAVEL

The Puck Stops Here

Montreal in below-freezing temps might sound uncongenial, but for hockey lovers, it's holiday heaven

BY ADAM THOMPSON

STICK SHIFT A pickup ice hockey game in Montreal, at one of the city's 275 outdoor rinks.

GETTY IMAGES

WHY WOULD any warm-blooded mammal vacation in Montreal in February, when temperatures can average 16 degrees Fahrenheit? Well, to name a few compelling factors, the food isn't any less stellar, the exchange rate treats Americans kindly, and the air and hotel promotions are generous. But I had a different reason: Winter in Montreal means hockey at its purest, from the Canadiens, the National Hockey League's most decorated franchise, to pickup games in one of the city's 275 outdoor rinks open in winter. I spent a weekend there soaking up the hockey culture in every way I could imagine, and left with a higher level of love for the sport and the city.

On Friday, I jumped in a cab for my first stop—a hockey training facility. The driver, Fitchner Louisma, was a second-generation hockey-lover, the Montreal-born son of a Haitian immigrant who'd fallen so hard for the game that he named his son after Bob Fitchner, a forgotten member of the Quebec Nordiques, an NHL team that relocated to Denver in 1995.

We arrived at the facility, My-Goal Performance Hockey, attached to a retailer called Hockey Monkey in a suburban strip mall west of the city core. I had signed up for a one-hour private lesson. As I entered, a mother and her grade-school-age son, who'd evidently just finished a lesson, sat in the otherwise empty lounge, and a man worked out with a trainer in CrossFit-esque fitness area.

I first played ice hockey in a college gym class. (I'm 6-foot-7 and wasn't exactly smooth out there on the ice—my teacher once likened me to a giraffe on skates.) I hadn't played in two decades, but I did have a new pair of CCM skates and a willingness to look ridiculous.

My instructor, Anthony Biondi, set us up on the larger of two small rinks. A small John Deere tractor with a Zamboni attachment sat ready to erase whatever dents I made in the ice. Mr. Biondi drilled me on crossover strides that boost speed as you change direction, asking me to lift my knees in the exaggerated manner of a Rockette. We worked on sharp stops, stickhandling and shooting.

It felt like death by repetition. My feet got wobblier, my efforts to loop back to the starting point slower and my water breaks more frequent. Forgoing pads and borrowing just a helmet, stick and gloves turned out to be a mistake after a couple of falls left me with a sore knee and elbow.

These drills could easily translate into a fitness craze, emphasizing balance while pushing major muscle groups. That ping you hear when your shot sails in under the crossbar is as satisfying as any whap from a punching bag. By the time we finished, my T-shirt felt like it'd just been through a rinse cycle.

> My instructor asked me to lift my knees in the manner of a Rockette.

Sore but happy, I jumped in another cab back to the middle of town. This driver, Nadim Kiwan, arrived in Canada as a teenage refugee from Lebanon in time to catch the most recent of the Canadiens' 24 Stanley Cup championships in 1993. These days, the team even affects his job. "When the Canadiens are playing, the roads of Montreal are almost empty," he said.

Taking stock at 7:30 a.m. on Saturday in my room at Old Montreal's Hotel Place d'Armes, I was sore in places I'd expected—back, shoulders, glutes—but also in parts I'd never thought about. The backs of my hands, it turns out, also have muscles. My phone warned that the current temperature, 13 degrees Fahrenheit, was the warmest it would be all day. I'd hoped to search for an outdoor game, but that wasn't happening: A foot of snow would fall that day.

Instead I headed to the Forum, the Canadiens' home from 1924 through 1996. Though now a shopping mall, the building pays homage to its history; old posters and photos line its walls and it houses a memorabilia shop dedicated to the team locals call Les Habitants. But the experience was jarring. Would Chicago ever turn Wrigley Field into a used-car dealership?

By late afternoon I'd tricked myself into believing the weather was tolerable. It was 9 degrees Fahrenheit as I entered the Bell Centre arena for a real game.

With Montreal's team a long shot to even make the playoffs this year, I was shocked by how many fans in bleu, blanc et rouge jerseys filled the stands soon after 5 p.m. Perhaps they were lured by the free bobblehead dolls of popular Canadiens forward Brendan Gallagher and other promotions.

Otherwise a generic modern arena, the Bell Centre never misses a chance to remind you how vital the Canadiens are to hockey history. Fans making beer runs can learn about a century's worth of great names at a Hall of Fame-like display on the lower concourse: Maurice Richard, Lorne "Gump" Worsley, Bernard "Boom Boom" Geoffrion, Guy Lafleur and many more.

Before my trip I caught up on the phone with 1980s-era Canadien Chris Nilan, a fan favorite as famous for his fisticuffs as his scoring skills. He raved about the Bell Centre's hot dogs, especially their toasted buns. Speaking of the dog you might get at a Bruins game in his hometown of Boston, he lamented, "It's soggy, wet like a sponge. Here they serve it with a little more class." With all respect due a player known as Knuckles, I have to say the Canadiens' dogs were forgettable.

The game itself, against those rival Bruins, was the real feast. I watched warm-ups with my Friday lesson in mind as Montreal captain Max Pacioretty stickhandled the puck back and forth four times in under a second. I paid $235 for a seat seven rows from the ice on the Canadiens' end, an ideal vantage point from which to watch All-Star goalie Carey Price slide across the crease in anticipation of a shot. I would have enjoyed more legroom in a club seat halfway up the building, but seeing everything up close easily offset any discomfort.

In the end, Boston won the game in a shootout, causing a little boy a row behind me to cry into his father's shoulder. As I stepped outside into subzero temperatures, people brushed past me on their way to the neighborhood's restaurants, others lingered outside the local bars for a smoke. Montreal can get colder than Mars. People deal with it. And if you can't, it's only five months until Jazz Fest.

▶To plan your own hockey-themed trip to Montreal, **see wsj.com/travel.**

REINDEER GAMES THAT ANYONE CAN JOIN

When it comes to winter recreation, why limit yourself to the same-old, same-old? Here, four fresh versions of icy diversion

WE CAN DEPEND on next week's Winter Olympics in Pyeongchang to captivate us with its limb-threatening, frosty-air sports—who doesn't love skaters who nonchalantly pull glistening blades to the back of their head as "Bolero" swells? But for those of us who fell just shy of making the team this year (2022 in China!) and aren't content to zone out in front of a flat-screen, here are four offbeat winter activities to pursue ourselves. So plump up the parka, clip on the cleats and find a sitter for the remote. The national anthem may not play after your run, but any one of these adventures will prove your Olympian mettle. *—Margot Dougherty*

Go Snowkiting in Colorado or the Swiss Alps
For this winterized version of surfkiting, riders on skis or a snowboard glide along frozen lakes and reservoirs or ride down—and up, given enough wind—hills and mountains as their convex kite sails above them like a giant halo. "There are no lifts, no ticket scanners, no crowds," said Anton Rainold, founder of Colorado Kite Force, which teaches snowkiting (*coloradokiteforce.com*). Learn the ropes with Mr. Rainold or hop the pond and try the Swiss Snowkiting School in the Swiss Alps.*snowkiting.ch*

Master Skijoring in Montana
What leisure pursuit isn't more fun with a beast? Skijoring (Norwegian for "snow-driving") brings man and horse—or hound—together in treks through flat, snowy terrain. When skijoring with dogs, generally 35 pounds and up, the skier is harnessed to a pup or two who run in front. In horse skijoring the human hangs on to a long rope, like a water skier does, as the steed and its rider make tracks. Give it a try at the Resort at Paws Up in western Montana, where the beginner course mimics those used in competitive skijoring. "Some ski ability helps," said Paws Up activities director Mark Houseman, "but we take first-timers out." *pawsup.com*

Ice Canoe in Quebec
Can you canoe? Of course you can. But can you canoe on an ice-packed river? The folks at Quebec's Canot a Glacé answer in the affirmative and offer hour-long excursions on the St. Lawrence River, maneuvering around and over the floes. It's a trip you won't forget, because it'll be filmed by the canoe's skipper. *quebecicecanoeing.com*

Wage snowball war in Japan
In the remote town of Sobetsu, hot springs and a volcano brought tourists in summer, but winters were dead. So town stewards invented *yukigassen* ("snow battle"), a mashup of dodgeball and capture the flag, and started a competition. Now an international phenomenon—pro baseball players have taken it up—yukigassen is played on a small snowy court; two teams of seven sling machine-made snowballs at each other in a dual mission: tag opponents and capture the flag. Practice sessions, open to all, are held from January to March. *www.yukigassen-intl.com*

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A Yen For Zen

With edgy beauty—and no cell service—New Zealand's remote Chatham Islands make for a moody, meditative retreat

BY JAMIE BRISICK

ONE PUB, ONE takeaway shop, one general store," said Floyd Prenderville, a solidly built man with a goatee, describing New Zealand's Chatham Islands, where he's spent the bulk of his 47 years. We were squeezed into the Hotel Chatham pub, in the main island's main town of Waitangi, and it was Ladies' Darts Night. Tattooed men huddled over pints at the bar. Elderly couples in wool coats played slot machines. A coterie of women in jeans and rubber boots threw darts and high-fived.

"Six hundred people in the Chatham Islands," continued Mr. Prenderville. "Everyone knows everyone. We all get along pretty well, but there are disputes. Family-type stuff. What do you guys call 'em, Hatfields and McCoys?" I asked about work. "Not a lot of options," he said. "It's pretty much all fishermen and farmers." Mr. Prenderville works as a commercial diver.

Located 500 miles east of Christchurch, the Chatham Islands are the country's easternmost inhabited landmass—the first place to see the sun. Of the roughly 10 islands, only two are inhabited, including the main draw, Chatham: 355 hilly square miles, with a dramatic coastline wrapped around cliffs, dunes, beaches and lagoons.

> 'Just drive around and look. I've been living here nearly half a century, and I never get tired of looking.'

I'd come here on a friend's advice. While binge-watching the first season of the TV series "Top of the Lake," I became transfixed with the remote and expansive New Zealand backdrop that seemed the real star of the show. Each episode whacked me over the head with the realization that I desperately needed to unplug and get the hell over to New Zealand as soon as possible. The TV show was set in Otago, on the South Island, but if I really wanted to go remote and dramatic, my friend suggested, I should check out Chatham Island, "part of New Zealand, but totally different—super weird and feral." I looked into flights—and found only one a week out of Auckland via Air Chathams. My destination seemed sufficiently remote.

I landed at the island's tiny airport on a blustery evening. A Hotel Chatham staffer greeted me at the only gate for the 30-minute drive to the hotel. Toni Croon, the owner, checked me in. My room was spartan, with sliding glass doors that opened onto Petre Bay, visible only in a stripe of moonlight.

I hit the pub for a counter meal (excellent fried blue cod and chips) and that was when I met Mr. Prenderville. Clad in hiking boots, jeans and flannel shirt, he gave me the lay of the land. I told him I'd be on the islands for a week and asked what I should see and do. "It's not really about museums or any of that sightseeing stuff," he said. "Just drive around and have a look. I've been living here nearly half a century, and I never get tired of looking."

Besides providing lodging, food and drink, Hotel Chatham rents cars. One bright morning I rented a mini van that turned out to be Ms. Croon's personal vehicle, complete with family pics on the dash and a muddy pair of sneakers on the floorboard. I headed west on Port Hutt Road. Passing grassy fields dotted with improbably fluffy sheep, cattle and horses, I marveled at the endemic akeake trees—gnarled, skeletal, bent terrifically sideways from incessant southwesterly winds. It hurt my back just to look at them. I passed a shimmering lake so picturesque it looked fake.

Twenty minutes down the road I drove through a canopy of trees and came to Port Hutt, a tiny fishing village whose centerpiece is the Thomas Carroll, a rusted-out hulk of a shipwreck that ran aground there in 1969 and remains lodged into the rocky shoreline. I parked next to a rusted tractor, just above the water, and went for a walk along the beach and on the grassy area that drops down to the beach. The coastline was littered with what at first looked like driftwood but was in fact sheep, pig and cow bones.

Further along I passed an abandoned fish factory, with a couple of broken down cars parked next to it. One, a Corolla, had vibrant-green vines growing through the interior, with yellow flowers sprouting. The scene reminded me of wabi-sabi, the Japanese concept that beauty lies in imperfection and the natural cycle of growth, decay and death.

If Port Hutt's landscape possesses a sort of eerie beauty, a trip to the Chatham Islands Museum revealed a history even darker than the scenery. At the museum, in blink-and-you'll-miss-it downtown Waitangi, I learned that the first settlers, Polynesian tribes, arrived between the 9th and 16th centuries. Known as the Moriori, they lived as hunter-gatherers and fishermen and practiced Nunuku law in which disputes were settled through individual hand-to-hand combat and ceased at the first sight of blood. In 1835, about 900 displaced Maori arrived from New Zealand. Armed with guns, clubs and axes, they proceeded to take over the land, killing, roasting and eating about a third of the roughly 1,600 Morioris. The rest worked as slaves. Back at the hotel, I asked Ms. Croon if she knew where the battles took place. "It wasn't a battle," she said. "It was a slaughter. And it happened all over the island."

Chatham Island doesn't have cellphone reception and Wi-Fi is spotty. That digital deprivation might unnerve some, but to my mind, it had amazing benefits. People—myself included—weren't obsessively looking at their screens, or anxiously awaiting a text or call. I was forced to look, to ponder, to make conversation. The entire island felt like a Zen retreat, though a sociable one.

Dining at the Chatham Pub once again—the only place you can get a meal or a drink after 6 p.m.—I met Fiona and Owen, a young married couple from Auckland and avid scuba divers. They were on their third diving trip to Chatham Island. "This place is just bursting with huge crayfish," said Owen.

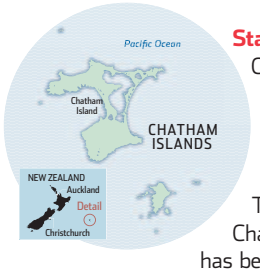
As if on cue, Ms. Croon arrived with two plates of big boiled crayfish on a bed of lettuce, tentacles and tail spilling off the edges. Fiona and Owen were drinking a bottle of Sauvignon Blanc from the Otago region ("Top of the Lake" territory), and offered me a glass. Ms. Croon sat down with us, and said that while the fishing and diving areas are bountiful in Chatham Islands, so are the sharks. "Saw one today, but only a little fella," said Owen.

Ruling out diving—I'm not a fan of swimming with sharks—I spent my days driving the half-dozen or so two-lane roads, stopping at vistas to snap pictures and take notes. One day, I ventured out to a seal colony and after stopping to ask for directions (Ms. Croon drew a map on a cocktail napkin, but it only got me so far), wound up having tea with a farmer, Jim Muirson, and his wife, Sally, in their farmhouse. They showed me pictures of the Chatham Islands from the last 50 years. There was the pub, the shipwreck, Waitangi, those twisted akeake trees. It looked like nothing had changed.

RAW POWER Clockwise from top: Chatham Island's southern coast; a Department of Conservation worker planting indigenous sedge grass at Ocean Mail beach; rock formations at Ohira Bay, formed by volcanic lava flows millions of years ago; horses near Lake Huro.

RAMBO ESTRADA (COAST, ROCK FORMATIONS, HORSES); ANNA FRANCES PEARSON (WORKER WITH PLANTS)

THE LOWDOWN // UNPLUGGING ON CHATHAM ISLAND



Getting There Air Chathams offers one 90-minute flight a week (more in summer) to and from Auckland, as well as a few weekly flights from Wellington and Christchurch. *airchathams.co.nz.* The Chatham Islands airport is located 12 miles from Waitangi, the main town on Chatham Island. Most accommodations include transport to and from the airport.

Staying There The Chatham Islands get no cell reception, though all the hotels listed here offer semi-reliable Wi-Fi. The seaside Hotel Chatham, in Waitangi, has been owned and operated by the Croon family for more than 25 years. *From about $90 a night,* hotelchatham.co.nz. Located on Chatham Island's south coast, Awarakau Lodge is the homestead for a 1,300-acre sheep and cattle farm; guests are invited to roam the property. *From about $147 a night,* awarakau-lodge.nz. Flowerpot Bay Lodge, the sole accommodation on Pitt Island, a 45-boat ride from Chatham Island, offers beachfront rooms and includes three meals a day. *From about $180 a night, flowerpot-lodge.co.nz*

Eating There Pickings are slim on Chatham Island, but fortunately the restaurant at Hotel Chatham serves delicious fresh seafood, often brought in right at suppertime. *Waitangi Road, hotelchatham.co.nz*

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DESIGN & DECORATING

SALON WITH ÉLAN French designer Henri Samuel achieved an inviting mix of old and new, hard and soft, shiny and earthy.

PASCAL HINOUS/RIZZOLI (ROOM); F. MARTIN RAMIN/THE WALL STREET JOURNAL (WALLPAPER)

MY FAVORITE ROOM

An Art-of-Living Room

Designer Miles Redd singles out this party-ready 1970s Parisian salon—a study in easygoing glamour. How to get the look

BY KATHRYN O'SHEA-EVANS

THE FATES HAD a reason for awarding New York interior designer Miles Redd a surname synonymous with crimson and candied apples: He's a color pro. "People are always like, 'You're so daring!' Not really, but I do love rich color," he said. "I don't think I'd ever want to live in a hot-hot-pink room, yet I understand that a carnation pink one can be uplifting."

His interiors often channel the stylized, Technicolor drama of film sets. In a family home in San Francisco, for example, Mr. Redd lined living room walls in seawater satin and upholstered footstools in jaguar-spotted silk velour that pops against the sedate antique Persian rug. "I like the push-pull of mixing good things from various decades," he said.

So it's no shock that an eclectic maximalism reigns in one of Mr. Redd's favorite spaces, the circa-1976 living room of French designer Henri Samuel (1904-1996), which Mr. Redd discovered years ago in a book. Samuel transformed his rented Paris townhouse into a warm and welcoming refuge where the futuristic furniture he'd commissioned played against terra-cotta raw silk walls and traditional gilt boiserie.

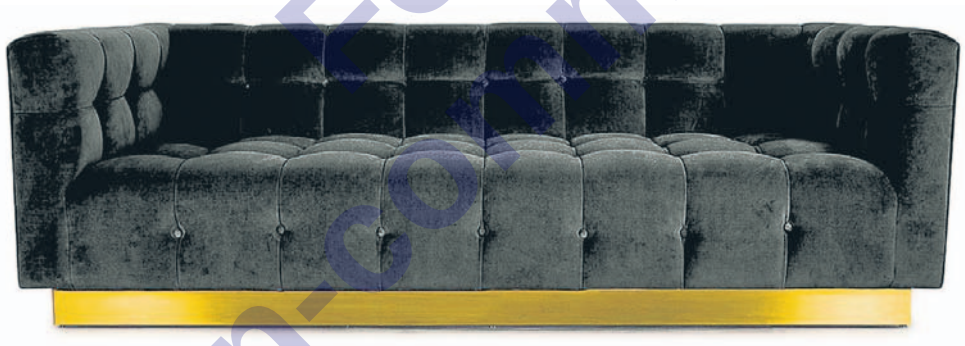
Samuel designed homes for Rothschilds and Vanderbilts, but stateside, his reputation is as dusty as a box of attic treasures—only design cognoscenti take the time to pull back the lid. That may change in April, when Rizzoli releases the monograph, "Henri Samuel: Master of the French Interior," by design historian and gallerist Emily Evans Eerdmans. "Many people I interviewed told me Samuel knew the art of living, and his interiors embodied that," Ms. Eerdmans said.

Raised in a wealthy banking family that lost much of its fortune in 1934's Stavisky Affair, a far-reaching embezzling scheme, Samuel sustained himself and a few relatives as a designer, becoming so expert at re-creating historic French décor that he consulted on the Palace of Versailles's 1957 renovation of the Empire rooms.

In his own spaces, Samuel pushed the gilt-edged envelope—combining modernist pieces (Plexiglass-and-brass Philippe Hiquily armchairs) with classical ones (an antique lyre occasional chair) to create vibrant glamour that's still cozy. And yes, the look can be imitated in architecturally bland quarters. "I don't know if you'll ever get the incredible sense of grandeur of the room, but you can get the mood," Mr. Redd said.

Bust Out a Myth

Samuel's Atlas sculpture is actually an Empire period bronze clock, Ms. Eerdmans said. Though many sculptures of Atlas depict the Greek god kneeling under the weight of the world, Samuel's stands on his feet. This bronze and brass work strikes a similar note, and gives any room a lettered, Greek-mythology look. Bronze Sculpture Atlas, *$3990, 1stdibs.com*



Think Inky

"Velvet is very rich," Mr. Redd said of the room's sofa—and black velvet dramatically so. Samuel chose the same fabric for his curtains. This sofa features a more streamlined silhouette, biscuit tufting (skip the loose pillows) and a brass toekick. Delano Sofa in Velvet, *$3,195, modshop1.com*

Sit Very Pretty

The lyre-back chair to the left of the door, though not as macho as the Atlas statue, introduces another neoclassical note. "The chair is all curves and delicate legs, a feminine counterpart to butch bronze and metal pieces," Mr. Redd said. Those kinds of contrasts are key to the room's success. The resale website Chairish currently offers this early 19th-century French slipper variety. *$950, chairish.com*

Craft a Backdrop

"Paint and sheet rock are one thing, batting and silk are another—quieter, softer, more luxe," Mr. Redd said. Emulate the room's upholstered walls with textured, painted wallpaper in a pumpkin hue from Farrow & Ball. "Samuel didn't love that orangy red color in particular, he just knew everything would look good against it," Ms. Eerdmans explained. "It was about creating an ambience." Drag DR Wallpaper 1235, *$195 per roll, farrow-ball.com*

Elevate Your Taste

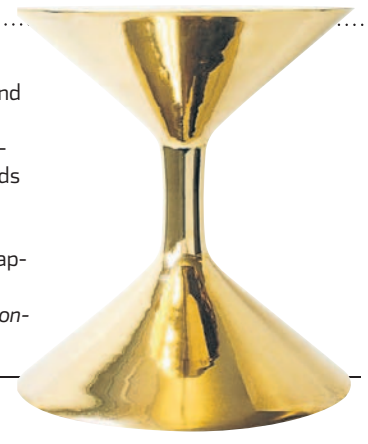
It's a moment of theater: Pedestals in the room direct the eye, much like stage lights, to whatever rests atop them. Inspired by an Italian antique in his own home, Mr. Redd designed this version of engineered hardwood and veneers for his new collection for Ballard Designs. Miles Redd Scagliola Pedestal, *$399, ballarddesigns.com*

Undercut the Bullion

Like Mr. Redd, Samuel wisely married the highly wrought and the organic, balancing gold-leafed boiserie (a French term for carved wood paneling) with tortoiseshell objets and side tables topped with petrified wood. Plants add earthiness, too. This gilt-wood trumeau mirror can stand in; just be sure to place something unpretentious nearby. "Samuel got that if everything in the room was gold, you kind of look like a French whore; you need earthy things to ground the glitter," Mr. Redd said. Parcel-Gilt Labarge Mirror, *$1,495, 1stdibs.com*

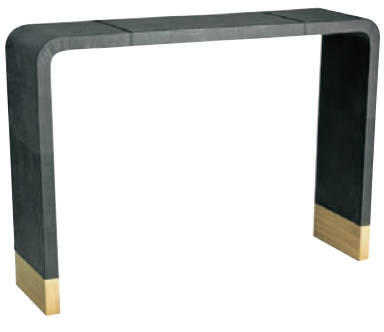
Make the Feast Movable

Samuel kept numerous side tables around his living room, including those topped with slabs of petrified wood he commissioned from Philippe Hiquily. Drink stands you can move hither and thither easily help hosts prepare a room for a party; Jonathan Adler's polished brass model approaches Samuel's in the sheen department. Hans Barbell Side Table, *$1,450, jonathanadler.com*



Underpin a Painting

According to Ms. Eerdmans, Samuel commissioned the bronze console by Marseille-born sculptor César Baldaccini to sit under the Balthus painting, one of the most significant things Samuel owned. This leather-wrapped table with brass feet can similarly underscore a canvas, but you can toss keys on it without fear of marring a piece of art. Tyler Leather Console Table with Stitch Detail, *$999, cb2.com*



BIO IN BRIEF // MILES REDD

His résumé Raised in Atlanta and educated at New York University, Miles Redd worked for antiques dealer John Rosselli and decorator Bunny Williams before launching his own firm in 1998. From 2003 to 2013 he served as creative director for Oscar de la Renta Home. His spirited, maximalist interiors never bore, combining the graciousness of a steel magnolia with New York nerve.

His clients On this topic, Mr. Redd is firmly tight-lipped. "No comment. It's against the code. My wheelhouse is just a great family home; that's what makes me happy." Though his walls don't talk, judging from their expressiveness, the people cutting him checks are clearly minimalism-averse.

His goods If you want to emulate the Redd look, you can find his wall-covering, fabric and trim collections at Schumacher; his rug designs through Patterson Flynn Martin; and a new collection of furniture and accessories at Ballard Designs—all largely inspired by finds in his own apartment and antiques that he has coveted. Mr. Redd published "The Big Book of Chic" (Assouline) in 2012.

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LAGO STUDIO (BED); JASON SCHMIDT/GACHOT STUDIO (DESK)

▲ A legless desk reduces visual clutter in a space-challenged master-bedroom foyer designed by New York's Christine Gachot.

◀ 'Our Cloud bed is not a best seller, but we knew this coming in,' said Daniele Lago, CEO and head of design of Italian furniture maker Lago, of the potentially unnerving design.

THAT'S DEBATABLE

Cantilevered Furniture: Is It Worth the Anxiety?

YES The precarious look of cantilevered furniture—wall-mounted, legless and seemingly gravity-defying—gives designers like London-based Michael Anastassiades a thrill. "It's about capturing the sensation of stillness before something unnerving is about to happen," he said, a tension embodied in his own daredevil lighting fixtures, glass orbs perilously perched on skinny brass rods. Of LAGO's Cloud Bed (above), CEO and head of design Daniele Lago said, "When people first see it, their reaction is often a mix of wonder and pleasure." Mr. Lago noted that the Italian furniture company has spent 10 years developing patents and innovative attachment systems for suspended beds. The Cloud design uses 16 wall anchors, which might allay folks' anxiety. Los Angeles designer Oliver M. Furth is equally confident about an 8-foot-long walnut credenza he recently had mounted 18 inches above a client's L.A. dining-room floor. Filled with heavy dishes, it could easily carry "another couple hundred pounds" should a guest lean against it, Mr. Furth said, thanks to the metal anchors securing it to the wall. Its minimalist rectangular form, sans fussy legs, complements the client's sleek cherry-red Prouvé dining table. Christine Gachot, a New York designer, recently paired a vintage wall-mounted writing desk with a complementary chair (above right), reducing what would have been an eight-legged mess to a friendlier four-legged vignette. Cantilevering, she said, leaves room for "great opportunities to accessorize underneath." See the handsome black-and-wood trash bin she popped beneath the desk. New York designer Tamara Eaton, who's grown fond of cantilevering bathroom vanities, also points to the practical advantages: "The space underneath is much easier to clean."

NO "Imagine the crunch of your carefully detailed wall cracking as the supports fail—that's enough to give me anxiety," said designer Ethan Coverstone, of L.A.'s Rockefeller Partners, articulating the nagging fear that a cantilevered writing desk could spontaneously drop into your lap midsentence. He stressed the importance of hiring diligent contractors. Such desks and tables are a rarity in the hillside homes of Los Angeles, said area realtor Alison Gilbert; earthquake-wary buyers "want reassurance from a third party of their safety." Particularly in older houses, if a big-name architect did not play a role in engineering the original design, "the [clients'] first reaction is that they'd maybe want to take it out and replace it." Precision custom engineering adds time and cost, said bicoastal designer Alex P. White, who does appreciate the aesthetic and functional value you get in return, but noted that recently, oversize headboards flanked by floating nightstands have become a bit of a cliché, appearing frequently in hotels and the showrooms of big-box retailers. "What used to be special feels more spec house than modern luxury now," he said, "just not worth the extra effort." Meanwhile, Brooklyn-based textile designer Aelfie Oudghiri had her own aesthetic qualms. "Look ma! No legs!" she said, dismissing the levitation act as a gimmick. She's a fan of classic midcentury cantilevered chairs, she said, not magic carpets. "The new stuff I've seen has been very Arabian Nights." —*Janelle Zara*

FRESH PICKS

THE ACCESSORIES

A Hard-liner Goes Soft

"I'm allowed to be bored with my [own] stuff, aren't I?" said Tom Dixon, the British designer known for a hard-edge aesthetic, when asked about his new assortment of plump, cushy home goods. Recognized internationally for furniture and lighting crafted from shiny metals, rigid marble and glass, Mr. Dixon debuted his new collection, "Super Texture 2018," at January's Maison & Objet. It features three new lines that up the ante on his recent interest in tactile textiles and collaborations with young artists. The Geo group includes linen pillows and blankets embroidered with the outlines of what appear to be craggy rock formations. The Paint pillows are inkjet-printed with blotchy abstract urbanscapes by emerging artist Josephine Ortega in watercolor hues. The Abstract cushions (like the one at left) are based on the same artwork—views of the city outside Ms. Ortega's London home—but interpret it differently. One of the paintings was enlarged on a photocopier until pixelated; then weavers in Varanasi, India, reproduced the image using traditional rug-making techniques. Mr. Dixon sees these pieces as "joyful counterpoints" to the loads of "very square, reduced sofas" common in minimalist homes today.

Abstract Cushion, *$140, tomdixon.net*

$129-$1,649, preorder at rebeccaatwood.com

THE BEDDING

Can't Every Linen Get Along?

Sure, those bed-in-a-bag sets guarantee that the sheets and shams and duvet covers will play well together, but their two-tone matchiness doesn't quite nail the eclectic, deftly layered look that so many of us dream of. Enter Rebecca Atwood's first bedding collection, arriving Feb. 6. The Brooklyn designer expanded upon the ethereal, palely patterned fabrics that have become her calling card, issuing organic cotton-percale and linen bed clothes that aren't obviously coordinated yet seamlessly mix with one another. The collection includes duvet covers and pillowcases in four different painterly motifs as well as throw pillows (one startling option, termed a headboard pillow, is 52 inches by 30 inches), quilted coverlets, fringed knit throws and embroidered pillowcases. Ms. Atwood hopes to add sheets to the collection but wanted to begin with the pieces "people see first." The line's muted, watery hues, she said, help the disparate prints cohere. Bonus: Because the prints are large-scale, duvet covers and pillowcases appear to be hand-painted. —*Kelly Michèle Guerotto*

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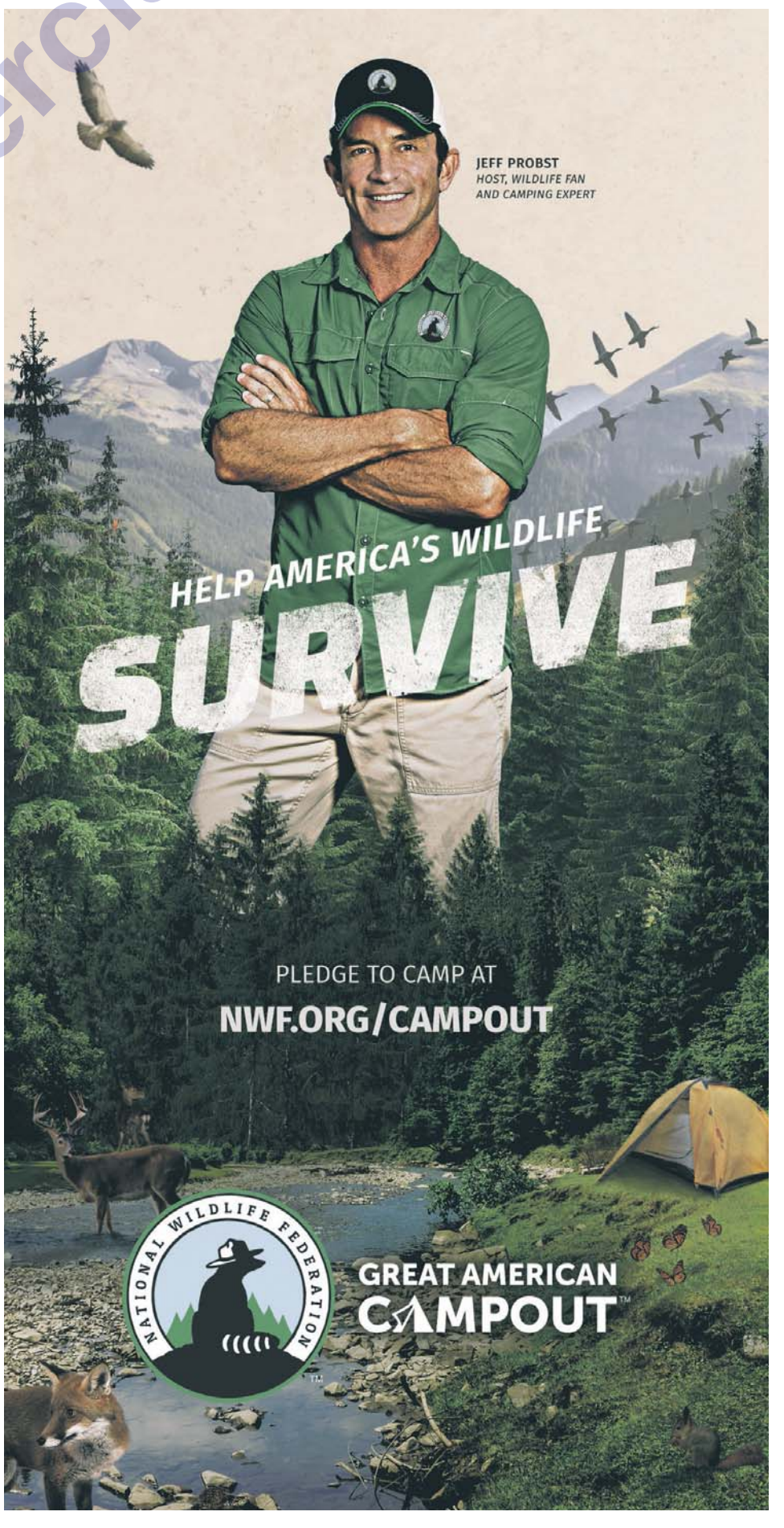

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GEAR & GADGETS

Run-of-the-Mill? Nah

Immersive screens, virtual coaches, and connected tech are helping us learn to stop worrying and love the treadmill

BY MATTHEW KITCHEN

PETER OUMANSKI

AS MUCH AS I love running, I can't muster the will to do it anymore without some sort of digital distraction. I'm the worst stereotype of a millennial, unable to keep my eyes off a screen for more than a few moments or walk to the corner store without headphones. I vaguely remember the dark days of running—pre-iPhone, pre-iPod—when you either had to duct tape an unwieldy Sony Walkman to your hip or get by with the chirping sounds of Mother Nature. I much prefer the present.

My thing for screens has turned my love of running into a love of treadmills, which have kept me pointed at ESPN when I had nothing else to stare at but mileage readouts or a blinking avatar pacing a digital track. Most "real" runners will tell you they dread these isolating, noisy machines, but they've been out on the trails too long. The latest treadmills let you engage with trainers, stream Netflix, take live classes and jog simulated courses you'd otherwise never have the pleasure to run.

"Is it a distraction? Absolutely. But it's a great distraction," said Steve Uria, owner of New York fitness center Switch Playground. In classes, Mr. Uria uses DJs, lights, even smoke to enhance students' experience and take their minds off the pain. "For me to get on a treadmill and stare at a wall: No."

On the screens of the latest NordicTrack treadmills, Mr. Uria and his nine-or-so abs are a featured distraction. You can call him up (or pick from about 30 other trainers) to serve as your virtual running buddy at locations around the world. In my recent test of the technology, Mr. Uria "took" me for a tour along the water near his home of Cape Town, South Africa. As we transitioned from a jog to a sprint, the treadmill automatically sped up. As we headed uphill, its incline rose to match the grade—up to 40%.

The experience was surprisingly immersive on a 22-inch HD screen, and the running deck felt great underfoot, partly because NordicTrack has moved the motor back so you're not landing directly on top of it with each step. But, after a while, the way the camera providing my view abruptly panned from the road to Mr. Uria to ships along the dock was a bit much for my stomach. I'll stick with Netflix.

The latest Life Fitness treadmills—found at big gym and hotel chains—also feature virtual trainers, and vast entertainment options. But the brand's new focus is connectivity. You can log in with your phone or fitness tracker (and soon, just your face) to the brand's treadmills to find your chosen content and experiences and log running data. Life Fitness has also partnered with RunSocial, an app that lets you race friends across the gym or the country in real-time, adding bragging rights to your daily workouts.

Woodway treadmills cater to minimalist runners—the popular Curve model doesn't even have a motor. Its pricey selling point? An advanced slatted running surface designed with a softer feel. "It's like running on a cloud," said Barry's Bootcamp instructor Lindsey Clayton. "It bounces with you, so when you're slamming down on it, the force of your body and foot hitting the surface isn't as intense."

But even Woodway's advanced 4Front model is getting a needed tech upgrade for 2018. A new 21-inch touchscreen and smart software enhancements help you determine out your ideal speeds and, based on goals you input, create and adjust running plans to help you get fit without overthinking it. For stat geeks, its Stride Lab feature logs the gait, symmetry and cadence of your running motion.

Peloton is also jogging into the crowded market later this year with its Tread, featuring a slat-belt running deck similar to Woodway's and an in-your-face 32-inch HD touchscreen raised high enough even for 6-foot-4 runners like me. You won't be able access cable-news punditry on it, but as with Peloton's popular spin bikes, the screen gives you the ability to "join" live classes and interact with top trainers. I ducked into an on-demand class with "master instructor" Rebecca Kennedy, who had my legs burning after only a few minutes. Peloton also has the flexibility to constantly tune its software and experiences.

Those real runners can have the streets. I'm going to go jog the Grand Canyon and catch up on some "New Girl."

PACE YOURSELF // FIVE FEATURES THAT MAKE JOGGING INDOORS BETTER THAN EVER

NordicTrack X22i Incline Trainer
You can run with a virtual trainer on its 22-inch touchscreen or use Google Maps to draw your own course to follow. But this machine's key feature is its maximum 40% incline—three times the standard—and its hot buttons that help you quickly increase speed with a single push. *$2,699, nordictrack.com*

Life Fitness Platinum Club Series
A supplier for many hotels and gyms, Life Fitness is fueling a push toward connectivity with its Discover SE3 consoles so that your stats, programs, and streaming content are available everywhere. Next up the brand will explore immersive VR running experiences. *Starting at $6,999, lifefitness.com*

Woodway 4Front
There are fewer entertainment options here, but pro athletes are more impressed with how it feels underfoot. Instead of looping a single belt, Woodway glides 60 individual slats designed with shock-absorbing qualities over its ball-bearing system. These treadmills are used at all U.S. Olympic Training Centers. *$10,650, woodway.com*

Peloton Tread
With the success of Peloton's spin bike, a treadmill was the obvious next step. Due out later this year, the machine will launch with a massive 32-inch HD touchscreen, 10 live classes each day (with many more on-demand), and two unique knobs near your hips for easily turning up the incline and speed. *$3,995, onepeloton.com*

Apple GymKit
For running geeks who want easy access to their data, GymKit lets you "tap in" to connect new treadmills with your Apple Watch. Just flash your wrist at the machine's NFC reader to sync fitness metrics like heart rate, speed and calories burned so that the stats on the machine match what's on your wrist (and vice versa). *apple.com*

MY TECH ESSENTIALS

BARBARA CORCORAN

The cutthroat 'Shark Tank' investor and real estate mogul on the rejuvenating joys of cycling and a smart way to break free from smartphones

You know when you have a knife that feels great in your hand? My **Fiskars Big Grip Hand Trowel** feels like that. It has a good sharp point that can dig through anything and I just love it. Most of my very fancy friends have high-priced therapists. I have a garden.

I bought a tiny **Braun alarm clock** for next to my bed that has allowed me to keep my phone out of the room. I always used the alarm on my phone to wake up—then I'd see one little text and suddenly I'm stuck doing one more thing. Now my phone's just not there. That Braun electric clock freed me.

I always travel with my **Theragun G2Pro massager.** I'm actually surprised that it gets through airport security because it must be about 14 inches long and looks exactly like a drill. The other night I couldn't get any rest because I was antsy. What got me to sleep was hammering out my neck, my shoulders and my legs. It took two minutes and I was out like a baby.

I just bought a brand new yellow bike, a **Firmstrong Urban Lady Beach Cruiser.** I ride around the loop in Central Park early in the morning. The minute you get on a bike, you're a kid again. You can't be worried on a bike. You're carefree. It's a perfect way to start the day.

Sometimes I dress like a total bum to disguise myself. I wear a white T-shirt and a pair of **Athleta capris** that I must've had for 12 years. They're so worn they're almost see-through and probably not even modest anymore. But they are so comfortable. It really makes a difference in how people receive me if I don't have makeup on and I'm dressed like a bum. The minute I put on mascara or eyeliner, everybody asks for a selfie.

When I give a dinner party, I invite friends an hour early and I cover my refrigerator with **Post-Its** that say things like: Set the table, arrange the flowers, light candles, warm the zucchini. Everybody walks in and asks, "How can I help?" Pick a Post-It! It's a great way to start the evening—as long as you're serving wine. *—Edited from an interview by Chris Kornelis*

F. MARTIN RAMIN/THE WALL STREET JOURNAL (TROWEL); GETTY IMAGES (POST-IT NOTES)

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Saddle Up

Baggers, the forever uncool motorcycles your dad's friends rode on weekends, are finally having their moment

BY JONATHAN WELSH

PREDICTING motorcycle-design trends can be tough. In the early 2000s, low-slung custom choppers covered in chrome seduced baby boomers while younger riders preferred speedy sport bikes in fiberglass. Last year everyone craved a pared-down café racer. More recently, nimble "adventure" bikes designed for on- and off-road riding have been gaining ground.

While gifted observers might have forecast those trends, not even the most prescient could have guessed that "baggers"—those big heavy bikes with sculpted fiberglass saddlebags—would carry an air of cool come 2018. Practical? Sure. Capable of hauling people and possessions cross-country? Of course. But never cool, never sexy. Peter Fonda's "Easy Rider" character wasn't about to weigh his bike down with saddlebags no matter how stoned he got.

> The saddlebags come in striking colors like 'twisted cherry,' 'impact blue' and 'hard candy chameleon flake.'

Nevertheless, baggers are indisputably creating a rumble. The 2018 riding season, kicking off soon, will feature the largest array of models yet. In one sense, baggers have acquired a *je ne sais quoi* much the way once-dowdy beach totes have. Those oversize canvas carryalls that families used for hauling towels and toys to the ocean were so practical yet utterly unglamorous. But when designers started making them in desirable colors, with leather details, they were hauled *proudly*.

So too have the saddlebags that straddle these bikes' rear wheels evolved from awkwardly tacked-on aftermarket satchels to hard-shell elements built into the design. Now they come in striking colors like "twisted cherry," "impact blue" and "hard candy chameleon flake" (a dark metallic green)—or are, alternatively, blacked out with minimal chrome, sometimes with a sophisticated matte finish. Also contributing to baggers' new cachet: They ride lower in the rear than standard motorcycles, which gives them the pavement-hugging "slammed" profile of a low-rider car. They seem to be almost crouching, about to pounce on unexpecting prey. Not even the chicest beach tote feels cooly carnivorous.

The bagger's basic design is evolving too. For years Harley-Davidson, the Milwaukee-based behemoth known for large, long-distance motorcycles with braggadocious names like Road King, pretty much owned the bagger market. International bike makers took notice and have aggressively expanded into baggers, vying to redesign—or at least repackage—existing models to attract new younger riders. This year, brands like Germany's BMW, Italy's Moto Guzzi and Japan's Yamaha are rolling out their own interpretations of what a bagger should be. These new-look machines are finding a niche between stylish, muscular cruisers American outlaws have ridden since the 1950s and wide touring bikes—basically two-wheeled Winnebagos—built with luxury-car amenities like navigation systems and heated seats.

The motorcycle industry has struggled to rebuild its sales since the 2008 recession made bikes seem nonessential. While about 1.2 million buyers in the U.S. took home a motorcycle in 2006 (a peak for the industry), in 2016 only 487,000 were sold. With the new interest in baggers, brands like Indian and Yamaha, once known for touring models and smaller "naked" bikes, are discovering a sweet spot in the market. Their hefty machines feel stable, and their low seats make it easy for riders to throw a leg over and hold them upright when at a standstill. The bags help riders carry essentials, so bikes are suitable for weekend travel. They're also generally slimmer than touring models, making them convenient for riding in urban traffic.

Here, five new bikes that define Bagger style, an oxymoron no more.

Moto Guzzi MGX-21 Flying Fortress

Moto Guzzi has been building heavy bikes for decades—its Ambassador and Eldorado models of the early-1970s were known as "Italian Harleys." But the MGX-21 Flying Fortress is the brand's first foray into the sculpted saddlebag look. It features traction control, anti-lock brakes and adjustable electronic engine settings: Select "Veloce" mode for fast riding and maximum power. "Turismo" tones the engine down for long, relaxed rides. In rainy conditions, "Pioggia" keeps the wheels from slipping if the rider is too enthusiastic with the throttle or brakes. *$21,990, motoguzzi.com*

Indian Chieftain Dark Horse

In 2011, snowmobile and all-terrain-vehicle maker Polaris Industries bought the century-old Indian brand and began selling new cruisers and touring models in late-2013. Indian's baggers bridge those segments while adding what the company calls "darker, more aggressive styling" to its lineup. Indian also commissioned former X-Games motocross star Carey Hart to design custom versions of its bikes. The design, performance and practicality of the new models mean "you don't have to hang your head in shame" for riding a big bike with saddlebags, Mr. Hart said. *$23,999, indianmotorcycle.com*

Harley-Davidson Street Glide Special

It's safe to say that Harley's Street Glide, first sold in 2006, kicked off the modern bagger era. In the early 2000s the brand was selling a stripped-down touring model called the Electra Glide Standard that many riders modified using wrenches and cutting tools, trimming their tall windshields and lowering rear suspensions for a streamlined, "slammed" look. Harley got the hint and followed with its factory-built bagger. This latest version, the Street Glide Special, was crafted with a surprisingly striking shape meant to recall hand-built show bikes. *$25,999, harleydavidson.com*

BMW K 1600 B

The German bike maker has built hardcore touring bikes for decades, but they were more purposeful than stylish, built strictly to haul people and luggage efficiently. The K 1600 B, the brand's first modern bagger, is a sign that BMW has loosened up—and let loose. While similar bikes have relatively simple two-cylinder "v-twin" engines with less than 100 horsepower, the BMW has a high-tech six-cylinder power plant that generates 160 horsepower, putting its Bagger among the most powerful bikes on the market in any category. *$19,995, bmwmotorcycles.com*

Yamaha Star Eluder

Yamaha has built up a range of several cruisers over the past decade, from the custom chopper-like Raider to the Bolt, which has the svelte look and forward-leaning riding posture of a dirt-track racer. But the company's lineup didn't include a real bagger until late last year when it rolled out the Star Eluder. Based on Yamaha's heavier Venture touring model, the stripped down Star Eluder weighs about 80 pounds less and comes with heated seats for rider and passenger, and a 7-inch LCD display with touch- and voice-activated controls. *$22,499, yamahamotorsports.com*

GO DIRECTLY TO D-DAY

These board games put you in the seat of power as you replay infamous events and understand the moving pieces that shaped history

In the award-winning 'Freedom,' players work together as they sneak slaves north.

F. MARTIN RAMIN/THE WALL STREET JOURNAL

FOR YEARS, many thinking adults associated board games with mind-numbing drudgery that made them want to flip the table. Then, in the 1990s, games like "Settlers of Catan" paved the way out of Candy Land. For some, "Settlers" still wasn't sophisticated enough, prompting a new strain of challenging games, centered on historic events but sufficiently inviting for non-academics. Five we recommend:

For Strategists on the Go

"13 Minutes" is both the time it takes for ballistic missiles to reach the U.S. from Cuba and the time required to play this game (give or take). Here, opponents push their cards and cubes into different spheres of influence as they jockey for political advantage and avoid moves that might trigger nuclear war. *$10, miniaturemarket.com*

For Team Players

"Freedom: The Underground Railroad" takes an unflinching look at the struggle against slavery, as players assume the roles of abolitionists trying to assist escaped slaves in their journey north. It's cooperative, meaning players collectively face a series of escalating challenges, not each other, and everyone wins or loses together. *$70, academygames.com*

For Armchair Generals

Plastic tanks and army men give "Memoir '44" the appearance of a child's game, but those friendly trappings belie complex dice- and card-based combat. Choose from a generous selection of real battle scenarios to engage in, including D-Day and the Liberation of Paris. *$60, funagain.com*

For Aspiring Politicians

"1960: The Making of the President" plays out on a large electoral map as candidates take sides on key issues and navigate current events of the day. As Richard Nixon or John Kennedy, players (literally) lay their cards on the table in an intense debate phase that leads to an election-day showdown. *$85, coolstuffinc.com*

For Hardcore Historians

Can board games communicate the messy political realities that shape world conflicts? In the unapologetically complex "Fire in the Lake," up to four players line up as competing factions in the Vietnam War. They must work together in negotiating pivotal events, but since only one player will triumph, each round becomes an exercise in trust, risk, and suspicion. *$85, gmtgames.com*

—Andrew McAlpine

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